

ANZ NOTICE OF MEETING

2016 ANNUAL GENERAL MEETING

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LOCATION OF THE ANNUAL GENERAL MEETING

Friday, 16 December
2016 10:00am
(MELBOURNE time)

Melbourne Room, Level 2,
 Melbourne Convention Centre
 1 Convention Centre Place
 South Wharf, Victoria





THE MELBOURNE CONVENTION CENTRE

The Melbourne Convention Centre is located on the banks of the iconic Yarra River in South Wharf. It is a short walk from Melbourne's central business district and just a 20-minute drive from Melbourne Airport.

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

TRAVELLING BY PUBLIC TRANSPORT

BY TRAM

Catch any of the following trams and get off at the stop opposite the Clarendon Street entrance of the Melbourne Exhibition Centre:

Route 12 – Victoria Gardens to St Kilda

Route 96 – St Kilda to East Brunswick

Route 109 – Port Melbourne to Box Hill

Alternatively catch tram number 70 from Flinders Street Station and get off at the South Wharf stop. Then take a short walk towards the Yarra River, and cross the Seafarers Bridge. For tram timetable information and trip planning, visit the Public Transport Victoria website.

BY TRAIN

Take any train that goes to Southern Cross Station. Get off at Southern Cross Station and catch tram number 12, 96 or 109. For train timetable information and trip planning, visit the Public Transport Victoria website.

BY BUS

The SkyBus transports visitors directly from Melbourne Airport to Southern Cross Station.

Bus route 237 operates from Southern Cross Station to Lorimer Street South Wharf and back. For bus timetable information and trip planning, visit the Public Transport Victoria website.

TRAVELLING BY CAR

DRIVING YOURSELF

If you're driving to the Melbourne Convention Centre, there are five car parks available for use.

1. MELBOURNE EXHIBITION CENTRE PARKING

1060 undercover parking spaces are available. Entrance and exit off Normanby Road. Open 24 hours, seven days a week.

2. SIDDELEY STREET PARKING

Open 24 hours, seven days a week.

3. FREEWAY PARKING

This car park is located at Munro Street. You can access this car park via Normanby Road and Munro Street.

4. SOUTH WHARF PARKING

550 open air parking spaces are available. Entrance off Normanby Road. Open 24 hours, seven days a week.

5. MONTAGUE STREET PARKING

This car park is located at the corner of Montague Street and Munro Street.

CATCH A TAXI

Ask the taxi driver to drop you off at Convention Centre Place, next to the Hilton Melbourne South Wharf and DFO South Wharf.

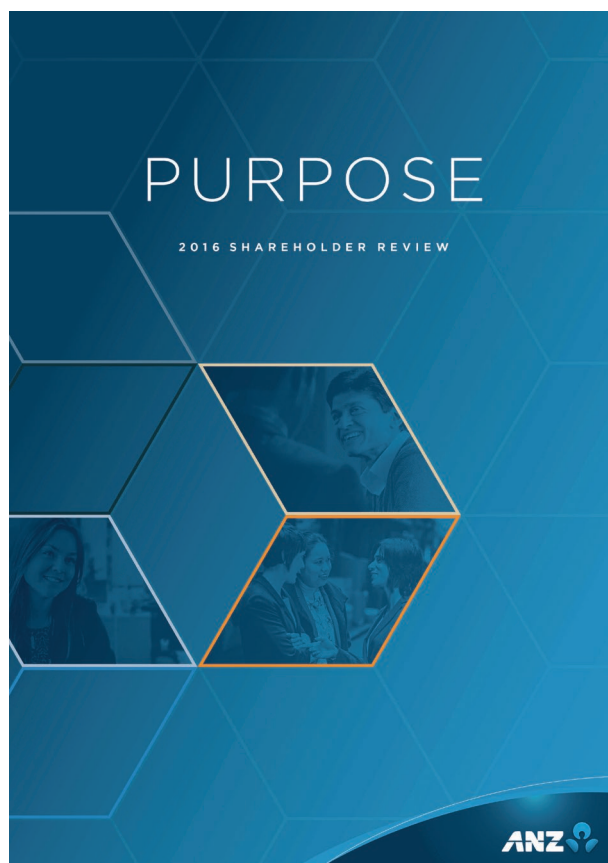
ANZ SHAREHOLDER CENTRE WEBSITE

Shareholders are able to view information in the manner that best suits them on our Website: shareholder.anz.com. Documents are available in various formats – view online, download or request a hard copy.

2016 ANNUAL REPORT AND 2016 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 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

FRIDAY, 16 DECEMBER 2016

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

Please join the Chairman, David Gonski, 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 items of business to be considered at the Meeting – refer to "Business" and "Explanatory Notes" below for further information relating to the items of business.

Shareholders as a whole will have a reasonable 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.

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. 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 2016 ANNUAL GENERAL MEETING

Notice is given that the 48th Annual General Meeting of Australia and New Zealand Banking Group Limited will be held at the Melbourne Room, Level 2, Melbourne Convention Centre, 1 Convention Centre Place, South Wharf, Victoria on Friday, 16 December 2016 at 10:00am (Melbourne 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 2016.

2. ADOPTION OF THE REMUNERATION REPORT

To adopt the Remuneration Report for the year ended 30 September 2016.

The vote on this resolution is advisory only.

3. GRANT OF PERFORMANCE RIGHTS TO MR SHAYNE ELLIOTT

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

"That, for the purposes of Listing Rule 10.14, sections 200B and 200E of the Corporations Act 2001 (Cth) and for all other purposes, approval is given for the Company to grant to the Company's Chief Executive Officer, Mr Shayne Elliott, Performance Rights under the ANZ Share Option Plan on the terms set out in, and provide Mr Elliott the benefits described in, the Explanatory Notes to this Notice of Meeting."

4. ELECTION AND RE-ELECTION OF BOARD ENDORSED CANDIDATES

(a) TO ELECT MS S. J. HALTON AO PSM

Ms Halton, having been appointed by the Board after the date of the 2015 Annual General Meeting, is retiring in accordance with the Company's Constitution and, being eligible, offers herself for election as a Director.

(b) TO RE-ELECT MR G.R. LIEBELT

Mr Liebelt is retiring in accordance with the Company's Constitution and, being eligible, offers himself for re-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 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 Elliott).

In accordance with 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 Elliott and any other Director who is eligible to participate in the ANZ Share Option Plan, and any of their associates, will be disregarded. The Corporations Act provides that Mr Elliott and his associates cannot cast a vote (in any capacity) on item 3.

In addition, a vote cast as a proxy on item 3 by any 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.

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.

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 the Company's shares at 7:00pm (Melbourne time) on Wednesday, 14 December 2016.

Holders of the Company's ordinary shares may vote on all items of business, subject to the Voting Restrictions described above for items 2 and 3.

Holders of the Company's preference shares are entitled to attend the Meeting but are not entitled to vote on any 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

United Kingdom

ANZ Share Registrar
The Pavilions
Bridgewater 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, and Intermediary Online subscribers only (custodians) should visit 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 been given previously to the Company.

By Order of the Board



Simon Pordage
Secretary
Melbourne
15 November 2016

EXPLANATORY NOTES

ITEM 1

ANNUAL REPORTS

A copy of the Company's 2016 Annual Report, including the Financial Report and the Reports of the Directors and of the Auditor for the year ended 30 September 2016, can be found on the Company's website at anz.com/annualreport.

As a shareholder you may elect to receive by mail, free of charge, the Company's 2016 Annual Report (which includes detailed financial statements and reports) or the 2016 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 2016.

The Remuneration Report, which is part of the 2016 Annual Report, can be found on the Company's website at 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 SHAYNE ELLIOTT

The Company is asking shareholders to approve the proposed grant of Performance Rights to the Chief Executive Officer (CEO), Mr Shayne Elliott, under the ANZ Share Option Plan on the terms and conditions set out below.

Each year, ANZ reviews the Company's Long Term Variable Remuneration (LTVR) program to ensure that it continues to be aligned with the Company's business strategy. For the 2016 grant and beyond LTVR will be delivered as two tranches of Performance Rights with forward looking (three year) performance hurdles where:

- 75% will be measured against the Total Shareholder Return (TSR) of the Select Financial Services comparator group (Tranche 1); and

- 25% will be measured against Absolute Compound Annual Growth Rate (CAGR) TSR (Tranche 2).

Grant of Performance Rights to Mr Elliott

At a glance:

- Long Term Variable Remuneration (LTVR), in the form of Performance Rights, with a face value of A\$4,200,000 to be granted in two tranches;
- for Tranche 1, the performance condition is based on ANZ's TSR performance compared against a set comparator group with nil vesting below median, 50% vesting at median, and increasing to 100% vesting at the 75th percentile of the relevant comparator group;
- for Tranche 2, the performance condition is based on ANZ's Absolute CAGR TSR performance against targets as set by the Board, with nil vesting below 9%, 50% vesting at 9%, and increasing to 100% vesting at 13.5%;
- performance is assessed at the end of a 3 year Performance Period for both tranches (with no re-testing).

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 applicable performance conditions. To the extent the performance conditions are met, the relevant number of Performance Rights will vest and become exercisable. Upon exercise, each Performance Right entitles Mr Elliott to one ANZ ordinary 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 Elliott is not required to pay any amount on grant of the Performance Rights, nor on their vesting and exercise. The Performance Rights form part of Mr Elliott's 'at risk' remuneration.

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 Elliott on 16 December 2016 (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

Using a face value allocation methodology, the number of Performance Rights proposed to be granted to Mr Elliott will be determined by dividing the face value of the grant (i.e. A\$4,200,000) by the Volume Weighted Average Price (VWAP) of the Company's shares traded on the ASX in the five trading days up to and including 22 November 2016, which is the start of the Performance Period. The actual number of Performance Rights to be granted is not known at this stage as it will depend on the VWAP at the start of the Performance Period. Details of the actual number of Performance Rights will be announced to the ASX and will also be advised to shareholders at the 2016 Annual General Meeting.

The grant value will be split into two tranches of Performance Rights (75% Tranche 1 and 25% Tranche 2).

If, for example, the VWAP was A\$28.00, then 112,500 Performance Rights would be allocated to Mr Elliott for Tranche 1 and 37,500 Performance Rights for Tranche 2, summing to a total allocation of 150,000 Performance Rights.

Performance conditions

Tranche 1

The Board has determined that the Performance Rights to be granted to Mr Elliott (if approval is received) under Tranche 1 will be subject to a TSR hurdle which ranks the TSR performance of the Company with the TSR performance of the Select Financial Services comparator group.

The select financial services comparator group includes the Bank of Queensland Limited, Bendigo and Adelaide Bank Limited, Commonwealth Bank of Australia Limited, DBS Bank Limited, Macquarie Group Limited, National Australia Bank Limited, Standard Chartered PLC, Suncorp Group Limited and Westpac Banking Corporation.

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 2016 and ending on 21 November 2019 (**Performance Period**). The proportion of the Tranche 1 Performance Rights that will become exercisable will depend on the Company's TSR relative to the TSR of the constituents in the Comparator Group at the end of the Performance Period.

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

IF THE TSR OF THE COMPANY COMPARED TO THE TSR OF THE CONSTITUENTS OF THE COMPARATOR GROUP:	THE PERCENTAGE OF PERFORMANCE RIGHTS WHICH WILL VEST IS:
Does not reach the 50th percentile	0%
Reaches or exceeds the 50th percentile	50%, plus 2% for every one percentile increase above the 50th percentile
Reaches or exceeds the 75th percentile	100%

Tranche 2

The Board has determined that the Performance Rights to be granted to Mr Elliott (if approval is received) under Tranche 2 will be subject to an Absolute CAGR TSR hurdle with targets set by the Board.

The Absolute CAGR TSR is measured over the same three year Performance Period that applies to Tranche 1. The proportion of the Tranche 2 Performance Rights that will become exercisable will depend upon the Company's Absolute CAGR TSR at the end of the Performance Period compared to the targets set by the Board.

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

The Board retains discretion to adjust the Absolute CAGR TSR hurdle in exceptional circumstances to ensure that Mr Elliott is neither advantaged nor disadvantaged by matters outside management's control that materially affect achievement of the Absolute CAGR TSR performance condition.

IF THE ABSOLUTE COMPOUND ANNUAL GROWTH RATE TSR OF THE COMPANY:	THE PERCENTAGE OF PERFORMANCE RIGHTS WHICH WILL VEST IS:
Does not reach 9%	0%
Reaches 9%	50%
Exceeds 9% but does not reach 13.5%	Progressive pro rata vesting between 50% and 100% (on a straight line basis)
Reaches or exceeds 13.5%	100%

Mr Elliott 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 Elliott:

- resigns, all unexercised Performance Rights will lapse (whether or not the Performance Rights have vested);
- is terminated by the Company with notice, except as set out below, in relation to “good leaver” termination, all unvested Performance Rights as at full notice termination date will lapse;
- 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 conditions will be waived and all unvested Performance Rights will be available and delivered as shares.

In certain circumstances termination may be classified by the Board as a “good leaver” termination. In such case, unless the Board determines otherwise, the number of any unvested Performance Rights held by Mr Elliott will be adjusted pro-rata for the period from the date of grant to the full notice termination date (with the remainder of the Performance Rights, representing the proportion of the Performance Period from the full notice of termination date to the end of the Performance Period, lapsing on cessation of employment) and, where and to the extent the Board determines the applicable performance condition is met, the relevant number of Performance Rights will vest and become exercisable at the original vesting date. On vesting, the Board may determine to deliver a cash equivalent payment, rather than ANZ shares.

Treatment on change of control

The Conditions of Grant set out the treatment of the Performance Rights on a change of control. Where a change of control occurs, which includes a person acquiring a relevant interest in at least 50% of the Company’s ordinary shares as a result of a takeover bid, or other similar event, the applicable performance conditions applying to the Performance Rights will be tested and the Performance Rights will vest based on the extent the performance conditions are 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 relevant performance conditions are satisfied.

Any Performance Rights which vest based on satisfaction of the performance conditions 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

ANZ provides the following additional information in relation to the proposed grant of Performance Rights to Mr Elliott.

The Chief Executive Officer (Mr Elliott) is the only Director entitled to participate in the ANZ Share Option Plan. No associate of any Director is entitled to participate.

Mr Elliott was granted 159,573 Performance Rights on 17 December 2015 at no cost, as approved by shareholders at the 2015 Annual General Meeting.

There is no loan scheme in relation to the Performance Rights (or the shares underlying them).

On vesting of the Performance Rights, shares may be issued or acquired on market, or the Board may determine to settle the Performance Rights with a cash equivalent amount. 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 Elliott (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.

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the company or a related body corporate if it is approved by shareholders under section 200E or an exemption applies. Section 200B of the Corporations Act applies to managerial or executive officers of the Company or any of its subsidiaries, which includes Mr Elliott. The term “benefit” has a wide operation and could include the early vesting of the Performance Rights under the rules of the ANZ Share Option Plan.

Accordingly, shareholder approval is also sought for the purpose of section 200E of the Corporations Act to allow the Company to deal with the Performance Rights upon Mr Elliott ceasing employment in accordance with the Conditions of Grant (see “Treatment on termination of employment” above) including where to do so would involve the giving of a “benefit” to Mr Elliott in connection with him ceasing to hold a managerial or executive office. The approval is sought in relation to the Performance Rights proposed to be granted to Mr Elliott under item 3 in this Notice of Meeting.

The value of any benefit relating to the Performance Rights given in connection with Mr Elliott ceasing to hold managerial or executive office cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value are:

- the number of Performance Rights held by Mr Elliott prior to cessation of employment;
- the circumstances of or reasons for Mr Elliott's cessation of employment (see "Treatment on termination of employment" above);
- the result of any prorating on cessation of employment;
- whether performance hurdles are waived or (if not waived) met, and the number of Performance Rights that vest (which could be all of the Performance Rights held by Mr Elliott); and
- the market price of ANZ shares on ASX on the date shares are provided to Mr Elliott upon vesting of the Performance Rights.

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 proposed 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 Elliott's interests with shareholders, and the Performance Rights provide a strong link between the reward for Mr Elliott's performance and total shareholder returns over the next three year period.

The Board also considers that obtaining shareholder approval to allow the Company to deal with the Performance Rights upon Mr Elliott ceasing employment in accordance with the Conditions of Grant is appropriate and in the best interests of the Company and its shareholders. It will provide the Company with the ability to ensure its ongoing compliance with section 200B of the Corporations Act and with the Conditions of Grant for the Performance Rights.

Accordingly, the Board (excluding Mr Elliott because of his interest) recommends that shareholders eligible to do so vote in favour of item 3.

ITEM 4 ELECTION AND RE-ELECTION OF BOARD ENDORSED CANDIDATES

The Board endorsed candidates standing for election and re-election as Directors, and their details, are set out below. Ms S. J. Halton having been appointed by the Board after the date of the 2015 Annual General Meeting, is retiring in accordance with the Company's Constitution and offers herself for election. Mr Liebelt is retiring in accordance with the Company's Constitution and offers himself for re-election.

ITEM 4(A) TO ELECT MS S. J. HALTON AO PSM

Ms Halton

Ms S. J. Halton AO PSM

BA (Hons) Psychology, FAIM, FIPAA, NAM, Hon. FAAHMS, Hon. FACHSE, Hon. DLitt (UNSW)

Independent Non-Executive Director, appointed as a Director on 21 October 2016.

Ms Halton has had a distinguished career in the public service spanning 33 years. Until her recent retirement, she was Secretary of the Australian Department of Finance, responsible for supporting the delivery of the Australian Government budget, the ongoing management of the Australian Government's non-defence domestic property portfolio, key asset sales and the financial framework for Australian Government agencies. Ms Halton's previous roles include Secretary of the Australian Department of Health, Secretary for the Department of Health and Ageing, and Executive Co-ordinator (Deputy Secretary) of the Department of the Prime Minister and Cabinet.

She is also a Member of the Executive Board of the Institute of Health Metrics and Evaluation at the University of Washington and a Member of Chief Executive Women.

Ms Halton is also the former Chairman of the OECD's Health Committee and the OECD's Asian Senior Budget Officials Network, former President of the World Health Assembly, former Chairman and Executive Board Member of the World Health Organisation and former Australian Sports Commissioner.

Lives in Canberra. Age: 56.

Ms Halton brings to the Board extensive experience in finance, insurance, risk management, information technology, human resources, health and ageing and public policy. She also has significant international experience.

Board Recommendation: The Board (excluding Ms Halton because of her interest) endorses the election of Ms Halton as a Director.

ITEM 4(B) TO RE-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 Chairman of the Human Resources Committee and is a member of the Risk Committee, Digital Business and Technology Committee and Environmental, Sustainability and Governance Committee. He is Chairman of Amcor Limited and a Director of Australian Foundation Investment Company Limited, DuluxGroup Limited and Carey Baptist Grammar School.

Mr Liebelt is a former Managing Director, Chief Executive Officer and Executive Director of Orica Limited, a former Chairman of the Global Foundation, a former Deputy Chairman of Melbourne Business School and a former Director of the Business Council of Australia.

Lives in Melbourne. Age: 62

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, 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 re-election of Mr Liebelt as a Director.