

# ANZ NOTICE OF MEETING

2013 ANNUAL GENERAL MEETING

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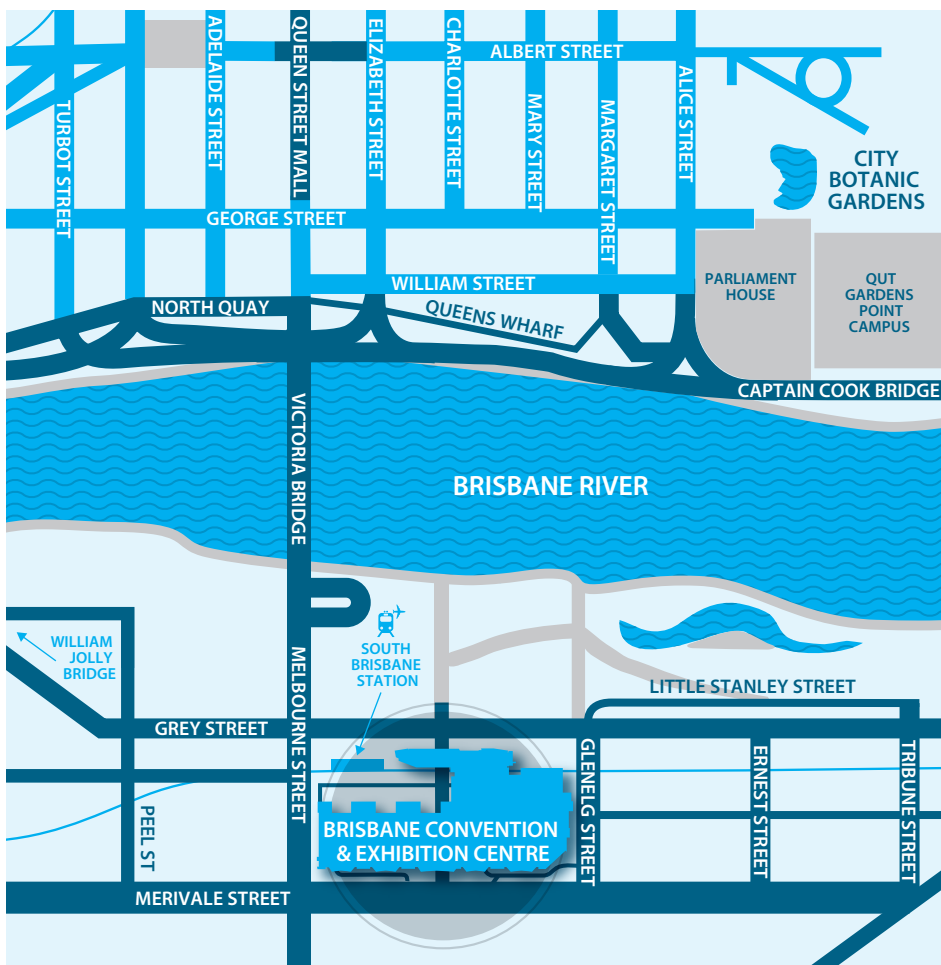
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# LOCATION OF THE ANNUAL GENERAL MEETING

**Wednesday, 18 December 2013 10:00am  
(Brisbane time)**

Plaza Ballroom  
Brisbane Convention & Exhibition Centre,  
Corner Merivale and Glenelg Streets,  
South Bank, Brisbane, Queensland



## THE BRISBANE CONVENTION & EXHIBITION CENTRE

The Brisbane Convention & Exhibition Centre is located in the heart of Brisbane city, adjacent to the Brisbane River.

The Centre is easily accessible by car, train, bus, taxi and on foot.



## TRANSPORT OPTIONS

### BY RIVER CAT

The City Cat terminal is located outside the riverside restaurants on the Clem Jones Promenade. City Cats run daily from 5.30am-10.30pm.

### BY TAXI

A dedicated taxi rank is located at the main entrance of the Centre on the Cnr Merivale and Glenelg Streets. Taxis are also accessible in other locations in the South Bank precinct including the 2 hotels – Rydges and Mantra.

### BY TRAIN

The closest train station is South Brisbane; only a few minutes walk away. A regular Air Train service operates between Brisbane's international and domestic airports. Travelling time is approximately 25 minutes. Tickets are available from the Information Desk.

### BY BUS

The Cultural Centre is the main hub for most bus routes, only a few minutes walk away adjacent to the Queensland Performing Arts Centre. A Free Loop downtown bus service circles Brisbane's Central Business District only.



## ANZ SHAREHOLDER CENTRE WEBSITE

Our shareholder website has recently been updated to better serve our shareholders. Shareholders are able to view information in the manner that best suits them. Documents are available in various formats – view online, download or request a hard copy.

## 2013 ANNUAL REPORT AND 2013 SHAREHOLDER REVIEW

The Annual Report provides detailed financial data and information on the Group's performance as required to comply with applicable regulatory requirements. We also issue a Shareholder Review which is a non-statutory document covering key performance areas, financial information, remuneration details and corporate responsibility.

These documents are available at [anz.com/annualreport](http://anz.com/annualreport) or by calling the Share Registrar on 1800 11 33 99 (within Australia) or (61 3) 9415 4010 (outside Australia) to request a hard copy.

# ANNUAL GENERAL MEETING AGENDA

**Wednesday, 18 December 2013**

<b>9:00 am</b>	Registration Opens
<b>9:15 am</b>	Morning Tea
<b>10:00 am</b>	Annual General Meeting commences Welcome to Shareholders – Chairman Chief Executive Officer's presentation Items of Business

Please join the Chairman, John Morschel, the Directors and senior executives of ANZ for refreshments after the Annual General Meeting

## HOW BUSINESS WILL BE CONDUCTED AT THE MEETING

The Annual General Meeting is an important event and we encourage shareholders to actively participate.

Important information about the conduct of the Meeting is set out below.

## DISCUSSION AND ASKING QUESTIONS

Discussion will take place on all the items of business as set out on page 5.

The Explanatory Notes also provide further information relating to the items of business.

Shareholders will have the opportunity to ask questions at the Annual General Meeting (including an opportunity to ask questions of the Auditor).

To ensure that as many shareholders as possible have the opportunity to speak, shareholders are requested to observe the following guidelines:

- please keep questions as brief as possible and relevant to the matters being discussed;
- if a shareholder has more than one question, please ask all questions at the one time; and
- shareholders should not ask questions at the Meeting that they may have as an individual customer. These questions should be taken up with the ANZ representatives after the Meeting.

Shareholders who are unable to attend the Meeting or who may prefer to register questions in advance are invited to do so.

A Questions from Shareholders form has been included in the AGM mailing and is also available on the website. We will attempt to address as many of the more frequently asked questions as possible in the Chairman's and Chief Executive Officer's presentations to the Meeting.

A shareholder information stand will be available in the area outside the Meeting room. In addition Directors and senior executives will be available after the Meeting.

Discussion will take place on each item of business prior to shareholders being asked to vote.

## WEBCAST AND PHOTOGRAPHY

We have arranged for the Annual General Meeting to be filmed and broadcast via a webcast which can be viewed at [anz.com/agm](http://anz.com/agm). After the Meeting you can also watch an archived recording on the ANZ website.

We have arranged for photographs to be taken at the Meeting. If you attend the Meeting in person, you may be included in photographs or the webcast recording.

For the safety and security of all those present at the Meeting, cameras and recording devices are not permitted.

Upon entry to the Meeting room, you will be asked to present your bag for a security search.

# NOTICE OF 2013 ANNUAL GENERAL MEETING

Notice is given that the 45th Annual General Meeting of Australia and New Zealand Banking Group Limited will be held in the Plaza Ballroom at the Brisbane Convention & Exhibition Centre, corner Merivale and Glenelg Streets, South Bank, Brisbane, Queensland on Wednesday, 18 December 2013 at 10:00am (Brisbane time).

## BUSINESS

### 1. ANNUAL REPORTS

To consider the Annual Report, Financial Report and the Reports of the Directors and of the Auditor for the year ended 30 September 2013.

### 2. ADOPTION OF THE REMUNERATION REPORT

To adopt the Remuneration Report for the year ended 30 September 2013.

The vote on this resolution is advisory only.

### 3. GRANT OF PERFORMANCE RIGHTS TO MR MICHAEL SMITH

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That approval is given for the Company to grant to the Company's Chief Executive Officer, Mr Michael Smith, Performance Rights under the ANZ Share Option Plan on the terms set out in the Explanatory Notes to this Notice of Meeting."

### 4. APPROVAL OF BUY-BACK SCHEME RELATING TO THE PREFERENCE SHARES WHICH FORM PART OF THE EURO TRUST SECURITIES

To consider and, if thought fit, to pass the following resolution as a special resolution:

"That approval is given to the terms and conditions of the buy-back scheme relating to the buy-back of

the "December 2004 Euro Preference Shares" issued by the Company (**Euro Preference Shares**) which form part of the €500,000,000 floating rate non-cumulative trust securities issued by ANZ Capital Trust III in December 2004 (**Euro Trust Securities**), as described in the Explanatory Notes to this Notice of Meeting."

### 5. APPROVAL OF BUY-BACK SCHEMES RELATING TO THE ANZ CONVERTIBLE PREFERENCE SHARES (CPS1)

(a) To consider and, if thought fit, to pass the following resolution as a special resolution:

"That approval is given to the terms and conditions of the First Buy-Back Scheme relating to the buy-back of the "September 2008 CPS" issued by the Company in September 2008, as described in the Explanatory Notes to this Notice of Meeting."

(b) To consider and, if thought fit, to pass the following resolution as a special resolution:

"That approval is given to the terms and conditions of the Second Buy-Back Scheme relating to the buy-back of the "September 2008 CPS" issued by the Company in September 2008, as described in the Explanatory Notes to this Notice of Meeting."

### 6. APPROVAL OF SECURITIES ISSUED (ANZ CAPITAL NOTES)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That for the purposes of ASX Listing Rule 7.4, the issue of ANZ Capital Notes by the Company, as more fully described in the Explanatory Notes which accompany this Notice of Meeting, be approved."

### 7. ELECTION OF BOARD-ENDORSED CANDIDATES

(a) **TO ELECT MR G. R. LIEBELT**

Mr Liebelt, having been appointed by the Board after the date of the 2012 Annual General Meeting, is retiring in accordance with the Company's Constitution and, being eligible, offers himself for election as a Director.

(b) **TO RE-ELECT MR I. J. MACFARLANE**

Mr Macfarlane is retiring and, being eligible, offers himself for re-election as a Director.

### 8. ELECTION OF NON-BOARD-ENDORSED CANDIDATE – MR D.C. BARROW

Mr Barrow, being eligible, offers himself for election as a Director.



## VOTING RESTRICTIONS

### VOTING RESTRICTIONS FOR ITEM 2 (REMUNERATION REPORT)

Item 2 is a resolution connected directly with the remuneration of members of the key management personnel (KMP) of the Company. The *Corporations Act 2001* (Cth) (**Corporations Act**) restricts KMP and their closely related parties from voting on such resolutions. Closely related party is defined in the *Corporations Act* and includes a spouse, dependant and certain other close family members, as well as any companies controlled by a member of the KMP.

Any votes cast in any capacity (e.g. as a shareholder, proxy or corporate representative) on the proposed resolution in item 2 by or on behalf of:

- directors and the other members of the KMP details of whose remuneration are included in the remuneration report; and
- closely related parties of those persons,

will be disregarded. In addition, any votes cast as a proxy on this item by any other members of the KMP (and their closely related parties) will also be disregarded. However, the Company will not disregard the vote as a result of these restrictions if it is cast:

- as proxy for a person entitled to vote in accordance with a direction on the proxy form; or
- by the Chairman of the Meeting as proxy for a person entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit.

The Chairman of the Meeting intends to vote undirected proxies (where the Chairman has been appropriately authorised) in favour of item 2.

### VOTING RESTRICTIONS FOR ITEM 3 (GRANT OF PERFORMANCE RIGHTS)

Item 3 is also a resolution connected directly with the remuneration of a member of the KMP (Mr Smith).

In accordance with the *Corporations Act* and the ASX Listing Rules, any votes cast in any capacity (e.g. as a shareholder, proxy or corporate representative) on the proposed resolution in item 3 by Mr Smith and any other Director (except a Director who is ineligible to participate in any employee incentive scheme in relation to the Company), and any of their associates, will be disregarded. In addition, any votes cast as a proxy on item 3 by other members of the KMP and closely related parties of members of the KMP will be disregarded. However, the Company will not disregard the vote as a result of these restrictions if it is cast:

- as proxy for a person entitled to vote in accordance with a direction on the proxy form; or
- by the Chairman of the Meeting as proxy for a person entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit.

The Chairman of the Meeting intends to vote undirected proxies (where the Chairman has been appropriately authorised) in favour of item 3.

**If you do not wish to appoint the Chairman of the Meeting to vote in favour of items 2 and/or 3, it is important that you complete the voting directions in respect of those items in Step 2 of the Proxy Form.**

### VOTING RESTRICTIONS FOR ITEM 4 (EURO PREFERENCE SHARES)

Under the terms of the Euro Preference Shares, The Bank of New York Mellon (BONY) (who is the registered holder of the Euro Preference Shares) does not have a right to vote the Euro Preference Shares on the buy-back scheme referred to in item 4. The *Corporations Act* also requires the Company to disregard any votes attaching to other Company securities cast in favour of item 4 by BONY or any person who is an associate of BONY. Although the Company must disregard any of these votes, BONY and its associates can still vote other Company securities against the resolution.

The Company has obtained an exemption from the Australian Securities and Investments Commission (ASIC) which will be relevant for:

- BONY (the **Primary Nominee**), to the extent it holds other Company securities as trustee for the benefit of third parties (**Beneficial Holders**); and
- nominees and custodians (each an **Associate Nominee**) who:
  - hold securities in the Company as trustee for the benefit of Beneficial Holders; and
  - are associates of the Primary Nominee.

This exemption means that the Primary Nominee or an Associate Nominee, to the extent that either of them hold other Company securities for the benefit of a Beneficial Holder who in turn is not a holder of a Euro Preference Share or an associate of a holder (**Other Holdings**), can exercise any right they have to vote securities other than the Euro Preference Shares in favour of item 4. This applies where:

- each Other Holding has a separate Holder Identification Number or Shareholder Reference Number; and
- the particular Other Holding holds only securities other than Euro Preference Shares; and
- the Primary Nominee or the Associate Nominee provides written confirmation to the Company that: (1) the Beneficial Holder has provided written confirmation to the Primary Nominee or Associate Nominee (as the case may be) before the date of the AGM that the Beneficial Holder is not a holder of Euro Preference Shares or an associate of such a person; and (2) they have been directed to vote in favour of the item by the Beneficial Holder, and are not exercising any discretion in casting the vote on behalf of the Beneficial Holder.

**Where the Primary Nominee or an Associate Nominee completes and returns the Proxy Form distributed by the Company along with this Notice**

of Meeting for an “Other Holding”, with a direction for their proxy to vote in favour of item 4, the Primary Nominee or Associate Nominee will be taken to have provided the Company with the written confirmations described above, unless the Company determines otherwise.

#### VOTING RESTRICTIONS FOR ITEMS 5(a) AND 5(b) (CPS1)

##### Item 5(a) – First Buy-Back Scheme

The Corporations Act requires the Company to disregard any votes cast in favour of item 5(a) by any person who holds “September 2008 CPS” issued by the Company in September 2008 (CPS1) or is an associate of a person who holds CPS1. Although the Company must disregard any of these votes, holders of CPS1 (or their associates) can still vote against the resolution. This voting restriction applies not only to the CPS1 held by any of those persons but also to any other securities held by those persons.

##### Item 5(b) – Second Buy-Back Scheme

Under the terms of CPS1, holders of CPS1 do not have a right to vote on the buy-back scheme contained in the terms of those shares (which is the buy-back scheme contemplated by item 5(b)). Accordingly, holders of CPS1 cannot vote their CPS1 on item 5(b).

The Corporations Act also requires the Company to disregard any votes attaching to other Company securities cast in favour of item 5(b) by any person who holds CPS1 or is an associate of a person who holds CPS1. Although the Company must disregard any of these votes, CPS1 holders (or their associates) can still vote other Company securities against the resolution.

##### Exemption in relation to items 5(a) and 5(b)

The Company has obtained an exemption from ASIC in relation to voting on the buy-back schemes for the CPS1 which is relevant for nominees and custodians who hold CPS1 (a **Nominee**) and who also hold other Company securities as trustee for the benefit of a third party (**Underlying**

**Holder**) who is not a holder of CPS1 or an associate of a holder (**Other Holdings**). The exemption allows a Nominee to vote securities, other than CPS1, in favour of items 5(a) and 5(b) where:

- each Other Holding has a separate Holder Identification Number or Shareholder Reference Number; and
- the particular Other Holding holds only securities other than CPS1; and
- the Nominee provides written confirmation to the Company that: (1) the Underlying Holder has provided written confirmation to the Nominee before the date of the AGM that the Underlying Holder is not a holder of CPS1 or an associate of such a person; and (2) they have been directed to vote in favour of the item by the Underlying Holder, and are not exercising any discretion in casting the vote on behalf of the Underlying Holder.

**Nominees who complete and return the Proxy Form distributed by the Company along with this Notice of Meeting for an “Other Holding”, with a direction for their proxy to vote in favour of item 5(a) or 5(b), will be taken to have provided the Company with the written confirmations described above, unless the Company determines otherwise.**

#### VOTING RESTRICTIONS FOR ITEM 6 (ANZ CAPITAL NOTES)

The Company will disregard any votes cast on item 6 by a shareholder who participated in the issue of ANZ Capital Notes or their associates.

However, the Company will not disregard a vote if:

- it is cast by a person as proxy for a shareholder who is entitled to vote, in accordance with the directions on the Proxy Form; or
- it is cast by the person chairing the Meeting as proxy for a shareholder who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

ASX has granted the Company a waiver from ASX Listing Rule 14.11.1 to the extent necessary to permit the Company to count votes cast on item 6 by persons who are acting solely

in a fiduciary, nominee or custodial capacity (**Nominee Holders**) on behalf of beneficiaries who did not participate in the issue of ANZ Capital Notes. The waiver is subject to the following conditions:

- the beneficiaries provide written confirmation to the Nominee Holders that they did not participate in the issue of ANZ Capital Notes, nor are they an associate of a person who participated in the issue of ANZ Capital Notes; and
- the beneficiaries direct the Nominee Holders to vote for or against the resolution; and
- the Nominee Holders do not exercise discretion in casting a vote on behalf of the beneficiaries.

**Nominee Holders who complete and return the Proxy Form distributed by the Company along with this Notice of Meeting, with a direction for their proxy to vote in favour or against item 6, will be taken to have confirmed to the Company that the conditions described above have been satisfied, unless the Company determines otherwise.**

#### ASSOCIATES

The voting restrictions for some of the items of business described above apply to “associates” of shareholders. The applicable definitions of “associate” are set out in the Corporations Act. Shareholders who are “associates” subject to the voting restrictions and who intend to attend and cast a vote at the Meeting in person, should inform a representative of the Company’s Share Registrar, Computershare, of that fact when they register at the Meeting.

#### QUESTIONS ON VOTING RESTRICTIONS

**If shareholders (including nominees, custodians or fiduciaries) have questions on the voting restrictions, they should contact the Company’s Share Registrar, Computershare, on 1800 11 33 99 (within Australia), 0800 174 007 (within New Zealand), 0870 702 0000 (within the United Kingdom) or (61 3) 9415 4010 (outside Australia).**

## UNDIRECTED PROXIES

The Chairman of the Meeting intends to vote undirected proxies (where he has been appropriately authorised, having regard to the voting restrictions above) in favour of each item of business, except for item 8 (the election of Mr Barrow). On item 8, the Chairman of the Meeting intends to vote any undirected proxy against Mr Barrow's election.

## ENTITLEMENT TO ATTEND AND VOTE

The Board has determined that, for the purposes of the Meeting (including voting at the Meeting), shareholders are those persons who are the registered holders of shares at 7:00pm (Melbourne time) on Monday, 16 December 2013.

Holders of the Company's ordinary shares may vote on all items of business, subject to the voting restrictions described above for items 2, 3, 4, 5(a), 5(b) and 6.

Holders of the Company's preference shares (including the Euro Preference Shares and the CPS1) are entitled to attend the Meeting and they are entitled to vote on items 4, 5(a) and 5(b) subject to the voting restrictions described above. These holders are not entitled to vote on any other item of business in their capacity as holders of the Company's preference shares.

## VOTING BY PROXY

A shareholder who is entitled to attend and cast a vote at the Meeting may appoint a proxy. A proxy need not be a shareholder. A person can appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, it must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the Meeting.

A shareholder who is entitled to cast 2 or more votes may appoint up to 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

The following addresses are specified for the purposes of receipt of proxy appointments and any authorities under which proxy appointments are signed (or certified copies of those authorities):

### Australia

ANZ Share Registrar GPO Box 242 Melbourne Victoria 3001 Australia	ANZ Share Registrar Yarra Falls 452 Johnston Street Abbotsford Victoria 3067 Australia
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### United Kingdom

ANZ Share Registrar  
The Pavilions  
Bridgwater Road  
Bristol BS99 6ZZ  
United Kingdom

### New Zealand

ANZ Share Registrar  
Private Bag 92119  
Auckland 1142  
New Zealand

Proxy appointments and any authorities under which they are signed (or certified copies of those authorities) may be sent by fax to facsimile number 1800 783 447 (within Australia) or (61 3) 9473 2555 (outside Australia).

Shareholders may also submit their proxy instructions electronically to the Company's Share Registrar by visiting [www.investorvote.com.au](http://www.investorvote.com.au), and Intermediary Online subscribers only (custodians) should visit [www.intermediaryonline.com](http://www.intermediaryonline.com)

To be effective, a proxy appointment and, if the proxy appointment is signed by the shareholder's attorney, the authority under which the appointment is signed (or a certified copy of the authority) must be received by the Company at least 48 hours before the commencement of the Meeting.

For more information concerning the appointment of proxies and the addresses to which Proxy Forms may be sent, please refer to the Proxy Form.

## VOTING BY ATTORNEY

A shareholder may appoint an attorney to vote on his/her behalf. For an appointment to be effective for the Meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company at its registered office or one of the addresses listed above for the receipt of proxy appointments at least 48 hours before the commencement of the Meeting.

## CORPORATE REPRESENTATIVES

A body corporate which is a shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed, unless it has previously been given to the Company.

By Order of the Board

Bob Santamaria  
Secretary  
Melbourne  
15 November 2013



## EXPLANATORY NOTES

### ITEM 1 ANNUAL REPORTS

A copy of the Company's 2013 Annual Report, including the Financial Report and the Reports of the Directors and of the Auditor for the year ended 30 September 2013, can be found on the Company's website at [anz.com/annualreport](http://anz.com/annualreport)

As a shareholder you may elect to receive by mail, free of charge, the Company's 2013 Annual Report (which includes detailed financial statements and reports) or the 2013 Shareholder Review (a non-statutory document covering key performance areas, financial information, remuneration details and corporate responsibility). If you would like a hard copy of either document, please contact the Company's Share Registrar, Computershare.

The Company mails a copy of the Annual Report or the Shareholder Review as applicable (when they are released each year) only to those shareholders who have made an election to receive them.

### ITEM 2 ADOPTION OF THE REMUNERATION REPORT

As required by the Corporations Act, the Board presents the Remuneration Report to shareholders for consideration and adoption by a non-binding vote. The Remuneration Report contains:

- information about Board policy for determining the nature and amount of remuneration of the Company's Directors and most senior executives;
- a description of the relationship between the remuneration policy and the Company's performance; and
- remuneration details for key management personnel (including the Directors of the Company) for the period ended 30 September 2013.

The Remuneration Report, which is part of the 2013 Annual Report, can be found on the Company's website at [anz.com/annualreport](http://anz.com/annualreport) or can be obtained by contacting the Company's Share Registrar, Computershare.

**Board Recommendation:** The Board considers that the remuneration policies adopted by the Company are appropriately structured to provide rewards that are commensurate with the Company's performance and competitive with the external market. On this basis, the Board recommends that shareholders eligible to do so vote in favour of item 2.

### ITEM 3 GRANT OF PERFORMANCE RIGHTS TO MR MICHAEL SMITH

The Company is seeking the approval of shareholders for the proposed grant of Performance Rights to the Chief Executive Officer, Mr Michael Smith, under the ANZ Share Option Plan on the terms and conditions set out below.

#### Grant of Performance Rights

At a glance:

- LTI Grant of \$3,150,000 and this will be split into two equal tranches
- Performance hurdle is Relative TSR for each tranche
- Tranche 1: ANZ Relative TSR against select financial services comparator group
- Tranche 2: ANZ Relative TSR against companies making up the S&P/ASX 50 Index
- Performance is assessed at the end of year 3 (no re-testing)
- Nil vesting below median, 50% vesting at median and increasing to 100% vesting at 75th percentile of relevant comparator group

In more detail:

A Performance Right is a right to acquire an ordinary fully paid share in the Company at nil cost (i.e. nil exercise price), subject to meeting the performance condition. Upon

exercise, each Performance Right entitles Mr Smith to one ordinary ANZ share which will rank equally with shares in the same class (there will be an exercise period ending 2 years after the vesting date). Mr Smith is not required to pay any amount on grant of the Performance Rights, nor on their vesting and exercise.

Performance Rights granted under the ANZ Share Option Plan do not carry any dividend or voting rights until they vest and are exercised.

If approval is obtained, it is the intention of the Board that the Performance Rights will be granted to Mr Smith on 18 December 2013 (but, in any event, not more than 12 months after the date of this Annual General Meeting).

#### Grant value and calculation of the number of Performance Rights to be granted

It is proposed that Mr Smith be granted Performance Rights with a grant value of \$3,150,000. The actual number of Performance Rights to be granted is not known at this stage as it will depend on the valuations at the date of grant. However, the total value of the Performance Rights allocated will not exceed the \$3,150,000 grant value. The dollar value at grant may also vary from the value at some future date, as it will depend on the Total Shareholder Return (TSR) performance of the Company relative to each of two separate comparator groups and the share price at the time.

We are adopting a new approach this year and the grant value will now be split into two equal tranches of Performance Rights (**Tranche 1** and **Tranche 2**). Vesting of Tranche 1 will depend on the TSR performance of the Company relative to a peer group comprising a selection of financial services companies detailed below (the **Tranche 1 Comparator Group**), and vesting of Tranche 2 will depend on the TSR performance of the Company relative to a new peer

group comprising the companies making up the S&P/ASX 50 Index as at 22 November 2013 (the **Tranche 2 Comparator Group**). Each tranche will be measured independently from the other.

PricewaterhouseCoopers and Mercer Finance & Risk Consulting will independently value each tranche of Performance Rights. The valuation model takes into account a range of factors to determine the value of a Performance Right, such as the life of the Performance Right, the likelihood of vesting, the current price of the underlying shares, expected volatility of the share price and the dividends expected to be paid in relation to the shares. In accordance with AASB 2, the model reflects both the performance condition and the non-transferability of the Performance Rights (noting that the performance condition must be met before the Performance Rights vest and become exercisable). These valuations are then reviewed by KPMG and the highest acceptable value will then be approved by the Board as the allocation value.

For example, the total grant value of \$3,150,000 would be split into two equal tranches of \$1,575,000 each. If the approved allocation value was, for example, \$13.60 for each Performance Right allocated under Tranche 1 and \$14.10 for each Performance Right allocated under Tranche 2, the number of Performance Rights that would be allocated is 115,808 under Tranche 1 and 111,702 under Tranche 2.

**Performance condition**

The Board has determined that the Performance Rights to be granted to Mr Smith (if approval is received) will be subject to a TSR hurdle which ranks the TSR performance of the Company with the TSR performance of two comparator groups.

The Tranche 1 Comparator Group will be a select group of financial services companies which includes the Commonwealth Bank of Australia,

National Australia Bank Limited, Westpac Banking Corporation, Suncorp-Metway Limited, Macquarie Group Limited, AMP Limited, ASX Limited, QBE Insurance Group Limited and Insurance Australia Group Limited.

The Tranche 2 Comparator Group will be the companies making up the S&P/ASX 50 Index as at the commencement of the performance period (22 November 2013).

Broadly, TSR is the growth in share price, plus the value of the dividends and distributions on the relevant shares. The TSR is measured over a three year performance period starting on 22 November 2013 and ending on the third anniversary 22 November 2016 (**Performance Period**). The proportion of the Performance Rights that will become exercisable will depend upon a single point of testing of the TSR achieved by the Company relative to the TSRs of each of the Comparator Groups at the end of the Performance Period. An average calculation will be used for TSR over a 90 day period for start and end values in order to reduce the impact of share price volatility.

The level of performance required for each level of vesting, and the percentage vesting associated with each level of performance, are set out in the table below. The Performance Rights lapse if the performance condition is not met. There is no re-testing.

Mr Smith is not entitled to trade, transfer or otherwise deal in (including entering into any hedging

arrangements in respect of) the Performance Rights or the underlying shares prior to vesting.

**Treatment on termination of employment**

If Mr Smith:

- resigns, all unexercised Performance Rights will lapse;
- is terminated by the Company with notice or ceases employment by mutual agreement, all Performance Rights which have vested or which will vest during the notice period will be retained and become exercisable; all remaining Performance Rights will vest and become exercisable, subject to the relevant time and performance condition being satisfied, unless the Board determines otherwise;
- is terminated by the Company without notice, all unexercised Performance Rights will lapse (whether or not the Performance Rights have vested); or
- ceases employment in circumstances of death or total and permanent disability, the performance condition will be waived and all unvested Performance Rights will vest.

In determining whether a different treatment should apply to that set out above where Mr Smith is terminated by the Company on notice, the Board will have regard to factors including, but not limited to, performance and the proportion of the Performance Period that has expired at the time of cessation of employment.

IF THE TSR OF THE COMPANY:	THE PERCENTAGE OF PERFORMANCE RIGHTS WHICH WILL VEST IS:
Does not reach the 50th percentile of the TSR of the relevant Comparator Group	0%
Reaches or exceeds the 50th percentile of the TSR of the relevant Comparator Group but does not reach the 75th percentile	50%, plus 2% for every one percentile increase above the 50th percentile
Reaches or exceeds the 75th percentile of the TSR of the relevant Comparator Group	100%

The Board could determine, for example, that:

- only some Performance Rights (whether vested or unvested) will continue on foot and become exercisable at the normal testing date (subject to satisfaction of the performance condition); or
- some or all unvested Performance Rights will lapse or be tested against the performance condition on cessation of employment; or
- any portion of the award which vests may be satisfied by a cash equivalent payment rather than shares.

#### Treatment on change of control

In the event of a takeover, scheme of arrangement or other change of control event occurring, the performance condition applying to the Performance Rights will be tested and the Performance Rights will vest based on the extent the performance condition is satisfied. No pro rata reduction in vesting will occur based on the period of time from the date of grant to the date of the change of control event occurring, and vesting will only be determined by the extent to which the performance condition is satisfied.

Any Performance Rights which vest based on satisfaction of the performance condition will vest at a time (being no later than the final date on which the change of control event will occur) determined by the Board.

Any Performance Rights which do not vest will lapse with effect from the date of the change of control event occurring, unless the Board determines otherwise.

#### Other information

The ASX Listing Rules require that the following additional information be provided in relation to the proposed grant of Performance Rights to Mr Smith.

Mr Smith is the only Director entitled to participate in the ANZ Share Option Plan. No associate of any Director is entitled to participate.

At the time of preparation of this Notice, Mr Smith holds 908,398 Performance Rights under the ANZ Share Option Plan which were granted in accordance with his contract and or shareholder approval given at the 2010, 2011 and 2012 Annual General Meetings. Mr Smith was granted 328,810 Performance Rights at no cost, as approved by shareholders at the 2012 Annual General Meeting, which will be tested against the performance hurdle at the end of the three year performance period.

There is no loan scheme in relation to the acquisition of the Performance Rights (or the shares underlying them) as no payment is required.

On vesting of the Performance Rights, shares may be issued or acquired on market, or the Board may determine to settle in cash. Details of any shares issued under the ANZ Share Option Plan will be published in the Company's annual report for the relevant period.

The Board retains discretion to reduce any equity grant made to Mr Smith (including reducing it to zero) if the Board considers such an adjustment necessary to protect the financial soundness of ANZ, to meet unexpected or unknown regulatory requirements or if the Board subsequently considers that having regard to information which has come to light after the grant of equity, the grant was not justified.

The rules of the ANZ Share Option Plan address the impact of rights issues and bonus issues on the Performance Rights.

A copy of the ANZ Share Option Plan rules is available on request from the Company Secretary.

**Board Recommendation:** The Board considers that the granting of Performance Rights is appropriate and is in the best interests of the Company and its shareholders, as the grant strengthens the alignment of Mr Smith's interests with shareholders, and the Performance Rights provide a strong link between the reward for Mr Smith's performance and total shareholder returns over the next three year period. Accordingly, the Board recommends that shareholders eligible to do so vote in favour of item 3.

#### ITEM 4 APPROVAL OF BUY-BACK SCHEME RELATING TO THE PREFERENCE SHARES WHICH FORM PART OF THE EURO TRUST SECURITIES

The purpose of item 4 is to provide the Company with maximum flexibility as to how it manages its capital. In particular, it gives the Company flexibility to repay the Euro Trust Securities that were issued on 13 December 2004 if the Company decided to repay those securities.

#### What are the Euro Trust Securities?

The Euro Trust Securities were offered primarily to European investors to raise regulatory capital. 500,000 securities were issued at a price of €1,000 each, raising a total of €500,000,000. The amount raised has been used for the Company's general corporate and capital management purposes.

The Euro Trust Securities are 'hybrid' instruments that comprise an interest paying unsecured note that is stapled to a €1,000 preference share issued by the Company (**Euro Preference Share**). The Euro Trust Securities were issued under an offering circular dated 9 December 2004 which summarises those securities and the Euro Preference Shares (**Offering Circular**). You can obtain a free copy of the Offering Circular by contacting ANZ Investor Relations on (61 3) 8654 5357.



### Why are we seeking shareholder approval?

As part of the Company's capital management strategy, the Board regularly monitors and reviews the most cost efficient and effective forms of capital available. The Board has formed the view that the Company should have the maximum flexibility to repay the Euro Trust Securities at a future time. One method of repaying the Euro Trust Securities involves buying back the Euro Preference Shares that form part of the securities under the buy-back scheme contained in the terms of those shares as set out in the Offering Circular. Under the Corporations Act, any such buy-back needs the approval of the Company's shareholders.

Accordingly, the Company is seeking this approval now so that it does not need to convene an extraordinary general meeting if it later decides to repay the Euro Trust Securities. There are other methods that the Company can use to repay the Euro Trust Securities (and deal with the Euro Preference Shares) that do not involve a buy-back, but the Board considers it is important to have all options available to the Company. Shareholder approval of the buy-back at this Meeting does not mean that the other options will not be used if it is decided to repay the Euro Trust Securities.

Any decision to repay the Euro Trust Securities also needs APRA's prior written approval.

Under the terms governing the Euro Trust Securities, the Company can repay the securities at any time on or after 15 December 2014 provided certain conditions are met.

### Will any buy-back of Euro Preference Shares take place?

No decision has been made by the Board whether to repay the Euro Trust Securities and accordingly no decision has been made whether to buy back the Euro Preference Shares or when any such buy-back might occur.

The Board will only decide to repay the Euro Trust Securities and, if so, to do that by buying back the Euro Preference Shares, if it considers it is in the best interests of the Company.

### What is the purpose of these Explanatory Notes?

These Explanatory Notes state all information known to the Company that is material to the decision on how to vote on item 4.

#### (a) Summary of the buy-back scheme

Any buy-back of a Euro Preference Share conducted under the buy-back scheme contained in the terms of the shares must be for an amount for each Euro Preference Share equal to €1,000 (and any additional dividend on account of withholding tax) plus, if the shares have become dividend paying, any accrued and unpaid dividends on that share (**Redemption Price**).

Depending on the terms of any repayment of the Euro Trust Securities, it is possible that any buy-back would be in relation to all or part of the 500,000 Euro Preference Shares on issue.

#### (b) Interests of Directors

No Director has an interest in any Euro Trust Securities and therefore no Director has an interest in a Euro Preference Share.

#### (c) The financial effect of the buy-back scheme on the Company

The buy-back of each Euro Preference Share requires a payment by the Company of the Redemption Price. The Australian dollar cost of paying the aggregate Redemption Price will reflect the prevailing foreign exchange rate on or about the date of the buy-back. Using the A\$/€ exchange rate at 30 September 2013, this is approximately A\$725 million plus any accrued and unpaid dividends. The actual amount in Australian dollars will depend on the foreign exchange rate on or about

the date of the buy-back. The Company will not buy back the Euro Preference Shares if it would have a material adverse impact on the Company's financial or regulatory capital position or would materially prejudice the Company's ability to pay its creditors.

#### (d) Source of funds for the buy-back scheme

The Company has significant cash reserves and other funding alternatives that could be used to pay for the buy-back of the Euro Preference Shares. The Directors would, at the relevant time, consider the best alternative or combination of alternatives for funding any buy-back.

#### (e) Effect of buy-back scheme on the control of the Company

Each Euro Preference Share entitles the holder of that share to limited voting rights. Given these limited voting rights and the nature of the Euro Preference Shares and Euro Trust Securities, the Board considers that any buy-back of the Euro Preference Shares would have no effect on the control of the Company.

#### (f) Identity of the affected shareholders

The Euro Trust Securities are currently held by investors that are predominately based outside of Australia. The Euro Preference Shares that form part of the Euro Trust Securities are currently all held by The Bank of New York Mellon.

**Board Recommendation:** The Board considers that giving the Company the ability to buy back the Euro Preference Shares is in the interests of the Company as it provides the Company with greater flexibility to implement its capital management strategy. On this basis, the Board recommends that shareholders eligible to do so vote in favour of item 4.



## ITEMS 5(a) AND 5(b) APPROVAL OF BUY-BACK SCHEMES RELATING TO THE ANZ CONVERTIBLE PREFERENCE SHARES (CPS1)

The purpose of items 5(a) and 5(b) is also to provide the Company with maximum flexibility as to how it manages its capital. In particular, it gives the Company flexibility to repay the CPS1 that were issued on 30 September 2008 if the Company decided to repay those shares.

### What are the CPS1?

The CPS1 were primarily offered to retail investors in Australia to raise regulatory capital. 10,812,124 CPS1 were issued at an issue price of A\$100 each, raising a total of A\$1,081,212,400. The amount raised has been used for the Company's general corporate purposes.

The CPS1 were issued under a prospectus dated 4 September 2008 which summarises the CPS1 (**CPS1 Prospectus**). You can obtain a free copy of the CPS1 Prospectus by contacting ANZ Investor Relations on (61 3) 8654 5357.

### Why are we seeking shareholder approval?

As with the Euro Trust Securities referred to in item 4, the Board considers that the Company should also have the flexibility to repay the CPS1 at a future time. One way to repay the CPS1 is to buy back those shares and there are different types of buy-back that could be used.

Under the Corporations Act, any off-market buy-back of CPS1 needs the approval of the Company's shareholders.

Approval is being sought now so that the Company does not need to convene an extraordinary general meeting if it later decides to repay the CPS1.

Approval is being sought for two categories of buy-back that could be used:

- a buy-back of the CPS1 outside of the terms of the CPS1 but otherwise in accordance with the Corporations Act (the **First Buy-Back Scheme**); and
- a buy-back of the CPS1 under the buy-back scheme contained in the terms of the CPS1 and set out in the CPS1 Prospectus (the **Second Buy-Back Scheme**).

One or both of these buy-backs could be used and implemented at different times and could be for up to all of the CPS1 then on issue. In addition, there are other methods the Company can use to repay the CPS1. If the Company decides to repay the CPS1, shareholder approval of the buy-back schemes would not mean those other methods will not be used either in place of, or together with, the buy-back schemes.

Any decision to repay the CPS1 needs APRA's prior written approval.

Under the terms of the CPS1, if not repaid earlier, the shares will mandatorily convert into ordinary shares of the Company on the first conversion date on which certain conversion conditions are satisfied. The first conversion date is 16 June 2014 and if the conversion conditions are not met on this date, the CPS1 will convert on the first dividend payment date after 16 June 2014 on which the conversion conditions are satisfied (**Conversion Date**).

### Will any buy-back of the CPS1 take place?

No decision has been made by the Board whether to repay the CPS1 and accordingly no decision has been made whether to buy back the CPS1 or when any such buy-back might occur.

The Board will only decide to repay the CPS1 and, if so, to do that using any of the buy-back schemes approved at this Meeting, if it considers it is in the best interests of the Company.

### What is the purpose of these explanatory notes?

These Explanatory Notes state all information known to the Company that is material to the decision on how to vote on items 5(a) and 5(b).

#### (a) Summary of the First Buy-Back Scheme

The Company may buy back all or part of the CPS1 from time to time with the agreement of the then holder or holders (**Holder**s) under a buy-back scheme conducted outside the terms of the CPS1 at a maximum price as set out below.

- (i) where the buy-back is not from a "Nominated Purchaser" (as defined below)

The Company would pay to the Holders for each CPS1 an amount equal to:

- A\$100; plus
- any accrued and unpaid dividends on the share (**Accrued Dividend**); plus
- an amount (if any) determined by the Company representing its estimate of the loss of the dividend that would have been received on the CPS1 for the period on and from the completion of the buy-back until the expected next Conversion Date (**Additional Payment**).

- (ii) where the buy-back is from a "Nominated Purchaser"

The CPS1 terms enable the Company in certain circumstances to direct Holders to transfer their CPS1 to a third party, so long as (among other conditions specified in the CPS1 terms) the third party meets specified long term counterparty credit rating benchmarks (**Nominated Purchaser**).

If this occurs, Holders will be paid A\$100 per CPS1 that they are required to transfer. In addition, if the Board determines in its absolute discretion, the Company will pay Holders an amount equal to any unpaid dividend for the current period.

Following the transfer of the CPS1 to the Nominated Purchaser, if agreed by APRA, the Company may offer to buy back the CPS1 from the Nominated Purchaser. In these circumstances, the Company would pay the Nominated Purchaser for each CPS1 an amount equal to:

- A\$100; plus
- any Accrued Dividend.

**(b) Summary of the Second Buy-Back Scheme**

If the Company decides to repay the CPS1 under the buy-back scheme contained in the terms of these shares, the Company must pay to the Holders for each CPS1 an amount equal to:

- A\$100; plus
- if the Board determines in its absolute discretion, an amount equal to any unpaid dividend for the current period.

**(c) Interests of Directors**

No Director has an interest in any CPS1, other than Mr Graeme Liebelt who has an indirect interest in 2,500 CPS1.

**(d) The financial effect of the buy-back schemes on the Company**

**(i) First Buy-Back Scheme**

Under the First Buy-Back Scheme, the buy-back of each CPS1 requires a payment by the Company of A\$100, plus any Accrued Dividend and, where the CPS1 are bought back from Holders and not from the Nominated Purchaser, any Additional Payment.

In addition, where the CPS1 are bought back from the Nominated Purchaser, the Company will need to pay any fees and expenses that the Company has agreed to pay the Nominated Purchaser (**Fees**).

Accordingly, under the First Buy-Back Scheme, the cost of buying back all of the CPS1 would not exceed A\$1,082 million plus:

- if the CPS1 are being bought back from Holders and not from the Nominated Purchaser, the amount of any Accrued Dividend and any Additional Payment; or
- if the CPS1 are being bought back from the Nominated Purchaser, the amount of any Accrued Dividend and any Fees.

**(ii) Second Buy-Back Scheme**

Under the Second Buy-Back Scheme, the buy-back of each CPS1 requires a payment by the Company of A\$100 (plus, if the Board determines in its absolute discretion, an amount equal to any unpaid dividend for the current period).

Under the Second Buy Back Scheme, the cost of buying back all of the CPS1 would not exceed A\$1,082 million plus an amount equal to the unpaid dividends for the current period (if the Board determines to pay that amount to Holders).

The Company will not buy back the CPS1 if it would have a material adverse impact on the Company's financial or regulatory capital position or would materially prejudice the Company's ability to pay its creditors.

**(e) Source of funds for the buy-back schemes**

The Company has significant cash reserves and other funding alternatives that could be used to pay for the buy-back of the CPS1. The Directors would, at the relevant time, consider the best alternative or combination of alternatives for funding any buy-back.

**(f) Effect of buy-back schemes on the control of the Company**

Each CPS1 entitles a Holder to limited voting rights. Given these limited voting rights and the nature of the CPS1, the Board considers that any buy-back would have no effect on the control of the Company.

**(g) Identity of the affected shareholders**

As at 30 September 2013, there were approximately 17,145 registered holders of CPS1. CPS1 are quoted on ASX and held by a variety of investors predominately based in Australia.

**Board Recommendation:** The Board considers that giving the Company the ability to buy back the CPS1 is in the interests of the Company as it provides the Company with greater flexibility to implement its capital management strategy. On this basis, the Board recommends that shareholders eligible to do so vote in favour of items 5(a) and 5(b).

## ITEM 6 APPROVAL OF SECURITIES ISSUED (ANZ CAPITAL NOTES)

The purpose of item 6 is to retrospectively approve the issue of the ANZ Capital Notes that were issued on 7 August 2013 for the purposes of the ASX Listing Rules that govern limits on the number of shares and other securities that can be issued without shareholder approval. The approval would provide the Company with the maximum flexibility to be able to undertake any future equity raisings before needing shareholder approval.

### Introduction

The ANZ Capital Notes were offered primarily to retail investors in Australia to raise regulatory capital. 11,200,000 notes were issued at a price of A\$100 each, raising a total of A\$1,120,000,000. The amount raised has been used for the Company's general corporate purposes.

ASX Listing Rule 7.1 imposes a limit on the number of equity securities that the Company can issue or agree to issue without shareholder approval – for these purposes, 'equity securities' includes ordinary shares and other securities like the ANZ Capital Notes. The purpose of this rule is to protect shareholders from dilution and it effectively provides that, without shareholder approval, the Company cannot issue a number of equity securities which is more than 15% of the number of ordinary shares on issue 12 months before the issue.

Equity securities that are issued with shareholder approval or under other exemptions in the ASX Listing Rules (e.g. under a dividend reinvestment plan) do not dilute this 15% capacity.

In certain circumstances, ASX Listing Rule 7.4 allows the Company to seek retrospective approval for these purposes rather than before the securities are issued.

The Board has decided to seek shareholder approval under ASX Listing Rule 7.4 in respect of the Company's issue of ANZ Capital Notes for the reasons set out below.

### Why are we seeking shareholder approval?

The Company's capital base is critical to its ability to manage its business. The Company funds itself from various sources, including deposits, borrowings in the debt capital markets and equity capital. It is important that the Company has access to all available forms of capital.

The approval of shareholders is being sought to provide the Company with the maximum flexibility to undertake equity raisings without the need for further shareholder approval. The requirement to obtain shareholder approval for an issue, at the time of issue, could limit the Company's ability to take advantage of opportunities that may arise to raise equity capital. It should be noted that even if shareholders approve item 6,

any future equity raisings will remain subject to the 15% limit set out in ASX Listing Rule 7.1.

It is important to note that the issue of the ANZ Capital Notes did not result in the Company exceeding the 15% threshold.

No decision has been made by the Board to undertake any further issue of equity securities even if shareholders approve item 6. The Board will only decide to issue further equity securities if it considers it is in the best interests of the Company to do so. This may depend, among other things, on the capital position of the Company, conditions in domestic and international capital markets and changes in the prudential regulation of the Company.

### Further details of the securities issued for which approval is being sought under this item

Further details of ANZ Capital Notes are summarised below and other relevant information is lodged with ASX from time to time at [www.asx.com.au](http://www.asx.com.au). The ANZ Capital Notes were issued on 7 August 2013 under a prospectus dated 10 July 2013 for a price of \$100 each. The prospectus summarises the notes in more detail and includes the full terms of the notes. You can obtain a free copy of the prospectus by contacting ANZ Investor Relations on (61 3) 8654 5357.

SUBSCRIBERS	CONVERSION FEATURE	NUMBER OF SECURITIES
Subscribers for ANZ Capital Notes under the prospectus referred to above – the notes were primarily offered to retail investors in Australia	Each ANZ Capital Note is, subject to certain terms and conditions, convertible into approximately A\$101.01 worth of ordinary shares (based on the volume weighted average sale price (VWAP) of the Company's ordinary shares over generally the 20 trading days before the conversion date)	11,200,000 ANZ Capital Notes For the purposes of the ASX Listing Rules, these are treated as convertible into 38,796,747 fully paid ordinary shares of the Company. This calculation is based on the terms of the ANZ Capital Notes, the VWAP of the Company's ordinary shares over the 20 trading days before the date the notes were issued and a waiver received from ASX at the time of offer of the notes

**Board Recommendation:** The Board considers that the approval of the issue of ANZ Capital Notes described above is in the interests of the Company as it provides the Company with the flexibility to issue up to the maximum number of equity securities permitted under ASX Listing Rule 7.1 in the next 12 months (without further shareholder approval), should it be required. Accordingly, the Board recommends that shareholders eligible to do so vote in favour of item 6.

#### ITEM 7 ELECTION OF BOARD-ENDORSED CANDIDATES

The Board-endorsed candidates standing for election and re-election as Directors, and their details, are set out below. Mr Liebelt, having been appointed by the Board after the date of the 2012 Annual General Meeting, is retiring in accordance with the Company's Constitution and offers himself for election. Mr Macfarlane is retiring and offers himself for re-election.

##### ITEM 7(a) TO ELECT MR G. R. LIEBELT

###### Mr Liebelt

Mr G.R. Liebelt  
B Ec (Hons), FAICD, FTSE, FAIM

Independent Non-Executive Director, appointed in July 2013.

Mr Liebelt is a member of the Risk Committee, Human Resources Committee and Technology Committee. He is a director of Amcor Limited, the Australian Foundation Investment Company Ltd and Carey Baptist Grammar School, and deputy chairman of Melbourne Business School and The Global Foundation.

Mr Liebelt is a former Managing Director and CEO of Orica Limited and former director of the Business Council of Australia.

Lives in Melbourne. Age: 59

Mr Liebelt has extensive international experience and a strong record of achievement as a senior executive including in strategy development and implementation. He brings to the Board his experience of a 23 year executive career (including a period as Chief Executive Officer) with Orica Limited, a global mining services company with operations in more than 50 countries.

**Board Recommendation:** The Board (excluding Mr Liebelt because of his interest) endorses the election of Mr Liebelt as a Director.

##### ITEM 7(b) TO RE-ELECT MR I. J. MACFARLANE

###### Mr Macfarlane, AC

Mr I. J. Macfarlane, AC  
BEc (Hons), MEc, Hon DSc (Syd), Hon DSc (UNSW), Hon DCom (Melb), Hon DLitt (Macq), Hon LLD (Monash)

Independent Non-Executive Director, appointed in February 2007.

Mr Macfarlane is Chairman of the Risk Committee and a member of the Governance Committee and Audit Committee. He is a director of Woolworths Limited and the Lowy Institute for International Policy, and a member of the Council of International Advisors to the China Banking Regulatory Commission, the International Advisory Board of Goldman Sachs JB Were and the International Advisory Board of CHAMP Private Equity. Mr Macfarlane was the Governor of the Reserve Bank of Australia between 1996 and 2006.

Lives in Sydney. Age: 67

During his 28 year career at the Reserve Bank of Australia, Mr Macfarlane made a significant contribution to economic policy in Australia and internationally. He has a deep understanding of financial markets as well as a long involvement with Asia.

**Board Recommendation:** The Board (excluding Mr Macfarlane because of his interest) endorses the re-election of Mr Macfarlane as a Director.

##### ITEM 8 ELECTION OF NON-BOARD-ENDORSED CANDIDATE – MR D.C. BARROW

**Mr Barrow has nominated himself for election as a Director. His candidacy is not endorsed by the Board.**

The following statement provides a brief description of Mr Barrow's qualifications and platform and has been included at his request.

###### Mr Barrow

Mr D.C. Barrow  
BCom (Hons), BA (Hons), BLitt, J.D., CPA  
Lives in Melbourne.

Mr Barrow has a Bachelor of Commerce honours degree in Accounting and Finance from Melbourne University and a Juris Doctor degree in Law from RMIT University. He is an Australian lawyer and a Certified Practising Accountant member of CPA Australia with over 10 years' experience in accounting and auditing.

Mr Barrow is a director of Legal Redress Pty Ltd. A Federal Court of Australia proceeding he brought against ANZ in 2010, seeking copies of ANZ product terms and conditions, was settled with Mr Barrow receiving copies of the product terms and conditions and with each party bearing its own costs.

Mr Barrow owns one (1) ANZ share and is running on a single (1) issue platform that he will represent the interests of ANZ shareholders to see that the Company makes fair reparations to ANZ customers for any overcharging of bank exception fees.

**Board Recommendation:** After considering Mr Barrow's experience and his single issue platform, the Board does not endorse the election of Mr Barrow as a Director.