

## ANZ Group Holdings Limited Board Charter

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### 1. Purpose and Role

- 1.1 ANZ Group Holdings Limited (**ANZGHL**) is the listed ultimate holding company, and the APRA Level 3 Head, of the ANZ Group.
- 1.2 The ANZ Group is a group of companies, comprising of ANZGHL and its related bodies corporate, and encapsulating both ANZ's banking and non-banking businesses ("**ANZ**" or the "**Group**").
- 1.3 This charter (**Charter**) sets out the role, responsibilities, structure and processes of the Board and its relationship with subsidiary boards.
- 1.4 The role of the board of directors of ANZGHL (**Board**) is to promote the long-term interests of ANZ and to fulfil its purpose of shaping a world where people and communities thrive, considering ANZ's responsibilities to a broad range of stakeholders including shareholders, deposit holders, customers, staff and the communities in which ANZ operates.
- 1.5 In carrying out their role, directors consider specific obligations of the Board as prescribed by regulation, including by the Australian Prudential Regulatory Authority's (**APRA's**) prudential standards. This includes responsibility for oversight of the sound and prudent management of ANZ.

### 2. Responsibilities

- 2.1 To fulfil its role, and in addition to matters expressly required by law to be approved by the Board, the following matters are expressly reserved for the Board:

#### **Strategy and performance**

- (a) setting and monitoring the long-term implementation of ANZ's strategies and financial objectives and overseeing and assessing management's performance in achieving strategies and budgets approved by the Board and in monitoring and managing risk across ANZ;
- (b) monitoring compliance with regulatory requirements, ethical standards and external commitments, oversight of ANZ's governance framework and implementation of related policies;

## **Management appointment and oversight**

- (c) the appointment and removal of the Group Chief Executive Officer and determination of their terms and conditions (including remuneration arrangements);
- (d) setting criteria for, and evaluating at least annually, the performance of the Chief Executive Officer;
- (e) reviewing on a regular and continuing basis executive succession planning (in particular for the Chief Executive Officer) and executive development activities;
- (f) the appointment and termination of all other ANZ Senior Managers (as determined by the Board from time to time) and determination of their terms and conditions (including remuneration arrangements), and the appointment of Company Secretaries, noting that authority has been delegated to the Chief Executive Officer and Chairman of the Board to approve acting appointments to ANZ Senior Manager roles (except for the Group Chief Risk Officer role where consultation will also occur with the Group Risk Committee Chair, and the Group General Manager Internal Audit role where consultation will also occur with the Group Audit Committee Chair);
- (g) fulfilling its function and duties under the Group's Fit and Proper Policy;
- (h) overseeing major changes to the Internal Capital Adequacy Assessment Process and the liquidity and funding management strategy or policy of the Level 2 Group;
- (i) any matters in excess of any discretions that it may have delegated from time to time to the Chief Executive Officer and senior management of the Group, including in relation to credit transactions, market risk limits and expenditure;

## **Organisational Culture and Risk Culture**

- (j) approving and overseeing Group management's performance in establishing ANZ's cultural direction, including ANZ's purpose, values and expected behaviours;
- (k) overseeing the establishment by Group management of a sound risk management culture with an operational structure and the necessary resources to facilitate effective risk management throughout ANZ, and which in turn supports the ability of ANZ and the Group to operate consistently within its risk appetite;

## **Workplace Health and Safety**

- (l) overseeing the effectiveness of workplace health and safety in ANZ;

## **Customers**

- (m) reviewing ANZ's approach to the management of key customer matters, including customer remediation and customer complaints relating to financial products and services (including systemic issues);

## **Approvals**

- (n) approving each of the following (except to the extent delegated by the Board from time to time);

### Risk Management

- (i) the Group risk appetite within which management is expected to operate, including ANZ's risk appetite statement and risk management strategy;

### Group Strategy and Operations

- (ii) the Group's operating and strategic plans, at least annually;
- (iii) the acquisition, establishment, disposal or cessation of any significant business of the Group;
- (iv) the establishment of operations in a new country, or a significant increase or decrease in the nature (including risk profile) or scale of operations in an existing country;
- (v) significant changes to ANZ's structure;

### Remuneration

- (vi) the Group Performance and Remuneration Policy and all supporting Performance and Remuneration Policies that need to be read in conjunction with the Group policy;
- (vii) endorse the ANZ New Zealand Performance and Remuneration Policy;
- (viii) variable remuneration outcomes in accordance with APRA's Prudential Standard, CPS 511;

### Finance

- (ix) the Group's half yearly and annual financial statements and other prescribed financial reports;
- (x) the dividend policy, payment of dividends, and operation of any dividend reinvestment plan or bonus option plan;
- (xi) the external auditor appointment (subject to shareholder endorsement) and removal on recommendation from the Audit Committee;

### Equity

- (xii) the issue of any shares, options, equity instruments or other equity securities in ANZGHL, approving share buy-backs and capital returns;

### ASX Announcements

- (xiii) where practicable, the substance of any announcements to the Australian Securities Exchange in relation to matters that have been the subject of a decision by the Board or any public

statements which reflect significant issues of ANZ policy or strategy;

#### Changes to Delegations

(xiv) any changes to the discretions delegated from the Board; and

#### Political donations

(xv) donations to political parties and any other donations over \$2 million.

### **3. Board Membership**

- 3.1 The Board shall comprise a majority of Non-Executive Directors who satisfy the criteria for independence as stated in ANZ's Board Renewal, Appointment and Performance Evaluation Policy. In addition, a majority of the Directors must be ordinarily resident in Australia.
- 3.2 The Directors shall appoint as chairperson of the Board one of the Non-Executive Directors who satisfy the criteria for independence as stated in ANZ's Board Renewal, Appointment and Performance Evaluation Policy .
- 3.3 A majority of Directors present and eligible to vote at all Board meetings must be Non-Executive Directors.

### **4. Meetings**

- 4.1 Board meeting papers should be distributed to Directors prior to each meeting in sufficient time to enable Directors to read the papers and properly prepare for the meeting.
- 4.2 Draft minutes of each Board meeting shall be prepared by the Company Secretary promptly following the meeting for review by the Chairman. The draft minutes shall be tabled at the next applicable Board meeting for final review and approval.
- 4.3 The Non-Executive Directors shall meet regularly for private discussion on matters relating to the oversight of management of ANZ.
- 4.4 The Board shall be available to meet with APRA on request.

### **5. Board Committees**

- 5.1 The Board may from time to time establish Committees to assist it in carrying out its responsibilities and shall adopt Charters setting out matters relevant to the composition, responsibilities and administration of such Committees, and other matters that the Board may consider appropriate.
- 5.2 The Board has established the following Committees and adopted Charters setting out matters relevant to the composition, responsibilities and administration of those Committees:
  - (a) Audit Committee;
  - (b) Risk Committee;
  - (c) Human Resources Committee;

- (d) Ethics, Environment, Social and Governance Committee;
- (e) Digital Business and Technology Committee; and
- (f) Nomination and Board Operations Committee.

## **6. Board Renewal, Performance Evaluation and Charter Review**

- 5.1 The Board shall establish a policy and procedures regarding Board renewal and succession planning, and for assessing the performance of the Board, Non-Executive Directors and Board Committees with the aim of maintaining a proactive and effective Board in conjunction with the Nomination and Board Operations Committee.
- 5.2 The Board shall review this Charter regularly.

## **7. Relationship with subsidiary Boards**

- 7.1 To enhance Board oversight of the Group and to assist in discharging its responsibility for the overall governance and performance of ANZ, the Board has adopted the following governance framework protocols for its relationship with the boards of key operating subsidiaries:
  - (a) all directors of the Board are appointed as directors of:
    - (i) ANZ BH Pty Ltd (**Bank HoldCo**);
    - (ii) Australia and New Zealand Banking Group Limited (**ANZBGL**); and
    - (iii) ANZ NBH Pty Ltd (**ANZ Non-bank HoldCo**);
  - (b) board meetings (including the meetings of their standing committees) of ANZGHL and ANZBGL are held consecutively, and any director of ANZBGL that is not also a director of ANZGHL has a standing invitation to attend all ANZGHL Board meetings as an observer;
  - (c) at least one non-executive director of the Board is appointed as non-executive directors of ANZ Group Services Pty Ltd (**ServiceCo**);
  - (d) the Board receives regular updates and presentations from the ANZ Senior Executives responsible for the businesses of the key operating subsidiaries; and
  - (e) the Board receives the minutes and agendas of each meeting of Bank HoldCo, ANZBGL, ServiceCo and Non-Bank HoldCo.
- 7.2 ANZGHL acknowledges that certain subsidiaries are subject to specific legislation and they, and their directors, may have statutory duties requiring them to take into account or give priority to the interests of, for example, deposit holders, beneficiaries or investors. In such cases, the board of the subsidiary will act in accordance with those statutory duties and, subject to doing so, in the interests of ANZ.

## **8. Relationship with ANZ Bank New Zealand Limited**

- 8.1 ANZGHL acknowledges that ANZ Bank New Zealand Limited, of which ANZGHL is the ultimate beneficial shareholder, has its own independence obligations placed upon it by the Reserve Bank of New Zealand. In the case

of any conflict with those separate obligations, the Chair of ANZGHL is authorised to liaise with ANZ Bank New Zealand Limited and resolve any such issue.