



Shani completed MoneyMinded as part of her participation in Saver Plus.

2018 ESG BRIEFING

PRESENTATION & DISCUSSION PACK

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED
31 August 2018



AGENDA

Tony Warren, GGM Communications & Public Affairs

- Welcome & introduction
-

Shayne Elliott, CEO

- ESG focus & progress
-

Katherine Bray, Customer Engagement Lead & Sarah Stubbings, Tribe Lead Responsible Banking

- Financial wellbeing, product suitability, remediation
-

Shayne Elliott, CEO & Frank Calabria, Origin Energy CEO & Managing Director

- CEO discussion on ESG risks and opportunities



2018 ESG BRIEFING

TONY WARREN
GROUP GENERAL MANAGER
COMMUNICATIONS & PUBLIC AFFAIRS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED
31 August 2018





2018 ESG BRIEFING

SHAYNE ELLIOTT
CHIEF EXECUTIVE OFFICER

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED
31 August 2018



EXTERNAL TRENDS REDEFINING OUR FUTURE

1. **Lower growth in our home markets of Australia and New Zealand**
2. **Fundamental changes to customer behaviour**
3. **Advances in technology opening up new business models and ways of competing**
4. **Regulation and changing societal expectations reshaping the industry**

FOUR PRIORITIES

Building a better bank

Creating a simpler, better balanced bank

Focusing on areas where we can win

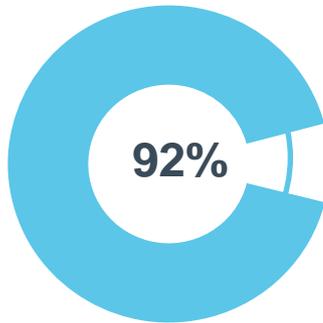
Building a superior everyday experience to compete in the digital age

Driving a purpose and values-led transformation

OUR PURPOSE & VALUES

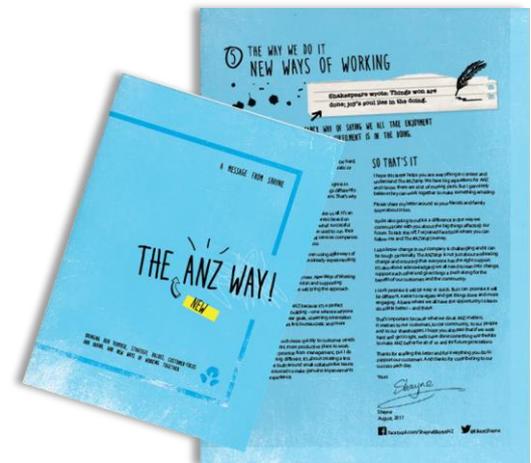
Our purpose is to shape a world where people and communities thrive

'We're guided every day by our purpose and values. Our values mean whatever situation we're in, we care about our customers, our colleagues and how our actions contribute to the 'community.'



92% of our people consider ANZ's Purpose when making decisions

ANZ My Voice Survey 2018

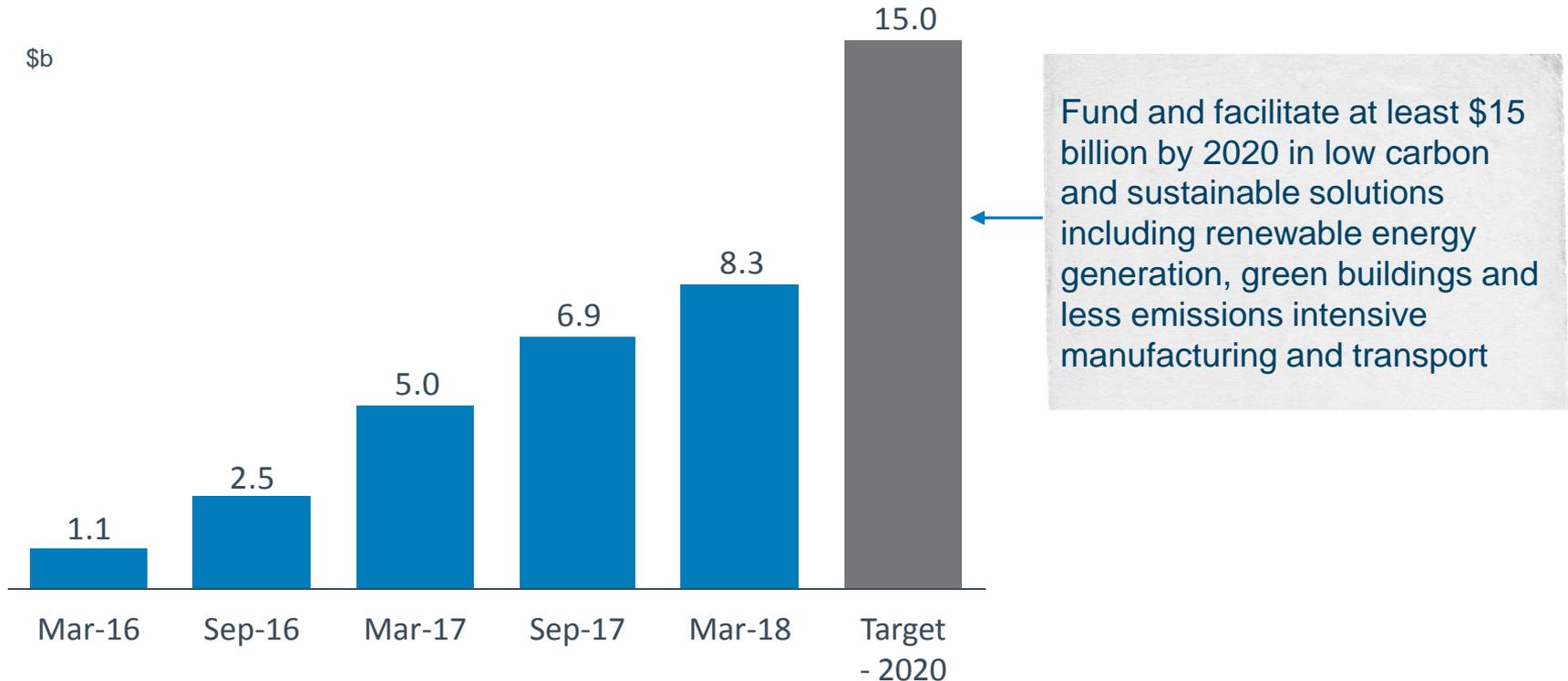


Published July 2017

OUR PURPOSE & VALUES

Has helped shape our low carbon finance commitment

Progress towards \$15bn target for low carbon and sustainable solutions



GOVERNANCE

APPROACH TO GOVERNANCE

ANZ'S STRONG GOVERNANCE FRAMEWORK PROVIDES A SOLID STRUCTURE FOR EFFECTIVE AND RESPONSIBLE DECISION MAKING AT ANZ.

1. OVERVIEW OF ANZ'S APPROACH TO GOVERNANCE

ANZ's strong governance framework provides a solid structure for effective and responsible decision making at ANZ.

Board composition

ANZ's Board is comprised of seven Non-Executive, independent Directors (including an Independent Chair, David Gornik, AC), and one Executive Director – ANZ's Chief Executive Officer (CEO), Shayne Elliott.

• Names of ANZ's Directors are listed and their biographies are available on ANZ's website at anz.com/directors and in the 2017 Annual Report.

Governance framework that assists the Board to make transparent and responsible decisions

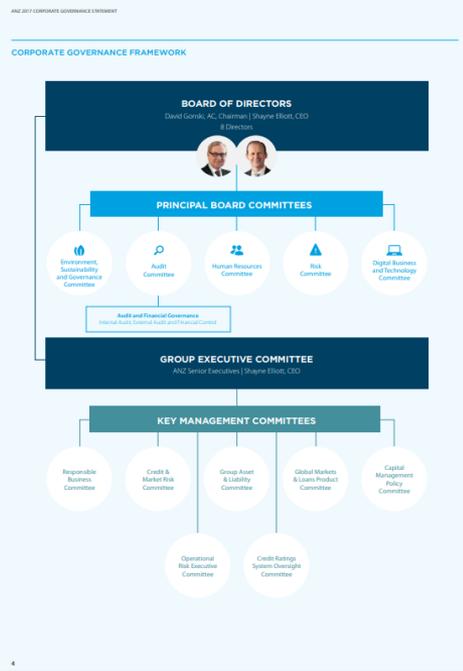
• Under ANZ's Constitution, the Board may delegate any of its powers to Committees of the Board. ANZ has five principal Board Committees – the Audit Committee (chaired by Paula Dwyer), the Environment, Sustainability and Governance (ESG) Committee (chaired by David Gornik, AC), the Risk Committee (chaired by Graeme Lambert), the Human Resources Committee (chaired by Anna Akpalu) and the Digital Business and Technology Committee (chaired by Lee Hoan Yong). Each Committee has its own Charter setting out its roles and responsibilities.

• At management level, the Group Executive comprises ANZ's most senior executives, set out on ANZ's website at anz.com/leadership and an authority framework that clearly outlines to the CEO and other members of senior management the scope of their decision-making authority.

Website

Details of ANZ's governance framework are available on our corporate governance page. There are also summaries of many of the documents in this Statement and summaries of other ANZ policies of interest and related documents.

Compliance with ASX Governance ANZ confirms it has followed the Recommen Corporate Governance Council during the 2017 financial year. This Statement, together with ANZ's Appendix Statement, has been lodged with ASX and is available on anz.com/corporategovernance.



Ethics, Environment, Social & Governance Committee - Board Committee

- Increased focus on ethics and conduct issues
- Ethics front & centre of the Committee's discussions

Ethics & Responsible Business Committee – Group Executive Committee

Leadership & decision-making body

Agrees & sets ANZ's risk appetite for industry sectors

Oversees 'who we bank' & 'how we bank them'

OUR DECISION PRINCIPLES

What is 'right' for ANZ

- 1. Protect and enhance each person's ability and freedom to choose**
- 2. Minimise potential and actual harm, especially for the vulnerable**
- 3. Support progressive practices that benefit people, communities, and industries**
- 4. Have a real impact on some of society's big challenges**
- 5. Show leadership and challenge convention**
- 6. Advance ANZ's strategic and commercial interests**
- 7. Be proud to offer a complete public account of our decisions and actions**

ESG SCORECARD SNAPSHOT

	Progress	Outcome
SUSTAINABLE GROWTH		
Fund and facilitate at least \$15 billion by 2020 in low carbon and sustainable solutions ¹	\$8.3b (March 18)	
Amend our risk appetite and customer assessment process to increase emphasis on climate change risks and management by end 2018	Completed	
SOCIAL & ECONOMIC PARTICIPATION		
Help enable social and economic participation of 1 million people by 2020 ²	> 550k (Sept 17)	
Increase the representation of Women in Leadership by 3% to 34.1% by 2020 ³	32.2% (July 18)	
FAIR & RESPONSIBLE BANKING		
Create best experience for our customers, measured by improving Net Promoter Score relative to peers (Australia Retail) ⁴	4 th (June 18)	
Implement strengthened due diligence for our human rights standards by end 2018		
	 On track to achieve	 In progress
		 Off track

For detailed information refer to the 2018 Half Year Corporate Sustainability Update available at anz.com/cs. Our 2018 Corporate Sustainability Review will be available in December 2018.

1. Including renewable energy generation, green buildings and less emissions intensive manufacturing and transport 2. Through our initiatives to support financial wellbeing including financial inclusion, employment and community programs, and targeted banking products and services for small businesses and retail customers 3. Measures representation at the Senior Manager, Executive and Senior Executive levels 4. Roy Morgan Research Single Source, Australian population aged 14+, Main Financial Institution, six month rolling average to June 18. Ranking based on the four major Australian banks

ANZ REFORMS

Key changes implemented over the last 2 years

Changes to incentives in our branches, call centres and broking

Eliminated all financial measures from our financial planners' scorecard

Simplified our main standard contracts for small business customers

Removed ATM Fees for non-ANZ customers

Reduced rates on low rate cards

Stopped selling credit card insurance

Improved terms of redundancy for employees

Strengthened our Whistleblower Protection policy

For additional key bank reforms implemented over the last two years refer to slides
34 & 35

CHANGING THE WAY WE WORK

Reshaped our Australia Division & Technology team

Increased speed to market for customers

Delivering value to customers faster. Evidenced by: release frequency, customer engagement

People Engagement & Talent Attraction

Higher employee engagement & satisfaction ultimately becoming an employer of choice

Simplification & Efficiency

Simplifying our operations, products, systems & processes

New way of working

- **Agile** methodology
- Small, **multidisciplinary**, teams
- **Iterative ways of working**
- **Transparency** and accountability, using visual management techniques
- **Explicit alignment** between company objectives and what teams work on day-to-day
- **Leadership**, with an emphasis on personal development and coaching

SUMMARY

- **Purpose today was to better inform you about our business, and how we're navigating sensitive social and economic issues**
- **We recognise ANZ's long-term viability is dependent on us making decisions that are mindful of the impact we have on the community**
- **For ANZ to have a sustainable, long-term future, we need to**
 - **be less complex**
 - **do a few things really well**
 - **be focused on our obligations to our stakeholders**



2018 ESG BRIEFING

KATHERINE BRAY, CUSTOMER ENGAGEMENT LEAD
SARAH STUBBINGS, TRIBE LEAD RESPONSIBLE BANKING

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED
31 August 2018



FINANCIAL WELLBEING

Financial wellbeing is at the heart of our social licence to operate

3 KEY PLANKS

Active Saving

saving regularly for a rainy day and for goals, including a house deposit

Not borrowing for everyday expenses

not needing to turn to credit for essentials like groceries and power

Paying down debt

both persistent revolving debt and as a pathway to home ownership

ACTIVE SAVING

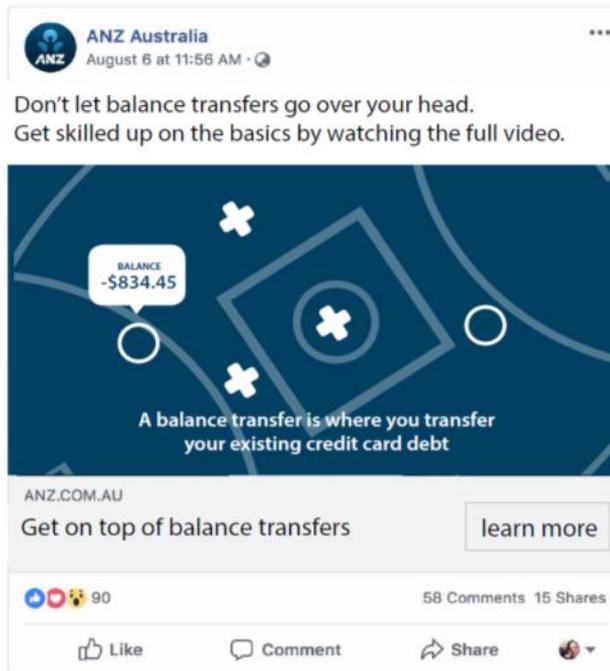
Helping customers to save, with tools, training, capability & insight



- Tools and training to first home coaches to help customers create a home deposit plan
- Developed capability for customers to track progress to their goals in internet banking
- Trialing nudges via email and SMS for irregular savers
- Next focus on providing customers with spend insights, nudges and goal tracking in the ANZ mobile app

NOT BORROWING FOR EVERYDAY EXPENSES

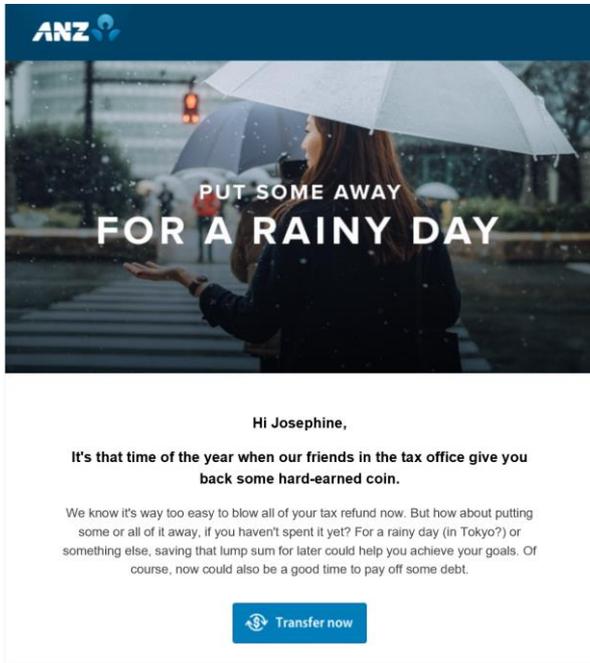
Educating customers on first credit card, helping persistent revolvers manage their debt



- **12 month credit card education program designed to help customers using this product for the first time**
- **Education program developed to ensure customers know how to use balance transfers to manage revolving debt, alerted to the end of the low interest period**

PAYING DOWN DEBT

Providing ‘nudges’ to help customers pay down debt, including getting faster to home ownership



ANZ

PUT SOME AWAY
FOR A RAINY DAY

Hi Josephine,

It's that time of the year when our friends in the tax office give you back some hard-earned coin.

We know it's way too easy to blow all of your tax refund now. But how about putting some or all of it away, if you haven't spent it yet? For a rainy day (in Tokyo?) or something else, saving that lump sum for later could help you achieve your goals. Of course, now could also be a good time to pay off some debt.

[Transfer now](#)

HERE'S AN EXAMPLE:

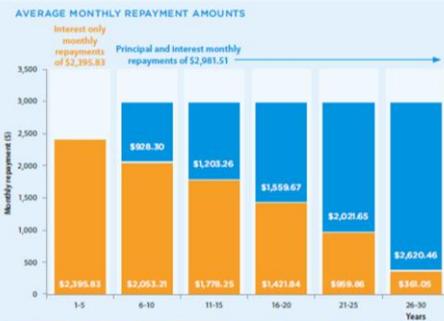
Pam borrowed \$500,000 on a 30 year standard variable home loan with interest only (IO) repayments for the first 5 years, and will switch to principal and interest (P&I) repayments after the end of the interest only period.

Repayment arrangement	IO (first 5 years)	P&I (years 6 - 30)
Loan amount	\$500,000.00	\$500,000.00
Annual interest rate*	5.75% p.a.	5.20% p.a.
Monthly repayment**	\$2,395.83	\$2,981.51

* This is an example for illustrative purposes based on constant interest rates over the life of the loan and assumes required repayments are met. This example is based on ANZ Standard Variable Home Loan and interest rates are indicative only. Actual interest rates may vary and fees and charges may apply impacting the repayment amount. This example doesn't take into account the impact of inflation or offset on loan repayments.
** Monthly repayment may vary slightly depending on monthly cycle.

In this example, Pam's repayment will increase by \$585.68 per month with principal and interest repayments. With each repayment, she will start paying down her principal balance as well as the interest charged as illustrated in the chart below.

AVERAGE MONTHLY REPAYMENT AMOUNTS



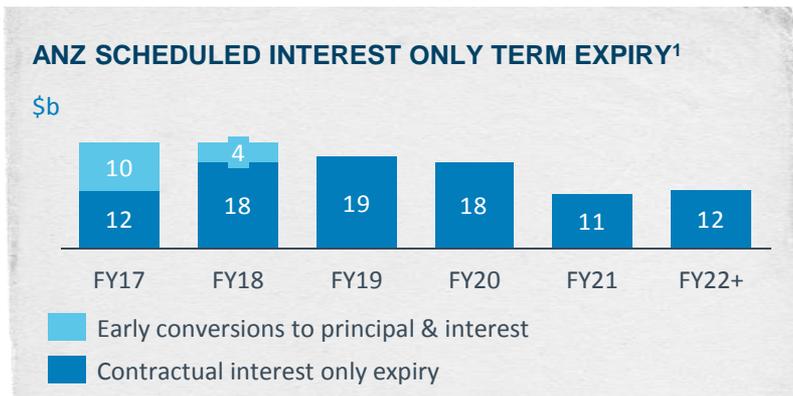
Years	Interest only monthly repayments of \$2,395.83	Principal and interest monthly repayments of \$2,981.51
1-5	\$2,395.83	\$0
6-10	\$2,053.21	\$908.30
11-15	\$1,776.25	\$1,203.26
16-20	\$1,421.84	\$1,559.67
21-25	\$969.96	\$2,021.65
26-30	\$340.06	\$2,630.46

Legend: Interest only monthly repayments of \$2,395.83 (orange); Principal and interest monthly repayments of \$2,981.51 (blue)

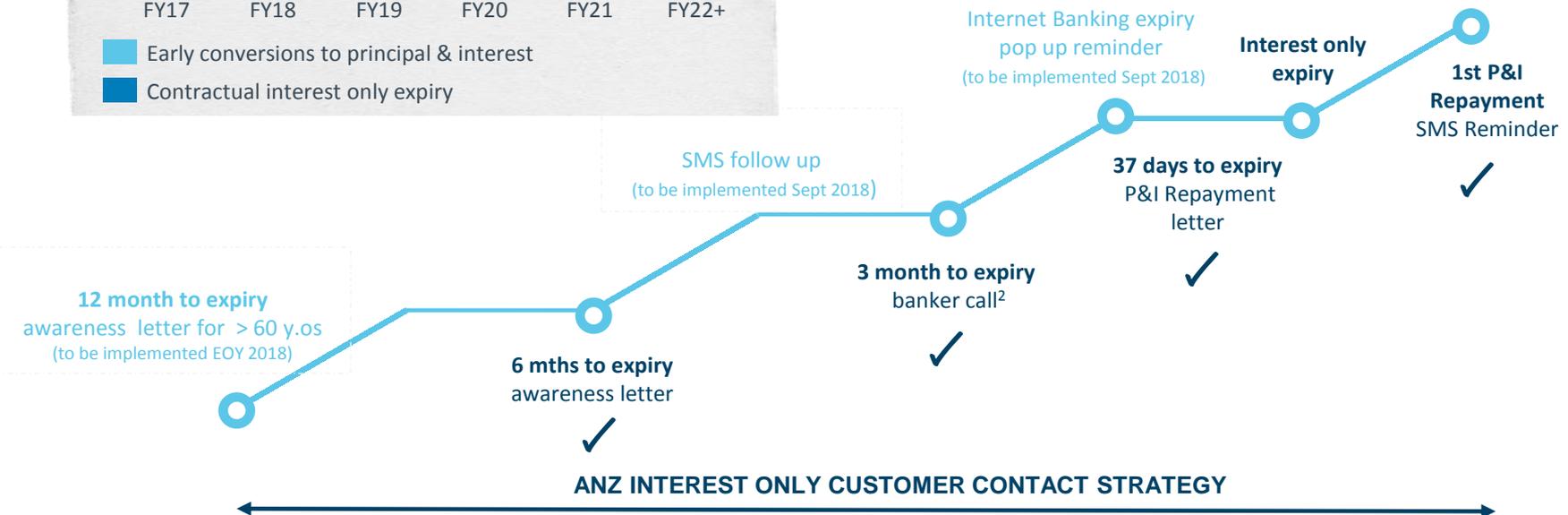
- Helping customers on interest only home loans to think about moving to principal and interest
- Nudging customers to use their tax refund to either save the money or pay down debt

PAYING DOWN DEBT

Helping our customers transition from interest only



Interest only mission: “We want our home loan customers to be as prepared as possible for the move from Interest Only to Principal & Interest”



1. Includes construction loans
 2. Branch network and Mobile originated customers

PRODUCT SUITABILITY

A core component of financial wellbeing and aligned to our Purpose

We want our customers to be provided with suitable products & services

To use them as intended

And to get value from them

PRODUCT SUITABILITY FOCUS

Using data to help customers, focusing on 'vulnerable' customers initially

Using our data to help our customers get value from their products



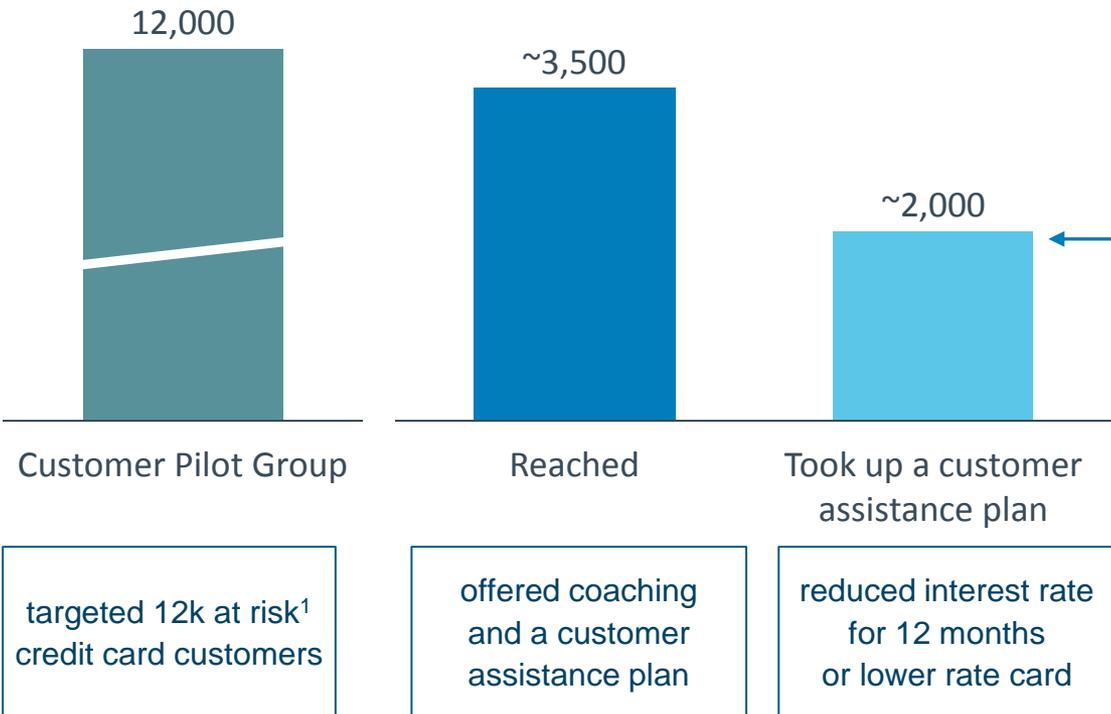
Utilisation
data

Payment history
data

- **Completed pilot to educate & help customers with persistent credit card debt**
- **Starting pilot to help concessional card customers get the best use of their transaction accounts**
- **Building product suitability into our product review processes**
- **Also supporting our home loan customers transition to Principle & Interest payments**

CREDIT CARD SUITABILITY PILOT

Customers



Customers taking up a customer assistance plan are paying down more and spending less, with a 9% reduction in card utilisation

Only 1% of the group fell into arrears vs. 5% for the remaining ~10,000 customers

1. At risk credit cards customers defined as those who make frequent use of cash advances and/or have not reduced their credit card balance over time

CUSTOMER OUTCOMES

Positive customer outcomes – case for operationalising the process

Customer: Maree

- Customer for 30 years
- Receives aged pension
- Makes just above monthly repayments
- ~ half of payment is interest

Customer assistance plan

- Interest lowered for 12 months
- Customer agrees to repayment amounts
- Likely to save >\$1,000 in interest

Customer: Michael

- 41 year old
- High card balance, spent on higher education
- Makes regular monthly payment
- ~ half of payment is interest

Customer assistance plan

- Interest lowered for 12 months
- Customer agreed to pay more each month

APPROACH TO CUSTOMER REMEDIATION

New approach to drive quicker outcomes

***Refund our
customers as
soon as
possible***

***we weren't set up to
do that***

***Learn from our
mistakes***

***and prevent the need
for remediations from
happening***

***Fix things
properly***

***and prevent repeat
issues***

CUSTOMER REMEDIATION ACTIONS

REMEDIATION PRINCIPLES

Our Remediation Principles aim to ensure that fair and consistent remediation is provided to customers when ANZ gets something wrong. The Principles, which have a strong customer focus, are:

- 1 We will listen
- 2 We will apologise
- 3 We will compensate
- 4 We will commit resources to fix the problem
- 5 We will explain our approach clearly
- 6 We will act speedily
- 7 We will learn from mistakes when they are made

- **Developed a project specialisation in remediation**
- **Appointed Customer Fairness Advisor**
- **Developed ANZ's Remediation Principles and our Remediation Framework**
- **Formed the new Responsible Banking Tribe with 150 people dedicated to fast and consistent customer remediation**

ACTIONS TO MAKE PAYMENTS TO CUSTOMERS FASTER

Getting access to customer data faster

Building out common tools and payment approaches

Taking a customer orientated approach

New Ways of Working

ACTIONS TO PREVENT THE NEED FOR FUTURE REMEDIATION & FIXING THINGS PROPERLY



- Sharing the learnings about the mistakes we have made
- Building shared mindset & accountability
- Early input into new product and initiative development to prevent future remediations
- Fixing the root cause issue
- Our simplification agenda



2018 ESG BRIEFING

DISCUSSION PACK

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

31 August 2018



FOUR PRIORITIES

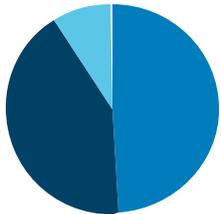
Building a better bank

<p>Creating a simpler, better balanced bank</p>	<p>Reducing operating costs and risks by removing product and management complexity</p> <p>Exiting low return and non-core businesses</p> <p>Reducing reliance on low-return aspects of Institutional banking in particular</p> <p>Further strengthening the balance sheet by rebalancing our portfolio</p>
<p>Focusing on areas where we can win</p>	<p>Making buying and owning a home or starting, running and growing a small business in Australia and New Zealand easy</p> <p>Being the best bank in the world for customers driven by the movement of goods and capital in our region</p>
<p>Building a superior everyday experience to compete in the digital age</p>	<p>Building more convenient, engaging banking solutions to simplify the lives of customers and our own people</p>
<p>Driving a purpose and values-led transformation</p>	<p>Creating a stronger sense of core purpose, ethics and fairness</p> <p>Invest in leaders who can help sense and navigate the rapidly changing environment</p>

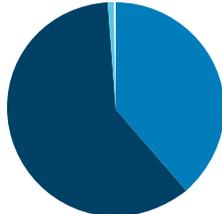
SIMPLIFICATION & FOCUS

CAPITAL ALLOCATION

SEPTEMBER 15



Pro forma MARCH 2018¹



■ Institutional ■ Retail & Commercial ■ Wealth

Capital allocation based on Regulatory Capital. Institutional shown under 2015 IIB Structure, including Global Institutional and Asia Retail & Pacific.

COMPETING IN A DIGITAL AGE

- #1 ranked banking app in the Australian Apple App store⁶
- ~25,000 users joining each day⁷
- Delivered by our first team to adopt New Ways of Working
- Dedicated team focused on maintaining leadership

FOCUSING ON AREAS WHERE WE CAN WIN

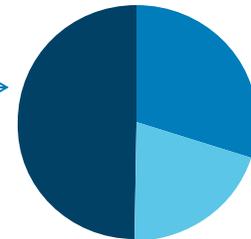
- #1 Lead Bank Penetration in Australia & New Zealand²
- #4 Corporate Bank in Asia³ & #1 Overall Quality in Asia⁴
- Introduced First Home Buyer coaches in Australia and focused on Owner Occupied Principal Interest customers
- #1 Market share in NZ Home Loans⁵

PURPOSE & VALUESLED TRANSFORMATION

Performance scorecard⁸

Highest weighting to good customer outcomes

■ Risk & process
 ■ Financial & discipline
 ■ Customer, people & reputation

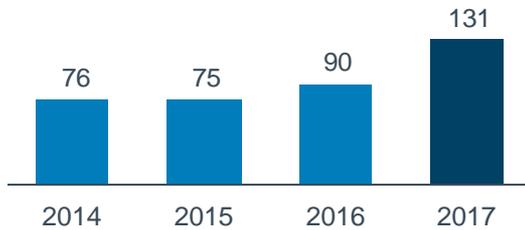


1. Pro forma incorporates the expected capital benefit from the Wealth Australia divestments (P&I, ADG and Life Insurance) and the second tranche of MCC, which remain subject to regulatory approval, less the capital impact from the completion of the \$1.5b share buyback 2. Peter Lee Associates 2017 Large Corporate and Institutional Relationship Banking surveys, Australia and New Zealand (issued in June and August 2017 respectively) 3. Greenwich Associates 2017 Asian Large Corporate Banking Study (issued in March 2018) 4. The Greenwich Quality Index score is based upon a normalised composite of all qualitative evaluations transformed to a scale of 0 to 1,000 with the difference from the average shown 5. as at March 2018 6. Apple App Store (Financial Category) (as at 29 April 2018) 7. as at 30 April 2018 8. Australia Division retail branch Service Consultants and Personal Bankers

SUSTAINABILITY PERFORMANCE

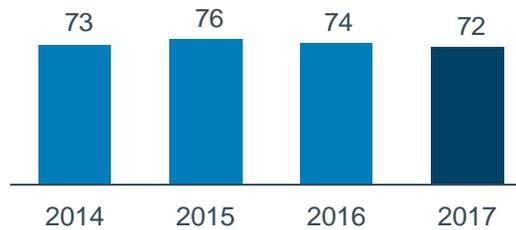
COMMUNITY INVESTMENT¹

Total community investment (\$m)



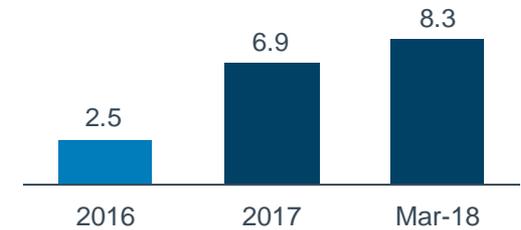
EMPLOYEE ENGAGEMENT²

Employee engagement score (%)



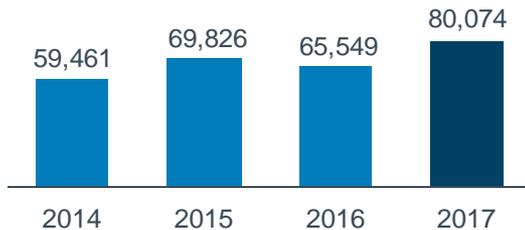
LOW CARBON AND SUSTAINABLE SOLUTIONS \$15B TARGET

Funded and facilitated (\$b)



MONEYMINDED & SAVER PLUS

Estimated # of people reached



WOMEN IN MANAGEMENT³

Representation (%)



AVERAGE EMISSION INTENSITY OF GENERATION FINANCED (AUSTRALIA)

(tonnes CO₂-e per megawatt hour of electricity generated)⁴



1. Figure includes foregone revenue (2017 = \$107m), being the cost of providing low or fee-free accounts to a range of customers such as government benefit recipients, not-for-profit organisations and students 2. The 2017 engagement survey was run as a pulse survey sent to 10% of the bank's employees with a 57% response rate. Previously, the employee engagement survey was sent to all staff 3. FY18-FY20 target is now defined as Women in Leadership which measures representation at the Senior Manager, Executive and Senior Executive levels 4. Refer to page 90 of the 2017 Corporate Sustainability review available at anz.com/cs for the calculation methodology

SUSTAINABLE DEVELOPMENT

- ANZ supports the **UN Sustainable Development Goals (SDGs)**. We have mapped the relevant SDGs to our sustainability targets, as well as to our Project & Export Finance book to understand key sustainability drivers underpinning that business
- We are participating in the UN Global Compact's Financial Innovation for the SDGs Action Platform which is developing guidance on impact investment strategies that support the SDGs, the ultimate goal being to improve the risk/return profile of SDG investments to attract institutional investors
- By way of example of SDGs Financial Innovation, we issued in February our first, '**SDG Bond**' in the European wholesale debt capital markets, raising €750 million to fund ANZ loans and expenditures that directly promote nine of the 17 SDGs
- in August, we acted as **sole lead for Bank Australia's AUD125m Sustainability Bond**. Proceeds are being used to finance a portfolio of assets including loans to disability and community housing as well as affordable mortgages to low-income earners who have qualified through state-government schemes.
- Bringing **our total volume¹ to ~A\$9.6b over the last 3 years** across, Asia, Australia and New Zealand



1. Includes Green/Social/Sustainability Bond arranger volume

KEY ANZ REFORMS

Implemented over the last two years

IMPROVED MONITORING, CONDUCT AND SAFEGUARDS

- Appointed Colin Neave AM as Customer Fairness Advisor, a new role to help improve fairness of the bank's products and services
- Implemented a new Retail 'Customer Experience Framework' in branches and the Customer Contact Centre focused on good customer outcomes. The Framework involves regular team meetings, coaching and performance recognition
- Introduced weekly balanced scorecard reporting for Retail to increase focus on good customer outcomes
- Introduced a home loan sales practice reporting tool for branches and mortgage brokers to monitor customer outcomes and identify areas of potential risk or for follow up
- Introduced a new "Customer Service Mindset" and ICARE values system for small business bankers. Involves rating customer outcomes and banker behaviour each month
- Adopted the ABA Conduct Background Check Protocol for bank employees. Where a person applies for a role with a subscribing bank within five years of leaving ANZ, we must disclose misconduct findings (or investigation if the employee resigned during the investigation)
- Introduced process to provide customers with a copy of instructions and reports produced by external valuers for valuations paid for by customers and for agricultural or commercial property; and produced by investigative accountants
- Developed a new Vulnerable Customer mandatory learning module to help staff identify customers experiencing vulnerable circumstances and taking extra care with them

KEY ANZ REFORMS

Implemented over the last two years

REDUCED REMUNERATION FOCUS ON SALES

- Updated and published ANZ Remuneration Principles to further reinforce our focus on customer outcomes
- Changed Retail (branch and call centre) and Business and Private Bank incentive plans removing campaign incentives, accelerators and financial gateways, moving to a balanced scorecard structure
- Re-weighted frontline scorecards (Retail, Business Banking, Financial Planning) so that the Financial objective is no greater than 30% and with a ~70% weighting on customer, team work and well managed outcomes
- Introduced a balanced scorecard framework for ANZ Mobile Lending and replaced 'soft dollar' incentives for sales only outcomes with a balanced scorecard
- For home lending removed volume based incentives from payments to aggregators, brokers and introducers

BETTER PRODUCTS

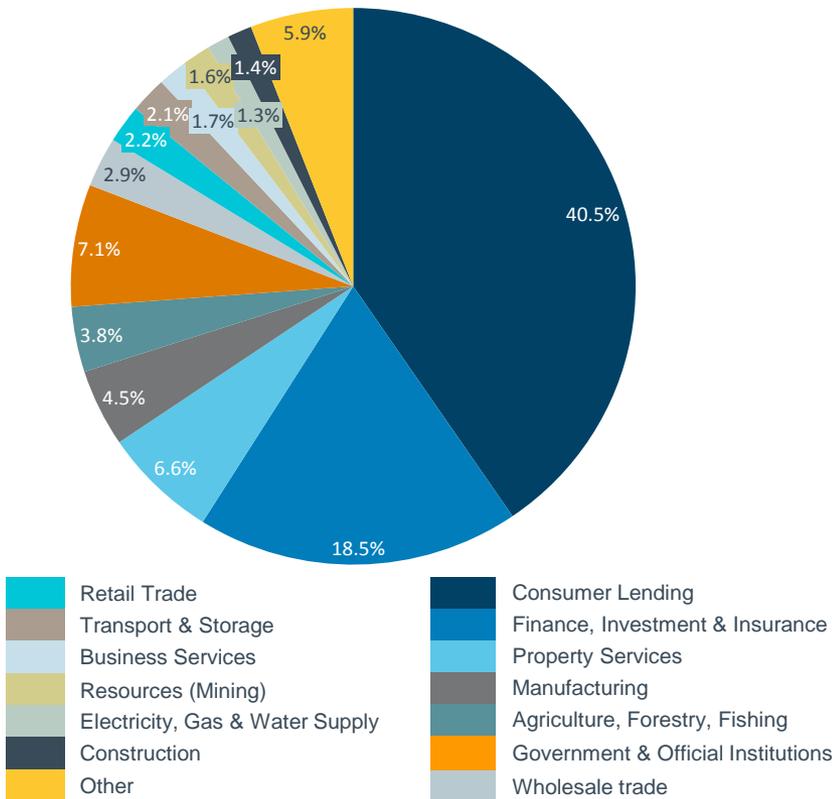
- Simplified ANZ's main standard form small business lending contract, halving contract length and increasing safeguards for customers
- Abolished ATM fees for non-ANZ customers
- Reduced purchase interest rates on ANZ Low Rate Classic card and Low Rate Platinum card by up to 2%
- Reduced international money transfer or foreign currency remittance fees benefitting Pacific Island communities
- Ceased the sale of Credit Card insurance to new customers
- Introduced larger font and tactile indicators on debit cards

GROUP PORTFOLIO COMPOSITION

EXPOSURES BY INDUSTRY

EXPOSURE AT DEFAULT (EAD) AS A % OF TOTAL EAD

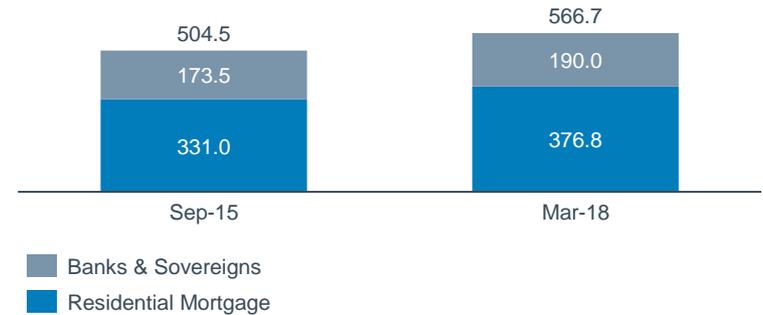
TOTAL GROUP OUP EAD (Mar 18) = \$930b¹



IMPROVED RISK PROFILE

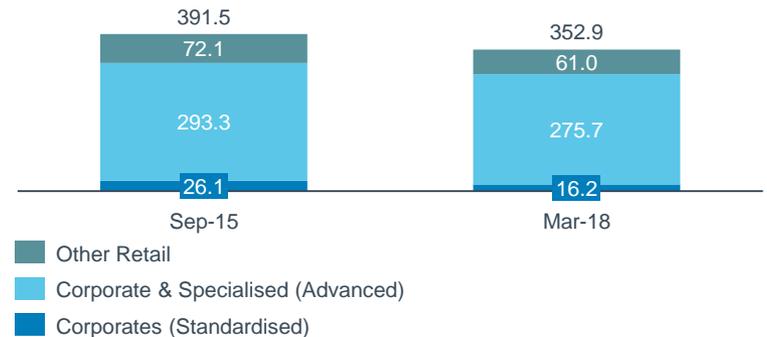
LOWER LOSS RATE ASSET CLASSES

EXPOSURE AT DEFAULT (\$b) (<5bp loss rate)



HIGHER LOSS RATE ASSET CLASSES

EXPOSURE AT DEFAULT (\$b) (>20bp loss rate)



1. EAD excludes amounts for 'Securitisation' and 'Other Assets' Basel classes and manual adjustments. Data provided is as at Mar 18 on a Post CRM basis, net of credit risk mitigation such as guarantees, credit derivatives, netting and financial collateral.

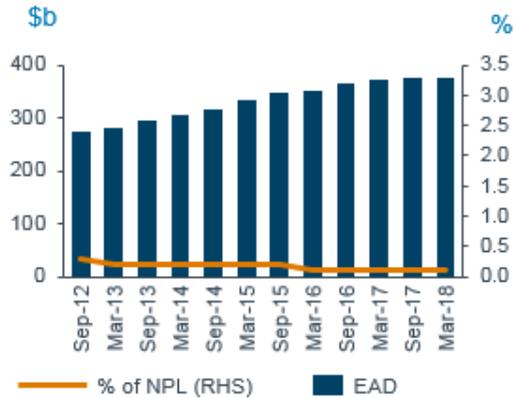
GROUP PORTFOLIO COMPOSITION

Category	% of Group EAD		% of Portfolio in Non Performing		Portfolio Balance in Non Performing
	Sep 17	Mar 18	Sep 17	Mar 18	Mar 18
Consumer Lending	41.5%	40.5%	0.1%	0.1%	\$425m
Finance, Investment & Insurance	17.2%	18.5%	0.0%	0.0%	\$86m
Property Services	6.6%	6.6%	0.3%	0.3%	\$158m
Manufacturing	4.5%	4.5%	0.7%	0.5%	\$213m
Agriculture, Forestry, Fishing	3.8%	3.8%	1.2%	1.1%	\$378m
Government & Official Institutions	7.2%	7.1%	0.0%	0.0%	\$0m
Wholesale trade	3.0%	2.9%	0.5%	0.4%	\$107m
Retail Trade	2.3%	2.2%	0.8%	0.9%	\$188m
Transport & Storage	2.0%	2.1%	0.7%	0.2%	\$44m
Business Services	1.7%	1.7%	1.1%	0.9%	\$149m
Resources (Mining)	1.5%	1.6%	1.2%	0.9%	\$131m
Electricity, Gas & Water Supply	1.3%	1.3%	0.1%	0.1%	\$15m
Construction	1.4%	1.4%	2.3%	1.8%	\$239m
Other	6.0%	5.9%	0.6%	0.4%	\$222m
Total	100%	100%			\$2,355m
Total Group EAD¹	\$903b	\$930b			

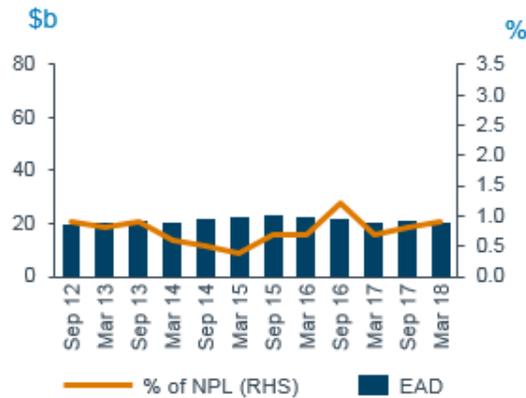
1. EAD excludes amounts for 'Securitisation' and 'Other Assets' Basel classes and manual adjustments. Data provided is as at Mar 18 on a Post CRM basis, net of credit risk mitigation such as guarantees, credit derivatives, netting and financial collateral.

PORTFOLIO TRENDS

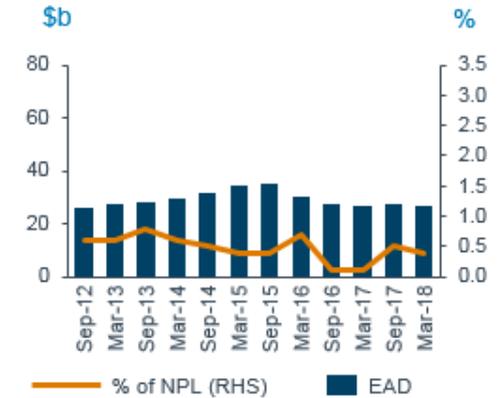
CONSUMER LENDING



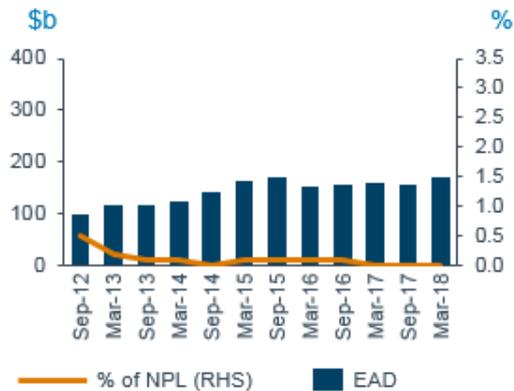
RETAIL TRADE



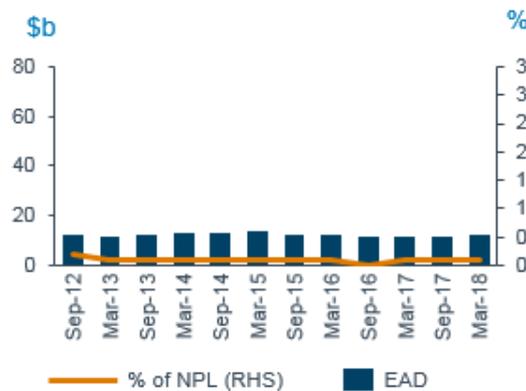
WHOLESALE TRADE



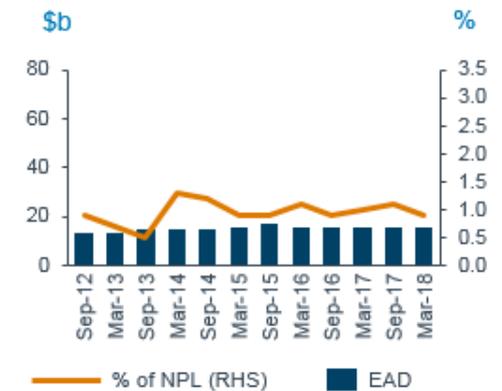
FINANCE, INVEST. & INSURANCE



ELEC, GAS & WATER SUPPLY



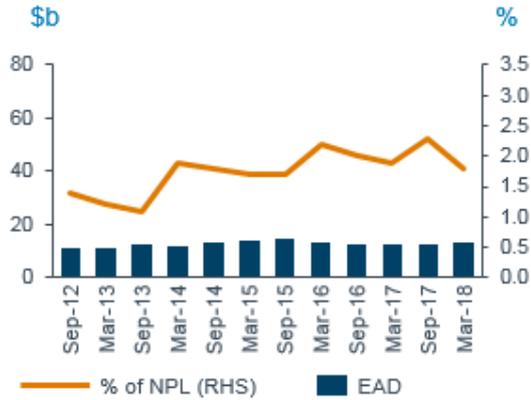
BUSINESS SERVICES



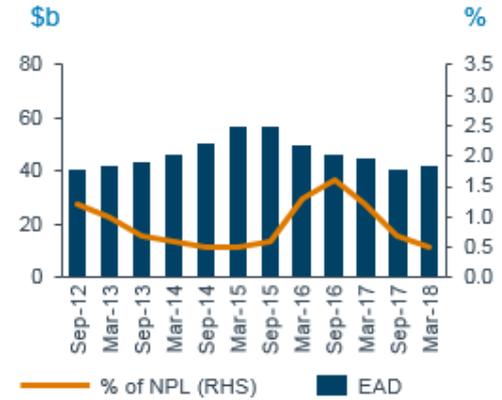
Note: % of portfolio in non performing = % of segment non performing exposures as a % of total segment exposures at default (EAD).

PORTFOLIO TRENDS

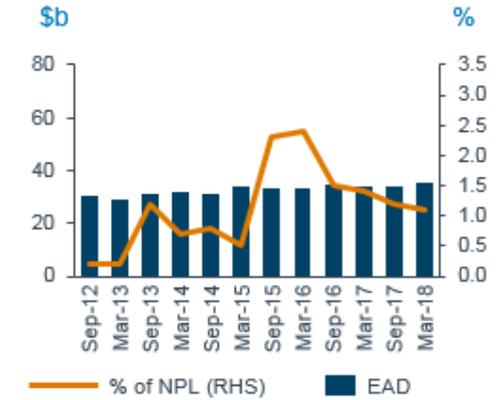
CONSTRUCTION



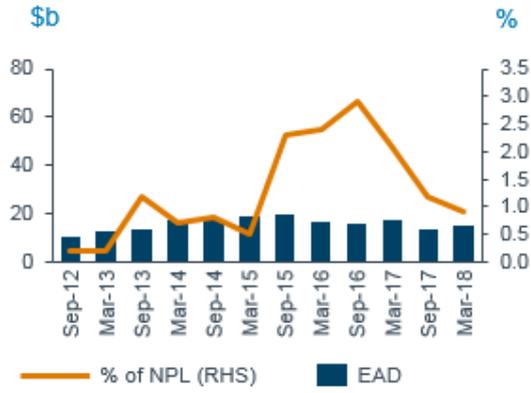
MANUFACTURING



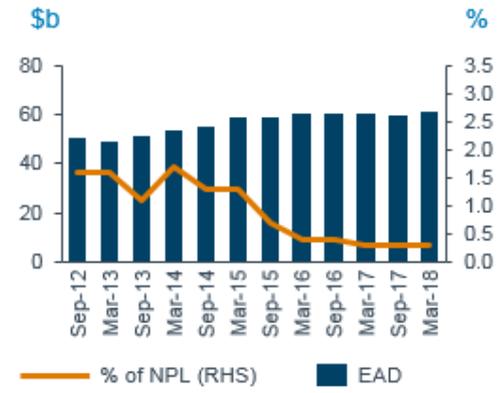
AGRI, FORESTRY, FISHING



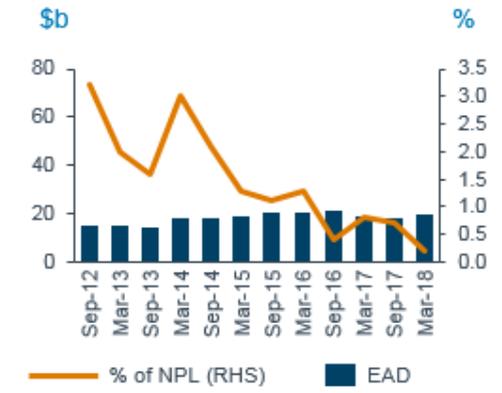
RESOURCES



PROPERTY SERVICES



TRANSPORT & STORAGE



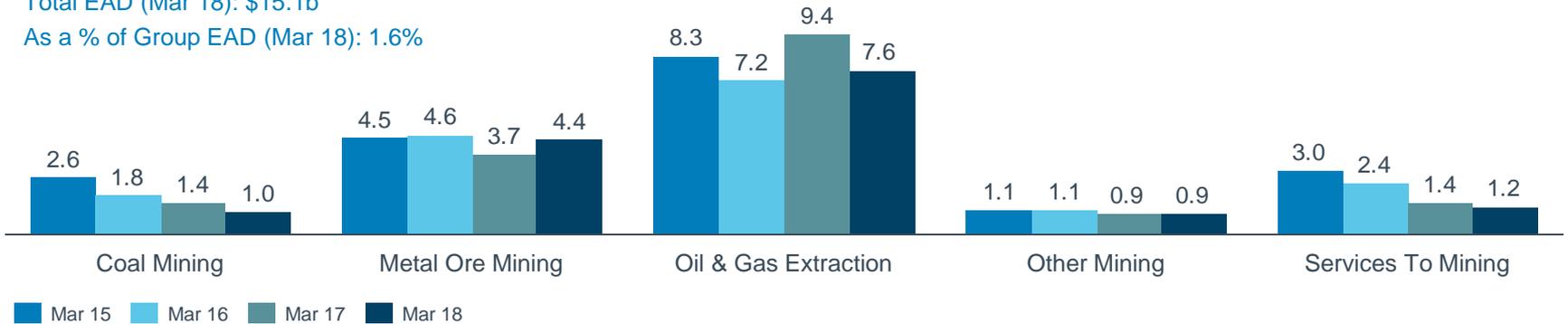
Note: % of portfolio in non performing = % of segment non performing exposures as a % of total segment exposures at default (EAD).

GROUP RESOURCES PORTFOLIO

RESOURCES EXPOSURE BY SECTOR (%)

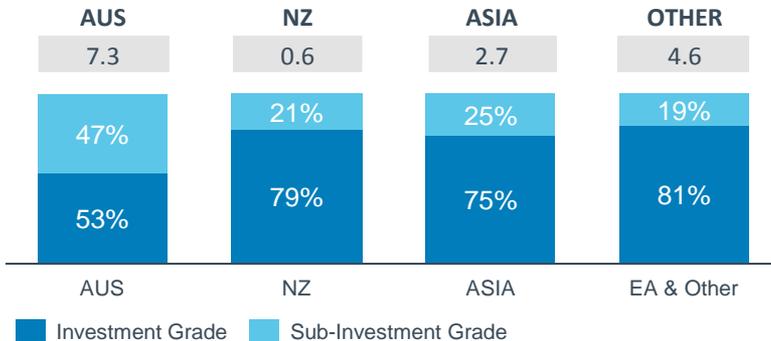
Total EAD (Mar 18): \$15.1b

As a % of Group EAD (Mar 18): 1.6%



RESOURCES EXPOSURE CREDIT QUALITY (EAD)

\$b



RESOURCES PORTFOLIO MANAGEMENT

- Portfolio is skewed towards well capitalised and lower cost resource producers.
- 32% of the book is less than one year duration.
- Investment grade exposures represent 68% of portfolio vs. 66% at Sep 17 and Trade business unit accounts for 18% of the total Resources EAD.
- Mining services customers are subject to heightened oversight given the cautious outlook for the services sector.

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Our information

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[2018 Half Year Corporate Sustainability Update](#)

[2017 Corporate Sustainability Review](#)

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