

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

### REVIEW OF THE FOUR MAJOR BANKS

#### Westpac Banking Corporation

**WBC32QW:** Terminations for misconduct:

- (a) How many employees does the bank have?
- (b) How do you define employee misconduct?
- (c) How many employees have been cautioned for misconduct over the past five years?
- (d) How many employees have had a penalty (such as, but not limited to, loss of bonus) for misconduct over the past five years?
- (e) How many employees have been terminated for misconduct over the past five years?
- (f) How many employees have been cautioned for misconduct over the past five years, as a share of all employees over that timeframe?
- (g) How many employees have had a penalty (such as, but not limited to, loss of bonus) for misconduct over the past five years, as a share of all employees over that timeframe?
- (h) How many employees have been terminated for misconduct over the past five years, as a share of all employees over that timeframe?
- (i) What are the processes available for whistle-blowers into misconduct within the bank?

#### **Answer:**

- (a) 28,513 employees in Australia as at 30 September 2019.
- (b) As defined in Westpac Group's 'Misconduct and Disciplinary Action Policy'.

Misconduct is any conduct or practice that does not meet our Expectations and/or that may have an adverse impact on Westpac, its customers or its people.

- (c) In 2016 the centralised HR Case Management team and Case Management record system was implemented across the Westpac Group. Comprehensive data to respond to this is available from June 2016 to present.

Over that period, 2,353 employees have been cautioned, meaning that they have received a warning. This figure includes both formal (i.e. written) and non-formal cautions (i.e. verbal warnings).

- (d) In 2019 we introduced a new process for Remuneration Reviews which recorded specific impacts on employees' remuneration outcomes due to any misconduct issues. Prior to that our system flagged where employees had been provided with a warning but did not record whether a penalty was applied. As a result, we are only able to provide data for the year ending 30 September 2019.

In 2019, 482 employees had a penalty for misconduct i.e. loss of bonus or impact to bonus.

- (e) 297 employees have been dismissed since June 2016

- (f) June – Sept 2016 – 0.57%

FY 2017 – 2.42%

FY 2018 – 2.35%

FY 2019 – 2.56%

- (g) In 2019 we introduced a new process for Remuneration Reviews which recorded specific impacts on employees' remuneration outcomes due to any misconduct issues. Prior to that our system flagged where employees had been provided with a warning but did not record whether a penalty was applied. As a result, we are only able to provide data for the year ending 30 September 2019.

In 2019, 1.69% of employees had a penalty for misconduct i.e. loss of bonus or impact to bonus.

- (h) June – Sept 2016 – 0.08%

FY 2017 – 0.31%

FY 2018 – 0.35%

FY 2019 – 0.24%

- (i) Current employees, temporary staff members, directors and contractors with Westpac Group intranet access can report a concern through our Concern-Online platform.

Current or former Westpac Group employees, service providers, brokers, suppliers (or their associate, family member or dependents) can contact a Whistleblower Protection Officer or can contact the Speaking Up 24-hour hotline.