



Media Release

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ANZ releases annual Customer Charter report

ANZ today released its 2003 Customer Charter Annual Report providing a detailed review of its performance against the ten service promises made by ANZ to its customers.

ANZ Chief Executive Officer Mr John McFarlane said: "We set out on a five-year program in 2001 to radically change our personal banking businesses and to make it easier for customers to do business with us.

"We have made some real progress in a number of areas. We have given more autonomy to people in our branches to serve customers better. We have introduced new products such as our low-cost transaction accounts. Benchmarks for service have been established through initiatives like the Customer Charter and we have enabled staff to play an active role in their local community through the ANZ Community Fund," Mr McFarlane said.

Highlights from the Customer Charter Report for the year ending 30 September 2003 include:

- A strong performance in fast account opening for personal banking, personal loans and car loans.
- The average branch queue waiting time has fallen significantly from 3 minutes in 2002 to 1.9 minutes in 2003 against the 5-minute target.
- The target to answer calls to ANZ's 13 13 14 customer service number within 1 minute was achieved for 85% of calls in 2003, and improved to over 90% by the end of the year.
- A strong performance in 24-hour, 7-day accessibility of electronic channels including telephone and ATM banking with availability consistently above 99%.
- 11% fewer complaints in 2003 than in 2002 marking a significant improvement.

"While these results represent good progress, results in some areas have been disappointing. There were mitigating circumstances for some issues such as high mortgage demand and technology issues but we need much faster progress on some of the service issues that concern our customers most – particularly branch queues at peak times and resolving day-to-day complaints," Mr McFarlane said.

The 4 key service priorities for 2004 identified in the Customer Charter Annual Report were:

- Making faster progress on branch queues in peak periods - 30% of customers were still waiting more than 5 minutes to be served in a sample of branches.
- Continuing to reduce the number of complaints and answering them much faster - while prompt action reduced the number of complaints, only 56% of complaints received were resolved within 10 working days, versus 70% in 2002.

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- Reducing processing backlogs, particularly in mortgages – the backlogs followed record home lending applications (up 131% in 2003) and resulted in \$100,750 of fees being refunded to customers, compared with \$26,260 refunded in 2002.
- Answering more calls within 1 minute - 85% of calls to ANZ's 13 13 14 customer service number were answered within one minute compared with 89% of calls in 2002. This was primarily the result of a significant increase in call numbers in December 2002 and January 2003 following technology issues that affected customers' day-to-day banking. Performance has improved significantly since then and was above 90% in the final months of 2003.

Mr McFarlane commented: "Based on the results of the 2003 report, I have met with the leadership group in our personal banking businesses and congratulated them on those areas of progress, while ensuring they take personal accountability for delivering an improvement during 2004 in the areas of service where we need to make greater and more rapid progress.

"Elmer Funke Kupper who heads our Personal Banking and Wealth Management business will lead this work supported by the head of Personal Banking in Australia, Satyendra Chelvendra, and by our Mortgages and Consumer Finance businesses.

"We are serious about making a difference on these issues and there are already tangible results for our customers. For example, our Customer Advocate has made substantial progress in resolving more complex, long-running customer complaints and disputes. As a result, complaints by ANZ customers to the Banking and Financial Services Ombudsman fell by over 6% in 2003.

"Similarly, at our branches and call centres we have increased the discretions available to staff to help resolve customer complaints on the spot. As a result we received 11% fewer complaints in 2003. Now, we clearly need to focus our attention on faster resolution of the complaints that can't be immediately addressed by our customer service staff.

"It is only when we can fully resolve issues of basic service and our customers consistently find ANZ easy to do business with, that we will meet our aspiration of being among the best-managed, most efficient and most successful banks," Mr McFarlane said.

ANZ launched its Customer Charter in October 2001 and expanded it in May 2002. It is one of a series of customer and community initiatives launched since 2001, including the introduction of new, low-cost transaction accounts, a basic banking account for Centrelink recipients and fee-free transaction banking for customers aged 60 and over.

A full copy of the ANZ Customer Charter Annual Report can be found at www.anz.com. The report has been independently reviewed by accounting firm KPMG.

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