



# Investing in Western Australia

Key Reasons Why Our State is a Secure and Sustainable Investment Proposition

INVESTOR UPDATE | OCTOBER 2025



## WHY INVEST IN WESTERN AUSTRALIA

- ✓ Sustained economic strength with low unemployment and high population growth
- ✓ Export engine of Australia and world leader in resources and critical minerals production
- ✓ Sound fiscal management and years of general government operating surpluses
- ✓ WATC's expanding borrowing program assists funding environmental and socially focused government infrastructure

## CREDIT RATING OF WATC AND WESTERN AUSTRALIA

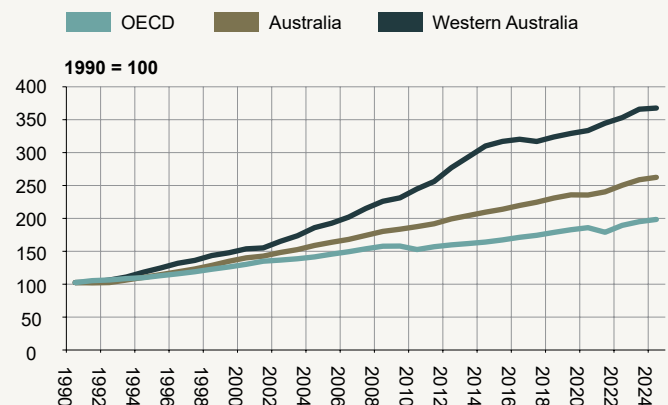
Western Australian Treasury Corporation (WATC) is the central borrowing authority for Western Australia.

Ratings Agency	S&P Global Ratings	Moody's Ratings
SHORT TERM	A-1+	Prime 1
LONG TERM	AAA	Aaa
OUTLOOK	Stable	Stable

## → Stable AAA Credit

Australia has a stable federation system and governance with Western Australia a long term economic outperformer.

Australia is a Federation of six states and two territories, forming a single Commonwealth with a tight fiscal relationship. The Commonwealth is fiscally dominant and provides almost half of State and Territory government revenue through a system of fiscal transfers. This tight fiscal relationship was highlighted when the Commonwealth Government established a guarantee scheme for state and territory borrowings during the Global Financial Crisis.



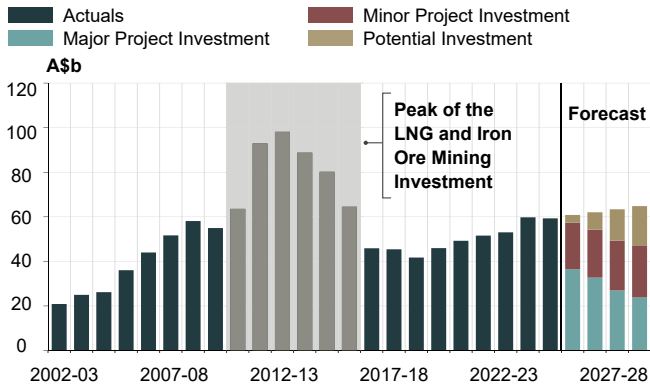
Source: Australian Bureau of Statistics, Bloomberg

## → Strong Economy

Business investment is at the highest levels in a decade and capital spending plans indicate further increases in the coming years. Western Australia has a strong economy, with low unemployment and high population growth. Household incomes are the highest of all the Australian states, with per capita income around 10 per cent above the average of the other states and territories.

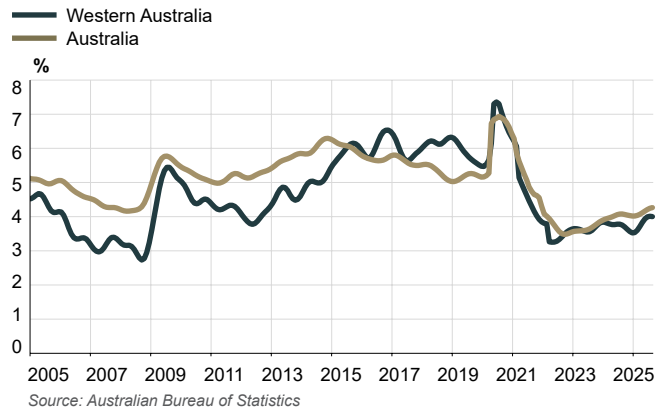
### Business Investment

Financial Years 2002–03 to 2028–29



### Unemployment Rate

2005 to 2025

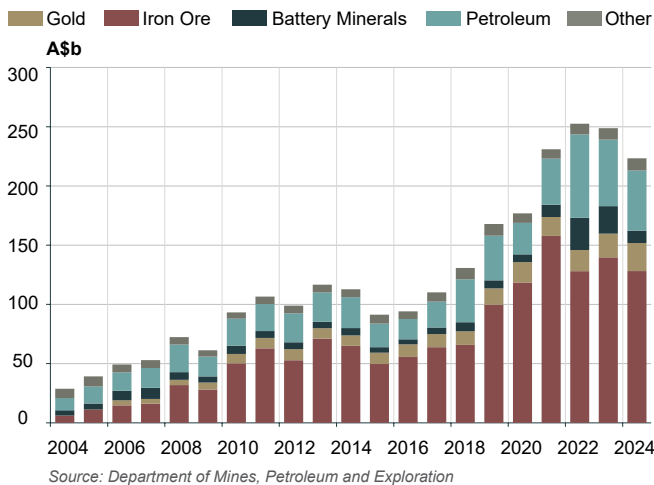


## → Export Powerhouse

Western Australia is a world leader in resources and critical minerals production and the export engine of Australia. As the world's number one iron ore producer, this is contributing to the Western Australian Government's royalty income.

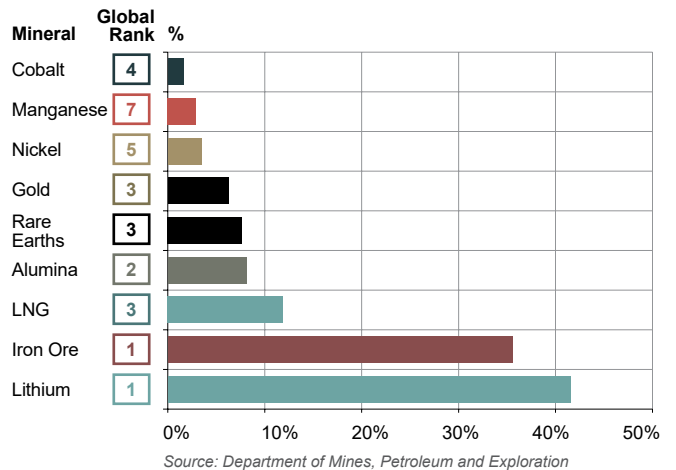
### Minerals and Energy Commodity Sales

2004 to 2024



### Global Production Share

2024

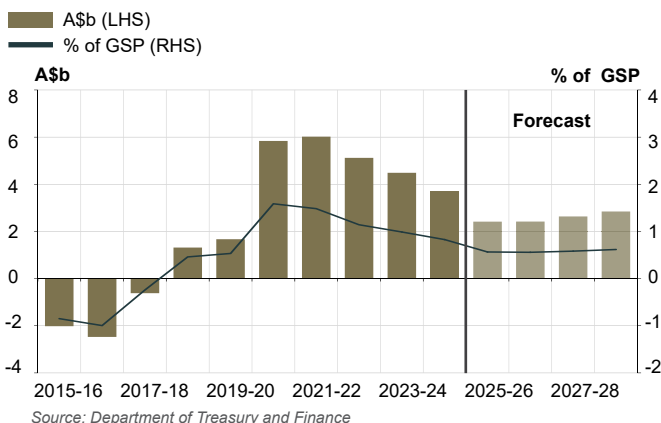


## → Sound Fiscal Management

Seven years of general government operating surpluses are expected to continue across the forward estimates. Strong revenue and conservative fiscal management over an extended period means WA net debt to GSP/GDP is very low by global standards and will remain well contained. Diversified revenue base supported by conservative assumptions for royalty revenue limit downside risk.

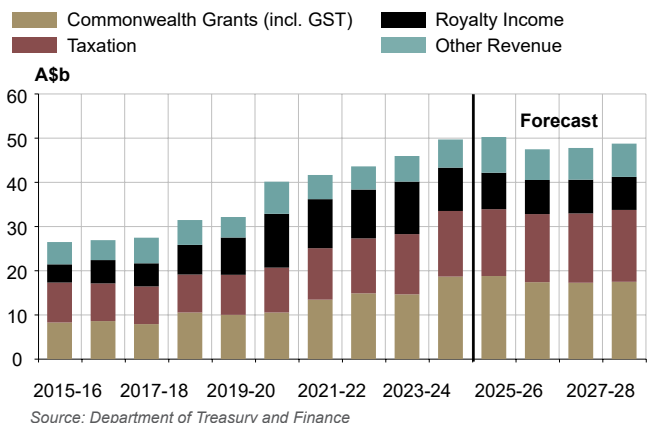
### Government Operating Balance

Financial Years 2015–16 to 2028–29



### General Government Revenue

Financial Years 2015–16 to 2028–29



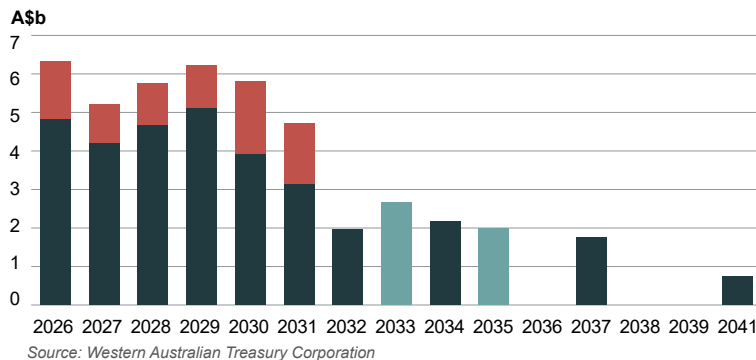
## ➔ Expanding Borrowing Program

WATC's borrowing program is expanding in FY26 and the out-years. Balance of this financial year's funding expected to include a new floating rate note and green benchmark bond.

### WATC Maturity Profile

Term Outstanding at 30 September 2025

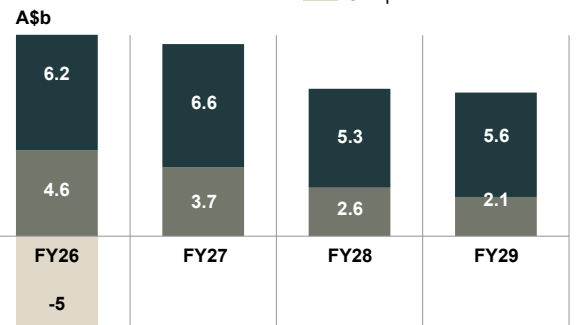
Green Bond Bond Floating Note Rate



### WATC Term Funding Requirement

Estimated as at 30 September 2025

New Money Program (Est) Projected Maturities Completed

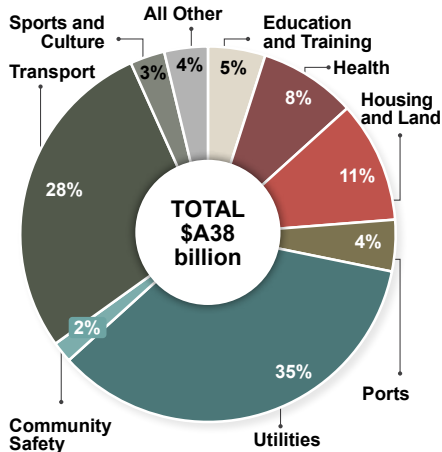


## ➔ Supporting Environmental and Social Outcomes

WATC's entire borrowing program aids funding the Western Australian Government's Infrastructure Program (Asset Investment Program or 'AIP') which has an 80% alignment to ICMA green and social bond principle categories.

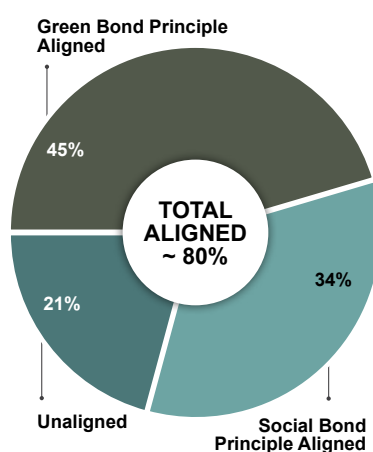
### Asset Investment Program

Financial Years 2026 to 2029



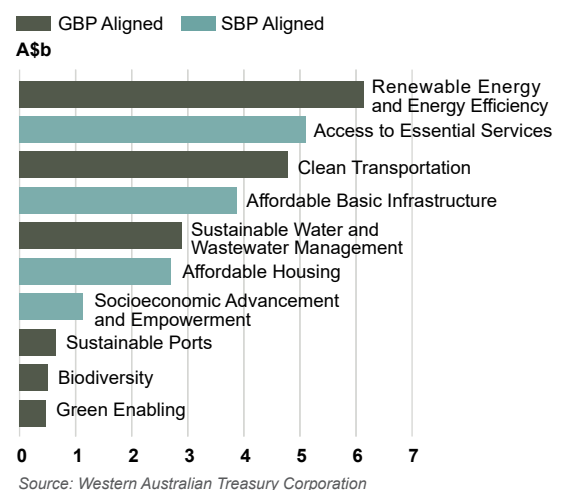
### AIP Alignment

Financial Years 2026 to 2029



### Green and Social Bond Principle Categories

Financial Years 2026 to 2029



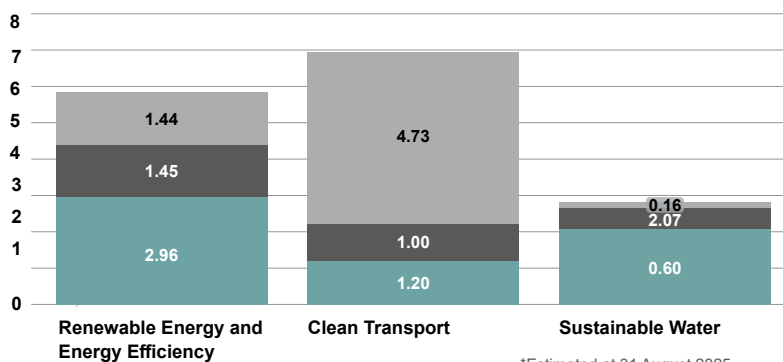
## ➔ Green Bonds Fund Transformational Projects

WATC's Green bonds assist in funding a specific subset of the infrastructure program aligned to the delivery of key environmental policy objectives of the Western Australian Government.

### Project Pool Expenditure by Green Bond Principle Categories

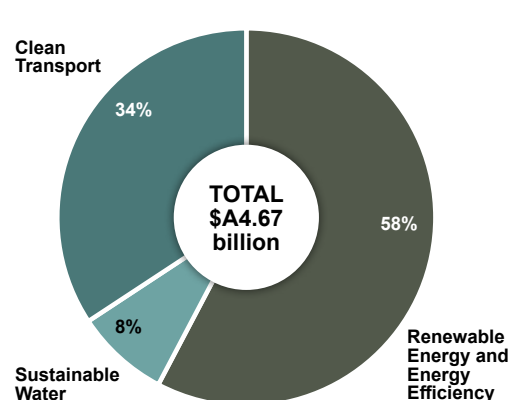
As at 31 August 2025

Financial Years 2026–2029\* Financial Year 2025\* Financial Years 2022–2024



### 2023 and 2035 Green Bond Proceeds

As at 30 September 2025





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#### Notes

## WESTERN AUSTRALIAN TREASURY CORPORATION

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