

ANZ Technology Update

Charting a Super Regional Direction

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15 July 2011



Agenda

- **Strategy drives structure**

Graham Hodges, Deputy Chief Executive Officer

- **ANZ's Super Regional Technology roadmap**

Anne Weatherston, Chief Information Officer

- **Technology Demonstration**

A coherent strategy driving competitive advantage

- **ANZ's Super Regional Strategy to deliver differentiated returns:**
 - Higher growth Asia vs domestic
 - Supporting customers through regional connectivity
 - Access to savings pools
 - Enhancing strong domestic franchises in Australia and New Zealand
- **Capturing trade and capital flows:**
 - To Asia
 - Within Asia
 - From Asia
- **As a Super Regional bank, ANZ's requirements and priorities are different to 'domestic centric' banks**



Our strategy has shaped organisational structure

Super Regional Strategy

Customer Segments

Retail	Wealth	Commercial	Corporate	Institutional
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Operating Model

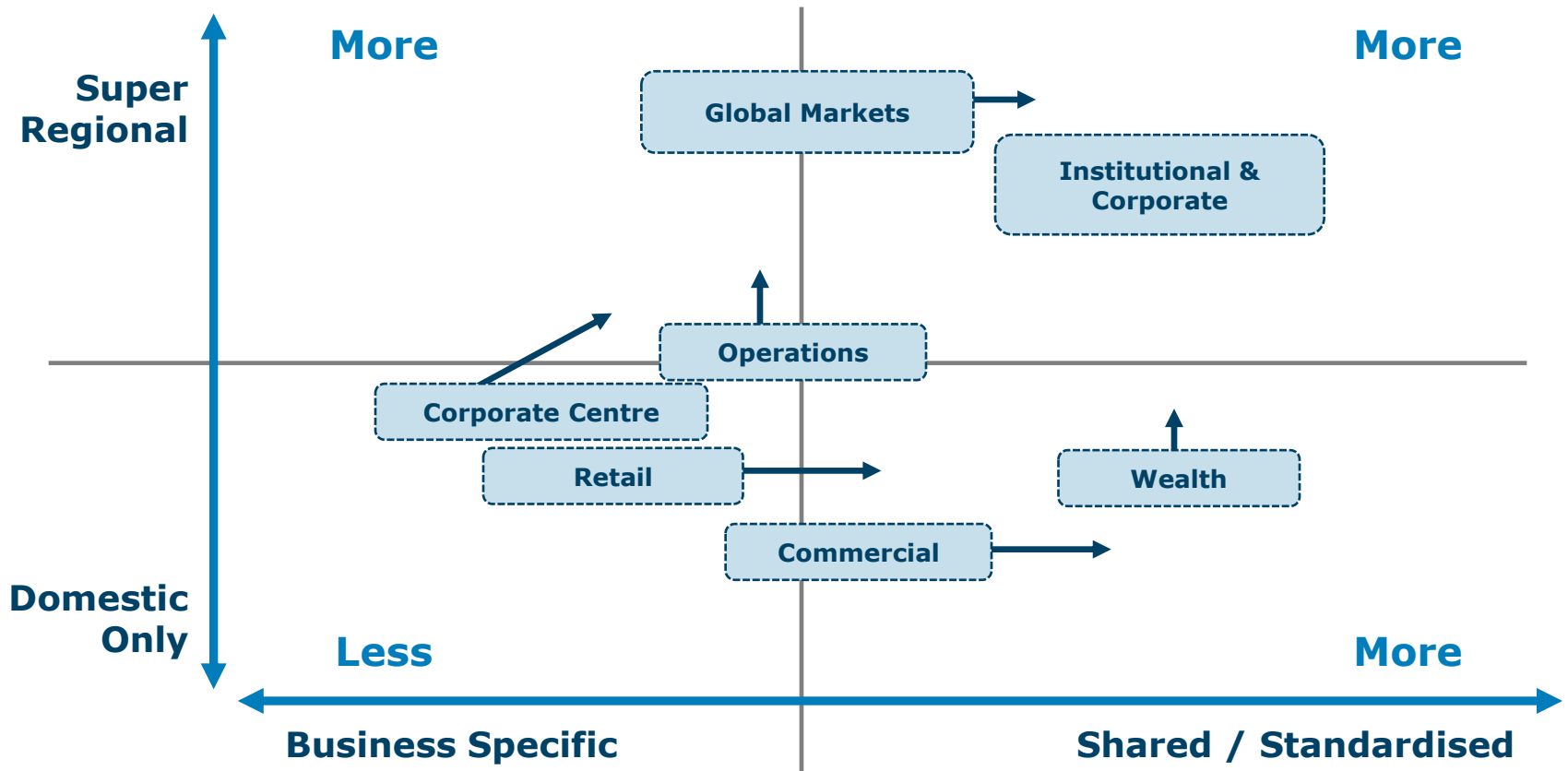


Defined customer propositions

Retail & Wealth Proposition	Commercial Proposition	Corporate & Institutional Proposition
<ul style="list-style-type: none"> • Easiest and most empowering bank • Deliver market leading tailored propositions for target segments • Differentiate through customer service and insight 	<ul style="list-style-type: none"> • Easy to do business across the region 	<ul style="list-style-type: none"> • Best global bank for clients dependent on trade and capital flows in the Asia Pacific region
Growth Segments	Growth Segments	Growth Segments
<ul style="list-style-type: none"> • Retail - Affluent, migrant, ageing, new to bank customers, young money • Wealth - Insurance, investments and superannuation to retail clients, HNW, retirees, employers and advisors 	<ul style="list-style-type: none"> • Small business • Business banking • Agri-business • Focus on trading businesses 	<ul style="list-style-type: none"> • Natural Resources • Infrastructure • Agriculture • Financial institutions • Corporate Banking; MNCs

Strategy has shifted Group orientation to more of a shared and regional focus

Implement operating models that maximise business opportunities across customer segments and geographies and improve efficiency, customer service and revenue



Technology has been focused on four key priorities over the past 18 months

- ✓ Facilitated transition from domestic to Super Regional Bank
- ✓ Kept technology in step with Super Regional growth
- ✓ Addressed technology skill gaps for a Super Regional bank
- ✓ Defined technology strategy to 2017

In 2007 ANZ set a strategy for the business and an aspiration for technology to 2012

Core Capabilities 2007

Customer Centric

Sales & Marketing Focused

Technology Based

Performance Driven

Deliverables

Institutional

- Technology is critical enabler of cash management and markets

Consumer

- ANZ to become clear leader in online and sales tools

New Zealand

- Move to single system to drive operational efficiencies

Asia Pacific

- Built out an organic network and integrated acquisitions

Technology initiatives focused on enhancing customer experience and addressing immediate and future needs

Addressing Current Growth Needs

- Upgraded mainframe and tandem platforms
- State of the art data centres in Australia, New Zealand and Asia
- Virtualisation to improve agility, flexibility and availability
- Asia organic network expansion; integration of RBS Asian assets in six markets

Enhancing Customer Experience

- Internet banking upgrade, more ATM's
- ANZ GoMoney mobile banking application
- Mortgage Platform automation
- ANZ Transactive: Integrated cash management roll-out

Reshaping technology to deliver Super Regional

- Creating a new single professional services capability for ANZ, across the region
- Realigned technology resources to specific segments and into competency centres
- Align delivery service centres around key skill sets to support future technology requirements

ANZ goMoney Mobile Banking Application



Represents 26% of all online traffic

Technology function and businesses aligned to the next stage of ANZ's transformation

Key Technology Principles

Business & IT benefits

1 Connectivity

- Organised and aligned to provide cross regional customer services; consumer and corporate

2 Customer Centricity

- A "joined up" ANZ customer experience

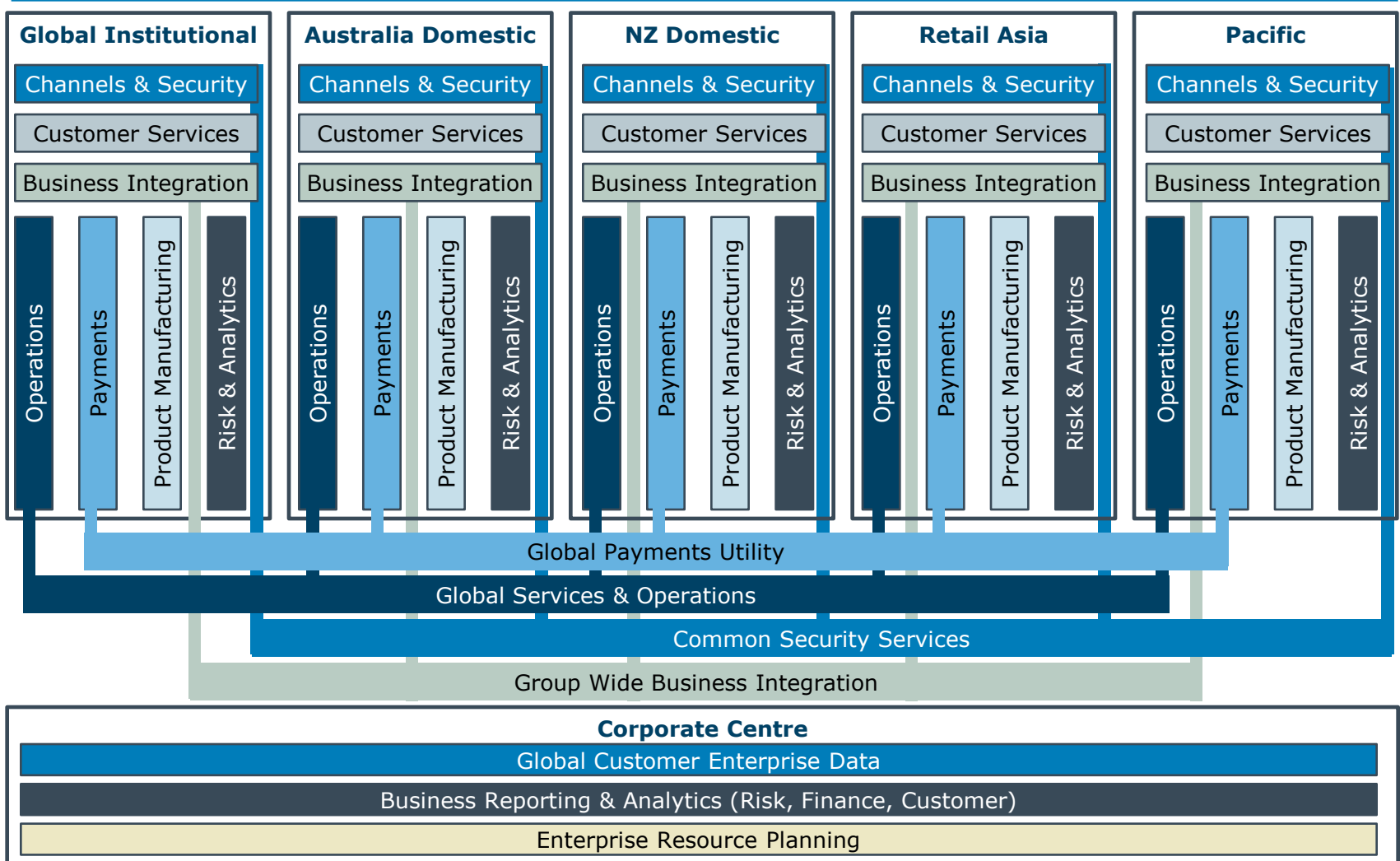
3 Information Based

- Real time business analytics; measuring business performance
- Multi-regional regulatory requirements facilitated

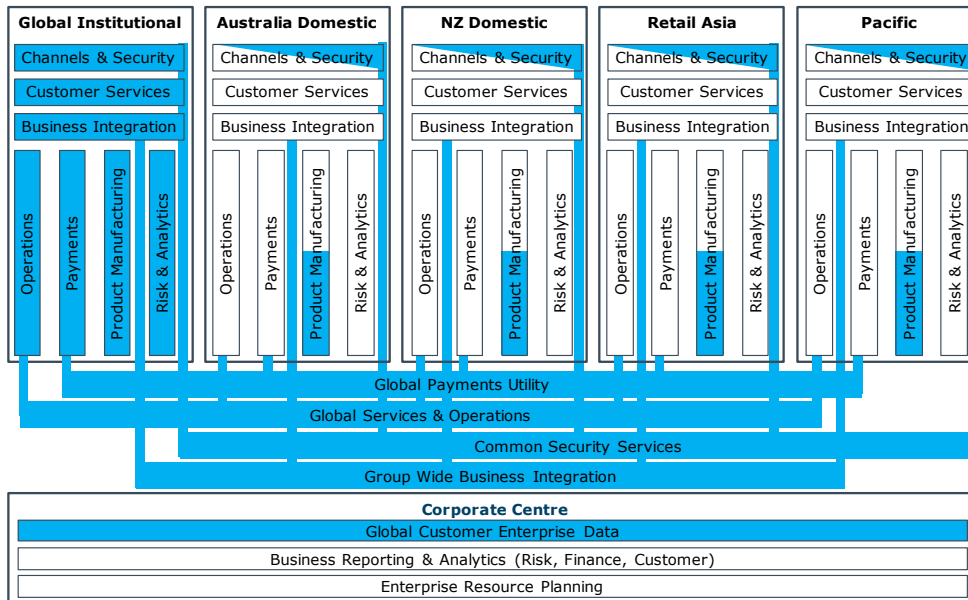
4 Integration & Standardisation

- Component and modular focused architecture, enabling re-use, flexibility, scalability and stability

Our new functional architecture reflects the key requirements for supporting a Super Regional bank



Connectivity – customer experience designed to provide seamless connection across multiple countries

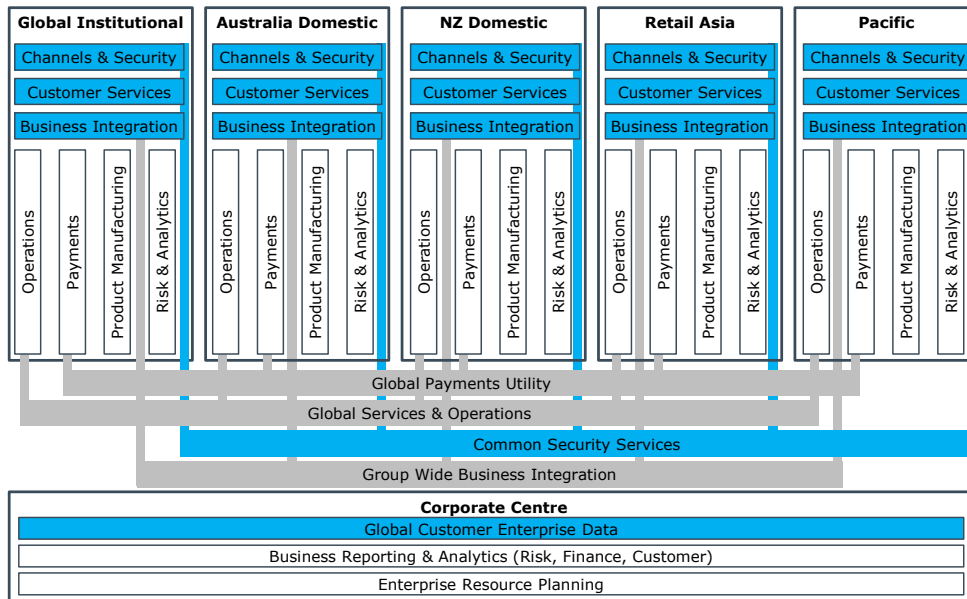


- Connectivity is central to achieving the Super Regional outcome
- Pursuing global and standardised infrastructure platforms cognisant of regulatory demands
- We will extend business services that allow our customers to transact across the region e.g. ANZ Transactive for corporates; account opening for consumers
- Immediate effect of **all credits and debits from all sources** in Australia & NZ. Objective is to enable this in all countries as well as cross border

Technical Notes

- Super Regional Network partnership
- Access Control processes – Oracle Identity Management (internal and external)
- Business & Technology Integration of technical services through to our customer and staff facing applications

Customer Centricity – deeper understanding, better insights, improved customer experience, lower risk

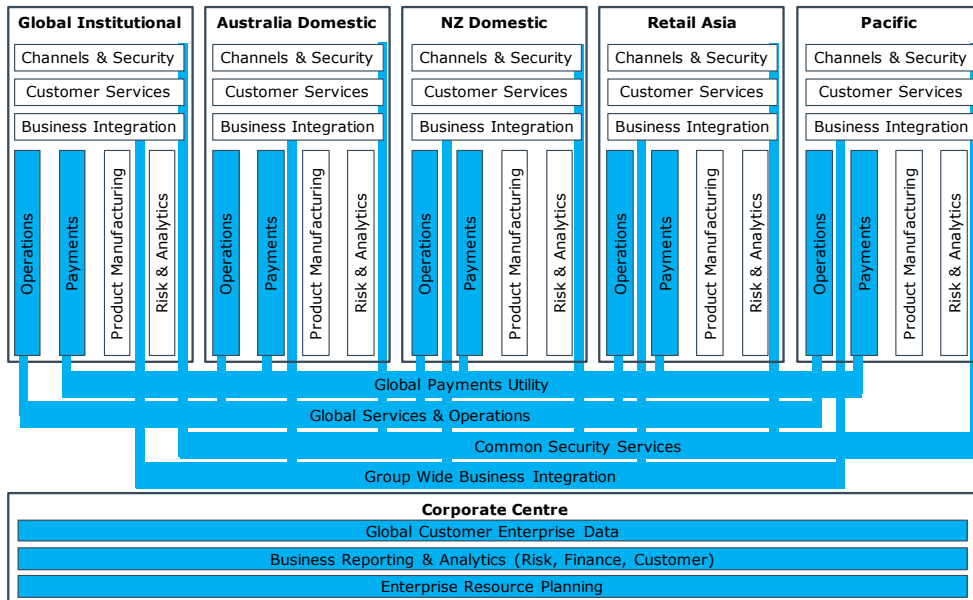


- Our customers will be at the centre of the new architecture for Super Regional
- We have defined our desired customer experience which will be enabled through:
 - A single customer view held in a customer registry
 - A simplification & standardisation of our customer services specifically customer on-boarding, e.g single ID for customer authentication; customer portal

Technical Notes

- Recognising the diverse history in our franchises, we are taking a federated customer approach
- Supported by global customer matching with IBM Information Server

Standardised systems and components with an emphasis on scalability, re-use and productivity



- We will implement and architect to single global and Super Regional outcomes for our customers and businesses the following key platforms:
 - Corporate Centre Services: Finance, HR and Risk
 - Markets platforms specifically capital markets, commodities, rates trading and FX
 - Payments: processing platforms for bulk, high value, international & cards switching and a common approach to channel and core integration
 - Data & Analytics: common and consistent approach to data management with integrated analytics and reporting capabilities

Technical Notes

- Modular architecture applying a component based approach
- We will leverage our existing Oracle PeopleSoft ERP platform and continue to add and take upgrades
- Cohesive Markets implementation roadmap actively underway with a selection of industry leading products
- Global Payments Utility - expanding our existing strategic applications

A coherent strategy charting a Super Regional direction

- **Technology is supporting ANZ's Super Regional aspiration to 2017**
- **Helping extend our domestic key strengths into the Asia Pacific region**
- **Modular systems and processes are enabling a Super Regional strategy**
- **The customer is at the centre of every technology decision**

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