



7 November 2022

Market Announcements Office  
ASX Limited  
Level 4  
20 Bridge Street  
SYDNEY NSW 2000

### **Notice of 2022 Annual General Meeting**

Australia and New Zealand Banking Group Limited (ANZ) today released its Notice of 2022 Annual General Meeting.

It has been approved for distribution by ANZ's Company Secretary.

Yours faithfully

**Simon Pordage**  
**Company Secretary**  
Australia and New Zealand Banking Group Limited



The ANZ 2022 Annual General Meeting (AGM or Meeting) of Australia and New Zealand Banking Group Limited (Company or ANZ) will be held as a hybrid meeting on Thursday, **15<sup>th</sup> December 2022** commencing at 10:00 am (Adelaide Time)

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# Time and Location of the Annual General Meeting

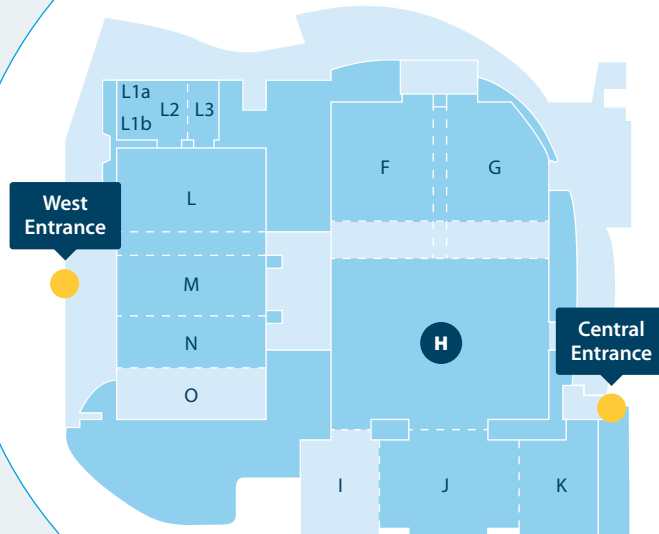


**Thursday, 15 December 2022**  
at 10:00 am (Adelaide Time)

**Adelaide Convention Centre,**  
Hall H, North Terrace Adelaide SA 5000



## Adelaide Convention Centre INTERNAL LAYOUT



### Tram Line

### Vehicle Access

- Car Park
- Tram Stop
- Bus Stop
- Train Station
- Taxi Rank
- Entrance





### Join the AGM online

To participate online visit <https://meetnow.global/ANZ2022> on your smartphone, tablet, or computer.

You will need the latest versions of Chrome, Safari, Edge or Firefox. Please ensure your browser is compatible. Refer to the instructions on the Online Meeting Guide document.



### Join the AGM in person

#### ADELAIDE CONVENTION CENTRE (ACC)

The Adelaide Convention Centre (ACC) is located in the central business district of Adelaide, South Australia. The fully-equipped centre is close to public transport hubs and just 15 minutes by car from Adelaide Airport.

#### TRAVELLING BY PUBLIC TRANSPORT

##### Trams

Air-conditioned trams stop outside the Adelaide Convention Centre. Trips within the city centre are free. The route runs from Glenelg via Rundle Mall and the Central Market. Further information can be accessed at [www.adelaidemetro.com.au](http://www.adelaidemetro.com.au)

#### Suburban Rail

The main railway station is right next door to the Adelaide Convention Centre and it provides access from Adelaide's major suburban centres. Further information can be accessed at [www.adelaidemetro.com.au](http://www.adelaidemetro.com.au)

#### Taxi

A taxi rank is positioned immediately in front of the Adelaide Convention Centre on North Terrace. Additional ranks exist along North Terrace within close proximity.

#### Car

There are two car parks available for visitors to the Adelaide Convention Centre, namely the Riverbank and North Terrace car parks which are open 24 hours/day, 7 days a week. The car parks are situated under the Convention Centre (Riverbank) and beneath the Exhibition Hall.

### Important Dates

All times are given in Australian Central Daylight Time (Adelaide Time) unless otherwise specified.

## 13 December 2022

### 10:00am (Adelaide Time)

Latest time for receipt of proxy appointments

## 15 December 2022

### 10:00am (Adelaide Time)

Annual General Meeting

## 15 December 2022

2022 Final Dividend Payment Date

### ANZ Shareholder Centre Website

Shareholders are able to view information in the manner that best suits them on our website: [anz.com/shareholder/centre](http://anz.com/shareholder/centre). Documents are available in various formats.

### 2022 Annual Report

The Annual Report provides detailed financial data and information on ANZ's performance as required to comply with applicable regulatory requirements. We also issue an Annual Review which is a non- statutory document covering key performance areas, financial information, remuneration details and corporate responsibility.

These documents are available at [anz.com/annualreport](http://anz.com/annualreport) or by calling the Share Registrar on 1800 11 33 99 (within Australia) or (+61 3) 9415 4010 (outside Australia) to request a hard copy.



**2022 Annual Report**  
[anz.com/annualreport](http://anz.com/annualreport)



# Annual General Meeting Agenda

> Thursday, 15 December 2022

9:00 am (Adelaide Time)

## Registration opens

For those shareholders attending the meeting online – please log onto your electronic device and register your attendance

(you will need your SRN/HIN number in order to login to the online AGM platform. For Proxyholders, a login will be provided to you by Computershare)

For those shareholders attending the AGM in person, please bring your proxy form with you as it will assist with your registration.

9:15 am (Adelaide Time)

## Refreshments served

10:00 am (Adelaide Time)

## Annual General Meeting commences

- Welcome to Shareholders – Chairman
- Chairman's presentation
- Chief Executive Officer's presentation
- Items of Business

Please join the Chairman, Paul O'Sullivan, the Directors and Senior Executives of ANZ for refreshments after the Annual General Meeting.

## How business will be conducted at the AGM

The AGM is an important event and we encourage shareholders to actively participate.

Shareholders should monitor the Company's website and ASX announcements where updates will be provided if it becomes necessary or appropriate to make alternative arrangements for the holding or conduct of the AGM.

Important information about the conduct of the AGM is set out below.

## Discussion and asking questions

Discussion will take place on all items of business that are put to the AGM – refer to "Business" and "Explanatory Notes" sections for further information relating to the items of business.

Shareholders as a whole will have a reasonable opportunity to ask questions at the AGM and also via the online platform or verbally by phone, including an opportunity to ask questions of or making comments on the management of the Company and the Remuneration Report as well as asking questions of the Company's External Auditor, KPMG.

To ensure that as many shareholders as possible have the opportunity to participate, shareholders are requested to observe the following guidelines:

- all shareholder questions should be stated clearly and should be relevant to the business of the AGM, including arising from the Financial Report, the Directors' report (including the Remuneration Report) and the Auditor's Report, and general questions about the performance, business and management of the Company;
- if a shareholder has more than one question on an item of business, all questions should be asked at the one time; and
- shareholders should not ask questions at the AGM relating to any matters that are personal to the shareholder or commercial in confidence.

Shareholders who prefer to register questions in advance of the AGM are invited to do so.

A "Questions from Shareholders Form" will be made available on our Website [anz.com/agm](https://anz.com/agm). You can also submit any questions via the Proxy Voting Link [investorvote.com.au/login](https://investorvote.com.au/login) (Control Nbr 131545).

We will attempt to address as many of the more frequently asked questions as possible in the Chairman's and Chief Executive Officer's presentations to the AGM.

Written questions, including questions for the External Auditor, must be received by the Company by 4:30pm (Adelaide Time) on 8 December 2022, and can be submitted online, by mail, or email as set out on the top of the Questions from Shareholders Form.

## Hybrid AGM, webcast and photography

We have arranged for the AGM to be filmed and broadcast via a webcast which can be viewed at [anz.com/agm](https://anz.com/agm).

After the AGM you can also watch an archived recording on the ANZ website. We have arranged for photographs to be taken at the AGM. If you attend the AGM in person, you may be included in photographs or the webcast recording.

For the safety and security of all those present at the AGM, cameras and recording devices are not permitted.

For those shareholders who are attending the AGM online, the AGM will be webcast live for participation by shareholders and proxyholders via the online AGM Platform at <https://meetnow.global/au>.

To participate you will need a computer or mobile/tablet device with internet access. When you log onto the AGM platform on the morning of the AGM, you will need to provide your details (including SRN or HIN) to be verified as a shareholder or proxyholder. Proxyholders will need their login details which will be provided by Computershare no later than 24 hours before the AGM. Following this you will be given details as to how to vote and ask questions online during the AGM.

More information about how to use the AGM online platform (including how to vote and ask questions online during the AGM) is available in the Online Meeting Guide and Online AGM Frequently Asked Questions document, which have been lodged with ASX and are available at [anz.com/agm](https://anz.com/agm). If you intend to use the online AGM platform, we recommend that you test to see that it works on your device before the AGM commences at 10:00am (Adelaide Time).

Technical difficulties may arise during the course of the AGM, in which case the Chairman of the Meeting has discretion as to whether and how the AGM should proceed. In exercising their discretion, the Chairman of the Meeting will have regard to the number of shareholders impacted and the extent to which participation in the business of the AGM is affected. Where they consider it appropriate, the Chairman of the Meeting may continue to hold the AGM and transact business, including conducting a poll and

# Notice of 2022 Annual General Meeting

voting in accordance with valid proxy instructions. For this reason, shareholders are encouraged to lodge a directed proxy by 10:00am (Adelaide Time), 13 December 2022, even if they plan to attend the AGM online or in person.

Further instructions on device configurations are provided in the Online Meeting Guide.

Alternatively, shareholders may listen to the proceedings of the AGM by dialing:

Country	Number	Guest Passcode
Australia	1800 173 224/ 1800 556 264	7500882
New Zealand	0800 452 794/ 0800 880 585	7500882
Worldwide	+61 7 3107 0200	7500882

If you wish to ask a question over the phone, please register and follow the details below:

To register call the Share Registrar on 1800 11 33 99 or +61 3 9415 4010 and press option 3 (ANZ AGM Phone conference details) to request a PIN and the conference call number.

See question 20 in the Online AGM Frequently Asked Questions document for further details.

In addition to the above, shareholders can also watch an archived recording of the webcast after the AGM at [anz.com/agm](http://anz.com/agm).

Notice is given that the 54<sup>th</sup> Annual General Meeting of the Company will be held as a hybrid meeting on Thursday, 15 December 2022 commencing at 10:00am (Adelaide Time).

Shareholders may participate in the AGM virtually via our online AGM platform at <https://meetnow.global/ANZ2022> or via the appointment of a proxy.

## Business

### 1. Annual reports

To consider the Annual Report, Financial Report and the Reports of the Directors and of the Auditor for the year ended 30 September 2022.

There is no requirement for shareholders to approve these reports.

### 2. Election and re-election of Board Endorsed candidates

#### (a) To elect Mr J P Smith

Mr Jeffrey Paul Smith having been appointed by the Board after the date of the 2021 Annual General Meeting, is retiring in accordance with the Company's Constitution and, being eligible, offers himself for election as a Director.

#### (b) To re-elect Ms S J Halton AO PSM

Ms Sarah Jane Halton AO PSM is retiring in accordance with the Company's Constitution and, being eligible, offers herself for re-election as a Director.

#### (c) To re-elect Mr P D O'Sullivan

Mr Paul Dominic O'Sullivan is retiring in accordance with the Company's Constitution and, being eligible, offers himself for re-election as a Director.

### 3. Adoption of the Remuneration Report

To adopt the Remuneration Report for the year ended 30 September 2022. The vote on this resolution is advisory only and does not bind the Company.

### 4. Grant of restricted rights and performance rights to Mr S C Elliott

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That, for the purposes of Listing Rule 10.14, sections 200B and 200E of the Corporations Act 2001 (Cth) and for all other purposes, approval is given for the Company to grant to the Company's Chief Executive Officer (CEO) and Executive Director, Mr Shayne Elliott, restricted rights and performance rights under the ANZ Share Option Plan on the terms set out in, and to provide Mr Elliott any or all of the benefits (including on cessation of employment) described in, the Explanatory Notes to the Notice convening this Meeting."*

### 5. Resolution requisitioned by members – Amendment to the Constitution

The following proposed resolution has been requisitioned under section 249N of the Corporations Act.<sup>1</sup>

This resolution is not endorsed by the Board.

- To consider and, if thought fit, to pass the following resolution as a special resolution:

*"Insert into the Constitution in clause 13 'Meetings of members' the following new sub-clause 13.5A 'Advisory resolutions':  
"The Company in general meeting may by ordinary resolution express an opinion or request information about the way in which a power of the Company partially or exclusively vested in the Directors has been or should be exercised. Such a resolution must relate to a material risk identified by the Directors or the Company and cannot advocate action that would violate any law or relate to any personal claim or grievance. Such a resolution is advisory only and does not bind the Directors or the Company."*

- Note: for item 5 to be passed as a special resolution, at least 75% of the votes cast by shareholders entitled to vote on the resolution must be in favour of the resolution. If item 5 is not passed, the Chairman of the Meeting will not put the resolution proposed in item 6 to the AGM but will provide an opportunity for discussion in relation to both items.

<sup>1</sup> The resolution was requisitioned by a group of shareholders holding approximately 0.01% of the Company's ordinary shares on issue.

**Board Recommendation:** The Board recommends that shareholders vote against item 5 for the reasons set out in the Explanatory Notes to this Notice of Meeting. The Chairman of the Meeting intends to vote undirected proxies against item 5.

## 6. Resolution requisitioned by members – Climate Risk Safeguarding (conditional item)

- Condition for item 6: This resolution will only be put to the AGM if at least 75% of the votes validly cast on item 5 are for that resolution.
- The following proposed resolution has been requisitioned under section 249N of the Corporations Act.<sup>1</sup>
- This resolution is not endorsed by the Board.
- Subject to and conditional upon the resolution in item 5 (Amendment to the Constitution) being passed as a special resolution, to consider and, if thought fit, to pass the following resolution as an ordinary resolution:  
*"Shareholders recognise the substantial transitional and physical risks of climate change and their potential financial impacts on our company. We also note our company's support for the Paris climate change agreement and the goal of net-zero emissions by 2050. Shareholders therefore request the company disclose, in subsequent annual reporting, information demonstrating how the company's financing<sup>2</sup> will not be used for the purposes of new or expanded fossil fuel projects."*

**Board Recommendation:** The Board recommends that shareholders vote against item 6 for the reasons set out in the Explanatory Notes to this Notice of Meeting. The Chairman of the Meeting intends to vote undirected proxies against item 6.

## Voting restrictions

### VOTING RESTRICTIONS FOR ITEM 3 (ADOPTION OF THE REMUNERATION REPORT)

The Corporations Act restricts Key Management Personnel (KMP) and their closely related parties from voting on the resolution proposed in item 3. Closely related party is defined in the Corporations Act and includes a spouse, dependents and certain other close family members, as well as any companies controlled by a member of the KMP.

Any votes cast in any capacity (e.g. as a shareholder, proxy or corporate representative) on the proposed resolution in item 3 by or on behalf of:

- Directors and the other members of the KMP, details of whose remuneration are included in the Remuneration Report; and
- closely related parties of those persons, will be disregarded.

In addition, any votes cast as a proxy on item 3 by any members of the KMP at the date of the AGM (and their closely related parties) will also be disregarded.

However, the Company will not disregard the votes as a result of these restrictions if cast:

- on behalf of a person entitled to vote in accordance with a direction on the proxy appointment specifying the way the proxy is to vote on the resolution; or
- by the person who is the chair of the meeting and the proxy appointment expressly authorises the chair of the meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

The Chairman of the Company, as chair of the Meeting, intends to vote undirected proxies (where appropriately authorised) in favour of item 3.

### VOTING RESTRICTIONS FOR ITEM 4 (GRANT OF RESTRICTED RIGHTS AND PERFORMANCE RIGHTS TO MR S C ELLIOTT)

Item 4 is also a resolution connected directly with the remuneration of a member of the KMP, namely ANZ CEO, Mr Elliott.

In accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of the resolution in item 4 by or on behalf of:

- Mr Elliott (being the only director eligible to participate in the ANZ Share Option Plan); or
- an associate of Mr Elliott,

regardless of the capacity in which the vote is cast.

However, this does not apply to a vote cast in favour of the resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair of the meeting to vote on the resolution as the chair of the meeting decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In addition, in accordance with the Corporations Act, the Company will disregard any votes cast on the resolution in item 4 as a proxy, by: (i) a member of the KMP at the date of the meeting or (ii) a closely related party of such a member, unless the vote is cast:

- on behalf of a person entitled to vote in accordance with a direction on the proxy appointment specifying the way the proxy is to vote on the resolution; or
- by the person who is the chair of the meeting and the proxy appointment expressly authorises the chair of the meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

<sup>1</sup> The resolution was requisitioned by a group of shareholders holding approximately 0.01% of the Company's ordinary shares on issue. <sup>2</sup> Advisory services, project financing, loan syndications, leveraged and acquisition financing, structured asset finance, structured export finance, and sustainable finance, as listed by ANZ: [anz.com/corporate/solutions/corporate-finance/](https://anz.com/corporate/solutions/corporate-finance/)



The Chairman of the Company, as chair of the Meeting, intends to vote undirected proxies (where appropriately authorised) in favour of item 4.

### Undirected proxies

The Chairman of the Meeting intends to vote undirected proxies (where he has been appropriately authorised, having regard to the Voting Restrictions described previously) in favour of items 2, 3 and 4, and against items 5 and 6 (where item 6 is put to the Meeting).

### Associates

The Voting Restrictions for item 4 apply to “associates” of Mr Elliott. The applicable definitions of “associate” are set out in the Corporations Act and ASX Listing Rules. Shareholders who are “associates” subject to the Voting Restrictions and who intend to participate in and cast a vote at the Meeting, should inform the Company’s Share Registrar, Computershare, of that fact when they register at the Meeting.

### Questions on voting restrictions

If shareholders (including nominees, custodians or fiduciaries) have questions on the Voting Restrictions, they should contact the Company’s Share Registrar, Computershare, on 1800 11 33 99 (within Australia), 0800 174 007 (within New Zealand), 0870 702 0000 (within the United Kingdom) or (+61 3) 9415 4010 (outside Australia).

### Entitlement to attend and vote

The Board has determined that, for the purposes of the AGM (including voting at the Meeting) shareholders are those persons who are the registered holders of the Company’s shares at 6:30pm (Adelaide Time) on Tuesday, 13 December 2022.

Holders of the Company’s ordinary shares may vote on all items of business, subject to the Voting Restrictions described previously.

### Voting by proxy

A shareholder who is entitled to attend and cast a vote at the AGM may appoint a proxy. A proxy need not be a shareholder. A person can appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, it must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the AGM.

A shareholder who is entitled to cast 2 or more votes may appoint up to 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

The following addresses are specified for the purposes of receipt of proxy appointments and any authorities under which proxy appointments are signed (or certified copies of those authorities):

#### AUSTRALIA

**ANZ Share Registrar**  
GPO Box 242,  
Melbourne, Victoria 3001  
Australia

**ANZ Share Registrar**  
Yarra Falls, 452 Johnston Street  
Abbotsford, Victoria 3067  
Australia

#### UNITED KINGDOM

**ANZ Share Registrar**  
The Pavilions  
Bridgwater Road  
Bristol BS99 6ZZ  
United Kingdom

#### NEW ZEALAND

**ANZ Share Registrar**  
Private Bag 92119  
Auckland 1142  
New Zealand

Proxy appointments and any authorities under which they are signed (or certified copies of those authorities) may be sent by fax to facsimile number 1800 783 447 (within Australia) or (+61 3) 9473 2555 (outside Australia).

Shareholders may also submit their proxy instructions electronically to the Company’s Share Registrar by visiting [investorvote.com.au](http://investorvote.com.au), and Intermediary Online subscribers only (custodians) should visit [intermediaryonline.com](http://intermediaryonline.com).

To be effective, a proxy appointment and, if the proxy appointment is signed by the shareholder’s attorney, the authority under which the appointment is signed (or a certified copy of the authority) must be received by the Company at least 48 hours before the commencement of the AGM.

For more information concerning the appointment of proxies and the addresses to which Proxy Forms may be sent, please refer to the Proxy Form.

### Voting by attorney

A shareholder may appoint an attorney to vote on his/her behalf. For an appointment to be effective for the AGM, the instrument effecting the appointment (or a certified copy of it) must be received by the Company at its registered office or one of the addresses listed previously for the receipt of proxy appointments at least 48 hours before the commencement of the AGM.

### Corporate representatives

A body corporate which is a shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the AGM. The appointment must comply with the requirements of section 250D of the Corporations Act. Evidence of his or her appointment, including any authority under which it is signed, will need to be provided to the Company’s Share Registrar prior to the AGM unless it has been given previously to the Company.

### By Order of the Board



**Simon Pordage**  
Company Secretary

Melbourne, 7 November 2022



# Explanatory notes

## Item 1 – Annual Reports

A copy of the Company's 2022 Annual Report, including the Financial Report and the Reports of the Directors and of the Auditor for the year ended 30 September 2022, can be found on the Company's website at [anz.com/annualreport](https://anz.com/annualreport).

As a shareholder you may elect to receive by mail, free of charge, the Company's 2022 Annual Report (which includes detailed financial statements and reports) or the 2022 Annual Review (a non-statutory document covering key performance areas, financial information, remuneration details and corporate responsibility). If you would like a hard copy of either document, please contact the Company's Share Registrar, Computershare.

The Company mails a copy of the Annual Report or the Annual Review as applicable (when they are released each year) only to those shareholders who have made an election to receive them.

## Item 2 – election and re-election of Board endorsed candidates

The details of Board endorsed candidates that are standing for election and re-election as Directors are set out below. Mr Smith, Ms Halton and Mr O'Sullivan are retiring in accordance with the Company's Constitution and offer themselves for election and re-election, as appropriate. More details on the Company's governance arrangements pertaining to Directors and those standing for election and re-election can be found in the 2022 Corporate Governance Statement at [anz.com/annualreport](https://anz.com/annualreport).

### Item 2 (a) To elect Mr J P Smith

#### Mr Jeffrey Paul Smith

BA<sup>PPSC</sup>, MBA

Independent Non-Executive Director, appointed in August 2022. Mr Smith is a member of the Nomination and Board Operations Committee, Digital Business and Technology Committee, Risk Committee and Human Resources Committee.

## Career

Jeff is an experienced global business and technology executive, with over 30 years corporate experience which includes senior executive roles in a number of companies including Telstra, Honeywell and Toyota. Jeff was previously Chief Information Officer at IBM Corporation where he was globally responsible for IT strategy, resources, systems and infrastructure and also led the company's Agile transformation. Jeff was also CEO of Suncorp Business Services and Suncorp Chief Information Officer. Since 2017, Jeff has been Chief Operating Officer of World Fuel Services Corporation, a role he will step down from at the end of 2022.

Jeff also served on the Australian Fulbright Commission awarding Australian post-graduate scholarships to US universities.

He was previously a member of ANZ's International Technology and Digital Business Advisory Panel until 2019.

## Relevant Other Directorships

**Director:** Sonrai Security Inc (from 2021).

**Advisor:** Zoom Video Communications, Inc (from 2018) and Box, Inc. (from 2018).

## Relevant Former Directorships held in last three years include

**Former Member:** ANZ International Technology and Digital Business Advisory Panel (2016-2019).

**Age:** 60 years. **Residence:** USA.

**Board Recommendation:** The Board (excluding Mr Smith because of his interest) endorses the election of Mr Jeffrey Paul Smith.

### Item 2 (b) To re-elect Ms S J Halton AO PSM

#### Sarah Jane Halton, AO PSM

BA (HONS) PSYCHOLOGY, FIPAA, Hon. FAAHMS, Hon. FACHSE, Hon. DLitt, FAIM, FAICD, FAIIA

Independent Non-Executive Director, appointed in October 2016. Ms Halton was last re-elected in 2019. Ms Halton is Chair of the Digital Business and Technology Committee and is a member of the Human Resources Committee, Ethics, Environment, Social and Governance Committee and Nomination and Board Operations Committee.

## Career

Jane's 33 year career in the public service includes the positions of Secretary of the Australian Department of Finance, Secretary of the Australian Department of Health, Secretary for the Department of Health and Ageing, and Executive Co-ordinator (Deputy Secretary) of the Department of the Prime Minister and Cabinet. She brings to the Board extensive experience in finance, insurance, risk management, information technology, human resources, health and ageing and public policy. She also has significant international experience.

Jane has contributed extensively to community health through local and international organisations including the World Health Organisation and as co-chair of the COVAX coordination mechanism.

## Relevant Other Directorships

**Chairman:** Coalition for Epidemic Preparedness Innovations (Norway) (from 2018, Board member from 2016) and Council on the Ageing Australia (from 2017).

**Director:** Clayton Utz (from 2017).

**Member:** Executive Board of the Institute of Health Metrics and Evaluation at the University of Washington (from 2007).

**Honorary Professor:** Australian National University Research School of Psychology.

**Adjunct Professor:** University of Sydney and University of Canberra.

**Council Member:** Australian Strategic Policy Institute (from 2016).

## Relevant Former Directorships held in last three years include

**Former Director:** Crown Resorts Limited (2018-2022), Naval Group Australia Pty Ltd (2021-2022) and Vault Systems (2017-2022).

**Former Member:** National COVID-19 Commission Advisory Board (2020-2021).

**Age:** 62 years. **Residence:** Canberra, Australia.

**Board Recommendation:** The Board (excluding Ms Halton because of her interest) endorses the re-election of Ms Sarah Jane Halton as a Director.

## Item 2 (c) To re-elect Mr P D O'Sullivan

### Paul Dominic O'Sullivan

BA (Mod) Economics, Advanced Management Program of Harvard

Independent Non-Executive Director, appointed in November 2019 and Chairman since October 2020. Mr O'Sullivan is an ex-officio member of all Board Committees and Chair of the Ethics, Environment, Social and Governance Committee and the Nomination and Board Operations Committee.

### Career

Paul has experience in the telecommunications and oil and gas sectors, both in Australia and overseas. He has held senior executive roles with Singapore Telecommunications (Singtel) and was previously the CEO of Optus. He has also held management roles with the Colonial Group and the Royal Dutch Shell Group in Canada, the Middle East, Australia and United Kingdom.

### Relevant Other Directorships

**Chairman:** Singtel Optus Pty Limited (2014, Director from 2004) and Western Sydney Airport Corporation (from 2017).

**Director:** St Vincent's Health Australia (from 2019) and Australian Tower Network Pty Ltd (from 2021).

### Relevant Former Directorships held in last three years include

**Former Director:** Telkomsel Indonesia (2010-2020), Healthscope Limited (2016-2019), National Disability Insurance Agency (2017-2020) and Coca-Cola Amatil (2017-2021).

**Age:** 62 years. **Residence:** Sydney, Australia.

**Board Recommendation:** The Board (excluding Mr O'Sullivan because of his interest) endorses the re-election of Mr Paul Dominic O'Sullivan as a Director.

## Item 3 – adoption of the Remuneration Report

As required by the Corporations Act, the Board presents the Remuneration Report to shareholders for consideration and adoption by a non-binding vote. The Remuneration Report contains:

- information about Board policy for determining the nature and amount of remuneration of the Company's Directors and most senior executives;
- a description of the relationship between the remuneration policy and the Company's performance; and
- remuneration details for KMP (including the Directors of the Company) for the period ended 30 September 2022.

The Remuneration Report, which is part of the 2022 Annual Report, can be found on the Company's website at [anz.com/annualreport](https://anz.com/annualreport) or can be obtained by contacting the Company's Share Registrar, Computershare.

**Board Recommendation:** The Board considers that the remuneration policies adopted by the Company are appropriately structured to provide rewards that are commensurate with the Company's performance and competitive with the external market. On this basis, the Board recommends that shareholders eligible to do so vote in favour of item 3.

## Item 4 – Grant of restricted rights and performance rights to Mr S C Elliott

The Company is asking shareholders to approve the proposed grant of restricted rights and performance rights to the Company's Chief Executive Officer (CEO) and Executive Director, Mr Shayne Elliott, under the ANZ Share Option Plan on the terms and conditions set out below. The proposed grant is part of Mr Elliott's 2023 variable remuneration.

Long Term Variable Remuneration (LTVR) has been restructured to now provide material weight to non-financial measures in line with the new Prudential Standard CPS 511 *Remuneration*. Accordingly, for the 2023 grant, Mr Elliott's LTVR will be delivered as:

- 50% LTVR restricted rights – with a pre vest assessment of non-financial measures; and
- 50% LTVR performance rights – with forward looking Total Shareholder Return (TSR) performance hurdles where:
  - 75% will be measured against the TSR of the Select Financial Services comparator group; and
  - 25% will be measured against absolute Compound Annual Growth Rate (CAGR) TSR.

### At a glance:

- 2023 LTVR, delivered in the form of 50% restricted rights and 50% performance rights, with a combined current face value LTVR opportunity of A\$3,375,000.
- 2023 LTVR will be deferred over four to six years with a two-year exercise period post the end of the relevant deferral period<sup>3</sup>.
- The restricted rights:
  - have been subject to a pre grant assessment by the Board which determined that the award should be made at full value (i.e., no reduction); and
  - will be subject to a pre vest assessment by the Board of non-financial measures at the end of the performance period to determine whether the restricted rights should vest in full.
- The performance rights:
  - 75% will be subject to a relative TSR performance condition which compares ANZ's TSR performance against the comparator group, with nil vesting below median, 50% vesting at median (i.e., threshold), and increasing to 100% vesting at the 75<sup>th</sup> percentile of the comparator group;
  - 25% will be subject to an absolute CAGR TSR performance condition which measures ANZ's absolute CAGR TSR performance against targets set by the Board, with nil vesting below 9.125%, 50% vesting at 9.125% (threshold), and increasing to 100% vesting at 13.688%.
- The performance conditions for both restricted rights and performance rights are assessed at the end of the four-year performance period (with no retesting). The four-year performance period commences on 1 October 2022 and ends four years later on 30 September 2026.
- Holding periods apply at the end of the four-year performance period (to the extent the restricted rights and performance rights meet the relevant performance condition). The holding period commences the day after the end of the four-year performance period and finishes on the 4<sup>th</sup>, 5<sup>th</sup> or 6<sup>th</sup> anniversary of grant.
- The deferral period is the sum of the four-year performance period and the applicable holding period.

3. Deferral period = performance period + holding period.

**In more detail:**

Each restricted right and each performance right is a right to acquire an ordinary fully paid share in the Company at nil cost (i.e., nil exercise price), subject to meeting the applicable time and performance conditions. To the extent the performance conditions are met, the relevant number of restricted rights and performance rights will be eligible to vest on the fourth, fifth and sixth anniversary of grant (**vesting dates**) as described below. Upon vesting the Board will determine whether to settle the restricted rights and performance rights with ANZ shares or by payment of a cash equivalent amount.

Mr Elliott's entitlement to the restricted rights and performance rights and to any shares/cash equivalent payment will be subject to:

- the Board's on-going discretion to adjust downward (including to zero) the number of restricted rights and/or performance rights if the Board considers such a reduction to be necessary or appropriate (see further below); and
- the rules concerning treatment on termination of employment or on a change of control referred to below.

Mr Elliott will not be entitled to trade, transfer or otherwise deal in (including by entering into any hedging arrangements in respect of) any restricted rights or performance rights, or any entitlement to shares or cash equivalent payment, prior to vesting.

If the Board determines to settle the restricted rights and/or performance rights in shares each restricted right/performance right entitles Mr Elliott to one ANZ ordinary share which will rank equally with shares in the same class, subject to any adjustments in accordance with the Listing Rules and the rules of the Plan. Mr Elliott is not required to pay any amount on grant of the restricted rights and performance rights, nor on vesting. The restricted rights and performance rights form part of Mr Elliott's 'at risk' remuneration.

Restricted rights and performance rights granted under the ANZ Share Option Plan do not carry any voting rights. A dividend equivalent payment (DEP) is paid in cash at the end of the relevant deferral period, but is only made to the extent that all or part of the underlying rights actually vest. Dividend equivalents accrue only on rights that meet the performance condition and actually vest, and accrue over the full deferral period for restricted rights, and only during the holding period for performance rights.

If approval is obtained, it is the intention of the Board that the restricted rights and performance rights will be granted to Mr Elliott on 15 December 2022 (but, in any event, not more than 12 months after the date of this AGM).

**Grant value and calculation of the number of restricted rights and performance rights to be granted**

The Board believes that the proposed grant of LTVR restricted rights and performance rights is an important part of Mr Elliott's remuneration as it reinforces the CEO's focus on achieving longer term strategic objectives, driving outperformance relative to peers and creating long term sustained value for all stakeholders. The grant of restricted rights and performance rights means that the actual value (if any) of shares Mr Elliott will receive from this grant is not determined until the end of the four, five and six year deferral periods and will depend on the extent to which the performance conditions are achieved and the ANZ share price at the time of exercising the rights.

Using a face value allocation methodology, the number of restricted rights and performance rights proposed to be granted to Mr Elliott has been determined by firstly dividing the face value of the grant (i.e., A\$3,375,000) by two to determine the restricted rights award value and the performance rights award value.

- The restricted rights award value (i.e., \$1,687,500) has then been split into three tranches (33% ~4 year deferral, 33% ~5 year deferral and 34% ~6 year deferral) and then divided by the Volume Weighted Average Price (VWAP) of the Company's ordinary shares traded on the ASX in the five trading days up to and including 1 October 2022, i.e., the start of the four-year performance period – which was \$23.07. This has determined the actual number of restricted rights for each tranche of Restricted Rights, as follows:

Restricted rights tranches	Actual number of restricted rights proposed to be allocated to Mr Elliott
Tranche one: ~ 4 year deferral	24,138
Tranche two: ~ 5 year deferral	24,138
Tranche three: ~ 6 year deferral	24,869
<b>Total restricted rights</b>	<b>73,145</b>

- The performance rights award value (i.e., \$1,687,500) has been split into two parts:
  - those rights subject to the relative TSR performance condition (75% / \$1,265,625) and
  - those rights subject to the absolute CAGR TSR performance condition (25% / \$421,875).
- Each part is then split into three tranches (33% ~4 year deferral, 33% ~5 year deferral and 34% ~6 year deferral) and then divided by the same five-day VWAP (as used to calculate the number of restricted rights) \$23.07. This has determined the actual number of performance rights for each tranche, as follows:

Performance rights relative TSR tranches	Actual number of performance rights proposed to be allocated to Mr Elliott
Tranche four: ~ 4 year deferral	18,103
Tranche five: ~ 5 year deferral	18,103
Tranche six: ~ 6 year deferral	18,652
<b>Sub total</b>	<b>54,858</b>
<b>Performance rights absolute CAGR TSR tranches</b>	
Tranche seven: ~ 4 year deferral	6,034
Tranche eight: ~ 5 year deferral	6,034
Tranche nine: ~ 6 year deferral	6,217
<b>Sub total</b>	<b>18,285</b>
<b>Total performance rights</b>	<b>73,143</b>

## Performance conditions

Restricted rights and performance rights will have a four-year performance period and a further holding period – these periods combined are the total deferral period. The rights may vest after expiry of the holding period, as follows:

Tranche	Deferral period		Vesting date
	Four-year performance period	Holding period	
~ 4 year deferral (1 Oct 22 – 14 Dec 26)		1 Oct 26 – 14 Dec 26	15 Dec 26
~ 5 year deferral (1 Oct 22 – 14 Dec 27)	1 Oct 22 – 30 Sep 26	1 Oct 26 – 14 Dec 27	15 Dec 27
~ 6 year deferral (1 Oct 22 – 14 Dec 28)		1 Oct 26 – 14 Dec 28	15 Dec 28

## Restricted rights

Restricted rights will be subject to a pre vest assessment to be conducted by the Board after expiry of the four-year performance period. The pre vest assessment will take into consideration any adjustments applied for the same event/outcomes in either the current or prior years (i.e., adjustments to Short Term Variable Remuneration (STVR) and LTVR, malus and clawback), to ensure the overall impact is fair and proportionate to the severity of the outcome.

The restricted rights pre vest assessment consists of a three-step process which considers, over the four-year performance period:

### 1. Prudential soundness;

- Nil award if ANZ does not meet capital ratio and liquidity prudential minimums.

### 2. Risk measures;

- Consideration of any **Material Risk Outcomes** from executive actions or inactions which is expected to/or has resulted in significant impacts.
- Consideration of any significant adverse change in **APRA's Active Supervision** level.
- Consideration of **Risk Culture** that examines whether or not ANZ has maintained (or made progress towards) a sound risk culture, considering both executive actions or inactions.

### 3. Apply Board discretion.

- Board to determine whether any reduction should be made to the restricted rights outcome based on consideration of a range of factors, including:
  - the outcomes from steps 1 and 2 above;
  - the impact, if any, of the issue/s on ANZ's reputation/standing in the market;
  - whether the issue was specific to ANZ, the banking industry or the broader market;

- any impacts already applied (e.g., re downward adjustment mechanisms, pre grant assessment impact to restricted rights);
- whether any impact should be made on an individual or collective basis.

The assessment is not intended to be formulaic given the circumstances requiring the application of Board discretion will typically be different or unique, however a Board decision making framework is in place to guide the Board in applying discretion.

## Performance rights – Relative TSR

75% of the performance rights will be subject to a TSR hurdle which ranks the TSR performance of the Company with the TSR performance of the Select Financial Services comparator group.

The Select Financial Services comparator group includes the Bank of Queensland Limited, Bendigo and Adelaide Bank Limited, Commonwealth Bank of Australia Limited, DBS Bank Limited, Macquarie Group Limited, National Australia Bank Limited, Standard Chartered PLC, Suncorp Group Limited and Westpac Banking Corporation. The Board may vary the comparator group from time to time if it considers it appropriate to do so, for example, to take account of any constituent company ceasing to be listed.

Broadly, TSR is the growth in share price, plus the value of the dividends and distributions on the relevant shares. The proportion of performance rights that will become exercisable will depend on the Company's TSR relative to the TSR of the constituent companies in the comparator group at the end of the four-year performance period.

The level of performance required for each level of vesting, and the percentage of performance rights that will become eligible to vest at each level of performance, is set out in the table below. The performance rights lapse if the applicable performance condition is not met. There is no re-testing.

**If the TSR of the company compared to the TSR of the constituents of the comparator group:**

**The percentage of performance rights which will vest is:**

Does not reach the 50 <sup>th</sup> percentile	0%
Reaches or exceeds the 50 <sup>th</sup> percentile	50%, plus 2% for every one percentile increase above the 50 <sup>th</sup> percentile
Reaches or exceeds the 75 <sup>th</sup> percentile	100%

## Performance rights – Absolute CAGR TSR

25% of the performance rights will be subject to an absolute CAGR TSR hurdle with targets as outlined below.

The absolute CAGR TSR is measured over the same four-year performance period and the proportion of performance rights that will become exercisable will depend upon the Company's absolute CAGR TSR at the end of the four-year performance period compared to the targets set by the Board.

The level of performance required for each level of vesting, and the percentage of performance rights that vest at each level of performance, is set out in the table below. The performance rights lapse if the performance condition is not met. There is no re-testing.

The Board retains discretion to adjust the absolute CAGR TSR hurdle in exceptional circumstances to ensure that Mr Elliott is neither advantaged nor disadvantaged by matters outside management's control that materially affect achievement of the absolute CAGR TSR performance condition.



If the absolute Compound Annual Growth Rate TSR of the company:	The percentage of performance rights which will vest is:
Does not reach 9.125%	0%
Reaches 9.125%	50%
Exceeds 9.125% but does not reach 13.688%	Progressive pro-rata vesting between 50% and 100% (on a straight line basis)
Reaches or exceeds 13.688%	100%

### Downward adjustment – Board discretion

The Board retains an on-going and absolute discretion to:

- apply further deferral or freeze the vesting of restricted rights and performance rights;
- apply malus (an adjustment to reduce the value of part or all of the restricted rights and performance rights before they have vested); and
- apply clawback (the recovery of restricted rights and performance rights which have already vested).

This discretion may be exercised, for example, where the Board considers this is necessary to protect the financial soundness of ANZ or to meet regulatory requirements, or there has been a material failure of risk management or controls within ANZ.

Accordingly, before the scheduled vesting of any restricted rights and performance rights the Board considers whether any further deferral/freezing or malus should be applied, and also considers whether clawback should be applied during the applicable clawback period.

### Treatment on termination of employment

If:

- Mr Elliott resigns prior to the vesting date the restricted rights and performance rights will lapse;
- Mr Elliott's employment is terminated by the Company with notice, except as set out below in relation to 'good leaver' termination, all unvested restricted rights and performance rights as at the 'full notice termination date'<sup>4</sup> will lapse;
- Mr Elliott's employment is terminated by the Company for misconduct with notice, all unvested restricted rights and performance rights will lapse on cessation of employment. If Mr Elliott's employment is terminated by the Company for serious

misconduct without notice, all vested (but unexercised) and unvested restricted rights and performance rights will lapse on cessation of employment; or

- Mr Elliott ceases employment in circumstances of death or total and permanent disability, the performance conditions will be waived and all unvested restricted rights and performance rights will vest on cessation.

In certain circumstances termination may be classified by the Board as a 'good leaver'. In such a case, unless the Board determines otherwise, the restricted rights and performance rights held by Mr Elliott will remain on-foot and, where and to the extent the Board determines the applicable performance condition is met, the relevant number of restricted rights and performance rights will be eligible to vest on their applicable vesting date. On vesting, the Board may determine to settle the relevant restricted rights and/or performance rights with a cash equivalent payment, rather than with shares.

### Treatment on change of control

The Conditions of Grant will set out the treatment of the restricted rights and performance rights on a change of control prior to the vesting date.

Where a change of control occurs, which includes a person acquiring a relevant interest in at least 50% of the Company's ordinary shares as a result of a takeover bid, or other similar event, the applicable performance conditions applying to the restricted rights and performance rights will be tested and the restricted rights and performance rights will become eligible to vest based on the extent the performance conditions are satisfied. In such a case the performance period will be taken to end at a time (being no later than the final date on which the change of control event will occur) determined by the Board. No pro rata reduction in vesting will occur, and vesting will only be determined by the extent to which the relevant performance conditions are satisfied over the adjusted performance period.

Any restricted rights and/or performance rights which vest based on satisfaction of the performance conditions over the adjusted performance period will vest at a time (being no later than the final date on which the change of control event will occur) determined by the Board. If applicable law or APRA requirements prevent vesting at this time, the Board may determine a later time

that complies with applicable law or APRA requirements and/or that any consideration that is received must be deferred until the expiry of that later time.

Any restricted rights and/or performance rights that remains unvested will lapse with effect from the date of the change of control event occurring, unless the Board determines otherwise.

### Non-operating holding company proposal

As set out in a separate explanatory memorandum, ANZ is proposing to establish a non-operating holding company, ANZ Group Holdings Limited (ANZ NOHC), as the new listed parent of the ANZ group and to create distinct banking and non-banking groups within the ANZ group (the **NOHC Restructure Proposal**). For the avoidance of doubt, implementation of the NOHC Restructure Proposal will not constitute a "change of control" under the Conditions of Grant. If the NOHC Restructure Proposal is approved by shareholders and implemented, the restricted rights and performance rights granted to Mr Elliott would then be replaced with restricted rights and performance rights in relation to ANZ NOHC and shares in ANZ NOHC (instead of the Company and shares in the Company) on the same terms and conditions (with any necessary modifications).

### Other information

By virtue of Listing Rule 10.14, the Company (as an ASX listed company) must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- a director of the Company (Listing Rule 10.14.1);
- an associate of a director of the Company (Listing Rule 10.14.2); or
- a person whose relationship with the Company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders by ordinary resolution.

The proposed grant of restricted rights and performance rights to Mr Elliott, a director of the Company, falls within Listing Rule 10.14.1 above and, therefore, requires the approval of the Company's shareholders under Listing Rule 10.14. Mr Elliott is the only Director entitled to participate in

<sup>4</sup> 'Full notice termination date' means the date of cessation of employment or, if later, the date on which cessation of employment would have occurred but for any payment made in lieu of notice.

the ANZ Share Option Plan. No associate of any Director is entitled to participate.

Item 4 therefore seeks the required shareholder approval to the grant under and for the purposes of Listing Rule 10.14.

If the resolution in item 4 is passed, the Company will be able to proceed with the grant as described in these Explanatory Notes.

In the event that shareholders do not approve the grant of restricted rights and performance rights, the restricted rights and performance rights would not be granted and the Board would review the feedback from shareholders to clearly understand why the resolution was not supported. The Board sees LTVR as a very important component of Mr Elliott's total remuneration package, and the Board would look to review the structure (each of the elements) of the CEO's total remuneration package.

Mr Elliott's current total remuneration package is comprised of:

- Fixed Remuneration (FR) of A\$2,500,000 (inclusive of superannuation) per annum;
- Short Term Variable Remuneration (STVR) of up to 100% of FR (maximum opportunity); and
- Long Term Variable Remuneration (LTVR) of up to 135% of FR (maximum opportunity).

Shareholders are referred to the 2022 Remuneration Report published in the Company's 2022 Annual Report for further details of Mr Elliott's remuneration.

As CEO and a director of the Company, and as approved by shareholders at Annual General Meetings of the Company, Mr Elliott has been granted a total of 1,017,441 performance rights (and zero restricted rights) under the ANZ Share Option Plan, as part of his remuneration as LTVR, as follows:

Grant date	Number of performance rights granted	Overall performance rights outcome
17 Dec 15 <sup>5</sup>	159,573	21.8% vested and 78.2% lapsed
16 Dec 16	150,482	0% vested and 100% lapsed
19 Dec 17	143,294	43.3% vested and 56.7% lapsed
19 Dec 18	110,365	51.6% vested and 48.4% lapsed

Grant date	Number of performance rights granted	Overall performance rights outcome
17 Dec 19	168,066	To be confirmed post vesting dates
16 Dec 20	159,308	
16 Dec 21	126,353	
<b>Total</b>	<b>1,017,441</b>	

No amount was or is payable by Mr Elliott at grant or on vesting for the above performance rights.

There is no loan scheme in relation to the restricted rights and/or performance rights (or the shares underlying them).

For the settlement of the restricted rights and performance rights on vesting, shares may be issued or acquired on market, or the Board may determine to settle the restricted rights and/or performance rights with a cash equivalent amount.

Details of any securities issued under the ANZ Share Option Plan will be published in the Company's Annual Report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the ANZ Share Option Plan after the resolution on item 4 is approved and who are not named in this Notice of Meeting will not participate until approval is obtained under that Listing Rule.

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the company or a related body corporate if it is approved by shareholders under section 200E or an exemption applies. Mr Elliott holds such an office. The term 'benefit' has a wide operation and could include the early vesting of the restricted rights and/or performance rights as contemplated above or otherwise under the ANZ Share Option Plan.

Accordingly, shareholder approval is also sought for the purpose of section 200E of the Corporations Act to allow vesting of restricted rights and performance rights and settlement of them with shares or a cash equivalent payment upon Mr Elliott ceasing employment (as summarised under "Treatment on termination of employment" above), including where to do so would involve the giving of a 'benefit' to Mr Elliott in connection with him ceasing to hold a managerial or executive office. The approval

is sought in relation to the restricted rights and performance rights proposed to be granted to Mr Elliott under item 4 in this Notice of Meeting.

The value of any benefit relating to the restricted rights and performance rights given in connection with Mr Elliott ceasing to hold managerial or executive office cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value are:

- the number of restricted rights and performance rights held by Mr Elliott prior to cessation of employment;
- the circumstances of or reasons for Mr Elliott's cessation of employment (see 'Treatment on termination of employment' above);
- the result of any pro rating on cessation of employment;
- whether performance hurdles are waived or (if not waived) met, and the number of restricted rights and performance rights that vest (which could be all of the restricted rights and performance rights held by Mr Elliott);
- whether the restricted rights and/or performance rights are settled in ANZ shares or by payment of a cash equivalent amount; and
- the market price of ANZ shares on ASX on the date shares are provided to Mr Elliott upon vesting of the restricted rights and performance rights or, if the Board decides to settle the restricted rights and/or performance rights by payment of a cash equivalent amount, in the five trading days up to (and including) the date of vesting.

Under the rules of the ANZ Share Option Plan, the Board has discretion to adjust the rules of the Plan and awards granted under it. If the Company makes a bonus issue, or rights issue, or undertakes a re-organisation, the number of restricted rights and performance rights granted to Mr Elliott or their terms may be adjusted under the Plan as required by the Listing Rule or to address any material advantage or disadvantage that may occur (subject to any applicable ASX Listing Rule requirements). Any such adjustments would be explained in the Company's next Annual Report issued following the adjustment.

**Board Recommendation:** The Board considers that the proposed granting of restricted rights and performance rights is appropriate and is in the best interests of the Company and its shareholders, as the grant strengthens

5. Grant approved by shareholders at the 2015 Annual General Meeting in anticipation of Mr Elliott's appointment as a director and CEO becoming effective on 1 January 2016.

the alignment of Mr Elliott's interests with shareholders, and the performance rights provide a strong link between the reward for Mr Elliott's performance and total shareholder returns over the next four-year period.

The Board also considers that obtaining shareholder approval to allow restricted rights and performance rights to vest upon Mr Elliott ceasing employment in accordance with the Conditions of Grant, as described above, is appropriate and in the best interests of the Company and its shareholders. It will provide the Company with the ability to ensure its ongoing compliance with section 200B of the Corporations Act and with the Conditions of Grant for the restricted rights and performance rights.

Accordingly, the Board (excluding Mr Elliott because of his interest) recommends that shareholders eligible to do so vote in favour of item 4.

#### **Item 5 – resolution requisitioned by members – amendment to the constitution (non-board endorsed item)**

A group of shareholders have requisitioned resolutions under section 249N of the Corporations Act. The Company has included those proposed resolutions as items 5 and 6 in this Notice of Meeting.

The resolutions in items 5 and 6 are proposed by shareholders understood by the Company to be associated with the group "Market Forces".

#### **These resolutions are not endorsed by the Board.**

The same group of shareholders has also requested, under section 249P of the Corporations Act, that the Company provides statements prepared by them to shareholders about these proposed resolutions. The statements can be found in the Appendix to this Notice of Meeting. By including these statements in this Notice of Meeting, the Company does not make any representations as to the truth or accuracy of their contents and disclaims all liability for them.

#### **Reasons why the Board recommends that Shareholders vote against item 5**

The resolution in item 5 is a proposal to amend the Company's Constitution. The amendment would enable shareholders to propose and pass formal resolutions expressing opinions, or requesting information, about the way the Board

exercises the powers vested in it, in relation to material risks identified by ANZ.

The Board respects the rights of shareholders to express their views and to seek to amend the Company's Constitution. In addition, the Board must (and does) in the normal course consider shareholder views which can be expressed through a range of channels. It does not, however, consider it in shareholders' best interests to amend the Constitution in the manner outlined in the requisitioned resolution.

Shareholders have a number of existing ways in which they can effectively engage with the Company including by asking or submitting questions at general meetings, by distributing members' statements under the Corporations Act and by choosing whether to support the election of Directors and other resolutions proposed at general meetings. The Company also has a variety of existing avenues whereby it seeks robust discussion and can gauge differing opinions, including through regular engagement with retail and institutional shareholders. This constructive engagement gives the Company important insights into perspectives on the Company's operations.

Under the law and the Company's Constitution, it is the Board's responsibility to manage the business of the Company.

It is important that the Board can make decisions using their business judgement about the business and affairs of the Company and in the interests of the Company and its shareholders as a whole.

Shareholders already have a statutory right under the Corporations Act to put resolutions to general meetings. Any reform to allow shareholders to propose advisory resolutions, as the resolution in item 5 would enable, is a matter for government and should not be done on a company-by-company basis. Addressing the matter through law reform has the benefit of ensuring that an appropriate weighing of considerations occurs, appropriate thresholds and oversight mechanisms are in place, and all Australian public companies are subject to the same requirement.

Imposing a constitutionally mandated obligation to put advisory resolutions to ANZ's shareholders would increase the scope for requisitioned resolutions to be used by groups whose interests are not aligned with, and may be contrary to, those of the Company and its shareholders. The Board is concerned that a constitutional right to propose such resolutions is likely to disproportionately favour those who have

a practice of requisitioning special interest resolutions. This could result in the business of future shareholder meetings being increasingly dominated by non-binding special interest resolutions that focus on a single issue.

If shareholders disagree with the direction the Company is taking, other options are already available to them, as set out above.

**Board Recommendation:** Having regard to the matters set out above, the Board does not consider the proposed resolution to be in the best interests of the Company and its shareholders. Therefore, the Board recommends that shareholders vote against item 5.

#### **Item 6 – resolution requisitioned by members – climate risk safeguarding (conditional, non-board endorsed item)**

The same group of shareholders that requisitioned the resolution in item 5 has also requisitioned the resolution in item 6 in this Notice of Meeting.

The resolution is an advisory resolution.

The resolution is not endorsed by the Board.

The resolution in item 6 will be proposed to the Meeting only if the resolution in item 5 is passed by the requisite majority.

#### **Reasons why the Board recommends that shareholders vote against item 6 if it is put to the AGM**

##### **Commitment to supporting the transition to net zero emissions**

We are playing our part in supporting the transition to net zero emissions by 2050. And we want to be the leading Australia and New Zealand based bank in supporting our customers' transition to that goal.

To get there, significant greenhouse gas emission reductions are required across all sectors of the economy. Trillions of dollars are needed to invest in new and existing technologies for clean energy and sustainable infrastructure. We believe the most important role we can play in enabling the transition is to support our customers' plans to reduce emissions and enhance their resilience to a changing climate. We support an orderly transition that recognises and responds to social, economic and environmental impacts of a net zero transition. This aligns with our purpose to help shape a world in which people and communities thrive.

We also understand the importance of seeking to align our lending decisions with the goals of the Paris Agreement and in doing so, reduce our 'scope 3' emissions from lending to customers. This is why ANZ was the first Australia and New Zealand-based bank to join the Net Zero Banking Alliance (NZBA). In joining the alliance in 2021, we committed to measure our scope 3 emissions in key carbon intensive sectors and set and disclose pathways and targets so that our shareholders and other stakeholders can track our progress.

Last year ANZ set two sectoral pathways and targets for our lending to power generation and large-scale commercial buildings in Australia. These pathways are guiding our decision making about who we lend to and what we lend for. This year we will set further pathways and targets to reduce portfolio emissions in other carbon-intensive sectors: oil and gas, and building products.

Our Climate Change Commitment provides the framework for our strategy and our commitment to enable the transition by working to align our lending portfolio with net zero emissions. Our environmental sustainability strategy identifies priority sectors, technologies and financing opportunities to help achieve our ambition.

Our 2022 Climate-related Financial Disclosures will be released prior to our AGM. This will be our sixth report using the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and will be available at [anz.com/annualreport](https://anz.com/annualreport). This report will provide a more detailed update on our approach to climate change, including our customer engagement program.

### Progress against our commitments

To date we have made good progress. We are directing our finance into key priority areas and progressively expanding coverage of key sectors in line with our NZBA commitment. We are aligning our lending decisions to the Paris Agreement goals and have disclosed metrics and targets for carbon intensive sectors. We have committed to fund and facilitate \$50 billion of sustainable solutions by 2025 to help our customers lower their emissions<sup>7</sup>, and we are on track to achieve that target with over \$40 billion funded and facilitated since 2019.

We are also equipping our employees with a deeper understanding of climate risks and opportunities (focusing on our Institutional

bankers in key customer segments such as resources, energy and Agribusiness), implementing partnerships, actively participating in recognised industry associations to help shape policy development and settings to enable the development of taxonomy and standards, reducing emissions from our operations, including 100% renewable electricity by 2025 and engaging constructively with stakeholders on our approach through Environmental, Social and Governance (ESG) market briefings, investor roundtables, civil society engagement and other avenues.

The supporting statement of the proponents of this resolution makes it clear that they are seeking an immediate withdrawal of financing for companies that are continuing to invest in fossil fuel related projects irrespective of the steps those companies, which are the Bank's customers, are taking towards climate change transition. We do not accept that it is in the Bank's, our shareholders' or the community's best interests that we abandon support and services for leading companies that are genuinely endeavouring to implement effective climate transition plans.

### Our commitments on climate change

Our Climate Change Commitment focuses on four areas:

1. Supporting our customers and industries to transition;
2. Aligning our lending to the Paris Agreement goals;
3. Reducing our impact by reducing emissions from our operations; and
4. Engaging constructively and transparently with stakeholders.

In 2023 we are seeking to enhance our response to climate-related risks and opportunities through:

- continuing to engage with 100 of our largest emitting business customers to encourage them to strengthen their low carbon transition plans so more customers achieve a 'well developed' or 'advanced' rating; and enhance their efforts to protect biodiversity, by end 2024;
- progressing further towards our target of using 100% renewable electricity for our operations by 2025;<sup>8</sup>
- continuing to enhance banker capability to identify climate risk and opportunities

- building alignment with the Australian Prudential Regulation Authority (APRA) CPG229 guidance on Climate Change Financial Risks and the New Zealand Financial Sector (Climate-related Disclosures and Other Matters) Amendment Act 2021; and
- progressively developing metrics and targets for key sectors, in line with our NZBA commitment, which is aimed at ensuring the majority of our portfolio emissions are covered by the end of 2024.

We are also continuing to develop an enhanced climate risk management framework that strengthens our governance and anticipates potential climate-related impacts and regulatory requirements. Our next steps outlined in our new Environment, Social, and Governance (ESG) target are that by end 2023, we will:

- prepare a set of risk standards based on regulatory obligations, to be applied across all countries and territories in which we operate;
- extend our Climate Change Risk Assessment methodology beyond our Project Finance business, starting with Institutional customers in higher emitting sectors such as resources and energy; and
- develop a data strategy to inform our approach to sourcing and integrating climate data into sectoral transition pathways, scenario analysis, stress testing and analytics. This will include learning from the New Zealand climate risk program.

### How ANZ is working with its large business customers

We committed to engage with 100 of our largest emitting business customers, to encourage them to strengthen their low carbon transition plans and enhance their efforts to protect biodiversity, by the end 2024. As part of this engagement we expect more customers to further improve their plans to a 'well developed', or 'advanced' stage.

Customers continue to value our engagement on this topic, and our perspectives. Several customers outside of the 100 have sought to engage with us, seeking clarity on our expectations, or requesting suggestions to improve their approach.

For those customers starting out, we provide support in the form of insights into enhanced customer practices we have observed

<sup>7</sup>. Our \$50 billion target is directed towards sustainable solution for our customers, including initiatives that help improve environmental sustainability, increase access to affordable housing and promote financial wellbeing. The majority of the target is directed towards environmental sustainability initiatives that help customers to lower their emissions. <sup>8</sup>. Self-generated renewable electricity, direct procurement from offsite grid-connected generators e.g. Power Purchase Agreement (PPA) and default delivered renewable electricity from the grid, supported by credible attributes in accordance with RE100 technical guidelines.



# Appendix

through our engagements. Where customers are further advanced, we encourage them to find ways to strengthen their approach and provide options for how we could potentially assist, including setting 'stretch' targets linked to improved financing terms in the form of sustainability linked lending.

## Disclosure

We provide investors and other stakeholders with clear information enabling them to assess the adequacy of our approach to climate change and our ability to manage the associated risks and opportunities.

We report using the recommendations of the TCFD. Our 2022 Climate-related financial disclosures will be published on our website together with ANZ's 2022 ESG Supplement, supporting ESG Data Pack and the 2022 Environmental Performance Report which details our global carbon offset data.

ANZ was the first Australian bank to report under the Financial Stability Board's Task Force's TCFD framework. As noted above, our 2022 Climate-related Financial Disclosures will provide a detailed update on our approach to climate change including in relation to our customer engagement program and will be available at [anz.com/annualreport](https://anz.com/annualreport).

## Supporting statements provided by Market Forces

The statements which follow for items 5 and 6 were provided by the shareholders who requisitioned the resolutions in items 5 and 6. The statements are not endorsed by the Board. The Board recommends that shareholders vote against item 5 and, if put to the AGM, item 6.

### Item 5 – Amendment to the Constitution

Shareholder resolutions are a healthy part of corporate democracy in many jurisdictions other than Australia. For example, in the UK shareholders can consider resolutions seeking to explicitly direct the conduct of the board. In the US, New Zealand and Canada shareholders can consider resolutions seeking to advise their board as to how it should act. As a matter of practice, typically, unless the board permits it, Australian shareholders cannot follow the example of their UK, US, New Zealand or Canadian counterparts in this respect.

A board of directors is a steward for shareholders and accountability for the discharge of that stewardship is essential to long-term corporate prosperity.

In some situations the appropriate course of action for shareholders dissatisfied with the conduct or performance of the board is to seek to remove directors individually.

However in many situations a better course of action is to formally and publicly allow shareholders the opportunity at shareholder meetings to alert board members that the shareholders seek more information or favour a particular approach to corporate policy.

The constitution of ANZ is not conducive to the rights of shareholders to place resolutions on the agenda of a shareholder meeting. This is contrary to the long-term interests of ANZ, its board and shareholders.

Passage of this resolution – to amend the ANZ constitution – will simply put the company in a similar position in regard to shareholder resolutions as any listed company in the UK, US, Canada or New Zealand.

We encourage shareholders to vote in favour of this resolution.

### Item 6 – Climate Risk Safeguarding

Despite committing to the 1.5°C global warming limit of the Paris Agreement, and net-zero global emissions by 2050, ANZ's financing continues to undermine these goals, exposing our company to increased transitional, physical and legal climate risks.

### Paris-aligned financing means no new fossil fuels

The International Energy Agency's (IEA) Net Zero by 2050 scenario (NZE2050)<sup>9</sup> states "no new coal mines or mine extensions", "no new oil and gas fields" and "huge declines in the use of coal, oil and gas" are needed to achieve net-zero emissions by 2050. It further states "also not needed are many of the liquefied natural gas (LNG) liquefaction facilities currently under construction or at the planning stage".

In July 2021, 115 investors with US\$4.2 trillion in assets under management and/or stewardship wrote to 63 global banks, calling on them to integrate the NZE2050 findings, including the need for no new fossil fuels, into their climate strategies<sup>10</sup>.

As early as 2018 the IEA's Executive Director said limiting global warming to less than 2°C means "we have no room to build anything that emits CO<sub>2</sub> emissions".<sup>11</sup> This conclusion has been confirmed by peer-reviewed scientific research<sup>12</sup> and analysis<sup>13</sup> drawing upon data from organisations including Rystad Energy, IEA and IPCC.

### ANZ continuing to finance fossil fuel expansion

Despite these ever-growing calls to end fossil fuel expansion, ANZ continues to finance projects and companies doing exactly that.

Our company loaned at least \$2.2B for 19 projects that expand the fossil fuel industry between 2016 and 2020. These projects are estimated to enable the release of 4.6 billion tonnes of CO<sub>2</sub>, equivalent to nine times Australia's 2020 national emissions.<sup>14</sup>

Since January 2019 ANZ has loaned over \$1B to eight ASX300 companies pursuing new or expanded coal, oil or gas projects, including AGL Energy, Aurizon, Beach Energy, BHP, Origin Energy, Santos, Viva Energy and Woodside.<sup>15</sup>

9. <https://www.iea.org/reports/net-zero-by-2050> 10. <https://shareaction.org/investors-call-on-banks-to-strengthen-climate-ambitions-before-cop26> 11. <https://www.theguardian.com/business/2018/nov/13/world-has-no-capacity-to-absorb-new-fossil-fuel-plants-warns-iea> 12. <https://www.nature.com/articles/s41586-019-1364-3>; <https://iopscience.iop.org/article/10.1088/1748-9326/aabc5f/meta> 13. <http://priceofoil.org/content/uploads/2020/09/OCl-Big-Oil-Reality-Check-vF.pdf> (p.6); <https://priceofoil.org/2018/10/17/the-skys-limit-ippc-report-15-degrees-of-warming/> 14. <https://www.marketforces.org.au/campaigns/banks/bigfourscorecard/> 15. <https://www.marketforces.org.au/campaigns/super/outofline/>

In August 2022, ANZ took part in a US\$1B syndicated loan to Santos, ostensibly for the company to proceed with its Barossa gas project, which is so emissions intensive it has been described by one analyst as "... a CO<sub>2</sub> emissions factory with an LNG by-product."<sup>16</sup>

ANZ loaned as recently as 2018 to New Hope Corp, which is pursuing new coal mining projects. Despite this facility having been terminated by the client, nothing in ANZ's policy prevents our company continuing to lend to New Hope and other companies attempting to expand coal mining.

### Physical and transitional climate risk exposure

As an institution exposed across virtually the entire Australian economy, ANZ should be extremely concerned about the financial impacts of physical, transitional, legal and reputational climate risks, which inevitably will be borne by shareholders.

A September 2021 report by the Reserve Bank of Australia (RBA) identifies mortgages as a source of financial risk, stating: "housing prices could decline, leaving banks with less protection than expected against borrower default."<sup>17</sup> A May 2022 Climate Council study found one in 25 Australian homes would be uninsurable by 2030.<sup>18</sup>

Our peer and competitor, Commonwealth Bank of Australia, has drawn attention to climate risks in agriculture, reporting in 2019 that grain growing regions risk productivity declines of up to 50% below the 2018 baseline by 2060, attributed to changes in rainfall.<sup>19</sup>

For ANZ to be so widely exposed to physical and transitional climate risk, yet willing to worsen the problem by enabling fossil fuel expansion, amounts to our company shooting itself in the foot.

### ANZ being left behind

Financial institutions are placing more effective restrictions on finance to companies and projects expanding fossil fuels, leaving ANZ's clearly ineffective policies behind.

In August 2022 industry super fund NGS divested from numerous oil and gas producing companies due to the risk of stranded assets.<sup>20</sup>

In March 2022:

- Dutch bank ING announced it would "restrict dedicated upstream finance (lending or capital markets) for oil and gas fields approved for development after 31 December 2021"<sup>21</sup>
- European reinsurer Hannover RE announced its facultative division "will no longer take on any new covers for project policies associated with the exploration and/or development of new oil and gas reserves (upstream) or for project policies that exclusively support the transportation and storage (midstream) of new oil and gas reserves"<sup>22</sup>, and
- MAPFRE ruled out insuring or investing in any coal, oil or gas company that had not committed to an energy transition plan that allows global warming to be maintained at around 1.5°C.<sup>23</sup>

In 2020 Suncorp committed to "not directly invest in, finance or underwrite... new oil and gas exploration or production" and phase out underwriting for the sector by 2025 and direct investment by 2040.<sup>24</sup>

Since March 2021, Nordea Asset Management has excluded fossil fuel producers without a clear plan for complying with the Paris Agreement in 213 of its 368 funds, stating "no oil and gas producers and of course coal miners live up to these requirements at present."<sup>25</sup> In March 2021, Danske Bank committed to immediately end direct finance for expansion of oil and gas exploration and production worldwide,<sup>26</sup> while NedBank,<sup>27</sup> SEB,<sup>28</sup> and NatWest<sup>29</sup> have made similar commitments.

### Regulatory and legal risk

In November 2021, the Australian Prudential Regulation Authority (APRA) published its Prudential Practice Guide 'CPG 229 Climate Change Financial Risks'.<sup>30</sup>

It states that where an institution is unable to adequately address climate risk facing its customers through other measures, it may need to consider "the institution's ability to continue the relationship" with the customer.

### Investor support required

Despite its stated support for the Paris Agreement and net-zero emissions by 2050, ANZ remains an active investor in fossil fuel expansion, further exposing shareholders to financial risks associated with the energy transition required to meet the Paris climate goals.

We urge shareholders to vote in favour of this resolution.

16. <https://ieefa.org/articles/ieefa-santos-barossa-gas-field-emissions-create-major-risks-shareholders> 17. <https://www.rba.gov.au/publications/bulletin/2021/sep/climate-change-risks-to-australian-banks.html> 18. <https://www.climatecouncil.org.au/resources/australian-homes-uninsurable-2030-climate-risk-map/> 19. <https://www.commbank.com.au/content/dam/commbank-assets/about-us/2019-08/CBA-2019-Annual-Report-Risk-management.pdf> 20. <https://www.ngsuper.com.au/articles/sustainability/ngs-divests-major-fossil-fuel-companies> 21. <https://www.ing.com/Sustainability/Our-Stance/Oil-gas-industry.htm> 22. <https://www.hannover-re.com/1846913/annual-report-2021.pdf> (p74) 23. <https://www.mapfre.com/media/shareholders/2022/06-integrated-report-2021.pdf> (p56) 24. <https://www.suncorp.com.au/corporate-responsibility/sustainable-growth/responsible-banking-insurance-investing> 25. <https://www.nordea.com/en/news/140-nordea-funds-tighten-requirements-for-investments-in-fossil-fuels> 26. <https://danskebank.com/-/media/danske-bank-com/file-cloud/2017/5/danske-bank-position-statement-fossil-fuels.pdf> 27. <https://www.nedbank.co.za/content/dam/nedbank/site-assets/AboutUs/Information%20Hub/Integrated%20Report/2021/Nedbank%20Group%20Energy%20Policy.pdf> 28. <https://webapp.sebgroup.com/mb/mbilib.nsf/dld/80AF6A2E5F88CDC2C12586B1002E33C2?opendocument> 29. [https://www.natwestgroup.com/content/dam/natwestgroup\\_com/natwestgroup/pdf/oil-and-gas.pdf](https://www.natwestgroup.com/content/dam/natwestgroup_com/natwestgroup/pdf/oil-and-gas.pdf) 30. <https://www.apra.gov.au/sites/default/files/2021-11/Final%20Prudential%20Practice%20Guide%20CPG%20229%20Climate%20Change%20Financial%20Risks.pdf>

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