1 May 2026

Market Announcements Office
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SYDNEY NSW 2000

Australia and New Zealand Banking Group Limited ("ANZBGL") - Half-Yearly Financial Report submission under the Disclosure and Transparency Rules of the United Kingdom Financial Conduct Authority ("UK DTR Submission")

The attached UK DTR Submission will be lodged by ANZBGL with the London Stock Exchange ("LSE") today, together with ANZBGL's 2026 Half Year Consolidated Financial Report for the six-month period ended 31 March 2026. This UK DTR Submission has been prepared by ANZBGL in order to comply with the applicable periodic reporting requirements of DTR 4 of the Disclosure and Transparency Rules of the United Kingdom Financial Conduct Authority in connection with certain debt securities issued by ANZBGL. For completeness, in addition to lodgement with the LSE, ANZBGL is lodging this UK DTR Submission with applicable exchanges, including the Australian Securities Exchange today.

It has been approved for distribution by ANZBGL's Board of Directors.

Yours faithfully

Simon Pordage
Company Secretary
Australia and New Zealand Banking Group Limited

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DISCLOSURE AND TRANSPARENCY RULES – HALF-YEARLY FINANCIAL REPORT SUBMISSION

Australia and New Zealand Banking Group Limited (ABN 11 005 357 522) (“ANZBGL”) together with its subsidiaries (the “Group”) – Half-Yearly Financial Report submission under the Disclosure and Transparency Rules (“DTR”) of the United Kingdom Financial Conduct Authority

The following documents constitute ANZBGL’s 2026 Half-Yearly Financial Report for the purposes of the disclosure requirements of DTR 4.2:

- The Condensed Consolidated Financial Statements and Notes to Condensed Consolidated Financial Statements for the half year ended 31 March 2026, Directors’ Report (including matters included by reference) and Directors’ Declaration (as set out on pages 3 to 46 of ANZBGL’s Half Year 31 March 2026 Consolidated Financial Report);
- A description of the principal risks and uncertainties for the remaining six months of the financial year provided in accordance with DTR 4.2.7 R (2); and
- A responsibility statement of the Directors of ANZBGL provided in accordance with DTR 4.2.10 R (3)(b)

ANZBGL's Half Year 31 March 2026 Condensed Consolidated Financial Report

This document was separately lodged by ANZBGL with the applicable stock exchanges, including the London Stock Exchange and the Australian Securities Exchange on 1 May 2026 and is available at https://www.anz.com/shareholder/centre/reporting/results-announcement/

Principal risks and uncertainties faced by Australia and New Zealand Banking Group Limited ABN 11 005 357 522 (“ANZBGL”) and its subsidiaries ((ANZBGL together with its subsidiaries, the “Group”) (DTR 4.2.7 R (2)) (“Principal Risk and Uncertainties”) for the remaining six months of the financial year

Introduction

The Group’s activities are subject to risks and uncertainties that can materially and adversely impact its business, business model, operations, results of operations, reputation, prospects, liquidity, capital resources, financial performance and financial condition (together, the “**Group’s Position**”). These risks and uncertainties may be financial or non-financial and may result from external factors over which the Group may have little or no control. The risks and uncertainties described below are not the only ones that the Group may face. Additional risks and uncertainties that the Group is unaware of, or that the Group currently does not consider material, may also become important factors that affect it. If any of the specified or unspecified risks and uncertainties actually occur (individually or collectively), the Group’s Position may be materially and adversely affected, with the result that the trading price or value of the Group's equity or debt securities could decline and investors could lose all or part of their investment.

Risks related to the Group's business activities and industry

1. Changes in political and economic conditions, particularly in Australia, New Zealand, the Asia Pacific region, the United Kingdom (“UK”), Europe and the United States (the “Relevant Jurisdictions”), may adversely affect the Group’s Position

The Group’s financial performance is influenced by the political, economic and financial conditions in the countries and regions in which the Group, its customers and its counterparties carry on business. The Group can give no assurance as to the likely future conditions in the economies of the Relevant Jurisdictions where the Group has its main operations or other jurisdictions in which the Group operates or obtains funding.

The political, economic and financial conditions in the Relevant Jurisdictions may be impacted by a range of factors including, but not limited to, domestic and international economic events, the stability of the banking system and any related implications for funding and capital markets, other changes in financial markets, global supply chain developments, political developments, pandemics and natural disasters.

Instability in political conditions may result in uncertainty, declines in market liquidity and increases in volatility in global financial markets and may adversely impact economic activity in the Relevant Jurisdictions, which could in turn adversely affect the Group’s Position. Recent examples include the conflict in Ukraine and conflicts in the Middle East including the possibility of these expanding into a wider regional conflict, the implementation of economic security-related legislation, sanctions and trade restrictions in various markets, and heightened tensions between the United States and other economies, including China.

The Group does not operate in and does not currently have any material direct exposure to Israel, Gaza, Iran, Lebanon, Russia or Ukraine and the Group has modest exposure to Qatar and the U.A.E. Notwithstanding the Group’s limited exposure to these jurisdictions, prolonged market volatility or economic uncertainty as a result of the ongoing instability in these areas could adversely affect the Group’s Position, including by affecting the physical supply of oil and other energy products into Australia and New Zealand. Tensions between the United States and China, including with respect to the status of Taiwan, also have the potential to adversely impact the markets in which the Group operates and the Group’s Position. These geopolitical issues have led to the implementation of trade restrictions, including increased tariffs and retaliatory trade restrictions imposed by the United States and other jurisdictions, the final scale of which remains uncertain, and which have led to significant volatility in financial markets and economic uncertainty. Further, economic security-related legislation, including enhanced inbound and outbound investment screening mechanisms, anti-coercion instruments, sanctions (including on Russia’s two largest oil

producers) and export controls, has been introduced in many markets. Each of these has had, and is likely to continue to have, a negative impact on general economic conditions including gross domestic product, business and consumer confidence and consumer discretionary spending which, in turn, may have a negative impact on the Group's Position.

Inflationary pressure persists in many economies, including in the Relevant Jurisdictions. Demand for goods and services, geopolitical tensions and past and potential future tariffs, and global economic challenges, such as supply chain issues, weather conditions in agricultural regions, high energy prices, high food prices and tight labour markets, have contributed to increased inflation compared to historical levels, which has increased the cost of living and reduced disposable income for consumers. Persistent inflation may exacerbate market volatility, slow economic growth and increase unemployment, each of which may cause further declines in business and investor confidence and increase the risk of customer defaults, which could adversely affect the Group's Position.

China is one of Australia's and New Zealand's major trading partners and a significant driver of commodity demand and prices in many of the markets in which the Group and its customers operate. Any heightening of geopolitical tensions and the occurrence of events that adversely affect China's economic growth and Australia's and New Zealand's economic relationship with China, including the implementation of additional tariffs and other protectionist or economic security-related trade policies by the United States or other countries, including sanctions, each as described above, could adversely affect Australian or New Zealand economic activity and, as a result, could adversely affect the Group's Position. Furthermore, in recent periods, the growth of the Chinese economy has slowed and is forecast to continue to slow in coming years, reflecting subdued domestic consumption, property sector softening and exports challenged by increasingly protectionist trade policy. If there were a broad-based and sustained economic slowdown in China, the health of the Chinese financial system may be adversely impacted, which could have negative effects on the global financial system and economy. This could result in an economic downturn, counterparties defaulting on their obligations, countries introducing capital controls, and could place further pressure on asset values and property markets in Australia and New Zealand, which could adversely affect the Group's Position. *Refer to risk factor 3 "Changes in the real estate markets in Australia, New Zealand or other markets where the Group does business may adversely affect the Group's Position*".

Global commercial real estate markets have been weak for some years. A global liquidity constraint could compound the effects of weakening fundamentals on valuations and refinance risk in commercial real estate markets. Negative developments in commercial real estate markets could lead to increased credit losses from business insolvencies, increased financial stress and defaults from higher leveraged borrowers, which could adversely affect the Group's Position. *Refer to risk factor 3* "*Changes in the real estate markets in Australia, New Zealand or other markets where the Group does business may adversely affect the Group's Position*".

If economic conditions deteriorate in the Relevant Jurisdictions, asset values in housing, commercial or rural property markets could decline, unemployment could rise, and corporate and personal incomes could decline. Deterioration in global markets, including equity, property, currency and other asset markets, may impact the Group's customers and the security the Group holds against loans and other credit exposures. This may impact the Group's ability to recover loans and other credit exposures. In addition, the failure of another bank or financial institution, whether as a result of a deterioration in economic conditions or otherwise, could result in instability in the financial banking system, which could result in disruptions to markets or changes to capital and other regulatory requirements applicable to the Group and affect the Group's Position. Should any of these occur, the Group's Position could be adversely affected. *Refer to risk factor 9* "*Credit risk may adversely affect the Group's Position*".

2. Competition in the markets in which the Group operates may adversely affect the Group's Position

The markets in which the Group operates are highly competitive. Competition is expected to continue to increase. Competitors include other banks (both traditional and online), foreign/offshore financial service providers who expand in Australia and/or New Zealand, new non-bank entrants and smaller providers. Examples of factors that may affect competition and negatively impact the Group's Position include:

- entities that the Group competes with, including those outside of Australia and New Zealand, could be subject to lower levels of regulation and regulatory activity. This could allow them to offer more competitive products and services, because those lower levels of regulation may give them a lower cost base and/or the ability to attract employees that the Group would otherwise seek to employ;
- digital technologies and business models are changing customer behaviour and the competitive environment. Competitors are increasingly utilising new technologies, including artificial intelligence ("**AI**"), and disrupting existing business models in the financial services sector. An inadequate adoption of AI or other new technologies within the Group's business processes or customer offerings could pose a strategic disadvantage to the Group relative to its competitors;
- companies from outside of the financial services sector are directly competing with the Group by offering products and services traditionally provided by banks. This includes new entrants obtaining banking licenses and partnering with existing competitors, private credit funds, insurance companies, mutual funds, hedge funds, securities brokerage firms, financial technology companies, digital platforms and large global technology companies. Some of these competitors may be subject to different, and in some cases, less stringent legal, regulatory and supervisory requirements, whether due to size, jurisdiction, entity type or other factors, which may place the Group at a relative competitive disadvantage;
- consumers and businesses may choose to transact using, or to invest or store value in, new forms of domestic or international currency (such as cryptocurrencies, which are largely unregulated, regulated stablecoins or central bank digital currencies) in relation to which the Group may choose not, or may not be able, to provide financial services, competitively. A new form of currency could change how financial intermediation and markets operate and, with that, may adversely impact the competitive and commercial position of the Group; and
- the Australian and New Zealand Governments may consider implementing policies that further increase competition in the banking market. For example:
  - The Australian Council of Financial Regulators ("**CFR**") has conducted a review into the challenges faced by small and medium-sized banks that considered the role these banks play in competition in the market. The CFR released its report in August 2025, which made nine recommendations for the Australian Government and suggested actions to be taken by regulators (including the Reserve Bank of Australia ("**RBA**"), the Australian Prudential Regulation Authority ("**APRA**"), the Australian Securities and Investments Commission ("**ASIC**") and the Australian Competition and Consumer Commission ("**ACCC**") to improve competition in the small and medium-sized banking sector. These included measures designed to lower the cost of funding, increase access to more efficient capital, speed up APRA's licensing processes and more explicitly recognise proportionality. It also included a recommendation to modernise the Financial Claims Scheme ("**FCS**"), an Australian Government scheme that provides protection for deposits of up to A$250,000 per account holder per bank. The Australian Government has accepted eight of the nine recommendations in-principle. If the Australian Government chooses to implement some or all of the recommendations, this could have the effect of increasing the ability of some of the Group's competitors to compete with the Group. There is no clear timeline for implementation, but work has commenced on some of the recommendations. For example, APRA announced on 16 March 2026 that it will consult on enhancements to bank capital and liquidity frameworks including lower

capital requirements for medium-sized banks, which, if implemented, may increase their competitiveness.

- In August 2024, legislation to establish action initiation within the Consumer Data Right ("**CDR**") passed the Australian Parliament. The legislation establishes a framework under which the Minister can declare an action that can be initiated under the CDR. CDR consumers could then direct accredited persons, such as the Group's competitors to instruct a declared action on their behalf. No action has yet been declared in respect of banks. If such an action were declared, competitors could offer services to the Group's customers, such as the initiation of payments using the Group's platforms, that would weaken the relationship between the Group and those customers.
- In March 2025, New Zealand's Customer and Product Data Act 2025 ("**CPD Act**") came into force. The CPD Act establishes a New Zealand Consumer Data Right ("**NZ CDR**"). The NZ CDR enables customers to securely share data that is held about them with accredited third parties and is intended to improve customers' ability to compare and switch products. The banking sector is the first business sector to be designated as subject to the CPD Act. The designation became effective on 1 December 2025 for New Zealand's four systematically important banks, including ANZ Bank New Zealand Limited. The CPD Act is expected to enable third parties to access customer data held by ANZ Bank New Zealand Limited and offer services to those customers, such as the initiation of payments from transactional accounts, which could weaken the relationship between ANZ Bank New Zealand Limited and its customers and reduce customers' use of the Group's services.
- The New Zealand Parliament's Finance and Expenditure Committee has undertaken an inquiry into banking competition and issued a final report in August 2025. The final report contains 19 recommendations to New Zealand Government agencies, financial regulators, and financial entities, including retail banks, intended to improve competition in the banking sector. The New Zealand Government has accepted or partially accepted all of the recommendations. Any impact on the Group is uncertain.
- The Reserve Bank of New Zealand ("**RBNZ**") is undertaking a range of initiatives to support and improve competition in the banking sector, including conducting a review of key capital settings. The RBNZ announced decisions relating to its review of key capital settings in December 2025. *Refer to risk factor 15 "Regulatory changes or a failure to comply with laws, regulations or policies may adversely affect the Group's Position"*. The full details of those decisions, including any implementation details and transitional arrangements, are yet to be confirmed.

While these recommendations, policy initiatives or regulatory measures may result in the implementation of regulations designed to increase competition in the banking market, the impact of these recommendations, policy initiatives or regulatory measures on the Group remains unclear.

The impact on the Group of an increase in competitive market conditions or a technological change that puts the Group's business platforms at a competitive disadvantage, especially in the Group's main markets and products, could lead to a material reduction in the Group's market share, customers and margins and adversely affect the Group's Position. Increased competition for deposits may increase the Group's cost of funding. If the Group is not able to successfully compete for deposits, the Group may be forced to rely on less stable and/or more expensive forms of funding, or to reduce lending. This may adversely affect the Group's Position. Geopolitical and economic disruptions could have a significant impact on competition and profitability in the financial services sector due to funding cost and credit provision increases, changes in interest rates, insufficient liquidity, implementation of business continuity plans, changes to business strategies and regulatory safe harbours. A low-growth environment may lead to heightened competitive intensity and margin compression.

3. Changes in the real estate markets in Australia, New Zealand or other markets where the Group does business may adversely affect the Group's Position

Residential and commercial property lending, together with real estate development and investment

property finance, are important businesses of the Group. Major sub-segments within the Group's lending portfolio include:

- residential housing loans (owner occupier and investment); and
- commercial real estate loans (investment and development).

An economic environment with high interest rates, elevated inflation and increased cost-of-living pressures may adversely affect residential real estate market conditions and, as a result, the credit performance of the Group's home loan portfolio. Higher interest rates increase borrower repayment obligations, while inflation and rising household expenses reduce disposable income and financial buffers. These factors can increase cash-flow stress and may therefore increase the risk of delinquencies, hardship arrangements and credit losses, particularly for highly leveraged or lower-income borrowers.

These conditions, together with population growth, construction cost pressures and labour shortages, may affect housing demand and supply dynamics and contribute to increased volatility in the residential property market. Adverse movements in property prices could negatively impact the credit quality of the Group's home loan portfolio. Lower property values could increase loan-to-value ratios, resulting in some loans being in negative equity, which may reduce collateral coverage and result in higher credit losses. Falling property prices may also limit refinancing options and increase the likelihood that financially stressed customers remain in higher-risk positions, including the inability to sell their properties without incurring losses. Conversely, increasing residential property prices, combined with reduced customer affordability, may have a mixed impact on the Group's home loan portfolio. Higher property values can improve collateral coverage and reduce loan-to-value ratios for existing loans; however, weaker affordability conditions may result in lower lending volumes due to reduced new lending and refinancing activity and therefore a reduction in earnings for the Group. In addition, affordability pressures may contribute to changes in portfolio composition, including toward borrowers with higher loan-to-income or loan-to-value ratios or loans with longer contractual terms, which may increase the sensitivity of the portfolio to adverse economic conditions.

The ongoing conflict in the Middle East has contributed to higher fuel prices, increasing living costs and adding to inflationary and interest rate pressures. While these risks have not yet translated into a deterioration in the portfolio performance, they are putting pressure on customer serviceability, with impacts likely to emerge over time. These factors have also weighed on consumer sentiment and may adversely affect labour market conditions and housing demand, placing downward pressure on property prices.

As a result, there may be increased demand for hardship assistance and upward pressure on delinquencies, with credit losses negatively correlated with property price movements. In response to the impact of elevated inflation and interest rates on customer serviceability, together with downside risks to property prices, additional provisions have been raised. Notwithstanding this, the residential mortgage portfolio remains well positioned, with stable delinquency and hardship volumes, and strong repayment buffers.

The demand for home loans for investment purposes may contribute to increased portfolio growth and property price movements. Investors tend to be more sensitive to changes in interest rates, tax settings, and expectations of capital appreciation relative to owner-occupiers. Tax arrangements applicable to investors, including the treatment of interest expenses, capital gains, and property-related deductions, can materially influence borrowing behaviour and demand for housing credit, with changes to these settings potentially resulting in shifts in lending volumes and portfolio composition. Elevated levels of investor participation may increase property prices, household leverage, and portfolio concentration (including geographic or borrower-type concentration), and may amplify cyclical movements in the housing market. Conversely, a contraction in investor demand, whether due to adverse market conditions, regulatory intervention or tax policy changes, may increase the risk of property price corrections, which could in turn adversely affect the Group's asset quality and earnings, including through higher credit losses and reduced new lending.

For commercial property, interest rate increases may cause declines in interest coverage ratios and asset values. While valuation degradation is not uniform across all commercial real estate sectors, some institutional and private investor clients may see their real estate investment portfolios diminish in value as a result of changes in the real estate market. This could potentially lead to a weakening in their risk profile and a reduction in their willingness and/or ability to repay related loan facilities owed to the Group. Further, the COVID-19 pandemic triggered an ongoing change in the demand and supply dynamics in the office sector as certain flexible working arrangements have continued, which may impact tenancy demand, reduce rental growth, increase incentives provided by owners to tenants, and soften investor demand, yield expectations and value, particularly for secondary grade assets with weaker environmental, social and governance ("**ESG**") (specifically energy efficiency) credentials, given tenants are being more discerning in a market with reduced demand.

In Australia, valuations have been lagging market sentiment, however there is evidence that yields are stabilising. Valuations for secondary grade assets in more challenged locations where vacancy rates remain elevated may still be susceptible to a decline. Further, secondary grade assets may be more susceptible to a decline in prices particularly if investors have overlooked weaker fundamentals during a more favourable economic outlook and interest rate environment. Each of these factors may result in increased refinance risk and require equity contributions from borrowers towards debt reduction and/or a restructuring of facilities.

Refinance risk may also increase if there are liquidity constraints in the banking sector. In Australia, the non-bank debt market remains an available source of funding. Non-bank financiers have supported the pre-development land and property development sector in recent years, so the number of new projects starting may decline given higher cost of funding or if non-bank financiers begin to withdraw support from weaker sponsors. There is also potential for contagion risk where the financial stability of a corporate entity or developer could be jeopardised by challenges within the non-bank/private credit sector. If such contagion risk eventuates, this could lead to an increase in loan defaults.

Construction risk issues, including supply chain constraints and a rapid rise in material costs, compounded by labour shortages and increased labour costs, may impact contractor profitability, cash flow, liquidity and financial stability. This in turn may impact delivery risk associated with commercial and larger residential development projects (including the development of land and apartments), the feasibility of such developments and underlying land values in the short to medium term.

In New Zealand, commercial property sales and construction activity have seen a period of prolonged weakness since late 2021 and early 2022. The continued reduction in interest rates over the second half of 2025 resulted in more sales activity and assisted market sentiment but has not resulted in a material increase in prices across New Zealand.

The commercial property sector remains relatively stable, although reduced market confidence and liquidity continue to constrain sales and construction activity. A sustained 'flight to quality' remains evident among both tenants and purchasers. The industrial sector continues to outperform other asset classes. While development feasibility remains challenging due to reduced buyer demand and construction costs, there are emerging signs of renewed activity in this sector.
Each of the factors outlined above may adversely affect the Group's Position.

4. Sovereign risk events may destabilise global financial markets and may adversely affect the Group's Position

Sovereign risk is the risk that governments will default on their debt obligations and be unable to refinance their debts as and when they fall due, thereby destabilising parts of their economies. Sovereign risk may adversely impact the Group directly, through adversely impacting the value of the Group's assets, or indirectly, through destabilising global financial markets, thereby adversely impacting the Group's Position. Sovereign risk exists in many economies, including the Relevant

Jurisdictions. If a sovereign defaults, it could impact other markets and countries, the consequences of which may be similar to or worse than those experienced during the global financial crisis and subsequent sovereign debt crises.

5. Market risk events may adversely affect the Group's Position

Market risk is the risk of loss arising from adverse changes in interest rates, currency exchange rates, credit spreads, or from fluctuations in bond, commodity or equity prices. For purposes of financial risk management, the Group differentiates between traded and non-traded market risks. Traded market risks principally arise from the Group's trading operations in interest rates, foreign exchange, commodities and securities. The non-traded market risk is predominantly interest rate risk in the banking book. Other non-traded market risks include transactional and structural foreign exchange risk arising from capital investments in offshore operations and non-traded equity risk. Furthermore, international geopolitical tensions, energy (including oil) price fluctuations, and as a result the economic implications and policy responses by different countries present a risk of heightened volatility in global financial markets. While direct impacts arise predominantly through the Group's international activities, there is potential for indirect transmission into the Australian economy through changes in energy prices, changes in inflation and interest rate expectations, and shifts in global risk sentiment. *Refer to risk factor 1 "Changes in political and economic conditions, particularly in Australia, New Zealand, the Asia Pacific region, the United Kingdom ("UK"), Europe and the United States (the "Relevant Jurisdictions") may adversely affect the Group's Position" and risk factor 17 "Significant fines and sanctions in the event of breaches of law or regulation relating to anti-money laundering, counter-terrorism financing, sanctions and fraud, and scams may adversely affect the Group's Position".* These factors may adversely affect domestic asset prices, market liquidity, and funding conditions. Losses arising from the occurrence of such market risk events may adversely affect the Group's Position.

6. Changes in exchange rates may adversely affect the Group's Position

The Group conducts business in several different currencies. Accordingly, its businesses may be affected by movements in currency exchange rates. The Group's annual and interim reports are prepared and stated in Australian dollars. Any change in the value of the Australian dollar against other currencies in which the Group earns revenues (particularly the New Zealand dollar and the U.S. dollar) or holds capital or issues capital instruments, may adversely affect the Group's reported earnings and/or capital ratios. The Group currently hedges to partially mitigate the impact of currency changes. There is no assurance that the Group's hedges will be sufficient or effective, and any change in the value of the Australian dollar against other currencies in which the Group earns its revenue, or holds capital, may have an adverse impact on the Group's Position.

7. Pandemics and other public health crises may adversely affect the Group's Position

The effects of a pandemic or other public health crisis may impact the Group's Position and the domestic and global economy, as was the case with the COVID-19 pandemic. Further, variants with respect to diseases may develop that impact the Group's customers and businesses and could lead to government action, which could adversely impact the Group's Position. Additionally, supply chain disruption and mobility constraints resulting from pandemics or public health crises could result in a decline in the Group's profit margins and could impact customers' cash flows, capital, liquidity and financing needs. Political and economic conditions following such events may cause reduced demand for the Group's products and services, an increase in loan and other credit defaults, bad debts, and impairments and an increase in the cost of the Group's operations. If any of these occur, the Group's Position could be adversely affected.

8. Acquisitions and divestments may adversely affect the Group's Position

The Group regularly examines a range of corporate opportunities, including acquisitions and divestments, to determine whether those opportunities will enhance the Group's strategic position and financial performance. This includes the completed acquisition of Suncorp Bank, to which the risks below apply.

Integration (or separation) of an acquired (or divested) business can be complex and costly. It sometimes includes combining (or separating) accounting and data processing systems, technology platforms and management controls, as well as managing relationships and contracts with employees, customers, regulators, counterparties, suppliers and other business partners. The loss of key relationships and personnel from an acquisition or divestment could have an adverse effect on the Group's Position.

There is no assurance that any due diligence undertaken in respect of an acquisition was conclusive, and that post-acquisition all material issues and risks in respect of any such acquisition have been identified and avoided or mitigated. Therefore, there is a risk that issues or matters may arise that may adversely impact the Group post-acquisition. There is also no assurance that any acquisition (or divestment) will have the anticipated positive results around synergies, cost or cost savings, time to integrate (or separate) and overall performance, as the underlying assumptions for the acquisition (or divestment) may not prove to be accurate or achievable. Any acquisition (or divestment) may also impact the Group's credit ratings, cost of funds and access to further funding, which could in turn adversely affect the Group's funding and liquidity positions.

Integration (or separation) efforts could create inconsistencies in standards, controls, procedures and policies, as well as diverting management attention and resources. There is a risk of counterparties making claims in respect of completed or uncompleted transactions against the Group that could adversely affect the Group's Position. All or any of these factors could adversely affect the Group's ability to conduct its business successfully and impact the Group's operations or results. There is no assurance that employees, customers, counterparties, suppliers and other business partners of newly acquired (or retained) businesses will remain post-acquisition (or post-divestment). Further, there is a risk that completion of an agreed transaction may not occur whether in the form originally agreed between the parties or at all, including due to failure of the Group or the counterparty to satisfy completion conditions or because other completion conditions such as regulatory, shareholder or other approvals are not satisfied. Should any of these integration or separation risks occur, this could adversely affect the Group's Position.

If for any reason any announced acquisition or divestment is not completed, the Group's ongoing business may be adversely impacted, and the Group may be subject to a number of risks. These risks include:

- financial markets may react negatively, resulting in negative impacts on the Group's securities and other adverse impacts;
- the Group may experience negative reactions from its customers, vendors, employees and wider stakeholders;
- the Group may have incurred expenses and may be required to pay certain costs relating to the acquisition or divestment, whether or not it is completed, such as legal, accounting, investment banking, and other professional and administrative fees; and
- matters relating to the acquisition or divestment may require substantial commitments of time and resources by the Group, which could otherwise have been devoted to other beneficial opportunities.

Risks related to the Group's financial situation

9. Credit risk may adversely affect the Group's Position

The Group is exposed to the risks resulting from or associated with extending credit, including incurring credit-related losses that can occur as a result of a counterparty being unable or unwilling to honour its contractual obligations. Credit losses can and have resulted in financial services organisations realising significant losses and, in some cases, failing altogether.

The risk of credit-related losses continues to be impacted by conditions relating to elevated interest rates, persistent inflation, global supply chain disruptions and heightened political tensions, particularly those referred to in risk factor 1 "*Changes in political and economic conditions,*

particularly in Australia, New Zealand, the Asia Pacific region, the United Kingdom ("UK"), Europe and the United States (the "Relevant Jurisdictions"), may adversely affect the Group's Position". The risk of credit-related losses remains heightened due to the factors described above and may further increase as a result of less favourable conditions, whether generally or in a specific industry sector or geographic region, which could cause customers or counterparties to fail to meet their obligations. These conditions include, but are not limited to, weakened confidence in the stability of the banking system generally or particular financial institutions that may impact the Group, its customers or counterparties, high levels of unemployment, economic slowdown and inflationary conditions, a prolonged period of elevated interest rates, and a reduction in the value of assets the Group holds as collateral or the market value of the counterparty instruments and obligations it holds.

Some of the Group's customers and counterparties with exposures to these sectors may be particularly vulnerable including:

- industries with significant exposure to continued elevated interest rates;
- industries reliant on consumer discretionary spending;
- industries that are exposed to fuel supply shortages and rising costs including aviation, road transport, shipping and agriculture;
- agriculture and food production industries exposed to fertiliser and phosphate price volatility, supply constraints and geopolitical concentration of supply, with potential adverse impacts on input costs, yields, cash flows and customer serviceability;
- participants in energy or commodity markets that are exposed to rising margin requirements under derivatives that arise due to price volatility;
- mining operations that are exposed to a sustained fall in commodity prices due to supply or demand fluctuation;
- industries at risk of sanctions, tariffs, geopolitical tensions or trade disputes (these include technology, agriculture, manufacturing and shipping, resources and extractive industries, communications and financial institutions);
- industries exposed to declining global growth, excessive over-supply and disruption to global supply chains. These include but are not limited to the retail, wholesale, automotive, metal refining, manufacturing and packaging industries;
- the commercial property sector (including construction and contractors), was exposed to a rapid rise in interest rates, impacting serviceability and placing downward pressure on valuations. Despite recent interest rate reductions in Australia and New Zealand, impacts on valuations are likely to be varied and may take some time to flow through. For more information see risk factor 3 "*Changes in the real estate markets in Australia, New Zealand or other markets where the Group does business may adversely affect the Group's Position*";
- industries facing labour supply shortages and which are reliant on access to both skilled and unskilled migrant workers, including tourism and hospitality, technology, agriculture, retail, health, construction and services;
- customers and industries exposed to climate risk, including transition risk (e.g., policy or market-driven changes relating to emissions reduction requirements and resulting changes in liquidity or demand for goods and services), and disruption from physical climate risk (e.g., bushfires, floods, storms and drought). Losses may be exacerbated if insurance becomes unavailable or unaffordable. For more information on climate-related risks, see risk factor 21 *"Impact of future weather events, nature loss, human rights, geological events, plant, animal and human diseases, and other extrinsic events may adversely affect the Group's Position"*;

- industries exposed to the volatility in exchange rates and foreign exchange markets generally;
- industries exposed to regulatory change and compliance costs;
- industries with greater exposure to technological disruption, including the increasing adoption and deployment of generative AI and quantum computing;
- participants that are dependent on private credit or other non-bank funding markets, or that face material refinancing risk if those markets become less available, more costly or more selective;
- industries with greater exposure to cyber-crime (including social engineering, scams, account compromise and takeover, payment and financial fraud, data and identity crime, malware, extortion, and service disruption); and
- banks and non-bank financial institutions, which may experience pressure on liquidity due to the impacts of market volatility, economic slowdown, continued elevated interest rates and the flow on impacts to asset values, and in the case of investment funds, elevated redemption requests which could result in the deterioration of credit ratings, the need for restructuring and recapitalisation and loss of confidence in financial institutions.

The Group is also subject to the risk that its rights against third parties may not be enforceable in certain circumstances, which may result in credit losses. Should material credit losses occur to the Group's credit exposures, this may adversely affect the Group's Position.

Credit risk may also arise from certain derivative, clearing and settlement contracts that the Group enters into, and from the Group's dealings with, and holdings of, debt securities issued by other banks, non-bank financial institutions, companies, governments and government bodies where the financial position of such entities is affected by economic conditions or global financial markets.

In addition, in assessing whether to extend credit or enter into other transactions with customers and/or counterparties, the Group relies on information provided by or on behalf of customers and counterparties, including financial statements and other financial information. The Group may also rely on representations of customers and independent consultants as to the accuracy and completeness of that information. The Group's financial performance could be negatively impacted to the extent that it relies on information that is incomplete, inaccurate or materially misleading.

Credit risk may also arise in cases where a customer does not comply with specific conditions linked to the extension of credit to it. For example, where a customer does not have or maintain a sufficient amount of property insurance cover in connection with a mortgage loan, this may negatively affect the value of the Group's security and the amount which may be recoverable by the Group if the security is required to be enforced in circumstances where the property has been damaged or destroyed by an event that would otherwise be ordinarily insurable.

The Group holds provisions for credit impairment that are determined based on current information and subjective and complex judgements of the impairment within the Group's lending portfolio. If the information upon which the assessment is made is inaccurate or the Group fails to analyse the information correctly, the provisions made for credit impairment may be insufficient, which may adversely affect the Group's Position.

10. Challenges in managing the Group's capital base could give rise to greater volatility in capital ratios, which may adversely affect the Group's Position

The Group's capital base is critical to the management of its businesses and access to funding. Prudential regulators of the Group include, but are not limited to, APRA, the RBNZ and regulators in the United States, the UK and the countries in the Asia Pacific region. The Group is required to maintain adequate regulatory capital by its primary regulator APRA and the RBNZ for ANZ Bank

New Zealand Limited and its subsidiaries (the "**ANZ New Zealand Group**").

Under current regulatory requirements, risk-weighted assets and expected loan losses increase as a counterparty's risk grade worsens. These regulatory capital requirements are likely to compound the impact of any reduction in capital resulting from lower profits in times of stress. As a result, greater volatility in capital ratios may arise and may require the Group to raise additional capital. There is no certainty that any additional capital required would be available or could be raised on reasonable terms.

The Group's capital ratios may be affected by a number of factors including (i) lower earnings (including lower dividends from its deconsolidated subsidiaries such as those in the insurance business as well as from its investment in associates), (ii) asset growth, (iii) changes in the value of the Australian dollar against other currencies in which the Group operates (particularly the New Zealand dollar and U.S. dollar) that impact risk weighted assets ("**RWA**") or the foreign currency translation reserve, (iv) changes in business strategy (including acquisitions, divestments and investments or an increase in capital intensive businesses) and (v) changes in regulatory requirements.

For more information on recent prudential regulation changes that have impacted, or that may impact the Group, see risk factor 15 *"Regulatory changes or a failure to comply with laws, regulations or policies may adversely affect the Group's Position"*. An inability of the Group to maintain its regulatory capital may adversely affect the Group's Position.

11. The Group's credit ratings could change and adversely affect the Group's ability to raise capital and wholesale funding and constrain the volume of new lending, which may adversely affect the Group's Position

The Group's credit ratings have a significant impact on its access to, and cost of, capital and wholesale funding. The Group's credit ratings may also be important to customers or counterparties evaluating the Group's products and services. Credit ratings and rating outlooks may be withdrawn, qualified, revised or suspended by credit rating agencies at any time. The methodologies used by ratings agencies to determine credit ratings and rating outlooks may be revised in response to legal or regulatory changes, market developments or for any other reason.

The Group's credit ratings or rating outlooks could be negatively affected by a change in the credit ratings or rating outlooks of the Commonwealth of Australia or New Zealand, the occurrence of one or more of the other risks identified in this section, a change in ratings methodologies or other events. As a result, downgrades in the Group's credit ratings or rating outlooks could occur that do not reflect changes in the general economic conditions or the Group's financial condition. The ratings of individual securities (including, but not limited to, certain Tier 1 capital and Tier 2 capital securities and covered bonds) issued by the Group (and other banks globally) could be impacted by changes in the regulatory requirements for those instruments as well as the ratings methodologies used by rating agencies.

Any downgrade or potential downgrade to the Group's credit ratings or ratings outlooks may reduce access to capital and wholesale debt markets and could lead to an increase in funding costs, constrain the volume of new lending able to be extended and affect the willingness of counterparties to transact with the Group, which may adversely affect the Group's Position. Credit ratings are not a recommendation by the relevant rating agency to invest in securities offered by the Group.

12. Liquidity and funding risk events may adversely affect the Group's Position

Liquidity and funding risk is the risk that the Group is unable to meet its payment obligations as they fall due (including repaying depositors and wholesale creditors) or that the Group has insufficient capacity to fund increases in assets. Liquidity and funding risk is inherent in banking operations due to the timing mismatch between cash inflows and cash outflows.

Deterioration and volatility in market conditions and a decline in investor confidence in the Group

may materially impact the Group's ability to replace maturing liabilities and access funding in a timely and cost-effective manner, which may adversely impact the Group's Position. Advances in technology allow customers to withdraw funds deposited with the Group faster and may accelerate the risks associated with on-demand liabilities, such as transactional and savings deposits.

The Group raises funding from a variety of sources, including customer deposits and wholesale funding in domestic and offshore markets to meet its funding requirements and to maintain or grow its business. Developments in major markets can adversely affect liquidity in global capital markets. For example, in times of liquidity stress, if there is damage to market confidence in the Group or if funding from domestic or offshore markets is not available or is constrained, the Group's ability to access sources of funding and liquidity may be constrained and the Group will be exposed to liquidity and funding risk.

Reduced liquidity could lead to an increase in the cost of the Group's borrowings, constrain the volume of new lending and adversely affect the Group's ability to fulfill depositor withdrawal demands and its payment obligations, which may adversely affect the Group's Position.

13. Changes in the valuation of some of the Group's assets and liabilities may adversely affect the Group's earnings and equity and the Group's Position

The Group applies accounting standards, which require that various financial instruments, including derivative instruments, assets and liabilities classified as fair value through other comprehensive income, assets and liabilities classified as fair value through profit or loss, and certain other assets and liabilities (as per Note 12 of the condensed consolidated financial statements for the half year ended 31 March 2026 **("Condensed Consolidated Financial Statements")** as set out in the Group's half year 31 March 2026 Consolidated Financial Report are measured at fair value with changes in fair value recognised in earnings or equity.

Generally, to measure the fair value of these instruments, the Group relies on quoted market prices, present value estimates or other valuation techniques that incorporate the impact of factors that a market participant would take into account when pricing the asset or liability. Certain other assets, including some unlisted equity investments, are valued using discounted cash flow techniques or other valuation techniques as outlined in the Condensed Consolidated Financial Statements. The fair value of these instruments is impacted by changes in market prices or valuation inputs that may adversely affect the Group's earnings and/or equity.

The Group may be exposed to a reduction in the value of non-lending related assets as a result of impairments that are recognised in earnings. The Group must test at least annually the recoverability of goodwill balances and intangible assets with indefinite useful lives or not yet available for use and other non-lending related assets including premises and equipment (including right-of-use assets arising from leases), investment in associates, capitalised software and other intangible assets where there are indicators of impairment.

To assess the recoverability of goodwill balances, the Group uses a fair value less costs of disposal approach, with a value in use where the fair value less costs of disposal is less than the carrying amount. Changes in the assumptions upon which the calculation is based, together with changes in earnings, may materially impact this assessment, resulting in the potential write-off of a part or all the goodwill balances.

In respect of other non-lending related assets, if an asset is no longer in use or the cash flows generated by the asset do not support the carrying value, impairment charges may be recorded. This, in conjunction with the other potential changes above, could impact the Group's Position.

14. Changes to accounting policies may adversely affect the Group's Position

The accounting policies that the Group applies are fundamental to how it records and reports its financial position and financial performance. Management exercises judgement in selecting and applying many of these accounting policies. This is so that the Group complies with the applicable

accounting standards or interpretations and reflects the most appropriate manner in which to record and report on the Group's financial position and financial performance. These accounting policies may be applied inaccurately, resulting in a misstatement of the Group's financial position and/or its financial performance. The application of new or revised accounting standards or interpretations may also adversely affect the Group's financial position and/or its financial performance. The Group discloses the impact of new accounting standards that are effective for the first time in any reporting period, in the notes to the consolidated financial statements for that period. In some cases, management must select an accounting policy from two or more alternatives, any of which would comply with the relevant accounting standard or interpretation and be reasonable under the circumstances yet might result in reporting materially different outcomes than would have been reported under the alternative.

Legal and regulatory risk

15. Regulatory changes or a failure to comply with laws, regulations or policies may adversely affect the Group's Position

The Group's businesses and operations are highly regulated. The Group is subject to laws, regulations, and policies, including industry self-regulation, in the Relevant Jurisdictions ("**Regulations**"). Regulations may be affected by a variety of factors, including recommendations made by inquiries conducted by the Australian Government or other regulators. Regulations continue to change, including with little or no notice, and are generally increasing in scope, scale, complexity, cost and speed of required compliance. Changes to Regulations and any associated increases in compliance costs may affect the profitability of the Group, change the level of competition that the Group faces or affect the ability of the Group to conduct one or more elements of its business. In addition, regulators are coming under increased pressure to take enforcement actions against entities that are not compliant with Regulations. The increasing complexity of Regulations and increased propensity for sanctions and more severe financial penalties for breaches could adversely affect the Group's results and reputation.

Regulations can and do affect the operating environment of, and impose significant compliance costs on, the Group. A failure by the Group to comply with Regulations or manage regulatory change could result in regulatory investigations, litigation, legal or regulatory sanctions, public criticism, financial or reputational loss, restrictions on the Group's ability to do business, fines or other enforcement or administrative actions or penalties. Any of these may adversely affect the Group's Position.

Recent significant regulatory actions include:

- In April 2025, ANZBGL entered into a Court Enforceable Undertaking ("**CEU**") with APRA in relation to deficiencies in non-financial risk management practices and risk culture across the Group.
- On 19 December 2025, ANZBGL announced that the Federal Court of Australia had made orders regarding the settlement ANZBGL agreed with ASIC to resolve five matters within its Australian 'Markets' and 'Australia Retail' businesses that were the subject of separate regulatory investigations (the "**Federal Court Orders**"). The Federal Court Orders imposed civil penalties of A$250 million on ANZBGL and required ANZBGL to undertake a compliance program focused on pre-hedging of Australian material size transactions and associated disclosures to clients.

The CEU and the Federal Court Orders increase the regulatory scrutiny of the Group and introduce heightened risks to the Group in the event of non-compliance, including potential financial or reputational consequences. Failure to meet ANZBGL's obligations under the CEU or the Federal Court Orders may adversely affect the Group's Position.

Themes of recent Regulations include, but are not limited to, the prudential position of financial institutions, increasing transparency regarding automated decision-making and AI use, the protection of customers, regulatory enforcement and the protection and use of information. Set out

below are examples of recent or potential regulatory changes that could affect the Group's Position.

Prudential regulation

Changes to prudential regulation can increase the level of regulatory capital that the Group is required to maintain, restrict the Group's flexibility, require it to incur substantial costs and/or impact the profitability of one or more of its business lines, any of which may adversely affect the Group's Position.

Recent prudential regulation changes that have impacted, or that may impact the Group's Position, include:

- Financial resilience: APRA implemented its new bank capital framework for ADIs on 1 January 2023 that seeks to align Australian standards with the international agreed Basel 3 requirements. In December 2024, APRA published final standards for APS 110 Capital adequacy and APS 116 Capital Adequacy Market Risk, both effective 1 January 2025. Other key regulatory changes include APS 330 Public Disclosures effective 1 January 2025; APS 210 Liquidity, effective 1 July 2025; and APS 117 Capital Adequacy: Interest Rate Risk in the Banking Book, effective 1 October 2025. APRA continues to consult on and finalise revisions to APS 210 Liquidity, CPS 220 Risk Management (embedding climate risk), CPS 510 Governance, and CPS 520 Fit and Proper, and has finalised amendments to remove additional Tier 1 ("**AT1**") capital from its prudential framework (refer to *APRA's approach to AT1 Capital in Australia"* below). From a macroprudential perspective, APRA activated new debt to income ("**DTI**") limits effective from 1 February 2026, which affect residential mortgage lending, including limits on high DTI, investor or interest-only lending.
- Operational resilience: See risk factor 25 "*Non-financial risk events may adversely affect the Group's position*" for further information about CPS 230 Operational Risk Management.
- Resolution planning: Prudential Standard CPS 900 Resolution Planning ("CPS 900") became effective on 1 January 2024. CPS 900 requires certain entities, including significant financial institutions, to develop a resolution plan in cooperation with APRA, so the entity can be resolved by APRA in an orderly manner where the entity is unable to, or is likely to be unable to, meet its obligations or suspends, or is likely to suspend, payments.
- APRA's consultation on enhancements to ADI capital and liquidity requirements: In March 2026, APRA announced plans to consult on enhancements to ADI capital and liquidity settings. The proposals include:
  - changes to the liquidity framework for the largest banks, including holding liquidity to address risks not covered by existing liquidity coverage ratio minimum requirements;
  - targeted amendments to the standardised credit risk capital framework; and
  - the implementation of a simplified approach to the Basel Committee's Fundamental Review of the Trading Book ("FRTB").

  APRA has indicated that the consultation will occur in stages with review of the standardised credit risk capital framework to occur in the 2026 calendar year and consultation on the liquidity framework and FRTB to occur during the 2026 and 2027 calendar years.
- APRA's approach to AT1 capital in Australia: In December 2025, APRA finalised its prudential standards relating to the removal of AT1 capital with the new prudential standards to come into effect from 1 January 2027. Large, internationally active banks, such as the Group, which have received APRA approval to use the Internal Ratings-based Approach to credit risk capital requirements ("Advanced" banks) will be required to:
  - replace the current requirements for 1.5% of AT1 capital with 0.25% of Common Equity Tier 1 ("**CET1**") capital and 1.25% of Tier 2 capital;
  - increase the minimum CET1 capital requirement from 4.5% to 6.0%, but remove the Advanced portion of the Capital Conservation Buffer of 1.25%;

- keep the total capital minimum, inclusive of APRA buffers, unchanged at 18.25% (including total loss-absorbing capacity ("**TLAC**") requirements); and
- increase the Tier 2 requirements (inclusive of TLAC requirements) from 6.5% to 7.75%.

In addition, APRA has replaced references to Tier 1 capital with CET1 capital for the purposes of the leverage ratio and exposure limits in, APS 222 *Associations with Related Entities* ("**APS 222"**), APS 221 *Large Exposures* (**"APS 221"**) and Trans-Tasman funding arrangements. APRA has also reduced the minimum leverage ratio by 0.25% from 3.50% to 3.25%. These changes will reduce the Group's capacity to fund exposures under the above metrics; however, the impact on the Group will depend on existing capacity under these metrics. APRA's consultation paper relating to these changes noted that ADIs impacted by the changes to APS 222, APS 221 or Trans-Tasman funding arrangements can discuss potential adjustments with APRA.

- The Deposit Takers Act 2023 ("**Deposit Takers Act**") is expected to be fully implemented by late 2028, except in relation to a new standard relating to crisis preparedness. The RBNZ is undertaking a multi-year work program to develop policies, standards and regulations to support the implementation of the Deposit Takers Act. ANZ Bank New Zealand Limited will be required to obtain a new banking licence under the Deposit Takers Act. The Deposit Takers Act introduced the Depositor Compensation Scheme ("**DCS**"), which commenced in July 2025 and protects up to NZ$100,000 of eligible deposits per depositor, per institution, in the event of a deposit taker failure. The DCS could see customers split deposits and therefore cause a funding constraint for the ANZ New Zealand Group.
- RBNZ revisions to capital requirements: In 2025, the RBNZ conducted a review of its key capital requirements for New Zealand banks that were being progressively implemented to July 2028 and decided to revise the capital ratio requirements, lower standardised risk weights for certain types of lending and increase their granularity, and remove AT1 capital from the capital framework. For the New Zealand systemically important banks, including the ANZ New Zealand Group, the revised requirements will include a minimum CET1 ratio requirement of 12% and total capital ratio requirement of 15%. These ratios are currently required to be 10% and 14.5% respectively and had been expected to be 13.5% and 18% from July 2028. A new loss absorbing capacity ("LAC") requirement of 6% will also be implemented. RBNZ indicated the CET1 capital ratio requirement will increase by 0.5% in October 2026, concurrent with the standardised risk weight changes being implemented. The remaining capital ratio changes are not expected to be made before December 2028.

  No new AT1 issuance is expected to be permitted from October 2026, and existing AT1 perpetual preference shares are expected to progressively cease to qualify as tier 1 capital from December 2029.

  RBNZ is expected to continue consulting on aspects of the revised requirements, including certain transitional arrangements during the period to December 2028.

  The impact of the review on ANZ New Zealand Group and the Group will depend on final implementation details, business mix and balance sheet settings at the relevant time. As such, the impact of the review on ANZ New Zealand Group and the Group is currently uncertain.

Other Australian regulation

Other recent developments relating to Australian regulation that have impacted, or that may impact the Group in the future include:

- Climate-related disclosure: Legislation was passed in Australia in September 2024 to introduce mandatory reporting requirements for large to medium sized companies which are captured within the thresholds. ANZGHL and its subsidiaries including the Group are required to prepare climate-related disclosures for each annual reporting period commencing 1 October 2025. The legislation requires entities to disclose climate-related risks and opportunities, scenario

analysis, a climate-related transition plan, and scope 1, 2 and 3 emissions amongst other disclosures. Scope 3 emissions disclosure requirements are required for the annual reporting period starting 1 October 2026. Assurance requirements will be phased in. A limited, modified liability framework applies for up to three years. ANZGHL and its subsidiaries, including the Group, could face increased costs associated with reporting and compliance with the legislation as well as potential additional scrutiny in relation to its climate-related disclosures, including in respect of the accuracy and substantiation of such disclosures.

- Privacy: In November 2024, the Australian Parliament passed the Privacy and Other Legislation Amendment Act 2024. This Act implements the first tranche of reforms proposed in the Privacy Act 1988 review final report (including regarding enforcement and increasing automated decision-making transparency) with further substantive reforms to be the subject of further targeted consultation. These changes could impact how the Group uses individuals' information and the mechanisms (including new civil penalties) available to enforce privacy obligations. This is in the context of increasingly active enforcement action for claims of serious or repeated interferences with privacy by the Australian Information Commissioner in the Federal Court of Australia.

- Cyber Security: In November 2024, the Australian Parliament passed legislation to amend cyber security laws and make changes to the Security of Critical Infrastructure Act 2018. The changes include a ransomware reporting obligation for businesses and strengthened consequence management powers for the Minister for Cyber Security. Separately, the Australian Government has passed legislation to establish an accreditation scheme for entities providing digital identity services. These developments, together with heightened regulatory focus on cyber resilience, incident response, third-party and supply-chain vulnerabilities and critical infrastructure, could increase compliance costs, change operational requirements and give rise to regulatory investigations or enforcement proceedings, for example, if the Group wishes to become a provider of digital identity services or use digital identities as part of its onboarding process for customers, which may, in turn, adversely affect the Group's Position. There are ongoing consultations on proposed changes to Security of Critical Infrastructure ministerial direction powers and the exposure draft Critical Infrastructure Risk Management Program Rules, which may materially affect obligations. These matters are being actively monitored, with consultation outcomes to be assessed as they are finalised (consultations close on 1 May 2026).

- Physical banking: In February 2025, the Australian Government announced it had 'secured commitments from banks' to ensure regional banking services remain available and that it will continue work to ensure regions have access to fit-for-purpose, sustainable banking services over the long term. The Australian Government has also introduced new rules mandating providers of essential goods and services (excluding small businesses) to accept cash payments where in person payment is offered. Implementation of the mandate would likely require supporting cash-in-transit measures which could result in increased costs to the Group. Separately, the ACCC has granted interim authorisation to the Australian Banking Association ("ABA"), its member banks, and other relevant industry participants to discuss and develop arrangements to maintain the physical distribution of cash throughout the Australian economy and to implement certain business continuity measures. The authorisation applications by the ABA followed concerns expressed by the major supplier of cash-in-transit services in Australia, Armaguard, that the industry is not sustainable in its current form given the declining use of cash. Disruptions to cash-in-transit services could have a material impact on the Group's ability to provide cash to customers. Measures concerning cash-in-transit (which could include business continuity measures) could result in increased costs to the Group.

- Payments: In November 2024, the Australian Government released its Cheques Transition Plan, which sets out the Australian Government's expectations of industry for the winding down of Australia's cheques system in 2029. In October 2024, the Australian Government announced that it was prepared to ban surcharging on debit card transactions from 1 January 2026, subject to consultation by the RBA and sufficient steps being taken to ensure both small businesses and consumers could benefit from lower costs. In July 2025 the RBA commenced

consultation on proposals to ban surcharging and reduce interchange fees charged by card issuing banks to merchant acquiring banks. The RBA released its report on 31 March 2026. The prohibition on the Visa and Mastercard surcharging bans will be removed as at 1 October 2026, with the expectation that surcharging will no longer be permitted on debit and credit card transactions through these schemes. The cap on credit card interchange fees will be reduced effective 1 October 2026 for domestic issued cards and April 2027 for foreign issued cards. Assuming the changes are implemented as expected, the changes to interchange fees are likely to have an adverse financial impact on the Group. The RBA has flagged its intent to conduct a broader review of the payment system, commencing in June 2026. The review is likely to consider the application of payments regulation to a broader set of Systems and Participants (e.g. wallets, ecommerce and payments gateways, platforms intermediaries, etc) that now fall within the RBA's regulatory remit under the revised Payments System Regulation Act (PSRA).

- Compensation Scheme of Last Resort (CSLR): In August 2025, the Australian Government Treasury consulted on the options available to the Minister for Financial Services for addressing a A$47.3 million excess to the A$20 million cap for the financial advice sub-sector for the CSLR's 2025-26 levy period (1 July 2025 to 30 June 2026). Under the CSLR, four financial services sub-sectors (financial advice, credit providers, credit intermediaries and securities dealers) must each contribute an annual levy of up to a $20m cap calculated by reference to the claims made on the CSLR for each sub-sector. The Minister's options for dealing with the excess include the imposition of a 'special levy' on one or more financial services sub-sectors. Should the Minister for Financial Services impose a special levy, this could have an adverse financial impact on the Group.

- Tax reform: In December 2025, in its final report the Productivity Commission recommended lowering the headline corporate tax rate from 30% to 20% for businesses with turnover under A$1 billion and setting the rate at 28% for companies with revenue over $1billion. A new net cashflow tax of 5% would also apply to all companies. Under the net cashflow tax it is proposed that financial services companies would be taxed on net interest and receive a deduction for financial capital expenditure. If enacted, the Productivity Commission recommendations could adversely affect the Group's tax obligations.

- Financial crime: *Refer to risk factor 17 "Significant fines and sanctions in the event of breaches of law or regulation relating to anti-money laundering, counter-terrorism financing, sanctions and fraud, and scams may adversely affect the Group's Position"* for information on recent regulatory developments relating to anti-money laundering, counter-terrorism financing, scams and sanctions.

Other New Zealand regulation

The New Zealand Government and regulatory authorities have also proposed and implemented significant legislative and regulatory changes for New Zealand financial institutions.
The New Zealand Government has introduced the NZ CDR regime, which has applied to ANZ Bank New Zealand Limited (and the three other New Zealand banks considered New Zealand systemically important banks) since 1 December 2025. *Refer to risk factor 2 "Competition in the markets in which the Group operates may adversely affect the Group's Position".*

Such changes may adversely affect the ANZ New Zealand Group, potentially impacting its corporate structures, businesses, strategies, capital, liquidity, funding and profitability, cost structures, and the cost of and access to credit for its customers and the wider economy. This in turn may adversely affect the Group's Position.

16. Litigation and contingent liabilities may adversely affect the Group's Position

From time to time, the Group may be subject to material litigation, regulatory actions, legal or arbitration proceedings and other contingent liabilities that may adversely affect the Group's Position.

The Group had contingent liabilities as at 31 March 2026 in respect of the matters outlined in Note 17 of the Condensed Consolidated Financial Statements. Note 17 includes, among other things, the following matters:

- regulatory, customer and third party exposures;
- South African rate action;
- non-financial risk management court enforceable undertaking (defined as the "CEU", *refer to risk factor 15 "Regulatory changes or a failure to comply with laws, regulations or policies may adversely affect the Group's Position"* for further detail);
- OnePath superannuation litigation;
- New Zealand loan information litigation;
- security recovery actions; and
- warranties, indemnities and performance management fees.

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, New Zealand 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.

Matters in relation to which Group has recently engaged with its regulators include:

- the ASIC Matters Resolution Program within Australia Retail division, which covers a range of areas, specifically: ANZBGL's Online Saver product, hardship processes, deceased estates, breach reporting, event management, customer remediation and complaints;

- *Common Reporting Standard* and *Foreign Account Tax Compliance Act* obligations, processes and reporting;

- anti-money laundering and counter-terrorism financing obligations, processes and procedures. For example, in recent periods, Australian Transaction Reports and Analysis Centre ("**AUSTRAC**") has conducted reviews and made inquiries with ANZBGL and Suncorp Bank. A number of potential non-compliance instances identified by AUSTRAC have been subject to ongoing uplift programs with regular reporting to AUSTRAC. The Group continues to self-identify and report AML/CTF (anti-money laundering and counter-terrorism financing) compliance issues to AUSTRAC, and provides updates to AUSTRAC on remediation activities on a regular basis; and

- non-financial risk management practices including 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.

There is however a risk that contingent liabilities may be larger than anticipated or that additional litigation, regulatory actions, legal or arbitration proceedings or other contingent liabilities may arise could materially and adversely affect the Group's Position.

17. Significant fines and sanctions in the event of breaches of law or regulation relating to anti-money laundering, counter-terrorism financing, sanctions and fraud, and scams may adversely affect the Group's Position

Laws and regulations relating to anti-money laundering, counter-terrorism financing, sanctions, fraud and scams have increased in complexity in recent years. Regulatory reforms and extended sanctions and enforcement actions taken domestically and internationally continues to be a focus of the Group.

- **Anti-money Laundering and Counter-Terrorism Financing ("AML/CTF")**

  The Australian Transaction Reports and Analysis Centre ("**AUSTRAC**") is Australia's AML/CTF regulator and financial intelligence unit. AUSTRAC uses a range of regulatory tools and powers to promote and enforce compliance with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 ("Australian AML/CTF Act") and the Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No. 1). AUSTRAC has demonstrated its willingness to take strong regulatory action where reporting entities fail to meet their AML/CTF obligations, including through civil penalty proceedings, enforceable undertakings and infringement notices. Significant penalties have been imposed on a number of domestic financial institutions in recent years in response to serious and systemic compliance failures.

  In November 2024, the Australian Parliament passed legislation to reform the Australian AML/CTF Act, resulting in changes to regulatory requirements including those relating to AML/CTF programs, risk assessments, customer due diligence, reporting of suspicious matters reports, transaction threshold reports and transfers of value ("**Australian AML/CTF Reforms**"). The Australian AML/CTF Reforms were supported by new and amended AML/CTF Rules issued in August 2025, which set out how certain obligations are to be implemented. In March 2026, further amendments to the Australian AML/CTF Act were introduced in the Australia parliament. If passed, those amendments will introduce further changes to AML/CTF obligations.

  The Australian Government has issued transitional rules that defer the commencement of certain key obligations under the amended Australian AML/CTF Act. Most notably, the 'Initial Customer Due Diligence' requirements have now been deferred until 31 March 2029. Except for the matters covered in the transitional rules, most of the reforms came into effect on 31 March 2026 for current reporting entities, including those in the Group.

  Full compliance with these reforms will involve complex technology upgrades to onboarding, operating systems and reporting systems. In addition, associated policies, procedures and staff training will also require substantial updates. This means that implementation will be a multi-year undertaking and the Group was not compliant with all new requirements as at 31 March 2026. AUSTRAC has acknowledged the tight timeframes and challenges for businesses in implementing the reforms. In line with AUSTRAC's published guidance, the Group will maintain its current money laundering controls, which are intended to ensure ongoing compliance with those controls during the transition. The Group has developed an implementation plan that specifically address Money Laundering ("**ML**") /Terrorism Financing ("**TF**") and Proliferation Financing ("**PF**") risks.

  The Group will monitor progress against the implementation plan, adapting it as required during this implementation phase. Key risks associated with the Australian AML/CTF Reforms include misalignment of the Group's implementation plan with AUSTRAC expectations or transitional rules (including timeframes), delays, or failure to achieve intended compliance outcomes, exposing the Group to regulatory scrutiny, enforcement, and penalties. Failure to adequately

update systems and processes to address increasingly complex financial crime risks (including during the transition) may also result in breaches of AML/CTF and other laws, leading to significant financial penalties, reputational damage, or a material adverse impact on the Group's Position.

The New Zealand Government has also undertaken a review of its Anti-Money Laundering and Countering Financing of Terrorism Act 2009 ("**NZ AML/CFT Act**"). Regulations were introduced in three tranches. The first of the three tranches of regulations was introduced in July 2023 (consisting of largely definitional changes and clarifications). The second tranche of regulations came into force in June 2024, making changes to various existing obligations (including customer due diligence, enhanced due diligence and ongoing due diligence requirements) and introducing new obligations (including a specific recordkeeping obligation in relation to prescribed transaction reporting). The third tranche of regulations came into force in June 2025 and introduced further obligations for customer risk rating. Further reform will be delivered through amendments to the primary NZ AML/CFT Act through three workstreams. The first workstream includes notable changes to enhanced customer due diligence, customer screening and address verification requirements. The second workstream will introduce a levy on reporting entities and consolidate the AML/CFT supervisor model from three supervisors into one. The third workstream will bring additional changes, including bringing proliferation financing into the regime. Although there is no clear view of the outcome of the reforms at this stage, the reform process could lead to new regulatory requirements being imposed on the Group, which may adversely affect the Group's Position.

- **Sanctions**

The external sanctions and export control landscape continues to evolve in complexity, with regulatory expectations increasing and enforcement for non-compliance a focus of many regulators. The imposition of sanctions targeting individuals and entities, including those involved in evasion networks operating globally, by regulators since the beginning of the Russia-Ukraine conflict in February 2022 continues. In February 2026, certain jurisdictions including Australia, New Zealand, the US, the EU and the UK significantly escalated Russia-related sanctions targeting the energy, maritime, crypto providers and financial sectors and (except in the case of the US) all lowered the oil price cap to USD 44.10 per barrel for Russian seaborne crude oil. Recent regulatory developments have broadened the scope of secondary sanctions to include financial institutions that provide material support or facilitate significant transactions involving sanctioned entities or jurisdictions, including Russia**.** Institutions engaging in such activities may face exposure to restrictive measures, including loss of access to key financial systems, asset freezes, or other penalties under applicable sanctions regimes. Companies continue to assess their risk appetite regarding direct and indirect business activity involving Russia or Russian-owned or controlled entities, with secondary sanctions risk a consideration. This may result in companies adjusting the types of business services they provide and in certain circumstances ceasing to provide business services.

In September 2025, the United Nations reimposed sanctions on Iran under the Joint Comprehensive Plan of Action's "snapback" mechanism, following a formal determination by France, Germany and the UK, that Iran was in non-compliance with its nuclear commitments. These, together with existing sanctions by the United States, form a comprehensive sanctions and diplomatic strategy aimed at denying Iran access to nuclear weapons, curbing its regional influence and driving its oil exports to zero. In addition, the number of sanctions against Iranian shipping networks, third party facilitators and relevant individuals and companies continues to rise. The Group maintains a comprehensive prohibition against dealings involving Iran.

Whilst the US, the EU, the UK and Australia have eased sanctions on Syrian Arab Republic, the US continues to maintain the State Sponsor of Terrorism designation against Syria. The Group continues to maintain a comprehensive prohibition against dealings involving Syria. Organisations continue to assess and take appropriate steps to manage the risks associated

with the differences in sanctions policies between global allies.

- **Fraud & Scams**

  Globally, fraud and scams continue to be pervasive and evolve quickly within financial services and other sectors. In February 2025, the Australian Government's Scams Prevention Framework ("**SPF**") received Royal Assent, establishing new obligations for banks, telecommunications providers and digital platforms. It sets expectations about how organisations govern, prevent, detect, report, disrupt and respond to scams. In November 2025, the Australian Government released the scams consultation package and is seeking industry feedback to help implement the SPF. The SPF is intended to commence operation on 1 July 2026 and be fully implemented for banks, telecommunication providers and certain digital platforms by the end of 2027. ANZBGL has submitted its response (including one via the Australian Banking Association) on the proposed codes and rules and is actively engaged in the consultation process with the Australian Government to address areas of impact, clarify regulatory definitions and ensure alignment with existing legal obligations.

Close monitoring of the different levels and types of financial crimes continues across the Group. The potential risk of non-compliance remains high given the scale and complexity of the Group and the multiple reforms underway. Emerging technologies, such as those provided by virtual asset service providers (e.g., digital currency exchanges and wallet providers) as well as increasingly complex remittance arrangements via FinTechs and other disruptors, may limit the Group's ability to track the movement of funds, develop relevant transaction monitoring and meet reporting obligations. The complexity of the Group's technology, and the increasing frequency of changes to systems that play a role in AML/CTF, and sanctions compliance puts the Group at risk of failing to identify an impact on the systems and controls in place. A failure to operate a robust program to report the movement of funds, combat money laundering, terrorism financing, scams and other serious crimes may have serious financial, legal and reputational consequences for the Group and its employees.

Consequences of the Group not meeting regulatory expectations relating to AML/CTF, sanctions, fraud and scams can include fines, criminal and civil penalties, civil claims, reputational harm and limitations on doing business in certain jurisdictions. These consequences, individually or collectively, may adversely affect the Group's Position. The Group's foreign operations may place the Group under increased scrutiny from regulatory authorities and subject the Group to increased compliance costs.

Refer to risk factor 15 "Regulatory changes or a failure to comply with laws, regulations or policies may adversely affect the Group's Position" for further discussions of risks associated with failure to comply with laws, regulations and regulatory expectations.

18. Changes in monetary policies may adversely affect the Group's Position

Central monetary authorities (including the RBA, the RBNZ, the United States Federal Reserve, the European Central Bank, the Bank of England and monetary authorities in the Asian jurisdictions in which the Group operates) set official interest rates or take other measures to affect the demand for money and credit in their relevant jurisdictions. In some jurisdictions, currency policy is used to influence general business conditions and the demand for money and credit. These measures and policies can significantly affect the Group's cost of funds for lending and investing and the return that the Group will earn on those loans and investments. These factors impact the Group's net interest margin and can affect the value of financial instruments it holds, such as debt securities and hedging instruments. The measures and policies of the central monetary authorities can also affect the Group's borrowers, potentially increasing the risk that they may fail to repay loans. Changes in interest rates and monetary policy are difficult to predict and may adversely affect the Group's Position. *Refer to risk factor 3 "Changes in the real estate markets in Australia, New Zealand or other markets where the Group does business may adversely affect the Group's Position*" and risk factor 9 "*Credit risk may adversely affect the Group's Position*".

19. Ongoing risk of potential regulatory ramifications (including significant penalties) may adversely affect the Group's position, in the event of non-compliance with the evolving and extensive obligations imposed by Automatic Exchange of Information ("Aeonik") global customer tax transparency regimes

There continues to be mandatory and substantial changes to, and increasing regulatory focus on, compliance by all global Financial Institutions ("**FIs**"), including FIs within the Group, with global customer tax transparency regimes, under the Foreign Account Tax Compliance Act ("**FATCA**"), the Organisation for Economic Co-operation and Development's ("**OECD's**") Common Reporting Standard ("**CRS**") and similar anti-tax avoidance regimes. This includes global regulatory movement to enforcement and penalty activities and increasing regulatory implementation of additional compliance framework requirements, compliance assessment requirements, questionnaires, onsite financial institution audits, evidentiary requirements, detailed rules and frameworks to close down circumventions and deter, detect and penalise non-compliance. The ongoing OECD government level peer reviews and U.S. Internal Revenue Service and regulatory FI compliance review/audit requirements increase scrutiny and therefore unplanned workload of FIs globally. Each country of CRS adoption is being pushed by the OECD to ensure its penalty regime is sufficient to deter and penalise non-compliance.

As the Group is an in-scope FI operating in a globally interlinked operating environment, the highly complex and rigid nature of the obligations under each country's varied implementation of these regimes present heightened operational and compliance risks for the Group. As international regulatory compliance frameworks mature and regulators shift focus to enforcement (which may include financial penalties and other more general tax risk framework implications), this may result in significant penalty provision requirements and reputational damage in the event of failures. Accordingly, compliance with global customer tax transparency regimes is a key area of focus and major cost for the Group.

Under FATCA and other relevant U.S. Treasury Regulations, the Group could be subject to:

- a 30% withholding tax on certain amounts (including amounts payable to customers), and be required to provide certain information to upstream payers, as well as other adverse consequences, if the ongoing detailed obligations are not adequately met; and
- broader compliance issues, significant withholding exposure, competitive disadvantage and other operational impacts if the FATCA Intergovernmental Agreements between the United States and the applicable jurisdictions in which the Group operates cease to be in effect.

Under the CRS, the Group:

- faces challenges in developing countries where the Group has operations, such as the Pacific region. The local regulators in these countries are generally assisted by a 'partner' country. The introduction of standards and evidentiary requirements continue to be challenging to implement and adhere to;
- must deal with substantial ongoing country specific variations in local law and regulatory implementation, with significant broader 'justified trust' ramifications and penalties for non-collection or failed reporting in respect of prescribed customer information;
- is under increasingly stringent regulatory scrutiny and measures as regulators turn their focus to the effectiveness of FI implementation. This tightening of regulatory focus, at a varying pace in each country, can lead to significant negative experiences for affected customers (including unilateral account blocking and closure, and potential direct customer penalties), which may adversely affect the Group's Position and if not similarly implemented by other FIs, may present a significant competitive disadvantage and loss of business;
- faces poor customer outcomes with customers who may feel aggrieved as a result of blocking and closure impacts including increased potential exposure to legal and third-party liability, particularly where the Group has not communicated the regulatory issue clearly to a customer or has blocked or closed the account incorrectly (for example, due to a data or process error);
- continues to deal with the substantial implementation challenges associated with the complex

requirements relating to intermediaries, which may also increase the risk of regulatory ramifications; and

- is faced with regulatory change on the horizon related to the OECD's Crypto-Asset Reporting Framework and amended Common Reporting Standard across the majority of jurisdictions in which the Group operates. Various start dates will apply across jurisdictions due to non-uniform implementation timeframes.

The scale and complexity of the Group, which includes Suncorp Bank and ANZ New Zealand Group, means that the risk of non-compliance with FATCA, CRS and other tax reporting regimes remains high. There have been recent interactions with the Australian Taxation Office, New Zealand Inland Revenue and other local regulators on CRS and FATCA obligations, processes and reporting (as applicable). The loss of key resources and critical subject matter expertise, combined with the challenge of finding qualified replacements, increases the risk of non-compliance with these obligations. A failure to successfully operate the implemented processes or to identify and implement all obligations could lead to legal, financial and reputational consequences for the Group and its employees. Consequences include fines, criminal and civil penalties, civil claims, remediation, rectification of systems and processes, reputational harm, competitive disadvantage, loss of business and constraints on doing business.
These consequences, individually or collectively, may adversely affect the Group's Position.

20. Unexpected changes to the Group's license to operate in any jurisdiction may adversely affect the Group's Position

The Group is licensed to operate in various jurisdictions. Unexpected changes in the conditions of the licenses to operate by governments, administrations or regulatory agencies that prohibit or restrict the Group from trading in a manner that was previously permitted may adversely affect the Group's Position.

Environmental, social and governance risks

21. Impact of future weather events, nature loss, human rights, geological events, plant, animal and human diseases, and other extrinsic events may adversely affect the Group's Position

The Group and its customers are exposed to ESG risks, including from weather events (including natural disasters), geological events (such as volcanic or seismic activity or tsunamis), nature loss (including as a result of species extinction or decline, or ecosystem degradation), plant, animal and human diseases or pandemics such as COVID-19 and human rights risks. Each of these may have a significant impact on the Group's operations and its customers.

Climate-related physical risks are increasing, which is observed through increases in the average global temperature and the impacts of more regular extreme weather events. Weather events may include severe storms, bushfires, cyclones and floods. Longer-term changes in climate patterns may include rising sea levels and changes in temperature and precipitation (including drought). The impact of these events may be widespread including through second order impacts. For example, the economic impacts of a drought may extend beyond primary producers to other customers of the Group, including suppliers to the agricultural sector, and to those who reside in, and operate businesses within, affected communities. As a result, the Group may be exposed to weather events directly, and through the impact of these events on its customers (*refer to risk factor 22* "*Risks associated with lending to customers that could be directly or indirectly impacted by climate risk may adversely affect the Group's Position*").

Nature is an emerging risk that the Group is seeking to understand further. Nature risks can arise from lending to customers with material impacts or dependencies on nature. These risks can also arise from legal and regulatory changes, which may impact the Group directly or indirectly through the Group's customers. Failure to manage these risks may lead to financial and non-financial risks and may adversely affect the Group's Position.

Human rights risks relate to the safety and security of the Group's people, labour rights, modern slavery, privacy, corruption and bribery, environmental protection and land access and rights. The Group uses risk-based due diligence to identify human rights risks and impacts associated with its business relationships. Failure to manage these risks may adversely affect the Group's Position.

Laws and regulations relating to climate change, nature, human rights, or other ESG risks, as well as the perspectives of shareholders, employees and stakeholders, may affect whether and on what terms and conditions the Group engages in certain activities or offers certain products. Depending on their frequency and severity, these risks may interrupt or restrict the provision of services such as the Group branch or business centres or other Group services. They may also adversely affect the Group's financial condition or collateral position in relation to credit facilities extended to customers, which in turn may adversely affect the Group's Position.

22. Risks associated with lending to customers that could be directly or indirectly impacted by climate risk may adversely affect the Group's Position

The Group's most material climate risks arise from lending to business and retail customers. Customers may be affected directly by physical and transition risks. These include the effect of extreme weather events on a customer's business or property, including impacts to the cost, availability and adequacy of insurance coverage, changes to the regulatory and policy environment in which the customer operates, disruption from new technology and changes in demand towards lower emission products and services. Climate risks may indirectly affect a customer by impacting its supply chain.

Climate risks may affect the ability of customers to repay debt, result in an increased probability of default, result in 'stranded assets', and/or impact the amount the Group is able to recover due to the value or liquidity of collateral held as security being impaired. Recent extreme weather events in Australia, such as Tropical Cyclone Alfred and flooding in Queensland and New South Wales in 2025, have affected customers.

Risks associated with climate change are subject to increasing regulatory, political and societal focus.

Further integrating and embedding climate risk into the Group's risk management framework and adapting the Group's operations and business strategy to seek to address the risks and opportunities posed by climate change, could have a significant impact on the Group.

Risk management, internal control, non-financial and reputational risk

23. Conduct risk events may adversely affect the Group's Position

Conduct risk is the risk of loss or damage arising from the failure of the Group, its employees or agents to appropriately consider the interests of consumers, the integrity of the financial markets, and the expectations of stakeholders in conducting the Group's business activities.

Conduct risks include:

- the provision of unsuitable or inappropriate advice to customers;
- the representation of, or disclosure about, a product or service which is inaccurate, or does not provide adequate information about risks and benefits to customers;
- a failure to deliver product features and benefits in accordance with terms, disclosures, recommendations and advice;
- a failure to identify, manage and where appropriate avoid actual, potential and perceived conflicts of interest;
- inadequate management of complaints or remediation processes;
- a failure to respect and comply with duties to customers in financial hardship; and

- unauthorised trading activities in financial markets.

There continues to be strong regulatory and stakeholder scrutiny of conduct risk across Australia and New Zealand. Ongoing economic uncertainty, rising living costs and reduced disposable income are placing sustained pressure on customers, affecting both lending capacity and the level of forbearance required. Escalation of the conflict in the Middle East could further heighten conduct risk by increasing market volatility and cost-of-living pressures, potentially impacting customer vulnerability and service outcomes. To manage heightened conduct risk in this environment, the Group must continue to closely monitor customers experiencing financial difficulty and provide targeted, appropriate support. This remains an evolving issue and a regulatory priority, with regulators increasing expectations through more prescriptive guidance and intensified enforcement. In this context, weaknesses in responsible lending practices may also increase the risk of mortgage fraud (including misrepresentation of income, expenses or occupancy), which could lead to customer harm, regulatory action, reputational damage and financial loss.

In New Zealand, a broad conduct regime for financial institutions was introduced to ensure financial institutions treat customers fairly. As this regime enters its second year it is likely the Financial Markets Authority will increase scrutiny of compliance. Failure to meet these expectations may result in higher compliance costs and increased regulatory exposure, potentially adversely impacting the Group's position.

The Group receives customer complaints through its internal dispute resolution processes and external dispute resolution schemes (such as the Australian Financial Complaints Authority). Such complaints may result in the Group making payments to customers and/or paying fees charged by external dispute resolution schemes.

Where a risk event occurs that impacts the Group's customers, ANZBGL has a centralised team responsible for customer remediation programs, including addressing conduct issues identified in ANZBGL reviews. Similarly, ANZ Bank New Zealand Limited has a separate centralised customer remediation team. Conduct risk events may not only negatively impact customers and market integrity, but may expose the Group to regulatory actions, restrictions or conditions on banking licenses and reputational consequences that may adversely affect the Group's Position. Remediation programs may not be implemented appropriately or may lead to further remediation work being required, resulting in litigation, regulatory action and increasing cost to the Group, which may adversely affect the Group's Position. For further discussion of the increasing regulatory focus on conduct risk, see risk factor 15 "*Regulatory changes or a failure to comply with laws, regulations or policies may adversely affect the Group's Position*" and risk factor 16 "*Litigation and contingent liabilities may adversely affect the Group's Position*".

24. Reputational risk events as well as operational failures and regulatory compliance failures may give rise to reputational risk, which may undermine the trust of stakeholders, erode the Group's brand and adversely affect the Group's Position

The Group's reputation is a valuable asset and a key contributor to the support that it receives from the community in respect of its business initiatives and its ability to raise funding or capital. Reputational risk may arise as a result of an external event or the Group's actual or perceived actions and practices, which include operational and regulatory compliance failures. The occurrence of such events may adversely affect perceptions about the Group held by the public (including the Group's customers), shareholders, investors, regulators and rating agencies. The impact of a risk event on the Group's reputation may exceed any direct cost of the risk event itself and may adversely impact the Group's Position.

The Group may suffer reputational damage where one of its practices fails to meet community expectations. Community expectations are continually changing and evolving. If expectations exceed the standard required to comply with applicable law, the Group may incur reputational damage even where it has met its legal obligations. A divergence between community expectations and the Group's practices could arise in a number of ways including in relation to its product and services disclosure

practices, pricing policies and use of data. The Group's reputation may be adversely affected by community perception of the broader financial services industry, particularly in an environment of elevated interest rates. Reputational damage may arise from the Group's failure to effectively manage risks, enforcement or supervisory action by regulators, adverse findings from regulatory reviews and failure or perceived failure to adequately respond to community, environmental and ethical issues. From time to time the Group may be subjected to heightened public scrutiny and potential reputational damage as a result of the actions of activist shareholders. Areas which have attracted investor activism in Australia primarily relate to environmental and social issues and include concerns about the actions of the Group itself or parties that the Group finances.

Operational and regulatory compliance failures or perceived failures may give rise to reputational risk. Such operational and regulatory compliance failures include, but are not limited to:

- failures related to fulfilment of identification obligations;
- failures related to new product development;
- failures related to ongoing product monitoring activities;
- failures related to suitability requirements when products are sold outside of the target market;
- failure to comply with disclosure obligations;
- failure to properly manage risk (e.g., credit, market, operational or compliance);
- market manipulation or anti-competitive behaviour;
- inappropriate crisis management/response to a crisis event;
- inappropriate handling of customer complaints;
- inappropriate third-party arrangements;
- privacy breaches; and
- unexpected risks.

Damage to the Group's reputation may have wide-ranging impacts, including adverse effects on the Group's profitability, capacity and cost of funding, increased regulatory scrutiny, regulatory enforcement actions, additional legal risks and limiting the availability of new business opportunities. The Group's ability to attract and retain customers could also be adversely affected if the Group's reputation is damaged, which may adversely affect the Group's Position.

25. Non-financial risk events may adversely affect the Group's Position

Non-financial risk 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's non-financial risk framework is organised into risk categories as outlined below. These risks may arise individually or in combination and may result in financial loss, regulatory action, reputational harm or disruption to the Group's operations, adversely affecting the Group's Position.

Financial Crime and Fraud Risk is a risk that the Group facilitates, enables, or fails to prevent financial crime or fraud, including non-compliance with the Group policies or regulatory expectations. This includes the risk of facilitating money laundering, terrorism financing, sanctions evasion, or bribery and corruption events. *Refer to risk factor 17 "Significant fines and sanctions in the event of breaches of law or regulation relating to anti money laundering, counter terrorism financing, sanctions and fraud, and scams may adversely affect the Group's Position."* Financial crime and fraud risk also includes internal fraud, being the risk of fraud or theft attempted or perpetrated by an internal party (for example, a Group employee or contingent worker), including where an employee acts in collusion with external parties. External fraud is the risk of fraud attempted or perpetrated without the deliberate involvement of a Group employee or contingent worker. An example of external fraud is mortgage fraud, which is an inherent risk in residential mortgage lending and may arise from customer misrepresentation, falsified documentation, or

misconduct by intermediaries or other third parties across origination and servicing activities. Such activity may result in increased delinquencies and credit losses, as well as additional operational, remediation, legal and compliance costs. Mortgage fraud may also lead to heightened regulatory scrutiny and reputational harm, which could adversely affect the Group's Position.

Compliance risk refers to the risk that the Group fails to act in accordance with applicable laws, regulations, and regulatory expectations in the jurisdictions in which it operates, resulting in regulatory censure, penalties, or other supervisory actions. This includes compliance risk and broader regulatory risk. Conduct risk may arise where the Group, its employees, or its agents fail to appropriately consider the interests of customers, the integrity of financial markets, or the expectations of regulators and other stakeholders in the conduct of the Group's business activities. *Refer to risk factor 23 "Conduct risk events may adversely affect the Group's Position".*

Operational risk and resilience may result from inadequate or failed internal processes, people, systems, or external events that impair the Group's ability to prevent, withstand, adapt to, or recover from operational disruptions. This includes risks associated with business continuity and crisis management, third party relationships, physical security, people and employment practices, transaction processing and execution, legal procedures and processes, statutory, tax and regulatory reporting, and the execution of change initiatives. The Group is delivering a large and complex portfolio of strategic and regulatory change initiatives, including those described in *risk factor 15 "Regulatory changes or a failure to comply with laws, regulations or policies may adversely affect the Group's Position"*. The scale and concurrent execution of this portfolio elevates operational risks associated with large scale transformation. The Operational risk and resilience also includes model risk, being the risk of adverse consequences arising from errors in the design, development, use, or reporting of models used to inform business decisions. *Refer to risk factor 32 "Modelling risks may adversely affect the Group's Position".*

Technology risk may arise where technology systems experience outages or degradation, including failures of hardware, software, or networks, which disrupt business operations. *Refer to risk factor 28: "Disruption of information technology systems or failure to successfully implement new technology systems could significantly interrupt the Group's business, which may adversely affect the Group's Position."* Data management risk arises where the Group fails to appropriately collect, use, manage, maintain, or dispose of data, including customer, employee, and proprietary Group data. *Refer to risk factor 30 "Data management risks may adversely affect the Group's Position".*

Information security and cyber risk include the risk of information security incidents, including cyber-attacks, data loss, or theft of information, arising from failures to adequately protect or govern information assets or comply with information security requirements. This risk applies to all types of data, including customer, employee, and proprietary Group data. *Refer to risk factor 29 "Risks associated with information security, including cyber-attacks, may adversely affect the Group's Position".*

26. The Group's risk management framework may fail to manage all existing risks appropriately or detect new and emerging risks fast enough, which could adversely affect the Group's Position

Risk management is an important part of the Group's activities. It includes the identification, measurement, monitoring and mitigation of the Group's risk and reporting on the Group's risk profile and effectiveness of identified controls. Effectiveness of the Group's risk management framework is not fully assured. This includes effectiveness in relation to existing risks and new and emerging risks that the Group may not anticipate or identify in a timely manner and for which its controls may not be effective. Failure to manage risks effectively could adversely impact the Group's reputation or compliance with regulatory obligations.

The Group seeks to regularly improve its risk management frameworks. It has implemented, and regularly reviews, its risk management policies and allocates additional resources across the Group

to manage and mitigate risks. Such efforts may not insulate the Group from exposure to risks or give full assurance that the Group's risk management framework will be effective. For example, the Group has recognised that its risk culture and management of non-financial risk need improvement and are not of a standard that regulators legitimately expect from the Group. As outlined in *risk factor 15 "Regulatory changes or a failure to comply with laws, regulations or policies may adversely affect the Group's Position"*, in April 2025 ANZBGL entered into a CEU with APRA in relation to deficiencies in non-financial risk management practices and risk culture. While the Group is undertaking actions to address this, outcomes will depend on how these actions embed and mature over time. Failures in the Group's risk management processes or governance could result in the Group suffering unexpected losses and reputational damage, and failing to comply with regulatory obligations, which could adversely affect the Group's Position.

27. Human capital risk, which relates to the inability to attract, develop, motivate and retain the Group's people to meet current and future business needs, could result in poor financial and customer outcomes and reduce the ability of the Group to deliver against customer and other stakeholders' expectations

Key executives, employees and directors play an integral role in the operation of the Group's business and its pursuit of its strategic objectives. The unexpected departure of an individual in a key role or the Group's failure to recruit, develop and retain an appropriately skilled and qualified person into these roles particularly in areas such as digital, technology, risk or compliance, could have an adverse effect on the Group's Position.

The Group has announced plans to reduce its workforce and engagements with consultants and other third parties as part of its efforts to streamline operations and reduce costs. Workforce reductions can disrupt business continuity, result in the loss of institutional knowledge, and expose the Group to potential legal claims, regulatory scrutiny, or reputational harm. If the Group is unable to effectively manage the transition and retain the necessary skills within its organisation, its operational performance and long-term growth prospects could be adversely affected.

28. Disruption of information technology systems or failure to successfully implement new technology systems could significantly interrupt the Group's business, which may adversely affect the Group's Position

The Group's everyday operations and service offerings (including digital banking) rely heavily on information technology ("**IT**") systems including systems maintained/provided by third parties. In the digital age, customers expect "always on" banking services accessible 24 hours a day, 7 days a week. Meeting these expectations requires IT systems that are both highly available and resilient. Any disruption of IT systems supporting critical operations can prevent the Group from meeting its compliance obligations and customers' banking needs. IT system disruption can be unpredictable and may originate from numerous sources, many of which are beyond the Group's direct control. Examples include operational failures or deficiencies by third party providers, accidental technological failures, electrical or telecommunication outages, and failures of computer servers or infrastructure.

The Group has a continuous responsibility to maintain its IT systems and to proactively identify, assess, and respond to risks associated with these systems. Key risk exposures include IT asset lifecycle management, project delivery, technology resilience, technology security, third-party usage, data retention and restoration, and business rules and automation. Inadequate responses to these risks can lead to unstable or insecure systems, negative impact to customers, increased Group operating costs, and/or non-compliance with regulatory requirements, any of which may adversely affect the Group's Position.

The external threat environment is constantly evolving, requiring the Group's incident response, disaster recovery, and business continuity measures to address profound and complex events. Should the Group's systems fail, the impact may extend throughout its network and ultimately may adversely affect the Group's Position. Recovery expectations for critical systems are defined based on customer impact and regulatory obligations. These expectations inform the prioritisation of

resilience investments and guide incident response activities.

To seek to ensure its technology environment remains cost-effective and capable of supporting evolving customer needs, the Group continues to implement and integrate new IT systems and capabilities, such as cloud, data, AI and automation technologies. The success of these initiatives depends on proper implementation and integration, as well as effective management of vendors and the supply chain. Failure in any of these areas may negatively influence the Group's position.

This risk factor should be read alongside risk factor 29 "*Risks associated with information security, including cyber-attacks, may adversely affect the Group's Position*" as information security breaches and cyber-attacks could disrupt IT systems.

29. Risks associated with information security, including cyber-attacks, may adversely affect the Group's Position

The digital world is constantly evolving, with both positive innovation and new threats. As a result, the Group recognises that the risk of a cyber event or data loss remains a significant concern for its businesses. Recent developments in the cyber threat landscape, including advances in artificial intelligence, may increase the speed at which software vulnerabilities are identified and exploited. Industry commentary indicates that these developments may shorten the time between vulnerability discovery and exploitation, increase the sophistication and effectiveness of attack chains, and heighten risks associated with software and third-party supply chains. These developments may reflect a further shift in the cyber threat environment affecting the financial services sector, increasing the likelihood that cyber-attacks exploiting rapidly emerging or previously unknown vulnerabilities, including those arising through third-party dependencies, could occur more frequently or have a greater impact.

Cyber threats continue to increase in sophistication, persistence, scale, frequency and impact. Threats include but are not limited to business email compromise, ransomware, distributed denial of service, data breaches, third-party and software supply chain exposures, insider risk, software vulnerabilities, AI-enabled attacks by state-sponsored and criminal threat actors, geopolitically motivated cyber espionage and destructive attacks. Cyber-attacks have the potential to cause financial system instability and could result in serious disruption to customer banking services or compromise customer data privacy. As both the scale and complexity of such attacks are increasing, there is always a risk that countermeasures and layers of defence may not be sufficient and that sensitive information may be inadvertently exposed.

The Group has noted increased external occurrences of ransomware and third-party data breaches, ongoing volatility in the global political landscape and the security implications of wide-spread adoption of AI. Although AI has potential to support significant service advances for customers, it also has potential to assist, enable and enhance existing methods for criminals to perpetrate fraud, scams, and cyber threats against the Group and its customers, and poses increased risks to cybersecurity, including risks of denial of service, the criminal use of deepfakes, and more sophisticated social engineering attacks. Further, inadvertent disclosure or misuse of client data in the datasets or algorithms may lead to reputational risk. See risk factor 33 "*Use of AI may adversely affect the Group's Position*" for further information.

Intense public response to cyber-attacks has led to increased political focus with the potential for future significant increases in penalties for privacy breaches. Should the Group be the target of such an attack, then in addition to the risks discussed above, there is a risk of reputational damage in light of the public response to such an attack and/or penalties imposed by a regulator, which may materially adversely affect the Group's operations. The regulatory landscape is also evolving with additional local and international regulator focus on information security, including the release of the 2023-2030 Australian Cyber Security Strategy, similar work undertaken by the New Zealand Government and subsequent discussions, consultation and implementation on legislative reforms.

A focus on information security is key to protecting the confidentiality, integrity and availability of systems and data. The Group as part of its global banking operations handles and stores a considerable amount of personal and confidential information about its customers and its own internal processes, across the multiple geographies in which the Group operates. This information is processed and stored on both internal and third-party hosted environments. As such, weaknesses in key security policies or controls operated by the Group or third parties engaged by the Group could result in the loss of data or other personal or sensitive information and adversely affect the Group's business by resulting in financial losses (including costs relating to notifying and compensating customers), regulatory investigations, sanctions or reputational harm, thus affecting the Group's Position.

30. Data management risks may adversely affect the Group's Position

Data management refers to the processes and practices used to manage operational, customer, employee and the Group's proprietary data throughout its lifecycle, including capture, use, maintenance, retention and disposal. It encompasses the development, execution and oversight of policies, standards and accountabilities with the objective of ensuring data is appropriately controlled, protected and used to support safe and effective decision-making.

Data management risk arises where data is not appropriately captured, governed, maintained or produced or used across end-to-end business processes, particularly during periods of change such as system implementation, process redesign or regulatory change. Poor data management may result in data that is inaccurate, incomplete, unavailable or not fit for purpose, unclear ownership and accountability for data, loss of integrity across the data lifecycle, insufficient clarity of data meaning, inadequate controls for critical data, or delays in detecting and responding to data issues, potentially undermining data quality, integrity, and compliance. If not effectively managed, data management risk can undermine effective risk management, compromise the accuracy and reliability of management and regulatory reporting, weaken operational resilience and lead to poor customer outcomes and decision-making. Failure to meet data management and record-keeping obligations, including regulatory and privacy requirements, may expose the Group to financial loss, regulatory action or reputational damage. Data management risk can also act as a root cause for other material risks, amplifying operational, compliance, financial reporting and change risks across the Group.

31. Privacy risks may adversely affect the Group's Position

Banking is a customer-facing industry. Trust in the Group's ability to properly manage customer information is a foundational component of its business, and the collection, use, and disclosure of personal information is key to the performance of its core products and services. Failure to comply with applicable privacy laws and regulations may materially and adversely affect the Group's Position, either through reputational impact, regulatory action and/or litigation.

32. Modelling risks may adversely affect the Group's Position

The Group relies on a number of models for material business decision making including but not limited to lending decisions, calculating capital requirements, provision levels, customer compensation payments and stressing exposures. If the models prove to be inadequately designed, implemented, used or maintained or if they are based on incorrect assumptions or inputs, this may adversely impact the Group's Position.

33. Use of AI may adversely affect the Group's Position

AI refers to the development of systems capable of performing tasks that typically require human intelligence, such as learning, reasoning, and decision making. AI is increasingly being leveraged across the Group's business processes to drive innovation and efficiency and is an important enabler of the Group's strategy and competitive position.

However, as AI becomes more integrated into the Group's operations, the regulatory landscape relating to AI continues to evolve rapidly, and as AI technologies become more autonomous, scalable and embedded in critical business processes, inadequate management and governance of

AI use, whether by the Group or by third parties, may lead to significant operational, conduct, privacy, intellectual property, compliance, reputational and workforce-related risks, including, but not limited to:

- inaccurate, unreliable or opaque AI outputs that may lead to poor, inconsistent or unexplainable decisions, including where decisions cannot be adequately understood, challenged or justified;
- amplification of existing biases or the introduction of new biases, potentially resulting in discriminatory, unfair or unethical outcomes affecting customers, employees or counterparties;
- over-reliance on AI systems or outputs, including automation bias or inappropriate delegation of decision-making authority, reducing effective human judgement and oversight;
- loss of confidentiality, availability or integrity of data, including where customer, counterparty, employee or proprietary information is inappropriately used, disclosed, retained or incorporated into AI tools, prompts, training data or outputs, giving rise to privacy, confidentiality or intellectual property risks;
- model performance degradation over time, including due to data drift, changes in operating environments, or inadequate lifecycle monitoring, testing and change control;
- over-reliance on a limited number of AI vendors, platforms or foundation models, increasing operational vulnerability, concentration risk, systemic dependency and exposure to third-party failures or contractual limitations;
- increased compliance complexity and legal uncertainty arising from fragmented, fast-evolving and jurisdiction-specific AI-related laws, regulations and supervisory expectations;
- the use of AI by malicious actors to facilitate or amplify fraud, scams or other financial crime, including through deepfakes, synthetic identities, impersonation, phishing or more sophisticated social engineering techniques, which may increase financial loss, remediation costs, operational disruption and reputational harm;
- workforce transformation resulting from increased adoption of AI, including job displacement and significant changes to skill and role requirements, which may create challenges for workforce planning, reskilling, change execution and employee relations. More broadly, accelerated AI-driven workforce disruption across the economy could contribute to higher unemployment or underemployment and negatively impact customer income stability and credit quality, including in portfolios such as residential mortgages; and
- sophisticated external and malicious attacks enabled by AI, including the manipulation, exploitation or poisoning of AI systems, models, data or outputs by highly capable threat actors, which may undermine the integrity and reliability of AI-enabled decisions, evade existing controls and result in operational disruption, fraud, financial loss or reputational harm.

In addition, AI systems may be exploited, manipulated or attacked through adversarial techniques, cyber-enabled interference or unauthorised access, potentially compromising system integrity, availability or safety. Such risks may be more difficult to detect, attribute and remediate than traditional technology or fraud.

If these AI-related risks are not adequately identified, assessed and managed, the Group may experience customer detriment, regulatory action, litigation, financial loss, reputational damage or erosion of stakeholder trust, any of which could materially and adversely affect the Group's Position.

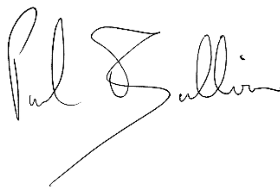
Responsibility statement of the Directors of Australia and New Zealand Banking Group Limited ABN 11 005 357 522 (ANZBGL) in accordance with DTR 4.2.10 R (3)(b) of the Disclosure and Transparency Rules of the United Kingdom Financial Conduct Authority

The Directors of ANZBGL confirm to the best of their knowledge that ANZBGL's 2026 Half-Yearly Financial Report (as defined on page 1 of this DTR Half-Yearly Financial Report submission) includes:

(i) an indication of the important events that have occurred during the first six months of the financial year, and their impact on the Condensed Consolidated Financial Statements; and

(ii) a description of the principal risks and uncertainties for the remaining six months of the financial year.

Signed in accordance with a resolution of the Directors.



Paul D O'Sullivan
Chairman

Nuno A Matos
Managing Director

30 April 2026