



## Director Independence

A Director is only to be regarded as independent if:

- (a) the Board determines that the Director has no material relationship with ANZ (either directly or through an immediate family member, or as a partner, shareholder, executive officer or employee of an organisation that has a material relationship with ANZ);
- (b) the Director is not, and has not been within the previous three years, employed by ANZ or a company in the ANZ Group;
- (c) the Director is not, and has not been within the previous three years:
  - (i) employed in a professional capacity by, or a partner in, any firm that in the past three years has been ANZ's external auditor; or
  - (ii) employed as an executive officer by a company that has a compensation committee, on which an ANZ executive officer serves or served at the same time;

and no immediate family member of the Director is, nor has been within the previous three years, engaged in either of such capacities;

- (d) no immediate family member of the Director is, nor has been within the previous three years, an ANZ executive officer; and
- (e) the Director is otherwise independent under the ASX Corporate Governance Principles and Recommendations.

The Board applies the following standard in making its determination as to the existence of a material relationship that may impact the independence of a director – a relationship with ANZ is material if a reasonable person in the position of a non-executive director of ANZ would expect there to be a real and sensible possibility that it would influence a director's mind in:

- making decisions on matters likely to come regularly before the Board or its committees;
- objectively assessing information and advice given by management;
- setting policy for general application across ANZ; and
- generally, carrying out the performance of his or her role as director.

In its determination of director independence, the board includes a review of relationships that directors and their immediate family members may have such as:

- A relationship as an acquirer (whether direct or as an officer or employee of or associated with the acquirer) of services and/or products from ANZ and/or its subsidiaries of the following kind:
  - Personal customer relationships;
  - Business relationships; or
  - Sponsorship or donor relationships

- A relationship during the current financial year or the last three (3) financial years as a supplier (whether direct or as an officer or employee of or associated with the supplier) of services and/or products to ANZ and/or its subsidiaries of the following kind:
  - Strategic services/products provider;
  - Professional or consultancy services provided as a partner or executive;
  - Professional or consultancy services provided as an employee; or
  - Involving the receipt by the director or any immediate family member during any twelve (12) month period within the previous three (3) years of direct compensation from ANZ (and/or its subsidiaries) of more than USD120,000 per year (other than as director's fees and pension or other forms of deferred compensation for prior service)
- A relationship as a substantial shareholder, or as an officer of or otherwise associated directly with an organisation, that has a holding with 5% or more of the voting shares in ANZ
- All other material relationships with or circumstances involving ANZ (and/or its subsidiaries) by which a director could be perceived not to be independent of management and free from any business or other relationship that could materially interfere with their independence.