

Exchange Notice – ANZ Capital Notes

19 November 2021

ANZ to redeem Capital Notes (ANBHB) on 31 December 2021

ANZ Bank New Zealand Limited (**ANZ**) advises that it has elected to redeem all of the NZ\$500 million of mandatory convertible perpetual subordinated securities under ticker code ANBHB (**Capital Notes**) on 31 December 2021 (**Exchange Date**), following the occurrence of a Regulatory Event (**the Redemption**).

Regulatory Event

On 17 June 2021, ANZ determined that a Regulatory Event (as defined in the deed poll for the Capital Notes dated 23 February 2015, as amended and restated on 26 June 2019) (**Deed Poll**) had occurred in respect of the Capital Notes.

This followed publication of the new Banking Prudential Requirements (**BPRs**) by the Reserve Bank of New Zealand. Under changes outlined in the BPRs, from 1 January 2022 there will be a 12.5% reduction in the regulatory capital recognition of ANZ's existing Additional Tier 1 capital instruments, including the Capital Notes.

ANZ is permitted under the Deed Poll to redeem the Capital Notes following the occurrence of a Regulatory Event, subject to certain conditions outlined in the Deed Poll.

Redemption

On the Exchange Date, ANZ will pay to the holders of Capital Notes as at the Record Date (21 December 2021) the Face Value (NZ\$1.00) of each Capital Note held. Further, ANZ will pay interest on the Capital Notes on the Exchange Date, as described below.

Interest

On 25 November 2021, the interest rate on the Capital Notes will be reset in accordance with the Deed Poll.

Interest will be paid on the Exchange Date for the period from (and including) 25 November 2021 to (but excluding) 31 December 2021 (subject to certain conditions outlined in the Deed Poll).

Questions

If holders have any queries regarding the Redemption, they can contact Computershare on +64 9 488 8777 or enquiry@computershare.co.nz.

ANZ will also send a letter to each holder setting out the implications of this Exchange Notice.