Westpac Banking Corporation
Level 18, 275 Kent Street
Sydney, NSW, 2000

ASX RELEASE

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Westpac Banking Corporation – New Zealand Banking Group Disclosure Statement

Westpac Banking Corporation ("Westpac") today provides the attached Westpac New Zealand Banking Group Disclosure Statement for the six months ended 31 March 2026.

For further information:

Hayden Cooper
Group Head of Media Relations
0402 393 619

Justin McCarthy
General Manager, Investor Relations
0422 800 321

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

WESTPAC BANKING CORPORATION – NEW ZEALAND BANKING GROUP

Disclosure Statement.

For the six months ended 31 March 2026.

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Contents

Glossary of terms

Certain information contained in this Disclosure Statement is required by the Order.

In this Disclosure Statement, reference is made to:

- **Overseas Bank** - refers to Westpac Banking Corporation;
- **Overseas Banking Group** - refers to the Overseas Bank and all other entities included in the Overseas Bank's group for the purposes of public reporting of the group financial statements in Australia;
- **NZ Branch** - refers to the New Zealand business (as defined in the Order) of the Overseas Bank;
- **Westpac New Zealand** - refers to Westpac New Zealand Limited; and
- **NZ Banking Group** - refers to the financial reporting group (as defined in the Order) of the Overseas Bank. Controlled entities of the NZ Banking Group are set out in Note 22 to the financial statements included in the Disclosure Statement for the year ended 30 September 2025 and changes (if any) to the NZ Banking Group since 30 September 2025 are included in Note 10;

Words and phrases not defined in this Disclosure Statement, but defined by the Order, have the meaning given by the Order when used in this Disclosure Statement.

The Disclosure Statement also uses the following terms as defined below.

ANZSIC	Australian and New Zealand Standard Industrial Classification
APRA	Australian Prudential Regulation Authority
AT1	Additional Tier 1 capital
AUSTRAC	Australian Transaction Reports and Analysis Centre
BPR	Banking Prudential Requirements
CAP	Collectively assessed provisions
CB Programme	Westpac New Zealand's Global Covered Bond Programme
ECL	Expected credit losses
Financial statements	Condensed consolidated interim financial statements
FVIS	Fair value through income statement
FX	Foreign exchange

GDP	Gross domestic product
IAP	Individually assessed provisions
IRB	Internal ratings-based
IRRBB	Interest rate risk in the banking book
LVR	Loan-to-value ratio
NCI	Non-controlling interests
NZ IFRS	New Zealand equivalents to International Financial Reporting Standards
Order	Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended)
PPS	Perpetual preference shares
Reserve Bank	Reserve Bank of New Zealand
RWAs	Risk weighted assets or risk weighted exposures
WSNZL	Westpac Securities NZ Limited

Directors' and the Chief Executive Officer, NZ Branch's statement

Each Director of the Overseas Bank and the Chief Executive Officer, NZ Branch, believes, after due enquiry, that, as at the date on which this Disclosure Statement is signed, the Disclosure Statement:

(a) contains all the information that is required by the Order; and

(b) is not false or misleading.

Each Director of the Overseas Bank and the Chief Executive Officer, NZ Branch, believes, after due enquiry, that, over the six months ended 31 March 2026:

(a) the Overseas Bank has complied in all material respects with each condition of registration that applied during that period; and

(b) the NZ Branch and other members of the NZ Banking Group had systems in place to monitor and control adequately the material risks of relevant members of the NZ Banking Group, including credit risk, concentration of credit risk, interest rate risk, currency risk, equity risk, liquidity risk and other business risks, and that those systems were being properly applied. For this purpose, a relevant member of the NZ Banking Group means a member of the NZ Banking Group that is not a member of Westpac New Zealand's Banking Group, as defined in Westpac New Zealand's Disclosure Statement for the six months ended 31 March 2026.

The Disclosure Statement has been signed on behalf of all of the Directors by Catherine McGrath, Chief Executive Officer, Westpac New Zealand, and by Christopher Leuschke as Chief Executive Officer, NZ Branch.

Catherine McGrath

Christopher Leuschke

Dated this 12th day of May 2026

Income statement for the six months ended 31 March 2026

		NZ BANKING GROUP	
$ millions	Note	**Six Months Ended 31 Mar 26 Unaudited**	Six Months Ended 31 Mar 25 Unaudited
Interest income:			
Calculated using the effective interest method	2	**2,964**	3,631
Other	2	**103**	125
Total interest income		**3,067**	3,756
Interest expense	2	**(1,685)**	(2,337)
Net interest income		**1,382**	1,419
Non-interest income			
Net fees and commissions	3	**93**	92
Net wealth management	3	**25**	23
Trading	3	**55**	68
Other	3	**7**	8
Total non-interest income		**180**	191
Net operating income		**1,562**	1,610
Operating expenses	4	**(792)**	(766)
Impairment (charges)/benefits	5	**(37)**	(33)
Profit before income tax expense		**733**	811
Income tax expense		**(206)**	(227)
Profit after income tax expense		**527**	584
Net profit attributable to NCI		**(10)**	(10)
Net profit attributable to the owners of the Overseas Bank		**517**	574

The above income statement should be read in conjunction with the accompanying notes.

Statement of comprehensive income for the six months ended 31 March 2026

$ millions	NZ BANKING GROUP Six Months Ended 31 Mar 26 Unaudited	Six Months Ended 31 Mar 25 Unaudited
Profit after income tax expense	**527**	584
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Gains/(losses) recognised in equity on:		
Investment securities	**18**	25
Cash flow hedging instruments	**132**	(14)
Cost of hedging	**(33)**	-
Transferred to income statement:		
Cash flow hedging instruments	**(25)**	11
Cost of hedging	**(1)**	-
Income tax on items taken to or transferred from equity:		
Investment securities	**(5)**	(7)
Cash flow hedging instruments	**(30)**	1
Cost of hedging	**9**	-
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of defined benefit obligation recognised in equity (net of tax)	**1**	1
Net other comprehensive income/(expense) (net of tax)	**66**	17
Total comprehensive income	**593**	601
Attributable to:		
Owners of the Overseas Bank	**583**	591
NCI	**10**	10

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Balance sheet as at 31 March 2026

		NZ BANKING GROUP	
$ millions	Note	**31 Mar 26 Unaudited**	30 Sep 25 Audited
Assets			
Cash and balances with central banks		**4,950**	6,188
Collateral paid		**269**	176
Trading securities and financial assets measured at FVIS		**6,847**	6,153
Derivative financial instruments		**7,568**	7,182
Investment securities		**8,604**	8,206
Loans	6,7	**109,407**	106,800
Other financial assets		**1,108**	1,248
Due from related entities		**3,677**	3,004
Property and equipment		**443**	472
Deferred tax assets		**177**	191
Intangible assets		**923**	953
Other assets		**164**	177
Total assets		**144,137**	140,750
Liabilities			
Collateral received		**1,558**	1,332
Deposits and other borrowings	8	**85,473**	82,832
Other financial liabilities		**3,292**	4,989
Derivative financial instruments		**5,024**	4,729
Due to related entities		**5,203**	4,334
Debt issues	9	**27,496**	26,406
Current tax liabilities		**3**	96
Provisions		**151**	204
Other liabilities		**288**	322
Loan capital		**3,335**	3,318
Total liabilities		**131,823**	128,562
Net assets		**12,314**	12,188
Head office account			
Branch capital		**1,300**	1,300
Retained profits		**1,690**	1,647
Total head office account		**2,990**	2,947
NZ Banking Group equity			
Share capital		**6,045**	6,045
Reserves		**(3)**	(68)
Retained profits		**2,913**	2,895
Total NZ Banking Group equity		**8,955**	8,872
Total equity attributable to owners of the Overseas Bank		**11,945**	11,819
NCI		**369**	369
Total shareholders' equity and NCI		**12,314**	12,188

The above balance sheet should be read in conjunction with the accompanying notes.

Statement of changes in equity for the six months ended 31 March 2026

	NZ BANKING GROUP							
	NZ Branch Head Office Account		Other Members of the NZ Banking Group			Total equity attributable to the owners of the Overseas Bank	NCI	Total shareholders' equity and NCI
$ millions	Branch Capital	Retained Profits	Share Capital	Reserves	Retained Profits			
As at 30 September 2024 (Audited)	1,300	1,598	6,045	(64)	2,446	11,325	369	11,694
Six months ended 31 March 2025 (Unaudited)								
Profit after income tax expense	-	74	-	-	500	574	10	584
Net other comprehensive income/(expense)	-	-	-	16	1	17	-	17
Total comprehensive income/(expense)	-	74	-	16	501	591	10	601
Transactions with equity holders:								
Dividends paid on ordinary shares (Note 10)	-	-	-	-	(308)	(308)	-	(308)
Dividends paid on PPS				-	-	-	(10)	(10)
As at 31 March 2025 (Unaudited)	1,300	1,672	6,045	(48)	2,639	11,608	369	11,977
As at 30 September 2025 (Audited)	**1,300**	**1,647**	**6,045**	**(68)**	**2,895**	**11,819**	**369**	**12,188**
Six months ended 31 March 2026 (Unaudited)								
Profit after income tax expense	**-**	**43**	**-**	**-**	**474**	**517**	**10**	**527**
Net other comprehensive income/(expense)	**-**	**-**	**-**	**65**	**1**	**66**	**-**	**66**
Total comprehensive income/(expense)	**-**	**43**	**-**	**65**	**475**	**583**	**10**	**593**
Transactions with equity holders:								
Dividends paid on ordinary shares (Note 10)	**-**	**-**	**-**	**-**	**(457)**	**(457)**	**-**	**(457)**
Dividends paid on PPS	**-**	**-**	**-**	**-**	**-**	**-**	**(10)**	**(10)**
As at 31 March 2026 (Unaudited)	**1,300**	**1,690**	**6,045**	**(3)**	**2,913**	**11,945**	**369**	**12,314**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows for the six months ended 31 March 2026

		NZ BANKING GROUP	
$ millions	Note	**Six Months Ended 31 Mar 26 Unaudited**	Six Months Ended 31 Mar 25 Unaudited
Cash flows from operating activities			
Interest received		**3,042**	3,674
Interest paid		**(1,819)**	(2,340)
Non-interest income received		**260**	(11)
Operating expenses paid		**(678)**	(682)
Income tax paid		**(307)**	(368)
Cash flows from operating activities before changes in operating assets and liabilities		**498**	273
Net (increase)/decrease in:			
Collateral paid		**(93)**	107
Trading securities and financial assets measured at FVIS		**(613)**	(102)
Loans		**(2,797)**	(1,228)
Other financial assets		**(29)**	61
Due from related entities		**(39)**	4
Other assets		**5**	-
Net increase/(decrease) in:			
Collateral received		**226**	965
Deposits and other borrowings		**2,624**	1,446
Other financial liabilities		**(1,486)**	240
Due to related entities		**(58)**	(1)
Other liabilities		**(6)**	6
Net movement in external and related entity derivative financial instruments		**264**	930
Net cash provided by/(used in) operating activities		**(1,504)**	2,701
Cash flows from investing activities			
Proceeds from investment securities		**-**	10
Purchase of investment securities		**(558)**	(522)
Purchase of intangible assets		**(51)**	(44)
Purchase of property and equipment		**(30)**	(46)
Net cash provided by/(used in) investing activities		**(639)**	(602)
Cash flows from financing activities			
Proceeds from debt issues		**6,779**	2,759
Repayments of debt issues		**(5,819)**	(4,231)
Payments for the principal portion of lease liabilities		**(20)**	(32)
Maturities, repayments, buy-backs and reduction of loan capital		**1**	6
Dividends paid on ordinary shares	10	**(457)**	(308)
Dividends paid on PPS		**(10)**	(10)
Net movement in due to related entities		**6**	30
Net cash provided by/(used in) financing activities		**480**	(1,786)
Net increase/(decrease) in cash and cash equivalents		**(1,663)**	313
Cash and cash equivalents at the beginning of the period		**8,076**	8,261
Effect of exchange rate changes on cash and cash equivalents		**19**	103
Cash and cash equivalents at the end of the period		**6,432**	8,677
Cash and cash equivalents at the end of the period comprise:			
Cash on hand		**583**	205
Balances with central banks		**4,367**	6,455
Total cash and balances with central banks		**4,950**	6,660
Amounts due from related entities classified as cash and cash equivalents		**1,482**	2,013
Interbank lending classified as cash and cash equivalents		**-**	4
Cash and cash equivalents at the end of the period		**6,432**	8,677

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

Note 1 Financial statements preparation

These financial statements have been prepared in accordance with the Order and Generally Accepted Accounting Practice, as appropriate for for-profit entities, and the New Zealand equivalent to International Accounting Standard 34 *Interim Financial Reporting*. They also comply with International Accounting Standard 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board. These financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, they should be read in conjunction with the annual financial statements included in the Disclosure Statement for the year ended 30 September 2025.

The financial statements were authorised for issue by the Board of Directors of the Overseas Bank on 12 May 2026.

Accounting policies

The accounting policies adopted in the preparation of these financial statements are consistent with those in the annual financial statements for the year ended 30 September 2025, except for certain hedge accounting changes as outlined below. The going concern concept has been applied.

Effective 1 October 2025, the NZ Banking Group adopted the hedge accounting requirements of NZ IFRS 9 *Financial instruments*. As permitted by NZ IFRS 9, the adoption of these requirements is considered a change in accounting policy for the NZ Banking Group and is applied prospectively. As the accounting for macro hedging activities of interest rate risk is not explicitly addressed in NZ IFRS 9, the NZ Banking Group will continue to apply NZ IAS 39 *Financial Instruments: Recognition and Measurement* hedge accounting principles for its portfolio-level fair value hedging of retail products.

NZ IFRS 9 simplifies hedge accounting by more closely aligning hedge relationships with the NZ Banking Group's risk management strategies and allows a broader range of hedged items and hedging instruments to be designated. Certain cost-of-hedging elements may now be deferred in other comprehensive income (OCI) in a cost of hedging reserve (COHR). In addition, the hedge effectiveness testing is less prescriptive. Whereas NZ IAS 39 requires hedge effectiveness to be within a range of 80%–125% or otherwise hedge accounting is discontinued, NZ IFRS 9 instead requires a qualitative assessment of whether an economic relationship exists between the hedged item and the hedging instrument and also permits rebalancing for hedge relationships where effectiveness levels have changed.

All the NZ Banking Group's existing hedge accounting relationships previously designated under NZ IAS 39 continued to qualify for hedge accounting under NZ IFRS 9 and comparative information has not been restated. Under NZ IFRS 9, costs of hedging (cross-currency basis spreads) are being reflected in a new COHR within OCI. The balance of the COHR as at 31 March 2026 is $(25) million (30 September 2025: Nil).

All amounts in these financial statements are presented in New Zealand dollars and have been rounded to the nearest million dollars unless otherwise stated.

Comparative information has been revised where appropriate to conform to changes in presentation in the current year and to enhance comparability. Where there has been a material restatement of comparative information, the nature of, and the reason for, the restatement is disclosed in these financial statements.

Critical accounting assumptions and estimates

In preparing the interim financial statements, the application of the NZ Banking Group's accounting policies requires the use of judgement, assumptions and estimates. The areas of judgement, assumptions and estimates in these financial statements, including the key sources of estimation uncertainty, are consistent with those in the Disclosure Statement for the year ended 30 September 2025. Recent geopolitical developments have led to a higher than usual degree of uncertainty with the assumptions and estimates used to determine the provision for ECL. Actual outcomes may differ significantly from the assumptions used. Details of the specific judgements in relation to the calculation of the provision for ECL including overlays are included in Note 7.

Amendments to Accounting Standards effective this period

Except for certain hedge accounting changes as outlined above, no new accounting standards have been adopted by the NZ Banking Group for the six months ended 31 March 2026. There have been no amendments to existing accounting standards that have had a material impact on the NZ Banking Group.

Notes to the financial statements

Note 2 Net interest income

	NZ BANKING GROUP	
$ millions	Six Months Ended 31 Mar 26 Unaudited	Six Months Ended 31 Mar 25 Unaudited
Interest income		
Calculated using the effective interest method		
Cash and balances with central banks	**74**	184
Collateral paid	**3**	2
Investment securities	**161**	140
Loans	**2,702**	3,272
Due from related entities	**23**	33
Other interest income	**1**	-
Total interest income calculated using the effective interest method	**2,964**	3,631
Other		
Trading securities and financial assets measured at FVIS	**103**	125
Total other	**103**	125
Total interest income	**3,067**	3,756
Interest expense		
Calculated using the effective interest method		
Collateral received	**22**	22
Deposits and other borrowings	**903**	1,475
Due to related entities	**19**	29
Debt issues	**380**	279
Loan capital	**95**	95
Other financial liabilities	**10**	68
Total interest expense calculated using the effective interest method	**1,429**	1,968
Other		
Deposits and other borrowings	**27**	46
Debt issues	**73**	87
Other interest expense[1]	**156**	236
Total other	**256**	369
Total interest expense	**1,685**	2,337
Net interest income	**1,382**	1,419

[1] Includes the net impact of Treasury's interest rate and liquidity management activities.

Notes to the financial statements

Note 3 Non-interest income

$ millions	NZ BANKING GROUP Six Months Ended 31 Mar 26 Unaudited	Six Months Ended 31 Mar 25 Unaudited
Net fees and commissions		
Facility fees	**27**	25
Transaction fees and commissions	**97**	96
Other non-risk fee income	**10**	11
Fees and commissions income	**134**	132
Credit card loyalty programmes	**(16)**	(16)
Transaction fees and commissions related expenses	**(25)**	(24)
Fees and commissions expenses	**(41)**	(40)
Net fees and commissions	**93**	92
Net wealth management	**25**	23
Trading	**55**	68
Other		
Net ineffectiveness on qualifying hedges	**2**	(1)
Other	**5**	9
Total other	**7**	8
Total non-interest income	**180**	191

Note 4 Operating expenses

$ millions	NZ BANKING GROUP Six Months Ended 31 Mar 26 Unaudited	Six Months Ended 31 Mar 25 Unaudited
Staff expenses	**399**	390
Lease expenses	**10**	11
Depreciation	**54**	59
Technology services and telecommunications	**145**	136
Purchased services	**29**	34
Software amortisation	**81**	67
Related entities - management fees	**8**	8
Other[1]	**66**	61
Total operating expenses	**792**	766

[1] 'Other' includes expenses such as advertising, property related costs, postage and freight and non-lending losses.

Notes to the financial statements

Note 5 Impairment charges/(benefits)

	NZ BANKING GROUP	
$ millions	**Six Months Ended 31 Mar 26 Unaudited**	Six Months Ended 31 Mar 25 Unaudited
Provisions raised/(released):		
Performing	**24**	5
Non-performing	**10**	24
Bad debts written off/(recovered) directly to the income statement	**3**	4
Impairment charges/(benefits)	**37**	33
of which relates to:		
Loans and credit commitments	**37**	33
Impairment charges/(benefits)	**37**	33

Impairment charges/(benefits) on all other financial assets are not material to the NZ Banking Group.

Note 6 Loans

	NZ BANKING GROUP	
$ millions	**31 Mar 26 Unaudited**	30 Sep 25 Audited
Residential mortgages	**73,335**	71,300
Other retail	**2,597**	2,578
Corporate	**33,736**	33,142
Other	**215**	230
Total gross loans	**109,883**	107,250
Provision for ECL on loans (refer to Note 7)	**(476)**	(450)
Total net loans	**109,407**	106,800

As at 31 March 2026, $7,537 million of residential mortgages, accrued interest (representing accrued interest on the outstanding residential mortgages) and cash (representing collections of principal and interest from the underlying residential mortgages) were used by the NZ Banking Group to secure the obligations of WSNZL under the CB Programme (30 September 2025: $7,539 million).

In addition, $18 million of residential mortgages and accrued interest have been pledged as collateral as part of the repurchase agreements with the Reserve Bank, under the Term Lending Facility (30 September 2025: $1,532 million under the Term Lending Facility and Funding for Lending Programme (which was fully repaid during the period ended 31 March 2026)).

The pledged assets were not derecognised from the NZ Banking Group's balance sheet in accordance with the accounting policies outlined in Note 1 Financial statements preparation included in the Disclosure Statement for the year ended 30 September 2025. As at 31 March 2026, the New Zealand dollar equivalent of bonds issued by WSNZL under the CB Programme was $5,020 million (30 September 2025: $6,613 million) and the cash value of the repurchase agreements with the Reserve Bank was $15 million (30 September 2025: $1,134 million).

Note 7 Provision for expected credit losses

Loans and credit commitments

Movements in components of loss allowance

The reconciliation of the provision for ECL for loans and credit commitments has been determined by an aggregation of monthly movements over the period. The key line items in the reconciliation represent the following:

- "Transfers between stages" represents transfers between Stage 1, Stage 2 and Stage 3 prior to remeasurement of the provision for ECL.
- "New facilities originated" represents new accounts originated during the period.
- "Facilities derecognised" represents loans derecognised due to final repayments during the period.
- "Other charges/(credits) to the income statement" represents the impact on the provision for ECL due to changes in credit quality during the period (including transfers between stages), changes in portfolio overlays, changes in key economic assumptions and partial repayments and additional drawdowns on existing facilities over the period.
- "Amounts written off" represents a reduction in the provision for ECL as a result of derecognition of exposures where there is no reasonable expectation of full recovery.

Note 7 Provision for expected credit losses (continued)

The following table reconciles the provision for ECL on loans and credit commitments for the NZ Banking Group.

	NZ BANKING GROUP				
	31 Mar 26 Unaudited				
	Performing		Non-performing		
	Stage 1	Stage 2	Stage 3	Stage 3	
$ millions	CAP	CAP	CAP	IAP	Total
Provision for ECL on loans and credit commitments as at 30 September 2025	85	248	92	66	491
Transfers to Stage 1	59	(58)	(1)	-	-
Transfers to Stage 2	(8)	48	(38)	(2)	-
Transfers to Stage 3 CAP	-	(20)	22	(2)	-
Transfers to Stage 3 IAP	-	(1)	(9)	10	-
Reversals of previously recognised impairment charges	-	-	-	(13)	(13)
New facilities originated	18	-	-	-	18
Facilities derecognised	(7)	(37)	(16)	-	(60)
Changes in CAP due to amounts written off	-	-	(12)	-	(12)
Other charges/(credits) to the income statement	(54)	84	51	20	101
Total charges/(credits) to the income statement for ECL	8	16	(3)	13	34
Amounts written off from IAP	-	-	-	(8)	(8)
Total provision for ECL on loans and credit commitments as at 31 March 2026	93	264	89	71	517
Presented as:					
Provision for ECL on loans (refer to Note 6)	80	238	89	69	476
Provision for ECL on credit commitments	13	26	-	2	41
Total provision for ECL on loans and credit commitments as at 31 March 2026	93	264	89	71	517

The following table provides further details of the provision for ECL by types of exposure and stage:

	NZ BANKING GROUP									
	31 Mar 26 Unaudited					30 Sep 25 Audited				
	Performing		Non-performing			Performing		Non-performing		
	Stage 1	Stage 2	Stage 3	Stage 3		Stage 1	Stage 2	Stage 3	Stage 3	
$ millions	CAP	CAP	CAP	IAP	Total	CAP	CAP	CAP	IAP	Total
Provision for ECL on loans and credit commitments										
Residential mortgages	44	129	61	30	264	39	104	57	31	231
Other retail	15	36	11	3	65	13	34	10	2	59
Corporate	34	99	17	38	188	33	110	25	33	201
Total provision for ECL on loans and credit commitments	93	264	89	71	517	85	248	92	66	491

Note 7 Provision for expected credit losses (continued)

Impact of overlays on the provision for ECL on loans and credit commitments

The following table attributes the provision for ECL on loans and credit commitments between individually assessed and collectively assessed provisions. Collectively assessed provisions are disaggregated into the modelled ECL provision and portfolio overlays.

Portfolio overlays are used to capture areas of potential risks and uncertainties that are not captured in the underlying modelled ECL.

	NZ BANKING GROUP	
$ millions	**31 Mar 26 Unaudited**	30 Sep 25 Audited
Individually assessed provisions for ECL on loans and credit commitments	**71**	66
Modelled provision for ECL on loans and credit commitments (a)	**453**	452
Overlays (b)	**(7)**	(27)
Total provision for ECL on loans and credit commitments	**517**	491

Details of changes related to forward-looking economic inputs and portfolio overlays, based on reasonable and supportable information up to the date of this disclosure statement, are provided below.

(a) Modelled provision for ECL on loans and credit commitments

The modelled provision for ECL on loans and credit commitments is a probability weighted estimate based on three scenarios which together represent the NZ Banking Group's view of the forward-looking distribution of potential loss outcomes. The changes in provisions as a result of changes in modelled ECL are reflected through the "Other charges/(credits) to the income statement" line in the "Movements in components of loss allowance" table. Overlays are used to capture potential risks and uncertainties that are not captured in the underlying modelled ECL.

The base case scenario uses the latest Westpac Economics forecast. Certain data points from this forecast are shown below:

Key economic assumptions for base case scenario	31 Mar 26 Unaudited	30 Sep 25 Audited
Annual GDP	Forecast growth of 1.9% for calendar year 2026 and 3.9% for calendar year 2027.	Forecast growth of 1.7% for calendar year 2025 and 3.1% for calendar year 2026.
Residential property prices	Forecast annual price contraction of 0.9% for calendar year 2026 and forecast annual price appreciation of 2.0% for calendar year 2027.	Forecast annual price appreciation of 0.6% for calendar year 2025 and 5.4% for calendar year 2026.
Cash rate	Forecast cash rate of 2.50% at December 2026 and 4.00% at December 2027.	Forecast cash rate of 2.25% at December 2025 and 2.50% at December 2026.
Unemployment rate	Forecast rate of 5.4% at December 2026 and 4.6% at December 2027.	Forecast rate of 5.3% at December 2025 and 4.6% at December 2026.

The downside scenario is an economic downturn scenario with ECL higher than the base case. This scenario assumes a recession with a combination of negative GDP growth, declines in residential property prices and an increase in the unemployment rate, which simultaneously impact ECL across all portfolios from the reporting date. The assumptions used in this scenario and relativities to the base case are monitored having regard to the emerging economic conditions and updated where necessary. The upside scenario represents a modest economic improvement to the base case.

The following sensitivity table shows the reported provision for ECL on loans and credit commitments based on the probability weighted scenarios and what the provision for ECL on loans and credit commitments would be assuming a 100% weighting is applied to the base case scenario and to the downside scenario (with all other assumptions held constant).

	NZ BANKING GROUP	
$ millions	**31 Mar 26 Unaudited**	30 Sep 25 Audited
Reported probability-weighted ECL	**517**	491
100% base case ECL	**303**	286
100% downside ECL	**781**	744

Notes to the financial statements

Note 7 Provision for expected credit losses (continued)

If 1% of the Stage 1 gross exposure from loans and credit commitments (calculated on a 12 month ECL) were transferred to Stage 2 (calculated on a lifetime ECL) the provision for ECL on loans and credit commitments would increase by $21 million (30 September 2025: $17 million). If 1% of Stage 2 loans and credit commitments (calculated on a lifetime ECL) were transferred to Stage 1 (calculated on a 12 month ECL), the provision for ECL on loans and credit commitments would decrease by $3 million (30 September 2025: $2 million) for the NZ Banking Group. These estimates apply the average modelled provision coverage ratio by stage to the transfer of loans and credit commitments.

The following table discloses the macroeconomic scenario weightings applied by the NZ Banking Group as at 31 March 2026 and 30 September 2025.

	NZ BANKING GROUP	
Scenario weightings (%)	**31 Mar 26 Unaudited**	30 Sep 25 Audited
Upside	**5.0**	5.0
Base	**50.0**	50.0
Downside	**45.0**	45.0

(b) Portfolio overlays

Portfolio overlays are used to address areas of risk, including significant uncertainties that are not captured in the underlying modelled ECL. These risks may result in under or over estimation of the modelled provision for ECL. Determination of portfolio overlays requires expert judgement and is thoroughly documented and subject to comprehensive internal governance and oversight. Portfolio overlays are continually reassessed and if the risk is judged to have changed (increased or decreased), or is subsequently captured in the modelled ECL, the portfolio overlays will be released or remeasured.

The NZ Banking Group's total portfolio overlays as at 31 March 2026 were $(7) million (30 September 2025: $(27) million).

Impact of changes in gross carrying amount on the provision for ECL

- Stage 1 gross carrying amount had a net increase of $3.7 billion (30 September 2025: increased by $12.4 billion), primarily driven by new lending and underlying portfolio movement from residential mortgages and corporate lending, partially offset by repayments. The Stage 1 ECL increase is in line with the increase in exposures, primarily driven by underlying portfolio movements and a more conservative economic outlook.
- Stage 2 gross carrying amount decreased by $1.0 billion (30 September 2025: decreased by $8.2 billion), primarily driven by the movement of exposures to Stage 1 from residential mortgages and corporate lending along with repayments. The Stage 2 ECL increase is primarily from management overlay, along with an impact from a weaker economic outlook, partially offset by underlying portfolio movements.
- Stage 3 gross carrying amount decreased by $0.04 billion (30 September 2025: increased by $0.1 billion), reflecting gross movements of exposures between Stage 3 and Stage 2, along with repayments, resulting in a small net reduction over the period. The increase in Stage 3 ECL is largely driven by new IAPs.

Refer to Note iii. Asset quality of the Registered bank disclosures for further details.

Note 8 Deposits and other borrowings

	NZ BANKING GROUP	
$ millions	**31 Mar 26 Unaudited**	30 Sep 25 Audited
Certificates of deposit	**1,729**	1,812
Non-interest bearing, repayable at call	**13,409**	12,174
Other interest bearing:		
At call	**30,273**	30,019
Term	**40,062**	38,827
Total deposits and other borrowings	**85,473**	82,832

Notes to the financial statements

Note 9 Debt issues

$ millions	NZ BANKING GROUP 31 Mar 26 Unaudited	30 Sep 25 Audited
Short-term debt:		
Commercial paper	**3,985**	2,746
Total short-term debt	**3,985**	2,746
Long-term debt:		
Non-domestic medium-term notes	**14,781**	13,577
Covered bonds	**4,934**	6,553
Domestic medium-term notes	**3,796**	3,530
Total long-term debt	**23,511**	23,660
Total debt issues	**27,496**	26,406

Note 10 Related entities

Controlled entities of the NZ Banking Group are set out in Note 22 to the financial statements included in the Disclosure Statement for the year ended 30 September 2025.

On 19 February 2026, Westpac New Zealand Group Limited declared and paid a cash dividend of $449 million to Westpac Overseas Holdings No.2 Pty Limited with imputation credits of $175 million attached (31 March 2025: $308 million dividend with $120 million imputation credits attached).

On 27 March 2026, BT Financial Group (NZ) Limited declared and paid a cash dividend of $8 million to Westpac Equity Holdings Pty Limited with no imputation credits attached (31 March 2025: no dividends were paid during the comparative period).

Note 11 Fair values of financial assets and financial liabilities

Fair Valuation Control Framework

The NZ Banking Group uses a Fair Valuation Control Framework where the fair value is either determined or validated by a function independent of the transaction. This framework formalises the policies and procedures used to achieve compliance with relevant accounting, industry and regulatory standards. The framework includes specific controls relating to:

- the revaluation of financial instruments;
- independent price verification;
- fair value adjustments; and
- financial reporting.

A key element of the framework is the Revaluation Committee, comprising senior valuation specialists from within the Overseas Banking Group. The Revaluation Committee reviews the application of the agreed policies and procedures to assess that a fair value measurement basis has been applied.

The method of determining fair value differs depending on the information available.

Fair value hierarchy

A financial instrument's categorisation within the valuation hierarchy is based on the lowest level input that is significant to the fair value measurement.

The NZ Banking Group categorises all fair value instruments according to the hierarchy described below.

Valuation techniques

The NZ Banking Group applies market accepted valuation techniques in determining the fair valuation of over-the-counter derivatives. This includes credit valuation adjustments and funding valuation adjustments, which incorporate credit risk and funding costs and benefits that arise in relation to uncollateralised derivative positions, respectively.

The specific valuation techniques, the observability of the inputs used in valuation models and the subsequent classification for each significant product category are outlined as follows:

Note 11 Fair values of financial assets and financial liabilities (continued)

Financial instruments measured at fair value

Level 1 instruments

The fair value of financial instruments traded in active markets is based on recent unadjusted quoted prices. These prices are based on actual arm's length basis transactions.

The valuations of Level 1 instruments require little or no management judgement.

Instrument	Balance sheet category	Includes	Valuation
Exchange traded products	Derivative financial instruments Due from related entities Due to related entities	Exchange traded interest rate futures - derivative financial instruments	These instruments are traded in liquid, active markets where prices are readily observable. No modelling or assumptions are used in the valuation.
FX products	Derivative financial instruments	FX spot contracts	
Debt instruments	Trading securities and financial assets measured at FVIS Investment securities Other financial liabilities	New Zealand Government bonds	

Level 2 instruments

The fair value for financial instruments that are not actively traded is determined using valuation techniques which maximise the use of observable market prices. Valuation techniques include:

- the use of market standard discounting methodologies;
- option pricing models; and
- other valuation techniques widely used and accepted by market participants.

Instrument	Balance sheet category	Includes	Valuation
Interest rate products	Derivative financial instruments Due from related entities Due to related entities	Interest rate swaps, forwards and options – derivative financial instruments	Industry standard valuation models are used to calculate the expected future value of payments by product, which is discounted back to a present value. The model's interest rate inputs are benchmark interest rates and active broker quoted interest rates in the swap, bond and futures markets. Interest rate volatilities are sourced from brokers and consensus data providers. If consensus prices are not available, these are classified as Level 3 instruments.
FX products	Derivative financial instruments Due from related entities Due to related entities	FX swaps and FX forward contracts – derivative financial instruments	Derived from market observable inputs or consensus pricing providers using industry standard models. If consensus prices are not available, these are classified as Level 3 instruments.
Non-asset backed debt instruments	Trading securities and financial assets measured at FVIS Investment securities Other financial liabilities	Local authority and NZ public securities, other bank issued certificates of deposit, commercial paper, other government securities, off-shore securities and corporate bonds Repurchase agreements and reverse repurchase agreements over non-asset backed debt securities	Valued using observable market prices which are sourced from independent pricing services, broker quotes or inter-dealer prices. If prices are not available from these sources, these are classified as Level 3 instruments.

Notes to the financial statements

Note 11 Fair values of financial assets and financial liabilities (continued)

Instrument	Balance sheet category	Includes	Valuation
Deposits and other borrowings at fair value	Deposits and other borrowings	Certificates of deposit	Discounted cash flow using market rates offered for deposits of similar remaining maturities.
Debt issues at fair value	Debt issues	Commercial paper	Discounted cash flows, using a discount rate which reflects the terms of the instrument and the timing of cash flows adjusted for market observable changes in the NZ Banking Group's implied creditworthiness.

Level 3 instruments

Financial instruments valued where at least one input that could have a significant effect on the instrument's valuation is not based on observable market data due to illiquidity or complexity of the product.

Balances within this category of the fair value hierarchy are not considered material to the total derivative financial instruments balances.

The following table summarises the attribution of financial instruments measured at fair value to the fair value hierarchy:

	NZ BANKING GROUP							
	31 Mar 26 Unaudited				30 Sep 25 Audited			
$ millions	**Level 1**	**Level 2**	**Level 3**	**Total**	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value on a recurring basis								
Trading securities and financial assets measured at FVIS	**1,258**	**5,566**	**23**	**6,847**	1,411	4,742	-	6,153
Derivative financial instruments	**-**	**7,568**	**-**	**7,568**	-	7,182	-	7,182
Investment securities	**4,312**	**4,292**	**-**	**8,604**	3,930	4,276	-	8,206
Due from related entities	**-**	**2,194**	**-**	**2,194**	-	1,131	-	1,131
Total financial assets measured at fair value	**5,570**	**19,620**	**23**	**25,213**	5,341	17,331	-	22,672
Financial liabilities measured at fair value on a recurring basis								
Deposits and other borrowings at fair value	**-**	**1,729**	**-**	**1,729**	-	1,812	-	1,812
Other financial liabilities	**253**	**1,378**	**-**	**1,631**	322	1,724	-	2,046
Derivative financial instruments	**-**	**5,023**	**1**	**5,024**	-	4,728	1	4,729
Due to related entities	**-**	**3,993**	**-**	**3,993**	-	3,027	-	3,027
Debt issues at fair value	**-**	**3,985**	**-**	**3,985**	-	2,746	-	2,746
Total financial liabilities measured at fair value	**253**	**16,108**	**1**	**16,362**	322	14,037	1	14,360

Sensitivities to reasonably possible changes in non-market valuation assumptions would not have a material impact on the NZ Banking Group's reported results (30 September 2025: no material impact).

Analysis of movements between fair value hierarchy levels

The NZ Banking Group considers transfers between levels, if any, to have occurred at the end of the reporting period. During the period, there were no material transfers between levels of the fair value hierarchy.

Note 11 Fair values of financial assets and financial liabilities (continued)

Financial instruments not measured at fair value

The following table summarises the estimated fair value of the NZ Banking Group's financial instruments not measured at fair value:

	NZ BANKING GROUP			
	31 Mar 26 Unaudited		30 Sep 25 Audited	
$ millions	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets not measured at fair value				
Cash and balances with central banks	**4,950**	**4,950**	6,188	6,188
Collateral paid	**269**	**269**	176	176
Loans	**109,407**	**109,336**	106,800	107,094
Other financial assets	**1,108**	**1,108**	1,248	1,248
Due from related entities	**1,483**	**1,483**	1,873	1,873
Total financial assets not measured at fair value	**117,217**	**117,146**	116,285	116,579
Financial liabilities not measured at fair value				
Collateral received	**1,558**	**1,558**	1,332	1,332
Deposits and other borrowings	**83,744**	**83,786**	81,020	81,101
Other financial liabilities	**1,661**	**1,661**	2,943	2,943
Due to related entities	**1,210**	**1,210**	1,307	1,307
Debt issues[1]	**23,511**	**23,664**	23,660	23,825
Loan capital	**3,335**	**3,416**	3,318	3,416
Total financial liabilities not measured at fair value	**115,019**	**115,295**	113,580	113,924

[1] The estimated fair value of debt issues includes the impact of changes in the NZ Banking Group's credit spreads since origination.

A detailed description of how fair value is derived for financial instruments not measured at fair value is disclosed in Note 24 of the financial statements included in the Disclosure Statement for the year ended 30 September 2025.

Note 12 Credit related commitments, contingent assets and contingent liabilities

	NZ BANKING GROUP	
$ millions	31 Mar 26 Unaudited	30 Sep 25 Audited
Letters of credit and guarantees[1]	**1,382**	1,329
Commitments to extend credit[2]	**29,088**	28,556
Total undrawn credit commitments[3]	**30,470**	29,885

[1] Standby letters of credit and guarantees are undertakings to pay, against presentation of documents, an obligation in the event of a default by a customer. Guarantees are unconditional undertakings given to support the obligations of a customer to third parties. The NZ Banking Group may hold cash as collateral for certain guarantees issued.

[2] Commitments to extend credit include all obligations on the part of NZ Banking Group to provide credit facilities. As facilities may expire without being drawn upon, the notional amounts do not necessarily reflect future cash requirements.

[3] In addition to the commitments disclosed above, there is $2,903 million (30 September 2025: $1,358 million) of exposure to credit risk relating to credit exposures offered and accepted but still revocable, which represent part of the NZ Banking Group's maximum exposure to credit risk.

Contingent assets

The NZ Banking Group enters into various arrangements with customers that constitute contingent assets. If a specified contingent event occurs, these commitments will be called upon and recognised on the balance sheet as loans.

Contingent liabilities

The NZ Banking Group has contingent risks and liabilities arising from the conduct of its business, including: actual and potential disputes, claims, legal proceedings, investigations, inquiries and reviews (formal and informal) carried out by regulatory authorities; and internal investigations and reviews.

The scope of reviews (internal and external), investigations and inquiries can be wide-ranging and can result in litigation (including class action proceedings and enforcement proceedings), fines and penalties, customer remediation and/or other sanctions and reputational damage.

All potential claims and other liabilities are assessed on a case-by-case basis. A provision will be recognised where the NZ Banking Group has conducted an assessment which determines the likelihood of loss as probable and where its potential loss can be reliably estimated. A contingent liability exists in respect of actual or potential claims where the likely loss is not assessed as probable, where the law is uncertain or, in rare circumstances, where the outflow of resources cannot be reliably estimated.

Notes to the financial statements

Note 13 Segment reporting

The NZ Banking Group operates predominantly in the Consumer Banking and Wealth, Institutional and Business Banking and Financial Markets, International Trade and Payments sectors within New Zealand. On this basis, no geographical segment reporting is provided.

The operating segment results have been presented on a management reporting basis and consequently internal charges and transfer pricing adjustments have been reflected in the performance of each operating segment. Intersegment pricing is determined on a cost recovery basis.

The NZ Banking Group does not rely on any single major customer for its revenue base.

Segment comparative information for the six months ended 31 March 2025 and as at 30 September 2025 has been revised to align to the current period's basis for reporting, and is consistent with the information provided internally to the NZ Banking Group's chief operating decision-maker. This includes changes in the segmentation classification for small to medium enterprise customers.

The NZ Banking Group's operating segments are defined by the customers they serve and the services they provide. The NZ Banking Group has identified the following main operating segments:

- Consumer Banking and Wealth provides financial services for individuals and small to medium enterprise;
- Institutional and Business Banking provides a broad range of financial services for corporate, property finance, agricultural, institutional and government customers; and
- Financial Markets provides foreign exchange, interest rate derivatives, fixed interest and debt securities, commodities, carbon and energy capabilities. International Trade and Payments provide international trade solutions, payments products and services to consumer, business and institutional customers.

Other primarily represents:

- business units that do not meet the definition of a reportable operating segment under NZ IFRS 8 Operating Segments;
- elimination entries on consolidation/aggregation of the results, assets and liabilities of the NZ Banking Group's controlled entities in the preparation of the aggregated financial statements of the NZ Banking Group; and
- results of certain business units excluded for management reporting purposes, but included within the aggregated financial statements of the NZ Banking Group for statutory financial reporting purposes.

	NZ BANKING GROUP									
$ millions	**Consumer Banking and Wealth**		**Institutional and Business Banking**		**Financial Markets, International Trade and Payments**		**Other**		**Total**	
Six months ended 31 March (Unaudited)	**2026**	2025 (Revised)	**2026**	2025 (Revised)	**2026**	2025	**2026**	2025	**2026**	2025
Net interest income	**810**	784	**562**	546	**17**	15	**(7)**	74	**1,382**	1,419
Net fees and commissions										
Facility fees	**14**	15	**10**	7	**2**	2	**1**	1	**27**	25
Transaction fees and commissions	**93**	89	**29**	34	**(1)**	(1)	**(24)**	(26)	**97**	96
Other non-risk fee income	**3**	3	**5**	5	**4**	4	**(2)**	(1)	**10**	11
Fees and commissions income	**110**	107	**44**	46	**5**	5	**(25)**	(26)	**134**	132
Fees and commissions expenses	**(41)**	(40)	**-**	-	**-**	-	**-**	-	**(41)**	(40)
Net fees and commissions	**69**	67	**44**	46	**5**	5	**(25)**	(26)	**93**	92
Other non-interest income	**-**	-	**-**	-	**35**	28	**52**	71	**87**	99
Total non-interest income	**69**	67	**44**	46	**40**	33	**27**	45	**180**	191
Net operating income	**879**	851	**606**	592	**57**	48	**20**	119	**1,562**	1,610
Operating expenses	**(528)**	(494)	**(219)**	(206)	**(17)**	(18)	**(28)**	(48)	**(792)**	(766)
Impairment (charges)/benefits	**(49)**	(28)	**12**	(5)	**-**	-	**-**	-	**(37)**	(33)
Profit before income tax expense	**302**	329	**399**	381	**40**	30	**(8)**	71	**733**	811
Income tax expense	**(85)**	(92)	**(112)**	(108)	**(11)**	(8)	**2**	(19)	**(206)**	(227)
Profit after income tax expense	**217**	237	**287**	273	**29**	22	**(6)**	52	**527**	584
Net profit attributable to NCI	**-**	-	**-**	-	**-**	-	**(10)**	(10)	**(10)**	(10)
Net profit attributable to the owners of the Overseas Bank	**217**	237	**287**	273	**29**	22	**(16)**	42	**517**	574

Notes to the financial statements

Note 13 Segment reporting (continued)

$ millions	NZ BANKING GROUP									
	Consumer Banking and Wealth		Institutional and Business Banking		Financial Markets, International Trade and Payments		Other		Total	
As at	**31 Mar 26 Unaudited**	30 Sep 25 Audited (Revised)	**31 Mar 26 Unaudited**	30 Sep 25 Audited (Revised)	**31 Mar 26 Unaudited**	30 Sep 25 Audited	**31 Mar 26 Unaudited**	30 Sep 25 Audited	**31 Mar 26 Unaudited**	30 Sep 25 Audited
Balance sheet										
Total gross loans	**73,026**	70,790	**36,351**	35,732	**414**	496	**92**	232	**109,883**	107,250
Total deposits and other borrowings	**55,764**	54,578	**27,980**	26,442	**-**	-	**1,729**	1,812	**85,473**	82,832

Registered bank disclosures

Unaudited

This section contains the additional disclosures required by the Order.

i. General information

Guarantee arrangements

No material obligations of the Overseas Bank that relate to the NZ Branch are guaranteed as at the date the Directors and the Chief Executive Officer, NZ Branch signed this Disclosure Statement.

Directors

The Directors of the Overseas Bank at the time this Disclosure Statement was signed were:

Steven Gregg, BCom – Chairman

Anthony Miller, LLB (Hons), BA – Managing Director & Chief Executive Officer

Tim Burroughs, MA (Hons), B Psy (Hons), FCA, FAICD

Nerida Caesar, BCom, MBA, GAICD

David Cohen, BA LLB, FAPI

Philippa Greenwood, LLB

Debra Hazelton, BA (Hons), MCom, GAICD

Andy Maguire, BA, BAI

Peter Nash, BCom, FCA, F Fin

Margaret (Margie) Seale, BA, FAICD

Michael Ullmer AO, BSc, FAICD, FCA, SF Fin

Changes to Directorate

There have been no changes in the composition of the Board of Directors of the Overseas Bank since 30 September 2025:

Chief Executive Officer, NZ Branch

Christopher Leuschke, BCom

Responsible person

All the Directors named above have authorised in writing Catherine McGrath, Chief Executive Officer, Westpac New Zealand to sign this Disclosure Statement on the Directors' behalf in accordance with section 82 of the Banking (Prudential Supervision) Act 1989.

Auditor

KPMG

18 Viaduct Harbour Avenue

Auckland, New Zealand

Credit ratings

The Overseas Bank has the following credit ratings with respect to its long-term senior unsecured obligations, including obligations payable in New Zealand in New Zealand dollars, as at the date the Directors and the Chief Executive Officer, NZ Branch signed this Disclosure Statement:

Rating Agency	Current Credit Rating	Rating Outlook
Fitch Ratings	AA-	Stable
Moody's Investors Service	Aa2	Stable
S&P Global Ratings	AA-	Stable

i. General information (continued)

Other material matters

Reserve Bank review of overseas bank branches

On 30 October 2025, the Reserve Bank released the exposure draft of the Incorporation outside New Zealand Standard (IoNZ Standard) under the Deposit Takers Act 2023. The proposed IoNZ Standard will require that overseas bank branches only conduct business with wholesale clients; the total size of an overseas bank's branch not exceed NZ$15 billion in total assets; the New Zealand business be less than 50% of its total business; and dual-operating branches (such as the NZ Branch) only conduct business with "large corporate or institutional clients" (LCIC).

The IoNZ Standard proposes that LCIC includes (broadly) those with consolidated annual turnover of over NZ$50 million or total assets of over NZ$75 million and funds management entities and custodians with total assets under management of over NZ$250 million. The implementation date is expected to be 1 December 2028.

The NZ Branch currently provides financial markets, trade finance and international payment products and services to customers referred by Westpac New Zealand. We expect the Reserve Bank's IoNZ Standard will require changes to the activities the NZ Branch undertakes and as a result, Westpac New Zealand may also make changes to the scope of the activities it undertakes.

Reserve Bank capital review

On 17 December 2025, the Reserve Bank announced its decisions relating to its review of key capital settings for deposit takers (2025 Capital Review). Once implemented, the updated settings for Group 1 deposit takers (including Westpac New Zealand) will:

- remove AT1 from the capital stack and phase out the recognition of existing AT1 instruments.
- require the deposit taker to have a Common Equity Tier 1 (CET1) capital ratio of 12% (including a 6% PCB ratio).
- require the deposit taker to have a total capital ratio of 15% (including a 6% PCB ratio). Up to 3% of the total capital ratio requirement can consist of subordinated debt eligible as Tier 2 capital to be issued to the Australian parent bank.
- require the deposit taker to have an additional 6% of RWAs of Loss Absorbing Capacity (LAC) instruments to be issued to the Australian parent bank, bringing the total requirement including LAC to 21%.
- introduce more granular and lower standardised risk weights for certain asset classes.

The new Tier 2 and LAC instruments will include conversion to equity or write-off provisions.

On 27 February 2026, the Reserve Bank released further information relating to the 2025 Capital Review, including further information on indicative transition timelines and confirmation it will continue to consider applications for redemption of AT1 instruments, subject to the relevant prudential requirements being satisfied.

On 13 April 2026, the Reserve Bank published an exposure draft consultation to update the BPRs for some of the decisions made as part of the 2025 Capital Review. For Group 1 deposit takers (including Westpac New Zealand) these draft BPRs propose, as an interim measure, permitting the issuance of Tier 2 instruments with a shorter maturity date or earlier redemption date than is permitted under the current settings. Additionally, a separate amortisation table for Tier 2 instruments issued with a maturity date of less than 5 years has been proposed.

The Reserve Bank has also indicated it intends to consult during 2026 on the new Tier 2 and LAC instrument design and related implementation timelines.

APRA to consult on enhancements to bank capital and liquidity frameworks

On 16 March 2026, APRA announced that it will consult on a package of reforms to bank capital and liquidity settings. The consultation will be run in three workstreams focusing on credit risk capital, liquidity risk and market risk, which include the following proposals:

- Targeted amendments to the standardised capital framework to increase risk sensitivity and better align capital requirements with underlying risk.
- Changes to the liquidity framework including consideration of a new Pillar 2 liquidity framework to address risks not covered by existing Liquidity Coverage Ratio minimum requirements.
- Implementation of a simplified version of the Basel Committee's Fundamental Review of the Trading Book standard.

APRA has indicated that it will release a consultation paper in respect to the credit risk capital workstream in the first half of the 2026 calendar year with industry engagement and consultation for the liquidity and market risk workstreams to continue into 2027.

Australian Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Reforms

In 2024, the Australian Parliament enacted the *Anti-Money Laundering and Counter-Terrorism Financing Amendment Act 2024* (Cth), introducing major reforms to the AML/CTF regime. A substantial number of reforms took effect from 31 March 2026. The reforms include the extension of a number of provisions (including customer due diligence obligations) that apply to the Overseas Bank's permanent offshore establishments, including Westpac New Zealand, BT Funds Management (NZ) Limited (BTNZ) and NZ Branch. In response, the Overseas Bank and the NZ Banking Group are updating their policies, procedures, systems and controls, and are taking steps to address compliance gaps. Full implementation will require a multi-year implementation plan for the Overseas Bank and its permanent offshore establishments, including complex technology upgrades to customer due diligence, expanding transaction monitoring and reporting infrastructure. Timing and delivery challenges are an industry wide issue. In recognition of these challenges, the AML/CTF Transitional Rules (Transitional Rules) commenced alongside the new regime, providing legislative transitional arrangements for a limited subset of obligations applicable to existing reporting entities, including deferred commencement of certain requirements, subject to specified conditions. These Transitional Rules do not, however, apply to the Overseas Bank's

i. General information (continued)

permanent offshore establishments. Given the scale of changes required, the NZ Banking Group has not completed implementation of all new requirements as at 31 March 2026.

AUSTRAC has also published its regulatory expectations, noting that it does not expect immediate compliance, provided reporting entities continue to effectively identify, mitigate and manage money laundering and terrorism financing risk and show sustained effort and reasonable progress against their implementation plans. During this period, AUSTRAC expects existing AML/CTF controls to continue to operate.

The Overseas Bank has developed, and continues to refine, a phased implementation plan, that addresses both obligations subject to transitional arrangements and broader reforms not covered by the Transitional Rules, including those applicable to its permanent offshore establishments. The Overseas Bank will continue to engage with AUSTRAC to support a phased implementation approach.

AUSTRAC related class action against Overseas Bank

The Overseas Bank is defending a class action proceeding which was commenced in December 2019 in the Federal Court of Australia on behalf of certain investors who acquired an interest in the Overseas Bank's securities between 30 June 2014 and 19 November 2019. The proceeding involves allegations relating to market disclosure issues connected to the Overseas Bank's monitoring of financial crime over the relevant period and matters which were the subject of the AUSTRAC civil proceedings. The total damages sought on behalf of members of the class have not been specified. However, in the course of a procedural hearing in August 2022, the applicant indicated that a preliminary estimate of the losses that may be alleged in respect of a subset of potential group members exceeded AU$1 billion. While it remains unclear how any damages awarded (if the applicant succeeded) would be determined and its size, it is possible that the claim may be higher or lower than the amount referred to above. Given the time period and the nature of the allegations, along with the reduction in the Overseas Bank's market capitalisation at the time of the commencement of the AUSTRAC civil proceedings, it is likely that any total alleged damages sought by the applicant will be significant. The Overseas Bank continues to deny both that its disclosure was inappropriate and, as such, that any group member has incurred damage. The Court has made orders for a hearing to commence on 5 April 2027 with an estimated duration of six weeks.

Disclosure statements of the NZ Banking Group and the financial statements of the Overseas Bank and the Overseas Banking Group

Disclosure Statements of the NZ Banking Group for the last five years are available, free of charge, at the internet address www.westpac.co.nz. A printed copy will also be made available, free of charge, upon request.

The most recently published financial statements of the Overseas Bank and the Overseas Banking Group are for the year ended 30 September 2025 and for the six months ended 31 March 2026, respectively, and can be accessed at the internet address www.westpac.com.au.

Registered bank disclosures

Unaudited

ii. Additional financial disclosures

Additional information on balance sheet

	NZ BANKING GROUP	
$ millions	**31 Mar 26 Unaudited**	30 Sep 25 Audited
Interest earning and discount bearing assets	**129,707**	127,857
Interest and discount bearing liabilities	**107,610**	106,277
Total amounts due from related entities	**3,677**	3,004
Total amounts due to related entities	**5,203**	4,334
Total liabilities of the NZ Branch, net of amounts due to related entities	**10,054**	9,556
Total retail deposits of the NZ Branch	**-**	-

Financial assets pledged as collateral

The NZ Banking Group is required to provide collateral to other financial institutions, as part of standard terms, to secure liabilities. In addition to assets supporting the CB Programme disclosed in Note 6, the carrying value of these financial assets pledged as collateral is:

	NZ BANKING GROUP	
$ millions	**31 Mar 26 Unaudited**	30 Sep 25 Audited
Cash	**269**	176
Securities pledged as collateral for derivative contracts:		
Investment securities	**273**	265
Securities pledged under repurchase agreements:		
Trading securities and financial assets measured at FVIS[1]	**1,116**	801
Investment securities[2]	**-**	550
Residential mortgage-backed securities[3]	**18**	1,532
Total amount pledged to secure liabilities (excluding CB Programme)	**1,676**	3,324

[1] As at 31 March 2026, $1,116 million of trading securities were pledged to third parties with the repurchase amount recorded within other financial liabilities on the balance sheet (30 September 2025: $801 million).

[2] As at 31 March 2026, no investment securities were pledged to the Sydney Branch of the Overseas Bank or third parties (30 September 2025: $550 million investment securities were pledged to third parties, with the repurchase amount recorded within other financial liabilities on the balance sheet).

[3] The NZ Banking Group has undertaken repurchase agreements with the Reserve Bank, under the Funding for Lending Programme and Term Lending Facility, using residential mortgage-backed securities. During the period ended 31 March 2026, the Funding for Lending Programme facility was fully repaid, with no balance outstanding as at 31 March 2026 (30 September 2025: $1,110 million recorded within other financial liabilities on the balance sheet, with underlying securities to the value of $1,503 million provided under the arrangement). For the Term Lending Facility, the repurchase cash amount at 31 March 2026 is $15 million (30 September 2025: $24 million), which is recorded within other financial liabilities on the balance sheet, with underlying securities to the value of $18 million provided under the arrangement (30 September 2025: $29 million).

ii. Additional financial disclosures (continued)

Additional information on concentrations of credit risk

The maximum exposure to credit risk (excluding collateral received) is represented by the carrying amount of on-balance sheet financial assets and undrawn credit commitments as set out in the following table.

	NZ BANKING GROUP
$ millions	**31 Mar 26**
Financial assets	
Cash and balances with central banks	4,950
Collateral paid	269
Trading securities and financial assets measured at FVIS	6,847
Derivative financial instruments	7,568
Investment securities	8,604
Gross loans	109,883
Other financial assets	1,108
Due from related entities	3,677
Total financial assets	**142,906**
Undrawn credit commitments	
Letters of credit and guarantees	1,382
Commitments to extend credit	29,088
Total undrawn credit commitments[1]	**30,470**
Total maximum credit risk exposure	**173,376**

[1] In addition to the commitments disclosed above, there is $2,903 million (30 September 2025: $1,358 million) of exposure to credit risk relating to credit exposures offered and accepted but still revocable, which represent part of the NZ Banking Group's maximum exposure to credit risk.

Concentration of credit exposures

	NZ BANKING GROUP	
	On-balance sheet	Off-balance sheet
$ millions	**31 Mar 26**	**31 Mar 26**
Analysis of credit exposures by geographical areas		
New Zealand	128,788	29,900
Overseas	14,118	570
Total credit exposures	**142,906**	**30,470**
Analysis of credit exposures by industry sector		
Accommodation, cafes and restaurants	444	113
Agriculture	8,657	612
Construction	585	700
Finance and insurance	17,443	2,098
Forestry and fishing, agriculture support services	350	93
Government, administration and defence	15,555	775
Manufacturing	1,943	1,679
Mining	111	146
Property	9,838	1,447
Property services and business services	1,281	585
Services	2,156	1,166
Trade	2,445	1,983
Transport and storage	651	721
Utilities	2,834	2,480
Retail lending	74,726	15,872
Subtotal	**139,019**	**30,470**
Due from related entities	3,677	-
Other financial assets	210	-
Total credit exposures	**142,906**	**30,470**

ANZSIC has been used as the basis for disclosing industry sectors.

Registered bank disclosures

Unaudited

ii. Additional financial disclosures (continued)

Additional information on concentrations of funding

	NZ BANKING GROUP
$ millions	**31 Mar 26**
Funding consists of	
Collateral received	1,558
Deposits and other borrowings	85,473
Other financial liabilities[1]	1,658
Due to related entities[2]	1,186
Debt issues[3]	27,496
Loan capital	3,335
Total funding	**120,706**
Analysis of funding by geographical areas[3]	
New Zealand	88,061
Overseas	32,645
Total funding	**120,706**
Analysis of funding by industry sector	
Accommodation, cafes and restaurants	334
Agriculture, forestry and fishing	1,728
Construction	1,934
Finance and insurance	44,236
Government, administration and defence	3,270
Manufacturing	2,011
Mining	49
Property services and business services	7,725
Services	5,979
Trade	1,643
Transport and storage	615
Utilities	1,124
Households	44,325
Other[4]	4,547
Subtotal	**119,520**
Due to related entities[2]	1,186
Total funding	**120,706**

[1] Other financial liabilities, as presented above, are in respect of repurchase agreements, securities sold short and interbank placements.

[2] Amounts due to related entities, as presented above, are in respect of deposits and other borrowings and exclude amounts which relate to derivative financial instruments and other liabilities.

[3] The geographic region used for debt issues is based on the nature of the debt programmes. The nature of the debt programmes is used as a proxy for the location of the original purchaser.

[4] Includes deposits from non-residents.

ANZSIC has been used as the basis for disclosing industry sectors.

ii. Additional financial disclosures (continued)

Additional information on interest rate sensitivity

The following table presents a breakdown of the earlier of the contractual repricing or maturity dates of the NZ Banking Group's net asset position as at 31 March 2026. The NZ Banking Group uses this contractual repricing information as a base, which is then altered to take account of customer behaviour to manage its interest rate risk.

	NZ BANKING GROUP						
	31 Mar 26						
$ millions	**Up to 3 Months**	**Over 3 Months and Up to 6 Months**	**Over 6 Months and Up to 1 Year**	**Over 1 Year and Up to 2 Years**	**Over 2 Years**	**Non-interest Bearing**	**Total**
Financial assets							
Cash and balances with central banks	4,367	-	-	-	-	583	4,950
Collateral paid	269	-	-	-	-	-	269
Trading securities and financial assets measured at FVIS	3,898	1,107	165	385	1,292	-	6,847
Derivative financial instruments	-	-	-	-	-	7,568	7,568
Investment securities	701	82	600	1,263	5,958	-	8,604
Loans	53,385	11,544	17,548	18,049	7,567	1,314	109,407
Other financial assets	2	-	-	-	-	1,106	1,108
Due from related entities	1,525	-	-	-	-	2,152	3,677
Total financial assets	64,147	12,733	18,313	19,697	14,817	12,723	142,430
Non-financial assets							1,707
Total assets							144,137
Financial liabilities							
Collateral received	1,558	-	-	-	-	-	1,558
Deposits and other borrowings	49,033	12,479	7,445	1,904	1,203	13,409	85,473
Other financial liabilities	1,631	15	-	-	-	1,646	3,292
Derivative financial instruments	-	-	-	-	-	5,024	5,024
Due to related entities	1,118	9	-	-	37	4,039	5,203
Debt issues	4,085	1,444	5,216	3,690	13,358	(297)	27,496
Loan capital	-	-	-	600	2,785	(50)	3,335
Total financial liabilities	57,425	13,947	12,661	6,194	17,383	23,771	131,381
Non-financial liabilities							442
Total liabilities							131,823
On-balance sheet interest rate repricing gap	6,722	(1,214)	5,652	13,503	(2,566)		
Net derivative notional principals							
Net interest rate contracts (notional):							
Receivable/(payable)	16,306	(25,161)	10,920	(26,237)	24,172		
Net interest rate repricing gap	23,028	(26,375)	16,572	(12,734)	21,606		

ii. Additional financial disclosures (continued)

Additional information on liquidity risk

Contractual maturity of financial liabilities

The following table presents cash flows associated with financial liabilities, payable at the balance sheet date, by remaining contractual maturity. The amounts disclosed in the table are the future contractual undiscounted cash flows, whereas the NZ Banking Group manages inherent liquidity risk based on expected cash flows.

Cash flows associated with these financial liabilities include both principal payments as well as fixed or variable interest payments incorporated into the relevant coupon period. Principal payments reflect the earliest contractual maturity date. Derivative financial instruments designated in hedge accounting relationships and used as economic hedges are expected to be held for their remaining contractual lives, and reflect gross cash flows over the remaining contractual term.

Trading derivatives that are considered economic hedges are included as 'held for hedging purposes' in the following table. Derivatives held for trading, which excludes economic hedges, and certain liabilities classified in "Other financial liabilities" which are measured at FVIS are not managed for liquidity purposes on the basis of their contractual maturity, and accordingly these liabilities are presented in the up to 1 month column. Only the liabilities that the NZ Banking Group manages based on their contractual maturity are presented on a contractual undiscounted basis in the following table.

	NZ BANKING GROUP						
	31 Mar 26						
$ millions	On Demand	Up to 1 Month	Over 1 Month and Up to 3 Months	Over 3 Months and Up to 1 Year	Over 1 and Up to 5 Years	Over 5 Years	Total
Financial liabilities							
Collateral received	-	1,558	-	-	-	-	1,558
Deposits and other borrowings	45,239	5,631	11,888	20,368	3,309	-	86,435
Other financial liabilities	954	1,735	5	143	-	-	2,837
Derivative financial instruments:							
Held for trading	-	4,005	-	-	-	-	4,005
Held for hedging purposes (net settled)	-	24	146	141	308	24	643
Held for hedging purposes (gross settled):							
Cash outflow	-	696	1,742	3,640	5,344	1,910	13,332
Cash inflow	-	(637)	(1,452)	(3,604)	(5,332)	(1,898)	(12,923)
Due to related entities:							
Non-derivative balances	1,164	-	-	-	46	-	1,210
Derivative financial instruments:							
Held for trading	-	2,383	-	-	-	-	2,383
Held for hedging purposes (net settled)	-	-	1	4	2	1	8
Held for hedging purposes (gross settled):							
Cash outflow	-	2,302	3,113	4,911	18,736	-	29,062
Cash inflow	-	(2,117)	(2,592)	(4,593)	(18,020)	-	(27,322)
Debt issues	-	83	939	9,305	19,671	407	30,405
Loan capital	-	-	19	58	230	3,559	3,866
Total undiscounted financial liabilities	47,357	15,663	13,809	30,373	24,294	4,003	135,499
Total contingent liabilities and commitments							
Letters of credit and guarantees	1,382	-	-	-	-	-	1,382
Commitments to extend credit	29,088	-	-	-	-	-	29,088
Total undiscounted contingent liabilities and commitments	30,470	-	-	-	-	-	30,470

ii. Additional financial disclosures (continued)

Liquid assets

The following table shows the NZ Banking Group's qualifying liquid assets held for the purpose of managing liquidity risk. These assets are eligible for repurchase agreements with the Reserve Bank and are held in cash, government, local government and highly rated investment grade securities. The level of liquid asset holdings is reviewed frequently and is consistent with regulatory, balance sheet and market condition requirements.

	NZ BANKING GROUP
$ millions	**31 Mar 26**
Cash and balances with central banks	**4,950**
Supranational securities	**1,995**
NZ Government securities	**5,582**
NZ public securities	**2,318**
NZ corporate securities	**2,625**
Available liquid assets	**17,470**

In addition, the NZ Banking Group has $8,951 million (30 September 2025: $7,679 million) of own originated loans that are self-securitised via Westpac New Zealand's internal residential mortgage-backed securitisation programme. The AAA rated internal residential mortgage-backed securities held are eligible for repurchase agreements with the Reserve Bank under certain circumstances.

Overseas Banking Group profitability and size

Information on the Overseas Banking Group is from the most recently published financial statements of the Overseas Banking Group for the six months ended 31 March 2026.

Profitability	31 Mar 26
Profit after income tax expense for the six months ended 31 March 2026 (A$ millions)[1]	**3,422**
Profit after income tax expense for the 12 month period to 31 March 2026 as a percentage of average total assets	**0.6%**

[1]Profit after income tax expense represents the amount before deductions for net profit attributable to non-controlling interests.

Total assets	31 Mar 26
Total assets (A$ millions)	**1,172,583**
Percentage change in total assets over the 12 months ended 31 March 2026	**6.7%**

Reconciliation of mortgage-related amounts

The following table provides the NZ Banking Group's reconciliation between any amounts disclosed in this Disclosure Statement that relate to mortgages on residential property.

	NZ BANKING GROUP
$ millions	**31 Mar 26**
Residential mortgages - total gross loans (as disclosed in Note 6)	**73,335**
Reconciling items:	
Unamortised deferred fees and expenses	**(555)**
Fair value hedge adjustments	**20**
Exposure at default for undrawn commitments and other off-balance sheet exposures	**10,234**
Residential mortgages by LVR (as disclosed in Additional mortgage information in Note iv. Credit and market risk exposures and capital adequacy)	**83,034**

Registered bank disclosures

Unaudited

iii. Asset quality

Past due assets

	NZ BANKING GROUP
$ millions	**31 Mar 26**
Past due but not individually impaired assets	
Less than 30 days past due	1,278
At least 30 days but less than 60 days past due	269
At least 60 days but less than 90 days past due	130
At least 90 days past due	349
Total past due but not individually impaired assets	**2,026**

Movements in components of loss allowance

Refer to Note 7 Provision for expected credit losses for the movements in components of loss allowance on loans and credit commitments.

Impacts of changes in gross financial assets on loss allowances - total

Refer to Note 7 Provision for expected credit losses for the impacts of changes in gross financial assets on loss allowances. The following table explains how changes in gross carrying amounts of loans during the period have contributed to changes in the provision for ECL on loans.

	NZ BANKING GROUP				
	31 Mar 26				
	Performing		Non-performing		
	Stage 1	Stage 2	Stage 3	Stage 3	
$ millions	CAP	CAP	CAP	IAP	Total
Total gross carrying amount as at 30 September 2025	92,300	13,885	852	213	107,250
Transfers:					
Transfers to Stage 1	4,349	(4,346)	(3)	-	-
Transfers to Stage 2	(4,935)	5,190	(246)	(9)	-
Transfers to Stage 3 CAP	(39)	(349)	403	(15)	-
Transfers to Stage 3 IAP	(1)	(12)	(61)	74	-
Net further lending/(repayment)	(2,759)	(354)	(17)	(19)	(3,149)
New facilities originated	12,372	-	-	-	12,372
Facilities derecognised	(5,289)	(1,152)	(111)	(18)	(6,570)
Amounts written-off	-	-	(12)	(8)	(20)
Total gross carrying amount as at 31 March 2026	95,998	12,862	805	218	109,883
Provision for ECL as at 31 March 2026	(80)	(238)	(89)	(69)	(476)
Total net carrying amount as at 31 March 2026	95,918	12,624	716	149	109,407

Other asset quality information

	NZ BANKING GROUP
$ millions	**31 Mar 26**
Undrawn commitments with individually impaired counterparties	5
Other assets under administration	-

iii. Asset quality (continued)

Overseas Banking Group asset quality

Information on the Overseas Banking Group is from the most recently published financial statements of the Overseas Banking Group for the six months ended 31 March 2026.

	31 Mar 26
Total non-performing exposures[1] (A$ millions)	**9,788**
Total non-performing exposures expressed as a percentage of total assets	**0.8%**
Total provision for ECL on non-performing exposures[2] (A$ millions)	**1,732**
Total provision for ECL on non-performing exposures expressed as a percentage of total non-performing exposures	**17.7%**
Total collectively assessed provision for ECL[2] (A$ millions)	**4,589**

[1] Non-financial assets have not been acquired through the enforcement of security.

[2] Total provision for ECL on non-performing exposures and total collectively assessed provision for ECL both include A$1,122 million of provision for ECL that has been calculated collectively on groups of assets which have been determined to be non-performing, but which are not individually significant.

iv. Credit and market risk exposures and capital adequacy

Additional mortgage information

Residential mortgages by LVR as at 31 March 2026

LVRs are calculated as the current exposure divided by the NZ Banking Group's valuation of the associated residential property at origination.

The NZ Banking Group utilises data from its loan system to obtain origination valuations. For loans originated prior to 1 January 2008, or those originated outside of the loan system, the origination valuation is not recorded in the system and is therefore, due to system limitations, not available for disclosure. For these loans, the NZ Banking Group utilises the earliest valuation recorded as the closest available alternative to estimate an origination valuation.

Exposures for which no LVR is available have been included in the 'Exceeds 90%' category in accordance with the requirements of the Order.

	NZ BANKING GROUP					
	31 Mar 26					
LVR range ($ millions)	Does not exceed 60%	Exceeds 60% and not 70%	Exceeds 70% and not 80%	Exceeds 80% and not 90%	Exceeds 90%	Total
On-balance sheet exposures	**30,743**	**14,976**	**18,614**	**6,087**	**2,380**	**72,800**
Undrawn commitments and other off-balance sheet exposures	**7,805**	**1,126**	**970**	**172**	**161**	**10,234**
Value of exposures	**38,548**	**16,102**	**19,584**	**6,259**	**2,541**	**83,034**

Market risk

The NZ Banking Group's aggregate market risk exposure is derived in accordance with BPR140 Market risk exposure and is calculated on a six-monthly basis. The end-of-period aggregate market risk exposure is calculated from the period end balance sheet information.

For each category of market risk, the NZ Banking Group's peak end-of-day aggregate capital charge is derived in accordance with the scalar approach as referred to in BPR140 Market risk exposure. Under this approach, the end-of-period capital charge is scaled by the ratio of peak capital charge to end-of-period capital charge using the internal value-at-risk method.

The following table provides a summary of the NZ Banking Group's notional capital charges by risk type as at the reporting date and the peak end-of-day notional capital charges by risk type for the six months ended 31 March 2026:

	NZ BANKING GROUP	
	31 Mar 26	
$ millions	Implied Risk Weighted Exposure	Notional Capital Charge
End-of-period		
Interest rate risk	**19,384**	**1,551**
Currency risk	**64**	**5**
Equity risk	**-**	**-**
Peak end-of-day		
Interest rate risk	**22,696**	**1,816**
Currency risk	**83**	**7**
Equity risk	**-**	**-**

iv. Credit and market risk exposures and capital adequacy (continued)

Overseas Banking Group and Overseas Bank capital adequacy

The following table represents the capital adequacy calculation for the Overseas Banking Group and Overseas Bank based on APRA's application of the Basel III capital adequacy framework.

%	31 Mar 26	31 Mar 25
Overseas Banking Group (excluding entities specifically excluded by APRA)[1,2]		
Common Equity Tier 1 capital ratio	**12.4**	12.2
Additional Tier 1 capital ratio	**1.9**	2.3
Tier 1 capital ratio	**14.3**	14.5
Tier 2 capital ratio	**7.2**	7.1
Total regulatory capital ratio	**21.5**	21.6
Overseas Bank (Extended Licensed Entity)[1,3]		
Common Equity Tier 1 capital ratio	**12.8**	12.5
Additional Tier 1 capital ratio	**2.0**	2.5
Tier 1 capital ratio	**14.8**	15.0
Tier 2 capital ratio	**7.9**	7.9
Total regulatory capital ratio	**22.7**	22.9

[1] The capital ratios represent information mandated by APRA. The capital ratios of the Overseas Banking Group are publicly available in the Overseas Banking Group's Pillar 3 report. This information is made available to users via the Overseas Bank's website (www.westpac.com.au).

[2] Overseas Banking Group (excluding entities specifically excluded by APRA regulations) comprises the consolidation of the Overseas Bank and its subsidiary entities except for those entities specifically excluded by APRA regulations for the purposes of measuring capital adequacy (Level 2). The head of the Level 2 group is the Overseas Bank.

[3] Overseas Bank (Extended Licensed Entity) comprises the Overseas Bank and its subsidiary entities that have been approved by APRA as being part of a single Extended Licensed Entity for the purpose of measuring capital adequacy (Level 1).

Under APRA's Prudential Standards, Australian authorised deposit-taking institutions, including the Overseas Banking Group and Overseas Bank are required to maintain minimum ratios of capital to risk weighted assets, as determined by APRA which are at least equal to those specified under the Basel III capital framework. For the calculation of RWAs, the Overseas Banking Group and Overseas Bank are accredited by APRA to apply advanced models. The Overseas Banking Group and Overseas Bank use the Advanced IRB approach for credit risk, the Standardised Measurement Approach (SMA) for operational risk and the internal model approach for IRRBB for calculating regulatory capital.

APRA has set a Total Common Equity Tier 1 (CET1) requirement for Domestic Systemically Important Banks (D-SIBs), including the Overseas Bank of at least 10.25% (noting that APRA may apply higher CET1 requirements for an individual bank). This requirement includes a capital conservation buffer of 4.75% applicable to D-SIBs and a base level for the countercyclical capital buffer of 1.0% for Australian exposures which APRA may vary between 0% and 3.5%.

On 4 December 2025, APRA published the final changes to the relevant prudential and reporting standards resulting from the phase out of AT1 with an effective date of 1 January 2027. Under the revisions, large internationally active banks such as the Overseas Bank will replace 1.5% of AT1 capital with 1.25% of Tier 2 capital and 0.25% of CET1 capital. The total CET1 requirement, including regulatory buffers, will increase from 10.25% to 10.50%. There is no overall increase in total capital requirements for banks.

On implementation of these revised prudential and reporting standards, existing AT1 capital instruments would be included in the calculation of the amount of total capital, until their first scheduled call date. Existing Overseas Bank AT1 capital instruments would reach their first scheduled optional redemption dates by 2031 at the latest.

In addition, effective 1 January 2027 the minimum leverage ratio requirement will be 3.25% based on CET1 capital replacing the current requirement of 3.50% based on Tier 1 capital. *APS 221 Large Exposures* and *APS 222 Associations with Related Entities* exposure limits remain unchanged, however will be based on CET1 capital rather than Tier 1 capital.

The Overseas Bank Board has determined a target post dividend CET1 capital ratio of above 11.25% in normal operating conditions.

APRA's Prudential Standards are generally consistent with the International Regulatory Framework for Banks, also known as Basel III, issued by the Basel Committee on Banking Supervision, except where APRA has exercised certain discretions.

The Overseas Banking Group is required to disclose information on its capital adequacy on a quarterly basis. This information is made available to users via the Overseas Bank's website (www.westpac.com.au).

The Overseas Banking Group (excluding entities specifically excluded by APRA regulations), and the Overseas Bank (Extended Licensed Entity as defined by APRA), exceeded the minimum capital adequacy requirements as specified by APRA as at 31 March 2026.

v. Insurance business

The NZ Banking Group does not conduct any insurance business.

vi. Risk management policies

Refer to Note vi. Risk management policies of the Registered bank disclosures, Note 13 Credit risk management and Note 31 Risk management, funding and liquidity risk and market risk included in the NZ Banking Group Disclosure Statement for the year ended 30 September 2025 for further details on the NZ Banking Group's risk management policies.

Conditions of Registration

Changes to Conditions of Registration

On 1 December 2025, the Overseas Bank's Conditions of Registration were updated to ease residential mortgage loan-to-value ratio (LVR) restrictions as follows:

- for owner occupiers, increasing the limit on the share of new lending allowed with an LVR above 80% to 25% (up from 20%); and
- for investors, increasing the limit on the share of new lending allowed with an LVR above 70% to 10% (up from 5%).

KPMG

Independent Auditor's Review Report

To the New Zealand business of Westpac Banking Corporation (the **Branch**)

Report on the aggregated interim disclosure statement

Conclusion

Within the aggregated interim disclosure statement we have completed a review of the accompanying aggregated half-year financial statements and the supplementary information (excluding supplementary information relating to General Information and Credit and Market Risk Exposures and Capital Adequacy) (the half-year **financial statements and supplementary information**) which comprise:

- the aggregated half-year financial statements comprised of:
  - the balance sheet as at 31 March 2026;
  - the income statement and statements of comprehensive income, changes in equity and cash flows for the 6 month period then ended; and
  - notes, including material accounting policy information and other explanatory information (excluding the information disclosed in accordance with Schedules 3, 5, 7, 9, 12 and 14 of the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended) (the Order) and is included within notes i to vi);

  (the **half-year financial statements**).
- the supplementary information that is required to be disclosed in accordance with Schedules 5, 7, 12 and 14 of the Order (the supplementary information), contained within registered bank disclosures ii, iii, v and vi.

Based on our review, the accompanying half-year financial statements and supplementary information of the New Zealand business of Westpac Banking Corporation and its financial reporting group, as defined by the Order, (the NZ Banking Group) within pages 6 to 23 and 27 to 36, nothing has come to our attention that causes us to believe that:

- the half-year financial statements have not been prepared, in all material respects, in accordance with New Zealand Equivalent to International Accounting Standard 34 Interim Financial Reporting (NZ IAS 34); and
- the supplementary information that is required to be disclosed in accordance with Schedules 5, 7, 12 and 14 of the Order:
  - does not present fairly, in all material respects, the matters to which it relates;
  - is not disclosed, in all material respects, in accordance with those schedules; and
  - has not been prepared, in all material respects, in accordance with any condition of registration relating to disclosure requirements imposed under section 74(4)(c) of the Banking (Prudential Supervision) Act 1989.

Basis for conclusion

We conducted our review in accordance with NZ SRE 2410 (Revised) Review of Financial Statements Performed by the Independent Auditor of the Entity (**NZ SRE 2410 (Revised)**). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial statements and supplementary information* section of our report.

We are independent of the NZ Banking Group in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual disclosure statement and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements.

Our firm has provided other services to the NZ Banking Group in relation to regulatory compliance assurance, climate report limited assurance, and agreed upon procedures. Subject to certain restrictions, partners and employees of our firm may also deal with the NZ Banking Group on normal terms within the ordinary course of trading activities of the business of the NZ Banking Group. These matters have not impaired our independence as auditor of the NZ Banking Group. The firm has no other relationship with, or interest in, the NZ Banking Group.

Use of this Independent Auditor's Review Report

This report is made solely to the Branch. Our review work has been undertaken so that we might state to the Branch those matters we are required to state to them in the Independent Auditor's Review Report and for no other purpose.

To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees, accept or assume responsibility and deny all liability to anyone other than the Branch for our review work, this report, or any of the conclusions we have formed.

Responsibilities of directors for the aggregated interim disclosure statement

The Directors, on behalf of the NZ Banking Group, are responsible for:

— the preparation and fair presentation of the NZ Banking Group's aggregated interim disclosure statement in accordance with NZ IAS 34 and Schedules 3, 5, 7, 9, 12 and 14 of the Order; and

— implementing necessary internal control to enable the preparation of aggregated interim disclosure statement that is fairly presented and free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial statements and supplementary information

Our responsibility is to express a conclusion on the half-year financial statements and supplementary information based on our review.

NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the:

— half-year financial statements, taken as a whole, do not present fairly, in all material respects, the NZ Banking Group's financial position as at 31 March 2026 and its financial performance and cash flows for the 6 month period ended on that date;

— half-year financial statements, taken as a whole, do not, in all material respects, comply with NZ IAS 34; and

— the supplementary information does not, fairly state, in all material respects, the matters to which it relates in accordance with Schedules 5, 7, 12 and 14 of the Order.

A review of the half-year financial statements and supplementary information in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. The auditor performs procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we might identify in an audit. Accordingly, we do not express an audit opinion on the half-year financial statements and supplementary information.

The engagement partner on the review resulting in this independent auditor's review report is Sonia Isaac.

For and on behalf of:

KPMG

KPMG
Auckland

12 May 2026

KPMG

Independent Limited Assurance Report

To the New Zealand business of Westpac Banking Corporation (the **Branch**)

Report on the supplementary information relating to Credit and Market Risk Exposures and Capital Adequacy Requirements

Conclusion

Our limited assurance conclusion has been formed on the basis of the matters outlined in this report.

Based on our limited assurance engagement, which is not a reasonable assurance engagement or audit, nothing has come to our attention that would lead us to believe that the supplementary information relating to Credit and Market Risk Exposures and Capital Adequacy Requirements, disclosed in registered bank disclosure iv within the aggregated interim disclosure statement, is not, in all material respects disclosed in accordance with Schedule 9 of the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended) (the **Order**).

Information subject to assurance

We have reviewed the supplementary information relating to Credit and Market Risk Exposures and Capital Adequacy Requirements, as disclosed in registered bank disclosure iv within the aggregated interim disclosure statement for the period ended 31 March 2026. Our conclusion on the Credit and Market Risk Exposures and Capital Adequacy Requirements does not extend to any other information included, or referred to, in the aggregated interim disclosure statement.

Criteria

The supplementary information relating to Credit and Market Risk Exposures and Capital Adequacy Requirements comprises the information that is required to be disclosed in accordance with Schedule 9 of the Order.

Standards we followed

We conducted our limited assurance engagement in accordance with Standard on Assurance Engagements 3100 (Revised) Compliance Engagements (**SAE 3100 (Revised)**) issued by the New Zealand Auditing and Assurance Standards Board (**Standard**). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited conclusion.

Our responsibilities under the Standard are further described in the 'Our responsibility' section of our report.

How to interpret limited assurance and material misstatement and non-compliance

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

Misstatements, including omissions, within the supplementary information relating to Credit and Market Risk Exposures and Capital Adequacy Requirements and non-compliance are considered material if, individually or in aggregate, they could reasonably be expected to influence the relevant decisions of the intended users taken on the basis of the supplementary information relating to Credit and Market Risk Exposures and Capital Adequacy Requirements.

Inherent limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud, error or non-compliance with compliance requirements may occur and not be detected.

A limited assurance engagement for the period ended 31 March 2026 does not provide assurance on whether compliance with Schedule 9 of the Order will continue in the future.

Use of this assurance Report

This report is made solely for the Branch. Our assurance work has been undertaken so that we might state to the Branch those matters we are required to state to them in the assurance report and for no other purpose.

Our report should not be regarded as suitable to be used or relied on by anyone other than the Branch for any purpose or in any context. Any other person who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk.

To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees accept or assume any responsibility and deny all liability to anyone other than the Branch for our work, for this independent assurance report, and/or for the opinions or conclusions we have reached.

Our conclusion is not modified in respect of this matter.

Directors' responsibility for the supplementary information relating to Credit and Market Risk Exposures and Capital Adequacy Requirements

The Directors of the Branch are responsible for the compliance activities undertaken to meet their identified compliance requirements and disclosure of the supplementary information relating to Credit and Market Risk Exposures and Capital Adequacy Requirements in accordance with Schedule 9 of the Order. This responsibility includes such internal control as the Directors determine is necessary to enable the identification of risks that threaten the compliance requirements being met, designing and implementing controls which will mitigate those risks, monitor ongoing compliance and to enable the disclosure of the supplementary information relating to Credit and Market Risk Exposures and Capital Adequacy Requirements that is free from material misstatement and non-compliance whether due to fraud or error.

Our responsibility

We have responsibility for:

- planning and performing the engagement to obtain limited assurance about whether the supplementary information relating to Credit and Market Risk Exposures and Capital Adequacy Requirements is free from material misstatement and non-compliance, whether due to fraud or error;
- forming an independent conclusion based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Branch.

Our work was carried out by a multidisciplinary team, including specialists in Financial Risk Management, who assisted with the procedures below. We remain solely responsible for the assurance conclusion.

Summary of the work we performed as the basis for our conclusion

In a limited assurance engagement, the assurance practitioner performs procedures, primarily consisting of discussion and enquiries of management and others within the entity, as appropriate, and observation and walk-throughs, and evaluates the evidence obtained. The procedures selected depend on our judgement, including identifying areas where the risk of material misstatement and non-compliance with Schedule 9 of the Order is likely to arise.

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the compliance activities and controls implemented to meet the requirements of Schedule 9 of the Order.

In undertaking limited assurance, the procedures we primarily performed were:

KPMG

- obtained an understanding of the process, models, data and internal controls implemented over the preparation of the information relating to Credit and Market Risk Exposures and Capital Adequacy Requirements;
- performed inquiry and analytical procedures over the Credit and Market Risk Exposures and Capital Adequacy Requirements;
- obtained an understanding of the Branch's compliance framework and internal control environment over the information relating to Credit and Market Risk Exposures and Capital Adequacy Requirements, including the Branch's assessment of any matters of non-compliance with the Reserve Bank of New Zealand's Prudential Requirements; and
- agreed the information relating to Credit and Market Risk Exposures and Capital Adequacy Requirements, extracted from the Branch's models, accounting records or other supporting documentation to the consolidated disclosure statement

The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our independence and quality management

We have complied with the independence and other ethical requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards*) (New Zealand) (**PES 1**) issued by the New Zealand Auditing and Assurance Standards Board, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (**PES 3**), which requires the firm to design, implement and operate a system of quality control including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our firm has also provided other services to the Branch in relation to regulatory compliance assurance, climate report limited assurance and agreed upon procedures. Subject to certain restrictions, partners and employees of our firm may also deal with the Branch on normal terms within the ordinary course of trading activities of the business of the Branch. These matters have not impaired our independence as assurance providers of the Bank for this engagement. The firm has no other relationship with, or interest in, the Branch.

For and on behalf of:

KPMG

KPMG
Auckland
12 May 2026

TOGETHER
GREATER

Westpac Banking Corporation.

JN17967