

## **Australia and New Zealand Banking Group Limited**

### **Response to Questions in Writing following 5 October 2016 House of Representatives Economics Committee Hearing**

#### **Question asked by**

Mr Thistlethwaite

#### **Question**

Recently highlighted by the protests in Bangalore, ANZ transactions usually conducted overseas in offshored facilities were brought back to Australian shores as offshored offices had temporarily closed. What is the cost advantage to ANZ of performing these functions off shore?

#### **Answer**

ANZ did not close its Bengaluru office during the period in question. On the date of the main disruption on 13 September, it was also a public holiday for around half of our staff. In order to meet customer and business, ANZ provided additional support from other offshore locations as well as Australia, and encouraged Bengaluru staff to work from home.

Local disruptions are expected to occur from time to time in all countries, whether the causes are natural or man-made. ANZ makes contingency plans to make sure that disruptions do not impact services to customers. ANZ notes that this is the first incident of this type in around ten years of operations in Bengaluru.

ANZ's offshore hubs perform specialised functions across the ANZ network (eg information technology services provided out of Bangalore). When developing an offshore hub, ANZ will seek to ensure that the services are "best in class" and can meet our quality and on-going business plan objectives. Depending on the nature of the function, we would typically expect between 30% and 60% lower unit costs from one of our offshore hubs compared to Australia.