

2021 ESG INVESTOR BRIEFING

16 SEPTEMBER 2021

PRESENTATION & REFERENCE PACK

Approved for distribution by ANZ's Continuous Disclosure Committee

Australia and New Zealand Banking Group Limited 9/833 Collins Street Docklands Victoria 3008 Australia
ABN 11 005 357 522



CONTENTS

2021 ESG PRESENTATION & ESG REFERENCE PACK

ESG Presentations	3
CEO Presentation	3
CRO Presentation	13
ESG Reference Pack	20
Overview	20
ESG Priority Areas	26
Sustainability	33
Carbon & Financing Sustainability	40
Human Rights & Modern Slavery	47

2021

ESG INVESTOR BRIEFING - PRESENTATION

SHAYNE ELLIOTT

CHIEF EXECUTIVE OFFICER



OUR ESG APPROACH SUPPORTS THE EXECUTION OF OUR STRATEGY



DRIVING VALUE



Alignment of
purpose & ESG,
with strategy
and outcomes



Driving value
through our
people and
culture



Environmental
sustainability,
both as a risk
and opportunity



Continuing to
strengthen our
focus on financial
wellbeing

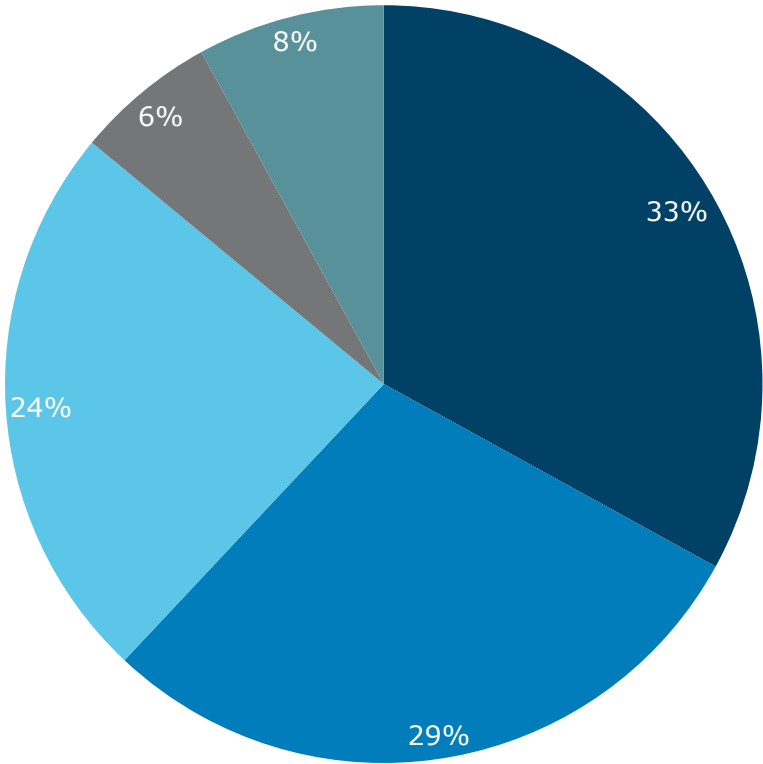


Our
integrated risk
management
approach

EMBEDDING OUR PURPOSE, ETHICS & VALUES

BOARD EESG¹ INDICATIVE AGENDA AND TOPICS COVERED

INDICATIVE AGENDA AND TOPICS COVERED (FY21)



How we bank

(Customer fairness, product suitability, vulnerability, conduct, reconciliation)

Governance

(Materiality assessment, reporting, review good ESG Governance & ERBC focus)

Who we bank

(Carbon policy & transition plans, human rights policy, emerging social issues e.g. modern slavery, animal welfare)

How we measure and communicate

(Annual reporting suite, setting and monitoring ESG targets, external assurance)

Our priority areas

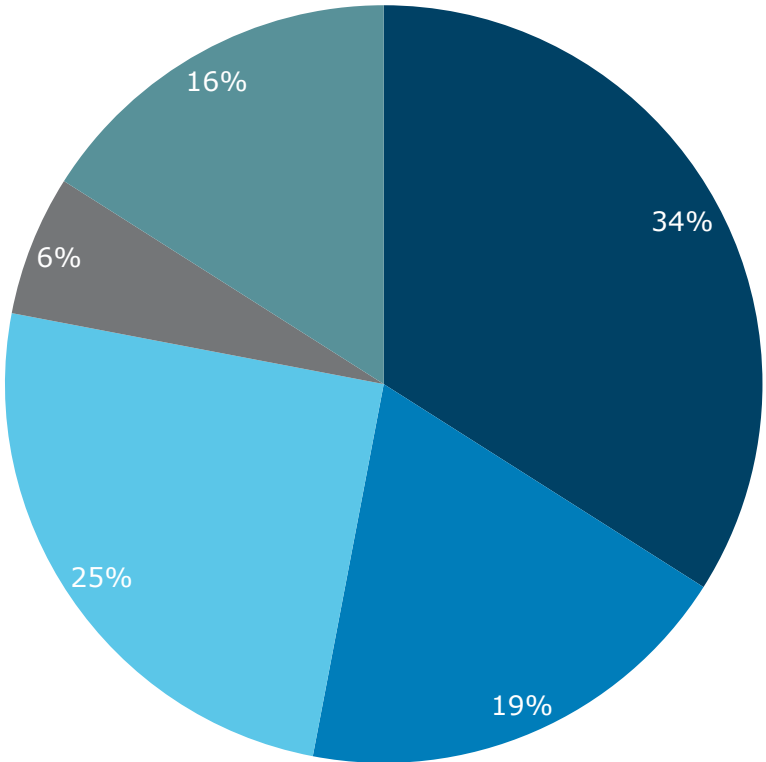
(Housing, Financial wellbeing, Environmental sustainability)

1. Board Ethics, Environment, Social and Governance Committee, generally meets four times a year

EMBEDDING OUR PURPOSE, ETHICS & VALUES

EXECUTIVE ERBC¹ INDICATIVE AGENDA AND TOPICS COVERED

INDICATIVE AGENDA AND TOPICS COVERED (FY21)



How we bank

(Product suitability, accessibility, diversity, vulnerability)

Governance

(Materiality assessment, Social & Environmental, risk policy, frameworks)

Who we bank

(Industry & country reviews, human rights, modern slavery & carbon policies, sensitive wholesale transactions)

How we measure and communicate

(ESG targets & reporting, community sentiment ratings)

Our priority areas

(Housing, financial wellbeing, environmental sustainability)

1. Ethics and Responsible Business Management Committee, generally meets four times a year

THE BANK WE'RE BUILDING

PURPOSE-LED TRANSFORMATION WILL DRIVE BETTER OUTCOMES FOR ALL STAKEHOLDERS



ersonal use only

THE BANK WE'RE BUILDING

GIVING CUSTOMERS ACCESS TO...



Propositions

Easy to use services that improve the financial wellbeing and sustainability of customers

Platforms

More agile and more resilient banking infrastructure platforms provided to ANZ and third parties

Partnerships

Integrated, data-enabled, Home Owner and Business Owner ecosystems

People

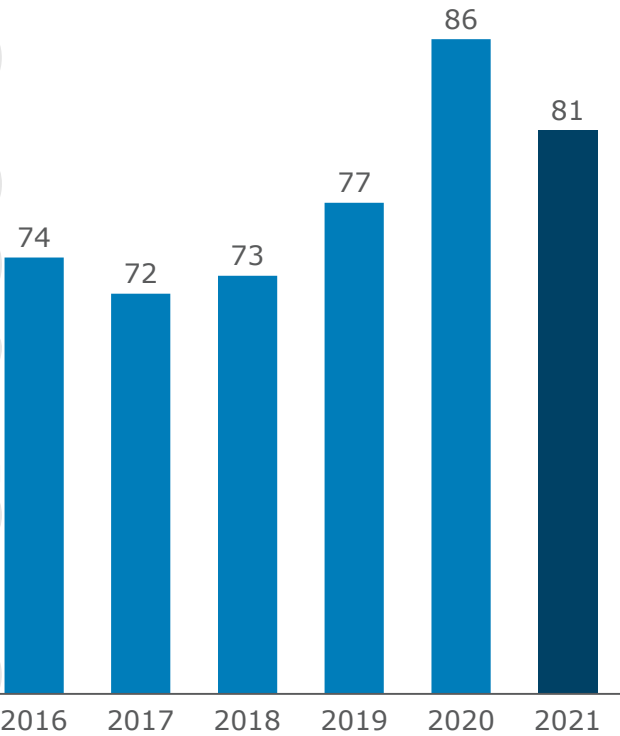
A diverse team, who listen, learn and adapt to deliver outcomes that address financial and sustainability challenges

...and delivering consistently strong shareholder returns

OUR PEOPLE

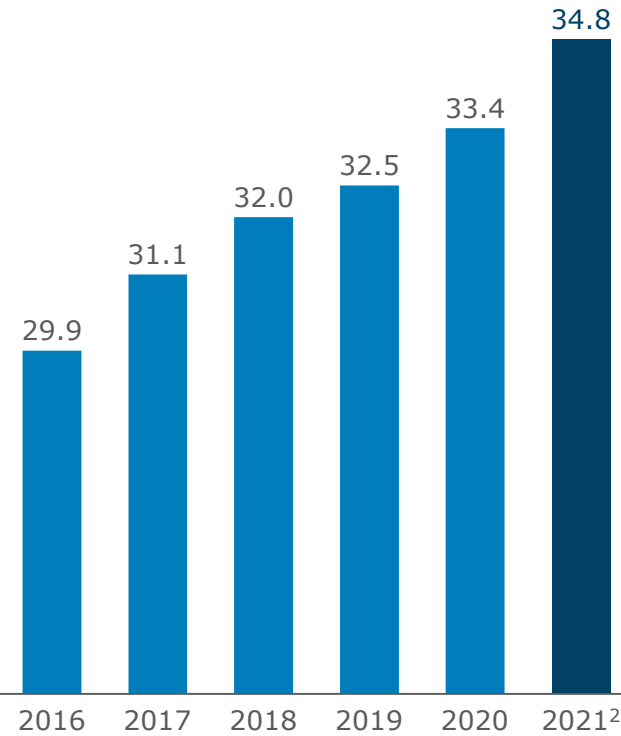
EMPLOYEE ENGAGEMENT¹

Employee engagement score (%)



WOMEN IN LEADERSHIP¹

Representation (%)



DIVERSITY & INCLUSION (D&I)

INITIATIVES

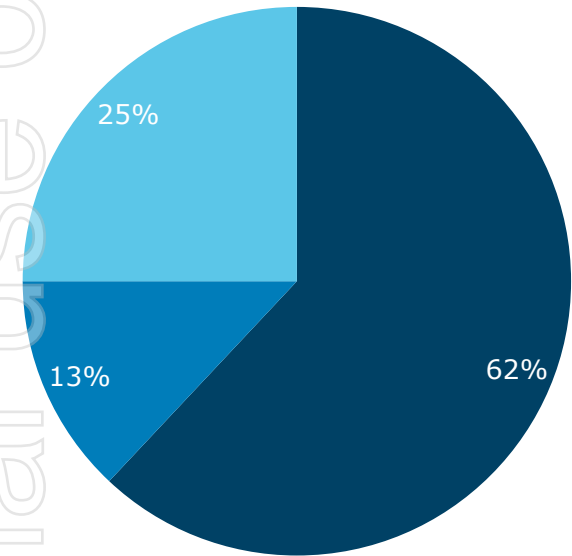
- Launched a new D&I strategy in 2021
- ANZ's 2021-2024 Reconciliation Action Plan soon to launch
- Dedicated D&I Centre of Excellence
- New D&I roles created
 - D&I Lead for New Zealand & Pacific
 - D&I Recruitment Lead
- Created a new role in New Zealand Te Kaitohu Rautaki Māori (Head of Te Ao Māori Strategy)

1. For further detail refer sustainability performance trends slide in the reference pack
2. As at 31 July, 2021

ENVIRONMENTAL SUSTAINABILITY

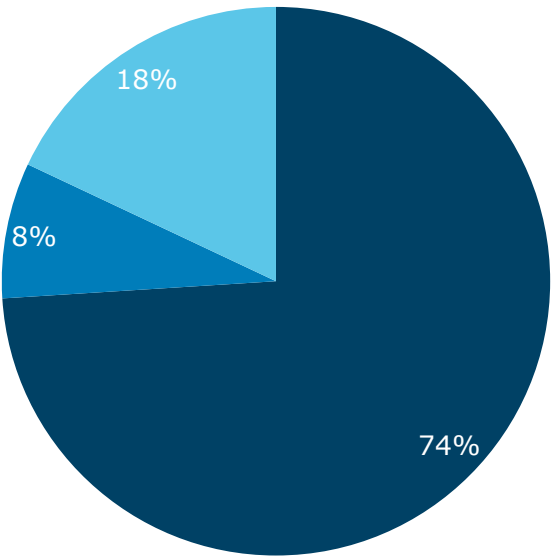
FUNDED & FACILITATED \$14B TOWARDS SUSTAINABLE FINANCE¹

FUNDED: \$8b



- Environmental (Energy, Waste, Transport, Buildings, Water)
- Social (Affordable Housing & Sustainable Development)
- Sustainability Linked Facilities

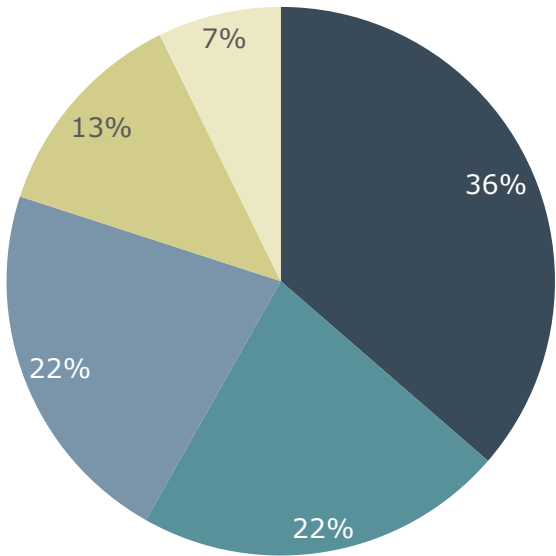
FACILITATED: \$6b



- ESG-Format Bonds
- Renewables Advisory
- Green Buildings / Renewables Loan Distribution

55 TRANSACTIONS IN ANZ'S SUSTAINABLE FINANCE BUSINESS

OF DEALS IN FY21 YTD (9 MONTHS: 55 DEALS, \$91b)



- Financial Institutions
- Diversified Industries
- Resources, Energy & Infrastructure
- Property & Health
- Food, Beverage & Agriculture

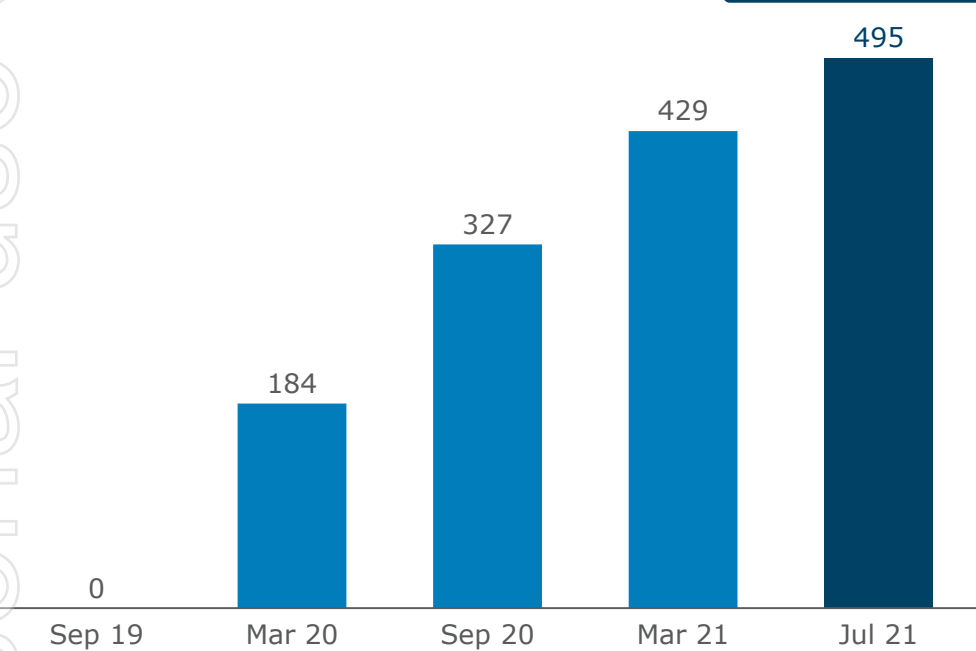
1. Since October 2019 towards target of \$50b by 2025

FINANCIAL WELLBEING

SAVINGS GOALS

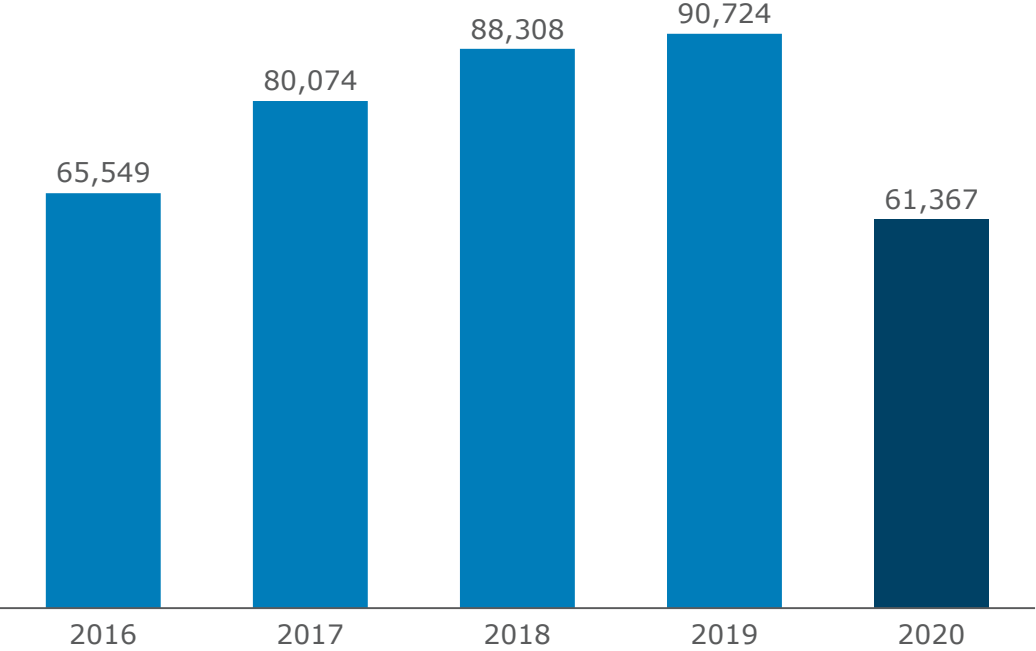
#000 SET A SAVINGS GOAL (CUMULATIVE)¹

Top savings goals²
House: 23%
Holiday: 14%
Car: 11%



MONEYMINDED & SAVER PLUS

ESTIMATED NUMBER OF PEOPLE REACHED



1. Launched end of October 2019, represents total savings goals set through the ANZ App (Australia)
2. As a % of total savings goals

2021

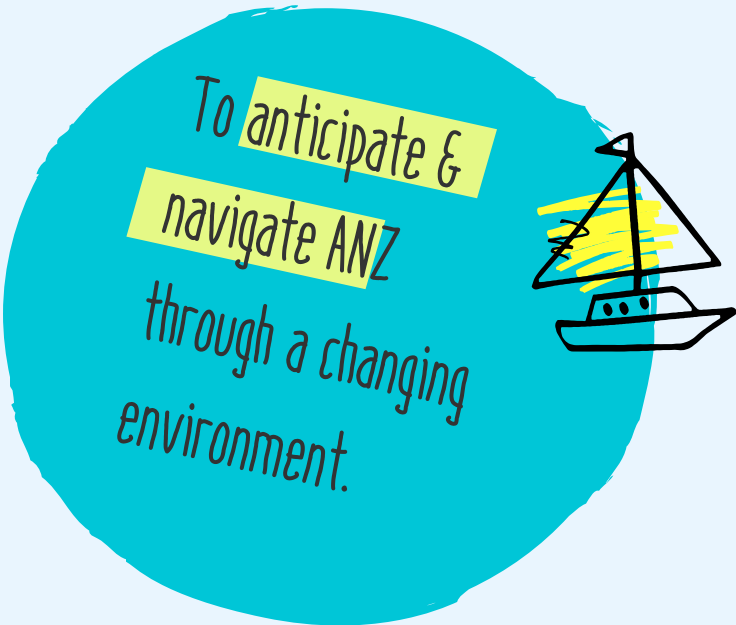
ESG INVESTOR BRIEFING - PRESENTATION

KEVIN CORBALLY

CHIEF RISK OFFICER



APPROACH TO RISK MANAGEMENT



RISK CULTURE



Right risk behaviours



Clear roles & responsibilities



Right risk policies & processes

KEY RISKS

MATERIAL & EVOLVING

Capital adequacy	Compliance	Credit	Liquidity & funding	Geopolitical	Cyber security
Market	Operational	Strategic	Technology	Culture & conduct	Climate change

RISK INITIATIVES & DEVELOPMENTS

RISK APPETITE STATEMENT (RAS)

Conveys:

- **The degree of risk that ANZ is prepared to accept** in pursuit of its strategic objectives and plans
- **For each key material risk, maximum level of risk** that ANZ is willing to operate within
- **Approach for setting risk tolerances** at an appropriate level
- **Process for monitoring compliance** and for taking appropriate action if breached
- **Timing and process for reviewing** both risk appetite and risk tolerances
- **Cascading and application of the Group RAS** to Divisions and Business Units

RISK APPETITE STATEMENT (RAS) DEVELOPMENTS

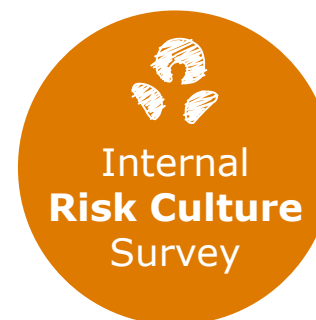


RAS review undertaken in 2020/21 with additional metrics and Key Risk Indicators approved to ensure Board Risk Committee has appropriate coverage of its non-financial risk themes



New tool developed that streamlines how we capture and report against the RAS metrics, reducing the time it takes from weeks to days

RISK CULTURE



24k+

Staff surveyed across the bank

80%

Positive sentiment for ANZ's Risk Culture

CLIMATE RISK

PRIORITY AREAS & HOW WE ARE MAKING CHANGE

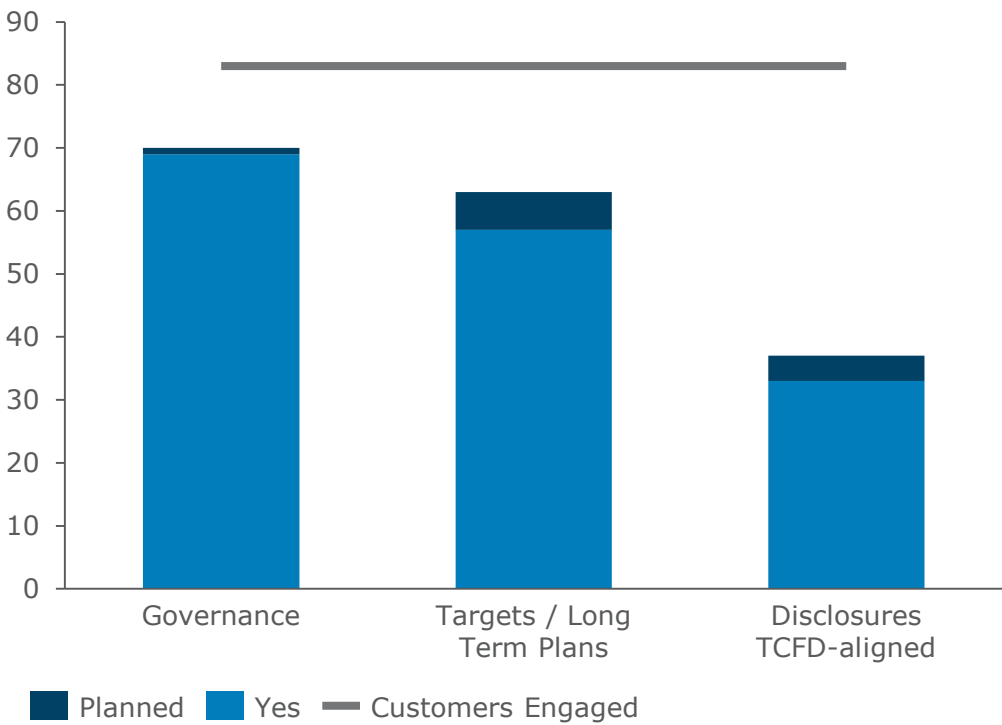
Help our customers
by encouraging them to identify climate risks and opportunities, create transition plans and report publicly on their progress

Support transitioning industries
to help grow the economy

Reduce our own impact
by managing and reducing emissions from our own operations

ENGAGING WITH 100 OF OUR LARGEST EMITTING BUSINESS CUSTOMERS ON THEIR TRANSITION PLANS

CUSTOMER TRANSITION PLAN STATUS #CUSTOMERS¹



1. Based on most recent disclosure in ANZ 2020 Climate-Related Financial Disclosures

SUPPORTING OUR PEOPLE

'HealthyMe' digital app



- Digital resources dedicated to **personal & professional wellbeing**
- **Accessible 24/7** via phone, tablet or computer

Employee Assistance Program (EAP)



- **Confidential counselling service** available to all ANZ employees
- Access to the service is **free**

'How We Work' model



- **Remote** first
- **Workplace** first
- **Blended** (home & office)

SECURITY AT ANZ

CYBER SECURITY



12 million

Malicious emails blocked per month



24/7 Security Operations Centre

Combating cyber threats

ANTI MONEY LAUNDERING



Network & Link Analysis capability

Better detect syndicated crimes

Dynamic Algorithms

Agile monitoring and detection solutions, to detect customer behaviours and variations

Four steps to protect your virtual valuables

P

Pause before sharing your personal information

A

Activate two layers of security

C

Call out suspicious messages

T

Turn on automatic software updates

EMERGING RISKS

In the area of
Environmental Sustainability

BIODIVERSITY

In the area of
Financial Wellbeing

CYBER SCAMMING

In the area of
Housing

ECONOMIC DISPARITY

2021

ESG INVESTOR BRIEFING – REFERENCE PACK

OVERVIEW



PROTECTING OUR CUSTOMERS, OUR PEOPLE, OUR ABILITY TO OPERATE

THROUGH COVID-19



>200,000

loans provided with COVID-19 relief measures since March 2020

~\$7b

lending¹ to Institutional customers in the early stages of COVID-19 (March-20)

~90%

of our people working from home across 32 markets

81%

staff engagement score²

\$50b

increase in customer deposits (Sep 19 to Mar 21)

\$3.4b

increase in Common Equity Tier 1 (CET1) capital (Sep 19 to Mar 21)

1. Credit Risk Weighted Assets
2. August 2021 My Voice survey

ESG – GOVERNANCE OVERVIEW



BOARD AND EXECUTIVE COMMITTEES WORK TOGETHER

INDICATIVE RESPONSIBILITIES DEMONSTRATE HOW COMMITTEES MANAGE ESG

Ethics, Environment, Social and Governance Board Committee	
Purpose: oversee measures to advance ANZ’s purpose, focusing on ethical, environmental, social and governance matters	
Oversight of the Ethics and Responsible Business Committee	Review and monitor ethical and ESG risks and opportunities
Oversight and approval of ANZ’s sustainability objectives	Oversight and approval of corporate governance policies and principles
Oversight and approval of ESG reporting	Oversight of elements of Whistleblowing, including the policy and the ANZ Code of Conduct and Ethics

Ethics and Responsible Business Management Committee	
Purpose: Operationalise Board objectives and make decisions on issues and policies	
Discuss and decide on ethical and ESG risks and opportunities	Establish decision-making principles and guide choices on industry sectors, customers and transactions we bank and how we bank
Review the adequacy, effectiveness and fairness of ANZ’s approach to customers experiencing vulnerability	Monitor progress against ANZ’s sustainability priorities including ESG targets and the ‘What We Care About Most’ agenda
Brand and values are aligned with our community investment, strategic partnerships and corporate sponsorships	Review and decide sensitive wholesale transactions

BOARD ETHICS, ENVIRONMENT, SOCIAL AND GOVERNANCE COMMITTEE (EESG)

INDICATIVE AGENDA AND TOPICS COVERED, GENERALLY MEETS FOUR TIMES A YEAR

Our priority areas

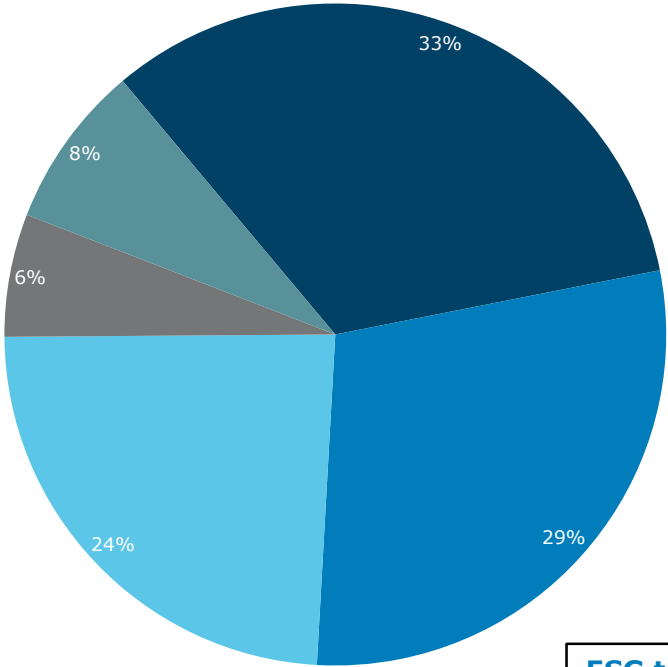
- Housing
- Financial wellbeing
- Environmental sustainability

How we measure and communicate

- Annual reporting suite, inc. ESG reporting
- Setting and monitoring ESG targets
- ESG external assurance
- External assessments / reputational indicators

Who we bank

- Carbon policy, transition plans for largest emitting customers
- Human Rights policy
- Approach to emerging social issues, e.g. modern slavery, animal welfare



How we bank

- Customer vulnerability strategy, including accessibility
- Customer fairness
- Product suitability
- Conduct
- Reconciliation Action Plan

Governance

- Materiality Assessment
- Company Secretary reporting, inc. policy review, shareholding details, directorships
- Committee forward agenda
- Review of Ethics and Responsible Business Committee minutes
- Review of good ESG governance practices

ESG topics discussed by full Board or other Board sub-committees

- Employment conditions, inc. remuneration policy and practices
- Customer remediation
- Financial crime, inc. Anti-Money Laundering/Counter-Terrorism Financing
- Cyber security
- Regulator enforcement activity
- Diversity and inclusion

ETHICS AND RESPONSIBLE BUSINESS MANAGEMENT COMMITTEE (ERBC)

INDICATIVE AGENDA AND TOPICS COVERED, GENERALLY MEETS FIVE TIMES A YEAR

Our priority areas

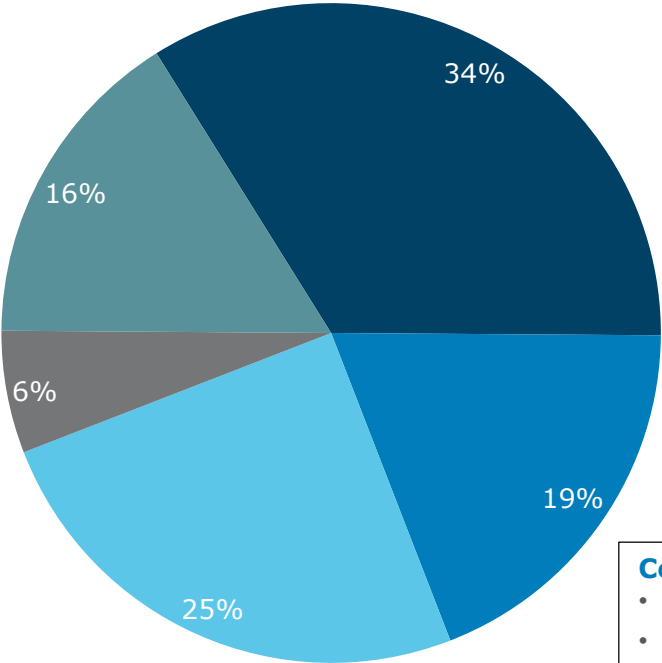
- Housing
- Financial wellbeing
- Environmental sustainability

How we measure and communicate

- ESG targets – reviewing and monitoring
- ESG reporting
- Community sentiment ratings

Who we bank

- Industry sector & country specific reviews
- Human rights policy and Modern Slavery
- Carbon policy
- Sensitive wholesale transactions



How we bank

- Customers experiencing vulnerability
- Product suitability
- Accessibility and diversity
- Changing community standards
- COVID-19 Statement of Intent

Governance

- Materiality Assessment
- Social and Environmental Risk policy
- Governance framework for external ESG commitments
- Good practices for ESG Committees

Committee membership

- | | |
|--|--|
| • Chair: CEO | • MD, Commercial Banking, Australia |
| • GGM, Corporate Affairs | • MD, Retail & Business Banking, New Zealand |
| • GM Credit, Specialised Lending and Head of Social and Environmental Risk | • Regional Executive, Pacific |
| • GGM, Group Strategy | |
| • Customer Advocate, Australia | |
| • Group Executive, Institutional | |
| • Portfolio Lead, Home Owners, Australia | |
- Third-party Advisor:
- Simon Longstaff, Executive Director, The Ethics Centre

2021

ESG INVESTOR BRIEFING – REFERENCE PACK

ESG PRIORITY AREAS

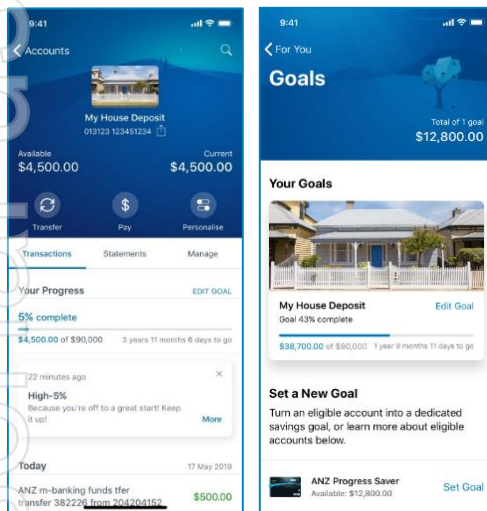


CASE STUDY – FINANCIAL WELLBEING

HELPING OUR CUSTOMERS TO SAVE, THROUGH INSIGHTS, NUDGES AND GOALS

Set and track a savings goal through the ANZ app

- **Active saving and not borrowing for everyday expenses** – the greatest behavioral drivers of financial wellbeing (findings from ANZ's Adult Financial Wellbeing Survey)
- **'Set a savings goal' feature in the ANZ App** – Launched in Oct-19 to help customers better manage their money and develop healthy savings habits
- **Personalised in-app notifications** – Customers began receiving notifications from Jul-20 encouraging them to set a goal, stay on track and celebrate milestones along the way



Savings goal and notifications feature¹:

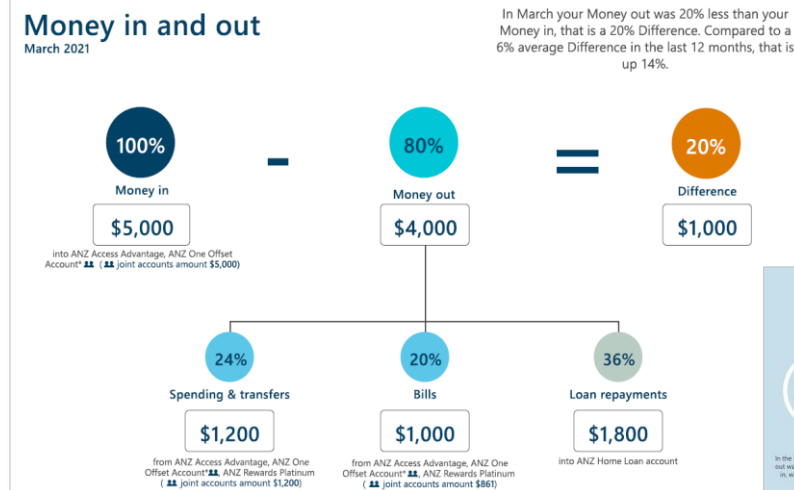
- **490,000+** goals have been set up by customers in the ANZ App
- **Top goals:** 'House' (23%), 'Holiday' (14%), 'Car' (11%), 'Rainy day' (9%)
- **>36 million** in app notifications sent to 2.1 million customers
- **'Home goal'** – customers with these notifications were the most engaged
- **Customers with a goal**
 - have a **savings balance 2x** that of a customer without a goal
 - **save nearly 2x faster** than they did before setting a goal

Launching soon: The 'Your Money Report'

- **With a central tenant of helping customers spend less than they earn** – there's an opportunity to help customers understand their spending & empowering them with useful ways to see their own data and take action
- **Report can be generated in the ANZ App**, customer can send a PDF to their email account or a partner; shows a number of different views – money in versus money out, categories of expenditure, top merchants
- **78% of Home Loan customers more willing to continue banking with ANZ** after receiving this report (based on large scale pilot)

Money in and out

March 2021



1. At July 2021

CASE STUDY – FINANCIAL WELLBEING

FINANCIAL EDUCATION PROGRAM HELPING PACIFIC WORKERS

ANZ's MoneyMinded financial education program – designed to help participants build budgeting, saving and money skills – is helping Pacific workers during their mandatory two-week quarantine period in Australia

The need for agricultural workers (particularly the fresh produce sector)

- Australian agriculture industry relies on seasonal interstate and overseas labour
- COVID-19 has heavily impacted worker availability and operation of backpacker and overseas work programs
- Many Australian farmers have been left with unharvested crops and wasted produce

The solution:

- The Australian Government's 'Pacific Labour Scheme' helps fill regional and rural labour shortages, connecting Australian businesses with workers from nine Pacific Islands and Timor Leste to help farmers harvest crops.
- Arriving from the Pacific, workers are required to complete 14 days of mandatory quarantine when they arrive in Australia, before they can start work assisting farmers to harvest crops

ANZ's role in helping workers:

- ANZ has provided MoneyMinded training and resources to Powerpac, an approved provider of the Federal Government's Pacific Labour Scheme.
- Powerpac is delivering MoneyMinded to arriving workers during their quarantine period

Numbers of workers trained:

- Around 240 people have been through the first delivery of MoneyMinded, with hundreds more expected over the coming few months

Target:

- One of ANZ's financial wellbeing targets is to 'establish seven new partnerships to expand the reach and improve impact of MoneyMinded for vulnerable people, by end 2023'
- This initiative is an example of work undertaken to achieve this target



"I really learned a lot from the MoneyMinded training. Thanks to our trainer, this gives us ideas on how to prioritise what we spend money on," said MoneyMinded participant Jay.

"For some seasonal workers it's the first time they've had a bank account so programs like MoneyMinded - that ensure hard earned money is efficiently saved and utilised - are really valuable," says Powerpac CEO, Kasey Rudd.

CASE STUDY – ACCESS TO HOUSING CHOICE

DELIVERING MORE HOUSING OPTIONS FOR AUSTRALIANS

Specialist Disability Accommodation

It is estimated there is an immediate need for at least 10,000 new SDA places, to provide suitable alternative accommodation for younger people in aged care and others with unmet needs

- ANZ is the leading financier to the emerging Specialist Disability Accommodation (SDA) sector with ~\$226m in committed facilities
- Key transactions completed in the last 12 months include:
 - AU\$100.0M to 'My Specialised Accommodation Solutions' (5yr), Aug 2021
 - AU\$62.9M to Sana Living Group' (5yr), Sep 2020
- ANZ's existing committed facilities will assist in developing new SDA homes for an estimated +650 participants across Australia which accounts for +6.5% of the required SDA places
- To further increase the supply of disability housing, ANZ has brought together SDA providers and existing property clients to facilitate the inclusion of SDA in their property developments
- SDA is directly aligned with ANZ's focus on Housing as a key priority area, and is part of our \$A10 billion 10-year Housing Target allocated to affordable and sustainable housing

Land Lease Communities

An affordable housing option for the over 50's market; an alternative to the traditional retirement village model

- ANZ is the leading financier to the Land Lease Community sector, ~\$0.9bn in committed facilities. Through our clients we maintain banking relationships with ~16,600 Land Lease homes
- Aligned with ANZ's sustainable finance targets, by providing affordable accommodation to seniors that is priced <80% below the local market price (Land Lease Communities are typically 40-80% of the median house price).
- In August 2021, ANZ participated in the financing of a national Land Lease Community operator, Serenitas¹, with a \$124.9m five-year transaction. Financing provided will assist in Serenitas's expansion across the eastern seaboard and will continue to increase the supply of purpose built, affordable seniors accommodation for the over 50 market



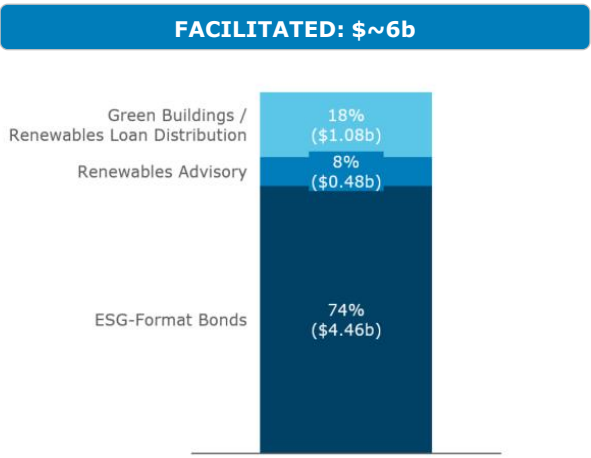
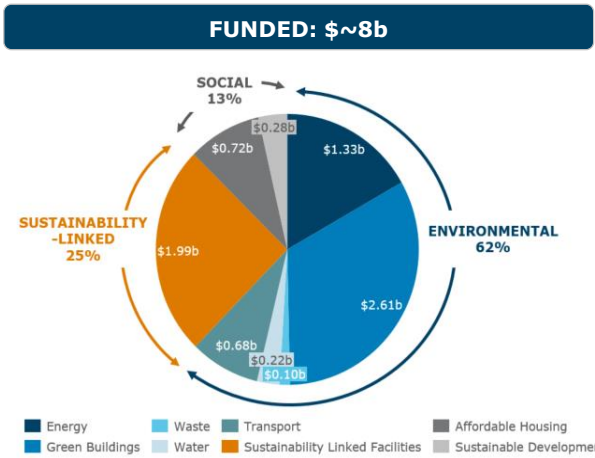
1. Serenitas has 18 communities with 2,900 occupied sites and a further 1,700 sites in its pipeline

CASE STUDY – ENVIRONMENTAL SUSTAINABILITY

ANZ'S \$50 BILLION SUSTAINABLE FINANCE TARGET

Helping improve the environmental sustainability of our customers

- **Target** to fund and facilitate at least **\$50 billion by 2025** towards sustainable solutions for our customers
- **Since October 2019 we have funded & facilitated \$13.95 billion towards sustainable finance** to help our customers improve environmental sustainability, increase access to affordable housing and promote financial wellbeing. \$7.94 billion of transactions are on balance sheet loans and other credit lines provided to borrowers by ANZ, whilst \$6.01 billion have been facilitated, including through advisory services; ESG-format bonds; and loans initially underwritten by ANZ and subsequently sold on to other lenders
- 51% of Target transactions occurred in Australia, with the remaining 49% across NZ, Asia, USA and Europe
- 125 transactions have contributed towards 6 Sustainable Development Goals (SDGs)



CASE STUDY – ENVIRONMENTAL SUSTAINABILITY

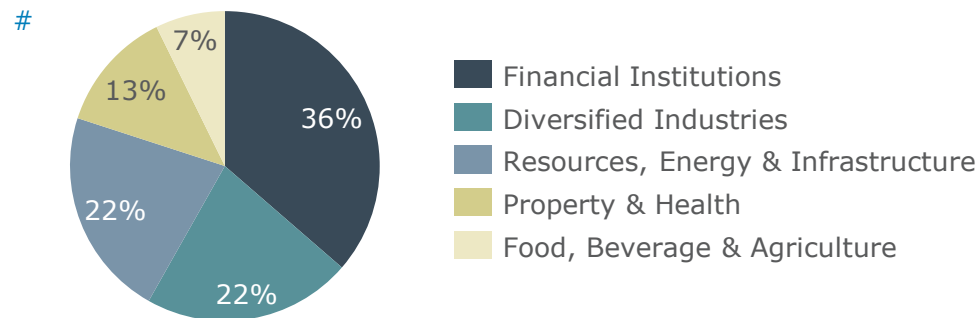
GROWTH IN SUSTAINABLE FINANCE

Spotlight on ANZ’s Sustainable Finance business¹

During the first three quarters of FY21, ANZ’s sustainable finance team completed 55 deals worth more than \$91b

- \$75.3b (30 deals) was from International; \$12.1b (13 deals) was from Australia; \$4b (12 deals) was from New Zealand
- \$35b (20 deals) from Financial Institutions Group; \$21.4b (12 deals) from Diversified Industries; \$15b (4 deals) from Food, Beverages and Agriculture; \$11.1b (12 deals) from Resources, Energy and Infrastructure; and \$9b (7 deals) from Property and Health
- Q3 alone was a record quarter, with 26 deals totaling \$38.6b in participated deal volume. 11 of the deals were Sustainability Linked Loans

55 DEALS IN FY21 YTD (9 MONTHS)



Highlight Deal



Royal Adelaide Hospital \$2.2b Sustainability (Green & Social) Loan

The deal

- In July 2021, the Royal Adelaide Hospital PPP Project refinanced its existing term debt facility with a Sustainability Project Finance Loan
- The financing aligns to the projects social and green credentials, as South Australia’s largest public hospital and largest accredited teaching hospital, and its 4 Star Green Star – Healthcare As-Built rating from the Green Building Council of Australia

ANZ’s role

- ANZ acted as Mandated Lead Arranger, Intercreditor Agent and one of two Sustainability (Green and Social) Coordinators
- This is the first time ANZ has participated in a Sustainability Loan Facility for the global healthcare sector

Highlights

- The term facility is believed to be the first Sustainability Loan in Australia linked to both the Green Loan Principles and the Social Loan Principles
- It’s also the first sustainability loan for the global healthcare sector

1. Data is unaudited

CASE STUDY – FAIR AND RESPONSIBLE BANKING

DEVELOPING AND IMPLEMENTING A NEW CUSTOMER VULNERABILITY STRATEGY

Using Data analytics to help prevent harm

In late 2020, ANZ announced a new target to: “Develop and commence implementation of a new Vulnerable Customer Framework to improve the support we provide to customers experiencing vulnerability, by end 2021.”

Why this target was set

Identified a more flexible and inclusive approach was needed to proactively identify, and appropriately support, customers experiencing vulnerability

This aligns with enhanced provisions in the Banking Code of Practice, ASIC’s focus on protection of customers from harm, Design and Distribution Obligations to consider customer vulnerabilities; insights from the Royal Commission and evolving community expectations

Where it’s up to

New Customer Vulnerability Strategy adopted in Feb-21 for our Australian Retail and Commercial business, with a focus on:

Strengthening frontline capability

to identify and support customers experiencing vulnerability, and referral pathways for specialist support and case mgt.

Embedding Inclusive Design principles

in our product lifecycle and channels

Enhancing data analysis

to identify vulnerability and mitigate harm

Engaging strategically with external stakeholders

to inform our approach and future priorities.

Examples of this in action

Move to digital banking is accelerating. We are exploring ways to proactively deploy data analytics to identify and mitigate harm. For example:

- Identifying potentially unusual or suspicious transactions by a person holding a Power of Attorney on a customer’s account where those transactions are unlikely to be in the customer’s best interests; and
- Identifying potentially abusive conduct using the free text field in payment descriptions (beyond existing controls prohibiting the use of profanities). Conduct is particularly serious in the context of family and domestic violence, including where abuser attaches abusive messages to a legitimate funds transfer that the recipient may rely on.

2021

















ESG INVESTOR BRIEFING – REFERENCE PACK

SUSTAINABILITY



OUR ESG TARGETS

















SUPPORT 10 OF THE 17 UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

ESG target	Relevant SDGs
ENVIRONMENTAL SUSTAINABILITY <ol style="list-style-type: none"> 1. Fund and facilitate at least \$50 billion by 2025 towards sustainable solutions for our customers 2. Encourage and support 100 of our largest emitting customers to establish, and where appropriate, strengthen existing low carbon transition plans, by end 2021 	      
FINANCIAL WELLBEING <ol style="list-style-type: none"> 1. Support 250,000 customers to build a savings habit, by end 2021 (Australia/New Zealand) 2. Establish seven new partnerships to expand the reach and improve impact of MoneyMinded for vulnerable people, by end 2023 	   
HOUSING <ol style="list-style-type: none"> 1. Fund and facilitate AU\$10 billion of investment by 2030 to deliver more affordable, accessible and sustainable homes to buy and rent (Australia /New Zealand) 2. Support more customers into healthier homes with our Healthy Home Loan Package and Interest-free Insulation Loans – through a 2%* increase of funds under management and a 4%¹ increase in customer numbers by 2025 (New Zealand) 	  
FAIR AND RESPONSIBLE BANKING <ol style="list-style-type: none"> 1. Develop and commence implementation of a new Vulnerable Customer Framework to improve the support we provide to customers experiencing vulnerability, by end 2021 (Australia) 2. Design and commence implementation of a human rights grievance mechanism, using the UN Guiding Principles on Business and Human Rights, by end 2021 	 

1. Off a FY21 baseline

PROGRESS ON OUR ESG TARGETS

SNAPSHOT OF HALF YEAR ESG TARGET PERFORMANCE

ESG target (refer prior slide for further detail)	Progress	Relevant SDGs
ENVIRONMENTAL SUSTAINABILITY		
1. Sustainable solutions for our customers (\$50 billion by 2025)	Funded and facilitated AU\$13.95 billion since Oct-19	   
2. Customer engagement on transition plans (Top 100 by end 2021)	Engaged with 98 of our largest emitting business customers	  
FINANCIAL WELLBEING		
1. Support customers to build a savings habit (250,000, by end 2021)	~85,000 customers since Oct-20	 
2. 7 new MoneyMinded partnerships for vulnerable people by end 2023	2 new partnerships - Fruition Horticulture Bay of Plenty (New Zealand) - the Reserve Bank of Fiji (via a Memorandum of Understanding)	 
HOUSING		
1. Invest. for affordable, accessible, sustainable homes (\$10b by 2030)	Funded and facilitated AU\$302.6m since Oct-20	  
2. Healthy Home Loan Package and Interest-free Insulation Loans (2% increase in FUM & 4% ¹ increase in customer by 2025)	Supported 463 households into healthier homes since Oct-20	
FAIR AND RESPONSIBLE BANKING		
1. New Vulnerable Customer Framework (by end 2021)	Commenced implementation of our new Framework	 
2. Human rights grievance mechanism (by end 2021)	Designed the bank's first human rights grievance mechanism, informed by internal and external stakeholders (for user testing)	

Note: This information has not been independently assured. KPMG will provide assurance over ANZ's full year performance against targets in its annual ESG reporting to be released in November 2021. Results as at 31 March 2021

1. Off a FY21 baseline

DIVERSITY AND INCLUSION (D&I) AT ANZ

Our vision is for the combined power of our diverse workforce and inclusive culture to improve decision making and drive innovation, resulting in financial outperformance

Commitments and Achievements:

Top Performer

- 2020-21 Australian Network on Disability 'Access & Inclusion Index'

Founding member

- Australian Human Rights Commission Incl. Ability Employer Network

Signatory to Hesta's 40:40 Vision initiative

- Which seeks to achieve gender balance in ASX200 senior leadership

Signatory to the Diversity Council Australia #IStandForRespect campaign

- Committing to take steps to address sexual and sex-based harassment and make the workplace safe for everyone

Signatory to the Valuable 500 committing

- To ensure that disability inclusion is on our board agenda

Women in Leadership¹

Board: 37.5%

KMP²: 33.3%

Leadership³: 34.8%

People with disability⁴

ANZ Global: 4.3%

ANZ Australia: 4.3%

ANZ New Zealand: 5.9%

LGB+ Sexual orientation⁵

(Asexual, lesbian/gay and bisexual/pansexual)

ANZ Global: 3.5%

ANZ Australia: 4.1%

ANZ New Zealand: 3.5%

Aboriginal & Torres Strait

Islander people in Australia⁶

ANZ Australia: 1.1%

Māori in New Zealand⁷

ANZ New Zealand: 6.9%

1. Numbers as at 31 July. This data has not been independently assured. KPMG will provide assurance over ANZ's full-year performance against targets in its annual ESG reporting to be released in November 2021.

2. KMP refers to Key Management Personnel which is defined as Disclosed Executives as set out in the Remuneration Report contained within the Annual Report.

3. Measures representation at the Senior Manager, Executive and Senior Executive levels. Includes all employees regardless of leave status but not contractors (who are included in FTE).

4-7. Results are based on the percentage of respondents who voluntarily self-disclosed in the anonymous My Voice Survey 2021 Q3.

HOW WE MEASURE AND COMMUNICATE

EXTERNAL REPORT CARD – REPUTATION INDICATORS

Context:

Reputation indicators are increasingly being used by investors and analysts to understand our approach to ESG issues and to measure our ESG performance against our peers. We are rated based on our ESG disclosures, analysis of media coverage and, in the case of DJSI, a detailed survey. Indicators are firmly weighted towards governance and how we manage staff and customers.

MSCI

ESG RATINGS

CCC

B

BB

BBB

A

AA

AAA

In 2021, ANZ received a rating of A (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment.

Corporate ESG Performance

Prime

RATED BY

ISS ESG

In 2021, ANZ received Prime status with a rating of C (on a scale of A+ to D-) in the ISS ESG Corporate Ratings assessment

Sustainability Award

Silver Class 2021

S&P Global

In 2021 received SAM Silver Class distinction with a score of 85 (out of 100) in the 2020 Dow Jones Sustainability Indices Corporate Sustainability Assessment

SUSTAINALYTICS

a Morningstar company

In 2021, ANZ received an ESG Risk Rating of 24.2 (out of 100, lower = better) and was assessed by Sustainalytics to be at medium risk of experiencing material financial impacts from ESG factors

Outcome:

- Reputation indicators for ANZ and other major Australian banks show long-term, mid-range rank among major corporates.
- All indicators are consistent.

Relevant ESG target:

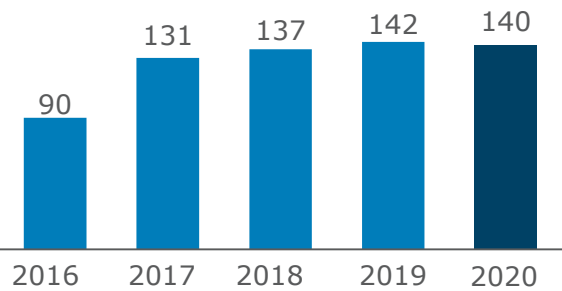
- Group scorecard, maintain strong performance on Dow Jones Sustainability Index.

SUSTAINABILITY PERFORMANCE TRENDS

FULL YEAR 2020 DISCLOSURE

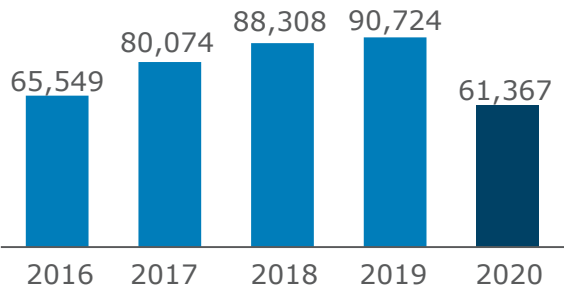
COMMUNITY INVESTMENT¹

Total community investment (\$m)



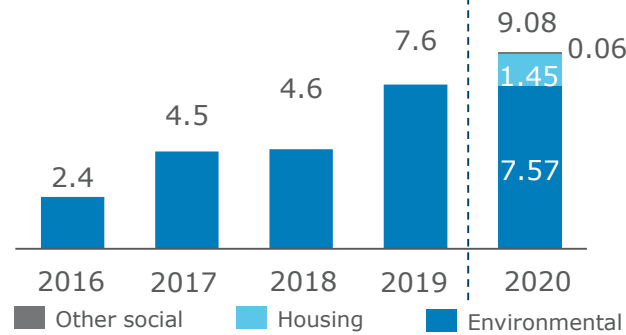
MONEYMINDED & SAVER PLUS

Estimated # of people reached



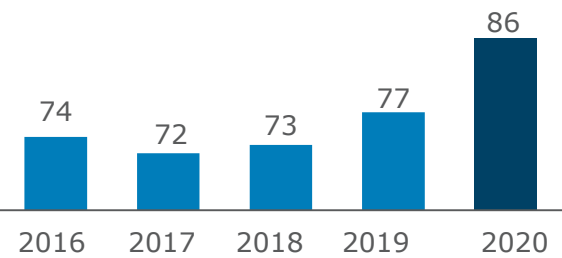
SUSTAINABLE FINANCE \$50B TARGET³

Funded and facilitated (\$b)



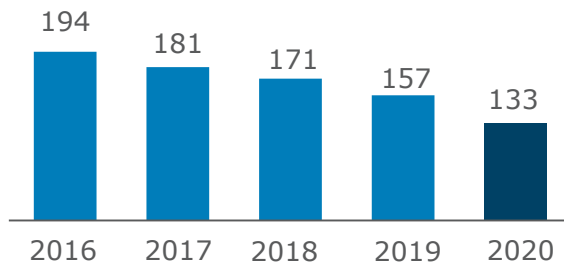
EMPLOYEE ENGAGEMENT²

Employee engagement score (%)



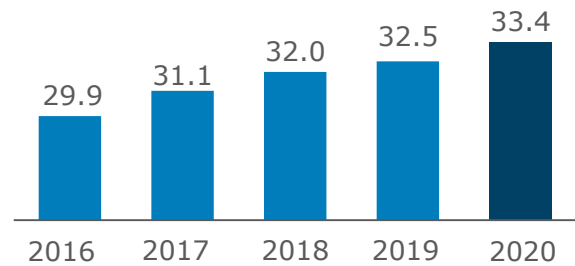
ENVIRONMENTAL FOOTPRINT TARGET

Scope 1 & 2 greenhouse gas emissions (k tonnes CO₂-e)



WOMEN IN LEADERSHIP⁴

Representation (%)



1. Figure includes forgone revenue (2020 = \$105m), being the cost of providing low or fee-free accounts to a range of customers such as government benefit recipients, not-for-profit organisations and students 2. The 2017 engagement survey was run as a pulse survey sent to 10% of the bank's employees with a 57% response rate. For all other years the employee engagement survey was sent to all staff 3. 2016 – 2019 figures represent annual contributions towards ANZ's 2020 \$15bn sustainable solutions target, which had an environmental focus. In FY20, ANZ set a new 2025 \$50bn target with an expanded focus on environmental sustainability, housing and financial wellbeing. 4. Measures representation at the Senior Manager, Executive and Senior Executive Levels. Includes all employees regardless of leave status but not contractors (which are included in FTE) .

EXTERNAL REPORTING

RECOGNITION



We achieved a CDP climate disclosure score of A- in 2020



Member of the FTSE4Good Index



Recognised as a leading organisation in the 2020-21 Access and Inclusion Index



Ranked amongst the Top 10 Best Workplaces to Give Back in Australia by GoodCompany in 2020



Named as the Best Place to Work in Banking and Financial Services by the AFR Boss Best Places to Work List in 2021

FRAMEWORKS



Our ESG reporting is prepared in accordance with the Global Reporting Initiative Standards (Comprehensive level)



We report in line with using the recommendations of the Financial Stability Board's (FSB) Task Force on Climate-Related Disclosures (TCFD)



As an Equator Principles Financial Institution signatory we report on our implementation of the Principles in our ESG Supplement

Founding Signatory of:



In 2019 we became a founding signatory to the UN Principles for Responsible Banking



We measure the value of our community investment in accordance with the London Benchmarking Group (LBG) methodology

2021

ESG INVESTOR BRIEFING – REFERENCE PACK

CARBON & FINANCING SUSTAINABILITY



OUR APPROACH TO CLIMATE CHANGE

COMMITTED TO PLAYING OUR PART & SUPPORTING OUR CUSTOMERS IN THE TRANSITION TO NET-ZERO EMISSIONS BY 2050

Help our customers and support transitioning industries

- Funding and facilitating at least \$50 billion by 2025 to help our customers improve environmental sustainability, increase access to affordable housing and promote financial wellbeing
- Working with and supporting our largest emitting customers to build climate change mitigation and adaptation risk into their strategies
- Identifying opportunities and financing our customers' transition activities via products such as 'Green' and Sustainability Linked Loans

Engage constructively and transparently with stakeholders

- Disclosing how we identify, assess and manage climate-related financial risks and opportunities using the Financial Stability Board Task Force on Climate-related Financial Disclosures (TCFD) recommendations
- Disclosing better metrics so the emissions impact of our financing can be tracked annually, starting with commercial property and power generation
- Engaging with stakeholders on climate change and increasing transparency on our approach

EXAMPLE CUSTOMER DISCLOSURE TOWARDS LOW CARBON FUTURE

COLES – FOOD, GROCERY AND CONVENIENCE RETAILER

Coles' ambition is to be "Australia's most sustainable supermarket"



- In March 2021, Coles released its latest Climate Change Position Statement and announced new targets to reduce greenhouse gas emissions:
 - to deliver net zero greenhouse gas emissions by 2050;
 - for the entire Coles Group to be powered by 100% renewable electricity by the end of FY25; and
 - to reduce combined Scope 1 and 2 greenhouse gas emissions by more than 75 per cent by the end of FY30 (from a FY20 baseline)
- Coles acknowledges its responsibility to minimise its environmental footprint, and mitigate the environmental and social impacts of climate change. It will do this by:
 - "building the resilience of our business, supply chain and community against climate change related impacts, both physical and transitional (managing climate-related risks and opportunities)";
 - "building a roadmap aligned with the Paris Agreement and taking action to reduce our climate impacts (decarbonisation)"; and
 - "using our position and voice to play a constructive role in influencing others to meet similar goals (influencing climate action)"

• **Coles' \$1.3bn sustainability linked loan (SLL)**

is the largest retail SLL to date in Australia. In Aug-2021, ANZ worked as a Joint Sustainability Coordinator on the SLL

• **Coles recently launched its Sustainability Strategy**

under the focus areas of Together to Zero and Better Together which sets out how Coles will work with its stakeholders to drive change and create a more sustainable future for generations of Australians ahead

- **ANZ has banked Coles since its demerger from Wesfarmers,** and is actively working with Coles to support it on its transition journey

- "General Corporate Purposes" loan with pricing discount and premium triggers for achieving/missing agreed Sustainability Performance Targets (SPTs)
- SPTs are aligned with Coles' corporate sustainability targets and include:
 - Emissions: Scope 1 & 2 GHG emissions reduction in line with their corporate target of reducing emissions by 75% by 2030
 - Waste: Increase total waste diversion from landfill in line with their Towards Zero strategy
 - Women in Leadership: Increase % of women in leadership positions in line with their Better Together strategy

EXAMPLE CUSTOMER DISCLOSURE TOWARDS LOW CARBON FUTURE

COLES – FOOD, GROCERY AND CONVENIENCE RETAILER

Coles' sustainability strategy



Sustainability strategy	Initiatives
Together to zero emissions	<ul style="list-style-type: none"> • Coles, in 2019, was the first major Australian retailer to announce a power purchase agreement for renewable energy • Since then, they have signed four more renewable electricity agreements meaning they have already committed to purchasing more than 70% of their renewable electricity target, once these agreements commence
Together to zero waste	<ul style="list-style-type: none"> • Stopped delivering paper catalogues to customers' letterboxes • No longer selling single use plastic tableware products • No longer giving away plastic collectable toys
Together to zero hunger	<ul style="list-style-type: none"> • Donated the equivalent of >153 million meals to SecondBite since 2011
A team that is better together	<ul style="list-style-type: none"> • Percentage of women in leadership increased to 36.5% in FY21 • Recognised as Gold Employer in 2021 Australian Workplace Equality LGBTQ Inclusion Award
A community that is better together	<ul style="list-style-type: none"> • Raising \$40 million, since 2013, for children's cancer charity, Redkite • Reached a new single event record in fundraising of more than \$6.7 million for FightMND
Sourcing that is better together	<ul style="list-style-type: none"> • All Coles Own Brand seafood has been responsibly sourced since 2015. This includes fresh, thawed, frozen and canned seafood and food products that contain seafood as a primary ingredient • Coles uses independent and internationally recognised certification and verification programs that support ethical practices and environmental protection in these supply chains
Farming that is better together	<ul style="list-style-type: none"> • \$50m 'Coles Nurture Fund' – aimed at working with suppliers on innovation projects, including building supply chain resilience through climate adaptation programs to mitigate impact of drought • Australian-first sourcing policy to provide customers with quality Australian-grown fresh produce as a first priority

CUSTOMER ENGAGEMENT – FINANCING SUSTAINABILITY

Green and Sustainability-Linked Loans

Lending to deploy capital into 'green' and sustainability initiatives, where borrowers are required to invest in qualifying 'green' assets or where loan terms are linked to improved performance against agreed sustainability targets



HIGHLIGHT: In December 2020, ANZ arranged an AU\$1,400m syndicated Sustainability-Linked Loan for Downer Group Finance Pty Limited. Pricing of the loan is linked to performance against environmental and social targets

FY21 to date closed 8 Green and Sustainability-Linked Loans (\$28b volume)¹

Green and Sustainable Infrastructure Project Finance

Greenfields project financing to support the development of long term sustainable infrastructure, e.g. renewable energy, light rail



HIGHLIGHT: In December 2020, ANZ provided AU\$47.6m in financing for Canberra Metro Finance Pty Ltd's electrified light rail network which is fully powered by the ACT's 100% renewable energy grid

FY21 to date closed 5 Green and Sustainable Infrastructure Project Finance deals (\$2.2b volume)¹

Green and Sustainability-Linked Bonds

Distribution of capital into 'green' and sustainability initiatives, e.g. 'green' buildings, renewable energy or where bond terms are linked to improved performance against agreed sustainability targets



HIGHLIGHT: In February 2021, ANZ jointly arranged Surbana Jurong Private Limited's SG\$250m ten-year Sustainability-Linked Bond. ANZ was the Sole Sustainability Coordinator. The bond is linked to climate targets. Surbana Jurong will pay a premium to investors if it does not meet these targets by 2030

FY21 to date closed 12 Green and Sustainability-Linked Bonds (\$6.1b volume)¹

1. Data for the 6 months to 31 March 2021 (1H21)

CUSTOMER ENGAGEMENT – FINANCING SUSTAINABILITY

Corporate Finance Advisory Services for Renewables

Providing advisory services in relation to the purchase, sale and raising of capital for renewable energy projects



HIGHLIGHT: In 2020, we completed an equity and debt raising for the Yandin Wind Farm, a 214 MW wind farm in mid-west WA

ANZ/Clean Energy Finance Corporation Energy Efficiency Asset Finance program

Financing that incentivises corporate and retail customers to invest in energy efficient and renewable energy technologies that will help reduce their energy costs and carbon emissions

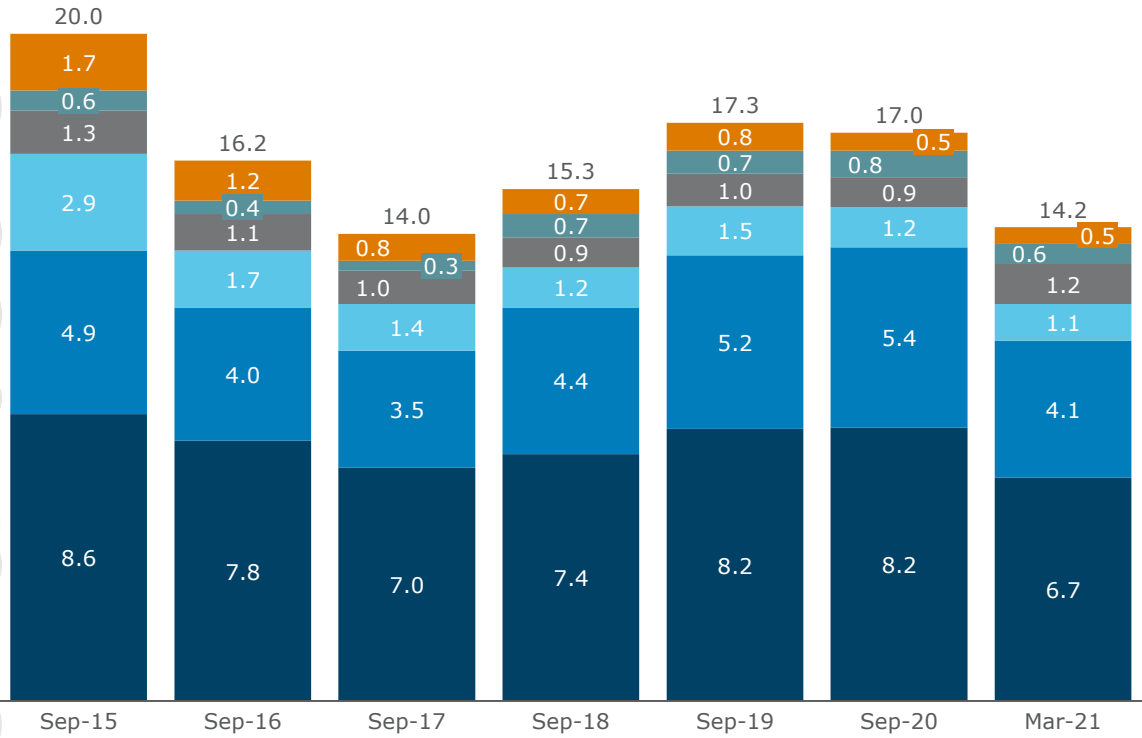


This program has helped finance >\$205m of investment in >1374 clean energy technology deals for our corporate and agribusiness customers. Energy Efficiency remains the major asset category, with customers seeing rapid paybacks associated with upgrades to new and more efficient plant and machinery

OUR RESOURCES PORTFOLIO

RESOURCES PORTFOLIO

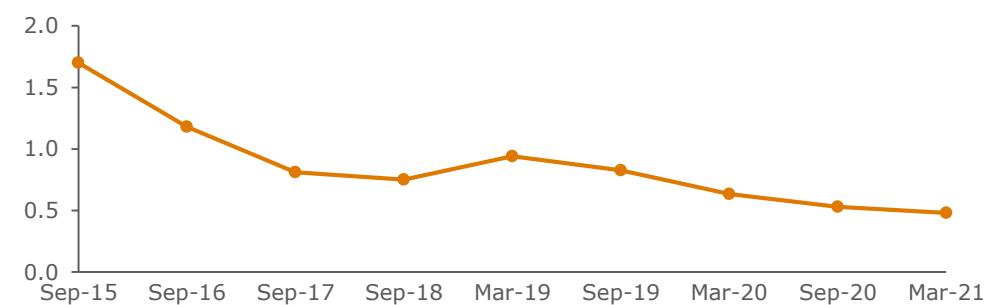
EXPOSURE AT DEFAULT (EAD) \$b



Thermal Coal Mining Metallurgical Coal Mining Other Mining Services to mining Metal Ore Mining Oil & Gas Extraction

THERMAL COAL EXPOSURE

EXPOSURE AT DEFAULT (EAD) \$b



- Since 2015 our exposure to thermal coal mining has reduced by ~70%
- Several diversified mining customers have divested thermal coal interests in recent years, or signalled intention not to invest in expansionary capex
- ANZ's exposure to thermal coal mining is a small portion of our overall lending (now comprising <0.05% of our Group exposure at default)

2021

ESG INVESTOR BRIEFING – REFERENCE PACK

HUMAN RIGHTS & MODERN SLAVERY



IMPROVING OUR APPROACH TO HUMAN RIGHTS

ACTING ON THE AUSTRALIAN NATIONAL CONTACT POINT (ANCP) FOLLOW UP STATEMENT, WITH A PROGRAM OF WORK TO IMPROVE OUR POLICY, PROCESS AND DISCLOSURE

Committed to the ANCP agreement between ANZ and external stakeholders

- In February 2020, ANZ, Inclusive Development International (IDI) and Equitable Cambodia (EC) reached an agreement on how to assist Cambodian communities that were adversely affected by an economic land use concession granted for a sugarcane project
- The agreement includes a commitment by ANZ to review and strengthen its human rights policies, including its customer social and environmental screening processes, and specific grievance mechanism accessible to affected communities
- Both these commitments are near completion with the advice of external stakeholders

Reviewing our approach and designing a Grievance mechanism for communities

- We have been in dialogue with external stakeholders since mid 2020 to align our human rights approach with the OECD Guidelines on Multinational Enterprises and the UN Guiding Principles on Business and Human Rights
- In 2020 we increased our human rights disclosures in end of year reporting and will continue to review if our level of disclosure is adequate
- We recognise that individuals and communities can be affected by our business activities, and also those of our business customers
- We have designed a grievance mechanism so that individuals and communities affected by our business customers can contact us. We plan to make it available to communities this year and continue to implement it in 2022

OUR RESPONSE TO THE AUSTRALIAN MODERN SLAVERY ACT

OUR FIRST STATEMENT RESPONDING TO THE AUSTRALIAN MODERN SLAVERY ACT'S MANDATORY CRITERIA, DESCRIBING HOW WE IDENTIFY AND ACT ON KEY MODERN SLAVERY RISKS IN OUR OPERATIONS AND SUPPLY CHAIN, WAS SUBMITTED IN 2020

We remain focussed on risk assessment, building awareness, policy review and improving due diligence

- Our 2020 statement outlined how we identify and act on modern slavery risks
 - through existing processes such as financial crime transaction monitoring, customer and supply due diligence; and
 - new improvements such as building awareness through 'leader-led' sessions and supply chain tracking for ANZ branded promotional products
- We continue to build on our 2020 approach using a cross-functional working group to help identify, discuss and act on potential modern slavery risks across our operations and supply chain
- This year we are focussed on
 - our use of data to identify and target efforts in 'higher risk' areas;
 - uplifts in our due diligence and screening processes to help identify modern slavery risks in our operations and supply chain;
 - raising awareness of modern slavery through information sessions;
 - supply chain 'deep dives' in high risk categories such as cleaning and security
- Engaging with others is important and we are seeking to learn and share good practice with financial sector peers and other stakeholders including customers, suppliers, community and investors

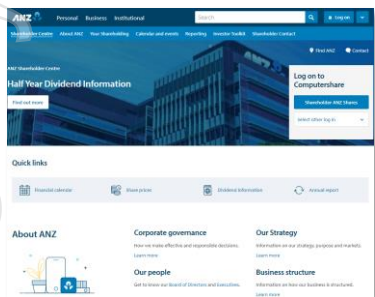


Our 2022 approach will continue to build on these efforts, including through:

- Building and improving data driven risk assessment
- Implementation of dedicated online learning modules about modern slavery, particularly in higher risk locations
- Continued focus on supply chain tracking and building on lessons learnt through higher risk category 'deep dives'
- Improvements to screening and due diligence across customer and supply chain processes
- Engagement with customers, suppliers and other stakeholders to learn and share good practice

FURTHER INFORMATION

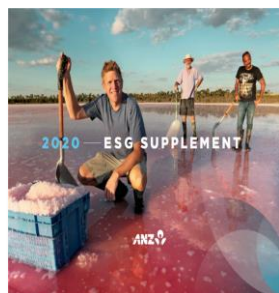
ANZ Shareholder Centre



ANZ
shareholder
information

<https://www.anz.com/shareholder/centre/>

Corporate Overview & Sustainability



ESG information
and progress
against our ESG
targets

<https://www.anz.com/shareholder/centre/reporting/sustainability/>

Climate Related Financial disclosures



Our
approach
to climate
change

<https://www.anz.com.au/about-us/esg-priorities/environmental-sustainability/climate-change/>

Annual Review



Key sections
from our
2020 Annual
Report

<https://www.anz.com/shareholder/centre/reporting/annual-report-annual-review/>

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This presentation may contain forward-looking statements including statements regarding our intent, belief or current expectations with respect to ANZ's business and operations, market conditions, results of operations and financial condition, capital adequacy, specific provisions and risk management practices. When used in this presentation, the words "estimate", "project", "intend", "anticipate", "believe", "expect", "should" and similar expressions, as they relate to ANZ and its management, are intended to identify forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Such statements constitute "forward-looking statements" for the purposes of the United States Private Securities Litigation Reform Act of 1995. ANZ does not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events.

Equity Investors

Jill Campbell
Group General Manager
Investor Relations
+61 3 8654 7749
+61 412 047 448
jill.campbell@anz.com

Cameron Davis
Executive Manager
Investor Relations
+61 3 8654 7716
+61 421 613 819
cameron.davis@anz.com

Harsh Vardhan
Senior Manager
Investor Relations
+61 3 8655 0878
+61 466 848 027
harsh.vardhan@anz.com

Retail Investors

Michelle Weerakoon
Manager Shareholder
Services & Events
+61 3 8654 7682
+61 411 143 090
michelle.weerakoon@anz.com

Debt Investors

Scott Gifford
Head of Debt Investor
Relations
+61 3 8655 5683
+61 434 076 876
scott.gifford@anz.com