

ANZ Bank New Zealand Limited Subordinated Notes Offer Investor Presentation

September 2021



IMPORTANT NOTICE

This presentation has been prepared by ANZ Bank New Zealand Limited (**ANZ**) in relation to the offer (**Offer**) of unsecured subordinated notes (**Subordinated Notes**). A limited disclosure document (**LDD**) has been prepared in respect of the Offer. The LDD is available on the online Disclose Register maintained by the Companies Office at www.disclose-register.companiesoffice.govt.nz/ (offer number OFR13137) or can be obtained from the Joint Lead Managers or your usual financial adviser.

This presentation provides information in summary form only and is not intended to be complete. The information in this presentation has been obtained from sources believed to be reliable and accurate at the date of preparation, but its accuracy, correctness, reasonableness and completeness cannot be guaranteed.

The information in this presentation is general in nature and does not take account of your individual circumstances. It does not constitute financial, investment, legal, tax or other advice or a recommendation to purchase Subordinated Notes.

You should carefully read and consider the LDD, consider the suitability of an investment in the Subordinated Notes in light of your individual risk profile for investments, investment objectives and personal circumstances (including financial and taxation issues) and consult your financial, legal, tax and other professional advisers before deciding to invest in the Subordinated Notes.

This investment is riskier than a bank deposit. The Subordinated Notes are complex financial products that are not suitable for many investors. If you do not fully understand how they work or the investment risks associated with them (including possible delays in payment and loss of income and principal invested), you should not invest in them.

The LDD only constitutes an Offer to retail investors in New Zealand and to institutional investors in accordance with the selling restrictions set out in the LDD. ANZ has not taken and will not take any action that would permit a public or regulated offering of the Subordinated Notes, or possession or distribution of any offering material in respect of the Subordinated Notes, including this presentation, in any country or jurisdiction where action for that purpose is required (other than New Zealand). The Subordinated Notes may only be offered for sale or sold in compliance with all applicable laws and regulations in any jurisdiction in which they are offered, sold or delivered. The LDD and any disclosure statement, information memorandum, prospectus, circular, advertisement or other offering material in respect of the Subordinated Notes may only be published, delivered or distributed in or from any country or jurisdiction in compliance with all applicable laws and regulations (including those of the country or jurisdiction in which the material is published, delivered or distributed). Specific selling restrictions will apply to an initial offer of the Subordinated Notes in the European Economic Area, the United Kingdom, Australia, Hong Kong, Japan, Singapore, Taiwan and the United States or to US Persons.

To the maximum extent permitted by law, none of ANZ as Issuer, ANZ as Arranger, or ANZ, Craigs Investment Partners Limited, Forsyth Barr Limited, Hobson Wealth Partners Limited and Jarden Securities Limited as Joint Lead Managers, or their respective affiliates, directors, officers, partners, employees, advisers and agents, make any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained in this presentation, or in any further information that may at any time be supplied in connection with the Offer or accept responsibility or liability therefor or for any loss or damage howsoever occurring resulting from the use of or reliance on this presentation by any person.

Australia and New Zealand Banking Group Limited (**ANZBGL**) does not guarantee or support ANZ Bank New Zealand Limited (ANZ) or the Subordinated Notes being issued. The Subordinated Notes do not represent deposits or other liabilities of ANZBGL. ANZ is not an authorised deposit-taking institution under the Banking Act 1959 of Australia (**Banking Act**). The depositor protection provisions in Division 2 of Part II of the Banking Act do not apply to ANZ. The Notes are not "protected accounts" or "deposit liabilities" within the meaning of the Banking Act and an investment in the Notes is not covered by the Australian Government's Financial Claims Scheme.

Capitalised terms used in this presentation have the same meaning as set out in the LDD, unless the context otherwise requires.

AGENDA

- Offer Highlights
- ANZ Overview
- Financial Information
- Capital
- Summary Terms and Key Dates
- Contact Details and Additional Information

OFFER HIGHLIGHTS

OFFER HIGHLIGHTS

Feature	Description
Issuer	ANZ Bank New Zealand Limited (ANZ)
Description	Unsecured, subordinated notes (Subordinated Notes)
Offer size	Up to NZ\$250 million plus unlimited oversubscriptions
Use of proceeds	The Subordinated Notes are expected to constitute Tier 2 capital for ANZ's regulatory capital requirements. The proceeds of the Offer will be used for general corporate purposes
Maturity date	10 years, maturing on 17 September 2031
Optional redemption dates	First optional redemption date is on 17 September 2026 and then on each subsequent interest payment date
Interest rate	The interest rate until the first optional redemption date will be a fixed rate and for subsequent interest periods will be a floating rate
Conversion, exchange or non-viability triggers	Not applicable
Issue rating	The Subordinated Notes are expected to be rated A- by S&P Global Ratings
Quotation	Application to quote the Subordinated Notes on the NZX Debt Market has been made. NZX ticker code ANB170 has been reserved for the Subordinated Notes
Offer process	All Subordinated Notes, including oversubscriptions, will be reserved for subscription by clients of the Joint Lead Managers, Primary Market Participants and other persons invited to join the bookbuild. There will be no public pool
Selling restrictions	The offer of Subordinated Notes will only be made to retail investors in New Zealand and to eligible institutional investors
Joint Lead Managers	ANZ, Craigs Investment Partners, Forsyth Barr, Hobson Wealth and Jarden

ANZ OVERVIEW



OVERVIEW

- New Zealand's largest full-service bank
 - 29% of total assets of registered banks in New Zealand¹
 - Assets of NZ\$184bn and Liabilities of NZ\$167bn as at 31 March 2021²
- Operating in New Zealand since 1840
- Employs ~6,700 people²; 1 in every 410 employed New Zealanders works for us³
- Diversified business mix reflecting makeup of New Zealand economy
- Subject to prudential supervision by Reserve Bank of New Zealand
- ANZ represented 22.5% of the ANZBGL group's total operating income from continuing operations for the six months ended 31 March 2021⁴

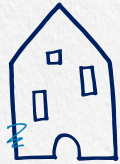
ANZ Credit Ratings (Long Term/Outlook)	
Standard and Poor's	AA- / Stable
Moody's Investor Services	A1 / Stable
Fitch Ratings	A+ / Stable

- Notes:
1. RBNZ, Mar-21. Includes assets of ANZ and its subsidiaries
 2. ANZ, Mar-21
 3. Statistics NZ, Mar-21
 4. ANZ/ANZBGL, Mar-21

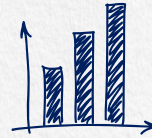


STRATEGY

At ANZ we shape a world where people and communities thrive
by improving the financial wellbeing of Kiwis...



...looking to save for, buy and own a **home**



...looking to start, buy and grow a **business**



...looking to move **capital** and goods around the region

We will deliver this by:

- ✓ Making it easy to join ANZ
- ✓ Making it easy to buy a house
- ✓ Making it easy to manage money

- ✓ Making it easy to self-serve
- ✓ Adding value through relevant data
- ✓ Connecting customers to experts

- ✓ Providing tailored banking solutions
- ✓ Offering tailored insights proactively
- ✓ Being a trusted business partner

ESG AT ANZ NEW ZEALAND

ANZ has a long standing commitment to corporate citizenship and incorporating Environmental, Social and Governance (ESG) considerations into our everyday work



Signatory to the New Zealand Climate Leaders Coalition



ANZ Healthy Homes:

- Interest-free home loan top ups for insulation and heat pumps
- Discounts on home loans and other benefits for houses with a 6 Homestar rating or higher



Living wage accredited employer since 2019



Since 2000, the ANZ Staff Foundation has distributed nearly NZ\$7 million in community grants to over 800 charities and community projects nationwide



MoneyMinded adult financial literacy programme with community partners



Donated NZ\$2 million to support vulnerable people through COVID-19

FINANCIAL INFORMATION

SUMMARY OF KEY FINANCIAL INFORMATION

KEY FINANCIAL INFORMATION	6 months ended 31 Mar 21	FY20	FY19	FY18
Net Profit After Tax (NZ\$m)	947	1,373	1,819	1,953
Cost to Income Ratio	38.4%	43.1%	38.4%	35.5%
Net Interest Margin	2.02%	2.05%	2.17%	2.22%
Return on Equity ¹	11.6%	9.1%	13.2%	15.1%
Loan/Deposit Ratio ²	112.0%	109.8%	121.2%	121.5%
Liquid Assets (NZ\$m) ³	29,188	30,736	22,786	21,104
Credit Impairment Charge/(Release) (NZ\$m)	(70)	403	101	55
Total Impaired Assets (NZ\$m)	998	1,169	729	321
Credit Impairment Charge (Release)/Gross Loans & Advances	(0.10%)	0.30%	0.08%	0.04%
INCOME (NZ\$m)				
Net Interest Income	1,673	3,262	3,244	3,150
Other Operating Income	338	807	946	1,126
Total Operating Income	2,011	4,069	4,190	4,276

Notes: 1. Return on Equity is Net Profit After Tax for the period over average Equity
2. Net Loans and Advances (incl. assets held for sale) divided by Customer Deposits
3. Value of funding ANZ would be able to raise from repurchase transactions with RBNZ. Includes internal mortgage backed securities

Source: ANZ Disclosure Statements

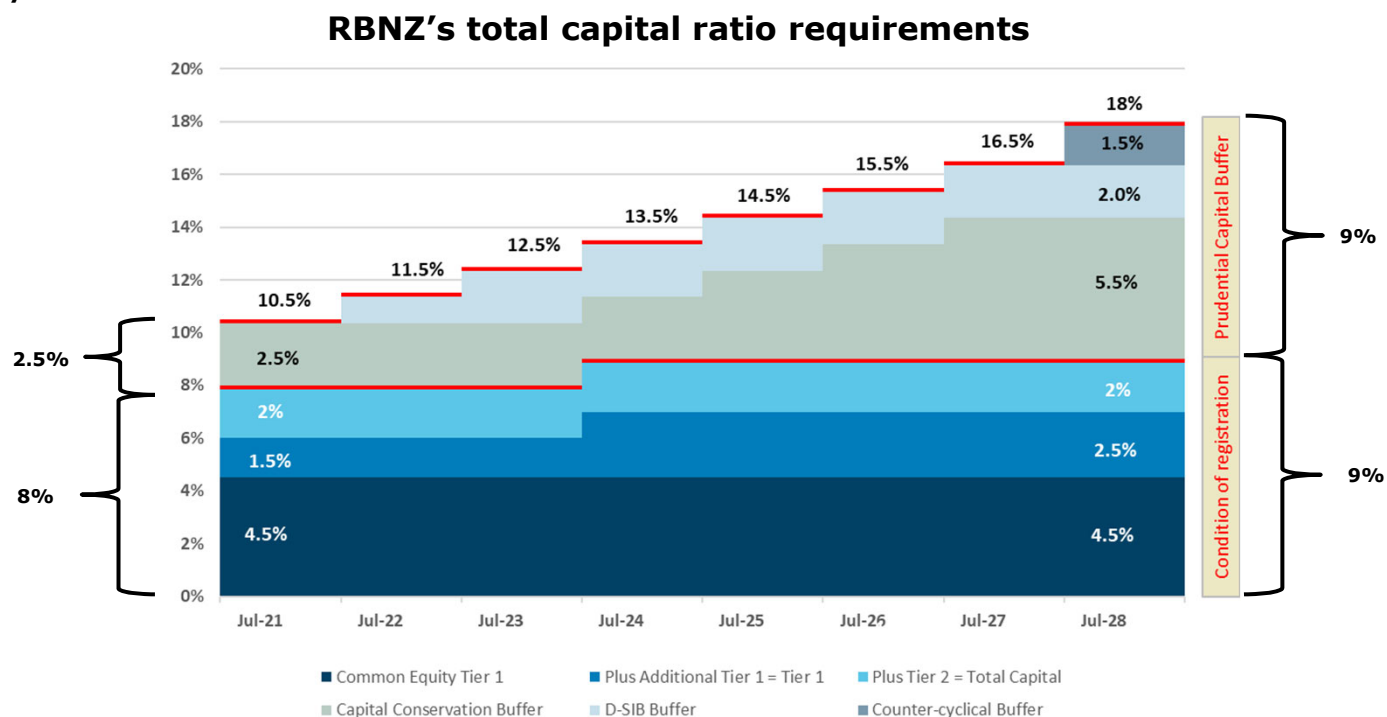
KEY FINANCIALS – BALANCE SHEET

NZ\$m	31 March 2021	FY20	FY19	FY18
Mortgages	95,081	89,258	84,007	78,395
Other Net Loans and Advances	42,407	43,440	48,518	48,071
Other Assets	46,055	47,046	36,891	32,546
Total Assets	183,543	179,744	169,416	159,012
Customer Deposits	122,786	120,863	109,236	104,055
Unsubordinated Debt	18,311	21,998	23,767	22,696
Subordinated Debt	2,441	2,441	2,440	2,439
Other Liabilities	23,160	18,573	19,543	16,713
Total Liabilities	166,698	163,875	154,986	145,903
Total Equity	16,845	15,869	14,430	13,109

CAPITAL

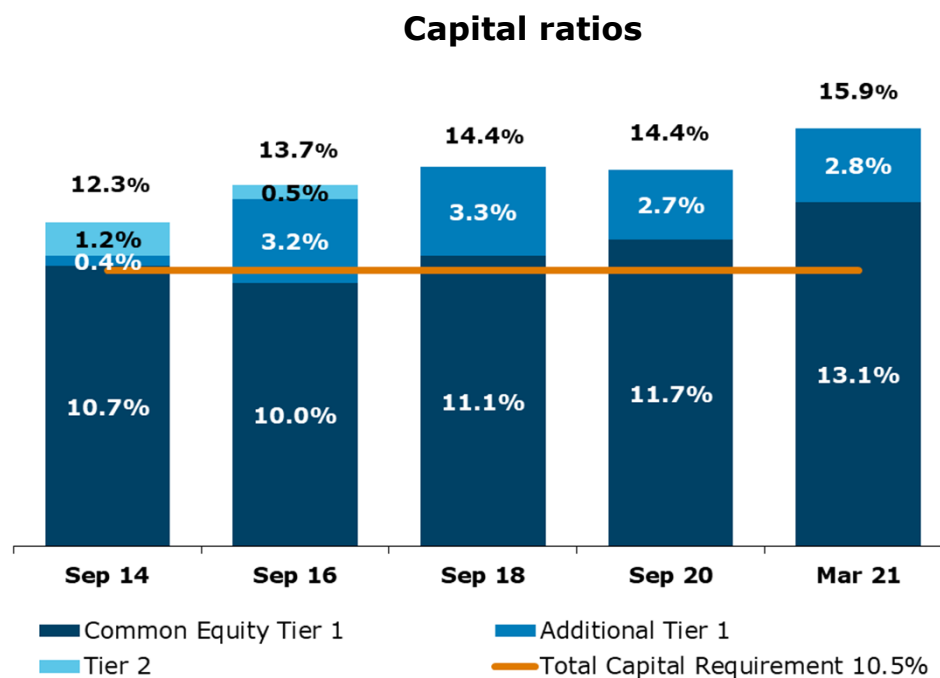
CAPITAL REQUIREMENTS ARE INCREASING

- RBNZ’s capital requirements are progressively increasing from 1 January 2022 to 1 July 2028:
 - New Risk Weighted Assets (**RWA**) portfolio floor of 85% of the standardised model (1 January 2022)
 - Internal Ratings Based Credit RWA model scalar to increase from 1.06 to 1.20 (1 October 2022)
 - Capital ratio requirements to progressively increase from 1 July 2022 to 1 July 2028



CAPITAL POSITION

- Until 1 July 2022, RBNZ will allow ordinary dividends of up to 50% of bank earnings
- RBNZ expects to remove this pandemic-related dividend restriction from 1 July 2022 (subject to no significant worsening of economic conditions)
- Total capital ratio at 31 March 2021 was 15.9%, above the RBNZ's requirement of 10.5%



SUMMARY TERMS AND KEY DATES

SUMMARY TERMS

Feature	Description
Type of instrument	Unsecured subordinated notes providing Tier 2 regulatory capital
Ranking	<p>In a liquidation of ANZ the claims of Holders will rank:</p> <ul style="list-style-type: none"> • behind the claims of all depositors and holders of other senior debt obligations • equally with the claims of other Holders and any other securities that rank equally with the Subordinated Notes (e.g. other Tier 2 capital); and • ahead of the rights of ANZ's shareholders and holders of any other securities that rank behind the Subordinated Notes (e.g. Additional Tier 1 capital)
No guarantee	The Subordinated Notes are not guaranteed by ANZBGL, any of ANZ's subsidiaries or any other person
Repayment	<ul style="list-style-type: none"> • The Subordinated Notes must be repaid by ANZ on the Maturity Date • ANZ may repay all or some of the Subordinated Notes earlier on an Optional Redemption Date or if a Tax Event or Regulatory Event occurs • Early repayment is subject to certain conditions, including satisfaction of the Solvency Condition and the prior written approval of the Reserve Bank of New Zealand, which is at its absolute discretion • Holders have no right to request that the Subordinated Notes be repaid early
Maturity Date	17 September 2031
Optional Redemption Dates	First optional redemption date is on 17 September 2026 and then on each subsequent interest payment date

SUMMARY TERMS (CONT.)

Feature	Description
Interest payments	Quarterly
Issue Margin	The Issue Margin will be announced by ANZ via NZX on the Rate Set Date. The Issue Margin for the Subordinated Notes will not change once set
Interest rate	<p>The interest rate until the first Optional Redemption Date will be a <u>fixed rate</u>:</p> <ul style="list-style-type: none"> • sum of the Swap Rate and the Issue Margin • announced on or about the Rate Set Date <p>The interest rate for subsequent interest periods will be a <u>floating rate</u>:</p> <ul style="list-style-type: none"> • sum of the 3 Month Bank Bill Rate plus the Issue Margin • if the sum is less than 0% per annum, the floating rate will be deemed to be 0% per annum • announced on or about the first Business Day of each interest period
Minimum application amount	NZ\$5,000 and in multiples of NZ\$1,000 thereafter
Brokerage	0.50% on firm allocations plus 0.50% brokerage, payable by ANZ

INTEREST PAYMENT

Interest may not always be paid when scheduled

- The payment of interest on each interest payment date (other than the Maturity Date) and any early repayment of the Subordinated Notes is conditional on ANZ satisfying the Solvency Condition
- The Solvency Condition will be satisfied if ANZ is Solvent at the time the payment is due and ANZ is able to pay the amount and still be Solvent immediately after paying the amount
- The Solvency Condition does not apply to payments that are required to be made on the Maturity Date
- For the purposes of the Solvency Condition, “Solvent” means satisfying the solvency test contained in section 4 of the Companies Act 1993
- Unpaid interest accumulates. This means that if interest is not paid on the Subordinated Notes on an interest payment date because the Solvency Condition is not satisfied, the unpaid interest will remain owing, will itself bear interest, and will be payable on the earlier of the next Business Day on which the Solvency Condition is satisfied and the Maturity Date

EVENTS OF DEFAULT

- The Subordinated Notes have very limited events of default:
 - Payment default: an event of default will occur if ANZ does not pay any face value due in respect of the Subordinated Notes within 7 days of its due date, or ANZ does not pay any interest due in respect of the Subordinated Notes within 15 days of its due date
 - Commencement of liquidation: an event of default will occur on the commencement of liquidation of ANZ
- To the extent that a payment on the Subordinated Notes is not made because the Solvency Condition is not satisfied, the amount is not due and payable and a payment default cannot occur
- If a payment default occurs, Holders may only bring proceedings:
 - to recover any amount then due and payable but unpaid on the Subordinated Notes (subject to satisfaction of the Solvency Condition if the payment of the unpaid amount was subject to the Solvency Condition);
 - to obtain an order for specific performance of any other obligation in respect of the Subordinated Notes; or
 - for the liquidation of ANZ

KEY DATES

Key dates for the Offer

Description	Key Date
Limited Disclosure Document registration	Wednesday, 25 August 2021
Offer open	Monday, 6 September 2021
Firm bids due	Friday, 10 September 2021, 1.00pm NZT
Offer closes	Friday, 10 September 2021, 1.00pm NZT
Issue Date	Friday, 17 September 2021
Expected quotation date	Monday, 20 September 2021

Key dates for the Subordinated Notes

Description	Key Date
First Interest Payment Date	Friday, 17 December 2021
Interest Payment Dates	17 March, 17 June, 17 September and 17 December in each year until the date on which the Subordinated Notes are repaid
Optional Redemption Dates	Thursday, 17 September 2026 and each subsequent Interest Payment Date
Maturity Date	Wednesday, 17 September 2031

CONTACT DETAILS AND ADDITIONAL INFORMATION

ANZ Bank New Zealand Limited

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Acting Chief Financial Officer

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Penny Dell

Treasurer

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Chris O'Neale

Head of Asset & Liability Management

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Additional information can be found at:

www.anz.co.nz/subordinated-notes

THANK YOU



SUMMARY TERMS

as at 6 September 2021

FOR AN ISSUE OF UP TO NZ\$250,000,000
ANZ UNSECURED SUBORDINATED NOTES
(with the option to accept unlimited oversubscriptions)

This is a summary only. More details are contained in the Limited Disclosure Document for the Offer dated 25 August 2021 (LDD). The LDD is available free of charge on the online Disclose Register maintained by the Companies Office at www.disclose-register.companiesoffice.govt.nz/ (offer number OFR13137) or can be obtained from the Joint Lead Managers or your usual financial adviser.

JOINT LEAD MANAGERS:



Warning

This investment is riskier than a bank deposit. The ANZ unsecured subordinated notes (**Notes**) are complex financial products that are not suitable for many investors. If you do not fully understand how they work or the investment risks associated with them (including possible delays in payment and loss of income and principal invested), you should not invest in them. Australia and New Zealand Banking Group Limited (**ANZBGL**) does not guarantee or support ANZ Bank New Zealand Limited (**ANZ**) or the Notes being issued. The Notes do not represent deposits or other liabilities of ANZBGL. You should read the LDD before deciding to invest in the Notes. You can also seek advice from a financial advice provider to help you make an investment decision.

Capitalised terms used but not defined in this Terms Sheet have the meaning given to them in the LDD unless the context otherwise requires.

KEY DATES FOR THE OFFER

LDD registration	Wednesday, 25 August 2021
Opening Date	Monday, 6 September 2021
Closing Time	Friday, 1.00pm, 10 September 2021
Rate Set Date	Friday, 10 September 2021
Issue Date	Friday, 17 September 2021
Expected date of quotation on the NZX Debt Market	Monday, 20 September 2021

KEY DATES FOR THE NOTES

First Interest Payment Date	Friday, 17 December 2021
Interest Payment Dates	<ul style="list-style-type: none">• 17 March, 17 June, 17 September and 17 December in each year until the date on which the Notes are repaid; and• the date on which the Notes are repaid
Optional redemption dates	Thursday, 17 September 2026 (First Optional Redemption Date) and each subsequent Interest Payment Date (each, an Optional Redemption Date)
Maturity Date	Wednesday, 17 September 2031

OVERVIEW OF THE NOTES

Issuer	ANZ		
Description	Unsecured, subordinated notes		
Ranking	<p>In a liquidation of ANZ the claims of Holders will rank:</p> <ul style="list-style-type: none"> behind the claims of all depositors and holders of other liabilities, securities, instruments and other obligations of ANZ, except for the claims and rights described below; equally with the claims of other Holders and the claims of holders of any other securities, instruments and other obligations of ANZ that rank equally with the Notes (e.g. other Tier 2 Capital); and ahead of the rights of ANZ's shareholders and holders of any other securities and other instruments that rank behind the Notes (e.g. Additional Tier 1 Capital) 		
Issue amount	Up to NZ\$250,000,000. ANZ reserves the right to accept unlimited oversubscriptions at its discretion.		
Credit ratings		Senior credit rating of the Issuer	Credit rating of the Notes
	S&P Global Ratings	AA- (Stable)	A-
	Fitch	A+ (Stable)	n/a
	Moody's	A1 (Stable)	n/a
	A credit rating is not a recommendation by any rating organisation to buy, sell or hold the Notes and may be subject to revision or withdrawal at any time		
Purpose	The Offer will raise Tier 2 Capital to help ANZ meet its regulatory capital requirements and manage its capital position. The proceeds of the Offer will be used for ANZ's general corporate purposes.		
Regulatory treatment	Tier 2 Capital		
No guarantee	The Notes are not guaranteed by ANZBGL, any of ANZ's subsidiaries or any other person		
Not deposit liabilities	<p>The Notes are not deposit liabilities of ANZ. The Notes do not represent deposits or other liabilities of ANZBGL.</p> <p>ANZ is not an authorised deposit-taking institution under the Banking Act 1959 of Australia (Banking Act). The depositor protection provisions in Division 2 of Part II of the Banking Act do not apply to ANZ. The Notes are not "protected accounts" or "deposit liabilities" within the meaning of the Banking Act and an investment in the Notes is not covered by the Australian Government's Financial Claims Scheme.</p>		
Repayment	<p>The Notes must be repaid by ANZ on the Maturity Date.</p> <p>ANZ may repay all or some of the Notes earlier on an Optional Redemption Date or if a Tax Event or Regulatory Event occurs.</p> <p>Early repayment is subject to certain conditions, including satisfaction of the Solvency Condition and the prior written approval of the Reserve Bank of New Zealand (Reserve Bank). The Reserve Bank's approval for any early repayment of Notes is at the absolute discretion of the Reserve Bank.</p> <p>Holders have no right to request that the Notes be repaid early.</p>		
Amount that is payable to Holders if the Notes are repaid	Holders will receive the Face Value plus all accrued but unpaid interest on the Notes when the Notes are repaid		
No public pool	All Notes, including oversubscriptions, will be reserved for subscription by clients of the Joint Lead Managers, Primary Market Participants and other persons invited to join the bookbuild		
Interest rate	The interest rate until the First Optional Redemption Date will be a fixed rate (Fixed Rate).		
	The interest rate for subsequent interest periods will be a floating rate (Floating Rate).		

Issue Margin	<p>The Issue Margin (which may be above or below the indicative Issue Margin range) will be determined by ANZ, in consultation with the Joint Lead Managers, through the bookbuild process.</p> <p>The Issue Margin will be announced by ANZ via NZX on or about the Rate Set Date.</p> <p>The Issue Margin for the Notes will not change once set.</p>
Indicative Issue Margin range	1.25% – 1.45% per annum
Fixed Rate	<p>The Fixed Rate will be determined by ANZ following the bookbuild, and will be announced by ANZ via NZX on or about the Rate Set Date.</p> <p>The Fixed Rate will be equal to the sum of the Swap Rate and the Issue Margin.</p>
Swap Rate	The mid-market rate for an interest rate swap with a term of 5 years commencing on the Issue Date, as calculated by ANZ, according to market convention, with reference to Bloomberg page 'ICNZ4' (or any successor page) on the Rate Set Date, expressed as a percentage per annum, adjusted for quarterly payments and rounded, if necessary, to the nearest 3 decimal places with 0.0005 being rounded up
Floating Rate	<p>The Floating Rate will be determined by ANZ on the first Business Day of each interest period ending after the First Optional Redemption Date, and will be announced by ANZ via NZX on or about that date.</p> <p>The Floating Rate will be equal to the sum of the 3 Month Bank Bill Rate plus the Issue Margin.</p> <p>If the sum of the 3 Month Bank Bill Rate plus the Issue Margin is less than 0% per annum, the Floating Rate will be deemed to be 0% per annum.</p>
3 Month Bank Bill Rate	The FRA rate administered by the New Zealand Financial Benchmark Facility (NZFBF) (or any person that takes over the administration of that rate) for bank bills having a term of, or of about, 3 months as displayed at or about 10.45am or such later time as ANZ may determine on the first Business Day of the interest period on Bloomberg BKBM page 'GDCCO 2805 1' (or any successor page) or if that rate is not displayed, the equivalent rate provided by the NZFBF (or any person that takes over the administration of that rate), in each case expressed as a percentage per annum and rounded, if necessary, to the nearest 4 decimal places with 0.00005 being rounded up
Alternative base rate	ANZ is able to replace the 3 Month Bank Bill Rate with an alternative reference rate if the 3 Month Bank Bill Rate becomes unavailable
Interest payments	<p>Interest is scheduled to be paid quarterly in arrear on each Interest Payment Date and on the date on which the Notes are repaid.</p> <p>When interest is payable at the Fixed Rate, it will be calculated on an annual basis and payable in equal amounts on each Interest Payment Date unless the Notes are repaid on a date that is not a scheduled quarterly Interest Payment Date. If the Notes are repaid on a date that is not a scheduled quarterly Interest Payment Date, the interest payable on the date of repayment will be adjusted to reflect the number of days from the previous Interest Payment Date (or the Issue Date if the Notes are repaid prior to the first Interest Payment Date) to the date of repayment (i.e. calculated on an Actual/Actual basis).</p> <p>When interest is payable at the Floating Rate, interest will be calculated on the basis of the actual number of days in the Interest Period (i.e. calculated on an Actual/365 basis).</p>
Solvency Condition	<p>The payment of interest on each Interest Payment Date (other than the Maturity Date) and any early repayment of the Notes is conditional on ANZ satisfying the Solvency Condition. The Solvency Condition will be satisfied if ANZ is Solvent at the time the payment is due and ANZ is able to pay the amount and still be Solvent immediately after paying the amount. The Solvency Condition does not apply to payments that are required to be made on the Maturity Date.</p> <p>For the purposes of the Solvency Condition, "Solvent" means satisfying the solvency test contained in section 4 of the Companies Act 1993.</p>
No event of default for failure to satisfy the Solvency Condition	No event of default will occur if ANZ does not pay an amount scheduled to be paid on the Notes because the Solvency Condition is not satisfied

Unpaid interest accumulates	Unpaid interest accumulates. This means that if interest is not paid on the Notes on an Interest Payment Date because the Solvency Condition is not satisfied, the unpaid interest will remain owing, will itself bear interest, and will be payable on the earlier of the next Business Day on which the Solvency Condition is satisfied and the Maturity Date.
Events of default	<p>The Notes have very limited events of default, as described below:</p> <ul style="list-style-type: none"> • Payment default: an event of default will occur if ANZ does not pay any Face Value due in respect of the Notes within 7 days of its due date, or ANZ does not pay any interest due in respect of the Notes within 15 days of its due date. • Commencement of liquidation: an event of default will occur on the commencement of liquidation of ANZ. <p>To the extent that a payment on the Notes is not made because the Solvency Condition is not satisfied, the amount is not due and payable and a payment default cannot occur.</p>
Limited enforcement rights and rights in liquidation of ANZ	<p>If an event of default occurs and is continuing, Holders' rights are limited, as described below.</p> <p>In the case of a payment default, a Holder may bring proceedings:</p> <ul style="list-style-type: none"> • to recover any amount then due and payable but unpaid on its Notes (subject to satisfaction of the Solvency Condition if the payment of the unpaid amount was subject to the Solvency Condition); • to obtain an order for specific performance of any other obligation in respect of its Notes; or • for the liquidation of ANZ. <p>In the case of a commencement of liquidation, in addition to the rights listed above, the Face Value of each Note and any accrued but unpaid interest on the Notes will immediately become due and payable and the Holder may claim in the liquidation of ANZ for that amount (on a subordinated basis).</p>
No restrictions on other securities or liabilities	There are no restrictions on ANZ issuing further securities or creating further liabilities after the Notes have been issued that rank equally with, behind or ahead of, the Notes in a liquidation of ANZ. ANZ could therefore, at any time after the Issue Date, issue further securities or create further liabilities that rank equally with, behind or ahead of the Notes in its absolute discretion.
Conversion, exchange or non-viability triggers	Not applicable
Brokerage	0.50% on firm allocations plus 0.50% brokerage, payable by ANZ as issuer
No underwriting	The Offer is not underwritten
Minimum denominations	NZ\$5,000, and in multiples of NZ\$1,000 thereafter
Face Value/Issue Price	NZ\$1.00 per Note
Record date	<p>In the case of payments of:</p> <ul style="list-style-type: none"> • interest, the date which is 10 days before the relevant Interest Payment Date; or • any other amount, a date determined by ANZ and notified to Holders, <p>or in either case such other date as may be required by NZX</p>
Business Day (for interest payment purposes)	A day that is not a Saturday or Sunday and on which banks are open for general business in Auckland and Wellington
Business Day convention (for interest payment purposes)	<p>If an Interest Payment Date on or before the First Optional Redemption Date is not a Business Day, ANZ will make payment on the next Business Day, but no adjustment will be made to the amount of interest payable.</p> <p>If an Interest Payment Date after the First Optional Redemption Date is not a Business Day, the Interest Payment Date will be the next Business Day, unless that day falls in the next calendar month, in which case it will be the preceding Business Day, and the amount of interest payable will be adjusted to reflect the actual payment date.</p>

ISIN	NZANBDT024C7
NZX code	ANZ intends to quote the Notes on the NZX Debt Market. NZX ticker code ANB170 has been reserved for the Notes. NZX takes no responsibility for the content of this terms sheet. NZX is a licensed market operator and the NZX Debt Market is a licensed market under the Financial Markets Conduct Act 2013.
Principal documents	Limited Disclosure Document relating to the Offer of Notes dated 25 August 2021 ANZ Subordinated Notes Deed Poll dated 25 August 2021 Other documents and information are available on the online Disclose Register maintained by the Companies Office at www.disclose-register.companiesoffice.govt.nz/ (offer number OFR13137)
Governing law	The Notes, the Deed Poll and the Offer are governed by New Zealand law
Approved Issuer Levy	ANZ intends to register the Notes for approved issuer levy (AIL) and, where it is eligible to do so in respect of interest paid to a non-resident Holder that is subject to the non-resident withholding tax rules (and unless otherwise elected by the Holder) to pay AIL in lieu of deducting non-resident withholding tax. If the Notes qualify for the 0% rate of AIL, ANZ intends to apply the 0% rate, otherwise it will apply AIL at the applicable rate. The amount of any AIL paid will be deducted from payments to you.
Selling restrictions	The LDD only constitutes an offer of Notes to retail investors in New Zealand and to institutional investors in accordance with the selling restrictions set out in the LDD. ANZ has not taken and will not take any action that would permit a public or regulated offering of the Notes, or possession or distribution of any offering material in respect of the Notes, in any country or jurisdiction where action for that purpose is required (other than New Zealand). The Notes may only be offered for sale or sold in compliance with all applicable laws and regulations in any jurisdiction in which they are offered, sold or delivered. The LDD and any disclosure statement, information memorandum, prospectus, circular, advertisement or other offering material in respect of the Notes may only be published, delivered or distributed in or from any country or jurisdiction in compliance with all applicable laws and regulations (including those of the country or jurisdiction in which the material is published, delivered or distributed). Specific selling restrictions will apply to an initial offer of the Notes in the European Economic Area, the United Kingdom, Australia, Hong Kong, Japan, Singapore, Taiwan and the United States or to US Persons.
Arranger	ANZ Bank New Zealand Limited
Joint Lead Managers	ANZ Bank New Zealand Limited, Craigs Investment Partners Limited, Forsyth Barr Limited, Hobson Wealth Partners Limited and Jarden Securities Limited
Registry and paying agent	Computershare Investor Services Limited The Notes will be accepted for settlement in the NZClear system

ANZ BANK NEW ZEALAND LIMITED LIMITED DISCLOSURE DOCUMENT

AN OFFER OF UNSECURED SUBORDINATED NOTES
25 AUGUST 2021

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on www.disclose-register.companiesoffice.govt.nz/. ANZ Bank New Zealand Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial advice provider to help you make an investment decision.

JOINT LEAD MANAGERS:



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1 KEY INFORMATION SUMMARY

WHAT IS THIS?

This is an offer of unsecured subordinated notes (“Notes”). The Notes are debt securities issued by ANZ Bank New Zealand Limited (“ANZ”). You give ANZ money, and in return ANZ promises to pay you interest and repay the money at the end of the term. If ANZ runs into financial trouble, you might lose some or all of the money you invested.

ABOUT THE ANZ GROUP

ANZ and the companies that it owns make up the ANZ Group. ANZ is a registered bank under the Reserve Bank of New Zealand Act 1989 (“RBNZ Act”). ANZ and its predecessors have carried on the business of banking in New Zealand since 1840.

ANZ is a subsidiary of Australia and New Zealand Banking Group Limited (“ANZBGL”). ANZBGL is classified as an authorised deposit-taking institution under the Banking Act 1959 of Australia and is regulated by the Australian Prudential Regulation Authority. The Australian Prudential Regulation Authority regulates all authorised deposit-taking institutions in Australia. ANZ is a member of ANZBGL’s group but is not an authorised deposit-taking institution under the Banking Act 1959 of Australia.

Information about ANZ and ANZ’s financial statements are published half-yearly in disclosure statements required under the RBNZ Act. ANZ’s disclosure statements can be viewed and downloaded from ANZ’s website at www.anz.co.nz/about-us/media-centre/investor-information/.

PURPOSE OF THIS OFFER

The Offer will raise Tier 2 Capital to help ANZ meet its regulatory capital requirements and manage its capital position. The proceeds of the Offer will be used for ANZ’s general corporate purposes.

KEY TERMS OF THE OFFER

Description of the debt securities	Unsecured subordinated notes.
Term	10 years, ending on the Maturity Date (17 September 2031) if not repaid earlier.
Offer amount	Up to NZ\$250 million, with unlimited oversubscriptions.
Face Value and Issue Price	NZ\$1.00 per Note.
Minimum subscription amount	NZ\$5,000, and in multiples of NZ\$1,000 thereafter.
Opening Date	6 September 2021.
Closing Time	1.00pm on 10 September 2021.
Interest rate	<p>The interest rate for the first 5 years of the Term will be a fixed rate equal to the sum of the Swap Rate (a reference rate for a 5 year period) on the Rate Set Date (10 September 2021) plus the Issue Margin.</p> <p>The interest rate for the second 5 years of the Term will be a floating rate equal to the sum of the 3 Month Bank Bill Rate (a benchmark interest rate for a 3 month period) plus the same Issue Margin. The 3 Month Bank Bill Rate will be reset quarterly on the first Business Day of each Interest Period during the second 5 years of the Term.</p> <p>The initial interest rate and the Issue Margin will be announced by ANZ on or about the Rate Set Date (10 September 2021) via NZX and available at www.anz.co.nz/subordinated-notes.</p> <p>The interest rate for each Interest Period during the second 5 years of the Term will be announced by ANZ on or about the first Business Day of the Interest Period via NZX.</p>
Interest Payment Dates	Interest on your Notes is scheduled to be paid quarterly in arrear on each 17 March, 17 June, 17 September and 17 December during the Term and on the date on which your Notes are repaid.
Interest payments are conditional	The payment of interest on each Interest Payment Date (other than on the Maturity Date (17 September 2031)) is conditional on ANZ satisfying the Solvency Condition. See Section 5.2 of this LDD (Interest).
Unpaid interest accumulates	Unpaid interest accumulates. This means that if interest is not paid on your Notes on an Interest Payment Date because the Solvency Condition is not satisfied, the unpaid interest will remain owing, will itself bear interest (at the same rate as the Notes), and will be payable on the earlier of the next Business Day on which the Solvency Condition is satisfied and the Maturity Date. See Section 5.2 of this LDD (Interest).
Fees and charges	ANZ as issuer will not charge you brokerage or any other fees to apply or subscribe for Notes. However, you may have to pay brokerage to the firm that gives you an allocation of Notes.

NO GUARANTEE

Your Notes are not guaranteed by any member of the ANZ Group or any other person. ANZ is solely responsible for the repayment of your Notes.

ANZBGL does not guarantee or support ANZ or the Notes being issued. The Notes do not represent deposits or other liabilities of ANZBGL.

HOW YOU CAN GET YOUR MONEY OUT EARLY

Repayment of your Notes

Your Notes are a long term investment with a Term of 10 years. Your Notes must be repaid by ANZ on the Maturity Date (17 September 2031). However, ANZ may repay all or some of your Notes early in the following circumstances:

1. on the First Optional Redemption Date (17 September 2026) or on any Interest Payment Date after that date; or
2. on any Business Day after giving no less than 30 days' notice if a Tax Event or Regulatory Event has occurred.

Early repayment is subject to certain conditions being met (including the Solvency Condition being satisfied and ANZ obtaining the Reserve Bank's prior approval).

See Section 5.3 of this LDD (Repayment of the Notes).

You do not have a right to request your Notes be repaid early for any reason.

Sale on NZX

ANZ intends to quote these Notes on the NZX Debt Market. This means you may be able to sell them on the NZX Debt Market before the end of their term if there are interested buyers. If you sell your Notes, the price you get will vary depending on factors such as the financial condition of the ANZ Group and movements in the market interest rates. You may receive less than the full amount that you paid for them.

HOW THE NOTES RANK FOR REPAYMENT

In a liquidation of ANZ, each Note gives you the right to payment of an amount equal to the Face Value plus all accrued but unpaid interest. Your right to payment of this amount will rank:

- behind the claims of all depositors and holders of other liabilities, securities, instruments and other obligations of ANZ, except for the claims and rights described below;
- equally with the claims of other Holders and the claims of holders of any other securities, instruments and other obligations of ANZ that rank equally with your Notes; and
- ahead of the rights of ANZ's shareholders and holders of any other securities and other instruments that rank behind the Notes.

In a liquidation of ANZ, it is unlikely that there will be surplus assets available for the liquidator to pay any amount to you in respect of your Notes.

Section 5.5 of this LDD (Ranking) explains how the Notes rank in a liquidation of ANZ.

NO SECURITY

The Notes are not secured against any asset of any member of the ANZ Group or any other person.

KEY RISKS AFFECTING THIS INVESTMENT

Investments in debt securities have risks. A key risk is that ANZ does not meet its commitments to repay you or pay you interest (credit risk). Section 6 of this document (Risks of investing) discusses the main factors that give rise to the risk. You should consider if the credit risk of these debt securities is suitable for you.

The interest rate for these Notes should also reflect the degree of credit risk. In general, higher returns are demanded by investors from businesses with higher risk of defaulting on their commitments. You need to decide whether the Offer is fair.

ANZ considers that the most significant risk factors are:

- changes in political and general business and economic conditions;
- the impact of COVID-19 on economic conditions;
- an increase in competitive market conditions or a technological change;
- credit risk;
- liquidity and funding risk events;
- regulatory changes or a failure to comply with laws, regulations or policies; and
- operational risk events.

These risks may adversely affect ANZ's financial position. They reflect the nature of ANZ's business as a financial institution and the financial services industry in which it operates.

If one or more of these risks eventuate, either individually or in combination, the detrimental impact on ANZ's financial performance may in turn:

- adversely affect the market price and liquidity of your Notes; and/or
- result in ANZ not making a payment on your Notes.

This summary does not cover all of the risks of investing in the Notes. You should also read Section 5 (Key features of the Notes) and Section 6 (Risks of investing) of this LDD.

WHAT IS THE NOTES' CREDIT RATING?

A credit rating is an independent opinion of the capability and willingness of an entity to repay its debts (in other words, its creditworthiness). It is not a guarantee that the financial product being offered is a safe investment. A credit rating should be considered alongside all other relevant information when making an investment decision.

The Notes have been rated by S&P Global Ratings ("**S&P**"). S&P gives ratings from AAA through to C, excluding ratings attached to entities in default, as set out in the table below. S&P ratings from AA to CCC may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories.

As at the date of this LDD, the Notes have a credit rating of A- from S&P.

Credit ratings for S&P	AAA	AA	A Credit rating for the Notes A-	BBB	BB	B	CCC	CC	C
Summary description of S&P issue credit ratings	Capacity of the issuer to meet its financial commitments on the obligation			Vulnerability of the obligation to non-payment					
	Extremely strong	Very strong	Strong	Adequate	Less vulnerable	More vulnerable	Currently vulnerable	Highly vulnerable	Currently highly vulnerable

2 KEY DATES AND OFFER PROCESS

Opening Date	6 September 2021.
Rate Set Date	10 September 2021.
Closing Time	1.00pm on 10 September 2021.
Issue Date/allotment date	17 September 2021.
Expected date of initial quotation and trading of the Notes on the NZX Debt Market	20 September 2021.
First Interest Payment Date	17 December 2021.
Interest Payment Dates	17 March, 17 June, 17 September and 17 December during the Term and on the date on which your Notes are repaid.
First Optional Redemption Date	17 September 2026.
Maturity Date	17 September 2031.

The Opening Date and the Closing Time may change. ANZ has the right in its absolute discretion to open or close the Offer early and to extend the Closing Time. If ANZ changes the Opening Date and/or the Closing Time, the changes will be announced as soon as reasonably practicable by ANZ via NZX and available at www.anz.co.nz/subordinated-notes. If the Closing Time is extended, the Issue Date, the expected date of initial quotation and trading of your Notes on the NZX Debt Market, the Interest Payment Dates, the First Optional Redemption Date and the Maturity Date may be extended accordingly. Any such changes will not affect the validity of any applications received. The Interest Payment Dates are subject to the Business Day convention described in Section 3.1 of this LDD (Description of the Notes). Other dates may also be adjusted if they do not fall on a Business Day.

ANZ reserves the right to cancel the Offer and the issue of the Notes.

3 TERMS OF THE OFFER

3.1 DESCRIPTION OF THE NOTES

The Notes

Issuer	ANZ Bank New Zealand Limited.
Description	Unsecured subordinated notes.
Term	10 years, ending on the Maturity Date (17 September 2031) if not repaid earlier.
Interest rate	<p>The interest rate for the first 5 years of the Term will be a fixed rate equal to the sum of the Swap Rate (a reference rate for a 5 year period) on the Rate Set Date (10 September 2021) plus the Issue Margin.</p> <p>The interest rate for the second 5 years of the Term will be a floating rate equal to the sum of the 3 Month Bank Bill Rate (a benchmark interest rate for a 3 month period) plus the same Issue Margin. The 3 Month Bank Bill Rate will be reset quarterly on the first Business Day of each Interest Period during the second 5 years of the Term.</p> <p>If the sum of the 3 Month Bank Bill Rate plus the Issue Margin is less than 0% per annum, the floating rate will be deemed to be 0% per annum.</p> <p>The initial interest rate and the Issue Margin will be determined by ANZ following the Bookbuild on the Rate Set Date, and will be announced by ANZ via NZX and available at www.anz.co.nz/subordinated-notes on or about that date.</p> <p>The interest rate for each Interest Period during the second 5 years of the Term will be determined by ANZ on the first Business Day of the Interest Period, and will be announced by ANZ via NZX on or about that date.</p> <p>The Issue Margin will not change during the Term.</p>
Interest Payment Dates	<p>Interest on your Notes is scheduled to be paid:</p> <ul style="list-style-type: none">• quarterly in arrear on each 17 March, 17 June, 17 September and 17 December during the Term, commencing on 17 December 2021; and• on the date on which your Notes are repaid.
Business Day convention	<p>If an Interest Payment Date during the first 5 years of the Term is not a Business Day, ANZ will make payment on the next Business Day, and no adjustment will be made to the amount of interest payable as a result of the delay in payment.</p> <p>If an Interest Payment Date during the second 5 years of the Term is not a Business Day, then the Interest Payment Date will be the next Business Day, unless that day falls in the next calendar month, in which case it will be the preceding Business Day, and, in either case, the amount of interest payable will be adjusted to reflect the actual payment date.</p>
Interest payments are conditional	<p>At any time before the Maturity Date, the payment of interest on each Interest Payment Date is conditional on ANZ satisfying the Solvency Condition.</p> <p>See Section 5.2 of this LDD (Interest).</p>
Unpaid interest accumulates	<p>Unpaid interest accumulates. This means that if interest is not paid on an Interest Payment Date because the Solvency Condition is not satisfied, the unpaid interest will remain owing, will itself bear interest (at the same rate as the Notes), and will be paid on the earlier of the next Business Day on which the Solvency Condition is satisfied and the Maturity Date.</p> <p>See Section 5.2 of this LDD (Interest).</p>
Repayment	<p>Your Notes must be repaid by ANZ on the Maturity Date (17 September 2031).</p> <p>However, ANZ may repay all or some of your Notes earlier, on the First Optional Redemption Date (17 September 2026) or on any Interest Payment Date after that date, or on any Business Day after giving no less than 30 days' notice if a Tax Event or Regulatory Event has occurred.</p> <p>Early repayment is subject to certain conditions being met (including the Solvency Condition being satisfied and ANZ obtaining the Reserve Bank's prior approval).</p> <p>See Section 5.3 of this LDD (Repayment of the Notes).</p> <p>You have no right to request that your Notes be repaid early.</p>

The Notes

Entitlement to payments	Interest payments on the Notes will be made to the persons who are the Holders as at the close of business on the 10th day before the relevant Interest Payment Date (whether or not the relevant Interest Payment Date is a Business Day) or, if that day is not a Business Day, the immediately preceding Business Day or such other date as may be required by NZX. Any other payments on the Notes will be made to the persons who are the Holders as at the close of business on the date determined by ANZ and notified to Holders or as may be required by NZX.
Ranking of the Notes	In a liquidation of ANZ, the Notes rank as unsecured subordinated debt of ANZ, and your claim will rank behind depositors and other general creditors. See Section 5.5 of this LDD (Ranking).

3.2 DESCRIPTION OF THE OFFER

The Offer

Offer amount	Up to NZ\$250 million, with unlimited oversubscriptions.
Opening Date, Closing Time and Issue Date	See Section 2 of this LDD (Key dates and Offer process).
Face Value and Issue Price	NZ\$1.00.
Minimum subscription amount	NZ\$5,000 and in multiples of NZ\$1,000 thereafter.
How to apply	There is no public pool for the Notes. All Notes will be reserved for subscription by clients of the Joint Lead Managers and Primary Market Participants and other persons invited to join the Bookbuild. Application instructions are set out in Section 13 of this LDD (How to apply).
Fees and charges	ANZ as issuer will not charge you brokerage or any other fees to apply or subscribe for Notes. However, you may have to pay brokerage to the firm that gives you an allocation of Notes.
Allocation of Notes	Following the Bookbuild, ANZ as issuer will allocate Notes to each of the successful Bookbuild participants. Those participants will in turn be solely responsible for allocating the Notes to individual investors. This means that ANZ as issuer has no direct role in determining the allocation that you receive from your financial adviser.
Selling restrictions	The Offer is subject to the selling restrictions contained in Section 10.1 of this LDD (Selling restrictions). By subscribing for Notes, you agree to comply with the selling restrictions and to indemnify ANZ, the Registry, the Arranger and each Joint Lead Manager (and their respective directors, officers, employees and agents) in respect of any loss, cost, liability or expense sustained or incurred as a result of you breaching the selling restrictions contained in Section 10.1 of this LDD (Selling restrictions).
Governing law	The Notes, the Deed Poll and the Offer are governed by New Zealand law.

3.3 TRADING YOUR NOTES ON THE NZX DEBT MARKET

ANZ intends to have the Notes quoted on the NZX Debt Market. NZX ticker code ANB170 has been reserved for the Notes. NZX takes no responsibility for the content of this LDD. NZX is a licensed market operator and the NZX Debt Market is a licensed market under the Financial Markets Conduct Act 2013.

To be eligible to trade your Notes on the NZX Debt Market, you must have an account with a Primary Market Participant, a common shareholder number or CSN and an authorisation code (FIN). If you do not have an account with a Primary Market Participant, you should be aware that opening an account can take a number of days depending on the Primary Market Participant's new client procedures.

If you do not have a CSN, you will be automatically assigned one if you invest in the Notes. If you do not have an authorisation code, it is expected that you will be sent one by the Registry. If you have an account with a Primary Market Participant and have not received an authorisation code by the date you want to trade your Notes, your Primary Market Participant can arrange to obtain your authorisation code from the Registry. Your Primary Market Participant will be charged a fee for requesting your authorisation code from the Registry and may pass this cost on to you.

You may only transfer your Notes in aggregate Face Value multiples of NZ\$1,000, and after any transfer you and the transferee must each hold Notes with an aggregate Face Value of no less than NZ\$5,000, or no Notes.

You will likely have to pay brokerage on any transfer of Notes you make through a Primary Market Participant.

3.4 DEED POLL

The terms of the Notes are set out in the Deed Poll. Holders are bound by, and are deemed to have notice of, the Deed Poll, including the terms of the Notes. If you require further information in relation to the Deed Poll, you may obtain a copy of the Deed Poll from the Disclose Register at www.disclose-register.companiesoffice.govt.nz/ (offer number OFR13137) or at www.anz.co.nz/subordinated-notes.

4 PURPOSE OF THE OFFER

As a registered bank, ANZ is required by the Reserve Bank to maintain an adequate level of regulatory capital to provide a buffer to absorb losses from its activities. The Offer will raise Tier 2 Capital to help ANZ meet its regulatory capital requirements and manage its capital position. The proceeds of the Offer will be used for ANZ's general corporate purposes.

The use of the money raised under the Offer will not change depending on the total amount that is raised. The Offer is not underwritten.

See Section 9 of this LDD (Information about ANZ) for more information about ANZ's regulatory capital requirements and capital management.

5 KEY FEATURES OF THE NOTES

5.1 GENERAL

A number of the key features of the Notes are described in Section 3 of this LDD (Terms of the Offer). Other key features of the Notes and further detail about some of the key features described earlier in Section 3 of this LDD (Terms of the Offer) are described below.

5.2 INTEREST

This Section 5.2 contains further detail on when interest is payable, the interest rate and how interest payments are calculated.

Interest Payment Dates	Interest on your Notes is scheduled to be paid quarterly in arrear on each 17 March, 17 June, 17 September and 17 December during the Term and on the date on which your Notes are repaid (see Section 5.3 of this LDD (Repayment of the Notes)). The Interest Payment Dates are subject to the Business Day convention described in Section 3.1 of this LDD (Description of the Notes).
Interest payments are conditional	<p>The payment of interest on each Interest Payment Date (other than on the Maturity Date (17 September 2031)) is conditional on ANZ satisfying the Solvency Condition.</p> <p>The Solvency Condition will be satisfied if ANZ is Solvent at the time the payment is due and ANZ is able to pay the amount and still be Solvent immediately after paying the amount.</p> <p>The Solvency Condition does not apply to payments that are required to be made on the Maturity Date.</p>
Unpaid interest accumulates	Unpaid interest accumulates. This means that if interest is not paid on an Interest Payment Date because the Solvency Condition is not satisfied, the unpaid interest will remain owing, will itself bear interest (at the same rate as the Notes), and will be payable on the earlier of the next Business Day on which the Solvency Condition is satisfied and the Maturity Date.
Interest rate	<p>The interest rate will be fixed for the first 5 years of the Term, after which it will be a floating rate which will be reset quarterly on the first Business Day of each Interest Period during the remaining 5 years of the Term.</p> <p>The interest rate for the first 5 years of the Term will be determined on the Rate Set Date (10 September 2021) following the Bookbuild. The interest rate for this period will be a fixed rate equal to the sum of the Swap Rate on the Rate Set Date plus the Issue Margin.</p> <p>The interest rate for the second 5 years of the Term will be reset quarterly on the first Business Day of each Interest Period. The interest rate for this period will be the sum of the 3 Month Bank Bill Rate on the first Business Day of the Interest Period plus the same Issue Margin.</p> <p>If the sum of the 3 Month Bank Bill Rate plus the Issue Margin is less than 0% per annum, the floating rate will be deemed to be 0% per annum.</p> <p>The initial interest rate and the Issue Margin will be announced by ANZ via NZX and available at www.anz.co.nz/subordinated-notes on or about the Rate Set Date. The interest rate for each Interest Period during the second 5 years of the Term will be announced by ANZ via NZX on or about the first Business Day of the Interest Period.</p>

Swap Rate	A swap rate is a reference rate commonly used in New Zealand by major financial institutions. The Swap Rate is a reference rate for a 5 year period.
3 Month Bank Bill Rate	A bank bill rate is a benchmark interest rate commonly used in New Zealand by major financial institutions. The 3 Month Bank Bill Rate is a benchmark interest rate for a 3 month period. Bank bill rates change to reflect market conditions over time, so the 3 Month Bank Bill Rate will likely vary for each Interest Period. ANZ is able to replace the 3 Month Bank Bill Rate with an alternative reference rate if the 3 Month Bank Bill Rate becomes unavailable.
Issue Margin	The Issue Margin is the percentage rate per annum determined by ANZ as issuer in consultation with the Joint Lead Managers through the Bookbuild. The Issue Margin will be announced by ANZ via NZX and available at www.anz.co.nz/subordinated-notes on or about the Rate Set Date. The Issue Margin for the Notes will not change.
Calculation of interest payments	During the first 5 years of the Term, interest will be payable in equal amounts on each Interest Payment Date. If the Notes are repaid on a date that is not a scheduled quarterly Interest Payment Date, the interest payable on the date of repayment will be adjusted to reflect the number of days from the previous Interest Payment Date (or the Issue Date if the Notes are repaid prior to the first Interest Payment Date) to the date of repayment. During the second 5 years of the Term, the interest payable on each Interest Payment Date will be calculated on the basis of the actual number of days in the Interest Period.

5.3 REPAYMENT OF THE NOTES

Your Notes are a long term investment with a Term of 10 years. However, ANZ may repay all or some of your Notes early in certain circumstances. This Section 5.3 contains further detail on when ANZ may repay your Notes.

Maturity Date	Your Notes must be repaid by ANZ on the Maturity Date (17 September 2031) if not repaid earlier. The repayment of your Notes on the Maturity Date is not subject to the Solvency Condition.
When ANZ may choose to repay all or some of your Notes early	ANZ may, subject to the conditions described below, choose to repay all or some of your Notes early: <ul style="list-style-type: none"> • on the First Optional Redemption Date or on any Interest Payment Date after that date; or • on any Business Day after giving no less than 30 days' notice if a Tax Event or a Regulatory Event has occurred.
First Optional Redemption Date	The First Optional Redemption Date is 17 September 2026.
Tax Event	A Tax Event occurs if ANZ determines, in its absolute discretion, that: <ul style="list-style-type: none"> • there has been, or there will be, a change in any New Zealand law, regulation, ruling or directive (including by way of the imposition of, or any change to, any New Zealand law, regulation, ruling or directive); • there has been, or there will be, a change in the application, interpretation or administration of any New Zealand law, regulation, ruling or directive by any authority (including the New Zealand Inland Revenue Department); or • any member of the ANZ Group is or will be required to comply with a change in any New Zealand law, regulation, ruling or directive or changed application, interpretation or administration, in each case that applies, or is to apply, after the Issue Date and which directly or indirectly affects the taxation treatment in relation to the Notes with the effect that any member of the ANZ Group would be exposed to an increase to its costs in relation to the Notes, provided that such event is not minor and could not reasonably have been anticipated by ANZ at the Issue Date.

Regulatory Event	<p>A Regulatory Event occurs if ANZ determines, in its absolute discretion, that there has been, or there will be, any amendment to, clarification of, change in or to, change in the interpretation, application or administration of, or imposition of:</p> <ul style="list-style-type: none"> • any law, regulation or directive in New Zealand; • any official administrative pronouncement or action or judicial decision interpreting or applying any law, regulation or directive in New Zealand; or • any order, direction, standard, requirement (including any prudential regulation requirement), guideline or statement of the Reserve Bank (whether or not having the force of law), <p>in each case that applies, or is to apply, after the Issue Date and, as a result, either:</p> <ul style="list-style-type: none"> - ANZ is or will be adversely affected in relation to its regulatory capital treatment of the Notes; or - ANZ is not or will not be entitled to treat some or all Notes as Tier 2 Capital, <p>provided that such event is not minor and could not reasonably have been anticipated by ANZ at the Issue Date.</p>
Conditions to ANZ repaying all or some of your Notes early	<p>ANZ may only choose to repay all or some of your Notes early if the Reserve Bank has given its prior written approval to the repayment of the Notes. Early repayment is also conditional on the Solvency Condition being satisfied.</p> <p>The Solvency Condition will be satisfied if ANZ is Solvent at the time the payment is due and ANZ is able to pay the amount and still be Solvent immediately after paying the amount.</p> <p>These conditions do not apply to the repayment of your Notes on the Maturity Date.</p>
Amount that is payable to you if your Notes are repaid	<p>You will receive the Face Value of the Notes plus all accrued but unpaid interest on the Notes when your Notes are repaid.</p>
No certainty that ANZ will choose to repay the Notes early or be able to satisfy the early repayment conditions	<p>ANZ is under no obligation to repay the Notes early. There is no certainty that ANZ will choose to repay the Notes:</p> <ul style="list-style-type: none"> • on the First Optional Redemption Date or any Interest Payment Date after that date; or • if a Tax Event or Regulatory Event has occurred, <p>or that ANZ will be able to satisfy the conditions that apply to early repayment. In particular, there is no certainty that the Reserve Bank would give its approval to an early repayment.</p>
Holders cannot choose to have the Notes repaid early	<p>You do not have a right to request your Notes be repaid early for any reason.</p>

5.4 EVENTS OF DEFAULT

The Notes have very limited events of default and your rights are limited if an event of default occurs, as described below.

Events of default	Consequences
<p>Payment default</p> <p>An event of default will occur if:</p> <ul style="list-style-type: none"> • ANZ does not pay any Face Value due in respect of the Notes within 7 days of its due date; or • ANZ does not pay any interest due in respect of the Notes within 15 days of its due date. <p>To the extent that a payment on the Notes is not required to be made because the Solvency Condition is not satisfied, the amount is not due and payable and a payment default cannot occur.</p>	<p>If a payment default occurs, you may only bring proceedings:</p> <ul style="list-style-type: none"> • to recover any amount then due and payable but unpaid on your Notes (subject to satisfaction of the Solvency Condition if the payment of the unpaid amount was subject to the Solvency Condition); • to obtain an order for specific performance of any other obligation in respect of your Notes; or • for the liquidation of ANZ. <p>The outcome of any proceedings brought before a court may be uncertain, and a court may decide not to grant the remedies sought.</p>
<p>Commencement of liquidation</p> <p>An event of default will occur on the commencement of liquidation of ANZ.</p>	<p>In addition to the rights listed above, in the case of the commencement of liquidation of ANZ, the Face Value of each Note and any accrued but unpaid interest on the Notes will immediately become due and payable, and you may claim in the liquidation for that amount.</p> <p>In this circumstance, your claim will be subordinated as described in Section 5.5 of this LDD (Ranking), and it is unlikely that you will receive payment of any amount owing on your Notes.</p>

5.5 RANKING

Ranking of your Notes

Your Notes are unsecured subordinated debt securities issued by ANZ. In a liquidation of ANZ, each Note gives you the right to payment of an amount equal to the Face Value plus accrued but unpaid interest. Your right to payment of this amount will rank:

- behind the claims of all depositors and holders of other liabilities, securities, instruments and other obligations of ANZ, except for the claims and rights described below;
- equally with the claims of other Holders and the claims of holders of any other securities, instruments and other obligations of ANZ that rank equally with your Notes; and
- ahead of the rights of ANZ's shareholders and holders of any other securities and other instruments that rank behind the Notes.

In a liquidation of ANZ, it is unlikely that there will be surplus assets available for the liquidator to pay any amount to you in respect of your Notes.

The following diagram shows how ANZ's liabilities and other capital instruments issued by ANZ (including the Notes) rank in a liquidation of ANZ. The diagram does not describe every type of liability, security, instrument or other obligation that ANZ may have while the Notes are outstanding.

Higher ranking	Ranking in a liquidation of ANZ	Description	Examples	Liabilities and equity of ANZ as at 31 March 2021 (NZ\$m)
↑	Liabilities that rank in priority to the Notes	Secured debt and creditors preferred by law	ANZ covered bonds ¹	4,245
			Liabilities given preference by law including employee entitlements and certain taxes	244
	Unsubordinated unsecured debt	Depositors and other general creditors	145,354	
		Unsecured unsubordinated notes and bonds	14,066	
	Liabilities that rank equally with the Notes (including the Notes)	Subordinated debt	The Notes	250 ²
↓	Liabilities that rank below the Notes and preferred equity	Preference shares and other equally ranked instruments	ANZ convertible notes issued to ANZBGL NZ branch in March 2015	1,003
			ANZ convertible notes issued to the public in March 2015	500
			ANZ convertible notes issued to ANZBGL NZ branch in June 2016	938
			ANZ preference shares issued to ANZ Holdings (New Zealand) Limited in September 2013	300
Lower ranking	Equity	Equity (other than preferred equity)	Ordinary shares, reserves and retained earnings	16,545

Basis of preparation of table

Amounts in the table above (except for the estimated value of the Notes) are indicative amounts derived from ANZ's unaudited financial statements for the 6 months ended 31 March 2021. The actual amounts of liabilities and equity of ANZ at the point of its liquidation would be different to the indicative amounts set out in the diagram above. The table has been adjusted to include the issue of Notes, based on an estimated issue size of NZ\$250 million. This adjustment does not affect the other amounts listed in the table. Amounts shown are presented in millions of New Zealand dollars and may be subject to rounding adjustments.

1 Covered bonds are an unsecured claim on ANZ but are secured over certain assets which have been sold by ANZ to the ANZNZ Covered Bond Trust. Those assets do not qualify for derecognition so still appear in ANZ's financial statements but are not available to creditors of ANZ, including Holders.

2 This is an estimate of the value of Notes to be issued and may change. The total value of the Notes to be issued will be announced by ANZ on or about the Rate Set Date (10 September 2021) via NZX and available at www.anz.co.nz/subordinated-notes.

No restrictions on issuing further securities or creating further liabilities

There are no restrictions on ANZ issuing further securities or creating further liabilities after the Notes have been issued that rank equally with, or in priority to, the Notes in a liquidation of ANZ.

ANZ could therefore, at any time after the Issue Date, issue further securities or create further liabilities that rank equally with or in priority to the Notes.

5.6 NO SET-OFF

You do not have any right to set-off any amounts that ANZ owes to you in connection with the Notes against any amounts that you owe to ANZ (whether in connection with the Notes or otherwise).

5.7 AMENDMENTS TO THE DEED POLL

The terms of the Notes as set out in the Deed Poll may be amended without your consent if, in ANZ's reasonable opinion, the amendment:

- is made to cure an ambiguity or correct a manifest error;
- is of a formal, minor or technical nature;
- is necessary or expedient for the purpose of complying with any law, the provisions of any statute, the requirements of any statutory authority, the NZX Listing Rules or the listing or quotation requirements of any securities exchange on which ANZ may propose to seek a listing or quotation of the Notes;
- is necessary or expedient for the purpose of enabling the Notes to be quoted or to remain quoted on a securities exchange or to be lodged or to remain lodged in a clearing system or to be offered for sale or for subscription under the laws for the time being in force in any place;
- is reasonably necessary if the 3 Month Bank Bill Rate is replaced by an alternative reference rate; or
- will not materially adversely affect the rights of Holders as a whole.

The terms of the Notes as set out in the Deed Poll may also be amended with the approval of a special resolution of Holders. A "special resolution" means a resolution passed at a meeting of Holders by at least 75% of the votes validly cast on a poll by Holders or a resolution signed by Holders of at least 75% of the aggregate Face Value of the Notes.

However, no amendment can be made to the terms of the Notes as set out in the Deed Poll unless, at least 5 Business Days prior to the amendment being made, notification of the amendment has been made to the Reserve Bank by ANZ, accompanied by any supporting documentation required by the Reserve Bank's prudential regulatory requirements.

Amendments made in accordance with the terms of the Notes as set out in the Deed Poll are binding on you even if you did not agree to them.

5.8 TAX INDEMNITY

If tax is not correctly deducted from a payment to you or if ANZ is required to pay an amount of tax on your behalf (for example, because you did not correctly notify details about your tax residence), then you indemnify ANZ in respect of that tax liability, which may be recovered from you or set-off against future payments to you.

6 RISKS OF INVESTING

6.1 INTRODUCTION

This Section 6 describes the following potential risks associated with an investment in the Notes:

- general risks of investing in the Notes;
- significant specific risks relating to ANZ's creditworthiness; and
- other specific risks associated with the Notes.

The selection of risks relating to ANZ's creditworthiness has been based on an assessment of a combination of the probability of a risk occurring and the impact of the risk if it did occur. That assessment is based on ANZ's business as at the date of this LDD.

You should carefully consider these risk factors (together with the other information in this LDD) before deciding to invest in the Notes.

This Section 6 does not cover all of the risks of investing in the Notes. Additional risks that ANZ is not aware of, or that it currently considers are not material, may also become important risk factors over time.

The statement of risks in this Section 6 does not take account of your personal circumstances, financial position or investment requirements. Before making any investment decision, you should consider the suitability of an investment in the Notes in light of your individual risk profile for investments, investment objectives and personal circumstances (including financial and taxation issues) and consult your financial adviser.

6.2 GENERAL RISKS

An investment in the Notes is subject to the following general risks:

The risk that ANZ encounters financial difficulty which has an adverse effect on your investment

If ANZ encounters financial difficulty, this may in turn:

- adversely affect the market price and liquidity of your Notes; and/or
- result in ANZ not making a payment on your Notes.

If ANZ becomes insolvent and is placed in liquidation, it is highly likely that you will lose all of your investment.

Market risks associated with the Notes

The market price of the Notes may fluctuate up or down and the Notes may trade below their Face Value

The market price of the Notes on the NZX Debt Market may fluctuate due to various factors, including liquidity and changes in interest rates, ANZ's financial position, ANZ's credit rating or the credit rating of the Notes. The Notes may trade at a market price below their Face Value, and the market price of the Notes may be more sensitive to changes in factors such as economic conditions, liquidity and risk tolerances than the market price of senior securities issued by ANZ or other issuers. If you were to sell your Notes at a time when the market price of the Notes was lower than their Face Value, you would lose some of the money you invested.

The liquidity of the Notes may be low

The market for the Notes may not be liquid and may be less liquid than that of other securities issued by ANZ or other issuers. If liquidity is low, you may not be able to sell your Notes at an acceptable price, or at all.

6.3 SPECIFIC RISKS RELATING TO ANZ'S CREDITWORTHINESS

An investment in the Notes is subject to the following significant specific risks relating to ANZ's creditworthiness.

Changes in political and general business and economic conditions may have an adverse effect on ANZ

ANZ's financial performance is primarily influenced by the political and economic conditions and the level of business activity in the major countries and regions in which ANZ, its customers or its counterparties operate, trade or raise funding.

Because ANZ conducts substantially all of its lending business in New Zealand, its performance is greatly influenced by economic and business conditions that prevail in New Zealand, including the level and cyclical nature of business activity. These conditions, in turn, are affected by domestic and international economic events, political events, natural disasters, and movements and events that occur in global financial markets (among other things).

The impact of COVID-19 on economic conditions may have an adverse effect on ANZ

The COVID-19 pandemic has already had, and may continue to have, a significant impact on the global economy and global markets, including in New Zealand. The imposition of travel restrictions, border controls, social distancing, quarantine protocols and other containment measures have contributed, and may continue to contribute, to a slowdown in economic conditions across the world, suppressed demand for commodities, interruptions to the supply chains for many industries globally, dampened consumer confidence and suppressed business earnings and growth prospects, all of which could contribute to ongoing volatility in global financial markets. The impact of this shock on credit losses and asset values continues to be very uncertain. Many of the policies that have been put in place are designed to 'hibernate' parts of the economy, at different times, so that activity can resume when the pandemic subsides. Even as some economies recover, there is considerable uncertainty about the length of these periods of hibernation, the most appropriate economic structure once the crisis has passed and the overall impact on confidence to invest in the future. While the future impact of the economic disruption caused by COVID-19, and the governmental responses to it, remain uncertain, ANZ may be materially adversely affected by a protracted downturn in economic conditions globally and, in particular, in New Zealand.

An increase in competitive market conditions or a technological change may have an adverse effect on ANZ

ANZ may be adversely affected by an increase in competitive market conditions or a technological change that puts ANZ's business platforms at a competitive disadvantage. For instance, digital technologies and business models are changing customer behaviour and the competitive environment, and emerging competitors are increasingly utilising new technologies and seeking to disrupt existing business models in the financial services sector. ANZ operates in highly competitive markets, so such changes could lead to a material reduction in ANZ's market share, a loss of customers, increased costs and reduced margins, and have an adverse effect on ANZ.

Credit risk may have an adverse effect on ANZ

ANZ is exposed to the risks associated with extending credit to other parties, including incurring credit-related losses as a result of customers or counterparties being unable or unwilling to honour their contractual obligations to ANZ under their borrowing. ANZ may incur losses if borrowers default on their loans, and these losses may be significant if there are widespread defaults in a particular sector or sectors of the economy.

Customers or counterparties may be unable or unwilling to honour their contractual obligations to ANZ under their borrowing for a number of reasons, including:

- less favourable business or economic conditions;
- climate events, geological events, plant, animal and human diseases, pandemics and other external events;
- changes to laws, regulations, or other policies such as carbon pricing and climate risk adaptation or mitigation policies; or
- interrupted supply chains (including as a result of some of the factors above).

In addition, the value of any property provided by borrowers as security may not be enough to repay their borrowing (for instance, as a result of a decrease in residential property prices). This may result in ANZ incurring losses, which may have an adverse effect on ANZ.

The risk of credit-related losses has increased as a result of the on-going COVID-19 pandemic and may further increase as a result of a number of other factors, such as an increase in interest rates, a deterioration in the New Zealand economy, a sustained high level of unemployment, more expensive imports into New Zealand, an increase in insurance costs or inability to insure (for instance, as a result of climate events) and a decrease in residential property prices.

Less favourable business or economic conditions, whether generally or in a specific industry sector or geographic region, as well as the occurrence of events such as natural disasters or pandemics, could cause customers or counterparties to fail to meet their obligations in accordance with agreed terms.

Liquidity, funding and capital risk events may have an adverse effect on ANZ

Liquidity and funding risk is the risk that ANZ is unable to meet its payment obligations as they fall due or that ANZ has insufficient capacity to fund increases in assets. Liquidity and funding risk is inherent in all banking operations due to the timing mismatch between cash inflows and cash outflows. Reduced liquidity could lead to an increase in the cost of ANZ's borrowings and constrain the volume of new lending, which may adversely affect ANZ.

Deterioration and volatility in market conditions, including the adverse changes in market conditions experienced as a result of COVID-19 and/or declines in investor confidence in ANZ, may materially impact ANZ's ability to replace maturing liabilities and access funding (in a timely and cost effective manner), which may have an adverse effect on ANZ.

Similarly, an inability of ANZ to maintain its regulatory capital at required levels may have an adverse effect on ANZ. For instance, if ANZ's ratios of capital to risk weighted assets decrease (which is likely to occur in times of market stress), ANZ may need to raise additional capital at a time when it is difficult or expensive to do so.

Regulatory changes or a failure to comply with laws, regulations or policies may have an adverse effect on ANZ

ANZ is subject to a substantial and increasing number of laws, regulations and policies, including industry self-regulation. The supervision and regulation of, and enforcement against, financial services groups (such as the ANZBGL group of companies, which includes ANZ) has become increasingly extensive, complex and costly. Significant regulatory change may adversely affect ANZ, potentially impacting its corporate structures, businesses, strategies, capital, liquidity, funding and profitability, cost structures, and the cost and access to credit for its customers and the wider economy. This in turn may have an adverse effect on ANZ.

A failure by ANZ to comply with laws, regulations or policies could result in regulatory investigations, legal or regulatory sanctions, financial or reputational loss, litigation, fines, penalties, restrictions on ANZ's ability to do business, revocation, suspension or variation of conditions of relevant regulatory licenses or other enforcement or administrative action or agreements that may have an adverse effect on ANZ.

Operational risk events may have an adverse effect on ANZ

Operational risk is the risk of loss and/or non-compliance with laws resulting from inadequate or failed internal processes, people and systems, or from external events. Operational risk categories include:

- internal fraud (for example, involving employees or contractors);
- external fraud (for example, fraudulent loan applications or ATM skimming);
- employment practices, loss of key staff, inadequate workplace health and safety and failure to effectively implement employment policies;
- impacts on clients, products and business practices (for example, misuse of customer data or anti-competitive behaviour);
- business disruption (including systems failures);
- reputational risk (for example, if ANZ's product and service disclosure practices, pricing policies and use of data do not meet the community's expectations);
- cyber risk (as described below);
- conduct and culture risks (for example, the failure of ANZ's business, employees or agents to appropriately consider the interests of consumers, the integrity of financial markets, and the expectations of the community in conducting its business activities);
- damage to physical assets; and
- execution, delivery and process management (for example, processing errors or data management failures).

Reliance on digital channels for ANZ's staff and customers heightens the risk associated with cyber-related attacks and the impact those attacks might have on ANZ's systems and service availability. This risk relates to ANZ-owned technology assets as well as technology owned by critical third party suppliers and critical services on which ANZ relies, such as telecommunications operators.

The frequency and magnitude of threats to ANZ's IT systems from cyber-attacks are increasing and continuously evolving. Cyber-attacks against organisations can range from attacks from single private individuals up to state owned attacks, which are generally much more sophisticated. While ANZ has implemented policies and procedures designed to protect against cyber-attacks, it may not be able to anticipate or implement effective measures to prevent or minimise disruptions including those caused by, among other things, cyber-attacks due to well-resourced perpetrators using highly sophisticated and/or novel techniques.

Loss from operational risk events may have an adverse effect on ANZ. Such losses can include fines, penalties, loss or theft of funds or assets, legal costs, customer compensation, loss of shareholder value, reputational loss, loss of life or injury to people, and loss of property and/or information.

Possible impact of risks

ANZ expects some of the risks described in this Section 6.3 of the LDD to arise in the normal course of its business. When they do, this can lead to a loss, an increase in costs, a reduction in revenues or a requirement to hold more capital. ANZ uses its risk management framework to manage and escalate the reporting of these risks and in the normal course of business these risks are not expected to have a material adverse impact on ANZ.

However, circumstances outside of the normal course of business can arise, such as international funding markets abruptly ceasing to function properly, widespread and sudden borrower defaults in a particular sector or sectors of the economy, a prolonged cyber-attack that significantly disrupts business, or a combination of those circumstances at the same time. The occurrence of these types of circumstances may make the risks more difficult to manage and the impact on ANZ more severe. A failure to manage these risks adequately could mean that ANZ is not able to make payments on the Notes when scheduled or at all, which means you could lose some or all of the money you invest in the Notes. In addition, a deterioration in the financial performance or creditworthiness of ANZ may adversely affect its credit ratings and/or the market price and liquidity of the Notes, which means you may not be able to sell your Notes at an acceptable price or at all.

6.4 RISKS ASSOCIATED WITH YOUR NOTES SPECIFICALLY

An investment in the Notes is subject to the following other risks associated with the Notes specifically:

In a liquidation of ANZ, it is unlikely that you will receive payment of any amount owing on your Notes

The Notes are subordinated. In a liquidation of ANZ, your right to payment of an amount equal to the Face Value plus all accrued but unpaid interest will rank behind depositors and other general creditors of ANZ. It is unlikely that there will be surplus assets available for the liquidator to pay any amount to you in respect of your Notes. See Section 5.5 of this LDD (Ranking).

You have no rights against ANZ if interest is not paid because the Solvency Condition is not satisfied on the payment date

At any time before the Maturity Date (17 September 2031) the payment of interest on your Notes on an Interest Payment Date is conditional on ANZ satisfying the Solvency Condition. If ANZ does not pay interest on an Interest Payment Date because the Solvency Condition is not satisfied, it will not constitute a default by ANZ and you will have no right to take action against ANZ or any other person in respect of that non-payment. See Section 5.2 of this LDD (Interest).

The interest rate may go down to 0% per annum

The interest rate is fixed for the first 5 years of the Term, after which it will be a floating rate which will be reset quarterly on the first Business Day of each Interest Period during the remaining 5 years of the Term. The floating rate will be equal to the sum of the 3 Month Bank Bill Rate on the first Business Day of the Interest Period plus the Issue Margin. The 3 Month Bank Bill Rate changes to reflect market conditions over time, so the 3 Month Bank Bill Rate will likely vary for each Interest Period. The 3 Month Bank Bill Rate may go down, including below 0% per annum. If the sum of the 3 Month Bank Bill Rate plus the Issue Margin is less than 0% per annum, the floating rate will be deemed to be 0% per annum.

This means that, when the interest rate is reset, it may be lower than the rate that applied for a prior period, and may be 0% per annum. See Section 5.2 of this LDD (Interest).

You have no right to request early repayment of your Notes and ANZ may not repay your Notes early

The Notes are a long term investment with a Term of 10 years. **You have no right to request that your Notes be repaid early.** ANZ is under no obligation to repay the Notes early. There is no certainty that ANZ will choose to repay the Notes:

- on the First Optional Redemption Date or any Interest Payment Date after that date; or
- if a Tax Event or Regulatory Event has occurred,

or that ANZ will be able to satisfy the conditions that apply to early repayment. In particular, there is no certainty that the Reserve Bank would give its approval to an early repayment.

Unless your Notes are repaid early by ANZ, to realise your investment before the Maturity Date you would need to sell your Notes on the NZX Debt Market at the prevailing market price. You may not be able to sell your Notes, and even if you can, the price may be less than what you paid for your Notes. See Section 5.3 of this LDD (Repayment of the Notes).

ANZ may repay all or some of your Notes early in certain circumstances

In certain circumstances, ANZ can repay all or some of your Notes early (see Section 5.3 of this LDD (Repayment of the Notes)). You may be disadvantaged if all or some of the Notes are repaid early. For instance, if all or some of the Notes are repaid early you may not be able to reinvest the proceeds at a comparable return. See Section 5.3 of this LDD (Repayment of the Notes).

ANZ's regulatory requirements may change

As a New Zealand registered bank, ANZ is subject to regulatory requirements, including conditions of registration that are imposed by the Reserve Bank. The regulatory requirements that apply to ANZ may change from time to time and you may be disadvantaged by the changes. For instance, the Reserve Bank restricted banks from redeeming any capital instruments (such as the Notes) for a period during the COVID-19 pandemic.

7 TAX

The returns on the Notes will be affected by taxes. The information set out in this Section 7 and in Section 8 of this LDD is based on the New Zealand law in force at the date of this LDD, does not constitute tax advice to any Holder, is general in nature and is limited to New Zealand taxation only.

Holders that are New Zealand tax residents or are non-residents that are engaged in business in New Zealand through a fixed establishment in New Zealand and either (1) hold the Notes for the purpose of that business or (2) are a registered bank in New Zealand and are not associated with ANZ ("**New Zealand Holders**") will have resident withholding tax ("**RWT**") deducted from the interest (including amounts deemed to be interest for New Zealand withholding tax purposes) that is payable under the Notes, unless the Holder has notified the Registry that the Holder has RWT-exempt status no later than 5 Business Days before the relevant payment date.

If a Holder is subject to the deduction of RWT, that Holder should provide the Registry with the Holder's IRD number and applicable RWT rate. If the Holder does not provide the Holder's IRD number, RWT will be deducted at the non-declaration rate of 45%. If a Holder provides the Holder's IRD number, but not the Holder's applicable RWT rate, RWT will be deducted at the default rate of 33% (or 28% if the Holder is a company that is not a Māori authority).

There may be other tax consequences from acquiring or disposing of the Notes, and from the redemption or maturity of the Notes.

If you have any questions regarding the tax consequences of investing in the Notes you should seek advice from a tax adviser.

8 TAX CONSEQUENCES FOR OVERSEAS HOLDERS

The information in this Section 8 is based on the New Zealand law in force at the date of this LDD.

If a Holder is not a New Zealand Holder, approved issuer levy ("**AIL**") will be deducted from interest (including amounts deemed to be interest for New Zealand withholding tax purposes) paid to the Holder in lieu of deducting non-resident withholding tax ("**NRWT**") (unless the Holder elects for NRWT to be deducted or the payment of AIL is not effective to reduce the applicable rate of NRWT to 0%). If NRWT is deducted, ANZ will not pay any additional amount in respect thereof.

If ANZ applies the AIL regime as described above, ANZ will apply a zero rate of AIL, if possible. Otherwise, AIL will be deducted at the standard rate of 2% from the interest payment and ANZ will not pay any additional amount in respect thereof.

Where a Holder who is not a New Zealand Holder holds the Note jointly with a person who is a New Zealand tax resident, NRWT must be deducted from interest paid to the non-resident at the applicable rate of RWT. Payment of AIL does not allow a zero per cent rate of NRWT in this case. Further, if a non-resident Holder is entitled to relief from New Zealand tax on the non-resident's interest income under a double tax agreement, the non-resident must separately apply to Inland Revenue for that relief by filing a return, as double tax agreement relief does not apply at source in this scenario.

Overseas Holders may be subject to tax in their own jurisdiction and should seek advice from a tax adviser.

9 INFORMATION ABOUT ANZ

9.1 ANZ'S BUSINESS

Information about ANZ's business is contained in half-yearly disclosure statements ANZ prepares under the RBNZ Act. ANZ's disclosure statements are available at www.anz.co.nz/about-us/media-centre/investor-information/. Further information about ANZ's business is contained in the investor presentation for the Offer, which is available on the Disclose Register at www.disclose-register.companiesoffice.govt.nz/ (offer number OFR13137).

9.2 ANZ'S REGULATORY CAPITAL REQUIREMENTS

The Notes will count as Tier 2 Capital for ANZ under the Reserve Bank's banking prudential requirements. Those requirements include capital adequacy requirements that banks must comply with under their conditions of registration. These requirements are intended to ensure that an adequate level of capital is maintained, providing a buffer to absorb losses from a bank's activities before depositors and other senior creditors are affected. The Reserve Bank's approach to assessing capital adequacy focuses on the credit risk associated with a bank's exposures, market and operational risks and the quality and quantity of a bank's capital.

The amount of the Notes that ANZ may count as Tier 2 Capital in its capital ratio calculations will decrease by 20% each year during the final 4 years of the Term before the Maturity Date.

9.2.1 Types of regulatory capital

The Reserve Bank classifies a bank's regulatory capital into the following categories:

Capital type	Description	Reserve Bank's required ratio of capital to risk weighted assets ³	
		August 2021 ⁴	July 2028 ⁵
Common Equity Tier 1 Capital	Includes ordinary share capital, retained earnings, and certain accounting reserves. Some amounts (e.g. the value of goodwill) must be deducted to determine the final value of Common Equity Tier 1 Capital.	At least 7%	At least 13.5%
Additional Tier 1 Capital	Additional Tier 1 Capital is a lower quality form of capital than Common Equity Tier 1 Capital, but is still freely available to absorb losses. Additional Tier 1 Capital includes perpetual preference shares.	Up to 1.5%	Up to 2.5%
Tier 1 Capital	The sum of Common Equity Tier 1 Capital and Additional Tier 1 Capital.	At least 8.5%	At least 16%
Tier 2 Capital	Tier 2 Capital is a lower quality form of capital than Tier 1 Capital, but is still available to absorb losses and strengthens a bank's overall capital position. Tier 2 Capital includes subordinated instruments like the Notes.	Up to 2%	Up to 2%
Total Capital	The sum of Tier 1 Capital and Tier 2 Capital.	At least 10.5%	At least 18%

The Reserve Bank is increasing the required ratios of capital to risk weighted assets for New Zealand banks progressively over a transition period from 1 July 2022 to 1 July 2028.

9.2.2 Loss absorbing features of the Notes

In very general terms, a capital instrument is available to absorb losses if the holder of the instrument has no, or only a very limited, ability to demand that payments are made on the instrument.

The Notes will count as Tier 2 Capital, and the required loss absorbing features are incorporated in the terms of the Notes. In particular:

- at any time before the Maturity Date (17 September 2031), the payment of interest on your Notes is conditional on ANZ satisfying the Solvency Condition;
- you have no ability to demand early repayment of your Notes;
- any early repayment of your Notes is at ANZ's election and is subject to conditions (including satisfaction of the Solvency Condition and the prior written approval of the Reserve Bank); and
- the Notes are subordinated to senior creditors of ANZ (including depositors) in the event of a liquidation of ANZ.

9.3 ANZ'S CAPITAL MANAGEMENT STRATEGY

The ANZ Group's core capital objectives are to:

- protect the interests of depositors, creditors (including Holders) and shareholders;
- ensure the safety and soundness of the ANZ Group's capital position; and
- ensure that the capital base supports the ANZ Group's risk appetite, and strategic business objectives, in an efficient and effective manner.

³ These ratios include the minimum capital ratios that banks must maintain and various buffers above the minimum capital ratios that banks must maintain to avoid restrictions on distributions (among other things).

⁴ These are the ratios that apply to most New Zealand banks, including ANZ, as at August 2021.

⁵ These are the ratios that are expected to apply to systemically important New Zealand banks, including ANZ, from July 2028.

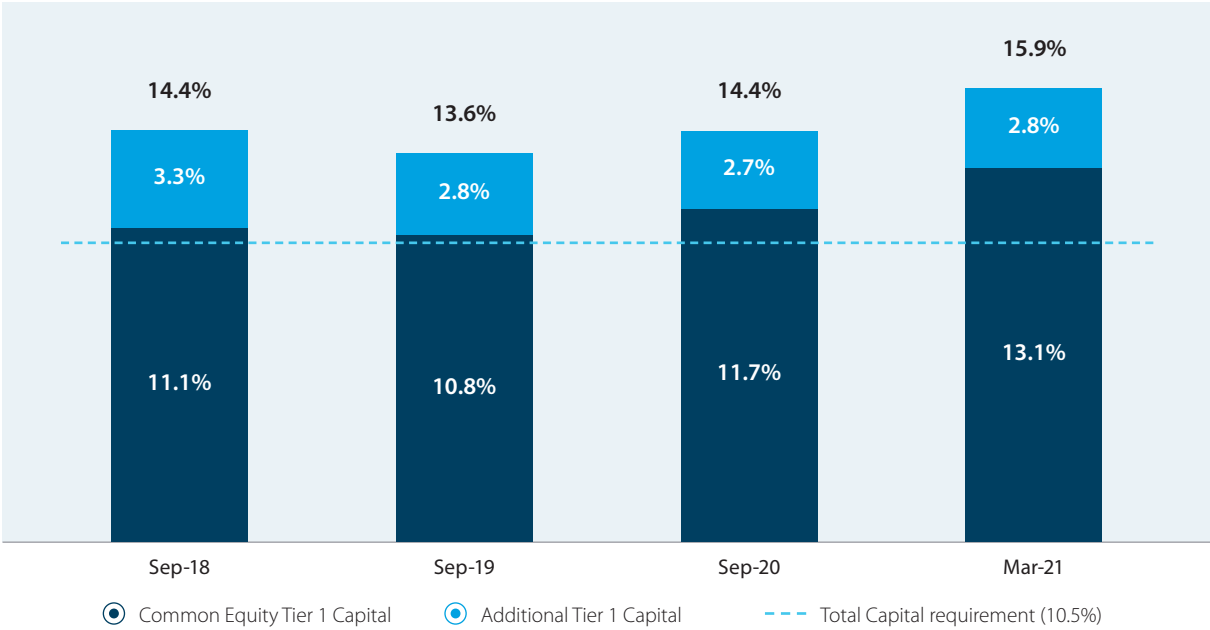
The ANZ Group has minimum and trigger levels for Common Equity Tier 1, Tier 1 and Total Capital that ensure sufficient capital is maintained to:

- meet minimum prudential requirements imposed by regulators;
- ensure consistency with the ANZ Group’s overall risk profile and financial positions, taking into account its strategic focus and business plan; and
- support the internal risk capital requirements of the business.

9.4 ANZ’S REGULATORY CAPITAL POSITION

The graph below shows ANZ’s historical regulatory capital position under the applicable Reserve Bank rules since September 2018.

ANZ’s historical regulatory capital position



ANZ had no Tier 2 Capital outstanding during this period.

The information in the graph is based on information in ANZ’s disclosure statement for each period. It is illustrative only and does not guarantee or forecast the future regulatory capital position for ANZ.

10 OTHER INFORMATION RELATING TO THE OFFER

10.1 SELLING RESTRICTIONS

The Notes may only be offered for sale or sold in accordance with the selling restrictions contained in this Section 10.1 (“Selling Restrictions”). By subscribing for Notes, you agree to comply with the Selling Restrictions and to indemnify ANZ, the Registry, the Arranger and each Joint Lead Manager (and their respective directors, officers, employees and agents) in respect of any loss, cost, liability or expense sustained or incurred as a result of you breaching the Selling Restrictions.

The Selling Restrictions may be modified by ANZ, including following a change in a relevant law, regulation or directive.

10.1.1 Initial selling restrictions

This LDD only constitutes an offer of Notes to retail investors in New Zealand and to institutional investors in accordance with this Section 10.1.

This LDD may only be published, delivered or distributed in compliance with all applicable laws and regulations (including those of the country or jurisdiction in which the material is published, delivered or distributed).

Set out below are specific selling restrictions that apply to an initial offer of the Notes in the European Economic Area, the United Kingdom, Australia, Hong Kong, Japan, Singapore, Taiwan and the United States or to US Persons (as defined below).

Persons into whose hands this LDD comes are required by ANZ to comply with this Section 10.1 and all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession or distribute such offering material, in all cases at their own expense.

European Economic Area

The Notes may not be offered, sold or otherwise made available to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129; and
- (b) the expression an “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

United Kingdom

The Notes may not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the “EUWA”); or
 - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the “FSMA”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA; and
- (b) the expression an “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Other United Kingdom regulatory restrictions

- (a) An invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) may only be communicated or caused to be communicated in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to ANZ.
- (b) All applicable provisions of the FSMA with respect to anything done in relation to any Notes in, from or otherwise involving the United Kingdom must be complied with.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (the “Corporations Act”)) in relation to the Notes (including this LDD) has been or will be lodged with or registered by the Australian Securities and Investments Commission (“ASIC”) or ASX Limited. Therefore:

- (a) the Notes may not be (directly or indirectly) offered for issue or sale and applications for issue, or offers to purchase, the Notes may not be invited in, to or from Australia (including an offer or invitation which is received by a person in Australia); and
- (b) no draft, preliminary or final form offering memorandum, advertisement or other offering material relating to the Notes may be distributed or published in Australia,

unless:

- (i) the minimum aggregate consideration payable by each offeree or invitee is at least A\$500,000 (or its equivalent in an alternate currency) (disregarding money lent by the offeror or its associates (as described in Division 2 of Part 1.2 in Chapter 1 of the Corporations Act)) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act and does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Corporations Act;
- (ii) such action complies with all applicable laws, directives and regulations and does not require any document to be lodged with, or registered by, ASIC; and
- (iii) for so long as the Banking exemption No. 1 of 2018 (or any successor or replacement instrument) remains in force, the offers and any transfers are for parcels of not less than A\$500,000 in aggregate principal amount.

Credit ratings in respect of the Notes are for distribution only to persons in Australia who are not a “retail client” within the meaning of section 761G of the Corporations Act and are also sophisticated investors, professional investors or other investors in respect of whom disclosure is not required under Part 6D.2 or Chapter 7 of the Corporations Act and, in all cases, in such circumstances as may be permitted by applicable law in any jurisdiction in which an investor may be located. Anyone who is not such a person is not entitled to receive this LDD and anyone who receives this LDD must not distribute it to any person who is not entitled to receive it.

ANZ is not an authorised deposit-taking institution under the Banking Act 1959 of Australia (“Banking Act”). The depositor protection provisions in Division 2 of Part II of the Banking Act do not apply to ANZ. The Notes are not “protected accounts” or “deposit liabilities” within the meaning of the Banking Act and an investment in the Notes is not covered by the Australian Government’s Financial Claims Scheme.

Hong Kong

- (a) No Notes may be offered or sold in the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"), by means of any document, (except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap.571) of Hong Kong (the "**SFO**")), other than:
- (i) to "professional investors" as defined in the SFO and any rules made under the SFO; or
 - (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap.32) of Hong Kong (the "**Companies Ordinance**") or which do not constitute an offer to the public within the meaning of the Companies Ordinance.
- (b) No advertisement, invitation or document relating to the Notes may be issued or possessed for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**FIEA**") and the Notes may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For the purposes of this paragraph, "**Japanese Person**" will mean any resident of Japan as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended).

Singapore

This LDD has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this LDD and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or to any person pursuant to Section 275(1A) of the SFA, and in accordance with the applicable conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

the securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust will not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA; or
- (b) where no consideration is or will be given for the transfer; or
- (c) where the transfer is by operation of law; or
- (d) as specified in Section 276(7) of the SFA; or
- (e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

A reference to the SFA is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Taiwan

No person or entity in Taiwan is authorised to distribute or otherwise intermediate the offering of the Notes or the provision of information relating to this offer, including, but not limited to, this LDD. The Notes may be made available outside Taiwan for purchase by Taiwan resident investors either directly or through a duly licensed Taiwan intermediary but may not be sold or offered within Taiwan. Any subscriptions of Notes will only become effective upon acceptance by ANZ outside Taiwan and will be deemed a contract entered into in the jurisdiction of incorporation of ANZ.

United States

This LDD (including an electronic copy) may not be distributed or released, in whole or in part, in the United States or to, or for the account or benefit of, any US person (as defined in Regulation S under the US Securities Act of 1933 (the “US Securities Act”). The Notes have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States. Accordingly, the Notes may not be offered or sold in the United States or to, or for the account or benefit of, any US person unless they have been registered under the US Securities Act, or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

Until 40 days after the later of the commencement of the offer of the Notes and the issue date, any offer, sale or resale of Notes in the United States or to, or for the account or benefit of, any US person by a dealer (whether or not participating in the offer) may violate the registration requirements of the US Securities Act.

10.1.2 General selling restrictions

ANZ has not taken and will not take any action that would permit a public or regulated offering of the Notes, or possession or distribution of any offering material in respect of the Notes, in any country or jurisdiction where action for that purpose is required (other than New Zealand). The Notes may only be offered for sale or sold in compliance with all applicable laws and regulations in any jurisdiction in which they are offered, sold or delivered.

Any disclosure statement, information memorandum, prospectus, circular, advertisement or other offering material in respect of the Notes may only be published, delivered or distributed in compliance with all applicable laws and regulations (including those of the country or jurisdiction in which the material is published, delivered or distributed).

10.2 ROLE OF THE ARRANGER AND JOINT LEAD MANAGERS

This LDD does not constitute a recommendation by the Arranger, any Joint Lead Manager or any of their respective directors, officers, employees, agents or advisers to subscribe for, or purchase, any Notes.

The role of the Arranger in relation to the Offer is to provide assistance with arranging the Offer and organising the Bookbuild. The Joint Lead Managers will assist with the Bookbuild and with the marketing and distribution of the Notes but are not otherwise involved in the Offer.

Each recipient of this LDD must make their own independent investigation and assessment of the financial condition and affairs of ANZ before deciding whether or not to invest in the Notes.

11 HOW TO COMPLAIN

If you have any feedback, concerns or complaints about the Notes, please contact ANZ via the contact details in Section 14 of this LDD (Contact information). More information about ANZ's complaints process is available on anz.co.nz.

ANZ is also a member of the Banking Ombudsman Scheme. If ANZ can't resolve your complaint to your satisfaction, the Banking Ombudsman Scheme offers a free, independent service to all bank customers and may be able to help. Information about the Scheme can be found at www.bankomb.org.nz. They can be contacted through their website, by mail on Freepost 218002, PO Box 25327, Featherston Street, Wellington 6146, by phone 0800 805 950 or +64 4 915 0400 from overseas or by email help@bankomb.org.nz.

Complaints can also be directed to the Financial Markets Authority through its website at www.fma.govt.nz.

12 WHERE YOU CAN FIND MORE INFORMATION

12.1 DISCLOSE REGISTER

Further information relating to ANZ and the Notes is available free of charge on the online Disclose Register maintained by the Companies Office. The Disclose Register can be accessed at www.disclose-register.companiesoffice.govt.nz/ (search offer number OFR13137). A copy of the information on the Disclose Register is also available on request to the Registrar of Financial Service Providers at www.fsp-register.companiesoffice.govt.nz/. The information contained on the Disclose Register includes a copy of the Deed Poll, the investor presentation for the Offer, a credit rating report from S&P in relation to the Notes, and other material information.

12.2 NZX

Notices to the Holders may be given by making an announcement on NZX and will be available free of charge at www.nzx.com/companies/ANB.

12.3 DISCLOSURE STATEMENTS

ANZ's half-yearly disclosure statements are available at www.anz.co.nz/about-us/media-centre/investor-information/.

13 HOW TO APPLY

13.1 HOW TO APPLY

All of the Notes offered under the Offer have been reserved for subscription by clients of the Joint Lead Managers and other approved financial intermediaries invited to participate in the Bookbuild.

There is no public pool for the Notes. This means you can only apply for the Notes through a Primary Market Participant or approved financial intermediary who has obtained an allocation. You can find a Primary Market Participant by visiting www.nzx.com/investing/find-a-participant.

The Primary Market Participant or approved financial intermediary will:

- provide you with a copy of this LDD (if you have not already received a copy);
- explain what you need to do to apply for the Notes; and
- explain what payments need to be made by you (and by when).

The Primary Market Participant or approved financial intermediary can also explain what arrangements will need to be put in place for you to trade the Notes (including obtaining a CSN, a FIN and opening an account with a Primary Market Participant) as well as the costs and timeframes for putting such arrangements in place.

13.2 PERSONAL INFORMATION RIGHTS

Personal information provided by you will be held by ANZ and the Registry, and will be used in accordance with the ANZ Privacy Statement (as such statement may be amended or substituted from time to time). As at the date of this LDD, ANZ's Privacy Statement is available at www.anz.co.nz/privacy. You have a right to access and correct any personal information about you under the Privacy Act 2020. You can also access your information on the Registry's website: www.investorcentre.com/nz. You will be required to enter your holder number and FIN.

14 CONTACT INFORMATION

ISSUER:

ANZ Bank New Zealand Limited

ANZ Centre
Ground Floor
23-29 Albert Street
Auckland 1010
New Zealand

Attention: The Treasurer
ANZ Bank New Zealand Limited

Phone: +64 4 439 2474
Email: nztreasurer@anz.com

REGISTRY:

Computershare Investor Services Limited

Level 2
159 Hurstmere Road
Takapuna
Auckland 0622
Private Bag 92119
Auckland 1142
New Zealand

Phone: +64 9 488 8700
Email: enquiry@computershare.co.nz

ARRANGER:

ANZ Bank New Zealand Limited

ANZ Centre
Level 10
171 Featherston Street
Wellington 6011
New Zealand

JOINT LEAD MANAGERS:

ANZ Bank New Zealand Limited

ANZ Centre
Level 10
171 Featherston Street
Wellington 6011
New Zealand

Craigs Investment Partners Limited

Vero Centre
Level 32
48 Shortland Street
Auckland 1010
New Zealand

Forsyth Barr Limited

Shortland & Fort
Level 23
88 Shortland Street
Auckland 1010
New Zealand

Hobson Wealth Partners Limited

Australis Nathan Buildings
Level 4
37 Galway Street, Britomart
Auckland 1010
New Zealand

Jarden Securities Limited

PwC Tower
Level 32
15 Customs Street West Commercial Bay
Auckland 1010
New Zealand

15 GLOSSARY

3 Month Bank Bill Rate	<p>means, for an Interest Period during the second 5 years of the Term:</p> <ul style="list-style-type: none"> the FRA rate administered by the New Zealand Financial Benchmark Facility (NZFBF) (or any person that takes over the administration of that rate) for bank bills having a term of, or of about, 3 months as displayed at or about 10.45am or such later time as ANZ may determine on the first Business Day of the Interest Period on Bloomberg BKBK page 'GDCO 2805 1' (or any successor page); or if that rate is not displayed by 10.45am (New Zealand time) or such later time as ANZ may determine on that date, the equivalent rate provided by the NZFBF (or any person that takes over the administration of that rate) at or around that time on that date, <p>in each case expressed as a percentage per annum and rounded, if necessary, to the nearest 4 decimal places with 0.00005 being rounded up.</p> <p>ANZ is able to replace the 3 Month Bank Bill Rate with an alternative reference rate if the 3 Month Bank Bill Rate becomes unavailable.</p>
Additional Tier 1 Capital	is described in Section 9.2 of this LDD (ANZ's regulatory capital requirements).
ANZ	ANZ Bank New Zealand Limited.
ANZ Group	has the meaning given to "banking group" in the conditions of registration imposed on ANZ by the Reserve Bank under section 74 of the RBNZ Act, as amended from time to time.
ANZBGL	Australia and New Zealand Banking Group Limited.
Arranger	ANZ Bank New Zealand Limited.
Bookbuild	the process conducted after the closing of the Offer whereby certain investors lodge bids for Notes and, on the basis of those bids, ANZ as issuer, in consultation with the Joint Lead Managers, determines the Issue Margin and allocations of the Notes.
Business Day	<p>means:</p> <ul style="list-style-type: none"> for the purposes of giving notices, a day which is a business day within the meaning of the NZX Listing Rules; or for all other purposes, a day that is not a Saturday or Sunday and on which banks are open for general business in Wellington and Auckland.
Closing Time	the "Closing Time" specified in Section 2 of this LDD (Key dates and Offer process).
Common Equity Tier 1 Capital	is described in Section 9.2 of this LDD (ANZ's regulatory capital requirements).
Deed Poll	the deed poll made by ANZ under which the Notes will be issued.
Disclose Register	the online offer register maintained by the Companies Office and the Registrar of Financial Service Providers known as "Disclose", which can be accessed at www.disclose-register.companiesoffice.govt.nz/ .
Face Value and Issue Price	NZ\$1.00 per Note.
First Optional Redemption Date	the "First Optional Redemption Date" specified in Section 2 of this LDD (Key dates and Offer process).
Holder	a person whose name is entered in the Register as a holder of Notes.
Interest Payment Date	each 17 March, 17 June, 17 September and 17 December during the Term and the date on which your Notes are repaid (see Section 5.2 of this LDD (Interest)), subject to the Business Day convention described in Section 3.1 of this LDD (Description of the Notes).
Interest Period	the period from (and including) the preceding Interest Payment Date until (but not including) the next Interest Payment Date.
Issue Date	the "Issue Date" specified in Section 2 of this LDD (Key dates and Offer process).
Issue Margin	means the percentage rate per annum determined by ANZ as issuer in consultation with the Joint Lead Managers through the Bookbuild and announced by ANZ via NZX and available at www.anz.co.nz/subordinated-notes on or about the Rate Set Date.
Joint Lead Managers	ANZ Bank New Zealand Limited, Craigs Investment Partners Limited, Forsyth Barr Limited, Hobson Wealth Partners Limited and Jarden Securities Limited.
LDD	this Limited Disclosure Document.
Maturity Date	the "Maturity Date" specified in Section 2 of this LDD (Key Dates and Offer process).
Notes	the unsecured subordinated notes offered by ANZ under this LDD.

NZX	NZX Limited, and includes any person or authority which may in the future assume and perform the functions of NZX Limited.
NZX Debt Market	the debt market operated from time to time by NZX.
NZX Listing Rules	means the listing rules of NZX, as amended, varied or waived (whether in respect of ANZ or generally) from time to time.
Offer	the offer of Notes made in this LDD.
Opening Date	the "Opening Date" specified in Section 2 of this LDD (Key dates and Offer process).
Primary Market Participant	has the meaning given in the NZX Participant Rules, as amended from time to time.
Rate Set Date	the "Rate Set Date" specified in Section 2 of this LDD (Key dates and Offer process).
RBNZ Act	the Reserve Bank of New Zealand Act 1989.
Register	the register of Holders of Notes established and maintained by or on behalf of ANZ.
Registry	Computershare Investor Services Limited.
Regulatory Event	has the meaning given in Section 5.3 of this LDD (Repayment of the Notes).
Reserve Bank	the Reserve Bank of New Zealand.
S&P	S&P Global Ratings.
Selling Restrictions	has the meaning given in Section 10.1 of this LDD (Selling restrictions).
Solvency Condition	<p>a condition to the payment of interest, principal or any other amount owing to a Holder in connection with a Note at any time before the Maturity Date or the liquidation of ANZ, requiring the following:</p> <ul style="list-style-type: none"> • ANZ must be Solvent at the time the payment is due; and • ANZ must be able to pay the amount and still be Solvent immediately after paying the amount.
Solvent	satisfying the solvency test contained in section 4 of the Companies Act 1993.
Swap Rate	<p>means:</p> <ul style="list-style-type: none"> • the mid-market rate for an interest rate swap with a term of 5 years commencing on the Issue Date, as calculated by ANZ, according to market convention, with reference to Bloomberg page 'ICNZ4' (or any successor page) on the Rate Set Date; or • if a rate is unable to be determined in accordance with the process above or if ANZ forms a view, on reasonable grounds, that the rate so determined is not an accurate reflection of market rates, the average of the mean bid and offered swap rates quoted by each of 3 leading banks (or such 1 or more of them as are quoting) selected by ANZ on the Rate Set Date for an interest rate swap with a term of 5 years commencing on the Issue Date, <p>in each case expressed as a percentage per annum, adjusted for quarterly payments and rounded, if necessary, to the nearest 3 decimal places with 0.0005 being rounded up.</p>
Tax Event	has the meaning given in Section 5.3 of this LDD (Repayment of the Notes).
Term	the term of the Notes, being 10 years ending on the Maturity Date if not repaid earlier.
Tier 1 Capital	is described in Section 9.2 of this LDD (ANZ's regulatory capital requirements).
Tier 2 Capital	is described in Section 9.2 of this LDD (ANZ's regulatory capital requirements).

