

**AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED (ABN  
11 005 357 522)**

**EUR750 MILLION WHOLESALE SUSTAINABLE DEVELOPMENT GOALS BOND  
- USE OF PROCEEDS REPORT**

**2019 HALF YEAR UPDATE AS AT 30 SEPTEMBER 2019**



## PURPOSE

This report provides an update to investors, as at 30 September, on the use of proceeds of the EUR 750,000,000 fixed rate notes Sustainable Development Goals (“**SDGs**”) Bond due 21 February 2023 (“**SDG Bond**”).

The SDG Bond was issued by Australia and New Zealand Banking Group Limited (“ANZ”) pursuant to its wholesale EMTN information memorandum dated 16 May 2017 as supplemented (“**EMTN Information Memorandum**”). No transfers may be made to retail clients (as defined in section 761G of the Corporations Act 2001 of Australia) and no bids or offers may be made on an Australian Securities Exchange trading platform with a value less than A\$500,000 (or its equivalent in an alternate currency) as set out in ANZ’s EMTN Information Memorandum.

This report is not a prospectus or other disclosure document in relation to the SDG Bond, and does not constitute an offer or invitation for the bond for issue or sale in Australia. SDG Bonds are only available for sale to persons in Australia in circumstances where disclosure is not required in accordance with Part 6D.2 or Chapter 7 of the Corporations Act. The SDG Bond has not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States or any jurisdiction, and the securities may not be offered or sold in the United States or to, or for the account or the benefit of, U.S. persons unless an exemption from the registration requirements of the US Securities Act is available and the offer and sale is in accordance with applicable state securities laws of any state of the United States. This report is not an offer or invitation to any U.S. persons (as defined in Regulation S under the US Securities Act).

## ANZ AND THE SDGS

On 1 January 2016, the United Nations SDGs came into effect, comprising 17 goals and 169 targets aimed at solving the world’s most pressing sustainable development challenges to 2030. ANZ is committed to the SDGs, and in recognition of the important role business will play in achieving the Goals, in September 2016 ANZ’s CEO Shayne Elliott signed a CEO Statement of Support for the SDGs.

On 4 November 2019 our CEO announced ANZ’s new 2025 sustainable financing target of AUD50bn. This is targeted towards initiatives that help improve environmental sustainability, increase access to affordable housing and promote financial wellbeing and is directly mapped to 6 of the SDGs.

## BOND SUMMARY

100% of proceeds from ANZ’s inaugural EUR750 million SDG Bond were allocated to Eligible Assets at issuance, and remain fully allocated as at 30 September 2019. The following tables show the key SDG Bond details and, the value of Eligible Assets as at 30 September 2019 and as at past reporting periods. Eligible asset categories continue to be linked to a selection of nine SDGs referenced below.

Please note this report now presents the AUD swapped bond proceeds and the AUD Eligible Asset portfolio.

<b>SDG Bond Details</b>	
<b>Issuer</b>	Australia and New Zealand Banking Group
<b>Bonds Outstanding</b>	SDG 1
<b>Issue Date</b>	21 February 2018
<b>Currency</b>	EUR
<b>Format</b>	Senior
<b>Tenor</b>	5 years
<b>Issued Amount</b>	750 million
<b>AUD Issuance Proceeds</b>	1.17 billion

SDG Bond Details	Eligible Assets AUD million	Change to Eligible Assets	Total AUD Issuance Proceeds	Unallocated Proceeds
21 February '18	1,450.0		1,170.0	0
31 March '18	1,468.9	+1.3%	1,170.0	0
30 September '18	1,497.0	+1.9%	1,170.0	0
31 January '19	1,391.7	-7.0%	1,170.0	0
31 March '19	1,548.3	+11.2%	1,170.0	0
30 September '19	1,521.1	-1.8%	1,170.0	0

The change in Eligible Assets value since 31 March 2019 is due to scheduled amortisation and drawdowns of term loan facilities.



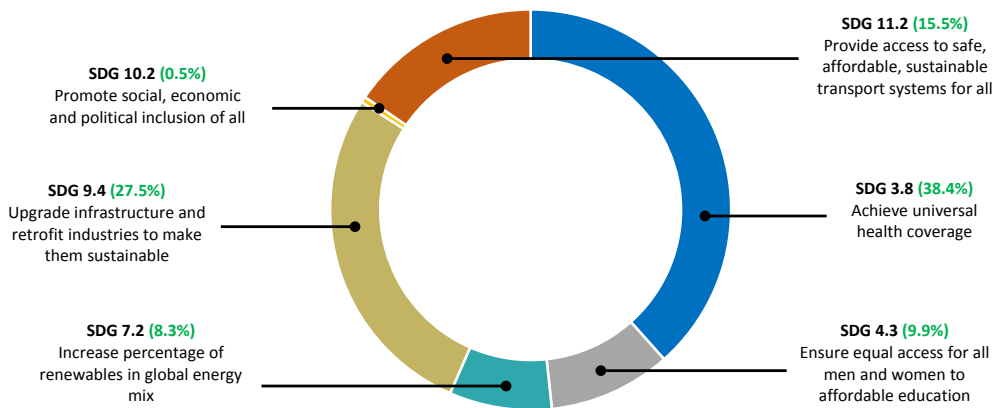
## ANZ SDG BOND FRAMEWORK

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

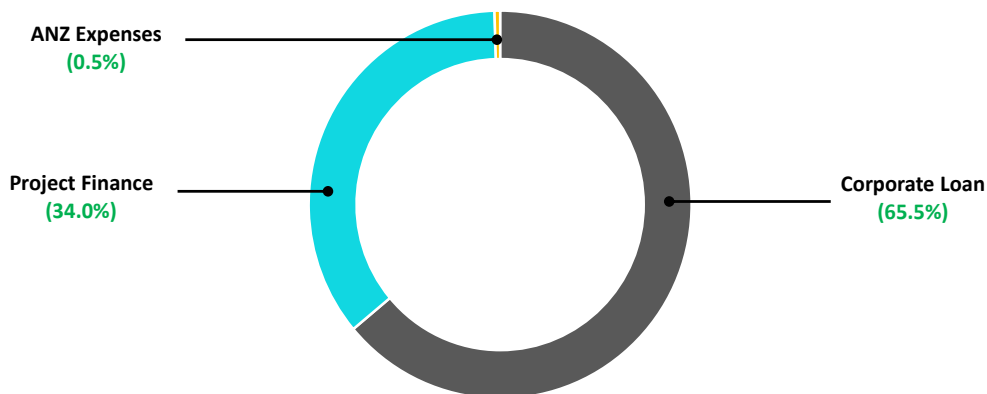
## ALLOCATION OF BOND PROCEEDS

ANZ’s SDG Bond proceeds have been allocated to Eligible Assets which align with the SDGs. The following diagram shows alignment of the Eligible Assets with the relevant SDG Targets as at 30 September 2019. Also shown below is the allocation of bond proceeds to the type of Loan Asset or SDG related ANZ Expenditures.

Allocation of proceeds by SDG:



Allocation of proceeds by loan:





The overall decrease in asset values of AUD27m was largely due to the scheduled amortisation of assets within the asset pool. The most significant moves have resulted in a decrease in asset values for SDG 3 Good Health and Wellbeing and SDG 7 Affordable and Clean Energy whilst SDG 9 Industry, Innovation and Infrastructure and SDG 4 Quality Education have increased in value.





### Reporting Notes

- The value of Eligible Assets is as at 30 September 2019, and is sourced from ANZ’s SDG Bond Asset Register.
- There is no link between the Eligible Assets and the SDG Bond itself, as set out in the pricing supplement for the SDG Bond, dated 19 February 2018.
- Three new Assets have been added to the list of Eligible Assets since its issue date (21 February 2018).

## USE OF PROCEEDS AS AT 30 SEPTEMBER 2019

SDG	SDG Target	GBP/SBP Project Category	Eligible Asset Type	Borrower - Asset	Location	Project Finance/ Corporate Loan/ ANZ Expenditure	Aggregate Asset Value (AUD million)	% of Eligible Assets
 3 GOOD HEALTH AND WELL-BEING	3.8	Access to essential services	Hospital	Not Disclosed	Australia	Corporate Loan	584.19	38.4%
				InfraShore Finance - Royal North Shore Hospital	NSW	Project Finance		
				St John of God Healthcare – Not for Profit hospitals	VIC	Corporate Loan		
			Aged Care	Allity - Aged Care Facilities	NSW, QLD, SA, VIC	Corporate Loan		
				BlueCross SapphireCare Group – Aged Care Facilities	VIC	Corporate Loan		
				ACIT Finance – Opal Aged Care Facilities	NSW, VIC, WA & QLD	Corporate Loan		
 4 QUALITY EDUCATION	4.3	Socioeconomic advancement and empowerment	Tertiary educational student housing	PBSA Finance Company - ANU PBSA portfolio	ACT	Project Finance	150.65	9.9%
			Tertiary educational	Macquarie University – operation of university	Australia	Corporate Loan		
				Monash University – operation of university	VIC	Corporate Loan		
				University of New South Wales – operation of university	NSW	Corporate Loan		

ANZ SDG BOND – HALF YEARLY USE OF PROCEEDS REPORT

SDG	SDG Target	GBP/SBP Project Category	Eligible Asset Type	Borrower - Asset	Location	Project Finance / Corporate Loan / ANZ Expenditure	Aggregate Asset Value (AUD million)	% of Eligible Assets
	7.2	Renewable Energy	Renewable Energy Generation – Wind and Solar	Mount Emerald Wind Farm	QLD	Project Finance	125.83	8.3%
				Ross River Solar Farm	QLD	Project Finance		
				Hallett 4 Wind Farm	SA	Project Finance		
	9.4	Green Buildings	Buildings with green standard	Brookfield – Wynyard Place	NSW	Corporate Loan	417.76	27.5%
				Not Disclosed	Australia	Corporate Loan		
				Lend Lease One International Towers Sydney Trust – Tower 1 International Towers Sydney	NSW	Corporate Loan		
				ANZ Banking Group – tenancy at 839 Collins Street Melbourne	VIC	ANZ Expenditure		
				Not Disclosed	Australia	Corporate Loan		
				Not Disclosed	Australia	Corporate Loan		
	10.2	Socioeconomic advancement and empowerment	Financial education programs	ANZ Money Minded and Saver Plus	Australia	ANZ Expenditure	7.19	0.5%
	11.2	Affordable basic infrastructure	Clean transportation facilities	Not Disclosed	Australia	Project Finance	235.48	15.5%
				Not Disclosed	Australia	Project Finance		
<b>Total AUD million</b>							<b>1,521.1</b>	<b>100%</b>

## Notes:

### Undisclosed Borrowers:

Certain Borrower names are not disclosed in the table above, due to confidentiality restrictions. Where there are two or fewer Assets in an SDG group, ANZ has referenced these Borrowers and Assets as “not disclosed”.

### Investor Feedback

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

### Enquiries

Enquires in relation to this report or ANZ SDG Bonds can be directed to:

[DebtIR@anz.com](mailto:DebtIR@anz.com)

### Disclaimers

1. This report is provided for information purposes only.
2. The information presented is correct at the date stated. This report does not contain all relevant information in respect of the SDG Bond. All information is subject to change without notice or update.
3. Investors should make their own assessment and seek their own independent professional advice to enable them to make any decision concerning their investment in the SDG Bond.
4. Any statement on any future matter is a present prediction of a possible future outcome, the accuracy of which cannot be guaranteed. Past performance is not a guide to future performance.

