

## Australia and New Zealand Banking Group Limited

### Response to Questions on Notice following 5 October 2016 House of Representatives Economics Committee Hearing

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#### Question

Mr BANDT: Let us move on to one other matter. In 2013, a PNG government commission of inquiry viewed evidence that hundreds of thousands of dollars of payments linked to two fraudulent agricultural land leases were paid into ANZ PNG bank accounts. Are you aware of that and have you ever reported it to shareholders?

Mr Elliott: I am not aware of that allegation, no.

Mr BANDT: You have not reported it to shareholders?

Mr Elliott: I am not aware of it, so I do not know. I would have to go and check whether the organisation was aware of it. I am personally not. Graham?

Mr Hodges: I am not aware of it.

Mr Elliott: We can go back and look.

Mr BANDT: That has been something that the PNG commission of inquiry looked into several years ago and it has been the subject of reports by groups including Oxfam, including in February this year. Are you saying that, even when it has been put out into the public domain that money has allegedly been paid into ANZ accounts, you have been unaware of it and/or did not take any steps to find out more about it or to report it to shareholders?

Mr Elliott: I am saying that I am personally not aware of it. If ANZ was involved in any of those allegations, I am sure our organisation investigated those things. We have a very good relationship with AUSTRAC and with other regulatory bodies both here in Australia and in Papua New Guinea. But I am just saying: I am not personally aware of the details. I am happy to come back to you on that.

#### Answer

ANZ acknowledges the June 2013 report by the Papua New Guinea Commission of Inquiry into Special Agriculture and Business Leases (SABLs).

ANZ has reviewed all PNG SABLs referenced in the Inquiry. ANZ does not have an ongoing relationship with any parties named in the SABLs Inquiry. We have put in place controls to ensure that all banking activity within PNG meets our environmental, social and governance requirements.

ANZ's *Land Acquisition Position Statement* is available at <http://www.anz.com/about-us/corporate-sustainability/employees/human-rights/>. It states, in part, that:

*We will not tolerate land acquisitions by our customers that we consider to be improper, including those:*

- 1. that are illegal under local laws (such as acquisitions obtained by inappropriate force, or that deny normal or customary access to landholders or land users)*
- 2. where our customers do not follow land acquisition or involuntary resettlement processes in line with international standards, such as the IFC Performance Standards*
- 3. that are subject to the Equator Principles, and where the land acquisition process followed is not consistent with the Equator Principles and IFC Performance*

*Standards, including the right to free, prior and informed consent where it applies.*