

ANZ
SUSTAINABLE DEVELOPMENT
GOALS BONDS

USE OF PROCEEDS REPORT

AS AT 31 MARCH 2021



INTRODUCTION TO ANZ SDG BONDS

This report provides an update to investors as at 31 March 2021, on the use of proceeds of the Australia and New Zealand Banking Group Limited (“ANZ”) Sustainable Development Goals Bonds (“**SDG Bonds**”) currently on issue.

This report should be read in conjunction with the ANZ SDG Bond Framework (“Framework”) as undefined capitalized terms have the meaning given in the Framework, unless the context otherwise requires.

ANZ has now issued four SDG Bonds totaling 5.23 billion (AUD equivalent), having undertaken one new issuance in the 2021 financial year-to-date.

SUMMARY OF ANZ SDG BONDS ON ISSUE AS AT 31 MARCH 2021

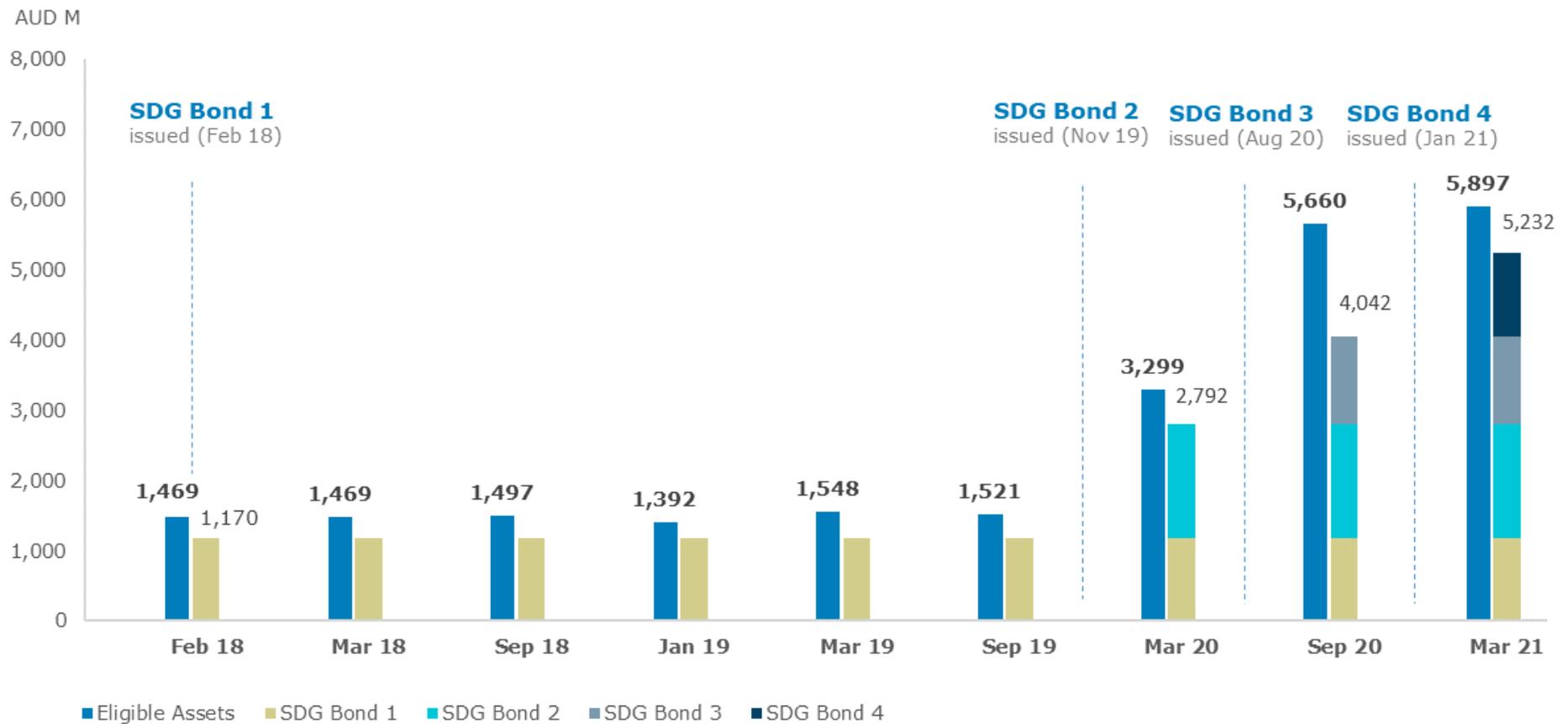
	2018	2019	2020	2021
	FEB 18	NOV 19	AUG 20	JAN 21
	SDG BOND 1	SDG BOND 2	SDG BOND 3	SDG BOND 4
ISSUED	EUR 750M	EUR 1B	AUD 1.25B	EUR 750M
FORMAT	Senior	Tier 2	Tier 2	Tier 2
MATURITY	21 February 2023	21 November 2029	26 February 2031	5 May 2031
OPTIONAL REDEMPTION DATE	NA	21 November 2024	26 February 2026	5 May 2026
AUD ISSUANCE PROCEEDS	1.17B	1.62B	1.25B	1.19B
ISIN	XS1774629346	XS2082818951	AU3FN0055687	XS2294372169

ANZ has issued, and may, from time to time, issue other bonds, notes or debt securities and use their proceeds of issue to finance or refinance Eligible Assets (“Other SDG Securities”). ANZ may, from time to time, re-allocate or apportion at its discretion Eligible Assets among the SDG Bonds and Other SDG Securities. Please note ANZ reporting now presents the Australian dollar proceeds as hedged at issue against the Australian dollar Eligible Asset portfolio.

ANZ is pleased to have been recognized as KangaNews’ Australian Sustainability Issuer of the Year 2020 and Australian Sustainability Debt House of the Year 2020. These awards are in addition to those previously awarded by Finance Asia as detailed in the prior [Use of Proceeds and Impact Report](#).



HISTORICAL VOLUME OF ELIGIBLE ASSETS AND SDG BONDS (AUD EQUIVALENT)



The above chart shows the total volume (AUD million) of Eligible Assets as at 31 March 2021 and as at past reporting periods.

100% of proceeds from ANZ's SDG Bonds were allocated to Eligible Assets at issuance, and remain fully allocated as at 31 March 2021.

ANZ AND THE SDGS

On 1 January 2016, the United Nations Sustainable Development Goals (SDGs) came into effect. The 17 goals and 169 targets are aimed at solving the world's most pressing challenges; ending global poverty, protecting our planet and ensuring human rights by 2030.

ANZ is committed to the SDGs, which we consider to represent an opportunity for business-led solutions and technologies to be developed and implemented. In recognition of the important role business will play in achieving the SDGs, ANZ's CEO Shayne Elliott joined over 30 leaders from the Australian business community to sign a public CEO Statement of Support for the Goals in September 2016.

Since then, we have sought to better understand the SDGs and the linkages to our business. Since 2016 we have mapped our material issues and ESG targets to relevant SDGs, which are made public as part of our ESG reporting. Additionally, in 2019 we became a founding signatory to the UN Principles for Responsible Banking.

ANZ's commitment to the SDGs is further highlighted by our issuance of SDG bonds and associated Use of Proceeds and Impact reporting, in addition to our regular ESG reporting. Through the ongoing management of our SDG Bond program, ANZ aims to be a leader in assisting the ongoing development of sustainable capital markets.

ANZ SDG BOND FRAMEWORK

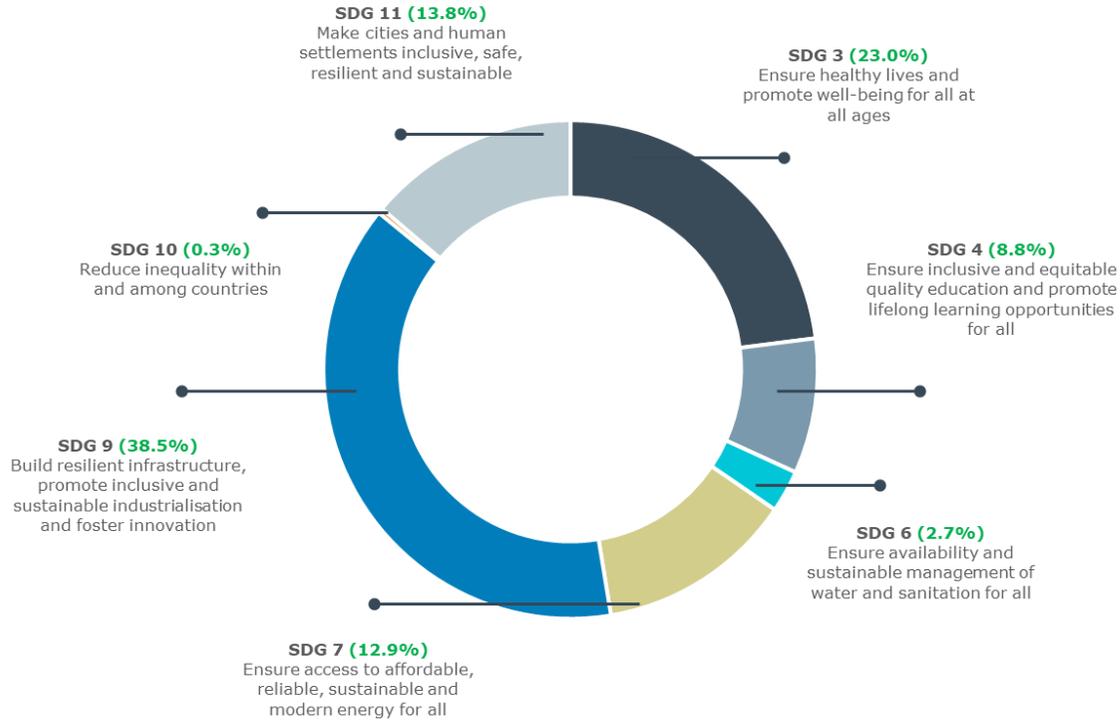
The ANZ SDG Bond Framework was developed in line with the International Capital Market Association's ("ICMA") [Green Bond Principles \("GBP"\) 2018](#), [Social Bond Principles \("SBP"\) 2020](#), and related [Sustainability Bond Guidelines \("SBG"\) 2018](#). The proceeds of the SDG Bonds have been used to finance or refinance assets that align with ANZ's Eligible Categories and that promote any of the eleven SDGs which ANZ selected. ANZ recommends that this report be read in conjunction with the full version of the ANZ SDG Bond Framework, most recently updated in August 2020, which is available on the ANZ Debt Investor Centre [website](#).



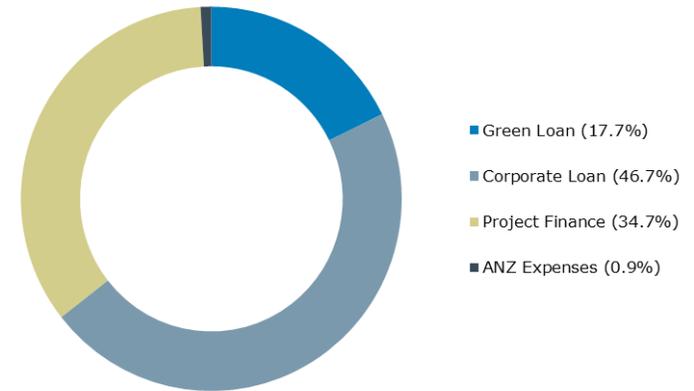
ALLOCATION OF BOND PROCEEDS

The proceeds from ANZ’s SDG Bonds on issue have been fully allocated to Eligible Assets which align with seven of the eleven selected SDGs. There are no unallocated proceeds. The following charts illustrate the breakdown of Eligible Assets as at 31 March 2021.

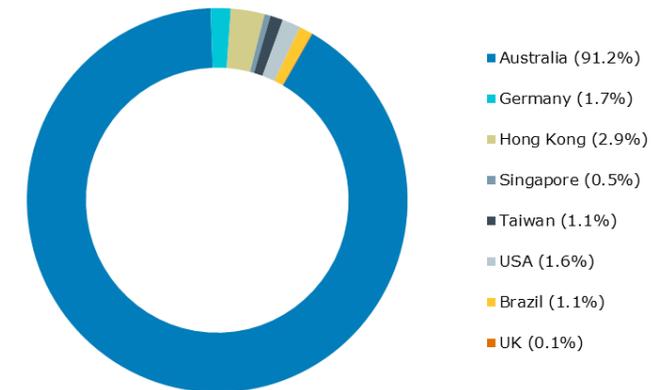
ALLOCATION OF PROCEEDS BY SDG (31 MARCH 2021):



ALLOCATION OF PROCEEDS BY LOAN (31 MARCH 2021):



ALLOCATION OF PROCEEDS BY LOCATION (31 MARCH 2021):



Reporting Notes

- The volume of Eligible Assets is as at 31 March 2021, and is sourced from ANZ’s SDG Bond Asset Register.
- There is no link between the Eligible Assets and the SDG Bonds themselves, as set out in the pricing supplements for the SDG Bonds, dated 19 February 2018, 21 November 2019, 19 August 2020 and 3 February 2021.

USE OF PROCEEDS SUMMARY

AS AT 31 MARCH 2021

SDG	SDG Target	GBP/SBP Project Category	Eligible Asset	Aggregate Asset Volume (AUD million)	% of Eligible Assets
	3.4, 3.5, 3.8	Access to essential services	Hospital Aged Care	1,355.96	23.0%
	4.3, 4.4, 4.5	Access to essential services Socioeconomic advancement and empowerment	Schools Tertiary Education Tertiary Educational Student Housing	517.63	8.8%
	6.1	Sustainable water and wastewater management	Drinking Water	161.64	2.7%
	7.2, 7.b	Renewable energy	Renewable Energy Generation – Wind, Solar and Battery	758.92	12.9%
	9.4	Green buildings	Buildings with Green Standard	2,268.15	38.5%
	10.2	Socioeconomic advancement and empowerment	Financial Education Programs	19.06	0.3%
	11.1, 11.2	Affordable housing Affordable basic infrastructure Clean transportation	Affordable Housing Clean Transportation Facilities	815.54	13.8%
Total AUD million				5,896.91	100%

Notes

1. Assurance:

Ernst & Young ("EY") has provided reasonable assurance as at 14 December 2020 over whether the SDG Bonds continue to meet the requirements of the ICMA Sustainability Bond Guidelines and the requirements of the ANZ SDG Bond Framework on the basis specified in, and subject to, the terms and conditions of that engagement. EY's assurance was conducted as at 30 September 2020 and as such does not cover the contents of this particular report. The next assurance will be undertaken as at 30 September 2021.

EY's assurance statement can be found on the ANZ Debt Investor Centre [website](#).

2. Undisclosed Borrowers:

Borrower names are not disclosed in the table above due to confidentiality restrictions. ANZ is in ongoing discussions with Borrowers regarding disclosure approval to debt investors.

3. COVID-19 Update:

ANZ has undertaken analysis into the potential impacts of COVID-19 on the Eligible Assets. ANZ notes that the impacts of the COVID-19 pandemic on loan portfolios are variable and can arise unexpectedly. ANZ will continue to monitor the Eligible Asset portfolio as well as continuing to maintain an inventory of potential Eligible Assets.

4. Framework

This report has been prepared in accordance with version 3.0 of the ANZ SDG Bond Framework, published August 2020. The current and preceding versions of the ANZ SDG Bond Framework can be found on the ANZ Debt Investor Centre [website](#).

INVESTOR FEEDBACK

ANZ is committed to transparency of reporting and disclosure in the Green, Social and Sustainability Bond market and we welcome investor feedback on the contents of this and future reports.

ENQUIRES AND FURTHER INFORMATION

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

All ongoing and historical reporting and assurance in relation to ANZ SDG Bonds can be found on the ANZ Debt Investor Centre [website](#).

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