

The Next Stage of ANZ's Transformation

Realising the full potential of Super Regional

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Agenda

1. Super Regional - driving superior long-term growth and differentiated returns

- Geographic coverage, more rapid economic growth, intra-regional opportunities
- New game with new rules

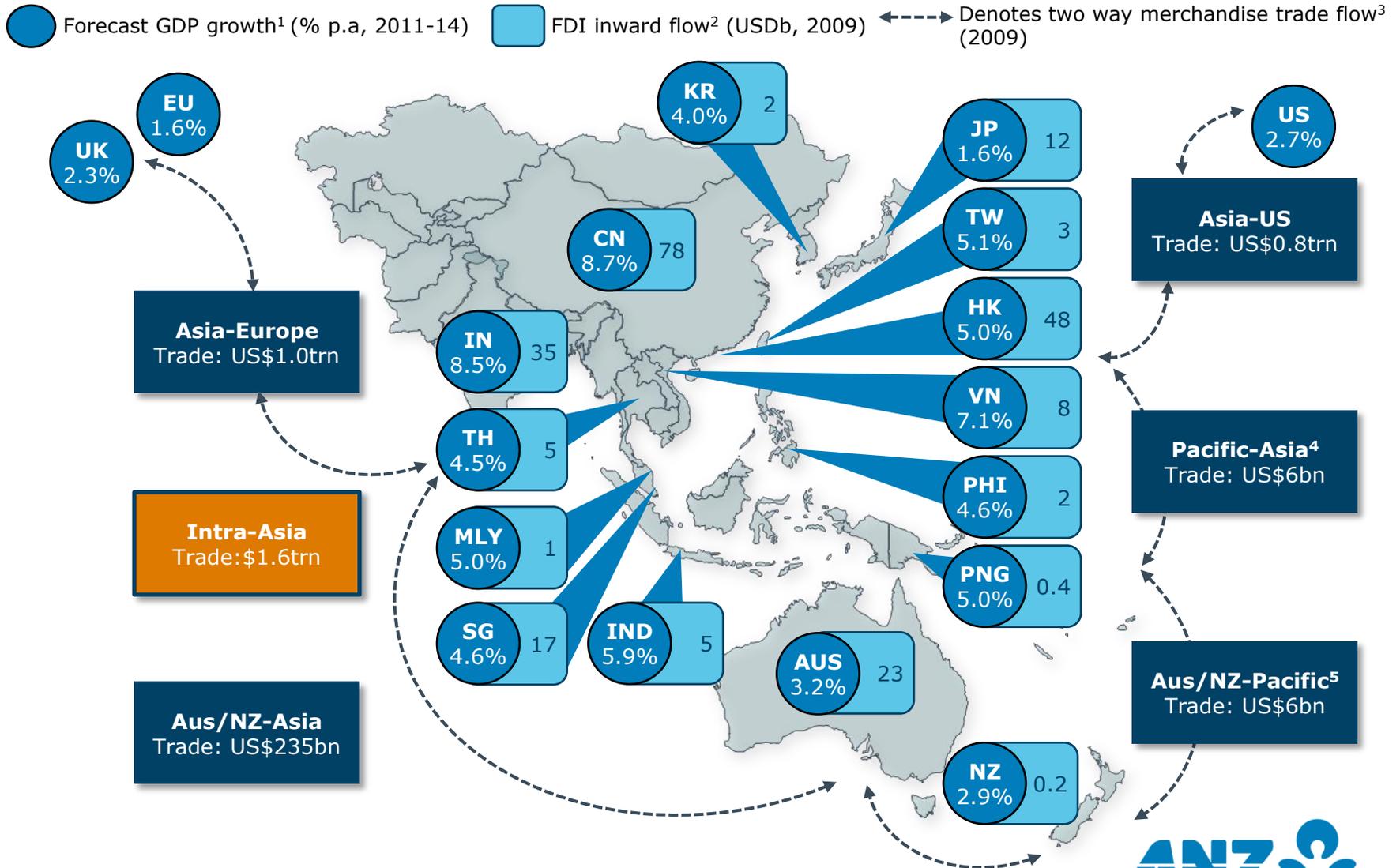
2. Consistent coherent strategy – connectivity driving competitive advantage

- Delivering on our promises
- Super Regional capability and momentum

3. Future aspirations - the next steps in ANZ's transformation journey

- Connectivity - realising the full potential of Super Regional
- Growth levers - organic, partnerships and M&A

Super Regional - driving long term growth and differentiated returns



New game with new rules

Pre Global Financial Crisis

- High growth world
- Unsustainably high credit growth
- De-regulation
- Plentiful inexpensive capital and funding
- Centre of economic gravity with developed economies

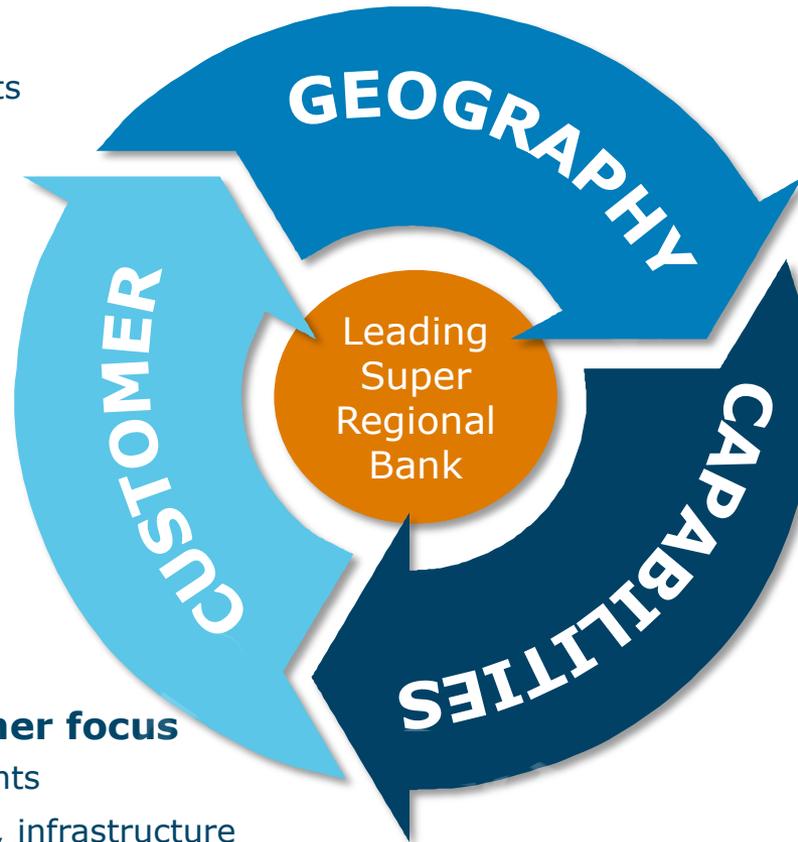
- Multi-speed world: Differentiated growth
- Economic power shift to developing economies
- Re-regulation
- Capital and funding scarcer, more expensive
- Deleveraging playing out, lower credit growth

Post Global Financial Crisis

Coherent strategy – driving competitive advantage

Geographic opportunity

- Footprint - exposure to Asia's more rapid growth
- Growing financial services requirements
- Regional connectivity
- Strong domestic markets and businesses



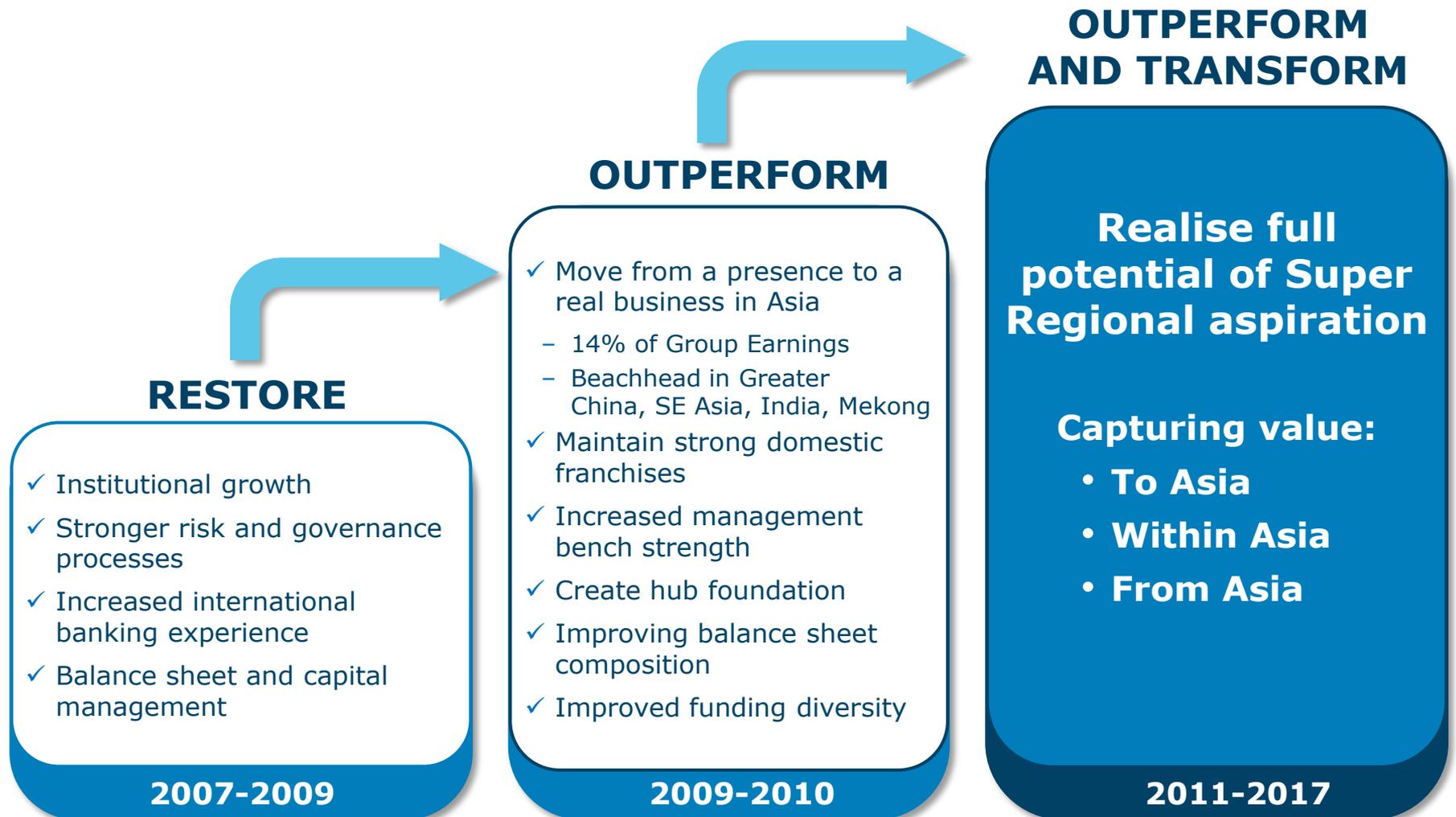
Building Super Regional capabilities

- Bench strength/international talent
- Innovative product capability
- 'Throw and catch' capability and culture
- Enabling technology and operations hubs
- Global core brand, regional reach
- Governance and risk management

Cross-border customer focus

- Regional customer insights
- Resources, agribusiness, infrastructure
- Trade and investment flows
- Migration/people flows, education

Delivering Super Regional performance momentum



Realising the full potential of Super Regional

**2017
Aspiration**

**APEA sourced revenue to drive
25% - 30% of Group profit**

**Expanded view of
opportunity in
APEA**

- The more mature our business, the greater our opportunities
- Increasing our footprint, customers and access to trade, liquidity and investment flows

**Domestic
outperformance**

- Regional connectivity will deliver additional revenue into Australia, New Zealand, Asia and the Pacific

**Centres of
Excellence**

- Hubs provide a lower and more flexible cost base – access deeper pools of talent, provide better service with lower risk

**Focussed
technology
investments**

- Technology roadmap focused on customer facing (e.g. internet banking, goMoney) and cross-border systems (e.g. FX, Cash Management)

Realising the full potential of Super Regional

**2017
Aspiration**

**APEA sourced revenue to drive
25% - 30% of Group profit**

People

- Continue to build depth in international management and banking experience
- Well defined succession planning
- Remuneration and incentives aligned to delivery of strategy and management of risk

Risk Management

- Risk management as a core competency
 - Increased expertise across the risk function
 - Comprehensive set of asset writing strategies
 - Product and segment expertise – focus on sectors we know
- Customer driven rather than product focused
- Lower balance sheet intensity

Financial Management

- Greater balance sheet diversity
- Reduced reliance on interest income
- Funding flexibility

Growth levers - organic, partnerships and M&A

Continued Focus on Organic Growth

Leveraging Super Regional connectivity
Increasing productivity
Focus on core customers



Managing the value of ANZ's Partnerships

- Delivering access to attractive markets/ segments
- Linking partnership customers to ANZ's international network
- Actively managing the portfolio to optimise strategic positioning

Selective M&A opportunities

- Dislocation in global markets continuing to create opportunities
- Consistent M&A disciplines – on strategy, delivers value, executable

Super Regional - long term growth, differentiated returns

OUTPERFORM AND TRANSFORM

**Realise full
potential of Super
Regional aspiration**

Capturing value:

- **To Asia**
- **Within Asia**
- **From Asia**

2011-2017

Consistent, coherent strategy driving competitive advantage

Super Regional capability and momentum
Delivering on our promises

Aspiration
APEA sourced revenue to drive 25% - 30% of Group profit

Growth levers
Organic, Partnerships, M&A

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