

News Release

For Release: 15 December 2022

Scheme Meeting – Chairman’s Address and presentation slides

ANZ refers to its proposal to establish a non-operating holding company and to separate ANZ’s banking and certain non-banking businesses into two groups, as announced on 26 October 2022 (**Restructure**).

In accordance with ASX Listing Rule 3.13, attached to this announcement are the following documents to be presented at ANZ’s Scheme Meeting being held immediately after ANZ’s Annual General Meeting but not before 12.30pm (Melbourne time) today:

- Chairman’s address; and
- Scheme Meeting presentation slides.

ANZ Shareholders may participate in the Scheme Meeting by attending in person or online at <https://meetnow.global/ANZ2022>.

The voting results of the Scheme Meeting will be announced to the ASX shortly after the conclusion of the Scheme Meeting.

Further information about the proposal can be found at <http://shareholder.anz.com>

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Approved for distribution by ANZ’s Continuous Disclosure Committee

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2022 ANZ Scheme Meeting Chairman's Address

Good afternoon shareholders, it's my pleasure to welcome you back for today's scheme meeting.

For those who were not with us earlier, my name is Paul O'Sullivan, and I'm once again joined on stage by your directors, including our Chief Executive Officer, Shayne Elliott.

As a quorum is present, I declare the meeting open.

I'd like to open the meeting by acknowledging the Kurna people as the Traditional Custodians of the land from which we are presenting and pay my respects to their Elders, past, present and emerging. I extend that respect to other Aboriginal and Torres Strait Islander people joining us today.

This is a milestone day as we prepare the bank for the future.

As I'm sure you are already aware, the restructure involves the establishment of a new non-operating holding company as the listed parent of the ANZ Group.

This will allow the separation of ANZ's banking business and certain non-banking businesses under this new listed entity.

If this new structure is approved, our bank will be more efficient, more flexible and better able to engage with our customers.

As I said in my earlier address, our core business is banking and that will not change.

Our focus will remain on banking and the team responsible for the governance and management of ANZ will remain substantially the same.

For shareholders, your dividend returns will not be affected, nor will our strong financial position.

So why we are pursuing this you may ask?

Customers are demanding more from their banks. Better services, better products and better digital solutions.

Consistent with this, traditional banking is facing significant disruption from new non-bank competitors, mainly global technology companies launching financial services products.

Understandably, these businesses are not regulated in the same way as banks like ANZ.

This new NOHC will allow ANZ to partner with technology companies on a level playing field.

Essentially, the restructure is about making our banking business more efficient by creating a better structure for investing in our non-bank partners.

It will provide greater strategic and operational flexibility.

It's also important to note that a non-operating holding company is not new.

In fact, it is used by many leading financial institutions including Macquarie Group and Suncorp Group in Australia and Bank of America, J.P. Morgan, HSBC and Barclays internationally.

For the proposed restructure to go ahead, ANZ shareholders need to approve the scheme.

Voting on the Scheme Resolution will be conducted by poll. Instructions on how to vote are the same as what was used at the earlier meeting, and Kathryn has run through those instructions. If you have any queries, please refer to the Online Meeting Guide and FAQ documents. I now declare the poll open on the Scheme Resolution.

If the scheme is approved and implemented, we will establish ANZ Group Holdings Limited as the parent of the ANZ Group and a non-operating holding company, or sometimes referred to as a NOHC.

This will occur through shareholders exchanging their existing ANZ shares for shares in the new listed holding company.

If the scheme and restructure proceed there will be no change to the number of shares you hold in ANZ.

Our shares will also continue to trade on the ASX and NZX under the familiar 'ANZ' code.

Your directors believe the proposed restructure, including the scheme, is in the best interests of ANZ shareholders.

It is recommended you vote "Yes" in favour of the scheme to implement the proposed restructure.

Each ANZ Director intends to vote all the ANZ shares they own or control in favour of the scheme.

In making this recommendation, your Directors have considered the benefits, disadvantages and risks of the restructure.

Benefits

The first key benefit is transparency as it will create transparency and clarity for employees, customers, regulators and investors.

The second key benefit is flexibility, enabling us to be more innovative and responsive.

Third, the restructure would allow for more efficiency to invest in non-banking businesses that will enhance the provision of banking and finance products and services to our customers.

Finally, the restructure can assist ANZ to be an employer and partner of choice, helping attract staff and partners with skills outside traditional banking.

Disadvantages

The most significant disadvantages of the Restructure are:

- The one-off transaction costs of approximately \$35 million before tax;

- The additional ongoing incremental costs which we estimate to be less than \$5 million before tax each year; and finally
- The potential that one of the risks associated with the restructure occurs.

While these disadvantages are not expected to occur, if they did they would not have a material impact on the ANZ Group.

These benefits and disadvantages, along with the risks, of the restructure are set out in detail in the Explanatory Memorandum.

ANZ also engaged Grant Samuel & Associates as an independent expert to analyse the restructure proposal.

After careful consideration, Grant Samuel concluded the restructure, including the scheme, is in the best interests of ANZ shareholders.

A copy of the independent expert's report is in Annexure 1 of the Explanatory Memorandum.

The independent expert has also confirmed there is nothing in our 2022 financial accounts that we released at the end of October that would cause it to change its opinion.

I am pleased to confirm that the approval from the US Federal Reserve to implement the restructure has been obtained.

If the scheme is approved by ANZ shareholders, we will undertake a number of steps to implement the restructure.

First, we will apply to the Federal Court of Australia for approval of the scheme.

The timing of the second court hearing set out in the Explanatory Memorandum has been changed from 10:15am on 22 December 2022 to 10.15am on 19 December 2022.

This timing change has resulted in some other changes and the new timetable is set out on the current slide.

Key steps

I will briefly describe the key steps.

If the Court approves the scheme, a copy of the Court orders will be lodged with ASIC, following which the scheme will become legally effective on 20 December, and the existing ANZ shares will be suspended from trading on the ASX at close of trading on that day.

The ANZ regulatory capital securities quoted for trading on the ASX, including ANZ's hybrids securities, will also be suspended from trading under their existing codes at that same time.

ANZ Group Holdings Limited will list on the ASX and NZX on 21 December. At this point the new ANZ NOHC shares will commence trading on the ASX on a deferred settlement basis and will enter into a trading halt on the NZX.

The ANZ regulatory capital securities will commence trading under their new codes on a deferred settlement basis at that same point.

Shareholders can expect that the scheme will be implemented on 3 January 2023, on which day eligible ANZ shareholders will receive their ANZ NOHC shares.

Normal trading in the new ANZ NOHC shares will commence on 4 January 2023. The ANZ regulatory capital securities quoted for trading on the ASX, including hybrids, will commence normal trading under their new codes on 4 January 2023.

Following the scheme process, ANZ will undertake the business restructure to separate ANZ's banking and certain non-banking business into the ANZ Bank Group and ANZ Non-Bank Group.

I will now move to the formal business of the scheme meeting.

The sole item of business is to consider and, if thought fit, to pass the Scheme Resolution, which is set out in the notice of scheme meeting contained in Annexure 5 of the Explanatory Memorandum.

The Scheme Resolution is also now shown on the slide.

For the scheme to be approved by ANZ shareholders, the Scheme Resolution must be passed by:

- a majority in number, that is more than 50% of ANZ shareholders present and voting at the meeting either in person or by proxy; and
- at least 75% of the total votes cast on the Scheme Resolution by ANZ shareholders present and voting at the meeting either in person or by proxy.

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