

ANZ Subordinated Notes Deed Poll

MADE BY

ANZ Bank New Zealand Limited

ANZ

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DEED POLL dated 25 August 2021 made by

ANZ Bank New Zealand Limited
(ANZ)

INTRODUCTION

- A. ANZ proposes to issue ANZ Subordinated Notes.
- B. The ANZ Subordinated Notes will be issued in registered form by inscription in the Register.

AGREEMENT

1. DEFINITIONS AND INTERPRETATION

- 1.1 **Definitions:** In this deed terms have the meaning given to them in the Note Terms (which are set out in schedule 1), unless otherwise defined herein or the context otherwise requires.
- 1.2 **Interpretation:** Clauses 13 and 16.1 of the Note Terms apply to this deed as if each was fully set out in this deed and as if a reference to the Note Terms were a reference to this deed. The introduction to this deed is inserted for convenience only and shall be ignored in construing this deed.

2. NOTES

- 2.1 **Creation of the Notes:** The obligations of ANZ in respect of the Notes are constituted by, and specified in, this deed.
- 2.2 **Undertaking to pay:** ANZ undertakes with each Holder:
 - (a) to pay, in respect of each Note held by the Holder, the Face Value, interest and any other money payable in respect of each Note in accordance with the Note Terms; and
 - (b) otherwise to comply with the Note Terms.
- 2.3 **Amendment:** Any amendment to the Note Terms or this deed as permitted by the Note Terms and this deed may be made by the execution of a deed by ANZ.
- 2.4 **Appointment of Registry:** ANZ agrees to appoint a Registry and procure that the Registry establishes and maintains during its term of appointment a principal Register in New Zealand or any other place as ANZ and the Registry may agree.

3. RIGHTS AND OBLIGATIONS OF THE HOLDERS

- 3.1 **Benefit and entitlement:** This deed is executed as a deed poll. For the purposes of part 2, subpart 1 of the Contract and Commercial Law Act 2017, each Holder has the benefit of, and is entitled to enforce, this deed even though it is not a party to, or is not in existence at the time of execution and delivery of, this deed.

3.2 **Rights independent:** The Holder to whom rights are owed under this deed is entitled to enforce them without having to join any other Holder or any predecessor in title of a Holder.

3.3 **Holders bound:** Each Holder and any person claiming through or under a Holder is bound by this deed. The Notes are issued subject to and on the basis that each Holder is taken to have notice of, and be bound by, all the provisions of this deed and the Note Terms.

4. **MEETINGS OF HOLDERS**

4.1 Meetings of Holders are to be convened and held in accordance with the Meeting Provisions set out in schedule 2.

5. **GOVERNING LAW AND JURISDICTION**

5.1 This deed and the Notes are governed by and will be construed in accordance with the laws of New Zealand. ANZ submits, and each Holder is taken to submit, to the non-exclusive jurisdiction of the New Zealand courts.

EXECUTED AS A DEED

SIGNED on behalf of **ANZ BANK NEW ZEALAND LIMITED** by:



Signature of authorised signatory

Amanda Owen

Name of authorised signatory



Signature of witness

Eva Quarrie

Name of witness

Assistant Company Secretary

Occupation

Wellington

City/town of residence

Address of ANZ Bank New Zealand Limited

Address ANZ Centre
Ground Floor
23-29 Albert Street
Auckland 1010
New Zealand

Attention The Treasurer

Telephone +64 4 439 2474

SCHEDULE 1
Note Terms

ANZ Subordinated Note Terms

This schedule 1 contains the full ANZ Subordinated Note Terms.

1 ANZ SUBORDINATED NOTES

1.1 ANZ SUBORDINATED NOTES

ANZ Subordinated Notes are fully paid subordinated debt securities (**ANZ Subordinated Notes** or **Notes**) in the form of unsecured notes issued by ANZ. The Notes are issued in registered form by entry in the Register. They are issued, and may be Redeemed, according to these Note Terms.

1.2 NATURE OF OBLIGATIONS

The Notes are not guaranteed or insured by any government, Government Agency or compensation scheme in New Zealand or any other jurisdiction and are not guaranteed by ANZBGL, any of ANZ's subsidiaries or any other person.

1.3 FACE VALUE

The denomination and face value of each Note (**Face Value**) is NZ\$1.

1.4 NO CERTIFICATES

No certificates will be issued to Holders unless ANZ determines that certificates should be available or are required by law or directive.

1.5 QUOTATION

ANZ must use all reasonable endeavours to procure that the Notes will be quoted on the NZX Debt Market.

1.6 INDEPENDENT OBLIGATIONS

Each entry in the Register constitutes a separate and individual acknowledgement to the relevant Holder of the obligations of ANZ to the relevant Holder under these Note Terms. The Holder to whom those obligations are owed is entitled to enforce them without having to join any other Holder or any predecessor in title of a Holder.

2 TITLE AND TRANSFER

2.1 TITLE

Title to a Note passes when details of the transfer are entered in the Register.

2.2 REGISTER CONCLUSIVE AS TO OWNERSHIP

An entry in the Register of a person as a Holder of a Note constitutes conclusive evidence that the person so entered is the absolute owner of the Note subject to correction for fraud or error.

2.3 NON-RECOGNITION OF INTERESTS

- (a) Except as required by law or directive and as provided in these Note Terms, ANZ and the Registry must treat the person whose name is entered in the Register as the Holder of a Note as the absolute owner of the Note.
- (b) No notice of any trust, Encumbrance or other interest in, or claim to, any Note will be entered in the Register. Neither ANZ nor the Registry need take notice of any trust, Encumbrance or other interest in, or claim to, any Note, except as ordered by a court of competent jurisdiction or required by law or directive, and no trust, Encumbrance or

other interest in, or claim to, any Note will in any way affect any provision of these Note Terms.

- (c) This clause 2.3 applies whether or not a payment has been made when scheduled on a Note and despite any notice of ownership, trust or interest in the Note.

2.4 JOINT HOLDERS

Where two or more persons are entered in the Register as the joint Holders of a Note, they are taken to hold the Note as joint tenants with rights of survivorship, but the Registry is not bound to register more than three persons as joint Holders of a Note.

2.5 DEALINGS IN WHOLE

At all times, the Notes may be held or transferred only in whole Notes.

2.6 TRANSFER

- (a) Subject to these Note Terms, a Holder may transfer a Note:
- (i) in accordance with the rules of any system declared to be a designated settlement system (**Settlement System**) under section 156N of the RBNZ Act; or
 - (ii) by any proper or sufficient instrument of transfer of marketable securities under applicable law, which must be delivered to the Registry with any evidence the Registry or ANZ reasonably requires to prove title to or the right to transfer Notes.
- (b) No transfer of any part of a Holder's holding may be effected if such transfer would result in the transferor or the transferee holding or continuing to hold a Non-marketable Parcel of Notes.
- (c) The Registry must register a transfer of a Note to or by a person who is entitled to make or receive the transfer as a consequence of:
- (i) death, bankruptcy, liquidation or winding-up of a Holder; or
 - (ii) a vesting order by a court or other body with power to make the order, on receiving the evidence that the Registry or ANZ requires.

2.7 SETTLEMENT SYSTEM

While the Notes remain quoted on the NZX Debt Market:

- (a) the rights and obligations of a person holding Notes; and
- (b) all dealings (including transfers) in relation to the Notes,

will be subject to and governed by the Settlement System operated by NZX.

2.8 SELLING RESTRICTIONS

The LDD only constitutes an offer of Notes to retail investors in New Zealand and to institutional investors in accordance with the Selling Restrictions. ANZ has not taken and will not take any action that would permit a public or regulated offering of the Notes, or possession or distribution of any offering material in respect of the Notes, in any country or jurisdiction where action for that purpose is required (other than New Zealand).

2.9 AGREEMENTS OF HOLDERS AS TO SELLING RESTRICTIONS

By its purchase of Notes, each Holder irrevocably acknowledges and agrees:

- (a) that Notes may only be offered for sale or sold in accordance with the Selling Restrictions; and
- (b) to indemnify ANZ, the Registry, each Manager and their respective directors, officers, employees and agents in respect of any loss, cost, liability or expense sustained or incurred by ANZ, the Registry, the Manager or their respective directors, officers, employees or agents as a result of the breach by the Holder of the Selling Restrictions.

3 PAYMENT CONDITION

3.1 SOLVENCY CONDITION TO PAYMENT

At any time before the Maturity Date or the liquidation of ANZ:

- (a) payment by ANZ of interest, principal or any other amount owing to a Holder in connection with a Note is conditional upon ANZ being Solvent at the time the payment is due; and
- (b) ANZ must not pay any amount to a Holder in connection with a Note except to the extent that ANZ may pay the amount and still be Solvent immediately after paying the amount.

3.2 AMOUNTS UNPAID REMAIN DEBTS

Any amount not paid due to clause 3.1 accumulates and remains a debt owing to the Holder by ANZ until it is paid and will be payable on the first Business Day on which the solvency condition in clause 3.1 is satisfied (whether or not such date is otherwise a payment date).

4 INTEREST PAYMENTS

4.1 INTEREST PAYMENTS

Subject to these Note Terms, each Note entitles the Holder to receive on the relevant Interest Payment Date a cash interest payment (**Interest Payment**) calculated according to the following formulae:

- (a) For each Interest Period ending on or prior to the First Optional Redemption Date, other than a Broken Interest Period:

$$\text{Interest Payment} = \frac{\text{Face Value} \times \text{Fixed Rate}}{4}$$

- (b) For each Interest Period ending on or prior to the First Optional Redemption Date that is a Broken Interest Period:

$$\text{Interest Payment} = \frac{\text{Face Value} \times \text{Fixed Rate}}{4} \times \frac{A}{B}$$

- (c) For each other Interest Period:

$$\text{Interest Payment} = \frac{\text{Face Value} \times \text{Floating Rate} \times A}{365}$$

where:

Fixed Rate = Swap Rate + Issue Margin.

Issue Margin = the rate (expressed as a percentage rate per annum) as determined by ANZ in consultation with the Managers through the Bookbuild and announced by ANZ via NZX on or about the Rate Set Date.

Swap Rate means:

- (a) the mid-market rate for an interest rate swap with a term of 5 years commencing on the Issue Date, as calculated by ANZ, according to market convention, with reference to Bloomberg page 'ICNZ4' (or any successor page) on the Rate Set Date; or
- (b) if a rate is unable to be determined in accordance with paragraph (a) above or if ANZ forms a view, on reasonable grounds, that the rate so determined is not an accurate reflection of market rates, the average of the mean bid and offered swap rates quoted by each of 3 leading banks (or such 1 or more of them as are quoting) selected by ANZ on the Rate Set Date for an interest rate swap with a term matching the period from the Issue Date to the First Optional Redemption Date,

in each case expressed as a percentage per annum, adjusted for quarterly payments and rounded, if necessary, to the nearest 3 decimal places with 0.0005 being rounded up.

A means, in respect of an Interest Payment Date, the number of days from (and including) the preceding Interest Payment Date (or the Issue Date in the case of the first Interest Period) until (but not including) the Interest Payment Date.

B means, in respect of an Interest Payment Date, the number of days from (and including) the preceding Interest Payment Date (or the Issue Date in the case of the first Interest Period) until (but not including) the date that would have been the next Interest Payment Date if the Interest Period had not been a Broken Interest Period.

Floating Rate = Base Rate + Issue Margin, provided that, if the rate determined in accordance with this definition is less than 0% per annum, the rate will be deemed to be 0% per annum.

Base Rate means:

- (a) the 3 Month Bank Bill Rate; or
- (b) if a BKBM Disruption Event occurs, the Alternative Reference Rate.

3 Month Bank Bill Rate means, for an Interest Period:

- (a) the FRA rate administered by the New Zealand Financial Benchmark Facility (**NZFBF**) (or any person that takes over the administration of that rate) for bank bills having a term of, or of about, 3 months as displayed at or about 10.45am or such later time as ANZ may determine on the first Business Day of the Interest Period on Bloomberg BKBM page 'GDCO 2805 1' (or any successor page); or
- (b) if that rate is not displayed by 10.45am (New Zealand time) or such later time as ANZ may determine on that date (other than on account of a BKBM Disruption Event), the equivalent rate provided by the NZFBF (or any person that takes over the administration of that rate) at or around that time on that date,

in each case expressed as a percentage per annum and rounded, if necessary, to the nearest 4 decimal places with 0.00005 being rounded up.

Alternative Reference Rate means, for an Interest Period, the rate determined by ANZ at or about 10.45am or such other time as is customary for determining the rate on the first Business Day of the Interest Period as a rate that is generally accepted in the market for bank securities denominated in NZ dollars with an interest period of, or of about, 3 months, or if ANZ is not able, after making reasonable efforts, to ascertain such rate, or there is no such rate:

- (a) a reference rate that is, in ANZ's opinion, appropriate to bank securities denominated in NZ dollars with an interest period of, or of about, 3 months; or
- (b) such other reference rate as ANZ considers appropriate having regard to available comparable indices,

in each case expressed as a percentage per annum and rounded, if necessary, to the nearest 4 decimal places with 0.00005 being rounded up.

4.2 BKBM DISRUPTION EVENT

If a BKBM Disruption Event occurs, ANZ:

- (a) will use as the Base Rate for the purpose of clause 4.1 such Alternative Reference Rate as it may determine in accordance with these Note Terms;
- (b) will make such adjustments to these Note Terms as it determines are reasonably necessary to calculate interest in accordance with such Alternative Reference Rate;
- (c) in making the determinations under paragraphs (a) and (b) above:
 - (i) will act in good faith and in a commercially reasonable manner;
 - (ii) may consult with such sources of market practice as it considers appropriate;
 - (iii) will have regard to the applicable eligibility criteria for Tier 2 Capital; and
 - (iv) may otherwise make such determination in its discretion; and
- (d) will, at least 5 Business Days prior to the first day of the first Interest Period for which an Alternative Reference Rate will be used, notify Holders, the Registry and the RBNZ of its decision to use the Alternative Reference Rate.

4.3 INTEREST PAYMENT DATES

Subject to clause 3.1, Interest Payments in respect of a Note will be payable in arrear on the following dates (each an **Interest Payment Date**):

- (a) each date that is the numerically corresponding date to the Issue Date and which falls at quarterly intervals from the Issue Date until (but not including) the date on which a Redemption of the Note occurs in accordance with these Note Terms; and
- (b) the date on which Redemption of the Note occurs in accordance with these Note Terms.

If an Interest Payment Date after the First Optional Redemption Date is a day which is not a Business Day, then the Interest Payment Date will be the next day which is a Business Day unless that day falls in the next calendar month, in which case it will be the preceding Business Day.

4.4 DEDUCTIONS

- (a) ANZ may deduct from any Interest Payment or any other amount payable in accordance with the Note Terms the amount of any withholding or other tax, duty or levy required by law to be deducted in respect of such amount (**Tax**). Deductions of Tax will be made at the maximum rates from time to time applicable unless a Holder provides evidence satisfactory to the Registry that a lesser rate is applicable.
- (b) If any such deduction has been made and the amount of the deduction accounted for by ANZ to the relevant revenue authority and the balance of the Interest Payment payable has been paid to the relevant Holder, the full amount payable to such Holder shall be deemed to have been duly paid and satisfied by ANZ.
- (c) Subject in all respects to clause 4.4(a), New Zealand non-resident withholding tax will be deducted from Interest Payments (or payments deemed by law to be interest) to Holders who are subject to New Zealand's non-resident withholding tax rules (**NRWT Holders**), provided that if ANZ is lawfully able to apply the approved issuer levy regime in relation to Interest Payments (or payments deemed by law to be interest) payable to such Holders it will apply the zero rate under the approved issuer levy regime to the extent ANZ is able to do so, and if not, ANZ will pay approved issuer

levy (as defined in section 86F of the Stamp and Cheque Duties Act 1971 (New Zealand)) in respect of any Interest Payments (or payments deemed by law to be interest) payable to such Holders (unless they derive the Interest Payments or payments deemed by law to be interest jointly with a Holder who would not be a NRWT Holder if they alone held the Note), and ANZ will pay the approved issuer levy to the appropriate authority and will deduct the amount payable from any Interest Payments (or payments deemed by law to be interest) payable to that Holder in lieu of deducting New Zealand non-resident withholding tax at the rate otherwise applicable from that payment.

- (d) Subject in all respects to clause 4.4(a), New Zealand resident withholding tax will be deducted from payments of interest (or payments deemed to be interest) to Holders who are not NRWT Holders unless appropriate evidence of exemption from the resident withholding tax rules is produced to the Registry no later than five Business Days before the Record Date prior to the relevant payment date.
- (e) ANZ shall pay the full amount required to be deducted to the relevant revenue authority within the time allowed for such payment without incurring any penalty under the applicable law and shall, if required by any Holder, deliver to that Holder a copy of any relevant evidence issued by the revenue authority (to the extent issued) without delay after it is received by ANZ.
- (f) A Holder must notify the Registry of its country of residence for tax purposes (on or prior to the Record Date) and, if the Holder is not a New Zealand tax resident, whether the Holder holds the Notes for the purposes of a business they carry on in New Zealand through a fixed establishment in New Zealand. Where two or more persons are entered in the Register as the joint Holders of a Note, this clause shall separately apply to each Holder. A Holder must notify the Registry prior to any Interest Payment Date of any change in circumstances from those previously notified that could affect the payment or withholding obligations of ANZ.
- (g) By accepting payment of any Interest Payment or any other amount payable in accordance with the Note Terms, the Holder indemnifies ANZ for all purposes in respect of any liability ANZ may incur for not deducting any amount from such payment on account of New Zealand non-resident withholding tax or New Zealand resident withholding tax.
- (h) If, in relation to any Note, ANZ becomes liable to make any payment of or on account of tax payable by the Holder, ANZ is indemnified by the Holder in relation to such liability. Any moneys paid by ANZ in relation to any such liability may be recovered from the Holder as a debt due to ANZ and may be withheld from further payments to that Holder. Nothing in this clause prejudices or affects any other right or remedy of ANZ.

4.5 NOTIFICATION OF INTEREST RATE

ANZ must determine the Fixed Rate in accordance with clause 4.1 and announce the Fixed Rate via NZX and notify the Registry of the Fixed Rate on or about the Rate Set Date.

In respect of each Interest Period ending after the First Optional Redemption Date, ANZ must:

- (a) determine the Floating Rate for the Interest Period in accordance with clause 4.1; and
- (b) notify Holders and the Registry of the Floating Rate for the Interest Period as soon as practicable after it makes its determination on or about the first Business Day of the Interest Period.

4.6 INTEREST CONTINUES TO ACCRUE

Notwithstanding clauses 4.1 and 4.3:

- (a) if for any reason the Face Value of a Note has not been paid in full on the Maturity Date, interest will continue to accrue (after as well as before any demand or judgment) on the unpaid amount of the Face Value of the Note at the applicable Floating Rate, in the manner provided in this clause 4, to the date on which payment in full of the Face Value is made; and
- (b) if for any reason (including because of the solvency condition to payment in clause 3.1) an Interest Payment has not been paid in full on an Interest Payment Date, then the unpaid amount of such Interest Payment will earn interest at the applicable Fixed Rate or Floating Rate that applies to the Notes, accruing daily, to the date on which payment in full of the Interest Payment is made.

Such accrued interest is payable on the date on which the relevant Face Value or Interest Payment is paid in full.

5 REDEMPTION

5.1 MANDATORY REDEMPTION ON MATURITY DATE

On the Maturity Date ANZ must Redeem all (but not some) Notes in accordance with clause 6.

5.2 OPTIONAL REDEMPTION BY ANZ

- (a) Subject to paragraph (b) below, ANZ may by notice to Holders (a **Redemption Notice**) elect to Redeem all or some Notes in accordance with clause 6:
 - (i) following the occurrence of a Tax Event or a Regulatory Event; or
 - (ii) on an Optional Redemption Date.
- (b) ANZ may only elect to Redeem Notes under paragraph (a) above if:
 - (i) either:
 - (A) prior to, or concurrent with, the Redemption, ANZ replaces the Notes the subject of the Redemption with a paid-up capital instrument:
 - (aa) of the same, or better, quality and contributing at least the same regulatory capital amount (for the purposes of the RBNZ's capital adequacy requirements applying to ANZ at the time); and
 - (ab) the terms and conditions of which are sustainable for the income capacity of the ANZ Group; or
 - (B) if ANZ does not intend to replace the Notes the subject of the Redemption, ANZ has demonstrated to the RBNZ's satisfaction that, after the Redemption, the ANZ Group's:
 - (aa) capital ratios would be sufficiently above their respective minimums; and
 - (ab) prudential capital buffer ratio would be sufficiently above its buffer trigger ratio;
 - (ii) ANZ has provided any information and supporting documentation required by the RBNZ's prudential regulatory requirements to the RBNZ; and
 - (iii) the RBNZ has given its prior written approval to the Redemption.

- (c) A Redemption Notice once given is irrevocable.
- (d) If ANZ elects to Redeem some Notes, ANZ must endeavour to treat Holders on an approximately proportionate basis, although it may discriminate to take account of the effect on holdings which would be Non-marketable Parcels and any other reasonable considerations.

5.3 CONTENTS OF REDEMPTION NOTICE

A Redemption Notice must specify:

- (a) the details of any Tax Event or Regulatory Event to which the Redemption Notice relates;
- (b) the Redemption Date, which:
 - (i) in the case of a Tax Event or Regulatory Event:
 - (A) may be any Business Day before the Maturity Date; and
 - (B) must fall no earlier than 30 days and no later than 120 days after the date on which the Redemption Notice is given; or
 - (ii) in the case of an Optional Redemption Date, must fall no earlier than 30 days after the date on which the Redemption Notice is given; and
- (c) if less than all Notes are subject to Redemption, which Notes are subject to Redemption.

5.4 NO OPTIONAL REDEMPTION BY HOLDERS

A Holder cannot require ANZ to Redeem all or some of the Notes held by the Holder before the Maturity Date (but without prejudice to the Holder's rights under clause 7.2(b)).

5.5 AGREEMENTS OF HOLDERS AS TO REDEMPTION

By its purchase of Notes, each Holder irrevocably acknowledges and agrees that:

- (a) the RBNZ's approval for any optional Redemption of Notes by ANZ in accordance with clause 5.2 is at the absolute discretion of the RBNZ and the Holder should not expect that the RBNZ's approval will be given for any such Redemption of Notes; and
- (b) the Holder has no right to request a Redemption before the Maturity Date (but without prejudice to the Holder's rights under clause 7.2(b)).

6 REDEMPTION MECHANICS

6.1 REDEMPTION MECHANICS TO APPLY TO REDEMPTION

The provisions of this clause 6 apply to the Redemption of Notes.

6.2 REDEMPTION

Notes will be Redeemed by payment on the Redemption Date of the Face Value and all accrued but unpaid interest to the Holder.

6.3 EFFECT OF REDEMPTION ON HOLDERS

On the Redemption Date the only right Holders will have in respect of Notes will be to obtain the Face Value and all accrued but unpaid interest payable in accordance with these Note Terms and upon payment of that amount, all other rights conferred, or restrictions imposed, by the Notes will no longer have effect.

7 EVENTS OF DEFAULT

7.1 EVENTS OF DEFAULT

An **Event of Default** occurs:

- (a) if either:
 - (i) ANZ does not pay any Face Value due in respect of the Notes within 7 days of its due date; or
 - (ii) ANZ does not pay any interest due in respect of the Notes within 15 days of its due date,

(a **Payment Default**), provided that, to the extent that a payment is not made because the solvency condition to payment in clause 3.1 is not satisfied, the amount is not due and payable and a Payment Default cannot occur; or
- (b) on Commencement of Liquidation.

7.2 CONSEQUENCES OF AN EVENT OF DEFAULT

If an Event of Default occurs and is continuing:

- (a) in the case of a Payment Default, a Holder may bring proceedings:
 - (i) to recover any amount then due and payable but unpaid on its Notes (subject to satisfaction of the solvency condition to payment in clause 3.1);
 - (ii) to obtain an order for specific performance of any other obligation in respect of its Notes; or
 - (iii) for the liquidation of ANZ; or
- (b) in the case of a Commencement of Liquidation, in addition to the rights specified in clause 7.2(a) above, the Face Value of each Note (together with all interest accrued to the date of payment determined as if the date of payment were an Interest Payment Date) will immediately become due and payable, and subject to clause 8, Holders may prove in the liquidation of ANZ for that amount.

The Holders may not exercise any other remedies (including any right to sue for damages which has the same economic effect as acceleration) as a consequence of an Event of Default or other default other than as specified in this clause 7.2.

7.3 NOTIFICATION

If an Event of Default occurs, ANZ must promptly after becoming aware of it notify the Registry, the Holders and NZX of the occurrence of the Event of Default (specifying details of it).

8 SUBORDINATION

8.1 STATUS AND RANKING

The Notes constitute direct and unsecured obligations of ANZ, which are subordinated in right of payment to depositors and other Unsubordinated Creditors of ANZ, and rank:

- (a) behind Unsubordinated Instruments;
- (b) equally among themselves and with Equal Ranking Instruments; and

- (c) ahead of Junior Ranking Instruments.

The Notes do not limit the amount of senior debt, deposits or other obligations ranking ahead of, equally with or behind the Notes that may be incurred or assumed by ANZ at any time.

8.2 SUBORDINATION

In a liquidation of ANZ, a Holder's claim for an amount owing by ANZ in connection with a Note is subordinated to the claims of Unsubordinated Creditors, in that:

- (a) all claims of Unsubordinated Creditors must be paid in full before any of the Holder's claim is paid; and
- (b) until the Unsubordinated Creditors have been paid in full, the Holder must not claim in the liquidation in competition with Unsubordinated Creditors so as to diminish any distribution, dividend or payment which, but for that claim, the Unsubordinated Creditors would have been entitled to receive.

8.3 NO UNSUBORDINATED CREDITOR CONSENT

Nothing in this clause 8 shall be taken to require the consent of any Unsubordinated Creditor to any amendment of these Note Terms made in accordance with clause 13.

8.4 AGREEMENTS OF HOLDERS AS TO SUBORDINATION

By its purchase of a Note, each Holder irrevocably acknowledges and agrees:

- (a) that ANZ's obligations in respect of the Note are subordinated to the payment of the Unsubordinated Instruments to the Unsubordinated Creditors, in the manner provided in clause 8.2;
- (b) that, in accordance with section 313(3) of the Companies Act, it is accepting a lower priority in respect of the debt represented by the Note than that which it would otherwise have under section 313 of the Companies Act;
- (c) that nothing in sections 310 or 313 of the Companies Act will prevent these Note Terms from having effect according to their terms;
- (d) not to exercise its voting rights as an unsecured creditor in the liquidation of ANZ to defeat the subordination in clause 8.2;
- (e) that it must pay or deliver to the liquidator any amount or asset received on account of its claim in the liquidation of ANZ in respect of the Note in excess of its entitlement under clause 8.2; and
- (f) that the subordination effected by clause 8.2 is not affected by any act or omission of ANZ or an Unsubordinated Creditor which might otherwise affect it at law or in equity.

8.5 NO SECURITY

Notes are unsecured.

9 GENERAL RIGHTS IN RESPECT OF NOTES

9.1 POWER OF ATTORNEY

- (a) Each Holder appoints each of ANZ, its officers and any External Administrator of ANZ (each an **Attorney**) severally to be the attorney of the Holder with power in the name and on behalf of the Holder to sign all documents and transfers and do any other thing as may in the Attorney's opinion be necessary or desirable to be done in order for the Holder to observe or perform the Holder's obligations under these Note Terms

including, but not limited to, effecting any transfers of Notes or making any entry in the Register.

- (b) The power of attorney given in this clause 9.1 is given for valuable consideration and to secure the performance by the Holder of the Holder's obligations under these Note Terms and is irrevocable.

9.2 AGREEMENTS OF HOLDERS AS TO INFORMATION DISCLOSURE

By its purchase of Notes, each Holder irrevocably acknowledges and agrees that ANZ may collect, use or disclose any information about the Holder in accordance with the ANZ Privacy Statement (as such statement may be amended or substituted from time to time). As at the date of the Deed Poll, ANZ's Privacy Statement is available at www.anz.co.nz/privacy.

9.3 FURTHER ISSUES

Each of the following is expressly permitted and authorised by these Note Terms and does not affect, or constitute a modification or variation of, the rights or privileges attaching to the Notes then on issue:

- (a) the issue by ANZ or any other member of the ANZ Group of securities of any kind, or the conversion of existing securities into securities of any kind, ranking ahead of, equally with or behind, or having different rights from, the Notes; and
- (b) the redemption, buy-back or return or distribution of capital by ANZ or any other member of the ANZ Group in respect of any share capital of ANZ or the ANZ Group.

9.4 NO OTHER RIGHTS

- (a) Notes do not confer any claim on ANZ except as set out in these Note Terms and are not deposit liabilities of, or protected accounts with, ANZ or any other member of the ANZ Group.
- (b) Notes do not confer on Holders any right to participate in the issue of any other securities in ANZ or any other member of the ANZ Group or to participate in any profits, property or bonus issues of securities of ANZ or any other member of the ANZ Group.
- (c) ANZ is not an authorised deposit-taking institution under the Australian Banking Act. The depositor protection provisions in Division 2 of Part II of the Australian Banking Act do not apply to ANZ. The Notes are not "protected accounts" or "deposit liabilities" within the meaning of the Australian Banking Act and an investment in the Notes is not covered by the Australian Government's Financial Claims Scheme.

10 VOTING AND OTHER RIGHTS

10.1 MEETINGS

Meetings of Holders may be held in accordance with the Meeting Provisions. A meeting may consider any matter affecting the interests of Holders, including any amendment to these Note Terms proposed by ANZ in accordance with clause 13.

10.2 NO VOTING

Notes do not confer on Holders a right to vote at any general meeting of ANZ.

11 NOTICES

11.1 NOTICES TO HOLDERS

All notices, certificates, consents, approvals, waivers and other communications in connection with a Note to the Holder must be in writing and may be:

- (a) sent by prepaid post (airmail if appropriate) or left at the address of the relevant Holder (as shown in the Register at the close of business on the day which is 3 Business Days before the date of the relevant notice or communication);
- (b) given by an advertisement published in the Dominion Post, the New Zealand Herald or any other newspaper nationally circulated within New Zealand;
- (c) so long as the Notes are quoted on the NZX Debt Market, given by making an announcement on NZX; or
- (d) sent to an email address or other number or address used for the purposes of sending or receiving communications by electronic means, in each case provided by the Holder for the purposes of receiving such notices.

11.2 NON-RECEIPT OF NOTICES BY HOLDERS

If there are two or more Holders, the non-receipt of any notice by, or the accidental omission to give any notice to, a Holder does not invalidate the giving of that notice.

11.3 NOTICES TO ANZ AND THE REGISTRY

All notices or other communications by a Holder to ANZ or the Registry in respect of these Note Terms must be:

- (a) in legible writing or typing and in English;
- (b) addressed as shown below:
 - (i) in the case of ANZ:

Attention: The Treasurer
ANZ Bank New Zealand Limited

Address: ANZ Centre
Ground Floor
23-29 Albert Street
Auckland 1010
New Zealand

Email: nztreasurer@anz.com; or

- (ii) in the case of the Registry:

Address: Level 2
159 Hurstmere Road
Takapuna
Auckland
New Zealand

Email: enquiry@computershare.co.nz,

or to such other address or email address as ANZ or the Registry notifies to Holders as its address or email address (as the case may be) for notices or other communications in respect of these Note Terms from time to time;

- (c) signed or, in the case of email, emailed by the person making the communication or by a person duly authorised by that person; and
- (d) delivered or posted by prepaid post to the address, or sent by email to the email address, in accordance with clause 11.3(b).

11.4 WHEN EFFECTIVE

Communications take effect from the time they are received or taken to be received (whichever happens first) unless a later time is specified in them.

11.5 RECEIPT

Unless a later time is specified in it, a notice or other communication will be taken to be received:

- (a) if sent by email or by other electronic means, when actually received in its entirety in legible form, unless that day is not a Business Day, or is after 5.00pm (New Zealand time) on a Business Day, in which case that communication will be regarded as received at 9.00am (New Zealand time) on the next Business Day;
- (b) if sent by post, on the third Business Day after posting if posted to an address in New Zealand and on the seventh Business Day after posting if posted to an address outside of New Zealand;
- (c) if published by an announcement on NZX, when the announcement is made on NZX; and
- (d) if published in a newspaper, on the first date that publication has been made in the chosen newspaper.

12 PAYMENTS

12.1 PAYMENTS TO HOLDERS ON THE RECORD DATE

Each payment in respect of a Note will be made to the person that is recorded in the Register as the Holder of the Note as at the close of business on the Record Date for that payment.

12.2 MANNER OF PAYMENT TO HOLDERS

Payments will be made by ANZ by crediting on the relevant payment date the amount due to a New Zealand dollar bank account maintained in New Zealand with a financial institution (excluding credit card accounts), notified by the Holder to the Registry by close of business on the Record Date in respect of that payment.

12.3 UNCOMPLETED PAYMENTS

If:

- (a) a Holder has not notified the Registry by close of business on the Record Date of a New Zealand dollar bank account maintained in New Zealand with a financial institution (excluding credit card accounts) to which payments in respect of the Notes may be credited; or
- (b) the transfer of any amount for payment to the credit of the nominated account does not complete for any reason,

the amount of the uncompleted payment will be held as a deposit in a non-interest bearing, special purpose account maintained by ANZ or the Registry until the first to occur of the following:

- (i) the Holder nominates a suitable New Zealand dollar bank account maintained in New Zealand with a financial institution to which the payment may be credited;
- (ii) claims may no longer be made in respect of that amount, in which case the moneys shall be paid to and be the property of ANZ; or

- (iii) ANZ becomes entitled or obliged to deal with the amount in accordance with the law relating to unclaimed moneys.

No interest is payable in respect of any delay in payment under this clause 12.3.

12.4 TIME LIMIT ON CLAIMS

Any claim against ANZ for a payment under a Note is void unless made within 4 years from the date on which payment first became due.

12.5 CALCULATIONS AND ROUNDING OF PAYMENTS

Unless otherwise specified in these Note Terms:

- (a) all calculations required by these Note Terms will be rounded to the nearest 6 decimal places with 0.0000005 being rounded up; and
- (b) for the purposes of making payment to a Holder in respect of the Holder's aggregate holding of Notes, any fraction of a cent will be disregarded.

12.6 PAYMENT TO JOINT HOLDERS

A payment to any one of joint Holders will discharge ANZ's liability in respect of that payment irrespective of any notice to the contrary that may be provided to ANZ by any such Holder.

12.7 PAYMENT ON BUSINESS DAYS

If a payment:

- (a) is due on a Note on a day which is not a Business Day, then the due date for payment will be postponed to the next day that is a Business Day; or
- (b) is to be made to an account on a Business Day on which banks are not open for business in the place the account is located, payment will be made on the next day on which banks are open for business in that place,

and, in either case, no additional interest is payable in respect of that delay in payment.

12.8 NO SET-OFF

Except to the extent required by law:

- (a) a Holder does not have any right to set-off any amount owing to it by ANZ in connection with the Notes against any amount owing by it to ANZ in connection with the Notes or otherwise; and
- (b) ANZ does not have any right to set-off any amount owing to it by a Holder in connection with the Notes or otherwise against any amount owing by it to the Holder in connection with the Notes.

12.9 PAYMENTS SUBJECT TO LAW

All payments are subject to applicable law.

12.10 FATCA

- (a) ANZ may withhold or make deductions from payments to a Holder where it is required to do so under or in connection with FATCA, or where it has reasonable grounds to suspect that the Holder or a beneficial owner of Notes may be subject to FATCA, and may deal with such payment in accordance with FATCA. If any withholding or deduction arises under or in connection with FATCA, ANZ will not be required to pay any further amounts on account of such withholding or deduction or otherwise reimburse or compensate, or make any payment to, a Holder or a beneficial owner of Notes for or in respect of any such withholding or deduction. A dealing with such

payment in accordance with FATCA satisfies ANZ's obligations to that Holder to the extent of the amount of that payment.

- (b) A Holder will, within 10 Business Days of request by ANZ, supply to ANZ such forms, documentation and other information relating to its status under FATCA or any other matter as ANZ reasonably requests for the purposes of ANZ's compliance with FATCA.

13 AMENDMENT OF THESE NOTE TERMS

13.1 AMENDMENT WITHOUT CONSENT

Subject to complying with all applicable laws and clause 13.3, ANZ may amend these Note Terms or the Deed Poll without the authority, assent or approval of Holders if, in the reasonable opinion of ANZ, the amendment:

- (a) is made to cure an ambiguity or correct a manifest error;
- (b) is of a formal, minor or technical nature;
- (c) is necessary or expedient for the purpose of complying with any law, the provisions of any statute, the requirements of any statutory authority, the NZX Listing Rules or the listing or quotation requirements of any securities exchange on which ANZ may propose to seek a listing or quotation of the Notes;
- (d) is necessary or expedient for the purpose of enabling the Notes to be quoted or to remain quoted on a securities exchange or to be lodged or to remain lodged in a clearing system or to be offered for sale or for subscription under the laws for the time being in force in any place;
- (e) is made in accordance with clause 4.2; or
- (f) will not materially adversely affect the rights of Holders as a whole.

13.2 AMENDMENT WITH CONSENT

Without limiting clause 13.1, but subject to clause 13.3, ANZ may amend these Note Terms or the Deed Poll if the amendment has been approved by a Special Resolution.

13.3 RBNZ NOTIFICATION

No amendment to these Note Terms or the Deed Poll is permitted unless, at least five Business Days prior to the amendment being made, notification of the amendment has been made to the RBNZ by ANZ, accompanied by any supporting documentation required by the RBNZ's prudential regulatory requirements.

13.4 MEANINGS

In this clause 13, **amend** includes modify, cancel, alter or add to, and **amendment** has a corresponding meaning.

14 GOVERNING LAW AND JURISDICTION

14.1 GOVERNING LAW

The Notes and these Note Terms are governed by and shall be construed in accordance with the laws of New Zealand.

14.2 JURISDICTION

ANZ has irrevocably agreed, and each Holder is taken to have irrevocably agreed, that the courts of New Zealand are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes and accordingly ANZ has submitted, and each

Holder is taken to have submitted, to the non-exclusive jurisdiction of the courts of New Zealand and ANZ waives, and each Holder is taken to have waived, any objection to the courts of New Zealand on the grounds that they are an inconvenient or inappropriate forum.

14.3 SERVICE OF PROCESS

- (a) ANZ agrees that process in respect of legal action or proceeding arising out of or in connection with the Notes in New Zealand may be served at the principal office of ANZ, which, as at the Issue Date, is located at ANZ Centre, Ground Floor, 23-29 Albert Street, Auckland 1010, New Zealand.
- (b) Nothing in these Note Terms affects the right to serve process in any other manner permitted by law.

15 CONTRACT AND COMMERCIAL LAW ACT 2017

Clause 2.9(b) is intended to confer a benefit on, and may be enforced by, each Manager and the Registry under the Contract and Commercial Law Act 2017.

16 INTERPRETATION AND DEFINITIONS

16.1 INTERPRETATION

- (a) Unless otherwise specified, a reference to a clause or a paragraph is a reference to a clause or a paragraph of these Note Terms.
- (b) Any provisions which refer to the prudential regulatory requirements or any other requirements of the RBNZ will apply to ANZ only if ANZ is an entity, or the holding company of an entity, subject to regulation and supervision by the RBNZ at the relevant time.
- (c) Any provisions which require the RBNZ to be notified or the RBNZ's consent or approval will apply only if the RBNZ requires that such notification be made or such consent or approval be given at the relevant time.
- (d) Any provisions in these Note Terms requiring the prior consent or approval of the RBNZ for a particular course of action to be taken by ANZ do not imply that the RBNZ has given its consent or approval to the particular action as of the Issue Date. Where, under these Note Terms, RBNZ consent or approval is required for any act to be done or not done, that term does not imply that RBNZ consent or approval has been given as at the Issue Date. Any such consent or approval is at the discretion of the RBNZ and may or may not be given.
- (e) A reference to any term defined by the RBNZ (including, without limitation, "Tier 1 Capital" and "Tier 2 Capital") shall, if that term is replaced or superseded in any of the RBNZ's applicable prudential regulatory requirements or standards, be taken to be a reference to the replacement or equivalent term.
- (f) Headings and boldings are for convenience only and do not affect the interpretation of these Note Terms.
- (g) The singular includes the plural and vice versa.
- (h) A reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them.

- (i) Unless otherwise specified in these Note Terms, if an event under these Note Terms must occur on a stipulated day which is not a Business Day, then the stipulated day will be taken to be the next Business Day.
- (j) A reference to NZ dollars, NZ\$, or NZ cents is a reference to the lawful currency of New Zealand.
- (k) A reference to a term defined by the NZX Listing Rules shall, if that term is replaced in those rules, be taken to be a reference to the replacement term.
- (l) Calculations, elections and determinations made by ANZ under these Note Terms are binding on Holders and the Registry (as applicable) in the absence of fraud or manifest error.
- (m) So long as the Notes are quoted on the NZX Debt Market in accordance with the Settlement System operated by NZX, the Note Terms are to be interpreted in a manner consistent with the NZX Listing Rules.
- (n) The terms "holding company" and "subsidiary", when used in these Note Terms have the meanings given in the Companies Act.
- (o) A reference to a party to an agreement or deed includes a reference to a replacement, substitute, successor or permitted assign of the party according to that agreement or deed.
- (p) A reference to an agreement, deed or other document includes a reference to that agreement, deed or other document as amended, amended and restated, varied, supplemented, replaced or novated from time to time.
- (q) The words "includes" or "including", "for example" or "such as" do not exclude a reference to other items, whether of the same class or genus or not.
- (r) Words importing any gender include all other genders.
- (s) Where ANZ is required to give or serve a notice by a certain date under these Note Terms, ANZ is required to despatch the notice by that date (including at ANZ's discretion, by posting or lodging notices with a mail house) and delivery or receipt (or deemed delivery) is permitted to occur after that date.
- (t) Where a Holder is required to give or deliver a notice to ANZ by a certain date under these Note Terms, the notice must be received by ANZ by that date.
- (u) A reference to time is to New Zealand standard time.
- (v) Anything which may be done at any time may also be done from time to time.

16.2 DEFINITIONS

3 Month Bank Bill Rate has the meaning given in clause 4.1.

Alternative Reference Rate has the meaning given in clause 4.1.

ANZ means ANZ Bank New Zealand Limited.

ANZ Group has the meaning given to "banking group" in ANZ's conditions of registration imposed by the RBNZ under section 74 of the RBNZ Act, as amended from time to time.

ANZ Subordinated Notes has the meaning given in clause 1.1.

ANZBGL means Australia and New Zealand Banking Group Limited (ABN 11 005 357 522).

Attorney has the meaning given in clause 9.1.

Australian Banking Act means the Banking Act 1959 of Australia.

Base Rate has the meaning given in clause 4.1.

BKBM Disruption Event means a determination by ANZ that the rate referred to in paragraph (a) of the definition of 3 Month Bank Bill Rate has become unavailable.

Bookbuild means the process conducted after the closing of the Offer whereby certain investors lodge bids for Notes and, on the basis of those bids, ANZ in consultation with the Managers determines the Issue Margin and allocations of the Notes.

Broken Interest Period means any Interest Period that ends on (and excludes) a date described in clause 4.3(b), but not including an Interest Period that ends on (and excludes) an Optional Redemption Date or the Maturity Date.

Business Day means:

- (a) for the purposes of giving notices, a day which is a business day within the meaning of the NZX Listing Rules; or
- (b) for all other purposes, a day that is not a Saturday or Sunday and on which banks are open for general business in Wellington and Auckland, New Zealand.

Commencement of Liquidation means the commencement of liquidation of ANZ under:

- (a) section 241(5) or section 317 of the Companies Act; or
- (b) under any other legislation under which ANZ will irrevocably cease to be duly incorporated or to validly exist in New Zealand.

Companies Act means the Companies Act 1993.

Deed Poll means the deed poll relating to the Notes made by ANZ, to which these Note Terms are attached as schedule 1.

Encumbrance means any mortgage, pledge, charge, lien, assignment by way of security, hypothecation, security interest, title retention, preferential right or trust arrangement, any other security agreement or security arrangement (including any security interest under the Personal Property Securities Act 1999 (New Zealand) and any other arrangement of any kind having the same effect as any of the foregoing).

Equal Ranking Instruments means all securities, instruments and other obligations that qualify as Tier 2 Capital or which rank or are expressed to rank equally with such securities, instruments or other obligations in a liquidation of ANZ, present and future.

Event of Default has the meaning given in clause 7.1.

External Administrator means, in respect of a person:

- (a) a liquidator, a provisional liquidator, an administrator or a statutory manager of that person; or
- (b) a receiver, or a receiver and manager, in respect of all or substantially all of the assets and undertaking of that person,

or in either case any similar official.

Face Value means the face value and denomination of the Notes as specified in clause 1.3.

FATCA means:

- (a) sections 1471 to 1474 of the United States Internal Revenue Code of 1986 or any associated regulations;
- (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the United States and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or

- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the United States Internal Revenue Service, the United States government or any governmental or taxation authority in any other jurisdiction.

First Optional Redemption Date means the date that is the fifth anniversary of the Issue Date.

Fixed Rate has the meaning given in clause 4.1.

Floating Rate has the meaning given to it in clause 4.1.

Government Agency means any governmental, semi-governmental, administrative, fiscal, judicial or quasi-judicial body, department, commission, authority, tribunal, agency or entity.

Holder means a person whose name is registered in the Register as the holder of a Note for the time being.

Interest Payment has the meaning given in clause 4.1.

Interest Payment Date has the meaning given in clause 4.3, whether or not an Interest Payment is, or is able to be, paid on that date.

Interest Period means the period from (and including) the preceding Interest Payment Date (or, in respect of the first Interest Period, the Issue Date) until (but not including) the next Interest Payment Date.

Issue Date means the date on which Notes are issued.

Issue Margin has the meaning given in clause 4.1.

Junior Ranking Instruments means:

- (a) all fully paid securities and other instruments that qualify as Tier 1 Capital (including ordinary shares and perpetual preference shares), present and future; and
- (b) all other securities and other instruments which rank or are expressed to rank behind Equal Ranking Instruments, present and future.

LDD means the limited disclosure document for the Offer.

Manager means each person named as arranger, joint lead manager or co-manager in the LDD.

Maturity Date means the date that is the tenth anniversary of the Issue Date.

Meeting Provisions means the provisions for the convening of meetings of, and passing of resolutions by, Holders set out in schedule 2 of the Deed Poll.

Non-marketable Parcel means a parcel of Notes registered in the same name or same joint names, the aggregate Face Value of which is less than NZ\$5,000 or is not a multiple of NZ\$1,000.

Note has the meaning given in clause 1.1.

Note Terms means these terms of issue of the Notes.

NZX means NZX Limited, and includes any person or authority which may in the future assume and perform the functions of NZX Limited.

NZX Debt Market means the debt market operated from time to time by NZX.

NZX Listing Rules means the listing rules of NZX, as amended, varied or waived (whether in respect of ANZ or generally) from time to time.

Offer means the invitation made under the LDD by ANZ for persons to subscribe for Notes.

Optional Redemption Date means the First Optional Redemption Date and each subsequent Interest Payment Date.

Payment Default has the meaning given in 7.1(a).

Rate Set Date means the date specified as such in the LDD.

RBNZ means the Reserve Bank of New Zealand or any successor body responsible for prudential regulation of ANZ in New Zealand.

RBNZ Act means the Reserve Bank of New Zealand Act 1989 (New Zealand).

Record Date means, in the case of:

- (a) payments of interest, the date which is 10 days before the relevant Interest Payment Date; or
- (b) payments of any other amount, a date determined by ANZ and notified to NZX, the Registry and Holders,

or in either case such other date as may be required by NZX. If a Record Date is a day which is not a Business Day, then the Record Date will be the immediately preceding Business Day. For the purposes of determining the Record Date for payments of interest, the Business Day convention in clause 12.7 shall be disregarded.

Redeem means, in relation to a Note, redeem it in accordance with clause 6, and **Redeemed** and **Redemption** have corresponding meanings.

Redemption Date means, in relation to a Note, the first to occur of the following:

- (a) an Optional Redemption Date on which the Note is to be Redeemed;
- (b) the Maturity Date; and
- (c) any other date on which the Note is to be Redeemed,

or, if the Note is not Redeemed on that day, the date on which the Note is Redeemed.

Redemption Notice has the meaning given in clause 5.1.

Register means a register of Holders of Notes established and maintained by or on behalf of ANZ.

Registry means, initially, Computershare Investor Services Limited and thereafter such other person or persons resident in New Zealand as ANZ may from time to time appoint to maintain the Register.

Regulatory Event means a determination by ANZ, in its absolute discretion, that there has been, or there will be, any amendment to, clarification of, change in or to, change in the interpretation, application or administration of, or imposition of:

- (a) any law, regulation or directive in New Zealand;
- (b) any official administrative pronouncement or action or judicial decision interpreting or applying any law, regulation or directive in New Zealand; or
- (c) any order, direction, standard, requirement (including any prudential regulation requirement), guideline or statement of the RBNZ (whether or not having the force of law),

in each case that applies, or is to apply, after the Issue Date and, as a result, either:

- (i) ANZ is or will be adversely affected in relation to its regulatory capital treatment of the Notes; or
- (ii) ANZ is not or will not be entitled to treat some or all Notes as Tier 2 Capital,

provided that such event is not minor and could not reasonably have been anticipated by ANZ at the Issue Date.

Selling Restrictions means the restrictions specified as such in the LDD.

Solvent means satisfying the solvency test contained in section 4 of the Companies Act.

Special Resolution means either (i) a resolution passed at a meeting of Holders by at least 75% of the votes validly cast on a poll by Holders in person or by proxy or (ii) a resolution signed by Holders of at least 75% of the aggregate Face Value of the Notes.

Swap Rate has the meaning given to it in clause 4.1.

Tax has the meaning given in clause 4.4.

Tax Event means a determination by ANZ, in its absolute discretion, that:

- (a) there has been, or there will be, a change in any New Zealand law, regulation, ruling or directive (including by way of the imposition of, or any change to, any New Zealand law, regulation, ruling or directive);
- (b) there has been, or there will be, a change in the application, interpretation or administration of any New Zealand law, regulation, ruling or directive by any authority (including the New Zealand Inland Revenue Department); or
- (c) any member of the ANZ Group is or will be required to comply with a change in any New Zealand law, regulation, ruling or directive or changed application, interpretation or administration,

in each case that applies, or is to apply, after the Issue Date and which directly or indirectly affects the taxation treatment in relation to the Notes with the effect that any member of the ANZ Group would be exposed to an increase to its costs in relation to the Notes, provided that such event is not minor and could not reasonably have been anticipated by ANZ at the Issue Date.

Tier 1 Capital means the capital of ANZ that falls within the meaning of tier 1 capital in the RBNZ's prudential requirements from time to time.

Tier 2 Capital means the capital of ANZ that falls within the meaning of tier 2 capital in the RBNZ's prudential requirements from time to time.

Unsubordinated Creditor means a creditor (including a depositor) of ANZ to whom ANZ is indebted in respect of an Unsubordinated Instrument.

Unsubordinated Instruments means all deposits and other liabilities, securities, instruments and other obligations of ANZ other than Equal Ranking Instruments or Junior Ranking Instruments, present and future.

SCHEDULE 2 Provisions for Meetings of Registered Holders

1. CONVENING

1.1 In these provisions:

Appointed Time means the day and time at which any meeting of Holders or the taking of a poll of Holders (not at a meeting of Holders) is due to be held.

Chair has the meaning given in clause 5.

clause is a reference to a clause of this schedule unless specified otherwise.

Proxy Closing Time means 48 hours before the Appointed Time of the relevant meeting of Holders or taking of a poll of Holders.

Representative means:

- (a) in the case of a Holder being an individual a person appointed by an instrument by way of proxy or by power of attorney or, in the event of the death of a Holder, the personal representative of the Holder;
- (b) in the case of Holder being a corporation or corporation sole either:
 - (i) a person appointed by an instrument by way of proxy or by power of attorney; or
 - (ii) a person authorised by the directors of the corporation or in the case of a corporation sole a person authorised pursuant to its constitution.

1.2 ANZ may at any time of its own volition convene a meeting of the Holders.

1.3 ANZ will whenever required to do so pursuant to the Companies Act 1993, the Financial Markets Conduct Act 2013 or any regulations made thereunder or the NZX Listing Rules convene a meeting of the Holders.

1.4 ANZ will at the request in writing of Holders holding not less than 5% of the aggregate Face Value of the Notes convene a meeting of the Holders. The request shall state the nature of the business proposed to be dealt with at the meeting concerned.

1.5 Notwithstanding the other provisions of this clause 1, ANZ will not be obliged to convene a meeting of Holders pursuant to such provisions until it has been indemnified to its satisfaction against all costs and expenses to be thereby incurred.

2. PLACE

2.1 Meetings will be held in Wellington at a place designated in the relevant notice of meeting or at such other place and/or in such manner (including, but not limited to, use of telephone, video or internet conferencing technology) as designated by ANZ.

3. NOTICE OF MEETINGS

3.1 Notice of every meeting will be given in the manner provided in clause 13 of the Note Terms to every Holder entered in the Register as at the close of business five Business Days prior to the date of despatch of the notice.

3.2 At least 14 days' notice of every meeting will be given. The notice will be exclusive of the day on which it is served or deemed to be served and of the day for which it is given. The notice will specify the place and Appointed Time of the meeting and the general nature of the business to be transacted but it will not be necessary to specify in the notice the terms of the resolutions to be proposed, except in the case of a resolution proposed to be passed as a Special Resolution in which case the text of the proposed resolution must be set out.

3.3 The accidental omission to give notice to, or the non-receipt of notice by, any person entitled to receive notice will not invalidate the proceedings at any meeting.

4. QUORUM

4.1 No business will be transacted at any meeting unless the requisite quorum is present at the commencement of business. In the case of all meetings at least two Holders must be present (in person or by Representative).

4.2 The quorum for passing a Special Resolution will be Holders present in person or by Representative holding or representing at least 25% of the Face Value of the Notes.

4.3 The quorum for the transaction of any business other than the passing of a Special Resolution will be the Holders present in person or by Representative of at least 10% of the aggregate Face Value of the Notes.

4.4 If within 15 minutes or such longer time not exceeding 45 minutes as the Chair of the meeting may decide after the Appointed Time a quorum is not present the meeting if convened upon the request of Holders will be dissolved. In any other case it will stand adjourned to such day and time not being less than 14 days thereafter and to such place as may be appointed by the Chair and at such adjourned meeting all the Holders present in person or by Representative will be a quorum for the transaction of business including the passing of Special Resolutions.

4.5 Notice of any such adjourned meeting of Holders at which a Special Resolution is to be submitted will be given in the same manner as for an original meeting (except that only 7 clear days' notice will be required) and such notice will state that the Holders present in person or by Representative at the adjourned meeting and whatever the amount of Notes held by them (but comprising at least two individuals) will form a quorum.

4.6 To avoid doubt, a Holder participating in a meeting by means of audio, audio and visual, or electronic communication is present at the meeting and part of the quorum if the form of that audio, audio and visual or electronic communication has been approved by the Chair of the meeting.

5. CHAIR

5.1 A person appointed (by a Holders' resolution) from the Holders or any Representatives present will preside as chair (**Chair**) at every meeting.

6. RIGHT TO ATTEND AND SPEAK

6.1 Any director, officer or solicitor of ANZ or any person authorised in that behalf by ANZ may attend any meeting and all such persons will have the right to speak at the meeting.

7. ADJOURNMENT

7.1 The Chair may, with the consent of any meeting at which a quorum is present, and will, if so directed by the meeting, adjourn the meeting from time to time from place to place.

7.2 No business will be transacted at any adjourned meeting except business which might have been lawfully transacted at the meeting from which the adjournment took place.

8. ONLY PERSONS ON REGISTER RECOGNISED BY ANZ

- 8.1 The persons registered as Holders in the Register and no other person or persons will be recognised and treated as the legal holders of the Notes therein mentioned whether such persons are or are not in fact the owners thereof.

9. AUTHORITY TO VOTE

- 9.1 A Holder that is an individual may vote personally or by his Representative and a Holder that is a corporation may vote by its Representative.
- 9.2 The persons registered as at the Proxy Closing Time as Holders in the Register will be exclusively entitled to vote in person or by Representative in respect of the Notes recorded as owned by them.

10. PROXIES

- 10.1 The instrument appointing a proxy must be in writing signed by the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, signed by an attorney or any director, officer, general manager, investment manager or other person who appears to have authority to appoint a party on behalf of such corporation.
- 10.2 A person appointed to act as a proxy need not be a Holder and a holder of a proxy will have the right to speak at the meeting.
- 10.3 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a copy of such power or authority certified by a solicitor or in any other manner approved by ANZ must be deposited at such place as ANZ may in the notice convening the meeting direct or (if no such place is appointed) then at the registered office of ANZ not later than the Proxy Closing Time. An instrument of proxy which is not so deposited will not be treated as valid unless ANZ, in its absolute discretion, elects to accept any instrument of proxy notwithstanding that such instrument or any power of attorney or other authority is received or produced at a place other than that specified above or out of time.
- 10.4 An instrument of proxy may be in any usual or common form or in any other form approved by ANZ and may make provision for directions to be given by the grantor to vote in favour of or against any proposed resolution.
- 10.5 A proxy whether in a usual or common form or not will unless the contrary is stated thereon be valid as well for any adjournment of the meeting as for the meeting to which it relates and need not be witnessed. Notwithstanding any provisions contained in an instrument of proxy no instrument of proxy will be valid after the expiration of 12 months from the date of its execution but this provision will not be construed to apply to the appointment of an attorney or Representative otherwise than by an instrument of proxy.
- 10.6 An instrument of proxy in favour of:
- (a) the chief executive of ANZ; or
 - (b) the Chair of the meeting,
- (howsoever expressed) will be valid and effectual as though it were in favour of a named person and will constitute in the case of paragraph (a) above the person holding the office of the chief executive of ANZ and in the case of paragraph (b) above the person who chairs the meeting (as the case may be) for which the proxy is used (whether on adjournment or not) the lawful proxy of the appointer.

11. HOLDER MAY APPOINT ATTORNEY

- 11.1 Any Holder may by power of attorney appoint an attorney (who need not be a Holder) to vote and act on his behalf at any meeting. An attorney will be entitled to produce evidence of his appointment at any time before the Appointed Time. An attorney as so empowered may appoint a proxy for the Holder granting the power of attorney.

12. CORPORATE REPRESENTATIVES

- 12.1 A Representative of a Holder which is a corporation or corporation sole will, until the authority is revoked by the corporation concerned, be entitled to exercise the same powers on behalf of the corporation as that corporation could exercise if it were an individual Holder and will be entitled to produce evidence of the authority to act at any time before the Appointed Time of or at the meeting or adjourned meeting or for the taking of a poll at which the Representative proposes to vote.
- 12.2 A Representative will have the right to demand or join in demanding a poll and shall (except and to the extent to which the Representative is specially directed to vote for or against any proposal) have power generally to act at the meeting from the Holder concerned.

13. VOTING PROCEDURE AND POLLS

- 13.1 A resolution (other than a Special Resolution) put to the vote of a meeting will be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chair, ANZ or any representative of ANZ or by one or more Holders holding or representing not less than 5% of the aggregate Face Value of the Notes. Unless a poll is so demanded a declaration by the Chair that a resolution has been carried or carried unanimously or by a particular majority or lost shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 13.2 A Special Resolution put to the vote of a meeting will be decided on a poll.
- 13.3 On a show of hands every Holder who is present in person or by a Representative will have one vote only. On a poll every Holder who is present in person or by a Representative will have one vote for every Note of which he is the Holder.
- 13.4 If a poll is duly demanded in accordance with clause 13.1 or required under clause 13.2, it will be taken in such manner as the Chair may direct and the result of such poll will be deemed to be the resolution of the meeting at which the poll was demanded.
- 13.5 In the case of an equality of votes whether on a show of hands or on a poll the Chair of the meeting at which the show of hands took place or at which the poll is demanded will be entitled to a casting vote in addition to the votes (if any) to which the Chair may be entitled as a Holder or on behalf of Holders.
- 13.6 A poll demanded on the election of a Chair or on a question of adjournment will be taken forthwith. A poll demanded on any other question will be taken either immediately or at such time (not being more than 30 days from the date of the meeting) and place as the Chair may direct. The result of such poll will be deemed to be the resolution of the meeting at which the poll was demanded. No notice need be given of a poll not taken immediately.
- 13.7 The demand for a poll will not prevent the continuance of a meeting for the transaction of business other than the question of which the poll has been demanded.
- 13.8 On a poll votes may be given either personally or by Representative. On a poll a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

- 13.9 In the case of joint Holders the vote of the senior who tenders a vote whether in person or by Representative will be accepted to the exclusion of the vote of the other joint Holders and for this purpose seniority will be determined by the order in which the names stand in the Register in respect of the joint holding.
- 13.10 A vote given in accordance with the terms of an instrument of proxy or power of attorney or other authority will be valid notwithstanding the previous death, insanity or (in the case of a corporation) liquidation of the principal or revocation of the proxy or power of attorney under which the proxy was executed or the transfer of the Notes in respect of which the vote is given provided that no intimation in writing of such death, insanity, liquidation, revocation or transfer is received by ANZ at its registered office before the commencement of the meeting or adjourned meeting at which the proxy, attorney or authority is used.
- 13.11 Unless it is a Special Resolution, a resolution will be passed at a meeting of the Holders duly convened and held in accordance with the provisions herein contained at which a majority of the persons voting thereat upon a show of hands or if a poll is duly demanded then a majority of the votes given on such a poll voted in favour of the resolution.

14. SPECIAL RESOLUTIONS

- 14.1 The expression **Special Resolution** means a resolution passed at a meeting of the Holders duly convened and held in accordance with the provisions herein contained, at which not less than 75% of the votes given on a poll voted in favour of the resolution.
- 14.2 A meeting of Holders will, subject to the Note Terms, have the following powers exercisable by Special Resolution namely power to:
- (a) sanction either unconditionally or upon any conditions the release of ANZ from the payment of all or any part of the moneys payable pursuant to the Note Terms or the Notes;
 - (b) sanction any alteration, release, modification, waiver, variation or compromise or any arrangement in respect of the rights of the Holders against ANZ or against its assets however such rights arise;
 - (c) assent to any amendment to the provisions contained in the Note Terms proposed or agreed to by ANZ (if the consent of the Holders is required) and to authorise ANZ to execute any supplemental deed poll embodying any such amendment;
 - (d) give any sanction, assent, release or waiver of any breach or default by ANZ under any of the provisions of the Note Terms;
 - (e) sanction any scheme for the reconstruction of ANZ or for the amalgamation of ANZ with any other corporation where such sanction is necessary;
 - (f) authorise or direct ANZ to execute any supplemental deed or other document embodying such sanction, authority, assent, release, waiver or direction.

However, no amendment, alteration, release, modification, waiver, variation or compromise or any arrangement (whether made by Special Resolution or otherwise) may be made or entered into with respect to the Note Terms unless, at least five Business Days prior to the amendment, alteration, release, modification, waiver, variation, compromise or arrangement being made or entered into, notification of the same has been made to the RBNZ, accompanied by any supporting documentation required by the RBNZ's prudential regulatory requirements.

- 14.3 A Special Resolution passed at a meeting of the Holders duly convened and held will be binding upon all the Holders whether or not present or entitled to be present at the meeting and the Holders will be bound to give effect thereto accordingly and the passing of any such resolution will as between ANZ and the Holders be conclusive evidence that the circumstances

justify the passing thereof the intention being that it will rest with the meeting to determine without appeal whether or not the circumstances justify the passing of any such resolution.

15. MINUTES TO BE KEPT

Minutes of all resolutions and proceedings at every meeting will be made by ANZ or, if ANZ is not present at such meeting, by some person appointed by the Chair of such meeting and will be duly entered in books from time to time provided for that purpose by ANZ. Minutes purporting to be signed by the Chair of the meeting or by the Chair of the next succeeding meeting will be prima facie evidence of the matters therein stated. Until the contrary is proved, every meeting for which minutes have been so made and signed shall be deemed to have been duly held and convened and all resolutions passed or proceedings transacted at the meeting shall be deemed to have been duly passed and transacted.

16. RESOLUTIONS IN WRITING

- 16.1 Anything that may be done by Holders by a resolution or Special Resolution passed at a meeting of Holders may be done by a resolution in writing signed by Holders of a majority of the aggregate Face Value of the Notes at that time in relation to a resolution and by Holders of not less than 75% of the aggregate Face Value of the Notes in relation to a Special Resolution.
- 16.2 Any such resolution may consist of several documents in similar form, each signed by one or more Holders.
- 16.3 Any such resolution may be signed by a Holder, or an agent or attorney of the Holder duly authorised in writing, or if the Holder is a company, by a director, or by an attorney so authorised by the company.