WESTERN AUSTRALIAN TREASURY CORPORATION

PRESENTS

Investor Update

September 2026

WESTERN AUSTRALIAN
TREASURY CORPORATION

Financial Solutions
for the Benefit of All
Western Australians

Australia is increasingly being recognised as a safe-haven investment jurisdiction supported by a stable political system, strong legislative governance and leading regulatory oversight

Federation

- Six states and two territories
- Dispersion of power
- Greater flexibility
- Tailored to local needs
- Quicker reaction to crises.

Strong Participation

- 90+% turnout rate in general elections
- One of the 13% of democracies with compulsory voting
- Lower role of political extremism.

High Legislation Quality

- Second in World Bank's regulatory quality index
- Fifth strongest legislative stability in OECD[1]
- High participation of stakeholders in legislation.

Independent and Innovative Institutions

- The RBA[2] quick to adopt inflation targeting (in 1993)
- Strong financial oversight from APRA[3], ASIC[4] and CFR[5].

Strong Oversight

- Government and public service scrutinised by the Parliament, Audit Offices, Ombudsmen and ACCs[6]
- Strong quality of regulatory enforcement
- High perception of oversight over lobbying.

High Level of Trust

- Trust in government above OECD average
- 11th in World Bank's control of corruption index
- Australia and WA's governance both rated G-1 by Moody's.

[1]OECD – Organisation for Economic Co-operation and Development, [2]RBA – Reserve Bank of Australia, [3]APRA – Australian Prudential Regulation Authority, [4]ASIC – Australian Securities and Investments Commission, [5]CFR – Council of Financial Regulators, [6]ACCs – Anti-Corruption Commissions (Federal and State levels).

Strengths of our Australian Federation

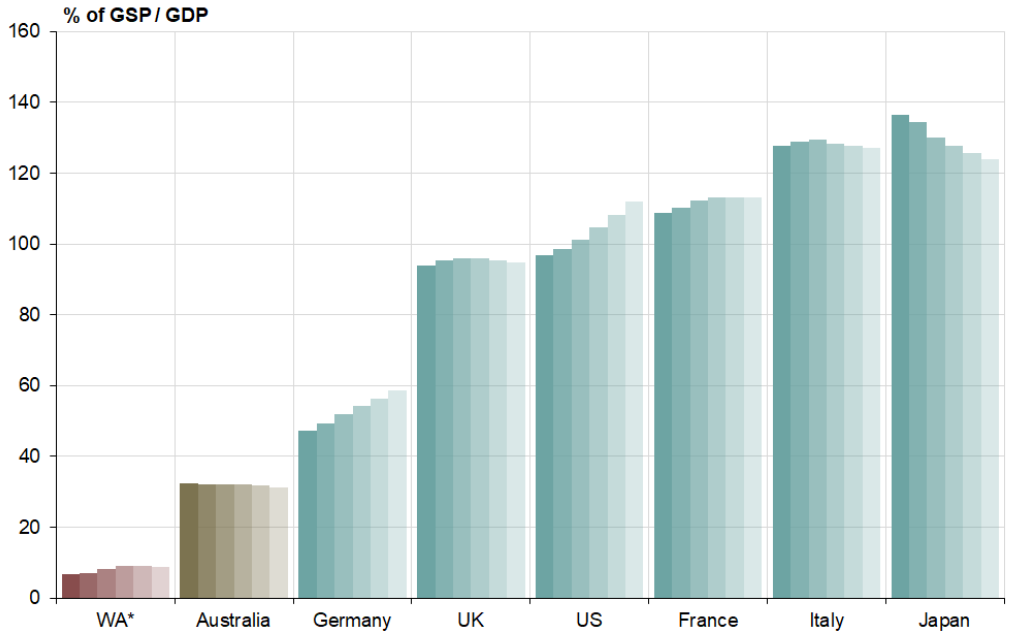
Australia is a long-term beneficiary of the fiscal transfer system, stable government and natural resources wealth

- Economic outperformance compared to OECD averages.
- Multicultural society, with almost a third of Australians born overseas.
- Universal health care, with free or subsidised access to primary and secondary care available nationally:
    - Life expectancy is 83.0 years, the 10th highest in the OECD.
- Wealthy households, with the 10th highest Gross Domestic Product per capita (purchasing power parity) in the OECD.
- Universal education (up to university), with over 90% of the population having a high school certificate (year 12 or trade qualification).
- National welfare system for unemployment, aged pension and disability support.
- Australia has the fifth largest superannuation/pension fund asset pool in the world, reaching A$4.5 trillion (US$2.9 trillion) in 2025.

Australia's low national debt compared to global standard supports ongoing investment in services and infrastructure.

General Government Net Debt in Selected Advanced Economies

2025–2030



Source: IMF / Department of Treasury and Finance
*Western Australia - Total Public Sector Net Debt to Gross State Product; Financial Years

Western Australia is an enduring AAA credit due to its robust economic base that drives long-term outperformance and fiscal strength in Government finances

Moody's Ratings Credit Opinion, 29 May 2026:

'Western Australia's stand-alone credit profile is supported by its robust and competitive economic base, strong own-source revenue generation capacity and a track record of prudent fiscal management.'

S&P Global Ratings, 11 September 2026:

'Our 'AAA' rating on Western Australia reflects the state's record of robust financial management, its very high-income economy, and exceptional liquidity.'

Credit Ratings for Western Australia and WATC

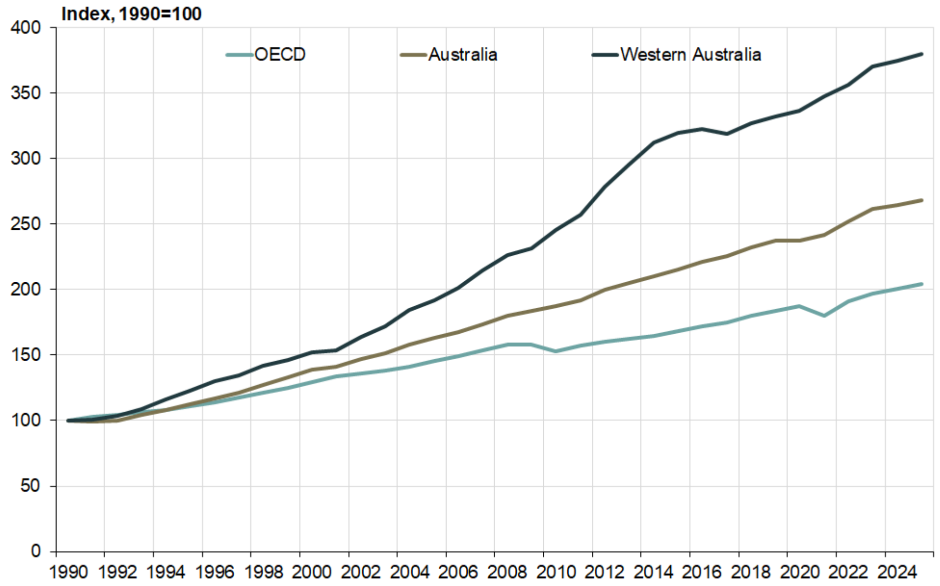
	S&P Global Ratings	Moody's Ratings
Short Term	A-1+	Prime-1
Long Term	AAA	Aaa
Outlook	Stable	Stable

i

- Western Australian Treasury Corporation (WATC) was established as the central borrowing authority for the State of Western Australia by the *Western Australian Treasury Corporation Act 1986* (the Act).
- Borrows on behalf of the general government sector, government-owned trading enterprises, local governments and universities.
- The Treasurer of Western Australia, authorised under the Act on behalf of the State of Western Australia, guarantees all financial liabilities incurred or assumed by WATC.

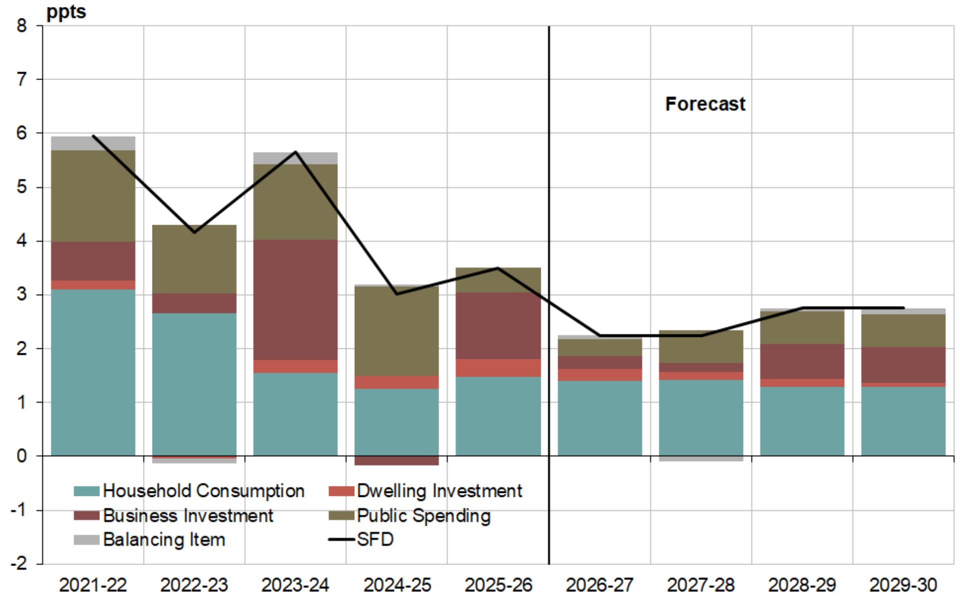
Western Australia's 'triple-A' credit rating reflects broad-based long-term economic strength, with all key growth factors to remain robust going forward

Real GDP/GSP



Source: Australian Bureau of Statistics (ABS), Bloomberg

Western Australian State Final Demand Growth



Source: Department of Treasury and Finance

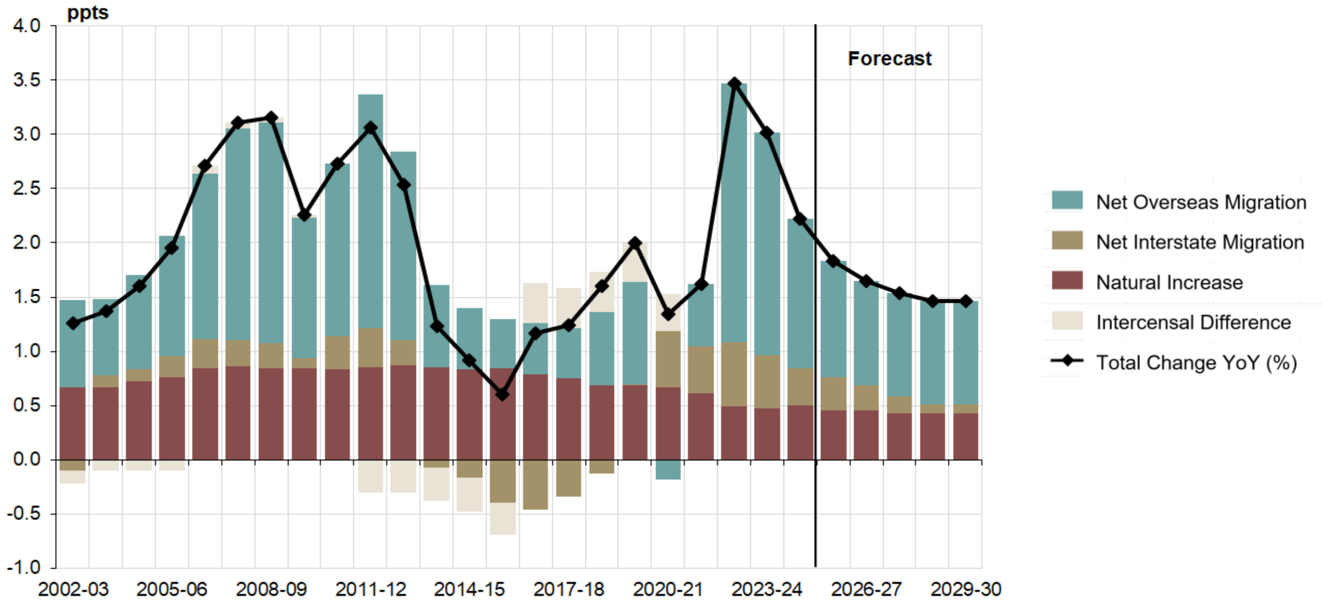
Factors of ongoing economic strength:

- Abundant natural resources and globally competitive mining sector, with proximity to the world's fastest growing region.
- Ongoing and broad-based business investment enabling future economic growth.
- Population growth fuelled by economic opportunity with a persistently resilient labour market.
- Household wealth additionally supporting and stabilising domestic growth over time.

Economic opportunity and a strong social fabric are key ongoing drivers attracting migration

Annual Population Growth

Percentage Point Contributions



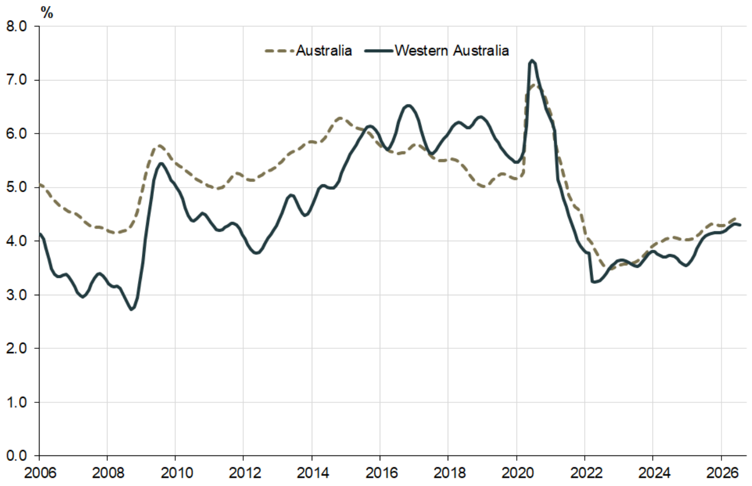
Source: Department of Treasury and Finance

- Population growth is fuelled by:
  - strong and diverse labour market
  - high standard of living
  - quality education and healthcare.
- Western Australian Government is actively providing support to attract skilled labour, particularly in construction, which additionally boosts migration.

Image courtesy of Tourism Western Australia

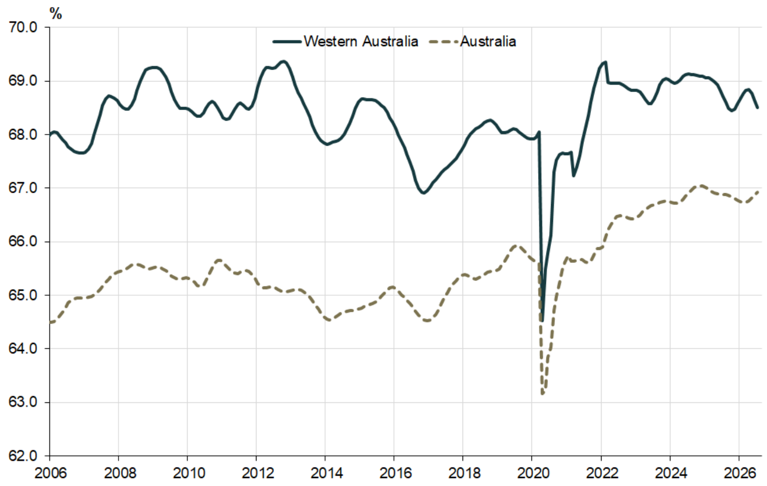
The broad-based labour market both requires and absorbs population growth, reflecting the ongoing strength of Western Australian economic conditions

Unemployment Rate
Trend Estimate



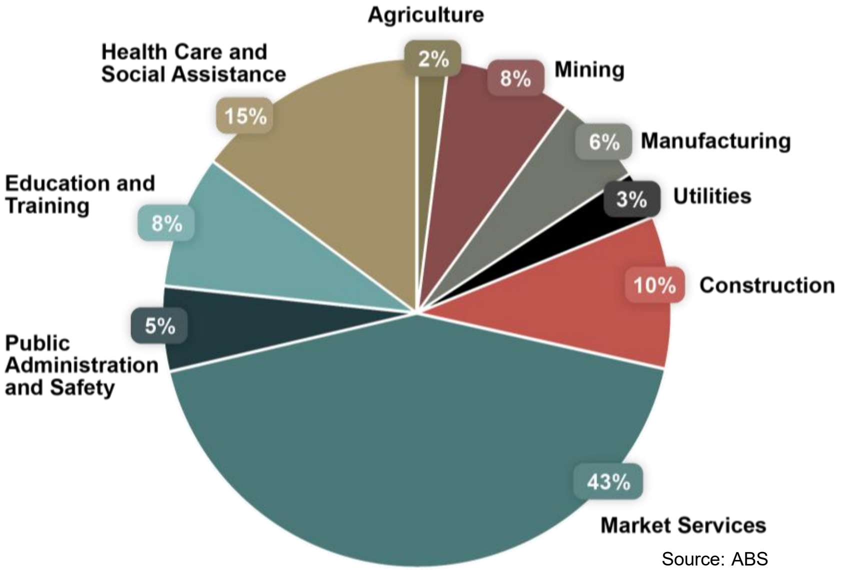
Source: ABS

Labour Force Participation Rate
Trend Estimate



Source: ABS

Industry Employment Share



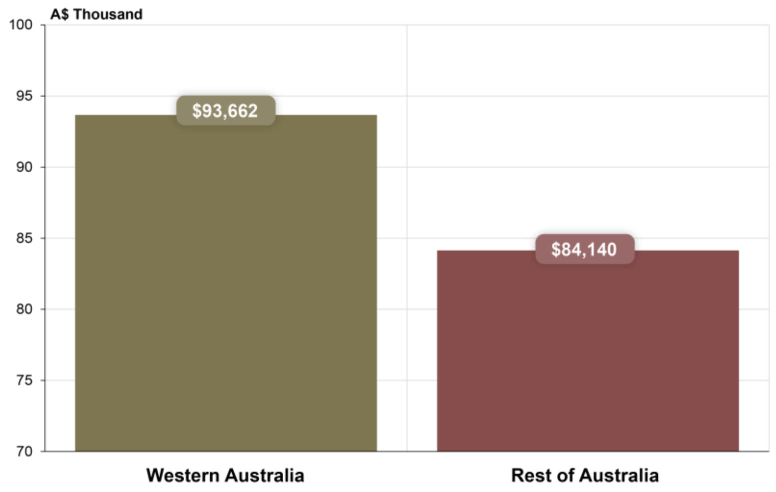
Source: ABS

- The persistently high participation rate reflects the employment opportunities for migrants, with the breadth of labour market diversity assisting to immunise the labour market against swings in global commodity markets.
- Growth in business investment and strength in job vacancies is expected to ensure labour market conditions remain strong, with the unemployment rate forecast in the 2026–27 Western Australian State Budget to remain 4.25-4.50% through to 2030.

The strong economy and labour market support robust household income and wealth, with high savings providing a buffer against unexpected external shocks

Household Disposable Income

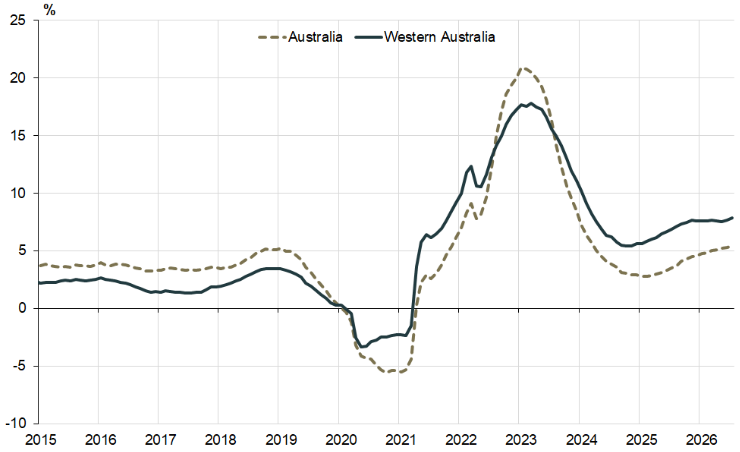
per Capita 2024–25



Source: ABS

Household Spending Indicator

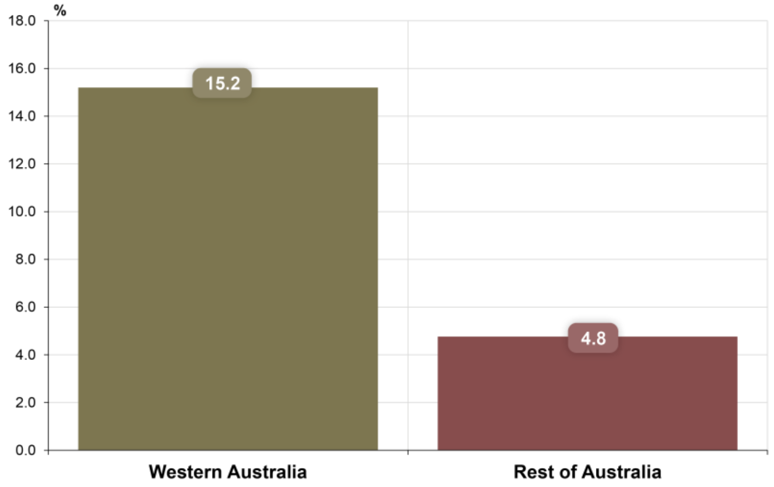
Average Annual Growth



Source: ABS

Household Saving Ratio

2024–25

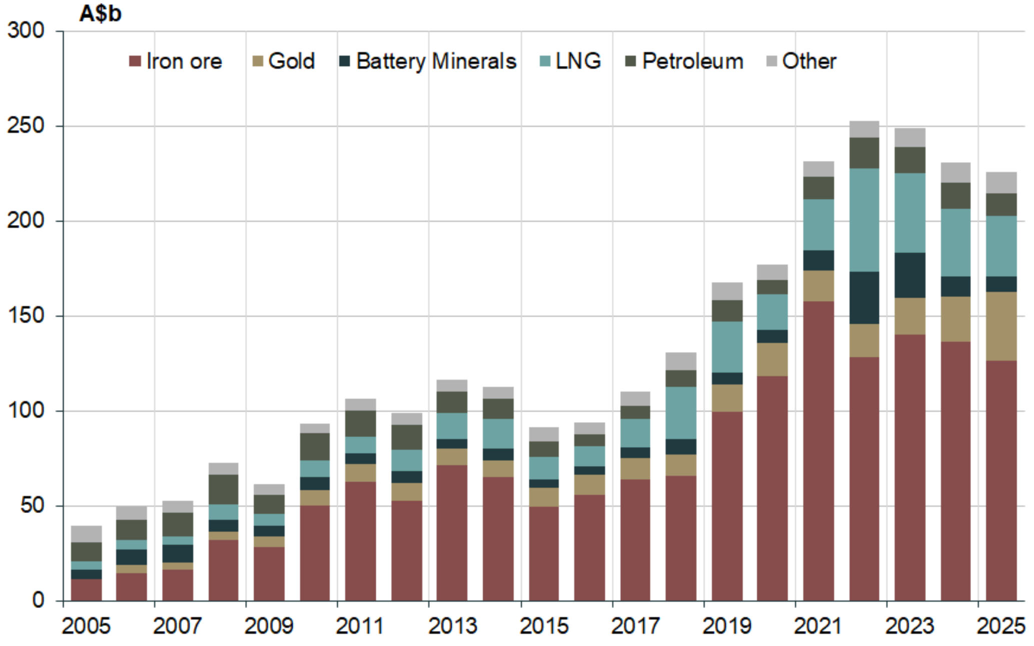


Source: ABS

- Western Australian average weekly full-time earnings, at A$2,150 (~ US$1,402), are around 7% higher than nationwide, which is reflective of a high value-added economy.
- Strong income and accumulated wealth, along with higher population, fuel household consumption, which has outpaced the rest of the country over the past five years and is expected to rise at a similar pace in the coming years.
- Despite the strong consumption growth, Western Australian households have high levels of savings, which will support consumption in case of a major shock.

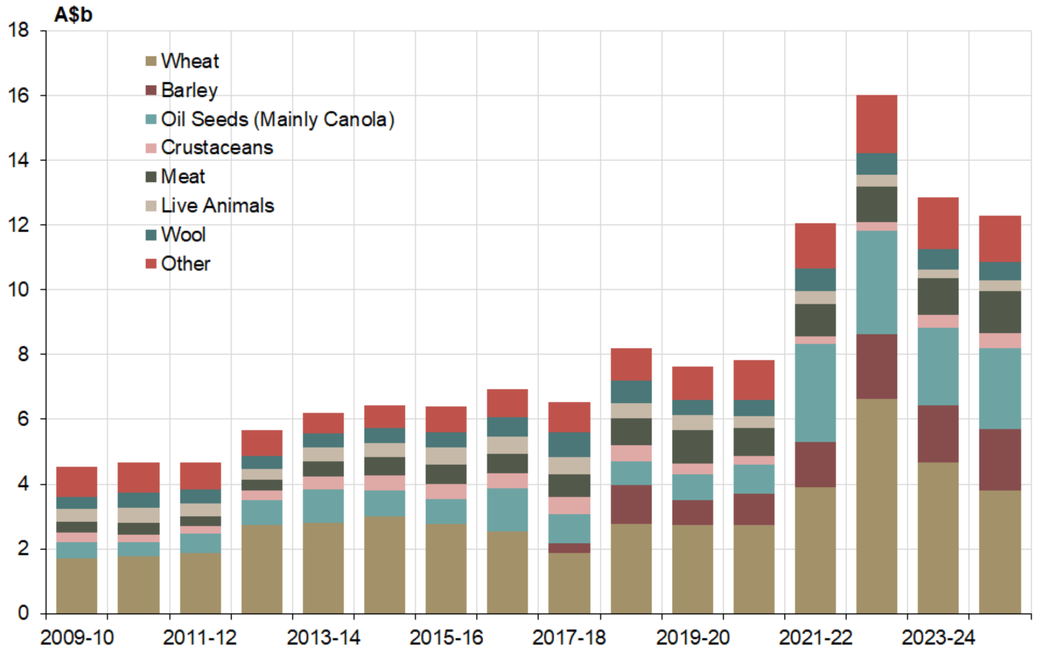
Western Australia continues to benefit from ongoing demand for its ample and diverse resources secured by its proximity to the world's most dynamic economies

Sales of Western Australian Minerals and Energy Commodities



Source: Department Mines, Petroleum and Exploration

Western Australian Agricultural Exports

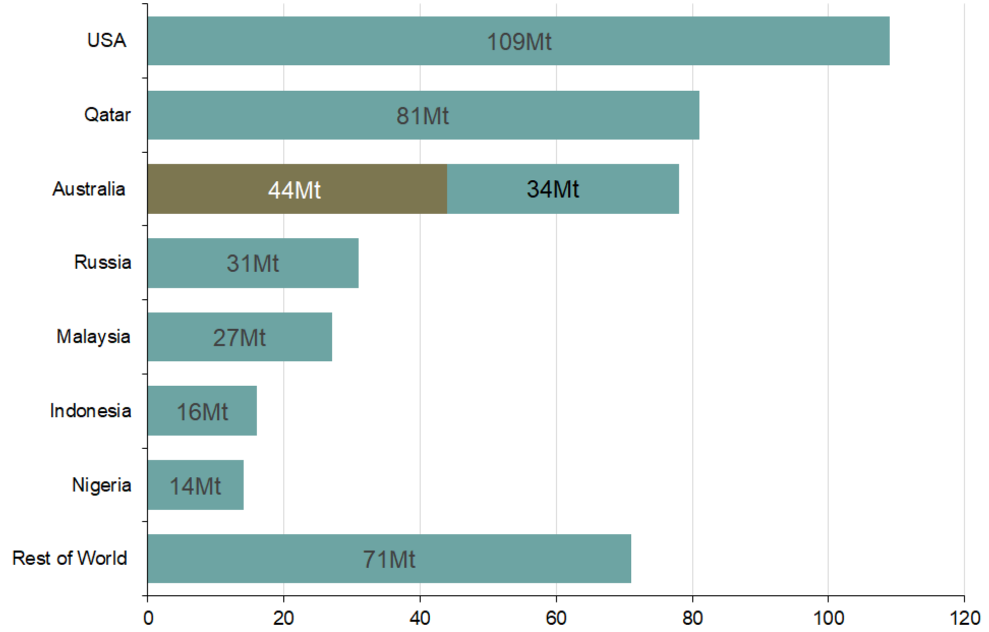


Source: ABS

- Western Australia is responsible for around half of Australia's merchandise trade across of a wide range of commodities, which are key enablers of traditional and emerging industries.
- Beyond mining commodities, Western Australia is a major exporter of diverse agricultural products, with technological advancement and favourable weather underpinning stronger production in recent years.

Western Australia is the third largest LNG exporter in the world and has a significant geographical advantage when it comes to supplying major Asian markets

Major Global LNG Exporters: 2025



Source: Department of Energy and Economic Diversification

LNG Shipping Duration: Days

	Korea (Incheon)	Taiwan (Kaosiung)	Japan (Tokyo)	China (Shanghai)
Western Australia	**8**	**6**	**8**	**7**
Queensland	9	8	8	9
Qatar	13	11	14	12
United States	21	22	20	22

Source: Sea Distrances.org

Western Australia LNG Major Export Destinations: 2025

	South Korea	Taiwan	Japan	China
Million Tonnes	**9.2**	**5.3**	**18.0**	**7.5**

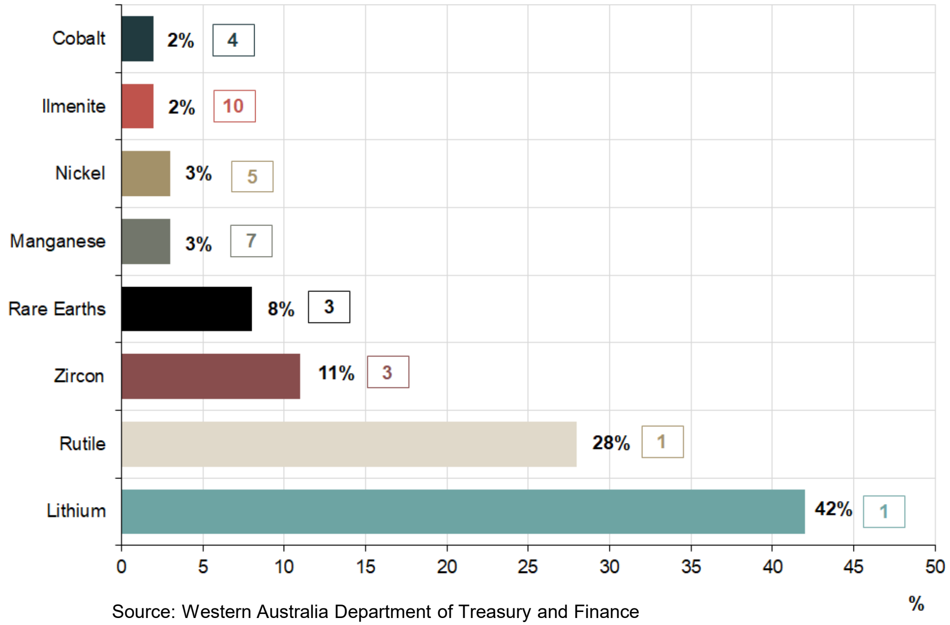
Source: Department of Energy and Economic Diversification

- Strong LNG export capacity helps strengthen energy security across Asia by providing a reliable import source amid recurring global trade disruptions.
- Around A$30 billion in LNG investment is either under construction or committed and a further A$41 billion planned or possible – building on the current position of around 12% of global production.

Western Australia is a key enabler of the global energy transition, new technologies and the artificial intelligence revolution as a major supplier of critical minerals

Global Critical Mineral Production

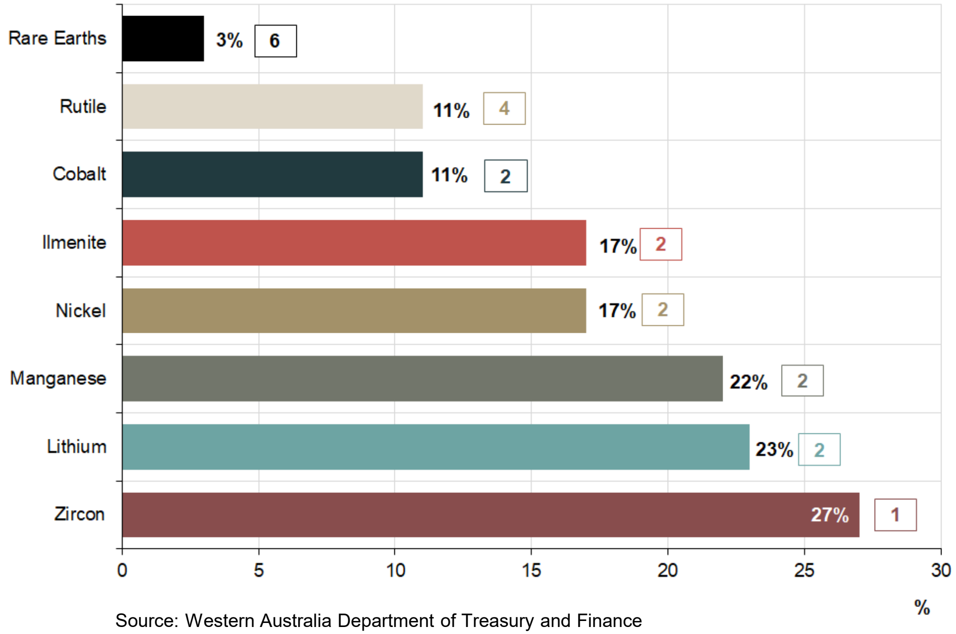
Western Australia's Production Share and Global Rank 2024



Source: Western Australia Department of Treasury and Finance

Global Critical Mineral Reserves

Western Australia's Reserve Share and Global Rank 2024



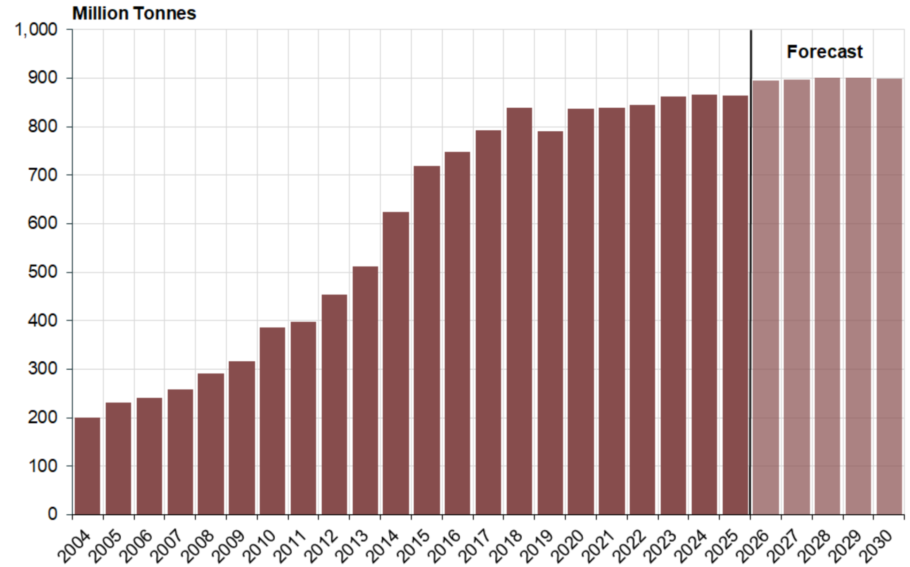
Source: Western Australia Department of Treasury and Finance

- Western Australia is a key supplier of critical minerals and boasts a considerable share of global reserves of these minerals.
- These critical minerals are essential for decarbonisation, advanced manufacturing, defence technologies, and broader strategic applications.
- As the artificial intelligence revolution gathers pace, demand for critical minerals will continue to grow, underpinned by their role as the physical foundation of next-generation computing, data infrastructure and electrification.

Western Australia is the world's top producer of iron ore and the State's low-cost production will continue to secure its global leader position

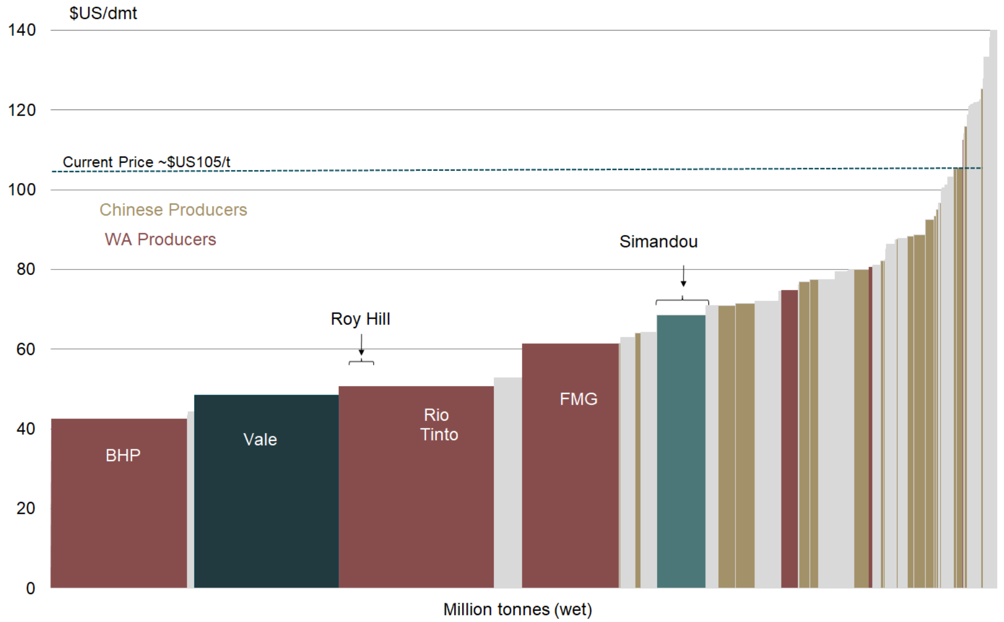
Iron Ore Volume Forecast

Western Australia, Annual



Source: Department of Treasury and Finance

Iron Ore Cost Curve

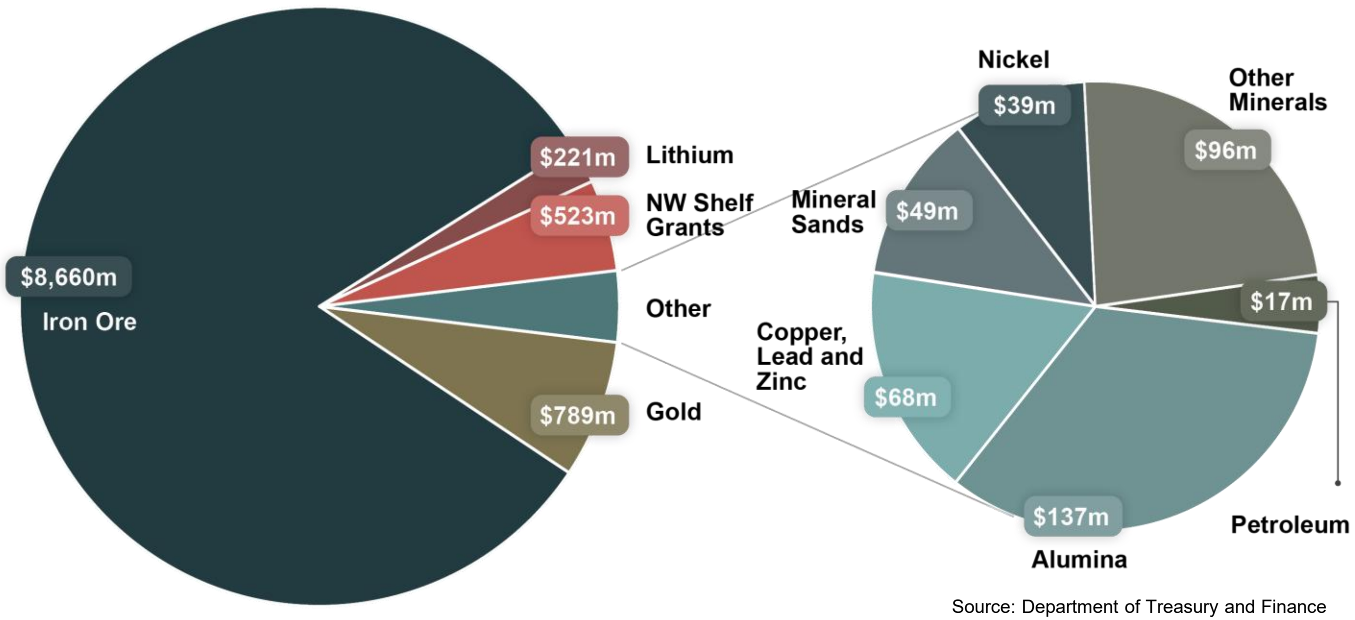


Source: Department of Treasury and Finance

- The State's production volumes have stabilised as the world's number one producer, with reserves that can sustain supply for over 50 years at current rates of production.
- With global steel demand forecast to remain robust given its critical role across industries, including manufacturing, defence, construction, infrastructure and energy - ongoing robust demand for iron ore is expected.
- The low-cost production in Western Australia implies that its major miners would remain profitable even if global iron ore prices fell significantly.

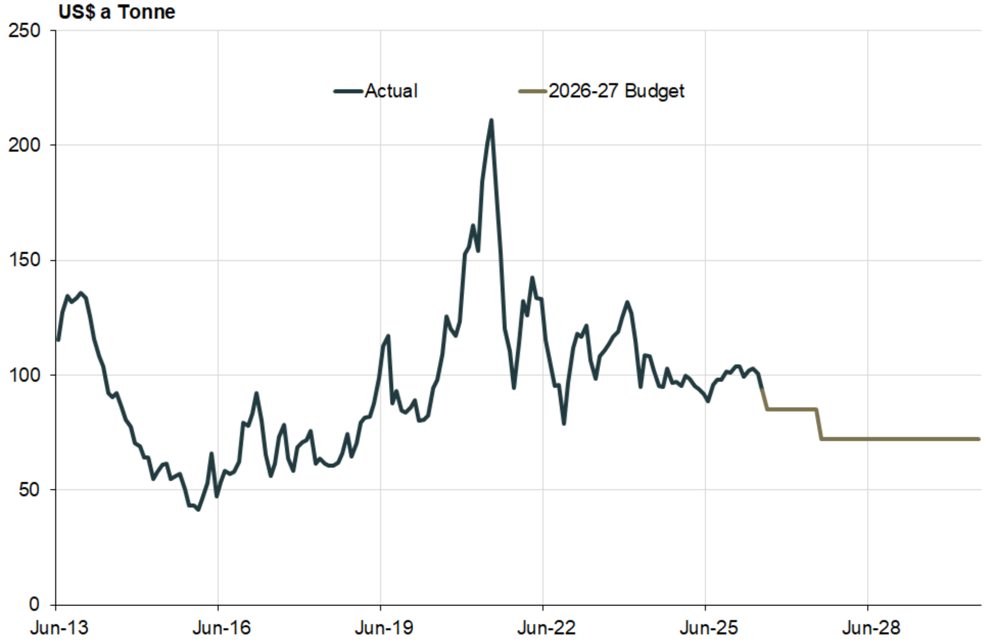
Conservative budgeting for royalty revenue protects against downside fiscal outcomes

Royalty Income in 2025 (A$10.6 billion)



Source: Department of Treasury and Finance

Iron Ore Price (Actual and Forecast)

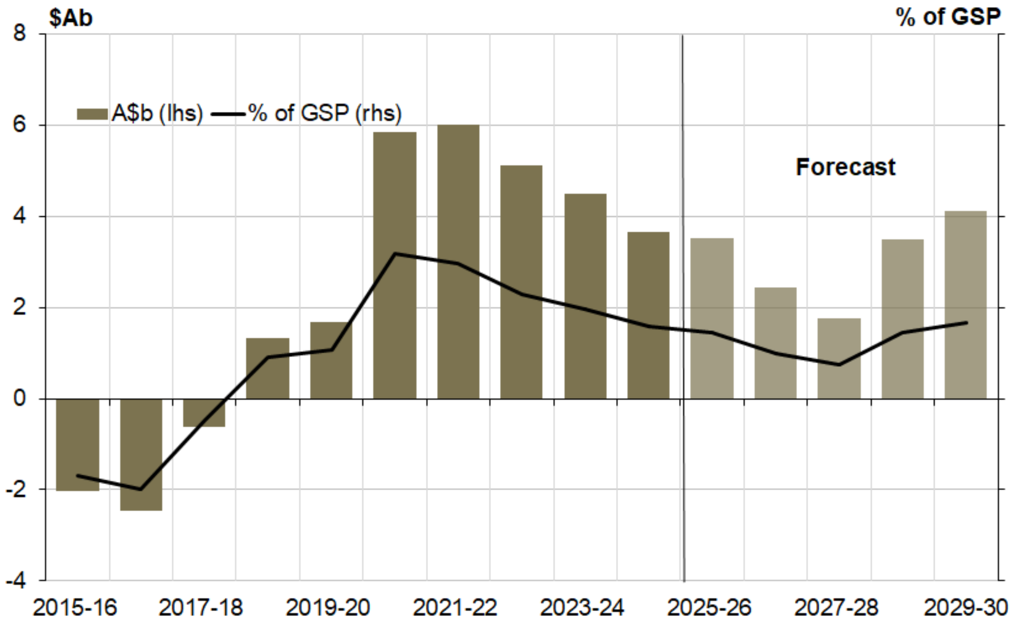


Source: Bloomberg / Department of Treasury and Finance

- The Western Australian Government receives royalties from extraction of its wide range of commodities, particularly iron ore. Royalties constitute a significant but more volatile share of the State's fiscal income, notably iron ore has a A$93m sensitivity to a US$1 change in price.
- Conservative forward price assumptions, most notably for iron ore (at historical average of US$72 per tonne), significantly reduce likelihood of not achieving budgeted revenue and operating balance forecasts.

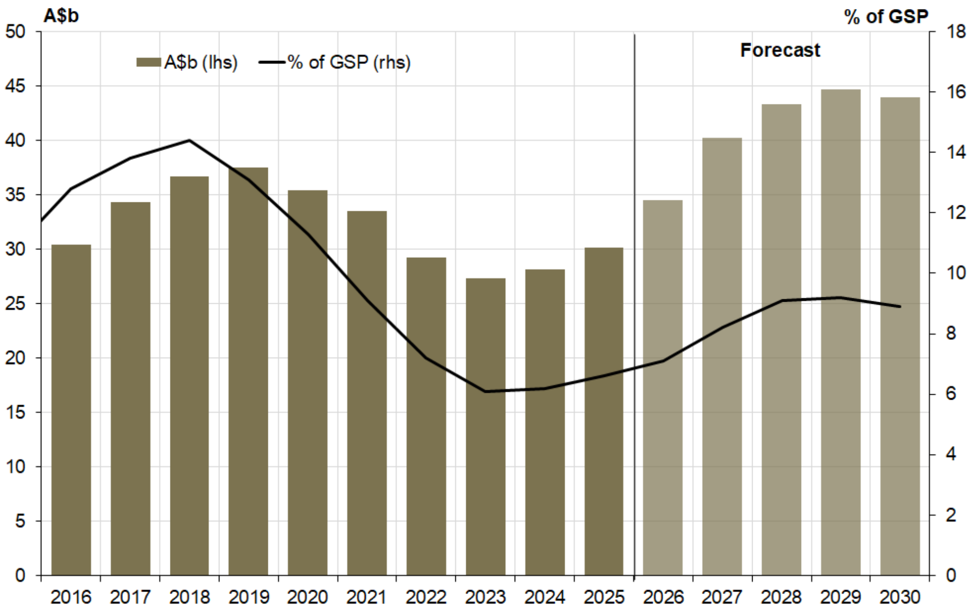
An ongoing robust fiscal position and low net debt is the central reason behind the State's enduring 'triple-A' credit ratings

General Government Operating Balance



Source: Department of Treasury and Finance

Total Public Sector Net Debt as at 30 June



Source: Department of Treasury and Finance

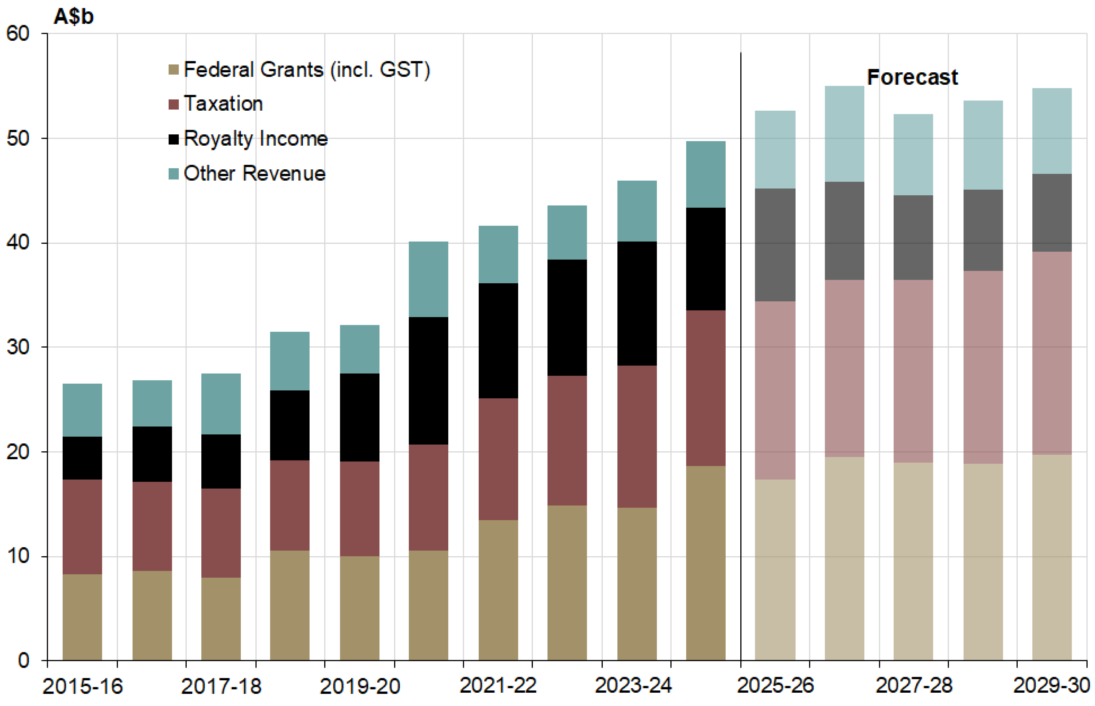
Factors of outstanding fiscal position:

- A long track record of prudent financial management by the Western Australian Government and conservative budgeting – evidenced by originally budgeted fiscal outcome having been positively exceeded for 10 years running.
- Robust economic base providing a strong own-source fiscal revenue generation capacity.
- Robust support framework from the Australian Federal Government provides underlying stability.

The Western Australian Government has a strong and diverse revenue base – not expected to be jeopardised by the current Federal review of the GST revenue distribution system

- Despite challenging global conditions, a stable revenue profile is forecast with the State's robust economic growth supporting consistent own source revenue.
- Federal Government transfers of ~ $17.5 billion for 2025–26 provide important stability but represent only ~ 35% of total revenue, the lowest of all states, of which the Goods and Services Tax (GST) distribution was ~ $8 billion for 2025–26.
- The method of GST distribution across states is currently under review by the Productivity Commission, noting:
    - Report released in August was a consultation document, with a final report due before end of 2026.
    - Any resultant reform would require Federal legislation, with the Prime Minister having committed to maintaining Western Australia's current arrangements.

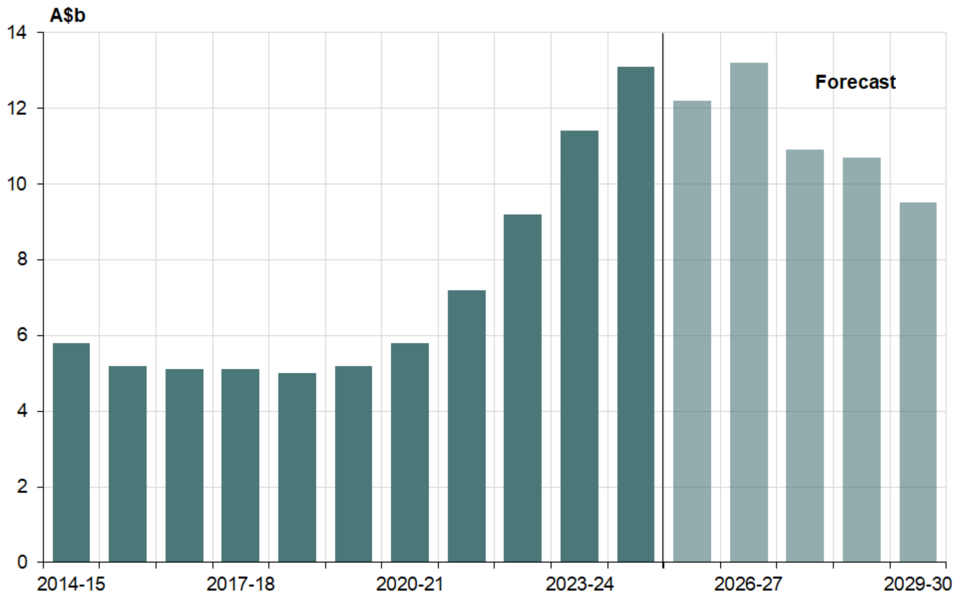
Total General Government Revenue



Source: Department of Treasury and Finance

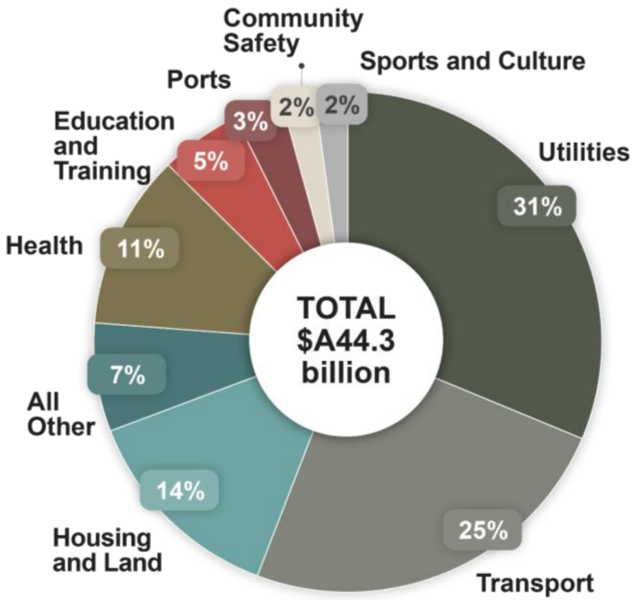
Fiscal strength and affordable debt facilitates investment in Western Australia's future

Asset Investment Program
Total Public Sector



Source: Department of Treasury and Finance

Asset Investment Program: 2026–27 to 2029–30
Total Public Sector, Western Australia



Source: Department of Treasury and Finance

- Ongoing operating surpluses, complemented by Western Australian Treasury Corporation's low-cost borrowing program, provide a source of funding for a A$44.3b Asset Investment Program (AIP) over 2026-27 to 2029-30, which enables the State to deliver investment to support long-term sustainable economic growth and respond to the demands of the growing population, while preserving fiscal prudence.
- The Western Australia Government has retained ownership of critical infrastructure, including electricity, water, ports, roads and public transport, keeping direct control over assets that provide support for population growth, export capacity and future economic development.

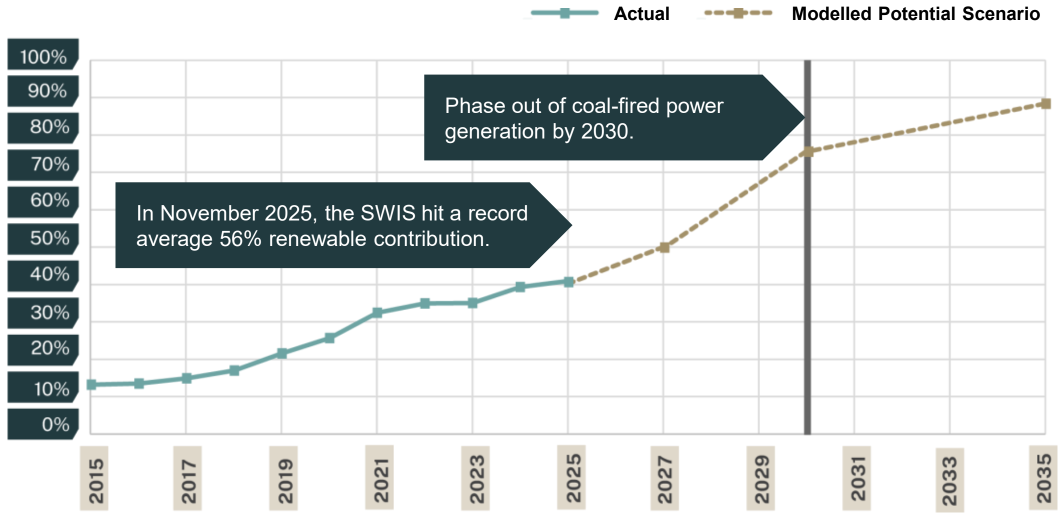
Phasing out State-owned coal-fired power generation by 2030 is driving the State's transition to renewable electricity and electrification of industrial processes

South West Interconnected System (SWIS)
The largest isolated electricity grid in the world

The SWIS covers Perth and surrounding populous regions around the cities of Bunbury, Albany, Geraldton and Kalgoorlie, providing electricity to more than 85% of Western Australia's residential population.

Renewable Percentage of SWIS Generation

Actuals with Extended Forecast Continuity (2015–2035)



Source: Western Australian Government modelling appended to historical renewable generation data from AEMO

- Since 2017 the State Government has committed almost $7 billion towards the energy transition to renewables and provisioned for a further $1.4 billion in the May 2026 State budget, being on track to meet its commitment to cease State-owned coal-fired power generation by 2030.
- Electricity network expansion through the SWIS Transmission Plan will facilitate significant increases in privately owned renewable generation capacity, providing significant capacity expansion to support industrial electrification and associated decarbonisation.

Western Australia's emissions intensity has declined alongside the national average, with national climate policy supporting further decarbonisation across major industries

- Western Australia's emissions intensity has fallen steadily despite the State accounting for approximately 55% of Australia's resources exports.
- National climate policy is expected to play an increasingly important role in decarbonising the State's major industries as Australia progresses towards its 2035 emissions reduction target.

Australia's industrial emissions reduction framework

↓ 4.9% per year

The Safeguard Mechanism requires Australia's largest emitters to progressively reduce net emissions by 4.9% p.a. and is a key policy supporting Australia's 2035 emissions reduction target.

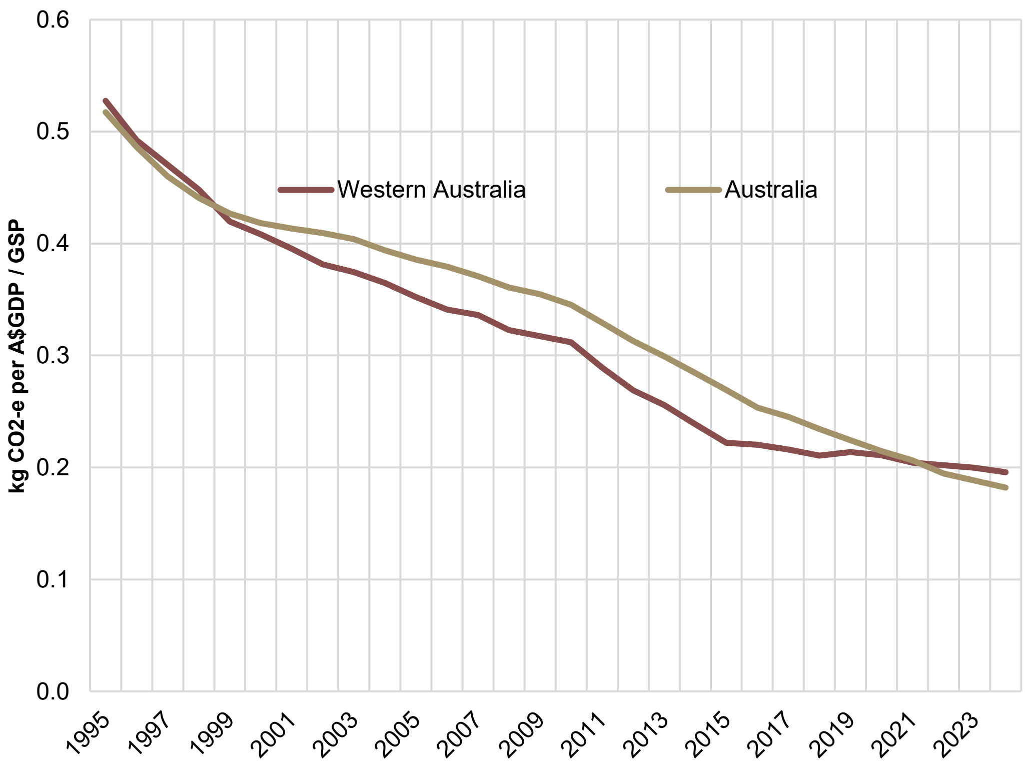
Why this framework matters in the State of Western Australia

~ 35% largest emitters in WA

WA hosts more than one third of Australia's Safeguard-covered facilities, which account for approximately half of the State's emissions, giving national climate policy an outsized influence on WA's decarbonisation pathway.

Western Australia's Emissions Intensity

Five-Year Average



Source: Federal Department of Climate Change, Energy, the Environment and Water / ABS

WATC will be more active in markets over the coming years with a growing new money and refinancing program

WATC Term Debt Funding Requirement

Estimated at 31 August 2026	2026–27 State Budget			
	2026–27 $b	2027–28 $b	2028–29 $b	2029–30 $b
New Money Program (Est.)	5.8	4.3	2.5	1.6
Projected Maturities	5.8	5.3	6.1	7.1
Total Maturities + New Money	**11.1**	**9.6**	**8.6**	**8.7**
Amount Completed	2.2	0.0	0.0	0.0
Total Term Funding Remaining	**8.9**	**9.6**	**8.6**	**8.7**

Balance Sheet Management

- Target optimal mix between fixed rate benchmark bonds and floating rate notes – issued through our global dealer panel.
- Debt maturing within 12 months kept below 20% of total borrowing with 100% liquid asset coverage.
- AUD term issuance supported by Short Term Domestic and Euro Commercial Paper programs

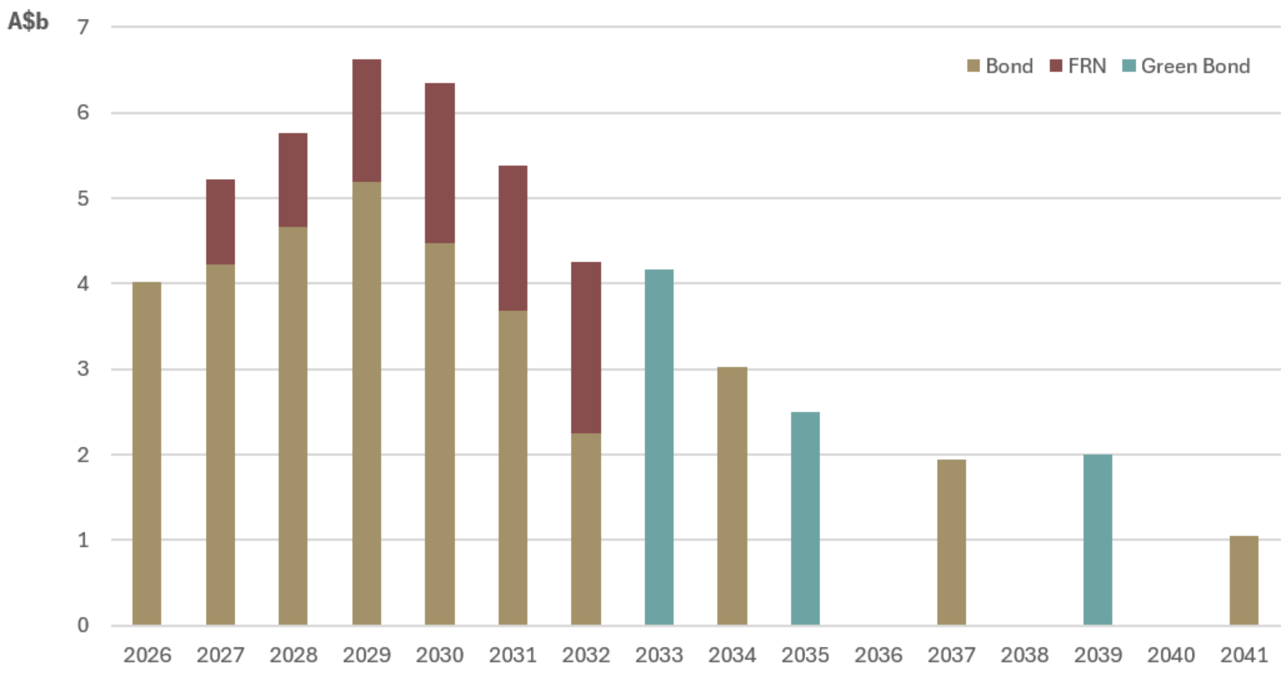
- Estimated ‘New Money’ program of $14.2 billion over budget out-years to assist in funding the $44.3 billion Asset Investment Program.
- Total requirement of $37.3 billion shows the impact of WATC’s refinancing obligations that will continue to build with increasing total debt outstanding.

Moving towards a longer debt profile with deep liquidity to accommodate increased funding needs and investor demand

2026–27 Funding Priorities

- **Recent activity has included:**
  - $1.25b syndicated tap of our July 2033 maturity green bond in August 2026
  - 2.0b October 2039 maturity green bond issued in April 2026.
  - $2.0b March 2032 maturity floating rate note issued in January 2026.
- **Balance of FY27 will focus on:**
  - Establishment of at least one new benchmark bond line – most likely to fill a gap in the profile.
  - Establishing another FRN line.
  - Build up existing benchmark bonds and FRNs, look to opportunistically increase the 2041 bond.
  - Maintaining our presence in short term debt markets
  - Actively manage our refinancing risk by supporting switches for investors and buybacks.

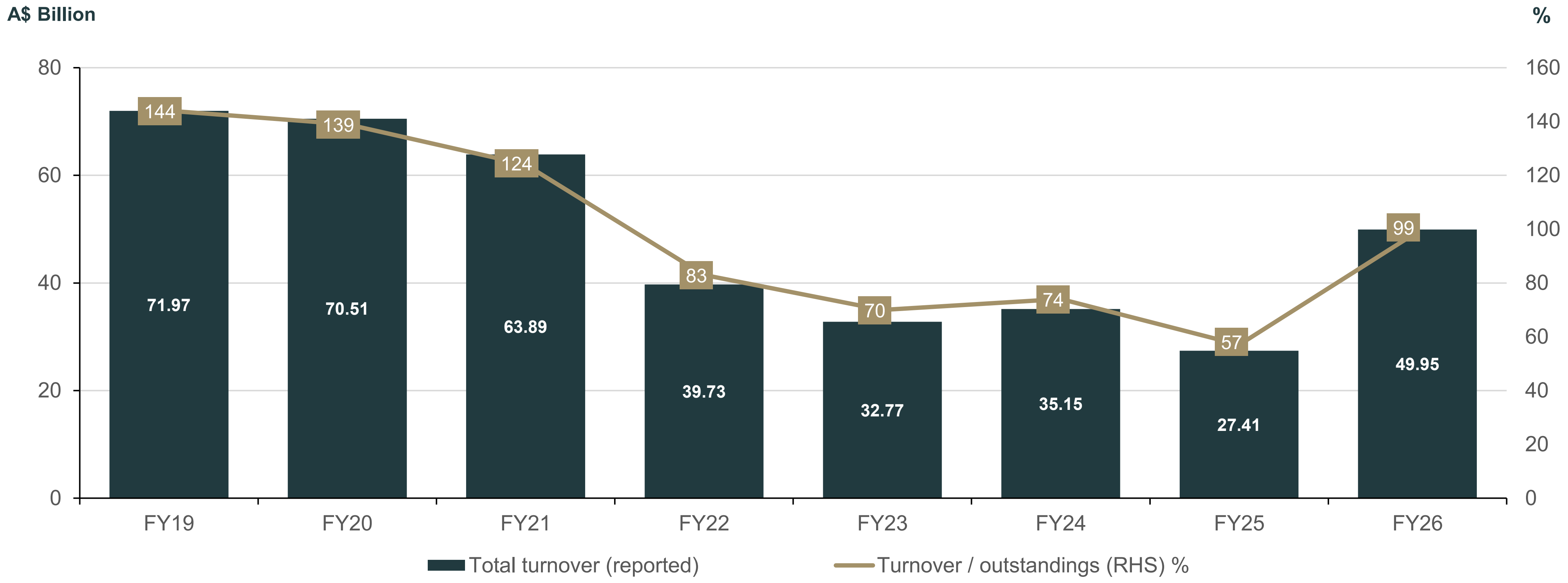
WATC: Term Outstanding at 31 August 2026



Source: Western Australian Treasury Corporation

WATC secondary turnover has increased reflecting growth in global investor activity in the Australian debt market and WATC's increased issuance program creating supply

Total Dealer Panel Turnover in WATC Term Debt



Source: Western Australian Treasury Corporation

WATC's Green Bonds are also issued as Benchmark Bonds and are recognised as leading market practice across sustainable finance standards

1 Clear Alignment with International Standards

The Green Bond Principles

WATC's Sustainability Bond Framework is fully aligned to International Capital Market Association Green Bond Principles, the globally accepted benchmark for green bond issuance.

2 Independent Expert Review

MOODY'S RATINGS

WATC has obtained a Second Party Opinion from Moody's Ratings: '*We have assigned an SQS1 Sustainability Score (excellent) to WATC's green bonds*'.

3 Clear Alignment with International Standards

Australian Sustainable Finance Institute

WATC's green bond project pool shows strong alignment with the Australian Sustainable Finance Taxonomy.

4 Innovative, Transparent and Meaningful Reporting

WESTERN AUSTRALIAN TREASURY CORPORATION

WATC's latest report cohesively demonstrates how State policy objectives and our green bond project pool connect to deliver outcomes.

i

- WATC's strong credentials support continued access to sustainable debt markets.
- The sustainable bond program also enhances WATC's ESG credibility in broader debt markets and provides a platform for engaging investors on Western Australia's integrated ESG and economic narrative.

WATC's green bonds focus on additionality – evidenced through our new Impact Framework that demonstrates the positive outcomes investors have contributed capital to

	WA Government Policy Theme	Allocation to date	Projects	Outcomes	Impact
1	Reducing emissions from electricity generation	$2.8 billion	• Windfarms • Standalone Power Systems • Solar Schools Program • Clean Energy Link • Large-Scale Batteries • Advanced Metering Infrastructure • LED Streetlights	• FY25 estimated emissions avoided: 111,753 tCO_2e • FY28 forecast emissions avoided: 534,825 tCO_2e	Contribution to: • Transition to net-zero by 2050 • Long-term climate resilience • Sustainable land management protecting biodiversity for future generations
2	Transport infrastructure to support net-zero transition	$1.6 billion	• METRONET • Electric Vehicle Initiatives • Active Infrastructure • Electric Bus Fleet	• FY25 estimated emissions avoided: 1,826 tCO_2e • 72 km of new electrified rail	
3	Enhancing climate change adaptation and resilience	$0.4 billion	• Renewable Desalination Plant	• Forecast supply of drinking water: 50 GL/year	
4 New	Enhancing and protecting our natural capital	NA*	• Softwood Plantation Investment Scheme • Plan for Our Parks • Forest Management Plan	• Increase in protected areas and areas under sustainable forest management	

*Proceeds will be allocated from the $2 billion October 2039 maturity green bond issued in April 2026

GETTING IN TOUCH

Key Contacts

WESTERN AUSTRALIAN
TREASURY CORPORATION

Level 12, St Georges Square
225 St Georges Terrace
PERTH WA 6000

Phone
+61 8 9235 9100

Email
esg@watc.wa.gov.au
financialmarkets@watc.wa.gov.au

watc.wa.gov.au

Kaylene Gulich
Chief Executive Officer
kgulich@watc.wa.gov.au
+61 416 047 206

Truong Le
General Manager Funding and Markets
tle@watc.wa.gov.au
+61 438 884 293

Richard McKenzie
Head of ESG and Investor Relations
rmckenzie@watc.wa.gov.au
+61 450 313 674

Mathew McCrum
Head of Markets
mmccrum@watc.wa.gov.au
+61 403 047 448

Image courtesy of Tourism Western Australia

Image courtesy of Tourism Western Australia

WESTERN AUSTRALIAN
TREASURY CORPORATION