

ANZ BANK NEW ZEALAND LIMITED

PERPETUAL PREFERENCE SHARE OFFER INVESTOR PRESENTATION

March 2024

JOINT LEAD MANAGERS



IMPORTANT NOTICE

This presentation has been prepared by ANZ Bank New Zealand Limited (**ANZ**) in relation to the offer (**Offer**) of perpetual preference shares (**PPS**).

A Limited Disclosure Document (**LDD**) has been prepared in respect of the Offer. The LDD is available on the online Disclose Register maintained by the Companies Office at www.disclose-register.companiesoffice.govt.nz/ (offer number OFR13716) or can be obtained from the Joint Lead Managers or your usual financial advice provider.

This presentation provides information in summary form only and is not intended to be complete. The information in this presentation has been obtained from sources believed to be reliable and accurate at the date of preparation, but its accuracy, correctness, reasonableness and completeness cannot be guaranteed.

The information in this presentation is general in nature and does not take account of your individual circumstances. It does not constitute financial, investment, legal, tax or other advice or a recommendation to purchase PPS. You must make your own independent assessment of the financial condition and affairs of ANZ before deciding whether or not to invest in the PPS.

You should carefully read and consider the LDD, consider the suitability of an investment in the PPS in light of your individual risk profile for investments, investment objectives and personal circumstances (including financial and taxation issues) and consult your financial, legal, tax and other professional advisers before deciding to invest in the PPS.

These PPS do not have the same rights (including voting rights) or privileges, or the same opportunity to increase in value, as ordinary shares. Scheduled distributions may be cancelled and ANZ is under no obligation to pay cancelled distributions at a later date. The PPS are perpetual and have no fixed term. You have no right to require repayment for any reason.

The LDD only constitutes an Offer to investors in New Zealand. ANZ has not taken and will not take any action that would permit a public or regulated offering of the PPS, or possession or distribution of any offering material in respect of the PPS, including this presentation, in any country or jurisdiction other than New Zealand. The PPS may only be offered for sale or sold in compliance with all applicable laws and regulations in any jurisdiction in which they are offered, sold or delivered. The LDD and any advertisement or other offering material in respect of the PPS may only be published, delivered or distributed in compliance with all applicable laws and regulations (including those of the country or jurisdiction in which the material is published, delivered or distributed).

New Zealand International Financial Reporting Standards (**NZ IFRS**)/New Zealand generally accepted accounting principles (**NZ GAAP**) financial measures: The Bank reports and describes in this document certain non-NZ GAAP financial measures. Non-NZ GAAP financial measures are not calculated in accordance with NZ IFRS. Non-NZ GAAP financial measures should be considered in addition to, and not as substitutes for or superior to, financial measures of financial performance or financial position prepared in accordance with NZ IFRS.

To the maximum extent permitted by law, none of ANZ as Issuer, ANZ as Arranger, or ANZ, Craigs Investment Partners Limited, Forsyth Barr Limited, Hobson Wealth Partners Limited or Jarden Securities Limited as Joint Lead Managers, or their respective affiliates, directors, officers, partners, employees, advisers or agents, makes any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained in this presentation, or in any further information that may at any time be supplied in connection with the Offer, or accepts any responsibility or liability for any direct or indirect loss or damage howsoever occurring from the use of or reliance on this presentation by any person.

ANZ is a subsidiary of Australia and New Zealand Banking Group Limited (**ANZBGL**). ANZBGL is classified as an authorised deposit-taking institution under the Banking Act 1959 of Australia. ANZ is a member of ANZBGL's group but is not an authorised deposit-taking institution under the Banking Act 1959 of Australia. Neither ANZBGL nor ANZ Group Holdings Limited (**ANZGHL**), the ultimate listed parent company of ANZ, guarantees or supports ANZ or the PPS. The PPS do not represent deposits or other liabilities of ANZGHL or ANZBGL.

Capitalised terms used in this presentation have the same meaning as set out in the LDD, unless the context otherwise requires.

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OFFER HIGHLIGHTS

OFFER HIGHLIGHTS

Feature	Description
Issuer	ANZ Bank New Zealand Limited (ANZ)
Description	Perpetual preference shares (PPS)
Legal form	Equity
Offer size	Up to NZ\$250 million plus unlimited oversubscriptions at ANZ's discretion
Purpose	The Offer will raise Additional Tier 1 (AT1) Capital to help ANZ meet its regulatory capital requirements and manage its capital position. The proceeds of the Offer will be used for ANZ's general corporate purposes
No fixed maturity date	The PPS have no fixed maturity date and will remain on issue indefinitely if not redeemed by ANZ
Optional Redemption Dates	19 March 2030 (First Optional Redemption Date) and each quarterly Scheduled Distribution Payment Date after that date. Any redemption of the PPS is at the option of ANZ, subject to conditions and may not occur
Distribution Rate and distributions	<p>The Distribution Rate will be a fixed rate until the First Optional Redemption Date, after which it will change to a floating rate that resets at quarterly intervals</p> <p>Distributions are expected to comprise a cash amount and imputation credits</p> <p>Distributions are discretionary and subject to conditions (which means they may not be paid) and non-cumulative</p>
Conversion, exchange or non-viability triggers	The PPS have no conversion or exchange options and no non-viability triggers
Issue rating	The PPS have been rated BBB by S&P Global Ratings
Joint Lead Managers	ANZ, Craigs Investment Partners Limited, Forsyth Barr Limited, Hobson Wealth Partners Limited and Jarden Securities Limited

OVERVIEW

OVERVIEW OF ANZ

ANZ is New Zealand’s largest full-service bank



Operating in New Zealand since 1840



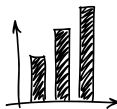
28% of total assets of registered banks in New Zealand³



Subject to prudential supervision by the Reserve Bank of New Zealand (RBNZ)

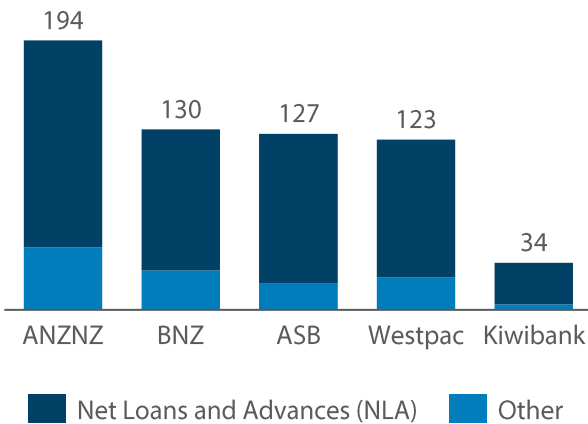


Assets of NZ\$194b and liabilities of NZ\$176b as at 30 September 2023²

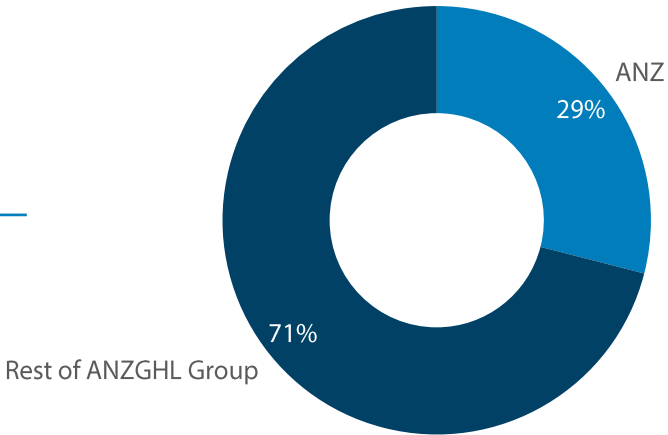


22% of the total operating income from the ANZGHL group of companies’ continuing operations for the full year ended 30 September 2023⁴

Total Assets (NZ\$b)¹



ANZGHL Group Net Profit after Tax (NPAT)⁴ Mix



1. Source: RBNZ dashboard September 2023
2. ANZ Disclosure Statement as at September 2023
3. Total assets included in ANZ Disclosure Statement divided by total assets included in RBNZ Balance Sheet data (s10) September 2023
4. ANZ Group Holdings Limited (ANZGHL) Consolidated Financial Report and ANZ Disclosure Statement as at September 2023 based on an A\$/NZ\$ exchange rate of 1.0845

FINANCIAL INFORMATION¹ SNAPSHOT

Statutory NPAT

NZ\$2,217m

▼3% (PCP²)

Return on Equity³

12.2%

▼96 bps (PCP)

Cost to Income⁴

33.9%

▼14 bps (PCP)

Operating Income

NZ\$4,912m

▲1% (PCP)

Net Interest Margin⁵

2.39%

▲24 bps (PCP)

Home Loan Market Share⁶

30.36%

▼9 bps (PCP)

Total Assets

NZ\$194b

▼3% (PCP)

Net Loans and Advances

NZ\$149b

▲1.5% (PCP)

Customer Deposits

NZ\$133b

▲2% (PCP)

Credit Impairment Charge

NZ\$183m

▲Large (PCP)

Allowance for Expected Credit Losses

NZ\$730m

▲13% (PCP)

90+ Days Arrears (% of gross loans and advances (GLA))⁷

0.44%

▲13 bps (PCP)

1. Source: Calculated from ANZ Disclosure Statements for the year ended 30 September 2023 and management information. Information presented is for the 12 months ending 30 September 2023

2. PCP refers to the 12 month prior comparable period ending 30 September 2022

3. NPAT for the year ended 30 September 2023 divided by average total shareholder's equity

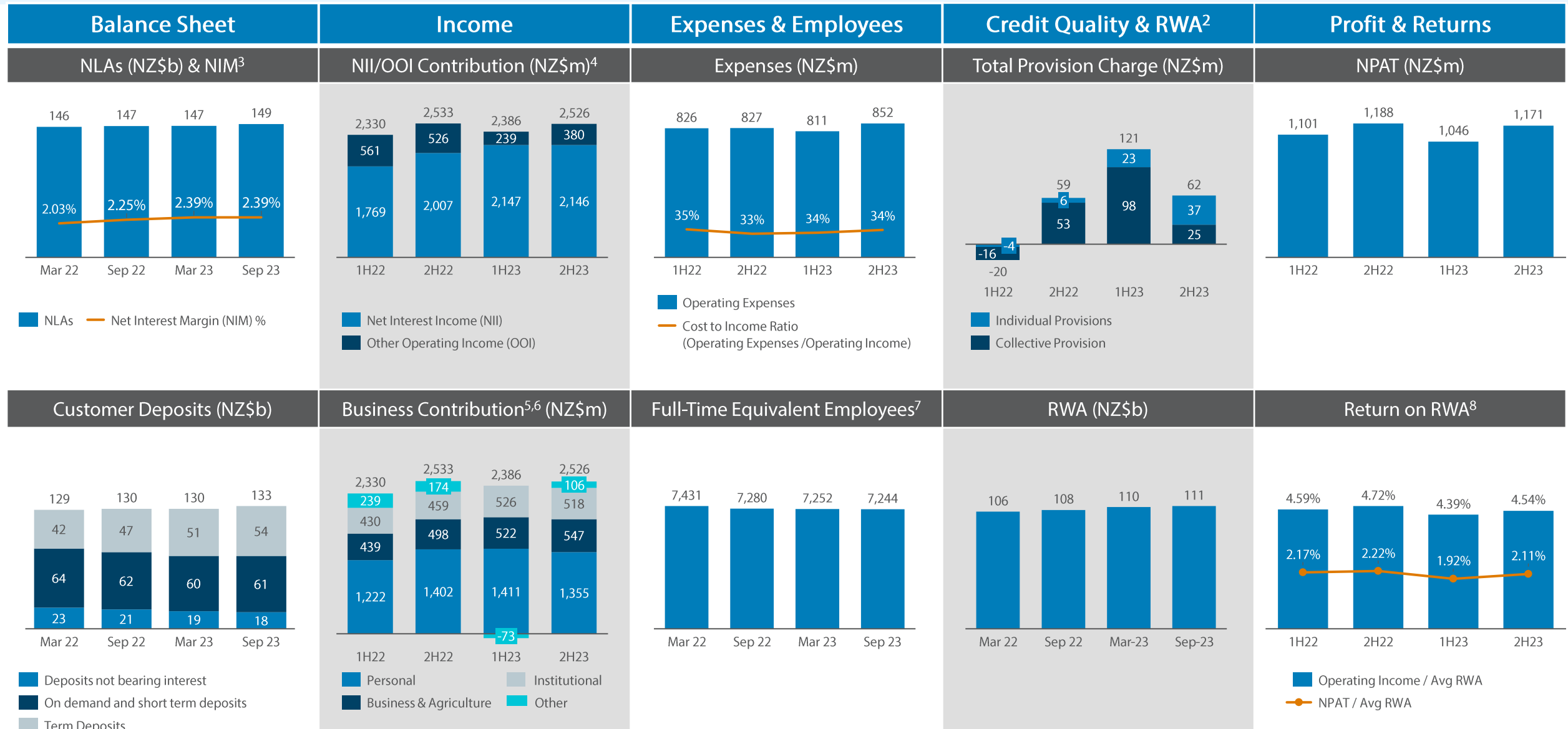
4. Operating expenses divided by operating income

5. Net interest income divided by average interest earning assets

6. Home Loans include GLAs to owner occupiers and residential investors but excludes business loans secured by residential property. Market share is ANZ home loans divided by Total Housing Loans included in the RBNZ data (s31) as at 30 September 2023

7. Total past due but not individually impaired assets at least 90 days past due divided by GLAs

KEY PERFORMANCE METRICS¹



1. Source: Calculated from ANZ Disclosure Statements and management information. 1H refers to six months ended 31 March and 2H refers to six months ended 30 September

2. Risk weighted assets (RWA)

3. NII divided by average interest earning assets

4. The OOI contraction in 1H23 and 2H23 is mainly due to economic hedge losses vs gains in 2022

5. During 1H22 business units were reorganised from Retail and Commercial to Personal and Business which resulted in some customer re-segmentation

6. Business contribution has been updated to reflect the transfer of certain larger business and property finance customers from Business to Institutional. Comparatives have been adjusted

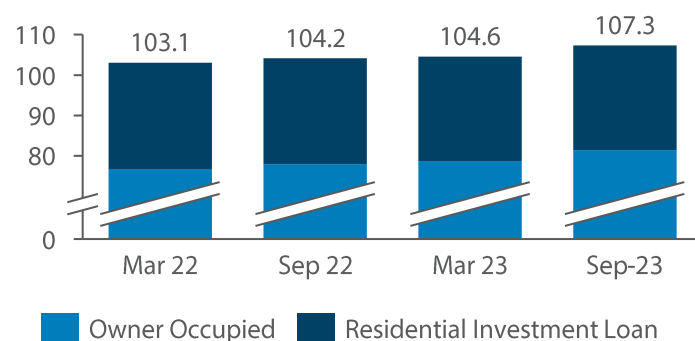
7. Includes employees that are employed on a full-time basis, part-time basis or that are on a fixed term contract, casual employees and independent contractors

LOAN PORTFOLIO AND ASSET QUALITY

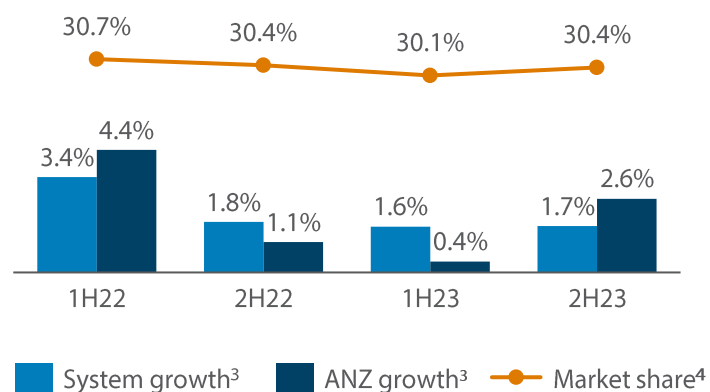
LENDING PORTFOLIO AND MARKET SHARE

Housing

ANZ Portfolio (NZ\$b) ¹

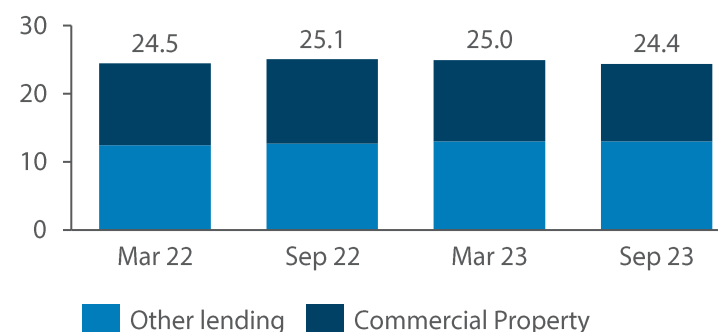


Relative to system growth

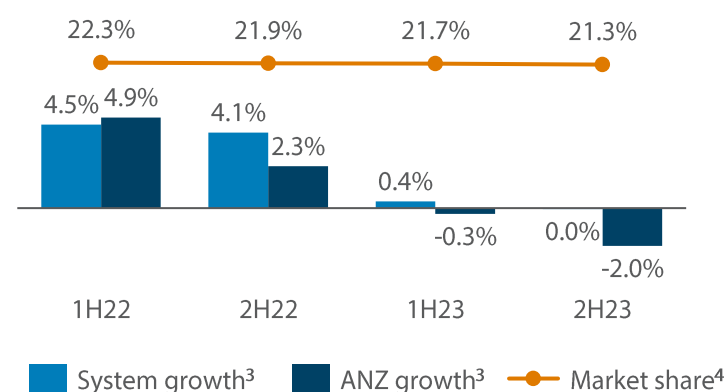


Business

ANZ Portfolio (NZ\$b) ²

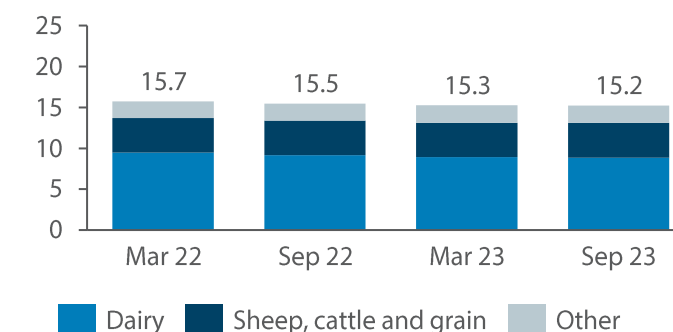


Relative to system growth

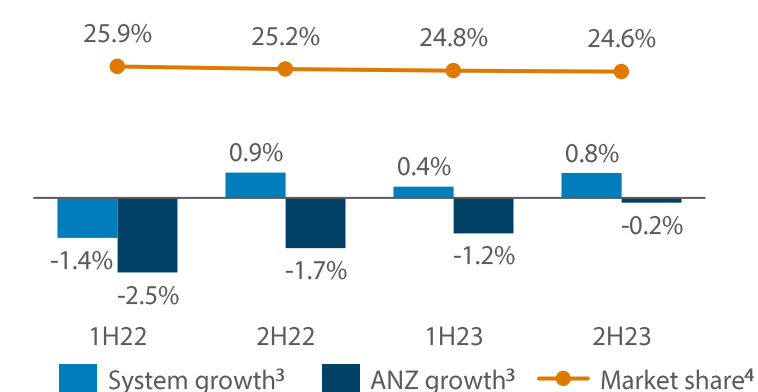


Agriculture

ANZ Portfolio (NZ\$b)



Relative to system growth



Source: ANZ management information and RBNZ Total Loans by purpose data (s31) September 2023

1. Housing includes business loans secured by residential properties

2. Business excludes business loans secured by residential properties

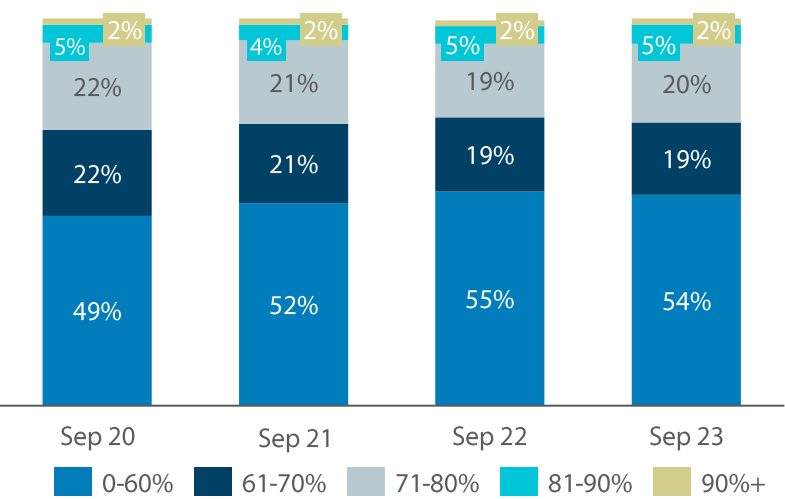
3. Growth is movement in lending portfolio over a time period divided by opening balance of the lending portfolio

4. Market share is ANZ's lending portfolio closing balance divided by Market's lending portfolio closing balance (Market = Registered banks in NZ per RBNZ)

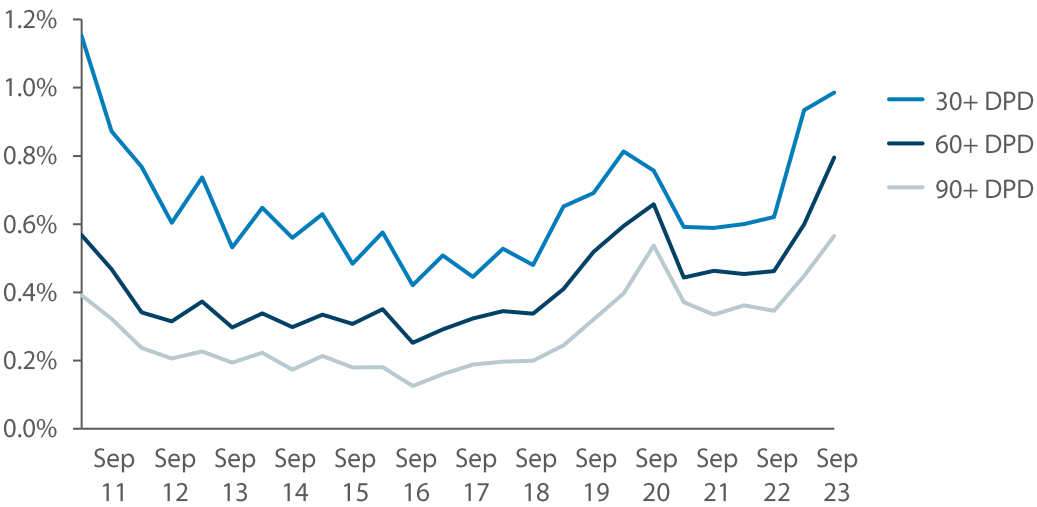
Note: 1H refers to six months ended 31 March and 2H refers to six months ended 30 September

HOUSING PORTFOLIO

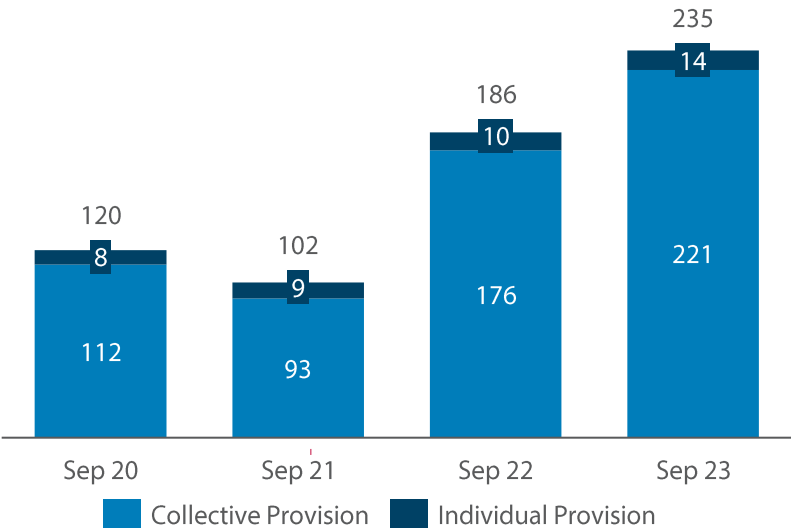
Loan to Value (LVR)^{1,2}



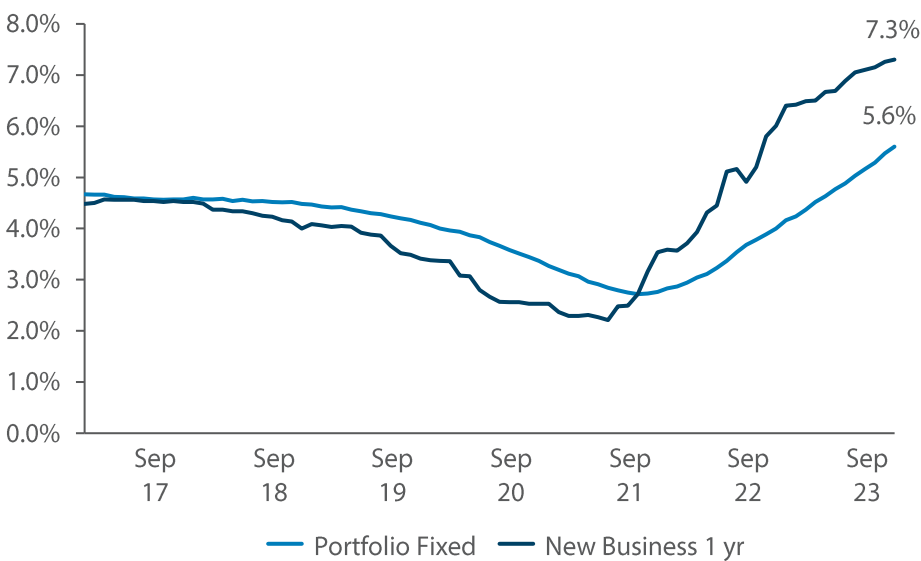
Delinquencies³



Provision Balances (NZ\$m)¹



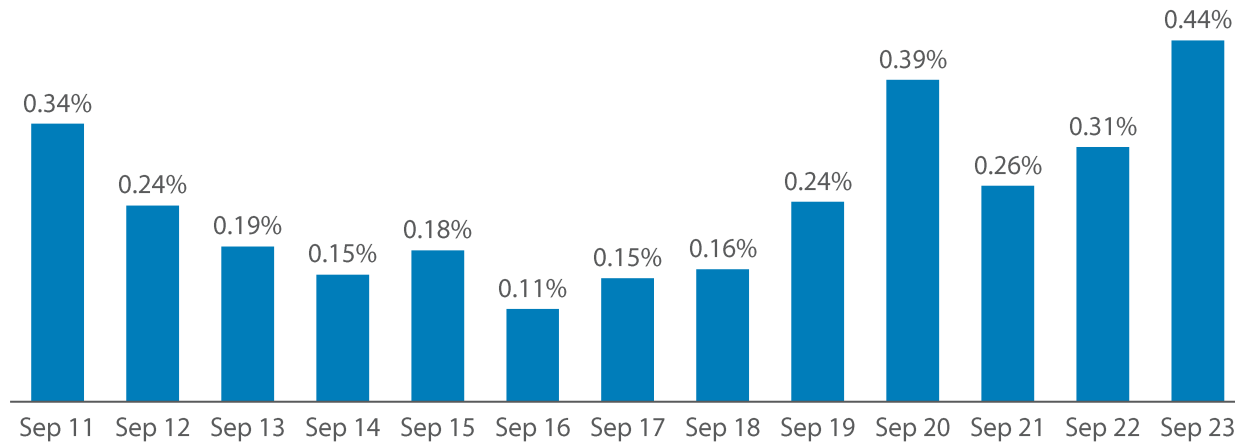
Portfolio Interest Rate vs 1 Year Interest Rate⁴



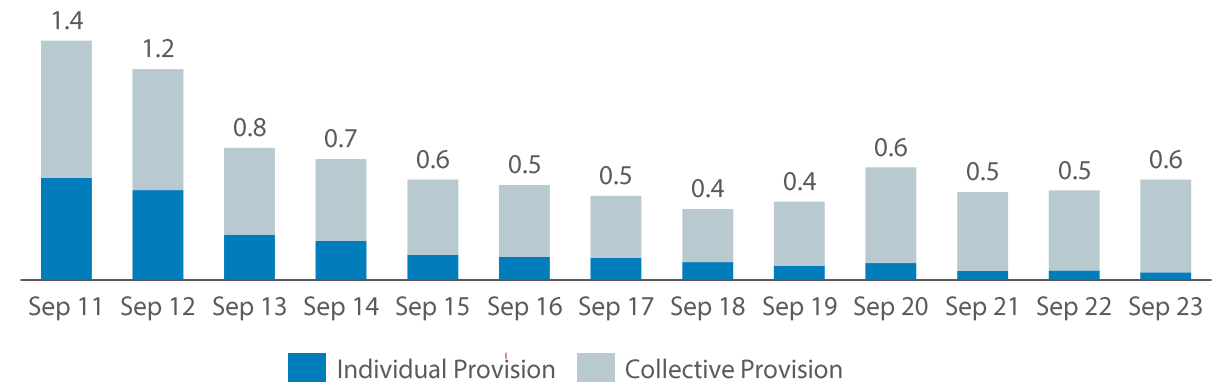
1. Source: ANZ Disclosure Statements for the years ended 30 September 2020 – 30 September 2023
2. LVRs are calculated as the current exposure secured by a residential mortgage divided by the valuation of the security property at origination of the exposure
3. Source: ANZ Disclosure Statements for the periods 31 March 2011 – 30 September 2023
4. Source: RBNZ data from January 2017 to November 2023 (B6 and B21). Portfolio Fixed refers to interest income earned by banks on fixed rate loans. 'New Business 1 yr' refers to average special mortgage rates advertised by banks for a 1 year term

TOTAL PORTFOLIO ASSET QUALITY

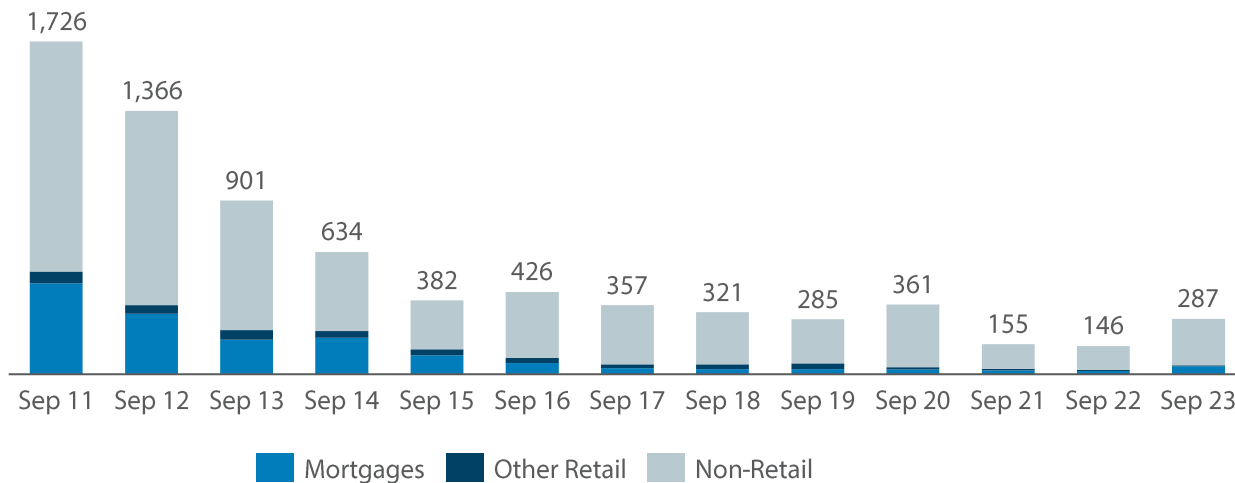
90+ Days Arrears (% of GLA)¹



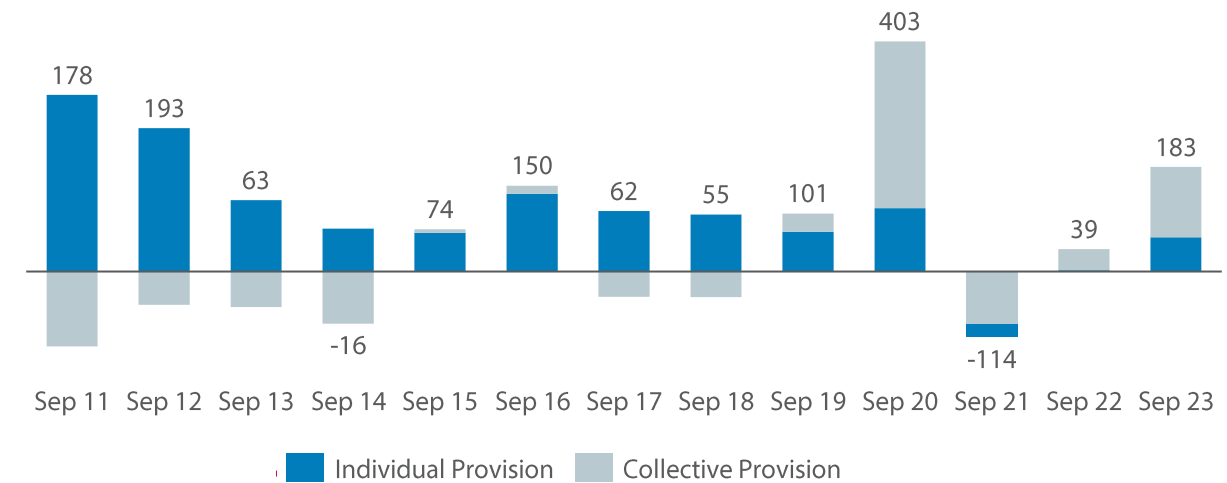
Provision Balances (% of GLA)²



Individually Impaired Assets (NZ\$m)



Total Provision Charge (NZ\$m)



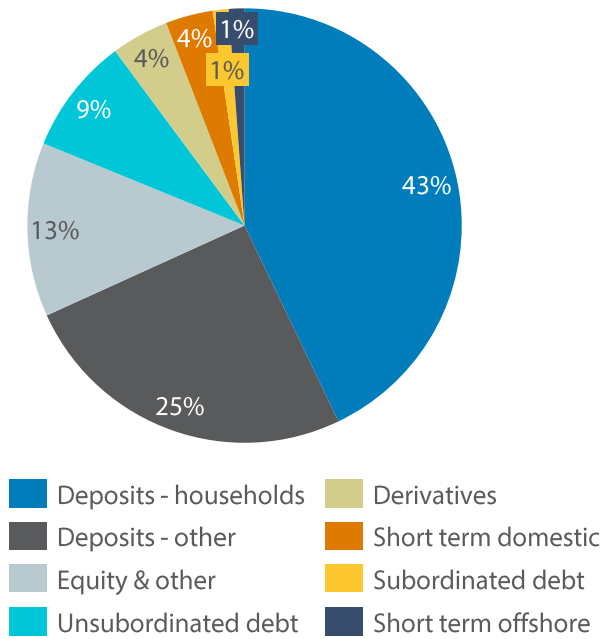
Source: ANZ Disclosure Statements for the years ended 30 September 2011 - 30 September 2023

1. Total past due but not individually impaired assets at least 90 days past due divided by GLA
2. Total allowance for expected credit losses divided by GLA

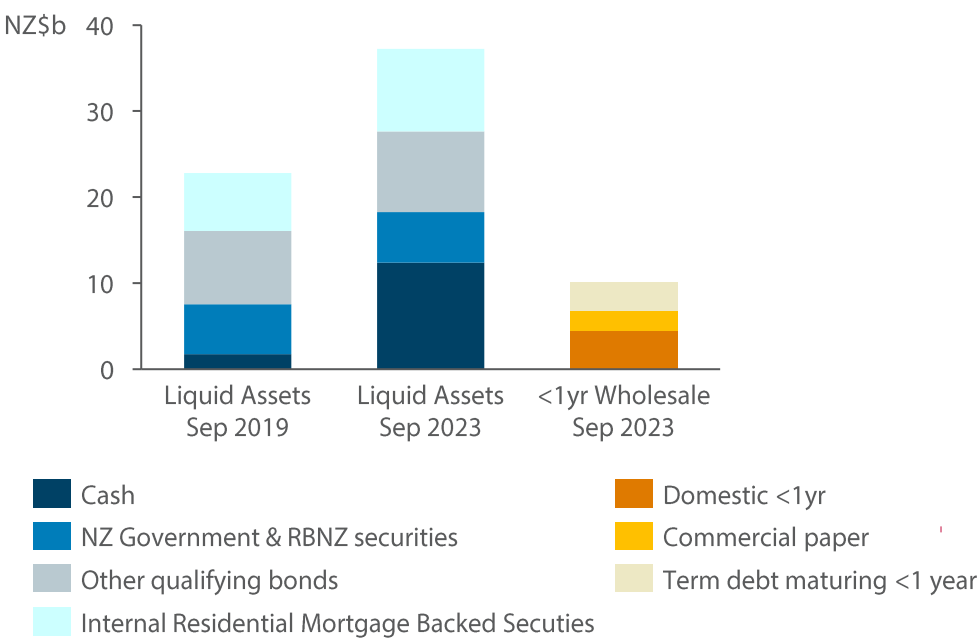
FUNDING AND LIQUIDITY

FUNDING AND LIQUIDITY

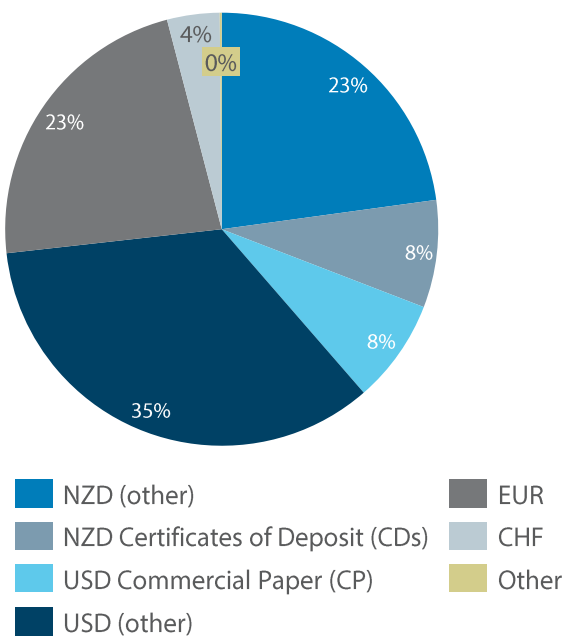
Balance Sheet Funding Mix¹



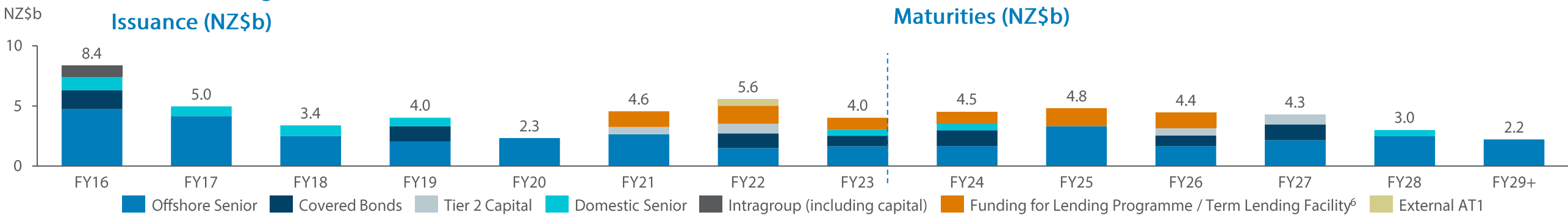
Liquid Assets and Wholesale Debt <1 Yr^{2,3}



Wholesale Funding Currency Mix^{2,4}



Wholesale Funding Portfolio^{2,5}



1. Source: ANZ September 2023 Disclosure Statement

2. Source: ANZ. This information has not been presented in accordance with NZ GAAP or subject to external audit or review

3. Liquid assets are post hair cut qualifying liquidity assets per the RBNZ liquidity policy, and therefore differ from NZ GAAP. Debt with a term of <1 year includes regulatory capital at next call date.

4. Excludes intragroup transactions as at 30 September 2023 and accounting fair value hedge revaluations. Includes issued debt held by ANZ. Numbers may not add due to rounding

5. Issuance amounts are based on historical FX rates. Maturities are based on 30 September 2023 FX rates. Includes transactions with an original call or maturity date greater than 12 months. Tier 2 Capital maturity profile is based on the next callable date. Intragroup and External AT1 instruments have no maturity date and are not included in the maturities profile

6. Term Lending Facility is assumed to mature 5 years from date of drawdown

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CAPITAL MANAGEMENT STRATEGY

CAPITAL MANAGEMENT

Rationale for PPS Issue

- Efficient balance sheet management
- Progressively increase capital to achieve the RBNZ's July 2028 capital ratio requirements
- Transition from existing capital instruments that will progressively no longer qualify under the RBNZ's requirements

Capital Position

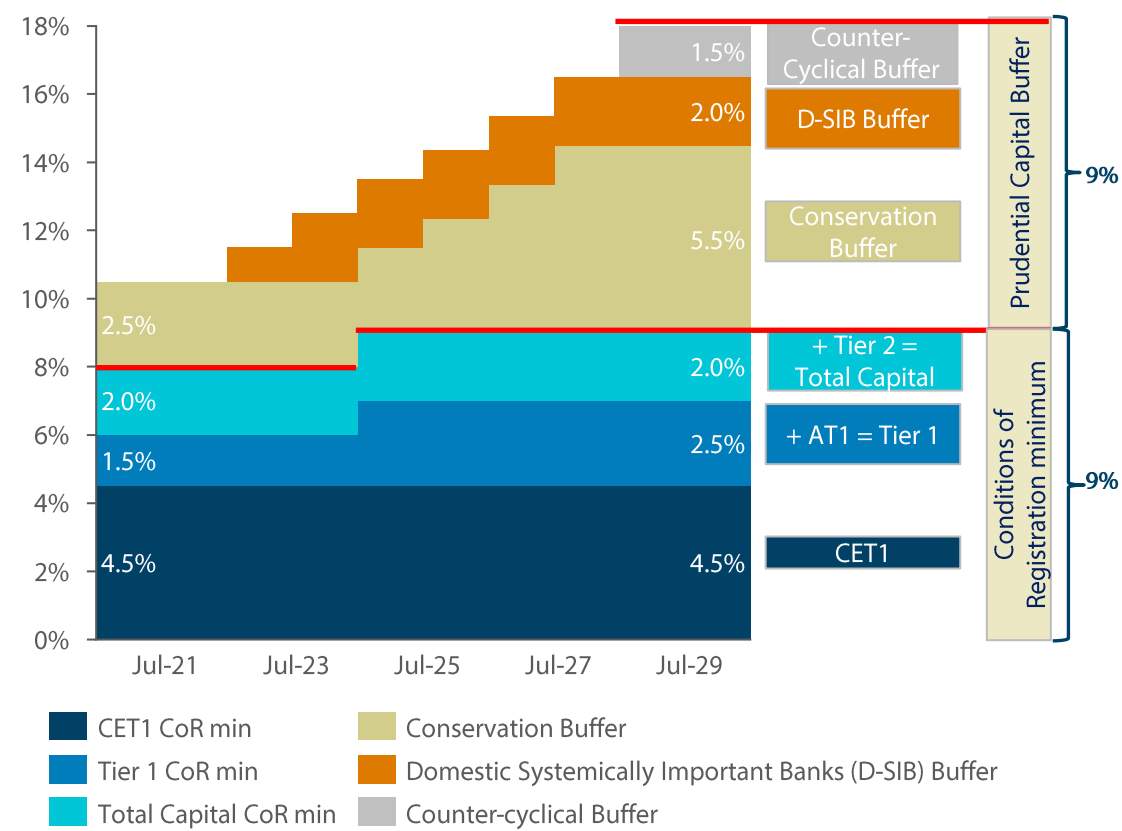
- ANZ Common Equity Tier 1 (CET1) Capital ratio of 12.5%¹ at 30 September 2023:
 - 3.5% above the RBNZ's current CET1 Capital ratio requirement
 - Well progressed in meeting the RBNZ's transition timetable to the higher capital ratio requirements of 13.5% for CET1 Capital

1. Source: ANZ Disclosure Statements as at 30 September 2023

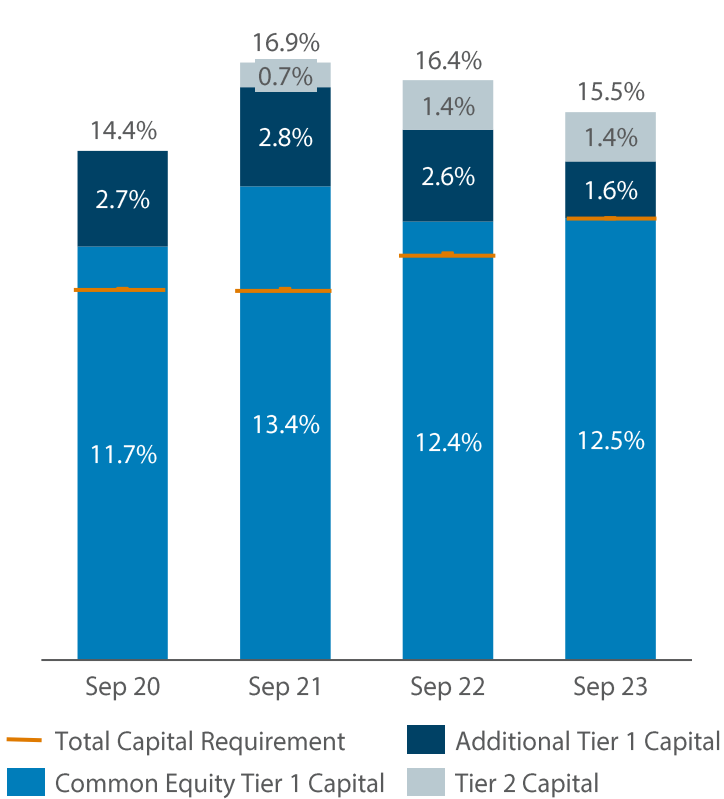
CAPITAL

RBNZ's capital requirements are progressively increasing from 1 January 2022 to 1 July 2028

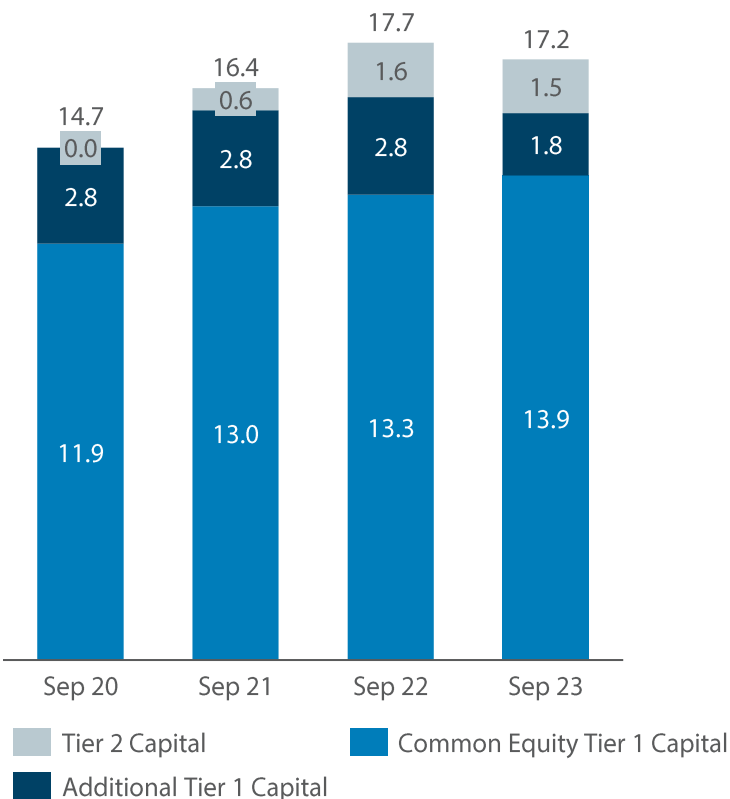
RBNZ's Total Capital Ratio Requirements¹



ANZ Capital Ratios (%)^{2, 3}



ANZ Capital (NZ\$b)⁴



1. Source: RBNZ Banking Prudential Requirements and ANZ's Conditions of Registration (CoR)
In addition to the increases in the capital ratio requirements, there have been increases in the risk weightings of certain assets:

- RWA floor for Internal Ratings Based (IRB) banks, including ANZ, was set at 85% of standardised RWAs from January 2022
- IRB scalar increased from 106% to 120% from 1 October 2022

2. Source: ANZ Disclosure Statements for the years ended 30 September 2020 – 30 September 2023

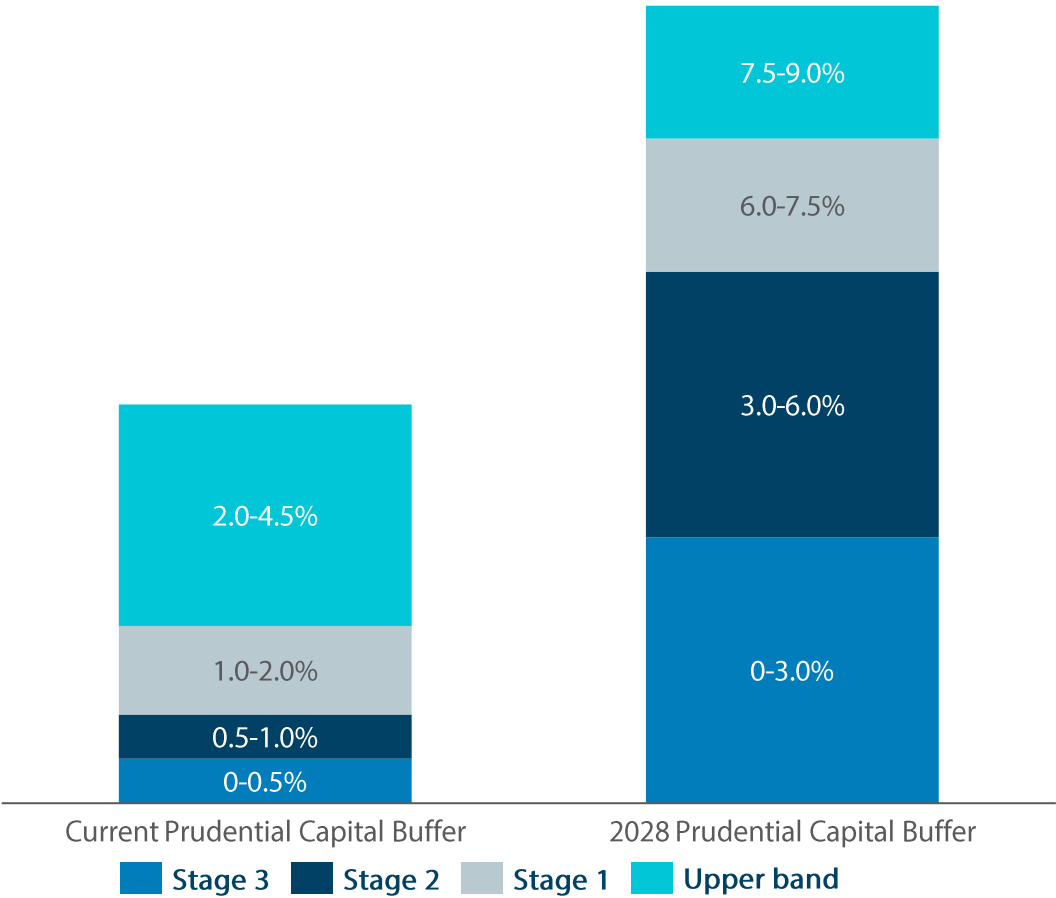
3. September 2022 Total Capital ratio reduction included the increase in RWA floor to 85% of standardised RWA from January 2022.
September 2023 Total Capital ratio reduction included:

- NZ\$1.0b AT1 Notes redemption March 2023
- Increase in RWA scalar from 106% to 120% in October 2022

4. Source: ANZ Disclosure Statements for the years ended 30 September 2020 – 30 September 2023

RBNZ SUPERVISORY FRAMEWORK

Stages of RBNZ Supervisory Response



Prudential Capital Buffer

Supervisory Actions

The RBNZ and the bank are to undertake progressive actions if the bank’s capital ratios fall within the Prudential Capital Buffer

Upper band: No supervisory response is specified although distributions on Common Equity Tier 1 Capital are restricted to 100% of earnings

Stage 1: The bank must provide a capital restoration plan to the RBNZ for approval to return to full capital levels in the medium term (next 12 months). Distributions on Common Equity Tier 1 Capital are restricted to 60% of earnings

Stage 2: The RBNZ commences a formal review of the bank’s capital restoration plan. The RBNZ may if necessary exercise powers to require external expert reports be prepared. Distributions on Common Equity Tier 1 Capital are restricted to 30% of earnings

Stage 3: The RBNZ will require the bank to prepare a recapitalisation plan and may convert legacy capital instruments. No distributions are allowed on Common Equity Tier 1 Capital or, **from 1 July 2028, on Additional Tier 1 Capital (including the PPS)**

KEY DIFFERENCES OF NEW ZEALAND AND AUSTRALIAN AT1 ISSUES

The PPS do not have conversion to equity or non-viability triggers

Key Features	ANZ PPS	ANZBGL Capital Notes 8 A\$1.5b - issued March 2023
Instrument	Perpetual Preference Shares (equity)	Capital Notes (debt)
Issue rating	BBB (S&P Global Ratings)	Not rated
Capital classification	AT1 Capital for the RBNZ's regulatory capital requirements	AT1 Capital for the Australian Prudential Regulation Authority's (APRA) regulatory capital requirements
Term	Perpetual, no fixed maturity date and will remain on issue indefinitely if not redeemed by ANZ	Perpetual. Mandatory conversion into ordinary shares ~9.5 years after the issue date subject to certain conditions being met
Issuer redemption options	Yes - on an Optional Redemption Date (the first being 6 years after the Issue Date and then quarterly thereafter) or if a tax event or regulatory event occurs, with the RBNZ's approval and subject to certain other conditions	Yes - on an optional redemption date (the first being ~7 years after issue, and then the following 2 two quarterly scheduled distribution payment dates) or if a tax event or regulatory event occurs, with APRA's approval and subject to certain other conditions
Mandatory conversion to equity	No	Yes - on the mandatory conversion date or following certain change of control events, subject to the certain conditions being satisfied
Conversion to equity on a trigger event	No	Yes – if ANZBGL determines or APRA believes that ANZBGL's common equity tier 1 capital ratio is equal to or less than 5.125% or if APRA determines for certain reasons that ANZBGL will become non-viable. Write-off occurs if conversion to ordinary equity does not occur for any reason

SUMMARY TERMS AND KEY DATES

SUMMARY TERMS

Feature	Description
Type of instrument	Perpetual preference shares
Regulatory treatment	AT1 Capital
Ranking	<p>In a liquidation of ANZ, Holders’ rights to payment of a maximum amount equal to the Issue Price for each of their PPS will rank:</p> <ul style="list-style-type: none"> • behind the claims of all depositors and other creditors of ANZ (including holders of Tier 2 Capital instruments of ANZ), except for the claims and rights described below; • equally with the rights of other Holders and the rights and claims of holders of other preference shares, securities or other obligations of ANZ that rank equally with the PPS; and • ahead of the rights of ANZ’s ordinary shareholders <p>In a liquidation of ANZ, it is unlikely that there will be surplus assets available for the liquidator to pay any amount to Holders in respect of their PPS</p>
Redemption	<p>ANZ may redeem all of the PPS:</p> <ul style="list-style-type: none"> • on an Optional Redemption Date; or • at any time if a Tax Event or Regulatory Event occurs <p>ANZ may only redeem the PPS if certain conditions are met, including:</p> <p>(i) the RBNZ having given its written approval to the redemption (approval is at the absolute discretion of the RBNZ); and</p> <p>(ii) ANZ satisfying the Solvency Condition</p> <p>Any redemption of the PPS is at the option of ANZ, subject to conditions and may not occur. Holders have no right to require that the PPS be redeemed</p>
Solvency Condition	<p>The payment of distributions on a Distribution Payment Date and any redemption of the PPS is conditional on ANZ satisfying the Solvency Condition. The Solvency Condition will be satisfied if ANZ:</p> <ul style="list-style-type: none"> • is Solvent on the applicable payment date; and • is able to pay the amount and remain Solvent immediately after paying the amount <p>“Solvent” means satisfying the solvency test contained in section 4 of the Companies Act 1993, as modified by section 52 of that Act</p>
Limited Enforcement Rights	The terms of the PPS do not include events of default or any other provisions entitling Holders to require that the PPS be redeemed

SUMMARY TERMS (CONT.)

Feature	Description
Distribution payments	Distributions on the PPS are scheduled to be paid quarterly in arrear on each Scheduled Distribution Payment Date and, if the PPS are redeemed, on the date on which the PPS are redeemed
Distributions	Distributions on the PPS are expected to comprise a cash amount and imputation credits. The cash amount and imputation credits together will be equal to the Distribution Rate
Distribution Rate	<div> <p>The Distribution Rate until the First Optional Redemption Date will be a fixed rate calculated as the sum of the Swap Rate (to 2 decimal places) plus the Issue Margin</p> <p>Announced via NZX on or about the Rate Set Date</p> </div> <div> <p>The Distribution Rate after the First Optional Redemption Date will be a floating rate calculated as the sum of the applicable 3 Month Bank Bill Rate plus the Issue Margin</p> <p>If the sum of the 3 Month Bank Bill Rate plus the Issue Margin is less than 0% per annum, the floating rate will be deemed to be 0% per annum</p> <p>Announced via NZX on or about the date it is reset</p> </div>
Issue Margin	The Issue Margin will be announced by ANZ via NZX on or about the Rate Set Date. The Issue Margin for the PPS will not change
Distributions are discretionary and subject to conditions	There is no guarantee that distributions will be paid on the PPS. ANZ has full discretion at all times to cancel distributions on the PPS. In addition, the payment of any distribution on any Distribution Payment Date is subject to conditions
Distributions are non-cumulative	Distributions are non-cumulative. If a distribution is not paid when scheduled, ANZ is under no obligation to pay that distribution at a later date
Distribution Stopper	<p>If a distribution is not paid in full within 3 Business Days of a Distribution Payment Date, ANZ must not pay a dividend on its ordinary shares, acquire its ordinary shares or otherwise undertake a capital reduction in respect of its ordinary shares, until:</p> <ul style="list-style-type: none"> • ANZ pays a distribution in full on a subsequent Scheduled Distribution Payment Date; or • there are no PPS outstanding
Quotation	Application to quote the PPS on the NZX Debt Market has been made. NZX ticker code ANBHD has been reserved for the PPS
Offer process	All PPS, including oversubscriptions, will be reserved for subscription by clients of the Joint Lead Managers, Primary Market Participants and other persons invited to join the bookbuild. There will be no public pool
Minimum application amount	NZ\$5,000 and in multiples of NZ\$1,000 thereafter
Brokerage	0.50% on firm allocations plus 0.50% brokerage, payable by ANZ
Selling restrictions	The offer of PPS will only be made to New Zealand investors

KEY DATES

Key dates for the Offer	
LDD lodgement	Friday, 1 March 2024
Opening Date	Monday, 4 March 2024
Closing Time	11.00am on Friday, 8 March 2024
Rate Set Date	Friday, 8 March 2024
Issue Date	Tuesday, 19 March 2024
Expected Quotation Date	Wednesday, 20 March 2024
Key dates for the PPS	
Optional Redemption Dates	19 March 2030 (First Optional Redemption Date) and each quarterly Scheduled Distribution Payment Date after that date. Any redemption of the PPS is at the option of ANZ, subject to conditions and may not occur
First Scheduled Distribution Payment Date	Wednesday, 19 June 2024
Distribution Payment Dates	<ul style="list-style-type: none">• 19 March, 19 June, 19 September and 19 December in each year (Scheduled Distribution Payment Dates); and• If the PPS are redeemed, on the date on which the PPS are redeemed Distributions are discretionary and subject to conditions
No fixed maturity date	The PPS have no fixed maturity date and will remain on issue indefinitely if not redeemed by ANZ

Note: The “Key dates for the Offer” and “Key Dates for the PPS” may change. ANZ has the right in its absolute discretion to vary such dates

CONTACT INFORMATION

KEY CONTACTS

Key Contacts

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