Appendix 3B

Proposed issue of +securities

Information and documents given to ASX become ASX's property and may be made public.

If you are an entity incorporated outside Australia and you are proposing to issue a new class of +securities other than CDIs, you will need to obtain and provide an International Securities Identification Number (ISIN) for that class. For offers where the +securities proposed to be issued are in an existing class of security, and the event timetable includes rights (or entitlement for non-renounceable issues), and deferred settlement trading or a representation of such, ASX requires the issuer to advise ASX of the ISIN code for the rights (or entitlement), and deferred settlement trading. This code will be different to the existing class. If the securities do not rank equally with the existing class, the same ISIN code will be used for that security to continue to be quoted while it does not rank.

Further information on the requirement for the notification of an ISIN is available from the Create Online Forms page. ASX is unable to create the new ISIN for non-Australian issuers.

**Denotes minimum information required for first lodgement of this form, with exceptions provided in specific notes for certain questions. The balance of the information, where applicable, must be provided as soon as reasonably practicable by the entity.*

Part 1 – Entity and announcement details

Question no	Question	Answer
1.1	*Name of entity We (the entity here named) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules	Australia and New Zealand Banking Group Limited
1.2	*Registration type and number *Please supply your ABN, ARSN, ARBN, ACN or another registration type and number (if you supply another registration type, please specify both the type of registration and the registration number).*	ABN 11 005 357 522
1.3	*ASX issuer code	ANZ
1.4	*This announcement is *Tick whichever is applicable.*	☒ A new announcement ☐ An update/amendment to a previous announcement ☐ A cancellation of a previous announcement
1.4a	*Reason for update *Mandatory only if "Update" ticked in Q1.4 above. A reason must be provided for an update.*	
1.4b	*Date of previous announcement to this update *Mandatory only if "Update" ticked in Q1.4 above.*	

1.4c	*Reason for cancellation *Mandatory only if "Cancellation" ticked in Q1.4 above.*	
1.4d	*Date of previous announcement to this cancellation *Mandatory only if "Cancellation" ticked in Q1.4 above.*	
1.5	*Date of this announcement	16 December 2020
1.6	*The proposed issue is: *Note: You can select more than one type of issue (e.g. an offer of securities under a securities purchase plan and a placement, however ASX may restrict certain events from being announced concurrently). Please contact your ASX listings compliance adviser if you are unsure.*	☐ A +bonus issue *(complete Parts 2 and 8)* ☐ A standard +pro rata issue (non-renounceable or renounceable) *(complete Q1.6a and Parts 3 and 8)* ☐ An accelerated offer *(complete Q1.6b and Parts 3 and 8)* ☐ An offer of +securities under a +securities purchase plan *(complete Parts 4 and 8)* ☐ A non-+pro rata offer of +securities under a +disclosure document or +PDS *(complete Parts 5 and 8)* ☐ A non-+pro rata offer to wholesale investors under an information memorandum *(complete Parts 6 and 8)* ☒ A placement or other type of issue *(complete Parts 7 and 8)*
1.6a	*The proposed standard +pro rata issue is: *Answer this question if your response to Q1.6 is "A standard pro rata issue (non-renounceable or renounceable)."* *Select one item from the list* *An issuer whose securities are currently suspended from trading cannot proceed with an entitlement offer that allows rights trading. If your securities are currently suspended, please consult your ASX listings compliance adviser before proceeding further.*	☐ Non-renounceable ☐ Renounceable
1.6b	*The proposed accelerated offer is: *Answer this question if your response to Q1.6 is "An accelerated offer"* *Select one item from the list* *An issuer whose securities are currently suspended from trading cannot proceed with an entitlement offer that allows rights trading. If your securities are currently suspended, please consult your ASX listings compliance adviser before proceeding further.*	☐ Accelerated non-renounceable entitlement offer (commonly known as a JUMBO or ANREO) ☐ Accelerated renounceable entitlement offer (commonly known as an AREO) ☐ Simultaneous accelerated renounceable entitlement offer (commonly known as a SAREO) ☐ Accelerated renounceable entitlement offer with dual book-build structure (commonly known as a RAPIDS) ☐ Accelerated renounceable entitlement offer with retail rights trading (commonly known as a PAITREO)

Part 7 – Details of proposed placement or other issue

If your response to Q1.6 is "A placement or other type of issue", please complete Parts 7A – 7F and the details of the securities proposed to be issued in Part 8.

Part 7A – Proposed placement or other issue – conditions

Question No.	Question	Answer
7A.1	*Are any of the following approvals required for the placement or other type of issue? • +Security holder approval • Court approval • Lodgement of court order with +ASIC • ACCC approval • FIRB approval • Another approval/condition external to the entity.	No

7A.1a	Conditions *Answer these questions if your response to 7A.1 is "Yes".* *Select the applicable approval(s) from the list. More than one approval can be selected. The "date for determination" is the date that you expect to know if the approval is given (for example, the date of the security holder meeting in the case of +security holder approval or the date of the court hearing in the case of court approval).*

*Approval/ condition Type	*Date for determination	*Is the date estimated or actual?	**Approval received/ condition met? *Please answer "Yes" or "No". Only answer this question when you know the outcome of the approval.*	Comments
+Security holder approval				
Court approval				
Lodgement of court order with +ASIC				
ACCC approval				
FIRB approval				
Other (please specify in comment section)				

Part 7B – Details of proposed placement or other issue - issue details

Question No.	Question	Answer
7B.1	*Class of +securities to be offered under the placement or other issue (please enter both the ASX security code & description)	AUD 330,000,000 3.00 per cent. Fixed Rate Subordinated Notes due December 2040 (the "**Notes**")

7B.2	Number of +securities proposed to be issued *If the number of securities proposed to be issued is based on a formula linked to a variable (for example, VWAP or an exchange rate or interest rate), include the number of securities based on the variable as at the date the Appendix 3B is lodged with ASX and add a note in the "Any other information the entity wishes to provide about the proposed offer" field at the end of this form making it clear that this number is based on the variable as at the date of the Appendix 3B and that it may change.*	Aggregate principal amount of AUD 330,000,000 issued in denominations of AUD 200,000 and integral multiples of AUD 2,000 in excess thereof
7B.3	*Are the +securities proposed to be issued being issued for a cash consideration? *If the securities are being issued for nil cash consideration, answer this question "No".*	Yes
7B.3a	*In what currency is the cash consideration being paid *For example, if the consideration is being paid in Australian Dollars, state AUD.* *Answer this question if your response to Q7B.3 is "Yes".*	AUD
7B.3b	*What is the issue price per +security *Answer this question if your response to Q7B.3 is "Yes" and by reference to the issue currency provided in your response to Q7B.3a.* *Note: you cannot enter a nil amount here. If the securities are being issued for nil cash consideration, answer Q7B.3 as "No" and complete Q7B.3d.*	100% of the aggregate principal amount of the Notes (issued in denominations of AUD 200,000 and integral multiples of AUD 2,000)
7B.3c	AUD equivalent to issue price amount per +security *Answer this question if the currency is non-AUD*	
7B.3d	Please describe the consideration being provided for the +securities *Answer this question if your response to Q7B.3 is "No".*	
7B.3e	Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities *Answer this question if your response to Q7B.1 is "No".*	

Part 7C – Proposed placement or other issue – timetable

Question No.	Question	Answer
7C.1	*Proposed +issue date	17 December 2020

Part 7D – Proposed placement or other issue – listing rule requirements

Question No.	Question	Answer
7D.1	*Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1? *Answer this question if the issuer is an ASX Listing (i.e. not an ASX Debt Listing or ASX Foreign Exempt Listing).* *If the issuer has obtained security holder approval for part of the issue only and is therefore relying on its placement capacity under listing rule 7.1 and/or listing rule 7.1A for the remainder of the issue, the response should be 'no'.*	No
7D.1a	*Date of meeting or proposed meeting to approve the issue under listing rule 7.1 *Answer this question if the issuer is an ASX Listing and your response to Q7D.1 is "Yes".*	
7D.1b	*Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1? *Answer this question if the issuer is an ASX Listing and your response to Q7D.1 is "No".*	No
7D.1b(i)	*How many +securities are proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1? *Answer this question the issuer is an ASX Listing, your response to Q7D.1 is "No" and if your response to Q7D.1b is "Yes".* *Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure B to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1 to issue that number of securities.*	
7D.1c	*Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)? *Answer this question if the issuer is an ASX Listing and your response to Q7D.1 is "No".*	No
7D.1c(i)	*How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A? *Answer this question if the issuer is an ASX Listing, your response to Q7D.1 is "No" and your response to Q7D.1c is "Yes".* *Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure C to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1A to issue that number of securities.*	

7D.1c(ii)	*Please explain why the entity has chosen to do a placement or other issue rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate *Answer this question if the issuer is an ASX Listing, your response to Q7D.1 is "No" and your response to Q7D.1c is "Yes".*	
7D.2	*Is a party referred to in listing rule 10.11 participating in the proposed issue? *Answer this question if the issuer is an ASX Listing.* *Note: If your response is "Yes", this will require security holder approval under listing rule 10.11.*	No
7D.3	*Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules? *Note: the entity should not apply for quotation of restricted securities*	No
7D.3a	*Please enter, the number and +class of the +restricted securities and the date from which they will cease to be +restricted securities *Answer this question if your response to Q7D.3 is "Yes".*	
7D.4	*Will any of the +securities to be issued be subject to +voluntary escrow?	No
7D.4a	*Please enter the number and +class of the +securities subject to +voluntary escrow and the date from which they will cease to be subject to +voluntary escrow *Answer this question if your response to Q7D.4 is "Yes".*	

Part 7E – Proposed placement or other issue – fees and expenses

Question No.	**Question**	**Answer**
7E.1	*Will there be a lead manager or broker to the proposed issue?	Yes
7E.1a	*Who is the lead manager/broker? *Answer this question if your response to Q7E.1 is "Yes".*	The Joint Lead Managers are: Australia and New Zealand Banking Group Limited ABN 11 005 357 522 HSBC Bank plc
7E.1b	*What fee, commission or other consideration is payable to them for acting as lead manager/broker? *Answer this question if your response to Q7E.1 is "Yes".*	0.35% of the aggregate principal amount of the Notes
7E.2	*Is the proposed issue to be underwritten?	No
7E.2a	*Who are the underwriter(s)? *Answer this question if your response to Q7E.2 is "Yes".*	

7E.2b	*What is the extent of the underwriting (i.e. the amount or proportion of the issue that is underwritten)? *Answer this question if your response to Q7E.2 is "Yes".*	
7E.2c	*What fees, commissions or other consideration are payable to them for acting as underwriter(s)? *Answer this question if your response to Q7E.2 is "Yes".* *Note: This includes any applicable discount the underwriter receives to the issue price payable by participants in the issue.*	
7E.2d	*Provide a summary of the significant events that could lead to the underwriting being terminated *Answer this question if your response to Q7E.2 is "Yes".* *Note: You may cross-refer to a covering announcement or to a separate annexure with this information.*	
7E.3	*Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed issue? *Answer this question if the issuer is an ASX Listing (i.e. not an ASX Debt Listing or ASX Foreign Exempt Listing) and your response to Q7E.2 is "Yes".* *Note: If your response is "Yes", this will require security holder approval under listing rule 10.11.*	
7E.3a	*What is the name of that party? *Answer this question if the issuer is an ASX Listing and your response to Q7E.3 is "Yes".* *Note: If there is more than one such party acting as underwriter or sub-underwriter include all of their details in this and the next 2 questions.*	
7E.3b	*What is the extent of their underwriting or sub-underwriting (i.e. the amount or proportion of the issue they have underwritten or sub-underwritten)? *Answer this question if the issuer is an ASX Listing and your response to Q7E.3 is "Yes".*	
7E.3c	*What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter? *Answer this question if the issuer is an ASX Listing and your response to Q7E.3 is "Yes".* *Note: This includes any applicable discount the underwriter or sub-underwriter receives to the issue price payable by participants in the issue.*	
7E.4	Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue	Not Applicable

Part 7F – Proposed placement or other issue – further information

Question No.	Question	Answer
7F.1	*The purpose(s) for which the entity is issuing the securities *You may select one or more of the items in the list.*	☐ To raise additional working capital ☐ To fund the retirement of debt ☐ To pay for the acquisition of an asset [*provide details below*] ☐ To pay for services rendered [*provide details below*] ☒ Other [*provide details below*] Additional details: The net proceeds from the issue will be used by ANZ for its general corporate purposes.
7F.2	*Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?	No
7F.2a	*Please explain how the entity will change its dividend/distribution policy if the proposed issue proceeds *Answer this question if your response to Q7F.2 is "Yes".*	
7F.3	Any other information the entity wishes to provide about the proposed issue	The Notes will not be transferred through, or registered on, the Clearing House Electronic Sub-Register System (CHESS) operated by ASX Settlement Pty Ltd (ABN 49 008 504 532) and will not be "Approved Financial Products" for the purposes of that system. Interests in the Notes will be instead held in, and transferrable through, Euroclear Bank SA/NV or Clearstream Banking, S.A. No transfers will be made to retail clients (as defined in section 761G of the Corporations Act 2001 of Australia) and no bids or offers may be made on an Australian Securities Exchange trading platform with a value less than AUD 500,000 (or its equivalent in an alternate currency).

Part 8 – details of +securities proposed to be issued

Answer the relevant questions in this part for the type of +securities the entity proposes to issue. If the entity is proposing to issue more than one class of security, including free attaching securities, please complete a separate version of Part 8 for each class of security proposed to be issued.

Part 8A – type of +securities proposed to be issued

Question No.	Question	Answer
8A.1	*The +securities proposed to be issued are: *Tick whichever is applicable* *Note: SPP offers must select "existing quoted class"*	☐ Additional +securities in a class that is already quoted on ASX ("existing quoted class") ☐ Additional +securities in a class that is not currently quoted, and not intended to be quoted, on ASX ("existing unquoted class") ☒ New +securities in a class that is not yet quoted, but is intended to be quoted, on ASX ("new quoted class") ☐ New +securities in a class that is not quoted, and not intended to be quoted, on ASX ("new unquoted class")

Note: If the +securities referred to in this form are being offered under a +disclosure document or +PDS and the entity selects the first or third option in its response to question 8A.1 above (existing quoted class or new quoted class), then by lodging this form with ASX, the entity will be taken, for the purposes of sections 711(5) and 1013H (as applicable) of the Corporations Act, to have applied for quotation of those +securities. However, once the final number of +securities offered under the +disclosure document or +PDS is known, the entity must complete and lodge with ASX an Appendix 2A applying for the quotation of that number of +securities.

Part 8B – details of +securities proposed to be issued (existing quoted class or existing unquoted class)

Answer the questions in this Part if your response to Q8A.1 is "existing quoted class" or "existing unquoted class".

Question No.	Question	Answer
8B.1	*ASX security code & description	
8B.1a	ISIN Code for the entitlement or right to participate in a non-renounceable issue; or for the tradeable rights created under a renounceable right issue (if Issuer is foreign company and +securities are non CDIs)	
8B.2a	*Will the +securities to be quoted rank equally in all respects from their issue date with the existing issued +securities in that class?	Yes or No
8B.2b	*Is the actual date from which the +securities will rank equally (non-ranking end date) known? *Answer this question if your response to Q8B.2a is "No".*	Yes or No

8B.2c	*Provide the actual non-ranking end date *Answer this question if your response to Q8B.2a is "No" and your response to Q8B.2b is "Yes".*	
8B.2d	*Provide the estimated non-ranking end period *Answer this question if your response to Q8B.2a is "No" and your response to Q8B.2b is "No".*	
8B.2e	*Please state the extent to which the +securities do not rank equally: • in relation to the next dividend, distribution or interest payment; or • for any other reason *Answer this question if your response to Q8B.2a is "No".* *For example, the securities may not rank at all, or may rank proportionately based on the percentage of the period in question they have been on issue, for the next dividend, distribution or interest payment or they may not be entitled to participate in some other event, such as an entitlement issue.*	

Part 8C – details of +securities proposed to be issued (new quoted class or new unquoted class)

Answer the questions in this Part if your response to Q8A.1 is "new quoted class" or "new unquoted class".

Question No.	Question	Answer
8C.1	*+Security description *The ASX security code for this security will be confirmed by ASX in due course.*	AUD 330,000,000 3.00 per cent. Fixed Rate Subordinated Notes due December 2040
8C.2	*Security type *Select one item from the list.* *Please select the most appropriate security type from the list. This will determine more detailed questions to be asked about the security later in this section. Select "ordinary fully or partly paid shares/units" for stapled securities or CDIs. For interest rate securities, please select the appropriate choice from either "Convertible debt securities" or "Non-convertible debt securities" (tradeable securities); or "Wholesale debt securities" (non-tradeable). Select "Other" for performance shares/units and performance options/rights or if the selections available in the list do not appropriately describe the security being issued.*	☐ Ordinary fully or partly paid shares/units ☐ Options ☐ +Convertible debt securities ☐ Non-convertible +debt securities ☐ Redeemable preference shares/units ☒ Wholesale debt securities ☐ Other
8C.3	ISIN code *Answer this question if you are an entity incorporated outside Australia and you are proposing to issue a new class of securities other than CDIs. See also the note at the top of this form.*	XS2273246350
8C.3a	ISIN Code for the entitlement or right to participate in a non-renounceable issue; or for the tradeable rights created under a renounceable right issue (if Issuer is foreign company and +securities are non CDIs)	
8C.4a	*Will all the +securities proposed to be issued in this class rank equally in all respects from the issue date?	Yes

8C.4b	*Is the actual date from which the +securities will rank equally (non-ranking end date) known? *Answer this question if your response to Q8C.4a is "No".*	
8C.4c	*Provide the actual non-ranking end date *Answer this question if your response to Q8C.5a is "No" and your response to Q8C.4b is "Yes".*	
8C.4d	*Provide the estimated non-ranking end period *Answer this question if your response to Q8C.4a is "No" and your response to Q8C.4b is "No".*	
8C.4e	*Please state the extent to which the +securities do not rank equally: • in relation to the next dividend, distribution or interest payment; or • for any other reason *Answer this question if your response to Q8C.4a is "No".* *For example, the securities may not rank at all, or may rank proportionately based on the percentage of the period in question they have been on issue, for the next dividend, distribution or interest payment; or they may not be entitled to participate in some other event, such as an entitlement issue.*	
8C.5	Please attach a document or provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement. *You may cross-reference a disclosure document, PDS, information memorandum, investor presentation or other announcement with this information provided it has been released to the ASX Market Announcements Platform.*	Attached is the Pricing Supplement dated 15 December 2020 relating to the issue of the Notes and the Information Memorandum for ANZ's $60,000,000,000 Euro Medium Term Note Programme dated 20 November 2020.
8C.6	*Have you received confirmation from ASX that the terms of the +securities are appropriate and equitable under listing rule 6.1? *Answer this question only if you are an ASX Listing. (ASX Foreign Exempt Listings and ASX Debt Listings do not have to answer this question).* *If your response is "No" and the securities have any unusual terms, you should approach ASX as soon as possible for confirmation under listing rule 6.1 that the terms are appropriate and equitable.*	Not Applicable
8C.7a	**Ordinary fully or partly paid shares/units details** *Answer the questions in this section if you selected this security type in your response to Question 8C.2.*	
	*+Security currency *This is the currency in which the face amount of an issue is denominated. It will also typically be the currency in which distributions are declared.*	
	*Will there be CDIs issued over the +securities?	Yes or No

	*CDI ratio *Answer this question if you answered "Yes" to the previous question. This is the ratio at which CDIs can be transmuted into the underlying security (e.g. 4:1 means 4 CDIs represent 1 underlying security whereas 1:4 means 1 CDI represents 4 underlying securities).*	X:Y
	*Is it a partly paid class of +security?	Yes or No
	*Paid up amount: unpaid amount *Answer this question if answered "Yes" to the previous question.* *The paid up amount represents the amount of application money and/or calls which have been paid on any security considered 'partly paid'* *The unpaid amount represents the unpaid or yet to be called amount on any security considered 'partly paid'.* *The amounts should be provided per the security currency (e.g. if the security currency is AUD, then the paid up and unpaid amount per security in AUD).*	X:Y
	*Is it a stapled +security? *This is a security class that comprises a number of ordinary shares and/or ordinary units issued by separate entities that are stapled together for the purposes of trading.*	Yes or No
8C.7b	**Option details** *Answer the questions in this section if you selected this security type in your response to Question Q8C.2.*	
	*+Security currency *This is the currency in which the exercise price is payable.*	
	*Exercise price *The price at which each option can be exercised and convert into the underlying security.* *The exercise price should be provided per the security currency (i.e. if the security currency is AUD, the exercise price should be expressed in AUD).*	
	*Expiry date *The date on which the options expire or terminate.*	
	*Details of the number and type of +security (including its ASX security code if the +security is quoted on ASX) that will be issued if an option is exercised *For example, if the option can be exercised to receive one fully paid ordinary share with ASX security code ABC, please insert "One fully paid ordinary share (ASX:ABC)".*	
8C.7c	**Details of non-convertible +debt securities, +convertible debt securities, or redeemable preference shares/units** *Answer the questions in this section if you selected one of these security types in your response to Question Q8C.2.* *Refer to Guidance Note 34 and the "Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities" for further information on certain terms used in this section*	

Australia and New Zealand Banking Group Limited
(Australian Business Number: 11 005 357 522)

ANZ Bank New Zealand Limited

ANZ New Zealand (Int'l) Limited

US$60,000,000,000

Euro Medium Term Note Programme

Under the US$60,000,000,000 Euro Medium Term Note Programme (the "**Programme**") established by Australia and New Zealand Banking Group Limited ("**ANZBGL**"), ANZ Bank New Zealand Limited ("**ANZ New Zealand**") and ANZ New Zealand (Int'l) Limited ("**ANZNIL**") (each an "**Issuer**" and together the "**Issuers**"), each Issuer may from time to time issue notes ("**Notes**") denominated in any currency agreed between it and the relevant Dealer(s) (as defined below). This document (the "**Base Prospectus**") comprises a separate base prospectus for each Issuer as further described on pages (iv) to (v). The payment of all amounts due in respect of any Notes issued by ANZNIL will be unconditionally and irrevocably guaranteed by ANZ New Zealand (in such capacity, the "**Guarantor**"). This Base Prospectus supersedes and replaces in its entirety the Base Prospectus dated 21 May 2019 (as supplemented) for each of ANZBGL, ANZ New Zealand and ANZNIL with regard to the Programme. Any Notes issued under the Programme on or after the date of this Base Prospectus are issued subject to the provisions described herein.

The Notes may be issued on a continuing basis to ANZBGL, Barclays Bank PLC, Barclays Capital Asia Limited, BNP Paribas, Citigroup Global Markets Limited, Credit Suisse Securities (Europe) Limited, Daiwa Capital Markets Europe Limited, Deutsche Bank AG, London Branch, Goldman Sachs International, HSBC Bank plc, J.P. Morgan Securities plc, Merrill Lynch International, Morgan Stanley & Co. International plc, RBC Europe Limited and UBS AG London Branch (as dealers under the Programme) and/or any additional dealer appointed under the Programme (and whose appointment has not been terminated) from time to time by the relevant Issuer (each a "**Dealer**" and together, the "**Dealers**"), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the "**relevant Dealer**" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes. References in this Base Prospectus to the "**Arranger**" shall be to Deutsche Bank AG, London Branch, in its capacity as arranger of the Programme.

Prospective investors should review the factors described under the section headed "Risk Factors" on pages 17 to 61 of this Base Prospectus. This Base Prospectus does not describe all of the risks of an investment in the Notes.

Prospective investors should ensure that they understand the nature of the relevant Notes and the extent of their exposure to risks and that they consider the suitability of the relevant Notes as an investment in the light of their own circumstances and financial condition. It is the responsibility of prospective investors to ensure that they have sufficient knowledge, experience and professional advice to make their own legal, financial, tax, accounting and other evaluation of the merits and risks of investing in the Notes and are not relying on the advice of the relevant Issuer, the Guarantor or the relevant Dealer(s) in that regard.

This Base Prospectus constitutes three base prospectuses, one for each Issuer and has been approved by the United Kingdom Financial Conduct Authority (the "**FCA**"), as competent authority under Regulation

(EU) 2017/1129 (the "**Prospectus Regulation**") in respect of Notes to be admitted to the official list of the FCA (the "**Official List**") and admitted to trading on the regulated market of the London Stock Exchange plc (the "**London Stock Exchange**"). The FCA only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of an Issuer or the Guarantor nor as an endorsement of the quality of any Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in any such Notes. This Base Prospectus is valid for a period of twelve months from the date of approval.

Application has been made to the FCA in its capacity as competent authority under the Financial Services and Markets Act 2000, as amended (the "**FSMA**") for Notes issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the London Stock Exchange's regulated market. References in this Base Prospectus to Notes being "**listed**" (and all related references) shall mean that such Notes have been admitted to the Official List and have been admitted to trading on the London Stock Exchange's regulated market. The London Stock Exchange's regulated market is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments ("**MiFID II**").

Pages 222 to 344 of this document comprise an information memorandum (the "**Information Memorandum**") in respect of issues of notes which are not admitted to the Official List or any other European Economic Area ("**EEA**") or United Kingdom ("**UK**") regulated market or offered to the public in the EEA or in the UK ("**Non PR Notes**"). The Information Memorandum has not been reviewed or approved by the FCA and does not constitute a prospectus for the purposes of the Prospectus Regulation.

The principal amount (being the amount which is used to calculate payments made on each Note or Non PR Note) of all Notes and Non PR Notes outstanding at any time under the Programme will not exceed US$60,000,000,000 (or its equivalent in other currencies), provided that the principal amount of all Notes and Non PR Notes issued by ANZBGL outstanding at any time will not exceed US$50,000,000,000 and the principal amount of all Notes and Non PR Notes issued by ANZ New Zealand and ANZNIL, collectively, outstanding at any time will not exceed US$10,000,000,000.

ANZNIL will issue Notes under the Programme acting through its London branch. ANZNIL issues Notes under the Programme through its London branch for certain legal, administrative and regulatory reasons, including (without limitation) to facilitate timely access to funding markets. Interest payments thereunder are subject to applicable tax laws and regulations of the United Kingdom and other jurisdictions – see section entitled "*Taxation"* on pages 192 to 200. Investors should be aware that a branch is not a subsidiary and does not comprise a separate legal entity. The obligations under the Notes issued by ANZNIL acting through its London branch are of ANZNIL only, and investors' claims under such Notes are only against ANZNIL (although, as noted above, the payment of all amounts due in respect of any Notes issued by ANZNIL will be unconditionally and irrevocably guaranteed by ANZ New Zealand). The Notes issued by ANZ New Zealand or ANZNIL are not guaranteed by, and do not represent deposit liabilities or protected accounts of, ANZBGL.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche as defined in the Terms and Conditions of the Notes set out at pages 62 to 115 of this Base Prospectus (the "**Conditions**") will be set out in a separate document containing the final terms for that Tranche (the "**Final Terms**") which, with respect to Notes to be listed on the London Stock Exchange, will be delivered to the FCA and the London Stock Exchange on or before the date of issue of such Tranche of Notes.

Arranger

Deutsche Bank

Dealers

ANZ	**Barclays**
BNP PARIBAS	**BofA Securities**
Citigroup	**Credit Suisse**
Daiwa Capital Markets Europe	**Deutsche Bank**
Goldman Sachs International	**HSBC**
J.P. Morgan	**Morgan Stanley**
RBC Capital Markets	**UBS Investment Bank**

The date of this Base Prospectus is 20 November 2020

IMPORTANT NOTICES

ANZBGL Base Prospectus

In respect of ANZBGL, the following sections (other than information in respect of ANZ New Zealand and ANZNIL) of this Base Prospectus will comprise a base prospectus for the purpose of giving information with regard to the Notes issued by ANZBGL (the "**ANZBGL Base Prospectus**"):

(a) this section entitled "Important Notices" on pages iv to xi;

(b) the section entitled "Programme Overview" on pages 13 to 16;

(c) the section entitled "Risk Factors" on pages 17 to 61;

(d) the section entitled "Terms and Conditions of the Notes" on pages 62 to 115;

(e) the section entitled "Form of the Notes" on pages 116 to 124;

(f) the section entitled "Description of Australia and New Zealand Banking Group Limited and its Subsidiaries" on pages 125 to 131;

(g) the section entitled "Description of Supervision and Regulation of Australia and New Zealand Banking Group Limited" on pages 132 to 149;

(h) the section entitled "Description of ANZ Bank New Zealand Limited" on pages 150 to 153;

(i) the section entitled "Description of Supervision and Regulation of ANZ Bank New Zealand Limited and ANZ New Zealand (Int'l) Limited" on pages 156 to 178;

(j) the section entitled "Information Incorporated by Reference" on pages 179 to 180;

(k) the section entitled "Subscription and Sale" on pages 181 to 191;

(l) the section entitled "Taxation" on pages 192 to 200;

(m) the section entitled "Use of Proceeds" on page 201;

(n) the section entitled "Form of Final Terms" on pages 202 to 217; and

(o) Paragraphs 1, 2, 3(i), 4, 5, 6, 7, 8, 10, 11 and 12(i) of the section entitled "Additional Information" on pages 218 to 221.

ANZ New Zealand Base Prospectus

In respect of ANZ New Zealand, the following sections (other than information in respect of ANZBGL and ANZNIL) of this Base Prospectus will comprise a base prospectus for the purpose of giving information with regard to the Notes issued by ANZ New Zealand (the "**ANZ New Zealand Base Prospectus**"):

(a) this section entitled "Important Notices" on pages iv to xi;

(b) the section entitled "Programme Overview" on pages 13 to 16;

(c) the section entitled "Risk Factors" on pages 17 to 61;

(d) the section entitled "Terms and Conditions of the Notes" on pages 62 to 115;

(e) the section entitled "Form of the Notes" on pages 116 to 124;

(f) the section entitled "Description of Australia and New Zealand Banking Group Limited and its Subsidiaries" on pages 125 to 131;

(g) the section entitled "Description of Supervision and Regulation of Australia and New Zealand Banking Group Limited" on pages 132 to 149;

(h) the section entitled "Description of ANZ Bank New Zealand Limited" on pages 150 to 153;

(i) the section entitled "Description of Supervision and Regulation of ANZ Bank New Zealand Limited and ANZ New Zealand (Int'l) Limited" on pages 156 to 178;

(j) the section entitled "Information Incorporated by Reference" on pages 179 to 180;

(k) the section entitled "Subscription and Sale" on pages 181 to 191;

(l) the section entitled "Taxation" on pages 192 to 200;

(m) the section entitled "Use of Proceeds" on page 201;

(n) the section entitled "Form of Final Terms" on pages 202 to 217; and

(o) Paragraphs 1, 2, 3(ii), 4, 5, 6, 7, 9, 10, 11 and 12(ii) of section entitled "Additional Information" on pages 218 to 221.

ANZNIL Base Prospectus

In respect of ANZNIL, the following sections (other than information in respect of ANZBGL) of this Base Prospectus will comprise a base prospectus for the purpose of giving information with regard to the Notes issued by ANZNIL (the "**ANZNIL Base Prospectus**"):

(a) this section entitled "Important Notices" on pages iv to xi;

(b) the section entitled "Programme Overview" on pages 13 to 16;

(c) the section entitled "Risk Factors" on pages 17 to 61;

(d) the section entitled "Terms and Conditions of the Notes" on pages 62 to 115;

(e) the section entitled "Form of the Notes" on pages 116 to 124;

(f) the section entitled "Description of Australia and New Zealand Banking Group Limited and its Subsidiaries" on pages 125 to 131;

(g) the section entitled "Description of Supervision and Regulation of Australia and New Zealand Banking Group Limited" on pages 132 to 149;

(h) the section entitled "Description of ANZ Bank New Zealand Limited" on pages 150 to 153;

(i) the section entitled "Description of ANZ New Zealand (Int'l) Limited" on pages 154 to 155;

(j) the section entitled "Description of Supervision and Regulation of ANZ Bank New Zealand Limited and ANZ New Zealand (Int'l) Limited" on pages 156 to 178;

(k) the section entitled "Information Incorporated by Reference" on pages 179 to 180;

(l) the section entitled "Subscription and Sale" on pages 181 to 191;

(m) the section entitled "Taxation" on pages 192 to 200;

(n) the section entitled "Use of Proceeds" on page 201;

(o) the section entitled "Form of Final Terms" on pages 202 to 217; and

(p) Paragraphs 1, 2, 3(ii), 3(iii), 4, 5, 6, 7, 9, 10, 11 and 12(iii) of Section "Additional Information" on pages 218 to 221.

Responsibility for the information contained in this Base Prospectus

ANZBGL accepts responsibility for the information contained in the ANZBGL Base Prospectus and, in relation to each issue of Notes by ANZBGL, the applicable Final Terms for such issue, and to the best

of the knowledge of ANZBGL, such information is in accordance with the facts and the ANZBGL Base Prospectus does not omit anything likely to affect the import of such information.

ANZ New Zealand accepts responsibility for the information contained in the ANZ New Zealand Base Prospectus and, in relation to each issue of Notes by ANZ New Zealand, the applicable Final Terms for such issue, and to the best of the knowledge of ANZ New Zealand, such information is in accordance with the facts and the ANZ New Zealand Base Prospectus does not omit anything likely to affect the import of such information.

Each of ANZNIL and the Guarantor accepts responsibility for the information contained in the ANZNIL Base Prospectus and, in relation to each issue of Notes by ANZNIL, the applicable Final Terms for such issue, and to the best of the knowledge of each of ANZNIL and the Guarantor, such information is in accordance with the facts and the ANZNIL Base Prospectus does not omit anything likely to affect the import of such information.

Use of defined terms in this Base Prospectus

Certain terms or phrases in this Base Prospectus are defined in double quotation marks and subsequent references to that term or phrase are designated with initial capital letters.

In this Base Prospectus, all references to the "**Issuers**" are to ANZBGL, ANZ New Zealand and ANZNIL, which are the issuers of the Notes to be issued under the Programme. All references herein to the "**Group**" or to "**ANZ**", except in the section titled "*Risks relating to the Issuers' and the Guarantor's businesses*", are to ANZBGL and its subsidiaries. All references herein to the "**ANZ New Zealand Group**" are to ANZ New Zealand and its subsidiaries. References in the section titled "*Risks relating to the Issuers' and the Guarantor's businesses*" to the "**Group**" or to "**ANZ**" are to ANZBGL and its subsidiaries or ANZ New Zealand and its subsidiaries as the context requires. See the section entitled "*Description of Australia and New Zealand Banking Group Limited and its subsidiaries*" for more details.

In this Base Prospectus, unless otherwise specified, references to a "**Member State**" are references to a Member State of the European Economic Area and the United Kingdom, references to "**A$**","**$**", "**dollars**" or "**Australian dollars**" are (unless indicated otherwise) to the lawful currency of Australia, references to "**euro**" or "**€**" are to the currency introduced at the start of the third stage of the European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended from time to time, references to "**NZ$**" are to the lawful currency of New Zealand, references to "**Renminbi**" are to the lawful currency of the People's Republic of China, references to "**Sterling**" are to the lawful currency of the United Kingdom, references to "**US$**" or "**US dollars**" are to the lawful currency of the United States, and references to "**Yen**" are to the lawful currency of Japan.

The "**Guarantee**" means the guarantee by ANZ New Zealand in favour of ANZNIL (described on page 62 of this Base Prospectus).

In this Base Prospectus, unless otherwise specified, references to "**Common Equity Tier 1 Capital**", "**Additional Tier 1 Capital**", "**Tier 1 Capital**", "**Tier 2 Capital**" have the meaning given to them by the Australian Prudential Regulation Authority ("**APRA**") or, if the context requires, the Reserve Bank of New Zealand ("**RBNZ**") from time to time. The meanings given by APRA can be found under its Prudential Standard APS 111 (Capital Adequacy: Measurement of Capital) and the meaning given by RBNZ can be found under its Prudential Supervision Department Document BS2B (Capital Adequacy Framework (Internal Models Based Approach)). Broadly:

- Tier 1 Capital is made up of Common Equity Tier 1 Capital and Additional Tier 1 Capital;
- Common Equity Tier 1 Capital is the highest quality, most loss absorbent form of capital for a bank and consists of paid up ordinary shares, certain reserves and retained earnings less certain deductions;
- Additional Tier 1 Capital is high quality capital for a bank and consists of certain securities not classified as Common Equity Tier 1 Capital but with loss absorbing characteristics; and

- Tier 2 Capital consists of subordinated instruments and, while it is a lesser form of capital for a bank than Tier 1 Capital, it still has some capacity to absorb losses and strengthens banks' overall capital positions.

In this Base Prospectus, references to "**ANZBGL 2020 Audited Financial Statements**" and to "**ANZBGL 2019 Audited Financial Statements**" are to the audited annual consolidated financial statements of the Group in respect of the years ended 30 September 2020 and 2019 respectively; references to "**ANZ New Zealand 2020 Audited Financial Statements**" and to "**ANZ New Zealand 2019 Audited Financial Statements**" are to the audited annual consolidated financial statements of ANZ New Zealand in respect of the years ended 30 September 2020 and 2019 respectively; references to "**ANZNIL 2020 Audited Financial Statements**" and to "**ANZNIL 2019 Audited Financial Statements**" are to the audited annual financial statements of ANZNIL in respect of the years ended 30 September 2020 and 2019 respectively; references to the "**ANZ New Zealand 2020 Disclosure Statement**" are to the disclosure statement of the ANZ New Zealand Group for the year ended 30 September 2020; references to the "**ANZ New Zealand Half Year Disclosure Statement**" are to the disclosure statement of the ANZ New Zealand Group for the six months ended 31 March 2020; and references to the "**ANZ New Zealand 2019 Disclosure Statement**" are to the disclosure statement of the ANZ New Zealand Group for the year ended 30 September 2019.

The Notes are not protected by the Financial Services Compensation Scheme

The Notes to be issued under the Programme are not protected by the Financial Services Compensation Scheme (the "**FSCS**"). As a result, neither the FSCS nor anyone else will pay compensation to you upon the failure of the relevant Issuer, the Guarantor or the Group as a whole. If the relevant Issuer and/or the Guarantor go out of business or become insolvent, you may lose all or part of your investment in any Notes.

The Notes do not benefit from deposit protection under the Banking Act 1959 of Australia

The Notes issued by an Issuer will not be deposit liabilities or protected accounts (as defined in the Banking Act 1959 of Australia (the "**Banking Act**")) of that Issuer. A "protected account" is broadly an account kept by an account holder with an authorised deposit-taking institution ("**ADI**") (i) where the ADI is required to pay the account-holder, on demand or at an agreed time, the net credit balance of the account; or (ii) that is otherwise prescribed by regulation. Protected accounts include current accounts, savings accounts and term deposit accounts. Protected accounts must be recorded in Australian currency and must not be kept at a foreign branch of an ADI. The Notes are not guaranteed or insured by any government, government agency or compensation scheme of Australia or any jurisdiction. Notes issued by ANZ New Zealand and ANZNIL are not guaranteed by, and do not represent deposit liabilities or protected accounts of, ANZBGL. ANZ New Zealand and ANZNIL are not ADIs in Australia.

Information incorporated by reference in this Base Prospectus

This Base Prospectus, including the Appendices, must be read together with all information which is deemed to be incorporated in this Base Prospectus by reference (see section entitled *"Information Incorporated by Reference*").

Information contained in or accessible from any website referenced in this Base Prospectus does not form a part of this Base Prospectus except as specifically incorporated by reference, see "*Information Incorporated by Reference*".

Third Party Information

Information contained in this Base Prospectus which is sourced from a third party has been accurately reproduced and, as far as the relevant Issuer and, where applicable, the Guarantor is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The relevant Issuer has also identified the source(s) of such information.

Credit Rating Agency Regulation notice

Credit ratings in respect of the Notes or the Issuers are for distribution only to a person in Australia who is not a "retail client" within the meaning of section 761G of the Corporations Act 2001 of Australia (the "**Corporations Act**") and is also a sophisticated investor, professional investor or other investor 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 the Base Prospectus and anyone who receives the Base Prospectus must not distribute it to any person who is not entitled to receive it.

Notice to potential investors

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of any investment in light of its own circumstances. In particular, each potential investor should consider, either on its own or with the help of its financial and other professional advisers, whether it:

(a) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in or incorporated into this Base Prospectus (and any applicable supplement to this Base Prospectus) or the relevant Final Terms;

(b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;

(d) understands thoroughly the terms of the Notes and is familiar with the behaviour of the financial markets; and

(e) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The investment activities of certain investors are subject to legal investment laws and regulations, and/or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

None of this Base Prospectus, any information or any document incorporated by reference herein, or any Final Terms constitute an offer of, or an invitation to subscribe for or purchase, any Notes by any of the Issuers, the Guarantor, the Dealers or the Arranger or is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuers, the Guarantor, the

Dealers or any of them that any recipient of this Base Prospectus, any information or any document incorporated by reference herein, or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus, any information or any document incorporated by reference herein, or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the relevant Issuer and, where applicable, the Guarantor. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of any of the Issuers or the Guarantor during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuers, the Guarantor or any of the Dealers or the Arranger. Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of any of the Issuers or the Guarantor since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of any of the Issuers or the Guarantor since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Neither the Notes nor the Guarantee have been, and neither will be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction in the United States. Subject to certain exceptions, Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act). Notes in bearer form may be subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person (as defined in the U.S. Internal Revenue Code of 1986, as amended (the "**U.S. Internal Revenue Code**")). For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus or any Final Terms, see the section entitled "*Subscription and Sale*".

IMPORTANT – EEA AND UK RETAIL INVESTORS The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA or in the UK. For these purposes, a retail investor means a person who is one (or more) of: (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 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK will be prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

MiFID Product Governance

The Final Terms (or Pricing Supplement, as the case may be) in respect of any Notes may include a legend entitled "MiFID II Product Governance" which will outline the conclusion of the target market assessment completed by the relevant "manufacturer(s)" in respect of the Notes and which channels for distribution of the Notes they consider are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made by the relevant Dealer(s) in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a "manufacturer" in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

Each Issuer is not subject to MiFID II and any implementation thereof by an EU Member State. It is therefore not a "manufacturer" for the purposes of the MiFID Product Governance Rules and has no responsibility or liability for identifying a target market, or any other product governance obligation set out in MiFID II, for financial instruments it issues (including any target market assessment for the relevant Notes).

Notification under Section 309B(1) of the Securities and Futures Act of Singapore (the "SFA"): Unless otherwise stated in the Final Terms (or the Pricing Supplement as the case may be), each Issuer has determined and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes issued or to be issued under the programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the "**MAS**") Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Benchmarks Regulation

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (the "**Benchmarks Regulation**"). If any such reference rate does constitute such a benchmark, the Final Terms (or Pricing Supplement, as the case may be) will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmarks Regulation. Transitional provisions in the Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the applicable Final Terms (or Pricing Supplement, as the case may be). The registration status of any administrator under the Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuers do not intend to update the Final Terms (or Pricing Supplement, as the case may be) to reflect any change in the registration status of the administrator.

This Base Prospectus is based on English law in effect as at the date of issue of this Base Prospectus. Except to the extent required by laws and regulations, none of the Issuers and the Guarantor intend, and assume any obligation, to update this Base Prospectus in light of the impact of any judicial decision or change to English law or administrative practice after the date of this Base Prospectus.

The Arranger and the Dealers

The Dealers and the Arranger have not separately verified the information contained in this Base Prospectus. None of the Dealers nor the Arranger makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Base Prospectus. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of any of the Issuers or the Guarantor during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

No incorporation of websites

In this Base Prospectus, reference to websites or uniform resource locators (URLs) are inactive textual references. The contents of any such website or URL shall not form part of, or be deemed to be incorporated into, this Base Prospectus.

VPS Notes

Under this Programme, an Issuer may issue Notes registered in the Norwegian Central Securities Depository, *Verdipapirsentralen ASA* ("**VPS Notes**"). Any issue of VPS Notes under this Programme will be subject to the issuance of a Drawdown Prospectus.

Stabilisation

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) acting as stabilising manager (the "**Stabilising Manager(s)**") (or persons acting on behalf of any Stabilising Manager(s))

may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules and outside Australia and New Zealand (and not on any market in Australia or New Zealand).

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PROGRAMME OVERVIEW

The following is an overview of the Programme and the key terms of the Notes. It is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and in relation to the terms and conditions of any particular Series or Tranche of Notes, the applicable Final Terms. Words and expressions defined elsewhere in this Base Prospectus shall have the same meanings in this overview.

Issuer	Australia and New Zealand Banking Group Limited ("**ANZBGL**" and, together with its subsidiaries, the "**Group**" or "**ANZ**"), ANZ Bank New Zealand Limited ("**ANZ New Zealand**") or ANZ New Zealand (Int'l) Limited ("**ANZNIL**"), as specified in the relevant Final Terms.
Guarantor.....	ANZ New Zealand (in the case of Notes issued by ANZNIL). The Notes issued by ANZ New Zealand and ANZNIL are not guaranteed by ANZBGL.
Risk Factors.....	There are certain factors that may affect the ability of an Issuer to fulfil its obligations under the Notes and the Guarantor's ability to fulfil its obligations under the Guarantee. These are set out under the section entitled "*Risk Factors*". In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes. These are also set out under the section entitled "*Risk Factors*".
Description	Euro Medium Term Note Programme.
Arranger	Deutsche Bank AG, London Branch.
Permanent Dealers.....	Australia and New Zealand Banking Group Limited Barclays Bank PLC Barclays Capital Asia Limited BNP Paribas Citigroup Global Markets Limited Credit Suisse Securities (Europe) Limited Daiwa Capital Markets Europe Limited Deutsche Bank AG, London Branch Goldman Sachs International HSBC Bank plc J.P. Morgan Securities plc Merrill Lynch International Morgan Stanley & Co. International plc RBC Europe Limited UBS AG London Branch and any other Dealers appointed in accordance with the Programme Agreement.
Fiscal Agent	Deutsche Bank AG, London Branch.
VPS Trustee	Nordic Trustee AS or any other VPS Trustee as specified in the applicable Final Terms.
Redenomination, Renominalisation and/or Consolidation	The relevant Final Terms may provide that certain Notes denominated in a currency that may be replaced by the euro, may be subject to redenomination, renominalisation and/or consolidation with other Notes then denominated in euro.

Form of the Notes.....	Notes may be issued (i) in bearer form ("**Bearer Notes**") (ii) in registered form ("**Registered Notes**") or (iii) in uncertificated and dematerialised book entry form registered in the Norwegian Central Securities Depository, *Verdipapirsentralen ASA* or VPS ("**VPS Notes**" and the "**VPS**", respectively) as described in the section entitled "*Form of the Notes*" of this Base Prospectus.
Clearing Systems.....	Euroclear, Clearstream, Luxembourg and, in relation to any Tranche of Notes, such other clearing system as may be agreed between the relevant Issuer and the relevant Dealer, as will be specified in the relevant Final Terms.
Currencies	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in such currencies as the relevant Issuer and the relevant Dealers agree.
Maturities	Subject to compliance with all relevant laws, regulations, directives and/or central bank requirements, the Notes may be issued with such maturities as may be agreed between the relevant Issuer and the relevant Dealers (as set out in the applicable Final Terms).
Denomination.....	Notes will be issued in minimum denominations of at least €100,000 (or its equivalent in another currency), subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Issue Price	Notes may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or a premium over, par.
Fixed Rate Notes	Fixed interest will be payable in arrear on the date or dates specified in the relevant Final Terms.
Floating Rate Notes.....	Floating Rate Notes will bear interest set separately for each Series at a rate calculated as set out in the Terms and Conditions of the Notes, and in the respective Interest Period, specified in the relevant Final Terms.
Inverse Floating Rate Notes	Inverse Floating Rate Notes will pay interest at an interest rate equal to a fixed rate minus either (i) an interest rate benchmark or (ii) a rate of interest determined in accordance with market standard definitions.
Range Accrual Notes.....	Range Accrual Notes will pay interest in respect of each interest accrual period equal to the product of (i) either a specified fixed rate or a floating rate determined by reference to a fluctuating benchmark; and (ii) a relevant fraction, calculated as set out in the Terms and Conditions of the Notes.
Zero Coupon Notes	Zero Coupon Notes may be issued at their Principal Amount or at a discount to it and will not bear interest.
Interest Periods and Interest Rates	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series.

	Notes may have a maximum or a minimum Rate of Interest or both.
Redemption by Instalments.....	The relevant Final Terms may provide that Notes are redeemable in two or more instalments ("**Instalment Notes**") and will set out the dates on which, and the amounts in which, such Notes may be redeemed.
Optional Redemption	The relevant Final Terms will state whether the relevant Notes may be redeemed (either in whole or in part) prior to their stated maturity at the option of the relevant Issuer and at the option of either or both of the relevant Issuer and the holders, and if so the terms applicable to such redemption.
Early Redemption for Tax Reasons.....	The relevant Issuer shall have the right to redeem the Notes at their Early Redemption Amount if the relevant Issuer (or, if applicable, the Guarantor) has or will become obliged to pay additional amounts as a result of the imposition of withholding tax.
Status of the Notes.....	The Notes constitute direct, unconditional and unsecured obligations of the relevant Issuer ranking pari passu among themselves and (save for certain debts of the relevant Issuer required to be preferred by applicable law, including (but not limited to), in the case of ANZBGL, those in respect of protected accounts (as defined in the Banking Act 1959 of Australia) in Australia and various debts due to the Australian Prudential Regulation Authority ("**APRA**") and the Reserve Bank of Australia ("**RBA**") required to be preferred by Australian law) with all other present and future unsubordinated and unsecured obligations of the relevant Issuer.
Status of the Guarantee.....	The payments of all amounts due in respect of Notes issued by ANZNIL will be unconditionally and irrevocably guaranteed by the Guarantor. The Guarantee constitutes direct, unconditional and unsecured obligations of the Guarantor which (save for certain debts of the Guarantor required to be preferred by law) will at all times rank *pari passu* among themselves and equally with all other unsubordinated and unsecured obligations of the Guarantor. Notes issued by ANZ New Zealand and ANZNIL are not guaranteed by ANZBGL.
Withholding Tax	All payments of principal and interest in respect of the Notes will be made free and clear of all withholding taxes of the jurisdiction of incorporation of the relevant Issuer and, where applicable, the Guarantor, and/or, where ANZNIL is the Issuer, the United Kingdom, unless such withholding is required by law. In that event, the relevant Issuer or, where applicable, the Guarantor shall pay additional amounts to the Noteholders as shall result in receipt by those Noteholders of such amounts as would have been received by them had no such withholding been required, except that no such additional amounts shall be payable with respect to any Note in the

	circumstances described in Condition 7 (*Taxation*) in the Terms and Conditions of the Notes.
Governing Law.....	English law, except for the registration of VPS Notes in the VPS as well as the recording and transfer of ownership to, and other interests in, VPS Notes and Condition 10(c) which will be governed by, and construed in accordance with, Norwegian law. The VPS Trustee Agreement is and any VPS Agency Agreement will be governed by, and construed in accordance with, Norwegian law. VPS Notes must comply with the relevant regulations of the VPS and the holders of VPS Notes will be entitled to the rights and are subject to the obligations and liabilities which arise under the relevant Norwegian regulations and legislation.
Listing and Admission to Trading.....	Application has been made for Notes issued under the Programme to be admitted to the Official List of the FCA and to trading on the regulated market of the London Stock Exchange. Each Series may be admitted to listing and trading on other of further stock exchanges or markets agreed between the relevant Issuer and the relevant Dealer in relation to the Series. The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.
Selling Restrictions	Australia, Japan, New Zealand, the European Economic Area (including Belgium, Denmark, Finland, France, Ireland, Italy, Luxembourg, The Netherlands, Norway and Sweden), the United Kingdom, Singapore, South Korea, Taiwan, the United States and Hong Kong. See the section entitled "*Subscription and Sale*" of this Base Prospectus. Each of the Issuers is Category 2 for the purposes of Regulation S under the Securities Act.

RISK FACTORS

Introduction

Any investment in the Notes issued under the Programme will involve risks including those described in this section. All principal or material risks that have been identified by the Issuers and the Guarantor are included in this section. Prospective investors should carefully consider the following discussion of the risk factors and the other information in this Base Prospectus. Prospective investors should be aware that the risks set forth below are not exhaustive (as these will not include those risks that have not been identified by the Issuers or the Guarantor) and should carefully consider the following factors in addition to the matters set out elsewhere in this Base Prospectus before investing in the Notes offered under this Base Prospectus.

As at the date of this Base Prospectus, the Issuers and the Guarantor believe that the following risk factors may affect the Issuers' abilities to fulfil their obligations, or the Guarantor's ability to perform its obligations, under or in respect of the Notes or the Guarantee and could be material for the purpose of assessing the market risks associated with the Notes.

If any of the following factors actually occurs, the trading price of the Notes of the relevant Issuer could decline and an investor could lose all or part of its investment. Prospective investors should read the entire Base Prospectus and reach their own views prior to making any investment decision.

Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this section.

RISKS RELATING TO THE NOTES

Risks related to the nature of all Notes which may be issued under the Programme

The Notes are not protected by the Financial Services Compensation Scheme

Unlike a bank deposit, the Notes are not protected by the Financial Services Compensation Scheme (the "**FSCS**"). As a result, neither the FSCS nor anyone else will pay compensation upon the failure of the relevant Issuer, the Guarantor or the Group. If the relevant Issuer or the Guarantor goes out of business or becomes insolvent, investors may lose all or part of their investment in the Notes.

Credit rating may not reflect all risks of an investment in the Notes

The credit ratings of the Notes may not reflect the potential impact of all risks related to the structure and other factors on any trading market for, or trading value of, the Notes. In addition, real or anticipated changes in the credit rating of the relevant Issuer or any Notes will generally affect any trading market for, or trading value of, the Notes.

In general, investors regulated in the EU and in the UK are restricted under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**") from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the Issuers' ratings and the credit rating agencies which have assigned such ratings is set out under the heading "*Important Notices*"

at the beginning of this Base Prospectus. Where an issue of Notes is rated, such rating will be specified in the relevant Final Terms and may not necessarily be the same as the rating assigned to the relevant Issuer.

The Notes may be redeemed prior to maturity

In the event that the relevant Issuer, or the Guarantor, if applicable, would be obliged to pay additional amounts in respect of any Notes due to any withholding or deduction for, or on account of, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the relevant Issuer's taxing jurisdiction, or Guarantor's taxing jurisdiction, if applicable, or any authority therein or thereof having power to tax, the Issuer may redeem all of the relevant Notes in accordance with the Conditions.

If the relevant Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return.

An optional redemption feature is likely to limit the market value of Notes. During any period when the relevant Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The relevant Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on those Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Insolvency and similar proceedings

In the event that an Issuer becomes insolvent, insolvency proceedings in respect of ANZBGL will be governed by Australian law, and insolvency proceedings in respect of ANZ New Zealand and ANZNIL will generally be governed by New Zealand law. Potential investors should be aware that Australian and New Zealand insolvency laws are different from the insolvency laws in other jurisdictions. In particular: (i) in the case of insolvency proceedings against ANZBGL, the voluntary administration procedure under the Corporations Act 2001 of Australia (the "**Corporations Act**"), which provides for the potential re-organisation of an insolvent company; and (ii) in the case of insolvency proceedings against ANZ New Zealand and ANZNIL, the voluntary administration procedure under the New Zealand Companies Act 1993 and the statutory management regimes under the Corporations (Investigation and Management) Act 1989 ("**CIM Act**") and the Reserve Bank of New Zealand Act 1989 (the "**Reserve Bank Act**"), differ significantly from similar provisions under the insolvency laws of other jurisdictions.

Under the Banking Act, APRA may appoint a Banking Act statutory manager to an ADI (of which ANZBGL is one) in certain circumstances, including where APRA considers that the ADI may become unable to meet its obligations or may suspend payment. Under section 15C of the Banking Act, a party to a contract with an ADI may not deny any obligations under that contract, accelerate any debt under that contract, close out any transaction relating to that contract, or enforce any security under that contract, on the grounds that a Banking Act statutory manager is in control of the ADI's business. Accordingly, this may prevent holders of Notes from accelerating repayment of their Notes on the grounds that a Banking Act statutory manager has been appointed.

In addition, claims against ANZBGL under Australian law are subject to mandatory priority provisions including those applying to ADIs (see the risk factor entitled "*Notes subject to prior claims*").

Pursuant to the Reserve Bank Act, the RBNZ may give a registered bank, which includes ANZ New Zealand, or an associated person a direction in writing and/or place the registered bank under statutory management in certain circumstances, including where the RBNZ has reasonable grounds to believe that the registered bank or the associated person is insolvent or is likely to become insolvent. As a corporation, ANZNIL may be placed into statutory management in similar circumstances under the CIM Act. A registered bank, such as ANZ New Zealand, can also be placed into statutory management if it fails to

comply with a direction given by the RBNZ. Where a corporation is declared to be subject to statutory management, a moratorium will apply and no person shall commence any action or other proceedings against that corporation. Accordingly, Noteholders may be prevented from enforcing rights in connection with the Notes where ANZ New Zealand and/or ANZNIL have been placed into statutory management.

If ANZ New Zealand were placed under statutory management, Noteholders may be further restricted in enforcing their rights against ANZ New Zealand due to Open Bank Resolution ("**OBR**"). OBR is an RBNZ policy option aimed at resolving a bank failure quickly, including by suspending payment of a portion of liabilities so the bank can be promptly reopened for business, consequently minimising stresses on the overall banking and payments system. Under the RBNZ's conditions of registration for registered banks, New Zealand-incorporated registered banks with retail deposits over NZ$1 billion (which includes ANZ New Zealand) are required to comply with the OBR Pre-positioning Requirements Policy (BS17), which describes the process and requirements on banks.

In addition, to the extent that the holders of the Notes are entitled to any recovery with respect to the Notes in any bankruptcy or certain other events in bankruptcy, insolvency, dissolution or reorganisation relating to the Issuer, those holders might be entitled only to a recovery in Australian dollars (where ANZBGL is the Issuer) or New Zealand dollars (where ANZ New Zealand or ANZNIL is the Issuer).

Modification and waivers and substitution

The Terms and Conditions of the Notes (see the section entitled "*Terms and Conditions of the Notes*" below) (and, in respect of VPS Notes, the VPS Trustee Agreement) contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

In the case of VPS Notes, the VPS Trustee Agreement provides that:

(i) the VPS Trustee may in certain circumstances, without the consent of the holders of the VPS Notes, make decisions binding on all holders relating to the Terms and Conditions of the relevant VPS Notes and the VPS Trustee Agreement, including amendments which are not, in the VPS Trustee's opinion, detrimental to the rights and benefits of the affected holders of the VPS Notes; and

(ii) the VPS Trustee may reach other decisions binding for all holders of VPS Notes.

Accordingly, holders are exposed to the risk that their rights in respect of the Notes or VPS Notes are varied against their will, which may result in their investment in the Notes or VPS Notes becoming less advantageous to a particular holder depending on their individual circumstances.

Exchange rate risks and exchange controls

The Issuers will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency or the Specified Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Risks related to particular types of all Notes which may be issued under the Programme

Inverse Floating Rate Notes

Inverse floating rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as the London inter-bank offered rate ("**LIBOR**"). The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse floating rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed/Floating Rate Notes

Fixed/floating rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the fixed/floating rate Notes may be less favourable than then prevailing spreads on comparable floating rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Range Accrual Notes

The interest in respect of Range Accrual Notes is calculated by reference to the number of days in an interest accrual period that a specified reference rate or rates and/or the spread between two constant maturity swap rates are either "greater than or equal to" or "greater than" and "less than or equal to" or "less than" certain predetermined levels on certain dates within an interest accrual period. In the event that such conditionality is not satisfied in respect of one or more dates falling within an interest accrual period (or, where Protection Barrier is specified as applicable in the relevant Final Terms and the Protection Barrier Condition is not satisfied), no interest may be payable in respect of such interest accrual period or interest will only be paid in respect of those days in the interest accrual period when such conditionality is satisfied.

Interest rate risks

Investment in fixed rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of fixed rate Notes.

The market continues to develop in relation to Notes that reference SONIA

The market continues to develop in relation to the Sterling Overnight Index Average ("**SONIA**") as a reference rate in the capital markets and its adoption as an alternative to Sterling LIBOR. In particular, market participants and relevant working groups are exploring alternative reference rates based on SONIA, including term SONIA reference rates (which seek to measure the market's forward expectation of an average SONIA rate over a designated term).

The market or a significant part thereof may adopt an application of SONIA that differs significantly from that set out in the Conditions and used in relation to Floating Rate Notes that reference SONIA issued under this Programme. Furthermore, an Issuer may in the future also issue Notes referencing SONIA that differ materially in terms of interest determination when compared with any previous SONIA referenced Notes issued by it under this Programme. The development of Compounded Daily SONIA as interest reference rate for the Eurobond markets, as well as continued development of the SONIA-based rate for such markets and the market infrastructure for adopting such rate, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any SONIA-referenced Notes issued under the Programme from time to time.

Furthermore, interest on Notes which reference a SONIA rate is only capable of being determined at the end of the relevant Observation Period (as defined in the Conditions) and immediately prior to the relevant Interest Payment Date. It may be difficult for holders of Notes that reference a SONIA rate to reliably estimate the amount of interest that will be payable on such Notes and some investors may be

unable or unwilling to trade such Notes without changes to their information technology systems, both of which could adversely impact the liquidity of such Notes. Further, if the Notes become due and payable under Condition 9 (*Events of Default*), the Rate of Interest payable will be determined on the date the Notes became due and payable and will not be reset thereafter. Investors should consider these matters when making their investment decision with respect to any such Floating Rate Notes.

Investors should be aware that the manner of adoption or application of SONIA as a reference rate in the Eurobond markets may differ materially compared with the application and adoption of SONIA in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of SONIA as a reference rate across these markets may impact any hedging or other arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing SONIA.

Since SONIA is a relatively new market index, Notes linked to SONIA may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities linked to SONIA may evolve over time and trading prices of the Notes may be lower than those of later issued Notes that are linked to SONIA as a result. Further, if SONIA does not prove to be widely used in securities like the Notes, the trading price of such Notes linked to SONIA may be lower than those of Notes linked to indices that are more widely used. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. There can also be no guarantee that SONIA will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Notes referencing SONIA. If the manner in which SONIA is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and the trading prices of such Notes.

In addition, in the event that the SONIA reference rate is not available in the relevant Observation Period, the Conditions of the Notes provide for certain fallback arrangements, including that the SONIA reference rate may be (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing on the relevant London Banking Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five days on which a SONIA reference rate has been published excluding the highest and lowest spread to the Bank Rate.

Investors should consider these matters when making their investment decision in relation to Floating Rate Notes which reference SONIA.

The market continues to develop in relation to Notes that reference SOFR

The Secured Overnight Financing Rate ("**SOFR**") is published by the Federal Reserve Bank of New York and is intended to be a broad measure of the cost of borrowing cash overnight collateralised by Treasury securities and a current preferred replacement rate to U.S. dollar LIBOR. The composition and characteristics of SOFR are not the same as those of LIBOR where the index currency is U.S. dollars. There can be no assurance that SOFR will perform in the same way as LIBOR where the index currency is U.S. dollars would have at any time. The Federal Reserve Bank of New York notes on its publication page for SOFR that the Federal Reserve Bank of New York may alter the methods of calculation, publication schedule, rate revision practices or availability of SOFR at any time without notice. The Federal Reserve Bank of New York has no obligation to consider the interests of holders of the Notes in calculating, adjusting, converting, revising or discontinuing SOFR.

Publication of SOFR began on 3 April 2018 and it therefore has a very limited history. In addition, the future performance of SOFR cannot be predicted based on its historical performance. The level of SOFR over the term of the Notes may bear little or no relation to the historical level of SOFR. Prior observed patterns, if any, in the behaviour of market variables, such as correlations, may change in the future. While some pre-publication hypothetical performance data has been published by the Federal Reserve Bank of New York, such data inherently involves assumptions, estimates and approximations. Furthermore, since the initial publication of SOFR, daily changes in the rate have, on occasion, been more volatile than daily changes in comparable benchmark or market rates. As a result, the return on and value of Notes that reference SOFR may fluctuate more than floating rate debt securities that are linked

to less volatile rates. The future performance of SOFR is impossible to predict and therefore no future performance of SOFR or the Notes may be inferred from any of the hypothetical or actual historical performance data.

The market or a significant part thereof may adopt an application of SOFR that differs significantly from that set out in the Conditions and used in relation to Floating Rate Notes that reference a SOFR rate issued under this Programme. An Issuer may in the future also issue Notes referencing SOFR that differ materially in terms of interest determination when compared with any previous SOFR referenced Notes issued by it under this Programme. The development of Compounded Daily SOFR as an interest reference rate for the Eurobond markets, as well as continued development of SOFR-based rates for such markets and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any SOFR Notes issued under this Programme from time to time.

Furthermore, interest on Notes which reference a SOFR rate is only capable of being determined on the Interest Determination Date. It may be difficult for holders of Notes that reference SOFR to reliably estimate the amount of interest that will be payable on such Notes and some investors may be unable or unwilling to trade such Notes without changes to their information technology systems, both of which could adversely impact the liquidity of such Notes. Further, if the Notes become due and payable as described under Condition 9 (*Events of Default*), the Rate of Interest payable shall be determined on the date the Notes became due and payable and shall not be reset thereafter. Investors should consider these matters when making their investment decision with respect to any such Floating Rate Notes.

Investors should be aware that the manner of adoption or application of SOFR as a reference rate in Eurobond markets may differ materially compared with the application and adoption of SOFR in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of SOFR as reference rates across these markets may impact any hedging or other arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing SOFR.

Since SOFR is a relatively new market index, Notes linked to SOFR may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities linked to SOFR, such as the margin over SOFR reflected in interest rate provisions, may evolve over time, and trading prices of the Notes may be lower than those of later-issued Notes that are linked to SOFR as a result. Further, if SOFR does not prove to be widely used in securities like the Notes, the trading price of such Notes linked to SOFR may be lower than those of Notes linked to indices that are more widely used. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. There can also be no guarantee that SOFR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Notes referencing SOFR. If the manner in which SOFR is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and the trading prices of such Notes.

Furthermore, SOFR Notes have certain fallback arrangements in the event that the SOFR reference rate is not available on the Website of the Federal Reserve Bank of New York (as defined in Condition 4 (*Interest and other Calculations*) in relation to any U.S. Government Securities Business Day the Conditions of the Notes provide for certain fallback arrangements, including that the SOFR reference rate may be (i) the daily SOFR in respect of the last U.S. Government Securities Business Day for which such rate was published on the Website of the Federal Reserve Bank of New York; or (ii) (A) if the rate specified in clause (i) of the definition of SOFR under Condition 4 (*Interest and other Calculations*) is not so published and (B) a SOFR Index Cessation Event and a SOFR Index Cessation Effective Date have both occurred, such rate is determined in accordance with Condition 4(m) (*Benchmark Replacement*).

Uncertainty relating to the LIBOR calculation process, including the potential phasing out of LIBOR after 2021, and proposals to reform EURIBOR, BBSW, BKBM and other benchmark indices

LIBOR, the Euro Interbank Offered Rate ("**EURIBOR**") and other benchmark indices (such as the Australian Bank Bill Swap Rate ("**BBSW**") and the New Zealand Bank Bill Benchmark Rate ("**BKBM**")) are the subject of recent national, international and other regulatory guidance and proposals for reform. The implementation of such reforms and consequential changes to benchmark indices may cause such indices to perform differently than in the past, which could have a material adverse effect on the yield or value of any Floating Rate Notes where the interest rate is calculated with reference to such benchmark or may have other consequences that cannot be predicted.

In the EU, the Benchmarks Regulation (as defined above under "*Important Notices*") is a key element of ongoing regulatory reform and has applied, subject to certain transitional provisions, since 1 January 2018.

The Benchmarks Regulation applies to the contribution of input data to a benchmark, the administration of a benchmark, and the use of a benchmark in the EU. Amongst other things, the Benchmarks Regulation requires EU benchmark administrators to be authorised or registered as such and to comply with extensive requirements relating to benchmark administration. It also prohibits certain uses by EU supervised entities of (a) benchmarks provided by EU administrators which are not authorised or registered in accordance with the Benchmarks Regulation and (b) benchmarks provided by non-EU administrators where (i) the administrator's regulatory regime has not been determined to be "equivalent" to that of the EU, (ii) the administrator has not been recognised in accordance with the Benchmarks Regulation, and (iii) the benchmark has not been endorsed in accordance with the Benchmarks Regulation.

The Benchmarks Regulation could have a material impact on any Notes linked to or referencing a benchmark, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing or increasing the rate or level, or affect the volatility of, the published rate or level of the benchmark.

In Australia, the Treasury Laws Amendment (2017 Measures No. 5) Act 2018 of Australia amended the Corporations Act, to, among other things, establish a licensing regime for administrators of significant financial benchmarks (including BBSW) and vest power in ASIC to make rules relating to the generation and administration of such benchmark indices. On 6 June 2018 ASIC issued the ASIC Financial Benchmark (Administration) Rules 2018 (the "**Administration Rules**") and the ASIC Financial Benchmark (Compelled) Rules 2018 (the "**Compelled Rules**") pursuant to this power. The Administration Rules require, among other things, a person who is licensed to administer a regulated benchmark (a benchmark administrator licensee) to: (i) use a method for generating that benchmark that is designed to ensure the quality, integrity, availability, reliability and credibility of that benchmark; (ii) to act efficiently, honestly and fairly in generating and administering that benchmark; and (iii) to ensure that arrangements with persons who contribute data to the generation of benchmarks (contributors) meet certain criteria for these purposes. The Compelled Rules, among other things, allow ASIC to require a benchmark administrator licensee to continue to generate or administer a regulated benchmark and to require contributors to continue to provide data required for the generation of the relevant benchmark.

In New Zealand, the Financial Markets (Derivatives Margin and Benchmarking) Reform Amendment Act 2019 ("**FMRA Act**") was enacted in August 2019. When the provisions of the FMRA Act relating to financial benchmarks come into effect, they will amend the Financial Markets Conduct Act 2013 ("**FMCA**") to establish a new licensing regime for administrators of financial benchmarks. These amendments aim to ensure that New Zealand's regulatory regime for financial benchmarks (including BKBM) meets the equivalence requirements for the purposes of the Benchmarks Regulation. See "*New Zealand Regulatory Developments – Financial Markets (Derivatives Margin and Benchmarking) Reform Amendment Act 2019*" for further information.

Additionally, amongst other developments, relevant authorities are strongly encouraging the transition away from Interbank Offered Rates ("**IBORs**"), such as LIBOR and EURIBOR, and have identified "risk free rates" to eventually take the place of such IBORs as primary benchmarks. This includes (i) for sterling LIBOR, SONIA so that SONIA may be established as the primary sterling interest rate benchmark by the end of 2021, (ii) for EONIA and EURIBOR, a new Euro Short-Term Rate ("**€STR**") as the new euro risk free rate, and (iii) for U.S. Dollar LIBOR, the Alternative Reference Rates

Committee, a committee convened by the Federal Reserve Bank of New York that includes major market participants, proposed that SOFR be eventually established as the primary U.S. dollar interest rate benchmark. The risk free rates have a different methodology and other important differences from the IBORs they will eventually replace and have little, if any, historical track record. It is not known whether certain IBORs will continue long-term or in their current form.

Any of the international, national or other proposals for reform or the general increased regulatory scrutiny of "benchmarks" could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the disappearance or obsolescence of certain "benchmarks".

Following the implementation of any such potential reforms, the manner of administration of benchmarks may change, with the result that they may perform differently than in the past, or the benchmark could be eliminated entirely, or there could be other consequences that cannot be predicted. The elimination of the LIBOR benchmark or any other benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest calculation provisions of the Terms and Conditions of the Notes (or the Terms and Conditions of the Non PR Notes as the case may be), or result in adverse consequences to holders of any securities linked to such benchmark (including but not limited to Floating Rate Notes, Range Accrual Notes and Inverse Floating Rate Notes whose interest rates are linked to LIBOR or any other such benchmark that is subject to reform). Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities based on the same benchmark.

The occurrence of a Benchmark Disruption Event or an ISDA Determination Fallback Event in respect of Notes may adversely affect the return on and the market value of such Notes

The Terms and Conditions of the Notes (and the Terms and Conditions of the Non PR Notes) provide for certain fallback arrangements in the event that a published Reference Rate, such as LIBOR (not including U.S. Dollar LIBOR), BBSW or BKBM has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered or it is determined that a change in generally accepted market practice has occurred (as further described in the definition of "Benchmark Disruption Event" in Condition 4(m) (*Benchmark Replacement*)), or, in the case of SOFR Notes, (1) the rate specified in clause (i) of the definition of SOFR in Condition 4(b)(iii)(D) is not published and (2) a SOFR Index Cessation Event and a SOFR Index Cessation Effective Date have both occurred, including the possibility that the Reference Rate could be set by reference to a substitute or successor that an Independent Adviser (as defined in Condition 4(m) (*Benchmark Replacement*)) or where the Issuer is unable to appoint an Independent Adviser and if it so elects to make such a determination) the Issuer has determined (acting in good faith and in a commercially reasonable manner) in its sole discretion to be (a) the industry accepted successor rate to the Reference Rate or (b) if no such industry accepted successor rate exists, the most comparable substitute or successor rate to the relevant Reference Rate and, where the Independent Adviser (or the Issuer as the case may be) has determined a substitute or successor rate that the Independent Adviser (or the Issuer as the case may be) may determine (acting in good faith and in a commercially reasonable manner), any relevant methodology for calculating such substitute or successor rate, including any adjustment factor it determines is needed to make such substitute or successor rate comparable to the relevant Reference Rate, in a manner that is consistent with industry-accepted practices for such substitute or successor rate in calculating a successor rate or an alternative reference rate. For the risks related to the benchmark fallback for U.S. Dollar LIBOR Notes, see the risk factor entitled "*The occurrence of a Benchmark Transition Event and its related Benchmark Replacement Date in respect of Notes where the Reference Rate is U.S. Dollar LIBOR may adversely affect the return on and the market value of such Notes*". In certain circumstances the ultimate fallback rate of interest for a particular Interest Period or Interest Accrual Period (as applicable) may result in the rate of interest determined for the previous Interest Period or Interest Accrual Period (as applicable) being used. This may result in the effective application of a fixed rate for a Note linked to such a benchmark based on the rate which was last observed on the Relevant Screen Page. In addition, due to the uncertainty concerning the availability of a substitute or successor rate, the relevant fallback

provisions may not operate as intended at the relevant time. No consent of the Noteholders shall be required in connection with effecting any relevant substitute or successor rate or any other related adjustments.

In addition, where ISDA Determination for Fallback is specified in the applicable Final Terms (including in respect of Notes where the applicable Reference Rate is U.S. Dollar LIBOR), in the event that the applicable Reference Rate is not published on the day on which it is required or in the event that the applicable Reference Rate has ceased to be or will cease to be provided permanently or indefinitely by the administrator and there is no successor administrator (as further described in the definition of "Index Cessation Event" in Condition 4(o) (*ISDA Determination for Fallback*), the Rate of Interest for the relevant Interest Period or Interest Accrual Period will be determined by reference to the ISDA Fallback Rate, being the rate that would apply for derivatives transactions with respect to the Reference Rate for the applicable tenor plus a spread adjustment as more fully described in Condition 4(o) (*ISDA Determination for Fallback*).

The use of a substitute or successor rate or the application of the ISDA Fallback Rate may result in interest payments that are substantially lower than or that do not otherwise correlate over time with the payments that could have been made on the relevant Floating Rate Notes if the relevant Reference Rate remained available in its current form. Any of the above changes or any other consequential changes to LIBOR, EURIBOR or any other benchmark as a result of international, national or other proposals for reform or other initiatives or investigations, could result in adjustment to the Terms and Conditions of the relevant Notes or other consequences, depending on the specific provisions of the relevant Notes and could have a material adverse effect on the yield on and value of and return on any such Notes linked to a benchmark.

The occurrence of a Benchmark Transition Event and its related Benchmark Replacement Date in respect of Notes where the Reference Rate is U.S. Dollar LIBOR may adversely affect the return on and the market value of such Notes

The Terms and Conditions of the Notes provide for specific fallback arrangements in respect of Notes where the Reference Rate specified in the applicable Final Terms is U.S. Dollar LIBOR. If the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the Benchmark (each as defined in the Conditions), then a Benchmark Replacement will replace the then-current Benchmark and the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes in accordance with the provisions of Condition 4(n) (*Effect of Benchmark Transition Event*). There are no limits or parameters dictating whom the Issuer may appoint as its designee to assist in this determination, and the designee may be an affiliate of the Issuer, an agent of the Issuer or any other party or person. There is no assurance that the designee selected by the Issuer to assist in this determination has the competency to make such a determination or that the designee's determination will be consistent with similar determinations made on similar securities. The selection of a Benchmark Replacement, and any decisions, determinations or elections made by the Issuer or its designee in connection with implementing a Benchmark Replacement with respect to such Notes in accordance with the Conditions, could result in adverse consequences to the relevant Rate of Interest in respect of such Notes.

Under the provisions of Condition 4(n) (*Effect of Benchmark Transition Event*), if a Benchmark Transition Event and its related Benchmark Replacement Date occur with respect to U.S. Dollar LIBOR, and if the Issuer or its designee cannot determine the relevant U.S. Dollar LIBOR rate by means of interpolating from other tenors of U.S. Dollar LIBOR, then the Rate of Interest on the Notes will be determined based on SOFR (unless a Benchmark Transition Event and its related Benchmark Replacement Date also occur with respect to the Benchmark Replacements that are linked to SOFR, in which case the Rate of Interest will be based on the next-available Benchmark Replacement).

The Benchmark Replacements specified in the Conditions include Term SOFR, a forward-looking term rate which will be based on SOFR. Term SOFR is currently being developed under the sponsorship of the Federal Reserve of the Bank of New York, and there is no assurance that the development of Term SOFR will be completed. Further, due to uncertainty concerning the availability of certain fallback benchmark replacements, such as Term SOFR and Compounded SOFR, the relevant fallback provision may not operate as intended. If a Benchmark Transition Event and its related Benchmark Replacement

Date occur with respect to U.S. Dollar LIBOR, and if the Issuer or its designee cannot determine the relevant U.S. Dollar LIBOR rate by means of interpolating from other tenors of U.S. Dollar LIBOR, and, at that time, a form of Term SOFR has not been selected or recommended by the Relevant Governmental Body, then the next-available Benchmark Replacement under the provisions in respect of U.S. Dollar LIBOR in the Conditions will be used to determine the amount of interest payable on the Notes during the applicable Interest Period or in respect of the applicable interest determination date, as the case may be, for the next applicable Interest Period, as the case may be, and all subsequent Interest Periods (unless a Benchmark Transition Event and its related Benchmark Replacement Date occur with respect to that next-available Benchmark Replacement). For further information on the risks related to SOFR see the risk factor entitled "*The market continues to develop in relation to Notes that reference SOFR*".

Pursuant to the Conditions, if a particular Benchmark Replacement or Benchmark Replacement Adjustment cannot be determined, then the next-available Benchmark Replacement or Benchmark Replacement Adjustment will apply. These replacement rates and adjustments may be selected or formulated by (i) the Relevant Governmental Body (such as the Alternative Reference Rates Committee), (ii) ISDA or (iii) in certain circumstances, the Issuer or its designee. In addition, the provisions of the Conditions expressly authorise the Issuer or its designee to make Benchmark Replacement Conforming Changes with respect to, among other things, the determination of Interest Periods and the timing and frequency of determining rates and making payments of interest.

No consent of the Noteholders shall be required in connection with effecting any Benchmark Replacement, Benchmark Replacement Adjustment or Benchmark Replacement Conforming Changes. The application of a Benchmark Replacement, Benchmark Replacement Adjustment and Benchmark Replacement Conforming Changes, any decisions, determinations or elections made by the Issuer or its designee in connection with Benchmark Replacement, Benchmark Replacement Adjustment and Benchmark Replacement Conforming Changes, as well as the implementation of Benchmark Replacement Conforming Changes, could result in adverse consequences to the amount of interest paid on the Notes which could adversely affect the return on, value of and market for the Notes. Further, there is no assurance that the characteristics of any Benchmark Replacement will be similar to the then-current U.S. Dollar LIBOR rate that it is replacing, or that any Benchmark Replacement will produce the economic equivalent of the then-current U.S. Dollar LIBOR rate that it is replacing.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount (Zero Coupon Notes, as an example) tend to fluctuate more in relation to changes in interest rates than do prices for conventional interest bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest bearing securities with comparable maturities. Accordingly, investors in any Notes issued at a discount or premium are exposed to interest rate volatility and may suffer a greater loss on their investment compared to an investor in other interest-bearing debt securities.

Risks relating to Notes denominated in Renminbi ("*CNY Notes*")

Renminbi is not freely convertible and there are significant restrictions on the remittance of Renminbi into and out of the People's Republic of China (the "PRC") which may adversely affect the liquidity of CNY Notes

Renminbi is not freely convertible at present. The government of the PRC (the "**PRC Government**") continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar.

However, there has been significant reduction in control by the PRC Government in recent years, particularly over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

Subject to the prior receipt of all necessary governmental approvals, the relevant Issuer may remit the net proceeds from the offering of CNY Notes into the PRC. There is no assurance that such approvals will be granted and, if granted, will not be revoked or amended in the future.

Remittance of Renminbi into and out of the PRC for the settlement of capital account items such as capital contributions, debt financing and securities investment, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into and out of the PRC for settlement of capital account items are being adjusted from time to time to match the policies of the PRC Government.

In the event that the relevant Issuer decides to remit some or all of the proceeds into the PRC in Renminbi, its ability to do so will be subject to obtaining all necessary approvals from and registration with the relevant PRC government authorities. However, there is no assurance that the necessary approvals from and registration with the relevant PRC government authorities will be obtained at all or, if obtained, they will not be revoked or amended in the future.

Although the People's Bank of China ("**PBoC**") has implemented policies improving accessibility to Renminbi to settle cross-border transactions in the past, there is no assurance that the PRC Government will liberalise control over cross-border remittance of Renminbi in the future, that the schemes for Renminbi cross-border utilisation will not be discontinued or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or out of the PRC. Despite the Renminbi internationalisation pilot programme and efforts in recent years to internationalise the currency, there can be no assurance that the PRC Government will not impose interim or long-term restrictions on the cross-border remittance of Renminbi. In the event that funds cannot be repatriated outside the PRC in Renminbi, this may affect the overall availability of Renminbi outside of the PRC and the ability of the Issuer to source Renminbi to finance its obligations under CNY Notes.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the CNY Notes and the Issuer's ability to source Renminbi outside the PRC to service the CNY Notes

As a result of the restrictions by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or current regulations (including but not limited to the settlement arrangements between the PBoC and certain financial institutions in respect of limited clearing or Renminbi outside of the PRC) will not be terminated or amended in the future, each of which will have the effect of restricting availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of the CNY Notes. To the extent the relevant Issuer is required to source Renminbi in the offshore market to service CNY Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

Investment in CNY Notes is subject to exchange rate risks

The relevant Issuer will make all payments of interest and principal with respect to CNY Notes in Renminbi unless otherwise specified. The value of Renminbi against other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions as well as many other factors. The PBoC has in recent years implemented changes to the way it calculates the Renminbi's daily mid-point against the U.S. dollar to take into account market-maker quotes. This change, and others that may be implemented, may increase the volatility in the value of the Renminbi against foreign currencies. As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against another foreign currency, the value of the investment made by a holder of CNY Notes in that foreign currency will decline.

Investment in CNY Notes is subject to currency risk

If the Issuer is not able, or it is impracticable for it, to satisfy its obligation to pay interest and principal on CNY Notes as a result of Inconvertibility, Non transferability or Illiquidity (each, as defined in the Conditions), or any Renminbi clearing and settlement system for participating banks in Hong Kong is disrupted or suspended, the relevant Issuer shall be entitled, on giving not less than five or more than 30

calendar days' irrevocable notice to the investors prior to the due date for payment, to settle any such payment in U.S. dollars on the due date at the U.S. Dollar Equivalent (as defined in the Conditions) of any such interest or principal, as the case may be.

Payments with respect to CNY Notes may be made only in the manner designated in CNY Notes

All payments to investors in respect of CNY Notes will be made solely (i) for so long as CNY Notes are represented by a Temporary Global Note or a Permanent Global Note held with the common depositary for Clearstream, Luxembourg and Euroclear or any alternative clearing system by transfer to a Renminbi bank account maintained in Hong Kong or (ii) for so long as any CNY Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. The relevant Issuer cannot be required to make payment by any other means (including in any other currency or by transfer to a bank account in the PRC).

Gains on the transfer of the Notes may become subject to income taxes under PRC tax laws

Under the PRC Enterprise Income Tax Law and the relevant implementing rules, as amended from time to time, any gain realised on the transfer of CNY Notes by non-PRC resident enterprise holders may be subject to PRC enterprise income tax ("**EIT**") if such gain is regarded as income derived from sources within the PRC. The PRC Enterprise Income Tax Law levies EIT at the rate of 20 per cent. of the PRC-sourced gains derived by such non-PRC resident enterprise holder from the transfer of CNY Notes but its implementation rules have reduced the EIT rate to 10 per cent.

However, uncertainty remains as to whether the gain realised from the transfer of CNY Notes by non-PRC resident enterprise holders would be treated as income derived from sources within the PRC and thus become subject to EIT. This will depend on how the PRC tax authorities interpret, apply or enforce the PRC Enterprise Income Tax Law and the relevant implementing rules. According to the arrangement between the PRC and Hong Kong, for avoidance of double taxation, holders who are residents of Hong Kong, including enterprise holders and individual holders, will not be subject to EIT on capital gains derived from a sale or exchange of CNY Notes.

Therefore, if non-PRC resident enterprise holders are required to pay PRC income tax on gains derived from the transfer of CNY Notes, unless there is an applicable tax treaty between PRC and the jurisdiction in which such non-PRC resident enterprise of CNY Notes reside that reduces or exempts the relevant EIT, the value of their investment in CNY Notes may be materially and adversely affected.

Risks related to the development of a market for Notes which may be issued under the Programme

There is no prior or active trading market for the Notes and such trading market may not develop

Each Tranche of Notes will be new securities which may not be widely distributed and for which there is currently no active trading market (unless, in the case of any particular Tranche of Notes, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Accordingly, the Issuer cannot predict, or give any assurance as to, whether an active or liquid trading market for any particular Tranche of Notes will develop or be sustained. In addition to the creditworthiness, many factors affect the trading market for, and trading value of, the Notes. These factors may include among other things:

- the method of calculating the principal, premium and interest in respect of the Notes;
- the time remaining to the stated maturity of the Notes;
- the outstanding amount of the Notes;
- any redemption features of the Notes;
- the financial condition and results of the relevant Issuer's operations;

- investor confidence and market liquidity; and
- the level, direction and volatility of market interest rates generally.

There may be no, or only a limited number of, buyers when an investor decides to sell the Notes. This may affect the price an investor receives for such Notes or the ability to sell such Notes at all. In addition, Notes that are designed for specific investment objectives or strategies often experience a more limited trading market and more price volatility than those not so designed.

The Notes may be de-listed, which may materially affect an investor's ability to resell

Any Notes that are listed on the London Stock Exchange or any other listing authority, stock exchange or quotation system may be de-listed. If any Notes are de-listed, the relevant Issuer is obliged to endeavour promptly to obtain an alternative listing. Although no assurance is made as to the liquidity of the Notes as a result of listing on the London Stock Exchange or any other listing authority, stock exchange or quotation system, de-listing the Notes may have a material adverse effect on a Noteholder's ability to resell the Notes in the secondary market.

Legal and other Risks

Because the Global Notes will be held by or on behalf of Euroclear, Clearstream, Luxembourg and/or an Alternative Clearing System, investors will have to rely on their procedures for transfer, payment and communication with the relevant Issuer and/or the Guarantor

Notes issued under the Programme (other than VPS Notes) may be represented by one or more Global Notes (namely single notes representing all, or the relevant part, of the entire issue). Such Global Notes will be deposited with a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") and/or a clearing system other than Euroclear or Clearstream, Luxembourg (an "**Alternative Clearing System**", which expression shall include the Central Moneymarkets Unit Service (or any lawful successor thereto (the "**CMU**" or "**CMU Service**") being the book-entry clearing system operated by the Hong Kong Monetary Authority (the "**HKMA**"), the government authority in Hong Kong with responsibility for maintaining currency and banking stability whenever the context permits). Apart from the circumstances described in the relevant Global Note, investors will not be entitled to Notes in definitive form (i.e. physical certificates of ownership). Euroclear, Clearstream, Luxembourg and/or any relevant Alternative Clearing System will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear, Clearstream, Luxembourg and/or any relevant Alternative Clearing System.

While the Notes are represented by one or more Global Notes, the relevant Issuer and the Guarantor, if applicable, will discharge its payment obligations under the Notes by making payments to the common depositary for Euroclear, Clearstream, Luxembourg and/or any relevant Alternative Clearing System for distribution to their relevant account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear, Clearstream, Luxembourg and/or any relevant Alternative Clearing System to receive payments under the relevant Notes. The Issuers and the Guarantor have no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

So long as any Note is represented by a Global Note held through the CMU Service, each person for whose account interest in the Global Note is credited as being held in the CMU, as notified by the CMU Service to the CMU lodging agent appointed for such purpose in a relevant CMU instrument position report (which shows the aggregate nominal value of the instrument specified therein held by members of the CMU Service in CMU securities accounts), will be the only person entitled to receive payments on the Notes represented by the Global Note. Such person(s) must look solely to the CMU paying agent appointed for such purpose (the "**CMU Paying Agent**") for his share of each payment made by the relevant Issuer in respect of the Global Note, and in relation to all other rights arising under the Global Note, subject to and in accordance with the respective rules and procedures of the CMU Service. The relevant Issuer and the Guarantor, if applicable, will be discharged by payment to the CMU Paying Agent, and such person(s) shall have no claim directly against the relevant Issuer and the Guarantor in

respect of payments due on the Notes for so long as the Notes are represented by the Global Note in respect of each amount so paid. Investors are exposed to the creditworthiness of the CMU Paying Agent and may suffer a loss in their investment if the CMU Paying Agent delays in making or fails to make the relevant payment to the aforesaid person(s) upon receiving the relevant payment from the Issuer.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear, Clearstream, Luxembourg and/or any relevant Alternative Clearing System to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes will not have a direct right under the Global Notes to take enforcement action against the relevant Issuer, or the Guarantor, if applicable, in the event of a default under the relevant Notes but will have to rely upon their rights under the Deed of Covenant.

Similarly, VPS Notes will be issued in uncertificated and dematerialised book-entry form registered in the VPS. The VPS will maintain records of the ownership of the VPS Notes. VPS Notes will not be evidenced by any physical note or document of title other than statements of account made by the VPS. Ownership of VPS Notes will be recorded and transfer effected only through the book-entry system and register maintained by the VPS.

The relevant Issuer will discharge its payment obligations under VPS Notes by making payments through the VPS and holders of VPS Notes must therefore rely on the procedures of the VPS to receive payments under VPS Notes. The relevant Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in VPS Notes. Investors with accounts in Euroclear and Clearstream, Luxembourg may hold VPS Notes in their accounts with such clearing systems and the relevant clearing system will be shown in the records of the VPS as the holder of the relevant amount of VPS Notes.

Foreign account tax compliance withholding may apply to payments on the Notes, including as a result of the failure of a Noteholder or a Noteholder's bank or broker to provide information to taxing authorities or withholding agents

A withholding tax as high as 30 per cent. may be imposed on payments made with respect to the Notes, but such withholding will not apply to payments made before the date that is two years after the date on which final regulations defining the term "foreign passthru payment" are enacted, and, other than with respect to Subordinated Notes, only with respect to the Notes, issued or modified at least six months after the date on which final regulations implementing the rules for calculating the amount of such withholding tax are published in final form. The withholding tax, when it applies, may be imposed at any point in a series of payments unless the relevant payee (including a bank, broker or individual) at each point complies with information reporting, certification and related requirements. Accordingly, a Noteholder that holds Notes through a bank or broker could be subject to withholding if, for example, its bank or broker is subject to withholding because the bank or broker fails to comply with these requirements even though the holder itself might not otherwise have been subject to withholding. If a payment on the Notes is subject to this withholding tax, no additional amounts will be paid, and a Noteholder will receive less than the expected amount of the payment.

Prospective investors should consult their tax advisers and their banks or brokers regarding the possibility of this withholding. For more information, see "*Taxation- Foreign Account Tax Compliance Withholding"* below.

Notes subject to prior claims

Claims against ANZBGL under Australian law are subject to mandatory priority provisions including those applying to ADIs (of which ANZBGL is one). These priority provisions include section 13A of the Banking Act, which provides that, in the event that ANZBGL becomes unable to meet its obligations or suspends payment, its assets in Australia are to be available to meet specified liabilities in Australia (including "protected accounts" which include most deposit liabilities) in priority to all other liabilities of ANZBGL (including the Notes). These liabilities will be substantial and are not limited by the Conditions. Further, certain assets, such as the assets of ANZBGL in a cover pool for covered bonds issued by ANZBGL, are excluded from constituting assets in Australia for the purposes of section 13A of the Banking Act, and these assets are subject to the prior claims of the covered bond holders and

certain other secured creditors in respect of the covered bonds. The assets which are subject to such prior claims may also be substantial. In addition, future changes to applicable law may extend the debt required to be preferred by law or the assets to be excluded.

Under the €8 billion ANZ New Zealand covered bond programme, investors have full recourse to ANZNIL or ANZ New Zealand as issuer and ANZ New Zealand as guarantor and also to a cover pool of assets held by the ANZNZ Covered Bond Trust. The assets of the ANZNZ Covered Bond Trust are made up of certain housing loans and related securities originated by ANZ New Zealand and which are security for the guarantee by ANZNZ Covered Bond Trust Limited as trustee of the ANZNZ Covered Bond Trust of covered bonds issued by ANZ New Zealand or ANZNIL, from time to time.

As at 30 September 2020, the rights to cash flows associated with housing loans and related securities with a carrying value of NZ$11,474 million or 6.4 per cent. of the ANZ New Zealand Group's total assets were held in the ANZNZ Covered Bond Trust. The assets of the ANZNZ Covered Bond Trust do not qualify for derecognition as ANZ New Zealand retains substantially all of the risks and rewards of the transferred assets. Therefore, the covered bond programme and the ANZNZ Covered Bond Trust do not change ANZ New Zealand's financial statements. The covered bonds are guaranteed by ANZNZ Covered Bond Trust Limited as trustee of the ANZNZ Covered Bond Trust under the terms of the covered bond programme. The assets of the ANZNZ Covered Bond Trust are not available to creditors of ANZ New Zealand other than covered bond holders, including holders of Notes issued by ANZNIL or ANZ New Zealand, although ANZ New Zealand (or its liquidator or statutory manager) may have a claim against the residual assets of the ANZNZ Covered Bond Trust (if any) after all prior ranking creditors of the ANZNZ Covered Bond Trust have been satisfied.

Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in its account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in its account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

If such Notes in definitive form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Risks relating to the Issuers' and the Guarantor's businesses

Introduction

The Group's activities are subject to risks, including risks arising from the coronavirus pandemic (COVID-19), that can adversely impact its business, operations, results of operations, reputation, prospects, liquidity, capital resources, financial performance and financial condition (together, the "**Group's Position**"). The risks and uncertainties described below are not the only ones that the Group may face. Additional risks and uncertainties that the Group is unaware of, or that the Group currently deems to be immaterial, may also become important factors that affect it. If any of the specified or unspecified risks actually occur, the Group's Position may be materially and adversely affected, with the result that the trading price of the Group's equity or debt securities could decline, and investors could lose all or part of their investment. References in this section to the "Group" are to ANZBGL and its subsidiaries or ANZ New Zealand and its subsidiaries as the context requires. All references in this section to "securities" include the Notes.

Risks related to the Issuer's and the Guarantor's business activities and industry

The COVID-19 pandemic has, and future outbreaks of other communicable diseases or pandemics may, materially and adversely affect the Group's Position

The outbreak of the novel strain of coronavirus in late 2019, specifically identified as SARS-CoV-2, with the disease referred to as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. Due to COVID-19, governments worldwide, including those in Australia and New Zealand, have imposed wide ranging restrictions on, suspensions of, or advice against, travel, events, and meetings and many other normal activities and undertaken substantial and costly monetary and fiscal interventions designed to stabilise sovereign nations and financial markets. Governments may in the foreseeable future implement and introduce further measures to contain the pandemic. The full extent of the duration and impact of the COVID-19 outbreak are unknown at this time, as is the efficacy of the government and central bank interventions.

Major disruptions to community health and economic activity are having wide ranging negative effects across most business sectors in Australia, New Zealand and globally, which in turn has impacted demand for the Group's products and services and resulted in a deterioration of the quality of the Group's credit portfolio. Additionally, many of the Group's borrowers have been negatively impacted by the COVID-19 pandemic and the Group is exposed to an increased risk of credit loss from borrowers, particularly in the following sectors: transportation (including airlines, shipping, road and rail); ports, tourism and travel (including accommodation, food and beverage); healthcare; agriculture; education; retail (including e-commerce due to a reduction in logistics activity); property (particularly shopping malls and hotels); construction and contractors. See Notes 1 and 13 of the ANZBGL 2020 Audited Financial Statements, Notes 1 and 12 of the ANZ New Zealand 2020 Audited Financial Statements and section B3 of the ANZ New Zealand 2020 Disclosure Statement (which are incorporated by reference into this Base Prospectus).

In response to the COVID-19 pandemic, the Group has established a range of accommodations and measures designed to assist its personal and business customers but there can be no assurance that these accommodations and measures will be sufficient to prevent or mitigate further hardship, or ensure the delivery of the Group's products and services, and there is a risk that the Group's Position may be materially and adversely affected. These accommodations and measures, while supporting the Group's customers, may in turn have a negative impact on the Group's Position, may negatively impact the Group's net interest margin, and may result in the Group assuming a greater level of risk than it would have under ordinary circumstances and the Group's Position may be materially and adversely affected as a result.

Significant requests for assistance from retail and small business customers have been received by the Group's customer service team. These requests are anticipated to grow if the crisis deepens and the Group is addressing additional resourcing and process changes to enable it to support its customers. It is uncertain, at this stage, what percentage of its lending portfolio will be impacted. In the longer term, asset values may start to deteriorate if a large quantity of retail and business customers liquidate their investments, either during, or immediately after, the crisis or due to a decrease in demand for these assets. In both scenarios loan-to-value ratios are expected to be impacted.

Substantially reduced global economic activity has already caused substantial volatility in the financial markets and such volatility may continue to emerge. A deterioration of public finances of sovereigns in response to COVID-19 may lead to further increased volatility and widening credit spreads. COVID-19 has also affected, and can be expected to continue to impact, the Group's ability to continue its operations without interruption or delays due to closure of and restricted access to premises, contagion management and travel restrictions. Any related illness or quarantine of the Group's employees or contractors or suspension of the Group's business operations at its branches, stores or offices could affect the Group's Position.

The ongoing ramifications of COVID-19 are highly uncertain and, as at the date of this Base Prospectus, it is difficult to predict the further spread or duration of the pandemic, including whether there will be further outbreaks. All or any of the negative conditions related to the COVID-19 pandemic described above may cause a further reduction in demand for the Group's products and services and/or an increase in loan and other credit defaults, bad debts, and impairments and/or an increase in the cost of the Group's

operations. Should these occur, it is likely that they will result in a material adverse effect on the Group's Position.

Actions taken by regulators in response to the COVID-19 pandemic have impacted, and may continue to impact, the Group. As an example, regulators in some overseas jurisdictions have exercised their powers to prevent banks from declaring dividends or undertaking share buy-backs.

In New Zealand, the RBNZ has frozen the distribution of dividends on ordinary shares by New Zealand incorporated registered banks until 31 March 2021 (or later if required) to support the stability of the financial system. This has prevented, and continues to prevent, ANZBGL's subsidiary, ANZ New Zealand, from paying dividends and has had, and is expected to continue to have, a negative impact on the Group's Level 1 Common Equity Tier 1 ("**CET1**") capital ratio.

In Australia, in July 2020, APRA updated their guidance on capital management, including capital distributions and indicated that for the remainder of the calendar year ADI's boards should:

- seek to retain at least half of their earnings when making decisions on capital distributions (and utilise dividend reinvestment plans and other initiatives to offset the diminution in capital from capital distributions where possible);
- conduct regular stress testing to inform decision-making and demonstrate ongoing lending capacity; and
- make use of capital buffers to absorb the impacts of stress, and continue to lend to support households and businesses.

To the extent the COVID-19 pandemic continues to adversely affect the Group's Position, it may also have the effect of heightening many of the other risks described in this "Risk Factors" section.

Changes in political and general business and economic conditions, including disruption in regional or global credit and capital markets, may adversely affect the Group's Position

The Group'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 the Group or its customers or counterparties operate, trade or raise funding including, without limitation, Australia, New Zealand, the Asia Pacific, the United Kingdom, Europe and the United States (the "**Relevant Jurisdictions**").

The political, economic and business conditions that prevail in the Group's operating and trading markets are affected by, among other things, domestic and international economic events, developments in global financial markets, political perspectives, opinions and related events and natural disasters.

The COVID-19 pandemic is having, and is expected to continue to have, a significant impact on the global economy and global markets, as well as on Australia and New Zealand. The imposition of travel restrictions, border controls, social distancing, quarantine protocols and other containment measures has contributed, and may continue to contribute to a continuing slowdown in economic conditions across the world and suppress demand for commodities, interrupt the supply chain for many industries globally, dampen consumer confidence and suppress business earnings and growth prospects, all of which could contribute to ongoing volatility in global financial markets. See the risk factor entitled "*The COVID-19 pandemic has, and future outbreaks of other communicable diseases or pandemics may, materially and adversely affect the Group's Position*".

A deep global recession has occurred and is continuing. Many countries have experienced large declines in GDP as they restrict activities to manage the spread of the virus, with sharp increases in unemployment rates. These declines in GDP could be exacerbated by further outbreaks of the virus, such as those occurring in Europe, the United States and parts of Asia. Governments have responded and continue to respond with enormous fiscal stimulus packages/measures as well as traditional and unconventional monetary easing and regulatory forbearance that is designed to offset at least some of the worst effects of the pandemic. Nevertheless, such stimulus measures have not prevented the drop in economic activity stemming from the widespread restrictions aimed at stalling the spread of virus.

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. However, 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 impact of the economic disruption caused by COVID-19, and the governmental responses to it, remain uncertain, the Group may be materially adversely affected by a protracted downturn in economic conditions globally and, in particular, in Australia and New Zealand.

The Australian bushfires in late 2019 and early 2020 also impacted a small portion of the Group's customers who are suppliers to the agricultural sector as well as those who reside in and operate businesses within regional and fire impacted communities. If further bushfires were to transpire during the upcoming bushfire season in late 2020 and early 2021, that could have further and potentially worse impacts on the Group's customers.

Even before the Australian bushfires and COVID-19, the impact of the global financial crisis in 2007 and its aftermath continued to affect regional and global economic activity, confidence and capital markets. Prudential authorities implemented increased regulations in an attempt to mitigate the risk of such events recurring, although there can be no assurance that such regulations will be effective. The Group believes that the global financial crisis has also had a lasting effect on consumer and business behaviour in advanced economies, including the major countries and regions in which the Group or its customers or counterparties operate. Consumers in recent years have reduced their savings rates in the face of weak income growth, while businesses have been reluctant to invest and inflation has remained low. The potential for escalation in geopolitical risks has also contributed to vulnerability in consumer and business behaviour. Monetary authorities responded to the global financial crisis by introducing close to zero or below zero interest rates across most countries, and the major central banks took unconventional steps to support growth and raise inflation.

This policy history has been an important precedent for the policy response to COVID-19. The changed behaviour of consumers and businesses, higher debt levels and reduced monetary policy buffers also leave economies more vulnerable to disruptions that might develop from natural disasters such as bushfires or the transmission of new diseases.

Global political conditions that impact the global economy have led to, and may continue to result in extended periods of increased political and economic uncertainty and volatility in the global financial markets, which could adversely affect the Group's Position. Recent examples of events that have affected global political conditions include the United Kingdom's vote to leave the European Union ("**EU**") in a referendum (commonly referred to as "**Brexit**") in 2016, the terms of which remain subject to ongoing negotiations, and global trade developments relating to, among other things, the imposition or threatened imposition of trade tariffs and levies by major countries, including by those that are Australia's and New Zealand's significant trading partners. Domestic U.S. politics have also become more polarized in recent years, and hence a potential source of additional instability. Such global political conditions have contributed to economic uncertainty and volatility in the global financial markets and have negatively impacted and could continue to negatively impact consumer and business activity within the markets in which the Group or its customers or counterparties operate, or result in the introduction of new and/or divergent regulatory frameworks that the Group will need to adhere to.

Trade and broader geopolitical relationships between the United States and some of its trading partners, such as China, remain volatile. The implementation of further protectionist policies by Australia and New Zealand's key trading partners and allies may adversely impact the demand for Australian and New Zealand exports and may lead to declines in global growth.

In anticipation of Brexit, the Group made changes to the structure of its business operations in Europe, however the financial, trade and legal implications of Brexit remain uncertain and its impact may be more severe than expected given that the terms of the United Kingdom's future trading relationship with the EU are still not known and given the lack of comparable precedent. As a result, there can be no assurance that the changes the Group has made to the structure of its business operations in Europe will be sufficient to address the financial, trade and legal implications of Brexit, and the Group is subject to the risk that further changes may be required as a result of the final terms of Brexit.

Political and economic uncertainty has in the past led to declines in market liquidity and activity levels, volatile market conditions, a contraction of available credit, lower or negative interest rates, weaker economic growth and reduced business confidence, each of which may adversely affect the Group's Position. These conditions may also adversely affect the Group's ability to raise medium or long-term funding in the international capital markets.

Geopolitical instability, including potential or actual conflict, occurring around the world, such as the ongoing unrest and conflicts in Ukraine, the Democratic People's Republic of Korea ("North Korea"), Hong Kong, Syria, Egypt, Afghanistan, Iraq, Iran, Nicaragua, Belarus and elsewhere, as well as the current high threat of terrorist activities, may also adversely affect global financial markets, general business and economic conditions and consequently, the Group's ability to continue operating or trading in an affected country or region which in turn may adversely affect the Group's Position.

Should difficult economic conditions in markets in which the Group or its customers or counterparties operate develop or persist, asset values in the housing, commercial or rural property markets could decline, unemployment could rise and corporate and personal incomes could suffer. Deterioration in global markets, including equity, property, currency and other asset markets, may impact the Group's customers and the security the Group holds against loans and other credit exposures, which may impact the Group's ability to recover loans and other credit exposures.

The Group's financial performance may also be adversely affected if the Group is unable to adapt cost structures, products, pricing or activities in response to a drop in demand or lower than expected revenues. Similarly, higher than expected costs (including credit and funding costs) could be incurred because of adverse changes in the economy, general business conditions or the operating environment in the countries or regions in which the Group or its customers or counterparties operate.

All or any of the negative political, business or economic conditions described above may cause a reduction in demand for the Group's products and services and/or an increase in loan and other credit defaults and bad debts, which may adversely affect the Group's Position.

Competition in the markets in which the Group operates may adversely affect the Group's Position

The markets in which the Group operates are highly competitive and could become even more so.

Examples of factors that may affect competition and negatively impact the Group's Position include:

- entities that the Group competes with, including those outside of Australia and New Zealand, could be subject to different levels of regulation and regulatory activity.This could allow them to offer more competitive products and services, including because those different levels give them a lower cost base and/or the ability to attract employees that the Group would otherwise seek to employ;

- 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;

- existing companies from outside of the traditional financial services sector may seek to directly compete with the Group by offering products and services traditionally provided by banks, including by obtaining banking licences and/or by partnering with existing providers;

- consumers and businesses may choose to transact using, or to invest in, new forms of currency (such as cryptocurrencies) in relation to which the Group may choose not to provide financial services; and

- Open Banking (as described below) may lead to increased competition (see the risk factor entitled "*Regulatory changes or a failure to comply with laws, regulations or policies may adversely affect the Group's Position*").

The impact on the Group of an increase in competitive market conditions or a technological change that puts the Group's business platforms at a competitive disadvantage, especially in the Group's main markets

and products, could lead to a material reduction in the Group's market share, customers and margins and adversely affect the Group's Position.

Increased competition for deposits may increase the Group's cost of funding. If the Group is not able to successfully compete for deposits, the Group would be forced to rely more heavily on other, less stable or more expensive forms of funding, or to reduce lending. This may adversely affect the Group's Position.

The COVID-19 pandemic and future economic disruptions could have a significant impact on competition in the financial services sector over the medium-term due to funding cost and provision increases, structurally low interest rates, insufficient liquidity, implementation of business continuity plans, changes to business strategies and temporary regulatory safe harbours. The low-growth environment will likely lead to heightened competitive intensity and margin compression.

Further, the Australian Government and its agencies have sought to lower lending and funding costs for both banks and non-banks. These actions may support providers that compete with the Group.

Given the importance of a functioning and competitive banking sector, and the Australian Government's ongoing desire to pursue a pro-growth agenda in response to the economic disruption caused by the COVID-19 pandemic, it is anticipated that over the longer-term the level of competition in financial services will remain a focus area for the Australian Government. Policy reform in this area may result in increased competitive pressure in the Group's key markets which may adversely affect the Group's Position.

Weakening of the real estate markets in Australia, New Zealand or other markets where the Group does business may adversely affect the Group's Position

Residential and commercial property lending, together with real estate development and investment property finance, constitute important businesses of the Group. Major sub- segments within the Group's lending portfolio include:

- residential housing loans (owner occupier and investment); and
- commercial real estate loans.

Since 2009, the world's major central banks have embarked upon unprecedented monetary policy stimulus. The resulting weight of funds searching for yield continues to be a significant driver underlying property markets in the Group's core property jurisdictions (Australia, New Zealand, Singapore and Hong Kong). However, although values for completed tenanted properties and residential house prices, particularly in metro east coast Australian and New Zealand markets, rose steadily until 2018, the fall in Australian house prices in 2018 was the largest since the global financial crisis. In the latter part of 2019 and early 2020, property prices across Australia had started to increase, although this trend has been disrupted by COVID-19 (see the risk factor entitled "*The COVID-19 pandemic has, and future outbreaks of other communicable diseases or pandemics may, materially and adversely affect the Group's Position*"). The social and economic impacts of the spread of the COVID-19 pandemic and the related measures in place to control it have the potential to drive a material decline in residential property prices due to, among other things, increased unemployment in Australia and New Zealand which, along with a number of other potential factors in the medium term, may result in reductions in house prices.

A continued weakening, potentially compounded by the negative impacts of the COVID-19 pandemic, together with the potential for removal of Government economic stimulus which has deferred the economic impacts, of real estate markets in Australia, New Zealand, and other markets where the Group does business could impact the Group in a number of ways. These include:

- commercial assets could be impacted by weakening tenancy credit profiles and increasingly volatile property cash flows from lease renewals at lower rates, rental abatements, increased incentives and tenancy defaults impacting serviceability and increasing refinance risk;
- declining asset prices could impact customers, counterparties and the value of security (including residential and commercial property) the Group holds against these loans, impacting the Group’s ability to recover amounts owed if customers or counterparties were to default. A

decline in valuations will also contribute to increasing refinance risk. Valuations will be impacted by the combined effect of reduction in rental income and softening in yields (risk adjusted returns and implicit rental growth), notwithstanding the low interest rate environment;

- liquidity concerns arising from an emerging capital gap as existing loans are refinanced or new loans are financed within existing senior lending risk appetite parameters but against lower valuations, creating a need for additional equity contributions from owners or developers or alternative sources of funding. This creates an additional cash flow risk for borrowers and the potential for non-bank financiers to disintermediate;

- declining demand for the Group's residential lending products due to buyer concerns about decreases in values that may make the Group's lending products less attractive to potential homeowners and investors; and

- a material decline in residential housing prices may also cause losses in the Group's residential development portfolio if customers who are pre-committed to purchase these dwellings are unable or unwilling to complete their contracts and the Group is forced to re-sell these dwellings at a loss.

The Group's portfolio of commercial property loans may be particularly susceptible to asset price deflation, tenancy risk (comprising of underlying income generation from tenancy mix and vacancy levels), delivery risk and settlement risk, which may result in higher credit losses, refinance risk and deteriorating security values. A significant decrease in commercial property valuations or a significant slowdown in the commercial real estate markets in the Relevant Jurisdictions, or specific sectors, could result in a decrease in new lending opportunities or lower recovery rates. Furthermore, while there has yet to be a significant downturn of the real estate markets evidenced in the Group's core property jurisdictions (which comprises Australia and New Zealand) due to the impact of COVID-19, it is expected over time that this downturn will occur. So far, commercial property assets have not been forced to market under distressed circumstances because liquidity support has been provided. However, continued liquidity support is not guaranteed, and the marketing of such assets under distress may result in a material adverse shift in valuations.

The market has now shifted mindset from the consequences of a relatively short-term disruption from COVID-19 to the longer term consequences of a deep recession across market segments. At this point, it is unclear as to timing and magnitude of this downturn. It is expected however that the longer the pandemic continues the greater the longer term economic impact will be. The impacts to the residential, rural and commercial property portfolios described above may cause a reduction in demand for the Group's products and services and/or increased costs through higher credit losses that may in turn materially and adversely impact the Group's Position.

Sovereign risk events may destabilise global financial markets and may adversely affect the Group's Position

Sovereign risk is the risk that governments will default on their debt obligations, be unable to refinance their debts as and when they fall due or nationalise parts of their economy. Sovereign risk exists in many economies, including the United States, the United Kingdom, China, Europe, Australia and New Zealand. Should one sovereign default, there could be a cascading effect to other markets and countries, the consequences of which, while difficult to predict, may be similar to or worse than those experienced during the global financial crisis and subsequent sovereign debt crises. Significant uncertainties exist relating to the COVID-19 crisis that is currently unfolding globally. These COVID-19 related uncertainties, combined with pre-existing sovereign risk have been significantly destabilising global financial markets, and may continue to do so, which in turn could adversely affect the Group's Position. For more information on risks relating to the COVID-19 pandemic see the risk factor entitled "*The COVID-19 pandemic has, and future outbreaks of other communicable diseases or pandemics may, materially and adversely affect the Group's Position*".

Market risk events may adversely affect the Group's Position

Market risk is the risk of loss arising from adverse changes in interest rates, currency exchange rates, credit spreads, or from fluctuations in bond, commodity or equity prices. For purposes of financial risk

management, the Group differentiates between traded and non-traded market risks. Traded market risks principally arise from the Group's trading operations in interest rates, foreign exchange, commodities and securities. The non-traded market risk is predominantly interest rate risk in the banking book. Other non-traded market risks include transactional and structural foreign exchange risk arising from capital investments in offshore operations and non-traded equity risk. Losses arising from the occurrence of such market risk events may adversely affect the Group's Position.

As a result of COVID-19, in March 2020 there was a substantial impact to market liquidity across most asset classes as market volatility significantly increased. Over the past six months, market conditions have stabilised but the future impact of COVID-19 on financial markets remains uncertain, particularly as many countries in Europe and parts of Asia, as well as in the United States, are experiencing further outbreaks (see the risk factor entitled "*The COVID-19 pandemic has, and future outbreaks of other communicable diseases or pandemics may, materially and adversely affect the Group's Position*").

Changes in exchange rates may adversely affect the Group's Position

As the Group conducts business in several different currencies, its businesses may be affected by a change in currency exchange rates. Additionally, as the Group's annual and interim reports are prepared and stated in Australian dollars, any appreciation in the Australian dollar against other currencies in which the Group earns revenues (particularly the New Zealand dollar and U.S. dollar) may adversely affect the Group's reported earnings.

While the Group has put in place hedges to partially mitigate the impact of currency changes, there can be no assurance that the Group's hedges will be sufficient or effective, and any further appreciation may have an adverse impact upon the Group's Position.

The regulation, reform and replacement of benchmark rates could have adverse consequences on the Group's securities issuances and its capital markets and investment activities

Interest rate, equity, foreign exchange rate and other types of indices which are deemed to be "benchmarks" including those in widespread and long-standing use (such as LIBOR), have been the subject of ongoing international regulatory scrutiny, and initiatives and proposals for reform. Some of these reforms are already in effect while others are still to be implemented. These reforms may cause benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be fully anticipated.

Any of the benchmark reforms which have been proposed or implemented, or the general increased regulatory scrutiny of benchmarks, could also increase the costs and risks of administering or otherwise participating in the setting of benchmarks and complying with regulations or requirements relating to benchmarks. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain benchmarks, trigger changes in the rules or methodologies used in certain benchmarks or lead to the disappearance of certain benchmarks. Any of these developments, and any future initiatives to regulate, reform or change the administration of benchmarks, could result in adverse consequences to the return on, value of and market for loans, mortgages, securities, derivatives and other financial instruments whose returns are linked to any such benchmark, including those issued, funded or held by the Group.

Various regulators, industry bodies and other market participants globally are engaged in initiatives to develop, introduce and encourage the use of alternative rates to replace certain benchmarks. There is no assurance that these new rates will be accepted or widely used by market participants, or that the characteristics of any of these new rates will be similar to, or produce the economic equivalent of, the benchmarks that they seek to replace. If a particular benchmark were to be discontinued and an alternative rate is not successfully introduced to replace that benchmark, this could result in widespread dislocation in the financial markets, engender volatility in the pricing of securities, derivatives and other instruments, and suppress capital markets activities, all of which could have adverse effects on the Group's Position. In addition, the transition of a particular benchmark to a replacement rate could affect hedge accounting relationships between financial instruments linked to that benchmark and any related derivatives, which could adversely affect the Group's Position.

In July 2017, the FCA, which regulates LIBOR, announced that it will no longer persuade or compel banks to submit rates for the calculation of LIBOR after 2021. There is no certainty as to whether, or on what basis, LIBOR will be calculated and published up to or after 2021. In a subsequent announcement in July 2018, the FCA emphasised the need for market participants to transition away from LIBOR before the end of 2021. Such announcements indicate that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. It is not possible to predict whether, and to what extent, panel banks will continue to provide LIBOR submissions to the administrator of LIBOR going forward. This may cause LIBOR to perform differently than it did in the past and may have other consequences which cannot be predicted.

Vast amounts of loans, mortgages, securities, derivatives and other financial instruments are linked to the LIBOR benchmark, and any failure by market participants and regulators to successfully introduce benchmark rates to replace LIBOR and implement effective transitional arrangements to address the discontinuation of LIBOR could result in disruption in the financial markets, suppress capital markets activities and give rise to litigation claims, all of which could have a negative impact on the Group's Position and on the value of LIBOR-linked securities or other instruments which are issued, funded or held by the Group.

A large number of loans, securities, derivatives and other financial instruments to which the Group is a party and which reference discontinuing benchmark rates without robust provisions for their replacement will need to be transitioned to reference replacement rates and/or include robust contractual fallback provisions in line with emerging market standards. The process of transitioning of this large volume of contracts prior to the end of 2021 involves operational risks for the Group.

Acquisitions and/or divestments may adversely affect the Group's Position

The Group regularly examines a range of corporate opportunities, including acquisitions and divestments, with a view to determining whether those opportunities will enhance the Group's strategic position and financial performance.

Integration (or separation) of an acquired (or divested) business can be complex and costly, sometimes including combining (or separating) relevant accounting and data processing systems, and management controls, as well as managing relevant relationships with employees, customers, regulators, counterparties, suppliers and other business partners.

Integration (or separation) efforts could create inconsistencies in standards, controls, procedures and policies, as well as diverting management attention and resources. There is also the risk of counterparties making claims in respect of completed or uncompleted transactions against the Group that could adversely affect the Group's Position. There can also be no assurance that any acquisition (or divestment) would have the anticipated positive results around cost or cost savings, time to integrate and overall performance. All or any of these factors could adversely affect the Group's ability to conduct its business successfully and impact the Group's operations or results. Additionally, there can be no assurance that employees, customers, counterparties, suppliers and other business partners of newly acquired (or retained) businesses will remain post-acquisition (or post-divestment). Further, there is a risk that completion of an agreed transaction may not occur whether in the form originally agreed between the parties or at all, including due to failure of the counterparty to satisfy its completion conditions or because other completion conditions such as obtaining relevant regulatory or other approvals are not satisfied. Should any of these integration or separation risks occur, this could adversely affect the Group's Position.

Risks related to the Issuers' and the Guarantor's financial situation

Credit risk may adversely affect the Group's Position

As a financial institution, the Group is exposed to the risks associated with extending credit to other parties, including incurring credit-related losses that can occur as a result of a counterparty being unable or unwilling to honour its contractual obligations. Credit losses can and have resulted in financial services organisations realising significant losses and in some cases failing altogether.

The risk of credit-related losses may be increased by a number of factors, including deterioration in the financial condition of the economies in which the Group or its customers or counterparties operate, a

sustained high level of unemployment in the markets in which the Group or its customers or counterparties operate, more expensive imports into Australia and New Zealand due to the reduced strength of the Australian and New Zealand dollars relative to other currencies, a deterioration of the financial condition of the Group's customers or counterparties, a reduction in the value of assets the Group holds as collateral, and a reduction in the market value of the counterparty instruments and obligations it holds.

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.

Some of the Group's customers and counterparties in or with exposures to the below mentioned sectors are increasingly vulnerable:

- industries impacted by the COVID-19 pandemic and adverse weather conditions (e.g. bushfires and drought), particularly: transportation (including airlines, shipping, road and rail); ports, tourism and travel (including accommodation, food and beverage); healthcare; agriculture; education; retail (including e-commerce due to a reduction in logistics activity); property (particularly shopping malls and hotels); construction and contractors;

- industries at risk of sanctions, geopolitical tensions or trade disputes (e.g. technology, agriculture and communications) and/or declining global growth, disruption to global supply chains and actions on climate change (e.g. commodity and energy prices);

- the Australian natural resources sector, which is particularly exposed to any prolonged slowdown in the Chinese economy and could be materially and adversely impacted by a decline in natural resource prices;

- industries reliant on consumer discretionary spend in the markets in which the Group operates are exposed to a slowdown in spending levels, rising unemployment and a combination of a slowing housing market, low wage growth and high household debt or a potential loss in consumer confidence including in the tourism, specialty retail, travel, leisure and the automotive sectors; and

- industries exposed to the recent volatility of the United States Dollar as well as the Australian Dollar and New Zealand Dollar.

The decision by the Group to provide customers impacted by the COVID-19 pandemic the option of suspending or deferring certain mortgage or loan repayments may lead to an increase in the level of credit risk related losses. There can be no guarantee that at the conclusion of this period, customers will be able to recommence their loan repayment obligations, leading to a potential increase in credit risk related losses, which could have a material adverse effect on the Group's Position. See Notes 1 and 13 of the ANZBGL 2020 Audited Financial Statements, Notes 1 and 12 of the ANZ New Zealand 2020 Audited Financial Statements and section B3 of the ANZ New Zealand 2020 Disclosure Statement (which are incorporated by reference into this Base Prospectus).

The Group is also subject to the risk that its rights against third parties may not be enforceable in certain circumstances, which may result in credit losses. Should material credit losses occur to the Group's credit exposures, this may adversely affect the Group's Position.

Credit risk may also arise from certain derivative, clearing and settlement contracts that the Group enters into, and from the Group's dealings with, and holdings of, debt securities issued by other banks, financial institutions, companies, governments and government bodies where the financial conditions of such entities are affected by economic conditions in global financial markets.

In addition, in assessing whether to extend credit or enter into other transactions with customers and/or counterparties, the Group relies on information provided by or on behalf of customers and/or counterparties, including financial statements and other financial information. The Group may also rely on representations of customers and independent consultants as to the accuracy and completeness of that

information. The Group's financial performance could be negatively impacted to the extent that it relies on information that is inaccurate or materially misleading.

The Group holds provisions for credit impairment that are determined based on current information and subjective and complex judgements of the impairment within the Group's lending portfolio. If the information upon which the assessment is made proves to be inaccurate or if the Group fails to analyse the information correctly, the provisions made for credit impairment may be insufficient, which may adversely affect the Group's Position.

Challenges in managing the Group's capital base could give rise to greater volatility in capital ratios, which may adversely affect the Group's Position

The Group's capital base is critical to the management of its businesses and access to funding. Prudential regulators of the Group include, but are not limited to, APRA, the RBNZ and various regulators in the United States, the United Kingdom and the countries in the Asia Pacific region. The Group is required by its primary regulator, APRA, and the RBNZ (for the ANZ New Zealand Group) to maintain adequate regulatory capital.

Under current regulatory requirements, risk-weighted assets and expected loan losses increase as counterparty's risk grade worsens. These regulatory capital requirements are likely to compound the impact of any reduction in capital resulting from lower profits in times of stress. As a result, greater volatility in capital ratios may arise and may require the Group to raise additional capital. There can be no certainty that any additional capital required would be available or could be raised on reasonable terms.

The Group’s capital ratios may be affected by a number of factors, such as (i) lower earnings (including lower dividends from its deconsolidated subsidiaries such as those in the insurance business as well as from its investment in associates), (ii) increased asset growth, (iii) changes in the value of the Australian dollar against other currencies in which the Group operates (particularly the New Zealand dollar and U.S. dollar) that impact risk weighted assets or the foreign currency translation reserve, (iv) changes in business strategy (including acquisitions, divestments and investments or an increase in capital intensive businesses), and (v) changes in regulatory requirements.

APRA and the RBNZ have implemented prudential standards to accommodate Basel III. Certain other regulators have either implemented or are in the process of implementing regulations, including Basel III, that seek to strengthen, among other things, the liquidity and capital requirements of banks, funds management entities and insurance entities, though there can be no assurance that these regulations have had or will have their intended effect. These regulations, together with risks arising from any regulatory changes (including those arising from APRA’s response to the remaining Financial System Inquiry ("**FSI**") recommendations, further changes from APRA's "unquestionably strong" requirements, the requirements of the Basel Committee on Banking Supervision ("**BCBS**"), the RBNZ's review of capital requirements and the RBNZ's amendments to ANZ New Zealand's Conditions of Registration in response to the COVID-19 pandemic, to (among other things) not permit ANZ New Zealand to make distributions other than discretionary payments payable to holders of Additional Tier 1 ("**AT1**") capital instruments), are described in the risk factor entitled "*Regulatory changes or a failure to comply with laws, regulations or policies may adversely affect the Group’s Position*".

Any inability of the Group to maintain its regulatory capital may have a material adverse effect on the Group's Position.

The Group's credit ratings could change and adversely affect the Group's ability to raise capital and wholesale funding and constrain the volume of new lending, which may adversely affect the Group's Position

The Group's credit ratings have a significant impact on both its access to, and cost of, capital and wholesale funding. They may also be important to customers or counterparties when evaluating the Group's products and services. Credit ratings and rating outlooks may be withdrawn, qualified, revised or suspended by credit rating agencies at any time. The methodologies used by ratings agencies to determine credit ratings and rating outlooks may be revised in response to legal or regulatory changes, market developments or for any other reason.

The Group's credit ratings or rating outlooks could be negatively affected by a change in the credit ratings or rating outlooks of the Commonwealth of Australia or New Zealand, the occurrence of one or more of the other risks identified in this document, a change in ratings methodologies or by other events. As a result, downgrades in the Group's credit ratings or rating outlooks could occur that do not reflect changes in the general economic conditions or the Group's financial condition. In addition, the ratings of individual securities (including, but not limited to, certain Tier 1 capital and Tier 2 capital securities and covered bonds) issued by the Group (and other banks globally) could be impacted from time to time by changes in the regulatory requirements for those instruments as well as the ratings methodologies used by rating agencies.

In light of the COVID-19 pandemic, Fitch Ratings ("**Fitch**") and S&P Global Ratings ("**S&P**") have revised the Group's ratings and/or outlook as described below.

On 8 April 2020, ANZBGL confirmed that Fitch changed its ratings of the Australian major banks and their New Zealand bank subsidiaries, including the Group, resulting in the Group's Long-Term Issuer Default Rating ("**IDR**") decreasing one-notch to A+ from AA-. The Outlook on the Group's Long-Term IDR remains Negative. The Group's Short-Term IDR was also downgraded to F1 from F1+. The Group's subordinated debt was also downgraded to A-.

On 9 April 2020, ANZBGL confirmed that S&P revised the outlook on the long-term issuer credit rating for the Commonwealth of Australia to negative from stable. As a result of the sovereign action, S&P has also revised the credit rating outlook of the Australian major banks and their New Zealand bank subsidiaries, including the Group, to negative from stable. S&P reaffirmed the Group's 'AA-' long-term and 'A-1+' short term issuer credit ratings. S&P also reaffirmed all the ratings on debt issued by the Group, including senior and subordinated debt and hybrid Tier 1 capital instruments.

Any future downgrade or potential downgrade to the Group's credit ratings or rating outlooks may reduce access to capital and wholesale debt markets and could lead to an increase in funding costs, which could constrain the volume of new lending and affect the willingness of counterparties to transact with the Group which may adversely affect the Group's Position.

Credit ratings are not a recommendation by the relevant rating agency to invest in securities offered by the Group.

Liquidity and funding risk events may adversely affect the Group's Position

Liquidity and funding risk is the risk that the Group is unable to meet its payment obligations as they fall due (including repaying depositors or maturing wholesale debt) or that the Group 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 the Group's borrowings and constrain the volume of new lending which may adversely affect the Group's Position.

Deterioration and volatility in market conditions, including as experienced in March and April 2020 as COVID-19 began to unfold globally and otherwise as a result of COVID-19, and/or declines in investor confidence in the Group may materially impact the Group's ability to replace maturing liabilities and access funding (in a timely and cost effective manner), which may adversely impact the Group's Position.

The Group raises funding from a variety of sources, including customer deposits and wholesale funding in domestic and in offshore markets to meet its funding requirements and to maintain or grow its business generally. Developments in major markets can adversely affect liquidity in global capital markets. For example, in times of liquidity stress, if there is damage to market confidence in the Group or if funding inside or outside of domestic markets is not available or constrained, the Group's ability to access sources of funding and liquidity may be constrained and it will be exposed to liquidity and funding risk.

In response to the economic impacts of COVID-19, major central banks including in Australia and New Zealand have implemented or expanded the use of alternative monetary policy tools including quantitative easing and certain other facilities that directly provide funding to banks in their relevant

jurisdiction, including the Group. If these tools were to be withdrawn or significantly reduced unexpectedly the Group may be required to seek alternative funding.

The availability of alternative funding, and the terms on which it may be available, will depend on a variety of factors, including prevailing market conditions and the Group's credit ratings at that time (which are strongly influenced by Australia's and New Zealand's sovereign credit rating). Even if available, the cost of these funding alternatives may be more expensive or on unfavourable terms that may adversely affect the Group's Position.

Changes in the valuation of some of the Group's assets and liabilities may adversely affect the Group's earnings and/or equity, and therefore the Group's Position

The Group applies accounting standards that require that various financial instruments, including derivative instruments, assets and liabilities classified as fair value through other comprehensive income, and certain other assets and liabilities (as per Note 17 of the ANZBGL 2020 Audited Financial Statements (which are incorporated by reference into this Base Prospectus)) are measured at fair value with changes in fair value recognised in earnings or equity.

Generally, in order to establish the fair value of these instruments, the Group relies on quoted market prices or, where the market for a financial instrument is not sufficiently active, fair values are based on present value estimates or other valuation techniques that incorporate the impact of factors that would influence the fair value as determined by a market participant. The fair value of these instruments is impacted by changes in market prices or valuation inputs that may have a material adverse effect on the Group's earnings and/or equity.

In addition, the Group may be exposed to a reduction in the value of non-lending related assets as a result of impairments that are recognised in earnings. The Group is required to test the recoverability of goodwill balances and intangible assets with indefinite useful lives or not yet available for use at least annually and other non-lending related assets including premises and equipment, investment in associates, capitalised software and other intangible assets where there are indicators of impairment.

For the purpose of assessing the recoverability of the goodwill balances, the Group uses a multiple of earnings calculation. Changes in the assumptions upon which the calculation is based, together with changes in earnings, may materially impact this assessment, resulting in the potential write-off of a part or all of the goodwill balances.

In respect of other non-lending related assets, in the event that an asset is no longer in use, or that the cash flows generated by the asset do not support the carrying value, impairment charges may be recorded. This, in conjunction with the other potential changes above, could impact the Group's Position.

In making these assessments, the Group considers relevant internal and external information available. This includes assessing the ongoing impact of COVID-19, and related responses of governments, regulators and businesses, on the carrying values of the Group's assets. There is a high degree of uncertainty associated with the duration and impact of COVID-19 which may affect the recoverability of Group assets in future periods.

Changes to accounting policies may adversely affect the Group's Position

The accounting policies that the Group applies are fundamental to how it records and reports its financial position and results of operations. Management must exercise judgement in selecting and applying many of these accounting policies so that they not only comply with the applicable accounting standards or interpretations but that they also reflect the most appropriate manner in which to record and report on the Group's financial position and results of operations. However, these accounting policies may be applied inaccurately, resulting in a misstatement of the Group's financial position. In addition, the application of new or revised accounting standards or interpretations may adversely affect the Group's Position.

The impact of new accounting standards effective for the first time in the Group's 2020 financial year is outlined in Note 1 of the ANZBGL 2020 Audited Financial Statements and Note 1 of the ANZ New Zealand 2020 Audited Financial Statements (which are incorporated by reference into this Base Prospectus).

In some cases, management must select an accounting policy from two or more alternatives, any of which would comply with the relevant accounting standard or interpretation and be reasonable under the circumstances, yet might result in reporting materially different outcomes than would have been reported under the alternative.

Legal and regulatory risk

Regulatory changes or a failure to comply with laws, regulations or policies may adversely affect the Group's Position

The Group's businesses and operations are highly regulated. The Group is subject to a substantial and increasing number of laws, regulations and policies, including industry self-regulation, in the Relevant Jurisdictions in which it carries on business or obtains funding and is supervised by a number of different authorities in each of these jurisdictions. The volume of changes, and resources allocated to the regulation and supervision of financial services groups, such as the Group, and the enforcement of laws against them, has increased substantially in recent years, including in response to community concern regarding the conduct of financial services groups in Australia and New Zealand. As a result, the regulation and supervision of, and enforcement against, financial services groups, including the Group has become increasingly extensive, complex and costly across the Relevant Jurisdictions. Such regulation, supervision and enforcement continue to evolve.

The exact ramifications of COVID-19 on the regulation and supervision of, and enforcement against, financial services groups such as the Group remain highly uncertain and, as at the date of this Base Prospectus, difficult to predict. There have been actual and proposed delays to the implementation of regulatory reforms in Australia and New Zealand and a re-ranking of priorities, including enforcement priorities. Governments worldwide have imposed wide ranging restrictions on, suspensions of, or advice against, travel, events, and meetings and many other normal activities and undertaken substantial and costly interventions to stabilise sovereign nations and financial markets. Governments already have and may continue to implement and introduce further measures to contain the pandemic.

The ongoing COVID-19 pandemic also has the potential to complicate the Group's dealings with its regulators in a number of ways. In particular, disruptions to the Group's business, operations, third party contractors and suppliers resulting from the COVID-19 outbreak may increase the risk that the Group will not be able to satisfy its regulatory obligations or processes and/or address outstanding issues, potentially increasing the prospect of a regulator taking adverse action against the Group. Although there is continuing engagement with regulators with respect to banking industry wide loan repayment deferrals and assistance to customers to get back to making their repayments, the Group remains susceptible to regulatory action where it fails to satisfy its regulatory obligations.

In Australia:

Prudential Developments

Developments in prudential regulation continue to impact the Group in a material way. Given the number of items that are currently open for consultation with APRA and the RBNZ, the potential impacts on the Group remain uncertain. Further changes to APRA's or the RBNZ's prudential standards could increase the level of regulatory capital that the Group is required to maintain, restrict the Group's flexibility, require it to incur substantial costs and/or impact the profitability of one or more business lines any of which may adversely affect the Group's Position. Particular points include:

- APRA is impacted by the evolving situation surrounding COVID-19. Certain engagements are being cancelled, deferred or restructured to limit direct contact. APRA has limited members of its supervision team from attending its office. Primary areas of interest include the impact on funding and liquidity, markets, operational resilience and payments.

- In October 2019, APRA released a discussion paper on draft revisions to the prudential standard APS111 "Capital Adequacy: Measurement of Capital" ("**APS111**") for consultation. The most material change from APRA's proposal is in relation to the treatment of capital investments for each banking and insurance subsidiary at Level 1, with the tangible component of the investment changing from a 400 per cent. risk weighting to:

- 250 per cent. risk weighting up to an amount equal to 10 per cent. of ANZBGL's net Level 1 CET1 capital; and
- the remainder of the investment will be treated as a CET1 capital deduction.

ANZBGL continues to review the implications for its current investments. The net impact on the Group is unclear and will depend upon a number of factors including the capitalisation of the affected subsidiaries at the time of implementation, the final form of the prudential standard, as well as the effect of management actions being pursued that have the potential to materially offset the impact of these proposals. Based on ANZBGL's current investment as at 30 September 2020 in its affected subsidiaries and in the absence of any offsetting management actions, the above proposals imply a reduction in ANZBGL's Level 1 CET1 capital ratio of up to approximately A$2.5 billion (approximately 70 basis points). There would be no impact on the Group's Level 2 CET1 capital ratio arising from these proposed changes. The proposed implementation date of 1 January 2021 for these changes is currently under review by APRA and is expected to be delayed to 1 January 2022.

- In August 2019, APRA announced that it will amend APS222 "Associations with Related Entities" to reduce the limits for Australian ADIs' individual entity exposure to related ADIs (or overseas equivalents) from 50 per cent. of Level 1 total capital to 25 per cent. of Level 1 Tier 1 capital, and aggregate exposures from 150 per cent. of Level 1 total capital to 75 per cent. of Level 1 Tier 1 capital. As exposures are measured net of capital deductions, the proposed changes to APRA's capital regulations (contained in APS111) will affect the measurement of ADI exposures. The implementation date for these changes has been deferred by APRA to 1 January 2022 (12 month deferral from initial implementation date of 1 January 2021).

- In July 2019, APRA announced its decision on loss-absorbing capacity pursuant to which it will require Australian domestic systemically important banks ("**D-SIBs**"), including ANZBGL, to increase their total capital by 3 per cent. of risk-weighted assets by January 2024. Based on the Group's capital position as at 30 September 2020, this represents an incremental increase in the total capital requirement of approximately A$7.5 billion, with an equivalent decrease in other senior funding. APRA has stated that it anticipates that D-SIBs would satisfy the requirement predominantly with Additional Tier 2 capital. APRA is considering, over the next four years, feasible alternative methods for raising an additional 1 per cent. to 2 per cent. of risk weighted assets.

- Implementation of APRA's revisions to the capital framework for ADIs, resulting from the BCBS Basel III capital reforms and the recommendations of the FSI, will continue over the coming years. However in response to the challenging economic environment resulting from disruption caused by COVID-19, APRA announced a temporary change to its expectations with regards to ADIs maintaining bank capital ratios at the "unquestionably strong" benchmark of 10.5 per cent. for CET1. APRA advised all banks that during this period of disruption resulting from the COVID-19 pandemic, APRA would not be concerned if banks are not meeting this benchmark as the current large buffers may be needed to facilitate ongoing lending to the Australian economy, provided that they continue to meet their other minimum capital requirements.

- Additionally, as further support for ADIs in dedicating time and resources to maintain their operations and support customers, APRA has also deferred its scheduled implementation of changes to ADIs risk-weighting framework and other capital requirements (capital reforms) by one year. The majority of the capital reforms were initially due for implementation on 1 January 2022, but these have now been revised to 1 January 2023. APRA has announced that it does not expect that the changes to the risk weights, when implemented, will necessitate further increases in capital for ADIs, although this could vary by ADI depending on the final requirements. On 10 August 2020, APRA announced it will recommence public consultations on select policy reforms (including ADI capital reforms incorporating APRA’s unquestionably strong framework, Basel III and measures to improve transparency, comparability and flexibility) and begin a phased resumption of the issuing of new licenses.

- As a result of the COVID-19 disruption, on 7 April 2020, APRA wrote to ADIs and indicated that during the period of the disruption (and at least in the next two months from the date of the guidance), APRA expects ADIs to seriously consider deferring decisions on the appropriate level of dividends until the outlook is clearer. In line with APRA's guidance, ANZBGL's Board of Directors deferred its decision on the 2020 interim dividend until there is greater clarity regarding the economic impact of COVID-19. In July 2020, APRA provided an update which replaces the above guidance from April 2020. In the updated guidance, APRA acknowledged that the uncertainty in the economic outlook has reduced somewhat since April 2020 and APRA had the opportunity to review ADIs' financial projections and stress testing results. Taking these and other developments since April 2020 into account, APRA advised ADIs to maintain caution in planning capital distributions, including dividend payments and that for the remainder of the calendar year, the ADIs' Board should:
  - seek to retain at least half of their earnings when making decisions on capital distributions (and utilise dividend reinvestment plans and other initiatives to offset the diminution in capital from capital distributions where possible);
  - conduct regular stress testing to inform decision-making and demonstrate ongoing lending capacity; and
  - make use of capital buffers to absorb the impacts of stress, and continue to lend to support households and businesses.

  The Group's 2020 interim dividend of 25 cents per share (paid to shareholders on 30 September 2020) and proposed 2020 final dividend of 35 cents per share (announced by the Group on 29 October 2020) took into account the updated regulatory guidance above.

- In March 2020, APRA confirmed that loans that have been granted repayment deferrals, as part of COVID-19 support measures, would not be treated as restructured for regulatory capital treatment purposes, to the extent that the borrower has otherwise been meeting their repayment obligations. The above treatment was announced for an initial period of up to 6 months, but in July 2020, APRA has advised the extension of this approach to cover a maximum period of the earlier of 10 months from the start of a repayment deferral and 31 March 2021.

- The RBNZ has completed a comprehensive review of the capital adequacy framework for registered banks in New Zealand, and released its final decisions on key components of the capital review in December 2019. The net impact on the Group is an increase in CET1 capital of approximately A$2.1 billion over the seven year transition period. In response to the COVID-19 pandemic, the RBNZ delayed the start date for the increase in bank capital arising from the capital reforms for New Zealand incorporated banks to 2022. Some aspects of the capital reforms will proceed from 1 July 2021, including the new rules around capital instruments. The conclusion of the transition period is 1 July 2028. The implementation timetable may be revised if conditions warrant in 2021. The net impact will be reduced by approximately A$0.5 billion upon conversion of the NZ$500 million of mandatory convertible perpetual subordinated securities ("**Capital Notes**") into new Group ordinary shares scheduled to occur in May 2022.

- With effect from 2 April 2020, the RBNZ amended ANZ New Zealand's Conditions of Registration to (among other things) not permit ANZ New Zealand to make distributions other than discretionary payments payable to holders of AT1 capital instruments. This restriction applies to all New Zealand-incorporated registered banks, and is intended to support the stability of the financial system during the COVID-19 pandemic. The RBNZ also informed ANZ New Zealand, and other New Zealand-incorporated registered banks, that they should not redeem capital instruments at this time. Accordingly ANZ New Zealand was not permitted to redeem its Capital Notes in May 2020, although ANZ New Zealand can continue making interest payments on those Capital Notes (subject to certain conditions). Further, ANZ New Zealand announced that it would not exercise its option to convert the Capital Notes in May 2020. The terms of the Capital Notes provide for their

conversion into a variable number of ANZBGL ordinary shares in May 2022 (subject to certain conditions). Conversion would result in an increase in the Group's CET1 capital (approximately 10 basis points) at Level 2.

Recalibration of ASIC's Regulatory Priorities

ASIC announced on 23 March 2020 that it will focus its regulatory efforts on challenges created by COVID-19. Since then, ASIC has afforded priority to matters where there is the risk of significant consumer harm, serious breaches of the law, risks to market integrity and time-critical matters. This included a focus on loan deferral programmes and customers dealing with hardship. ASIC immediately suspended a number of near-term activities which are not time-critical. These included consultation, regulatory reports and reviews including ASIC's close and continuous monitoring program. In April 2020, ASIC announced further details of changes to its regulatory work and priorities in light of COVID-19, including that it has stepped up markets supervision work and that enforcement action will continue. However, ASIC stated that there may be changes to the timing and process of investigations it is conducting to take in account the impact of COVID-19. In May 2020, ASIC announced that it would defer the commencement date of the mortgage broker best interest duty and remuneration reforms and the design and distribution obligations by six months to 1 January 2021 and 5 October 2021 respectively. In August 2020, ASIC released its Corporate Plan for 2020 through 2024 which outlines actions ASIC are taking to address the impact of the COVID-19 pandemic as well as longer term threats and harms in the regulatory environment. A key stated consideration of ASIC is to support the long term recovery of the Australian economy. Strategic priorities responding to the COVID-19 pandemic include: (i) protecting consumers from harm at a time of heightened vulnerability; (ii) maintaining financial system resilience and stability; (iii) supporting Australian businesses to respond to the effects of the COVID-19 pandemic; (iv) continuing to identify, disrupt and take enforcement action against the most harmful conduct; and (v) continuing to build ASIC organisational capacity in challenging times.

Royal Commission

The Royal Commission made 76 recommendations concerning law reform, self-regulatory standards and the operations of ASIC and APRA, some of which have already been implemented. The Australian Government Treasury stated that most of the remaining recommendations are proposed to be implemented between 2020 and 2022, subject to certain six-month deferrals announced by the Treasury on 8 May 2020. In addition, the Royal Commission has led or may lead to regulators commencing investigations into various financial services entities, including the Group. The recommendations could result in additional costs and may lead to further exposures, including exposures associated with further regulator activity or potential customer exposures such as class actions, individual claims or customer remediation or compensation activities. The recommendations may also lead to adjustments in the competitive environment of the Group. The outcomes and total costs associated with these possible exposures and changes remain uncertain and their impact may adversely affect the Group's Position.

Competition Laws, Regulations and Inquiries

There is a strong focus on the regulation of competition in the financial services sector. In October 2019, the Australian Government directed the Australian Competition & Consumer Commission ("**ACCC**") to immediately commence an inquiry into home loan pricing of the major Australian banks, which includes the Group. The ACCC released its interim report with respect to the inquiry on 27 April 2020 and reviewed factors influencing interest rate setting decisions and the pricing of mortgages, however the interim report did not contain recommendations. The final report is expected to examine the impediments consumers face when switching lenders and will provide recommendations focused on driving further competition in the home loan market. In light of the COVID-19 pandemic, the timeframe of the inquiry's final report has been extended to 30 November 2020. In July 2019, the ACCC released its final report of its Digital Platforms Inquiry. This report recommended reforms to privacy and certain consumer protections. The Australian Government in December 2019 committed to adopting the key recommendations from the inquiry, with reforms that will focus on promoting competition and enhancing consumer protections. A final report from the ACCC on customer loyalty schemes was released in December 2019. Legislative, regulatory or supervisory changes in response to each of these reports could adversely affect the Group's Position.

Product Laws, Regulations and Inquiries

There remains a strong focus on the suitability of products offered by financial services providers, including the Group. Regulatory policy development and monitoring of responsible consumer lending has increased significantly, and continues to drive the review of, and changes to, business practices. If any additional changes in law, regulation or policy are implemented, as a result of the development and monitoring of responsible consumer lending, such changes may impact the manner in which the Group provides consumer lending services in the future that may in some respects adversely affect the Group's operations in this area and consequently, the Group's Position. ASIC published updated regulatory guidance on responsible lending laws in December 2019. In September 2020, the Government announced proposed changes to Australia's credit framework, including changes to the responsible lending obligations for ADIs, where APRA will continue to regulate ADIs in relation to existing standards, while ASIC will regulate non ADIs in relation to new standards. Stricter anti-hawking laws are proposed in relation to financial products and a deferred sales model for add on insurance. The design and distribution obligation legislation will introduce requirements on product issuers and distributors to, among other things, identify appropriate target markets for financial and credit products and distribute those products so that they likely reach the relevant target market. There are significant penalties for non-compliance and such legislation could impact the Group's ability to issue and market financial products in the future. Increased compliance costs resulting from financial product distribution requirements may adversely impact the Group's Position.

Increasing Regulatory Powers, Corporate Penalties and Funding for Regulators

There are increased penalties for breaches of laws in Australia, as well as increased powers to regulators and funding for regulators to prosecute breaches. Increasing regulatory powers include ASIC's product intervention power and proposed expansions of ASIC directions powers and breach reporting laws. The Australian Consumer Law was amended to increase penalties for breaches of consumer law from September 2018. The increased penalties relate to unconscionable conduct, false or misleading representations about goods or services, unfair practices, the safety of consumer goods and product-related services and information standards. The Australian Government announced in March 2019 that ASIC would be provided with more than A$400 million and APRA with more than A$150 million in additional funding to support enforcement, regulation and supervision. The Treasury Laws Amendment (Strengthening Corporate and Financial Sector Penalties) Act 2019 significantly increased the sanctions applicable to the contravention of a range of corporate and financial sector obligations. The imposition of such penalties on the Group may adversely affect the Group's Position.

Senior Executive Accountability Laws and Regulations

There are increasing penalties and specialised rules applicable to senior executives in the banking sector. The Banking Executive Accountability Regime ("**BEAR**") was introduced as a new responsibility and accountability framework for the directors and most senior executives in ADI groups. The Australian Government announced in January 2020 that BEAR will be replaced by the Financial Accountability Regime ("**FAR**"), which proposes to extend the regime to other APRA-regulated entities. FAR would be jointly administered by APRA and ASIC and could impose larger civil penalties for any breaches, including for individuals. Potential risks to the Group from the BEAR legislation and FAR include the risk of penalties and the risk to the Group's ability to attract and retain high-quality directors and senior executives.

Other Government or regulatory interventions in the financial sector

There remain ongoing Australian Government and regulator led inquiries and interventions into Australia's banks. These inquiries are wide ranging and could lead to legislative or regulatory changes or measures that may adversely affect the Group's Position, including through taxes and levies. Scrutiny of banks also increased substantially following the commencement by the AUSTRAC of civil penalty proceedings in 2017 and 2019 against two major Australian banks relating to alleged past and ongoing contraventions of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Commonwealth). See also the risk factor "*Significant fines and sanctions in the event of breaches of law or regulation relating to anti-money laundering, counter-terrorism financing and sanctions may adversely affect the Group's Position*" below.

Industry self-regulation

There is continued focus on industry best practice guidance and standards impacting retail and small business banking. Changes to self-regulatory instruments, including industry codes and practice guidelines, is requiring considerable Group resources to implement and monitor compliance. A new Australian Banking Code came into effect from July 2019, with further changes to certain retail and small business products and processes introduced in March 2020. Industry guidance on working with vulnerable customers is also evolving. Such changes may impact the products that the Group is able to offer to its customers and the operational costs associated with delivery, which may adversely impact the Group's Position. Draft legislation implementing key recommendations of the Financial Services Royal Commission includes legislation under which certain industry code provisions (including the Banking Code of Practice) can be deemed as 'enforceable code provisions', the breach of which would attract civil penalties.

Open Banking Laws

Open Banking is part of a new consumer data right in Australia that was made law in August 2019. The consumer data right it establishes seeks to improve consumers' ability to compare and switch between products and services. From 1 July 2020, individual customers can request their bank share their data for deposit and transaction accounts and credit and debit cards. Additional data availability is scheduled over the coming months. It is expected to reduce the barriers to new entrants into the banking industry in Australia. Open Banking may lead to increased competition that may adversely affect the Group's Position.

Outside of Australia:

New Zealand Developments

The New Zealand Government and its agencies, including the RBNZ, the Financial Markets Authority ("**FMA**") and the New Zealand Commerce Commission ("**Commerce Commission**"), have supervisory oversight over the ANZ New Zealand Group. Prudential authorities such as the RBNZ have extensive administrative, practical and investigative powers over the ANZ New Zealand Group's business. There have been a series of regulatory releases from these and other authorities that have proposed, or may result in, significant regulatory changes for financial institutions. For example:

- *Prudential Developments*: The ANZ New Zealand Group continues to expect increased regulatory focus on capital and liquidity requirements (subject to delays due to the COVID-19 pandemic – for more information see "*Description of Supervision and Regulation of ANZ Bank New Zealand Limited and ANZ New Zealand (Int'l) Limited—New Zealand Regulatory Developments—Regulatory Response to the COVID-19 Pandemic and Other Developments"*). For example, the RBNZ, APRA, the BCBS and regulators in other jurisdictions have revised standards and released discussion papers, proposals and decisions in regards to strengthening the resilience of the banking sector. Further changes to the RBNZ's prudential standards could increase the level of regulatory capital that the ANZ New Zealand Group is required to maintain, restrict the ANZ New Zealand Group's flexibility, require it to incur substantial costs and/or impact the profitability of one or more of its business lines, any of which may adversely affect the ANZ New Zealand Group's Position. For example, the following RBNZ reviews and policies may have a material impact on ANZ New Zealand's Position.

    - *Review of capital requirements*: See *"Risk Factors—Risks related to the Issuer's and the Guarantor's financial situation— Challenges in managing the Group's capital base could give rise to greater volatility in capital ratios, which may adversely affect the Group's Position"* and *"Regulation and Supervision—New Zealand Regulatory Developments—RBNZ review of capital requirements"* for further discussion.

    - *RBNZ Liquidity Policy:* The RBNZ's Liquidity Policy ("**BS13**") sets out the RBNZ's policy on management of liquidity risk by registered banks in New Zealand. The objective of BS13 is to contribute to the effective functioning of the New Zealand financial system by reducing the likelihood of a liquidity problem affecting a registered

bank. BS13 requires registered banks to meet a minimum core funding ratio of 75 per cent., ensuring that at least a minimum proportion of bank funding is met through customer deposits, term wholesale funding and Tier 1 capital. With effect from 2 April 2020, the RBNZ amended ANZ New Zealand's Conditions of Registration to reduce the minimum requirement for ANZ New Zealand's core funding ratio to 50 per cent. in response to the COVID-19 pandemic. The RBNZ has previously stated that it will be reviewing its liquidity policy in light of the Basel Committee on Banking Supervision's new liquidity requirements. Future changes to liquidity requirements in New Zealand may adversely affect the ANZ New Zealand Group's Position and may result in it incurring substantial costs in order to comply with such changes.

- *Review of mortgage bond collateral standards:* The RBNZ has undertaken consultation on the terms under which it would be prepared to accept mortgage bonds (such as residential mortgage-backed securities or covered bonds) as collateral for its lending operations in the future, and has proposed a new Residential Mortgage Obligations ("**RMO**") standard. The proposed RMO standard would introduce new requirements that ANZ New Zealand's mortgage bonds would need to comply with in order to be accepted as collateral for the RBNZ's lending operations. Failure to comply with the new requirements would result in ANZ New Zealand's mortgage bonds not being treated as eligible collateral, which may adversely affect the ANZ New Zealand Group's Position. Compliance with the new RMO standard would also involve compliance costs for the ANZ New Zealand Group. See *"—New Zealand Regulatory Developments—RBNZ review of mortgage bond collateral standards"* for further discussion.

- *RBNZ regulatory approach:* The RBNZ announced in June 2019 that it would intensify its supervision of financial institutions (including ANZ New Zealand). The RBNZ indicated that financial institutions could expect more intrusive supervision, including more reviews, a deeper scrutiny of boards and management, and enforcement action in cases of non-compliance. Such changes could result in an increase in the nature and scale of regulatory investigations and reviews, civil and criminal enforcement actions (whether by court action or otherwise), formal and informal inquiries, regulatory supervisory activities and the quantum of fines issued by regulators against financial institutions (such as ANZ New Zealand). The total costs associated with such reviews and possible exposures remain uncertain.

- *Amendments to the Credit Contracts and Consumer Finance Act 2003 ("**CCCFA**")*: In December 2019, the New Zealand Parliament passed legislation amending the CCCFA to better protect vulnerable consumers from irresponsible lending. As at the date of this Base Prospectus, it is uncertain what impact the amendments will have on ANZ New Zealand. However, they could result in increased compliance costs and/or liability in the case of non-compliance, which may adversely affect the ANZ New Zealand Group's Position. See *"—New Zealand Regulatory Developments—Amendments to the Credit Contracts and Consumer Finance Act 2003"* for further discussion.

- *Changes to Conditions of Registration*: ANZ New Zealand is a registered bank under the Reserve Bank Act and supervised by the RBNZ. As part of its registration, ANZ New Zealand is subject to Conditions of Registration imposed by the RBNZ. For details of ANZ New Zealand's current Conditions of Registration, see *"—Conditions of Registration for ANZ Bank New Zealand Limited"*. The Conditions of Registration may be changed by the RBNZ at any time, although the RBNZ is required to give ANZ New Zealand notice and consider submissions made by ANZ New Zealand prior to any such change. The ANZ New Zealand Group disclosed a number of instances of non-compliance with its Conditions of Registration in the ANZ New Zealand 2020 Disclosure Statement. See *"—Non-compliance with Conditions of Registration"* In the event that the RBNZ were to conclude that ANZ New Zealand did not satisfy its Conditions of Registration, sanctions could be imposed on ANZ New Zealand by the RBNZ. This may result in a range of possible consequences, including changes to ANZ New Zealand's

Conditions of Registration. The impact of such consequences may adversely affect the ANZ New Zealand Group's Position.

- *Section 95 Reviews*: In July 2019, the RBNZ gave ANZ New Zealand notice under section 95 of the Reserve Bank Act, requiring ANZ New Zealand to engage an external reviewer to provide reports regarding ANZ New Zealand's compliance with the RBNZ's capital adequacy requirements and the effectiveness of ANZ New Zealand's director attestation and assurance framework. See "*Description of Supervision and Regulation of ANZ Bank New Zealand Limited and ANZ New Zealand (Int'l) Limited—New Zealand Regulatory Developments—Section 95 Reviews"* for further information.

- *Changes to IRB accreditation*: ANZ New Zealand has received RBNZ accreditation as an advanced IRB approach bank under the principles laid out by the BCBS in respect of Basel III, except for Operational Risk Capital ("**ORC**"), which is calculated in accordance with the RBNZ's "Capital Adequacy Framework (Standardised Approach) (BS2A)" ("**BS2A**") from 31 March 2019. That accreditation is subject to certain requirements which have been incorporated into the current Conditions of Registration. ANZ New Zealand is reviewed by both the RBNZ and APRA in terms of maintaining that accreditation. Changes to ANZ New Zealand's accreditation may adversely affect the ANZ New Zealand Group's Position.

- *Proposed conduct regulations for financial institutions:* Following the establishment of the Australian Royal Commission (as defined below) and the subsequent FMA and RBNZ joint review of conduct and culture in the New Zealand banking sector, the New Zealand Government has introduced a bill to the New Zealand Parliament that would introduce a conduct licensing regime for financial institutions. Under the proposed regime, financial institutions (including registered banks such as ANZ New Zealand) would be licensed by the FMA, and would be required to comply with a fair conduct principle in relation to their customers. Licensed institutions would also be required to establish, implement, maintain and comply with an effective fair conduct program to operationalise the fair conduct principle. As at the date of this Base Prospectus, it is uncertain what impact the proposals may have on ANZ New Zealand. However, they could result in increased compliance costs and/or liability in the case of non-compliance, which may adversely affect the ANZ New Zealand Group's Position. See *"—New Zealand Regulatory Developments—Proposed conduct regulations for financial institutions"* for further discussion.

- *New Zealand Government's review of the Reserve Bank Act:* The New Zealand Government is currently undertaking the second phase of its review of the Reserve Bank Act. The Government announced in December 2019 that it intends to replace the Reserve Bank Act with two separate pieces of legislation – the "Reserve Bank of New Zealand Act" and the "Deposit Takers Act" – which will implement the decisions from this review. As at the date of this Base Prospectus, it is uncertain what impact the review and subsequent legislative changes may have on the ANZ New Zealand Group. However, changes to the RBNZ's role, powers and supervisory approach, and other changes to the Reserve Bank Act resulting from this review, may impact the ANZ New Zealand Group's Position. See *"—New Zealand Regulatory Developments—Review of the Reserve Bank Act"* for further discussion, including in-principle decisions that have been made by the New Zealand Government.

- *RBNZ's revised outsourcing policy ("**BS11**")*: BS11 requires large New Zealand incorporated banks, such as ANZ New Zealand, to have the legal and practical ability to control and execute outsourced functions. BS11 applies to all new outsourcing arrangements entered into from 1 October 2017. Existing outsourcing arrangements have until 1 October 2023, to transition to full compliance with BS11. A formal programme has been established and is responsible for delivering ANZ New Zealand's compliance with BS11, as outlined in its Path-to-Compliance Plan. ANZ New Zealand is incurring substantial costs to comply with the changes. The BS11 requirements form part of ANZ New Zealand's Conditions of Registration. If ANZ New Zealand does not comply with its Conditions of Registration in relation to outsourcing, the RBNZ could take enforcement action. This may result in a range of possible consequences, including imposing further restrictions on ANZ New Zealand's use of outsourcing. The impact of such

consequences may adversely affect the ANZ New Zealand Group's Position. See *"—New Zealand Regulatory Developments—RBNZ's revised outsourcing policy"* for further discussion.

- *RBNZ breach disclosure and reporting regime:* A new framework for the reporting and publishing of regulatory breaches by banks was announced by the RBNZ in September 2019. The new policy will require a bank to report promptly to the RBNZ when there is a breach or possible breach of a regulatory requirement in a material manner, and report all minor breaches every six months. Actual material breaches will then be published on the RBNZ's website. The policy is planned to take effect from 1 January 2021.

- *Open Banking:* emerging fintechs and banks partnering to develop a framework that provides third-party financial service providers open access to consumer banking, transaction, and other financial data from banks and non-bank financial institutions in New Zealand may lead to increased competition, which could result in weakening the profitability of banks that are slow to adapt to the changing financial system landscape. At the date of this Base Prospectus, there is no regulatory requirement to provide third-party financial service providers open access to consumer banking, transaction, and other financial data held by registered banks in New Zealand. The New Zealand Ministry of Business, Innovation and Employment ("**MBIE**") is undertaking consultation on a possible Consumer Data Right in New Zealand, and indicated that legislative reform could occur in the future.

Such changes may adversely affect the ANZ New Zealand Group, 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 adversely affect the Group's Position. For further information, see "*Description of Supervision and Regulation of ANZ Bank New Zealand Limited and ANZ New Zealand (Int'l) Limited – New Zealand Regulatory Developments*".

In response to COVID-19, the RBNZ deferred external-facing work on most of its regulatory initiatives, and delayed the start date for the increase in bank capital arising from the capital reforms for New Zealand incorporated banks to 2022. Some aspects of the capital reforms will proceed from 1 July 2021, including the new rules around capital instruments. The conclusion of the transition period is 1 July 2028. The implementation timetable may be revised if conditions warrant in 2021.The RBNZ has also extended the transition period for BS11 to 1 October 2023, and there have been delays to the commencement of the Credit Contracts Legislation Amendment Act 2019 ("**CCLA Act**") and the Financial Services Legislation Amendment Act 2019 (the "**FSLAA**").

Other Offshore Developments

Other offshore regulatory developments include changes to financial regulations in the United States (including legislative changes to the Dodd-Frank Act and revision to its Volcker Rule), changes to senior executive accountability in Singapore, Hong Kong, and the United Kingdom, changes to English and European law in connection with Brexit, introduction of greater data protection regulations in Europe, implementation of further phases of the initial margin requirements for uncleared OTC derivatives in a number of the Relevant Jurisdictions and the requirement that banks prepare for the reform of EURIBOR and the Singapore inter-bank offered rate ("**SIBOR**"), and the discontinuation of LIBOR and other such interbank offered rates by transitioning to risk free rates.

A failure by the Group to comply with laws, regulations or policies in any of the Relevant Jurisdictions could result in regulatory investigations, legal or regulatory sanctions, financial or reputational loss, litigation, fines, penalties, restrictions on the Group's ability to do business, revocation, suspension or variation of conditions of relevant regulatory licences or other enforcement or administrative action or agreements (such as enforceable undertakings) that may adversely affect the Group's Position.

The impact of the COVID-19 pandemic on the Group's operations may result in delays to the implementation of regulatory changes or steps required to address commitments made to regulators or publicly. Any delays will be dependent on how regulators choose to adjust the prioritisation, timing and deployment of their supervisory mandate or legislative change.

Such failures may also result in the Group being exposed to the risk of litigation brought by third parties (including through class action proceedings). The outcome of any litigation (including class action proceedings) may result in the payment of compensation to third parties and/or further remediation activities. For information in relation to the Group's litigation and contingent liabilities, see Risk Factor "*Litigation and contingent liabilities may adversely affect the Group's Position*" and, in respect of the Group, Note 33 of the ANZBGL 2020 Audited Financial Statements and, in respect of the ANZ New Zealand Group, Note 28 of the ANZ New Zealand 2020 Audited Financial Statements (which, in each case, are incorporated by reference into this Base Prospectus).

Litigation and contingent liabilities may adversely affect the Group's Position

From time to time, the Group may be subject to material litigation, regulatory actions, legal or arbitration proceedings and other contingent liabilities that may adversely affect the Group's Position.

As at 30 September 2020, the Group had contingent liabilities in respect of the matters outlined in Note 33 of the ANZBGL 2020 Audited Financial Statements and the ANZ New Zealand Group had contingent liabilities in respect of the matters outlined in Note 28 of the ANZ New Zealand 2020 Audited Financial Statements (which, in each case, are incorporated by reference into this Base Prospectus).

Note 33 includes, among other things, descriptions of:

- regulatory and customer exposures;
- benchmark/rate actions;
- capital raising actions;
- consumer credit insurance litigation;
- Esanda dealer car loan litigation;
- the Royal Commission;
- security recovery actions; and
- warranties and indemnities.

In recent years there has been an increase in the number of matters on which the Group engages with its regulators. There have also been significant increases in the nature and scale of regulatory investigations, surveillance and reviews, civil and criminal enforcement actions (whether by court action or otherwise), formal and informal inquiries, regulatory supervisory activities and the quantum of fines issued by regulators, particularly against financial institutions both in Australia and globally. The Group has received various notices and requests for information from its regulators as part of both industry-wide and Group-specific reviews and has also made disclosures to its regulators at its own instigation. The nature of these interactions can be wide ranging and, for example, currently include a range of matters including responsible lending practices, regulated lending requirements, product suitability and distribution, interest and fees and the entitlement to charge them, customer remediation, wealth advice, insurance distribution, pricing, competition, conduct in financial markets and financial transactions, capital market transactions, anti-money laundering and counter-terrorism financing obligations, reporting and disclosure obligations and product disclosure documentation. There may be exposures to customers which are additional to any regulatory exposures. These could include class actions, individual claims or customer remediation or compensation activities. The outcomes and total costs associated with such reviews and possible exposures remain uncertain.

There is a risk that contingent liabilities may be larger than anticipated or that additional litigation, regulatory actions, legal or arbitration proceedings or other contingent liabilities may arise.

Significant fines and sanctions in the event of breaches of law or regulation relating to anti-money laundering, counter-terrorism financing and sanctions may adversely affect the Group's Position

Anti-money laundering ("**AML**"), counter-terrorism financing ("**CTF**") and sanctions compliance have been the subject of significant regulatory change and enforcement in recent years. The increasingly complicated environment in which the Group operates has heightened these operational and compliance risks. Furthermore, the increased transparency of the outcomes of compliance breaches by financial institutions both domestically and globally and the related fines and settlement sums mean that these risks continue to be an area of focus for the Group.

In recent years, there has been an increase in action taken by key AML/CTF regulators against "reporting entities" (in Australia, a "reporting entity" constitutes a legal entity that provides at least one "designate service" to a customer, such as opening a bank account or providing a loan). AUSTRAC continues to publicly communicate its view that many reporting entities in Australia have underinvested in systems and controls required to identify, mitigate and manage their AML/CTF risks.

In late 2019, AUSTRAC commenced civil penalty proceedings against a major Australian bank relating to alleged past reporting contraventions of the Australian Anti-Money Laundering and Counter-Terrorism Financing Act 2006. This matter is nearing legal completion with agreed outcomes published and has resulted in the largest financial penalty to a financial institution in Australia's history (A$1.3 billion, almost twice the amount of the previous largest AUSTRAC financial penalty) confirming AUSTRAC's continued efforts to penalise significant non-compliance with the AML/CTF regime. Additionally, since 2018 AUSTRAC has had the power to issue infringement notices pursuant to which it can impose significant penalties. It has used this approach twice issuing infringement notices to reporting entities despite the number of breaches in each case being relatively small (less than 100). Further, AUSTRAC and other regulators have exhibited a willingness to promptly exercise their enforcement powers by instituting civil penalty proceedings.

Similarly, the RBNZ has stated that its appetite for taking formal enforcement action for breaches of the New Zealand Anti-Money Laundering and Countering Financing of Terrorism Act 2009 has increased, and the propensity for other regulators (including in Asia and the Pacific) to take action for non-compliance with their local AML/CTF laws has increased.

While the COVID-19 pandemic continues to evolve at different paces in many of the jurisdictions in which the Group operates, close monitoring of the levels and types of financial crimes continues across the Group. To date, the most notable impact has been the changing types of scams with criminals targeting vulnerable customers using COVID-19 as a cover, as well as identity theft and false applications for Government support. There is a continuing risk that the management of alerts for potential money laundering or terrorism financing activities may be slowed due to both resource availability and/or changed working arrangements. This, and possible challenges in accessing customers for information and identification, may warrant discussion with the regulators within the different jurisdictions within which the Group operates, to garner their support for temporary changes to rules or guidance. It is not expected that this will increase the risk of fines or penalties, however the Group will need to ensure adequate arrangements to remain compliant with AML/CTF laws.

The risk of non-compliance with AML/CTF and sanction laws remains high given the scale and complexity of the Group and the lack of clarity around some mandatory reporting requirements. Emerging technologies, such as virtual currency issuers/exchangers and wallet providers as well as increasingly complex remittance arrangements via fintechs and other disruptors, may limit the Group's ability to track the movement of funds, develop relevant transaction monitoring, and meet reporting obligations. Additionally, the complexity of the Group's technology, and the increasing frequency of changes to systems that play a role in AML/CTF and sanctions compliance puts the Group at risk of inadvertently failing to identify an impact on the systems and controls in place. A failure to operate a robust program to report the movement of funds, combat money laundering, terrorism financing, and other serious crimes may have serious financial, legal and reputational consequences for the Group and its employees.

Consequences can include fines, criminal and civil penalties, civil claims, reputational harm and limitations on doing business in certain jurisdictions. These consequences, individually or collectively

may adversely affect the Group's Position. The Group's foreign operations may place the Group under increased scrutiny by regulatory authorities, and subject the Group to increased compliance costs.

Changes in monetary policies may adversely affect the Group's Position

Central monetary authorities (including the RBA, the RBNZ, the United States Federal Reserve, the Bank of England and the monetary authorities in the Asian jurisdictions in which the Group operates) set official interest rates or take other measures to affect the demand for money and credit in their relevant jurisdictions. In addition, in some jurisdictions, currency policy is also used to influence general business conditions and the demand for money and credit. These measures and policies can significantly affect the Group's cost of funds for lending and investing and the return that the Group will earn on those loans and investments. These factors impact the Group's net interest margin and can affect the value of financial instruments it holds, such as debt securities and hedging instruments. The measures and policies of the central monetary authorities can also affect the Group's borrowers, potentially increasing the risk that they may fail to repay loans.

Many central monetary authorities have actively reduced official interest rates in jurisdictions in which the Group operates and are currently considering, implementing or expanding the use of unconventional monetary policies. Central banks worldwide, including the RBA, the U.S. Federal Reserve and the RBNZ cut interest rates during 2019 in response to slowing economic growth and again in 2020 in response to emerging risks to growth from COVID-19. On 3 November 2020, the RBA cut the cash rate to the Australian historic low rate of 0.1 per cent., in response to the ongoing effect of the COVID-19 outbreak on the Australian economy. The RBNZ also cut the New Zealand official cash rate to a record low of 0.25 per cent. in March 2020. The RBNZ has stated they will hold the official cash rate at that level until at least March 2021 and negative interest rates remain a possibility in the future. Low or negative interest rates would likely put pressure on the Group’s interest margins and adversely affect the Group’s Position.

Changes in interest rates and monetary policy are difficult to predict and may adversely affect the Group's Position.

Increasing compliance costs, the risk of heightened penalties and ongoing regulatory scrutiny with respect to the significant obligations imposed by global tax reporting regimes (which are still evolving) may adversely affect the Group's Position

There have been mandatory and substantial changes to, and increasing regulatory focus on, compliance by all global Financial Institutions ("**FIs**"), including the Group, with global tax transparency reporting regimes, including the U.S. Foreign Account Tax Compliance Act ("**FATCA**"), the OECD's Common Reporting Standard ("**CRS**") and similar anti-tax avoidance regimes. This includes enforcement and implementation of detailed global tax reporting rules and frameworks to close down global tax reporting regime circumventions and deter, detect and penalise non-compliance.

As a FI, the Group operates in a high volume and globally interlinked operating environment. In this context, the highly complex and rigid nature of the obligations under the various global tax reporting regimes present heightened operational and compliance risks for the Group. This may be coupled with the current increased regulatory scrutiny of FIs (including the Group), the increasing trend in compliance breaches by FIs and related fines for non-compliance in general. Accordingly, compliance with global tax reporting regimes will continue to be a key area of focus for the Group.

Increasing OECD Government level peer reviews and other regulatory financial institution compliance review requirements are increasing scrutiny on financial institutions, resulting in further tightening of existing obligations and focus on CRS compliance. Each country of adoption is being pushed to ensure its penalty regime is sufficient to deter and penalise non-compliance.

Under FATCA and other U.S. Treasury Regulations, the Group could be subject to:

- a 30 per cent. withholding tax on certain amounts (including amounts payable to customers), and be required to provide certain information to upstream payers, as well as other adverse consequences, if the ongoing detailed obligations are not adequately met; and

- broader compliance issues, significant withholding exposure, competitive disadvantage and other operational impacts if the FATCA Intergovernmental Agreements between the United States and the applicable jurisdictions in which the Group operates cease to be in effect.

Under the CRS, the Group:

- faces challenges in developing countries where the Group has operations, such as the Pacific region. The local regulators in these countries are generally assisted by a 'partner' country which may introduce standards that can be challenging to implement;

- must deal with considerable country specific variations in local law and regulatory implementation, with significant local regulatory penalties for non-collection or failed reporting in respect of prescribed customer information; and

- along with other FIs, is under increasingly stringent regulatory scrutiny and measures as regulators turn their focus from the initial establishment of the CRS to its effective implementation. This tightening of the regulatory focus can lead to significant negative experience for affected customers (including unilateral account blocking and closure), may adversely affect the Group's Position and if not similarly implemented by other FIs, may present a significant competitive disadvantage.

The scale and complexity of the Group, like other FIs, means that the risk of inadvertent non- compliance with the FATCA, CRS and other tax reporting regimes is high. A failure to successfully operate the implemented processes could lead to legal, financial and reputational consequences for the Group and its employees. Consequences include fines, criminal and civil penalties, civil claims, reputational harm, competitive disadvantage, loss of business and constraints on doing business.

On a global scale, COVID-19 challenges have resulted in limited staff access to systems, tools and information, and have impacted on the delivery of regulatory obligations to requisite timeframes, including mandatory FATCA and CRS regulatory reporting, customer follow-up strategies, resolution and action of regulatory recommendations, as well as continuous improvement activities (required to achieve the zero rate of error expected by regulators). The Group's global taxation obligations in relation to the enterprise's own tax lodgments and payments may similarly be impacted. While some level of leniency from global regulators is anticipated, there is an increasing risk of additional regulatory scrutiny, associated penalties and reputational ramifications resulting from any deficiencies or delays in meeting regulatory obligations to the level of quality and within the timeframes required.

These consequences, individually or collectively, may adversely affect the Group's Position.

Unexpected changes to the Group's licence to operate in any jurisdiction may adversely affect the Group's Position

The Group is licensed to operate in various countries, states and territories. Unexpected changes in the conditions of the licenses to operate by governments, administrations or regulatory agencies that prohibit or restrict the Group from trading in a manner that was previously permitted may adversely impact the Group's Position.

Internal control, operations and reputational risk

Operational risk events may adversely affect the Group's Position

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. This definition includes legal risk, and the risk of reputational loss or damage arising from inadequate or failed internal processes, people, and/or systems, but excludes strategic risk.

Operational risk events 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 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);
- damage to physical assets; and
- execution, delivery and process management (for example, processing errors or data management failures).

Loss from operational risk events may adversely affect the Group's Position. Such losses can include fines, penalties, loss or theft of funds or assets, legal costs, customer compensation, loss of shareholder value, reputation loss, loss of life or injury to people, and loss of property and/or information.

On a global scale, COVID-19 challenges have resulted in a number of changes in terms of how the Group is undertaking its operations. For the majority of the organisation, the Group's focus was to enable a work from home capability to allow all functions to continue to operate normally. However, no assurance can be given that the steps being taken will be adequate, nor can the Group predict the level of disruption which may occur. The decision to move the majority of staff globally to work from home required some updates to existing systems to support a significantly higher volume of users than had previously been planned. The number of staff working from home continues to vary in line with changing circumstances and associated government restrictions. As at 29 October 2020, excluding branch staff, the Group had approximately 92 per cent. of staff working from home.

Other challenges that the Group may face include:

- limited staff access to systems, tools and information, and/or impact on the delivery of customer services and regulatory obligations to requisite timeframes, including the day to day operations of the institution, financial reporting, management and oversight of internal controls, and resolution and action of regulatory recommendations; and
- ensuring ongoing availability of staff to undertake their requisite activities that may result from loss of physical access to branches or offices or due to health related issues.

All or any of the impacts described above may cause a reduction in productivity or delays in completing important activities or increased regulatory scrutiny, which could subsequently result in customer remediation activities, or fines, all of which may adversely affect the Group’s Position.

Reputational risk events as well as operational failures and regulatory compliance failures may give rise to reputational risk, which may adversely affect the Group’s Position

Reputational risk may arise as a result of an external event or the Group's actual or perceived actions and practices, which include operational and regulatory compliance failures. The occurrence of such events may adversely affect perceptions about the Group held by the public (including the Group's customers), shareholders, investors, regulators or rating agencies. The impact of a risk event on the Group's reputation may exceed any direct cost of the risk event itself and may adversely impact the Group's Position.

The Group may incur reputational damage where one of its practices fails to meet community expectations. As these expectations may exceed the standard required in order to comply with applicable law, the Group may incur reputational damage even where it has met its legal obligations. A divergence between community expectations and the Group's practices could arise in a number of ways, including in relation to its product and services disclosure practices, pricing policies and use of data. Further, the Group's reputation may also be adversely affected by community perception of the broader financial services industry.

While the extent of the ongoing impacts of COVID-19 are yet to be fully realised, it is possible there may be unintended consequences from the Group's actions which may give rise to negative perceptions about the Group.

Additionally, certain operational and regulatory compliance failures or perceived failures, may give rise to reputational risk. Such operational and regulatory compliance failures include, but are not limited to:

- failure to comply with the ANZ New Zealand Group's Conditions of Registration (for example, see "*New Zealand regulatory developments —Non-compliance with Conditions of Registration*");
- failures related to fulfilment of identification obligations;
- failures related to new product development;
- failures related to ongoing product monitoring activities;
- failures related to suitability requirements when products are sold outside of the target market;
- market manipulation or anti-competitive behaviour;
- failure to comply with disclosure obligations;
- inappropriate crisis management/response to a crisis event;
- inappropriate handling of customer complaints;
- inappropriate third party arrangements;
- privacy breaches; and
- unexpected risks (e.g. credit, market, operational or compliance).

Damage to the Group's reputation may have wide-ranging impacts, including adverse effects on the Group's profitability, capacity and cost of funding, increased regulatory scrutiny, regulatory enforcement actions, additional legal risks and availability of new business opportunities. The Group's ability to attract and retain customers could also be adversely affected if the Group's reputation is damaged, which may adversely affect the Group's Position.

Conduct-related risk events or behaviours may adversely affect the Group's Position

The Group defines conduct-related risk as the risk of loss or damage arising from the failure of the Group, its employees or agents to appropriately consider the interests of consumers, the integrity of the financial markets, and the expectations of the community in conducting the Group's business activities.

Conduct-related risks can result from:

- the provision of unsuitable or inappropriate advice to customers;
- the representation of, or disclosure about, a product or service which is inaccurate, or does not provide adequate information about risks and benefits to customers;
- a failure to deliver product features and benefits in accordance with terms, disclosures, recommendations and/or advice;
- a failure to appropriately avoid or manage conflicts of interest;
- sales and/or promotion processes (including incentives and remuneration for staff engaged in promotion, sales and/or the provision of advice);
- the provision of credit, outside of the Group's policies and standards; and

- trading activities in financial markets, outside of the Group's policies and standards.

There has been an increasing regulatory and community focus on conduct-related risk globally and in particular, in Australia and New Zealand. For example, the Group is currently undertaking a variety of customer remediation programs, of which some relate to conduct issues that have been identified from reviews to date and these reviews remain on-going. Conduct-related risk events may expose the Group to regulatory actions, restrictions or conditions on banking licences and/or reputational consequences that may adversely affect the Group's Position. Remediation programs may not be implemented appropriately or may lead to further remediation work being required, resulting in litigation, regulatory action and/or increasing cost to the Group, all of which may adversely affect the Group's Position.

The COVID-19 pandemic has led to rapid changes to employees working remotely which may impact employee behaviour and / or Group systems and processes, which in turn may result in customer detriment, impact market integrity, or cause the Group to fail to live up to community expectations.

For further discussion of the increasing regulatory focus on conduct-related risk, see the risk factors entitled "*Regulatory changes or a failure to comply with laws, regulations or policies may adversely affect the Group's Position*" and "*Litigation and contingent liabilities may adversely affect the Group's Position*".

Disruption of information technology systems or failure to successfully implement new technology systems could significantly interrupt the Group's business, which may adversely affect the Group's Position

The Group's day-to-day activities and its service offerings (including digital banking) are highly dependent on information technology ("**IT**") systems. Therefore, there is a risk that disruption of IT systems, or the services the Group uses or is dependent upon, will result in the Group failing to meet customers' banking requirements and/its compliance obligations.

Threats to IT systems are continuously evolving and cyber threats and the risk of attacks are increasing. The attacks against organisations can range from simple attacks up to state owned attacks, which are generally much more sophisticated. The Group may not be able to anticipate or implement effective measures to prevent or minimise disruptions caused by cyber threats due to the techniques used being highly sophisticated and those perpetuating the attacks being well-resourced.

The Group has an ongoing obligation to maintain its IT systems and to identify, assess and respond to risk exposures caused by the use of technology including IT asset lifecycle, IT asset project delivery, technology resilience, technology security, use of third parties, data retention/restoration or business rules and automation. Inadequate responses to these risk exposures could lead to unstable or insecure systems or a decrease in the Group's ability to service its customers, increased costs, and non-compliance with regulatory requirements, which may adversely affect the Group's Position. As an example, in response to the COVID-19 pandemic, more of the Group's staff and third party contractors are required to work remotely or from alternative work sites, which has put additional stress on the Group's productivity and remote access to systems.

The Group has disaster recovery and business continuity measures in place to ensure that critical IT systems will continue to operate during both short-lived and prolonged disruption events. The COVID-19 pandemic event has highlighted that these arrangements must cater for vast and improbable events, like a global pandemic, and ensure critical information systems can be supported and accessed by a large number of multi-jurisdictional technology and business users for an extended period. If such measures cannot be effectively implemented, then this may adversely affect the Group's Position.

In addition, ANZ New Zealand relies on the Group to provide a number of IT systems. A failure of the Group's systems may affect ANZ New Zealand, which may in turn, adversely affect the Group's Position.

Risks associated with information security including cyber-attacks, may adversely affect the Group's Position

The primary focus of information security is to protect information and technology systems from disruptions to confidentiality, integrity or availability. As a bank, the Group handles a considerable

amount of personal and confidential information about its customers and its own internal operations, from across multiple geographies that the Group operates. This information is processed and stored on both internal and third party hosted environments. Any failure of security controls operated by the Group or its third parties could adversely affect the Group's business.

The risks to systems and information are inherently higher in certain countries where, for example, political threats or targeted cyber-attacks by terrorist or criminal organisations are greater.

The Group is conscious that cyber threats, such as advanced persistent threats, distributed denial of service, malware and ransomware, are continuously evolving, becoming more sophisticated and increasing in volume. The COVID-19 pandemic has increased the number of staff working offsite for an extended period, which may increase information security risks to the Group. Cyber criminals may attempt to take advantage through pursuing exploits in end point security, spreading malware, and increasing phishing attempts.

Any failure in the Group's cybersecurity policies, procedures or controls, may result in major business or operational disruptions, damage to the Group's technology infrastructure, an inability to deliver customer services, or loss of data or other sensitive information (including as a result of an outage) and may cause associated reputational damage. Any of these events could result in significant financial losses (including costs relating to notification of, or compensation for customers), regulatory investigations or sanctions or may affect the Group's ability to retain and attract customers, and thus may adversely affect the Group's Position.

Environmental, social and governance risks

Impact of future climate events, geological events, plant, animal and human diseases, and other extrinsic events may adversely affect the Group's Position

The Group and its customers are exposed to climate-related events. These events include severe storms, drought, fires, cyclones, hurricanes, floods and rising sea levels. The Group and its customers may also be exposed to other events such as geological events (including volcanic seismic activity or tsunamis), plant, animal and human diseases or a pandemic such as COVID-19, which is causing significant impacts on the Group's operations and its customers. The COVID-19 pandemic has resulted in a widespread health crisis that could continue to adversely affect the economies and financial markets of many countries, including Australia and New Zealand, resulting in an economic downturn that could affect the Group and its customers. See "*The COVID-19 pandemic has, and future outbreaks of other communicable diseases or pandemics may, materially and adversely affect the Group's Position*" for further details regarding the different impacts from COVID-19.

Depending on their severity, these extrinsic events may continue to interrupt or restrict the provision of some local services such as the Group branch or business centres or Group services, and may also adversely affect the Group's financial condition or collateral position in relation to credit facilities extended to customers, which in turn may adversely affect the Group's Position.

The Group's risk management framework may fail to manage all existing risks appropriately or detect new and emerging risks fast enough, which could adversely affect the Group's Position

Risk management is an integral part of all of the Group's activities and includes the identification and monitoring of the Group's risk appetite and reporting on the Group's risk exposure and effectiveness of identified controls. However, there can be no assurance that the Group's risk management framework will be effective in all instances including in respect of existing risks, or new and emerging risks that the Group has not anticipated or identified, and for which its controls may not be effective. Failure to manage risks effectively could adversely impact the Group's reputation or compliance with regulatory obligations.

The effectiveness of the Group's risk management framework is also connected to the establishment and maintenance of a sound risk management culture, which is supported by appropriate remuneration structures. If the remuneration structures are not designed or implemented effectively, then this could have an adverse impact on the Group's risk culture and effectiveness of the Group's risk management frameworks.

The Group seeks to continuously improve its risk management framework. It has implemented, and regularly reviews, its risk management policies and allocates additional resources across the Group to manage and mitigate risks (including conduct risk). However, such efforts may not insulate the Group from future instances of misconduct and no assurance can be given that the Group's risk management framework will be effective. A failure in the Group's risk management processes or governance could result in the Group suffering unexpected losses and reputation damage, and failing to comply with regulatory obligations, which could adversely affect the Group's Position.

While these principles still continue to underpin the Group's risk management framework, the ongoing COVID-19 pandemic requires the Group to continue to maintain good practices and a robust risk management framework as its operational activities continue to evolve to manage the impacts of the pandemic both to its workforce and customers. In these circumstances, a failure in the Group's risk management processes or governance could adversely affect the Group's Position.

Risks associated with lending to customers that could be directly or indirectly impacted by climate risk may adversely affect the Group's Position

The risks associated with climate change are subject to increasing regulatory, political and societal focus. Embedding climate change risk into the Group's risk management framework in line with expectations, and adapting the Group's operation and business strategy to address both the risks and opportunities posed by climate change and the transition to a low carbon economy could have a significant impact on the Group.

The Group's most material climate-related risks result from its lending to business and retail customers, including credit-related losses incurred as a result of a customer being unable or unwilling to repay debt, or impacting the value and liquidity of collateral.

The risk to the Group through credit-related issues with the Group's customers could result directly from climate-related events, and indirectly from changes to laws, regulations, or other policies such as carbon pricing and climate risk adaptation or mitigation policies, which may impact the customer's supply chain. This may result in credit-related losses as a result of the customer being unable or unwilling to repay debt, which may adversely affect the Group's Position.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion by the relevant Final Terms, shall be applicable to the Notes of each Series. Either (i) the full text of these conditions together with the applicable provisions of the relevant Final Terms or (ii) these conditions as so completed (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on all Bearer Notes in definitive form or on the Certificates relating to Registered Notes in definitive form. The following are also the Terms and Conditions of the Notes which will be applicable to each VPS Note. VPS Notes will not be evidenced by any physical note or document of title other than statements of account made by the VPS. Ownership of VPS Notes will be recorded and transfer effected only through the book entry system and register maintained by the VPS. The applicable Final Terms (or the relevant provisions thereof) will be in the case of VPS Notes, deemed to apply to any such Notes. Wording which appears in italics in the text does not form part of the terms and conditions.

This Note is one of a Series (as defined below) of Notes issued by either Australia and New Zealand Banking Group Limited ("**ANZBGL**"), ANZ Bank New Zealand Limited ("**ANZ New Zealand**") or ANZ New Zealand (Int'l) Limited ("**ANZNIL**"), as specified in the relevant Final Terms. Notes issued by ANZNIL will be issued by it acting through its London branch. References herein to the "**Issuer**" shall be references to the party specified as "**Issuer**" in the Final Terms for this Note, and references to "**Issuers**" shall be to ANZBGL, ANZ New Zealand and ANZNIL. References herein to "**Notes**" shall be references to the Notes of this Series.

The Notes (other than VPS Notes (as defined below)) are issued pursuant to an Amended and Restated Agency Agreement dated 20 November 2020 (as further amended and/or supplemented and/or restated as at the Issue Date of the Notes, the "**Agency Agreement**") between the Issuers, ANZ New Zealand as guarantor of the Notes issued by ANZNIL (the "**Guarantor**"), Deutsche Bank AG, London Branch as fiscal agent, calculation agent, paying agent and transfer agent and Deutsche Bank Trust Company Americas and Deutsche Bank Luxembourg S.A. as registrar and transfer agent and with the benefit of a Deed of Covenant dated 20 November 2020 (the "**Deed of Covenant**") executed by the Issuers in relation to the Notes. VPS Notes will be issued in accordance with and subject to a trust agreement (such trust agreement as amended and/or supplemented and/or restated from time to time, the "**VPS Trustee Agreement**") dated 17 May 2018 made between the Issuer and Nordic Trustee AS (the "**VPS Trustee**", which expression shall include any successor as VPS Trustee). The VPS Trustee acts for the benefit of the holders for the time being of the VPS Notes, in accordance with the provisions of the VPS Trustee Agreement and these Terms and Conditions. The fiscal agent, paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Fiscal Agent**", the "**Paying Agents**" (which expression shall include the Fiscal Agent and, if applicable, the CMU Lodging Agent and the CMU Paying Agent for the time being appointed under Condition 6(e)), the "**Registrar**", the "**Transfer Agents**" and the "**Calculation Agent(s)**". The Guarantor has, for the benefit of the holders from time to time of the Notes issued by ANZNIL, executed and delivered a Deed of Guarantee dated 20 November 2020 (as amended and/or supplemented and/or restated from time to time, the "**Deed of Guarantee**") under which it has unconditionally and irrevocably guaranteed the due and punctual payment of all amounts due by ANZNIL under or in respect of the Notes issued by ANZNIL as and when the same shall become due and payable. Copies of the Agency Agreement, the Deed of Covenant and the Deed of Guarantee are available for inspection at the specified offices of each of the Paying Agents (if more than one), the Registrar and the Transfer Agents. Copies of the VPS Agency Agreement and the VPS Trustee Agreement will be available for inspection during normal business hours at the specified office of the VPS Agent and at the registered office for the time being of the VPS Trustee.

The Noteholders, the holders (the "**Couponholders**") of the interest coupons (the "**Coupons**") appertaining to interest-bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the "**Talons**") and the holders (the "**Receiptholders**") of the receipts for the payment of instalments of principal (the "**Receipts**") relating to Notes in bearer form of which the principal is payable in instalments are bound by and are deemed to have notice of all of the provisions of the Agency Agreement, the Deed of Covenant, the relevant VPS Agency Agreement as defined below, the VPS Trustee Agreement and the Deed of Guarantee applicable to them.

Each issue of VPS Notes will have the benefit of a VPS Agency Agreement (such VPS Agency Agreement as amended and/or supplemented and/or restated from time to time, the (the "**VPS Agency Agreement**") between the Issuer and an agent (the "**VPS Agent**") who will act as agent of the Issuer in respect of all dealings with the VPS in respect of VPS Notes as provided in the relevant VPS Agency Agreement. References herein to the VPS Agency Agreement shall be to the relevant VPS Agency Agreement entered into in respect of each issue of VPS Notes.)

As used herein, "**Tranche**" means Notes which are identical in all respects (including as to listing) and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single Series and (ii) identical in all respects (including as to listing) except for the respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Except in the case of a VPS Note, the Final Terms for this Note (or the relevant provisions thereof) is endorsed on this Note and completes these Conditions and specifies which of these Conditions are applicable to this Note. References herein to the "Final Terms" are, except in the case of a VPS Note, to the Final Terms (or the relevant provisions thereof) endorsed on this Note. In the case of a VPS Note, references herein to the "Final Terms" are to the Final Terms (or the relevant provisions thereof) provided to the VPS Agent, the VPS Trustee and the VPS in connection with such VPS Notes.

Words and expressions defined in the Agency Agreement, the VPS Agency Agreement or the VPS Trustee Agreement or used in the Final Terms shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement, the VPS Agency Agreement or the VPS Trustee Agreement and the Final Terms, the Final Terms will prevail.

1. Form, Denomination and Title

The Notes are issued in (i) bearer form ("**Bearer Notes**"), (ii) in registered form ("**Registered Notes**") or (iii) in uncertificated and dematerialised book entry form registered in the Norwegian Central Securities Depository, *Verdipapirsentralen ASA* or VPS ("**VPS Notes**" and the "**VPS**", respectively), in each case in the Specified Currency and the Specified Denomination(s). All Registered Notes shall have the same Specified Denomination.

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Inverse Floating Rate Note, a Range Accrual Note or an Instalment Note, a combination of any of the foregoing or any other relevant type of Note, depending upon the Interest Basis or Redemption/Payment Basis shown in the Final Terms.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall, subject to mandatory rules of law, pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Certificate, Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

Title to VPS Notes will pass by registration in the registers between the direct or indirect accountholders at the VPS in accordance with the Norwegian Securities Registry Act of 5th July, 2002 (No. *verdipapirregisterloven*) (the "**VPS Act**") and the rules and procedures of the VPS. The holder of a VPS Note will be the person evidenced as such by a book entry in the records of the VPS. The person evidenced (including any nominee) as a holder of the VPS Notes shall be treated as the holder of such

VPS Notes for the purposes of payment of principal or interest on such Notes and for all other purposes. The expressions "*Noteholders*" and "*holder of Notes*" and related expressions shall, in each case, be construed accordingly. Any references in these Terms and Conditions to Coupons, Talons, Couponholders, Global Notes, Bearer Notes, Certificates, Receipts, Receiptholders, Registered Global Notes, Registered Notes, Bearer Global Notes, Permanent Global Notes, Temporary Global Notes and Notes in definitive form (or, in each case, similar expressions) shall not apply to VPS Notes.

In these Conditions, "**Noteholder**" means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered or in relation to any VPS Notes, is to be construed as provided above in this Condition 1 (as the case may be), and "**holder**" (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon, the person in whose name a Registered Note is registered or in relation to any VPS Notes, is to be construed as provided above in this Condition 1 (as the case may be).

2. **Exchange and Transfers of Notes**

(a) *Exchange of Notes*

Registered Notes may not be exchanged for Bearer Notes and vice versa. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Notes (other than VPS Notes) may not be exchanged for VPS Notes and *vice versa*.

(b) *Transfer of Registered Notes*

Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate duly completed and executed and such other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

(c) *Exercise of Options or Partial Redemption in Respect of Registered Notes*

In the case of an exercise of an Issuer's or Noteholder's option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) *Delivery of New Certificates*

Each new Certificate to be issued pursuant to Condition 2(b) or (c) shall be available for delivery five business days after receipt of the request for exchange, form of transfer or Exercise Notice or surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the location of the specified office of the Registrar or the relevant Transfer Agent (as the case may be).

(e) *Exchange Free of Charge*

Exchange and transfer of Notes and Certificates on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax, duty or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Issuer, the Registrar or the relevant Transfer Agent may require).

(f) *Closed Period*

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days before any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 5(d), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date.

3. **Status and Guarantee**

None of the Notes are deposit liabilities or protected accounts of ANZBGL for the purposes of the Banking Act 1959 of Australia (the "**Banking Act**").

(a) *Status of the Notes*

The Notes and the Receipts and Coupons relating to them constitute direct, unconditional and unsecured obligations of the Issuer and (save for certain debts of the Issuer required to be preferred by law, including but not limited to, where the Issuer is ANZBGL, those referred to in Divisions 2 and 2AA of Part II of the Banking Act and section 86 of the Reserve Bank Act 1959 of Australia) rank *pari passu* among themselves and equally with all other unsubordinated, unsecured obligations of the Issuer.

*The debts which are preferred by law to the claim of a Noteholder in respect of a Note, including by virtue of the provisions referred to in the above paragraph of Condition 3, will be substantial and are not limited by the Conditions of the Notes. Without limitation to other applicable laws, in the case of Notes issued by ANZBGL, section 13A(3) of the Banking Act provides that, in the event ANZBGL becomes unable to meet its obligations or suspends payment, its assets in Australia are to be available to meet ANZBGL's liabilities in the following order: (i) liabilities to the Australian Prudential Regulation Authority ("**APRA**") in respect of any payments that APRA makes or is liable to make to (A) holders of protected accounts under the Banking Act or (B) a body corporate pursuant to a determination made by APRA in connection with a transfer of the ADI's business to that body corporate (where that transfer includes liabilities of the ADI in respect of protected accounts) under the Financial Sector (Transfer and Restructure) Act 1999 of Australia, (ii) debts in respect of costs of APRA in certain circumstances, (iii) ANZBGL's liabilities in Australia in relation to protected accounts (as defined in the Banking Act) kept with ANZBGL, (iv) debts due to the Reserve Bank of Australia ("**RBA**")), (v) liabilities under certain certified industry support contracts; and (vi) all other liabilities of ANZBGL in their order of priority apart from section 13A(3). Changes to applicable law may extend the debts required to be preferred by law.*

(b) *Guarantee — by ANZ New Zealand (in respect of Notes issued by ANZNIL)*

Where the relevant Issuer is ANZNIL, the Guarantor has in the Deed of Guarantee unconditionally and irrevocably guaranteed the due and punctual payment of all amounts due by ANZNIL under or in respect of the Notes as and when the same shall become due and payable. This Guarantee of the Notes constitutes direct, unconditional and unsecured obligations of the Guarantor which (save for certain debts of the Guarantor required to be preferred by law) will at all times rank *pari passu* among themselves and equally with all other unsubordinated, unsecured obligations of the Guarantor. The Notes issued by ANZ New Zealand and ANZNIL are not guaranteed by ANZBGL.

4. **Interest and other Calculations**

(a) *Interest on Fixed Rate Notes*

(i) Each Fixed Rate Note bears interest on its outstanding Principal Amount from, and including, the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the Final Terms as specified Interest Payment Dates or, if no Interest Payment Date(s) is/are specified in the Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the Final Terms as the specified Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) If a Fixed Coupon Amount or a Broken Amount is specified in the Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the Final Terms.

(iii) *Calculation of Interest Amount*: The Interest Amount payable in respect of each Note for any period for which a Fixed Coupon Amount or Broken Amount is not specified in the Final Terms shall be calculated by applying the Rate of Interest to the Calculation Amount for such Note, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest unit of the Specified Currency (with halves being rounded up), save in the case of Yen, which shall be rounded down to the nearest Yen, and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose, a "**unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means 0.01 euro, as the case may be.

(iv) *Business Day Convention*: If "Business Day Convention – Adjusted" is specified to be applicable in the relevant Final Terms, (a) any Interest Payment Date otherwise falling on a day which is not a Business Day (as defined in Condition 4(p) below) will be postponed or brought forward (as applicable) in accordance with the Business Day Convention set out in the relevant Final Terms (as described below) and (b) the amount of interest payable on such Interest Payment Date will be adjusted accordingly and the provisions of subparagraphs (g) and (h) (excluding the determination and notification of the Rate of Interest) below shall apply, *mutatis mutandis*, as though references to "Floating Rate Notes" were to "Fixed Rate Notes" and references to "Interest Amounts" were to amounts of interest payable in respect of Fixed Rate Notes. If "Business Day Convention – No Adjustment" is specified to be applicable in the relevant Final Terms, any Interest Payment Date otherwise falling on a day which is not a Business Day will be postponed or brought forward (as applicable) in accordance with the Business Day Convention set out in the relevant Final Terms (as described below) and there will be no corresponding adjustment of the amount of interest payable on such Interest Payment Date.

(b) *Interest on Floating Rate Notes*

(i) *Interest Payment Dates*: Each Floating Rate Note bears interest on its outstanding Principal Amount from, and including, the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the Final Terms as specified Interest Payment Dates or, if no Interest Payment Date(s) is/are specified in the Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the Final Terms as the specified Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day (as defined in Condition 4(p) below), then that date will be

adjusted in accordance with the Business Day Convention specified in the relevant Final Terms. If "No Adjustment of Interest Amounts" is specified to be applicable in the relevant Final Terms then notwithstanding the bringing forward or postponement (as applicable) of an Interest Payment Date as a result of the application of the Business Day Convention set out in the relevant Final Terms, the Interest Amount in respect of the relevant Interest Period and each subsequent Interest Period shall be calculated as aforesaid on the basis of the original Interest Payment Dates without adjustment in accordance with the applicable Business Day Convention.

(iii) *Rate of Interest for Floating Rate Notes*: The Rate of Interest in respect of Floating Rate Notes, other than in the case of (x) BBSW Notes or BKBM Notes, provisions in respect of which are set out in Condition 4(c) and Condition 4(d) below, (y) CMS Rate Notes, provisions in respect of which are set out in Condition 4(e) below and (z) Inverse Floating Rate Notes, provisions in respect of which are set out in Condition 4(f) below, for each Interest Accrual Period shall be determined in the manner specified in the Final Terms and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply depending upon which is specified in the Final Terms.

(A) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(x) the Floating Rate Option is as specified in the Final Terms;

(y) the Designated Maturity is a period specified in the Final Terms; and

(z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the Final Terms. For the purposes of this sub-paragraph (A), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**", and "**Swap Transaction**" have the meanings given to those terms in the ISDA Definitions.

(B) *Screen Rate/Reference Bank Determination for Floating Rate Notes other than Floating Rate Notes referencing SONIA or SOFR*

In respect of Floating Rate Notes other than Floating Rate Notes where the Reference Rate specified in the applicable Final Terms is SONIA or SOFR:

(x) if Screen Rate Determination is specified in the Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be (subject to Condition 4(m) (*Benchmark Replacement*) and Condition 4(n) (*Effect of Benchmark Transition Event)*) (as determined by the Calculation Agent) on the following basis:

(I) if the Reference Rate is a composite quotation or a quotation customarily supplied by one entity, the Calculation Agent will determine the Reference Rate for the Specified Maturity and the Specified Currency which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date; or

(II) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates for the Specified Maturity and the Specified Currency which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(y) if sub-paragraph (x)(I) applies and no Reference Rate for the Specified Maturity and the Specified Currency appears on the Relevant Screen Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (x)(II) applies and fewer than two Reference Rates appear on the Relevant Screen Page at the Relevant Time on the Interest Determination Date or if, in either case, the Relevant Screen Page is unavailable, subject as provided below:

(A) the Issuer will appoint a Reference Banks Agent and the Reference Banks Agent will, at the request of the Issuer, request the principal Relevant Financial Centre office of each of the Reference Banks (or such of them, being at least two, as are so quoting) to provide a quotation of the Reference Rate for the Specified Maturity and the Specified Currency at approximately the Relevant Time on the Interest Determination Date to leading banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time and will provide such responses to the Calculation Agent; and

(B) the Calculation Agent will determine the arithmetic mean of such quotations; and

(z) if paragraph (y) above applies and the Reference Banks Agent advises the Calculation Agent that fewer than two Reference Banks are so quoting the Reference Rate for the Specified Maturity and the Specified Currency, subject as provided below, the Calculation Agent shall determine the arithmetic mean of the rates per annum (expressed as a percentage) quoted by at least two out of five leading banks selected by the Reference Banks Agent (after consultation with the Issuer) in the Principal Financial Centre of the country of the Specified Currency and in an amount that is representative for a single transaction in that market at that time, in each case as selected by the Reference Banks Agent (after consultation with the Issuer), at or about the Relevant Time for a period commencing on the Effective Date equivalent to the relevant Interest Accrual Period, for loans in the Specified Currency to leading banks carrying on business in (I) Europe, or (II) (if the Reference Banks Agent advises the Calculation Agent that fewer than two of such banks are so quoting to such leading banks in Europe), the Principal Financial Centre, in either case, as provided by the Reference Banks Agent to the Calculation Agent; provided, however, that if fewer than two of such banks are so quoting to such leading banks or the Reference Banks Agent or the Calculation Agent (as the case may be) is unable to determine a rate or (as the case may be) the Calculation Agent is unable to determine an arithmetic mean in accordance with the above provisions on any Interest Determination Date, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum Rate of Interest or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(C) *Screen Rate Determination for Floating Rate Notes where the Reference Rate specified in the applicable Final Terms is SONIA:*

Where the Reference Rate is specified in the applicable Final Terms as being "SONIA", the Rate of Interest for each Interest Period will, as provided below, be Compounded Daily SONIA as calculated by the Calculation Agent (or the person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest).

"**Compounded Daily SONIA**" means, in relation to any Interest Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent (or the person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest) on the Interest Determination Date, as follows, and the

resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_{i-pLBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Interest Accrual Period;

"**do**" is the number of London Banking Days in the relevant Interest Accrual Period;

"**i**" for any Interest Accrual Period is a series of whole numbers from one to d_O, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in such Interest Accrual Period;

"**London Banking Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**n_i**", for any day "**i**", means the number of calendar days from and including such day "i" up to but excluding the following London Banking Day;

"**Observation Look-Back Period**" is as specified in the applicable Final Terms which shall, unless otherwise agreed with the Calculation Agent (or such other person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest), be no less than five London Banking Days;

"**Observation Period**" means the period from and including the date falling "p" London Banking Days prior to the first day of the relevant Interest Accrual Period (and the first Interest Accrual Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date falling "p" London Banking Days prior to the Interest Payment Date for such Interest Accrual Period (or the date falling "p" London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**", for any Interest Accrual Period, the number of London Banking Days included in the Observation Look-Back Period, as specified in the applicable Final Terms, which shall, unless otherwise agreed with the Calculation Agent (or such other person specified in the applicable Final Terms as the Party responsible for calculating the Rate of Interest), be no less than five London Banking Days;

the "**SONIA reference rate**", in respect of any London Banking Day, is a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors (on the London Banking Day immediately following such London Banking Day); and

"**SONIAi-pLBD**" means, in respect of any London Banking Day falling in the relevant Observation Period, the SONIA reference rate for the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i".

If, in respect of any London Banking Day in the relevant Observation Period, the Calculation Agent (or the person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest) determines that the SONIA reference rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then (unless the Calculation Agent or such other person specified in the applicable Final Terms as the party responsible for determining the Rate of Interest) has been notified of any successor or alternative rate (together with any

relevant methodology or adjustment factor) pursuant to Condition 4(m) (*Benchmark Replacement*), such SONIA reference rate shall be: (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Banking Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period) or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).

If the relevant Series of Notes become due and payable in accordance with Condition 9, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

(D) *Screen Rate Determination for Floating Rate Notes where the Reference Rate specified in the applicable Final Terms is SOFR:*

Where the Reference Rate is specified in the applicable Final Terms as being "SOFR", the Rate of Interest for each Interest Period will, except as provided below, be the Compounded Daily SOFR (expressed as a percentage rate per annum), as determined by the Calculation Agent (or the person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest) on the Interest Determination Date.

For the purposes of this Condition:

"**Compounded Daily SOFR**" means, in relation to any Interest Period, the rate of return of a daily compound interest investment (with the Secured Overnight Financing Rate as the reference rate for the calculation of interest) as calculated by the Calculation Agent (or the person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

where:

"**d**" means, in relation to any Interest Period, the number of calendar days in such Interest Period;

"**d_O**" means, in relation to any Interest Period, the number of U.S. Government Securities Business Days in such Interest Period;

"**i**" means, in relation to any Interest Period, a series of whole numbers from one to d_O, each representing the relevant U.S. Government Securities Business Day in chronological order from (and including) the first U.S. Government Securities Business Day in such Interest Period to (but excluding) the Interest Payment Date of such Interest Period;

"**n_i**" means, in relation to any Interest Period and any U.S. Government Securities Business Day "i" during such Interest Period, the number of calendar days from (and including) such U.S. Government Securities Business Day "i" up to (but excluding) the following U.S. Government Securities Business Day;

"**$SOFR_i$**" means, in relation to any Interest Period and any U.S. Government Securities Business Day "i" during such Interest Period:

(i) if such U.S. Government Securities Business Day is a SOFR Reset Date, the Secured Overnight Financing Rate for the U.S. Government Securities Business Day that precedes the SOFR Reset Date by the number of U.S. Government Securities Business Days equal to the number of U.S. Government Securities Business Days in the Reset Period; and

(ii) if such U.S. Government Securities Business Day is not a SOFR Reset Date (being a U.S. Government Securities Business Day falling in the Suspension Period), the Secured Overnight Financing Rate for the U.S. Government Securities Business Day that precedes the first day of the Suspension Period (the "**Suspension Period $SOFR_i$**") by the number of U.S. Government Securities Business Days equal to the number of U.S. Government Securities Business Days in the Reset Period. For the avoidance of doubt, the Suspension Period SOFRi shall apply to each day falling in the relevant Suspension Period.

For the purposes of this definition "$SOFR_i$", (unless otherwise agreed with the Calculation Agent or such other party as is specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest) the sum of the Reset Period and the Suspension Period $SOFR_i$ shall not be less than five U.S. Government Securities Business Days.

"**Reset Period**" means the number of U.S. Government Securities Business Days as are specified as such in the applicable Final Terms which (unless otherwise agreed with the Calculation Agent or such other party as is specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest) when added to any applicable Suspension Determination Period shall not be less than five U.S. Government Securities Business Days.

"**Secured Overnight Financing Rate**" or "**SOFR**" means:

(i) in relation to any U.S. Government Securities Business Day (the "**SOFR Determination Date**"), the daily secured overnight financing rate as published by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator) at or around 3:00 p.m. (New York City time) on the Website of the Federal Reserve Bank of New York on the next succeeding U.S. Government Securities Business Day for trades made on such SOFR Determination Date;

(ii) if the rate specified in (i) above is not so published, and a SOFR Index Cessation Event and a SOFR Index Cessation Effective Date have not both occurred (all as

notified to the Calculation Agent by the Issuer), the daily secured overnight financing rate in respect of the last U.S. Government Securities Business Day for which such rate was published on the Website of the Federal Reserve Bank of New York; or

(iii) if the rate specified in (i) above is not so published, and a SOFR Index Cessation Event and a SOFR Index Cessation Effective Date have both occurred (all as notified to the Calculation Agent by the Issuer), the rate determined in accordance with Condition 4(m) (*Benchmark Replacement*).

"**SIFMA**" means the Securities Industry and Financial Markets Association.

"**SOFR Index Cessation Effective Date**" means, in respect of a SOFR Index Cessation Event, the date on which the Federal Reserve Bank of New York (or any successor administrator) ceases to publish the Secured Overnight Financing Rate, or the date as of which the Secured Overnight Financing Rate may no longer be used.

"**SOFR Index Cessation Event**" means the occurrence of one or more of the following events:

(i) a public statement by the Federal Reserve Bank of New York (or a successor administrator) announcing that it has ceased or will cease to publish or provide the Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide a daily secured overnight financing rate;

(ii) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or a successor administrator) has ceased or will cease to provide the Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Secured Overnight Financing Rate; or

(iii) a public statement by a U.S. regulator or other U.S. official sector entity prohibiting the use of Secured Overnight Financing Rate that applies to, but need not be limited to, the Notes.

"**SOFR Reset Date**" means, in relation to any Interest Period, each U.S. Government Securities Business Day during such Interest Period, other than any U.S. Government Securities Business Day falling in the Suspension Period corresponding with such Interest Period.

"**Suspension Determination Period**" means, if Suspension Determination Period is specified as applicable in the relevant Final Terms, the number of U.S. Government Securities Business Days as are specified as such in the applicable Final Terms.

"**Suspension Period**" means, in relation to any Interest Period, the period from (and including) the U.S. Government Securities Business Day which falls on a date equal to the number of U.S. Government Securities Business Days in the Suspension Determination Period prior to the end of such Interest Period to (but excluding) the Interest Payment Date of such Interest Period.

"**U.S. Government Securities Business Day**" means any calendar day except for a Saturday, Sunday or a calendar day on which SIFMA recommends that the fixed income departments of its members be closed for the entire calendar day for purposes of trading in U.S. government securities.

"**Website of the Federal Reserve Bank of New York**" means the website of the Federal Reserve Bank of New York (currently at http://www.newyorkfed.org) or any successor website of the Federal Reserve Bank of New York or other screen page as may be

nominated for the purposes of displaying SOFR, as notified by the Issuer to the Noteholders in in accordance with Condition 13 (*Notices*).

(c) *Rate of Interest on BBSW Notes*

If a Note is specified to be a BBSW Note, the Rate of Interest for each Interest Accrual Period will be determined by the Calculation Agent on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

(i) the Rate of Interest shall be the rate (expressed as an interest rate per annum and rounded up, if necessary, to the fourth decimal place) for prime bank eligible securities having a tenor approximately equal to the relevant Interest Accrual Period which is designated as the "AVG MID" (or any designation that replaces that designation) on the Thomson Reuters Screen "BBSW" Page ("**BBSW Reuters Page**") at or about the Relevant Time on the relevant Interest Determination Date in respect of such Interest Accrual Period;

(ii) if, by the time that falls 15 minutes after the Relevant Time ("**Cut-Off Time**")), on any Interest Determination Date, such rate does not appear on the BBSW Reuters Page, the Rate of Interest means the rate determined by the Calculation Agent on the Interest Determination Date in good faith, having regard, to the extent possible, to:

(A) the rates otherwise bid and offered at or around the Cut-Off Time on the Interest Determination Date for prime bank eligible securities having a tenor approximately equal to the relevant Interest Accrual Period ("**Comparable Rates**"); and

(B) if Comparable Rates are not otherwise available, the rates otherwise bid and offered at or around the Cut-Off Time on the Interest Determination Date for funds having a tenor approximately equal to the relevant Interest Accrual Period; and

(iii) if, (subject to Condition 4(m) (*Benchmark Replacement*)), on any Interest Determination Date, the Rate of Interest cannot be determined by reference to any of sub-paragraphs (i) and (ii) above, the Rate of Interest for the relevant Interest Accrual Period shall be the Rate of Interest in effect for the last preceding Interest Accrual Period (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(d) *Rate of Interest on BKBM Notes*

If a Note is specified to be a BKBM Note, the Rate of Interest for each Interest Accrual Period will be (subject to Condition 4(m) (*Benchmark Replacement*)) determined by the Calculation Agent on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

(i) the Rate of Interest shall be the Bank Bill Reference Rate (FRA) (rounded, if necessary, to the fifth decimal place) administered by the New Zealand Financial Markets Association (or any other person which takes over the administration of that rate) as set forth on the display page designated on page "BKBM" on the Reuters screen service ("**BKBM Reuters Page**"), or such other information service as may replace the BKBM Reuters Page, at or about the Relevant Time (or such other time at which such rate customarily appears on that page (the "**Publication Time**")) on the relevant Interest Determination Date in respect of such Interest Accrual Period;

(ii) if, by 11.00 a.m. Wellington time (or such other time that is 15 minutes after the then prevailing Publication Time), on any Interest Determination Date, such rate does not appear on the BKBM Reuters Page, the Rate of Interest means the rate determined by the Calculation Agent on the Interest Determination Date in good faith, having regard, to the extent possible, to the rates otherwise bid and offered at or around 11.00 a.m. Wellington time (or such other time that is 15 minutes after the then prevailing Publication Time) on the Interest Determination Date by participants in the BKBM trading window for New Zealand bank bills having a tenor approximately equal to the relevant Interest Accrual Period; and

(iii) if, on any Interest Determination Date, the Rate of Interest cannot be determined by reference to any of sub-paragraphs (i) and (ii) above, the Rate of Interest for the relevant Interest Accrual Period shall be the Rate of Interest in effect for the last preceding Interest Accrual Period (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(e) *Rate of Interest on CMS Rate Notes*

Each CMS Rate Note will bear interest on its outstanding Principal Amount in accordance with the provisions set out in Condition 4(b)(i) above, at a specified rate that will be reset periodically based on the CMS Rate and any Margin and Rate Multiplier.

"**CMS Rate**" means the EUR CMS Rate, the GBP CMS Rate or the USD CMS Rate, as specified in the applicable Final Terms.

The following procedures will apply if the rate cannot be set as described above (subject to Condition 4(m) (*Benchmark Replacement*)):

(i) If the GBP CMS Rate is not published on the Reuters Screen ICESWAP4 Page as described above, the GBP CMS Rate will be a percentage determined on the basis of the mid-market semi-annual swap rate quotations provided by the CMS Reference Banks at approximately 11.00 a.m., London time, on the Interest Determination Date and, for this purpose, the semi-annual swap rate means the arithmetic mean of the bid and offered rates for the semi-annual fixed leg, calculated on an Actual/365 (Fixed) day count basis, of a fixed-for floating sterling interest rate swap transaction with a term equal to the Specified Maturity commencing on the Interest Reset Date and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/365 (Fixed) day count basis, is equivalent (A) if the Specified Maturity is greater than one year, to GBP-LIBOR-BBA with a Specified Maturity of six months or (B) if the Specified Maturity is one year or less, to GBP-LIBOR-BBA with a Designated Maturity of three months. The Issuer will appoint a Reference Banks Agent and the Reference Banks Agent, at the request of the Issuer, will request the principal London office of each of the CMS Reference Banks to provide a quotation of its rate and will provide such quotations to the Calculation Agent.

(ii) If at least three quotations are provided, the GBP CMS Rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

(iii) If fewer than three quotations are provided as requested, the GBP CMS Rate for that Interest Determination Date will be the same as the rate used for the prior Interest Reset Period.

(iv) If the EUR CMS Rate is not published on the Reuters Screen ICESWAP2 Page as described above, the EUR CMS Rate will be a percentage determined on the basis of the mid-market annual swap rate quotations provided by the CMS Reference Banks at approximately 11.00 a.m., London time, on the Interest Determination Date and, for this purpose, the annual swap rate means the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for floating euro interest rate swap transaction with a term equal to the Specified Maturity commencing on the Interest Reset Date and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to EUR-EURIBOR-Reuters with a Specified Maturity of six months. The Issuer will appoint a Reference Banks Agent and the Reference Banks Agent, at the request of the Issuer, will request the principal office of each of the CMS Reference Banks to provide a quotation of its rate and will provide such quotations to the Calculation Agent.

(v) If at least three quotations are provided, the EUR CMS Rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

(vi) If fewer than three quotations are provided as requested, the EUR CMS Rate for that Interest Determination Date will be the same as the rate used for the prior Interest Reset Period.

(vii) If the USD CMS Rate is not published on the Reuters Screen ICESWAP1 Page as described above, the USD CMS Rate will be a percentage determined on the basis of the mid-market semi-annual swap rate quotations provided by the CMS Reference Banks at approximately 11.00 a.m., New York City time, on the Interest Determination Date and, for this purpose, the semi-annual swap rate means the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for floating U.S. Dollar interest rate swap transaction with a term equal to the Specified Maturity commencing on the Interest Reset Date and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to USD-LIBOR-BBA with a maturity of three months. The Issuer will appoint a Reference Banks Agent and the Reference Banks Agent, at the request of the Issuer, will request the principal New York City office of each of the CMS Reference Banks to provide a quotation of its rate and will provide such quotations to the Calculation Agent.

(viii) If at least three quotations are provided, the USD CMS Rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

(ix) If fewer than three quotations are provided as requested, the USD CMS Rate for that Interest Determination Date will be the same as the rate used for the prior Interest Reset Period.

"**CMS Reference Banks**" means five leading swap dealers in the interbank market in the Principal Financial Centre of the Specified Currency selected by the Reference Banks Agent.

"**EUR CMS Rate**" means, with respect to any Interest Determination Date, the rate for euro swaps with the Specified Maturity, expressed as a percentage, determined by the Calculation Agent by reference to the rates which appears on the Reuters Screen ICESWAP2 Page under the heading "EURIBOR BASIS - EUR" and above the caption "11:00AM FRANKFURT" as of 11:00 a.m., Frankfurt time.

"**EUR-EURIBOR-Reuters**" means, for any date, the rate for deposits in euros for a period of the Specified Maturity which appears on the Reuters Screen EURIBOR01 Page as of 11:00 a.m., Brussels time, on the day that is two TARGET2 Settlement Days preceding that date.

"**GBP CMS Rate**" means, with respect to any Interest Determination Date, the rate for pound sterling swaps with the Specified Maturity, expressed as a percentage, determined by the Calculation Agent by reference to the rates appearing on Reuters Screen ICESWAP4 Page at approximately 11.10 a.m. (London time).

"**U.S. dollars**" and "**U.S.$**" means United States dollars.

"**USD CMS Rate**" means, with respect to any Interest Determination Date, the rate for U.S. Dollar swaps with the Specified Maturity, expressed as a percentage, determined by the Calculation Agent by reference to the rates appearing on Reuters Screen ICESWAP1 Page at approximately 11.00 a.m. (New York City time).

"**USD-LIBOR-BBA**" means, for any date, the rate for deposits in U.S. dollars for a period of the Specified Maturity which appears on the Reuters Screen LIBOR01 as of 11.00 a.m., London time, on the day that is two London Business Days preceding that date.

(f) *Inverse Floating Rate Notes*

(i) Each Inverse Floating Rate Note, will bear interest on its outstanding Principal Amount in accordance with the provisions set out in Condition 4(b)(i) above. The Rate of Interest for each Interest Accrual Period shall be (as determined by the Calculation Agent) the Specified Fixed Rate minus the Relevant Floating Rate where:

"**Specified Fixed Rate**" means, in respect of each Interest Accrual Period, the rate specified to be applicable in respect of the Interest Payment Date on which the Interest Accrual Period ends, as set out in the relevant Final Terms.

"**Relevant Floating Rate**" means:

(A) the offered quotation; or

(B) the arithmetic mean of the offered quotations, for the Reference Rate for the Specified Maturity and the Specified Currency in each case appearing on the Relevant Screen Page at the Relevant Time on the Interest Determination Date;

(C) where the Reference Rate specified in the applicable Final Terms is SONIA, the rate as determined in accordance with Condition 4(b)(iii)(C); or

(D) where the Reference Rate specified in the applicable Final Terms is SOFR, the rate as determined in accordance with Condition 4(b)(iii)(D).

(ii) If sub-paragraph (i)(A) applies and (subject to Condition 4(m) (*Benchmark Replacement*)) no Reference Rate for the Specified Maturity and the Specified Currency appears on the Relevant Screen Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (i)(B) applies and fewer than two offered quotations appear on the Relevant Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Issuer shall appoint a Reference Banks Agent and the Rate of Interest shall be determined by the Calculation Agent as the arithmetic mean of the offered quotations that each of the Reference Banks is quoting (or such of them, being at least two, as are so quoting) to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date for deposits of the Specified Currency for a term equal to the relevant Interest Accrual Period, as quoted to the Reference Banks Agent, at the Reference Banks Agent's request, and advised by the Reference Banks Agent to the Calculation Agent; and

(iii) if paragraph (ii) above applies and the Reference Banks Agent advises the Calculation Agent that fewer than two Reference Banks are so quoting the Reference Rate for the Specified Maturity and the Specified Currency, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage), which the Calculation Agent determines to be the nearest equivalent to the Reference Rate for the Specified Maturity and the Specified Currency, in respect of deposits of the Specified Currency that at least two out of five leading banks selected by the Reference Banks Agent (after consultation with the Issuer) in the Principal Financial Centre of the country of the Specified Currency, in each case as selected by the Reference Banks Agent (after consultation with the Issuer), are quoting at or about the Relevant Time for a period commencing on the Effective Date equivalent to the relevant Interest Accrual Period to leading banks carrying on business in (A) Europe, or (B) if the Reference Banks Agent advises the Calculation Agent that fewer than two of such banks are so quoting to such leading banks in Europe) the Principal Financial Centre, in either case, as provided by the Reference Banks Agent to the Calculation Agent; except that, if fewer than two of such banks are so quoting to such leading banks, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Maximum Rate of Interest or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(g) *Rate of Interest on Range Accrual Notes*

Each Range Accrual Note will bear interest on its outstanding Principal Amount in accordance with the provisions set out in Condition 4(b)(i) above and shall be subject to Condition 4(b)(ii). The Rate of Interest payable for each Interest Accrual Period will be determined by the Calculation Agent in respect of such Interest Accrual Period in accordance with (A), (B), (C) or (D) below:

(A) if Fixed Rate Range Accrual Note is specified as applicable and Protection Barrier is specified as not applicable in the Final Terms, the Rate of Interest for each Interest Accrual Period will be the product of:

(1) the Specified Fixed Rate; and

(2) the Relevant Fraction; and

(B) if Floating Rate Range Accrual Note is specified as applicable and Protection Barrier is specified as not applicable in the Final Terms, the Rate of Interest for each Interest Accrual Period will be the product of:

(1) the sum of:

(a) the Range Accrual Floating Rate; and

(b) if specified as applicable in the Final Terms, the Margin for such Interest Accrual Period (whether positive or negative); and

(2) the Relevant Fraction; and

(C) if Fixed Rate Range Accrual Note and Protection Barrier are both specified as applicable in the Final Terms then:

(1) if, in respect of any Interest Accrual Period, the Protection Barrier Condition is satisfied, the Rate of Interest for such Interest Accrual Period shall be the Specified Fixed Rate; and

(2) if, in respect of any Interest Accrual Period, the Protection Barrier Condition is not satisfied, the Rate of Interest for such Interest Accrual Period shall be the product of:

(a) the Specified Fixed Rate; and

(b) the Relevant Fraction; and

(D) if Floating Rate Range Accrual Note and Protection Barrier are both specified as applicable in the Final Terms then:

(1) if, in respect of any Interest Accrual Period, the Protection Barrier Condition is satisfied, the Rate of Interest for such Interest Accrual Period shall be the Range Accrual Floating Rate; and

(2) if, in respect of any Interest Accrual Period, the Protection Barrier Condition is not satisfied, the Rate of Interest for such Interest Accrual Period shall be the product of:

(a) the sum of:

(i) the Range Accrual Floating Rate; and

(ii) if specified as applicable in the Final Terms, the Margin for such Interest Accrual Period (whether positive or negative); and

(b) the Relevant Fraction.

In this Condition 4(g):

"**Calculation Day**" means, in respect of each Interest Accrual Period, each calendar day falling within such Interest Accrual Period.

"**Cap**" means the per annum rate specified in the applicable Final Terms.

"**Constant Maturity Swap Spread**" means the First CMS Spread Reference Rate on the day minus the Second CMS Spread Reference Rate on the day as specified to be applicable in the Final Terms,

provided that:

(a) subject to paragraph (b) below, if a Calculation Day is not a business day in the Relevant Financial Centre, the rate for such day shall be determined in respect of the immediately preceding business day in the Relevant Financial Centre; and

(b) if a Calculation Day falls in the Cut-Off Period, the rate for that day shall be the rate on the business day in the Relevant Financial Centre that immediately precedes the Cut-Off Period.

"**Cut-Off Period**" means the number of Business Days (as specified in the applicable Final Terms) before the last day of an Interest Accrual Period.

"**First CMS Spread Reference Rate**" means EUR CMS, GBP CMS or USD CMS as specified in the applicable Final Terms and determined in accordance with these Conditions.

"**Floor**" means the per annum rate specified in the applicable Final Terms which shall not be less than zero.

"**Margin**" means the margin specified in the applicable Final Terms.

"Protection Barrier Condition" means, (i) if Single Range Accrual Note is specified as applicable and Constant Maturity Swap Spread is specified as not applicable in the relevant Final Terms, then the Reference Rate; or (ii) if Single Range Accrual Note is specified as applicable and Constant Maturity Swap Spread is specified as applicable then the Constant Maturity Swap Spread, or (iii) if Dual Range Accrual Note is specified as applicable in the relevant Final Terms, then each Reference Rate or the Reference Rate and a Constant Maturity Swap Spread if applicable, in each case, as specified in the applicable Final Terms is or are:

(A) in respect of the Floor,

(1) if the relevant Final Terms specify that "greater than or equal to" shall apply, then greater than or equal to the applicable Floor; or

(2) if the relevant Final Terms specify that "greater than" shall apply, then greater than the applicable Floor;

and

(B) in respect of the Cap,

(1) if the relevant Final Terms specify that "less than or equal to" shall apply, then less than or equal to the applicable Cap; or

(2) if the relevant Final Terms specify that "less than" shall apply, then less than the applicable Cap;

for a number of Calculation Days in the applicable Interest Accrual Period which is equal to or greater than the Protection Barrier Period.

"**Protection Barrier Period**" means the number of Calculation Days which is equal to the percentage specified in the applicable Final Terms under "Protection Barrier Period" of the total number of Calculation Days in the applicable Interest Accrual Period.

"**Range Accrual Floating Rate**" means the rate specified in the applicable Final Terms which Rate of Interest for each Interest Accrual Period shall be determined in accordance with Condition 4(b)(iii)(B) (*Screen Rate/Reference Bank Determination for Floating Rate Notes other than Floating Rate Notes referencing SONIA or SOFR*) or, where the rate specified in the applicable Final Terms is SONIA, in accordance with Condition 4(b)(iii)(C) (*Screen Rate Determination for Floating Rate Notes where the Reference Rate specified in the applicable Final Terms is SONIA*) or, where the rate specified in the applicable Final Terms is SOFR, in accordance with Condition 4(b)(iii)(D) (*Screen Rate Determination for Floating Rate Notes where the Reference Rate specified in the applicable Final Terms is SOFR*).

"**Reference Rate**" means, on any Calculation Day:

(A) the interest rate (excluding the Margin) for Floating Rate Notes on that day notionally determined in accordance with Condition 4(b)(iii)(B) or, in the case of SONIA, Condition 4(b)(iii)(C) or, in the case of SOFR, Condition 4(b)(iii)(D) as specified in the applicable Final Terms;

(B) the interest rate for BBSW Notes (excluding the Margin) on that day notionally determined in accordance Condition 4(c) as specified in the applicable Final Terms;

(C) the interest rate for BKBM Notes (excluding the Margin) on that day notionally determined in accordance with Condition 4(d) as specified in the applicable Final Terms;

(D) the EUR CMS swap rate on that day notionally determined in accordance with Condition 4(e) as specified in the applicable Final Terms;

(E) the GBP CMS swap rate on that day notionally determined in accordance with Condition 4(e) as specified in the applicable Final Terms; and

(F) the USD CMS swap rate on that day notionally determined in accordance with Condition 4(e) as specified in the applicable Final Terms;

save that, in determining a notional interest rate or swap rate for the purposes of paragraphs (A)-(F) above, references in Condition 4(b)(iii)(B), Condition 4(b)(iii)(C), Condition 4(b)(iii)(D), Condition 4(c), Condition 4(d) and Condition 4(e) to "Interest Determination Date" shall be deemed to be references to "each Calculation Day"

provided that:

(a) subject to paragraph (b) below, if a Calculation Day is not a business day in the Relevant Financial Centre, the rate for such day shall be determined in respect of the immediately preceding business day in the Relevant Financial Centre; and

(b) if a Calculation Day falls in the Cut-Off Period, the rate for that day shall be the rate on the business day in the Relevant Financial Centre that immediately precedes the Cut-Off Period.

"**Relevant Fraction**" means, in respect of each Interest Accrual Period, an amount calculated by the Calculation Agent in accordance with the following formula:

N1/N2

where:

"**N1**" means the number of Calculation Days in the Interest Accrual Period where (i) if Single Range Accrual Note is specified as applicable and Constant Maturity Swap Spread is specified as not applicable in the relevant Final Terms, then the Reference Rate; or (ii) if Single Range Accrual Note is specified as applicable and Constant Maturity Swap Spread is specified as applicable then the Constant Maturity Swap Spread, or (iii) if Dual Range Accrual Note is specified as applicable in the relevant Final Terms, then each Reference Rate or the Reference Rate and a Constant Maturity Swap Spread if applicable, in each case, as specified in the applicable Final Terms is or are:

(A) in respect of the Floor,

(1) if the relevant Final Terms specify that "greater than or equal to" shall apply, then greater than or equal to the applicable Floor; or

(2) if the relevant Final Terms specify that "greater than" shall apply, then greater than the applicable Floor;

and

(B) in respect of the Cap,

(1) if the relevant Final Terms specify that "less than or equal to" shall apply, then less than or equal to the applicable Cap; or

(2) if the relevant Final Terms specify that "less than" shall apply, then less than the applicable Cap; and

"**N2**" means the actual number of Calculation Days in the Interest Accrual Period.

"**Second CMS Spread Reference Rate**" means EUR CMS, GBP CMS or USD CMS as specified in the applicable Final Terms and determined in accordance with the Conditions.

"**Specified Fixed Rate**" means the per annum rate specified in the applicable Final Terms.

(h) *Zero Coupon Notes*

Where a Note, the Interest Basis of which is specified in the Final Terms to be Zero Coupon, is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield.

(i) *Accrual of Interest*

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (after, as well as before, judgment) at the Rate of Interest in the manner provided in this Condition 4 to the Relevant Date.

(j) *Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts, Rate Multipliers and Rounding*

(i) If any Margin or Rate Multiplier is specified in the Final Terms (either (A) generally, or (B) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (A), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (B), calculated in accordance with Condition 4(b), Condition 4(c), Condition 4(d) or Condition 4(e) above, by adding (if a positive number)

or subtracting the absolute value (if a negative number) of such Margin or multiplying such Rate Multiplier, subject always to the next paragraph;

(ii) If any Maximum Rate of Interest or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified in the Final Terms, then any Rate of Interest, Instalment Amount or Final Redemption Amount shall be subject to such maximum or minimum, as the case may be; and

(iii) Subject to the requirements of applicable law, for the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (A) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (B) all figures shall be rounded to seven decimal places (with halves being rounded up) and (C) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of Yen, which shall be rounded down to the nearest Yen. For these purposes "**unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means 0.01 euro, as the case may be.

(k) *Calculations*

The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding Principal Amount of such Note by the Day Count Fraction, unless an Interest Amount is specified in the Final Terms in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount. Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

(l) *Determination and Publication of Rate of Interest, Interest Amounts, Final Redemption Amounts and Instalment Amounts*

As soon as practicable after the Relevant Time on each Interest Determination Date or such other time on such date as the Calculation Agent may be required to calculate any rate or amount or Instalment Amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, the Guarantor (if applicable), each of the Paying Agents, the Noteholders, the Registrar, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange (and/or admitted to listing, trading and/or quotation on any other listing authority, stock exchange and/or quotation system) and the rules of such listing authority, stock exchange and/or quotation system so require, such listing authority, stock exchange and/or quotation system and, in the case of VPS Notes, the VPS Trustee and the VPS Agent as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Accrual Period, if determined prior to such time in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. The notification of any rate or amount, if applicable, shall be made to the VPS in accordance with and subject to the rules and regulations of the VPS for the time being in effect. Where any Interest Payment Date or Interest Accrual Period is subject to adjustment pursuant to Condition 4(a)(iv) or Condition 4(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Accrual Period. If the Calculation Amount is less than the minimum Specified Denomination, the Calculation Agent shall not be obligated to publish each Interest Amount but instead may publish

only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination. If the Notes become due and payable under Condition 9 (*Events of Default*), the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) or such other person specified in the applicable Final Terms as the party responsible for making any such calculation or determination shall (in the absence of manifest error) be final and binding upon all parties.

(m) *Benchmark Replacement*

This Condition 4(m) (*Benchmark Replacement*) applies where the relevant Reference Rate specified in the applicable Final Terms is a rate other than U.S. Dollar LIBOR. Notwithstanding the provisions above in Conditions 4(b), (c), (d), (e) and (f), if the Issuer (in consultation with the Calculation Agent (or the person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest)) determines that a Benchmark Disruption Event has occurred when any Rate of Interest (or the relevant component part thereof) remains to be determined by reference to such Reference Rate affected by the Benchmark Disruption Event, then the following provisions shall apply:

(i) **Independent Adviser**

The Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the Independent Adviser determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 4(m)(ii)) and, in either case, an Adjustment Spread if any (in accordance with Condition 4(m)(iv)) and any Benchmark Amendments (in accordance with Condition 4(m)(v)).

(ii) **Successor Rate or Alternative Rate**

If the Independent Adviser, following consultation with the Issuer and acting in good faith and in a commercially reasonable manner, determines, no later than the IA Determination Cut-off Date that: (A) there is a Successor Rate, then it shall notify the Calculation Agent and the Calculation Agent shall use such Successor Rate (subject to adjustment as provided in Condition 4(m)(iv)) in place of the Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the subsequent operation of this Condition 4(m)); or (B) there is no Successor Rate but that there is an Alternative Rate, then it shall notify the Calculation Agent and the Calculation Agent shall use such Alternative Rate (subject to adjustment as provided in Condition 4(m)(iv)) in place of the Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the subsequent operation of this Condition 4(m)).

(iii) **Issuer Determination**

If the Issuer is unable to appoint an Independent Adviser, or if the Independent Adviser appointed by it fails to determine a Successor Rate or Alternative Rate prior to the IA Determination Cut-off Date, then, if it elects to do so, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or Alternative Rate for the purposes of Condition 4(m)(ii);

(iv) **Adjustment Spread**

If the Independent Adviser, following consultation with the Issuer (or the Issuer as the case may be) and acting in good faith and in a commercially reasonable manner, determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Independent Adviser (or the Issuer as the case may be) shall notify the Calculation Agent of such Adjustment

Spread and the Calculation Agent shall apply it to the Successor Rate or the Alternative Rate (as the case may be).

(v) **Benchmark Amendments**

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 4(m) and the Independent Adviser, following consultation with the Issuer (or the Issuer as the case may be), acting in good faith and in a commercially reasonable manner, determines (i) that amendments to these Conditions and/or the Agency Agreement and/or the VPS Trustee Agreement and/or any other agreement or document relating to the Notes are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(m)(vi), without any requirement for the consent or approval of Noteholders, at the Issuer's expense, vary these Conditions and/or the VPS Trust Agreement and/or the Agency Agreement and/or any other agreement or document relating to the Notes as is necessary to give effect to such Benchmark Amendments with effect from the date specified in such notice. The Fiscal Agent and/or the VPS Trustee and/or each other party to an applicable agreement shall not be obliged to concur if in their opinion doing so would impose more onerous obligations on them or expose them to any additional duties, responsibilities or liabilities or reduce or amend their rights and/or the protective provisions afforded to them in these Conditions or in any other document to which they are a party in any way. For the avoidance of doubt, no consent of the Noteholders of the relevant Series shall be required in connection with effecting the Benchmark Amendments or such other changes, including for the execution of any documents or the taking of other steps by the VPS Trustee, the Issuer or any of the parties to the Agency Agreement (if required). In connection with any such variation in accordance with this Condition 4(m)(v), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(vi) **Notices, etc.**

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(m) will be notified promptly, and in any event not later than the fifth Business Day prior to the Interest Determination Date by the Issuer to the Fiscal Agent, the Calculation Agent, and each other party to the Agency Agreement, the VPS Trustee and the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any, and will be binding on the Issuer, the Fiscal Agent, the Calculation Agent and each other party to the Agency Agreement, the VPS Trustee and the Noteholders.

(vii) **Survival of Reference Rate**

Without prejudice to the provisions of this Condition 4(m), the Reference Rate and the fallback provisions provided for in Condition 4(b)(iii)(B) will continue to apply unless and until the Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with Condition 4(m)(v).

For the avoidance of doubt and notwithstanding any other provision of this Condition 4(m), in determining any Adjustment Spread or other relevant methodology for the purposes of Condition 4(m)(iii), the Issuer shall not and shall not be obliged to apply and may discount any Adjustment Spread or methodology the application of which may constitute it an administrator for the purposes of Regulation (EU) 2016/1011.

For the purposes of this Condition 4(m) (*Benchmark Replacement*):

"**Adjustment Spread**" means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser, following

consultation with the Issuer (or the Issuer as the case may be) and acting in good faith and in a commercially reasonable manner, determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);

(ii) the Independent Adviser, following consultation with the Issuer (or the Issuer as the case may be), acting in good faith and in a commercially reasonable manner, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions or is in customary market usage in the debt capital market for transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be) (or if the Independent Adviser (or the Issuer as the case may be) determines that no such industry standard is recognised or acknowledged); or

(iii) the Independent Adviser, following consultation with the Issuer (or the Issuer as the case may be), in its discretion, and acting in good faith and in a commercially reasonable manner, determines to be appropriate.

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser (or the Issuer as the case may be) determines in accordance with Condition 4(m)(ii) has replaced the Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same Specified Currency as the Notes.

"**Benchmark Amendments**" has the meaning given to it in Condition 4(m)(v).

"**IA Determination Cut-Off Date**" means no later than five Business Days prior to the relevant Interest Determination Date relating to the next relevant Interest Period.

"**Independent Adviser** " means an independent financial institution of international repute or other independent financial adviser with appropriate expertise in the international debt capital markets, in each case appointed by the Issuer at its own expense;

"**Benchmark Disruption Event**" means:

(i) the relevant Reference Rate (other than SOFR) specified in the relevant Final Terms has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

(ii) the Issuer determines after consulting with the Independent Adviser (if so appointed) that, a change in the generally accepted market practice in the international debt capital markets to refer to a Reference Rate (other than SOFR) is endorsed in a public statement by a Relevant Nominating Body, despite the continued existence of the applicable Reference Rate; or

(iii) where the relevant Reference Rate is SOFR, (1) the rate specified in clause (i) of the definition of SOFR is not so published and (2) a SOFR Index Cessation Event and a SOFR Index Cessation Effective Date have both occurred.

"**Reference Rate**" means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes.

"**Relevant Nominating Body**" means, in respect of a Reference Rate (other than SOFR):

(i) the central bank for the currency to which the Reference Rate relates, or any central bank or other supervisory authority which is responsible for administering or supervising the administrator of the Reference Rate;

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the Reference Rate relates, (b) any central bank or other supervisory authority which is responsible for administering or supervising the administrator of the Reference Rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof; or

(iii) any of the Board of Governors of the Federal Reserve, the Federal Reserve Bank of New York, the Bank of England, the Financial Conduct Authority or the Prudential Regulation Authority or any relevant committee or other body established, sponsored or approved by any of the foregoing, including the Working Group on Sterling Risk-Free Reference Rates and the Alternative Reference Rates Committee.

"**Secured Overnight Financing Rate**" or "**SOFR**" has the meaning ascribed to it in Condition 4(b)(iii)(D);

"**SOFR Index Cessation Effective Date**" has the meaning ascribed to it in Condition 4(b)(iii)(D);

"**SOFR Index Cessation Event**" has the meaning ascribed to it in Condition 4(b)(iii)(D); and

"**Website of the Federal Reserve Bank of New York**" has the meaning ascribed to it in Condition 4(b)(iii)(D).

(n) *Effect of Benchmark Transition Event*

This Condition 4(n) (*Effect of Benchmark Transition Event*) applies where the relevant Reference Rate specified in the applicable Final Terms is U.S. Dollar LIBOR (and for the avoidance of doubt, any subsequent Benchmark determined as a result of a Benchmark Replacement determination):

(i) **Benchmark Replacement**

If the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the Benchmark on any date, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of such determination on such date and all determinations on all subsequent dates.

(ii) **Benchmark Replacement Conforming Changes**

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time.

(iii) **Decisions and Determinations**

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 4(n) (*Effect of Benchmark Transition Event*), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer or its designee's sole discretion, and, notwithstanding anything to the contrary in the in these Conditions or any other documentation relating to the Notes, shall become effective without consent from any other party.

For the avoidance of doubt and notwithstanding any other provision of this Condition 4(n) in determining any Benchmark Replacement, Benchmark Replacement Conforming Changes or Benchmark Replacement Adjustment or for the purposes of making any other determination for the purposes of this Condition, the Issuer shall not and shall not be obliged to apply and may discount any factor or methodology the application of which may constitute it an administrator for the purposes of Regulation (EU) 2016/1011.

For the purposes of this Condition 4(n) (*Effect of Benchmark Transition Event*):

"**Benchmark**" means, initially, U.S. Dollar LIBOR; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to U.S. Dollar LIBOR or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement.

Benchmark Replacement" means the Interpolated Benchmark; *provided* that if the Issuer or its designee cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date, then "Benchmark Replacement" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

(i) the sum of:

(A) Term SOFR; and

(B) the Benchmark Replacement Adjustment;

(ii) the sum of:

(A) Compounded SOFR; and

(B) the Benchmark Replacement Adjustment;

(iii) the sum of:

(A) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor; and

(B) the Benchmark Replacement Adjustment;

(iv) the sum of:

(A) the ISDA Fallback Rate; and

(B) the Benchmark Replacement Adjustment;

(v) the sum of:

(A) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar denominated floating rate notes at such time; and

(B) the Benchmark Replacement Adjustment.

"**Benchmark Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

(i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment;

(iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar denominated floating rate notes at such time.

"**Benchmark Replacement Conforming Changes**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, changes to the definition of "Corresponding Tenor" solely when such tenor is longer than the Interest Period and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary).

"**Benchmark Replacement Date**" means the earliest to occur of the following events with respect to the then-current Benchmark:

(i) in the case of clause (i) or (ii) of the definition of "Benchmark Transition Event," the later of:

(A) the date of the public statement or publication of information referenced therein; and

(B) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or

(ii) in the case of clause (iii) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

"**Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(i) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, *provided*

that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;

(ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or

(iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative.

"**Compounded SOFR**" means the compounded average of SOFRs for the applicable Corresponding Tenor, with the rate, or methodology for this rate, and conventions for this rate (which will be compounded in arrears with a lookback and/or suspension period as a mechanism to determine the interest amount payable prior to the end of each Interest Period) being established by the Issuer or its designee in accordance with:

(i) the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded SOFR; *provided* that:

(ii) if, and to the extent that, the Issuer or its designee determines that Compounded SOFR cannot be determined in accordance with paragraph (i) above, then the rate, or methodology for this rate, and conventions for this rate that have been selected by the Issuer or its designee giving due consideration to any industry-accepted market practice for U.S. dollar denominated floating rate notes at such time.

"**Corresponding Tenor**" with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark.

"**Federal Reserve Bank of New York's Website**" means the website of the Federal Reserve Bank of New York at http://www.newyorkfed.org, or any successor source.

"**Interpolated Benchmark**" with respect to the Benchmark means the rate determined for the Corresponding Tenor by interpolating on a linear basis between:

(i) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor; and

(ii) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor.

"**ISDA Definitions**" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

"**ISDA Fallback Adjustment**" means the spread adjustment, (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor.

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

"**Reference Time**" with respect to any determination of the Benchmark means:

(i) if the Benchmark is LIBOR, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such determination; and

(ii) if the Benchmark is not LIBOR, the time determined by the Issuer or its designee in accordance with the Benchmark Replacement Conforming Changes.

"**Relevant Governmental Body**" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

"**SOFR**" with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York's Website.

"**Term SOFR**" means the forward-looking term rate for the applicable Corresponding Tenor based on SOFR that has been selected or recommended by the Relevant Governmental Body.

"**Unadjusted Benchmark Replacement**" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(o) *ISDA Determination for Fallback*

Notwithstanding the provisions of Condition 4(m) (*Benchmark Replacement*) and Condition 4(n) (*Effect of Benchmark Transition Event*), if ISDA Determination for Fallback provisions is specified in the relevant Final Terms as being applicable then, upon the occurrence of an ISDA Determination Fallback Event, the Calculation Agent shall determine the Rate of Interest for the relevant Interest Period or Interest Accrual Period as the sum of:

(A) the ISDA Fallback Rate; and

(B) the ISDA Fallback Adjustment.

For the purposes of this Condition:

"**Index Cessation Event**" means, in respect of a Reference Rate:

(i) a public statement or publication of information by or on behalf of the administrator of the Reference Rate announcing that it has ceased or will cease to provide the Reference Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Reference Rate; or

(ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Reference Rate, the central bank for the currency of the Reference Rate, an insolvency official with jurisdiction over the administrator for the Reference Rate, a resolution authority with jurisdiction over the administrator for the Reference Rate or a court or an entity with similar insolvency or resolution authority over the administrator for the Reference Rate, which states that the administrator of the Reference Rate has ceased or will cease to provide the Reference Rate permanently or indefinitely, provided

that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Reference Rate.

"**ISDA Definitions**" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

"ISDA Determination Fallback Event" means the Reference Rate specified in the applicable Final Terms has not been published by the source that is specified or otherwise ordinarily used to determine the level of the Reference Rate on the day on which it is required or an Index Cessation Event has occurred with respect to the Reference Rate.

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the ISDA Definitions upon the occurrence of an ISDA Determination Fallback Event with respect to the Reference Rate specified in the applicable Final Terms for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

"**ISDA Fallback Adjustment**" means the spread adjustment, (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an ISDA Determination Fallback Event with respect to the Reference Rate specified in the applicable Final Terms for the applicable tenor.

(p) *Definitions*

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Amortisation Yield**" has the meaning given in Condition 5(c)(ii).

"**Amortised Face Amount**" has the meaning given in Condition 5(c)(ii).

"**APRA**" means the Australian Prudential Regulation Authority (or any successor organisation).

"**Australian Tax Act**" means the Income Tax Assessment Act 1936 or the Income Tax Assessment Act 1997 of Australia as applicable (which term includes any amendments or successor legislation).

"**BBSW**" means the Australian Bank Bill Swap Rate.

"**BBSW Note**" means a Floating Rate Note denominated in Australian dollars.

"**BKBM**" means the New Zealand Bank Bill reference rate.

"**BKBM Note**" means a Floating Rate Note denominated in New Zealand dollars.

"**Business Day**" means:

(i) a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments generally in London and, where ANZBGL is the Issuer, Sydney or, where ANZ New Zealand or ANZNIL is the Issuer, Auckland and Wellington; and

(ii) in the case of:

(A) a Specified Currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments generally in the Principal Financial Centre for such Specified Currency; or

(B) in the case of euro, a TARGET2 Business Day; and

(iii) in the case of one or more additional business centres specified in the applicable Final Terms (each, an "**Additional Business Centre**"), a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the Additional Business Centres or, if no currency is indicated, generally in each of the Additional Business Centres,

unless otherwise specified in the relevant Final Terms.

"**Business Day Convention**" in relation to an Interest Payment Date or other particular date, has the following meaning as so specified in the Final Terms:

(i) **Floating Rate Business Day Convention** means that the relevant date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such date shall be brought forward to the immediately preceding Business Day and (B) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment;

(ii) **Following Business Day Convention** means that the relevant date shall be postponed to the next day that is a Business Day;

(iii) **Modified Following Business Day Convention** means that the relevant date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day;

(iv) **Preceding Business Day Convention** means that the relevant date shall be brought forward to the immediately preceding Business Day; or

(v) "**No adjustment**" means that the relevant date shall not be adjusted in accordance with any Business Day Convention.

"**Calculation Amount**" has the meaning given in the relevant Final Terms.

"**CDOR**" means the Toronto inter-bank offered rate.

"**CMS Rate Note**" means a Floating Rate Note where the designated Interest Basis is CMS Rate.

"**CNH HIBOR**" means the CNH Hong Kong Interbank Offered Rate.

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended.

"**Day Count Fraction**" means, in relation to the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Accrual Period, the "**Calculation Period**"):

(i) if "**Actual/Actual (ICMA)**" is specified in the Final Terms:

(A) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (x) the actual number of days in such Regular Period and (y) the number of Regular Periods in any year; and

(B) where the Calculation Period is longer than one Regular Period, the sum of:

(x) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (I) the actual number of days in such Regular Period and (II) the number of Regular Periods in any year; and

(y) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (I) the actual number of days in such Regular Period and (II) the number of Regular Periods in any year;

where "**Regular Period**" means:

(aa) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;

(bb) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls; and

(cc) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

(ii) if "**Actual/Actual (ISDA)**" or "**Actual/Actual**" is specified in the Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(iii) if "**Actual/365 (Fixed)**" is specified in the Final Terms, the actual number of days in the Calculation Period divided by 365;

(iv) if "**Actual/360**" is specified in the Final Terms, the actual number of days in the Calculation Period divided by 360;

(v) if "**30/360 (ICMA)**" is specified in the Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360;

(vi) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

where:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1) + (D_2 - D_1)]}{360}$$

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number is 31, in which case D_1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(vii) if "**30E/360**" or "**Eurobond Basis**" is specified in the Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

where:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2-Y_1)] + [30 \times (M_2-M_1) + (D_2-D_1)]}{360}$$

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30; or

(viii) if "**30E/360 (ISDA)**" is specified in the Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

where:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2-Y_1)] + [30 \times (M_2-M_1) + (D_2-D_1)]}{360}$$

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless (A) that day is the last day of February or (B) such number would be 31, in which case D_1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (A) that day is the last day of February but not the Maturity Date or (B) such number would be 31, in which case D_2 will be 30,

provided, however, that in each case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period.

"**Early Redemption Amount**" means, in relation to a Note other than a Zero Coupon Note, its Principal Amount or, in relation to a Zero Coupon Note, as specified in Condition 4(p).

"**Effective Date**" means, with respect to any Floating Rate to be determined on an Interest Determination Date, unless otherwise specified in the Final Terms, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

"**EURIBOR**" means the Euro-Zone inter-bank offered rate.

"**Euro-Zone**" means the region comprising Member States of the European Economic Area that adopt the single currency in accordance with the Treaty establishing the European Union, as amended (the "**Treaty**").

"**Event of Default**" has the meaning given in Condition 9.

"**Exercise Notice**" has the meaning given in Condition 5(e).

"**Extraordinary Resolution**" has the meaning given in Condition 10(a).

"**FATCA**" means:

(i) Sections 1471-1474 of the Code (or any amended or successor version to the Code) and any current or future regulations or official interpretations thereof;

(ii) any U.S. or non-U.S. fiscal or regulatory legislation, rules, guidance or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of either such sections of the Code or analogous provisions of non-U.S. law; or

(iii) any agreement pursuant to the implementation of paragraphs (i) or (ii) above with the U.S. Internal Revenue Service, the U.S. government or any governmental or taxation authority in any other jurisdiction.

"**Federal Funds Effective Rate US**" means the volume weighted average rate at which depository institutions lend balances at the Federal Reserve to other depository institutions.

"**Final Redemption Amount**" means, in relation to a Note, its Principal Amount.

"**HIBOR**" means the Hong Kong inter-bank offered rate.

"**Initial Call Date**" means the first occurring Optional Redemption Date (if any).

"**Instalment Amount**" means the amount specified as such in (or calculated in accordance with the provisions of) the relevant Final Terms.

"**Interest Amount**" means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount, Broken Amount or the amount calculated pursuant to Condition 4(a)(iii) as the case may be.

"**Interest Accrual Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date, except that the final Interest Accrual Period ends on (but excludes) the Maturity Date or the date of any earlier redemption of a Note in accordance with the Conditions, or any other period specified in the Final Terms.

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified in the Final Terms.

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the Final Terms or, if none is so specified:

(i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or if the Notes are BBSW Notes or BKBM Notes;

(ii) except for BBSW Notes or BKBM Notes, the day falling two Business Days for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro; or

(iii) the day falling two TARGET2 Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

"**Interest Payment Date(s)**" means the date or dates specified in the Final Terms and, unless otherwise specified in the Final Terms, the final Interest Payment Date shall be the Maturity Date or such earlier date on which the relevant Notes are redeemed in accordance with the Conditions.

"**Interest Period**" means, unless otherwise specified in the Final Terms, the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date, except that the final Interest Period ends on (but excludes) the Maturity Date or the date of any earlier redemption of a Note in accordance with the Conditions.

"**Interest Period Date**" means each Interest Payment Date unless otherwise specified in the Final Terms.

"**ISDA Definitions**" means, the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Final Terms)) as published by the International Swaps and Derivatives Association, Inc.

"**Issue Date**" means the date of issue of the Notes as specified in the Final Terms.

"**LIBOR**" means the London inter-bank offered rate.

"**Maximum Redemption Amount**" means the amount specified as such in (or calculated in accordance with the provisions of) the relevant Final Terms.

"**Minimum Redemption Amount**" means the amount specified as such in (or calculated in accordance with the provisions of) the relevant Final Terms.

"**Offshore Associate**" has the meaning given in Condition 5(f).

"**Principal Amount**" in respect of a Note means the outstanding principal amount of that Note.

"**Principal Financial Centre**" means, in relation to a Specified Currency or any other currency, the principal financial centre of the country of that Specified Currency or other currency, which in the case of euro, is the Euro-Zone.

"**Rate of Interest**" means the rate of interest payable from time to time in respect of this Note and that is either specified in the relevant Final Terms or calculated in accordance with these Conditions.

"**Record Date**" has the meaning given in Condition 6(b)(ii).

"**Redemption Amount(s)**" means the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount, Maximum Redemption Amount or Minimum Redemption Amount, as the case may be.

"**Reference Banks**" means the institutions specified as such in the Final Terms or, if none, four major banks selected by the Reference Banks Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Reference Rate specified in the Final Terms which, if the relevant Reference Rate is EURIBOR, shall be the Euro-Zone.

"**Reference Banks Agent**" means an independent investment bank, commercial bank or stockbroker appointed by the Issuer.

"**Reference Rate**" means one of the following interbank lending rates, swap rates or bank bill rates: BBSW, BKBM, LIBOR, Federal Funds Effective Rate US, EURIBOR, CDOR, CMS Rate, SHIBOR, HIBOR, SIBOR, SOFR, SONIA or CNH HIBOR as specified in the relevant Final Terms.

"**Relevant Date**" has the meaning given in Condition 7 (*Taxation*).

"**Relevant Financial Centre**" means, with respect to any Floating Rate to be determined in accordance with Screen Rate Determination on an Interest Determination Date and for the determination of the Rate of Interest in respect of Range Accrual Notes:

(i) (A) in the case of BBSW Notes, Sydney (B) in the case of BKBM Notes, either Wellington or Auckland, New Zealand or (C) in either case such other financial centre as may be specified in the Final Terms; and

(ii) in all other cases, the financial centre specified as such in the Final Terms or, if none is so specified, the Principal Financial Centre with which the relevant Reference Rate is most closely connected (which, where the Specified Currency is euro, shall be the Euro-Zone) or, if none is so connected, London.

"**Relevant Screen Page**" means the screen page specified as such in the relevant Final Terms.

"**Relevant Time**" with respect to any Interest Determination Date, unless otherwise specified in the Final Terms, in the case of BBSW Notes is 10.30 a.m. Sydney time, in the case of the BKBM Notes is 10.45 a.m. Wellington time, in the case of LIBOR is 11.00 a.m. London time, in the case of EURIBOR is 11.00 a.m. Brussels time, in the case of CDOR is 10.00 a.m. Toronto time, in the case of SHIBOR is 11.30 a.m. Beijing time, in the case of HIBOR is 11.00 a.m. Hong Kong time and in the case of SIBOR is 11.00 a.m. Singapore time (or, in each case, such other time at which such rate customarily appears). The Relevant Time in the case of CNH HIBOR will be specified in the Final Terms. If a substitute or successor screen page is used for the purposes of calculating a Screen Rate as provided in Condition 4(t), the Relevant Time in relation to such Screen Rate will be the nearest comparable time at which such Screen Rate is published on such substitute or successor screen page.

"**SHIBOR**" means the Shanghai inter-bank rate.

"**SIBOR**" means the Singapore inter-bank offered rate.

"**Solvent**" means at any time in respect of ANZBGL:

(i) it is able to pay all its debts as and when they become due and payable; and

(ii) its assets exceed its liabilities, in each case determined on an unconsolidated stand-alone basis.

"**SONIA**" means the Sterling Index Overnight Average;

"**Specified Currency**" means the currency specified as such in the Final Terms or, if none is specified, the currency in which the Notes are denominated.

"**Specified Maturity**" has the meaning given in the relevant Final Terms.

"**TARGET2 Business Day**" means a day on which the TARGET2 System is open.

"**TARGET2 System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System.

"U.S. Dollar LIBOR" means the London inter-bank offered rate for deposits in USD.

(q) *Calculation Agent and Reference Banks*

The Issuer and, if applicable, the Guarantor shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the Final Terms and for so long as any Note is outstanding (as defined in the Agency Agreement). If any Reference Bank (acting through its relevant offices) is unable or unwilling to continue to act as a Reference Bank, then the Issuer or, failing which and if applicable, the Guarantor shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is

unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount or Optional Redemption Amount or to comply with any other requirement, the Issuer or, failing which and if applicable, the Guarantor shall appoint a leading bank or investment banking firm engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(r) *Linear Interpolation*

Where Linear Interpolation is specified as being applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate or the relevant Floating Rate Option, as applicable, one of which shall be determined as if the Designated Maturity or Specified Maturity, as applicable, as specified in the applicable Final Terms, were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which rates are available next longer than the length of the relevant Interest Period, provided, however, that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

(s) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4 (*Interest and other Calculations*) shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Guarantor (if applicable), the Calculation Agent, the Fiscal Agent, the other Paying Agents (if any), the Registrar, the VPS Agent, the VPS Trustee and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Calculation Agent, the VPS Agent or the VPS Trustee, as the case may be, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(t) *Substitute or Successor Screen Page*

Any reference in these Conditions or in the Final Terms to a screen page on Reuters or on Bloomberg means the display page so designated on the Reuters Monitor Money Rates Service (or any successor service) or the Bloomberg Professional® service (or any successor service), as the case may be, or such other page as may replace such page for the purpose of displaying the relevant rate.

(u) *VPS Notes – Calculation Agent*

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in respect of the VPS Notes and for so long as any such VPS Note is outstanding. Where more than one Calculation Agent is appointed in respect of the VPS Notes, references in these Terms and Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Terms and Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or to calculate any Interest Amount or to comply with any other requirement, the Issuer shall (with the prior approval of the VPS Trustee) appoint a leading bank or investment banking firm engaged in the inter-bank market that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

5. **Redemption, Purchase and Options**

(a) *Redemption by Instalments and Final Redemption*

(i) Unless previously redeemed, purchased and cancelled as provided in this Condition 5 or unless the relevant Instalment Date (being one of the dates so specified in the Final Terms) is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 5(d) or 5(e), each Note that provides for Instalment Dates and Instalment Amounts (each an "**Instalment Note**") shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the Final Terms. The outstanding Principal Amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the Principal Amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

(ii) Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 5(d) or 5(e), each Note shall be finally redeemed on the Maturity Date specified in the Final Terms at its Final Redemption Amount or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

(b) *Redemption for Taxation Reasons Applicable to all Notes*

If, as a result of any change in or amendment to the laws or regulations of the jurisdiction of incorporation of the Issuer and/or, where the Issuer is acting through its branch, the jurisdiction, country or territory in which the branch through which the Issuer is acting is located and/or, if applicable, the jurisdiction of incorporation of the Guarantor, or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations or any ruling, confirmation or advice from any taxing authority, which change or amendment or ruling becomes effective on or after the Issue Date shown on the face of any Note, the Issuer or, if applicable, the Guarantor (if the Guarantor was or is obliged to make a payment under the Guarantee) has or will become obliged to pay additional amounts as provided in Condition 7 (*Taxation*), the Issuer may at its option, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (in the case of Floating Rate Notes), on giving not more than 60 nor less than 30 days' notice to the Noteholders of the relevant Series (which notice shall be irrevocable) redeem all, but not some only, of the Notes of the relevant Series at their Early Redemption Amount together with interest accrued to the date fixed for redemption, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, if applicable, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Notes then due or (as the case may be) an obligation to make a payment under the Guarantee were then made. Prior to the publication of any notice of redemption pursuant to this Condition 5(b), the Issuer shall deliver to the Fiscal Agent and, with respect to VPS Notes, the VPS Trustee a certificate signed by two persons each of whom is either a Director, a Senior Executive, an authorised representative or of equivalent status of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of the facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred.

(c) *Early Redemption of Zero Coupon Notes*

(i) The Early Redemption Amount payable in respect of any Zero Coupon Note that does not bear interest prior to the Maturity Date, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 5(b) or upon it becoming due and payable as provided in Condition 9 (*Events of Default*), shall be the Amortised Face Amount (calculated as provided below) of such Note.

(ii) Subject to the provisions of sub-paragraph (iii) below, the "**Amortised Face Amount**" of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted to the date of its early redemption at a rate per annum (expressed as a percentage) equal to (A) where Compound Interest is specified in the Final Terms, the "**Amortisation Yield**" (which, if none is set out in the Final Terms, shall be such rate as would produce an Amortised Face Amount equal to the Issue Price of the Notes if such Notes were discounted back from the Maturity Date to the Issue Date) compounded annually, or (B) where Linear Interest is specified

in the Final Terms, an amount per Calculation Amount calculated in accordance with the following formula:

$$Amortised\ Face\ Amount = Calculation\ Amount + (Accreting\ Payment\ Amount\ x\ A) + B$$

Where:

"**A**" means the aggregate number of Accreting Payment Periods that precede the Final Accreting Payment Period;

"**Accreting Payment Amount**" means the amount per Calculation Amount specified in the Final Terms;

"**Accreting Payment Period**" means a period specified in the Final Terms;

"**B**" means, in respect of the Final Accreting Payment Period, the Accreting Payment Amount multiplied by the Day Count Fraction;

"**Early Redemption Date**" means in respect of this Condition 5(c) the date on which the Notes are redeemed prior to the Maturity Date; and

"**Final Accreting Payment Period**" means a period specified in the Final Terms.

Where such calculation referred to in sub-paragraph (A) of this sub-paragraph (ii) is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction set out in the Final Terms.

(iii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(b) or upon it becoming due and payable as provided in Condition 9 (*Events of Default*) is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the reference therein, in the case of sub-paragraph (A), to the date on which the Note becomes due and payable or, in the case of sub-paragraph (B), the Early Redemption Date, were replaced by a reference to the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (after, as well as before, judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 4(i).

(d) *Redemption at the Option of the Issuer and Exercise of Issuer's Options*

If a Call Option is included in the Final Terms, the Issuer may, on giving not less than five or more than 30 days' irrevocable notice (subject to such other notice period as may be specified in the Final Terms under "Option Exercise Date(s)") to the Noteholders redeem, or exercise any Issuer's option (as may be described in the Final Terms) in relation to, all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise of the Issuer's option shall only relate to Notes of a Principal Amount at least equal to the Minimum Redemption Amount to be redeemed specified in the Final Terms and no greater than the Maximum Redemption Amount to be redeemed specified in the Final Terms.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of an Issuer's option, the notice to Noteholders shall also contain the certificate numbers of the Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place as may be fair and reasonable in the circumstances, having regard to prevailing market practices and in such manner as it deems appropriate,

subject to compliance with any applicable laws and stock exchange requirements, including in accordance with the rules of the VPS in the case of VPS Notes. So long as the Notes are listed on the Official List of the UK Financial Conduct Authority and admitted to trading on the Regulated Market of the London Stock Exchange and/or admitted to listing, trading and/or quotation on any other listing authority, stock exchange and/or quotation system and the rules of the relevant listing authority, stock exchange and/or quotation system so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in a leading newspaper of general circulation in London (which is expected to be the *Financial Times*), or as specified by such other listing authority, stock exchange and/or quotation system, a notice specifying the aggregate principal amount of Notes outstanding and a list of the Notes drawn for redemption but not surrendered.

(e) *Redemption at the Option of Noteholders and Exercise of Noteholders' Options*

If Put Option is specified in the Final Terms, the Issuer shall, at the option of the holder of such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (subject to such other notice period as may be specified in the Final Terms, under "Option Exercise Date(s)"), redeem such Note on the Optional Redemption Date(s) so provided at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option or any other Noteholder's option that may be set out in the Final Terms the holder (other than a holder of VPS Notes) must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. In the case of a VPS Note, within the notice period, a holder of any VPS Note may exercise its right to require redemption of its VPS Notes by giving written notice to its account manager for the VPS, who will notify the VPS Agent of the exercise of such option. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer, except that such Note or Certificate will be returned to the relevant Noteholder by the Paying Agent, the Registrar or Transfer Agent with which it has been deposited if, prior to the due date for its redemption or the exercise of the option, the Note becomes immediately due and payable or if upon due presentation payment of the redemption moneys is not made or exercise of the option is denied.

(f) *Purchases*

Where ANZBGL is the Issuer of this Note, ANZBGL is taken to represent as at the date of issue of this Note, that it does not know, or have any reasonable grounds to suspect, that this Note or any interest in this Note is being or will later be, acquired either directly or indirectly by an Offshore Associate of ANZBGL (acting other than in the capacity of a dealer, manager or underwriter in relation to the placement of this Note or a clearing house, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act 2001 of Australia (the "**Corporations Act**")).

"**Offshore Associate**" means an associate (as defined in section 128F of the Australian Tax Act) of ANZBGL that is either a non-resident of Australia which does not acquire the Notes in carrying on a business at or through a permanent establishment in Australia or, alternatively, a resident of Australia that acquires the Notes in carrying on business at or through a permanent establishment outside of Australia.

The Issuer, the Guarantor and any of their respective subsidiaries may, to the extent permitted by applicable laws and regulations, at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise.

Notes other than VPS Notes purchased by the Issuer, the Guarantor or any of their respective subsidiaries may be surrendered by the purchaser through the Issuer to the Fiscal Agent or any Paying Agent for cancellation or may at the option of the Issuer, the Guarantor or the relevant subsidiary be held or resold. VPS Notes purchased by the Issuer, the Guarantor or any of their respective subsidiaries may be cancelled

in accordance with the procedures of the VPS and the VPS Agency Agreement or may at the option of the Issuer, the Guarantor or the relevant subsidiary be held or resold.

(g) *Cancellation*

All Notes other than VPS Notes redeemed by the Issuer or surrendered by the purchaser through the Issuer for cancellation pursuant to Condition 5(f) shall be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to, or to the order of, the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

6. **Payments and Talons**

(a) *Bearer Notes*

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 6(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 6(f)(ii)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the currency in which such payment is due drawn on, or, at the option of the holder, by transfer to an account denominated in that currency with, a bank in the Principal Financial Centre for that currency; provided, however, that:

(i) payments in a Specified Currency other than euro will be made by transfer to an account in the relevant Specified Currency maintained by the payee with, or by a cheque in such Specified Currency drawn on, a bank in the Principal Financial Centre of the country of such Specified Currency (which (A) if the Specified Currency is New Zealand dollars shall be Wellington and Auckland; provided that where ANZNIL is the Issuer such account and bank shall be located outside of New Zealand, (B) if the Specified Currency is Australian dollars, shall be Sydney and (C) if the Specified Currency is Renminbi, shall be Hong Kong); and

(ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque; provided that where ANZNIL is the Issuer such euro account or bank on which such euro cheque is drawn shall be located outside of New Zealand.

(b) *Registered Notes*

(i) Payments of principal (which for the purposes of this Condition 6(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar in the manner provided in sub-paragraph (ii) below.

(ii) Interest (which for the purpose of this Condition 6(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the 15th day before the due date for payment thereof (the "**Record Date**"). Payments of interest in respect of each Registered Note shall be made in the relevant Specified Currency by cheque drawn on a bank in the Principal Financial Centre of the country of such Specified Currency (which (A) if the Specified Currency is New Zealand dollars shall be Wellington and Auckland provided that where ANZNIL is the Issuer such account and bank shall be located outside of New Zealand, and (B) if the Specified Currency is Australian dollars, shall be Sydney and (C) if the Specified Currency is Renminbi, shall be Hong Kong), and mailed to the holder (or the first-named of joint holders) of such Note at its address

appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date and subject as provided in paragraph 6(a) above, such payment of interest may be made by transfer to an account in the Specified Currency maintained by the payee with a bank in the Principal Financial Centre of the country of such Specified Currency (which (x) if the Specified Currency is New Zealand dollars shall be Wellington and Auckland; provided that where ANZNIL is the Issuer such account and bank shall be located outside of New Zealand, and (y) if the Specified Currency is Australian dollars, shall be Sydney and (C) if the Specified Currency is Renminbi, shall be Hong Kong); provided, however, that in the case of euro, the transfer may be to, or the cheque drawn on, a euro account with a bank in the European Union.

*So long as the Notes are represented by a Registered Global Note, the "**Record Date**" shall be the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment where "**Clearing System Business Day**" means a day on which the relevant clearing system is open for business.*

(c) *Payments in the United States*

Notwithstanding the foregoing, if any Bearer Notes are denominated in US dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) *Payments Subject to Fiscal Laws*

All payments are subject in all cases to (i) any applicable fiscal or other laws regulations and directives, and (ii) any withholding or deduction made for or on account of FATCA but without prejudice to the provisions of Condition 7 (*Taxation*). No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments. For the avoidance of doubt, any amounts to be paid in respect of the Notes will be paid net of any deduction or withholding made for or on account of FATCA and, notwithstanding any other provision of these Conditions, no additional amounts will be required to be paid on account of any such deduction or withholding. References to Specified Currency will include any successor currency under applicable law.

(e) *Appointment of Agents*

The Fiscal Agent, the other Paying Agents (if any), the Registrar, the Transfer Agents, the VPS Agent and the Calculation Agent initially appointed by the Issuer and the Guarantor and their respective specified offices are listed below. The Fiscal Agent, the other Paying Agents (if any), the Registrar, Transfer Agents, the VPS Agent and the Calculation Agent act solely as agents of the Issuer and, if applicable, the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer and, if applicable, the Guarantor reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registrar, any Transfer Agent, the VPS Agent or the Calculation Agent and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer and, if applicable, the Guarantor shall at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes (including a Transfer Agent having its specified office in London so long as any Registered Notes are listed on the Official List of the UK Financial Conduct Authority and admitted to trading on the London Stock Exchange), (iv) one or more Calculation Agent(s) where the Conditions so require, (v) Paying Agents having specified offices in at least two major European cities (including London so long as the Notes are listed on the Official List of the UK Financial Conduct Authority and admitted to trading on the London Stock Exchange), (vi) such other agents as may be required by the rules of any other listing authority, stock exchange and/or quotation system on which the Notes may be admitted to listing, trading and/or quotation, (vii) so long as any Notes are held in the CMU Service, there will at all times be appointed a CMU lodging agent (the "**CMU Lodging Agent**") and a paying

agent with a specified office in such place as required by the CMU Service (the "**CMU Paying Agent**") and (viii) a VPS Agent authorised to act as an account holding institution with the VPS and one or more Calculation Agent(s) where the Terms and Conditions of the relevant VPS Notes so require.

In addition, the Issuer and, if applicable, the Guarantor shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in US dollars in the circumstances described in Condition 6(c).

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 13 (*Notices*).

(f) *Unmatured Coupons and Receipts and Unexchanged Talons*

(i) In the case of Fixed Rate Notes, Bearer Notes should be surrendered for payment together with all unmatured Coupons (if any) appertaining thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8 (*Prescription*)).

(ii) In the case of Floating Rate Notes and Range Accrual Notes upon the due date for redemption of any Bearer Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Upon the due date for redemption of any Bearer Note which is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

(v) Where any Bearer Note which provides that the relative Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons and any unexchanged Talon relating to it, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provisions of such indemnity as the Issuer may require.

(vi) If the due date for redemption of any Notes is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Note or Certificate representing it, as the case may be. Interest accrued on a Note which only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) *Talons*

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 8 (*Prescription*)).

(h) *Non-Business Days*

If any date for payment in respect of any Note, Receipt or Coupon is not a Payment Business Day, the holder shall not be entitled to payment until (i) if "Following" is specified as the Payment Business Day

Convention in the applicable Final Terms, the next following Payment Business Day or (ii), if "Modified Following" is specified as the Payment Business Day Convention in the applicable Final Terms, the next following Payment Business Day unless that Payment Business Day falls in the next calendar month, in which case the first preceding Payment Business Day. In this paragraph, "**Payment Business Day**" means a day (other than a Saturday or a Sunday) on which:

(i) commercial banks and foreign exchange markets settle payments generally in such jurisdictions as shall be specified as "**Additional Financial Centres**" in the Final Terms, in London and Sydney where ANZBGL is the Issuer, in London, Auckland and Wellington where ANZ New Zealand or ANZNIL is the Issuer and, where relevant, in the relevant place of presentation; and

(ii) (in the case of a payment in a currency other than euro or Australian dollars where ANZBGL is the Issuer, or New Zealand dollars where ANZ New Zealand or, as the case may be, ANZNIL is the Issuer, where payment is to be made by transfer in the relevant currency to an account maintained with a bank) foreign exchange transactions may be carried on in the relevant currency in the Principal Financial Centre of the country of such currency; or

(iii) (in the case of a payment in euro) banks are open for business and carrying out transactions in euro in the jurisdiction in which the account specified by the payee is located and a day on which the TARGET2 System is open.

(i) *Euro and Redenomination*

References to euro are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to Article 123 of the Treaty.

Unless otherwise specified in the Final Terms, Notes denominated in the currency (the "**Relevant Currency**") of a Member State that does not participate in the third stage of European economic and monetary union prior to the Issue Date of the relevant Notes may, at the election of the Issuer, be subject to redenomination in the manner set out below. In relation to such Notes the Issuer may, without the consent of the Noteholders or Couponholders, on giving at least 30 days' prior notice to Noteholders, the Fiscal Agent and each of the Paying Agents and Transfer Agents, designate a "**Redenomination Date**" for the Notes, being a date for payment of interest under the Notes falling on or after the date on which the relevant Member State commences participation in such third stage.

With effect from the Redenomination Date, notwithstanding the other provisions of the Conditions:

(i) the Notes shall (unless already so provided by mandatory provisions of applicable law) be deemed to be redenominated in euro in the denomination of euro 0.01 with a principal amount for each Note equal to the principal amount of that Note in the Relevant Currency, converted into euro at the rate for conversion of the Relevant Currency into euro established by the Council of the European Union pursuant to the Treaty (including compliance with rules relating to rounding in accordance with European Community regulations) provided that, if the Issuer determines that the then market practice in respect of the redenomination into euro 0.01 of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, any listing authority, stock exchange and/or quotation system on which the Notes may be listed, the Fiscal Agent and each of the Paying Agents and Transfer Agents of such deemed amendment;

(ii) if Notes in definitive form are required to be issued, they shall be issued at the expense of the Issuer in the denominations of euro 0.01, euro 1,000, euro 10,000, euro 100,000 and such other denominations as the Fiscal Agent shall determine and notify to Noteholders;

(iii) if Notes in definitive form have been issued, all unmatured Receipts and Coupons denominated in the Relevant Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives the notice (the "**Exchange Notice**") that replacement euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes so issued will also become void on that date although those

Notes will continue to constitute valid exchange obligations of the Issuer. New certificates in respect of euro-denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Relevant Currency in such manner as the Fiscal Agent may specify and as shall be specified to Noteholders in the Exchange Notice;

(iv) all payments in respect of the Notes (other than, unless the Redenomination Date is on or after such date as the Relevant Currency ceases to be a subdivision of the euro, payments of interest in respect of periods commencing before the Redenomination Date) will be made solely in euro. Such payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or by cheque; and

(v) the amount of interest in respect of Notes will be calculated by reference to the aggregate principal amount of Notes presented (or, as the case may be, in respect of which Receipts or Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01.

In connection with such redenomination, the Issuer may, after consultation with the Fiscal Agent, make such other changes to the Conditions applicable to the relevant Notes as it may decide so as to conform them to the then market practice in respect of euro-denominated debt securities issued in the euromarkets which are held in international clearing systems. Any such changes will not take effect until the next following Interest Payment Date after they have been notified to the Noteholders in accordance with Condition 13 (*Notices*).

(j) *Payment of US Dollar Equivalent in respect of CNY Notes*

Notwithstanding the foregoing, if by reason of Inconvertibility, Non transferability or Illiquidity, the Issuer is not able to satisfy payments of principal or interest in respect of any Notes which are denominated in Renminbi ("**CNY Notes**") when due in Renminbi in Hong Kong, the Issuer may, on giving not less than five or more than 30 calendar days' irrevocable notice to the Noteholders prior to the due date for payment, settle any such payment in US dollars on the due date at the US Dollar Equivalent of any such Renminbi-denominated amount.

For the purposes of these Conditions, "**US Dollar Equivalent**" means the Renminbi amount converted into US dollars using the Spot Rate for the relevant Determination Date.

For this purpose:

"**Calculation Agent**" means Deutsche Bank AG, London Branch;

"**CNY**" means the lawful currency of the PRC;

"**Determination Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong, Beijing, London and in New York City;

"**Determination Date**" means the day which is two Determination Business Days before the due date for any payment of the relevant amount under these Conditions;

"**Governmental Authority**" means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong;

"**Hong Kong**" means the Hong Kong Special Administrative Region of the PRC;

"**Illiquidity**" means that the general Renminbi exchange market in Hong Kong has become illiquid and, as a result of which, the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest and principal (in whole or in part) in respect of the CNY Notes, as determined by the Issuer in good faith and in a commercially reasonable manner following consultation (if practicable) with two Renminbi Dealers;

"**Inconvertibility**" means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of the CNY Notes in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after 8 August 2012 and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

"**Non transferability**" means the occurrence of any event that makes it impossible for the Issuer to transfer Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong or from an account outside Hong Kong to an account inside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after 8 August 2012 and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

"**PRC**" means the People's Republic of China which, for the purpose of these Conditions, shall exclude Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan;

"**Renminbi**" means the lawful currency of the PRC;

"**Renminbi Dealer**" means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in Hong Kong; and

"**Spot Rate**" means the spot CNY/US dollar exchange rate for the purchase of US dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in two Determination Business Days, as determined by the Calculation Agent at or around 11.00 a.m. (Hong Kong time) on the Determination Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Calculation Agent will determine the Spot Rate at or around 11.00 a.m. (Hong Kong time) on the Determination Date as the most recently available CNY/US dollar official fixing rate for settlement in two Determination Business Days reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC.

(k) *Payment of US Dollar equivalent in respect of Exotic Currencies*

If Exotic Currency Payments is specified to be applicable in the relevant Final Terms then, in the event that the Issuer is due to make a payment in an Exotic Currency in respect of any Note and the Exotic Currency is not available or it is impracticable to make the payment in the Exotic Currency due to circumstances beyond the Issuer's control as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, the Issuer will be entitled to satisfy in full its obligations in respect of such payment by making payment as soon as practicable in US dollars on the basis of the spot exchange rate of US dollars against the Exotic Currency offered in the London foreign exchange market as determined by the Calculation Agent referencing the Exotic Currency Reuters Screen Page at or around the Exotic Currency Relevant Time on the fifth London Business Day prior to such payment or, if such rate is not available on that day, the rate most recently available prior to such day.

Any payment made in US dollars in accordance with the foregoing paragraph will not constitute an Event of Default (as defined in Condition 9 (*Events of Default*)).

For this purpose:

"**Exotic Currency**" means the Specified Currency, being either Mexican peso, Turkish lira or South African rand, as specified in the Final Terms.

"**Exotic Currency Relevant Time**" means the time specified in the Final Terms.

"**Exotic Currency Reuters Screen Page**" means the Reuters screen page specified in the Final Terms.

"**London Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments generally in London.

(l) *VPS Notes*

Payments of principal and interest in respect of VPS Notes shall be made to the holders shown in the relevant records of the VPS in accordance with and subject to the VPS Act and the rules and regulations from time to time governing the VPS.

(m) *Discretion of Calculation Agent*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6 (*Payments and Talons*) by the Calculation Agent will (in the absence of a manifest error) be binding on the Issuer, the Paying Agents and the holders of the Notes or Coupons and (in the absence of negligence, wilful default, bad faith or fraud) no liability to any such person shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers and duties for such purposes.

7. **Taxation**

(a) *Withholding Tax*

Subject as provided below, all payments of principal and interest in respect of the Notes, the Receipts and the Coupons by or on behalf of the Issuer or, if applicable, the Guarantor shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the jurisdiction of incorporation of the Issuer and/or, where the Issuer is acting through its branch outside its country of incorporation, the jurisdiction, country or territory in which the branch through which the Issuer is acting is located and/or, if applicable, the jurisdiction of incorporation of the Guarantor or by any authority therein or thereof having power to tax (together, "**Taxes**"), unless such withholding or deduction is required by law or made for or on account of FATCA. Any amounts withheld pursuant to an agreement with a taxing authority will be treated as required by law. In that event, the Issuer or (as the case may be) the Guarantor shall pay such additional amounts to the Noteholders, Couponholders and Receiptholders as shall result in receipt by those Noteholders, Couponholders and Receiptholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

(i) presented for payment by or on behalf of a holder which is liable to such Taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of its having some connection with the jurisdiction of incorporation of the Issuer or, where the Issuer is acting through its branch outside its country of incorporation, the jurisdiction, country or territory in which the branch through which the Issuer is acting is located and/or, if applicable, the jurisdiction of incorporation of the Guarantor, other than the mere holding of such Note, Receipt or Coupon or the receipt of the relevant payment in respect thereof; or

(ii) where ANZBGL is the Issuer, held by or on behalf of a holder who is an Australian resident or a non-resident who is engaged in carrying on business in Australia at or through a permanent establishment of that non-resident in Australia, if that person has not supplied an appropriate tax file number, Australian business number or other exemption details; or

(iii) presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the 30th such day; or

(iv) in respect of which the holder thereof is an Offshore Associate of ANZBGL (acting other than in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act), where ANZBGL is the Issuer; or

(v) in respect of which the Taxes have been imposed or levied as a result of the holder of such Note, Receipt or Coupon being party to or participating in a scheme to avoid such Taxes, being a scheme which ANZBGL, where ANZBGL is the Issuer, was neither a party to nor participated in; or

(vi) in respect of Bearer Notes only, if the holder of such Note, Receipt or Coupon or any entity which directly or indirectly has an interest in or right in respect of such Note, Receipt or Coupon is a resident of Australia, or a non-resident who is engaged in carrying on business in Australia at or through a permanent establishment of that non-resident in Australia (the expressions "**resident of Australia**", "**non-resident**" and "**permanent establishment**" having the meanings given to them by the Australian Tax Act) if, and to the extent that, section 126 of the Australian Tax Act (or any equivalent provisions) requires ANZBGL, where ANZBGL is the Issuer, to pay income tax in respect of interest payable on such Note, Receipt or Coupon and the income tax would not be payable were the holder or such entity not such a resident of Australia or non-resident; or

(vii) where such withholding or deduction is for or on account of New Zealand resident withholding tax, where either ANZ New Zealand or ANZNIL is the Issuer or ANZ New Zealand is the Guarantor; or

(viii) presented for payment by, or a third party on behalf of, a holder if such withholding or deduction may be avoided by complying with any statutory requirement or by making a declaration of non-residence or other similar claim for exemption to any authority of or in New Zealand, unless the holder proves that he is not entitled so to comply or to make such declaration or claim, where either ANZ New Zealand or ANZNIL is the Issuer or ANZ New Zealand is the Guarantor; or

(ix) presented for payment by, or a third party on behalf of, a holder that is a partnership, or a holder that is not the sole beneficial owner of the Note, Receipt or Coupon, or which holds the Note, Receipt or Coupon, in a fiduciary capacity, to the extent that any of the members of the partnership, the beneficial owner or the settlor or beneficiary with respect to the fiduciary would not have been entitled to the payment of an additional amount had each of the members of the partnership, the beneficial owner, settlor or beneficiary (as the case may be) received directly his beneficial or distributive share of the payment; or

(x) presented for payment in New Zealand, where either ANZ New Zealand or ANZNIL is the Issuer or ANZ New Zealand is the Guarantor; or

(xi) in respect of which the Taxes have been imposed or levied as a result of the holder of such Note, Receipt or Coupon being party to or participating in a scheme to avoid such Taxes, being a scheme which either ANZ New Zealand or ANZNIL, where ANZ New Zealand or ANZNIL is the Issuer, or ANZ New Zealand, where ANZ New Zealand is the Guarantor, was neither a party to nor participated in; or

(xii) where such withholding or deduction is made for or on account of FATCA on payments to a Noteholder, Couponholder, Receiptholder, beneficial owner, or any agent having custody or control over a payment made by the Issuer, Guarantor or any agent in the chain of payment, including due to the failure of the Noteholder, Couponholder, Receiptholder, beneficial owner, or any agent having custody or control over a payment to comply with any requests for tax certifications or other identifying information regarding such Noteholder, Couponholder, Receiptholder, beneficial owner, or agent, or due to the failure to provide a waiver of any laws prohibiting the disclosure of such certifications, identifying information and other information in respect of the Notes to a taxing authority.

As used in these Conditions, "**Relevant Date**" in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 5 (*Redemption, Purchase and Options*) or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable

pursuant to Condition 4 (*Interest and other Calculations*) or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or substitution for it under the Agency Agreement or, in respect of the VPS Notes, the VPS Agency Agreement and the VPS Trustee Agreement.

The remaining provisions of this Condition only apply to ANZNIL where ANZNIL is the Issuer and to ANZ New Zealand where ANZ New Zealand is the Issuer or the Guarantor. Where used in the remaining provisions of this Condition, "**interest**" means interest (as defined under New Zealand taxation legislation) for withholding tax purposes, which under current legislation includes the excess of the redemption amount over the issue price of any Note as well as coupon interest paid on such Note.

Where (i) ANZNIL is the Issuer or (ii) ANZ New Zealand is the Issuer or the Guarantor, and ANZ New Zealand or ANZNIL, as the case may be, is required to deduct New Zealand non-resident withholding tax in the case of any payments of interest to a holder of a Note or Coupon, ANZ New Zealand or ANZNIL, as the case may be, may, and intend to (for so long as they do not incur any increased cost or detriment from so doing), relieve themselves of such obligation by using a procedure which permits borrowers such as ANZ New Zealand or ANZNIL, as the case may be, to reduce the applicable rate of non-resident withholding tax to zero per cent. Under the current law, that procedure involves ANZ New Zealand or ANZNIL, as the case may be, paying on their own respective accounts a levy to the New Zealand revenue authorities (which is currently equal to two per cent. of such payments of interest).

ANZ New Zealand and ANZNIL are required by law to deduct New Zealand resident withholding tax from the payment of interest to the holder of any Note on any Interest Payment Date or the Maturity Date, where:

(A) the Holder is (i) a resident of New Zealand for New Zealand income tax purposes, or (ii) the Holder holds the notes for the purposes of a business the Holder carries on in New Zealand, through a fixed establishment (as defined in the Income Tax Act 2007 (New Zealand)) in New Zealand, or (iii) the Holder is a registered bank engaged in business in New Zealand through a fixed establishment (as defined in the Income Tax Act 2007 (New Zealand)) in New Zealand and is not associated with ANZ New Zealand or ANZNIL (as applicable) (each a "**New Zealand Holder**"); and

(B) at the time of such payment the New Zealand Holder does not hold "RWT-exempt status" (as defined in the Income Tax Act 2007 (New Zealand)) in respect of New Zealand resident withholding tax.

Prior to any Interest Payment Date or the Maturity Date, any New Zealand Holder:

(A) must notify ANZ New Zealand or ANZNIL, as the case may be, that the New Zealand Holder is the holder of a Note; and

(B) must notify ANZ New Zealand or ANZNIL, as the case may be, of any circumstances, and provide ANZ New Zealand or ANZNIL, as the case may be, with any information that may enable ANZ New Zealand or ANZNIL, as the case may be, to make payment of interest to the New Zealand Holder without deduction on account of New Zealand resident withholding tax.

The New Zealand Holder must notify ANZ New Zealand or ANZNIL, as the case may be, prior to any Interest Payment Date or the Maturity Date, of any change in the New Zealand Holder's circumstances from those previously notified that could affect the payment or withholding obligations of ANZ New Zealand or ANZNIL, as the case may be, in respect of this Note. By accepting payment of the full face amount of a Note or any interest thereon on any Interest Payment Date or the Maturity Date, the New Zealand Holder indemnifies ANZ New Zealand or ANZNIL, as the case may be, for all purposes in respect of any liability ANZ New Zealand or ANZNIL, as the case may be, may incur for not deducting any amount from such payment on account of New Zealand resident withholding tax.

Only a New Zealand Holder will be obliged to make the notification referred to above.

(b) *Taxing Jurisdiction*

If the Issuer or, if applicable, the Guarantor is, or becomes, subject at any time to any taxing jurisdiction(s) other than or in addition to its own jurisdiction of incorporation or the jurisdiction, country or territory in which the branch (if any) is located, references in Condition 5(b) and this Condition 7 shall be read and construed as including references to such other taxing jurisdiction(s).

8. Prescription

Claims against the Issuer and, if applicable, the Guarantor for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

9. Events of Default

If any of the following events ("**Events of Default**") occurs and is continuing, the holder of any Note of any Series issued by the Issuer (or, in the case of VPS Notes, the VPS Trustee) may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable, whereupon it shall immediately become due and repayable at its Early Redemption Amount together with accrued interest to the date of payment unless, prior to the date that such written notice is received by the Fiscal Agent, the Issuer and/or, if applicable, the Guarantor shall have cured or otherwise made good all Events of Default in respect of the Notes of such Series:

(i) default is made in the payment of any principal or Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount, Instalment Amount or Amortised Face Amount (in the case of a Zero Coupon Note) (whether becoming due upon redemption or otherwise) or interest when due, in respect of any Note of such Series, and such default continues for a period of seven days; or

(ii) the Issuer fails to perform or observe any of its obligations under any Note of such Series or, if applicable, the Guarantor fails to perform or observe any of its obligations under the Deed of Guarantee, in either case other than those specified in paragraph (i) above and in such case (except where such failure is incapable of remedy) such failure continues for a period of 30 days next following the service by any holder of any Note of such Series (or, in the case of VPS Notes, the VPS Trustee) on the Issuer, the Guarantor (if applicable) and the Fiscal Agent of written notice requiring the same to be remedied; or

(iii) otherwise than for the purpose of an amalgamation or reconstruction or merger within the meaning of these words under the laws of the Issuer's or, if applicable, the Guarantor's country of incorporation or, where ANZNIL is the Issuer, the United Kingdom, a resolution is passed that the Issuer or, as the case may be, the Guarantor be wound up or dissolved; or

(iv) the Issuer or, if applicable, the Guarantor stops payment (within the meaning of Australian or any other applicable bankruptcy law) of its obligations; or

(v) an encumbrancer takes possession of or a receiver is appointed of the whole or a substantial part of the undertaking and assets of the Issuer or, if applicable, the Guarantor and any such event is continuing for 45 days after its occurrence and would materially prejudice the performance by the Issuer or, as the case may be, the Guarantor of its obligations under the Notes of such Series or a distress or execution is levied or enforced upon or sued out against the whole or a substantial part of the undertaking and assets of the Issuer or, as the case may be, the Guarantor which would materially prejudice the performance of (i) the Issuer of its obligations under the Notes of such Series or, (ii) if applicable, the Guarantor of its obligations under the Deed of Guarantee, and in each case is not discharged within 60 days thereof; or

(vi) proceedings shall have been initiated against the Issuer or, if applicable, the Guarantor under any applicable bankruptcy, reorganisation or other similar law and such proceedings shall not have been discharged or stayed within a period of 60 days; or

(vii) the Issuer or, if applicable, the Guarantor shall initiate or consent to proceedings relating to itself under any applicable bankruptcy, insolvency, composition or other similar law (otherwise than

for the purpose of amalgamation, reconstruction or merger (within the meaning of those words under the laws of the country of the Issuer's or, if applicable, the Guarantor's incorporation or, where ANZNIL is the Issuer, the United Kingdom) and such proceedings would materially prejudice the performance by (A) the Issuer of its obligations under the Notes of such Series or (B), if applicable, the Guarantor of its obligations under the Deed of Guarantee); or

(viii) in respect of Notes issued by ANZNIL only, the Deed of Guarantee of the Notes is (A) not in full force and effect and, where capable of remedy, the Deed of Guarantee is not in full force and effect within seven days of the date the defect is first discovered or (B) claimed by the Guarantor not to be in full force and effect.

Any such notice by a holder of Notes (or, in the case of VPS Notes, the VPS Trustee) to the Fiscal Agent shall specify the serial number(s) of the Notes concerned.

Notwithstanding any other provision of this Condition 9, no Event of Default in respect of any Notes shall occur solely on account of any failure by ANZBGL to perform or observe its obligations in relation to, or the taking of any process or proceeding in respect of any share, note or other security or instrument constituting Tier 1 Capital or Tier 2 Capital (as defined by APRA from time to time).

10. **Meeting of Noteholders, Modifications and Waiver**

(a) *Meetings of Noteholders – Notes other than VPS Notes*

The Agency Agreement contains provisions for convening meetings of Noteholders of a Series to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification or amendment of any of these Conditions. The quorum for any meeting of Noteholders shall be two or more persons holding or representing in the aggregate a clear majority in Principal Amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the Principal Amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes or the obligation of the Issuer to pay additional amounts pursuant to Condition 7 (*Taxation*), (ii) to reduce or cancel the Principal Amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount is set out in the Final Terms, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or Specified Denomination of the Notes, (vii) to take any steps that as specified in the Final Terms may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, or (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, in which case the necessary quorum at any adjourned meeting shall be two or more persons holding or representing in the aggregate not less than one-third in Principal Amount of the Notes for the time being outstanding. Any resolution duly passed (including an Extraordinary Resolution) shall be binding on all Noteholders of the relevant Series (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders of the relevant Series. The expression "**Extraordinary Resolution**" means a resolution passed at a meeting of Noteholders duly convened by a majority consisting of not less than three-quarters of the votes cast. All other resolutions, except for written resolutions, shall be passed at a meeting of Noteholders duly convened by a clear majority of the votes cast.

In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

(b) *Modification of the Agency Agreement, Deed of Covenant, Deed of Guarantee, Conditions and Final Terms*

The Agency Agreement, the Deed of Covenant, the Deed of Guarantee, the Conditions and any applicable Final Terms may be modified or amended by the Issuer and, in the case of the Deed of Guarantee, by ANZNIL and the Guarantor, in each case without the consent of the holders if, in the reasonable opinion of the Issuer (and in the case of the Deed of Guarantee, ANZNIL and the Guarantor), the modification or amendment is:

(a) not materially prejudicial to the interests of the holders;

(b) of a formal, minor or technical nature;

(c) made to correct any manifest or proven error or omission;

(d) made to comply with mandatory provisions of the law; or

(e) made to cure, correct or supplement any defective provision or ambiguity.

Any such modification or amendment shall be binding on the holders and any such modification or amendment shall be notified to the holders in accordance with Condition 13 as soon as practicable thereafter.

(c) *VPS Notes*

The VPS Trustee Agreement contains provisions for convening meetings of the holders of VPS Notes (including meetings to be held by written (or electronic) solution for decision making) to consider any matter affecting their interests, including sanctioning by a majority of votes (as more fully set out in the VPS Trustee Agreement) a modification of the VPS Notes or any of the provisions of the VPS Trustee Agreement (or, in certain cases, sanctioning by a majority of two thirds of votes). Such a meeting may be convened by the Issuer, the VPS Trustee, by the holders of not less than 10 per cent. of the Voting VPS Notes or, if the VPS Notes are listed, by the relevant securities exchange/market place. For the purpose of this Condition, "Voting VPS Notes" means the aggregate nominal amount of the total number of VPS Notes not redeemed or otherwise discharged, less the VPS Notes owned by the Issuer, any party who has decisive influence over the Issuer or any party over whom the Issuer has decisive influence.

The quorum at a meeting for passing a resolution is one or more persons holding at least one half of the Voting VPS Notes or at any adjourned meeting one or more persons being or representing holders of Voting VPS Notes whatever the nominal amount of the VPS Notes so held or represented. A resolution passed at any meeting of the holders of VPS Notes shall be binding on all the holders, whether or not they are present at such meeting.

The VPS Trustee Agreement provides that:

(i) the VPS Trustee may in certain circumstances, without the consent of the holders of the VPS Notes, make decisions binding on all holders relating to the Terms and Conditions of the relevant VPS Notes and the VPS Trustee Agreement, including amendments which are not, in the VPS Trustee's opinion, detrimental to the rights and benefits of the affected holders of the VPS Notes; and

(ii) the VPS Trustee may reach other decisions binding for all holders of VPS Notes.

11. Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note other than a VPS Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and listing authority, stock exchange and/or quotation system regulations, at the specified office of the Fiscal Agent (in case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on

payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

12. **Further Issues**

Any Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single Series with the outstanding securities of any Series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. Notes of more than one Series may be consolidated into one Series denominated in euro, even if one or more such Series was not originally denominated in euro, provided all such Series have been redenominated into euro and otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single Series with the Notes.

13. **Notices**

(a) *Notes other than VPS Notes*

Notices to the holders of Registered Notes shall be (a) mailed to them (or, in the case of joint holders, to the first named) at their respective addresses in the Register and (b) published at https://www.anz.com/debtinvestors/centre/programmes/anz-banking-group/euro-medium-term-note-programme-aus/ in respect of Notes issued by ANZBGL and at https://www.anz.com/debtinvestors/centre/programmes/anz-bank-nz/euro-medium-term-note-programme-nz/ in respect of Notes issued by ANZ New Zealand and ANZNIL*;*

Notices to the holders of Registered Notes shall be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the later of the date of mailing and the date of first publication online;

Notices to the holders of Bearer Notes shall be, save where another means of effective communication has been specified herein or in the Final Terms, published at https://www.anz.com/debtinvestors/centre/programmes/anz-banking-group/euro-medium-term-note-programme-aus/ in respect of Notes issued by ANZBGL and at https://www.anz.com/debtinvestors/centre/programmes/anz-bank-nz/euro-medium-term-note-programme-nz/ in respect of Notes issued by ANZ New Zealand and ANZNIL.

Notices to the holders of Bearer Notes shall be deemed to have been given on the date of first publication online. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 13.

Notices to holders of all Notes which have been listed, admitted to trading on any stock exchange or listed on a quotation system will also be given in such manner and in such place as may be required by the rules and regulations of such listing authority stock exchange and/or quotation system.

Where the Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, the provisions of such Global Note shall prevail over the provisions of this Condition 13.

(b) *VPS Notes*

Notices to holders of VPS Notes shall be valid if the relevant notice is given to the VPS for communication by it to the holders and, so long as the VPS Notes are listed on a stock exchange, the Issuer shall ensure that notices are duly published in a manner which complies with the rules of such

exchange. Any such notice shall be deemed to have been given to the holders of the VPS Notes on the date of delivery of such notice by the VPS.

14. Currency Indemnity

If any sum due from the Issuer in respect of the Notes, Receipts or the Coupons or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, Receipts or Coupons, the Issuer shall indemnify each holder, on the written demand of such holder addressed to the Issuer and delivered to the Issuer or to the specified office of the Fiscal Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such holder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof. For the purposes of this Condition 14, it shall be sufficient for the Noteholder, Receiptholder or Couponholder, as the case may be, to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder, Receiptholder or Couponholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note, Coupon or Receipt or any other judgment or order.

15. Governing Law, Jurisdiction and Service of Process

(a) *Governing Law*

The Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law, except that the registration of VPS Notes in the VPS as well as the recording and transfer of ownership to, and other interests in, VPS Notes and Condition 10(c) which will be governed by, and construed in accordance with, Norwegian law. The VPS Trustee Agreement is and the VPS Agency Agreement will be governed by, and construed in accordance with, Norwegian law.

VPS Notes must comply with the relevant regulations of the VPS and the holders of VPS Notes will be entitled to the rights and are subject to the obligations and liabilities which arise under the relevant Norwegian regulations and legislation.

(b) *Jurisdiction*

The Issuer agrees for the benefit of the holders of Notes, Receipts, Coupons and Talons that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Notes and all matters connected with the Notes, Receipts, Coupons and Talons (including a dispute relating to any non-contractual obligation arising out of or in connection with them) (respectively, "**Proceedings**" and "**Disputes**") and, for such purposes, irrevocably submits to the jurisdiction of such courts.

(c) *Appropriate Forum*

The Issuer irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.

(d) *Service of Process*

The Issuer agrees that the process by which any Proceedings in England are begun may be served on it by being delivered to the officer in charge of the London Branch of Australia and New Zealand Banking Group Limited at 40 Bank Street, Canary Wharf, London E14 5EJ. If such person is not or ceases to be

effectively appointed to accept service of process on the Issuer's behalf, the Issuer shall appoint a further person in England to accept service of process on the Issuer's behalf and, failing such appointment, within 15 days, any Noteholder shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the specified office of the Fiscal Agent. Nothing in this paragraph shall affect the right of any holder of Notes, Receipts, Coupons or Talons to serve process in any other manner permitted by law.

(e) *Non-exclusivity*

The submission to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of any holder of Notes, Receipts, Coupons or Talons to take Proceedings in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by law.

(f) *Consent to Enforcement etc.*

The Issuer consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.

16. **Third Parties**

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

FORM OF THE NOTES

The summary of the forms and provisions of the Notes contained in this section is intended to be a guide only and is subject to change, including as a result of any amendments to the Agency Agreement and the forms of Notes and the terms of the relevant Final Terms. For further details regarding the forms of Notes and the provisions applicable to the Notes, purchasers and potential purchasers of Notes are advised to review (other than in respect of VPS Notes) the Agency Agreement or (in respect of VPS Notes) the VPS Agency Agreement and the relevant Notes. A supplemental agency agreement and CMU Notes (as defined in paragraph 6 below) in specific form will be prepared as and when there is an issuance of CMU Notes.

1. **Initial Issue of Notes**

Bearer Notes

Temporary Global Notes

Unless otherwise specified in the relevant Final Terms, each Series or Tranche of notes in bearer form ("**Bearer Notes**") will initially be represented by a temporary global note (a "**Temporary Global Note**") if:

(a) Bearer Notes in definitive form are to be made available to Noteholders following the expiry of 40 days *after* the Issue Date of an identifiable Tranche of such Notes; or

(b) such *Notes* are being issued in compliance with US Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**D Rules**"), as specified in the relevant Final Terms.

Permanent Global Notes

In all other cases, each Series or Tranche of Bearer Notes will be represented by a permanent global note (a "**Permanent Global Note**").

The Temporary Global Note or Permanent Global Note (as the case may be) initially representing each Series or Tranche of Bearer Notes will be deposited on the Issue Date thereof with a common depositary (the "**Common Depositary**") for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") (or, in the case of a Series or Tranche to be cleared through a clearing system other than Euroclear or Clearstream, Luxembourg (an "**Alternative Clearing System**", which expression shall include the CMU Service whenever the context permits) as agreed between the relevant Issuer, the Guarantor (if applicable), the Fiscal Agent and the relevant Dealers). Notwithstanding the foregoing, in the case of a Series or Tranche of Bearer Notes to be cleared through the CMU Service, the Temporary Global Note or Permanent Global Note (as the case may be) shall be deposited with a sub-custodian in Hong Kong for the CMU Service.

Registered Notes

As set forth in the Final Terms, each Series or Tranche of Notes in registered form ("**Registered Notes**") will be represented by either:

(a) *Definitive Certificates*: one or more Certificates in definitive form which shall be delivered as agreed between the relevant Issuer, the Guarantor (if applicable) and the relevant Dealer(s); or

(b) *Registered Global Notes*: one or more registered Global Notes ("**Registered Global Notes**" and each a "**Registered Global Note**" and, together with the Temporary Global Note and the Permanent Global Note, the "**Global Notes**" and each a "**Global Note**") without Coupons, deposited on the Issue Date with a Common Depositary, and registered in the name of a nominee, for Euroclear and Clearstream, Luxembourg (or, in the case of a Series or Tranche to be cleared through an Alternative Clearing System, as agreed between the relevant Issuer, the Guarantor (if applicable), the Fiscal Agent, the Registrar and the relevant Dealer(s)). Notwithstanding the foregoing, in the case of

a Series or Tranche of Registered Notes to be cleared through the CMU Service, the Registered Global Note shall be deposited with a sub-custodian in Hong Kong for the CMU Service.

VPS Notes

As set forth in the Final Terms, each Series or Tranche of VPS Notes will be issued in uncertificated and dematerialised book entry form registered in the Norwegian Central Securities Depository, *Verdipapirsentralen ASA* or VPS ("**VPS Notes**" and the "**VPS**", respectively). Legal title to the VPS Notes will be evidenced by book entries in the records of the VPS. Issues of VPS Notes will be issued with the benefit of the VPS Trustee Agreement and a VPS Agency Agreement. On the issue of such VPS Notes, the Issuer will send a copy of the applicable Final Terms to the Paying Agent, with a copy sent to the VPS Agent. On delivery of the applicable Final Terms by the VPS Agent to the VPS and notification to the VPS of the subscribers and their VPS account details by the relevant Dealer, the VPS Agent acting on behalf of the Issuer will credit each subscribing account holder with the VPS with a nominal amount of VPS Notes equal to the nominal amount thereof for which it has subscribed and paid.

Settlement of sale and purchase transactions in respect of VPS Notes in the VPS will take place in accordance with market practice at the time of the transaction. Transfers of interests in the relevant VPS Notes will take place in accordance with the Norwegian Securities Registry Act of 5th July, 2002 (No. *verdipapirregisterloven*) (the "**VPS Act**") and the rules and procedures for the time being of the VPS.

Title to VPS Notes will pass by registration in the registers between the direct accountholders at the VPS in accordance with the VPS Act and the rules and procedures of the VPS. The holder of a VPS Note will be the person evidenced as such by a book entry in the records of the VPS. The person evidenced (including any nominee) as a holder of the VPS Notes shall be treated as the holder of such VPS Notes for the purposes of payment of principal or interest on such VPS Notes. The expressions "*Noteholders*" and "*holder of Notes*" and related expressions shall, in each case, be construed accordingly. Any references in these Terms and Conditions to Coupons, Talons, Couponholders, Global Notes, Bearer Notes, Certificates, Receipts, Receiptholders, Registered Global Notes, Registered Notes, Bearer Global Notes, Permanent Global Notes, Temporary Global Notes and Notes in definitive form (or, in each case, similar expressions) shall not apply to VPS Notes.

The VPS shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

2. **Clearing Systems**

Upon the initial deposit of a Bearer Global Note with a Common Depositary or registration of Registered Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the relevant Registered Global Note to the Common Depositary, Euroclear or Clearstream, Luxembourg will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depositary may (if indicated in the relevant Final Terms) also be credited to the accounts of subscribers with (if indicated in the relevant Final Terms) Alternative Clearing Systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such Alternative Clearing Systems. Conversely, Notes that are initially deposited with an Alternative Clearing System may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other Alternative Clearing Systems.

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any Alternative Clearing System as the holder of a Note represented by a Bearer Global Note or a Registered Global Note must look solely to Euroclear, Clearstream, Luxembourg or the Alternative Clearing System (as the case may be) for his share of each payment made by the relevant Issuer to the bearer of such Bearer Global Note or the holder of the underlying Registered Notes, as the case may be, and such payments and all other rights arising under the Bearer Global Notes or Registered Global Notes, will be subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the relevant Issuer in respect of payments due on the Notes for so long as the Notes are represented by

such Bearer Global Note or Registered Global Note and such obligations of the relevant Issuer, or the Guarantor (if applicable), will be discharged by payment to the bearer of such Bearer Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

Without prejudice to the generality of the above, if a Global Note is lodged with the CMU Service, the person(s) for whose account(s) interests in such Global Note are credited as being held in the CMU Service in accordance with the CMU Rules as notified by the CMU Service to the CMU Lodging Agent in a relevant CMU Instrument Position Report or any other relevant notification by the CMU Service (which notification, in either case, shall be conclusive evidence of the records of the CMU Service save in the case of manifest error) shall be the only person(s) entitled to receive payments in respect of Notes represented by such Global Note and the relevant Issuer and the Guarantor, if applicable, will be discharged by payment to, or to the order of, such person(s) for whose account(s) interests in such Global Note are credited as being held in the CMU Service in respect of each amount so paid. Each of the persons shown in the records of the CMU Service, as the beneficial holder of a particular principal amount of Notes represented by such Global Note must look solely to the CMU Paying Agent for his share of each payment so made by the relevant Issuer in respect of such Global Note.

3. **Exchange**

Temporary Global Notes

Each Temporary Global Note in respect of a Tranche of Bearer Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date:

(a) *Bearer Notes in definitive form*: if the relevant Final Terms indicates that such Temporary Global Note is issued in compliance with US Treasury Regulation §1.163-5(c)(2)(i)(C) (the "**C Rules**") *or* in a transaction to which TEFRA is not applicable, in whole, but not in part, for Bearer Notes in definitive form as described below; and

(b) *Permanent Global Note*: otherwise, in whole or in part, upon certification as to non-US beneficial ownership in the form set out in the Agency Agreement, for interests in a Permanent Global Note or, if so *provided* in the relevant Final Terms, for Bearer Notes in definitive form, provided that the CMU Service may require that any such exchange for interests in a Permanent Global Note is made in whole and not in part and, in such event, no such exchange will be effected until all relevant accountholders (as set out in a CMU Instrument Position Report or any other relevant notification supplied to the CMU Lodging Agent by the CMU Service) (the "**CMU Members**") have so certified. Additionally, the CMU Service will not obtain certificates of non-US beneficial ownership from the CMU Members or provide any such certificates on behalf of CMU Members. The CMU Lodging Agent will collect such certificates from the relevant CMU Members identified from a relevant CMU Instrument Position Report obtained by request from the CMU Service for this purpose.

"**Exchange Date**" means, in relation to a Temporary Global Note, the day falling after the expiry of 40 days after the Issue Date of the Notes.

Permanent Global Notes

Each Permanent Global Note in respect of a Tranche of Bearer Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not in part for Bearer Notes in definitive form only in the following circumstances:

(a) unless principal in respect of any Bearer Notes is not paid when due, by the relevant Issuer giving notice to the Noteholders and the Fiscal Agent of its intention to effect such exchange;

(b) if the Final Terms provides that such Permanent Global Note is exchangeable at the request of the holder, by the holder giving notice to the Fiscal Agent of its election for such exchange; or

(c) (i) if the Permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so or (ii) upon or following any failure to pay principal in respect of any Bearer Notes when it is due and payable, by the holder giving notice to the Fiscal Agent of its election for such exchange.

"**Exchange Date**" means, in relation to a Permanent Global Note, a day falling not less than 60 days, or in the case of exchange following failure to pay principal in respect of any Bearer Notes when due 30 days, after that on which notice requiring exchange is given and on which commercial banks are open for business in the city in which the specified office of the Fiscal Agent is located and, except in the case of exchange pursuant to sub-paragraph (c)(i) above, in the cities in which Euroclear and Clearstream, Luxembourg, or any Alternative Clearing System (if applicable), are located.

A Permanent Global Note is not exchangeable in part except (provided that if the Permanent Global Note is held by or on behalf of Euroclear, Clearstream, Luxembourg or an Alternative Clearing System, such clearing system permits) upon or following any failure to pay principal in respect of the Notes when it is due and payable.

The exchange at the request of the holder, as described in paragraph (b) above, should not be expressed to be applicable if the Notes are issued in denominations comprising a minimum Specified Denomination (such as €100,000 (or its equivalent in another currency)) plus one or more higher integral multiples of another smaller amount (such as €1,000 or its equivalent in another currency)). Furthermore, such denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Permanent Global Note in respect of a Tranche of Bearer Notes exchangeable for Bearer Notes in definitive form.

Registered Global Notes

Each Registered Global Note will only be exchangeable for Certificates in definitive form:

(a) if the Notes represented by the Registered Global Note are held (directly or indirectly) on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so;

(b) upon or following any failure to pay principal in respect of any Notes when it is due and payable; or

(c) with the consent of the relevant Issuer.

Delivery

On or after any due date for exchange of any Bearer Global Note or Registered Global Note, the holder of such Bearer Global Note or Registered Global Note may surrender the same or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent or Registrar, as the case may be, or as otherwise specified in the Bearer Global Note or Registered Global Note, as the case may be. Upon surrender of any Bearer Global Note or Registered Global Note, or the part thereof to be exchanged, the relevant Issuer will:

(a) **Permanent Global Note** in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate principal amount equal to that of the whole or that part of a Temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange; or

(b) **Definitive Notes and Certificates** in the case of a Permanent Global Note or Registered Global Note exchangeable for Notes or Certificates in definitive form

(unless such exchange is at the request of the relevant Issuer) at the cost of the relevant Noteholder, cause an equal aggregate principal amount of Notes or Certificates in definitive form to be executed and delivered to the Fiscal Agent or the Registrar, as the case may be, for completion, authentication and dispatch to the relevant Noteholders.

Bearer Notes in definitive form will be security-printed and Certificates in definitive form will be printed in accordance with any applicable legal and listing authority, stock exchange and/or quotation system requirements in or substantially in the form set out in the Schedules to the Agency Agreement.

On exchange in full of each Bearer Global Note, the relevant Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Notes in definitive form for which it was exchanged.

4. **Legends**

Each Bearer Note (including each Bearer Global Note), Talon and Coupon will bear the following legend:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."

The sections of the US Internal Revenue Code referred to in the legend provide that a United States taxpayer, with certain exceptions, will not be permitted to deduct any loss, and will not be eligible for capital gain treatment with respect to any gain realised, on any sale, exchange or redemption of Bearer Notes or any related Coupons.

5. **Provision Relating to Notes Whilst Notes in Global Form**

Each Bearer Global Note and Registered Global Note contains provisions that apply to the Notes that they represent, some of which modify the effect of the Conditions of the Notes set out in this Base Prospectus. The following is a summary of those provisions:

(a) ***Payments***

No person shall be entitled to receive any payment in respect of the Notes represented by any Bearer Global Note that falls due on or after the Exchange Date of that Bearer Global Note unless, upon presentation, exchange for an interest in, as appropriate, a Permanent Global Note or for Bearer Notes in definitive form is improperly withheld or refused or, in the case of a Permanent Global Note, the relevant Issuer does not comply with or perform its obligations under any Bearer Note in definitive form. Payments on any Temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-US beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Bearer Notes will be made against presentation for endorsement and, if no further payment is due to be made in respect of such Notes, surrender of that Bearer Global Note to or to the order of the Fiscal Agent, or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed on each such Bearer Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes.

In respect of a Global Note held through the CMU Service, any payments of principal, interest (if any) or any other amounts shall be made to the person(s) for whose account(s) interests in the relevant Global Note are credited (as set out in a CMU Instrument Position Report or any other relevant notification supplied to the CMU Lodging Agent by the CMU Service) and, save in case of final payment, no presentation of the relevant Global Note shall be required for such purpose.

So long as the Notes are represented by a Registered Global Note, the "**Record Date**" shall be the close of business (in the relevant clearing system) on the Clearing System Business Day

before the due date for such payment where "**Clearing System Business Day**" means a day on which the relevant clearing system is open for business.

(b) ***Prescription***

Claims against the relevant Issuer in respect of Notes issued by it that are represented by a Permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date.

(c) ***Meetings***

The holder of a Global Note or Registered Global Note shall (unless such Global Note or Registered Global Note represents only one Note) be treated as being two persons for the purposes of any quorum requirements at any meeting of Noteholders. At any such meeting, the holder of a Permanent Global Note shall be treated as having one vote in respect of each minimum Specified Denomination of Notes for which such Permanent Global Note may be exchanged.

(d) ***Cancellation***

Cancellation of any Bearer Note represented by a Bearer Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant Bearer Global Note and evidenced by the appropriate notation in the relevant schedule to such Bearer Global Note.

(e) ***Purchase***

Bearer Notes represented by a Permanent Global Note may only be purchased by the relevant Issuer or any of its subsidiaries together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

(f) ***Each Issuer's Options***

Any option of the relevant Issuer provided for in the Terms and Conditions of any Notes issued by it while such Notes are represented by a Global Note shall be exercised by the relevant Issuer giving notice to the Noteholders within the time limits set out in, and containing the information required by, the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the relevant Issuer is exercised in respect of some but not all of the Notes of any Tranche or Series which are represented by a Global Note, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg or any Alternative Clearing System (as the case may be).

(g) ***Noteholders' Options***

Any option of the Noteholders provided for in the Terms and Conditions of any Notes while such Notes are represented by a Global Note may be exercised by the holder of the Global Note delivering to the Fiscal Agent, within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions, a notice stating the principal amount of Notes in respect of which the option is exercised (but which shall not be required to state the serial numbers of such Notes) and at the same time presenting the Global Note to the Fiscal Agent or to a Paying Agent acting on behalf of the Fiscal Agent, for notation.

(h) ***Events of Default***

(i) *In respect of Notes issued by ANZBGL*

Each Bearer Global Note and Registered Global Note representing the Notes provides that the holder may from time to time exercise the right to declare the Notes represented by such Bearer Global Note or Registered Global Note due and repayable in the circumstances described in Condition 9 (*Events of Default*) in the section entitled "*Terms and Conditions of the Notes*" by stating in a notice to the Fiscal Agent the principal amount of such Bearer Global Note or Registered Global Note that is due and repayable. If principal in respect of any Note is not paid when due, the holder of a Bearer Global Note or Registered Global Note representing such Notes from time to time may elect in a notice to the Fiscal Agent for direct enforcement rights against ANZBGL under the terms of a Deed of Covenant executed as a deed by the Issuers on 20 November 2020 to come into effect in relation to the whole or a part of such Bearer Global Note or Registered Global Note in respect of which such failure to pay principal has occurred in favour of the persons entitled to such part of such Bearer Global Note or Registered Global Note, as the case may be, as accountholders with a clearing system. Following any such election, the specified portion of the Bearer Global Note or, as the case may be, the Registered Global Note and the corresponding entry in the register kept by the Registrar will become void, save to the extent that the appropriate direct enforceable rights shall fail to take effect for whatever reason. In the case of Bearer Global Notes, no such election may however be made on or before the Exchange Date unless the holder elects in such notice that the exchange for such Notes shall no longer take place.

(ii) *In respect of Notes issued by ANZ New Zealand and ANZNIL*

Each Bearer Global Note and Registered Global Note provides that the holder may from time to time exercise the right to declare Notes represented by such Bearer Global Note or Registered Global Note due and repayable in the circumstances described in Condition 9 (*Events of Default*) in the section entitled "*Terms and Conditions of the Notes*" by stating in a notice to the Fiscal Agent the principal amount of such Bearer Global Note or Registered Global Note that is due and repayable. If principal in respect of any Note is not paid when due (but subject as provided below), the holder of a Bearer Global Note or Registered Global Note representing such Notes from time to time may elect in a notice to the Fiscal Agent for direct enforcement rights against the relevant Issuer under the terms of a Deed of Covenant executed as a deed by the Issuers on 20 November 2020 to come into effect in relation to the whole or a part of such Bearer Global Note or Registered Global Note in respect of which such failure to pay principal has occurred in favour of the persons entitled to such part of such Bearer Global Note or Registered Global Note, as the case may be, as accountholders with a clearing system. Following any such election, the specified portion of the Bearer Global Note or, as the case may be, the Registered Global Note and the corresponding entry in the register kept by the Registrar will become void, save to the extent that the appropriate direct enforceable rights shall fail to take effect for whatever reason. Save as provided in this paragraph and in the Deed of Covenant, no term of the Bearer Global Note or Registered Global Note may be enforceable by any person other than the holder. However, no such election may be made (A) in respect of Bearer Global Notes, on or before the Exchange Date unless the holder elects in such notice that the exchange for such Notes shall no longer take place, or (B) in respect of Notes represented by a Registered Global Note, unless the exchange of the whole or a part of the holding of Notes represented by that Registered Global Note shall have been improperly withheld or refused.

(i) ***Notices***

So long as any Notes are represented by a Bearer Global Note and such Bearer Global Note is held on behalf of a clearing system, notices to the holders of such Notes may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions. Such notices shall be deemed to have been given to the holders of the Notes in accordance with the Conditions on the date of delivery to that clearing system. In addition, so long as any Bearer Global Notes or Registered Global Notes are admitted to trading on the Regulated Market of the London Stock Exchange or to listing, trading and/or quotation by any other listing authority, stock exchange

and/or quotation system (so long as such Bearer Global Notes or Registered Global Notes are admitted to trading on the Regulated Market of the London Stock Exchange or to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system), notices shall also be published as may be required by the rules and regulations of such listing authority, stock exchange and/or quotation system and on the website of the Issuer at https://www.anz.com/debtinvestors/centre/programmes/anz-banking-group/euro-medium-term-note-programme-aus/ in respect of Notes issued by ANZBGL and at https://www.anz.com/debtinvestors/centre/programmes/anz-bank-nz/euro-medium-term-note-programme-nz/ in respect of Notes issued by ANZ New Zealand and ANZNIL.

Notwithstanding the above, for so long as the Notes are represented by a Global Note and such Global Note is held on behalf of CMU Service, notices to the Noteholders may be given by delivery of relevant notice to the CMU Lodging Agent for communication to the CMU Members or to the person shown in a CMU Instrument Position Report issued by the CMU Service on the Business Day preceding the date of dispatch of such notice as holding interests in the Global Note.

(j) ***CMU Lodging Agent***

So long as the Notes are represented by a Global Note and such Global Note is held on behalf of the CMU Service, any reference in this section (headed "Form of the Notes") to "Fiscal Agent" shall, whenever the context so permits, be deemed to mean the "**CMU Lodging Agent**".

6. **Definitions**

For the purpose of this section:

"**CMU**" or "**CMU Service**" means the Central Moneymarkets Unit Service (or any lawful successor thereto), being the book-entry clearing system operated by the HKMA;

"**CMU Instrument Position Report**" means the instrument position report showing the aggregate nominal value of the instrument specified therein held by CMU Members in the CMU securities accounts, as prepared from time to time by the CMU, and provided to the relevant agent of such instrument, in the form shown in Appendix E.2 of the CMU Manual;

"**CMU Lodging Agent**" means the CMU lodging agent appointed for the purposes of the issuance of CMU Notes as contemplated in Condition 6(e) of the Terms and Conditions of the Notes;

"**CMU Manual**" means the reference manual relating to the operation of the CMU Service issued by the HKMA to CMU Members, as amended from time to time;

"**CMU Member**" means a member of the CMU Service;

"**CMU Notes**" means Notes denominated in any currency which the CMU Service accepts for settlement from time to time that are, or are intended to be, cleared through the CMU Service;

"**CMU Paying Agent**" means the CMU paying agent appointed for the purposes of the issuance of CMU Notes as contemplated in Condition 6(e) of the Terms and Conditions of the Notes;

"**CMU Rules**" means all requirements of the CMU Service for the time being applicable to a CMU Member and includes (a) all the obligations for the time being applicable to a CMU Member under or by virtue of its membership agreement with the CMU Service and the CMU Manual; (b) all the operating procedures as set out in the CMU Manual for the time being in force in so far as such procedures are applicable to a CMU Member; and (c) any directions for the time being in force and applicable to a CMU Member given by the HKMA through any operational circulars or pursuant to any provision of its membership agreement with the HKMA or the CMU Manual; and

"**HKMA**" means the Hong Kong Monetary Authority, the government authority in Hong Kong with responsibility for maintaining currency and banking stability, or any lawful successor thereto.

DESCRIPTION OF AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED AND ITS SUBSIDIARIES

Overview

ANZBGL and its subsidiaries (together, the "**Group**"), which began its Australian operations in 1835 and its New Zealand operations in 1840, is one of the four major banking groups headquartered in Australia. ANZBGL is a public company limited by shares incorporated in Australia and was registered in the State of Victoria on 14 July 1977. ANZBGL's registered office is located at Level 9, 833 Collins Street, Docklands, Victoria, 3008, Australia, and the telephone number is +61 3 9683 9999. ANZBGL's Australian Business Number is ABN 11 005 357 522. The website of the Group is www.anz.com. No information on such website forms part of this Base Prospectus except as specifically incorporated by reference, see "*Information Incorporated by Reference*".

The Group provides a broad range of banking and financial products and services to retail, small business, corporate and institutional customers. Geographically, operations span Australia, New Zealand, a number of countries in the Asia Pacific region, the United Kingdom, France, Germany and the United States.

As of 30 September 2020, the Group had total assets of $1,042.3 billion and shareholders' equity excluding non-controlling interests of $61.3 billion. In terms of total assets among banking groups, the Group ranked first in Australia[1] as of 30 September 2020 and first in New Zealand[2] as of 30 June 2020.

ANZBGL's principal ordinary share listing and quotation is on the Australian Securities Exchange (the "**ASX**"). Its ordinary shares are also quoted on the New Zealand Stock Exchange (the "**NZX**"). At the close of trading on 30 September 2020, ANZBGL had a market capitalisation of $48.8 billion, which ranked among the top eight largest companies listed on the ASX[3].

Business Model

The Group's business model primarily consists of raising funds through customer deposits and the wholesale debt markets and lending those funds to customers. In addition, the Group operates a Markets business which earns revenue from sales, trading and risk management activities. The Group also provides payments and clearing solutions. Up until the sale completion dates outlined in Note 29 to the ANZBGL 2020 Audited Financial Statements, the Group earned revenue from its wealth activities through the provision of insurance, superannuation and funds management services, which were largely classified as discontinued operations.

The Group's primary lending activities are personal lending covering residential home loans, credit cards and overdrafts, and lending to corporate and institutional customers.

The Group's income is derived from a number of sources, primarily:

- Net interest income – represents the difference between the interest income the Group earns on its lending activities and the interest paid on customer deposits and wholesale funding;
- Net fee and commission income – represents fee income earned on lending and non-lending related financial products and services. It includes net funds management income;
- Share of associates' profits – represents the Group's share of the profit of an entity over which the Group has significant influence but not control; and
- Other income – includes income earned from the provision of insurance solutions, revenue generated from sales, trading and risk management activities in the Markets business, net

[1] Source: Commonwealth Bank of Australia results announcement for the fiscal year ended 30 June 2020; National Australia Bank results announcement for the fiscal year ended 30 September 2020; Westpac Banking Corporation results announcement for the fiscal year ended 30 September 2020.

[2] Source: Reserve Bank of New Zealand Bank Financial Strength Dashboard (https://bankdashboard.rbnz.govt.nz/summary) for the quarter ending 30 June 2020.

[3] Source: IRESS.

foreign exchange earnings and gains and losses from economic and revenue and expense hedges.

Strategy

The Group's strategy is focused on improving the financial wellbeing of its customers; having the right people who listen, learn and adapt; putting the best tools and insights into their hands; and focusing on those few things that it believes really add value to customers and doing them right the first time.

In particular, the Group wants to help customers:

- save for, buy and own a liveable home;
- start or buy and grow their business and adopt sustainable business practices; and
- move capital and goods around the region and adopt sustainable business practices.

In doing so, the Group seeks to improve the financial wellbeing of its customers, people and communities by helping them make the most of their money throughout their lives; supporting household, business and financial practices that improve environmental sustainability; and improving the availability of suitable and affordable housing options for all Australians and New Zealanders.

<table>
<tr><th colspan="5">Purpose
ANZ’s purpose is to shape a world where people and communities thrive</th></tr>
<tr><th>Strategic Imperatives</th><th colspan="3">Strategy</th><th>Creating value for its stakeholders</th></tr>
<tr><td>Create a simpler, better capitalised, better balanced bank</td><td colspan="3">Improving the financial wellbeing of customers…</td><td>Decent returns for shareholders</td></tr>
<tr><td>Build a superior experience for our people and customers in order to compete in the digital age</td><td>…looking to save for, buy and own a home</td><td>…looking to start, buy and grow a business</td><td>…looking to move capital and goods around the region</td><td>Great experience for customers</td></tr>
<tr><td>Focus our efforts where we can carve out a winning position</td><td colspan="2">…with people who listen, learn and adapt</td><td>…with the best tools and insights</td><td>Engaged, adaptable & capable employees</td></tr>
<tr><td>Drive a purpose and values led transformation of the Bank</td><td colspan="3">…with flexible, resilient, digital infrastructure that supports great customer experience
at lower cost</td><td>Improved financial wellbeing, housing and environmental sustainability outcomes for customers and communities</td></tr>
</table>

Principal activities

The Group operates on a divisional structure with five continuing divisions: Australia Retail and Commercial, Institutional, New Zealand, Pacific, and TSO and Group Centre.

There have been a number of divestments impacting the divisions of the Group. These are detailed in the section entitled "Large/notable items included in cash profit from continuing operations" of the 2020 Annual Report of ANZBGL which is incorporated by reference into this Base Prospectus.

The divisions reported below are consistent with operating segments as defined in AASB 8 *Operating Segments* and with internal reporting provided to the chief operating decision maker, being the Chief Executive Officer.

As of 30 September 2020, the principal activities of the five continuing divisions were:

Australia Retail and Commercial

The Australia Retail and Commercial division comprises the following business units.

- Retail provides products and services to consumer customers in Australia via the branch network, mortgage specialists, contact centres and a variety of self-service channels (internet banking, phone banking, ATMs, website, ANZ share investing and digital banking) and third party brokers in addition to financial planning services provided by salaried financial planners.

- Commercial provides a full range of banking products and financial services, including asset financing, across the following customer segments: medium to large commercial customers and agribusiness customers across regional Australia, small business owners and high net worth individuals and family groups.

Institutional

The Institutional division services government, global institutional and corporate customers across three product sets: Transaction Banking, Corporate Finance and Markets.

- Transaction Banking provides working capital and liquidity solutions including documentary trade, supply chain financing, commodity financing as well as cash management solutions, deposits, payments and clearing.

- Corporate Finance (previously named Loans & Specialised Finance) provides loan products, loan syndication, specialised loan structuring and execution, project and export finance, debt structuring and acquisition finance and corporate advisory.

- Markets provide risk management services on foreign exchange, interest rates, credit, commodities and debt capital markets in addition to managing the Group's interest rate exposure and liquidity position.

New Zealand

As at 30 September 2020, the New Zealand division was comprised of the Retail and Commercial business units:

- Retail provided a full range of banking and wealth management services to consumer, private banking and small business banking customers. It delivered its services via its internet and app-based digital solutions and network of branches, mortgage specialists, relationship managers and contact centres.

- Commercial provided a full range of banking services including traditional relationship banking and sophisticated financial solutions through dedicated managers focused on privately owned medium to large enterprises, the agricultural business segment and government and government-related entities.

In November 2020, the New Zealand division reorganised into the following three major business segments:

- Personal provides a full range of banking services to consumer customers. The ANZ New Zealand Group delivers its services via its internet and app-based digital solutions and network of branches, mortgage specialists and contact centres.

- Business provides a full range of banking services including traditional relationship banking and sophisticated financial solutions through dedicated relationship managers focusing on privately-owned small businesses, medium to large enterprises and the agriculture business segment, government and government-related entities.

- Wealth provides a range of wealth management services to consumers and a full range of banking services to private banking customers through digital channels and private bankers.

Pacific

The Pacific division provides products and services to retail customers, small to medium-sized enterprises, institutional customers and governments located in the Pacific Islands. Products and services include retail products provided to consumers, traditional relationship banking and sophisticated financial solutions provided to business customers through dedicated managers.

TSO and Group Centre

TSO and Group Centre division provides support to the operating divisions, including technology, group operations, shared services, property, risk management, financial management, strategy, marketing, human resources and corporate affairs. The Group Centre includes residual components of Group divestments, Group Treasury, Shareholder Functions and minority investments in Asia.

Coronavirus ("COVID-19")

The ongoing COVID-19 pandemic is causing major disruptions to community health and economic activity with wide-ranging impacts across many business sectors in Australia, New Zealand and globally. Additionally, many of the Group's customers have been impacted by the COVID-19 pandemic. As a result, in 2020, the Group launched support packages for retail and commercial customers in Australia and New Zealand, including the option of an up to six-month loan repayment deferral. The Group is continuing to work with customers impacted by COVID-19 to return to regular payments and in some circumstances will provide an extension to loan repayment deferrals for a further period. For further details on customer support and deferral packages refer to Note 13 of the ANZBGL 2020 Audited Financial Statements.

COVID-19 has affected and continues to impact the operations of the Group. Where possible, the Group has moved staff to work-at-home arrangements, split teams and introduced greater distance between those staff performing essential functions on premises. The number of staff working from home continues to vary in line with changing circumstances and associated government restrictions. Measures have been introduced for staff who need to come to work, with protective equipment and social distancing in bank branches, and thermal scanning in major buildings.

Regulators and governments have implemented a broad range of measures to promote financial stability in response to COVID-19. Those measures implemented by governments and regulators in Australia and New Zealand include:

- the Australian Commonwealth Government announced a temporary 'JobKeeper Payment' (where eligible businesses significantly impacted by COVID-19 are able to access a subsidy from the Australian Government to continue paying their eligible employees) and a 'Coronavirus Small and Medium Enterprises ("**SME**") Guarantee Scheme' (where the Australian Commonwealth Government provides a guarantee of 50 per cent to SME lenders to support new short-term unsecured loans to SMEs);
- a term funding facility ("**TFF**") for the banking system in Australia, whereby the RBA is providing a three-year funding facility to ADIs at a fixed interest rate of 0.25 per cent;
- the injection of substantial liquidity into the Australian financial system by the RBA through its daily market operations;
- a temporary change to APRA's expectations with regards to ADIs maintaining bank capital ratios at the "unquestionably strong" benchmark and APRA advised ADIs to maintain caution in planning capital distributions, including dividend payments;
- the New Zealand Government and the RBNZ have implemented financial support packages for homeowners and businesses affected by the economic impacts of COVID-19, in which ANZ New Zealand, along with other New Zealand banks, has agreed to participate. The packages include a 'Mortgage Repayment Deferral Scheme' for residential mortgages, a Business Finance Guarantee Scheme and a Small Business Cashflow Scheme for business customers (refer to "*Description of Supervision and Regulation of ANZ Bank New Zealand Limited and ANZ New Zealand (Int'l) Limited—New Zealand Regulatory Developments—Regulatory Response to the COVID-19 Pandemic and Other Developments*" for further information);

- the RBNZ delayed the start date for the increase in bank capital arising from the capital reforms for New Zealand incorporated banks to 2022. Some aspects of the capital reforms will proceed from 1 July 2021, including the new rules around capital instruments. The conclusion of the transition period is 1 July 2028. The implementation timetable may be revised if conditions warrant in 2021;
- the RBNZ added Condition 1D, which restricts ANZ New Zealand, until at least 31 March 2021, from paying dividends or other distributions, other than discretionary payments payable to holders of AT1 capital instruments; and
- the RBNZ delayed a number of other regulatory initiatives including the implementation of BS11 compliance by 12 months to October 2023.

The ongoing COVID-19 pandemic has increased the estimation uncertainty in the preparation of the ANZBGL 2020 Audited Financial Statements which are incorporated by reference into this Base Prospectus.

The estimation uncertainty is that associated with determining:

- the extent and duration of the disruption to business arising from the actions by governments, businesses and consumers to contain the spread of the virus;
- the extent and duration of the expected economic downturn (and forecasts for key economic factors including GDP, employment and house prices).This includes the disruption to capital markets, deteriorating credit quality, liquidity concerns, increasing unemployment, declines in consumer discretionary spending, reductions in production because of decreased demand, and other restructuring activities; and
- the effectiveness of government and central bank measures that have been and will be put in place to support businesses and consumers through this disruption and economic downturn.

The Group has made various accounting estimates for future events in the ANZBGL 2020 Audited Financial Statements based on forecasts of economic conditions which reflect expectations and assumptions as at 30 September 2020 and that the Group believes are reasonable under the circumstances. There is a considerable degree of judgement involved in preparing these estimates. The underlying assumptions are also subject to uncertainties which are often outside the control of the Group. Accordingly, actual economic conditions are likely to be different from those forecast since anticipated events frequently do not occur as expected, and the effect of those differences may significantly impact accounting estimates included in ANZBGL 2020 Audited Financial Statements.

The significant accounting estimates impacted by these forecasts and associated uncertainties are predominantly related to expected credit losses, fair value measurement, and recoverable amount assessments of non-financial assets.

While pervasive across the ANZBGL 2020 Audited Financial Statements, the estimation uncertainty is predominantly related to expected credit losses where the Group recognised a credit impairment charge of $2.7 billion pre-tax in the September 2020 full year, the fair value measurement and recoverable amount assessments of non-financial assets where the Group recognised an impairment charge of $815 million in respect of two of the Group’s Asian associates investment and an impairment charge of $77 million in respect of goodwill. For further details of these estimation uncertainties refer to Note 1 of the ANZBGL 2020 Audited Financial Statements.

The ramifications of COVID-19 continue to be uncertain and it remains difficult to predict the impact or duration of the pandemic.

The impact of the COVID-19 pandemic on the Group's accounting estimates is discussed further in the ANZBGL 2020 Audited Financial Statements which are incorporated by reference into this Base Prospectus.

Recent developments

There have been no significant developments for ANZBGL since 30 September 2020 to the date of this Base Prospectus.

Credit Rating

Directors

As at the date of this Base Prospectus, there are eight members on the board of directors of ANZBGL. Their names, positions within ANZBGL, and principal outside activities are described below. The business address of the board of directors of ANZBGL is ANZ Centre Melbourne, Level 9, 833 Collins Street, Docklands, Victoria 3008, Australia. As announced by ANZBGL's board of directors on 27 August 2020, Mr David Gonski retired as Chairman and as an Independent Non-Executive Director of ANZBGL on 28 October 2020.

Name of Director	Position	Principal Outside Activities
Mr Paul O'Sullivan	Chair Independent Non-Executive Director	Chairman, Singtel Optus Pty Limited and Western Sydney Airport Corporation. Director, Coca-Cola Amatil Limited, St Vincent's Health Australia and Telkomsel Indonesia.
Mr Shayne Cary Elliott	Chief Executive Officer Executive Director	Director, ANZ Bank New Zealand Limited and the Financial Markets Foundation for Children. Member, Business Council of Australia, Australian Banking Association and Australian Customs Advisory Board.
Ms Ilana Rachel Atlas AO	Independent Non-Executive Director	Chairman, Coca-Cola Amatil Limited and Jawun. Director, Paul Ramsay Foundation. Member, Panel of Adara Partners.
Ms Paula Jane Dwyer	Independent Non-Executive Director	Chairman, Tabcorp Holdings Limited, Kin Group Advisory Board and Allianz Australia Limited. Director, Lion Pty Ltd. Member, Kirin International Advisory Board and Australian Government Takeovers Panel.
Ms Sarah Jane Halton AO PSM	Independent Non-Executive Director	Chairman, Vault Systems, Coalition for Epidemic Preparedness Innovations (Norway) and Council on the Ageing Australia. Director, Clayton Utz and Crown Resorts Limited. Member, Executive Board of the Institute of Health Metrics and Evaluation at the University of Washington and National COVID-19 Commission Advisory Board. Adjunct Professor, University of Sydney and University of Canberra. Council Member, Australian Strategic Policy Institute.
Sir John Key GNZM AC	Independent Non-Executive Director	Chairman, ANZ Bank New Zealand Limited. Director, Palo Alto Networks Inc.
Mr Graeme Richard Liebelt	Independent Non-Executive Director	Chairman, Amcor Limited. Director, Australian Foundation Investment Company Limited and Carey Baptist Grammar School.

Name of Director	Position	Principal Outside Activities
Mr John Thomas Macfarlane	Independent Non-Executive Director	Director, Colmac Group Pty Ltd, AGInvest Holdings Ltd (MyFarm Ltd), Balmoral Pastoral Investments, L1 Long Short Fund Ltd and Aikenhead Centre of Medical Discovery Limited.

As at the date of this Base Prospectus, no material conflicts of interest and, other than in respect of any dealings between ANZBGL and any of the companies listed above under "Principal Outside Activities" which may arise in the future and be referred to the board of directors of ANZBGL, no potential material conflicts of interest exist between any duties owed to ANZBGL by members of its board of directors listed above and their private interests and/or other duties. In respect of potential conflicts of interest that may arise in the future, ANZBGL has processes for the management of such conflicts.

DESCRIPTION OF SUPERVISION AND REGULATION OF AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED

As a major banking group, the Group is subject to extensive regulation by regulatory agencies and security exchanges in each of the major markets where it operates. This section provides an overview of the regulatory landscape applicable to the Group, focusing on Australia and the United States. Refer to the section headed "*Description of Supervision and Regulation of ANZ Bank New Zealand Limited and ANZ New Zealand (Int'l) Limited*" for an overview of the regulatory landscape in New Zealand.

AUSTRALIA

Overview of APRA's Prudential and Regulatory Supervision

Since 1 July 1998, APRA has been responsible for the prudential and regulatory supervision of Australian ADIs, which include banks (including ANZBGL), credit unions, building societies, insurance companies and superannuation funds. Prior to this, the Australian banking industry was regulated by the RBA. The RBA has retained overall responsibility for monetary policy, financial system stability and payments system regulation. APRA draws authority from the Australian Prudential Regulation Authority Act 1998 of Australia.

APRA requires ADIs to meet certain prudential requirements that are covered in a range of APRA Prudential Standards.

APRA discharges its responsibilities in part by requiring ADIs subject to its supervision to regularly provide it with reports that set forth a broad range of information, including financial and statistical data relating to their financial position and information in respect of prudential and other matters. APRA gives special attention to capital adequacy, liquidity, earnings, credit quality and associated loan loss experience, concentration of risks, maturity profile of assets and liabilities, operational risks, market risks, interest rate risk in the banking book ("**IRRBB**"), exposures to related entities, outsourcing, funds management, governance, business continuity management, audit and related matters, securitisation activities and international banking operations. APRA may also exercise certain investigative powers if an ADI fails to provide information about its financial condition. Where APRA considers that an ADI may become unable to meet its obligations or suspends payment (among other circumstances), APRA can take control of the ADI's business (including by appointment of a Banking Act statutory manager). APRA also has power to direct the ADI not to make payments in respect of its indebtedness. In addition, APRA has powers under the Financial Sector (Transfer and Restructure) Act 1999 of Australia to require the compulsory transfer of some or all of an ADI's assets and liabilities or its shares to another body specified by APRA (which need not in all cases be an ADI). Broadly, APRA may require such a transfer in circumstances including where the relevant Australian Minister declares that the transfer should occur, or APRA is satisfied that there has been a contravention of the Banking Act or regulations or instruments made under it or the ADI has informed APRA that it is likely to become unable to meet its obligations or is about to suspend payment, and certain other criteria are met, including that APRA is satisfied that the transfer is appropriate having regard to the interests of the financial sector as a whole. A counterparty to a contract with an ADI cannot rely solely on the fact that a Banking Act statutory manager is in control of the ADI's business or on the making of a direction or compulsory transfer order as a basis for denying any obligations to the ADI or for accelerating any debt under that contract, closing out any transaction relating to that contract or enforcing any security under that contract.

In carrying out its supervisory role, APRA supplements its analysis of statistical data collected from each ADI with selective "on site" visits and formal meetings with the ADI's senior management and the external auditor. APRA has also formalised a consultative relationship with each ADI's external auditor, with the agreement of the ADIs. The external auditor provides additional assurance to APRA that the information sourced from an ADI's accounting records and included in the ADI's APRA reporting is, in all material respects, reliable and in accordance with the relevant APRA Prudential and Reporting Standards. The external auditor also undertakes targeted reviews of specific risk management areas as selected by APRA. In addition, an ADI's Chief Executive Officer attests to, and its directors endorse, the adequacy and operating effectiveness of the ADI's risk management systems to control exposures and limit risks to prudent levels.

Capital

The common framework for determining the appropriate level of bank regulatory capital is set by the Basel Committee on Banking Supervision ("**BCBS**") under a framework that is commonly known as " Basel III ".

For calculation of minimum capital requirements under Pillar 1 ("**Capital Requirements**") of the Basel Accord, the Group has been accredited by APRA to use the Advanced Internal Ratings Based methodology for credit risk weighted assets and Advanced Measurement Approach for the operational risk weighted asset equivalent.

Effective 1 January 2013, APRA has adopted the majority of Basel III capital reforms in Australia. APRA views the Basel III reforms as a minimum requirement and hence has not incorporated some of the concessions proposed in the Basel III rules and has also set higher requirements in other areas. As a result, Australian banks' Basel III reported capital ratios are not directly comparable with international peers. The Basel III reforms include: increased capital deductions from CET1 capital, an increase in capitalisation rates (including prescribed minimum capital buffers, fully effective from 1 January 2016), tighter requirements around new Additional Tier 1 ("**AT1**") and Tier 2 securities and transitional arrangements for existing AT1 and Tier 2 securities that do not conform to the new regulations. Other changes include capital requirements for counterparty credit risk and an increase in the asset value correlation with respect to exposures to large and unregulated financial institutions as well as changes that have resulted from the Financial System Inquiry ("**FSI**") as described below.

For further discussion regarding capital regulatory developments, refer to "*Australian Regulatory Developments*" below.

Liquidity

ANZBGL's liquidity and funding risks are governed by a detailed policy framework that is approved by ANZBGL's Board Risk Committee. The management of the liquidity and funding positions and risks is overseen by the Group Asset and Liability Committee. ANZBGL's liquidity risk appetite is defined by the ability to meet a range of regulatory requirements and internal liquidity metrics mandated by ANZBGL's Board Risk Committee. The metrics cover a range of scenarios of varying duration and level of severity. This framework helps:

- provide protection against shorter-term but more extreme market dislocations and stresses;
- maintain structural strength in the balance sheet by ensuring that an appropriate amount of longer-term assets are funded with longer-term funding; and
- ensure no undue timing concentrations exist in the Group's funding profile.

A key component of this framework is the Liquidity Coverage Ratio ("**LCR**") that was implemented in Australia on 1 January 2015. The LCR is a severe short term liquidity stress scenario mandated by banking regulators including APRA. It was introduced as part of the Basel III international framework for liquidity risk measurement, standards and monitoring. As part of meeting the LCR requirements, ANZBGL has a Committed Liquidity Facility ("**CLF**") with the RBA. The CLF has been established as a solution to a High Quality Liquid Asset shortfall in the Australian marketplace and provides an alternative form of RBA-qualifying liquid assets. The total amount of the CLF available to a qualifying ADI is set at least annually by APRA. From 1 January 2020, ANZBGL’s CLF is A$35.7 billion (2019 calendar year end: A$48.0 billion).

Additionally, the Group has implemented APRA's Net Stable Funding Ratio ("**NSFR**") requirement from 1 January, 2018 following the release of the NSFR final standards in December 2016. The Group's Level 2 NSFR was 124 per cent. as of 30 September 2020 (30 September 2019: 116 per cent.).

ANZBGL seeks to observe strictly its prudential obligations in relation to liquidity and funding risk as required by APRA Prudential Standard APS 210, as well as the prudential requirements of overseas regulators on ANZBGL's offshore operations.

Capital Management and Adequacy and Liquidity within APRA's Regulations

For further details of the Group's capital management and adequacy, liquidity and APRA's regulatory environment, refer to Notes 14, 15, 16 and 23 of ANZBGL's 2020 Audited Financial Statements and the sections titled "Funding", "Liquidity" and "Capital management" on pages 69 to 70 of the 2020 Annual Report of ANZBGL, which are incorporated by reference into this Base Prospectus.

Banking Executive Accountability Regime

The Treasury Laws Amendment (Banking Executive Accountability and Related Measures) Act 2018 established the "Banking Executive Accountability Regime" ("**BEAR**"). ANZBGL's obligations under the BEAR commenced on 1 July 2018.

The BEAR aims to strengthen the responsibility and accountability framework for the most senior and influential directors and executives in ADI groups. Under the BEAR:

- ANZBGL is required to register individuals with APRA before appointing them to certain senior executive or director positions and maintain and provide APRA with a map of the roles and responsibilities of such persons across the ADI group, and to provide APRA with accountability statements for each of these senior executives or directors, detailing that individual's roles and responsibilities;

- where ANZBGL and its registered senior executives and directors do not meet accountability obligations, APRA is empowered to disqualify those individuals as senior executives or directors without a court order (but subject to a right of administrative review in accordance with Part VI of the Banking Act);

- ANZBGL is obliged to set remuneration policies for directors and senior executives consistent with BEAR's requirements, including for the deferral of certain components of that remuneration; and

- ANZBGL may be liable for substantial penalties for failing to comply with its BEAR obligations.

The Australian Government announced in January 2020 that BEAR will be replaced by the Financial Accountability Regime ("**FAR**"), which proposes to extend the regime to other APRA-regulated entities and directors / senior executives to increase accountability. FAR would be jointly administered by APRA and ASIC and could impose larger civil penalties for any breaches.

Crisis Management

The Financial Sector Legislation Amendment (Crisis Resolution Powers and Other Measures) Act 2018 enhanced APRA's powers to facilitate the orderly resolution of the entities it regulates (and their subsidiaries) in times of distress. Additional powers which could impact the Group include greater oversight, management and directions powers in relation to ANZBGL and other Group entities which were previously not regulated by APRA, increased statutory management powers over regulated entities within the Group and changes which are designed to give statutory recognition to the conversion or write-off of regulatory capital instruments (the "**Statutory Conversion and Write-Off Provisions**").

The Statutory Conversion and Write-Off Provisions apply in relation to regulatory capital instruments issued by certain financial sector entities (including ADIs, of which ANZBGL is one) that contain provisions for conversion or write-off for the purposes of APRA's prudential standards. Where the Statutory Conversion and Write-Off Provisions apply to an instrument, that instrument may be converted in accordance with its terms. This is so despite any law (other than specified laws, currently those relating to the ability of a person to acquire interests in an Australian corporation or financial sector entity), the constitution of the issuer, any contract to which the issuer is a party, and any listing rules, operating rules or clearing and settlement rules applicable to the instrument. In addition, the Banking Act includes a moratorium on the taking of certain actions on grounds relating to the operation of the Statutory Conversion and Write-Off Provisions.

Other Australian Regulators

In addition to APRA and its prudential and regulatory supervision, ANZBGL and its Australian subsidiaries are supervised and regulated in some respects by other regulators including the Australian Securities and Investments Commission ("**ASIC**"), the Australian Competition and Consumer Commission ("**ACCC**"), the Australian Transaction Reports and Analysis Centre ("**AUSTRAC**"), the Office of the Australia Information Commissioner ("**OAIC**") and various securities exchanges.

ASIC is Australia's corporate, markets, financial services and consumer credit regulator. It regulates Australian companies, financial markets, financial services organisations and professionals who deal in and advise on investments, superannuation, insurance, deposit-taking and credit. As the consumer credit regulator, ASIC licenses and regulates people and businesses engaging in consumer credit activities (including banks, credit unions, finance companies, and mortgage and finance brokers). ASIC ensures that licensees meet the standards, including those related to responsibilities to consumers that are set out in the Australian National Consumer Credit Protection Act 2009. As the markets regulator, ASIC assesses how effectively authorised financial markets are complying with their legal obligations to operate fair, orderly and transparent markets. Since 1 August 2010, ASIC has had responsibility for the supervision of trading on Australia's domestic licensed equity, derivatives and futures markets. As the financial services regulator, ASIC licenses and monitors financial services businesses to ensure that they operate efficiently, honestly and fairly. These businesses typically deal in superannuation, managed funds, shares and company securities, derivatives and insurance. ANZBGL provides products and participates in markets regulated by ASIC.

The ACCC is an independent Commonwealth statutory authority that promotes competition and fair trading in the Australian marketplace to benefit consumers, businesses and the community. It also regulates national infrastructure services. Its primary responsibility is to ensure that individuals and businesses, including the Group, comply with the Australian competition, fair trading and consumer protection laws.

AUSTRAC is Australia's financial intelligence unit and its anti-money laundering and counter-terrorism financing regulator. The Group is required to comply with certain anti-money laundering and counterterrorism financing legislation and regulations under Australian law, including the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 of Australia ("**AML Act**"). The AML Act is administered by AUSTRAC.

The OAIC is an independent agency within the Australian Attorney General's portfolio. Its primary functions are privacy, freedom of information and government information policy, with responsibilities including conducting investigations, reviewing decisions, handling complaints, and providing guidance and advice.

Australian Regulatory Developments

Regulatory Response to COVID-19

Australian regulators and the Australian Government have implemented a broad range of measures in response to the COVID-19 pandemic, many of which affect the Group. These include the following measures:

- In March 2020, AUSTRAC announced that it will constructively work with reporting entities, such as ANZBGL, as they manage their money laundering and terrorism financing risks during the COVID-19 disruptive period. This includes considering such reporting entities' circumstances when applying anti-money laundering and counter-terrorism financing laws. AUSTRAC stated that it has a business continuity plan in place which will allow it to maintain core functions and continue its work with reporting entities, to protect Australians from serious financial crime and terrorism.

- In March 2020, the RBA established a term funding facility ("**TFF**") for the banking system. ADIs are able to obtain an initial allowance of up to 3 per cent of their outstanding credit (measured as the average of an ADIs total credit in the relevant three month period) and an

additional funding allowance if they increase lending to business, especially to small and medium-sized businesses.

In September 2020 the RBA announced a supplementary funding allowance available from 1 October 2020 to 30 June 2021 and extended the deadline for drawdowns of the additional funding allowance based on an ADI's lending to businesses from 31 March 2021 to 30 June 2021. The supplementary funding allowance is fixed at 2 per cent of an ADI's outstanding credit (measured as the average of an ADIs total credit in the relevant three month period).

As at 1 October 2020, ANZBGL had fully drawn $12 billion from its initial TFF allowance and it had not drawn anything from its additional TFF allowance of $4.4 billion. In November 2020 the RBA reported that ADIs had drawn almost $84 billion under the TFF and that the total funding allowance was around $190 billion, compared with $150 billion in August 2020 and $90 billion at inception.

In November 2020, the RBA announced a reduction in the cash rate target to 0.1 per cent., a reduction in the target for the yield on the 3-year Australian Government bond to around 0.1 per cent., a reduction in the interest rate on new drawings under the TFF to 0.1 per cent. and a reduction in the interest rate on banks' settlement balances at the RBA to zero.

In March 2020, the RBA and the US Federal Reserve established a temporary swap line for the provision of U.S. dollar liquidity. The swap line allows the RBA to access up to US$60 billion in exchange for Australian dollars. The U.S. dollars are made available to financial institutions operating in Australia via repos with the RBA.

The RBA has been injecting substantial extra liquidity into the Australian financial system.

- In March 2020, APRA announced, among other matters:

    - the suspension of the majority of its planned policy and supervision initiatives in response to the impact of COVID-19, including substantive public consultations and actions to finalise revisions to the prudential framework that were underway or upcoming, including consultations on prudential and reporting standards. In an update on 10 August 2020, APRA announced that apart from a limited number of high-priority policy initiatives, APRA does not plan to recommence consultation on any other matters for the remainder of 2020. APRA's policy program for 2021 will be reviewed in light of the current environment;

    - a temporary change to its expectations with regards to ADIs maintaining bank capital ratios at the "unquestionably strong" benchmark. During the period of the COVID-19 disruption, APRA has stated that it would not be concerned if ADIs are not meeting this benchmark as the current large buffers may be needed to facilitate ongoing lending to the Australian economy;

    - an exemption for banks from having to treat eligible small business loans and home loans, which are subject to a COVID-19 loan repayment deferral, as 'arrears' or 'restructured' for capital purposes. APRA initially provided the capital treatment exemption for a period of up to 6 months from March 2020, but in July 2020, APRA allowed an extension to align with a further period of loan deferrals until the earlier of an aggregate period of deferral totalling ten months or 31 March 2021. The extension of the loan deferral arrangements (and associated capital treatment) is subject to ADIs undertaking an appropriate credit assessment to ascertain if an extension or new deferral is appropriate for the particular borrower given their circumstances.

      For further information, please see "*Risk Factors - Legal and Regulatory Risk - Regulatory changes or a failure to comply with laws, regulations or policies may adversely affect the Group's Position - Prudential Developments*".

- In March 2020, ASIC announced that it would focus its regulatory efforts on challenges created by the COVID-19 pandemic. Until at least 30 September 2020, the other matters that ASIC planned to afford priority were: where there is the risk of significant consumer harm, serious breaches of the law, risks to market integrity and time-critical matters. ASIC immediately suspended a number of near-term activities which are not time-critical. These included consultation, regulatory reports and reviews including ASIC's close and continuous monitoring program. In May 2020, ASIC announced that it would defer the commencement date of the mortgage broker best interest duty and remuneration reforms and the design and distribution obligations by six months to 1 January 2021 and 5 October 2021 respectively. In August 2020, ASIC released its Corporate Plan for 2020-24 which outlines actions ASIC is taking to address the impact of the COVID-19 pandemic as well as longer term threats and harms in the regulatory environment. ASIC stated that a key consideration in all of its work is the extent to which it is supporting the long term recovery of the Australian economy. ASIC's strategic priorities responding to the COVID-19 pandemic include: (i) protecting consumers from harm at a time of heightened vulnerability; (ii) maintaining financial system resilience and stability; (iii) supporting Australian businesses to respond to the effects of the COVID-19 pandemic; (iv) continuing to identify, disrupt and take enforcement action against the most harmful conduct; and (v) continuing to build ASIC organisational capacity in challenging times.

- In March 2020, the ACCC announced that, while its 2020 compliance and enforcement priorities remain in place, it will re-focus its efforts to those priorities of most relevance to competition and consumer issues arising from the impact of COVID-19. Further, the ACCC has provided an authorisation for the Australian Banking Association and participating member banks (including ANZBGL) to co-operate to provide relief packages for individuals and businesses affected by COVID-19.

For information relating to the regulatory response to the COVID-19 pandemic in New Zealand, please see *"—New Zealand Regulatory Developments—Regulatory Response to the COVID-19 Pandemic and Other Developments"*.

The exact ramifications of the COVID-19 pandemic on the regulation and supervision of, and enforcement against, financial services groups such as the Group continue to be highly uncertain and, as at the date of this Base Prospectus, are difficult to predict.

The outbreak of COVID-19 has also resulted in the Australian Commonwealth and State Governments enacting many measures to combat the spread of the virus and economic impacts. The Australian and State and Territory Governments have imposed wide ranging restrictions due to COVID-19 on, suspensions and limitations of, or advice against, travel, events, and meetings and many other normal activities and undertaken substantial and costly monetary and fiscal interventions. The Victorian State Government declared a temporary ‘state of disaster’ in August 2020 and imposed extensive restrictions on business, household and other activities (some of which have now been reduced). As an example of economic measures, the Australian Commonwealth Government announced a temporary 'JobKeeper Payment' (where eligible businesses significantly impacted by COVID-19 are able to access a subsidy from the Australian Government to continue paying their eligible employees) and a 'Coronavirus Small and Medium Enterprises (SME) Guarantee Scheme' (where the Australian Commonwealth Government provides a guarantee of 50 per cent. to SME lenders to support up to $40 billion in new loans to SMEs). The Australian Commonwealth and State Governments may in the foreseeable future implement, extend and introduce further measures. As at the date of this Base Prospectus, it is unclear what the full impact of these measures will be on the Group.

APRA Guidance on Capital Management

In July 2020, APRA provided an update to their guidance on capital management, which replaced prior guidance from April 2020, through which APRA had indicated an expectation that ADIs seriously consider deferring decisions on the appropriate level of dividends until the outlook became clearer. In the updated guidance, APRA acknowledged that the uncertainty in the economic outlook has reduced somewhat since April 2020 and APRA had the opportunity to review ADIs' financial projections and stress testing results. Taking these and other developments since April 2020 into account, APRA advised ADIs to maintain caution in planning capital distributions, including dividend payments and that for the remainder of the calendar year, ADIs’ boards should:

- seek to retain at least half of their earnings when making decisions on capital distributions (and utilise dividend reinvestment plans and other initiatives to offset the diminution in capital from capital distributions where possible);

- conduct regular stress testing to inform decision-making and demonstrate ongoing lending capacity; and

- make use of capital buffers to absorb the impacts of stress, and continue to lend to support households and businesses.

The Group's 2020 interim dividend of 25 cents per share (paid to shareholders on 30 September 2020) and proposed 2020 final dividend of 35 cents per share (announced by the Group on 29 October 2020) took into account the updated regulatory guidance above.

ANZBGL Update on RBNZ Capital Requirements

On 5 December 2019, ANZBGL provided an update on the impacts of the release of RBNZ's final capital requirements[1]. See "*Description of Supervision and Regulation of ANZ Bank New Zealand Limited and ANZ New Zealand (Int'l) Limited - New Zealand Regulatory Developments – RBNZ review of capital requirements*" for more information about the RBNZ's final decisions.

The key requirements of the RBNZ's final capital requirements are:

- Tier 1 capital requirement of 16 per cent of RWA for ANZ New Zealand of which up to 2.5 per cent of this could be in the form of AT1 capital. Tier 2 capital requirement remained at 2 per cent of RWA;

- redeemable preference shares are allowable as AT1 capital. It is anticipated that ANZ New Zealand will be able to refinance existing internal AT1 securities to external counterparties;

- increase RWA outcomes for IRB banks to approximately 90 per cent of what would be calculated under the standardized approach:

    - apply an 85 per cent output floor for credit risk RWA of IRB banks;

    - increase the scalar applied to credit risk RWA of IRB banks from 1.06 to 1.2; and

- seven year transition period, initially commencing from July 2020.

In response to the COVID-19 pandemic, the RBNZ delayed the start date for the increase in bank capital arising from the capital reforms for New Zealand incorporated banks to 2022. Some aspects of the capital reforms will proceed from 1 July 2021, including the new rules around capital instruments. The conclusion of the transition period is 1 July 2028. The implementation timetable may be revised if conditions warrant in 2021.

The net impact on the Group is an increase in CET1 capital of approximately A$2.1 billion over the seven year transition period (based on the Group's 30 September 2020 balance sheet). This amount takes into account capital already retained by the ANZ New Zealand Group to meet the final RBNZ requirements. The net impact will be reduced by approximately A$0.5 billion upon conversion of the NZ$500 million Capital Notes into new Group ordinary shares scheduled to occur in May 2022.

See "*Description of Supervision and Regulation of ANZ Bank New Zealand Limited and ANZ New Zealand (Int'l) Limited—New Zealand Regulatory Developments—RBNZ review of capital requirements*" for more information.

[1] RBNZ released its consultation paper titled "Capital Review Paper 4: How much capital is enough?" on 14 December 2018.

RBNZ restrictions on distributions and capital instruments

With effect from 2 April 2020, the RBNZ amended ANZ New Zealand's Conditions of Registration to (among other things) not permit ANZ New Zealand to make distributions other than discretionary payments payable to holders of AT1 capital instruments. This restriction applies to all New Zealand-incorporated registered banks, and is intended to support the stability of the financial system during the COVID-19 pandemic. The amendments prevent ANZ New Zealand from paying dividends to ANZBGL.

The RBNZ also informed ANZ New Zealand, and other New Zealand-incorporated registered banks, that they should not redeem capital instruments at this time. Accordingly, ANZ New Zealand was not permitted to redeem its NZ$500 million of Capital Notes in May 2020, although ANZ New Zealand can continue making interest payments on those Capital Notes (subject to certain conditions). Further, ANZ New Zealand did not exercise its option to convert the Capital Notes in May 2020. The terms of the Capital Notes provide for their conversion into a variable number of ANZBGL ordinary shares in May 2022 (subject to certain conditions). Conversion would result in an increase in the Group's CET1 capital (approximately 12 basis points) at Level 2.

The RBNZ has stated that the above restrictions will remain in place until 31 March 2021 (or later if required), to continue to support the stability of the financial system.

See *"—New Zealand Regulatory Developments—Regulatory Response to the COVID-19 Pandemic and Other Developments"* for more information.

Royal Commission

A Royal Commission is a formal public inquiry that can only be instigated by the executive branch of the Australian Government and is directed by terms of reference. The Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry (the "**Royal Commission**") was directed to inquire into, and report on, whether any conduct of financial service entities (including ANZBGL) might have amounted to misconduct or conduct falling below community standards and expectations. The Royal Commission was also tasked with considering the causes of that conduct, in particular the role of culture, governance, remuneration and risk management practices, the effectiveness of regulators and making policy recommendations in response.

The final report (the "**Final Report**") of the Royal Commission was released publicly in February 2019. In the Final Report, the Commissioner of the Royal Commission identified conduct by financial service entities, including ANZBGL, that may have amounted to misconduct or that has fallen short of community standards and expectations.

The Final Report contained 76 recommendations across several matters, among them, banking, financial advice, superannuation, insurance, culture, governance and remuneration and regulators.

The Australian Government provided its response to the Royal Commission in February 2019, which included a commitment to take action on all of the Royal Commission's recommendations and additional commitments to address issues raised in the Final Report. In August 2019, the Australian Government released a roadmap to the implementation of its response. APRA, ASIC and the industry have also implemented or begun the implementation process for a number of recommendations directed towards them. In May 2020, the Treasurer of Australia announced a six month deferral to the implementation of certain Royal Commission commitments as a result of COVID-19. The Treasurer also stated that the Government had already implemented 24 commitments and had substantially progressed a further 35 through consultation and the preparation of draft legislation. The Government introduced a bill into the Australian Parliament in November 2020 to address 20 recommendations and one additional commitment.

Some of the more significant changes that the Group believes are likely to result from the recommendations of the Royal Commission include:

- adjustments to the regime of self-reporting of breaches of financial services laws and the introduction of an equivalent regime for breaches of credit laws;

- giving ASIC the ability to issue directions to prevent or address suspected breaches of financial services and credit laws;
- allowing ASIC to enforce financial services industry codes by attaching civil penalties to breaches of identified provisions of approved industry codes and establishing enforceable mandatory codes of conduct for the financial services industry;
- amendments to the prohibition on hawking (or unsolicited selling) of financial products;
- the introduction of a compensation scheme of last resort;
- the increased focus, and changes to policy, of APRA on governance, culture, remuneration and accountability, which has commenced and includes proposed changes to how banks pay senior executives; and
- the proposed replacement of the BEAR with the Financial Accountability Regime, which will be jointly administered by ASIC and APRA and will impose penalties on individuals and carry higher penalties for entities than BEAR.

Actions taken in connection with the other recommendations of the Royal Commission not highlighted above could also impact the Group's Position.

In February 2019, ANZBGL announced 16 commitments responding to a number of the Royal Commission's recommendations and comments. These commitments are meant to improve the treatment of retail customers, small businesses and farmers in Australia. They include, among other matters, commitments relating to remediation, remuneration, accountability, culture and governance and regulators. As at 21 August 2020, ANZBGL has completed 11 of its 16 commitments. ANZBGL continues to engage with the Australian Government, its regulators and industry as they progress their response to the Royal Commission recommendations.

In addition to the specific recommendations, the Royal Commission's conclusions have led or may lead to regulators commencing investigations into various financial services entities, including the Group, which could subsequently result in administrative or enforcement action being taken. The recommendations and the Government's commitments have also led to the Group's regulators altering their existing policies and practices and legislation being passed to expand regulatory powers.

The Royal Commission has also referred instances of potential misconduct to APRA or ASIC for consideration where they are not already being investigated. Where these matters relate to the Group, it may result in proceedings being brought against Group entities, which could result in the imposition of civil or criminal penalties on the Group.

The Royal Commission is resulting in additional costs and may lead to further exposures, including exposures associated with further regulator activity or potential customer exposures such as class actions, individual claims or customer remediation or compensation activities, and may have an adverse impact on the Group's Position. The outcomes and total costs associated with these possible exposures remain uncertain.

The Royal Commission may also lead to increased political or regulatory scrutiny of the financial industry in New Zealand.

Self-assessment into frameworks and practices

On 1 May 2018, APRA indicated that all regulated financial institutions would benefit from conducting a self-assessment into their frameworks and practices in relation to governance, culture and accountability and that, for large financial institutions such as the Group, APRA will be seeking written assessments that have been reviewed and endorsed by their boards. APRA made these indications in light of the issues that were identified in the final report relating to the prudential inquiry into another major ADI, which was established to examine the frameworks and practices in relation to the governance, culture and accountability within that ADI group. ANZBGL submitted its written self-assessment to APRA on 30 November 2018. On 22 August 2019, ANZBGL released an article from ANZBGL’s Chairman detailing the actions (including development of a 'roadmap') being taken by ANZBGL to address the issues raised in its self-assessment report. ANZBGL’s roadmap has five focus areas: culture;

governance and accountability; management of operational risk; remediation; and simplification. The roadmap is a multi-year program.

Financial System Inquiry

The Australian Government completed a comprehensive inquiry into Australia's financial system in 2014 which included a number of key recommendations that may have an impact on regulatory capital levels. APRA initiatives in support of the FSI are:

- In July 2017, APRA released an information paper outlining its assessment on the additional capital required for the Australian banking sector to be considered 'unquestionably strong' as originally outlined in the FSI final report in December 2014. APRA indicated that "in the case of the four major Australian domestic systemically important banks ("**D-SIBs**"), this equated to a benchmark CET1 capital ratio, under the current capital adequacy framework, of at least 10.5 per cent. from 1 January 2020.

- In February 2018, APRA released a discussion paper that commenced APRA's consultation on:

    - *Revisions to the capital framework that will produce "unquestionably strong" capital ratios.* The discussion paper, along with subsequent announcements in June and September 2019, summarises APRA's proposal regarding the risk-based capital approach for credit, market, interest rate risk in the banking book and operational risk following finalisation of these requirements by the BCBS in December 2017. While the next update to these proposals will only be available in late 2020, the Group expects the implementation of any revisions to the current requirements will result in further changes to the risk weighting framework for certain asset classes and other risk types (such as market and operational risks). APRA has announced that it does not expect that the changes to the risk weights will necessitate further increases in capital for ADIs, although this could vary by ADI depending on the final requirements.

    - *Adjustments to the overall design of the capital framework to improve transparency, international comparability and flexibility of the ADI capital framework.* APRA released a discussion paper in August 2018. The focus of the proposals is on the presentation of the capital ratios to facilitate comparability whilst recognising the relative capital strength of ADIs and measures to enhance supervisory flexibility in times of financial stress.

    - *Leverage Ratio requirements.* APRA's "**Leverage Ratio**" compares Tier 1 capital to the "exposure measure" (expressed as a percentage) as defined by APRA Prudential Standard APS 110. It is designed as a non-risk based supplement or backstop to the current risk based capital requirements and is intended to restrict the build-up of excessive leverage in the banking system. APRA released draft prudential standards in November 2018 proposing to set the Leverage Ratio minimum for Internal Ratings-Based ("**IRB**") ADIs at 3.5 per cent., in addition to other changes to the calculation of the exposure measure. These changes are not expected to have a material impact on the Group.

APRA’s consultation for the above is ongoing. However, in response to the challenging economic environment resulting from the COVID-19 disruptions, APRA has:

- announced a temporary change to its expectations with regards to ADIs, such as ANZBGL, maintaining bank capital ratios at the "unquestionably strong" benchmark of 10.5 per cent. for CET1. During the period of the COVID-19 disruption, APRA has stated that it would not be concerned if ADIs are not meeting this benchmark as the current large buffers may be needed to facilitate ongoing lending to the Australian economy; and

- deferred its scheduled implementation of changes to ADIs risk-weighting framework and Leverage Ratio requirements by one year. The majority of the capital reforms were initially due

for implementation on 1 January 2022, but these have now been revised to 1 January 2023. The deferral also includes APRA proposals on improving transparency, international comparability and flexibility of the ADI capital framework.

Given the number of items that are yet to be finalised by APRA, the final outcome of the FSI including any further changes to APRA's prudential standards or other impacts on the Group remains uncertain.

APRA Total Loss Absorbing Capacity Requirements

In July 2019, APRA announced its decision on loss-absorbing capacity pursuant to which it will require Australian D-SIBs, including ANZBGL, to increase their total capital by 3 per cent. of risk weighted assets by January 2024. Based on the Group's capital position as at 30 September 2020, this represents an incremental increase in the total capital requirement of approximately A$7.5 billion, with an equivalent decrease in other senior funding. APRA has stated that it anticipates that Australian D-SIBs would satisfy the requirement predominantly with additional Tier 2 capital. APRA is considering, over the next four years, feasible alternative methods for raising an additional 1 per cent. to 2 per cent. of risk weighted assets.

Level 3 Conglomerates ("Level 3") framework

APRA is extending its prudential supervision framework to conglomerate groups via the Level 3 framework which will regulate a bancassurance group such as the Group as a single economic entity with minimum capital requirements and additional monitoring of risk exposure levels.

In August 2016, APRA confirmed the deferral of capital requirements for conglomerate groups, to allow for the final capital requirements arising from FSI recommendations as well as from international initiatives that are in progress. APRA has not proposed any date for implementing any changes.

The non-capital components of the Level 3 framework relating to group governance, risk exposures, intragroup transactions and other risk management and compliance requirements came into effect on 1 July 2017. These requirements have had no material impact on the Group's capital position nor ANZBGL's funding of its subsidiaries. See "*Restrictions on ANZBGL's ability to provide financial support*" below for further discussion on the impact of the Level 3 framework on ANZBGL's ability to support its related entities, including ANZ New Zealand.

Revisions to Related Entities Framework

In August 2019, APRA announced that it will amend APS222 "Associations with Related Entities" ("**APS222**") to reduce the limits for Australian ADIs' individual entity exposure to related ADIs (or overseas equivalents) from 50 per cent. of Level 1 total capital to 25 per cent. of Level 1 Tier 1 capital, and aggregate exposures from 150 per cent. of Level 1 total capital to 75 per cent. of Level 1 Tier 1 capital. As exposures are measured net of capital deductions, the proposed changes to APRA's capital regulations (contained in APS111 "Capital Adequacy: Measurement of Capital" ("**APS111**")) will affect the measurement of ADI exposures. On the basis that the APS111 revisions are implemented as currently proposed, the reduction in the above limits is not expected to have a material impact on the Group. The proposed implementation date of 1 January 2021 has been deferred by APRA to 1 January 2022. Refer to "*Restrictions on ANZBGL's ability to provide financial support*" below for more detail.

Revisions to APS111 Capital Adequacy Measurement of Capital

In October 2019, APRA released a discussion paper on draft revisions to APS111 for consultation. The most material change from APRA's proposal is in relation to the treatment of capital investments into ADIs (or overseas equivalents) and insurance subsidiaries at Level 1, with the tangible component of the investment changing from a 400 per cent. risk weighting to:

- 250 per cent. risk weighting up to an amount equal to 10 per cent. of ANZBGL's net Level 1 CET1 capital; and
- the remainder of the investment will be treated as a CET1 capital deduction.

ANZBGL is reviewing the implications for its current investments. The net impact on the Group is unclear and will depend upon a number of factors including the capitalisation of the affected subsidiaries at the time of implementation, the final form of the prudential standard, as well as the effect of management actions being pursued that have the potential to materially offset the impact of these proposals. Based on ANZBGL's current investment in its affected subsidiaries and in the absence of any offsetting management actions, the above proposals imply a reduction in ANZBGL's Level 1 CET1 capital ratio of up to approximately A$2.5 billion (approximately 70 basis points). However, ANZBGL believes that this outcome is unlikely and, post implementation of management actions, the net capital impact could be minimal. There is no impact on the Group's Level 2 CET1 capital ratio arising from these proposed changes. The proposed implementation date is expected to be delayed until January 2022 (from January 2021).

In November 2020, APRA further announced, that until the new APS111 is finalised and implemented, APRA will require any new or additional equity investments in banking and insurance subsidiaries, where the amount of that new or additional investments takes the aggregate value of the investment above 10 per cent. of an ADI's CET1 capital, to be fully funded by equity capital at the ADI parent company level. This treatment would apply to the proportion of the new or additional investment that is above 10 per cent. of an ADI's CET1 capital.

Restrictions on ANZBGL's ability to provide financial support

Effect of APRA's Prudential Standards

APRA's current or future requirements may have an adverse effect on ANZBGL's business, results of operations, liquidity, capital resources or financial condition. APS222 sets minimum requirements for ADIs in Australia, including ANZBGL, in relation to the monitoring, management and control of risks which arise from associations with related entities and also includes maximum limits on intra-group financial exposures.

Under APS222, ANZBGL's ability to provide financial support to related entities (including ANZ New Zealand) is subject to the following restrictions:

- ANZBGL should not undertake any third party dealings with the prime purpose of supporting the business of related entities;
- ANZBGL must not hold unlimited exposures (i.e., should be limited as to specified time or amount) to related entities (e.g., not provide a general guarantee covering any of the obligations of related entities) either in aggregate or at an individual entity level;
- ANZBGL must not enter into cross-default clauses whereby a default by a related entity on an obligation (whether financial or otherwise) triggers or is deemed to trigger a default of ANZBGL on its obligations; and
- the level of exposure, net of exposures deducted from capital, of ANZBGL's Level 1 total capital base:

  (i) to related ADIs or equivalents, such as ANZ New Zealand, should not exceed 50 per cent. on an individual exposure basis or 150 per cent. in aggregate to all related ADIs or equivalents;

  (ii) to other related entities:

    i. in the case of a regulated related entity, should not exceed 25 per cent. on an individual exposure basis; or

    ii. in the case of any other (unregulated) related entity, should not exceed 15 per cent. on an individual exposure basis; and

    iii. should not exceed in aggregate 35 per cent. to all non-ADIs or equivalent related entities.

In August 2019, APRA released an update to APS222. Changes that affect the quantum and nature of the financial support that ANZBGL can provide ANZ New Zealand are:

- change the Level 1 capital base used for setting the exposure limits from total capital to Tier 1 capital; and
- reduce the individual ADI exposure limit to 25 per cent. of Level 1 Tier 1, and the aggregate to 75 per cent. of Level 1 Tier 1 capital base.

The proposed implementation date of 1 January 2021 for APS222 has been deferred by APRA to 1 January 2022. APRA has provided for entity-specific transitional arrangements or flexibility on a case by case basis.

Further, in October 2019, APRA released a discussion paper on draft revisions to APS111, which proposes to change the Level 1 capital treatment for Australian ADIs, such as ANZBGL, investing in ADIs (or overseas equivalents) and insurance subsidiaries, as outlined above in "*Revisions to APS111 Capital Adequacy Measurement of Capital*". The proposed implementation date of 1 January 2021 is expected to be delayed to January 2022.

If implemented, these APS111 changes would reduce ANZBGL's Level 1 Tier 1 capital base and exposure to ANZ New Zealand for the purposes of APS222 reporting. As a result, ANZBGL's expected exposure to ANZ New Zealand at 1 January 2022 would be compliant with the APS222 limits. However, if the APS111 changes are not implemented and the APS222 changes become effective, it is still possible that the changes outlined in APRA's announcement in connection with APS222 could adversely impact the ANZ New Zealand Group's business, results of operations, liquidity, capital resources or financial condition, as well as, its credit ratings and its ability to grow its business as ANZBGL's exposure to ANZ New Zealand would be near the limit of 25 per cent. of Level 1 Tier 1 capital, although ANZBGL would be able to apply for transition relief.

In addition, APRA has confirmed that, by 1 January 2021, no more than 5 per cent. of ANZBGL's Level 1 Tier 1 capital base can comprise non-equity exposures to its New Zealand operations (including its subsidiaries incorporated in New Zealand, such as ANZ New Zealand, and ANZBGL's New Zealand branch) during ordinary times. This limit does not include holdings of capital instruments or eligible secured contingent funding support provided to the ANZ New Zealand Group during times of financial stress.

APRA has also confirmed that contingent funding support by ANZBGL to its ANZ New Zealand operations during times of financial stress must be provided on terms that are acceptable to APRA. At present, only covered bonds meet APRA's criteria for contingent funding. APRA also requires that ANZBGL's total exposures to its New Zealand operations must not exceed 50 per cent. of ANZBGL's Level 1 Tier 1 capital base.

Effect of the Level 3 framework

In addition, certain requirements of APRA's Level 3 framework relating to, among other things, group governance and risk exposures became effective on 1 July 2017 (see "Level 3 Conglomerates ("**Level 3**") framework" above). This framework also requires the Group to limit its financial and operational exposures to subsidiaries (including ANZ New Zealand).

In determining the acceptable level of exposure to a subsidiary, ANZBGL's Board of Directors should have regard to:

- the exposures that would be approved for third parties of broadly equivalent credit status; and
- the potential impact on ANZBGL's capital and liquidity positions and ability to continue operating in the event of a failure by the subsidiary.

These requirements are not expected to place additional restrictions on ANZBGL's ability to provide financial or operational support to its subsidiaries, including ANZ New Zealand.

Residential mortgage lending practices

In recent years APRA has closely monitored residential mortgage lending practices and taken a number of steps aimed at strengthening residential mortgage lending standards across the banking industry. For example:

- in December 2014, APRA outlined additional steps it may take to reinforce sound residential mortgage lending practices of ADIs, indicating that it will pay particular attention to certain areas of concern, including higher risk mortgage lending, growth in lending to property investors (particularly if the growth is materially above an annual benchmark of 10 per cent.) and loan affordability tests for new borrowers; and

- in March 2017, APRA outlined that ADIs will be expected, among other things, to:

    - limit the flow of new interest-only lending to 30 per cent. of total new residential mortgage lending ("**30% Interest-Only Benchmark**"). Within this limit, ADIs were expected to place strict internal limits on the volume of interest-only lending at loan-to-valuation ratios ("**LVRs**") above 80 per cent. and ensure there was strong scrutiny and justification of any instances of interest-only lending at LVRs above 90 per cent.; and

    - manage lending to investors so as to comfortably remain below the previously advised benchmark of 10 per cent. annual growth in lending to property investors ("**10% Investor Loan Growth Benchmark**").

The Group applied a number of levers to meet the above expectations and manage portfolio risk, including adjustment of lending criteria and implementation of differentiated pricing between owner occupier and investor lending. Within these categories, differentiated pricing applies between customers making interest-only repayments and principal and interest repayments.

In April 2018 and December 2018, APRA outlined that the 10% Investor Loan Growth Benchmark and 30% Interest-Only Benchmark, respectively, will no longer apply to ADIs in certain circumstances. The benchmarks no longer apply to the Group.

APRA has indicated that it will continue to monitor closely conditions in the housing market more generally and despite the removal of the benchmarks, a return to more rapid rates of investor loan growth or re-acceleration in interest-only lending at an industry-wide level would raise systemic concerns and that such an environment could lead APRA to consider the need to apply industry-wide measures.

Changes in classifications for residential mortgage loans

The current classification of ANZBGL's residential mortgage loans, as reported to regulators and the market, is generally determined during the loan origination process (i.e., loan application, processing and funding), based on information provided by the customer or subsequently when a customer requests changes to the loan.

Classification of residential mortgage loans may change due to:

- incorrect classification at origination: to the extent that customers inaccurately advise ANZBGL of their circumstances at origination, there is a risk that loans may be incorrectly classified, and such loans may be reclassified;

- changes in customer circumstances: ongoing appropriateness of a given classification relies on the customer's obligation to advise ANZBGL of any changes in the customer's circumstances and on ANZBGL's ability to independently validate the information provided by its customers. To the extent that customers advise of any changes in their circumstances or when ANZBGL makes such a determination based on its verification processes, a loan may be reclassified;

- regulatory or other changes: the criteria for loan classifications, and their interpretation, may change for one or more reporting purposes, which may affect the classification of certain loans; and

- changes in ANZBGL's systems and processes.

Incorrect classification or re-classification of loans may affect a customer's ability to meet required repayments, such as when an owner-occupied property loan is re-classified to an investment property loan, which may attract a higher interest rate. The inability of customers to meet repayment obligations on re-classified loans may increase the risk of default on such loans, which may adversely affect the Group's Position.

Other

For further information on regulatory developments, including the risks they pose to the Group, refer to the section entitled "*Risk factors – Regulatory changes or a failure to comply with laws, regulations or policies may adversely affect the Group's Position*".

Sections 102.6 and 102.7 of the Australian Criminal Code

Under Sections 102.6 and 102.7 of the Australian Criminal Code (contained in the Criminal Code Act 1995 of Australia), a person commits a criminal offence if the person intentionally receives funds from, makes funds available to, collects funds for or on behalf of, or provides support or resources to a terrorist organisation in circumstances where the person knows, or is reckless as to whether, the organisation is a terrorist organisation. An organisation is a terrorist organisation if it is directly or indirectly engaged in, preparing, planning, assisting in or fostering the doing of a terrorist act, or is prescribed as a terrorist organisation in regulations under the Criminal Code Act 1995 of Australia.

Under the Autonomous Sanctions Act 2011 of Australia and the Autonomous Sanctions Regulations 2011 of Australia, sanctions are imposed against certain specifically identified persons, entities, assets and vessels associated with particular countries, and certain transactions involving the named persons or entities may only be conducted with specific approval from the Minister of Foreign Affairs. Contravention of these sanctions constitutes a criminal offence.

UNITED STATES

ANZBGL has elected to be treated as a Financial Holding Company (a "**FHC**") by the Board of Governors of the Federal Reserve System (the "**FRB**"). A FHC is allowed to engage, or acquire companies engaged, in the U.S. in activities that are determined by the FRB and the Secretary of the Treasury to be financial in nature or incidental thereto, and activities that are determined by the FRB to be complementary to financial activities.

Under the Bank Holding Company Act of 1956 (the "**BHC Act**"), the activities of a FHC are subject to restrictions if it is determined that the FHC (in the case of ANZBGL, at the Group level or at the level of its U.S. bank subsidiary in Guam and American Samoa) ceases to be "well managed" or "well capitalised" or is the subject of an enforcement action requiring it to maintain a specific level of capital. The FRB is the "umbrella" supervisor with jurisdiction over FHCs, including ANZBGL.

ANZBGL is subject to U.S. federal laws and regulations, including the International Banking Act of 1978 (the "**IBA**"). Under the IBA, all branches and agencies of foreign banks in the United States are subject to reporting and examination requirements similar to those imposed on domestic banks that are owned or controlled by U.S. bank holding companies. As a federally-licensed branch regulated primarily by the Office of the Comptroller of the Currency in the United States (the "**OCC**"), ANZBGL's New York branch ("**New York Branch**") can engage in activities permissible for national banks, with the exception that the New York Branch may not accept retail deposits. The New York Branch does not accept retail deposits (only institutional and corporate deposits) and thus is not subject to the supervision of the Federal Deposit Insurance Corporation ("**FDIC**"). The U.S. bank subsidiary operating in Guam and American Samoa does accept retail deposits and is subject to supervision by the FDIC.

Most U.S. branches and agencies of foreign banks, including the New York Branch, are subject to reserve requirements on deposits pursuant to regulations of the FRB. The New York Branch must maintain its accounts and records separate from those of the Group generally and must comply with such additional requirements as may be prescribed by the OCC. The IBA and the BHC Act also affect the Group's ability to engage in non-banking activities in the United States.

Under the IBA, a federal branch of a non-U.S. bank is subject to receivership by the OCC to the same extent as a national bank. The Comptroller may take possession of the business and property of a federal branch. The Comptroller has at its disposal a wide range of supervisory and enforcement tools for addressing violations of laws and regulations, and breaches of safety and soundness, which can be imposed upon federal branches. The Comptroller may remove federal branch management and assess civil money penalties. In certain circumstances, the Comptroller may also terminate a federal branch licence at its own initiative or at the recommendation of the FRB.

The Group is subject to certain provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("**Dodd-Frank**"). Dodd-Frank regulates many aspects of the business of banking in the United States and internationally. At this time, a number of rules and regulations implementing Dodd-Frank are under review by U.S. regulators. This review may result in a modified compliance framework. The following summary discusses the key regulatory requirements that are expected to remain relevant to ANZBGL.

The "**Volcker Rule**" adopted under Dodd-Frank, among other things, prohibits banks and their affiliates from engaging in certain "proprietary trading" (but allows certain activities such as underwriting, market making-related and risk-mitigating hedging activities) and limits the sponsorship of, and investment in, private equity funds and hedge funds, subject to certain important exceptions and exemptions. Between August and October 2019, the agencies responsible for the Volcker Rule approved final rules (the "**Final Rules**") amending the Volcker Rule to provide clarification, simplification and tailoring to certain of their requirements relating to proprietary trading and compliance programs. The effective date for the Final Rules was 1 January 2020, with a compliance date of 1 January 2021. Banking entities such as ANZBGL were required to continue to comply with the existing (2013) Volcker Rule until the effective date. Compliance with the Final Rules between the effective date and the compliance date is permitted but not required. On 25 June 2020, the agencies responsible for implementing the Volcker Rule adopted a final rule modifying certain aspects of the Volcker Rule. The changes, which took effect on 1 October 2020, principally relate to covered funds.

Other Dodd-Frank regulations impose minimum margin requirements on uncleared swaps, require the central execution and clearing of standardised OTC derivatives on regulated trading platforms and clearing houses and provide for heightened supervision of OTC derivatives dealers and major market participants. ANZBGL is a provisionally registered swap dealer under the Commodity Exchange Act and Commodity Futures Trading Commission ("**CFTC**") regulations. In addition, other affiliated entities within the Group could become subject to registration, depending on the level of their swap dealing activities with counterparties that are U.S. persons. Even if not required to be registered with the CFTC, such entities are potentially subject to certain of the CFTC's regulatory requirements, in connection with transactions that they enter into with counterparties that are U.S. persons.

The CFTC has recently adopted rules regarding cross-border transactions, which became effective on 13 November 2020, and which, among other things, permit "substituted compliance" by swap dealers located in non-U.S. jurisdictions with regulatory schemes determined by the CFTC to be comparable to its own. The CFTC has previously made such a determination with respect to certain aspects of Australian law and regulation pursuant to guidance issued by the CFTC prior to its adoption of the cross-border rules, and that determination remains in effect under the new rules. Pursuant to that determination, ANZBGL is able to rely on substituted compliance with respect to certain aspects of CFTC rules in connection with transactions outside the U.S. with non-U.S. counterparties.

U.S. prudential regulators and the CFTC have implemented rules imposing initial and variation margin requirements on transactions in uncleared swaps and security-based swaps. As ANZBGL is supervised by the FRB and operates the New York Branch that is regulated by the OCC, it needs to comply with the uncleared swap margin rules promulgated by the FRB, Farm Credit Administration, FDIC, Federal Housing Financial Agency and the OCC. These rules impose requirements to collect and post initial and

variation margin in respect of in-scope trading with in-scope counterparties. The rules of the prudential regulators and the CFTC also allow non-U.S. swap dealers, such as ANZBGL, to comply with the applicable laws of non-U.S. jurisdictions in lieu of compliance with their margin rules, or otherwise not to comply with U.S. margin rules, with respect to certain categories of transactions and counterparties.

Dodd-Frank also requires ANZBGL to submit U.S. resolution plans to the FRB and the FDIC. ANZBGL submitted its most recent U.S. resolution plan in December 2018. ANZBGL also is subject to "enhanced prudential regulations" under Reg. YY, Subpart N, which was adopted pursuant to Dodd-Frank Section 165, and which requires quarterly and annual certification of compliance with the financial and risk oversight requirements thereof. In October 2019, the FRB and the FDIC issued final rules that would apply tailored requirements on resolution planning and a modification of the enhanced prudential standards applicable to foreign banking organisations, depending on the size of their U.S. operations and their risk profile. Under the final rules, ANZBGL is next required to submit a reduced resolution plan by 1 July 2022 because it continued to be a triennial reduced filer on 1 October 2020.

The U.S. Foreign Account Tax Compliance Act ("**FATCA**"), requires financial institutions to undertake specific customer due diligence and provide information on account holders who are U.S. citizens or tax residents to the United States Federal tax authority, the Internal Revenue Service, either directly or via local tax authorities. If the required customer due diligence and provision of account holder information is not undertaken and provided in a manner and form meeting the applicable requirements, the Group and/or persons owning assets in accounts with Group members may be subjected to a 30 per cent. withholding tax on certain amounts. While such withholding tax may currently apply only to certain payments derived from sources within the United States, no such withholding tax will be imposed on any payments derived from sources outside the United States that are made prior to the date that is two years after the date on which final U.S. regulations defining the term "foreign passthru payment" are enacted. There is currently no proposed or final definition of "foreign passthru payment" and it is therefore impossible to know whether certain payments could possibly be treated as foreign passthru payments.

The discussion above reflects proposed U.S. regulations that eliminate withholding on certain gross proceeds payments and delay the effective date for withholding on payments from sources outside the United States. The U.S. Treasury Department has indicated that taxpayers may rely on the proposed regulations. The discussion assumes that the regulations will be finalised in their current form and will be effective retroactively.

In addition to FATCA, the U.S. may require the Group in certain circumstances to provide certain information to U.S. payers (withholding agents, custodians, etc.), and the Group and/or its customers may face withholding tax if the Group does not provide such information in compliance with the applicable rules and regulations. Moreover, even if the Group does provide the required information, withholding may still be applicable to certain U.S. source payments.

In the event that any country in which ANZBGL operates does not finalise and enforce an Intergovernmental Agreement with the United States, and that country has local law impediments preventing compliance with FATCA, the Group may also be subject to broader compliance issues, significant withholding exposure and other operational impacts.

A major focus of U.S. governmental policies affecting financial institutions has been combating money laundering and terrorist financing. The Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "**Patriot Act**") substantially broadened the scope of U.S. anti-money laundering laws by imposing significant compliance and due diligence obligations, identifying crimes and stipulating penalties and expanding the extra-territorial jurisdiction of the U.S. The U.S. Treasury Department has issued a number of regulations implementing various requirements of the Patriot Act that apply to U.S. financial institutions, including subsidiaries and branches of foreign banks such as ANZBGL's U.S. broker-dealer subsidiary, the New York Branch and ANZBGL's bank subsidiary that operates in Guam and American Samoa.

Those regulations require financial institutions operating in the United States to maintain appropriate policies, procedures and controls to detect, prevent, and report money laundering and terrorist financing and to verify the identity of their customers. In addition, the U.S. bank regulatory agencies have imposed

heightened standards and U.S. law enforcement authorities have been taking a more active role, resulting in intensified enforcement of such matters. Failure of a financial institution to maintain and implement adequate policies and procedures to combat money laundering and terrorist financing could have serious legal and reputational consequences for the financial institution, as well as result in the imposition of civil, monetary and criminal penalties.

OTHER REGULATORS

The Group has ordinary shares listed on the ASX and the NZX and has other equity securities and debt securities listed on these and certain other overseas securities exchanges. As a result, the Group must comply with a range of listing and corporate governance requirements in Australia, New Zealand and overseas.

In addition to the prudential capital oversight that APRA conducts over ANZBGL and its branch operations and the supervision and regulation described above, local banking operations in all of the ANZBGL offshore branches and banking subsidiaries are subject to host country supervision by their respective regulators, such as the RBNZ, the OCC, the FRB, the UK Prudential Regulatory Authority, the Monetary Authority of Singapore, the Hong Kong Monetary Authority, the China Banking and Insurance Regulatory Commission and other financial regulatory bodies in those countries and in other relevant countries. These regulators, among other things, may impose minimum capitalisation requirements on those operations in their respective jurisdictions.

The Group is also required to comply with certain anti-money laundering and counterterrorism financing legislation and regulations under the local laws of all the countries in which it operates.

DESCRIPTION OF ANZ BANK NEW ZEALAND LIMITED

Background

ANZ New Zealand was incorporated under the New Zealand Companies Act 1955 on 23 October 1979, was re-registered under the New Zealand Companies Act 1993 on 13 June 1997 and is a company limited by shares. ANZ New Zealand's registered office is located at Ground Floor, ANZ Centre, 23-29 Albert Street, Auckland 1010, New Zealand. Its New Zealand company number is 35976 and its telephone number is +64 (9) 252 2974. ANZ New Zealand is an indirect wholly-owned subsidiary of ANZBGL. ANZ New Zealand is a registered bank under the Reserve Bank of New Zealand Act 1989. Its website is https://www.anz.co.nz/about-us/our-company/. No information on that website forms part of or is incorporated by reference in this Base Prospectus.

The ANZ New Zealand Group is the largest full-service banking group in New Zealand, according to the KPMG Financial Institutions Performance Survey Review of 2019, released by KPMG New Zealand in February 2020. As at 30 September 2020, the ANZ New Zealand Group had total assets of NZ$179,744 million, and held the largest market share measured by total assets as at 30 June 2020, compared to other registered banks in New Zealand.[1]

As at 30 September 2020, ANZ New Zealand held approximately 29 per cent. and the New Zealand Branch of ANZBGL held less than 1 per cent. of the total assets held by registered banks in New Zealand.[2] ANZ New Zealand is supported by 139 branches with a customer base of over 2 million customers.

Competitive strengths

ANZ New Zealand considers that its competitive strengths are that it:

- is New Zealand’s largest bank, with more customers than any other New Zealand bank;
- has a leading market share in New Zealand in all major business segments, a diverse business mix reflecting the makeup of the economy;
- has multiple well-respected brands and a combined customer base of over 2 million;
- maintains strong local corporate governance and New Zealand-based management; and
- benefits from the international connectivity of the ANZ Group.

ANZ New Zealand's Strategy

ANZ New Zealand aspires to be New Zealand’s best bank by helping New Zealanders become more successful and improving the financial wellbeing of its customers. To that end ANZ New Zealand has four strategic priorities:

- Deliver a better experience for customers by creating a simpler, better balanced bank.
- Become a leading digital bank for its customers and people through process automation and making use of its data.
- Attract, develop and retain world class service and sales teams.
- Improve its connections between frontline channels to support customer interactions.

COVID-19

[1] Source: Reserve Bank of New Zealand Bank Financial Strength Dashboard (https://bankdashboard.rbnz.govt.nz/summary) for the quarter ending 30 June 2020.

[2] Source: "*S10 Banks: Balance Sheet for registered banks*" published by the RBNZ as of 30 September 2020.

The ongoing COVID-19 pandemic has impacted and continues to impact many of the ANZ New Zealand Group's customers in addition to impacting the operations of the ANZ New Zealand Group. ANZ New Zealand has established a range of accommodations and measures designed to assist its customers. In addition, the New Zealand Government and the RBNZ have implemented a broad range of measures to promote financial stability in response to COVID-19. For further information on the impact of COVID-19 on the ANZ New Zealand Group and the measures implemented by the New Zealand Government and the RBNZ, please see the sections entitled "*Description of Australia and New Zealand Banking Group and its Subsidiaries—Coronavirus ("COVID-19")"* and "*Description of Supervision and Regulation of ANZ Bank New Zealand Limited and ANZ New Zealand (Int'l) Limited—New Zealand Regulatory Developments—Regulatory Response to the COVID-19 Pandemic and Other Developments*" in this Base Prospectus and Note 12 of the ANZ New Zealand 2020 Audited Financial Statements (which are incorporated by reference into this Base Prospectus).

Additionally, the COVID-19 pandemic has increased the estimation uncertainty in the preparation of the ANZ New Zealand 2020 Audited Financial Statements. For further information, refer to Notes 1, 12 and 19 of the ANZ New Zealand 2020 Audited Financial Statements and section B3 of the ANZ New Zealand 2020 Disclosure Statement (which are incorporated by reference into this Base Prospectus).

Recent Developments

ANZIS winds up Bonus Bonds Scheme

In November 2020, ANZ Investment Services (New Zealand) Limited ("**ANZIS**") confirmed that the wind-up of the Bonus Bonds Scheme had commenced. The Bonus Bonds Scheme is a fund managed by ANZIS.

ANZIS is a wholly owned subsidiary of ANZ New Zealand, and is the manager of the Bonus Bonds Scheme.

Except as disclosed above, there have been no significant developments for ANZ New Zealand since 30 September 2020 to the date of this Base Prospectus.

ANZ New Zealand organisational structure

Business lines and executive team

As at 30 September 2020, the ANZ New Zealand Group was comprised of the Retail, Commercial and Institutional business units. In November 2020 the ANZ New Zealand Group’s reorganised into the following four major business segments: (1) Personal, (2) Business, (3) Wealth and (4) Institutional. These segments are supported by centralised back office and corporate functions. Fund management products are developed and procured through ANZ New Zealand’s wholly-owned subsidiaries, ANZ New Zealand Investments Limited and ANZ Investment Services (New Zealand) Limited. Life insurance and funds management products are distributed through the Personal segment.

Personal

Personal provides a full range of banking services to consumer customers. The ANZ New Zealand Group delivers its services via its internet and app-based digital solutions and network of branches, mortgage specialists and contact centres.

As at 19 October 2020, Personal had a network of 139 branches and 550 ATMs. Customers have access to phone and mobile phone banking and on-line banking services.

Business

Business provides a full range of banking services including traditional relationship banking and sophisticated financial solutions through dedicated relationship managers focusing on privately-owned small businesses, medium to large enterprises and the agriculture business segment, government and government-related entities.

In September 2020, ANZ New Zealand announced the completion of the sale of UDC to Shinsei Bank. For further information, refer to Note 26 of the ANZ New Zealand 2020 Audited Financial Statements (which are incorporated by reference into this Base Prospectus).

Wealth

Wealth provides a range of wealth management services to consumer and a full range of banking services to private banking customers through digital channels and private bankers.

Institutional

The Institutional division services government, global institutional and corporate customers across three product sets: Transaction Banking, Loans & Specialised Finance and Markets.

- Transaction Banking provides working capital and liquidity solutions including documentary trade, supply chain financing as well as cash management solutions, deposits, payments and clearing.
- Loans & Specialised Finance provides loan products, loan syndication, specialised loan structuring and execution, project and export finance, debt structuring and acquisition finance and corporate advisory.
- Markets provide risk management services on foreign exchange, interest rates, credit, commodities, debt capital markets in addition to managing the ANZ New Zealand Group's interest rate exposure and liquidity position.

Other

Other includes treasury and back office support functions, none of which constitutes a separately reportable segment.

Branding Strategy

The Personal, Business, Wealth and Institutional segments all operate under the ANZ brand except in specialised markets.

In specialised markets, the ANZ New Zealand Group is further represented by ANZ Investments (superannuation and investment products) and Bonus Bonds. However, ANZIS has begun winding up the Bonus Bonds Scheme, see "*Recent developments - ANZIS winds up Bonus Bonds Scheme*".

Credit Rating

Directors

As at the date of this Base Prospectus, the current directors of ANZ New Zealand, the business address of each of whom should be regarded for the purposes of this Base Prospectus as being Ground Floor, ANZ Centre, 23-29 Albert Street, Auckland 1010, New Zealand, and their principal outside activities, where significant, are as follows:

Name of Director	Position	Principal Outside Activities
Ms Antonia Margaret Watson	Director and Chief Executive Officer, ANZ New Zealand	Group Executive, ANZBGL. Director, ANZ Holdings (New Zealand) Limited.
Sir John Phillip Key GNZMA	Independent Non-Executive Director and Chair	Director, ANZBGL and Palo Alto Networks Inc.
Mr Shayne Cary Elliott	Non-Executive Director	Chief Executive Officer and Director, ANZBGL. Director, Financial Markets Foundation for Children. Member, Business Council of Australia and Australian Banking Association Council.
Ms Michelle Nicole Jablko	Non-Executive Director	Chief Financial Officer, ANZBGL. Director, ANZ Holdings (New Zealand) Limited. Member, Australian Government Takeovers Panel.
Mr Antony John Carter	Independent Non-Executive Director	Chair, T R Group Limited. Director, Datacom Group Limited and Vector Limited.
Mrs Joan Withers	Independent Non-Executive Director	Chair, The Warehouse Group Limited. Director, On Being Bold Limited, Origin Energy Limited and Sky Network Television Limited.
Mr Mark John Verbiest	Independent Non-Executive Director	Chair, Freightways Limited, and Meridian Energy Limited. Member, New Zealand Treasury Board.
Ms Alison Rosemary Gerry	Independent Non-Executive Director	Chair, Sharesies Limited. Director, Infratil Limited, Vero Insurance New Zealand Limited, Asteron Life Limited, Wellington International Airport Limited and On Being Bold Limited.

As at the date of this Base Prospectus, no material conflicts of interest and, other than in respect of any dealings between ANZ New Zealand and any of the companies listed above under "Principal Outside Activities" which may arise in the future and be referred to the board of directors of ANZ New Zealand, no potential material conflicts of interest exist between any duties owed to ANZ New Zealand by members of its board of directors listed above and their private interests and/or other duties. In respect of potential conflicts of interest that may arise in the future, ANZ New Zealand has processes for the management of such conflicts.

Significant Subsidiaries

ANZNIL is ANZ New Zealand's only significant subsidiary. It is incorporated in New Zealand and is 100 per cent. owned directly by ANZ New Zealand.

As at 30 September 2020, ANZNIL did not account for 10 per cent. or more of any of the ANZ New Zealand Group's investments, operating surplus or assets for the most recent fiscal period, but it was considered by management to be of importance to ANZ New Zealand. In addition, as at 30 September 2020, ANZNIL accounted for more than 10 per cent. of ANZ New Zealand's consolidated total liabilities.

DESCRIPTION OF ANZ NEW ZEALAND (INT'L) LIMITED

ANZNIL was incorporated under the New Zealand Companies Act 1955 on 8 December 1986, was re-registered under the New Zealand Companies Act 1993 on 27 May 1996 and is a company limited by shares. The registered office of ANZNIL is located at Ground Floor, ANZ Centre, 23-29 Albert Street, Auckland 1010, New Zealand. ANZNIL's London branch is located at 28th Floor, 40 Bank Street, Canary Wharf, London E14 5EJ, United Kingdom, and the telephone number is +44 20 3229 2017. The New Zealand company number of ANZNIL is 328154. Its website is https://www.anz.co.nz/about-us/media-centre/investor-information/anz-nz-limited/. No information on that website forms part of or is incorporated by reference in this Base Prospectus.

ANZNIL is a wholly-owned subsidiary of ANZ New Zealand (see the section entitled "*Description of ANZ Bank New Zealand Limited*" for details of ANZ New Zealand).

The principal activities of ANZNIL include the provision of funding facilities and wholesale financing to the ANZ New Zealand Group, including issuance of US Commercial Paper, Euro-Commercial Paper, Covered Bonds, US Medium-Term Notes and Euro Medium-Term Notes.

ANZNIL's overseas activities, including the issue of Notes, are conducted through its London branch.

ANZNIL has no subsidiary companies. ANZNIL is largely dependent on its parent, ANZ New Zealand, as ANZ New Zealand fully guarantees all obligations under ANZNIL's funding programmes.

Credit Rating

Directors

As at the date of this Base Prospectus the directors of ANZNIL, the business address of each of whom should be regarded for the purposes of this Base Prospectus as being Ground Floor, ANZ Centre, 23-29 Albert Street, Auckland 1010, New Zealand, and their principal outside activities, where significant, are as follows:

Name of Director	Position	Principal Outside Activities
Mr Stewart Ian Taylor	Director	Chief Financial Officer, ANZ New Zealand and Director, ANZ Holdings (New Zealand) Limited.
Mrs Penelope Lorraine Dell	Director	Managing Director, New Zealand Branch of ANZBGL. Head of Asset and Liability Management, ANZ New Zealand.

As at the date of this Base Prospectus, no material conflicts of interest and, other than in respect of any dealings between ANZNIL and any of the companies listed above under "Principal Outside Activities" which may arise in the future and be referred to the board of directors of ANZNIL, no potential material conflicts of interest exist between any duties owed to ANZNIL by members of its board of directors listed above and their private interests and/or other duties. In respect of potential conflicts of interest that may arise in the future, ANZNIL has processes for the management of such conflicts.

Corporate Governance

ANZNIL must comply with all relevant provisions of the New Zealand Companies Act 1993. ANZNIL is not listed on the NZX and is not an issuer of securities to the public in New Zealand. Accordingly, ANZNIL is not subject to the various corporate governance regimes promulgated in New Zealand, including the NZX Corporate Governance Code.

ANZNIL's share capital consists of 500,000 ordinary shares which are issued and fully paid amounting to NZ$500,000.

DESCRIPTION OF SUPERVISION AND REGULATION OF ANZ BANK NEW ZEALAND LIMITED AND ANZ NEW ZEALAND (INT'L) LIMITED

ANZ New Zealand and ANZNIL are subject to extensive regulation by regulatory agencies and security exchanges in each of the major markets where they operate. This section provides an overview of the regulatory landscape applicable to ANZ New Zealand and ANZNIL in their key market of New Zealand.

The supervisory role of the RBNZ

The Reserve Bank Act requires the RBNZ to exercise its powers of registration of banks and prudential supervision of registered banks (including ANZ New Zealand) for the purposes of:

- promoting the maintenance of a sound and efficient financial system; and
- avoiding significant damage to the financial system that could result from the failure of a registered bank.

The RBNZ's policy around the registration of banks aims to ensure that only financial institutions of appropriate standing and repute are able to become registered banks. Subject to this requirement, the RBNZ has stated that it intends to keep to a minimum any impediments to the entry of new registered banks, in order to encourage competition in the banking system.

The RBNZ's supervisory functions are aimed at encouraging the soundness and efficiency of the financial system as a whole, and are not aimed at preventing individual bank failures or at protecting creditors. The RBNZ seeks to achieve this by drawing on and enhancing disciplines that are naturally present in the market.

The RBNZ places considerable emphasis on a requirement that banks regularly disclose information on financial performance and risk positions, and on a requirement that directors regularly attest to certain key matters. These measures are intended to strengthen market disciplines and to ensure that responsibility for the prudent management of banks lies with those who the RBNZ considers are best placed to exercise that responsibility- the directors and management.

The main elements of the RBNZ's supervisory role include:

- requiring all banks to comply with certain minimum prudential requirements, which are applied through conditions of registration. These include constraints on connected exposures, minimum capital adequacy requirements and minimum standards for liquidity risk management, and are set out in more detail below;
- monitoring each registered bank's financial condition and compliance with conditions of registration, principally on the basis of published half-yearly disclosure statements and monthly reporting submitted privately to the RBNZ. This monitoring is intended to ensure that the RBNZ maintains familiarity with the financial condition of each bank and the banking system as a whole, and maintains a state of preparedness to invoke crisis management powers should this be necessary;
- consulting with the senior management of registered banks;
- using crisis management powers available to it under the Reserve Bank Act to intervene where a bank distress or failure situation threatens the soundness of the financial system;
- assessing whether a bank is carrying on business prudently;
- issuing guidelines on overseeing banks' compliance with anti-money laundering and countering financing of terrorism requirements;
- monitoring banks' outsourcing arrangements to determine whether a registered bank's risks associated with outsourcing are appropriately managed;
- issuing guidelines on banks' internal capital adequacy process and liquidity policy;

- issuing guidelines on corporate governance; and
- maintaining close working relationships with parent bank supervisors (such as APRA in Australia) on bank-specific issues, policy issues and general matters relating to the condition of the financial system in New Zealand and in the countries where parent banks are domiciled.

Registered banks are required to issue half-yearly disclosure statements that contain comprehensive details, together with full financial statements at the full-year, and unaudited interim financial statements at the half-year. The financial statements are subject to full external audit at the end of each financial year and a limited scope review at the end of each financial half-year. Each bank director is required to sign his or her bank's disclosure statements and to make certain attestations. A bank and its directors may incur criminal and civil penalties if the bank's disclosure statement contains information that is held to be false or misleading.

The RBNZ publishes a quarterly "dashboard" of key information on registered banks on the RBNZ's website. The dashboard aims to improve the ability of the public and market participants to understand and act on information about such banks' financial strength and risk profile. The information is sourced from private reporting that banks provide to the RBNZ. Information relating to the ANZ New Zealand Group published in the dashboard is not incorporated by reference herein and does not form part of this Base Prospectus. In some cases, information relating to the ANZ New Zealand Group published in the dashboard has been classified and presented differently to the presentation in the ANZ New Zealand consolidated financial statements.

New Zealand-incorporated registered banks are required to comply with the Basel III capital adequacy requirements, as modified to reflect New Zealand conditions. The RBNZ also requires most New Zealand-incorporated registered banks, including ANZ New Zealand, to maintain a conservation buffer of 2.5 per cent. above the minimum ratios or face restrictions on distributions. The RBNZ also has the discretion to apply a countercyclical buffer of common equity with an indicative range of between 0 and 2.5 per cent., although there is no formal upper limit. There are also counterparty credit risk requirements and additional disclosure requirements to incorporate Basel III. These capital requirements are expected to change from 1 July 2022 as a result of the RBNZ's capital reforms, see "*—New Zealand Regulatory Developments—RBNZ review of capital requirements*" below for further information.

New Zealand-incorporated registered banks (including ANZ New Zealand) are required to comply with BS13. A requirement of BS13 is that New Zealand-incorporated registered banks meet a minimum core funding ratio of 75 per cent., ensuring that at least a minimum proportion of bank funding is met through customer deposits, term wholesale funding and Tier 1 capital. However, with effect from 2 April 2020, the RBNZ amended ANZ New Zealand's Conditions of Registration to reduce ANZ New Zealand's minimum core funding ratio to 50 per cent in response to the COVID-19 pandemic.

Basel III proposes a liquidity policy which the RBNZ considers very similar to the intent of BS13. However, the RBNZ considers that certain aspects of the Basel III liquidity standards are not suitable for adoption in New Zealand. The RBNZ is undertaking a thematic review of compliance with BS13 ("**BS13 Thematic Review**"). Findings from the BS13 Thematic Review are intended to provide input into a forthcoming review of BS13.

The RBNZ also requires all registered banks to obtain and maintain a credit rating from an approved organisation and publish that rating in the disclosure statements.

In addition, the RBNZ has wide-reaching powers to obtain further information, data and forecasts in connection with its supervisory functions, and to require that information, data, and forecasts be audited.

It also possesses a number of crisis management powers. Those powers include recommending that a bank's registration be cancelled, investigating the affairs of a registered bank, requiring that a registered bank consults with the RBNZ, giving directions to a registered bank, removing, replacing or appointing a director of a registered bank or recommending that a registered bank be subject to statutory management.

If a registered bank is declared to be subject to statutory management, no person may, among other things:

- commence or continue any action or other proceedings including proceedings by way of counterclaim against that bank;
- issue any execution, attach any debt, or otherwise enforce or seek to enforce any judgment or order obtained in respect of that bank;
- take any steps to put that bank into liquidation; or
- exercise any right of set off against that bank.

As part of the RBNZ's supervisory powers, a person must obtain the written consent of the RBNZ before giving effect to a transaction resulting in that person acquiring or increasing a "significant influence" over a registered bank. "Significant influence" means the ability to appoint 25 per cent. or more of the board of directors of a registered bank or a qualifying interest (e.g., legal or beneficial ownership) in 10 per cent. or more of its voting securities.

In assessing applications for consent to acquire a significant influence over a registered bank, the RBNZ has stated that it will have regard to the same matters as are relevant in assessing an application for registration as a registered bank. In giving its consent, the RBNZ may impose such terms and conditions as it thinks fit.

New Zealand Regulatory Developments

Regulatory Response to the COVID-19 Pandemic and Other Developments

The exact ramifications of COVID-19 on the regulation and supervision of financial services groups such as the ANZ New Zealand Group are still uncertain and, as at the date of this Base Prospectus, difficult to predict.

In response to the COVID-19 pandemic, the RBNZ and the New Zealand Government have implemented a broad range of measures to promote financial stability and ensure foreign exchange, debt and money markets continue operating efficiently and at low cost, many of which affect the ANZ New Zealand Group. As at the date of this Base Prospectus, it is unclear what the full impact of these measures will be on the ANZ New Zealand Group. The RBNZ announced in March 2020 that it would defer external-facing work on most of its regulatory initiatives. The RBNZ has also extended the transition period for BS11 to 1 October 2023, and there have been delays to the commencement of some upcoming amendments to the CCCFA and upcoming amendments to New Zealand's financial advice framework. The RBNZ has advised banks operating in New Zealand to ensure their systems and processes are prepared to function in a scenario where the Official Cash Rate is zero or negative by 1 December 2020.

The RBNZ delayed the start date for the increase in bank capital arising from the capital reforms for New Zealand incorporated banks to 2022. Some aspects of the capital reforms will proceed from 1 July 2021, including the new rules around capital instruments. The conclusion of the transition period is 1 July 2028. The implementation timetable may be revised if conditions warrant in 2021.

The RBNZ has amended ANZ New Zealand's Conditions of Registration in response to the COVID-19 pandemic, as follows:

- Effective from 1 May 2020, the RBNZ removed LVR restrictions for residential mortgage lending. The previous LVR restrictions required New Zealand registered banks to restrict new non-property investment residential mortgage lending over 80 per cent. LVR to no more than 20 per cent. of the dollar value of a bank's new "non-property investment residential mortgage lending" (which is a standard residential mortgage loan secured over only owner-occupied residential property), and restrict "property investment residential mortgage" (which is a standard residential mortgage loan that is not a non-property-investment residential mortgage loan) lending over 70 per cent. LVR to no more than 5 per cent. of the dollar value of a bank's new property investment residential mortgage lending.
- Effective from 2 April 2020, various changes were made, including:

- restricting ANZ New Zealand from paying dividends or other distributions, other than discretionary payments payable to holders of AT1 capital instruments;

- the reduction of the minimum requirement for ANZ New Zealand's core funding ratio from 75 per cent. to 50 per cent.; and

- updates to refer to the revised version of BS11 dated April 2020 and to reflect the extension of the transition period for existing outsourcing arrangements under BS11 to 1 October 2023.

The RBNZ has stated that the restrictions on dividends will remain in place until 31 March 2021 (or later if required), to continue to support the stability of the financial system. ANZ New Zealand's updated Conditions of Registration are set out in the section entitled "*Conditions of registration for ANZ Bank New Zealand Limited*" in this Base Prospectus.

On 2 April 2020, the RBNZ informed New Zealand-incorporated registered banks (including ANZ New Zealand) that they should not redeem capital instruments at this time to further support the stability of the banking financial system. Accordingly, ANZ New Zealand was not permitted to redeem its NZ$500 million of Capital Notes in May 2020, although ANZ New Zealand may continue making interest payments on those Capital Notes (subject to certain conditions). Further, ANZ New Zealand did not exercise its option to convert the Capital Notes into a variable number of ANZBGL ordinary shares in May 2020. The terms of the Capital Notes provide for their conversion into a variable number of ANZBGL ordinary shares in May 2022 (subject to certain conditions).

The RBNZ has announced that in December 2020, it will undertake consultation about re-instating LVR restrictions on high-risk lending with effect from 1 March 2021.

The New Zealand Government and the RBNZ have implemented a financial support package for homeowners (the "**Mortgage Repayment Deferral Scheme**") and businesses affected by the economic impacts of COVID-19, in which ANZ New Zealand, along with other New Zealand banks, has agreed to participate. The package includes a Mortgage Repayment Deferral Scheme for residential mortgage, agriculture and small to medium-sized business customers. The Mortgage Repayment Deferral Scheme is available to eligible ANZ New Zealand customers who are impacted by COVID-19. Under the Mortgage Repayment Deferral Scheme, repayments could initially be deferred for any period up to six months, as agreed between the bank and the borrower. The period of a repayment deferral under the Mortgage Repayment Deferral Scheme will not be treated as a period in arrears, and the granting of a repayment deferral will not be treated as a distressed restructuring. ANZ New Zealand follows its usual processes for capitalising interest on loans under the Mortgage Repayment Deferral Scheme. In August 2020, the RBNZ announced an extension of the Mortgage Repayment Deferral Scheme through to 31 March 2021. The extension is subject to revised guidance that stipulates granting of new (or extension to existing) loan repayment deferrals can only be offered where a clear need is established, must not be offered as a default option, and only after a loan term extension or interest only period have been considered first. Lenders must also assess that the customer has a reasonable prospect of restarting repayments when their deferral ends. Treatment of loan repayment deferrals as ‘performing loans’ ends on 31 March 2021.

The financial support package also included a Wage Subsidy Scheme to help some employers adversely affected by COVID-19 to continue to pay their staff. The subsidy was paid to employers as a lump sum for an initial 12-week period, for which applications closed in June 2020. The Wage Subsidy Scheme was subsequently extended to September 2020 under more restrictive criteria. Following expiry in September 2020, employer assistance is available as a Leave Support Scheme to assist with paying employees who are subject to certain COVID-19 self-isolation criteria.

The New Zealand Government and certain New Zealand banks (including ANZ New Zealand) have implemented the Business Finance Guarantee Scheme ("**BFGS**") to assist with the provision of credit to businesses for the purpose of managing liquidity needs as a result of COVID-19 and to help them to position themselves for the subsequent economic recovery. All businesses with annual revenues of up to NZ$200 million and who meet other criteria set by the New Zealand Treasury are eligible. A limit of NZ$5,000,000 per loan applies and the loans have a maximum term of five years. The New Zealand Government takes 80 per cent. of the credit risk of each loan, with the other 20 per cent to be retained by the banks. The scheme is open for applications until 31 December 2020.

The New Zealand Government has also implemented a Small Business Cashflow Loan Scheme, under which the New Zealand Inland Revenue Department ("**IRD**") provides loans of up to NZ$100,000 to assist small businesses impacted by the COVID-19 pandemic. The interest rate is 3 per cent per annum. However, interest will not be charged if the loan is fully paid back within two years. The maximum term of the loans is five years, and businesses are not required to make repayments for the first two years. The scheme applies the same eligibility criteria as the Wage Subsidy Scheme. Businesses will have to declare that they are a viable business and that they will use the money for core business operating costs.

The RBNZ has implemented a Term Lending Facility ("**TLF**"), a new longer-term funding scheme for the banking system, designed to support bank lending under the BFGS. BFGS participant banks, including ANZ New Zealand, are able to access collateralised funding equivalent to the amount of drawn down loans that those participant banks have extended under the BFGS for a term of up to five years at a fixed rate of the RBNZ official cash rate on the date of draw down.

The RBNZ implemented a weekly Corporate Open Market Operation ("**Corporate OMO**") auction to provide liquidity in exchange for eligible corporate and asset-backed securities. This facility is intended to provide another channel for banks to continue funding corporate clients and to support market functioning. The weekly Corporate OMO is seen as temporary, and the RBNZ will review its operation in March 2021 or sooner if demand diminishes.

The RBNZ also began offering collateralised term funding through a Term Auction Facility ("**TAF**") auction. The TAF operates daily in a similar manner to the Corporate OMO and is intended to support banking system liquidity. The RBNZ can alter the minimum interest rate, volume and maturity dates offered at its discretion and will review this facility in March 2021 or sooner if demand diminishes.

The RBNZ has implemented an up to NZ$100 billion Large Scale Asset Purchase ("**LSAP**") programme, under which it will purchase New Zealand Government bonds, New Zealand Government Inflation-Indexed Bonds and Local Government Funding Agency bonds, on the secondary market and inject cash into the banking system by June 2022. The LSAP programme aims to provide further support to the New Zealand economy, build confidence, and keep interest rates low. The LSAP programme increases the amount of money circulating in the New Zealand banking system available to banks, including ANZ New Zealand, as deposits. The RBNZ will monitor the effectiveness of the LSAP programme and make further adjustments and additions if needed.

The RBNZ announced a Funding for Lending Programme ("**FLP**") that will commence from December 2020 and will make available to banks direct secured funding equivalent to 4 per cent of the relevant bank's eligible loans for a term of three years at the prevailing Official Cash Rate over the drawdown period. Additional FLP funding equivalent to a further 2 per cent of eligible loans will be available to banks that meet certain requirements to increase eligible loans. The FLP is intended to provide banks with low cost funding and encourage lower borrowing costs for New Zealand businesses and households. The RBNZ is considering additional monetary instruments that could be deployed in the future including a negative Official Cash Rate, receiving interest rate swaps and purchasing foreign assets.

The Companies Act 1993 and other legislation have been amended to help businesses facing insolvency due to COVID-19 to remain viable, including by introducing a COVID-19 Business Debt Hibernation ("**BDH**") regime. Under the regime, eligible entities (including companies, partnerships, incorporated societies, and other bodies) are able to submit a proposal to their creditors for putting their business debts into 'hibernation'. Creditors will have one month from the date the entity notifies the Registrar of Companies of its intention to enter into BDH to vote on the proposal, and the proposal will take effect if 50 per cent of creditors (by number and value) agree. There will be a moratorium on the enforcement of debts during the initial one-month period following notification to the Registrar of Companies, and a further six month moratorium if the proposal is agreed to. The proposal, if agreed to, will be subject to any conditions agreed with creditors. The BDH regime does not limit enforcement action by creditors with security over the whole, or substantially the whole, of an entity's property, and certain debts (including debts owed to employees) are excluded from the regime entirely.

The New Zealand Government has also made a number of tax reforms to provide relief to businesses. These include a temporary loss carry-back scheme (which will be replaced in time by a permanent scheme), under which businesses expecting to make a loss in either of the 2019-2020 or 2020-2021 income years can offset that loss against income from the preceding income year, and receive a refund of some or all of the tax paid for that preceding year. Several changes have been made to assist medium

and smaller businesses, including raising the provisional tax threshold from NZ$2,500 to NZ$5,000, in order to lower compliance costs.

The New Zealand Government announced its Pre-election Economic and Fiscal Update ("**PREFU**") in September 2020. The PREFU outlined allocated funding from the NZ$50 billion COVID-19 Response and Recovery Fund ("**CRRF**") that was established to support the economy and kick-start recovery. NZ$35.9 billion of the CRRF had been allocated to initiatives, including the Wage Subsidy Scheme and subsequent extensions, the BFGS, support for the tourism sector, a training package for trades and apprenticeships, an environmental jobs package and a programme to build more state housing. The remaining NZ$14.1 billion of CRRF funding was unallocated at the time of the PREFU.

RBNZ review of capital requirements

On 5 December, 2019, the RBNZ released its capital requirements for New Zealand banks. The final capital requirements include:

- an increase to RWA for internal ratings based banks such as ANZ New Zealand to approximately 90 per cent. of what would be calculated under the Standardized approach;
- an increase in the CET1 capital requirement equal to 13.5 per cent. of RWA (including a prudential capital buffer of 9 per cent. of RWA) for Domestic Systemically Important Banks ("D-SIBs") (including ANZ New Zealand);
- an increase in the Tier 1 capital requirement equal to 16 per cent. of RWA for D-SIBs; and
- an increase in the Total Capital requirement equal to 18 per cent. of RWA for D-SIBs.

In response to the COVID-19 pandemic, the RBNZ delayed the start date for the increase in bank capital arising from the capital reforms for New Zealand incorporated banks to 2022. Some aspects of the capital reforms will proceed from 1 July 2021, including the new rules around capital instruments. The conclusion of the transition period is 1 July 2028. The implementation timetable may be revised if conditions warrant in 2021. In November 2020, the RBNZ began consultation on the implementation of the capital reforms (including the detailed regulatory requirements to be included in the capital standards). The RBNZ intends to publish the finalised set of banking prudential requirements relating to capital before 1 July 2021. The RBNZ's capital reforms will result in substantially higher capital requirements for New Zealand-incorporated registered banks operating under the Standardised approach, and even higher capital requirements for New Zealand-incorporated registered banks using the IRB approach (including ANZ New Zealand) although the amount of new capital required to meet the RBNZ's announced capital ratio requirements is currently uncertain.

For further information on the RBNZ review of capital requirements see note B1 of the ANZ New Zealand 2020 Disclosure Statement (which is incorporated by reference into this Base Prospectus).

RBNZ's revised outsourcing policy

BS11 requires large New Zealand-incorporated banks, such as ANZ New Zealand, to have the legal and practical ability to control and execute outsourced functions. BS11 applies to all new outsourcing arrangements entered into from 1 October 2017. The RBNZ has issued revised Conditions of Registration to ANZ New Zealand effective from 2 April 2020 which include an extension of the transition period to full compliance for existing outsourcing arrangements under BS11 from 1 October 2022 to 1 October 2023.

Conditions of Registration

The BS11 requirements form part of ANZ New Zealand's Conditions of Registration. If ANZ New Zealand does not comply with its Condition of Registration in relation to outsourcing, the RBNZ could take enforcement action, such as putting further restrictions on ANZ New Zealand's use of outsourcing.

A formal programme has been established and is responsible for delivering ANZ New Zealand's compliance with BS11, as outlined in its Path-to-Compliance Plan.

In order to be compliant with BS11, ANZ New Zealand must be able to meet the policy outcomes on a stand-alone basis without reliance on any other ANZ Group entity. The policy outcomes are defined as ANZ New Zealand being able to:

- continue to meet daily clearing, settlement, and other time-critical obligations;
- monitor and manage financial positions, including credit, liquidity and market risk positions;
- make available the systems and financial data necessary for the statutory manager and the RBNZ to have options available for managing the failed bank; and
- provide basic banking services to existing customers, including liquidity (both access to deposits and to credit lines as defined in basic banking services) and account activity reporting.

Compliance obligations

BS11 imposes a number of ongoing compliance requirements on ANZ New Zealand. In particular:

- ANZ New Zealand must have a compendium of outsourcing arrangements;
- all contracts to which BS11 applies must include prescribed contractual terms allowing the RBNZ access to details of the contract and service, and not allowing the vendor to terminate if ANZ New Zealand is under statutory management;
- the RBNZ must provide its non-objection for all new outsourcing arrangements (including with other ANZ Group entities), unless an exemption applies;
- ANZ New Zealand must have a separation plan that describes how it will operate services or functions that are outsourced to a related party in the event of the appointment of a statutory manager to ANZ New Zealand, or separation from ANZBGL. A final separation plan, fully compliant with BS11, must be in place by 1 October 2023 and will be subject to annual testing; and
- ANZ New Zealand must obtain an independent, external review of progress against its Path-to-Compliance Plan and compliance of new arrangements on an annual basis during the transition period and at least every three years thereafter.

Financial Markets (Derivatives Margin and Benchmarking) Reform Amendment Act 2019

The FMRA Act was enacted in August 2019, following industry consultation by the RBNZ and the New Zealand Ministry of Business, Innovation and Employment ("**MBIE**"), in co-ordination with the New Zealand Treasury, as well as engagement with overseas regulators.

Although New Zealand has no legislative margin requirements for OTC derivatives, the OTC activities of several registered banks (including ANZ New Zealand) are impacted by margin rules being implemented in foreign jurisdictions. The FMRA Act addresses aspects of New Zealand law that impede the ability of certain New Zealand entities (including registered banks such as ANZ New Zealand) to comply with foreign derivative margin requirements (in particular, statutory moratoria on creditors' claims under insolvency or restructuring regimes, and the ranking of creditors in certain circumstances). These legislative impediments had resulted in a reduction of the number of counterparties with which ANZ New Zealand was able to enter into uncleared OTC derivative transactions.

The amendments made under the FMRA Act allow derivative counterparties, which enter into derivatives with these New Zealand entities, to enforce their security interest over margin without undue delay, and ahead of other creditors, in the event of the other party to the derivative defaulting (provided that, prior to enforcement, the margin is in the possession or under the control of the enforcing counterparty or its agent). More specifically, the amendments:

- allow these derivative counterparties to enforce against the margin notwithstanding the general moratoria on claims that ordinarily apply in statutory management and voluntary administration; and

- ensure that when these derivatives counterparties enforce their security interest over margin, their claim ranks ahead of other potential claims under the New Zealand Companies Act 1993 and the New Zealand Personal Property Securities Act 1999.

The FMRA Act will also amend the FMCA to establish a new licensing regime for administrators of financial benchmarks. These amendments aim to ensure that New Zealand's regulatory regime for financial benchmarks (including BKBM) meets the equivalence requirements for the purposes of the Benchmarks Regulation. The amendments in relation to financial benchmarks will come into force no later than 30 August 2021.

Replacement of the Financial Advisers Act 2008

New Zealand's financial advice regime is being modified. The Financial Advisers Act 2008, which is the primary legislation governing the provision of financial advice in New Zealand, will be repealed by the FSLAA. The FSLAA will insert the provisions of the new financial advice regime into the FMCA and amend the Financial Service Providers (Registration and Dispute Resolution) Act 2008 ("**FSP Act**"). The key changes to the regime include:

- requiring financial advice providers to be licensed;
- removing the requirement that only a natural person can give financial advice (enabling robo-advice);
- expanding the minimum standards of competence, knowledge, and skill to all categories of people giving regulated financial advice to retail clients;
- requiring all people who give regulated financial advice to retail clients to comply with standards of ethical behaviour, conduct, and client care;
- adding a requirement that anyone who gives financial advice must give priority to the interests of the client, ensure the client understands the nature and scope of advice and disclose prescribed information;
- limiting who can give regulated financial advice;
- simplifying the regime and its terminology, for example by simplifying financial adviser types and services they can provide; and
- amending the requirements to be registered on the New Zealand Financial Service Providers Register to prevent its misuse.

Financial advice providers will be required to hold a transitional licence when the new regime comes into force and a full licence will be required within a two-year transitional period. The new regime was expected to come into force in June 2020, but the New Zealand Government has deferred its commencement to 15 March 2021 due to the impacts of the COVID-19 pandemic. The ANZ New Zealand Group is undertaking a programme of work in relation to its current financial advice processes and the upcoming FSLAA reforms.

Review of the Reserve Bank Act

The New Zealand Government is in the process of reviewing the Reserve Bank Act. The goal of the review is to modernise New Zealand's monetary and financial stability policy frameworks and the RBNZ's governance and accountability settings.

Phase one of the review was completed in 2018, and resulted in the enactment of the Reserve Bank of New Zealand (Monetary Policy) Amendment Act 2018, which made several changes to New Zealand’s monetary policy framework.

Phase two primarily involves a comprehensive review of the financial policy provisions of the Reserve Bank Act, including provisions that provide the legislative basis for the RBNZ’s prudential regulation and supervision functions and its crisis management framework. This phase also considers institutional matters such as the RBNZ’s legislative objectives, broader governance arrangements and its funding

model. Phase two includes three rounds of public consultation.

The New Zealand Government has announced in-principle decisions relating to the regulation of deposit takers, including:

- introducing a formal depositor insurance scheme that will protect depositors' savings up to an insured limit of NZ$50,000 per depositor, per institution;
- making Non-Bank Deposit Takers ("**NBDTs**") and banks subject to a single prudential regulatory regime;
- strengthening accountability requirements on directors of companies that are deposit takers;
- strengthening the RBNZ's supervision and enforcement tools, including with powers to undertake on-site inspections as part of its supervision activities; and
- clarifying and strengthening the RBNZ's crisis resolution framework, including providing the RBNZ with the ability to "bail-in" (that is, write-down or convert to equity) certain unsecured liabilities as a new mechanism for recapitalising a failing bank.

The Government intends to replace the Reserve Bank Act with two separate pieces of legislation – the "Reserve Bank of New Zealand Act" and the "Deposit Takers Act" – which will implement the decisions from this review. The Reserve Bank of New Zealand Act will set out the overall governance and accountability framework for the RBNZ across all its functions. It will also provide for the RBNZ's central banking functions, including the framework for monetary policy. The Deposit Takers Act will integrate the two different legislative frameworks for deposit taking institutions (banks and NBDTs) and establish the deposit insurance scheme.

The Reserve Bank of New Zealand Bill ("**RBNZ Bill**") was introduced into the New Zealand Parliament in July 2020. The RBNZ Bill provides for the objectives and functions of the RBNZ and its governance, accountability, transparency, and funding arrangements. The RBNZ Bill also increases coordination between public agencies responsible for the financial system and provides the new RBNZ board with a financial policy remit. The RBNZ Bill repeals and replaces parts of the Reserve Bank Act. The remainder of the Reserve Bank Act remains in force but is renamed the Banking (Prudential Supervision) Act 1989.

The Government plans to make final policy decisions on the Deposit Takers Act and deposit insurance scheme in late-2020, and to progress legislation after that.

RBNZ review of mortgage bond collateral standards

The RBNZ has undertaken consultation on the terms under which the RBNZ would be prepared to accept mortgage bonds (such as residential mortgage-backed securities or covered bonds) as collateral for the RBNZ's lending operations in the future, and is proposing a new RMO standard. The RBNZ is proposing to gradually phase in RMO to replace internal residential mortgage backed securities over a five-year transition period.

FMA and RBNZ conduct and culture review

Following the establishment of the Australian Royal Commission, the FMA and the RBNZ conducted a joint review of conduct and culture in the New Zealand banking sector in 2018 and 2019. The FMA and RBNZ's industry report concluded that conduct and culture issues did not appear to be widespread in New Zealand banks. There were a small number of issues related to poor conduct by bank staff across the industry. Issues relating to system or process weaknesses were more commonplace. The industry report noted that the FMA and the RBNZ were concerned about the identification and remediation of conduct issues and risks in the banks' businesses, and potential weaknesses in the governance and management of conduct risks.

The FMA and RBNZ have continued to engage with banks that took part in the review, including ANZ New Zealand. In July 2019, the FMA and the RBNZ provided ANZ New Zealand with their specific feedback letter. In their letter, the FMA and the RBNZ noted that ANZ New Zealand’s conduct and culture plan appeared to address the relevant issues identified in the feedback letters and published reports. In addition, the FMA and the RBNZ informed ANZ New Zealand that the outcomes of the

Section 95 Reviews may result in ANZ New Zealand needing to amend its conduct and culture plan. See "*—New Zealand Regulatory Developments— Section 95 Reviews*" for further information.

ANZ New Zealand is continuing to provide regular progress updates on its conduct and culture plan to the FMA and the RBNZ.

RBNZ's approach to supervision of financial institutions

In June 2019, the RBNZ announced that it would intensify its supervision of financial institutions (including ANZ New Zealand). The RBNZ indicated that financial institutions could expect more intrusive supervision, including more reviews, a deeper scrutiny of boards and management, and enforcement action in cases of non-compliance.

RBNZ breach disclosure and reporting regime

A new framework for the reporting and publishing of regulatory breaches by banks was announced by the RBNZ in September 2019. The new policy will require a bank to report promptly to the RBNZ when there is a breach or possible breach of a regulatory requirement in a material manner, and report all minor breaches every six months. Actual material breaches will then be published on the RBNZ's website. The policy is planned to take effect from 1 January 2021.

FMA review of sales incentives structures in the New Zealand banking industry

In November 2018, the FMA released its findings from its review of incentive structures in the New Zealand banking industry. The industry review found that the incentives of salespeople across the New Zealand banking industry are highly sales focused and that there is a high risk of inappropriate sales practices occurring. The industry review also found that significant changes are being made to incentive schemes across the New Zealand banking industry.

From 1 October 2019, ANZ New Zealand removed sales incentives for all frontline staff and made changes to its remuneration structure to reduce the emphasis on variable remuneration and individual performance. Frontline Retail and Business Banking staff do not have incentives paid based on individual performance (including payments based on sales measures). Instead staff are eligible for a payment based on overall ANZ Group performance. Some staff will be eligible for variable remuneration which will include a component based on overall ANZ Group performance and a component based on individual performance. For any roles with an individual performance component, ANZ New Zealand is committed to ensuring that there are no incentives linked to sales measures.

In July 2019, the FMA and the RBNZ, in their feedback letter to ANZ New Zealand on its conduct and culture plan, noted the requirement for ANZ New Zealand to notify the FMA, in writing, if ANZ New Zealand intends to materially change its approach to incentives outlined in ANZ New Zealand's conduct and culture plan.

Proposed conduct regulations for financial institutions

The Financial Markets (Conduct of Institutions) Amendment Bill ("**FMCIA Bill**") was introduced to the New Zealand Parliament in December 2019. If enacted in its current form, the FMCIA Bill would require financial institutions (including registered banks, licensed insurers and NBDTs) that are in the business of providing relevant services to:

- obtain a license under Part 6 of the FMCA;
- comply with a fair conduct principle (requiring them to treat consumers fairly, including by paying due regard to their interests);
- establish, implement, maintain and comply with an effective fair conduct programme to operationalise the fair conduct principle; and
- comply with regulations that regulate incentives.

Financial institutions and intermediaries would be subject to the FMCA's compliance and enforcement tools such as civil pecuniary penalties for contraventions of various obligations, and licensed financial

institutions would be subject to licensing actions such as censure and the imposition of action plans.

These proposals are intended to form the basis of a broad conduct regime that could be expanded over time with further obligations on regulated entities.

Amendments to the Credit Contracts and Consumer Finance Act 2003

In December 2019, the Credit Contracts Legislation Amendment Act 2019 ("**CCLA Act**") was enacted. The CCLA Act makes a number of significant changes to the CCCFA, including:

- introducing a new duty on directors and senior managers of creditors under consumer credit contracts to exercise due diligence to ensure that the creditor complies with its duties and obligations under the CCCFA. Proposed remedies for failure to comply with this duty include compliance orders, civil pecuniary penalties, statutory damages and payment of compensation;

- strengthening enforcement provisions, including by providing civil pecuniary penalties and statutory damages for breaches of lender responsibility principles;

- requiring lenders to keep records of their inquiries in relation to their compliance with the responsible lending principles and how they calculate credit and default fees;

- amending the provisions relating to how disclosure is made, including in relation to electronic disclosure; and

- requiring debt collectors to disclose key information to the debtor at the commencement of debt collection action.

Certain amendments contained in the CCLA Act (including changes to electronic disclosure rules and the introduction of civil pecuniary penalties) have already come into effect. As a result of the COVID-19 pandemic, the commencement of Part 5A of the CCLA Act, relating to fit and proper person certification, was delayed and will now come into force on 1 June 2021, and the commencement of the remaining provisions of the CCLA Act and new regulations will now occur on 1 October 2021. The ANZ New Zealand Group is undertaking a programme of work in relation to its current CCCFA processes and the upcoming CCLA Act reforms.

Thematic review of registered banks' compliance with the RBNZ Liquidity Policy

The RBNZ is undertaking a thematic review of compliance with BS13. The BS13 Thematic Review is expected to deliver an assessment of the compliance of registered banks in New Zealand with the quantitative and qualitative requirements of BS13 as well as provide useful insights into the banking industry’s current liquidity management practices. The findings from the BS13 Thematic Review are also intended to provide input into a forthcoming review of BS13. The RBNZ deferred external-facing work on the BS13 Thematic in response to the COVID-19 pandemic but intends to complete the review by the end of first quarter 2021.

Cyber resilience guidance and information sharing consultation

In October 2020, the RBNZ released draft guidance on cyber security. The guidance has been designed to set out the RBNZ's expectations for its regulated entities (including ANZ New Zealand) regarding cyber resilience. The guidance aims to raise awareness of, and ultimately promote, the cyber resilience of the financial sector, especially at the board and senior management level. This guidance draws upon leading international and national cybersecurity standards and guidelines and is intended to provide high-level principle-based recommendations for entities. The RBNZ intends to release the final guidance in early 2021.

The RBNZ also announced its plans to promote information sharing with other relevant government agencies including the National Cyber Security Centre, the Computer Emergent Response Team NZ and the FMA. Details of the RBNZ's information gathering and sharing plan are under development and expected to be published for public consultation in mid-2021.

Conditions of registration for ANZ Bank New Zealand Limited

These conditions apply on and after 1 May 2020. For the purposes of this section references to "$" are to New Zealand dollars.

For information regarding the changes made to these conditions since 30 September 2019, see "*–New Zealand Regulatory Developments–Regulatory Response to the COVID-19 Pandemic and Other Developments"*.

The registration of ANZ Bank New Zealand Limited (the "**bank**") as a registered bank is subject to the following conditions:

1. That—

(a) the Total capital ratio of the banking group is not less than 8 per cent.;

(b) the Tier 1 capital ratio of the banking group is not less than 6 per cent.;

(c) the Common Equity Tier 1 capital ratio of the banking group is not less than 4.5 per cent.;

(d) the Total capital of the banking group is not less than $30 million;

(e) the bank must not include the amount of an Additional Tier 1 capital instrument or Tier 2 capital instrument issued after 1 January 2013 in the calculation of its capital ratios unless it has received a notice of non-objection to the instrument from the Reserve Bank; and

(f) the bank meets the requirements of Part 3 of the Reserve Bank of New Zealand document: "Application requirements for capital recognition or repayment and notification requirements in respect of capital" (BS16) dated November 2015 in respect of regulatory capital instruments.

For the purposes of this condition of registration,—

"**supervisory adjustment**" referred to in Part 3 of the Reserve Bank of New Zealand document "Capital Adequacy Framework (Internal Models Based Approach)" (BS2B) dated November 2015 is calculated as the scalar times the sum of:

(a) the greater of:

i. 27.66 percent of the exposure-at-default (EAD) amount of non-defaulted standard residential mortgage loans less the risk weighted asset amount (without scalar) calculated using the bank's approved IRB models for non-defaulted standard residential mortgage loans; and
ii. zero;

and

(b) the greater of:

i. 75.47 percent of the exposure-at-default (EAD) amount of non-defaulted corporate farm lending exposures less the risk weighted asset amount (without scalar) calculated using the bank's approved IRB models for non-defaulted corporate farm lending exposures; and
ii. zero;

"**standard residential mortgage loan**" has the same meaning as in 4.7(a) of the Reserve Bank of New Zealand document "Capital Adequacy Framework (Internal Models Based Approach)" (BS2B), dated November 2015;

"**corporate farm lending exposures**" has the same meaning as in 4.4(c) of the Reserve Bank of New Zealand document "Capital Adequacy Framework (Internal Models Based Approach)" (BS2B) dated November 2015;

the scalar referred to in the Reserve Bank of New Zealand document "Capital Adequacy Framework (Internal Models Based Approach)" (BS2B) dated November 2015 and elsewhere in this condition of registration is 1.06;

"**Total capital ratio**", "**Tier 1 capital ratio**", and "**Common Equity Tier 1 capital ratio**" have the same meaning as in Part 3 of the Reserve Bank of New Zealand document "Capital Adequacy Framework (Internal Models Based Approach)" (BS2B) dated November 2015, except that in the formulae for calculating the ratios, the term "total capital requirement for operational risk" has the same meaning as in Part 9 of the Reserve Bank of New Zealand document "Capital Adequacy Framework (Standardised Approach)" (BS2A) dated November 2015;

"**Total capital**" has the same meaning as in Part 2 of the Reserve Bank of New Zealand document "Capital Adequacy Framework (Internal Models Based Approach)" (BS2B) dated November 2015;

an Additional Tier 1 capital instrument is an instrument that meets the requirements of subsection 2.13(a) or (c) of the Reserve Bank of New Zealand document "Capital Adequacy Framework (Internal Models Based Approach)" (BS2B) dated November 2015;

a Tier 2 capital instrument is an instrument that meets the requirements of subsection 2.16(a) or (c) of the Reserve Bank of New Zealand document "Capital Adequacy Framework (Internal Models Based Approach)" (BS2B) dated November 2015.

1A. That—

(a) the bank has an internal capital adequacy assessment process ("**ICAAP**") that accords with the requirements set out in the document "Guidelines on a bank's internal capital adequacy assessment process" ('ICAAP') (BS12) dated December 2007;

(b) under its ICAAP the bank identifies and measures its "other material risks" defined as all material risks of the banking group that are not explicitly captured in the calculation of the Common Equity Tier 1 capital ratio, the Tier 1 capital ratio and the Total capital ratio under the requirements set out in the document "Capital Adequacy Framework (Internal Models Based Approach)" (BS2B) dated November 2015; and

(c) the bank determines an internal capital allocation for each identified and measured "other material risk".

1B. That the bank complies with the minimum requirements set out in the following sections of the Reserve Bank of New Zealand document "Capital Adequacy Framework (Internal Models Based Approach)" (BS2B) dated November 2015.

(a) the model approval requirements in section 1.3A;

(b) the compendium requirements in section 1.3B;

(c) the minimum requirements for the IRB approach in sections 4.217 to 4.324 (that is, Subpart 4C of BS2B); and

(d) the minimum qualitative requirements for using the Advanced Measurement Approach ("AMA") for operational risk set out in section 8.4(a) and sections 8.5 to 8.14.

1C. That, if the buffer ratio of the banking group is 2.5 per cent. or less, the bank must:

(a) according to the following table, limit any distributions of the bank's earnings payable to holders of Additional Tier 1 capital instruments to the percentage limit on distributions that corresponds to the banking group's buffer ratio:

Banking group's buffer ratio	Percentage limit on distributions of the bank's earnings
0 per cent. – 0.625 per cent.	0 per cent.
>0.625 – 1.25 per cent.	20 per cent.
>1.25 – 1.875 per cent.	40 per cent.
>1.875 – 2.5 per cent.	60 per cent.

(b) prepare a capital plan to restore the banking group's buffer ratio to above 2.5 per cent. within any timeframe determined by the Reserve Bank for restoring the buffer ratio; and

(c) have the capital plan approved by the Reserve Bank.

For the purposes of this condition of registration,—

an Additional Tier 1 capital instrument is an instrument that meets the requirements of subsection 2.13(a) or (c) of the Reserve Bank of New Zealand document "Capital Adequacy Framework (Internal Models Based Approach)" (BS2B) dated November 2015;

"**buffer ratio**", "**distributions**", and "**earnings**" have the same meaning as in Part 3 of the Reserve Bank of New Zealand document: "Capital Adequacy Framework (Internal Models Based Approach)" (BS2B) dated November 2015, except that in the formula for calculating the buffer ratio, the term "total capital requirement for operational risk" has the same meaning as in Part 9 of the Reserve Bank of New Zealand document "Capital Adequacy Framework (Standardised Approach)" (BS2A) dated November 2015.

the scalar referred to in the Reserve Bank of New Zealand document "Capital Adequacy Framework (Internal Models Based Approach)" (BS2B) dated November 2015 is 1.06.

1D. That the bank must make no distributions, whether paid out of earnings, or out of accumulated previous years' retained earnings or other reserves included within the banking group's total capital, other than discretionary payments payable to holders of Additional Tier 1 capital instruments to the extent permitted by condition 1C.

For the purposes of this condition of registration,—

an Additional Tier 1 capital instrument is an instrument that meets the requirements of subsection 2.13(a) or (c) of the Reserve Bank of New Zealand document "Capital Adequacy Framework (Internal Models Based Approach)" (BS2B) dated November 2015;

"**Total capital**" has the same meaning as in Part 2 of the Reserve Bank of New Zealand document "Capital Adequacy Framework (Internal Models Based Approach)" (BS2B) dated November 2015;

"**distributions**", and "**earnings**" have the same meaning as in Part 3 of the Reserve Bank of New Zealand document: "Capital Adequacy Framework (Internal Models Based Approach)" (BS2B) dated November 2015.

2. That the banking group does not conduct any non-financial activities that in aggregate are material relative to its total activities.

In this condition of registration, the meaning of "material" is based on generally accepted accounting practice.

3. That the banking group's insurance business is not greater than 1 per cent. of its total consolidated assets.

For the purposes of this condition of registration, the banking group's insurance business is the sum of the following amounts for entities in the banking group:

(a) if the business of an entity predominantly consists of insurance business and the entity is not a subsidiary of another entity in the banking group whose business predominantly

consists of insurance business, the amount of the insurance business to sum is the total consolidated assets of the group headed by the entity; and

(b) if the entity conducts insurance business and its business does not predominantly consist of insurance business and the entity is not a subsidiary of another entity in the banking group whose business predominantly consists of insurance business, the amount of the insurance business to sum is the total liabilities relating to the entity's insurance business plus the equity retained by the entity to meet the solvency or financial soundness needs of its insurance business.

In determining the total amount of the banking group's insurance business—

(a) all amounts must relate to on balance sheet items only, and must comply with generally accepted accounting practice; and

(b) if products or assets of which an insurance business is comprised also contain a non-insurance component, the whole of such products or assets must be considered part of the insurance business.

For the purposes of this condition of registration,—

"**insurance business**" means the undertaking or assumption of liability as an insurer under a contract of insurance;

"**insurer**" and "**contract of insurance**" have the same meaning as provided in sections 6 and 7 of the Insurance (Prudential Supervision) Act 2010.

4. That the aggregate credit exposures (of a non-capital nature and net of any allowances for impairment) of the banking group to all connected persons do not exceed the rating-contingent limit outlined in the following matrix:

Credit rating of the bank(1)	**Connected exposure limit (% of the banking group's Tier 1 capital)**
AA/Aa2 and above	75
AA-/Aa3	70
A+/A1	60
A/A2	40
A-/A3	30
BBB+/Baa1 and below	15

(1) This table uses the rating scales of S&P Global, Fitch and Moody's. (Fitch's scale is identical to S&P Global.)

Within the rating-contingent limit, credit exposures (of a non-capital nature and net of any allowances for **impairment**) to non-bank connected persons shall not exceed 15 per cent. of the banking group's Tier 1 capital.

For the purposes of this condition of registration, compliance with the rating-contingent connected exposure limit is determined in accordance with the Reserve Bank of New Zealand document entitled "Connected Exposures Policy" (BS8) dated November 2015.

5. That exposures to connected persons are not on more favourable terms (e.g. as relates to such matters as credit assessment, tenor, interest rates, amortisation schedules and requirement for collateral) than corresponding exposures to non-connected persons.

6. That the bank complies with the following corporate governance requirements:

(a) the board of the bank must have at least five directors;

(b) the majority of the board members must be non-executive directors;

(c) at least half of the board members must be independent directors;

(d) an alternate director,—

(i) for a non-executive director must be non-executive; and

(ii) for an independent director must be independent;

(e) at least half of the independent directors of the bank must be ordinarily resident in New Zealand;

(f) the chairperson of the board of the bank must be independent; and

(g) the bank's constitution must not include any provision permitting a director, when exercising powers or performing duties as a director, to act other than in what he or she believes is the best interests of the company (i.e. the bank).

For the purposes of this condition of registration, "**non-executive**" and "**independent**" have the same meaning as in the Reserve Bank of New Zealand document entitled "Corporate Governance" (BS14) dated July 2014.

7. That no appointment of any director, chief executive officer, or executive who reports or is accountable directly to the chief executive officer, is made in respect of the bank unless:

(a) the Reserve Bank has been supplied with a copy of the curriculum vitae of the proposed appointee; and

(b) the Reserve Bank has advised that it has no objection to that appointment.

8. That a person must not be appointed as chairperson of the board of the bank unless:

(a) the Reserve Bank has been supplied with a copy of the curriculum vitae of the proposed appointee; and

(b) the Reserve Bank has advised that it has no objection to that appointment.

9. That the bank has a board audit committee, or other separate board committee covering audit matters, that meets the following requirements:

(a) the mandate of the committee must include: ensuring the integrity of the bank's financial controls, reporting systems and internal audit standards;

(b) the committee must have at least three members;

(c) every member of the committee must be a non-executive director of the bank;

(d) the majority of the members of the committee must be independent; and

(e) the chairperson of the committee must be independent and must not be the chairperson of the bank.

For the purposes of this condition of registration, "**non-executive**" and "**independent**" have the same meaning as in the Reserve Bank of New Zealand document entitled "Corporate Governance" (BS14) dated July 2014.

10. That a substantial proportion of the bank's business is conducted in and from New Zealand.

11. That the bank has legal and practical ability to control and execute any business, and any functions relating to any business, of the bank that are carried on by a person other than the bank, sufficient to achieve, under normal business conditions and in the event of stress or failure of the bank or of a service provider to the bank, the following outcomes:

(a) that the bank's clearing and settlement obligations due on a day can be met on that day;

(b) that the bank's financial risk positions on a day can be identified on that day;

(c) that the bank's financial risk positions can be monitored and managed on the day following any failure and on subsequent days; and

(d) that the bank's existing customers can be given access to payments facilities on the day following any failure and on subsequent days.

This condition ceases to apply in respect of an existing outsourcing arrangement on the earlier of either 1 October 2023 or when the existing outsourcing arrangement becomes compliant with condition 21, from which point in time condition 21 will apply to that outsourcing arrangement.

For the purposes of this condition of registration:

(a) the term "legal and practical ability to control and execute" is explained in the Reserve Bank of New Zealand document entitled "Outsourcing Policy" (BS11) dated January 2006; and

(b) the term "existing outsourcing arrangement" is defined in the Reserve Bank of New Zealand document entitled "Outsourcing Policy (BS11)" dated April 2020.

12. That:

(a) the business and affairs of the bank are managed by, or under the direction or supervision of, the board of the bank;

(b) the employment contract of the chief executive officer of the bank or person in an equivalent position (together "**CEO**") is with the bank, and the terms and conditions of the CEO's employment agreement are determined by, and any decisions relating to the employment or termination of employment of the CEO are made by, the board of the bank; and

(c) all staff employed by the bank shall have their remuneration determined by (or under the delegated authority of) the board or the CEO of the bank and be accountable (directly or indirectly) to the CEO of the bank.

13. That the banking group complies with the following quantitative requirements for liquidity-risk management:

(a) the one-week mismatch ratio of the banking group is not less than zero per cent. at the end of each business day;

(b) the one-month mismatch ratio of the banking group is not less than zero per cent. at the end of each business day; and

(c) the one-year core funding ratio of the banking group is not less than 50 per cent. at the end of each business day.

For the purposes of this condition of registration, the ratios identified must be calculated in accordance with the Reserve Bank of New Zealand documents entitled "Liquidity Policy" (BS13) dated January 2018 and "Liquidity Policy Annex: Liquid Assets" (BS13A) dated October 2018.

14. That the bank has an internal framework for liquidity risk management that is adequate in the bank's view for managing the bank's liquidity risk at a prudent level, and that, in particular:

(a) is clearly documented and communicated to all those in the organisation with responsibility for managing liquidity and liquidity risk;

(b) identifies responsibility for approval, oversight and implementation of the framework and policies for liquidity risk management;

(c) identifies the principal methods that the bank will use for measuring, monitoring and controlling liquidity risk; and

(d) considers the material sources of stress that the bank might face, and prepares the bank to manage stress through a contingency funding plan.

15. That no more than 10 per cent. of total assets may be beneficially owned by a SPV.

For the purposes of this condition,—

"**total assets**" means all assets of the banking group plus any assets held by any SPV that are not included in the banking group's assets:

"**SPV**" means a person—

(a) to whom any member of the banking group has sold, assigned, or otherwise transferred any asset;

(b) who has granted, or may grant, a security interest in its assets for the benefit of any holder of any covered bond; and

(c) who carries on no other business except for that necessary or incidental to guarantee the obligations of any member of the banking group under a covered bond:

"**covered bond**" means a debt security issued by any member of the banking group, for which repayment to holders is guaranteed by a SPV, and investors retain an unsecured claim on the issuer.

16. That—

(a) no member of the banking group may give effect to a qualifying acquisition or business combination that meets the notification threshold, and does not meet the non-objection threshold, unless:

(i) the bank has notified the Reserve Bank in writing of the intended acquisition or business combination and at least 10 working days have passed; and

(ii) at the time of notifying the Reserve Bank of the intended acquisition or business combination, the bank provided the Reserve Bank with the information required under the Reserve Bank of New Zealand Banking Supervision Handbook document "Significant Acquisitions Policy" (BS15) dated December 2011; and

(b) no member of the banking group may give effect to a qualifying acquisition or business combination that meets the non-objection threshold unless:

(i) the bank has notified the Reserve Bank in writing of the intended acquisition or business combination;

(ii) at the time of notifying the Reserve Bank of the intended acquisition or business combination, the bank provided the Reserve Bank with the information required under the Reserve Bank of New Zealand Banking Supervision Handbook document "Significant Acquisitions Policy" (BS15) dated December 2011; and

(iii) the Reserve Bank has given the bank a notice of non-objection to the significant acquisition or business combination.

For the purposes of this condition of registration, "**qualifying acquisition or business combination**", "**notification threshold**" and "**non-objection threshold**" have the same meaning as in the Reserve Bank of New Zealand Banking Supervision Handbook document "Significant Acquisitions Policy" (BS15) dated December 2011.

17. That the bank is pre-positioned for Open Bank Resolution and in accordance with a direction from the Reserve Bank, the bank can—

(a) close promptly at any time of the day and on any day of the week and that effective upon the appointment of the statutory manager—

(i) all liabilities are frozen in full; and

(ii) no further access by customers and counterparties to their accounts (deposits, liabilities or other obligations) is possible;

(b) apply a *de minimis* to relevant customer liability accounts;

(c) apply a partial freeze to the customer liability account balances;

(d) reopen by no later than 9am the next business day following the appointment of a statutory manager and provide customers access to their unfrozen funds;

(e) maintain a full freeze on liabilities not pre-positioned for open bank resolution; and

(f) reinstate customers' access to some or all of their residual frozen funds.

For the purposes of this condition of registration, "***de minimis***", "**partial freeze**", "**customer liability account**", and "**frozen and unfrozen funds**" have the same meaning as in the Reserve Bank of New Zealand document "Open Bank Resolution (OBR) Pre-positioning Requirements Policy" (BS17) dated September 2013.

18. That the bank has an Implementation Plan that—

(a) is up-to-date; and

(b) demonstrates that the bank's prepositioning for Open Bank Resolution meets the requirements set out in the Reserve Bank document: "Open Bank Resolution Pre-positioning Requirements Policy" (BS17) dated September 2013.

For the purposes of this condition of registration, "**Implementation Plan**" has the same meaning as in the Reserve Bank of New Zealand document "Open Bank Resolution (OBR) Pre-positioning Requirements Policy" (BS17) dated September 2013.

19. That the bank has a compendium of liabilities that—

(a) at the product-class level lists all liabilities, indicating which are—

(i) pre-positioned for Open Bank Resolution; and

(ii) not pre-positioned for Open Bank Resolution;

(b) is agreed to by the Reserve Bank; and

(c) if the Reserve Bank's agreement is conditional, meets the Reserve Bank's conditions.

For the purposes of this condition of registration, "**compendium of liabilities**", and "**pre-positioned and non pre-positioned liabilities**" have the same meaning as in the Reserve Bank of New Zealand document "Open Bank Resolution (OBR) Pre-positioning Requirements Policy" (BS17) dated September 2013.

20. That on an annual basis the bank tests all the component parts of its Open Bank Resolution solution that demonstrates the bank's pre-positioning for Open Bank Resolution as specified in the bank's Implementation Plan.

For the purposes of this condition of registration, "**Implementation Plan**" has the same meaning as in the Reserve Bank of New Zealand document "Open Bank Resolution (OBR) Pre-positioning Requirements Policy" (BS17) dated September 2013.

21. That the bank must comply with the Reserve Bank of New Zealand document "Outsourcing Policy" (BS11) dated April 2020.

In these conditions of registration,—

> "**banking group**" means ANZ Bank New Zealand Limited (as reporting entity) and all other entities included in the group as defined in section 6(1) of the Financial Markets Conduct Act 2013 for the purposes of Part 7 of that Act.
>
> "**generally accepted accounting practice**" has the same meaning as in section 8 of the Financial Reporting Act 2013.

Non-compliance with Conditions of Registration

Set out below are outstanding and recent instances of non-compliance by the ANZ New Zealand Group with its Conditions of Registration that were disclosed in the ANZ New Zealand 2020 Disclosure Statement.

Condition of Registration 1B – non-compliance with BS2B

A review of ANZ New Zealand's compliance with the RBNZ's capital adequacy requirements was undertaken under section 95 of the Reserve Bank Act and was completed in April 2020. ANZ New Zealand has accepted the improvements identified in the review, and is working to rectify its processes. The RBNZ has stated that it is confident ANZ New Zealand will resolve this matter without issue, and has emphasised that ANZ New Zealand Group remains sound and well capitalised.

As first reported in the ANZ New Zealand 2019 Disclosure Statement, ANZ New Zealand has not complied with condition of registration 1B in relation to the implementation of changes to rating models and processes that were not approved by the RBNZ. Applying the last RBNZ approved methodologies to the affected exposures as at 30 September 2019 would have decreased RWA by NZ$47 million (0.05 per cent) in aggregate, which was not sufficient to affect the reported capital ratios.

Affected models and the initial dates of non-compliance are:

- Commercial Property Model Suite (Single Investment, Multi Investment, Hotel Investment, Special Purpose Asset Investment, Single Residential Development, Commercial Development, Englobo Land Pre Development) - 2011
- Non-Bank Financial Institutions Model Suite (Life Insurance, Non-life Insurance, Insurance Holding Company, Finance Companies, Financial Services Companies, Real Money Funds) - 2009
- Project and Structured Finance - 2009
- Bank, Country & Sovereigns - 2008

ANZ New Zealand's model compendium required under section 1.3B of BS2B was found to be non-compliant as it included unapproved model changes.

The first tranche of remediated models was submitted to RBNZ for approval in August 2020, and the second tranche was submitted in November 2020. Remediation of the remaining models is expected to be submitted to RBNZ in 2021.

Further to the above, in May 2020 ANZ New Zealand identified that its approach to enhancing wholesale risk grades in the presence of a guarantee was not compliant with BS2B. The estimated impact as at 31 March 2020 was an understatement of RWA of NZ$26 million (0.03 per cent), which is not sufficient to affect the reported capital ratios. ANZ New Zealand has updated the calculation of RWA as at 30 September 2020 in line with the approach agreed with RBNZ.

Condition of Registration 1B – historical non-compliance with BS2B

ANZ New Zealand has identified one counterparty that had been misclassified as sovereign, inconsistent with the definition in BS2B paragraph 4.5, since December 2017. The estimated impact as at 31 March 2020 was an understatement of RWA of NZ$383 million (0.38 per cent), and an overstatement of ANZ New Zealand Group's capital ratios of 0.05 per cent. This issue was corrected for the calculation of RWA from 30 April 2020, and did not result in non-compliance with ANZ New Zealand's Conditions of

Registration over the year ended 30 September 2020. However, until 31 December 2018, Condition of Registration 1B required compliance with all aspects of BS2B and, as a result, ANZ New Zealand had not complied with Condition of Registration 1B in respect of this matter between December 2017 and 31 December 2018.

Condition of Registration 5 - Exposures to connected persons not on more favourable terms (BS8)

From time to time, ANZ New Zealand provides a guarantee or standby letter of credit to a third party in respect of an obligation of a customer of ANZBGL. ANZBGL provides a counter-guarantee or standby letter of credit to ANZ New Zealand, giving ANZ New Zealand recourse directly to ANZBGL if the guarantee or standby letter of credit ANZ New Zealand provides in respect of the customer's obligations is called upon. ANZ New Zealand charges ANZBGL a fee for this service. However, through an internal review, ANZ New Zealand identified that since January 2014 this fee had been lower than the fee charged for this same service provided to unrelated banks and, as a result, ANZ New Zealand has not complied with condition of registration 5.

ANZ New Zealand has implemented a revised pricing methodology for all new transactions entered into from 1 January 2020. ANZ New Zealand has also retrospectively applied the revised pricing methodology to all such transactions, including those where ANZ New Zealand has provided a similar counter-guarantee or standby letter of credit to ANZBGL, that were active during the year ended 30 September 2020, resulting in additional net income of less than NZ$1 million.

Condition of Registration 13 - Liquidity ratios (BS13)

The following matters of non-compliance with BS13 were first reported in the ANZ New Zealand 2019 Disclosure Statement. These matters were not sufficient to affect the reported liquidity ratios.

- The liquidity ratio calculation system and the system of record for certain bond liabilities and certain swaps calculate future cash flows differently. The difference had been known since 2017. Processes have been updated with effect from 31 January 2020 to ensure the calculations comply with BS13.

- Since 2010 ANZ New Zealand calculated the next cash inflow on variable-rate housing loans based on a current wholesale rate plus the existing margin rather than using the current interest rate to calculate the inflow. ANZ New Zealand has sought further guidance from the RBNZ on this matter (refer to *'Other matters relating to potential non-compliance with the conditions of registration'* below) as the appropriate process is a matter of interpretation of BS13.

Condition of Registration 21 – Outsourcing (BS11 updated April 2020)

BS11 requires ANZ New Zealand to have a compendium of information about outsourcing arrangements.

During the year ended 30 September 2020, ANZ New Zealand identified the following instances of data discrepancies in relation to the compendium. 146 data errors; 10 arrangements not entered into the compendium within 20 working days; and 12 instances of incomplete information recorded against arrangements in the compendium. The matters were assessed by the RBNZ as relatively minor and were all corrected during the year ended 30 September 2020. As at the date of last issue to the RBNZ (14 September 2020), ANZ New Zealand's Condition of Registration 21 compendium contained 132 remediated arrangements with a total of 2,112 data fields.

BS11 requires ANZ New Zealand to apply specified risk mitigants against each outsourcing arrangement.

- During the year ended 30 September 2019, ANZ New Zealand outsourced two arrangements to the worldwide operations of ANZBGL without the required prescribed contractual terms. These arrangements were remediated in December 2019.

- During the six months ended 31 March 2020, one of ANZ New Zealand's independent third party contracts expired nine days before a replacement contract was entered into. During those nine days the relevant outsourcing arrangement did not include the prescribed contractual terms.

- During the year ended 30 September 2020, ANZ New Zealand outsourced one arrangement to the worldwide operations of ANZBGL without the required prescribed contractual terms. This arrangement was remediated in June 2020.

Other matters relating to potential non-compliance with the conditions of registration

There are several matters under review, including the calculation of the liquidity ratios (under BS13 and BS13A), and the measurement of security indicators for commercial customers with home loans (under BS2B, but not considered to affect compliance with conditions of registration), where there may be more than one interpretation of the respective policy wording or requirement. Where there may be some uncertainty about the interpretation ANZ New Zealand has applied, where appropriate, it has sought further guidance from the RBNZ on these matters. In ANZ New Zealand's current view, the potential impact of the application of other interpretations is immaterial to reported ratios.

For further information on instances of non-compliance by the ANZ New Zealand Group with its Conditions of Registration that were disclosed in December 2020, see section *"B1 - Non-compliance with conditions of registration"* of the ANZ New Zealand 2020 Disclosure Statement (which is incorporated by reference into this Base Prospectus).

Section 95 Reviews

On 5 July 2019, the RBNZ issued a notice under section 95 of the Reserve Bank Act, requiring ANZ New Zealand to obtain two external reviews, the first on ANZ New Zealand's compliance with certain aspects of BS2B and the second on the effectiveness of ANZ New Zealand 's directors' attestation and assurance framework.

- The director attestation and assurance framework review was completed in December 2019, and ANZ New Zealand is committed to implementing the recommendations identified and addressing the issues raised. On 11 December 2019, the RBNZ issued a further notice under section 95 of the Reserve Bank Act, requiring ANZ New Zealand to obtain an external review of the improvements made to ANZ New Zealand's directors' attestation and assurance framework. Due to the impacts of the COVID-19 pandemic, in May 2020, the RBNZ agreed to extend the time period for addressing the directors' attestation recommendations, subject to ANZ New Zealand obtaining an external interim review, assessed as at March 2021, with a final review of the ANZ New Zealand's directors' attestation and assurance framework being assessed as at September 2021.

- The report regarding ANZ New Zealand's compliance with the RBNZ's capital adequacy requirements was completed in April 2020. This report identified instances of both current and historical non-compliance with capital adequacy requirements. ANZ New Zealand has accepted the findings of this review, and is working with the RBNZ to rectify the issues identified. The RBNZ has stated that it is confident ANZ New Zealand will resolve this matter without issue, and has emphasised that the Banking Group remains sound and well capitalised. In May 2020, a detailed remediation plan, which includes key dates on model submissions, was submitted to the RBNZ. ANZ New Zealand submitted to the RBNZ its first and second tranches of model documentation in August 2020 and November 2020 respectively, which are key milestones in the section 95 models remediation. In October 2020, the RBNZ notified ANZ New Zealand that it should obtain an external interim review of certain remediation activities relating to the report on capital adequacy requirements, assessed as at March 2021, with a final review of those activities being assessed as at September 2021 (to reflect the close relationship between these improvements and those being undertaken for directors' attestation and assurance).

The Section 95 reviews have highlighted the need for a broader programme of improving ANZ New Zealand 's processes covered by those reviews, and this programme is underway.

Loan calculator remediation

In June 2017, ANZ New Zealand self-reported a problem with a loan calculator to the Commerce Commission. The problem affected some of ANZ New Zealand's customers' loans that were varied between May 2015 and May 2016. The loan calculator was used to calculate customer repayments and loan terms when customers asked for changes to their home, personal and business loans. The problem resulted in some customers paying less than they should have on affected loans. ANZ New Zealand fixed the calculator in May 2016. ANZ New Zealand has previously credited approximately NZ$8.4 million to affected customers to put the affected loans back into the position they would have been in had the error not occurred. In March 2020, the Commerce Commission announced it had agreed with ANZ New

Zealand that ANZ New Zealand would pay some customers affected by the issue a further NZ$29.4 million. These payments are nearing completion.

INFORMATION INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

In respect of ANZBGL, ANZ New Zealand and ANZNIL, for the purpose of any issues of Notes under this Base Prospectus which are to be consolidated and form a single Series with an existing Tranche or Series of Notes, the terms and conditions of the Notes as set out in:

1. the section entitled "Terms and Conditions of the Notes" on pages 50 to 96 of the Base Prospectus dated 21 May 2019; and

2. the section entitled "Conditions of the Notes" on the following specified pages of the base prospectuses and supplementary prospectus of ANZBGL, ANZ New Zealand and ANZNIL:

   (a) pages 202 to 243 of the Base Prospectus dated 17 May 2018;

   (b) pages 179 to 214 of the Base Prospectus dated 16 May 2017;

   (c) pages 172 to 206 of the Base Prospectus dated 16 May 2016;

   (d) pages 168 to 203 of the Base Prospectus dated 15 May 2015;

   (e) pages 57 to 91 of the Base Prospectus dated 16 May 2014;

   (f) pages 62 to 107 of the Base Prospectus dated 16 May 2013;

   (g) pages 37 to 76 of the Base Prospectus dated 18 May 2012;

   (h) pages 36 to 75 of the Base Prospectus dated 25 May 2011;

   (i) pages 34 to 73 of the Base Prospectus dated 2 June 2010;

   (j) pages 38 to 78 of the Base Prospectus dated 21 July 2009;

   (k) pages 25 to 57 of the Base Prospectus dated 18 July 2008;

   (l) pages 24 to 56 of the Base Prospectus dated 25 September 2007;

   (m) pages 10 to 56 of the Supplemental Base Prospectus dated 23 March 2007 (supplementing and amending the Base Prospectus dated 25 September 2006); and

   (n) pages 19 to 46 of the Base Prospectus dated 25 September 2006.

In respect of ANZBGL:

1. the ANZBGL 2019 Audited Financial Statements and the ANZBGL 2020 Audited Financial Statements (including the auditor's reports thereon and notes thereto) (set out on pages 101 to 217 and pages 111 to 233, respectively of the 2019 and 2020 Annual Reports of ANZBGL);

2. the section entitled "Large/notable items included in cash profit from continuing operations" and the sections titled "Funding", "Liquidity" and "Capital management" set out on pages 58 to 59 and pages 69 to 70 of the 2020 Annual Report of ANZBGL;

3. the non-consolidated audited financial statements of ANZBGL in respect of the year ended 30 September 2020 (including the independent auditors' audit report thereon and notes thereto);

4. ANZBGL's Basel III Pillar 3 Disclosure dated 30 September 2020 (APS 330: Public Disclosure);

In respect of ANZ New Zealand:

1. the ANZ New Zealand 2019 Audited Financial Statements (including the auditor's report thereon and notes thereto) (set out on pages 4 to 65 and 99 to 104 of the ANZ Bank New Zealand

Limited Disclosure Statement for the year ended 30 September 2019) and ANZ New Zealand 2020 Audited Financial Statements (including the auditor's report thereon and notes thereto) (set out on pages 4 to 70 and 109 to 115 of the ANZ New Zealand 2020 Disclosure Statement); and

2. the sections entitled "Non-compliance with conditions of registration" in section B1 and "B3 – Asset Quality" set out on pages 81 to 82 and 86 to 94 of the ANZ New Zealand 2020 Disclosure Statement.

In respect of ANZNIL:

1. the ANZNIL 2019 Audited Financial Statements (including the auditor's reports thereon and notes thereto) (set out on pages 1 to 9 of the 2019 Annual Accounts of ANZNIL) and the ANZNIL 2020 Audited Financial Statements (including the auditor's reports thereon and notes thereto) (set out on pages 1 to 10 of the 2020 Annual Accounts of ANZNIL).

Any statement contained in this Base Prospectus or in a document and/or information which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any subsequent document and/or information which is incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus. Any documents incorporated by reference into the above documents do not form part of this Base Prospectus. Any parts of the above documents which are not incorporated by reference into this Base Prospectus are either not relevant for the investor or are covered elsewhere in this Base Prospectus.

The documents incorporated by reference into this Base Prospectus in respect of ANZBGL are available at https://www.anz.com/debtinvestors/centre/programmes/anz-banking-group/euro-medium-term-note-programme-aus/.

The documents incorporated by reference into this Base Prospectus in respect of ANZ New Zealand and ANZNIL are available at https://www.anz.com/debtinvestors/centre/programmes/anz-bank-nz/euro-medium-term-note-programme-nz/.

Copies can also be obtained during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection by eligible investors at the offices of the Paying Agents, Deutsche Bank AG at Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom.

Unless specifically incorporated by reference into this Base Prospectus, the information on the website does not form part of this Base Prospectus.

SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in an Amended and Restated Programme Agreement dated 20 November 2020 (as further amended, restated, supplemented and/or updated from time to time, the "**Programme Agreement**") between the Issuers, the Guarantor and the Dealers, the Notes will be offered from time to time by the relevant Issuer to the Dealers. However, each Issuer reserves the right to issue Notes directly on its own behalf to Dealers who are appointed as Dealers in respect of specified Tranches only or to other subscribers procured by it. The Notes may be sold at prevailing market prices, or at prices related thereto, at the time of such sale, as determined by the relevant Dealer. The Notes may also be issued by an Issuer through the Dealers, acting as agents of the relevant Issuer. The Programme Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The relevant Issuer will pay each relevant Dealer a commission as agreed between such Issuer and the Dealer, which commission may be deducted from the net proceeds payable to such Issuer on the closing of any series of Notes.

Each Issuer has severally agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes issued by such Issuer. The Programme Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the relevant Issuer.

The Issuers have agreed to reimburse the Arranger for certain of its expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme.

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuers and their affiliates in the ordinary course of business. In addition, in the ordinary course of business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities may involve securities and/or instruments of the Issuers or Issuers' affiliates. Certain of the Dealers or their affiliates that have a lending relationship with an Issuer routinely hedge their credit exposure to the relevant Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of such Notes. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

United States

Neither the Notes nor the Guarantee have been, and neither will be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold within the United States or to or, for the account or benefit of, U.S. persons, except pursuant to an exemption from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, except as permitted by the Programme Agreement, it has not offered or sold Notes, and will not offer or sell Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering of the Notes comprising the relevant Tranche and the completion of the distribution of the Notes comprising the relevant Tranche, as determined and certified to the Fiscal Agent or the relevant Issuer by such Dealer (or, in the case of a sale of a Tranche of Notes to or through more than one Dealer, by each of such Dealers as to the Notes of such Tranche purchased by or through it, in which case the Fiscal Agent or the relevant Issuer shall notify each such Dealer when all such Dealers have so certified), within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the

Programme will be required to represent and agree, that none of it, its affiliates or any persons acting on its or their behalf have engaged or will engage in any directed selling efforts (as defined in Regulation S under the Securities Act) with respect to the Notes, and it and they have complied and will comply with any applicable offering restrictions requirement of Regulation S. Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree that, at or prior to the confirmation of any sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it or through it during the distribution compliance period (as defined in Regulation S under the Securities Act) a confirmation or notice to substantially the following effect:

> "Neither the Notes covered hereby nor the Guarantee have been, and neither will be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering of the Notes comprising the relevant Tranche and the completion of the distribution of the Notes comprising the relevant Tranche as determined and certified by [*Name of Dealer or Dealers, as the case may be*], except, in either case, in accordance with Rule 903 of Regulation S under the Securities Act. Terms used above have the meaning given to them by Regulation S under the Securities Act."

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, to notify the Fiscal Agent and the relevant Issuer when it has completed its distribution of the Notes of any Tranche. In addition, until 40 days after the later of the commencement of the offering of the Notes comprising the relevant Tranche and the completion of the distribution of the Notes comprising the relevant Tranche, any offer or sale of Notes within the United States by a Dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

In addition, unless the Final Terms or the subscription agreement relating to one or more Tranches specifies that the applicable Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**") exemption is either "C Rules" or "not applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that:

(a) except to the extent permitted under US Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**D Rules**"):

  (i) it has not offered or sold, and during the restricted period will not offer or sell, any Notes to a person who is within the United States or its possessions or to a United States person; and

  (ii) it has not delivered and will not deliver within the United States or its possessions any Notes in bearer form that are sold during the restricted period;

(b) it has and throughout the restricted period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;

(c) if it is a United States person, it is acquiring the Notes in bearer form for purposes of resale in connection with their original issuance and if it retains Notes in bearer form for its own account, it will only do so in accordance with the requirements of US Treasury Regulation §1.163-5(c)(2)(i)(D)(6); and

(d) with respect to each affiliate or distributor that acquires from it Notes in bearer form for the purpose of offering or selling such Notes during the restricted period, it either (i) repeats and confirms the representations and agreements contained in sub-paragraphs (a), (b) and (c) above on behalf of such affiliate or distributor or (ii) agrees that it will obtain from such affiliate or distributor for the benefit of the relevant Issuer the representations and agreements contained in sub-paragraphs (a), (b) and (c) above.

Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the D Rules.

In addition, to the extent that the Final Terms or the subscription agreement relating to one or more Tranches of Notes in bearer form specifies that the applicable TEFRA exemption is C Rules under US Treasury Regulation §1.163-5(c)(2)(i)(C) (the "**C Rules**") (provided that such transaction is in accordance and compliance with applicable laws), Notes in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. In relation to each such Tranche, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or delivered, and shall not offer, sell or deliver, directly or indirectly, Notes in bearer form within the United States or its possessions in connection with their original issuance. Further, in connection with their original issuance of Notes in bearer form, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not communicated, and shall not communicate, directly or indirectly, with a prospective purchaser if either such purchaser or it is within the United States or its possessions or otherwise involve its US office in the offer or sale of Notes in bearer form. Terms used in this paragraph have the meanings given to them by the US International Revenue Code and regulations thereunder, including the C Rules.

Prohibition of Sales to EEA and UK Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms (or Pricing Supplement, as the case may be) in relation thereto to any retail investor in the European Economic Area or 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 (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 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and

(b) the expression "**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.

Belgium

For selling restrictions in respect of Belgium, please see "Prohibition of Sales to EEA and UK Retail Investors" above and in addition:

This Base Prospectus has not been submitted for approval to the Financial Services and Markets Authority. Accordingly, investments instruments (as defined in the law of 11 July 2018 on offerings to the public of investment instruments and the admission of investment instruments to trading on regulated markets, as amended or replaced from time to time (the "**Prospectus Law**")) that do not qualify as securities (as defined in the Prospectus Regulation), including Notes that have a maturity of less than 12 months and qualify as money market instruments, and that therefore fall outside the scope of the Prospectus Regulation, may not be distributed in Belgium by way of an offering to the public, as defined in and subject to the exemptions set out in the Prospectus Law.

Any offeror of Notes will be required to represent and agree that it will not offer for sale, sell or market Notes to any person qualifying as a consumer within the meaning of Article I.1.2 of the Belgian Code of Economic Law, as amended from time to time, unless such offer, sale or marketing is made in compliance with this Code and its implementing regulation.

Denmark

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer, sell or deliver any of the Notes directly or indirectly in Denmark by way of public offering, unless in compliance with, as applicable, Regulation (EU) 2017/1129, the Danish Capital Markets Act (*lov om kapitalmarkeder*), as amended, supplemented or replaced from time to time, and Executive Orders issued thereto and Executive Order on Investor Protection in connection with Securities Trading issued pursuant to the Danish Financial Business Act (*lov om finansiel virksomhed*) as amended, supplemented or replaced from time to time.

Finland

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not publicly offer the Notes or bring the Notes into general circulation in Finland other than in compliance with all applicable provisions of the laws of Finland and especially in compliance with the Prospectus Regulation (EU) 2017/1129 and the Finnish Securities Market Act (14 December 2012/746, Fi. *Arvopaperimarkkinalaki* or Sw. *Värdepappersmarknadslag*) and any regulation or rule made thereunder, as supplemented, amended or replaced from time to time.

France

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the offer of Notes to the public in France will be made only in compliance with the Prospectus Regulation (Regulation (EU) 2017/1129) and the applicable laws, regulations and procedures in France as set out below.

This Base Prospectus prepared in connection with the Notes has not been submitted to the clearance procedures of the French *Autorité des Marchés Financiers* ("**AMF**").

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed this Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes to the public in France, in circumstances that do constitute an offer to the public exempted from the obligation to publish a prospectus pursuant to Articles L.411-2 and L.411-2-1 of the French *Code monétaire et financier* (*CMF*) and more particularly made to (a) qualified investors (*investisseurs qualifiés*), as defined in and accordance with article L.411-2 1 of the French *Code monétaire et financier* and article 2(e) of the Prospectus Regulation, and/or (b) a restricted circle of investors (*cercle restreint d'investisseurs*), other than qualified investors, provided that such investors are acting for their own account, in accordance with Articles L.411-2 1 and D.411-4 of the CMF and/or (c) to investors who acquire Notes for a total consideration of at least EUR 100,000 (or its equivalent in another currency) per investor, for each separate offer in accordance with Article L. 411-2-1 2° of the CMF and Article 211-2 II of the *Règlement général* of the AMF ("**RG AMF**") and/or (d) Notes whose nominal amount or equivalent amounts is at least EUR 100,000 (or its equivalent in another currency) in accordance with Article L. 411-2-1 3° of the CMF and Article 211-2 III of the RG AMF. Any direct or indirect resale of Notes which have been acquired in with respect to an offer to the public exempted from the obligation to publish a prospectus shall be subject to the same restrictions and shall only be made in accordance with article L.411-2 and L.411-2-1 of the CMF.

(b) unless the approval of this Base Prospectus by the FCA has been notified to the AMF in accordance with article 25 of the Prospectus Regulation, as implemented in France, and all the other procedures and formalities required by French laws and regulations to permit the offering (and in which case only for a period of 12 months from the date of such approval) and sale of Notes in France have been carried out, it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed this Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes to the public in France in circumstances that do not constitute an offer to the public exempted from the obligation to publish a prospectus.

Ireland

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent agree, that:

(a) it will not underwrite the issue of, or place the Notes, otherwise than in conformity with the provisions of the European Union (Markets in Financial Instruments) Regulations 2017 (as amended, the "**MiFID II Regulations**"), including, without limitation, Regulation 5 (*Requirement for authorisation (and certain provisions concerning MTFs and OTFs)*) thereof, or any rules or any codes of conduct made under the MiFID II Regulations, and the provisions of the Investor Compensation Act 1998 (as amended);

(b) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Companies Act 2014 (as amended), the Central Bank Acts 1942 to 2018 and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989 (as amended);

(c) it will not underwrite the issue of, or place, or do anything in Ireland in respect of the Notes otherwise than in conformity with the provisions of Regulation (EU) 2017/1129, the European Union (Prospectus) Regulations 2019 and any rules issued by the Central Bank of Ireland under section 1363 of the Companies Act 2014 (as amended); and

(d) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the Market Abuse Regulation (EU 596/2014) and any rules issued by the Central Bank of Ireland under section 1370 of the Companies Act 2014 (as amended).

Republic of Italy

The offering of the Notes has not been registered with the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") pursuant to Italian securities legislation. Each Dealer has represented and agreed that any offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in the Republic of Italy will be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations.

Any such offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in the Republic of Italy must be:

(a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 385 of 1 September 1993 as amended, Legislative Decree No. 58 of February 1998, CONSOB Regulation No. 20307 of 15 February 2018, as amended and any other applicable laws and regulations;

(b) in compliance with Article 129 of Legislative Decree No. 385 of 1 September 1993, as amended, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy and the relevant implementing guidelines of the Bank of Italy issued on 25 August 2015 (as amended on 10 August 2016); and

(c) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or any other Italian authority.

Luxembourg

The Notes may not be offered or sold to the public within the territory of the Grand Duchy of Luxembourg ("**Luxembourg**") unless:

(a) a prospectus has been duly approved by the Commission de Surveillance du Secteur Financier (the "**CSSF**") pursuant to (i) the Luxembourg law dated 16 July 2019 on prospectuses for securities (the "**Luxembourg Prospectus Law**") or (ii) Regulation (EU) 2017/1129 of 14 June 2017 (the "**Prospectus Regulation**") and Commission Delegated Regulation (EU) 2019/980 of

14 March 2019, if Luxembourg is the home Member State as defined under the Prospectus Regulation; or

(b) if Luxembourg is not the home Member State as defined under the Prospectus Regulation, the CSSF and the European Securities and Markets Authority have been provided by the competent authority in the home Member State with a certificate of approval attesting that a prospectus in relation to the Notes has been duly approved in accordance with the Prospectus Regulation and with a copy of that prospectus; or

(c) the offer of Notes benefits from an exemption from, or constitutes a transaction not subject to, the requirement to publish a prospectus under the Prospectus Regulation or the Luxembourg Prospectus Law.

The Netherlands

Zero Coupon Notes (as defined below) in definitive bearer form on which interest does not become due and payable during their term but only at maturity (savings certificates or *spaarbewijzen* as defined in The Netherlands Savings Certificates Act (*Wet inzake spaarbewijzen*) ("**SCA**") may only be transferred and accepted, directly or indirectly, within, from or into The Netherlands through the mediation of either the Issuer or a member of Euronext Amsterdam N.V. with due observance of the provisions of the SCA and its implementing regulations (which include registration requirements). No such mediation is required, however, in respect of (i) the initial issue of such Notes to the first holders thereof, (ii) the transfer and acceptance by individuals who do not act in the conduct of a profession or business and (iii) the issue and trading of such Notes if they are physically issued outside The Netherlands and are not immediately thereafter distributed in The Netherlands.

As used herein "**Zero Coupon Notes**" are Notes that are in bearer form and that constitute a claim for a fixed sum against the relevant Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

Sweden

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that any offer for subscription or purchase or invitations to subscribe for or buy or sell any Notes or distribution of any draft or final document in relation to any such offer, invitation or sale in Sweden will only be made in circumstances which will not result in a requirement to prepare a prospectus pursuant to the provisions of the Prospectus Regulation (EU) 2017/1129 or the Swedish Act with supplementary provisions to the EU Prospectus Regulation (Sw. *lag (2019:414) med kompletterande bestämmelser till EUs prospektförordning*), as amended or replaced.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) ***No deposit-taking***: in relation to any Notes having a maturity of less than one year and issued by ANZ New Zealand and/or ANZNIL:

(i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and

(ii) it has not offered or sold and will not offer or sell any Notes other than to persons:

(A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or

(B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by ANZ New Zealand and/or ANZNIL;

(b) ***Financial promotion***: it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it 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 New Zealand and/or ANZNIL, or, in the case of ANZBGL would not, if ANZBGL was not an authorised person, apply to ANZBGL; and

(c) ***General compliance***: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Australia

No prospectus, product disclosure document or other disclosure document (as defined in the Corporations Act) in relation to the Programme or any Notes (including this Base Prospectus) has been or will be lodged with or registered by the Australian Securities and Investments Commission ("**ASIC**") or ASX Limited. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not (unless a supplement to this Base Prospectus otherwise provides):

(a) made or invited, and will not make or invite, an offer of the Notes for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and

(b) distributed or published and will not distribute or publish any draft, preliminary or final form offering memorandum, advertisement or other offering material relating to the Notes in Australia,

unless:

(i) the minimum aggregate consideration payable by each offeree 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, distribution or publication otherwise does not require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act and is not made to a "retail client" as defined for the purposes of section 761G of the Corporations Act; and

(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.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will not sell any Note issued by ANZBGL in circumstances where employees of the Dealer aware of, or involved in, the sale know, or have reasonable grounds to suspect, that the Note, or an interest in or right in respect of the Note, was being, or would later be, acquired either directly or indirectly by:

(a) in respect of Bearer Notes in definitive form, and Temporary Global Notes which are exchangeable for Bearer Notes in definitive form according to the relevant Final Terms only, a resident of Australia, or a non-resident who is engaged in carrying on business in Australia at or through a permanent establishment of that non-resident in Australia (the expressions "**resident of Australia**", "**non-resident**" and "**permanent establishment**" having the meanings given to them by the Australian Tax Act); or

(b) in respect of any Note issued by ANZBGL, an Offshore Associate of ANZBGL acting other than in the capacity of a dealer, manager or underwriter in relation to the placement of the Notes or a clearing house, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act.

"**Offshore Associate**" means an associate (as defined in section 128F of the Income Tax Assessment Act 1936 and any successor legislation) of ANZBGL that is either a non-resident of Australia which does not acquire the Notes in carrying on a business at or through a permanent establishment in Australia or, alternatively, a resident of Australia that acquires the Notes in carrying on business at or through a permanent establishment outside of Australia.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it has not offered or sold and will not offer or sell in the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"), by means of any document, any Notes (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; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, 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, accordingly, each Dealer has represented and undertaken, and each further Dealer appointed under the Programme will be required to represent and undertake, that it will not offer or sell any Notes, 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 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**" shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

New Zealand

No action has been or will be taken by any Issuer, the Guarantor or the Dealers which would permit a public or regulated offering of any of the Notes, or possession or distribution of any offering material in relation to the Notes, in New Zealand.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or delivered and will not directly or indirectly offer, sell or deliver any Note, and it will not distribute any offering memorandum or advertisement in relation to any offer of Notes, in New Zealand, other than to any or all of the following persons only:

1. "wholesale investors" as that term is defined in clauses 3(2)(a), (c) and (d) of Schedule 1 to the Financial Markets Conduct Act 2013 of New Zealand ("**FMC Act**"), being a person who is:

(a) an "investment business";

(b) "large"; or

(c) a "government agency",

in each case as defined in Schedule 1 to the FMC Act; and

2. in other circumstances where there is no contravention of the FMC Act, provided that (without limiting paragraph 1 above) Notes may not be offered or transferred to any "eligible investors" (as defined in the FMC Act) or any person that meets the investment activity criteria specified in clause 38 of Schedule 1 to the FMC Act.

In addition, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, in relation to Note issues by ANZ New Zealand or ANZNIL, it has not offered or sold, and will not offer or sell, any Notes to persons whom it believes to be persons to whom any amounts payable on the Notes are or would be subject to New Zealand resident withholding tax, unless such persons certify that they have "RWT-exempt status" (as defined in the Income Tax Act 2007 (New Zealand)) in respect of New Zealand resident withholding tax, and provide a New Zealand tax file number to such Dealer (in which event the Dealer shall provide details thereof to the relevant Issuer or to a Paying Agent).

Singapore

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Base Prospectus 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 any person pursuant to Section 275(1A) of the SFA, and in accordance with the 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 shall 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:

(i) 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

(ii) where no consideration is or will be given for the transfer; or

(iii) where the transfer is by operation of law; or

(iv) as specified in Section 276(7) of the SFA; or

(v) 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.

South Korea

The Notes have not been and will not be registered under the Financial Investment Services and Capital Markets Act of Korea. The Notes may not be offered, sold or delivered, directly or indirectly, in Korea or to, or for the account or benefit of, any resident of Korea (as defined in the Foreign Exchange Transactions Law of Korea and its Enforcement Decree), or to any other person for reoffering, resale or re-delivery, directly or indirectly, in Korea or to, or for the account or benefit of, any resident of Korea, except as otherwise permitted by applicable Korean laws and regulations. Without prejudice to the foregoing, the number of the Notes offered in Korea or to a resident in Korea shall be less than fifty, and for a period of one year from the Issue Date of the Notes, none of the Notes may be divided resulting in an increase number of the Notes. Furthermore, the Notes may not be resold to Korean residents unless the purchaser of the Notes complies with all applicable regulatory requirements (including but not limited to government reporting requirements under the Foreign Exchange Transactions Law of Korea and its Enforcement Decree) in connection with the purchase of the Notes.

Taiwan

The Notes may be made available for purchase from outside Taiwan by investors residing in Taiwan either directly or through a duly licensed Taiwan intermediary, but may not be offered or sold in Taiwan. Any subscriptions of Notes shall only become effective upon acceptance by the relevant Issuer or the relevant Dealer outside Taiwan and shall be deemed a contract entered into in the jurisdiction of incorporation of the relevant Issuer or relevant Dealer, as the case may be.

The Kingdom of Norway

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, unless the Issuer has confirmed in writing to each Dealer that the Notes (if required) and this Base Prospectus have been approved by the Financial Supervisory Authority of Norway, it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Norway or to residents of Norway, except (i) to "professional investors" as defined in Section 10-6 of the Norwegian Securities Trading Act of 29 June 2007 No. 75. (the "**Securities Trading Act**") or (ii) in respect of an offer of Notes or addressed to investors subject to a minimum purchase of Notes for a total consideration of not less than €100,000 per investor, or (iii) to, when aggregated with such offer or sale of any Notes in the same offering by any other Dealer, fewer than 150 natural or legal persons (other than "professional investors" as defined in Section 10-6 in the Securities Trading Act), subject to obtaining the prior consent of the relevant Dealer or Dealers for any such offer, or (iv) in any other circumstance that shall not result in a requirement for the registration or the publication by the Issuer or the Dealer or Dealers of a prospectus pursuant to the Securities Trading Act. Notes denominated in Norwegian Kroner may not be offered or sold in the Norwegian market without the Notes prior thereto having been registered in the VPS.

General

These selling restrictions may be modified by the agreement of the relevant Issuer and the Dealers, including following a change in a relevant law, regulation or directive. Any such modification not relevant to a particular tranche of Notes only will be set out in a supplement to this Base Prospectus. With the exception of the approval by the UK Financial Conduct Authority of this Base Prospectus as a base prospectus issued in compliance with the Prospectus Regulation, no action has been taken in any country or jurisdiction by any Issuer, the Guarantor or the Dealers that would permit a public offering of any of the Notes, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required.

The Programme Agreement provides that each Dealer will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any Drawdown Prospectus, any Final Terms or any other offering material, in all cases at its own expense.

The Programme Agreement also provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations,

no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph headed "General" above.

Persons into whose hands the Base Prospectus or any Final Terms comes are, and each Noteholder is, required by the Issuers, the Guarantor and the Dealers to comply with 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.

TAXATION

The tax laws of the investor's state and of the relevant Issuer's state of incorporation might have an impact on the income received from the Notes. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries.

General

Neither ANZBGL, ANZ New Zealand nor ANZNIL nor any of the Dealers makes any comment about the treatment for taxation purposes of payments or receipts in respect of the Notes. Each investor contemplating acquiring Notes under the Programme is advised to consult a professional adviser in connection with the consequences relating to the acquisition, retention and disposition of Notes.

Australia

The comments below are of a general nature and are based on the provisions currently in force in Australia. They relate only to the position of persons who are the absolute beneficial owners of their Notes issued by ANZBGL (other than through an offshore branch, in which case such persons should consider the tax implications of the jurisdiction in which the relevant branch is located) and are based on the assumption that the only instruments issued by ANZBGL under the Programme are debt interests or debentures that are not equity interests for Australian taxation purposes. Noteholders who are in doubt as to their personal tax position should consult their professional advisers. Statutory references are references to a section of the *Income Tax Assessment Act 1936* or the *Income Tax Assessment Act 1997* of Australia (the "**Australian Tax Act**").

1. **Australian withholding tax**

Interest withholding tax – section 128F exemption

Under the Programme, the Notes may be issued out of the head office of ANZBGL or through foreign branches of ANZBGL.

To the extent the Notes are issued out of a foreign branch of ANZBGL under the Programme in the course of carrying on business at or through a permanent establishment outside of Australia, any interest paid on the Notes by ANZBGL should not be subject to Australian interest withholding tax.

Interest or an amount that is included in the extended definition of interest in section 128A on the Notes issued by ANZBGL is exempt from Australian interest withholding tax under section 128F of the Australian Tax Act if the following conditions are met:

(a) ANZBGL is either:

  (i) a resident of Australia when it issues the Notes and when interest (as defined in section 128A(1AB)) is paid on the Notes; or

  (ii) a non-resident of Australia when it issues the Notes and when interest (as defined in section 128A(1AB)) is paid on the Notes and the Notes are issued and the interest is paid on the Notes by ANZBGL in carrying on business at or through a permanent establishment in Australia;

(b) the Notes are debentures for the purposes of section 128F; and

(c) the Notes are issued by ANZBGL in a manner which satisfies the public offer test.

The public offer test is satisfied if the Notes are issued by ANZBGL as a result of being offered for issue:

(a) to at least 10 persons each of whom:

  (i) is carrying on a business of providing finance, or investing or dealing in securities, in the course of operating in financial markets; and

(ii) is not known, or suspected, by ANZBGL to be an associate (as defined in section 128F) of any of the other persons; or

(b) to at least 100 persons whom it is reasonable for ANZBGL to regard as having acquired debentures or debt interests in the past or being likely to be interested in acquiring debentures or debt interests; or

(c) as a result of being accepted for listing on a stock exchange, where ANZBGL had previously entered into an agreement with a dealer, manager or underwriter in relation to the placement of the Notes, requiring ANZBGL to seek such a listing; or

(d) as a result of negotiations being initiated publicly in electronic form, or in another form, that is used by financial markets for dealing in instruments similar to the Notes; or

(e) to a dealer, manager or underwriter in relation to the placement of the Notes who, under an agreement with ANZBGL, offered the Notes for sale within 30 days in a way covered by any of paragraphs (a) to (d) above.

In relation to the issue of a Global Note by ANZBGL, the "**public offer**" test will be satisfied if the Global Note falls within the definition of "**global bond**" set out in section 128F(10). Broadly speaking, this will be the case if the following requirements are satisfied:

(a) the Global Note describes itself as a global bond or a global note; and

(b) it is issued to a clearing house (as defined in section 128F(9)) or to a person as trustee or agent for, or otherwise on behalf of, one or more clearing houses; and

(c) in connection with the issue of the Global Note, the clearing house or houses confer rights in relation to the Global Note on other persons and will record the existence of the rights; and

(d) before the issue of the Global Note, ANZBGL or a dealer, manager or underwriter in relation to the placement of debentures, on behalf of ANZBGL, announces that, as a result of the issue, such rights will be able to be created; and

(e) the announcement is made in a way or ways covered by any of paragraphs (a) to (e) of section 128F(3) (reading a reference in those paragraphs to "**debenture**" as if it were a reference to the rights referred to in paragraph (d) above and a reference to the "**company**" as if it included a reference to the dealer, manager or underwriter); and

(f) under the terms of the Global Note, interests in the Global Note are able to be surrendered, whether or not in particular circumstances, in exchange for other debentures issued by ANZBGL, that are not themselves global notes.

The public offer test is not satisfied if at the time of issue, ANZBGL knows, or had reasonable grounds to suspect, that the Notes, or an interest in the Notes, issued by ANZBGL was being, or would later be, acquired directly or indirectly by an Offshore Associate (as defined in the section entitled "*Subscription and Sale — Australia*") of ANZBGL acting other than in the capacity of a dealer, manager or underwriter in relation to the placement of the Notes or a clearing house, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act.

The exemption under section 128F does not apply to interest paid by ANZBGL in respect of a Note if, at the time of payment, ANZBGL knows, or has reasonable grounds to suspect, that the investor is an Offshore Associate (as defined in the section entitled "*Subscription and Sale – Australia*") of ANZBGL (acting other than in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act).

ANZBGL proposes to issue Notes in a manner which will satisfy the requirements of section 128F of the Australian Tax Act.

Interest withholding tax – Exemptions under recent tax treaties

The Australian Government has concluded double tax conventions ("**Specified Treaties**") with foreign jurisdictions (each a "**Specified Country**") that contain certain exemptions from Australian IWT. The Specified Treaties apply to interest derived by a resident of a Specified Country.

The Specified Treaties effectively prevent interest withholding tax applying to interest derived by:

- governments of the Specified Countries and certain governmental authorities and agencies in a Specified Country; and

- certain unrelated (1) banks, and (2) other financial institutions which substantially derive their profits by carrying on a business of raising and providing finance and which are resident in the Specified Country (interest paid under a back-to-back loan or economically equivalent arrangement will not qualify for this exemption),

by reducing the interest withholding tax rate to zero.

The Specified Treaties are in force in a number of jurisdictions including, for example, the United States and the United Kingdom.

Withholding tax in respect of Notes in bearer form

Section 126 of the Australian Tax Act imposes a type of withholding tax on the payment of interest on bearer Notes issued by ANZBGL if ANZBGL fails to disclose the names and addresses of the holders to the Australian Taxation Office. A withholding rate of 45 per cent. currently applies. Section 126 does not apply to a payment on a bearer Note which, although not being interest at general law, is included in the extended definition of interest in section 128A. Section 126 does not apply to the payment of interest on bearer Notes held by non-residents who do not carry on business at or through a permanent establishment in Australia, where the issue of those Notes satisfied the requirements of section 128F of the Australian Tax Act. Additionally, section 126 does not apply where interest withholding tax is payable. In limited circumstances, where ANZBGL fails to disclose the relevant details of Holders of bearer Notes to the Australian Taxation Office, interest withholding tax may apply pursuant to section 128B(9C) rather than section 126. The Australian Taxation Office has confirmed that it considers "the holder of the debenture", for the purposes of section 126, to be the person in possession of the debenture. Consequently, where residents of Australia or non-residents carrying on a business at or through a permanent establishment in Australia hold bearer Notes through (for example) the Euroclear or Clearstream systems, the Australian Taxation Office will view the operator of the relevant system as the holder of those bearer Notes.

TFN/ABN withholding tax

Section 12-140 of Schedule 1 to the Taxation Administration Act 1953 of Australia (the "**Tax Administration Act**") imposes a type of withholding tax on the payment of interest on certain registered securities unless the relevant payee has quoted an Australian tax file number ("**TFN**"), (in certain circumstances) an Australian Business Number ("**ABN**") or proof of some other exception (as appropriate). The rate of withholding tax is currently 47 per cent. Assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes issued by ANZBGL, then the requirements of section 12-140 do not apply to payments to a holder of those Notes in registered form who is not a resident of Australia and not holding those Notes in the course of carrying on business at or through a permanent establishment in Australia. Payments to other classes of holders of Notes issued by ANZBGL in registered form may be subject to a withholding where the holder of those Notes does not quote a TFN, ABN or provide proof of an appropriate exemption (as appropriate).

Payment of additional amounts

If, where ANZBGL is the Issuer, ANZBGL is compelled by law at any time to withhold or deduct an amount in respect of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of Australia or any authority therein having the power to tax, it will, subject to certain exceptions set out in Condition 7 (*Taxation*) (*Terms and Conditions of the Notes*), pay such additional amounts as will result in the payment to the Noteholders concerned of the sum which would otherwise have been payable on the Notes.

ANZBGL will not be liable to account to an investor for any deduction or withholding on account of any duties or taxes where those duties or taxes are imposed or levied by or on behalf of Australia or any authority therein having the power to tax by virtue of, among other things (see Condition 7 (*Taxation*) (*Terms and Conditions of the Notes*) for further details), the investor being an Offshore Associate (as defined in the Section entitled "*Subscription and Sale – Australia*") of ANZBGL (acting other than in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act), or as a result of the investor being a party to or participating in a scheme to avoid such duties or taxes, being a scheme which ANZBGL neither was a party to nor participated in.

2. **Other tax matters**

ANZBGL has been advised by its Australian counsel that, under current Australian law:

(a) subject to compliance with the requirements of the Australian Tax Act referred to above, payments of:

(i) principal;

(ii) interest; or

(iii) amounts included in the extended definition of interest in section 128A(1AB),

to a holder of a Note or Coupon issued by ANZBGL who is a non-resident of Australia, and who during the taxable year has not engaged in trade or business at or through a permanent establishment within Australia, will not be subject to Australian income tax;

(b) a holder of a Note or Coupon issued by ANZBGL who is a non-resident of Australia and who during the taxable year has not carried on business at or through a permanent establishment within Australia will not be subject to Australian income or capital gains tax on gains realised during that year on sale or redemption of such Notes, provided such gains do not have an Australian source. A gain arising on the sale of a Note or Coupon issued by ANZBGL by a non-Australian resident holder to another non-Australian resident where the Note or Coupon is sold outside Australia and all negotiations are conducted and all documentation is executed outside Australia would not be regarded as having an Australian source;

(c) Subdivision 12-FB of Schedule 1 of the Tax Administration Act imposes a withholding obligation in respect of certain payments, to be prescribed by regulation that are made to non-residents of Australia.

The Tax Administration Act expressly provides that the regulations will not apply to interest and other payments which are already subject to the current interest withholding tax rules or specifically exempt from those rules. Further, regulations may only be made if the responsible minister is satisfied the specified payments are of a kind that could reasonably relate to assessable income of foreign residents. ANZBGL has been advised by its Australian counsel that they do not expect the regulations to apply to repayments of principal under the Notes, as such amounts are not generally income or gains. The possible application of any regulations to the proceeds of any sale of the Notes will need to be monitored;

(d) the Notes issued by ANZBGL will not be subject to death, estate or succession duties imposed by Australia or by any instrumentality thereof or therein, if held outside Australia at the time of death; and

(e) no ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue or redemption of the Notes by ANZBGL or the transfer of the Notes.

Taxation of Financial Arrangements

The Australian Government has enacted a specific regime for the taxation of financial arrangements (referred to as "**TOFA**") which can affect the taxation of financial instruments such as Notes. ANZBGL has elected for the TOFA regime to apply to certain financial arrangements, such as the Notes, acquired on or after 1 July 2009. Alternative taxation rules will continue to apply to Notes held by taxpayers that

are not subject to the TOFA regime because they do not meet certain threshold requirements. The TOFA regime does not contain any measures that would override the exemption from Australian interest withholding tax available under section 128F of the Australian Tax Act in respect of interest payable on the Notes.

New Zealand

The following is a summary of the New Zealand withholding tax treatment at the date of this Base Prospectus in relation to payments of interest in respect of Notes issued on or after 30 March 2017. The comments do not deal with other New Zealand tax aspects of acquiring, holding or disposing of Notes. The comments are based on the current New Zealand tax law and published practice, which law or practice may be subject to subsequent change (potentially with retrospective effect). Each investor contemplating acquiring Notes is advised to consult a professional adviser in connection with the consequences relating to the acquisition, retention and disposition of Notes.

Resident Withholding Tax

ANZ New Zealand and ANZNIL are required by law to deduct New Zealand resident withholding tax from the payment of interest, including amounts deemed to be interest, to the Holder of any Note on any interest payment date or the maturity date, and, similarly, ANZ New Zealand is required to make such deductions from payments under the guarantee to the extent such payments constitute interest for New Zealand tax purposes where:

(a) the Holder is (i) a resident of New Zealand for New Zealand income tax purposes, or (ii) the Holder holds the Notes for the purposes of a business the Holder carries on in New Zealand, through a fixed establishment (as defined in the Income Tax Act 2007 (New Zealand)) in New Zealand, or (iii) the Holder is a registered bank engaged in business in New Zealand through a fixed establishment (as defined in the Income Tax Act 2007 (New Zealand)) in New Zealand and is not associated with ANZ New Zealand or ANZNIL (as applicable) (each a "**New Zealand Holder**"); and

(b) at the time of such payment the New Zealand Holder does not hold "RWT-exempt status" (as defined in the Income Tax Act 2007 (New Zealand)) in respect of New Zealand resident withholding tax.

Prior to any interest payment date or the maturity date, any New Zealand Holder:

(a) must notify ANZ New Zealand or ANZNIL, as the case may be, that the New Zealand Holder is the Holder of a Note; and

(b) must notify ANZ New Zealand or ANZNIL, as the case may be, of any circumstances, and provide ANZ New Zealand or ANZNIL, as the case may be, with any information, that may enable ANZ New Zealand or ANZNIL, as the case may be, to make the payment of interest to the New Zealand Holder without deduction on account of New Zealand resident withholding tax.

The New Zealand Holder must notify ANZ New Zealand or ANZNIL, as the case may be, prior to any interest payment date or the maturity date, of any change in the New Zealand Holder's circumstances from those previously notified that could affect ANZ New Zealand's or ANZNIL's, as the case may be, payment or withholding obligations in respect of any Note. By accepting payment of the full face amount of a Note or any interest thereon on any interest payment date or the maturity date, the New Zealand Holder will be deemed to have indemnified ANZ New Zealand or ANZNIL, as the case may be, for all purposes in respect of any liability which ANZ New Zealand or ANZNIL, as the case may be, may incur for not deducting any amount from such payment on account of New Zealand resident withholding tax.

Non-Resident Withholding Tax

New Zealand law requires a deduction on account of non-resident withholding tax to be made from the payment of interest to any Holder who is not a New Zealand Holder. Where such deduction is required, ANZ New Zealand and ANZNIL intend (for so long as they do not incur any increased cost or detriment from so doing and are legally able to do so) to reduce the applicable rate of non-resident withholding tax

to zero per cent. by registering the Programme with the New Zealand Inland Revenue and paying, on its own account, a levy equal to two per cent. of the relevant interest payment.

Other taxes

No ad valorem stamp, issue, registration or similar taxes are payable in New Zealand in connection with the issue of the Notes or the Guarantee. Furthermore, a transfer of or agreement to transfer the Notes or the Guarantee executed outside of New Zealand will not be subject to New Zealand stamp duty.

United Kingdom

A. Introduction

The following is a summary of the United Kingdom withholding taxation treatment at the date hereof in relation to payments of principal and interest in respect of the Notes. It is based on current law and the practice of H.M. Revenue and Customs ("**HMRC**") which may be subject to change, sometimes with retrospective effect. The comments do not deal with other United Kingdom tax aspects of acquiring, holding or disposing of Notes. The comments relate only to the position of persons who are absolute beneficial owners of the Notes and related Coupons and Talons (if any). Prospective Noteholders should be aware that the particular terms of issue of any series of Notes as specified in the relevant Final Terms may affect the tax treatment of that and other series of Notes. The following is a general guide and should be treated with appropriate caution. It is not intended as tax advice and it does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser. Noteholders who are in any doubt as to their tax position should consult their professional advisers. Noteholders who may be liable to taxation in jurisdictions other than the United Kingdom in respect of their acquisition, holding or disposal of the Notes are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain United Kingdom taxation aspects of payments in respect of the Notes. In particular, Noteholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the United Kingdom.

B. UK Withholding Tax on UK Source Interest

B.1 Interest on Notes may be paid by the relevant Issuer without withholding or deduction for or on account of United Kingdom income tax except in circumstances where such interest has a United Kingdom source ("**UK Interest**"). Interest on Notes may have a United Kingdom source where, for example, the Notes are issued by an Issuer acting through a branch or permanent establishment in the United Kingdom, the Notes are secured on assets situated in the United Kingdom or the interest is paid out of funds maintained in the United Kingdom. Notes which carry a right to UK Interest are referred to in this United Kingdom taxation section as "**UK Notes**".

B.2 UK Notes will constitute "quoted Eurobonds" provided they are and continue to be "listed on a recognised stock exchange" (within the meaning of section 1005 of the Income Tax Act 2007 (the "**Income Tax Act**")) or admitted to trading on a "multilateral trading facility" (within the meaning of section 987 of the Income Tax Act) operated by a recognised stock exchange regulated in the European Economic Area. Provided that the UK Notes are and continue to be quoted Eurobonds, payments of interest on the UK Notes may be made without withholding or deduction for or on account of United Kingdom Income Tax.

The London Stock Exchange is a recognised stock exchange for these purposes. In the case of UK Notes to be traded on the London Stock Exchange, the UK Notes will be treated as "listed on a recognised stock exchange" if the UK Notes are included in the Official List of the FCA (within the meaning of Part 6 of the FSMA) and admitted to trading on the London Stock Exchange.

Euronext Dublin is a recognised Stock Exchange. The Issuers' understanding of current HMRC practice is that securities which are officially listed and admitted to trading on the main market of that exchange may be regarded as "listed on a recognised stock exchange" for these purposes.

The Luxembourg Stock Exchange is a recognised stock exchange. The Issuers' understanding of current HMRC practice is that securities which are officially listed and admitted to trading on the Main Market of that Exchange may be regarded as "listed on a recognised stock exchange" for these purposes.

B.3 In addition to the exemption set out in B.2 above, interest on UK Notes may be paid without withholding or deduction for or on account of United Kingdom income tax if the relevant Issuer is a "bank" for the purposes of section 878 of the Income Tax Act 2007 and so long as such payments are made by the relevant Issuer in the ordinary course of its business. Neither ANZ New Zealand nor ANZNIL qualifies as a bank for these purposes. However, ANZBGL has confirmed that, when acting through its London branch, it is a bank for these purposes.

B.4 In cases falling outside the exemptions described in B.2 and B.3 above, interest on UK Notes may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.) subject to such relief as may be available. However, this withholding will not apply if the relevant interest is paid on Notes with a maturity date of less than one year from the date of issue and which are not issued under arrangements the effect of which is to render such Notes part of a borrowing with a total term of a year or more.

C. Payments by Guarantor

If the Guarantor makes any payments in respect of interest on UK Notes (or other amounts due under UK Notes other than the repayment of amounts subscribed for such UK Notes) such payments may be subject to United Kingdom withholding tax at the basic rate (currently 20 per cent.) subject to such relief as may be available. Such payments by the Guarantor may not be eligible for the exemptions described in B above.

D. Payments under Deed of Covenant

Any payments made by an Issuer under the Deed of Covenant may not qualify for the exemptions from UK withholding tax described in B above.

E. Other Rules Relating to United Kingdom Withholding Tax

1. Notes may be issued at an issue price of less than 100 per cent. of their principal amount. Any discount element on any such Notes may, depending on a number of other factors (including whether or not the payment is considered to be a UK source), be subject to any United Kingdom withholding tax pursuant to the provisions mentioned in B above, subject to the potential exemptions mentioned in B above.

2. Where Notes are to be, or may fall to be, redeemed at a premium, as opposed to being issued at a discount, then any such element of premium may constitute a payment of interest. Payments of interest are subject to United Kingdom withholding tax.

3. Where interest has been paid under deduction of United Kingdom income tax, Noteholders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted if there is an appropriate provision in any applicable double taxation treaty.

4. The references to **interest** in this United Kingdom taxation section mean "interest" as understood in United Kingdom tax law. The statements do not take any account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation (e.g. see Condition 7 (*Taxation*) of the Notes).

5. Where a payment on a Note does not constitute (or is not treated as) interest for United Kingdom tax purposes and the payment has a United Kingdom source, it may be subject to United Kingdom withholding tax if, for example, it constitutes (or is treated as) an annual payment, a manufactured payment, rent or royalties for United Kingdom tax purposes. Where a payment is subject to United Kingdom withholding tax, depending on the nature of the payment (which will be determined by, among other things, the terms and conditions specified by the Final Terms of the Note), the payment may fall to be made under deduction of United Kingdom tax

(the rate of withholding generally being 20 per cent.), subject to any exemption from withholding which may apply and to such relief as may be available.

6. The above description of the United Kingdom withholding tax position assumes that there will be no substitution of an Issuer and does not consider the tax consequences of any such substitution.

The Proposed European Financial Transactions Tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in the participating Member States. The participating Member States are currently Belgium, Germany, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**").

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State. At the ECOFIN Council meeting of 14 June 2019, a state of play of the work on the FTT was presented on the basis of a note prepared by Germany on 7 June 2019 indicating a consensus among the participating Member States to continue negotiations on the basis of a joint French-German proposal based on the French financial transactions tax model which in principle would only concern shares of listed companies whose head office is in a Member State of the European Union.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

Foreign Account Tax Compliance Withholding

A 30 per cent. withholding tax may be imposed on certain payments to certain non-U.S. financial institutions that fail to comply with information collection and reporting requirements or certification requirements in respect of their direct and/or indirect shareholders and/or accountholders that are tax resident in the U.S. (including certain non-U.S. entities that are controlled by U.S. tax residents). Accountholders subject to such information collection/reporting or certification requirements may include holders of certain Notes, and the Issuer may be required to withhold on a portion of any payment made under such Notes. In addition, the Issuer may be required to withhold on a portion of any payment under any Note that is made to a non-U.S. financial institution that has not agreed to comply with these information reporting requirements or has been found to be non-compliant in its execution of the obligations by the U.S. IRS. Such withholding may be imposed at any point in a chain of payments if a payee fails to comply with U.S. information collection, reporting, certification and related requirements. Accordingly, Notes held through a non-compliant institution may be subject to withholding even if the holder of the Note otherwise would not be subject to withholding. However, under proposed U.S. Treasury regulations, such withholding will not apply to payments made before the date that is two years after the date on which final regulations defining the term "foreign passthru payment" are enacted. Moreover, except with respect to Subordinated Notes, such withholding would only apply to notes issued at least six months after the date on which final regulations defining the term "foreign passthru payment" are enacted.

While a Reporting United Kingdom, Australian or New Zealand Financial Institution (as defined in the relevant intergovernmental agreement with the United States) that complies with its obligations under the applicable intergovernmental agreement will generally not be subject to FATCA withholding on

amounts it receives, and will not generally be required to make FATCA withholding from payments it makes with respect to the Notes (other than in certain prescribed circumstances), FATCA withholding on counterparty or third party dealings may indirectly affect the Reporting Financial Institution.

Prospective investors should consult their tax advisers and their banks or brokers regarding the possibility of this withholding.

CRS

The CRS requires certain financial institutions to report information regarding certain accounts (which may include the Notes) to their local tax authority and follow related account opening information collection and due diligence procedures. Noteholders may be requested to provide certain information and certifications to ensure compliance with the CRS. A jurisdiction that has signed a CRS Competent Authority Agreement and relevant information exchange agreement may provide this information to other participating jurisdictions. The Australian, New Zealand and United Kingdom Governments have enacted legislation to give effect to the CRS.

USE OF PROCEEDS

Unless otherwise specified in the applicable Final Terms, the net proceeds from the issue of any Notes will be used by the relevant Issuer (in the case of ANZBGL and ANZ New Zealand) for its general corporate purposes. Where ANZNIL is the Issuer, ANZNIL will on-lend the net proceeds of the issue of the Notes to ANZ New Zealand, for ANZ New Zealand's general corporate purposes.

FORM OF FINAL TERMS

Set out below is the Form of Final Terms which will be completed for each Tranche of Notes issued under the Programme which have a minimum denomination of at least €100,000 (or its equivalent in another currency).

PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS: The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area **("EEA")** or in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (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 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK will be prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

[**MiFID II product governance / Professional investors and eligible counterparties only target market** – Solely for the purposes of [the Dealer's/the Managers'/each relevant Manager's] product approval process as [a] MiFID II [(as defined below)] "manufacturer[s]", the target market assessment completed by the relevant [Dealer/Managers/Manager] in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "**MiFID II**")][MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.] The Issuer is not subject to MiFID II and any implementation thereof by an EU Member State. The Issuer is therefore not a "manufacturer" for the purposes of the MiFID Product Governance Rules under EU Delegated Directive 2017/593 and has no responsibility or liability for identifying a target market, or any other product governance obligation set out in MiFID II, for financial instruments it issues (including the foregoing target market assessment for the Notes described in this legend).]

[**Notification under Section 309(B)(1) of the Securities and Futures Act of Singapore (the "SFA")** – The Notes are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the "**MAS**") Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]

[**Australia and New Zealand Banking Group Limited**
(Australian Business Number 11 005 357 522)
(Incorporated with limited liability in Australia and registered in the State of Victoria)
Legal Entity Identifier: JHE42UYNWWTJB8YTTU19]

[ANZ Bank New Zealand Limited
(Incorporated with limited liability in New Zealand)
Legal Entity Identifier: HZSN7FQBPO5IEWYIGC72]

[ANZ New Zealand (Int'l) Limited,
Acting through its London branch
(Incorporated with limited liability in New Zealand)

Legal Entity Identifier: 213800VD256NU2D97H12]
(the "**Issuer**")
US$60,000,000,000
Euro Medium Term Note Programme

Series No: [ ]

Tranche No: [ ]

[*Brief Description and Amount of Notes*]

Issue Price: [ ] per cent.

[Guaranteed by ANZ Bank New Zealand Limited]

[Name(s) of Dealer(s)]

The date of these Final Terms is [ ]

PART A — CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 20 November 2020 [and the Supplemental Base Prospectus[es] dated [●] [and [●]] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Regulation. This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus.

Full information on the Issuer [, the Guarantor] and the offer of the Notes described herein is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing on the website of [the Issuer at

https://www.anz.com/debtinvestors/centre/programmes/anz-banking-group/euro-medium-term-note-programme-aus/] [*https://www.anz.com/debtinvestors/centre/programmes/anz-bank-nz/euro-medium-term-note-programme-nz/*]][and] [the Regulatory News Service operated by the London Stock Exchange at *www.londonstockexchange.com/exchange/news/market-news/market-news-home.html*] and during normal business hours at the offices of the Paying Agents and copies may be obtained from Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB.]

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated [●] [and the Supplemental Base Prospectus[es] dated [●] [and [●]]. This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus dated 20 November 2020 [and the Supplemental Base Prospectus[es] dated [●] and [●], which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Regulation, save in respect of the Conditions which are extracted from the Base Prospectus dated [●] [and the Supplemental Base Prospectus[es] dated [●] and [●]].

Full information on the Issuer [, the Guarantor] and the offer of the Notes described herein is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus (which includes the Supplemental Base Prospectus[es] referred to above) is available for viewing on the website of [the Issuer at [*https://www.anz.com/debtinvestors/centre/programmes/anz-banking-group/euro-medium-term-note-programme-aus/*] [*https://www.anz.com/debtinvestors/centre/programmes/anz-bank-nz/euro-medium-term-note-programme-nz/*]] [and] [the Regulatory News Service operated by the London Stock Exchange at *www.londonstockexchange.com/exchange/news/market-news/market-news-home.html*] and during normal business hours at the offices of the Paying Agents and copies may be obtained from Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB.]

1	(i)	Series Number:	[ ]
	(ii)	Tranche Number:	[ ]
	(iii)	Date on which the Notes will be consolidated and form a single Series:	[[The Notes will be consolidated and form a single Series with [ ] on [the Issue Date]/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referenced to in paragraph [22] below[, which is expected to occur on or about [ ]]/[Not Applicable]
2	(i)	Specified Currency or Currencies:	[ ]
	(ii)	Exotic Currency Payments:	[Applicable]/[Not Applicable]
	(iii)	Exotic Currency Relevant Time:	[ ] /[Not Applicable]
	(iv)	Exotic Currency Thomson Reuters Screen Page:	[ ] /[Not Applicable]
3	Aggregate Principal Amount:		[ ]
	(i)	Series:	[ ]
	(ii)	Tranche:	[ ]
4	Issue Price:		[ ] per cent. of the Aggregate Principal Amount [plus accrued interest from [ ]]
5	Specified Denomination(s):		[ ]
6	Calculation Amount:		[ ]
7	(i)	Issue Date:	[ ]
	(ii)	Interest Commencement Date:	[Issue Date/[ ]/Not Applicable]
8	Maturity Date:		[[ ]/Interest Payment Date falling on or nearest to [ ]]
9	Interest Basis:		[Fixed Rate] [Floating Rate] [Inverse Floating Rate] [CMS Rate] [Zero Coupon]
10	Redemption/Payment Basis:		[Redemption at [Par]/[[ ] per cent. of the Aggregate Principal Amount]]] [Instalment]
11	Change of Interest or Redemption/Payment Basis:		[ ]/[Not Applicable]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

12	Fixed Rate Note Provisions	[Applicable [in respect of the period from, and including, [ ] to, but excluding, [ ]] [Not Applicable]

(i)	Rate(s) of Interest:		[ ] per cent. per annum [payable annually/semi-annually/quarterly/monthly] in arrear
(ii)	(a)	Interest Payment Date(s):	[[ ] in each year [commencing on [ ]] [in each case subject to adjustment [for payment purposes only] in accordance with the Business Day Convention specified below]]/Not Applicable]
	(b)	Interest Period(s):	[[ ]/Not Applicable]
	(c)	Interest Period Date:	[[ ]/Not Applicable]
(iii)	Fixed Coupon Amount(s):		[[ ] per Calculation Amount/Not Applicable]
(iv)	Broken Amount(s):		[[ ] per Calculation Amount payable on [ ]/Not Applicable]
(v)	Day Count Fraction:		[Actual/Actual (ICMA)] [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/360] [30/360 (ICMA)] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]
(vi)	Business Day Convention:		[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
	(a)	Adjusted:	[Applicable] [Not Applicable]
	(b)	No Adjustment:	[Applicable] [Not Applicable]
(vii)	Additional Business Centre(s):		[[ ]/Not Applicable]
(viii)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):		[The Fiscal Agent[ ] shall be the Calculation Agent]
13	Floating Rate Note Provisions		[Applicable [in respect of the period from, and including, [ ] to, but excluding, [ ]/Not Applicable]
(i)	(a)	Interest Payment Dates:	[[ ] in each year [commencing on [ ]] [in each case subject to adjustment [for payment purposes only] in accordance with the Business Day Convention specified below]]/Not Applicable]
	(b)	Interest Period(s):	[[ ]/Not Applicable]
	(c)	Interest Period Date:	[[ ]/Not Applicable]
(ii)	Business Day Convention:		[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
(iii)	No Adjustment of Interest Amounts:		[Applicable/Not Applicable]

(iv)	Additional Business Centre(s):	[ ] /[Not Applicable]
(v)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination/BBSW Notes/BKBM Notes]
(vi)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	[Fiscal Agent/[ ] shall be the Calculation Agent]
(vii)	Screen Rate Determination:	[Applicable/Not Applicable]
	- Reference Rate:	[BBSW / BKBM / LIBOR / EURIBOR / Federal Funds Effective Rate US / CDOR / SHIBOR / HIBOR / SIBOR / CNH HIBOR / SONIA / SOFR]
	- Specified Maturity:	[ ]
	- Interest Determination Date(s):	[[ ]] / [[ ] U.S. Government Securities Business Day prior to Interest Payment Date]]
	- Relevant Screen Page:	[ ]
	- Reference Banks:	[ ]
	- Relevant Time:	[ ]
	- Relevant Financial Centre:	[ ]
	- Observation Look Back Period:	[ ] [London Banking Days] [Not Applicable]
	- Reset Period:	[[ ] U.S. Government Securities Business Day(s)] [Not Applicable]
	- Suspension Period:	[[ ] U.S. Government Securities Business Day(s)] [Not Applicable]
	- ISDA Determination for Fallback:	[Applicable/Not Applicable]
(viii)	ISDA Determination:	[Applicable/Not Applicable]
	- Floating Rate Option:	[ ]
	- Designated Maturity:	[ ]
	- Reset Date:	[ ]
(ix)	Margin(s):	[[+/-] [ ] per cent. per annum/Not Applicable]
(x)	Rate Multiplier:	[[ ]/Not Applicable]
(xi)	Minimum Rate of Interest:	[[ ] per cent. per annum/Not Applicable]

	(xii)	Maximum Rate of Interest:	[[ ] per cent. per annum/Not Applicable]
	(xiii)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/360] [30/360 (ICMA)] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]
	(xiv)	Linear Interpolation:	[Not Applicable]/[Applicable – the Rate of Interest for the [long]/[short [first/last] Interest Period shall be calculated using Linear Interpolation]
14	CMS Rate Note Provisions		[Applicable [in respect of the period from, and including, [ ] to, but excluding, [ ]/Not Applicable]
	(i)	CMS Rate:	[EUR CMS Rate] / [GBP CMS Rate] / [USD CMS Rate]
	(ii)	(a) Interest Payment Dates:	[[ ] in each year [commencing on [ ]] [in each case subject to adjustment [for payment purposes only] in accordance with the Business Day Convention specified below]]/Not Applicable]
		(b) Interest Period(s):	[[ ]/Not Applicable]
		(c) Interest Period Date:	[[ ]/Not Applicable]
	(iii)	Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
	(iv)	No Adjustment:	[Applicable]/[Not Applicable]
	(v)	Additional Business Centre(s):	[ ] /[Not Applicable]
	(vi)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	[The Fiscal Agent/ [ ] shall be the Calculation Agent]
	(vii)	Specified Maturity:	[ ]
	(viii)	Interest Reset Date:	[ ]
	(ix)	Representative Amount:	[ ]
	(x)	Margin(s):	[[+/-] [ ] per cent. per annum/Not Applicable]
	(xi)	Rate Multiplier:	[[ ]/Not Applicable]
	(xii)	Minimum Rate of Interest:	[[ ] per cent. per annum/Not Applicable]
	(xiii)	Maximum Rate of Interest:	[[ ] per cent. per annum/Not Applicable]
	(xiv)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/360] [30/360 (ICMA)] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]

(xv) Linear Interpolation: [Not Applicable]/[Applicable – the Rate of Interest for the [long]/[short] [first/last] Interest Period shall be calculated using Linear Interpolation]

15 Inverse Floating Rate Note Provisions [Applicable/Not Applicable]

(i) (a) Interest Payment Dates: [[ ] in each year [commencing on [ ]] [in each case subject to adjustment [for payment purposes only] in accordance with the Business Day Convention specified below]]/Not Applicable]

(b) Interest Period(s): [[ ]/Not Applicable]

(c) Interest Period Date: [[ ]/Not Applicable]

(ii) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]

(iii) No Adjustment of Interest Amounts: [Applicable/Not Applicable]

(iv) Additional Business Centre(s): [ ]/[Not Applicable]

(v) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): [The Fiscal Agent[ ] shall be the Calculation Agent]

(vi) Specified Fixed Rate:

Interest Payment Date	Specified Fixed Rate (per cent. per annum)
[ ]	[ ]
[ ]	[ ]
[ ]	[ ]

(vii) Relevant Floating Rate:

- Reference Rate: [BBSW / BKBM / LIBOR / EURIBOR / Federal Funds Effective Rate US / CDOR / SHIBOR / HIBOR / SIBOR / SONIA / SOFR / CNH HIBOR / Other (*specify*)]
- Interest Determination Date(s): [[ ]] / [[ ] U.S. Government Securities Business Day prior to Interest Payment Date]]
- Relevant Screen Page: [ ]
- Reference Banks: [ ]
- Relevant Time: [ ]
- Relevant Financial Centre: [ ]

-	Observation Look Back Period:	[ ] [London Banking Days] [Not Applicable]
-	Reset Period:	[[ ] U.S. Government Securities Business Day(s)] [Not Applicable]
-	Suspension Period:	[[ ] U.S. Government Securities Business Day(s)] [Not Applicable]
(viii)	Minimum Rate of Interest:	[[ ] per cent. per annum/Not Applicable]
(ix)	Maximum Rate of Interest:	[[ ] per cent. per annum/Not Applicable]
(x)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/360] [30/360 (ICMA)] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]
(xi)	Linear Interpolation:	[Not Applicable]/[Applicable – the Rate of Interest for the [long]/[short] [first/last] Interest Period shall be calculated using Linear Interpolation]
16.	Range Accrual Note Provisions:	[Applicable] [Not Applicable]
(i)	Interest Payment Date(s):	[[ ] in each year [commencing on [ ]] [in each case subject to adjustment [for payment purposes only] in accordance with the Business Day Convention specified below]]/Not Applicable]
(ii)	Interest Period(s):	[[ ]/Not Applicable]
(iii)	Interest Period Date:	[[ ]/Not Applicable]
(iv)	No Adjustment of Interest Amounts:	[Applicable/Not Applicable]
(v)	Business Day Convention:	[Floating Rate Business Day Convention][Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention] [Not Applicable]
(vi)	Additional Business Centre(s):	[ ] [Not Applicable]
(vii)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	[The Fiscal Agent/ [ ] shall be the Calculation Agent]
(viii)	Protection Barrier:	[Applicable] [Not Applicable]
	[-Protection Barrier Period:	[[ ] per cent.]]
(ix)	Fixed Rate Range Accrual Note:	[Applicable] [Not Applicable]
	[-Specified Fixed Rate:	[[ ] per cent. per annum]]
(x)	Floating Rate Range Accrual Note:	[Applicable/Not Applicable]

	- Range Accrual Floating Rate:	[BBSW/BKBM/LIBOR/EURIBOR/Federal Funds Effective Rate US/CDOR/SHIBOR/HIBOR/SIBOR /SONIA/ SOFR / CNH HIBOR]
	- Margin:	[[+/-] [ ] per cent. per annum/Not Applicable]
	- Specified Maturity:	[ ]
	- Interest Determination Date:	[[ ]] / [[ ] U.S. Government Securities Business Day prior to Interest Payment Date]]
	- Specified Currency:	[ ]
	- Relevant Screen Page:	[ ]
	- Relevant Time:	[ ]
	- Relevant Financial Centre:	[ ]
	[- Observation Look Back Period:	[ ] [London Banking Days] [Not Applicable]]
	- Reset Period:	[[ ] U.S. Government Securities Business Day(s)] [Not Applicable]
	- Suspension Period:	[[ ] U.S. Government Securities Business Day(s)] [Not Applicable]
	- Linear Interpolation:	[Not Applicable]/[Applicable – the Rate of Interest for the [long]/[short] [first/last] Interest Period shall be calculated using Linear Interpolation]
(xi)	Single Range Accrual Note:	[Applicable] [Not Applicable]
	- Reference Rate:	[BBSW/BKBM/LIBOR/EURIBOR/Federal Funds Effective Rate US/CDOR/SHIBOR/HIBOR/SIBOR / SONIA/ SOFR/CNH HIBOR/EUR CMS/GBP CMS/USD CMS/Other (*specify*)] [Not Applicable]
	- Specified Maturity:	[ ] [month[s]] [year[s]]
	[- Specified Currency:	[ ]]
	[- Relevant Screen Page:	[ ]]
	[- Relevant Time:]	[[ ] [As specified in Condition 4(p)]]
	[- Relevant Financial Centre:]	[[ ]]
	[- Observation Look Back Period	[ ] [London Banking Days] [Not Applicable]]
	- Reset Period:	[[ ] U.S. Government Securities Business Day(s)] [Not Applicable]

	- Suspension Period:	[[ ] U.S. Government Securities Business Day(s)] [Not Applicable]
	- Constant Maturity Swap Spread:	[Applicable] [Not Applicable]
	[- First CMS Spread Reference Rate:	[EUR CMS][GBP CMS][USD CMS]
	- Specified Maturity:	[ ] [months[s]] [year[s]]
	- Second CMS Spread Reference Rate:	[EUR CMS][GBP CMS][USD CMS]
	- Specified Maturity:	[ ] [months[s]] [year[s]]
	- Cap:	[[ ] per cent. per annum] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(g), [less than or equal to][less than] shall apply.]
	- Floor:	[[ ] per cent. per annum] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(g), [greater than or equal to][greater than] shall apply.]
(xii)	Dual Range Accrual Note:	[Applicable][Not Applicable]
	- Reference Rate:	[BBSW/BKBM/LIBOR/EURIBOR/Federal Funds Effective Rate US/CDOR/SHIBOR/HIBOR/SIBOR /SONIA/ SOFR/CNH HIBOR/EUR CMS/GBP CMS/USD CMS/Other (*specify*)] [Not Applicable]
	- Specified Maturity:	[ ] [month[s]] [year[s]]
	[- Specified Currency:	[[ ]]
	[- Relevant Screen Page:	[ ]]
	[- Relevant Time:]	[[ ] [As specified in Condition 4(p)]]
	[- Relevant Financial Centre:]	[[ ]]
	[[- Observation Look Back Period:	[ ] [London Banking Days] [Not Applicable]]
	- Cap:	[[ ] per cent. per annum] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(g), [less than or equal to][less than] shall apply.]
	- Floor:	[[ ] per cent. per annum] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(g), [greater than or equal to][greater than] shall apply.]

-	Reset Period:	[[ ] U.S. Government Securities Business Day(s)] [Not Applicable]
-	Suspension Period:	[[ ] U.S. Government Securities Business Day(s)] [Not Applicable]
	- Reference Rate:	[BBSW/BKBM/LIBOR/EURIBOR/Federal Funds Effective Rate US/CDOR/SHIBOR/HIBOR/SIBOR/SONIA/ SOFR / CNH HIBOR/EUR CMS/GBP CMS/USD CMS/Other (*specify*)] [Not Applicable]
	- Specified Maturity:	[ ] [month[s]] [year[s]]
	[- Specified Currency:	[[ ]]
	[- Relevant Screen Page:	[ ]]
	[- Relevant Time:]	[[ ]]
	[- Relevant Financial Centre:]	[[ ]]
	[[- Observation Look Back Period:	[ ] [London Banking Days] [Not Applicable]]
	- Reset Period:	[[ ] U.S. Government Securities Business Day(s)] [Not Applicable]
	- Suspension Period:	[[ ] U.S. Government Securities Business Day(s)] [Not Applicable]
	- Constant Maturity Swap Spread:	[Applicable] [Not Applicable]
	[- First CMS Spread Reference Rate:	[EUR CMS][GBP CMS][USD CMS]
	- Specified Maturity:	[ ] [months[s]] [year[s]]
	- Second CMS Spread Reference Rate:	[EUR CMS][GBP CMS][USD CMS]
	- Specified Maturity:	[ ] [months[s]] [year[s]]
	- Cap:	[[ ] per cent. per annum] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(g), [less than or equal to][less than] shall apply.]
	- Floor:	[[ ] per cent. per annum] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(g), [greater than or equal to][greater than] shall apply.]
(xiii)	Cut-Off Period:	[ ]

	(xiv)	Minimum Interest Rate:	[[ ] per cent. per annum] [Not Applicable]
	(xv)	Maximum Interest Rate:	[[ ] per cent. per annum] [Not Applicable]
	(xvi)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/360] [30/360 (ICMA)] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]
17	Zero Coupon Note Provisions:		[Applicable [in respect of the period from, and including, [ ] to, but excluding, [ ]]/Not Applicable]
	(i)	Compound Interest:	[Applicable/Not Applicable]
		(A) Amortisation Yield:	[[ ] per cent. per annum/Not Applicable]
	(ii)	Linear Interest:	[Applicable/Not Applicable]
		(A) Amortisation Yield:	[[ ] per cent. per annum/Not Applicable]
		(B) Accreting Payment Amount:	[ ] per Calculation Amount
		(C) Accreting Payment Period:	[Each period from (and including) [ ] to (but excluding) the next following [ ] [ ], except (a) that the initial Accreting Payment Period will commence on, and include, the Issue Date and (b) the final Accreting Payment Period will end on, but exclude, the Early Redemption Date or Maturity Date (whichever is first)]
		(D) Final Accreting Payment Period:	[[ ]/[the Accreting Payment Period immediately preceding the Maturity Date or the Early Redemption Date, as applicable]]
	(iii)	Day Count Fraction:	[ ]

PROVISIONS RELATING TO REDEMPTION

18	Call Option		[Applicable/Not Applicable]
	(i)	Optional Redemption Date(s):	[ ]
	(ii)	Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	[ ] per Calculation Amount
	(iii)	If redeemable in part:	
		(a) Minimum Redemption Amount:	[[ ]/Not Applicable]
		(b) Maximum Redemption Amount:	[[ ]/Not Applicable]

	(iv)	Option Exercise Dates:	[ ] [The [10th]/[ ] Business Day prior to [each] Optional Redemption Date] [Not Applicable]
19	Put Option		[Applicable/Not Applicable]
	(i)	Optional Redemption Date(s):	[ ]
	(ii)	Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	[ ] per Calculation Amount
	(iii)	Option Exercise Dates:	[ ] [The [10th]/[ ] Business Day prior to [each] Optional Redemption Date] [Not Applicable]
20	Final Redemption Amount of each Note:		[[ ] per Calculation Amount]/[Not Applicable]
21	Early Redemption Amount payable on redemption for taxation reasons or on an Event of Default or other early redemption:		[[ ] per Calculation Amount]/[Not Applicable]/[Amortised Face Amount]/ Condition 5(c) applies]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

22	Form of the Notes:	[Bearer Notes/Registered Notes/VPS Notes] [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Bearer Notes in definitive form on 60 days' notice (or, following a failure to pay principal, on 30 days' notice) by the Issuer [or the holder as the case may be] and ([in the limited circumstances specified in the Permanent Global Note].] [Temporary Global Note exchangeable for Bearer Notes in definitive form following the Exchange Date (as defined in the Temporary Global Note).] [Permanent Global Note exchangeable for Bearer Notes in definitive form on 60 days' notice (or, following a failure to pay principal, on 30 days' notice) by the Issuer [or the holder as the case may be] [at any time/in the limited circumstances specified in the Permanent Global Note].] [Registered Global Note] [VPS Notes issued in uncertificated and dematerialised book entry form. See further item [6] of Part B below]
23	Payment Business Day Convention:	[Following/Modified Following]
24	Additional Financial Centre(s):	[[ ]/Not Applicable]
25	Details relating to Instalment Notes, including Instalment Amount(s) and Instalment Date(s):	[[ ]/Not Applicable]
26	Redenomination, renominalisation and reconventioning provisions:	[Applicable/Not Applicable]

DISTRIBUTION

27	US Selling Restrictions:	[TEFRA Not Applicable/C Rules/D Rules; Regulation S Category 2]

Signed on behalf of [Australia and New Zealand Banking Group Limited/ANZ Bank New Zealand Limited/ANZ New Zealand (Int'l) Limited]:

By: …… [By:
[Duly Authorised Signatory/Attorney] Duly Authorised Signatory]

[Signed on behalf of ANZ Bank New Zealand Limited:

By: ……. [By:
[Duly Authorised Signatory/Attorney] Duly Authorised Signatory]

PART B — OTHER INFORMATION

1 **LISTING**

Listing and Admission to trading:

[Application [has been] [is expected to be] made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the [London Stock Exchange's/Euronext Dublin's/Luxembourg Stock Exchange's] Regulated Market and admitted to the Official List of the [Euronext Dublin/UK Financial Conduct Authority/Luxembourg Stock Exchange] with effect from [ ].]

[The Notes shall not be consolidated and form a single Series with the Tranche [ ] Notes until such time as the Notes are listed and admitted to trading as indicated above.]

2 **REASONS FOR THE OFFER, ESTIMATED TOTAL EXPENSES RELATED TO ADMISSION TO TRADING**

(i)	Reasons for the offer:	[[•]/[See "Use of Proceeds" in the Base Prospectus]]
(ii)	Estimate of total expenses related to admission to trading:	[•]

3 **RATINGS**

[The Notes to be issued [have been]/[have not been]/[are expected to be] rated:

[S&P Global: [ ]]

[Moody's: [ ]]

[Fitch: [ ]]]

[Not Applicable]

[Explanation of Rating if Applicable]

4 **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

[Save for the fees payable to [ ] ([the "**Manager**"] [the "**Dealer**"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer, including conflicting interests.]

5 **(*Fixed Rate Notes only*) YIELD**

Indication of yield:	[The yield for the Notes will be [ ] on the Issue Date and will be calculated on the basis of the compound annual rate of return as if the Notes were to be purchased at the Issue Price on the Issue Date and held to maturity. This is not an indication of future yield.] [Not Applicable]

6 **BENCHMARKS**

Relevant Benchmark[s]:	[[BBSW / BKBM / LIBOR / EURIBOR / Federal Funds Effective Rate US / CDOR /

		SHIBOR / HIBOR / SIBOR / SONIA / SOFR / CNH HIBOR] is provided by [administrator legal name]][repeat as necessary]. [As at the date hereof, [[administrator legal name][appears]/[does not appear]][repeat as necessary] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (Register of administrators and benchmarks) of Regulation (EU) 2016/1011, as amended]/[As far as the Issuer is aware, as at the date hereof, the [specify benchmark] does not fall within the scope of Regulation (EU) 2016/1011, as amended] / [Not Applicable]
7	**OPERATIONAL INFORMATION**	
	ISIN:	[ ]
	Temporary ISIN:	[ ] [Not Applicable]
	Common Code:	[ ]
	[FISN:	[[ ], as updated, as set out on the website of the Association of National Numbering Agencies ("**ANNA**") or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.]
	[CFI code:	[[ ], as updated, as set out on the website of ANNA or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.]
	Temporary Common Code:	[ ] [Not Applicable]
	Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s):	[Not Applicable/ [Central Moneymarkets Unit Service/gives name(s) and number(s)]] CMU Instrument No: [ ] CMU Lodging Agent: [ ] CMU Paying Agent: [ ]
	Delivery:	Delivery [against/free of] payment
	Names and addresses of additional Paying Agent(s) (if any) or, in the case of VPS Notes, the VPS Agent and the VPS Trustee:	[ ]/Not Applicable.]

ADDITIONAL INFORMATION

1. The admission of the Programme to listing on the Official List of the UK Financial Conduct Authority and to trading on the regulated market of the London Stock Exchange is expected to take effect on or around 26 November 2020. The price of the Notes on the price list of the London Stock Exchange will be expressed as a percentage of their principal amount (exclusive of accrued interest). Any Tranche of Notes intended to be admitted to trading on the regulated market of the London Stock Exchange will be so admitted to trading upon submission to the London Stock Exchange of the relevant Final Terms and any other information required by the London Stock Exchange, subject to the issue of the relevant Notes. Prior to admission to trading, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third working day in London after the day of the transaction.

2. Each Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes issued by it. The establishment of the Programme and the issue of the Notes by it thereunder was authorised (i) by resolutions of the board of directors of ANZBGL on 22 and 23 October 2002, 23 and 24 April 2013 and 11 September 2019; (ii) by resolutions of the board of directors of ANZ New Zealand on 5 January 2000, 16 June 2004, 9 August 2007, 19 June 2008, 2 December 2008 and 15 April 2010; (iii) by resolutions of the board of directors of ANZNIL on 22 June 2004, 29 August 2007, 28 November 2008, 23 December 2008, 2 September 2010 and 23 November 2011 and (iv) by resolutions of the shareholder of ANZNIL on 22 June 2004 and 21 August 2007.

   The update of the Programme does not require further authorisation of the board of directors of ANZBGL, ANZ New Zealand or ANZNIL.

3. (i) There has been no significant change in the financial position or in the financial performance of ANZBGL or the Group since 30 September 2020 to the date of this Base Prospectus. There has been no material adverse change in the prospects of ANZBGL since 30 September 2020 except as set out above in the section entitled *"Risk Factors - The COVID-19 pandemic has, and future outbreaks of other communicable diseases or pandemics may, materially and adversely affect the Group's Position"*.

   (ii) There has been no significant change in the financial position or in the financial performance of ANZ New Zealand or the ANZ New Zealand Group since 30 September 2020 to the date of this Base Prospectus. There has been no material adverse change in the prospects of ANZ New Zealand since 30 September 2020 except as set out above in the section entitled *"Risk Factors - The COVID-19 pandemic has, and future outbreaks of other communicable diseases or pandemics may, materially and adversely affect the Group's Position"*.

   (iii) There has been no significant change in the financial position or in the financial performance of ANZNIL since 30 September 2020 to the date of this Base Prospectus. There has been no material adverse change in the prospects of ANZNIL since 30 September 2020 except as set out above in the section entitled *"Risk Factors - The COVID-19 pandemic has, and future outbreaks of other communicable diseases or pandemics may, materially and adversely affect the Group's Position"*.

4. There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which any of the Issuers or the Guarantor is aware) during the last 12 months which may have, or have had in the recent past, a significant effect on the financial position or profitability of any of the Issuers or the Guarantor or, in respect of ANZBGL and ANZ New Zealand only, ANZBGL, ANZ New Zealand and their subsidiaries taken as a whole, except in the case of:

   (i) ANZBGL only, as set out under the sections entitled "Other Contingent Liabilities" and "Contingent Assets" in Note 33 to the ANZBGL 2020 Audited Financial Statements, which are incorporated by reference into this Base Prospectus; and

(ii) ANZ New Zealand only, as set out in Note 28 "Commitments and Contingent Liabilities" to the ANZ New Zealand 2020 Audited Financial Statements, which are incorporated by reference into this Base Prospectus.

5. There are no material contracts having been entered into outside the ordinary course of each of the Issuer's businesses, which could result in any group member of that Issuer being under an obligation or entitlement that is material to that Issuer's ability to meet its obligation to Noteholders in respect of the Notes being issued.

6. Notes have been accepted for clearance through Euroclear of 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and Clearstream, Luxembourg of 42 Avenue JF Kennedy, L-1855, Luxembourg, Grand Duchy of Luxembourg. The Common Code and the International Securities Identification Number (ISIN) (and any other relevant identification number for any Alternative Clearing System) for each Series of Notes will be set out in the relevant Final Terms.

VPS Notes will be registered with Verdipapirsentralen ASA (VPS), Fred. Olsens gate 1, P.O. Box 1174 Sentrum, NO-0107, Oslo, Norway. Investors with accounts in Euroclear and/or Clearstream, Luxembourg may hold VPS Notes in their accounts with such clearing systems and the relevant clearing system will be shown in the records of the VPS as the holder of the relevant amount of VPS Notes.

7. ANZBGL is authorised by the UK Prudential Regulation Authority to accept deposits through a branch in the United Kingdom. ANZ New Zealand and ANZNIL are not so authorised in the United Kingdom.

8. The ANZBGL 2019 Audited Financial Statements and the ANZBGL 2020 Audited Financial Statements incorporated by reference in this Base Prospectus have been audited by KPMG Australia of Tower Two, 727 Collins Street, Melbourne, Victoria 3008, Australia, independent auditors, as stated in their reports appearing therein.

KPMG Australia partners are members or affiliate members of Chartered Accountants Australia and New Zealand. The liability of KPMG Australia in relation to the performance of their professional services to the Group including, without limitation, KPMG Australia's audits of the Group's financial statements described above is limited under the Institute of Chartered Accountants in Australia (NSW) Scheme approved by the New South Wales Professional Standards Council pursuant to the Professional Standards Act of 1994 of the State of New South Wales, including the Treasury Legislation Amendment (Professional Standards) Act 2004 of Australia (the "**Accountants Scheme**"). The Accountants Scheme limits the civil liability of KPMG Australia to a maximum amount of A$75 million. The Accountants Scheme does not limit liability for breach of trust, fraud or dishonesty.

9. The ANZ New Zealand 2019 Audited Financial Statements and the ANZ New Zealand 2020 Audited Financial Statements have been audited by KPMG, of 18 Viaduct Harbour Avenue, Auckland, New Zealand, independent auditors of ANZ New Zealand and its subsidiaries, for those periods, and unqualified opinions have been reported thereon. KPMG has no material interest in ANZ New Zealand.

The independent auditor's reports for those periods contain the following emphasis of matter:

> "*EMPHASIS OF MATTER - NON-COMPLIANCE WITH CERTAIN CONDITIONS OF REGISTRATION*
>
> *We draw attention to section B1 of the Disclosure Statement, in which the Banking Group discloses that it has identified non-compliance with aspects of its Conditions of Registration relating to:*
>
> - *Capital adequacy;*
> - *Exposures to connected persons; and*
> - *Outsourcing.*

Further details of the matters relating to capital adequacy and regulatory liquidity are described below in our qualified review conclusion on the registered bank disclosures in section B4 relating to capital adequacy and regulatory liquidity ratios.

Our opinion on the consolidated financial statements and registered bank disclosures in sections B2, B3, B5, B6, B7 and B8 is not modified in respect of these matters."

The non-compliance with ANZ New Zealand's Conditions of Registration relating to capital adequacy resulted in a qualified review conclusion relating to the capital adequacy information in section B4 of the ANZ New Zealand 2019 Disclosure Statement and ANZ New Zealand 2020 Disclosure Statement. The basis for this conclusion as stated in the independent auditor's reports for those periods is:

"*In this respect, the Capital Adequacy Ratios disclosed in section B4 of the Disclosure Statement have not been disclosed in accordance with Schedule 11 of the Order, with section B1 disclosing the Banking Group's calculation of the corresponding impact on risk weighted assets. The Banking Group is working with the Reserve Bank of New Zealand to remediate this matter.*

The above matters do not affect the Regulatory Liquidity information, which is also disclosed in section B4."

The ANZNIL 2019 Audited Financial Statements and the ANZNIL 2020 Audited Financial Statements have been audited by KPMG, of 18 Viaduct Harbour Avenue, Auckland, New Zealand, independent auditors of ANZNIL, for those periods, and unqualified opinions have been reported thereon. KPMG has no material interest in ANZNIL.

KPMG partners are members or affiliate members of Chartered Accountants Australia and New Zealand.

10. For the life of this Base Prospectus or whilst any Notes are outstanding, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the office of the Fiscal Agent and the relevant Issuer:

(i) the constitutive documents of the relevant Issuer (which may also be viewed at the following websites):

(a) in respect of ANZBGL:

https://www.anz.com/debtinvestors/centre/programmes/anz-banking-group/euro-medium-term-note-programme-aus/;

(b) in respect of ANZ Bank New Zealand:

https://app.companiesoffice.govt.nz/companies/app/service/services/documents/1D713091AC470A1D9D57B6A4057E1DA3; and

https://app.companiesoffice.govt.nz/companies/app/service/services/documents/87E52C494E0D6492CCE81EE1E84E588B;

(c) in respect of ANZNIL:

https://app.companiesoffice.govt.nz/companies/app/service/services/documents/40B551AC3C43E02A4EBC7B8DD619B3F6; and

https://app.companiesoffice.govt.nz/companies/app/service/services/documents/D8FA4B0EF3445198C67861C863A657A0.

(ii) the Agency Agreement (which includes the form of the Bearer Global Notes, the Registered Global Notes, the Bearer Notes in definitive form, the Certificates, the Coupons, the Receipts and the Talons);

(iii) the Deed of Covenant;

(iv) the Deed of Guarantee (which may also be viewed at the following website: https://www.anz.com/debtinvestors/centre/programmes/anz-bank-nz/euro-medium-term-note-programme-nz/;

(v) any Final Terms relating to Notes of the relevant Issuer which are admitted to listing by Euronext Dublin/UK Financial Conduct Authority/Luxembourg Stock Exchange or to trading by the London Stock Exchange/Euronext Dublin/Luxembourg Stock Exchange;

(vi) a copy of this Base Prospectus together with any supplement to this Base Prospectus or further Base Prospectus; and

(vii) copies of the most recent publicly available annual audited consolidated financial statements of each of the Issuers and their subsidiaries incorporated by reference into this Base Prospectus, beginning with the annual audited consolidated financial statements of ANZBGL, ANZ New Zealand and ANZNIL for the financial years ended 30 September 2019 and 2020 (see the section entitled "*Information Incorporated by Reference*" above for further details).

Copies of the VPS Trustee Agreement and each VPS Agency Agreement will be available for inspection at the registered office of the Issuer, the specified office of each respective VPS Agent and at the registered office of the VPS Trustee.

11. **The yield specified in the relevant Final Terms in relation to any Fixed Rate Notes has been calculated as at the Issue Date and at the Issue Price in each case specified in the relevant Final Terms, and will not reflect the yield of Fixed Rate Notes purchased on a different date at a different price. It is not an indication of future yield.**

12. The Legal Entity Identifier of each Issuer is as follows:

(i) Australia and New Zealand Banking Group Limited: JHE42UYNWWTJB8YTTU19;

(ii) ANZ Bank New Zealand Limited: HZSN7FQBPO5IEWYIGC72; and

(iii) ANZ New Zealand (Int'l) Limited: 213800VD256NU2D97H12.

INFORMATION MEMORANDUM – NON PR NOTES

PAGES 222 TO 344 OF THIS DOCUMENT COMPRISE AN INFORMATION MEMORANDUM (THE "INFORMATION MEMORANDUM") IN RESPECT OF NOTES WHICH ARE NOT ADMITTED TO THE OFFICIAL LIST OF THE UK FINANCIAL CONDUCT AUTHORITY OR TO ANY OTHER EUROPEAN ECONOMIC AREA OR UNITED KINGDOM REGULATED MARKET OR OFFERED TO THE PUBLIC IN THE EUROPEAN ECONOMIC AREA OR IN THE UNITED KINGDOM FOR THE PURPOSES OF THE PROSPECTUS REGULATION ("NON PR NOTES"). THE INFORMATION MEMORANDUM HAS NOT BEEN REVIEWED OR APPROVED BY THE UK FINANCIAL CONDUCT AUTHORITY AND DOES NOT CONSTITUTE A PROSPECTUS FOR THE PURPOSES OF THE PROSPECTUS REGULATION.

The Information Memorandum is to be read in conjunction with the following sections of the Base Prospectus:

(a) the section entitled "*Risk Factors*" on pages 17 to 61;

(b) the section entitled "*Form of the Notes*" on pages 116 to 124;

(c) the section entitled "*Description of Australia and New Zealand Banking Group Limited and its subsidiaries*" on pages 125 to 131;

(d) the section entitled "*Description of Supervision and Regulation of Australia and New Zealand Banking Group Limited*" on pages 132 to 149;

(e) the section entitled "*Description of ANZ Bank New Zealand Limited*" on pages 150 to 153;

(f) the section entitled "*Description of ANZ New Zealand (Int'l) Limited*" on pages 154 to 155;

(g) the section entitled "*Description of Supervision and Regulation of ANZ Bank New Zealand Limited and ANZ New Zealand (Int'l) Limited*" on pages 156 to 178;

(h) the section entitled "*Information Incorporated by Reference*", other than terms and conditions of the Notes specified in paragraphs (1) and 2(a) to (N) of that section, on pages 179 to 180;

(i) the section entitled "*Subscription and Sale*" on pages 181 to 191;

(j) the section entitled "*Taxation"* on pages 192 to 200;

(k) the section entitled "*Use of Proceeds"* on page 201; and

(l) the section entitled "*Additional Information*" on pages 218 to 221.

Any Supplement(s) to the Base Prospectus published after the date hereof shall be deemed to be incorporated by reference into this Information Memorandum.

Each of the above sections of the Base Prospectus and the following documents shall be deemed to be incorporated by reference herein and, for the purposes of the issue of Non PR Notes, shall be deemed amended as follows:

1. All references to the "Base Prospectus" shall be deemed to be references to the "Information Memorandum".

2. All references to "Final Terms" shall be deemed to be references to the "Pricing Supplement".

3. All references to "Notes" shall be deemed to be references to "Non PR Notes".

4. All references to the Terms and Conditions of Notes as set out in the Base Prospectus shall be deemed to be references to the Terms and Conditions of the Non PR Notes as set out in Schedule A of this Information Memorandum.

In respect of ANZBGL, ANZ New Zealand and ANZNIL, for the purpose of any issues of Non PR Notes under this Information Memorandum which are to be consolidated and form a single series with an existing Tranche or Series of Notes, the terms and conditions of the Non PR Notes on the following specified pages of the information memorandum of ANZBGL, ANZ New Zealand and ANZNIL shall be deemed to be incorporated by reference herein:

(1) Pages 189 to 303 of the Base prospectus dated 21 May 2019;

(2) Pages 276 to 337 of the Base prospectus dated 17 May 2018;

(3) Pages 246 to 301 of the Base Prospectus dated 16 May 2017;

(4) Pages 238 to 290 of the Base Prospectus dated 16 May 2016;

(5) Pages 233 to 285 of the Base Prospectus dated 15 May 2015;

(6) Pages 186 to 240 of the Base Prospectus dated 16 May 2014;

(7) Pages 193 to 239 of the Base Prospectus dated 16 May 2013;

(8) Pages 37 to 76 of the Base Prospectus dated 18 May 2012;

(9) Pages 36 to 75 of the Base Prospectus dated 25 May 2011;

(10) Pages 34 to 73 of the Base Prospectus dated 2 June 2010;

(11) Pages 38 to 78 of the Base Prospectus dated 21 July 2009;

(12) Pages 25 to 57 of the Base Prospectus dated 18 July 2008;

(13) Pages 24 to 56 of the Base Prospectus dated 25 September 2007;

(14) Pages 10 to 56 of the Supplemental Base Prospectus dated 23 March 2007 (supplementing and amending the Base Prospectus dated 25 September 2006); and

(15) Pages 19 to 46 of the Base Prospectus dated 25 September 2006.

The Non PR Notes are unsecured direct obligations of the relevant Issuer and may be issued as unsubordinated Notes ("**Unsubordinated Notes**") or, where ANZBGL is the Issuer, as subordinated Notes ("**Subordinated Notes**") as specified in the applicable Pricing Supplement (see "*Overview of the Programme*"). Non PR Notes may be issued in (i) bearer form, (ii) registered form or (iii) in the case of Unsubordinated Notes only, in uncertificated and dematerialised book entry form registered in the Norwegian Central Securities Depository, *Verdipapirsentralen ASA* or VPS ("**VPS Notes**" and the "**VPS**", respectively) as specified in the relevant Pricing Supplement. Each Series of Non PR Notes in bearer form will be represented on issue by a temporary global note in bearer form (a "**Temporary Global Note**") or a permanent global note in bearer form (a "**Permanent Global Note**" and each Temporary Global Note and Permanent Global Note, a "**Bearer Global Note**"). Non PR Notes in registered form will be represented by a global registered certificate (a "**Registered Global Note**") or by registered certificates in definitive form (each a "**Certificate**"), one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. VPS Notes will not be evidenced by any physical note or document of title. Entitlements to VPS Notes will be evidenced by the crediting of VPS Notes to accounts with the VPS. Bearer Global Notes and Registered Global Notes (each a "**Global Note**") may be deposited on the issue date with a common depositary on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"). Global Notes may also be deposited with alternative clearing systems subject to the appointment of relevant agents and completion of required documentation, including a sub-custodian in Hong Kong for the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority (the "**CMU Service**"). The provisions governing the exchange of interests in Bearer Global Notes or Registered Global Notes for other Global Notes and for Notes and Certificates in definitive form, respectively, are described in "Form of the Notes".

The Non PR Notes issued by an Issuer will not be deposit liabilities or protected accounts (as defined in the Banking Act 1959 of Australia (the "**Banking Act**")) of that Issuer. A "protected account" is broadly an account kept by an account-holder with an authorised deposit-taking institution ("**ADI**") (i) where the ADI is required to pay the account-holder, on demand or at an agreed time, the net credit balance of the account; or (ii) that is otherwise prescribed by regulation. Protected accounts include current accounts, saving accounts and term deposit accounts. Protected accounts must be recorded in Australian currency and must not be kept at a foreign branch of an ADI. The Non PR Notes are not guaranteed or insured by any government, government agency or compensation scheme of Australia or any jurisdiction.

There are references in the Base Prospectus to the credit ratings of the Issuers and the Non PR Notes. A credit rating is not a recommendation to buy, sell or hold the Non PR Notes and may be subject to revision, suspension or withdrawal at any time by the relevant rating agency.

Credit ratings in respect of the Non PR Notes or the Issuers are for distribution only to a person who is not a "retail client" within the meaning of section 761G of the Corporations Act 2001 of Australia (the "**Corporations Act**") and is also a sophisticated investor, professional investor or other investor 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 the Information Memorandum and anyone who receives the Information Memorandum must not distribute it to any person who is not entitled to receive it.

In connection with the issue of any Tranche (as defined in Conditions of the Notes) of Non PR Notes, the Dealer or Dealers (if any) named in the Pricing Supplement as the Stabilising Manager (the "Stabilising Manager(s)") (or persons acting on behalf of any Stabilising Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules and outside Australia and New Zealand (and not on any market in Australia or New Zealand).

In this Information Memorandum, unless otherwise specified, references to a "**Member State**" are references to a Member State of the European Economic Area and the United Kingdom, references to "**A$**","**$**", "**dollars**", "**Australian dollars**" or "**¢**" are to the lawful currency of Australia, references to "**euro**" or "**€**" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended from time to time, references to "**NZ$**" are to the lawful currency of New Zealand, references to "**Sterling**" are to the lawful currency of the United Kingdom, references to "**US$**" or "**US dollars**" are to the lawful currency of the United States, and references to "**Yen**" are to the lawful currency of Japan.

The "**Guarantee**" means the ANZ New Zealand guarantee in favour of ANZNIL (described on page 244 of the Base Prospectus).

In this Information Memorandum, unless otherwise specified, capitalised terms have the meaning given to them in the Terms and Conditions of the Non PR Notes.

The Non PR Notes issued by ANZ New Zealand or ANZNIL are not guaranteed by ANZBGL.

The Non PR Notes may not be a suitable investment for all investors.

Each potential investor in any Non PR Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Non PR Notes and the information contained or incorporated by reference in this Information Memorandum or any applicable supplement;

- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Non PR Notes and the impact such an investment will have on its overall investment portfolio;

- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Non PR Notes, including Non PR Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

- understand thoroughly the terms of the Non PR Notes and be familiar with the behaviour of any relevant indices and financial markets; and

- be able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Non PR Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Non PR Notes and the impact this investment will have on the potential investor's overall investment portfolio.

This Information Memorandum is valid for one year from the date hereof and may be supplemented from time to time at the absolute discretion of the Issuer. This Information Memorandum and any Supplemental Information Memorandum and any Supplemental Base Prospectus (which is deemed incorporated by reference into this Information Memorandum) are available for viewing at https://www.anz.com/debtinvestors/centre/programmes/anz-banking-group/euro-medium-term-note-programme-aus/ in respect of ANZBGL and at https://www.anz.com/debtinvestors/centre/programmes/anz-bank-nz/euro-medium-term-note-programme-nz/ in respect of ANZ New Zealand and ANZNIL.

OVERVIEW OF THE PROGRAMME IN RESPECT OF NON PR NOTES

This overview relates to the Non PR Notes. It must be read as an introduction to this Information Memorandum and any decision to invest in the Non PR Notes should be based on a consideration of this Information Memorandum as a whole, including the information and documents incorporated by reference.

Words and expressions defined or used in "Terms and Conditions of the Non PR Notes" below shall have the same meanings in this overview.

Issuer	Australia and New Zealand Banking Group Limited ("**ANZBGL**" and, together with its subsidiaries, the "**Group**" or "**ANZ**"), ANZ Bank New Zealand Limited ("**ANZ New Zealand**") or ANZ New Zealand (Int'l) Limited ("**ANZNIL**"), as specified in the relevant Pricing Supplement.
Guarantor.....	ANZ New Zealand (in the case of Notes issued by ANZNIL). The Notes issued by ANZ New Zealand and ANZNIL are not guaranteed by ANZBGL.
Risk Factors.....	There are certain factors that may affect the ability of an Issuer to fulfil its obligations under the Notes and the Guarantor's ability to fulfil its obligations under the Non PR Guarantee. These are set out under the section entitled "*Risk Factors*" of the Base Prospectus incorporated by reference into this Information Memorandum and include changes in economic conditions, investment markets and regulatory and legal environments. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes. These are also set out under "Overview of the Programme in respect of Non PR Notes - Risk Factors" below.
Description	Euro Medium Term Note Programme.
Arranger	Deutsche Bank AG, London Branch
Permanent Dealers.....	Australia and New Zealand Banking Group Limited Barclays Bank PLC Barclays Capital Asia Limited BNP Paribas Citigroup Global Markets Limited Credit Suisse Securities (Europe) Limited Daiwa Capital Markets Europe Limited Deutsche Bank AG, London Branch Goldman Sachs International HSBC Bank plc J.P. Morgan Securities plc Merrill Lynch International Morgan Stanley & Co. International plc RBC Europe Limited UBS AG London Branch and any other Dealers appointed in accordance with the Programme Agreement.
Fiscal Agent	Deutsche Bank AG, London Branch
VPS Trustee	Nordic Trustee AS or any other VPS Trustee as specified in the applicable Pricing Supplement.

Pricing Supplement	Non PR Notes issued under the Programme may be issued pursuant to this Information Memorandum and associated Pricing Supplement.
Redenomination, Renominalisation and/or Consolidation	The relevant Pricing Supplement may provide that certain Non PR Notes denominated in a currency that may be replaced by the euro, may be subject to redenomination, renominalisation and/or consolidation with other Non PR Notes then denominated in euro.
Form of Non PR Notes.....	Non PR Notes may be issued (i) in bearer form ("**Bearer Notes**") (ii) in registered form ("**Registered Notes**") or (iii) in uncertificated and dematerialised book entry form registered in the Norwegian Central Securities Depository, *Verdipapirsentralen ASA* or VPS ("**VPS Notes**" and the "**VPS**", respectively) as described in the section entitled "*Form of the Notes*" to the Base Prospectus incorporated by reference into this Information Memorandum. A Subordinated Note cannot be a VPS Note.
Clearing Systems.....	Euroclear, Clearstream, Luxembourg and, in relation to any Tranche of Non PR Notes, such other clearing system as may be agreed between the relevant Issuer and the relevant Dealer, as will be specified in the relevant Pricing Supplement.
Currencies	Subject to compliance with all relevant laws, regulations and directives, Non PR Notes may be issued in such currencies as the relevant Issuer and the relevant Dealers agree.
Maturities	Subject to compliance with all relevant laws, regulations and directives, the Non PR Notes will have a minimum maturity of one month (in the case of Unsubordinated Notes) or five years (in the case of Subordinated Notes). Non PR Notes issued by ANZ New Zealand or ANZNIL having a maturity of less than one year, where either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Non PR Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the Financial Services and Markets Act 2000, as amended ("**FSMA**") by ANZ New Zealand or, as the case may be, ANZNIL.
Denomination.....	Non PR Notes will be issued in minimum denominations of at least €100,000 (or its equivalent in another currency), subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. See "*Overview of the Programme in respect of Non PR Notes — Maturities*" above.

Fixed Rate Notes	Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Pricing Supplement.
Floating Rate Notes	Floating Rate Notes will bear interest set separately for each Series at a rate calculated as set out in the Terms and Conditions of the Non PR Notes, and in the respective Interest Period, specified in the relevant Pricing Supplement.
Inverse Floating Rate Notes	Inverse Floating Rate Notes will pay interest at an interest rate equal to a fixed rate minus either (i) an interest rate benchmark or (ii) a rate of interest determined in accordance with market standard definitions. A Subordinated Note cannot be an Inverse Floating Rate Note.
Range Accrual Notes.....	Range Accrual Notes will pay interest in respect of each interest accrual period equal to the product of (i) either a specified fixed rate or a floating rate determined by reference to a fluctuating benchmark; and (ii) a relevant fraction, calculated as set out in the Terms and Conditions of the Non PR Notes. A Subordinated Note cannot be a Range Accrual Note.
Zero Coupon Notes	Zero Coupon Notes may be issued at their Principal Amount or at a discount to it and will not bear interest. A Subordinated Note cannot be a Zero Coupon Note.
Interest Periods and Interest Rates	The length of the interest periods for the Non PR Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Non PR Notes may have a maximum or a minimum Rate of Interest or both. A maximum rate of interest or minimum rate of interest cannot be specified for Notes issued as Subordinated Notes.
Redemption by Instalments.....	The relevant Pricing Supplement may provide that Notes are redeemable in two or more instalments ("**Instalment Notes**") and will set out the dates on which, and the amounts in which, such Non PR Notes may be redeemed. A Subordinated Note cannot be an Instalment Note.
Optional Redemption	The relevant Pricing Supplement will state whether the relevant Non PR Notes may be redeemed (either in whole or in part) prior to their stated maturity at the option of the relevant Issuer and, in the case of Unsubordinated Notes, at the option of either or both of the relevant Issuer and the holders, and if so the terms applicable to such redemption. In the case of Subordinated Notes, Early Redemption is subject to the prior written approval of APRA and may only occur on account of an Early Redemption for Tax Reasons or an Early Redemption for Regulatory Reasons or on one or more dates specified in the Pricing Supplement, provided that in the last case that the first such date is no earlier than the fifth anniversary of the date of issue of the Subordinated Notes.

Early Redemption for Tax Reasons.....	The relevant Issuer shall have the right to redeem the Non PR Notes at their Early Redemption Amount if the relevant Issuer (or, if applicable, the Guarantor) has or will become obliged to pay additional amounts as a result of the imposition of withholding tax. See "*Overview of the Programme in respect of Non PR Notes - Withholding Tax*" below. ANZBGL shall also have the right to redeem Subordinated Notes at their Early Redemption Amount in certain other circumstances as detailed in the section "Additional disclosure in respect of Subordinated Notes – Redemption of Subordinated Notes".
Early Redemption for a Regulatory Event……..	ANZBGL shall have the right to redeem Subordinated Notes at their Early Redemption Amount if a Regulatory Event occurs, as detailed in the section "Additional disclosure in respect of Subordinated Notes – Redemption of Subordinated Notes".
Status of the Notes.....	The Non PR Notes may be issued as Unsubordinated Notes or, where ANZBGL is the Issuer, as Subordinated Notes as specified in the applicable Pricing Supplement. The Non PR Notes will not be deposit liabilities or protected accounts (as defined in the Banking Act) in Australia of ANZBGL and the Terms and Conditions of the Non PR Notes do not limit the amount of the liabilities ranking senior to any Notes which may be incurred or assumed by ANZBGL from time to time, whether before or after the Issue Date of the relevant Non PR Notes.
Unsubordinated Notes	The Unsubordinated Notes constitute direct, unconditional and unsecured obligations of the relevant Issuer ranking *pari passu* among themselves and (save for certain debts of the relevant Issuer required to be preferred by applicable law, including (but not limited to), in the case of ANZBGL, those in respect of protected accounts (as defined in the Banking Act) in Australia and various debts due to the Australian Prudential Regulation Authority ("**APRA**") and the Reserve Bank of Australia ("**RBA**") required to be preferred by Australian law) with all other present and future unsubordinated and unsecured obligations of the relevant Issuer, all as described in "Additional disclosures in respect of Non PR Notes – Status and subordination of Subordinated Notes".
Subordinated Notes	The Subordinated Notes constitute direct, unsecured and subordinated obligations of ANZBGL ranking *pari passu* among themselves. The claims of holders of Subordinated Notes will, in the event of the winding up of ANZBGL, be subordinated in right of payment to all Senior Creditors as described in "Conditions of the Notes – Status and Guarantee – Subordinated Notes." In respect of Subordinated Notes, prior to the winding-up of ANZBGL, the obligation of ANZBGL to make payments (including of any principal, additional amounts and interest) on the Subordinated Notes will be conditional on ANZBGL being Solvent (as defined in "Conditions of the Notes – Interest and other calculations – Definitions") at the time of, and immediately after, such payment by

	ANZBGL. Any such failure to pay will not be considered an event of default for the purposes of the Subordinated Notes.
	Notes issued as Subordinated Notes must not be Zero Coupon Notes, Range Accrual Notes, Inverse Floating Rate Notes, Index Linked Interest Notes, Index Linked Redemption Notes, Instalment Notes, Dual Currency Notes, CMS Rate Notes or any combination of any of the foregoing. The Pricing Supplement in respect of any Notes issued as Subordinated Notes may not specify a rate multiplier, maximum rate of interest, minimum rate of interest or instalment amount.
Conversion or Write-Off of Subordinated Notes	Subordinated Notes issued by ANZBGL are subject to mandatory Conversion into Ordinary Shares of ANZBGL or Write-Off (as specified in the applicable Pricing Supplement) if a Non-Viability Trigger Event occurs. If Conversion is specified as applicable in the Pricing Supplement but Conversion has not been effected within five Business Days after the Non-Viability Trigger Event for any reason, the Subordinated Notes will be Written-Off.
Status of the Guarantee.....	Non PR Notes issued by ANZNIL will be unconditionally and irrevocably guaranteed by ANZ New Zealand. The Guarantee constitutes direct, unconditional and unsecured obligations of ANZ New Zealand which (save for certain debts of ANZ New Zealand required to be preferred by law) will at all times rank *pari passu* among themselves and equally with all other unsubordinated and unsecured obligations of ANZ New Zealand. The Non PR Notes issued by ANZ New Zealand and ANZNIL are not guaranteed by ANZBGL.
Negative Pledge.....	None
Cross-Default	None
Withholding Tax	All payments of principal and interest in respect of the Non PR Notes will be made free and clear of all withholding taxes of the jurisdiction of incorporation of the relevant Issuer and, where applicable, the Guarantor, and/or, where ANZNIL is the Issuer, the United Kingdom, unless such withholding is required by law. In that event, the relevant Issuer or, where applicable, the Guarantor shall pay additional amounts to the Noteholders as shall result in receipt by those Noteholders of such amounts as would have been received by them had no such withholding been required, except that no such additional amounts shall be payable with respect to any Non PR Note in the circumstances described in Condition 7 (*Taxation*) in the Terms and Conditions of the Non PR Notes.
Governing Law.....	English law, except for (i) the subordination, Conversion and Write-Off provisions of the Subordinated Notes which will be governed by, and construed in accordance with, the laws of the State of Victoria and the Commonwealth of Australia; and (ii) the registration of VPS Notes in the VPS as well as the recording and transfer of ownership to, and other interests in, VPS Notes and Condition 11(c) which will be governed by, and construed in accordance with, Norwegian law. The VPS Trustee Agreement is and any

	VPS Agency Agreement will be governed by, and construed in accordance with, Norwegian law. VPS Notes must comply with the relevant regulations of the VPS and the holders of VPS Notes will be entitled to the rights and are subject to the obligations and liabilities which arise under the relevant Norwegian regulations and legislation.
Listing and Admission to Trading.....	Each Series may be admitted to listing and trading on a stock exchange, other than a regulated market in the European Economic Area or the United Kingdom for the purposes of the Prospectus Regulation, as specified in the relevant Pricing Supplement.
Selling Restrictions	Australia, Japan, New Zealand, the European Economic Area (including Belgium, Denmark, Finland, France, Ireland, Italy, Luxembourg, The Netherlands, Norway and Sweden), the United Kingdom, Singapore, South Korea, Taiwan, the United States and Hong Kong. See the section entitled "*Subscription and Sale*" of the Base Prospectus incorporated by reference into this Information Memorandum. Each of the Issuers is Category 2 for the purposes of Regulation S under the Securities Act.

ANZBGL Ranking Table (Non PR Notes)

If ANZBGL becomes insolvent and is unable to pay its debts, an administrator or liquidator would be expected to make distributions to its creditors in accordance with a statutory order of priority. A simplified diagram illustrating the expected ranking of the Non PR Notes compared to other creditors of ANZBGL is set out below:

		Type of obligation	Examples of obligations/securities
Higher ranking/ earlier priority/ first to be repaid		Secured debt and liabilities preferred by law	Senior ranking secured obligations (such as collateralised liabilities to central banks and clearing houses). Liabilities which the Banking Act provides are to be paid out of ANZBGL's assets in Australia in priority to liabilities in respect of Notes, including protected accounts in Australia (such as current accounts, savings accounts and term deposit accounts and certain liabilities to APRA and debts to the RBA); other liabilities preferred in a winding up, such as debts due to the RBA, costs of the winding up and certain employee entitlements.
	The Unsubordinated Notes	Unsubordinated unsecured debt	The Unsubordinated Notes, other bonds and notes, trade and general creditors. (Note: covered bonds are an unsecured claim on ANZBGL but are secured over certain assets of the Group).
	The Subordinated Notes	Basel III compliant Tier 2 Capital instruments	The Subordinated Notes, other Tier 2 Capital instruments issued by ANZBGL and the Perpetual Capital Floating Rate Notes. (Note: if a Subordinated Note is Converted, the Ordinary Shares that a Holder receives on Conversion will rank equally with other Ordinary Shares. If a Subordinated Note is Written-Off, Holders have no further claims on ANZBGL.)
		Preference shares and other equally ranked instruments	Additional Tier 1 Capital instruments (such as capital notes and convertible preference shares) and other obligations ranking senior only to ordinary shares.
Lower ranking/ later priority/ last to be repaid		Ordinary shares	Ordinary Shares

Additional disclosure in respect of Subordinated Notes

The following additional disclosures are relevant to Non PR Notes that are Subordinated Notes. All capitalised terms used herein and not otherwise defined shall have the meanings assigned to them in the Terms and Conditions of the Non PR Notes.

Status and subordination of Subordinated Notes

The Subordinated Notes constitute direct, unsecured and subordinated obligations of ANZBGL ranking equally among themselves. In the event of the winding-up of ANZBGL and prior to the commencement of the winding-up of ANZBGL, the principal amount of, any interest on, and any other payments, including additional amounts, in respect of the Subordinated Notes will rank behind all claims of Senior Creditors, *pari passu* with Equal Ranking Securities and ahead of Junior Ranking Securities.

"**Equal Ranking Securities**" means any present or future instrument that ranks in a winding-up of ANZBGL as the most junior claim in the winding-up of ANZBGL ranking senior to Junior Ranking Securities, and includes:

(i) the Perpetual Capital Floating Rate Notes issued under the trust deed dated 30 October 1986 between the Issuer and Bankers Trustee Company Limited, as amended from time to time (except in so far as such amendment is inconsistent with such ranking) (the "**Perpetual Capital Floating Rate Notes**"); and

(ii) any other instruments issued as Relevant Tier 2 Securities.

"**Junior Ranking Securities**" means any present or future instrument:

(i) issued as Tier 1 Capital; and

(ii) that by its terms is, or is expressed to be, subordinated in a winding up of ANZBGL to the claims of Subordinated Noteholders and holders of Equal Ranking Securities.

"**Senior Creditors**" means all present and future creditors of ANZBGL (including but not limited to depositors of ANZBGL) whose claims:

(i) would be entitled to be admitted in the winding up of ANZBGL; and

(ii) are not in respect of Equal Ranking Securities or Junior Ranking Securities.

Prior to the winding-up of ANZBGL, the obligation of ANZBGL to make payments (including of any principal, additional amounts and interest) on the Subordinated Notes will be conditional on ANZBGL being Solvent at the time of, and immediately after, such payment by ANZBGL. Any such failure to pay will not be considered an event of default for the purposes of the Subordinated Notes.

Further, the Subordinated Notes will be mandatorily Converted into ordinary shares in the capital of ANZBGL ("**Ordinary Shares**") or Written-Off (as specified in the applicable Pricing Supplement) where this is determined by APRA to be necessary on the grounds that APRA considers that ANZBGL would otherwise become non-viable or APRA determines that without a public sector injection of capital or equivalent support ANZBGL would become non-viable as further described below under "Subordinated Notes are subject to Mandatory Conversion in the event of a Non-Viability Trigger Event."

The Subordinated Notes are complex financial instruments and may not be a suitable investment for all investors.

The Subordinated Notes are complex financial instruments, which include features which, since 1 January 2013, are required for the Subordinated Notes to qualify as ANZ's Tier 2 Capital under APRA's prudential standards. As a result, an investment in the Subordinated Notes will involve certain increased risks. Each potential investor in the Subordinated Notes must determine the suitability of such investment in the Subordinated Notes (or the Ordinary Shares if Conversion is required) in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Subordinated Notes, the merits and risks of investing in the Subordinated Notes, the rights attaching to the Subordinated Notes, when and how the Subordinated Notes may be Converted or Written-Off and the information contained or incorporated by reference in this Information Memorandum;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Subordinated Notes and the impact the Subordinated Notes (and the Ordinary Shares to be issued if Conversion is required) will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Subordinated Notes (or the Ordinary Shares), including the risk associated with a Conversion or Write-Off or where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the Subordinated Notes, such as the provisions governing a Conversion or Write-Off with respect to Subordinated Notes (including, in particular the uncertainty as to the circumstances under which a Non-Viability Trigger Event will or may be deemed to occur), and be familiar with the behaviour of any relevant financial markets and their potential impact on the likelihood of certain events under the Subordinated Notes occurring; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

A potential investor should not invest in the Subordinated Notes unless it has the knowledge and expertise (either alone or with a financial adviser) to evaluate how the Subordinated Notes will perform under changing conditions and their resulting effects on the likelihood of a Conversion or Write-Off and the value of the Subordinated Notes, and the impact this investment will have on the potential investor's overall investment portfolio. Prior to making an investment decision, potential investors should consider carefully, in light of their own financial circumstances and investment objectives, all the information contained in this Information Memorandum or incorporated by reference herein.

An investor holding Subordinated Notes may lose some or all of its investment should ANZBGL become insolvent

Although Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is a significant risk that an investor holding Subordinated Notes may lose some or all of its investment should ANZBGL become insolvent.

The terms of the Notes do not limit the amount of the liabilities ranking senior to any Subordinated Notes which may be incurred or assumed by ANZBGL from time to time, whether before or after the date of issue of the relevant Subordinated Notes.

If ANZBGL is declared insolvent and a winding up proceeding is initiated, it will be required to pay the holders of senior debt and meet its obligations to all its other creditors (including unsecured creditors but excluding any obligations in respect of Subordinated Notes) in full before it can make any payments on any Subordinated Notes. If this occurs, ANZBGL may not have enough assets remaining after these payments to pay amounts due under the relevant Subordinated Notes.

In addition, all Subordinated Notes will provide that, prior to the winding up of ANZBGL, ANZBGL is only permitted to make payments on such Subordinated Notes if it is solvent at the time of such payment and if it would be solvent immediately after any such payment. Any such failure to pay will not be considered an Event of Default for the purposes of the Subordinated Notes.

An investor holding Subordinated Notes has limited remedies available for non-payment of amounts owing and for other breaches of ANZBGL's obligations

If ANZBGL fails to pay principal on the Subordinated Notes on its due date, or fails to pay interest on the Subordinated Notes within 30 days of its due date, a Subordinated Noteholder may commence proceedings to recover the amount owing, provided that ANZBGL will not, by virtue of the institution of any such proceedings (other than any winding up proceedings), be obliged to pay any principal or interest or any other payments in respect of the Subordinated Notes:

(a) sooner than such amounts would otherwise be payable and not until after the claims of other creditors of ANZBGL have been paid; and

(b) if ANZBGL is not solvent at the time of, or would not be solvent immediately after, the payment of such amount.

In addition to taking such actions upon any such failure to pay principal or interest, a Subordinated Noteholder may commence a proceeding in the State of Victoria, Australia (but not anywhere else) for a winding up. The making of an order for a winding up is in the discretion of the Court.

No other remedy will be available to a holder of Subordinated Notes against ANZBGL, whether for the recovery of amounts owing in respect of, or for a breach by ANZBGL of its obligations under or in respect of, the Subordinated Notes.

An investor holding Subordinated Notes has limited rights to accelerate principal under the Subordinated Notes

A Subordinated Noteholder may not declare the principal amount of the Subordinated Notes to be due and payable prior to their stated maturity, other than on the occurrence of a winding up.

Redemption of the Subordinated Notes

Subordinated Notes may be redeemed at the option of ANZBGL before their stated Maturity Date, as described below under the risk factor entitled "*Redemption is subject to certain conditions, including the prior written approval of APRA*".

ANZBGL may at its option redeem Subordinated Notes at the Early Redemption Amount together with interest accrued to the date fixed for redemption on any Optional Redemption Date as specified in the applicable Pricing Supplement. The Optional Redemption Date may not be before the fifth anniversary of the Issue Date of the relevant Subordinated Note.

Further, ANZBGL may at its option redeem all, but not some only, of the Subordinated Notes at the Early Redemption Amount together with interest accrued to the date fixed for redemption for certain taxation reasons. These include where ANZBGL has or will become obliged to pay additional amounts, where (if the Pricing Supplement so specifies) ANZBGL or the consolidated tax group of which it is a member would be exposed to more than a *de minimis* amount of other taxes, levies, imposts, charges and duties (including stamp and transaction duties) imposed by any authority together with any related interest, penalties and expenses in connection with them, assessments or other governmental charges in connection with any Subordinated Notes or where if the Pricing Supplement so specifies ANZBGL determines that interest payable on any Subordinated Note is not, or may not be, allowed as a deduction for the purposes of Australian income tax (in each case, where ANZBGL did not expect such event to occur on the Issue Date of the Subordinated Notes).

ANZBGL may at its option redeem all, but not some only, of the Subordinated Notes at the Early Redemption Amount together with interest accrued to the date fixed for redemption if a Regulatory Event occurs.

Where prior to any such redemption, a Subordinated Note has been Written-Off or Converted in part, the Early Redemption Amount payable in respect of that Subordinated Note will be reduced and calculated on the Principal Amount of that Subordinated Note as reduced on the date of the Write-Off or Conversion.

Redemption and amendment is subject to certain conditions, including the prior written approval of APRA

ANZBGL may not redeem any Subordinated Note prior to the Maturity Date or purchase, or procure that any of its Related Entities purchase, any Subordinated Notes without the prior written approval of APRA. Investors in Subordinated Notes should not expect that APRA's approval will be given for any redemption or purchase of a Subordinated Note. Additionally, ANZBGL will not be permitted to redeem any Subordinated Note unless:

(a) the Subordinated Notes are replaced concurrently or beforehand with Regulatory Capital of the same or better quality and the replacement of the Subordinated Notes is done under conditions that are suitable for ANZBGL's income capacity; or

(b) APRA is satisfied that ANZBGL's capital position at Level 1, Level 2 and, if applicable, Level 3 is well above its minimum capital requirements after ANZBGL elects to redeem the Subordinated Notes.

In the case of Subordinated Notes, any modification, amendment, supplement, consent, waiver or other action which may affect the eligibility of the Subordinated Notes as Tier 2 Capital cannot be made without the prior written approval of APRA. In addition, any Successor Rate, Alternative Rate,

Adjustment Spread, or Benchmark Amendments in respect of Subordinated Notes will be subject to the prior written approval of APRA having been obtained in each case. Subordinated Noteholders should note that APRA's approval may not be given for any Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendments it considers to have the effect of increasing the Interest Rate contrary to applicable prudential standards.

No set-off

Neither ANZBGL nor a Subordinated Noteholder has any contractual right to set off any sum at any time due and payable to a Subordinated Noteholder or ANZBGL (as applicable) under or in relation to the Subordinated Notes against amounts owing by the Subordinated Noteholder to ANZBGL or by ANZBGL to the Subordinated Noteholder (as applicable).

Governing Law

The Subordinated Notes will be governed by English law, except that the subordination, Conversion and Write-Off provisions applicable to the Subordinated Notes will be governed by, and construed in accordance with, the laws of the State of Victoria and the Commonwealth of Australia.

Subordinated Notes are subject to mandatory Conversion or Write-Off in the event of a Non-Viability Trigger Event

Subordinated Notes issued by ANZBGL are subject to mandatory Conversion into ordinary shares of ANZBGL (or a successor) or Write-Off (as specified in the applicable Pricing Supplement) if a Non-Viability Trigger Event occurs. A Non-Viability Trigger Event occurs when APRA has provided a written determination to ANZBGL that the conversion or write-off of certain securities of ANZBGL is necessary because without either such Conversion or Write-Off or a public sector injection of capital, ANZBGL would become non-viable.

If "Conversion – Applicable" is selected under the relevant Pricing Supplement, and (i) a Non-Viability Trigger Event occurs that does not involve a requirement for a public sector injection of capital, on the date of such event, ANZBGL will be required to Convert some or all of the Principal Amount of the Subordinated Notes into Ordinary Shares, or (ii) a Non-Viability Trigger Event occurs that involves a requirement for a public sector injection of capital, on the date of such event, ANZBGL will be required to Convert all of the Principal Amount of the Subordinated Notes into Ordinary Shares. If Conversion has not been effected within five Business Days after the Non-Viability Trigger Event for any reason, ANZBGL will be required to Write-Off the relevant Principal Amount of the Subordinated Notes.

If "Write-Off – Applicable" is selected under the relevant Pricing Supplement and (i) a Non-Viability Trigger Event occurs that does not involve a requirement for a public sector injection of capital, on the date of such event, ANZBGL will be required to Write-Off some or all of the Principal Amount of the Subordinated Notes, or (ii) a Non-Viability Trigger Event occurs that involves a requirement for a public sector injection of capital, on the date of such event, ANZBGL will be required to Write-Off all of the Principal Amount of the Subordinated Notes.

Where a Write-Off occurs, the rights of the relevant investor in relation to the relevant Principal Amount of a Subordinated Note are immediately and irrevocably terminated and written-off and the investor will lose that investment and will not receive any compensation.

A Non-Viability Trigger Event may be associated with financial difficulty of ANZBGL and occur contemporaneously with severe market conditions in Australia more generally, and such events are likely to be adverse to investors in the Subordinated Notes.

See sections entitled "*Description of Supervision and Regulation of Australia and New Zealand Banking Group Limited — Australian Regulatory Developments — Crisis Management*" and "*Risk Factors - Regulatory changes or a failure to comply with laws, regulations or policies may adversely affect the Group's Position*" for information on the Statutory Conversion and Write-Off Provisions (as defined therein).

The circumstances under which APRA would determine that ANZBGL is non-viable are uncertain

It is a requirement under APRA's prudential standards that the terms of any subordinated debt, in order to be eligible for inclusion as regulatory capital, contain provisions for conversion or write-off in the event of non-viability. The prudential standards do not define non-viability and APRA has not provided specific guidance on how it would determine non-viability. Non-viability could be expected to include a serious impairment of ANZBGL's financial position. However, it is possible that APRA's view of non-viability may not be confined to solvency or capital measures and APRA's position on these matters may change over time. APRA has indicated that non-viability is likely to arise prior to the insolvency of an ADI. Non-viability may be significantly impacted by a number of factors, including factors which impact the business, operation and financial condition of ANZBGL, such as systemic and non-systemic macro-economic, environmental and operational factors.

An investor holding Subordinated Notes subject to mandatory Conversion may receive on Conversion Ordinary Shares worth significantly less than the principal amount of the investor's Subordinated Notes; such Ordinary Shares may be subject to restrictions on transfer in the absence of a prospectus or equivalent disclosure

A Non-Viability Trigger Event could occur at any time. It could occur on dates not previously contemplated by investors or which may be unfavourable in light of then-prevailing market conditions or investors' individual circumstances or timing preferences.

Potential investors in Subordinated Notes should understand that, if a Non-Viability Trigger Event occurs and Subordinated Notes are converted into Ordinary Shares, investors are obliged to accept the shares (subject to the provisions for issue of Ordinary Shares to a nominee described below) even if they do not at the time consider such shares to be an appropriate investment for them and despite any change in the financial position of ANZBGL since the issue of the Subordinated Notes or any disruption to the market for those Ordinary Shares or to capital markets generally. Investors holding Subordinated Notes subject to Conversion upon the occurrence of a Non-Viability Trigger Event have no right to elect to have Subordinated Notes Written-Off instead of Converted.

There may be no market in Ordinary Shares received on Conversion and investors may not be able to sell the Ordinary Shares at a price equal to the value of their investment and as a result may suffer loss. The sale of Ordinary Shares in ANZBGL may also be restricted by applicable Australian law, including restrictions under the Corporations Act on the sale of Ordinary Shares to investors within 12 months of their issue (except where certain exemptions apply) on account of the Subordinated Notes and the Ordinary Shares being issued without ANZBGL having made prospectus or equivalent disclosure as required by the Corporations Act. The restrictions may apply to sales by any nominee for investors as well as sales by investors and by restricting sales investors may suffer loss. The application of that restriction will turn on whether ANZBGL has provided sufficient disclosure to make the Ordinary Shares freely tradeable, as to which ANZBGL has no affirmative obligation.

The number of Ordinary Shares that an investor holding Subordinated Notes subject to mandatory conversion will receive on Conversion is dependent on formulae in the Conditions as supplemented by the applicable Pricing Supplement which may have the effect that the value of those Ordinary Shares is less than the principal amount of the investor's Subordinated Notes

Except where the applicable Pricing Supplement specifies that Alternative Conversion Number applies, the number of Ordinary Shares that an investor will receive for a Principal Amount of Subordinated Notes will be calculated in accordance with a formula which provides for a calculation based on a discounted five Business Day VWAP subject to a maximum conversion number.

The period for calculating VWAP is retrospective, and ends on the day the Conversion occurs, and does not include the date on which the Non-Viability Trigger Event occurs. The Ordinary Shares may not be listed. They may not have been listed for some period of time, for example, if ANZBGL is acquired by another entity and delisted. The Ordinary Shares may not be able to be sold at prices representing their VWAP. In particular, VWAP prices will be based wholly or partly on trading days which occurred before the Non-Viability Trigger Event.

The maximum conversion number is based on a price of 20 per cent. of the Issue Date VWAP which, in summary, means the VWAP during the period of 20 Business Days preceding the issue date of the

Subordinated Notes. The price at which such number of Ordinary Shares may be sold when determined on the basis of the VWAP may be significantly less than the principal amount of Subordinated Notes Converted, especially where the number is limited to the maximum conversion number.

Since the maximum conversion number is calculated by reference to the applicable Issue Date VWAP, this number may be higher or lower than the maximum conversion number applicable to other Relevant Securities, depending on the date on which those securities were issued. In addition, Subordinated Notes may be required to be Converted at or around the same time as the conversion of other Relevant Securities. If so, the VWAP used to calculate the number of Ordinary Shares issued on Conversion of Subordinated Notes may be the same as the VWAP used to calculate the number of Ordinary Shares issued on conversion of other Relevant Securities. Therefore, it is possible that Subordinated Noteholders may receive the same number or fewer Ordinary Shares per Subordinated Note than would be received by holders of other Relevant Securities (including Relevant Tier 1 Securities that are expressed to rank junior to the Subordinated Notes in the event that ANZBGL becomes insolvent).

Where the Pricing Supplement applicable to the Subordinated Notes specifies that the Alternative Conversion Number is applicable, the number of Ordinary Shares which the investor will receive is fixed at that number. The number may be minimal and have a market value that is significantly less than the principal amount of the Subordinated Notes Converted.

Upon the occurrence of a Non-Viability Trigger Event, investors will bear the risk of depreciation of the Australian dollar against the Specified Currency of the Subordinated Notes

Ordinary Shares trade primarily in Australian dollars and so, where Subordinated Notes are denominated in a Specified Currency other than Australian dollars, the equivalent value of Ordinary Shares in the Specified Currency of the Subordinated Notes may fluctuate depending on the exchange rate between the Specified Currency and Australian dollars (or any other currency in which Ordinary Shares may trade). For example, if the Australian dollar depreciates relative to the Specified Currency, the value of Ordinary Shares in the Specified Currency will decrease.

As the Maximum Conversion Number is calculated based on the market price of Ordinary Shares and the exchange rate in respect of the Australian dollar and the Specified Currency in the 20 Business Day period prior to the date of issue of the Subordinated Notes, any depreciation of the Australian dollar against the Specified Currency by the time that the VWAP is calculated for the purpose of determining the Conversion Number may make it more likely that the Maximum Conversion Number will apply (especially if accompanied by a deterioration in the market price of Ordinary Shares at the time of a Non-Viability Trigger Event). See the risk factor entitled "*The number of Ordinary Shares that an investor holding Subordinated Notes subject to mandatory conversion will receive on Conversion is dependent on formulae in the Conditions as supplemented by the applicable Pricing Supplement which may have the effect that the value of those Ordinary Shares is less than the principal amount of the investor's Subordinated Notes*" for more detail of the risks to Holders of the Maximum Conversion Number applying.

In addition, the variable number of Ordinary Shares issued to you on the occurrence of a Non-Viability Trigger Event is calculated by reference to the prevailing exchange rate in respect of the Australian dollar and the Specified Currency at the time of Conversion. Following the Non-Viability Trigger Event there may be a delay in you receiving Ordinary Shares and/or a delay in the nominee selling the Ordinary Shares issued on your behalf, or converting the cash consideration from any such sale into the Specified Currency, in accordance with the terms of the Subordinated Notes during which time the exchange rate of Australian dollars against the Specified Currency may further decline.

No interest or other compensation is payable in the event of a loss by an investor due to foreign currency conversions.

As a result, the realisable value in the Specified Currency of Ordinary Shares issued, or the proceeds from any sale of such Ordinary Shares, following a Non-Viability Trigger Event could be substantially lower than that implied by the exchange rate in respect of the Australian dollar and the Specified Currency at the time of a Non-Viability Trigger Event.

The number of Ordinary Shares that an investor holding Subordinated Notes subject to mandatory Conversion will receive on Conversion will not be adjusted for certain corporate actions of ANZBGL

If the applicable Pricing Supplement specifies that Alternative Conversion Number applies, the Alternative Conversion Number may be no more than the Maximum Conversion Number. If the Alternative Conversion Number does not apply, the number of Ordinary Shares that an investor will receive on Conversion cannot be greater than a maximum conversion number based on 20 per cent. of the Issue Date VWAP (as described above). The Issue Date VWAP is adjusted for only limited corporate actions of ANZBGL, namely bonus issues, divisions and similar transactions. Accordingly, as a result of other corporate actions of ANZBGL, an investor in Subordinated Notes may receive on Conversion Ordinary Shares worth significantly less than the Principal Amount of the investor's Subordinated Notes. The terms of the Subordinated Notes do not restrict corporate actions that ANZBGL may undertake.

Where the Pricing Supplement applicable to the Subordinated Notes specifies that the Alternative Conversion Number is applicable, the number of Ordinary Shares which the investor will receive is fixed at that number and is not adjusted for any corporate action.

In certain circumstances, an investor holding Subordinated Notes subject to Conversion may not receive Ordinary Shares, only the proceeds thereof, as the Ordinary Shares would be issued upon Conversion to the nominee for immediate sale, which sale is likely to occur when market conditions are not favourable

If an investor holding Subordinated Notes subject to Conversion (i) notifies ANZBGL that it does not wish to receive Ordinary Shares as a result of the Conversion; (ii) has an address outside of Australia or is a person whom ANZBGL may otherwise believe is not a resident of Australia; (iii) is a Clearing System Holder; (iv) does not provide Australian securities account information to ANZBGL prior to the Trigger Event Date; or (v) where a FATCA Withholding (as defined below) is required to be made in respect of the Ordinary Shares issued on the Conversion, the Ordinary Shares that the investor would receive on Conversion will instead be issued to a nominee (which may not be ANZBGL or any of its Related Entities (which has the meaning given by APRA from time to time)), who will sell the shares on behalf of that investor. The nominee will have no duty to seek a fair market price, or to engage in an arm's length transaction in such sale, and market conditions are likely to have deteriorated following the Non-Viability Trigger Event that caused the Conversion.

To enable ANZBGL to issue Ordinary Shares to an investor on Conversion, investors need to have appropriate securities accounts in Australia for the receipt of Ordinary Shares and to provide to ANZBGL prior to the Trigger Event Date, their name and address and certain security holder account and other details. Investors should understand that a failure to provide this information to ANZBGL by the Trigger Event Date may result in ANZBGL issuing the Ordinary Shares to a nominee which, if the information is not provided to the nominee no later than 30 days after the Trigger Event Date, will sell the Ordinary Shares and pay the net proceeds to the investors. In this situation, investors will have no rights against ANZBGL in relation to the Conversion and will not be able to trade in any Ordinary Shares issued to the nominee.

An investor holding Subordinated Notes subject to mandatory Conversion will not receive Ordinary Shares if Conversion is not effected within five Business Days after the Trigger Event Date for any reason (including if ANZBGL is prevented from doing so by law)

If "Conversion – Applicable" is selected in the relevant Pricing Supplement, ANZBGL is required to Convert a Principal Amount of Subordinated Notes, however, if the Conversion is not effected within five Business Days after the Trigger Event Date for any reason (including where ANZBGL is prevented from doing so by applicable law, court order or government action), the Conversion will not occur and the rights of investors in relation to those Subordinated Notes will be Written-Off and immediately and irrevocably terminated with effect on and from the Trigger Event Date. In this situation also, investors will lose some or all of the value of their investment and will not receive any compensation.

The rules and regulations of the ASX in certain circumstances limit ANZBGL's ability, without shareholder approval, to issue Ordinary Shares and other equity securities (which may include convertible notes) without the approval of holders of Ordinary Shares. If the issue or Conversion of Subordinated Notes would contravene that limit, then ANZBGL may be prevented from Converting Subordinated Notes and such Subordinated Notes may be required to be Written-Off.

The requirement for Conversion on account of a Non-Viability Trigger Event does not apply to subordinated debt issued by ANZBGL prior to 1 January 2013, and accordingly the holders of Subordinated Notes issued under this Base Prospectus are likely to be in a worse position in the event of ANZBGL becoming non-viable than holders of subordinated debt issued by ANZBGL without a mandatory conversion or write-off feature.

There are provisions of Australian law that are relevant to the ability of any person to acquire interests in ANZBGL beyond the limits prescribed by those laws.

The Financial Sector (Shareholdings) Act 1998 of Australia restricts ownership by people (together with their associates) of an Australian bank, such as ANZBGL, to a 20 per cent. stake. A shareholder may apply to the Australian Treasurer to extend their ownership beyond 20 per cent., but approval will not be granted unless the Treasurer is satisfied that a holding by that person greater than 20 per cent. is in the national interest.

Mergers, acquisitions and divestments of Australian public companies listed on ASX (such as ANZBGL) are regulated by detailed and comprehensive legislation and the rules and regulations of ASX. These provisions include restrictions on the acquisition and sale of relevant interests in certain shares in an Australian listed company under the Corporations Act and a requirement that acquisitions of certain interests in Australian listed companies by foreign interests are subject to review and approval by the Treasurer. In addition, Australian law also regulates acquisitions which would have the effect, or be likely to have the effect, of substantially lessening competition in a market, or in a state or in a territory of, Australia.

Subordinated Noteholders should take care to ensure that by acquiring any Subordinated Notes which provide for such Subordinated Notes to be Converted to Ordinary Shares (taking into account any Ordinary Shares into which they may Convert), they do not breach any applicable restrictions on the ownership of interests in ANZBGL. If the acquisition or conversion of such Subordinated Notes by the Subordinated Noteholder or a nominee would breach those restrictions ANZBGL may be prevented from Converting such Subordinated Notes and, where Conversion is required, such Subordinated Notes may be required to be Written-Off.

Prior to the issue of Ordinary Shares, Holders will not have any rights with respect to Ordinary Shares, but may be subject to changes made to ANZBGL's constitution with respect to Ordinary Shares

Subordinated Noteholders have no voting or other rights in relation to Ordinary Shares until Ordinary Shares are issued to them. In addition, the Subordinated Notes do not confer on Subordinated Noteholders any right to subscribe for new securities in ANZBGL or to participate in any bonus issue of securities. The rights attaching to Ordinary Shares if Ordinary Shares are issued will be the rights attaching to Ordinary Shares at that time. Subordinated Noteholders have no right to vote on or otherwise to approve any changes to ANZBGL's constitution in relation to the Ordinary Shares that may in the future be issued to them. Therefore, Subordinated Noteholders will not be able to influence decisions that may have adverse consequences for them.

The Ordinary Share price may fluctuate, particularly at the time a Non-Viability Trigger Event is likely, which could materially impact the value of the Ordinary Shares Holders receive upon Conversion

The market price of Ordinary Shares will fluctuate due to various factors, including investor perceptions, domestic and worldwide economic conditions and ANZBGL's financial performance and position. In addition, a Non-Viability Trigger Event is likely to be accompanied by a deterioration in the market price of the Ordinary Shares. The VWAP during the relevant period before the date of Conversion that is used to calculate the number of Ordinary Shares that Subordinated Noteholders receive may differ from the Ordinary Share price on or after the date of Conversion. This means that the value of Ordinary Shares received is likely to be less than anticipated when the Subordinated Notes were issued or thereafter.

Other events and conditions may affect the ability of Subordinated Noteholders or the nominee to trade or dispose of the Ordinary Shares issued on Conversion such as, for example, the willingness or ability of the ASX to accept the Ordinary Shares issued on Conversion for listing or any practical issues which affect that listing, any disruption to the market for the Ordinary Shares or to capital markets generally, the availability of purchasers of Ordinary Shares and any costs or practicalities associated with trading or disposing of Ordinary Shares at that time, or laws of general application, including securities law and

laws relating to the holding of shares and other interests in financial institutions, which limit a person's ability to acquire or dispose of Ordinary Shares. In addition, a Subordinated Noteholder may not be able to trade the Ordinary Shares if, in accordance with the terms of the Subordinated Notes, the Ordinary Shares are issued to a nominee. See the risk factor entitled "*In certain circumstances, an investor holding Subordinated Notes subject to Conversion may not receive Ordinary Shares, only the proceeds thereof, as the Ordinary Shares would be issued upon Conversion to the nominee for immediate sale, which sale is likely to occur when market conditions are not favourable*".

Approved NOHC event

Where ANZBGL is acquired by an Approved NOHC, at its option ANZBGL may, without further authority, but with the prior approval of APRA, amend the Conditions of the Subordinated Notes so that holders of Subordinated Notes will be obliged to accept Approved NOHC Ordinary Shares and will not receive Ordinary Shares upon a Conversion of Subordinated Notes. Potential investors should be aware that Subordinated Noteholders will not have a right to vote on any proposal to approve, implement or give effect to a merger or a similar transaction.

An investor holding Subordinated Notes subject to a Write-Off will lose some or all of the value of their investment

If "Write-Off – Applicable" is selected in the relevant Pricing Supplement, the rights of investors (including their rights to receive payment of interest both in the future and as unpaid as at the Trigger Event Date) will be Written-Off and irrevocably terminated. In this situation, investors will also lose some or all of the value of their investment and will not receive any compensation.

Description of rights and liabilities attaching to Ordinary Shares

The rights and liabilities attaching to the Ordinary Shares issued on Conversion of Subordinated Notes are set out in the constitution of ANZBGL ("**Constitution**") and are also regulated by the Corporations Act, ASX Listing Rules and the general law. A summary of the key rights attaching to the Ordinary Shares is as follows. Eligible investors who wish to inspect the Constitution may do so during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the offices of the Paying Agents, Deutsche Bank AG at Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom, at the registered office of ANZBGL and at https://www.anz.com/shareholder/centre/about/corporate-governance/.

Voting rights

Subject to any rights or restrictions attached to any shares or class of shares, a registered holder of an Ordinary Share ("**Shareholder**") is entitled to attend and vote at a general meeting of ANZBGL. Any resolution being considered at a general meeting is decided on a show of hands unless a poll is held. On a show of hands, each Shareholder present has one vote.

On a poll, each Shareholder has one vote for each Ordinary Share. Partly paid Ordinary Shares confer that fraction of a vote which is equal to the proportion which the amount paid bears to the total issue price of the Ordinary Share.

General meetings

Notice of a general meeting must be given to each Shareholder in accordance with the Corporations Act. Each Shareholder is entitled to receive notices, financial statements and other documents required to be provided to Shareholders under the Constitution, Corporations Act and ASX Listing Rules.

Dividend entitlement

Subject to the Corporations Act, the Constitution and the terms of issue of Ordinary Shares, the board of directors of ANZBGL ("**Board**") may resolve to pay dividends on Ordinary Shares which are considered by the Board to be appropriate, in proportion to the capital paid up on the Ordinary Shares held by each Shareholder (subject to the rights of holders of shares carrying preferred rights including Subordinated Notes).

Dividend reinvestment plan and bonus option plan

Shareholders who are eligible may participate in ANZBGL's dividend reinvestment plan or bonus option plan, as in force from time to time, in accordance with (and subject to) the rules of those plans. Shareholders who are subject to the laws of a country or place other than Australia may not be eligible to participate, because of legal requirements that apply in that country or place or in Australia. Until the Board otherwise determines, participation in ANZBGL's dividend reinvestment plan and bonus option plan is not available directly or indirectly to any entity or person (including any legal or beneficial owner of Ordinary Shares) who is (or who is acting on behalf of or for the account or benefit of an entity or person who is) in or resident in the United States (including its territories or possessions) or Canada.

Rights of shareholders on a winding-up of ANZBGL

If ANZBGL is wound up and its property is more than sufficient to pay all debts, share capital of ANZBGL and expenses of the winding-up, the excess must be divided among Shareholders in proportion to the capital paid up on the Ordinary Shares at the commencement of the winding-up (subject to the rights of holders of shares carrying preferred rights on winding-up including Subordinated Notes). A partly paid Ordinary Share is counted as a fraction of a fully paid Ordinary Share equal to the proportion which the amount paid on it bears to the total issue price of the Ordinary Share.

However, with the sanction of a special resolution, the liquidator may divide among Shareholders the assets of ANZBGL in kind and decide how the division is to be carried out or vest assets in trustees of any trusts for the benefit of Shareholders as the liquidator thinks appropriate.

Transfer of ordinary shares

Ordinary Shares may be transferred by any means permitted by the Corporations Act or by law. The Board may decline to register a transfer where permitted to do so under the ASX Listing Rules or the settlement operating rules of the ASX ("**ASX Settlement Operating Rules**"), or where registration of the transfer is forbidden by the Corporations Act, ASX Listing Rules or ASX Settlement Operating Rules. In addition, subject to the Corporations Act, ASX Listing Rules and ASX Settlement Operating Rules, the Board may decline to register a transfer if registration would create a new holding of less than a marketable parcel under the ASX Listing Rules.

Issues of further shares

Subject to the Constitution, Corporations Act and ASX Listing Rules, the Board may issue or grant options in respect of Ordinary Shares on such terms as the Board decides. The Board may also issue preference shares, including redeemable preference shares, or convertible notes with preferred, deferred or special rights or restrictions in relation to dividends, voting, return of capital and participation in surplus on a winding-up of ANZBGL.

Variation of the Constitution

The Constitution can only be modified by a special resolution in accordance with the Corporations Act. Under the Corporations Act, for a resolution to be passed as a special resolution it must be passed by at least 75 per cent. of the votes cast by members entitled to vote on the resolution.

Variation of rights

ANZBGL may only modify or vary the rights attaching to any class of shares with the prior approval, by a special resolution, of the holders of shares in that class at a meeting of those holders, or with the written consent of the holders of at least 75 per cent. of the issued shares of that class.

Subject to the terms of issue, the rights attached to a class of shares are not treated as varied by the issue of further shares which rank equally with that existing class for participation in profits and assets of ANZBGL.

Australian taxation: Considerations relating to Subordinated Notes

The taxation consequences which may arise on the Conversion of Subordinated Notes into Ordinary Shares are complex. In some cases, any gain or loss on the conversion may be disregarded under the Australian Tax Act. There are also a range of tax consequences which may apply to holders of Ordinary Shares, or particular holders of Ordinary Shares, in holding, acquiring or disposing of Ordinary Shares.

Holders should seek their own taxation advice if their Subordinated Notes are Converted into Ordinary Shares.

Stamp duty:

No ad valorem stamp duty, issue, registration or similar taxes are payable on the issue or transfer of Ordinary Shares (including an issue of shares as a result of Conversion) provided that:

- if all the shares in ANZBGL are quoted on the Australian Securities Exchange at the time of issue or transfer of the Ordinary Shares, no person, either directly or when aggregated with interests held by associates of that person, obtains an interest in ANZBGL of 90 per cent. or more; or

- if not all the shares in ANZBGL are quoted on the Australian Securities Exchange at the time of issue or transfer of the Ordinary Shares, no person, either directly or when aggregated with interests held by associates of that person, obtains an interest in ANZBGL of 50 per cent. or more.

The stamp duty legislation generally requires the interests of associates to be added in working out whether the relevant threshold is reached. In some circumstances, the interests of unrelated entities can also be aggregated together in working out whether the relevant threshold is reached.

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In addition, any amounts to be paid on the Subordinated Notes will be paid and any Ordinary Shares to be issued to a holder on Conversion of a Subordinated Note will be issued to the holder, net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (the "**Code**"), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code, and no additional amounts will be required to be paid and no additional Ordinary Shares would be required to be issued on account of any such deduction or withholding.

Additional Information

ANZBGL is authorised to raise subordinated notes up to a limited aggregate amount in any ANZBGL financial year (currently being from 1 October to 30 September). If any proposed issue of Subordinated Notes, when aggregated with other subordinated notes raised by ANZBGL in the relevant ANZBGL financial year, will exceed that limit, then further authorisations will need to be obtained from the board of directors of ANZBGL prior to that issue.

SCHEDULE A
TERMS AND CONDITIONS OF THE NON PR NOTES

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Notes of each Series. Either (i) the full text of these conditions together with the applicable provisions of the relevant Pricing Supplement or (ii) these conditions as so completed (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on all Bearer Notes in definitive form or on the Certificates relating to Registered Notes in definitive form. The following are also the Terms and Conditions of the Notes which will be applicable to each VPS Note. VPS Notes will not be evidenced by any physical note or document of title other than statements of account made by the VPS. Ownership of VPS Notes will be recorded and transfer effected only through the book entry system and register maintained by the VPS. The applicable Pricing Supplement (or the relevant provisions thereof) will be in the case of VPS Notes, deemed to apply to any such Notes. Wording which appears in italics in the text does not form part of the terms and conditions.

This Note is one of a Series (as defined below) of Notes issued by either Australia and New Zealand Banking Group Limited ("**ANZBGL**"), ANZ Bank New Zealand Limited ("**ANZ New Zealand**") or ANZ New Zealand (Int'l) Limited, acting through its London branch ("**ANZNIL**"), as specified in the relevant Pricing Supplement. References herein to the "**Issuer**" shall be references to the party specified as "**Issuer**" in the Pricing Supplement for this Note, and references to "**Issuers**" shall be to ANZBGL, ANZ New Zealand and ANZNIL. References herein to "**Notes**" shall be references to the Notes of this Series.

The Notes (other than VPS Notes (as defined below)) are issued pursuant to an Amended and Restated Agency Agreement dated 20 November 2020 (as further amended and/or supplemented and/or restated as at the Issue Date of the Notes, the "**Agency Agreement**") between the Issuers, ANZ New Zealand as guarantor of the Notes issued by ANZNIL (the "**Guarantor**"), Deutsche Bank AG, London Branch as fiscal agent, calculation agent, paying agent and transfer agent and Deutsche Bank Trust Company Americas and Deutsche Bank Luxembourg S.A. as registrar and transfer agent and with the benefit of a Deed of Covenant dated 20 November 2020 (the "**Deed of Covenant**") executed by the Issuers in relation to the Notes. VPS Notes will be issued in accordance with and subject to a trust agreement (such trust agreement as amended and/or supplemented and/or restated from time to time, the "**VPS Trustee Agreement**") dated 17 May 2018 made between the Issuer and Nordic Trustee AS (the "**VPS Trustee**", which expression shall include any successor as VPS Trustee). The VPS Trustee acts for the benefit of the holders for the time being of the VPS Notes, in accordance with the provisions of the VPS Trustee Agreement and these Terms and Conditions. The fiscal agent, paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Fiscal Agent**", the "**Paying Agents**" (which expression shall include the Fiscal Agent, and, if applicable, the CMU Lodging Agent and the CMU Paying Agent, for the time being appointed under Condition 6(e)), the "**Registrar**", the "**Transfer Agents**" and the "**Calculation Agent(s)**". The Guarantor has, for the benefit of the holders from time to time of the Notes issued by ANZNIL, executed and delivered a Deed of Guarantee dated 20 November 2020 (as amended and/or supplemented and/or restated from time to time, the "**Deed of Guarantee**") under which it has unconditionally and irrevocably guaranteed the due and punctual payment of all amounts due by ANZNIL under or in respect of the Notes issued by ANZNIL as and when the same shall become due and payable. Copies of the Agency Agreement, the Deed of Covenant and the Deed of Guarantee are available for inspection at the specified offices of each of the Paying Agents (if more than one), the Registrar and the Transfer Agents. Copies of the VPS Agency Agreement and the VPS Trustee Agreement will be available for inspection during normal business hours at the specified office of the VPS Agent and at the registered office for the time being of the VPS Trustee.

The Noteholders, the holders (the "**Couponholders**") of the interest coupons (the "**Coupons**") appertaining to interest-bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the "**Talons**") and the holders (the "**Receiptholders**") of the receipts for the payment of instalments of principal (the "**Receipts**") relating to Notes in bearer form of which the principal is payable in instalments are bound by and are deemed to have notice of all of the provisions of the Agency Agreement, the Deed of Covenant, the VPS relevant Agency Agreement as defined below, the VPS Trustee Agreement and the Deed of Guarantee applicable to them.

Each issue of VPS Notes will have the benefit of a VPS Agency Agreement (such VPS Agency Agreement as amended and/or supplemented and/or restated from time to time, the (the "**VPS Agency Agreement**") between the Issuer and an agent (the "**VPS Agent**") who will act as agent of the Issuer in respect of all dealings with the VPS in respect of VPS Notes as provided in the relevant VPS Agency Agreement. References herein to the VPS Agency Agreement shall be to the relevant VPS Agency Agreement entered into in respect of each issue of VPS Notes.

As used herein, "**Tranche**" means Notes which are identical in all respects (including as to listing) and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single Series and (ii) are identical in all respects (including as to listing) except for the respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Except in the case of a VPS Note, the Pricing Supplement for this Note (or the relevant provisions thereof) is endorsed on this Note and completes these Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Conditions, replace or modify these Conditions for the purposes of this Note. References herein to the "**Pricing Supplement**" are, except in the case of a VPS Note, to the Pricing Supplement (or the relevant provisions thereof) endorsed on this Note. In the case of a VPS Note, references herein to the "Pricing Supplement" are to the Pricing Supplement (or the relevant provisions thereof) provided to the VPS Agent, the VPS Trustee and the VPS in connection with such VPS Notes.

Words and expressions defined in the Agency Agreement, the VPS Agency Agreement or the VPS Trustee Agreement or used in the Pricing Supplement shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement, the VPS Agency Agreement or the VPS Trustee Agreement and the Pricing Supplement, the Pricing Supplement will prevail.

1. Form, Denomination and Title

The Notes are issued (i) in bearer form ("**Bearer Notes**") (ii) in registered form ("**Registered Notes**") or (iii) in uncertificated and dematerialised book entry form registered in the Norwegian Central Securities Depository, *Verdipapirsentralen ASA* or VPS ("**VPS Notes**" and the "**VPS**", respectively), in each case in the Specified Currency and the Specified Denomination(s). All Registered Notes shall have the same Specified Denomination. A Subordinated Note cannot be a VPS Note. "**Specified Denomination**" means the amount specified as such in (or calculated in accordance with the provisions of) the relevant Pricing Supplement as it may be adjusted, in the case of the Subordinated Notes, in accordance with Condition 5A.4.

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, a Range Accrual Note, an Index Linked Interest Note, an Index Linked Redemption Note, an Instalment Note, a Dual Currency Note, a Subordinated Note, a combination of any of the foregoing or any other relevant type of Note (as permitted by these Conditions), depending upon the Interest Basis or Redemption/Payment Basis shown in the Pricing Supplement. Notes issued as Subordinated Notes must not be Zero Coupon Notes, Range Accrual Notes, Inverse Floating Rate Notes, Index Linked Interest Notes, Index Linked Redemption Notes, Instalment Notes, Dual Currency Notes, CMS Rate Notes or any combination of any of the foregoing.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall, subject to mandatory rules of law, pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Certificate, Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless

of any notice of ownership, trust or interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

Title to VPS Notes will pass by registration in the registers between the direct or indirect accountholders at the VPS in accordance with the Norwegian Securities Registry Act of 5th July, 2002 (No. *verdipapirregisterloven*) (the "**VPS Act**") and the rules and procedures of the VPS. The holder of a VPS Note will be the person evidenced as such by a book entry in the records of the VPS. The person evidenced (including any nominee) as a holder of the VPS Notes shall be treated as the holder of such VPS Notes for the purposes of payment of principal or interest on such Notes and for all other purposes. The expressions "*Noteholders*" and "*holder of Notes*" and related expressions shall, in each case, be construed accordingly. Any references in these Terms and Conditions to Coupons, Talons, Couponholders, Global Notes, Bearer Notes, Certificates, Receipts, Receiptholders, Registered Global Notes, Registered Notes, Bearer Global Notes, Permanent Global Notes, Temporary Global Notes and Notes in definitive form (or, in each case, similar expressions) shall not apply to VPS Notes.

In these Conditions, "**Noteholder**" means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered or in relation to any VPS Notes, is to be construed as provided above in this Condition 1 (as the case may be), "**Unsubordinated Noteholder**" means the Noteholder of a Unsubordinated Note and the Receipts relating to it, "**Subordinated Noteholder**" means the Noteholder of a Subordinated Note issued by ANZBGL and the Receipts relating to it, and "**holder**" (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered or in relation to any VPS Notes, is to be construed as provided above in this Condition 1 (as the case may be).

2. **Exchange and Transfers of Notes**

(a) *Exchange of Notes*

Registered Notes may not be exchanged for Bearer Notes and vice versa. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Notes (other than VPS Notes) may not be exchanged for VPS Notes and *vice versa*.

(b) *Transfer of Registered Notes*

Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate duly completed and executed and such other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

(c) *Exercise of Options or Partial Redemption in Respect of Registered Notes*

In the case of an exercise of an Issuer's or Noteholder's option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) *Delivery of New Certificates*

Each new Certificate to be issued pursuant to Condition 2(b) or (c) shall be available for delivery five business days after receipt of the request for exchange, form of transfer or Exercise Notice or surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for

exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the location of the specified office of the Registrar or the relevant Transfer Agent (as the case may be).

(e) *Exchange Free of Charge*

Exchange and transfer of Notes and Certificates on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax, duty or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Issuer, the Registrar or the relevant Transfer Agent may require).

(f) *Closed Period*

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days before any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 5(e), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date.

3. **Status and Guarantee**

The Notes may be unsubordinated Notes ("**Unsubordinated Notes**") or, where the Issuer is ANZBGL, subordinated Notes ("**Subordinated Notes**") as specified in the relevant Pricing Supplement.

None of the Notes are deposit liabilities or protected accounts of ANZBGL for the purposes of the Banking Act 1959 of Australia (the "**Banking Act**").

(a) *Unsubordinated Notes*

The Unsubordinated Notes and the Receipts and Coupons relating to them constitute direct, unconditional and unsecured obligations of the Issuer and (save for certain debts of the Issuer required to be preferred by law, including but not limited to, where the Issuer is ANZBGL, those referred to in Division 2 and 2AA of Part II of the Banking Act and section 86 of the Reserve Bank Act 1959 of Australia) rank *pari passu* among themselves and equally with all other unsubordinated, unsecured obligations of the Issuer.

*The debts which are preferred by law to the claim of a Noteholder in respect of a Note, including by virtue of the provisions referred to in the above paragraph of Condition 3, will be substantial and are not limited by the Conditions of the Notes. Without limitation to other applicable laws, in the case of Notes issued by ANZBGL, section 13A(3) of the Banking Act provides that, in the event ANZBGL becomes unable to meet its obligations or suspends payment, its assets in Australia are to be available to meet ANZBGL's liabilities in the following order: (i) liabilities to the Australian Prudential Regulation Authority ("**APRA**") in respect of any payments that APRA makes or is liable to make to (A) holders of protected accounts under the Banking Act or (B) a body corporate pursuant to a determination made by APRA in connection with a transfer of the ADI's business to that body corporate (where that transfer includes liabilities of the ADI in respect of protected accounts) under the Financial Sector (Transfer and Restructure) Act 1999 of Australia, (ii) debts in respect of costs of APRA in certain circumstances, (iii) ANZBGL's liabilities in Australia in relation to protected accounts (as defined in the Banking Act) kept with ANZBGL, (iv) debts due to the Reserve Bank of Australia ("**RBA**")), (v) liabilities under certain certified industry support contracts; and (vi) all other liabilities of ANZBGL in their order of priority apart from section 13A(3). Changes to applicable law may extend the debts required to be preferred by law.*

The Unsubordinated Notes rank senior to the Issuer's subordinated obligations, including, where the Issuer is ANZBGL, the Subordinated Notes.

(b) *Subordinated Notes — ANZBGL*

The Subordinated Notes and the Receipts and Coupons relating to them may only be issued by ANZBGL, and will constitute direct, unsecured and subordinated obligations of ANZBGL. In the event of the winding-up of ANZBGL (see Condition 10 (*Subordination*)) and prior to the commencement of the winding-up of ANZBGL (see Condition 4(v)) the Principal Amount of, any interest on, and any other payments, including additional amounts, in respect of the Subordinated Notes will rank behind all claims of Senior Creditors, and subject to Conditions 5A to 5C (inclusive) *pari passu* with Equal Ranking Securities and ahead of Junior Ranking Securities.

"**Equal Ranking Securities**" means any present or future instrument that ranks in a winding-up of ANZBGL as the most junior claim in the winding-up of ANZBGL ranking senior to Junior Ranking Securities, and includes:

(i) the Perpetual Capital Floating Rate Notes issued under the trust deed dated 30 October 1986 between the Issuer and Bankers Trustee Company Limited, as amended from time to time (except in so far as such amendment is inconsistent with such ranking); and

(ii) any other instruments issued as Relevant Tier 2 Securities.

"**Junior Ranking Securities**" means any present or future instrument:

(i) issued as Tier 1 Capital; and

(ii) that by its terms is, or is expressed to be, subordinated in a winding up of ANZBGL to the claims of Subordinated Noteholders and holders of Equal Ranking Securities.

"**Senior Creditors**" means all present and future creditors of ANZBGL (including but not limited to depositors of ANZBGL whose claims:

(i) would be entitled to be admitted in the winding up of ANZBGL; and

(ii) are not in respect of Equal Ranking Securities or Junior Ranking Securities.

Neither ANZBGL nor a Subordinated Noteholder has any contractual right to set off any sum at any time due and payable to a Subordinated Noteholder or ANZBGL (as applicable) under or in relation to the Subordinated Notes against amounts owing by the Subordinated Noteholder to ANZBGL or by ANZBGL to the Subordinated Noteholder (as applicable).

The Subordinated Notes do not limit the amount of liabilities ranking senior to the Subordinated Notes which may be hereafter incurred or assumed by ANZBGL.

Claims of Subordinated Noteholders are also subject to the priority of certain debts preferred by law (in respect of which please see the description provided in Condition 3(a) above).

(c) *Guarantee — by ANZ New Zealand (in respect of Notes issued by ANZNIL)*

Where the relevant Issuer is ANZNIL, the Guarantor has in the Deed of Guarantee unconditionally and irrevocably guaranteed the due and punctual payment of all amounts due by ANZNIL under or in respect of the Notes as and when the same shall become due and payable. This Guarantee of the Notes constitutes direct, unconditional and unsecured obligations of the Guarantor which (save for certain debts of the Guarantor required to be preferred by law) will at all times rank *pari passu* among themselves and equally with all other unsecured obligations (other than subordinated obligations) of the Guarantor. The Notes issued by ANZ New Zealand and ANZNIL are not guaranteed by ANZBGL.

4. **Interest and other Calculations**

(a) *Interest on Fixed Rate Notes*

(i) Each Fixed Rate Note bears interest on its outstanding Principal Amount from, and including, the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the Pricing Supplement as specified Interest

Payment Dates or, if no Interest Payment Date(s) is/are specified in the Pricing Supplement, Interest Payment Date shall mean each date which falls the number of months or other period shown in the Pricing Supplement as the specified Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) If a Fixed Coupon Amount or a Broken Amount is specified in the Pricing Supplement, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the Pricing Supplement.

(iii) *Calculation of Interest Amount*: The Interest Amount payable in respect of each Note for any period for which a Fixed Coupon Amount or Broken Amount is not specified in the Pricing Supplement shall be calculated by applying the Rate of Interest to the Calculation Amount for such Note, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest unit of the Specified Currency (with halves being rounded up), save in the case of Yen, which shall be rounded down to the nearest Yen, and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose, a "**unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means 0.01 euro, as the case may be.

(iv) *Business Day Convention*: If "Business Day Convention – Adjusted" is specified to be applicable in the relevant Pricing Supplement, (a) any Interest Payment Date otherwise falling on a day which is not a Business Day (as defined in Condition 4(r) below) will be postponed or brought forward (as applicable) in accordance with the Business Day Convention set out in the relevant Pricing Supplement (as described below) and (b) the amount of interest payable on such Interest Payment Date will be adjusted accordingly and the provisions of subparagraphs (i) and (j) (excluding the determination and notification of the Rate of Interest) below shall apply, *mutatis mutandis*, as though references to "Floating Rate Notes" were to "Fixed Rate Notes" and references to "Interest Amounts" were to amounts of interest payable in respect of Fixed Rate Notes. If "Business Day Convention – No Adjustment" is specified to be applicable in the relevant Pricing Supplement, any Interest Payment Date otherwise falling on a day which is not a Business Day will be postponed or brought forward (as applicable) in accordance with the Business Day Convention set out in the relevant Pricing Supplement (as described below) and there will be no corresponding adjustment of the amount of interest payable on such Interest Payment Date.

(b) *Interest on Floating Rate Notes and Index Linked Interest Notes*

(i) *Interest Payment Dates*: Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding Principal Amount from, and including, the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the Pricing Supplement as specified Interest Payment Dates or, if no Interest Payment Date(s) is/are specified in the Pricing Supplement, Interest Payment Date shall mean each date which falls the number of months or other period shown in the Pricing Supplement as the specified Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then that date will be adjusted in accordance with the Business Day Convention specified in the relevant Pricing Supplement. If "No Adjustment of Interest Amounts" is specified to be applicable in the relevant Pricing Supplement then notwithstanding the bringing forward or postponement (as applicable) of an Interest Payment Date as a result of the application of the Business Day Convention set out in the relevant Pricing Supplement, the Interest Amount in respect of the relevant Interest Period and each subsequent Interest Period shall be calculated as aforesaid on the basis of the original Interest Payment Dates without adjustment in accordance with the applicable Business Day Convention.

(iii) *Rate of Interest for Floating Rate Notes*: The Rate of Interest in respect of Floating Rate Notes, other than in the case of (x) BBSW Notes or BKBM Notes, provisions in respect of which are set out in Condition 4(d) and Condition 4(e) below, (y) CMS Rate Notes, provisions in respect of which are set out in Condition 4(f) below and (z) Inverse Floating Rate Notes, provisions in respect of which are set out in Condition 4(g) below (unless in each case the relevant Pricing Supplement specifies otherwise), for each Interest Accrual Period shall be determined in the manner specified in the Pricing Supplement and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply depending upon which is specified in the Pricing Supplement.

(A) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(x) the Floating Rate Option is as specified in the Pricing Supplement;

(y) the Designated Maturity is a period specified in the Pricing Supplement; and

(z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the Pricing Supplement. For the purposes of this sub-paragraph (A), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**", and "**Swap Transaction**" have the meanings given to those terms in the ISDA Definitions.

(B) *Screen Rate/Reference Bank Determination for Floating Rate Notes other than Floating Rate Notes referencing SONIA or SOFR*

In respect of Floating Rate Notes other than Floating Rate Notes where the Reference Rate specified in the applicable Pricing Supplement in SONIA or SOFR:

(x) If Screen Rate Determination is specified in the Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be (subject to Condition 4(o) (*Benchmark Replacement*) and Condition 4(p) (*Effect of Benchmark Transition Event*)) (as determined by the Calculation Agent) on the following basis:

(I) if the Reference Rate is a composite quotation or a quotation customarily supplied by one entity, the Calculation Agent will determine the Reference Rate for the Specified Maturity and the Specified Currency which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date; or

(II) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates for the Specified Maturity and the Specified Currency which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(y) if sub-paragraph (x)(I) applies and no Reference Rate for the Specified Maturity and the Specified Currency appears on the Relevant Screen Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (x)(II) applies and fewer than two Reference Rates appear on the Relevant Screen Page at the Relevant Time on the Interest Determination Date or if, in either case, the Relevant Screen Page is unavailable, subject as provided below:

(A) the Issuer will appoint a Reference Banks Agent and the Reference Banks Agent will, at the request of the Issuer, request the principal Relevant

Financial Centre office of each of the Reference Banks (or such of them, being at least two, as are so quoting) to provide a quotation of the Reference Rate for the Specified Maturity and the Specified Currency at approximately the Relevant Time on the Interest Determination Date to leading banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time and will provide such responses to the Calculation Agent; and

(B) the Calculation Agent will determine the arithmetic mean of such quotations; and

(z) if paragraph (y) above applies and the Reference Banks Agent advises the Calculation Agent that fewer than two Reference Banks are so quoting the Reference Rate for the Specified Maturity and the Specified Currency, subject as provided below, the Calculation Agent shall determine the arithmetic mean of the rates per annum (expressed as a percentage) quoted by at least two out of five leading banks selected by the Reference Banks Agent (after consultation with the Issuer) in the Principal Financial Centre of the country of the Specified Currency and in an amount that is representative for a single transaction in that market at that time, in each case as selected by the Reference Banks Agent (after consultation with the Issuer), at or about the Relevant Time for a period commencing on the Effective Date equivalent to the relevant Interest Accrual Period, for loans in the Specified Currency to leading banks carrying on business in (I) Europe, or (II) (if the Reference Banks Agent advises the Calculation Agent that fewer than two of such banks are so quoting to such leading banks in Europe), the Principal Financial Centre, in either case, as provided by the Reference Banks Agent to the Calculation Agent; provided, however, that if fewer than two of such banks are so quoting to such leading banks or the Reference Banks Agent or the Calculation Agent (as the case may be) is unable to determine a rate or (as the case may be) the Calculation Agent is unable to determine an arithmetic mean in accordance with the above provisions on any Interest Determination Date, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum Rate of Interest or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(C) *Screen Rate Determination for Floating Rate Notes where the Reference Rate specified in the applicable Pricing Supplement is SONIA:*

Where the Reference Rate is specified in the applicable Pricing Supplement as being "SONIA", the Rate of Interest for each Interest Period will, as provided below, be Compounded Daily SONIA as calculated by the Calculation Agent (or the person specified in the applicable Pricing Supplement as the party responsible for calculating the Rate of Interest).

"**Compounded Daily SONIA**" means, in relation to any Interest Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent (or the person specified in the applicable Pricing Supplement as the party responsible for calculating the Rate of Interest) on the Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_{i-pLBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Interest Accrual Period;

"**do**" is the number of London Banking Days in the relevant Interest Accrual Period;

"**i**" for any Interest Accrual Period is a series of whole numbers from one to d_O, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in such Interest Accrual Period;

"**London Banking Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"$\mathbf{n_i}$", for any day "**i**", means the number of calendar days from and including such day "i" up to but excluding the following London Banking Day;

"**Observation Look-Back Period**" is as specified in the applicable Pricing Supplement which shall, unless otherwise agreed with the Calculation Agent (or such other person specified in the applicable Pricing Supplement as the party responsible for calculating the Rate of Interest), be no less than five London Banking Days;

"**Observation Period**" means the period from and including the date falling "p" London Banking Days prior to the first day of the relevant Interest Accrual Period (and the first Interest Accrual Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date falling "p" London Banking Days prior to the Interest Payment Date for such Interest Accrual Period (or the date falling "p" London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**", for any Interest Accrual Period, the number of London Banking Days included in the Observation Look-Back Period, as specified in the applicable Pricing Supplement, which shall, unless otherwise agreed with the Calculation Agent (or such other person specified in the applicable Pricing Supplement as the party responsible for calculating the Rate of Interest), be no less than five London Banking Days;

the "**SONIA reference rate**", in respect of any London Banking Day, is a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors (on the London Banking Day immediately following such London Banking Day); and

"**SONIAi-pLBD**" means, in respect of any London Banking Day falling in the relevant Observation Period, the SONIA reference rate for the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i".

If, in respect of any London Banking Day in the relevant Observation Period, the Calculation Agent (or the person specified in the applicable Pricing Supplement as the party responsible for calculating the Rate of Interest) determines that the SONIA reference rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then (unless the Calculation Agent or such other person specified in the applicable Pricing Supplement as the party responsible for determining the Rate of Interest) has been notified of any successor or alternative rate (together with any relevant methodology or adjustment factor) pursuant to Condition 4(o) (*Benchmark Replacement*), such SONIA reference rate shall be: (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Banking Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant

Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period) or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).

If the relevant Series of Notes become due and payable in accordance with Condition 9, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

(D) *Screen Rate Determination for Floating Rate Notes where the Reference Rate specified in the applicable Pricing Supplement is SOFR:*

Where the Reference Rate is specified in the applicable Pricing Supplement as being "SOFR", the Rate of Interest for each Interest Period will, except as provided below, be the Compounded Daily SOFR (expressed as a percentage rate per annum), as determined by the Calculation Agent (or the person specified in the applicable Pricing Supplement as the party responsible for calculating the Rate of Interest) on the Interest Determination Date.

For the purposes of this Condition:

"**Compounded Daily SOFR**" means, in relation to any Interest Period, the rate of return of a daily compound interest investment (with the Secured Overnight Financing Rate as the reference rate for the calculation of interest) as calculated by the Calculation Agent (or the person specified in the applicable Pricing Supplement as the party responsible for calculating the Rate of Interest) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{\mathrm{SOFR}_i \times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

where:

"**d**" means, in relation to any Interest Period, the number of calendar days in such Interest Period;

"**do**" means, in relation to any Interest Period, the number of U.S. Government Securities Business Days in such Interest Period;

"**i**" means, in relation to any Interest Period, a series of whole numbers from one to d_O, each representing the relevant U.S. Government Securities Business Day in chronological order from (and including) the first U.S. Government Securities Business Day in such Interest Period to (but excluding) the Interest Payment Date of such Interest Period;

"**n_i**" means, in relation to any Interest Period and any U.S. Government Securities Business Day "i" during such Interest Period, the number of calendar days from (and including) such U.S. Government Securities Business Day "i" up to (but excluding) the following U.S. Government Securities Business Day;

"**$SOFR_i$**" means, in relation to any Interest Period and any U.S. Government Securities Business Day "i" during such Interest Period:

(i) if such U.S. Government Securities Business Day is a SOFR Reset Date, the Secured Overnight Financing Rate for the U.S. Government Securities Business Day that precedes the SOFR Reset Date by the number of U.S. Government Securities Business Days equal to the number of U.S. Government Securities Business Days in the Reset Period; and

(ii) if such U.S. Government Securities Business Day is not a SOFR Reset Date (being a U.S. Government Securities Business Day falling in the Suspension Period), the Secured Overnight Financing Rate for the U.S. Government Securities Business Day that precedes the first day of the Suspension Period (the "**Suspension Period $SOFR_i$**") by the number of U.S. Government Securities Business Days equal to the number of U.S. Government Securities Business Days in the Reset Period. For the avoidance of doubt, the Suspension Period SOFRi shall apply to each day falling in the relevant Suspension Period.

For the purposes of this definition "$SOFR_i$", (unless otherwise agreed with the Calculation Agent or such other party as is specified in the applicable Pricing Supplement as the party responsible for calculating the Rate of Interest) the sum of the Reset Period and the Suspension Period $SOFR_i$ shall not be less than five U.S. Government Securities Business Days.

"**Reset Period**" means the number of U.S. Government Securities Business Days as are specified as such in the applicable Pricing Supplement which (unless otherwise agreed with the Calculation Agent or such other party as is specified in the applicable Pricing Supplement as the party responsible for calculating the Rate of Interest) when added to any applicable Suspension Determination Period shall not be less than five U.S. Government Securities Business Days.

"**Secured Overnight Financing Rate**" or "**SOFR**" means:

(i) in relation to any U.S. Government Securities Business Day (the "**SOFR Determination Date**"), the daily secured overnight financing rate as published by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator) at or around 3:00 p.m. (New York City time) on the Website of the Federal Reserve Bank of New York on the next succeeding U.S. Government Securities Business Day for trades made on such SOFR Determination Date;

(ii) if the rate specified in (i) above is not so published, and a SOFR Index Cessation Event and a SOFR Index Cessation Effective Date have not both occurred (all as notified to the Calculation Agent by the Issuer), the daily secured overnight financing rate in respect of the last U.S. Government Securities Business Day for which such rate was published on the Website of the Federal Reserve Bank of New York; or

(iii) if the rate specified in (i) above is not so published, and a SOFR Index Cessation Event and a SOFR Index Cessation Effective Date have both occurred (all as notified to the Calculation Agent by the Issuer), the rate determined in accordance with Condition 4(o) (*Benchmark Replacement*).

"**SIFMA**" means the Securities Industry and Financial Markets Association.

"**SOFR Index Cessation Effective Date**" means, in respect of a SOFR Index Cessation Event, the date on which the Federal Reserve Bank of New York (or any successor administrator) ceases to publish the Secured Overnight Financing Rate, or the date as of which the Secured Overnight Financing Rate may no longer be used.

"**SOFR Index Cessation Event**" means the occurrence of one or more of the following events:

(i) a public statement by the Federal Reserve Bank of New York (or a successor administrator) announcing that it has ceased or will cease to publish or provide the Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide a daily secured overnight financing rate;

(ii) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or a successor administrator) has ceased or will cease to provide the Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Secured Overnight Financing Rate; or

(iii) a public statement by a U.S. regulator or other U.S. official sector entity prohibiting the use of Secured Overnight Financing Rate that applies to, but need not be limited to, the Notes.

"**SOFR Reset Date**" means, in relation to any Interest Period, each U.S. Government Securities Business Day during such Interest Period, other than any U.S. Government Securities Business Day falling in the Suspension Period corresponding with such Interest Period.

"**Suspension Determination Period**" means, if Suspension Determination Period is specified as applicable in the relevant Pricing Supplement, the number of U.S. Government Securities Business Days as are specified as such in the applicable Pricing Supplement.

"**Suspension Period**" means, in relation to any Interest Period, the period from (and including) the U.S. Government Securities Business Day which falls on a date equal to the number of U.S. Government Securities Business Days in the Suspension Determination Period prior to the end of such Interest Period to (but excluding) the Interest Payment Date of such Interest Period.

"**U.S. Government Securities Business Day**" means any calendar day except for a Saturday, Sunday or a calendar day on which SIFMA recommends that the fixed income departments of its members be closed for the entire calendar day for purposes of trading in U.S. government securities.

"**Website of the Federal Reserve Bank of New York**" means the website of the Federal Reserve Bank of New York (currently at http://www.newyorkfed.org) or any successor website of the Federal Reserve Bank of New York or other screen page as may be nominated for the purposes of displaying SOFR, as notified by the Issuer to the Noteholders in in accordance with Condition 14 (*Notices*).

(c) *Rate of Interest for Index Linked Interest Notes:*

The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified in the Pricing Supplement and interest will accrue by reference to an Index or Formula as specified in the Pricing Supplement. A Subordinated Note cannot be an Index Linked Interest Note.

(d) *Rate of Interest on BBSW Notes*

If a Note is specified to be a BBSW Note, the Rate of Interest for each Interest Accrual Period will be determined by the Calculation Agent on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

(i) the Rate of Interest shall be the rate (expressed as an interest rate per annum and rounded up, if necessary, to the fourth decimal place) for prime bank eligible securities having a tenor approximately equal to the relevant Interest Accrual Period which is designated as the "AVG

MID"(or any designation that replaces that designation) on the Thomson Reuters Screen "BBSW" Page ("**BBSW Reuters Page**") at or about the Relevant Time on the relevant Interest Determination Date in respect of such Interest Accrual Period;

(ii) if, by the time that falls 15 minutes after the Relevant Time ("**Cut-Off Time**"), on any Interest Determination Date, such rate does not appear on the BBSW Reuters Page, the Rate of Interest means the rate determined by the Calculation Agent on the Interest Determination Date in good faith, having regard, to the extent possible, to:

(A) the rates otherwise bid and offered at or around the Cut-Off Time on the Interest Determination Date for prime bank eligible securities having a tenor approximately equal to the relevant Interest Accrual Period ("**Comparable Rates**"); and

(B) if Comparable Rates are not otherwise available, the rates otherwise bid and offered at or around the Cut-Off Time on the Interest Determination Date for funds having a tenor approximately equal to the relevant Interest Accrual Period; and

(iii) if, (subject to Condition 4(o) (*Benchmark Replacement*)), on any Interest Determination Date, the Rate of Interest cannot be determined by reference to any of sub-paragraphs (i) and (ii) above, the Rate of Interest for the relevant Interest Accrual Period shall be the Rate of Interest in effect for the last preceding Interest Accrual Period (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(e) *Rate of Interest on BKBM Notes*

If a Note is specified to be a BKBM Note, the Rate of Interest for each Interest Accrual Period will be (subject to Condition 4(o) (*Benchmark Replacement*)) determined by the Calculation Agent on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

(i) the Rate of Interest shall be the Bank Bill Reference Rate (FRA) (rounded, if necessary, to the fifth decimal place) administered by the New Zealand Financial Markets Association (or any other person which takes over the administration of that rate) as set forth on the display page designated on page "BKBM" on the Reuters screen service ("**BKBM Reuters Page**"), or such other information service as may replace the BKBM Reuters Page, at or about the Relevant Time (or such other time at which such rate customarily appears on that page (the "**Publication Time**")) on the relevant Interest Determination Date in respect of such Interest Accrual Period;

(ii) if, by 11.00 a.m. Wellington time (or such other time that is 15 minutes after the then prevailing Publication Time), on any Interest Determination Date, such rate does not appear on the BKBM Reuters Page, the Rate of Interest means the rate determined by the Calculation Agent on the Interest Determination Date in good faith, having regard, to the extent possible, to the rates otherwise bid and offered at or around 11.00 a.m. Wellington time (or such other time that is 15 minutes after the then prevailing Publication Time) on the Interest Determination Date by participants in the BKBM trading window for New Zealand bank bills having a tenor approximately equal to the relevant Interest Accrual Period; and

(iii) if, on any Interest Determination Date, the Rate of Interest cannot be determined by reference to any of sub-paragraphs (i) and (ii) above, the Rate of Interest for the relevant Interest Accrual Period shall be the Rate of Interest in effect for the last preceding Interest Accrual Period (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(f) *Rate of Interest on CMS Rate Notes*

Each CMS Rate Note will bear interest on its outstanding Principal Amount in accordance with the provisions set out in Condition 4(b)(i) above, at a specified rate that will be reset periodically based on the CMS Rate and any Margin and Rate Multiplier. A Subordinated Note cannot be a CMS Rate Note.

"**CMS Rate**" means the EUR CMS Rate, the GBP CMS Rate or the USD CMS Rate, as specified in the applicable Pricing Supplement.

The following procedures will apply if the rate cannot be set as described above, unless otherwise specified in the applicable Pricing Supplement (and subject to Condition 4(o) (*Benchmark Replacement*)):

(i) If the GBP CMS Rate is not published on the Reuters Screen ICESWAP4 Page as described above, the GBP CMS Rate will be a percentage determined on the basis of the mid-market semi-annual swap rate quotations provided by the CMS Reference Banks at approximately 11.00 a.m., London time, on the Interest Determination Date and, for this purpose, the semi-annual swap rate means the arithmetic mean of the bid and offered rates for the semi-annual fixed leg, calculated on an Actual/365 (Fixed) day count basis, of a fixed-for floating sterling interest rate swap transaction with a term equal to the Specified Maturity commencing on the Interest Reset Date and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/365 (Fixed) day count basis, is equivalent (A) if the Specified Maturity is greater than one year, to GBP-LIBOR-BBA with a Specified Maturity of six months or (B) if the Specified Maturity is one year or less, to GBP-LIBOR-BBA with a Designated Maturity of three months. The Issuer will appoint a Reference Banks Agent and the Reference Banks Agent, at the request of the Issuer, will request the principal London office of each of the CMS Reference Banks to provide a quotation of its rate and will provide such quotations to the Calculation Agent.

(ii) If at least three quotations are provided, the GBP CMS Rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

(iii) If fewer than three quotations are provided as requested, the GBP CMS Rate for that Interest Determination Date will be the same as the rate used for the prior Interest Reset Period.

(iv) If the EUR CMS Rate is not published on the Reuters Screen ICESWAP2 Page as described above, the EUR CMS Rate will be a percentage determined on the basis of the mid-market annual swap rate quotations provided by the CMS Reference Banks at approximately 11.00 a.m., London time, on the Interest Determination Date and, for this purpose, the annual swap rate means the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for floating euro interest rate swap transaction with a term equal to the Specified Maturity commencing on the Interest Reset Date and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to EUR-EURIBOR-Reuters with a Specified Maturity of six months. The Issuer will appoint a Reference Banks Agent and the Reference Banks Agent, at the request of the Issuer, will request the principal office of each of the CMS Reference Banks to provide a quotation of its rate and will provide such quotations to the Calculation Agent.

(v) If at least three quotations are provided, the EUR CMS Rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

(vi) If fewer than three quotations are provided as requested, the EUR CMS Rate for that Interest Determination Date will be the same as the rate used for the prior Interest Reset Period.

(vii) If the USD CMS Rate is not published on the Reuters Screen ICESWAP1 Page as described above, the USD CMS Rate will be a percentage determined on the basis of the mid-market semi-annual swap rate quotations provided by the CMS Reference Banks at approximately 11.00 a.m., New York City time, on the Interest Determination Date and, for this purpose, the semi-annual swap rate means the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for floating U.S. Dollar interest rate swap transaction with a term equal to the Specified Maturity commencing on the Interest Reset Date and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to USD-LIBOR-BBA with a maturity of three months. The Issuer will appoint a Reference Banks Agent and the Reference Banks Agent, at the request of the Issuer, will request the principal New York City office of each of the CMS Reference Banks to provide a quotation of its rate and will provide such quotations to the Calculation Agent.

(viii) If at least three quotations are provided, the USD CMS Rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

(ix) If fewer than three quotations are provided as requested, the USD CMS Rate for that Interest Determination Date will be the same as the rate used for the prior Interest Reset Period.

"**CMS Reference Banks**" means five leading swap dealers in the interbank market in the Principal Financial Centre of the Specified Currency selected by the Reference Banks Agent.

"**EUR CMS Rate**" means, with respect to any Interest Determination Date, the rate for euro swaps with the Specified Maturity, expressed as a percentage, determined by the Calculation Agent by reference to the rates which appears on the Reuters Screen ICESWAP2 Page under the heading "EURIBOR BASIS - EUR" and above the caption "11:00AM FRANKFURT" as of 11:00 a.m., Frankfurt time.

"**EUR-EURIBOR-Reuters**" means, for any date, the rate for deposits in euros for a period of the Specified Maturity which appears on the Reuters Screen EURIBOR01 Page as of 11:00 a.m., Brussels time, on the day that is two TARGET2 Settlement Days preceding that date.

"**GBP CMS Rate**" means, with respect to any Interest Determination Date, the rate for pound sterling swaps with the Specified Maturity, expressed as a percentage, determined by the Calculation Agent by reference to the rates appearing on Reuters Screen ICESWAP4 Page at approximately 11.10 a.m. (London time).

"**U.S. dollars**" and "**U.S.$**" means United States dollars.

"**USD CMS Rate**" means, with respect to any Interest Determination Date, the rate for U.S. Dollar swaps with the Specified Maturity, expressed as a percentage, determined by the Calculation Agent by reference to the rates appearing on Reuters Screen ICESWAP1 Page at approximately 11.00 a.m. (New York City time).

"**USD-LIBOR-BBA**" means, for any date, the rate for deposits in U.S. dollars for a period of the Specified Maturity which appears on the Reuters Screen LIBOR01 as of 11.00 a.m., London time, on the day that is two London Business Days preceding that date.

(g) *Inverse Floating Rate Notes*

(i) Each Inverse Floating Rate Note, will bear interest on its outstanding Principal Amount in accordance with the provisions set out in Condition 4(b)(i) above. The Rate of Interest for each Interest Accrual Period shall be (as determined by the Calculation Agent) the Specified Fixed Rate minus the Relevant Floating Rate where:

"**Specified Fixed Rate**" means, in respect of each Interest Accrual Period, the rate specified to be applicable in respect of the Interest Payment Date on which the Interest Accrual Period ends, as set out in the relevant Pricing Supplement.

"**Relevant Floating Rate**" means:

(A) the offered quotation; or

(B) the arithmetic mean of the offered quotations, for the Reference Rate for the Specified Maturity and the Specified Currency in each case appearing on the Relevant Screen Page at the Relevant Time on the Interest Determination Date;

(C) where the Reference Rate specified in the applicable Pricing Supplement is SONIA, the rate as determined in accordance with Condition 4(b)(iii)(C); or

(D) where the Reference Rate specified in the applicable Pricing Supplement is SOFR, the rate as determined in accordance with Condition 4(b)(iii)(D).

A Subordinated Note cannot be an Inverse Floating Rate Note.

(ii) if sub-paragraph (i)(A) applies and (subject to Condition 4(o) (*Benchmark Replacement*)) no Reference Rate for the Specified Maturity and the Specified Currency appears on the Relevant Screen Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (i)(B) applies and fewer than two offered quotations appear on the Relevant Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Issuer shall appoint a Reference Banks Agent and the Rate of Interest shall be determined by the Calculation Agent as the arithmetic mean of the offered quotations that each of the Reference Banks is quoting (or such of them, being at least two, as are so quoting) to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date for deposits of the Specified Currency for a term equal to the relevant Interest Accrual Period, as quoted to the Reference Banks Agent, at the Reference Banks Agent's request, and advised by the Reference Banks Agent to the Calculation Agent; and

(iii) if paragraph (ii) above applies and the Reference Banks Agent advises the Calculation Agent that fewer than two Reference Banks are so quoting the Reference Rate for the Specified Maturity and the Specified Currency, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage), which the Calculation Agent determines to be the nearest equivalent to the Reference Rate for the Specified Maturity and the Specified Currency, in respect of deposits of the Specified Currency that at least two out of five leading banks selected by the Reference Banks Agent (after consultation with the Issuer) in the Principal Financial Centre of the country of the Specified Currency, in each case as selected by the Reference Banks Agent (after consultation with the Issuer), are quoting at or about the Relevant Time for a period commencing on the Effective Date equivalent to the relevant Interest Accrual Period to leading banks carrying on business in (A) Europe, or (B) if the Reference Banks Agent advises the Calculation Agent that fewer than two of such banks are so quoting to such leading banks in Europe) the Principal Financial Centre, in either case, as provided by the Reference Banks Agent to the Calculation Agent; except that, if fewer than two of such banks are so quoting to such leading banks, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Maximum Rate of Interest or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(h) *Rate of Interest on Range Accrual Notes*

Each Range Accrual Note will bear interest on its outstanding Principal Amount in accordance with the provisions set out in Condition 4(b)(i) above and shall be subject to Condition 4(b)(ii). The Rate of Interest payable for each Interest Accrual Period will be determined by the Calculation Agent in respect of such Interest Accrual Period in accordance with (A) or (B) below:

(A) if Fixed Rate Range Accrual Note is specified as applicable and Protection Barrier is specified as not applicable in the Pricing Supplement, the Rate of Interest for each Interest Accrual Period will be the product of:

(1) the Specified Fixed Rate; and

(2) the Relevant Fraction; and

(B) if Floating Rate Range Accrual Note is specified as applicable and Protection Barrier is specified as not applicable in the Pricing Supplement, the Rate of Interest for each Interest Accrual Period will be the product of:

(1) the sum of:

(a) the Range Accrual Floating Rate; and

(b) if specified as applicable in the Pricing Supplement, the Margin for such Interest Accrual Period (whether positive or negative); and

(2) the Relevant Fraction; and

(C) if Fixed Rate Range Accrual Note and Protection Barrier are both specified as applicable in the Pricing Supplement then:

(1) if, in respect of any Interest Accrual Period, the Protection Barrier Condition is satisfied, the Rate of Interest for such Interest Accrual Period shall be the Specified Fixed Rate; and

(2) if, in respect of any Interest Accrual Period, the Protection Barrier Condition is not satisfied, the Rate of Interest for such Interest Accrual Period shall be the product of:

(a) the Specified Fixed Rate; and

(b) the Relevant Fraction; and

(D) if Floating Rate Range Accrual Note and Protection Barrier are both specified as applicable in the Pricing Supplement then:

(1) if, in respect of any Interest Accrual Period, the Protection Barrier Condition is satisfied, the Rate of Interest for such Interest Accrual Period shall be the Range Accrual Floating Rate; and

(2) if, in respect of any Interest Accrual Period, the Protection Barrier Condition is not satisfied, the Rate of Interest for such Interest Accrual Period shall be the product of:

(a) the sum of:

(i) the Range Accrual Floating Rate; and

(ii) if specified as applicable in the Pricing Supplement, the Margin for such Interest Accrual Period (whether positive or negative); and

(b) the Relevant Fraction.

In this Condition 4(h):

"**Calculation Day**" means, in respect of each Interest Accrual Period, each calendar day falling within such Interest Accrual Period.

"**Cap**" means the per annum rate specified in the applicable Pricing Supplement.

"**Constant Maturity Swap Spread**" means the First CMS Spread Reference Rate on the day minus the Second CMS Spread Reference Rate on the day as specified to be applicable in the Pricing Supplement,

provided that:

(a) subject to paragraph (b) below, if a Calculation Day is not a business day in the Relevant Financial Centre, the rate for such day shall be determined in respect of the immediately preceding business day in the Relevant Financial Centre; and

(b) if a Calculation Day falls in the Cut-Off Period, the rate for that day shall be the rate on the business day in the Relevant Financial Centre that immediately precedes the Cut-Off Period.

"**Cut-Off Period**" means the number of Business Days (as specified in the applicable Pricing Supplement) before the last day of an Interest Accrual Period.

"**First CMS Spread Reference Rate**" means EUR CMS, GBP CMS or USD CMS as specified in the applicable Pricing Supplement and determined in accordance with these Conditions.

"**Floor**" means the per annum rate specified in the applicable Pricing Supplement which shall not be less than zero.

"**Margin**" means the margin specified in the applicable Pricing Supplement.

"Protection Barrier Condition" means, (i) if Single Range Accrual Note is specified as applicable and Constant Maturity Swap Spread is specified as not applicable in the relevant Pricing Supplement, then the Reference Rate; or (ii) if Single Range Accrual Note is specified as applicable and Constant Maturity Swap Spread is specified as applicable then the Constant Maturity Swap Spread, or (iii) if Dual Range Accrual Note is specified as applicable in the relevant Pricing Supplement, then each Reference Rate or the Reference Rate and a Constant Maturity Swap Spread if applicable, in each case, as specified in the applicable Pricing Supplement is or are:

(A) in respect of the Floor,

(1) if the relevant Pricing Supplement specify that "greater than or equal to" shall apply, then greater than or equal to the applicable Floor; or

(2) if the relevant Pricing Supplement specify that "greater than" shall apply, then greater than the applicable Floor;

and

(B) in respect of the Cap,

(1) if the relevant Pricing Supplement specify that "less than or equal to" shall apply, then less than or equal to the applicable Cap; or

(2) if the relevant Pricing Supplement specify that "less than" shall apply, then less than the applicable Cap;

for a number of Calculation Days in the applicable Interest Accrual Period which is equal to or greater than the Protection Barrier Period.

"Protection Barrier Period" means the number of Calculation Days which is equal to the percentage specified in the applicable Pricing Supplement under "Protection Barrier Period" of the total number of Calculation Days in the applicable Interest Accrual Period.

"**Range Accrual Floating Rate**" means the rate specified in the applicable Pricing Supplement which Rate of Interest for each Interest Accrual Period shall be determined in accordance with Condition 4(b)(iii)(B) (*Screen Rate/Reference Bank Determination for Floating Rate Notes other than Floating Rate Notes referencing SONIA or SOFR*) or, where the rate specified in the applicable Pricing Supplement is SONIA, in accordance with Condition 4(b)(iii)(C) (*Screen Rate Determination for Floating Rate Notes where the Reference Rate specified in the applicable Pricing Supplement is SONIA*) or, where the rate specified in the applicable Pricing Supplement is SOFR, in accordance with Condition 4(b)(iii)(D) (*Screen Rate Determination for Floating Rate Notes where the Reference Rate specified in the applicable Pricing Supplement is SOFR*).

"**Reference Rate**" means, on any Calculation Day:

(A) the interest rate (excluding the Margin) for Floating Rate Notes on that day notionally determined in accordance with Condition 4(b)(iii)(B) or, in the case of SONIA, Condition 4(b)(iii)(C) or, in the case of SOFR, Condition 4(b)(iii)(D) as specified in the applicable Pricing Supplement;

(B) the interest rate for BBSW Notes (excluding the Margin) on that day notionally determined in accordance Condition 4(d) as specified in the applicable Pricing Supplement;

(C) the interest rate for BKBM Notes (excluding the Margin) on that day notionally determined in accordance with Condition 4(e) as specified in the applicable Pricing Supplement;

(D) the EUR CMS swap rate on that day notionally determined in accordance with Condition 4(f) as specified in the applicable Pricing Supplement;

(E) the GBP CMS swap rate on that day notionally determined in accordance with Condition 4(f) as specified in the applicable Pricing Supplement; and

(F) the USD CMS swap rate on that day notionally determined in accordance with Condition 4(f) as specified in the applicable Pricing Supplement;

save that, in determining a notional interest rate or swap rate for the purposes of paragraphs (A)-(F) above, references in Condition 4(b)(iii)(B), Condition 4(b)(iii)(C), Condition 4(b)(iii)(D), Condition 4(d), Condition 4(e) and Condition 4(f) to "Interest Determination Date" shall be deemed to be references to "each Calculation Day"

provided that:

(a) subject to paragraph (b) below, if a Calculation Day is not a business day in the Relevant Financial Centre, the rate for such day shall be determined in respect of the immediately preceding business day in the Relevant Financial Centre; and

(b) if a Calculation Day falls in the Cut-Off Period, the rate for that day shall be the rate on the business day in the Relevant Financial Centre that immediately precedes the Cut-Off Period.

"**Relevant Fraction**" means, in respect of each Interest Accrual Period, an amount calculated by the Calculation Agent in accordance with the following formula:

N1/N2

where:

"**N1**" means the number of Calculation Days in the Interest Accrual Period where (i) if Single Range Accrual Note is specified as applicable and Constant Maturity Swap Spread is specified as not applicable in the relevant Pricing Supplement, then the Reference Rate; or (ii) if Single Range Accrual Note is specified as applicable and Constant Maturity Swap Spread is specified as applicable then the Constant Maturity Swap Spread, or (iii) if Dual Range Accrual Note is specified as applicable in the relevant Pricing Supplement, then each Reference Rate or the Reference Rate and a Constant Maturity Swap Spread if applicable, in each case, as specified in the applicable Pricing Supplement is or are:

(A) in respect of the Floor,

(1) if the relevant Pricing Supplement specify that "greater than or equal to" shall apply, then greater than or equal to the applicable Floor; or

(2) if the relevant Pricing Supplement specify that "greater than" shall apply, then greater than the applicable Floor;

and

(B) in respect of the Cap,

(1) if the relevant Pricing Supplement specify that "less than or equal to" shall apply, then less than or equal to the applicable Cap; or

(2) if the relevant Pricing Supplement specify that "less than" shall apply, then less than the applicable Cap; and

"**N2**" means the actual number of Calculation Days in the Interest Accrual Period.

"**Second CMS Spread Reference Rate**" means EUR CMS, GBP CMS or USD CMS as specified in the applicable Pricing Supplement and determined in accordance with the Conditions.

"**Specified Fixed Rate**" means the per annum rate specified in the applicable Pricing Supplement.

A Subordinated Note cannot be a Range Accrual Note.

(i) *Zero Coupon Notes*

Where a Note, the Interest Basis of which is specified in the Pricing Supplement to be Zero Coupon, is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note, unless otherwise specified in the Pricing Supplement. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield. A Subordinated Note cannot be a Zero Coupon Note.

(j) *Dual Currency Notes*

In the case of Dual Currency Notes, if the rate or amount of interest is to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified in the Pricing Supplement. A Subordinated Note cannot be a Dual Currency Note.

(k) *Accrual of Interest*

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (after, as well as before, judgment) at the Rate of Interest in the manner provided in this Condition 4 to the Relevant Date.

(l) *Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts, Rate Multipliers and Rounding*

(i) If any Margin or Rate Multiplier is specified in the Pricing Supplement (either (A) generally, or (B) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (A), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (B), calculated in accordance with (b) or (c) above, by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying such Rate Multiplier, subject always to the next paragraph;

(ii) If any Maximum Rate of Interest or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified in the Pricing Supplement, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be;

(iii) Subject to the requirements of applicable law, for the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (A) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (B) all figures shall be rounded to seven decimal places (with halves being rounded up) and (C) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of Yen, which shall be rounded down to the nearest Yen. For these purposes

"**unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means 0.01 euro, as the case may be; and

(iv) The Pricing Supplement in respect of any Notes issued as Subordinated Notes must not specify a Rate Multiplier, Maximum Rate of Interest, Minimum Rate of Interest or Instalment Amount.

(m) *Calculations*

Unless otherwise specified in the Pricing Supplement, the amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding Principal Amount of such Note by the Day Count Fraction, unless an Interest Amount (or a formula for its calculation) is specified in the Pricing Supplement in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

(n) *Determination and Publication of Rate of Interest, Interest Amounts, Final Redemption Amounts and Instalment Amounts*

As soon as practicable after the Relevant Time on each Interest Determination Date or such other time on such date as the Calculation Agent may be required to calculate any rate or amount or Instalment Amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, the Guarantor (if applicable), each of the Paying Agents, the Noteholders, the Registrar, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange (and/or admitted to listing, trading and/or quotation on any other listing authority, stock exchange and/or quotation system) and the rules of such listing authority, stock exchange and/or quotation system so require, such listing authority, stock exchange and/or quotation system and, in the case of VPS Notes, the VPS Trustee and the VPS Agent as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Accrual Period, if determined prior to such time in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. The notification of any rate or amount, if applicable, shall be made to the VPS in accordance with and subject to the rules and regulations of the VPS for the time being in effect. Where any Interest Payment Date or Interest Accrual Period is subject to adjustment pursuant to Condition 4(a)(iv) or Condition 4(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Accrual Period. If the Calculation Amount is less than the minimum Specified Denomination, the Calculation Agent shall not be obligated to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination. If the Notes become due and payable under Condition 9 (*Events of Default*), the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) or such other person specified in the applicable Pricing Supplement as the party responsible for making any such calculation or determination shall (in the absence of manifest error) be final and binding upon all parties.

(o) *Benchmark Replacement*

This Condition 4(o) (*Benchmark Replacement*) applies where the relevant Reference Rate specified in the applicable Pricing Supplement is a rate other than U.S. Dollar LIBOR. Notwithstanding the

provisions above in Conditions 4(b), (d), (e), (f) and (g), if the Issuer (in consultation with the Calculation Agent (or the person specified in the applicable Pricing Supplement as the party responsible for calculating the Rate of Interest)) determines that a Benchmark Disruption Event has occurred when any Rate of Interest (or the relevant component part thereof) remains to be determined by reference to such Reference Rate affected by the Benchmark Disruption Event, then the following provisions shall apply:

(i) **Independent Adviser**

The Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the Independent Adviser determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 4(o)(ii)) and, in either case, an Adjustment Spread if any (in accordance with Condition 4(o)(iv)) and any Benchmark Amendments (in accordance with Condition 4(o)(v)).

(ii) **Successor Rate or Alternative Rate**

If the Independent Adviser, following consultation with the Issuer and acting in good faith and in a commercially reasonable manner, determines, no later than the IA Determination Cut-off Date that: (A) there is a Successor Rate, then it shall notify the Calculation Agent and the Calculation Agent shall use such Successor Rate (subject to adjustment as provided in Condition 4(o)(iv)) in place of the Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the subsequent operation of this Condition 4(o)); or (B) there is no Successor Rate but that there is an Alternative Rate, then it shall notify the Calculation Agent and the Calculation Agent shall use such Alternative Rate (subject to adjustment as provided in Condition 4(o)(iv)) in place of the Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the subsequent operation of this Condition 4(o)).

(iii) **Issuer Determination**

if the Issuer is unable to appoint an Independent Adviser, or if the Independent Adviser appointed by it fails to determine a Successor Rate or Alternative Rate prior to the IA Determination Cut-off Date, then, if it elects to do so, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or Alternative Rate for the purposes of Condition 4(o)(ii);

(iv) **Adjustment Spread**

If the Independent Adviser, following consultation with the Issuer (or the Issuer as the case may be) and acting in good faith and in a commercially reasonable manner, determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then Independent Adviser (or the Issuer as the case may be) shall notify the Calculation Agent of such Adjustment Spread and the Calculation Agent shall apply it to the Successor Rate or the Alternative Rate (as the case may be).

(v) **Benchmark Amendments**

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 4(o) and the Independent Adviser, following consultation with the Issuer (or the Issuer as the case may be), acting in good faith and in a commercially reasonable manner, determines (i) that amendments to these Conditions and/or the Agency Agreement and/or the VPS Trustee Agreement and/or any other agreement or document relating to the Notes are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "Benchmark Amendments") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(o)(vi), without any requirement for the consent or approval of Noteholders, at the Issuer's expense, vary these Conditions and/or the VPS Trust Agreement and/or the Agency

Agreement and/or any other agreement or document relating to the Notes as is necessary to give effect to such Benchmark Amendments with effect from the date specified in such notice. The Fiscal Agent and/or the VPS Trustee and/or each other party to an applicable agreement shall not be obliged to concur if in their opinion doing so would impose more onerous obligations on them or expose them to any additional duties, responsibilities or liabilities or reduce or amend their rights and/or the protective provisions afforded to them in these Conditions or in any other document to which they are a party in any way. For the avoidance of doubt, no consent of the Noteholders of the relevant Series shall be required in connection with effecting the Benchmark Amendments or such other changes, including for the execution of any documents or the taking of other steps by the VPS Trustee, the Issuer or any of the parties to the Agency Agreement (if required). In connection with any such variation in accordance with this Condition 4(o)(v), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(vi) **Notices, etc.**

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(o) will be notified promptly, and in any event not later than the fifth Business Day prior to the Interest Determination Date by the Issuer to the Fiscal Agent, the Calculation Agent, and each other party to the Agency Agreement, the VPS Trustee and the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any, and will be binding on the Issuer, the Fiscal Agent, the Calculation Agent and each other party to the Agency Agreement, the VPS Trustee and the Noteholders.

(vii) **Survival of Reference Rate**

Without prejudice to the provisions of this Condition 4(o), the Reference Rate and the fallback provisions provided for in Condition 4(b)(iii)(B) will continue to apply unless and until the Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with Condition 4(o)(v).

For the avoidance of doubt and notwithstanding any other provision of this Condition 4(o), in determining any Adjustment Spread or other relevant methodology for the purposes of Condition 4(o)(iii), the Issuer shall not and shall not be obliged to apply and may discount any Adjustment Spread or methodology the application of which may constitute it an administrator for the purposes of Regulation (EU) 2016/1011.

In the case of Subordinated Notes only, any Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendments determined in accordance with Condition 4(o)(ii), (iii), (iv) or (v) (*Benchmark Replacement*), will be subject to the prior written approval of APRA having been obtained in each case.

Subordinated Noteholders should note that APRA's approval may not be given for any Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendments it considers to have the effect of increasing the Interest Rate contrary to applicable prudential standards.

For the purposes of this Condition 4(o) (*Benchmark Replacement*):

"**Adjustment Spread**" means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser, following consultation with the Issuer (or the Issuer as the case may be) and acting in good faith and in a commercially reasonable manner, determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);

(ii) the Independent Adviser, following consultation with the Issuer (or the Issuer as the case may be), acting in good faith and in a commercially reasonable manner, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions or is in customary market usage in the debt capital market for transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be) (or if the Independent Adviser (or the Issuer as the case may be) determines that no such industry standard is recognised or acknowledged);

(iii) the Independent Adviser, following consultation with the Issuer (or the Issuer as the case may be), in its discretion, and acting in good faith and in a commercially reasonable manner, determines to be appropriate.

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser (or the Issuer as the case may be) determines in accordance with Condition 4(o)(ii) has replaced the Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same Specified Currency as the Notes.

"**Benchmark Amendments**" has the meaning given to it in Condition 4(o)(v).

"**IA Determination Cut-Off Date**" means no later than five Business Days prior to the relevant Interest Determination Date relating to the next relevant Interest Period.

"**Independent Adviser** " means an independent financial institution of international repute or other independent financial adviser with appropriate expertise in the international debt capital markets, in each case appointed by the Issuer at its own expense;

"**Benchmark Disruption Event**" means:

(i) the relevant Reference Rate (other than SOFR) specified in the relevant Pricing Supplement has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

(ii) the Issuer determines after consulting with the Independent Adviser (if so appointed) that, a change in the generally accepted market practice in the international debt capital markets to refer to a Reference Rate (other than SOFR) is endorsed in a public statement by a Relevant Nominating Body, despite the continued existence of the applicable Reference Rate; or

(iii) where the relevant Reference Rate is SOFR, (1) the rate specified in clause (i) of the definition of SOFR is not so published and (2) a SOFR Index Cessation Event and a SOFR Index Cessation Effective Date have both occurred.

"**Reference Rate**" means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes.

"**Relevant Nominating Body**" means, in respect of a Reference Rate (other than SOFR):

(i) the central bank for the currency to which the Reference Rate relates, or any central bank or other supervisory authority which is responsible for administering or supervising the administrator of the Reference Rate;

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the Reference Rate relates, (b) any central bank or other supervisory authority which is responsible for administering or supervising the administrator of the Reference Rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof; or

(iii) any of the Board of Governors of the Federal Reserve, the Federal Reserve Bank of New York, the Bank of England, the Financial Conduct Authority or the Prudential Regulation

Authority or any relevant committee or other body established, sponsored or approved by any of the foregoing, including the Working Group on Sterling Risk-Free Reference Rates and the Alternative Reference Rates Committee.

"**Secured Overnight Financing Rate**" or "**SOFR**" has the meaning ascribed to it in Condition 4(b)(iii)(D);

"**SOFR Index Cessation Effective Date**" has the meaning ascribed to it in Condition 4(b)(iii)(D);

"**SOFR Index Cessation Event**" has the meaning ascribed to it in Condition 4(b)(iii)(D); and

"**Website of the Federal Reserve Bank of New York**" has the meaning ascribed to it in Condition 4(b)(iii)(D).

(p) *Effect of Benchmark Transition Event*

This Condition 4(p) (*Effect of Benchmark Transition Event*) applies where the relevant Reference Rate specified in the applicable Pricing Supplement is U.S. Dollar LIBOR (and for the avoidance of doubt, any subsequent Benchmark determined as a result of a Benchmark Replacement determination):

(i) **Benchmark Replacement**

If the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the Benchmark on any date, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of such determination on such date and all determinations on all subsequent dates.

(ii) **Benchmark Replacement Conforming Changes**

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time.

(iii) **Decisions and Determinations**

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 4(p) (*Effect of Benchmark Transition Event*), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer or its designee's sole discretion, and, notwithstanding anything to the contrary in the in these Conditions or any other documentation relating to the Notes, shall become effective without consent from any other party.

For the avoidance of doubt and notwithstanding any other provision of this Condition 4(p) (*Effect of Benchmark Transition Event*) in determining any Benchmark Replacement, Benchmark Replacement Conforming Changes or Benchmark Replacement Adjustment or for the purposes of making any other determination for the purposes of this Condition, the Issuer shall not and shall not be obliged to apply and may discount any factor or methodology the application of which may constitute it an administrator for the purposes of Regulation (EU) 2016/1011.

In the case of Subordinated Notes only, any Benchmark Replacement, Benchmark Replacement Conforming Changes or Benchmark Replacement Adjustment determined in accordance with this Condition 4(p) (*Effect of Benchmark Transition Event*), will be subject to the prior written approval of APRA having been obtained in each case.

Subordinated Noteholders should note that APRA's approval may not be given for any Benchmark Replacement, Benchmark Replacement Conforming Changes or Benchmark

Replacement Adjustment it considers to have the effect of increasing the Interest Rate contrary to applicable prudential standards.

For the purposes of this Condition 4(p) (*Effect of Benchmark Transition Event*):

"**Benchmark**" means, initially, U.S. Dollar LIBOR; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to U.S. Dollar LIBOR or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement.

Benchmark Replacement" means the Interpolated Benchmark; *provided* that if the Issuer or its designee cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date, then "Benchmark Replacement" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

(i) the sum of:

(A) Term SOFR; and

(B) the Benchmark Replacement Adjustment;

(ii) the sum of:

(A) Compounded SOFR; and

(B) the Benchmark Replacement Adjustment;

(iii) the sum of:

(A) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor; and

(B) the Benchmark Replacement Adjustment;

(iv) the sum of:

(A) the ISDA Fallback Rate; and

(B) the Benchmark Replacement Adjustment;

(v) the sum of:

(A) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar denominated floating rate notes at such time; and

(B) the Benchmark Replacement Adjustment.

"**Benchmark Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

(i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been

selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment;

(iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar denominated floating rate notes at such time.

"**Benchmark Replacement Conforming Changes**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, changes to the definition of "Corresponding Tenor" solely when such tenor is longer than the Interest Period and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary).

"**Benchmark Replacement Date**" means the earliest to occur of the following events with respect to the then-current Benchmark:

(i) in the case of clause (i) or (ii) of the definition of "Benchmark Transition Event," the later of:

(A) the date of the public statement or publication of information referenced therein; and

(B) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or

(ii) in the case of clause (iii) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

"**Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(i) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, *provided* that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;

(ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of

the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or

(iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative.

"**Compounded SOFR**" means the compounded average of SOFRs for the applicable Corresponding Tenor, with the rate, or methodology for this rate, and conventions for this rate (which will be compounded in arrears with a lookback and/or suspension period as a mechanism to determine the interest amount payable prior to the end of each Interest Period) being established by the Issuer or its designee in accordance with:

(i) the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded SOFR; *provided* that:

(ii) if, and to the extent that, the Issuer or its designee determines that Compounded SOFR cannot be determined in accordance with paragraph (i) above, then the rate, or methodology for this rate, and conventions for this rate that have been selected by the Issuer or its designee giving due consideration to any industry-accepted market practice for U.S. dollar denominated floating rate notes at such time.

"**Corresponding Tenor**" with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark.

"**Federal Reserve Bank of New York's Website**" means the website of the Federal Reserve Bank of New York at http://www.newyorkfed.org, or any successor source.

"**Interpolated Benchmark**" with respect to the Benchmark means the rate determined for the Corresponding Tenor by interpolating on a linear basis between:

(i) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor; and

(ii) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor.

"**ISDA Definitions**" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

"**ISDA Fallback Adjustment**" means the spread adjustment, (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor.

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

"**Reference Time**" with respect to any determination of the Benchmark means:

(i) if the Benchmark is LIBOR, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such determination; and

(ii) if the Benchmark is not LIBOR, the time determined by the Issuer or its designee in accordance with the Benchmark Replacement Conforming Changes.

"**Relevant Governmental Body**" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

"**SOFR**" with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York's Website.

"**Term SOFR**" means the forward-looking term rate for the applicable Corresponding Tenor based on SOFR that has been selected or recommended by the Relevant Governmental Body.

"**Unadjusted Benchmark Replacement**" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(q) *ISDA Determination for Fallback*

Notwithstanding the provisions of Condition 4(o) (*Benchmark Replacement*) and Condition 4(p) (*Effect of Benchmark Transition Event*), if ISDA Determination for Fallback provisions is specified in the relevant Pricing Supplement as being applicable to the Notes (other than Subordinated Notes) then, upon the occurrence of an ISDA Determination Fallback Event, the Calculation Agent shall determine the Rate of Interest for the relevant Interest Period or Interest Accrual Period as the sum of:

(A) the ISDA Fallback Rate; and

(B) the ISDA Fallback Adjustment.

For the purposes of this Condition:

"**Index Cessation Event**" means, in respect of a Reference Rate:

(i) a public statement or publication of information by or on behalf of the administrator of the Reference Rate announcing that it has ceased or will cease to provide the Reference Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Reference Rate; or

(ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Reference Rate, the central bank for the currency of the Reference Rate, an insolvency official with jurisdiction over the administrator for the Reference Rate, a resolution authority with jurisdiction over the administrator for the Reference Rate or a court or an entity with similar insolvency or resolution authority over the administrator for the Reference Rate, which states that the administrator of the Reference Rate has ceased or will cease to provide the Reference Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Reference Rate.

"**ISDA Definitions**" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

"ISDA Determination Fallback Event" means the Reference Rate specified in the applicable Pricing Supplement has not been published by the source that is specified or otherwise ordinarily

used to determine the level of the Reference Rate on the day on which it is required or an Index Cessation Event has occurred with respect to the Reference Rate.

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the ISDA Definitions upon the occurrence of an ISDA Determination Fallback Event with respect to the Reference Rate specified in the applicable Pricing Supplement for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

"**ISDA Fallback Adjustment**" means the spread adjustment, (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an ISDA Determination Fallback Event with respect to the Reference Rate specified in the applicable Pricing Supplement for the applicable tenor.

(r) *Definitions*

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Amortisation Yield**" has the meaning given in Condition 5(d)(ii) unless otherwise specified in the Pricing Supplement.

"**Amortised Face Amount**" has the meaning given in Condition 5(d)(ii) unless otherwise specified in the Pricing Supplement.

"**APRA**" means the Australian Prudential Regulation Authority (or any successor organisation).

"**Australian Securities Exchange**" **or** "**ASX**" means ASX Limited (ABN 98 008 624 691) or the securities market operated by it, as the context requires.

"**ASX Listing Rules**" means the listing rules of the Australian Securities Exchange as amended, varied or waived (whether in respect of the Issuer or generally) from time to time.

"**Australian Tax Act**" means the Income Tax Assessment Act 1936 or the Income Tax Assessment Act 1997 of Australia as applicable (which term includes any amendments or successor legislation).

"**BBSW**" means the Australian Bank Bill Swap Rate.

"**BBSW Note**" means a Floating Rate Note denominated in Australian dollars.

"**BKBM**" means the New Zealand Bank Bill reference rate inter-bank offered rate.

"**BKBM Note**" means a Floating Rate Note denominated in New Zealand dollars.

"**Broken Amount**" means the amount specified as such in (or calculated in accordance with the provisions of) the relevant Pricing Supplement as it may be adjusted, in the case of the Subordinated Notes, in accordance with Condition 5A.4.

"**Business Day**" means:

(i) in the case of Subordinated Notes, for the purposes of Conditions 5A to 5D (inclusive), means a business day within the meaning of the ASX Listing Rules;

(ii) a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments generally in London and, where ANZBGL is the Issuer, Sydney or, where ANZ New Zealand or ANZNIL is the Issuer, Auckland and Wellington; and

(iii) in the case of:

(A) a Specified Currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments generally in the Principal Financial Centre for such Specified Currency; or

(B) in the case of euro, a TARGET2 Business Day; and

(iv) in the case of one or more additional business centres specified in the applicable Pricing Supplement (each, an "**Additional Business Centre**"), a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the Additional Business Centres or, if no currency is indicated, generally in each of the Additional Business Centres,

unless otherwise specified in the relevant Pricing Supplement.

"**Business Day Convention**" in relation to an Interest Payment Date or other particular date, unless otherwise specified in the relevant Pricing Supplement, has the following meaning as so specified in the Pricing Supplement:

(i) **Floating Rate Business Day Convention** means that the relevant date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such date shall be brought forward to the immediately preceding Business Day and (B) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment;

(ii) **Following Business Day Convention** means that the relevant date shall be postponed to the next day that is a Business Day;

(iii) **Modified Following Business Day Convention** means that the relevant date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day;

(iv) **Preceding Business Day Convention** means that the relevant date shall be brought forward to the immediately preceding Business Day; or

(v) **No adjustment** means that the relevant date shall not be adjusted in accordance with any Business Day Convention.

"**Calculation Amount**" has the meaning given in the relevant Pricing Supplement as it may be adjusted, in the case of the Subordinated Notes, in accordance with Condition 5A.4.

"**CDOR**" means the Toronto inter-bank offered rate.

"**CMS Rate Note**" means a Floating Rate Note where the designated Interest Basis is CMS Rate.

"**CNH HIBOR**" means the CNH Hong Kong Interbank Offered Rate.

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended.

"**Day Count Fraction**" means, in relation to the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Accrual Period, the "**Calculation Period**"):

(i) if "**Actual/Actual (ICMA)** " is specified in the Pricing Supplement:

(A) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (x) the actual number of days in such Regular Period and (y) the number of Regular Periods in any year; and

(B) where the Calculation Period is longer than one Regular Period, the sum of:

(x) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (I) the actual number of days in such Regular Period and (II) the number of Regular Periods in any year; and

(y) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (I) the actual number of days in such Regular Period and (II) the number of Regular Periods in any year;

where "**Regular Period**" means:

(aa) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;

(bb) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls; and

(cc) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

(ii) if "**Actual/Actual (ISDA)** " or "**Actual/Actual**" is specified in the Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(iii) if "**Actual/365 (Fixed)** " is specified in the Pricing Supplement, the actual number of days in the Calculation Period divided by 365;

(iv) if "**Actual/360**" is specified in the Pricing Supplement, the actual number of days in the Calculation Period divided by 360;

(v) if "**30/360 (ICMA)** " is specified in the Pricing Supplement, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360;

(vi) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

where:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1) + (D_2 - D_1)]}{360}$$

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number is 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(vii) if "**30E/360**" or "**Eurobond Basis**" is specified in the Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

where:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2-Y_1)] + [30 \times (M_2-M_1) + (D_2-D_1)]}{360}$$

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30; or

(viii) if "**30E/360 (ISDA)** " is specified in the Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

where:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2-Y_1)] + [30 \times (M_2-M_1) + (D_2-D_1)]}{360}$$

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (A) that day is the last day of February or (B) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (A) that day is the last day of February but not the Maturity Date or (B) such number would be 31, in which case D_2 will be 30,

provided, however, that in each case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period.

"**Early Redemption Amount**" means, in relation to a Note other than a Zero Coupon Note, its Principal Amount unless otherwise specified in the Pricing Supplement or, in relation to a Zero Coupon Note, as specified in Condition 5(d).

"**Effective Date**" means, with respect to any Floating Rate to be determined on an Interest Determination Date, unless otherwise specified in the Pricing Supplement, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

"**EURIBOR**" means the Euro-Zone inter-bank offered rate.

"**Euro-Zone**" means the region comprising Member States of the European Economic Area that adopt the single currency in accordance with the Treaty establishing the European Union, as amended (the "**Treaty**").

"**Event of Default**", in respect of Unsubordinated Notes, has the meaning given in Condition 9(a) and, in respect of Subordinated Notes, has the meaning given in Condition 9(b).

"**Exercise Notice**" has the meaning given in Condition 5(f).

"**Extraordinary Resolution**" has the meaning given in Condition 11(a).

"**FATCA**" means:

(i) Sections 1471-1474 of the Code (or any amended or successor version to the Code) and any current or future regulations or official interpretations thereof;

(ii) any U.S. or non-U.S. fiscal or regulatory legislation, rules, guidance or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of either such sections of the Code or analogous provisions of non-U.S. law; or

(iii) any agreement pursuant to the implementation of paragraphs (i) or (ii) above with the U.S. Internal Revenue Service, the U.S. government or any governmental or taxation authority in any other jurisdiction.

"**Federal Funds Effective Rate US**" means the volume weighted average rate at which depositary institutions lend balances at the Federal Reserve to other depositary institutions.

"**Final Redemption Amount**" means, in relation to a Note, its Principal Amount unless otherwise specified in the Pricing Supplement.

"**Fixed Coupon Amount**" means the amount specified as such in (or calculated in accordance with the provisions of) the relevant Pricing Supplement as it may be adjusted, in the case of the Subordinated Notes, in accordance with Condition 5A.4.

"**HIBOR**" means the Hong Kong inter-bank offered rate.

"**Initial Call Date**" means the first occurring Optional Redemption Date (if any).

"**Instalment Amount**" means the amount specified as such in (or calculated in accordance with the provisions of) the relevant Pricing Supplement.

"**Interest Amount**" means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount, Broken Amount or the amount calculated pursuant to Condition 4(a)(iii), as the case may be and as it may be adjusted, in the case of the Subordinated Notes, in accordance with Condition 5A.4.

"**Interest Accrual Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date, except that the final Interest Accrual Period ends on (but excludes) the Maturity Date or the date of any earlier redemption of a Note in accordance with the Conditions, or any other period specified in the Pricing Supplement.

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified in the Pricing Supplement.

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the Pricing Supplement or, if none is so specified:

(i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or if the Notes are BBSW Notes or BKBM Notes;

(ii) except for BBSW Notes or BKBM Notes, the day falling two Business Days for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro; or

(iii) the day falling two TARGET2 Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

"**Interest Payment Date(s)**" means the date or dates specified in the Pricing Supplement and, unless otherwise specified in the Pricing Supplement, the final Interest Payment Date shall be the Maturity Date or such earlier date on which the relevant Notes are redeemed in accordance with the Conditions.

"**Interest Period**" means, unless otherwise specified in the Pricing Supplement, the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date, except that the final Interest Period ends on (but excludes) the Maturity Date or the date of any earlier redemption of a Note in accordance with the Conditions.

"**Interest Period Date**" means each Interest Payment Date unless otherwise specified in the Pricing Supplement.

"**ISDA Definitions**" means, the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Pricing Supplement)) as published by the International Swaps and Derivatives Association, Inc.

"**Issue Date**" means the date of issue of the Notes as specified in the Pricing Supplement.

"**LIBOR**" means the London inter-bank offered rate.

"**Maturity Date**" in respect of a Note, means the maturity date of that Note.

"**Maximum Redemption Amount**" means the amount specified as such in (or calculated in accordance with the provisions of) the relevant Pricing Supplement.

"**Minimum Redemption Amount**" means the amount specified as such in (or calculated in accordance with the provisions of) the relevant Pricing Supplement.

"**Offshore Associate**" has the meaning given in Condition 5(g).

"**Optional Redemption Amount**" means the amount specified as such in (or calculated in accordance with the provisions of) the relevant Pricing Supplement as it may be adjusted, in the case of the Subordinated Notes, in accordance with Condition 5A.4.

"**Optional Redemption Date**" means the date or dates specified as such in the relevant Pricing Supplement.

"**Principal Amount**" in respect of a Note, means the outstanding principal amount of that Note as it may be adjusted, in the case of a Subordinated Note, in accordance with Condition 5A.4.

"**Principal Financial Centre**" means, in relation to a Specified Currency or any other currency, the principal financial centre of the country of that Specified Currency or other currency, which in the case of euro, is the Euro-Zone.

"**Rate of Interest**" means the rate of interest payable from time to time in respect of this Note and that is either specified in the relevant Pricing Supplement or calculated in accordance with these Conditions and the provisions set out in the Pricing Supplement.

"**Record Date**" has the meaning given in Condition 6(b)(ii).

"**Redemption Amount(s)**" means the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount, Maximum Redemption Amount or Minimum Redemption Amount, as the case may be.

"**Reference Banks**" means the institutions specified as such in the Pricing Supplement or, if none, four major banks selected by the Reference Banks Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Reference Rate specified in the Pricing Supplement which, if the relevant Reference Rate is EURIBOR, shall be the Euro-Zone.

"**Reference Banks Agent**" means an independent investment bank, commercial bank or stockbroker appointed by the Issuer.

"**Reference Rate**" means LIBOR, Federal Funds Effective Rate US, EURIBOR, CDOR, CMS Rate, SHIBOR, HIBOR, SIBOR, SOFR, SONIA, or such other rate as specified in the relevant Pricing Supplement.

"**Relevant Date**" has the meaning given in Condition 7 (*Taxation*).

"**Relevant Financial Centre**" means, with respect to any Floating Rate to be determined in accordance with Screen Rate Determination on an Interest Determination Date and for the determination of the Date of Interest in respect of Range Accrual Notes:

(i) (A) in the case of BBSW Notes, Sydney (B) in the case of BKBM Notes, either Wellington or Auckland, New Zealand or (C) in either case such other financial centre as may be specified in the Pricing Supplement; and

(ii) in all other cases, the financial centre specified as such in the Pricing Supplement or, if none is so specified, the Principal Financial Centre with which the relevant Reference Rate is most closely connected (which, where the Specified Currency is euro, shall be the Euro-Zone) or, if none is so connected, London.

"**Relevant Screen Page**" means the screen page specified as such in the relevant Pricing Supplement.

"**Relevant Time**" with respect to any Interest Determination Date, unless otherwise specified in the Pricing Supplement, in the case of BBSW Notes is 10.30 a.m. Sydney time, in the case of the BKBM Notes is 10.45 a.m. Wellington time, in the case of LIBOR is 11.00 a.m. London time, in the case of EURIBOR is 11.00 a.m. Brussels time, in the case of CDOR is 10.00 a.m. Toronto time, in the case of SHIBOR is 11.30 a.m. Beijing time, in the case of HIBOR is 11.00 a.m. Hong Kong time and in the case of SIBOR is 11.00 a.m. Singapore time or such other time as may be specified in the relevant Pricing Supplement (or, in each case, such other time at which such rate customarily appears). The Relevant Time in the case of CNH HIBOR will be specified in the relevant Pricing Supplement. If a substitute or successor screen page is used for the purposes of calculating a Screen Rate as provided in Condition 4(u), the Relevant Time in relation to such Screen Rate will be the nearest comparable time at which such Screen Rate is published on such substitute or successor screen page.

"**SHIBOR**" means the Shanghai inter-bank rate.

"**SIBOR**" means the Singapore inter-bank offered rate.

"**Solvent**" means at any time in respect of ANZBGL:

(i) it is able to pay all its debts as and when they become due and payable; and

(ii) its assets exceed its liabilities, in each case determined on an unconsolidated stand-alone basis.

"SONIA" means the Sterling Index Overnight Average;

"**Specified Currency**" means the currency specified as such in the Pricing Supplement or, if none is specified, the currency in which the Notes are denominated.

"**Specified Maturity**" has the meaning given in the relevant Pricing Supplement.

"**TARGET2 Business Day**" means a day on which the TARGET2 System is open.

"**TARGET2 System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System.

"U.S. Dollar LIBOR" means the London inter-bank offered rate for deposits in USD.

(s) *Calculation Agent and Reference Banks*

The Issuer and, if applicable, the Guarantor shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the Pricing Supplement and for so long as any Note is outstanding (as defined in the Agency Agreement). If any Reference Bank (acting through its relevant offices) is unable or unwilling to continue to act as a Reference Bank, then the Issuer or, failing which and if applicable, the Guarantor shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount or Optional Redemption Amount or to comply with any other requirement, the Issuer or, failing which and if applicable, the Guarantor shall appoint a leading bank or investment banking firm engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(t) *Linear Interpolation*

Where Linear Interpolation is specified as being applicable in respect of an Interest Period in the applicable Pricing Supplement, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate or the relevant Floating Rate Option, as applicable, one of which shall be determined as if the Designated Maturity or Specified Maturity, as applicable, as specified in the applicable Pricing Supplement, were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which rates are available next longer than the length of the relevant Interest Period, provided, however, that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

(u) *Certificates to be final*

Subject, in the case of Subordinated Notes only, to the requirement for APRA's prior written approval as specified in Condition 4(o) (*Benchmark Replacement*), all certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4 (*Interest and other Calculations*) shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Guarantor (if applicable), the Calculation Agent, the Fiscal Agent, the other Paying Agents (if any), the Registrar, the VPS Agent, the VPS Trustee and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Calculation Agent, the VPS Agent or the VPS Trustee, as the case may be, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(v) *Conditions of Payment — Subordinated Notes*

Prior to the commencement of the winding-up of ANZBGL (other than under or in connection with a scheme of amalgamation or reconstruction not involving bankruptcy or insolvency):

(i) the obligations of ANZBGL to make payments of principal of, any interest on, and any other payments, including additional amounts, in respect of the Subordinated Notes will be conditional on ANZBGL being Solvent at the time of such payment by ANZBGL; and

(ii) no payment of principal of, any interest on, and any other payments, including additional amounts, in respect of the Subordinated Notes shall be made unless ANZBGL is Solvent immediately after making such payment,

and if, pursuant to this Condition, ANZBGL fails to make any payment of principal of, or interest on, or any other payment, including additional amounts, in respect of any Subordinated Note when due, such failure will not constitute an Event of Default for the purposes of Condition 9(b)(ii).

A certificate signed by ANZBGL, two authorised signatories or an auditor of ANZBGL or, if ANZBGL is being wound up, its liquidator as to whether ANZBGL is Solvent at any time is (in the absence of wilful default, bad faith or manifest error) conclusive evidence of the information contained in the certificate and will be binding on the Subordinated Noteholders. In the absence of any such certificate, the Subordinated Noteholders are entitled to assume (unless the contrary is proved) that ANZBGL is Solvent at the time of, and will be Solvent immediately after, any payment on or in respect of the Subordinated Notes.

Any amount not paid on account of this Condition remains and accumulates as a debt owing and is payable on the first date on and to the extent to which the amount is able to be paid in compliance with this Condition.

(w) *Substitute or Successor Screen Page*

Any reference in these Conditions or in the Pricing Supplement to a screen page on Reuters or on Bloomberg means the display page so designated on the Reuters Monitor Money Rates Service (or any successor service) or the Bloomberg Professional® service (or any successor service), as the case may be, or such other page as may replace such page for the purpose of displaying the relevant rate.

(x) *VPS Notes – Calculation Agent*

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in respect of the VPS Notes and for so long as any such VPS Note is outstanding. Where more than one Calculation Agent is appointed in respect of the VPS Notes, references in these Terms and Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Terms and Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or to calculate any Interest Amount or to comply with any other requirement, the Issuer shall (with the prior approval of the VPS Trustee) appoint a leading bank or investment banking firm engaged in the inter-bank market that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

5. **Redemption, Purchase and Options**

(a) *Redemption by Instalments and Final Redemption*

(i) Unless previously redeemed, purchased and cancelled as provided in this Condition 5 or unless the relevant Instalment Date (being one of the dates so specified in the Pricing Supplement) is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 5(e) or 5(f), each Note that provides for Instalment Dates and Instalment Amounts (each, an "**Instalment Note**") shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the Pricing Supplement. The outstanding Principal Amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the Principal Amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount. A Subordinated Note will not provide for redemption by Instalments.

(ii) Unless previously redeemed, purchased and cancelled, Converted or Written-Off as provided below or its maturity is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 5(e) or 5(f), each Note shall be finally redeemed on the Maturity Date specified in the Pricing Supplement at its Final Redemption Amount or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

(b) *Redemption for Taxation Reasons Applicable to all Notes*

If, as a result of any change in or amendment to the laws or regulations of the jurisdiction of incorporation of the Issuer and/or, where the Issuer is acting through its branch, the jurisdiction, country or territory in which the branch through which the Issuer is acting as specified in the relevant Pricing Supplement is located and/or, if applicable, the jurisdiction of incorporation of the Guarantor, or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations or any ruling, confirmation or advice from any taxing authority, which change or amendment or ruling becomes effective after the Issue Date (and in respect of any Subordinated Note, which ANZBGL did not expect as at the Issue Date of that Subordinated Note) shown on the face of any Note:

(i) in the case of any Note, the Issuer or, if applicable, the Guarantor (if the Guarantor was or is obliged to make a payment under the Guarantee) has or will become obliged to pay additional amounts as provided in Condition 7 (*Taxation*);

(ii) in the case of any Subordinated Note only and if specified in the Pricing Supplement, ANZBGL or the consolidated tax group of which it is a member would be exposed to more than a *de minimis* amount of other taxes, levies, imposts, charges and duties (including stamp and transaction duties) imposed by any authority together with any related interest, penalties and expenses in connection with them, assessments or other governmental charges in connection with any Note; or

(iii) in the case of any Subordinated Note only and if specified in the Pricing Supplement, ANZBGL determines that any interest payable on any Note is not, or may not be, allowed as a deduction for the purposes of Australian income tax,

the Issuer may at its option, at any time (if this Note is neither a Floating Rate Note nor an Index Linked Interest Note) or on any Interest Payment Date (in the case of Floating Rate Notes or Index Linked Interest Notes) and subject to Condition 5(i) in the case of any Subordinated Note, on giving not more than 60 nor less than 30 days' notice to the Noteholders of the relevant Series (which notice shall be irrevocable) redeem all, but not some only, of the Notes of the relevant Series at their Early Redemption Amount together with interest accrued to the date fixed for redemption, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, if applicable, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Notes then due or (as the case may be) an obligation to make a payment under the Guarantee were then made. Prior to the publication of any notice of redemption pursuant to this Condition 5(b), the Issuer shall deliver to the Fiscal Agent, and, with respect to VPS Notes, the VPS Trustee a certificate signed by two persons each of whom is either a Director, a Senior Executive, an authorised representative or of equivalent status of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of the facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred.

(c) *Redemption of Subordinated Notes for Regulatory Reasons*

If specified in the relevant Pricing Supplement, if a Regulatory Event occurs, ANZBGL may at its option, at any time (if the Subordinated Note is not a Floating Rate Note) or on any Interest Payment Date (in the case of a Subordinated Note that is a Floating Rate Note) and subject to Condition 5(i) on giving not more than 60 nor less than 30 days' notice to the Subordinated Noteholders of the relevant Series (which notice shall be irrevocable) redeem all, but not some only, of the Subordinated Notes of the relevant Series at the Early Redemption Amount together with interest accrued to the date fixed for redemption. Prior to the publication of any notice of redemption pursuant to this Condition 5(c), ANZBGL shall deliver to the Fiscal Agent a certificate signed by two persons each of whom is either a Director, a Senior Executive, an authorised representative or of equivalent status of ANZBGL stating that ANZBGL is

entitled to effect such redemption and setting forth a statement of the facts showing that the conditions precedent to the right of ANZBGL so to redeem have occurred.

For the purposes of this Condition 5(c):

"**Regulatory Event**" means ANZBGL determines, having received:

(i) an opinion from a reputable legal counsel that as a result of any amendment to, clarification of or change (including any announcement of a change that has been or will be introduced) in, any law or regulation of the Commonwealth of Australia, or any official administrative pronouncement or action or judicial decision interpreting or applying such laws or regulations, which amendment, clarification or change is effective, or pronouncement, action or decision is announced, after the Issue Date; or

(ii) a written statement from APRA after the Issue Date,

that, in each case, ANZBGL is not or will not be entitled to treat all Subordinated Notes of a Series as Tier 2 Capital, provided that, in each case, on the Issue Date of the Subordinated Notes, ANZBGL did not expect that matters giving rise to the Regulatory Event would occur.

(d) *Early Redemption of Zero Coupon Notes*

(i) The Early Redemption Amount payable in respect of any Zero Coupon Note that does not bear interest prior to the Maturity Date, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 5(b) or (c) or upon it becoming due and payable as provided in Condition 9 (*Events of Default*), shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified in the Pricing Supplement.

(ii) Subject to the provisions of sub-paragraph (iii) below, the "**Amortised Face Amount**" of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted to the date of its early redemption at a rate per annum (expressed as a percentage) equal to (A) where Compound Interest is specified in the Pricing Supplement, the "**Amortisation Yield**" (which, if none is set out in the Pricing Supplement, shall be such rate as would produce an Amortised Face Amount equal to the Issue Price of the Notes if such Notes were discounted back from the Maturity Date to the Issue Date) compounded annually, or (B) where Linear Interest is specified in the Pricing Supplement, an amount per Calculation Amount calculated in accordance with the following formula:

$$Amortised\ Face\ Amount = Calculation\ Amount + (Accreting\ Payment\ Amount\ x\ A) + B$$

Where:

"**A**" means the aggregate number of Accreting Payment Periods that precede the Final Accreting Payment Period;

"**Accreting Payment Amount**" means the amount per Calculation Amount specified in the Pricing Supplement;

"**Accreting Payment Period**" means a period specified in the Pricing Supplement;

"**B**" means, in respect of the Final Accreting Payment Period, the Accreting Payment Amount multiplied by the Day Count Fraction;

"**Early Redemption Date**" means in respect of this Condition 5(d) the date on which the Notes are redeemed prior to the Maturity Date; and

"**Final Accreting Payment Period**" means a period specified in the Pricing Supplement.

Where such calculation referred to in sub-paragraph (A) of this sub-paragraph (ii) is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction set out in the Pricing Supplement.

(iii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(b) or (c) or upon it becoming due and payable as provided in Condition 9 (*Events of Default*) is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the reference therein, in the case of sub-paragraph (A), to the date on which the Note becomes due and payable or, in the case of sub-paragraph (B), the Early Redemption Date, were replaced by a reference to the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (after, as well as before, judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 4(k).

(e) *Redemption at the Option of the Issuer and Exercise of Issuer's Options*

If a Call Option is included in the Pricing Supplement and subject to Condition 5(i) in the case of any Subordinated Note, the Issuer may, on giving not less than five or more than 30 days' irrevocable notice (subject to such other notice period as may be specified in the Pricing Supplement under "Option Exercise Date(s)") to the Noteholders redeem, or exercise any Issuer's option (as may be described in the Pricing Supplement) in relation to, all or, if so provided, some of the Notes on any Optional Redemption Date (which, in the case of a Subordinated Note, may not be before the fifth anniversary of the Issue Date of that Subordinated Note). Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise of the Issuer's option shall only relate to Notes of a Principal Amount at least equal to the Minimum Redemption Amount to be redeemed specified in the Pricing Supplement and no greater than the Maximum Redemption Amount to be redeemed specified in the Pricing Supplement.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of an Issuer's option, the notice to Noteholders shall also contain the certificate numbers of the Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place as may be fair and reasonable in the circumstances, having regard to prevailing market practices and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange requirements including in accordance with the rules of the VPS in the case of VPS Notes. So long as the Notes are admitted to listing, trading and/or quotation on any listing authority, stock exchange and/or quotation system and the rules of the relevant listing authority, stock exchange and/or quotation system so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in a leading newspaper of general circulation in London (which is expected to be the *Financial Times*), or as specified by such other listing authority, stock exchange and/or quotation system, a notice specifying the aggregate principal amount of Notes outstanding and a list of the Notes drawn for redemption but not surrendered.

(f) *Redemption at the Option of Noteholders and Exercise of Noteholders' Options*

If a Put Option is specified in the Pricing Supplement, the Issuer shall, at the option of the holder of such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (subject to such other notice period as may be specified in the Pricing Supplement, under "Option Exercise Date(s)"), redeem such Note on the Optional Redemption Date(s) so provided at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option or any other Noteholder's option that may be set out in the Pricing Supplement the holder (other than a holder of VPS Notes) must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as

applicable) within the notice period. In the case of a VPS Note, within the notice period, a holder of any VPS Note may exercise its right to require redemption of its VPS Notes by giving written notice to its account manager for the VPS, who will notify the VPS Agent of the exercise of such option. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer, except that such Note or Certificate will be returned to the relevant Noteholder by the Paying Agent, the Registrar or Transfer Agent with which it has been deposited if, prior to the due date for its redemption or the exercise of the option, the Note becomes immediately due and payable or if upon due presentation payment of the redemption moneys is not made or exercise of the option is denied.

A Put Option may not be specified in the Pricing Supplement in respect of Subordinated Notes.

(g) *Purchases*

Where ANZBGL is the Issuer of this Note, ANZBGL is taken to represent as at the date of issue of this Note, that it does not know, or have any reasonable grounds to suspect, that this Note or any interest in this Note is being or will later be, acquired either directly or indirectly by an Offshore Associate of ANZBGL (acting other than in the capacity of a dealer, manager or underwriter in relation to the placement of this Note or a clearing house, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act 2001 of Australia ("**Corporations Act**")).

"**Offshore Associate**" means an associate (as defined in section 128F of the Australian Tax Act) of ANZBGL that is either a non-resident of Australia which does not acquire the Notes in carrying on a business at or through a permanent establishment in Australia or, alternatively, a resident of Australia that acquires the Notes in carrying on business at or through a permanent establishment outside of Australia.

Except in the case of Subordinated Notes, the Issuer, the Guarantor and any of their respective subsidiaries may, to the extent permitted by applicable laws and regulations, at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise. Notes other than the VPS Notes so purchased by the Issuer, the Guarantor or any of their respective subsidiaries may be surrendered by the purchaser through the Issuer to the Fiscal Agent or any Paying Agent for cancellation or may at the option of the Issuer, the Guarantor or the relevant subsidiary be held or resold. VPS Notes purchased by the Issuer, the Guarantor or any of their respective subsidiaries may be cancelled in accordance with the procedures of the VPS if applicable and the VPS Agency Agreement or may at the option of the Issuer, the Guarantor or the relevant subsidiary be held or resold.

In the case of Subordinated Notes, subject to Condition 5(i), ANZBGL and any of its Related Entities may, to the extent permitted by applicable laws and regulations, at any time purchase Subordinated Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise. Subordinated Notes so purchased by ANZBGL or any of its Related Entities may be surrendered by the purchaser through ANZBGL to the Fiscal Agent or any Paying Agent for cancellation or may at the option of ANZBGL or the relevant Related Entity be held or resold.

VPS Notes purchased by ANZBGL or any of its Related Entities may be cancelled in accordance with the procedures of the VPS and the VPS Agency Agreement or may at the option of ANZBGL or any of its Related Entities be held or resold.

(h) *Cancellation*

All Notes other than VPS Notes redeemed by the Issuer or surrendered by the purchaser through the Issuer for cancellation pursuant to Condition 5(f) shall be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to, or to the order of, the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(i) *Approval of APRA*

Notwithstanding anything to the contrary in this Condition 5, ANZBGL may not (i) redeem any Subordinated Notes under paragraph (b), (c) or (e) above or (ii) prior to the Maturity Date purchase, or procure that any of its Related Entities purchase, any Subordinated Notes under paragraph (g) above, without the prior written approval of APRA and ANZBGL will not be permitted to redeem any Subordinated Notes unless:

(a) the Subordinated Notes are replaced concurrently or beforehand with Regulatory Capital of the same or better quality and the replacement of the Subordinated Notes is done under conditions that are sustainable for ANZBGL's income capacity; or

(b) APRA is satisfied that ANZBGL's capital position at Level 1, Level 2 and, if applicable, Level 3 (each as defined in Condition 5E.1 below) is well above its minimum capital requirements after ANZBGL elects to redeem the Subordinated Notes.

Subordinated Noteholders should not expect that APRA's approval will be given for any redemption or purchase of Subordinated Notes.

5A. Conversion or Write-Off of Subordinated Notes on Non-Viability Trigger Event

5A.1. Application to Subordinated Notes only

Conditions 5A, 5B and 5C apply only to Subordinated Notes. The Schedule to these Conditions (including the defined terms therein) shall be deemed to form part of, and be incorporated in, Condition 5B.

5A.2 Non-Viability Trigger Event

A "**Non-Viability Trigger Event**" means the earlier of:

(i) the issuance to ANZBGL of a written determination from APRA that conversion or write-off of Relevant Securities is necessary because, without it, APRA considers that ANZBGL would become non-viable; or

(ii) a determination by APRA, notified to ANZBGL in writing, that without a public sector injection of capital, or equivalent support, ANZBGL would become non-viable,

each such determination being a "**Non-Viability Determination**".

5A.3 Conversion or Write-Off of Subordinated Notes on Trigger Event Date

If a Non-Viability Trigger Event occurs:

(i) on the Trigger Event Date, subject only to Condition 5B.5, such Principal Amount of the Subordinated Notes will immediately Convert or be Written-Off (whichever is applicable as specified in the Pricing Supplement) as is required by the Non-Viability Determination provided that:

(a) where the Non-Viability Trigger Event occurs under Condition 5A.2(i) and such Non-Viability Determination does not require all Relevant Securities to be converted into Ordinary Shares or written-off, such Principal Amount of the Subordinated Notes shall Convert or be Written-Off (whichever is applicable as specified in the Pricing Supplement) as is sufficient (determined by ANZBGL in accordance with Condition 5A.3(ii)) to satisfy APRA that ANZBGL is viable without further conversion or write-off; and

(b) where the Non-Viability Trigger Event occurs under Condition 5A.2(ii), all the Principal Amount of the Subordinated Notes will immediately Convert or be Written-Off (whichever is applicable as specified in the Pricing Supplement);

(ii) ANZBGL will determine the Principal Amount of Subordinated Notes which must be Converted or Written-Off (as applicable) in accordance with Condition 5A.3(i)(a), on the following basis:

(a) first, convert into Ordinary Shares or write-off all Relevant Tier 1 Securities; and

(b) secondly, if conversion into Ordinary Shares or write-off of all Relevant Tier 1 Securities is not sufficient to satisfy the requirements of Condition 5A.3(i)(a) (and provided that as a result of the conversion or write-off of Relevant Tier 1 Capital Securities APRA has not withdrawn the Non-Viability Determination), Convert or Write-Off (as applicable) a Principal Amount of Subordinated Notes and convert into Ordinary Shares or write-off a number or principal amount of other Relevant Tier 2 Securities on an approximately pro-rata basis or in a manner that is otherwise, in the opinion of ANZBGL, fair and reasonable (subject to such adjustment as ANZBGL may determine to take into account the effect on marketable parcels and the need to round to whole numbers the number of Ordinary Shares and the authorised denominations of the Principal Amount of any Subordinated Note or the number or principal amount of other Relevant Tier 2 Securities remaining on issue, and the need to effect the conversion immediately) and, for the purposes of this Condition 5A.3(ii)(b), where the Specified Currency of the principal amount of Relevant Tier 2 Securities is not the same for all Relevant Tier 2 Securities, ANZBGL may treat them as if converted into a single currency of ANZBGL's choice at such rate of exchange as ANZBGL in good faith considers reasonable,

provided that such determination does not impede or delay the immediate Conversion or Write-Off (as applicable) of the relevant Principal Amount of Subordinated Notes;

(iii) on the Trigger Event Date, ANZBGL shall determine the Subordinated Notes or portions thereof as to which the Conversion or Write-Off (as applicable) is to take effect and in making that determination may make any decisions with respect to the identity of the Subordinated Noteholders at that time as may be necessary or desirable to ensure Conversion or Write-off (as applicable) occurs in an orderly manner, including disregarding any transfers of Subordinated Notes that have not been settled or registered at that time provided that such determination does not impede or delay the immediate Conversion or Write-Off (as applicable) of the relevant Principal Amount of Subordinated Notes;

(iv) ANZBGL must give notice of its determination pursuant to Condition 5A.3(iii) (a "**Trigger Event Notice**") as soon as practicable to the Subordinated Noteholders, which must specify:

(a) the Trigger Event Date;

(b) the Principal Amount of the Subordinated Notes Converted or Written-Off (as applicable); and

(c) the relevant number or principal amount of other Relevant Securities converted or written-off;

(v) none of the following events shall prevent, impede or delay the Conversion or Write-Off (as applicable) of Subordinated Notes as required by Condition 5A.3(i):

(a) any failure or delay in the conversion or write-off of other Relevant Securities;

(b) any failure or delay in giving a Trigger Event Notice;

(c) any failure or delay by a Subordinated Noteholder or any other party in complying with the provisions of Condition 5A.4;

(d) any requirement to select or adjust the number or Principal Amount of Subordinated Notes to be Converted or Written-Off (as applicable) in accordance with Condition 5A.3(ii)(b) or 5A.3(iii); and

(e) in the case of Conversion only, any failure or delay in quotation of Ordinary Shares to be issued on Conversion.

If a Non-Viability Determination takes effect, ANZBGL must perform the obligations in respect of the determination immediately on the day it is received by ANZBGL, whether or not such day is a Business Day.

5A.4 Conversion or Write-Off of a whole or of a portion of a Subordinated Note

Subject to Condition 5D.2(iii)(b), in respect of any Subordinated Note which is Converted or Written-Off:

(i) ANZBGL shall notify the Fiscal Agent (in the case of a Bearer Note) or the Registrar (in the case of a Registered Note) of the Principal Amount of such Subordinated Note that has been Converted or Written-Off (whether in whole or in part) and instruct the Fiscal Agent (in the case of a Bearer Note) or the Registrar (in the case of a Registered Note) to reflect this Conversion or Write-Off (as applicable) in any relevant form of note or certificate and the Register (as applicable) so that the Principal Amount of such Subordinated Note is reduced, in the case of a Subordinated Note Converted or Written-Off in whole, to zero, or, in the case of a Subordinated Note which is Converted or Written-Off in part, to an amount equal to the non-Converted or non-Written-Off (as applicable) portion of the Principal Amount of such Subordinated Note;

(ii) in the case of a Subordinated Note which is Converted or Written-Off only in part:

(a) where the date of the Conversion or Write-off is not an Interest Payment Date, the amount of interest payable in respect of that Subordinated Note on each Interest Payment Date falling after that date will be reduced and calculated on the Principal Amount of that Subordinated Note as reduced on that date;

(b) for the purposes of any interest calculation, the Interest Amount, the Fixed Coupon Amount, Broken Amount, the Calculation Amount and any related amount in respect of that Subordinated Note shall be reduced in the same proportion as the Principal Amount Converted or Written-Off in respect of that Subordinated Note bears to the Principal Amount of that Subordinated Note before such Conversion or Write-Off;

(c) the Early Redemption Amount, the Final Redemption Amount, the Optional Redemption Amount, the Specified Denomination and Principal Amount or any related amount shall be reduced in the same proportion as the Principal Amount Converted or Written-Off in respect of that Subordinated Note bears to the Principal Amount of that Subordinated Note before such Conversion or Write-Off; and

(iii) if a definitive note or certificate has been issued to the relevant Subordinated Noteholder in respect of such Subordinated Note, then, if ANZBGL so requires, such Subordinated Noteholder shall surrender such definitive note or certificate to ANZBGL (or, if ANZBGL so directs, to the Registrar) and, in the case of a Subordinated Note which is Converted or Written-Off only in part, ANZBGL shall deliver to the Subordinated Noteholder, a new definitive note or certificate for a Subordinated Note with a Principal Amount equal to the non-Converted or non-Written-Off (as applicable) portion of the Principal Amount of such Subordinated Note.

5B. Conversion of Subordinated Notes

5B.1 Conversion of Subordinated Notes on Trigger Event Date

Unless "Write-Off Applicable" is specified in the relevant Pricing Supplement, Condition 5B shall apply to the Subordinated Notes and, notwithstanding any other provision in these Conditions, on the Trigger Event Date the relevant Principal Amount (as determined under Condition 5A.3) of the Subordinated Notes will Convert immediately and irrevocably.

On and from the Trigger Event Date, subject to Conditions 5B.5 and 5B.6(iii)(c) ANZBGL shall treat any Subordinated Noteholder of any Subordinated Note or portion thereof which is required to be Converted as the holder of the relevant number of Ordinary Shares and will take all such steps, including updating any register, required to record the Conversion and the issuance of such Ordinary Shares.

5B.2 Provision of information

Where a Principal Amount of Subordinated Notes is required to be Converted under Condition 5B, a Subordinated Noteholder of Subordinated Notes or portion thereof that are subject to Conversion wishing to receive Ordinary Shares must, no later than the Trigger Event Date (or, in the case where Condition 5B.4(vii) applies, within 30 days of the date on which Ordinary Shares are issued upon such Conversion), have provided to ANZBGL:

(i) its name and address (or the name and address of any person in whose name it directs the Ordinary Shares to be issued) for entry into any register of title and receipt of any certificate or holding statement in respect of any Ordinary Shares;

(ii) the security account details of such Subordinated Noteholder in the clearing system or such other account to which the Ordinary Shares may be credited; and

(iii) such other information as is reasonably requested by ANZBGL for the purposes of enabling it to issue the Conversion Number of Ordinary Shares to such Subordinated Noteholder,

and ANZBGL has no duty to seek or obtain such information.

5B.3 Failure to Convert

Subject to Condition 5B.4 and Condition 5B.5, if, in respect of a Conversion of Subordinated Notes, ANZBGL fails to issue, on the Trigger Event Date, the Conversion Number of Ordinary Shares in respect of the relevant Principal Amount of such Subordinated Notes to, or in accordance with the instructions of, the relevant Subordinated Noteholder on the Trigger Event Date or any other nominee where Condition 5B.4 applies, the Principal Amount of such Subordinated Notes which would otherwise be subject to Conversion shall remain on issue and outstanding until:

(i) the Ordinary Shares are issued to, or in accordance with the instructions of, the Subordinated Noteholder of such Subordinated Notes; or

(ii) such Subordinated Notes are Written-Off in accordance with these Conditions;

provided, that the sole right of the Subordinated Noteholder in respect of Subordinated Notes or portion thereof that are subject to Conversion is its right to be issued Ordinary Shares upon Conversion (subject to its compliance with Condition 5B.2 or to receive the proceeds from their sale pursuant to Condition 5B.4, as applicable) and the remedy of such Subordinated Noteholder in respect of ANZBGL's failure to issue the Ordinary Shares is limited (subject always to Condition 5B.5) to seeking an order for specific performance of ANZBGL's obligation to issue the Ordinary Shares to the Subordinated Noteholder or where Condition 5B.4 applies to the nominee and to receive such proceeds of sale, in each case, in accordance with the terms of the Subordinated Notes. This Condition 5B.3 does not affect the obligation of ANZBGL to issue the Ordinary Shares when required in accordance with these Conditions.

5B.4 Issue to nominee

If, in respect of a Subordinated Note and a Subordinated Noteholder of that Subordinated Note, the Subordinated Note or portion thereof is required to be Converted and:

(i) the Subordinated Noteholder has notified ANZBGL that it does not wish to receive Ordinary Shares as a result of the Conversion (whether entirely or to the extent specified in the notice), which notice may be given at any time prior to the Trigger Event Date;

(ii) the Subordinated Notes are held by a Subordinated Noteholder whose address in the register is a place outside Australia or who ANZBGL otherwise believes may not be a resident of Australia (a "**Foreign Holder**");

(iii) the holder of that Subordinated Note is a Clearing System Holder;

(iv) for any reason (whether or not due to the fault of the Subordinated Noteholder) ANZBGL has not received the information required by Condition 5B.2 prior to the Trigger Event Date and the

lack of such information would prevent ANZBGL from issuing the Ordinary Shares to the Subordinated Noteholder on the Trigger Event Date; or

(v) a FATCA Withholding is required to be made in respect of the Ordinary Shares issued on the Conversion,

then, on the Trigger Event Date:

(vi) where Condition 5B.4(i), 5B.4(ii) or 5B.4(v) applies, ANZBGL shall issue the Ordinary Shares to the Subordinated Noteholder only to the extent (if at all) that:

(a) where Condition 5B.4(i) applies, the Subordinated Noteholder has notified ANZBGL that it wishes to receive them;

(b) where Condition 5B.4(ii) applies, ANZBGL is satisfied that the laws of both the Commonwealth of Australia and the Foreign Holder's country of residence permit the issue of Ordinary Shares to the Foreign Holder (but as to which ANZBGL is not bound to enquire), either unconditionally or after compliance with conditions which ANZBGL in its absolute discretion regards as acceptable and not unduly onerous; and

(c) where Condition 5B.4(v) applies, the issue is net of the FATCA Withholding;

and, to the extent ANZBGL is not obliged to issue Ordinary Shares to the Subordinated Noteholder, ANZBGL will issue the balance of the Ordinary Shares to the nominee in accordance with Condition 5B.4(vii); and

(vii) otherwise, subject to applicable law, ANZBGL will issue the balance of Ordinary Shares in respect of the Subordinated Noteholder to a competent nominee (which may not be ANZBGL or any of its Related Entities) and will promptly notify such Subordinated Noteholder of the name of and contact information for the nominee and the number of Ordinary Shares issued to the nominee on its behalf and, subject to applicable law and:

(a) subject to Condition 5B.4(vii)(b), the nominee will as soon as reasonably possible and no later than 35 days after issue of the Ordinary Shares sell those Ordinary Shares and pay a cash amount equal to the net proceeds received, after deducting any applicable brokerage, stamp duty and other taxes and charges, to the Subordinated Noteholder;

(b) where Condition 5B.4(iii) or 5B.4(iv) applies, the nominee will hold such Ordinary Shares and will transfer Ordinary Shares to such Subordinated Noteholder (or, where paragraph (iii) applies, the person for whom the Clearing System Holder holds the Subordinated Note) promptly after such Subordinated Noteholder provides the nominee with the information required to be provided by such Subordinated Noteholder under Condition 5B.2 (as if a reference in Condition 5B.2 to ANZBGL is a reference to the nominee and a reference to the issue of Ordinary Shares is a reference to the transfer of Ordinary Shares) but only where such information is provided to the nominee within 30 days of the date on which Ordinary Shares are issued to the nominee upon Conversion of such Subordinated Note and failing which the nominee will sell the Ordinary Shares and pay the proceeds to such Subordinated Noteholder in accordance with Condition 5B.4(vii)(a); and

(c) where Condition 5B.4(v) applies, the nominee shall deal with Ordinary Shares the subject of a FATCA Withholding and any proceeds of their disposal in accordance with FATCA;

(viii) nothing in this Condition 5B.4 shall affect the Conversion of the Subordinated Notes of a Subordinated Noteholder who is not a person to which any of Condition 5B.4(i) to 5B.4(v) (inclusive) applies; and

(ix) for the purposes of this Condition 5B.4, none of ANZBGL or the nominee owes any obligations or duties to the Subordinated Noteholders in relation to the price at which Ordinary Shares are sold or has any liability for any loss suffered by a Subordinated Noteholder as a result of the sale of Ordinary Shares.

5B.5 Write-Off of Subordinated Notes if Conversion is not effected within 5 Business Days after a Trigger Event Date

Notwithstanding any other provision of Condition 5B and provided that "Write-Off – Applicable" is not specified in the relevant Pricing Supplement, where Subordinated Notes are required to be Converted on the Trigger Event Date and Conversion of the relevant Principal Amount of the Subordinated Notes that are subject to Conversion has not been effected within five Business Days after the relevant Trigger Event Date for any reason (including an Inability Event):

(i) the relevant Principal Amount of each Subordinated Note which, but for this Condition 5B.5, would be Converted, will not be Converted and instead will be Written-Off with effect on and from the Trigger Event Date; and

(ii) ANZBGL shall notify the Subordinated Noteholders as promptly as practically possible that Conversion of the relevant Principal Amount of the Subordinated Notes has not occurred and that such Principal Amount of the Subordinated Notes has been Written-Off.

5B.6 Subordinated Noteholder acknowledgements

Each Subordinated Noteholder irrevocably:

(i) consents to becoming a member of ANZBGL upon the Conversion of the relevant Principal Amount of Subordinated Notes as required by this Condition 5B and agrees to be bound by the constitution of ANZBGL, in each case in respect of the Ordinary Shares issued to such Subordinated Noteholder on Conversion;

(ii) acknowledges and agrees that it is obliged to accept Ordinary Shares upon a Conversion of the Principal Amount of Subordinated Notes it holds notwithstanding anything that might otherwise affect a Conversion of such Principal Amount of Subordinated Notes including:

  (a) any change in the financial position of ANZBGL since the issue of such Subordinated Notes;

  (b) any disruption to the market or potential market for the Ordinary Shares or to capital markets generally; or

  (c) any breach by ANZBGL of any obligation in connection with such Subordinated Notes;

(iii) acknowledges and agrees that where Condition 5A.3 applies:

  (a) there are no other conditions to a Non-Viability Trigger Event occurring as and when provided in Condition 5A.2;

  (b) Conversion must occur immediately on the occurrence of a Non-Viability Trigger Event and that may result in disruption or failures in trading or dealings in the Subordinated Notes;

  (c) it will not have any rights to vote in respect of any Conversion and that the Subordinated Note does not confer a right to vote at any meeting of members of ANZBGL; and

  (d) the Ordinary Shares issued on Conversion may not be quoted at the time of issue, or at all;

(iv) acknowledges and agrees that where Condition 5B.5 applies, no conditions or events will affect the operation of that Condition and such Subordinated Noteholder will not have any rights to vote in respect of any Write-Off under that Condition and has no claim against ANZBGL arising in connection with the application of that Condition;

(v) acknowledges and agrees that such Subordinated Noteholder has no right to request a Conversion of any Principal Amount of any Subordinated Notes or to determine whether (or in what circumstances) the Principal Amount of Subordinated Notes it holds is Converted; and

(vi) acknowledges and agrees that none of the following shall prevent, impede or delay the Conversion or (where relevant) Write-Off of the Principal Amount of Subordinated Notes:

(a) any failure to or delay in the conversion or write-off of other Relevant Securities;

(b) any failure or delay in giving a Trigger Event Notice or other notice required by this Condition 5B;

(c) any failure or delay in quotation of the Ordinary Shares to be issued on Conversion;

(d) any failure or delay by a Subordinated Noteholder or any other party in complying with the provisions of Condition 5A.4; and

(e) any requirement to select or adjust the number or Principal Amount of Subordinated Notes to be Converted in accordance with Condition 5A.3(ii)(b) or 5A.3(iii).

5B.7 Meaning of "Written-Off"

For the purposes of Condition 5B, *"Written-Off"* shall mean that, in respect of a Subordinated Note or portion thereof that is otherwise subject to Conversion and a Trigger Event Date:

(i) the Subordinated Note or portion thereof that is otherwise subject to Conversion will not be Converted on that date and will not be Converted or redeemed under these Conditions on any subsequent date; and

(ii) with effect on and from the Trigger Event Date, the rights of the relevant Subordinated Noteholder of the Subordinated Note or portion thereof (including any right to receive any payment thereunder including payments of principal and interest both in the future and accrued but unpaid as at the Trigger Event Date) in relation to such Subordinated Note or portion thereof are immediately and irrevocably terminated and written-off; and

"**Write-Off**" has a corresponding meaning.

5C Write-Off of Subordinated Notes

5C.1 Write-Off of Subordinated Notes on Trigger Event Date

If "Write-Off – Applicable" is specified in the relevant Pricing Supplement, Condition 5C shall apply to the Subordinated Notes and on the Trigger Event Date the rights of the Subordinated Noteholder of the relevant Subordinated Notes in relation to the relevant Principal Amount (as determined under Condition 5A.3) of the Subordinated Notes are Written-Off (as that term is defined for the purposes of Condition 5C).

Each Subordinated Noteholder irrevocably acknowledges and agrees that no conditions or events will affect the operation of this Condition 5C and such Subordinated Noteholder will not have any rights to vote in respect of any Write-Off under this Condition 5C.1.

5C.2 Meaning of "Written-Off"

For the purposes of this Condition 5C, "*Written-Off*" shall mean that, in respect of a Subordinated Note or portion thereof and a Trigger Event Date, the rights of the relevant Subordinated Noteholder (including any right to receive any payment thereunder including payments of principal and interest, both in the future and accrued but unpaid as at the Trigger Event Date) in relation to such Subordinated Note or portion thereof are immediately and irrevocably terminated and written-off; and

"**Write-Off**" has a corresponding meaning.

5D Substitution of Issuer

5D.1 Application of this Conditions

Unless "Write-Off – Applicable" is specified in the relevant Pricing Supplement, this Condition 5D shall apply to the Subordinated Notes.

5D.2 Substitution of Approved NOHC

Where:

(i) either of the following occurs:

(a) a takeover bid is made to acquire all or some of the Ordinary Shares and such offer is, or becomes, unconditional and either:

(A) the bidder has at any time during the offer period, a relevant interest in more than 50 per cent. of the Ordinary Shares on issue; or

(B) the directors of ANZBGL, acting as a board, issue a statement that at least a majority of its directors who are eligible to do so have recommended acceptance of such offer (in the absence of a higher offer); or

(b) a court orders the holding of meetings to approve a scheme of arrangement under Part 5.1 of the Corporations Act, which scheme would result in a person having a relevant interest in more than 50 per cent. of the Ordinary Shares that will be on issue after the scheme is implemented and:

(A) all classes of members of ANZBGL pass all resolutions required to approve the scheme by the majorities required under the Corporations Act, to approve the scheme; and

(B) an independent expert issues a report that the proposals in connection with the scheme are in the best interests of the holders of Ordinary Shares; and

(ii) the bidder or the person having a relevant interest in the Ordinary Shares in ANZBGL after the scheme is implemented (or any entity that Controls the bidder or the person having the relevant interest) is an Approved NOHC,

then ANZBGL without further authority, assent or approval of the Subordinated Noteholders may (but with the prior written approval of APRA):

(iii) amend these Conditions such that, unless APRA otherwise agrees, on the date the Principal Amount of Subordinated Notes is to be Converted:

(a) each Subordinated Note that is being Converted in whole will be automatically transferred by each holder of such Subordinated Note free from encumbrance to the Approved NOHC on the date the Conversion is to occur;

(b) in respect of each Subordinated Note that is being Converted only in part, on the date the Conversion is to occur:

(A) the Principal Amount of the Subordinated Note that is being Converted shall be reduced to an amount equal to the non-Converted portion of the Principal Amount of such Subordinated Note in accordance with Condition 5A.4; and

(B) the Approved NOHC will be taken to hold a new Subordinated Note with a Principal Amount equal to the Converted portion of the Principal Amount of the Subordinated Note being Converted;

provided that any failure or delay by a Subordinated Noteholder or any other party in complying with the provisions of Condition 5D.2(iii)(b) shall not prevent, impede or delay the Conversion or Write-Off of Subordinated Notes.

(c) each holder (or a nominee in accordance with Condition 5B.2 or 5B.4 (as applicable), which provisions shall apply, *mutatis mutandis*, to such Approved NOHC Ordinary Shares) of the Subordinated Note or portion thereof being Converted will be issued a number of Approved NOHC Ordinary Shares equal to the Conversion Number and the

provisions of the Schedule to these Conditions shall apply (with any necessary changes) to the determination of the number of such Approved NOHC Ordinary Shares; and

(d) as between ANZBGL and the Approved NOHC, each Subordinated Note held by the Approved NOHC as a result of Condition 5D.2(iii)(b) will be automatically Converted into a number of Ordinary Shares such that the total number of Ordinary Shares held by the Approved NOHC by reason of such Conversion increases by the number which equals the number of Approved NOHC Ordinary Shares issued by the Approved NOHC to holders on Conversion; and

(iv) makes such other amendments as in ANZBGL's reasonable opinion are necessary or appropriate to effect the substitution of an Approved NOHC as the provider of the ordinary shares on Conversion in the manner contemplated by these Conditions, including, where the terms upon which the Approved NOHC acquires ANZBGL are such that the number of Approved NOHC Ordinary Shares on issue immediately after the substitution differs from the number of Ordinary Shares on issue immediately before that substitution (not involving any cash payment or other distribution to or by the holders of any such shares), an adjustment to any relevant VWAP or Issue Date VWAP consistent with the principles of adjustment set out in the Schedule to these Conditions.

5D.3 Notice of substitution of Approved NOHC

ANZBGL shall give a notice to the Subordinated Noteholders as soon as practicable after the substitution in accordance with Condition 5D.2 specifying the amendments to these Conditions which will be made in accordance with Condition 5D.2 to effect the substitution of an Approved NOHC as issuer of ordinary shares on Conversion.

5D.4 Further substitutions

After a substitution under Condition 5D.2, the Approved NOHC may without the authority, approval or assent of the holder of Subordinated Notes, effect a further substitution in accordance with Condition 5D.2 (with necessary changes).

5E Definition and Interpretations relevant to Subordinated Notes

5E.1 Definitions

For the purposes of Conditions 5, 5A, 5B, 5C, 5D and the Schedule to these Conditions, unless the context otherwise requires, the following defined terms have the meanings set out below:

"**Approved NOHC**" means an entity which:

(i) is a non-operating holding company within the meaning of the Banking Act 1959 of Australia (which term, as used herein, includes any amendments thereto, rules thereunder and any successor laws, amendments and rules); and

(ii) has agreed for the benefit of Subordinated Noteholders:

(A) to issue fully paid ordinary shares in its capital under all circumstances when ANZBGL would otherwise have been required to Convert a Principal Amount of Subordinated Notes, subject to the same terms and conditions as set out in these Conditions (with all necessary modifications); and

(B) to use all reasonable endeavours to procure quotation of Approved NOHC Ordinary Shares issued upon Conversion of relevant Subordinated Notes on the Australian Securities Exchange.

"**Approved NOHC Ordinary Shares**" means a fully paid ordinary share in the capital of the Approved NOHC.

"**Board**" means either the board of directors of ANZBGL or a committee appointed by the board of directors of ANZBGL.

"**Clearing System Holder**" means that the holder of a Subordinated Note is the operator of a clearing system or a depository, or a nominee for a depository or a clearing system.

"**Control**" has the meaning given in the Corporations Act.

"**Controlled Entity**" shall mean, in respect of ANZBGL, an entity ANZBGL Controls.

"**Conversion**" means, in relation to a Subordinated Note, the allotment and issue of Ordinary Shares and the termination of the holder's rights in relation to the relevant Principal Amount of that Subordinated Note, in each case in accordance with the Schedule to these Conditions, and "**Convert**", "**Converting**" and "**Converted**" have corresponding meanings.

"**FATCA Withholding**" means any deduction or withholding made for or on account of FATCA.

"**Inability Event**" means ANZBGL is prevented by applicable law or order of any court or action of any government authority (including regarding the insolvency, winding-up or other external administration of ANZBGL) or any other reason from Converting the Subordinated Notes.

"**Issuer Group**" means ANZBGL and its Controlled Entities.

"**Level 1**", "**Level 2**" and "**Level 3**" means those terms as defined by APRA from time to time.

"**Ordinary Share**" means a fully paid ordinary share in the capital of ANZBGL.

"**Regulatory Capital**" means a Tier 1 Capital Security or a Tier 2 Capital Security.

"**Related Entity**" has the meaning given by APRA from time to time.

"**Relevant Securities**" means each of the:

(i) Relevant Tier 1 Securities; and

(ii) Relevant Tier 2 Securities;

"**Relevant Tier 1 Security**" means, where a Non-Viability Trigger Event occurs, a Tier 1 Capital Security that, in accordance with its terms or by operation of law, is capable of being converted into Ordinary Shares or written-off upon the occurrence of that event.

"**Relevant Tier 2 Security**" means, where a Non-Viability Trigger Event occurs, a Tier 2 Capital Security that, in accordance with its terms or by operation of law, is capable of being converted into Ordinary Shares or written-off upon the occurrence of that event.

"**Subordinated Noteholder**" means, in respect to a Subordinated Note and only for so long as such Subordinated Notes are held in a clearing system as specified in the relevant Pricing Supplement, for the purposes of determining the person entitled to be issued Ordinary Shares (or, where Condition 5B.4 applies, the net proceeds of sale of such shares) and the amount of their entitlements, a person who is a participant of that clearing system.

"**Tier 1 Capital**" means the Tier 1 capital of ANZBGL (on a Level 1 basis) or the Issuer Group (on a Level 2 basis or, if applicable, a Level 3 basis) as defined by APRA from time to time.

"**Tier 1 Capital Security**" means a share, note or other security or instrument constituting Tier 1 Capital.

"**Tier 2 Capital**" means Tier 2 capital of ANZBGL (on a Level 1 basis) or the Issuer Group (on a Level 2 basis or, if applicable, a Level 3 basis) as defined by APRA from time to time.

"**Tier 2 Capital Security**" means a note or other security or instrument constituting Tier 2 Capital.

"**Trigger Event Date**" means the date (whether or not a Business Day) on which APRA notifies ANZBGL of a Non-Viability Trigger Event as contemplated in Condition 5A.2.

"**Trigger Event Notice**" has the meaning given to it in Condition 5A.3.

5E.2 Interpretation

In this Condition 5, unless the contrary intention appears:

(i) any provisions which refer to the requirements of APRA or any other prudential regulatory requirements will apply to the Issuer only if the Issuer is an entity, or the holding company of an entity, or is a direct or indirect subsidiary of an Approved NOHC, subject to regulation and supervision by APRA at the relevant time;

(ii) any provisions which require APRA's consent or approval will apply only if APRA requires that such consent or approval be given at the relevant time;

(iii) any provisions in these Conditions requiring the prior approval of APRA for a particular course of action to be taken by the Issuer do not imply that APRA has given its consent or approval to the particular action as of the Issue Date of the applicable Note;

(iv) a reference to any term defined by APRA (including, without limitation, "Level 1", "Level 2", "Level 3", "Tier 1 Capital" and "Tier 2 Capital") shall, if that term is replaced or superseded in any of APRA's applicable prudential regulatory requirements or standards, be taken to be a reference to the replacement or equivalent term;

(v) the terms takeover bid, relevant interest and scheme of arrangement when used in these Conditions have the meaning given in the Corporations Act;

(vi) for the avoidance of doubt, if Conversion under Condition 5B or Write-Off under Condition 5C of Subordinated Notes is to occur on a Trigger Event Date, then that Conversion or Write-Off must occur on that date notwithstanding that it may not be a Business Day; and

(vii) a reference to a term defined by the ASX Listing Rules, or the ASX Operating Rules shall, if that term is replaced in those rules, be taken to be a reference to the replacement term.

6. **Payments and Talons**

(a) *Bearer Notes*

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 6(f)(vi)) or Coupons (in the case of interest, save as specified in Conditions 6(f)(ii)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the currency in which such payment is due drawn on, or, at the option of the holder, by transfer to an account denominated in that currency with, a bank in the Principal Financial Centre for that currency; provided, however, that:

(i) payments in a Specified Currency other than euro will be made by transfer to an account in the relevant Specified Currency maintained by the payee with, or by a cheque in such Specified Currency drawn on, a bank in the Principal Financial Centre of the country of such Specified Currency (which (A) if the Specified Currency is New Zealand dollars shall be Wellington and Auckland; provided that where the London branch of ANZNIL is the Issuer (as specified in the Pricing Supplement) such account and bank shall be located outside of New Zealand, (B) if the Specified Currency is Australian dollars, shall be Sydney and (C) if the Specified Currency is Renminbi, shall be Hong Kong); and

(ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque; provided that where the London branch of ANZNIL is the Issuer (as specified in the Pricing Supplement) such euro account or bank on which such euro cheque is drawn shall be located outside of New Zealand.

(b) *Registered Notes*

(i) Payments of principal (which for the purposes of this Condition 6(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar in the manner provided in sub-paragraph (ii) below.

(ii) Interest (which for the purpose of this Condition 6(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the 15th day before the due date for payment thereof (the "**Record Date**"). Payments of interest in respect of each Registered Note shall be made in the relevant Specified Currency by cheque drawn on a bank in the Principal Financial Centre of the country of such Specified Currency (which (A) if the Specified Currency is New Zealand dollars shall be Wellington and Auckland provided that where the London branch of ANZNIL is the Issuer (as specified in the Pricing Supplement) such account and bank shall be located outside of New Zealand, and (B) if the Specified Currency is Australian dollars, shall be Sydney and (C) if the Specified Currency is Renminbi, shall be Hong Kong), and mailed to the holder (or the first-named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date and subject as provided in paragraph 6(a) above, such payment of interest may be made by transfer to an account in the Specified Currency maintained by the payee with a bank in the Principal Financial Centre of the country of such Specified Currency (which (x) if the Specified Currency is New Zealand dollars shall be Wellington and Auckland; provided that where the London branch of ANZNIL is the Issuer (as specified in the Pricing Supplement) such account and bank shall be located outside of New Zealand, and (y) if the Specified Currency is Australian dollars, shall be Sydney and (z) if the Specified Currency is Renminbi, shall be Hong Kong); provided, however, that in the case of euro, the transfer may be to, or the cheque drawn on, a euro account with a bank in the European Union.

*So long as the Notes are represented by a Registered Global Note, the "**Record Date**" shall be the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment where "**Clearing System Business Day**" means a day on which the relevant clearing system is open for business.*

(c) *Payments in the United States*

Notwithstanding the foregoing, if any Bearer Notes are denominated in US dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) *Payments Subject to Fiscal Laws*

All payments are subject in all cases to (i) any applicable fiscal or other laws regulations and directives, and (ii) any withholding or deduction made for or on account of FATCA but without prejudice to the provisions of Condition 7 (*Taxation*). No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments. For the avoidance of doubt, any amounts to be paid in respect of the Notes will be paid and any Ordinary Shares to be issued to a holder on Conversion of a Subordinated Note will be issued to the holder, net of any deduction or withholding made for or on account of FATCA (a "**FATCA Withholding**") and, notwithstanding any other provision of these Conditions, no additional amounts will be required to be paid and no additional Ordinary Shares will be required to be issued on account of any such deduction or withholding. References to Specified Currency will include any successor currency under applicable law.

(e) *Appointment of Agents*

The Fiscal Agent, the other Paying Agents (if any), the Registrar, the Transfer Agents, the VPS Agent and the Calculation Agent initially appointed by the Issuer and the Guarantor and their respective

specified offices are listed below. The Fiscal Agent, the other Paying Agents (if any), the Registrar, Transfer Agents, the VPS Agent and the Calculation Agent act solely as agents of the Issuer and, if applicable, the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer and, if applicable, the Guarantor reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registrar, any Transfer Agent, the VPS Agent or the Calculation Agent and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer and, if applicable, the Guarantor shall at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes (including a Transfer Agent having its specified office in London so long as any Registered Notes are listed on the Official List of the UK Financial Conduct Authority and admitted to trading on the London Stock Exchange), (iv) one or more Calculation Agent(s) where the Conditions so require, (v) Paying Agents having specified offices in at least two major European cities (including London so long as the Notes are listed on the Official List of the UK Financial Conduct Authority and admitted to trading on the London Stock Exchange), (vi) such other agents as may be required by the rules of any other listing authority, stock exchange and/or quotation system on which the Notes may be admitted to listing, trading and/or quotation (vii) as long as any Notes are held in CMU Service, there will at all times be appointed a CMU lodging agent (the "**CMU Lodging Agent**") and a paying agent with a specified office in such place as required by the CMU Service (the "**CMU Paying Agent**") and (viii) a VPS Agent authorised to act as an account holding institution with the VPS and one or more Calculation Agent(s) where the Terms and Conditions of the relevant VPS Notes so require.

In addition, the Issuer and, if applicable, the Guarantor shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in US dollars in the circumstances described in Condition 6(c).

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 14 (*Notices*).

(f) *Unmatured Coupons and Receipts and Unexchanged Talons*

(i) In the case of Fixed Rate Notes, Bearer Notes should be surrendered for payment together with all unmatured Coupons (if any) appertaining thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8 (*Prescription*)).

(ii) In the case of Floating Rate Notes or Range Accrual Notes, unless the Pricing Supplement provides otherwise, upon the due date for redemption of any Bearer Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Upon the due date for redemption of any Bearer Note which is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

(v) Where any Bearer Note which provides that the relative Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons and any unexchanged Talon relating to it, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provisions of such indemnity as the Issuer may require.

(vi) If the due date for redemption of any Notes is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if

appropriate) of the relevant Note or Certificate representing it, as the case may be. Interest accrued on a Note which only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) *Talons*

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 8 (*Prescription*)).

(h) *Non-Business Days*

Subject in the case of any Subordinated Notes to the Schedule to these Conditions, if any date for payment in respect of any Note, Receipt or Coupon is not a Payment Business Day, the holder shall not be entitled to payment until (i) if "Following" is specified as the Payment Business Day Convention in the applicable Pricing Supplement, the next following Payment Business Day or (ii), if "Modified Following" is specified as the Payment Business Day Convention in the applicable Pricing Supplement, the next following Payment Business Day unless that Payment Business Day falls in the next calendar month, in which case the first preceding Payment Business Day. In this paragraph, "**Payment Business Day**" means a day (other than a Saturday or a Sunday) on which:

(i) commercial banks and foreign exchange markets settle payments generally in such jurisdictions as shall be specified as "**Additional Financial Centres**" in the Pricing Supplement, in London and Sydney where ANZBGL is the Issuer, in London, Auckland and Wellington where ANZ New Zealand or ANZNIL is the Issuer and, where relevant, in the relevant place of presentation; and

(ii) (in the case of a payment in a currency other than euro or Australian dollars where ANZBGL is the Issuer, or New Zealand dollars where ANZ New Zealand or, as the case may be, ANZNIL is the Issuer, where payment is to be made by transfer in the relevant currency to an account maintained with a bank) foreign exchange transactions may be carried on in the relevant currency in the Principal Financial Centre of the country of such currency; or

(iii) (in the case of a payment in euro) banks are open for business and carrying out transactions in euro in the jurisdiction in which the account specified by the payee is located and a day on which the TARGET2 System is open, unless otherwise specified in the Pricing Supplement.

(i) *Euro and Redenomination*

References to euro are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to Article 123 of the Treaty.

Unless otherwise specified in the Pricing Supplement, Notes denominated in the currency (the "**Relevant Currency**") of a Member State that does not participate in the third stage of European economic and monetary union prior to the Issue Date of the relevant Notes may, at the election of the Issuer, be subject to redenomination in the manner set out below. In relation to such Notes the Issuer may, without the consent of the Noteholders or Couponholders, on giving at least 30 days' prior notice to Noteholders, the Fiscal Agent and each of the Paying Agents and Transfer Agents, designate a "**Redenomination Date**" for the Notes, being a date for payment of interest under the Notes falling on or after the date on which the relevant Member State commences participation in such third stage.

With effect from the Redenomination Date, notwithstanding the other provisions of the Conditions:

(i) the Notes shall (unless already so provided by mandatory provisions of applicable law) be deemed to be redenominated in euro in the denomination of euro 0.01 with a principal amount for each Note equal to the principal amount of that Note in the Relevant Currency, converted into euro at the rate for conversion of the Relevant Currency into euro established by the Council of the European Union pursuant to the Treaty (including compliance with rules relating to rounding in accordance with European Community regulations) provided that, if the Issuer

determines that the then market practice in respect of the redenomination into euro 0.01 of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, any listing authority, stock exchange and/or quotation system on which the Notes may be listed, the Fiscal Agent and each of the Paying Agents and Transfer Agents of such deemed amendment;

(ii) if Notes in definitive form are required to be issued, they shall be issued at the expense of the Issuer in the denominations of euro 0.01, euro 1,000, euro 10,000, euro 100,000 and such other denominations as the Fiscal Agent shall determine and notify to Noteholders;

(iii) if Notes in definitive form have been issued, all unmatured Receipts and Coupons denominated in the Relevant Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives the notice (the "**Exchange Notice**") that replacement euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes so issued will also become void on that date although those Notes will continue to constitute valid exchange obligations of the Issuer. New certificates in respect of euro-denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Relevant Currency in such manner as the Fiscal Agent may specify and as shall be specified to Noteholders in the Exchange Notice;

(iv) all payments in respect of the Notes (other than, unless the Redenomination Date is on or after such date as the Relevant Currency ceases to be a subdivision of the euro, payments of interest in respect of periods commencing before the Redenomination Date) will be made solely in euro. Such payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or by cheque; and

(v) the amount of interest in respect of Notes will be calculated by reference to the aggregate principal amount of Notes presented (or, as the case may be, in respect of which Receipts or Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01.

In connection with such redenomination, the Issuer may, after consultation with the Fiscal Agent, make such other changes to the Conditions applicable to the relevant Notes as it may decide so as to conform them to the then market practice in respect of euro-denominated debt securities issued in the euromarkets which are held in international clearing systems. Any such changes will not take effect until the next following Interest Payment Date after they have been notified to the Noteholders in accordance with Condition 14 (*Notices*).

(j) *Payment of US Dollar Equivalent in respect of CNY Notes*

Notwithstanding the foregoing, if by reason of Inconvertibility, Non transferability or Illiquidity, the Issuer is not able to satisfy payments of principal or interest in respect of any Notes which are denominated in Renminbi ("**CNY Notes**") when due in Renminbi in Hong Kong, the Issuer may, on giving not less than five or more than 30 calendar days' irrevocable notice to the Noteholders prior to the due date for payment, settle any such payment in US dollars on the due date at the US Dollar Equivalent of any such Renminbi-denominated amount.

For the purposes of these Conditions, "**US Dollar Equivalent**" means the Renminbi amount converted into US dollars using the Spot Rate for the relevant Determination Date.

For this purpose:

"**CNY**" means the lawful currency of the PRC;

"**Determination Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong, Beijing, London and in New York City;

"**Determination Date**" means the day which is two Determination Business Days before the due date for any payment of the relevant amount under these Conditions;

"**Governmental Authority**" means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong;

"**HKMA**" means the Hong Kong Monetary Authority, the government authority in Hong Kong with responsibility for maintaining currency and banking stability, or any lawful successor thereto;

"**Hong Kong**" means the Hong Kong Special Administrative Region of the PRC;

"**Illiquidity**" means that the general Renminbi exchange market in Hong Kong has become illiquid and, as a result of which, the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest and principal (in whole or in part) in respect of the CNY Notes, as determined by the Issuer in good faith and in a commercially reasonable manner following consultation (if practicable) with two Renminbi Dealers;

"**Inconvertibility**" means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of the CNY Notes in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after 8 August 2012 and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

"**Non transferability**" means the occurrence of any event that makes it impossible for the Issuer to transfer Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong or from an account outside Hong Kong to an account inside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after 8 August 2012 and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

"**PRC**" means the People's Republic of China which, for the purpose of these Conditions, shall exclude Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan;

"**Renminbi**" means the lawful currency of the PRC;

"**Renminbi Dealer**" means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in Hong Kong; and

"**Spot Rate**" means the spot CNY/US dollar exchange rate for the purchase of US dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in two Determination Business Days, as determined by the Calculation Agent at or around 11.00 a.m. (Hong Kong time) on the Determination Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Calculation Agent will determine the Spot Rate at or around 11.00 a.m. (Hong Kong time) on the Determination Date as the most recently available CNY/US dollar official fixing rate for settlement in two Determination Business Days reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC.

(k) *Payment of US Dollar equivalent in respect of Exotic Currencies*

If Exotic Currency Payments is specified to be applicable in the relevant Pricing Supplement then, in the event that the Issuer is due to make a payment in an Exotic Currency in respect of any Note and the Exotic Currency is not available or it is impracticable to make the payment in the Exotic Currency due to circumstances beyond the Issuer's control as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, the Issuer will be entitled to satisfy in full its obligations in respect of such payment by making payment as soon as practicable in US dollars on the basis of the spot exchange rate of US dollars against the Exotic Currency offered in the London foreign exchange market as determined by the Calculation Agent referencing the Exotic Currency Reuters Screen Page at or around the Exotic Currency Relevant Time on the fifth London Business Day prior to such payment or, if such rate is not available on that day, the Calculation Agent will reference the rate most recently available prior to such day.

Any payment made in US dollars in accordance with the foregoing paragraph will not constitute an Event of Default (as defined in Condition 9 (*Events of Default*)). The communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained by the Calculation Agent hereunder shall be at its sole discretion and shall (in the absence of manifest error, wilful default or bad faith) be conclusive for all purposes and binding on the Issuer, the Paying Agents, and the holders of the Notes or Coupons.

For this purpose:

"**Exotic Currency**" means the Specified Currency, being either Mexican peso, Turkish lira or South African rand, as specified in the Pricing Supplement.

"**Exotic Currency Relevant Time**" means the time specified in the Pricing Supplement.

"**Exotic Currency Reuters Screen Page**" means the Reuters screen page specified in the Pricing Supplement.

"**London Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments generally in London.

(l) *VPS Notes*

Payments of principal and interest in respect of VPS Notes shall be made to the holders shown in the relevant records of the VPS in accordance with and subject to the VPS Act and the rules and regulations from time to time governing the VPS.

(m) *Discretion of Calculation Agent*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6 (*Payments and Talons*) by the Calculation Agent will (in the absence of a manifest error) be binding on the Issuer, the Paying Agents and the holders of the Notes or Coupons and (in the absence of negligence, wilful default, bad faith or fraud) no liability to any such person shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers and duties for such purposes.

7. **Taxation**

(a) *Withholding Tax*

Subject as provided below, all payments of principal and interest in respect of the Notes, the Receipts and the Coupons by or on behalf of the Issuer or, if applicable, the Guarantor shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the jurisdiction of incorporation of the Issuer and/or, where the Issuer is acting through its branch outside its country of incorporation, the jurisdiction, country or territory in which the branch through which the Issuer is acting as specified in the relevant Pricing Supplement is located or, if applicable, the jurisdiction of incorporation of the Guarantor or by any authority therein or thereof having power to tax (together, "**Taxes**"), unless such withholding or deduction is required by law or made for or on account of FATCA. Any amounts withheld pursuant to an agreement with a taxing authority will be treated as required by law. In that event, the Issuer or (as the case may be) the Guarantor shall pay such additional amounts to the Noteholders, Couponholders and Receiptholders as shall result in receipt by those Noteholders, Couponholders and Receiptholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

(i) presented for payment by or on behalf of a holder which is liable to such Taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of its having some connection with the jurisdiction of incorporation of the Issuer or, where the Issuer is acting through its branch outside its country of incorporation, the jurisdiction, country or territory in which the branch through which the Issuer is acting as specified in the relevant Pricing Supplement is located and/or, if applicable, the jurisdiction of incorporation of the

Guarantor, other than the mere holding of such Note, Receipt or Coupon or the receipt of the relevant payment in respect thereof; or

(ii) where ANZBGL is the Issuer, held by or on behalf of a holder who is an Australian resident or a non-resident who is engaged in carrying on business in Australia at or through a permanent establishment of that non-resident in Australia, if that person has not supplied an appropriate tax file number, Australian business number or other exemption details; or

(iii) presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the 30th such day; or

(iv) in respect of which the holder thereof is an Offshore Associate of ANZBGL (acting other than in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act), where ANZBGL is the Issuer; or

(v) in respect of which the Taxes have been imposed or levied as a result of the holder of such Note, Receipt or Coupon being party to or participating in a scheme to avoid such Taxes, being a scheme which ANZBGL, where ANZBGL is the Issuer, was neither a party to nor participated in; or

(vi) in respect of Bearer Notes only, if the holder of such Note, Receipt or Coupon or any entity which directly or indirectly has an interest in or right in respect of such Note, Receipt or Coupon is a resident of Australia, or a non-resident who is engaged in carrying on business in Australia at or through a permanent establishment of that non-resident in Australia (the expressions "**resident of Australia**", "**non-resident**" and "**permanent establishment**" having the meanings given to them by the Australian Tax Act) if, and to the extent that, section 126 of the Australian Tax Act (or any equivalent provisions) requires ANZBGL, where ANZBGL is the Issuer, to pay income tax in respect of interest payable on such Note, Receipt or Coupon and the income tax would not be payable were the holder or such entity not such a resident of Australia or non-resident; or

(vii) where such withholding or deduction is for or on account of New Zealand resident withholding tax, where either ANZ New Zealand or ANZNIL is the Issuer or ANZ New Zealand is the Guarantor; or

(viii) presented for payment by, or a third party on behalf of, a holder if such withholding or deduction may be avoided by complying with any statutory requirement or by making a declaration of non-residence or other similar claim for exemption to any authority of or in New Zealand, unless the holder proves that he is not entitled so to comply or to make such declaration or claim, where either ANZ New Zealand or ANZNIL is the Issuer or ANZ New Zealand is the Guarantor; or

(ix) presented for payment by, or a third party on behalf of, a holder that is a partnership, or a holder that is not the sole beneficial owner of the Note, Receipt or Coupon, or which holds the Note, Receipt or Coupon, in a fiduciary capacity, to the extent that any of the members of the partnership, the beneficial owner or the settlor or beneficiary with respect to the fiduciary would not have been entitled to the payment of an additional amount had each of the members of the partnership, the beneficial owner, settlor or beneficiary (as the case may be) received directly his beneficial or distributive share of the payment; or

(x) presented for payment in New Zealand, where either ANZ New Zealand or ANZNIL is the Issuer or ANZ New Zealand is the Guarantor; or

(xi) in respect of which the Taxes have been imposed or levied as a result of the holder of such Note, Receipt or Coupon being party to or participating in a scheme to avoid such Taxes, being a scheme which either ANZ New Zealand or ANZNIL, where ANZ New Zealand or ANZNIL is the Issuer, or ANZ New Zealand, where ANZ New Zealand is the Guarantor, was neither a party to nor participated in; or

(xii) where such withholding or deduction is made for or on account of FATCA on payments to a Noteholder, Couponholder, Receiptholder, beneficial owner, or any agent having custody or

control over a payment made by the Issuer, Guarantor or any agent in the chain of payment, including due to the failure of the Noteholder, Couponholder, Receiptholder, beneficial owner, or any agent having custody or control over a payment to comply with any requests for tax certifications or other identifying information regarding such Noteholder, Couponholder, Receiptholder, beneficial owner, or agent, or due to the failure to provide a waiver of any laws prohibiting the disclosure of such certifications, identifying information and other information in respect of the Notes to a taxing authority.

As used in these Conditions, "**Relevant Date**" in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) "**principal**" shall be deemed to include all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 5 (*Redemption, Purchase and Options*) or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 (*Interest and other Calculations*) or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or substitution for it under the Agency Agreement or, in respect of the VPS Notes, the VPS Agency Agreement and the VPS Trustee Agreement. Any additional amounts due in respect of the Subordinated Notes will be subordinated in right of payment as described in Condition 10 (*Subordination*).

The remaining provisions of this Condition only apply to ANZNIL where ANZNIL is the Issuer and to ANZ New Zealand where ANZ New Zealand is the Issuer or the Guarantor. Where used in the remaining provisions of this Condition, "**interest**" means interest (as defined under New Zealand taxation legislation) for withholding tax purposes, which under current legislation includes the excess of the redemption amount over the issue price of any Note as well as coupon interest paid on such Note.

Where (i) ANZNIL is the Issuer or (ii) ANZ New Zealand is the Issuer or the Guarantor, and ANZ New Zealand or ANZNIL, as the case may be, is required to deduct New Zealand non-resident withholding tax in the case of any payments of interest to a holder of a Note or Coupon, ANZ New Zealand or ANZNIL, as the case may be, may, and intend to (for so long as they do not incur any increased cost or detriment from so doing), relieve themselves of such obligation by using a procedure which permits borrowers such as ANZ New Zealand or ANZNIL, as the case may be, to reduce the applicable rate of non-resident withholding tax to zero per cent. Under the current law, that procedure involves ANZ New Zealand or ANZNIL, as the case may be, paying on their own respective accounts a levy to the New Zealand revenue authorities (which is currently equal to two per cent. of such payments of interest).

ANZ New Zealand and ANZNIL are required by law to deduct New Zealand resident withholding tax from the payment of interest to the holder of any Note on any Interest Payment Date or the Maturity Date, where:

(A) the Holder is (i) a resident of New Zealand for New Zealand income tax purposes, or (ii) the Holder holds the notes for the purposes of a business the Holder carries on in New Zealand, through a fixed establishment (as defined in the Income Tax Act 2007 (New Zealand) in New Zealand, or (iii) the Holder is a registered bank engaged in business in New Zealand through a fixed establishment (as defined in the Income Tax Act 2007 (New Zealand)) in New Zealand and is not associated with ANZ New Zealand or ANZNIL (as applicable) (each a "**New Zealand Holder**"); and

(B) at the time of such payment the New Zealand Holder does not hold "RWT-exempt status" (as defined in the Income Tax Act 2007 (New Zealand)) in respect of New Zealand resident withholding tax.

Prior to any Interest Payment Date or the Maturity Date, any New Zealand Holder:

(A) must notify ANZ New Zealand or ANZNIL, as the case may be, that the New Zealand Holder is the holder of a Note; and

(B) must notify ANZ New Zealand or ANZNIL, as the case may be, of any circumstances, and provide ANZ New Zealand or ANZNIL, as the case may be, with any information that may enable ANZ New Zealand or ANZNIL, as the case may be, to make payment of interest to the New Zealand Holder without deduction on account of New Zealand resident withholding tax.

The New Zealand Holder must notify ANZ New Zealand or ANZNIL, as the case may be, prior to any Interest Payment Date or the Maturity Date, of any change in the New Zealand Holder's circumstances from those previously notified that could affect the payment or withholding obligations of ANZ New Zealand or ANZNIL, as the case may be, in respect of this Note. By accepting payment of the full face amount of a Note or any interest thereon on any Interest Payment Date or the Maturity Date, the New Zealand Holder indemnifies ANZ New Zealand or ANZNIL, as the case may be, for all purposes in respect of any liability ANZ New Zealand or ANZNIL, as the case may be, may incur for not deducting any amount from such payment on account of New Zealand resident withholding tax.

Only a New Zealand Holder will be obliged to make the notification referred to above.

(b) *Taxing Jurisdiction*

If the Issuer or, if applicable, the Guarantor is, or becomes, subject at any time to any taxing jurisdiction(s) other than or in addition to its own jurisdiction of incorporation or the jurisdiction, country or territory in which the branch (if any) specified in the relevant Pricing Supplement is located, references in Condition 5(b) and this Condition 7 shall be read and construed as including references to such other taxing jurisdiction(s).

8. **Prescription**

Claims against the Issuer and, if applicable, the Guarantor for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

9. **Events of Default**

(a) *Unsubordinated Notes*

If any of the following events ("**Events of Default**") occurs and is continuing, the holder of any Unsubordinated Note of any Series issued by the Issuer (or, in the case of VPS Notes, the VPS Trustee) may give written notice to the Fiscal Agent at its specified office that such Unsubordinated Note is immediately repayable, whereupon it shall immediately become due and repayable at its Early Redemption Amount together with accrued interest to the date of payment unless, prior to the date that such written notice is received by the Fiscal Agent, the Issuer and/or, if applicable, the Guarantor shall have cured or otherwise made good all Events of Default in respect of the Unsubordinated Notes of such Series:

(i) default is made in the payment of any principal or Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount, Instalment Amount or Amortised Face Amount (in the case of a Zero Coupon Note) (whether becoming due upon redemption or otherwise) or interest when due, in respect of any Unsubordinated Note of such Series, and such default continues for a period of seven days; or

(ii) the Issuer fails to perform or observe any of its obligations under any Unsubordinated Note of such Series or, if applicable, the Guarantor fails to perform or observe any of its obligations under the Deed of Guarantee, in either case other than those specified in paragraph (i) above and in such case (except where such failure is incapable of remedy) such failure continues for a period of 30 days next following the service by any holder of any Unsubordinated Note of such Series (or, in the case of VPS Notes, the VPS Trustee) on the Issuer, the Guarantor (if applicable) and the Fiscal Agent of written notice requiring the same to be remedied; or

(iii) otherwise than for the purpose of an amalgamation or reconstruction or merger within the meaning of these words under the laws of the Issuer's or, if applicable, the Guarantor's country of incorporation or, if applicable, the laws of the jurisdiction, country or territory in which the branch through which the Issuer is acting as specified in the relevant Pricing Supplement is located, a resolution is passed that the Issuer or, as the case may be, the Guarantor be wound up or dissolved; or

(iv) the Issuer or, if applicable, the Guarantor stops payment (within the meaning of Australian or any other applicable bankruptcy law) of its obligations; or

(v) an encumbrancer takes possession of or a receiver is appointed of the whole or a substantial part of the undertaking and assets of the Issuer or, if applicable, the Guarantor and any such event is continuing for 45 days after its occurrence and would materially prejudice the performance by the Issuer or, as the case may be, the Guarantor of its obligations under the Unsubordinated Notes of such Series or a distress or execution is levied or enforced upon or sued out against the whole or a substantial part of the undertaking and assets of the Issuer or, as the case may be, the Guarantor which would materially prejudice the performance of (i) the Issuer of its obligations under the Unsubordinated Notes of such Series or, (ii) if applicable, the Guarantor of its obligations under the Deed of Guarantee, and in each case is not discharged within 60 days thereof; or

(vi) proceedings shall have been initiated against the Issuer or, if applicable, the Guarantor under any applicable bankruptcy, reorganisation or other similar law and such proceedings shall not have been discharged or stayed within a period of 60 days; or

(vii) the Issuer or, if applicable, the Guarantor shall initiate or consent to proceedings relating to itself under any applicable bankruptcy, insolvency, composition or other similar law (otherwise than for the purpose of amalgamation, reconstruction or merger (within the meaning of those words under the laws of the country of the Issuer's or, if applicable, the Guarantor's incorporation or, if applicable, the laws of the jurisdiction, country or territory in which the branch through which the Issuer is acting as specified in the relevant Pricing Supplement is located), and such proceedings would materially prejudice the performance by (A) the Issuer of its obligations under the Unsubordinated Notes of such Series or (B), if applicable, the Guarantor of its obligations under the Deed of Guarantee); or

(viii) in respect of Notes issued by ANZNIL only, the Deed of Guarantee of the Notes is (A) not in full force and effect and, where capable of remedy, the Deed of Guarantee is not in full force and effect within seven days of the date the defect is first discovered or (B) claimed by the Guarantor not to be in full force and effect.

Any such notice by a holder of Unsubordinated Notes (or, in the case of VPS Notes, the VPS Trustee) to the Fiscal Agent shall specify the serial number(s) of the Unsubordinated Notes concerned.

Notwithstanding any other provision of this Condition 9(a) no Event of Default in respect of any Unsubordinated Notes shall occur solely on account of any failure by ANZBGL to perform or observe its obligations in relation to, or the taking of any process or proceeding in respect of any share, note or other security or instrument constituting Tier 1 Capital or Tier 2 Capital (as defined by APRA from time to time).

(b) *Subordinated Notes Issued by ANZBGL*

The following are "**Events of Default**" with respect to Subordinated Notes:

(i) (a) the making of an order by a court of the State of Victoria, Commonwealth of Australia or a court with appellate jurisdiction from such court which is not successfully appealed or permanently stayed within 60 days of the entry of such order; or

(b) the valid adoption by ANZBGL's shareholders of an effective resolution,

in each case for the winding-up of ANZBGL (other than under or in connection with a scheme of amalgamation or reconstruction not involving bankruptcy or insolvency);

(ii) subject to Condition 4(v):

(a) default in the payment of interest on any Subordinated Note when due, continued for 30 days; or

(b) default in the payment of principal of any Subordinated Note when due.

Upon the occurrence of an Event of Default specified in paragraph (i) above, subject to the subordination provisions, the Principal Amount of, and all accrued and unpaid interest, on the Subordinated Notes will automatically become due and payable.

If an Event of Default contemplated by paragraph (ii) above with respect to any of the Subordinated Notes occurs and is continuing, a Subordinated Noteholder may only, in order to enforce the obligations of ANZBGL under such Subordinated Notes:

(y) notwithstanding the provisions of paragraph (z) below, institute proceedings in the State of Victoria, Commonwealth of Australia (but not elsewhere) for the winding-up of ANZBGL (all subject to, and in accordance with, the terms of Condition 10 (*Subordination*)); or

(z) institute proceedings for recovery of the money then due, provided that ANZBGL will not, by virtue of the institution of any such proceedings (other than proceedings for the winding-up of ANZBGL), be obliged to pay any sums representing principal or interest in respect of such Subordinated Notes sooner than the same would otherwise have been payable by it and provided that ANZBGL is Solvent at the time of, and will be Solvent immediately after, the making of any such payment.

No remedy against ANZBGL, other than those referred to in this paragraph (b), shall be available to the Subordinated Noteholders or Couponholders or Receiptholders in respect of Subordinated Notes, whether for the recovery of amounts owing in respect of the Subordinated Notes or in respect of any breach by ANZBGL of any of its other obligations under or in respect of the Subordinated Notes.

10. **Subordination**

In the event of the winding-up of ANZBGL constituting an Event of Default with respect to the Subordinated Notes, there shall be payable with respect to the Subordinated Notes, subject to the subordination provisions discussed above (see Condition 3 (*Status and Guarantee*)), an amount equal to the Principal Amount of the Subordinated Notes then outstanding, together with all accrued and unpaid interest thereon to the repayment date.

As a result of the subordination provisions, no amount will be payable in the winding-up of ANZBGL in Australia in respect of the Subordinated Notes until all claims of Senior Creditors admitted in the winding-up proceeding have been satisfied in full. By subscription for, or transfer of, Subordinated Notes to a Noteholder, that Subordinated Noteholder will be taken to have agreed that no amount in respect of the Subordinated Notes will be repaid until all the claims of the Senior Creditors admitted in the winding-up proceeding have been satisfied accordingly. Accordingly, if proceedings with respect to the winding-up of ANZBGL in Australia were to occur, the Subordinated Noteholders could recover less relatively than the holders of deposit liabilities or protected accounts, the Unsubordinated Noteholders, the holders of prior ranking subordinated liabilities of ANZBGL. For the avoidance of doubt, the Subordinated Notes do not constitute deposit liabilities or protected accounts of ANZBGL.

If, in any such winding-up, the amount payable with respect to the Subordinated Notes and any claims ranking equally with those Subordinated Notes cannot be paid in full, those Subordinated Notes and other claims ranking equally with those Subordinated Notes will share relatively in any distribution of ANZBGL's assets in a winding-up in proportion to the respective amounts to which they are entitled. To the extent that Subordinated Noteholders are entitled to any recovery with respect to the Subordinated Notes in any winding-up, such Subordinated Noteholders might not be entitled in such proceedings to a recovery in the Specified Currency in respect of such Subordinated Notes (if other than Australian dollars) and might be entitled only to a recovery in Australian dollars.

11. **Meeting of Noteholders, Modifications and Waiver**

(a) *Meetings of Noteholders – other than VPS Notes*

The Agency Agreement contains provisions for convening meetings of Noteholders of a Series to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification or amendment of any of these Conditions. The quorum for any meeting of Noteholders shall be two or more persons holding or representing in the aggregate a clear majority in Principal Amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the Principal Amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes or the obligation of the Issuer to pay additional amounts pursuant to Condition 7 (*Taxation*), (ii) to reduce or cancel the Principal Amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount is set out in the Pricing Supplement, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or Specified Denomination of the Notes, (vii) to take any steps that as specified in the Pricing Supplement may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, or (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, in which case the necessary quorum at any adjourned meeting shall be two or more persons holding or representing in the aggregate not less than one-third in Principal Amount of the Notes for the time being outstanding. However, the prior written approval of APRA is required to modify, amend or supplement the terms of any Series of Subordinated Notes, or to give any consents or waivers or take other actions in respect of any Series of Subordinated Notes, where such modification, amendment, supplement, consent, waiver or other action may affect the eligibility of the Subordinated Notes as Tier 2 Capital. Any resolution duly passed (including an Extraordinary Resolution) shall be binding on all Noteholders of the relevant Series (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders of the relevant Series. The expression "**Extraordinary Resolution**" means a resolution passed at a meeting of Noteholders duly convened by a majority consisting of not less than three-quarters of the votes cast. All other resolutions, except for written resolutions, shall be passed at a meeting of Noteholders duly convened by a clear majority of the votes cast.

In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

(b) *Modification of the Agency Agreement, Deed of Covenant, Deed of Guarantee, Conditions and Pricing Supplement*

The Agency Agreement, the Deed of Covenant, the Deed of Guarantee, the Conditions and any applicable Pricing Supplement may be modified or amended by the Issuer and, in the case of the Deed of Guarantee, by ANZNIL and the Guarantor, in each case without the consent of the holders if, in the reasonable opinion of the Issuer (and in the case of the Deed of Guarantee, ANZNIL and the Guarantor), the modification or amendment is:

(a) not materially prejudicial to the interests of the holders;

(b) of a formal, minor or technical nature;

(c) made to correct any manifest or proven error or omission;

(d) made to comply with mandatory provisions of the law; or

(e) made to cure, correct or supplement any defective provision or ambiguity,

provided that any such modification or amendment to the Agency Agreement, the Deed of Covenant, the Conditions and the Pricing Supplement which may affect the eligibility of Subordinated Notes as Tier 2 Capital has the prior written approval of APRA.

Any such modification or amendment shall be binding on the holders and any such modification or amendment shall be notified to the holders in accordance with Condition 14 as soon as practicable thereafter.

(c) *VPS Notes*

The VPS Trustee Agreement contains provisions for convening meetings of the holders of VPS Notes (including meetings to be held by written (or electronic) solution for decision making) to consider any matter affecting their interests, including sanctioning by a majority of votes (as more fully set out in the VPS Trustee Agreement) a modification of the VPS Notes or any of the provisions of the VPS Trustee Agreement (or, in certain cases, sanctioning by a majority of two thirds of votes). Such a meeting may be convened by the Issuer, the VPS Trustee, by the holders of not less than 10 per cent. of the Voting VPS Notes or, if the VPS Notes are listed, by the relevant securities exchange/market place. For the purpose of this Condition, "Voting VPS Notes" means the aggregate nominal amount of the total number of VPS Notes not redeemed or otherwise discharged, less the VPS Notes owned by the Issuer, any party who has decisive influence over the Issuer or any party over whom the Issuer has decisive influence.

The quorum at a meeting for passing a resolution is one or more persons holding at least one half of the Voting VPS Notes or at any adjourned meeting one or more persons being or representing holders of Voting VPS Notes whatever the nominal amount of the VPS Notes so held or represented. A resolution passed at any meeting of the holders of VPS Notes shall be binding on all the holders, whether or not they are present at such meeting.

The VPS Trustee Agreement provides that:

(i) the VPS Trustee may in certain circumstances, without the consent of the holders of the VPS Notes, make decisions binding on all holders relating to the Terms and Conditions of the relevant VPS Notes and the VPS Trustee Agreement, including amendments which are not, in the VPS Trustee's opinion, detrimental to the rights and benefits of the affected holders of the VPS Notes; and

(ii) the VPS Trustee may reach other decisions binding for all holders of VPS Notes.

12. **Replacement of Notes, Certificates, Receipts, Coupons and Talons**

If a Note other than a VPS Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and listing authority, stock exchange and/or quotation system regulations, at the specified office of the Fiscal Agent (in case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

13. **Further Issues**

Any Issuer may (and, in the instance of an issue of Subordinated Notes by ANZBGL, if ANZBGL has obtained the prior approval of APRA) from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single Series with the outstanding securities of any Series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. Notes of more than one Series may be consolidated into one Series denominated in euro, even if one or more such

Series was not originally denominated in euro, provided all such Series have been redenominated into euro and otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single Series with the Notes.

14. **Notices**

(a) *Notes other than VPS Notes*

Notices to the holders of Registered Notes shall be (a) mailed to them (or, in the case of joint holders, to the first named) at their respective addresses in the Register and (b) published at https://www.anz.com/debtinvestors/centre/programmes/anz-banking-group/euro-medium-term-note-programme-aus/ in respect of Notes issued by ANZBGL and at https://www.anz.com/debtinvestors/centre/programmes/anz-bank-nz/euro-medium-term-note-programme-nz/ in respect of Notes issued by ANZ New Zealand and ANZNIL.

Notices to the holders of Registered Notes shall be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the later of the date of mailing and the date of first publication online.

Notices to the holders of Bearer Notes shall be, save where another means of effective communication has been specified herein or in the Pricing Supplement, published at https://www.anz.com/debtinvestors/centre/programmes/anz-banking-group/euro-medium-term-note-programme-aus/ in respect of Notes issued by ANZBGL and at https://www.anz.com/debtinvestors/centre/programmes/anz-bank-nz/euro-medium-term-note-programme-nz/ in respect of Notes issued by ANZ New Zealand and ANZNIL.

Notices to the holders of Bearer Notes shall be deemed to have been given on the date of first publication online. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 14.

Notices to holders of all Notes which have been listed, admitted to trading on any stock exchange or listed on a quotation system will also be given in such manner and in such place as may be required by the rules and regulations of such listing authority stock exchange and/or quotation system.

(b) *VPS Notes*

Notices to holders of VPS Notes shall be valid if the relevant notice is given to the VPS for communication by it to the holders and, so long as the VPS Notes are listed on a stock exchange, the Issuer shall ensure that notices are duly published in a manner which complies with the rules of such exchange. Any such notice shall be deemed to have been given to the holders of the VPS Notes on the date of delivery of such notice by the VPS.

15. **Currency Indemnity**

If any sum due from the Issuer in respect of the Notes, Receipts or the Coupons or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, Receipts or Coupons, the Issuer shall indemnify each holder, on the written demand of such holder addressed to the Issuer and delivered to the Issuer or to the specified office of the Fiscal Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such holder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof. For the purposes of this Condition 15, it shall be sufficient for the Noteholder, Receiptholder or Couponholder, as the case may be, to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder, Receiptholder or Couponholder and shall continue in full force and effect despite any other judgment, order, claim or proof

for a liquidated amount in respect of any sum due under any Note, Coupon or Receipt or any other judgment or order.

16. **Governing Law, Jurisdiction and Service of Process**

(a) *Governing Law*

The Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law, except for: (i) the subordination, Conversion and Write-Off provisions of the Subordinated Notes (including, without limitation, the provisions contained in Conditions 3(b), 4(v), 5A, 5B, 5C, 5D, 5E, 9(b) and 10 (*Subordination*)) which will be governed by, and construed in accordance with, the laws of the State of Victoria and the Commonwealth of Australia; and (ii) the registration of VPS Notes in the VPS as well as the recording and transfer of ownership to, and other interests in, VPS Notes and Condition 11(c) which will be governed by, and construed in accordance with, Norwegian law. The VPS Trustee Agreement is and the VPS Agency Agreement will be governed by, and construed in accordance with, Norwegian law.

VPS Notes must comply with the relevant regulations of the VPS and the holders of VPS Notes will be entitled to the rights and are subject to the obligations and liabilities which arise under the relevant Norwegian regulations and legislation.

(b) *Jurisdiction*

The Issuer agrees for the benefit of the holders of Notes, Receipts, Coupons and Talons that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Notes and all matters connected with the Notes, Receipts, Coupons and Talons (including a dispute relating to any non-contractual obligation arising out of or in connection with them) (respectively, "**Proceedings**" and "**Disputes**") and, for such purposes, irrevocably submits to the jurisdiction of such courts.

(c) *Appropriate Forum*

The Issuer irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.

(d) *Service of Process*

The Issuer agrees that the process by which any Proceedings in England are begun may be served on it by being delivered to the officer in charge of the London Branch of Australia and New Zealand Banking Group Limited at 40 Bank Street, Canary Wharf, London E14 5EJ. If such person is not or ceases to be effectively appointed to accept service of process on the Issuer's behalf, the Issuer shall appoint a further person in England to accept service of process on the Issuer's behalf and, failing such appointment, within 15 days, any Noteholder shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the specified office of the Fiscal Agent. Nothing in this paragraph shall affect the right of any holder of Notes, Receipts, Coupons or Talons to serve process in any other manner permitted by law.

(e) *Non-exclusivity*

The submission to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of any holder of Notes, Receipts, Coupons or Talons to take Proceedings in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by law.

(f) *Consent to Enforcement etc.*

Subject to Condition 10 (*Subordination)*, the Issuer consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including (without

limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.

17. **Third Parties**

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

SCHEDULE TO THE TERMS AND CONDITIONS OF THE NON PR NOTES

1. **Conversion**

If ANZBGL must Convert a Principal Amount of a Subordinated Note in accordance with the Conditions, then, subject to this Schedule and Condition 5D.2 and unless the Pricing Supplement specifies that the Alternative Conversion Number applies, the following provisions apply:

(a) ANZBGL will allot and issue on the Trigger Event Date a number of Ordinary Shares in respect of the Principal Amount of that Subordinated Note equal to the Conversion Number, where the Conversion Number (but subject to the Conversion Number being no more than the Maximum Conversion Number) is a number calculated according to the following formula:

$$Conversion\ Number = \frac{Principal\ Amount}{((1 - CD)x\ VWAP)}$$

where:

"**CD**" means the conversion discount specified in the applicable Pricing Supplement;

"**VWAP**" (expressed in dollars and cents or equivalent in the case of a Specified Currency other than Australian dollars) means the VWAP during the VWAP Period and where the "Maximum Conversion Number" means a number calculated according to the following formula:

$$\text{Maximum Conversion Number} = \frac{Principal\ Amount}{Issue\ Date\ VWAP\ x\ 0.2}$$

(b) on the Trigger Event Date the rights of each Subordinated Noteholder (including to payment of interest with respect to such Principal Amount, both in the future and as accrued but unpaid as at the Trigger Event Date) in relation to each Subordinated Note or portion thereof that is being Converted will be immediately and irrevocably terminated for an amount equal to the Principal Amount of that Subordinated Note that is being Converted and ANZBGL will apply that Principal Amount by way of payment for subscription for the Ordinary Shares to be allotted and issued under Section 1(a) of this Schedule. Each Subordinated Noteholder is taken to have irrevocably directed that any amount payable under Section 1 of this Schedule is to be applied as provided for in Section 1 of this Schedule and no Subordinated Noteholder has any right to payment in any other way;

(c) any calculation under Section 1(a) of this Schedule shall be, unless the context requires otherwise, be rounded to four decimal places provided that if the total number of additional Ordinary Shares to be allotted to a Subordinated Noteholder in respect of the aggregate Principal Amount of the Subordinated Notes it holds which is being Converted includes a fraction of an Ordinary Share, that fraction of an Ordinary Share will be disregarded; and

(d) the rights attaching to Ordinary Shares issued as a result of Conversion do not take effect until 5.00pm (Melbourne, Australia time) on the Trigger Event Date (unless another time is required for Conversion on that date). At that time all other rights conferred or restrictions imposed on that Subordinated Note under the Conditions will no longer have effect to the extent of the Principal Amount of that Subordinated Note being Converted (except for the right to receive the Ordinary Shares as set forth in Section 1 of this Schedule and Condition 5B and except for rights relating to interest which is payable but has not been paid on or before the Trigger Event Date which will continue).

2. **Adjustments to VWAP**

For the purposes of calculating VWAP in the Conditions:

(a) where, on some or all of the Business Days in the relevant VWAP Period, Ordinary Shares have been quoted on the Australian Securities Exchange as cum dividend or cum any other distribution or entitlement and the relevant Principal Amount of Subordinated Notes will Convert into Ordinary Shares after the date those Ordinary Shares no longer carry that dividend or any other distribution or entitlement, then the VWAP on the Business Days on which those Ordinary Shares have been quoted cum dividend or cum any other distribution or entitlement shall be reduced by an amount ("**Cum Value**") equal to:

(i) (in case of a dividend or other distribution), the amount of that dividend or other distribution including, if the dividend or other distribution is franked, the amount that would be included in the assessable income of a recipient of the dividend or other distribution who is both a resident of Australia and a natural person under the Tax Act;

(ii) (in the case of any other entitlement that is not a dividend or other distribution under Section 2(a)(i) of this Schedule which is traded on the Australian Securities Exchange on any of those Business Days), the volume weighted average sale price of all such entitlements sold on the Australian Securities Exchange during the VWAP Period on the Business Days on which those entitlements were traded; or

(iii) (in the case of any other entitlement which is not traded on the Australian Securities Exchange during the VWAP Period), the value of the entitlement as reasonably determined by the directors of ANZBGL; and

(b) where, on some or all of the Business Days in the VWAP Period, Ordinary Shares have been quoted on the Australian Securities Exchange as ex dividend or ex any other distribution or entitlement, and the relevant Principal Amount of Subordinated Notes will Convert into Ordinary Shares which would be entitled to receive the relevant dividend or other distribution or entitlement, the VWAP on the Business Days on which those Ordinary Shares have been quoted ex dividend or ex any other distribution or entitlement shall be increased by the Cum Value.

3. **Adjustments to VWAP for divisions and similar transactions**

(a) Where during the relevant VWAP Period there is a change in the number of the Ordinary Shares on issue as a result of a division, consolidation or reclassification of ANZBGL's share capital (not involving any cash payment or other distribution (or compensation) to or by holders of Ordinary Shares) (a "**Reorganisation**"), in calculating the VWAP for that VWAP Period the daily VWAP applicable on each day in the relevant VWAP Period which falls before the date on which trading in Ordinary Shares is conducted on a post Reorganisation basis shall be adjusted by multiplying such daily VWAP by the following formula:

$$\frac{A}{B}$$

where:

A means the aggregate number of Ordinary Shares immediately before the Reorganisation; and

B means the aggregate number of Ordinary Shares immediately after the Reorganisation.

(b) Any adjustment made by ANZBGL in accordance with Section 3(a) of this Schedule will, absent manifest error, be effective and binding on Subordinated Noteholders under these Conditions and these Conditions will be construed accordingly. Any such adjustment must be promptly notified to all Subordinated Noteholders.

4. **Adjustments to Issue Date VWAP**

For the purposes of determining the Issue Date VWAP, corresponding adjustments to VWAP will be made in accordance with Section 2 and Section 3 of this Schedule during the 20 Business Day period

over which VWAP is calculated for the purposes of determining the Issue Date VWAP. On and from the Issue Date adjustments to the Issue Date VWAP:

(a) may be made in accordance with Sections 5 to 7 of this Schedule (inclusive); and

(b) if so made, will cause an adjustment to the Maximum Conversion Number.

5. **Adjustments to Issue Date VWAP for bonus issues**

(a) Subject to Section 5(b) of this Schedule below, if at any time after the Issue Date ANZBGL makes a pro rata bonus issue of Ordinary Shares to holders of Ordinary Shares generally, the Issue Date VWAP will be adjusted immediately in accordance with the following formula:

$$\mathrm{V} = V_0 \times \frac{RD}{\mathrm{RD} + \mathrm{RN}}$$

where:

V means the Issue Date VWAP applying immediately after the application of this formula;

Vo means the Issue Date VWAP applying immediately prior to the application of this formula;

RN means the number of Ordinary Shares issued pursuant to the bonus issue; and

RD means the number of Ordinary Shares on issue immediately prior to the allotment of new Ordinary Shares pursuant to the bonus issue.

(b) Section 5(a) of this Schedule does not apply to Ordinary Shares issued as part of a bonus share plan, employee or executive share plan, executive option plan, share top up plan, share purchase plan or a dividend reinvestment plan.

(c) For the purpose of Section 5(a) of this Schedule, an issue will be regarded as a pro rata issue notwithstanding that ANZBGL does not make offers to some or all holders of Ordinary Shares with registered addresses outside Australia, provided that in so doing ANZBGL is not in contravention of the ASX Listing Rules.

(d) No adjustments to the Issue Date VWAP will be made under this Section 5 of this Schedule for any offer of Ordinary Shares not covered by Section 5(a) of this Schedule, including a rights issue or other essentially pro rata issue.

(e) The fact that no adjustment is made for an issue of Ordinary Shares except as covered by Section 5(a) of this Schedule shall not in any way restrict ANZBGL from issuing Ordinary Shares at any time on such terms as it sees fit nor require any consent or concurrence of any Subordinated Noteholders.

6. **Adjustment to Issue Date VWAP for divisions and similar transactions**

(a) If at any time after the Issue Date, a Reorganisation occurs, ANZBGL shall adjust the Issue Date VWAP by multiplying the Issue Date VWAP applicable on the Business Day immediately before the date of any such Reorganisation by the following formula:

$$\frac{A}{B}$$

where:

A means the aggregate number of Ordinary Shares immediately before the Reorganisation; and

B means the aggregate number of Ordinary Shares immediately after the Reorganisation.

(b) Any adjustment made by ANZBGL in accordance with Section 6(a) of this Schedule will, absent manifest error, be effective and binding on Subordinated Noteholders under these Conditions and these Conditions will be construed accordingly.

(c) Each Subordinated Noteholder acknowledges that ANZBGL may, consolidate, divide or reclassify securities so that there is a lesser or greater number of Ordinary Shares at any time in its absolute discretion without any such action requiring any consent or concurrence of any Subordinated Noteholders.

7. **No Adjustment to Issue Date VWAP in certain circumstances**

Despite the provisions of Section 5 and Section 6 of this Schedule, no adjustment shall be made to the Issue Date VWAP where such adjustment (rounded if applicable) would be less than one per cent. of the Issue Date VWAP then in effect.

8. **Announcement of adjustment to Issue Date VWAP**

ANZBGL will notify Subordinated Noteholders (an "**Adjustment Notice**") of any adjustment to the Issue Date VWAP under this Schedule within ten Business Days of ANZBGL determining the adjustment and the adjustment set out in the announcement will be final and binding.

9. **Ordinary Shares**

Each Ordinary Share issued or arising upon Conversion ranks pari passu with all other fully paid Ordinary Shares.

10. **Listing Ordinary Shares issued on Conversion**

ANZBGL shall use all reasonable endeavours to list the Ordinary Shares issued upon Conversion of the Subordinated Notes on the Australian Securities Exchange.

11. **Alternative Conversion Number**

If ANZBGL must Convert a Principal Amount of a Subordinated Note in accordance with the Conditions and the Pricing Supplement specifies that the Alternative Conversion Number applies, then:

(a) Section 1 of this Schedule applies on the basis that the Conversion Number for the purposes of Section 1(a) of this Schedule is the number of Ordinary Shares specified in the Pricing Supplement as the Alternative Conversion Number (subject to the Alternative Conversion Number being no more than the Maximum Conversion Number as determined in accordance with Section 1(a) of this Schedule); and

(b) Sections 2 to 8 (inclusive) of this Schedule do not apply to the Alternative Conversion Number.

12. **Definitions**

For the purposes of this Schedule the following terms shall have the following meanings:

"**ASX Operating Rules**" means the market operating rules of the Australian Securities Exchange as amended, varied or waived (whether in respect of ANZBGL or generally) from time to time.

"**Cum Value**" has the meaning given in Section 2 of this Schedule.

"**Issue Date VWAP**" means, in respect of Subordinated Notes of a Series, the VWAP during the period of 20 Business Days on which trading in Ordinary Shares took place immediately preceding (but not including) the first date on which any Subordinated Notes of that Series were issued, as adjusted in accordance with Sections 4 to 7 (inclusive) of this Schedule.

"**Reorganisation**" has the meaning given in Section 3 of this Schedule.

"**Tax Act**" means:

(i) the Income Tax Assessment Act 1936 of Australia or the Income Tax Assessment Act 1997 of Australia as the case may be and a reference to any section of the Income Tax Assessment Act 1936 of Australia includes a reference to that section as rewritten in the Income Tax Assessment Act 1997 of Australia; and

(ii) any other Act setting the rate of income tax payable and any regulation promulgated under it.

"**VWAP**" means, subject to any adjustments under this Schedule, the average of the daily volume weighted average sale prices (such average being rounded to the nearest full cent) of Ordinary Shares sold on the Australian Securities Exchange during the VWAP Period or on the relevant days and where the currency of the Principal Amount in respect of the Subordinated Note is not Australian dollars, with each such daily price converted into the Specified Currency on the basis of the spot rate of exchange for the sale of Australian Dollars against the purchase of the relevant Specified Currency in the Sydney foreign exchange market quoted by any leading bank selected by ANZBGL on the relevant calculation date, but does not include any "Crossing" transacted outside the "Open Session State" or any "Special Crossing" transacted at any time, each as defined in the ASX Operating Rules, or any overseas trades or trades pursuant to the exercise of options over Ordinary Shares;

"**VWAP Period**" means the period of five Business Days or such other period specified in the applicable Pricing Supplement on which trading in Ordinary Shares took place immediately preceding (but not including) the Trigger Event Date.

13. **Interpretation**

In respect of Ordinary Shares, if the principal securities exchange on which the Ordinary Shares are listed becomes other than the Australian Securities Exchange, unless the context otherwise requires a reference to the Australian Securities Exchange shall be read as a reference to that principal securities exchange and a reference to the ASX Listing Rules, the ASX Operating Rules or any term defined in any such rules, shall be read as a reference to the corresponding rules of that exchange or corresponding defined terms in such rules (as the case may be).

SCHEDULE B

FORM OF PRICING SUPPLEMENT

The form of Pricing Supplement that will be issued in respect of each Tranche of Non PR Notes, subject only to the possible deletion of non-applicable provisions, is set out below:

THIS PRICING SUPPLEMENT WILL BE ISSUED IN RESPECT OF NOTES WHICH ARE NOT ADMITTED TO THE OFFICIAL LIST OF THE UK FINANCIAL CONDUCT AUTHORITY OR TO ANY OTHER EUROPEAN ECONOMIC AREA OR UNITED KINGDOM REGULATED MARKET OR OFFERED TO THE PUBLIC IN THE EUROPEAN ECONOMIC AREA OR IN THE UNITED KINGDOM FOR THE PURPOSES OF THE PROSPECTUS REGULATION. THE PRICING SUPPLEMENT HAS NOT BEEN REVIEWED OR APPROVED BY THE UK FINANCIAL CONDUCT AUTHORITY AND DOES NOT CONSTITUTE A PROSPECTUS FOR THE PURPOSES OF THE PROSPECTUS REGULATION.

PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS: The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area **("EEA"**) or in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (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 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK will be prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

[**MiFID II product governance /** [**Retail investors, professional investors and eligible counterparties target market** – Solely for the purposes of [the Dealer's/the Managers'/each relevant Manager's] product approval process as [a] MiFID II [(as defined below)] "manufacturer[s]", the target market assessment completed by the relevant [Dealer/Managers/Manager] in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, professional clients and retail clients, each as defined in [Directive 2014/65/EU (as amended, "**MiFID II**")][MiFID II]; ***EITHER*** [and (ii) all channels for distribution of the Notes are appropriate[, including investment advice, portfolio management, non-advised sales and pure execution services][1]] ***OR*** [2][(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate - investment advice[,/ and] portfolio management[,/ and][non-advised sales][and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable].] / [**Professional investors and eligible counterparties only target market** – Solely for the purposes of [the Dealer's/the Managers'/each relevant Manager's] product approval process as [a] MiFID II [(as defined below)] "manufacturer[s]", the target market assessment completed by the relevant [Dealer/Managers/Manager] in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "**MiFID II**")][MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.] / [*Other target market assessment – provide relevant details.*]] The Issuer is

[1] This list may not be necessary, especially where all channels of distribution may be appropriate.

[2] Include, and amend, if appropriate for the Notes being issued.

not subject to MiFID II and any implementation thereof by an EU Member State. The Issuer is therefore not a "manufacturer" for the purposes of the MiFID Product Governance Rules under EU Delegated Directive 2017/593 and has no responsibility or liability for identifying a target market, or any other product governance obligation set out in MiFID II, for financial instruments it issues (including the foregoing target market assessment for the Notes described in this legend).]

[**Notification under Section 309(B)(1) of the Securities and Futures Act of Singapore (the "SFA")** – The Notes are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the "**MAS**") Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]

[**Australia and New Zealand Banking Group Limited**
(Australian Business Number 11 005 357 522)
(Incorporated with limited liability in Australia and registered in the State of Victoria)
Legal Entity Identifier: JHE42UYNWWTJB8YTTU19]*

[ANZ Bank New Zealand Limited
(Incorporated with limited liability in New Zealand)
Legal Entity Identifier: HZSN7FQBPO5IEWYIGC72]*

[ANZ New Zealand (Int'l) Limited,
Acting through its London branch
(Incorporated with limited liability in New Zealand)

Legal Entity Identifier: 213800VD256NU2D97H12]*

US$60,000,000,000
Euro Medium Term Note Programme

Series No: [ ]

Tranche No: [ ]

[*Brief Description and Amount of Notes*]

Issue Price: [ ] per cent.

[Guaranteed by ANZ Bank New Zealand Limited]**

[Name(s) of Dealers(s)]

The date of this Pricing Supplement is [ ]

** include only if Issuer is ANZ New Zealand (Int'l) Limited

PART A – CONTRACTUAL TERMS

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Information Memorandum dated 20 November 2020 [and the Supplemental Information Memorandum[s] dated [●][and [●]]][and any supplement to the Base Prospectus of the Issuer dated 21 May 2019, which are deemed to be incorporated by reference into the Information Memorandum (which, for the avoidance of doubt, includes the Supplemental Base Prospectus(es) dated[●])] ([together,] the "**Information Memorandum**"). This Pricing Supplement of the Notes must be read in conjunction with the Information Memorandum.

[(*The following alternative language applies if the first Tranche of an issue of Notes which is being increased was issued under an information memorandum with an earlier date.*)

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the information memorandum dated [*original date*]. This Pricing Supplement of the Notes must be read in conjunction with the Information Memorandum dated 20 November 2020 [and the Supplemental Information Memorandum[s] dated [●] [and [●]]] [and any supplement to the Base Prospectus of the Issuer dated 20 November 2020, which are deemed to be incorporated by reference into the Information Memorandum (which, for the avoidance of doubt, includes the Supplemental Base Prospectus(es) dated [●])] ([together], the "**Information Memorandum**"), save in respect of the Conditions which are extracted from the information memorandum dated [*original date*] [and the Supplemental information memorandum dated [●]] and are attached hereto.]

(Include whichever of the following apply or specify as "Not Applicable" or "N/A". Note that the numbering should remain as set out below, even if "Not Applicable" or "N/A" indicated for individual paragraphs or sub paragraphs. Italics denote guidance for completing the Pricing Supplement.

1	[(i)]	Issuer	[Australia and New Zealand Banking Group Limited (*specify branch, if applicable*)/ANZ Bank New Zealand Limited (*specify branch, if applicable*)/ANZ New Zealand (Int'l) Limited (*specify branch, if applicable*)]
	[(ii)	Guarantor	ANZ Bank New Zealand Limited][1]
2	(i)	Series Number:	[ ]
	(ii)	Tranche Number:	[ ] (*if fungible with an existing Series, include details of that Series, and the date on which the Notes become fungible*)
3	(i)	Specified Currency or Currencies:	[ ]
	(ii)	Exotic Currency Payments:	[Applicable]/[Not Applicable]
	(iii)	Exotic Currency Relevant Time:	[ ]/[Not Applicable]
	(iv)	Exotic Currency Thomson Reuters Screen Page:	[ ] /[Not Applicable]
4	Aggregate Principal Amount:		[ ]
	(i)	Series:	[ ]

[1] Only applicable for Notes issued by ANZ New Zealand (Int'l) Limited.

	(ii)	Tranche:	[ ]
5	Issue Price:		[ ] per cent. of the Aggregate Principal Amount [plus accrued interest from [*insert date*] (*in the case of fungible issues only, if applicable*)]
6	(i)	Specified Denomination(s) (and Principal Amount):	[ ] (*Notes issued by ANZ New Zealand and ANZNIL (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000, as amended ("**FSMA**") and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies*)) [[as it may be adjusted in accordance with Condition 5A.4] (*for Subordinated Notes issued by ANZBGL only*)]
	(ii)	Calculation Amount:	[ ] *The applicable Calculation Amount will be (i) if there is only one Specified Denomination, the Specified Denomination of the relevant Notes or (ii) if there are several Specified Denominations and multiples of a lower Principal Amount (for example €1,000), the highest common factor of those Specified Denominations (note: there must be a common factor in the case of two or more Specified Denominations*) [[as it may be adjusted in accordance with Condition 5A.4] (*for Subordinated Notes issued by ANZBGL only*)]
7	[(i)]	Issue Date:	[ ]
	[(ii)	Interest Commencement Date:]	[Issue Date [ ] (*specify*)*Not Applicable*] [*N.B. An Interest Commencement Date will not be relevant for certain Notes, for example, Zero Coupon Notes.*]
8	Maturity Date:		[[ ]/Interest Payment Date falling on or nearest to [ ]] *(specify date or, where applicable Interest Payment Date falling on or nearest to the relevant date) (Notes issued by ANZ New Zealand or ANZNIL having a maturity of less than one year, where either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, must:* *(i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a*

		contravention of section 19 of the FSMA by ANZ New Zealand or, as the case may be, ANZNIL) *(specify applicable paragraph where Business Day Convention is specified in relation to the relevant type of Notes to be issued to adjust the Maturity Date to fall on the same date as the final Interest Payment Date where that Interest Payment Date is adjusted.)*
9	Interest Basis:	[Fixed Rate] [Floating Rate] [*for Unsubordinated Notes only:* [Zero Coupon] [Inverse Floating Rate] [CMS Rate] [Index Linked Interest] [Other (*specify*)]] (Further particulars specified below)
10	Redemption/Payment Basis:	[Redemption at [Par]/[ ] per cent. of the Aggregate Principal Amount]] [Index Linked Redemption] [Dual Currency] [Instalment] [Other (*specify*)]
11	Change of Interest or Redemption/Payment Basis:	[Not Applicable/[ ] (*Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis*)] [(Further particulars specified below)]
12	Put/Call Options:	[Not Applicable] [Put Option] [Call Option] [(Further particulars specified below)]
13	Status of the Notes:	[Unsubordinated Notes] [[Subordinated Notes] (*only if Issuer is ANZBGL*)]
14	Method of distribution:	[Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15	Fixed Rate Note Provisions			[Applicable [in respect of the period from, and including, [ ] to, but excluding, [ ]] [Not Applicable] (*specify if interest on the Note is calculated by reference to more than one interest rate)/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Rate[(s)] of Interest:		[ ] per cent. per annum [payable annually/semi-annually/quarterly/monthly/other (*specify*)] in arrear
	(ii)	(a)	Interest Payment Date(s):	[[ ] in each year [commencing on [ ]] [in each case subject to adjustment [for payment purposes only] in accordance with the Business Day Convention specified below]]/[As defined in Condition 4(a)(i)]]
		(b)	Interest Period(s):	[[ ] (*Specify either a period or periods or a specific date or dates if no Interest Payment Date(s) specified*)/[As defined in Condition 4(r)]]
		(c)	Interest Period Date:	[[ ] (*Specify either a date or dates if no Interest Payment Date(s) specified*)/[As defined in Condition 4(r)]]

(iii)	Fixed Coupon Amount[(s)]:	[[ ] per Calculation Amount/Not Applicable]
(iv)	Broken Amount(s):	[Not Applicable/[ ] per Calculation Amount payable on [ ] (*Insert particulars of any initial or final Broken Amount(s) which do not correspond with Fixed Coupon Amount(s) and insert relevant Interest Payment Date(s) for which a Broken Amount is payable*)
(v)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/360] [30/360 (ICMA)] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] [Other (*specify*)]
(vi)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
	(a) Adjusted:	[Applicable] [Not Applicable]
	(b) No Adjustment:	[Applicable] [Not Applicable]
(vii)	Additional Business Centre(s):	[[ ] /Not Applicable] (*Only relevant where a Business Day Convention is applicable for the purposes of the definition of "Business Day"*) [For the avoidance of doubt, [in addition to the Additional Business Centre[s] noted above,] [ ] [is/are] business centre[s] for the purposes of the definition of "Business Day" in Condition 4(r)]
(viii)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	[The Fiscal Agent/[ ] shall be the Calculation Agent (*insert name and address*)]
(ix)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable/(*give details*)]
16	Floating Rate Note Provisions	[Applicable [in respect of the period from, and including, [ ] to, but excluding, [ ] (*specify if interest on the Note is calculated by reference to more than one interest rate)/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i) (a)	Interest Payment Dates:	[[ ] in each year [commencing on [ ]] [in each case subject to adjustment [for payment purposes only] in accordance with the Business Day Convention specified below]]/[As defined in Condition 4(b)(i)]]
(b)	Interest Period(s):	[[ ] (*specify either a period or periods or a specific date or dates if no Interest Payment Date(s) specified*)/[As defined in Condition 4(r)]]

	(c) Interest Period Date:	[[ ] (*specify either a date or dates if no Interest Payment Date(s) specified*)/[As defined in Condition 4(r)]]
(ii)	Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ other (*give details*)]
(iii)	No Adjustment of Interest Amounts:	[Applicable] [Not Applicable]
(iv)	Additional Business Centre(s):	[ ]/[Not Applicable] (*for the purposes of the definition of "Business Day"*) [For the avoidance of doubt, [in addition to the Additional Business Centre[s] noted above,] [ ] [is/are] business centre[s] for the purposes of the definition of "Business Day" in Condition 4(r)]
(v)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination/ BBSW Notes/BKBM Notes/other (*give details*)]
(vi)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	[The Fiscal Agent/[ ] shall be the Calculation Agent (*insert name and address*)]
(vii)	Screen Rate Determination:	[Applicable/Not Applicable] (*Specify "Not Applicable" if the Notes are BBSW Notes or BKBM Notes*) (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	- Reference Rate:	[BBSW / BKBM / LIBOR / EURIBOR / Federal Funds Effective Rate US / CDOR / SHIBOR / HIBOR / SIBOR / SONIA / SOFR / CNH HIBOR / Other (specify)]
	- Specified Maturity:	[ ]
	- Interest Determination Date(s):	[ ] *(Fifth (or other number specified under Observation Look-Back Period below) London Banking Day prior to the end of each Interest Period if SONIA)* [[ ]] / [[ ] U.S. Government Securities Business Day prior to Interest Payment Date]] *(if Reference Rate is SOFR specify number under Reset Period below)*

	-	Relevant Screen Page:	[ ]
	-	Reference Banks:	[ ] (*If other than as specified in the definition of "Reference Banks" in Condition 4(r))/*[As defined in Condition 4(r)].
	-	[Relevant Time:]	[[ ] (*If other than as specified in the definition of "Relevant Time" in Condition 4(r)/*[As defined in Condition 4(r)]]
	-	[Relevant Financial Centre:]	[[ ] (*If other than as specified in the definition of "Relevant Financial Centre" in Condition 4(r)*)/[As defined in Condition 4(r)]]
	-	Observation Look Back Period:	[[●] London Banking Days] [Not Applicable] *(NB: minimum of 5 London Banking Days unless otherwise agreed with Calculation Agent)*
	-	Reset Period:	[[ ] U.S. Government Securities Business Day(s)] [Not Applicable]
	-	Suspension Determination Period:	[[ ] U.S. Government Securities Business Day(s)] [Not Applicable]
	-	ISDA Determination for Fallback:	[Applicable/Not Applicable] (*For Unsubordinated Notes only*)
(viii)	ISDA Determination:		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	-	Floating Rate Option:	[ ]
	-	Designated Maturity:	[ ]
	-	Reset Date:	[ ]
(ix)	Margin(s):		[[+/-] [ ] per cent. per annum/Not Applicable]
(x)	Rate Multiplier:		[[ ] *(for Unsubordinated Notes only)*/Not Applicable]
(xi)	Minimum Rate of Interest:		[[ ] per cent. per annum *(for Unsubordinated Notes only)*/Not Applicable]
(xii)	Maximum Rate of Interest:		[[ ] per cent. per annum *(for Unsubordinated Notes only)*/Not Applicable]
(xiii)	Day Count Fraction:		[Actual/Actual (ICMA)] [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/360] [30/360 (ICMA)] [30/360] [360/360] [Bond Basis]

			[30E/360] [Eurobond Basis] [30E/360 (ISDA)] [Other (*specify*)].
	(xiv)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[(*specify) (Also, review and confirm additional defined terms in Condition 4 (Interest and other Calculations): Effective Date, Interest Accrual Period and Reference Banks*)]
	(xv)	Linear Interpolation:	[Not Applicable]/[Applicable – the Rate of Interest for the [long]/[short] [first/last] Interest Period shall be calculated using Linear Interpolation]
17	CMS Rate Note *Provisions (for Unsubordinated Notes only)*:		[Applicable [in respect of the period from, and including, [ ] to, but excluding, [ ]/Not Applicable]
	(i)	CMS Rate:	[EUR CMS Rate] / [GBP CMS Rate] / [USD CMS Rate] / [Other (*specify*)]
	(ii) (a)	Interest Payment Dates:	[[ ] in each year [commencing on [ ]] [in each case subject to adjustment [for payment purposes only] in accordance with the Business Day Convention]]/[As defined in Condition 4(b)(i)]]
	(b)	Interest Period(s):	[ ]/[As defined in Condition 4(r)]
	(c)	Interest Period Date:	[ ]/[As defined in Condition 4(r)]
	(iii)	Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
	(iv)	No Adjustment:	[Applicable]/[Not Applicable]
	(v)	Additional Business Centre(s):	[ ]/[Not Applicable] [For the avoidance of doubt, [in addition to the Additional Business Centre[s] noted above,] [ ] [is/are] business centre[s] for the purposes of the definition of "Business Day" in Condition 4(r)]
	(vi)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	[The Fiscal Agent/ [ ] shall be the Calculation Agent]
	(vii)	Specified Maturity:	[Applicable/Not Applicable]
	(viii)	Reset Date:	[ ]
	(ix)	Representative Amount:	[ ]
	(x)	Margin(s):	[[+/-] [ ] per cent. per annum/Not Applicable]

(xi) Rate Multiplier: [[ ] /Not Applicable]

(xii) Minimum Rate of Interest: [[ ] per cent. per annum/Not Applicable]

(xiii) Maximum Rate of Interest: [[ ] per cent. per annum/Not Applicable]

(xiv) Day Count Fraction: [Actual/Actual (ICMA)] [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/360] [30/360 (ICMA)] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]

(xv) CMS Rate fallbacks: [As specified in Condition 4(f)/*specify other*]

(xvi) Linear Interpolation: [Not Applicable]/[Applicable – the Rate of Interest for the [long]/[short] [first/last] Interest Period shall be calculated using Linear Interpolation]

18 Inverse Floating Rate Note Provisions *(for Unsubordinated Notes only)*: [Applicable/Not Applicable]

(i) (a) Interest Payment Dates [[ ] in each year [commencing on [ ]] [in each case subject to adjustment [for payment purposes only] in accordance with the Business Day Convention specified below]]/[As defined in Condition 4(b)(i)]]

(b) Interest Period(s): [ ]/[As defined in Condition 4(r)]

(c) Interest Period Date: [ ]/[As defined in Condition 4(r)]

(ii) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]

(iii) No Adjustment of Interest Amounts: [Applicable/Not Applicable]

(iv) Additional Business Centre(s): [ ]/[Not Applicable]

[For the avoidance of doubt, [in addition to the Additional Business Centre[s] noted above,] [ ] [is/are] business centre[s] for the purposes of the definition of "Business Day" in Condition 4(r)]

(v) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): [The Fiscal Agent/ [ ] shall be the Calculation Agent]

(vi) Specified Fixed Rate:

Interest Payment Date	Specified Fixed Rate (per cent. per annum)
[ ]	[ ]
[ ]	[ ]

[ ]	[ ]

(vii) Relevant Floating Rate:

- Reference Rate: [BBSW/BKBM/LIBOR/EURIBOR/Federal Funds Effective Rate US/CDOR/SHIBOR/HIBOR/SIBOR /SONIA/SOFR / CNH HIBOR]
- Interest Determination Date(s): [[ ]] / [[ ] U.S. Government Securities Business Day prior to Interest Payment Date]] *(if Reference Rate is SOFR specify number under Reset Period below)*
- Relevant Screen Page: [ ]
- Reference Banks: [ ] (*If other than as specified in the definition of "Reference Banks" in Condition 4(r))/*[As defined in Condition 4(r)]
- Relevant Time: [ ] *(If other than as specified in the definition of "Relevant Time" in Condition 4(r))/*[As defined in Condition 4(r)]
- Relevant Financial Centre: [ ] *(If other than as specified in the definition of "Relevant Financial Centre" in Condition 4(r)/*[As defined in Condition 4(r)]
- Observation Look Back Period: [ ] [London Banking Days] [Not Applicable]
- Reset Period: [[ ] U.S. Government Securities Business Day(s)] [Not Applicable]
- Suspension Period: [[ ] U.S. Government Securities Business Day(s)] [Not Applicable]

(viii) Minimum Rate of Interest: [[ ] per cent. per annum/Not Applicable]

(ix) Maximum Rate of Interest: [[ ] per cent. per annum/Not Applicable]

(x) Day Count Fraction: [Actual/Actual (ICMA)] [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/360] [30/360 (ICMA)] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]

(xi) Linear Interpolation: [Not Applicable]/[Applicable – the Rate of Interest for the [long]/[short] [first/last] Interest Period shall be calculated using Linear Interpolation]

19. Range Accrual Note Provisions *(for Unsubordinated Notes only)*: [Applicable] [Not Applicable]

(i) Interest Payment Date(s): [[ ] in each year [commencing on [ ]] [in each case subject to adjustment [for payment purposes only] in accordance with the Business Day Convention specified below]]/Not Applicable]

(ii)	Interest Period(s):	[[ ] (*specify either a period or periods or a specific date or dates if no Interest Payment Date(s) specified*)/[As defined in Condition 4(r)]]
(iii)	Interest Period Date:	[[ ] (*specify either a date or dates if no Interest Payment Date(s) specified*)/[As defined in Condition 4(r)]]
(iv)	No Adjustment of Interest Amounts:	[Applicable/Not Applicable]
(v)	Business Day Convention:	[Floating Rate Business Day Convention][Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention] [Not Applicable]
(vi)	Additional Business Centre(s):	[ ]/[Not Applicable] [For the avoidance of doubt, [in addition to the Additional Business Centre[s] noted above,] [ ] [is/are] business centre[s] for the purposes of the definition of "Business Day" in Condition 4(r)]
(vii)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	[The Fiscal Agent/ [ ] shall be the Calculation Agent] (*insert name and address*)
(viii)	Protection Barrier:	[Applicable] [Not Applicable]
	[-Protection Barrier Period:	[[ ] per cent.]]
(ix)	Fixed Rate Range Accrual Note:	[Applicable] [Not Applicable] (*Specify "Applicable" if Condition 4(h)(A) applies)(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	[- Specified Fixed Rate:	[[ ] per cent. per annum]]
(x)	Floating Rate Range Accrual Note:	[Applicable/Not Applicable] (*Specify "Applicable" if Condition 4(h)(B) applies)(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	- Range Accrual Floating Rate:	[BBSW/BKBM/LIBOR/EURIBOR/Federal Funds Effective Rate US/CDOR/SHIBOR/HIBOR/SIBOR / SONIA/SOFR/CNH HIBOR]
	- Margin:	[[+/-] [ ] per cent. per annum/Not Applicable]
	- Specified Maturity:	[ ]
	- Interest Determination Date:	[[ ]] / [[ ] U.S. Government Securities Business Day prior to Interest Payment Date]] *(if Reference Rate is SOFR specify number under Reset Period below)*
	- Specified Currency:	[ ]
	- Relevant Screen Page:	[ ]
	- Relevant Time:	[[ ] (*If other than a specified in the definition of "Relevant Time" in Condition 4(r)/[*As defined in Condition 4(r)]

- Relevant Financial Centre: [ ]] (*If other than a specified in the definition of "Relevant Financial Centre" in Condition 4(r)/[*As defined in Condition 4(r)]

- Observation Look Back Period: [ ] [London Banking Days] [Not Applicable]

- Reset Period: [[ ] U.S. Government Securities Business Day(s)] [Not Applicable]

- Suspension Period: [ ] U.S. Government Securities Business Day(s)] [Not Applicable]

- Linear Interpolation: [Not Applicable]/[Applicable – the Rate of Interest for the [long]/[short] [first/last] Interest Period shall be calculated using Linear Interpolation]

(xi) Single Range Accrual Note: [Applicable] [Not Applicable] (*If specified as "Applicable" then delete paragraph (x))*

- Reference Rate: [BBSW/BKBM/LIBOR/EURIBOR/Federal Funds Effective Rate US/CDOR/SHIBOR/HIBOR/SIBOR / SONIA/SOFR/CNH HIBOR/EUR CMS/GBP CMS/USD CMS/Other (*specify*)] [Not Applicable]

  - Specified Maturity: [ ] [month[s]] [year[s]]

  [- Specified Currency: [ ]]

  [- Relevant Screen Page: [ ]] *(Delete if CMS is specified as Reference Rate*)

  [- Relevant Time:] [[ ] [As specified in Condition 4(r)]] *(Delete if CMS is specified as Reference Rate*)

  [- Relevant Financial Centre:] [[ ]] *(Delete if CMS is specified as Reference Rate*)

[- Observation Look Back Period: [ ] [London Banking Days] [Not Applicable]]

- Reset Period: [[ ] U.S. Government Securities Business Day(s)] [Not Applicable]

- Suspension Period: [[ ] U.S. Government Securities Business Day(s)] [Not Applicable]

- Constant Maturity Swap Spread: [Applicable] [Not Applicable] *(Constant Maturity Swap Spread is calculated by subtracting the Second CMS Spread Reference Rate from the First CMS Spread Reference Rate pursuant to the definition of "Reference Rate" in Condition 4(g))*

  [- First CMS Spread Reference Rate: [EUR CMS][GBP CMS][USD CMS]

  - Specified Maturity: [ ] [months[s]] [year[s]]

  - Second CMS Spread Reference Rate: [EUR CMS][GBP CMS][USD CMS]

	- Specified Maturity:	[ ] [months[s]] [year[s]]
	- Cap:	[[ ] per cent. per annum] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(h), [less than or equal to][less than] shall apply.]
	- Floor:	[[ ] per cent. per annum] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(h), [greater than or equal to][greater than] shall apply.]
(xii)	Dual Range Accrual Note:	[Applicable][Not Applicable] (*If specified as "Applicable" then delete paragraph (x))*
	- - Reference Rate:	[BBSW/BKBM/LIBOR/EURIBOR/Federal Funds Effective Rate US/CDOR/SHIBOR/HIBOR/SIBOR/ SONIA/ SOFR / /CNH HIBOR/EUR CMS/GBP CMS/USD CMS/Other (specify)] [Not Applicable]
	- Specified Maturity:	[ ] [month[s]] [year[s]]
	[-Specified Currency:	[ ]]
	[- Relevant Screen Page:	[ ]] *(Delete if CMS is specified as Reference Rate*)
	[-Relevant Time:]	[[ ] [As specified in Condition 4(r)]] [As specified in Condition 4(r)]] *(Delete if CMS is specified as Reference Rate*)
	[- Relevant Financial Centre:]	[[ ]] *(Delete if CMS is specified as Reference Rate*)
[- Observation Look Back Period:		[ ] [London Banking Days] [Not Applicable]]
	- - Cap:	[[ ] per cent. per annum] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(h), [less than or equal to][less than] shall apply.]
	- - Floor:	[[ ] per cent. per annum] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(h), [greater than or equal to][greater than] shall apply.]
	- Reset Period:	[[ ] U.S. Government Securities Business Day(s)] [Not Applicable]
	- Suspension Period:	[[ ] U.S. Government Securities Business Day(s)] [Not Applicable]
	- - Reference Rate:	[BBSW/BKBM/LIBOR/EURIBOR/Federal Funds Effective Rate US/CDOR/SHIBOR/HIBOR/SIBOR /SONIA /SOFR/CNH HIBOR/EUR CMS/GBP CMS/USD CMS/Other (*specify*)] [Not Applicable]
	- Specified Maturity:	[ ] [month[s]] [year[s]]
	[- Specified Currency:	[ ]]

	[- Relevant Screen Page:	[ ]] *Delete if CMS is specified as Reference Rate*)
	[- Relevant Time:]	[[ ] [As specified in Condition 4(r)]] [As specified in Condition 4(r)]] *(Delete if CMS is specified as Reference Rate*)
	[- Relevant Financial Centre:]	[[ ]] *(Delete if CMS is specified as Reference Rate*)
	[Observation Look Back Period:	[ ] [London Banking Days] [Not Applicable]]
	- - Constant Maturity Swap Spread:	[Applicable] [Not Applicable] *(Constant Maturity Swap Spread is calculated by subtracting the Second CMS Spread Reference Rate from the First CMS Spread Reference Rate pursuant to the definition of "Reference Rate" in Condition 4(g))*
	- Reset Period:	[[ ] U.S. Government Securities Business Day(s)] [Not Applicable]
	- Suspension Period:	[[ ] U.S. Government Securities Business Day(s)] [Not Applicable]
	[- First CMS Spread Reference Rate:	[EUR CMS][GBP CMS][USD CMS]
	- Specified Maturity:	[ ] [months[s]] [year[s]]
	- Second CMS Spread Reference Rate:	[EUR CMS][GBP CMS][USD CMS]
	- Specified Maturity:	[ ] [months[s]] [year[s]]
	- - Cap:	[[ ] per cent. per annum] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(h), [less than or equal to][less than] shall apply.]
	- - Floor:	[[ ] per cent. per annum] [Not Applicable] [For the purposes of the definition of "N1" in Condition 4(h), [greater than or equal to][greater than] shall apply.]
(xiii)	Cut-Off Period:	[ ]*(Specify number of days for the purposes of the definition of "Rate" in Condition 4(g)*
(xiv)	Minimum Interest Rate:	[[ ] per cent. per annum] [Not Applicable]
(xv)	Maximum Interest Rate:	[[ ] per cent. per annum] [Not Applicable]
(xvi)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/360] [30/360 (ICMA)] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]
20	Zero Coupon Note Provisions *(for Unsubordinated Notes only)*:	[Applicable [in respect of the period from, and including, [ ] to, but excluding, [ ] *(specify if interest on the Note is calculated by reference to more than one interest rate (i.e. if there is to be a change in Interest Basis))*]/Not Applicable]]

			(If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i)	Compound Interest:	[Applicable/Not Applicable]
		(A) Amortisation Yield:	[[ ] per cent. per annum/Not Applicable]
	(ii)	Linear Interest:	[Applicable/Not Applicable]
		(A) Amortisation Yield:	[[ ] per cent. per annum/Not Applicable]
		(B) Accreting Payment Amount:	[ ] per Calculation Amount
		(C) Accreting Payment Period:	[Each period from (and including) [ ] to (but excluding) the next following [ ] [ ], except (a) that the initial Accreting Payment Period will commence on, and include, the Issue Date and (b) the final Accreting Payment Period will end on, but exclude, the Early Redemption Date or Maturity Date (whichever is first)]
		(D) Final Accreting Payment Period:	[[ ]/[the Accreting Payment Period immediately preceding the Maturity Date or the Early Redemption Date, as applicable]]
	(iii)	Day Count Fraction:	[ ]
	[(iv)]	[Any other relevant provisions and/or other formula/basis of determining amount payable or the Amortised Face Amount (if other than as specified in Condition 5(d)(ii)):]	[ ]
21	Index-Linked Interest Note/Other variable-linked interest Note Provisions *(for Unsubordinated Notes only)*:		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Index/Formula/ other variable:	[*give or annex details*]
	(ii)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Fiscal Agent in its capacity as Calculation Agent):	[Fiscal Agent/[ ] shall be the Calculation Agent (*insert name and address*)]
	(iii)	Provisions for determining the Rate(s) of Interest where calculated by reference to an Index and/or Formula and/or other variable:	[ ]

(iv)	Interest Determination Date(s):	[ ]	
(v)	Provisions for determining the Rate(s) of Interest where calculation by reference to an Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	[ ]	
(vi)	(a) Interest Payment Dates:	[[ ] in each year [commencing on [ ]]/[As defined in Condition 4(b)(i)]	
	(b) Interest or calculation Period(s):	[[ ] (*Specify either a period or periods or a specific date or dates if no Interest Payment Date(s) specified*)/[As defined in Condition 4(r)]]	
	(c) Interest Period Date:	[[ ] (*Specify either a date or dates if no Interest Payment Date(s) specified*)/[As defined in Condition 4(r)]]	
(vii)	Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]	
(viii)	Additional Business Centre(s):	[ ] / [Not Applicable] (*for the purposes of the definition of "Business Day*") [For the avoidance of doubt, [in addition to the Additional Business Centre[s] noted above,] [ ] [is/are] business centre[s] for the purposes of the definition of "Business Day" in Condition 4(r)]	
(ix)	Minimum Rate of Interest:	[[ ] per cent. per annum/Not Applicable]	
(x)	Maximum Rate of Interest:	[[ ] per cent. per annum/Not Applicable]	
(xi)	Day Count Fraction:	[ ]	
(xii)	Margin(s):	[[+/-] [ ] per cent. per annum/Not Applicable]	
(xiii)	Rate Multiplier:	[[ ]/Not Applicable]	
22	Dual Currency Note Provisions *(for Unsubordinated Notes only)*:	[Applicable [in respect of the period from, and including, [ ] to, but excluding, [ ] (*specify if interest on the Note is calculated by reference to more than one interest rate*)/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)	

(i)	Rate of Exchange/method of calculating Rate of Exchange and Rate(s) of Interest:	[*give details*]
(ii)	Party, if any, responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Fiscal Agent in its capacity as the Calculation Agent):	[Fiscal Agent/[ ] shall be the Calculation Agent (*insert name and address*)]
(iii)	Provisions applicable where calculation of Rate(s) of Interest by reference to Rate of Exchange impossible or impracticable:	[ ]
(iv)	Person at whose option Specified Currency(ies) is/are payable:	[ ]

PROVISIONS RELATING TO REDEMPTION

23	Call Option		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) [Any early redemption will be subject to the prior written approval of the Australian Prudential Regulation Authority (*for Subordinated Notes issued by ANZBGL only*)]
	(i)	Option Exercise Date(s) (if other than as set out in the Conditions):	[[ ] [The [10th]/[ ] Business Day prior to [each] Optional Redemption Date] (*If setting notice periods which are different to those provided in the terms and conditions, consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent*)/Not Applicable]
	(ii)	Optional Redemption Date(s):	[ ] [[*The Optional Redemption Date must not be earlier than 5 years from the Issue Date*.] (*include for Subordinated Notes only*)]
	(iii)	Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	[[ ] per Calculation Amount/other (*specify*)] [[, as it may be adjusted in accordance with Condition 5A.4] [*for Subordinated Notes issued by ANZBGL only*]]
	(iv)	If redeemable in part:	
		(a) Minimum Redemption Amount:	[[ ]/Not Applicable] (*not applicable to Subordinated Notes*)

	(b)	Maximum Redemption Amount:	[[ ]/Not Applicable] (*not applicable to Subordinated Notes*)
24	Put Option		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Option Exercise Date(s) (if other than as set out in the Conditions):	[ ] [The [10th]/[ ] Business Day prior to [each] Optional Redemption Date] (*If setting notice periods which are different to those provided in the terms and conditions, consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent*)
	(ii)	Optional Redemption Date(s):	[ ]
	(iii)	Optional Redemption Amount(s) and method, if any, of Amount/other (*specify*) calculation of such amount(s):	[[ ] per Calculation Amount/other(*specify*)]
25	Final Redemption Amount of each Note		[[ ] per Calculation Amount/Index Linked Redemption or other variable-linked/ other(*specify*)] [[, as it may be adjusted in accordance with Condition 5A.4] [*for Subordinated Notes issued by ANZBGL only*]] [See appendix for details.]]
	[*In cases where the Final Redemption Amount is index-linked or other variable-linked (for Unsubordinated Notes only)*:		
	(i)	Index/Formula/ variable:	[ ] (*give or annex details*)
	(ii)	Person responsible for calculating the Final Redemption Amount (if not the Fiscal Agent in its capacity as Calculation Agent):	[Fiscal Agent/[ ] shall be the Calculation Agent (*insert name and address*)]
	(iii)	Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable:	[ ]

	(iv) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:]	[*Include a description of any market disruption or settlement disruption events that affect the underlying*]
26	Early Redemption Amount: (*Early Redemption Amount(s) payable on redemption on account of a Regulatory Event, for taxation reasons, on an Event of Default or other early redemption and/or the method of calculating the same)*	[[ ] per Calculation Amount/Index-Linked Redemption or other variable-linked/Other (*Specify*) [See appendix for details]] [[, as it may be adjusted in accordance with Condition 5A.4] [*for Subordinated Notes issued by ANZBGL only*]] [As specified in Condition 5(d) [*for Zero Coupon Notes only*]] [Any early redemption will be subject to the prior written approval of the Australian Prudential Regulation Authority (*for Subordinated Notes issued by ANZBGL only*)]
27	Redemption for Regulatory Event *(for Subordinated Notes issued by ANZBGL only)*	[Applicable] [Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
28	Redemption for taxation reasons	
	Condition 5(b)(i)	Applicable (Note that Condition 5(b)(i) applies automatically)
	Condition 5(b)(ii) *(for Subordinated Notes issued by ANZBGL only)*	[Applicable] [Not Applicable]
	Condition 5(b)(iii) *(for Subordinated Notes issued by ANZBGL only)*	[Applicable] [Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

29	Form of the Notes:	[Bearer Notes/Registered Notes/VPS Notes] *(VPS Notes are for Unsubordinated Notes only)* [*If Bearer Notes*: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Bearer Notes in definitive form on 60 days' notice (or, following a failure to pay principal, on 30 days' notice) by the Issuer [or the holder as the case may be] [1] and ([in the limited circumstances specified in the Permanent Global Note].] [Temporary Global Note exchangeable for Bearer Notes in definitive form following the Exchange Date (as defined in the Temporary Global Note).] [Permanent Global Note exchangeable for Bearer Notes in definitive form on 60 days' notice (or, following a failure to pay principal, on 30 days' notice) by the Issuer [or the holder as the case may be] [2] [at any time/in the limited circumstances specified in the Permanent Global Note].]] [*If Registered Notes*: [Registered Global Note exchangeable for Certificates in definitive form in the limited circumstances specified in the Registered Global Note/Certificates in definitive form]] [*If VPS Notes*: [VPS Notes issued in uncertificated and dematerialised book entry form. See further item [3] of Part B below] *(for Unsubordinated Notes only)*]
30	Payment Business Day Convention:	[[Following/Modified Following]/[Not Applicable]]
31	Additional Financial Centre(s) or other special provisions relating to Payment Business Days:	[ ]/[Not Applicable] (*Note that this item relates to the definition of "Payment Business Day" and the place of payment in Condition 6(h), and not Additional Business Centres to which item 15(iii) relates*)] [For the avoidance of doubt, [in addition to the Additional Financial Centre[s] noted above,] [ ] [is/are] financial centre[s] for the purposes of the definition of "Payment Business Day" in Condition 6(h)]
32	Talons for future Coupons or Receipts to be attached to Notes in definitive form (and dates on which such Talons mature):	[Yes (*If yes, give details*)/No]
33	Details relating to Instalment Notes, including Instalment Amount(s) and Instalment Date(s):	[Not Applicable/(*give details*)]

[1] If the Specified Denomination includes language to substantially the following effect: "€[100,000] + €[1,000] (or equivalent in another currency) in excess thereof", the holder's option to request Bearer Notes in definitive form should be disapplied.

[2] If the Specified Denomination includes language to substantially the following effect: "€[100,000] + €[1,000] (or equivalent in another currency) in excess thereof", the holder's option to request Bearer Notes in definitive form should be disapplied.

34	Redenomination, renominalisation and reconventioning provisions:	[Not Applicable/*Condition 6(i) applies*/The provisions annexed to this Pricing Supplement apply]
35	Consolidation provisions:	[Not Applicable/The provisions annexed to this Pricing Supplement apply]
36	Governing Law:	English [, except in relation to subordination, Conversion and Write-Off provisions of the Notes which will be governed by, and construed in accordance with, the laws of the State of Victoria and the Commonwealth of Australia (*for Subordinated Notes issued by ANZBGL only*)][, except in relation to the registration of VPS Notes in the VPS as well as the recording and transfer of ownership to, and other interests in, VPS Notes and Condition 11(c) which will be governed by, and construed in accordance with, Norwegian law. The VPS Trustee Agreement is and the VPS Agency Agreement will be governed by, and construed in accordance with, Norwegian law VPS Notes must comply with the relevant regulations of the VPS and the holders of VPS Notes will be entitled to the rights and are subject to the obligations and liabilities which arise under the relevant Norwegian regulations and legislation. *(for Unsubordinated Notes only)*]

OTHER FINAL TERMS

37	Subordinated Notes:		[Applicable/Not Applicable]
	(i)	Conversion:	[Applicable] [Not Applicable] CD: [Not Applicable] [*please specify*] VWAP Period: [Not Applicable] [*please specify*]
	(ii)	Alternative Conversion Number:	[Applicable] [Not Applicable] [If Applicable, the Alternative Conversion Number is [*(specify number eg: 2)*]]
	(iii)	Write-Off (see Condition 5B.1 and 5C.1):	[Applicable] [Not Applicable] (Where "Not Applicable" is specified at this item 36(iii), this is without prejudice to the application of Condition 5B.5 where "Applicable" is specified at item 36(i))
38	Other final terms:		[Not Applicable/*give or Annex details of any other final terms*]

DISTRIBUTION

(*In the left hand column under "Distribution" the words in square brackets should be included for retail issues only*)

39	(i)	If syndicated, names [and addresses] of Managers:	[Not Applicable/(*give names*)]

	(ii)	Stabilising Manager (if any):	[Not Applicable/(*give name*)]
40	If non-syndicated, name [and address] of Dealer:		[Not Applicable/(*give name [and address]*)]
41	Additional selling restrictions:		[Not Applicable/(*give details*)]
42	US Selling Restrictions:		[*TEFRA Not Applicable/C Rules/D Rules/(applicable to Bearer Notes only)/Reg S. Category 2] (in the absence of any specification, the D Rules will apply*)

Signed on behalf of [Australia and New Zealand Banking Group Limited/ANZ Bank New Zealand Limited/ANZ New Zealand (Int'l) Limited]:

By: …… [By: ……
[Duly Authorised Signatory/Attorney] Duly Authorised Signatory][3]

[Signed on behalf of ANZ Bank New Zealand Limited:[4]

By: …… [By: ……
[Duly Authorised Signatory/Attorney] Duly Authorised Signatory][5]

[3] Delete if signed by an attorney of the entity.

[4] Include only if Issuer is ANZ New Zealand (Int'l) Limited.

[5] Delete if signed by an attorney of the entity.

PART B – OTHER INFORMATION

1	**LISTING**	[None, the Notes are not listed.] [Application [has been] [is expected to be] made by the Issuer for the Notes to be listed on the [*please specify*] with effect from [ ].
2	**RATINGS**	
	Ratings:	The Notes to be issued [have been]/[have not been]/[are expected to be] rated: [S&P Global Australia Pty Ltd: [ ]] [Moody's Investors Service Pty Limited: [ ]] [Fitch Australia Pty Ltd: [ ]][[Other]: [ ]] (*The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating*) A rating is not a recommendation by any rating organisation to buy, sell or hold Notes and may be subject to revision or withdrawal at any time by the assigning rating organisation.
3	**OPERATIONAL INFORMATION**	
	ISIN Code:	[ ]
	Common Code:	[ ]
	[FISN:	[[ ], as updated, as set out on the website of the Association of National Numbering Agencies ("**ANNA**") or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.]
	[CFI code:	[[ ], as updated, as set out on the website of ANNA or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.]
	Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s):	[Not Applicable//[Central Moneymarkets Unit Service/*give name(s), and number(s)*]] CMU Instrument No: [ ] CMU Lodging Agent: [ ] CMU Paying Agent: [ ]
	Delivery:	Delivery [against/free of] payment
	Names and addresses of additional Paying Agent(s) or other Agent(s) (if any):	[ ]
	Names and addresses of additional Paying Agent(s) (if any) or, in the case of VPS Notes, the VPS Agent and the VPS Trustee:	[ ]/Not Applicable.]

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	*Type of +security *Select one item from the list*	☐ Simple corporate bond ☐ Non-convertible note or bond ☐ Convertible note or bond ☐ Preference share/unit ☐ Capital note ☐ Hybrid security ☐ Other
	*+Security currency *This is the currency in which the face value of the security is denominated. It will also typically be the currency in which interest or distributions are paid.*	
	*Face value *This is the principal amount of each security.* *The face value should be provided per the security currency (i.e. if security currency is AUD, then the face value per security in AUD).*	
	*Interest rate type *Select one item from the list* *Select the appropriate interest rate type per the terms of the security. Definitions for each type are provided in the Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities*	☐ Fixed rate ☐ Floating rate ☐ Indexed rate ☐ Variable rate ☐ Zero coupon/no interest ☐ Other
	*Frequency of coupon/interest payments per year *Select one item from the list.*	☐ Monthly ☐ Quarterly ☐ Semi-annual ☐ Annual ☐ No coupon/interest payments ☐ Other
	*First interest payment date *A response is not required if you have selected "No coupon/interest payments" in response to the question above on the frequency of coupon/interest payments*	
	*Interest rate per annum *Answer this question if the interest rate type is fixed.*	% p.a.
	*Is the interest rate per annum estimated at this time? *Answer this question if the interest rate type is fixed.*	Yes or No
	*If the interest rate per annum is estimated, then what is the date for this information to be announced to the market (if known) *Answer this question if the interest rate type is fixed and your response to the previous question is "Yes".* *Answer "Unknown" if the date is not known at this time.*	
	*Does the interest rate include a reference rate, base rate or market rate (e.g. BBSW or CPI)? *Answer this question if the interest rate type is floating or indexed.*	Yes or No

	*What is the reference rate, base rate or market rate? *Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".*	
	*Does the interest rate include a margin above the reference rate, base rate or market rate? *Answer this question if the interest rate type is floating or indexed.*	Yes or No
	*What is the margin above the reference rate, base rate or market rate (expressed as a percent per annum) *Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".*	% p.a.
	*Is the margin estimated at this time? *Answer this question if the interest rate type is floating or indexed.*	Yes or No
	*If the margin is estimated, then what is the date for this information to be announced to the market (if known) *Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".* *Answer "Unknown" if the date is not known at this time.*	
	*S128F of the Income Tax Assessment Act status applicable to the +security *Select one item from the list* *For financial products which are likely to give rise to a payment to which s128F of the Income Tax Assessment Act applies, ASX requests issuers to confirm the s128F status of the security:* • *"s128F exempt" means interest payments are not taxable to non-residents;* • *"Not s128F exempt" means interest payments are taxable to non-residents;* • *"s128F exemption status unknown" means the issuer is unable to advise the status;* *"Not applicable" means s128F is not applicable to this security*	☐ s128F exempt ☐ Not s128F exempt ☐ s128F exemption status unknown ☐ Not applicable
	*Is the +security perpetual (i.e. no maturity date)?	Yes or No
	*Maturity date *Answer this question if the security is not perpetual*	

	*Select other features applicable to the +security *Up to 4 features can be selected. Further information is available in the Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities.*	☐ Simple ☐ Subordinated ☐ Secured ☐ Converting ☐ Convertible ☐ Transformable ☐ Exchangeable ☐ Cumulative ☐ Non-Cumulative ☐ Redeemable ☐ Extendable ☐ Reset ☐ Step-Down ☐ Step-Up ☐ Stapled ☐ None of the above
	*Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?	Yes or No
	*If yes, what is the first trigger date *Answer this question if your response to the previous question is "Yes".*	
	*Details of the number and type of +security (including its ASX security code if the +security is quoted on ASX) that will be issued if the +securities to be quoted are converted, transformed or exchanged *Answer this question if the security features include "converting", "convertible", "transformable" or "exchangeable".* *For example, if the security can be converted into 1,000 fully paid ordinary shares with ASX security code ABC, please insert "1,000 fully paid ordinary shares (ASX:ABC)".*	
8C.7d	**Details of wholesale debt securities** *Answer the questions in this section if you selected this security type in your response to Question Q8C.2.* *Refer to Guidance Note 34 and the "Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities" for further information on certain terms used in this section*	
	CFI	DTFQFR, as updated, as set out on the website of the Association of National Numbering Agencies ("**ANNA**") or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.
	FISN	AUSTRALIA AND N/3EMTN 20401217, as updated, as set out on the website of ANNA or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.

	*+Security currency *This is the currency in which the face value of the security is denominated. It will also typically be the currency in which interest or distributions are paid.*	AUD
	Total principal amount of class	AUD 330,000,000
	Face value *This is the offer / issue price or value at which the security was offered on issue.*	100% of the aggregate principal amount of the Notes (issued in denominations of AUD 200,000 and integral multiples of AUD 2,000)
	Number of +securities *This should be the total principal amount of class divided by the face value*	Aggregate principal amount of AUD 330,000,000 issued in denominations of AUD 200,000 and integral multiples of AUD 2,000 in excess thereof
	*Interest rate type *Select the appropriate interest rate type per the terms of the security.*	☒ Fixed rate ☐ Floating rate ☐ Fixed to floating ☐ Floating to fixed
	*Frequency of coupon/interest payments per year *Select one item from the list. The number of interest payments to be made per year for a wholesale debt security.*	☐ Monthly ☐ Quarterly ☐ Semi-annual ☒ Annual ☐ No payments
	*First interest payment date *A response is not required if you have selected "No payments" in response to the question above on the frequency of coupon/interest payments.*	17 December 2021
	*Interest rate per annum *A response is not required if you have selected "No payments" in response to the question above on the frequency of coupon/interest payments. The rate represents the total rate for the first payment period which may include a reference or base rate plus a margin rate and other adjustment factors where applicable, stated on a per annum basis. If the rate is only an estimate at this time please enter an indicative rate and provide the actual rate once it has become available.*	3.00%
	*Maturity date *The date on which the security matures.*	17 December 2040
	Class type description	AUD 330,000,000 3.00 per cent. Fixed Rate Subordinated Notes due December 2040

	*S128F of the Income Tax Assessment Act status applicable to the +security *Select one item from the list* *For financial products which are likely to give rise to a payment to which s128F of the Income Tax Assessment Act applies, ASX requests issuers to confirm the s128F status of the security:* • *"s128F exempt" means interest payments are not taxable to non-residents;* • *"Not s128F exempt" means interest payments are taxable to non-residents;* • *"s128F exemption status unknown" means the issuer is unable to advise the status;* *"Not applicable" means s128F is not applicable to this security*	☒ s128F exempt ☐ Not s128F exempt ☐ s128F exemption status unknown ☐ Not applicable

Introduced 01/12/19; amended 31/01/20; amended 18/07/20

THIS PRICING SUPPLEMENT WILL BE ISSUED IN RESPECT OF NOTES WHICH ARE NOT ADMITTED TO THE OFFICIAL LIST OF THE UK FINANCIAL CONDUCT AUTHORITY OR TO ANY OTHER EUROPEAN ECONOMIC AREA OR UNITED KINGDOM REGULATED MARKET OR OFFERED TO THE PUBLIC IN THE EUROPEAN ECONOMIC AREA OR IN THE UNITED KINGDOM FOR THE PURPOSES OF THE PROSPECTUS REGULATION. THE PRICING SUPPLEMENT HAS NOT BEEN REVIEWED OR APPROVED BY THE UK FINANCIAL CONDUCT AUTHORITY AND DOES NOT CONSTITUTE A PROSPECTUS FOR THE PURPOSES OF THE PROSPECTUS REGULATION.

PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS: The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area **("EEA"**) or in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (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 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK will be prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

MiFID II product governance/Professional investors and eligible counterparties only target market – Solely for the purposes of each relevant Manager's product approval process as a MiFID II "manufacturer", the target market assessment completed by the relevant Manager in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels. The Issuer is not subject to MiFID II and any implementation thereof by an EU Member State. The Issuer is therefore not a "manufacturer" for the purposes of the MiFID Product Governance Rules under EU Delegated Directive 2017/593 and has no responsibility or liability for identifying a target market, or any other product governance obligation set out in MiFID II, for financial instruments it issues (including the foregoing target market assessment for the Notes described in this legend).

Notification under Section 309(B)(1) of the Securities and Futures Act of Singapore (the "SFA") – The Notes are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the "**MAS**") Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Australia and New Zealand Banking Group Limited
(Australian Business Number 11 005 357 522)
(Incorporated with limited liability in Australia and registered in the State of Victoria)
Legal Entity Identifier: JHE42UYNWWTJB8YTTU19
US$60,000,000,000
Euro Medium Term Note Programme

Series No: 2032

Tranche No: 1

AUD 330,000,000 3.00 per cent. Subordinated Notes due 17 December 2040

Issue Price: 100 per cent.

Australia and New Zealand Banking Group Limited

HSBC Bank plc

(the "Joint Lead Managers")

The date of this Pricing Supplement is 15 December 2020

PART A – CONTRACTUAL TERMS

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Information Memorandum dated 20 November 2020 (the "**Information Memorandum**"). This Pricing Supplement of the Notes must be read in conjunction with the Information Memorandum.

1		Issuer	Australia and New Zealand Banking Group Limited
2	(i)	Series Number:	2032
	(ii)	Tranche Number:	1
3	(i)	Specified Currency or Currencies:	Australian Dollars ("**AUD**")
	(ii)	Exotic Currency Payments:	Not Applicable
	(iii)	Exotic Currency Relevant Time:	Not Applicable
	(iv)	Exotic Currency Thomson Reuters Screen Page:	Not Applicable
4	Aggregate Principal Amount:		AUD 330,000,000
	(i)	Series:	AUD 330,000,000
	(ii)	Tranche:	AUD 330,000,000
5	Issue Price:		100 per cent. of the Aggregate Principal Amount
6	(i)	Specified Denomination(s) (and Principal Amount):	AUD 200,000 and integral multiples of AUD 2,000 in excess thereof, as it may be adjusted in accordance with Condition 5A.4 *The minimum aggregate consideration payable in respect of an offer or invitation in Australia or any offer or invitation received in Australia must be no less than AUD 500,000 (or its equivalent in an alternate currency, in each case, disregarding moneys lent by the offeror or its associates) unless the offer or invitation does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act. In every case, an offer or invitation must not be to a retail client (as defined in section 761G of the Corporations Act)*
	(ii)	Calculation Amount:	AUD 2,000, as it may be adjusted in accordance with Condition 5A.4
7	(i)	Issue Date:	17 December 2020
	(ii)	Interest Commencement Date:	Issue Date
8	Maturity Date:		17 December 2040

9	Interest Basis:		Fixed Rate (Further particulars specified below)
10	Redemption/Payment Basis:		Redemption at Par
11	Change of Interest or Redemption/Payment Basis:		Not Applicable
12	Put/Call Options:		Not Applicable
13	Status of the Notes:		Subordinated Notes
14	Method of distribution:		Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15	Fixed Rate Note Provisions			Applicable
	(i)	Rate of Interest:		3.00 per cent. per annum payable annually in arrear
	(ii)	(a)	Interest Payment Date(s):	17 December in each year commencing on 17 December 2021; in each case subject to adjustment for payment purposes only in accordance with the Business Day Convention specified below
		(b)	Interest Period(s):	As defined in Condition 4(r)
		(c)	Interest Period Date:	As defined in Condition 4(r)
	(iii)	Fixed Coupon Amount:		AUD 60.00 per Calculation Amount, as it may be adjusted in accordance with Condition 5A.4
	(iv)	Broken Amount(s):		Not Applicable
	(v)	Day Count Fraction:		Actual/Actual (ICMA)
	(vi)	Business Day Convention:		Following Business Day Convention
		(a)	Adjusted:	Not Applicable
		(b)	No Adjustment:	Applicable
	(vii)	Additional Business Centre(s):		Not Applicable For the avoidance of doubt, London and Sydney are business centres for the purposes of the definition of "Business Day" in Condition 4(r)
	(viii)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):		The Fiscal Agent shall be the Calculation Agent

	(ix)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
16	Floating Rate Note Provisions		Not Applicable
17	CMS Rate Note *Provisions (for Unsubordinated Notes only)*:		Not Applicable
18	Inverse Floating Rate Note Provisions *(for Unsubordinated Notes only)*:		Not Applicable
19.	Range Accrual Note Provisions *(for Unsubordinated Notes only)*:		Not Applicable
20	Zero Coupon Note Provisions *(for Unsubordinated Notes only)*:		Not Applicable
21	Index-Linked Interest Note/Other variable-linked interest Note Provisions *(for Unsubordinated Notes only)*:		Not Applicable
22	Dual Currency Note Provisions *(for Unsubordinated Notes only)*:		Not Applicable

PROVISIONS RELATING TO REDEMPTION

23	Call Option	Not Applicable
24	Put Option	Not Applicable
25	Final Redemption Amount of each Note	AUD 2,000 per Calculation Amount, as it may be adjusted in accordance with Condition 5A.4
26	Early Redemption Amount: (*Early Redemption Amount(s) payable on redemption on account of a Regulatory Event, for taxation reasons, on an Event of Default or other early redemption and/or the method of calculating the same)*	AUD 2,000 per Calculation Amount, as it may be adjusted in accordance with Condition 5A.4 Any early redemption will be subject to the prior written approval of the Australian Prudential Regulation Authority
27	Redemption for Regulatory Event *(for Subordinated Notes issued by ANZBGL only)*	Applicable
28	Redemption for taxation reasons	
	Condition 5(b)(i)	Applicable (Note that Condition 5(b)(i) applies automatically)

	Condition 5(b)(ii) *(for Subordinated Notes issued by ANZBGL only)*	Applicable
	Condition 5(b)(iii) *(for Subordinated Notes issued by ANZBGL only)*	Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

29	Form of the Notes:	Registered Notes Registered Global Note exchangeable for Certificates in definitive form in the limited circumstances specified in the Registered Global Note
30	Payment Business Day Convention:	Following
31	Additional Financial Centre(s) or other special provisions relating to Payment Business Days:	Not Applicable For the avoidance of doubt, London and Sydney are financial centres for the purposes of the definition of "Payment Business Day" in Condition 6(h)
32	Talons for future Coupons or Receipts to be attached to Notes in definitive form (and dates on which such Talons mature):	No
33	Details relating to Instalment Notes, including Instalment Amount(s) and Instalment Date(s):	Not Applicable
34	Redenomination, renominalisation and reconventioning provisions:	Not Applicable
35	Consolidation provisions:	Not Applicable
36	Governing Law:	English, except in relation to subordination, Conversion and Write-Off provisions of the Notes which will be governed by, and construed in accordance with, the laws of the State of Victoria and the Commonwealth of Australia

OTHER FINAL TERMS

37	Subordinated Notes:	Applicable
	(i) Conversion:	Applicable CD: 1.00 per cent. VWAP Period: 5 Business Days
	(ii) Alternative Conversion Number:	Not Applicable

	(iii)	Write-Off (see Condition 5B.1 and 5C.1):	Not Applicable (Where "Not Applicable" is specified at this item 36(iii), this is without prejudice to the application of Condition 5B.5 where "Applicable" is specified at item 36(i))
38	Other final terms:		Not Applicable

DISTRIBUTION

39	(i)	If syndicated, names of Managers:	Australia and New Zealand Banking Group Limited HSBC Bank plc
	(ii)	Stabilising Manager (if any):	Not Applicable
40	If non-syndicated, name of Dealer:		Not Applicable
41	Additional selling restrictions:		Not Applicable
42	US Selling Restrictions:		TEFRA Not Applicable; Reg S. Category 2

Signed on behalf of Australia and New Zealand Banking Group Limited

By: [redacted] …… Duly Authorised Signatory/Attorney

PART B – OTHER INFORMATION

1 LISTING

Application is expected to be made by the Issuer for the Notes to be listed as a debt security on the Australian Securities Exchange on or about the Issue Date

The Notes will not be transferred through, or registered on, the Clearing House Electronic Sub-Register System (CHESS) operated by ASX Settlement Pty Ltd (ABN 49 008 504 532) and will not be "Approved Financial Products" for the purposes of that system. Interests in the Notes will be instead held in, and transferrable through, Euroclear Bank SA/NV or Clearstream Banking, S.A.

No transfers will be made to retail clients (as defined in section 761G of the Corporations Act 2001 of Australia) and no bids or offers may be made on an Australian Securities Exchange trading platform with a value less than AUD 500,000 (or its equivalent in an alternate currency)

2 RATINGS

Ratings: [redacted]

3 OPERATIONAL INFORMATION

ISIN Code:	XS2273246350
Common Code:	227324635
FISN:	AUSTRALIA AND N/3EMTN 20401217, as updated, as set out on the website of the Association of National Numbering Agencies ("**ANNA**") or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.
CFI code:	DTFQFR, as updated, as set out on the website of ANNA or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.
Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s):	Not Applicable
Delivery:	Delivery against payment
Names and addresses of additional Paying Agent(s) or other Agent(s) (if any):	Not Applicable

Names and addresses of additional Paying Agent(s) (if any) or, in the case of VPS Notes, the VPS Agent and the VPS Trustee:	Not Applicable