



Media Release

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ANZ announces changes in Australia to respond to emerging business environment

ANZ today announced changes to its business in Australia to adapt to the emerging environment for banks world-wide including intense pressure on margins associated with higher funding costs, lower consumer and business demand for financial services, and increasing global regulation.

For the period through to the end of the 2012 financial year, ANZ expects to:

- Reduce employment in Australia by approximately 1,000 permanent employees primarily in middle-management, back-office and support functions while changes for customer-facing employees are expected to be minimal. (ANZ currently employs approximately 24,000 staff in Australia and 49,000 world-wide.) ANZ staff in Australia have been advised today of 492 roles affected by the reduction in employment.
- Affected staff will be supported by an expanded package of assistance measures developed in conjunction with the Federal Government and the Finance Sector Union. In addition to a continued commitment to support internal redeployment and redundancy entitlements, ANZ's \$10 million New Career Training Fund and Past Employee Care Fund will help support affected staff. These funds, established with the support of the Finance Sector Union in 2009, assist staff impacted by change through retraining for new careers, outplacement services and to provide assistance for former staff facing financial hardship.
- Continue to constrain senior executive salary increases reflecting measures announced by the ANZ Group in late 2011. For most senior executives, this means salaries will remain fixed for the 2012 financial year.

ANZ CEO Australia Philip Chronican said: "A different and very difficult environment is now emerging for banks globally. Just as we are seeing in other parts of the Australian economy, we are also having to adapt our business to the new conditions and become leaner, more agile and more customer-focused so we ensure the bank remains strong and can grow and invest for the future.

"At the same time, we know we have to keep working hard to become a better bank, by continuing to improve customer service and innovating faster as technology changes and customers look for banks to provide new banking solutions.

"In this environment, the right thing to do is to be upfront with our staff and with the community about the changes needed in banking and their implications. We are acutely conscious of the impact of these reductions on individual staff members and we will be making every effort to use natural attrition, to redeploy staff, and to utilise our training funds to support those people affected.

"Although we need to make difficult decisions in the short-term to adapt to the new global environment for banks, the economic outlook for Australia remains positive and this helps underpin our continued investment in customer service and in emerging areas of opportunity," he said.

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