2024
Annual Report

At ANZ, our purpose is to shape a world where people and communities thrive.

We bring our purpose to life through our strategy: to improve the financial wellbeing and sustainability of customers with excellent services, tools and insights

In particular, we want to help customers:

Save for, buy and own a liveable home

Start or buy and sustainably grow their business

Move capital and goods around the region and sustainably grow their business

Contents

With a global presence across 29 markets, ANZ helps Australian businesses big and small succeed on the world stage.

Bulla, founded in 1910 and still owned by the same three founding families, has been a long-standing corporate customer of ANZ, with a relationship spanning over 40 years. ANZ is currently supporting Bulla's new manufacturing site in regional Victoria, from concept to execution, helping the company meet the increasing demand for high-quality dairy products both locally and across Asia.

Learn more about ANZ's long-standing support of Bulla by visiting **anz.com.au/newsroom/news/2024/august/anz-news-bulla-dairy-tony-fato/**

Our 2024 reporting suite

ANZ Group Holdings Limited ABN 16 659 510 791

2024 Full Year Results Announcement
anz.com/results

2024 ANZGHL Annual Report
anz.com/annualreport

2024 Corporate Governance Statement
anz.com/corporategovernance

2024 Climate-Related Financial Disclosures
anz.com/annualreport

2024 Environment, Social and Governance (ESG) Supplement
anz.com/annualreport

Australia and New Zealand Banking Group Limited ABN 11 005 357 522

2024 ANZBGL Annual Report
anz.com/annualreport

2024 September Quarter APS 330 Pillar III Disclosure
anz.com/results

2024 United Kingdom Disclosure and Transparency Rules Submission (when released)
anz.com/results

Annual Report structure

The various elements of the Directors' Report, including the Operating and Financial Review, are covered on pages 1 to 47. Commentary on our performance overview contained on pages 34 to 47 references information reported in the Financial Report pages 93 to 220.

The Remuneration Report on pages 48 to 89 and the Financial Report on pages 93 to 220 have been audited by KPMG.

This report covers all of ANZ Group Holdings Limited's operations worldwide over which, unless otherwise stated, we had control during the financial year 1 October 2023 to 30 September 2024. Monetary amounts in this document are reported in Australian dollars, unless otherwise stated.

Additional information

We produce a suite of reports to meet the needs and requirements of a wide range of stakeholders including shareholders, customers, employees, regulators, non-government organisations and the community.

We continue to evolve our disclosures, taking into consideration stakeholder feedback, legislation, guidelines and frameworks.

Our 2024 Corporate Governance Statement discloses how we have complied with the ASX Corporate Governance Council's 'Corporate Governance Principles and Recommendations – 4th edition' and is available at **anz.com/corporategovernance**.

Our 2024 ESG Supplement provides stakeholders with detailed ESG disclosures, including performance against our ESG targets and our management of material ESG issues.

Our 2024 ESG Data and Frameworks Pack, supplements the above reports, including a summary of our progress on key ESG metrics, comparative performance data and how we have reported against international ESG standards and frameworks.

Our 2024 Climate-related Financial Disclosures describes progress towards implementing our Climate Change Commitment and how we have been supporting our customers to date. This lays the foundation for us to deliver on our five-year Climate and Environment Strategy approved in October 2024 to support an effective and orderly transition in coming years.

See pages 16-17 for more on our approach to ESG and climate change.

We are continually seeking to improve our reporting suite and welcome feedback on this report. Please address any questions, comments or suggestions to **investor.relations@anz.com**.

Disclaimer & important notices

The material in this report contains general background information about the Group's activities current as at 7th November 2024. It is information given in summary form and does not purport to be complete. It is not intended to be and should not be relied upon as advice to investors or potential investors, and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice, when deciding if an investment is appropriate.

Forward-looking statements

This report may contain forward-looking statements or opinions including statements regarding our intent, belief or current expectations with respect to the Group's business operations, market conditions, results of operations and financial condition, capital adequacy, sustainability objectives or targets, specific provisions and risk management practices. Those matters are subject to risks and uncertainties that could cause the actual results and financial position of the Group to differ materially from the information presented herein. When used in the report, the words 'forecast', 'estimate', 'goal', 'target', 'indicator', 'plan', 'pathway', 'ambition', 'modelling', 'project', 'intend', 'anticipate', 'believe', 'expect', 'may', 'probability', 'risk', 'will', 'seek', 'would', 'could', 'should' and similar expressions, as they relate to the Group and its management, are intended to identify forward-looking statements or opinions. There can be no assurance that actual outcomes will not differ materially from any forward-looking statements or opinions contained herein. Also see the Risk management section on pages 26-31 in relation to risks that may affect forward-looking statements, and the `Key Judgements and Estimates' identified in various places in the Annual Report.

Those statements are usually predictive in character; or may be affected by inaccurate assumptions or unknown risks and uncertainties or may differ materially from results ultimately achieved. As such, these statements should not be relied upon when making investment decisions. These statements only speak as at the date of publication and no representation is made as to their correctness on or after this date. No member of the Group undertakes any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events.

Climate-related information

This report also contains climate-related statements. Those statements should be read with the important notices in relation to the uncertainties, challenges and risks associated with climate-related information in our 2024 Climate-related Financial Disclosures available at **anz.com/annualreport**.

2024 performance snapshot

Financial performance highlights

$6,535m
Statutory profit[1], (↓ -8%)

$6,725m
Cash profit[2], (↓ -9%)

9.7%
Cash return on equity[2], (↓ -131bps)

224.3c
Cash earnings per share (Basic)[2], (↓ -23c)

166c
Total dividend per share for 2024, (↓ -5%)

$21.60
Net tangible assets per share[3], (↓ -0.8%)

12.2%
Common Equity Tier 1 Capital[4], (↓ -114bps)

Our stakeholders

500k
Shareholders

42.4k
Employees (FTE)[5]

27%
1 Year total shareholder return

84%
Staff engagement score[6]

38.8%
Women in leadership[7]

>10m
Customers

More than
$134m
In community investments

$807b
Gross loans and advances

~$38.9b
Funded and facilitated in social and environmental activities[8]

$715b
Customer deposits

More than
122k
participants in our financial education programs[9]

1. Statutory profit attributable to shareholders of the Company. **2.** On a cash profit basis. Excludes non-core items included in statutory profit and is provided to assist readers in understanding the result of the ongoing business activities of the Group. For further information on adjustments between statutory and cash profit refer to page 35. **3.** Equals total shareholders' equity less total non-controlling interests, goodwill and other intangible assets divided by the number of ordinary shares. **4.** APRA Level 2. **5.** Number of employees (Full Time Equivalent). **6.** Includes employees and contingent workers. **7.** Measures proportion of women out of the entire Senior Manager, Executive, Senior Executive and Group Executive Committee populations (roles within ANZ designated as Groups 3, 2 and 1 respectively). Includes all employees regardless of leave status but not contractors (which are included in FTE). **8.** Target to fund and facilitate at least $100 billion by end 2030 in social and environmental through customer transactions and direct investments by ANZ, commenced 1 April 2023. **9.** Includes individuals who have participated in more than one program (for example, people who have participated in MoneyMinded as part of Saver Plus are counted twice as they are included in both the MoneyMinded and Saver Plus totals).

Chairman's message

Paul O'Sullivan
Chairman

In a year of global uncertainty and challenging conditions for Australia there was significant downward pressure on industry profitability.

Despite these challenges, our full-year statutory profit of $6.5 billion was 8% less than last year's record financial performance and the second strongest revenue outcome on record. Along with financial risk being well managed, this year's cash profit was the next highest for ANZ since 2017. We also achieved a total shareholder return of 27% this financial year, resulting in a return of approximately 50% across the last two financial years.

Our performance was driven by a solid performance in our core banking businesses, reinforcing the benefits of our diversified portfolio. Furthermore, our strong capital position, along with the successful sale of our stake in AmBank, enabled us to reduce our share count by over 30 million through $883 million of our ongoing $2 billion share buyback.

The significance of the year was highlighted by our successful acquisition of Suncorp Bank. This acquisition reshapes our presence and scale in the fast-growing Queensland market, and along with the progress of our new banking platform in Australia, ANZ Plus, the bank is well positioned for the future.

As a result of our performance, your Board was pleased to declare a total dividend of 166 cents per share, which was down 5% on 2023, meaning more than $4.9 billion will be returned to you, our shareholders.

The final dividend was partially franked which reflects the shape of our portfolio and percentage of ANZ's profit generated outside of Australia.

While we are pleased with the returns provided to shareholders, we have also made a meaningful contribution throughout the year to customers and the community. We are proud of this work, which is covered in our Chief Executive's letter on the following pages.

Capital

The global economy passed through the most sustained cycle of rising interest rates in decades. While deep recessions have not been apparent, inflation challenges persist with many customers and businesses confronting higher costs.

Against this backdrop, ANZ is well prepared with sound levels of credit provision, capital, liquidity and funding. While the number of customers in hardship remains relatively low, our financial position allows us to stand ready to help customers in need.

In the first half of the year, the Board approved an on-market share buyback of up to $2 billion – one of our largest ever capital management exercises – reflecting our strong capital position.

We continued to protect and strengthen the balance sheet with your bank remaining among the best capitalised banks in the world. ANZ's Common Equity Tier 1 Ratio was 12.2%.

Non-financial Risk

While the bank has a track record of prudently managing financial risk, we are still building capability in the management of non-financial risk (NFR).

This has been emphasised by the Australian Prudential Regulation Authority (APRA) requiring ANZ to hold an additional operational risk capital overlay, due to concerns about our progress in this space, including issues within our Markets business.

We have made progress in the delivery of our NFR program, I.AM Amplified, however it is clear there is more to do and ongoing vigilance is required.

This will continue to be a significant focus in 2025. The actions we are taking on NFR are outlined in Box 1, while the Board's response on the specific matters arising within the Markets business is covered in Box 2.

As shareholders would expect, the Board has also taken these matters into account when assessing the performance of our Chief Executive Officer, Shayne Elliott, and the executive team this year.

While there has been no finding of any direct accountability for members of the Executive Committee, as CEO, Shayne is ultimately responsible for all aspects of the Bank's performance.

This is why the Board applied its discretion and assessed Shayne's performance to be below target and determined the appropriate 2024 Short Term Variable Remuneration (STVR) outcome was 65% of target opportunity (52% of maximum opportunity).

In addition, the Board considered it appropriate to hold the Executive Committee collectively accountable for the issues relating to NFR and this has been reflected in their final outcomes. More details of the Board's actions are outlined in the Remuneration Report.

Board Renewal

There has been ongoing renewal of our Board in recent times with a particular focus on appointing Non-Executive Directors with experience in financial services. This has been particularly beneficial as we have managed the NFR and Markets issues.

In February, Richard Gibb joined the Group Board, while John Cincotta was appointed a Non-Executive Director of the Banking Group.

Before joining ANZ's board, Richard was Chief Executive of Credit Suisse Australia and previously held senior global roles at Deutsche Bank and Merrill Lynch. John, who was one of the founders of Barrenjoey Capital Partners had a long career at Deutsche Bank Australia and New Zealand.

Then in March we welcomed the Chair of ANZ New Zealand, Scott St John, to the Group Board as a Non-Executive Director. Scott has served on our New Zealand Board since 2021. Scott currently chairs Mercury NZ Limited and was formerly the CEO of First NZ Capital (now Jarden) and Chair of Fisher and Paykel Healthcare.

This year Sir John Key retired from ANZ having served as both a Non-Executive Director for the Group and Chairman of ANZ New Zealand since 2018. Sir John made an enormous contribution with his unparalleled international business and political experience playing a critical role in our ongoing success. As a Board, we will miss his wise counsel and global insights and we wish him the very best for the future.

In closing, I would like to acknowledge the many thousands of ANZ employees who come to work every day to do their best for their customers and colleagues as we continue to build a bank that benefits all our stakeholders.

Paul O'Sullivan
Chairman

Box 1: Non-Financial Risk Management at ANZ

Following the Royal Commission, ANZ commenced a major program to strengthen NFR management across the Bank, including greater standardisation of risk tolerance, processes and reporting. In practice, NFR refers to the risks that we face from managing our operations, our processes and systems as well as how we conduct ourselves.

In 2022 the ANZ Board elevated its review of progress and accountability for the NFR program. At the time, steps included reinforcing the Executive Committee's accountability and upgrading the technology platform underpinning the new program. The Board also appointed an independent external expert to monitor and report on progress.

As of late 2023-24, the program was making good progress and meeting key milestones, while staff using the new systems were reporting an improved NFR capability.

However, events associated with the Markets business in the Institutional Division (see box 2) highlighted the need for an ongoing uplift in ANZ's NFR processes and drew a response from APRA including a risk capital overlay.

In addition to ensuring delivery of the existing NFR program, the Board is also requiring further focus from Management on strengthening risk culture and embedding the new NFR processes across the bank.

The Board considers the final delivery of the NFR program, combined with the additional focus on embedding NFR controls, will provide the required outcome. We will continue to report on our progress to shareholders and regulators.

Box 2: Institutional Division, Markets Issues

During the year, concerns were raised regarding an Australian Government bond issuance in 2023 where ANZ was the Duration Manager and a Joint Lead Manager. There were also conduct and data issues identified within our Markets business.

The Board has direct oversight of the issue and taken a number of actions, including:

- Assessing reports from independent experts in financial markets appointed to analyse trading activity.
- Engaging external legal advisors, independent of Management, to ensure rigorous and thorough outcomes from the expert reviews.
- Establishing a sub-committee of directors with relevant experience, chaired by me, to evaluate and test technical issues on ongoing basis.
- Commissioning Oliver Wyman, in consultation with APRA, to undertake a thorough independent review of culture and controls within the Markets business.

While some of these reviews remain ongoing, the Board has ensured accountability and consequences are enforced where relevant, particularly for the conduct and data matters. Consequences for the Executive Committee are detailed in the Remuneration Report and include:

- A reduction in the Risk Modifier which reduced the outcome of the Group Scorecard and impacted variable remuneration for all employees.
- Collective accountability for the entire Executive Committee regarding NFR matters, resulting in a reduction in 2024 STVR and a reduction in 2025 Long Term Variable Remuneration (LTVR) restricted rights to be granted in November/December 2024.
- An additional STVR impact for Executives with greater overall accountability for the Markets and NFR matters.

Given the Australian Securities and Investments Commission's (ASIC) review of these matters is ongoing, the Board has the discretion to freeze or reduce future vesting of equity to accountable Executives and is satisfied that the quantum of outstanding equity is sufficient.

CEO's message

Shayne Elliott
Chief Executive Officer

After a record performance in 2023, this year was another pivotal year for our company.

We completed the successful acquisition of Suncorp Bank, setting us up for future success. We also achieved strong results from our core banking business and saw emerging benefits from our investments in key customer platforms – ANZ Plus and Transactive Global.

Our results demonstrate the benefits of multiple years of simplification, strengthening of the balance sheet and targeted investment into market-leading platforms which better support our customers, while producing sustainable returns for our shareholders and positioning us well for the future.

As the Chairman has covered extensively, this year issues arose in our Markets business, which have been extremely disappointing as they are contrary to our requirements and the standards we have set for ourselves.

This has reinforced how critical it is to ensure we have an engaged and purpose-led culture across ANZ. While our employee engagement score remained industry leading in 2024, I acknowledge there is always more to be done to embed a strong speak-up culture with a deep understanding of non-financial risk.

As CEO of ANZ, this is a key priority.

The Bank We Bought – Suncorp Bank

On 1 August 2024, we welcomed approximately 3,000 Suncorp Bank employees, 1.2 million customers and $54.6 billion of deposits into the ANZ family.

The quality of the business is already exceeding our expectations.

In the two years since announcing the acquisition, Suncorp Bank's customer numbers, home lending and deposits have all grown.

As we learn more about the quality of Suncorp Bank's business, people and assets, we are increasingly confident that we are well placed to deliver more synergies than expected, faster than initially planned. We will share more detail of our aspirations at our first half results in 2025.

We have always positioned our acquisition of Suncorp Bank as a platform for growth in Queensland and that is why we were happy to make commitments to the Queensland Government with regards to lending and jobs.

We have already demonstrated momentum in meeting these commitments, with recent announcements including financing for Queensland's largest affordable housing project for seniors and people with disability.

We are establishing a new technology hub in Brisbane focused on digital, cloud and data capability, which will employ more than 700 people over the next five years.

Our focus now is to drive value from the acquisition, combining the best of ANZ and Suncorp Bank to create one bank that's better together for customers, colleagues, shareholders and the community.

The Bank we're Building

Throughout the year, we continued to deliver propositions to support our customers built on resilient, agile platforms which can innovate at pace. These platforms provide the underlying technology infrastructure that drives the business.

This was possible due to the investment of about $2.5 billion over the past five years to improve our technical capabilities and capacity to speed up delivery. This provides more seamless and secure banking experiences that deliver better customer outcomes and ultimately grow market share and profitability.

This includes ANZ Plus, which we believe is the most engaging, contemporary and easy to use retail banking platform in Australia. ANZ Plus customer numbers grew 85% through the year to nearly 850,000, and deposits grew 70% to almost $16 billion.

Nearly one in five of our active retail customers now call ANZ Plus home. We continue to acquire around 30,000 customers onto the ANZ Plus platform every month and pleasingly, 48% of customers who joined ANZ Plus in FY24 were new to ANZ.

In line with our strategy to improve the financial wellbeing of customers, almost half of all ANZ Plus customers are using a financial wellbeing feature such as round-ups, and more than a third have set and are actively working towards a savings goal.

Another great example of how the technology ANZ Plus is built on allows us to launch market-first features safely, quickly and at low cost, was the launch of MyAccounts. This was the first time a major Australian bank has leveraged open banking technology to give customers a consolidated view of their eligible accounts across different Australian financial institutions.

Other recent new ANZ Plus features include the introduction of joint accounts, home loan offsets and the ability to import billers and payees from our existing ANZ app.

We also integrated more partnerships into the ANZ Plus app: Qantas Frequent Flyer points, which was an Australian first, and Cashrewards, our 100%-owned, leading cashback provider in Australia. This comes at a time when many customers are looking to make their dollar go further.

These features enhance our customers' experience while also helping lay the foundations to make it easier and safer to migrate our existing customers to ANZ Plus, starting in 2025.

We have also invested significantly in the Institutional business, in particular our payments and cash management platform, Transactive Global, which supports institutional and commercial customers with advanced transaction banking services, including to help them manage and move money globally.

This positioned us to be at the forefront of innovation including PayTo real-time payments services, while also piloting real-time cross-border payments into Australia.

As a result, Coalition Greenwich ranked ANZ #1 in Transaction Banking product development and innovation in Australia this year, and we were named Best Bank for Payments globally by Global Finance Magazine.

Our Institutional Division now generates much of its income from low-risk processing businesses, and in 2024 achieved record revenue, record profit before provisions, and record return on equity.

Supporting our customers

Our platforms, ANZ Plus and Transactive Global, not only improve our customers' experience and reduce costs, they also help protect our customers from scams and fraud.

ANZ Plus has introduced a raft of scam safe features including screen share protection from scammers, location-based security, risky-app detection, crypto limits and the use of technology to help detect if customers are being coached from scammers.

In addition, we have increased personalised internet banking warning messages when activity is considered high risk and introduced a new Scam Scoring model which uses Artificial Intelligence to complement our security systems and boost scam detection.

Combined with increased education and resources – including a new team of dedicated fraud and scam specialists – these measures are having an impact. In 2024, our people and systems stopped more than $140 million being sent to criminals.

Helping customers who may be facing financial difficulty as early as possible is another key priority.

In Australia, while customers can reach out to us if they need help, we also proactively check in via SMS with hundreds of customers a month who are potentially facing financial hardship.

In line with the broader economic environment, the number of Australian home loan and small business customers in hardship has risen over the past year. However, this is off an historically low base and the overall data suggests that in aggregate, customers are holding up better than originally expected. That said, where customers are in difficulty we will work with them to find a solution tailored to their situation.

Supporting the community

Supporting our communities is core to our purpose, which is to shape a world where people and communities thrive.

Our financial education and matched savings program, Saver Plus, celebrated its 21st birthday this year, making it the largest and longest running program of its kind in the world. The program was developed alongside Brotherhood of St Laurence and is delivered in partnership with Berry Street and The Smith Family, with funding support from the Australian Government and ANZ.

In that time, more than 62,000 participants have built lifelong savings habits while saving more than $31 million. Over the same period, ANZ has provided more than $26 million in matched funds.

This program has been life changing for many, with the vast majority of those taking part still saving more than seven years after completion, while their total assets have increased.

Likewise, our flagship financial education program MoneyMinded, which supports adults on lower incomes to build their financial skills, knowledge and confidence, also continues to flourish. Over a million people have taken part since 2002 across Australia, Asia, the Pacific and New Zealand.

Our outlook and priorities

Looking ahead, we will remain focused on running the bank well. This will be driven by our purpose and focused on delivering good customer outcomes, as well as strengthening risk management and providing consistent financial returns to shareholders.

We will continue to simplify our business to focus on two key platforms, ANZ Plus and Transactive Global. This will help us better serve our customers, manage costs, improve productivity and unlock further benefits of simplification.

We will also leverage Generative AI to increase productivity and deliver better tools to support our people and customers, including through our new AI Immersion Centre launched in partnership with Microsoft earlier this year.

As I look ahead, I am confident our diversified portfolio, unique global network, and fortress balance sheet mean we are well positioned to continue to deliver for our shareholders, our people and our community.

Finally, I thank the team at ANZ for their commitment to supporting our customers, which has helped drive these positive results.

Shayne Elliott
Chief Executive Officer

Our operating environment

A range of influences characterise the current operating environment.

Economies have coped relatively well with the sharp increases in interest rates over 2022 and 2023. Economic activity has slowed, but recessions have been rare and shallow. Unemployment in Australia and New Zealand has only modestly increased.

The cumulative impact of rising prices and higher interest rates is sustaining cost of living pressures for consumers, but household balance sheets, in aggregate, are sturdy. Investment plans are generally robust, but resource availability is a challenge, not least because of similar wants across economies. Industrial policy has become more common, including in Australia, and is likely to reshape the structure of economic activity over time as governments address perceived supply chain vulnerabilities and prioritise domestic resilience.

China's economy is operating on a different cycle. Growth has moderated as the economy adjusts to an ageing demographic and the demand mix changes. Trade is still growing despite geopolitical complexities. High commodity prices are sustaining exports from Australia and New Zealand. Asian exports have had a particularly strong year, backed by renewed strength in technology trade.

The climate transition remains a subtext to many of these developments. Resource access challenges feature here as well, as many economies strive to invest in renewable energy, building retrofits and more climate-friendly transport.

Economic outlook

Growth has slowed, but many central banks have begun to reduce interest rates. Inflation has proven to be slightly stickier in Australia than elsewhere. Australia, therefore, is likely to follow with a modest easing cycle of its own, but not until 2025.

Easing cycles are likely to only partially reverse the sharp interest rate rises of recent years.

Private sector balance sheets, in general, are in solid shape, suggesting lower interest rates are likely to generate economic traction without needing to be too vigorous. The supply side of many economies remains challenged by influences including ageing workforces, housing constraints, and the influence of geopolitics and industry policy on supply chains. This is also encouraging more sustained government spending than has been the case in previous cycles.

Policy in China has been gradually responding to reduce the risks of a sharper slowdown. Excessively low inflation has been the primary macroeconomic challenge. Further easing is likely as China adjusts to softer structural drivers of demand. An ageing demographic suggests a shift in the mix of activity over time, including in the commodity sector. These shifts are likely to have some permanence.

Challenges	Examples of how we're responding	
Inflationary pressures and higher interest rates	• Assessing borrowers' resilience to rising interest rates • Focusing on cost management and delivering ongoing productivity benefits, including from technology simplification	• Dealing appropriately with customers experiencing financial hardship or in need of extra care • Adjusting our staff salaries appropriately
Public and regulatory scrutiny	• Being transparent about how we are addressing regulatory and political concerns • Working cooperatively with regulators, government and non-governmental organisations (NGOs)	• Continuing to evolve our ESG policies and processes, seek to implement them effectively and transparently disclose our progress
Competitive banking industry	• Operating a diverse business, continuing to invest and prioritise resources across Retail, Commercial and Institutional segments • Deploying new and improved digital services, products and processes to help meet customer needs for efficient and accessible banking	• Investing in underlying technology and systems to establish more flexible and responsive platforms (including ANZ Plus and Institutional Payments and Cash Management Platforms)
Cybersecurity threats	• Ongoing investment in cybersecurity, fraud and scams detection capabilities	• Increasing customer awareness and education as to the relevant risks
Geopolitical tension	• Contingency plans for our medium-to-higher risk jurisdictions with trigger events identified and monitored	• Continuing to review our international network and operations
Climate change and nature[1]	• Elevating climate to a Material Risk in November 2023 • Our Board approving our Group wide Climate and Environment Strategy in October 2024	• Supporting our customers' transition through banking and finance products and services, such as sustainability-linked loans and ESG-format bonds, that help drive the transition to a low carbon economy

1. Refer to our 2024 Climate-related disclosures report for more information and for glossary of terms available at **anz.com/esgreport**.

Our purpose and strategy

Our purpose is to shape a world where people and communities thrive. It explains 'why' we exist and drives everything we do at ANZ, including the choices we make each day about those we serve and how we operate.

Through our purpose we have elevated three areas facing significant societal challenges aligned with our strategy and our reach, which include commitments to:

- Improving the financial wellbeing of our people, customers and communities by helping them make the most of their money throughout their lives;
- Supporting household, business and financial practices that improve environmental sustainability; and
- Improving the availability of suitable and affordable housing options for all Australians and New Zealanders.

We bring our purpose to life through our strategy: to improve the financial wellbeing and sustainability of customers through excellent services, tools and insights that engage and retain them, and help positively change their behaviour.

In particular, we want to help customers:

Save for, buy and own a liveable home

Start or buy and sustainably grow their business

Move capital and goods around the region and sustainably grow their business

Our aspiration is to build a simpler, better, more purpose-driven bank, through:

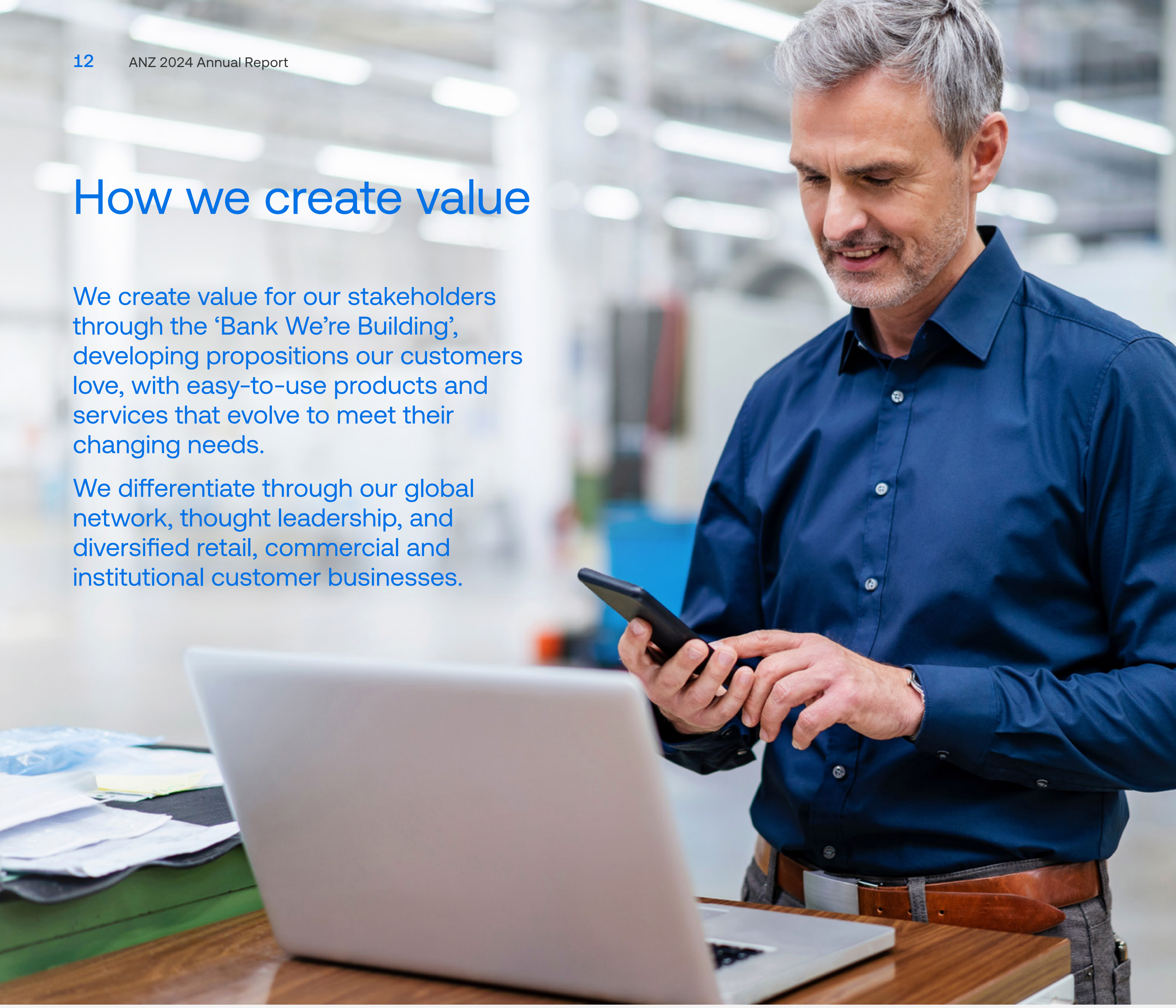
- purpose-led propositions and partnerships that improve financial wellbeing, access to housing and sustainability for our target segments
- automated business-services supported by modern, cloud-based technology that is more open, efficient, resilient and compliant
- an agile operating model that encourages innovation and makes it easier for our people to deliver value for our customers quickly
- disciplined allocation of resources, enhanced delivery capabilities, and an alignment of systems and incentives.

Our values

Our values shape how we deliver our purpose-led strategy. They are the foundation of 'how' we work – living our values every day enables us to deliver on our strategy and purpose, strengthen stakeholder relationships and earn the community's trust. All employees and contractors must comply with our Code of Conduct, which sets down the expected standards of professional behaviour and guides us in applying our values.

Our values are: I.C.A.R.E

Integrity	We are honest and fair by speaking openly and transparently, making thoughtful and balanced decisions, doing what's right and acting with courage.
Collaboration	We work together for the customer, by getting the right people together to get the job done and helping each other.
Accountability	We take ownership and get things done – we do what we say we will do – find the solutions by testing and learning and act with determination.
Respect	We care for all those we serve. We value difference and encourage everyone to have a voice, think and act with consideration for our customers, community and the environment.
Excellence	We challenge ourselves to be better. This is done by making things simple, finding ways to work differently, using data to improve and asking for as well as acting on feedback.



How we create value

We create value for our stakeholders through the 'Bank We're Building', developing propositions our customers love, with easy-to-use products and services that evolve to meet their changing needs.

We differentiate through our global network, thought leadership, and diversified retail, commercial and institutional customer businesses.

Our customer propositions are enabled through our people and our technology, data and risk management:

Purpose and values-led people who drive value by caring about our customers and the outcomes we create.

Flexible and resilient digital banking platforms powering our customers and made available for others to power the industry.

Risk management framework and culture, establishing, overseeing and influencing how risk is considered in decision making.

Supported by our balance sheet strength, our partnerships and reputation:

Partnerships that unlock new value with ecosystems that help customers further improve their financial wellbeing and sustainability.

Strong balance sheet positions with access to capital, funding and liquidity to protect and grow our business.

Reputation underpinned by trusted relationships with customers we choose to bank, our business partners and the community to strengthen our brand and reputation.

Strategy & business model

Aiming to create value for our stakeholders

Transformation outcomes

- **More targeted**
  We support more of our chosen customers to achieve their goals, by using data to understand their needs.
- **More engaged**
  We improve our customers' financial wellbeing and sustainability by connecting with them and providing valued solutions that meet their needs.
- **More efficient**
  We serve our customers more efficiently to save them money and time by simplifying and automating our processes.
- **Better protected**
  We reduce the risk of doing business for our customers and for the bank, with systems that are less complex, less prone to error and more secure.
- **More dynamic**
  We respond more rapidly to the evolving environment, with adaptable people, systems and processes.

Our customers
will have relatively better financial wellbeing.

Our employees
will be more engaged and with better tools to support customers.

Our shareholders
will be rewarded with stronger long-term financial results (in terms of sustainable economic profits).

Our community
will benefit from our financial contribution (including taxes), practices and services, contributing to positive economic development.

About our business

We operate across a diverse business structure

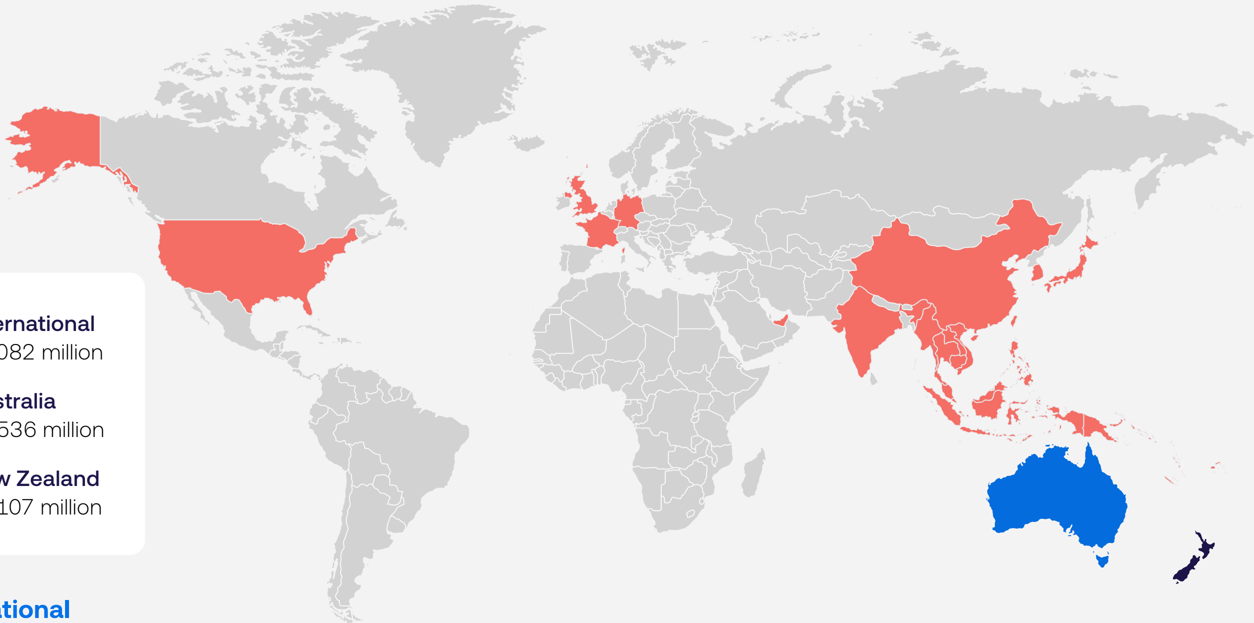
Australia Retail	Provides a full range of banking services to Australian consumers. This includes Home Loans, Deposits, Credit Cards and Personal Loans. Products and services are provided via the branch network, home loan specialists, contact centres, a variety of self-service channels (digital and internet banking, website, ATMs and phone banking) and third-party brokers.
Australia Commercial	Provides a full range of banking products and financial services, including asset financing, across the following customer segments: SME Banking (small business owners and medium commercial customers), and Diversified & Specialist Businesses (large commercial customers, and high net worth individuals and family groups).
Institutional	The Institutional division services global institutional and corporate customers, and governments across Australia, New Zealand and International (including Papua New Guinea (PNG)) via the following business units: • **Transaction Banking** provides customers with working capital and liquidity solutions including documentary trade, supply chain financing, commodity financing as well as cash management solutions, deposits, payments and clearing. • **Corporate Finance** provides customers with loan products, loan syndication, specialised loan structuring and execution, project and export finance, debt structuring and acquisition finance, and sustainable finance solutions. • **Markets** provides customers with risk management services in foreign exchange, interest rates, credit, commodities, and debt capital markets in addition to managing the Group's interest rate exposure and liquidity position.
New Zealand	The New Zealand division comprises the following business units: • **Personal** provides a full range of banking and wealth management services to consumer and private banking customers. We deliver our services via our internet and app-based digital solutions and a network of branches, mortgage specialists, private bankers and contact centres. • **Business & Agri** provides a full range of banking services through our digital, branch and contact centre channels, and traditional relationship banking and sophisticated financial solutions through dedicated managers. These cover privately owned small, medium and large enterprises, the agricultural business segment, government and government-related entities.
Suncorp	On 31 July 2024, the Group acquired 100% of the shares in SBGH Limited, the immediate holding company of Suncorp Bank. The transaction was undertaken to accelerate the growth of the Group's retail and commercial businesses while also improving the geographic balance of its business in Australia. The 2024 reported results include two months' results for Suncorp Bank from the date of acquisition, presented as Suncorp Bank division. The Suncorp Bank division provides banking and related services to retail, commercial, small and medium enterprises and agribusiness customers in Australia.
Pacific	The Pacific division provides products and services to retail and commercial customers (including multi-nationals) and to governments located in the Pacific region, excluding PNG which forms part of the Institutional division.
Group Centre	Provides support to the operating divisions, including technology, property, risk management, financial management, treasury, strategy, marketing, human resources, corporate affairs, and shareholder functions. It also includes minority investments in Asia and interests in the ANZ Non-Bank Group.

50 years in Singapore

Singapore is Australia's largest two-way trading partner and investor in Southeast Asia. It is Australia's fifth largest trading partner ($52.9 billion in recent years) and fifth largest source of foreign direct investment ($148.6 billion in 2022). As we mark 50 years in Singapore, it will not only underline the country's importance to our strategy – but also as a crucial investment and trading partner for the whole country.

Read the full story at **bluenotes.anz.com/posts/2024/may/anz-news-shayne-elliott-singapore-champion**

Our international presence and profit composition by geography[1]



International
$1,082 million

Australia
$3,536 million

New Zealand
$2,107 million

International

Asia		Pacific		Europe	Middle East
China	The Philippines	Cook Islands	Solomon Islands	France	United Arab Emirates (Dubai)
Hong Kong	Singapore	Fiji	Timor–Leste	Germany	
India	South Korea	Kiribati	Tonga	United Kingdom	
Indonesia	Taiwan	Papua New Guinea	Vanuatu		**United States of America**
Japan	Thailand	Samoa			
Laos	Vietnam				
Malaysia					

1. On a cash profit basis. Excludes non-core items included in statutory profit. It is provided to assist readers in understanding the result of the ongoing business activities of the Group. For further information on adjustments between statutory and cash profit refer to page 35.

Our approach to ESG

Each year we conduct a materiality assessment where we engage with internal and external stakeholders to identify and assess our most material ESG issues. The results help inform our business practices – including Group Performance Framework – ESG targets and the coverage given to key topics in our external reporting.

What matters most to our stakeholders

We're continuing to bring our purpose to life through our focus on complex issues that are important to society and our business strategy.

Environmental sustainability remains one of the highest priority issues identified by our stakeholders, in terms of both risks and opportunities.

Financial wellbeing continues to be a key issue in light of current economic conditions.

Housing was also identified by many of our stakeholders as of particular importance, noting the challenges associated with the cost of living and housing affordability and availability in Australia and New Zealand.

Our materiality assessment this year also highlighted the ongoing importance of three other issues:

Ethics, conduct and culture was again raised in stakeholder discussions this year. It includes meeting expected standards of behaviour.

Information security, encompassing cyber security and financial crime, remains a top order issue, including due to continuing customer losses to scams.

Responsible customer engagement covering the need for ANZ, in particular in challenging economic conditions, to provide fair, accessible and affordable products, as well as customer support, including for those in financial hardship.

Detailed information on our approach to ESG governance and risk management, our approach to the identification and prioritisation of our material ESG issues, and performance against our ESG targets, can be found in our 2024 ESG Supplement. Our 2024 ESG Data and Frameworks Pack also provides a summary of our progress on key ESG metrics, comparative performance data and how we have reported against international ESG standards and frameworks during the year.

Our ESG reporting suite, which includes our 2024 Climate-related Financial Disclosures, is available at **anz.com/esgreport**

Our approach to climate change

Our five-year Climate and Environment Strategy was approved by the Board in October 2024. It sets out our objective to be a trusted partner for our customers, supporting them to adapt and become more resilient, to a changing environment and economy. In particular, we aim to be a leading bank in supporting an effective and orderly transition for our large business customers.

To achieve our Climate and Environment Strategy we have established three core ambitions:

- Building our capability to help customers understand climate and nature risks;
- Transitioning our lending portfolio to net zero financed emissions; and
- Supporting our customers' transition and resilience.

These ambitions will be supported by each division having specific focus areas, and prioritised divisional action plans that we plan to implement commencing 2025. In this year's Climate-related Financial Disclosures we set out how we have been supporting our customers to date. This lays the foundation for us to deliver on our objective and support an effective and orderly transition in coming years.

Our Climate Change Commitment supports our ambition and will be available at **anz.com.au/climate-change** prior to our AGM.

Our 2024 Climate-related Financial Disclosures, prepared in accordance with the Task Force on Climate-related Financial Disclosures recommendations 2021 (TCFD), is available at **anz.com/annualreport**.

The report also contains important notices about the uncertainties, challenges and risks with climate-related statements that may affect their usefulness, accuracy and completeness. Those notices should be taken into account when considering the climate-related information in this report.

Climate and Environment Strategy

Purpose	Supporting household, business and financial practices that improve environmental sustainability			
Objective	To be a trusted partner for our customers, supporting them to adapt and become more resilient, to a changing environment and economy. In particular, we aim to be a leading bank in supporting an effective and orderly transition for our large business customers			
Vision	Financing a sustainable transition			
Ambition	Building our capability to help customers understand climate and nature risks	Transitioning our lending portfolio to net zero financed emissions	Supporting our customers' transition and resilience	
Divisional focus areas	**Institutional** Being a leading bank in supporting customers to transition, and growing our low-emissions and nature related opportunities	**Commercial** Delivering insights and propositions to support customers to understand and navigate the transition	**Retail** Delivering targeted education and propositions to support customers to adapt to climate impacts	**New Zealand** Supporting Aotearoa New Zealand's transition to a low-emissions, climate resilient economy
Action pillars	Understanding risks and opportunities	Building capability and capacity	Driving customer engagement and propositions	Collaborating with stakeholders to support an economy wide transition
Core enablers	Governance and Reporting	Data and Systems	People and Culture	

Governance

Our strong governance framework provides a solid structure for effective and responsible decision-making within the organisation.

Information on the Group's Board, Board Committees, 2024 Board areas of focus and governance framework is contained in the 2024 Corporate Governance Statement, available at **anz.com/corporategovernance**

Directors' meetings

The number of Board and Board Committee meetings held during the year and each Director's attendance at those meetings are set out below:

	Board		Risk Committee		Audit Committee		People & Culture Committee		Ethics, Environment, Social and Governance Committee		Digital Business and Technology Committee		Special Committee of the Board		Committee of the Board[1]		Nomination and Board Operations		Shares Committee[1]	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B
Paul O'Sullivan	13	13	8	8	7	7	6	6	5	5	5	5			1	1	2	2	3	3
Ilana Atlas, AO[2]	5	5			2	2	2	2	1	1									2	2
Shayne Elliott	13	13													1	1			1	1
Richard Gibb[3]	7	7	6	6	5	5					3	3			1	1	2	1		
Jane Halton, AO PSM	13	13					6	6	5	5	5	5					2	2		
RT Hon Sir John Key, GNZM AC[4]	7	7	3	2					2	2	2	2								
Holly Kramer	13	13	6	5			4	4	4	4							2	2		
John Macfarlane[2]	5	5	2	2	2	2					1	1								
Christine O'Reilly	13	13	8	8	7	7	6	6									2	2		
Jeff Smith	13	13	8	8			6	6			5	5					2	2		
Scott St John[5]	6	6	4	4	2	2			2	2							2	2		

Column A Indicates the number of meetings the Director was eligible to attend as a member. **Column B** Indicates the number of meetings attended. With respect to Committee meetings, the table above records attendance of Committee members. **1.** The meetings of the Committee of the Board and Shares Committee as referred to in the table above include those conducted by written resolution. **2.** Ilana Atlas, AO and John Macfarlane ceased as Non-Executive Directors on 21 December 2023. **3.** Richard Gibb commenced as a Non-Executive Director on 15 February 2024. **4.** RT Hon Sir John Key, GNZM AC ceased as a Non-Executive Director on 14 March 2024. **5.** Scott St John commenced as a Non-Executive Director on 25 March 2024.

Directors' qualifications, experience and special responsibilities

As at the date of this report, the Board comprises seven Non-Executive Directors and one Executive Director, the Chief Executive Officer. The names of the current Directors, together with details of their qualifications, experience and special responsibilities are set out below.

Richard Gibb joined the Board on 15 February 2024 as a Non-Executive Director and Scott St John joined the Board on 25 March 2024 – Richard and Scott will stand for election as a Director at the Group's AGM on 19 December 2024. Ilana Atlas, AO and John Macfarlane each ceased as a Director on 21 December 2023, both having served on the Board since 2014. RT Hon Sir John Key, GNZM AC ceased as a Director on 14 March 2024 having served on the Board since 2018. Each Director is also a member of the Board of ANZBGL.

Each current Director became a Director on 20 December 2022 (with the exception of Holly Kramer, Richard Gibb and Scott St John who joined the Board after this date). Given ANZBGL was the listed head entity of the Group until January 2023, information is included below on the date each Director became a member of the Board of the listed head entity of the Group.

Audit Committee

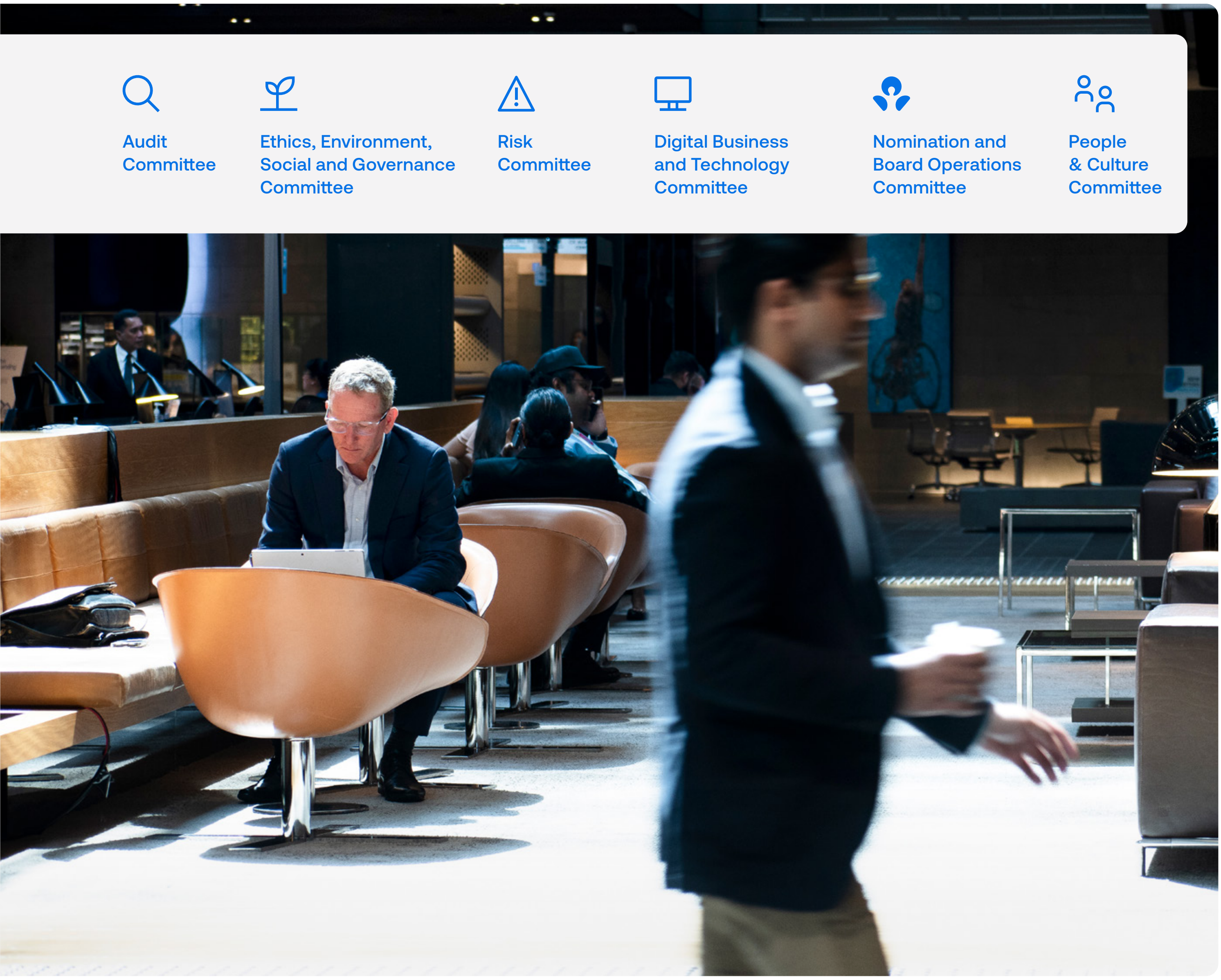
Ethics, Environment, Social and Governance Committee

Risk Committee

Digital Business and Technology Committee

Nomination and Board Operations Committee

People & Culture Committee



Paul O'Sullivan
Chairman, Independent Non-Executive Director

Age 64 years
Residence Sydney, Australia

Chair **Member**

Qualifications

BA (Mod) Economics, Advanced Management Program of Harvard

Responsibilities

Chairman since October 2020 and a Non-Executive Director since November 2019.

Paul is an ex-officio member of all Board Committees and Chair of the Nomination and Board Operations Committee.

Career

Paul has experience in the telecommunications and oil and gas sectors, both in Australia and overseas. He has held senior executive roles with Singapore Telecommunications (Singtel) and was previously the CEO of Optus. He has also held management roles with the Colonial Group and the Royal Dutch Shell Group in Canada, the Middle East, Australia and United Kingdom.

Relevant other directorships

Chairman: Singtel Optus Pty Limited (from 2014, Director from 2004) and Western Sydney Airport Corporation (from 2017).

Deputy Chairman: St Vincent's Health Australia (from 2024, Director from 2019).

Relevant former directorships held in last three years include

Former Director: Coca-Cola Amatil (2017–2021) and Indara Digital Infrastructure (formerly Australian Tower Network Pty Ltd) (2021–2023).

Shayne Elliott
Chief Executive Officer and Executive Director

Age 60 years
Residence Melbourne, Australia

Qualifications

BCom

Responsibilities

Chief Executive Officer and Executive Director since 1 January 2016.

Career

Shayne has over 30 years' experience in banking in Australia and overseas, in all aspects of the industry. Shayne joined the Group as CEO Institutional in June 2009, and was appointed Chief Financial Officer in 2012.

Prior to joining the Group, Shayne held senior executive roles at EFG Hermes, the largest investment bank in the Middle East, which included Chief Operating Officer.

He started his career with Citibank New Zealand and worked with Citibank/ Citigroup for 20 years, holding various senior positions across the UK, USA, Egypt, Australia and Hong Kong.

Shayne is a Director of the Financial Markets Foundation for Children and a member of the Australian Banking Association, the Business Council of Australia and the Australian Customs Advisory Board.

Relevant other directorships

Director: ANZ Bank New Zealand Limited (from 2009), Norfina Limited (Suncorp Bank) (from 2024), the Financial Markets Foundation for Children (from 2016) and the Sydney Marae Alliance (from 2023).

Member: Business Council of Australia (from 2016), the Australian Banking Association (from 2016, Chairman 2017–2019) and the Australian Customs Advisory Board (from 2020).

Richard Gibb
Independent Non-Executive Director

Age 57 years
Residence Sydney, Australia

Chair | **Member**

Qualifications

Mcom, BEc

Responsibilities

Non-Executive Director since February 2024. Richard is Chair of the Risk Committee and a member of the Audit Committee, Digital Business and Technology Committee and Nomination and Board Operations Committee.

Career

Richard has had a long and distinguished career in the financial services industry working for several major global banks.

Richard's most recent role was Chief Executive of Credit Suisse Australia from 2019 to 2024. Prior to that he held business leadership roles at Deutsche Bank in New York, London and Hong Kong.

Previously he worked at Merrill Lynch for over a decade advising financial institution and financial sponsor clients.

Relevant other directorships

N/A

Relevant former directorships held in last three years include

Former Director: Credit Suisse (Australia) Limited (2019–2024).

Jane Halton, AO PSM
Independent Non-Executive Director

Age 64 years
Residence Canberra, Australia

Chair | **Member**

Qualifications

BA (Hons) Psychology, FIPAA, Hon. FAAHMS, Hon. FACHSE, Hon. DLitt, FAIM, FAICD, FAIIA

Responsibilities

Non-Executive Director since October 2016. Jane is Chair of the Ethics, Environment, Social and Governance Committee and is a member of the People & Culture Committee, Digital Business and Technology Committee and Nomination and Board Operations Committee.

Career

Jane's 33-year career in the public service includes the positions of Secretary of the Australian Department of Finance, Secretary of the Australian Department of Health, Secretary for the Department of Health and Ageing, and Executive Co-ordinator (Deputy Secretary) of the Department of the Prime Minister and Cabinet. She brings to the Board extensive experience in finance, insurance, risk management, information technology, human resources, health and ageing and public policy. She also has significant international experience.

Jane has contributed extensively to community health through local and international organisations including the World Health Organisation and as co-chair of the COVAX coordination mechanism.

Relevant other directorships

Chairman: Norfina Limited (Suncorp Bank) (from 2024), Executive Board of the Institute of Health Metrics and Evaluation at the University of Washington (from 2024, Member from 2007) and Coalition for Epidemic Preparedness Innovations (Norway) (from 2018, Member from 2016).

Director: Clayton Utz (from 2017).

Honorary Professor: Australian National University Research School of Psychology.

Adjunct Professor: University of Sydney and University of Canberra.

Relevant former directorships held in last three years include

Former Chairman: Vault Systems (2017–2022) and Council on the Ageing Australia (2017–2024).

Former Director: Crown Resorts Limited (2018–2022) and Naval Group Australia Pty Ltd (2021–2022).

Former Member: National COVID-19 Commission Advisory Board (2020–2021).

Former Council Member: Australian Strategic Policy Institute (2016–2023).

Holly Kramer
Independent Non-Executive Director

Age 60 years
Residence Sydney, Australia

Chair **Member**

Qualifications

BA (Hons), MBA

Responsibilities

Non-Executive Director since August 2023. Holly is Chair of the People & Culture Committee and a member of the Ethics, Environment, Social and Governance Committee, Risk Committee and Nomination and Board Operations Committee.

Career

Holly has extensive experience as a board director, having served on a wide range of major listed and unlisted boards in Australia and New Zealand and having chaired remuneration, sustainability and audit and risk committees. In her executive career, Holly was Chief Executive Officer of retailer Best & Less and served in a range of senior customer facing roles at Telstra, Ford and Pacific Brands.

Holly brings a strong focus on people, customers and culture, as well as extensive experience in retail and digital channels.

Relevant other directorships

Chairman: Susan McKinnon Foundation Advisory Board (from 2024).

President: Federal Remuneration Tribunal (from 2024).

Director: Woolworths Group Limited (from 2016) and Fonterra Co-operative Group Limited (from 2020).

Member: Board Advisory Group, Bain & Company (from 2021).

Senior Advisor: Pollination (from 2023).

Relevant former directorships held in last three years include

Former Chairman: Lendi Group (2020–2021).

Former Director: Abacus Group Holdings (2018–2022) and Endeavour Group Limited (2021–2023).

Former Pro Chancellor: Western Sydney University (2018–2024).

Christine O'Reilly
Independent Non-Executive Director

Age 63 years
Residence Melbourne, Australia

Chair **Member**

Qualifications

BBus

Responsibilities

Non-Executive Director since November 2021. Christine is Chair of the Audit Committee and a member of the Risk Committee, People & Culture Committee and Nomination and Board Operations Committee.

Career

Christine is a highly experienced non-executive director, having served on the board of a number of Australia's leading companies. She has also held executive roles in the infrastructure and financial services industries. This includes as CEO of GasNet Australia and Co-Head of Unlisted Infrastructure Investments at Colonial First State Global Asset Management and follows an early career including investment banking and audit experience at Price Waterhouse.

Relevant other directorships

Chairman: Australia Pacific Airports Corporation (from 2024).

Director: Norfina Limited (Suncorp Bank) (from 2024), BHP Group Limited (from 2020) and Infrastructure Victoria (from 2023).

Relevant former directorships held in last three years include

Former Director: Medibank Private Limited (2014–2021), The Baker Heart & Diabetes Institute (2013–2023) and Stockland (2018–2024).

Jeff Smith
Independent Non-Executive Director

Age 62 years
Residence USA

Chair **Member**

Qualifications

BAppSc, MBA

Responsibilities

Non-Executive Director since August 2022. Jeff is Chair of the Digital Business and Technology Committee and a member of the Risk Committee, People & Culture Committee and Nomination and Board Operations Committee.

Career

Jeff is an experienced global business and technology executive, with over 30 years corporate experience which includes senior executive roles in a number of companies including Telstra, Honeywell and Toyota.

Jeff was previously Chief Information Officer at IBM Corporation where he was globally responsible for IT strategy, resources, systems and infrastructure and also led the company's Agile transformation.

Jeff was also CEO of Suncorp Business Services and Suncorp Chief Information Officer, and Chief Operating Officer of World Fuel Services Corporation.

Jeff also served on the Australian Fulbright Commission awarding Australian post-graduate scholarships to US universities.

He was previously a member of ANZ's International Technology and Digital Business Advisory Panel until 2019.

Relevant other directorships

Director: ANZ Group Services Pty Ltd (from 2022), Sonrai Security Inc (from 2021) and Pexa Australia Limited (from 2023).

Advisor: Zoom Video Communications, Inc (from 2018), Box, Inc. (from 2018) and World Fuel Services (from 2023).

Scott St John
Independent Non-Executive Director

Age 60 years
Residence New Zealand

Member

Qualifications

BCom

Responsibilities

Non-Executive Director since March 2024. Scott is a member of the Audit Committee, Risk Committee, Ethics, Environment, Social and Governance Committee and Nomination and Board Operations Committee.

Career

Scott has deep business experience, particularly in financial markets.

Scott is a former long-term CEO of First NZ Capital (now Jarden), and is the Chair of Mercury NZ Limited and serves on the Board of the NEXT Foundation. He was Chancellor of the University of Auckland from 2017 to June 2021, having also been a member of the University Council from 2009. Scott was also a member of the Capital Markets Development Taskforce, the Financial Markets Authority Establishment Board and the Security Industry Association, which he chaired.

Relevant other directorships

Chairman: ANZ Bank New Zealand Limited (from 2024, Director from 2021) and Mercury NZ Limited (from 2024, Director from 2017).

Director: the NEXT Foundation (from 2017).

Relevant former directorships held in last three years include

Former Chairman: Fisher & Paykel Healthcare Corporation Limited (2020–2024, Director from 2015).

Former Director: Fonterra Co-operative Group Limited (2016–2024).

Company Secretaries qualifications and experience

Currently there are two people appointed as Company Secretaries of the Company. Details of their roles are contained in the Corporate Governance Statement. Their qualifications and experience are as follows.

Ken Adams

Position
Group General Counsel

Qualifications
BA, LLB, LLM

Ken joined the Group as Group General Counsel in August 2019, having assisted the Group with major legal issues for over 10 years. Previously, Ken was a Partner of Freehills and later Herbert Smith Freehills for 21 years, and for six years was a member of the Herbert Smith Freehills Global Board. Ken is one of Australia's leading commercial lawyers with significant experience in class actions and other complex legal issues. He holds a Master of Laws from the University of Melbourne and is a co-author of *Class Actions in Australia*.

Simon Pordage

Position
Company Secretary

Qualifications
LLB (Hons), FGIA, FCG (CS, CGP)

Simon joined the Group in May 2016. He is a Chartered Secretary and Chartered Governance Practitioner and has extensive company secretarial and corporate governance experience. From 2009 to 2016 he was Company Secretary for Australian Foundation Investment Company Limited and a number of other listed investment companies. Other former roles include being Deputy Company Secretary for the Group and Head of Board Support for Barclays PLC in the United Kingdom.

He is a formal brand ambassador for, and is a former National President and Chairman of, Governance Institute of Australia. He is also a member of the Chartered Governance Institute's Global Thought Leadership Committee. Simon is committed to the promotion and practice of good corporate governance, and regularly presents on governance issues.

Executive Committee

Shayne Elliott
Chief Executive Officer (appointed CEO on 1 January 2016)

Joined the Executive Committee on 1 June 2009

Maile Carnegie
Group Executive Australia Retail

Joined the Executive Committee on 27 June 2016

Elisa Clements
Group Executive Talent & Culture

Joined the Executive Committee on 9 October 2023

Kevin Corbally
Group Chief Risk Officer

Joined the Executive Committee on 19 March 2018

Farhan Faruqui
Chief Financial Officer (appointed CFO on 11 October 2021)

Joined the Executive Committee on 1 February 2016

Gerard Florian
Group Executive Technology & Group Services

Joined the Executive Committee on 30 January 2017

Clare Morgan
Group Executive Australia Commercial

Joined the Executive Committee on 6 March 2023

Antony Strong
Group Executive Strategy & Transformation

Joined the Executive Committee on 1 November 2022

Antonia Watson
Group Executive and CEO New Zealand

Joined the Executive Committee on 17 June 2019

Mark Whelan
Group Executive Institutional

Joined the Executive Committee on 20 October 2014

Full biography details can be found on our website at **anz.com/exco**

Risk management

Constant changes and uncertainties in the macroeconomic environment, climate change and evolving geopolitical tensions continue to pose challenges to our operating conditions. We understand that our customers are similarly affected by these as well as additional challenges such as experiencing increasing fraud and scams activities. We continue to strengthen our risk management framework and practices to meet such challenges.

External environment

The Group's financial performance is closely linked to the political, economic and financial conditions in the countries and regions in which ANZ, its customers and its counterparties carry on business. The current external environment is shaped by significant global events particularly geopolitical conditions and climate change that impact economic stability, regulatory environments and financial markets.

- **Geopolitical risk:** Elections, conflicts, and increasing US – China competition have dominated the geopolitical environment this year. Conflict in the Middle East and Europe continue to impact regional security and supply chains and have increased market volatility. Meanwhile, economic security policymaking has accelerated as large economies vie for influence, resources, and industrial expansion. These dynamics are reshaping trade and investment flows, yet the swift adaptation of these flows underscores the resilience of the international system. ANZ established a Geopolitical Risk function in 2021, which provides quarterly updates to key risk committees, works with country teams to monitor and manage regional risks, and this year expanded to provide more analysis and advice to management on fast-moving developments.
- **Climate risk:** In November 2023, the Board Risk Committee approved climate risk as a material risk within ANZ's risk management framework. Climate risk is also considered to be a driver of other risks within our risk management framework. Work is progressing to integrate and embed climate risk into the Group's risk management framework through existing policies, processes and governance frameworks. It is anticipated that this will be a multi-year journey, recognising the complexities and challenges that arise from an evolving regulatory landscape, limitations on the availability of and access to reliable and consistent data, and the need to uplift systems, tools, and capability across the Group. For details on our approach to managing climate risk and actions we are taking as part of our Net-Zero Banking Alliance commitment, refer to our 2024 Climate-related Financial Disclosures available at **anz.com/annualreport**. Our Climate Change Commitment is available at **anz.com/esgreport.**
- **Technology Disruption and Change:** ANZ serves a diverse customer base, including retail, small business, corporates, multinational institutions, and other financial institutions. We tailor our digital channels and products to meet their varying needs. Our payments services process payments in 29 markets and annually we serve more than 10 million customers, facilitating over seven billion payments and capital flows. The pace of change continues to accelerate driven by the dynamic regulatory landscape, increased technology disruption from both traditional and non-traditional competitors and industry-driven changes (such as decommission in legacy clearing streams (BECS & Cheques); Confirmation of Payee, faster payment adoption through Asia–Pacific, ISO20022). This level of change and disruption necessitates ongoing vigilance regarding our enhanced operational resilience, innovation and compliance capabilities. We are continually adapting our processes and systems to meet these evolving requirements, ensuring that we remain agile and responsive to the evolving regulatory, competitive, customer and technological demands.

In addition, economic instability including elevated interest rates, inflationary pressures and higher cost of living continue to increase financial stress for some customers. While households and businesses have been largely resilient to date, the Board and management continually monitor these developing conditions to set appropriate risk criteria for a range of potential scenarios. We will continue to carefully manage our capital and risk appetite settings so we can continue to support our customers.

Suncorp Bank integration

On 1st August 2024, we welcomed ~3000 Suncorp Bank employees and 1.2 million customers into the ANZ Group. We believe this acquisition will bring significant public benefits and create a stronger, more competitive bank that will better serve our customers. Suncorp Bank has a comprehensive risk management framework and policies that operate effectively. Through the establishment of the Suncorp Bank Board, and in line with commitments made, Suncorp Bank has its own dedicated Management and Board Risk Committees. Work is in progress to ensure a smooth transition of risk management frameworks and policies, and effective integration into the ANZ risk management operating model.

Non-financial risk

During the year APRA required ANZ to hold an additional operational risk capital overlay of $250 million (total $750 million) from 30th September 2024. This increase was a result of APRA viewing ANZ as having made insufficient progress in addressing weaknesses in non-financial risk management. These concerns were heightened following a number of recent issues relating to our Markets business. While there has been a lot of work already completed in uplifting our approach to non-financial risk management, there is still more to do, and ANZ remains committed to getting that work done as soon as possible. This includes the adoption of a consistent, simplified, bank-wide methodology and framework, from a technology, reporting, and culture perspective.

Financial crime

We maintain a financial crime risk management program that anticipates and navigates criminal threats. The Financial Crime portfolio continues to be responsible for ensuring that ANZ meets its regulatory obligations through its Anti-Fraud Policy, Anti-Money Laundering/Counter Terrorism Finance and Sanction Programs for delivering detection, investigative and intelligence capability focused on identifying, mitigating, and managing financial crime risk to help protect the community. We also maintain our partnership with the Australian Transaction Report and Analysis Centre (AUSTRAC)-led Fintel Alliance to increase the resilience of the financial sector to prevent exploitation by criminals, and support investigations into serious crime and national security.

Scams

ANZ continues to invest significantly as part of its fight to help protect customers and the community from scams and other financial crimes. In 2024, ANZ has prevented more than $140 million of customer funds going to cybercriminals and total ANZ customer scam losses decreased compared to the previous year. This is partly due to increased friction we have put in place to slow down the payment process for high-risk payments. We also rely on our enhanced Falcon technology to detect more suspicious transactions.

Our latest measures for ANZ Classic customers include the introduction of a dedicated team of specialists who handle calls about fraud and scams, a new Scam Scoring model that uses AI to boost our scam detection, and a Mule Detection model to detect mule accounts and restrict the movement of scam proceeds. We also increased personalised warning messages on Internet Banking when a transaction or activity is considered high risk. For ANZ Plus customers, we introduced a suite of scam safe features including screen share protection from scammers, location-based security, risky-app detection, crypto limits and active call status to detect coaching from scammers.

We delivered various education initiatives to improve scam confidence and service capability for our bankers and customers. This included for example, new and enhanced content on ANZ's security hub on anz.com, messages and alerts in ANZ's digital channels, and the creation of new mandated security content for frontline employees to support customer engagement on security.

We also added a new scams education module to ANZ's flagship financial education program, MoneyMinded, which equips community professionals with resources to support their clients identify and protect themselves from scams.

Emerging risks

ANZ manages and monitors risks in accordance with our Risk Management Framework (RMF). In addition to our material risks – see below – two emerging risks that we are paying particular attention to are:

Nature: We consider that our most material nature risks can arise from lending to customers that have material impacts and/or dependencies on nature. These risks can also arise from legal and regulatory changes, which may impact ANZ directly or indirectly through our customers. Failure to manage these risks may lead to financial and non-financial risks to ANZ.

We acknowledge the need to protect and restore nature and mitigate biodiversity loss including as a result of species extinction or decline, ecosystem degradation and nature loss. We are seeking to understand the impacts and dependencies nature can have on our customers, including how customers are managing and mitigating material risks and impacts.

For details on our approach to managing nature risk refer to our 2024 Climate–related Financial Disclosures available at **anz.com/annualreport**. Our Climate Change Commitment is available at **anz.com/esgreport**.

Artificial Intelligence (AI): At ANZ, we recognise the opportunity of using AI to help shape a better world where communities thrive. AI has the potential to drive significant innovation and efficiency in our operations, leading to enhanced customer experiences and business growth. With this opportunity comes the need to act responsibly to mitigate the potential risks associated with use of AI. ANZ is adapting our governance and risk management frameworks to ensure that AI is adopted safely, in pace with evolving regulatory standards and the expectations of our customers.

Risk culture

Risk culture is an important component of our organisational culture and underpins the shared values, behaviours and practices that influence how risk is considered in decision making.

ANZ remains committed to strengthening risk culture, supporting the Group to meet the evolving expectations of our customers, the community and regulators. Having achieved the target state in 2023, the enterprise's risk culture has not met expectations of continuous improvement in 2024. Notwithstanding the strength in managing the Group's financial risks across credit, market, capital, and liquidity, regulatory concerns around our Markets business and non-financial risk management are earnestly under review, ensuring learnings are captured to support improvement of risk management behaviours and practices where appropriate.

Risk culture is actively monitored and driven across the Group through completion of risk culture plans, enterprise-wide awareness activities and the continued focus on delivery of the Group wide non-financial risk framework.

Risk culture is embedded in annual performance and remuneration, and recognition programs such as Risk Role Models (see section 6 of the Remuneration Report).

Our Risk Management Framework (RMF)

The Board is ultimately responsible for establishing and overseeing the ANZ Group's RMF which is supported by the Group's underlying systems, structures, policies, procedures, processes and people. The Board has delegated authority to the Board Risk Committee (BRC) to develop and monitor compliance with the Group's risk management policies.

The Committee reports regularly to the Board on its activities. The key pillars of our Group RMF include:

- The Risk Management Strategy (RMS) which is a critical element of the Group's RMF. The RMS includes: how the risk function is structured to support the Group's purpose and strategy, and the execution of the Group Chief Risk Officer's prescribed responsibilities as an Accountable Person under the Financial Accountability Regime; the values, attitudes and behaviours that support risk decision-making in delivering on strategic priorities and a Board approved target risk culture; a description of each material risk; and an overview of how the RMS addresses each material risk, with reference to the relevant policies, standards and procedures. It also includes information on how the Group identifies, measures, evaluates, monitors, reports and controls or mitigates the material risks and the oversight mechanism and/or committees in place.
- The Risk Appetite Statement (RAS), conveys, for each material risk, the maximum level of risk the Group is willing to accept in pursuing its strategic objectives and its operating plans considering its shareholders', depositors' and customers' interests.
- Risk Principles support the RMF and outline the behaviours and practices that are expected to be applied to guide risk management and help to instil an appropriate risk culture across the Group.

The Group operates under the Three Lines-of-Defence Model. Each line of defence has clearly defined roles, responsibilities and escalation paths to support effective risk management at ANZ. The three lines of defence model embeds a culture where risk is everyone's responsibility.

The business and enablement functions form the first lines-of-defence and are responsible for the implementation and ongoing maintenance of the RMF including day-to-day ownership of risks and controls.

The Risk function forms the second line of defence, providing independent oversight of the Group's risk profile and RMF, including effective challenge to activities and decisions that materially affect the Group's risk profile and working with the first line, in developing and maintaining the RMF.

Internal Audit is the third line of defence, providing independent evaluation and objective assurance on the appropriateness, effectiveness and adequacy of the Group's RMF.

The governance and oversight of risk management, while embedded in day-to-day activities, is also the focus of committees and regular forums across the bank (see diagram next page). The committees and forums discuss and monitor known and emerging risks, review management plans and monitor progress to address known issues.

Board of Directors

Principal Board Committees

- **Audit Committee**
- **Ethics, Environment, Social and Governance Committee**
- **Risk Committee**
- **Digital Business and Technology Committee**
- **Nomination and Board Operations Committee**
- **People and Culture Committee**

Executive Committee
ANZ's most senior executives meet regularly to discuss performance and review shared initiatives.

Group Performance Execution Committee
ANZ's key Management Committee charged with oversight of the Group's overall operational performance and position and execution of the operating plan.

Enterprise Accountability Group

Key Management Committees

Group

- Credit and Market Risk Committee
  - Credit Ratings System Oversight Committee
- Group Asset and Liability Committee
  - Capital and Stress Testing Oversight Committee
- Operational Risk Executive Committee (OREC)
  - Financial Crime OREC Sub-Committee
- Ethics and Responsible Business Committee
- Investment Committee
- Group Executive People Committee

Division

- Divisional Risk Management Committees
- Divisional Initiatives Review Committees/ Project Advisory Councils
- **Divisional/ Functional Accountability Groups**

Country

- Regional or Country Risk Management Committees
- Country Assets and Liability Committees

Material risks

The material risks facing the Group per the Group's RMS, and how these risks are managed, are summarised below.

Risk type	Description	Managing the risk
Capital Adequacy Risk	The risk of loss arising from the Group failing to maintain the level of capital required by prudential regulators and other key stakeholders (shareholders, debt investors, depositors, rating agencies, etc.) to support the Group's consolidated operations and risk appetite.	We pursue an active approach to Capital Management, which is designed to protect the interests of depositors, creditors and shareholders through ongoing review, and Board approval, of the level and composition of our capital base against key policy objectives.
Credit Risk	The risk of financial loss resulting from: • A counterparty failing to fulfil its obligations; or • A decrease in credit quality of a counterparty resulting in a loss.	Our Credit Risk framework is top down, being defined by credit principles, policies and requirements. Credit policies, requirements and procedures cover all aspects of the credit life cycle from initial approval and risk grading, through to ongoing management and problem debt management.
Liquidity and Funding Risk	The risk that the Group is unable to meet its payment obligations as they fall due, including: • Repaying depositors or maturing wholesale debt; or • The Group having insufficient capacity to fund increases in assets.	The Group recognises the inherent liquidity and funding risk in the balance sheet and has established a set of key principles, to mitigate and control liquidity and funding risk. Our framework is top down, being defined by liquidity principles and policies. A liquidity limit framework is in place with liquidity limits set based on a liquidity stress testing framework.
Market Risk	The risk stems from our trading and balance sheet activities and is the risk to the Group's earnings arising from: • Changes in interest rates, foreign exchange rates, credit spreads, volatility, correlations; or • Fluctuations in bond, commodity or equity prices.	We have a detailed market risk management and control framework which includes incorporating an independent risk measurement approach to quantify the magnitude of market risk within the trading and balance sheet portfolios. This approach identifies the range of possible outcomes, that can be expected over a given period of time, and establishes the likelihood of those outcomes and allocates an appropriate amount of capital to support these activities.
Strategic Risk	Strategic Risk is defined as the risk that internal or external factors prevent the Group from achieving the key strategic goals that are core to its operations through introduced risk due to strategy changes, failure to execute the strategy effectively, or a failure to adapt the strategy in response to changing environments and requirements. Strategic risk may arise from factors such as changes in the environmental context, failure to meet strategic targets, and the introduction of new or heightened risks resulting from strategic adjustments.	Strategic risks are discussed and managed by the Executive Committee (ExCo) through the Group strategic planning process. Additionally, we monitor delivery risk associated with High Impact change initiatives and undertake risk assessments prior to execution of our strategic changes.

Risk type	Description	Managing the risk
Climate Risk	Climate risk includes: • **Physical risk** – arising from both longer-term changes in climate (chronic risk) as well as changes to the frequency and magnitude of extreme weather events (acute risk). Examples of chronic physical risk drivers include rising sea levels, rising average temperatures and ocean acidification. Examples of acute physical risk drivers include heatwaves, floods, bushfires and cyclones; • **Transition risk** – arising from the transition to a lower emission economy, including changes in domestic and international policy and regulatory settings, technological innovation, social adaptation and market changes; or • **Liability risk** – in the form of potential litigation or regulatory action that may arise as a consequence of a failure to adequately consider or respond to the impacts of climate change (including physical and transition risks). This includes for example, the risk of greenwashing, which may arise where an entity is alleged to have misrepresented its climate-related risks, business credentials or strategies.	Following the elevation of climate risk to a material risk in November 2023, work is progressing to integrate and embed climate risk into the Group's risk management framework through existing policies, processes and governance frameworks. While climate risk can be a driver of credit risk through lending to our customers, it may also result in other financial risks, e.g. market risk Climate risks can also be a driver of non-financial risks including conduct risk, regulatory risk and operational resilience risk. Climate-related financial and non-financial risks are managed through the risk management strategies associated with these risks. In 2024, we identified insurability risk as an emerging risk to the Group and are seeking to further understand the potential risks and impacts to our customers.
Non-Financial Risk	Non-Financial Risk (NFR) is the risk of loss and/or non-compliance (including failure to act in accordance with laws, regulations, industry standards and codes, and internal policies) resulting from inadequate or failed internal processes, people, system and/or data, or from external events. The Group manages NFR in accordance with the industry-wide Operational Risk Exchange (ORX) taxonomy, of 16 'Risk Themes', noting some of these present a higher inherent risk to the Group such as Conduct, Data, Financial Crime, Information Security (including Cyber), Regulatory and Technology.	The Group's strategy for evolving NFR management provides a planned and proactive approach to improving the Group's NFR management. The NFR strategy is being operationalised through the NFR Framework, which has been designed to enable the Group to holistically, consistently and effectively identify, assess, remediate, monitor and report on NFR.

For further information about the principal risks and uncertainties that the ANZBGL Group faces, refer to Principal Risks and Uncertainties section contained within the '2024 United Kingdom Disclosure and Transparency Rules Submission' available at **anz.com/shareholder/centre/reporting/regulatory-disclosure/**

Five year summary – Financial

		2024 $m	2023[6] $m	2022 $m	2021 $m	2020 $m
Financial performance - cash[1]						
Net interest income		**16,069**	16,574	14,874	14,161	14,049
Other operating income		**4,740**	4,331	3,673	3,286	3,703
Operating expenses		**(10,741)**	(10,139)	(9,579)	(9,051)	(9,383)
Profit before credit impairment and income tax		**10,068**	10,766	8,968	8,396	8,369
Credit impairment (charge)/release		**(406)**	(245)	232	567	(2,738)
Income tax expense		**(2,902)**	(3,080)	(2,684)	(2,764)	(1,872)
Non-controlling interests		**(35)**	(28)	(1)	(1)	(1)
Cash profit from continuing operations[1,2]		**6,725**	7,413	6,515	6,198	3,758
Cash profit/(loss) from discontinued operations[1,2]		**-**	-	(19)	(17)	(98)
Cash profit[1]		**6,725**	7,413	6,496	6,181	3,660
Adjustments to arrive at statutory profit[1]		**(190)**	(307)	623	(19)	(83)
Profit attributable to shareholders of the Company		**6,535**	7,106	7,119	6,162	3,577
Financial position						
Gross loans and advances		**807,057**	710,590	675,989	633,764	622,074
Assets		**1,229,115**	1,105,643	1,085,729	978,857	1,042,286
Customer Deposits		**715,211**	647,119	620,429	593,582	552,363
Net assets		**70,628**	70,017	66,401	63,676	61,297
CET1		**12.2%**	13.3%	12.3%	12.3%	11.3%
CET1 – Basel Harmonised[3]		**17.6%**	19.7%	19.2%	18.3%	16.7%
Return on average ordinary equity (statutory)[4]		**9.4%**	10.5%	11.4%	9.9%	5.9%
Cost to income ratio (cash)[1]		**51.6%**	48.5%	52.0%	52.2%	53.8%
Shareholder value – ordinary shares						
Total return to shareholder		**27.0%**	20.0%	-14.0%	70.7%	-36.9%
Market capitalisation		**90,800**	77,116	68,170	79,483	48,839
Dividend (cents)		**166**	175	146	142	60
Franked portion	– interim	**65%**	100%	100%	100%	100%
	– final	**70%**	56%	100%	100%	100%
Share price	– high (dollars)	**$31.94**	$26.08	$28.98	$29.64	$28.67
	– low (dollars)	**$23.90**	$22.39	$20.95	$16.97	$14.10
	– closing (dollars)	**$30.48**	$25.66	$22.80	$28.15	$17.22
Share information						
(per fully paid ordinary share)						
Earnings per share (cents) (statutory)		**217.9**	237.1	250.0	215.3	125.3
Dividend payout ratio (statutory)		**76.0%**	74.0%	59.3%	65.3%	47.6%
Net tangible assets per ordinary share[5]		**$21.60**	$21.77	$20.75	$21.09	$20.04
No. of fully paid ordinary shares issued (millions)		**2,979**	3,005	2,990	2,824	2,840
Dividend reinvestment plan (DRP) issue price						
	– interim	**$28.37**	$23.55	$25.52	$27.91	$18.06
	– final	**-**	$24.34	$24.51	$27.68	$22.19
Other information						
No. of employees (full time equivalents)		**42,370**	40,342	39,381	40,221	38,579
No. of shareholders		**500,169**	530,601	541,788	534,166	553,171

1. Cash profit excludes non-core items included in statutory profit and is provided to assist readers in understanding the result of the ongoing business activities of the Group. Cash profit is not audited; however, the external auditor has informed the Audit Committee that the adjustments have been determined on a consistent basis across each period presented. **2.** The Group completed the divestments of ADG, OnePath P&I and life insurance businesses across 2020 and 2019. The financial results of the divested businesses were treated as discontinued until final completion in 2022. **3.** 2024 and 2023 Basel Harmonised methodology aligns with the Australia Banking Association Basel 3.1 Capital Comparison Study (March 2023). For years prior to 2023, Internationally Comparable Methodology aligns with APRA's information paper entitled 'International Capital Comparison Study' (13 July 2015). **4.** Average ordinary equity excludes non-controlling interests. **5.** Equals shareholders' equity less total non-controlling interests, goodwill and other intangible assets, divided by the number of ordinary shares. **6.** On 1 October 2023, the Group adopted AASB 17 *Insurance Contracts* and restated 2023 comparative information. Refer to Note 1 About our financial statements for further details.

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Performance overview

Group performance

The results of the Group's operations and financial position are set out on pages 34-47. Pages 8-15 outline the Group's strategy and prospects. Discussion of our approach to risk management, including a summary of our key material risks, is outlined on pages 26-31.

Discussion or disclosure of further business strategies and prospects for future financial years has not been included in this report because, in the opinion of the directors, it would be likely to result in unreasonable prejudice to the Group.

Group profit results

	2024		2023[1]	
Income Statement	Statutory $m	Cash $m	Statutory $m	Cash $m
Net interest income	16,069	16,069	16,574	16,574
Other operating income	4,478	4,740	3,897	4,331
Operating income	20,547	20,809	20,471	20,905
Operating expenses	(10,741)	(10,741)	(10,139)	(10,139)
Profit before credit impairment and income tax	9,806	10,068	10,332	10,766
Credit impairment (charge)/release	(406)	(406)	(245)	(245)
Profit before income tax	9,400	9,662	10,087	10,521
Income tax expense	(2,830)	(2,902)	(2,953)	(3,080)
Non-controlling interests	(35)	(35)	(28)	(28)
Profit attributable to shareholders of the Company	6,535	6,725	7,106	7,413

[1] On 1 October 2023, the Group adopted AASB 17 *Insurance Contracts* and restated 2023 comparative information. Refer to Note 1 About our financial statements for further details.

Statutory profit attributable to shareholders of the Company for the year decreased $571 million on the prior year to $6,535 million. Statutory return on equity is 9.4% and statutory earnings per share is 217.9 cents, a decrease of 8% on prior year.

The Group uses cash profit, a non-IFRS measure, to assess the performance of its business activities. It is an industry-wide measure which enables comparison with our peer group. We calculate cash profit by adjusting statutory profit for non-core items. In general, it represents the financial performance of our core business activities. We use cash profit internally to set targets and incentivise our Senior Executives and leaders through our remuneration plans. Refer to page 35 for adjustments between statutory and cash profit. The adjustments made in arriving at cash profit are included in statutory profit which is subject to audit within the context of the external auditor's audit of the 2024 Financial Report. Cash profit is not subject to audit by the external auditor. Our external auditor has informed the Audit Committee that adjustments between statutory and cash profit have been determined on a consistent basis across each of the periods presented.

Suncorp Bank acquisition

On 31 July 2024, the Group acquired 100% of the shares in SBGH Limited, the immediate holding company of Suncorp Bank. Suncorp Bank provides banking and related services to retail, commercial, small and medium enterprises and agribusiness customers in Australia.The transaction was undertaken to accelerate the growth of the Group's retail and commercial businesses while also improving the geographic balance of its business in Australia. The 2024 reported results include 2 months results for Suncorp Bank from the date of acquisition, presented as Suncorp Bank division.

The Group is currently completing the purchase price allocation exercise to identify, measure and recognise the acquired tangible and intangible assets and assumed liabilities at their acquisition date fair values. As at 30 September 2024, all values have been recognised on a provisional basis pending completion of this exercise. The provisional goodwill balance of $1,402 million will be remeasured to take into account any adjustments from this exercise.

For further information on the assets acquired and liabilities assumed, refer to Note 36 Suncorp Bank acquisition in the Financial Report.

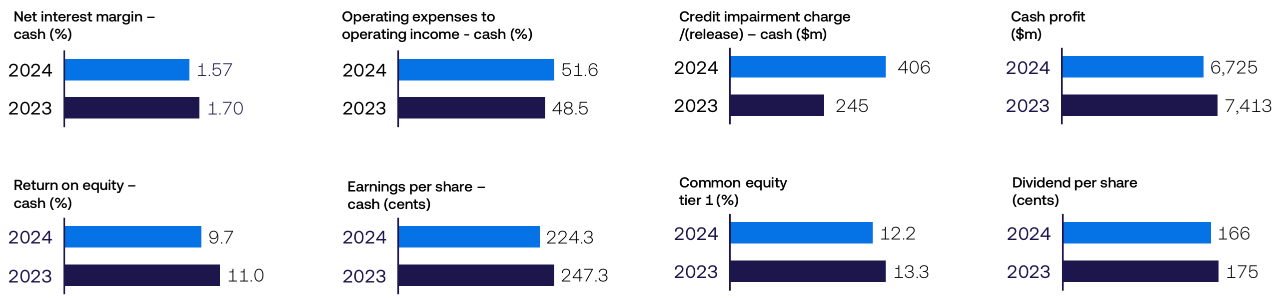
Suncorp Bank acquisition related adjustments

Suncorp Bank's divisional results for 2024 includes the following acquisition related adjustments recognised by the Group post transaction completion, with an after tax charge of $196 million:

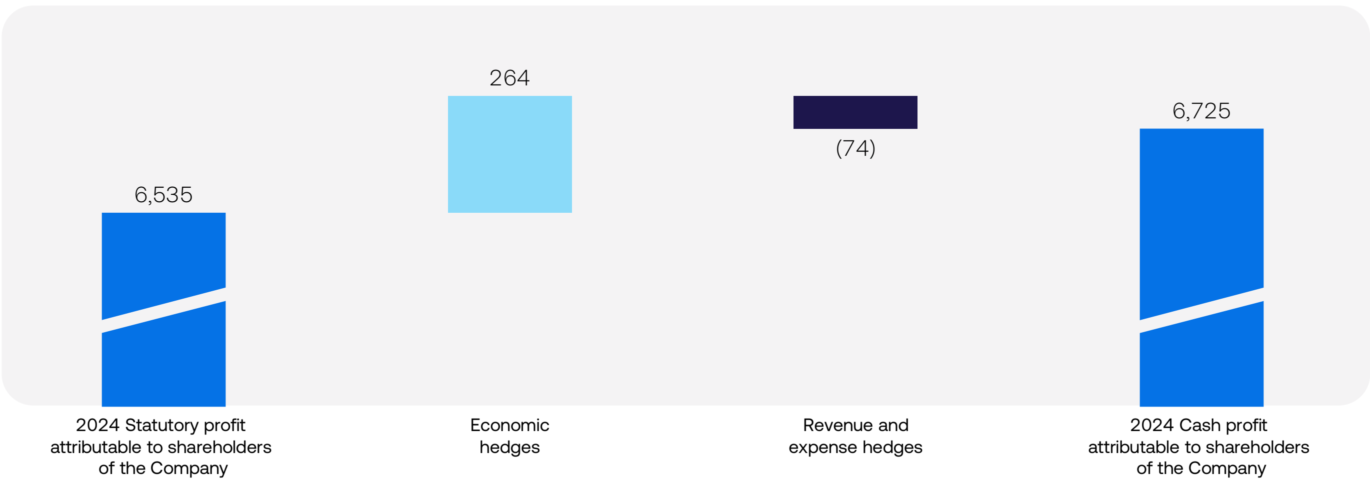
- Collectively assessed credit impairment charge of $244 million ($171 million after tax) for Suncorp Bank's performing loans and advances. In accordance with Australian Accounting Standards requirements, the Group consolidated Suncorp Bank's loans and advances on 31 July 2024, however the Group was not permitted to recognise an allowance for ECL on the performing loans and advances, leading to a proportional reduction in acquisition-related goodwill that would otherwise have been recognised. Subsequently, the Group was required to recognise a collectively assessed allowance for ECL estimated using the Group's ECL methodologies, with a corresponding charge recognised in the Group's Income Statement.
- Accelerated software amortisation expense of $36 million ($25 million after tax) on alignment to the Group's software capitalisation policy.

Group performance

Key measures of our financial performance are set out below.



Adjustments between statutory profit and cash profit ($m)

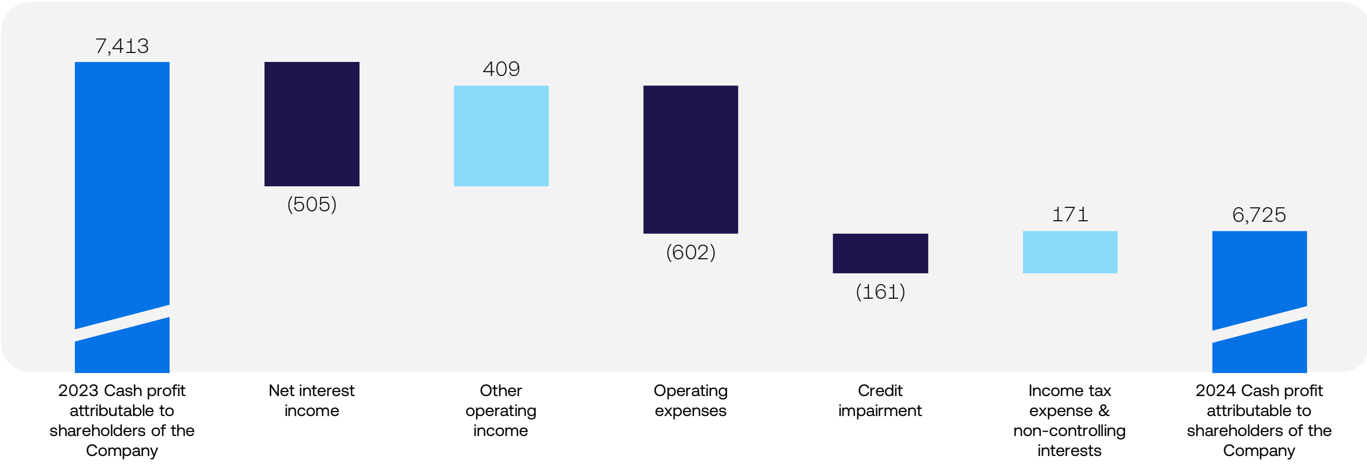


Adjustments between continuing operations statutory profit and cash profit are summarised below:

Adjustment	Comment for the adjustment
Economic hedges 2024: $264 million loss 2023: $217 million loss Revenue and expense hedges 2024: $74 million gain 2023: $90 million loss	The Group enters into economic hedges to manage its interest rate and foreign exchange risk which, in accordance with accounting standards, result in fair value gains and losses being recognised within the Income Statement. We remove the fair value adjustments from cash profit since the profit or loss resulting from the hedge transactions will reverse over time to match with the profit or loss from the economically hedged item as part of cash profit. This includes gains and losses arising from derivatives not designated in accounting hedge relationships but which are considered to be economic hedges, including hedges of foreign currency debt issuances and foreign exchange denominated revenue and expense streams, primarily NZD and USD (and USD correlated), as well as ineffectiveness from designated accounting hedges. In the 2024 financial year, losses on economic hedges relate to funding-related swaps, principally from narrowing USD/EUR currency basis spreads and the weakening of the USD against the AUD. Further losses were driven by the impact of falling AUD and NZD yield curves on net pay fixed economic hedge positions. The gain on revenue and expense hedges was mainly due to the appreciation of AUD against the USD and NZD.

Group cash profit performance

Cash profit ($m)



	2024 $m	2023 $m	Movt
Net interest income	16,069	16,574	-3%
Other operating income	4,740	4,331	9%
Operating income	20,809	20,905	0%
Operating expenses	(10,741)	(10,139)	6%
Profit before credit impairment and income tax	10,068	10,766	-6%
Credit impairment (charge)/release	(406)	(245)	66%
Profit before income tax	9,662	10,521	-8%
Income tax expense	(2,902)	(3,080)	-6%
Non-controlling interests	(35)	(28)	25%
Cash profit attributable to shareholders of the Company	6,725	7,413	-9%

Cash profit attributable to shareholders of the Company decreased $688 million (9%) compared with the 2023 financial year.

Net interest income decreased $505 million (3%) driven by a 13 bps decrease in net interest margin, partially offset by a $48.5 billion (5%) increase in average interest earning assets. The decrease of 13 bps was driven by home loan pricing competition, markets activities impacted by higher funding costs, primarily on commodity assets, where the related revenues are recognised as other operating income, and higher wholesale funding issuance volume, partially offset by higher earnings on capital and replicating deposits. The increase in average interest earning assets was driven by higher Markets activities, lending growth across the Australia Retail, Australia Commercial and New Zealand divisions, and the acquisition of Suncorp Bank, partially offset by lower lending in the Institutional division.

Other operating income increased $409 million (9%) driven by an increase of $392 million in Markets other operating income from more favourable trading conditions and higher transaction activity, and $75 million from unfavourable valuation adjustments and $43 million from a loss of disposal of data centres in Australia, both in the prior year. This was partially offset by a $116 million decrease in share of associates' profit.

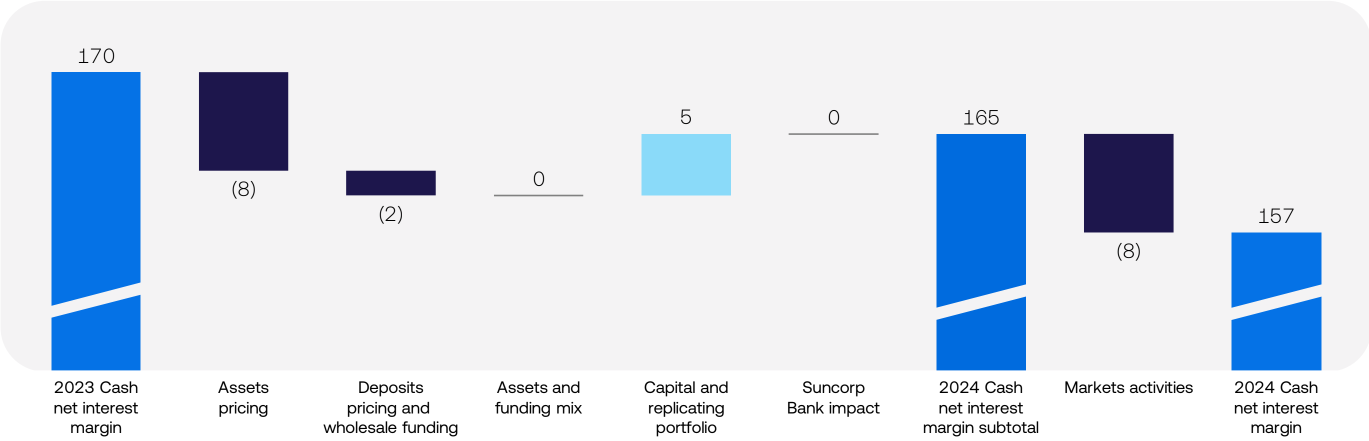
Operating expenses increased $602 million (6%) driven by inflationary impacts, higher costs associated with strategic initiatives, the impact from the acquisition of Suncorp Bank and restructuring costs. This was partially offset by productivity initiatives and the initial one-off levy under the Compensation Scheme of Last Resort (CSLR) in 2023.

Credit impairment increased $161 million (66%) driven by a $110 million increase in collectively assessed credit impairment driven by $244 million from Suncorp Bank, partially offset by improvement in economic outlook, and a $51 million increase in individually assessed credit impairment.

Analysis of cash profit performance

Net interest income

Group net interest margin (bps)



	2024 $m	2023 $m	Movt
Net interest income[1]	16,069	16,574	-3%
Net interest margin (%) - cash[1]	1.57	1.70	-13 bps
Average interest earning assets	1,023,616	975,079	5%
Average deposits and other borrowings	858,841	824,809	4%

1. Includes the major bank levy of -$389 million (2023: -$353 million).

Net interest income decreased $505 million (3%) driven by a 13 bps decrease in net interest margin, partially offset by a $48.5 billion (5%) increase in average interest earning assets.

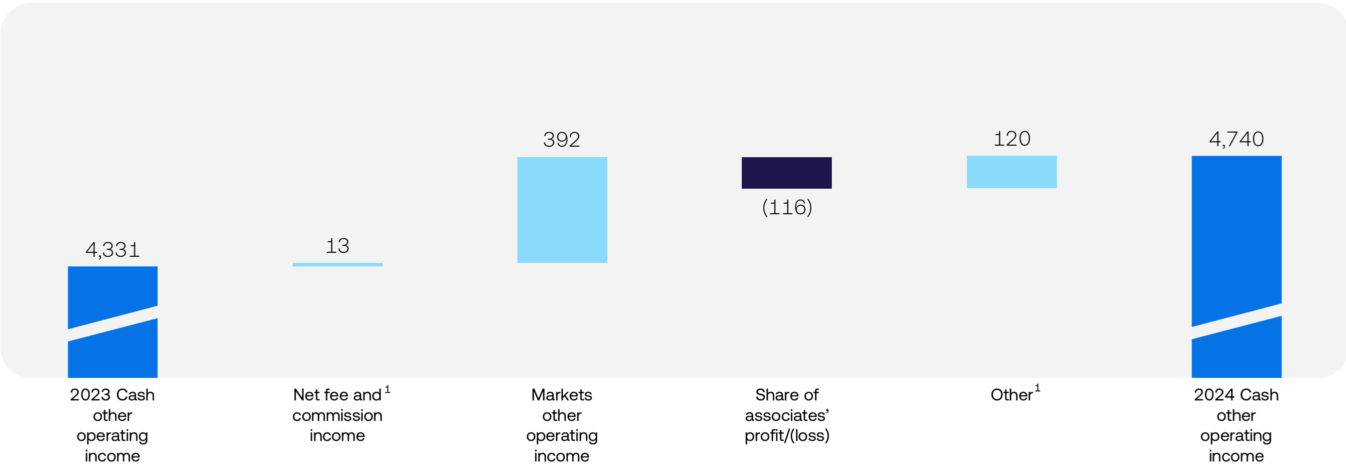
Net interest margin decreased 13 bps driven by home loan pricing competition, markets activities impacted by higher funding costs, primarily on commodity assets, where the related revenues are recognised as other operating income, higher wholesale funding issuance volume, partially offset by higher earnings on capital and replicating deposits.

Average interest earning assets increased $48.5 billion (5%) driven by higher Markets activities, lending growth across the Australia Retail, Australia Commercial and New Zealand divisions, and the acquisition of Suncorp Bank, partially offset by lower lending in the Institutional division.

Average deposits and other borrowings increased $34.0 billion (4%) driven by higher term deposits, the acquisition of Suncorp Bank, and higher commercial paper, partially offset by lower repurchase agreements.

Other operating income

Other operating income ($m)



	2024 $m	2023 $m	Movt
Net fee and commission income[1]	1,875	1,862	1%
Markets other operating income	2,315	1,923	20%
Share of associates' profit/(loss)	105	221	-52%
Other[1]	445	325	37%
Total cash other operating income[2]	4,740	4,331	9%

1 Excluding the Markets business unit.

2 Suncorp Bank division contributed $6 million in 2024 for the 2 months ended post acquisition.

Net fee and commission income increased $13 million (1%) driven by higher transaction activity in the Institutional division and higher Cashrewards revenue. This was partially offset by a decrease in non-lending fees in the Australia Commercial division, and lower cards revenue in the Australia Retail division.

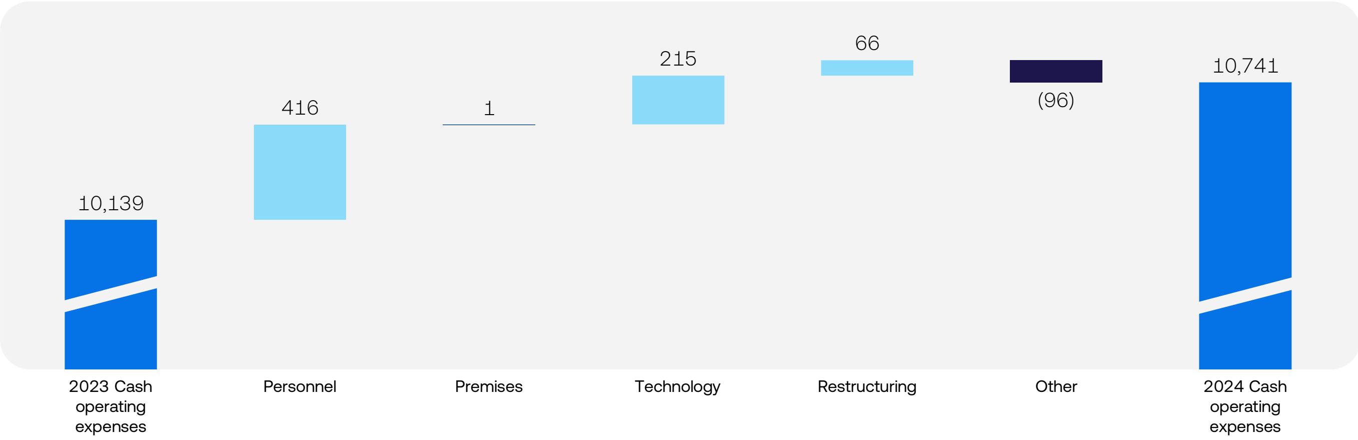
Markets other operating income increased $392 million (20%) driven by increases in Franchise Revenue across most product groups from more favourable trading conditions and higher transaction activity, an increase in derivative valuation adjustments with gains from favourable credit and funding spreads, partially offset by lower Balance Sheet revenues from the impact of fewer short-term interest rate increases than prior year.

Share of associates' profit decreased $116 million (52%) driven by loss of equity accounted earnings following the disposal of AMMB Holdings Berhad (AmBank), and a decrease in the Group's equity accounted share of profit from P.T. Bank Pan Indonesia (PT Panin) and Worldline Australia Pty Ltd (Worldline).

Other income increased $120 million (37%) primarily driven by the net increase from non-recurring items in the prior year (including unfavourable valuation adjustments, loss on disposal of data centres, impairment of investments held in ANZ Non-Bank Group, and favourable adjustment to gain on sale relating to the completed UDC Finance divestment), and a release of excess provision following legal settlements. This was partially offset by lower gains from recycling of foreign currency translation reserves from other comprehensive income to Income Statement on dissolution of a number of international entities, and a loss on disposal of investment in AmBank.

Operating expenses

Operating expenses ($m)



	2024 $m	2023 $m	Movt
Personnel	6,178	5,762	7%
Premises	659	658	0%
Technology	1,915	1,700	13%
Restructuring	235	169	39%
Other	1,754	1,850	-5%
Total cash operating expenses[1]	10,741	10,139	6%
Full time equivalent staff[2]	42,370	40,342	5%
Average full time equivalent staff	40,624	39,885	2%

1. Suncorp Bank contributed $188 million in 2024 for the 2 months post acquisition. Excluding Suncorp Bank division, total operating expense increased 4%.
2. Includes 2,798 FTE from Suncorp Bank division. Excluding Suncorp Bank division, FTE decreased 2%.

Personnel expenses increased $416 million (7%) driven by inflationary impacts on wages including an increase in leave provisions, impact from acquisition of Suncorp Bank and higher resourcing associated with strategic initiatives. This was partially offset by benefits from productivity initiatives.

Technology expenses increased $215 million (13%) driven by higher software licence costs, inflationary impacts on vendor costs, and the impact from acquisition of Suncorp Bank including accelerated amortisation expense on alignment to the Group's software capitalisation policy. This was partially offset by benefits from technology simplification.

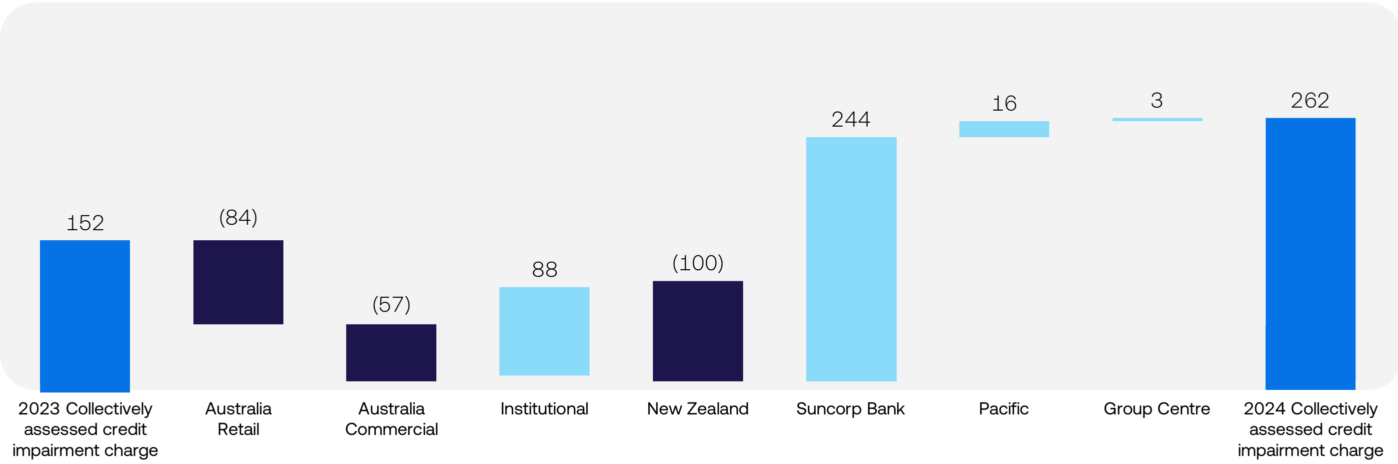
Restructuring expenses increased $66 million (39%) driven by operational changes across the Group.

Other expenses decreased $96 million (5%) driven by the initial one-off CSLR levy in the September 2023 full year and benefits from productivity initiatives. This was partially offset by the impact from acquisition of Suncorp Bank.

Credit impairment

	2024	2023	Movt
Collectively assessed credit impairment charge/(release) ($m)	262	152	72%
Individually assessed credit impairment charge/(release) ($m)	144	93	55%
Credit impairment charge/(release) ($m)	406	245	66%
Gross impaired assets ($m)	1,693	1,521	11%
Credit risk weighted assets ($b)	361.2	349.0	3%
Total allowance for expected credit losses (ECL) ($m)	4,555	4,408	3%
Individually assessed allowance for ECL as % of gross impaired assets	18.2%	24.7%	
Collectively assessed allowance for ECL as % of credit risk weighted assets	1.18%	1.16%	

Collectively assessed credit impairment charge/(release) ($m)

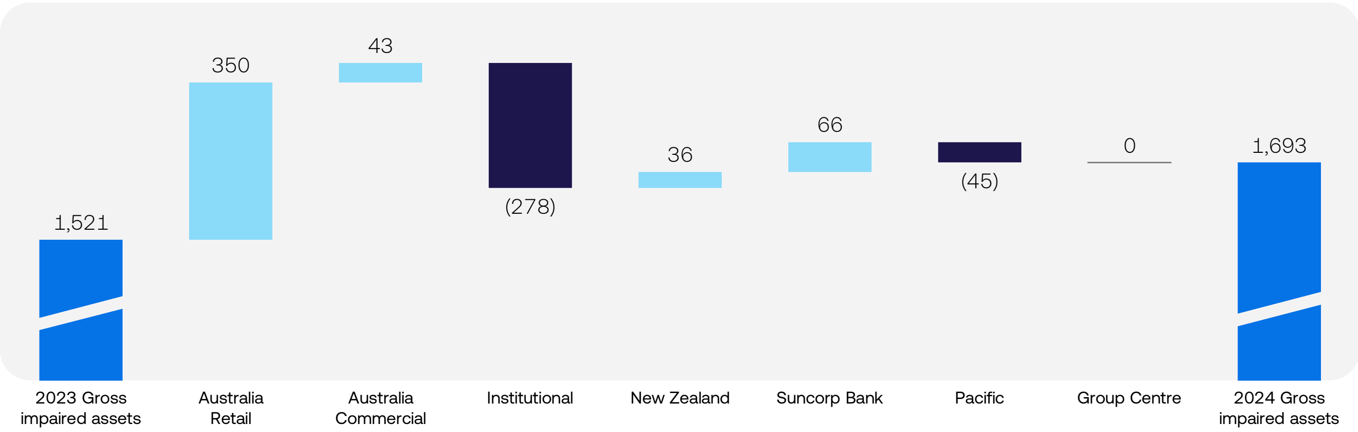


The collectively assessed impairment charge of $262 million for 2024 was driven by acquisition accounting related adjustments for Suncorp Bank, deterioration in credit risk profile across all divisions, and portfolio growth. This was partially offset by improvement in economic outlook and a reduction in management temporary adjustments as anticipated risks are more represented in portfolio credit profiles. The collectively assessed impairment charge of $152 million for 2023 was driven by deterioration in the economic outlook and credit risk. This was partially offset by favourable changes in portfolio composition, particularly in the Institutional division.

Individually assessed credit impairment charge/(release) ($m)

The individually assessed credit impairment charge increased $51 million (55%) driven by increases in the Australia Commercial division from SME Banking portfolio, the Australia Retail division from unsecured portfolio and the New Zealand division from the Business & Agri portfolio, partially offset by a decrease in the Institutional division due to lower new impairment flows.

Gross impaired assets by division ($m)



Gross impaired assets increased $172 million (11%) driven by an increase in the Australia Retail division due to restructured home loan facilities, the acquisition of Suncorp Bank, an increase in the Australia Commercial due to deterioration in the SME Banking portfolio, and an increase in the New Zealand division due to portfolio deterioration across all portfolios. This was partially offset by a decrease in the Institutional division due to the upgrade of several single name exposures, and the Pacific division due to reduced restructured exposures.

Total allowance for expected credit losses ($m)

The increase in total allowance for expected credit losses was driven by a $215 million increase in the collectively assessed allowance for expected credit losses, partially offset by a $68 million decrease in the individually assessed allowance for expected credit losses.

The increase in collectively assessed allowance for expected credit losses was driven by deterioration in credit risk profile across all divisions ($267 million), the additional allowance for ECL from Suncorp Bank ($248 million), and portfolio growth ($88 million). This was partially offset by reduction in management temporary adjustments ($201 million), improvement in economic outlook ($136 million), and reduction from foreign currency translation and other impacts ($51 million).

The decrease in individually assessed allowance for expected credit losses was driven by a decrease in the Institutional division due to lower new impairment flows and continued write-backs.

Divisional performance

2024	Australia Retail	Australia Commercial	Institutional	New Zealand	Suncorp Bank[2]	Pacific	Group Centre	Group
Net interest margin[1]	1.91%	2.59%	0.75%	2.57%	1.93%	3.88%	n/a	1.57%
Operating expenses to operating income	59.7%	43.0%	41.7%	38.8%	73.2%	64.5%	n/a	51.6%
Cash profit ($m)	1,607	1,342	2,858	1,536	(122)	60	(556)	6,725
Net loans and advances ($b)	332.5	65.0	210.5	123.5	70.9	1.7	(0.7)	803.4
Customer deposits ($b)	176.8	116.3	264.4	100.9	54.7	3.6	(1.5)	715.2
Number of FTE	10,832	3,294	6,272	6,756	2,798	985	11,433	42,370

2023	Australia Retail	Australia Commercial	Institutional	New Zealand	Suncorp Bank	Pacific	Group Centre	Group
Net interest margin[1]	2.22%	2.70%	0.89%	2.64%	-	3.91%	n/a	1.70%
Operating expenses to operating income	54.3%	39.6%	40.5%	36.5%	-	69.7%	n/a	48.5%
Cash profit ($m)	1,938	1,440	2,949	1,546	-	71	(531)	7,413
Net loans and advances ($b)	312.2	61.6	210.2	121.8	-	1.7	(0.5)	707.0
Customer deposits ($b)	164.8	113.4	266.5	99.1	-	3.7	(0.3)	647.1
Number of FTE	11,313	3,514	6,366	6,766	-	1,013	11,370	40,342

1. The net interest margin excluding Markets business unit was 2.35% (2023: 2.39%) for the Group and 2.38% (2023: 2.31%) for the Institutional division.
2. Suncorp Bank 2024 Cash profit includes Suncorp Bank acquisition related adjustment charge after tax of $196 million.

Divisional performance

Australia Retail

Lending volumes increased driven by home loan growth. **Net interest margin** decreased driven by margin contraction from home loan and deposit pricing competition, unfavourable deposit mix with a shift towards lower margin term deposits, and higher net funding costs. This was partially offset by higher earnings on capital and replicating portfolio. **Operating expenses** increased driven by inflationary impacts and incremental costs associated with strategic initiatives including ANZ Plus, partially offset by lower restructuring expense, and benefits from productivity initiatives. **Credit impairment charge** decreased primarily driven by lower collectively assessed credit impairment, partially offset by higher individually assessed credit impairment charge due to higher new impairment flows in the unsecured portfolio.

Australia Commercial

Lending volumes increased driven by Diversified & Specialist Businesses, partially offset by lower lending in Central Functions and SME Banking. **Net interest margin** decreased driven by unfavourable deposit mix with a shift towards lower margin term deposits, asset margin contraction from pricing competition, and higher net funding costs. This was offset by favourable deposit margins and higher earnings on capital and replicating portfolio. **Other operating income** decreased driven by a decrease in non-lending fees and a gain on sale of Investment Lending business in the prior year. **Operating expenses** increased driven by higher restructuring expense and inflationary impacts, partially offset by benefits from productivity initiatives. **Credit impairment charge** decreased driven by lower collectively assessed credit impairment, partially offset by higher individually assessed credit impairment charge due to higher new impairment flows in the SME Banking portfolio.

Institutional

Lending volumes increased driven by higher Markets balances, partially offset by lower core lending in Transaction Banking. **Net interest margin ex-Markets** increased driven by higher earnings on capital. **Other operating income** increased driven by higher Markets revenues in the customer franchise business lines. **Operating expenses** increased driven by inflationary impacts and higher restructuring expense, partially offset by benefits from productivity initiatives. **Credit impairment release** decreased driven by higher collectively assessed credit impairment, partially offset by higher individually assessed credit impairment release due to lower new impairment flows.

New Zealand

Lending volumes increased driven by home loan growth, partially offset by contraction in business lending. **Net interest margin** decreased driven by unfavourable deposit margin, unfavourable deposit mix with a shift towards lower margin term deposits. This was partially offset by lower net funding costs and higher earnings on capital. **Other operating income** decreased driven by a gain on disposal of data centres in New Zealand in the prior year. **Operating expenses** increased driven by inflationary pressure, higher restructuring expense and seasonal factors, partially offset by benefits from productivity initiatives. **Credit impairment charge** decreased driven by lower collectively assessed credit impairment flows, partially offset by higher individually assessed credit impairment due to higher new impairments mainly in the Business & Agri portfolio.

Suncorp Bank

2024 results include 2 months results from the date of acquisition. This includes acquisition related adjustments of $196 million loss after tax comprising a collectively assessed credit impairment charge of $244 million ($171 million after tax) for Suncorp Bank's performing loans and advances, and an accelerated software amortisation expense of $36 million ($25 million after tax) on alignment to the Group's software capitalisation policy.

Pacific

Cash profit decreased driven by lower credit impairment release, partially offset by lower expenses and higher other operating income.

Group Centre

Cash loss increased primarily driven by lower equity accounted earnings and a loss on sale following the disposal of AmBank, partially offset by increases driven by a number of non-recurring items in the prior year, including unfavourable valuation adjustment from investments measured at fair value through profit or loss in the prior year, and a loss on disposal of data centres in Australia.

Economic profit

Economic profit is a risk adjusted profit measure used to evaluate business unit performance. This is used for internal management purposes and is not subject to audit by the external auditor.

At a business unit level, capital is allocated based on regulatory capital such that higher risk businesses attract higher levels of capital. This method is designed to help drive appropriate risk management and ensure business returns align with the level of risk. Key risks covered include credit risk, operational risk, market risk and other risks.

Economic profit is calculated via a series of adjustments to cash profit:

- The economic credit cost adjustment replaces the accounting expected credit loss charge with internal expected loss based on the average long-run loss rate per annum on the portfolio over an economic cycle.
- The benefit of imputation credits is recognised, estimated based on 70% of Australian tax.
- The cost of capital is a major component of economic profit. At an ANZ Group level, this is calculated using average ordinary shareholders' equity (excluding non-controlling interests), multiplied by the cost of capital rate (currently at 9.75%).

Economic profit decreased from $1,307 million to $471 million. The $836 million decrease was driven by $688 million lower cash profit, $202 million higher cost of capital from higher levels of capital (with the cost of capital rate of 9.75% unchanged), and $30 million lower imputation credits, partially offset by $84 million favourable economic credit cost adjustment.

Financial position of the Group

Condensed balance sheet

	As at		
	2024 $b	2023 $b	Movt
Assets			
Cash / Settlement balances owed to ANZ / Collateral paid	166.6	186.1	-10%
Trading assets and investment securities	186.3	134.4	39%
Derivative financial instruments	54.4	60.4	-10%
Net loans and advances	803.4	707.0	14%
Other	18.4	17.7	4%
Total assets	1,229.1	1,105.6	11%
Liabilities			
Settlement balances owed by ANZ / Collateral received	22.8	29.7	-23%
Deposits and other borrowings	903.6	814.7	11%
Derivative financial instruments	55.3	57.5	-4%
Debt issuances	156.4	116.0	35%
Other	20.4	17.7	15%
Total liabilities	1,158.5	1,035.6	12%
Total equity	70.6	70.0	1%

Cash / Settlement balances owed to ANZ / Collateral paid decreased $19.5 billion (10%) driven by decreases in balances with central banks, and settlement balances owed to ANZ, and the impact of foreign currency translation. This was partially offset by increases in reverse repurchase agreements and overnight interbank deposits.

Trading assets and investment securities increased $51.9 billion (39%) driven by an increase in government and semi-government bonds, and treasury bills, and the acquisition of Suncorp Bank ($11.6 billion), partially offset by the impact of foreign currency translation.

Net loans and advances increased $96.4 billion (14%) driven by the acquisition of Suncorp Bank ($70.9 billion), increases in the Australia Retail ($20.3 billion) and New Zealand ($3.2 billion) divisions due to home loan growth, and higher lending volumes in the Institutional ($5.2 billion) and Australia Commercial ($3.5 billion) divisions, partially offset by the impact of foreign currency translation.

Settlement balances owed by ANZ / Collateral received decreased $6.9 billion (23%) driven by decreases in collateral received and cash clearing accounts.

Deposits and other borrowings increased $88.9 billion (11%) driven by the acquisition of Suncorp Bank ($62.3 billion), higher customer deposits in the Australia Retail ($12.0 billion), Institutional ($7.2 billion), New Zealand ($3.1 billion) and Australia Commercial ($2.9 billion) divisions, increases in commercial paper ($14.5 billion), and deposits from banks and repurchase agreements ($8.8 billion), partially offset by the impact of foreign currency translation.

Debt issuances increased $40.4 billion (35%) driven by the issue of new senior and subordinated debt, including ANZ Capital Notes 9, partially offset by the redemption of ANZ Capital Notes 4, and the acquisition of Suncorp Bank ($16.6 billion).

Total equity increased $0.6 billion (1%) with increases in retained earnings partially offset by $0.9 billion reduction in ordinary share capital following the commencement of a $2 billion on-market share buy-back on 3 July 2024.

Liquidity

ANZBGL Group	Average 2024	Average 2023
Total liquid assets ($b) [1]	273.9	268.3
Liquidity Coverage Ratio (LCR) [1]	133%	130%

1. Full year average, calculated as prescribed per APRA Prudential Regulatory Standard (APS 210 Liquidity) and consistent with APS 330 requirements.

The Group operates under a non-operating holding company structure whereby:

- ANZBGL's liquidity risk management framework remains unchanged and continues to operate its own liquidity and funding program, governance frameworks and reporting regime reflecting its Authorised Deposit-taking Institution (ADI) operations;
- ANZGHL (parent entity) has no material liquidity risk given the structure and nature of the balance sheet; and
- ANZ Non-Bank Group is not expected to have separate funding arrangements and will rely on ANZGHL for funding.

Furthermore, a separate liquidity policy has been established for ANZGHL and ANZBGL Group to reflect the differing nature of liquidity risk inherent in each business model. The Group will ensure that the parent entity and ANZ Non-Bank Group holds sufficient cash reserves to meet operating and financing requirements.

ANZBGL Group holds a portfolio of high quality unencumbered liquid assets in order to protect the ANZBGL Group's liquidity position in a severely stressed environment, as well as to meet regulatory requirements. High Quality Liquid Assets comprise three categories, with the definitions consistent with Basel 3 LCR:

- Highest-quality liquid assets (HQLA1): Cash, highest credit quality government, central bank or public sector securities eligible for repurchase with central banks to provide same-day liquidity.
- High-quality liquid assets (HQLA 2): High credit quality government, central bank or public sector securities, high quality corporate debt securities and high quality covered bonds eligible for repurchase with central banks to provide same-day liquidity.
- Alternative liquid assets (ALA): Eligible securities listed by the RBNZ.

ANZBGL Group monitors and manages the size and composition of its liquid assets portfolio on an ongoing basis in line with regulatory requirements and the risk appetite set by the ANZBGL Board.

The LCR remained above the regulatory minimum of 100% throughout this period.

Funding

ANZ Bank Group	2024 $b	2023 $b
Customer liabilities (funding)	729.5	659.1
Wholesale funding	376.6	316.8
Shareholders' equity	68.8	69.1
Total funding[1]	1,174.9	1,045.0
Net Stable Funding Ratio	116%	116%

1. Includes $79.1 billion of funding from the acquisition of Suncorp Bank.

The Group targets a diversified funding base, avoiding undue concentrations by investor type, maturity, market source and currency.

Net Stable Funding Ratio remained above the regulatory minimum of 100% throughout this period.

During 2024, the ANZBGL Group issued $41.6 billion of term wholesale funding (including $3.7 billion of pre-funding for the September 2025 full year, $1.4 billion of Suncorp Bank issuance and $0.8 billion of perpetual subordinated notes issued by ANZ Holdings (New Zealand) Limited). In addition, $1.7 billion of APRA compliant Additional Tier 1 capital and $0.3 billion of RBNZ compliant additional tier 1 capital was issued.

Capital management

	2024	2023	Movt
Common Equity Tier 1 (Level 2)			
- APRA Basel III	12.2%	13.3%	
Credit risk weighted assets ($b)	361.2	349.0	3%
Total risk weighted assets ($b)	446.6	433.3	3%
APRA Leverage Ratio	4.7%	5.4%	

The Group's capital management framework includes managing capital at Level 1, Level 2 and ANZGHL Group.

The Group's framework includes managing to Board approved risk appetite settings and maintaining all regulatory requirements. APRA requirements at Level 1 and Level 2 include ANZ operating at or above APRA's expectation for Domestic Systematically Important Banks (D-SIBs).

APRA's authority for ANZGHL to be a non-operating holding company (NOHC) of an ADI includes five conditions for ANZ's capital management framework. All five conditions were satisfied at 30 September 2024.

ANZ Bank Group

APRA, under the authority of the *Banking Act 1959*, sets minimum regulatory requirements for banks including what is acceptable as regulatory capital and provides methods of measuring the risks incurred by ANZ Bank Group.

The ANZ Bank Group's Common Equity Tier 1 ratio was 12.2% based on APRA Basel III standards, exceeding APRA's minimum requirements. It decreased 114 bps driven by the impact of dividends paid during the year, acquisition of Suncorp Bank, the transfer of capital from ANZBGL to ANZGHL to fund $2 billion share buy-back, and underlying RWA movement. This was partially offset by cash earnings, proceeds from disposal of investment in AmBank and mortgage RWA modelling initiatives.

At 30 September 2024, ANZ Bank Group's leverage ratio was 4.7% which is above the 3.5% minimum for internal ratings-based approach ADI, including ANZ.

Dividends

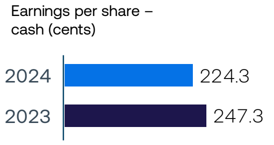
Our financial performance allowed us to propose that a final dividend of 83 cents be paid on each eligible fully paid ANZ ordinary share, partially franked at 70% for Australian taxation purposes, bringing the total dividend for the 2024 financial year to 166 cents per share. This represents a dividend payout ratio of 73.9% of cash profit.

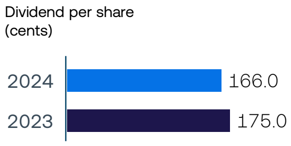
The final dividend will be paid on 20 December 2024 to owners of ordinary shares at the close of business on 14 November 2024 (record date), and carries New Zealand imputation credits of NZD 12 cents per ordinary share.

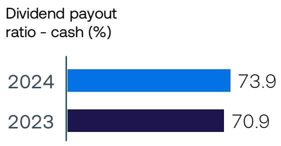
ANZ has a Dividend Reinvestment Plan (DRP) and a Bonus Option Plan (BOP) that will operate in respect of the proposed 2024 final dividend. For the 2024 final dividend, ANZ intends to provide shares under the DRP through an on-market purchase and BOP through the issue of new shares.

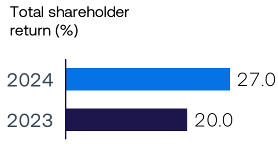
Further details on dividends provided for or paid during the year ended 30 September 2024 are set out in Note 6 Dividends in the Financial Report.

Shareholders Returns









Remuneration report

Holly Kramer
Chair – People & Culture Committee

Contents

2024 Remuneration Report – audited

Dear Shareholder,

Following a record performance in 2023, the ANZ team has delivered another year of strong financial results, along with significant progress on our strategic agenda, including completion of the acquisition of Suncorp Bank and significant growth in customers joining our ANZ Plus platform. For shareholders, we have delivered 27% Total Shareholder Return (TSR) in financial year 2024, and we also announced an on market share buy-back in May 2024.

Two years ago, the Board revised the executive remuneration structure to ensure compliance with *CPS 511 Remuneration* and to ensure that the Board had levers within the framework to take into account business and leadership performance, as well as the management of financial and non-financial risk. This year, the Board applied these levers with respect to 2024 remuneration outcomes, including as a result of a series of issues stemming from our Markets business, and an additional $250m capital overlay imposed by APRA due to Non-Financial Risk (NFR) matters. *(Note: these issues are outlined in the 'Chairman's message' of the Annual Report, and in this report we have referenced the specific instances where consequences have been considered and applied, with an overall summary outlined in Section 6).*

Notwithstanding these issues, the Board considers that the business has performed well in 2024, and financial risks have been well managed. Therefore, the challenge has been to balance the reward for good overall performance, with the need to apply consequences fairly and appropriately to reflect the impact of these recent events on ANZ's reputation, and customer, shareholder and regulator confidence.

2024 remuneration outcomes

Short Term Variable Remuneration (STVR) – Awarded

The ANZ Group Scorecard performance is a key component informing STVR outcomes for the Chief Executive Officer (CEO) and Disclosed Executives, as well as the majority of ANZ Group employees. The 2024 Group Scorecard performance was assessed at 99% of target. However, with the application of the Risk Modifier, the overall scorecard performance reduced to 90%/Below Target.

In order to improve clarity and alignment to the ANZ Group Scorecard, the Board determined that for 2024, the CEO's STVR would be based on 100% of the ANZ Group Scorecard results, with allowance for a CEO Leadership Modifier adjustment focused on the CEO's leadership of key strategic priorities and risk management (Section 5.1.2).

In the Board's assessment, the CEO Shayne Elliott, has continued to demonstrate good leadership of the Group and we have therefore assessed him as on target for the CEO Leadership Modifier component of his assessment. Specifically, his leadership of key strategic objectives has positioned ANZ well for the future, and he is consistently a role model of ANZ's values and behaviours. Given, however, that the CEO has ultimate accountability for the broader Group's performance, the CEO needs to bear appropriate accountability for the impact of the Markets and NFR matters. As a result, the Board applied its discretion and assessed the CEO's performance as Below Target, and determined the appropriate 2024 STVR outcome was 65% of target opportunity (52% of maximum opportunity).

For Disclosed Executives, the Board approved 2024 STVR outcomes which range from 50% to 88% of target (average

75%). This reflects their individual and Divisional performance, the Below Target assessment for Group performance, collective accountability for the NFR matters, and individual consequences (where relevant) for the Markets matters.

Long Term Variable Remuneration (LTVR) – Lapsed/Granted

The performance rights granted in late 2019 to the CEO and relevant Disclosed Executives did not meet the hurdles when tested at the end of the performance period in November 2023, therefore 100% of these performance rights lapsed.

Last year, the 2024 LTVR (comprised of 50% performance rights and 50% restricted rights), was granted to the CEO and Disclosed Executives at full opportunity, following the Board's pre grant assessment in October 2023 for restricted rights, determining that no reduction was required. For the CEO, the 2024 LTVR grant was $3,375,000, noting that LTVR is future focused and vests over time.

In considering the pre grant assessment for the 2025 LTVR, the Board has chosen to adjust the restricted rights (which make up 50% of LTVR at full opportunity), downward by 10%, due to the risk matters discussed above. The CEO's proposed 2025 LTVR of $3,206,250, will be subject to a shareholder vote at the upcoming 2024 Annual General Meeting (AGM).

Fixed remuneration

Effective for 2024, Disclosed Executives (excluding the CEO), received a Fixed Remuneration (FR) adjustment to maintain or improve market positioning. There were no further increases to FR for 2024.

Changes to the way we remunerate executives (from 2024 onward)

For LTVR awards of performance rights, **only** from financial year 2024 onward, the Board approved in July 2023:

- the removal of DBS Bank Limited from the Select Financial Services (SFS) relative TSR comparator group, to better balance the weighting of international peers in our comparator group; and
- that Compound Annual Growth Rate (CAGR) targets for the absolute CAGR TSR hurdle be based on the time weighted Cost of Capital (CoC) over the four-year performance period rather than the CoC at the start of the period, to better reflect cyclical factors impacting shareholders.

In addition, post the Suncorp Bank acquisition and applicable to both awards currently on foot and future LTVR awards of performance rights, the Board approved the removal of Suncorp Group Limited from the relative TSR SFS comparator group (Section 9.1).

Changes to the way we remunerate executives (from 2025 onward)

In 2024, the People & Culture Committee recommended, and the Board approved, changes to the ANZ Group Scorecard and performance approach for financial year 2025 onward. The intention is to provide a greater focus on fewer, more meaningful objectives that will drive sustainable long-term performance, and to provide a more transparent link between performance and remuneration outcomes. This approach is also consistent with shareholder feedback.

The key changes arising from this review will be effective from 2025, and are summarised as follows:

- reduction in the number of objectives and indicators;
- provision of weightings for each objective rather than at the category level only;
- introduction of threshold/target/stretch targets for each indicator;
- increase in the performance assessment weighting for Group performance for frontline Disclosed Executives, from 25% to 40%, to recognise the increase in Group-wide priorities (excluding Group Executive and CEO, New Zealand); and
- increase in the weighting of financial measures from 40% to 50% in our Group and Divisional Scorecards.

Non-Executive Director (NED) fees

For 2024 there was a 2% uplift to the NED member fee, and uplifts to fees for Committee chairs and members. There was no change to the fees for the Board Chair (Section 7.1).

In closing, and on behalf of my Board colleagues, I'd like to thank all of our ANZ employees for their important contributions this past year. While the year has been marked by some challenges in the bank, underlying performance was strong and we have made meaningful progress on our long-term goals.

Holly Kramer
Chair – People & Culture Committee

The Remuneration Report for ANZ Group Holdings Limited (ANZGHL) outlines our remuneration strategy and structure and the remuneration practices that apply to Key Management Personnel (KMP). This report has been prepared, and audited, as required by the *Corporations Act 2001*. It forms part of the Directors' Report.

This report includes disclosures for the full financial year 2024 (1 October 2023 to 30 September 2024). Ordinary shares and employee equity (deferred shares, deferred share rights, restricted rights and performance rights) held prior to 3 January 2023[1] were previously ANZBGL related equity – post the listing of ANZGHL, the equity was converted to ANZGHL related equity. **References to 'the Board' throughout this report mean the Boards of ANZGHL and ANZBGL.**

1. Who is covered by this report

KMP are Directors of the Group (or entity) (whether executive directors or otherwise), and those personnel with a key responsibility for the strategic direction and management of the Group (or entity) (i.e., members of the Group Executive Committee (ExCo)) who have Financial Accountability Regime (FAR) Accountability and who report to the CEO (referred to as Disclosed Executives).

1.1 Disclosed Executive and Non-Executive Director changes

There were several changes to our KMP during the 2024 year:

- Ilana Atlas and John Macfarlane retired as Non-Executive Directors (NEDs) on 21 December 2023, at the conclusion of the 2023 AGM.
- Richard Gibb commenced as a NED on 15 February 2024.
- Following Sir John Key retiring as a NED on 14 March 2024, Scott St John commenced as a NED on 25 March 2024.
- Richard Howell concluded as Acting Group Executive, Talent & Culture on 8 October 2023 following the appointment of Elisa Clements to the role of Group Executive, Talent & Culture, effective 9 October 2023.

1.2 Key Management Personnel (KMP)

The KMP whose remuneration is disclosed in this year's report are:

2024 Non-Executive Directors (NEDs) – Current	
P O'Sullivan	Chairman
R Gibb	Director from 15 February 2024
J Halton	Director
H Kramer	Director
C O'Reilly	Director
J Smith	Director
S St John	Director from 25 March 2024

2024 Non-Executive Directors (NEDs) – Former	
I Atlas	Former Director – retired 21 December 2023
J Key	Former Director – retired 14 March 2024
J Macfarlane	Former Director – retired 21 December 2023

2024 Chief Executive Officer (CEO) and Disclosed Executives – Current	
S Elliott	CEO and Executive Director
M Carnegie	Group Executive, Australia Retail
E Clements	Group Executive, Talent & Culture (GE T&C) from 9 October 2023
K Corbally	Chief Risk Officer (CRO)
F Faruqui	Chief Financial Officer (CFO)
G Florian	Group Executive, Technology & Group Services
C Morgan	Group Executive, Australia Commercial
A Strong	Group Executive, Strategy & Transformation
A Watson	Group Executive and CEO, New Zealand
M Whelan	Group Executive, Institutional

2024 Disclosed Executives – Former	
R Howell	Former Acting Group Executive, Talent & Culture (GE T&C) – concluded in role 8 October 2023

No changes to KMP since the end of 2024 up to the date of signing the Directors' Report.

1. ANZ Group Holdings Limited (ANZGHL) replaced Australia and New Zealand Banking Group Limited (ANZBGL) as the listed entity on 3 January 2023 under a scheme of arrangement approved by shareholders at the AGM on 15 December 2022.

2. Remuneration at a glance

For 2024

CEO:

- No Fixed Remuneration (FR) increase.
- Awarded STVR of 65% of target (52% of maximum opportunity), reflecting his overall performance assessment of Below Target.
- Awarded LTVR of $3,375,000 (following 2023 AGM shareholder approval).
- Received 2024 total remuneration of $4.1m (inclusive of the value of prior equity awards which vested in 2024) (Section 5.3).

Disclosed Executives:

- Received a Fixed Remuneration adjustment effective 1 October 2023 to maintain or improve market positioning (approved October 2023 by the Board) – no further FR increases for 2024.
- Awarded STVR outcomes averaging 75% of target (60% of maximum opportunity), with individual outcomes ranging from 50% to 88% of target (40% to 71% of maximum opportunity).
- Awarded LTVR full opportunity of 135% of FR (100% of FR for the CRO) – as LTVR is future focused, 2024 LTVR awards were approved in October 2023 by the Board.

NEDs:

Following the 2024 NED fees review in September 2023 (approved by the People & Culture Committee):

- Received a 2% increase to the NED member fee to $245,000 (unchanged since 2016).
- Aligned fee structure across all Committees increasing each Committee chair fee to $68,000 and each Committee member fee to $34,000.
- Board Chairman fee remains unchanged.

Restricted rights and performance rights outcomes:

- 2024 LTVR restricted rights made at full award value following the 2024 LTVR pre grant assessment in October 2023 by the Board.
- 100% of the 2019 performance rights award granted in late 2019 were lapsed, as performance hurdles were not met when tested in November 2023 – end of the performance period.

3. Historical information

3.1 Five-year ANZ financial performance summary

When determining variable remuneration outcomes for the CEO, Disclosed Executives and employees, a range of different financial indicators are considered. The Group uses cash profit as a measure of performance for the Group's ongoing business activities, as this provides a basis to assess Group and Divisional performance against earlier periods and against peer institutions.

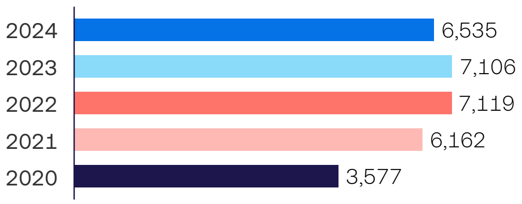
The adjustments made in arriving at cash profit are included in statutory profit which is subject to audit. Although cash profit is not audited, the external auditor has informed the Audit Committee that the cash profit adjustments have been determined on a consistent basis across each period presented.

2024 statutory profit is down 8% compared to the prior financial year, while cash profit is down 9%, with both metrics impacted by one-off Suncorp Bank acquisition related adjustments. Excluding the one-off adjustments, statutory profit is down 5% and cash profit is down 7%.

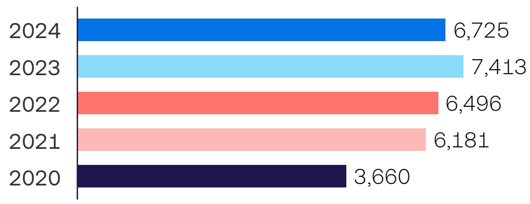
During 2024 the Group commenced a $2 billion share buy-back to return surplus capital to its shareholders, which up to 30 September 2024 has resulted in the Group returning $883m of capital to shareholders via the acquisition of 30 million shares on the market.

ANZ's financial performance[1], including cash profit[2], over the last five years.

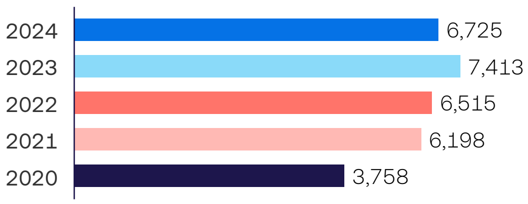
Statutory profit attributable to ordinary shareholders ($m)



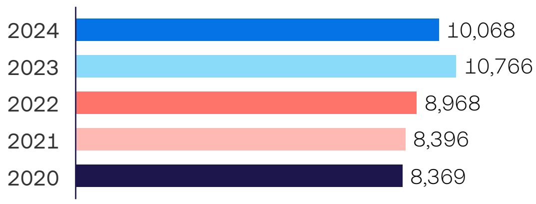
Cash profit ($m, unaudited)



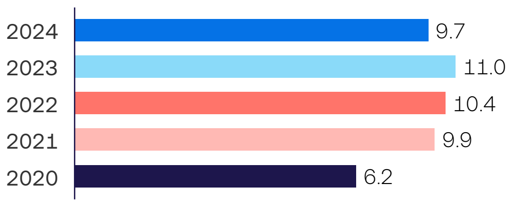
Cash profit - continuing operations ($m, unaudited)



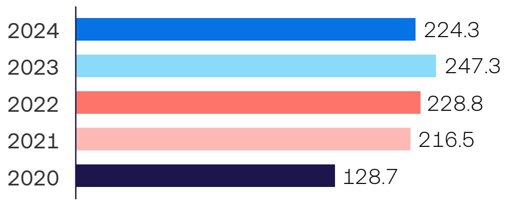
Cash profit before provisions - continuing operations ($m, unaudited)



Return on equity - cash (%) - continuing operations (unaudited)



Earnings per share - cash - continuing operations (unaudited)



1. The Group completed the divestment of its Aligned Dealer Group business, its Onepath Pensions and Investment business, and life insurance business across the 2020 and 2019 financial years. The financial results of these divested businesses were treated as discontinued operations in the 2022, 2021 and 2020 years. The Group ceased reporting discontinued and continuing operations from completion in 2022. On 1 October 2023, the Group adopted AASB 17 *Insurance Contracts* (AASB 17), applied AASB 17 effective 1 October 2022 and restated prior period comparative information. **2.** Cash profit excludes non-core items included in statutory profit with the net after tax adjustment resulting in a decrease to statutory profit of $190m for 2024, made up of several items. It is provided to assist readers understand the results of the core business activities of the Group.

3.2 Historical performance and remuneration outcomes

The table below shows the link between financial performance and variable remuneration outcomes over the past five years. STVR outcomes are reasonably aligned with financial performance trends over the corresponding 2020 to 2024 periods, noting that the 2023 STVR outcomes were higher reflecting that year's record result.

	2020	2021	2022	2023	2024
CEO STVR[1] outcome (% of target)	50%[5]	80%	93%	120%	**65%**
Disclosed Executive STVR[2] outcome (average % of target[3])	54%[5]	90%	97%	111%	**75%**
Disclosed Executive STVR[2] outcome (range % of target[3])	46%–66%	69%–99%	89%–120%	100%–125%	**50%–88%**
LTVR/VR PR vesting outcome (% vested)	0%	43.3%	51.6%	n/a	**0%**
Share price[4] at 30 September ($)	17.22	28.15	22.8	25.66	**30.48**
Total dividend (cents per share)	60	142	146	175	**166**
Total shareholder return (12 month %)	-36.9	70.7	-14	20	**27.0**

1. Previously referred to as AVR pre-2022 for the CEO. **2.** Previously referred to as VR pre-2022 for Disclosed Executives. **3.** Pre 2022, % of target applied to the full VR due to the combined VR structure for Disclosed Executives in those years. **4.** On 1 October 2019, opening share price was $28.22. **5.** Post 50% COVID-19 reduction.

3.3 ANZ TSR performance (1 to 10 years)

The table below compares ANZ's TSR performance against the median TSR and upper quartile TSR of the performance rights Select Financial Services (SFS) comparator group[1] over one to ten years, noting that for this table TSR is measured over a different timeframe (i.e., to 30 September 2024) to the performance period for our performance rights.

- ANZ's TSR performance was below the median TSR of the SFS comparator group[1] when comparing over one, three and ten years; and
- Either just above or just below the median over five years dependent on the size of the SFS comparator group.

	Years to 30 September 2024							
	1		3		5		10	
ANZ (%)	27.0		31.1		41.3		74.6	
Median TSR SFS[2,3] (%)	37.0	38.3	47.1	46.3	48.5	37.1	95.7	76.0
Upper quartile TSR SFS[2,3] (%)	41.3	42.1	58.6	52.4	105.5	81.7	205.7	151.8

1. See section 9.1.2 for details of the SFS comparator group. **2.** Blue = SFS includes DBS Bank Limited and excludes Suncorp Group Limited. **3.** White = SFS excludes DBS Bank Limited and Suncorp Group Limited.

4. Executive performance and remuneration framework overview

4.1 Strategy, principles and governance

The following overview highlights how the executive performance and remuneration framework supports ANZ's purpose and strategy.

ANZ's purpose and strategy[1]

Is underpinned by our Performance and Remuneration Policies which include our Reward Principles:

Attract, motivate and keep great people	Reward our people for doing the right thing having regard to our customers and shareholders	Focus on **how** things are achieved as much as **what** is achieved	Fair and simple to understand

With remuneration delivered to our CEO and Disclosed Executives through:

Fixed remuneration (FR)	Performance linked variable remuneration	
	Short Term Variable Remuneration (STVR) Awarded at end of year based on Group and individual performance	**Long Term Variable Remuneration (LTVR)** Awarded at start of year, with LTVR vesting subject to performance conditions tested at end of 4-year performance period

While governed by:

The People & Culture Committee and the Board determining FR and the variable remuneration outcomes for the CEO and each Disclosed Executive. Additionally, the CEO's LTVR outcome is also subject to shareholder approval at the AGM.

Board discretion (with supporting decision-making frameworks) is applied when determining performance and remuneration outcomes (including grant of short and long-term variable remuneration awards), before any scheduled release of previously deferred remuneration (Section 4.5), before the vesting of LTVR restricted rights (Section 9.1.1), and in applying any required consequences (Section 6).

1. See the 'Our purpose and strategy' section of the Annual Report.

4.2 Alignment of remuneration and risk

Variable remuneration for the CEO and Disclosed Executives is designed to align remuneration and risk.

Alignment of remuneration and risk

Variable remuneration for the CEO and Disclosed Executives is aligned to risk management through:

Assessing behaviours based on ANZ's values and risk/compliance standards (including the FAR)	Determining variable remuneration outcomes with risk as a modifier – impacting outcomes at both a pool and individual level	Weighting remuneration toward the longer-term with a significant proportion at risk	Emphasising risk in the determination and vesting of LTVR restricted rights (Section 9.1.1)	Reinforcing the importance of risk culture in driving sustainable long-term performance in the LTVR design
Providing material weight to non-financial metrics (particularly risk) in line with APRA requirements	Ensuring risk measures are considered over a long-time horizon (up to 5 and 6 years)	Determining accountability and applying consequences where appropriate	Strengthening risk consequences with clawback (Section 4.5)	Prohibiting the hedging of unvested equity

Variable remuneration can be adjusted downwards, including to zero, allowing the Board to hold executives accountable, individually or collectively, for the longer-term impacts of their decisions and actions.

4.3 Remuneration structure and delivery

There are two core components of remuneration at ANZ – fixed remuneration and at risk variable remuneration.

In structuring remuneration, the Board aims to find the right balance between fixed and variable remuneration (at risk), the way it is delivered (cash versus deferred remuneration) and appropriate deferral time frames (the short, medium and long-term).

The Board sets and reviews annually the CEO and Disclosed Executives' FR based on financial services market relativities and reflecting each executive's responsibilities, performance, qualifications and experience.

The CEO and Disclosed Executives' variable remuneration is comprised of STVR and LTVR consistent with external market practice.

At target performance, 63% of variable remuneration for the CEO and Disclosed Executives, and 56% of variable remuneration for the CRO is deferred for at least four years from the date the Board approved the variable remuneration in October, and the date shareholders approve the CEO's LTVR, noting that this complies with the FAR minimum deferral requirement of 60% for the CEO and 40% for Disclosed Executives.

4.3.1 Remuneration structure

CEO and Disclosed Executives (DEs) (excluding CRO[1])

	Fixed Remuneration **(FR)**	Short Term Variable Remuneration **(STVR)**[2]	Long Term Variable Remuneration **(LTVR)**
Mix at Maximum	30%	30%	40%
Maximum/full opportunity	100% of FR	100% of FR	135% of FR
Delivery	Cash and superannuation contributions	50% Cash; 50% Deferred shares (DS)	50% Restricted rights (RR); 50% Performance rights (PR)
Timing/ deferral		Awarded at end of year based on Group and individual performance	• Awarded at start of year subject to – **RR:** Pre grant assessment (risk based measures) – **RR & PR:** Shareholder approval at AGM for CEO award • Performance condition tested at end of 4-year performance period – **RR:** Pre vest assessment (risk based measures) – **PR:** Relative and absolute TSR hurdles
	Year 1 Cash 100%	Year 1 Cash 50% Year 2 DS 25% Year 3 DS 25%	**For both RR and PR:** Deferral period = 4-year Performance Period + Holding Period (HP) 4-year Performance Period; ~1 yr HP; ~2 yr HP Year 4 CEO: 33% / DE: 50% Year 5 CEO: 33% / DE: 50% Year 6 CEO 34%

All variable remuneration is subject to the Board's ongoing discretion to apply in-year adjustments, malus and clawback

1. CRO mix: 33.3% FR/33.3% STVR/33.3% LTVR. STVR maximum opportunity: the same as CEO/DE at 100% of FR, LTVR full opportunity: 100% of FR and delivered as 100% RR to support independence. **2.** If the CEO receives above target STVR, the amount above target will be delivered as 40% cash and 60% DS (20% year 4, 20% year 5, 20% year 6) to ensure compliance with the minimum deferral requirements with respect to FAR and APRA's Prudential Standard *CPS 511 Remuneration*.

4.3.2 Variable remuneration delivery

Variable remuneration for the CEO and the Disclosed Executives (excluding the CRO and former Acting GE T&C) is delivered as follows:

- STVR as 50% cash paid to executives at the end of the annual Performance and Remuneration Review (December), and subject to clawback for two years post payment, and 50% shares deferred equally over years 2 and 3 (granted in November in respect of performance for the prior financial year); and
- LTVR as restricted rights and performance rights granted at the beginning of the financial year in November/December, and deferred over:
  – year 4 (33%), year 5 (33%) and year 6 (34%) for the CEO; and
  – year 4 (50%) and year 5 (50%) for Disclosed Executives.

Both restricted rights and performance rights are tested against the relevant performance condition at the end of the four-year performance period and are then subject to additional holding period(s) until the completion of the respective deferral periods (Section 9.1).

Before any scheduled release of deferred remuneration, the Board considers whether malus should be applied to previously deferred remuneration (or further deferral of vesting), or clawback to variable remuneration previously granted (two years post payment or vesting), for the CEO and Disclosed Executives (Section 4.5).

For deferred variable remuneration for the CEO and Disclosed Executives, we calculate the number of deferred shares to be granted based on the VWAP of the shares traded on the ASX in the five trading days leading up to and including 1 October (i.e., in line with the beginning of the financial year). Allocations prior to the 2022 financial year were based on the VWAP in the five trading days leading up to and including the date of grant. The VWAP used for disclosure and expensing purposes is the one-day VWAP at the date of grant, which is in line with the Accounting Standard.

In some cases, we may grant deferred share rights to executives instead of deferred shares. Each deferred share right entitles the holder to one ordinary share.

4.4 Performance assessment

The following provides a summary of the performance assessment approach for the CEO and Disclosed Executives.

Financial Accountability Regime (FAR) compliance is the gateway that requires the Accountable Person to meet their obligations in line with their Accountability Statement under the FAR since 15 March 2024 and, prior to that, under the Banking Executive Accountability Regime (BEAR). The 'what' assessment comprises of the ANZ Group Scorecard and Divisional Scorecard (excluding the CEO). Both the Group and Divisional Scorecard assessments are calculated as follows: Risk modifier[1] % x [Shareholder/Financial % + Customer % + People & Culture %]. The 'what' assessment outcome is then modified by the 'how' modifier. The 'how' modifier for Disclosed Executives considers a macro view of the individual's approach to risk, demonstration of ANZ behaviours, and their contribution to building a successful Group Executive team. See below and Section 5.1.2 for CEO Leadership Modifier detail.

FAR Compliance Gateway

'What' assessment

ANZ Group Scorecard assessment %		+	**Divisional Scorecard assessment %**	
Weighting			**Weighting**	
CEO:	100%		CEO:	n/a
CRO:	25%		CRO:	75%
Frontline DEs:	25%		Frontline DEs:	75%
Enablement DEs:	50%		Enablement DEs:	50%

×

'How' Modifier %

Key Inputs:
- Risk Standards assessment
- How assessment
- *Leadership of key strategic priorities (CEO only)*

=

Overall Performance Assessment %

Key Inputs:
- Informs STVR outcome

4.4.1 CEO performance

The CEO's STVR is assessed 100% on the ANZ Group Scorecard, adjusted by the CEO Leadership Modifier, which takes into consideration the CEO's leadership of:

- Key strategic priorities aligned with ANZ's strategy
- ANZ's values/behaviours
- ANZ's risk and compliance standards

This is a change from 2023, where performance informing the CEO's STVR was split 50% between the Group Scorecard and the CEO's individual objectives.

With the change to 100% assessment on the ANZ Group Scorecard (as highlighted in the 'People & Culture Committee Chair letter'), the weighting to financial performance for the CEO is around 40% (moving to 50% in 2025); however noting that the CEO's STVR is not formulaic.

The Scorecard/strategic priorities are agreed upon by the Board at the beginning of the financial year (and are designed to be stretching). At the end of the financial year, the People & Culture Committee reviews and recommends to the Board for approval the CEO's overall performance taking into consideration:

i. Performance against the ANZ Group Scorecard
ii. CEO Leadership Modifier
iii. Input from the Chairman
iv. Compliance with FAR obligations
v. Control function reports from the CRO (on risk management), CFO (on financial performance), GE T&C (on talent and culture matters) and Group General Manager Internal Audit (GGM IA) (on internal audit matters)
vi. Material risk, audit and conduct events that have either occurred or come to light in the year
vii. Input from both the Audit Committee and the Risk Committee of the Board

4.4.2 Disclosed Executive performance

At the start of each year, stretching performance objectives are set for Disclosed Executives through Divisional Scorecards, aligned with the ANZ Group Scorecard. At the end of the financial year, the People & Culture Committee recommends to the Board for approval the performance of each Disclosed Executive[2] against:

i. the ANZ Group Scorecard (25% to 50% weighting)
ii. their Divisional Scorecard (50% to 75% weighting)
iii. ANZ's values/behaviours
iv. points iv) to vii) as detailed for the CEO

The ANZ Group Scorecard weighting for Disclosed Executives varies based on role focus:

- 50% weighting for enablement Disclosed Executives: Chief Financial Officer, GE Strategy & Transformation, GE Talent & Culture, and GE Technology & Group Services
- 25% weighting for Chief Risk Officer, and frontline Disclosed Executives: GE Australia Retail, GE Australia Commercial, GE & CEO New Zealand, and GE Institutional

1. Note for the CRO, Risk is incorporated in the Scorecard rather than as a separate modifier. **2.** Performance arrangements for the CRO are addressed additionally by the Risk Committee. Performance arrangements for the GE & CEO, New Zealand are determined and approved by the ANZ NZ HR Committee/ANZ NZ Board in consultation with and endorsed by the People & Culture Committee/Board, consistent with their respective regulatory obligations.

However, to reinforce the importance of collective accountability and contribution to Group outcomes, the Group weighting will increase from 25% to 40% in 2025 for frontline Disclosed Executives (excluding GE & CEO, New Zealand). The Chief Risk Officer will retain a 25% weighting to reinforce independence of the role.

Similar to the ANZ Group Scorecard, the Divisional Scorecards include the key elements of Shareholder/Financial, Customer, and People & Culture, with Risk acting as a modifier.[1] The weighting of each element varies to reflect the responsibilities of each individual's role. The Shareholder/Financial element weightings range from 20% to 40% (increasing to 50% in 2025).

4.4.3 Alignment with the achievement of stretching performance objectives

Variable remuneration for the CEO and Disclosed Executives is designed to align with the achievement of stretching performance objectives that support our business strategy and drive long-term sustainable outcomes for shareholders.

Alignment with the achievement of stretching performance objectives

Variable remuneration outcomes are based on a range of measures (as illustrated below), with material weight provided to non-financial measures in accordance with Prudential Standard CPS 511 Remuneration.

STVR
Mix of financial and non-financial measures

Key individual assessment inputs

ANZ's values/behaviours	ANZ's risk and compliance standards	FAR obligations
ANZ Group Scorecard 25%–100% weighting	**Divisional Scorecards** 50%–75% weighting	**Control function input** Risk, Finance, T&C, Audit

2024 ANZ Group Scorecard
Below are examples of key drivers of shareholder value

Shareholder/Financial (40%)
- Ensure dynamic, efficient and disciplined resource allocation, including capital, that creates more value and sustainable returns for customers, shareholders and society

Customer (40%)
- Create propositions that attract and engage more of our target customers, and improve their financial well-being, access to housing and sustainability
- Build resilient business services and technology that more safely and efficiently serve customers

People & Culture (20%)
- Establish an adaptable workforce and operating model that delivers innovation and outcomes for our customers more quickly

Risk modifier (0% to 110%)
- Maintain risk discipline focused on good customer and regulatory outcomes

Additional financial and non-financial considerations in determining Group and individual performance and size of the ANZ Incentive Plan (ANZIP) variable remuneration pool include:

- Broader financial performance
- Quality of earnings and operating environment
- Shareholder experience
- Our Reward Principles (Section 4.1)

LTVR
Aligned to shareholder experience

LTVR restricted rights Mostly non-financial		**LTVR performance rights** Financial	
Prudential soundness Capital ratio and liquidity prudential minimums	Risk measures • Material risk outcomes[2] • APRA active supervision • Risk culture	TSR 75% relative TSR Performance relative to SFS comparator group	25% absolute TSR Focuses on positive growth – even when market is declining

1. Except for the CRO who has a percentage weighting assigned to risk measures. 2. Considers all risk types including capital adequacy risk, liquidity and funding risk, credit risk, market risk, climate risk, non-financial risk and strategic risk.

4.5 Board discretion

Variable remuneration is 'at risk' remuneration and can range from zero to maximum opportunity. At the end of the financial year, the Board[1] approves variable remuneration recommendations for the CEO and each Disclosed Executive following lengthy and detailed discussions and assessment, supported by comprehensive analysis of performance from a number of sources.

Board discretion is applied when determining all CEO and Disclosed Executive variable remuneration outcomes including:

- the size of the ANZIP variable remuneration pool;
- STVR and LTVR outcomes for each financial year;
- LTVR vesting outcomes (including pre vest assessment); and
- downward adjustment of variable remuneration as part of consequence management, in accordance with applicable law and any terms and conditions provided (see below).

Downward adjustment of variable remuneration

The Board may choose to exercise the following options or a combination of these at any time, but will always consider their use if any of the circumstances specified by Prudential Standard CPS 511 Remuneration occur. #1 to #3 below are applicable to all employees, while clawback (#4) is limited to select employees (primarily the CEO, Disclosed Executives and senior employees in jurisdictions where clawback regulations apply):

1. In year adjustment	2. Further deferral/freezing	3. Malus	4. Clawback
The most common type of downward adjustment, which reduces the amount of variable remuneration an employee may have otherwise been awarded for that year.	Delays the decision to pay/allocate variable remuneration, or further defers the vesting of deferred remuneration or freezes vested/unexercised shares and rights. This would typically only be considered where an investigation is pending/underway.	Is an adjustment to reduce the value of all or part of deferred remuneration before it has vested. Malus is used in cases of more serious performance or behaviour issues. Any and all variable remuneration we award or grant to an employee is subject to ANZ's on-going and absolute discretion to apply malus and adjust variable remuneration downward (including to zero) at any time before the relevant variable remuneration vests.	Is the recovery of variable remuneration that has already vested or been paid (up to two years from vesting/payment or a longer period as determined by Board discretion, policy or applicable law). This would typically only be considered if the other types of downward adjustment/other consequences are considered inadequate given the severity of the situation.

Before any scheduled vesting of deferred remuneration, the Board (for the CEO, Disclosed Executives and other specified roles) and/or the Enterprise Accountability Group (EAG) (for other employees) considers whether any further deferral, malus, or clawback should be applied (Section 6).

4.6 Alignment of executive and shareholder interests

Variable remuneration for the CEO and Disclosed Executives is designed to align executive and shareholder interests.

Alignment of executive and shareholder interests

More broadly, ANZ's variable remuneration structure supports the alignment of executives with the interests of shareholders through:

Substantial shareholding requirements (around 80% of variable remuneration at maximum opportunity deferred into ANZ equity, and 75% for the CRO to ensure alignment with shareholder interests and to ensure focus on long-term value creation)	Significant variable remuneration deferral up to 5 and 6 years in ANZ equity (which also supports retention)	Significant weighting to the LTVR component (around 60% of VR) which includes relative and absolute TSR hurdles	Consideration of cash profit and economic profit in determining ANZIP variable remuneration pool	Consideration of the shareholder experience (in respect of the share price and dividend) in determining ANZIP variable remuneration pool and individual outcomes

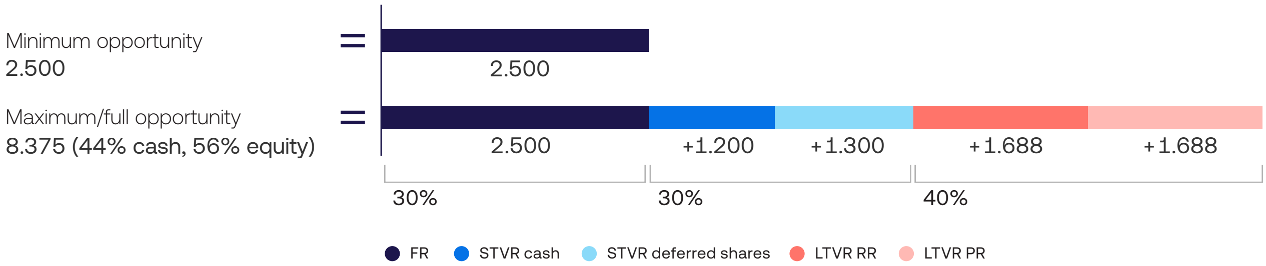
1. Remuneration arrangements for the Group Executive and CEO, New Zealand are determined and approved by the ANZ NZ Board in consultation with and endorsed by the Board, consistent with their respective regulatory obligations.

4.7 Remuneration mix

The CEO and Disclosed Executives[1] have an aligned remuneration mix of 30% FR, 30% STVR and 40% LTVR at maximum/full opportunity, and structure, with the exception of longer deferral for the CEO in line with APRA's deferral requirements.

CEO

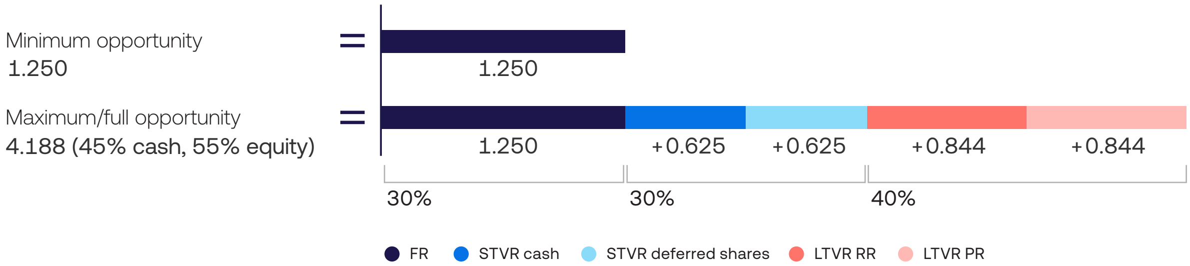
Remuneration mix – CEO ($m)



Disclosed Executives

The dollar amounts in the below example are for illustrative purposes only, and are based on the FR value of $1.25m.

Remuneration mix – Disclosed Executives[1] ($m)



Chief Risk Officer

To preserve the independence of the role and to minimise any conflicts of interest in carrying out the risk control function across the organisation, the CRO's remuneration arrangements differ to other Disclosed Executives.

While the STVR opportunity (100% of FR) is the same as the CEO and Disclosed Executives, the LTVR opportunity is different (100% of FR instead of 135% of FR) reflecting the delivery of LTVR as 100% restricted rights (instead of 50% restricted rights and 50% performance rights). Maximum variable remuneration opportunity is 200% of FR for the CRO. The remuneration mix is 33.3% FR/33.3% STVR/33.3% LTVR.

Former Acting Group Executive, Talent & Culture

Due to the acting nature of R Howell's appointment his remuneration arrangements differed to other Disclosed Executives. For the time spent in this acting role, his FR was set at $700k per annum from 1 June 2023 and increased to $703k from 1 July 2023 (due to the impact of the Superannuation Guarantee rate change). His VR maximum opportunity was set at 150% of FR (his remuneration mix was therefore 40% FR/60% VR). His VR in the acting role was delivered as 60% cash and 40% as shares deferred over years 4 to 5 to ensure compliance with *CPS 511* deferral requirements.

1. Excluding CRO.

5. Executive remuneration outcomes

Remuneration outcomes have been presented in the following three ways:

1. Awarded remuneration – STVR and LTVR
(Sections 5.1.2, 5.2.1 and 5.4)

2. Received remuneration
(Section 5.3)

3. Statutory remuneration
(Section 9.2)

5.1 Short term variable remuneration (STVR)

5.1.1 ANZ Group Scorecard – approach and 2024 outcomes

The ANZ Group Scorecard is approved by the Board at the start of each year. It plays a key role to:

- Message internally what matters most
- Reinforce the importance of sound management in addition to risk, shareholder/financial, customer, and people and culture outcomes
- Inform focus of effort, prioritisation and decision-making across ANZ

Assessment of performance against the ANZ Group Scorecard provides a key input (as illustrated in Section 4.4):

In determining the size of the ANZ Incentive Plan (ANZIP) variable remuneration pool, which funds individual variable remuneration outcomes for all employees/STVR for Disclosed Executives (excluding the CEO to help mitigate potential conflicts of interest)

In the overall performance assessment for the CEO (100% weighting, adjusted based on a CEO Leadership Modifier) and Disclosed Executives (25%–50% weighting), which **informs the STVR awarded outcomes in Section 5.1.2**

As managing risk appropriately is fundamental to the way ANZ operates, **risk forms an integral part of the assessment**, directly impacting the overall ANZ Group Scorecard outcome (a modifier ranging from 0% to 110% of the ANZ Group Scorecard assessment).

On the following pages we have outlined **ANZ's 2024 Group Scorecard** and provided a summary of outcomes for each of the key performance categories to inform the **overall assessment for 2024**.

Shareholder/Financial	40% weight: **110%/Above Target**
Key objectives	**Outcomes**
Ensure dynamic, efficient and disciplined resource allocation, including capital, that creates more value and sustainable returns for customers, shareholders and society	Below / Target / Above
Deliver Group **economic profit**[1] to plan or better in a high-quality manner, targeting sustainable returns	
Effectively manage **total cost growth**, in support of our 3yr Strategic Plan (including our 2024 productivity ambition)	

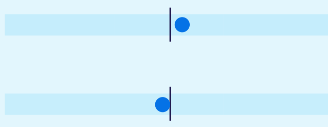
- Economic profit exceeded plan by $88m after removing the impact from Suncorp Bank, which was not included in the original plan.
- Total cost growth was 6%. Excluding Suncorp Bank division, the cost growth of 4% was marginally higher than plan as a result of higher restructuring costs to further our productivity agenda. Continued inflation and high levels of investment directed into growth, productivity and simplification initiatives were partially offset by disciplined cost management and productivity initiatives.
- Return on equity (ROE) exceeded target by 36 basis points after removing the impacts from Suncorp Bank earnings not included in the original plan.

Customer	40% weight: **88%/Below Target**
Key objectives	**Outcomes**
• Create propositions that attract and engage more of our target customers, and improve their financial well-being, access to housing and sustainability • Build resilient business services and technology that more safely and efficiently serve customers	Below / Target / Above
Suncorp Bank: Ensure Suncorp integration is on track	
Australia Retail: Make ANZ Plus a success including Plus Home loan in market and migration of initial cohort from Classic to Plus	
Australia Commercial: Continue to execute Commercial strategy with targeted growth in chosen segments and an increase in digital lending	
Institutional: Deliver against Environmental, Social and Governance (ESG) targets and extend leadership in platforms	
New Zealand: Continue to make banking easier	

- **Suncorp Bank** acquisition was completed, with a successful day 1 cutover.
- **Australia Retail** ANZ Plus growth has been strong, with Deposit Funds Under Management (FUM) of $16.5bn and customer numbers of 850k surpassing target, coupled with the rollout of additional features and continued improvement in Net Promoter Score (NPS)[2]. However, ANZ Plus Home Loans have been slower to market and achieved slower growth than target.
- **Australia Commercial** maintained sound delivery of initiatives to support strategy and achieved targeted growth in specific segments. NPS continued to improve year-on-year. Digital lending exceeded target. Flat growth with Business Owner/Home Owner FUM.
- **Institutional** achieved well beyond the 2024 target set to make progress on funding and facilitating $100bn by the end of 2030 in social and environmental activities. Significant mandates won for Payment Platforms and named best bank for cash management globally by Global Finance.
- **New Zealand** made significant progress on the Ngā Tapuwae program (to move ANZ NZ core to cloud and redesign business for greater resilience, agility and lower cost) – the key enabler in making banking easier for customers in New Zealand. Delivered first Climate Related Disclosure for New Zealand Climate standards.

1. 2. See footnotes over page.

People & Culture	20% weight: **100%/On Target**
Key objectives	Outcomes
Establish an adaptable workforce and operating model that delivers innovation and outcomes for our customers more quickly	Below Target Above
Retain **high performers** (particularly those with the skills to support our business transformation)	
Maintain a purpose led culture, with strong **employee engagement**, and improved diversity and inclusion	



- Engagement continued to be very high (84% vs 87% in 2023). This engagement is evidenced beyond survey data in other measures such as participation in the 'Lead@ANZ program' (over 75% of eligible leaders having commenced the program), around 1,300 engineers having completed the 'Engineering Career Pathways program' and the number of staff who chose to be upskilled in ESG (3,249 completed the 'ESG@ANZ learning program').
- Retention of high performers was also strong, despite a more competitive employment market.
- A new Diversity and Inclusion (D&I) target was created in 2024 (aligned to our D&I strategy), and improvement from the baseline was positive. We continued to make progress on Women in Leadership (38.8%, up from 37.3% in 2023) and also maintained our #1 ranking amongst major bank peers in Glassdoor[3] employer of choice ratings.

Risk modifier	0 to 110%: **90%/Below Target**
Maintain risk discipline focused on good customer and regulatory outcomes	

- Strong credit outcome with no material credit events recorded. Overall, credit and market risk has been well managed, and liquidity risk remains appropriate.
- Ongoing progress in delivering key regulatory commitments and uplifting NFR management, however, the recent impost of an additional $250m operational risk overlay on top of our current $500m overlay is acknowledged as a clear sign that we need to do more in this area, and this will be a significant focus for 2025.
- The enterprise's risk culture has been assessed as Needs Improvement in 2024. Regulatory concerns around our Markets business and NFR management have contributed to this re-assessment. Importantly, a high 'Speak Up' index of 81% was achieved, reflecting sustained efforts to encourage people to speak up and challenge each other respectfully.
- No repeat adverse audits, no material Risk Appetite Statement breaches, and no material overdue regulatory issues.

Overall Group Performance Assessment	Assessment: **90%/Below Target**

Overall performance (excluding the impact of the Risk Modifier), is assessed at 99% or slightly below target, despite a challenging economic and socio-political environment. This reflects our strong financial performance with all business lines each contributing strongly, solid progress against our long-term strategic objectives, and good customer and people outcomes.

However, while ANZ delivered against the majority of the Group Scorecard objectives, the recent issues in the Markets business, and the additional $250m capital overlay from APRA in response to concerns regarding NFR matters, resulted in the application of a Risk Modifier of 90%, and therefore an overall performance assessment for 2024 of 90% (rounded) or Below Target. The Board notes that STVR outcomes for the CEO and Disclosed Executives also take into consideration performance against individual objectives.

1. Economic profit is a risk adjusted profit measure used to evaluate business unit performance and is not subject to audit by the external auditor. Economic profit is calculated via a series of adjustments to cash profit with the economic credit cost adjustment replacing the accounting credit loss charge; the inclusion of the benefit of imputation credits (measured at 70% of Australian tax) and an adjustment to reflect the cost of capital. **2.** Net Promoter Score (NPS) is a customer loyalty metric used globally to evaluate a company's brand, products or services. Net Promoter® and NPS® are registered trademarks and Net Promoter Score and Net Promoter System are trademarks of Bain & Company, Satmetrix Systems and Fred Reichheld. **3.** Glassdoor is a website where employees and former employees anonymously review companies and their management.

5.1.2 CEO and DEs STVR – 2024 outcomes

At the end of the financial year, the People & Culture Committee makes a recommendation to the Board for approval in respect of STVR outcomes. STVR will vary up or down year-on-year, it is not guaranteed, and may range from zero to a maximum opportunity.

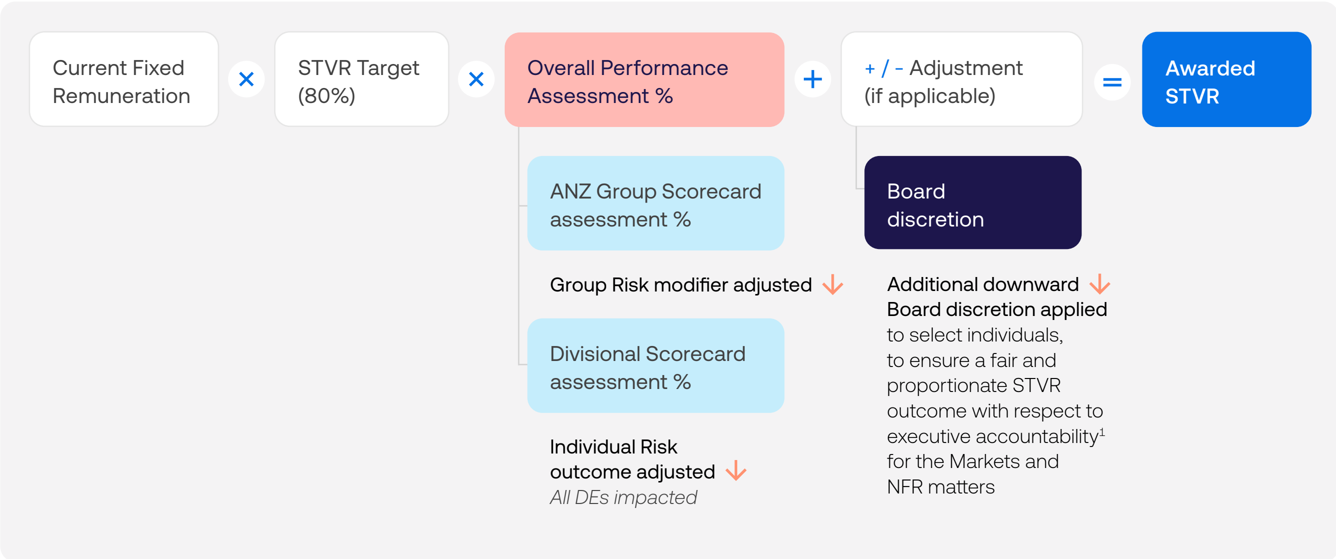
Where expectations are met, STVR is likely to be awarded around 80% of maximum opportunity. Where performance is below expectations, STVR will be less (potentially down to zero), and where above expectations, STVR will be more (potentially up to maximum opportunity). The degree of variance in individual STVR outcomes for Disclosed Executives reflects the weighting of the Group component (i.e., roles with 50% Group weighting will generally have less differentiation), and relative performance of the different areas/individuals.

Summary of how the 2024 overall performance assessment has impacted the STVR Allocation

2024 remuneration outcomes reflect both the overall performance of the Group and the performance of each individual/Division.

The following provides a summary of how the performance assessment has been impacted as a result of the Markets and NFR matters, and therefore the resulting impact on the 2024 awarded STVR.

2024 STVR Allocation (Target: 80%; Max: 100% as % of FR)



1. The term 'accountability' is used in the broader sense – i.e., taken to mean that the CEO/Disclosed Executives are ultimately responsible for the effective management of risk and the performance of the bank, and therefore should bear appropriate consequences for the impacts of the matters. As used in this report, the term should not be taken to mean accountability under FAR, unless otherwise stated. Where referring to FAR accountability, the term 'Accountability' will be capitalised.

The STVR awarded tables show a year-on-year comparison of STVR awarded to the CEO, and Disclosed Executives for the 2023 and 2024 performance periods. STVR awarded reflects actual cash and the deferred shares component of STVR **awarded** in respect of the relevant financial year. As non-cash components are subject to future vesting outcomes, the awarded value may be higher or lower than the future realised value.

CEO

The Board determined that an STVR outcome of $1.3m (65% of target/52% of maximum opportunity) was appropriate for 2024 having regard to the overall performance of the Group, the CEO Leadership Modifier, and the Board's application of downward adjustment due to risk and reputation considerations arising from the Markets and NFR matters. As a result, the CEO's STVR outcome is down 46% year-on-year.

The Board assessed the CEO's 2024 performance as follows:

'What' assessment		**'How'** assessment	
Basis for:	Assessed as:	Basis for:	Assessed as:
ANZ Group Scorecard (Section 5.1.1) (100% weighting)	**90%/ Below Target**	*CEO Leadership Modifier* (see below)	**Overall: Met**
		1. Led/driven performance against the ANZ Group Scorecard *(including leadership of personal objectives aligned to the ANZ Group Scorecard)*	**Met**
		2. ANZ values/behaviours	**Role Modelled**
		3. Individual risk/compliance assessment	**Consistently demonstrated**

Board discretion: Downward adjustment to reflect impacts arising from the Markets and NFR matters

Overall performance assessment of 65% of target aligned to STVR outcome

Awarded STVR in the relevant financial year – CEO

	Financial year	STVR maximum opportunity $	Actual STVR: Total STVR $	Actual STVR: STVR cash $	Actual STVR: STVR deferred shares $	STVR as % of: Target opportunity	STVR as % of: Maximum opportunity
CEO							
S Elliott	2024	2,500,000	1,300,000	650,000	650,000	65%	52%
	2023	2,500,000	2,400,000	1,160,000	1,240,000	120%	96%

Board assessment of CEO Leadership Modifier

The CEO has delivered well against the key factors forming part of the CEO Leadership Modifier.

1. Led/driven performance against the ANZ Group Scorecard

The CEO's leadership of the bank's key priorities resulted in strong progress against ANZ's longer term strategy, and good overall performance against 2024 objectives (Section 5.1.1). Key leadership highlights include:

- Final approval and acquisition of Suncorp Bank
- The ongoing successful rollout of ANZ Plus with strong adoption numbers, FUM growth and NPS, although acknowledging the slower than planned progress in some areas (e.g., home loans)
- Exceeding many ESG targets
- Significant productivity saves, to enable investment in key platforms for long term success

While 2024 has been a year of many successful achievements, the Board's reduction to the Risk Modifier resulted in a Below Target Group Scorecard assessment overall.

2. ANZ values/behaviours

The CEO's personal role modelling of the ANZ values and behaviours is exemplary, and as a result he is highly respected by ANZ staff and regarded as an authentic leader. Externally, the CEO demonstrates industry leadership on a range of matters, including his advocacy on making banking more accessible to the general population, along with his regular engagement with non-profit partners and community groups.

3. Individual risk/compliance assessment

The CEO actively leads, encourages and cultivates a culture where people seek to understand, measure and proactively manage risk and compliance matters.

He sets the tone from the top regarding the importance of risk management and speak up culture across the bank, as evidenced by the improvement from 83% to 88% for the response to "At ANZ there are appropriate risk consequences when risk management processes and behaviours are not followed." While the CEO is ultimately accountable for the Markets and NFR matters, he has provided strong positive leadership in response to each matter.

Board discretion

While on balance the CEO's performance against the 'what' and 'how' assessments were good, the Markets and NFR matters have impacted ANZ's reputation, the confidence of customers, shareholders and regulators, and increased the risk capital overlay on ANZ by $250m. As a result, the Board has applied its discretion to ensure a fair and proportionate performance and STVR outcome for the CEO, given he has ultimate accountability for these matters.

Disclosed Executives

STVR outcomes for Disclosed Executives continue to differ both year-on-year and between executives demonstrating the variability in Group and individual performance year-on-year and the at risk nature of this element of remuneration (i.e., it is not guaranteed and may be adjusted up or down ranging from zero to a maximum opportunity).

In 2024, STVR outcomes for all Disclosed Executives have been impacted by the Markets and NFR matters (i.e., down 29% on average year-on-year for those in role for a full year in 2023 and 2024), due to the:

- impact of the Risk Modifier outcome on the Group Scorecard assessment; and
- the application of a -20% individual Risk Modifier adjustment for most Disclosed Executives to reflect collective executive accountability for the NFR challenges. The risk assessment impact was greatest for the CRO and GE, Institutional to reflect their greater overall accountability for these matters (i.e., issues took place within their area of control and influence), resulting in an average STVR reduction of 50% year-on-year.

The average STVR outcome for current Disclosed Executives is 75% of target (60% of maximum opportunity). This reflects both the overall assessment of ANZ Group performance as Below Target (Section 5.1.1), which is weighted 25% or 50%, and also individual performance (Section 4.4.2) which is weighted 75% or 50% depending on role. Outcomes range from 50% to 88% of target (or 40% to 71% of maximum opportunity).

To ensure an overall fair and proportionate consequence for the Markets and NFR matters, downward Board discretion was applied to STVR outcomes for select individuals (refer to Section 6 for consequence considerations).

The 2024 STVR awarded outcome for E Clements is based on her time as a Disclosed Executive during 2024. R Howell was awarded nil STVR for the 8 days he was a Disclosed Executive during 2024.

Awarded STVR in the relevant financial year – Disclosed Executives

			Actual STVR			STVR as % of	
	Financial year	STVR maximum opportunity $	Total STVR $	STVR cash $	STVR deferred shares $	Target opportunity	Maximum opportunity
Current Disclosed Executives							
M Carnegie	**2024**	**1,300,000**	**865,000**	**432,500**	**432,500**	**83%**	**67%**
	2023	1,250,000	1,100,000	550,000	550,000	110%	88%
E Clements[1]	**2024**	**784,000**	**470,400**	**235,200**	**235,200**	**75%**	**60%**
K Corbally	**2024**	**1,300,000**	**624,000**	**312,000**	**312,000**	**60%**	**48%**
	2023	1,250,000	1,065,000	532,500	532,500	107%	85%
F Faruqui	**2024**	**1,275,000**	**885,000**	**442,500**	**442,500**	**87%**	**69%**
	2023	1,250,000	1,200,000	600,000	600,000	120%	96%
G Florian	**2024**	**1,262,500**	**865,000**	**432,500**	**432,500**	**86%**	**69%**
	2023	1,250,000	995,000	497,500	497,500	100%	80%
C Morgan[1]	**2024**	**1,135,000**	**650,000**	**325,000**	**325,000**	**72%**	**57%**
	2023	627,000	500,000	250,000	250,000	100%	80%
A Strong[1]	**2024**	**850,000**	**580,000**	**290,000**	**290,000**	**85%**	**68%**
	2023	690,000	630,200	315,100	315,100	114%	91%
A Watson[2]	**2024**	**1,129,635**	**797,660**	**398,830**	**398,830**	**88%**	**71%**
	2023	1,106,505	945,140	472,570	472,570	107%	85%
M Whelan	**2024**	**1,500,000**	**595,000**	**297,500**	**297,500**	**50%**	**40%**
	2023	1,460,000	1,460,000	730,000	730,000	125%	100%
Former Disclosed Executives							
R Howell[1]	**2024**	**21,490**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
	2023	348,068	300,000	180,000	120,000	108%	86%

1. STVR based on time as a Disclosed Executive in either 2023 (C Morgan, A Strong, R Howell) or 2024 (E Clements, R Howell). **2.** Paid in NZD and converted to AUD. Year to date average exchange rate used to convert NZD to AUD as at 30 September for the relevant year.

5.2 Long term variable remuneration (LTVR)

LTVR reinforces the focus on achieving longer term strategic objectives, driving outperformance relative to peers, and creating long-term sustained value for all stakeholders. LTVR will be awarded based on full opportunity unless the LTVR restricted rights pre grant assessment results in any reduction (and is also subject to shareholder approval for the CEO).

A pre vest assessment will determine the number of restricted rights that ultimately vest, and performance against TSR hurdles will determine the level of vesting of performance rights and subsequent value of performance rights at the end of the performance period. LTVR (restricted rights and performance rights) is designed to strengthen the alignment of executive interests with shareholders, and performance rights provide a strong link between the reward for executive performance and TSR returns over the next four-year period.

5.2.1 CEO and DEs[1] LTVR – 2024 outcomes

2024 Awarded LTVR and pre grant assessment outcome

Following completion of the 2024 LTVR pre grant assessment, based on its outcome in October 2023, the Board determined that the 2024 LTVR (awarded at the start of the 2024 financial year) should be awarded at full opportunity to Disclosed Executives (November 2023) and the CEO (December 2023 post AGM).

The restricted rights component of LTVR was subject to a pre grant assessment by the Board which determined that the award should be made at full value (i.e., no reduction); and will be subject to a pre vest assessment by the Board of non-financial measures at the end of the four-year performance period to determine whether the restricted rights should vest in full.

Restricted rights 2024 pre grant assessment (Section 9.1.1)

Step	Action	Outcome
Step 1	Assess Prudential Soundness	Met
Step 2	Assess Risk Measures	Met
Step 3	Apply Board discretion	No adjustment
Pre grant assessment outcome		**100%**

CEO LTVR: Shareholders approved at the 2023 AGM a 2024 LTVR award of $3,375,000 (135% of FR), delivered in the form of 50% restricted rights and 50% performance rights.

Disclosed Executives LTVR: 2024 LTVR awarded at full opportunity (135% of FR, and 100% for the CRO). Note that R Howell was not eligible in his acting capacity. Section 4.3 outlines delivery details.

2024 Awarded LTVR – CEO and Disclosed Executives

2024 LTVR Allocation (Full Opportunity[1]: 135% of FR; 2024 LTVR awarded at 100% of Full Opportunity)

2024 Fixed Remuneration × LTVR Restricted Rights opportunity (67.5%) × 2024 Pre grant assessment Outcome: 100% = LTVR Restricted Rights Allocation: **67.5% of Fixed Remuneration**

2024 Fixed Remuneration × LTVR Performance Rights opportunity (67.5%) = LTVR Performance Rights Allocation: **67.5% of Fixed Remuneration**

Overall 135% of FR

1. CRO role: Full opportunity at 100% of Fixed Remuneration and delivered wholly in restricted rights.

	Actual LTVR[1]		
	Total LTVR[1] $	LTVR restricted rights $	LTVR performance rights $
CEO and Current Disclosed Executives			
S Elliott	3,375,000	1,687,500	1,687,500
M Carnegie	1,755,000	877,500	877,500
E Clements	1,080,000	540,000	540,000
K Corbally	1,300,000	1,300,000	-
F Faruqui	1,721,250	860,625	860,625
G Florian	1,704,375	852,188	852,188
C Morgan	1,532,250	766,125	766,125
A Strong	1,147,500	573,750	573,750
A Watson[2]	1,524,903	762,451	762,451
M Whelan	2,025,000	1,012,500	1,012,500

1. LTVR full opportunity based on FR at start of financial year. **2.** Awarded in NZD and converted to AUD. Year to date average exchange rate used to convert NZD to AUD as at 30 September for the relevant year.

2024 Received LTVR

2019 performance rights granted to the CEO in December 2019 and Disclosed Executives (excluding the CRO) in November 2019, reached the end of their performance period in November 2023. Based on performance against hurdles, 100% of the performance rights lapsed and executives received no value from this award.

Performance rights vesting outcomes

			Over four years				
Hurdle	Grant date[1]	First date exercisable[1]	ANZ TSR/ CAGR[2] TSR	Median TSR/ CAGR[2] TSR threshold target	Upper quartile TSR/CAGR[2] TSR maximum target	% vested	Overall performance rights outcome
75% relative TSR Select Financial Services (SFS) comparator group	22-Nov-19	22-Nov-23	12.32%	18.64%	47.58%	0%	100% lapsed
25% absolute CAGR[2] TSR	22-Nov-19	22-Nov-23	2.95%	8.5%	12.75%	0%	

1. Grant date for the CEO was 17 December 2019, and date first exercisable was 17 December 2023. The CEO's performance period was the same as the performance period for Disclosed Executives. **2.** Compound Annual Growth Rate (CAGR).

5.2.2 CEO and DEs[1] LTVR – 2025 outcomes

Following completion of the 2025 LTVR pre grant assessment, the Board determined in October 2024 that the 2025 LTVR restricted rights (50% of full LTVR opportunity), should be awarded at 90% of full opportunity to Disclosed Executives (November 2024) and the CEO (December 2024 post AGM) due to risk considerations.

This adjustment formed part of a holistic assessment (i.e., including consideration of risk adjustments impacting STVR), to ensure a proportionate collective impact for the NFR matters contributing to the additional capital overlay (Section 6). This would result in a total 2025 LTVR award (awarded at the start of the 2025 financial year) at 95% of full opportunity (90% of full opportunity for the CRO, whose LTVR is delivered wholly in restricted rights).

The restricted rights component of LTVR was subject to a pre grant assessment by the Board (outcomes are summarised below); and will be subject to a pre vest assessment by the Board of non-financial measures at the end of the four-year performance period to determine whether the restricted rights should vest in full.

Restricted rights 2025 pre grant assessment (Section 9.1.1)

Step	Action	Outcome
Step 1	Assess Prudential Soundness	Met
Step 2	Assess Risk Measures	Not met
Step 3	Apply Board discretion	No adjustment
Pre grant assessment outcome		**90%**

The performance rights component of LTVR is subject to TSR hurdles, which will determine the level of vesting and subsequent value of performance rights at the end of the performance period.

CEO LTVR: 2025 LTVR subject to shareholder approval at the 2024 AGM – 2025 LTVR award of $3,206,250 (128.25% of FR), delivered in the form of 47% restricted rights and 53% performance rights.

Disclosed Executives LTVR: 2025 LTVR awarded at 90% of their full opportunity (128.25% of FR, and 90% for the CRO), delivered as part restricted rights and part performance rights (except for the CRO whose LTVR is delivered wholly in restricted rights).

1. See footnote over page.

2025 LTVR Allocation (Full Opportunity[1]: 135% of FR; 2025 LTVR awarded at 95% of Full Opportunity)

2025 Fixed Remuneration	×	LTVR **Restricted Rights** opportunity (67.5%)	×	2025 Pre grant assessment Outcome: **90%**[2]	=	LTVR **Restricted Rights** Allocation: **60.75% of Fixed Remuneration**	**Overall 128.25% of FR** (95% of full opportunity)
2025 Fixed Remuneration	×	LTVR **Performance Rights** opportunity (67.5%)			=	LTVR **Performance Rights** Allocation: **67.5% of Fixed Remuneration**	

1. CRO role: Full opportunity at 100% of Fixed Remuneration, overall awarded at 90% of full opportunity (as delivered wholly in restricted rights). **2.** Downward adjustment ↓ due to risk considerations in 2024. All DEs impacted.

5.3 2024 Received remuneration

This table shows the remuneration the CEO and Disclosed Executives actually received in relation to the 2024 financial year as cash paid, or in the case of prior equity awards, the value which vested in 2024.

FR adjustments were received by Disclosed Executives effective 1 October 2023 to maintain or improve market positioning, approved by the Board in October 2023. There were no other adjustments to FR for Disclosed Executives in 2024.

2024 Received remuneration – CEO and Disclosed Executives:

Received value includes the value of prior equity awards which vested in that year

	Fixed remuneration $	Cash variable remuneration $	Total cash $	Deferred variable remuneration which vested during the year[1] $	Other deferred remuneration which vested during the year[1] $	Actual remuneration received[2] $	Deferred variable remuneration which lapsed/forfeited during the year[1,3] $
CEO and Current Disclosed Executives							
S Elliott	2,500,000	650,000	**3,150,000**	958,134	-	**4,108,134**	(4,297,414)
M Carnegie[4]	1,300,000	432,500	**1,732,500**	526,735	-	**2,259,235**	(992,392)
E Clements[5]	784,000	235,200	**1,019,200**	196,188	-	**1,215,388**	-
K Corbally[4]	1,300,000	312,000	**1,612,000**	1,057,966	-	**2,669,966**	-
F Faruqui[4]	1,275,000	442,500	**1,717,500**	697,515	-	**2,415,015**	(1,680,521)
G Florian[4]	1,262,500	432,500	**1,695,000**	516,838	-	**2,211,838**	(562,329)
C Morgan[4,6]	1,135,000	325,000	**1,460,000**	-	242,326	**1,702,326**	-
A Strong[4]	850,000	290,000	**1,140,000**	329,428	-	**1,469,428**	-
A Watson[4,7]	1,129,635	398,830	**1,528,465**	584,674	-	**2,113,139**	-
M Whelan[4]	1,500,000	297,500	**1,797,500**	656,862	-	**2,454,362**	(1,753,220)
Former Disclosed Executives							
R Howell[5]	14,327	n/a	**14,327**	-	-	**14,327**	-

1. Deferred variable remuneration which either vested or lapsed/forfeited during the year is the point in time value of previously deferred remuneration granted as deferred shares, deferred share rights and/or restricted rights/performance rights, and is based on the one day Volume Weighted Average Price (VWAP) of the Company's shares traded on the ASX on the date of vesting or lapsing/forfeiture multiplied by the number of deferred shares/deferred share rights and/or restricted rights/performance rights. **2.** The sum of fixed remuneration, cash variable remuneration and deferred variable remuneration which vested during the year. **3.** The lapsed/forfeited values relate to 100% of the performance rights awarded in November/December 2019 lapsing in November/December 2023 due to the performance hurdles not being met. **4.** Fixed remuneration reflects increases applied from 1 October 2023 to maintain or improve market positioning (M Carnegie, K Corbally, F Faruqui, G Florian, C Morgan, A Strong, A Watson, M Whelan). **5.** Fixed remuneration based on time as a Disclosed Executive (E Clements, R Howell). **6.** Other deferred remuneration for C Morgan relates to deferred remuneration forfeited and bonus opportunity forgone as a result of joining ANZ, that was deferred in prior years as deferred shares and vested during the year. **7.** Paid in NZD and converted to AUD. Year to date average exchange rate used to convert NZD to AUD as at 30 September for the relevant year.

5.4 2024 CEO remuneration comparison with prior years

CEO – Summary of 2023 and 2024 total remuneration

Awarded	Received	Statutory
Awarded remuneration reflects actual cash and the deferred shares component of STVR awarded in the year. As non-cash components are subject to future vesting outcomes, the awarded value may be higher or lower than the future realised value. Awarded remuneration is lower in 2024 (compared to 2023), due to the notably lower STVR in 2024. Note, STVR is awarded at the end of the year.	**Received remuneration** reflects the actual remuneration received in the year (i.e., cash paid and the value of previously awarded STVR deferred shares and LTVR performance rights which vested in the year). The amount received is lower in 2024 (compared to 2023), due to the notably lower STVR in 2024. Note that whilst all LTVR due to vest in 2024 lapsed, for comparative purposes, in 2023 there was no LTVR due to vest as a result of changing from a three to four-year performance period in November 2019.	**Statutory remuneration** reflects remuneration in accordance with Australian Accounting Standards which includes FR and the amortised accounting value of equity based variable remuneration, not the actual awarded or received value in respect of the relevant financial year (i.e., includes the value of STVR and LTVR expensed in the year). This is different to remuneration received in 2024 (which includes prior year awards which vested).

	Awarded: Fixed remuneration $	Awarded: STVR $	Awarded: LTVR $	Awarded: Total remuneration $	Received: Total remuneration $	Statutory: Total remuneration $
2024	**2,500,000**	**1,300,000**	**3,375,000**	**7,175,000**	**4,108,134**	**5,699,642**
2023	2,500,000	2,400,000	3,375,000	8,275,000	4,579,413	6,186,508

6. Accountability and Consequence Framework

6.1 Board considerations of consequences for material risk, audit and conduct events

Considerations regarding accountability and consequences for our most senior executives are considered and determined by the People & Culture Committee and Board, including the application of malus and clawback (Section 4.5) for the CEO and Disclosed Executives.

When determining consequences, consideration is given to the level of accountability, and the severity of the issue, including customer impacts. Consequences may include, for example, one or more of the following: counselling, formal warnings, impacts to in year performance and remuneration outcomes or application of malus to previously deferred remuneration and ultimately termination of employment or clawback for the most serious issues.

As part of our standard process, reports on the most material risk, audit and conduct issues are presented to the People & Culture, Risk and Audit Committees at a joint meeting. This information is considered by the Board when considering the performance of the Group, the ANZIP variable remuneration pool for all employees and in determining the performance and remuneration outcomes of the CEO and Disclosed Executives.

6.2 Additional Board governance and oversight regarding the Markets and non-financial risk matters in 2024

Further to consideration of material risk, audit and conduct events, the Board put in place in 2024 additional governance to ensure it is well placed to determine accountability consequences on issues associated with the various Markets matters. As part of the additional governance, the Board also considered ANZ's NFR framework, particularly the additional $250m capital overlay issued by APRA.

In reviewing these matters, and to ensure the application of fair and proportionate consequences that are based on clearly established evidence and facts, the Board:

- appointed its own independent legal advisors to review material resulting from three external reviews, and an independent Markets expert to ensure Board independence and that FAR obligations had been met;
- established a sub-committee consisting of the Board Chair and three Board directors with experience in Markets trading;
- spent considerable time deliberating remuneration outcomes for the CEO and Disclosed Executives taking into consideration the findings from the accountability reviews, and the fact that the Executive Committee have collective accountability for the performance of the bank; and
- sought independent advice in relation to the application of the remuneration consequences for the CEO and Disclosed Executives.

The Board views that relevant Executive Committee members should bear appropriate accountability for actions and outcomes that took place within their area of control or influence, irrespective of whether they themselves were personally involved or were otherwise at fault, by virtue of their role and seniority. Similarly, with respect to the NFR matters, the Board considered it appropriate to hold the Executive Committee collectively accountable.

The Board has determined for the CEO and Disclosed Executives, that the deferred remuneration available in November/December 2024, should vest in full (subject to performance hurdles). However, as investigations into the matters above are ongoing, the Board view that there is sufficient deferred remuneration on-foot (Section 9.3), to apply downward adjustment should further information come to light that justifies the application of additional consequences.

6.3 Summary of consequences applied to the CEO and Disclosed Executives

The following summarises how consequences related to the Markets and NFR matters have been considered overall for the CEO and Disclosed Executives (DEs), both in terms of ANZ's performance and remuneration framework and the additional Board governance put in place to address these issues in 2024.

Summary of 2024 Consequence Approach and Outcomes

ANZ Performance Assessment Framework

Group Risk modifier adjusted ↓

Individual Risk outcome adjusted ↓

All DEs impacted – with higher impact for those assessed as having greater accountability

+

Additional Board Governance regarding Markets & NFR Matters *(incl. external reviews)*

Board discretion overlay with ↓ STVR adjustments for select individuals

Adjustments applied based on a consequence lens, rather than a 'pure' performance lens

+

2025 LTVR Pre Grant Assessment

Downward adjustment ↓ due to 2024 risk considerations

All DEs impacted

+

Future downward adjustment *(if required)*

Further ↓ adjustment if additional information comes to light at a later date

See Section 4.5 for downward adjustment options

=

Fair and proportionate remuneration consequences

↓ 2024 STVR and 2025 LTVR outcomes

Awarded STVR outcome of 52% of maximum for CEO and average of 60% of maximum for Disclosed Executives; 90% LTVR RR resulting in 95% 2025 LTVR overall

Note, no malus or clawback was applied to the remuneration of the CEO and Disclosed Executives during 2024.

While the 2024 Remuneration Report focuses on consequences for the CEO and Disclosed Executives, the Board has and will continue to provide oversight (as appropriate), of consequence considerations for other current and former employees should there be findings of accountability regarding the Markets matters.

6.4 Role of the Enterprise Accountability Group

The Enterprise Accountability Group (EAG) is the governance mechanism for the operation of the Accountability and Consequence Framework (A&CF), and reviews accountability and consequences for employees below the CEO and ExCo/Disclosed Executives.

The EAG is chaired by the CEO and members include the CRO, CFO and GE T&C. It operates under the delegated authority of the People & Culture Committee, considering Accountability questions under FAR and accountability in its broader sense, and is responsible for:

- supporting the Board in monitoring the implementation and ongoing effectiveness of ANZ's A&CF;
- reviewing the most material risk, conduct and audit events for accountability and the application of consequences, where appropriate;
- providing guidance to the Divisions and considering initiatives across the Divisions to strengthen risk behaviours;
- acknowledging material positive risk events and recognising risk role models, whose achievements are profiled across the organisation; and
- approving the release or application of downward adjustment for deferred variable remuneration (noting that for the CEO and Disclosed Executives this is approved by the Board).

The EAG has processes in place to ensure that we mitigate the risk of conflicts of interest in reviewing events and determining accountability and consequences. For example, when undertaking accountability reviews, a recommendation regarding the review leader and scope must be sent to the CRO (or in the case of an event involving Group Risk to the CEO), for review and approval to ensure the individual is capable of undertaking an impartial and unbiased review.

6.5 Material positive risk events

The EAG reviews material positive risk decisions and events – times when our proactive approach to identifying and mitigating risk have had a material positive outcome. Reviewing these examples provides an opportunity to acknowledge the importance of these events and share learnings across the enterprise.

6.6 Risk role models

In 2024, 104 individuals were recognised by the EAG for role modelling outstanding risk behaviours through their efforts to identify, manage and mitigate the organisation's risks and contribute to our strong risk culture. Recognition provided included a personalised e-mail from the CEO, local recognition events, and having their achievement profiled on our intranet and in internal newsletters.

6.7 Compliance with Prudential Standard *CPS 511 Remuneration*

ANZ's A&CF is an integral part of our enterprise approach to meeting the requirements of APRA's Prudential Standard *CPS 511 Remuneration*.

We introduced clawback provisions for the CEO and our Disclosed Executives effective 2022, in addition to existing downward adjustment tools such as in year adjustment, further deferral and malus.

In 2024, we have continued to raise employee awareness with respect to accountability and consequences through explicit references to the A&CF (including remuneration consequences) in employee training and communications and performance and remuneration policy documents.

In addition, as part of our annual performance and remuneration process, we have provided our People Leaders with guidance regarding appropriate (and in some cases, mandatory) remuneration consequences for conduct and performance issues, including insights from the previous year's consequences applied. These activities are part of our continued focus on consistency in application of remuneration consequence across ANZ globally.

6.8 Evolving the Accountability & Consequence Framework

Our A&CF is designed to support our customer commitment that when things go wrong, we fix them and hold executives, (current and former where we can), to account where appropriate. We are also focused on ensuring that we learn from the cause of the event, mitigate the risk of future recurrences and continuously seek to strengthen our risk culture. We review the effectiveness of the A&CF every year and implement enhancements to further strengthen the A&CF based on regulatory and internal stakeholder input.

6.9 Speak up culture

We continue to raise employee awareness of, and promote the various ways employees can speak up and raise issues and ideas for improvement including through initiatives such as:

- targeted jurisdiction and business specific awareness sessions, designed to build trust in the process and program and promote speak up channels;
- digital communications designed to build confidence and trust in the Whistleblower Program and process; and
- the monitoring of responses in our employee engagement surveys.

Key risk and speak up scores, including 'My manager (the person I report to) demonstrates personal accountability for managing risk and sound risk behaviours (92%)', 'I can raise issues and concerns without fear of reprisals' (77%), 'In my team, it feels safe to ask questions, make mistakes, highlight problems & take social risks (85%)' and 'When I speak up, my ideas, opinions and concerns are heard' (81%) remained strong, in keeping with 2023, 2022 and 2021 results.[1]

6.10 Application of consequences

In 2024, there were 1,400 employee relations cases involving alleged breaches of our Code, with 488 resulting in a formal consequence or the employee leaving ANZ, down from 501 in 2023. Breaches ranged from compliance/procedural breaches (20.7%), through to general unacceptable behaviour (38.5%), email/systems misuse (10.5%), attendance issues (17.4%), fraud/theft (5.5%), conflict of interest (3.7%) and breaches of our Equal Opportunity, Bullying and Harassment Policy (3.7%). Outcomes following investigations of breaches this year included 88 terminations, 306 warnings and 94 employees leaving ANZ.

In relation to the application of consequences to our senior leadership population (senior executives, executives and senior managers), 20 current and former employees (30 in 2023) had a consequence applied as a result of the application of our Code of Conduct Policy and/or findings of accountability for a relevant event. Consequences included warnings, impacts on performance and remuneration outcomes and dismissal.

All employees and contractors across the enterprise are required to complete mandatory learning modules. Permanent employees who fail to complete their mandatory learning requirements within 30 days of the due date are (in the absence of genuinely exceptional circumstances) ineligible for any FR increase or variable remuneration award as part of our annual Performance and Remuneration Review. In 2024, the mandatory learning course compliance rate across the enterprise was 99.73%.

1. Results reported are taken from the Q2 and/or Q4 employee engagement surveys, and Risk Culture Survey.

7. Non-Executive Director (NED) remuneration

7.1 NED Remuneration structure

A review of 2024 NED fees was completed by the People & Culture Committee in September 2023. Following that review of 2024 fees (as previously disclosed in the 2023 Remuneration Report), the People & Culture Committee approved a 2% increase to the NED member fee (from $240,000 to $245,000) which has remained unchanged since 2016. The Board Chairman fee remains unchanged. Following review, the People & Culture Committee also approved the alignment of the fee structure across all Committees increasing each Committee chair fee to $68,000, and each Committee member fee to $34,000. This fee review considered increased complexity in the regulatory environment, uplifts for ANZ's broader employee population, and the external market.

The fee structure is applicable to NEDs of ANZGHL and ANZBGL. Fees prior to the implementation of the Non-Operating Holding Company (NOHC) structure related to membership of the ANZBGL Board, and post implementation are viewed as a single fee covering both Boards (i.e., membership of ANZGHL and ANZBGL Boards/Committees). Currently the fee structure applies irrespective of whether NEDs serve on one or more Boards.

NEDs receive a fee for being a Director of the Board, and additional fees for either chairing, or being a member of a Board Committee. The Chairman of the Board does not receive additional fees for serving on a Board Committee.

In setting Board and Committee fees, the following are considered: general industry practice, ASX Corporate Governance Principles and Recommendations, the responsibilities and risks attached to the NED role, the time commitment expected of NEDs on Group and Company matters, and fees paid to NEDs of comparable companies.

ANZ compares NED fees to a comparator group of Australian listed companies with a similar market capitalisation, with particular focus on the major financial services institutions. This is considered an appropriate group, given similarity in size and complexity, nature of work and time commitment by NEDs.

To maintain NED independence and impartiality:

- NED fees are not linked to the performance of the Group; and
- NEDs are not eligible to participate in any of the Group's variable remuneration arrangements.

The current aggregate fee pool for NEDs of $4m was approved by shareholders at the 2012 AGM. The annual total of NEDs' fees, including superannuation contributions, is within this agreed limit.

This table shows the NED fee policy structure for 2024 compared to 2023.

NED fee policy structure – 2024 and 2023

	Financial year	Chair fee	Member fee
Board[1,2]	**2024**	**$850,000**	**$245,000**
	2023	$850,000	$240,000
Audit Committee	**2024**	**$68,000**	**$34,000**
	2023	$65,000	$32,500
Risk Committee	**2024**	**$68,000**	**$34,000**
	2023	$65,000	$32,500
People & Culture Committee (previously Human Resources Committee)	**2024**	**$68,000**	**$34,000**
	2023	$65,000	$32,500
Digital Business & Technology Committee	**2024**	**$68,000**	**$34,000**
	2023	$55,000	$27,500
Ethics, Environment, Social & Governance Committee	**2024**	**$68,000**	**$34,000**
	2023	$55,000	$27,500

1. Including superannuation. **2.** The Chairman of the Board does not receive additional fees for serving on a Board Committee. The Chairman of the Board and NEDs do not receive a fee for serving on the Nomination and Board Operations Committee.

NED shareholding guidelines

We expect our NEDs to hold ANZ shares. NEDs are required:

- to accumulate shares – over a five-year period from their appointment to the value of:
  - 100% of the NED member fee for Directors;
  - 100% of the Chairman fee for the Chairman; and
- to maintain this shareholding while they are a Director of ANZ.

Based on the ANZ share price as at 30 September 2024, all NEDs who have served five years met the holding guideline.

7.2 2024 Statutory remuneration – NEDS

The following table outlines the statutory remuneration of NEDs[1] disclosed in accordance with Australian Accounting Standards.

1. In addition to the fees shown below the following NEDs were awarded fees relating to other ANZ entities:

- Jane Halton awarded $60,984 in 2024 for her role as Chair of Norfina Limited (Suncorp Bank).
- Christine O'Reilly awarded $35,743 in 2024 for her role as NED of Norfina Limited (Suncorp Bank).
- Scott St John awarded NZD 324,342 in 2024 for his roles as Chair and NED of ANZ Bank New Zealand Limited.
- Sir John Key awarded NZD 200,697 in 2024 (NZD 422,050 in 2023) for his role as Former Chair of ANZ Bank New Zealand Limited.

2024 Statutory remuneration – NEDS

		Short-term NED benefits		Post-employment	
	Financial year	Fees[1] $	Non monetary benefits[2] $	Super contributions[1] $	Total remuneration[3] $
Current Non-Executive Directors					
P O'Sullivan	**2024**	**821,968**	**-**	**28,032**	**850,000**
	2023	824,181	-	25,819	850,000
R Gibb[4]	**2024**	**206,291**	**184**	**18,253**	**224,728**
J Halton	**2024**	**358,281**	**-**	**28,032**	**386,313**
	2023	329,181	-	25,819	355,000
H Kramer[4]	**2024**	**328,577**	**184**	**28,032**	**356,793**
	2023	35,841	-	3,942	39,783
C O'Reilly	**2024**	**362,484**	**-**	**28,032**	**390,516**
	2023	344,181	-	25,819	370,000
J Smith	**2024**	**347,332**	**-**	**28,032**	**375,364**
	2023	298,889	-	25,819	324,708
S St John[4]	**2024**	**146,879**	**-**	**14,800**	**161,679**
Former Non-Executive Directors					
I Atlas[4]	**2024**	**78,047**	**-**	**6,850**	**84,897**
	2023	339,181	-	25,819	365,000
J Key[4]	**2024**	**143,595**	**1,295**	**13,699**	**158,589**
	2023	301,681	-	25,819	327,500
J Macfarlane[4]	**2024**	**78,047**	**4,974**	**6,850**	**89,871**
	2023	336,443	-	25,819	362,262
Total of all Non-Executive Directors	**2024**	**2,871,501**	**6,637**	**200,612**	**3,078,750**
	2023	2,809,578	-	184,675	2,994,253

1. Year-on-year differences in fees relate to changes to the NED fees and also to the superannuation Maximum Contribution Base. **2.** Non monetary benefits generally consist of company-funded benefits (and the associated Fringe Benefits Tax) such as welcome gifts from the ANZ NZ Board and gifts provided upon retirement. **3.** Long-term benefits and share-based payments do not apply for the NEDs. **4.** Remuneration based on time as a NED in either 2023 (H Kramer) or 2024 (R Gibb, S St John, I Atlas, J Key and J Macfarlane).

8. Remuneration governance

8.1 The People & Culture Committee

8.1.1 Role of the People & Culture Committee

The Board is ultimately responsible for and oversees ANZ Group's Performance and Remuneration Framework (P&R Framework) and its effective application throughout the ANZ Group. The People & Culture Committee's role is to assist the Board in its oversight of the effective operation of P&R Framework and other T&C matters. It has been delegated authority to act as the remuneration committee for ANZBGL.

During the year the People & Culture Committee met on six occasions and reviewed and approved, or made recommendations to the Board on matters including:

- remuneration for the CEO and other key executives (broader than those disclosed in the Remuneration Report) in accordance with ANZ's Board level P&R Policies, and fees for the NEDs;
- matters related to P&R Framework compliance with APRA's Prudential Standard *CPS 511 Remuneration*, and updates on Treasury's Financial Accountability Regime (FAR);
- the ANZ Group Scorecard (annual objectives setting and assessment) and annual variable remuneration spend;
- performance and reward outcomes for key senior executives, including the consideration of material events that have either occurred or came to light in the year;
- the release, further deferral or application of malus of deferred remuneration or clawback;
- key senior executive appointments and terminations;
- the review of ANZ's Board level P&R Policies, and the Accountability & Consequence Framework (A&CF);
- building capabilities required to deliver on our strategy;
- succession plans for key senior executives; and
- culture, diversity and inclusion, employee engagement, and how we work.

8.1.2 Link between remuneration and risk

The People & Culture Committee has a strong focus on the relationship between business performance, risk management and remuneration, aligned with our business strategy. The chairs of the Risk and Audit Committees and the full Board (ANZGHL and ANZBGL) are in attendance for specific People & Culture Committee meetings. A joint meeting of the People & Culture, Risk and Audit Committees was held to review:

- material risk, conduct and audit events that either occurred or came to light in 2024;
- 2024 performance and variable remuneration recommendations at both the Group, CEO and Disclosed Executive level.

To further reflect the importance of the link between remuneration and risk:

- the Board had three NEDs (in addition to the Chairman) in 2024 who served on both the People & Culture Committee and the Risk Committee;
- the People & Culture Committee has free and unfettered access to risk and financial control personnel (the CRO and CFO attend People & Culture Committee meetings for specific agenda items);
- the CRO (together with GE T&C and GGM IA) provides an independent report to the People & Culture Committee on the most material risk, conduct and audit events (as relevant) to help inform considerations of performance and remuneration, and accountability and consequences at the Group, Divisional and individual level;
- the CRO also provides an independent report to assist the Board in their assessment of performance and remuneration outcomes for the CEO and Disclosed Executives;
- the chairs of the Risk and Audit Committees are asked to provide input to ensure appropriate consideration of all relevant risk and internal audit issues;
- the ANZ Group Scorecard and Divisional Scorecards include Risk as a key element acting as a modifier, and it forms an integral part of each framework's assessment and directly impacts the overall outcomes; and
- the LTVR restricted rights pre grant and pre vest assessments undertaken by the Board are primarily based on non-financial risk outcomes.

8.1.3 Conflict of interest

To help mitigate potential conflicts of interest:

- management are not in attendance when their own performance or remuneration is being discussed by the People & Culture Committee or Board;
- the CEO's STVR is funded and determined separately from the ANZIP variable remuneration pool;
- the CRO's remuneration arrangements differ to other Disclosed Executives to preserve the independence of the role;
- the EAG also has processes in place to help mitigate conflicts of interest as outlined in Section 6; and
- the People & Culture Committee seeks input from a number of sources to inform their consideration of performance and remuneration outcomes for the CEO and Disclosed Executives including:
  - independent reports from Risk, Finance, Talent and Culture, and Internal Audit;
  - material risk, conduct and audit event data provided by the CRO;
  - input from both the Audit Committee and the Risk Committee of the Board.

More details about the role of the People & Culture Committee, including its Charter, can be found on our website. Go to **anz.com > Our company > Strong governance framework > ANZ People & Culture Committee Charter**.

8.1.4 External advisors provided information but not recommendations

The People & Culture Committee can engage independent external advisors as needed.

Throughout the year, the People & Culture Committee and management received information from the following external advisors: Ashurst, Deloitte, EY, Guerdon Associates, PayIQ Executive Pay and PricewaterhouseCoopers. This information related to market data, market practices, analysis and modelling, legislative requirements and the interpretation of governance and regulatory requirements.

During the year, ANZ did not receive any remuneration recommendations from external advisors about the remuneration of KMP.

ANZ employs in-house remuneration professionals who provide recommendations to the People & Culture Committee and the Board. The Board made its decisions independently, using the information provided and with careful regard to ANZ's key strategic priorities, purpose and values, risk appetite, and the ANZ Group P&R Framework, ANZ's Board level P&R Policies and ANZ's Reward Principles.

8.2 Internal governance

8.2.1 Hedging prohibition

All deferred equity must remain at risk until it has fully vested. Accordingly, executives and their associated persons must not enter into any schemes that specifically protect the unvested value of equity allocated. If they do so, then they would forfeit the relevant equity.

8.2.2 CEO and Disclosed Executives' shareholding guidelines

We expect the CEO and each Disclosed Executive to, over a five-year period:

- accumulate ANZ shares to the value of 200% of their FR; and
- maintain this shareholding level while they are an executive of ANZ.

Executives are permitted to sell ANZ securities to meet taxation obligations on employee equity even if below the 200% guideline. However, tax obligations for the purpose of these guidelines is limited to that arising from the initial taxing point event (i.e., when the deferred shares vest or rights are exercised).

Shareholdings include all vested and unvested equity (excluding performance rights). Based on equity holdings as at 30 September 2024, the CEO and all Disclosed Executives meet or, if less than five years' tenure, are on track to meet their minimum shareholding guidelines requirements.

8.2.3 CEO and Disclosed Executives' contract terms and equity treatment

The details of the contract terms and the equity treatment on termination (in accordance with the Conditions of Grant) relating to the CEO and Disclosed Executives are below. Although they are similar, they vary in some cases to suit different circumstances.

Type of contract	Permanent ongoing employment contract.
Notice on resignation	• 12 months by CEO; • 6 months by Disclosed Executives.[1]
Notice on termination by ANZ[2]	• 12 months by ANZ for CEO and Disclosed Executives.[3] However, ANZ may immediately terminate an individual's employment at any time in the case of serious misconduct. In that case, the individual will be entitled only to payment of FR up to the date of their termination and their statutory entitlements.
How unvested equity is treated on leaving ANZ	Executives who resign or are terminated will forfeit all their unvested deferred equity – unless the Board determines otherwise. If an executive is terminated due to redundancy or they are classified as a 'good leaver', unless the Board determines otherwise, then: • their STVR (deferred shares/share rights) remain on foot and are released at the original vesting date; • their LTVR (restricted rights/performance rights) (for grants awarded from 31 December 2020) remain on foot and are released at the original vesting date (to the extent that the performance hurdles are met); and • their performance rights[4] (for grants awarded pre 31 December 2020) are pro-rated for service to the full notice termination date and released at the original vesting date (to the extent that the performance hurdles are met). On an executive's death or total and permanent disablement, their deferred equity vests. Unvested equity remains subject to malus post termination.
Change of control (applies to the CEO only)	If a change of control or other similar event occurs, then we will test the performance conditions applying to the CEO's LTVR (restricted rights/performance rights). They will vest to the extent that the performance conditions are satisfied.

1. 3 months by the former Acting GE T&C. **2.** For M Carnegie, E Clements, K Corbally, F Faruqui, G Florian, C Morgan, A Strong, M Whelan and R Howell, their contracts state that in particular circumstances they may be eligible for a retrenchment benefit in accordance with the relevant ANZ policy, as varied from time to time. For A Watson, notice on retrenchment is 6 weeks and compensation on retrenchment is calculated on a scale up to a maximum of 79 weeks after 25 years' service. **3.** 6 months by ANZ for the former Acting GE T&C. **4.** Or deferred share rights granted to the CRO instead of performance rights.

9. Other remuneration information

9.1 LTVR Remuneration detail[1]

The award of restricted rights ensures that LTVR provides material weight to non-financial measures (as required under APRA's Prudential Standard *CPS 511 Remuneration*), as well as supporting long-term alignment with shareholders.

Having a risk-based focus reflects the intent of the Prudential Standard *CPS 511 Remuneration* in ensuring remuneration arrangements appropriately incentivise individuals to prudently manage risks. The performance conditions are designed to ensure there is focus on both material risk events and building a strong risk culture over the longer term.

The following table details design features common to both LTVR restricted rights and performance rights.

Below details the LTVR approach that applied to the 2024 LTVR award granted in November/December 2023.

LTVR element	Detail
Description	Restricted rights and performance rights provide a right to acquire one ordinary ANZ share at nil cost – as long as applicable time and performance conditions are met. Their future value may range from zero to an indeterminate value. The value depends on performance against the applicable performance condition and on the share price at the time of exercise.
Performance period	Both restricted rights and performance rights have a four-year performance period commencing from 1 October and ending four years later on 30 September (e.g., 1 October 2023 to 30 September 2027 for the 2024 grant), noting that LTVR is awarded at the start of the financial year (rather than the end). A four-year performance period provides sufficient time for longer term performance to be reflected.
Deferral periods	The deferral period is the sum of the four-year performance period and the applicable holding period. The holding period commences the day after the end of the four-year performance period (e.g., 1 October 2027 in the case of the 2024 LTVR award), and finishes on the 4th, 5th or 6th anniversary of grants.
Exercise period	Rights can only be exercised at the end of the relevant deferral period (4, 5 or 6 years) when the rights vest and become exercisable. There is a two-year exercise period which commences at the end of the relevant deferral period for restricted rights and performance rights.
Expensing	ANZ engages PricewaterhouseCoopers to independently determine the fair value of restricted rights and performance rights, which is only used for expensing for accounting purposes. They consider factors including: the market performance conditions, share price volatility, life of the instrument, dividend yield, and share price at grant date.
Dividends	A dividend equivalent payment (DEP) is paid in cash at the end of the relevant deferral period, but is only made to the extent that all or part of the underlying rights meet the relevant performance condition and vest to the individual. Dividend equivalent payments accrue over the full deferral period for restricted rights, and only during the holding period for performance rights.
Allocation basis	The value the Board uses to determine the number of restricted rights and performance rights to be allocated to the CEO and Disclosed Executives is the face value of ANZGHL shares traded on the ASX in the five trading days leading up to and including 1 October (beginning of the financial year and LTVR performance period). LTVR is awarded around the start of the financial year in late November for Disclosed Executives and December for the CEO (subject to shareholder approval).
Satisfying vesting	On vesting, the Board may determine to settle the relevant restricted rights and/or performance rights with a cash equivalent payment, rather than with shares.

1. Excluding former Acting GE T&C.

9.1.1 2024 LTVR restricted rights further details – CEO and Disclosed Executives[1]

LTVR element	Performance condition detail
Restricted rights pre grant and pre vest assessments	**Pre grant assessment purpose:** Determines whether any reduction should be made to restricted rights award value and is primarily based on outcomes in the prior financial year. **Pre vest assessment purpose:** Determines whether the restricted rights amount awarded should vest in full and is based on outcomes over the four-year performance period. The pre grant and pre vest assessments also take into consideration any adjustments already applied for the same event/outcomes in either the current or prior years (i.e., adjustments to STVR and LTVR, malus and clawback), to ensure the overall impact is fair and proportionate to the severity of the outcome. Therefore, given other remuneration adjustments are likely to be considered first, and as the award of restricted rights is future focused, it is anticipated that restricted rights will be allocated at full value in most years – unless the outcome of the following three assessment steps determines otherwise.

Step 1 Assess Prudential soundness	Step 2 Assess risk measures	Step 3 Apply Board discretion
• Nil award if ANZ does not meet capital ratio and liquidity prudential minimums.	• Consideration of any **Material Risk Outcomes** from executive actions or inactions which are expected to/or have resulted in significant impacts. • Consideration of any significant adverse change in **APRA's Active Supervision** level. • Consideration of **Risk Culture** (additional measure for pre vest) that examines whether or not ANZ has maintained (or made progress towards) a sound risk culture, considering both executive actions or inactions.	• Board to determine whether any reduction should be made to LTVR restricted rights outcome based on consideration of a range of factors, including: – the outcomes from steps 1 and 2; – the impact, if any, of the issue/s on ANZ's reputation/standing in the market; – whether the issue was specific to ANZ, the banking industry or the broader market; – any impacts already applied (e.g., regarding downward adjustment mechanisms, pre grant assessment impact to LTVR restricted rights); – whether any impact should be made on an individual or collective basis.

The assessments are not intended to be formulaic given the circumstances requiring the application of Board discretion will typically be different or unique, however a Board decision making framework is in place to guide the Board in applying discretion.

LTVR element	Performance condition detail
Material risk outcomes process	The consideration of material risk outcomes is a key process that forms part of our broader Accountability and Consequence Framework (A&CF) (Section 6), and is a comprehensive bottom-up process designed to ensure that all relevant events are surfaced and considered appropriately. Key steps include: • Risk, conduct and audit events are reported in ANZ's Compliance & Operational Risk System. • Divisional Accountability Groups review serious risk, conduct and audit events, and provide recommendations regarding accountability and consequences, where appropriate. • Enterprise Accountability Group (EAG) reviews recommendations of the Divisional Accountability Groups and make final determination (with some exceptions where local Board approval is required or for material risk takers and other non-administrative direct reports to the CEO, where Board approval is required). • People & Culture Committee reviews the most serious risk, conduct and audit events (as part of independent report from CRO) and determines impacts at the Group, Division and individual level for the CEO and ExCo.

1. Excluding former Acting GE T&C.

9.1.2 2024 LTVR performance rights further details – CEO and Disclosed Executives excluding the CRO[1]

LTVR element	Performance condition detail
Performance rights hurdles	The performance rights have TSR performance hurdles reflecting the importance of focusing on achieving longer term strategic objectives and aligning executives' and shareholders' interests. There are two TSR performance hurdles for the 2024 grants of performance rights: • 75% will be measured against a relative TSR hurdle. • 25% will be measured against an absolute TSR hurdle. TSR represents the change in value of a share plus the value of reinvested dividends paid. We regard it as the most appropriate long-term measure – it focuses on the delivery of shareholder value and is a well understood and tested mechanism to measure performance. The combination of relative and absolute TSR hurdles provides balance to the plan by: • Relative: rewarding executives for performance that exceeds that of comparator companies; and • Absolute: ensuring there is a continued focus on providing positive growth – even when the market is declining. The two hurdles measure separate aspects of performance: • the relative TSR hurdle measures our TSR compared to that of the Select Financial Services (SFS) comparator group, made up of core local and global competitors. This comparator group is chosen to broadly reflect the geographies and business segments in which ANZ competes for revenue; and • the absolute Compound Annual Growth Rate (CAGR) TSR hurdle provides executives with a more direct line of sight to the level of shareholder return to be achieved. It also provides a tighter correlation between the executives' rewards and the shareholders' financial outcomes. We will measure ANZ's TSR against each hurdle at the end of the four-year performance period to determine whether any performance rights become exercisable. We measure relative and absolute TSR hurdles independently from the other – for example one may vest fully or partially but the other may not vest.
Relative TSR hurdle for performance rights	The relative TSR hurdle is an external hurdle that measures our TSR against that of the SFS comparator group over four years. As previously disclosed in the 2023 Remuneration Report, in July 2023 for LTVR awards of performance rights from financial year 2024 onwards, the Board approved for DBS Bank Limited to be removed from the comparator group (noting that this change does not apply to prior awards currently on foot). This change reflects the need to better balance the weighting of international peers in our comparator group to more appropriately reflect the change in capital allocated to Asia compared to when international comparators were originally included in 2015 (as part of the super regional strategy at that time). In July 2023, the Board approved the removal of Suncorp Group Limited from the comparator group, post the Suncorp Bank acquisition. This change applies to both prior awards currently on foot and future LTVR awards of performance rights (i.e., from financial year 2025). When considering an appropriate cohort of peers for benchmarking TSR performance, the Board take into consideration organisations with a similar scope of activities, common geographical focus, broadly comparable risk compliance and regulatory profiles, and relative stability and transparency across market cycles. The SFS comparator group for the 2024 LTVR performance rights is made up of: Bank of Queensland Limited; Bendigo and Adelaide Bank Limited; Commonwealth Bank of Australia Limited; Macquarie Group Limited; National Australia Bank Limited; Standard Chartered PLC; and Westpac Banking Corporation.

If the TSR of the company compared to the TSR of the constituents of the comparator group:	The percentage of performance rights which will vest is:
Does not reach the 50th percentile	0%
Reaches or exceeds the 50th percentile	50%, plus 2% for every one percentile increase above the 50th percentile
Reaches or exceeds the 75th percentile	100%

1. Excluding former Acting GE T&C.

LTVR element	Performance condition detail
Absolute TSR hurdle for performance rights	The absolute CAGR TSR hurdle is an internal hurdle focused on ANZ achieving or exceeding a threshold level of growth that is set by the Board at the start of the performance period. The Board reviews and approves the absolute CAGR TSR targets for each performance rights award. When determining the targets, the Board references ANZ's assessed Cost of Capital (CoC). As previously disclosed in the 2023 Remuneration Report, in October 2023 the Board approved an update to ANZ's absolute CAGR TSR model for LTVR awards of performance rights from financial year 2024 onwards, to reflect a dynamic (rather than static) target for CoC (noting that this change does not apply to prior awards currently on foot). The TSR hurdle is now based on the time weighted CoC over the four-year performance period. Therefore, the CAGR TSR target will be adjusted on a time weighted basis unless the Board applies discretion not to adjust. Any CoC changes approved by the Board throughout the performance period are prospective only (i.e., reflect current market factors) and will form part of the dynamic CAGR TSR target calculation. This approach further strengthens executive and shareholder alignment as the target is more responsive to future changes in both the interest rate cycle and ANZ's risk profile. The level of performance required for each level of vesting, and the percentage of performance rights that vest at each level of performance, is based on the time weighted CoC over the four-year performance period. The Board will review and approve any changes to the CoC on a quarterly basis throughout the performance period, based on the output from the Capital Asset Pricing Model (CAPM) methodology (which takes into consideration the risk-free bond rate, the market risk premium and the beta – i.e., the volatility of ANZ's historical share price relative to the market). The Board will also approve the level of vesting (if any) at the end of the performance period based on the time weighted CoC. The Board retains discretion to adjust the absolute CAGR TSR hurdle in exceptional circumstances to ensure that executives are neither advantaged nor disadvantaged by matters outside management's control that materially affect achievement of the absolute CAGR TSR performance condition.

If the absolute CAGR TSR of the company:	The percentage of performance rights which will vest is:
Does not reach the threshold[1]	0%
Reaches the threshold	50%
Exceeds the threshold but does not reach the full vesting level (i.e., 150% of threshold)	Progressive pro-rata vesting between 50% and 100% (on a straight line basis)
Reaches or exceeds 150% of threshold	100%

LTVR element	Performance condition detail
Calculating TSR performance	When calculating performance against TSR, we: • reduce the impact of share price volatility – by using an averaging calculation over a 90-trading day period for start and end values; • ensure an independent measurement – by engaging the services of an external organisation, to calculate ANZ's performance against both the absolute and relative TSR hurdles; and • test the performance against the relevant hurdle once only at the end of the four-year performance period – the rights lapse if the performance hurdle is not met – there is no retesting.

1. Based on the CoC at the start of the performance period, the CAGR TSR threshold was 9.75% and the full vesting level was based on a CAGR TSR of 14.63%; however this may be subject to change based on the time weighted CoC over the performance period unless the Board exercises discretion to set it otherwise.

9.2 2024 Statutory remuneration – CEO and Disclosed Executives

The following table outlines the statutory remuneration disclosed in accordance with Australian Accounting Standards. While it shows the FR awarded (cash and superannuation contributions) and also the cash component of the 2024 variable remuneration award, it does not show the actual variable remuneration awarded or received in 2024 (Sections 5.1.2, 5.2.1, 5.3 and 5.4), but instead shows the amortised accounting value for this financial year of deferred remuneration (including prior year awards).

2024 Statutory remuneration – CEO and Disclosed Executives

		Short-term employee benefits				Post-employment
	Financial year	Cash salary[1] $	Non monetary benefits[2] $	Total cash incentive[3] $	Other cash[4] $	Super contributions[5] $
CEO and Current Disclosed Executives						
S Elliott	**2024**	**2,471,968**	**10,394**	**650,000**	**-**	**28,032**
	2023	2,474,181	15,676	1,160,000	-	25,819
M Carnegie[9]	**2024**	**1,271,468**	**30,510**	**432,500**	**-**	**28,532**
	2023	1,224,181	77,341	550,000	-	26,319
E Clements[10]	**2024**	**755,468**	**13,042**	**235,200**	**-**	**28,532**
K Corbally[9]	**2024**	**1,271,968**	**10,394**	**312,000**	**-**	**28,032**
	2023	1,224,181	10,176	532,500	-	25,819
F Faruqui[9]	**2024**	**1,246,968**	**15,990**	**442,500**	**-**	**28,032**
	2023	1,224,181	11,423	600,000	-	25,819
G Florian[9]	**2024**	**1,234,468**	**21,358**	**432,500**	**-**	**28,032**
	2023	1,216,181	23,179	497,500	-	25,819
C Morgan[4,9,10]	**2024**	**1,106,468**	**33,024**	**325,000**	**-**	**28,532**
	2023	608,220	15,707	250,000	407,000	18,780
A Strong[9,10]	**2024**	**821,968**	**-**	**290,000**	**-**	**28,032**
	2023	670,504	-	315,100	-	19,496
A Watson[5,8,9,11]	**2024**	**1,043,345**	**10,870**	**398,830**	**-**	**64,667**
	2023	1,062,823	21,431	472,570	-	60,557
M Whelan[9]	**2024**	**1,471,968**	**10,394**	**297,500**	**-**	**28,032**
	2023	1,434,181	10,176	730,000	-	25,819
Former Disclosed Executives						
R Howell[10]	**2024**	**7,477**	**–**	**–**	**–**	**6,850**
	2023	224,942	–	180,000	–	6,850

1. Cash salary includes any adjustments required to reflect the use of ANZ's Lifestyle Leave Policy for the period in the KMP role. **2.** Non monetary benefits generally consist of company-funded benefits (and the associated Fringe Benefits Tax) such as car parking, taxation services and costs met by the Company in relation to relocation/accommodation. **3.** The total cash incentive relates to the cash component of STVR only. The relevant amortisation of the STVR deferred components is included in share-based payments and has been amortised over the vesting period. The total STVR was approved by the ANZBGL and ANZGHL Boards in October 2024, and in addition for A Watson by the ANZ NZ Board in October 2024. 100% of the cash component of the STVR awarded for the 2023 and 2024 years vested to the executive in the applicable financial year. **4.** Other cash and other equity allocations (C Morgan) relate to the employment arrangements of deferred variable remuneration forfeited and bonus opportunity forgone as a result of joining ANZ. **5.** For Australian based executives, the 2023 and 2024 superannuation contributions reflect the Superannuation Guarantee Contribution based on the Maximum Contribution Base. A Watson participates in KiwiSaver where ANZ provides an employer superannuation contribution matching member contributions up to 4% of total gross pay. KiwiSaver employer superannuation contributions are also contributed on top of cash STVR at the time of payment. **6.** For Australian based executives, long service leave accrued takes into consideration the impact of changes to the Superannuation Guarantee percentage. Year-on-year fluctuations in long service leave accrued relate to the impact of historical fixed remuneration increases on the accrual as calculated at the end of each financial year.

Long-term employee benefits	Share-based payments[7]						
	Total amortisation value of						
	Variable remuneration				Other equity allocations[4,8]		
Long service leave accrued during the year[6] $	Deferred shares $	Deferred share rights $	Restricted rights $	Performance rights $	Deferred shares $	Termination benefits $	Total remuneration $
34,899	983,953	-	470,353	1,050,043	-	-	5,699,642
35,112	1,061,506	-	212,024	1,202,190	-	-	6,186,508
24,194	537,168	-	278,624	318,478	-	-	2,921,474
22,858	548,990	-	132,871	298,501	-	-	2,881,061
62,803	258,379	-	74,331	41,931	-	-	1,469,686
28,812	504,806	184,609	412,784	-	-	-	2,753,405
27,518	568,319	265,999	196,849	-	-	-	2,851,361
19,593	587,723	11,970	276,254	339,842	-	-	2,968,872
19,332	600,306	56,608	132,871	364,031	-	-	3,034,571
19,520	519,518	-	262,636	314,818	-	-	2,832,850
30,978	531,235	-	122,240	270,977	-	-	2,718,109
17,191	248,970	-	193,884	109,398	238,340	-	2,300,807
5,367	67,909	-	1,414	798	29,899	-	1,405,094
33,855	382,072	-	173,812	94,524	-	-	1,824,263
18,550	354,547	-	73,347	38,600	-	-	1,490,144
7,560	494,722	-	244,918	294,280	-	-	2,559,192
6,612	528,328	-	117,866	222,922	46	-	2,493,155
31,775	589,980	-	323,689	378,985	-	-	3,132,323
36,172	700,447	-	155,192	393,646	-	-	3,485,633
237	2,831	–	–	–	–	–	17,395
9,321	62,538	–	–	–	–	–	483,651

7. As required by AASB 2 *Share-based payments*, the amortisation value includes a proportion of the fair value (taking into account market-related vesting conditions) of all equity that had not yet fully vested as at the commencement of the financial year. The fair value is determined at grant date and is allocated on a straight-line basis over the relevant vesting period. The amount included as remuneration neither relates to, nor indicates, the benefit (if any) that the executive may ultimately realise if the equity becomes exercisable. No terms of share-based payments have been altered or modified during the financial year. There were no cash settled share-based payments or any other form of share-based payment compensation during the financial year for the CEO or Disclosed Executives. **8.** Other equity allocations (A Watson) relate to shares received in relation to the historical Employee Share Offer which provided a grant of ANZ shares in each financial year to eligible employees subject to Board approval. **9.** 2024 fixed remuneration reflects increases applied from 1 October 2023 to maintain or improve market positioning (M Carnegie, K Corbally, F Faruqui, G Florian, C Morgan, A Strong, A Watson, M Whelan). **10.** Remuneration based on time as a Disclosed Executive in either 2023 (C Morgan, A Strong, R Howell) or 2024 (E Clements, R Howell). **11.** Paid in NZD and converted to AUD.

9.3 Equity holdings

For the equity granted to the CEO and Disclosed Executives in November/December 2023, all deferred shares were purchased on the market. For deferred share rights, which vested to Disclosed Executives in November 2023, where the rights were not able to be satisfied through the reallocation of previously forfeited shares they were satisfied through the on market purchase of shares.

9.3.1 CEO and Disclosed Executives' equity granted, vested, exercised/sold and lapsed/forfeited

The table below sets out details of deferred shares and rights that we granted to the CEO and Disclosed Executives:

- during the 2024 year, relating to 2023 Performance and Remuneration Review outcomes; or
- in prior years and that then vested, were exercised/sold or which lapsed/were forfeited during the 2024 year.

Equity granted, vested, exercised/sold and lapsed/forfeited – CEO and Disclosed Executives

							Vested			Lapsed/ Forfeited			Exercised/Sold				
Name	Type of equity	Number granted[1]	Equity fair value (for 2024 grants only) $	Grant date	First date exercisable	Date of expiry	Number	%	Value[2] $	Number	%	Value[2] $	Number	%	Value[2] $	Vested and exercis-able as at 30 Sep 2024[3]	Unexer-cisable as at 30 Sep 2024[4]
CEO and Current Disclosed Executives																	
S Elliott	Deferred shares	3,001		22-Nov-19	22-Nov-23	-	3,001	100	72,966	-	-	-	(3,001)	100	72,966		-
	Deferred shares	5,420		07-Dec-20	22-Nov-23	-	5,420	100	131,781	-	-	-	(5,420)	100	131,781	-	-
	Deferred shares	10,830		22-Nov-21	22-Nov-23	-	10,830	100	263,318	-	-	-	(10,830)	100	263,318	-	-
	Deferred shares	20,156		01-Oct-22	22-Nov-23	-	20,156	100	490,069	-	-	-	(20,156)	100	490,069	-	-
	Deferred shares	19,740	25.66	01-Oct-23	22-Nov-24	-	-	-	-	-	-	-	-	-	-	-	19,740
	Deferred shares	19,739	25.66	01-Oct-23	22-Nov-25	-	-	-	-	-	-	-	-	-	-	-	19,739
	Deferred shares	3,158	25.66	01-Oct-23	22-Nov-26	-	-	-	-	-	-	-	-	-	-	-	3,158
	Deferred shares	3,158	25.66	01-Oct-23	22-Nov-27	-	-	-	-	-	-	-	-	-	-	-	3,158
	Deferred shares	3,158	25.66	01-Oct-23	22-Nov-28	-	-	-	-	-	-	-	-	-	-	-	3,158
	Restricted rights	21,984	20.08	21-Dec-23	21-Dec-27	21-Dec-29	-	-	-	-	-	-	-	-	-	-	21,984
	Restricted rights	21,984	18.85	21-Dec-23	21-Dec-28	21-Dec-30	-	-	-	-	-	-	-	-	-	-	21,984
	Restricted rights	22,651	17.70	21-Dec-23	21-Dec-29	21-Dec-31	-	-	-	-	-	-	-	-	-	-	22,651
	Performance rights	126,050		17-Dec-19	17-Dec-23	17-Dec-25	-	-	-	(126,050)	100	(3,223,073)	-	-	-	-	-
	Performance rights	42,016		17-Dec-19	17-Dec-23	17-Dec-25	-	-	-	(42,016)	100	(1,074,341)	-	-	-	-	-
	Performance rights	16,488	12.54	21-Dec-23	21-Dec-27	21-Dec-29	-	-	-	-	-	-	-	-	-	-	16,488
	Performance rights	5,496	7.35	21-Dec-23	21-Dec-27	21-Dec-29	-	-	-	-	-	-	-	-	-	-	5,496
	Performance rights	16,488	11.33	21-Dec-23	21-Dec-28	21-Dec-30	-	-	-	-	-	-	-	-	-	-	16,488
	Performance rights	5,496	7.26	21-Dec-23	21-Dec-28	21-Dec-30	-	-	-	-	-	-	-	-	-	-	5,496
	Performance rights	16,988	10.08	21-Dec-23	21-Dec-29	21-Dec-31	-	-	-	-	-	-	-	-	-	-	16,988
	Performance rights	5,662	7.15	21-Dec-23	21-Dec-29	21-Dec-31	-	-	-	-	-	-	-	-	-	-	5,662
M Carnegie	Deferred shares	36		20-Aug-16	01-Jun-17	-	-	-	-	-	-	-	(36)	100	1,038	-	-
	Deferred shares	3,584		20-Aug-16	20-Aug-17	-	-	-	-	-	-	-	(3,584)	100	103,364	-	-
	Deferred shares	1,327		20-Aug-16	21-Nov-17	-	-	-	-	-	-	-	(1,327)	100	38,271	-	-
	Deferred shares	1,327		20-Aug-16	27-Feb-18	-	-	-	-	-	-	-	(1,327)	100	38,271	-	-
	Deferred shares	1,327		20-Aug-16	01-Jun-18	-	-	-	-	-	-	-	(1,327)	100	38,271	-	-
	Deferred shares	1,182		22-Nov-16	22-Nov-19	-	-	-	-	-	-	-	(1,182)	100	34,089	-	-
	Deferred shares	1,182		22-Nov-16	22-Nov-20	-	-	-	-	-	-	-	(1,182)	100	34,089	-	-
	Deferred shares	4,785		22-Nov-17	22-Nov-18	-	-	-	-	-	-	-	(4,785)	100	138,001	-	-
	Deferred shares	4,785		22-Nov-17	22-Nov-19	-	-	-	-	-	-	-	(4,785)	100	138,001	-	-
	Deferred shares	4,785		22-Nov-17	22-Nov-20	-	-	-	-	-	-	-	(4,785)	100	138,001	-	-
	Deferred shares	4,785		22-Nov-17	22-Nov-21	-	-	-	-	-	-	-	(4,785)	100	142,975	-	-
	Deferred shares	5,205		22-Nov-18	22-Nov-19	-	-	-	-	-	-	-	(5,205)	100	156,052	-	-
	Deferred shares	5,202		22-Nov-18	22-Nov-20	-	-	-	-	-	-	-	(5,202)	100	155,962	-	-
	Deferred shares	5,202		22-Nov-18	22-Nov-21	-	-	-	-	-	-	-	(5,202)	100	155,962	-	-
	Deferred shares	5,202		22-Nov-18	22-Nov-22	-	-	-	-	-	-	-	(5,202)	100	155,962	-	-

Name	Type of equity	Number granted[1]	Equity fair value (for 2024 grants only) $	Grant date	First date exercisable	Date of expiry	Vested Number	Vested %	Vested Value[2] $	Lapsed/Forfeited Number	Lapsed/Forfeited %	Lapsed/Forfeited Value[2] $	Exercised/Sold Number	Exercised/Sold %	Exercised/Sold Value[2] $	Vested and exercisable as at 30 Sep 2024[3]	Unexercisable as at 30 Sep 2024[4]
CEO and Current Disclosed Executives																	
M Carnegie	Deferred shares	7,924		22-Nov-19	22-Nov-20	-	-	-	-	-	-	-	(7,924)	100	234,926	-	-
	Deferred shares	5,942		22-Nov-19	22-Nov-21	-	-	-	-	-	-	-	(5,942)	100	176,131	-	-
	Deferred shares	3,961		22-Nov-19	22-Nov-22	-	-	-	-	-	-	-	(3,961)	100	117,411		-
	Deferred shares	1,980		22-Nov-19	22-Nov-23	-	1,980	100	48,141	-	-	-	-	-	-	1,980	-
	Deferred shares	7,099		07-Dec-20	22-Nov-21	-	-	-	-	-	-	-	(7,099)	100	210,426	-	-
	Deferred shares	5,323		07-Dec-20	22-Nov-22	-	-	-	-	-	-	-	(5,207)	98	154,344	116	-
	Deferred shares	3,549		07-Dec-20	22-Nov-23	-	3,549	100	86,290	-	-	-	-	-	-	3,549	-
	Deferred shares	6,165		22-Nov-21	22-Nov-23	-	6,165	100	149,895	-	-	-	-	-	-	6,165	-
	Deferred shares	9,970		01-Oct-22	22-Nov-23	-	9,970	100	242,409	-	-	-	-	-	-	9,970	-
	Deferred shares	10,857	25.66	01-Oct-23	22-Nov-24	-	-	-	-	-	-	-	-	-	-	-	10,857
	Deferred shares	10,856	25.66	01-Oct-23	22-Nov-25	-	-	-	-	-	-	-	-	-	-	-	10,856
	Restricted rights	17,321	18.92	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	17,321
	Restricted rights	17,321	17.77	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	17,321
	Performance rights	30,612		22-Nov-19	22-Nov-23	22-Nov-25	-	-	-	(30,612)	100	(744,294)	-	-	-	-	-
	Performance rights	10,204		22-Nov-19	22-Nov-23	22-Nov-25	-	-	-	(10,204)	100	(248,098)	-	-	-	-	-
	Performance rights	12,991	11.94	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	12,991
	Performance rights	4,330	7.37	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	4,330
	Performance rights	12,991	10.74	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	12,991
	Performance rights	4,330	7.26	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	4,330
E Clements[5]	Deferred shares	2,751		07-Dec-20	22-Nov-23	-	2,751	100	66,887	-	-	-	-	-	-	2,751	-
	Deferred shares	2,285		22-Nov-21	22-Nov-23	-	2,285	100	55,557	-	-	-	-	-	-	2,285	-
	Deferred shares	3,033		22-Nov-22	22-Nov-23	-	3,033	100	73,744	-	-	-	-	-	-	3,033	-
	Deferred shares	4,102	24.31	22-Nov-23	22-Nov-24	-	-	-	-	-	-	-	-	-	-	-	4,102
	Deferred shares	4,102	24.31	22-Nov-23	22-Nov-25	-	-	-	-	-	-	-	-	-	-	-	4,102
	Deferred shares	4,102	24.31	22-Nov-23	22-Nov-26	-	-	-	-	-	-	-	-	-	-	-	4,102
	Restricted rights	10,659	18.92	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	10,659
	Restricted rights	10,659	17.77	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	10,659
	Performance rights	7,994	11.94	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	7,994
	Performance rights	2,664	7.37	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	2,664
	Performance rights	7,994	10.74	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	7,994
	Performance rights	2,664	7.26	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	2,664
K Corbally	Deferred shares	3,829		22-Nov-19	22-Nov-23	-	3,829	100	93,098	-	-	-	(3,829)	100	93,225	-	-
	Deferred shares	3,720		07-Dec-20	22-Nov-23	-	3,720	100	90,447	-	-	-	(3,720)	100	90,572	-	-
	Deferred shares	6,647		22-Nov-21	22-Nov-23	-	6,647	100	161,614	-	-	-	(6,647)	100	161,836	-	-
	Deferred shares	9,590		01-Oct-22	22-Nov-23	-	9,590	100	233,169	-	-	-	(9,590)	100	233,490	-	-
	Deferred shares	10,511	25.66	01-Oct-23	22-Nov-24	-	-	-	-	-	-	-	-	-	-	-	10,511
	Deferred shares	10,511	25.66	01-Oct-23	22-Nov-25	-	-	-	-	-	-	-	-	-	-	-	10,511
	Deferred share rights	19,727		22-Nov-19	22-Nov-23	22-Nov-23	19,727	100	479,638	-	-	-	(19,727)	100	479,638	-	-
	Restricted rights	25,661	18.92	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	25,661
	Restricted rights	25,661	17.77	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	25,661
F Faruqui	Deferred shares	1,797		21-Nov-14	21-Nov-17	-	-	-	-	-	-	-	(1,797)	100	50,778	-	-
	Deferred shares	8,523		22-Nov-21	22-Nov-22	-	-	-	-	-	-	-	(8,523)	100	240,834	-	-
	Deferred shares	7,862		22-Nov-21	22-Nov-23	-	7,862	100	191,155	-	-	-	(7,862)	100	216,332	-	-
	Deferred shares	12,950		01-Oct-22	22-Nov-23	-	12,950	100	314,864	-	-	-	(12,950)	100	365,927	-	-
	Deferred shares	11,844	25.66	01-Oct-23	22-Nov-24	-	-	-	-	-	-	-	-	-	-	-	11,844

							Vested			Lapsed/ Forfeited			Exercised/Sold				
Name	Type of equity	Number granted[1]	Equity fair value (for 2024 grants only) $	Grant date	First date exercisable	Date of expiry	Number	%	Value[2] $	Number	%	Value[2] $	Number	%	Value[2] $	Vested and exercisable as at 30 Sep 2024[3]	Unexercisable as at 30 Sep 2024[4]
CEO and Current Disclosed Executives																	
F Faruqui	Deferred shares	11,843	25.66	01-Oct-23	22-Nov-25	-	-	-	-	-	-	-	-	-	-	-	11,843
	Deferred share rights	4,257		22-Nov-19	22-Nov-23	22-Nov-23	4,257	100	103,504	-	-	-	(4,257)	100	103,504	-	-
	Deferred share rights	3,619		07-Dec-20	22-Nov-23	22-Nov-23	3,619	100	87,992	-	-	-	(3,619)	100	87,992	-	-
	Restricted rights	16,988	18.92	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	16,988
	Restricted rights	16,988	17.77	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	16,988
	Performance rights	51,839		22-Nov-19	22-Nov-23	22-Nov-25	-	-	-	(51,839)	100	(1,260,403)	-	-	-	-	-
	Performance rights	17,279		22-Nov-19	22-Nov-23	22-Nov-25	-	-	-	(17,279)	100	(420,118)	-	-	-	-	-
	Performance rights	12,741	11.94	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	12,741
	Performance rights	4,247	7.37	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	4,247
	Performance rights	12,741	10.74	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	12,741
	Performance rights	4,247	7.26	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	4,247
G Florian	Deferred shares	2,775		22-Nov-18	22-Nov-22	-	-	-	-	-	-	-	(2,775)	100	71,726	-	-
	Deferred shares	4,491		22-Nov-19	22-Nov-20	-	-	-	-	-	-	-	(4,491)	100	119,651	-	-
	Deferred shares	1,122		22-Nov-19	22-Nov-23	-	1,122	100	27,280	-	-	-	(1,122)	100	29,893	-	-
	Deferred shares	3,219		07-Dec-20	22-Nov-23	-	3,219	100	78,266	-	-	-	(3,219)	100	85,762	-	-
	Deferred shares	7,326		22-Nov-21	22-Nov-23	-	7,326	100	178,123	-	-	-	(7,326)	100	202,453	-	-
	Deferred shares	9,590		01-Oct-22	22-Nov-23	-	9,590	100	233,169	-	-	-	(9,590)	100	283,731	-	-
	Deferred shares	9,820	25.66	01-Oct-23	22-Nov-24	-	-	-	-	-	-	-	-	-	-	-	9,820
	Deferred shares	9,820	25.66	01-Oct-23	22-Nov-25	-	-	-	-	-	-	-	-	-	-	-	9,820
	Restricted rights	16,821	18.92	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	16,821
	Restricted rights	16,821	17.77	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	16,821
	Performance rights	17,346		22-Nov-19	22-Nov-23	22-Nov-25	-	-	-	(17,346)	100	(421,747)	-	-	-	-	-
	Performance rights	5,782		22-Nov-19	22-Nov-23	22-Nov-25	-	-	-	(5,782)	100	(140,582)	-	-	-	-	-
	Performance rights	12,616	11.94	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	12,616
	Performance rights	4,205	7.37	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	4,205
	Performance rights	12,616	10.74	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	12,616
	Performance rights	4,205	7.26	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	4,205
C Morgan	Deferred shares	3,025		20-Aug-23	20-Aug-24	-	3,025	100	90,420	-	-	-	-	-	-	3,025	-
	Deferred shares	5,082		20-Aug-23	20-Aug-24	-	5,082	100	151,906	-	-	-	-	-	-	5,082	-
	Deferred shares	4,935	25.66	01-Oct-23	22-Nov-24	-	-	-	-	-	-	-	-	-	-	-	4,935
	Deferred shares	4,934	25.66	01-Oct-23	22-Nov-25	-	-	-	-	-	-	-	-	-	-	-	4,934
	Restricted rights	15,122	18.92	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	15,122
	Restricted rights	15,122	17.77	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	15,122
	Performance rights	11,342	11.94	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	11,342
	Performance rights	3,780	7.37	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	3,780
	Performance rights	11,342	10.74	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	11,342
	Performance rights	3,780	7.26	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	3,780
A Strong	Deferred shares	2,590		07-Dec-20	22-Nov-22	-	-	-	-	-	-	-	(2,590)	100	63,059	-	-
	Deferred shares	3,229		07-Dec-20	22-Nov-23	-	3,229	100	78,509	-	-	-	(3,229)	100	78,617	-	-
	Deferred shares	4,189		22-Nov-21	22-Nov-22	-	-	-	-	-	-	-	(4,189)	100	101,990	-	-
	Deferred shares	4,187		22-Nov-21	22-Nov-23	-	4,187	100	101,802	-	-	-	(4,187)	100	101,942	-	-
	Deferred shares	6,133		01-Oct-22	22-Nov-23	-	6,133	100	149,117	-	-	-	(6,133)	100	149,321	-	-
	Deferred shares	6,761	25.66	01-Oct-23	22-Nov-24	-	-	-	-	-	-	-	-	-	-	-	6,761
	Deferred shares	6,760	25.66	01-Oct-23	22-Nov-25	-	-	-	-	-	-	-	-	-	-	-	6,760
	Restricted rights	11,325	18.92	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	11,325
	Restricted rights	11,325	17.77	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	11,325

							Vested			Lapsed/ Forfeited			Exercised/Sold				
Name	Type of equity	Number granted[1]	Equity fair value (for 2024 grants only) $	Grant date	First date exercisable	Date of expiry	Number	%	Value[2] $	Number	%	Value[2] $	Number	%	Value[2] $	Vested and exercisable as at 30 Sep 2024[3]	Unexercisable as at 30 Sep 2024[4]
CEO and Current Disclosed Executives																	
A Strong	Performance rights	8,494	11.94	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	8,494
	Performance rights	2,831	7.37	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	2,831
	Performance rights	8,494	10.74	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	8,494
	Performance rights	2,831	7.26	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	2,831
A Watson	Deferred shares	29		03-Dec-18	03-Dec-21	-	-	-	-	-	-	-	(29)	100	856	-	-
	Deferred shares	32		02-Dec-19	02-Dec-22	-	-	-	-	-	-	-	(32)	100	945	-	-
	Deferred shares	4,541		22-Nov-19	22-Nov-23	-	4,541	100	110,409	-	-	-	(4,541)	100	128,315	-	-
	Deferred shares	2,902		07-Dec-20	22-Nov-23	-	2,902	100	70,559	-	-	-	(2,902)	100	82,815	-	-
	Deferred shares	7,442		22-Nov-21	22-Nov-23	-	7,442	100	180,943	-	-	-	(5,357)	72	158,151	2,085	-
	Deferred shares	9,162		01-Oct-22	22-Nov-23	-	9,162	100	222,763	-	-	-	-	-	-	9,162	-
	Deferred shares	9,328	25.66	01-Oct-23	22-Nov-24	-	-	-	-	-	-	-	-	-	-	-	9,328
	Deferred shares	9,328	25.66	01-Oct-23	22-Nov-25	-	-	-	-	-	-	-	-	-	-	-	9,328
	Restricted rights	15,050	18.92	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	15,050
	Restricted rights	15,050	17.77	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	15,050
	Performance rights	11,287	11.94	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	11,287
	Performance rights	3,762	7.37	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	3,762
	Performance rights	11,287	10.74	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	11,287
	Performance rights	3,762	7.26	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	3,762
M Whelan	Deferred shares	3,499		22-Nov-19	22-Nov-23	-	3,499	100	85,074	-	-	-	(3,499)	100	85,085	-	-
	Deferred shares	3,148		07-Dec-20	22-Nov-23	-	3,148	100	76,540	-	-	-	(3,148)	100	76,550	-	-
	Deferred shares	8,774		22-Nov-21	22-Nov-23	-	8,774	100	213,329	-	-	-	(8,774)	100	213,357	-	-
	Deferred shares	11,595		01-Oct-22	22-Nov-23	-	11,595	100	281,919	-	-	-	(11,595)	100	281,956	-	-
	Deferred shares	14,410	25.66	01-Oct-23	22-Nov-24	-	-	-	-	-	-	-	-	-	-	-	14,410
	Deferred shares	14,409	25.66	01-Oct-23	22-Nov-25	-	-	-	-	-	-	-	-	-	-	-	14,409
	Restricted rights	19,986	18.92	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	19,986
	Restricted rights	19,986	17.77	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	19,986
	Performance rights	54,081		22-Nov-19	22-Nov-23	22-Nov-25	-	-	-	(54,081)	100	(1,314,915)	-	-	-	-	-
	Performance rights	18,027		22-Nov-19	22-Nov-23	22-Nov-25	-	-	-	(18,027)	100	(438,305)	-	-	-	-	-
	Performance rights	14,989	11.94	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	14,989
	Performance rights	4,996	7.37	22-Nov-23	22-Nov-27	22-Nov-29	-	-	-	-	-	-	-	-	-	-	4,996
	Performance rights	14,989	10.74	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	14,989
	Performance rights	4,996	7.26	22-Nov-23	22-Nov-28	22-Nov-30	-	-	-	-	-	-	-	-	-	-	4,996
Former Disclosed Executives																	
R Howell[6]																	

1. For the purpose of the five highest paid executive disclosures, Executives are defined as Disclosed Executives or other members of the ExCo. For the 2024 financial year the five highest paid executives include five Disclosed Executives. Rights granted to Disclosed Executives as remuneration in 2024 are included in the table. No rights have been granted to the CEO, Disclosed Executives or the five highest paid executives since the end of 2024 up to the Directors' Report sign-off date. **2.** The point in time value of deferred shares/deferred share rights and/or restricted rights/performance rights is based on the one day VWAP of the Company's shares traded on the ASX on the date of vesting, lapsing/forfeiture or exercising/sale/transfer out of trust, multiplied by the number of deferred shares/deferred share rights and/or restricted rights/performance rights. The exercise price for all deferred share rights/restricted rights/performance rights is \$0.00. No terms or conditions of grant of the share-based payment transactions have been altered or modified during the reporting period. **3.** The number vested and exercisable is the number of shares, options and rights that remain vested at the end of the reporting period. No shares, options and rights were vested and unexercisable. **4.** Performance rights granted in prior years (by grant date) that remained unexerciseable at 30 September 2024 or date ceased as a KMP include (the below):

	Nov-20	Nov-21	Nov-22	Nov-23
S Elliott	159,308	126,353	73,143	66,618
M Carnegie	38,378	42,345	36,572	34,642
E Clements	-	-	-	21,316
K Corbally	-	-	-	-
F Faruqui	34,045	54,006	36,572	33,976
G Florian	34,820	50,324	33,644	33,642
C Morgan	-	-	18,421	30,244
A Strong	-	-	21,944	22,650
A Watson	31,389	51,117	32,442	30,098
M Whelan	34,045	60,266	42,716	39,970
R Howell	-	-	-	-

Performance rights granted to S Elliott in 2024 were approved by shareholders at the 2023 AGM in accordance with ASX Listing Rule 10.14.

5. Equity transactions disclosed from date commenced as a Disclosed Executive.
6. Equity transactions disclosed up to date ceased as a KMP. There were no disclosable transactions for R Howell.

9.3.2 NED, CEO and Disclosed Executives’ equity holdings

The table below sets out details of equity held directly, indirectly or beneficially by each NED, the CEO and each Disclosed Executive, including their related parties.

Equity holdings – NED, CEO and Disclosed Executives

Name	Type of equity	Opening balance at 1 Oct 2023	Granted during the year as remuneration[1]	Received during the year on exercise of options or rights	Resulting from any other changes during the year[2]	Closing balance at 30 Sep 2024[3,4]
Current Non-Executive Directors						
P O'Sullivan	Ordinary shares	4,350	-	-	-	4,350
	Capital notes 7	9,250	-	-	-	9,250
R Gibb[5]	Ordinary shares	-	-	-	1,032	1,032
	Capital notes 7	-	-	-	194	194
	Capital notes 8	-	-	-	196	196
J Halton	Ordinary shares	10,058	-	-	-	10,058
H Kramer	Ordinary shares	5,828	-	-	-	5,828
C O'Reilly	Ordinary shares	6,400	-	-	-	6,400
J Smith	Ordinary shares	2,779	-	-	-	2,779
S St John[5]	Ordinary shares	2,000	-	-	1,000	3,000
Former Non-Executive Directors						
I Atlas[6]	Ordinary shares	15,318	-	-	-	15,318
J Key[6]	Ordinary shares	10,500	-	-	-	10,500
J Macfarlane[6]	Ordinary shares	19,042	-	-	-	19,042
	Capital notes 6	2,140	-	-	-	2,140
	Capital notes 7	2,000	-	-	-	2,000
	Capital notes 8	5,000	-	-	-	5,000
CEO and Current Disclosed Executives						
S Elliott	Deferred shares	73,103	48,953	-	(39,407)	82,649
	Ordinary shares	495,640	-	-	44,648	540,288
	Restricted rights	73,145	66,619	-	-	139,764
	Performance rights	526,870	66,618	-	(168,066)	425,422
M Carnegie	Deferred shares	132,773	21,713	-	(84,865)	69,621
	Ordinary shares	41,580	-	-	4,298	45,878
	Restricted rights	36,572	34,642	-	-	71,214
	Performance rights	158,111	34,642	-	(40,816)	151,937
E Clements[5]	Deferred shares	17,775	12,306	-	-	30,081
	Ordinary shares	993	-	-	1,567	2,560
	Restricted rights	-	21,318	-	-	21,318
	Performance rights	-	21,316	-	-	21,316
K Corbally	Deferred shares	45,958	21,022	-	(23,786)	43,194
	Ordinary shares	4,345	-	19,727	(24,072)	-
	Capital notes 6	1,400	-	-	-	1,400
	Deferred share rights	62,675	-	(19,727)	-	42,948
	Restricted rights	54,182	51,322	-	-	105,504
F Faruqui	Deferred shares	51,942	23,687	-	(31,132)	44,497
	Ordinary shares	120,517	-	6,397	3,238	130,152
	Deferred share rights	9,780	-	(7,876)	-	1,904
	Restricted rights	36,572	33,976	-	-	70,548
	Performance rights	193,741	33,976	-	(69,118)	158,599
G Florian	Deferred shares	47,048	19,640	-	(28,523)	38,165
	Ordinary shares	55,612	-	-	(25,495)	30,117
	Restricted rights	33,646	33,642	-	-	67,288
	Performance rights	141,916	33,642	-	(23,128)	152,430
C Morgan[7]	Deferred shares	13,189	9,869	-	-	23,058
	Ordinary shares	25	-	-	1,197	1,222
	Restricted rights	18,422	30,244	-	-	48,666
	Performance rights	18,421	30,244	-	-	48,665
A Strong	Deferred shares	36,779	13,521	-	(20,328)	29,972
	Ordinary shares	4,235	-	-	(1,897)	2,338
	Restricted rights	21,944	22,650	-	-	44,594
	Performance rights	21,944	22,650	-	-	44,594
A Watson	Deferred shares	42,101	18,656	-	(12,800)	47,957
	Employee Share Offer	61	-	-	(61)	-
	Ordinary shares	50,974	-	-	(13,795)	37,179
	Restricted rights	32,442	30,100	-	-	62,542
	Performance rights	114,948	30,098	-	-	145,046

M Whelan	Deferred shares	48,958	28,819	-	(27,016)	50,761
	Ordinary shares	47,196	-	-	(41,820)	5,376
	Restricted rights	42,716	39,972	-	-	82,688
	Performance rights	209,135	39,970	-	(72,108)	176,997
Former Disclosed Executives						
R Howell[6]	Deferred shares	12,138	-	-	-	12,138

1. Details of options/rights granted as remuneration during 2024 are provided in the previous table. **2.** Shares resulting from any other changes during the year include the net result of any shares purchased (including under the ANZ Share Purchase Plan), forfeited, sold or acquired under the Dividend Reinvestment Plan. **3.** The following shares (included in the holdings above) were held on behalf of the NEDs, CEO and Disclosed Executives (i.e., indirect beneficially held shares) as at 30 September 2024 (or the date ceased as a KMP): P O'Sullivan - 0, R Gibb - 1,422, J Halton - 0, H Kramer - 5,828, C O'Reilly - 0, J Smith - 0, S St John - 3,000, I Atlas - 15,318, J Key - 10,500, J Macfarlane - 28,182, S Elliott - 617,696, M Carnegie - 69,621, E Clements - 30,081, K Corbally - 44,594, F Faruqui - 44,497, G Florian - 68,277, C Morgan - 23,058, A Strong - 29,972, A Watson - 47,957, M Whelan - 52,761, R Howell - 12,138. **4.** Zero rights were vested and exercisable, and zero options/rights were vested and unexerciseable as at 30 September 2024. **5.** Commencing balance is based on holdings as at the date of commencement as a KMP. **6.** Concluding balance is based on holdings as at the date ceased as a KMP. **7.** 2023 Remuneration Report incorrectly showed a zero closing balance of ordinary shares. The 25 ordinary shares are still held.

9.4 Loans

9.4.1 Overview

When we lend to NEDs, the CEO or Disclosed Executives, we do so in the ordinary course of business and on normal commercial terms and conditions that are no more favourable than those given to other employees or customers – this includes the term of the loan, the security required and the interest rate. Details of the terms and conditions of lending products can be found on **anz.com**. No amounts have been written off during the period, or individual assessed allowance for expected credit losses raised in respect of these balances.

Total loans to NEDs, the CEO and Disclosed Executives, including their related parties at 30 September 2024 (including those with balances less than $100,000) was $22,200,018 (2023: $28,232,882) with interest paid of $992,976 (2023: $1,241,031) during the period.

9.4.2 NED, CEO and Disclosed Executives' loan transactions

The table below sets out details of loans outstanding to NEDs, the CEO and Disclosed Executives including their related parties, if – at any time during the year – the individual's aggregate loan balance exceeded $100,000.

Loan transactions – NED, CEO and Disclosed Executives

Names	Opening balance at 1 Oct 2023[1] $	Closing balance at 30 Sep 2024 $	Interest paid and payable in the reporting period[2] $	Highest balance in the reporting period $
Current Non–Executive Directors				
P O'Sullivan	657,998	675	23	664,981
H Kramer	3,189,935	3,532,890	205,664	3,602,471
S St John	1,160,096	1,145,916	37,112	1,165,093
CEO and Current Disclosed Executives				
S Elliott	2,467,062	1,968,205	72,173	2,478,583
M Carnegie	5,602,183	3,782	141,566	5,620,083
G Florian	2,324,157	2,223,982	60,887	2,344,193
A Strong	1,715,981	2,406,222	116,714	2,868,494
M Whelan	1,528,458	1,495,365	95,089	1,578,999
Former Disclosed Executives				
J Key[3]	3,583,961	3,579,413	157,598	3,896,804
J Macfarlane[3]	5,907,690	5,762,167	105,883	6,310,584
Total	28,137,521	22,118,617	992,709	30,530,285

1. Opening balances have been adjusted for new and leaving KMP. **2.** Actual interest paid after considering offset accounts. The loan balance is shown gross, however the interest paid takes into account the impact of offset amounts. **3.** Closing balance is as at the date ceased as a KMP.

9.5 Other transactions

Other transactions with NEDs, the CEO and Disclosed Executives, and their related parties included deposits.

Other transactions – NED, CEO and Disclosed Executives

	Opening balance at 1 Oct 2023[1] $	Closing balance at 30 Sep 2024[2,3] $
Total KMP Deposits	40,821,998	43,105,069

1. Opening balance is at 1 October 2023 or the date of commencement as a KMP if part way through the year and it has been adjusted to take into account timing variances.
2. Closing balance is at 30 September 2024 or at the date ceased as a KMP if part way through the year. **3.** Interest received on deposits for 2024 was $845,972 (2023: $999,448).

Other transactions with KMP and their related parties included amounts paid to the Group in respect of investment management service fees, brokerage, bank fees and charges. The Group has reimbursed KMP for the costs incurred for security and secretarial services associated with the performance of their duties. These transactions are conducted on normal commercial terms and conditions are no more favourable than those given to other employees or customers.

Directors' Report

The Directors' Report for the financial year ended 30 September 2024 has been prepared in accordance with the requirements of the *Corporations Act 2001*. The information below forms part of this Directors' Report:

- Principal activities on page 14;
- Operating and financial review on pages 34 to 47;
- Dividends on page 47;
- Information on the Directors, Company Secretaries and Directors' meetings on pages 18 to 25;
- Remuneration report on pages 48 to 89.

Acquisition of Suncorp Bank

On 31 July 2024, the Group acquired 100% of the shares in SBGH Limited, the immediate holding company of Suncorp Bank. Suncorp Bank provides banking and related services to retail, commercial, small and medium enterprises and agribusiness customers in Australia. The transaction was undertaken to accelerate the growth of the Group's retail and commercial businesses while also improving the geographic balance of its business in Australia.

Significant changes in state of affairs

There have been no other significant changes in the Group's state of affairs other than Acquisition of Suncorp Bank, as described above.

Events since the end of the financial year

Other than matters outlined in the Financial Report, there have been no significant events from 30 September 2024 to the date of signing this report.

Participation in political party activities

We aim to assist the democratic process in Australia by attending and participating in paid events hosted by the major federal political parties. For the year ended 30 September 2024, we contributed $115,000 to participate in political activities hosted by the Australian Labor Party, the Liberal Party of Australia and the National Party of Australia. These activities included speeches, political functions and conferences, and policy dialogue forums.

We disclose these contributions to the Australian Electoral Commission (AEC), noting the AEC's reporting year is a different period to the Group's financial year.

Modern slavery reporting

The Group is subject to *Australia's Modern Slavery Act Australian Commonwealth Modern Slavery Act 2018 (Cth)* and *United Kingdom's Modern Slavery Act 2015*.

Our Modern Slavery Statement (when released) will set out actions taken to identify, assess and manage modern slavery risks in our operations and supply chain during the 2024 financial year.

Our 2024 Modern Slavery Statement will be available at anz.com/esgreport prior to our Annual General Meeting.

Environmental regulation

We recognise the expectations of our stakeholders – customers, shareholders, staff, regulators and the community – to operate in a way that mitigates our environmental impact.

In Australia, we meet the requirements of the *National Greenhouse and Energy Reporting Act 2007 (Cth)*, which imposes reporting obligations where energy production, usage or greenhouse gas emissions trigger specified thresholds.

We do not believe that our operations are subject to any other particular and significant environmental regulation under a law of the Commonwealth of Australia or of an Australian State or Territory. We may become subject to environmental regulation as a result of our lending activities in the ordinary course of business and have developed policies, which are reviewed on a regular basis, to help identify and manage such environmental matters and regulations.

Further details of our environmental performance, including progress against our targets and management of ESG material issues are available in the ESG Supplement, ESG Data and Framework Pack, and our Climate-related Financial Disclosures, at anz.com/annualreport.

Climate-related disclosures

The Group has current obligations in relation to mandatory publication of climate-related disclosures under the *New Zealand Financial Markets Conduct Act 2013* (FMCA). ANZGHL, ANZBGL, ANZ Bank New Zealand and ANZ New Zealand Investments Limited are Climate Reporting Entities (CREs) under the FMCA.

For the financial year ended 30 September 2024, ANZGHL is relying on the exemption in clause 6 of the Financial Markets Conduct (Climate-related Disclosures for Foreign Listed Issuers) Exemption Notice 2024.

The effect of relying on this exemption is that ANZGHL is not required to comply with the climate reporting obligations (including production and lodgement of climate statements) and the record-keeping obligations imposed under Part 7A of the FMCA for the financial year ended 30 September 2024. ANZGHL will be required to produce separate climate statements for the reporting period ending 30 September 2025 onwards.

Voluntary Climate Reports have been prepared for the Group according to the Task Force on Climate-related Financial Disclosures recommendations since 2017. The 2024 Climate-related Financial Disclosures are available at anz.com/esgreport.

ANZ Bank New Zealand will publish its first mandatory climate statement for the reporting period ended 30 September 2024, which will be available at anz.co.nz/about-us/corporate-responsibility/environment/ no later than 31 January 2025. ANZ Bank New Zealand published a voluntary climate report for the financial year ended 30 September 2023 available at anz.co.nz/about-us/corporate-responsibility/environment/.

ANZ New Zealand Investments Limited has published climate statements relating to four of its registered managed investment schemes in 2024. These are available at crd-app.companiesoffice.govt.nz/dashboard/. Climate statements relating to its fifth registered managed investment scheme are due for lodgement by 31 January 2025. These will be available at crd-app.companiesoffice.govt.nz/dashboard/.

Corporate Governance Statement

We are committed to maintaining a high standard in our governance framework. ANZGHL confirms it has followed the *ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition)* during the 2024 financial year. Our Corporate Governance Statement, together with the Appendix 4G, which relates to the Corporate Governance Statement, can be viewed at anz.com/corporategovernance and has been lodged with the ASX.

External auditor

The Group's external auditor is KPMG. The ANZ Group appointed Peat, Marwick, Mitchell & Co (predecessor to KPMG) in 1969.

The Board Audit Committee conducts a formal annual performance assessment of the external auditor, including whether to commence an external tender for the audit. After considering relevant factors including tenure, audit quality, local and international capability and experience, and independence, the Board Audit Committee resolved to reappoint KPMG for the 30 September 2025 financial year audit. KPMG regularly rotates the Group Lead Audit Engagement Partner and the Engagement Quality Control Review Partner with the most recent rotation being for the financial years ended 30 September 2023 and 30 September 2020, respectively.

Non-audit services

Our Stakeholder Engagement Model for Relationship with the External Auditor (the Policy), which incorporates requirements of the *Corporations Act 2001* and industry best practice, prevents the external auditor from providing services that are perceived to be in conflict with the role of the external auditor or breach independence requirements. This includes consulting advice and sub- contracting of operational activities normally undertaken by management, and engagements where the external auditor may ultimately be required to express an opinion on its own work.

Specifically, the Policy:

- limits the scope of non-audit services that may be provided;
- requires that audit, audit-related and permitted non-audit services be considered in light of independence requirements and for any potential conflicts of interest before they are approved by the Audit Committee, or approved by the Chair of the Audit Committee (or delegate) and notified to the Audit Committee; and
- requires pre-approval before the external auditor can commence any engagement for the Group.

Further details about the Policy can be found in the Corporate Governance Statement.

The external auditor has confirmed to the Audit Committee that it has:

- implemented procedures to ensure it complies with independence rules in applicable jurisdictions; and
- complied with applicable policies and regulations in those jurisdictions regarding the provision of non-audit services, and the Policy.

The Audit Committee has reviewed the non-audit services provided by the external auditor during the 2024 financial year, and has confirmed that the provision of these services is consistent with the Policy, compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* and did not compromise the auditor independence requirements of the *Corporations Act 2001*.

This has been formally advised by the Audit Committee to the Board of Directors.

The categories of non-audit services supplied to the Group during the year ended 30 September 2024 by the external auditor,

KPMG, or by another person or firm on KPMG's behalf, and the amounts paid or payable (including GST) by the Group are as follows:

	Amount paid/ payable $'000's	
Non-audit services	2024	2023
Methodology, procedural, operational and administrative reviews	180	105
Total	180	105

Further details on the compensation paid to KPMG are provided in Note 35 Auditor Fees to the financial statements including details of audit-related services provided during the year of $6.79 million (2023: $5.82 million).

For the reasons set out above, the Directors are satisfied that the provision of non-audit services by the external auditor during the year ended 30 September 2024 is compatible with the general standard of independence for external auditors imposed by the *Corporations Act 2001* and did not compromise the auditor independence requirements of the *Corporations Act 2001*.

Directors' and Officers' Indemnity

ANZGHL's Constitution (Rule 11.1) permits ANZGHL to:

- Indemnify any officer or employee of ANZGHL or any of its wholly-owned subsidiaries, or its auditor, against liabilities (so far as may be permitted under applicable law) incurred as such an officer, employee or auditor, including liabilities incurred as a result of appointment or nomination by ANZGHL or wholly-owned subsidiary as a trustee or as an officer or employee of another corporation; and
- Make payments in respect of legal costs incurred by an officer or employee or auditor in defending an action for a liability incurred as such an officer, employee or auditor, or in resisting or responding to actions taken by a government agency, a duly constituted Royal Commission or other official inquiry, a liquidator, administrator, trustee in bankruptcy or other authorised official.

Our policy is that our employees should be protected from any liability they incur as a result of acting in the course of their employment, subject to appropriate conditions.

Under the policy, we will indemnify employees and former employees against any liability they incur to any third party as a result of acting in good faith in the course of their employment and this extends to liability incurred as a result of their appointment/nomination by or at the request of the ANZ Group as an officer or employee of another corporation or body or as a trustee.

The indemnity is subject to applicable law and certain exceptions.

ANZBGL has entered into Indemnity Deeds with each of its Directors, with certain secretaries and former Directors of ANZBGL, and with certain employees and other individuals who act as directors or officers of related bodies corporate or of another company, to indemnify them against liabilities and legal costs of the kind mentioned in ANZBGL's Constitution. The indemnities provided in these Indemnity Deeds extend to the Directors and Secretaries of ANZGHL.

During the financial year, we have paid premiums for insurance for the benefit of the Directors and employees of the Group. In accordance with common commercial practice, the insurance prohibits disclosure of the nature of the liability insured against and the amount of the premium.

Key management personnel and employee share and option plans

The Remuneration Report contains details of Non-Executive Directors (NEDs), the Chief Executive Officer (CEO) and Disclosed Executives' equity holdings and options/rights issued during the 2024 financial year.

Note 32 Employee Share and Option Plans in the 2024 Financial Report contains details of the 2024 financial year and as at the date of signing the Directors' Report:

- Options/rights issued over shares granted to employees;
- Shares issued as a result of the exercise of options/rights granted to employees; and
- Other details about share options/ rights issued, including any rights to participate in any share issues.

The names of all persons who currently hold options/rights are entered in the register kept by ANZGHL pursuant to section 170 of the *Corporations Act 2001*. This register may be inspected free of charge.

Rounding of amounts

ANZGHL is a company of the kind referred to in *Australian Securities and Investments Commission Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* dated 24 March 2016 and, in accordance with that Instrument, amounts in the consolidated financial statements and this Directors' Report have been rounded to the nearest million dollars unless specifically stated otherwise.

This report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors.

Paul O'Sullivan
Chairman

Shayne Elliott
Managing Director

7 November 2024

Lead Auditor's Independence Declaration

The Lead Auditors Independence Declaration given under section 307C of the *Corporations Act 2001* is set out below and forms part of the Directors' Report for the year ended 30 September 2024.

To: the Directors of ANZ Group Holdings Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of ANZ Group Holdings Limited for the financial year ended 30 September 2024, there have been:

- No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- No contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

7 November 2024

Maria Trinci
Partner

Financial Report

Contents

Income Statement

For the year ended 30 September	Note	2024 $m	2023 $m
Interest income[1]		60,639	49,904
Interest expense		(44,570)	(33,330)
Net interest income	2	16,069	16,574
Other operating income	3	4,251	3,568
Net income from insurance business	3	122	108
Share of associates' profit/(loss)	3	105	221
Operating income		20,547	20,471
Operating expenses	4	(10,741)	(10,139)
Profit before credit impairment and income tax		9,806	10,332
Credit impairment (charge)/release	14	(406)	(245)
Profit before income tax		9,400	10,087
Income tax expense	5	(2,830)	(2,953)
Profit for the year		6,570	7,134
Comprising:			
Profit attributable to shareholders of the Company		6,535	7,106
Profit attributable to non-controlling interests		35	28
Earnings per ordinary share (cents)			
Basic	7	217.9	237.1
Diluted	7	215.1	227.4
Dividend per ordinary share (cents)	6	166	175

1. Includes interest income calculated using the effective interest method on financial assets measured at amortised cost or fair value through other comprehensive income of $55,678 million (2023: $46,895 million) in the Group.

The notes appearing on pages 99 to 210 form an integral part of these financial statements.

Statement of Comprehensive Income

For the year ended 30 September	2024 $m	2023 $m
Profit after tax	6,570	7,134
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Investment securities - equity securities at FVOCI	(25)	(27)
Other reserve movements[1]	(17)	(80)
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation reserve	(930)	718
Cash flow hedge reserve	2,069	235
Other reserve movements	(774)	(36)
Income tax attributable to the above items	(388)	(23)
Share of associates' other comprehensive income[2]	(23)	31
Total comprehensive income for the year	6,482	7,952
Comprising total comprehensive income attributable to:		
Shareholders of the Company	6,457	7,897
Non-controlling interests [1]	25	55

1. The Group includes foreign currency translation differences attributable to non-controlling interests of $10 million (2023: $27 million).
2. The Group's share of associates' other comprehensive income, that may be reclassified subsequently to profit or loss in the Group, includes:

	2024 $m	2023 $m
FVOCI reserve gain/(loss)	(10)	25
Defined benefits gain/(loss)	(13)	6
Total	(23)	31

The notes appearing on pages 99 to 210 form an integral part of these financial statements.

Balance Sheet

As at 30 September	Note	2024 $m	2023 $m
Assets			
Cash and cash equivalents[1]	9	150,967	168,154
Settlement balances owed to ANZ		5,484	9,349
Collateral paid		10,090	8,558
Trading assets	10	45,755	37,004
Derivative financial instruments	11	54,370	60,406
Investment securities	12	140,549	97,429
Net loans and advances	13	803,382	707,044
Regulatory deposits		665	646
Investments in associates	28	1,444	2,349
Current tax assets		46	114
Deferred tax assets	5	3,254	3,348
Goodwill and other intangible assets	22	5,511	4,058
Premises and equipment		2,222	2,053
Other assets		5,376	5,131
Total assets		1,229,115	1,105,643
Liabilities			
Settlement balances owed by ANZ		16,188	19,267
Collateral received		6,583	10,382
Deposits and other borrowings	15	903,554	814,711
Derivative financial instruments	11	55,254	57,482
Current tax liabilities		360	305
Deferred tax liabilities	5	78	82
Payables and other liabilities	16	17,851	15,097
Employee entitlements		646	569
Other provisions	23	1,585	1,717
Debt issuances	17	156,388	116,014
Total liabilities		1,158,487	1,035,626
Net assets		70,628	70,017
Shareholders' equity			
Ordinary share capital	24	28,182	29,082
Reserves	24	(1,774)	(1,735)
Retained earnings	24	43,449	42,148
Share capital and reserves attributable to shareholders of the Company		69,857	69,495
Non-controlling interests	24	771	522
Total shareholders' equity		70,628	70,017

1. Includes Settlement balances owed to ANZ that meet the definition of Cash and cash equivalents.

The notes appearing on pages 99 to 210 form an integral part of these financial statements.

Cash Flow Statement

For the year ended 30 September	2024 $m	2023 $m
Profit after income tax	6,570	7,134
Adjustments to reconcile to net cash provided by/(used in) operating activities:		
Allowance for expected credit losses	406	245
Depreciation and amortisation	926	923
(Gain)/Loss on sale of premises and equipment	-	43
Net derivatives/foreign exchange adjustment	3,244	3,505
(Gain)/Loss on sale from divestments	21	(29)
Other non-cash movements	21	(74)
Net (increase)/decrease in operating assets:		
Collateral paid	(1,968)	4,143
Trading assets[1]	(3,204)	(5,888)
Net loans and advances	(33,546)	(27,639)
Other assets	(294)	(1,706)
Net increase/(decrease) in operating liabilities:		
Deposits and other borrowings	41,945	21,601
Settlement balances owed by ANZ	(2,905)	5,278
Collateral received	(3,368)	(5,848)
Other liabilities[1]	2,104	4,800
Total adjustments	3,382	(646)
Net cash provided by/(used in) operating activities[2]	9,952	6,488
Cash flows from investing activities		
Acquisition of Suncorp Bank, net of cash acquired	(4,914)	-
Investment securities assets:		
Purchases	(84,777)	(52,030)
Proceeds from sale or maturity	47,542	41,401
Proceeds from divestments, net of cash disposed	668	558
Net movement in shares in controlled entities	-	(10)
Net investments in other assets	(640)	(605)
Net cash provided by/(used in) investing activities	(42,121)	(10,686)
Cash flows from financing activities		
Deposits and other borrowings (repaid)/drawn down	(1,014)	(11,105)
Debt issuances:[3]		
Issue proceeds	50,604	44,182
Redemptions	(25,367)	(23,985)
Dividends paid[4]	(5,252)	(4,380)
On-market purchase of treasury shares	(126)	(21)
Repayment of lease liabilities	(309)	(306)
Share buy-back	(883)	-
ANZ Bank New Zealand Perpetual Preference Shares	252	-
Net cash provided by/(used in) financing activities	17,905	4,385
Net increase/(decrease) in Cash and cash equivalents	(14,264)	187
Cash and cash equivalents at beginning of year	168,154	168,132
Effects of exchange rate changes on Cash and cash equivalents	(2,923)	(165)
Cash and cash equivalents at end of year	150,967	168,154

1. Certain items were reclassified from Other liabilities to Trading assets to better reflect the movement in operating assets and operating liabilities. Comparatives have been restated with a decrease of $5,865 million in Trading assets and a corresponding increase in Other liabilities.
2. Net cash provided by/(used in) operating activities for the Group includes interest received of $59,618 million (2023: $48,345 million), interest paid of $43,476 million (2023: $30,707 million) and income taxes paid of $2,925 million (2023: $3,501 million).
3. Non-cash movements on Debt issuances include a gain of $711 million (2023: $2,084 million loss) from unrealised movements primarily due to fair value hedging adjustments and foreign exchange differences for the Group.
4. Cash outflow for shares purchased to satisfy the dividend reinvestment plan are classified in Dividends paid.

The notes appearing on pages 99 to 210 form an integral part of these financial statements.

Statement of Changes in Equity

	Ordinary share capital $m	Reserves $m	Retained earnings $m	Share capital and reserves attributable to shareholders of the Company $m	Non-controlling interests $m	Total shareholders' equity $m
As at 1 October 2022	28,797	(2,606)	39,716	65,907	494	66,401
Impact on transition to AASB 17	-	-	(37)	(37)	-	(37)
Profit or loss for the year	-	-	7,106	7,106	28	7,134
Other comprehensive income for the year	-	865	(74)	791	27	818
Total comprehensive income for the year	-	865	7,032	7,897	55	7,952
Transactions with equity holders in their capacity as equity holders:						
Dividends paid	-	-	(4,559)	(4,559)	(27)	(4,586)
Dividend reinvestment plan[1]	206	-	-	206	-	206
Other equity movements:						
Employee share and option plans	79	-	-	79	-	79
Other items	-	6	(4)	2	-	2
As at 30 September 2023	29,082	(1,735)	42,148	69,495	522	70,017
Profit or loss for the year	-	-	6,535	6,535	35	6,570
Other comprehensive income for the year	-	(58)	(20)	(78)	(10)	(88)
Total comprehensive income for the year	-	(58)	6,515	6,457	25	6,482
Transactions with equity holders in their capacity as equity holders:						
Dividends paid	-	-	(5,220)	(5,220)	(32)	(5,252)
Dividend reinvestment plan[1]	-	-	-	-	-	-
Share buy-back[2]	(883)	-	-	(883)	-	(883)
Other equity movements:						
Employee share and option plans	(17)	25	4	12	-	12
ANZ Bank New Zealand Perpetual Preference Shares[3]	-	-	(4)	(4)	256	252
Other items	-	(6)	6	-	-	-
As at 30 September 2024	28,182	(1,774)	43,449	69,857	771	70,628

1. No shares were issued under the dividend reinvestment plan (DRP) for the 2024 interim and 2023 final dividend (2023 interim dividend: nil, 2022 final dividend: 8.4 million). On-market share purchases for the DRP were $535 million (2023: $326 million).
2. The Company commenced a $2 billion on-market share buy-back on 3 July 2024. This resulted in 30 million shares ($883 million) being cancelled during 2024 and a further 1.2 million shares ($36 million) being cancelled after 30 September 2024 in respect of purchase orders placed but not settled at 30 September 2024.
3. Perpetual preference shares issued by ANZ Bank New Zealand, a wholly owned subsidiary of ANZGHL, are considered non-controlling interests to the Group. Refer to Note 24 Shareholders' equity for further details.

The notes appearing on pages 99 to 210 form an integral part of these financial statements.

Notes to the Consolidated Financial Statements

1. About our financial statements

General information

These are the consolidated financial statements for ANZGHL (the Company) and its controlled entities (together, the Group or Consolidated Entity) for the year ended 30 September 2024. The Company is a publicly listed company incorporated and domiciled in Australia. The address of the Company's registered office and its principal place of business is ANZ Centre, 833 Collins Street, Docklands, Victoria, Australia 3008. The Group provides banking and financial services to individuals and business customers and operates in and across 29 markets.

On 7 November 2024, the Directors resolved to authorise the issue of these financial statements. Information in the financial statements is included only to the extent we consider it material and relevant to the understanding of the financial statements. A disclosure is considered material and relevant if, for example:

- the amount is significant in size (quantitative factor);
- the information is significant by nature (qualitative factor);
- the user cannot understand the Group's results without the specific disclosure (qualitative factor);
- the information is critical to a user's understanding of the impact of significant changes in the Group's business during the period - for example, business acquisitions or disposals (qualitative factor);
- the information relates to an aspect of the Group's operations that is important to its future performance (qualitative factor); and
- the information is required under legislative requirements of the *Corporations Act 2001*, the *Banking Act 1959 (Cth)* or by the Group's principal regulators, including the Australian Securities and Investments Commission (ASIC) and the Australian Prudential Regulation Authority (APRA).

This section of the financial statements:

- outlines the basis upon which the Group's financial statements have been prepared; and
- discusses any new accounting standards or regulations that directly impact the financial statements.

Basis of preparation

This financial report is a general purpose (Tier 1) financial report prepared by a 'for profit' entity, in accordance with Australian Accounting Standards (AASs) and other authoritative pronouncements of the Australian Accounting Standards Board (AASB), the *Corporations Act 2001*, and *International Financial Reporting Standards* (IFRS) and interpretations published by the International Accounting Standards Board (IASB).

We present the financial statements of the Group in Australian dollars, which is the Company's functional and presentation currency. We measure the financial statements of each entity in the Group using the currency of the primary economic environment in which that entity operates (the functional currency). We have rounded values to the nearest million dollars ($m), unless otherwise stated, as permitted under the *ASIC Corporations (Rounding in Financial/Directors Report) Instrument 2016/191*.

Certain comparative amounts have been restated to conform with the basis of preparation in the current year.

Basis of measurement and presentation

The financial information has been prepared in accordance with the historical cost basis - except the following assets and liabilities which we have stated at their fair value:

- derivative financial instruments and in the case of fair value hedging, a fair value adjustment made to the underlying hedged item;
- financial instruments held for trading;
- financial assets and financial liabilities designated at fair value through profit or loss (FVTPL); and
- financial assets at fair value through other comprehensive income (FVOCI).

In accordance with AASB 119 *Employee Benefits* we have measured defined benefit obligations using the Projected Unit Credit Method.

Basis of consolidation

The consolidated financial statements of the Group comprise the financial statements of the Company and all its subsidiaries. An entity, including a structured entity, is considered a subsidiary of the Group when we determine that the Company has control over the entity. Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. We assess power by examining existing rights that give the Company the current ability to direct the relevant activities of the entity. We have eliminated, on consolidation, the effect of all transactions between entities in the Group.

1. About our financial statements (continued)

Foreign currency translation

Transactions and balances

Foreign currency transactions are translated into the relevant functional currency at the exchange rate prevailing at the date of the transaction. At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the relevant spot rate. Any foreign currency translation gains or losses that arise are included in profit or loss in the period they arise.

We measure translation differences on non-monetary items classified as FVTPL and report them as part of the fair value gain or loss on these items. For non-monetary items classified as investment securities measured at FVOCI, translation differences are included in other comprehensive income.

Financial statements of foreign operations that have a functional currency that is not Australian dollars

The financial statements of our foreign operations are translated into Australian dollars for consolidation into the Group financial statements using the following method:

Foreign currency item	Exchange rate used
Assets and liabilities	The reporting date rate
Equity	The initial investment date rate
Income and expenses	The average rate for the period – but for a significant transaction if we believe the average rate is not reasonable, then we use the rate at the date of the transaction

Exchange differences arising from the translation of financial statements of foreign operations are recognised in the foreign currency translation reserve in equity. When we dispose of a foreign operation, the cumulative exchange differences are transferred to profit or loss.

Fiduciary activities

The Group provides fiduciary services to third parties including custody, nominee and trustee services. This involves the Group holding assets on behalf of third parties and making decisions regarding the purchase and sale of financial instruments. If the Group is not the beneficial owner or does not control the assets, then we do not recognise these transactions in these financial statements, except when required by accounting standards or another legislative requirement.

Key judgements and estimates

In the process of applying the Group's accounting policies, management has made a number of judgements and applied estimates and assumptions about past and future events. Further information on the key judgements and estimates that we consider material to the financial statements are contained within each relevant note to the financial statements.

The global economy continues to face challenges associated with inflation and interest rate uncertainties, continuing trade and geopolitical tensions, and impacts from climate change, which contribute to an elevated level of estimation uncertainty involved in the preparation of these financial statements.

The Group is exposed to climate risk either directly through its operations or indirectly, for example, through lending to customers. Climate risk may also be a driver of other risks within our risk management framework. Our most material climate risks arise from lending to business and retail customers, which contributes to credit risk.

The Group has made various accounting estimates in this Financial Report based on forecasts of economic conditions which reflect expectations and assumptions at 30 September 2024 about future events considered reasonable in the circumstances. Thus, there is a considerable degree of judgement involved in preparing these estimates. Actual economic conditions are likely to be different from those forecast since anticipated events frequently do not occur as expected, and the effect of these differences may significantly impact accounting estimates included in these financial statements. The significant accounting estimates impacted by these forecasts and associated uncertainties are predominantly related to expected credit losses and recoverable amounts of non-financial assets.

The impact of these uncertainties on each of these accounting estimates is discussed in the relevant notes in this Financial Report, along with assumptions and judgements made in relation to other key estimates. Readers should consider these disclosures in light of the inherent uncertainties described above.

1. About our financial statements (continued)

Accounting standards adopted in the period

Accounting policies have been consistently applied to all periods presented, unless otherwise noted.

AASB 17 *Insurance Contracts*

On 1 October 2023, the Group adopted AASB 17 *Insurance Contracts* (AASB 17) which established principles for the recognition, measurement, presentation, and disclosure of insurance contracts, and replaced AASB 4 *Insurance Contracts* and AASB 1023 *General Insurance Contracts*. Although the overall profit recognised in respect of insurance contracts will not change over the life of contracts, the timing of revenue recognition will change.

The Group applied AASB 17 effective from 1 October 2022 and restated prior period comparative information. This resulted in a decrease in opening retained earnings of $37 million on 1 October 2022, an increase in profit after tax (2023: $8 million), an increase in total assets (2023: $22 million), and an increase in total liabilities (2023: $51 million) in the Australia Retail division. The impact on earnings per share was not material. These adjustments were primarily driven by the impact of changes in the pattern of recognition of revenue on insurance contracts issued, changes in the pattern of recognition of the net cost of reinsurance and the valuation of profit commissions on reinsurance contracts held.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction

AASB 2021-5 *Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction* amends AASB 112 *Income Taxes*. It clarifies that entities are required to recognise deferred tax on transactions for which there is both an asset and a liability and that give rise to equal taxable and deductible temporary differences which may apply to leases and decommissioning or restoration obligations. This amendment was effective for the Group from 1 October 2023 and did not have a material impact on the Group.

International Tax Reform – Pillar Two Model Rules

The Organisation for Economic Co-Operation and Development published the Pillar Two Model Rules in December 2021 which are designed to ensure large multinational enterprises pay a minimum level of tax of 15% in each of the jurisdictions where they operate. A number of countries in which the Group operates have implemented or announced the proposed implementation of the Pillar Two rules including Australia.

As at 30 September 2024, Pillar Two draft legislation has been released in Australia but is not yet enacted or substantially enacted. The Australian Pillar Two rules, if enacted, will be effective for the Group from 1 October 2024.

In anticipation of the legislation being enacted, the AASB issued AASB 2023-2 *Amendments to Australian Accounting Standards – International Tax Return – Pillar Two Model Rules* in June 2023. The Group has applied the mandatory exemption included in para.4A of this standard and has not recognised or disclosed any associated deferred taxes.

The Group has assessed the potential impact of the Pillar Two legislation. Based on this analysis as at the reporting date and having regard to the historical and reasonably estimable data, the Group is not expected to have a material Pillar Two tax exposure.

Accounting standards not early adopted

A number of new standards, amendments to standards and interpretations have been published but are not mandatory for the financial statements for the year ended 30 September 2024 and have not been applied by the Group in preparing these financial statements. Further details of these are set out below.

AASB 18 *Presentation and Disclosure in Financial Statements*

In June 2024, the AASB issued AASB 18 *Presentation and Disclosure in Financial Statements* (AASB 18) which updates and replaces requirements for the presentation and disclosure of information in financial statements. AASB 18 introduces new defined subtotals to be presented in the consolidated Income Statement, disclosure of management-defined performance measures and requirements for grouping of information. This standard will be effective for the financial year beginning 1 October 2027. We are currently assessing the impact of adopting this standard.

Classification and measurement amendments to AASB 9 *Financial Instruments*

In July 2024, the AASB issued AASB 2024-2 *Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments* which amends requirements related to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets with environmental, social and corporate governance and similar features. The amendments will be effective for the financial year beginning 1 October 2026. We are currently assessing the impact of adopting the amendments.

Lease Liability in a Sale and Leaseback

AASB 2022-5 *Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback* amends AASB 16 *Leases* and specifies the accounting for variable lease payments by seller-lessees in sale and leaseback transactions. The amendment is effective from 1 October 2024 and will not have a material impact on the Group.

2. Net interest income

	2024 $m	2023 $m
Interest income by type of financial asset		
Financial assets at amortised cost	51,139	44,280
Investment securities at FVOCI	4,539	2,615
Trading assets	2,217	1,654
Financial assets at FVTPL	2,744	1,355
Interest income	60,639	49,904
Interest expense by type of financial liability		
Financial liabilities at amortised cost	(41,401)	(31,312)
Securities sold short	(649)	(451)
Financial liabilities designated at FVTPL	(2,131)	(1,214)
Interest expense	(44,181)	(32,977)
Major bank levy	(389)	(353)
Net interest income	16,069	16,574

Recognition and measurement

Net interest income

Interest income and expense

We recognise interest income and expense in net interest income for all financial instruments, including those classified as held for trading, assets measured at FVOCI, and assets and liabilities designated at FVTPL. We use the effective interest rate method to calculate the amortised cost of assets held at amortised cost and to recognise interest income on financial assets measured at amortised cost and FVOCI. The effective interest rate is the rate that discounts the stream of estimated future cash receipts or payments over the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or liability. For assets subject to prepayment, we determine their expected life on the basis of historical behaviour of the particular asset portfolio taking into account contractual obligations and prepayment experience.

We recognise fees and costs, which form an integral part of the financial instrument (for example loan origination fees and costs), using the effective interest rate method. These are presented as part of interest income or expense depending on whether the underlying financial instrument is a financial asset or financial liability.

Major Bank Levy

The Major Bank Levy Act 2017 (levy or major bank levy) applies a rate of 0.06% to certain liabilities of one of the Group's banking subsidiaries, Australia and New Zealand Banking Group Limited (ANZBGL). The levy represents a finance cost, and it is presented as interest expense in the Income Statement.

3. Non-interest income

	2024 $m	2023 $m
Fee and commission income		
Lending fees[1]	420	397
Non-lending fees	2,334	2,312
Commissions	75	85
Funds management income	241	246
Fee and commission income	3,070	3,040
Fee and commission expense	(1,085)	(1,087)
Net fee and commission income	1,985	1,953
Other income		
Net foreign exchange earnings and other financial instruments income[2]	2,166	1,536
Release of foreign currency translation reserve on dissolution of entities	22	43
Loss on disposal of data centres in Australia	-	(43)
Loss on disposal of investment in AmBank	(21)	-
Other	99	79
Other income	2,266	1,615
Other operating income	4,251	3,568
Net income from insurance business	122	108
Share of associates' profit/(loss)	105	221
Non-interest income	4,478	3,897

1. Excludes fees treated as part of the effective yield calculation in Interest income.
2. Includes fair value movements (excluding realised and accrued interest) on derivatives not designated as accounting hedges entered into to manage interest rate and foreign exchange risk, ineffective portions of cash flow hedges, and fair value movements in financial assets and liabilities designated at FVTPL.

3. Non-interest income (continued)

Recognition and measurement

Other operating income

Fee and commission revenue

We recognise fee and commission revenue arising from contracts with customers (a) over time when the performance obligation is satisfied across more than one reporting period, or (b) at a point in time when the performance obligation is satisfied immediately or is satisfied within one reporting period.

- lending fees exclude fees treated as part of the effective yield calculation of interest income. Lending fees include certain guarantee and commitment fees where the loan or guarantee is not likely to be drawn upon, and other fees charged for providing customers a distinct good or service that are recognised separately from the underlying lending product.
- non-lending fees include fees associated with deposit and credit card accounts, interchange fees and fees charged for specific customer transactions such as international transaction fees. Where the Group provides multiple goods or services to a customer under the same contract, the Group allocates the transaction price of the contract to distinct performance obligations based on the relative stand-alone selling price of each performance obligation. Revenue is recognised as each performance obligation is satisfied.
- commissions represent fees from third parties where we act as an agent by arranging a third party (such as an insurance provider) to provide goods and services to a customer. In such cases, we are not primarily responsible for providing the underlying good or service to the customer. If the Group collects funds on behalf of a third party when acting as an agent, we only recognise the net commission retained as revenue. When the commission is variable based on factors outside our control (such as a trail commission), revenue is only recognised if it is highly probable that a significant reversal of the variable amount will not be required in future periods.
- funds management income represents fees earned from customers for providing financial advice and asset management services. Revenue is recognised either at the point the financial advice is provided or over the period in which the asset management services are delivered. Performance fees associated with funds management activities are only recognised when it becomes highly probable the performance hurdle will be achieved.

Net foreign exchange earnings and other financial instruments income

We recognise the following as net foreign exchange earnings and other financial instruments income:

- exchange rate differences arising on the settlement of monetary items and translation differences on monetary items translated at rates different to those at which they were initially recognised or included in a previous financial report;
- fair value movements (excluding realised and accrued interest) on derivatives not designated as accounting hedges that we use to manage interest rate and foreign exchange risk on funding instruments;
- the ineffective portions of fair value hedges, cash flow hedges and net investment hedges;
- immediately upon sale or repayment of a hedged item, the unamortised fair value adjustments to items designated as fair value hedges and amounts accumulated in equity related to designated cash flow hedges;
- fair value movements on financial assets and financial liabilities designated at FVTPL or held for trading;
- amounts released from the FVOCI reserve when a debt instrument classified as FVOCI is sold; and
- the gain or loss on derecognition of financial assets or liabilities measured at amortised cost.

Gain or loss on disposal of non-financial assets

The gain or loss on the disposal of assets is the difference between the carrying value of the asset and the proceeds of disposal net of costs. This is recognised in Other income in the year in which control of the asset transfers to the buyer.

Share of associates' profit/(loss)

The equity method is applied to accounting for associates. Under the equity method, our share of the after tax results of associates is included in the Income Statement and the Statement of Comprehensive Income.

4. Operating expenses

	2024 $m	2023 $m
Personnel		
Salaries and related costs	5,506	5,180
Superannuation costs	446	396
Equity-settled share-based payments	141	105
Other	85	81
Personnel	6,178	5,762
Premises		
Rent	74	71
Depreciation	407	410
Other	178	177
Premises	659	658
Technology		
Depreciation and amortisation	505	505
Subscription licences and outsourced services	1,155	1,007
Other	255	188
Technology	1,915	1,700
Restructuring	235	169
Other		
Advertising and public relations	210	191
Professional fees	770	861
Freight, stationery, postage and communication	170	175
Card processing fees	108	104
Other	496	519
Other	1,754	1,850
Operating expenses	10,741	10,139

4. Operating expenses (continued)

Recognition and measurement

Operating expenses

Operating expenses are recognised as services are provided to the Group, over the period in which an asset is consumed, or once a liability is created.

Salaries and related costs - annual leave, long service leave and other employee benefits

Wages and salaries, annual leave and other employee entitlements expected to be paid or settled within twelve months of employees rendering service are measured at their nominal amounts using remuneration rates that the Group expects to pay when the liabilities are settled.

We accrue employee entitlements relating to long service leave using an actuarial calculation. It includes assumptions regarding staff departures, leave utilisation and future salary increases. The result is then discounted using market yields at the reporting date. The market yields are determined from a blended rate of high quality corporate bonds with terms to maturity that closely match the estimated future cash outflows.

If we expect to pay short term cash bonuses, then a liability is recognised when the Group has a present legal or constructive obligation to pay this amount (as a result of past service provided by the employee) and the obligation can be reliably measured.

Personnel expenses also include share-based payments which may be cash or equity settled. We calculate the fair value of equity settled remuneration at grant date, which is then amortised over the vesting period, with a corresponding increase in share capital or the share option reserve as applicable. When we estimate the fair value, we take into account market vesting conditions, such as share price performance conditions. We take non-market vesting conditions, such as service conditions, into account by adjusting the number of equity instruments included in the expense.

After the grant of an equity-based award, the amount we recognise as an expense is reversed when non-market vesting conditions are not met, for example an employee fails to satisfy the minimum service period specified in the award due to resignation, termination or notice of dismissal for serious misconduct. However, we do not reverse the expense if the award does not vest due to the failure to meet a market-based performance condition.

Further information on share-based payment schemes operated by the Group during the current and prior year is included in Note 32 Employee share and option plans.

5. Income tax

Income tax expense

Reconciliation of the prima facie income tax expense on pre-tax profit with the income tax expense recognised in profit or loss:

	2024 $m	2023 $m
Profit before income tax	9,400	10,087
Prima facie income tax expense at 30%	2,820	3,027
Tax effect of permanent differences:		
Share of associates' (profit)/loss	(32)	(66)
Interest on convertible instruments	124	92
Overseas tax rate differential	(156)	(163)
Provision for foreign tax on dividend repatriation	36	41
Other	18	22
Subtotal	2,810	2,953
Income tax (over)/under provided in previous years	20	-
Income tax expense	2,830	2,953
Current tax expense	3,078	2,901
Adjustments recognised in the current year in relation to the current tax of prior years	20	-
Deferred tax expense/(income) relating to the origination and reversal of temporary differences	(268)	52
Income tax expense	2,830	2,953
Australia	1,495	1,646
Overseas	1,335	1,307
Income tax expense	2,830	2,953
Effective tax rate	30.1%	29.3%

5. Income tax (continued)

Deferred tax assets and liabilities

	2024 $m	2023 $m
Deferred tax assets balances comprise temporary differences attributable to:		
Amounts recognised in the Income Statement:		
Collectively assessed allowances for expected credit losses	1,216	1,128
Individually assessed allowances for expected credit losses	86	102
Provision for employee entitlements	330	294
Other provisions	261	263
Software	1,014	917
Lease liabilities[1]	334	283
Other[1]	220	231
Total	3,461	3,218
Amounts recognised directly in Other Comprehensive Income:		
Cash flow hedge reserve	217	818
FVOCI reserve	246	29
Other reserves	2	-
Total	465	847
Total deferred tax assets (before set-off)[1]	3,926	4,065
Set-off of deferred tax balances pursuant to set-off provisions[1]	(672)	(717)
Net deferred tax assets	3,254	3,348

	2024 $m	2023 $m
Deferred tax liabilities balances comprise temporary differences attributable to:		
Amounts recognised in the Income Statement:		
Finance leases	11	96
Right-of-use assets[1]	286	236
Other	341	323
Total	638	655
Amounts recognised directly in Other Comprehensive Income:		
Foreign currency translation reserve	1	36
Cash flow hedge reserve	32	17
FVOCI reserve	30	44
Defined benefit obligations	42	47
Other reserves	7	-
Total	112	144
Total deferred tax liabilities (before set-off)[1]	750	799
Set-off of deferred tax balances pursuant to set-off provisions[1]	(672)	(717)
Net deferred tax liabilities	78	82

1. Prior period balances have been restated to reflect the adoption of amendments to AASB 112 *Income Taxes* related to right-of-use assets and lease liabilities that arise from a single transaction.

5. Income tax (continued)

Tax consolidation

The Company and all its wholly owned Australian resident entities are part of a tax-consolidated group under Australian taxation law. The Company is the head entity of the tax-consolidated group. We recognise each of the following in the separate financial statements of members of the tax consolidated group on a 'group allocation' basis: tax expense/income, and deferred tax liabilities/assets that arise from temporary differences for members of the tax-consolidated group. The Company (as head entity of the tax-consolidated group) recognises current tax liabilities and assets of the tax-consolidated group.

Under a tax funding arrangement between the entities in the tax-consolidated group, amounts are recognised as payable to or receivable by the Company and each member of the tax-consolidated group in relation to the tax contribution amounts paid or payable between the Company and the other members of the tax-consolidated group.

Members of the tax-consolidated group have also entered into a tax sharing agreement that provides for the allocation of income tax liabilities between the entities were the head entity to default on its income tax payment obligations.

Unrecognised deferred tax assets and liabilities

Unrecognised deferred tax assets related to unused realised tax losses (on revenue account) total $79 million (2023: $43 million) for the Group. Unrecognised deferred tax assets related to unused capital losses amount to $361 million (2023: $370 million) for the Group.

Unrecognised deferred tax liabilities related to additional potential foreign tax costs (assuming all retained earnings in offshore branches and subsidiaries are repatriated) total $251 million (2023: $286 million) for the Group.

Recognition and measurement

Income tax expense

Income tax expense comprises both current and deferred taxes and is based on the accounting profit adjusted for differences in the accounting and tax treatments of income and expenses (that is, taxable income). We recognise tax expense in profit or loss except when the tax relates to items recognised directly in equity and other comprehensive income, in which case we recognise the tax directly in equity or other comprehensive income respectively.

Current tax expense

Current tax is the tax we expect to pay on taxable income for the year, based on tax rates (and tax laws) which are enacted at the reporting date. We recognise current tax as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax assets and liabilities

We account for deferred tax using the balance sheet method. Deferred tax arises because the accounting income is not always the same as the taxable income. This creates temporary differences, which usually reverse over time. Until they reverse, we recognise a deferred tax asset, or liability, on the balance sheet. We measure deferred taxes at the tax rates that we expect will apply to the period(s) when the asset is realised, or the liability settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date.

We offset current and deferred tax assets and liabilities only to the extent that:

- they relate to income taxes imposed by the same taxation authority;
- there is a legal right and intention to settle on a net basis; and
- it is allowed under the tax law of the relevant jurisdiction.

Key judgements and estimates

Judgement is required in determining provisions held in respect of uncertain tax positions. The Group estimates its tax liabilities based on its understanding of the relevant law in each of the countries in which it operates and seeks independent advice where appropriate.

6. Dividends

Ordinary share dividends

Dividends determined by the Company's Board are recognised with a corresponding reduction of retained earnings on the dividend payment date. Accordingly, the final dividend proposed for the current financial year is paid in the following financial year.

Dividends	% of total	Amount per share	Total dividend $m
Financial Year 2023			
2022 final dividend paid[1]		74 cents	2,213
2023 interim dividend paid[1]		81 cents	2,433
Bonus option plan adjustment			(87)
Dividends paid during the year ended 30 September 2023			4,559
Cash	88.3%		4,027
Dividend reinvestment plan[4]	11.7%		532
Dividends paid during the year ended 30 September 2023			4,559
Financial Year 2024			
2023 final dividend paid[2]		94 cents	2,825
2024 interim dividend paid[3]		83 cents	2,496
Bonus option plan adjustment			(101)
Dividends paid during the year ended 30 September 2024			5,220
Cash	89.8%		4,685
Dividend reinvestment plan[4]	10.2%		535
Dividends paid during the year ended 30 September 2024			5,220

Dividends proposed and to be paid after year-end	Payment date	Amount per share	Total dividend $m
2024 final dividend (partially franked at 70% for Australian tax, New Zealand imputation credit NZD 12 cents per share)	20 December 2024	83 cents	2,472

1. 2022 final dividend and 2023 interim dividend were fully franked for Australian tax purposes (30% tax rate) and both carried New Zealand imputation credits of NZD 9 cents.
2. 2023 final dividend comprising 81 cents and an additional dividend of 13 cents was partially franked at 56% for Australian tax purposes (30% tax rate) and carried New Zealand imputation credits of NZD 11 cents.
3. 2024 interim dividend was partially franked at 65% for Australian tax purposes (30% tax rate) and carried New Zealand imputation credits of NZD 12 cents.
4. Includes on-market share purchases for the DRP of $535 million (2023: $326 million).

Dividend reinvestment plan and bonus option plan

Eligible shareholders can elect to reinvest their dividend entitlement into ANZ ordinary shares under the Company's dividend reinvestment plan (DRP). Eligible shareholders can elect to forgo their dividend entitlement and instead receive ANZ ordinary shares under the Company's bonus option plan (BOP). For the proposed 2024 final dividend, ANZ intends that the DRP participation will be satisfied by the allocation of ANZ ordinary shares purchased on-market and the BOP participation will be satisfied by an issue of new ANZ ordinary shares. There will be no discount applied to the DRP and BOP price.

Refer to Note 24 Shareholders' equity for details of ANZ ordinary shares the Company purchased or issued in respect of the DRP and BOP.

6. Dividends (continued)

Dividend franking account

	Currency	2024 $m	2023 $m
Australian franking credits available at 30% tax rate	AUD	65	(137)
New Zealand imputation credits available (which can be attached to our Australian dividends but may only be used by New Zealand resident shareholders)	NZD	5,911	5,728

The above amounts represent the balances of the franking accounts as at the end of the financial year, adjusted for:

- franking credits/debits that will arise from the settlement of the 2024 income tax position; and
- franking credits/debits from the receipt/payment of dividends that have been recognised as tax receivables/payables as at the end of the financial year.

Instalment tax payments on account of the 2024 and 2025 financial year, which will be made after 30 September 2024, will generate sufficient franking credits to enable the proposed 2024 final dividend to be partially franked. The extent to which future dividends will be franked will depend on a number of factors, including the level of profits generated by the Group that will be subject to tax in Australia.

Restrictions on the payment of dividends

The Company's ability to pay dividends on ANZ ordinary shares is largely dependent on the receipt of broadly similar amounts in dividend from the ANZ Bank Group, which in turn requires APRA's prior written approval if:

- the aggregate dividends exceed the ANZ Bank Group's after tax earnings (in calculating those after tax earnings, we take into account any payments we made on senior capital instruments) in the financial year to which they relate; or
- the ANZ Bank Group's Common Equity Tier 1 capital ratio falls within capital range buffers specified by APRA.

If the ANZ Bank Group fails to pay a dividend or distribution on its ANZ Capital Notes or ANZ Capital Securities on the scheduled payment date, it may (subject to a number of exceptions) be restricted from resolving to pay or paying any dividend on its ordinary shares issued to the Company.

7. Earnings per ordinary share

Earnings per ordinary share	2024 cents	2023 cents
Basic earnings per share	217.9	237.1
Diluted earnings per share	215.1	227.4

Reconciliation of earnings used in earnings per share calculations	2024 $m	2023 $m
Basic:		
Profit for the year	6,570	7,134
Less: Profit attributable to non-controlling interests	35	28
Earnings used in calculating basic earnings per share	6,535	7,106
Diluted:		
Earnings used in calculating basic earnings per share	6,535	7,106
Add: Interest on convertible subordinated debt	420	332
Earnings used in calculating diluted earnings per share	6,955	7,438

Reconciliation of WANOS used in earnings per share calculations[1]	2024 millions	2023 millions
WANOS used in calculating basic earnings per share	2,998.4	2,997.2
Add: Weighted average dilutive potential ordinary shares[2]	235.6	273.3
WANOS used in calculating diluted earnings per share	3,234.0	3,270.5

1. WANOS excludes the weighted average number of treasury shares held in ANZEST Pty Ltd of 5.3 million (2023: 4.1 million).
2. Dilutive potential ordinary shares include convertible subordinated debt and share-based payments (options, rights, and deferred shares).

8. Segment reporting

Description of segments

The Group's operating segments are presented on a basis that is consistent with the information provided internally to the Chief Executive Officer (CEO), who is the chief operating decision maker. This reflects the way the Group's businesses are managed, rather than the legal structure of the Group.

We measure the performance of operating segments on a cash profit basis. To calculate cash profit, we exclude items from profit after tax attributable to shareholders. For 2024 and 2023, the adjustments relate to impacts of economic hedges and revenue and expense hedges which represent timing differences that will reverse through earnings in the future. Transactions between divisions across segments within the Group are conducted on an arm's-length basis and where relevant disclosed as part of the income and expenses of these segments.

On 31 July 2024, the Group acquired 100% of the shares in SBGH Limited, the immediate holding company of Suncorp Bank. Suncorp Bank provides banking and related services to retail, commercial, small and medium enterprises and agribusiness customers in Australia. The transaction was undertaken to accelerate the growth of the Group's retail and commercial businesses while also improving the geographic balance of its business in Australia. The 2024 reported results include 2 months results for Suncorp Bank from the date of acquisition, presented as Suncorp Bank division below.

The presentation of divisional results has been impacted by the following changes during the period:

- Accounting standards adoption - the Group adopted AASB 17 *Insurance Contracts* (AASB 17) on 1 October 2023. Although the overall profit recognised in respect of insurance contracts will not change over the life of contracts, the timing of revenue recognition will change. The Group applied AASB 17 effective from 1 October 2022 and restated prior period comparative information. This resulted in a decrease in opening retained earnings of $37 million on 1 October 2022, a $8 million increase in profit after tax, a $22 million increase in total assets, and a $51 million increase in total liabilities in the Australia Retail division.
- Divisional results presentation - prior period divisional comparative information was restated to reflect a number of cost reallocations across the divisions.

The reportable segments are divisions engaged in providing either different products or services or similar products and services in different geographical areas. They are as follows:

Australia Retail

The Australia Retail division provides a full range of banking services to Australian consumers. This includes Home Loans, Deposits, Credit Cards and Personal Loans. Products and services are provided via the branch network, home loan specialists, contact centres, a variety of self-service channels (digital and internet banking, website, ATMs and phone banking) and third-party brokers.

Australia Commercial

The Australia Commercial division provides a full range of banking products and financial services, including asset financing, across the following customer segments: SME Banking (small business owners and medium commercial customers), and Diversified & Specialist Businesses (large commercial customers, and high net worth individuals and family groups).

Institutional

The Institutional division services global institutional and corporate customers, and governments across Australia, New Zealand and International (including Papua New Guinea (PNG)) via the following business units:

- Transaction Banking provides customers with working capital and liquidity solutions including documentary trade, supply chain financing, commodity financing as well as cash management solutions, deposits, payments and clearing.
- Corporate Finance provides customers with loan products, loan syndication, specialised loan structuring and execution, project and export finance, debt structuring and acquisition finance, and sustainable finance solutions.
- Markets provides customers with risk management services in foreign exchange, interest rates, credit, commodities, and debt capital markets in addition to managing the Group's interest rate exposure and liquidity position.

New Zealand

The New Zealand division comprises the following business units:

- Personal provides a full range of banking and wealth management services to consumer and private banking customers. We deliver our services via our internet and app-based digital solutions and a network of branches, mortgage specialists, private bankers and contact centres.
- Business & Agri (previously Business) provides a full range of banking services through our digital, branch and contact centre channels, and traditional relationship banking and sophisticated financial solutions through dedicated managers. These cover privately owned small, medium and large enterprises, the agricultural business segment, government and government-related entities.

Suncorp Bank

The Suncorp Bank division provides banking and related services to retail, commercial, small and medium enterprises and agribusiness customers in Australia.

Pacific

The Pacific division provides products and services to retail and commercial customers (including multi-nationals) and to governments located in the Pacific region, excluding PNG which forms part of the Institutional division.

Group Centre

Group Centre division provides support to the operating divisions, including technology, property, risk management, financial management, treasury, strategy, marketing, human resources, corporate affairs, and shareholder functions. It also includes minority investments in Asia and interests in the ANZ Non-Bank Group.

8. Segment reporting (continued)

Operating segments

Year ended 30 September 2024	Australia Retail $m	Australia Commercial $m	Institutional $m	New Zealand $m	Suncorp Bank $m	Pacific $m	Group Centre $m	Group Total $m
Net interest income	5,223	3,164	3,741	3,143	251	123	424	16,069
Net fee and commission income	531	300	740	399	6	14	(5)	1,985
Net income from insurance business	122	-	-	-	-	-	-	122
Other income[1,2]	11	42	2,408	-	-	77	(10)	2,528
Share of associates' profit/(loss)	-	-	-	-	-	-	105	105
Other operating income	664	342	3,148	399	6	91	90	4,740
Operating income[1,2]	5,887	3,506	6,889	3,542	257	214	514	20,809
Operating expenses	(3,516)	(1,507)	(2,875)	(1,376)	(188)	(138)	(1,141)	(10,741)
Cash profit/(loss) before credit impairment and income tax	2,371	1,999	4,014	2,166	69	76	(627)	10,068
Credit impairment (charge)/release	(71)	(80)	10	(28)	(243)	8	(2)	(406)
Cash profit/(loss) before income tax	2,300	1,919	4,024	2,138	(174)	84	(629)	9,662
Income tax (expense)/benefit[1,2]	(693)	(577)	(1,166)	(602)	52	(22)	106	(2,902)
Non-controlling interests	-	-	-	-	-	(2)	(33)	(35)
Cash profit/(loss)	1,607	1,342	2,858	1,536	(122)	60	(556)	6,725
Economic hedges[1]								(264)
Revenue and expense hedges[2]								74
Profit after tax attributable to shareholders								6,535
Includes non-cash items:								
Share of associates' profit/(loss)	-	-	-	-	-	-	105	105
Depreciation and amortisation	(56)	(6)	(171)	(107)	(46)	(9)	(532)	(927)
Equity-settled share-based payment expenses	(6)	(5)	(97)	(5)	-	(1)	(27)	(141)
Credit impairment (charge)/release	(71)	(80)	10	(28)	(243)	8	(2)	(406)

Financial position	Australia Retail $m	Australia Commercial $m	Institutional $m	New Zealand $m	Suncorp Bank[3] $m	Pacific $m	Group Centre $m	Group Total $m
Goodwill	178	-	1,245	1,596	1,402	-	-	4,421
Investments in associates	-	-	-	-	-	-	1,444	1,444
Total external assets	335,356	65,456	574,998	127,032	87,185	3,162	35,926	1,229,115
Total external liabilities	180,801	122,029	460,053	120,203	81,610	3,686	190,105	1,158,487

1. The cash profit adjustment for economic hedges applies to the Institutional, New Zealand and Group Centre divisions with $368 million loss recognised in Other operating income and $104 million benefit recognised in Income tax expense.
2. The cash profit adjustment for revenue and expense hedges applies to the Group Centre division with $106 million gain recognised in Other operating income and $32 million expense recognised in Income tax expense.
3. Assets acquired and liabilities assumed are disclosed on a provisional basis. Refer to Note 36 Suncorp Bank acquisition for further information.

8. Segment reporting (continued)

Operating segments (continued)

Year ended 30 September 2023	Australia Retail $m	Australia Commercial $m	Institutional $m	New Zealand $m	Suncorp Bank $m	Pacific $m	Group Centre $m	Group Total $m
Net interest income	5,709	3,224	4,040	3,149	-	123	329	16,574
Net fee and commission income	546	322	685	398	-	19	(17)	1,953
Net income from insurance business	108	-	-	-	-	-	-	108
Other income[1,2]	16	43	2,009	11	-	66	(96)	2,049
Share of associates' profit/(loss)	-	-	-	-	-	-	221	221
Other operating income	670	365	2,694	409	-	85	108	4,331
Operating income[1,2]	6,379	3,589	6,734	3,558	-	208	437	20,905
Operating expenses	(3,461)	(1,423)	(2,728)	(1,299)	-	(145)	(1,083)	(10,139)
Cash profit/(loss) before credit impairment and income tax	2,918	2,166	4,006	2,259	-	63	(646)	10,766
Credit impairment (charge)/release	(135)	(107)	80	(112)	-	28	1	(245)
Cash profit/(loss) before income tax	2,783	2,059	4,086	2,147	-	91	(645)	10,521
Income tax (expense)/benefit[1,2]	(845)	(619)	(1,137)	(601)	-	(18)	140	(3,080)
Non-controlling interests	-	-	-	-	-	(2)	(26)	(28)
Cash profit/(loss)	1,938	1,440	2,949	1,546	-	71	(531)	7,413
Economic hedges[1]								(217)
Revenue and expense hedges[2]								(90)
Profit after tax attributable to shareholders								7,106
Includes non-cash items:								
Share of associates' profit/(loss)	-	-	-	-	-	-	221	221
Depreciation and amortisation	(77)	(5)	(164)	(105)	-	(10)	(562)	(923)
Equity-settled share-based payment expenses	(6)	(2)	(73)	(4)	-	-	(20)	(105)
Credit impairment (charge)/release	(135)	(107)	80	(112)	-	28	1	(245)

Financial position	Australia Retail $m	Australia Commercial $m	Institutional $m	New Zealand $m	Suncorp Bank $m	Pacific $m	Group Centre $m	Group Total $m
Goodwill	178	-	1,261	1,617	-	-	-	3,056
Investments in associates	-	-	-	-	-	-	2,349	2,349
Total external assets	315,207	61,916	538,825	125,178	-	3,391	61,126	1,105,643
Total external liabilities	168,926	119,341	452,777	122,924	-	3,862	167,796	1,035,626

1. The cash profit adjustment for economic hedges applies to the Institutional, New Zealand and Group Centre divisions with $305 million loss recognised in Other operating income and $88 million benefit recognised in Income tax expense.
2. The cash profit adjustment for economic hedges applies to the Group Centre division with $129 million loss recognised in Other operating income and $39 million benefit recognised in Income tax expense.

8. Segment reporting (continued)

Segment income by products and services

The primary sources of our external income across all divisions are interest income and other operating income, which includes net fee and commission income, net foreign exchange earnings and other financial instruments income. The Australia Retail, Australia Commercial, New Zealand, Suncorp Bank, and Pacific divisions derive income from products and services in retail and commercial banking. The Institutional division derives its income from institutional products and market services. No single customer amounts to greater than 10% of the Group's income.

Geographical information

The reportable segments operate across three geographical regions as follows:

- Australia Retail division - Australia
- Australia Commercial division - Australia
- Institutional division - all three geographical regions
- New Zealand division - New Zealand
- Suncorp Bank division - Australia
- Pacific division – Rest of World
- Group Centre division - all three geographical regions

The Rest of World geography includes Asia, Pacific, Europe and the Americas.

The following table sets out total operating income earned and assets to be recovered in more than one year based on the geographical regions in which the Group operates.

	Australia		New Zealand		Rest of World		Total	
	2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m
Total operating income	12,816	12,686	4,404	4,459	3,327	3,326	20,547	20,471
Assets to be recovered in more than one year[1]	497,441	406,571	121,455	119,278	25,444	28,877	644,340	554,726

1. Represents Net loans and advances based on the contractual maturity.

Financial assets

Outlined below is a description of how we classify and measure financial assets as they apply to the note disclosures that follow.

Classification and measurement

Financial assets - general

There are three measurement classifications for financial assets under AASB 9 *Financial Instruments* (AASB 9): amortised cost, FVTPL and FVOCI. Financial assets are classified into these measurement classifications on the basis of two criteria:

- the business model within which the financial asset is managed; and
- the contractual cash flow characteristics of the financial asset (specifically whether the contractual cash flows represent solely payments of principal and interest).

The resultant financial asset classifications are as follows:

- Amortised cost: Financial assets with contractual cash flows that comprise solely payments of principal and interest and which are held in a business model whose objective is to collect their cash flows;
- FVOCI: Financial assets with contractual cash flows that comprise solely payments of principal and interest and which are held in a business model whose objective is to collect their cash flows or to sell the assets; and
- FVTPL: Any other financial assets not falling into the categories above are measured at FVTPL.

Fair value option for financial assets

A financial asset may be irrevocably designated on initial recognition:

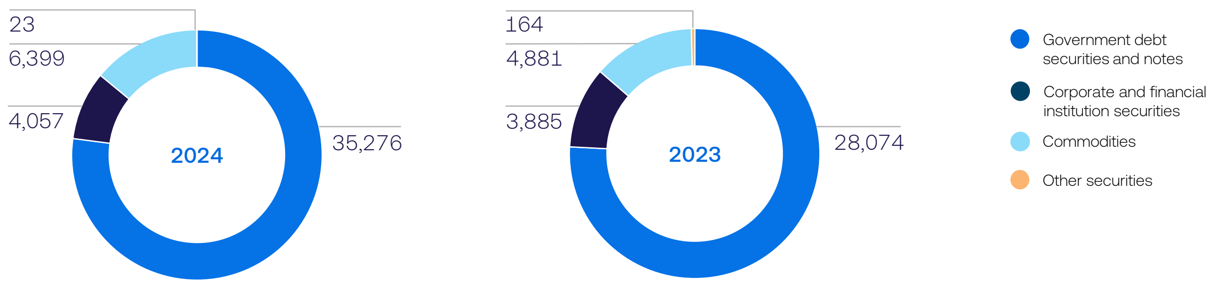
- at FVTPL when the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise; or
- at FVOCI for investments in equity securities, where that instrument is neither held for trading nor contingent consideration recognised by an acquirer in a business combination.

9. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and other balances, as outlined below, that are convertible into cash with an insignificant risk of changes in value and with remaining maturities of three months or less, including reverse repurchase agreements.

	2024 $m	2023 $m
Coins, notes and cash at bank	1,198	1,070
Securities purchased under agreements to resell in less than 3 months	44,125	31,711
Balances with central banks	69,024	105,689
Settlement balances owed to ANZ within 3 months	36,620	29,684
Cash and cash equivalents	150,967	168,154

10. Trading assets



	2024 $m	2023 $m
Government debt securities and notes	35,276	28,074
Corporate and financial institution securities	4,057	3,885
Commodities	6,399	4,881
Other securities	23	164
Total	45,755	37,004

Recognition and measurement

Trading assets are financial instruments or other assets we either:

- Acquire principally for the purpose of selling in the short-term; or
- Hold as part of a portfolio we manage for short-term profit making.

Trading assets include commodity inventories measured at fair value less cost to sell in accordance with the broker trader exemption under AASB 102 *Inventories*.

We recognise purchases and sales of trading assets on trade date:

- Initially, we measure them at fair value; and
- Subsequently, we measure them in the Balance Sheet at their fair value with any change in fair value recognised in profit or loss.

Assets disclosed as Trading assets are subject to the general classification and measurement policy for Financial Assets outlined at the commencement of the Group's financial assets disclosures on page 117.

Key judgements and estimates

Judgement is required when applying the valuation techniques used to determine the fair value of trading assets not valued using quoted market prices. Refer to Note 19 Fair value of financial assets and financial liabilities for further details.

11. Derivative financial instruments

Fair value	Assets 2024 $m	Liabilities 2024 $m	Assets 2023 $m	Liabilities 2023 $m
Derivative financial instruments - held for trading	53,889	(54,798)	60,059	(57,210)
Derivative financial instruments - designated in hedging relationships	481	(456)	347	(272)
Derivative financial instruments	54,370	(55,254)	60,406	(57,482)

Features

Derivative financial instruments are contracts:

- Whose value is derived from an underlying price index (or other variable) defined in the contract - sometimes the value is derived from more than one variable;
- That require little or no initial net investment; and
- That are settled at a future date.

Movements in the price of the underlying variables, which cause the value of the contract to fluctuate, are reflected in the fair value of the derivative.

Purpose

The Group's derivative financial instruments have been categorised as follows:

Trading	Derivatives held in order to: • meet customer needs for managing their own risks. • manage risks in the Group that are not in a designated hedge accounting relationship (some elements of balance sheet management). • undertake market making and positioning activities to generate profits from short-term fluctuations in prices or margins.
Designated in Hedging Relationships	Derivatives designated into hedge accounting relationships in order to minimise profit or loss volatility by matching movements in underlying positions relating to: • hedges of the Group's exposures to interest rate risk and currency risk. • hedges of other exposures relating to non-trading positions.

Types

The Group offers or uses four different types of derivative financial instruments:

Forwards	A contract documenting the rate of interest, or the currency exchange rate, to be paid or received on a notional principal amount at a future date.
Futures	An exchange traded contract in which the parties agree to buy or sell an asset in the future for a price agreed on the transaction date, with a net settlement in cash paid on the future date without physical delivery of the asset.
Swaps	A contract in which two parties exchange one series of cash flows for another.
Options	A contract in which the buyer of the contract has the right - but not the obligation - to buy (known as a 'call option') or to sell (known as a 'put option') an asset or instrument at a set price on a future date. The seller has the corresponding obligation to fulfil the transaction to sell or buy the asset or instrument if the buyer exercises the option.

11. Derivative financial instruments (continued)

Risks managed

The Group offers and uses the instruments described above to manage fluctuations in the following:

Foreign Exchange	Currencies at current or determined rates of exchange.
Interest Rate	Fixed or variable interest rates applying to money lent, deposited or borrowed.
Commodity	Soft commodities (that is, agricultural products such as wheat, coffee, cocoa and sugar) and hard commodities (that is, mined products such as gold, oil and gas).
Credit	Risk of default by customers or third parties.

The Group uses a number of central clearing counterparties and exchanges to settle derivative transactions. Different arrangements for posting of collateral exist with these exchanges:

- some transactions are subject to clearing arrangements which result in separate recognition of collateral assets and liabilities, with the carrying values of the associated derivative assets and liabilities held at their fair value.
- other transactions, are legally settled by the payment or receipt of collateral which reduces the carrying values of the related derivative instruments by the amount paid or received.

Derivative financial instruments – held for trading

The majority of the Group's derivative financial instruments are held for trading. The fair value of derivative financial instruments held for trading is:

Fair value	Assets 2024 $m	Liabilities 2024 $m	Assets 2023 $m	Liabilities 2023 $m
Interest rate contracts				
Forward rate agreements	1	(1)	-	-
Futures contracts	80	(109)	294	(37)
Swap agreements	8,258	(9,527)	10,815	(15,194)
Options	1,263	(1,371)	1,805	(2,023)
Total	9,602	(11,008)	12,914	(17,254)
Foreign exchange contracts				
Spot and forward contracts	20,008	(21,445)	21,399	(19,580)
Swap agreements	21,961	(19,612)	23,230	(18,172)
Options	779	(835)	690	(1,120)
Total	42,748	(41,892)	45,319	(38,872)
Commodity and other contracts	1,537	(1,896)	1,812	(1,067)
Credit default swaps	2	(2)	14	(17)
Derivative financial instruments - held for trading[1]	53,889	(54,798)	60,059	(57,210)

[1] Includes derivatives held for balance sheet management which are not designated into accounting hedge relationships.

11. Derivative financial instruments (continued)

Derivative financial instruments – designated in hedging relationships

Under the accounting policy choice provided by AASB 9, the Group has continued to apply the hedge accounting requirements of AASB 139 *Financial Instruments: Recognition and Measurement* (AASB 139).

There are three types of hedge accounting relationships the Group utilises:

	Fair value hedge	Cash flow hedge	Net investment hedge
Objective of this hedging arrangement	To hedge our exposure to changes to the fair value of a recognised asset or liability or unrecognised firm commitment caused by interest rate or foreign currency movements.	To hedge our exposure to variability in cash flows of a recognised asset or liability, a firm commitment or a highly probable forecast transaction caused by interest rate, foreign currency and other price movements.	To hedge our exposure to exchange rate differences arising from the translation of our foreign operations from their functional currency to Australian dollars.
Recognition of effective hedge portion	The following are recognised in profit or loss at the same time: • all changes in the fair value of the underlying item relating to the hedged risk; and • the change in the fair value of the derivatives.	We recognise the effective portion of changes in the fair value of derivatives designated as a cash flow hedge in the cash flow hedge reserve.	We recognise the effective portion of changes in the fair value of the hedging instrument in the foreign currency translation reserve (FCTR).
Recognition of ineffective hedge portion	Recognised immediately in Other operating income.		
If a hedging instrument expires, or is sold, terminated, or exercised; or no longer qualifies for hedge accounting	When we recognise the hedged item in profit or loss, we recognise the related unamortised fair value hedge adjustment in profit or loss. This may occur over time if the hedged item is amortised to profit or loss as part of the effective yield over the period to maturity.	Only when we recognise the hedged item in profit or loss is the amount previously deferred in the cash flow hedge reserve transferred to profit or loss.	The amount we defer in the foreign currency translation reserve remains in equity and is transferred to profit or loss only when we dispose of, or partially dispose of, the foreign operation.
Hedged item sold or repaid	We recognise the unamortised fair value hedge adjustment immediately in profit or loss.	Amounts accumulated in equity are transferred immediately to profit or loss.	The gain or loss, or applicable proportion, we have recognised in equity is transferred to profit or loss on disposal or partial disposal of a foreign operation.

11. Derivative financial instruments (continued)

Derivative financial instruments – designated in hedging relationships (continued)

The fair value of derivative financial instruments designated in hedging relationships is:

	2024			2023		
	Nominal amount $m	Assets $m	Liabilities $m	Nominal amount $m	Assets $m	Liabilities $m
Fair value hedges						
Foreign exchange spot and forward contracts	571	14	-	607	5	-
Interest rate swap agreements	175,849	226	(253)	126,881	32	(195)
Interest rate futures contracts	3,151	11	-	11,778	243	(9)
Cash flow hedges						
Interest rate swap agreements	154,968	200	(196)	122,704	17	(48)
Foreign exchange swap agreements	654	26	(7)	683	50	(19)
Foreign exchange spot and forward contracts	81	4	-	-	-	-
Net investment hedges						
Foreign exchange spot and forward contracts	92	-	-	47	-	(1)
Derivative financial instruments - designated in hedging relationships	335,366	481	(456)	262,700	347	(272)

11. Derivative financial instruments (continued)

Derivative financial instruments – designated in hedging relationships (continued)

The maturity profile of the nominal amounts of our hedging instruments held is:

Nominal amount		Average Rate	Less than 3 months $m	3 to 12 months $m	1 to 5 years $m	After 5 years $m	Total $m
As at 30 September 2024							
Fair value hedges							
Interest rate	Interest rate	2.94%	10,202	17,387	86,096	65,315	179,000
Foreign exchange	HKD/AUD FX rate	5.26	571	-	-	-	571
Cash flow hedges							
Interest rate	Interest rate	3.11%	20,417	42,091	91,589	871	154,968
Foreign exchange[1]	AUD/USD FX rate USD/EUR FX rate	0.74 0.91	20	61	-	654	735
Net investment hedges							
Foreign exchange	NZD/AUD FX rate	1.09	-	92	-	-	92
As at 30 September 2023							
Fair value hedges							
Interest rate	Interest rate	2.38%	2,314	10,533	79,350	46,462	138,659
Foreign exchange	HKD/AUD FX rate	5.02	607	-	-	-	607
Cash flow hedges							
Interest rate	Interest rate	2.27%	7,573	37,630	76,359	1,142	122,704
Foreign exchange[1]	AUD/USD FX rate USD/EUR FX rate	0.74 0.91	-	-	-	683	683
Net investment hedges							
Foreign exchange	NZD/AUD FX rate	1.09	-	47	-	-	47

[1] Hedges of foreign exchange risk cover multiple currency pairs. The table reflects the larger currency pairs only.

11. Derivative financial instruments (continued)

Derivative financial instruments – designated in hedging relationships (continued)

The impacts of ineffectiveness from our designated hedge relationships by type of hedge relationship and type of risk being hedged are:

	Ineffectiveness			
As at 30 September 2024	Change in value of hedging instrument[2] $m	Change in value of hedged item $m	Hedge ineffectiveness recognised in profit or loss[3] $m	Amount reclassified from the cash flow hedge reserve or FCTR to profit or loss[4] $m
Fair value hedges[1]				
Interest rate	(2,922)	2,928	6	-
Foreign exchange	36	(36)	-	-
Cash flow hedges[1]				
Interest rate	2,175	(2,074)	101	(2)
Foreign exchange	(3)	3	-	-
Net investment hedges[1]				
Foreign exchange	9	(9)	-	-
As at 30 September 2023				
Fair value hedges[1]				
Interest rate	(846)	870	24	-
Foreign exchange	(4)	4	-	-
Cash flow hedges[1]				
Interest rate	280	(239)	41	(13)
Foreign exchange	-	-	-	9
Net investment hedges[1]				
Foreign exchange	(39)	39	-	79

1. All hedging instruments are classified as derivative financial instruments.
2. Changes in value of hedging instruments is before any adjustments for Settle to Market clearing arrangements.
3. Recognised in Other operating income.
4. Recognised in Net interest income and Other operating income.

11. Derivative financial instruments (continued)

Derivative financial instruments – designated in hedging relationships (continued)

The hedged items in relation to the Group's fair value hedges are:

			Carrying amount		Accumulated fair value hedge adjustments on the hedged item	
	Balance sheet presentation	Hedged risk	Assets $m	Liabilities $m	Assets $m	Liabilities $m
As at 30 September 2024						
Fixed rate loans and advances	Net loans and advances	Interest rate	1,546	-	(30)	-
Fixed rate debt issuance	Debt issuances	Interest rate	-	(73,805)	-	1,284
Fixed rate investment securities at FVOCI[1]	Investment securities	Interest rate	97,838	-	625	-
Equity securities at FVOCI[1]	Investment securities	Foreign exchange	571	-	43	-
Total			99,955	(73,805)	638	1,284
As at 30 September 2023						
Fixed rate loans and advances	Net loans and advances	Interest rate	3,472	-	(139)	-
Fixed rate debt issuance	Debt issuances	Interest rate	-	(66,190)	-	4,163
Fixed rate investment securities at FVOCI[1]	Investment securities	Interest rate	61,082	-	(5,121)	-
Equity securities at FVOCI[1]	Investment securities	Foreign exchange	607	-	79	-
Total			65,161	(66,190)	(5,181)	4,163

1. The carrying amount of debt and equity instruments at FVOCI does not include the fair value hedge adjustment. The fair value hedge adjustment is included in other comprehensive income.

The cumulative amount of fair value hedge adjustments relating to ceased hedge relationships remaining on the Balance Sheet is $3 million (2023: -$13 million).

11. Derivative financial instruments (continued)

Derivative financial instruments – designated in hedging relationships (continued)

The hedged items in relation to the Group's cash flow and net investment hedges are:

		Cash flow hedge reserve		Foreign currency translation reserve	
	Hedged risk	Continuing hedges $m	Discontinued hedges $m	Continuing hedges $m	Discontinued hedges $m
As at 30 September 2024					
Cash flow hedges					
Floating rate loans and advances	Interest rate	(575)	-	-	-
Floating rate customer deposits	Interest rate	(31)	-	-	-
Foreign currency debt issuances	Foreign exchange	(7)	-	-	-
Highly probable forecast transactions	Foreign exchange	4	-	-	-
Net investment hedges					
Foreign operations	Foreign exchange	-	-	22	20
As at 30 September 2023					
Cash flow hedges					
Floating rate loans and advances	Interest rate	(3,482)	11	-	-
Floating rate customer deposits	Interest rate	794	(1)	-	-
Foreign currency debt issuances	Foreign exchange	-	-	-	-
Highly probable forecast transactions	Foreign exchange	-	-	-	-
Net investment hedges					
Foreign operations	Foreign exchange	-	-	12	49

11. Derivative financial instruments (continued)

Derivative financial instruments – designated in hedging relationships (continued)

The table below details the reconciliation of the Group's cash flow hedge reserve by risk type:

	Interest rate $m	Foreign currency $m	Total $m
Balance at 1 October 2022	(2,028)	(8)	(2,036)
Fair value gains/(losses)	239	-	239
Transferred to profit or loss	(13)	9	(4)
Income taxes and others	(69)	(2)	(71)
Balance at 30 September 2023	(1,871)	(1)	(1,872)
Fair value gains/(losses)	2,074	(3)	2,071
Transferred to profit or loss	(2)	-	(2)
Income taxes and others	(620)	1	(619)
Balance at 30 September 2024	(419)	(3)	(422)

Hedges of net investments in a foreign operation resulted in a $9 million increase in FCTR during the year (2023: $40 million increase).

11. Derivative financial instruments (continued)

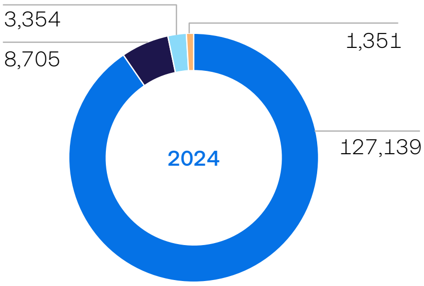
Recognition and measurement

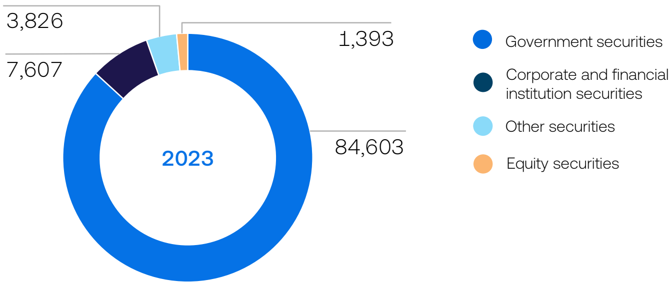
Recognition	Initially and at each reporting date, we recognise all derivatives at fair value. If the fair value of a derivative is positive, then we carry it as an asset, but if its value is negative, then we carry it as a liability. Valuation adjustments are integral in determining the fair value of derivatives. This includes: • a credit valuation adjustment to reflect the counterparty risk and/or event of default; and • a funding valuation adjustment to account for funding costs and benefits in the derivatives portfolio.
Derecognition of assets and liabilities	We remove derivative assets from our Balance Sheet when the contracts expire or we have transferred substantially all the risks and rewards of ownership. We remove derivative liabilities from our Balance Sheet when the Group's contractual obligations are discharged, cancelled or expired. With respect to derivatives cleared through a central clearing counterparty or exchange, derivative assets or liabilities may be derecognised in accordance with the principle above when collateral is settled, depending on the legal arrangements in place for each instrument.
Impact on the Income Statement	The recognition of gains or losses on derivative financial instruments depends on whether the derivative is held for trading or is designated in a hedge accounting relationship. For derivative financial instruments held for trading, gains or losses from changes in the fair value are recognised in profit or loss. For an instrument designated in a hedge accounting relationship, the recognition of gains or losses depends on the nature of the item being hedged. Refer to the table on page 121 for details of the recognition approach applied for each type of hedge accounting relationship. Sources of hedge accounting ineffectiveness may arise from differences in the interest rate reference rate, margins, or rate set differences and differences in discounting between the hedged items and the hedging instruments.
Hedge effectiveness	To qualify for hedge accounting under AASB 139, a hedge relationship is expected to be highly effective. A hedge relationship is highly effective only if the following conditions are met: • the hedge is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated (prospective effectiveness); and • the actual results of the hedge are within the range of 80-125% (retrospective effectiveness). The Group monitors hedge effectiveness on a regular basis but at a minimum at each reporting date.

Key judgements and estimates

Judgement is required when we select the valuation techniques used to determine the fair value of derivatives, particularly the selection of valuation inputs that are not readily observable, and the application of valuation adjustments to certain derivatives. Refer to Note 19 Fair value of financial assets and financial liabilities for further details.

12. Investment securities





	2024 $m	2023 $m
Investment securities measured at FVOCI		
Debt securities	131,944	88,271
Equity securities	1,351	1,393
Investment securities measured at amortised cost		
Debt securities	7,091	7,752
Investment securities measured at FVTPL		
Debt securities	163	13
Total	140,549	97,429

The maturity profile of investment securities is as follows:

As at 30 September 2024	Less than 3 months $m	3 to 12 months $m	1 to 5 years $m	After 5 years $m	No maturity $m	Total $m
Government securities	9,824	11,048	52,228	54,039	-	127,139
Corporate and financial institution securities	485	1,326	6,566	328	-	8,705
Other securities	490	386	578	1,900	-	3,354
Equity securities	-	-	-	-	1,351	1,351
Total	10,799	12,760	59,372	56,267	1,351	140,549
As at 30 September 2023						
Government securities	8,807	10,233	29,482	36,081	-	84,603
Corporate and financial institution securities	358	1,218	5,973	58	-	7,607
Other securities	617	591	602	2,016	-	3,826
Equity securities	-	-	-	-	1,393	1,393
Total	9,782	12,042	36,057	38,155	1,393	97,429

During the year, the Group recognised a net gain of $8 million (2023: $9 million) in Other operating income from the recycling of gains/losses previously recognised in Other comprehensive income in respect of debt securities at FVOCI.

12. Investment securities (continued)

Recognition and measurement

Investment securities are those financial assets in security form (that is, transferable debt or equity instruments) that are not held for trading purposes. By way of exception, bills of exchange (a form of security/transferable instrument) which are used to facilitate the Group's customer lending activities are classified as Loans and advances (rather than Investment securities) to better reflect the substance of the arrangement.

Equity investments not held for trading purposes may be designated at FVOCI on an instrument-by-instrument basis. If this election is made, gains or losses are not reclassified from Other comprehensive income to profit or loss on disposal of the investment. However, gains or losses may be reclassified within equity.

Assets disclosed as Investment securities are subject to the general classification and measurement policy for financial assets outlined at the commencement of the Group's financial asset disclosures on page 117. Additionally, expected credit losses associated with 'Investment securities - debt securities at amortised cost' and 'Investment securities - debt securities at FVOCI' are recognised and measured in accordance with the accounting policy outlined in Note 14 Allowance for expected credit losses. For 'Investment securities - debt securities at FVOCI', the allowance for Expected Credit Loss (ECL) is recognised in the FVOCI reserve in equity with a corresponding charge to profit or loss.

Key judgements and estimates

Judgement is required when we select valuation techniques used to determine the fair value of assets not valued using quoted market prices, particularly the selection of valuation inputs that are not readily observable. Refer to Note 19 Fair value of financial assets and financial liabilities for further details.

13. Net loans and advances

The following table provides details of Net loans and advances:

	2024 $m	2023 $m
Overdrafts	6,109	5,552
Credit cards	6,713	6,805
Commercial bills	4,401	4,682
Term loans – housing	484,554	404,491
Term loans – non-housing	300,634	284,808
Other	924	1,292
Subtotal	803,335	707,630
Unearned income[1]	(515)	(515)
Capitalised brokerage and other origination costs[1]	4,237	3,475
Gross loans and advances	807,057	710,590
Allowance for expected credit losses (refer to Note 14)	(3,675)	(3,546)
Net loans and advances	803,382	707,044
Residual contractual maturity:		
Within one year	159,042	152,318
More than one year	644,340	554,726
Net loans and advances	803,382	707,044
Carried on Balance Sheet at:		
Amortised cost	778,596	685,156
Fair value through profit or loss	24,786	21,888
Net loans and advances	803,382	707,044

1 Amortised over the expected life of the loan.

Recognition and measurement

Loans and advances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are facilities the Group provides directly to customers or through third party channels.

Loans and advances are initially recognised at fair value plus transaction costs directly attributable to the issue of the loan or advance, which are primarily brokerage and other origination costs which we amortise over the estimated life of the loan. Subsequently, we then measure loans and advances at amortised cost using the effective interest rate method, net of any allowance for ECL, or at fair value when they are specifically designated on initial recognition as FVTPL, are classified as held for sale or when held for trading. Refer to Note 19 Fair value of financial assets and financial liabilities for further details.

We classify contracts to lease assets and hire purchase agreements as finance leases if they transfer substantially all the risks and rewards of ownership of the asset to the customer or an unrelated third party. We include these facilities in 'Other' in the table above.

The Group enters into transactions in which it transfers financial assets that are recognised on its Balance Sheet. When the Group retains substantially all of the risks and rewards of the transferred assets, the transferred assets remain on the Group's Balance Sheet, however if substantially all the risks and rewards are transferred, the Group derecognises the asset. If the risks and rewards are partially retained and control over the asset is lost, the Group derecognises the asset. If control over the asset is not lost, the Group continues to recognise the asset to the extent of its continuing involvement.

We separately recognise the rights and obligations retained, or created, in the transfer of assets as appropriate.

Assets disclosed as Net loans and advances are subject to the general classification and measurement policy for financial assets outlined on page 117. Additionally, expected credit losses associated with loans and advances at amortised cost are recognised and measured in accordance with the accounting policy outlined in Note 14 Allowance for expected credit losses.

14. Allowance for expected credit losses

Suncorp Bank acquisition related adjustment

The collectively assessed credit impairment charge for 2024 includes $244 million for Suncorp Bank's performing loans and advances. In accordance with Australian Accounting Standards requirements, the Group consolidated Suncorp Bank's loans and advances on 31 July 2024, however the Group was not permitted to recognise an allowance for ECL on the performing loans and advances, leading to a proportional reduction in acquisition-related goodwill that would otherwise have been recognised. Subsequently, the Group was required to recognise a collectively assessed allowance for ECL estimated using the Group's ECL methodologies, with a corresponding collectively assessed credit impairment charge recognised in the Group's Income Statement.

	2024			2023		
	Collectively assessed $m	Individually assessed $m	Total $m	Collectively assessed $m	Individually assessed $m	Total $m
Net loans and advances at amortised cost	3,372	303	3,675	3,180	366	3,546
Off-balance sheet commitments	841	5	846	817	10	827
Investment securities - debt securities at amortised cost	34	-	34	35	-	35
Total	4,247	308	4,555	4,032	376	4,408
Other comprehensive income						
Investment securities - debt securities at FVOCI[1]	20	-	20	15	-	15

1. For FVOCI assets, the allowance for ECL does not alter the carrying amount which remains at fair value. Instead, the allowance for ECL is recognised in Other comprehensive income with a corresponding charge to profit or loss.

The following tables present the movement in the allowance for ECL for the year.

Net loans and advances - at amortised cost

Allowance for ECL is included in Net loans and advances.

			Stage 3		
	Stage 1 $m	Stage 2 $m	Collectively assessed $m	Individually assessed $m	Total $m
As at 1 October 2022	1,141	1,548	360	533	3,582
Transfer between stages	148	(138)	(94)	84	-
New and increased provisions (net of releases)	(73)	202	61	388	578
Write-backs	-	-	-	(212)	(212)
Bad debts written off (excluding recoveries)	-	-	-	(409)	(409)
Foreign currency translation and other movements[1]	11	12	2	(18)	7
As at 30 September 2023	1,227	1,624	329	366	3,546
Transfer between stages	155	(181)	(57)	83	-
New and increased provisions (net of releases)[2]	(89)	218	168	379	676
Write-backs	-	-	-	(177)	(177)
Bad debts written off (excluding recoveries)	-	-	-	(316)	(316)
Foreign currency translation and other movements[1]	(17)	(8)	3	(32)	(54)
As at 30 September 2024	1,276	1,653	443	303	3,675

1. Other movements include the impacts of discount unwind on individually assessed allowance for ECL or the impact of divestments completed during the year.
2. Includes Suncorp Bank acquisition related collectively assessed allowance for ECL. Under accounting standards, these were initially recognised as Stage 1, and where relevant moving to Stage 2 after the date of acquisition, all presented within New and increased provisions (net of releases).

14. Allowance for expected credit losses (continued)

Off-balance sheet commitments - undrawn and contingent facilities

Allowance for ECL is included in Other provisions.

			Stage 3		
	Stage 1 $m	Stage 2 $m	Collectively assessed $m	Individually assessed $m	Total $m
As at 1 October 2022	593	144	29	9	775
Transfer between stages	31	(29)	(4)	2	-
New and increased provisions (net of releases)	-	46	(1)	2	47
Write-backs	-	-	-	(4)	(4)
Foreign currency translation and other movements[1]	6	1	1	1	9
As at 30 September 2023	630	162	25	10	827
Transfer between stages	18	(17)	(1)	-	-
New and increased provisions (net of releases)	26	13	1	3	43
Write-backs	-	-	-	(7)	(7)
Foreign currency translation and other movements[1]	(16)	(2)	2	(1)	(17)
As at 30 September 2024	658	156	27	5	846

[1] Other movements include impact of divestments completed during the year.

Investment securities - debt securities at amortised cost

Allowance for ECL is included in Investment securities.

			Stage 3		
	Stage 1 $m	Stage 2 $m	Collectively assessed $m	Individually assessed $m	Total $m
As at 30 September 2023	35	-	-	-	35
As at 30 September 2024	34	-	-	-	34

Investment securities - debt securities at FVOCI

As FVOCI assets are measured at fair value, there is no separate allowance for ECL. Instead, the allowance for ECL is recognised in Other comprehensive income with a corresponding charge to profit or loss.

			Stage 3		
	Stage 1 $m	Stage 2 $m	Collectively assessed $m	Individually assessed $m	Total $m
As at 30 September 2023	15	-	-	-	15
As at 30 September 2024	20	-	-	-	20

14. Allowance for expected credit losses (continued)

Credit impairment charge - Income Statement

Credit impairment charge/(release) analysis

	2024 $m	2023 $m
New and increased provisions (net of releases)[1,2]		
- Collectively assessed	262	152
- Individually assessed	465	476
Write-backs[3]	(184)	(216)
Recoveries of amounts previously written-off	(137)	(167)
Total credit impairment charge	406	245

1. Includes the impact of transfers between collectively assessed and individually assessed.
2. New and increased provisions (net of releases) includes:

	2024		2023	
	Collectively assessed $m	Individually assessed $m	Collectively assessed $m	Individually assessed $m
Net loans and advances at amortised cost	214	462	106	472
Off-balance sheet commitments	40	3	43	4
Investment securities - debt securities at amortised cost	3	-	(1)	-
Investment securities - debt securities at FVOCI	5	-	4	-
Total	262	465	152	476

3. Consists of write-backs in Net loans and advances at amortised cost of $177 million (2023: $212 million) and Off-balance sheet commitments of $7 million (2023: $4 million) for the Group.

The contractual amount outstanding on financial assets that were written off during the year and that are still subject to enforcement activity is $136 million (2023: $147 million) for the Group.

14. Allowance for expected credit losses (continued)

Recognition and measurement

Expected credit loss model

The measurement of expected credit losses reflects an unbiased, probability weighted prediction which evaluates a range of scenarios and takes into account the time value of money, past events, current conditions and forecasts of future economic conditions.

Expected credit losses are either measured over 12 months or the expected lifetime of the financial asset, depending on credit deterioration since origination, according to the following three-stage approach:

- Stage 1: At the origination of a financial asset, and where there has not been a Significant Increase in Credit Risk (SICR) since origination, an allowance for ECL is recognised reflecting the expected credit losses resulting from default events that are possible within the next 12 months from the reporting date. For instruments with a remaining maturity of less than 12 months, expected credit losses are estimated based on default events that are possible over the remaining time to maturity.
- Stage 2: Where there has been a SICR since origination, an allowance for ECL is recognised reflecting expected credit losses resulting from all possible default events over the expected life of a financial instrument. If credit risk were to improve in a subsequent period such that the increase in credit risk since origination is no longer considered significant, the exposure returns to a Stage 1 classification with ECL measured accordingly.
- Stage 3: Where there is objective evidence of impairment, an allowance equivalent to lifetime ECL is recognised.

Expected credit losses are estimated on a collective basis for exposures in Stage 1 and Stage 2, and on either a collective or individual basis when transferred to Stage 3.

For financial assets that are credit-impaired on initial recognition, lifetime ECL are incorporated into the calculation of the effective interest rate on initial recognition. Consequently, these assets do not carry an expected credit loss allowance on initial recognition. The amount recognised as a provision for credit losses after initial recognition is equal to the change in the lifetime expected credit loss since initial recognition.

Measurement of expected credit loss

ECL is calculated as the product of the following credit risk factors at a facility level, discounted to incorporate the time value of money:

- Probability of default (PD) - the estimate of the likelihood that a borrower will default over a given period;
- Exposure at default (EAD) - the expected balance sheet exposure at default taking into account repayments of principal and interest, expected additional drawdowns and accrued interest; and
- Loss given default (LGD) - the expected loss in the event of the borrower defaulting, expressed as a percentage of the facility's EAD, taking into account direct and indirect recovery costs.

These credit risk factors are adjusted for current and forward-looking information through the use of macroeconomic variables.

Expected life

When estimating ECL for exposures in Stage 2 and 3, the Group considers the expected lifetime over which it is exposed to credit risk.

For non-retail portfolios, the Group uses the maximum contractual period as the expected lifetime for non-revolving credit facilities. For non-retail revolving credit facilities, such as corporate lines of credit, the expected life reflects the Group's contractual right to withdraw a facility as part of a contractually agreed annual review, after taking into account the applicable notice period.

For retail portfolios, the expected lifetime is determined using a behavioural term, taking into account expected prepayment behaviour and events that give rise to substantial modifications.

Definition of default, credit impaired and write-offs

The definition of default used in measuring ECL is aligned to the definition used for internal credit risk management purposes across all portfolios. This definition is also in line with the regulatory definition of default. Default occurs when there are indicators that a debtor is unlikely to fully satisfy contractual credit obligations to the Group, or the exposure is 90 days past due.

Financial assets, including those that are well secured, are considered credit impaired for financial reporting purposes when they default.

When there is no realistic probability of recovery, loans are written off against the related impairment allowance on completion of the Group's internal processes and when all reasonably expected recoveries have been collected. In subsequent periods, any recoveries of amounts previously written-off are recorded as a release to the credit impairment charge in the Income Statement.

Modified financial assets

If the contractual terms of a financial asset are modified or an existing financial asset is replaced with a new one for either credit or commercial reasons, an assessment is made to determine if the changes to the terms of the existing financial asset are considered substantial. This assessment considers both changes in cash flows arising from the modified terms as well as changes in the overall instrument risk profile; for example, changes in the principal (credit limit), term, or type of underlying collateral. Where a modification is considered non-substantial, the existing financial asset is not derecognised and its date of origination continues to be used to determine SICR. Where a modification is considered substantial, the existing financial asset is derecognised and a new financial asset is recognised at its fair value on the modification date, which also becomes the date of origination used to determine SICR for this new asset.

14. Allowance for expected credit losses (continued)

Recognition and measurement (continued)

Significant increase in credit risk

Stage 2 assets are those that have experienced a SICR since origination. In determining what constitutes a SICR, the Group considers both qualitative and quantitative information:

i. Internal credit rating grade

For the majority of portfolios, the primary indicator of a SICR is a significant deterioration in the internal credit rating grade of a facility since origination and is measured by the application of thresholds.

For non-retail portfolios, a SICR is determined by comparing the Customer Credit Rating (CCR) applicable to a facility at reporting date to the CCR at origination of that facility. A CCR is assigned to each borrower which reflects the PD of the borrower and incorporates both borrower and non-borrower specific information, including forward-looking information. CCRs are subject to review at least annually or more frequently when an event occurs which could affect the credit risk of the customer.

For retail portfolios, a SICR is determined, depending on the type of facility, by either comparing the scenario weighted lifetime PD at the reporting date to that at origination, or by reference to customer behavioural score thresholds. The scenario weighted lifetime probability of default may increase significantly if:

- there has been a deterioration in the economic outlook, or an increase in economic uncertainty; or
- there has been a deterioration in the customer's overall credit position, or ability to manage their credit obligations.

ii. Backstop criteria

The Group uses 30 days past due arrears as a backstop criterion for both non-retail and retail portfolios. For retail portfolios only, facilities are required to demonstrate three to six months of good payment behaviour prior to being allocated back to Stage 1.

Forward-looking information

Forward-looking information is incorporated into both our assessment of whether a financial asset has experienced a SICR since origination and in our estimate of ECL. In applying forward-looking information for estimating ECL, the Group considers four probability-weighted forecast economic scenarios as follows:

i. Base case scenario

The base case scenario is the Group's view of future macroeconomic conditions. It reflects the same basis of assumptions used by management for strategic planning and budgeting, and also informs the Group Internal Capital Adequacy Assessment Process which is the process the Group applies in strategic and capital planning over a 3-year time horizon;

ii. Upside and iii. Downside scenarios

The upside and downside scenarios are fixed by reference to average economic cycle conditions (that is, they are not based on the economic conditions prevailing at balance date) and are based on a combination of more optimistic (in the case of the upside) and pessimistic (in the case of the downside) economic events and uncertainty over long term horizons; and

iv. Severe downside scenario

The severe scenario assumes a deep economic downturn, both domestically and globally. Forecast macroeconomic variables for such a scenario are developed by ANZ Research - Economics (ANZ Economics), reflecting a plausible scenario unfolding over a 5-year period given current economic conditions. These assumptions have been revised in 2024, reflecting an escalation of geopolitical tensions, persistent inflation, and worsening national budget positions.

The four scenarios are described in terms of macroeconomic variables used in the PD, LGD and EAD models (collectively the ECL models) depending on the lending portfolio and country of the borrower. Examples of the macroeconomic variables include unemployment rates, Gross Domestic Product (GDP) growth rates, residential property price indices, commercial property price indices and consumer price indices.

Probability weighting of each scenario is determined by management considering the risks and uncertainties surrounding the base case economic scenario, as well as specific portfolio considerations where required. The Group Asset and Liability Committee (GALCO) is responsible for reviewing and approving the base case economic scenario and the Credit and Market Risk Committee (CMRC) approves the probability weights applied to each scenario.

Where applicable, temporary adjustments may be made to account for situations where known or expected risks have not been adequately addressed in the modelling process. CMRC is responsible for approving such adjustments.

14. Allowance for expected credit losses (continued)

Key judgements and estimates

Collectively assessed allowance for expected credit losses

In estimating collectively assessed ECL, the Group makes judgements and assumptions in relation to:

- the selection of an estimation technique or modelling methodology; and
- the selection of inputs for those models, and the interdependencies between those inputs.

The following table summarises the key judgements and assumptions in relation to the model inputs and the interdependencies between those inputs, and highlights significant changes during the current period.

The judgements and associated assumptions have been made within the context of the uncertainty as to how various factors might impact the global economy and reflect historical experience and other factors that are considered to be relevant, including expectations of future events that are believed to be reasonable under the circumstances. The Group's ECL estimates are inherently uncertain and, as a result, actual results may differ from these estimates.

Judgement/Assumption	Description	Considerations for the year ended 30 September 2024
Determining when a SICR has occurred or reversed	In the measurement of ECL, judgement is involved in determining whether there has been a SICR since initial recognition of a loan, which would result in it moving from Stage 1 to Stage 2. This is a key area of judgement since transition from Stage 1 to Stage 2 increases the ECL from an allowance based on the PD in the next 12 months, to an allowance for lifetime ECL. Subsequent decreases in credit risk resulting in transition from Stage 2 to Stage 1 may similarly result in significant changes in the ECL allowance. The setting of precise SICR trigger points requires judgement which may have a material impact upon the size of the ECL allowance. The Group monitors the effectiveness of SICR criteria on an ongoing basis.	The determination of SICR was consistent with prior periods.
Measuring both 12-month and lifetime expected credit losses	The PD, LGD and EAD factors used in determining ECL are point-in-time measures reflecting the relevant forward-looking information determined by management. Judgement is involved in determining which forward-looking information is relevant for particular lending portfolios and for determining each portfolio's point-in-time sensitivity. In addition, judgement is required where behavioural characteristics are applied in estimating the lifetime of a facility which is used in measuring ECL.	The PD, LGD and EAD models are subject to the Group's model risk policy that stipulates periodic model monitoring and re-validation, and defines approval procedures and authorities according to model materiality. There were no material changes to the policy.
Base case economic forecast	The Group derives a forward-looking 'base case' economic scenario which reflects ANZ Economics' view of future macroeconomic conditions.	There have been no changes to the types of forward-looking variables (key economic drivers) used as model inputs. As at 30 September 2024, the base case assumptions have been updated to reflect a moderation in inflation and an easing in labour market conditions in both Australia and New Zealand. Both economies are forecast to continue to grow below trend. Despite increased household disposable incomes, limited flow-through to household consumption is forecast. The expected outcomes of key economic drivers for the base case scenario at 30 September 2024 are described below under the heading "Base case economic forecast assumptions".

14. Allowance for expected credit losses (continued)

Key judgements and estimates (continued)

Judgement/Assumption	Description	Considerations for the year ended 30 September 2024
Probability weighting of each economic scenario (base case, upside, downside and severe downside scenarios)[1]	Probability weighting of each economic scenario is determined by management considering the risks and uncertainties surrounding the base case economic scenario at each measurement date. The assigned probability weightings in Australia, New Zealand and Rest of World are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected.	Probability weightings in New Zealand shifted from downside to upside scenarios during the current period reflecting increasing confidence in economic recovery with high-frequency data providing early indication that the economy is responding to monetary easing. Probability weightings in Australia and Rest of World remain unchanged from the prior period, reflecting our assessment of the continuing downside risks from the impact of higher interest rates and inflation in these economies. The probability weightings for current and prior periods are as detailed in the section below under the heading 'Probability weightings'.
Management temporary adjustments	Management temporary adjustments to the ECL allowance are used in circumstances where it is judged that our existing inputs, assumptions and model techniques do not capture all the risk factors relevant to our lending portfolios. Emerging local or global macroeconomic, microeconomic or political events, and natural disasters that are not incorporated into our current parameters, risk ratings, or forward-looking information are examples of such circumstances.	Management have continued to apply adjustments to accommodate uncertainty associated with higher inflation and interest rates. Management overlays have been made for risks particular to home loans, credit cards and commercial lending in Australia, and for mortgages and commercial lending in New Zealand. The total amount of adjustments has decreased from the prior period as anticipated risks are now represented in the portfolio credit profiles. Management has considered and concluded no temporary adjustment is required at 30 September 2024 to the ECL in relation to climate or weather related events during the period.

1. The upside and downside scenarios are fixed by reference to average economic cycle conditions (that is, they are not based on the economic conditions prevailing at balance date) and are based on a combination of more optimistic (in the case of the upside) and pessimistic (in the case of the downside) economic conditions.

Base case economic forecast assumptions

Continuing uncertainties described above increase the risk of the economic forecast resulting in an understatement or overstatement of the ECL balance.

The economic drivers of the base case economic forecasts, reflective of ANZ Economics' view of future macroeconomic conditions used at 30 September 2024 are set out below. For the years following the near term forecasts below, the ECL models apply simplified assumptions for the economic conditions to calculate lifetime loss.

	Forecast calendar year 2024	2025	2026
Australia			
GDP (annual % change)	1.2	2.0	2.4
Unemployment rate (annual average)	4.1	4.4	4.3
Residential property prices (annual % change)	7.3	5.5	5.5
Consumer price index (annual average % change)	3.3	2.9	2.7
New Zealand			
GDP (annual % change)	-0.1	0.8	2.2
Unemployment rate (annual average)	4.7	5.4	5.4
Residential property prices (annual % change)	-1.0	4.5	5.0
Consumer price index (annual average % change)	3.1	2.2	1.8
Rest of World			
GDP (annual % change)	2.3	1.5	1.9
Consumer price index (annual average % change)	3.1	2.4	2.1

14. Allowance for expected credit losses (continued)

Key judgements and estimates (continued)

Probability weightings

Probability weightings for each scenario are determined by management considering the risks and uncertainties surrounding the base case economic scenario including the uncertainties described above.

The average base case weighting has remained unchanged at to 46% (2023: 46%) as the upside and downside scenario weightings have been revised. The average upside case weighting has increased to 1% (2023: 0%), and the average downside case weighting has decreased to 40% (2023: 41%).

The assigned probability weightings in Australia, New Zealand and Rest of World are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Group considers these weightings in each geography to provide estimates of the possible loss outcomes and taking into account short and long term inter-relationships within the Group's credit portfolios. The average weightings applied across the Group are set out below:

	2024	2023
Base	46%	46%
Upside	1%	0%
Downside	40%	41%
Severe downside	13%	13%

ECL - Sensitivity analysis

Given current economic uncertainties and the judgement applied to factors used in determining the expected default of borrowers in future periods, expected credit losses reported by the Group should be considered as a best estimate within a range of possible estimates.

The table below illustrates the sensitivity of collectively assessed ECL to key factors used in determining it as at 30 September 2024:

	ECL $m	Impact $m
If 1% of Stage 1 facilities were included in Stage 2	4,328	81
If 1% of Stage 2 facilities were included in Stage 1	4,241	(6)
100% upside scenario	1,502	(2,745)
100% base scenario	1,951	(2,296)
100% downside scenario	3,580	(667)
100% severe downside scenario	10,142	5,895

Individually assessed allowance for expected credit losses

In estimating individually assessed ECL, the Group makes judgements and assumptions in relation to expected repayments, the realisable value of collateral, business prospects for the customer, competing claims and the likely cost and duration of the work-out process. Judgements and assumptions in respect of these matters have been updated to reflect amongst other things, the uncertainties described above.

Financial liabilities

Outlined below is a description of how we classify and measure financial liabilities relevant to the note disclosures that follow.

Classification and measurement

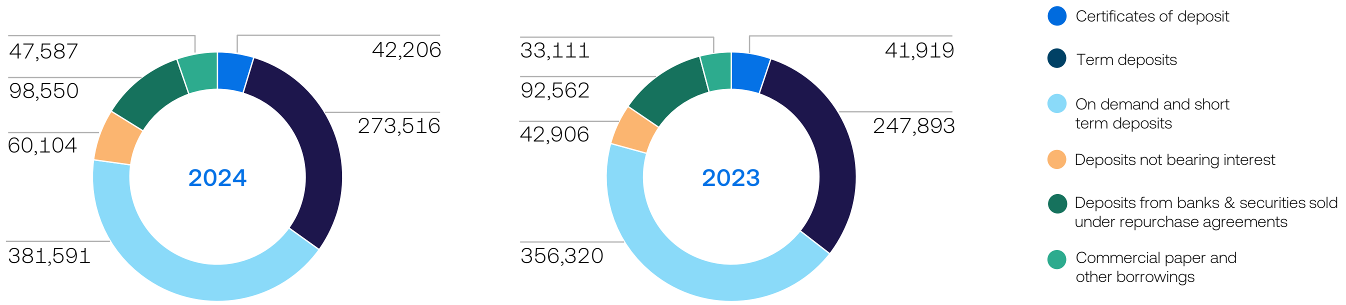
Financial liabilities

Financial liabilities are measured at amortised cost, or FVTPL when they are held for trading. Additionally, financial liabilities can be designated at FVTPL where:

- the designation eliminates or significantly reduces an accounting mismatch which would otherwise arise;
- a group of financial liabilities are managed and their performance are evaluated on a fair value basis, in accordance with a documented risk management strategy; or
- the financial liability contains one or more embedded derivatives unless:
  a) the embedded derivative does not significantly modify the cash flows that otherwise would be required by the contract; or
  b) the embedded derivative is closely related to the host financial liability.

Where financial liabilities are designated as measured at fair value, gains or losses relating to changes in the entity's own credit risk are included in Other comprehensive income, except where doing so would create or enlarge an accounting mismatch in profit or loss.

15. Deposits and other borrowings



	2024 $m	2023 $m
Certificates of deposit	42,206	41,919
Term deposits	273,516	247,893
On demand and short term deposits	381,591	356,320
Deposits not bearing interest	60,104	42,906
Deposits from banks & securities sold under repurchase agreements	98,550	92,562
Commercial paper and other borrowings	47,587	33,111
Deposits and other borrowings[1]	903,554	814,711
Residual contractual maturity:		
Within one year	893,211	805,505
More than one year	10,343	9,206
Deposits and other borrowings	903,554	814,711
Carried on Balance Sheet at:		
Amortised cost	860,553	780,822
Fair value through profit or loss	43,001	33,889
Deposits and other borrowings	903,554	814,711

1. Customer deposits balance of $715,211 million (2023: $647,119 million) for the Group includes Term deposits, On demand and short term deposits and Deposits not bearing interest.

Recognition and measurement

For deposits and other borrowings that:

- are not designated at FVTPL on initial recognition, we measure them at amortised cost and recognise their interest expense using the effective interest rate method; and
- are managed on a fair value basis, reduce or eliminate an accounting mismatch or contain an embedded derivative, we designate them as measured at FVTPL.

Refer to Note 19 Fair value of financial assets and financial liabilities for further details.

For deposits and other borrowings designated at fair value we recognise the amount of fair value gain or loss attributable to changes in the Group's own credit risk in Other comprehensive income in retained earnings. Any remaining amount of fair value gain or loss we recognise directly in profit or loss. Once we have recognised an amount in other comprehensive income, we do not later reclassify it to profit or loss.

Securities sold under repurchase agreements represent a liability to repurchase the financial assets that remain on our balance sheet since the risks and rewards of ownership remain with the Group. Over the life of the repurchase agreement, we recognise the difference between the sale price and the repurchase price and charge it to interest expense in profit or loss.

16. Payables and other liabilities

	2024 $m	2023 $m
Payables and accruals	7,218	5,739
Liabilities at fair value[1]	6,023	5,267
Lease liabilities	1,112	951
Trail commission liabilities	2,055	1,469
Other liabilities	1,443	1,671
Payables and other liabilities	17,851	15,097

1. Relate to securities sold short classified as held for trading and measured at FVTPL.

Recognition and measurement

The Group recognises liabilities when there is a present obligation to transfer economic resources as a result of past events.

Below is the measurement basis for each item classified as other liabilities:

- Payables, accruals and other liabilities are measured at the contractual amount payable or the best estimate of consideration required to settle the payable.
- Liabilities at fair value relate to securities sold short, which we classify as held for trading and measure at FVTPL based on quoted prices in active markets.
- Lease liabilities are initially measured at the present value of the future lease payments using the Group's incremental borrowing rate at the lease commencement date. The carrying amount is then subsequently adjusted to reflect the interest on the lease liability, lease payments that have been made and any lease reassessments or modifications.
- Trail commission liabilities are measured based on the present value of expected future trail commission payments taking into consideration average behavioural loan life and outstanding balances of broker originated loans.

17. Debt issuances

The Group, primarily via ANZBGL and some of its banking subsidiaries (including ANZ Bank New Zealand and Norfina Limited (Suncorp Bank)), uses a variety of funding programmes to issue senior debt (including covered bonds and securitisations) and subordinated debt. The difference between senior debt and subordinated debt is that, in a winding up of an issuer, holders of senior debt of that issuer rank in priority to holders of subordinated debt of that issuer. Subordinated debt will be repaid by the relevant issuer only after the repayment of claims of its depositors and other creditors (including the senior debt holders) of that issuer.

	2024 $m	2023 $m
Senior debt	94,152	63,233
Covered bonds	18,931	18,223
Securitisation	3,640	880
Total unsubordinated debt	116,723	82,336
Subordinated debt		
- ANZBGL Additional Tier 1 capital	8,277	8,232
- ANZBGL Tier 2 capital	28,584	23,707
- Other subordinated debt securities	2,804	1,739
Total subordinated debt	39,665	33,678
Total debt issued	156,388	116,014
Residual contractual maturity[1]:		
Within one year	35,107	21,746
More than one year	119,090	92,856
No maturity date (instruments in perpetuity)	2,191	1,412
Total debt issued	156,388	116,014
Carried on Balance Sheet at:		
Amortised cost	154,572	114,678
Fair value through profit or loss	1,816	1,336
Total debt issued	156,388	116,014

1 Based on the final maturity date or, in the case of Additional Tier 1 capital securities, the mandatory conversion date (if any).

Total debt issued by currency

The table below shows the Group's issued debt by currency of issue, which broadly represents the debt holders' base location.

		2024 $m	2023 $m
USD	United States dollars	45,512	32,723
EUR	Euro	26,325	26,990
AUD	Australian dollars	69,420	47,043
NZD	New Zealand dollars	1,074	1,575
JPY	Japanese yen	2,609	1,993
CHF	Swiss francs	683	1,039
GBP	Pounds sterling	8,543	2,230
HKD	Hong Kong dollars	1,403	1,407
Other	Chinese yuan and Singapore dollars	819	1,014
Total debt issued		156,388	116,014

Subordinated debt

Subordinated debt is primarily issued externally by the Group out of its banking subsidiaries, ANZBGL and ANZ Bank New Zealand. ANZ Holdings (New Zealand) Limited also issued $800 million of perpetual subordinated debt in September 2024. The externally issued subordinated debt constitutes subordinated debt of both the Group and the relevant issuer.

At 30 September 2024, all subordinated debt issued by ANZBGL qualifies as regulatory capital for ANZBGL. Depending on their terms and conditions, the subordinated debt instruments issued by ANZBGL are classified as either Additional Tier 1 (AT1) capital for ANZBGL (in the case of the ANZ Capital Notes (ANZ CN) and ANZ Capital Securities (ANZ CS)) or Tier 2 capital for ANZBGL (in the case of the term subordinated notes) for APRA's capital adequacy purposes. Subordinated debt issued by ANZ Holdings (New Zealand) Limited or ANZ Bank New Zealand does not constitute regulatory capital for the Group for APRA's capital adequacy purposes.

Subordinated debt issued by ANZ Bank New Zealand will constitute tier 2 capital for ANZ Bank New Zealand for the purposes of the Reserve Bank of New Zealand's (RBNZ) capital requirements. Subordinated debt issued by ANZ Holdings (New Zealand) Limited does not constitute regulatory capital for the RBNZ's capital adequacy purposes.

17. Debt issuances (continued)

AT1 capital

All outstanding AT1 capital instruments issued by ANZBGL are Basel III fully compliant instruments (refer to Note 25 Capital management for further information about Basel III) for APRA's capital adequacy purposes. Each of the ANZ CN and ANZ CS rank equally with each other.

Distributions on the AT1 capital instruments are non-cumulative and subject to the issuer's absolute discretion and certain payment conditions (including regulatory requirements). Distributions on ANZ CNs are franked in line with the franking applied to ANZGHL's ordinary shares.

Where specified, the AT1 capital instruments provide the issuer with an early redemption or conversion option on a specified date and in certain other circumstances (such as a tax or regulatory event). This redemption option is subject to APRA's prior written approval.

Each of the AT1 capital instruments will immediately convert into a variable number of ANZGHL's ordinary shares (based on the average market price of the shares immediately prior to conversion less a 1% discount, subject to a maximum conversion number of ANZGHL's ordinary shares) if:

- ANZBGL's Common Equity Tier 1 capital ratios are equal to or less than 5.125% - known as a Common Equity Capital Trigger Event; or
- APRA notifies ANZBGL that, without the conversion or write-off of certain securities or a public sector injection of capital (or equivalent support), it considers that ANZBGL would become non-viable – known as a Non-Viability Trigger Event.

Where specified, AT1 capital instruments mandatorily convert into a variable number of ANZGHL's ordinary shares (based on the average market price of the shares immediately prior to conversion less a 1% discount):

- on a specified mandatory conversion date; or
- on an earlier date under certain circumstances as set out in the terms.

However, this mandatory conversion is deferred for a specified period if certain conversion tests are not met.

If the AT1 capital securities convert, and the holders receive ANZGHL ordinary shares, then:

- the AT1 capital securities are transferred by the holders to ANZGHL for their face value;
- ANZBGL shall redeem the securities and simultaneously issue ordinary shares to its parent ANZ BH Pty Ltd (based on ANZBGL's share price calculated by reference to its consolidated net assets, subject to a maximum conversion number); and
- ANZ BH Pty Ltd will issue shares to ANZGHL (based on ANZ BH Pty Ltd's share price calculated by reference to its consolidated net assets, subject to a maximum conversion number).

Preference shares issued by ANZ Bank New Zealand will constitute AT1 capital for ANZ Bank New Zealand for the purposes of the RBNZ's capital requirements, however they will not constitute AT1 capital for the ANZBGL Group as the terms of the preference shares do not satisfy APRA's capital requirements. Externally issued preference shares are included within non-controlling interests in Note 24 Shareholders' equity.

The tables below show key details of the ANZBGL's AT1 capital instruments on issue at 30 September in both the current and prior years:

			2024 $m	2023 $m
ANZBGL's Additional Tier 1 capital (perpetual subordinated securities)[1]				
ANZ Capital Notes				
AUD	1,622m	ANZ CN4[2]	-	1,621
AUD	931m	ANZ CN5	931	929
AUD	1,500m	ANZ CN6	1,490	1,489
AUD	1,310m	ANZ CN7	1,300	1,298
AUD	1,500m	ANZ CN8	1,485	1,483
AUD	1,700m	ANZ CN9	1,680	-
ANZ Capital Securities				
USD	1,000m	ANZ Capital Securities	1,391	1,412
Total ANZBGL Additional Tier 1 capital[3]			8,277	8,232

1. Carrying values are net of issuance costs.
2. All of the ANZ CN4 were redeemed on 20 March 2024 with approximately $905 million of the proceeds from redemption reinvested into ANZ CN9 on the same date.
3. This forms part of ANZBGL's qualifying AT1 capital. Refer to Note 25 Capital management for further details.

17. Debt issuances (continued)

ANZ Capital Notes

	ANZ CN4	ANZ CN5	ANZ CN6
Issuer	ANZBGL	ANZBGL	ANZBGL
Issue date	27 September 2016	28 September 2017	8 July 2021
Issue amount	$1,622 million	$931 million	$1,500 million
Face value per note	$100	$100	$100
Distribution frequency	Quarterly in arrears	Quarterly in arrears	Quarterly in arrears
Distribution rate	Floating rate: (90 day Bank Bill rate+4.7%)x(1-Australian corporate tax rate)	Floating rate: (90 day Bank Bill rate+3.8%)x(1-Australian corporate tax rate)	Floating rate: (90 day Bank Bill rate+3.0%)x(1-Australian corporate tax rate)
Issuer's early redemption or conversion option	20 March 2024[1]	20 March 2025	20 March 2028
Mandatory conversion date	20 March 2026[2]	20 March 2027	20 September 2030
Common Equity Capital Trigger Event	Yes	Yes	Yes
Non-Viability Trigger Event	Yes	Yes	Yes
Carrying value (net of issue costs)	nil (2023: $1,621 million)	$931 million (2023: $929 million)	$1,490 million (2023: $1,489 million)

	ANZ CN7	ANZ CN8	ANZ CN9
Issuer	ANZBGL	ANZBGL	ANZBGL
Issue date	24 March 2022	24 March 2023	20 March 2024
Issue amount	$1,310 million	$1,500 million	$1,700 million
Face value per note	$100	$100	$100
Distribution frequency	Quarterly in arrears	Quarterly in arrears	Quarterly in arrears
Distribution rate	Floating rate: (90 day Bank Bill rate+2.7%)x(1-Australian corporate tax rate)	Floating rate: (90 day Bank Bill rate+2.75%)x(1-Australian corporate tax rate)	Floating rate: (90 day Bank Bill rate+2.9%)x(1-Australian corporate tax rate)
Issuer's early redemption or conversion option	20 March 2029	20 March 2030	20 March 2031
Mandatory conversion date	20 September 2031	20 September 2032	20 September 2033
Common Equity Capital Trigger Event	Yes	Yes	Yes
Non-Viability Trigger Event	Yes	Yes	Yes
Carrying value (net of issue costs)	$1,300 million (2023: $1,298 million)	$1,485 million (2023: $1,483 million)	$1,680 million (2023: nil)

1. All of the ANZ CN4 were redeemed on 20 March 2024 with approximately $905 million of the proceeds from redemption reinvested into ANZ CN9 on the same date.
2. The mandatory conversion date is no longer applicable as all of ANZ CN4 have been redeemed.

17. Debt issuances (continued)

ANZ Capital Securities

Issuer	ANZBGL, acting through its London branch
Issue date	15 June 2016
Issue amount	USD 1,000 million
Face value	Minimum denomination of USD 200,000 and an integral multiple of USD 1,000 above that
Interest frequency	Semi-annually in arrears
Interest rate	Fixed at 6.75% p.a. until 15 June 2026. Reset on 15 June 2026 and each 5 year anniversary to a floating rate: 5 year USD mid-market swap rate + 5.168%
Issuer's early redemption option	15 June 2026 and each 5 year anniversary
Common Equity Capital Trigger Event	Yes
Non-Viability Trigger Event	Yes
Carrying value (net of issue costs)	$1,391 million (2023: $1,412 million)

17. Debt issuances (continued)

Tier 2 capital

Convertible term subordinated notes issued by ANZBGL are Basel III fully compliant instruments for APRA's capital adequacy purposes. If a Non-Viability Trigger Event occurs, each of the convertible term subordinated notes will immediately convert into ANZGHL ordinary shares (based on the average market price of the ANZGHL shares immediately prior to conversion less a 1% discount, subject to a maximum conversion number).

If the Tier 2 capital securities convert, and the holders receive ANZGHL ordinary shares, then ANZBGL shall issue ordinary shares to its parent ANZ BH Pty Ltd (based on ANZBGL's share price calculated by reference to its consolidated net assets, subject to a maximum conversion number) and ANZ BH Pty Ltd will issue shares to ANZGHL (calculated on the same basis).

The table below shows the Tier 2 capital subordinated debt issued by ANZBGL at 30 September in the current and prior year:

Currency	Face value	Maturity	Next optional call date – subject to APRA's prior approval	Interest rate	2024 $m	2023 $m
ANZBGL Tier 2 capital (term subordinated notes)						
USD	800m	2024	N/A	Fixed	-	1,220
JPY	20,000m	2026	N/A	Fixed	203	207
USD	1,500m	2026	N/A	Fixed	2,089	2,125
AUD	225m	2032	2027	Fixed	224	225
AUD	1,750m	2029	2024	Floating	-	1,750
EUR[1]	1,000m	2029	2024	Fixed	1,600	1,555
AUD	265m	2039	N/A	Fixed	189	170
USD	1,250m	2030	2025	Fixed	1,764	1,808
AUD	1,250m	2031	2026	Floating	1,250	1,250
USD	1,500m	2035	2030	Fixed	1,845	1,786
AUD	330m	2040	N/A	Fixed	225	202
AUD	195m	2040	N/A	Fixed	131	117
EUR	750m	2031	2026	Fixed	1,154	1,104
GBP	500m	2031	2026	Fixed	904	830
AUD	1,450m	2032	2027	Fixed	1,440	1,400
AUD	300m	2032	2027	Floating	290	300
JPY	59,400m	2032	2027	Fixed	597	606
SGD	600m	2032	2027	Fixed	684	659
AUD	900m	2034	2029	Fixed	907	871
USD	1,250m	2032	N/A	Fixed	1,817	1,803
EUR	1,000m	2033	2028	Fixed	1,642	1,594
AUD	1,000m	2038	2033	Fixed	1,007	975
AUD	275m	2033	2028	Fixed	275	275
AUD	875m	2033	2028	Floating	867	875
AUD	1,434m	2034	2029	Floating	1,415	-
AUD	850m	2034	2029	Fixed	850	-
USD	1,000m	2034	2029	Fixed	1,478	-
AUD	1,900m	2039	2034	Fixed	1,947	-
USD	1,250m	2035	2034	Fixed	1,790	-
Total ANZBGL Tier 2 capital[2,3]					28,584	23,707

1. The EUR 1,000m subordinated notes will be redeemed on 21 November 2024.
2. Carrying values are net of issuance costs, and, where applicable, include fair value hedge accounting adjustments.
3. This forms part of ANZBGL's qualifying Tier 2 capital. Refer to Note 25 Capital management for further details.

17. Debt issuances (continued)

Other subordinated debt securities

The term subordinated notes issued by ANZ Bank New Zealand constitute tier 2 capital under RBNZ requirements. However, they do not (among other things) contain a Non-Viability Trigger Event and therefore do not meet APRA's requirements for Tier 2 capital instruments in order to qualify as regulatory capital for the ANZBGL Group.

ANZ Holdings (New Zealand) Limited externally issued $800m perpetual subordinated notes in September 2024, however, they do not constitute tier 2 capital for either APRA's or RBNZ's capital adequacy purposes.

Currency	Face value	Maturity	Next optional call date[1]	Interest rate	2024 $m	2023 $m
Non-Basel III compliant perpetual subordinated notes issued by ANZBGL[2]						
USD	300m	Perpetual	Each semi-annual interest payment date	Floating	-	464
Perpetual subordinated notes issued by ANZ Holdings (New Zealand) Limited[3]						
AUD	800m	Perpetual	2030	Floating	800	-
Term subordinated notes issued by ANZ Bank New Zealand Limited						
NZD	600m	2031	2026	Fixed	549	555
USD	500m	2032	2027	Fixed	708	720
USD	500m	2034	2029	Fixed	747	-
Other subordinated debt[4]					2,804	1,739

1. Subject to APRA's or RBNZ's prior approval (as applicable).
2. The USD 300 million perpetual subordinated notes were redeemed by ANZBGL on 31 October 2023.
3. The perpetual subordinated notes were issued by ANZ Holdings (New Zealand) Limited on 18 September 2024 with the proceeds invested in perpetual preference shares issued internally by ANZ Bank New Zealand (which constitute additional tier 1 capital for ANZ Bank New Zealand for the purposes of RBNZ's capital requirements but not for the purposes of APRA's capital requirements).
4. ANZ Bank New Zealand externally issued NZD 550 million of perpetual preference shares on 18 July 2022 and NZD 275 million of perpetual preference shares on 19 March 2024. These perpetual preference shares constitute AT1 capital for ANZ Bank New Zealand for the purposes of RBNZ's capital requirements but not for the purposes of APRA's capital requirements. These preference shares are included within non-controlling interests in Note 24 Shareholders' equity.

Recognition and measurement

Debt issuances are initially recognised at fair value and are subsequently measured at amortised cost, except where designated at FVTPL. Interest expense on debt issuances is recognised using the effective interest rate method. Where the group enters into a fair value hedge accounting relationship, the fair value attributable to the hedged risk is reflected in adjustments to the carrying value of the debt.

Subordinated debt with capital-based conversion features (i.e. Common Equity Capital Trigger Events or Non-Viability Trigger Events) are considered to contain embedded derivatives that we account for separately at FVTPL. The embedded derivatives arise because the number of shares issued on conversion following any of those trigger events is subject to the maximum conversion number, however they have no significant value as of the reporting date given the remote nature of those trigger events.

18. Financial risk management

Risk management framework and model

Introduction

The use of financial instruments is fundamental to the Group's businesses of providing banking and other financial services to our customers. The associated financial risks (primarily credit, market, and liquidity risks) are a significant portion of the Group's key material risks.

We disclose details of all key material risks impacting the Group, and further information on the Group's risk management activities, in the Governance and Risk Management sections of this Annual Report.

This note details the Group's financial risk management policies, processes and quantitative disclosures in relation to the key financial risks.

Key material financial risks	Key sections applicable to this risk
Credit risk The risk of financial loss resulting from: • a counterparty failing to fulfil its obligations; or • a decrease in credit quality of a counterparty resulting in a financial loss. Credit risk incorporates the risks associated with us lending to customers who could be impacted by climate change, changes to laws, regulations, or other policies adopted by governments or regulatory authorities. Climate change impacts include both physical risks (climate- or weather-related events) and transition risks resulting from the adjustment to a low emissions economy. Transition risks include resultant changes to laws, regulations and policies noted above.	• Credit risk overview, management and control responsibilities • Maximum exposure to credit risk • Credit quality • Concentrations of credit risk • Collateral management
Market risk The risk to the Group's earnings arising from: • changes in interest rates, foreign exchange rates, credit spreads, volatility and correlations; or • fluctuations in bond, commodity or equity prices.	• Market risk overview, management and control responsibilities • Measurement of market risk • Traded and non-traded market risk • Equity securities designated at FVOCI • Foreign currency risk – structural exposure
Liquidity and funding risk The risk that the Group is unable to meet payment obligations as they fall due, including: • repaying depositors or maturing wholesale debt; or • the Group having insufficient capacity to fund increases in assets.	• Liquidity risk overview, management and control responsibilities • Key areas of measurement for liquidity risk • Liquidity risk outcomes • Residual contractual maturity analysis of the Group's liabilities

18. Financial risk management (continued)

Overview

An overview of our risk management framework

This overview is provided to aid the users of the financial statements in understanding the context of the financial disclosures required under AASB 7 *Financial Instruments: Disclosures*. It should be read in conjunction with the Governance and Risk Management sections of this Annual Report.

The Board is responsible for establishing and overseeing the Group's Risk Management Framework (RMF). The Board has delegated authority to the Board Risk Committee (BRC) to develop and monitor compliance with the Group's risk management policies. The BRC reports regularly to the Board on its activities.

The Board approves the strategic objectives of the Group including:

- the Risk Appetite Statement (RAS), which sets out the Board's expectations regarding the degree of risk that the Group is prepared to accept in pursuit of its strategic objectives and business plan; and
- the Risk Management Strategy (RMS), which describes the Group's strategy for managing risks and the key elements of the RMF that give effect to this strategy. This includes a description of each material risk, and an overview of how the RMF addresses each risk, with reference to the relevant policies, standards and procedures. It also includes information on how the Group identifies, measures, evaluates, monitors, reports and controls or mitigates material risks.

The Group, through its training and management standards and procedures, aims to maintain a disciplined and robust control environment in which all employees understand their roles and obligations. At ANZ, risk is everyone's responsibility.

The Group has an independent risk management function, headed by the Chief Risk Officer who:

- is responsible for overseeing the risk profile and the risk management framework;
- can effectively challenge activities and decisions that materially affect the Group's risk profile; and
- has an independent reporting line to the BRC to enable the appropriate escalation of issues of concern.

The Internal Audit Function reports directly to the Board Audit Committee (BAC). Internal Audit provides:

- an independent evaluation of the Group's RMF annually that seeks to ensure compliance with, and the effectiveness of, the risk management framework;
- facilitation of a comprehensive review every three years that seeks to ensure the appropriateness, effectiveness and adequacy of the risk management framework; and
- recommendations to improve the framework and/or work practices to strengthen the effectiveness of day-to-day operations.

18. Financial risk management (continued)

Credit risk

Credit risk overview, management and control responsibilities

Granting credit facilities to customers is one of the Group's major sources of income. As this activity is also a principal risk, the Group dedicates considerable resources to its management. The Group assumes credit risk in a wide range of lending and other activities in diverse markets and in many jurisdictions. Credit risks arise from traditional lending to customers as well as from interbank, treasury, trade finance and capital markets activities around the world.

Our credit risk management framework ensures we apply a consistent approach across the Group when we measure, monitor and manage the credit risk appetite set by the Board. The Board is assisted and advised by the BRC in discharging its duty to oversee credit risk. The BRC:

- sets the credit risk appetite and credit strategies; and
- approves credit transactions beyond the discretion of executive management.

We quantify credit risk through an internal credit rating system (masterscales) to ensure consistency across exposure types and to provide a consistent framework for reporting and analysis. The system uses models and other tools to measure the following for customer exposures:

Probability of Default (PD)	Expressed by a Customer Credit Rating (CCR), reflecting the Group's assessment of a customer's ability to service and repay debt.
Exposure at Default (EAD)	The expected balance sheet exposure at default taking into account repayments of principal and interest, expected additional drawdowns and accrued interest at the time of default.
Loss Given Default (LGD)	Expressed by a Security Indicator (SI) ranging from A to G. The SI is calculated by reference to the percentage of loan covered by security which the Group can realise if a customer defaults. The A-G scale is supplemented by a range of other SIs which cover factors such as cash cover and sovereign backing. For retail and some small business lending, we group exposures into large homogenous pools – and the LGD is assigned at the pool level.

Our specialist credit risk teams develop and validate the Group's PD and LGD rating models. The outputs from these models drive our day-to-day credit risk management decisions including origination, pricing, approval levels, regulatory capital adequacy, economic capital allocation, and credit provisioning.

All customers with whom the Group has a credit relationship are assigned a CCR at origination via either of the following assessment approaches:

Large and more complex lending	Retail and some small business lending
Rating models provide a consistent and structured assessment, with judgement required around the use of out-of-model factors. We handle credit approval on a dual approval basis, jointly with the business writer and an independent credit officer.	Automated assessment of credit applications using a combination of scoring (application and behavioural), policy rules and external credit reporting information. If the application does not meet the automated assessment criteria, then it is subject to manual assessment.

We use the Group's internal CCRs to manage the credit quality of financial assets. To enable wider comparisons, the Group's CCRs are mapped to external rating agency scales as follows:

Credit Quality Description	Internal CCR	ANZ Customer Requirements	Moody's Ratings	S&P Global Ratings
Strong	CCR 0+ to 4-	Demonstrated superior stability in their operating and financial performance over the long-term, and whose earnings capacity is not significantly vulnerable to foreseeable events.	Aaa - Baa3	AAA - BBB-
Satisfactory	CCR 5+ to 6-	Demonstrated sound operational and financial stability over the medium to long-term, even though some may be susceptible to cyclical trends or variability in earnings.	Ba1 - B1	BB+ - B+
Weak	CCR 7+ to 8=	Demonstrated some operational and financial instability, with variability and uncertainty in profitability and liquidity projected to continue over the short and possibly medium term.	B2 - Caa	B - CCC
Defaulted	CCR 8- to 10	When doubt arises as to the collectability of a credit facility, the financial instrument (or 'the facility') is classified as defaulted.	N/A	N/A

18. Financial risk management (continued)

Credit risk (continued)

Maximum exposure to credit risk

For financial assets recognised on the Balance Sheet, the maximum exposure to credit risk is the carrying amount. In certain circumstances there may be differences between the carrying amounts reported on the Balance Sheet and the amounts reported in the tables below. Principally, these differences arise in respect of financial assets that are subject to risks other than credit risk, such as equity instruments which are primarily subject to market risk, or bank notes and coins.

For undrawn facilities, this maximum exposure to credit risk is the full amount of the committed facilities. For contingent exposures, the maximum exposure to credit risk is the maximum amount the Group would have to pay if the instrument is called upon.

The table below shows our maximum exposure to credit risk of on-balance sheet and off-balance sheet positions before taking account of any collateral held or other credit enhancements.

	Reported		Excluded[1]		Maximum exposure to credit risk	
	2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m
On-balance sheet positions						
Net loans and advances	803,382	707,044	-	-	803,382	707,044
Other financial assets:						
Cash and cash equivalents	150,967	168,154	1,198	1,070	149,769	167,084
Settlement balances owed to ANZ	5,484	9,349	5,484	9,349	-	-
Collateral paid	10,090	8,558	-	-	10,090	8,558
Trading assets	45,755	37,004	6,399	4,881	39,356	32,123
Derivative financial instruments	54,370	60,406	-	-	54,370	60,406
Investment securities						
- debt securities at amortised cost	7,091	7,752	-	-	7,091	7,752
- debt securities at FVOCI	131,944	88,271	-	-	131,944	88,271
- equity securities at FVOCI	1,351	1,393	1,351	1,393	-	-
- debt securities at FVTPL	163	13	-	-	163	13
Regulatory deposits	665	646	-	-	665	646
Other financial assets[2]	4,506	4,339	-	-	4,506	4,339
Total other financial assets	412,386	385,885	14,432	16,693	397,954	369,192
Subtotal	1,215,768	1,092,929	14,432	16,693	1,201,336	1,076,236
Off-balance sheet positions						
Undrawn and contingent facilities[3]	298,152	290,055	-	-	298,152	290,055
Total	1,513,920	1,382,984	14,432	16,693	1,499,488	1,366,291

1. Coins, notes and cash at bank within Cash and cash equivalents; trade dated assets within Settlement balances owed to ANZ; precious metal exposures and carbon credits within Trading assets; and equity securities within Investment securities were excluded as they do not have credit risk exposure.
2. Other financial assets mainly comprise accrued interest and acceptances.
3. Undrawn and contingent facilities include guarantees, letters of credit and performance related contingencies, net of collectively assessed and individually assessed allowance for ECL.

18. Financial risk management (continued)

Credit risk (continued)

Credit quality

An analysis of the Group's credit risk exposure is presented in the following tables based on the Group's internal credit quality rating by stage without taking account of the effects of any collateral or other credit enhancements:

Net loans and advances

			Stage 3		
	Stage 1 $m	Stage 2 $m	Collectively assessed $m	Individually assessed $m	Total $m
As at 30 September 2024					
Strong	484,593	17,072	-	-	501,665
Satisfactory	188,825	46,940	-	-	235,765
Weak	15,538	18,222	-	-	33,760
Defaulted	-	-	5,976	832	6,808
Gross loans and advances at amortised cost	688,956	82,234	5,976	832	777,998
Allowance for ECL	(1,276)	(1,653)	(443)	(303)	(3,675)
Net loans and advances at amortised cost	687,680	80,581	5,533	529	774,323
Coverage ratio	0.19%	2.01%	7.41%	36.42%	0.47%
Loans and advances at FVTPL					24,786
Loans and advances purchased credit impaired[1]					551
Unearned income					(515)
Capitalised brokerage and other origination costs					4,237
Net carrying amount					803,382
As at 30 September 2023					
Strong	410,933	17,063	-	-	427,996
Satisfactory	193,170	37,977	-	-	231,147
Weak	11,306	10,398	-	-	21,704
Defaulted	-	-	3,858	1,037	4,895
Gross loans and advances at amortised cost	615,409	65,438	3,858	1,037	685,742
Allowance for ECL	(1,227)	(1,624)	(329)	(366)	(3,546)
Net loans and advances at amortised cost	614,182	63,814	3,529	671	682,196
Coverage ratio	0.20%	2.48%	8.53%	35.29%	0.52%
Loans and advances at FVTPL					21,888
Unearned income					(515)
Capitalised brokerage and other origination costs					3,475
Net carrying amount					707,044

1. Represents Stage 3 exposures from Suncorp Bank at the date of acquisition recognised net of allowance for ECL.

18. Financial risk management (continued)

Credit risk (continued)

Off-balance sheet commitments - undrawn and contingent facilities

	Stage 1 $m	Stage 2 $m	Stage 3 Collectively assessed $m	Stage 3 Individually assessed $m	Total $m
As at 30 September 2024					
Strong	200,720	1,497	-	-	202,217
Satisfactory	26,496	3,249	-	-	29,745
Weak	880	931	-	-	1,811
Defaulted	-	-	101	26	127
Gross undrawn and contingent facilities subject to ECL	228,096	5,677	101	26	233,900
Allowance for ECL included in Other provisions (refer to Note 23)	(658)	(156)	(27)	(5)	(846)
Net undrawn and contingent facilities subject to ECL	227,438	5,521	74	21	233,054
Coverage ratio	0.29%	2.75%	26.73%	19.23%	0.36%
Undrawn and contingent facilities not subject to ECL[1]					65,098
Net undrawn and contingent facilities					298,152
As at 30 September 2023					
Strong	189,980	1,234	-	-	191,214
Satisfactory	30,007	4,276	-	-	34,283
Weak	975	746	-	-	1,721
Defaulted	-	-	79	47	126
Gross undrawn and contingent facilities subject to ECL	220,962	6,256	79	47	227,344
Allowance for ECL included in Other provisions (refer to Note 23)	(630)	(162)	(25)	(10)	(827)
Net undrawn and contingent facilities subject to ECL	220,332	6,094	54	37	226,517
Coverage ratio	0.29%	2.59%	31.65%	21.28%	0.36%
Undrawn and contingent facilities not subject to ECL[1]					63,538
Net undrawn and contingent facilities					290,055

1. Commitments that can be unconditionally cancelled at any time without notice.

18. Financial risk management (continued)

Credit risk (continued)

Investment securities - debt securities at amortised cost

	Stage 1 $m	Stage 2 $m	Stage 3 Collectively assessed $m	Stage 3 Individually assessed $m	Total $m
As at 30 September 2024					
Strong	5,535	–	–	–	5,535
Satisfactory	72	–	–	–	72
Weak	1,518	–	–	–	1,518
Gross investment securities - debt securities at amortised cost	7,125	–	–	–	7,125
Allowance for ECL	(34)	–	–	–	(34)
Net investment securities - debt securities at amortised cost	7,091	–	–	–	7,091
Coverage ratio	0.48%	–	–	–	0.48%
As at 30 September 2023					
Strong	6,117	–	–	–	6,117
Satisfactory	112	–	–	–	112
Weak	1,558	–	–	–	1558
Gross investment securities - debt securities at amortised cost	7,787	–	–	–	7,787
Allowance for ECL	(35)	–	–	–	(35)
Net investment securities - debt securities at amortised cost	7,752	–	–	–	7,752
Coverage ratio	0.45%	–	–	–	0.45%

18. Financial risk management (continued)

Credit risk (continued)

Investment securities - debt securities at FVOCI

			Stage 3		
	Stage 1 $m	Stage 2 $m	Collectively assessed $m	Individually assessed $m	Total $m
As at 30 September 2024					
Strong	131,944	-	-	-	131,944
Satisfactory	-	-	-	-	-
Investment securities - debt securities at FVOCI	131,944	-	-	-	131,944
Allowance for ECL recognised in Other comprehensive income	(20)	-	-	-	(20)
Coverage ratio	0.02%	-	-	-	0.02%
As at 30 September 2023					
Strong	88,271	-	-	-	88,271
Satisfactory	-	-	-	-	-
Investment securities - debt securities at FVOCI	88,271	-	-	-	88,271
Allowance for ECL recognised in Other comprehensive income	(15)	-	-	-	(15)
Coverage ratio	0.02%	-	-	-	0.02%

18. Financial risk management (continued)

Credit risk (continued)

Other financial assets

	2024 $m	2023 $m
Strong	250,416	269,934
Satisfactory[1]	7,969	2,592
Weak	534	604
Defaulted	-	-
Total carrying amount	258,919	273,130

1 Includes Investment Securities - debt securities at FVTPL of $163 million (2023: $13 million) for the Group.

Concentrations of credit risk

Credit risk becomes concentrated when a number of customers are engaged in similar activities, have similar economic characteristics, or have similar activities within the same geographic region – therefore, they may be similarly affected by changes in economic or other conditions. The Group monitors its credit portfolio to manage risk concentration and rebalance the portfolio. The Group also applies single customer counterparty limits to protect against unacceptably large exposures to one single customer.

Composition of financial instruments that give rise to credit risk by industry group are presented below:

	Loans and advances		Other financial assets		Off-balance sheet credit related commitments		Total	
	2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m
Agriculture, forestry, fishing and mining	41,558	35,797	888	612	16,187	16,707	58,633	53,116
Business services	6,015	8,138	132	207	8,469	7,003	14,616	15,348
Construction	4,594	5,506	29	36	8,806	7,212	13,429	12,754
Electricity, gas and water supply	8,517	8,626	839	463	12,742	11,837	22,098	20,926
Entertainment, leisure and tourism	13,326	13,486	94	78	3,941	3,889	17,361	17,453
Financial, investment and insurance	80,270	77,454	242,792	278,153	61,229	62,409	384,291	418,016
Government and official institutions	15,861	8,300	122,570	80,544	1,214	1,075	139,645	89,919
Manufacturing	27,470	30,261	708	1,287	46,004	47,302	74,182	78,850
Personal lending	485,404	392,702	1,527	1,394	62,513	59,185	549,444	453,281
Property services	59,963	57,414	1,496	439	20,349	17,503	81,808	75,356
Retail trade	9,300	12,900	85	113	8,150	8,131	17,535	21,144
Transport and storage	10,764	12,110	817	369	9,099	9,215	20,680	21,694
Wholesale trade	13,078	12,538	501	660	25,149	25,783	38,728	38,981
Other	27,215	32,398	25,510	4,872	15,146	13,631	67,871	50,901
Gross total	803,335	707,630	397,988	369,227	298,998	290,882	1,500,321	1,367,739
Allowance for ECL	(3,675)	(3,546)	(34)	(35)	(846)	(827)	(4,555)	(4,408)
Subtotal	799,660	704,084	397,954	369,192	298,152	290,055	1,495,766	1,363,331
Unearned income	(515)	(515)	-	-	-	-	(515)	(515)
Capitalised brokerage and other origination costs	4,237	3,475	-	-	-	-	4,237	3,475
Maximum exposure to credit risk	803,382	707,044	397,954	369,192	298,152	290,055	1,499,488	1,366,291

18. Financial risk management (continued)

Credit risk (continued)

Collateral management

We use collateral for on and off-balance sheet exposures to mitigate credit risk if a counterparty cannot meet its repayment obligations. Where there is sufficient collateral, an expected credit loss is not recognised. This is largely the case for certain lending products, such as margin loans and reverse repurchase agreements that are secured by the securities purchased using the lending. For some products, the collateral provided by customers is fundamental to the product's structuring, so it is not strictly the secondary source of repayment - for example, lending secured by trade receivables is typically repaid by the collection of those receivables. During the period there was no change in our collateral policies.

The nature of collateral or security held for the relevant classes of financial assets is as follows:

Net loans and advances	
Loans - housing and personal	Housing loans are secured by mortgage(s) over property and additional security may take the form of guarantees and deposits. Personal lending (including credit cards and overdrafts) is predominantly unsecured. If we take security, then it is restricted to eligible vehicles, motor homes and other assets.
Loans - business	Business loans may be secured, partially secured or unsecured. Typically, we take security by way of a mortgage over property and/or a charge over the business or other assets. If appropriate, we may take other security to mitigate the credit risk, such as guarantees, standby letters of credit or derivative protection.
Other financial assets	
Trading assets, Investment securities, Derivatives and Other financial assets	For trading assets, we do not seek collateral directly from the issuer or counterparty. However, the collateral may be implicit in the terms of the instrument (for example, with an asset-backed security). The terms of debt securities may include collateralisation. For derivatives we will have large individual exposures to single name counterparties such as central clearing houses, financial institutions, and other institutional clients. Open derivative positions with these counterparties are aggregated and cash collateral (or other forms of eligible collateral) is exchanged daily through the respective Credit Support Annex agreements. The collateral is provided by the counterparty when their position is out of the money (or provided to the counterparty by the Group when our position is out of the money). Credit risk will remain where the full amount of the derivative exposure is not covered by any collateral.
Off-balance sheet positions	
Undrawn and contingent facilities	Collateral for off-balance sheet positions is mainly held against undrawn facilities, and they are typically performance bonds or guarantees. Undrawn facilities that are secured include housing loans secured by mortgages over residential property and business lending secured by commercial real estate and/or charges over business assets.

The table below shows the estimated value of collateral we hold and the net unsecured portion of credit exposures:

	Maximum exposure to credit risk		Total value of collateral[1]		Unsecured portion of credit exposure	
	2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m
Net loans and advances	803,382	707,044	667,130	569,283	136,252	137,761
Other financial assets	397,954	369,192	51,732	38,612	346,222	330,580
Off-balance sheet positions	298,152	290,055	80,258	65,723	217,894	224,332
Total	1,499,488	1,366,291	799,120	673,618	700,368	692,673

1. In estimating the value of collateral for housing loans, customers are assumed to be meeting their insurance obligations for the properties over which the mortgages are secured.

18. Financial risk management (continued)

Market risk

Market risk overview, management and control responsibilities

Market risk stems from the Group's trading and balance sheet management activities and the impact of changes and correlations between interest rates, foreign exchange rates, credit spreads, commodities, equities and the volatility within these asset classes.

The BRC delegates responsibility for day-to-day management of both market risks and compliance with market risk policies to the Credit and Market Risk Committee (CMRC) and the Group Asset and Liability Committee (GALCO).

Within overall strategies and policies established by the BRC, business units and risk management have joint responsibility for the control of market risk at the Group level. The Market Risk team (a specialist risk management unit independent of the business) allocates market risk limits at various levels and monitors and reports on them daily. This detailed framework allocates individual limits to manage and control exposures using risk factors and profit and loss limits.

Management, measurement and reporting of market risk is undertaken in two broad categories:

Traded Market Risk	Non-Traded Market Risk
Risk of loss from changes in the value of financial instruments due to movements in price factors for both physical and derivative trading positions. Principal risk categories monitored are: 1. Currency risk – potential loss arising from changes in foreign exchange rates or their implied volatilities. 2. Interest rate risk – potential loss from changes in market interest rates or their implied volatilities. 3. Credit spread risk – potential loss arising from a movement in margin or spread relative to a benchmark. 4. Commodity risk – potential loss arising from changes in commodity prices or their implied volatilities. 5. Equity risk – potential loss arising from changes in equity prices.	Risk of loss associated with the management of non-traded interest rate risk, liquidity risk and foreign exchange exposures. This includes interest rate risk in the banking book. This risk of loss arises from adverse changes in the overall and relative level of interest rates for different tenors, differences in the actual versus expected net interest margin, and the potential valuation risk associated with embedded options in financial instruments and bank products.

Measurement of market risk

We primarily manage and control market risk using Value at Risk (VaR), sensitivity analysis and stress testing.

VaR measures the Group's possible daily loss based on historical market movements. The Group's VaR approach for both traded and non-traded risk is historical simulation. We use historical changes in market rates, prices and volatilities over a 500 business day window using a one-day holding period. Back testing is used to ensure our VaR models remain accurate.

The Group measures VaR at a 99% confidence interval which means there is a 99% chance that a loss will not exceed the VaR for the relevant holding period.

18. Financial risk management (continued)

Market risk (continued)

Traded and non-traded market risk

Traded market risk

The table below shows the traded market risk VaR on a diversified basis by risk categories:

	Total Group	Total Group (excl. Suncorp Bank)[2]							
	2024	2024				2023			
	As at $m	As at $m	High for year $m	Low for year $m	Average for year $m	As at $m	High for year $m	Low for year $m	Average for year $m
Traded value at risk 99% confidence									
Foreign exchange	3.2	3.2	11.5	2.2	5.0	2.8	6.2	1.6	3.0
Interest rate	6.5	6.4	19.2	4.8	8.7	6.7	18.3	5.1	8.5
Credit	5.7	5.7	8.1	4.2	6.7	5.9	7.7	2.5	4.5
Commodities	3.3	3.3	5.0	1.8	2.9	4.0	6.6	1.8	3.0
Equity	-	-	-	-	-	-	-	-	-
Diversification benefit[1]	(10.0)	(9.9)	n/a	n/a	(10.2)	(9.7)	n/a	n/a	(8.1)
Total VaR	8.7	8.7	22.5	8.0	13.1	9.7	18.2	7.2	10.9

1. The diversification benefit reflects risks that offset across categories. The high and low VaR figures reported for each factor did not necessarily occur on the same day as the high and low VaR reported for the Group as a whole. Consequently, a diversification benefit for high and low would not be meaningful and is therefore omitted from the table.
2. Excludes the 2 months of immaterial Suncorp Bank VaR impacts post-acquisition.

Non-traded market risk

Balance sheet risk management

The principal objectives of balance sheet risk management are to maintain acceptable levels of interest rate and liquidity risk to mitigate the negative impact of movements in interest rates on the earnings and market value of the Group's banking book, while ensuring the Group maintains sufficient liquidity to meet its obligations as they fall due.

Interest rate risk management

Non-traded interest rate risk relates to the potential adverse impact of changes in market interest rates on the Group's future Net interest income. This risk arises from two principal sources, namely mismatches between the repricing dates of interest bearing assets and liabilities; and the investment of capital and other non-interest bearing liabilities and assets. Interest rate risk is reported using VaR and scenario analysis (based on the impact of a 1% rate shock). The table below shows VaR figures for non-traded interest rate risk for the combined Group as well as Australia, New Zealand and Rest of World geographies which are calculated separately.

	Total Group	Total Group (excl. Suncorp Bank)[2]							
	2024	2024				2023			
	As at $m	As at $m	High for year $m	Low for year $m	Average for year $m	As at $m	High for year $m	Low for year $m	Average for year $m
Non-traded value at risk 99% confidence									
Australia	96.8	97.7	97.7	70.8	78.9	81.2	93.2	72.0	82.2
New Zealand	27.4	27.4	28.2	24.3	25.9	35.3	35.3	26.1	31.1
Rest of World	32.9	32.9	39.5	29.0	34.8	32.2	32.8	23.2	27.9
Diversification benefit[1]	(62.2)	(63.0)	n/a	n/a	(46.9)	(52.6)	n/a	n/a	(45.6)
Total VaR	94.9	95.0	99.5	81.3	92.7	96.1	101.5	86.4	95.6

1. The diversification benefit reflects risks that offset across categories. The high and low VaR figures reported for each factor did not necessarily occur on the same day as the high and low VaR reported for the Group as a whole. Consequently, a diversification benefit for high and low would not be meaningful and is therefore omitted from the table.
2. Excludes the 2 months of immaterial Suncorp Bank VaR impacts post-acquisition.

18. Financial risk management (continued)

Market risk (continued)

We undertake scenario analysis to stress test the impact of extreme events on the Group's market risk exposures (excluding Suncorp Bank). We model a 1% overnight parallel positive shift in the yield curve to determine the potential impact on our Net interest income over the next 12 months. This is a standard risk measure which assumes the parallel shift is reflected in all wholesale and customer rates.

The table below shows the outcome of this risk measure for the current and previous financial years, expressed as a percentage of reported Net interest income.

	2024	2023
Impact of 1% rate shock on the next 12 months' net interest income		
As at period end	0.68%	0.96%
Maximum exposure	1.20%	1.17%
Minimum exposure	0.27%	0.38%
Average exposure (in absolute terms)	0.78%	0.80%

Equity securities designated at FVOCI

Our investment securities contain equity investment holdings which predominantly comprise Bank of Tianjin and other unlisted equities. The market risk impact on these equity investments is not captured by the Group's VaR processes for traded and non-traded market risks. Therefore, the Group regularly reviews the valuations of the investments within the portfolio and assesses whether the investments are appropriately measured based on the recognition and measurement policies set out in Note 12 Investment securities.

Foreign currency risk – structural exposures

Our investment of capital in foreign operations - for example, branches, subsidiaries or associates with functional currencies other than the Australian Dollar - exposes the Group to the risk of changes in foreign exchange rates. Variations in the value of these foreign operations arising as a result of exchange differences are reflected in the foreign currency translation reserve in equity. Where considered appropriate, the Group enters into hedges of the foreign exchange exposures from its foreign operations.

Similarly, the Group may enter into economic hedges against larger foreign exchange denominated revenue streams (primarily New Zealand Dollar, US Dollar and US Dollar correlated). The primary objective of hedging is to ensure that, if practical, the effect of changes in foreign exchange rates on the consolidated capital ratios are minimised.

18. Financial risk management (continued)

Liquidity and funding risk

Liquidity risk overview, management and control responsibilities

Liquidity risk is the risk that the Group is either:

- unable to meet its payment obligations (including repaying depositors or maturing wholesale debt) when they fall due; or
- does not have the appropriate amount, tenor and composition of funding and liquidity to fund increases in its assets.

Management of liquidity and funding risks are overseen by GALCO. The Group's liquidity and funding risks are governed by a set of Board-approved principles and include:

- maintaining the ability to meet all payment obligations in the immediate term;
- ensuring that the Group maintains Board-approved 'survival horizons' under a range of idiosyncratic, and general market, liquidity stress scenarios, at a country and Group-wide level, to meet cash flow obligations over the short to medium term;
- maintaining strength in the Group's balance sheet structure to ensure long term resilience in the liquidity and funding risk profile;
- ensuring the liquidity management framework is compatible with local regulatory requirements;
- preparing daily liquidity reports and scenario analysis to quantify the Group's positions;
- targeting a diversified funding base to avoid undue concentrations by investor type, maturity, market source and currency;
- holding a portfolio of high quality liquid assets to protect against adverse funding conditions and to support day-to-day operations; and
- establishing detailed contingency plans to cover different liquidity crisis events.

The Group operates under a non-operating holding company structure whereby:

- ANZBGL's liquidity risk management framework remains unchanged and continues to operate its own liquidity and funding program, governance frameworks and reporting regime reflecting its authorised deposit-taking institution (ADI) operations;
- ANZGHL (parent entity) has no material liquidity risk given the structure and nature of the balance sheet; and
- ANZ Non-Bank Group is not expected to have separate funding arrangements and will rely on ANZGHL for funding.

A separate liquidity policy has been established for ANZGHL and ANZBGL Group to reflect the differing nature of liquidity risk inherent in each business model. ANZGHL will ensure that the parent entity and ANZ Non-Bank Group holds sufficient cash reserves to meet operating and financing requirements.

Key areas of measurement for liquidity risk

Scenario modelling of funding sources

ANZBGL Group's liquidity risk appetite is defined by a range of regulatory and internal liquidity metrics mandated by the ANZBGL Board. The metrics cover a range of scenarios of varying duration and level of severity.

The objective of this framework is to:

- Provide protection against shorter term extreme market dislocation and stress.
- Maintain structural strength in the balance sheet by ensuring that an appropriate amount of longer-term assets are funded with longer-term funding.
- Ensure that no undue timing concentrations exist in the ANZBGL Group's funding profile.

Key components of this framework include the Liquidity Coverage Ratio (LCR), which is a severe short term liquidity stress scenario, the Net Stable Funding Ratio (NSFR), a longer-term structural liquidity measure (both of which are mandated by banking regulators including APRA), and internally-developed liquidity scenarios for stress-testing purposes.

Liquid assets

ANZBGL Group holds a portfolio of high quality (unencumbered) liquid assets to protect ANZBGL Group's liquidity position in a severely stressed environment and to meet regulatory requirements. High quality liquid assets comprise three categories consistent with Basel III LCR requirements:

- Highest-quality liquid assets - cash and highest credit quality government, central bank or public sector securities eligible for repurchase with central banks to provide same-day liquidity.
- High-quality liquid assets - high credit quality government, central bank or public sector securities, high quality corporate debt securities and high quality covered bonds eligible for repurchase with central banks to provide same-day liquidity.
- Alternative liquid assets (ALA) - eligible securities that the RBNZ will accept in its domestic market operations and asset qualifying as collateral for the CLF.

ANZBGL Group monitors and manages the size and composition of its liquid assets portfolio on an ongoing basis in line with regulatory requirements and the risk appetite set by the ANZBGL Board.

18. Financial risk management (continued)

Liquidity and funding risk (continued)

Liquidity risk outcomes[1]

Liquidity Coverage Ratio - ANZBGL's Liquidity Coverage Ratio (LCR) averaged 133% for 2024, (2023: 130%) and above the regulatory minimum of 100%.

Net Stable Funding Ratio - ANZBGL's Net Stable Funding Ratio (NSFR) as at 30 September 2024 was 116% (2023: 116%), above the regulatory minimum of 100%.

1. This information is not within the scope of the external audit of the Group Financial Report by the Group's external auditor, KPMG. The Liquidity Coverage Ratio and Net Stable Funding Ratio are non-IFRS disclosures and are disclosed as part of the Group's APS 330 *Public Disclosure* and disclosed in APRA Reporting Form ARF 210 *Liquidity* which will be subject to specific procedures in accordance with Prudential Standard APS 310 *Audit and Related Matters*.

Liquidity crisis contingency planning

ANZBGL Group maintains APRA-endorsed liquidity crisis contingency plans for analysing and responding to a liquidity threatening event at a country and ANZBGL Group-wide level. Key liquidity contingency crisis planning requirements and guidelines include:

Ongoing business management	Early signs/ mild stress	Severe stress
• establish crisis/severity levels • liquidity limits • early warning indicators	• monitoring and review • management actions not requiring business rationalisation	• activate contingency funding plans • management actions for altering asset and liability behaviour
Assigned responsibility for internal and external communications and the appropriate timing to communicate		

Since the precise nature of any stress event cannot be known in advance, we design the plans to be flexible to the nature and severity of the stress event with multiple variables able to be accommodated in any plan.

Group funding

The ANZBGL Group monitors the composition and stability of its funding so that it remains within the ANZBGL Group's funding risk appetite. This approach ensures that an appropriate proportion of the ANZBGL Group's assets are funded by stable funding sources, including customer deposits; longer-dated wholesale funding (with a remaining term exceeding one year); and equity.

Funding plans prepared	Considerations in preparing funding plans
• 3 year strategic plan prepared annually • annual funding plan as part of the ANZBGL Group's planning process • forecasting in light of actual results as a calibration to the annual plan	• customer balance sheet growth • changes in wholesale funding including: targeted funding volumes; markets; investors; tenors; and currencies for senior, secured, subordinated, hybrid transactions and market conditions • liquidity stress testing

RBA term funding facility

As an additional source of funding, in March 2020, the RBA announced a Term Funding Facility (TFF) for the banking system to support lending to Australian businesses. The TFF is a three-year secured funding facility to ADIs at a fixed rate of 0.25% for drawdowns up to 4 November 2020, and reduced to 0.10% for new drawdowns from 4 November 2020 onwards. The TFF was closed to drawdowns on 30 June 2021.

As at 30 September 2024, there was nil drawn under the RBA's TFF, as it was fully repaid in the 2024 financial year (2023: $8.1 billion).

RBNZ funding for lending programme and term lending facility

Between May 2020 and July 2021, the RBNZ made funds available under a Term Lending Facility (TLF) to promote lending to businesses. The TLF is a five-year secured funding facility for New Zealand banks at a fixed rate of 0.25%.

In November 2020 the RBNZ announced a Funding for Lending Programme (FLP) which aimed to lower the cost of borrowing for New Zealand businesses and households. The FLP is a three-year secured funding facility for New Zealand banks at a floating rate of the New Zealand Official Cash Rate (OCR). New Zealand banks were able to obtain initial funding of up to 4% of their lending to New Zealand resident households, non-financial businesses and non-profit institutions serving households as at 31 October 2020 (eligible loans). The initial allocation closed on 6 June 2022. An additional allocation of up to 2% of eligible loans was available, subject to certain conditions until 6 December 2022.

As at 30 September 2024, ANZ Bank New Zealand had drawn $0.2 billion under the TLF (2023: $0.3 billion) and $2.3 billion under the FLP (2023: $3.2 billion).

18. Financial risk management (continued)

Liquidity and funding risk (continued)

Residual contractual maturity analysis of the group's liabilities

The tables below provide residual contractual maturity analysis of financial liabilities as at 30 September within relevant maturity groupings. All outstanding debt issuance and subordinated debt is profiled on the earliest date on which the Group may be required to pay. All at-call liabilities are reported in the 'Less than 3 months' category unless there is a longer minimum notice period. The amounts represent principal and interest cash flows and therefore may differ from equivalent amounts reported on Balance Sheet.

It should be noted that this is not how the Group manages its liquidity risk. The management of this risk is detailed on page 162.

	Less than 3 months $m	3 to 12 months $m	1 to 5 years $m	After 5 years $m	Total $m
As at 30 September 2024					
Settlement balances owed by ANZ	16,188	-	-	-	16,188
Collateral received	6,583	-	-	-	6,583
Deposits and other borrowings	742,610	158,222	10,907	138	911,877
Liability for acceptances	425	-	-	-	425
Debt issuances[1]	8,327	36,858	112,728	20,384	178,297
Derivative liabilities (excluding those held for balance sheet management)[2]	47,622	-	-	-	47,622
Lease liabilities	90	238	688	262	1,278
Derivative assets and liabilities (balance sheet management)[3]					
- Funding:					
Receive leg	(66,248)	(60,183)	(83,371)	(14,359)	(224,161)
Pay leg	66,981	60,260	84,472	14,661	226,374
- Other balance sheet management:					
Receive leg	(189,769)	(42,388)	(36,763)	(21,831)	(290,751)
Pay leg	185,946	40,718	33,393	19,266	279,323
As at 30 September 2023					
Settlement balances owed by ANZ	19,267	-	-	-	19,267
Collateral received	10,382	-	-	-	10,382
Deposits and other borrowings	674,473	137,463	9,629	147	821,712
Liability for acceptances	646	-	-	-	646
Debt issuances[1]	4,738	23,908	88,270	16,017	132,933
Derivative liabilities (excluding those held for balance sheet management)[2]	48,150	-	-	-	48,150
Lease liabilities	85	217	609	104	1,015
Derivative assets and liabilities (balance sheet management)[3]					
- Funding:					
Receive leg	(29,459)	(40,907)	(90,906)	(14,001)	(175,273)
Pay leg	28,852	41,385	90,230	13,986	174,453
- Other balance sheet management:					
Receive leg	(142,289)	(44,586)	(35,720)	(19,866)	(242,461)
Pay leg	138,899	42,867	34,198	19,872	235,836

1. Callable wholesale debt instruments have been included at their next call date. Balance includes subordinated debt instruments that may be settled in cash or in equity, at the option of the Group and subordinated debt issued by ANZ New Zealand which constitutes Tier 2 capital under RBNZ requirements but does not qualify as the APRA Tier 2 requirements.
2. The full mark-to-market after any adjustments for Settle to Market of derivative liabilities (excluding those held for balance sheet management) is included in the 'Less than 3 months' category.
3. Includes derivatives designated into hedging relationships of $456 million (2023: $272 million) and $7,176 million (2023: $9,060 million) categorised as held for trading but form part of the Group's balance sheet managed activities.

At 30 September 2024, $249,988 million (2023: $240,711 million) of the Group's undrawn facilities and $49,010 million (2023: $50,171 million) of its issued guarantees mature in less than 1 year, based on the earliest date on which the Group may be required to pay.

19. Fair value of financial assets and financial liabilities

Classification of financial assets and financial liabilities

The Group recognises and measures financial instruments at either fair value or amortised cost, with a significant number of financial instruments on the Balance Sheet at fair value.

Fair value is the best estimate of the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

The following table sets out the classification of financial assets and liabilities according to their measurement bases together with their carrying amounts as recognised on the Balance Sheet.

		2024			2023		
	Note	At amortised cost $m	At fair value $m	Total $m	At amortised cost $m	At fair value $m	Total $m
Financial assets							
Cash and cash equivalents	9	113,712	37,255	150,967	140,588	27,566	168,154
Settlement balances owed to ANZ		5,484	-	5,484	9,349	-	9,349
Collateral paid		10,090	-	10,090	8,558	-	8,558
Trading assets	10	-	45,755	45,755	-	37,004	37,004
Derivative financial instruments	11	-	54,370	54,370	-	60,406	60,406
Investment securities	12	7,091	133,458	140,549	7,752	89,677	97,429
Net loans and advances	13	778,596	24,786	803,382	685,156	21,888	707,044
Regulatory deposits		665	-	665	646	-	646
Other financial assets		4,506	-	4,506	4,339	-	4,339
Total		920,144	295,624	1,215,768	856,388	236,541	1,092,929
Financial liabilities							
Settlement balances owed by ANZ		16,188	-	16,188	19,267	-	19,267
Collateral received		6,583	-	6,583	10,382	-	10,382
Deposits and other borrowings	15	860,553	43,001	903,554	780,822	33,889	814,711
Derivative financial instruments	11	-	55,254	55,254	-	57,482	57,482
Payables and other liabilities	16	11,828	6,023	17,851	9,830	5,267	15,097
Debt issuances	17	154,572	1,816	156,388	114,678	1,336	116,014
Total		1,049,724	106,094	1,155,818	934,979	97,974	1,032,953

19. Fair value of financial assets and financial liabilities (continued)

Financial assets and financial liabilities measured at fair value

The fair valuation of financial assets and financial liabilities is generally determined at the individual instrument level.

If the Group holds offsetting risk positions, then the portfolio exception in AASB 13 *Fair Value Measurement* (AASB 13) is used to measure the fair value of such groups of financial assets and financial liabilities. The Group measures the portfolio based on the price that would be received to sell a net long position (an asset) for a particular risk exposure, or to transfer a net short position (a liability) for a particular risk exposure.

Fair value designation

The Group designates certain loans and advances, deposits and other borrowings and debt issuances as fair value through profit or loss:

- where they contain separable embedded derivatives and are managed on a fair value basis, the total fair value movements are recognised in profit or loss in the same period as the movement on any associated hedging instruments; or
- in order to eliminate an accounting mismatch which would arise if the assets or liabilities were otherwise carried at amortised cost. This mismatch arises due to measuring the derivative financial instruments (used to mitigate interest rate risk of these assets or liabilities) at fair value through profit or loss.

The Group's approach ensures that it recognises the fair value movements on the assets or liabilities in profit or loss in the same period as the movement on the associated derivatives.

The Group may also designate certain loans and advances, deposits and other borrowings and debt issuances as fair value through profit or loss where they are managed on a fair value basis to align the measurement with how the financial instruments are managed.

Fair value approach and valuation techniques

The Group uses valuation techniques to estimate the fair value of assets and liabilities for recognition, measurement and disclosure purposes where no quoted price in an active market for that asset or liability exists. This includes the following:

Asset or liability	Fair value approach
Financial instruments classified as: - Derivative financial assets and financial liabilities (including trading and non-trading) - Repurchase agreements < 90 days - Net loans and advances - Deposits and other borrowings - Debt issuances	Discounted cash flow techniques are used whereby contractual future cash flows of the instrument are discounted using wholesale market interest rates, or market borrowing rates for debt or loans with similar maturities or yield curves appropriate for the remaining term to maturity.
Other financial instruments held for trading: - Securities sold short - Debt and equity securities	Valuation techniques are used that incorporate observable market inputs for financial instruments with similar credit risk, maturity and yield characteristics. Equity securities where an active market does not exist are measured using comparable company valuation multiples (such as price-to-book ratios).
Financial instruments classified as: - Investment securities – debt or equity	Valuation techniques use comparable multiples (such as price-to-book ratios) or discounted cashflow (DCF) techniques incorporating, to the extent possible, observable inputs from instruments with similar characteristics.

There were no significant changes to valuation approaches during the current or prior periods.

19. Fair value of financial assets and financial liabilities (continued)

Fair value hierarchy

The Group categorises assets and liabilities carried at fair value into a fair value hierarchy in accordance with AASB 13 based on the observability of inputs used to measure the fair value:

- Level 1 - valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuations using inputs other than quoted prices included within Level 1 that are observable for a similar asset or liability, either directly or indirectly; and
- Level 3 - valuations where significant unobservable inputs are used to measure the fair value of the asset or liability.

There were no significant changes to levelling approaches during the current or prior periods. The following table presents assets and liabilities carried at fair value in accordance with the fair value hierarchy:

	Fair value measurements							
	Quoted price in active markets (Level 1)		Using observable inputs (Level 2)		Using unobservable inputs (Level 3)		Total	
	2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m
Assets								
Cash and cash equivalents (measured at fair value)	-	-	37,255	27,566	-	-	37,255	27,566
Trading assets[1]	31,507	26,388	14,233	10,614	15	2	45,755	37,004
Derivative financial instruments[1]	131	935	54,214	59,448	25	23	54,370	60,406
Investment securities[1]	111,060	71,356	21,055	16,924	1,343	1,397	133,458	89,677
Net loans and advances	-	-	24,429	21,159	357	729	24,786	21,888
Total	142,698	98,679	151,186	135,711	1,740	2,151	295,624	236,541
Liabilities								
Deposits and other borrowings (designated at fair value)	-	-	43,001	33,889	-	-	43,001	33,889
Derivative financial instruments[1]	393	218	54,846	57,241	15	23	55,254	57,482
Payables and other liabilities	5,804	4,841	219	426	-	-	6,023	5,267
Debt issuances (designated at fair value)	-	-	1,816	1,336	-	-	1,816	1,336
Total	6,197	5,059	99,882	92,892	15	23	106,094	97,974

[1] During 2024, $1,119 million of assets were transferred from Level 1 to Level 2 (2023: $3,624 million transferred from Level 1 to Level 2) and $4,913 million of assets were transferred from Level 2 to Level 1 (2023: $1,452 million transferred from Level 2 to Level 1) for the Group due to a change in the observability of market price and/or valuation inputs. There were no other material transfers between Level 1, Level 2 and Level 3 during the year. Transfers into and out of levels are measured at the beginning of the reporting period in which the transfer occurred, and do not include assets and liabilities acquired as part of Suncorp Bank.

19. Fair value of financial assets and financial liabilities (continued)

Fair value measurement incorporating unobservable market data

Level 3 fair value measurements

Level 3 financial instruments are a net asset of $1,725 million (2023: $2,128 million) for the Group. The assets and liabilities which incorporate significant unobservable inputs are:

- equity and debt securities for which there is no active market or traded prices cannot be observed;
- loans and advances measured at fair value for which there is no observable market data; and
- derivatives referencing market rates that cannot be observed primarily due to lack of market activity.

Level 3 transfers

During the year, there were no material transfers into or out of Level 3 (2023: $218 million of loans and advances measured at fair value were transferred from Level 2 to Level 3).

The material Level 3 financial instruments as at 30 September 2024 are listed as below:

i) Investment securities - equity holdings classified as FVOCI

Bank of Tianjin (BoT)

The Group holds an investment in the Bank of Tianjin. The investment is valued based on comparative price-to-book (P/B) multiples (a P/B multiple is the ratio of the market value of equity to the book value of equity). The extent of judgement applied in determining the appropriate multiple and comparator group from which the multiple is derived resulted in the Level 3 classification. As at 30 September 2024, the BoT equity holding balance was $958 million (2023: $849 million). The increase in the BoT fair valuation was due to an increase in the P/B multiple used in the valuation and foreign currency translation impacts.

Other equity investments

The Group holds $384 million (2023: $535 million) of unlisted equities classified as FVOCI, for which there are no active markets or traded prices available, resulting in a Level 3 classification. The decrease in unlisted equity holdings balance was mainly due to a downward revaluation of the equity instruments during the year.

ii) Net loans and advances - classified as FVTPL

Syndicated loans

The Group holds $357 million (2023: $729 million) of syndicated loans for sale which are measured at FVTPL for which there is no observable market data available. The decrease in the Level 3 loan balances was mainly due to scheduled repayments as well as foreign currency translation impacts.

Sensitivity to Level 3 data inputs

When we make assumptions due to significant inputs to a valuation not being directly observable (Level 3 inputs), then changing these assumptions changes the Group's estimate of the instrument's fair value. Favourable and unfavourable changes are determined by changing the primary unobservable parameters used to derive the fair valuation.

Investment securities - equity holdings

The valuations of the equity investments are sensitive to variations in selected unobservable inputs, with valuation techniques used including P/B multiples and discounted cashflow techniques. If for example, a 10% increase or decrease to the primary input into the valuations were to occur (such as the P/B multiple), it would result in a $134 million increase or decrease in the fair value of the portfolio, which would be recognised in shareholders' equity in the Group, with no impact to net profit or loss.

Net loans and advances

Syndicated loan valuations are sensitive to credit spreads in determining their fair valuation. For the syndicated loans which are primarily investment grade loans, an increase or decrease in credit spreads would have an immaterial impact on net profit or net assets of the Group. For the remaining syndicated loans, the Group may, where deemed necessary, utilise Credit Risk Insurance to mitigate the credit risks associated with those loans. The effect of this would also result in an immaterial impact to the net profit or net assets of the Group.

Other

The remaining Level 3 balance is immaterial and changes in inputs have a minimal impact on net profit and net assets of the Group.

Deferred fair value gains and losses

Where fair value is determined using unobservable inputs significant to the fair value of a financial instrument, the Group does not immediately recognise the difference between the transaction price and the amount determined based on the valuation technique (day one gain or loss) in profit or loss. After initial recognition, the Group recognises the deferred amount in profit or loss on a straight-line basis over the life of the transaction or until all inputs become observable. Day one gains and losses which have been deferred are not material.

19. Fair value of financial assets and financial liabilities (continued)

Financial assets and financial liabilities not measured at fair value

The financial assets and financial liabilities listed below are carried at amortised cost on the Group's Balance Sheet. While this is the value at which we expect the assets will be realised and the liabilities settled, the Group provides an estimate of the fair value of the financial assets and financial liabilities at balance date in the table below.

Fair values of financial assets and liabilities carried at amortised cost not included in the table below approximate their carrying values. These financial assets and liabilities are either short term in nature or are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

			Categorised into fair value hierarchy							
	At amortised cost		Quoted price in active markets (Level 1)		Using observable inputs (Level 2)		Using unobservable inputs (Level 3)		Total fair value	
	2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m
Financial assets										
Investment securities	7,091	7,752	-	-	7,078	7,712	-	-	7,078	7,712
Net loans and advances	778,596	685,156	-	-	17,693	19,619	761,007	663,470	778,700	683,089
Total	785,687	692,908	-	-	24,771	27,331	761,007	663,470	785,778	690,801
Financial liabilities										
Deposits and other borrowings	860,553	780,822	-	-	860,756	780,614	-	-	860,756	780,614
Debt issuances	154,572	114,678	32,244	30,786	123,667	83,867	-	-	155,911	114,653
Total	1,015,125	895,500	32,244	30,786	984,423	864,481	-	-	1,016,667	895,267

19. Fair value of financial assets and financial liabilities (continued)

Financial assets and financial liabilities not measured at fair value (continued)

The following table sets out the Group's basis of estimating the fair values of financial assets and liabilities carried at amortised cost where the carrying value is not typically a reasonable approximation of fair value.

Financial asset and liability	Fair value approach
Investment securities - debt securities at amortised cost	Calculated based on quoted market prices or observable inputs as applicable. If quoted market prices are not available, we use a discounted cash flow model using a yield curve appropriate for the remaining term to maturity of the debt instrument. The fair value reflects adjustments to credit spreads applicable for that instrument.
Net loans and advances to banks	Discounted cash flows using prevailing market rates for loans with similar credit quality.
Net loans and advances to customers	Present value of future cash flows, discounted using a curve that incorporates changes in wholesale market rates, the Group's cost of wholesale funding and the customer margin, as appropriate.
Deposit liability without a specified maturity or at call	The amount payable on demand at the reporting date. We do not adjust the fair value for any value we expect the Group to derive from retaining the deposit for a future period.
Interest bearing fixed maturity deposits and other borrowings and acceptances with quoted market rates	Market borrowing rates of interest for debt with a similar maturity are used to discount contractual cash flows to derive the fair value.
Debt issuances	Calculated based on quoted market prices or observable inputs as applicable. If quoted market prices are not available, we use a discounted cash flow model using a yield curve appropriate for the remaining term to maturity of the debt instrument. The fair value reflects adjustments to credit spreads applicable to the Group for that instrument.

Key judgements and estimates

A significant portion of financial instruments are carried on the Balance Sheet at fair value. The Group therefore regularly evaluates the key valuation assumptions used in the determination of the fair valuation of financial instruments incorporated within the financial statements, as this can involve a high degree of judgement and estimation in determining the carrying values at the balance date.

In determining the fair valuation of financial instruments, the Group has considered the impact of related economic and market conditions on fair value measurement assumptions and the appropriateness of valuation inputs in these estimates, notably valuation adjustments, as well as the impact of these matters on the classification of financial instruments in the fair value hierarchy.

Most of the valuation models the Group uses employ only observable market data as inputs. For certain financial instruments, we may use data that is not readily observable in current markets. If we use unobservable market data, then we need to exercise more judgement to determine fair value depending on the significance of the unobservable input to the overall valuation. Generally, we derive unobservable inputs from other relevant market data and compare them to observed transaction prices where available. When establishing the fair value of a financial instrument using a valuation technique, the Group also considers any required valuation adjustments in determining the fair value. We may apply adjustments (such as credit valuation adjustments and funding valuation adjustments – refer to Note 11 Derivative financial instruments) to reflect the Group's assessment of factors that market participants would consider in determining fair value of a particular financial instrument.

20. Assets charged as security for liabilities and collateral accepted as security for assets

The following disclosure excludes the amounts presented as collateral paid and received in the Balance Sheet that relate to derivative liabilities and derivative assets respectively. The terms and conditions of those collateral agreements are included in the standard Credit Support Annex that forms part of the International Swaps and Derivatives Association Master Agreement under which most of our derivatives are executed.

Assets charged as security for liabilities

Assets charged as security for liabilities include the following types of instruments:

- securities provided as collateral for repurchase transactions. These transactions are governed by standard industry agreements;
- specified residential mortgages provided as security for notes and bonds issued to investors as part of the Group's covered bond programs;
- collateral provided to central banks; and
- collateral provided to clearing houses.

The carrying amount of assets pledged as security are as follows:

	2024 $m	2023 $m
Securities sold under arrangements to repurchase[1]	45,709	47,552
Residential mortgages provided as security for covered bonds	34,235	31,188
Other	6,339	6,152

1. The amounts disclosed as securities sold under arrangements to repurchase include both:
   - assets pledged as security which continue to be recognised on the Group's Balance Sheet; and
   - assets repledged, which are included in the disclosure below.

Collateral accepted as security for assets

The Group has received collateral associated with various financial transactions. Under certain arrangements the Group has the right to sell, or to repledge, the collateral received. These arrangements are governed by standard industry agreements.

The fair value of collateral we have received and that which we have sold or repledged is as follows:

	2024 $m	2023 $m
Fair value of assets which can be sold or repledged	68,145	52,184
Fair value of assets sold or repledged	39,699	33,493

21. Offsetting

We offset financial assets and financial liabilities on the Balance Sheet (in accordance with AASB 132 *Financial Instruments: Presentation*) when there is:

- a current legally enforceable right to set off the recognised amounts in all circumstances; and
- an intention to settle the asset and liability on a net basis, or to realise the asset and settle the liability simultaneously.

The following table identifies financial assets and financial liabilities which have not been offset but are subject to enforceable master netting agreements (or similar arrangements) and the related amounts not offset in the Balance Sheet. We have not taken into account the effect of over-collateralisation.

			Amount subject to master netting agreement or similar			
	Total amounts recognised in the Balance Sheet $m	Amounts not subject to master netting agreement or similar $m	Total $m	Financial instruments[4] $m	Financial collateral (received)/ pledged[4] $m	Net amount $m
As at 30 September 2024						
Derivative financial assets[1]	54,370	(3,534)	50,836	(38,192)	(7,702)	4,942
Reverse repurchase, securities borrowing and similar agreements[2]						
- at amortised cost	6,870	(1,258)	5,612	-	(5,606)	6
- at fair value through profit or loss	57,032	(12,183)	44,849	(1,957)	(42,830)	62
Total financial assets	118,272	(16,975)	101,297	(40,149)	(56,138)	5,010
Derivative financial liabilities[1]	(55,254)	2,881	(52,373)	38,192	6,244	(7,937)
Repurchase, securities lending and similar agreements[3]						
- at amortised cost	(4,675)	2,168	(2,507)	-	2,507	-
- at fair value through profit or loss	(39,640)	14,185	(25,455)	1,957	23,484	(14)
Total financial liabilities	(99,569)	19,234	(80,335)	40,149	32,235	(7,951)
As at 30 September 2023						
Derivative financial assets[1]	60,406	(3,290)	57,116	(38,070)	(13,049)	5,997
Reverse repurchase, securities borrowing and similar agreements[2]						
- at amortised cost	4,145	(124)	4,021	-	(4,021)	-
- at fair value through profit or loss	44,088	(10,505)	33,583	(2,401)	(31,182)	-
Total financial assets	108,639	(13,919)	94,720	(40,471)	(48,252)	5,997
Derivative financial liabilities[1]	(57,482)	5,096	(52,386)	38,070	6,547	(7,769)
Repurchase, securities lending and similar agreements[3]						
- at amortised cost	(12,744)	1,117	(11,627)	-	11,627	-
- at fair value through profit or loss	(31,710)	13,304	(18,406)	2,401	16,005	-
Total financial liabilities	(101,936)	19,517	(82,419)	40,471	34,179	(7,769)

1. Derivative assets and liabilities recognised in the Balance Sheet reflect the impact of certain central clearing collateral arrangements, whereby collateral that qualifies as legal settlement has reduced the carrying value of those associated derivative balances.
2. Reverse repurchase agreements:
   - with less than 90 days to maturity are presented in the Balance Sheet within Cash and cash equivalents; or
   - with 90 days or more to maturity are presented in the Balance Sheet within Net loans and advances.
3. Repurchase agreements are presented on the Balance Sheet within Deposits and other borrowings.
4. The amount of financial instruments and financial collateral disclosed is limited to the net balance sheet exposure of the relevant financial assets or liabilities, and any over-collateralisation is excluded from the tables.

22. Goodwill and other intangible assets

	Goodwill[1]		Software		Other Intangibles		Total	
	2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m
Balance at start of year	3,056	2,906	919	896	83	75	4,058	3,877
Additions[2]	1,402	-	434	342	-	10	1,836	352
Amortisation expense[3]	-	-	(324)	(320)	(6)	(6)	(330)	(326)
Impairment expense	-	-	(9)	-	(7)	-	(16)	-
Written-off on disposal/exit	-	-	-	-	-	-	-	-
Foreign currency exchange difference	(37)	150	-	1	-	4	(37)	155
Balance at end of year	4,421	3,056	1,020	919	70	83	5,511	4,058
Cost[4]	4,421	3,056	7,993	8,141	90	98	12,504	11,295
Accumulated amortisation	n/a	n/a	(6,973)	(7,222)	(20)	(15)	(6,993)	(7,237)
Carrying amount	4,421	3,056	1,020	919	70	83	5,511	4,058

1. Goodwill excludes notional goodwill in equity accounted investments.
2. 2024 includes $1,402 million of provisional goodwill and $103 million of provisional intangibles on acquisition of Suncorp Bank.
3. 2024 includes $36 million of accelerated amortisation expense from Suncorp Bank on alignment to the Group's software capitalisation policy.
4. Includes impact of foreign currency translation differences.

Impairment testing for cash generating units containing goodwill

Goodwill acquired in a business combination is tested for impairment annually and whenever there are indicators of potential impairment. Goodwill is allocated at the date of acquisition to the cash generating unit (CGU) or group of CGUs that are expected to benefit from the synergies of the related business combination.

Goodwill is considered to be impaired if the carrying amount of the relevant CGU exceeds its recoverable amount. We estimate the recoverable amount of each CGU to which goodwill is allocated using a fair value less costs of disposal (FVLCOD) approach, with a value-in-use (VIU) assessment performed where the FVLCOD is less than the carrying amount.

Goodwill is allocated to the following CGUs based on the lowest level at which goodwill is monitored.

Cash generating units:	2024 $m	2023 $m
Australia Retail	178	178
Institutional	1,245	1,261
New Zealand	1,596	1,617
Suncorp Bank	1,402	-

22. Goodwill and other intangible assets (continued)

We estimate the FVLCOD of each CGU to which goodwill is allocated by applying observable price earnings multiples of comparable companies to the estimated future maintainable earnings of each CGU. A deduction is then made for estimated costs of disposal. The valuation is considered to be level 3 in the fair value hierarchy due to unobservable inputs used in the valuation.

Management's approach and the key assumptions used in determining FVLCOD are as follows:

Key assumption	Approach to determining the value (or values) for each key assumption
Future maintainable earnings	Future maintainable earnings for each CGU is estimated as the sum of: • The Group's 2025 financial plan for each CGU; and • An allocation of the central costs recorded outside of the CGUs to which goodwill is allocated. Where relevant, adjustments are made to the Group's financial plan to reflect the long-term expectations for items such as expected credit losses.
Price/Earnings (P/E) multiple	P/E multiples applicable to each CGU have been derived from a comparator group of publicly traded companies, and include a 30% control premium, discussed below. In the case of the New Zealand and Institutional CGUs, management has made downwards adjustments to P/E multiples to address specific factors relevant to those CGUs. A control premium has been applied which recognises the increased consideration a potential acquirer would be willing to pay in order to gain sufficient ownership to achieve control over the relevant activities of the CGU. For each CGU, the control premium has been estimated as 30% of the comparator group P/E multiple based on historical transactions.
Costs of disposal	Costs of disposal have been estimated as 2% of the fair value of the CGU based on those observed from historical and recent transactions.

Our impairment testing did not result in the impairment of goodwill as at 30 September 2024.

The FVLCOD estimates for each CGU are sensitive to assumptions about P/E multiples, future maintainable earnings and control premium (30%). However, each CGU would continue to show a surplus in recoverable amount over carrying amount even where other reasonably possible alternative estimates were used.

22. Goodwill and other intangible assets (continued)

Recognition and measurement

The table below details how we recognise and measure different intangible assets:

	Goodwill	Software	Other Intangibles
Definition	Excess amount the Group has paid in acquiring a business over the fair value of the identifiable assets and liabilities acquired.	Purchased software owned by the Group is capitalised. Internal and external costs incurred in building software and computer systems costing greater than $20 million are capitalised as assets. Those less than $20 million are expensed in the year in which the costs are incurred. Costs incurred in planning or evaluating software proposals or in maintaining systems after implementation are not capitalised.	Management fee rights arising from acquisition of funds management business and other intangible assets arising from contractual rights.
Carrying value	Cost less any accumulated impairment losses. Allocated to the cash generating unit to which the acquisition relates.	Initially, measured at cost or if acquired in a business combination at the acquisition date fair value. Subsequently, carried at cost less accumulated amortisation and impairment losses.	Initially, measured at fair value at acquisition. Subsequently, carried at cost less accumulated amortisation and impairment losses.
Useful life	Indefinite. Goodwill is reviewed for impairment at least annually or when there is an indication of impairment.	Except for major core infrastructure, amortised over periods between 2-5 years; however major core infrastructure may be amortised over 7 years subject to approval by the Audit Committee. Purchased software is amortised over 2 years unless it is considered integral to other assets with a longer useful life.	Management fee rights with an indefinite life are reviewed for impairment at least annually or when there is an indication of impairment. Other intangible assets are amortised over 3 years.
Depreciation method	Not applicable.	Straight-line method.	Not applicable to indefinite life intangible assets. Straight-line method for assets with a finite life.

22. Goodwill and other intangible assets (continued)

Key judgements and estimates

Management judgement is used to assess the recoverable value of goodwill and other intangible assets, and the useful economic life of an asset, or whether an asset has an indefinite life. We reassess the recoverability of the carrying value at each reporting date.

Goodwill

A number of key judgements are required in the determination of whether or not a goodwill balance is impaired including:

- the level at which goodwill is allocated – consistent with prior periods the CGUs to which goodwill is allocated are the Group's revenue generating segments that benefit from relevant historical business combinations generating goodwill.
- determination of the carrying amount of each CGU which includes an allocation, on a reasonable and consistent basis, of corporate assets and liabilities that are not directly attributable to the CGUs to which goodwill is allocated.
- assessment of the recoverable amount of each CGU including:
  - selection of the model used to determine the fair value – the Group has used the market multiple approach to estimate the fair value; and
  - selection of the key assumptions in respect of future maintainable earnings, the P/E multiple applied, including selection of an appropriate comparator group and determination of an appropriate control premium, and costs of disposal as described above.

Software and other intangible assets

At each reporting date, software and other intangible assets are assessed for indicators of impairment and, where such indicators are identified, an impairment assessment is performed. In the event that an asset's carrying amount is determined to be greater than its recoverable amount, the carrying amount of the asset is written down immediately. Those assets not yet ready for use are tested for impairment annually.

In addition, the expected useful lives of intangible assets are assessed at each reporting date. The assessment requires management judgement, and in relation to our software assets, a number of factors can influence the expected useful lives. These factors include changes to business strategy, significant divestments and the pace of technological change.

23. Other provisions

	2024 $m	2023 $m
ECL allowance on undrawn and contingent facilities[1]	846	827
Customer remediation	394	459
Restructuring costs	80	98
Non-lending losses, frauds and forgeries	90	73
Other	175	260
Total other provisions	**1,585**	1,717

1. Refer to Note 14 Allowance for expected credit losses for movement analysis.

	Customer remediation $m	Restructuring costs $m	Non-lending losses, frauds and forgeries $m	Other $m
Balance at 1 October 2023	459	98	73	260
New and increased provisions made during the year	158	160	22	36
Provisions used during the year	(178)	(142)	(5)	(50)
Unused amounts reversed during the year	(45)	(36)	-	(71)
Balance at 30 September 2024	394	80	90	175

23. Other provisions (continued)

Customer remediation

Customer remediation includes provisions for expected refunds to customers, remediation project costs and related customer and regulatory claims, penalties and litigation costs and outcomes.

Restructuring costs

Provisions for restructuring costs arise from activities related to changes in the scope of business undertaken by the Group or the manner in which that business is undertaken and include employee termination benefits. Costs relating to on-going activities are not provided for and are expensed as incurred.

Non-lending losses, frauds and forgeries

Non-lending losses include losses arising from certain legal actions not directly related to amounts of principal outstanding for loans and advances and losses arising from forgeries, frauds and the correction of operational issues. The amounts recognised are the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties that surround the events and circumstances that affect the provision.

Other

Other provisions comprise various other provisions including workers compensation, make-good provisions associated with leased premises, warranties and indemnities provided in connection with various disposals of businesses and assets, and contingent liabilities recognised as part of a business combination.

Recognition and measurement

The Group recognises provisions when there is a present obligation arising from a past event, an outflow of economic resources is probable, and the amount of the provision can be measured reliably.

The amount recognised is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the timing and amount of the obligation. Where a provision is measured using the estimated cash flows required to settle the present obligation, its carrying amount is the present value of those cash flows.

Key judgements and estimates

The Group holds provisions for various obligations including customer remediation, restructuring costs, non-lending losses, frauds and forgeries and litigation related claims. These provisions involve judgements regarding the timing and outcome of future events, including estimates of expenditure required to satisfy such obligations. Where relevant, expert legal advice has been obtained and, in light of such advice, provisions and/or disclosures as deemed appropriate have been made.

In relation to customer remediation, determining the amount of the provisions, which represent management's best estimate of the cost of settling the identified matters, requires the exercise of significant judgement. It will often be necessary to form a view on a number of different assumptions, including the number of impacted customers, the average refund per customer, the associated remediation project costs, and the implications of regulatory exposures and customer claims having regard to their specific facts and circumstances. There is a heightened level of estimation uncertainty where the customer remediation provision relates to a legal proceeding or matter. The appropriateness of the underlying assumptions is reviewed on a regular basis against actual experience and other relevant evidence including expert legal advice, and adjustments are made to the provisions where appropriate.

24. Shareholders' equity

Shareholders' equity

	2024 $m	2023 $m
Ordinary share capital	28,182	29,082
Reserves		
Foreign currency translation reserve[1]	(360)	570
Share option reserve	108	83
FVOCI reserve	(1,078)	(494)
Cash flow hedge reserve	(422)	(1,872)
Transactions with non-controlling interests reserve	(22)	(22)
Total reserves	(1,774)	(1,735)
Retained earnings	43,449	42,148
Share capital and reserves attributable to shareholders of the Company	69,857	69,495
Non-controlling interests[2]	771	522
Total shareholders' equity	70,628	70,017

1. As a result of the closure of a number of international entities, the associated foreign currency translation reserve was recycled from Other comprehensive income to profit or loss, resulting in a $22 million gain recognised in Other operating income in 2024 (2023: $43 million gain).

2. ANZ Bank New Zealand issued $256 million of perpetual preference shares in 2024 that are considered non-controlling interests to the Group.

Ordinary share capital

The table below details the movement in ordinary shares and share capital for the year.

	2024		2023	
	Number of shares	$m	Number of shares	$m
Balance at start of the year	3,005,286,886	29,082	2,989,923,751	28,797
Dividend reinvestment plan issuances	-	-	8,406,978	206
Bonus option plan	3,878,840	-	3,577,526	-
Employee share and option plans	-	(17)	3,378,631	79
Share buy-back[1]	(29,749,466)	(883)	-	-
Balance at end of year	2,979,416,260	28,182	3,005,286,886	29,082
Treasury Shares	(5,352,012)	-	(4,044,925)	-
Balance at end of year	2,974,064,248	28,182	3,001,241,961	29,082

1. The Company commenced a $2 billion on-market share buy-back on 3 July 2024. This resulted in 30 million shares ($883 million) being cancelled during 2024 and a further 1.2 million shares ($36 million) being cancelled after 30 September 2024 in respect of purchase orders placed but not settled at 30 September 2024.

24. Shareholders' equity (continued)

Non-controlling interests

	Profit attributable to non-controlling interests		Equity attributable to non-controlling interests		Dividend paid to non-controlling interests	
	2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m
ANZ Bank New Zealand PPS[1]	32	26	758	512	32	26
Other	3	2	13	10	-	1
Total	35	28	771	522	32	27

1. On 19 March 2024, ANZ Bank New Zealand Limited issued $256 million (NZD275 million) of PPS.

ANZ Bank New Zealand Preference Shares

Perpetual Preference Shares (PPS) externally issued by ANZ Bank New Zealand Limited (ANZ Bank New Zealand), a member of the Group, are considered non-controlling interests of the Group.

The key terms of the PPS are as follows:

PPS dividends

Holders of PPS are entitled to receive dividends that are discretionary, non-cumulative and subject to conditions. If a PPS dividend is not paid, there are certain restrictions on the ability of ANZ Bank New Zealand to pay a dividend on its ordinary shares. Holders of the PPS have no other rights participate in the profits or property of ANZ Bank New Zealand.

Redemption features

Holders of PPS have no right to require that the PPS be redeemed. ANZ Bank New Zealand may, at its option, redeem all of the PPS on an optional redemption date (being each scheduled quarterly dividend payment date from the first optional redemption date), or at any time following the occurrence of a tax event or regulatory event, subject to prior written approval of RBNZ and certain other conditions being met.

24. Shareholders' equity (continued)

Recognition and measurement

Ordinary shares	Ordinary shares have no par value. They entitle holders to receive dividends, or proceeds available on winding up of the Company, in proportion to the number of fully paid ordinary shares held. They are recognised at the amount paid per ordinary share net of directly attributable costs. Every holder of fully paid ordinary shares present at a meeting of the Company in person, or by proxy, is entitled to: • on a show of hands, one vote; and • on a poll, one vote, for each share held.
Treasury shares	Treasury shares are shares in the Company which: • the ANZ Employee Share Acquisition Plan purchases on market and have not yet distributed, or • the Company issues to the ANZ Employee Share Acquisition Plan and have not yet been distributed. Treasury shares are deducted from share capital and excluded from the weighted average number of ordinary shares used in the earnings per share calculations.
Reserves:	
Foreign currency translation reserve	Includes differences arising on translation of assets and liabilities into Australian dollars when the functional currency of a foreign operation (including subsidiaries and branches) is not Australian dollars. In this reserve, we reflect any offsetting gains or losses on hedging these exposures, together with any tax effect.
Cash flow hedge reserve	Includes fair value gains and losses associated with the effective portion of designated cash flow hedging instruments together with any tax effect.
FVOCI reserve	Includes changes in the fair value of certain debt securities and equity securities included within Investment Securities together with any tax effect. In respect of debt securities classified as measured at FVOCI, the FVOCI reserve records accumulated changes in fair value arising subsequent to initial recognition, except for those relating to allowance for ECL, interest income and foreign currency exchange gains and losses which are recognised in profit or loss. As debt securities at FVOCI are recorded at fair value, the balance of the FVOCI reserve is net of the ECL allowance associated with such assets. When a debt security measured at FVOCI is derecognised, the cumulative gain or loss recognised in the FVOCI reserve in respect of that security is reclassified to profit or loss and presented in other operating income. In respect of the equity securities classified as measured at FVOCI, the FVOCI reserve records accumulated changes in fair value arising subsequent to initial recognition (including any related foreign exchange gains or losses). When an equity security measured at FVOCI is derecognised, the cumulative gain or loss recognised in the FVOCI reserve in respect of that security is not recycled to profit or loss.
Share option reserve	Includes amounts which arise on the recognition of share-based compensation expense.
Transactions with non-controlling interests reserve	Includes the impact of transactions with non-controlling shareholders in their capacity as shareholders.
Non-controlling interests	Share in the net assets of controlled entities attributable to equity interests which the Group does not own directly or indirectly.

25. Capital management

Capital management framework

The Group's capital management framework includes managing capital at Level 1, Level 2 and ANZGHL Group.

The Group's framework includes managing to Board approved risk appetite settings and maintaining all regulatory requirements. APRA requirements at Level 1 and Level 2 include the Group operating at or above APRAs expectation for Domestic Systematically Important Banks (D-SIBs) following the implementation of APRA's Capital Reform.

APRA's authority for ANZGHL to be a non-operating holding company (NOHC) of an ADI includes five conditions for the Group's capital management framework. Two of these are quantitative requirements being:

- ANZGHL must always ensure that the quality and quantity of the total capital of the Level 3 group is equivalent to, or greater than, the quality and quantity of the sum of the total capital of the consolidated ANZ Bank Group and the consolidated ANZ Non-Bank Group.
- ANZGHL must calculate and manage capital for the ANZ Non-Bank Group in accordance with an Economic Capital Model (ECM), which requires the amount of capital held, in the form of Common Equity Tier 1 (CET1), to be equal to or greater than the capital requirement as calculated under the ECM.

The Group has implemented an ECM to calculate the capital to support the ANZ Non-Bank Group operations. The material risks included in the Non-Bank Group currently are investment risk and fixed asset risk.

All requirements were satisfied as at 30 September 2024.

Capital management strategy

The Group's capital management strategy aims to protect the interests of depositors, creditors and shareholders. We achieve this through an Internal Capital Adequacy Assessment Process (ICAAP) whereby the Group conducts detailed strategic and capital planning over a 3-year time horizon.

The process involves:

- forecasting economic variables, financial performance of divisions and the financial impact of new strategic initiatives to be implemented during the planning period;
- performing stress tests under different economic scenarios to determine the level of additional capital (stress capital buffer) needed to absorb losses that may be experienced under an economic downturn;
- reviewing capital position and targets against the Group's risk profile; and
- developing a capital plan, taking into account capital ratio targets, ECM requirements, current and future capital issuances requirements and options around capital products, timing and markets to execute the capital plan under differing market and economic conditions.

The capital plan is approved by the Board and updated as required. The Board and senior management are provided with regular updates of the Group's capital position. Any material actions required to ensure ongoing prudent capital management are submitted to the Board for approval. Throughout the year, the Group maintained compliance with all the regulatory requirements related to Capital Adequacy in the jurisdictions in which it operates.

25. Capital management (continued)

Regulatory environment

Australia

As the ANZ Bank Group is an Authorised Deposit-taking Institution (ADI) in Australia, it is primarily regulated by APRA under the *Banking Act 1959 (Cth)*. ANZ Bank Group must comply with the minimum regulatory capital requirements, prudential capital ratios and specific reporting levels that APRA sets and which are consistent with the global Basel III capital framework. This is the common framework for determining the appropriate level of bank regulatory capital as set by the Basel Committee on Banking Supervision. APRA minimum requirements are summarised below:

Regulatory capital definition

Common Equity Tier 1 (CET1) Capital	Tier 1 Capital	Tier 2 Capital	Total Capital
Shareholders' equity adjusted for specific items.	CET1 capital plus certain securities with complying loss absorbing characteristics known as Additional Tier 1 Capital.	Subordinated debt instruments which have a minimum term of 5 years at issue date.	Tier 1 plus Tier 2 capital.

Minimum Prudential Capital Ratios (PCRs)

CET1 Ratio	Tier 1 Ratio	Total Capital Ratio
CET1 capital divided by total risk weighted assets must be at least 4.5%.	Tier 1 capital divided by total risk weighted assets must be at least 6.0%.	Total capital divided by total risk weighted assets must be at least 8.0%. For D-SIBs, Total Capital Ratio must be of at least 11% from 1st Jan 2024. Refer below for details.

Reporting Levels

Level 1	Level 2	Level 3
The ADI on a stand-alone basis (that is ANZBGL and specified subsidiaries which are consolidated to form the ADI's Extended Licensed Entity).	The consolidated ANZBGL Group less certain subsidiaries and associates that are excluded under prudential standards.	A conglomerate ANZGHL Group at the widest level.

As at 30 September 2024, APRA also requires the ADI to hold additional CET1 buffers as follows:

- a capital conservation buffer (CCB) of 4.75% which is inclusive of the additional 1% surcharge for domestically systemically important banks (D-SIBs). APRA has determined that ANZ is a D-SIB.
- a countercyclical capital buffer which is set on a jurisdictional basis. The requirement is currently set at 1% for Australia.

Additionally in December 2021, APRA announced that it requires all D-SIBs including the ANZ Bank Group to increase its minimum total capital ratio requirement by 3% of RWA by January 2024, and a further 1.5% of RWA by January 2026 (total increase of 4.5%). APRA expects this to be predominantly met by Tier 2 capital, with an equivalent decrease in other senior funding. The Group is on track to meet these requirements as at reporting date.

In September 2024, APRA also released a discussion paper "A more effective capital framework for a crisis", which outlines potential amendments to APRA's prudential framework to ensure that the capital strength of the Australian banking system operates more effectively in stress. The changes are proposed to come into effect from January 2027 with the main change being replacing the current requirement for 1.5% of Additional Tier 1 capital (AT1) with 0.25% of CET1 capital and 1.25% of Tier 2 capital.

The Group reports to APRA on a Level 1 and Level 2 basis, and measures capital adequacy monthly on a Level 1 and Level 2 basis, and is not yet required to maintain capital on a Level 3 basis (APRA have yet to conclude required timing for Level 3 reporting).

Insurance and funds management

As required by APRA's Prudential Standards, insurance and funds management activities are:

- de-consolidated for the purposes of calculating capital adequacy; and
- excluded from the risk-based capital adequacy framework.

We deduct the investment in these controlled entities 100% from CET1 capital, and if we include any profits from these activities in the ANZ Bank Group's results, then we exclude them from the determination of CET1 capital to the extent they have not been remitted.

Outside Australia

In addition to APRA, the Group's branch operations and major banking subsidiary operations are also overseen by local regulators such as the Reserve Bank of New Zealand, the US Federal Reserve, the UK Prudential Regulation Authority, the Monetary Authority of Singapore, the Hong Kong Monetary Authority and the China Banking and Insurance Regulatory Commission. They may impose minimum capital levels on operations in their individual jurisdictions.

25. Capital management (continued)

The Group's compliance with the quantitative conditions for capital management under the APRA NOHC authority is presented in the following two tables[1]:

	2024			
	ANZ Bank Group $m	ANZ Non-Bank Group $m	ANZGHL $m	Group $m
Allocated equity[2,3]	68,760	567	1,301	70,628
Prudential adjustments to allocated equity	(721)	-	-	(721)
Gross Common Equity Tier 1 capital	68,039	567	1,301	69,907
Deductions	(13,570)	-	-	(13,570)
Common Equity Tier 1 capital	54,469	567	1,301	56,337
Tier 1 capital	62,676	567	1,301	64,544
Tier 2 capital	29,189	-	-	29,189
Total qualifying capital	91,865	567	1,301	93,733

	2023			
	ANZ Bank Group $m	ANZ Non-Bank Group $m	ANZGHL $m	Group $m
Allocated equity[2]	69,085	749	183	70,017
Prudential adjustments to allocated equity	(396)	-	-	(396)
Gross Common Equity Tier 1 capital	68,689	749	183	69,621
Deductions	(10,895)	-	-	(10,895)
Common Equity Tier 1 capital	57,794	749	183	58,726
Tier 1 capital	66,026	749	183	66,958
Tier 2 capital	24,959	-	-	24,959
Total qualifying capital	90,985	749	183	91,917

1. This information is not within the scope of the external audit of the Group Financial Report by the Group's external auditor, KPMG. The information presented in this table is a regulatory requirement reported to APRA under the conditions of ANZ's NOHC authority which will be subject to audit in accordance with *Prudential Standard 3PS310 Audit and Related Matters*.
2. Allocated in accordance with prudential capital management view.
3. ANZGHL allocated equity includes ~$1.1 billion for the remaining share buy-back.

25. Capital management (continued)

ANZ Non-Bank Group

	2024 $m	2023 $m
Economic Capital Required	384	563
Actual Capital[1]	543	744
Actual vs Economic Capital	159	181

ANZ Bank Group[2]

The following table provides details of ANZ Bank Group's capital adequacy ratios at 30 September:

	2024 $m	2023 $m
Qualifying capital		
Tier 1		
Shareholders' equity and non-controlling interests	68,760	69,085
Prudential adjustments to shareholders' equity	(721)	(396)
Gross Common Equity Tier 1 capital	68,039	68,689
Deductions	(13,570)	(10,895)
Common Equity Tier 1 capital	54,469	57,794
Additional Tier 1 capital[3]	8,207	8,232
Tier 1 capital	62,676	66,026
Tier 2 capital[4]	29,189	24,959
Total qualifying capital	91,865	90,985
Capital adequacy ratios (Level 2)		
Common Equity Tier 1	12.2%	13.3%
Tier 1	14.0%	15.2%
Tier 2	6.5%	5.8%
Total capital ratio	20.6%	21.0%
Risk weighted assets	446,582	433,327

1. This represents the aggregation of ANZ NBH Pty Ltd and ANZ Group Services Pty Ltd's shareholders' equity.
2. This information is not within the scope of the external audit of the Group Financial Report by the Group's external auditor, KPMG. The information presented in this table is a regulatory requirement disclosed in Part A of ARF 110 *Capital Adequacy* which will be subject to audit in accordance with Prudential Standard APS 310 *Audit and Related Matters*.
3. This includes Additional Tier 1 capital of $8,207 million (2023: $8,232 million) (refer to Note 17 Debt issuances) including a regulatory adjustments and deductions of -$70 million (2023: nil)
4. This includes Tier 2 capital of $28,584 million (2023: 23,707 million) (refer to Note 17 Debt issuances), a general reserve for impairment of financial assets of $1,711 million (2023: $1,776 million) and regulatory adjustments and deductions of -$1,107 million (2023: -$524 million)

26. Parent entity financial information

Summary financial information

	2024 $m	2023 $m
Income statement information for the financial year		
Profit after tax for the year	5,289	3,391
Total comprehensive income for the year	5,289	3,391
Balance sheet information as at the end of the financial year		
Current assets	1,408	287
Shares in controlled entities	58,008	59,979
Total assets	59,416	60,266
Current liabilities	107	104
Total liabilities	107	104
Shareholders' equity		
Ordinary share capital	58,223	59,167
Share Option Reserve	14	(9)
Retained earnings	1,072	1,004
Total shareholders' equity	59,309	60,162

Parent entity's contractual commitments for property, plant and equipment

The parent entity has no contractual commitments to acquire property, plant or equipment.

Parent entity's guarantees

The parent entity has issued letters of comfort and guarantees in respect of certain subsidiaries in the normal course of business. Under these letters and guarantees, the parent entity undertakes to ensure that those subsidiaries continue to meet their financial obligations, subject to certain conditions including that the entity remains a controlled entity.

Parent entity's contingent liabilities

There are no other known contingent liabilities of the parent entity. Refer to Note 34 Commitment, contingent liabilities and contingent assets for details of contingent liabilities of Group entities.

27. Controlled entities

The ultimate parent of the Group is ANZ Group Holdings Limited	Incorporated in Australia	Nature of Business Banking
The Group holds 100% of the voting interests in all controlled entities, unless noted otherwise.		
The material controlled entities of the Group are:		
Australia and New Zealand Banking Group Ltd	Australia	Banking
SBGH Limited	Australia	Banking
ANZ NBH Pty Ltd	Australia	Non-Banking
1835i Ventures Trust III	Australia	Non-Banking
ANZ Group Services Pty Ltd	Australia	Non-Banking
ANZ BH Pty Ltd	Australia	Holding Company
ANZ Bank (Vietnam) Limited[1]	Vietnam	Banking
ANZ Funds Pty Ltd	Australia	Holding Company
ANZ Bank (Kiribati) Limited[1] (75% ownership)	Kiribati	Banking
ANZ Bank (Samoa) Limited[1]	Samoa	Banking
ANZ Bank (Vanuatu) Limited[2]	Vanuatu	Banking
ANZ Holdings (New Zealand) Limited[1]	New Zealand	Holding Company
ANZ Bank New Zealand Limited[1]	New Zealand	Banking
ANZ Investment Services (New Zealand) Limited[1]	New Zealand	Funds Management
ANZ New Zealand (Int'l) Limited[1]	New Zealand	Finance
ANZ New Zealand Investments Holdings Limited[1]	New Zealand	Holding Company
ANZ New Zealand Investments Limited[1]	New Zealand	Funds Management
ANZNZ Covered Bond Trust[1,3]	New Zealand	Finance
ANZ International Private Limited[1]	Singapore	Holding Company
ANZcover Insurance Private Ltd[1]	Singapore	Captive-Insurance
ANZ Lenders Mortgage Insurance Pty Ltd	Australia	Mortgage Insurance
ANZ Residential Covered Bond Trust[3]	Australia	Finance
Australia and New Zealand Bank (China) Company Limited[1]	China	Banking
Australia and New Zealand Banking Group (PNG) Limited[1]	Papua New Guinea	Banking
Citizens Bancorp	Guam	Holding Company
ANZ Guam Inc	Guam	Banking
Institutional Securitisation Services Limited	Australia	Securitisation Manager
PT Bank ANZ Indonesia[1] **(99% ownership)**	Indonesia	Banking

1. Audited by overseas KPMG firms — either as part of the Group audit, or for standalone financial statements as required.
2. Audited by Law Partners.
3. Not owned by the Group. Control exists as the Group retains substantially all the risks and rewards of the operations.

Changes to material controlled entities

On 31 July 2024, the Group acquired 100% of the shares in SBGH Limited, the immediate holding company of Suncorp Bank. Refer to Note 36 Suncorp Bank acquisition for further details.

Citizens Bancorp and ANZ Guam Inc have ceased business as at 30 September 2024.

Significant restrictions

Controlled entities that are subject to prudential regulation may be required to maintain minimum capital or other regulatory requirements which may, from time to time, limit the entity's ability to transfer assets, pay dividends or make other capital distributions to the parent entity or to other entities in the Group. The Group manages such restrictions within our risk management framework, as outlined in Note 18 Financial risk management and our capital management strategy, as outlined in Note 25 Capital management.

As at 30 September 2024, restrictions on the ability of an entity within the Group to transfer assets, pay dividends or make other capital distributions to other entities in the Group were not material to the liquidity or capital management of the Group.

27. Controlled entities (continued)

Recognition and measurement

The Group's subsidiaries are those entities it controls through:

- being exposed to, or having rights to, variable returns from the entity; and
- being able to affect those returns through its power over the entity.

The Group assesses whether it has power over those entities by examining the Group's existing rights to direct the relevant activities of the entity.

If the Group sells or acquires subsidiaries during the year, it includes their operating results in the Group results to the date of disposal or from the date of acquisition. When the Group's control ceases, it derecognises the assets and liabilities of the subsidiary, any related non-controlling interest and other components of equity.

If the Group's ownership interest in a subsidiary changes in a way that does not result in a loss of control, then the Group accounts for that as a transaction with equity holders in their capacity as equity holders.

All transactions between Group entities are eliminated on consolidation.

28. Investment in associates

Significant associates of the Group are:

Name of entity	Principal activity	Ordinary share interest 2024	Ordinary share interest 2023	Carrying amount $m 2024	Carrying amount $m 2023
AMMB Holdings Berhad (AmBank)[1]	Banking and insurance	0%	22%	-	881
PT Bank Pan Indonesia (PT Panin)	Consumer and business bank	39%	39%	1,415	1,440
Worldline Australia Pty Ltd (Worldline)	Payment and transactional services	49%	49%	29	26
Aggregate other individually immaterial associates		n/a	n/a	-	2
Total carrying value of associates[2]				**1,444**	2,349

1. The Group fully disposed its interest in AmBank in 2024.
2. Includes the impact of foreign currency translation recognised in the foreign currency translation reserve.

Financial information on significant associates

Set out below is the summarised financial information of each associate that is significant to the Group. The summarised financial information is based on the associates' IFRS financial information and may require the use of unaudited financial information as each associate has a different financial year to the Group (PT Panin 31 December, AmBank 31 March, Worldline 31 December).

Principal place of business and country of incorporation	AMMB Holdings Berhad[1] Malaysia		PT Bank Pan Indonesia Indonesia		Worldline Australia Pty Ltd Australia	
	2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m
Summarised results						
Operating income	-	1,517	1,062	1,273	90	134
Profit/(Loss) for the year	-	545	218	372	(59)	(43)
Other comprehensive income/(loss)	-	87	(41)	24	-	-
Total comprehensive income/(loss)	-	632	177	396	(59)	(43)
Less: Total comprehensive (income)/loss attributable to non-controlling interests	-	(8)	(19)	(69)	-	-
Total comprehensive income/(loss) attributable to owners of associate	-	624	158	327	(59)	(43)
Summarised financial position						
Total assets[2]	-	62,057	20,616	20,498	577	205
Total liabilities[2]	-	58,015	16,078	16,928	502	137
Total net assets[2]	-	4,042	4,538	3,570	75	68
Less: Non-controlling interests of associate	-	(301)	(353)	(348)	-	-
Net assets attributable to owners of associate	-	3,741	4,185	3,222	75	68
Reconciliation to carrying amount of Group's interest in associate[3]						
Carrying amount at the beginning of the year	881	790	1,440	1,318	26	47
Investment	-	-	-	-	32	-
Group's share of total comprehensive income/(loss)	69	138	42	138	(29)	(21)
Dividends received from associate	(14)	(42)	-	-	-	-
Foreign currency translation reserve adjustments	(21)	(5)	(67)	(16)	-	-
Partial disposal of investment	(668)	-	-	-	-	-
Loss on partial disposal of investment	(21)	-	-	-	-	-
Foreign currency translation reserve reclassified to profit or loss	(5)	-	-	-	-	-
Less: Carrying value reclassified as Investment securities	(221)	-	-	-	-	-
Carrying amount at the end of the year	-	881	1,415	1,440	29	26
Market value of Group's investment in associate[4]	-	875	1,448	1,167	n/a	n/a

1. On 6 March 2024, the Group partially disposed of its interest in AmBank, reducing its investment by $668 million and its ordinary share interest from 22% to 5%. Following the decrease in ownership, the Group ceased equity accounting for AmBank and reclassified the investment as Investment securities at fair value through other comprehensive income. On 31 May 2024, the Group disposed of its remaining 5% interest in AmBank.
2. Includes market value adjustments (including goodwill) the Group made at the time of acquisition (and adjustments for any differences in accounting policies).
3. For AmBank this includes movements up to cessation of equity accounting.
4. Market value is based on a price per share at reporting date and does not include any adjustments for the size of our holding.

28. Investment in associates (continued)

Impairment assessment

The Group assesses the carrying value of its associates investments for impairment indicators. The impairment assessment of non-lending assets identified that one of the Group's associated investments PT Panin had indicators of impairment as a result of its carrying value exceeding its fair value less costs of disposal (FVLCD) at times throughout the year. No impairment was recognised as its carrying value was supported by its FVLCD at 30 September 2024.

Recognition and measurement

An associate is an entity for which the Group has significant influence over its operating and financial policies but which it does not control. The Group accounts for associates using the equity method. Its investments in associates are carried at cost plus the post-acquisition share of changes in the associate's net assets less accumulated impairments. Dividends the Group receives from associates are recognised as a reduction in the carrying amount of the investment. The Group includes goodwill recognised by the associate in the carrying amount of the investment. It does not individually test the goodwill incorporated in the associates carrying amount for impairment.

At least at each reporting date, the Group reviews investments in associates for any indication of impairment. If an indication of impairment exists, then the Group determines the recoverable amount of the associate using the higher of:

- the associate's fair value less cost of disposal; and
- its value-in-use (VIU).

We use a discounted cash flow methodology, and when applicable, other methodologies (such as capitalisation of earnings methodology), to determine the recoverable amount when determining a VIU.

Key judgements and estimates

Investments in associates and joint ventures are assessed at each reporting date and tested for impairment when there is an indication that the investment may be impaired. In addition, the Group is required to assess at each reporting date whether the recoverable amount of the Group's investment has increased to such a level as to support the reversal of any prior period impairments.

29. Structured entities

A Structured Entity (SE) is an entity that has been designed such that voting or similar rights are not the dominant factor in determining who controls the entity. SEs are generally established with restrictions on their ongoing activities in order to achieve narrow and well defined objectives.

SEs are classified as subsidiaries and consolidated when control exists. If the Group does not control a SE, then it is not consolidated. This note provides information on both consolidated and unconsolidated SEs.

The Group's involvement with SEs is as follows:

Type	Details
Securitisation	The Group establishes SEs to securitise customer loans and advances that it has originated, in order to diversify sources of funding for liquidity management. Securitisation programs include customer loans and advances assigned to bankruptcy remote SEs to provide either security for obligations payable on notes issued by the SEs to external investors or create assets held by the Group eligible for repurchase agreements with applicable central banks. The Group retains control over these SEs and therefore they are consolidated. Refer to Note 30 Transfers of financial assets for further details. The Group also establishes SEs on behalf of customers to securitise their loans or receivables. The Group may manage these securitisation vehicles or provide liquidity or other support. Additionally, the Group may acquire interests in securitisation vehicles set up by third parties through holding securities issued by such entities. In limited circumstances where control exists, the Group consolidates the SE.
Covered bond issuances	Certain loans and advances have been assigned to bankruptcy remote SEs to provide security for issuances of debt securities by the Group. The Group retains control over these SEs and therefore they are consolidated. Refer to Note 30 Transfers of financial assets for further details.
Structured finance arrangements	The Group is involved with SEs established: • in connection with structured lending transactions to facilitate debt syndication and/or to ring-fence collateral; and • to own assets that are leased to customers in structured leasing transactions. The Group may manage the SE, hold minor amounts of the SE's capital, or provide risk management products (derivatives) to the SE. In most instances, the Group does not control these SEs. In limited circumstances where control exists, the Group consolidates the SE.
Funds management activities	The Group is the scheme manager for a number of Managed Investment Schemes (MIS) in New Zealand. These MIS are financed through the issue of units to investors and the Group considers them to be SEs. The Group's interests in these MIS are limited to receiving fees for services or providing risk management products (derivatives). These interests do not create significant exposures that would allow the Group to control the funds. Therefore, these MIS are not consolidated.

Consolidated structured entities

Financial or other support provided to consolidated structured entities

The Group provides financial support to consolidated SEs as outlined below.

Securitisation and covered bond issuances	The Group provides lending facilities, derivatives and commitments to these SEs and/or holds debt instruments they have issued.
Structured finance arrangements	The assets held by these SEs are normally pledged as collateral for financing provided. Certain consolidated SEs are financed entirely by the Group while others are financed by syndicated loan facilities in which the Group is a participant. The financing provided by the Group includes lending facilities where the Group's exposure is limited to the amount of the loan and any undrawn amount. Additionally, the Group has provided Letters of Support to these consolidated SEs confirming that the Group will not demand repayment of the financing provided for the ensuing 12 month period.

The Group did not provide any non-contractual support to consolidated SEs during the year (2023: nil). Other than as disclosed above, the Group does not have any current intention to provide financial or other support to consolidated SEs.

29. Structured entities (continued)

Unconsolidated structured entities

Group's interest in unconsolidated structured entities

An 'interest' in an unconsolidated SE is any form of contractual or non-contractual involvement with a SE that exposes the Group to variability of returns from the performance of that SE. These interests include, but are not limited to: holdings of debt or equity securities; derivatives that pass-on risks specific to the performance of the SE, lending, loan commitments, financial guarantees, and fees from funds management activities.

For the purpose of disclosing interests in unconsolidated SEs:

- no disclosure is made if the Group's involvement is not more than a passive interest - for example: when the Group's involvement constitutes a typical customer-supplier relationship. On this basis, exposures to unconsolidated SEs that arise from lending, trading and investing activities are not considered disclosable interests - unless the design of the structured entity allows the Group to participate in decisions about the relevant activities (being those that significantly affect the entity's returns).
- 'interests' do not include derivatives intended to expose the Group to market-risk (rather than performance risk specific to the SE) or derivatives through which the Group creates, rather than absorbs, variability of the unconsolidated SE (such as purchase of credit protection under a credit default swap).

The table below sets out the Group's interests in unconsolidated SEs together with the maximum exposure to loss that could arise from those interests:

	Securitisation		Structured finance		Total	
	2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m
On-balance sheet interests						
Investment securities	1,819	2,070	-	-	1,819	2,070
Gross loans and advances	11,447	10,367	23	24	11,470	10,391
Total on-balance sheet	13,266	12,437	23	24	13,289	12,461
Off-balance sheet interests						
Commitments (facilities undrawn)	2,279	3,270	-	-	2,279	3,270
Guarantees	50	50	-	-	50	50
Total off-balance sheet	2,329	3,320	-	-	2,329	3,320
Maximum exposure to loss	15,595	15,757	23	24	15,618	15,781

In addition to the interests above, the Group earned funds management fees from unconsolidated investment funds of $184 million (2023: $177 million) during the year.

The Group's maximum exposure to loss represents the maximum amount of loss that the Group could incur as a result of its involvement with unconsolidated SEs if loss events were to take place - regardless of the probability of occurrence. This does not in any way represent the actual losses expected to be incurred. Furthermore, the maximum exposure to loss is stated gross of the effects of hedging and collateral arrangements entered into to mitigate the Group's exposure to loss.

The maximum exposure to loss has been determined as:

- the carrying amount of Investment securities measured at amortised cost; and
- the carrying amount plus the undrawn amount of any committed loans and advances.

The size of unconsolidated SEs is indicated by total assets which vary by SE with the largest single SE having a value of approximately $4.7 billion.

The Group did not provide any non-contractual support to unconsolidated SEs during the year (2023: nil) nor does it have any current intention to provide financial or other support to unconsolidated SEs.

29. Structured entities (continued)

Sponsored unconsolidated structured entities

The Group may also sponsor unconsolidated SEs in which it has no disclosable interest.

For the purposes of this disclosure, the Group considers itself the 'sponsor' of an unconsolidated SE if it is the primary party involved in the design and establishment of that SE and:

- the Group is the major user of that SE; or
- the Group's name appears in the name of that SE, or on its products; or
- the Group provides implicit or explicit guarantees of that SE's performance.

The Group has sponsored the ANZ PIE Fund in New Zealand, which invests only in deposits with ANZ Bank New Zealand. The Group does not provide any implicit or explicit guarantees of the capital value or performance of investments in the ANZ PIE Fund. There was no income received from, nor assets transferred to, this entity during the year.

Key judgements and estimates

Significant judgement is required in assessing whether the Group has control over Structured Entities. Judgement is required to determine the existence of:

- power over the relevant activities (being those that significantly affect the entity's returns); and
- exposure to variable returns of the entity.

30. Transfers of financial assets

In the normal course of business the Group enters into transactions where it transfers financial assets directly to third parties or to SEs. These transfers may result in the Group fully, or partially, derecognising those financial assets - depending on the Group's exposure to the risks and rewards or control over the transferred assets. If the Group retains substantially all of the risk and rewards of a transferred asset, the transfer does not qualify for derecognition and the asset remains on the Group's Balance Sheet in its entirety.

Securitisations

Net loans and advances include residential mortgages securitised under the Group's securitisation programs which are assigned to bankruptcy remote SEs to provide security for obligations payable on the notes issued by the SEs. The holders of the issued notes have full recourse to the pool of residential mortgages which have been securitised and the Group cannot otherwise pledge or dispose of the transferred assets.

In some instances, the Group is also the holder of the securitised notes issued by the SEs. In addition, the Group is entitled to any residual income of the SEs and sometimes enters into derivatives with the SEs. The Group retains the risks and rewards of the residential mortgages and continues to recognise the mortgages as financial assets.

The Group is exposed to variable returns from its involvement with these securitisation SEs and has the ability to affect those returns through its power over the SEs activities. The SEs are therefore consolidated by the Group.

Covered bonds

The Group operates various global covered bond programs to raise funding in its primary markets. Net loans and advances include residential mortgages assigned to bankruptcy remote SEs associated with these covered bond programs. In respect of each program, a covered bond guarantor has guaranteed payments of interest and principal pursuant to a guarantee which is secured over its assets, including these residential mortgages. Substantially all of the assets of each covered bond guarantor consist of that covered bond guarantor's equitable interests in mortgage loans secured by residential real estate.

The covered bond holders have dual recourse to the issuer and the cover pool of assets. The issuer cannot otherwise pledge or dispose of the transferred assets, however, subject to legal arrangements it may repurchase and substitute assets as long as the required cover is maintained.

The Group is required to maintain the cover pool at a level sufficient to cover the bond obligations. In addition, the Group is entitled to any residual income of the covered bond SEs (after all payments to the covered bond holders and external parties) and enters into derivatives with the SEs. The Group retains the majority of the risks and rewards of the residential mortgages and continues to recognise the mortgages as financial assets.

The Group is exposed to variable returns from its involvement with the covered bond SEs and has the ability to affect those returns through its power over the SEs activities. The SEs are therefore consolidated by the Group. The covered bonds issued externally are included within debt issuances.

Repurchase agreements

When the Group sells securities subject to repurchase agreements under which we retain substantially all the risks and rewards of ownership, then those assets do not qualify for derecognition. An associated liability is recognised for the consideration received from the counterparty.

Structured finance arrangements

The Group arranges funding for certain customer transactions through structured leasing. These transactions are recognised on Group's Balance Sheet as lease receivables or loans. At times, other financial institutions participate in the funding of these arrangements. This participation involves a proportionate transfer of the rights to the assets recognised by the Group. The participating banks have limited recourse to the leased assets and related proceeds. Where the Group continues to be exposed to some of the risks of the transferred assets through a derivative or other continuing involvement, the Group does not derecognise the lease receivable or loan. Instead, the Group recognises an associated liability representing its obligations to the participating financial institutions.

The tables below set out the balance of assets transferred that do not qualify for derecognition, along with the associated liabilities.

	Securitisations[1,2]		Covered bonds		Repurchase agreements		Structured finance arrangements	
	2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m	2024 $m	2023 $m
Current carrying amount of assets transferred	3,730	886	34,235	31,188	45,709	47,552	15	27
Carrying amount of associated liabilities	3,640	880	18,931	18,223	44,315	44,454	15	27

1. Does not include transfers to internal structured entities where there are no external investors.
2. The securitisation noteholders have recourse only to the pool of residential mortgages which have been securitised. The carrying value of securitised assets and the associated liabilities approximates their fair value.

31. Superannuation and post employment benefit obligations

Set out below is a summary of amounts recognised in the Balance Sheet in respect of the defined benefit superannuation schemes:

	2024 $m	2023 $m
Defined benefit obligation and scheme assets		
Present value of funded defined benefit obligation	(998)	(959)
Fair value of scheme assets	1,150	1,131
Net defined benefit asset	152	172
As represented in the Balance Sheet		
Net liabilities arising from defined benefit obligations included in Payables and other liabilities	(4)	(4)
Net assets arising from defined benefit obligations included in Other assets	156	176
Net defined benefit asset	152	172
Weighted average duration of the benefit payments reflected in the defined benefit obligation (years)	11.3	11.4

As at the most recent reporting dates of the schemes, the aggregate surplus of net market value of assets over the value of accrued benefits on a funding basis was $71 million (2023: $53 million surplus). In 2024, the Group made defined benefit contributions totaling $2 million (2023: $2 million). It expects to make contributions of approximately $2 million next financial year.

Governance of the schemes and funding of the defined benefit sections

The main defined benefit superannuation schemes in which the Group participates operate under trust law and are managed and administered on behalf of the members in accordance with the terms of the relevant trust deed and rules and all relevant legislation. These schemes have corporate trustees, which are wholly owned subsidiaries of the Group. The trustees are the legal owners of the assets, which are held separately from the assets of the Group, and are responsible for setting investment policy and agreeing funding requirements with the employer through the triennial actuarial valuation process.

The Group has defined benefit arrangements in Australia, Japan, New Zealand, Philippines, Taiwan and United Kingdom. The defined benefit section of the ANZ Australian Staff Superannuation Scheme, the ANZ UK Staff Pension Scheme and the ANZ National Retirement Scheme in New Zealand are the three largest plans. They have been closed to new members since 1987, 2004 and 1991 respectively. None of the schemes had a material deficit, or surplus, at the last funding valuation. The Group has no present liability under any of the schemes' trust deeds to fund a deficit (measured on a funding basis). A contingent liability of the Group may arise if any of the schemes were wound up.

On 24 June 2024, the trustees of the ANZ UK Staff Pension Scheme (Scheme) executed a GBP 455 million bulk annuity insurance policy. The insurance policy was purchased using the existing assets of the Scheme. The transaction secured an insurance asset that fully matches pension liabilities of the Scheme and is therefore measured at an amount that matches the insured scheme liabilities. The Group retains ultimate responsibility for the benefits provided to the Scheme members. In accordance with AASB 119 Employee Benefits, the impact of this transaction was to record a remeasurement loss of GBP 15 million in other comprehensive income.

Recognition and measurement

Defined benefit superannuation schemes

The Group operates a small number of defined benefit schemes. Independent actuaries calculate the liability and expenses related to providing benefits to employees under each defined benefit scheme. They use the Projected Unit Credit Method to value the liabilities. The Balance Sheet includes:

- a defined benefit liability if the obligation is greater than the fair value of the schemes assets; and
- an asset (capped to its recoverable amount) if the fair value of the assets is greater than the obligation.

In each reporting period, the movements in the net defined benefit liability are recognised as follows:

- the net movement relating to the current period's service cost, net interest on the defined benefit liability, past service costs and other costs (such as the effects of any curtailments and settlements) as operating expenses;
- remeasurements of the net defined benefit liability (which comprise actuarial gains and losses and return on scheme assets, excluding interest income included in net interest) directly in retained earnings through other comprehensive income; and
- contributions of the Group directly against the net defined benefit position.

Defined contribution superannuation schemes

The Group operates a number of defined contribution schemes. It also contributes (according to local law, in the various countries in which it operates) to Government and other plans that have the characteristics of defined contribution plans. The Group's contributions to these schemes are recognised as personnel expenses when they are incurred.

31. Superannuation and post employment benefit obligations (continued)

Key judgements and estimates

The main assumptions we use in valuing defined benefit obligations are listed in the table below. A change to any assumptions, or applying different assumptions, could have an effect on the Statement of Other Comprehensive Income and Balance Sheet.

				Increase/(decrease) in defined benefit obligation	
	2024	2023	Sensitivity analysis change in significant assumptions	2024 $m	2023 $m
Discount rate (% p.a.)	1.5-5.35	1.15-5.6	0.5% increase	(45)	(43)
Future salary increases (% p.a.)	2.0-3.7	2.0-3.5			
Future pension indexation					
In payment (% p.a.)/In deferment (% p.a.)	2.3-3.3/2.8	2.9-3.4/2.8	0.5% increase	36	34
Life expectancy at age 60 for current pensioners			1 year increase	34	33
– Males (years)	26.3-28.4	26.3-28.3			
– Females (years)	29.3-30.3	29.2-30.2			

32. Employee share and option plans

The Group operates a number of employee share and option schemes under the ANZ Employee Share Acquisition Plan and the ANZ Share Option Plan which are operated by the Company. These are Group share-based payment arrangements under which shares in ANZGHL (ANZ shares) are allocated or granted to employees of the Group.

ANZ Employee Share Acquisition Plan

ANZ Employee Share Acquisition Plan schemes that operated during 2024 and 2023 were the Deferred Share Plan and the Variable Pay to Shares (VPS) Offer. The ANZ Incentive Plan (ANZIP) (the variable remuneration plan operating across the Group) has Short Term Variable Remuneration or Variable Remuneration delivered under the Deferred Share Plan or ANZ Share Option Plan for eligible employees.

Deferred Share Plan

i) ANZ Incentive Plan (ANZIP) – Short Term Variable Remuneration (STVR) and Variable Remuneration (VR) – deferred shares

Award Type	STVR (deferred shares)	STVR/VR historical (deferred shares)	VR (deferred shares)	VR historical (deferred shares)
Eligibility	Chief Executive Officer (CEO), Group Executive Committee (ExCo) and Group General Manager Internal Audit (GGM IA)[1].		All other employees (excluding select roles in the United Kingdom (UK)/China/Hong Kong (HK)[2]).	
Financial Year (FY) of grant	2023 and 2022 Performance and Remuneration Review (PRR): granted in FY24 & FY23	Historical grants: on foot during FY24 & FY23	Grants from 1 Oct 2023: granted in FY24	2023 and 2022 PRR: granted in FY24 & FY23 Historical grants: on foot during FY24 & FY23
Grant approach	50% of the CEO, ExCo and GGM IA's Short Term Variable Remuneration (STVR) deferred as shares.	50% of the CEO's STVR, 25% of ExCo's Variable Remuneration (VR) (except for the Chief Risk Officer (CRO)), and 33% of the CRO and GGM IA's VR, deferred as shares.	If VR is at or exceeds AUD 125,000, then 40% of total VR amount is deferred as shares.	If VR is at or exceeds AUD 100,000, then 60% of total VR amount is deferred as shares.
Conditions	Deferred over years two and three, where year 1 includes the performance period (i.e., 1 October to 30 September). Granted in late November.		Deferred over a minimum of four years (including the performance period), vesting no faster than on a pro-rata basis and only after two years (i.e., 33% year two, 33% year three, 34% year four).	Deferred over years two, three and four, where year 1 includes the performance period. Granted in late November.
Allocation value	Deferred shares granted based on the Volume Weighted Average Price (VWAP) of ANZ shares traded on the ASX in the five trading days leading up to and including 1 October.	Deferred shares granted based on the VWAP of ANZ shares traded on the ASX in the five trading days leading up to and including the date of grant.		

1. All ANZGHL/ANZBGL Financial Accountability Regime (FAR) Accountable Executives.
2. Specific deferral arrangements also exist under ANZIP for roles defined as specific country level Material Risk Takers (MRTs), in line with local regulatory requirements.

ii) Exceptional circumstances

Remuneration forgone	In exceptional circumstances, we grant deferred shares to certain employees when they start with the Group to compensate them for remuneration they have forgone from their previous employer. The vesting period generally aligns with the remaining vesting period of the remuneration they have forgone, and therefore varies between grants.
Retention	We may grant deferred shares to high performing employees who are regarded as a significant retention risk to the Group.

32. Employee share and option plans (continued)

iii) Further information

Cessation	Unless the Board[1] decides otherwise, employees forfeit their unvested deferred shares if they resign, are terminated on notice, or are dismissed for serious misconduct. The deferred shares may be held in trust beyond the deferral period.
Dividends	Dividends are reinvested in the Dividend Reinvestment Plan.
Instrument	Deferred share rights may be granted instead of deferred shares in some countries as locally appropriate (see deferred share rights Section).
Expensing value (fair value)	We expense the fair value of deferred shares on a straight-line basis over the relevant vesting period and we recognise the expense as a share-based compensation expense with a corresponding increase in equity. Deferred shares are expensed based on the one-day VWAP at the date of grant.
2024 and 2023 grants	During the 2024 year, we granted 2,863,800 deferred shares (2023: 2,244,181) with a weighted average allocation value of $24.45 (2023: $24.37).
Downward adjustment	Deferred shares remain at risk and the Board has the discretion to adjust the number of deferred shares downwards, including to zero at any time before the vesting date (malus), and limited to select employees[2], recovery post vesting (i.e., clawback). The Group's downward adjustment provisions are detailed in Section 4.5 of the 2024 Remuneration Report. Board discretion was exercised to apply malus to 4,138 deferred shares in 2024 (2023: nil).

1. References to 'the Board' throughout this note means the Boards of ANZGHL and ANZBGL.
2. Clawback applies to the CEO, ExCo and GGM IA (for awards granted in the 2023 and 2024 financial years), and to select senior employees in jurisdictions where clawback regulations apply.

Variable Pay to Shares (VPS) Offer

Eligibility, grant approach and conditions	VPS provides employees in Australia the opportunity to receive up to $1,000 worth of ANZ shares with concessional tax treatment (where criteria are met). All ANZ shares are held by a custodian or nominee appointed by the Trustee on the Trustee's behalf and are restricted for 3 years. During this time employees benefit from dividend payments which are reinvested through the Dividend Reinvestment Plan (DRP) and have voting entitlements. After the restriction period has been reached the shares can sold or transferred.
Allocation value	Granted based on the VWAP of ANZ shares traded on the ASX in the five trading days leading up to and including the date of grant.
Expensing value (fair value)	Expensed based on the one-day VWAP at the date of grant.
2024 grants	During the 2024 year, we granted 51,619 shares on 22 November 2023 (2023: 55,600) at an issue price of $24.20 (2023: $24.46).

Expensing of the ANZ Employee Share Acquisition Plan

Expensing value (fair value)	The fair value of shares we granted during 2024 under the Deferred Share Plan and VPS Offer, measured as at the date of grant of the shares, is $71.4 million (2023: $56.5 million) based on 2,915,419 shares (2023: 2,299,781) with a weighted average VWAP of $24.48 (2023: $24.57).

32. Employee share and option plans (continued)

ANZ Share Option Plan

Allocation	We may grant selected employees options/rights which entitle them to acquire fully paid ordinary ANZ shares at a fixed price at the time the options/rights vest. Voting and dividend rights will be attached to the ordinary shares allocated on exercise of the options/rights. Each option/right entitles the holder to one ordinary share subject to the terms and conditions imposed on grant. Exercise price of options, determined in accordance with the rules of the plan, is generally based on the VWAP of the shares traded on the ASX in the week leading up to and including the date of grant. For rights, the exercise price is nil.
Rules	Prior to the exercise of the option/right, if ANZ changes its share capital due to a bonus share issue, pro-rata new share issue or reorganisation, the following adjustments are required: • Issue of bonus shares - When the holder exercises their option, they are also entitled to be issued the number of bonus shares they would have been entitled to had they held the underlying shares at the time of the bonus issue; • Pro-rata share offer - We will adjust the exercise price of the option in the manner set out in the ASX Listing Rules; and • Reorganisation - In respect of rights, if there is a bonus issue or reorganisation of ANZ's share capital, then the Board may adjust the number of rights or the number of underlying shares so that there is no advantage or disadvantage to the holder. Holders otherwise have no other entitlements to participate: • in any new issue of ANZ securities before they exercise their options/rights; or • in a share issue of a body corporate other than ANZ (such as a subsidiary). Any portion of the award which vests may, at the Boards discretion, be satisfied by a cash equivalent payment rather than shares.
Expensing value (fair value)	We expense the fair value of options/rights on a straight-line basis over the relevant vesting period and we recognise the expense as a share-based compensation expense with a corresponding increase in equity. Factors considered in determining the fair value include: the market performance conditions, share price volatility, life of the instrument, dividend yield, and share price at grant date.
Satisfying vesting	Any portion of the award of options/rights (that have met the applicable time and performance conditions) may be satisfied by a cash equivalent payment rather than shares at Board discretion. In financial year 2024, all deferred share rights were satisfied through a share allocation, other than 95,968 deferred share rights (2023: 70,231) for which a cash payment was made. 100% of the performance rights (PR) granted in late 2019 (2019 PR award) were lapsed, as the performance hurdles were not met when tested in November 2023 – the end of the performance period. There were no PR due to vest in financial year 2023, as a result of a change in the performance period from three years to four years.
Cessation	The provisions that apply if the employee's employment ends are in Section 8.2.3 of the 2024 Remuneration Report.
Downward adjustment	As per Deferred Share Plan.

32. Employee share and option plans (continued)

Option plans that operated during 2024 and 2023

i) Long Term Variable Remuneration (LTVR) and Variable Remuneration (VR) - restricted rights (RR), performance rights (PR), and deferred share rights (DSR)

Award Type	LTVR (RR & PR)	LTVR / VR historical (PR)	ANZIP VR (DSR)	ANZIP historical VR (DSR)
Eligibility	CEO, ExCo and GGM IA[1]	CEO and ExCo[1]	All other employees (excluding select roles in the UK/China/HK[2]) in countries where DSR may be granted instead of deferred shares	
FY of grant	2023 and 2022 PRR: granted in FY24 & FY23	Historical grants: on foot during FY24 & FY23	Grants from 1 Oct 2023: granted in FY24	2023 and 2022 PRR: granted in FY24 & FY23 Historical grants: on foot during FY24 & FY23
Grant approach	50% of the CEO and ExCo's (except for the CRO) LTVR was received as RR and 50% as PR. 100% of the CRO and GGM IA's LTVR was received as RR.	100% of the CEO's LTVR and 50% of ExCo's VR (except for the CRO who received 50% VR as DSR instead) was received as PR.	If VR is at or exceeds AUD 125,000, then 40% of total VR amount is deferred.	If VR is at or exceeds AUD 100,000, then 60% of total VR amount is deferred.
Conditions	RR and PR provide a right to acquire one ordinary ANZ share at nil cost – subject to time and performance conditions. Awarded subject to: • RR: pre grant assessment (risk-based measures) • RR and PR: shareholder approval at Annual General Meeting (AGM) for CEO award Performance condition tested at end of four-year performance period: • RR: pre vest assessment (risk-based measures) • PR: relative and absolute Total Shareholder Return (TSR) hurdles Deferral period[3] = four-year performance period (commencing 1 October) + holding period (which commences the day after end of performance period and finishes on the 4th, 5th or 6th anniversary of grants (CEO only for year 6)). Further details provided in Section 9.1 of the 2024 Remuneration Report.	Awarded at the end of the year subject to shareholder approval at AGM for CEO award. PR performance condition tested (relative and absolute TSR hurdles) at the end of four-year performance period. The four-year performance period commenced on 22 November to 21 November four years later. The deferral period is four years. Further details are provided in Section 5.2.3a of the 2021 Remuneration Report.	DSR provide a right to acquire one ordinary ANZ share at nil cost after a specified vesting period. Deferred over a minimum of four years (including the performance period), vesting no faster than on a pro-rata basis and only after two years (i.e., 33% year two, 33% year three, 34% year four).	DSR provide a right to acquire one ordinary ANZ share at nil cost after a specified vesting period. Deferred over years two, three and four, where year 1 includes the performance period.
Allocation value	Face value of ANZ shares traded on the ASX in the five trading days leading up to and including 1 October (beginning of the financial year).		The fair value at the date of grant is used to determine the number of DSR to be allocated and is also used for expensing purposes. The fair value is adjusted for the absence of dividends during the vesting period.	

1. All ANZGHL/ANZBGL FAR Accountable Executives.
2. Specific deferral arrangements also exist under ANZIP for roles defined as specific country level MRTs, in line with local regulatory requirements.
3. A dividend equivalent payment (DEP) is paid in cash at the end of the relevant deferral period, but is only made to the extent that all or part of the underlying rights meet the relevant performance condition and vest to the individual. Dividend equivalents accrue over the full deferral period for RR, and only during the holding period for PR.

32. Employee share and option plans (continued)

Award Type	LTVR (RR & PR)	LTVR / VR historical (PR)	ANZIP VR (DSR)	ANZIP historical VR (DSR)
Allocation timing	LTVR awarded around late November/December (subject to shareholder approval for CEO).		Granted in late November.	
	Start of FY	End of FY		
2024 grants	During 2024, we granted 376,821 RR and 313,156 PR (2023: 393,419 RR and 325,880 PR).		During 2024, we granted 3,588,912 DSR (no performance hurdles) (2023: 2,386,278).	
Downward adjustment	Board discretion was not exercised to apply malus or clawback to any RR or PR in 2024 (2023: nil PR).		Board discretion was not exercised to apply malus or clawback to any deferred share rights in 2024 (2023: nil).	

ii) Exceptional circumstances

Remuneration forgone	As per Deferred Share Plan in countries where DSR may be granted instead of deferred shares.
Retention	

Options, deferred share rights, restricted rights and performance rights on issue

As at 7 November 2024, there were 487 holders of 6,177,236 DSR on issue, 11 holders of 739,812 RR on issue and 11 holders of 1,427,926 PR on issue.

Options/rights movements

This table shows the options/rights over unissued ANZ shares and their related weighted average (WA) exercise prices as at the beginning and end of 2024 and the movements during 2024:

	Opening balance 1 Oct 2023	Granted	Forfeited[1]	Expired	Exercised	Closing balance 30 Sep 2024
Number of options/rights	6,719,516	4,278,889	(632,985)	0	(2,014,320)	8,351,100
WA exercise price	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
WA closing share price						$27.34
WA remaining contractual life						1.8 years
WA exercise price of all exercisable options/rights outstanding						$0.00
Outstanding exercisable options/rights						118,965

This table shows the options/rights over unissued ANZ shares and their related weighted average exercise prices as at the beginning and end of 2023 and the movements during 2023:

	Opening balance 1 Oct 2022	Granted	Forfeited[1]	Expired	Exercised	Closing balance 30 Sep 2023
Number of options/rights	6,209,040	3,105,577	(428,483)	0	(2,166,618)	6,719,516
WA exercise price	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
WA closing share price						$24.30
WA remaining contractual life						1.9 years
WA exercise price of all exercisable options/rights outstanding						$0.00
Outstanding exercisable options/rights						124,377

1. Refers to any circumstance where equity can be forfeited (for example on cessation, downward adjustment or performance conditions not met).

All of the shares issued as a result of the exercise of options/rights during 2024 and 2023, were issued at a nil exercise price.

32. Employee share and option plans (continued)

As at the date of the signing of the Directors' Report on 7 November 2024:

- no options/rights over ordinary shares have been granted since the end of 2024; and
- 6,126 shares issued as a result of the exercise of options/rights since the end of 2024, all with a nil exercise price.

Fair value assumptions

When determining the fair value, we apply the standard market techniques for valuation, including Monte Carlo and/or Black Scholes pricing models. We do so in accordance with the requirements of AASB 2 *Share-based Payments*. The models take into account early exercise of vested equity, non-transferability and internal/external performance hurdles (if any).

The table below shows the significant assumptions we used as inputs into our fair value calculation of instruments granted during the period. We present the values as weighted averages, but the specific values we use for each allocation are the ones we use for the fair value calculation.

	2024			2023		
	Deferred share rights	Restricted rights	Performance rights	Deferred share rights	Restricted rights	Performance rights
Exercise price ($)	0.00	0.00	0.00	0.00	0.00	0.00
Share closing price at grant date ($)	24.38	24.66	24.60	24.67	24.54	24.51
Expected volatility of ANZ share price (%)[1]	19.98	20.0	20.0	20.0	20.0	20.0
Equity term (years)	2.1	6.6	6.6	2.1	6.6	6.6
Vesting period (years)	2.0	4.6	4.6	2.0	4.6	4.6
Expected life (years)	2.0	4.6	4.6	2.0	4.6	4.6
Expected dividend yield (%)	6.5	6.5	6.5	6.25	6.25	6.25
Risk free interest rate (%)	4.18	4.03	4.05	3.20	3.36	3.36
Fair value ($)	21.44	10.32	18.44	21.81	18.61	9.85

1. Expected volatility represents a measure of the amount by which ANZ's share price is expected to fluctuate over the life of the rights. The measure of volatility used in the model is the annualised standard deviation of the continuously compounded rates of return on the historical share price over a defined period of time preceding the date of grant. This historical average annualised volatility is then used to estimate a reasonable expected volatility over the expected life of the rights.

Satisfying equity awards

All shares underpinning equity awards may be purchased on market, reallocated or be newly issued shares, or a combination.

The equity we purchased on market during the 2024 financial year (either under the ANZ Employee Share Acquisition Plan and the ANZ Share Option Plan, or to satisfy options or rights) for all employees amounted to 5,211,778 shares at an average price of $24.17 per share (2023: 816,023 shares at an average price of $24.35 per share).

33. Related party disclosures

Key Management Personnel compensation

Key Management Personnel (KMP) are Directors of ANZGHL (whether executive directors or otherwise), and those personnel with a key responsibility for the strategic direction and management of the Group (i.e., members of the Group Executive Committee (ExCo)) who have Financial Accountability Regime (FAR) accountability and who report to the CEO. KMP compensation included within total personnel expenses in Note 4 Operating expenses is as follows:

	2024 $'000	2023[1] $'000
Short-term benefits	19,554	20,895
Post-employment benefits	526	466
Other long-term benefits	280	212
Termination benefits	-	31
Share-based payments	11,199	8,303
Total	31,559	29,907

1. Includes former disclosed KMP until the end of their employment.

Key Management Personnel loan transactions

Loans made to KMP are made in the ordinary course of business and on normal commercial terms and conditions that are no more favourable than those given to other employees or customers, including the term of the loan, security required and the interest rate. No amounts have been written off during the period, or individual provisions raised in respect of these balances. Details of the terms and conditions of lending products can be found on anz.com. The aggregate balance of loans (including credit card balances) made, guaranteed or secured, and undrawn facilities to KMP including their related parties, were as follows:

	2024 $'000	2023 $'000
Loans advanced[1]	22,200	28,233
Undrawn facilities[1]	856	554
Interest charged[2]	993	1,241

1. Balances are as at balance date (for KMP in office at balance date) or at the date of cessation of former KMP. Comparative balances have been adjusted for balances relating to new KMP, or KMP who departed in the prior year.
2. Interest charged is for all KMP's during the period.

Key Management Personnel holdings of ANZ securities

KMP, including their related parties, held ANZBGL's subordinated debt and shares, share rights and options over shares in the Company directly, indirectly or beneficially as shown below:

	2024 Number	2023 Number
Shares, options and rights[1]	3,429,494	3,226,399
Subordinated debt[1]	20,180	19,790

1. Balances are as at balance date (for KMP in office at balance date) or at the date of cessation of former KMP. Comparative balances have been adjusted for balances relating to new KMP, or KMP who departed in the prior year.

33. Related party disclosures (continued)

Other transactions of Key Management Personnel and their related parties

The aggregate of deposits of KMP and their related parties with the Group were $43 million (2023: $41 million).

Other transactions with KMP and their related parties include amounts paid to the Group in respect of investment management service fees, brokerage and bank fees and charges. The Group has reimbursed KMP for the costs incurred for security and secretarial services associated with the performance of their duties. These transactions are conducted on normal commercial terms and conditions no more favourable than those given to other employees or customers. Gifts were provided to KMP, including on their retirement, amounting to $6,637 during the year (2023: $2,476).

Associates

We disclose significant associates in Note 28 Investments in associates. During the course of the financial year, transactions conducted with all associates were on terms equivalent to those made on an arm's length basis.

	2024 $'000	2023 $'000
Amounts receivable from associates	84,201	37,364
Amounts payable to associates	66,542	15,478
Interest revenue from associates	22,563	25,111
Interest expense to associates	1,812	966
Other revenue from associates	34,020	23,427
Other expenses paid to associates	6,683	3,088
Dividend income from associates	13,771	42,316
Undrawn facilities[1]	106,191	31,670

1. Comparatives have been amended to include unutilised limits from revolving credit facilities.

There have been no material guarantees given or received. No amounts receivable from associates have been written-off during the period, nor individual provisions raised in respect of these balances.

Subsidiaries

We disclose material controlled entities in Note 27 Controlled entities. During the financial year, subsidiaries conducted transactions with each other and with associates on terms equivalent to those on an arm's length basis. As at 30 September 2024, we consider all outstanding amounts on these transactions to be fully collectible.

Other intragroup transactions include providing management and administrative services, staff training, data processing facilities, transfer of tax losses, and the leasing of premises and equipment. The Company also issued letters of comfort and guarantees in respect of certain subsidiaries in the normal course of business.

34. Commitments, contingent liabilities and contingent assets

Credit related commitments and contingencies

	2024 $m	2023 $m
Contract amount of:		
Undrawn facilities	249,988	240,711
Guarantees and letters of credit	22,509	23,556
Performance related contingencies	26,501	26,615
Total	298,998	290,882

Undrawn facilities

The majority of undrawn facilities are subject to customers maintaining specific credit and other requirements or conditions. Many of these facilities are expected to be only partially used, and others may never be used at all. As such, the total of the nominal principal amounts is not necessarily representative of future liquidity risks or future cash requirements. Based on the earliest date on which the Group may be required to pay, the full amount of undrawn facilities for the Group mature within 12 months.

Guarantees, letters of credit and performance related contingencies

Guarantees, letters of credit and performance related contingencies relate to transactions that the Group has entered into as principal.

Letters of credit involve the Group issuing letters of credit guaranteeing payment in favour of an exporter. They are secured against an underlying shipment of goods or backed by a confirmatory letter of credit from another bank.

Performance-related contingencies are liabilities that oblige the Group to make payments to a third party if the customer fails to fulfil its non-monetary obligations under the contract.

To reflect the risks associated with these transactions, we apply the same credit origination, portfolio management and collateral requirements that we apply to loans. The contract amount represents the maximum potential amount that we could lose if the counterparty fails to meet its financial obligations. As the facilities may expire without being drawn upon, the notional amounts do not necessarily reflect future cash requirements. Based on the earliest date on which the Group may be required to pay, the full amount of guarantees and letters of credit and performance-related contingencies for the Group mature within 12 months.

Other contingent liabilities

There are outstanding court proceedings, claims and possible claims for and against the Group. Where relevant, expert legal advice has been obtained and, in the light of such advice, provisions (refer to Note 23 Other provisions) and/or disclosures as deemed appropriate have been made. In some instances we have not disclosed the estimated financial impact of the individual items either because it is not practicable to do so or because such disclosure may prejudice the interests of the Group.

A description of contingent liabilities and contingent assets as at 30 September 2024 is set out below.

Regulatory and customer exposures

The Group regularly engages with its domestic and international regulators and other statutory and supervisory bodies. The nature of these regulatory interactions can be wide ranging and include regulatory investigations, surveillance and reviews, reportable situations, formal and informal inquiries and regulatory supervisory activities in Australia and globally. The Group also receives notices and requests for information from its regulators and other bodies from time to time as part of both industry-wide and Group-specific reviews and makes disclosures to its regulators at its own instigation.

There has been a recent increase in the number of matters on which the Group has engaged with its regulators. Recent interactions relate to matters including:

- markets transactions and data reporting;
- anti-money laundering and counter-terrorism financing obligations, processes and procedures; and
- non-financial risk management practices including customer service processes relating to complaints, hardship and deceased estates, compliance with mandatory reporting obligations, the application of interest and fees on certain products and the financial accountability regime.

The possible exposures associated with the Group's regulatory interactions may include civil enforcement actions, criminal proceedings, fines and penalties, imposition of capital or liquidity requirements, customer remediation, the requirement to conduct independent reviews, sanctions or the exercise of other regulatory powers.

There may also be exposures to customers, third parties and shareholders which are additional to any regulatory exposures. These could include class actions or claims for compensation or other remedies.

The outcomes and total costs associated with these possible regulatory, customer and other exposures remain uncertain.

34. Commitments, contingent liabilities and contingent assets (continued)

Other contingent liabilities (continued)

South African rate action

In February 2017, the South African Competition Commission commenced proceedings against local and international banks including ANZBGL alleging breaches of the cartel provisions of the *South African Competition Act* in respect of trading in the South African rand. The potential civil penalty or other financial impact is uncertain.

Esanda dealer car loan litigation

In August 2020, a class action was brought against ANZBGL alleging unfair conduct, misleading or deceptive conduct and equitable mistake in relation to the use of flex commissions in dealer arranged Esanda car loans. An agreement to settle the claim was reached in October 2024. ANZBGL will pay $85 million in settlement, which is covered by existing provisions held at 30 September 2024. The settlement is without admission of liability and remains subject to court approval.

Onepath superannuation litigation

In December 2020, a class action was brought against OnePath Custodians, OnePath Life and ANZBGL alleging that OnePath Custodians breached its obligations under superannuation legislation, and its duties as trustee, in respect of superannuation investments and fees. The claim also alleges that ANZBGL was involved in some of OnePath Custodians' investment breaches. An agreement to settle the claim was reached in October 2024. ANZBGL will contribute $14 million to the settlement, which is covered by existing provisions held at 30 September 2024. The settlement is without admission of liability and remains subject to court approval.

New Zealand loan information litigation

In September 2021, a representative proceeding was brought against ANZ Bank New Zealand Limited, alleging breaches of disclosure requirements under consumer credit legislation in respect of variation letters sent to certain loan customers. ANZ Bank New Zealand Limited is defending the allegations.

Credit cards litigation

In November 2021, a class action was brought against ANZBGL alleging that certain interest terms in credit card contracts were unfair contract terms and that it was unconscionable for ANZBGL to rely on them. An agreement to settle the claim was reached in March 2024. ANZBGL will pay $57.5 million in settlement, which is covered by existing provisions held at 30 September 2024. The settlement is without admission of liability and remains subject to court approval.

Security recovery actions

Various claims have been made or are anticipated, arising from security recovery actions taken to resolve impaired assets. These claims will be defended.

Warranties, indemnities and performance management fees

The Group has provided warranties, indemnities and other commitments in favour of the seller/purchaser and other persons in connection with various acquisitions/disposals of businesses and assets and other transactions, covering a range of matters and risks. It is exposed to claims under those warranties, indemnities and commitments, some of which are currently active. The outcomes and total costs associated with these exposures remain uncertain.

The Group has entered an arrangement to pay performance management fees to external fund managers in the event predetermined performance criteria are satisfied in relation to certain Group investments. The satisfaction of the performance criteria and associated performance management fee remains uncertain.

34. Commitments, contingent liabilities and contingent assets (continued)

Other contingent liabilities (continued)

Clearing and settlement obligations

Certain group companies have a commitment to comply with rules governing various clearing and settlement arrangements which could result in a credit risk exposure and loss if another member institution fails to settle its payment clearing activities. The Group's potential exposure arising from these arrangements is unquantifiable in advance.

Certain group companies hold memberships of central clearing houses, including ASX Clear (Futures), London Clearing House (LCH) SwapClear, Korea Exchange (KRX), Hong Kong Exchange (HKEX), the Clearing Corporation of India, Taiwan Futures Exchange and the Shanghai Clearing House. These memberships allow the relevant group company to centrally clear derivative instruments in line with cross-border regulatory requirements. Common to all of these memberships is the requirement for the relevant group company to make default fund contributions. In the event of a default by another member, the relevant group company could potentially be required to commit additional default fund contributions which are unquantifiable in advance.

Parent entity guarantees

Certain group companies have issued letters of comfort and guarantees in respect of certain subsidiaries in the normal course of business. Under these letters and guarantees, the issuing entity undertakes to ensure that those subsidiaries continue to meet their financial obligations, subject to certain conditions including that the subsidiary remains a controlled entity.

Sale of Grindlays business

On 31 July 2000, ANZBGL completed the sale to Standard Chartered Bank (SCB) of ANZ Grindlays Bank Limited (Grindlays) and certain other businesses. ANZBGL provided warranties and indemnities relating to those businesses.

The indemnified matters include civil penalty proceedings and criminal prosecutions brought by Indian authorities against Grindlays and certain of its officers, in relation to certain transactions conducted in 1991 that are alleged to have breached the *Foreign Exchange Regulation Act, 1973*. Civil penalties were imposed in 2007 which are the subject of ongoing appeals.

Contingent assets

National Housing Bank

ANZBGL is pursuing recovery of the proceeds of certain disputed cheques which were credited to the account of a former Grindlays customer in the early 1990s.

The disputed cheques were drawn on the National Housing Bank (NHB) in India. Proceedings between Grindlays and NHB concerning the proceeds of the cheques were resolved in early 2002.

Recovery is now being pursued from the estate of the Grindlays customer who received the cheque proceeds. Any amounts recovered are to be shared between ANZBGL and NHB.

35. Auditor fees

	2024 $'000	2023 $'000
KPMG Australia		
Audit or review of financial reports	11,279	9,820
Audit-related services[1]	4,597	3,882
Non-audit services[2]	27	10
Total[3]	15,903	13,712
Overseas related practices of KPMG Australia		
Audit or review of financial reports	5,930	6,157
Audit-related services[1]	2,191	1,933
Non-audit services[2]	153	95
Total	8,274	8,185
Total auditor fees[4]	24,177	21,897

1. Group audit-related services comprise prudential and regulatory services of $4.16 million (2023: $4.11 million), comfort letters $0.72 million (2023: $0.57 million) and other services $1.91 million (2023: $1.14 million).
2. The nature of non-audit services for the Group includes methodology, procedural, operational and administrative reviews. Further details are provided in the Directors' Report.
3. Inclusive of goods and services tax.
4. Total auditor fees do not include fees paid to other audit firms where KPMG is in joint audit arrangement or not the auditor amounting to $0.80 million (2023: $0.55 million).

Under Group policy, KPMG Australia or any of its related practices are allowed to provide assurance and other audit-related services that, while outside the scope of the statutory audit, are consistent with the role of an external auditor. These include prudential and regulatory reviews requested by regulators such as APRA. Any other services that are not audit or audit-related services are non-audit services. Group policy allows certain non-audit services to be provided where the service would not contravene auditor independence requirements. KPMG Australia or any of its related practices may not provide services that are perceived to be in conflict with the role of the external auditor or breach auditor independence. These include consulting advice and subcontracting of operational activities normally undertaken by management, and engagements where the external auditor may ultimately be required to express an opinion on its own work.

36. Suncorp Bank acquisition

On 31 July 2024, the Group acquired 100% of the shares in SBGH Limited, the immediate holding company of Suncorp Bank. Suncorp Bank provides banking and related services to retail, commercial, small and medium enterprises and agribusiness customers in Australia. The transaction was undertaken to accelerate the growth of the Group's retail and commercial businesses while also improving the geographic balance of its business in Australia.

Assets acquired and liabilities assumed as at acquisition date are disclosed on a provisional basis, with goodwill of $1,402 million recognised and allocated to the Suncorp Bank division, pending completion of the final consideration payable, and the purchase price allocation (PPA).

Provisional goodwill is attributable to the assembled workforce and expected synergies arising from the economies of scale from the integration and consolidation of platforms and funding benefits. It will not be deductible for tax purposes.

The provisional balances are pending the completion of the PPA exercise that commenced following completion on 31 July 2024 but remains in progress at the date of this report. At 30 September 2024, the most significant adjustments have been the elimination of the pre-acquisition allowance for ECL, capitalised brokerage and other origination costs, and related deferred tax balances. The PPA exercise will identify the acquired tangible and intangible assets and assumed liabilities and measure their acquisition-date values. The Group expects that on completion of the PPA in the 2025 financial year, the acquired assets (including loans and advances and intangible assets) and assumed liabilities (including deposits and debt issuances) will be restated to their acquisition-date values with a corresponding adjustment to goodwill.

Assets acquired and liabilities assumed as at acquisition date (provisional)	2024 $m
Assets	
Cash and cash equivalents	1,333
Collateral paid	80
Trading assets	2,307
Derivative financial instruments	310
Investment securities	9,920
Gross loans and advances	69,745
Deferred tax assets	48
Intangible assets	103
Other assets	431
Total assets	**84,277**
Liabilities	
Collateral received	48
Deposits and other borrowings	62,438
Derivative financial instruments	279
Payables and other liabilities	731
Provisions	89
Debt issuances	15,847
Total liabilities	**79,432**
Net assets acquired	**4,845**
Cash consideration paid[1,2]	6,247
Provisional value of goodwill	**1,402**

[1] Subject to final completion activities.

[2] The cash consideration of $6.2 billion includes payment for Suncorp Bank's Tier 2 notes ($606 million) and Capital Notes ($564 million).

Included in the Consolidated Income Statement and Statement of Comprehensive Income since 31 July 2024 is operating income of $257 million and net loss after tax of $122 million in respect of the acquired business. Had Suncorp Bank been acquired on 1 October 2023, the operating income and profit after tax of the combined Group for the twelve months ended 30 September 2024 was estimated to be ~$21,600 million and ~$6,800 million respectively.

The Group incurred acquisition-related costs of $21 million (2023: $12 million) on legal fees and due diligence costs, recognised in Other operating expenses in the Income Statement.

36. Suncorp Bank acquisition (continued)

Recognition and measurement

Business combinations are accounted for using the acquisition method of accounting. The cost of acquisition is measured at the fair value of the transferred consideration, including where relevant, any contingent consideration. Acquisition-related costs are expensed when incurred. Identifiable assets and liabilities, along with contingent consideration, are valued at their fair values on the acquisition date. Goodwill is calculated as the excess of the consideration over the net of identifiable assets and liabilities. The acquired business operations are included in our financial statements from the acquisition date.

37. Events since the end of the financial year

Other than matters outlined in the Financial Report, there have been no significant events from 30 September 2024 to the date of signing this report.

Consolidated Entity Disclosure Statement

Basis of preparation

This Consolidated Entity Disclosure Statement has been prepared in accordance with *subsection 295(3A) of the Corporations Act 2001*. The entities listed in the statement are for ANZ Group Holdings Limited and all its controlled entities as at 30 September 2024 in accordance with *AASB 10 Consolidated Financial Statements*.

Entity Name	Entity Type	Place Formed or Incorporated	% of Share Capital Held	Tax Residency (Australia or Foreign Jurisdiction)
ANZ Finance American Samoa, Inc	Body corporate	American Samoa	100%	American Samoa
1835 Funding Pty Limited	Body corporate	Australia	0%	Australia
1835i Creation Fund I Trust	Trust	N/A	N/A	Australia
1835i Explorer 1 Pty Ltd	Body corporate	Australia	0%	Australia
1835i Ventures Trust I	Trust	N/A	N/A	Australia
1835i Ventures Trust I-A	Trust	N/A	N/A	Australia
1835i Ventures Trust II	Trust	N/A	N/A	Australia
1835i Ventures Trust III	Trust	N/A	N/A	Australia
1835i Ventures Trust III-A	Trust	N/A	N/A	Australia
A.C.N. 660 735 311 Pty Limited	Body corporate	Australia	100%	Australia
A.C.N. 660 735 697 Pty Limited	Body corporate	Australia	100%	Australia
A.C.N. 660 736 238 Pty Limited	Body corporate	Australia	100%	Australia
ACN 008 647 185 Pty Ltd[1]	Body corporate	Australia	100%	Australia
ANZ BH Pty Ltd	Body corporate	Australia	100%	Australia
ANZ Capital No. 1 Pty Ltd	Body corporate	Australia	100%	Australia
ANZ Centre Chattels Trust	Trust	N/A	N/A	Australia
ANZ Centre Pty Ltd[2]	Body corporate	Australia	100%	Australia
ANZ Centre Trust	Trust	N/A	N/A	Australia
ANZ Commodity Trading Pty Ltd	Body corporate	Australia	100%	Australia
ANZ Fiduciary Services Pty Ltd	Body corporate	Australia	100%	Australia
ANZ Funds Pty Ltd	Body corporate	Australia	100%	Australia
ANZ Global Services and Operations Pty Limited	Body corporate	Australia	100%	Australia
ANZ Group Holdings Limited	Body corporate	Australia	N/A	Australia
ANZ Group Services Pty Ltd	Body corporate	Australia	100%	Australia
ANZ ILP Pty Ltd	Body corporate	Australia	100%	Australia
ANZ International Private Limited	Body corporate	Singapore	100%	Australia
ANZ Leasing (BWC Financing) Pty Ltd	Body corporate	Australia	100%	Australia
ANZ Leasing (MAGA) Pty Ltd	Body corporate	Australia	100%	Australia
ANZ Lenders Mortgage Insurance Pty Limited	Body corporate	Australia	100%	Australia
ANZ Margin Services Pty Limited	Body corporate	Australia	100%	Australia
ANZ NBH Pty Ltd	Body corporate	Australia	100%	Australia
ANZ Nominees Pty Ltd	Body corporate	Australia	100%	Australia
ANZ Properties (Australia) Pty Ltd	Body corporate	Australia	100%	Australia
ANZ Residential Covered Bond Trust	Trust	N/A	N/A	Australia
ANZ Rewards No. 2 Pty Ltd	Body corporate	Australia	100%	Australia
ANZ Rural Trust No 1	Trust	N/A	N/A	Australia
ANZ Securities (Holdings) Pty Ltd	Body corporate	Australia	100%	Australia
ANZ Securities Limited	Body corporate	Australia	100%	Australia
ANZ Wealth Australia Pty Ltd	Body corporate	Australia	100%	Australia
ANZEST Pty Ltd	Body corporate	Australia	100%	Australia
ANZi Holdings Pty Ltd	Body corporate	Australia	100%	Australia
APOLLO Series 2008-1R Trust	Trust	N/A	N/A	Australia
APOLLO Series 2015-1 Trust	Trust	N/A	N/A	Australia

1. ACN 008 647 185 Pty Ltd is trustee of Postbank Equity Trust.
2. ANZ Centre Pty Ltd acts as trustee of the ANZ Centre Trust and ANZ Centre Chattels Trust respectively.

Consolidated Entity Disclosure Statement (continued)

Entity Name	Entity Type	Place Formed or Incorporated	% of Share Capital Held	Tax Residency (Australia or Foreign Jurisdiction)
APOLLO Series 2017-1 Trust	Trust	N/A	N/A	Australia
APOLLO Series 2017-2 Trust	Trust	N/A	N/A	Australia
APOLLO Series 2018-1 Trust	Trust	N/A	N/A	Australia
APOLLO Series 2022-1 Trust	Trust	N/A	N/A	Australia
APOLLO Series 2023-1 Trust	Trust	N/A	N/A	Australia
APOLLO Series 2024-1 Trust	Trust	N/A	N/A	Australia
APOLLO Warehouse Trust No. 2	Trust	N/A	N/A	Australia
Australia and New Zealand Banking Group Limited	Body corporate	Australia	100%	Australia
Cashrewards IP Pty Limited	Body corporate	Australia	0%	Australia
Cashrewards LB Pty Ltd	Body corporate	Australia	0%	Australia
Cashrewards Operations Pty Limited	Body corporate	Australia	0%	Australia
Cashrewards Pty Limited	Body corporate	Australia	0%	Australia
Esanda Finance Corporation Pty Ltd	Body corporate	Australia	100%	Australia
Institutional Securitisation Services Limited	Body corporate	Australia	100%	Australia
Jikk Pty Ltd	Body corporate	Australia	100%	Australia
Kingfisher Trust 2008-1	Trust	N/A	N/A	Australia
Kingfisher Trust 2016-1	Trust	N/A	N/A	Australia
Kingfisher Trust 2019-1	Trust	N/A	N/A	Australia
Norfina Advances Corporation Pty Ltd	Body corporate	Australia	100%	Australia
Norfina Covered Bond Trust	Trust	N/A	N/A	Australia
Norfina Limited	Body corporate	Australia	100%	Australia
OneTwo Finance FSA Pty Ltd	Body corporate	Australia	100%	Australia
OneTwo Finance Pty Ltd	Body corporate	Australia	100%	Australia
Postbank Equity Trust	Trust	N/A	N/A	Australia
SBGH Limited	Body corporate	Australia	100%	Australia
Secure Data Consent Pty Ltd	Body corporate	Australia	0%	Australia
Share Investing Pty Ltd	Body corporate	Australia	100%	Australia
Shout for Good Pty Ltd	Body corporate	Australia	100%	Australia
SME Management Pty Limited	Body corporate	Australia	100%	Australia
Votraint No. 1103 Pty Limited	Body corporate	Australia	100%	Australia
Wheatbelt Natural Capital Pty Ltd	Body corporate	Australia	100%	Australia
Australia and New Zealand Bank (China) Company Limited	Body corporate	China	100%	China
ANZ Pacific Operations Pte Ltd	Body corporate	Fiji	100%	Fiji
ANZ Finance Guam, Inc	Body corporate	Guam	100%	Guam
ANZ Guam Inc.	Body corporate	Guam	100%	Guam
Citizens Bancorp	Body corporate	Guam	100%	Guam
ANZ International (Hong Kong) Limited	Body corporate	Hong Kong	100%	Hong Kong
ANZ Capital Private Limited	Body corporate	India	100%	India
ANZ Operations And Technology Private Limited	Body corporate	India	100%	India
ANZ Support Services India Private Limited	Body corporate	India	100%	India
PT Bank ANZ Indonesia	Body corporate	Indonesia	99%	Indonesia
ANZ Securities (Japan), Ltd	Body corporate	Japan	100%	Japan
ANZ Bank (Kiribati) Limited	Body corporate	Kiribati	75%	Kiribati
ANZ Bank New Zealand Limited	Body corporate	New Zealand	100%	New Zealand
ANZ Custodial Services New Zealand Limited	Body corporate	New Zealand	100%	New Zealand
ANZ Holdings (New Zealand) Limited	Body corporate	New Zealand	100%	New Zealand
ANZ Investment Services (New Zealand) Limited	Body corporate	New Zealand	100%	New Zealand

Consolidated Entity Disclosure Statement (continued)

Entity Name	Entity Type	Place Formed or Incorporated	% of Share Capital Held	Tax Residency (Australia or Foreign Jurisdiction)
ANZ National Staff Superannuation Limited	Body corporate	New Zealand	100%	New Zealand
ANZ New Zealand (Int'l) Limited	Body corporate	New Zealand	100%	New Zealand
ANZ New Zealand Investments Holdings Limited	Body corporate	New Zealand	100%	New Zealand
ANZ New Zealand Investments Limited	Body corporate	New Zealand	100%	New Zealand
ANZ New Zealand Investments Nominees Limited	Body corporate	New Zealand	100%	New Zealand
ANZNZ Covered Bond Trust	Trust	N/A	N/A	New Zealand
Arawata Assets Limited	Body corporate	New Zealand	100%	New Zealand
Dot Data Limited	Body corporate	New Zealand	100%	New Zealand
Endeavour Finance Limited	Body corporate	New Zealand	100%	New Zealand
Kingfisher NZ Trust 2008-1	Trust	N/A	N/A	New Zealand
OneAnswer Nominees Limited	Body corporate	New Zealand	100%	New Zealand
8 and 9 Chester Limited	Body corporate	Papua New Guinea	100%	Papua New Guinea
ANZ Investments (PNG) Limited	Body corporate	Papua New Guinea	100%	Papua New Guinea
Australia and New Zealand Banking Group (PNG) Limited	Body corporate	Papua New Guinea	100%	Papua New Guinea
ANZ Global Services And Operations (Manila) Inc	Body corporate	Philippines	100%	Philippines
ANZ Bank (Samoa) Limited	Body corporate	Samoa	100%	Samoa
ANZcover Insurance Private Ltd	Body corporate	Singapore	100%	Singapore
ANZ (Thai) Public Company Limited	Body corporate	Thailand	100%	Thailand
ANZ Pensions (UK) Limited	Body corporate	United Kingdom	100%	United Kingdom
ANZ Securities, Inc.	Body corporate	United States	100%	United States
ANZ Bank (Vanuatu) Limited[1]	Body corporate	Vanuatu	100%	N/A
La Serigne Limited[1]	Body corporate	Vanuatu	100%	N/A
Whitehall Investments Ltd[1]	Body corporate	Vanuatu	100%	N/A
ANZ Bank (Vietnam) Limited	Body corporate	Vietnam	100%	Vietnam

[1] Vanuatu does not have a corporate tax regime and therefore the concept of tax residency does not apply.

Key concepts

Determination of tax residency

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

"Australian resident" has the meaning provided in the *Income Tax Assessment Act 1997* (ITAA). In applying that definition, the consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in *Tax Ruling TR 2018/5 and Practical Compliance Guideline PCG 2018-009*.

Foreign tax residency

Where an entity is shown as being resident in a foreign jurisdiction, this is taken to mean a resident for the purposes of the law of the foreign jurisdiction relating to foreign income tax, within the meaning of the ITAA.

Directors' Declaration

The Directors of ANZ Group Holdings Limited declare that:

a) In the Directors' opinion:

   i) the financial statements and notes of the Consolidated Entity are in accordance with the *Corporations Act 2001*, including:

      A. section 296, that they comply with the Australian Accounting Standards and any further requirements of the *Corporations Regulations 2001*; and

      B. section 297, that they give a true and fair view of the financial position of the Consolidated Entity as at 30 September 2024 and of its performance for the year ended on that date; and

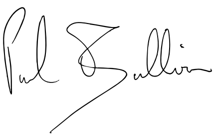
   ii) the Consolidated Entity Disclosure Statement required by section 295(3A) of the *Corporations Act 2001* and included on pages 211 to 213 of the financial report is true and correct; and

   iii) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

b) The notes to the financial statements of the Consolidated Entity include a statement that the financial statements and notes of the Consolidated Entity comply with International Financial Reporting Standards; and

c) The Directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Directors.



Paul D O'Sullivan
Chairman

7 November 2024

Shayne C Elliott
Managing Director

To the shareholders of ANZ Group Holdings Limited

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report** of ANZ Group Holdings Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the **Group's** financial position as at 30 September 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Balance Sheet as at 30 September 2024
- Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity, and Cash Flow Statement for the year then ended
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 September 2024
- Notes including material accounting policies
- Directors' Declaration.

The **Group** consists of ANZ Group Holdings Limited and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards* and *International Standards on Auditing*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key Audit Matters

The **Key Audit Matters** we identified are:

- Allowance for expected credit losses
- Subjective and complex valuation of certain financial instruments held at fair value
- Carrying value of investments in PT Bank Pan Indonesia (PT Panin)
- IT systems and controls
- Acquisition of Suncorp Bank

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters (continued)

Allowance for expected credit losses ($4,555m)

Refer to Note 14 to the Financial Report.

The Key Audit Matter

Allowance for expected credit losses (ECL) is a Key Audit Matter due to the significance of the loans and advances balances to the Group's financial statements and the inherent complexity of the Group's expected credit loss models (ECL models) used to measure ECL allowances. These models are reliant on data and estimates including probability weighted economic scenarios and other key assumptions such as defining a significant increase in credit risk (SICR).

AASB 9 Financial Instruments requires the Group to measure ECL on a forward-looking basis reflecting a range of economic conditions. Temporary adjustments are made by the Group to address known ECL model limitations or emerging trends in the loan portfolios. We exercise significant judgement in challenging the economic scenarios and the judgmental temporary adjustments the Group applies.

Additional subjectivity and judgement is applied in the Group's modelling due to the heightened uncertainty associated with the impact of the economic outlook and its impact on customers, increasing our audit effort thereon.

How the matter was addressed in our audit

Our audit procedures for the allowance for ECL included assessing the Group's significant accounting policies against the requirements of the accounting standard. Additionally, our procedures included testing the Group's key controls in relation to:

- The ECL model governance, monitoring and validation processes which involved assessment of model performance;
- The assessment and approval of the forward-looking macroeconomic assumptions and scenario weightings through challenge applied by the Group's internal governance processes;
- Reconciliation of the data used in the ECL calculation process to gross balances recorded within the general ledger as well as source systems;
- Customer credit rating (CCR), a key input into the SICR assumption for wholesale loans (non-retail loans). This covered elements such as: approval of new lending facilities against the Group's lending policies, monitoring of counterparty credit quality against the Group's exposure criteria for internal factors specific to the counterparty or external macroeconomic factors, and accuracy and timeliness of CCR and security indicator (SI) assessments against lending policies and regulatory requirements;
- IT system controls which record retail loans lending arrears, group exposures into delinquency buckets, and re-calculate individual allowances. We tested automated calculation and change management controls and evaluated the Group's oversight of the portfolios, with a focus on controls over delinquency monitoring.

We tested relevant General Information Technology Controls (GITCs) in relation to the key IT applications used by the Group in measuring ECL allowances as detailed in the IT Systems and Controls Key Audit Matter below.

In addition to controls testing, our procedures included:

- Obtaining an understanding of the Group's processes to determine ECL allowances, evaluating the ECL model methodologies against established market practices and criteria in the accounting standards;
- Reperforming a sample of credit assessments for wholesale loans controlled by the Group's workout and recovery team assessed as higher risk or impaired, and a sample of other loans, focusing on larger exposures assessed by the Group as showing signs of deterioration, or in areas of emerging risk;
- For each loan sampled, we challenged the Group's assessment of CCR and SI using the customer's financial position, the valuation of security, and, where relevant, the risk of stranded assets, to inform our overall assessment of loan recoverability and the impact on the credit allowance. To do this, we used the information on the Group's loan file, portfolio and industry reviews, external rating and publications and, we enquired regarding the facts and circumstances of the case with the Relationship Manager;
- Exercising our judgement, our procedures included using our understanding of relevant industries and the macroeconomic environment and comparing data and assumptions used by the Group in recoverability assessments to externally sourced evidence, such as, external credit ratings, publicly available audited financial statements and comparable external valuations of collateral held. Where relevant, we assessed the forecast timing of future cash flows in the context of underlying valuations and approved business plans and challenged key assumptions in the valuations;
- Working with our credit risk specialists, we assessed the accuracy of the Group's ECL model estimates by re-performing, for a sample of loans, the calculation of the ECL allowance using our independently derived calculation tools and comparing this to the amount recorded by the Group;
- Working with our economic specialists, we challenged the Group's forward-looking macroeconomic assumptions and scenarios incorporated in the Group's ECL models. We compared the Group's forecast GDP, unemployment rates, CPI and property price indices to relevant publicly available macroeconomic information, and considered other known variables and information obtained through our other audit procedures to identify contradictory indicators;
- Testing the implementation of the Group's SICR methodology by re-performing the staging calculation for a sample of loans taking into consideration movements in the CCR from loan origination and comparing our result to actual staging applied on an individual account level in the Group's ECL model;
- Assessing the accuracy of the data used in the ECL models by checking a sample of data fields, such as, account balance and CCR to relevant source systems;
- Assessing the appropriateness of the Group's disclosures in the Financial Report, using our understanding obtained from our testing and against the requirements of the accounting standards.

Key Audit Matters (continued)

We challenged key assumptions used by the Group in their temporary adjustments. This included:

- Assessing temporary adjustments against the Group's ECL model and data deficiencies identified in the Group's model validation processes, particularly in light of the significant volatility in economic scenarios;
- Comparing underlying data used in concentration risk and economic cycle allowances to underlying loan portfolio characteristics of recent loss experience, current market conditions and specific risks in the Group's loan portfolios;
- Assessing certain temporary adjustments identified by the Group against internal and external information;
- Assessing the completeness of temporary adjustments by checking the consistency of risks we identified in the loan portfolios against the Group's assessment.

Subjective and complex valuation of certain financial instruments held at fair value:

- Fair value of level 3 asset positions $1,740m
- Fair value of level 3 liability positions $15m
- Fair value of level 2 asset positions $151,186m*
- Fair value of level 2 liability positions $99,882m*

*This KAM relates to our audit procedures for structured notes, derivatives (mainly cancellable swaps and FX options) and fair value adjustments (credit valuation adjustment and funding valuation adjustment) within the level 2 population, that are valued using more complex valuation models.

Refer to Note 19 to the Financial Report.

The Key Audit Matter

The fair value of the Group's Level 3 and certain Level 2 (Level 2) financial instruments is determined by the Group's application of valuation techniques which often involve the exercise of judgement and the use of assumptions and estimates.

The valuation of Level 3 and Level 2 financial instruments held at fair value is a Key Audit Matter due to:

- The high degree of estimation uncertainty and potentially significant range of reasonable outcomes associated with the valuation of financial instruments classified as Level 3 where significant pricing inputs used in the valuation methodology and models are not observable.
- The complexity and subjectivity associated with the Group's valuation models for certain Level 2 derivatives and structured notes leading to an increase in estimation uncertainty.

These factors increased the level of judgement applied by us and our audit effort thereon.

In addressing this Key Audit Matter, we involved our valuation specialists to supplement our senior team members who understand the methods, assumptions and data relevant to the Group's valuation of financial instruments.

How the matter was addressed in our audit

Our audit procedures in addressing this Key Audit Matter included:

- Assessing the population of financial instruments held at fair value by the Group to identify portfolios with a higher risk of misstatement arising from significant judgements over valuation either due to unobservable inputs or complex/subjective models;
- Testing the design and operating effectiveness of key controls relating specifically to these financial instruments, including those in relation to:
  - independent price verification (IPV), including completeness of portfolios and valuation inputs subject to IPV;
  - model validation at inception and periodically, including assessment of model limitation and assumptions;
  - review, approval and challenge of daily profit and loss by a control function;
  - collateral management process, including review and approval of margin reconciliations with clearing houses; and
  - review and approval of fair value adjustments (FVAs), including exit price and portfolio level adjustments.
- In relation to the subjective valuation of certain Level 2 and Level 3 financial instruments, with our valuation specialists:
  - Assessing the reasonableness of key inputs and assumptions using comparable data in the market and available alternatives;
  - Comparing the Group's valuation methodology to industry practice and the criteria in the accounting standards; and
  - Independently revaluing a selection of financial instruments and FVAs of the Group. This involved sourcing independent inputs from comparable data in the market and available alternatives. We challenged and assessed differences against the Group's valuations.
- Assessing the appropriateness of the Group's disclosures in the Financial Report using our understanding obtained from our testing and against the requirements of the accounting standards.

Key Audit Matters (continued)

Carrying value of investments in PT Bank Pan Indonesia (PT Panin) ($1,415m)

Refer to Note 28 to the Financial Report.

The Key Audit Matter

The carrying value of the Group's investment in PT Panin is a Key Audit Matter due to certain conditions increasing the possibility of this investment being impaired, plus the risk of inaccurate forecasts or a wider range of possible outcomes for us to consider, including:

- the presence of impairment indicators resulting from the carrying value of the investment in PT Panin exceeding the Fair Value Less Costs of Disposal (FVLCOD) at times throughout the year;
- historical volatility in the market price of the PT Panin shares;
- impairment has been recognised in prior periods.

The presence of these conditions necessitated increased judgement by us to assess the Group's valuation methods and associated investment value determined by the Group.

We involved our valuation specialists to supplement our senior team members in assessing this Key Audit Matter.

How the matter was addressed in our audit

Working with our valuation specialists, our procedures included:

- Evaluating the appropriateness of the recoverable amount methods applied by the Group against the requirements of the accounting standards;
- Independently evaluating FVLCOD method and assessing the market liquidity of the share price at the reporting date, in light of the historical volatility in the market price;
- Independently evaluating the valuation derived from the value in use method used by the Group. This included:
  - Assessing the integrity of the model used, including the accuracy of the underlying calculation formulas;
  - Assessing the Group's key assumptions used in the model by comparing to external observable metrics, historical experience, our knowledge of the market and current market practice;
  - Independently developing a discount rate range considered comparable using publicly available market data for comparable entities, adjusted for factors specific to the investment and the market and industry it operates in;
  - Comparing the forecast earnings contained in the model to the approved PT Panin financial plan, released financial results and against available market data;
  - Assessing the accuracy of previous forecasts to inform our evaluation of current forecasts incorporated in the model;
  - Evaluating the sensitivity of the model by varying key assumptions within a reasonable possible range. We did this to identify those assumptions at higher risk of bias or inconsistency in application and to focus our further procedures.
- Assessing the Group's disclosures in the Financial Report using our understanding obtained from our testing and against the requirements of the accounting standards.

IT systems and controls

The Key Audit Matter

The Group's businesses utilise many complex, interdependent Information Technology (IT) systems to process and record a high volume of transactions. The controls over access, changes to and operation of relevant IT systems are key to the recording of financial information and the preparation of a financial report which provides a true and fair view of the Group's financial position and performance.

The IT systems and controls, as they impact the financial recording and reporting of the Group's transactions, is a Key Audit Matter as our audit approach could significantly differ depending on the effective operation of these Group IT controls. We work with our IT specialists in this regard.

How the matter was addressed in our audit

Our testing focused on the technology control environments for key IT applications (systems) used in processing significant financial transactions and recording balances in the general ledgers, and the automated controls embedded within these systems which link the technology-enabled business processes. Working with our IT specialists our audit procedures included:

- Assessing the governance and higher-level controls across the relevant IT environments, including policy design, policy review and awareness, and IT Risk and cyber security management practices;
- Testing the design and operating effectiveness of the Group's key controls with respect to:
  - user access management, including how users are on-boarded, monitored, and removed on a timely basis from key IT applications and infrastructure. We also tested controls for managing privileged roles and functions across relevant IT applications and the underlying infrastructure;
  - change management for systems relevant to financial reporting, including authorisation of changes prior to development, testing and approvals prior to migration into the production environment of key IT applications. We assessed appropriateness of users with access to release changes to IT application production environments against their job roles;
  - access to and monitoring of system batch job schedules;
- Design and operating effectiveness testing of key automated business process controls including those relating to enforcing segregation of duties to avoid conflicts from inappropriate role combinations within IT applications. We tested key controls over:
  - System configurations to perform calculations and mappings of financial transactions, identification of transactions requiring approval and automated reconciliation controls (both between systems and intra-system); and
  - Data integrity of key system reporting used in our audit procedures and the Group's financial reporting.

Key Audit Matters (continued)

Acquisition of Suncorp Bank

Refer to Note 36 to the Financial Report.

The Key Audit Matter

On 31 July 2024, the Group acquired 100% of the shares in SBGH Limited, the immediate holding company of Suncorp Bank for a total cash consideration of $6.2bn. This transaction is a Key Audit Matter given the size of the acquisition and its impact to the Group's financial statements.

We focused our audit effort on the recoverability of the provisional goodwill recognised given the transaction was entered into two years prior to the settlement date.

We involved our senior team members, including specialists, in assessing this Key Audit Matter.

How the matter was addressed in our audit

Our procedures included:

- Evaluating the Group's acquisition accounting approach against the criteria and requirements of the accounting standards;
- Reading the underlying transaction agreements to understand the key terms of the Group's acquisition, nature of the assets and liabilities acquired, and consideration paid;
- Testing the provisional fair value of the loans and advances acquired and deposits and other borrowings assumed, amongst other balance sheet items acquired, to the underlying records of SBGH as at 31 July 2024 and their consideration of fair value amounts;
- Assessing the consideration paid against the underlying transaction agreements and evidence of payments;
- Together with our valuation specialists, we assessed the Group's determination of the recoverability of provisional goodwill recognised. This included:
  - Understanding the Group's provisional goodwill impairment assessment;
  - Challenging the key assumptions used by the Group. We did this using external observable metrics, historical experience, our knowledge of the industry and current market practice;
  - Evaluating the sensitivity of the model used by the Group by varying key assumptions within a reasonably possible range.
- Assessing the appropriateness of the Group's disclosures in the Financial Report using our understanding obtained from our testing and against the requirements of the accounting standards.

Other information

Other Information is financial and non-financial information in ANZ Group Holdings Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* and *International Standards on Auditing* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.

These responsibilities also apply to our audit performed in accordance with *International Standards on Auditing*.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of ANZ Group Holdings Limited for the year ended 30 September 2024, complies with *Section 300A* of the *Corporations Act 2001* and is prepared, in all material respects, in accordance with the accompanying basis of preparation to the Remuneration Report.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001* and the accompanying basis of preparation to the Remuneration Report.

Our responsibilities

We have audited the Remuneration Report included in pages 48 to 89 of the Directors' report for the year ended 30 September 2024.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Maria Trinci

Maria Trinci
Partner

Melbourne
7 November 2024

Shareholder Information - Unaudited

Ordinary shares

At 1 October 2024, the 20 largest holders of ANZGHL ordinary shares held 1,838,660,027 ordinary shares, equal to 61.72% of the total issued ordinary capital. At 1 October 2024 the issued ordinary capital was 2,978,913,443 ordinary shares.

	Name	Number of shares	% of shares
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	878,411,966	29.49
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	443,109,439	14.87
3	CITICORP NOMINEES PTY LIMITED	278,508,425	9.35
4	BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	50,907,592	1.71
5	NATIONAL NOMINEES LIMITED	36,556,619	1.23
6	BNP PARIBAS NOMS PTY LTD	28,069,906	0.94
7	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	21,712,736	0.73
8	BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	15,790,229	0.53
9	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	15,705,624	0.53
10	CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	13,907,293	0.47
11	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	8,145,969	0.27
12	ARGO INVESTMENTS LIMITED	8,015,275	0.27
13	AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED	7,415,000	0.25
14	IOOF INVESTMENT SERVICES LIMITED <IPS SUPERFUND A/C>	6,349,878	0.21
15	BNP PARIBAS NOMS (NZ) LTD	5,367,770	0.18
16	CUSTODIAL SERVICES LIMITED <BENEFICIARIES HOLDING A/C>	4,716,704	0.16
17	IOOF INVESTMENT SERVICES LIMITED <IOOF IDPS A/C>	4,500,446	0.15
18	UBS NOMINEES PTY LTD	4,138,881	0.14
19	NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	3,705,697	0.12
20	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	3,624,578	0.12
Total		1,838,660,027	61.72

Distribution of shareholdings

At 1 October 2024 – Range of securities	Number of holders	% of holders	Number of shares	% of shares
1 to 1,000	286,021	57.19	98,175,585	3.29
1,001 to 5,000	166,717	33.33	381,270,066	12.80
5,001 to 10,000	30,023	6.00	208,757,448	7.01
10,001 to 100,000	16,990	3.40	339,267,741	11.39
Over 100,000	398	0.08	1,951,442,603	65.51
Total	500,149	100.00	2,978,913,443	100.00

At 1 October 2024:

- The average size of holdings of ordinary shares was 5,956 (2023: 5,666) shares; and
- There were 15,816 holdings (2023: 19,865 holdings) of less than a marketable parcel (less than $500 in value or 17 shares based on the market price of $30.15 per share).

Substantial shareholders

As at 1 October 2024, BlackRock Group, Vanguard Group and State Street Corporation had a substantial holding of ordinary shares.

BlackRock Group has been a substantial shareholder since 12 May 2017 (172,225,527 ordinary shares (6.07%) as at 2 December 2019).

Vanguard Group has been a substantial shareholder since 23 December 2022 (158,333,352 ordinary shares (5.272%) as at 23 December 2022).

State Street Corporation has been a substantial shareholder since 21 December 2022 (184,009,611 ordinary shares (6.12%) as at 15 May 2024).

On-market buy-back

As announced on 7 May 2024, there is currently an on-market buy-back in relation to ANZGHL's ordinary shares.

Voting rights of ordinary shares

The Constitution provides for votes to be cast as follows:

i) on show of hands, one vote for each shareholder; and

ii) on a poll, one vote for every fully paid ordinary share.

A register of holders of ordinary shares is held at:

452 Johnston Street
Abbotsford Victoria
Australia
(Telephone: +61 3 9415 4010)

Employee Shareholder Information

In order to comply with the requirements of the ANZ Employee Share Acquisition Plan Rules and the ANZ Share Option Plan Rules, shares or options must not be issued under these plans if the aggregate number of shares and options that remain subject to the rules of either plan exceed 5% of the total number of ANZGHL shares of all classes on issue (including preference shares). At 30 September 2024, participants under the following plans/schemes held 0.63% (2023: 0.58%) of the total number of ANZGHL shares of all classes on issue:

- ANZ Employee Share Acquisition Plan;
- ANZ Employee Share Save Scheme; and
- ANZ Share Option Plan.

Stock Exchange Listings

At 1 October 2024:

ANZGHL stock exchange listing

ANZGHL's ordinary shares are listed on the Australian Securities Exchange (ASX) and New Zealand's Exchange (NZX).

ANZ Group stock exchange listings

The ANZ Group's other stock exchange listings include:

- **ASX**
  - ANZ Capital Notes (CN5, CN6, CN7, CN8 and CN9), the ANZ Capital Securities and subordinated debt issued by ANZBGL;
  - residential mortgage backed securities issued pursuant to ANZBGL's Kingfisher securitisation programs; and
  - residential mortgage backed securities issued pursuant to Norfina Limited's Apollo securitisation programs for those Apollo Trusts with listed securities;
- **London Stock Exchange**
  - senior debt (including covered bonds) issued by ANZBGL;
  - subordinated debt issued by ANZ Bank New Zealand Limited; and
  - senior debt (including covered bonds) issued by ANZ New Zealand (Int'l) Limited;
- **NZX**
  - perpetual preference shares, senior debt and subordinated debt issued by ANZ Bank New Zealand Limited; and
- **SIX Swiss Exchange**
  - senior debt issued by ANZ New Zealand (Int'l) Limited.

For more information on the Capital Notes, Capital Securities and debt issuances issued by ANZBGL, refer to Note 17 in the ANZGHL Financial Report.

American Depositary Receipts

ANZ has American Depositary Receipts (ADRs) representing American Depositary Shares (ADSs) that are traded on the over-the-counter securities market 'OTC Pink' electronic platform operated by OTC Markets Group Inc. in the United States under the ticker symbol: ANZGY and the CUSIP number: 03736N104.

With effect from 23 July 2008, the ADR ratio changed from one ADS representing five ordinary shares to one ADS representing one ordinary share.

As a result of ANZ's January 2023 restructure, holders of ADRs representing ordinary shares of ANZBGL received one ADR representing one ordinary share of ANZGHL for each ANZBGL ADR that they held. In connection with the restructure, the deposit agreement governing the ANZBGL ADRs was terminated.

The Bank of New York (BNY) is the Depositary for the Company's ADR program in the United States. You may also visit BNY's website at **www.adrbny.com**.

ADR Investors who hold ADRs via a broker should contact their US broker directly for queries relating to their holdings.

Registered ADR Holders – held via Computershare – should contact the registry directly:

BNY Shareowner Services

PO Box 43078
Providence RI 02940-3078 USA

USA Toll Free Telephone: 1 888 269 2377
Telephone for International Callers:
1 201 680 6825

Web:
www-us.computershare.com/investor

Email:
shrrelations@cpushareownerservices.com

Important dates for Shareholders 2025[1]

May	08 May	Half Year Results Announcement
	13 May	Interim Dividend Ex-Date
	14 May	Interim Dividend Record Date
	15 May	DRP/BOP/Foreign Currency Election Date
July	01 Jul	Interim Dividend Payment Date
October	16 Oct	Closing date for receipt of Director Nominations
November	10 Nov	Annual Results Announcement
	13 Nov	Final Dividend Ex-Date
	14 Nov	Final Dividend Record Date
	17 Nov	DRP/BOP/Foreign Currency Election Date
December	18 Dec	Annual General Meeting
	19 Dec	Final Dividend Payment Date

1. If there are any changes to these dates, the Australian Securities Exchange will be notified accordingly.

Contacts

Registered office

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Investor relations

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Docklands VIC 3008 Australia

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Web: shareholder.anz.com

Group General Manager Investor Relations: Jill Campbell

Communications and public affairs

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Docklands VIC 3008 Australia

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Group General Manager Communications and Public Affairs: Tony Warren

Share registrar

Australia

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Melbourne VIC 3001 Australia

Telephone within Australia: 1800 11 33 99
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Facsimile: +64 9 488 8787

United Kingdom

Computershare Investor Services PLC

The Pavilions, Bridgwater Road
Bristol BS99 6ZZ UK

Telephone: +44 870 702 0000
Facsimile: +44 870 703 6101

More information

General information on ANZ can be obtained from our website at **anz.com**. Shareholders can visit our Shareholder Centre at **anz.com/shareholder/centre**. ANZ Corporate Governance: for information about ANZ's approach to Corporate Governance and to obtain copies of ANZ's Constitution, Board/Board Committee Charters, Code of Conduct and summaries of other ANZ policies of interest to shareholders and stakeholders, visit **anz.com/corporategovernance**.

ANZ Group Holdings Limited (ANZ)
ABN 16 659 510 791.

This Annual Report has been prepared for ANZ Group Holdings Limited (the Company) together with its subsidiaries which are variously described as: "ANZ", "ANZGHL", "Group", "ANZ Group", "us", "we" or "our".

Glossary

AASs means Australian Accounting Standards.

AASB means Australian Accounting Standards Board. The term 'AASB' is commonly used when identifying AASs issued by the AASB. In doing so, the term is used together with the AAS number.

ADI means Authorised Deposit-taking Institution as defined by APRA.

ANZ Bank Group means ANZ BH Pty Ltd and each of its subsidiaries, including ANZBGL and ANZ Bank New Zealand Limited.

ANZ Bank New Zealand means ANZ Bank New Zealand Limited.

ANZBGL means Australia and New Zealand Banking Group Limited.

ANZBGL Group means ANZBGL and each of its subsidiaries.

ANZEST means ANZ Employee Share Trust.

ANZ Group means the ANZBGL Group or the ANZGHL Group as a whole (including all businesses), as the context requires.

ANZGHL means ANZ Group Holdings Limited.

ANZGHL Group means ANZGHL and each of its subsidiaries, including ANZ BH Pty Ltd, ANZ Group Services Pty Ltd and ANZ NBH Pty Ltd.

ANZ Non-Bank Group means ANZ NBH Pty Ltd and each of its subsidiaries, including the Group's beneficial interests in the 1835i trusts and non-controlling interests in the Worldline merchant acquiring joint venture, and ANZ Group Services Pty Ltd.

ANZ Research – Economics is a business unit within ANZ, which conducts analysis of key economic inputs and developments and assessment of the potential impacts on the local, regional and global economies.

ANZ Share means a fully paid ordinary share in the capital of ANZ.

APRA means Australian Prudential Regulation Authority.

APS means ADI Prudential Standard.

ASX means Australian Securities Exchange.

AT1 means Additional Tier 1 capital.

Basel Harmonisation ratios are the Group's interpretation of Basel Calculation of RWA for credit risk regulations (effective 1 Jan 2023) documented in the Basel Framework and the 'Australian Banking Association Basel 3.1 Capital Comparison Study' (Mar 2023). This definition is for measures from March 2023 onwards.

BCBS means Basel Committee on Banking Supervision.

Board means ANZGHL Board of Directors.

Cash and cash equivalents comprise coins, notes, money at call, balances held with central banks, liquid settlement balances (readily convertible to known amounts of cash which are subject to insignificant risk of changes in value) and securities purchased under agreements to resell (reverse repurchase agreements) in less than three months.

Cash profit is an additional measure of profit which is prepared on a basis other than in accordance with accounting standards. Cash profit represents the Group's preferred measure of the result of the core business activities of the Group, enabling readers to assess Group and Divisional performance against prior periods and against peer institutions. To calculate cash profit, the Group excludes non-core items from statutory profit as noted below. These items are calculated consistently period on period so as not to discriminate between positive and negative adjustments.

Gains and losses are adjusted where they are significant, or have the potential to be significant in any one period, and fall into one of three categories:

1. gains or losses included in earnings arising from changes in tax, legal or accounting legislation or other non-core items not associated with the core operations of the Group;
2. economic hedging impacts and similar accounting items that represent timing differences that will reverse through earnings in the future; and
3. accounting reclassifications between individual line items that do not impact reported results, such as credit risk on impaired derivatives.

Cash profit is not a measure of cash flow or profit determined on a cash accounting basis.

Collectively assessed allowance for expected credit loss represents the Expected Credit Loss (ECL), which incorporates forward-looking information and does not require an actual loss event to have occurred for a credit loss provision to be recognised.

Committed Liquidity Facility (CLF) is a facility with the RBA that was established to offset the shortage of available High Quality Liquid Assets (HQLA) in Australia and provides an alternative form of contingent liquidity. The CLF is collateralised by assets, including internal residential mortgage-backed securities, that are eligible to be pledged as security with the RBA. The total amount of the CLF available to a qualifying ADI is set annually by APRA. In September 2021, APRA wrote to ADIs to advise that APRA and the RBA consider there to be sufficient HQLA for ADIs to meet their Liquidity Coverage Ratio (LCR) requirements, and therefore the use of the CLF should no longer be required beyond 2022 calendar year.

Covered bonds are bonds issued by an ADI to external investors secured against a pool of the ADI's assets (the cover pool) assigned to a bankruptcy remote special purpose entity. The primary assets forming the cover pool are mortgage loans. The mortgages remain on the issuer's balance sheet. The covered bond holders have dual recourse to the issuer and the cover pool assets. The mortgages included in the cover pool cannot be otherwise pledged or disposed of but may be repurchased and substituted in order to maintain the credit quality of the pool. The Group issues covered bonds as part of its funding activities.

Credit risk is the risk of financial loss resulting from the failure of the Group's customers and counterparties to honour or perform fully the terms of a loan or contract.

Credit risk weighted assets (CRWA) represent assets which are weighted for credit risk according to a set formula as prescribed in APS 112/113.

Customer deposits represent term deposits, other deposits bearing interest, deposits not bearing interest and borrowing corporations' debt excluding securitisation deposits.

Customer remediation includes provisions for expected refunds to customers, remediation project costs and related customer and regulatory claims, penalties and litigation costs and outcomes.

Derivative credit valuation adjustment - Over the life of a derivative instrument, the Group uses a model to adjust fair value to take into account the impact of counterparty credit quality. The methodology calculates the present value of expected losses over the life of the financial instrument as a function of probability of default, loss given default, expected credit risk exposure at default and an asset correlation factor. Impaired derivatives are also subject to a CVA.

Dividend payout ratio is the total ordinary dividend payment divided by profit attributable to shareholders of the Company.

Fair value is an amount at which an asset or liability could be exchanged between knowledgeable and willing parties in an arm's length transaction.

Funding for Lending Programme (FLP) refers to three-year funding announced by the RBNZ in November 2020 and offered to New Zealand banks, which aimed to lower the cost of borrowing for New Zealand businesses and households.

Gross loans and advances (GLA) is made up of loans and advances, capitalised brokerage and other origination costs less unearned income.

Group means ANZ Group Holdings Limited and its subsidiaries.

IFRS means International Financial Reporting Standards.

Impaired assets are those financial assets where doubt exists as to whether the full contractual amount will be received in a timely manner, or where concessional terms have been provided because of the financial difficulties of the customer.

Individually assessed allowance for expected credit losses is assessed on a case-by-case basis for all individually managed impaired assets taking into consideration factors such as the realisable value of security (or other credit mitigants), the likely return available upon liquidation or bankruptcy, legal uncertainties, estimated costs involved in recovery, the market price of the exposure in secondary markets and the amount and timing of expected receipts and recoveries.

Interest rate risk in the banking book (IRRBB) relates to the potential adverse impact of changes in market interest rates on the Group's future net interest income. The risk generally arises from:

1. Repricing and yield curve risk - the risk to earnings or market value as a result of changes in the overall level of interest rates and/or the relativity of these rates across the yield curve;
2. Basis risk - the risk to earnings or market value arising from volatility in the interest margin applicable to banking book items; and
3. Optionality risk - the risk to earnings or market value arising from the existence of stand-alone or embedded options in banking book items.

Level 1 in the context of APRA supervision, Australia and New Zealand Banking Group Limited consolidated with certain approved subsidiaries.

Level 2 in the context of APRA supervision, means consolidated ANZ Bank Group, excluding insurance and funds management entities, commercial non-financial entities and certain securitisation vehicles.

Level 3 in the context of APRA supervision, means ANZ Group, the conglomerate group at the widest level.

Net interest margin is net interest income as a percentage of average interest earning assets.

Net loans and advances represent gross loans and advances less allowance for expected credit losses.

Net Stable Funding Ratio (NSFR) is the ratio of the amount of available stable funding (ASF) to the amount of required stable funding (RSF) defined by APRA. The amount of ASF is the portion of an ADI's capital and liabilities expected to be a reliable source of funds over a one year time horizon. The amount of RSF is a function of the liquidity characteristics and residual maturities of an ADI's assets and off-balance sheet activities. ADIs must maintain an NSFR of at least 100%.

Net tangible assets equal share capital and reserves attributable to shareholders of the Company less unamortised intangible assets (including goodwill and software).

NZX means New Zealand's Exchange.

RBA means Reserve Bank of Australia, Australia's central bank.

RBNZ means Reserve Bank of New Zealand, New Zealand's central bank.

Regulatory deposits are mandatory reserve deposits lodged with local central banks in accordance with statutory requirements.

Return on average assets is the profit attributable to shareholders of the Company, divided by average total assets.

Return on average ordinary shareholders' equity is the profit attributable to shareholders of the Company, divided by average ordinary shareholders' equity.

Risk weighted assets (RWA) are risk weighted according to each asset's inherent potential for default and what the likely losses would be in the case of default. In the case of non-asset backed risks (i.e. market and operational risk), RWA is determined by multiplying the capital requirements for those risks by 12.5.

Settlement balances owed to/by ANZ represent financial assets and/or liabilities which are in the course of being settled. These may include trade dated assets and liabilities, vostro accounts and securities settlement accounts.

Term Funding Facility (TFF) refers to three-year funding announced by the RBA on 19 March 2020 and offered to ADIs in order to support lending to Australian businesses at low cost. The TFF was closed to drawdowns on 30 June 2021.

Term Lending Facility (TLF) refers to three to five-year funding offered by the RBNZ between May 2020 and July 2021 to promote lending to New Zealand businesses.

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ANZ Group Holdings Limited (ANZ) ABN 16 659 510 791