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ANZ

NOTICE OF MEETING

2018 ANNUAL GENERAL MEETING

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TIME AND LOCATION OF THE ANNUAL GENERAL MEETING

Wednesday, 19 December 2018, 10:00am (Perth Time)

Riverside Theatre, Level 2, Perth Convention and Exhibition Centre,
21 Mounts Bay Road, Perth WA 6000

PERTH CONVENTION AND EXHIBITION CENTRE

Perth Convention and Exhibition Centre is located in the heart of Perth city, adjacent to the Swan River. There is quick and easy access to and from the Centre by car, train, bus, taxi, ferry and on foot.



TRANSPORT OPTIONS

WALKING

Walking access into the Centre on Level 1 is via Mill Street or Mounts Bay Road. Level 2 can be accessed via the Elizabeth Quay Busport overpass.

DRIVING

Car park access is via Mill Street, Mounts Bay Road and the Riverside Drive off ramp of the Mitchell Freeway. Access to the Level 1 Plaza area is from Mill Street or Mounts Bay Road.

TAXI

Perth Convention and Exhibition Centre is a designated Cab Spot location. A taxi phone is located at the Plaza Entry doors on Level 1. The Cab Spot number is 1088. Alternatively, to book a taxi, please contact:

Swan Taxis 13 13 30

Black and White Taxis 13 10 08



BUSES

Elizabeth Quay Busport is located adjacent to Perth Convention and Exhibition Centre. Many bus services depart and arrive at the Elizabeth Quay Busport including the free CBD 'Blue and Green CAT' service. Perth's other major busport is the Wellington Street Bus Station, located along Wellington Street next to the Perth Central train station.

TRAINS

Elizabeth Quay train station is located at the doorstep of the Centre and services the Mandurah and Joondalup Railway Line.

Other train stations within close proximity of the Centre include:

- Perth Underground station (Mandurah and Joondalup Railway Line) located on the corner of William Street and Murray Street Mall; and
- Perth Central station (Armadale-Thornlie Railway Line, Fremantle Railway Line and Midland Railway Line) located along Wellington Street (across from Forrest Place).

An underground walkway connects the Perth Central station to the Perth Underground station.

FERRIES

A ferry service operates across the Swan River between Elizabeth Quay Jetty (Perth) and Mends Street Jetty (South Perth). Elizabeth Quay Jetty is only a short walk to the Centre. Services operate daily from 7:50am to 7:20pm (extended times operate on weekdays and during the summer months).

For all bus, train or ferry information, or to plan your journey, please contact Transperth on 13 62 13 or visit its website. For hearing impaired TTY please contact (08) 9428 1999.

IMPORTANT DATES

All times are given in Perth Time (Australian Western Standard Time) unless otherwise specified

17 DECEMBER 2018

10:00am (Perth Time)

Latest time for receipt of proxy appointments

18 DECEMBER 2018

2018 Final Dividend Payment Date

19 DECEMBER 2018

10:00am (Perth Time)

Annual General Meeting

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.

2018 ANNUAL REPORT AND 2018 ANNUAL 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 an Annual 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

WEDNESDAY, 19 DECEMBER 2018

- 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 (the 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” sections 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 participate, 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 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.

Prior to entry to the room, you will be asked to present any bags for a security search.

NOTICE OF 2018 ANNUAL GENERAL MEETING

Notice is given that the 50th Annual General Meeting of Australia and New Zealand Banking Group Limited (the Company) will be held at:

Riverside Theatre, Level 2, Perth Convention and Exhibition Centre,
21 Mounts Bay Road, Perth WA 6000 on
Wednesday, 19 December 2018 at 10:00am (Perth 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 2018.

2. ADOPTION OF THE REMUNERATION REPORT

To adopt the Remuneration Report for the year ended 30 September 2018.

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 to provide Mr Elliott any or all of the benefits (including on cessation of employment) described in, the Explanatory Notes to this Notice of Meeting.”

4. ELECTION AND RE-ELECTION OF BOARD ENDORSED CANDIDATES

(a) TO ELECT THE RT HON SIR JOHN P KEY, GNZM AC

Sir John Key, having been appointed by the Board after the date of the 2017 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 MS PAULA DWYER

Ms Dwyer is retiring in accordance with the Company’s Constitution and, being eligible, offers herself for re-election as a Director.

5. MODIFICATION OF THE CONSTITUTION

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

“That the Company amend its Constitution as set out in the document tabled at the 2018 Annual General Meeting and signed by the Chairman for the purposes of identification.”

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) in favour of the proposed resolution in item 3 by Mr Elliott, or any other Director who is eligible to participate in the ANZ Share Option Plan, or any of their associates, will be disregarded. In any case, Mr Elliott does not intend to cast any votes on the proposed resolution in item 3 (in any capacity) other than as proxy for a person (not being himself or an associate), in accordance with the written directions of the person on the relevant proxy appointment.

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 the Chairman of the Meeting to vote in favour of items 2 and/or 3 as your proxy, 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 item 3 apply to “associates” of Mr Elliott. The applicable definitions of “associate” are set out in the Corporations Act and ASX Listing Rules. 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).

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 (AEDT), being 4.00pm (Perth time) on Monday 17 December 2018.

Holders of the Company's ordinary shares may vote on all items of business, subject to the Voting Restrictions described previously.

UNDIRECTED PROXIES

The Chairman of the Meeting intends to vote undirected proxies (where he has been appropriately authorised, having regard to the Voting Restrictions described previously) in favour of each item of business.

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
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, 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 previously 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
Company Secretary
Melbourne
12 November 2018

EXPLANATORY NOTES

ITEM 1 ANNUAL REPORTS

A copy of the Company's 2018 Annual Report, including the Financial Report and the Reports of the Directors and of the Auditor for the year ended 30 September 2018, 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 2018 Annual Report (which includes detailed financial statements and reports) or the 2018 Annual 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 Annual 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 2018.

The Remuneration Report, which is part of the 2018 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

As part of Mr Elliott's Variable Remuneration 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.

For the 2018 grant, Long Term Variable Remuneration (LTVR) will be delivered as two tranches of Performance Rights with forward looking 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).

At a glance:

- Long Term Variable Remuneration (LTVR), in the form of Performance Rights, with a current face value of A\$2,800,000 at full vesting (A\$1,400,000 at threshold vesting);
- The CEO and his senior executive team all received significantly reduced Variable Remuneration for 2018 as detailed in the 2018 Remuneration Report. The proposed LTVR for the CEO is 33% below the CEO's target LTVR award value. Performance is assessed at the end of a three year performance period (with no retesting) and the grant is also subject to a further one year restriction period which means the LTVR is effectively deferred for 4 years from grant;
- The Performance Rights will 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 (i.e. threshold), 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 10%, 50% vesting at 10% (threshold), and increasing to 100% vesting at 15%.

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 on the third anniversary of grant (Vesting Date). Upon vesting the Board will determine whether to settle the Performance Rights with ANZ shares or by payment of a cash equivalent amount. In either case, the shares/cash equivalent amount will then be subject to a further one year Restriction Period. The Restriction Period commences on the Vesting Date and concludes on the fourth anniversary of grant.

If the Board:

- determines to settle the Performance Rights by delivery of shares, the relevant shares will be held in trust for Mr Elliott from the Vesting Date until; or
- determines to settle the Performance Rights by payment of a cash equivalent amount, the cash equivalent value of the relevant shares will be paid at, the end of the Restriction Period which will be on the fourth anniversary of the date of grant of the Performance Rights (or a later date determined by the Board if the Board exercises its "further deferral" discretion to extend the Restriction Period).

Mr Elliott's entitlement to the Performance Rights and to any shares/cash equivalent payment will be subject to:

- the Board's on-going discretion to reduce (including to zero) the number of Performance Rights or, before the end of the Restriction Period, the number of shares or amount of the cash equivalent payment if the Board considers such a reduction to be necessary or appropriate (see further below); and
- the rules concerning treatment on termination of employment or on a change of control referred to below.

Mr Elliott will not be entitled to trade, transfer or otherwise deal in (including by entering into any hedging arrangements in respect of) any Performance Rights, or any entitlement to shares or cash equivalent payment, prior to the end of the Restriction Period.

If the Board determines to settle the Performance Rights in shares each Performance Right entitles Mr Elliott to one ANZ ordinary share which will rank equally with shares in the same class, subject to any adjustments in accordance with the Listing Rules. Mr Elliott is not required to pay any amount on grant of the Performance Rights, nor on vesting. 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. If the Board determines to settle Performance Rights by delivery of shares, Mr Elliott will be entitled to receive any dividends paid on the shares held for him during the Restriction Period.

If approval is obtained, it is the intention of the Board that the Performance Rights will be granted to Mr Elliott on 19 December 2018 (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\$2,800,000) by the Volume Weighted Average Price (VWAP) of the Company's ordinary shares traded on the ASX in the five trading days up to and including 22 November 2018, 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 2018 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\$26.00, then 80,769 Performance Rights would be allocated to Mr Elliott for Tranche 1 and 26,923 Performance Rights for Tranche 2, summing to a total allocation of 107,692 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 2018 and ending on 21 November 2021 (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 10%	0%
Reaches 10%	50%
Exceeds 10% but does not reach 15%	Progressive pro rata vesting between 50% and 100% (on a straight line basis)
Reaches or exceeds 15%	100%

Treatment on termination of employment

If:

- Mr Elliott resigns prior to the vesting date the Performance Rights will lapse;
- Mr Elliott's employment is terminated by the Company with notice, except as set out below in relation to "good leaver" termination, all unvested Performance Rights as at the full notice termination date¹ will lapse;
- Mr Elliott's employment is terminated by the Company for misconduct with notice, all unvested Performance Rights will lapse on cessation of employment. If Mr Elliott's employment is terminated by the Company for serious misconduct without notice, all Performance Rights will lapse (whether or not the Performance Rights have vested), on cessation of employment; or
- Mr Elliott ceases employment in circumstances of death or total and permanent disability, the performance conditions will be waived and all unvested Performance Rights will vest on cessation.

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 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. On vesting, the Board may determine to settle the relevant Performance Rights with a cash equivalent payment, rather than with shares.

In the event of resignation, termination on notice, retrenchment or retirement or "good leaver" termination during the Restriction Period, the shares/cash equivalent payment to which Mr Elliott is entitled will remain subject to Restrictions and be released at the end of Restriction Period. In the event Mr Elliott ceases employment because of death or total and permanent disability, no Restriction Period Restrictions will apply in relation to the shares/cash equivalent payment. However, if Mr Elliott's employment is terminated for serious misconduct without notice, the shares/cash equivalent payment to which Mr Elliott is entitled will be forfeited on cessation of employment.

Treatment on change of control

The Conditions of Grant will set out the treatment of the Performance Rights on a change of control prior to the Vesting Date. 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, 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)

1. Full notice termination date means the date of cessation of employment or, if later, the date on which cessation of employment would have occurred but for any payment made in lieu of notice.

determined by the Board. The Board may waive the Restriction Period Restrictions in relation to any shares/cash equivalent payment to which Mr Elliott becomes entitled as a result.

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 143,294 Performance Rights on 19 December 2017 at no cost to him, as approved by shareholders at the 2017 Annual General Meeting.

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

For the settlement of the Performance Rights on vesting, 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 an on-going discretion to reduce (including to zero) the number of Performance Rights granted to Mr Elliott and, before the end of the Restriction Period, the number of shares or amount of the cash equivalent payment to which Mr Elliott becomes entitled upon vesting of Performance Rights, if the Board considers such a reduction to be necessary or appropriate. This discretion may be exercised, for example, where the Board considers this is necessary to protect the financial soundness of ANZ, to meet unexpected or unknown regulatory requirements or if the Board subsequently considers that 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 as contemplated above or otherwise under the ANZ Share Option Plan.

Accordingly, shareholder approval is also sought for the purpose of section 200E of the Corporations Act to allow vesting of Performance Rights and settlement of them with shares or a cash equivalent payment (and to waive the Restriction Period Restrictions) upon Mr Elliott ceasing employment, as summarised under "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 pro rating 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);
- whether the Performance Rights are settled in ANZ shares or by payment of a cash equivalent amount;
- the market price of ANZ shares on ASX on the date shares are provided to Mr Elliott upon vesting of the Performance Rights or, if the Board decides to settle the Performance Rights by payment of a cash equivalent amount, in the five trading days up to (and including) the date of vesting; and
- whether or not the Restriction Period Restrictions apply to the ANZ shares or payment of a cash equivalent amount to which Mr Elliott becomes entitled upon vesting of 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 four year period.

The Board also considers that obtaining shareholder approval to allow Performance Rights to vest upon Mr Elliott ceasing employment in accordance with the Conditions of Grant, as described above, 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 follow. The Rt Hon Sir John P Key having been appointed by the Board after the date of the 2017 Annual General Meeting, is retiring in accordance with the Company's Constitution and offers himself for election.

Ms Paula Dwyer is retiring in accordance with the Company's Constitution and offers herself for re-election.

ITEM 4(A) TO ELECT THE RT HON SIR JOHN P KEY GNZM AC

Sir John Key

BCOM, DCOM (HONORIS CAUSA)

Independent Non-Executive Director, appointed in February 2018.

Sir John Key is a member of the Ethics, Environment, Social and Governance Committee and Risk Committee.

Career

Sir John Key was Prime Minister of New Zealand from 2008 to 2016, having commenced his political career in 2002. Sir John Key had a long career in international finance, primarily for Bankers Trust in New Zealand and Merrill Lynch in Singapore, London and Sydney. He was previously a member of the Foreign Exchange Committee of the Federal Reserve Bank of New York (from 1999-2001).

Sir John Key was made a Knight Grand Companion of the New Zealand Order of Merit in the 2017 Queen's Birthday Honours. In 2017 Sir John Key became a Companion of the Order of Australia for advancing the Australia-New Zealand bilateral relationship.

Relevant Other Directorships

Chairman: ANZ Bank New Zealand Limited (from 2018, Director from 2017).

Director: Air New Zealand Limited (from 2017).

Relevant Former Directorships held in last three years, include

Former Chairman: The International Democratic Union (2014-2018).

Age: 57. Residence: Auckland, New Zealand

Board recommendation: The Board (excluding Sir John Key because of his interest) endorses the election of Sir John Key as a Director.

ITEM 4(B) TO RE-ELECT MS PAULA DWYER

Ms Paula Dwyer

BCOM, FCA, SF FIN, FAICD

Independent Non-Executive Director, appointed as a Director in April 2012.

Ms Dwyer is the Chairman of the Audit Committee and a member of the Risk Committee and Human Resources Committee.

Career

Ms Dwyer has extensive experience in financial markets, corporate finance, risk management and investments, having held senior executive roles at Calibre Asset Management, Ord Minnett (now J P Morgan) and at Price Waterhouse (now PricewaterhouseCoopers). Her career as a company director spans financial services, investment, insurance, healthcare, gambling and entertainment, fast moving consumer goods, property and construction and retailing sectors. Ms Dwyer has a strong interest in education and medical research, having served as a member of the Geelong Grammar School Council and the Business and Economics Faculty at the University of Melbourne and as Deputy Chairman of Baker IDI.

Relevant Other Directorships

Chairman: Tabcorp Holdings Limited (from 2011, Director from 2005), Healthscope Limited (from 2014) and Kin Group Advisory Board (from 2014).

Director: Lion Pty Ltd (from 2012).

Member: Kirin International Advisory Board (from 2012) and Australian Government Takeovers Panel (from 2017).

Relevant Former Directorships held in last three years, include

ASIC External Advisory Panel (2012-2015).

Age: 58. Residence: Melbourne

Board recommendation: The Board (excluding Ms Dwyer because of her interest) endorses the re-election of Ms Dwyer as a Director.

ITEM 5 MODIFICATION OF THE CONSTITUTION

Banking Act

Certain provisions of ANZ's Constitution concerning the election and appointment of, and the holding of office as, Directors refer only to the Corporations Act. As a result of the enactment of the Banking Executive Accountability Regime (the BEAR), the Banking Act now includes provisions which, in effect:

- prohibit a person from being an "accountable person" of ANZ if the person is not registered as such by APRA, or is disqualified from being or acting as an accountable person; and
- provide for the imposition of penalties on ANZ if a person who is so disqualified is or acts as an accountable person and ANZ allows the person to be or act as an accountable person.

Under the Banking Act, each person who holds office as a Director of ANZ is, in effect by virtue of that position, an accountable person of ANZ.

In addition, under certain other provisions of the Banking Act, a "disqualified person" may not be or act as a Director, and ANZ may also commit an offence if a "disqualified person" acts as a Director of ANZ.

Given that the Banking Act also regulates who may be a Director of ANZ, it is proposed to amend ANZ's Constitution so that persons can only be Directors if permitted by applicable law (including the Banking Act), rather than only the Corporations Act. In the case of a person who is elected as a Director at a general meeting who is not then permitted to be a Director (e.g., because they are not registered under BEAR to be an accountable person), it is proposed that they would commence to hold office only upon becoming, within 90 days after the date of their election (or such longer period as the Board may allow having regard to any requirements of APRA or other relevant regulator), permitted to be and act as a Director. Otherwise, that person is treated as never having been elected.

The amendments proposed to be made are as follows:

- (a) insert a new definition in rule 1.2 as follows:
"**Banking Act**" means the Banking Act 1959 (Cth)."
- (b) amend rules 3.2, 3.3 and 3.8(b) as shown below:

"3.2 Appointment by the Board

Subject to applicable law (including, without limitation, the Banking Act and the Corporations Act), this document and to the number of Directors for the time being fixed under rule 3.1 not being exceeded, the Board may appoint a person to be a Director at any time. Any Director so appointed automatically retires at the next annual general meeting and, subject to rule 3.3, is eligible for election by that general meeting."

"3.3 Election by general meeting

(a) Subject to this document, applicable law (including, without limitation, the Banking Act and the Corporations Act) and to the number of Directors for the time being fixed under rule 3.1 not being exceeded, the Company may elect Directors by ordinary resolution.

(b) If a person is elected as a Director and the person is not permitted under applicable law to be or act as a Director on the date of their election, the person starts to hold office as a Director only upon the person becoming, within 90 days after the date of their election (or such longer period as the Board may allow having regard to any requirements of the Australian Prudential Regulation Authority or other relevant regulator), permitted by applicable law to be and act as a Director. Otherwise, that person is treated as never having been elected.

(c) Without limiting paragraphs (a) and (b), a person who is prohibited from being or acting as an "accountable person", or who is a disqualified from being a Director, under the Banking Act is taken not to be permitted under applicable law to be or act as a Director unless and until the person is permitted under the Banking Act to be and act as an accountable person or ceases to be so disqualified, as the case may be."

"3.8 Cessation of Director's appointment

The office of a Director automatically becomes vacant if the person who holds the office: ...

(b) is not permitted by applicable law the Corporations Act (or an order made under applicable law the Corporations Act) to be a director Director or vacates office by force of applicable law the Corporations Act; ..."

Hybrid General Meetings

It is also proposed to make amendments to the Constitution to better facilitate participation by shareholders at general meetings.

DIRECT VOTING

Presently, under the Constitution, a shareholder may cast votes:

- in the usual way by attending the meeting in person or by proxy, attorney or representative; or
- if the Board so determines, by casting a “Direct Vote”.

Direct Votes are not counted if a resolution is decided on a show of hands, but if a poll is held on a resolution, they are so counted.

The Board may make regulations for the casting of Direct Votes, including regulations for the time by which the Direct Votes must be received in order to be effective, but that time must be no later than the time appointed for the commencement of the meeting (or, in the case of an adjournment, resumption of the meeting). Consequently, Direct Votes cannot be cast during the meeting, for example, during debate on the resolution or when the poll is being conducted.

To enable shareholders to cast Direct Votes during the meeting, it is proposed to omit the above time restriction, and allow the regulations made by the Board to provide for a Direct Vote to count if the Direct Vote is received before the poll on the resolution is closed. A number of other consequential amendments are also proposed.

Specifically, it is proposed to:

(a) amend rule 17.5(b)(ii) as shown below:

“(b) If the Board determines that votes may be cast by Direct Vote, the Board may make such regulations as it considers appropriate for the casting of Direct Votes, including regulations for:

- (i) the form, method and manner of voting by Direct Vote; and*
- (ii) the time by which the votes of members to be cast by Direct Vote must be received by the Company in order to be effective (the “Prescribed Time”), which (without limiting the foregoing) may be when the poll on the relevant resolution closes or any earlier time (which must be no later than the time appointed for the commencement of the meeting or, in the case of an adjournment, the resumption of the meeting).”;*

(b) amend rule 17.6(b) as shown below:

“(b) Subject to rules 17.7 and 17.8, if a poll is held on a resolution, votes cast by Direct Vote by a member entitled to vote on the resolution are taken to have been cast on the poll as if the member had cast the votes in the poll at the meeting, and the votes of the member are to be counted accordingly. For the avoidance of doubt, a Direct Vote will count as having been cast on the poll only if notice of it is received by the Company in accordance with regulations made under rule 17.5(b) before the Prescribed Time.”;

(c) amend rule 17.7(a) as shown below:

“A Direct Vote received by the Company:

(a) may be withdrawn by the member by notice in writing received by the Company in accordance with regulations made under rule 17.5(b) before the time so prescribed by such regulations for a Direct Vote to be withdrawn the time appointed for the commencement of the meeting (or in the case of any adjournment, the resumption of the meeting); and ...”;

(d) amend rule 17.8 as shown below:

“17.8 Vote not affected by death, etc. of member

A Direct Vote received by the Company is valid even if, before the meeting, the member:

- (a) dies or becomes mentally incapacitated;*
- (b) becomes bankrupt or an insolvent under administration or is wound up; or*

(c) where the Direct Vote is cast on behalf of the member by an attorney, revokes the appointment of the attorney or the authority under which the appointment was made by a third party,

unless the Company has received written notice of the matter before the time prescribed by regulations made under rule 17.5(b) for this purpose or, if no time is so prescribed, the start or resumption of the meeting at which the vote is cast.”

PARTICIPATION IN DEBATE

Additionally, it is proposed to include a new rule to facilitate shareholders participating in the meeting by online means (e.g., to ask questions and make comments) at the discretion of the chairman. In particular it is proposed to insert a new paragraph (c) in rule 13.6 as follows (and to renumber existing paragraphs (c) and (d) as paragraphs (d) and (e), respectively):

“(c) The chairman may invite a person who is not in attendance at the meeting, and whether or not a member, to ask a question or make a comment during the meeting by electronic or other means approved by the chairman.”

Written resolutions of the Directors

Presently, rule 12.8 of ANZ's Constitution allows the Directors to pass resolutions in writing if at least two-thirds of the Directors "sign" a document setting out the proposed resolution. Rule 12.9(e) of the Constitution provides that a telex, telegram or facsimile or a message in electronic form containing the text of the document expressed to have been signed by a Director that is sent to ANZ is a document deemed to be signed by that Director at the time of its receipt by ANZ.

For convenience, it is proposed to expand the scope of when such a document is taken to be signed, in particular, to provide that a Director is taken to sign a document setting out the proposed resolution if the Director informs the chairman of the Board or the company secretary by telephone that he or she approves the resolution. Accordingly, it is proposed to insert new paragraphs (f) and (g) as shown below (and to renumber existing paragraph (f) of rule 12.9 as paragraph (h) and move the 'and' at the end of existing paragraph (e) to the end of new paragraph (g)):

"12.9 *Additional provisions concerning written resolutions*

For the purpose of rule 12.8: ...

(f) if a Director informs the chairman of the Board or the Secretary by telephonic or other electronic means that he or she approves a proposed resolution which is set out in a document, the document setting out the proposed resolution is deemed to be signed by the Director at the time when the chairman or Secretary is so informed by the Director;

(g) if the chairman of the Board or the Secretary records in writing that he or she has been informed by a Director by telephonic or other electronic means that he or she approves a proposed resolution which is set out in a document, that record is taken to be conclusive evidence that the Director so informed the chairman of the Board or the Secretary that he or she approved the proposed resolution set out in the document; and

(h) (f) accidental failure to give notice of a document under rule 12.8, or non-receipt of such document by a Director, does not result in the resolution being invalid."

Availability of Constitution showing proposed amendments

A marked copy of the Company's Constitution showing the proposed changes is available at www.anz.com/annualgeneralmeeting and copies are also available for inspection at the Company's registered office: ANZ Centre Melbourne, Level 9, 833 Collins Street, Docklands, Victoria.

Board Recommendation: The Board recommends that shareholders vote in favour of item 5.

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