



ASIC
Australian Securities &
Investments Commission

CEU final compliance report by ASIC

ASIC's final report dated **25 October 2024** on compliance with the s93AA ASIC Act court enforceable undertaking (CEU) given by the **Australia and New Zealand Banking Group Limited (ANZ)** dated 15 March 2017.

Terms used in this report have the same meaning as in the CEU dated 15 March 2017.

Undertakings	Report on compliance
Engagement of Independent Expert CEU paragraphs 4.2 and 4.3	1. ANZ agreed to the appointment by ASIC of PricewaterhouseCoopers (PwC) as the Independent Expert (IE) in accordance with the requirements specified in the CEU. ASIC appointed PwC as the IE on 29 November 2017.
FX Program CEU paragraphs 4.7, 4.7.1 and 4.7.2	2. On 27 February 2018, ANZ submitted its FX Program to ASIC and the IE in accordance with the requirements and timeframe specified in the CEU.
Assessment of FX Program CEU paragraph 4.8.1	3. The IE conducted an assessment of the effectiveness of ANZ's FX program to prevent, detect and respond to the matters outlined in the CEU, in accordance with the requirements and timeframe specified in the CEU.
Expert Report CEU paragraph 4.8.2	4. On 28 May 2018, the IE submitted its Expert Report to ASIC and ANZ in accordance with the requirements and timeframe specified in the CEU. 5. The Expert Report set out the IE's findings from the assessment of the FX Program under paragraph 4.8.1. In summary, the IE: <ul style="list-style-type: none">a. identified deficiencies in the FX Program; andb. made recommendations, that in the opinion of the IE, would be necessary to rectify deficiencies identified in the Expert Report.

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<p>Final FX Program</p> <p>CEU paragraph 4.9</p>	<p>6. On 27 August 2018, ANZ submitted its Final FX Program to ASIC and the IE in accordance with the requirements and timeframe specified in the CEU.</p>
<p>Further Expert Report</p> <p>CEU paragraph 4.10</p>	<p>7. On 17 September 2018, the IE submitted its Further Expert Report to ASIC and ANZ in accordance with the requirements and timeframe specified in the CEU.</p> <p>8. The Further Expert Report set out the IE’s findings from the assessment of the Final FX Program including the IE’s opinion on whether the ANZ Final FX Program rectified deficiencies in the FX Program that were identified in the Expert Report.</p> <p>9. ASIC noted that further information was required in order for ASIC and ANZ to reach an agreement as to the terms of the Final FX Program. Subsequently, ANZ agreed to provide additional information to the IE and ASIC by 30 November 2018.</p> <p>10. On 7 December 2018, the IE submitted its Addendum Report to the Further Expert Report in relation to the additional information.</p>
<p>Terms of Final FX Program</p> <p>CEU paragraph 4.11</p>	<p>11. On 30 January 2020, ASIC and ANZ agreed the terms of the Final FX Program.</p>
<p>Implementation of Final FX Program</p> <p>CEU paragraph 4.12.2</p>	<p>12. On 31 January 2020, ANZ implemented the Final FX Program in full and within the timeframes specified in the Final FX Program.</p>

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<p data-bbox="215 259 456 353">Notification of Implementation of Final FX Program</p> <p data-bbox="215 394 405 456">CEU paragraph 4.12.4</p>	<p data-bbox="507 275 1289 405">13. On 10 February 2020, ANZ notified ASIC and the IE that the Final FX Program had been fully implemented in accordance with the requirements and timeframe specified in the CEU.</p>
<p data-bbox="215 508 448 571">CEU Variation by letter agreement</p> <p data-bbox="215 607 365 640">4 May 2020</p>	<p data-bbox="507 521 1318 853">14. ASIC and ANZ agreed to a variation, which was executed on 4 May 2020 by letter agreement (CEU Variation by letter agreement). The CEU Variation by letter agreement extends the IE assessment and report under paragraph 4.13 and builds flexibility into paragraphs 4.14, 4.15 and 4.16 to deal with consequential impacts due to delays caused by the COVID-19 Pandemic.</p> <p data-bbox="507 925 1331 1155">15. In accordance with the letter agreement the IE is to provide an interim Final Expert Report on or about 12 May 2020 to include factual findings of the work completed by the IE as at the date of the Report. The IE is to submit the Final Expert Report on or before 30 December 2020.</p> <p data-bbox="507 1227 1315 1357">16. ASIC and ANZ also agreed to amend CEU paragraphs 4.14, 4.15 and 4.16 by adding in the words “or such later date as may be agreed by ASIC and ANZ” to the paragraphs.</p>
<p data-bbox="215 1413 440 1507">Final Expert Report (Implementation)</p> <p data-bbox="215 1543 461 1576">CEU paragraph 4.13</p>	<p data-bbox="507 1429 1302 1559">17. On 12 May 2020, the IE submitted its interim Final Expert Report to ANZ and ASIC in accordance with the requirements and timeframe of the CEU.</p> <p data-bbox="507 1630 1315 1760">18. On 9 October 2020, the IE submitted the Final Expert Report to ANZ and ASIC in accordance with the timeframe and requirements of the CEU.</p> <p data-bbox="507 1832 1331 1912">19. The Final Expert Report set out the IE’s findings on the outcome of the IE’s assessment of ANZ’s implementation of the Final FX</p>

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	<p>Program including all findings from the interim Final Expert Report.</p>
<p>Internal Review Report CEU paragraph 4.14</p>	<p>20. On 30 August 2021, 15 August 2022 and 14 August 2023, ANZ provided a copy of the Internal Review Report to ASIC and the IE, as agreed with ASIC, in accordance with the requirements of the CEU.</p> <p>21. The Internal Review Reports documented the results of ANZ’s internal review of the current operation of the Final FX Program (including any material changes).</p>
<p>Annual Expert Report CEU paragraph 4.15</p>	<p>22. On 12 November 2021, 28 October 2022 and 27 October 2023, the IE provided Annual Expert Reports to ANZ and ASIC, every year for a period of three years, in accordance with the requirements and timeframe of the CEU.</p> <p>23. The Annual Expert Reports reported on the outcome of the IE’s assessment of the effectiveness of the Final FX Program as then in operation (and including any material changes) to prevent, detect and respond to the matters set out in paragraphs 4.7.1(i) to (ii) of the CEU.</p>
<p>Attestation CEU paragraph 4.16</p>	<p>On 29 April 2021, 27 April 2022, 27 April 2023 and 27 November 2023, as agreed with ASIC in accordance with the requirements of the CEU, the Managing Director of ANZ Markets and the General Manager of ANZ Markets Risk, provided attestations to ASIC stating that they had taken reasonable steps to satisfy themselves that ANZ’s systems and controls in its Spot FX and non-deliverable forwards businesses are appropriate and adequate to prevent, detect and respond to effectively manage conduct risks relating to:</p> <p>(a) disclosures of confidential customer and potentially material information; and</p>

Undertakings	Report on compliance
	(b) inappropriate order management and trading while in possession of confidential and potentially material information.
Community Benefit Payment CEU paragraph 4.17	24. On 15 March 2017, ANZ made payment to the total amount of A\$3 million to Financial Literacy Australia within the requirements and timeframe specified in the CEU.
Costs CEU paragraph 4.18	25. ANZ paid the costs of its compliance with this enforceable undertaking.
Costs CEU paragraph 4.19	26. ANZ paid the costs of the IE appointed by ASIC.
All documents and information CEU paragraph 4.20	27. ANZ provided all documents and information requested by ASIC from time to time for the purpose of assessing ANZ's compliance with the terms of this enforceable undertaking (except for material over which there is reasonably a claim by ANZ of legal professional privilege).