

# 2023 FIRST QUARTER CHART PACK

QUARTER ENDED 31 DECEMBER 2022

9 February 2023

This document should be read in conjunction with ANZ Basel III Pillar 3 Disclosure as at December 2022 (APS 330: Public disclosure)

Approved for distribution by ANZ's Continuous Disclosure Committee  
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*NOTE: Sum of parts within charts and commentary may not equal totals due to rounding*



# SUMMARY

## FIRST QUARTER FY2023 (PERIOD ENDED 31 DECEMBER 2022)

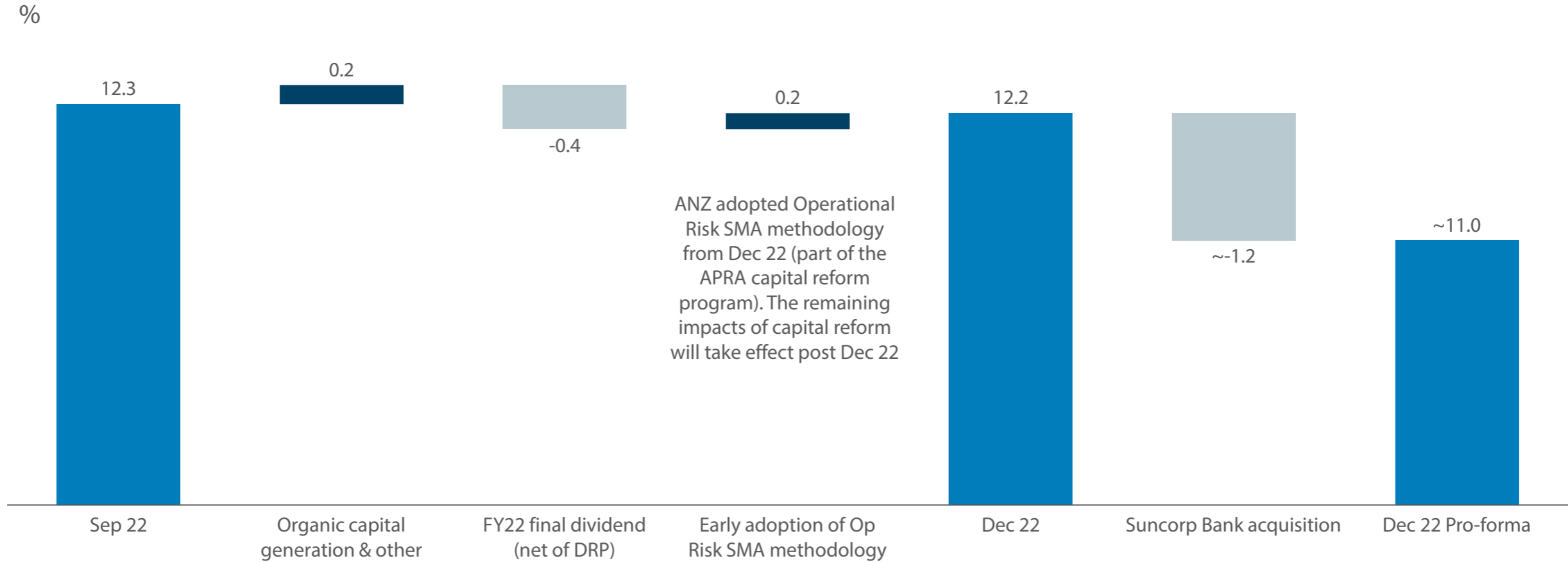
ALL COMMENTS REFER TO MOVEMENT IN 1Q23 ENDED 31 DECEMBER 2022, RELATIVE TO 30 SEPTEMBER 2022 UNLESS OTHERWISE STATED

<b>Capital &amp; balance sheet movement</b>	<ul style="list-style-type: none"> <li>• <b>Capital:</b> APRA Level 2 CET1 ratio 12.2% at 31 Dec. 2022 (12.3% at Sep. 2022) with 1Q23 movement inclusive of FY22 dividend (net of DRP)</li> <li>• <b>Net loans and advances:</b> Australia housing NLAs increased \$7b, Institutional NLAs increased \$11b. Australia Commercial and New Zealand Division (NZD) NLAs remained broadly flat</li> <li>• <b>Customer Deposits:</b> All Divisions reported increases in Customer Deposits, including increased flows into Term Deposits</li> <li>• <b>Exposure at Default (EAD) &amp; Risk weighted assets (RWA):</b> EAD increased 4% and RWA increased 2% driven by:               <ul style="list-style-type: none"> <li>• EAD growth of \$20b in lower risk intensive Sovereigns and Banks, \$11b growth in residential mortgages and \$8b growth in Corporate and Specialised lending (all FX adjusted)</li> <li>• Credit RWA growth of 3%, including Retail and Commercial Credit RWA up \$9b and Institutional Credit RWA up \$2b</li> <li>• Operational Risk RWA decreased \$6b (down 13%) to \$42b with ANZ adopting APS 115 Capital Adequacy: Standardised Measurement Approach (SMA) to Operational Risk in December 2022</li> <li>• Markets RWA increased by \$2b as a result of changes in VaR while IRRBB RWA decreased \$0.2b, of which \$1.0b was due to a reduction in IToC Embedded Losses, offset by increased market volatility impacting Repricing &amp; Yield Curve Risk</li> </ul> </li> </ul>	<p>Page 3</p> <p>Page 4, 5</p> <p>Page 6, 7</p>
<b>Provisions</b>	<ul style="list-style-type: none"> <li>• <b>Provision charge:</b> \$83m total provision release reported through the P&amp;L, with the \$17m collective provision charge more than offset by a \$101m individual provision release, with writebacks and recoveries exceeding new and increased individual provision charges</li> <li>• <b>Collective provision balance</b> increased by \$35m in 1Q23 to \$3,888m with portfolio movements offset by a small increase in management overlays</li> </ul>	<p>Page 8</p> <p>Page 9</p>
<b>Credit Quality</b>	<ul style="list-style-type: none"> <li>• <b>Gross Impaired Assets</b> reduced 22% to \$1.1b; with Gross Impaired Assets as a % of total Gross Loans and Advances now 16bps, down from 40bps in Mar. 2021</li> <li>• <b>90+ days past due (DPD) loans</b> as a % of total portfolio balances have continued to reduce in aggregate, with a drop in Australian Housing (down 3 bps to 55bps in 1Q23) outweighing a similar increase in New Zealand housing (up 3bps to 37bps). Levels continue to remain extremely low relative to 2020 peaks</li> </ul>	<p>Page 10</p> <p>Page 11</p>



# CAPITAL

## APRA Level 2 CET1 ratio – capital movement





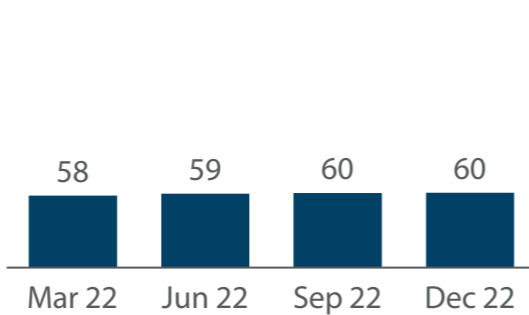
# LOANS AND DEPOSITS

## Net loans and advances

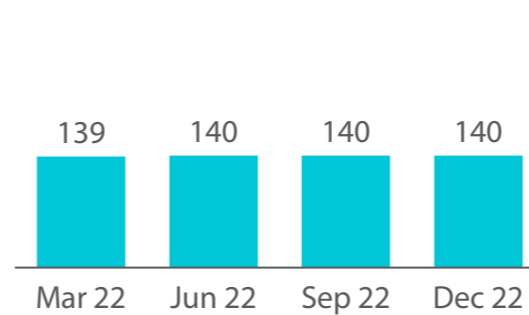
Australia Retail – Housing<sup>1</sup>, \$b



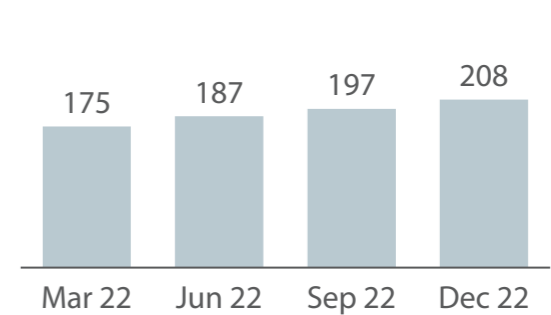
Australia Commercial, \$b



New Zealand Division, NZDb

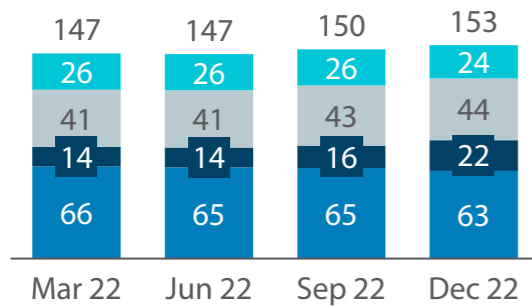


Institutional, \$b

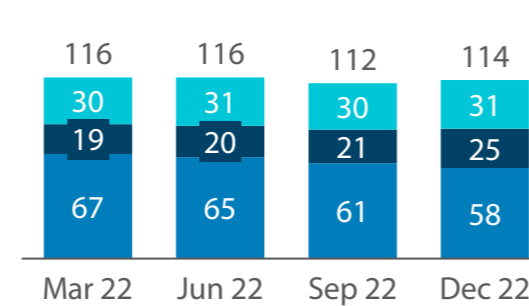


## Customer deposits

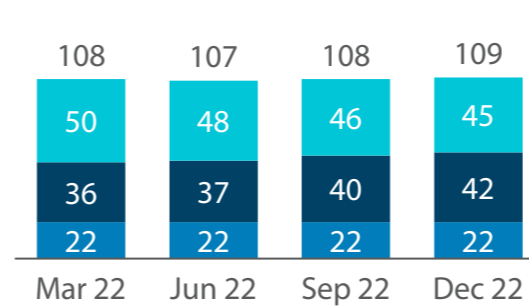
Australia Retail, \$b



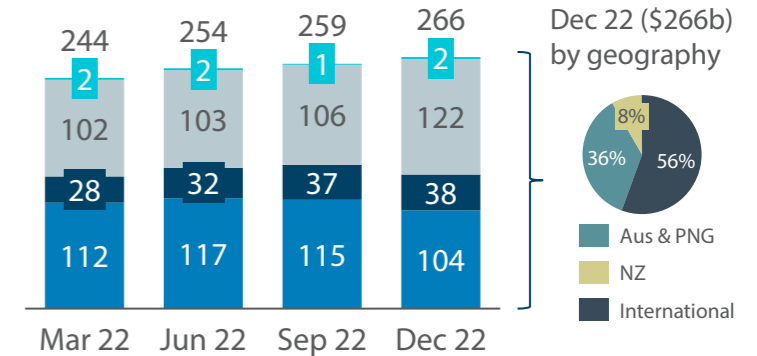
Australia Commercial, \$b



New Zealand Division, NZDb



Institutional, \$b



■ Savings    ■ Offset  
 ■ Term Deposits    ■ Transact

■ Savings    ■ Transact  
 ■ Term Deposits

■ Savings    ■ Transact  
 ■ Term Deposits

■ PCM<sup>2</sup>    ■ Markets  
 ■ Term Deposits    ■ Other

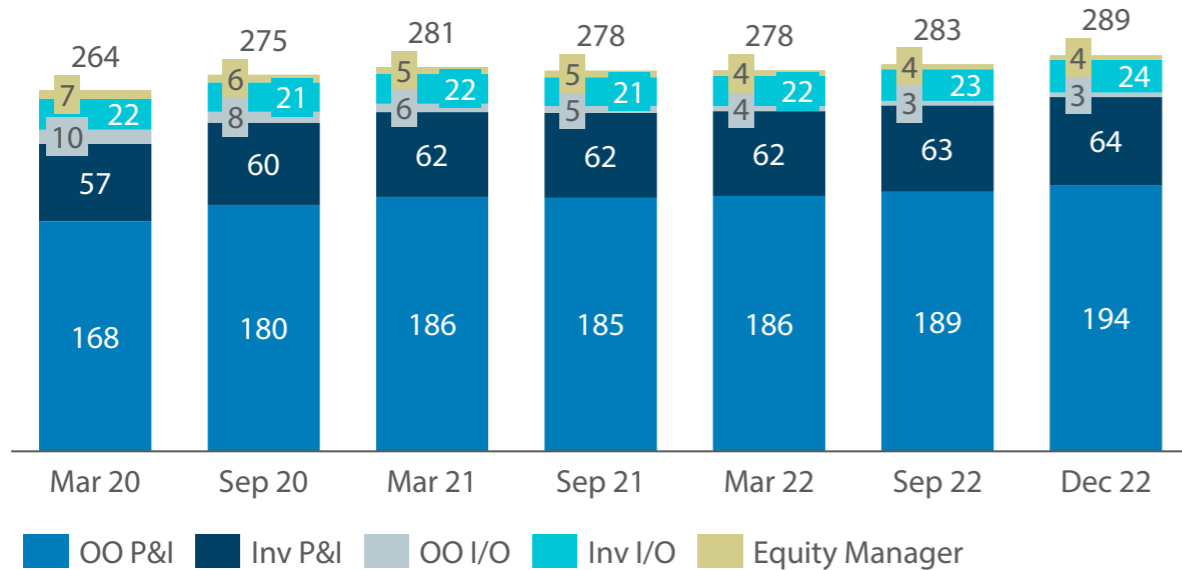
1. Sep 22 & Dec 22 balances include an increase of \$1.2b due to ANZ accounting policy change for ongoing trail commission payable (during the September 2022 half, the Group revised its treatment of ongoing trail commission payable to mortgage brokers to recognise a liability within Payables and other liabilities equal to the present value of expected future trail commission payments and a corresponding increase in capitalised brokerage costs in Net loans and advances). Prior comparative information has not been restated

2. Payments and Cash Management

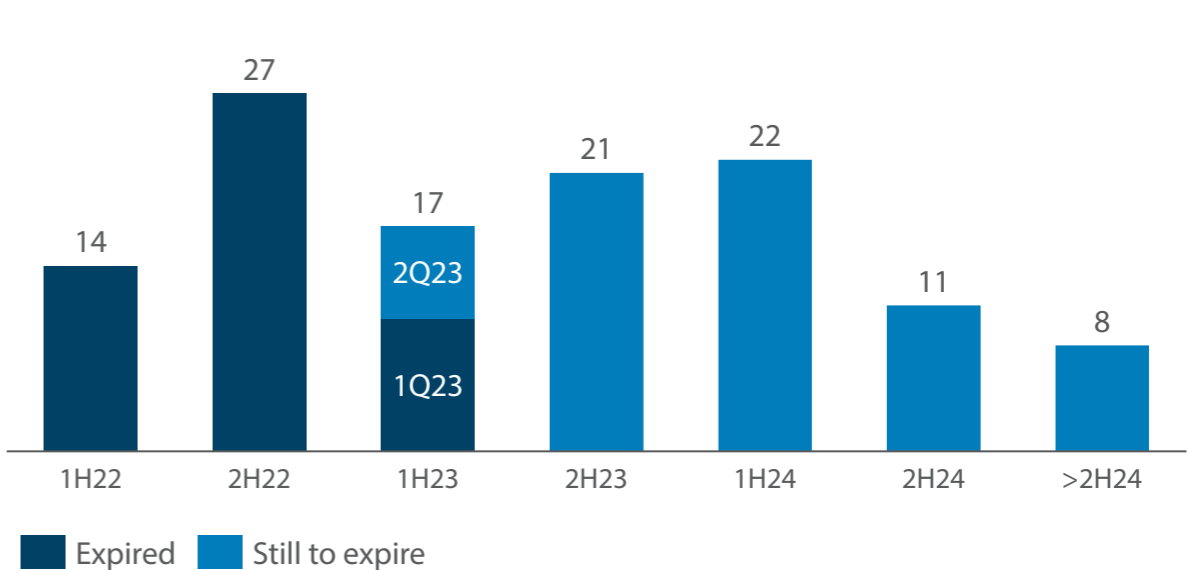


# AUSTRALIA HOME LOAN PORTFOLIO

Home Loan FUM composition<sup>1,2,3,4</sup>, \$b



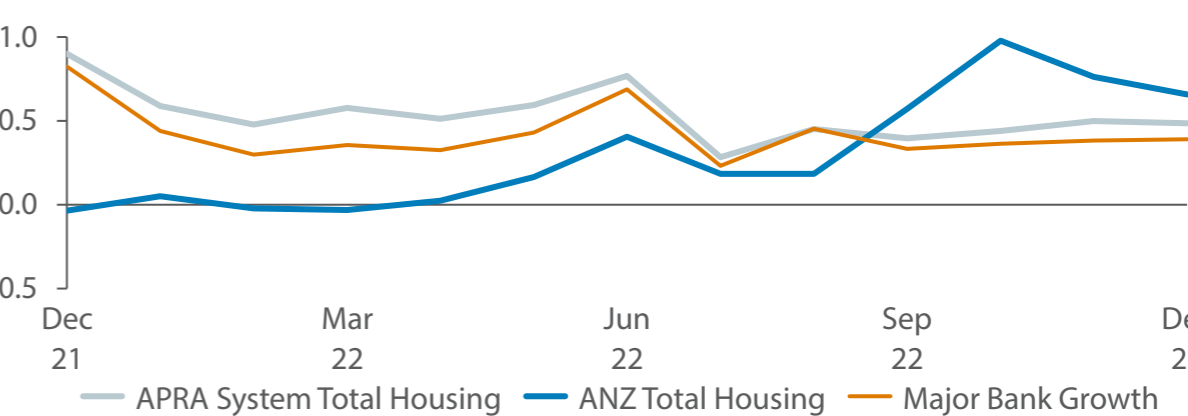
Fixed rate Home Loan expiry profile, \$b



Loan balance & lending flows – 1Q23<sup>1</sup>, \$b



Home loan growth – past 12 months<sup>5</sup>, MoM %

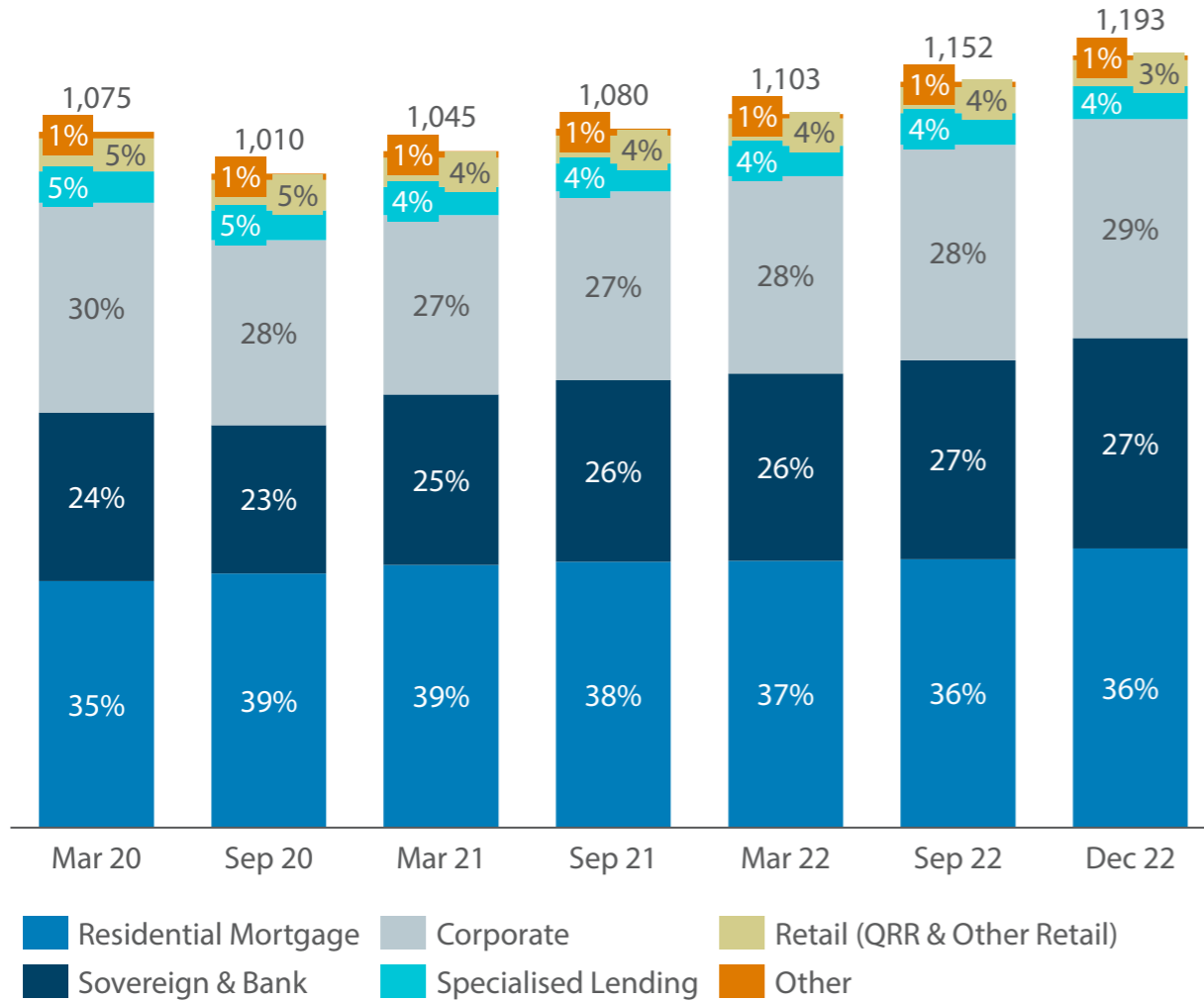


1. Based on Gross Loans and Advances. Includes Non Performing Loans. Excludes the impact of ANZ accounting policy change for ongoing trail commission payable (refer footnote 1 on prior slide)  
 2. The current classification of Investor vs Owner Occupied is based on ANZ's product category, determined at origination as advised by the customer and the ongoing precision relies primarily on the customer's obligation to advise ANZ of any change in circumstances  
 3. Interest Only (I/O) is based on customers that request a specific interest only period and does not include loans being progressively drawn e.g. construction  
 4. ANZ Equity Manager product no longer offered for sale as of 31 July 2021  
 5. Month on month growth. Source: APRA Monthly Authorised Deposit-taking Institution Statistics (MADIS)

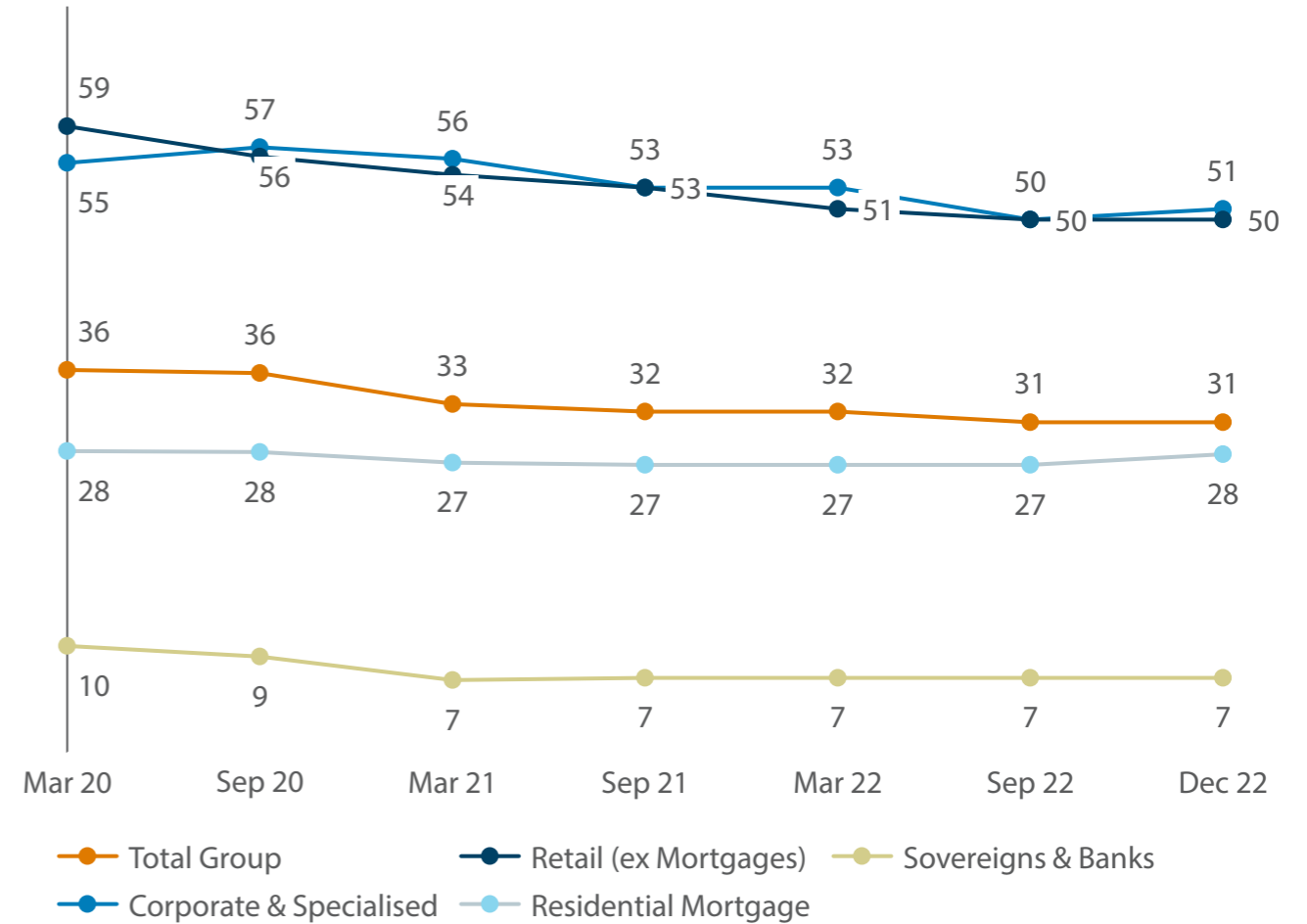


# EXPOSURE AT DEFAULT (EAD)

EAD composition<sup>1</sup>, \$b



Credit RWA as a percentage of EAD – by portfolio<sup>2</sup>, %



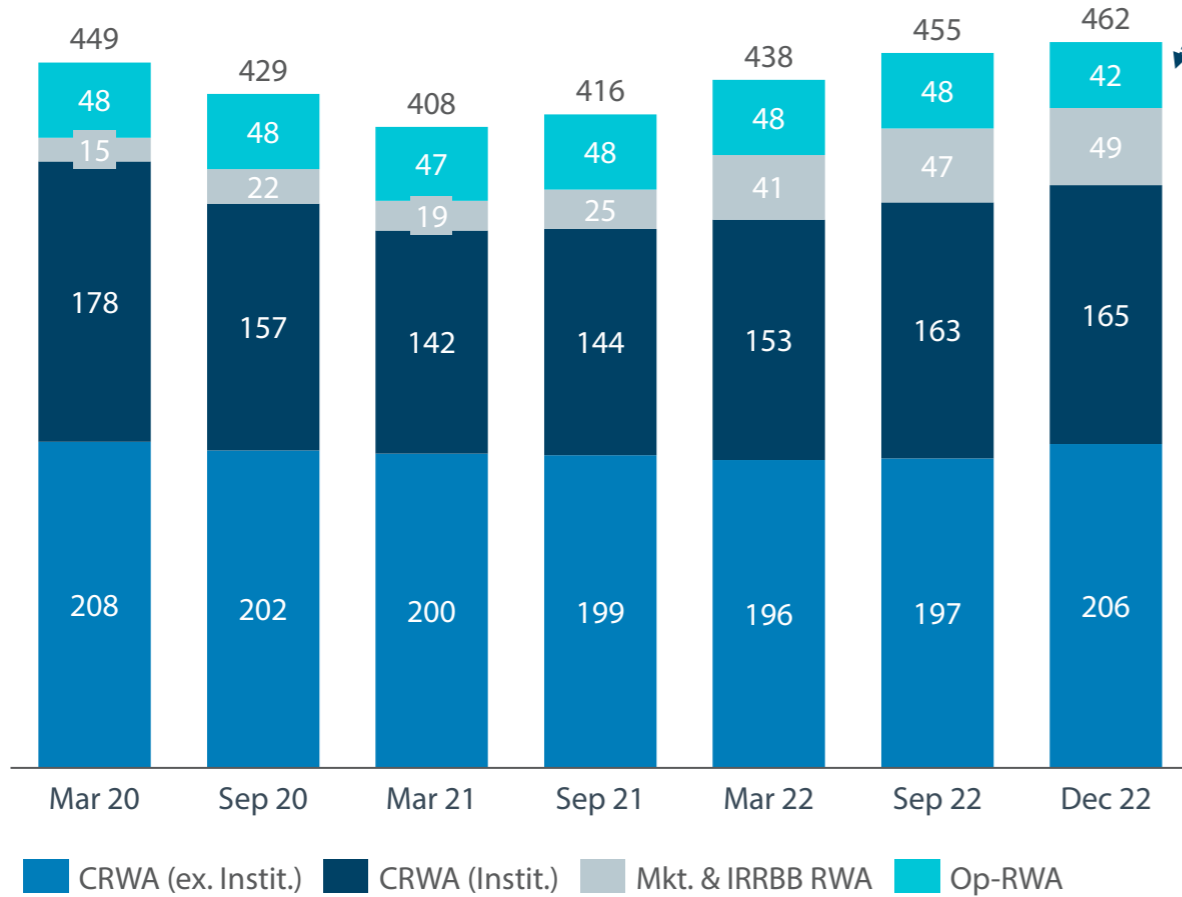
1. EAD excludes Securitisation and Other assets whereas CRWA is inclusive as per APS 330

2. Total Group ratio from Mar 21 is inclusive of increased exposure to the RBA via higher exchange settlement account balances



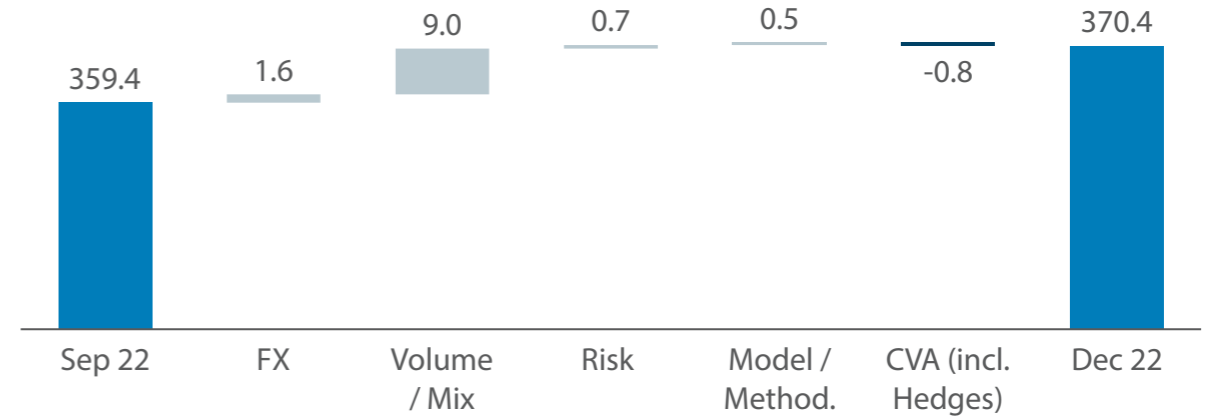
# RISK WEIGHTED ASSETS (RWA)

RWA by category, \$b



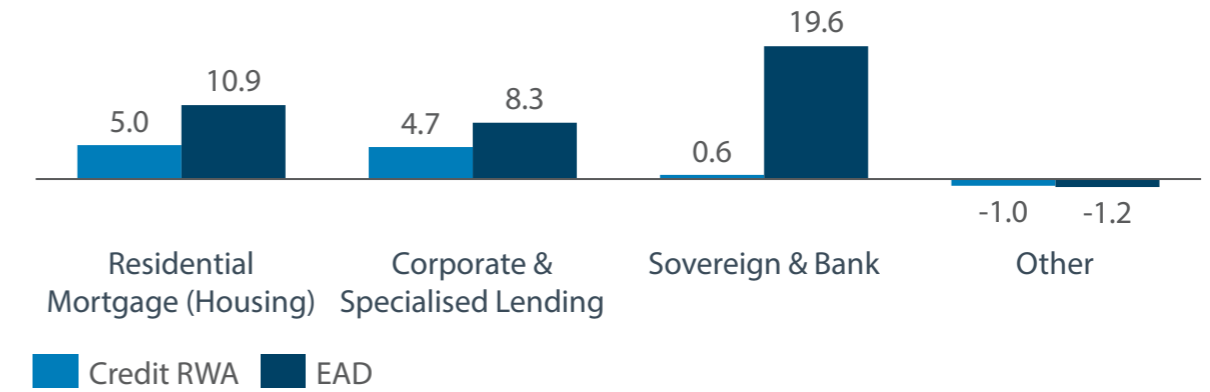
\$6b reduction in Op-RWA with ANZ adopting APS 115 Capital Adequacy: Standardised Measurement Approach (SMA) to Operational Risk in December 2022

CRWA movement – Total group, \$b



Credit RWA and EAD<sup>1</sup> movement, \$b

Dec-22 vs Sep-22 FX adjusted



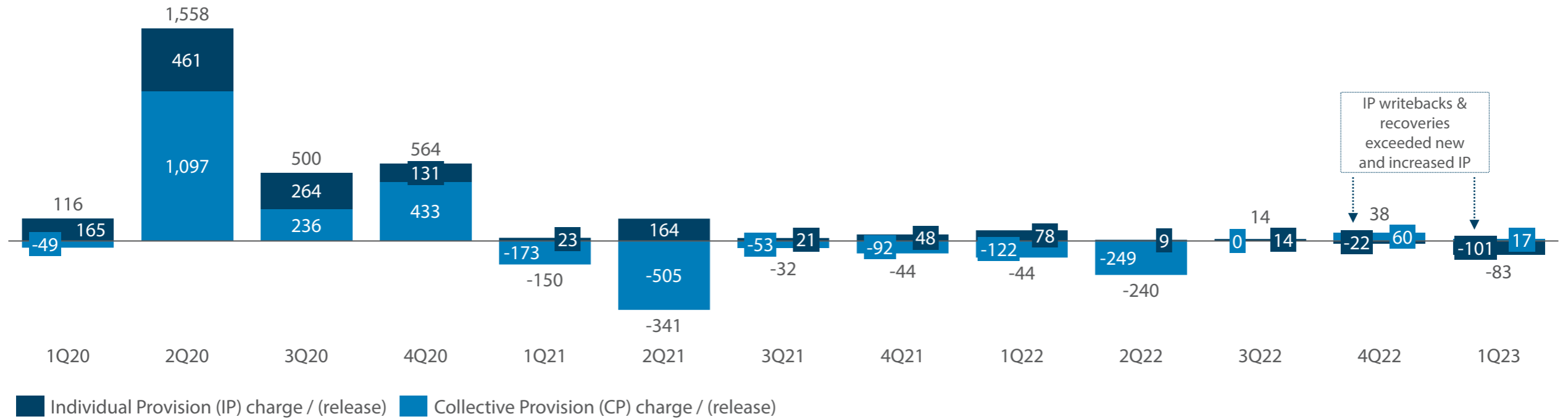
1. EAD excludes amounts for 'Securitisation' and 'Other Assets' Basel classes, as per APS330. Data provided is on a Post CRM basis, net of credit risk mitigation such as guarantees, credit derivatives, netting and financial collateral





# PROVISION CHARGE

Total provision charge / (release), \$m



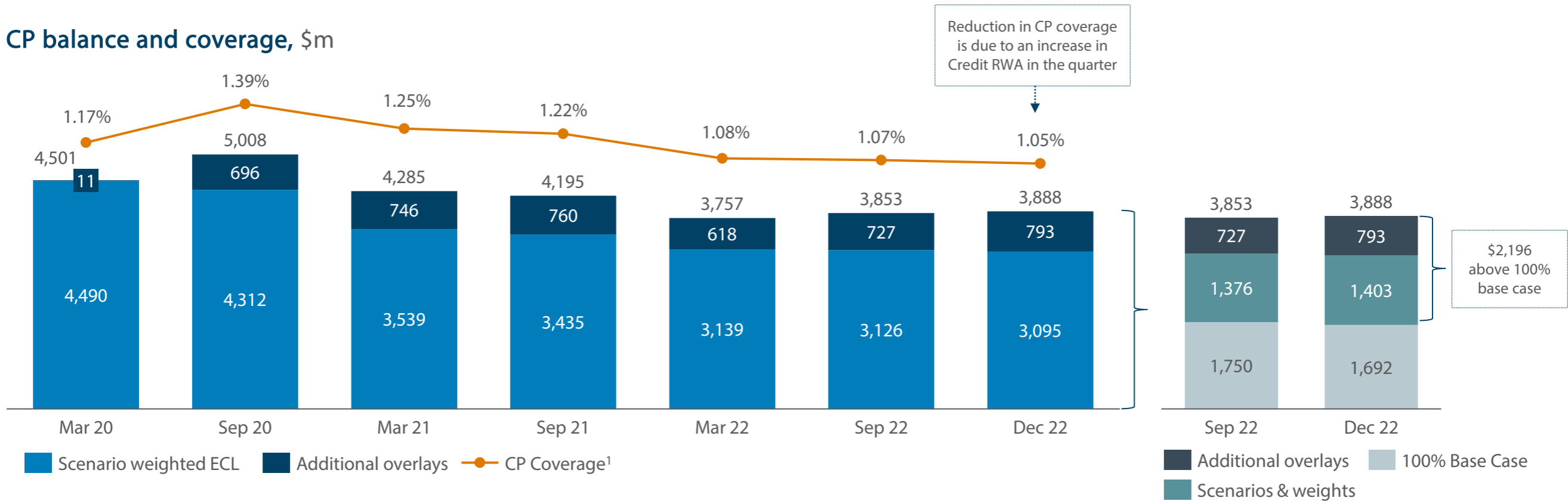
Loss rates, annualised bps

Bps	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23
Individual Provision	11	29	17	8	1	11	1	3	5	1	1	-1	-6
Total Provision	7	98	31	35	-10	-22	-2	-3	-3	-15	1	2	-5



# COLLECTIVE PROVISION (CP)

## CP balance and coverage, \$m



## CP balance by division, \$b

	Mar 20	Sep 20	Mar 21	Sep 21	Mar 22	Sep 22	Dec 22
Australia Retail	1.18	1.42	1.11	1.07	0.91	0.90	0.90
Australia Commercial	1.14	1.43	1.22	1.16	0.98	0.98	0.98
Institutional	1.59	1.51	1.36	1.35	1.28	1.38	1.37
New Zealand	0.54	0.57	0.51	0.53	0.50	0.52	0.56
Pacific	0.05	0.08	0.08	0.10	0.09	0.08	0.08

## CP balance by portfolio, \$b

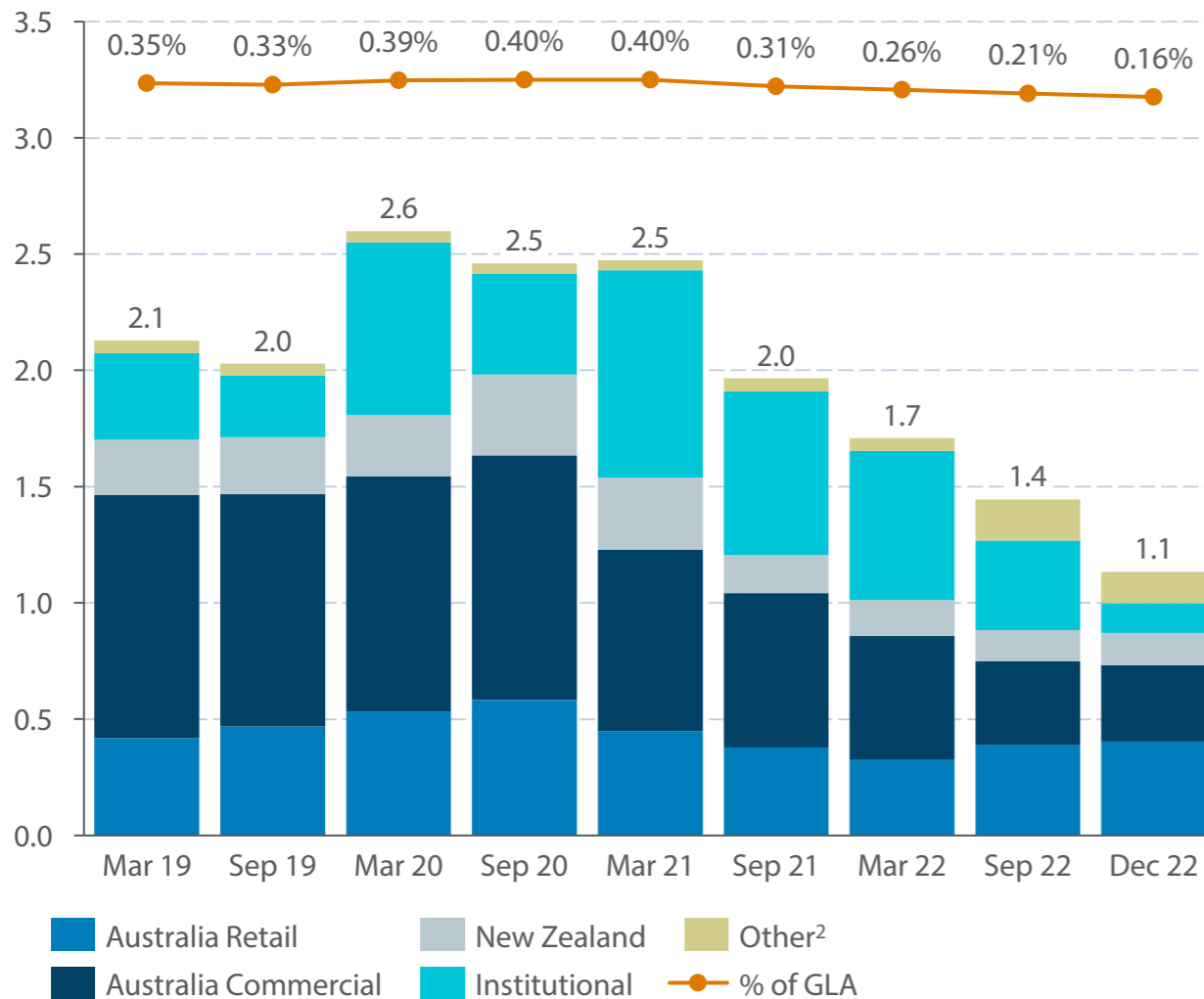
	Mar 20	Sep 20	Mar 21	Sep 21	Mar 22	Sep 22	Dec 22
Corporate	2.22	2.30	2.13	2.09	1.87	1.96	1.95
Specialised Lending	0.29	0.32	0.28	0.27	0.23	0.26	0.28
Residential Mortgage	0.81	1.06	0.78	0.79	0.71	0.73	0.77
Retail (ex Mortgages)	1.10	1.25	1.04	0.96	0.87	0.81	0.80
Sovereign / Banks	0.08	0.08	0.06	0.09	0.08	0.09	0.09

1. Collective Provision balance as a % of Credit Risk Weighted Assets



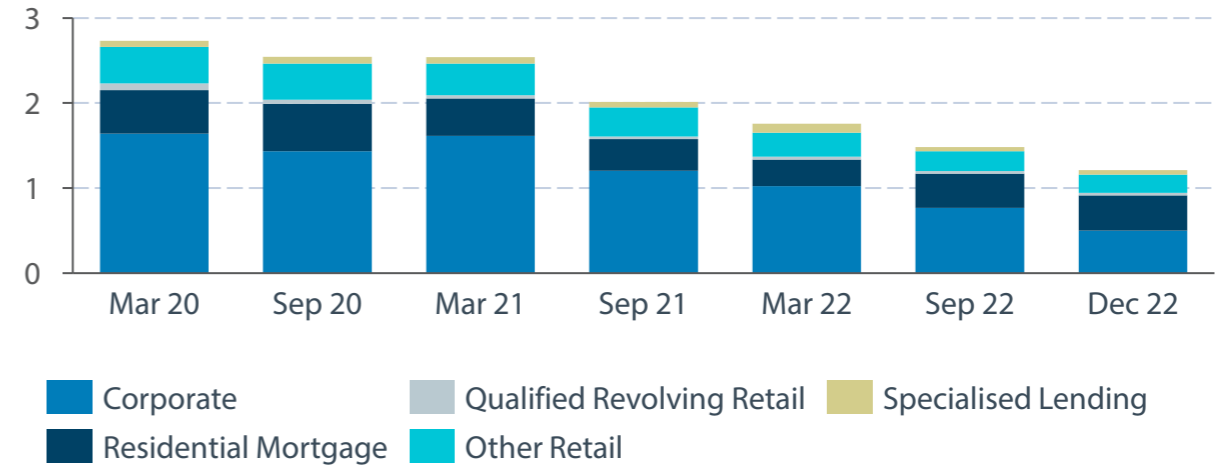
# IMPAIRED ASSETS / 90+ DAYS PAST DUE

Gross impaired assets by division<sup>1,3,4</sup>, \$b

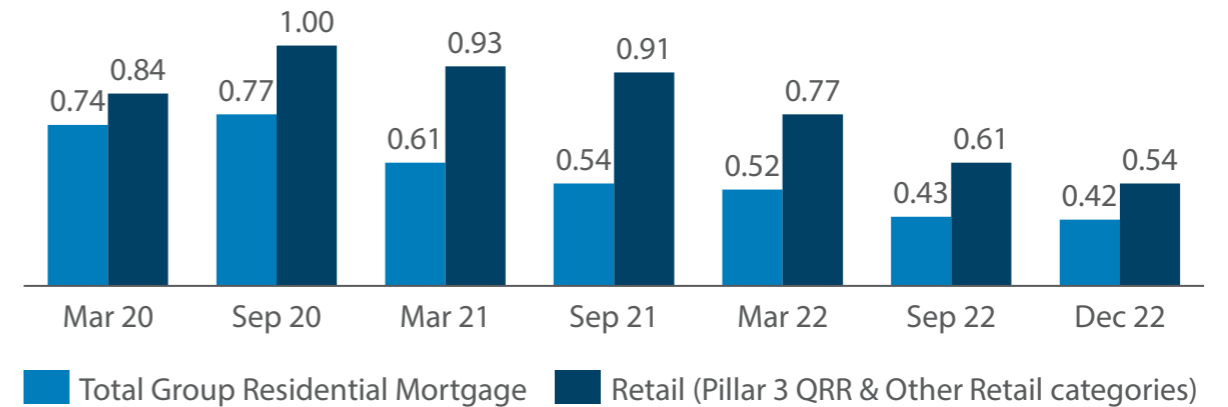


1. Excluding unsecured 90+ days past due  
 2. Other includes Pacific and Australia Wealth  
 3. Impaired loans / facilities include restructured items in which the original contractual terms have been modified for reasons related to the financial difficulties of the customer. Restructuring may consist of reduction of interest, principal or other payments legally due, or an extension in maturity materially beyond those typically offered to new facilities with similar risk  
 4. Impaired assets for June 2022 include \$109 million of well secured facilities (\$88 million of corporate and \$21 million of mortgages) now classified as restructures post finalisation of covid support packages in the quarter.  
 5. As a % of Exposure at Default

Impaired loans / facilities by portfolio<sup>3</sup>, \$b



90+ days past due loans<sup>5</sup>, %

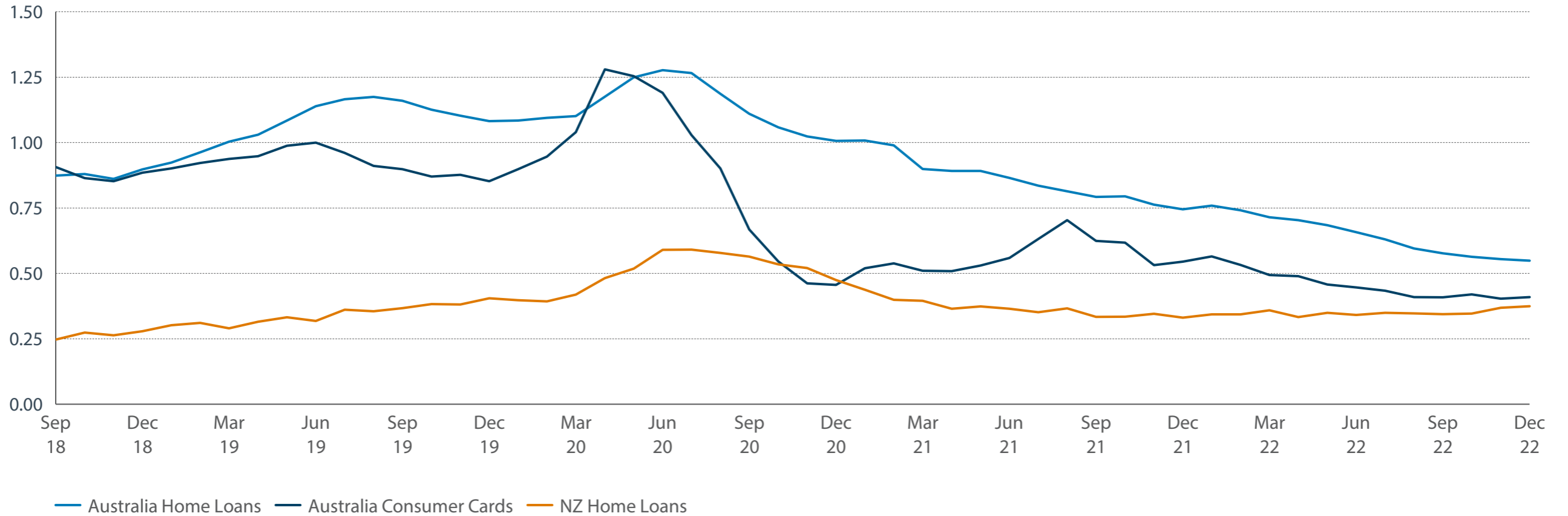




# AUSTRALIA & NEW ZEALAND 90+ DAYS PAST DUE (DPD)

## Consumer portfolio<sup>1</sup>

90+ DPD as a % of total portfolio balances



1. Includes Non Performing Loans. ANZ delinquencies are calculated on a missed payment basis for amortising and Interest Only loans. Australia Home Loans 90+ between Mar-20 and Jun-20 excludes eligible Home Loans accounts that had requested COVID-19 assistance but due to delays in processing had not had the loan repayment deferral applied to the account



# FURTHER INFORMATION

