



## 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 during the current financial year or the last three (3) financial years 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:
  - o Personal customer relationships;
  - o Business relationships; or
  - o 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:
  - o Strategic services/products provider;
  - o Professional or consultancy services provided as a partner or executive;
  - o Professional or consultancy services provided as an employee; or
  - o 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.