

DEBT CAPITAL MARKETS INVESTOR PRE-MARKETING AND ALLOCATION POLICY

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1. PURPOSE OF THIS NOTICE

This document provides a summary of the policies, standards and procedures relating to pre-marketing to prospective investors and allocation process of Australia and New Zealand Banking Group Limited and ANZ Bank New Zealand Limited (together, ANZ) when appointed by an issuer (**Issuer**) to act on a debt securities offering. These policies, standards and procedures are designed to ensure that ANZ is conducting its marketing and allocation processes in a manner which is fair, transparent and aligned to appropriate standards of market conduct and in managing any conflicts of interest that may arise within ANZ's processes while maintaining market integrity through effective systems and controls

Pre-marketing and allocations are made in line with market standards, which include relevant ICMA practices and the FICC Market Standards Board standard on New Issue Processes, and also in accordance with applicable laws and regulations.

2. SCOPE

This policy applies to ANZ, as part of its obligation to meet requirements under applicable laws and regulations in the primary issuance business when dealing with issuers and investors.

It applies to deals arranged by ANZ, where ANZ have agreed to become part of a syndicate for an issue, or where ANZ is taking an active role as lead manager in the sizing, pricing, marketing and distribution of the instrument to be issued.

3. POLICY GOVERNANCE

This policy is required to be reviewed annually by ANZ. ANZ also has policies and procedures in place to govern market conduct, the control of the flow of information, and conflicts of interest in the debt securities offering process.

4. ISSUER LIAISON

- This policy will be listed on the ANZ Institutional website (<https://institutional.anz.com>). The link to the policy will be included whenever a deal proposal is sent to the Issuer for acceptance before a deal is entered into.
- Where ANZ is sole lead manager it will discuss the funding objectives with the Issuer and obtain instructions on their preferred target investor market ahead of announcing the transaction to the market.
- Where ANZ is acting as part of a syndicate of dealers, it is expected that one or more of the lead managers will take the responsibility to discuss with the Issuer and obtain the Issuer's guidance, preferences and instructions and will share these with the syndicate group in a timely manner.
- The Issuer may always provide guidance and instructions at any point during the pre-marketing and allocation process.

5. PRE-MARKETING: PROSPECTIVE INVESTOR SELECTION

When approaching prospective investors for pre-marketing (including market sounding and investor roadshow activities), ANZ, as a lead manager on a public bond transaction, will treat investors in a fair and transparent manner, and will seek the Issuer preferences and views, and other relevant factors, such as:

- The nature and manner of the prospective investor's participation in similar transactions
- Whether the prospective investor has expressed interest in the Issuer
- The level of engagement by the prospective investor in the Issuer, or in the Issuer's sector, or in past offerings by the Issuer
- Eligibility of a prospective investors to participate (e.g. due to deal documentation or selling restrictions)

In addition, ANZ may also take into consideration factors outlined in the Allocation Approach (below), to the extent they are applicable.

6. ALLOCATION APPROACH

ANZ will engage with the investors approached throughout the book building process to understand investor interest and demand. Any allocation of bonds by ANZ to investors in the order book will be in accordance with the Issuer's preferences, objectives and instructions. The allocation strategy will be discussed with the Issuer at the earliest opportunity and updates provided to the Issuer on the progress of the book build in a timely manner, noting that when the book building is complete, the Issuer's allocation decisions are final.

The following factors are examples of factors that will be taken into consideration when making allocation decisions:

- Applicable target market for the debt securities
- Total oversubscription of the order book versus the size of the deal to be allocated
- Selling restrictions in the jurisdiction(s) applicable to the investor
- Avoidance of allocations in inconvenient or uneconomic amounts
- Investor characteristics:
 - Specific investor preference of the Issuer
 - Investor type
 - Geographical preference of the Issuer
 - Mix of investors to aid secondary market liquidity
- Investor behaviour:
 - Pro-active expressions of interest in terms of price or quantity in the marketing and pre-marketing process
 - Size of investor interest (may be absolute and/or relative to the investor's portfolio or assets under management)
 - Participation in liability management exercise
 - Track record in investing in the Issuer's past bonds
 - Track record in investing in sector/issue type
 - Timing of the investor's interest in the deal process
 - Price or spread limits given by the investor
 - Length of the investor's expected holding period for the securities
 - Geographical location of the investor

Should ANZ have reasonable belief or an indication that the investor's demand level differs to the true extent of its interest, or observes behaviours which are not consistent with the objectives and expectations of the Issuer, this will also be taken into consideration during the allocation process.

Allocations will not be based on the express or implied level of business that ANZ hopes to do with, or by the amount of trading, fees or other income received or expected from an investor. Final allocations are always subject to approval by the Issuer.

7. ALLOCATION TO ANZ INTERNAL BOOKS

If an allocation is made to an internal book of ANZ, it must be justified with respect to the objectives of the allocation process. Any such allocation must not take preference over similar investor-type allocations. If the book is oversubscribed, allocations to external investors must take priority, depending on the Issuer's strategy and guidance, as well as the quality of existing investors. The Issuer must consent to any allocation to an internal book.

8. RECORD RETENTION

To the extent required by applicable laws and regulations, ANZ will keep appropriate records of the orders, final allocations and allocation rationale.

9. ENQUIRIES

If you have questions after reading this document or concerning our dealings with you, we encourage you to contact your Relationship Manager or ANZ Debt Capital Markets contact.

ABOUT THIS NOTIFICATION

This communication is also available at <https://institutional.anz.com/about-anz-institutional/disclosures>. It may be updated from time to time in order to address changing regulatory, industry and any other applicable developments.

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