

3Q22 TRADING UPDATE

INVESTOR DISCUSSION PACK

18 JULY 2022

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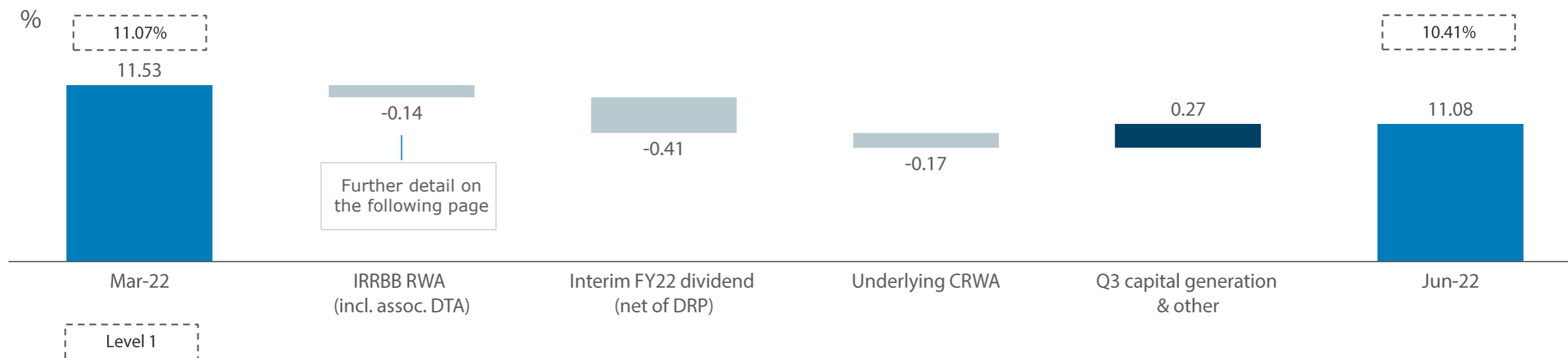
Financial performance	<ul style="list-style-type: none"> • Strong lending and margin momentum was evident across all our major businesses in the quarter, with revenue up 5% (up 6% FX adjusted)². Deposits were flat excluding FX impacts • Adding operational capacity and processing resilience in our Australian Home Loan business has helped deliver consistently faster turnaround times across all channels, and we are in line with major peers for our key customer segments. Lending volumes grew \$2.0 billion (3% annualised) in the third quarter, with particularly strong growth in June. We remain on track to grow in line with the Australian major banks before the end of the financial year and are delivering growth with an eye to maintaining margin performance and credit quality • Our Commercial business is already benefiting from an increased focus following the recent restructure, with good lending growth in the quarter (up 11% annualised) • In New Zealand ANZ has delivered disciplined growth across core products • The Institutional business performed well with customer lending growth focussed on delivering sustainable, high quality and well diversified balance sheet growth. • Markets revenue was \$435 million for the quarter, up 7% however we note that conditions remain volatile and challenging • The Group Net Interest Margin (NIM) increased 3bps for the quarter and underlying NIM was up 6bps to 164bps (1H22: 158bps) with margins improving across all businesses. This was largely driven by the impact of rising rates, partly offset by intense price competition in the home lending portfolios in Australia and New Zealand. With interest rates projected to increase further in coming months, this is expected to be supportive for margins in the fourth quarter • Costs across the ANZ Group remain tightly managed, with 'run-the-bank' costs³ expected to be broadly flat for the second half despite inflationary pressures. We continue to invest in the business at record levels, with investment expense expected to be slightly higher in the second half as we finalise our compliance with BS11 in New Zealand
Provisions & credit quality	<ul style="list-style-type: none"> • The continued low level of Individual Provisions led to a \$14m credit provision charge for the third quarter (IP \$14m, CP \$0m). The Collective Provision balance was flat for the quarter (before FX), with portfolio credit quality improvements offset by a modest increase in overlays to accommodate the uncertain economic outlook • We are conscious of risks to the domestic and global economic outlook from factors such as higher inflation and interest rates over the quarter, and in line with that the Group has maintained a Collective Provision balance at 30 June 2022 of \$3.78b, which is \$403m higher than pre-COVID levels at 30 September 2019
Capital	<ul style="list-style-type: none"> • The Group's Common Equity Tier One ratio (Level 2) of 11.1% (Level 1: 10.4%) includes the impact of the interim dividend (-41bps), broad-based lending growth across the portfolio (-17bps) and IRRBB RWA including associated DTA impacts (-14 bps). We note that much of IRRBB RWA does, all else being equal, unwind over time

This page contains forward-looking statements or opinions. Please refer to the Disclaimer and Important Notice with respect to such statements starting on page 1

1. All numbers provided are on an unaudited cash profit basis and exclude Large / Notable items
2. All comparisons are relative to the average of the first and second quarters of Financial Year 2022 unless otherwise stated.
3. Excludes the impact of foreign currency translation and the acquisition of Cashrewards.



APRA LEVEL 2 CET1 RATIO - CAPITAL MOVEMENT



	Basel III APRA Level 2 CET1				Basel III APRA Level 1 CET1			
	Sep-21	Dec-21	Mar-22	Jun-22	Sep-21	Dec-21	Mar-22	Jun-22
Common Equity Tier 1 Capital (AUD m)	51,359	50,186	50,511	49,976	45,555	44,101	41,021	40,025
Total Risk Weighted Assets (AUD m)	416,086	430,924	437,910	451,213	379,387	393,522	370,715	384,319
Common Equity Tier 1 Capital Ratio	12.3%	11.6%	11.5%	11.1%	12.0%	11.2%	11.1%	10.4%

INTEREST RATE RISK IN THE BANKING BOOK (IRRBB)



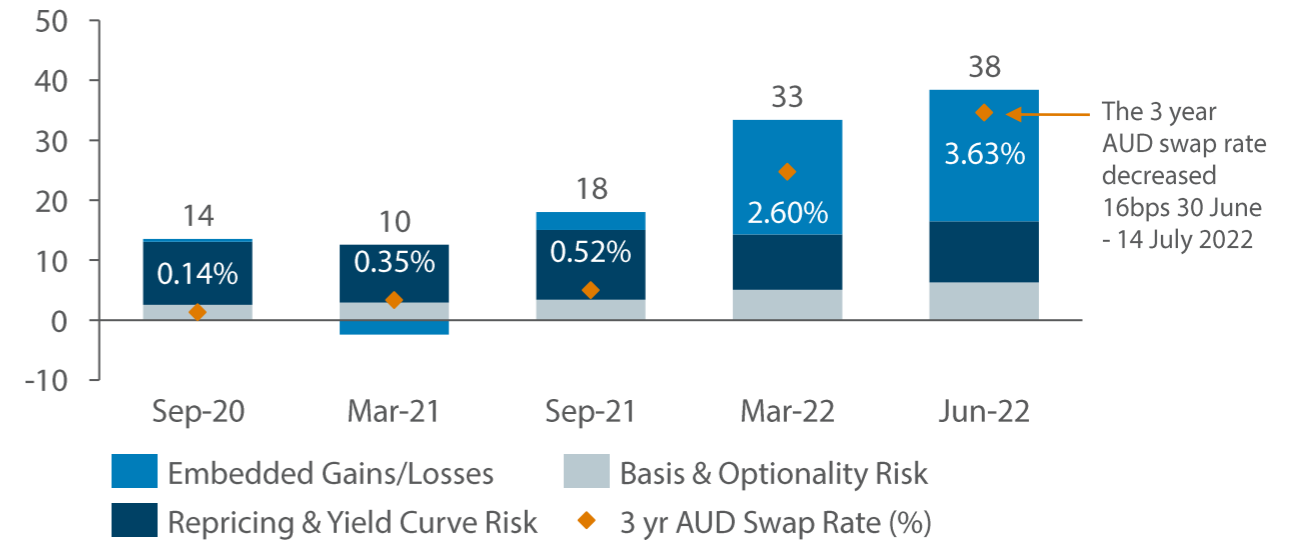
IRRBB RWA IS PRIMARILY DRIVEN BY RATE MOVEMENTS

- ANZ invests our Investment Term of Capital (IToC)¹ along the yield curve to improve and smooth shareholder returns over time
- ANZ's recent increase in IRRBB RWA is primarily attributed to notional market value loss on the bank's IToC
- APS117 benchmarks IToC as rolling 12 months whereas ANZ typically invests Capital over 3-5 years
- Differences in market pricing between these IToC tenors creates a notional market value loss, held in the form of IRRBB RWA
- As ANZ's actual Capital has been hedged, the IToC losses under APS117 will not be realised through P/L
- The 3 year AUD swap rate increased by 103bps between 31 March and 30 June 2022 and decreased 16bps between 30 June and 14 July 2022
- Whilst many offshore jurisdictions require banks to include IRRBB RWA as a Pillar 2 capital buffer, APRA requires major Australian banks to include it as part of the banks' RWA requirement
- Under current market rates, approximately half of the notional IToC market value losses can be expected to unwind by early 2024

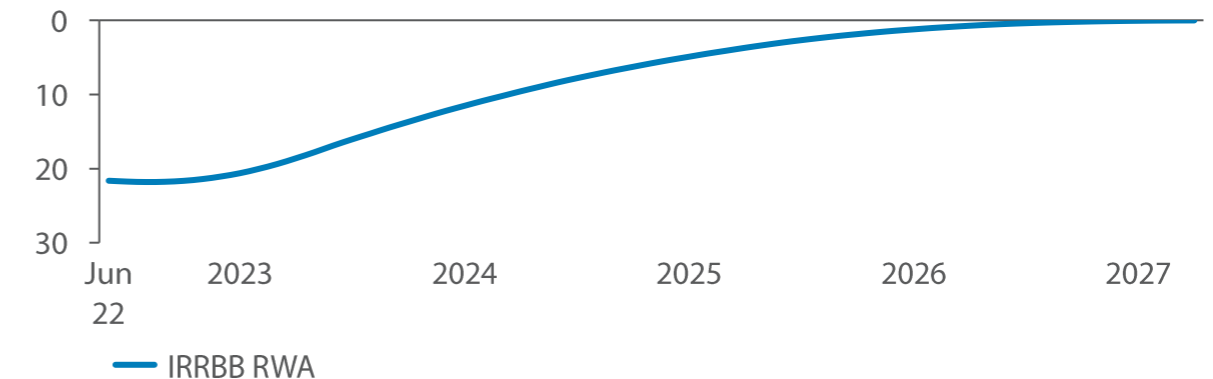
1. IToC includes interest rate insensitive deposits and capital

2. RWA decay profile is representative of the IToC portfolio as at 30 June 2022. Any additional investment and/or changes in interest rates will alter this profile, and any respective future embedded gains or losses

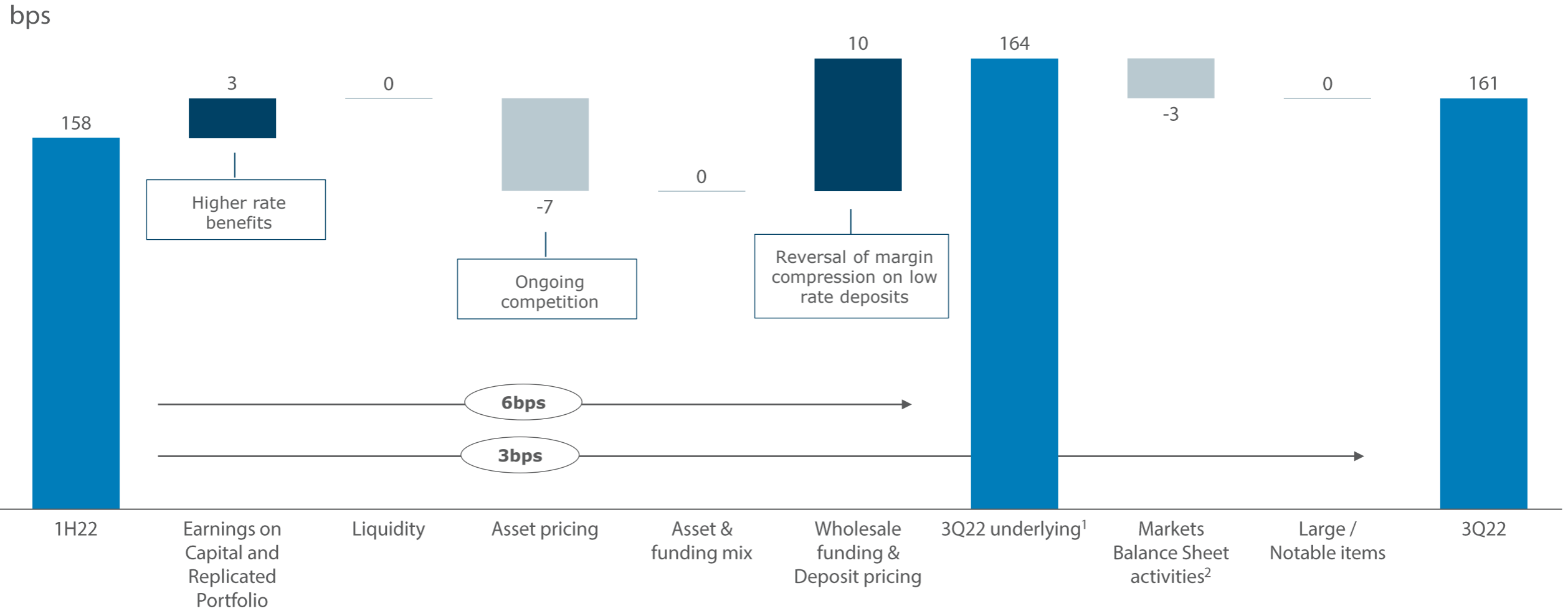
RISK WEIGHTED ASSETS – IRRBB (\$b)



IRRBB EMBEDDED GAIN/LOSS - RWA DECAY² (\$b)



GROUP NET INTEREST MARGIN (NIM)

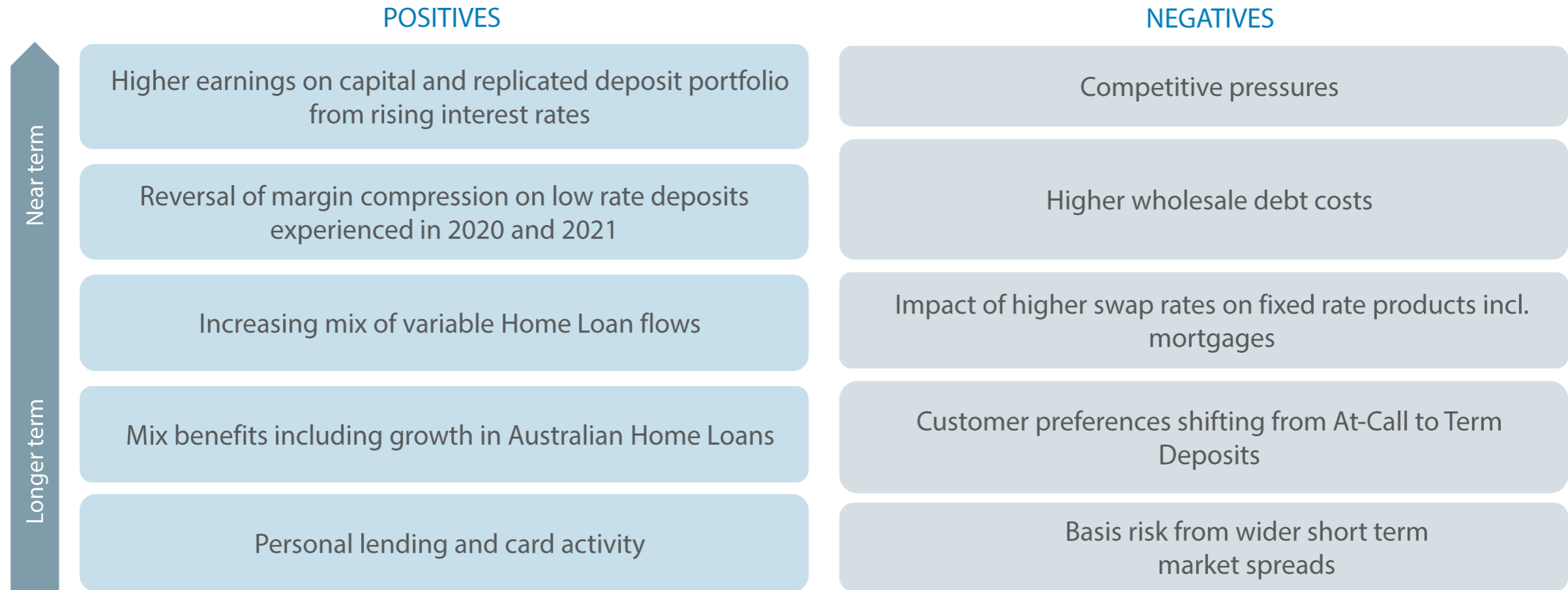


1. Excluding Large / Notable items and Markets Balance Sheet activities
 2. Includes the impact of discretionary liquid assets and other Balance Sheet activities

NIM CONSIDERATIONS



CONSIDERATIONS REMAIN CONSISTENT WITH DISCLOSURES AT 1H22 RESULTS

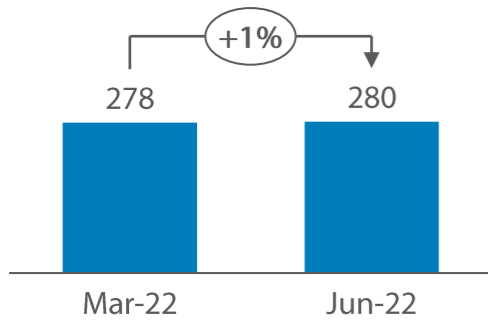


LOANS AND DEPOSITS¹

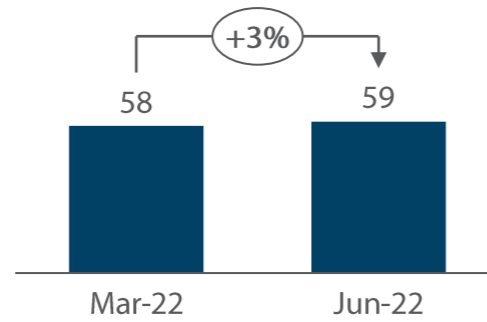


NET LOANS & ADVANCES

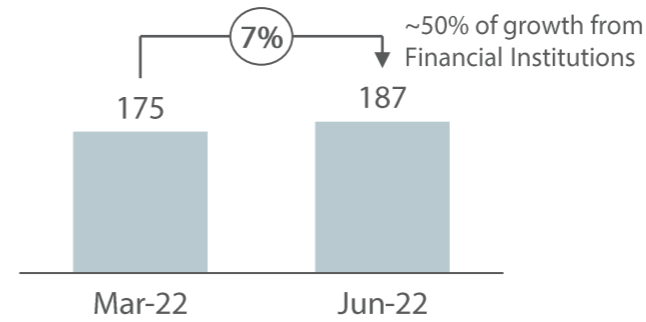
Australia housing (\$b)



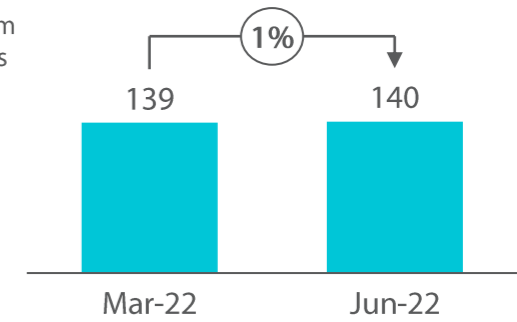
Australia Commercial (\$b)



Institutional (\$b)

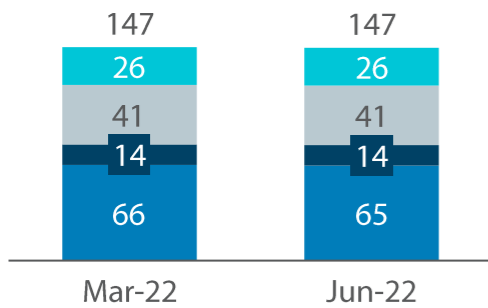


New Zealand Division (NZDb)

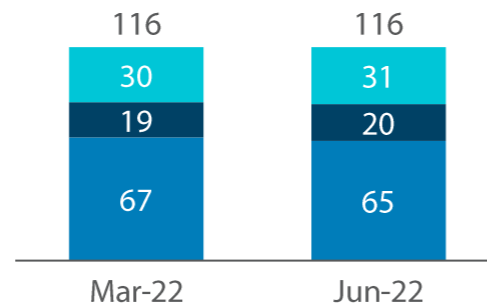


CUSTOMER DEPOSITS

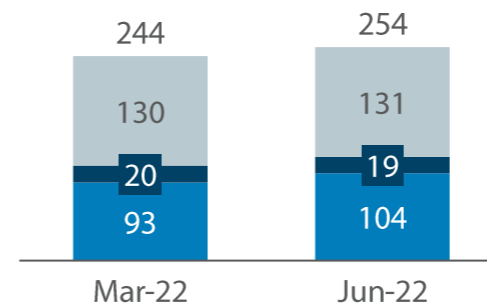
Australia Retail (\$b)



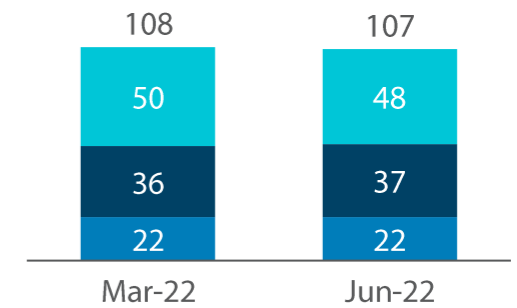
Australia Commercial (\$b)



Institutional (\$b)



New Zealand Division (NZDb)



■ Savings ■ Offset
■ Term Deposits ■ Transact

■ Savings ■ Transact
■ Term Deposits

■ Aus & PNG ■ International
■ NZ

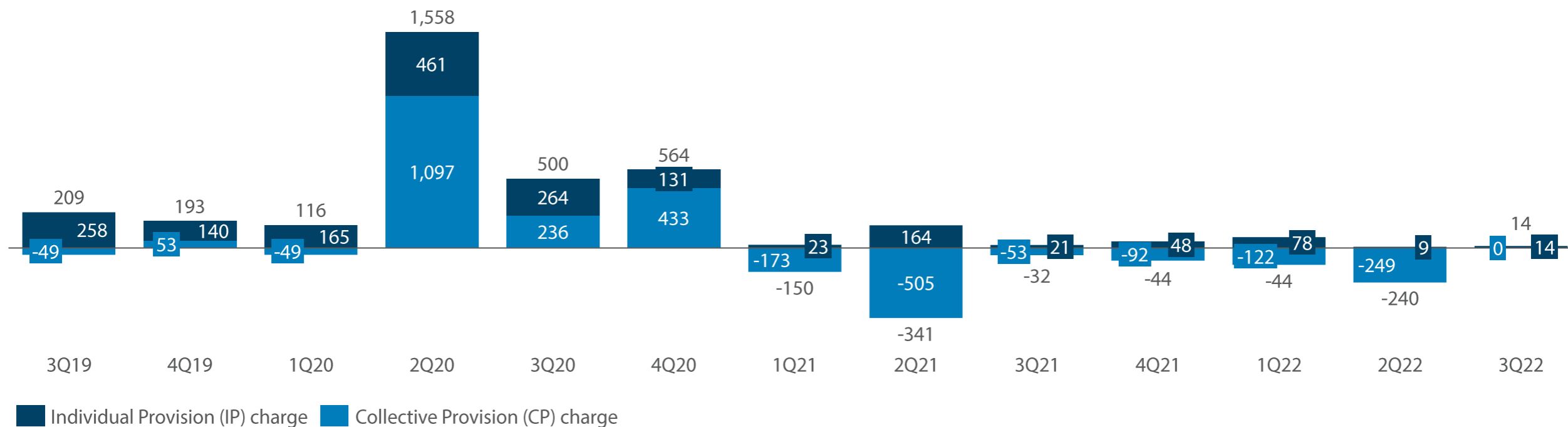
■ Savings ■ Transact
■ Term Deposits

1. Basis: Cash Profit, Continuing Operations excluding Large / Notable items

PROVISION CHARGE



TOTAL PROVISION CHARGE / (RELEASE) (\$m)



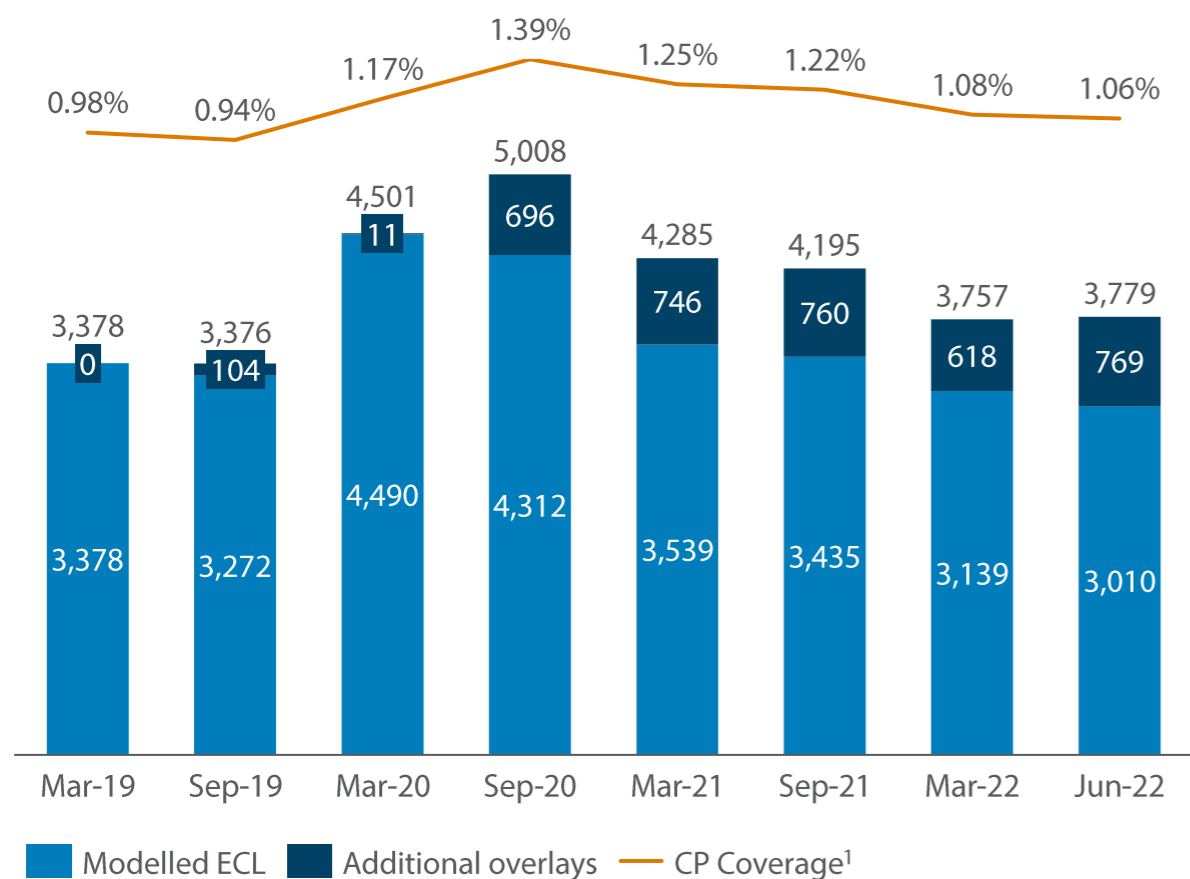
LOSS RATES (Annualised)

Bps	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22
Individual Provision	17	9	11	29	17	8	1	11	1	3	5	1	1
Total Provision	14	13	7	98	31	35	-10	-22	-2	-3	-3	-15	1

COLLECTIVE PROVISION (CP) BALANCE



COLLECTIVE PROVISION BALANCE & COVERAGE (\$m)



CP BALANCE BY DIVISION (\$b)

	Mar-19	Sep-19	Mar-20	Sep-20	Mar-21	Sep-21	Mar-22	Jun-22
Australia R&C ²	1.83	1.80	2.32	2.85	2.33	2.23	1.89	1.89
Institutional	1.13	1.17	1.59	1.51	1.36	1.35	1.28	1.31
New Zealand	0.37	0.37	0.54	0.57	0.51	0.53	0.50	0.48
Pacific	0.04	0.04	0.05	0.08	0.08	0.10	0.09	0.09

CP BALANCE BY PORTFOLIO (\$b)

	Mar-19	Sep-19	Mar-20	Sep-20	Mar-21	Sep-21	Mar-22	Jun-22
Corporate	1.59	1.62	2.22	2.30	2.13	2.09	1.87	1.89
Specialised	0.18	0.19	0.29	0.32	0.28	0.27	0.23	0.26
Residential Mortgage	0.49	0.52	0.81	1.06	0.78	0.79	0.71	0.69
Retail (ex Mortgages)	1.05	0.97	1.10	1.25	1.04	0.96	0.87	0.85
Sovereign / Banks	0.07	0.08	0.08	0.08	0.06	0.09	0.08	0.09

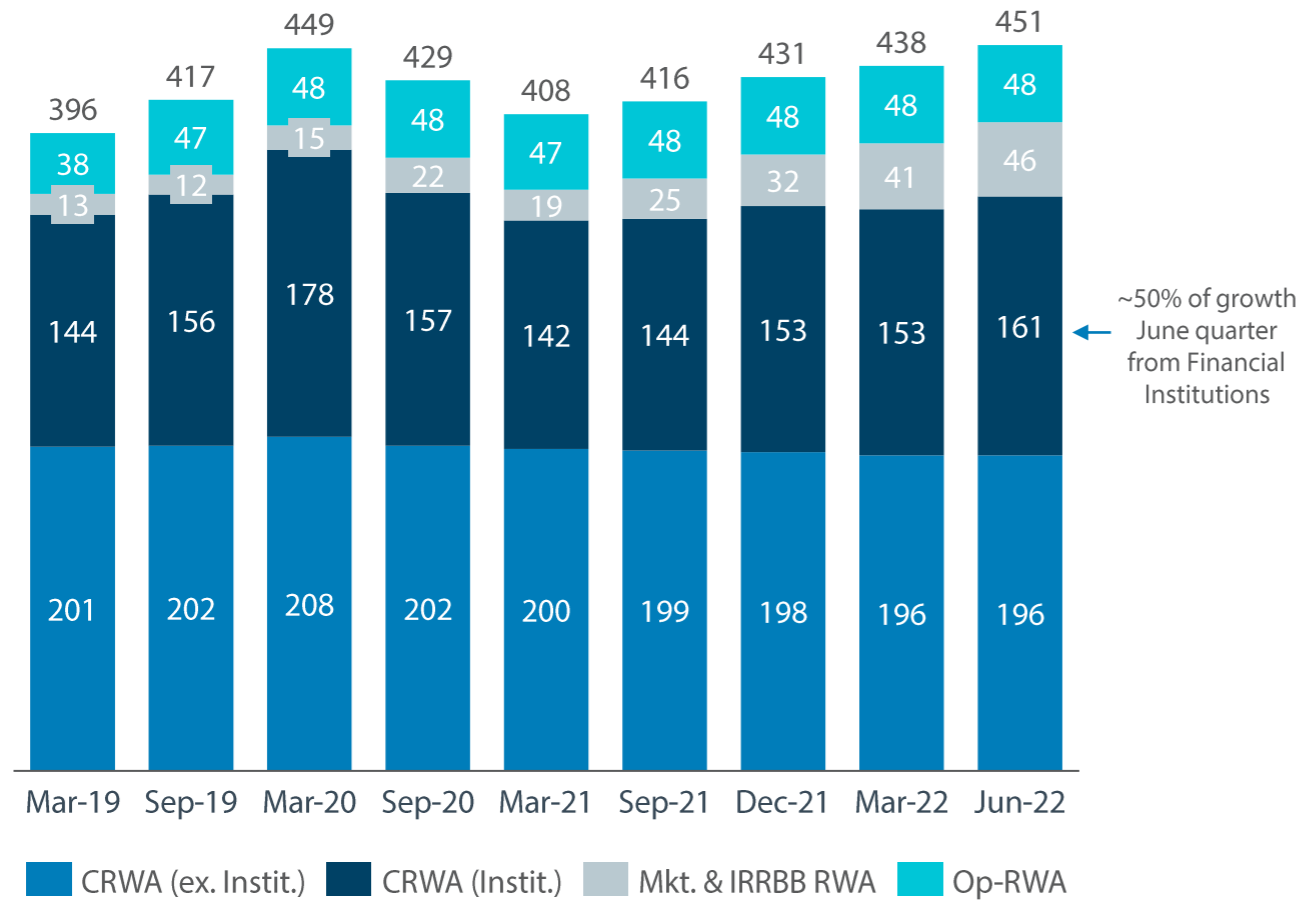
1. Collective Provision balance as a % of Credit Risk Weighted Assets

2. Separate divisions for ANZ Retail and ANZ Commercial established from 1 April 2022. CP balance: Australia Retail \$0.91b; Australia Commercial \$0.98b

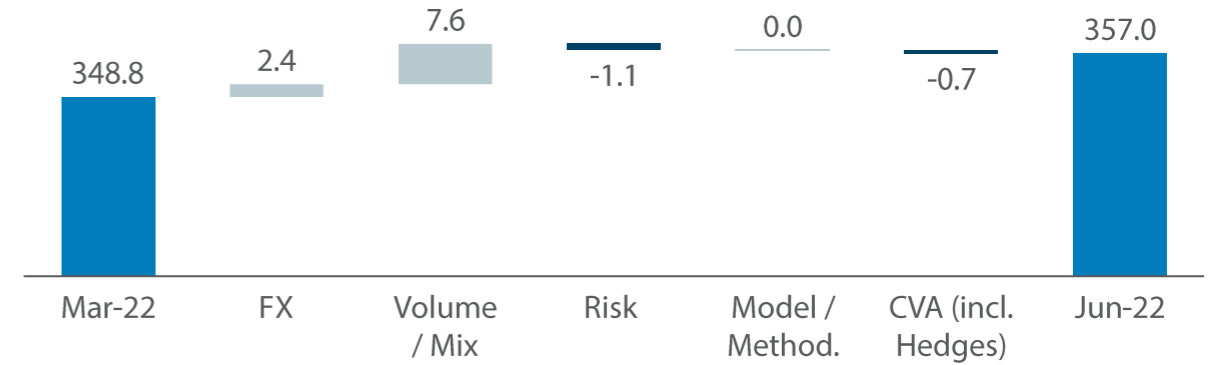
RISK WEIGHTED ASSETS (RWA)



RWA BY CATEGORY (\$b)

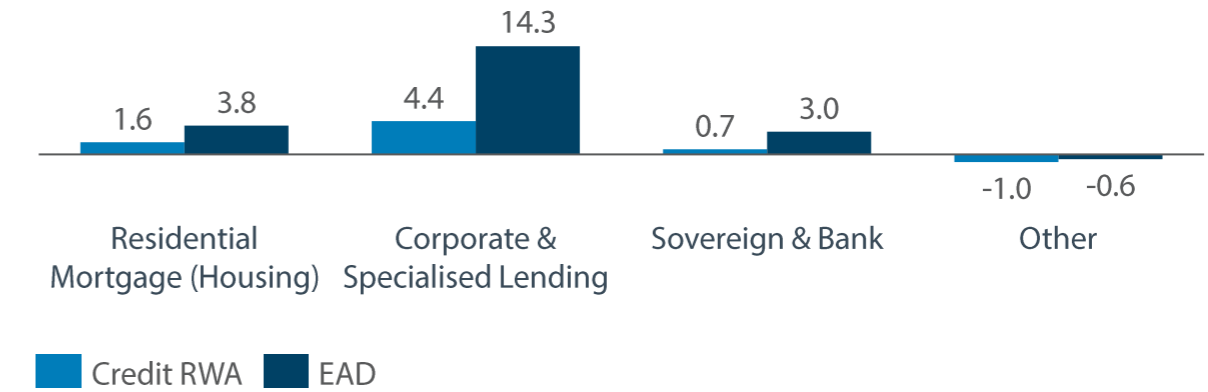


CRWA MOVEMENT - TOTAL GROUP (\$b)



CREDIT RWA & EAD¹ MOVEMENT (\$b)

Jun-22 movement vs Mar-22 FX adjusted

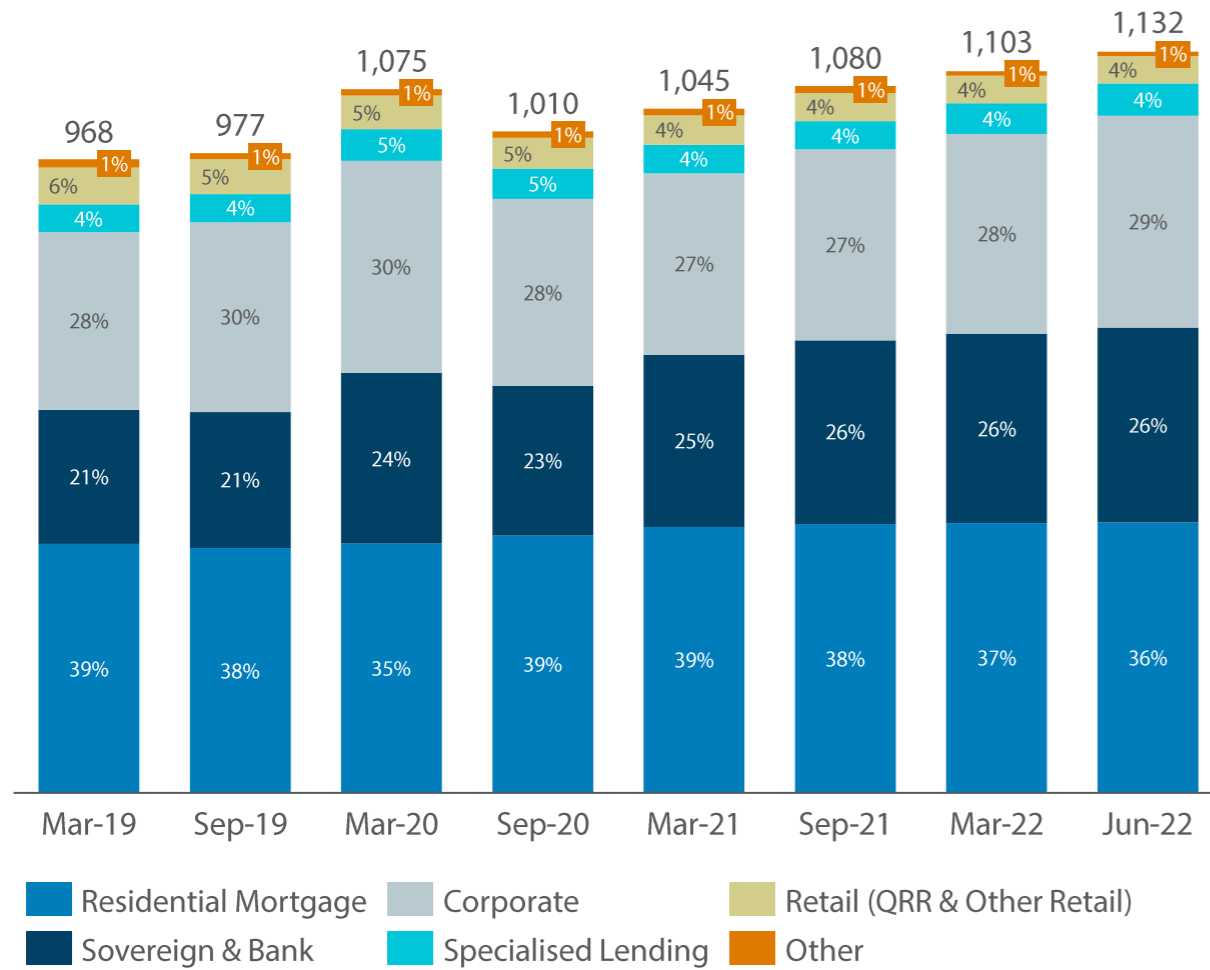


1. EAD excludes amounts for 'Securitisation' and 'Other Assets' Basel classes, as per APS330. Data provided is on a Post CRM basis, net of credit risk mitigation such as guarantees, credit derivatives, netting and financial collateral

EXPOSURE AT DEFAULT (EAD)

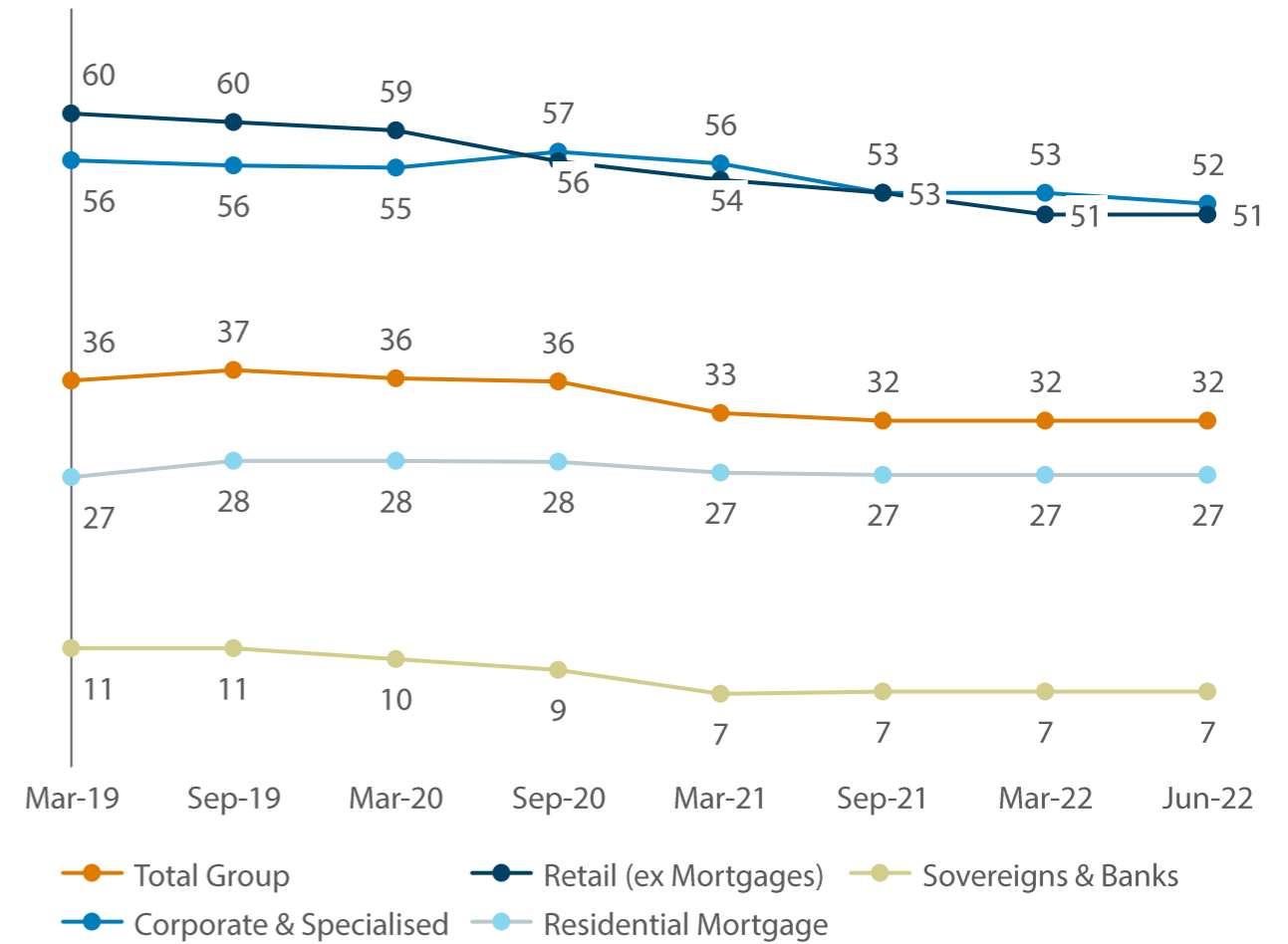


EAD COMPOSITION¹ (\$b)



1. EAD excludes Securitisation and Other assets whereas CRWA is inclusive as per APS 330
 2. Total Group ratio for Mar-21 is inclusive of increased exposure to the RBA via higher exchange settlement account balances

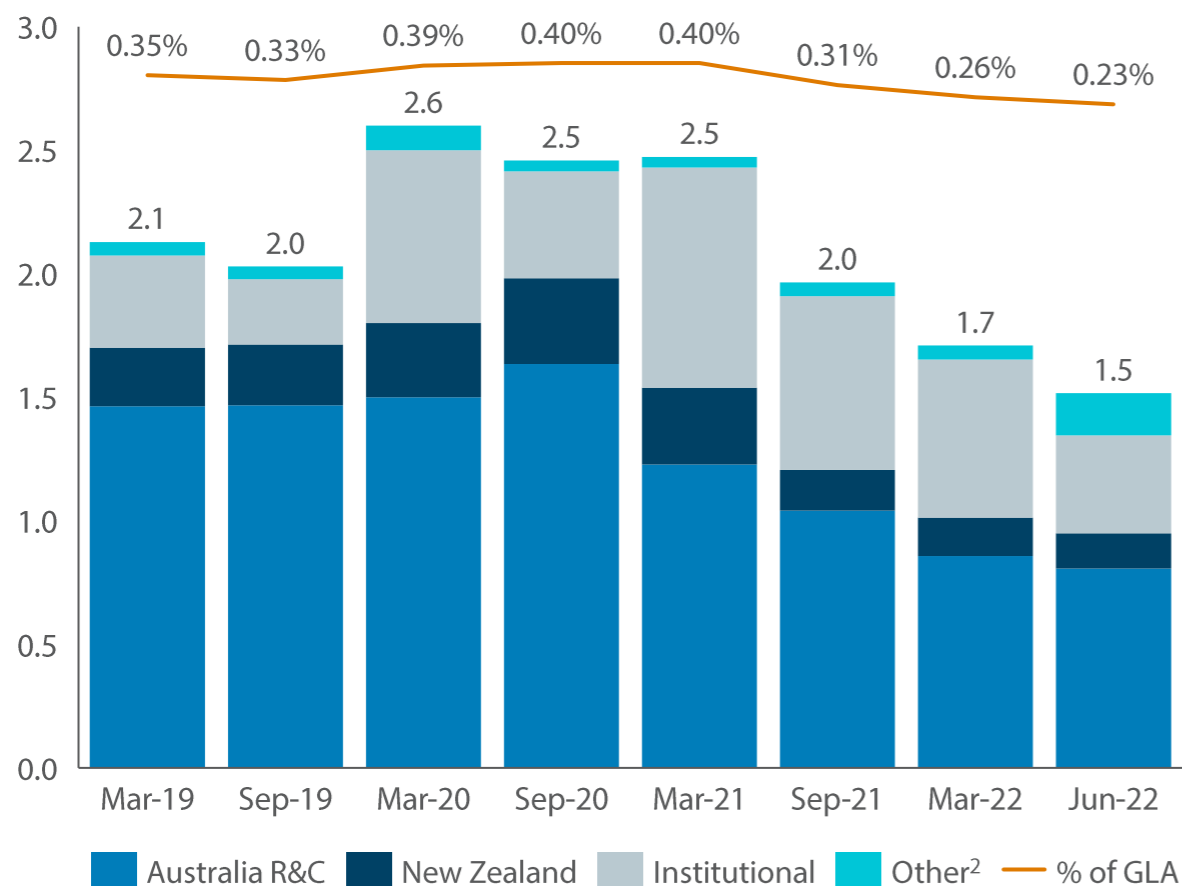
CREDIT RWA / EAD BY PORTFOLIO² (%)



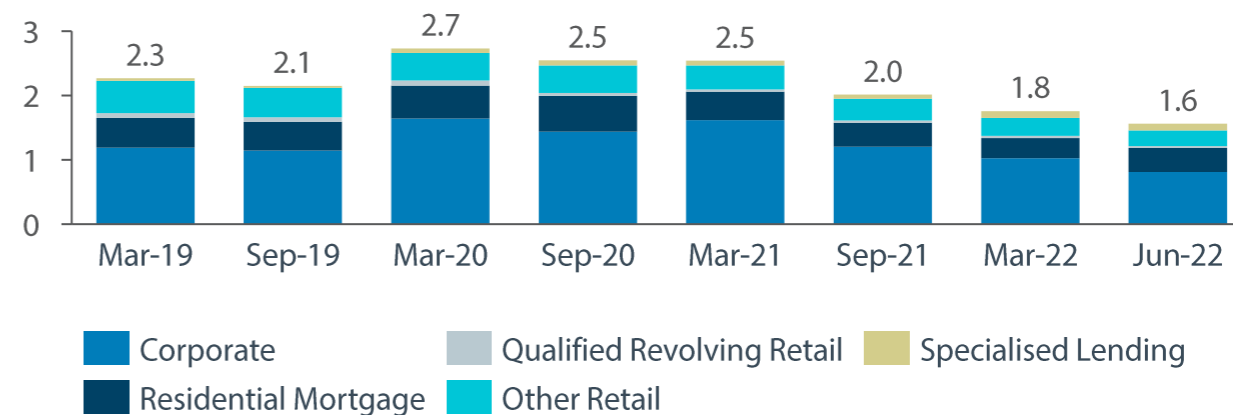
IMPAIRED ASSETS / 90+ DAYS PAST DUE



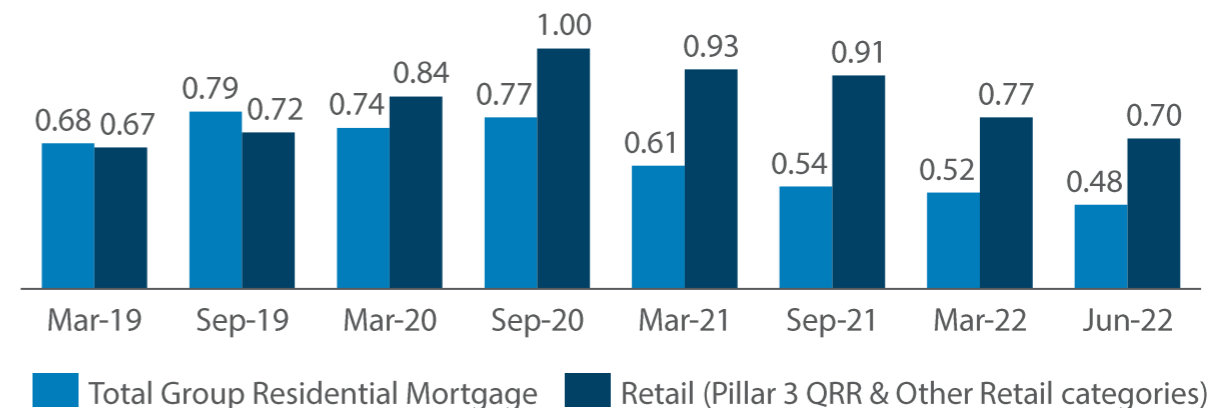
GROSS IMPAIRED ASSETS BY DIVISION^{1,3,4} (\$b)



IMPAIRED LOANS / FACILITIES BY PORTFOLIO³ (\$b)



90+ DAYS PAST DUE LOANS⁵ (%)



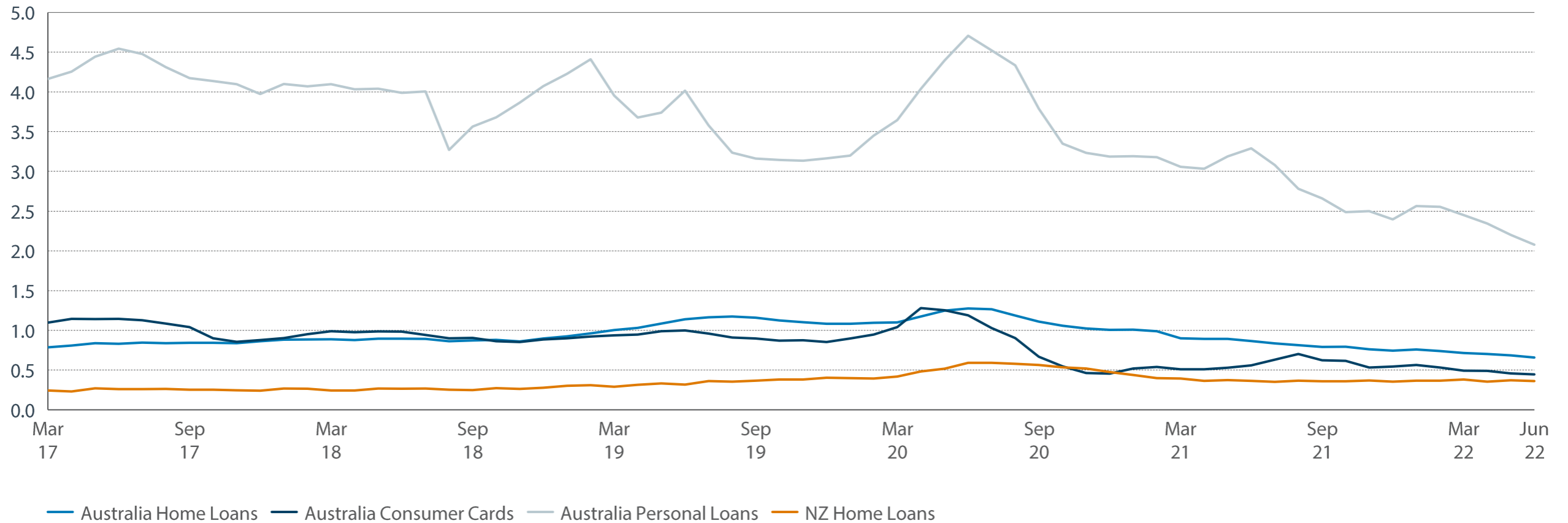
1. Excluding unsecured 90+ days past due
 2. Other includes Pacific and Australia Wealth
 3. Impaired loans / facilities include restructured items in which the original contractual terms have been modified for reasons related to the financial difficulties of the customer. Restructuring may consist of 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

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



CONSUMER PORTFOLIO^{1,2,3}

90+ DPD as a % of total portfolio balances

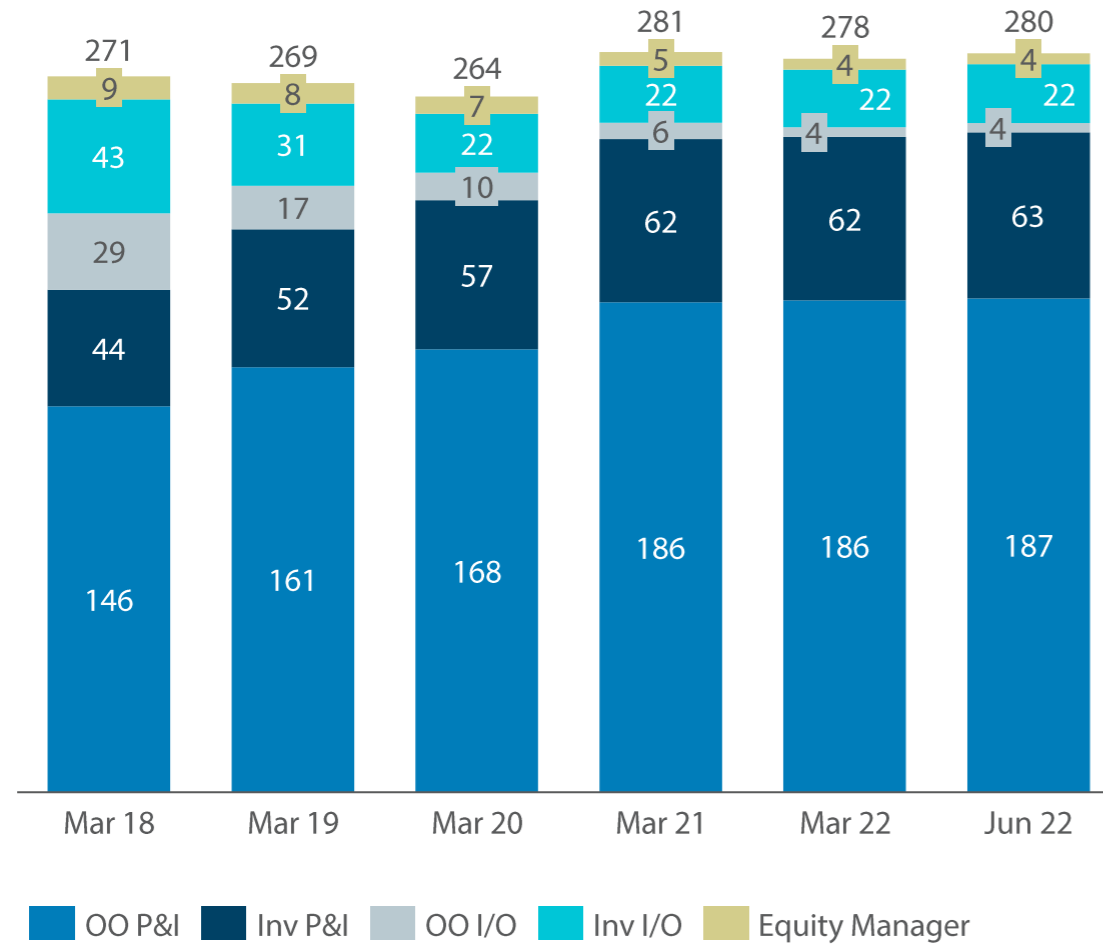


1. Includes Non Performing Loans
 2. ANZ delinquencies are calculated on a missed payment basis for amortising and Interest Only loans
 3. Australia Home Loans 90+ between Mar-20 and Jun-20 excludes eligible Home Loans accounts that had requested COVID-19 assistance but due to delays in processing had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

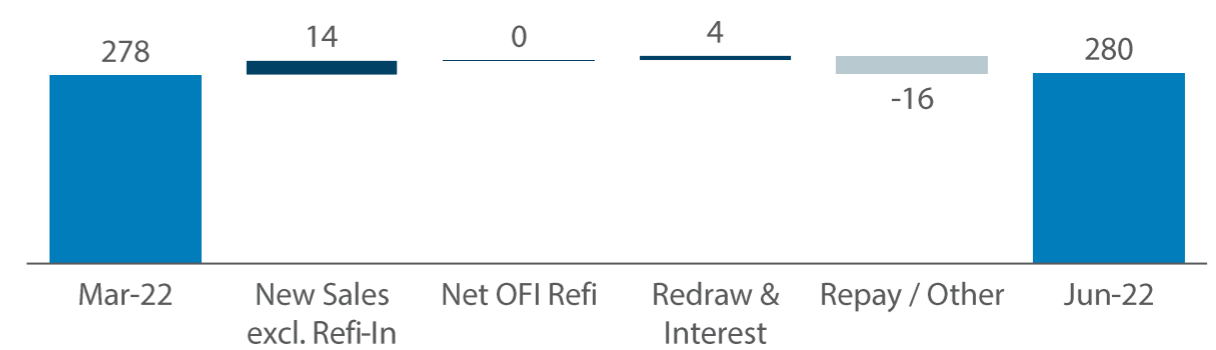
AUSTRALIA HOME LOAN PORTFOLIO



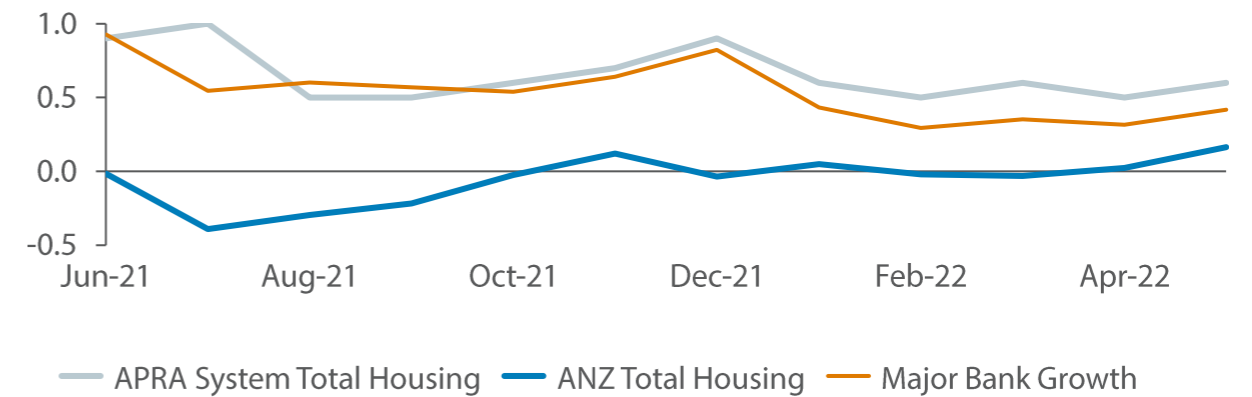
HOME LOAN FUM COMPOSITION (\$b)^{1,2,3,4}



LOAN BALANCE & LENDING FLOWS (\$b)¹

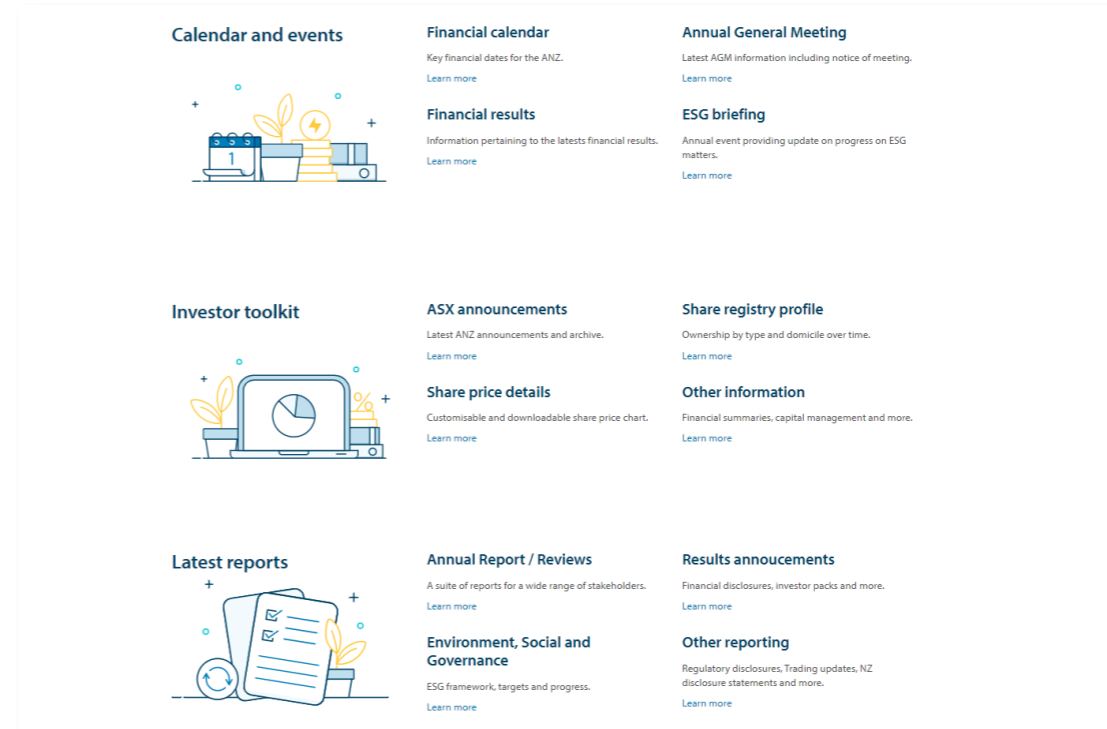
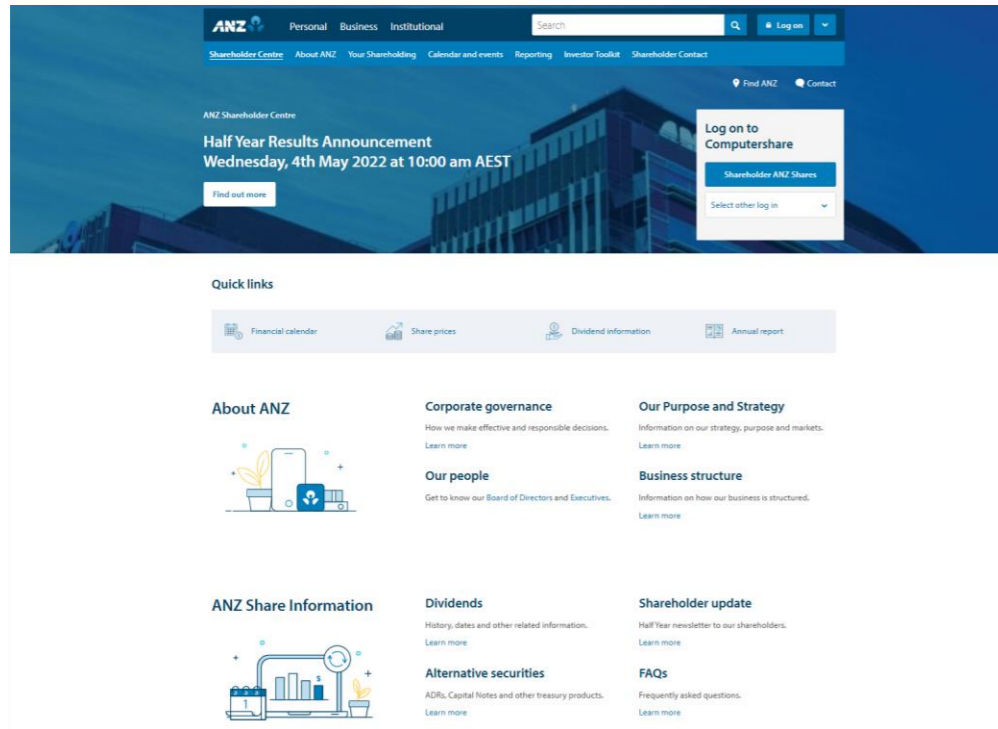


ANZ HOME LOAN GROWTH (%)⁵



1. Based on Gross Loans and Advances. Includes Non Performing Loans
 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)

FURTHER INFORMATION



<https://www.anz.com/shareholder/centre/>

Equity Investors			Retail Investors	Debt Investors
<p>Jill Campbell Group General Manager Investor Relations +61 3 8654 7749 +61 412 047 448 jill.campbell@anz.com</p>	<p>Cameron Davis Executive Manager Investor Relations +61 3 8654 7716 +61 421 613 819 cameron.davis@anz.com</p>	<p>Harsh Vardhan Senior Manager Investor Relations +61 3 8655 0878 +61 466 848 027 harsh.vardhan@anz.com</p>	<p>Michelle Weerakoon Manager Shareholder Services & Events +61 3 8654 7682 +61 411 143 090 michelle.weerakoon@anz.com</p>	<p>Scott Gifford Head of Debt Investor Relations +61 3 8655 5683 +61 434 076 876 scott.gifford@anz.com</p>