

ANZ GREEN BOND

SEPTEMBER 2019 QUARTER INVESTOR UPDATE

As part of ANZ's commitment to actively managing and reducing the environmental impact of its activities, ANZ issued an AUD 600 million 5 year fixed rate Green Bond in June 2015. The bond finances in part, a portfolio of loan assets in renewable energy projects and commercial low carbon buildings in the Asia Pacific region that meet the Eligibility Criteria for Use of Proceeds as set out in our [Framework](#). At issuance the portfolio of loans amounted to approximately AUD 1 billion.

ANZ publishes Green Bond Impact reports which provide the impact of asset investment on communities and the environment.

Certification & Verification

ANZ's Framework has been assured by Ernst & Young ("EY") against Climate Bonds Initiative ("CBI") criteria. The Green Bond issuance was also assured by EY against the CBI criteria on a pre-issuance basis and continues to be assured on a post-issuance basis annually (access the latest Assurance statement [here](#))

ANZ may seek further certification from the CBI if the Framework changes or if a particular issuance requires it as determined by ANZ, in which case further assurance from a CBI-approved verifier (for example, EY) will also be sought. This assurance will ensure that the issuance aligns with the process and procedure set out in the Framework on a pre-issuance basis and at least once post-issuance in accordance with the CBI criteria as it stands from time to time.

Eligible Assets

The Green Bond was used to refinance ANZ's loan assets in certain CBI-eligible asset classes, namely renewable energy (wind, solar) and green buildings. Appendix 1 sets out the current list of Eligible Assets, together with further information on how Eligible Assets are defined.

To comply with the CBI standards and in particular requirements on "unallocated proceeds", ANZ stated its intention to ensure that the balance of Eligible Assets would always be greater than or equal to the Green Bonds outstanding. The following table sets out the Eligible Assets position as at the end of each quarter:

Table 1: Eligible Assets balance

Date	Eligible Asset balance (AUD m)	Green Bonds Outstanding (AUD m)	Unallocated Proceeds (AUD m)	Action Taken
Dec 2017	\$1,014.1	\$600	\$0	N/A
Mar 2018	\$974.05	\$600	\$0	N/A
Jun 2018	\$757.21	\$600	\$0	N/A
Sept 2018	\$761.06	\$600	\$0	N/A
Dec 2018	\$703.64	\$600	\$0	N/A
Mar 2019	\$701.60	\$600	\$0	N/A
Jun 2019	\$698.42	\$600	\$0	N/A
Sep 2019	\$730.28	\$600	\$0	N/A
Oct 2019*	\$574.96	\$600	\$25	see Note below
1 Nov 2019*	\$672.96	\$600	\$0	N/A
30 Nov 2019*	\$838.79	\$600	\$0	N/A

In addition, ANZ may substitute, remove or add new Eligible Assets as Use of Proceeds to assist with managing these requirements, and also where Eligible Assets no longer remain on ANZ's balance sheet due to maturity, refinance or termination.

*** Important Note:**

This Use of Proceeds report covers the quarter ending 30 September 2019 and is extended to cover both the months ending 31 October 2019 and 30 November 2019. This is to address an AUD25m surplus funds position for the period 2 October 2019 – 1 November 2019.

This surplus funds position arose due to the full repayment of one asset on 2 October 2019 prior to the drawing of another asset on 1 November 2019. As of 1 November 2019, following the drawing of this asset, the Eligible Asset pool balance was increased to AUD673m. As of 30 November 2019, following the addition of a further asset during November, the Eligible Asset pool balance is AUD838.79m.

ANZ confirms that for the surplus funds period, consistent with the CBI certification, the value of the government and semi-government securities that ANZ owned as part of its daily general cash management Treasury function were in excess of the unallocated proceeds in the relevant period.

Enquiries

Enquires in relation to this report or ANZ Green Bonds can be directed to DebtIR@anz.com

Please note: This report will be reissued/updated as soon as practicable after any re-certification or re-assurance of the Green Bonds, or any verification of new Eligible Assets as a result of substitution or addition. This report will also be updated within 120 days after ANZ issues its year-end results, if an update has not already occurred as a result of re-certification, re-assurance or verification of new assets.

APPENDIX 1

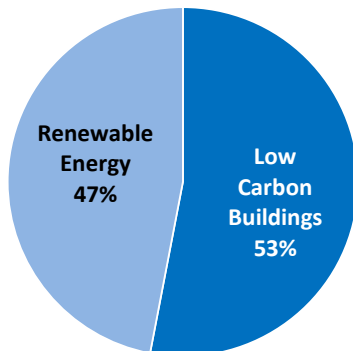
a) List of Eligible Assets as at 30 November 2019

Project	Class	Country
Bald Hills Wind Farm	Wind	Australia
Burgos Wind Farm	Wind	Philippines
Changbin Wind Farm	Wind	Taiwan
Chungwei Wind Farm	Wind	Taiwan
Coonooer Bridge Wind Farm	Wind	Australia
Granville Harbour Wind Farm	Wind	Australia
Mahinerangi Wind Farm	Wind	New Zealand
Miaoli Wind Farm	Wind	Taiwan
Murra Warra Wind Farm	Wind	Australia
Taralga Wind Farm	Wind	Australia
Tararua Wind Farm	Wind	New Zealand
Collins Square, Melbourne	Building	Australia
Southern Cross	Building	Australia
Frasers Green Loan	Buildings	Australia
Investa Green Loan	Buildings	Australia
Brookfield/388 George Street	Building	Australia

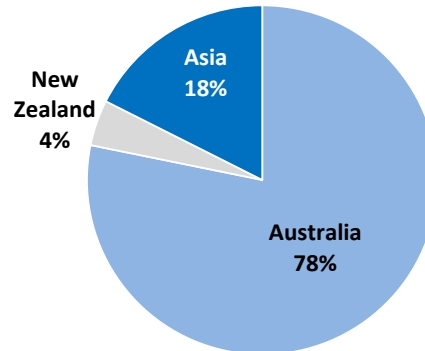
Current Aggregated Volume

~A\$838M

By Asset Class



By Geography



b) Definition of Eligible Assets (summary of CBI criteria):

Wind – projects involved in the development, construction and operation of wind farms; or operate production facilities dedicated solely to wind energy; or have wholly dedicated transmission infrastructure for wind farms.

Solar – projects involved in the development, construction and operation of generation facilities, where 100% of electricity is derived from solar energy or where no more than 15% of electricity is supported by gas fired back-up; or projects that operate production facilities wholly dedicated to solar energy development; or projects with wholly dedicated transmission infrastructure for eligible solar electricity generation facilities.

Commercial Buildings – commercial buildings that meet a minimum required threshold of CO2 emissions as established by the CBI based on the top 15% of buildings in each city for low carbon emission intensity (checked and reported annually).