

**HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS**

**REVIEW OF THE FOUR MAJOR BANKS (SECOND REPORT)**

**Australia and New Zealand Banking Group Limited**

**ANZ58QW: Risk management**

Please provide a detailed brief as to how the Bank's risk management framework proactively addresses the risk factors which are not captured by the APRA Prudential Standard CPS220.

**Answer:** ANZ's risk management framework is designed to address all material risks. Further, if an activity or event materially impacts the risk profile of the Bank, there is a requirement to reassess and ensure that either that event or activity is captured under an existing material risk type or a new material risk type must be created.

CPS 220, as well as associated guidance provided in CPG 220, requires an APRA-regulated institution maintain a risk management framework that enables it to manage different types of material risks.