



# Board Renewal Policy

## Why it matters

- 1) The board (Board) of ANZ Group Holdings Limited (the 'Company') is responsible for the overall governance, oversight and strategic direction of the ANZ Group (ANZ). As such, the Board is committed to:
  - a. a continuing process of board renewal (including succession planning) to maintain energised, proactive and effective boards
  - b. the appointment of suitable individuals as directors, and
  - c. the assessment of board performance and applied to the non-executive directors, the board and board Committees, at least annually.

## When this applies

- 2) This policy applies to:
  - a. Entities: ANZ Group Holdings Limited and each of the following subsidiary entities:
    - i. Australia and New Zealand Banking Group Limited
    - ii. Norfina Limited
  - b. Users: ANZ Directors, boards of the entities and the Nomination and Board Operations Committee (the Committee).
  - c. Activities: board governance and management

## What needs to be done

### Board Nominations and Operations Committee

- 3) The Committee's Charter describes its authority as conferred by the Board which includes:
  - a. recommending to the Board from time to time, changes that the Committee believes to be desirable to the size and composition of an entity's board
  - b. recommending individuals to be appointed as directors of each entity
  - c. reviewing succession planning for the Chairman of the Company.

### Board renewal and succession planning

- 4) ANZ will review the board size and composition of each entity at least annually and on an interim basis as may be required. This review will be informed by the ANZ Board Skills Matrix (as applicable) to ensure the requisite skills on the relevant boards are commensurate with ANZ's operations as they evolve, considering factors such as business growth, regulatory considerations, and market developments. The purpose is to ensure:
  - a. the directors collectively have a sufficient mix of skills and expertise

- b. the diversity required for the effective governance of ANZ, and
  - c. a balance between longer-serving directors with established experience and knowledge of ANZ's business activities, and new directors with new perspectives.
- 5) Unless otherwise agreed, the Chairman of the Board (on behalf of the Committee) is responsible for:
- a. approaching potential candidates, and
  - b. maintaining a list of potential candidates to assist in the succession planning process and to fill board vacancies when necessary.

## Principles relevant to the appointment of directors

- 6) In assessing potential candidates for appointment as a Director, and in undertaking reviews of the size and composition of an entity's board, the Committee takes into account the guiding principle that a board's composition should reflect an appropriate mix having regard to matters such as:
- a. ensuring the requisite skills on a board are commensurate with ANZ's operations as they evolve, considering factors such as business growth, regulatory considerations, and market developments
  - b. skills, experience, and tenure including across the key areas identified in the ANZ Board Skills Matrix where it applies
  - c. diversity, including having regard to the considerations set out in Schedule 2
  - d. a candidate's personal qualities, communication capabilities, ability to effectively challenge management, professional reputation and commitment to ethical behaviour
  - e. a membership that will operate as a team, focused on the long-term success of ANZ and comprising different personalities and viewpoints, who will respectfully challenge management and each other and participate in robust debate and work with peers to arrive at new solutions
  - f. relevant guidelines and regulatory requirements in relation to board composition, including, where relevant, director independence
  - g. board membership requirements as articulated in an entity's board charter, and
  - h. other considerations including ANZ's strategic goals.
- 7) Professional intermediaries may be used from time to time where necessary or appropriate to assist in the process of identifying and considering potential candidates for board membership.
- 8) All proposed director appointments must be:
- a. approved by the ANZGHL board, and
  - b. subject to the satisfactory completion of a fit and proper and suitability assessment as required by the Fit and Proper Policy.
- 9) Directors who are appointed must receive and sign an appointment letter.

## Board Performance Assessments

- 10) Upon recommendation from the Board Chairman, the Committee will determine the process to be followed in performing the assessment of non-executive directors, boards and board committees, taking account of regulatory requirements in this area each year.
- 11) It is envisaged that:
  - a. at generally three-year intervals (or more frequently as the Committee determines), the assessments will be conducted utilising the assistance of an independent third party, to be determined by the Committee, and
  - b. in the other years, the assessments will be conducted internally, using a process to be determined by the Committee.
- 12) The results of the performance assessments will generally be discussed by each relevant board in private session and matters for ongoing review retained by the respective chairman.
- 13) The Board's Ethics, Environment, Social & Governance Committee must review, and recommend to the Board, draft disclosures relating to the process to be disclosed in the Company's Corporate Governance Statement.

## Responsibilities

Position	Responsibilities
ANZGHL Board	<ul style="list-style-type: none"> <li>• Approve the appointment of directors to the board of the relevant entity</li> </ul>
Chairman	<ul style="list-style-type: none"> <li>• Approaching potential candidates and maintaining a list of potential candidates, to assist with succession planning and fill board vacancies when necessary.</li> <li>• Recommend the performance assessment process to the Committee (ANZGHL)</li> <li>• Retain matters for ongoing review identified in performance assessments (of each entity)</li> </ul>
Company Secretary	<ul style="list-style-type: none"> <li>• Assisting directors through the appointment process</li> </ul>
Directors	<ul style="list-style-type: none"> <li>• Signing an appointment letter and understanding and meeting their responsibilities</li> <li>• In the case of non-executive directors, retire in accordance with applicable maximum term requirements unless invited by the relevant board to extend their tenure due to special circumstances</li> </ul>
Nomination and Board Operations Committee	<ul style="list-style-type: none"> <li>• In accordance with its Charter, the Committee is responsible for:               <ul style="list-style-type: none"> <li>○ all matters to do with reviewing board composition, including to make recommendations to the Board at least annually, and on an interim basis as may be required, changes that the Committee believes to be desirable to the size and composition of an entity's board, and where applicable the committees, to ensure they remain appropriate and fit-for-purpose</li> <li>○ assessment of nominees where it is proposed to appoint new directors having regard to the principles of appointment</li> <li>○ recommending to the Board, individuals to be appointed as directors of each entity</li> <li>○ reviewing succession planning for the Chairman of the board of each entity</li> <li>○ determining how director, board and board committee performance assessments will be carried out, and</li> </ul> </li> </ul>

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- appointing an independent third party to carry out the director, board and board committee performance assessments in accordance with this policy.
  - Reviewing board composition criteria and the process for non-executive director selection on a regular basis.
  - Reviewing this policy every three years, or more frequently if changes to legal or regulatory requirements dictate.
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## Compliance

- 14) If the law imposes a higher standard than this policy, the legal obligation prevails.

## Definitions

- 15) This policy should be read in conjunction with the Company's Board Charter, the Nomination and Board Operations Committee (Committee) Charter and Board Committee Standing Rules.
- 16) The [Policy Glossary](#) contains standard terms. For the purposes of this document:
- a. **Board Skills Matrix** means the key skills and experience in board membership that ANZ seeks to achieve set out in Schedule 1.
  - b. **Director independence** means the determination whether a director will be regarded as independent according to the criteria set out in Schedule 3.

## Document information

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<b>Effective date</b>	18 February 2025
<b>Next review date</b>	18 February 2028
<b>Established date</b>	3 January 2023
<b>Approver</b>	Board
<b>Owner</b>	Group Company Secretary
<b>Manager</b>	Deputy Group Company Secretary
<b>Related documents</b>	<ul style="list-style-type: none"><li>• <a href="#">Group Fit and Proper Policy</a></li><li>• <a href="#">ANZ Nomination and Board Operations Committee Charter</a></li><li>• <a href="#">Board Committee Standing Rules</a></li></ul>
<b>Contact</b>	Deputy Group Company Secretary

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## Document history

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<b>Version</b>	<b>Effective date</b>	<b>Approver</b>	<b>Summary of changes</b>
v1.0	3 January 2023	ANZGHL Board ANZBGL Board	Initial version for ANZ non-operating holding group structure. Board approval as per CPS 520 Fit and Proper.
v1.1	18 February 2025	Simon Pordage Company Secretary	Minor streamlining amendments to the policy and updates to reflect Board approved changes in process.

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## Schedule 1 – Board Skills Matrix

- 1) The table sets out the key skills and experience in membership that ANZ seeks to achieve for the ANZGHL and ANZBGL boards.

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<b>Skills and experience</b>
<b>Strategy and Commercial Acumen</b>
<b>Industry Experience</b>
<b>Technology &amp; Digital</b>
<b>Leadership</b>
<b>People &amp; Culture</b>
<b>Governance, Risk &amp; Compliance</b>
<b>Regulatory/ Government Policy</b>
<b>International business experience</b>
<b>Financial acumen</b>
<b>Sustainability</b>

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## Schedule 2 – Diversity considerations

- 1) ANZ has an objective of achieving 40% female board and 40% male membership, with 20% to be of any gender.
- 2) ANZ also considers other broader dimensions of diversity, including matters such as age and cultural identity (for example, ethnicity and country of origin).
- 3) It is recognised that diversity on the Board may be temporarily affected by Board renewal matters.

## Schedule 3 – Director independence criteria

- 1) A director is only to be regarded as independent if it is determined that:
  - a. the director has no material relationship with ANZ (either directly or through close personal ties, 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 timeand no immediate family member of the director is, nor has been within the previous 3 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 and APRA Prudential Standard CPS 510 Governance.
- 2) The following standard is applied in making a 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, or be perceived to influence, a director’s mind in:
  - a. making decisions on matters likely to come regularly before the Board or its committees
  - b. objectively assessing information and advice given by management
  - c. setting policy for general application across ANZ, or
  - d. generally, carrying out the performance of his or her role as director.
- 3) In its determination of director independence, consideration is given to a review of relationships that directors and their immediate family members may have such as:
  - a. a relationship during the current financial year or the previous three 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:
    - i. personal customer relationships,
    - ii. business relationships, or
    - iii. sponsorship or donor relationships



- b. a relationship during the current financial year or the previous three 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:
  - i. strategic services/products provider,
  - ii. professional advisory or consultancy services provided as a partner, principal, executive or employee, or
  - iii. involving the receipt by the director or any immediate family member during any twelve (12) month period within the previous three 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),
- c. a relationship as or representing a substantial shareholder, or as an officer or employee of or professional advisor to an organisation, that has a holding with 5% or more of the voting shares in ANZ, and
- d. 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.