

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS

Westpac

WBC88QW: What is the annual profit Westpac receives from its owned superannuation funds? For each of the last five years, please provide:

- (a) Profit from dividend payments; and
- (b) Profit for payments for services rendered.

Answer:

- (a) The dividends paid to Westpac by BT Funds Management Limited (BTFM) are disclosed in BTFM's annual reports. Over the last five financial years dividends paid are as follows:

Financial Year ended 30 September	Dividends paid (\$)
2020	25,000,000
2019	70,547,000
2018	25,153,000
2017	60,000,000
2016	40,000,000

- (b) As disclosed in the PDS of each superannuation product, BTFM earns investment management and administration fees from superannuation fund members. A portion of these fees are then used to pay for investment management and administration services provided by other entities, including both Westpac Group entities and third parties. Profits to Westpac from these services that solely relate to superannuation funds are not easily determinable because the Westpac Group entities provide the same service to superannuation and non-superannuation customers and the historical information to split these businesses is not available as it has not been required by regulators.

In addition, BTFM has entered into an Employee Resource Sharing Deed with Westpac Banking Corporation to provide services other than investment management and administration services to BTFM on a cost recovery basis.