

INFORMATION ABOUT ANZ'S WATER POLICY

OVERVIEW

We are committed to sustainable development and recognise the importance of playing a role in the management of water as a resource utilised across our diverse customer base and varied geographies.

Water is a scarce resource in many regions in which we operate and issues of quality, demand, access, security and management are significant concerns for industries and communities.

We support customers who share our values and who are working to adopt and deliver responsible practices to improve water management and assist the economic development of our region.

We also support infrastructure projects that promote improved use and management of water as a resource.

Our Water policy guides decision-making relating to transactions that have an impact on water demand, supply and utilisation.

Our policy settings have been developed in consultation with our customers, NGOs, governments, industry and sector experts. We have developed this policy to meet our objectives of being a responsible business and to support and encourage our customers to improve their social and environmental performance.

ANZ'S APPROACH

Our commitment to sustainable development involves evaluating the economic, social and environmental impacts of decisions we make. Accordingly ANZ requires its decision makers to actively assess environmental and social issues associated with customers they are considering. Decision makers and our customers must have awareness of the impacts of water utilisation. This includes, but is not limited to quality, demand, access, security and resource management.

Our water policy adopts a principles-based risk framework which is applied to decision-making in water-related transactions. This includes entities involved in water supply and entities that use water as part of their business operations. The following principles help inform our decision-making on clients, transactions and business strategies:

- *ANZ supports water-related customers that demonstrate a balanced approach to social, environmental and developmental impacts*
- *ANZ supports and encourages customers to adopt management practices to continuously improve their social and environmental performance*
- *ANZ supports water related customers that use internationally accepted industry management practices to manage social, environmental and economic impacts (including affects on human rights, biodiversity, cultural heritage, Indigenous rights, health and safety, governance and environmental sustainability)*

ANZ's approach to decision-making on water issues is based on the concept of stewardship across the water management cycle. In the first instance we will work to ensure our customers are compliant with relevant host country laws, regulations and permits that pertain to environmental and social issues. We will also work closely with our customers as they invest in new and improved technologies.

ANZ expects water related customers to use, or migrate towards, internationally accepted and best practice management techniques and technologies. Our water policy applies in all regions where we operate and covers all products and services that we provide to our business customers.

Our super-regional strategy commits us to growth in countries with varied water quality, demand, access, security and management issues. Individual government policies may establish different economic, social and environmental objectives and we take these objectives into account when applying our policy.

ANZ expects customers to manage and engage with all their stakeholders by implementing appropriate stakeholder engagement strategies and plans to deal with environmental and social issues associated with their activities.

ENCOURAGING WATER STEWARDSHIP

ANZ's Water policy commits us to support customers in adopting cost-effective water use efficiency, recycling and reuse initiatives in all activities across the water cycle including water supply, water usage and water treatment.

We will work with irrigation and water-intensive industrial customers covered by this policy to encourage them to develop water management plans that cover issues such as water loss prevention measures, water quality, metering and management of discharges.

CONCLUSION

As a leading financial institution in Australia, New Zealand and Asia Pacific, we recognise the importance of sustainability. Through the application of our Water policy, our aim is to work closely with our customers to meet or transition towards best practice. We will support customers who are continuously improving water management practices, recognising this will deliver environmental, economic and social benefits to the businesses and communities in which they operate.

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