

2022 HALF YEAR

AUSTRALIA HOME LOAN PORTFOLIO

June 2022

Incorporates material from ANZ's 2022 Half Year Results Presentation and Investor Discussion Pack

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HOME LOAN PORTFOLIO - OVERVIEW

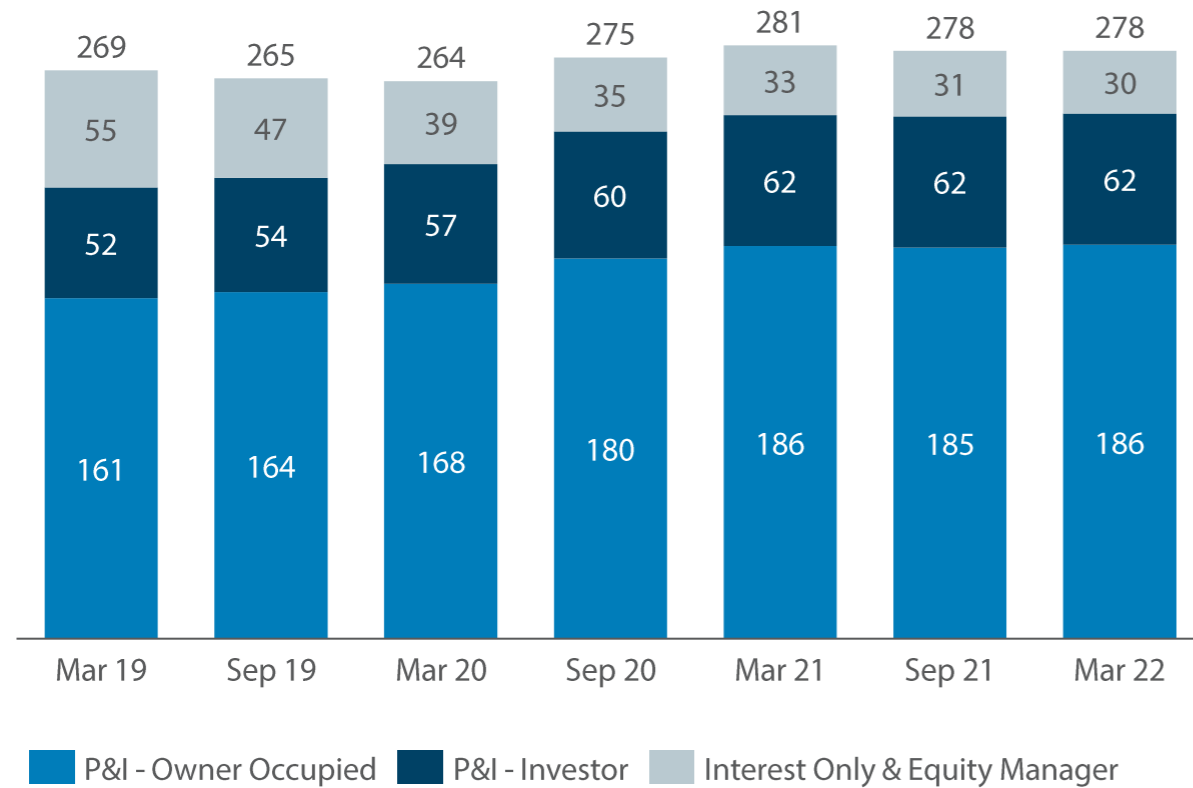
Mar 22	Summary	Additional information
Origination	<ul style="list-style-type: none"> Home loan processing capacity has increased by 30% (Apr 22 vs Sep 21) 47% of home loans were originated in 1H22 through propriety channels; 53% through brokers (broadly in line with prior periods) 77% of branch applications were auto credit decisioned in Mar 22, all broker applications are manually assessed by ANZ staff For all variable and fixed rate loans, serviceability is assessed based on the higher of the customer interest rate plus a 3% serviceability buffer, or the floor rate which is currently 5.1% 	Slides 3 & 4
Total home loan portfolio	<ul style="list-style-type: none"> Of the total home loan portfolio of \$278b, 89% is on principal & interest repayments Customer home loan repayments are not automatically reduced when interest rates reduce 68% of the portfolio is ahead of repayments, 33% is >2 years ahead of repayments, \$41b of deposits are held in offset accounts¹ 90% of the portfolio has an Dynamic^{2,3} LVR of 80% or less; 97% of the portfolio has an Dynamic^{2,3} LVR of 90% or less (based on accounts) 	Slide 5, 6 & 8
Fixed rate home loan portfolio	<ul style="list-style-type: none"> In 1H22, fixed rates accounted for 41% of flows (compared to 46% avg of prior 3 halves and 19% avg of 3 halves prior to that) 35% of the portfolio is currently on fixed rates (compared with 27% in Mar 21 & 15% Mar 20) 24% of the fixed rate portfolio is scheduled to mature in the 6 months to Sep 22 (2H22), 20% in 1H23, 19% in 2H23 	Slide 7
Credit Quality	<ul style="list-style-type: none"> Home Loan 90+ Days Past Due have reduced to 71bps⁴ at Mar 22, the lowest level since 2016 0.7% of the portfolio is in negative equity (net of offset balances)⁵, of this 49% are ahead of repayments & 38% have LMI 	Slides 8, 9 & 10

1. Reflects balances of ANZ's offset account product, in some instances offset accounts no longer offset Home Loan balances, e.g. where associated Home Loan account is closed
2. DLVR does not incorporate offset balances
3. Valuations updated to Feb'22 where available
4. Home loan 90+ days past due as a percentage of total portfolio. Includes Non-Performing Loans; ANZ delinquencies are calculated on a missed payment basis for amortising and Interest Only loans
5. Based on # accounts



AUSTRALIA HOME LOANS - PERFORMANCE

HOME LOAN GROSS LOANS & ADVANCES¹ (\$b)



MEDIAN TIME TO FIRST DECISION²

3 days

Simple applications

7 days

Complex applications

**AUTO CREDIT
DECISIONED**

77%

ANZ branch applications³

**PROCESSING
CAPACITY**

+30%

Apr 22 vs Sep 21

1. Includes Non Performing Loans

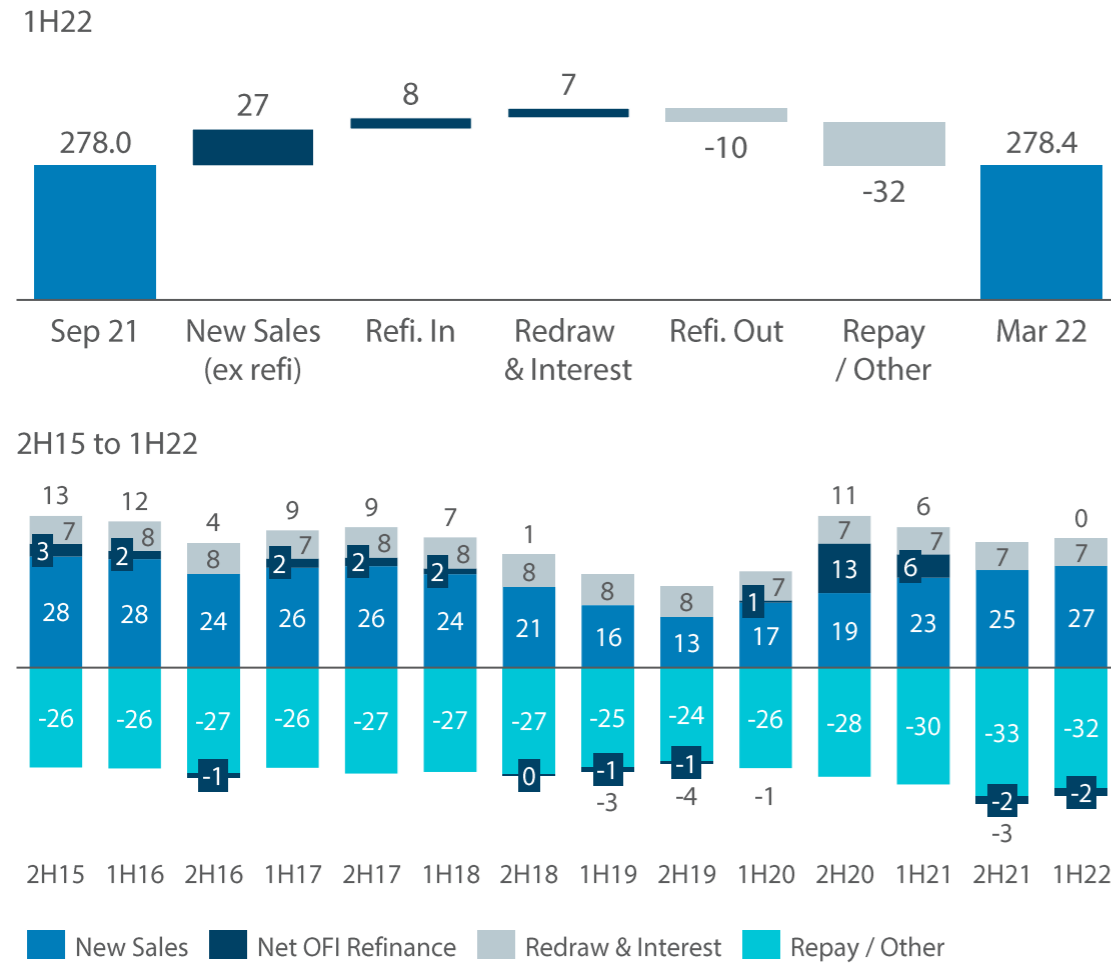
2. April 2022 based on median time to first decision on home loan applications, excluding auto approvals. Comprises broker applications (relatively higher time to decision) and proprietary applications (relatively lower time to decision)

3. March 2022



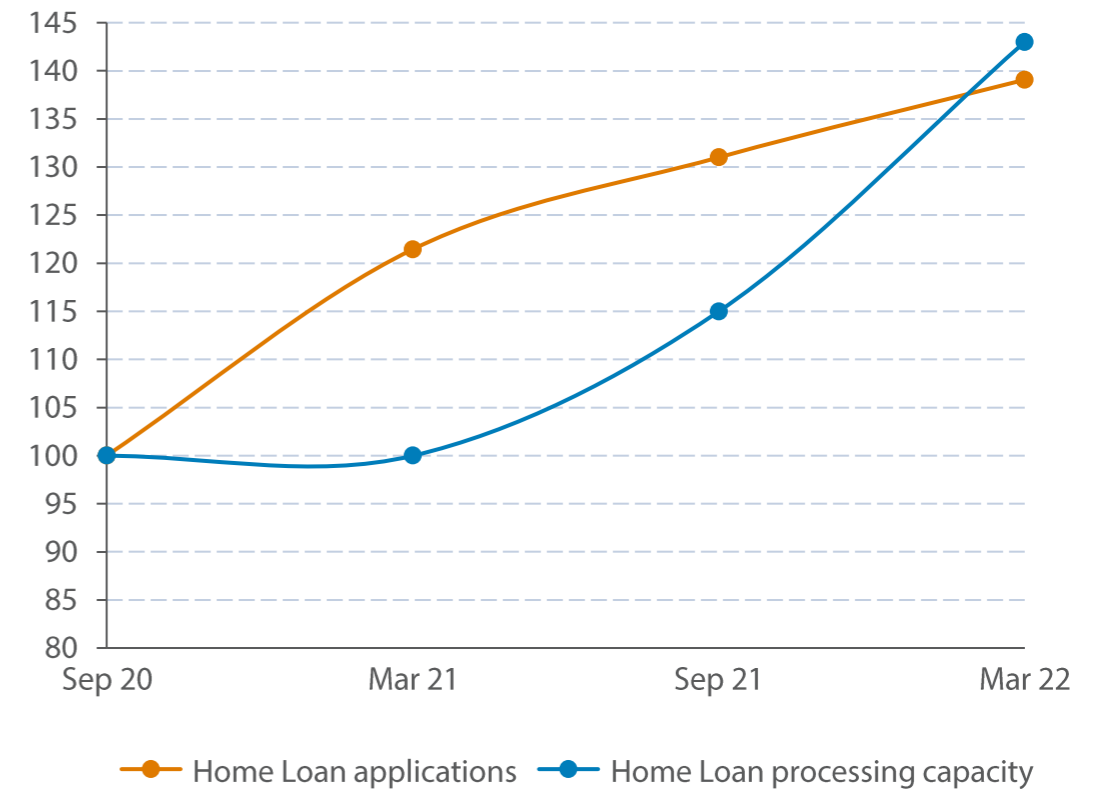
AUSTRALIA HOME LOANS - PERFORMANCE

HOME LOAN BALANCE AND FLOWS (\$b)



HOME LOAN APPLICATIONS & PROCESSING CAPACITY

Indexed data¹



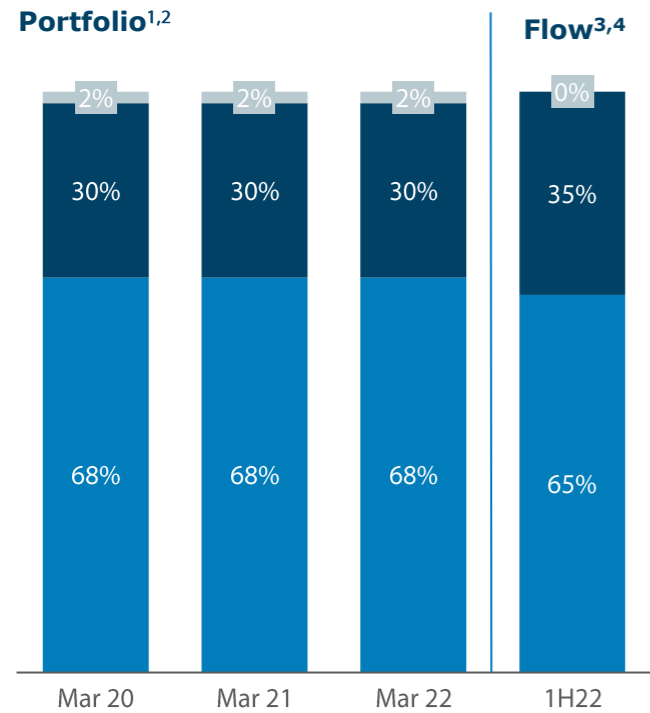
1. Spot \$ applications on a per day basis indexed to Sep 20



AUSTRALIA HOME LOANS – PORTFOLIO COMPOSITION & FLOW

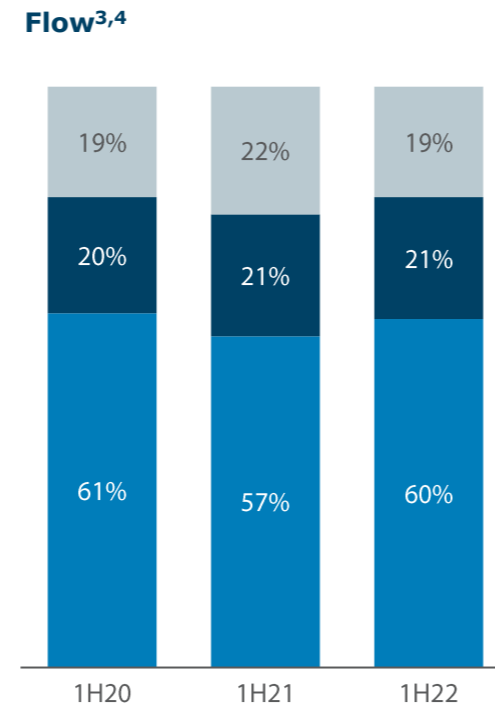
BY PURPOSE

% of total balances



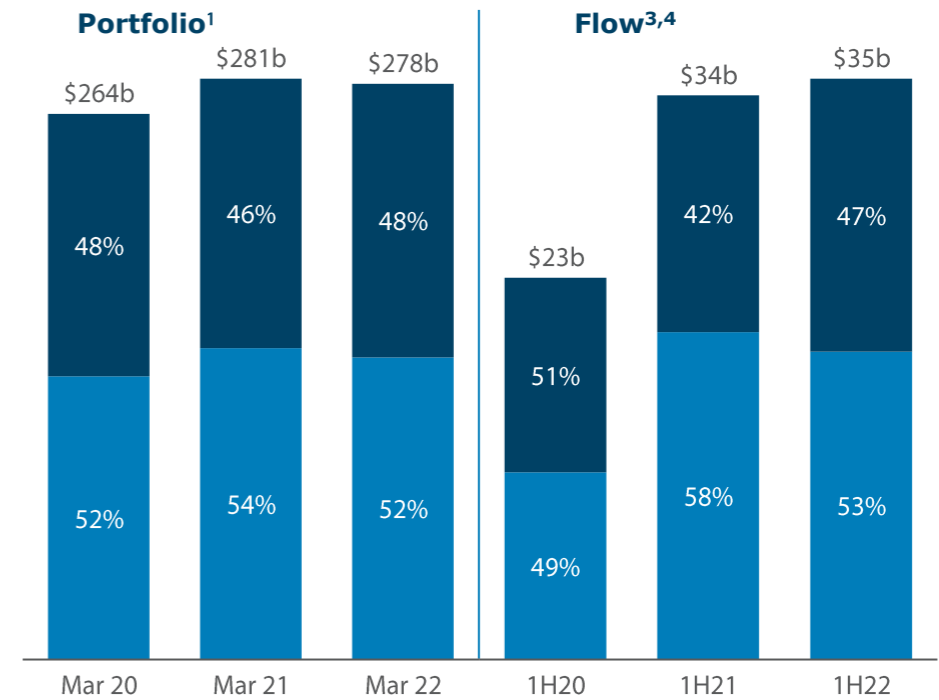
BY ORIGINATION LVR^{4,6}

% of total flows



BY CHANNEL

% of total balances



Owner Occupied Investor Equity Manager⁵

<80% LVR 80% LVR >80% LVR

Broker Proprietary

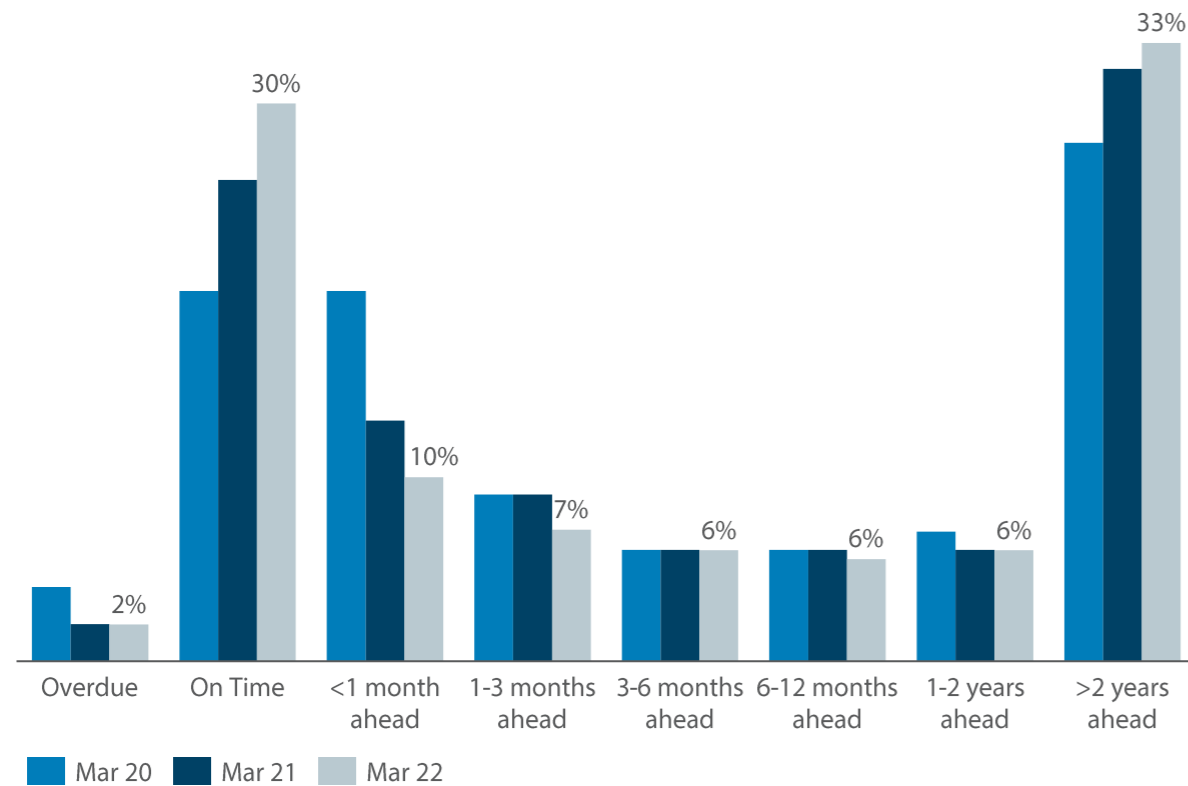
1. Includes Non Performing Loans; 2. The current classification of Investor vs Owner Occupied is based on ANZ's product category, determined at origination as advised by the customer and the ongoing precision relies primarily on the customer's obligation to advise ANZ of any change in circumstances; 3. YTD unless noted; 4. Based on drawn month; 5. ANZ Equity Manager product no longer offered for sale as of 31 July 2021; 6. Includes capitalised LMI premiums



AUSTRALIA HOME LOANS – REPAYMENT PROFILE

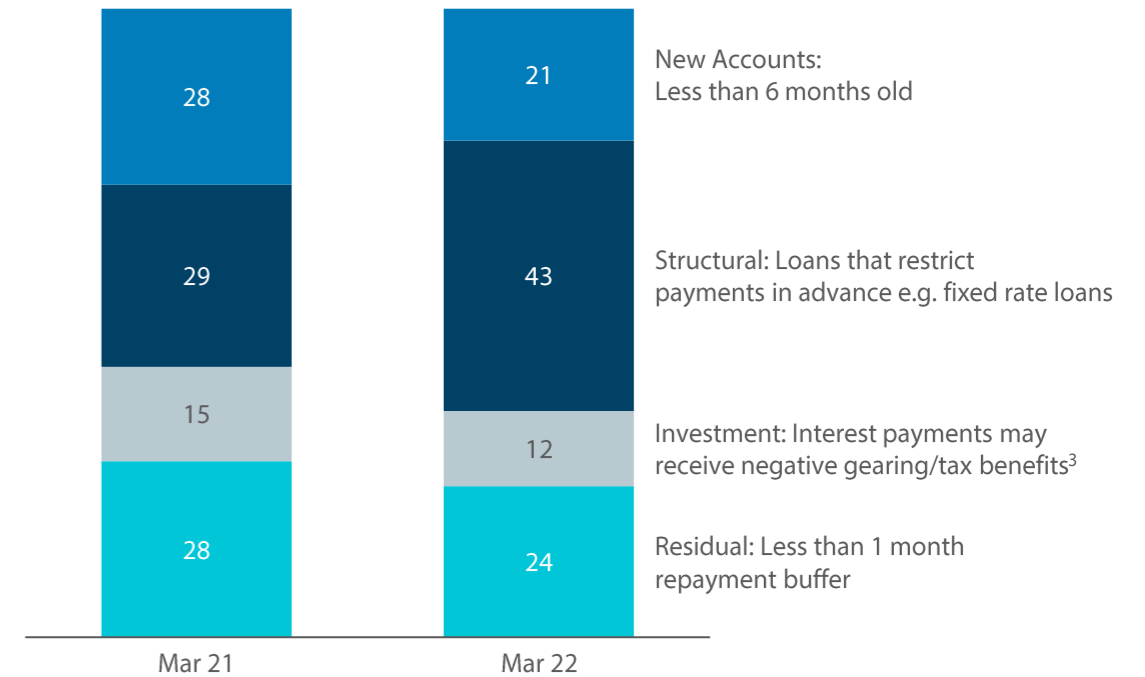
HOME LOANS REPAYMENT PROFILE^{1,2}

68% of accounts ahead of repayments



HOME LOANS ON TIME & <1 MONTH AHEAD PROFILE²

% composition of accounts (Mar 22 vs Mar 21)



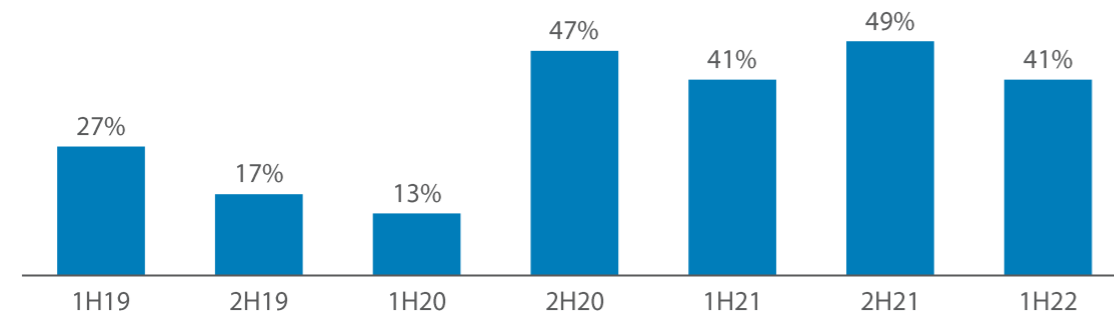
1. Includes Non Performing Loans
 2. % of Owner Occupied and Investment Loans that have any amount ahead of repayments. Excess repayments based on available Redraw and Offset. Excludes Equity Manager Accounts
 3. The current classification of Investor vs Owner Occupied, is based on ANZ's product category, 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



AUSTRALIA HOME LOANS – FIXED RATE PORTFOLIO

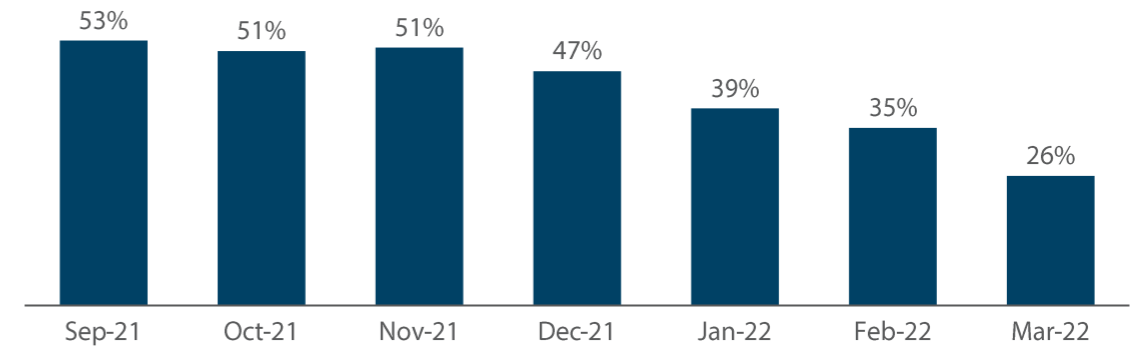
FIXED RATE FLOWS

% of total flows



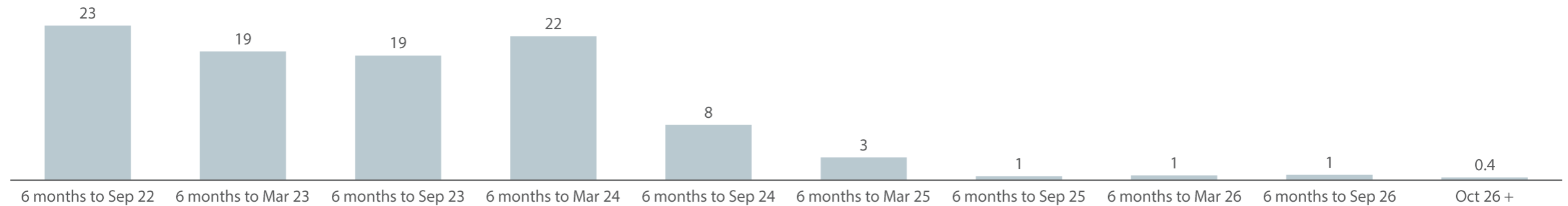
FIXED RATE FLOWS – 1H22

% of total flows



FIXED RATE MATURITY PROFILE

\$b

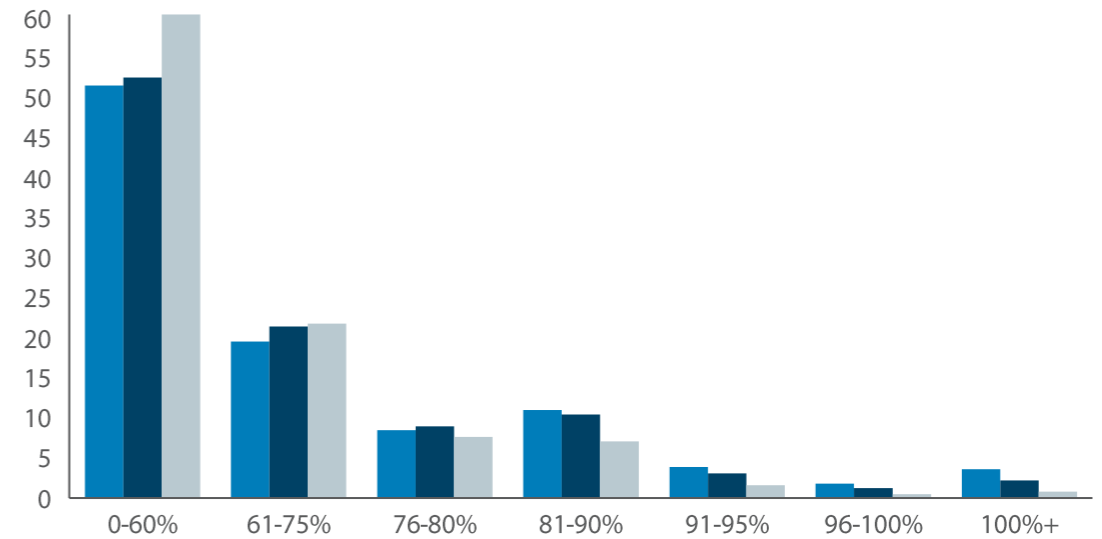
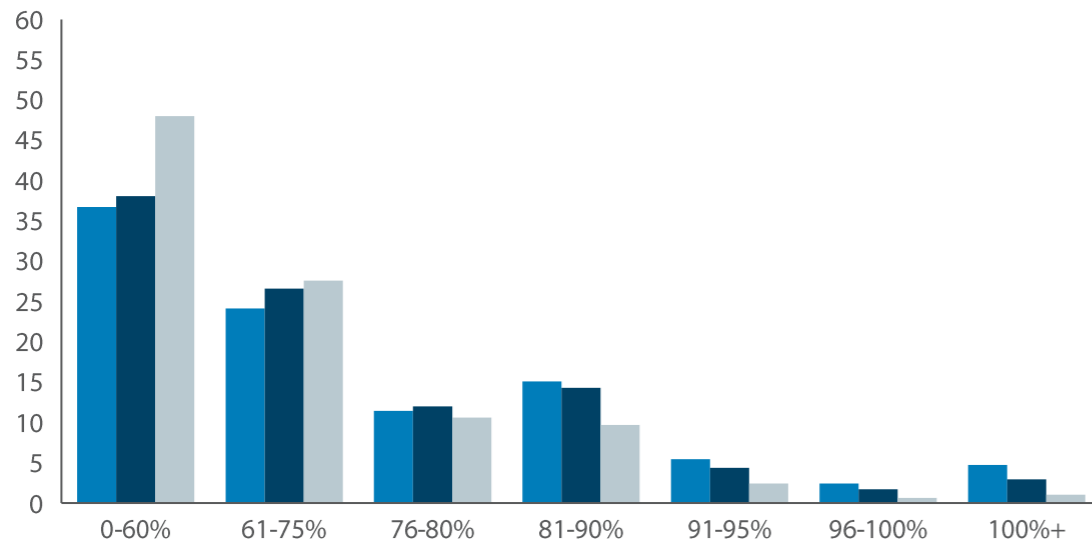




AUSTRALIA HOME LOANS – DYNAMIC LOAN TO VALUE RATIO (DLVR)

DLVR BASED ON PORTFOLIO BALANCES ^{1,2,3,4} (%)

DLVR BASED ON TOTAL PORTFOLIO ACCOUNTS ^{1,2,3,4,5} (%)



■ Mar 20 ■ Mar 21 ■ Mar 22

■ Mar 20 ■ Mar 21 ■ Mar 22

>90% (Net of offset balances)

- 3.1% of portfolio
- 39% ahead of repayments⁶
- 44% with LMI

NEGATIVE EQUITY (Net of offset balances)

- 0.8% of portfolio
- 46% ahead of repayments⁶
- 34% with LMI

>90% (Net of offset balances)

- 2.3% of portfolio
- 44% ahead of repayments⁶
- 48% with LMI

NEGATIVE EQUITY (Net of offset balances)

- 0.7% of portfolio
- 49% ahead of repayments⁶
- 38% with LMI

1. Includes capitalised LMI premiums; 2. Valuations updated to Feb 22 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 50%; 6. % of Owner Occupied and Investment Loans that have any amount ahead of repayments



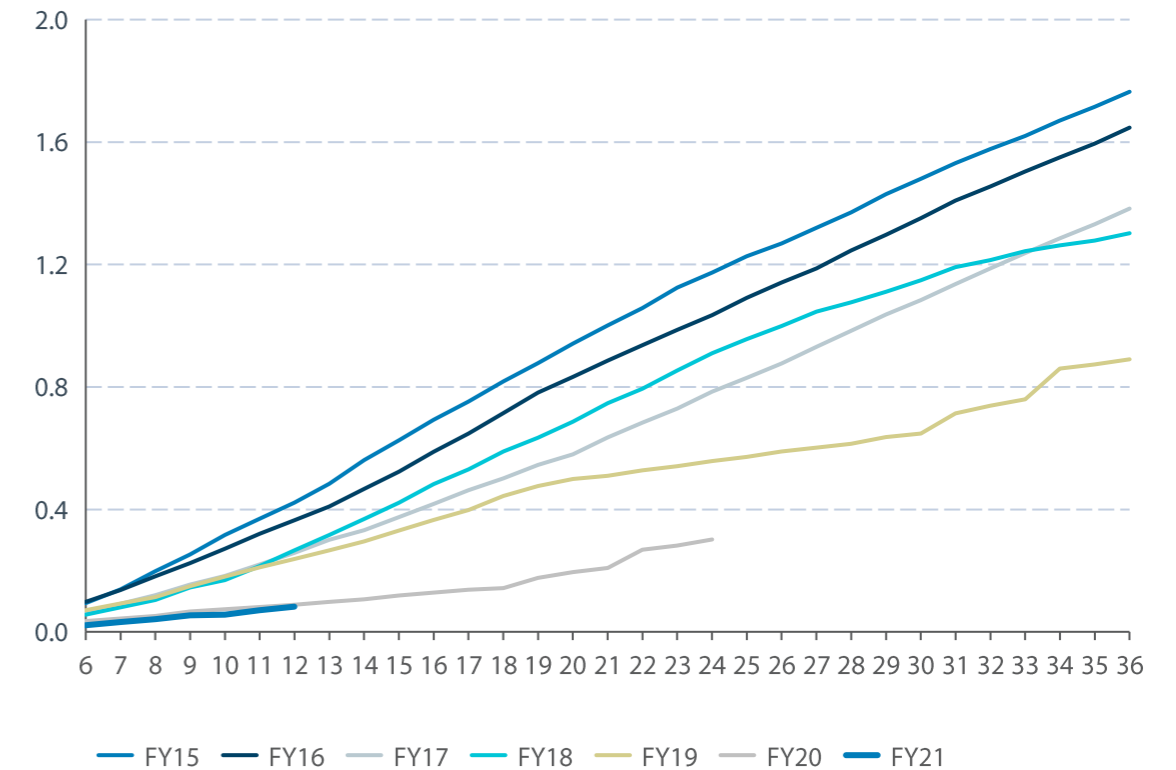
AUSTRALIA HOME LOANS - 90+ DAYS PAST DUE (DPD)

PORTFOLIO^{1,2,3}

% of Total Portfolio Balances



HOME LOANS 90+ DPD (BY VINTAGE)⁴



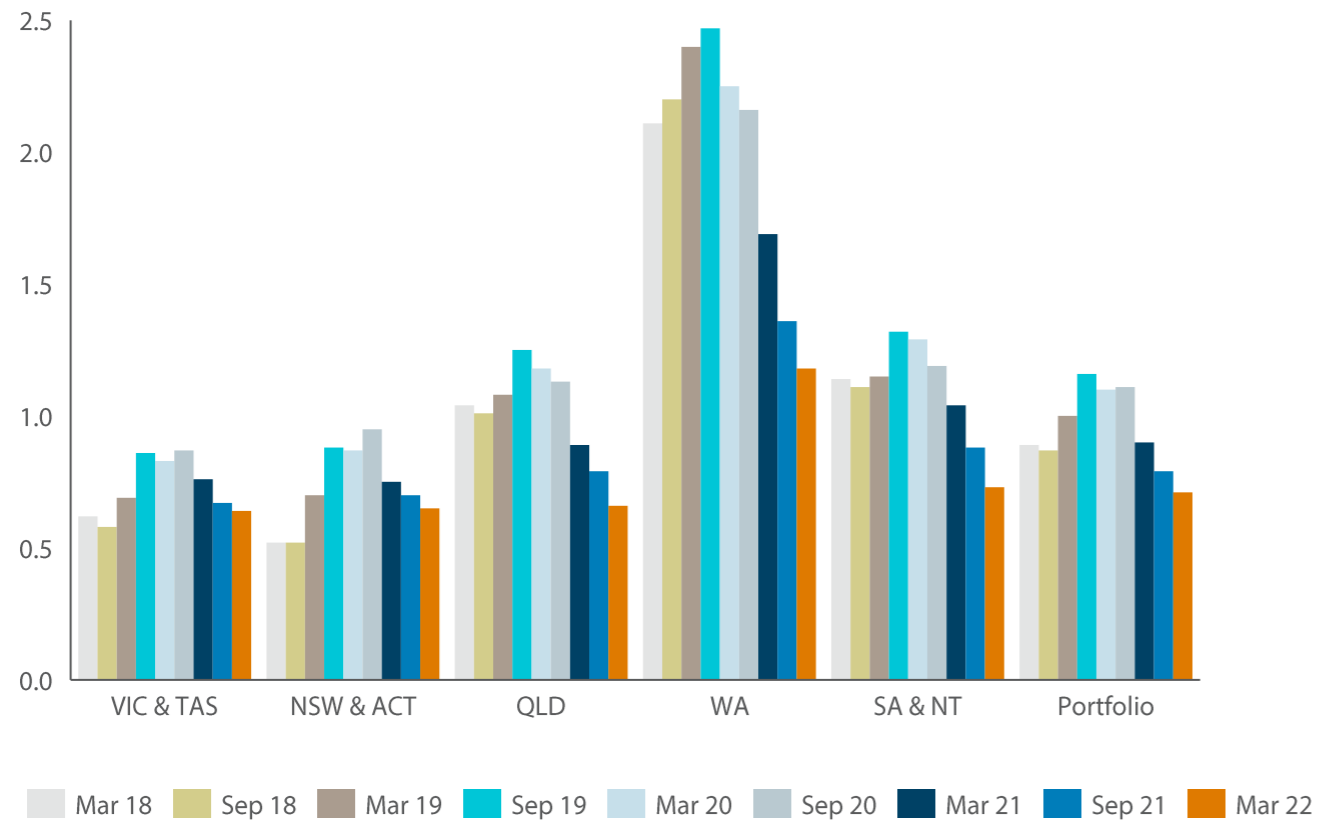
1. Includes Non Performing Loans
2. ANZ delinquencies are calculated on a missed payment basis for amortising and Interest Only loans
3. Australia Home Loans 90+ between Mar 20 and Jun 20 excludes eligible Home Loans accounts that had requested COVID-19 assistance but due to delays in processing had not had the loan repayment deferral applied to the account
4. Home Loans 90+ DPD vintages represent % ratio of ever 90+ delinquent (measured by # accounts), contains at least 6 application months of that fiscal year contributing to each data point



AUSTRALIA HOME LOANS – PORTFOLIO PERFORMANCE

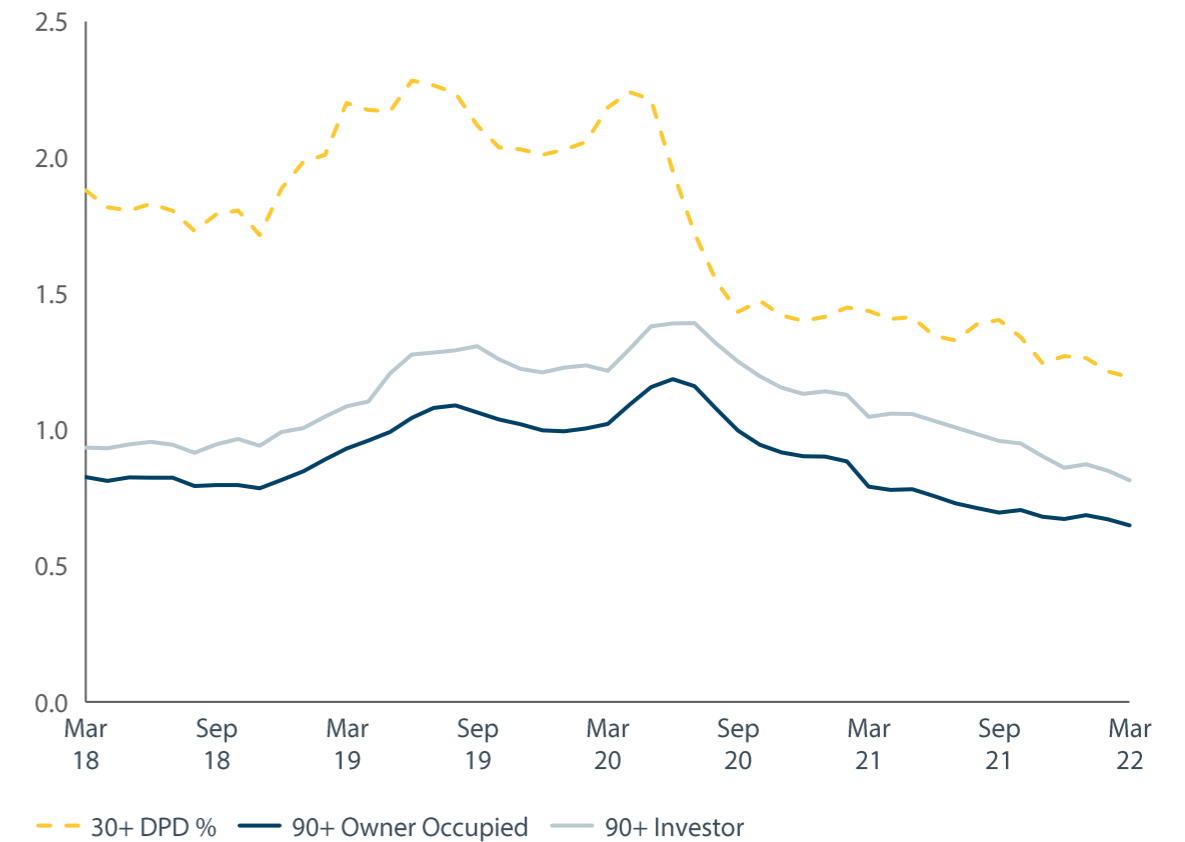
HOME LOANS 90+ DPD (BY STATE)^{1,2}

% of Portfolio Segment Balances



HOME LOAN DELINQUENCIES^{1,2,3,4}

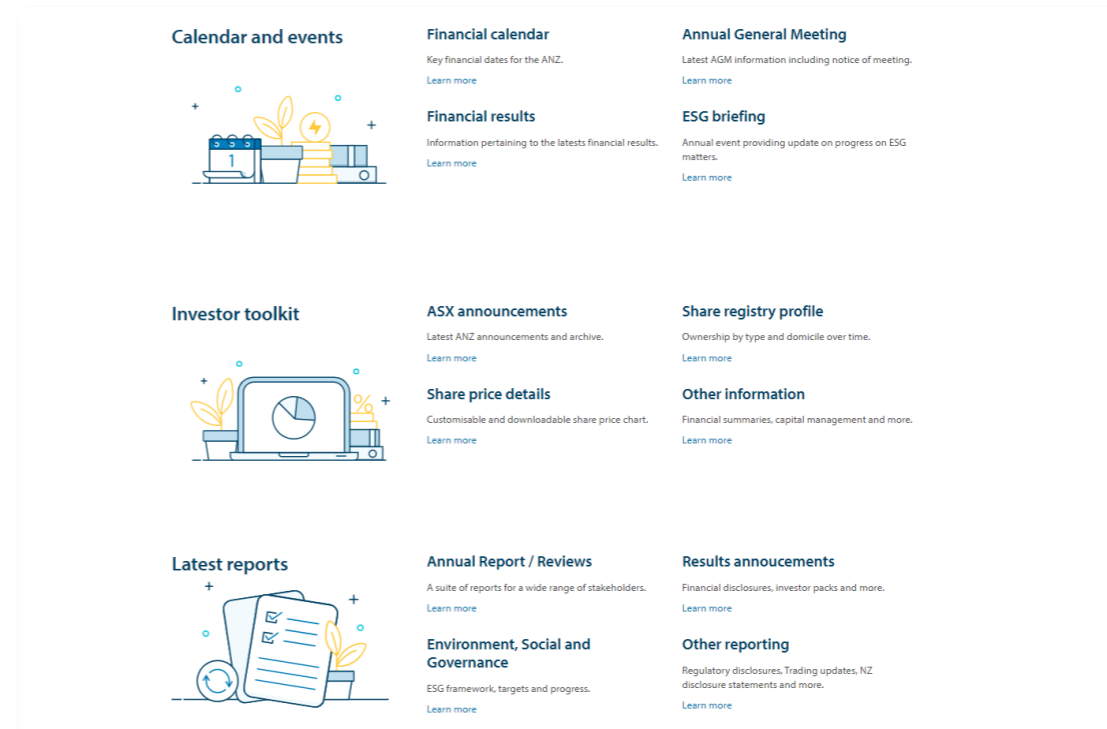
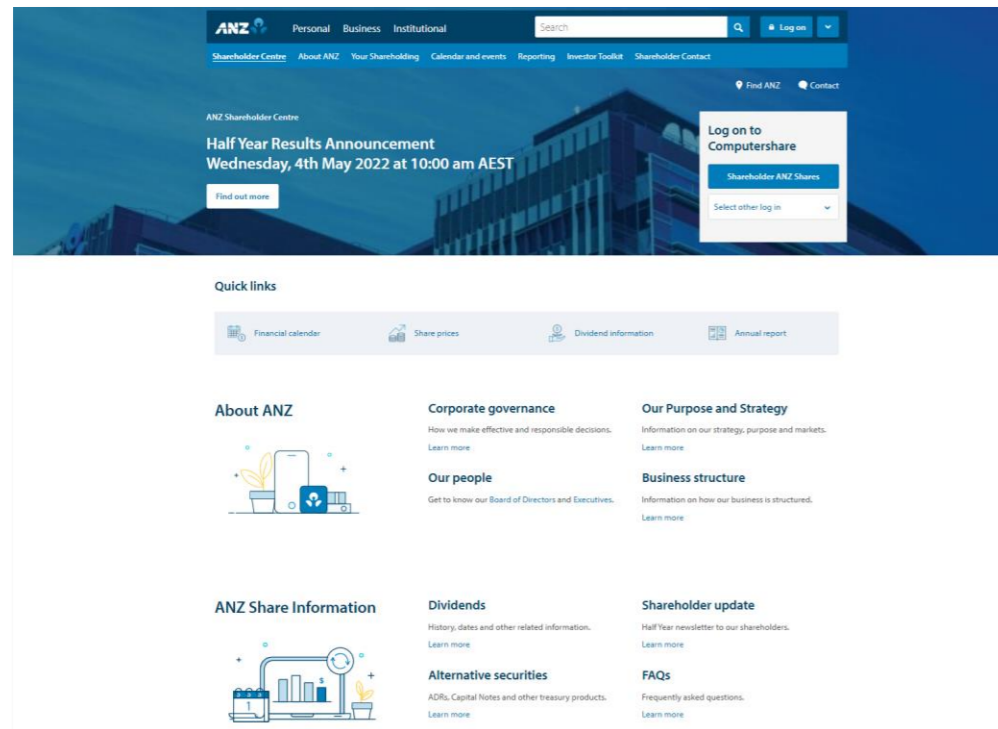
% of Portfolio



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 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 4. 30+ and 90+ between Mar 20 and Jun 20 excludes eligible Home Loans accounts that had requested COVID-19 assistance but due to delays in processing had not had the loan repayment deferral applied to the account



FURTHER INFORMATION



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

Equity Investors			Retail Investors	Debt Investors
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