2020

FULL YEAR RESULTS

FULL YEAR ENDED 30 SEPTEMBER 2020

DEBT INVESTOR UPDATE

AUSTRALIA & NEW ZEALAND BANKING GROUP LIMITED
ABN 11 005 357 522

CONTENTS

2020 FULL YEAR RESULTS

All figures within this investor discussion pack are presented on Cash Profit (Continuing operations) basis in Australian Dollars unless otherwise noted. In arriving at Cash Profit, Statutory Profit has been adjusted to exclude non-core items, further information is set out on pages 76-79 of the 2020 Full Year Consolidated Financial Report.

2020
FULL YEAR RESULTS

SHAYNE ELLIOTT
CHIEF EXECUTIVE OFFICER

FINANCIAL SNAPSHOT

	FY20	FY20 v FY19
Statutory Profit ($m)	**3,577**	**-40%**
Cash Profit (Continuing operations)[1] ($m)	**3,758**	**-42%**
Return on Equity (%)	6.2	-471bps
Earnings Per Share (cents)	132.7	-42%
Cash Profit (Continuing operations) ex. large / notable items ($m)	**5,297**	**-21%**
Dividend Per Share (cents)	**60**	**-100**
Franking	100%	
CET1 Ratio (APRA Level 2) (%)	11.3	-2bps
Net Tangible Assets Per Share ($)	20.04	+2%
Provision coverage ratio[2] (%)	1.39	+45bps

1. Includes the impact of Large / Notable items, excludes discontinued operations
2. Collectively assessed provisions as a % of credit risk weighted assets

WELL PREPARED FOR THE ENVIRONMENT

58bps ($2.5b) increase in capital (CET1) in 2H20

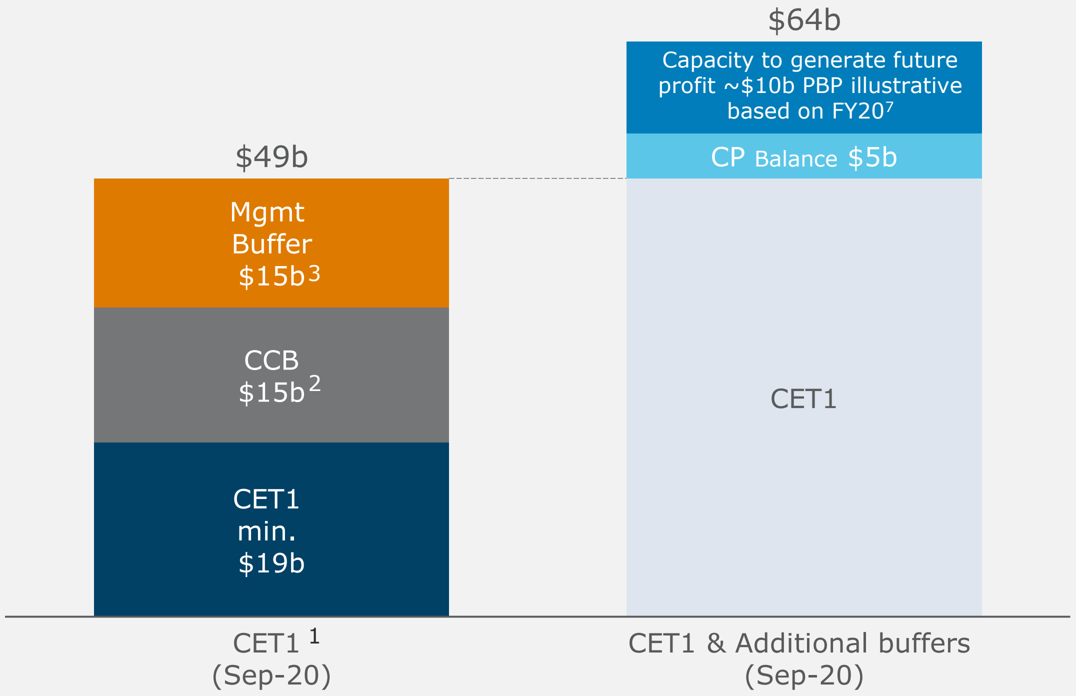
174bps CET1 capital generated from PBP in FY20[4]

$1.6b increase in CP balance in FY20

$106b surplus stable funding[5]

$60b surplus liquid assets[6]

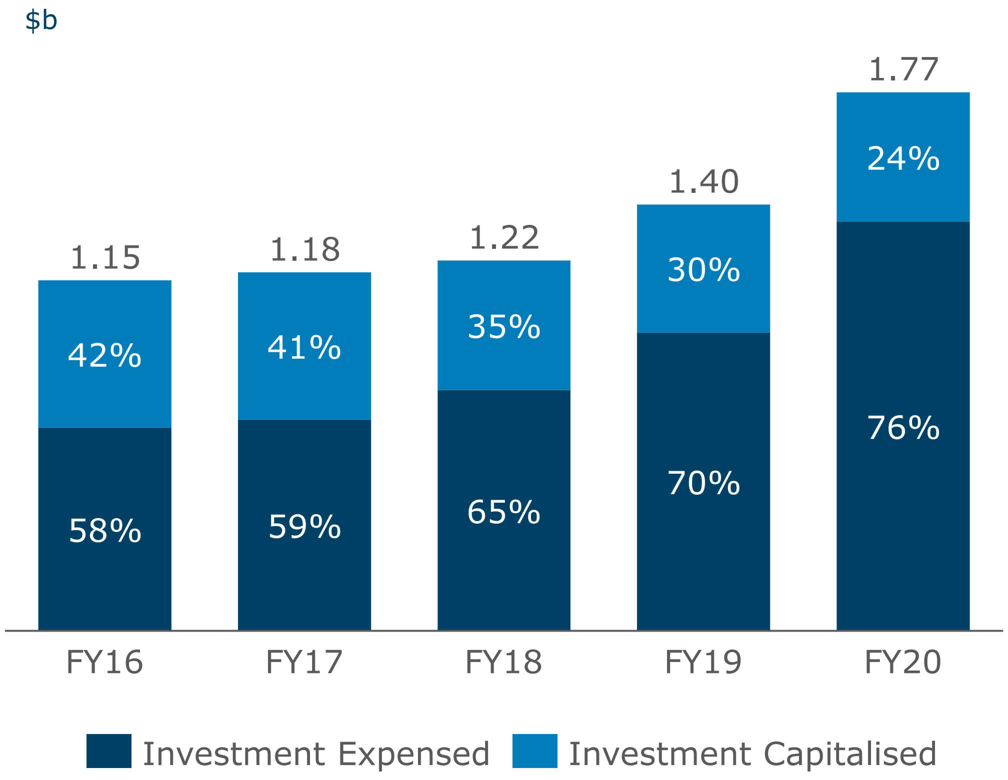
CET1 AND ADDITIONAL BUFFERS



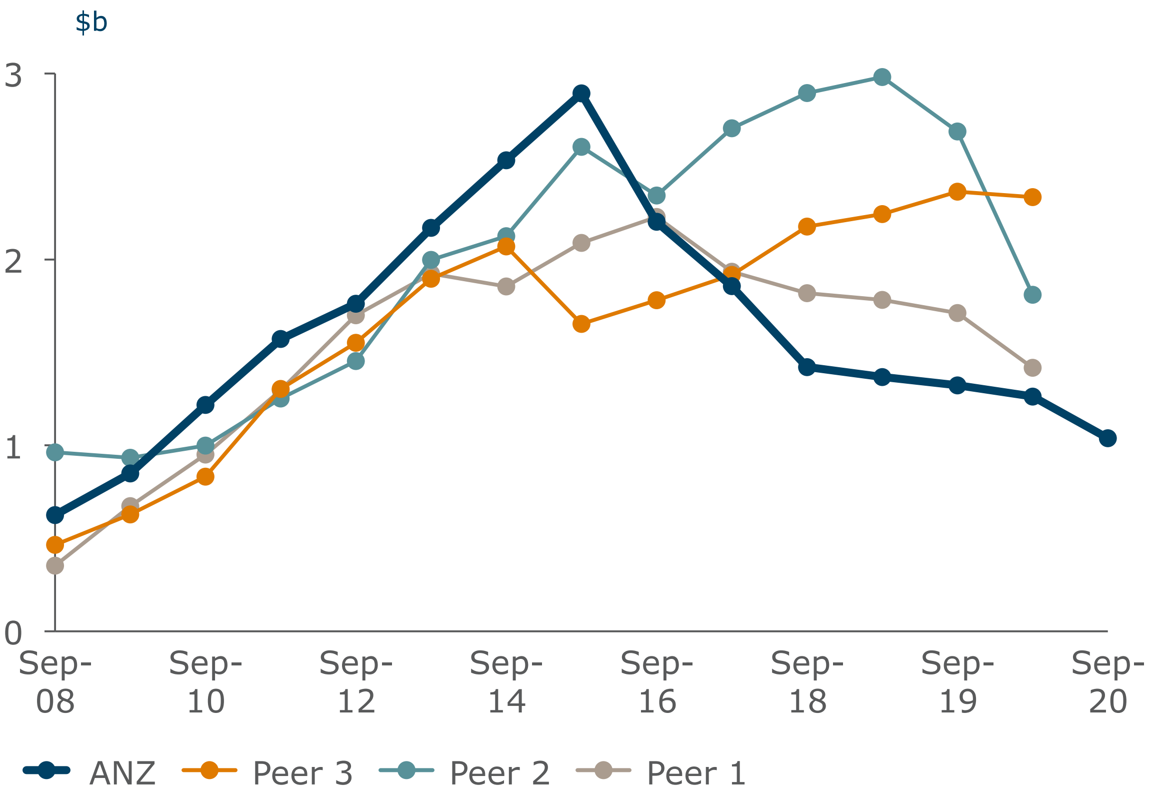
1. Sep-20 capital ratios include RWA increase as a result of APRA modelling and policy related capital changes; 2. Capital Conservation Buffer; 3. CET1 Buffer above 8% CET1; 4. FY20 Profit before Provisions (PBP) on a post tax basis for Cash Continuing Operations excluding Large / Notable items; 5. Stable funding in excess of NSFR regulatory minimums, as at 30 September 2020; 6. Liquid assets in excess of LCR regulatory minimums, FY20 average; 7. FY20 Profit before Provisions (PBP) and tax for Cash Continuing Operations excluding Large / Notable items

RECORD LEVEL OF INVESTMENT

TOTAL INVESTMENT SPEND[1]



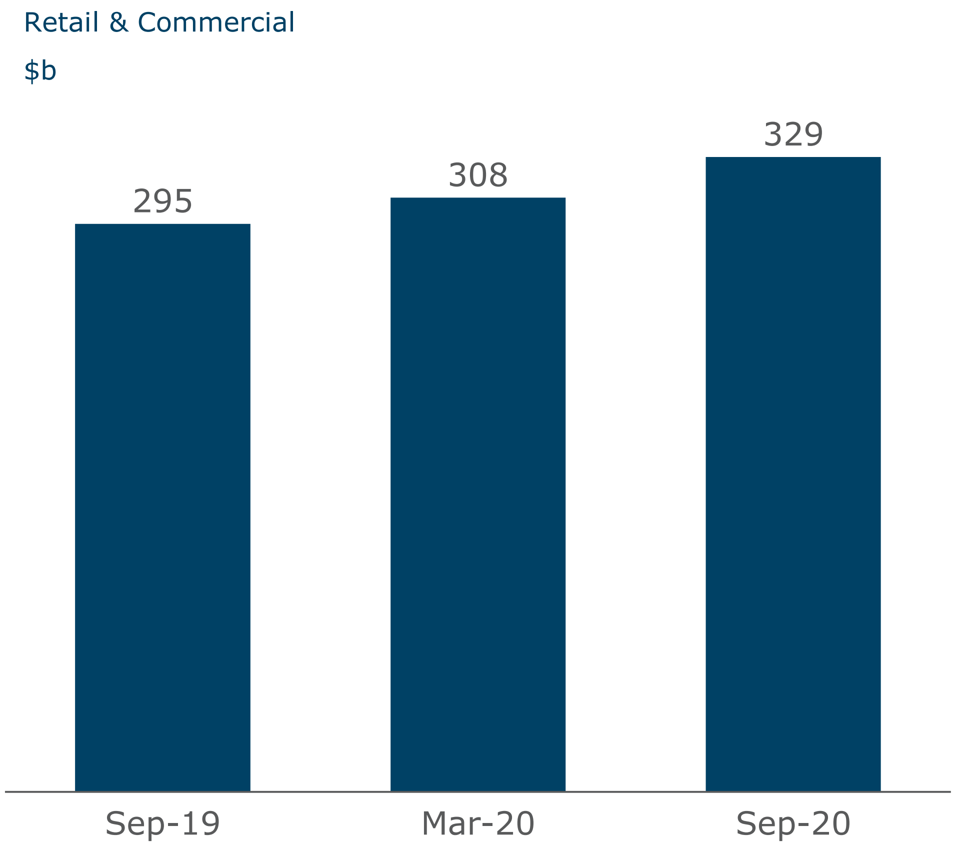
CAPITALISED SOFTWARE BALANCE[2]



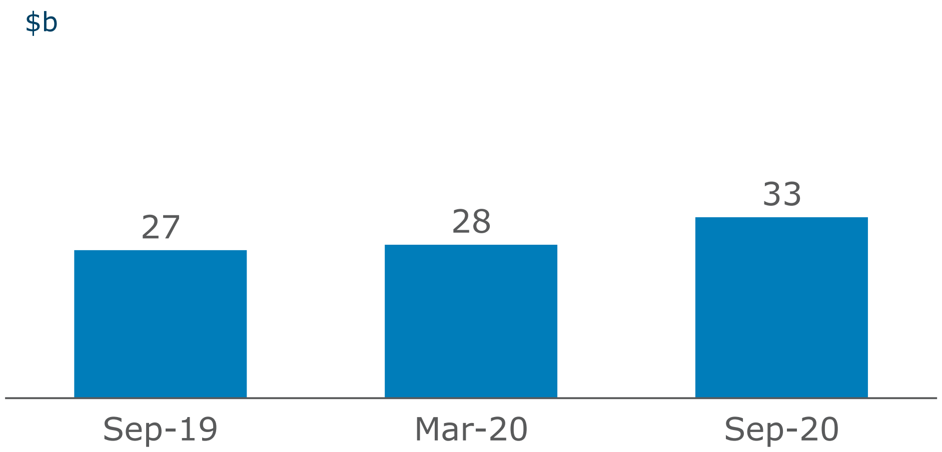
1. Cash continuing
2. Source: Capitalised software balances sourced from publicly available company financials; 2020 numbers are based on the most recent half year financial disclosures

CUSTOMER BEHAVIOUR

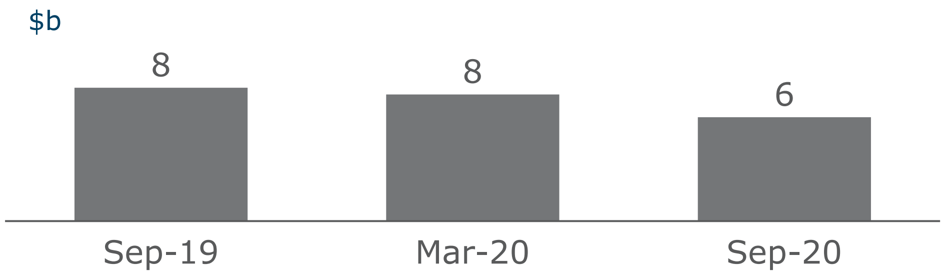
CUSTOMER DEPOSITS



OFFSET ACCOUNTS - AUSTRALIA



CREDIT CARDS – AUSTRALIA & NEW ZEALAND



2020

FULL YEAR RESULTS

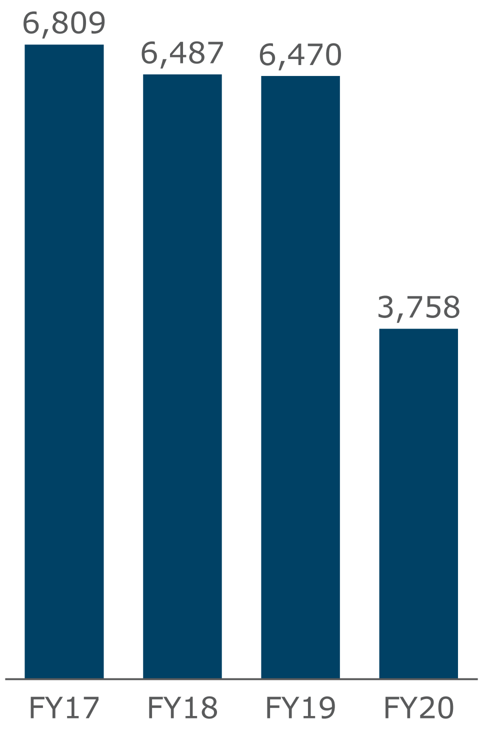
MICHELLE JABLKO
CHIEF FINANCIAL OFFICER

OVERVIEW

CASH PROFIT CONTINUING OPERATIONS

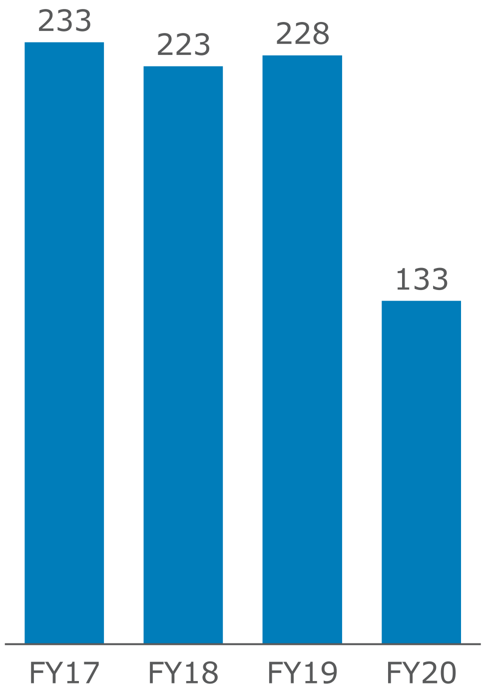
CASH PROFIT[1]

$m



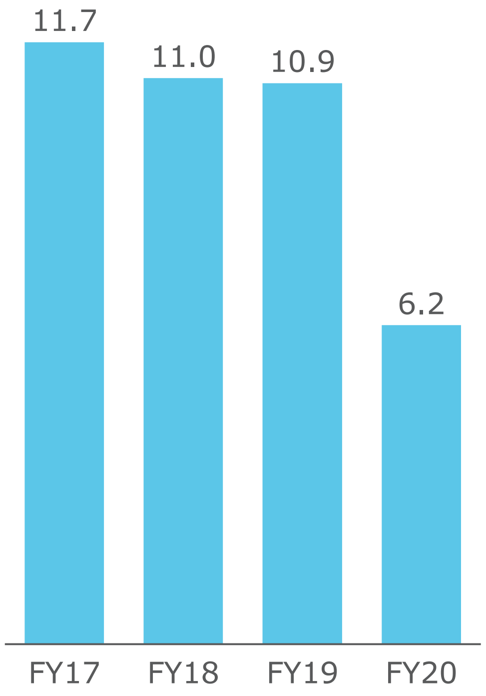
CASH EPS[1]

cents



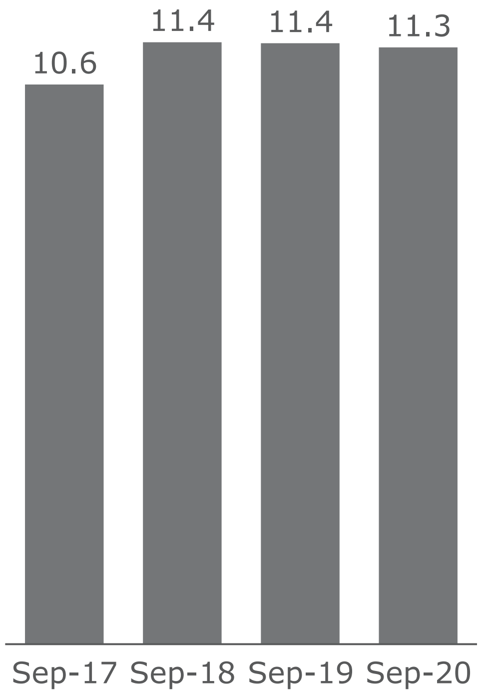
ROE[1]

%



CET1 RATIO (LEVEL 2)

%

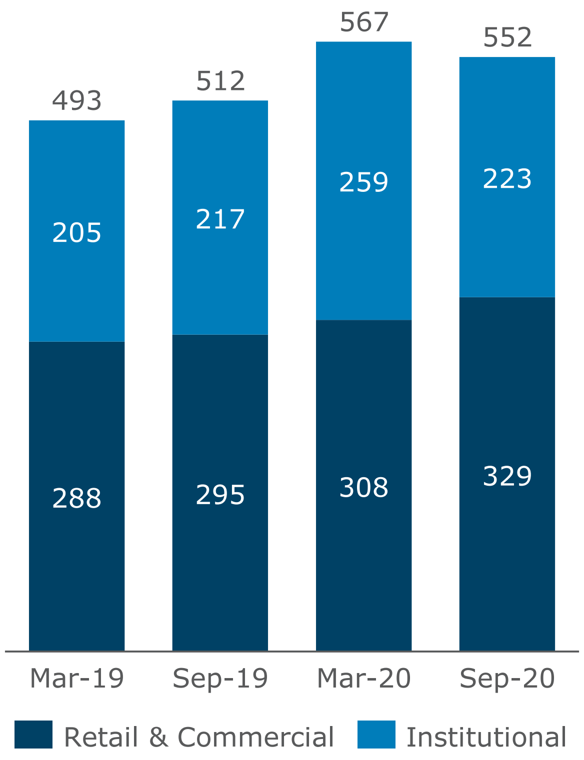


1. FY17 has not been restated for AASB15 impacts

LIQUIDITY & FUNDING

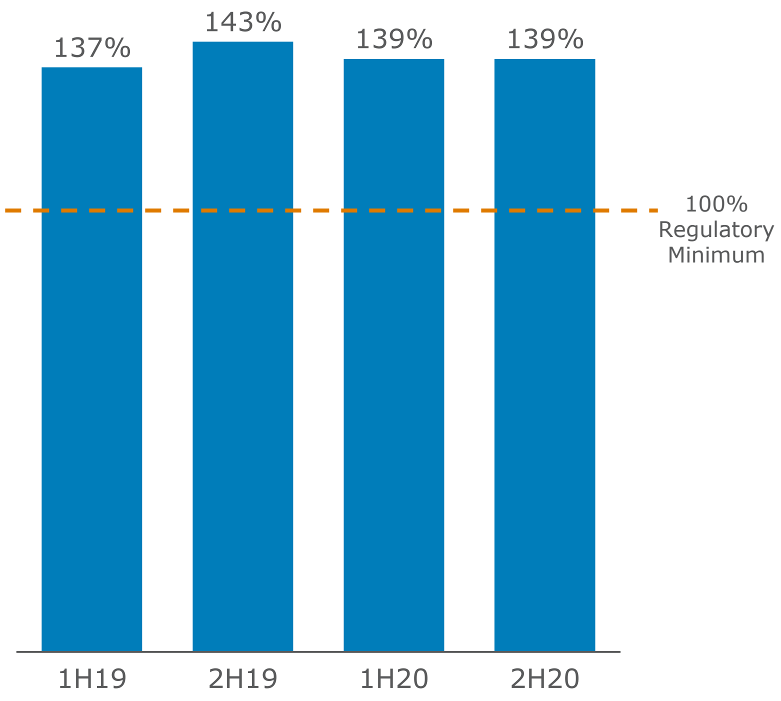
CUSTOMER DEPOSITS

End of period $b



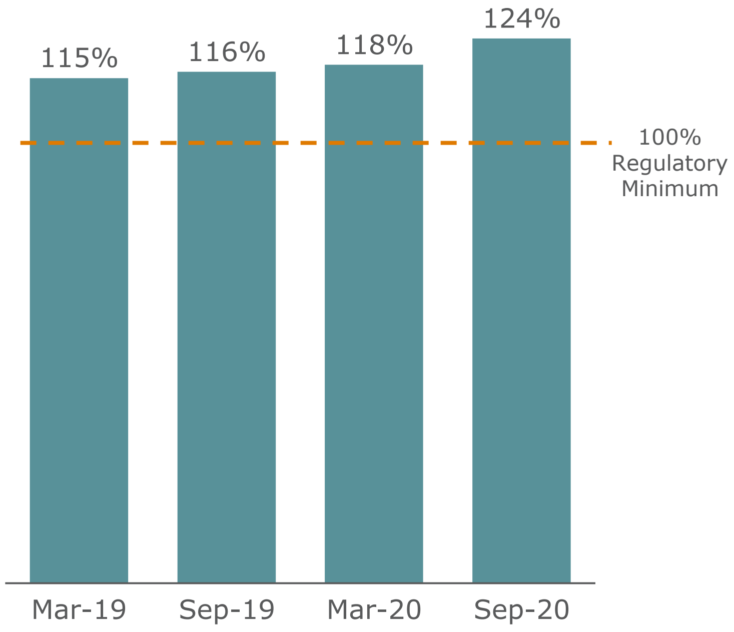
LIQUIDITY COVERAGE RATIO

Average



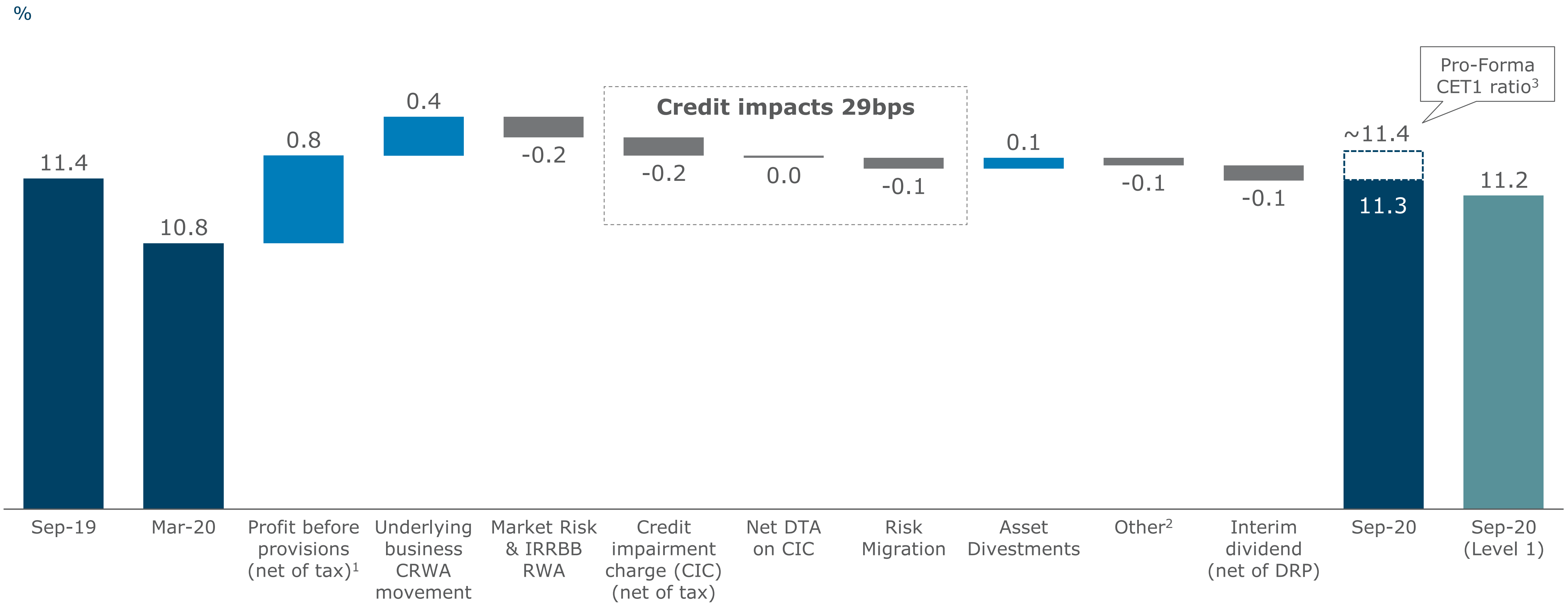
NET STABLE FUNDING RATIO

End of period



CAPITAL

CET1 RATIO (APRA LEVEL 2)

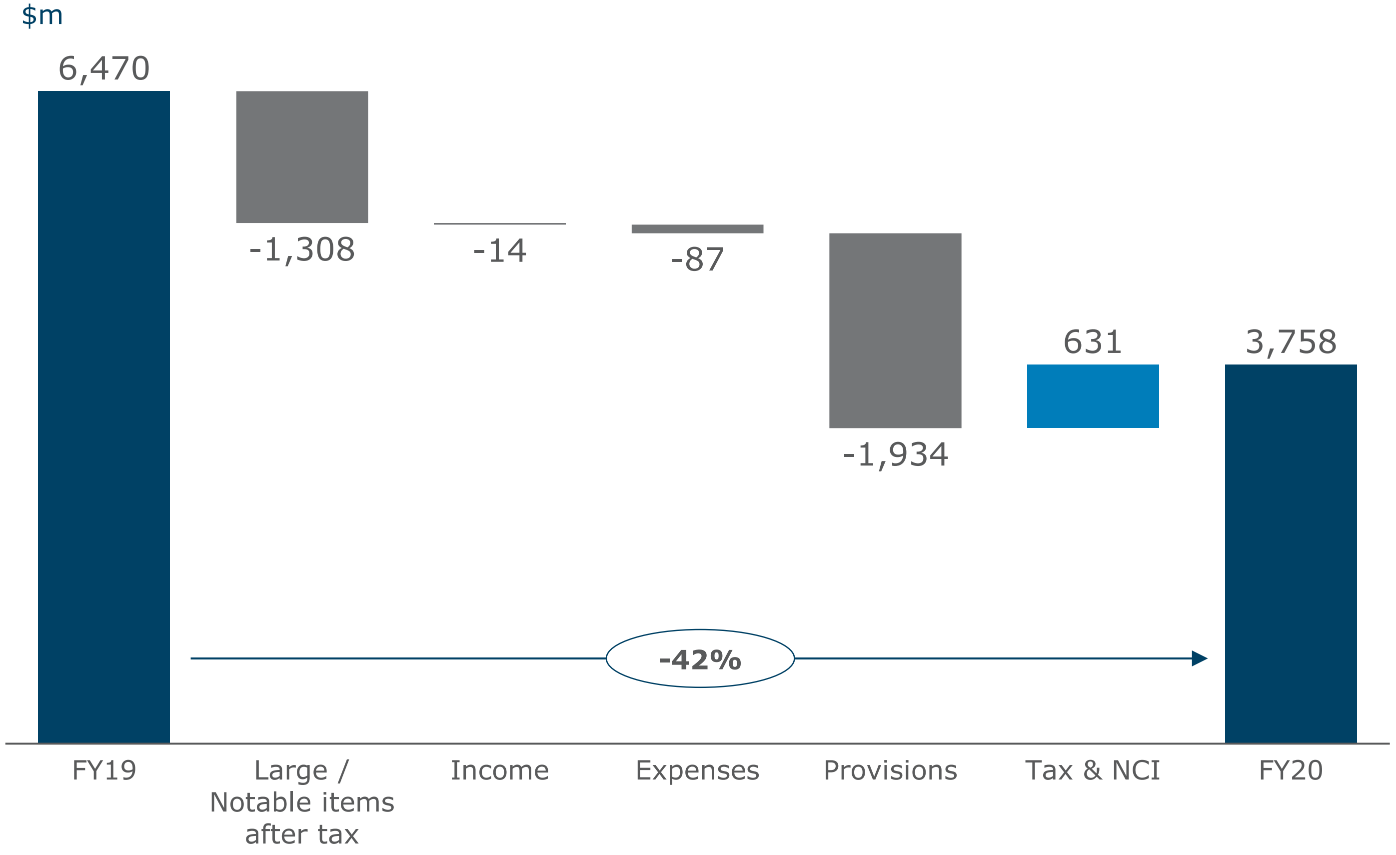


1. Excludes Large / Notable items which are included in 'Other'
2. Other impacts include capital deductions (which mainly comprises the movement in retained earnings in deconsolidated entities and capitalised software), net imposts, movements in non-cash earnings, net foreign currency translation and impacts from large/notable adjustments (not capital deduction related)
3. With conversion of NZD500m Capital Note

FINANCIAL PERFORMANCE

CASH PROFIT CONTINUING OPERATIONS

GROUP PROFIT DRIVERS



CONTINUING OPERATIONS EX L/N	FY20 v FY19	
	PBP	NPAT
Total Group ex Large / Notable	**-1%**	**-21%**
Divisional performance		
Australia Retail & Commercial	-7%	-26%
Institutional	+29%	+4%
New Zealand Division (NZD)	-8%	-22%

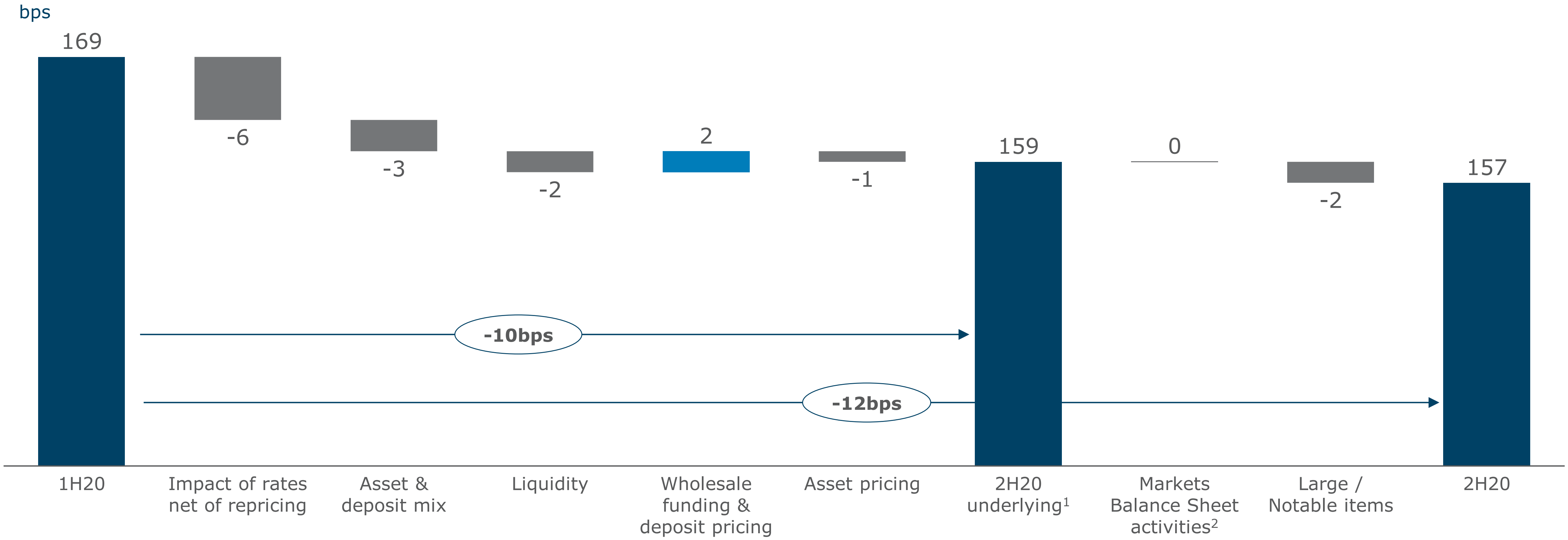
LARGE / NOTABLE ITEMS ($m)[1]	FY19	FY20
TOTAL ($m after tax)	**-231**	**-1,539**
Divestments	308	23
Customer remediation	-475	-279
Restructuring	-54	-115
Accelerated software amortisation	-	-138
Asian associates impairment	-	-815
Other	-10	-215

1. Further detail on Large / Notable items is included within the Overview and Additional Financials section of the Investor Discussion pack

NET INTEREST MARGIN

CONTINUING OPERATIONS

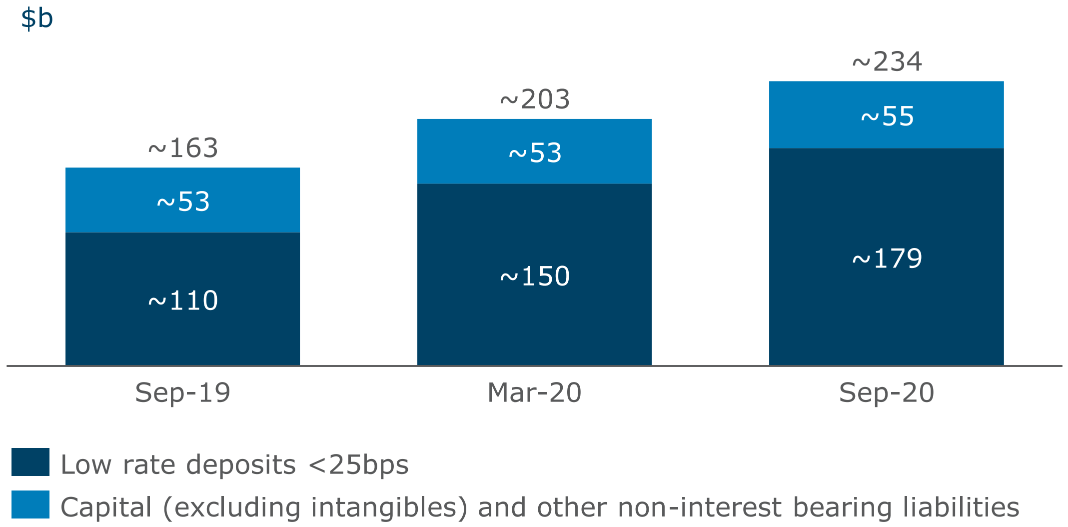
GROUP NET INTEREST MARGIN (NIM)



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

MARGIN CONSIDERATIONS

LOW RATE ENVIRONMENT



REPLICATING PORTFOLIO

1H21 replicating portfolio impact (v 2H20)	~-3bps

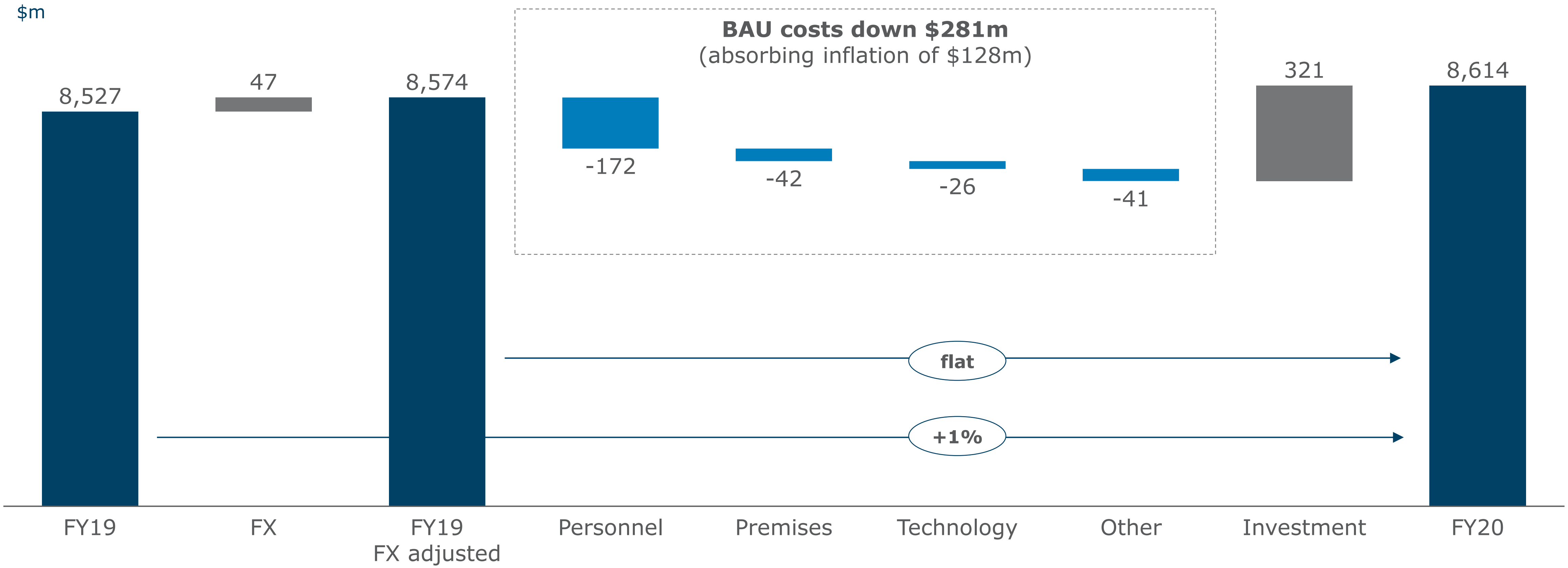
CONSIDERATIONS

- Continued impact of low rates on replicating portfolio
- Central bank actions
- Changes in business and deposit mix
- System liquidity, wholesale funding maturities and asset demand
- Competition

EXPENSES

CONTINUING OPERATIONS EXCLUDING LARGE / NOTABLE ITEMS

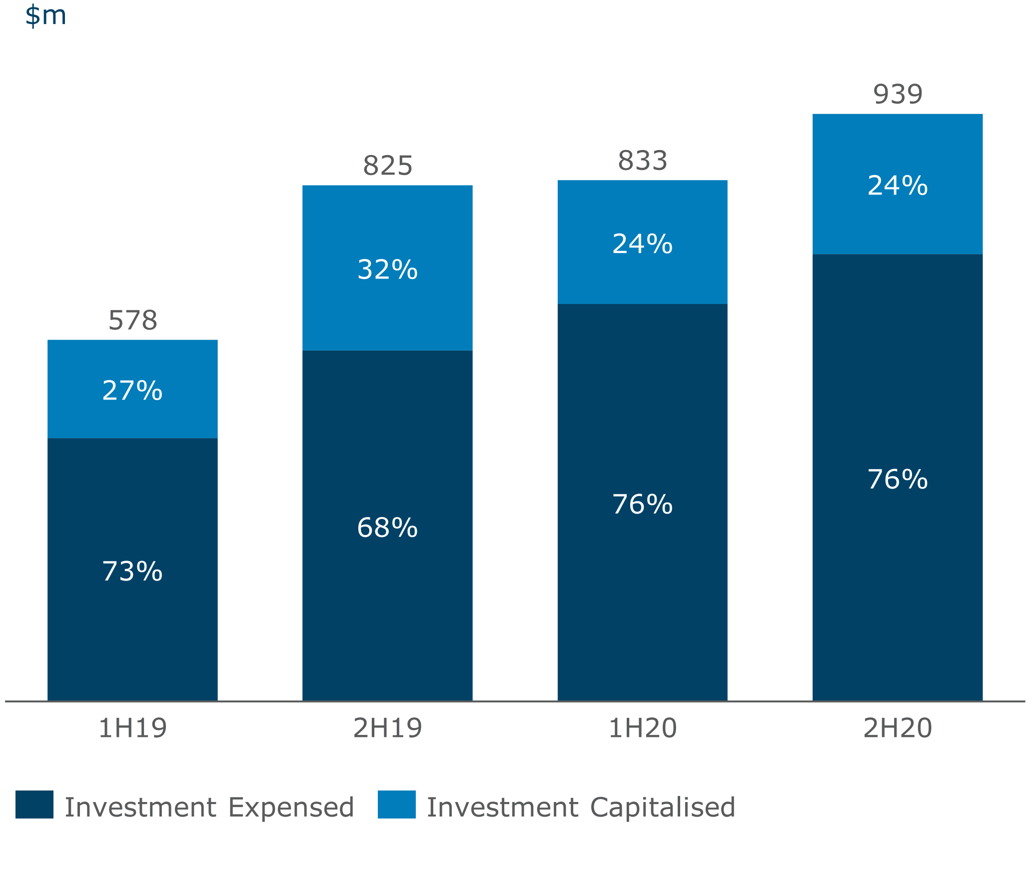
EXPENSE DRIVERS



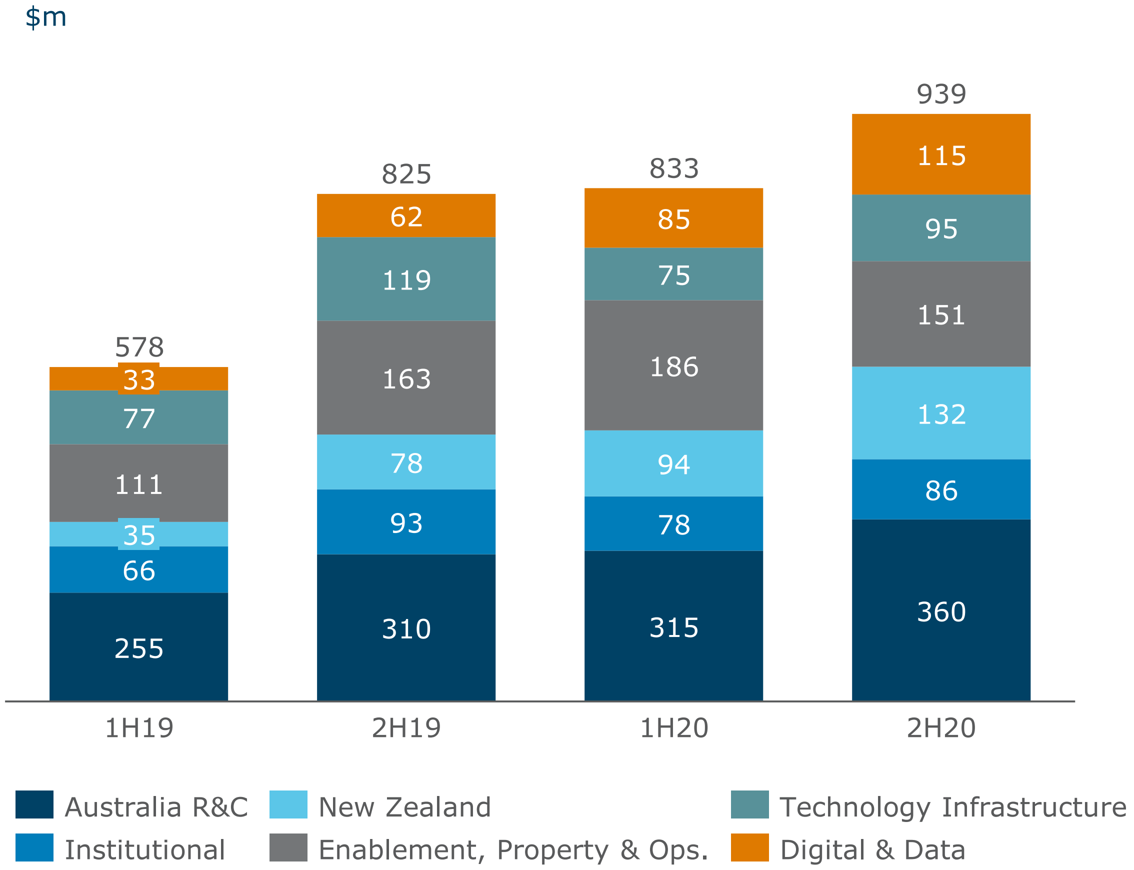
INVESTMENT SPEND

CONTINUING OPERATIONS

EXPENSED & CAPITALISED



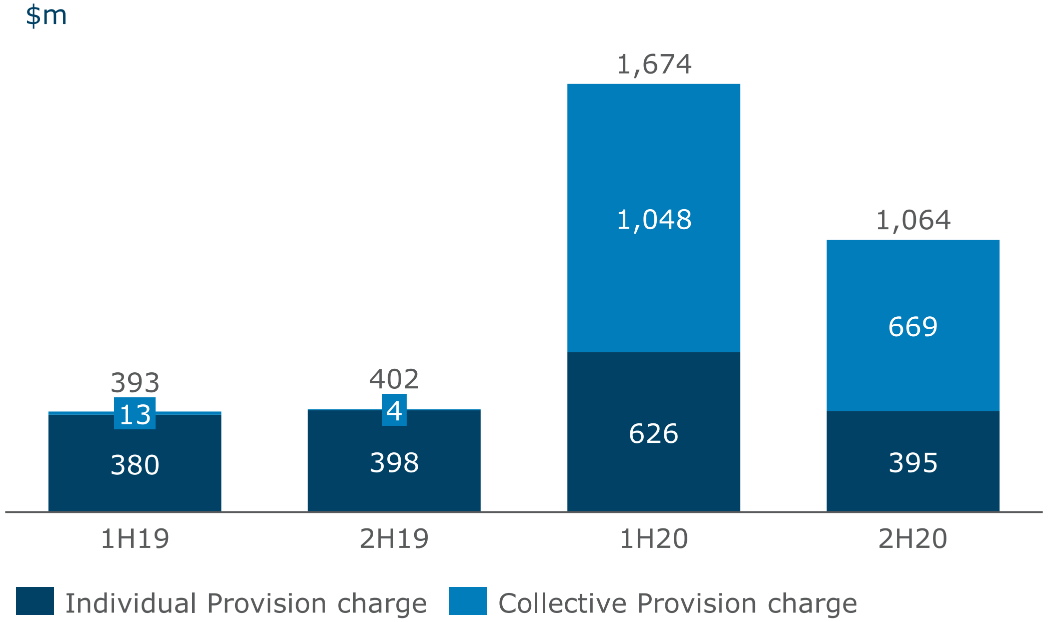
BY CATEGORY



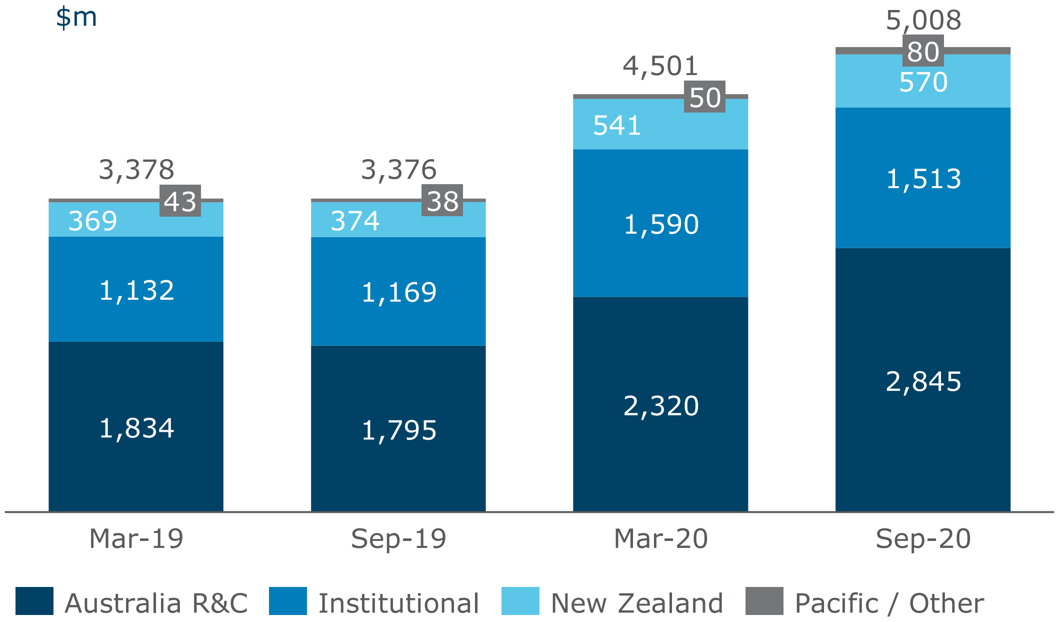
PROVISION CHARGE & BALANCE

CONTINUING OPERATIONS

TOTAL PROVISION CHARGE



COLLECTIVE PROVISION BALANCE



LOSS RATES (%)	1H19	2H19	1H20	2H20
IP / Avg. GLA[1]	0.12	0.13	0.20	0.12
Total provision charge / Avg. GLA[1]	0.13	0.13	0.53	0.33

COVERAGE RATIOS (%)	Mar-19	Sep-19	Mar-20	Sep-20
CP balance / CRWA[2]	0.98	0.94	1.17	1.39
CP balance / EAD[3]	0.35	0.35	0.42	0.50

1. GLA: Gross Loans & Advances
2. Credit Risk Weighted Assets
3. Exposure at Default

CAPITAL & DIVIDENDS

IMPACT OF CREDIT PORTFOLIO MIGRATION

RWA IMPACT ON CAPITAL	PREVIOUS EXPECTATION[1]	CURRENT EXPECTATION	
	Base case	**Base case**	**Downside**
Total CET1 impact (FY20 & FY21)	***~110bps***	**~65bps**	**~100bps**
- FY20 CET1 (actual)		18bps	18bps
- FY21 CET1		~50bps	~82bps
Drivers of CET1 impact[2]			
- Institutional	*~70%*	~50%	~60%
- Non Institutional	*~30%*	~50%	~40%

DIVIDEND

	1H19	2H19	1H20	2H20
Dividends per share	80c	80c	25c	35c
Franking	100%	70%	100%	100%
Dividend Payout Ratio[3]	71%	82%	46%	49%

1. Expectations at March 2020
2. Composition of the drivers for 'Previous expectation' are for the FY20 & FY21 period. Composition of the drivers for 'Current expectation' are for FY21
3. Statutory basis

LARGE / NOTABLE ITEMS

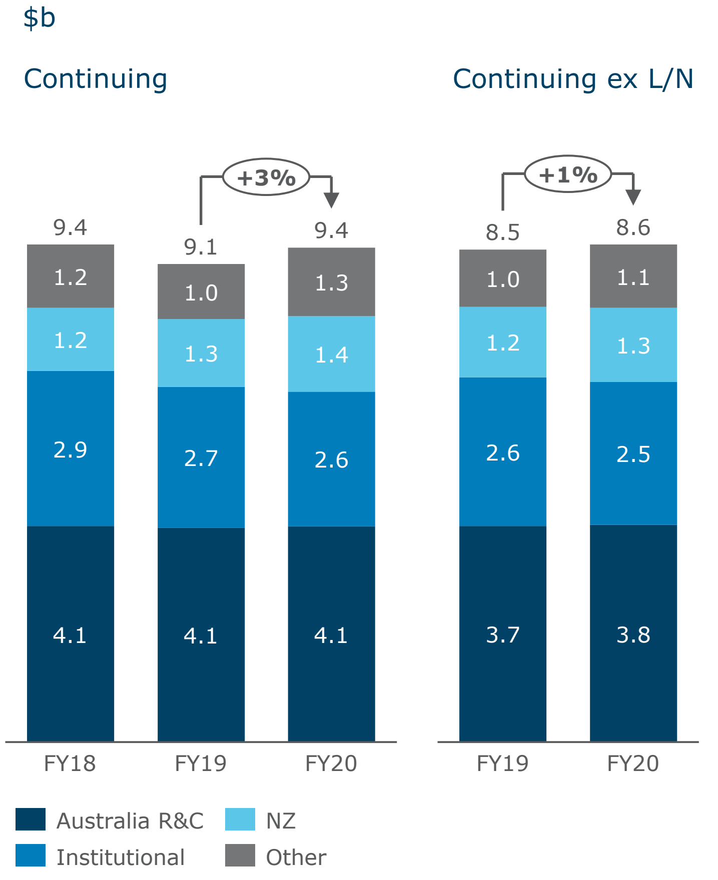
$m	FY19	FY20	1H20	2H20
TOTAL	**-231**	**-1,539**	**-1,011**	**-528**
Divestments	**308**	**23**	**27**	**-4**
Gain/(Loss) on sale from divestments	*205*	*-34*		*-34*
Divested business results	*103*	*57*	*27*	*30*
Customer remediation	**-475**	**-279**	**-91**	**-188**
Restructuring	**-54**	**-115**	**-74**	**-41**
Accelerated software amortisation		**-138**		**-138**
Asian associates impairment / adjustment		**-881**	**-815**	**-66**
Asian associates impairment		*-815*	*-815*	
Asian associate AASB 9 adjustment		*-66*		*-66*
Accounting policy / other	**-10**	**-149**	**-58**	**-91**
Goodwill write-off		*-77*		*-77*
Lease-related items		*-72*	*-58*	*-14*
Royal Commission legal costs	*-10*			

Further detail on Large / Notable items is provided within ANZ’s Full Year 30 September 2020 Consolidated Financial Report, Dividend Announcement and Appendix 4E, page 14 to 18

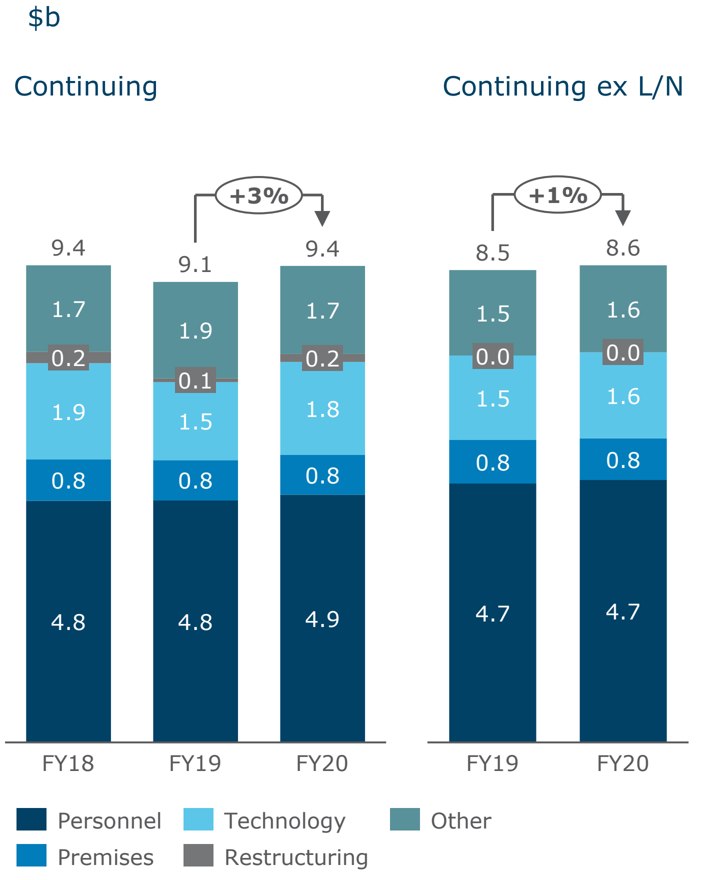
EXPENSE MANAGEMENT

CONTINUING OPERATIONS

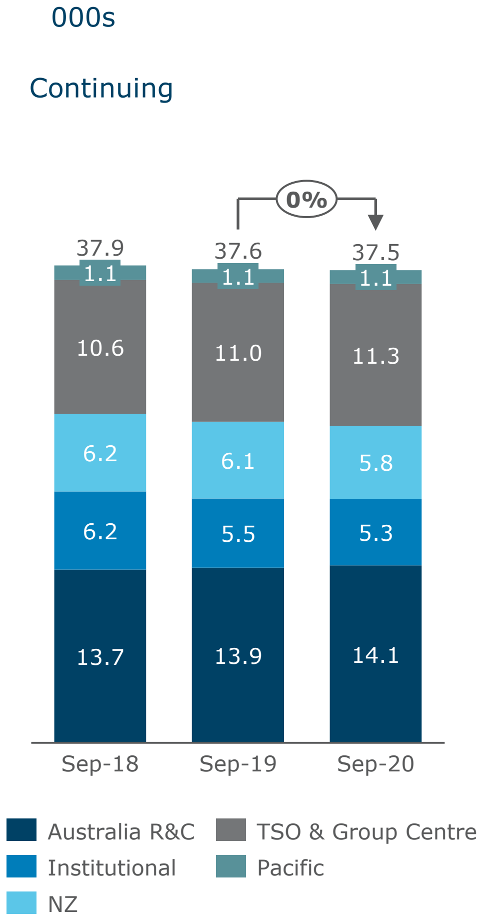
TOTAL EXPENSES BY DIVISION



TOTAL EXPENSES BY CATEGORY



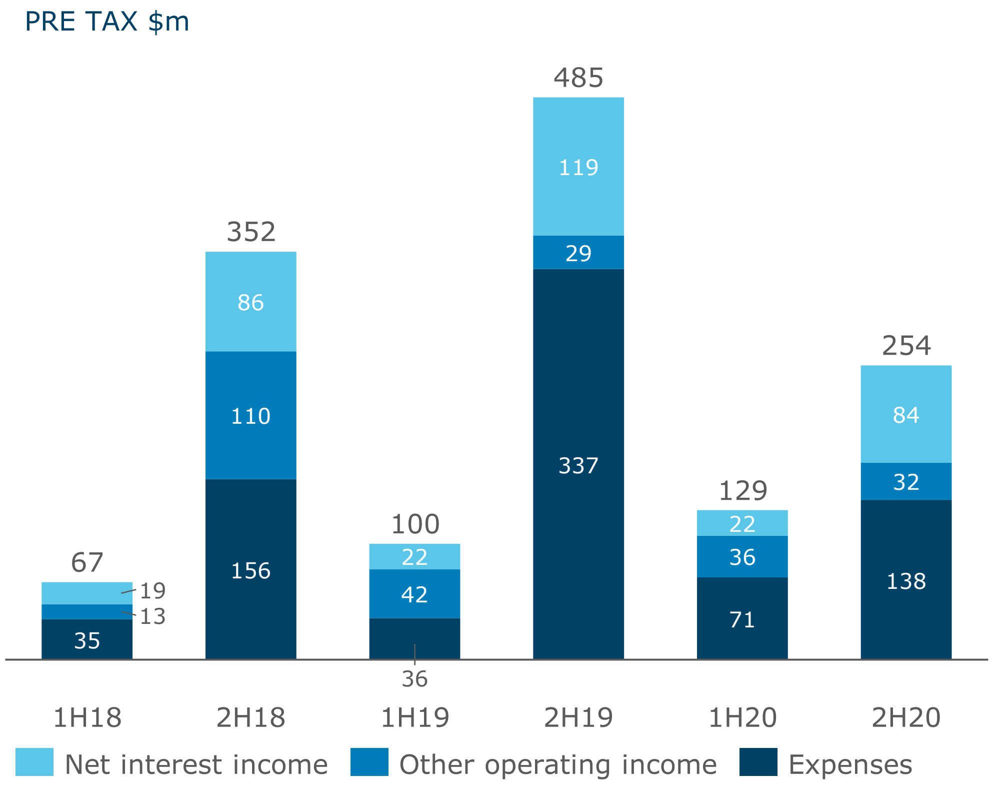
FULL TIME EQUIVALENT STAFF



CUSTOMER REMEDIATION

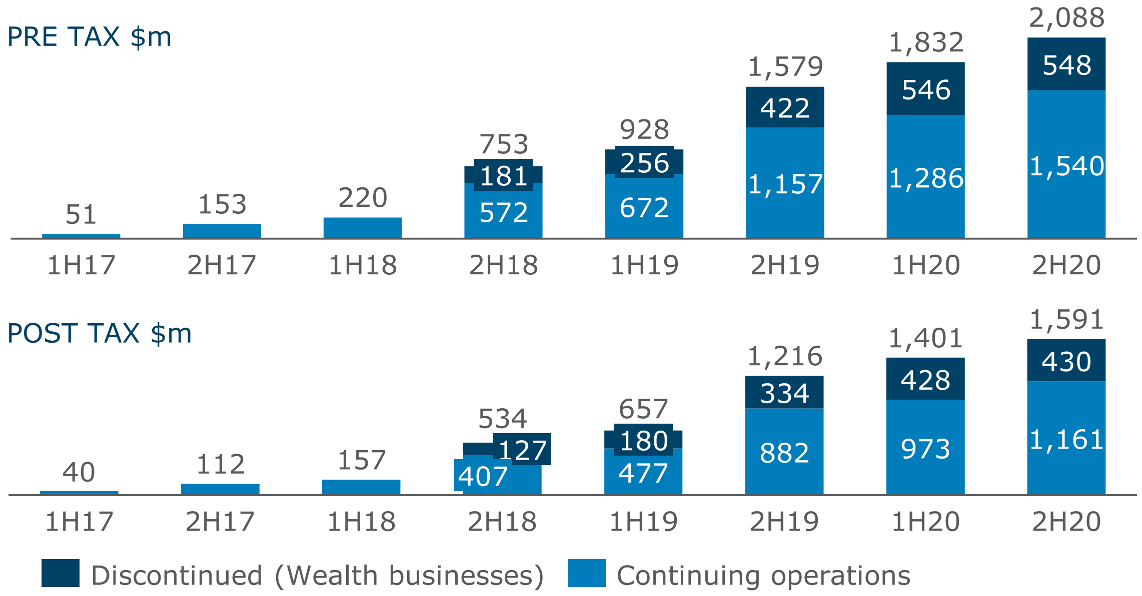
CUSTOMER REMEDIATION

CONTINUING OPERATIONS



CUMULATIVE CUSTOMER REMEDIATION

CONTINUING & DISCONTINUED OPERATIONS



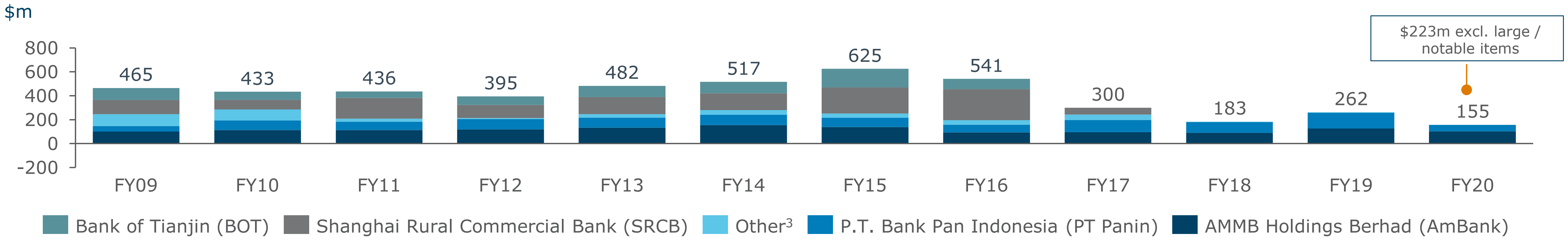
Balance Sheet[1]

$1,109m provisions on Balance Sheet at Sep-20 ($1,094m at Mar-20)

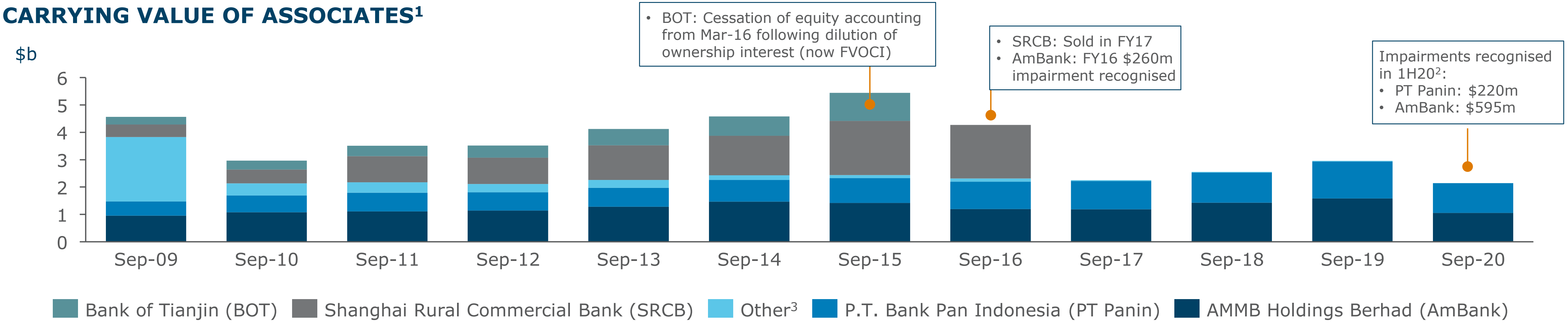
1. Includes provisions for expected refunds to customers, remediation project costs and related customer and regulatory claims, penalties and litigation outcomes

INVESTMENTS IN ASSOCIATES

SHARE OF ASSOCIATES' PROFIT



CARRYING VALUE OF ASSOCIATES[1]



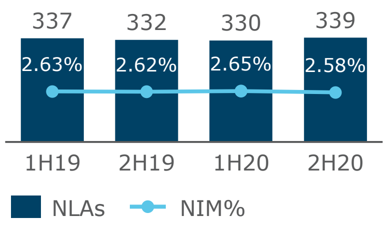
1. Investment in banking associates and minority interests are treated as a deduction from Common Equity Tier 1 Capital as noted in Table 2 of ANZ's capital management disclosures (refer ANZ Full Year 2020 Consolidated Financial Report and Dividend Announcement and Appendix 4E – Supplementary information)
2. Information on the impairment of AMMB and PT Panin is contained within ANZ Full Year 2020 Consolidated Financial Report and Dividend Announcement and Appendix 4E – Note 1
3. Other includes joint venture with ING (up to Nov-09)

AUSTRALIA RETAIL & COMMERCIAL

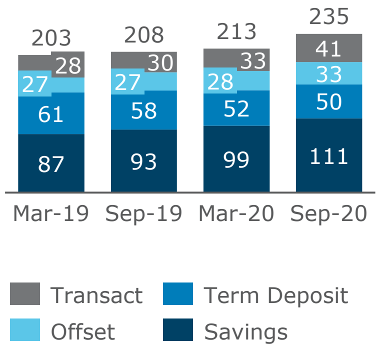
FINANCIAL PERFORMANCE: CONTINUING OPERATIONS EXCLUDING LARGE / NOTABLE ITEMS

Balance sheet

NLAs[1] ($b) & NIM



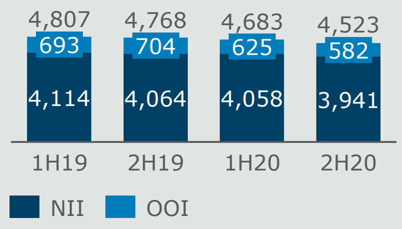
Customer Deposits ($b)



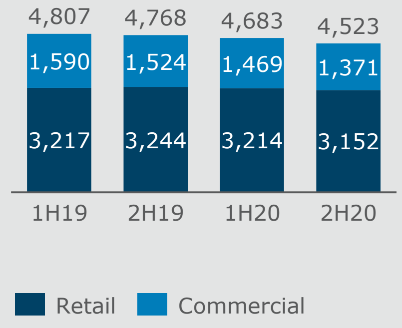
Income

NII/OOI[2] contribution ($m)

FY19	FY20
9,575	9,206



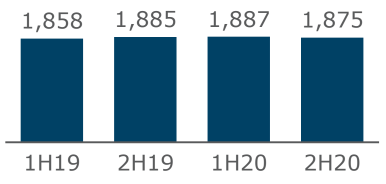
Business contribution ($m)



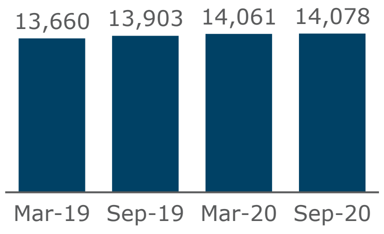
Expenses / FTE

Expenses ($m)

FY19	FY20
3,743	3,762



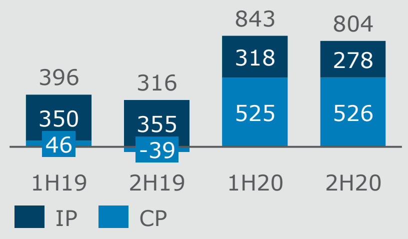
FTE



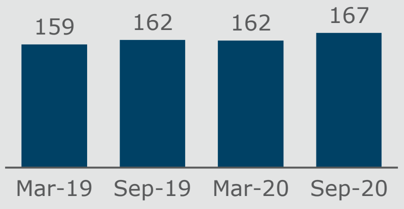
Credit Quality / RWAs

Total Provisions ($m)

FY19	FY20
712	1,647



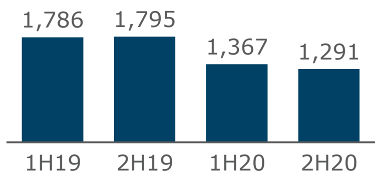
Risk Weighted Assets EOP ($b)



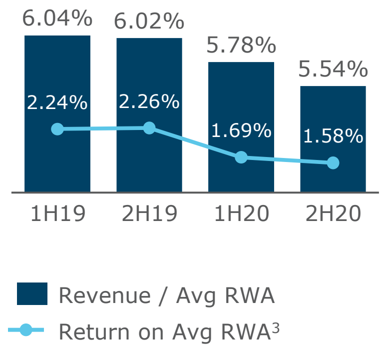
Profit and Returns

Cash Profit ($m)

FY19	FY20
3,581	2,658



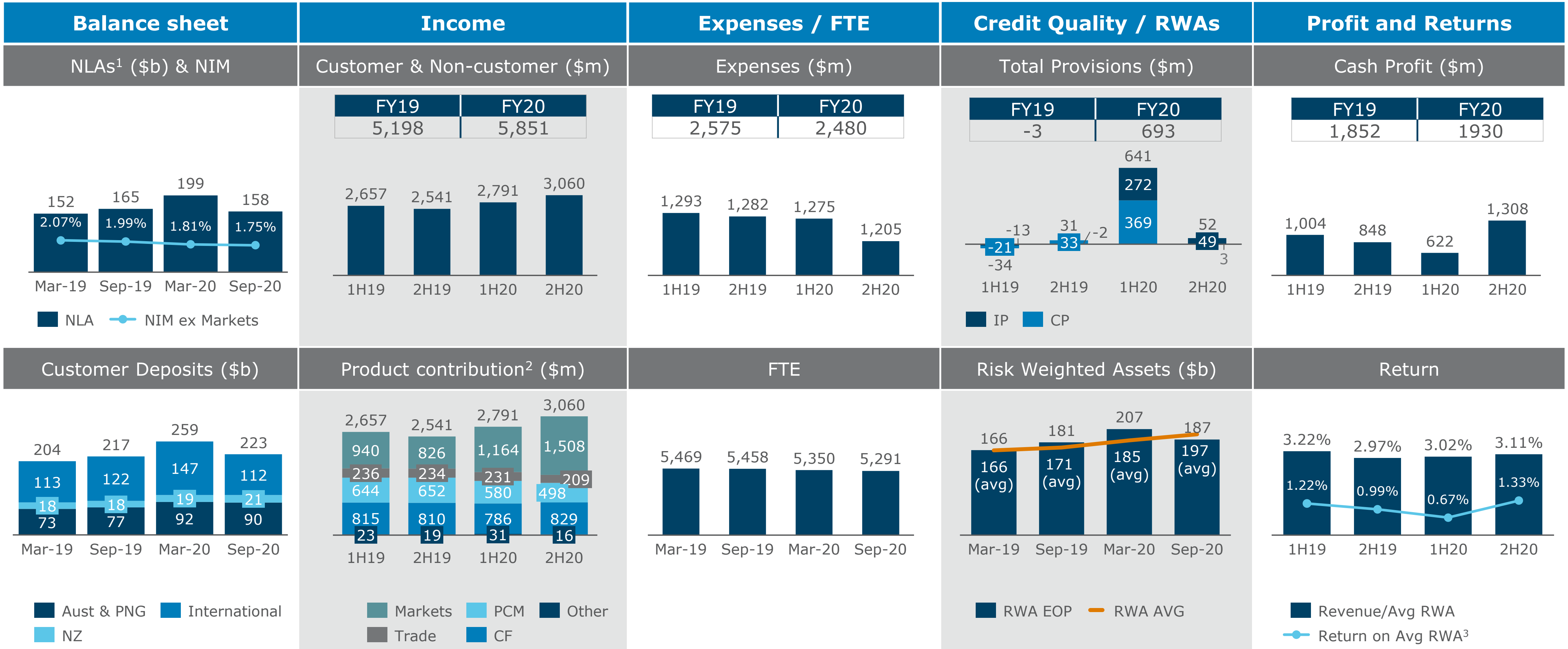
Return



1. NLAs: Net Loans & Advances
2. NII: Net Interest Income; OOI: Other Operating Income
3. Cash profit divided by average Risk Weighted Assets

INSTITUTIONAL

FINANCIAL PERFORMANCE: CONTINUING OPERATIONS EXCLUDING LARGE / NOTABLE ITEMS

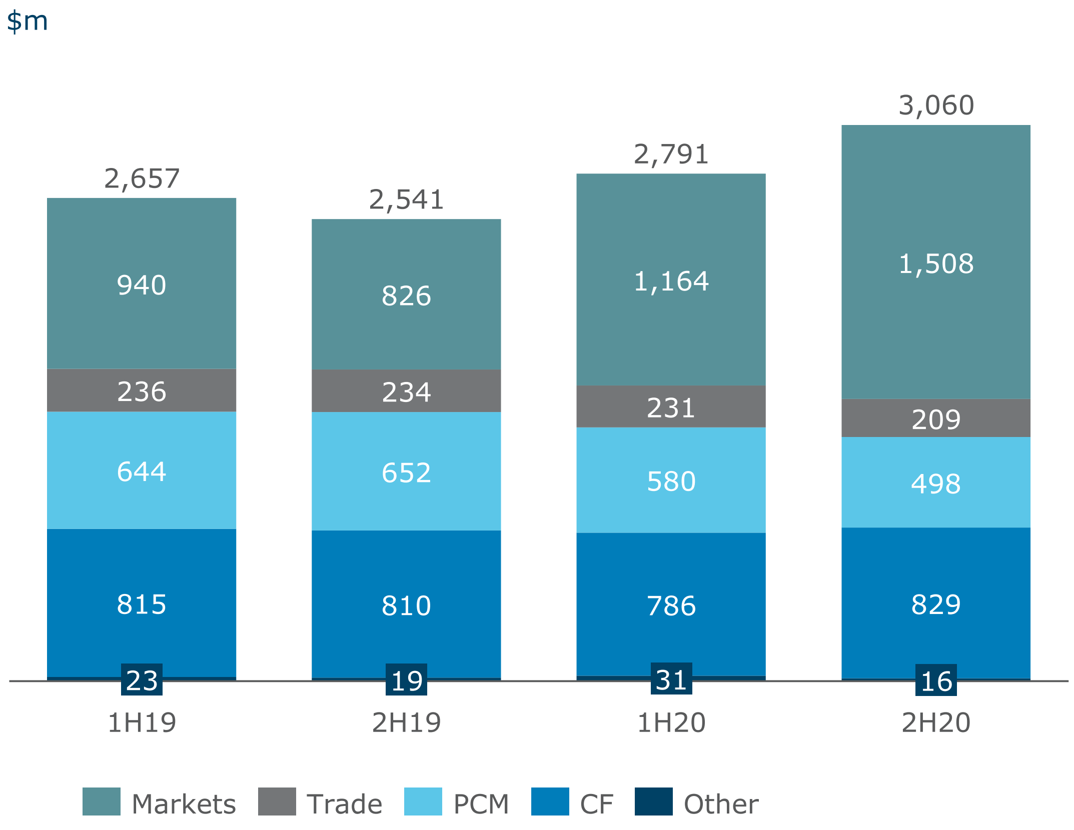


1. NLAs: Net Loans & Advances
2. Trade: Trade & Supply Chain; PCM: Payments & Cash Management; CF: Corporate Finance
3. Cash profit divided by average risk weighted assets

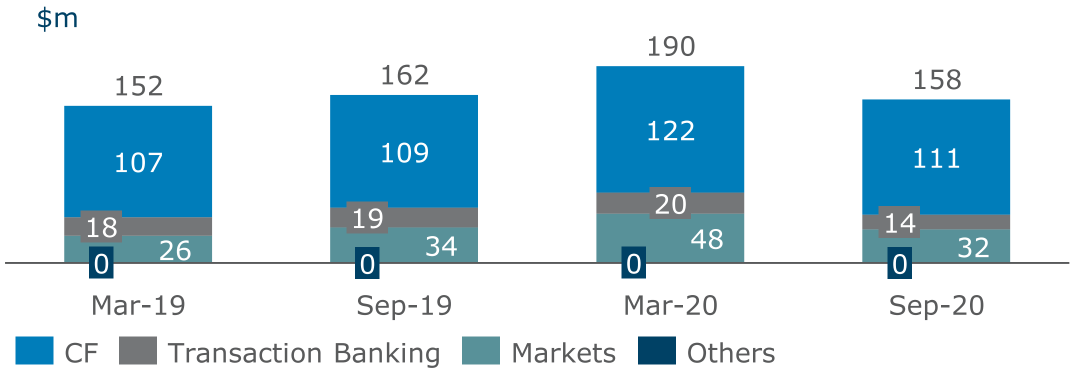
INSTITUTIONAL

CONTINUING OPERATIONS EXCLUDING LARGE / NOTABLE ITEMS

INSTITUTIONAL INCOME COMPOSITION[1]

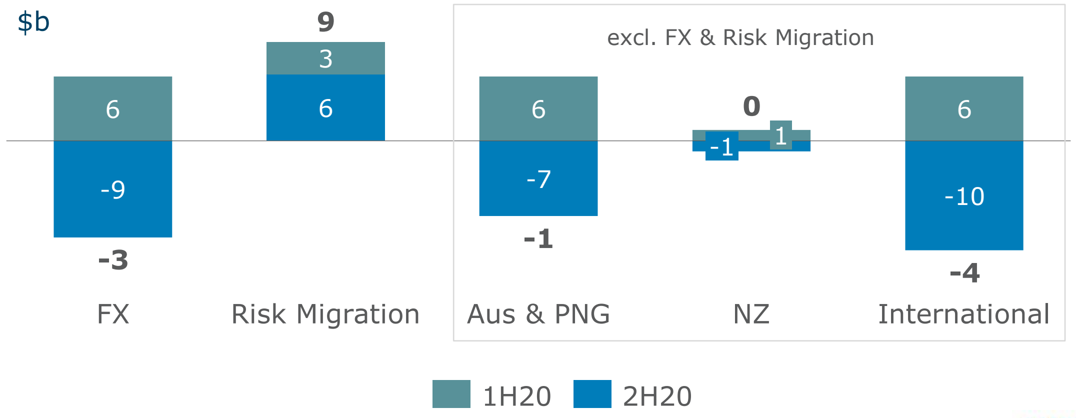


NET LOANS & ADVANCES[1,2]



CREDIT RWA MOVEMENTS

Net $1b increase in credit RWA year on year



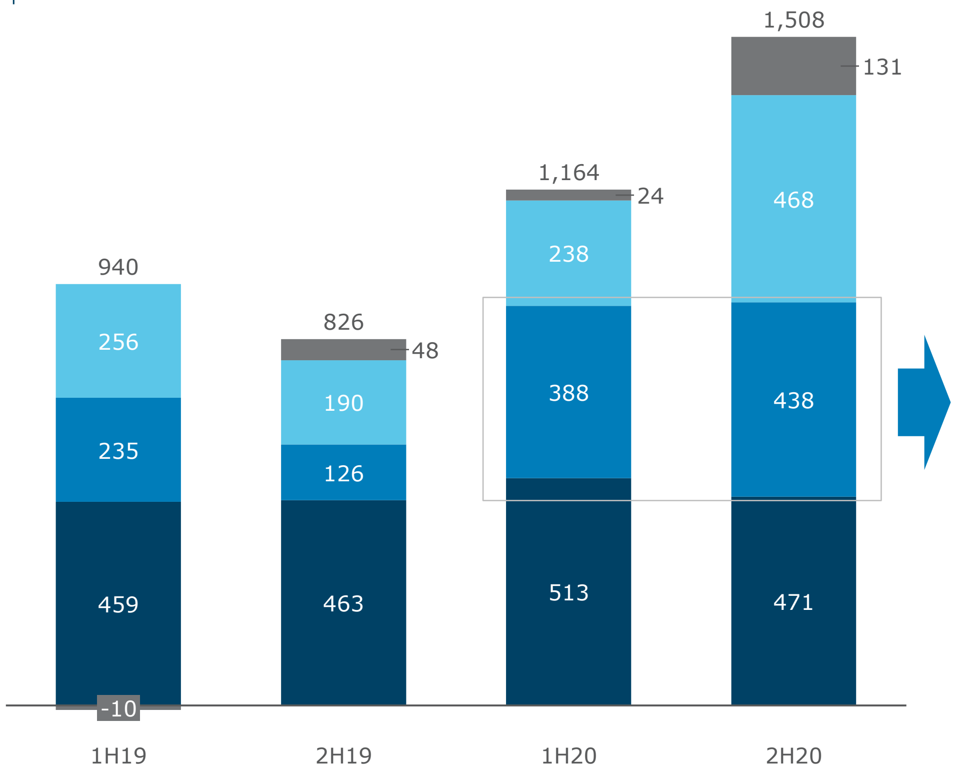
1. Trade: Trade & Supply Chain; PCM: Payments & Cash Management; CF: Corporate Finance
2. Prior periods are FX adjusted

INSTITUTIONAL

CONTINUING OPERATIONS EXCLUDING LARGE / NOTABLE ITEMS

MARKETS INCOME COMPOSITION

$m

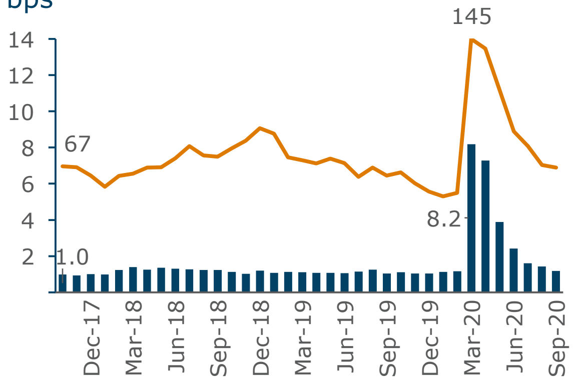


DRIVERS OF FRANCHISE TRADING REVENUE GROWTH

1. **Customer-led** revenue growth resulting from supporting customer hedging activity, while the market was trading at wider bid-offer spreads
2. **Revenue uplift was not reliant on increased risk.** VaR increase driven by COVID volatility rolling into VaR windows and higher liquid asset holdings.
3. **Supported customers by remaining 'open for business**' amidst market volatility, providing two-way pricing for customers
4. **Operational capability** to attract and clear additional volume, that was at times 20%+ above average (achieved while operating hubs were operating under Business Continuity Plan arrangements)

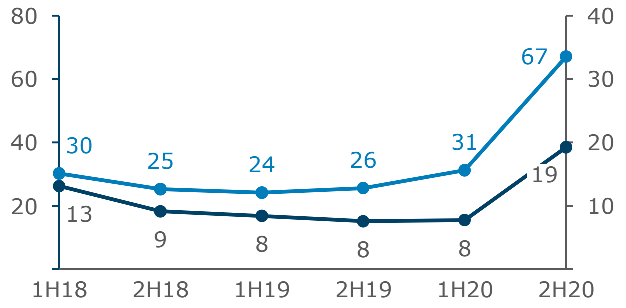
AUS. CORPORATE CREDIT DEFAULT SWAP & BID OFFER SPREADS

bps



MARKETS AVG VALUE AT RISK (99% VAR)

$m

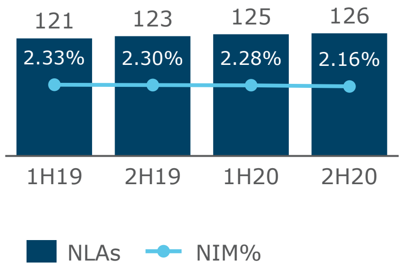


NEW ZEALAND DIVISION

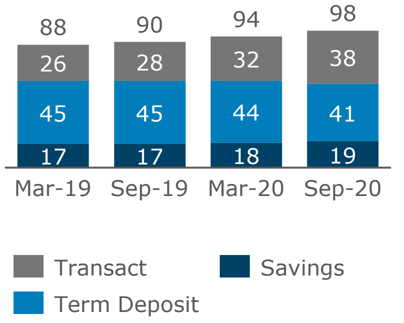
FINANCIAL PERFORMANCE: CONTINUING OPERATIONS EXCLUDING LARGE / NOTABLE ITEMS

Balance sheet

NLAs[1] (NZDb) & NIM

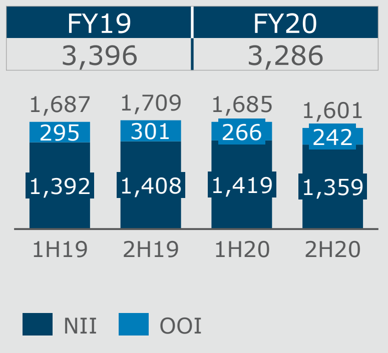


Customer Deposits (NZDb)

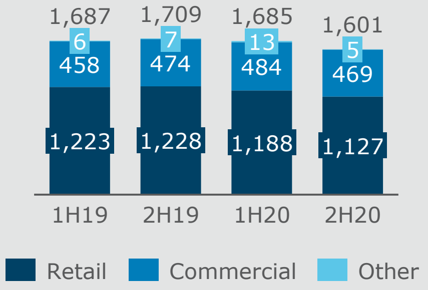


Income

NII/OOI[2] contribution (NZDm)

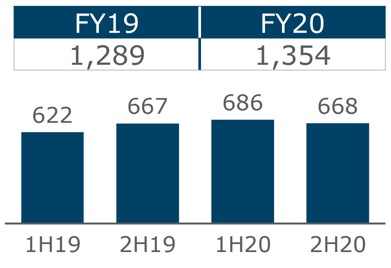


Business contribution (NZDm)

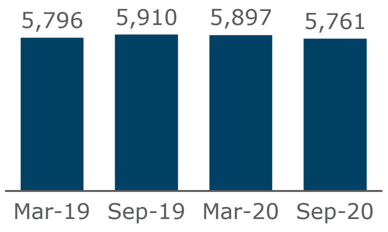


Expenses / FTE

Expenses (NZDm)

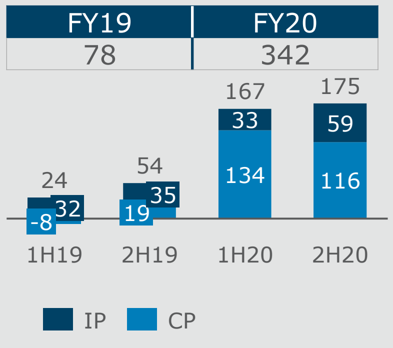


FTE

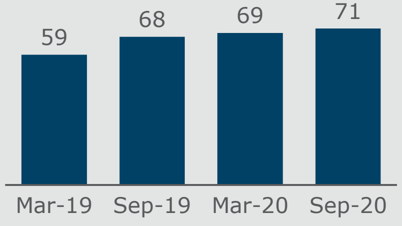


Credit Quality / RWAs

Total Provisions (NZDm)

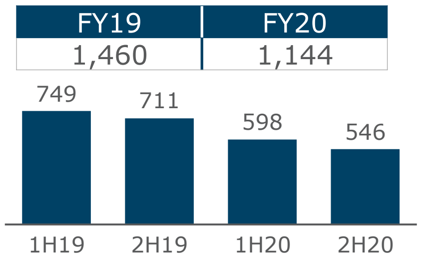


Risk Weighted Assets EOP (NZDb)

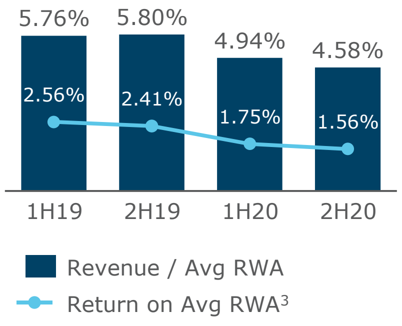


Profit and Returns

Cash Profit (NZDm)



Return



1. NLAs: Net Loans & Advances
2. NII: Net Interest Income; OOI: Other Operating Income
3. Cash profit divided by average Risk Weighted Assets

NEW ZEALAND GEOGRAPHY

PROFIT & LOSS / BALANCE SHEET

	Half Year		Full Year	
NZDm	**1H20**	**2H20**	**FY19**	**FY20**
Operating Income	**2,057**	**1,992**	**4,326**	**4,049**
Net Interest Income	1,581	1,648	3,232	3,229
Other Operating Income	476	344	1,094	820
Operating Expenses	**(908)**	**(828)**	**(1,585)**	**(1,736)**
Profit before provisions	**1,149**	**1,164**	**2,741**	**2,313**
Credit impairment charge	**(169)**	**(232)**	**(99)**	**(401)**
Income tax expense	(286)	(255)	(709)	(541)
Cash profit	**694**	**677**	**1,933**	**1,371**
Net loans and advances (NZDb)	**133.0**	**135.7**	**133.3**	**133.0**
Customer deposits (NZDb)	**120.9**	**113.4**	**109.2**	**120.9**

DEPOSITS & WHOLESALE FUNDING

NZDb	Sep-20
TOTAL DEPOSITS	**120.9**
Retail & Commercial (New Zealand Division)	**98.3**
Term deposits	41.4
Interest bearing deposits	40.3
Non interest bearing deposits	16.6
Institutional	**22.6**
Term deposits	8.7
Interest bearing deposits	9.6
Non interest bearing deposits	4.3
WHOLESALE FUNDING	**28.0**
Short term	**4.2**
Long term	**23.8**

2020

FULL YEAR RESULTS

INVESTOR DISCUSSION PACK

TREASURY

REGULATORY CAPITAL

CAPITAL UPDATE

- Level 2 CET1 ratio of 11.3% (~11.4% pro-forma) and 16.7% on an Internationally Comparable basis[1]), which is well in excess of 'Unquestionably Strong' benchmark[2]
  - Credit impacts of -29bps for the half;
    - Comprises $669m CP, $395m IP and $3.9b of CRWA migration (mainly Institutional)
  - The above were partially offset by a reduction in underlying CRWA of $13.9b (~+36bps) predominantly in the International business
  - Underlying non-CRWA increased $7.4b (-19bps), including Interest Rate Risk in the Banking Book (IRRBB) from higher volatility and increased liquid assets.
  - Completion of announced asset sale of UDC added 10bps to the Level 2 CET1 ratio
- CET1 ratio is broadly restored to Sep-19 levels (pre COVID-19) despite absorbing 76bps of credit impacts ($2.7b of CIC and $6.5b of CRWA Migration)
- APRA Level 1 CET1 ratio of 11.2%. Level 1 primarily comprises ANZ BGL (the Parent including offshore branches) but excludes offshore banking subsidiaries[3]
- Leverage ratio of 5.4% (or 6.0% on an Internationally Comparable basis)

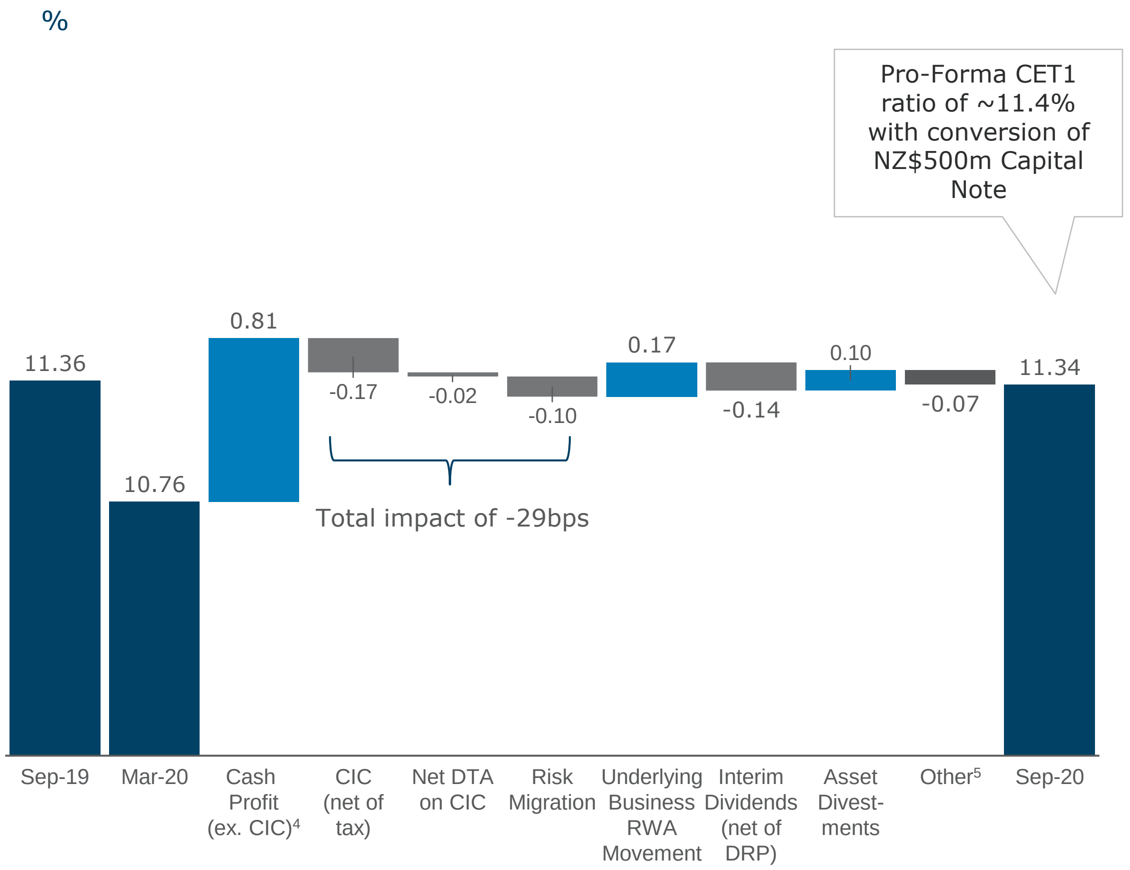
Dividend

- Interim Dividend of 25 cps paid in September (~10.6% DRP/BOP participation)
- Final Dividend of 35 cps fully franked representing 49% DPOR on 2H20 statutory earnings. On a Cash ex LNI basis, the Final 20 Dividend represents ~35% DPOR

Regulatory Update

- APRA has extended the exemption to treat loans granted repayment deferrals as part of COVID-19 support package as restructured for capital treatment purposes until 31 March 2021 at the latest
- APRA will commence consultation on capital reforms incorporating APRA's unquestionably strong framework, Basel III and measures to improve transparency, comparability and flexibility

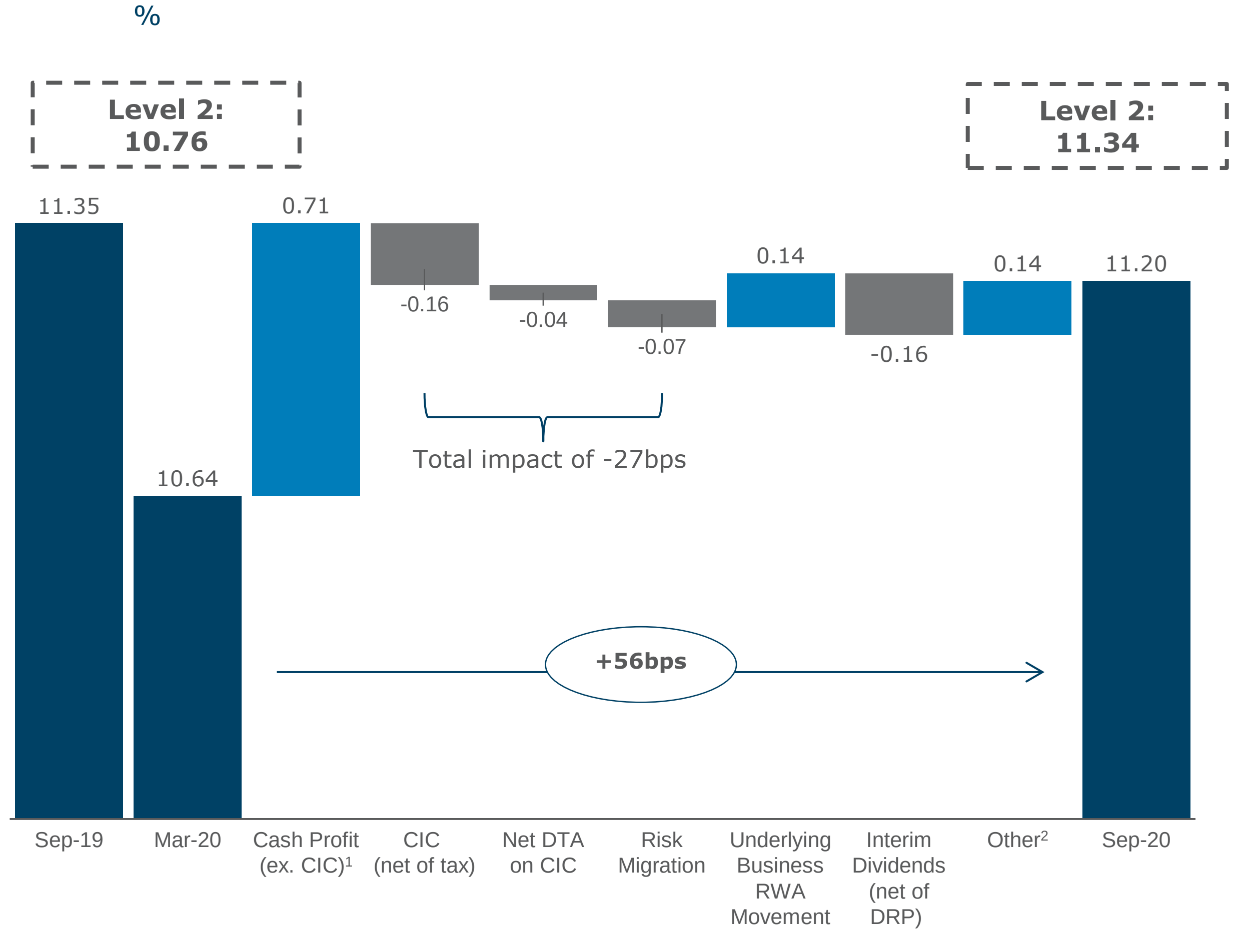
APRA LEVEL 2 COMMON EQUITY TIER 1 RATIO (CET1)



1. Internationally Comparable methodology aligns with APRA's information paper entitled International Capital Comparison Study (13 July 2015). Basel III Internationally Comparable ratios do not include an estimate of the Basel I capital floor 2. Based on APRA information paper "Strengthening banking system resilience – establishing unquestionably strong capital ratios" released in July 2017. 3. Refer to ANZ Basel III APS330 Pillar 3 disclosures 4. Excludes large / notable items & one-off items 5. Other impacts include capital deductions (which mainly comprises the movement in retained earnings in deconsolidated entities and capitalised software), net imposts, movements in non-cash earnings, net foreign currency translation and impacts from large/notable adjustments (non-capital deduction related)

REGULATORY CAPITAL

APRA LEVEL 1 CET1 RATIO



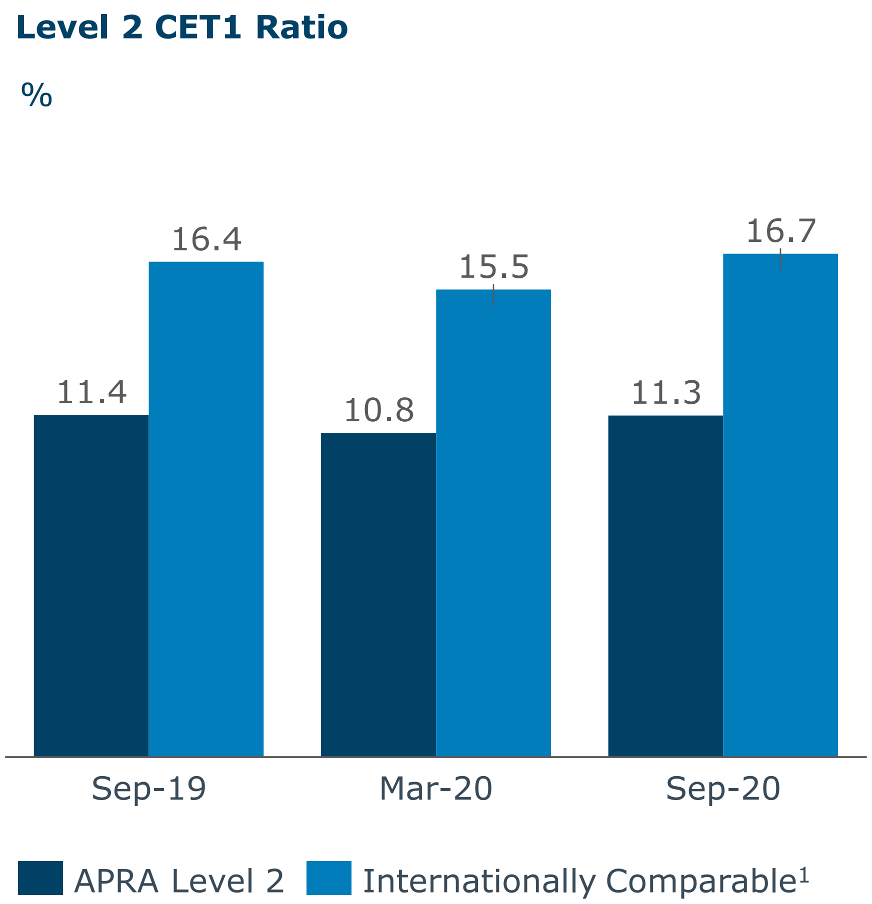
APRA LEVEL 2 VS LEVEL 1 CET1 RATIOS	Bps
Level 2 HoH mvmt	**58**
Level 1 HoH mvmt	**56**
Level 2 vs Level 1 Mvmt	**2**
Explained by	
Cash Profit[1]	**10**
Asset Divestment	**10**
Other	**-18**

- Level 2 includes Cash earnings and RWA movement from ANZ subsidiaries (e.g. ANZ Bank New Zealand) that are outside of Level 1.
- Level 2 CET1 ratio HoH increase is +2bps higher than Level 1:
  - +20bps due to retention of earnings and benefits from UDC asset sale in ANZ NZ and not remitted as dividends into the Level 1 entity;
  - Largely offset by 18bps of L1 benefit (not in L2) from decline in IG RWA and net FX impacts.

1. Excludes large/notable items & one-off items 2. Other impacts include capital deductions (which mainly comprises the movement in retained earnings in deconsolidated entities and capitalised software), net imposts, movements in non-cash earnings, net foreign currency translation and impacts from large/notable adjustments (non-capital deduction related)

INTERNATIONALLY COMPARABLE[1] REGULATORY CAPITAL POSITION

APRA Level 2 CET1 Ratio– 30 September 2020		11.3%
Corporate undrawn EAD and unsecured LGD adjustments	Australian ADI unsecured corporate lending LGDs and undrawn CCFs exceed those applied in many jurisdictions	1.7%
Equity Investments & DTA	APRA requires 100% deduction from CET1 vs. Basel framework which allows concessional threshold prior to deduction	0.9%
Mortgages	APRA requires use of 20% mortgage LGD floor vs. 10% under Basel framework. Additionally, APRA also requires a higher correlation factor vs 15% under Basel framework	1.3%
Specialised Lending	APRA requires supervisory slotting approach which results in more conservative risk weights than under Basel framework	0.8%
IRRBB RWA	APRA includes in Pillar 1 RWA. This is not required under the Basel framework	0.4%
Other	Includes impact of deductions from CET1 for capitalised expenses and deferred fee income required by APRA, currency conversion threshold and other retail standardised exposures	0.3%
Basel III Internationally Comparable CET1 Ratio		**16.7%**
Basel III Internationally Comparable Tier 1 Ratio		**19.1%**
Basel III Internationally Comparable Total Capital Ratio		**23.3%**



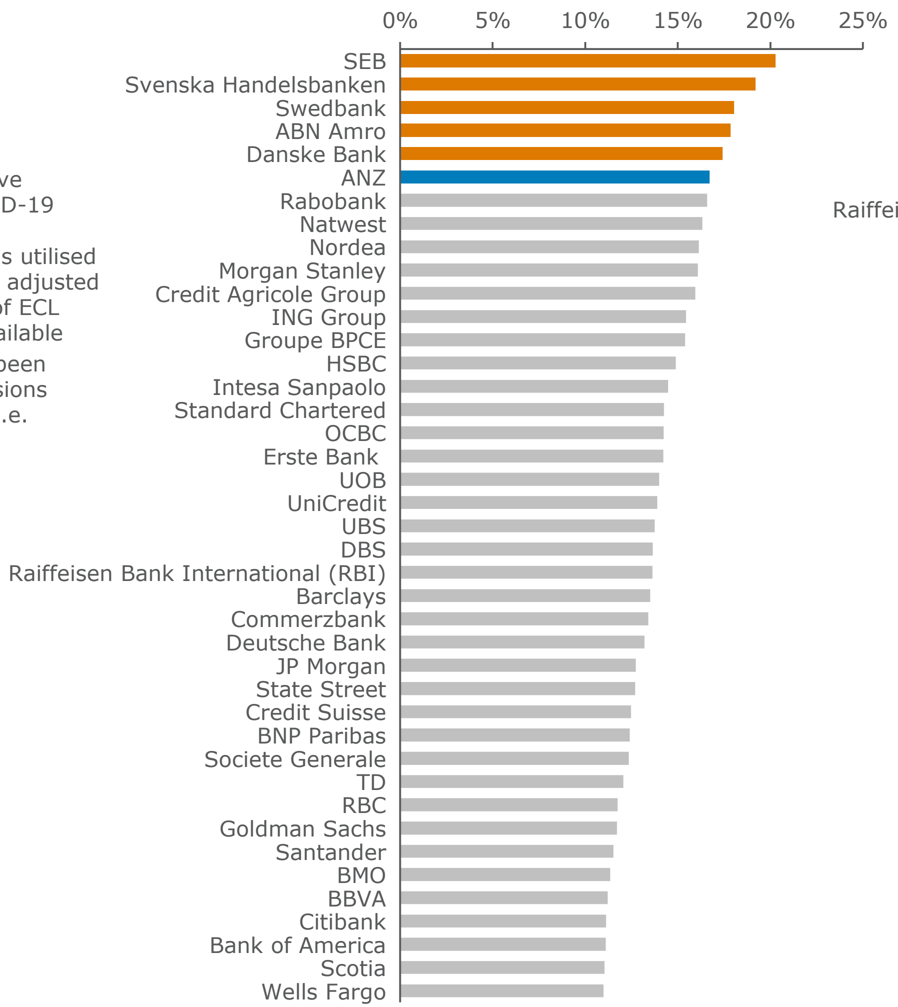
1. Internationally Comparable methodology aligns with APRA's information paper entitled International Capital Comparison Study (13 July 2015). Basel III Internationally Comparable ratios do not include an estimate of the Basel I capital floor

CET1 AND LEVERAGE IN A GLOBAL CONTEXT

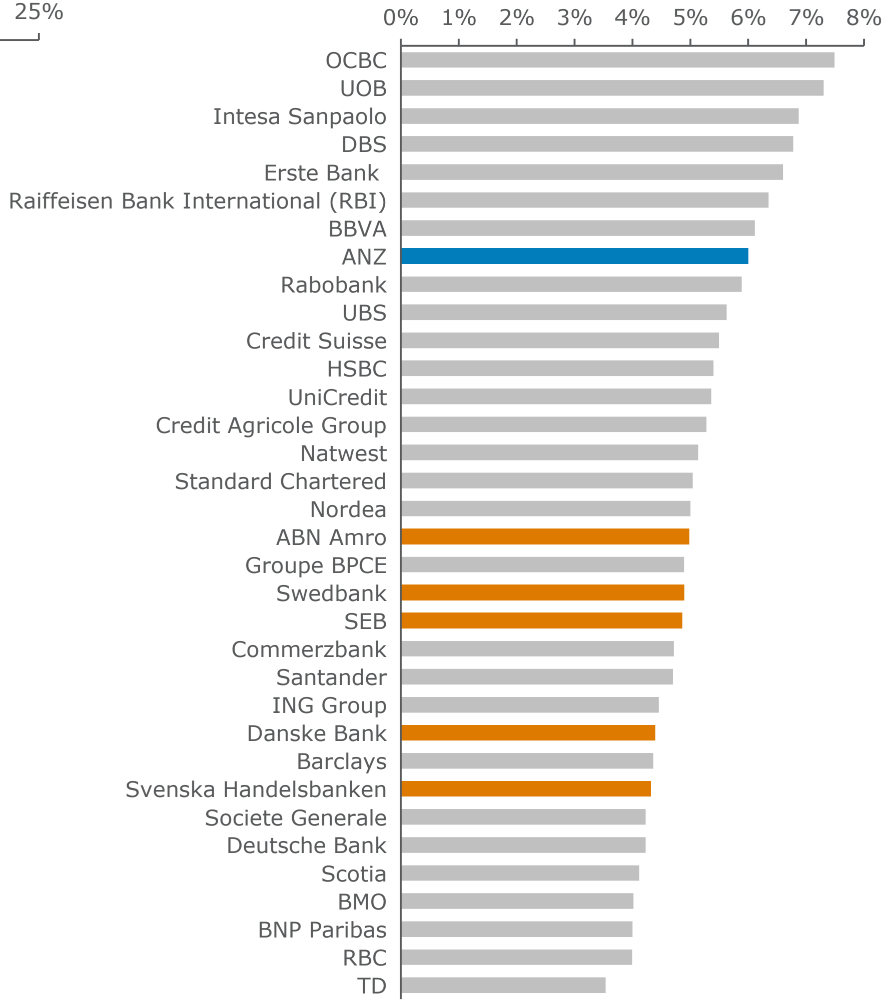
CET1

- Regulators globally have provided specific COVID-19 related transitional arrangements, ANZ has utilised public CET1 levels and adjusted for Capital treatment of ECL provisioning where available
- No adjustments have been made for RWA concessions related to COVID-19 (i.e. mortgage deferrals)

CET1 RATIOS[1,2]



LEVERAGE RATIOS[1,2,3]



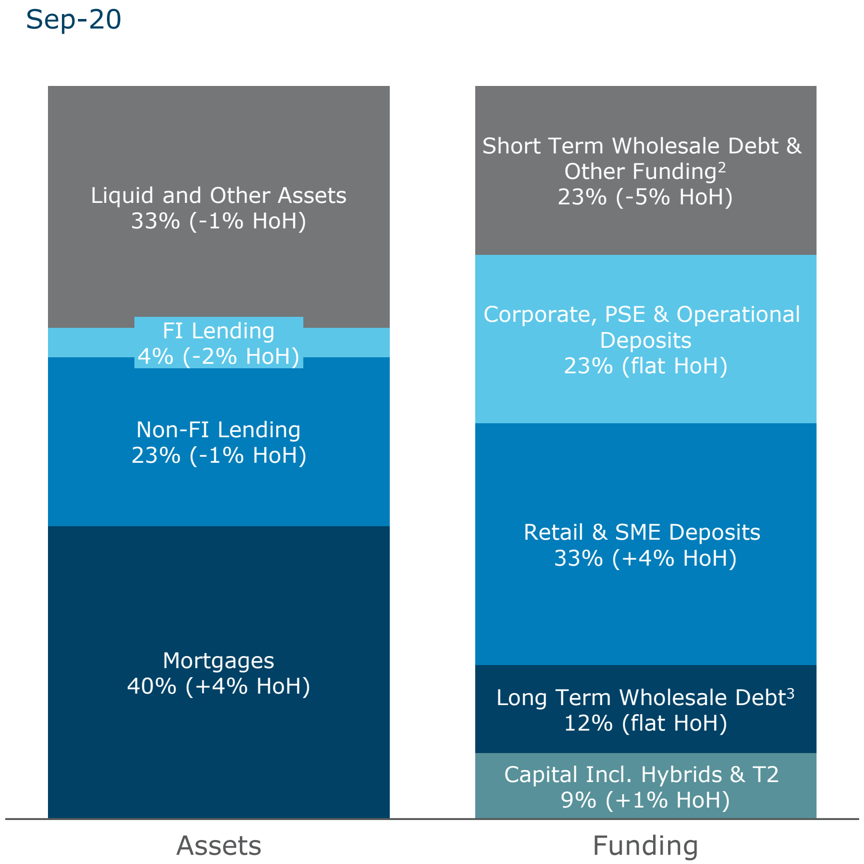
Leverage

ANZ compares equally well on leverage, however international comparisons are more difficult to make given the favourable treatment of derivatives under US GAAP

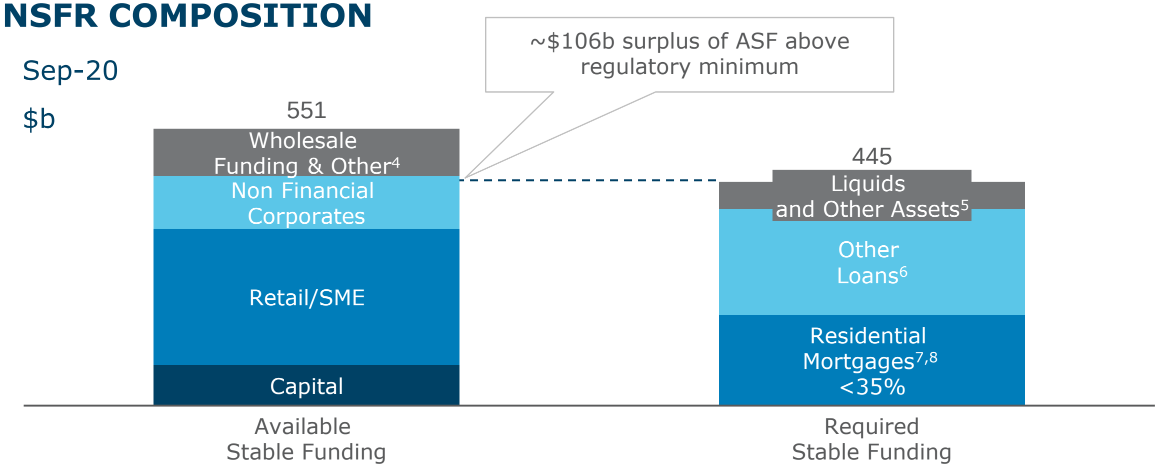
1. CET1 and leverage ratios are based on ANZ estimated adjustment for accrued expected future dividends, COVID-19 transitional arrangements for expected credit loss and leverage exposure concessional adjustments where details have been externally disclosed. ANZ ratios are on an Internationally Comparable basis. All data sourced from company reports and ANZ estimates based on last reported half/full year results assuming Basel III capital reforms fully implemented 2. Based on Group 1 banks as identified by the BIS (internationally active banks with Tier 1 capital of more than €3 billion) 3. Includes adjustments for transitional AT1 where applicable. Exclude US banks as leverage ratio exposures are based on US GAAP accounting and therefore incomparable with other jurisdictions which are based on IFRS

BALANCE SHEET STRUCTURE[1]

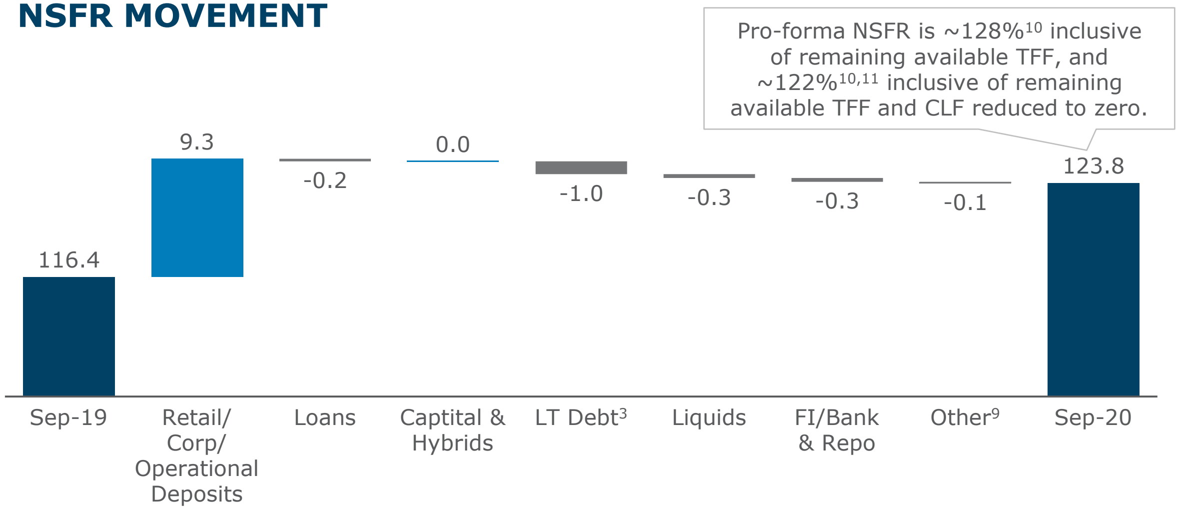
BALANCE SHEET COMPOSITION



NSFR COMPOSITION



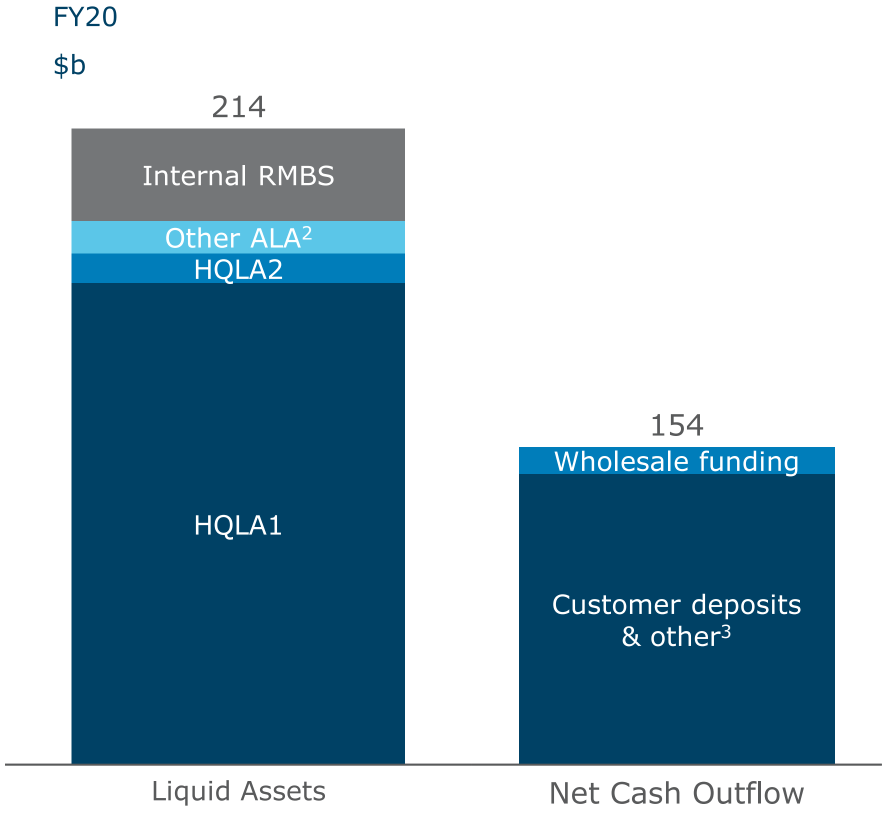
NSFR MOVEMENT



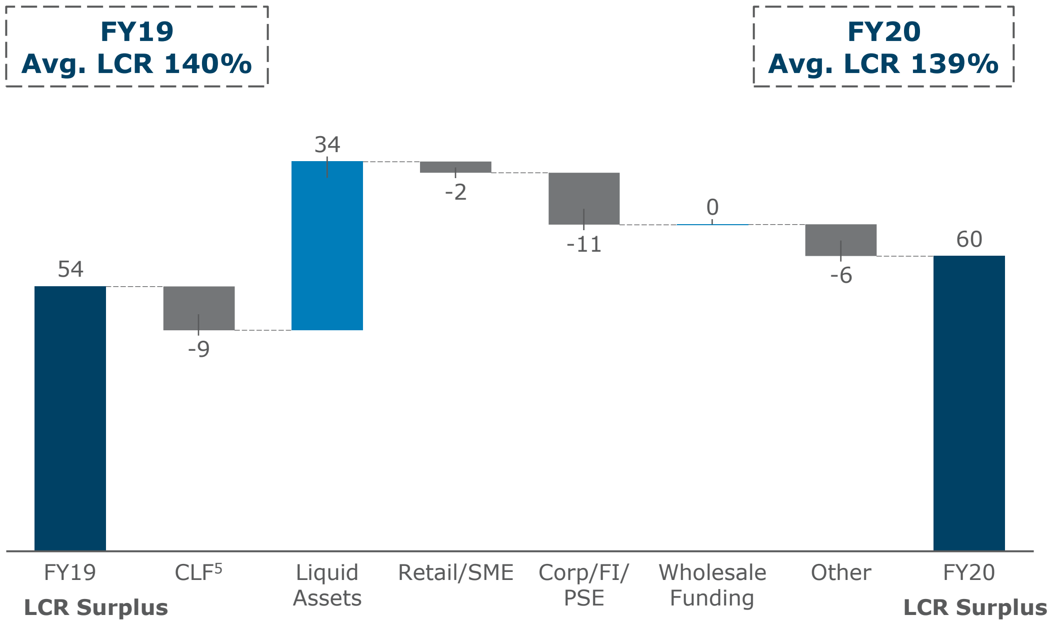
1. NSFR Required Stable Funding (RSF) and Available Stable Funding (ASF) categories and all figures shown are on a Level 2 basis per APRA prudential standard APS210 2. Includes FI/Bank deposits, Repo funding and other short dated liabilities 3. Includes drawn TFF of $12b 4. Wholesale Funding includes $12b drawn TFF, 'Other' includes Sovereign, and non-operational FI Deposits 5. 'Other Assets' include Off Balance Sheet, Derivatives, Fixed Assets and Other Assets 6. All lending >35% Risk weight 7. Includes NSFR impact of self-securitised assets backing the Committed Liquidity Facility (CLF) 8. <35% Risk weighting as per APRA Prudential Standard 112 Capital Adequacy: Standardised Approach to Credit Risk 9. Net of other ASF and other RSF 10. Remaining TFF includes ~$8n of Supplementary TFF and ~$4.4b of Additional TFF as at 1 October 2020 11. CLF is ~36b as at 30 September 2020

LIQUIDITY COVERAGE RATIO (LCR) SUMMARY[1]

LCR COMPOSITION (AVERAGE)



MOVEMENT IN AVERAGE LCR SURPLUS[4] ($b)



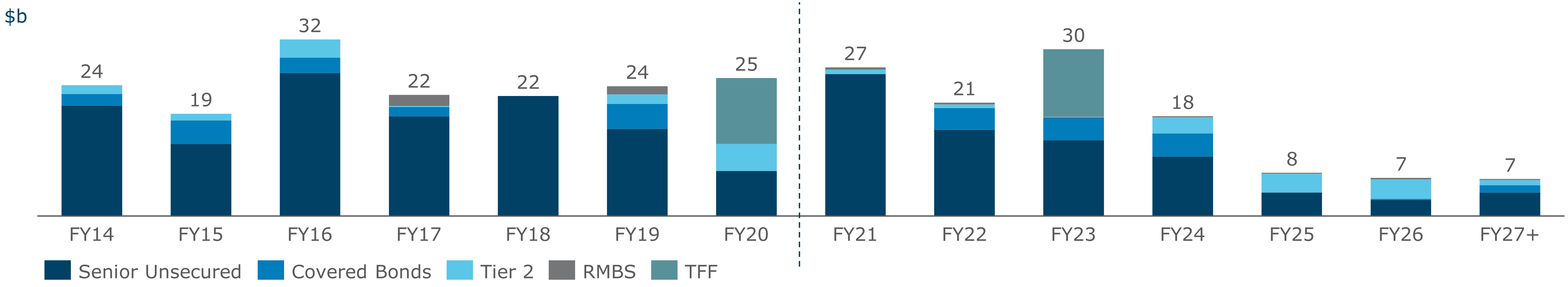
1. All figures shown on a Level 2 basis as per APRA Prudential Standard APS210 2. Comprised of assets qualifying as collateral for the Committed Liquidity Facility (CLF), excluding internal RMBS, up to approved facility limit; and any assets contained in the RBNZ's liquidity Policy – Annex: Liquidity Assets – Prudential Supervision Department Document BS13A 3. 'Other' includes off-balance sheet and cash inflows 4. LCR surplus excludes surplus liquids considered non-transferrable across the Group. At 30 Sep 20, this included $16b of surplus liquids held in NZ, up from $8b at 30 Sep 2019 5. RBA CLF decreased by $12.3b from 1 January 2020 to $35.7b (2019: $48.0b)

TERM WHOLESALE FUNDING PORTFOLIO[1]

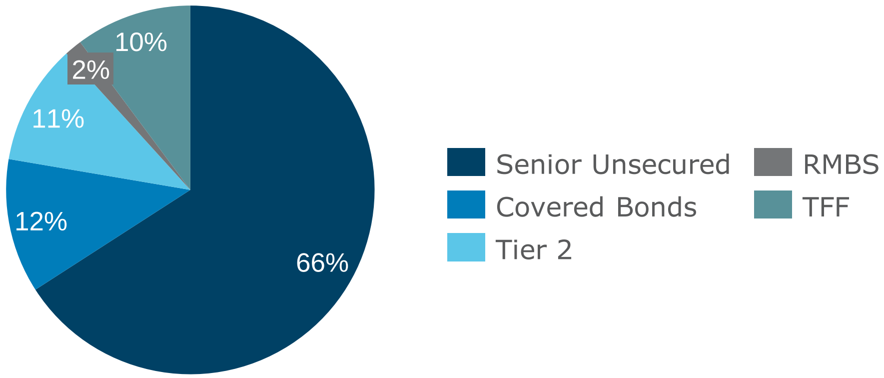
- ANZ's term funding requirements depend on market conditions, balance sheet needs and exchange rates, amongst other factors
- RBA Term Funding Facility (TFF) Initial Allocation of $12b fully drawn in 2H20. Remaining TFF comprises Supplementary and Additional Allocations, ~$12b[2] undrawn
- ANZ estimates minimal senior debt term funding requirements for FY2021

ISSUANCE

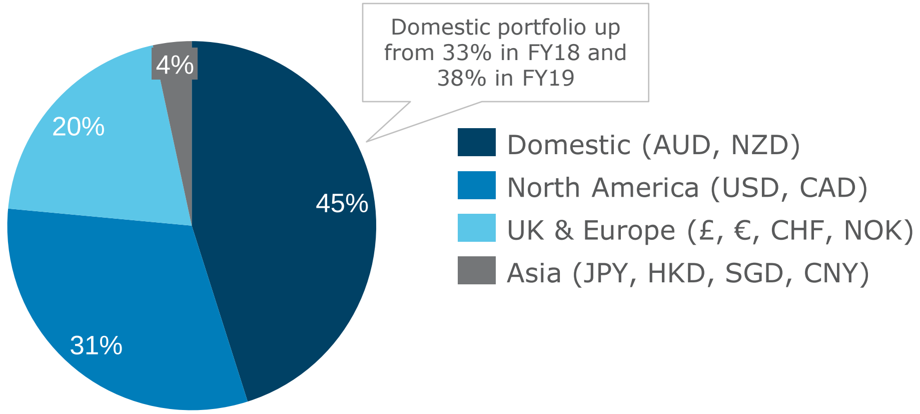
MATURITIES



PORTFOLIO



PORTFOLIO BY CURRENCY



1. All figures based on historical FX and exclude AT1. Includes transactions with an original call or maturity date greater than 12 months as at the respective reporting date. Tier 2 maturity profile is based on the next callable date 2. As at 1 October 2020

ANZ'S TIER 2 CAPITAL PROFILE[1]

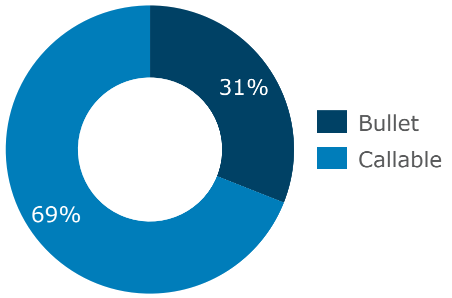
ANZ'S TIER 2 CAPITAL REQUIREMENT TO PROGRESSIVELY INCREASE TO MEET TLAC REQUIREMENT

- Issued AUD $7.0b since July 2019 across AUD, EUR, and USD
- FY21 T2 issuance expected to be ~$4-5b
- Required portfolio increase from $12.1b to ~$22b by January 2024 (based on 5% of current RWAs[2])
- Planned issuance in multiple currencies in both callable and bullet format
- Increased T2 issuance expected to be offset by reduction in other senior unsecured funding
- Well managed amortisation profile provides flexibility regarding issuance tenor

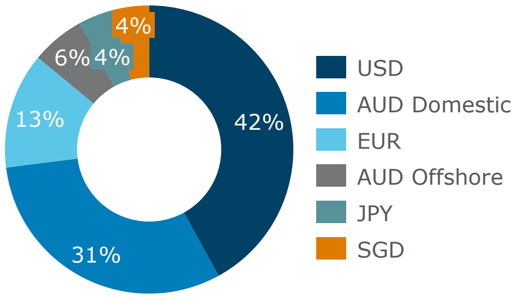
TIER 2 CAPITAL

Notional amount

By Format

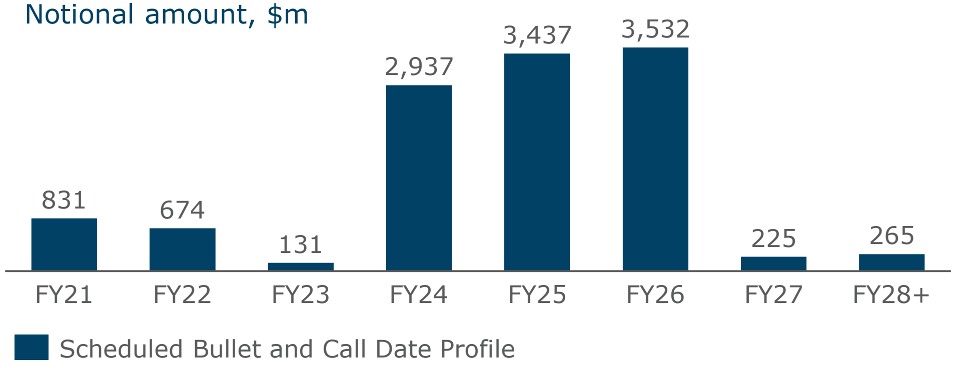


By Currency



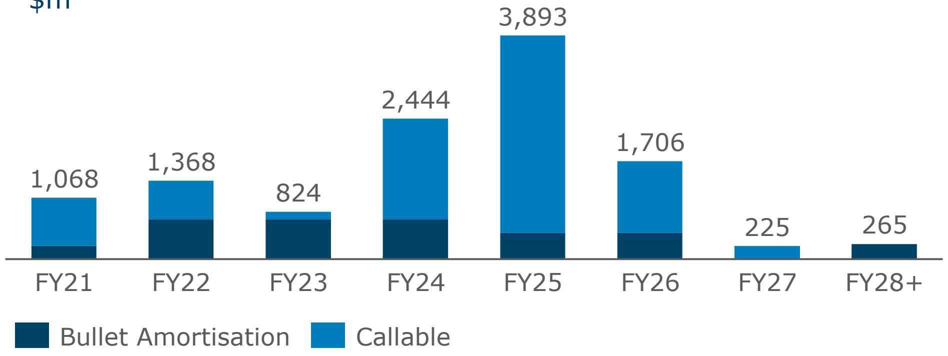
FUNDING PROFILE

Notional amount, $m



CAPITAL AMORTISATION PROFILE[3]

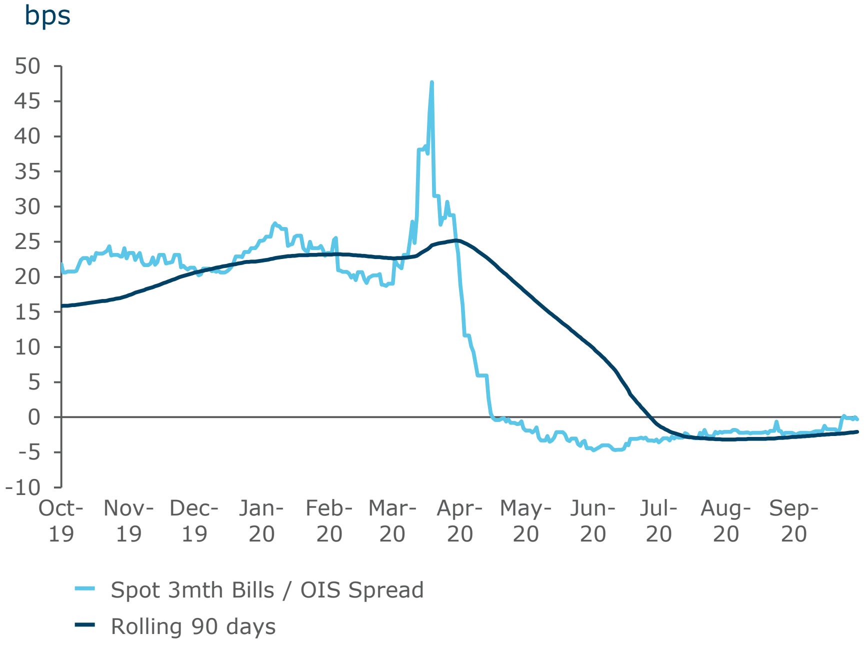
$m



1. Profile is AUD equivalent based on historical FX, excluding Perpetual Floating rate notes issued 30 October 1986 (which loses Basel III transitional relief in 2021). Comprises Tier 2 capital in the form of Capital Securities only (i.e. does not include other Tier 2 capital such as eligible General reserve for impairment of financial assets)
2. Current RWAs $429b as at 30 September 2020
3. Amortisation profile is modelled based on scheduled first call date for callable structures and in line with APRA's amortisation requirements for bullet structures

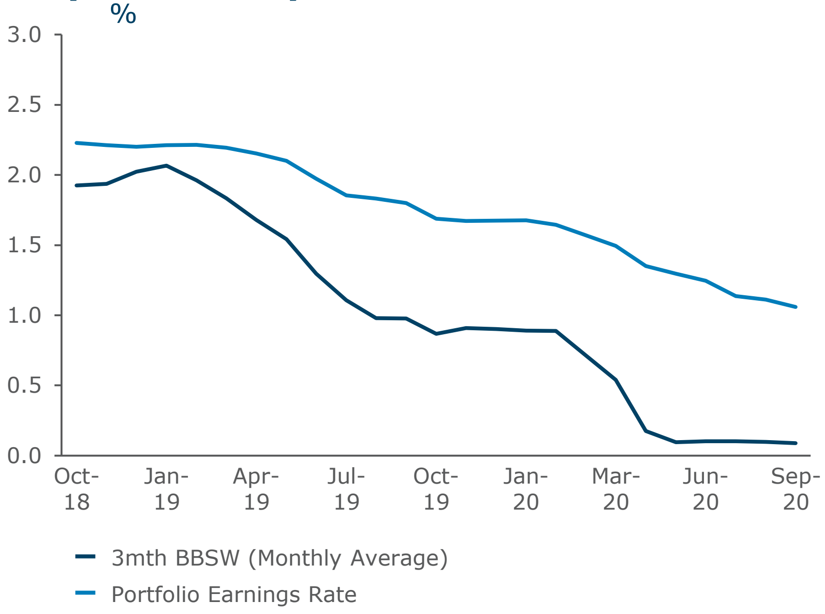
IMPACTS OF RATE MOVEMENTS

BILLS/OIS SPREAD



FY19 Ave[1]: 37.5bps	
1H19 Ave: 48.0bps	2H19 Ave: 27.0bps
FY20 Ave[1]: 13.2bps	
1H20 Ave: 21.1bps	2H20 Ave: 5.3bps

CAPITAL & REPLICATING DEPOSITS PORTFOLIO (AUSTRALIA)



FY19 Ave: 2.08%	
1H19 Ave: 2.21%	2H19 Ave: 1.95%
FY20 Ave: 1.40%	
1H20 Ave: 1.64%	2H20 Ave: 1.20%

CAPITAL[2] & REPLICATING DEPOSITS PORTFOLIO

	AUST	NZ	APEA
Volume ($A)	~75b	~27b	~10b
Volume change (YoY)	~15b increase	~7b increase	Flat
Target Duration	Rolling 3 to 5 years		Various
Proportion Hedged	~60%	~80%	Various

1. 90 day rolling average of spot 3mth Bills/OIS spread
2. Includes other Non-Interest Bearing Assets & Liabilities

CAPITAL FRAMEWORK

CURRENT REGULATORY PROPOSALS AND RECENT REVISED IMPLEMENTATION DATES[1]

	2019	1H20	2H20	1H21	2H21	Original Implementation Date	Revised Implementation Date
RBNZ Capital Framework	Finalise					2027	2028[2]
Leverage ratio		Finalise				2022	2023
Standardised Approach to Credit Risk	Consultation		Consultation / Finalise			2022	2023
Internal Ratings-based Approach to Credit Risk		Consultation	Consultation / Finalise			2022	2023
Operational Risk		Finalise				2021	2023
Fundamental Review of the Trading Book		Consultation				2023	2024
Interest Rate Risk in the Banking Book	Consultation		Consultation / Finalise			2022	2023
Loss Absorbing Capacity (LAC)[3]	Transition					2024	-
Capital Treatment for Investments in Subsidiaries (Level 1)		Consultation	Consultation / Finalise			2021	Expected 2022
Associations with Related Entities	Finalise					2021	2022

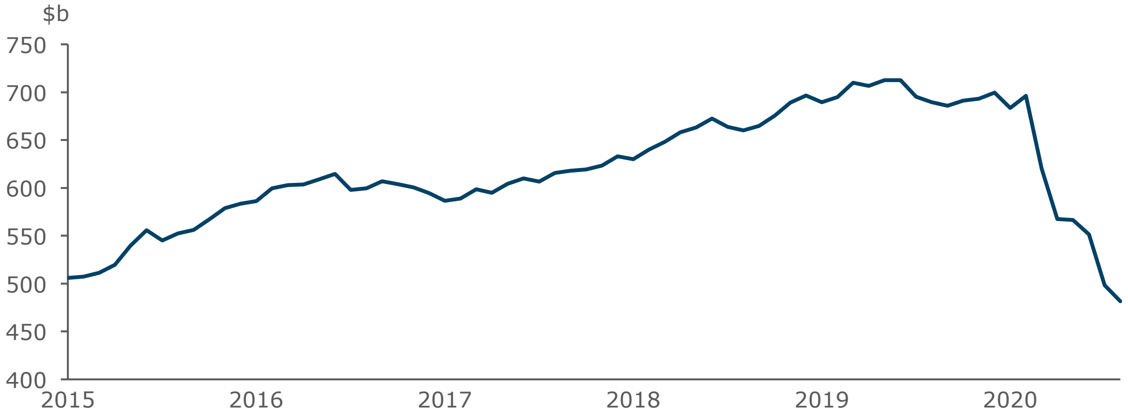
1. Timeline is based on APRA's 2020 Policy and Supervision Priorities (published January 2020) and revised following APRA's deferral of capital reform implementation in response to COVID-19 circumstances
2. 7 year transition period from 1 July 2021 (subject to change)
3. Only in relation to the 3% of RWA increase in Total Capital requirements announced in July 2019

LIQUIDITY AND FUNDING ENVIRONMENT

CURRENT EXCESS LIQUIDITY IS LIKELY TO PERSIST

- Large increase in deposits in 2H20 led to a significant Funding Gap[1] reduction (10x higher than a full year during the GFC) across the Australian system
- In addition to the quantum of deposits increasing, the quality of deposits is simultaneously improving (higher household and operational deposits) with very high household savings rates and conservative corporate settings
- Term Funding Facility (TFF) has contributed further funding to the banking system
- Implications of the narrowing of the Funding Gap include;
  - Negates near term senior term debt requirements (although T2 requirements unchanged)
  - Elevated Exchange Settlement Account balances
- The medium term influences on the system Funding Gap include
  - Demand for credit
  - Tax cuts and future fiscal measures, including state government
  - Outright QE
  - Offshore wholesale funding requirement to significantly decrease as a proportion of total funding
- Similar operating environment in New Zealand

DECLINING FUNDING GAP[1] ACROSS AUSTRALIAN SYSTEM



AUSTRALIAN MONETARY AND FISCAL POLICY ACTIONS

Action	GFC	COVID-19
Change in Cash Rate Target	-425bps	-50ps
Term Funding Support	Government Guarantee	Term Funding Facility
Unconventional Monetary Policy	No	Yes
Excess System Cash (RBA Exchange Settlement Account Surplus)[2]	Up to ~$15b	Up to ~$90b
Funding Gap Reduction (Loans – Deposits)[1]	~$20b (12 months to Sept 09)	~$200b (5 Months to Sept 20)
Fiscal Stimulus[3]	$88b (~6% of GDP)	$276b (~14% of GDP)

1. Funding Gap is calculated from APRA Monthly Authorised Deposit-taking Institution Statistics as Loans minus Deposits. Loans includes "Total residents loans and finance leases" and Deposits includes "Deposits by non-financial businesses", "Deposits by financial institutions", "Deposits by general government", "Deposits by households" and "Deposits by community service organisations" 2. RBA Statistical Tables – "Monetary Policy Operations – Current – A3" at https://www.rba.gov.au/statistics/tables/ and "Open Market Operations – 2003 to 2008 – A3" at https://www.rba.gov.au/statistics/historical-data.html 3. ANZ Economics estimates

2020

FULL YEAR RESULTS

INVESTOR DISCUSSION PACK

CUSTOMER SUPPORT (COVID-19)

OVERVIEW

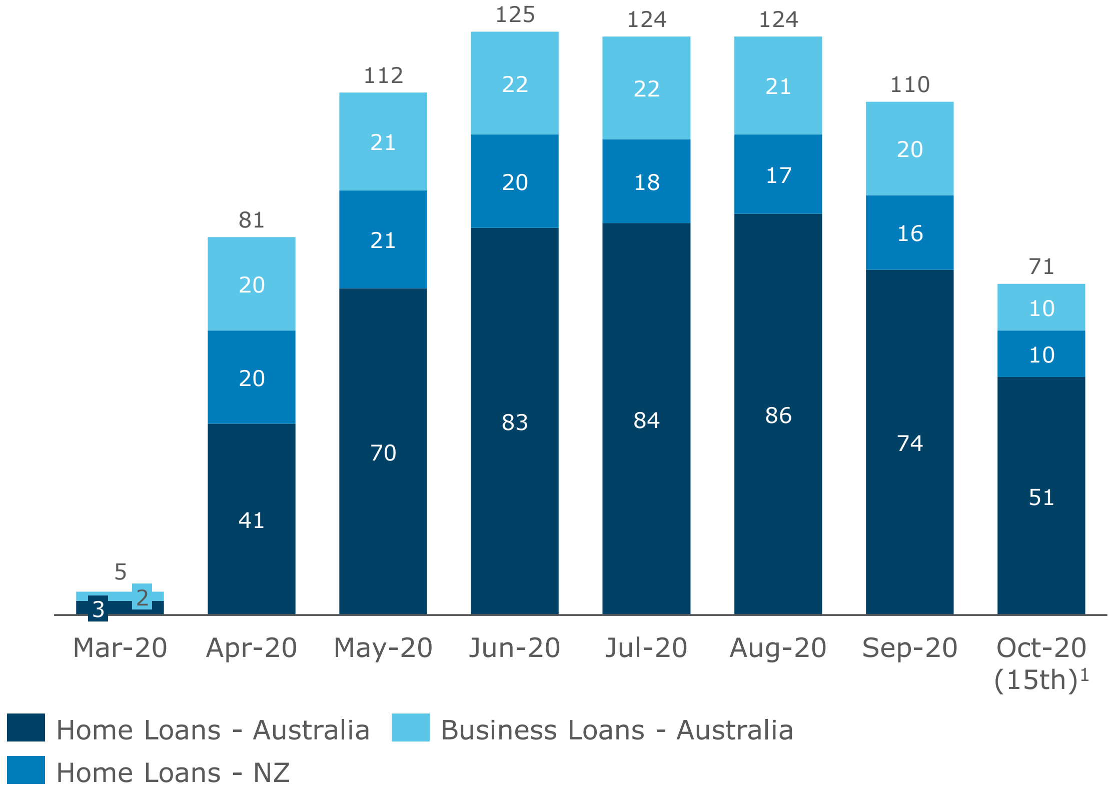
AUSTRALIA & NZ HOME LOAN AND AUSTRALIA BUSINESS LOAN PORTFOLIO & ACTIVE LOAN DEFERRALS

	Total ANZ Portfolio (30 Sep-20)	Total active deferrals[1] (15 Oct-20)
Home loans – Australia		
Total number of home loans	1,008k	51k
Total $ value of home loan balance ($b)	275	19
Home Loans – New Zealand		
Total number of home loans	529k	10k
Total $ value of home loan balance (NZ$b)	90	3
Commercial Loans – Australia		
Total number	236k	10k
Total $ value ($b EAD)	68	4
Total ANZ Portfolio (30 Sep-20) for Commercial includes business loans, asset finance & other lending products. Total Active deferrals are business loans only		

ACTIVE LOAN DEFERRALS[1]

End of month net position

Account numbers (000s)

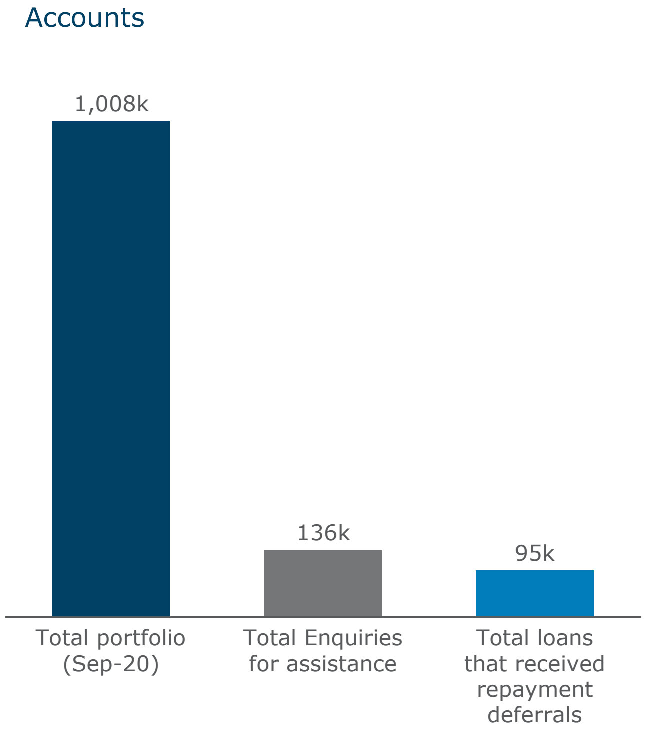


Refer last page of section for footnote references

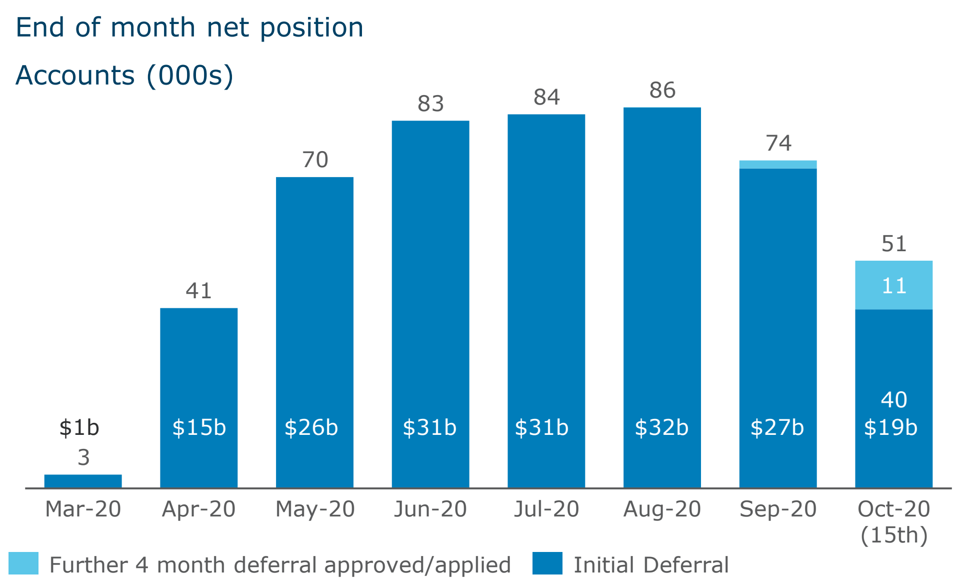
COVID-19 CUSTOMER SUPPORT MEASURES

AUSTRALIA – HOME LOAN DEFERRALS

PORTFOLIO SUMMARY

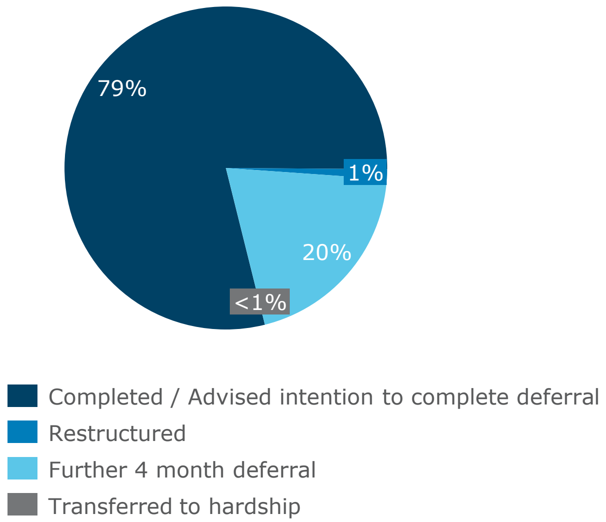


ACTIVE LOAN DEFERRALS[1]



DEFERRAL ROLL-OFF SUMMARY

~55k loans have completed / exited the 6 month deferral period or advised intended action as at 15 October 2020



Refer last page of section for footnote references

COVID-19 CUSTOMER SUPPORT MEASURES

AUSTRALIA – HOME LOAN DEFERRAL METRICS[1]

Of the current ~40k active 6 month loan deferrals:

- **~ 25%** have made at least one payment while on deferral
- **~ 50%** have at least a 3 month payment or greater savings 'buffer'[2]
- **~ 20%** have Lenders Mortgage Insurance

Of those with ANZ associated transaction account data:

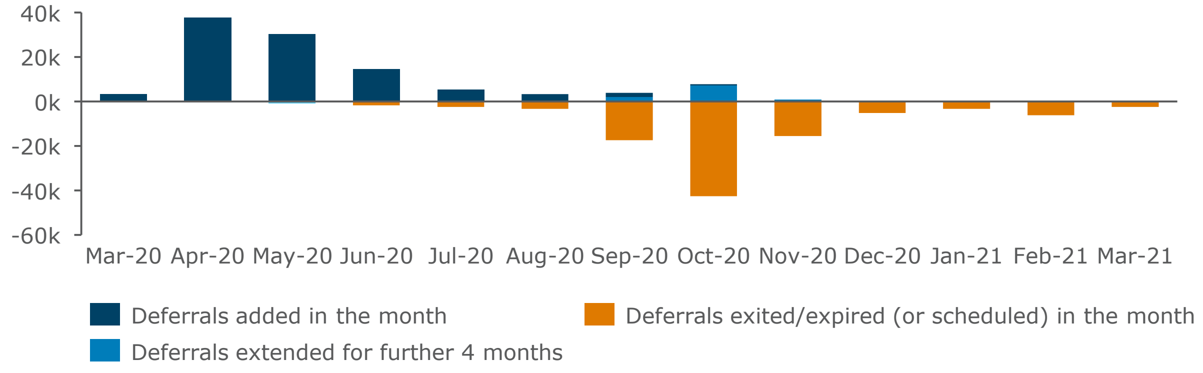
- **~ 80%** have stable or improved income[3]
- **~ 10%** in JobKeeper/JobSeeker payment scheme[4]

Of the ~11K loan deferrals that have requested and received an approval for a 4 month extension:

- **~ 50%** are from Victoria (impacted by the extended lockdown period)
- **~ 85%** have DLVR <90%[5]

	Loan repayment deferrals Total Active deferrals		Total AUS. Home Loan Portfolio (30 Sep 2020)
	31 Jul 2020	15 Oct 2020	
Total number of home loans	84k	51k	1,008k
Total $ value of home loan balance	$31b	$19b	$275b
Offset balances	$1b	$1b	$33b
Avg. Dynamic LVR (Ex. offset)[5]	68%	68%	56%
Average Loan Size	$371k	$379k	$273k
% Principal & Interest[6]	92%	95%	87%
% Owner Occupied[6]	73%	72%	68%

ACCOUNTS ENTERING & SCHEDULED FOR EXIT/EXPIRY FROM DEFERRAL



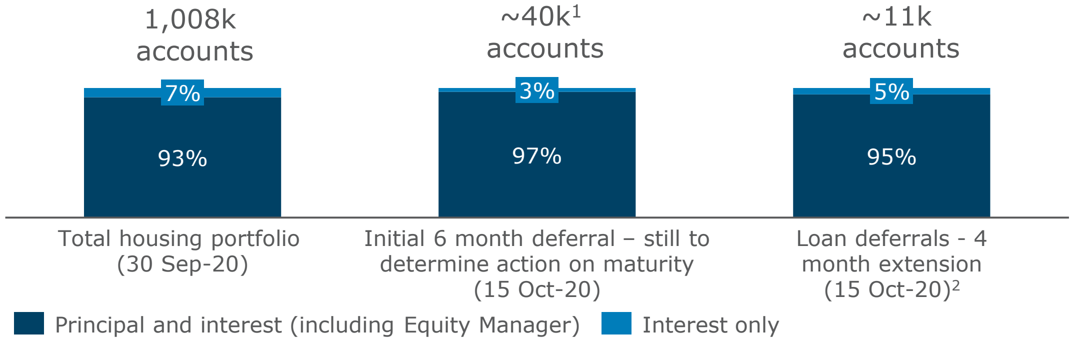
Refer last page of section for footnote references

COVID-19 CUSTOMER SUPPORT MEASURES

AUSTRALIA – HOME LOAN DEFERRALS – PORTFOLIO PROFILES

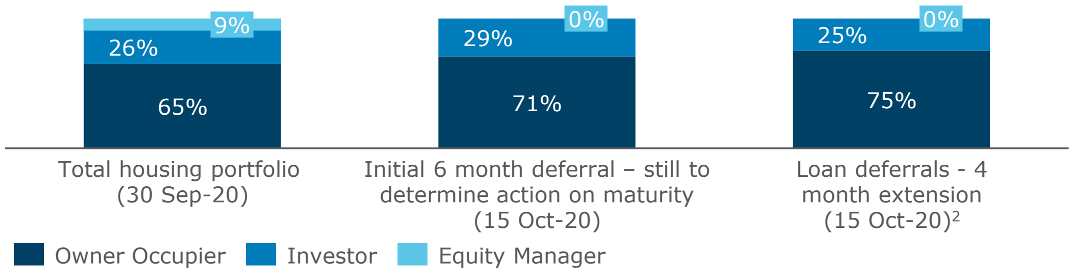
REPAYMENT PROFILE

(% of accounts)



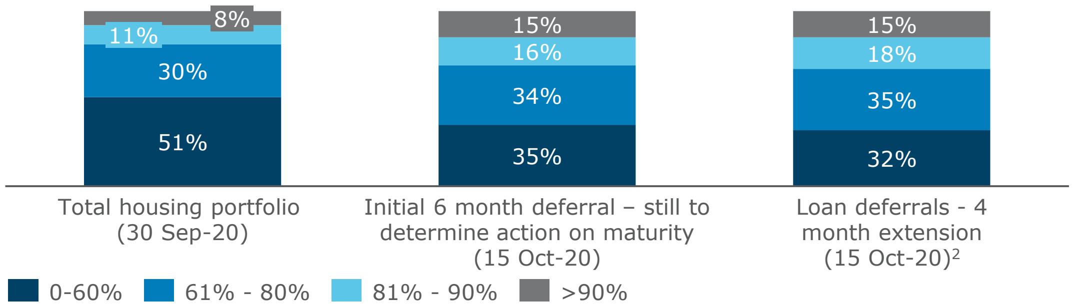
LOAN PURPOSE

(% of accounts)[3,4]



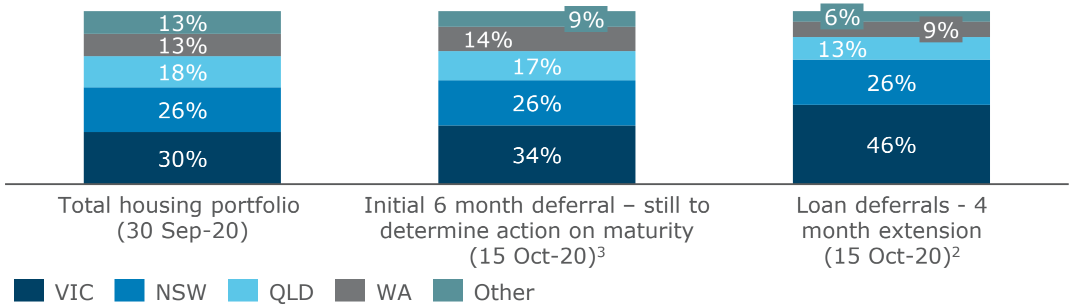
DYNAMIC LOAN TO VALUE RATIO

(% of accounts)[3,4]



PORTFOLIO BY STATE

(% of accounts)



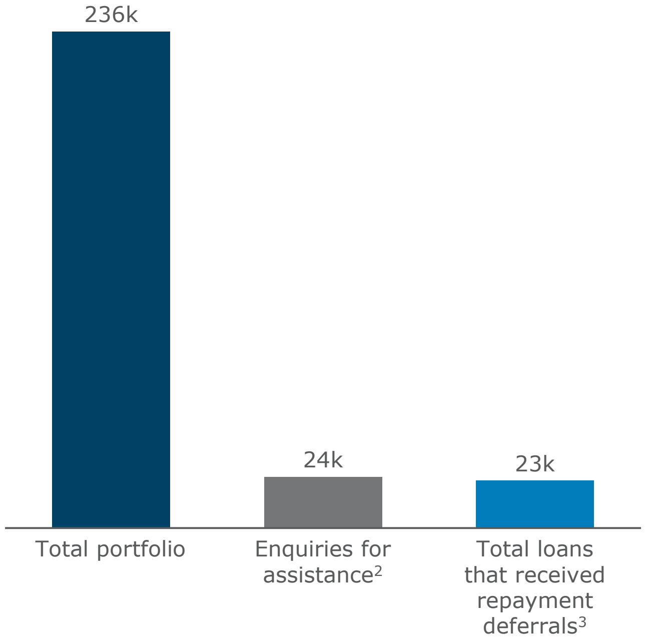
Refer last page of section for footnote references

COVID-19 CUSTOMER SUPPORT MEASURES

AUSTRALIA – COMMERCIAL BUSINESS LOAN DEFERRALS

PORTFOLIO SUMMARY

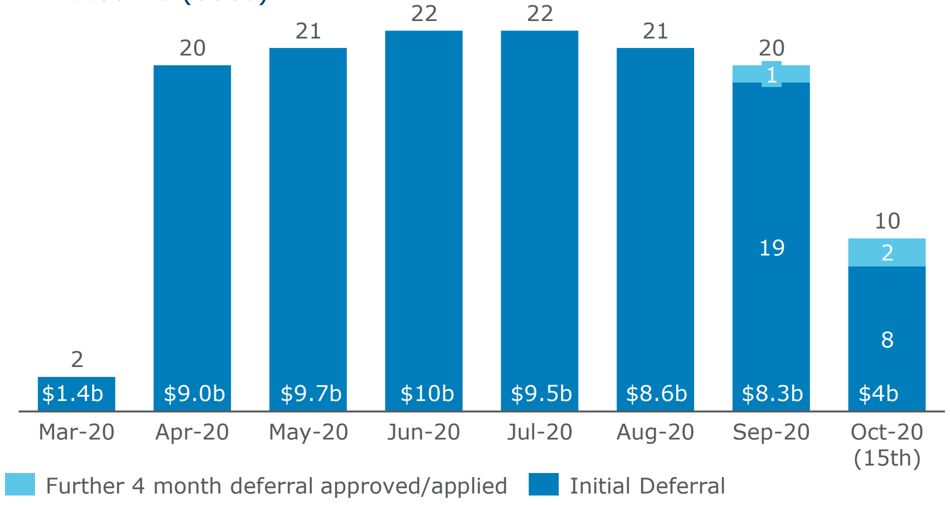
Accounts



ACTIVE LOAN DEFERRALS[1]

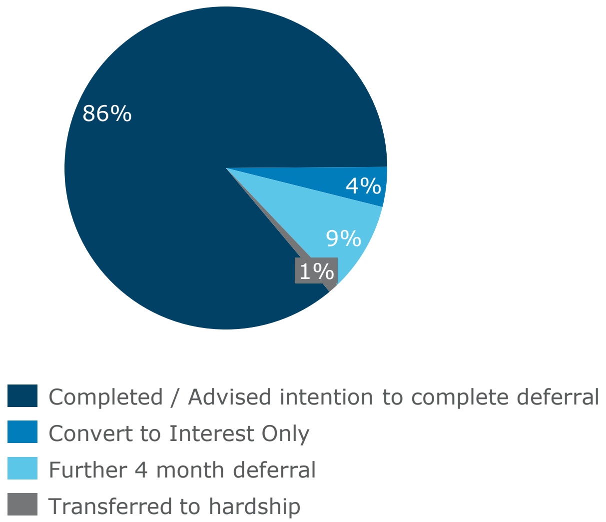
End of month net position

Accounts (000s)



DEFERRAL ROLL-OFF SUMMARY[4]

$6.8b loans (~15k accounts) have completed / exited the 6 month deferral period or advised intended action as at 15 October 2020



Refer last page of section for footnote references

COVID-19 CUSTOMER SUPPORT MEASURES

AUSTRALIA – COMMERCIAL LOAN DEFERRAL METRICS

All customers are contacted 4-6 weeks pre-expiry. Those with a relationship manager and any customer deemed 'at risk' also receive a phone call.

Of the current **~8k** active 6 month loan deferrals (where still to determine action on maturity as at 15 October), for those with ANZ associated transaction account data[1] (compared to the same time last year):

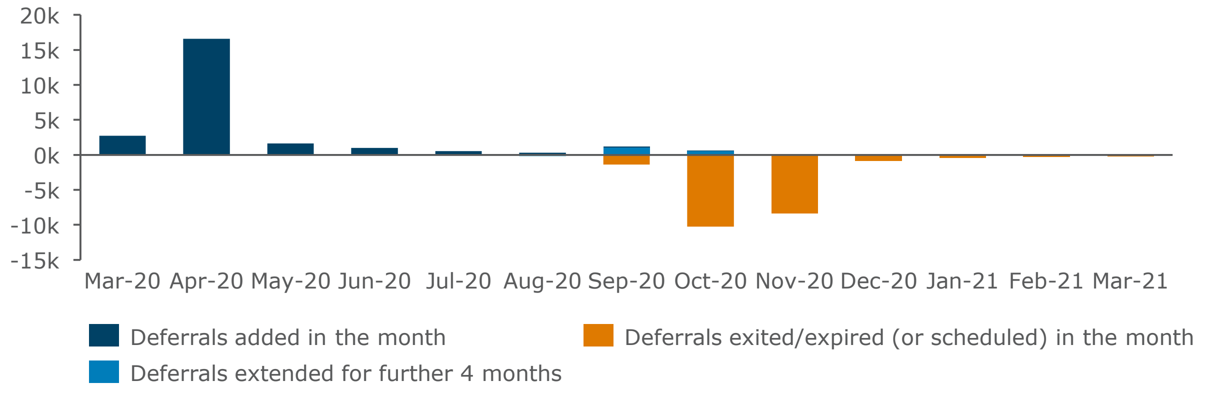
- **~20%** have increased cash inflows by >30%[2]
- **~25%** have reduced cash outflows by >30%[2]
- **~50%** are receiving JobKeeper payments from the ATO[2]
- **~65%** have higher cash balances since March 2020 (Pre-COVID)[3]

1.6k business loan deferrals have received a 4 month extension:

- **~60%[6]** are from Victoria impacted by the longer lockdown period
  - Of which, ~**30%** are within Accommodation, Cafés and Tourism and **~20%** within Retail Trade industries
- **~40%** have a 'savings buffer' of 10 months or more[7]

	31 July 2020		15 October 2020	
Assistance Provided at 31 July 2020	Accounts	EAD[4]	Accounts	EAD[5]
Total Commercial lending	~240k	$69b	~236k	$68b
Business loan deferrals	~22k	$10b	~10k[8]	$4b[8]
Asset Finance loan deferrals	~13k	$0.9b	~10k	$0.7b
Temporary overdraft increases	~11k	$1.2b	~10k	$1b
JobKeeper and SME Guarantee Scheme	~3k	$0.2b	~3k	$0.2b

ACCOUNTS ENTERING & SCHEDULED FOR EXIT/EXPIRY FROM DEFERRAL



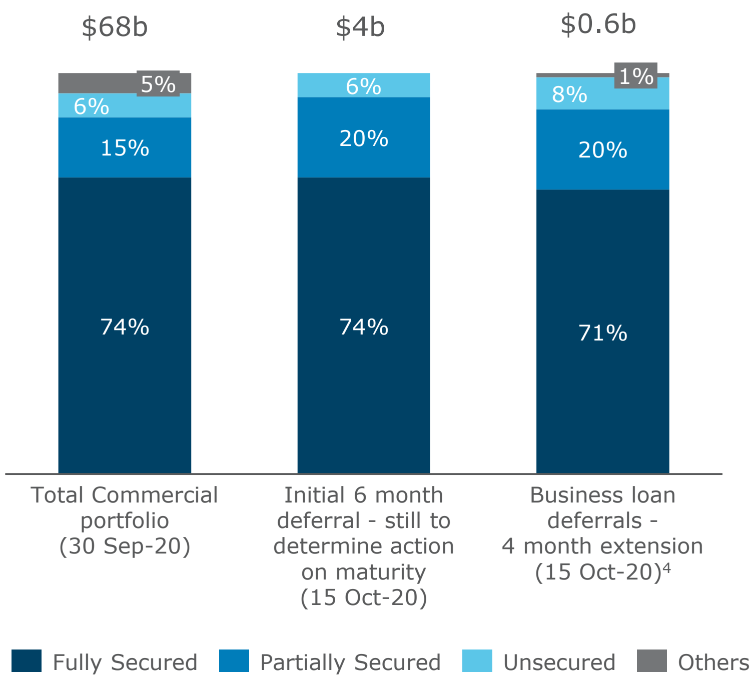
Refer last page of section for footnote references

COVID-19 CUSTOMER SUPPORT MEASURES

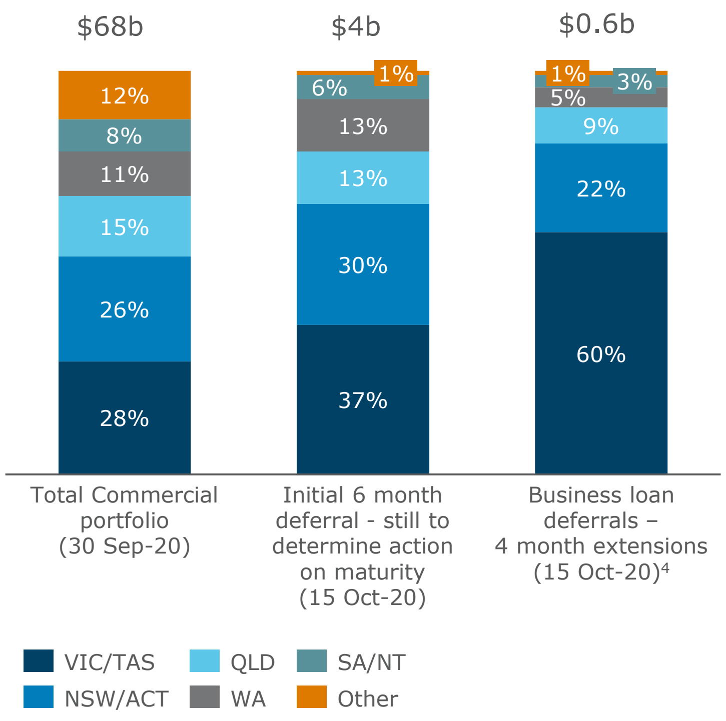
AUSTRALIA – COMMERCIAL BUSINESS LOAN DEFERRALS PORTFOLIO PROFILES

BUSINESS LOAN DEFERRALS PROVIDED[1]

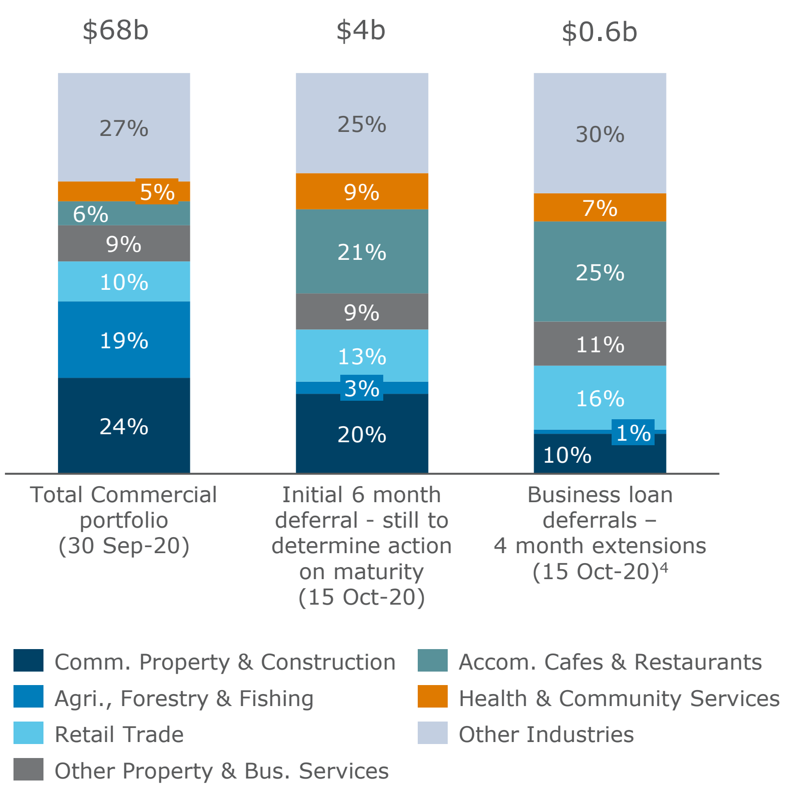
BY SECURITY PROFILE (% OF EAD)[2]



BY STATE (% OF EAD)[3]



BY INDUSTRY (% OF EAD)



Refer last page of section for footnote references

COVID-19 CUSTOMER SUPPORT MEASURES

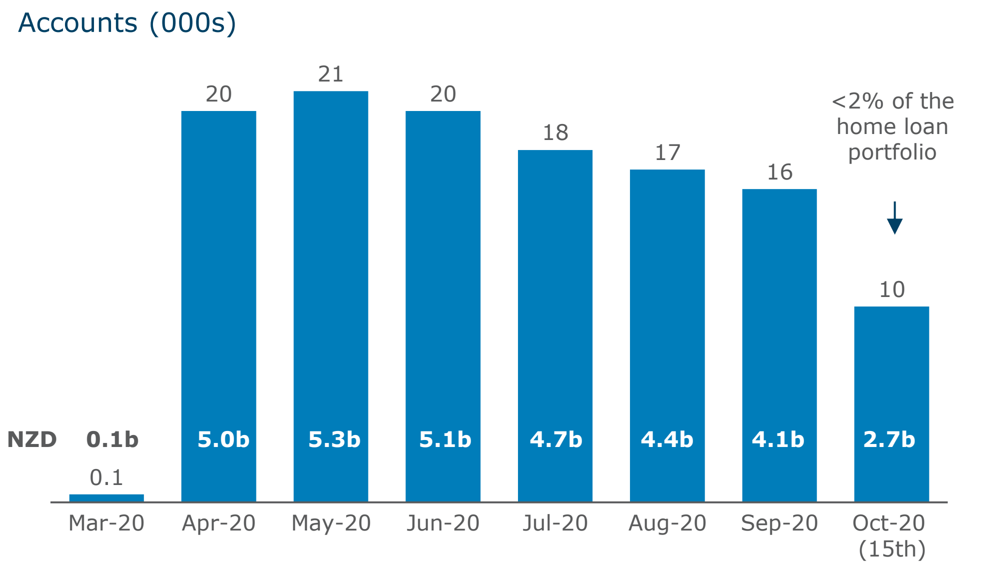
NEW ZEALAND

- Financial support provided to ~43,000 personal, home and business loans customers through repayment deferrals, moving to interest only, or loan adjustments covering lending of NZD27b
- Deferred repayments on ~24,000 home loans and moved ~21,000 home loans to interest only
- Granted 2,780 temporary overdraft facilities to businesses needing more working capital, worth ~NZD46m

	LOAN REPAYMENT DEFERRALS			Total NZ Home Loan Portfolio (Sep-20)
	Jul-20	Sep-20	15-Oct-20	
Total number of home loans	18k	16k	10k	529k
Total $ value of home loan balance (NZD)	4.7b	4.1b	2.7b	90b
Median LVR	62.4%	62.9%	62.9%	51.4%
Average Loan Size (NZD)	256k	258k	276k	169k

PORTFOLIO SUMMARY

NUMBER OF ACTIVE HOME LOANS WITH REPAYMENTS DEFERRED



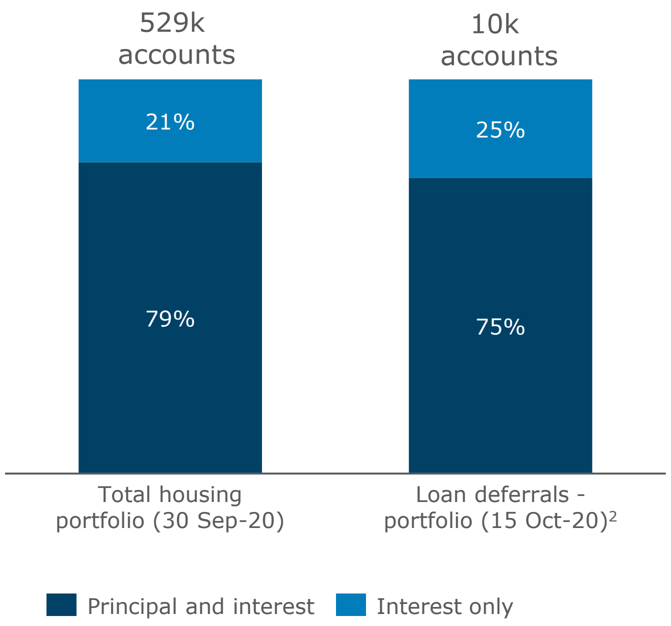
Refer last page of section for footnote references

COVID-19 CUSTOMER SUPPORT MEASURES

NEW ZEALAND HOUSING REPAYMENT DEFERRAL PORTFOLIO PROFILES

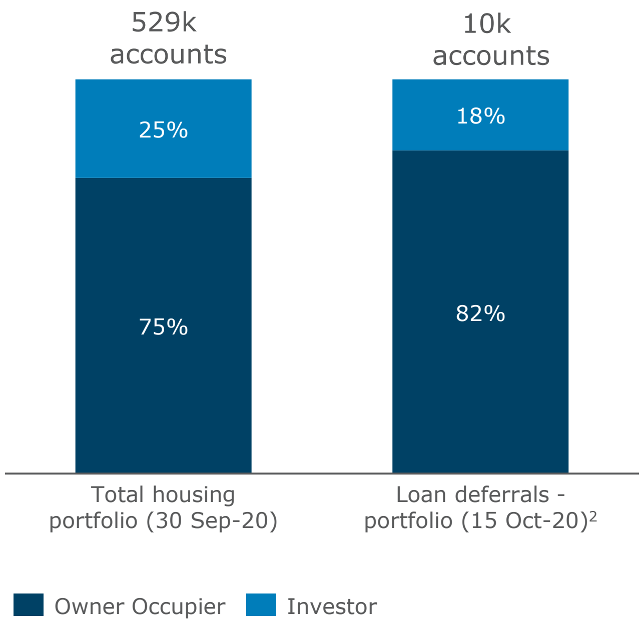
REPAYMENT PROFILE

(% of accounts)



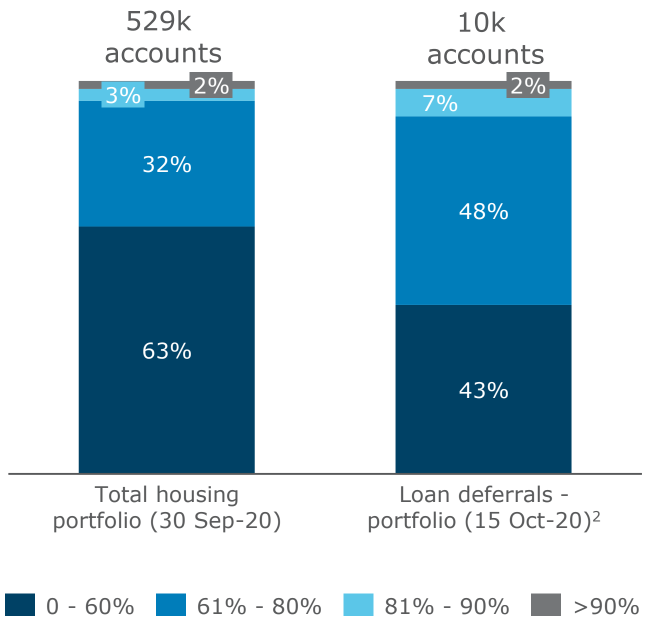
LOAN PURPOSE

(% of accounts)



LOAN TO VALUE RATIO

(% of accounts)[1]



Refer last page of section for footnote references

CUSTOMER SUPPORT (COVID-19)

Page	Footnote reference
OVERVIEW Australia & New Zealand Home loan and Australia Business loan portfolio & active loan deferrals	1. 'Home Loans – Australia', 'Home Loans – New Zealand' and 'Business Loans – Australia' numbers exclude accounts due to expire / exit where customers have already confirmed they will recommence repayment
COVID-19 CUSTOMER SUPPORT MEASURES Australia – Home loan deferrals	1. Excludes accounts currently deferred where customer has indicated return to payment at expiry
COVID-19 CUSTOMER SUPPORT MEASURES Australia – Home loan deferral metrics	1. COVID-19 loan deferrals are available to customers if either their Home Loan repayments are less than 30 days past due, or if their repayments are less than 90 days past due and were up to date at 1 March 2020 2. Buffers are calculated at customer level, incorporating all Retail debts within the customer cluster at ANZ, and all funds available in ANZ redraw, offset and transaction and savings accounts 3 Based on deferral customers where ANZ can identify salary income, this represents ~32% of Home Loan customers. Salary income excludes other income types and segments such as self-employed. Stable is defined as income at or above 80% of income in Feb-2020 4. Based on ANZ transactional data, does not capture payment flows to non-ANZ accounts. JobSeeker accounts are based on customers who received one or more JobSeeker transactions between 1 Sep and 30 Sep. JobKeeper accounts are based on customers that ANZ can identify as being on JobKeeper between 1 Sep and 30 Sep 2020 but due to identifying complexities, there may be customers receiving JobKeeper that ANZ have not been able to identify. 5. Unweighted based on # accounts; Includes capitalised LMI premiums, valuations for DLVR updated to Aug-20 where available, includes Non Performing Loans, excludes accounts with a security guarantee, and unknown DLVR 6. % based of balances as at 30 Sep 2020
COVID-19 CUSTOMER SUPPORT MEASURES Australia – Home loan deferrals portfolio profiles	1. Current loans on active repayment deferral on initial 6 month deferral – still to determine action on maturity and excludes loans extended/requested for a further 4 months and customers who have indicated they will return to repayments at expiry) 2. Current loan deferrals that have requested and received an approval for a 4 month extension 3. Includes capitalised LMI premiums, valuations for DLVR updated to Aug-20 where available, includes Non Performing Loans, excludes accounts with a security guarantee, and unknown DLVR 4. DLVR does not incorporate offset balances
COVID-19 CUSTOMER SUPPORT MEASURES Australia – Commercial Loan deferrals	1. Excludes accounts currently deferred where customer has indicated return to payment at expiry 2. 57.5k for all Commercial products (excl Trade Product assistance and merchant fee waivers). 24.4k of these were enquiries for Business Loan deferrals 3. Total business loan deferrals that have had a deferral over the COVID19 period (including the unwind/rolled off population) – excludes Asset finance and other commercial facilities 4. % based on September 2020 EAD associated with customers where original deferral period has concluded (expired/unwound relief) or advised intended action. Accounts paid out/closed are excluded from EAD Note: Commercial is made up Small Business Banking (lending <$1m), Business Banking (typically lending <$10m), and Specialist Distribution (typically $10m-$40m). Note excludes Private Banking
COVID-19 CUSTOMER SUPPORT MEASURES Australia – Commercial loan deferral metrics	1. Transactional data flows able to contribute to this analysis include 91% of customers associated with the 8k deferred business loans 2. Small Business Banking & Business Banking only, via ANZ transactional banking data (excluding trust accounts). Inflows exclude gvt. payments 3. Quarter on Quarter PCP: June-Aug 20 vs Jun-Aug19. Includes govt payments and excludes trust accounts. 4. EAD as at 30 June 2020 5. EAD as at 30 September 2020 6. % is based on volumes 7. Savings buffer is where savings compared to debt repayment ratio would cover 10+ months 8. Includes deferral extensions, but excludes accounts of customers who have indicated an intent to return to repayments
COVID-19 CUSTOMER SUPPORT MEASURES Australia – Commercial loan deferral portfolio profiles	1. Active deferrals as at 15 October 2020, EAD as at 30 September 2020 2. Fully Secured on a market value basis. Other includes loans secured by cash or via sovereign backing 3 States based on primary postcode and Other represents where none recorded in system. Some postcodes occur across two states 4. Current loan deferrals that have requested and received an approval for a 4 month extension
COVID-19 CUSTOMER SUPPORT MEASURES New Zealand	- -
COVID-19 CUSTOMER SUPPORT MEASURES New Zealand - Housing repayment deferral portfolio profiles	1. LVR is origination LVR. Note if calculated as % of portfolio then total housing is 49% (0-60), 44% (61-80), 5% (81-90) & 2% (>90) and LRD is 34% (0-60), 54% (61-80), 9% (81-90) & 3% (>90) 2. Home loans with Loan Repayment Deferral in place as at 15/10/2020

2020

FULL YEAR RESULTS

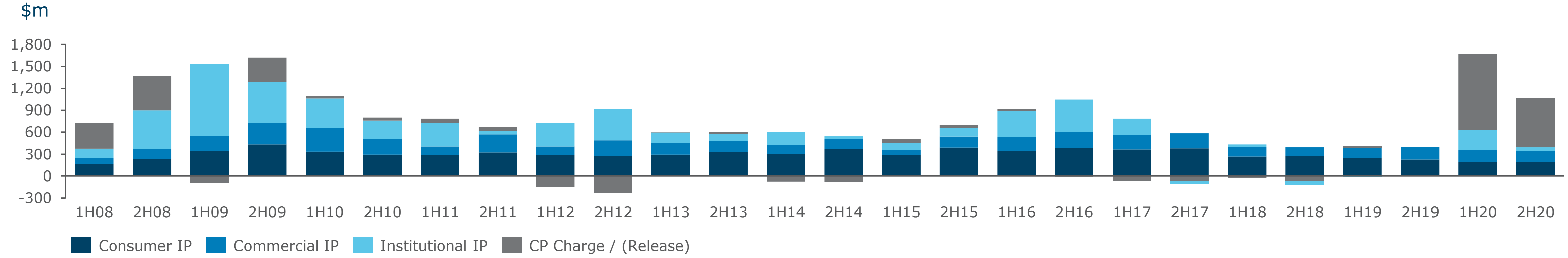
INVESTOR DISCUSSION PACK

RISK MANAGEMENT

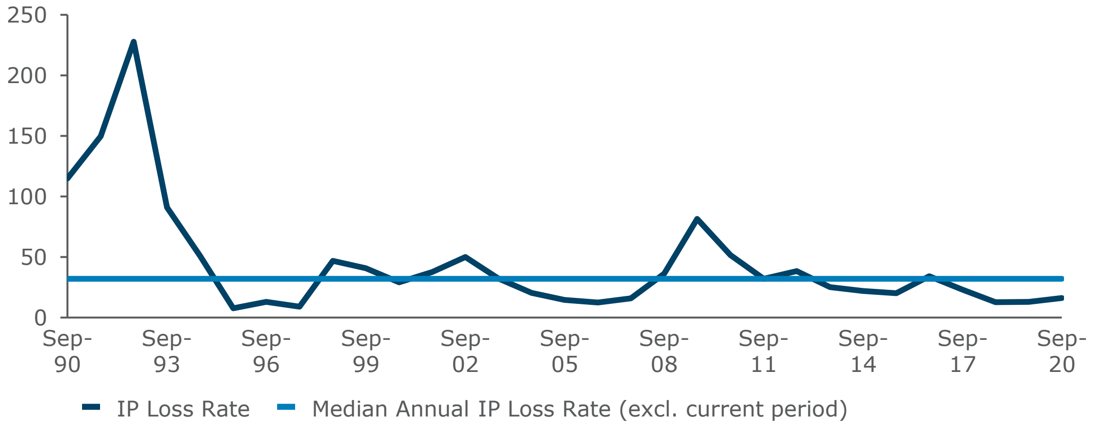
RISK MANAGEMENT

LONG RUN PROVISIONS & LOSS RATES

TOTAL CREDIT IMPAIRMENT CHARGE



ANZ HISTORICAL LOSS RATES[1] (basis points)



1. IP as a % of average Gross Loans and Advances (GLA)

LONG RUN LOSS RATE (INTERNAL EXPECTED LOSS) (%)

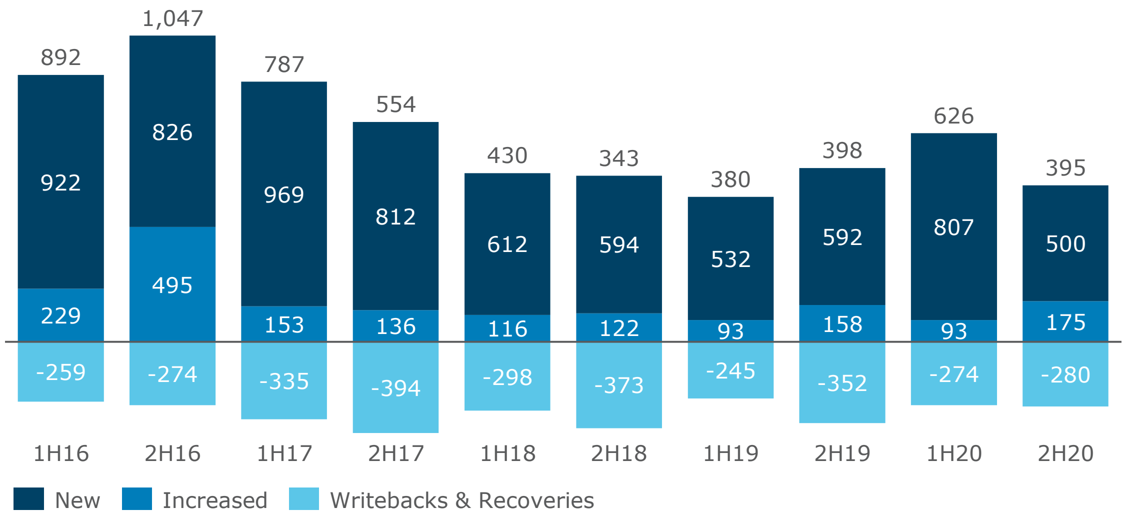
Division	Mar-16	Sep-16	Mar-17	Sep-17	Mar-18	Sep-18	Mar-19	Sep-19	Mar-20	Sep-20
Aus. R&C	0.35	0.33	0.33	0.33	0.31	0.29	0.29	0.29	0.28	0.27
New Zealand	0.25	0.26	0.26	0.22	0.21	0.19	0.19	0.18	0.19	0.16
Institutional	0.37	0.36	0.35	0.30	0.32	0.27	0.27	0.25	0.25	0.30
Pacific	1.47	1.79	1.60	1.69	1.95	1.78	1.60	1.40	1.30	1.46
Subtotal	**0.34**	**0.33**	**0.33**	**0.30**	**0.30**	**0.27**	**0.27**	**0.26**	**0.26**	**0.26**
Asia Retail	1.50	1.51	1.51	2.75	0	0	0	0	0	0
Total	**0.37**	**0.35**	**0.35**	**0.32**	**0.30**	**0.27**	**0.27**	**0.26**	**0.26**	**0.26**

- Increase in Institutional due to credit migration following re-rating of 93% Institutional EAD post on-set of COVID
- NZ reduction primarily driven by UDC divestment and improved mix with reduced unsecured retail volumes

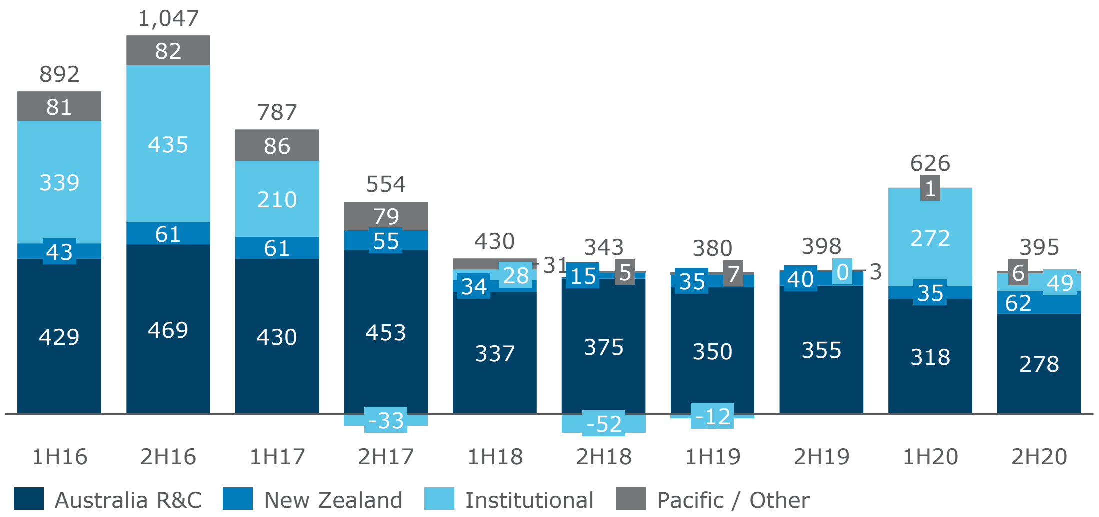
RISK MANAGEMENT

INDIVIDUAL PROVISION CHARGE

INDIVIDUAL PROVISION CHARGE



INDIVIDUAL PROVISION CHARGE BY DIVISION



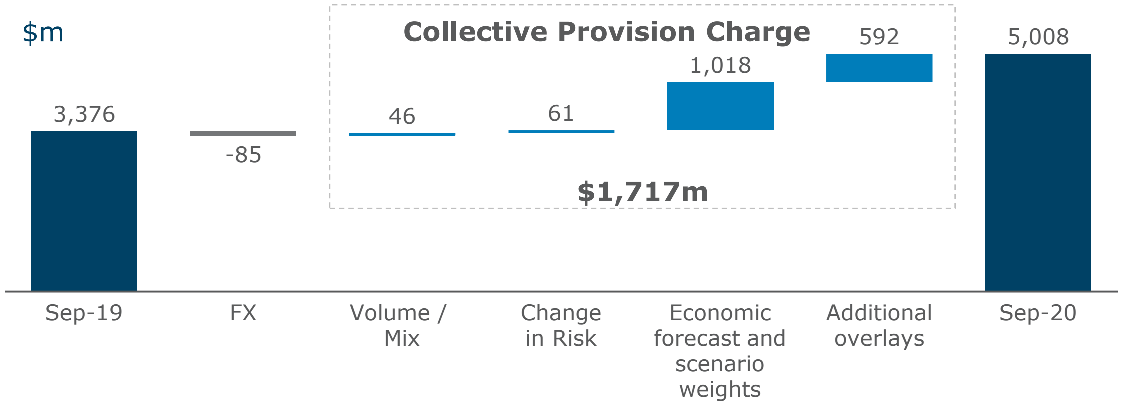
Ratios	1H16	2H16	1H17	2H17	1H18	2H18	1H19	2H19	1H20	2H20
IP loss rate (bps)[1]	31	36	27	19	15	12	12	13	20	12
Total loss rate (bps)[1]	32	36	25	16	14	9	13	13	53	33
IP balance / Gross Impaired Assets	43%	41%	43%	48%	50%	43%	42%	40%	42%	36%

1. Annualised loss rate as a % of Gross Loans and Advances (GLA)

RISK MANAGEMENT

COLLECTIVE PROVISION BALANCE & CHARGE

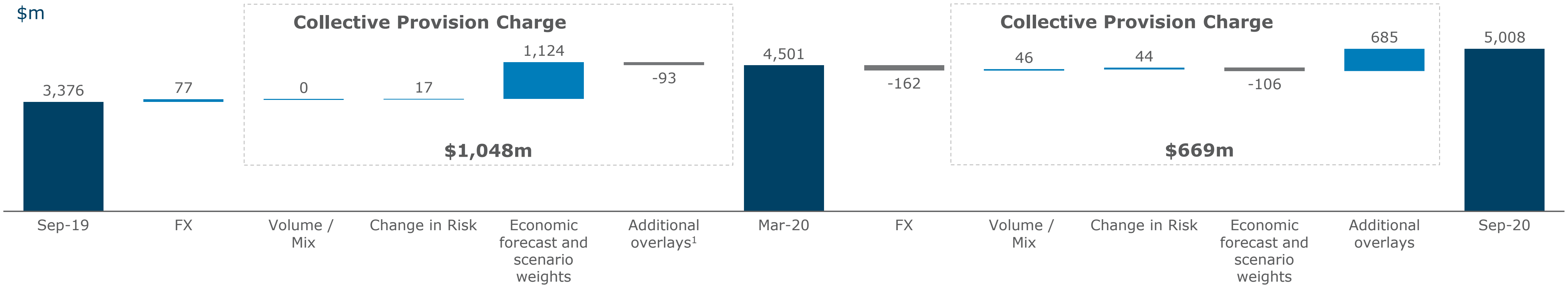
MOVEMENT IN COLLECTIVE PROVISION BALANCE YOY



COLLECTIVE PROVISION CHARGE

$m	1H19	2H19	1H20	2H20
CP charge	**13**	**4**	**1,048**	**669**
Volume/Mix	-28	-51	0	46
Change in Risk	-40	19	17	44
Economic forecast scenario weights	99	31	1,124	-106
Additional overlays	-18	5	-93	685

MOVEMENT IN COLLECTIVE PROVISION BALANCE HOH

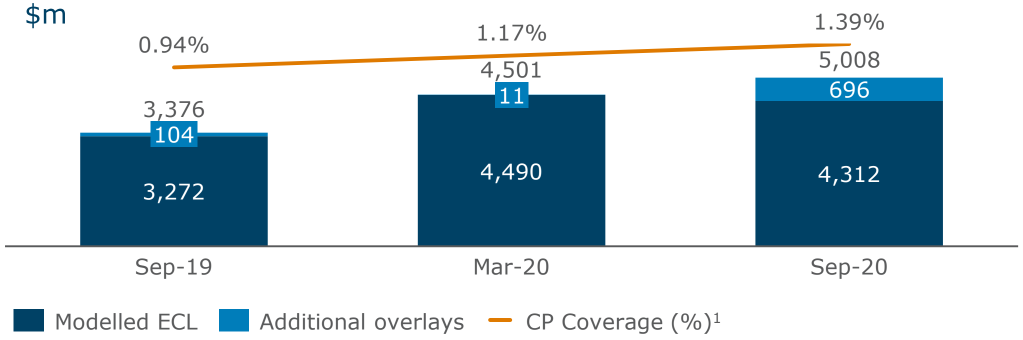


1. Reduction due to release of overlays no longer required due to the CP uplift from base case & scenario weights

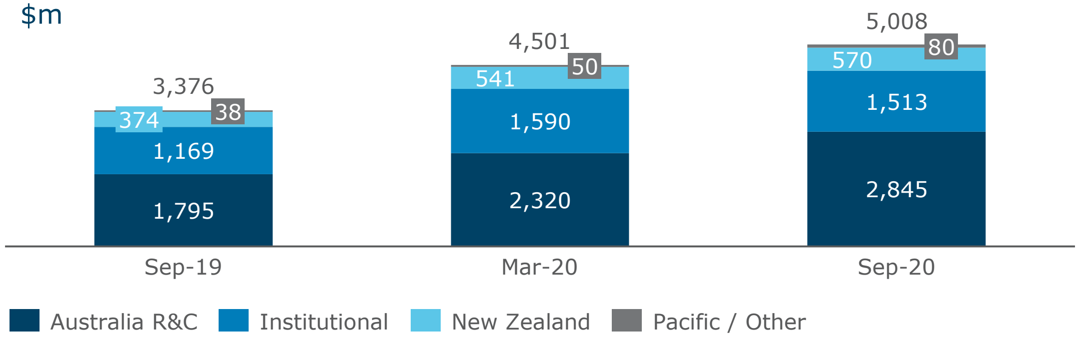
RISK MANAGEMENT

COLLECTIVE PROVISION (CP) BALANCE

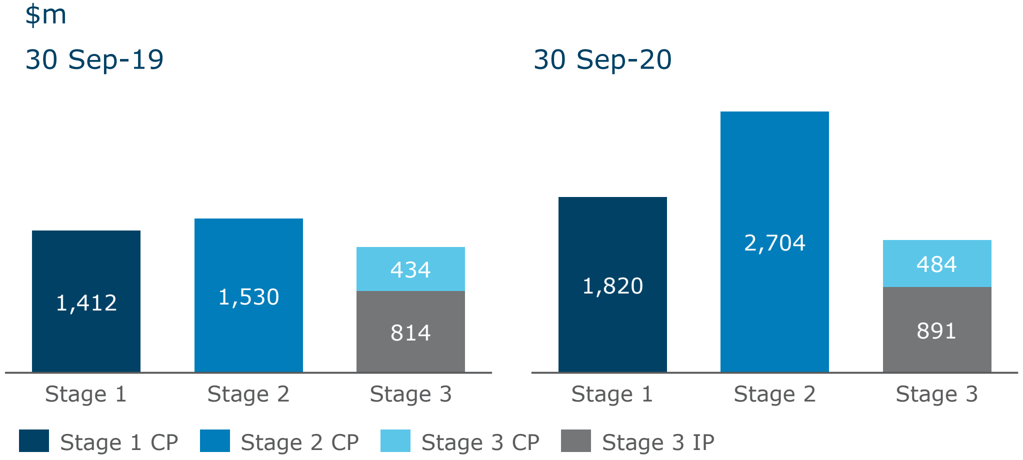
CP BALANCE BY CATEGORY



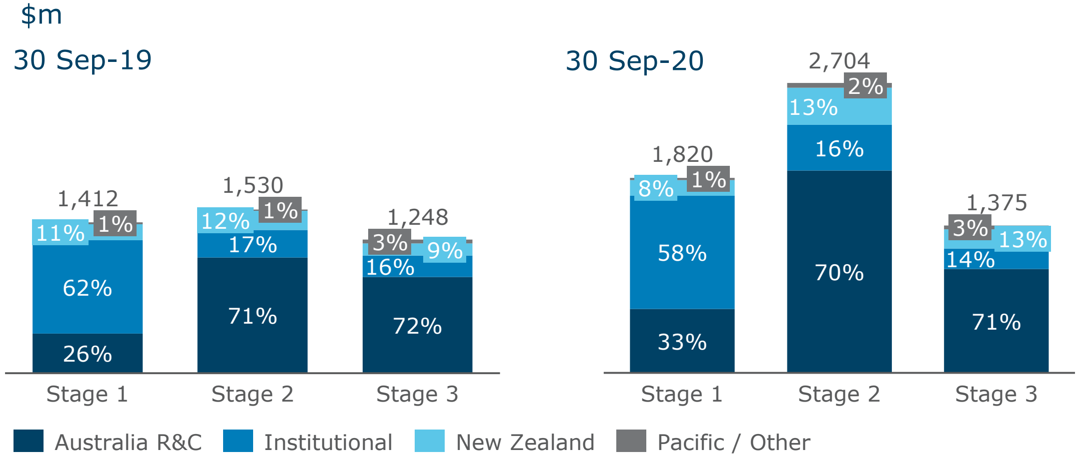
CP BALANCE BY DIVISION



PROVISION BALANCE BY STAGE



PROVISION BALANCE BY STAGE – DIVISIONAL ALLOCATION

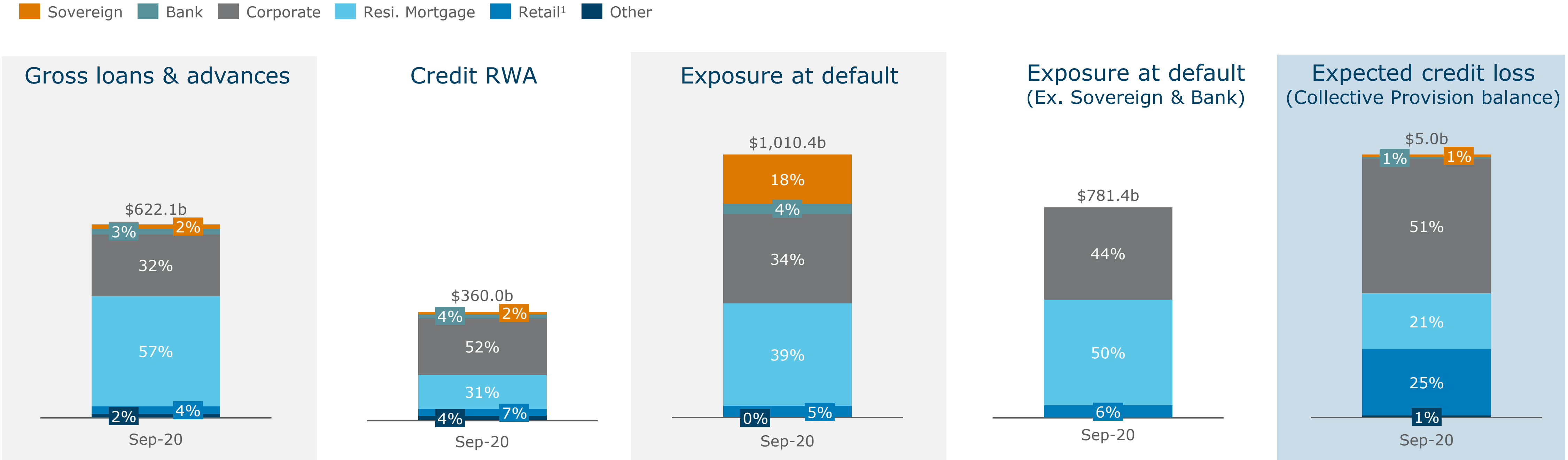


1. CP as a % of Credit Risk Weighted Assets (CRWA)

RISK MANAGEMENT

PORTFOLIO COMPOSITION AND COVERAGE RATIOS

PORTFOLIO COMPOSITION



Coverage ratios	%	%	%	%
CP coverage	0.81	1.39	0.50	0.63
Total coverage[2]	0.95	1.64	0.58	0.75

Coverage rates by asset classes are available in the ANZ risk template available at https://www.anz.com/shareholder/centre/reporting/results-announcement/

1. Qualifying Revolving and Other Retail categories
2. Individual Provision balance and Collective Provision balance

EXPECTED CREDIT LOSS

ECONOMIC SCENARIOS – MODELLED OUTCOMES

ECONOMIC SCENARIOS	BASE CASE[1]			Downside Scenario Characterisation[2]	
30 SEP-20	CY2020	CY2021	CY2022	CY2021	CY2022
AUSTRALIA					
GDP change[3]	-4.3%	1.6%	4.0%	-1.3%	-0.1%
Unemployment rate[4]	7.3%	8.8%	7.7%	9.0%	9.2%
Resi Property price change[3]	-2.2%	-4.8%	2.0%	-5.9%	1.0%
NEW ZEALAND					
GDP change[3]	-5.6%	2.0%	5.6%	-5.3%	0.2%
Unemployment rate[4]	5.7%	9.1%	6.5%	10.4%	10.8%
Resi Property price change[3]	-0.3%	0.9%	4.1%	-8.8%	0.0%

COLLECTIVE PROVISION BALANCE SCENARIOS[5,6]

Weightings are applied to scenarios to determine CP balance				
Sep-20	**11%**	**50%**	**33%**	**6%**

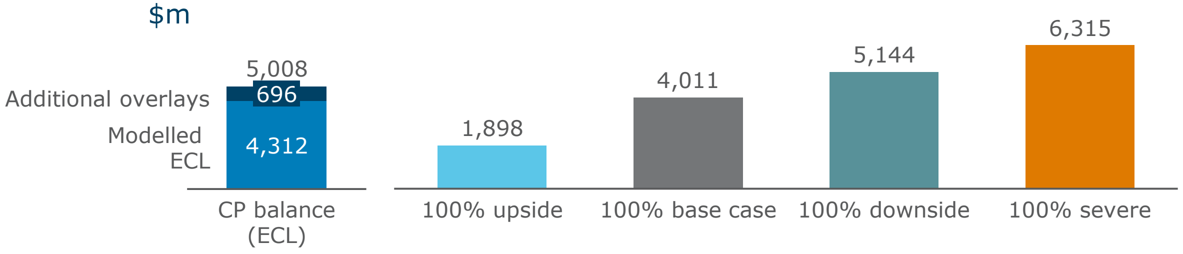


ILLUSTRATION: RWA IMPACT OF PORTFOLIO CREDIT MIGRATION

	Actual impact to date		Potential total impact across FY20 & FY21 from Portfolio Credit Migration	
CET1 ratio impact (bps)	1H20	2H20	Base case	Downside
Total CET1 impact	**7**	**10**	**~65**	**~100**
Institutional	8	16	Inclusive of FY20 actual	
Aus. Retail & Commercial	-1	-7		
New Zealand	0	1		

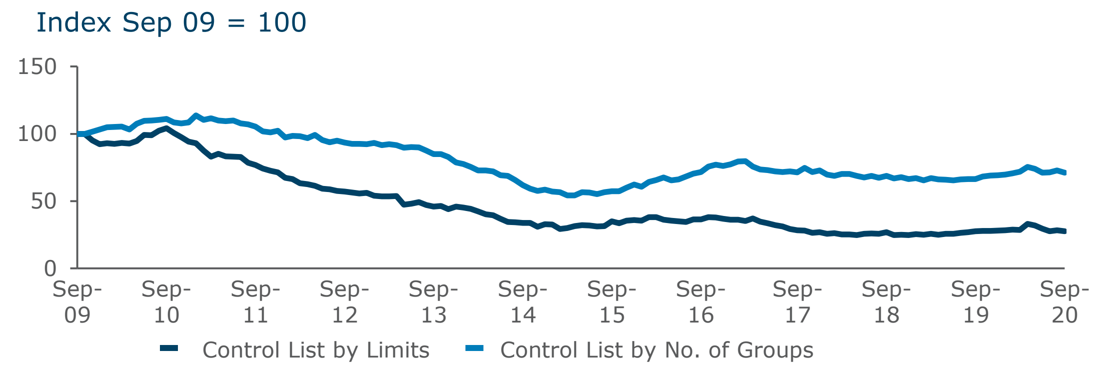
	Actual impact to date		Potential total impact across FY20 & FY21 from Portfolio Credit Migration	
RWA ($b)	1H20	2H20	Base case	Downside
Credit RWA increase	**2.6**	**3.9**	**~25**	**~40**
Institutional	3.0	6.2	Inclusive of FY20 actual	
Aus. Retail & Commercial	-0.3	-2.7		
New Zealand	-0.1	0.4		

1. Subset of a range of economic indicators shown. Economic forecasts also undertaken for international markets
2. As a fixed scenario, the Downside Scenario (like the Upside and Severe Scenarios) is specified in terms of an index of economic stress. The economic variables shown represent a characterisation of the scenario to facilitate a comparison to the base case
3. CY2020, CY2021 & CY2022: 12 months to December Year on Year change
4. Annual average: 12 months to December
5. Illustration of the impact on ANZ's modelled ECL
6. The Upside, Downside and Severe Scenarios are fixed scenarios which do not move with changes to the Base Case forecast

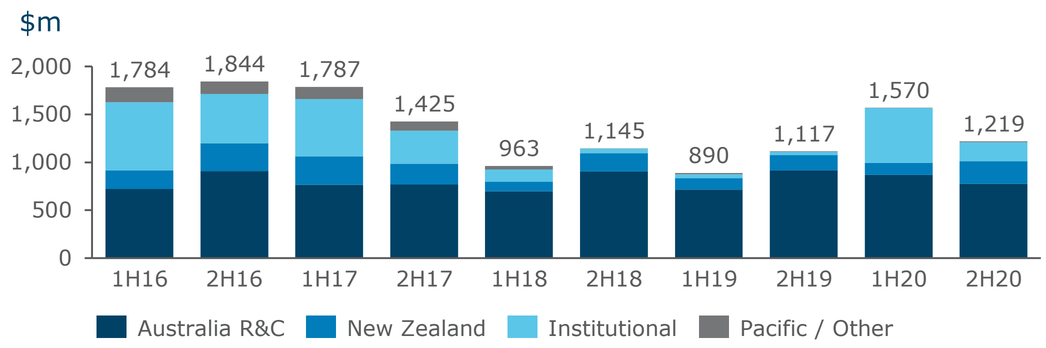
RISK MANAGEMENT

IMPAIRED ASSETS

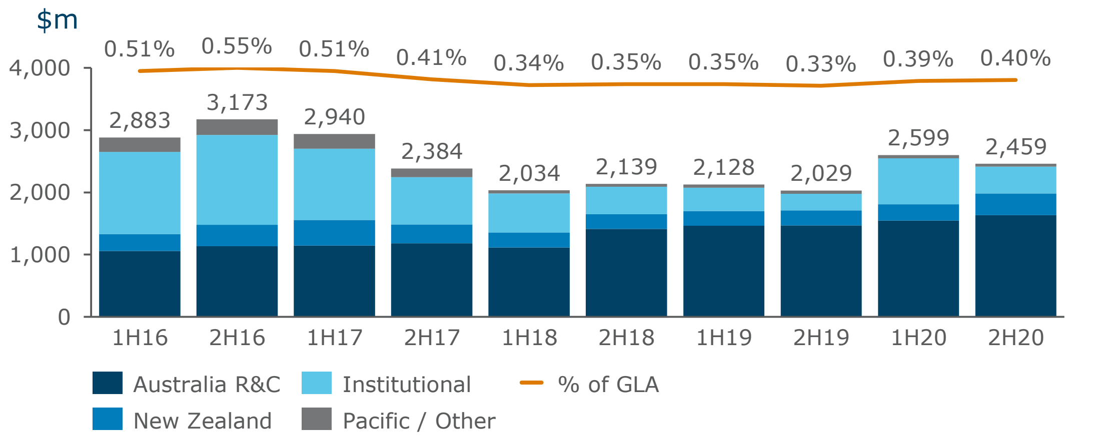
CONTROL LIST



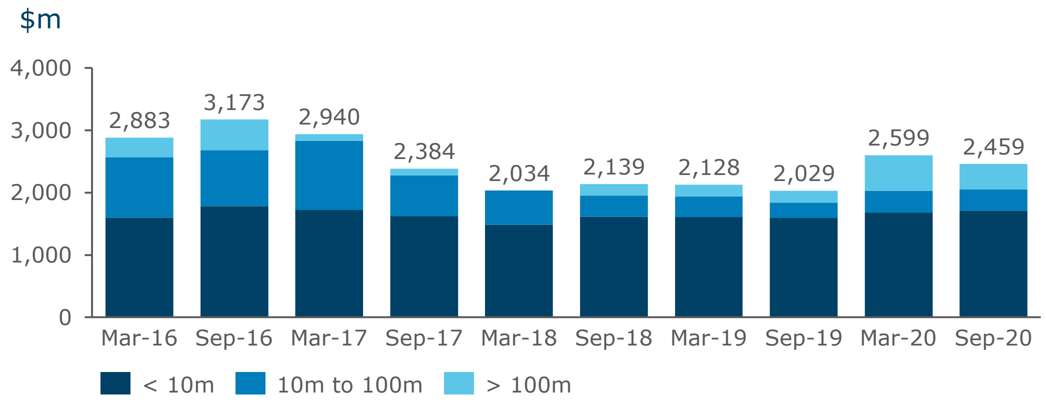
NEW IMPAIRED ASSETS BY DIVISION



GROSS IMPAIRED ASSETS BY DIVISION



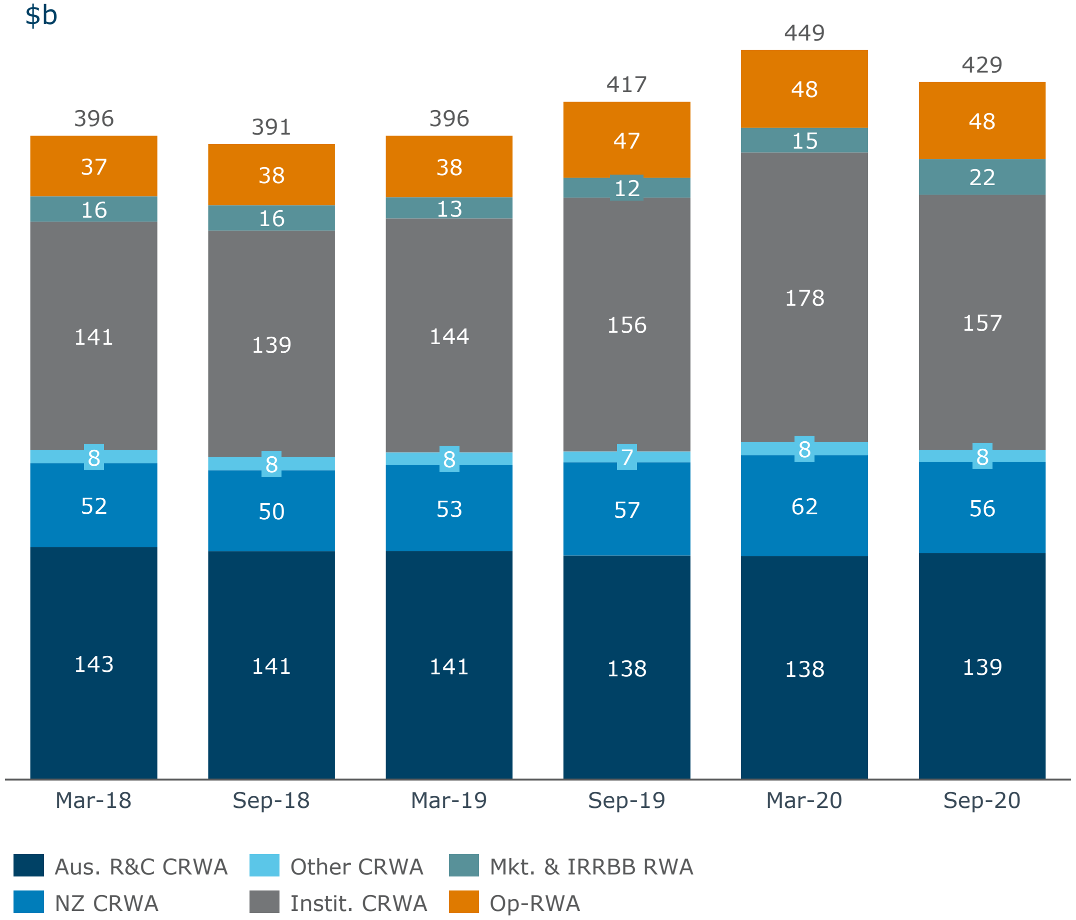
GROSS IMPAIRED ASSETS BY EXPOSURE SIZE



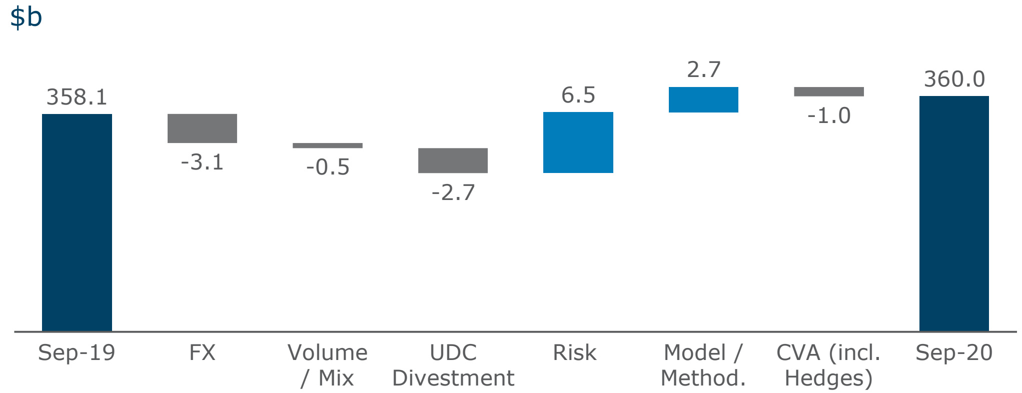
RISK MANAGEMENT

RISK WEIGHTED ASSET AND EXPOSURE AT DEFAULT (EAD) – DIVISIONAL VIEW

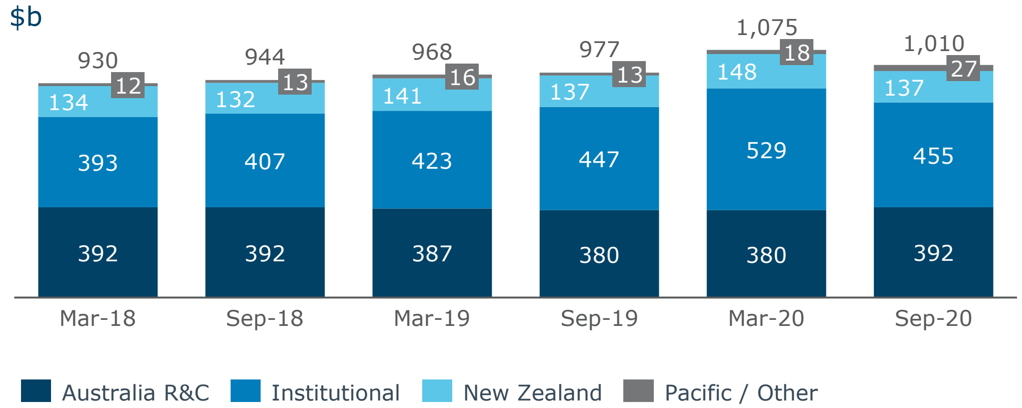
TOTAL RISK WEIGHTED ASSETS



CREDIT RWA DRIVERS



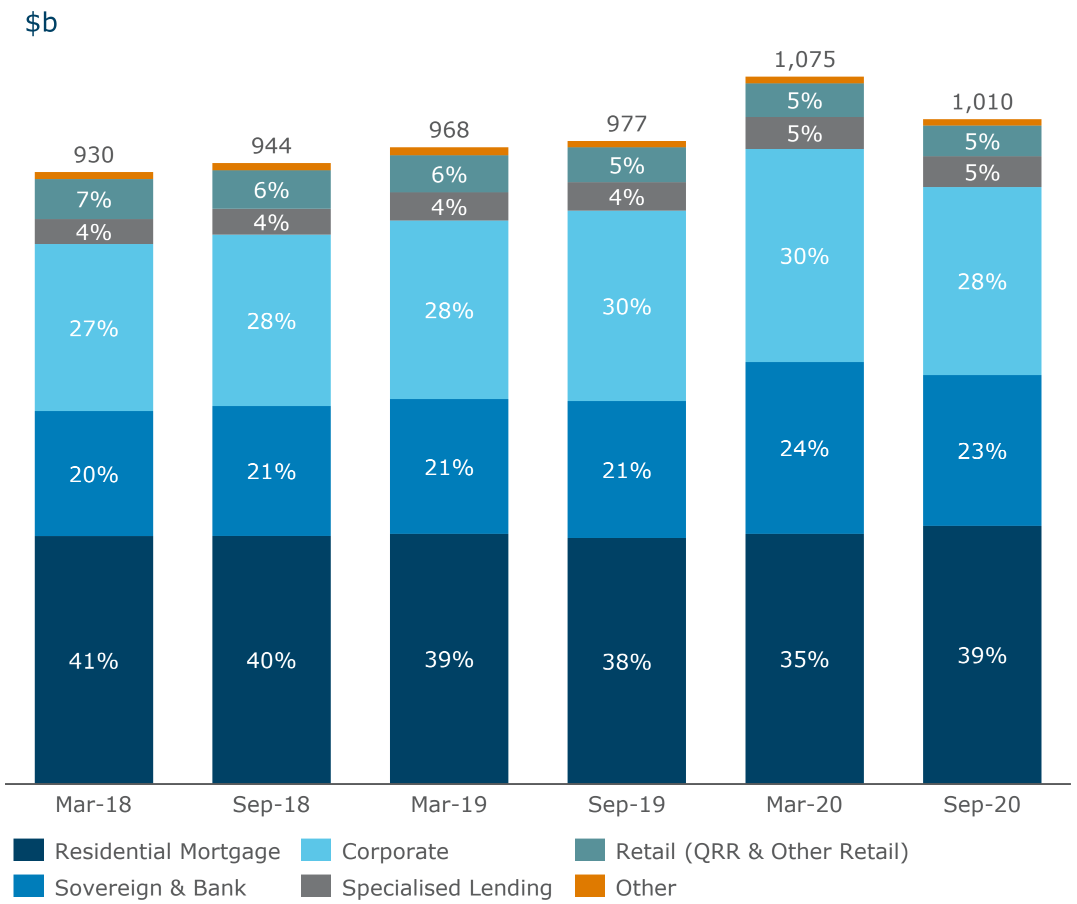
EAD BY DIVISION[1]



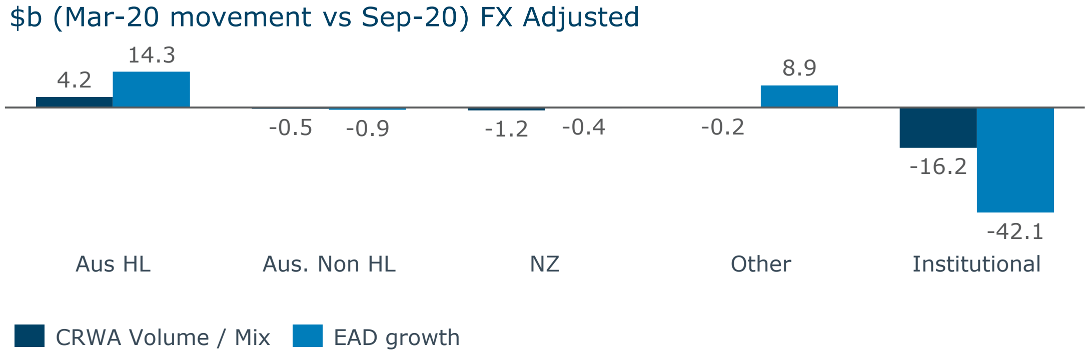
1. EAD excludes amounts for 'Securitisation' and 'Other Assets' Basel classes. Data provided is on a Post CRM basis, net of credit risk mitigation such as guarantees, credit derivatives, netting and financial collateral

RISK WEIGHTED ASSETS (RWA) & EXPOSURE AT DEFAULT (EAD)

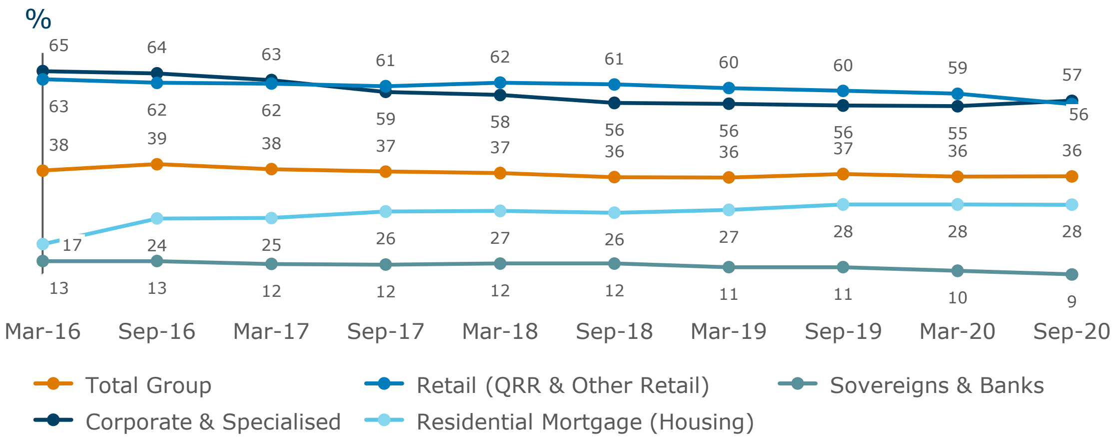
EAD COMPOSITION[1]



EAD & CRWA MOVEMENT



CREDIT RWA/EAD BY PORTFOLIO



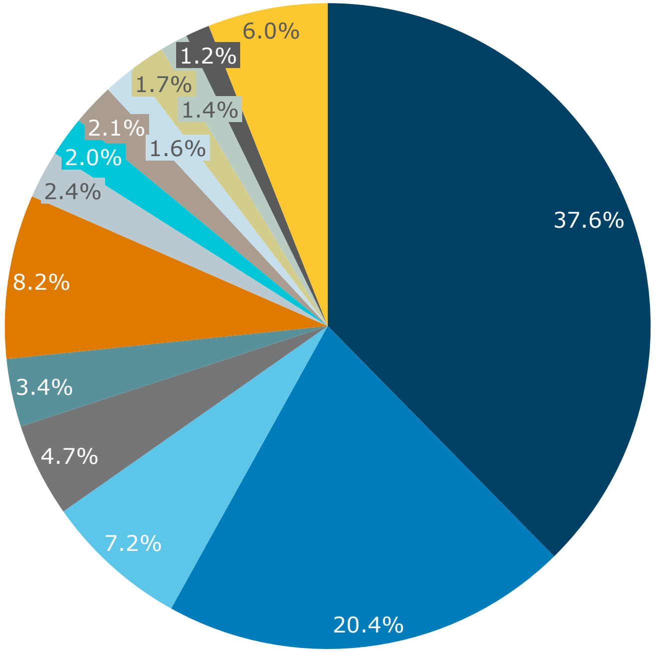
1. EAD excludes Securitisation and Other assets whereas CRWA is inclusive as per APS 330. EAD data provided is on a Post CRM basis, net of credit risk mitigation such as guarantees, credit derivatives, netting and financial collateral

RISK MANAGEMENT

TOTAL PORTFOLIO COMPOSITION

EXPOSURE AT DEFAULT (EAD) DISTRIBUTION

TOTAL GROUP EAD (Sep-20) = $1,010b[1]



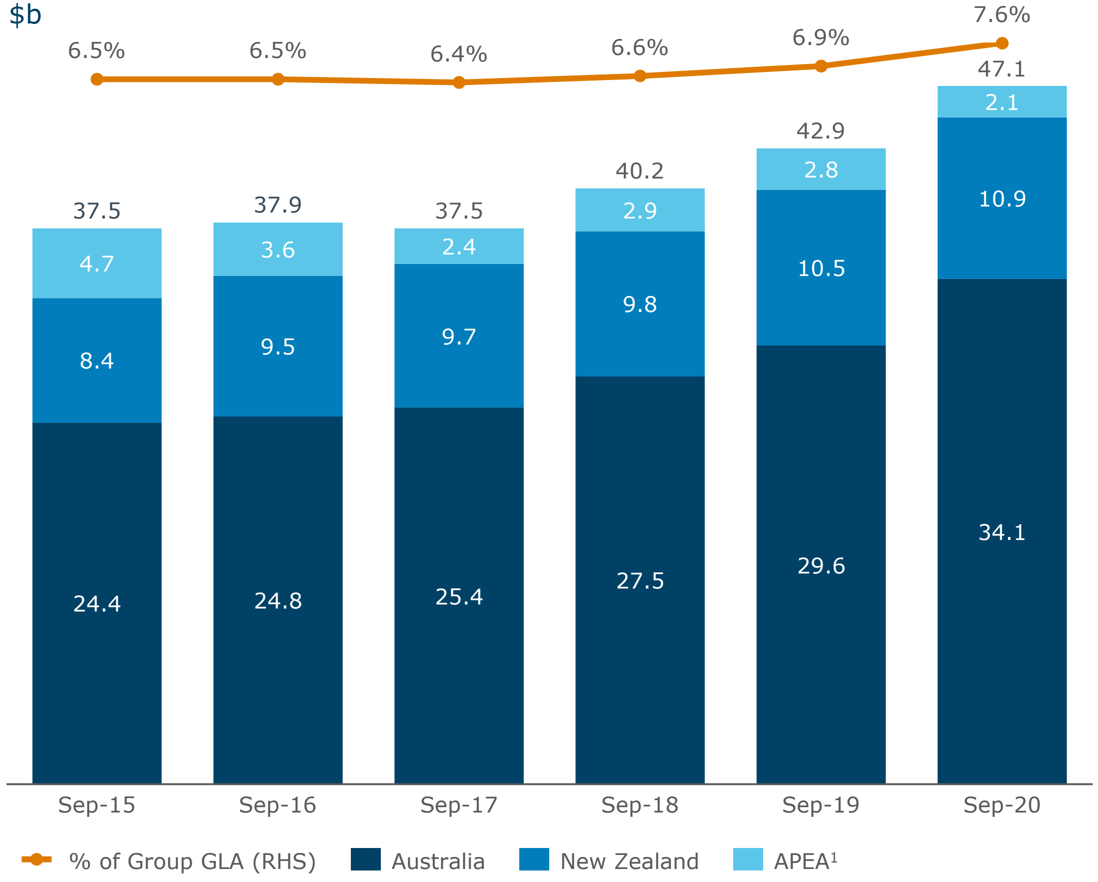
Category	% of Group EAD			% of Portfolio in Non Performing			Portfolio Balance in Non Performing
	Sep-19	Mar-20	Sep-20	Sep-19	Mar-20	Sep-20	Sep-20
Consumer Lending	37.6%	34.6%	37.6%	0.1%	0.2%	0.2%	$611m
Finance, Investment & Insurance	20.3%	24.1%	20.4%	0.0%	0.0%	0.1%	$127m
Property Services	7.0%	6.9%	7.2%	0.2%	0.3%	0.3%	$186m
Manufacturing	5.1%	5.3%	4.7%	0.3%	0.2%	0.3%	$130m
Agriculture, Forestry, Fishing	3.6%	3.4%	3.4%	1.1%	1.1%	1.4%	$481m
Government & Official Institutions	7.3%	7.0%	8.2%	0.0%	0.0%	0.0%	$0m
Wholesale trade	3.0%	2.9%	2.4%	0.3%	1.2%	0.4%	$102m
Retail Trade	2.2%	2.0%	2.0%	0.7%	0.9%	1.6%	$316m
Transport & Storage	2.2%	2.2%	2.1%	0.3%	0.5%	0.7%	$157m
Business Services	1.6%	1.6%	1.6%	1.0%	1.0%	1.1%	$173m
Resources (Mining)	1.8%	1.8%	1.7%	0.2%	0.2%	0.2%	$31m
Electricity, Gas & Water Supply	1.3%	1.4%	1.4%	0.1%	0.1%	0.1%	$15m
Construction	1.3%	1.2%	1.2%	1.7%	1.3%	1.4%	$167m
Other	5.8%	5.7%	6.0%	0.4%	0.4%	0.5%	$280m
Total	100%	100%	100%				$2,778m
Total Group EAD[1]	**$977b**	**$1,075b**	**$1,010b**				

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

RISK MANAGEMENT

SEGMENTS OF INTEREST

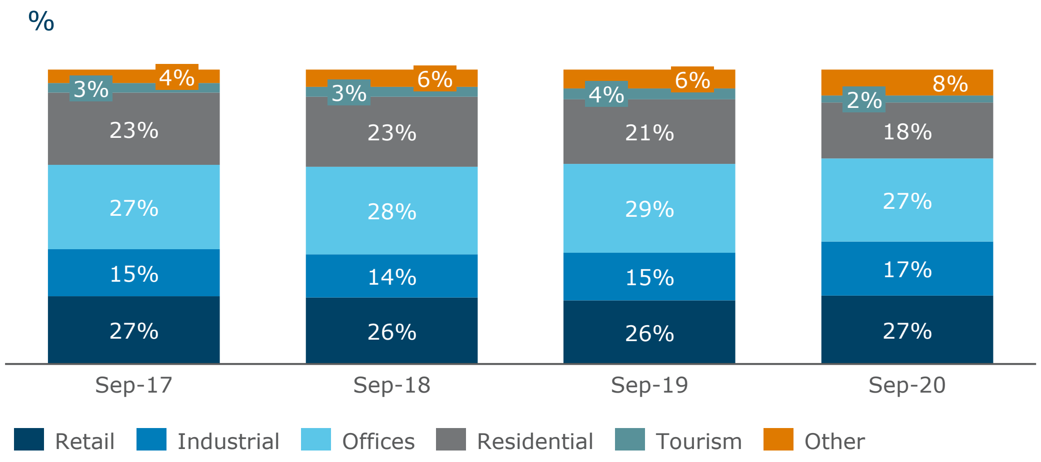
COMMERCIAL PROPERTY OUTSTANDINGS BY REGION



- Growth in the portfolio over the last 5 years has been focused in Australia. At the same time commercial property lending in New Zealand has only increased marginally and APEA has declined significantly.
- FY20 growth of ~AUD4b was predominantly driven by higher lending to strongly rated REITs requesting liquidity support at the onset of COVID-19 in March 20 quarter. Growth has moderated since March with credit quality portfolio remaining stable.

- Decline in residential development lending is due to lower market activity. Growth in retail has been very selective to non-discretionary and large diversified counterparties. Majority of lending to office sector is to A-Grade properties least likely to be affected by current COVID-19 constraints.

COMMERCIAL PROPERTY OUSTANDINGS BY SECTOR

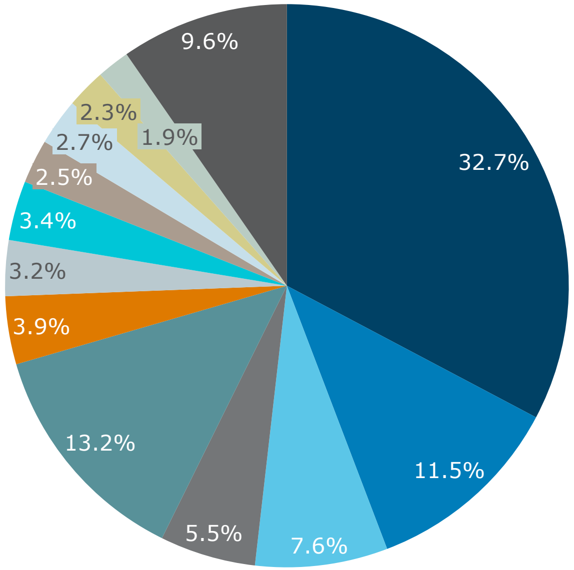


1. APEA = Asia Pacific, Europe & America

RISK MANAGEMENT

INSTITUTIONAL & COMMERCIAL PORTFOLIO

EXPOSURE AT DEFAULT (EAD) DISTRIBUTION



Category	GLA	Credit Related Commitments and Contingencies
	($b)	($b)
Finance, Investment & Insurance	55	49
Property Services	55	17
Manufacturing	27	41
Agriculture, Forestry, Fishing	31	4
Govt. & Official Institutions	3	2
Wholesale trade	14	21
Retail Trade	13	9
Transport & Storage	13	9
Business Services	11	7
Resources (Mining)	7	14
Electricity, Gas & Water Supply	6	9
Construction	8	7
Other	45	22
TOTAL	**$289b**	**$211b**

	Sep-16	Sep-17	Sep-18	Sep-19	Sep-20
Investment grade % of EAD	65%	66%	69%	71%	71%
CRWA / EAD	46%	42%	40%	41%	39%
IEL as a % of GLA	0.45%	0.40%	0.37%	0.35%	0.38%

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

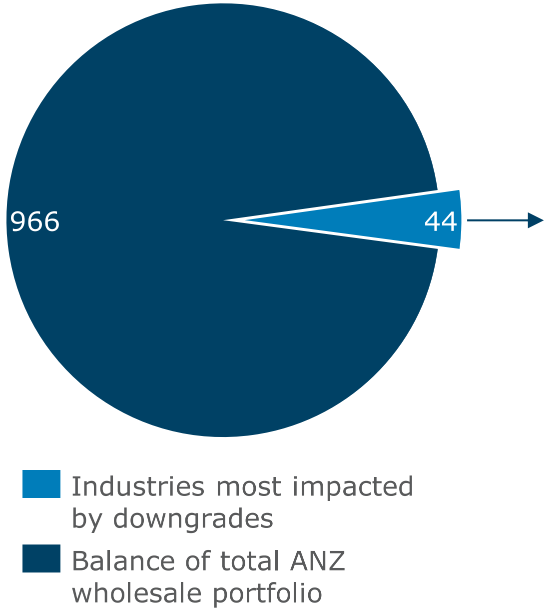
RISK MANAGEMENT

EXPOSURE TO SOME INDUSTRIES MORE IMPACTED BY DOWNGRADES DURING THE COVID-19 PANDEMIC[1,2]

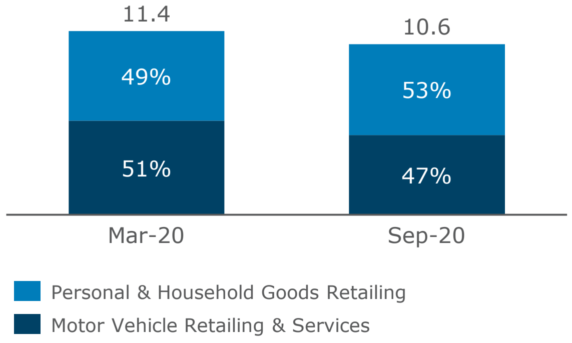
TOTAL GROUP EAD

All exposures on an EAD basis in $b

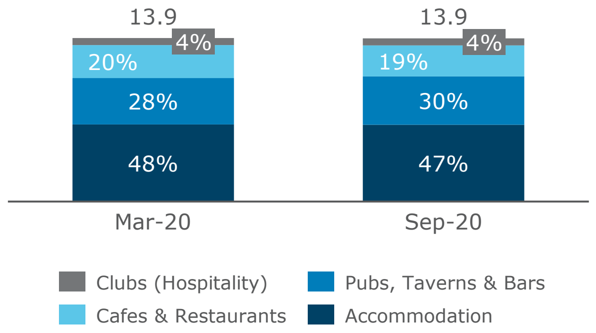
$1,010b (Sep-20)



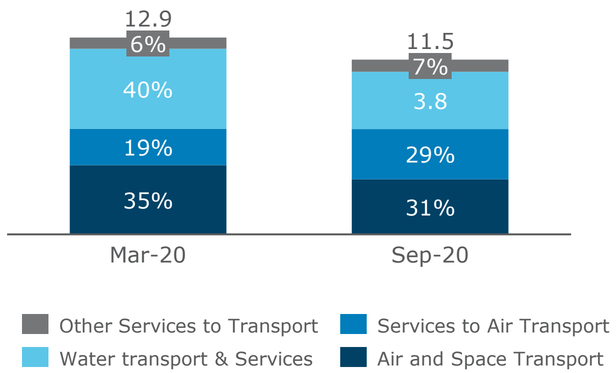
RETAIL TRADE



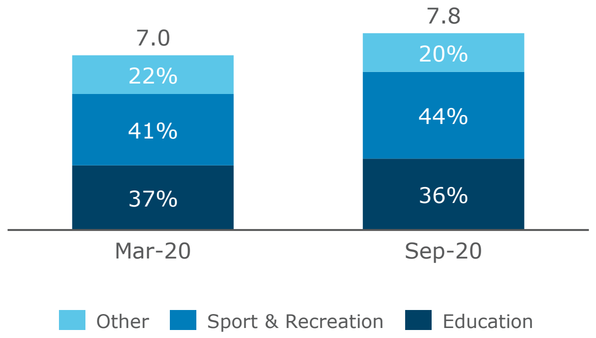
ACCOMMODATION, CAFES & RESTAURANTS



TRANSPORT & STORAGE



EDUCATION, CULTURAL & RECREATION

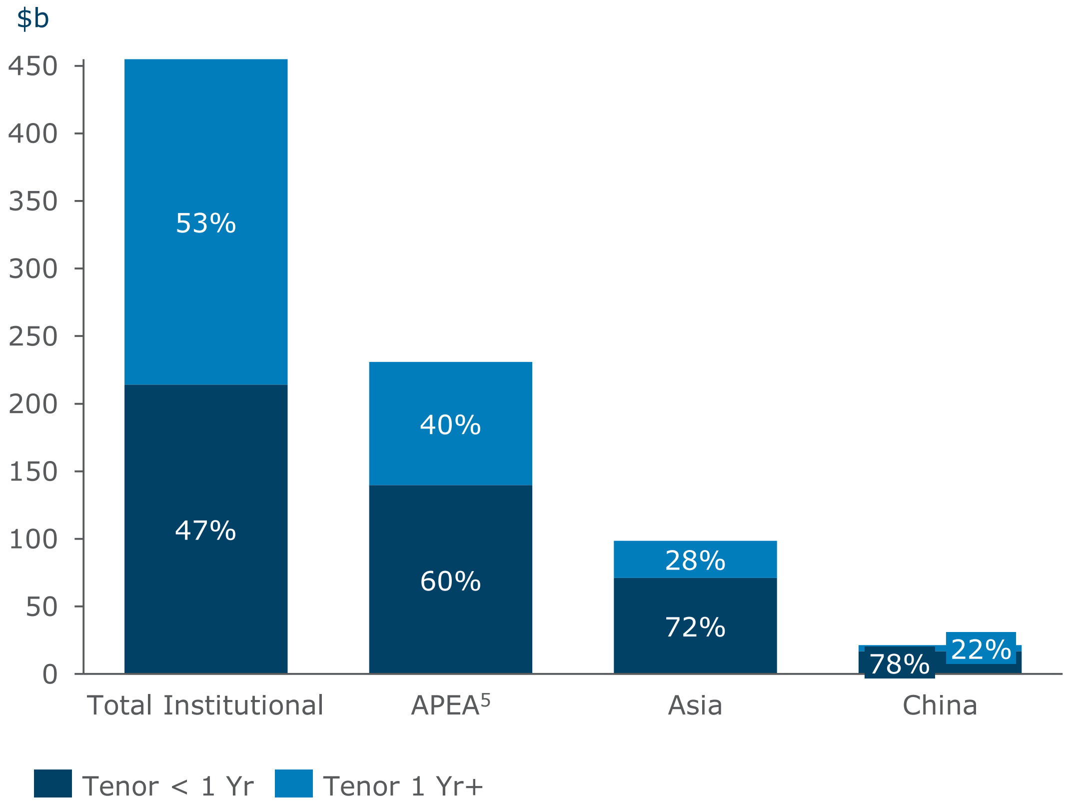


1. EAD excludes amounts for 'Securitisation' and 'Other Assets' Basel classes. Data provided is on a Post CRM basis, net of credit risk mitigation such as guarantees, credit derivatives, netting and financial collateral
2. Exposure represents a subset of sectors within the respective ANZSIC industry group

RISK MANAGEMENT

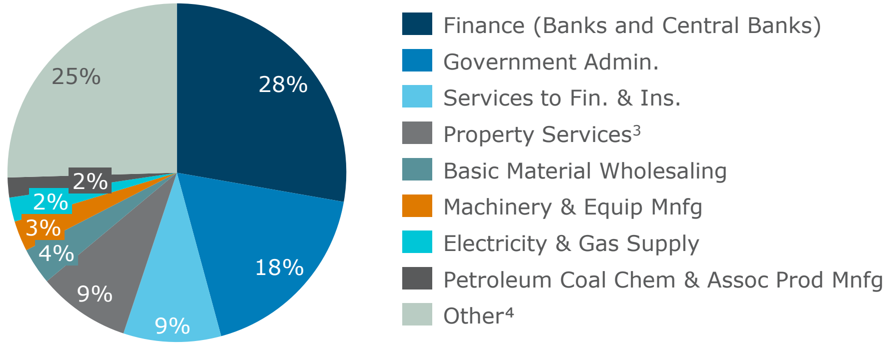
ANZ INSTITUTIONAL PORTFOLIO

INSTITUTIONAL PORTFOLIO SIZE & TENOR BY COUNTRY OF INCORPORATION[1] (EAD[2])



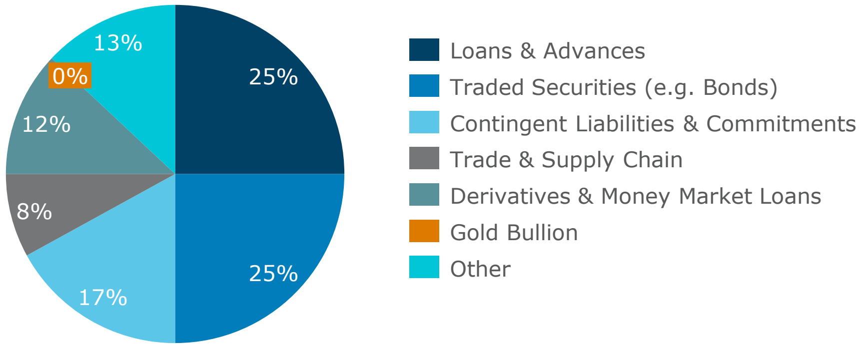
ANZ INSTITUTIONAL INDUSTRY COMPOSITION

EAD (Sep-20): A$454.9b[2]



ANZ INSTITUTIONAL PRODUCT COMPOSITION

EAD (Sep-20): A$454.9b[2]



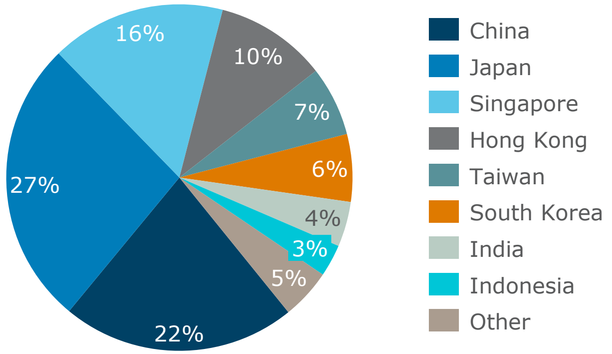
1. Country is defined by the counterparty’s Country of Incorporation
2. EAD excludes amounts for ‘Securitisation’ & ‘Other Assets’ Basel classes. Data provided is on a Post CRM basis, net of credit risk mitigation such as guarantees, credit derivatives, netting & financial collateral
3. ~90% of the ANZ Institutional “Property Services” portfolio is to entities incorporated in either Australia or New Zealand
4. Other is comprised of 47 different industries with none comprising more than 2.1% of the Institutional portfolio
5. APEA: Asia, Pacific, Europe & America

RISK MANAGEMENT

ANZ ASIAN INSTITUTIONAL PORTFOLIO (COUNTRY OF INCORPORATION[1])

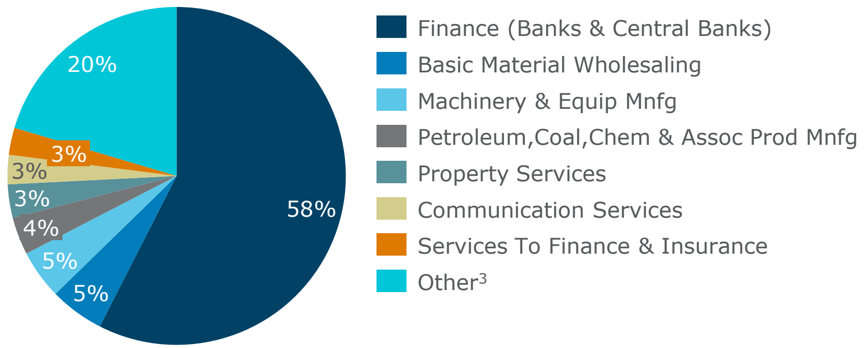
COUNTRY OF INCORPORATION[1]

EAD (Sep-20): A$99b[2]



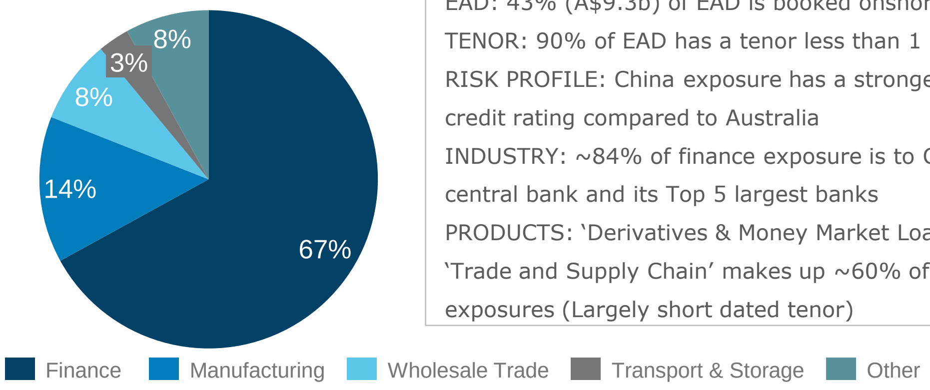
ANZ ASIA INDUSTRY COMPOSITION

EAD (Sep-20): A$99b[2]



ANZ CHINA COMPOSITION

EAD (Sep-20): A$22b[2]



EAD: 43% (A$9.3b) of EAD is booked onshore in China

TENOR: 90% of EAD has a tenor less than 1 year

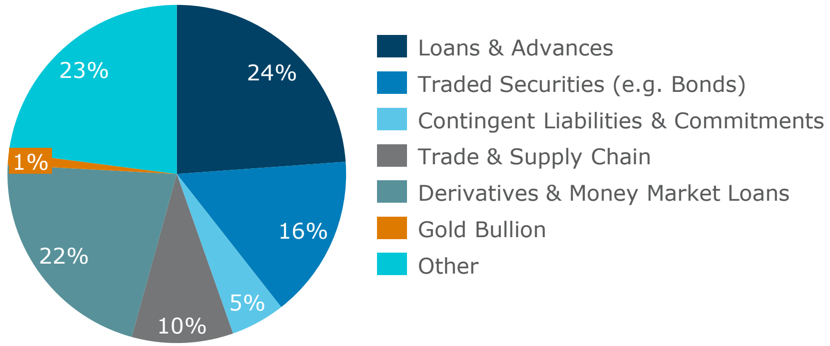
RISK PROFILE: China exposure has a stronger average credit rating compared to Australia

INDUSTRY: ~84% of finance exposure is to China's central bank and its Top 5 largest banks

PRODUCTS: 'Derivatives & Money Market Loans' and 'Trade and Supply Chain' makes up ~60% of total exposures (Largely short dated tenor)

ANZ ASIA PRODUCT COMPOSITION

EAD (Sep-20): A$99b[2]

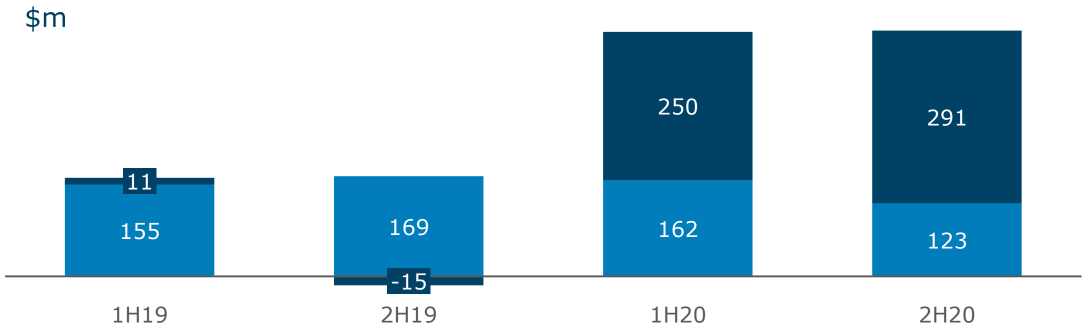


1. Country is defined by the counterparty's Country of Incorporation 2. Data provided is as at Sep-20 on a Post CRM basis, net of credit risk mitigation such as guarantees, credit derivatives, netting and financial collateral. Position excludes Basel Asset Class 'Securitisation', 'Other Assets', 'Retail' and manual adjustments 3. "Other" within industry is comprised of 42 different industries with none comprising more than 2.5% of the Asian Institutional portfolio; Other product category is predominantly exposure due from other financial institutions

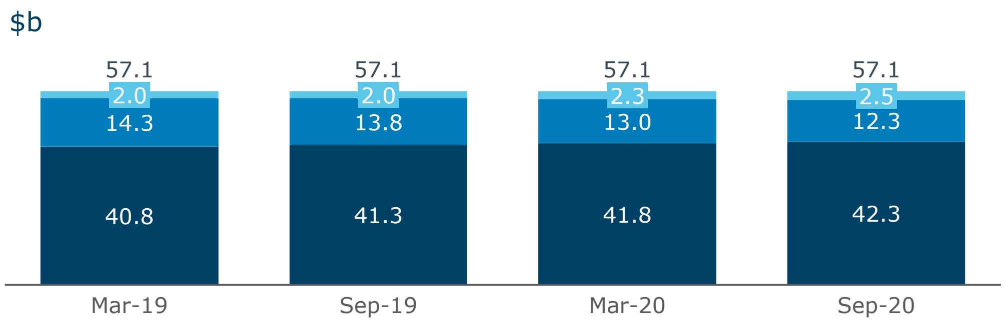
RISK MANAGEMENT

AUSTRALIAN COMMERCIAL BANKING[1] PORTFOLIO DYNAMICS

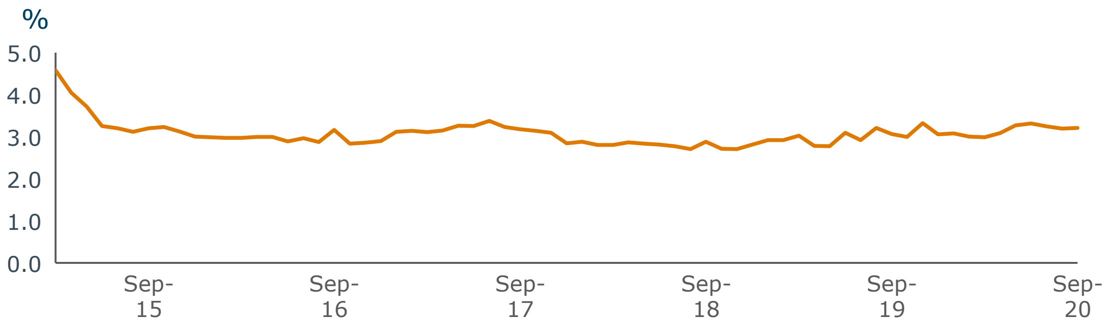
PROVISION CHARGE



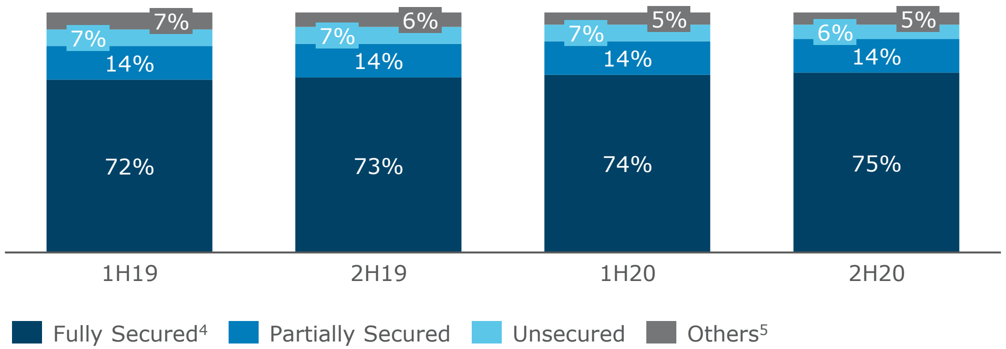
BOOK COMPOSITION (NET LOANS & ADVANCES)



90+ DAY DELINQUENCIES[2,3]



SECURITY PROFILE



1. Commercial is made up of three segments: Small Business Banking (SBB), Business Banking (BB) and Private Bank (PB)
2. Delinquencies includes Non Performing Loans and are calculated on a missed payment basis for amortising and Interest Only loans
3. Commercial 90+ rate calculated on the Business Banking, Small Business Banking and Special Distribution portfolios
4. Fully Secured on a market value basis
5. Other includes loans secured by cash or via sovereign backing

2020

FULL YEAR RESULTS

INVESTOR DISCUSSION PACK

HOUSING PORTFOLIO

AUSTRALIA HOME LOANS

PORTFOLIO OVERVIEW (UNLESS OTHERWISE STATED METRICS ARE BASED ON BALANCES)

	Portfolio[1]			Flow[2]	
	FY18	FY19	FY20	FY19	FY20
Number of Home Loan accounts[1]	1,011k	983k	1,008k	119k[3]	170k[3]
Total FUM[1]	$272b	$265b	$275b	$40b	$61b
Average Loan Size[4]	$269k	$270k	$273k	$378k	$391k
% Owner Occupied[5]	65%	67%	68%	73%	70%
% Investor[5]	32%	30%	30%	26%	29%
% Equity Line of Credit	3%	3%	2%	1%	1%
% Paying Variable Rate Loan[6]	84%	84%	78%	78%	70%
% Paying Fixed Rate Loan[6]	16%	16%	22%	22%	30%
% Paying Interest Only	22%	15%	11%	11%	14%
% Broker originated	52%	52%	53%	53%	57%

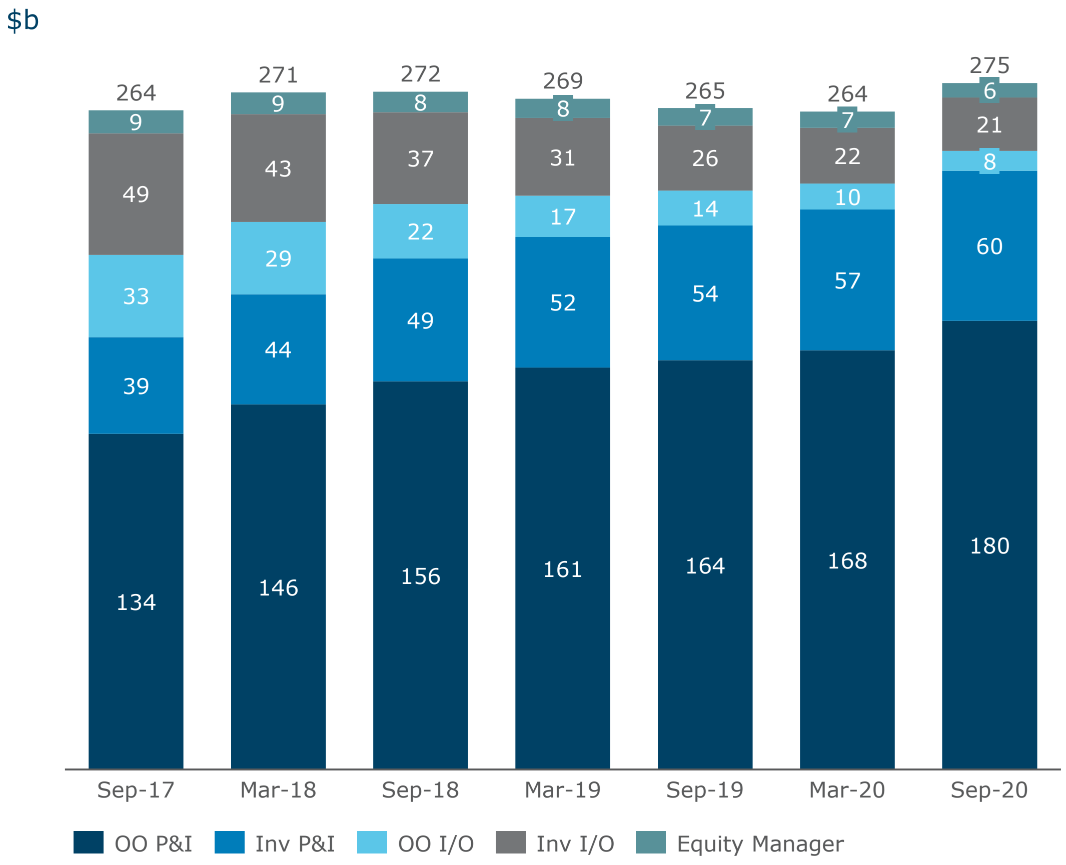
	Portfolio[1]		
	FY18	FY19	FY20
Average LVR at Origination[7,8,9]	67%	67%	69%
Average Dynamic LVR (excl. offset)[8,9,10]	55%	57%	56%
Average Dynamic LVR (incl. offset)[8,9,10]	50%	52%	50%
Market Share (MBS publication)[11]	15.5%	n/a	n/a
Market share (MADIS publication)[11]	n/a	14.3%	14.4%
% Ahead of Repayments[12]	72%	76%	72%
Offset Balances[13]	$28b	$27b	$33b
% First Home Buyer	7%	8%	8%
% Low Doc[14]	4%	4%	3%
Loss Rate[15]	0.02%	0.04%	0.03%
% of Australia Geography Lending[16,17]	63%	61%	62%
% of Group Lending[16]	45%	43%	44%

1. Home Loans portfolio (includes Non Performing Loans, excludes Offset balances) 2. YTD unless noted 3. New accounts includes increases to existing accounts and split loans (fixed and variable components of the same loan) 4. Average loan size for Flow excludes increases to existing accounts 5. The current classification of Investor vs Owner Occupier 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. 6. Excludes Equity Manager Accounts 7. Originated in the respective year 8. Unweighted based on # accounts 9. Includes capitalised LMI premiums 10. Valuations updated to Aug-20 where available. Includes Non Performing Loans and excludes accounts with a security guarantee and unknown DLVR 11. APRA Monthly ADI Statistics to Aug-20 – Note APRA changed the underlying market share definition in Jul-19 12. % of Owner Occupied and Investment Loans that have any amount ahead of repayments. Based on excess repayments based on available Redraw and Offset. Excludes Equity Manager Accounts. Includes Non Performing Loans 13. Balances of Offset accounts connected to existing Instalment Loans 14. Low Doc is comprised of less than or equal to 60% LVR mortgages primarily for self-employed without scheduled PAYG income. However, it also has ~0.1% of less than or equal to 80% LVR mortgages, primarily booked pre-2008 15. Annualised write-off net of recoveries 16. Based on Gross Loans and Advances 17. Australia Geography includes Australia Division, Wealth Australia and Institutional Australia

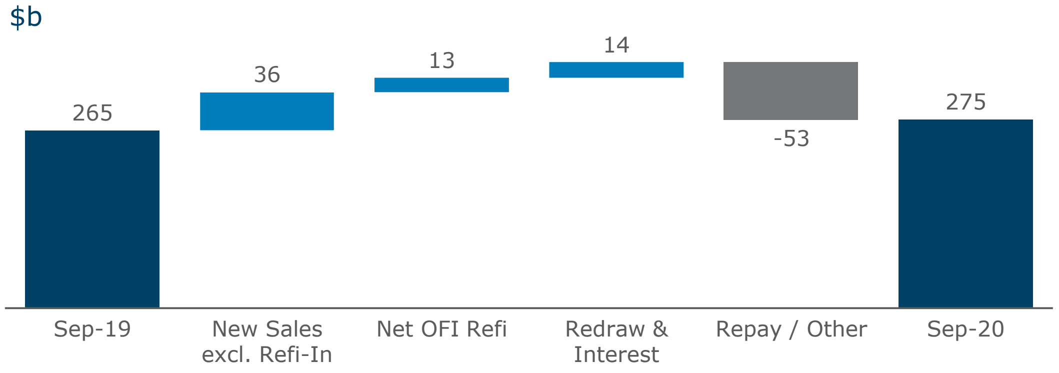
AUSTRALIA HOME LOANS

PORTFOLIO GROWTH

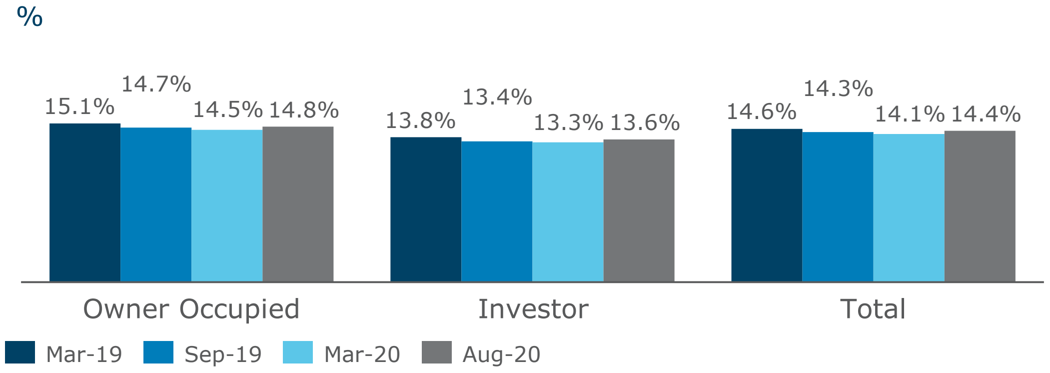
HOME LOAN FUM COMPOSITION[1,2]



LOAN BALANCE & LENDING FLOWS[1]



MARKET SHARE[3]

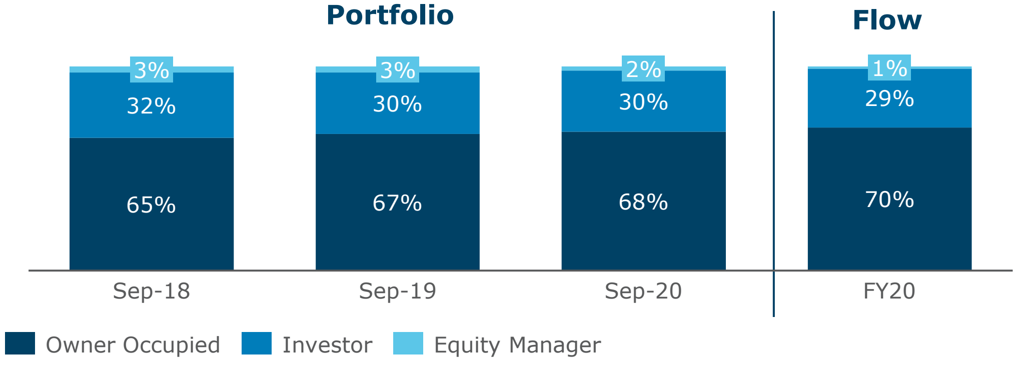


1. Based on Gross Loans and Advances. Includes Non Performing Loans
2. The current classification of Investor vs Owner Occupied is based on ANZ's product category, determined at origination as advised by the customer and the ongoing precision relies primarily on the customer's obligation to advise ANZ of any change in circumstances
3. Source: APRA Monthly Authorised Deposit-Taking Institutions Statistics (MADIS) to Aug-20

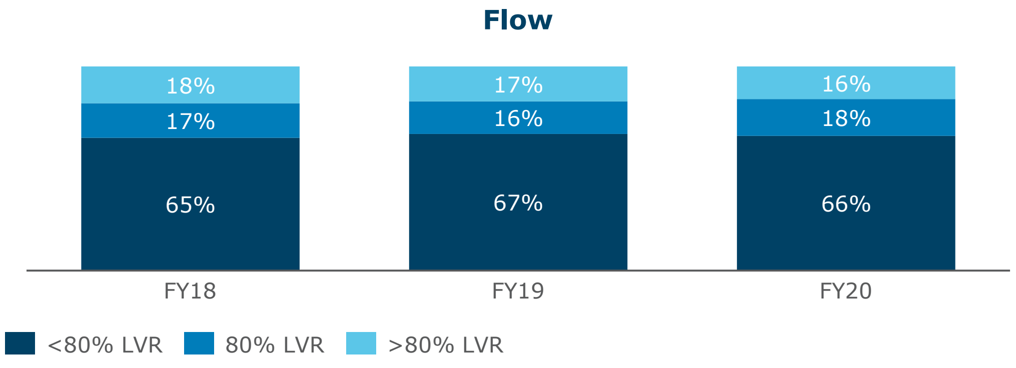
AUSTRALIA HOME LOANS

PORTFOLIO[1,2] & FLOW[3] COMPOSITION (% of TOTAL PORTFOLIO BALANCES)

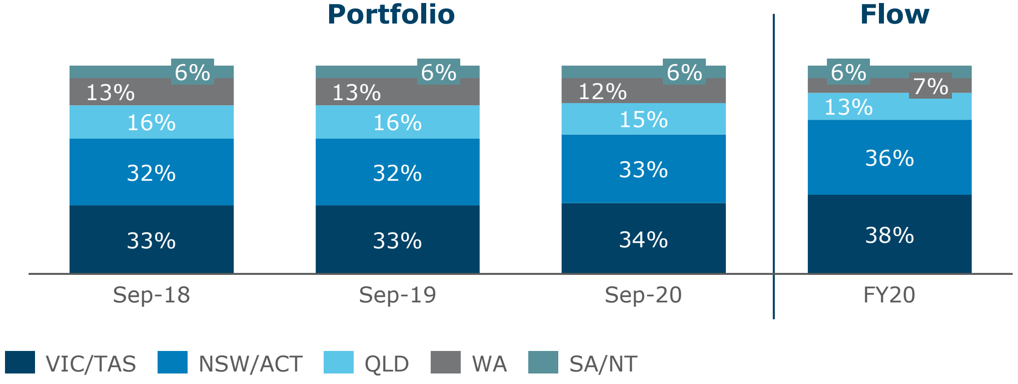
BY PURPOSE



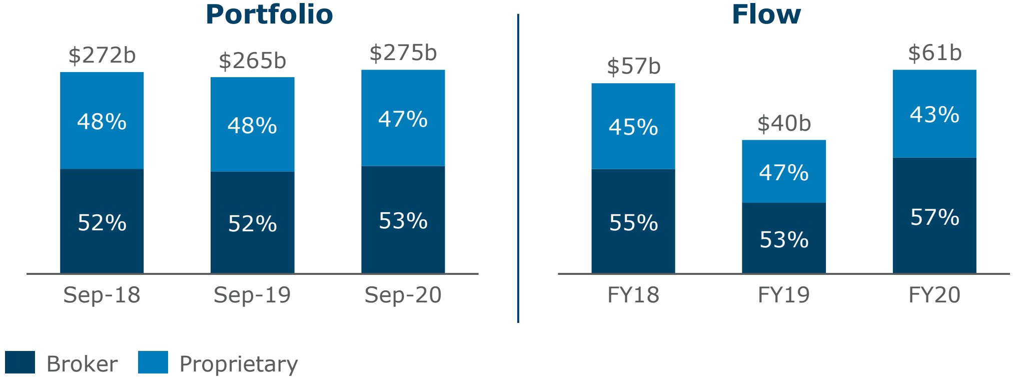
BY ORIGINATION LVR[4]



BY LOCATION



BY CHANNEL



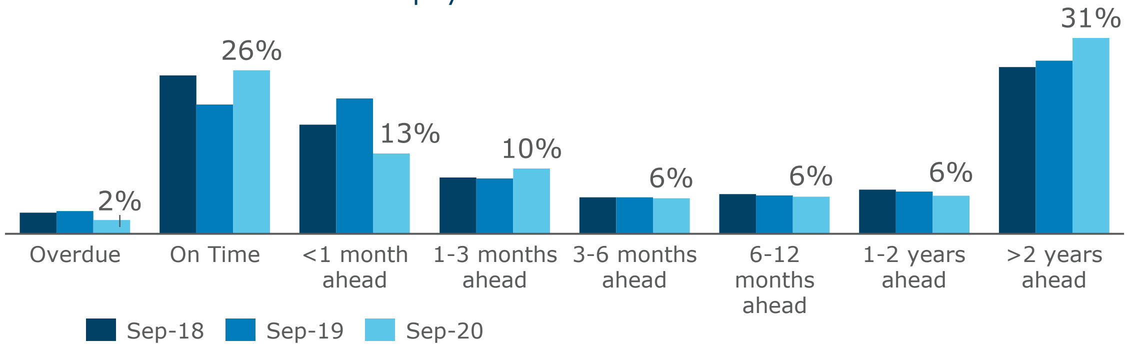
1. Includes Non Performing Loans
2. The current classification of Investor vs Owner Occupied is based on ANZ’s product category, determined at origination as advised by the customer and the ongoing precision relies primarily on the customer’s obligation to advise ANZ of any change in circumstances
3. YTD unless noted
4. Includes capitalised LMI premiums

AUSTRALIA HOME LOANS

PORTFOLIO DYNAMICS

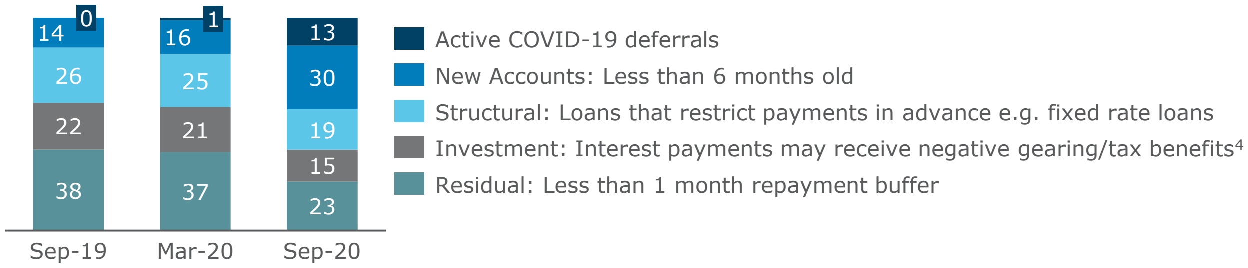
HOME LOANS REPAYMENT PROFILE[1,2]

72% of accounts ahead of repayments



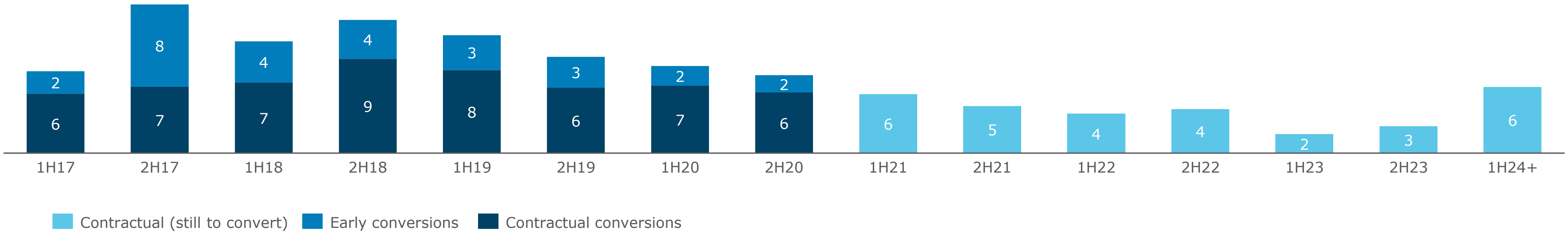
HOME LOANS ON TIME & <1 MONTH AHEAD PROFILE[1,2,3]

% composition of accounts (Sep-20)



SWITCHING INTEREST ONLY TO P&I AND SCHEDULED INTEREST ONLY TERM EXPIRY[5,6]

$b



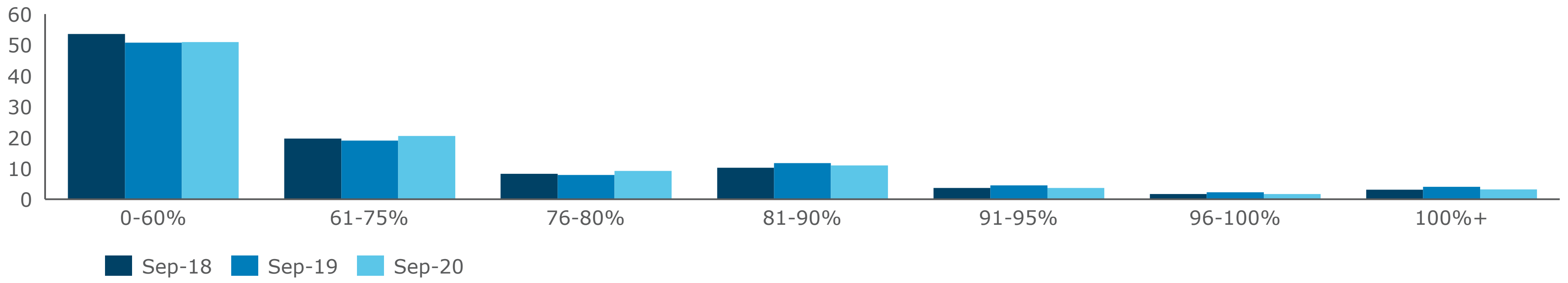
1. Includes Non Performing Loans 2. % of Owner Occupied and Investment Loans that have any amount ahead of repayments. Excess repayments based on available Redraw and Offset. Excludes Equity Manager Accounts. Includes Non Performing Loans 3. Figures are not comparable to prior disclosures as the components and hierarchy of the composition have been changed to incorporate the impact of active COVID-19 deferrals, and also capture new accounts based on past 6 months rather than 12 months originations 4. The current classification of Investor vs Owner Occupier, 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 5. Total portfolio including new flows 6. As at Sep-20

AUSTRALIA HOME LOANS

PORTFOLIO DYNAMICS

DYNAMIC LOAN TO VALUE RATIO BASED ON TOTAL PORTFOLIO ACCOUNTS [1,2,3,4,5]

% of total Portfolio Accounts



>90%

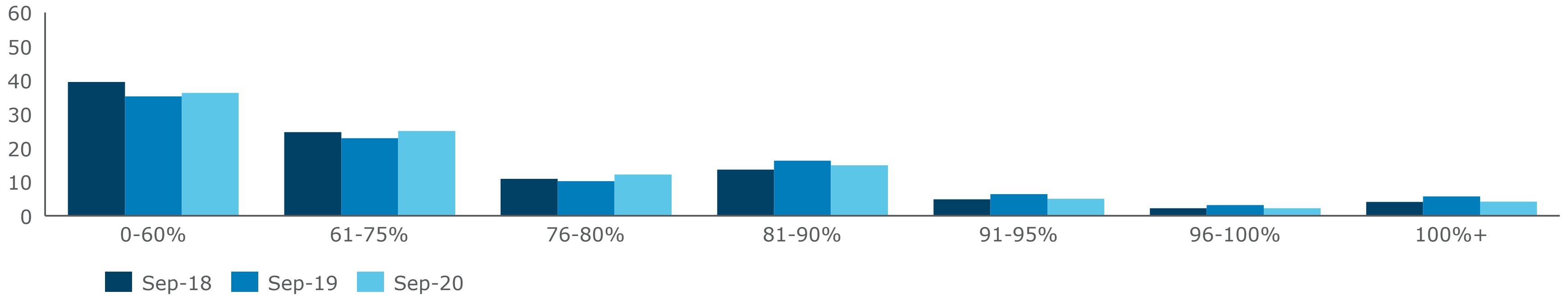
Net of offset balances
- 6.9% of portfolio
- 55% ahead of repayments
- 51% with LMI

NEGATIVE EQUITY

Net of offset balances
- 2.7% of portfolio
- 56% ahead of repayments
- 50% with LMI

DYNAMIC LOAN TO VALUE RATIO BASED ON PORTFOLIO BALANCES [1,2,3,4]

% of total Portfolio Balances



>90%

Net of offset balances
- 9.1% of portfolio
- 51% ahead of repayments
- 46% with LMI

NEGATIVE EQUITY

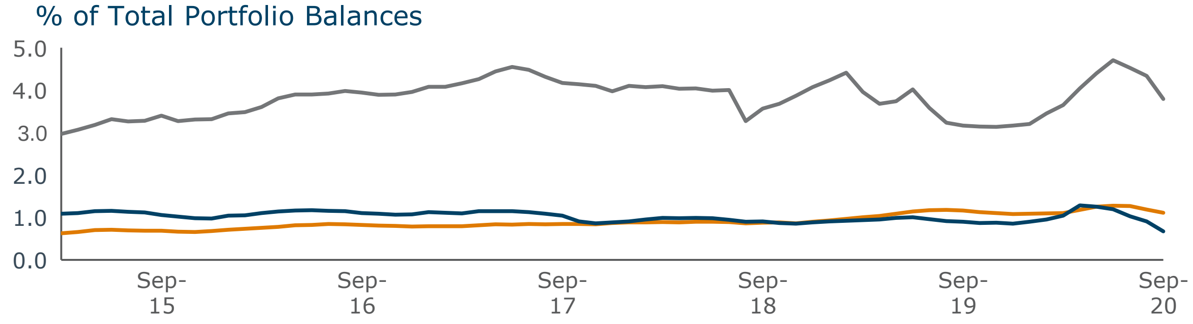
Net of offset balances
- 3.5% of portfolio
- 53% ahead of repayments
- 46% with LMI

1. Includes capitalised LMI premiums 2. Valuations updated to Aug-20 where available 3. Includes Non Performing Loans and excludes accounts with a security guarantee and unknown DLVR 4. DLVR does not incorporate offset balances 5. Aligning with calculations that produce a portfolio average DLVR unweighted based on # accounts of 56%

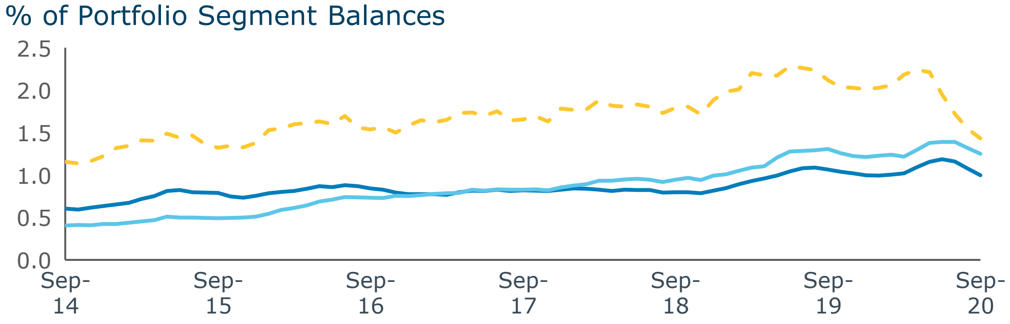
AUSTRALIA CONSUMER PORTFOLIO

PORTFOLIO PERFORMANCE

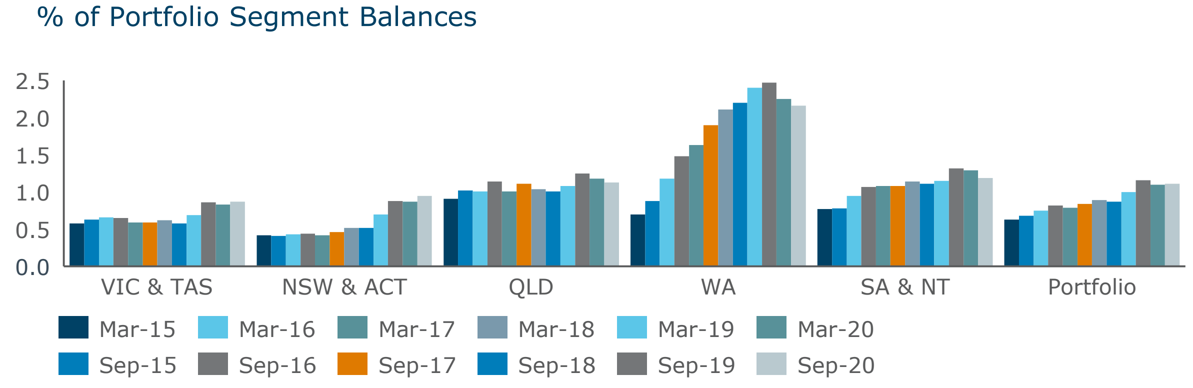
PRODUCT 90+ DAY DELINQUENCIES[1,2,4]



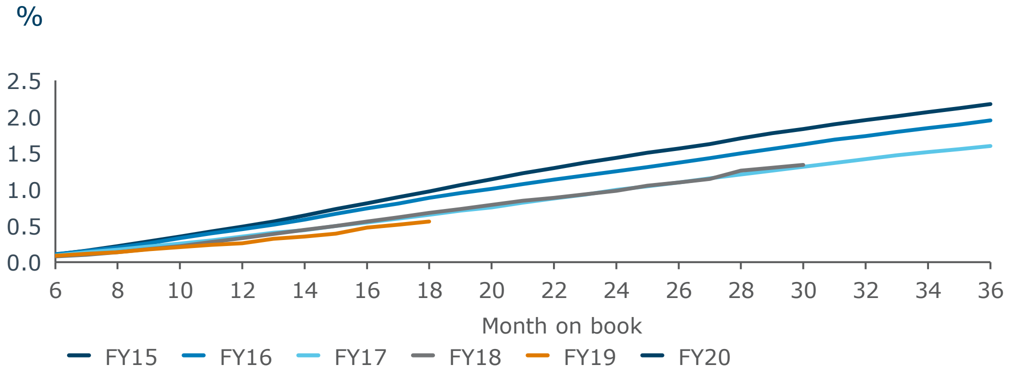
HOME LOAN DELINQUENCIES[1,2,3,4]



HOME LOANS 90+ DPD BY STATE[1,2]



HOME LOANS - 90+ DPD (BY VINTAGE)[5]



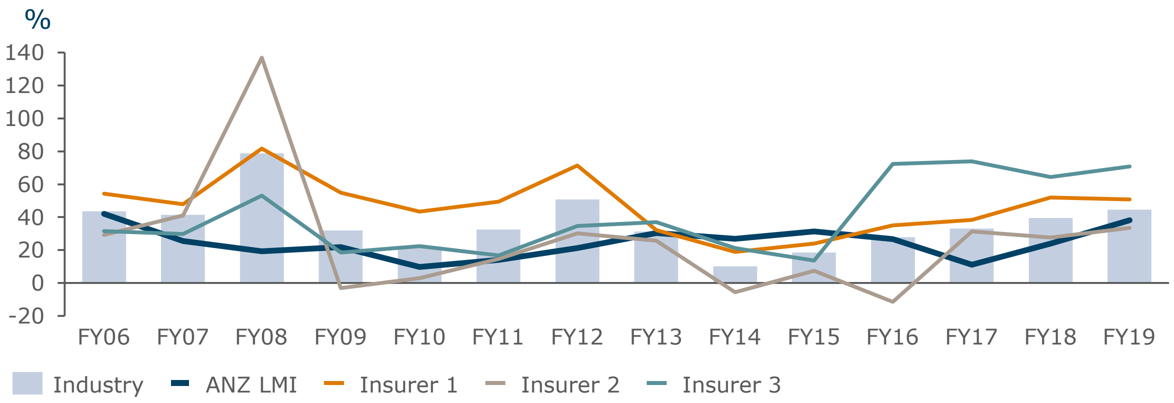
1. Includes Non Performing Loans 2. ANZ delinquencies are calculated on a missed payment basis for amortising and Interest Only loans 3. The current classification of Investor vs Owner Occupier, is based on ANZ's product category, determined at origination as advised by the customer and the ongoing precision relies primarily on the customer's obligation to advise ANZ of any change in circumstances 4. 30+ and 90+ 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. 5. Home loans 90+ DPD vintages represent % ratio of over 90+ delinquent (measured by # accounts), contains at least 6 application months of that fiscal year contributing to each data point

LENDERS MORTGAGE INSURANCE

SEPTEMBER FULL YEAR 2020 RESULTS

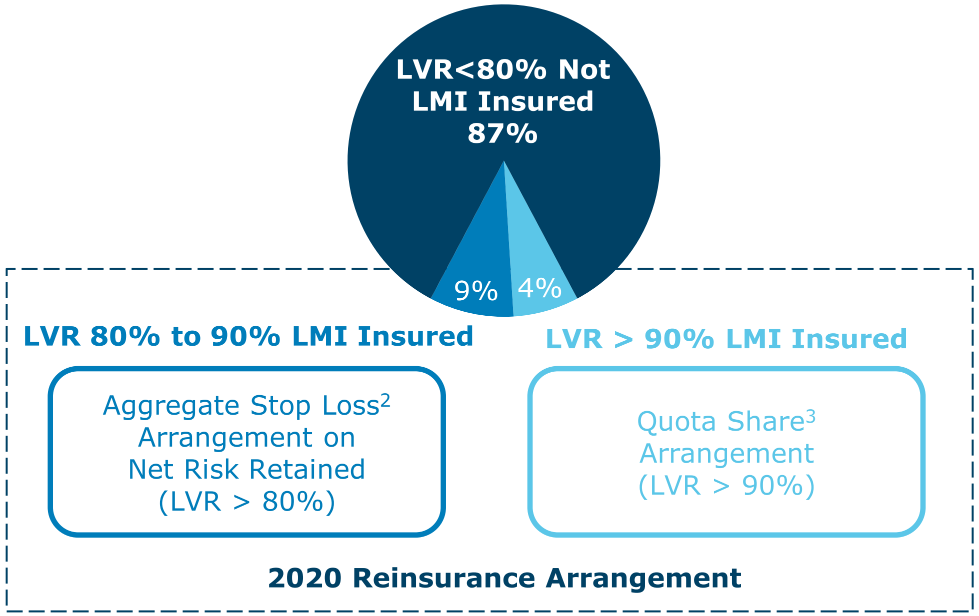
Gross Written Premium ($m)	$96.5m
Net Claims Paid ($m)	$41.6m
Loss Rate (of Exposure - annualised)	9.8bps

ANZLMI LOSS RATIOS REMAINED COMPARABLE TO PEERS[1]



LMI & REINSURANCE STRUCTURE

Australian Home Loan portfolio LMI and Reinsurance Structure at 30 Sep 20 (% New Business FUM Oct-19 to Sep-20)



ANZLMI uses a **diversified panel of reinsurers** (10+) comprising a mix of APRA authorised reinsurers and reinsurers with highly rated security.

Reinsurance is comprised of a **Quota Share arrangement**[3] with reinsurers for mortgages 90% LVR and above and in addition an **Aggregate Stop Loss arrangement**[2] for policies over 80% LVR.

1. Negative Loss ratios are the result of reductions in outstanding claims provisions. Source: APRA general insurance statistics (loss ratio net of reinsurance) 2. Aggregate Stop Loss arrangement –reinsurer indemnifies ANZLMI for an aggregate (or cumulative) amount of losses in excess of a specified aggregate amount. When the sum of the losses exceeds the pre-agreed amount, the reinsurer will be liable to pay the excess up to a pre-agreed upper limit 3. Quota Share arrangement - reinsurer assumes an agreed reinsured % whereby reinsurer shares all premiums and losses accordingly with ANZLMI

STRESS TESTING TAIL RISK IN THE AUSTRALIAN MORTGAGE PORTFOLIO

- ANZ conducts regular stress tests of its loan portfolios to meet risk management objectives and satisfy regulatory requirements.
- Stress tests are highly assumption-driven; results will depend on economic assumptions, on modelling assumptions, and on assumptions about actions taken in response to the economic scenario.
- Under this illustrative scenario, the COVID-19 environment deteriorates substantially, causing prolonged reductions in consumer spending and business investment. This results in a significant and sharp increase in unemployment and material nationwide falls in property prices.
- This stress testing scenario is independent of ANZ's ECL scenarios.
- Estimated portfolio actual losses (Individual Provision Charge) under these significantly stressed conditions are manageable, with cumulative total losses at A$3.2b[1] over three years (net of LMI recoveries[2]).

Assumptions	Year 1	Year 2	Year 3
Unemployment rate	9%	12%	13.2%
Real GDP year ended growth	-9.2%	1.6%	2.3%
Cumulative reduction in house prices	-30%	-38%	-35%

Outcomes	Year 1	Year 2	Year 3
Net Losses - IPC (A$m)	535	1,664	981
Net losses (bps)	21	68	40

1. Based on starting mortgage exposure at default of ~$304b
2. Assumes a payout ratio of 90% for LMI claims

NEW ZEALAND HOME LOANS

PORTFOLIO OVERVIEW[1]

	Portfolio			Flow	
	FY18	FY19	FY20	FY19	FY20
Number of Home Loan Accounts	526k	527k	529k	118k	105k
Total FUM	NZD81b	NZD85b	NZD90b	NZD19b	NZD20b
Average Loan Size	NZD153k	NZD161k	NZD169k	NZD157k	NZD185k
% Owner Occupied	74%	75%	75%	77%	75%
% Investor	26%	25%	25%	23%	25%
% Paying Variable Rate Loan[2]	18%	15%	13%	14%	14%
% Paying Fixed Rate Loan[2]	82%	85%	87%	86%	86%
% Paying Interest Only	21%	19%	21%	19%	19%
% Paying Principal & Interest	79%	81%	79%	81%	81%
% Broker Originated	36%	38%	40%	40%	42%

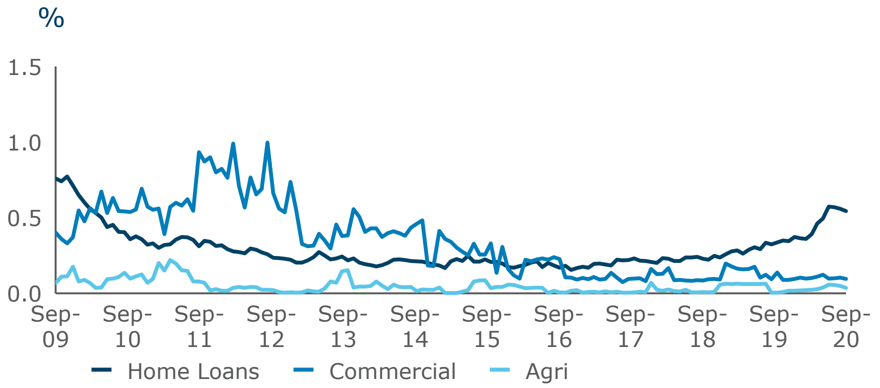
	Portfolio		
	FY18	FY19	FY20
Average LVR at Origination	58%	56%	58%
Average Dynamic LVR[3]	41%	42%	41%
Market Share[4]	30.9%	30.7%	30.6%
% Low Doc[5]	0.38%	0.34%	0.30%
Home Loan Loss Rates	0.00%	0.00%	0.00%
% of NZ Geography Lending	62%	63%	67%

1. New Zealand Geography
2. Flow excludes revolving credit facilities
3. Average data as of August 2020
4. Source: RBNZ, FY20 share of all banks as at August 2020
5. Low documentation (low doc) lending allowed customers who met certain criteria to apply for a mortgage with reduced income confirmation requirements. New low doc lending ceased in 2007

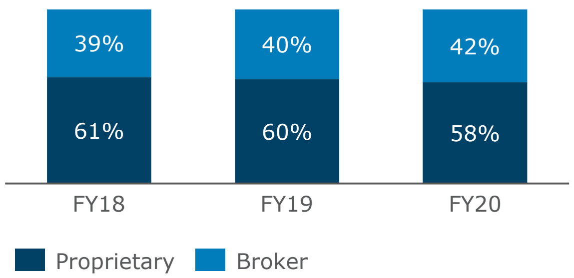
NEW ZEALAND HOME LOANS

HOME LENDING & ARREARS TRENDS[1]

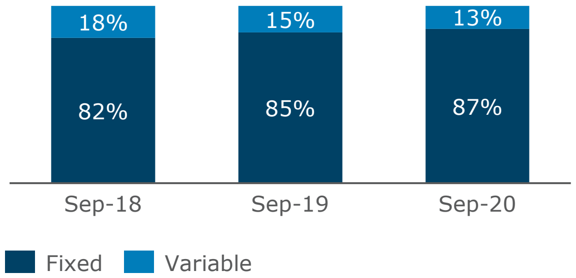
NZ DIVISION 90+ DAYS DELINQUENCIES



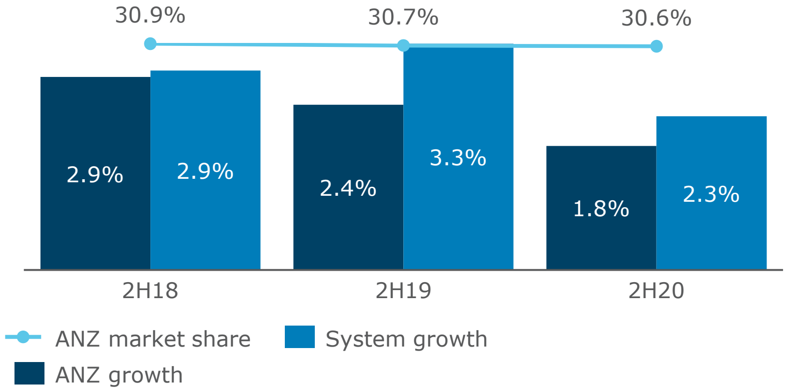
HOUSING FLOWS



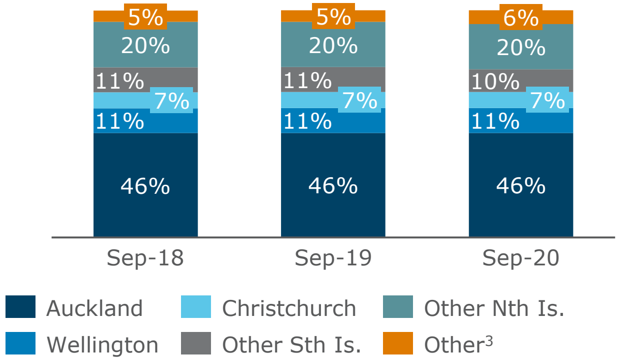
HOUSING PORTFOLIO



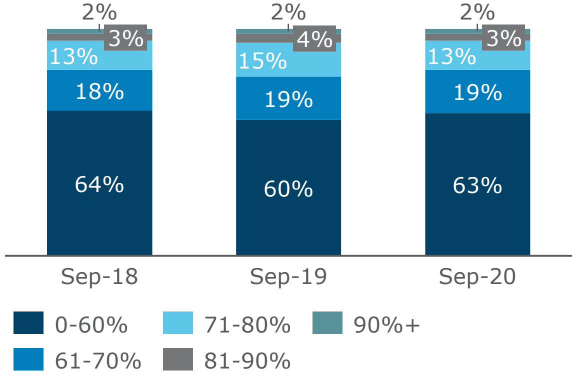
MARKET SHARE[2]



HOUSING PORTFOLIO BY REGION



ANZ HOME LOAN LVR PROFILE[4]



1. New Zealand Geography 2. Source: RBNZ, 2H20 growth rates for the five months and market share as at August 20 3. Other includes loans booked centrally (Business Direct, Contact Centre, Lending Services, Property Finance) 4. Dynamic basis; as at August 20

2020

FULL YEAR RESULTS

INVESTOR DISCUSSION PACK

CORPORATE OVERVIEW AND

ENVIRONMENT, SOCIAL & GOVERNANCE (ESG)

OUR PURPOSE

One of the ways we are bringing our purpose to life is through helping to act on complex issues that matter to society and are core to our business strategy. A commitment to fair and responsible banking underpins our approach.

CHOICES ABOUT WHO WE SERVE

- **WHO** we bank
- **HOW** we bank
- **WHAT** we care about

CHOICES ABOUT HOW WE OPERATE

- **HOW** we organise ourselves
- **HOW** we behave
- **HOW** we measure & communicate our progress

WHAT WE CARE ABOUT

Housing

Our focus …	Leading to …
Homes to Buy	Home ownership
Homes to Rent	Housing choice
Access to Housing	Housing security

Environmental Sustainability

Our focus …	Leading to …
Energy	Lower carbon emissions
Water	Water stewardship
Waste	Waste minimization

Financial Wellbeing

Our focus …	Leading to …
Financial Access	Economic participation
Financial Fitness	Financial health

CREATING VALUE FOR OUR STAKEHOLDERS

CUSTOMERS

- **>8.5m** total retail, commercial and Institutional customers
- **$326b** in retail & commercial customer deposits in Australia and New Zealand
- **$355b** in home lending in Australia and New Zealand
- **Full mobile wallet offering**, including Apple Pay™, GooglePay™, Samsung Pay™, FitBit Pay™ and Garmin Pay™
- **#1** Lead bank for trade services[1]

EMPLOYEES

- **38,579** people employed (FTE)
- **919** people recruited from under-represented groups, including refugees, people with disability and Indigenous Australians since 2016
- **33.4%** of women in leadership, increase from 27.9% in Sep 2014[2]
- **~970k hours** of training undertaken

COMMUNITY

- **~$140m** contributed in community investment[3]
- **66,402** volunteering hours completed by employees
- **$2.3b** in taxes incurred; money used by governments to provide public services and amenities[4]
- **>1.07m people** reached through our target to help enable social and economic participation[5]

SHAREHOLDERS

- **>550,000** Retail & Institutional shareholders
- **$3.8b**[6] cash profit reported
- **227.6** cents earnings per share
- **60 cents** per share dividend for FY20
- **6.2%** return on average ordinary shareholders equity

All financial metrics are as at 30 September 2020 (P&L growth metrics for the full year ended 30 September 2020) unless otherwise stated.

1. Peter Lee Associates Large Corporate and Institutional Transactional Banking Surveys, Australia 2004-2020 and New Zealand 2005-2020 2. Measures representation at the Senior Manager, Executive and Senior Executive Levels. Includes all employees regardless of leave status but not contractors (which are included in FTE) 3. Figure includes foregone revenue of $105 million 4. Total taxes borne by the Group, includes unrecovered GST/VAT, employee related taxes and other taxes. Inclusive of discontinued operations 5. Through our initiatives to support financial wellbeing including financial inclusion, employment and community programs, and targeted banking products and services for small businesses and retail customers 6. On a cash profit continuing operations basis

SNAPSHOT OF FY20 ESG TARGET PERFORMANCE

Our ESG targets support 11 of the 17 United Nations Sustainable Development Goals. This year we have achieved or made good progress against 79%* of our targets, and not achieved 21%*.

✔ Achieved ➔ In progress / partially achieved ✖ Not achieved

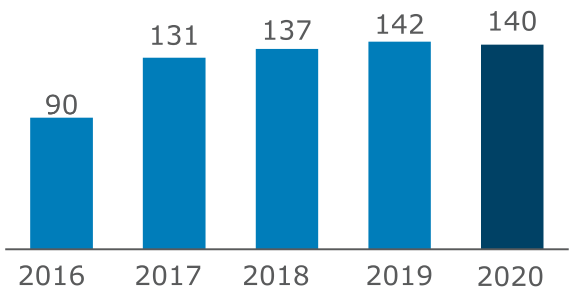
ESG target	Progress	Outcome	Relevant SDGs
FAIR AND RESPONSIBLE BANKING			
Customer remediation #customer accounts[1] remediated in the last 12 months	~1.8m customer accounts remediated in the last 12 months	Achieved	
Improve reputation & community trust, Reptrack® community sentiment indicator score (ranking[2])	Increased to 62.9 (from 58.8 at 30 Sept '19); ranked 2nd	In progress / partially achieved	
ENVIRONMENTAL SUSTAINABILITY			
Fund and facilitate at least $50b by 2025 in sustainable solutions[3]	Funded & facilitated A$9.08 billion in sustainable solutions since Oct 2019	In progress / partially achieved	6 Clean water and sanitation; 7 Affordable and clean energy; 9 Industry, innovation and infrastructure; 10 Reduced inequalities
Reduce scope 1 & 2 emissions by 24% by 2025 & 35% by 2030[4]	Scope 1 & 2 emissions decreased by 36%, tracking ahead of required reduction to meet 2025 & 2030 targets	In progress / partially achieved	11 Sustainable cities and communities; 12 Responsible consumption and production; 13 Climate action
FINANCIAL WELLBEING			
Help enable social & economic participation of 1 million people by 2020[5]	Reached >1.07m people	In progress / partially achieved	1 No poverty; 5 Gender equality; 8 Decent work and economic growth; 10 Reduced inequalities; 17 Partnerships for the goals
Increasing women in leadership to 33.1% by 2019 (34.1% by 2020)	Women in Leadership is 33.4% (from 32.5% at Sept 2019)	Not achieved	
Recruiting >1,000 people from under-represented groups by 2020	Recruited 919 people from under-represented groups since Oct 2016	Not achieved	
HOUSING			
Fund & facilitate $1b of investment by 2023 to deliver ~3,200 more affordable, secure & sustainable homes to buy & rent (Australia)	Funded & facilitated A$1.02b in investment since Oct 2018	Achieved	9 Industry, innovation and infrastructure; 10 Reduced inequalities; 11 Sustainable cities and communities
NZ$100m of interest free loans to insulate homes for ANZ NZ mortgage holders # $value of loans provided	Provided >NZ$12.6 million in interest-free loans since Oct 2018	In progress / partially achieved	

Note: This information has not been independently assured. KPMG will provide assurance over ANZ's full year performance against targets in its annual ESG reporting to be released 9 November 2020. Results as at 30 September 2020.
1. Australian Retail and Commercial customers; 2. RepTrak® community sentiment indicator ranking based on the four major Australian banks; 3. Performance includes initiatives that help improve environmental sustainability, increase access to affordable housing and promote financial wellbeing. This target is new in 2020 and replaces the $15bn sustainable solutions target that we exceeded one year ahead of schedule in 2019 ($19.1bn); 4. Reducing the direct impacts of our business activities on the environment; 5. Through our initiatives to support financial wellbeing including financial inclusion, employment and community programs, and targeted banking products and services for small businesses and retail customers

SUSTAINABILITY PERFORMANCE TRENDS

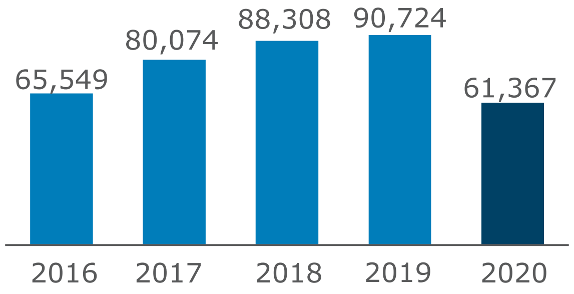
COMMUNITY INVESTMENT[1]

Total community investment ($m)



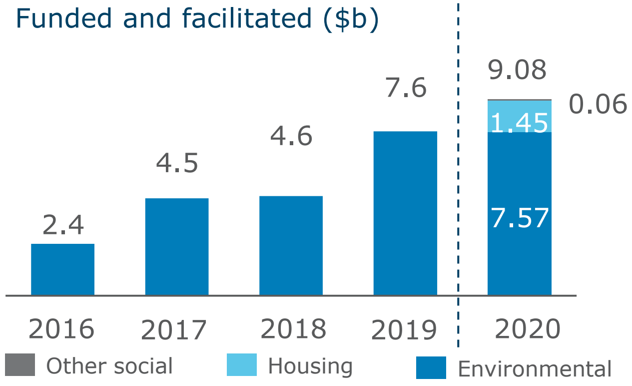
MONEYMINDED & SAVER PLUS

Estimated # of people reached



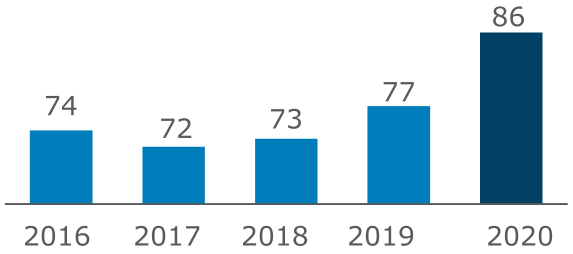
SUSTAINABLE SOLUTIONS $50B TARGET[3]

Funded and facilitated ($b)



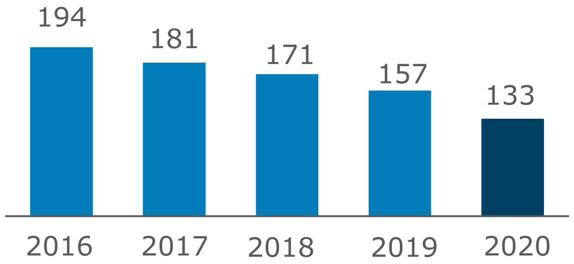
EMPLOYEE ENGAGEMENT[2]

Employee engagement score (%)



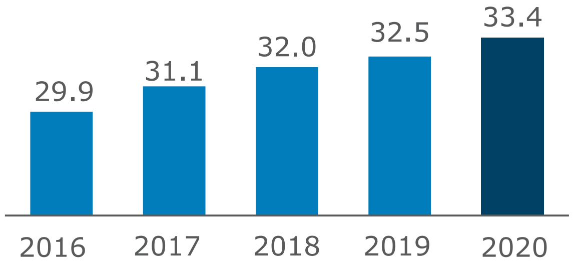
ENVIRONMENTAL FOOTPRINT TARGET

Scope 1 & 2 greenhouse gas emissions (k tonnes CO_2-e)



WOMEN IN LEADERSHIP[4]

Representation (%)



1. Figure includes forgone revenue (2020 = $105m), being the cost of providing low or fee-free accounts to a range of customers such as government benefit recipients, not-for-profit organisations and students 2. The 2017 engagement survey was run as a pulse survey sent to 10% of the bank's employees with a 57% response rate. For all other years the employee engagement survey was sent to all staff 3. 2016 – 2019 figures represent annual contributions towards ANZ's 2020 $15bn sustainable solutions target, which had an environmental focus. In FY20, ANZ set a new 2025 $50bn target with an expanded focus on environmental sustainability, housing and financial wellbeing. 4. Measures representation at the Senior Manager, Executive and Senior Executive Levels. Includes all employees regardless of leave status but not contractors (which are included in FTE) .

EXTERNAL REPORTING

RECOGNITION

In 2020 received SAM Silver Class distinction with a score of 82 (out of 100) in the 2019 Dow Jones Sustainability Indices Corporate Sustainability Assessment.

We achieved a CDP climate disclosure score of A- in 2019

Member of the FTSE4Good Index

Ranked amongst the top 100 companies for gender equality globally by Equileap in 2019

Ranked amongst the Top 10 Best Workplaces to Give Back in Australia by GoodCompany in 2020

FRAMEWORKS

Our ESG reporting is prepared in accordance with the Global Reporting Initiative Standards (Comprehensive level)

We report in line with using the recommendations of the Financial Stability Board’s (FSB) Task Force on Climate-Related Disclosures (TCFD)

As an Equator Principles Financial Institution signatory we report on our implementation of the Principles in our ESG Supplement

In 2019 we became a founding signatory to the UN Principles for Responsible Banking.

We measure the value of our community investment in accordance with the London Benchmarking Group (LBG) methodology

2020
FULL YEAR RESULTS

INVESTOR DISCUSSION PACK

CARBON POLICY

OUR APPROACH TO CLIMATE CHANGE

We understand the impact – positive and negative – our financing has on climate change. Through our lending decisions, we support companies and projects that contribute to reducing emissions and are resilient to a changing climate.

OUR PRIORITY AREAS

1. Help our customers

… by encouraging them to identify climate risks & opportunities, create transition plans & report publicly on their progress

2. Support transitioning industries

… to help grow the economy as it transitions

3. Reduce our own impact

… by managing and reducing emissions from our own operations

SNAPSHOT OF PROGRESS TO DATE

ACTIVITY	AIM	OUTCOME
Engage with 100 of our largest emitting customers, focusing on energy, transport, buildings, and food, beverage and agriculture	Encourage and support our customers to establish or strengthen low carbon transition plans	As at end FY20 we have engaged with 83 customers and will apply the lessons to our broader customer base
Fund and facilitate up to $50b of investment in sustainable solutions	Help our customers lower carbon emissions through increased energy efficiency, low emissions transport, green buildings, reforestation, renewable energy & battery storage, emerging technologies, disaster resilience and climate change adaptation measures	We have made good progress to date with $9.08b funded and facilitated in sustainable solutions
Increase our lending support to renewables and lower-carbon gas	Help support the shift to net zero emissions and support industries that create new job opportunities	Since 2015, our direct lending to renewables projects has grown by 63% to $1.5b. Over 90% of this portfolio is now comprised of gas and renewables

OUR 2020 CLIMATE CHANGE STATEMENT

We support the Paris Agreement's goal of transitioning to net zero emissions by 2050.

Our 2020 Climate Change Statement outlines our approach and strengthened commitments that seek to support a global transition to net zero emissions.

PRIORITY AREAS	HOW ARE WE MAKING CHANGE?
Help our customers *... by encouraging them to identify climate risks & opportunities, create transition plans & report publicly on their progress*	We will do this by… • **Broadening engagement with our existing largest emitting customers** to also include major oil & gas companies within the energy sector, to support them to establish and strengthen their transition plans by 2021 • **Disclosing more robust and credible metrics** so the emissions impact of our financing can be tracked annually, starting with commercial property and power generation. From 2021 will set targets to reduce the financed emissions of each sector between now and 2030 • Ensuring discussion of **climate risk becomes part of our everyday client engagement** to have a deeper understanding of all our customers' transition plans. Over time, we will move away from working with customers that do not have clear and public transition plans • Funding and facilitating at least $50 billion by 2025 towards sustainable finance to help our customer's lower carbon emissions. We will **allocate $1 billion of this towards supporting customers' and communities' disaster recovery and resilience**
Support transitioning industries *... to help grow the economy as it transitions*	We will do this by… • Further reducing the carbon intensity of our electricity generation lending portfolio by **only directly financing low carbon gas & renewable projects** by 2030 • Continuing to support diversified customers, which means **no longer banking any new business customers with material[1] thermal coal exposures**. • **Engaging with existing customers** who have more than 50% thermal coal exposure[2] **to support existing diversification plans**. Where these are not already in place, we will expect specific, time bound and public diversification strategies by 2025. We will cap limits to customers which do not meet this expectation and reduce our exposure over time[3] • **Not directly financing any new coal-fired power plants or thermal coal mines**[4], including expansions. Existing direct lending will run off by 2030. • **Only financing the construction of new large-scale office buildings if they are highly energy efficient**, and being built to either, at least a NABERS[5] 5-star energy rating or 5-star Green Star Design rating (or equivalent international rating)
Reduce our own impact *... by managing and reducing emissions from our own operations*	We will do this by… • Accelerating our own emission reductions by **sourcing 100% of the electricity needed for our business operations from renewables by 2025** • *Further updates on our progress to minimise our own carbon footprint can be found in ANZ's ESG Supplement https://www.anz.com.au/about-us/sustainability/*

1. More than 10% revenue, installed capacity or generation from thermal coal. 2. We will progressively reduce the 50% threshold so that by 2030 the requirement for a diversification strategy will apply to mining, transport and power generating customers with more than 25% thermal coal exposures 3. We will continue to provide rehabilitation bonds for those existing customers with some thermal coal exposure to ensure their responsibilities with exiting mine sites are fulfilled, and transaction banking / markets 3-day settlement limits. 4. These are mines whose reserves or production are at least 35% thermal coal. 5. NABERS (National Australian Built Environment Rating System) is a rating system measuring the environmental performance of Australian buildings, tenancies and homes, eg energy efficiency, water usage, waste management and indoor environment quality

OUR PATHWAY TO 2030

Our response to supporting the transition has evolved over time, and to date, we've made strong progress.

2015

Facilitate gradual & orderly transition:

- Fund & facilitate >$10b by 2020 to support customers transition to low carbon economy
- Consider financing new coal fired power plants only if using advanced technology & higher quality thermal coal
- Not finance any new build of conventional coal fired power plants
- Implement strengthened due diligence lending processes to coal mining, transport & power generation

Support customers' transition to low carbon economy:

- Provide finance & advisory services, energy efficiency improvements, low carbon energy generation, resilient infrastructure & carbon abatement
- Direct investment through green bonds that develop low or zero emissions industries, technologies & practices

2019

Renewed commitments to facilitate gradual & orderly transition:

- Fund & facilitate $50b by 2025 to support customers transition to low carbon economy
- Encourage & support 100 of our largest emitting customers in the energy, transport, buildings & food, beverage & agricultural sectors to establish or strengthen existing low carbon transition plans by 2021
- Reduce exposure to thermal coal: Focus on existing customers that produce higher quality coal, only lend to new customers where thermal coal operations are <50% revenue, installed capacity or generation
- We will not finance any new build of conventional coal fired power plants

2020

New commitments to support efforts to achieve net zero carbon by 2050:

- Continue to support diversified customers, which means we will no longer bank any new business customers with material[1] thermal coal exposures
- Engage with existing customers with >50% thermal coal exposure[2] to seek specific, time bound and public diversification strategies by 2025. If they don't, we will cap limits and reduce exposure over time
- Disclose more robust & credible metrics so the emissions impact of our financing can be tracked: beginning with power generation and commercial property, and disclosed annually. Targets will be set by 2021 to reduce financed emissions for each sector up to 2030
- Only finance the construction of new large-scale office buildings if they are highly energy efficient, and being built to either, at least a NABERS[3] 5-star energy rating or 5-star Green Star Design rating (or equivalent international rating)

By 2030

Our portfolio and approach will look like this:

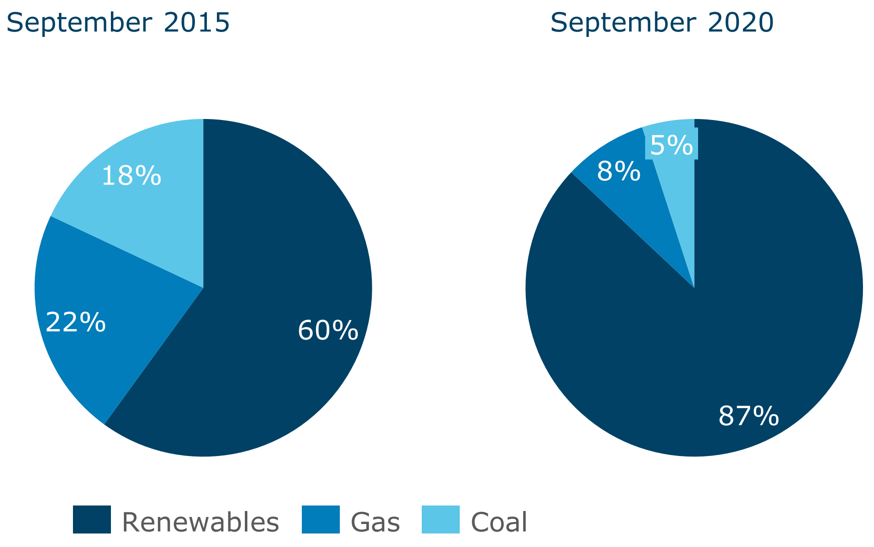
- Our power generation direct lending will be only to gas and renewables (as we will have exited all direct lending to coal-fired power generation and thermal coal mines)
- We will have reduced exposures to customers without a diversification strategy or specific, time bound, public transition plans
- We have a deeper understanding of all our customers transition plans, as climate-risk forms part of our everyday client engagement
- $1b+ of our sustainable finance fund now supports disaster resilience
- Our own footprint and operations 100% powered by renewable electricity
- More of our commercial building portfolio is comprised of highly efficient, low or net zero carbon buildings

1. More than 10% revenue, installed capacity or generation from thermal coal. 2. We will progressively reduce the 50% threshold so that by 2030 the requirement for a diversification strategy will apply to mining, transport and power generating customers with more than 25% thermal coal exposures. 3. NABERS (National Australian Built Environment Rating System) is a rating system measuring the environmental performance of Australian buildings, tenancies and homes, eg energy efficiency, water usage, waste management and indoor environment quality

HOW OUR LENDING IS SUPPORTING THE PARIS GOALS

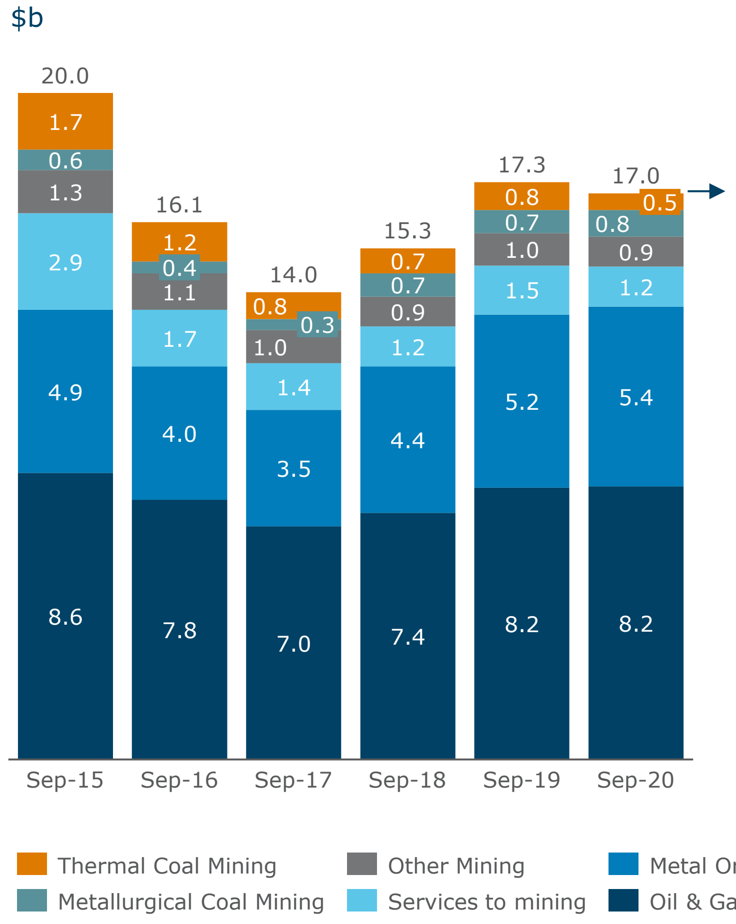
EXPANDING OUR LENDING SUPPORT TO THE RENEWABLE ENERGY SECTOR; WHILE EXPOSURES TO THERMAL COAL MINING HAS REDUCED BY ~70% IN 5 YEARS

DIRECT LENDING POWER GENERATION PORTFOLIO

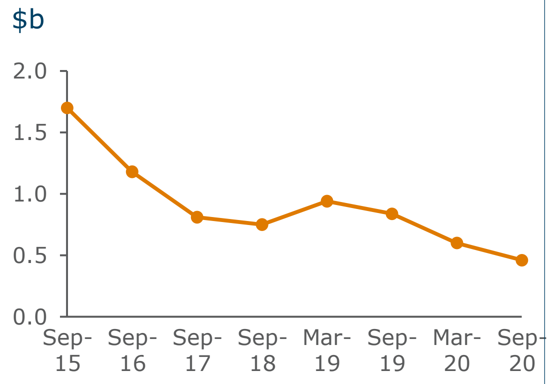


Our direct lending to renewable energy has increased from $0.9b in 2015 to reach $1.5b in FY20

RESOURCES PORTFOLIO



THERMAL COAL EXPOSURE (EAD)



- Since 2015 our exposures to thermal coal mining has reduced by ~70%
- Several diversified mining customers have acted to divest thermal coal interests in recent years, or signalled intention to not invest in expansionary capex
- ANZ's exposure to thermal coal mining is a small portion of our overall lending (now comprising <0.05% of our Group exposure at default)

SUMMARY OF OUR CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

Through our TCFD reporting, we seek to provide information on our approach to climate change and ability to manage the associated risks and opportunities. Below is a summary of future focus areas and actions.

TCFD Theme	Focus Areas 2021/22	Beyond 2020 Vision
Governance	• Align with regulatory guidance on climate-related risk governance, including stress testing of selected portfolios	• An enhanced risk management framework that anticipates potential climate-related impacts, and associated regulatory requirements
Strategy	• Extend analysis of flood-related risks to incorporate bushfire, flood and other risks relating to retail customers • Possible extension of emerging environmental and climate-related risks to other segments of the home loan portfolio • Include climate risk reference in Agriculture related lending guidance documents used by our front line bankers	• Business strategy more closely aligned to a resilient and sustainable economy that supports the Paris Agreement and Sustainable Development Goals
Risk Management	• Encourage 100 of our largest emitting customers to develop transition plans in key sectors such as energy, transport, buildings & food, beverage & agriculture • Customer engagement to identify customer or sector-specific transition or physical risks • Develop an enhanced climate risk management framework that strengthens our governance and is responsive to climate change	• Further integrate assessment of climate-related risks into our Group risk management framework • Standard discussions with business customers include climate-related risks and opportunities • Assessment of customer transition plans part of standard lending decisions and portfolio analysis
Metrics & Targets	• Complete transition plan engagement with top emitting customers and consider how to integrate into customer assessments • Target to fund and facilitate $50b by 2025 in sustainable solutions • New metrics for our financing of power generation and commercial buildings to demonstrate how we are taking steps towards the goal of net zero emissions by 2050 • Target to procure 100% renewable electricity for ANZ’s operations by 2025	• Continue to evolve our reporting with leading practices to measure the alignment of our lending with the Paris Agreement goals • Reduce ANZ’s operational emissions in line with the decarbonisation trajectory of the Paris Agreement goals

IMPLEMENTATION OF CUSTOMER TRANSITION PLAN TARGET

Background

- We are committed to encourage and support 100 of our largest emitting customers in the energy, transport, buildings and food, beverage and agricultural sectors to establish or strengthen their low carbon transition plans, by 2021.

How will success be measured with this target?

- Customers reporting on their transition plans by 2021, providing stakeholders with public, specific and time bound information.
- To date, we have engaged with 83 of our largest emitting customers to support them to establish, or strengthen, low carbon transition plans.
- We have now established a 'baseline' for how these customers are responding to climate-risk, which will inform our ongoing engagement with them in 2021 and beyond.

Which customers are in scope?

- The customer selection process is informed by criteria including:
  - *Direct* emissions, i.e. emissions from company owned or operated assets
  - *Indirect* emissions from their 'value chains', i.e. both upstream and downstream from their operational footprint
  - The depth of our relationships is also considered to maximise prospects for engagement

Next steps

- We are disclosing progress against the target in our full year reporting. We also provide six-monthly updates to our Ethics and Responsible Business Committee and to the Board Ethics, Environment, Social and Governance Committee.

2020

FULL YEAR RESULTS

INVESTOR DISCUSSION PACK

ECONOMICS

ECONOMICS

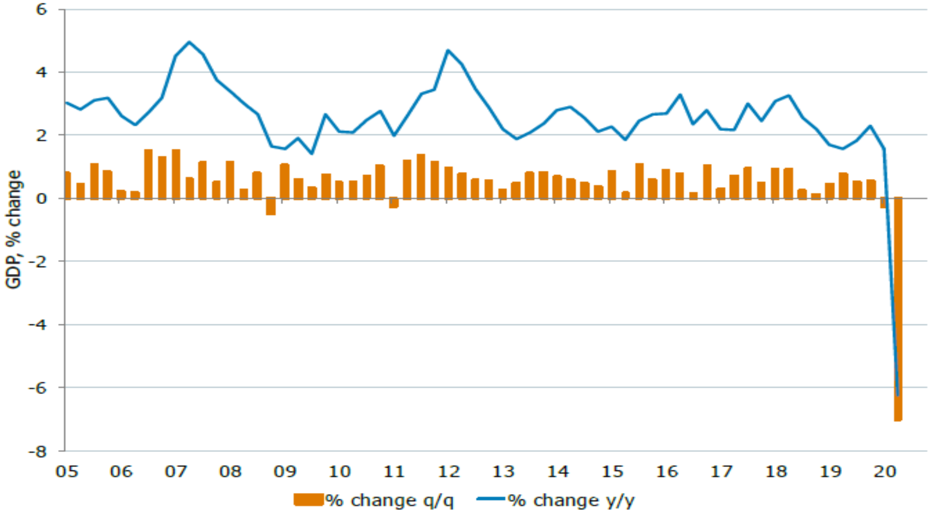
AUSTRALIA FORECAST TABLE

	2017	2018	2019	2020F	2021F
Australia – annual % growth GDP	2.4	2.8	1.8	-4.3	1.6
Headline CPI (% y/y)	1.9	1.9	1.6	0.8	1.2
Core CPI (%y/y)	1.8	1.9	1.6	1.2	0.9
Employment (%y/y)	3.3	2.3	2.2	-2.8	-0.5
Unemployment (ann. avg)	5.5	5.0	5.2	7.3	8.8
RBA cash rate (% year end)	1.50	1.50	0.75	0.10	0.10[1]
3yr bond yield (% year end)	1.75	2.06	0.91	0.10	0.10[1]
10 year bond yield (% year end)	2.64	2.64	1.37	0.50	0.75[1]
AUD/USD (year-end value)	0.77	0.74	0.70	0.73	0.75[1]

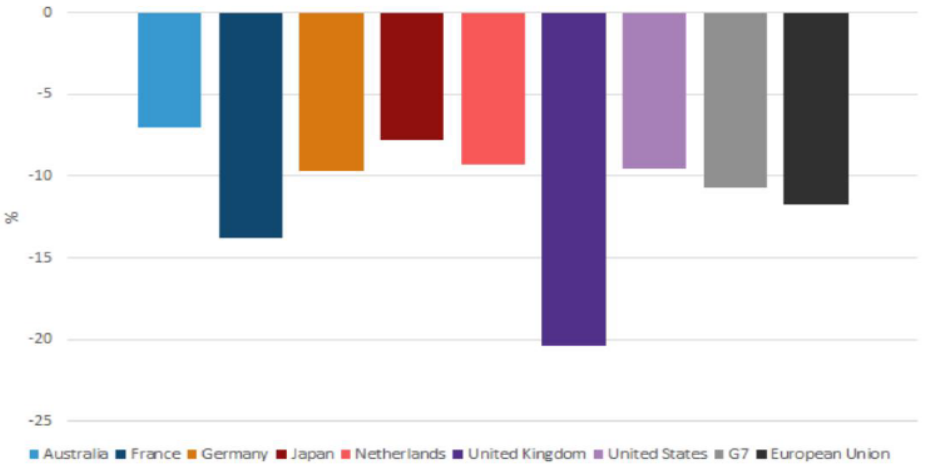
1. 2021F at 30 September 2021

AUSTRALIAN ECONOMY

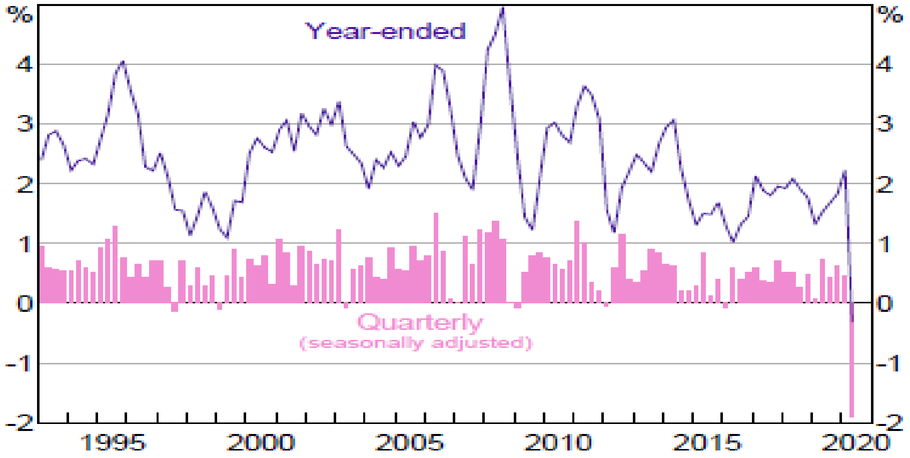
GDP GROWTH[1]



GLOBAL GDP GROWTH COMPARISON[1]



CONSUMER PRICE INFLATION[2]

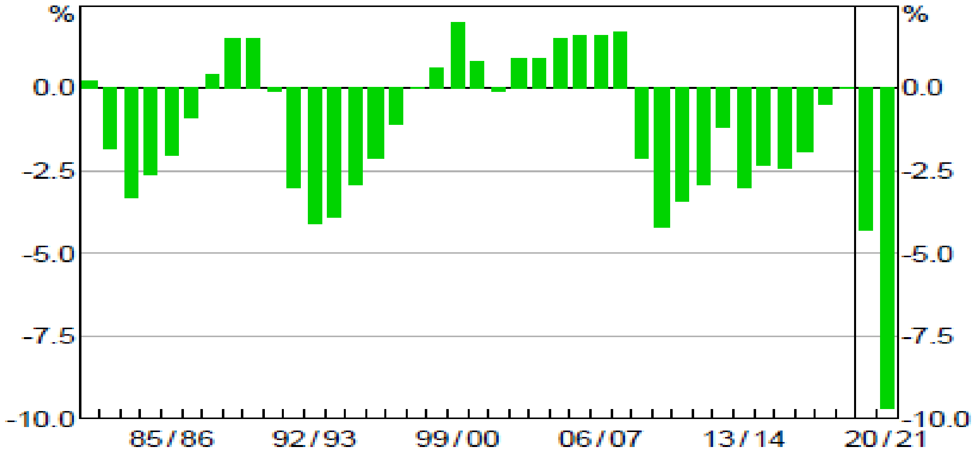


* Excludes interest charges prior to the September quarter 1998; adjusted for the tax changes of 1999–2000

Sources: ABS; RBA

AUSTRALIAN GOVERNMENT BUDGET BALANCE[2]

Per cent of nominal GDP



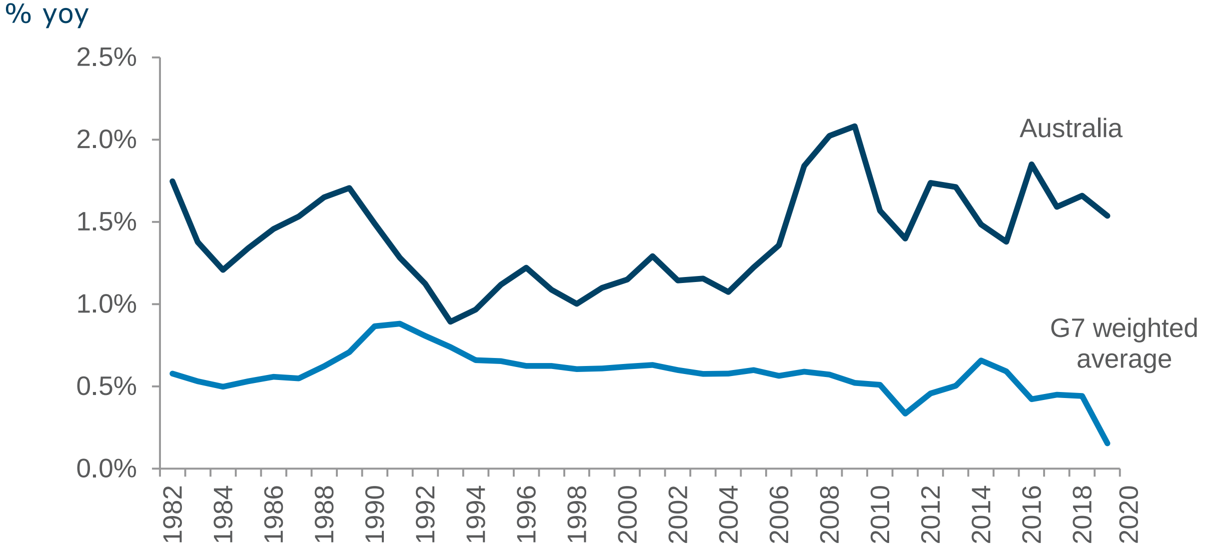
* Underlying cash balance; 2020 July economic and fiscal update

Source: Australian Treasury

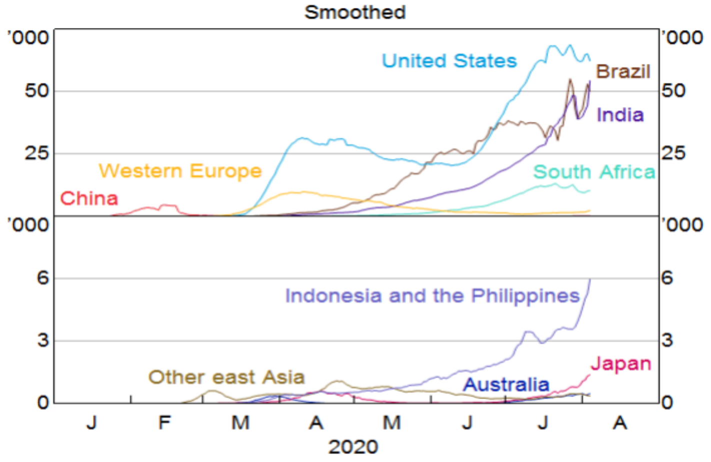
Sources: 1. ANZ Research "Australian Economic Insight", September 2020 2. RBA Chart Pack September 2020

AUSTRALIAN ECONOMY AND POPULATION

POPULATION GROWTH[1] – AUSTRALIA AND G7



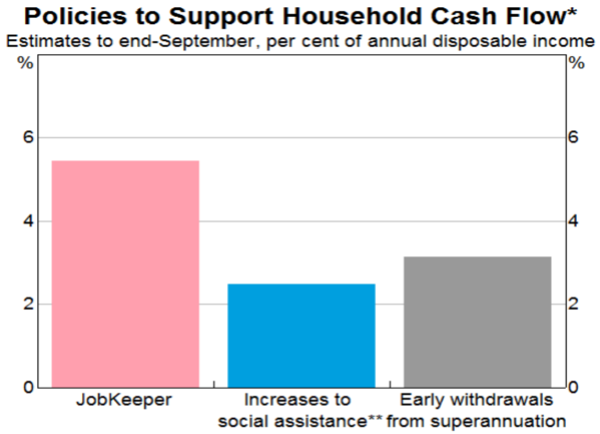
COVID-19 NEW CASES[2]



* Western Europe includes Italy, France, Germany, Spain and the United Kingdom; other east Asia includes South Korea, Taiwan, Singapore, Thailand, Malaysia and Vietnam

Sources: Johns Hopkins CSSE; RBA

COVID-19 POLICY MEASURES[2]

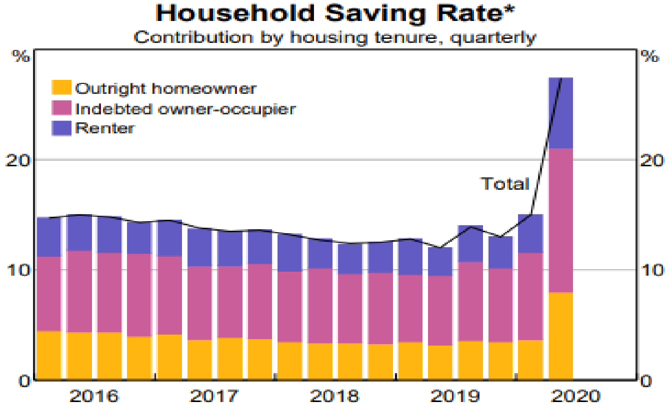


* Forecast for disposable income in 2020

** Relative to 2019

Sources: ABS; APRA; Australian Treasury; RBA

HOUSEHOLD SAVING RATE[3]



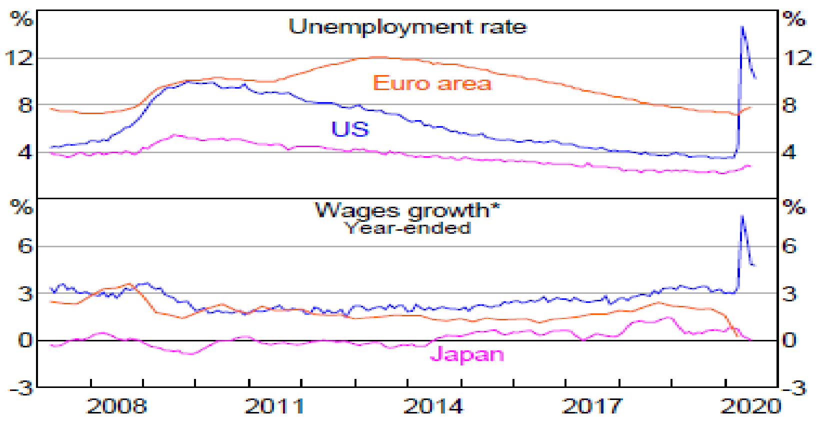
* Average saving estimated as the difference between net household income and expenses; average saving of each group weighted by 2016 Census housing tenure shares

Sources: ABS; RBA; Roy Morgan

Sources: 1. ABS, IMF 2. RBA Speech: "The Economic Outlook", August 2020 3. RBA Financial Stability Review, October 2020

AUSTRALIAN LABOUR MARKET

UNEMPLOYMENT AND UNDEREMPLOYMENT[1]

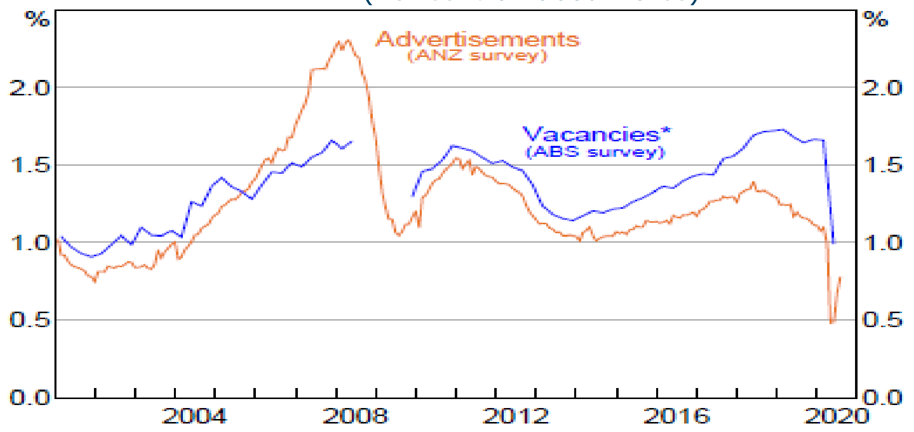


* Average hourly earnings for the US; compensation per employee for the euro area; smoothed full-time base wages for Japan

Sources: ECB; Eurostat; RBA; Refinitiv

JOB VACANCIES AND ADVERTISEMENTS[1]

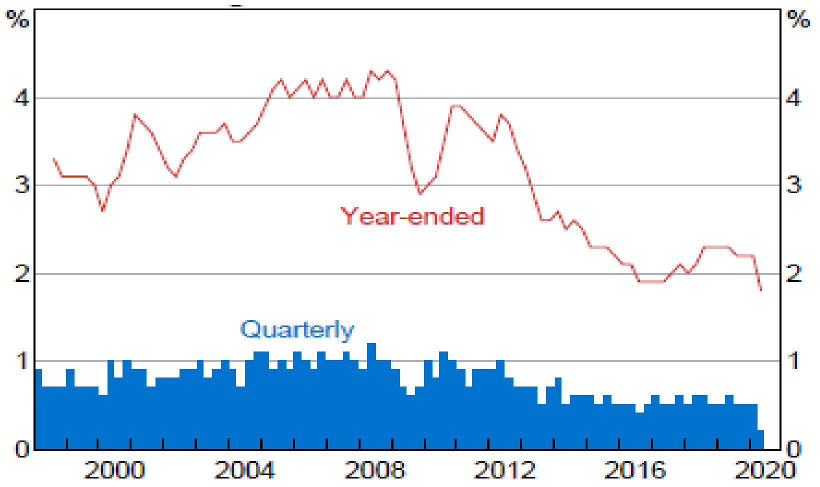
(Per cent of labour force)



* This survey was suspended between May 2008 and November 2009

Sources: ABS; ANZ

WAGE PRICE INDEX GROWTH[1]

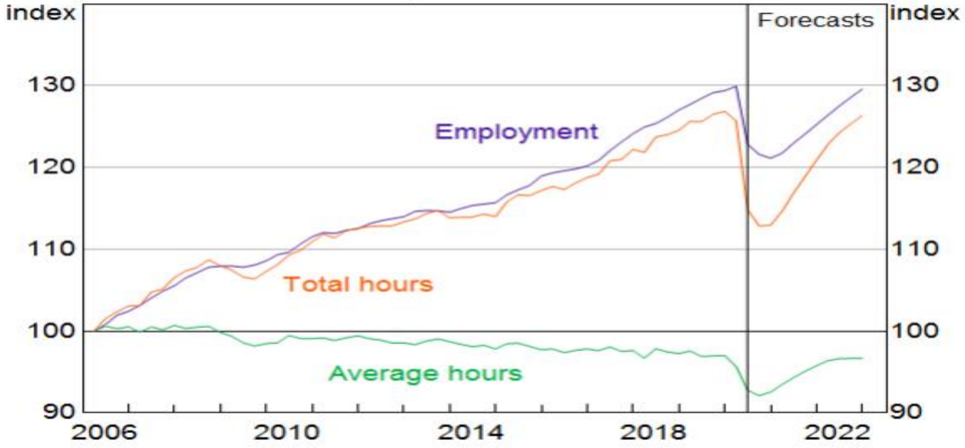


* Total pay excluding bonuses

Source: ABS

EMPLOYMENT AND HOURS WORKED[2]

March quarter 2006 = 100



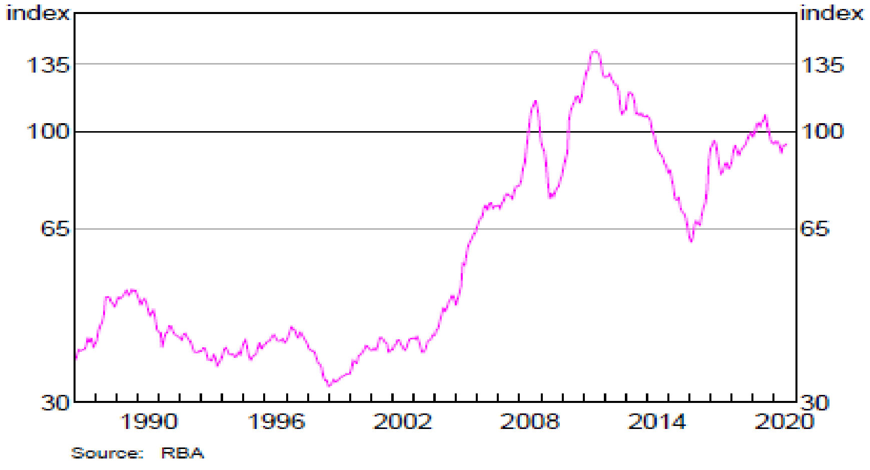
Sources: ABS; RBA

Sources: 1. RBA Chart Pack September 2020 2. RBA Speech: “The Economic Outlook”, August 2020

COMMODITY PRICES[1]

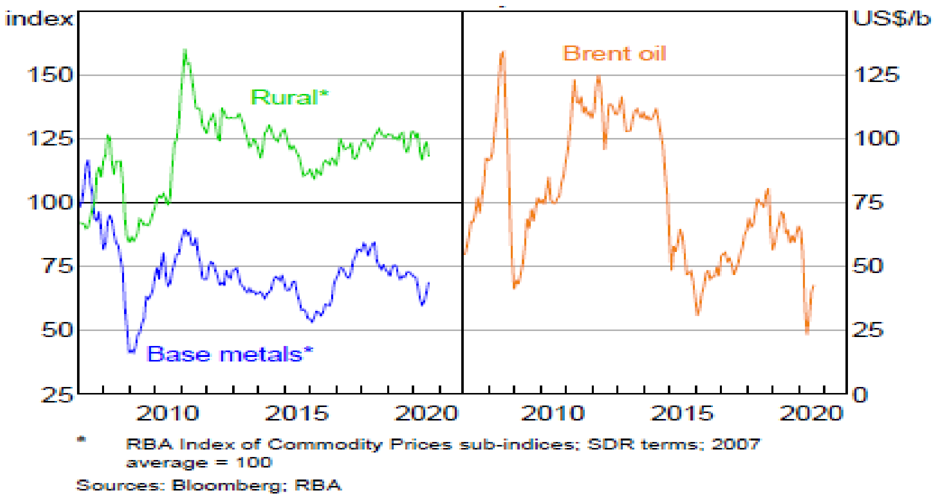
RBA INDEX OF COMMODITY PRICES

SDR, 2016/17 Average = 100, log scale



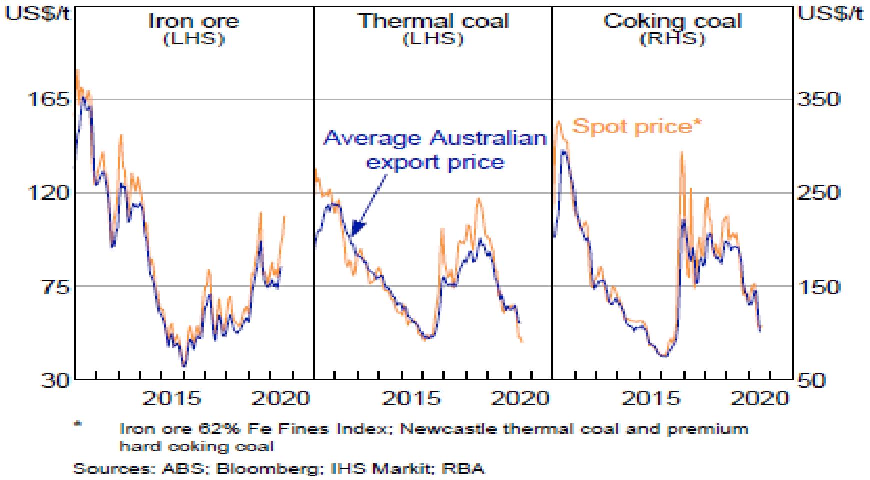
BASE METALS, RURAL, AND OIL PRICES

Weekly



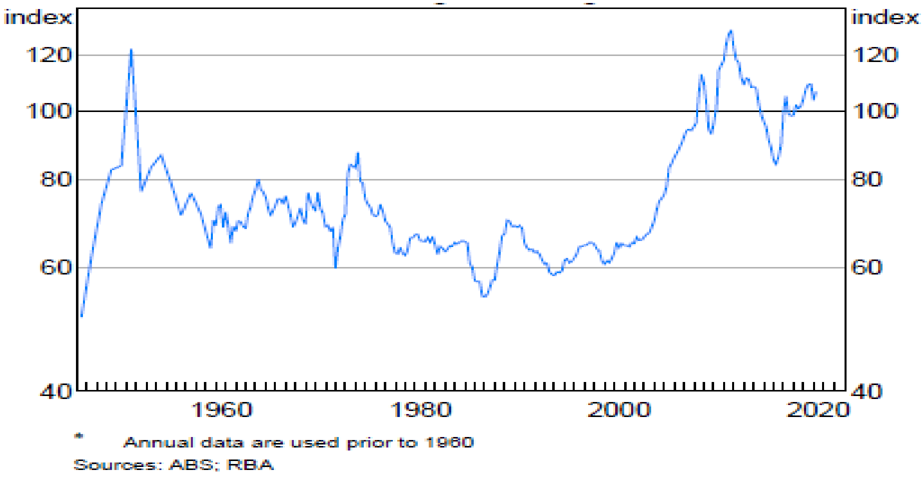
BULK COMMODITY PRICES

Free on board basis



TERMS OF TRADE*

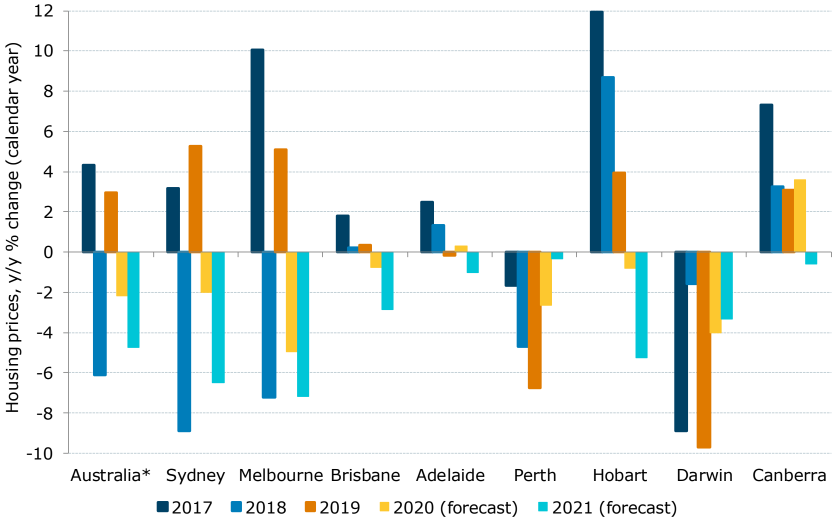
2016/17 average = 100, log scale



Sources: 1. RBA Chart Pack September 2020

AUSTRALIAN HOUSING DYNAMICS: A COOLING MARKET

HOUSING PRICE FORECASTS BY STATE[1]



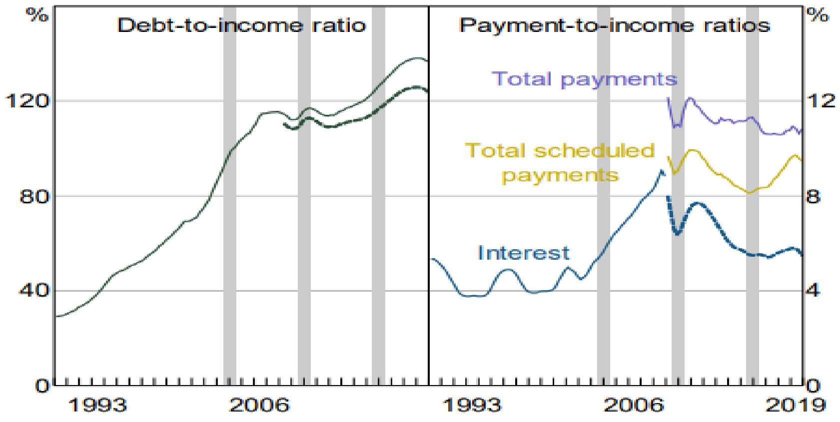
* Capital city weighted average

HOUSE PRICE GROWTH[2]

Aug 2020	6 Month Change			Year on Year Change			5 Year Cumulative Change		
	All dwellings	Houses	Units	All dwellings	Houses	Units	All dwellings	Houses	Units
Sydney	-0.3	-0.6	0.5	**10.0**	11.2	7.3	10.0	10.7	8.5
Melbourne	-3.0	-3.8	-1.6	**6.1**	6.2	5.8	17.4	16.9	17.5
Brisbane	0.6	1.1	-1.2	**3.5**	4.4	-0.1	7.3	10.5	-5.9
Adelaide	1.3	1.1	1.8	**2.7**	2.7	2.8	10.4	10.7	8.4
Perth	-1.4	-1.3	-2.5	**-2.0**	-2.0	-1.9	-18.4	-17.1	-23.5
Darwin	2.6	3.2	1.2	**0.0**	2.5	-4.5	-27.5	-21.3	-37.1
Canberra	3.3	3.8	1.5	**6.9**	7.9	3.7	24.0	28.5	9.1
Hobart	1.2	2.4	-1.4	**5.4**	5.7	4.6	41.1	43.2	36.1

MORTGAGE DEBT INDICATORS[3]

Household sector

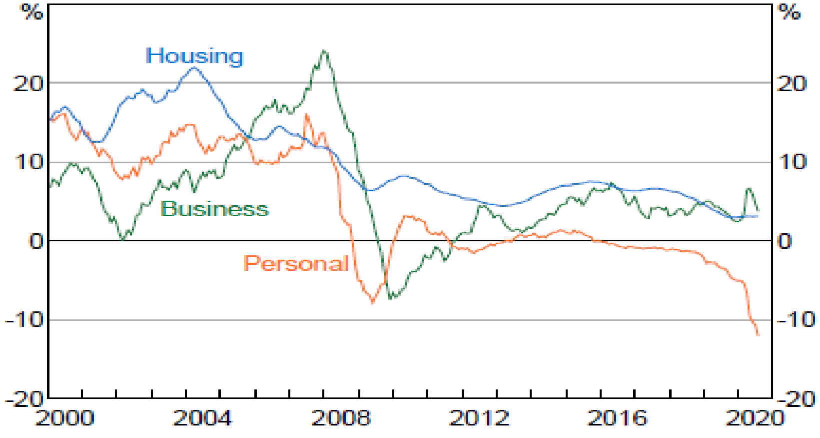


Notes: Shaded areas indicate the sample periods for the 2003–04, 2009–10 and 2015–16 SIH data; dotted lines show net of offset balances

Sources: ABS; APRA; Authors' calculations

CREDIT GROWTH BY SECTOR[4]

(year ended)



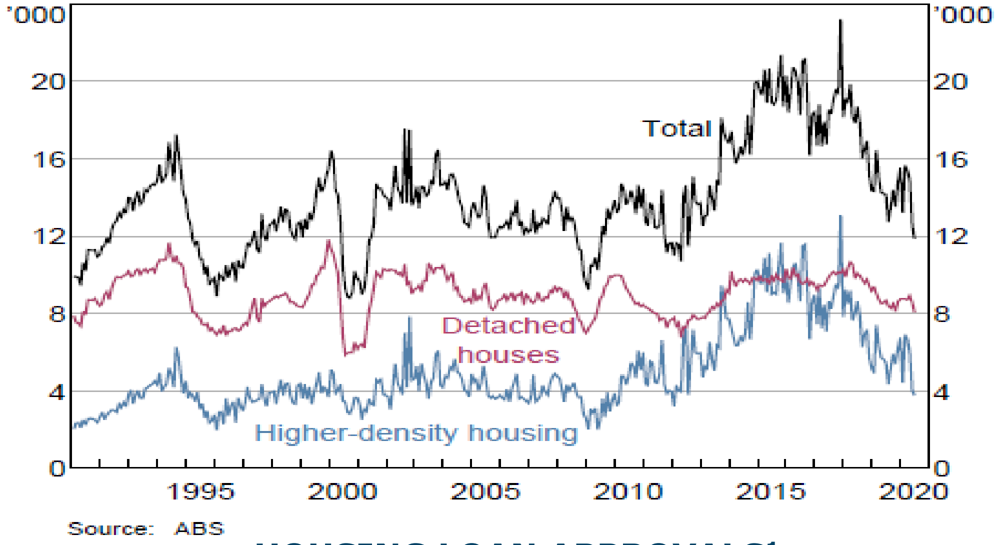
Sources: ABS; APRA; RBA

Sources: 1. ANZ Research Housing Pack, August 2020 2. CoreLogic 3. RBA Research Paper: "How Risky is Australian Household Debt?", August 2020 4. RBA Chart Pack September 2020

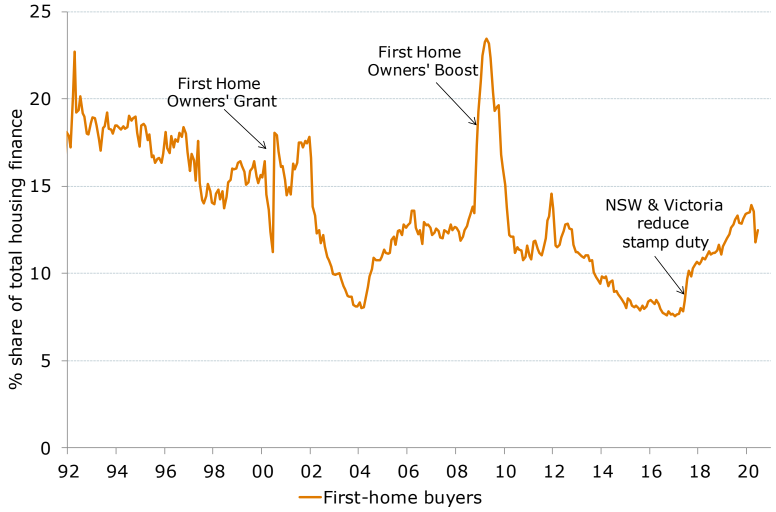
AUSTRALIAN HOUSING DYNAMICS

PRIVATE RESIDENTIAL BUILDING APPROVALS[1]

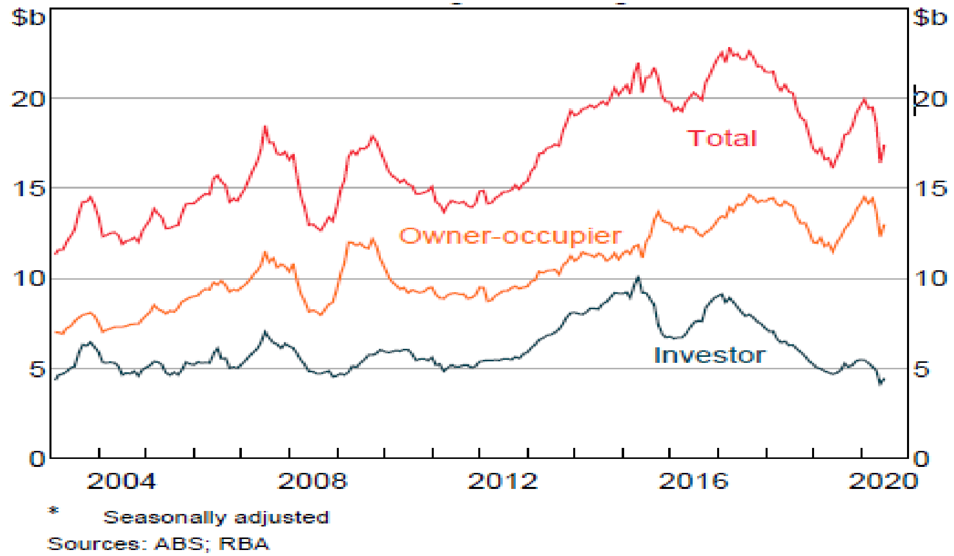
Monthly



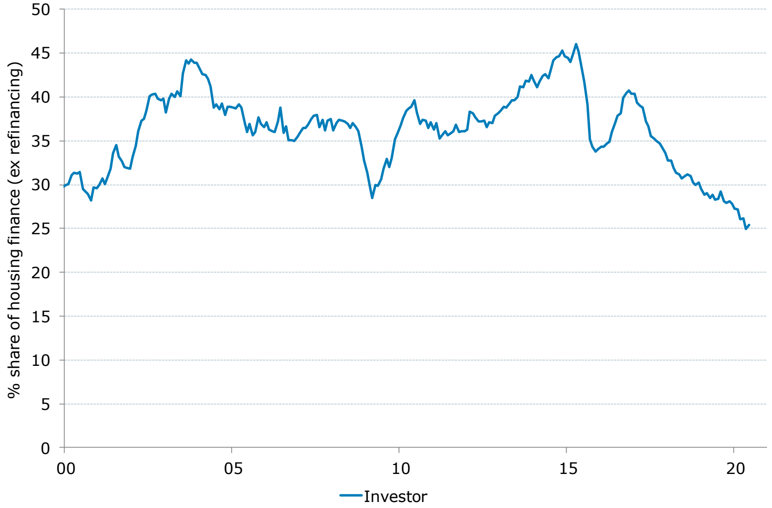
FIRST HOME BUYERS SHARE OF FINANCE[2]



HOUSING LOAN APPROVALS[1]



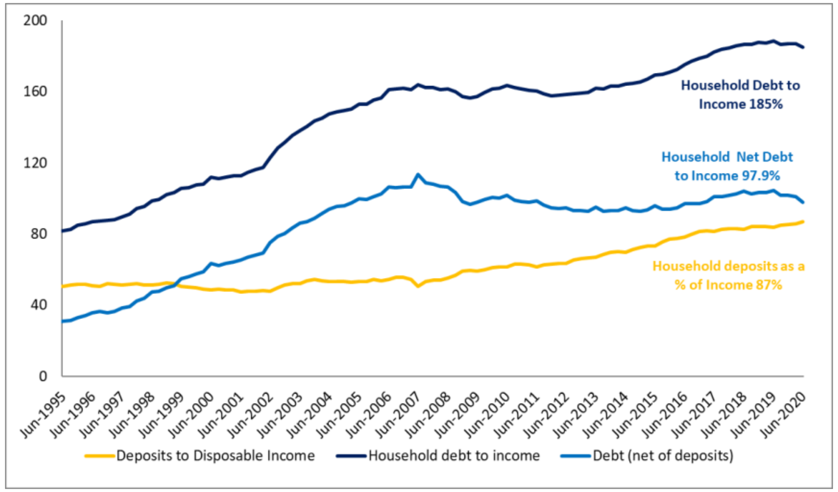
INVESTOR SHARE OF FINANCE[2]



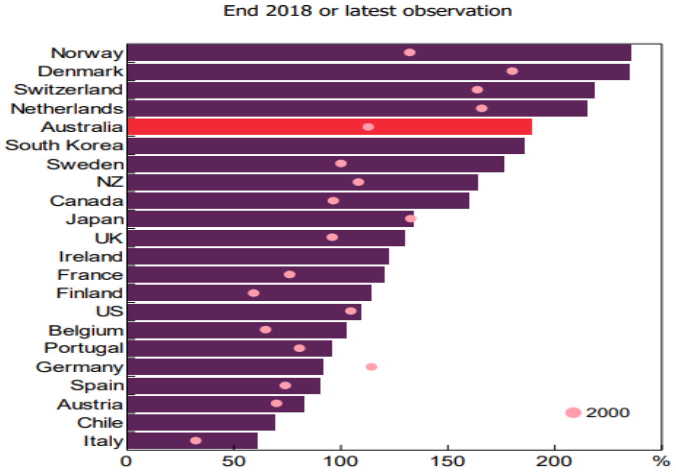
Sources: 1. RBA Chart Pack, September 2020 2. ANZ Research Housing Pack, August 2020

AUSTRALIAN HOUSING
HOUSEHOLD DEBT AND INCOME

HOUSEHOLD DEBT AND DEPOSITS[1]
% of annual household disposable income

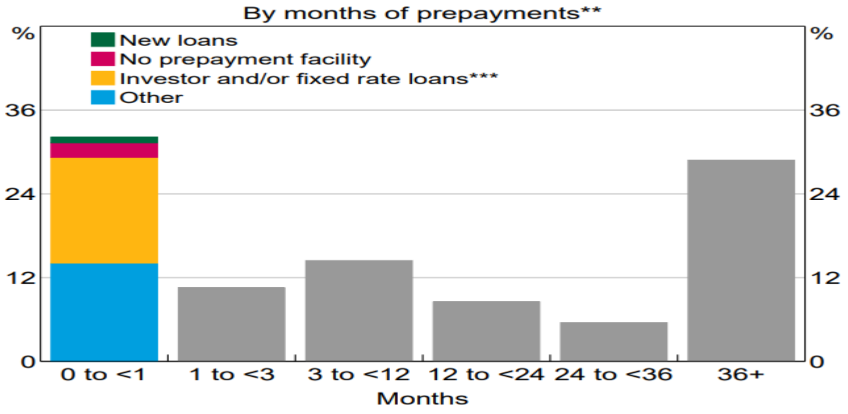


HOUSEHOLD DEBT-TO-INCOME RATIOS[2]



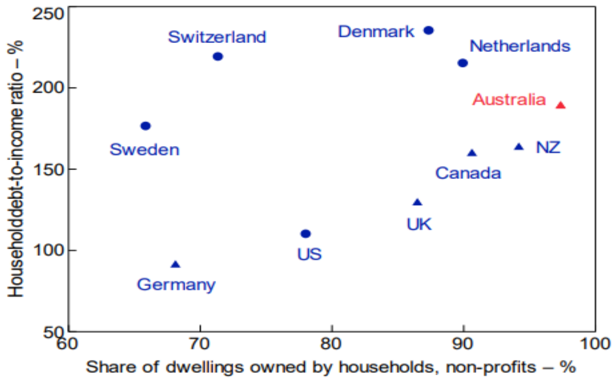
Sources: European Central Bank; National agencies; OECD; RBA; Thomson Reuters

HOUSEHOLD MORTGAGE BUFFERS[3]



* Available redraw plus offset account balances
** Share of loan groups as at February 2020; calculated with principal and interest repayments
*** These loans have features which discourage prepayments
Sources: RBA; Securitisation System

HOUSEHOLD MORTGAGE DEBT INDICATORS[2]
Available advanced economies, debt as at 2018



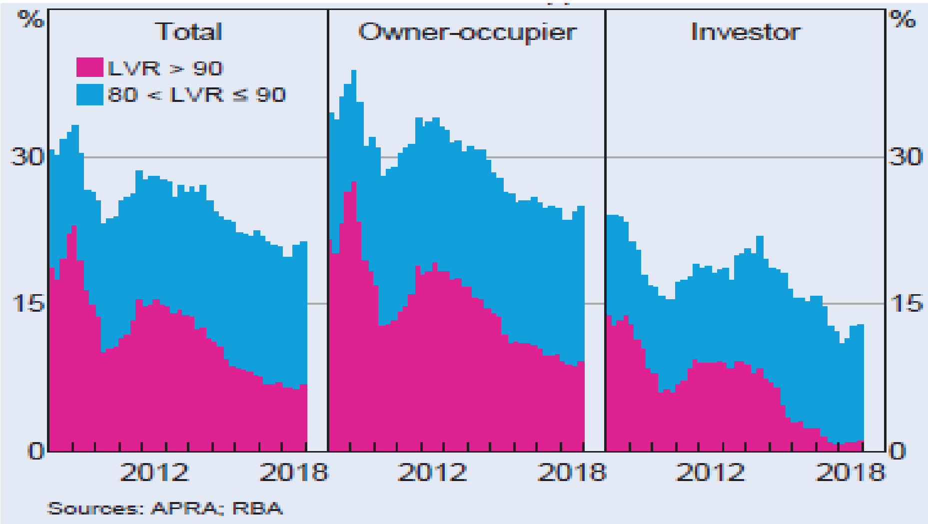
Note: Circles represent countries where owner-occupier mortgage payments are tax deductible
Sources: Authors' calculations; National agencies

Sources: 1. ABS, RBA. Housing Debt refers to ratio of housing debt to annualised household disposable income. Deposits include transferrable and other deposits 2. RBA Research Paper: "How Risky is Australian Household Debt?", August 2020 3. RBA Financial Stability Review, April 2020

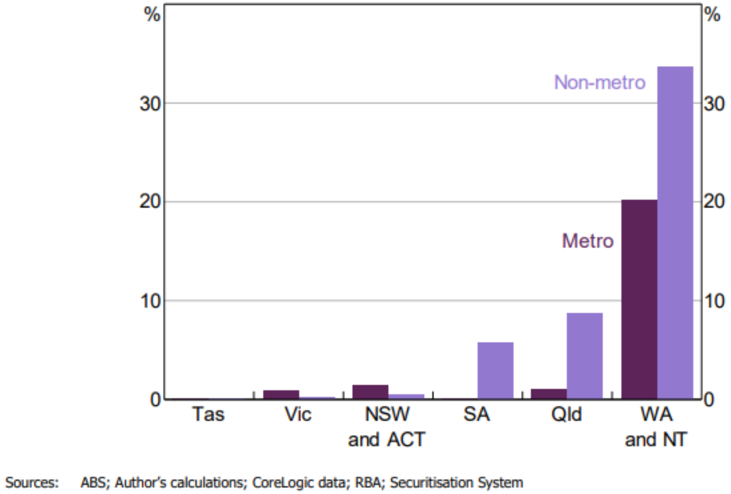
AUSTRALIAN HOUSING

LOW LEVELS OF HIGH LVR LENDING - ISOLATED NEGATIVE EQUITY[1]

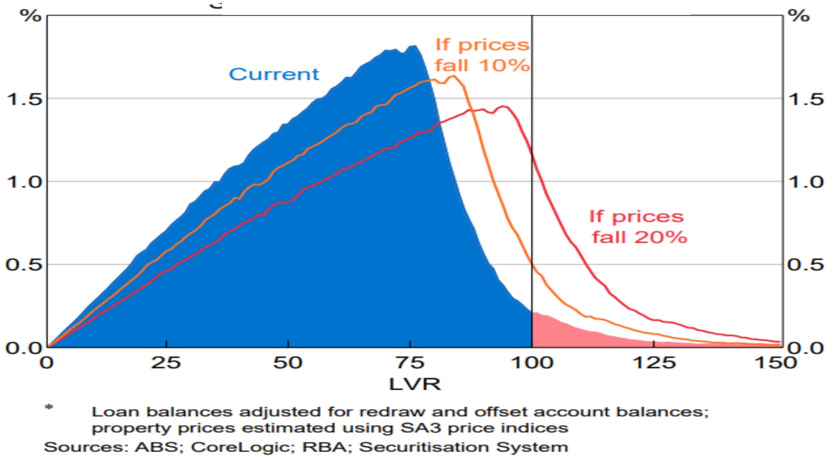
ADIs' HIGH LVR LOANS[1]
Share of new loan approvals



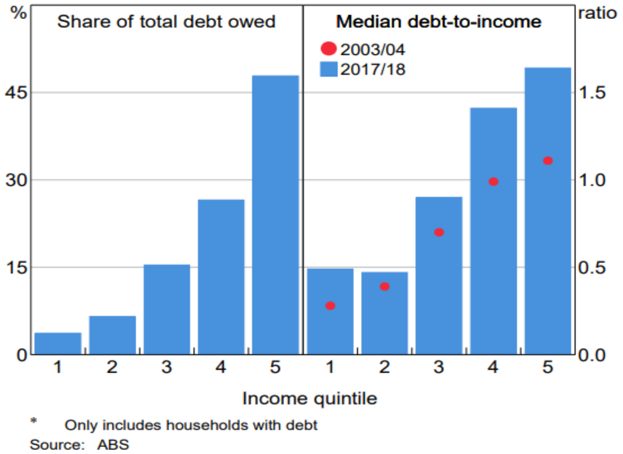
LOANS IN NEGATIVE EQUITY[2]
Share of balances, June 2019



CURRENT DYNAMIC LVR DISTRIBUTION[3]
Share of balances, February 2020

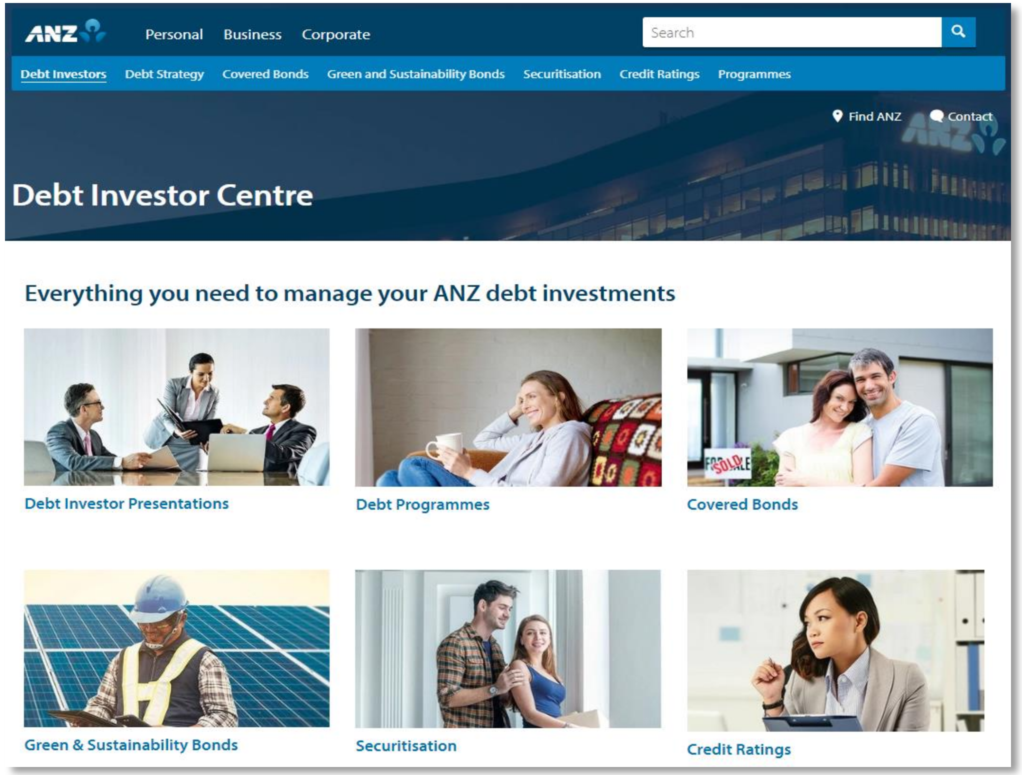


DISTRIBUTION OF HOUSEHOLD DEBT[4]
By income quintile



Sources: 1. RBA. Financial Stability Review, April 2019 2. RBA Research Paper: "The Determinants of Mortgage Defaults in Australia – Evidence for the Double-trigger Hypothesis", July 2020 3. RBA Financial Stability Review, April 2020 4. RBA Financial Stability Review, October 2019

KEY CONTACTS



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https://www.anz.com/debtinvestors/centre/

ANZ ESG Supplement
anz.com/cs

Corporate Governance Statement
anz.com/corporategovernance

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