

RESPECTING PEOPLE AND COMMUNITIES

1 September 2012

ANZ'S APPROACH TO HUMAN RIGHTS



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INTRODUCTION

INTRODUCTION

ANZ understands the important role our business plays in the lives of our employees, our customers and the communities where we operate.

We respect and promote human rights as the universal foundation for dignity and equality for all.

Our approach reflects ANZ's values of Integrity, Collaboration, Accountability, Respect and Excellence which guide interactions with all our stakeholders.

Our standards are aspirational and reflect our commitment to respect and promote human rights in the way we do business.

It is supported by clear ethical standards set out in our Code of Conduct and Ethics, Group policies and our support for globally-recognised standards which aim to help ensure we avoid violating human rights or being complicit in human rights abuses.

We will work with our customers, business partners and suppliers to encourage their support for our approach and standards.

We continue to embed the standards into our business practices including training, communications, contracts, agreements, and due diligence processes.

We are a signatory to the UN Global Compact and are guided by its underlying declarations and convention: the Universal Declaration of Human Rights; the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work; the Rio Declaration on Environment and Development; and the United Nations Convention Against Corruption.

We look to the UN Guiding Principles on Business and Human Rights as a set of global standards to guide the continual improvement of companies' human rights practices.

We follow the OECD Guidelines for Multinational Enterprises and apply the Equator Principles to all project finance transactions.

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HOW WE APPLY OUR STANDARDS

Our standards apply to ANZ's operations globally.

Our response to human rights issues, and ability to effect change, may depend in some cases on local conditions and cultures, legal frameworks and the extent of our management control over another entity. In applying our standards we also understand our responsibility to respect the national sovereignty of host governments.

Where our standards go further than local laws, we will apply them in a manner that is culturally appropriate.

If local laws prohibit us from applying our standards, we will comply with domestic law while, to the extent permissible, applying the spirit of the particular commitment within our business.

Local requirements will apply in addition to our standards where they are more stringent.

OUR STANDARDS

We will treat our employees with respect and value difference.

- We value difference and are committed to achieving a truly diverse workforce that drives innovation and energy and is representative of the customers and communities we serve.
- We do not condone any form of individual discrimination unrelated to performance or merit, or the abuse or harassment of any employees.
- We also recognise the role we can play in encouraging broader economic and social inclusion by providing employment opportunities to disadvantaged and under-represented segments of the communities we serve.

We will provide a fair and safe working environment for our employees.

- Our employees have the right to a work environment that is free from the threat of mental or physical harm and that promotes wellbeing.
- Our workplace policies reflect our commitment to the principle of 'fair and equal pay' in all the markets we operate.
- We do not tolerate or support the use of forced or compulsory labour, including through the practices of our customers, suppliers and business partners.

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- We do not tolerate the use of child labour in our own business. We will use our influence with suppliers to protect against the exploitation of children in the workplace. Where we find a customer's operations do not meet our standards, we will work constructively with them to support their adoption of international best practices, focusing on the best interests of the child

We will engage effectively with our employees.

- We foster a workplace environment where employees are encouraged to express their ideas, opinions and concerns provided they do not infringe the human rights of others.
- We respect and support the right of employees to establish, join or not join trade unions and any other association of their choice and support the right of representative unions and staff to bargain collectively.
- Our workplace policies and agreements preserve the right of employees to take industrial action, subject to them complying with the laws of the relevant country.

We will treat customers fairly.

- We will provide responsible financial products and services to our customers and aim to make basic banking services more accessible to under-served or disadvantaged segments of the community.
- We recognise our responsibility to maintain strong lending guidelines and procedures to ensure credit is only provided to customers who have the capacity to repay the debt. We aim to provide practical, sensitive and helpful assistance to customers who are having difficulty making repayments on their loan.

We will respect human rights in our customer relationships.

- We understand the indirect impact we can have on society and the environment through the actions of our customers and we take measures to ensure we do not become associated with or inadvertently support human rights violations by the organisations or projects we support.
- We conduct social and environmental screenings where appropriate of our corporate customers which include an assessment of their human rights performance. We encourage and support our customers to resolve any issues identified.

We will contribute to social and economic development of the communities we serve.

- We recognise our responsibility to contribute to the social and economic development of the communities we serve.

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- We encourage and support customers involved in large infrastructure or development projects to adopt effective and transparent community engagement plans in a manner consistent with our social and environmental policies and other relevant standards.
- We contribute to the social, economic and cultural advancement of vulnerable and disadvantaged communities, including Indigenous peoples, through employment opportunities, financial education programs and by making our products and services fair and safe for our customers.

We will consider human rights in our sourcing and purchasing decisions.

- We expect key suppliers to meet our human rights standards as a condition of continued business with ANZ.

We will avoid corruption and bribery in all its forms.

- As an organisation that places great importance on integrity and trust, ANZ is committed to working against corruption in all its forms, including bribery and extortion.

OUR MANAGEMENT SYSTEM

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Our human rights framework consists of staff training and communication programs, monitoring and reporting systems and grievance procedures.

Training and communications

We engage all our employees in discussion and training about the importance and relevance of human rights to our long-term success. Our policy is communicated to all staff globally including in local languages where appropriate.

Employees whose roles have specific human rights impacts (e.g. staff involved in the assessment of project finance proposals and negotiation of supplier contracts) receive specialised human rights training as part of their education and professional development programs.

Monitoring our performance

If we become aware that we may be involved in human rights violations, our approach and strong preference is to work with our client, business partner or supplier to help them improve their performance. Where their commitment does not seem evident, we are prepared to discuss why and whether our relationship is sustainable.

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Specific business and functional areas have responsibility for ensuring we have policies and systems in place to effectively identify and manage our human rights impacts.

Compliance with ANZ's standards is assessed as part of our audit program. External experts will periodically conduct independent assessments of the adequacy of ANZ's systems for managing key human rights risks with reference to our standards and management systems or in response to concerns raised by our staff or stakeholders.

Our approach to managing human rights risks and opportunities will also be included in the annual independent assurance of our corporate responsibility reporting.

We will provide details of our progress and experience in applying our standards in our interim and annual Corporate Responsibility reports.

Listening and responding to feedback

ANZ has multiple internal channels for staff to help them to escalate issues and concerns, including those related to our Human Rights commitment or performance. These include mechanisms such as employee feedback surveys and our on-line CEO Chat feedback forum.

Employees are encouraged to contact their line manager or human resources manager first. Where the issue is significant or there is disagreement among businesses about the seriousness of the matter, they can escalate it to ANZ's Reputation Risk Committee for deliberation according to the processes set out in our Reputation Risk Policy.

Employees can also choose to raise concerns on a confidential basis under ANZ's Whistleblower Protection Policy.

Governance and contact

ANZ's Group General Manager of Corporate Affairs has responsibility for our Human Rights standards. The position reports directly to the CEO.

ANZ's Corporate Responsibility team is responsible for receiving and responding to all queries, concerns and other correspondence about human rights from external stakeholders, and can be contacted at:

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