APPROACH TO GOVERNANCE
In relation to corporate governance, the Board seeks to:
- embrace principles and practices it considers to be best practice internationally;
- be an ‘early adopter’, where possible, by complying before a published law or recommendation takes effect; and
- take an active role in discussions regarding the development of corporate governance best practice and associated regulation in Australia and overseas.

COMPLIANCE WITH CORPORATE GOVERNANCE CODES
ANZ has equity securities listed on the Australian (ASX) and New Zealand (NZX) Securities Exchanges and has debt securities listed on these and some other overseas Securities Exchanges. As such, ANZ must comply with a range of listing and corporate governance requirements from both Australia and overseas.

AUSTRALIA
As a company listed on the ASX, ANZ is required to disclose how it has applied the Recommendations contained within the ASX Corporate Governance Council’s Principles of Good Corporate Governance and Best Practice Recommendations (ASX Governance Principles) during the financial year, explaining any departures from them. As announced last year, the revised version of the ASX Governance Principles released in August 2007 will strictly only apply to ANZ in respect of its 2009 reporting period.

In line with its stated approach to governance, ANZ has chosen to be an early adopter of the revised ASX Governance Principles and has complied with each of the Recommendations throughout the financial year.

Full details of the location of the references in this statement (and elsewhere in this Annual Report) which specifically set out how ANZ applies each Recommendation of the revised ASX Governance Principles are contained on www.anz.com > About ANZ > Our Company > Corporate Governance.

NEW ZEALAND
As an overseas listed issuer on the NZX, ANZ is deemed to comply with the NZX Listing Rules provided that it remains listed on the ASX, complies with the ASX Listing Rules and provides the NZX with all the information and notices that it provides to the ASX.

The ASX Governance Principles differ from the NZX’s corporate governance rules and the principles of the NZX’s Corporate Governance Best Practice Code. More information about the corporate governance rules and principles of the ASX can be found at www.asx.com.au and, in respect of the NZX, at www.nzx.com.

Irrespective of any differences, ANZ has complied with all applicable governance principles both in Australia and New Zealand throughout the financial year.

OTHER JURISDICTIONS
ANZ also monitors best practice developments in corporate governance across other relevant jurisdictions including the US.

ANZ deregistered from the US Securities and Exchange Commission with effect from October 2007. Despite no longer being required to comply with US corporate governance rules, ANZ has decided to continue with certain governance practices required under US regulations as being best practice, including practices in relation to the independence of Directors, the independence of the external auditor and the financial expertise of certain members of the Audit Committee, as described in this statement.

RECOGNITION
In 2008, ANZ received the Special Award for Governance Reporting (Private Sector) at the 2008 Australasian Reporting Awards. ANZ also received a rating of 95/100 for Corporate Governance in 2008 from the Dow Jones Sustainability Index, the highest rating for a bank globally, as well as an 8/10 global rating from Governance Metrics International.

WEBSITE
Full details of the location of the references in this statement (and elsewhere in the Annual Report) which specifically set out how ANZ applies each Recommendation of the revised ASX Governance Principles are contained on www.anz.com > About ANZ > Our Company > Corporate Governance.

This section of ANZ’s website also contains copies of all the charters and summaries of many of the documents and policies mentioned in this statement, as well as summaries of other ANZ policies of interest to shareholders and stakeholders. The website is regularly updated to ensure it reflects ANZ’s most recent corporate governance information.
DIRECTORS

Mr C B Goode, AC  Chairman, Independent Non-Executive Director

BCom (Hons), MBA, Hon LLD (Melb), Hon LLD (Monash)

Non-executive director since July 1991. Mr Goode was appointed Chairman in August 1995 and is an ex-officio member of all Board Committees.

Skills, experience and expertise
Mr Goode has a background in the finance industry and has been a professional non-executive director since 1989. Mr Goode brings a wide range of skills and significant experience of the finance industry to his role as Chairman of the Board.

Current Directorships
Chairman: Australian United Investment Company Limited (Director from 1990), Diversified United Investment Limited (Director from 1991), Grosvenor Australia Properties Pty Ltd (Director from 2008) and The Ian Potter Foundation Ltd (Director from 1987).

Member: International Council of the Asia Society (from 2000), Asia Society Australasia Centre (from 2003), AsiaLink Council (from 2002) and The Global Foundation (from 1999).

Former Directorships include

Age 70. Residence Melbourne.

Mr M R P Smith, OBE  Chief Executive Officer, Executive Director

BSc (Hons)

Chief Executive Officer, since October 2007.

Skills, experience and expertise
Mr Smith is an international banker with 30 years experience in banking operations in Asia, Australia and internationally. Until June 2007, he was President and Chief Executive Officer, The Hongkong and Shanghai Banking Corporation Limited, Chairman, Hang Seng Bank Limited, Global Head of Commercial Banking for the HSBC Group and Chairman, HSBC Bank Malaysia Berhad. Previously, Mr Smith was Chief Executive Officer of HSBC Argentina Holdings SA.

Mr Smith joined the HSBC Group in 1978 and during his international career he has held a wide variety of roles in Commercial, Institutional and Investment Banking, Planning and Strategy, Operations and General Management.

Current Directorships
- Member: Chongqing Mayor’s International Economic Advisory Council (from 2006), Australian Bankers’ Association Incorporated (from 2007) and Asia Business Council (from 2008).
- Fellow: The Hong Kong Management Association (from 2005).

Former Directorships include

Age 52. Residence Melbourne.

Dr G J Clark  Independent Non-Executive Director, Chairman of the Technology Committee

BSc (Hons), PhD, FAPs, FTSE

Non-executive director since February 2004. Dr Clark is a member of the Governance Committee.

Skills, experience and expertise
Dr Clark is Principal of Clark Capital Partners, a US based firm that advises internationally on technology and the technology market place. Previously he held senior executive positions in IBM, News Corporation, and Loral Space and Communications. He brings to the Board international business experience and a distinguished career in micro-electronics, computing and communications.

Current Directorships
Chairman: GPM Classified Directories (from 2007). Director: Babcock & Brown Capital Limited (from 2006) and KaComm Communications Pty Ltd (from 2006).

Former Directorships include

Age 65. Residence Based in New York, United States of America but also resides in Sydney.
Mr J K Ellis  Independent Non-Executive Director

MA, FAICD, HON FIE Aust, FAus IMM, FTSE, HON DR Eng (CQU)
Non-executive director since October 1995. Mr Ellis is a member of the Audit Committee and the Technology Committee.

Skills, experience and expertise
Mr Ellis brings to the Board his analytical skills together with his practical understanding of operational issues, investments and acquisitions arising from his involvement across a range of sectors including natural resources, manufacturing, biotechnology and education.

Current Directorships
Chairman: Landcare Australia Limited (from 2004), Future Eye Pty Ltd Advisory Board (from 2008), Pacific Road Corporate Finance Pty Limited Advisory Board (Director from 2002) and the Earth Resources Development Council (from 2006). Director: Future Directions International Pty Ltd (from 2003). Member: The Sentient Group Advisory Council (from 2001) and Anglo American plc’s Australian Advisory Board (from 2006).

Former Directorships include

Age 71. Residence Melbourne.

Ms M A Jackson, AC  Independent Non-Executive Director, Chairman of the Human Resources Committee

BEC, MBA, HON LLD (Monash), FAICD, FCA
Non-executive director since March 1994. Ms Jackson is a member of the Audit Committee.

Skills, experience and expertise
A Chartered Accountant, with significant financial expertise, Ms Jackson has broad industrial and commercial experience including her involvement in transportation, mining, the media, manufacturing and insurance. This expertise coupled with her work in health and education contribute to her role on the Board.

Current Directorships

Former Directorships include

President: Australian Volunteers International (from 2006).

Age 55. Residence Melbourne.

Mr I J Macfarlane, AC  Independent Non-Executive Director, Chairman of the Governance Committee

BEC (Hon), MEC, Hon DSc (Syd), Hon DSc (UNSW), Hon DCom (Melb), Hon DLitt (Macq), Hon LLD (Monash)
Non-executive director since February 2007. Mr Macfarlane is a member of the Risk Committee and the Technology Committee.

Skills, experience and expertise
During his 28 year career at the Reserve Bank of Australia including a 10 year term as Governor, Mr Macfarlane made a significant contribution to economic policy in Australia and internationally. He has a deep understanding of financial markets as well as a long involvement with Asia.

Current Directorships
Director: Woolworths Limited (from 2007), Leighton Holdings Limited (from 2007), and the Lowy Institute for International Policy (from 2004).

Member: International Advisory Board of Goldman Sachs JBWere (from 2007) and International Advisory Board of CHAMP Private Equity (from 2007).

Former Directorships include

Age 62. Residence Sydney.
BOARD RESPONSIBILITY AND DELEGATION OF AUTHORITY

The Board is chaired by an independent non-executive Director. The roles of the Chairman and Chief Executive Officer are separate, and the Chief Executive Officer is the only executive Director on the Board.

ROLE OF THE CHAIRMAN

The Chairman plays an important leadership role and is involved in:

- chairing meetings of the Board and providing effective leadership to it;
- monitoring the performance of the Board and the mix of skills and effectiveness of individual contributions;
- being a member of all principal Board Committees;
- maintaining ongoing dialogue with the Chief Executive Officer and providing appropriate mentoring and guidance; and
- being a respected ambassador for ANZ, including chairing meetings of shareholders and dealing with key customer, political and regulatory parties.

BOARD CHARTER

The Board Charter clearly sets out the Board’s purpose, powers, and specific responsibilities.

The Board is responsible for:

- charting the direction, strategies and financial objectives for ANZ and monitoring the progress in relation to such matters;
- monitoring compliance with regulatory requirements, ethical standards and external commitments; and
- appointing and reviewing the performance of the Chief Executive Officer.

In addition to the above and any matters expressly required by law to be approved by the Board, powers specifically reserved for the Board include:

- approval of appointment of Senior Executives to roles leading ANZ businesses or functions and reporting to the Chief Executive Officer;
- any matters in excess of any discretions delegated to the Chief Executive Officer and senior management;
- annual approval of the budget and strategic plan;

BOARD CHARTER

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In addition to the above and any matters expressly required by law to be approved by the Board, powers specifically reserved for the Board include:

- approval of appointment of Senior Executives to roles leading ANZ businesses or functions and reporting to the Chief Executive Officer;
- any matters in excess of any discretions delegated to the Chief Executive Officer and senior management;
- annual approval of the budget and strategic plan;
annual approval of the remuneration and conditions of service for any executive Directors, direct reports to the Chief Executive Officer and other key executives;
- significant changes to organisational structure;
- the acquisition, establishment, disposal or cessation of any significant business;
- the issue of ANZ shares or other ANZ equity securities;
- any public statements which reflect significant issues of ANZ policy or strategy; and
- any changes to the discretions delegated from the Board.

Under ANZ’s Constitution, the Board may delegate any of its powers and responsibilities to Committees of the Board. The roles of the principal Board Committees are set out on pages 50 to 53.

Substantive areas of focus in the 2008 financial year included oversight of:
- ANZ’s responses to the deterioration in global financial markets, including ANZ’s capital and funding requirements;
- progress in relation to the Securities Lending Review and the ongoing progress of remediation issues;
- the “One ANZ” restructure of the ANZ business; and
- approval of ANZ’s strategies in relation to its three year super regional aspirations.

BOARD MEETINGS
The Board normally meets at least 8 times each year, including an offsite meeting to review in detail the Group’s strategy.

Typically at Board meetings the agenda will include:
- minutes of the previous meeting, and outstanding issues raised by Directors at previous meetings;
- the Chief Executive Officer’s report;
- the Chief Financial Officer’s report;
- Divisional Executive reports;
- specific business proposals;
- reports from Chairs of Committees which have met since the last Board meeting on matters considered at those meetings; and
- for review, the minutes of Committee meetings which have occurred since the last Board meeting.

There are two private sessions held at the end of each Board meeting which are each chaired by the Chairman of the Board.

The first involves all Directors including the CEO, and the second involves only the non-executive Directors.

On a revolving basis, a Director is appointed at each Board meeting to formally critique the meeting and this critique is presented at the end of the meeting and is minuted.

The Chief Financial Officer and the Group General Counsel and Company Secretary are also present at all Board meetings. Members of senior management attend Board meetings when an issue under their areas of responsibility is being considered or as otherwise requested by the Board.

CEO AND DELEGATION TO MANAGEMENT
The Board has delegated to the Chief Executive Officer, and through the Chief Executive Officer to other senior management, the authority and responsibility for managing the everyday affairs of ANZ. The Board monitors management and performance on behalf of shareholders.

The Group Discretions Policy details the comprehensive discretions framework that applies within ANZ and to employees appointed to operational roles or directorships of related entities.

The Group Discretions Policy is maintained by the Chief Financial Officer and reviewed annually by the Audit Committee with the outcome of this review reported to the Board.

At a senior Group level, ANZ has a Management Board which comprises the Chief Executive Officer and ANZ’s most senior executives.

As at 1 October 2008, the following senior executives, in addition to the Chief Executive Officer, were members of Management Board: Bob Edgar – Deputy Chief Executive Officer; Peter Marriott – Chief Financial Officer; Brian Hartzer – Chief Executive Officer, Australia; Graham Hodges – Chief Executive Officer, New Zealand; Alex Thursby – Chief Executive Officer, Asia Pacific and Acting Group Managing Director, Institutional; David Cartwright – Group Managing Director, Operations, Technology and Shared Services; Susie Babani – Group Managing Director, Human Resources; Chris Page – Chief Risk Officer; David Hisco – Group Managing Director, Commercial Banking; and Margaret Payn – Group Managing Director, Strategy & Marketing.

Typically, the Management Board meets every week and has a full day meeting each month to discuss performance, review shared initiatives and build collaboration and synergy across the Group.

“One ANZ”
On 9 September 2008, ANZ announced a new business model and organisation structure to accelerate progress with its strategy to become a super regional bank, lift customer focus and drive performance improvement.

ANZ is now organised around its three geographies – Australia, New Zealand and Asia Pacific – and its global Institutional client business. Each geography focuses on two customer segments – Retail and Commercial, which are co-ordinated globally. The new structure became effective on 1 October 2008 with the new business model being established progressively.
INTERNAL REVIEW

On 22 August 2008, ANZ released the findings of the Review Committee which examined ANZ’s involvement in Securities Lending and its relationship with Broker clients including the Opes Prime group.

The report followed an announcement in April 2008 that the Chief Executive Officer would conduct a thorough review of the issues surrounding ANZ’s Securities Lending business and publicly release its findings.

The Review Committee examined business practice, governance and management accountability related to the Securities Lending business within ANZ and developed a comprehensive remediation plan to address its findings.

The Review Committee’s report was presented to the Board which accepted the findings and gave its full support to the remediation program. The report provided to the Board was also provided to the Australian Prudential Regulation Authority (APRA) and the Australian Securities and Investments Commission (ASIC).

BOARD COMPOSITION, SELECTION AND APPOINTMENT

The Board strives to achieve a balance of skills, knowledge, experience, tenure and perspective among its Directors. Details regarding the skills, experience and expertise of each Director in office at the date of this Annual Report can be found on pages 43 to 45.

The Governance Committee (see page 51) has been delegated responsibility for the director nomination process. The Committee regularly reviews the size and composition of the Board and assesses whether there is a need for any new non-executive Director appointments.

Nominations may be provided from time to time to the Chairman of the Governance Committee. The Committee also reviews and recommends the process for the election of the Chairman of the Board and reviews succession planning for the Chairman of the Board, making recommendations to the Board as appropriate.

The Committee assesses potential new Director candidates against Board approved selection criteria including integrity, fitness and propriety, skills, qualifications, experience, communication capabilities and community standing. If found suitable, and where there is a need for any new appointments, candidates are recommended to the Board. Otherwise, the Chairman of the Committee maintains names of suitable candidates for succession purposes. The Chairman of the Board is responsible for approaching potential candidates. This process is formalised in the Board Renewal and Performance Evaluation Policy.

The composition of the principal Board Committees is reviewed annually by the Board.

APPOINTMENT DOCUMENTATION

Each new non-executive Director receives an appointment letter accompanied by a:

- Directors’ Handbook – The Handbook includes information on a broad range of matters relating to the role of a Director, including details of all applicable policies; and
- Directors’ Deed – Each Director signs a Deed in the form approved by shareholders at the 2005 Annual General Meeting which covers a number of issues including indemnity, directors’ and officers’ liability insurance, the right to obtain independent advice and requirements concerning confidential information.

UNDERTAKING INDUCTION TRAINING

Every new Director takes part in a formal induction program which involves the provision of information regarding ANZ’s values and culture, the Group’s governance framework, the Directors’ Code of Conduct and Ethics, Director related policies, Board and Committee policies, processes and key issues, financial management and business operations. A briefing is also provided by senior management about matters concerning their areas of responsibility.

MEETING SHARE QUALIFICATION

Non-executive Directors are required to accumulate within 5 years of appointment, and thereafter maintain, a holding in ANZ shares that is equivalent to at least 100% of a non-executive Director’s base fee (and 200% of this fee in the case of the Chairman).

ELECTION AT NEXT ANNUAL GENERAL MEETING

Subject to the provisions of ANZ’s Constitution and the Corporations Act 2001, the Board may appoint a person as a non-executive Director of ANZ at any time but that person must retire and, if they wish to continue in that role, must seek election by shareholders, at the next Annual General Meeting.

FIT AND PROPER

ANZ has a robust framework in place to ensure that individuals appointed to relevant senior positions within the Group have the appropriate fitness and propriety to properly discharge their prudential responsibilities both on appointment and throughout the course of their appointment.

The framework, set out in ANZ’s Fit and Proper Policy, addresses the requirements of APRA’s Fit and Proper Prudential Standard. It involves assessments being carried out for each Director, relevant senior executives and the external auditor prior to a new appointment being made. These assessments are carried out against a benchmark of documented competencies which have been prepared for each role, and also involve attestations being completed by each individual, as well as the obtaining of evidence of material qualifications and the carrying out of checks such as criminal record, bankruptcy and regulatory disqualification checks.

These assessments are reviewed thereafter on an annual basis. The Governance Committee and the Board have responsibility for assessing the fitness and propriety of non-executive Directors.

The Human Resources Committee is responsible for assessing the fitness and propriety of the Chief Executive Officer and key senior executives. The Audit Committee is responsible for assessing the fitness and propriety of the external auditor.

Fit and Proper assessments were carried out in respect of each non-executive Director, the Chief Executive Officer, key senior executives and the external auditor during the 2008 financial year.
INDEPENDENCE AND MATERIALITY

Under ANZ’s Board Charter, the Board must contain a majority of non-executive Directors who satisfy ANZ’s criteria for independence. The Board Charter sets out independence criteria in order to establish whether a non-executive Director has a relationship with ANZ which could (or could be perceived to) impede their decision-making.

All non-executive Directors are required to notify the Chairman of a potential change in their outside Board appointments. The Chairman reviews the proposed appointments and will consult with other Directors as the Chairman deems appropriate.

In the 2008 financial year, the Board conducted its annual review of criteria for independence against the ASX Governance Principles and APRA Prudential Standards, as well as the requirements of the NYSE Corporate Governance Standards, and the US Sarbanes-Oxley Act of 2002 in relation to Audit Committee member independence.

ANZ’s criteria are more comprehensive than those set in many jurisdictions including in particular criteria stipulated specifically for Audit Committee members. The criteria and review process are both set out in the Corporate Governance section of ANZ’s website.

In summary, a relationship with ANZ is regarded as material if a reasonable person 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 a Director.

During 2008, the Board considered each non-executive Director’s independence and concluded that the independence criteria were met by each non-executive Director.

Directors’ biographies on pages 43 to 45 and on anz.com highlight their major associations outside of ANZ.

CONFLICTS OF INTEREST

Over and above the issue of independence, each Director has a continuing responsibility to determine whether he or she has a potential or actual conflict of interest in relation to any material matter which comes before the Board. Such a situation may arise from external associations, interests or personal relationships.

Under the Directors Disclosure of Interest Policy and Policy for Handling Conflicts of Interest, which was reviewed by the Governance Committee during the year, a Director may not exercise any influence over the Board if a potential conflict of interest exists. In such circumstances, the Director may not receive relevant Board papers and, unless the other Directors have resolved to the contrary, may not be present for Board deliberations on the subject, and may not vote on any related Board resolutions. These matters, should they occur, are recorded in the Board minutes.

INDEPENDENT ADVICE

In order to assist Directors in fulfilling their responsibilities, each Director has the right (with the prior approval of the Chairman) to seek independent professional advice regarding his/her responsibilities at the expense of ANZ. In addition, the Board and each Committee, at the expense of ANZ, may obtain whatever professional advice it requires to assist in its work.

TENURE AND RETIREMENT

ANZ’s Constitution, consistent with the ASX Listing Rules, provides that a non-executive Director must seek re-election by shareholders every 3 years if they wish to continue in their role as a non-executive Director.

It is ANZ’s view that the length of service of a non-executive Director is not an automatic disabling criterion affecting that Director’s independence, and this is consistent with the revised ASX Governance Principles. However, the Governance Committee has recently approved a revision to the Board Renewal and Performance Evaluation Policy so that non-executive Directors will retire once they have served a maximum of three 3-year terms after first being elected by shareholders unless invited by the Board to extend their tenure due to special circumstances. This revised policy applies to current non-executive Directors except where there is an agreed retirement plan that has been made public and it also applies to future non-executive Directors.

CONTINUING EDUCATION

ANZ Directors take part in a range of training and continuing education programs. In addition to a formal induction program (see page 47), Directors also receive a quarterly advice designed to keep them abreast of matters relating to their duties and responsibilities as Directors.

Each Committee also conducts its own continuing education sessions from time to time as appropriate. Internal and/or external experts are engaged to conduct all education sessions. Directors also receive regular business briefings at Board meetings. These briefings are intended to provide Directors with information on each area of ANZ’s business, in particular regarding performance, key issues, risks and strategies for growth. In addition, Directors have the opportunity to participate in site visits from time to time.

ACCESS TO DIRECTORS

Management is able to consult Directors as required on a regular basis. Employees have access to the Directors directly or through the Company Secretary.

Shareholders who wish to communicate with the Directors may direct correspondence to a particular Director, or to the non-executive Directors as a whole.
ROLE OF COMPANY SECRETARY

The Board is responsible for the appointment of ANZ’s Company Secretaries. The Board has appointed three Company Secretaries. The Group General Counsel and Company Secretary is normally in attendance at all Board meetings, and provides legal advice to the Board as and when required. He works closely with the Chairman of the Governance Committee to develop and maintain ANZ’s corporate governance principles, and is responsible to the Board for the Company Secretary’s Office function.

The Company Secretary is responsible for the day-to-day operations of the Company Secretary’s Office including lodgements with relevant Securities Exchanges and other regulators, the administration of Board and Board Committee meetings (including preparation of meeting minutes), the management of dividend payments and associated share plans, the administration of the Group’s Australian subsidiaries and oversight of the relationship with ANZ’s Share Registrar.

The Chief Financial Officer is also appointed as a Company Secretary. Profiles of ANZ’s Company Secretaries can be found in the Directors’ Report on page 17.

PERFORMANCE EVALUATIONS

OVERVIEW

The framework used to assess the performance of Directors is based on the expectation they are performing their duties in a manner which should create and continue to build sustainable value for shareholders, and in accordance with the duties and obligations imposed upon them by ANZ’s Constitution and the law. This is captured in ANZ’s Board Renewal and Performance Evaluation Policy, which was reviewed by the Governance Committee and substantially revised during the year following a best practice benchmarking review.

The performance criteria take into account each Director’s contribution to:

- the charting of direction, strategy and financial objectives for ANZ;
- the monitoring of compliance with regulatory requirements and ethical standards;
- the monitoring and assessing of management performance in achieving strategies and budgets approved by the Board;
- the setting of criteria for, and evaluation of, the Chief Executive Officer’s performance; and
- the regular and continuing review of executive succession planning and executive development activities.

NON-EXECUTIVE DIRECTORS

Non-executive Director performance evaluations are conducted in two ways:

Annual review – On an annual basis, or more frequently if appropriate, the Chairman has a one-on-one meeting with each non-executive Director specifically addressing the performance criteria including compliance with the Directors’ Code of Conduct and Ethics. To assist the effectiveness of these meetings, the Chairman is provided with objective information about each Director (e.g. number of meetings attended, Committee memberships, other current directorships etc) and a guide for discussion to ensure consistency. A report on the outcome of these meetings is provided to the Governance Committee and to the Board.

Re-election statement – Non-executive Directors when nominating for re-election are given the opportunity to submit a written or oral statement to the Board setting out the reasons why they seek re-election. In the non-executive Director’s absence, the Board evaluates this statement (having regard to the performance criteria) when it considers whether to endorse the relevant Director’s re-election.

CHAIRMAN OF THE BOARD

An annual review of the performance of the Chairman of the Board is facilitated by the Chairman of the Governance Committee who seeks input from each Director individually on the performance of the Chairman of the Board against the competencies for the Chairman’s role approved by the Board.

The Chairman of the Governance Committee collates the input in order to provide an overview report to the Governance Committee and to the Board, as well as feedback to the Chairman of the Board.

THE BOARD

For the year ended 30 September 2008, the performance of the Board was assessed using an independent external facilitator, who sought input from each Director and certain members of senior management when carrying out the assessment.

The assessment was conducted in accordance with broad terms of reference agreed by the Governance Committee. The results of the assessment were discussed with the Chairman of the Governance Committee who presented the results of the assessment and recommendations to the Governance Committee and to the Board.

It is expected that externally facilitated reviews will occur approximately every three years. The review process in the intervening years will consider progress against any recommendations implemented arising from the most recent externally facilitated review, together with any new issues that may have arisen, and will be conducted internally.
BOARD COMMITTEES

Each of the principal Board Committees conducts an annual Committee performance self-assessment to review performance using Guidelines approved by the Governance Committee. The Guidelines set out that at a minimum, the self-assessments should cover:

- review of the scope of the Committee’s responsibilities and duties as enshrined in its Charter;
- review of the Committee’s performance against its Charter and annual calendar of business;
- review of the Committee’s performance against any goals or objectives it set itself for the year under review;
- review of major issues that faced the Committee during the year; and
- identification of future topics for training/education of the Committee.

The outcomes of the performance self-assessments, along with plans and objectives for the new financial year, are submitted to the Governance Committee (and, in the case of the Governance Committee, to the Board) for discussion and noting.

SENIOR MANAGEMENT

Details of how the performance evaluation process is undertaken in respect of the Chief Executive Officer (by the Board) and other key senior executives (by the Human Resources Committee), including how financial, operational and qualitative measures are assessed, are set out in the Remuneration Report on pages 25 to 27.

Board and relevant senior management evaluations in accordance with the above processes have been undertaken in respect of the 2007/8 reporting period, including an independently facilitated review of the Board’s performance.

BOARD COMMITTEES

As set out on page 46 of this statement, the Board has the ability under its Constitution to delegate its powers and responsibilities to Committees of the Board. This allows the Board to spend additional and more focused time on specific issues. ANZ’s Board has five principal Board Committees: Audit Committee, Governance Committee, Human Resources Committee, Risk Committee and Technology Committee.

MEMBERSHIP AND ATTENDANCE

Each of the principal Board Committees is comprised solely of independent non-executive Directors, has its own Charter and has the power to initiate any special investigations it deems necessary. Membership criteria are based on each Director’s skills and experience, as well as his/her ability to add value and commit time to the Committee. Composition is reviewed annually by the Board.

The Chairman is an ex-officio member of each principal Board Committee. The Chief Executive Officer is invited to attend Board Committee meetings as appropriate. His presence is not automatic, however, and he does not attend any meeting where his remuneration is considered or discussed, nor does he attend private sessions of Committees where they meet in the absence of management. Non-executive Directors may attend any meeting of any Committee.

Each Board Committee may, within the scope of its responsibilities, have unrestricted access to management, employees and information it considers relevant and necessary to carrying out its responsibilities under its Charter.

Each Board Committee may require the attendance of any ANZ officer or employee, or request the attendance of any external party, at meetings as appropriate.

MEETINGS

The principal Board Committees plan their annual agenda following a process approved by the Board. The executives who are appointed to assist the Chairman of each Board Committee liaise as a group in order to review the calendars of business prepared by each Committee and identify any potential gaps and unnecessary overlaps between the Committees. Any issues arising from this are reported to, and resolved by, the relevant Committee Chairmen. The results of this process are then reported to the Governance Committee to assist the Board in fulfilling its oversight responsibilities in respect of the delegations it has made to the various Board Committees.

Committees report at the next Board meeting through the Committee Chairmen. When there is a cross-Committee item, the Committees will communicate with each other through their Chairmen.

Throughout the year, Committee Chairmen also conduct agenda planning meetings involving relevant stakeholders to take account of emerging issues.

ANZ BOARD COMMITTEE MEMBERSHIPS – from 1 October 2007 – 30 September 2008

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<th>Audit</th>
<th>Governance</th>
<th>Human Resources</th>
<th>Risk</th>
<th>Technology</th>
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<td>Mr D E Meiklejohn, FE</td>
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<td>Ms M A Jackson</td>
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<td>Mr D E Meiklejohn</td>
<td>Mr C B Goode (ex-officio)</td>
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C – Chairman, FE – Financial Expert
AUDIT COMMITTEE

The Audit Committee is responsible for overseeing and monitoring:

- ANZ’s financial reporting principles and policies, controls and procedures;
- the work of Internal Audit which reports directly to the Chairman of the Audit Committee (refer to Internal Audit on page 53 for more information);
- the Audit Committees of significant subsidiary companies;
- prudential supervision procedures required by regulatory bodies relating to financial reporting; and
- the integrity of ANZ’s financial statements, compliance with related regulatory requirements and the independent audit thereof.

The Audit Committee is also responsible for:

- the appointment, evaluation and oversight of the external auditor, including reviewing their independence and fitness and propriety;
- compensation of the external auditor; and
- where appropriate, replacement of the external auditor.

Under the Committee Charter, all members of the Audit Committee must be financially literate.

Mr Meiklejohn (Chair) and Ms Jackson (member) were determined to be ‘financial experts’ for the 2008 financial year under the definition set out in the US Sarbanes-Oxley Act of 2002. Refer to pages 44 and 45 for their qualifications. While the Board has determined that Mr Meiklejohn and Ms Jackson have the necessary attributes to be ‘financial experts’ within the meaning of US laws, it is important to note that they have no responsibilities additional to those of other members of the Audit Committee because of this.

The Audit Committee meets with the external auditor without management being present. The Chairman of the Audit Committee meets separately and regularly with the Group General Counsel, Internal Audit, the external auditor and management.

The Group General Manager, Financial Reporting and Policy has been appointed as the executive responsible for assisting the Chairman of the Committee.

Substantive areas of focus in the 2008 financial year included:

- Internal Audit – The Committee approved the annual plan for internal audit and kept progress against this plan under regular review. Adjustments to the plan were made during the year to accommodate high priority items.
- Regulatory developments – Domestic and international accounting and financial reporting developments were reported to the Committee outlining relevant changes and implications for ANZ.
- Financial Reporting Governance Program – Notwithstanding that ANZ has ceased to be registered with the SEC in the US, the Committee requested management ensure that ANZ’s financial governance framework retained the beneficial aspects of US regulation. The 2008 Program involved increased management testing with Internal Audit providing an oversight role and the Committee received regular Financial Reporting Governance updates providing comment on key themes, areas of focus and status.
- Whistleblowing – The Committee oversaw developments in respect of amendments to the Group’s Whistleblower Protection Policy.

GOVERNANCE COMMITTEE

The Governance Committee is responsible for:

- identifying and recommending prospective Board members and succession planning for the position of Chairman (see page 47);
- reviewing and approving procedures for the oversight and evaluation of the performance of the Board, Board Committees and non-executive Directors (see page 49);
- ensuring an appropriate Board and Board Committee structure is in place;
- reviewing and approving the Charters for each Board Committee except its own, which is reviewed and approved by the Board; and
- reviewing the development of and approving corporate governance policies and principles applicable to ANZ.

The Committee previously had responsibility for reviewing and approving management’s proposed corporate responsibility objectives and strategies for ANZ. In future, this area will be the direct responsibility of the Board.

The Group General Counsel and Company Secretary has been appointed as the executive responsible for assisting the Chairman of the Committee.

Substantive areas of focus in the 2008 financial year included:

- Governance framework – The Committee reviewed the Board’s governance framework and principles including in relation to Board composition, size, Director tenure, outside commitments, nomination and appointment procedures, and Director independence criteria.
- Ethics Framework – The Committee received a report on work in relation to the development of a new Ethics Framework to be supported by an updated Code of Conduct and Ethics, related policies, training and more frequent acknowledgement and acceptance by employees.
- Asia Pacific – The Committee received a report on the review by the Asia Pacific business of its governance practices generally, including details of various governance initiatives that are to be progressively implemented.
- Board and Committee Performance Evaluations – The Board Renewal and Performance Evaluation Policy was comprehensively reviewed and revamped. External governance consultants were commissioned to conduct a review of the Board’s performance with the results presented to the Committee.
- Review and approval of Group policies – The Committee approved amendments to existing Group policies including the Continuous Disclosure Policy and Securities Trading Policy.

HUMAN RESOURCES COMMITTEE

The Human Resources Committee is responsible for reviewing and approving the Group’s compensation programs including any equity-based programs, compensation levels and policy guidelines (details in the Remuneration Report on pages 20 to 41).

The Committee also evaluates the performance of and approves the compensation for Board Appointees and makes recommendations to the Board on matters relating to the Chief Executive Officer (details in the Remuneration Report on pages 20 to 41).
In addition, the Committee considers and approves key executive appointments, and senior executive succession plans as well as policies with respect to health and safety issues and diversity.

The Group Managing Director, Human Resources has been appointed as the executive responsible for assisting the Chairman of the Committee.

Substantive areas of focus in the 2008 financial year included:

- Management roles and performance – The Committee reviewed the performance of the CEO and CEO’s direct reports, and set targets for 2009. The Committee held a succession planning session on Management Board roles and Business Critical roles.
- Fitness and Propriety – The Committee completed initial (where applicable) and annual Fit and Proper assessments of Board Appointees.
- Remuneration – The Committee approved the grant of ESAP $1000 shares to employees, reviewed and approved a new bonus framework for Institutional, reviewed and approved changes to the ANZERS Bonus Plan, and reviewed and approved changes to the reward structure for Management Board.
- HR matters – The Committee received annual updates on Superannuation, Health & Safety and Diversity.

For more details on the activities of the Human Resources Committee, please refer to the Remuneration Report on pages 20 to 41.

**RISK COMMITTEE**

The Risk Committee is responsible for overseeing, monitoring and reviewing the Group’s risk management principles and policies, strategies, processes and controls including credit, market, liquidity, balance sheet, operational risk and compliance frameworks.

It is also authorised to approve credit transactions and other related matters beyond the approval discretion of executive management.

The Chief Risk Officer is the executive responsible for assisting the Chairman of the Committee.

Substantive areas of focus in the 2008 financial year included:

- Risk Appetite Framework – The Committee approved enhancements to and further development of the Risk Appetite Framework.
- Basel II – The Committee oversaw ANZ’s Basel II accreditation from APRA and the Reserve Bank of New Zealand. The Committee also focused on the delivery of Pillar 3 Market Disclosures required for 2008 financial year reporting.
- Securities Lending Review – The Committee received the results of the Review and will continue to focus attention on the remediation of issues raised in the Review.
- Provisioning – The Committee regularly reviewed provisioning in light of the global financial crisis.
- Liquidity – The Committee performed an ongoing and detailed review of the Group’s liquidity and funding positions and risks.

**TECHNOLOGY COMMITTEE**

The Technology Committee assists the Board in the effective discharge of its responsibilities in relation to technology and operations related matters. The Committee is responsible for the oversight and evaluation of new projects in technology above $50 million and security issues relevant to ANZ’s technology processes and systems. It is also responsible for the review and approval of management’s recommendations for long-term technology and operations planning and the overall framework for the management of technology risk.

The Group Managing Director, Operations, Technology and Shared Services has been appointed as the executive responsible for assisting the Chairman of the Committee.

Substantive areas of focus in the 2008 financial year included:

- Technology Architecture – The Committee monitored the definition and execution of the Bank’s technology architecture strategy.
- Future needs – The Committee received reports on the future technology investment requirements for the Group and on the Group’s future IT operating model.
- Projects – The Committee received regular reports monitoring the progress of ANZ’s major technology and property projects from both a project management and a cost perspective. The Committee also received a report on ANZ’s change and project management capability.
- 833 Collins Street – The Committee received specific reports on the progress of the building of the Group’s new Melbourne headquarters and reviewed the technology strategy for the new building.

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<th>Board</th>
<th>Audit Committee</th>
<th>Governance Committee</th>
<th>Human Resources Committee</th>
<th>Risk Committee</th>
<th>Technology Committee</th>
<th>Executive Committee</th>
<th>Shares Committee</th>
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Column A – Indicates the number of meetings the Director was eligible to attend.
Column B – Indicates the number of meetings attended. The Chairman is an ex-officio member of the Audit, Governance, Human Resources, Risk and Technology Committees.
ADDITIONAL COMMITTEES

In addition to the five principal Board Committees, the Board has constituted a Shares Committee and an Executive Committee, each consisting solely of Directors, to assist in carrying out specific tasks.

The Executive Committee has the full power of the Board and is convened as necessary between regularly scheduled Board meetings to deal with urgent matters. The Shares Committee has the power to administer ANZ’s Employee Share Plan and Employee Share Option Plan. The Board also forms and delegates authority to ad-hoc Committees of the Board as and when needed to carry out specific tasks.

RISK MANAGEMENT AND COMPLIANCE

The Board is principally responsible for establishing risk tolerance, approving related strategies and policies, and for the oversight of policy compliance and the effectiveness of the risk and compliance management framework that is in place.

The Risk Committee oversees the Group’s risk management policies and controls, and may approve credit transactions and other related matters beyond the approval discretion of executive management. On a day-to-day basis, the various risks inherent in ANZ’s operations are managed by both Group Risk and each business.

For further information on how ANZ manages its material business risks, please see the disclosures in relation to AASB 7 “Financial Instruments: Disclosure” in the notes to the financial statements and the Corporate Governance section of anz.com.

During the year, management has reported to the Risk Committee as to the effectiveness of ANZ’s risk and compliance management framework and the management of ANZ’s material business risks.

AUDIT AND FINANCIAL GOVERNANCE

INTERNAL AUDIT

Internal Audit reviews various areas of ANZ’s business and operations each year pursuant to an annual plan that is approved by the Audit Committee. Through these reviews, Internal Audit seeks to assess the effectiveness of the design and operation of the Group’s risk and control framework. It operates under a Charter from the Audit Committee that gives it unrestricted access to review all activities of the Group. The Group General Manager, Internal Audit reports to the Chairman of the Audit Committee. The Audit Committee reviews the performance of the Group General Manager, Internal Audit.

A risk-based audit approach is used which aims to focus on the higher risk activities in each business. All audits are conducted in a manner that conforms to international auditing standards. Audit results also influence incentive compensation of business heads. The Audit Committee receives formal reports on significant issues.

Internal Audit plays an active role in connection with the compliance requirements of supervisory regulatory authorities. Internal Audit also works collaboratively with the external auditor to enhance the audit scope. The Risk Committee also receives a quarterly report from Internal Audit.

EXTERNAL AUDIT

The external auditor’s role is to provide an independent opinion that ANZ’s financial reports are true and fair and comply with applicable regulations. The external auditor performs an independent audit in accordance with Australian Auditing Standards. The Audit Committee oversees ANZ’s Policy on Relationship with the External Auditor. Under the Policy, the Audit Committee is responsible for the appointment (subject to ratification by shareholders), compensation, retention and oversight of the external auditor. The Policy also stipulates that the Audit Committee:

- pre-approves all audit and non-audit services;
- regularly reviews the independence of the external auditor; and
- evaluates the effectiveness of the external auditor.

The Policy also requires that all services provided by the external auditor, including the non-audit services that may be provided by the external auditor, must be in accordance with the following principles:

- the external auditor should not have a mutual or conflicting interest with ANZ;
- the external auditor should not audit its own work;
- the external auditor should not function as part of management or as an employee; and
- the external auditor should not act as an advocate of ANZ.

The Policy, which sets out in detail the types of services the external auditor may and may not provide, can be found on the Corporate Governance section of anz.com.

Details of the non-audit services provided by the external auditor, KPMG, during the 2008 financial year, including their dollar value, together with the statement from the Board as to their satisfaction with KPMG’s compliance with the related independence requirements of the Corporations Act 2001, are set out in the Directors’ Report on page 18.

In addition, ANZ requires a two year period before any former partner or employee of the external auditor is appointed as a Director or Senior Executive of ANZ. The lead partner of the external auditor is required to rotate off the ANZ audit after 5 years and cannot return for a further five years. Certain other senior audit staff are required to rotate off after a maximum of seven years. Any potential appointments of ex-partners or ex-employees of the external auditor as ANZ finance staff, at senior management level or higher, must be pre-approved by the Chairman of the Audit Committee.

As disclosed in previous Annual Reports, the US Securities and Exchange Commission (SEC) commenced an inquiry into non-audit services provided by ANZ’s auditor, KPMG. ANZ has provided the information requested by the SEC. This inquiry has not concluded. Should the SEC determine that services provided by KPMG did not comply with the US auditor independence rules, the SEC may seek sanctions, the nature and amount of which are not known.

Whilst ANZ cannot predict the outcome of the inquiry, based on information currently available, ANZ does not believe it will have a material adverse effect on the Company.
FINANCIAL CONTROLS
As previously noted, the Audit Committee of the Board oversees ANZ’s financial reporting policies and controls, the integrity of ANZ’s financial statements, the relationship with the external auditor, the work of Internal Audit, and the Audit Committees of various significant subsidiary companies.
ANZ has in place a Financial Reporting Governance (FRG) Program which evaluates the design and tests the operation of key financial reporting controls, including Company-level controls, period-end controls, process-level controls, and IT general controls. In addition, Preparers’ Statements in the form of half-yearly certifications are completed by senior management, including senior finance executives.
These Statements comprise representations and questions about financial results, disclosures, processes and controls and are aligned with ANZ’s external obligations. The process is independently evaluated by Internal Audit and tested under the FRG Program. Any issues arising from the evaluation and testing are reported to the Audit Committee. This process assists the Chief Executive Officer and Chief Financial Officer in making the certifications to the Board under the Corporations Act and ASX Governance Principles as set out in the Directors’ Report on page 18.

ETHICAL AND RESPONSIBLE DECISION-MAKING

CODES OF CONDUCT AND ETHICS
ANZ has two main Codes of Conduct and Ethics, the Employee Code and the non-executive Director Code. These Codes provide employees and Directors with a practical set of guiding principles to help them make decisions in their day to day work. Having two Codes recognises the different responsibilities that Directors have under law but enshrines the same values and principles.
The Codes embody honesty, integrity, quality and trust, and employees and Directors are required to demonstrate these behaviours and comply with the Codes whenever they are identified as representatives of ANZ.
The principles underlying ANZ’s Codes of Conduct and Ethics are:
- We act in ANZ’s best interests and value ANZ’s reputation;
- We act with honesty and integrity;
- We treat others with respect, value difference and maintain a safe workplace;
- We identify conflicts of interest and manage them responsibly;
- We respect and maintain privacy and confidentiality;
- We do not make or receive improper payments, benefits or gains;
- We comply with the Codes, the law and ANZ’s policies and procedures; and
- We immediately report any breaches of the Codes, the law or ANZ policies and procedures.
The Codes are supported by the following detailed policies that together form ANZ’s Conduct and Ethics Policy Framework:
- ANZ Anti-Money Laundering and Counter-Terrorism Financing Program;
- ANZ Use of Systems, Equipment and Information Policy;
- ANZ Global Fraud and Expense Policy;
- ANZ Group Expense Policy;
- ANZ Equal Employment Opportunity, Bullying and Harassment Policy;
- ANZ Health and Safety Policy;
- ANZ Global Employee Securities Trading and Conflicts of Interest Policy;
- ANZ Global Anti-Bribery Policy; and
- ANZ Global Whistleblower Protection Policy.
These policies and the Codes have recently been redrafted to clearly specify all obligations that are common to each staff member working at ANZ. The revised ANZ Conduct and Ethics Policy Framework was launched on 31 October 2008.
Within two months of commencing employment with ANZ, and thereafter on an annual basis, all employees will be required to sign up to the principles of the Employee Code, including key relevant extracts of the policies set out above, to show that they have understood and agree to comply with their obligations. Directors’ compliance with the non-executive Directors’ Code continues to form part of their annual performance review.

SECURITIES TRADING
ANZ’s Global Employee Securities Trading and Conflicts of Interest Policy prohibits trading in ANZ securities or the securities of other companies by all employees, Directors, contractors and consultants engaged by ANZ who are aware of unpublished price-sensitive information.
The Policy specifically prohibits restricted employees trading in ANZ securities during ‘blackout periods’ leading up to the day following the half-yearly and annual results announcements. Non-executive Directors are required to seek approval from the Chairman in advance of any trading in ANZ securities. The Chairman of the Board is required to seek approval from the Chairman of the Governance Committee. Senior Executives and other restricted employees are also required to seek approval before they, or their associates, trade in ANZ securities.
It is a condition of the Policy and of the grant of employee share options (including Performance Rights) and deferred shares that no schemes are entered into by any employee that specifically protect the value of such shares, options and Performance Rights before the shares have vested or the options or Performance Rights have entered their exercisable period. Any breach of this prohibition would constitute a breach of the grant conditions and would result in the forfeiture of the relevant shares, options or Performance Rights. Directors are also prohibited from providing ANZ securities as security in connection with any financing arrangement, including but not limited to margin loans or similar arrangements.
WHISTLEBLOWER PROTECTION

The ANZ Global Whistleblower Policy provides a mechanism by which ANZ employees may voice serious concerns or escalate serious matters on a confidential basis, without fear of reprisal, dismissal or discriminatory treatment.

ANZ employees can make complaints under the Policy to designated Whistleblower Protection Officers, or via an independently managed hotline that was introduced as part of the new Conduct and Ethics Policy Framework that was launched recently.

COMMITMENT TO SHAREHOLDERS

Shareholders are the owners of ANZ and our approaches described below are enshrined in ANZ’s Shareholder Charter, which was reviewed by the Governance Committee during the year. A copy of the Shareholder Charter can be found on the Corporate Governance section of anz.com.

COMMUNICATION

In order to make informed decisions about ANZ, and to communicate views to ANZ, shareholders should have an understanding of ANZ’s business operations and performance.

ANZ encourages shareholders to take an active interest in ANZ, and seeks to provide shareholders with quality information in a timely fashion generally through ANZ’s reporting of results, ANZ’s Annual Report and Shareholder Review, briefings, half yearly newsletters and via its dedicated shareholder site on anz.com. ANZ strives for transparency in all its business practices, and recognises the impact of quality and transparent disclosure on the trust and confidence of the shareholder, the wider market and the community.

To this end, ANZ, outside of its scheduled result announcements, provides the opportunity to submit any questions they have for the Chairman or Chief Executive Officer to enable key common themes to be considered.

The external auditor is present at ANZ Annual General Meetings and available to answer shareholder questions on any matter that concerns them in their capacity as auditor, including in relation to the conduct of the audit and the preparation and content of the auditor’s report.

The letter of appointment, which has been agreed to and signed by all non-executive Directors, states that Directors are also expected to attend and be available to meet shareholders at the Annual General Meeting each year.

Shareholders have the right to vote on various resolutions put to a meeting. If shareholders are unable to attend a meeting they can submit their proxies via post or electronically through www.investorvote.com.au. Where votes are taken on a poll, which is usual ANZ practice, ANZ appoints an independent party to verify the results, normally KPMG, which are reported as soon as possible to the ASX and posted on anz.com.

CONTINUOUS DISCLOSURE

ANZ’s practice is to release all price-sensitive information in a timely manner and as required under the ASX Listing Rules and then to all relevant Securities Exchanges on which ANZ’s securities are listed, and to the market and community generally through ANZ’s media releases, website and other appropriate channels.

Through ANZ’s Continuous Disclosure Policy, ANZ demonstrates its commitment to continuous disclosure. The Policy reflects relevant obligations under applicable securities exchange listing rules and legislation. For disclosure purposes, price-sensitive information is information that a reasonable person would expect to have a material effect on the price or value of ANZ’s securities.

Designated Disclosure Officers have responsibility for reviewing proposed disclosures and making decisions in relation to what information can be or should be disclosed to the market. Each ANZ employee is required to inform a Disclosure Officer regarding any potentially price-sensitive information concerning ANZ as soon as they become aware of it.

The Continuous Disclosure Oversight Sub-Committee also meets on a regular basis each quarter to overview the effectiveness of ANZ’s systems and procedures for achieving compliance with applicable regulatory requirements in relation to the disclosure of price-sensitive information. This Sub-Committee reports to the Governance Committee of the Board on an annual basis.

In carrying out their role, the Disclosure Officers recognise ANZ’s commitment to achieving best practice in terms of disclosure by acting in accordance with the spirit, intention and purposes of the applicable regulatory requirements and by looking beyond form to substance.

DONATIONS

During the year ended 30 September 2008, ANZ contributed over $10 million to charitable organisations. This included a contribution in excess of $3 million to key Financial Literacy and Inclusion partners together with whom ANZ has developed the successful MoneyMinded, Saver Plus and Progress Loans programs. The community partners deliver these programs in over 20 communities nationally, reaching over 45,000 people in the year ended 30 September 2008. For more information on this, go to www.anz.com/community. Financial Literacy and Inclusion is the key strategic focus for ANZ’s community investment work, targeting especially the most vulnerable Australians who may be at risk of financial exclusion.

In addition, for the year to 30 September 2008, ANZ donated $50,000 to the Liberal Party and $50,000 to the Australian Labor Party.