2024 BASEL III PILLAR 3 DISCLOSURE

AS AT 31 MARCH 2024

APS 330: PUBLIC DISCLOSURE

Important notice

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[1] Each table reference adopted in this document aligns to those required by APS 330 to be disclosed at full year.

Chapter 1 – Introduction

Purpose of this document

This document has been prepared in accordance with the Australian Prudential Regulation Authority (APRA) ADI Prudential Standard (APS) 330: Public Disclosure.

APS 330 Public Disclosure Prudential Standard requires locally-incorporated authorised deposit-taking institutions (ADIs) to meet minimum requirements for the public disclosure of key information on their capital, risk exposures, remuneration practices and, where applicable, leverage ratio, liquidity coverage ratio, net stable funding ratio and indicators for the identification of potential global systemically important banks, so as to contribute to the transparency of financial markets and to enhance market discipline.

This document is prepared for ANZ BH Pty Ltd (ANZ Bank HoldCo) in accordance with Board policy and the APS 330 reporting standard requirements. It presents information on the Group's Capital Adequacy and Risk Weighted Assets calculations for credit risk, securitisation, traded market risk, interest rate risk in the banking book and operational risk.

Group organisational structure

ANZ Group Holdings Limited (ANZGHL) is the listed parent company of the ANZ Group. Banking and certain non-banking businesses are separated into two groups, the ANZ Bank Group and ANZ Non-Bank Group. The ANZ Bank Group comprises Australia and New Zealand Banking Group Limited (ANZBGL), international regulated bank operations and insurance businesses. The ANZ Non-Bank Group comprises banking-adjacent businesses developed or acquired by the ANZ Group, to focus on bringing new technology and banking-adjacent services to the ANZ Group's customers, and a separate service company.

The APS 330 disclosure has been prepared on the level 2 basis with ANZ Bank HoldCo being the head of ANZ's Level 2 banking group (formerly Australia and New Zealand Banking Group Limited prior to the establishment of the scheme of arrangement of a non-operating holding company on 3 January 2023).

Basel in ANZ

APRA released new bank capital adequacy requirements applying to Australian incorporated registered banks, which are set out in APRA's Banking Prudential Standard documents. ANZ has implemented these new requirements from 1 January 2023. The new capital adequacy key requirements include changes to APS 110 Capital Adequacy (APS 110), APS 112 Capital Adequacy: Standardised Approach to Credit Risk (APS 112) and APS 113 Capital Adequacy: Internal Ratings-based Approach to Credit Risk (APS 113) with key features of the reforms including:

- improving the flexibility of the capital framework, through larger capital buffers that can be used by banks to support lending during periods of stress;
- changes to risk weighted assets (RWA) through more risk-sensitive risk weights increasing capital requirements for higher risk lending and decreasing it for lower risks;
- changes to loss given default rates (LGD) including approved use of an internal ratings-based (IRB) approved LGD model for mortgage portfolios;
- an increase in the IRB scaling factor (from 1.06x to 1.1x);
- requirement that IRB ADIs calculate and disclose RWA under the standardised approach and the introduction of a capital floor at 72.5% of standardised RWA; and
- use of prescribed New Zealand authority's equivalent prudential rules for the purpose of calculating the Level 2 regulatory capital requirement.

In addition, operational RWA is now calculated under APS 115 Capital Adequacy: Standardised Measurement Approach to Operational Risk (APS 115) which replaced the previous advanced methodology from December 2022.

Verification of disclosures

These Pillar 3 disclosures have been verified in accordance with Board-approved policy, including ensuring consistency with information contained in ANZ's Financial Report and in Pillar 1 returns provided to APRA. In addition, ANZ's external auditor has performed an agreed upon procedure engagement with respect to these disclosures.

Comparison to ANZ's Financial Reporting

These disclosures have been produced in accordance with regulatory capital adequacy concepts and rules, rather than with accounting policies adopted in ANZ's financial reports. As such, there are different areas of focus and measures in some common areas of these disclosures. These differences are most pronounced in the credit risk disclosures, for instance:

- The principal method for measuring the amount at risk is Exposure at Default (EAD), which is the estimated exposure owed on a credit obligation at the time of default. Under the Internal Ratings Based (IRB) approach in APS 113 Capital Adequacy: Internal Ratings-based Approach to Credit Risk, banks are accredited to provide their own estimates of EAD or use supervisory estimates for all exposures (drawn, commitments or contingents) reflecting the current balance as well as the likelihood of additional drawings prior to default. Note APS 113 no longer permits the use of own estimates (internally modelled credit conversion factors (CCFs)) for committed non-retail exposures and non-revolving retail, therefore ANZ apply supervisory CCFs as detailed in APS 112.

- Loss Given Default (LGD) is an estimate of the loss expected in the event of default. LGD is essentially calculated as the amount at risk (EAD) less expected net recoveries from realisation of collateral as well as any post default repayments of principal and interest.

- Most credit risk disclosures split ANZ's portfolio into regulatory asset classes, which span different areas of ANZ's internal divisional and business unit organisational structure.

Unless otherwise stated, all amounts are rounded to AUD millions.

Suncorp Bank Acquisition

On 18 July 2022, the Group announced an agreement to purchase 100% of the shares in SBGH Limited, the immediate non-operating holding company of Suncorp Bank. On 20 February 2024, the Australian Competition Tribunal announced it had authorised the proposed acquisition following the decision in August 2023 by the Australian Competition and Consumer Commission to not authorise the acquisition. The acquisition remains subject to satisfaction of certain conditions, including Federal Treasurer approval and certain amendments to the State Financial Institutions and Metway Merger Act 1996 (QLD). Australia and New Zealand Banking Group Limited (ANZBGL) will also have a termination right under the Suncorp Bank Sale Agreement if APRA issues a written communication to ANZBGL under or in connection with APS 222 Associations with Related Entities to the effect that ANZBGL must not proceed with completion of the acquisition. Assuming these conditions are satisfied, it is expected to occur in mid-calendar year 2024.

Chapter 2 – Capital and Capital Adequacy

Table 1 Capital Disclosure template

The head of the Level 2 Group to which this prudential standard applies is ANZ BH Pty Ltd (ANZ Bank HoldCo).

Table 1 of this chapter consists of a Common Disclosure template that assists users in understanding the differences between the application of the Basel III reforms in Australia and those rules as detailed in the document, Finalised Basel III post-crisis reforms issued by the Bank for International Settlements. The capital disclosure template in this chapter is the post January 2018 version as ANZ is fully applying the Basel III regulatory adjustments, as implemented by APRA.

The information in the lines of the template has been mapped to ANZ's Level 2 balance sheet, which adjusts for non-consolidated subsidiaries as required under APS 001: Definitions. Where this information cannot be mapped on a one-to-one basis, it is provided in an explanatory table. ANZ's material non-consolidated subsidiaries are also listed in this chapter.

Restrictions on Transfers of Capital within ANZ

ANZ operates branches and locally incorporated subsidiaries in many countries. These operations are capitalised at an appropriate level to cover the risks in the business and to meet local prudential requirements. This level of capitalisation may be enhanced to meet local taxation and operational requirements. Any repatriation of capital from subsidiaries or branches is subject to meeting the requirements of the local prudential regulator and/or the local central bank. Apart from ANZ's operations in New Zealand, local country capital requirements do not impose any material call on ANZ's capital base.

ANZ undertakes banking activities in New Zealand principally through its wholly owned subsidiary, ANZ Bank New Zealand Limited (ANZ New Zealand), which is subject to minimum capital requirements as set by the Reserve Bank of New Zealand (RBNZ). ANZ New Zealand maintains a buffer above the minimum capital base required by the RBNZ. This capital buffer has been calculated via the Internal Capital Adequacy Assessment Process undertaken for ANZ New Zealand, to ensure ANZ New Zealand is appropriately capitalised under stressed economic scenarios.

Table 1 Capital disclosure template

		Mar-24 $M	Reconciliation Table Reference
	Common Equity Tier 1 Capital: instruments and reserves		
1	Directly issued qualifying ordinary shares (and equivalent for mutually-owned entities) capital	28,730	Table A
2	Retained earnings	41,761	
3	Accumulated other comprehensive income (and other reserves)	(1,348)	Table B
4	Directly issued capital subject to phase out from CET1 (only applicable to mutually-owned companies)	-	
5	Ordinary share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	2	Table C
6	**Common Equity Tier 1 capital before regulatory adjustments**	**69,145**	
	Common Equity Tier 1 capital: regulatory adjustments		
7	Prudential valuation adjustments	-	
8	Goodwill (net of related tax liability)	2,936	
9	Other intangibles other than mortgage servicing rights (net of related tax liability)	971	Table D
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	Table H
11	Cash-flow hedge reserve	(1,120)	
12	Shortfall of provisions to expected losses	282	Table E
13	Securitisation gain on sale	-	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	130	
15	Defined benefit superannuation fund net assets	141	Table F
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	-	
17	Reciprocal cross-holdings in common equity	-	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10% threshold)	-	
19	Significant investments in the ordinary shares of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-	Table G
20	Mortgage service rights (amount above 10% threshold)	n/a	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	
22	Amount exceeding the 15% threshold	-	
23	of which: significant investments in the ordinary shares of financial entities	-	
24	of which: mortgage servicing rights	n/a	
25	of which: deferred tax assets arising from temporary differences	-	
26	National specific regulatory adjustments (sum of rows 26a - 26j)	7,393	
26a	of which: treasury shares	-	
26b	of which: offset to dividends declared under a dividend reinvestment plan (DRP), to the extent to that the dividends are used to purchase new ordinary shares issued by the ADI	-	
26c	of which: deferred fee income	(409)	
26d	of which: equity investment in financial institutions not reported in rows 18, 19 and 23	2,826	Table G
26e	of which: deferred tax assets not reported in rows 10, 21 and 25	2,716	Table H
26f	of which: capitalised expenses	2,240	Table I
26g	of which: investments in commercial (non-financial) entities that are deducted under APRA rules	17	
26h	of which: covered bonds in excess of asset cover in pools	-	
26i	of which: undercapitalisation of a non-consolidated subsidiary	-	
26j	of which: other national specific regulatory adjustments not reported in rows 26a to 26i	3	
27	Regulatory adjustments applied to CET1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	
28	**Total regulatory adjustments to CET1**	**10,733**	
29	**Common Equity Tier 1 capital (CET1)**	**58,412**	

Table 1 Capital disclosure template

		Mar-24 $M	Reconciliation Table Reference
	Additional Tier 1 Capital: instruments		
30	Directly issued qualifying Additional Tier 1 instruments	8,478	Table J
31	of which: classified as equity under applicable accounting standards	-	
32	of which: classified as liabilities under applicable accounting standards	8,478	Table J
33	Directly issued capital instruments subject to phase out from Additional Tier 1	-	Table J
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-	Table J
35	of which: instruments issued by subsidiaries subject to phase out	n/a	
36	**Additional Tier 1 capital before regulatory adjustments**	**8,478**	
	Additional Tier 1 Capital: regulatory adjustments		
37	Investments in own Additional Tier 1 instruments	-	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10% threshold)	-	
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, (net of eligible short positions)	155	Table J
41	National specific regulatory adjustments (sum of rows 41a - 41c)	26	
41a	of which: holdings of capital instruments in group members by other group members on behalf of third parties	-	
41b	of which: investments in the capital of financial institutions that are outside the scope of regulatory consolidations not reported in rows 39 and 40	26	Table J
41c	of which: other national specific regulatory adjustments not reported in rows 41a and 41b	-	Table J
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 cover deductions	-	
43	**Total regulatory adjustments to Additional Tier 1 capital**	**181**	
44	**Additional Tier 1 capital (AT1)**	**8,297**	Table J
45	**Tier 1 Capital (T1=CET1+AT1)**	**66,709**	
	Tier 2 Capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments	27,057	
47	Directly issued capital instruments subject to phase out from Tier 2	-	Table K
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group T2)	-	
49	of which: instruments issued by subsidiaries subject to phase out	-	Table K
50	Provisions	1,609	Table K
51	**Tier 2 capital before regulatory adjustments**	**28,666**	
	Tier 2 Capital: regulatory adjustments		
52	Investments in own Tier 2 instruments	100	Table K
53	Reciprocal cross-holdings in Tier 2 instruments	-	
54	Investments in the Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10%	-	
55	Significant investments in the Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	86	Table K
56	National specific regulatory adjustments (sums of rows 56a - 56c)	257	Table K
56a	of which: holdings of capital instruments in group members by other group members on behalf of third parties	-	
56b	of which: investments in the capital of financial institutions that are outside the scope of regulatory consolidation not reported in rows 54 and 55	180	Table K
56c	of which: other national specific regulatory adjustments not reported in rows 56a and 56b	77	
57	**Total regulatory adjustment to Tier 2 capital**	**443**	
58	**Tier 2 capital (T2)**	**28,223**	
59	**Total capital (TC=T1+T2)**	**94,932**	
60	**Total risk-weighted assets based on APRA standards**	**432,779**	

Table 1 Capital disclosure template

			Reconciliation Table Reference
	Capital ratios and buffers		
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	13.5%	
62	Tier 1 (as a percentage of risk-weighted assets)	15.4%	
63	Total capital (as a percentage of risk-weighted assets)	21.9%	
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIBs buffer requirement, expressed as a percentage of risk-weighted assets)[2]	9.9277%	
65	of which: capital conservation buffer requirement	4.75%	
66	of which: ADI-specific countercyclical buffer requirements	0.6777%	
67	of which: G-SIB buffer requirement (not applicable)	n/a	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk-weighted assets)	9.0%	
	National minima (if different from Basel III)		
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	n/a	
70	National Tier 1 minimum ratio (if different from Basel III minimum)	n/a	
71	National total capital minimum ratio (if different from Basel III minimum)	n/a	
	Amount below thresholds for deductions (not risk-weighted)	-	
72	Non-significant investments in the capital of other financial entities	276	
73	Significant investments in the ordinary shares of financial entities	2,755	Table G
74	Mortgage servicing rights (net of related tax liability)	n/a	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	2,716	Table H
	Applicable caps on the inclusion of provisions in Tier 2		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	137	Table E
77	Cap on inclusion of provisions in Tier 2 under standardised approach	207	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	1,472	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	1,976	
	Capital instruments subject to phase-out arrangements (only application between 1 January 2018 to 1 January 2022)		
80	Current cap on CET1 instruments subject to phase out arrangements	n/a	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	n/a	
82	Current cap on AT1 instruments subject to phase out arrangements	n/a	
83	Amount excluded from AT1 instruments due to cap (excess over cap after redemptions and maturities)	n/a	
84	Current cap on T2 instruments subject to phase out arrangements	n/a	
85	Amount excluded from T2 due to cap (excess over cap after redemption and maturities)	n/a	

Counter Cyclical Capital Buffer

	RWA for all private sector exposures	Jurisdictional Buffer	Countercyclical buffer requirement
Country	**$M**	**%**	**%**
Hong Kong	4,229	1.000	0.0132
Luxembourg	757	0.500	0.0012
Norway	276	2.500	0.0022
Sweden	224	2.000	0.0014
United Kingdom	4,819	2.000	0.0301
Australia	197,099	1.000	0.6159
Germany	1,945	0.750	0.0046
France	1,658	1.000	0.0052
Netherlands	808	1.000	0.0025
Denmark	185	2.500	0.0014
Other	108,019	n/a	n/a
Total	320,019		0.6777

[2] Includes 1.0% buffer applied by APRA to ADIs deemed as domestic systemically important.

The following table shows ANZ's consolidated balance sheet, and the adjustments required to derive the Level 2 Balance Sheet. The adjustments remove the external assets and liabilities of the entities deconsolidated for prudential purposes and reinstate any intragroup assets and liabilities, treating them as external to the Level 2 Group.

Assets	Balance Sheet as in published financial statements $M	Adjustments $M	Balance sheet under scope of regulatory consolidation $M	Template and Reconciliation Table Reference
Cash and Cash Equivalents	137,696		137,696	
Settlement Balances owed to ANZ	3,809		3,809	
Collateral Paid	8,241		8,241	
Trading securities	42,442		42,442	
of which: Financial Institutions capital instruments			86	Table K
Derivative financial instruments	47,481		47,481	
Investment Securities	117,618	(225)	117,393	
of which: significant investment in financial institutions equity instruments			1,079	Table G
of which: non-significant investment in financial institutions equity instruments			71	Table G
of which: Other entities equity investments			17	Row 26g
of which: collectively assessed provision			(33)	Table E
Net loans and advances	715,821	(777)	715,044	
of which: deferred fee income			(409)	Row 26c
of which: collectively assessed provision			(3,169)	Table E
of which: individual provisions			(320)	Table E
of which: capitalised brokerage & Loan/Lease origination fees			3,642	Table I
Regulatory deposits	696		696	
Due from controlled entities	-	91	91	
of which: Significant investments in the Tier 2 "capital of banking, financial and insurance entities" that are outside the scope of regulatory consolidation			86	Table K
Shares in controlled entities	-	495	495	
of which: Investment in deconsolidated financial subsidiaries			340	Table G
of which: AT1 significant investment in banking, financial and insurance entities that are outside the scope of regulatory consolidation			155	Table J
Investments in associates	1,405		1,405	
of which: Financial Institutions			1,405	Table G
Current tax assets	45		45	
Deferred tax assets	3,199	(13)	3,186	Table H
Goodwill and other intangible assets	3,907	(69)	3,838	
of which: Goodwill			2,936	
of which: Software			902	Table D
Premises and equipment	2,293		2,293	
Other assets	5,485	(132)	5,353	
of which: Defined benefit superannuation fund net assets			194	Table F
Total Assets	**1,090,138**	**(630)**	**1,089,508**	

Liabilities	Balance Sheet as in published financial statements $M	Adjustments $M	Balance sheet under scope of regulatory consolidation $M	Template and Reconciliation Table Reference
Settlement Balances owed by ANZ	15,026		15,026	
Collateral Received	7,409		7,409	
Deposits and other borrowings	807,189	32	807,221	
Derivative financial instruments	42,728		42,728	
Due to controlled entities	-	804	804	
Current tax liabilities	195	(65)	130	
Deferred tax liabilities	59		59	Table H
of which: related to capitalised expenses			6	Table I
of which: related to defined benefit superannuation fund assets			53	Table F
Payables and other liabilities	17,982	(383)	17,599	
Employee entitlements	579		579	
Provisions	1,660		1,660	
of which: individually assessed provision[3]			845	Table E
of which: collectively assessed provision[3]			5	Table E
Debt Issuances	127,109	(793)	126,316	
of which: Directly issued qualifying Additional Tier 1 instruments			8,315	Table J
of which: Directly issued qualifying Tier 2 instruments			26,754	Table K
Total Liabilities	**1,019,936**	**(405)**	**1,019,531**	
Net Assets	**70,202**	**(225)**	**69,977**	

Shareholders' equity	Balance Sheet as in published financial statements $M	Adjustments $M	Balance sheet under scope of regulatory consolidation $M	Template and Reconciliation Table Reference
Ordinary Share Capital	29,033	(77)	28,956	Table A
of which: Share reserve			226	Tables A & B
Reserves	(1,510)	2	(1,508)	Table B
of which: Cash flow hedging reserves			(1,120)	Row 11
Retained earnings	41,911	(150)	41,761	Row 2
Share capital and reserves attributable to shareholders of the company	**69,434**	**(225)**	**69,209**	
Non-controlling interests	768	-	768	Table C
Total Shareholders' Equity	**70,202**	**(225)**	**69,977**	

[3] Provisions are on undrawn and contingent facilities.

The following reconciliation tables provide additional information on the difference between Table 1 Capital Disclosure Template and the Level 2 Balance Sheet.

Table A		**Mar 24 $M**	**Table 1 Reference**
	Issued capital	28,956	
Less	Reclassification to Reserves	(226)	Table B
	Regulatory Directly Issued qualifying ordinary shares	**28,730**	**Row 1**

Table B		**Mar 24 $M**	**Table 1 Reference**
	Reserves	(1,508)	
Add	Reclassification from Issued Capital	226	Table A
Less	Non qualifying reserves	(66)	
	Reserves for Regulatory capital purposes (amount allowed in group CET1)	**(1,348)**	**Row 3**

Table C		**Mar 24 $M**	**Table 1 Reference**
	Non-controlling interests	768	
Less	Ineligible Non-controlling Interests	(757)	
Less	Surplus capital attributable to minority shareholders	(9)	
	Ordinary share capital issued by subsidiaries and held by third parties	**2**	**Row 5**

Table D		**Mar 24 $M**	**Table 1 Reference**
	Software	902	
Add	Regulatory reclassification from significant investments in the ordinary shares of banking, financial and insurance entities outside the scope of regulatory consolidation	69	
	Other intangibles other than mortgage servicing rights (net of related tax liability)	**971**	**Row 9**

Table E		**Mar 24 $M**	**Table 1 Reference**
	Qualifying collective provision		
	Collectively assessed provision on Loans and advances	(3,169)	
	Collectively assessed provision on Investment Securities	(33)	
	Collectively assessed provision on Undrawn commitments	(844)	
Less	Non-qualifying collectively assessed provision	423	
Less	Standardised collectively assessed provision	137	Row 76
Less	Non-defaulted expected loss	2,014	
	Non-Defaulted: Expected Loss - Eligible Provision Shortfall	-	
	Qualifying individual provision		
	Individually assessed provision on Loans and advances	(320)	
	Individually assessed provision on Undrawn and contingent facilities	(5)	
Add	Additional individually assessed provision for partial write offs	(186)	
Less	Standardised individually assessed provision	31	
Add	Collectively assessed provision on advanced defaulted	(412)	
Less	Defaulted expected loss	1,174	
	Defaulted: Expected Loss - Eligible Provision Shortfall	282	
	Gross deduction	**282**	**Row 12**

Table F		Mar 24 $M	Table 1 Reference
	Defined benefit superannuation fund net assets	194	
Less	Associated deferred tax liabilities	(53)	
	Defined benefit superannuation fund net assets	**141**	**Row 15**

Table G		Mar 24 $M	Table 1 Reference
	Investment in deconsolidated financial subsidiaries	340	
Less	Regulatory reclassification to Retained Earnings and Other Intangible Assets	(69)	Table D
Add	Investment in financial associates	1,405	
Add	Investment in financial institutions Investment Securities	1,079	
Less	Amount below 10% threshold of CET1	(2,755)	Row 73
	Significant investments in the ordinary shares of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-	Row 19
Add	Deduction amount below the 10% threshold of CET 1	2,755	Row 73
Add	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital - Investment Securities	71	
	Equity investment in financial institutions not reported in rows 18, 19 and 23	2,826	Row 26d
	Deduction for equity holdings in financial institutions - APRA regulations	**2,826**	

Table H		Mar 24 $M	Table 1 Reference
	Deferred tax assets	3,186	
Add	Deferred tax liabilities	(59)	
	Deferred tax asset less deferred tax liabilities	3,127	
Less	Net Deferred tax assets included in other regulatory adjustments	(482)	
Add	Deferred tax liabilities on intangible assets, capitalised expenses and defined benefit superannuation fund assets	59	
Add	Impact of calculating the deduction on a jurisdictional basis	12	
	Deferred tax assets not reported in rows 10, 21 and 25 of the Common Disclosure Template	**2,716**	**Row 26e**

Table I		Mar 24 $M	Table 1 Reference
	Capitalised brokerage & loan/lease origination fees	3,642	
	Capitalised debt and capital disposal & issuance expenses	111	
	Other Capitalised Expenses	(1,507)	
Less	Associated deferred tax liabilities	(6)	
	Capitalised expenses	**2,240**	**Row 26f**

Table J		Mar 24 $M	Table 1 Reference
	Directly issued qualifying Additional Tier 1 Capital Instruments classified as liabilities	8,315	
Add	Issue costs	(65)	
Add	Fair value adjustment	228	
	Directly issued qualifying Additional Tier 1 Capital Instruments classified as liabilities	8,478	Row 30
	Additional Tier 1 instruments issued by subsidiaries held by third parties	-	
Add	Issue costs	-	
Less	Surplus capital attributable to third party holders	-	
Add	AT1 Instruments issued by subsidiaries and held by third parties (amounts allowed in Group AT1)	-	Row 34
	Additional Tier 1 capital before regulatory adjustments	**8,478**	**Row 36**
Less	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation	(155)	Row 40
Less	Investments in the capital of financial institutions that are outside the scope of regulatory consolidations not reported in rows 39 and 40	(26)	Row 41b
Less	Other national specific regulatory adjustments not reported	-	Row 41c
	Additional Tier 1 capital	**8,297**	**Row 44**

Table K		Mar 24 $M	Table 1 Reference
Add	Surplus capital attributable to third party holders	-	Row 48
Add	Directly issued qualifying Tier 2 instruments	26,754	
Less	Tier 2 instruments subject to amortisation[4]	(1,044)	
Add	Issue costs	27	
Add	Fair value adjustment	1,320	
Add	Provisions	1,609	Row 50
	Tier 2 capital before regulatory adjustments	28,666	Row 51
Less	Investments in own Tier 2 instruments (trading limit)	(100)	Row 52
Less	Significant investments in the Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	(86)	Row 55
Less	Investments in the capital of financial institutions that are outside the scope of regulatory consolidation not reported in rows 54 and 55	(257)	Row 56
	Tier 2 capital	**28,223**	**Row 58**

[4] APRA requires these instruments to be amortised by 20% of the original amount during each of the last five years to maturity.

The following table provides details of entities included within the accounting scope of consolidation but excluded from regulatory consolidation.

Entity	Activity	Total Assets $M	Total Liabilities $M
ACN 008 647 185 Pty Ltd	Holding Company	-	-
ANZ ILP Pty Ltd	Incorporated Legal Practice	3	-
ANZ Investment Services (New Zealand) Limited	Funds Management	16	-
ANZ Lenders Mortgage Insurance Pty. Limited	Mortgage insurance	862	456
ANZ Pensions (UK) Limited	Trustee/Nominee	-	-
ANZ New Zealand Investments Limited	Funds Management	125	40
ANZ New Zealand Investments Nominees Limited	Nominee	-	-
ANZcover Insurance Private Ltd	Captive-Insurance	244	180
Kingfisher Trust 2016-1	Securitisation Trust	346	346
Kingfisher Trust 2019-1	Securitisation Trust	451	451
OneTwo Finance Pty Ltd	Technology	3	39
Shout for Good Pty. Ltd.	Corporate	1	-

Table 2 Main features of capital instruments

As the main features of ANZ's capital instruments are updated on an ongoing basis, ANZ has provided this information separately in the Regulatory Disclosures section of its website.

Table 3 Capital adequacy, Table 4 Credit risk, Table 5 Securitisation

The above tables are produced at the quarters ending 30 June and 31 December.

Table 6 Capital adequacy - Capital Ratio and Risk Weighted Assets

The following table provides the composition of capital used for regulatory purposes and capital adequacy ratios.

Risk weighted assets	Mar 24 $M	Sep 23 $M	Mar 23 $M
Subject to Advanced Internal Rating Based (IRB) approach			
Corporate	60,362	62,668	62,680
Residential Mortgage[5]	101,338	96,290	86,726
Retail SME	9,538	9,684	10,065
Qualifying Revolving Retail	3,344	3,243	3,325
Other Retail	1,664	1,644	1,709
Credit risk weighted assets subject to Advanced IRB approach	**176,246**	**173,529**	**164,505**
Subject to Foundation IRB approach			
Corporate	35,665	34,819	38,808
Sovereign	10,856	10,252	11,199
Financial Institutions	30,122	30,875	32,832
Credit risk weighted assets subject to Foundation IRB approach	**76,643**	**75,946**	**82,839**
Credit risk Specialised Lending exposures subject to slotting approach[6]	**3,579**	**3,369**	**3,577**
Subject to Standardised approach			
Corporate	5,102	5,611	4,911
Sovereign	171	165	88
Residential Mortgage	1,853	2,065	1,809
Other Retail	92	44	32
Other Assets	3,790	3,255	4,138
Credit risk weighted assets subject to Standardised approach	**11,008**	**11,140**	**10,978**
Credit Valuation Adjustment and Qualifying Central Counterparties	**5,304**	**4,000**	**3,449**
Credit risk weighted assets relating to securitisation exposures	2,481	2,395	2,229
Exposures of New Zealand banking subsidiaries[7]	**73,186**	**78,662**	**77,717**
Total credit risk weighted assets	**348,447**	**349,041**	**345,294**
Market risk weighted assets	11,863	10,264	11,737
Operational risk weighted assets[8]	43,274	42,319	42,319
Interest rate risk in the banking book (IRRBB) risk weighted assets	26,200	31,703	31,887
RWA adjustment for the IRB capital floor	2,995	-	4,277
Total risk weighted assets	**432,779**	**433,327**	**435,514**

[5] While APRA approved ANZ's Australian Mortgages LGD model for regulatory capital purposes, a $9.6 billion RWA overlay has been applied pending recalibration of the model.

[6] Specialised Lending exposures subject to supervisory slotting approach are those where the main servicing and repayment is from the asset being financed and is considered project finance.

[7] Includes $14.2 billion credit RWA in supervisory overlays resulting from risk weight floors required by RBNZ. Refer to March 2024 ANZ NZ Disclosure Statement for details.

[8] Includes a $6.25 billion operational risk RWA overlay ($500 million capital), subject to APRA's acceptance of ANZ's satisfactory remediation of matters identified through the Self-Assessments into Governance, Culture and Accountability.

Table 6 Capital adequacy - Capital Ratio and Risk Weighted Assets

Capital Floor	Mar 24 $M	Sep 23 $M	Mar 23 $M
Risk weighted assets under the standardised approach			
Credit Risk[9]	541,800	544,739	546,653
Market risk weighted assets	11,863	10,264	11,737
Operational risk weighted assets	43,274	42,319	42,319
Interest rate risk in the banking book (IRRBB) risk weighted assets	n/a	n/a	n/a
Total Risk Weighted Assets	**596,937**	**597,322**	**600,709**
Risk weighted assets prior to application of floor			
Credit Risk	348,447	349,041	345,294
Market risk weighted assets	11,863	10,264	11,737
Operational risk weighted assets	43,274	42,319	42,319
Interest rate risk in the banking book (IRRBB) risk weighted assets	26,200	31,703	31,887
Total Risk Weighted Assets	**429,784**	**433,327**	**431,238**
Capital floor at 72.5%	432,779	433,058	435,514
Capital floor adjustment	2,995	-	4,277

Capital ratios (%)	Mar 24	Sep 23	Mar 23
Level 2 Common Equity Tier 1 capital ratio	**13.5%**	**13.3%**	**13.2%**
Level 2 Tier 1 capital ratio	**15.4%**	**15.2%**	**15.1%**
Level 2 Total capital ratio	**21.9%**	**21.0%**	**20.6%**
Level 1: Extended licensed Common Equity Tier 1 capital ratio	**13.4%**	**13.2%**	**12.9%**
Level 1: Extended licensed entity Tier 1 capital ratio	**15.7%**	**15.5%**	**15.2%**
Level 1: Extended licensed entity Total capital ratio	**23.3%**	**22.2%**	**21.6%**
Other significant Authorised Deposit-taking Institution (ADI) or overseas bank subsidiary:			
ANZ Bank New Zealand Limited – Common Equity Tier 1 capital ratio	**12.8%**	**12.5%**	**12.2%**
ANZ Bank New Zealand Limited - Tier 1 capital ratio	**14.7%**	**14.1%**	**13.8%**
ANZ Bank New Zealand Limited - Total capital ratio	**16.2%**	**15.5%**	**15.2%**

Basel III APRA level 2 CET1	Mar 24	Sep 23	Mar 23
Common Equity Tier 1 Capital	58,412	57,794	57,380
Total Risk Weighted Assets	432,779	433,327	435,514
Common Equity Tier 1 capital ratio	**13.5%**	**13.3%**	**13.2%**

Basel III APRA level 1 Extended licensed entity CET1	Mar 24	Sep 23	Mar 23
Common Equity Tier 1 Capital	49,367	48,417	47,803
Total Risk Weighted Assets	369,370	367,093	370,395
Common Equity Tier 1 capital ratio	**13.4%**	**13.2%**	**12.9%**

Credit Risk Weighted Assets (CRWA):

Credit RWA decreased $0.6 billion in the half to $348.4 billion. This includes:

- Volume growth (+$7.2 billion) with an increase in Australia Mortgages, Institutional, and Australia Commercial divisions.
- Data, models and methodology (-$7.2 billion) which includes,
  - continued refinement in process, data and associated methodology treatments post implementation of revised capital reform rules (-$6.3 billion)
  - implementation of a new model relating to New Zealand rural exposures, and removal of associated RBNZ supervisory adjustment for corporate exposures (-$3.0 billion); and partially offset by
  - an increase in Australian Home Loans which is largely an artifact of the current PD model's response to changes in product packages sold to ANZ customers. A new model which addresses this has been submitted for Regulatory approval (+$2.1 billion).
- Foreign exchange and other movements (-$0.6 billion).

Market Risk, Operational Risk and IRRBB RWA

Traded Market Risk RWA increased by $1.6 billion over the half, mainly driven by increased client flows resulting in increase in Standard VaR, Stressed VaR and Specific risk.

IRRBB RWA decreased $5.5 billion over the half primarily due to an improvement in Embedded Losses partially offset by an increase in Repricing and Yield Curve Risk.

Operational Risk RWA increased $1.0 billion over the half following the annual SMA model update to include the FY23 financial results.

[9] RWA for residential mortgages for the Group excluding New Zealand banking subsidiaries exposures measured under the IRB approach is $128.8 billion when calculated under the standardised approach.

Chapter 3 – Credit risk

Table 7 Credit risk – General disclosures

Exposure at Default in Table 7 represents credit exposure net of offsets for credit risk mitigation such as netting and financial collateral. It includes Advanced IRB, Specialised Lending and Standardised exposures, and excludes Securitisation exposures.

Table 7(b) part (i): Period end and average Exposure at Default [10]

	Mar 24				
Advanced IRB approach	**Risk Weighted Assets $M**	**Exposure at Default $M**	**Average Exposure at Default for half year $M**	**Individual provision charge for half year $M**	**Write-offs for half year $M**
Corporate	60,362	131,572	135,794	(27)	13
Residential Mortgage	101,338	346,366	341,922	6	10
Retail SME	9,538	16,628	16,569	27	30
Qualifying Revolving Retail	3,344	12,804	12,811	26	43
Other Retail	1,664	1,569	1,563	17	25
Total Advanced IRB approach	**176,246**	**508,939**	**508,659**	**49**	**121**
Foundation IRB approach					
Corporate	35,665	93,895	93,622	1	4
Sovereign	10,856	217,936	223,700	-	-
Financial Institution	30,122	108,257	108,368	-	-
Total Foundation IRB approach	**76,643**	**420,088**	**425,690**	**1**	**4**
Specialised Lending Exposures Subject to Supervisory Slotting	**3,579**	**4,427**	**4,223**	-	-
Standardised approach					
Corporate	5,102	5,805	6,116	(14)	2
Sovereign	171	171	168	-	-
Residential Mortgage	1,853	2,044	2,157	-	1
Other Retail	92	65	48	(1)	-
Other Assets	3,790	6,170	6,045	-	-
Total Standardised approach	**11,008**	**14,255**	**14,534**	**(15)**	**3**
Credit Valuation Adjustment and Qualifying Central Counterparties	**5,304**	**7,451**	**7,243**	**-**	**-**
Exposures of New Zealand banking subsidiaries	**73,186**	**195,617**	**196,410**	**3**	**18**
Total	**345,966**	**1,150,777**	**1,156,759**	**38**	**146**

[10] Average Exposure at Default for half year is calculated as the simple average of the balances at the start and the end of each six month period.

Table 7(b) part (i): Period end and average Exposure at Default (continued)

	Sep 23				
Advanced IRB approach	**Risk Weighted Assets $M**	**Exposure at Default $M**	**Average Exposure at Default for half year $M**	**Individual provision charge for half year $M**	**Write-offs for half year $M**
Corporate	62,668	140,016	136,576	7	10
Residential Mortgage	96,290	337,478	331,073	10	12
Retail SME	9,684	16,510	16,754	25	48
Qualifying Revolving Retail	3,243	12,817	12,957	26	43
Other Retail	1,644	1,557	1,588	11	34
Total Advanced IRB approach	**173,529**	**508,378**	**498,948**	**79**	**147**
Foundation IRB approach					
Corporate	34,819	93,349	97,242	17	-
Sovereign	10,252	229,463	250,808	-	-
Financial Institution	30,875	108,478	108,886	(1)	-
Total Foundation IRB approach	**75,946**	**431,290**	**456,936**	**16**	**-**
Specialised Lending Exposures Subject to Supervisory Slotting	**3,369**	**4,019**	**4,169**	-	-
Standardised approach					
Corporate	5,611	6,428	5,978	(10)	4
Sovereign	165	165	126	-	-
Residential Mortgage	2,065	2,269	2,140	1	2
Other Retail	44	32	28	2	6
Other Assets	3,255	5,920	6,900	-	-
Total Standardised approach	**11,140**	**14,814**	**15,172**	**(7)**	**12**
Credit Valuation Adjustment and Qualifying Central Counterparties	**4,000**	**7,035**	**6,624**	-	-
Exposures of New Zealand banking subsidiaries	**78,662**	**197,204**	**196,249**	**35**	**65**
Total	**346,646**	**1,162,740**	**1,178,098**	**123**	**224**

Table 7(b) part (i): Period end and average Exposure at Default (continued)[11]

	Mar 23				
Advanced IRB approach	**Risk Weighted Assets $M**	**Exposure at Default $M**	**Average Exposure at Default for half year $M**	**Individual provision charge for half year $M**	**Write-offs for half year $M**
Corporate	62,680	133,136	-	40	24
Residential Mortgage	86,726	324,670	-	-	12
Retail SME	10,065	16,997	-	8	43
Qualifying Revolving Retail	3,325	13,097	-	23	42
Other Retail	1,709	1,618	-	7	23
Total Advanced IRB approach	**164,505**	**489,518**	**-**	**78**	**144**
Foundation IRB approach					
Corporate	38,808	101,134	-	(123)	7
Sovereign	11,199	272,154	-	-	-
Financial Institution	32,832	109,294	-	(1)	-
Total Foundation IRB approach	**82,839**	**482,582**	**-**	**(124)**	**7**
Specialised Lending Exposures Subject to Supervisory Slotting	**3,577**	**4,318**	**-**	**-**	**-**
Standardised approach					
Corporate	4,911	5,526	-	(3)	20
Sovereign	88	88	-	-	-
Residential Mortgage	1,809	2,011	-	-	-
Other Retail	32	24	-	(2)	-
Other Assets	4,138	7,879	-		
Total Standardised approach	**10,978**	**15,528**	**-**	**(5)**	**20**
Credit Valuation Adjustment and Qualifying Central Counterparties	**3,449**	**6,212**	**-**	-	-
Exposures of New Zealand banking subsidiaries	**77,712**	**195,293**	**-**	**21**	**14**
Total	**343,060**	**1,193,451**	**-**	**(30)**	**185**

[11] Average exposure at default not shown for the six months to March 2023 given transition to new asset class groupings under revised capital framework which came into effect on 1 January 2023.

Table 7(b) part (ii): Exposure at Default by portfolio type[12]

Portfolio Type	Mar 24 $M	Sep 23 $M	Mar 23 $M	Average for half year Mar 24 $M
Cash	109,076	137,316	176,681	123,196
Contingents liabilities, commitments, and other off-balance sheet exposures	161,512	171,361	172,166	166,437
Derivatives	47,653	46,577	44,695	47,115
Settlement Balances	5	15	12	10
Investment Securities	114,318	93,560	89,381	103,939
Net Loans, Advances & Acceptances	692,447	684,917	674,528	688,681
Other assets	9,684	9,589	13,199	9,637
Trading Securities	16,082	19,405	22,789	17,744
Total exposures	**1,150,777**	**1,162,740**	**1,193,451**	**1,156,759**

12 Average for half year is calculated as the simple average of the balances at the start and the end of each six month period.

Table 7(c): Geographic distribution of Exposure at Default

Portfolio Type	Mar 24 Australia $M	New Zealand $M	Asia Pacific, Europe and Americas $M	Total $M
Corporate	168,798	-	62,474	**231,272**
Sovereign	122,390	-	95,717	**218,107**
Financial Institution	38,882	-	69,375	**108,257**
Residential Mortgage	347,735	255	420	**348,410**
Retail SME	16,627	1	-	**16,628**
Qualifying Revolving Retail	12,804	-	-	**12,804**
Other Retail	1,624	-	10	**1,634**
Qualifying Central Counterparties	1,027	-	6,424	**7,451**
Specialised Lending	3,398	-	1,029	**4,427**
Other assets	5,705	-	465	**6,170**
Exposures of New Zealand banking subsidiaries	-	195,617	-	**195,617**
Total exposures	**718,990**	**195,873**	**235,914**	**1,150,777**

Portfolio Type	Sep 23 Australia $M	New Zealand $M	Asia Pacific, Europe and Americas $M	Total $M
Corporate	167,329	-	72,464	**239,793**
Sovereign	113,504	-	116,124	**229,628**
Financial Institution	38,004	-	70,474	**108,478**
Residential Mortgage	339,042	286	419	**339,747**
Retail SME	16,509	1	-	**16,510**
Qualifying Revolving Retail	12,817	-	-	**12,817**
Other Retail	1,580	-	9	**1,589**
Qualifying Central Counterparties	1,251	-	5,784	**7,035**
Specialised Lending	3,391	-	628	**4,019**
Other assets	5,470	-	450	**5,920**
Exposures of New Zealand banking subsidiaries	-	197,204	-	**197,204**
Total exposures	**698,897**	**197,491**	**266,352**	**1,162,740**

Portfolio Type	Mar 23 Australia $M	New Zealand $M	Asia Pacific, Europe and Americas $M	Total $M
Corporate	164,403	-	75,393	**239,796**
Sovereign	148,495	-	123,747	**272,242**
Financial Institution	39,256	-	70,038	**109,294**
Residential Mortgage	326,023	251	407	**326,681**
Retail SME	16,997	-	-	**16,997**
Qualifying Revolving Retail	13,097	-	-	**13,097**
Other Retail	1,632	-	10	**1,642**
Qualifying Central Counterparties	836	-	5,376	**6,212**
Specialised Lending	3,632		686	**4,318**
Other assets	7,373		506	**7,879**
Exposures of New Zealand banking subsidiaries	-	195,293	-	**195,293**
Total exposures	**721,744**	**195,544**	**276,163**	**1,193,451**

Table 7(d): Industry distribution of Exposure at Default [13]

	Mar 24														
Portfolio Type	Agriculture, Forestry, Fishing & Mining $M	Business & Property Services $M	Construction $M	Electricity, Gas & Water Supply $M	Entertainment, Leisure & Tourism $M	Financial, Investment & Insurance $M	Government and Official Institutions $M	Manufacturing $M	Personal $M	Commercial Property $M	Wholesale Trade $M	Retail Trade $M	Transport & Storage $M	Other $M	Total $M
Corporate	27,762	14,026	5,124	11,028	12,464	5,573	14	38,768	28	54,483	18,883	12,088	14,382	16,649	**231,272**
Sovereign	320	-	142	684	-	138,844	74,934	2,620	-	73	-	-	385	105	**218,107**
Financial Institutions	226	112	87	15	27	106,833	-	409	-	82	331	44	42	49	**108,257**
Residential Mortgage	-	-	-	-	-	-	-	-	348,410	-	-	-	-	-	**348,410**
Retail SME	984	2,398	2,239	35	1,280	425	9	1,071	154	314	868	2,277	673	3,901	**16,628**
Qualifying Revolving Retail	-	-	-	-	-	-	-	-	12,804	-	-	-	-	-	**12,804**
Other Retail	-	-	-	-	-	-	-	-	1,634	-	-	-	-	-	**1,634**
Other Assets	-	4	-	-	-	12	-	-	-	20	-	2	-	6,132	**6,170**
Qualifying Central Counterparties	-	-	-	-	-	7,451	-	-	-	-	-	-	-	-	**7,451**
Specialised Lending subject to supervisory slotting	1,750	-	-	1,697	380	-	-	138	-	30	-	-	374	58	**4,427**
Exposures of New Zealand banking subsidiaries	15,815	2,851	1,376	1,872	1,757	23,069	9,637	3,989	113,804	11,167	2,840	1,863	1,425	4,152	**195,617**
Total exposures	**46,857**	**19,391**	**8,968**	**15,331**	**15,908**	**282,207**	**84,594**	**46,995**	**476,834**	**66,169**	**22,922**	**16,274**	**17,281**	**31,046**	**1,150,777**
% of Total	*4.1%*	*1.7%*	*0.8%*	*1.3%*	*1.4%*	*24.5%*	*7.4%*	*4.1%*	*41.4%*	*5.7%*	*2.0%*	*1.4%*	*1.5%*	*2.7%*	*100.0%*

[13] Other industry includes Health & Community Services, Education, Communication Services and Personal & Other Services.

Table 7(d): Industry distribution of Exposure at Default (continued)

	Sep 23														
Portfolio Type	Agriculture, Forestry, Fishing & Mining $M	Business & Property Services $M	Construction $M	Electricity, Gas & Water Supply $M	Entertainment, Leisure & Tourism $M	Financial, Investment & Insurance $M	Government and Official Institutions $M	Manufacturing $M	Personal $M	Commercial Property $M	Wholesale Trade $M	Retail Trade $M	Transport & Storage $M	Other $M	Total $M
Corporate	27,647	13,780	4,922	11,591	13,021	5,716	15	43,340	40	52,986	19,783	13,151	15,475	18,326	**239,793**
Sovereign	366	1	31	594	-	163,230	61,768	2,514	-	226	1	-	768	129	**229,628**
Financial Institutions	268	112	78	15	94	106,880	-	478	-	102	268	61	54	68	**108,478**
Residential Mortgage	-	-	-	-	-	-	-	-	339,747	-	-	-	-	-	**339,747**
Retail SME	1,022	2,360	2,245	38	1,267	428	9	1,076	261	167	863	2,293	719	3,762	**16,510**
Qualifying Revolving Retail	-	-	-	-	-	-	-	-	12,817	-	-	-	-	-	**12,817**
Other Retail	-	-	-	-	-	-	-	-	1,589	-	-	-	-	-	**1,589**
Other Assets	-	-	-	-	-	522	-	-	-	20	-	-	-	5,378	**5,920**
Qualifying Central Counterparties	-	-	-	-	-	7,035	-	-	-	-	-	-	-	-	**7,035**
Specialised Lending subject to supervisory slotting	1,651	-	-	1,582	224	-	-	-	-	-	-	-	501	61	**4,019**
Exposures of New Zealand banking subsidiaries	16,239	2,859	1,384	1,942	1,831	23,668	9,527	3,964	113,580	11,825	2,850	1,854	1,461	4,220	**197,204**
Total exposures	**47,193**	**19,112**	**8,660**	**15,762**	**16,437**	**307,479**	**71,319**	**51,372**	**468,034**	**65,326**	**23,765**	**17,359**	**18,978**	**31,944**	**1,162,740**
% of Total	4.1%	1.6%	0.7%	1.4%	1.4%	26.4%	6.1%	4.4%	40.3%	5.6%	2.0%	1.5%	1.6%	2.7%	100.0%

Table 7(d): Industry distribution of Exposure at Default (continued)

	Mar 23														
Portfolio Type	Agriculture, Forestry, Fishing & Mining $M	Business & Property Services $M	Construction $M	Electricity, Gas & Water Supply $M	Entertainment, Leisure & Tourism $M	Financial, Investment & Insurance $M	Government and Official Institutions $M	Manufacturing $M	Personal $M	Commercial Property $M	Wholesale Trade $M	Retail Trade $M	Transport & Storage $M	Other $M	Total $M
Corporate	25,678	14,281	4,849	13,304	12,562	5,376	16	42,109	32	52,325	22,605	13,167	14,692	18,800	**239,796**
Sovereign	389	-	30	465	-	205,300	62,183	2,299	-	1,014	12	-	411	139	**272,242**
Financial Institutions	299	136	84	15	92	107,605	-	461	-	115	277	66	61	83	**109,294**
Residential Mortgage	-	-	-	-	-	-	-	-	326,681	-	-	-	-	-	**326,681**
Retail SME	1,092	2,386	2,302	43	1,305	438	9	1,120	260	167	876	2,372	779	3,848	**16,997**
Qualifying Revolving Retail	-	-	-	-	-	-	-	-	13,097	-	-	-	-	-	**13,097**
Other Retail	-	-	-	-	-	-	-	-	1,642	-	-	-	-	-	**1,642**
Other Assets	4	12	4	24	-	125	-	1	1	1	1	3	2	7,701	**7,879**
Qualifying Central Counterparties	-	-	-	-	-	6,212	-	-	-	-	-	-	-	-	**6,212**
Specialised Lending subject to supervisory slotting	1,808	-	-	1,677	263	-	-	-	-	-	-	-	513	57	**4,318**
Exposures of New Zealand banking subsidiaries	16,520	2,847	1,575	2,153	1,830	11,782	20,172	4,200	111,449	12,609	3,015	1,718	1,518	3,905	**195,293**
Total exposures	**45,790**	**19,662**	**8,844**	**17,681**	**16,052**	**336,838**	**82,380**	**50,190**	**453,162**	**66,231**	**26,786**	**17,326**	**17,976**	**34,533**	**1,193,451**
% of Total	3.8%	1.6%	0.7%	1.5%	1.3%	28.2%	6.9%	4.2%	38.0%	5.5%	2.2%	1.5%	1.5%	2.9%	100.0%

Table 7(e): Residual contractual maturity of Exposure at Default[14]

	Mar 24				
Portfolio Type	**< 12 mths $M**	**1 - 5 years $M**	**> 5 years $M**	**No Maturity Specified $M**	**Total $M**
Corporate	98,075	119,617	13,578	2	**231,272**
Sovereign	138,262	29,657	50,188	-	**218,107**
Financial Institution	68,770	37,897	1,590	-	**108,257**
Residential Mortgage	173	248	338,513	9,476	**348,410**
Retail SME	3,449	1,912	11,267	-	**16,628**
Qualifying Revolving Retail	-	-	-	12,804	**12,804**
Other Retail	312	5	1,317	-	**1,634**
Other Assets	-	-	-	6,170	**6,170**
Qualifying Central Counterparties	4,983	1,255	526	687	**7,451**
Specialised Lending subject to supervisory slotting	355	3,012	1,060	-	**4,427**
Exposures of New Zealand banking subsidiaries	40,972	39,977	103,772	10,896	**195,617**
Total exposures	**355,351**	**233,580**	**521,811**	**40,035**	**1,150,777**

	Sep 23				
Portfolio Type	**< 12 mths $M**	**1 - 5 years $M**	**> 5 years $M**	**No Maturity Specified $M**	**Total $M**
Corporate	99,796	125,414	14,581	2	**239,793**
Sovereign	162,735	26,914	39,979	-	**229,628**
Financial Institution	68,717	38,555	1,206	-	**108,478**
Residential Mortgage	190	229	329,100	10,228	**339,747**
Retail SME	3,526	2,179	10,805	-	**16,510**
Qualifying Revolving Retail	-	-	-	12,817	**12,817**
Other Retail	317	11	1,261	-	**1,589**
Other Assets	-	-	-	5,920	**5,920**
Qualifying Central Counterparties	4,639	1,138	644	614	**7,035**
Specialised Lending subject to supervisory slotting	660	2,220	1,139	-	**4,019**
Exposures of New Zealand banking subsidiaries	43,651	39,771	102,965	10,817	**197,204**
Total exposures	**384,231**	**236,431**	**501,680**	**40,398**	**1,162,740**

	Mar 23				
Portfolio Type	**< 12 mths $M**	**1 - 5 years $M**	**> 5 years $M**	**No Maturity Specified $M**	**Total $M**
Corporate	91,527	130,379	17,888	2	**239,796**
Sovereign	148,456	91,708	32,078	-	**272,242**
Financial Institution	64,590	42,876	1,828	-	**109,294**
Residential Mortgage	196	210	312,614	13,661	**326,681**
Retail SME	3,586	2,356	11,055	-	**16,997**
Qualifying Revolving Retail	-	-	-	13,097	**13,097**
Other Retail	325	24	1,293	-	**1,642**
Other Assets	-		-	7,879	**7,879**
Qualifying Central Counterparties	4,069	1,108	474	561	**6,212**
Specialised Lending subject to supervisory slotting	444	2,595	1,279	-	**4,318**
Exposures of New Zealand banking subsidiaries	44,478	38,473	101,692	10,650	**195,293**
Total exposures	**357,671**	**309,729**	**480,201**	**45,850**	**1,193,451**

[14] No Maturity Specified predominately includes credit cards and residential mortgage equity manager accounts.

Table 7(f) part (i): Non-performing facilities, Provisions and Write-offs by Industry sector

	Mar-24						
	Non performing facilities			Individual provisioned facilities			
	Exposure	Specific provision balance	Specific provision charge for half year	Exposure	Individual provision Balance	Individual provision charge for half year	Write-offs for half year
Industry Sector	$M	$M	$M	$M	$M	$M	$M
Agriculture, Forestry, Fishing & Mining	314	62	2	115	40	2	1
Business & Property Services	145	42	12	39	23	5	9
Commercial Property	528	58	32	208	21	7	1
Construction	130	36	-	28	17	(1)	9
Electricity, gas & water supply	5	2	-	2	1	-	-
Entertainment Leisure & Tourism	311	24	(5)	45	8	(6)	3
Financial, Investment & Insurance	31	13	(20)	14	11	(20)	-
Government & Official Institutions	-	-	-	-	-	-	-
Manufacturing	145	34	8	30	18	2	6
Personal	3,812	338	93	196	84	60	97
Retail Trade	156	58	2	76	41	4	6
Transport & Storage	48	12	-	11	8	-	2
Wholesale Trade	90	29	2	38	24	3	3
Other	298	40	(18)	127	29	(18)	9
Total	**6,013**	**748**	**108**	**929**	**325**	**38**	**146**

Table 7(f) part (i): Non-performing facilities, Provisions and Write-offs by Industry sector (continued)

	Sep 23						
	Non performing facilities			Individual provisioned facilities			
Industry Sector	Exposure $M	Specific provision balance $M	Specific provision charge for half year $M	Exposure $M	Individual provision Balance $M	Individual provision charge for half year $M	Write-offs for half year $M
Agriculture, Forestry, Fishing & Mining	342	65	8	92	44	9	5
Business & Property Services	99	32	1	34	19	4	7
Commercial Property	345	33	22	232	19	14	38
Construction	128	47	(2)	43	29	-	7
Electricity, gas & water supply	5	2	-	2	1	-	-
Entertainment Leisure & Tourism	185	33	-	56	18	10	13
Financial, Investment & Insurance	16	6	-	7	4	-	11
Government & Official Institutions	-	-	-	-	-	-	-
Manufacturing	109	32	7	41	22	6	6
Personal	3,099	310	40	197	92	59	113
Retail Trade	176	60	27	79	40	23	10
Transport & Storage	53	17	(7)	26	13	(1)	6
Wholesale Trade	70	30	(3)	35	24	(3)	3
Other	394	63	-	240	51	2	5
Total	**5,021**	**730**	**93**	**1,084**	**376**	**123**	**224**

	Mar 23						
	Non performing facilities			Individual provisioned facilities			
Industry Sector	Exposure $M	Specific provision balance $M	Specific provision charge for half year $M	Exposure $M	Individual provision Balance $M	Individual provision charge for half year $M	Write-offs for half year $M
Agriculture, Forestry, Fishing & Mining	294	56	(12)	90	33	(2)	1
Business & Property Services	130	49	3	41	24	3	5
Commercial Property	170	48	7	57	41	11	1
Construction	185	58	2	56	37	2	11
Electricity, gas & water supply	5	3	-	2	2	-	-
Entertainment Leisure & Tourism	220	47	(7)	39	22	(3)	14
Financial, Investment & Insurance	37	15	(26)	18	13	(24)	8
Government & Official Institutions	0	-	-	-	-	-	-
Manufacturing	85	28	(1)	34	19	-	11
Personal	2,473	339	61	191	101	38	88
Retail Trade	137	41	(1)	46	25	3	12
Transport & Storage	88	32	1	33	22	1	1
Wholesale Trade	90	31	(109)	42	26	(103)	1
Other	385	58	44	179	56	44	32
Total	**4,299**	**805**	**(38)**	**828**	**421**	**(30)**	**185**

Table 7(f) part (ii): Non-Performing Facilities, Provisions and Write-offs

	Mar 24						
	Non-performing exposures			Individually provisioned exposures			
	Exposure	Specific provision balance	Specific provision charge for half year	Exposure	Individual provision balance	Individual provision charge for half year	Write-offs for half year
Advanced IRB approach	**$M**	**$M**	**$M**	**$M**	**$M**	**$M**	**$M**
Corporate	593	129	(23)	169	67	(27)	13
Residential Mortgage	3,023	176	24	118	40	6	10
Retail SME	430	115	33	104	67	27	30
Qualifying Revolving Retail	35	28	28	-	-	26	43
Other Retail	45	42	20	22	21	17	25
Total Advanced IRB approach	**4,126**	**490**	**82**	**413**	**195**	**49**	**121**
Foundation IRB approach							
Corporate	223	51	1	221	51	1	4
Sovereign	-	-	-	-	-	-	-
Financial Institution	6	1	-	1	1	-	-
Total Foundation IRB approach	**229**	**52**	**1**	**222**	**52**	**1**	**4**
Specialised Lending Subject to Supervisory Slotting	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Standardised approach							
Corporate	88	33	(19)	34	24	(14)	2
Residential Mortgage	69	11	-	14	8	-	1
Other Retail	6	1	(1)	5	1	(1)	-
Total Standardised approach	**163**	**45**	**(20)**	**53**	**33**	**(15)**	**3**
Exposures of New Zealand banking subsidiaries	**1,495**	**161**	**45**	**241**	**45**	**3**	**18**
Total	**6,013**	**748**	**108**	**929**	**325**	**38**	**146**

Table 7(f) part (ii): Non-Performing Facilities, Provisions and Write-offs (continued)

Sep 23	Non-performing exposures			Individually provisioned exposures			
	Exposure	Specific provision balance	Specific provision charge for half year	Exposure	Individual provision balance	Individual provision charge for half year	Write-offs for half year
Advanced IRB approach	**$M**	**$M**	**$M**	**$M**	**$M**	**$M**	**$M**
Corporate	640	161	4	281	101	7	10
Residential Mortgage	2,363	160	(7)	119	43	10	12
Retail SME	385	102	20	95	61	25	48
Qualifying Revolving Retail	34	27	26	-	-	26	43
Other Retail	41	38	10	22	20	11	34
Total Advanced IRB approach	**3,463**	**488**	**53**	**517**	**225**	**79**	**147**
Foundation IRB approach							
Corporate	242	50	17	232	50	17	-
Sovereign	-	-	-	-	-	-	-
Financial Institution	4	1	(2)	2	1	(1)	-
Total Foundation IRB approach	**246**	**51**	**15**	**234**	**51**	**16**	**-**
Specialised Lending Subject to Supervisory Slotting	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Standardised approach							
Corporate	127	43	(21)	41	30	(10)	4
Residential Mortgage	81	11	2	15	9	1	2
Other Retail	6	1	2	6	1	2	6
Total Standardised approach	**214**	**55**	**(17)**	**62**	**40**	**(7)**	**12**
Exposures of New Zealand banking subsidiaries	**1,098**	**136**	**42**	**271**	**60**	**35**	**65**
Total	**5,021**	**730**	**93**	**1,084**	**376**	**123**	**224**

Mar 23	Non-performing exposures			Individually provisioned exposures			
	Exposure	Specific provision balance	Specific provision charge for half year	Exposure	Individual provision balance	Individual provision charge for half year	Write-offs for half year
Advanced IRB approach	**$M**	**$M**	**$M**	**$M**	**$M**	**$M**	**$M**
Corporate	663	160	28	288	99	40	24
Residential Mortgage	2,065	181	2	129	47	-	12
Retail SME	414	123	-	120	77	8	43
Qualifying Revolving Retail	34	27	25	-	-	23	42
Other Retail	54	46	11	30	27	7	23
Total Advanced IRB approach	**3,230**	**537**	**66**	**567**	**250**	**78**	**144**
Foundation IRB approach							
Corporate	29	27	(123)	26	27	(123)	7
Sovereign	-	-	-	-	-	-	-
Financial Institution	29	11	(1)	15	10	(1)	-
Total Foundation IRB approach	**58**	**38**	**(124)**	**41**	**37**	**(124)**	**7**
Specialised Lending Subject to Supervisory Slotting	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Standardised approach							
Corporate	194	66	(8)	68	40	(3)	20
Residential Mortgage	69	8	(1)	10	6	-	-
Other Retail	8	1	(2)	8	1	(2)	-
Total Standardised approach	**271**	**75**	**(11)**	**86**	**47**	**(5)**	**20**
Exposures of New Zealand banking subsidiaries	**740**	**155**	**31**	**134**	**87**	**21**	**14**
Total	**4,299**	**805**	**(38)**	**828**	**421**	**(30)**	**185**

Table 7(g): Non-performing and Provisions[15] by Geography

	Mar 24		
Geographic region	**Non Performing facilities $M**	**Individual provision balance $M**	**Collective provision balance $M**
Australia	4,375	228	2,726
New Zealand	1,500	45	754
Asia Pacific, Europe and America	138	52	566
Total	**6,013**	**325**	**4,046**

	Sep 23		
Geographic region	**Non Performing facilities $M**	**Individual provision balance $M**	**Collective provision balance $M**
Australia	3,739	259	2,694
New Zealand	1,101	60	738
Asia Pacific, Europe and America	181	57	601
Total	**5,021**	**376**	**4,032**

	Mar 23		
Geographic region	**Non Performing facilities $M**	**Individual provision balance $M**	**Collective provision balance $M**
Australia	3,298	267	2,681
New Zealand	749	87	719
Asia Pacific, Europe and America	252	67	640
Total	**4,299**	**421**	**4,040**

[15] Due to definitional differences, there is a variation in the split between ANZ's Individual Provision and Collective Provision for accounting purposes and the Specific Provision and Provisions held against performing exposures for regulatory purposes. This does not impact total provisions, and essentially relates to the classification of collectively assessed provisions on defaulted accounts. The disclosures in this document are based on Individual Provision and Collective Provision, for ease of comparison with other published results.

Table 7(h): Provision for Credit Impairment

Collectively Assessed Provision	Half year Mar 24 $M	Half year Sep 23 $M	Half year Mar 23 $M
Balance at start of period	4,032	4,040	3,853
Charge/(Release) to Income Statement	32	(11)	163
Adjustment for exchange rate fluctuations and transfers	(18)	3	24
Total Collectively Assessed Provision	**4,046**	**4,032**	**4,040**

Individually Assessed Provision			
Balance at start of period	376	421	542
New and increased provisions	201	239	237
Write-backs	(85)	(50)	(166)
Adjustment for exchange rate fluctuations and transfers	(3)	-	(1)
Discount unwind	(18)	(10)	(6)
Bad debts written off	(146)	(224)	(185)
Total Individually Assessed Provision	**325**	**376**	**421**
Total Provisions for Credit Impairment	**4,371**	**4,408**	**4,461**

Table 7(j): Specific Provision Balance and Provisions held against performing exposures[16]

	Mar 24		
	Specific Provision Balance $M	General Reserve for Credit Losses $M	Total $M
Collectively Assessed Provision	423	3,623	4,046
Individually Assessed Provision	325	-	325
Total Provision for Credit Impairment	**748**	**3,623**	**4,371**

	Sep 23		
	Specific Provision Balance $M	General Reserve for Credit Losses $M	Total $M
Collectively Assessed Provision	354	3,678	4,032
Individually Assessed Provision	376	-	376
Total Provision for Credit Impairment	**730**	**3,678**	**4,408**

	Mar 23		
	Specific Provision Balance $M	General Reserve for Credit Losses $M	Total $M
Collectively Assessed Provision	384	3,656	4,040
Individually Assessed Provision	421	-	421
Total Provision for Credit Impairment	**805**	**3,656**	**4,461**

[16] Due to definitional differences, there is a variation in the split between ANZ's Individual Provision and Collective Provision for accounting purposes and the Specific Provision and Provisions held against performing exposures for regulatory purposes. This does not impact total provisions, and essentially relates to the classification of collectively assessed provisions on defaulted accounts. The disclosures in this document are based on Individual Provision and Collective Provision, for ease of comparison with other published results.

Table 8 **Credit risk – Disclosures for portfolios subject to the Standardised approach and supervisory risk weights in the IRB approach**

Table 8(b): Exposure at Default by risk bucket[17]

Standardised approach exposures	Mar 24 $M	Sep 23 $M	Mar 23 $M
0%	-	-	-
20%	96	213	95
30%	74	73	71
35%	-	-	-
50%	283	288	230
60%	357	352	299
70%	1,394	1,460	808
75%	3	-	-
85%	913	1,138	1,041
90%	192	21	13
100%	4,479	5,074	4,759
110%	66	76	53
150%	228	199	280
>150%	-	-	-
Capital deductions	-	-	-
Total	**8,085**	**8,894**	**7,649**
Other Asset exposures			
0%	2,470	2,739	3,299
20%	-	-	766
35%	-	-	-
50%	-	-	-
75%	-	-	-
100%	3,627	3,119	3,782
150%	26	20	24
>150%	47	42	8
Capital deductions	-	-	-
Total	**6,170**	**5,920**	**7,879**
Specialised Lending exposures			
0%	-	-	-
70%	2,601	2,128	2,195
90%	1,458	1,254	1,546
110%	170	286	293
115%	175	327	284
250%	23	24	-
Total	**4,427**	**4,019**	**4,318**

[17] Table 8(b) shows exposure at default after credit risk mitigation in each risk category.

Table 9 Credit risk – Disclosures for portfolios subject to IRB approaches

Portfolios subject to the Advanced IRB (AIRB), Foundation IRB (FIRB) approach, Retail IRB and supervisory slotting approach

The following table summarises the types of borrowers and the rating approach adopted within each of ANZ's AIRB portfolios:

IRB Asset Class	Borrower Type	Rating Approach
Corporate	Corporations, partnerships or proprietorships that do not fit into any other asset class Income Producing Real Estate	AIRB or FIRB where annual revenue > $750m
Sovereign	Central and subnational governments Central banks Certain multilateral development banks	FIRB
Residential Mortgages	Exposures secured by residential property	Retail IRB
Qualifying Revolving Retail	Australian consumer credit cards <$100,000 limit	Retail IRB
Other Retail	Other lending to consumers	Retail IRB
Specialised Lending subject to supervisory slotting	Project finance Object finance	Supervisory Slotting
Retail SME	Small business lending	Retail IRB
Financial Institutions	Banks, securities firms, insurance companies and leveraged funds	FIRB
Exposures of New Zealand banking subsidiaries	Includes all exposures in all asset classes for New Zealand banking subsidiaries	AIRB and Supervisory Slotting

In addition, where ANZ is not accredited to use the IRB based approach to credit risk, ANZ applies the Standardised approach to credit risk.

The ANZ rating system

As an IRB bank, ANZ's internal models generate the inputs into regulatory capital adequacy to determine the risk weighted exposure calculations for both on- and off-balance sheet exposures, including undrawn portions of credit facilities, committed and contingent exposures and expected loss (EL) calculations. ANZ's internal models are used to generate the three key risk components that serve as inputs to the IRB approach to credit risk:

- PD is an estimate of the level of the risk of borrower default over a 12-month horizon. Borrower ratings are derived by way of rating models used both at loan origination and for ongoing monitoring.
- EAD represents the expected outstanding at the time of default, including an estimate of additional drawings prior to default (based on supervisory credit conversion factors), plus post-default drawings that were legally committed to prior to default.
- LGD is an estimate of the potential economic loss on a credit exposure, incurred as a consequence of obligor default, expressed as a percentage of the facility's EAD.

Effective maturity (M) is also calculated as an input to the risk weighted exposure calculation for Financial Institution, Sovereign and Corporate IRB asset classes.

For wholesale asset classes, ANZ's rating system has two separate and distinct dimensions that:

- Measure the PD, which is expressed by the Customer Credit Rating (CCR), reflecting the ability to service and repay debt.
- Measure the LGD as expressed by the Security Indicator (SI) ranging from A to G. The SI is calculated by reference to the percentage of a loan covered by security which can be realised in the event of default. This calculation uses standard ratios to adjust the current market value of collateral items to allow for historical realisation outcomes. The security-related SIs are supplemented with a range of other SIs which cover such factors as Cash cover (K), Subordinated debt (M), intra-group guarantees (I) and Sovereign (S). ANZ's LGD also includes recognition of the different legal and insolvency regimes in different countries, where this has been shown to influence recovery outcomes.

ANZ's corporate PD master scale is APRA approved and is made up of 27 rating grades. Each level/grade is separately defined and has a range of default probabilities attached to it. The PD master scale enables ANZ's rating system to be mapped to the grading's of external rating agencies, using the PD as a common element after ensuring that default definitions and other key attributes are aligned.

The following table demonstrates this alignment (for one-year PDs):

ANZ CCR	Moody's	Standard & Poor's	PD Range
0+ to 1-	Aaa to Aa3	AAA to AA-	0.0000 - 0.0346%
2+ to 3+	A1 to Baa1	A+ to BBB+	0.0347 - 0.1636%
3= to 4+	Baa2 to Baa3	BBB to BBB-	0.1637 - 0.4004%
4= to 6=	Ba1 to B1	BB+ to B+	0.4005 – 2.7550%
6- to 7=	B2 to B3	B to B-	2.7551 – 9.7980%
7- to 8+	Caa1 to Caa3	CCC+ to CCC-	9.7981 – 27.1109%
8=	Ca to C	CC to C	27.1110 – 99.9999%
8-, 9 and 10	Default	Default	100%

In the retail asset classes, most facilities utilise credit rating scores. The scores are calibrated to PDs, and used to allocate exposures to homogenous pools, along with LGD and EAD.

Table 9(d): Non Retail Exposure at Default subject to Internal Ratings Based (IRB) approach[18] [19] [20] [21]

	Mar 24							
	AAA to AA- $M	A+ to BBB+ $M	BBB to BBB- $M	BB+ to B+ $M	B to B- $M	CCC+ to C $M	Default $M	Total $M
Exposure at Default								
Corporate	-	74,041	77,062	63,878	8,232	1,246	1,008	**225,467**
Sovereign	189,453	21,135	3,525	1,274	2,529	20	-	**217,936**
Financial Institutions	-	94,169	11,075	2,548	436	23	6	**108,257**
New Zealand	3,241	5,524	13,971	21,029	5,060	1,145	784	**50,754**
Total	**192,694**	**194,869**	**105,633**	**88,729**	**16,257**	**2,434**	**1,798**	**602,414**
% of Total	32.0%	32.3%	17.5%	14.8%	2.7%	0.4%	0.3%	100.0%
Undrawn commitments (included in above)								
Corporate	-	19,239	15,439	8,052	550	115	13	**43,408**
Sovereign	1,034	200	26	13	2	3	-	**1,278**
Financial Institutions	.	12,017	899	128	16	2	-	**13,062**
New Zealand	403	2,675	3,463	2,150	271	79	10	**9,051**
Total	**1,437**	**34,131**	**19,827**	**10,343**	**839**	**199**	**23**	**66,799**
Average Exposure at Default								
Corporate	-	14.441	3.907	1.291	0.708	0.293	0.810	**2.465**
Sovereign	233.605	227.254	16.868	14.314	15.056	0.723	-	**175.755**
Financial Institutions	-	9.501	7.832	1.957	0.600	0.118	0.264	**7.974**
New Zealand	10.839	5.991	1.361	0.827	0.840	0.451	2.046	**1.106**
Exposure-weighted average Loss Given Default (%)								
Corporate	-	44.8%	35.8%	23.5%	21.3%	33.9%	35.8%	**34.7%**
Sovereign	7.0%	25.0%	50.0%	50.0%	50.0%	50.0%	-	**10.2%**
Financial Institutions	-	49.5%	49.6%	45.1%	44.2%	35.3%	45.0%	**49.4%**
New Zealand	65.2%	48.9%	34.2%	27.0%	28.6%	38.3%	25.5%	**34.2%**
Exposure-weighted average risk weight (%)								
Corporate	-	26.9%	42.6%	53.3%	69.1%	213.5%	84.0%	**42.6%**
Sovereign	1.3%	6.4%	44.6%	102.1%	159.8%	279.8%	-	**5.0%**
Financial Institutions	-	22.5%	55.3%	87.7%	128.8%	225.8%	-	**27.8%**
New Zealand	28.5%	32.3%	50.0%	66.5%	109.6%	216.3%	42.0%	**63.1%**

[18] In accordance with APS 330, EAD in Table 9(d) includes IRB (Advanced and Foundation) exposures and excludes Specialised Lending subject to supervisory slotting, Standardised, Securitisation and Equities.

[19] Average EAD is calculated as total EAD post risk mitigants divided by the total number of credit risk generating exposures.

[20] Exposure-weighted average risk weight (%) is calculated as CRWA divided by EAD.

[21] Exposure-weighted average risk weights exclude the impacts of RWA overlays and risk-weight floors.

Table 9(d): Non Retail Exposure at Default subject to Internal Ratings Based (IRB) approach (continued)

	Sep 23							
	AAA to AA- $M	A+ to BBB+ $M	BBB to BBB- $M	BB+ to B+ $M	B to B- $M	CCC+ to C $M	Default $M	Total $M
Exposure at Default								
Corporate	-	80,271	81,756	61,423	8,057	752	1,106	**233,365**
Sovereign	196,607	26,807	2,440	1,475	2,120	14	-	**229,463**
Financial Institutions	-	94,070	11,348	2,540	491	25	4	**108,478**
New Zealand	3,383	6,932	17,245	19,362	3,957	897	447	**52,223**
Total	**199,990**	**208,080**	**112,789**	**84,800**	**14,625**	**1,688**	**1,557**	**623,529**
% of Total	32.1%	33.4%	18.1%	13.6%	2.3%	0.3%	0.2%	100.0%
Undrawn commitments (included in above)								
Corporate	-	22,186	18,228	8,525	692	61	53	**49,745**
Sovereign	982	384	44	77	3	-	-	**1,490**
Financial Institutions	-	12,692	1,109	240	49	1	-	**14,091**
New Zealand	423	2,859	3,771	2,072	239	43	9	**9,416**
Total	**1,405**	**38,121**	**23,152**	**10,914**	**983**	**105**	**62**	**74,742**
Average Exposure at Default								
Corporate	-	18.293	3.962	1.233	0.678	0.201	0.960	**2.547**
Sovereign	243.627	252.899	16.377	16.031	18.120	0.729	-	**177.878**
Financial Institutions	-	5.921	5.313	1.910	0.703	0.105	0.215	**5.342**
New Zealand	7.942	2.732	1.221	0.862	0.844	0.397	1.271	**1.115**
Exposure-weighted average Loss Given Default (%)								
Corporate	-	45.6%	35.5%	24.1%	22.4%	32.0%	34.6%	**35.5%**
Sovereign	6.8%	25.4%	50.0%	49.9%	49.9%	50.0%	-	**10.1%**
Financial Institutions	-	49.2%	48.9%	45.2%	39.8%	39.0%	35.9%	**49.0%**
New Zealand	65.0%	43.2%	35.5%	27.2%	25.1%	33.8%	34.0%	**34.5%**
Exposure-weighted average risk weight (%)								
Corporate	-	26.5%	42.9%	53.8%	72.3%	210.4%	64.1%	**41.8%**
Sovereign	1.2%	6.7%	46.5%	99.8%	159.5%	277.8%	-	**4.5%**
Financial Institutions	-	22.9%	56.6%	88.5%	114.3%	256.4%	-	**28.5%**
New Zealand	30.7%	45.2%	68.5%	74.9%	112.5%	216.3%	75.8%	**71.3%**

Table 9(d): Non Retail Exposure at Default subject to Internal Ratings Based (IRB) approach (continued)

	Mar 23							
	AAA to AA- $M	A+ to BBB+ $M	BBB to BBB- $M	BB+ to B+ $M	B to B- $M	CCC+ to C $M	Default $M	Total $M
Exposure at Default								
Corporate	-	82,658	84,251	58,927	6,608	978	848	**234,270**
Sovereign	240,067	25,678	2,362	1,541	2,481	25	-	**272,154**
Financial Institutions	-	94,417	11,399	2,944	478	27	29	**109,294**
New Zealand	3,249	6,731	18,175	20,468	3,533	654	230	**53,040**
Total	**243,316**	**209,484**	**116,187**	**83,880**	**13,100**	**1,684**	**1,107**	**668758**
% of Total	36.38%	31.32%	17.37%	12.54%	1.96%	0.25%	0.17%	100.00%
Undrawn commitments (included in above)								
Corporate	**-**	22,834	20,281	7,590	539	62	25	**51,331**
Sovereign	1,367	220	68	28	1	1	**-**	**1685**
Financial Institutions	**-**	12338	1288	253	47	17	**-**	**13943**
New Zealand	407	2,780	4,057	2,387	182	31	5	**9,849**
Total	**1,774**	**38,172**	**25,694**	**10,258**	**769**	**111**	**30**	**76,808**
Average Exposure at Default								
Corporate	**-**	19.961	4.118	1.170	0.602	0.232	0.862	**2.569**
Sovereign	288.196	302.100	15.633	16.398	206.714	1.144	**-**	**227.363**
Financial Institutions	**-**	8.145	6.165	2.237	0.732	0.111	0.941	**6.967**
New Zealand	6.988	2.504	1.169	0.869	0.766	0.570	0.866	**1.098**
Exposure-weighted average Loss Given Default (%)								
Corporate	-	46.2%	36.3%	24.8%	24.2%	31.3%	37.8%	**36.5%**
Sovereign	6.4%	25.2%	50.0%	50.0%	50.0%	50.0%	0.0%	**9.2%**
Financial Institutions	-	49.5%	49.1%	45.0%	38.4%	46.9%	33.6%	**49.2%**
New Zealand	64.8%	44.7%	34.3%	27.3%	25.5%	37.6%	41.1%	**34.2%**
Exposure-weighted average risk weight (%)								
Corporate	-	27.9%	43.7%	52.1%	71.1%	204.2%	84.3%	43.1%
Sovereign	1.1%	6.6%	48.4%	108.7%	164.2%	254.1%	-	4.1%
Financial Institutions	-	24.8%	60.4%	89.2%	116.0%	307.6%	-	30.0%
New Zealand	32.0%	30.1%	47.1%	67.8%	113.0%	241.2%	79.5%	58.9%

Table 9(d): Retail Exposure at Default subject to Internal Ratings Based (IRB) approach by risk grade [22] [23] [24]

	Mar 24							
	0.00% <0.11% $M	0.11% <0.30% $M	0.30% <0.51% $M	0.51% <3.49% $M	3.49% <10.09% $M	10.09% <100.00% $M	Default $M	Total $M
Exposure at Default								
Residential Mortgage	85,573	62,866	37,488	144,707	10,975	1,732	3,025	**346,366**
Retail SME	38	330	615	9,286	4,898	1,030	431	**16,628**
Qualifying Revolving Retail	3,405	4,028	1,429	2,995	662	250	35	**12,804**
Other Retail	71	32	32	1,164	131	86	53	**1,569**
New Zealand	3,544	38,553	31,344	39,639	773	134	748	**114,735**
Total	**92,631**	**105,809**	**70,908**	**197,791**	**17,439**	**3,232**	**4,292**	**492,102**
% of Total	18.8%	21.5%	14.4%	40.2%	3.5%	0.7%	0.9%	100.0%
Undrawn commitments (included in above)								
Residential Mortgage	20,137	4,057	1,460	7,520	41	15	7	**33,237**
Retail SME	33	216	291	1,465	315	58	14	**2,392**
Qualifying Revolving Retail	2,418	2,941	938	1,259	131	47	2	**7,736**
Other Retail	66	29	29	144	21	3	-	**292**
New Zealand	2,952	5,801	1,234	3,276	189	6	5	**13,463**
Total	**25,606**	**13,044**	**3,952**	**13,664**	**697**	**129**	**28**	**57,120**
Average Exposure at Default								
Residential Mortgage	0.300	0.379	0.398	0.419	0.387	0.321	0.430	**0.372**
Retail SME	0.080	0.068	0.055	0.066	0.113	0.028	0.058	**0.068**
Qualifying Revolving Retail	0.009	0.009	0.008	0.010	0.009	0.007	0.008	**0.009**
Other Retail	0.002	0.001	0.001	0.004	0.002	0.004	0.003	**0.003**
New Zealand	0.039	0.070	0.158	0.101	0.006	0.002	0.066	**0.078**
Exposure-weighted average Loss Given Default (%)								
Residential Mortgage	12.3%	13.6%	14.0%	15.3%	14.9%	14.5%	24.7%	**14.2%**
Retail SME	13.1%	19.7%	26.8%	27.5%	31.2%	50.8%	37.8%	**30.1%**
Qualifying Revolving Retail	72.7%	75.6%	75.4%	78.6%	82.1%	80.9%	75.7%	**75.9%**
Other Retail	74.0%	79.6%	75.8%	76.2%	77.5%	78.7%	76.5%	**76.5%**
New Zealand	19.4%	16.7%	19.8%	25.9%	80.3%	83.6%	20.1%	**21.3%**
Exposure-weighted average risk weight (%)								
Residential Mortgage	6.2%	10.1%	18.7%	42.6%	93.2%	161.4%	264.9%	**29.3%**
Retail SME	3.3%	9.5%	20.4%	42.4%	63.7%	128.7%	232.7%	**57.4%**
Qualifying Revolving Retail	4.2%	8.0%	16.1%	45.1%	108.1%	210.2%	164.6%	**26.1%**
Other Retail	16.5%	37.1%	53.1%	102.0%	130.4%	203.8%	170.8%	**106.1%**
New Zealand	33.5%	32.4%	31.1%	33.3%	127.1%	178.8%	14.3%	**33.1%**

[22] Average EAD is calculated as total EAD post risk mitigants divided by the total number of credit risk generating exposures.

[23] Exposure-weighted average risk weight (%) is calculated as CRWA divided by EAD.

[24] Exposure-weighted average risk weights exclude the impacts of RWA overlays and risk-weight floors.

Table 9(d): Retail Exposure at Default subject to Internal Ratings Based (IRB) approach by risk grade (continued)

	Sep 23							
	0.00% <0.11% $M	**0.11% <0.30% $M**	**0.30% <0.51% $M**	**0.51% <3.49% $M**	**3.49% <10.09% $M**	**10.09% <100.00% $M**	**Default $M**	**Total $M**
Exposure at Default								
Residential Mortgage	83,971	60,151	36,181	143,396	9,820	1,575	2,384	**337,478**
Retail SME	40	344	610	9,237	4,831	1,053	395	**16,510**
Qualifying Revolving Retail	3,499	4,106	1,436	2,852	654	236	34	**12,817**
Other Retail	72	32	35	1,159	129	84	46	**1,557**
New Zealand	3,528	39,421	31,786	38,183	780	136	694	**114,528**
Total	**91,110**	**104,054**	**70,048**	**194,827**	**16,214**	**3,084**	**3,553**	**482,890**
% of Total	18.9%	21.5%	14.5%	40.3%	3.4%	0.6%	0.7%	100.0%
Undrawn commitments (included in above)								
Residential Mortgage	20,168	4,140	1,531	8,831	43	10	6	**34,729**
Retail SME	33	219	285	1,551	370	63	13	**2,534**
Qualifying Revolving Retail	2,482	3,014	946	1,151	126	34	2	**7,755**
Other Retail	67	29	31	148	22	4	-	**301**
New Zealand	2,959	5,897	1,310	3,368	193	7	4	**13,738**
Total	**25,709**	**13,299**	**4,103**	**15,049**	**754**	**118**	**25**	**59,057**
Average Exposure at Default								
Residential Mortgage	0.290	0.363	0.380	0.421	0.373	0.351	0.367	**0.364**
Retail SME	0.081	0.068	0.054	0.065	0.109	0.030	0.070	**0.068**
Qualifying Revolving Retail	0.009	0.009	0.008	0.010	0.008	0.007	0.008	**0.009**
Other Retail	0.002	0.001	0.001	0.004	0.002	0.004	0.004	**0.003**
New Zealand	0.039	0.071	0.140	0.105	0.006	0.002	0.063	**0.078**
Exposure-weighted average Loss Given Default (%)								
Residential Mortgage	12.3%	13.5%	13.7%	15.1%	14.6%	14.2%	26.3%	**14.0%**
Retail SME	13.3%	19.5%	26.8%	28.3%	31.9%	50.3%	37.1%	**30.7%**
Qualifying Revolving Retail	72.5%	75.8%	75.4%	78.9%	82.2%	80.8%	75.7%	**76.0%**
Other Retail	73.8%	79.7%	76.1%	76.0%	76.9%	78.3%	75.7%	**76.2%**
New Zealand	19.7%	16.8%	19.9%	25.8%	79.8%	82.6%	20.3%	**21.3%**
Exposure-weighted average risk weight (%)								
Residential Mortgage	6.3%	10.1%	18.4%	41.9%	91.9%	156.2%	284.0%	**28.5%**
Retail SME	3.4%	9.5%	20.5%	43.7%	65.7%	130.2%	237.1%	**58.7%**
Qualifying Revolving Retail	4.2%	7.9%	16.1%	45.2%	108.2%	211.2%	135.6%	**25.3%**
Other Retail	16.4%	36.5%	53.6%	101.9%	129.6%	204.4%	179.2%	**105.6%**
New Zealand	33.7%	32.4%	31.2%	33.4%	126.2%	175.6%	10.5%	**33.1%**

Table 9(d): Retail Exposure at Default subject to Internal Ratings Based (IRB) approach by risk grade (continued)

	Mar 23							
	0.00% <0.11% $M	**0.11% <0.30% $M**	**0.30% <0.51% $M**	**0.51% <3.49% $M**	**3.49% <10.09% $M**	**10.09% <100.00% $M**	**Default $M**	**Total $M**
Exposure at Default								
Residential Mortgage	84,494	59,576	35,867	132,676	8,463	1,475	2,119	**324,670**
Retail SME	43	373	655	9,468	4,887	1,157	414	**16,997**
Qualifying Revolving Retail	3,566	4,202	1,468	2,901	682	245	33	**13,097**
Other Retail	75	33	35	1,189	141	90	55	**1,618**
New Zealand	3,484	39,772	30,947	36,870	656	128	549	**112,406**
Total	**91,662**	**103,956**	**68,972**	**183,104**	**14,829**	**3,095**	**3,170**	**468,788**
% of Total	19.6%	22.2%	14.7%	39.1%	3.2%	0.7%	0.7%	100.0%
Undrawn commitments (included in above)								
Residential Mortgage	19,861	3,048	889	6,860	33	8	2	**30,701**
Retail SME	37	234	320	1,736	446	81	15	**2,869**
Qualifying Revolving Retail	2,541	3,100	972	1,182	132	34	2	**7,963**
Other Retail	69	29	31	148	22	4	-	**303**
New Zealand	2,911	5,920	1,297	3,242	190	6	4	**13,570**
Total	**25,419**	**12,331**	**3,509**	**13,168**	**823**	**133**	**23**	**55,406**
Average Exposure at Default								
Residential Mortgage	0.282	0.347	0.362	0.405	0.353	0.337	0.356	**0.348**
Retail SME	0.081	0.070	0.055	0.064	0.106	0.032	0.067	**0.067**
Qualifying Revolving Retail	0.009	0.009	0.008	0.010	0.008	0.007	0.008	**0.009**
Other Retail	0.002	0.001	0.001	0.004	0.002	0.003	0.004	**0.003**
New Zealand	0.039	0.071	0.137	0.098	0.005	0.002	0.052	**0.077**
Exposure-weighted average Loss Given Default (%)								
Residential Mortgage	11.9%	13.0%	13.2%	14.6%	13.2%	13.9%	25.8%	**13.5%**
Retail SME	11.0%	16.5%	24.4%	25.6%	48.1%	31.2%	37.0%	**28.7%**
Qualifying Revolving Retail	72.3%	75.8%	75.3%	78.7%	80.8%	82.2%	75.7%	**75.9%**
Other Retail	73.7%	79.6%	76.1%	76.0%	78.2%	76.1%	74.3%	**76.0%**
New Zealand	10.8%	12.3%	18.4%	23.0%	31.3%	25.8%	15.4%	**17.5%**
Exposure-weighted average risk weight (%)								
Residential Mortgage	6.4%	9.9%	17.9%	40.6%	87.8%	151.1%	258.0%	**26.7%**
Retail SME	2.8%	7.9%	18.6%	38.9%	65.1%	130.0%	213.1%	**59.2%**
Qualifying Revolving Retail	4.2%	8.0%	16.0%	44.9%	108.3%	212.1%	136.9%	**25.4%**
Other Retail	16.3%	36.6%	53.5%	101.5%	127.8%	204.8%	170.7%	**105.6%**
New Zealand	33.7%	32.4%	31.2%	33.9%	121.3%	178.3%	9.1%	**33.2%**

Table 9(e): Actual Losses by portfolio type

	Half year Mar 24	
Basel Asset Class	**Individual provision charge $M**	**Net Write-offs $M**
Corporate	(26)	17
Sovereign	-	-
Financial Institutions	-	-
Residential Mortgage	6	10
Retail SME	27	30
Qualifying Revolving Retail	26	43
Other Retail	17	25
Total IRB	**50**	**125**
Specialised Lending subject to supervisory slotting	-	-
Standardised approach	(15)	3
Exposures of New Zealand banking subsidiaries	3	18
Total	**38**	**146**

	Half year Sep 23	
Basel Asset Class	**Individual provision charge $M**	**Write-offs $M**
Corporate	24	10
Sovereign	-	-
Financial Institutions	(1)	-
Residential Mortgage	10	12
Retail SME	25	48
Qualifying Revolving Retail	26	43
Other Retail	11	34
Total IRB	**95**	**147**
Specialised Lending subject to supervisory slotting	-	-
Standardised approach	(7)	12
Exposures of New Zealand banking subsidiaries	35	65
Total	**123**	**224**

	Half year Mar 23	
Basel Asset Class	**Individual provision charge $M**	**Write-offs $M**
Corporate	(83)	31
Sovereign	-	-
Financial Institutions	(1)	-
Residential Mortgage	-	12
Retail SME	8	43
Qualifying Revolving Retail	23	42
Other Retail	7	23
Total IRB	(46)	151
Specialised Lending subject to supervisory slotting	-	-
Standardised approach	(5)	20
Exposures of New Zealand banking subsidiaries	21	14
Total	**(30)**	**185**

Factors impacting the loss experience.

The individually assessed credit impairment charge decreased $85 million driven by the Corporate Asset and New Zealand banking subsidiaries due to lower impairments and higher write-backs and recoveries.

Write offs have decreased $78 million driven by decreases in the Australia SME banking portfolios and New Zealand banking subsidiaries.

Table 9(f): Average estimated vs. actual PD, EAD and LGD – IRB

	Mar 24				
Portfolio Type	**Average Estimated PD %**	**Average Actual PD %**	**Average estimated to actual EAD ratio**	**Average Estimated LGD %**	**Average Actual LGD %**
Corporate	1.87	1.61	1.14	38.42	31.32
Sovereign	0.69	-	n/a	n/a	n/a
Financial Institutions	0.52	0.36	1.37	39.51	21.61
Specialised Lending	n/a	0.17	1.02	n/a	31.00
Residential Mortgage	0.89	0.73	1.01	17.8	1.3
Qualifying Revolving Retail	1.54	1.10	1.16	79.8	64.5
Retail SME	4.74	3.70	1.03	39.7	22.0
Other Retail	3.61	2.76	1.06	66.3	57.2
New Zealand Wholesale	1.42	0.61	1.09	40.99	22.31
New Zealand Retail	2.19	0.99	1.03	30.8	7.9

APS 330 Table 9(f) compares internal credit risk estimates used in calculating regulatory capital with realised outcomes by portfolio types. It covers the PD, EAD and LGD estimates for the IRB portfolios.

Estimated PD and LGD for Specialised Lending exposures have not been provided, since APRA requires the use of supervisory slotting for Regulatory EL calculations. Actual PD, EAD ratio, Estimated LGD and Actual LGD for Sovereign exposures have not been provided, since there were no Sovereign defaults observed in ANZ Sovereign exposures for the observation period.

Wholesale Portfolios
The Prudential Standard changes from 1 January 2023 have introduced a number of new asset classes. Changes have been made in the historical time series used to determine wholesale portfolio averages.

- New Zealand wholesale obligors previously included in the Corporate, Sovereign, Bank and Specialised Lending portfolios are now reported under 'Exposures of New Zealand banking subsidiaries' asset class and hence moved into the New Zealand Wholesale portfolio;
- Income Producing Real Estate obligors formerly included in Specialised Lending have moved into the Corporate portfolio; and
- Non-bank Financial Institutions were moved into the new Financial Institutions portfolio, along with existing Bank obligors from prior periods.

The estimated PD is based on the average of the internally estimated long-run PDs for obligors that are not in default at the beginning of each financial year over the period of observation being 2009 to 2022. The actual PD is based on the number of defaulted obligors up to February 2024 compared to the total number of obligors measured.

The EAD ratio compares internally estimated EAD prior to default to realised EAD for defaulted obligors over the 15 years of observation being 2009 to February 2024. A ratio greater than 1.0 signifies that on average, the actual defaulted exposures are lower than the estimated exposures at the time of default.

The estimated LGD is the downturn LGD for accounts that defaulted at the beginning of each year during the observation period being 2015 to March 2022. The actual LGD is based on the average realised losses captured over the period for the accounts observed at the beginning and defaulted during the observation period. For non-retail portfolios, the estimated and actual LGDs are based on accounts that defaulted up to March 2022. Defaults occurring after March 2022 have been excluded from the analysis to allow sufficient time for workout period. Actual LGD for defaults where workouts were not finalised have been estimated to approximate the final actual loss. Defaults where no loss data has been captured are excluded from the LGD calculation.

A review of historical LGD data is currently being undertaken and may result in changes to Average Actual LGD numbers detailed above.

Retail Portfolios
The estimated PD is based on the average of the internally estimated long-run PDs for obligors that are not in default at March of each year over the period of observation being 2019 to 2023. The actual PD is based on the number of defaulted obligors up to March 2024 compared to the total number of obligors measured.

The EAD ratio compares internally estimated EAD prior to default to realised EAD for defaulted obligors over the period of observation being 2019 to 2023. A ratio greater than 1.0 signifies that on average, the actual defaulted exposures are lower than the estimated exposures at the time of default.

The estimated LGD is the downturn LGD for accounts that defaulted at September of each year during the observation period being 2018 to 2022. The actual LGD is based on the average realised losses over the period for the accounts observed at the beginning and defaulted during the observation period. Defaults occurring after March 2024 have been excluded from the analysis to allow sufficient time for workout period.

Table 10 Credit risk mitigation disclosures

Table 10(b): Credit risk mitigation on Standardised approach portfolios – collateral [25] [26]

Mar 24	Exposure $M	Eligible Financial Collateral $M	Other Eligible Collateral $M	% Coverage
Standardised approach				
Corporate	5,805	59	-	1.0%
Sovereign	171	-	-	-
Residential Mortgage	2,044	-	-	-
Other Retail	65	-	55	46.0%
Other assets	6,170	1,390	-	18.4%
Total	**14,255**	**1,449**	**55**	**9.5%**

	Exposure $M	Eligible Financial Collateral $M	Other Eligible Collateral $M	% Coverage
Foundation IRB approach				
Corporate	93,895	-	385	0.4%
Sovereign	217,936	-	9,414	4.1%
Financial Institution	108,257	-	16	0.0%
Total	**420,088**	**-**	**9,815**	**2.3%**

Sep 23	Exposure $M	Eligible Financial Collateral $M	Other Eligible Collateral $M	% Coverage
Standardised approach				
Corporate	6,428	62	-	1.0%
Sovereign	165	-	-	-
Residential Mortgage	2,269	-	-	-
Other Retail	32	-	23	41.9%
Other assets	5,920	903	-	13.2%
Total	**14,814**	**965**	**23**	**6.3%**

	Exposure $M	Eligible Financial Collateral $M	Other Eligible Collateral $M	% Coverage
Foundation IRB approach				
Corporate	93,349	-	540	0.6%
Sovereign	229,463	-	5,585	2.4%
Financial Institution	108,478	-	26	-
Total	**431,290**	**-**	**6,150**	**1.4%**

[25] Eligible Collateral could include cash collateral (cash, certificates deposits and bank bills issued by the lending ADI), gold bullion and highly rated debt securities.

[26] Exposure at Default represents credit exposure net of offsets for credit risk mitigation such as guarantees, credit derivatives, netting and financial collateral.

Table 10(b): Credit risk mitigation on Standardised approach portfolios – collateral (continued)

	Mar 23			
	Exposure $M	Eligible Financial Collateral $M	Other Eligible Collateral $M	% Coverage
Standardised approach				
Corporate	5,526	205	796	15.3%
Sovereign	88	270	203	84.3%
Residential Mortgage	2,011	-	-	-
Other Retail	24	-	14	36.8%
Other assets	7,879	1,225	-	13.5%
Total	**15,528**	**1,700**	**1,013**	**14.9%**
	Exposure $M	**Eligible Financial Collateral $M**	**Other Eligible Collateral $M**	**% Coverage**
Foundation IRB approach				
Corporate	101,134	-	970	1.0%
Sovereign	272,154	-	5,498	2.0%
Financial Institution	109,294	-	2	-
Total	**482,582**	**-**	**6,470**	**1.3%**

Table 10(c): Credit risk mitigation – guarantees and credit derivatives[27]

	Mar 24			
	Exposure at default $M	Exposures covered by Guarantees $M	Exposures covered by Credit Derivatives $M	% Coverage
Advanced IRB				
Corporate (incl. Specialised Lending)	135,999	4,314	-	3.2%
Residential Mortgage	346,366	-	-	-
Retail SME	16,628	-	-	-
Qualifying Revolving Retail	12,804	-	-	-
Other Retail	1,569	-	-	-
Total	**513,366**	**4,314**	**-**	**0.8%**
Foundation IRB				
Corporate	93,895	5,913	-	6.3%
Sovereign	217,936	5,292	-	2.4%
Financial Institutions	108,257	2,964	1,169	3.8%
Total	420,088	**14,169**	**1,169**	**3.7%**
Standardised approach				
Corporate	5,805	577	-	9.9%
Sovereign	171	-	-	-
Residential Mortgage	2,044	-	-	-
Other Retail	65	-	-	-
Other Assets	6,170	-	-	-
Total	**14,255**	**577**	**-**	**4.0%**
Exposures of New Zealand banking subsidiaries	**195,617**	**439**	**-**	**0.2%**
Qualifying Central Counterparties	**7,451**	**-**	**-**	**-**

[27] Exposure at Default represents credit exposure net of offsets for credit risk mitigation such as guarantees, credit derivatives, netting and financial collateral.

Table 10(c): Credit risk mitigation – guarantees and credit derivatives (continued)

	Sep 23			
	Exposure at default $M	**Exposures covered by Guarantees $M**	**Exposures covered by Credit Derivatives $M**	**% Coverage**
Advanced IRB				
Corporate (incl. Specialised Lending)	144,035	4,144		2.9%
Residential Mortgage	337,478			-
Retail SME	16,510			-
Qualifying Revolving Retail	12,817			-
Other Retail	1,557			-
Total	**512,397**	4,144	-	**0.8%**
Foundation IRB				
Corporate	93,349	2,785	-	3.0%
Sovereign	229,463	4,907	-	2.1%
Financial Institutions	108,478	424	1,310	1.5%
Total	431,290	**8,116**	**1,310**	**2.2%**
Standardised approach				
Corporate	6,428	234	-	3.6%
Sovereign	165	-	-	
Residential Mortgage	2,269	-	-	-
Other Retail	32	-	-	-
Other Assets	5,920	-	-	-
Total	**14,814**	**234**	-	**1.6%**
Exposures of New Zealand banking subsidiaries	**197,204**	**265**	-	**0.1%**
Qualifying Central Counterparties	**7,035**	-	-	-

Table 10(c): Credit risk mitigation – guarantees and credit derivatives (continued)

	Mar 23			
	Exposure at default $M	**Exposures covered by Guarantees $M**	**Exposures covered by Credit Derivatives $M**	**% Coverage**
Advanced IRB				
Corporate (incl. Specialised Lending)	137,454	9,265	-	6.7%
Residential Mortgage	324,670	-	-	-
Retail SME	16,997	-	-	-
Qualifying Revolving Retail	13,097	-	-	-
Other Retail	1,618	-	-	-
Total	**493,836**	**9,265**	**-**	**1.9%**
Foundation IRB				
Corporate	101,134	8,114	-	**8.0%**
Sovereign	272,154	5,232	-	**1.9%**
Financial Institutions	109,294	194	1,305	**1.4%**
Total	**482,582**	**13,540**	**1,305**	**3.1%**
Standardised approach				
Corporate	5,526	471	-	8.5%
Sovereign	88	9	-	10.6%
Residential Mortgage	2,011	-	-	-
Other Retail	24	-	-	-
Other Assets	7,879	-		-
Total	**15,528**	**480**	**-**	**3.1%**
Exposures of New Zealand banking subsidiaries	**195,293**	**330**	**-**	**0.2%**
Qualifying Central Counterparties	**6,212**	**-**	**-**	-

Table 11 General disclosures for derivatives and counterparty credit risk

Table 11(b): Counterparty credit risk – net derivative credit exposure

	Mar 24 $M	Sep 23 $M	Mar 23 $M
Gross positive fair value of contracts	47,481	60,406	45,614
Netting benefits	(30,767)	(38,070)	(29,634)
Netted current credit exposure	16,714	22,336	15,980
Collateral held	(5,553)	(13,049)	(6,309)
Net derivatives credit exposure	**11,161**	**9,287**	**9,671**

Counterparty credit risk exposure - by portfolio type

Portfolio Type	**Mar 24 $M**	**Sep 23 $M**	**Mar 23 $M**
Corporate	9,827	9,716	8,797
Sovereign	3,807	3,595	3,161
Financial Institutions	25,388	25,109	25,414
Qualifying Central Counterparties	8,574	8,110	7,229
Specialised Lending	57	47	94
Total exposures	**47,653**	**46,577**	**44,695**

Notional Value of Credit Derivative Hedges

Product Type	**Mar 24 $M**	**Sep 23 $M**	**Mar 23 $M**
Credit Default Swaps	-	-	-
Interest Rate Swaps	-	-	-
Currency Swaps	-	-	-
Other	-	-	-
Total exposures	**-**	**-**	**-**

Table 11(c): Counterparty credit risk exposure – credit derivative transactions

	Mar 24		
	Protection Bought $M	**Protection Sold $M**	**Total $M**
Credit derivative products used for own credit portfolio			
Credit default swaps	9,737	9,468	19,205
Total notional value	**9,737**	**9,468**	**19,205**
Credit derivative products used for intermediation			
Credit default swaps	-	-	-
Total return swaps	-	-	-
Total notional value	**-**	**-**	**-**
Total credit derivative notional value	**9,737**	**9,468**	**19,205**

	Sep 23		
	Protection Bought $M	**Protection Sold $M**	**Total $M**
Credit derivative products used for own credit portfolio			
Credit default swaps	10,862	8,503	19,365
Total notional value	**10,862**	**8,503**	**19,365**
Credit derivative products used for intermediation			
Credit default swaps	-	-	-
Total return swaps	-	-	-
Total notional value	**-**	**-**	**-**
Total credit derivative notional value	**10,862**	**8,503**	**19,365**

	Mar 23		
	Protection Bought $M	**Protection Sold $M**	**Total $M**
Credit derivative products used for own credit portfolio			
Credit default swaps	12,664	9,789	22,453
Total notional value	**12,664**	**9,789**	**22,453**
Credit derivative products used for intermediation			
Credit default swaps	-	-	-
Total return swaps	-	-	-
Total notional value	**-**	**-**	**-**
Total credit derivative notional value	**12,664**	**9,789**	**22,453**

Chapter 4 – Securitisation

Banking Book

Table 12(g): Banking Book: Traditional and synthetic securitisation exposures

	Mar 24		
Traditional securitisations			
Underlying asset	**ANZ Originated $M**	**ANZ Self Securitised $M**	**ANZ Sponsored $M**
Residential mortgage	777	68,986	-
Credit cards and other personal loans	-	-	-
Auto and equipment finance	-	-	-
Commercial loans	-	-	-
Other	-	-	-
Total	**777**	**68,986**	**-**

Synthetic securitisations			
Underlying asset	**ANZ Originated $M**	**ANZ Self Securitised $M**	**ANZ Sponsored $M**
Residential mortgage	-	-	-
Credit cards and other personal loans	-	-	-
Auto and equipment finance	-	-	-
Commercial loans	-	-	-
Other	-	-	-
Total	**-**	**-**	**-**

Aggregate of traditional and synthetic securitisations			
Underlying asset	**ANZ Originated $M**	**ANZ Self Securitised $M**	**ANZ Sponsored $M**
Residential mortgage	777	68,986	-
Credit cards and other personal loans	-	-	-
Auto and equipment finance	-	-	-
Commercial loans	-	-	-
Other	-	-	-
Total	**777**	**68,986**	**-**

Table 12(g): Banking Book: Traditional and synthetic securitisation exposures (continued)

Sep 23

Traditional securitisations **Underlying asset**	**ANZ Originated $M**	**ANZ Self Securitised $M**	**ANZ Sponsored $M**
Residential mortgage	865	68,901	-
Credit cards and other personal loans	-	-	-
Auto and equipment finance	-	-	-
Commercial loans	-	-	-
Other	-	-	-
Total	**865**	**68,901**	**-**

Synthetic securitisations **Underlying asset**	**ANZ Originated $M**	**ANZ Self Securitised $M**	**ANZ Sponsored $M**
Residential mortgage	-	-	-
Credit cards and other personal loans	-	-	-
Auto and equipment finance	-	-	-
Commercial loans	-	-	-
Other	-	-	-
Total	**-**	**-**	**-**

Aggregate of traditional and synthetic securitisations **Underlying asset**	**ANZ Originated $M**	**ANZ Self Securitised $M**	**ANZ Sponsored $M**
Residential mortgage	865	68,901	-
Credit cards and other personal loans	-	-	-
Auto and equipment finance	-	-	-
Commercial loans	-	-	-
Other	-	-	-
Total	**865**	**68,901**	**-**

Mar 23

Traditional securitisations **Underlying asset**	**ANZ Originated $M**	**ANZ Self Securitised $M**	**ANZ Sponsored $M**
Residential mortgage	970	68,635	-
Credit cards and other personal loans	-	-	-
Auto and equipment finance	-	-	-
Commercial loans	-	-	-
Other	-	-	-
Total	**970**	**68,635**	**-**

Synthetic securitisations **Underlying asset**	**ANZ Originated $M**	**ANZ Self Securitised $M**	**ANZ Sponsored $M**
Residential mortgage	-	-	-
Credit cards and other personal loans	-	-	-
Auto and equipment finance	-	-	-
Commercial loans	-	-	-
Other	-	-	-
Total	**-**	**-**	**-**

Aggregate of traditional and synthetic securitisations **Underlying asset**	**ANZ Originated $M**	**ANZ Self Securitised $M**	**ANZ Sponsored $M**
Residential mortgage	970	68,635	-
Credit cards and other personal loans	-	-	-
Auto and equipment finance	-	-	-
Commercial loans	-	-	-
Other	-	-	-
Total	**970**	**68,635**	**-**

Table 12(h): Banking Book: Impaired and Past due loans relating to ANZ originated securitisations

	Mar 24			
Underlying asset	**ANZ originated $M**	**ANZ Self Securitised $M**	**Non performing $M**	**Losses recognised for the six month ended $M**
Residential mortgage	777	68,986	24	-
Credit cards and other personal loans	-	-	-	-
Auto and equipment finance	-	-	-	-
Commercial loans	-	-	-	-
Other	-	-	-	-
Total	**777**	**68,986**	**24**	**-**

	Sep 23			
Underlying asset	**ANZ originated $M**	**ANZ Self Securitised $M**	**Non Performing $M**	**Losses recognised for the six month ended $M**
Residential mortgage	865	68,901	21	-
Credit cards and other personal loans	-	-	-	-
Auto and equipment finance	-	-	-	-
Commercial loans	-	-	-	-
Other	-	-	-	-
Total	**865**	**68,901**	**21**	-

	Mar 23			
Underlying asset	**ANZ originated $M**	**ANZ Self Securitised $M**	**Non-Performing $M**	**Losses recognised for the six month ended $M**
Residential mortgage	970	68,635	12	-
Credit cards and other personal loans	-	-	-	-
Auto and equipment finance	-	-	-	-
Commercial loans	-	-	-	-
Other	-	-	-	-
Total	**970**	**68,635**	**12**	-

Table 12(i): Banking Book: Total amount of outstanding exposures intended to be securitised

No assets from ANZ's Banking Book were intended to be securitised as at the reporting date.

Table 12(j): Banking Book: Securitisation - Summary of current period's activity by underlying asset type and facility [28]

	Mar 24			
	Original value securitised			
Securitisation activity by underlying asset type	**ANZ Originated $M**	**ANZ Self Securitised $M**	**ANZ Sponsored $M**	**Recognised gain or loss on sale $M**
Residential mortgage	(89)	85	-	-
Credit cards and other personal loans	-	-	-	-
Auto and equipment finance	-	-	-	-
Commercial loans	-	-	-	-
Other	-	-	-	-
Total	**(89)**	**85**	**-**	**-**

Securitisation activity by facility provided	**Notional amount $M**
Liquidity facilities	-
Funding facilities	940
Underwriting facilities	-
Lending facilities	-
Credit enhancements	-
Holdings of securities (excluding trading book)	(210)
Other	15
Total	**745**

	Sep 23			
	Original value securitised			
Securitisation activity by underlying asset type	**ANZ Originated $M**	**ANZ Self Securitised $M**	**ANZ Sponsored $M**	**Recognised gain or loss on sale $M**
Residential mortgage	(105)	266	-	-
Credit cards and other personal loans	-	-	-	-
Auto and equipment finance	-	-	-	-
Commercial loans	-	-	-	-
Other	-	-	-	-
Total	**(105)**	**266**	**-**	**-**

Securitisation activity by facility provided	**Notional amount $M**
Liquidity facilities	-
Funding facilities	1,000
Underwriting facilities	-
Lending facilities	-
Credit enhancements	-
Holdings of securities (excluding trading book)	(629)
Other	1
Total	**372**

[28] Activity represents net movement in outstandings.

Table 12(j): Banking Book: Securitisation - Summary of current period's activity by underlying asset type and facility (continued)

	Mar 23			
	Original value securitised			
Securitisation activity by underlying asset type	**ANZ Originated $M**	**ANZ Self Securitised $M**	**ANZ Sponsored $M**	**Recognised gain or loss on sale $M**
Residential mortgage	(124)	44	-	-
Credit cards and other personal loans	-	-	-	-
Auto and equipment finance	-	-	-	-
Commercial loans	-	-	-	-
Other	-	-	-	-
Total	**(124)**	**44**	**-**	**-**

Securitisation activity by facility provided	**Notional amount $M**
Liquidity facilities	-
Funding facilities	74
Underwriting facilities	-
Lending facilities	-
Credit enhancements	-
Holdings of securities (excluding trading book)	(654)
Other	1
Total	**(579)**

Table 12(k): Banking Book: Securitisation - Regulatory credit exposures by exposure type

Securitisation exposure type - On balance sheet	Mar 24 $M	Sep 23 $M	Mar 23 $M
Liquidity facilities	-	-	-
Funding facilities	9,558	9,886	8,976
Underwriting facilities	-	-	-
Lending facilities	-	-	-
Credit enhancements	-	-	-
Holdings of securities (excluding trading book)	1,859	2,070	2,698
Protection provided	-	-	-
Other	157	92	116
Total	**11,574**	**12,048**	**11,790**

Securitisation exposure type - Off Balance Sheet	Mar 24 $M	Sep 23 $M	Mar 23 $M
Liquidity facilities	8	10	11
Funding facilities	4,095	3,191	2,191
Underwriting facilities	-	-	-
Lending facilities	-	-	-
Credit enhancements	-	-	-
Holdings of securities (excluding trading book)	-	-	-
Protection provided	-	-	-
Other	-	-	-
Total	**4,103**	**3,201**	**2,202**

Total Securitisation exposure type	Mar 24 $M	Sep 23 $M	Mar 23 $M
Liquidity facilities	8	10	11
Funding facilities	13,653	13,077	11,167
Underwriting facilities	-	-	-
Lending facilities	-	-	-
Credit enhancements	-	-	-
Holdings of securities (excluding trading book)	1,859	2,070	2,698
Protection provided	-	-	-
Other	157	92	116
Total	**15,677**	**15,249**	**13,992**

Table 12(l) part (i): Banking Book: Securitisation - Regulatory credit exposures by risk weight band

	Mar 24		Sep 23		Mar 23	
Securitisation risk weights	**Regulatory credit exposure $M**	**Risk weighted assets $M**	**Regulatory credit exposure $M**	**Risk weighted assets $M**	**Regulatory credit exposure $M**	**Risk weighted assets $M**
≤ 25%	15,665	2,473	15,249	2,406	13,992	2,229
>25 ≤ 35%	-	-	-	-	-	-
>35 ≤ 50%	-	-	-	-	-	-
>50 ≤ 75%	12	8	-	-	-	-
>75 ≤ 100%	-	-	-	-	-	-
>100 ≤ 650%	-	-	-	-	-	-
1250% (Deduction)	-	-	-	-	-	-
Total	**15,677**	**2,481**	**15,249**	**2,406**	**13,992**	**2,229**

	Mar 24		Sep 23		Mar 23	
Resecuritisation risk weights	**Regulatory credit exposure $M**	**Risk weighted assets $M**	**Regulatory credit exposure $M**	**Risk weighted assets $M**	**Regulatory credit exposure $M**	**Risk weighted assets $M**
≤ 25%	-	-	-	-	-	-
>25 ≤ 35%	-	-	-	-	-	-
>35 ≤ 50%	-	-	-	-	-	-
>50 ≤ 75%	-	-	-	-	-	-
>75 ≤ 100%	-	-	-	-	-	-
>100 ≤ 650%	-	-	-	-	-	-
1250% (Deduction)	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

	Mar 24		Sep 23		Mar 23	
Total Securitisation risk weights	**Regulatory credit exposure $M**	**Risk weighted assets $M**	**Regulatory credit exposure $M**	**Risk weighted assets $M**	**Regulatory credit exposure $M**	**Risk weighted assets $M**
≤ 25%	15,665	2,473	15,249	2,406	13,992	2,229
>25 ≤ 35%	-	-	-	-	-	-
>35 ≤ 50%	-	-	-	-	-	-
>50 ≤ 75%	12	8	-	-	-	-
>75 ≤ 100%	-	-	-	-	-	-
>100 ≤ 650%	-	-	-	-	-	-
1250% (Deduction)	-	-	-	-	-	-
Total	**15,677**	**2,481**	**15,249**	**2,406**	**13,992**	**2,229**

Table 12(l) part (ii): Banking Book: Securitisation - Aggregate securitisation exposures deducted from Capital

No longer required under Basel III; defaulted exposures are given a risk weight of 1250% and no longer deducted from Capital.

Table 12(m): Banking Book: Securitisations subject to early amortisation treatment

ANZ does not have any Securitisations subject to early amortisation treatment or using Standardised approach.

Table 12(n): Banking Book: Resecuritisation - Aggregate amount of resecuritisation exposures retained or purchased

ANZ does not have any retained or purchased Resecuritisation exposures.

Trading Book

Table 12(o): Trading Book: Traditional and synthetic securitisation exposures

No assets from ANZ's Trading Book were securitised during the reporting period.

Table 12(p): Trading Book: Total amount of outstanding exposures intended to be securitised

No assets from ANZ's Trading Book were intended to be securitised as at the reporting date.

Table 12(q): Trading Book: Securitisation - Summary of current year's activity by underlying asset type and facility

No assets from ANZ's Trading Book were securitised during the reporting period.

Table 12(r): Trading Book: Traditional and synthetic securitisation exposures

No assets from ANZ's Trading Book were securitised during the reporting period.

Table 12(s): Trading Book: Securitisation – Regulatory credit exposures by exposure type

ANZ does not have any Regulatory credit exposures by exposure type.

Table 12(t)(i) & Table 12(u)(i): Trading Book: Aggregate securitisation exposures subject to Internal Models Approach (IMA) and the associated Capital requirements

ANZ does not have any Securitisation exposures subject to Internal Models Approach.

Table 12(t)(ii) & Table 12(u)(ii): Trading Book: Aggregate securitisation exposures subject to APS 120 and the associated Capital requirements

ANZ does not have any aggregate Securitisation exposures subject to APS120 and the associated Capital requirements.

Table 12(u)(iii): Trading Book: Securitisation - Aggregate securitisation exposures deducted from Capital

ANZ does not have any Securitisation exposures deducted from Capital.

Table 12(v): Trading Book: Securitisations subject to early amortisation treatment

ANZ does not have any Securitisation exposures subject to early amortisation or using Standardised approach.

Table 12(w): Trading Book: Resecuritisation - Aggregate amount of resecuritisation exposures retained or purchased

ANZ does not have any retained or purchased Resecuritisation exposures.

Chapter 5 – Market risk

Table 13 Market risk – Standard approach

ANZ uses the standard model approach to measure market risk capital for specific risk[29] (APRA does not currently permit Australian banks to use an internal model approach for this).

Table 13(b): Market risk – Standard approach [30]

	Mar 24 $M	Sep 23 $M	Mar 23 $M
Interest rate risk	156	114	132
Equity position risk	-	-	-
Foreign exchange risk	-	-	-
Commodity risk	-		-
Total	**156**	**114**	**132**
Risk Weighted Assets equivalent	**1,950**	**1,425**	**1,650**

[29] Specific risk is the risk that the value of a security will change due to issuer-specific factors. It applies to interest rate and equity positions related to a specific issuer.

[30] RWA equivalent is the capital requirement multiplied by 12.5 in accordance with APS 110.

Table 14 Market risk – Internal models approach

Table 14(f): Value at Risk (VaR) and stressed VaR over the reporting period [31]

	Six months ended Mar 24			
99% 1 Day Value at Risk (VaR)	Mean $M	Maximum $M	Minimum $M	Period end $M
Foreign Exchange	4.4	8.2	2.2	4.2
Interest Rate	9.6	18.9	5.9	14.6
Credit	6.7	8.1	4.2	7.7
Commodity	3.2	5.0	2.3	3.0
Equity	-	-	-	-

	Six months ended Sep 23			
99% 1 Day Value at Risk (VaR)	Mean $M	Maximum $M	Minimum $M	Period end $M
Foreign Exchange	3.3	6.2	2.1	2.8
Interest Rate	8.5	15.3	5.0	6.6
Credit	5.0	7.7	3.2	5.9
Commodity	2.9	4.9	1.8	4.0
Equity	-	-	-	-

	Six months ended Mar 23			
99% 1 Day Value at Risk (VaR)	Mean $M	Maximum $M	Minimum $M	Period end $M
Foreign Exchange	2.6	3.9	1.6	3.9
Interest Rate	8.4	17.6	5.3	5.8
Credit	4.1	5.9	2.5	3.9
Commodity	3.1	6.6	2.0	2.6
Equity	-	-	-	-

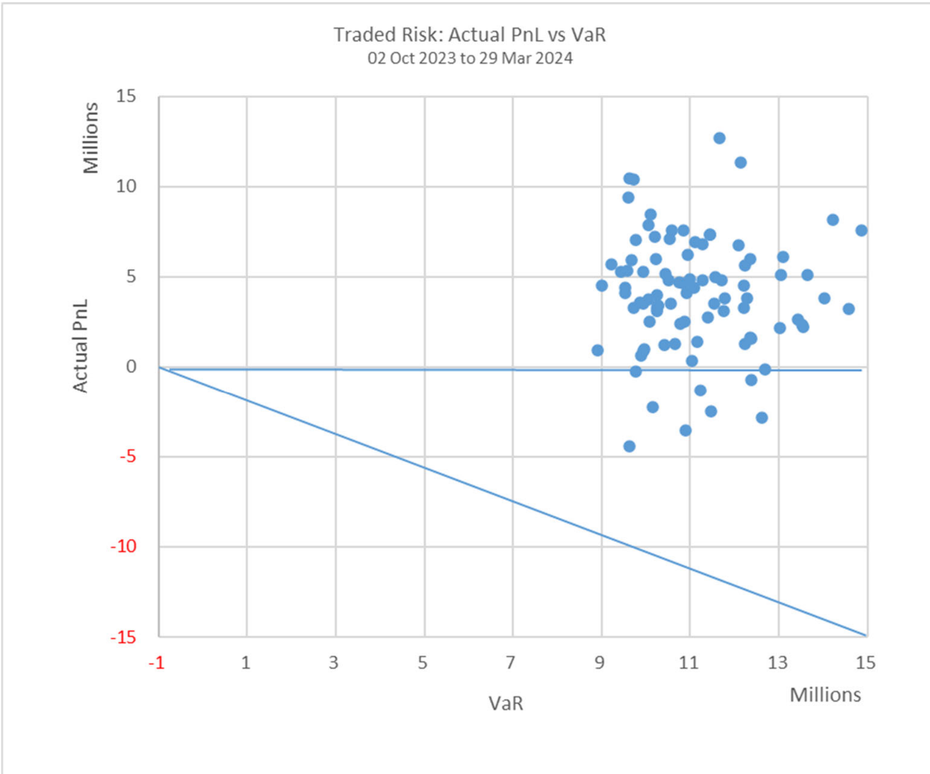
	Six months ended Mar 24			
99% 10 Day Stressed VaR	Mean $M	Maximum $M	Minimum $M	Period end $M
Foreign Exchange	34.1	76.7	12.9	44.9
Interest Rate	71.0	120.9	39.9	62.2
Credit	35.4	46.3	27.6	37.8
Commodity	35.5	56.8	14.9	20.0
Equity	-	-	-	-

	Six months ended Sep 23			
99% 10 Day Stressed VaR	Mean $M	Maximum $M	Minimum $M	Period end $M
Foreign Exchange	27.3	77.4	9.7	15.1
Interest Rate	82.1	157.8	36.7	38.8
Credit	28.8	37.8	19.4	32.2
Commodity	23.9	37.0	11.8	37.0
Equity	-	-	-	-

	Six months ended Mar 23			
99% 10 Day Stressed VaR	Mean $M	Maximum $M	Minimum $M	Period end $M
Foreign Exchange	44.6	82.3	21.2	57.0
Interest Rate	86.4	125.6	59.0	103.8
Credit	26.3	39.5	14.3	21.1
Commodity	27.4	41.6	20.7	22.3
Equity	-	-	-	-

[31] The Foreign exchange VaR excludes foreign exchange translation exposures outside of the trading book.

Comparison of VaR estimates with actual gains/losses experienced



Chapter 6 – Equities

Table 16 Equities – Disclosures for banking book positions

Table 16(b) and 16(c): Equities – Types and nature of Banking Book investments

Equity investments		Mar 24 $M
	Balance sheet value	Fair value
Value of listed (publicly traded) equities	2,496	2,132
Value of unlisted (privately held) equities	113	113
Total	**2,609**	**2,245**

Equity investments		Sep 23 $M
	Balance sheet value	Fair value
Value of listed (publicly traded) equities	3,179	2,900
Value of unlisted (privately held) equities	98	98
Total	**3,277**	**2,998**

Equity investments		Mar 23 $M
	Balance sheet value	Fair value
Value of listed (publicly traded) equities	3,122	3,146
Value of unlisted (privately held) equities	97	97
Total	**3,219**	**3,243**

Table 16(d) and 16(e): Equities – gains (losses)[32]

Realised gains (losses) on equity investments	Half Year Mar-24 $M	Half Year Sep-23 $M	Half Year Mar 23 $M
Cumulative realised gains (losses) from disposals and liquidations in the reporting period	(14)	(3)	-
Cumulative realised losses from impairment and write-downs in the reporting period	-	-	-
	(14)	**(3)**	**-**

Unrealised gains (losses) on equity investments	Half Year Mar-24	Half Year Sep-23	Half Year Mar-23
Total unrealised gains (losses)	12	(44)	9
Reversal of prior period unrealised gains (losses) from disposals and liquidations in the reporting period	-	-	-
Total unrealised gains (losses) included in Common Equity Tier 1, Tier 1 and/or Tier 2 capital	**12**	**(44)**	9

Table 16(f): Equities Risk Weighted Assets

From 1 January 2013 all banking book equity exposures are deducted from Common Equity Tier 1 capital.

[32] Table 16(d) and Table 16 (e) are reported on an after-tax basis

Chapter 7 – Interest Rate Risk in the Banking Book

Table 17(b): Interest Rate Risk in the Banking Book

	Change in Economic Value		
Standard Shock Scenario Stress Testing:	**Mar 24**	**Sep 23**	**Mar 23**
Interest rate shock applied	**$M**	**$M**	**$M**
AUD			
200 basis point parallel increase	(344)	(478)	(460)
200 basis point parallel decrease	317	473	452
NZD			
200 basis point parallel increase	(100)	(118)	(37)
200 basis point parallel decrease	87	105	15
USD			
200 basis point parallel increase	(19)	13	16
200 basis point parallel decrease	17	(17)	(21)
Other			
200 basis point parallel increase	(81)	(54)	(77)
200 basis point parallel decrease	86	62	92
IRRBB regulatory capital	**2,096**	**2,536**	**2,551**
IRRBB regulatory RWA	**26,200**	**31,703**	**31,887**

IRRBB stress testing methodology

Stress tests within ANZ include standard and extraordinary tests. These tests are used to highlight potential risk which may not be captured by VaR, and how the portfolio might behave under extraordinary circumstances. Standard stress tests include statistically derived scenarios based on historical yield curve movements. These combine parallel shocks with twists and bends in the curve to produce a wide range of hypothetical scenarios at high statistical confidence levels, with the single worst scenario identified and reported. Extraordinary stress tests include interest rate moves from historical periods of stress and potential future scenarios, including behavioural characteristics as well as stresses to assumptions made about the repricing term of exposures. The rate move scenarios include changes over the stressed periods and the worst theoretical losses over the selected period are reported. Stresses of the repricing term assumptions investigate scenarios where actual repricing terms are significantly different to those modelled.

Chapter 8 – Leverage and Liquidity Coverage Ratio

Leverage Ratio

The Leverage Ratio requirements are part of the Basel Committee on Banking Supervision (BCBS) Basel III capital framework. It is a simple, non-risk based supplement or backstop to the current risk based capital requirements and is intended to restrict the build-up of excessive leverage in the banking system.

Consistent with the BCBS definition, APRA's Leverage Ratio compares Tier 1 Capital to the Exposure Measure (expressed as a percentage) as defined by APS 110: Capital Adequacy. APRA requires ADIs authorised to use the internal ratings based approach to credit risk to maintain a minimum leverage ratio of 3.5% from January 2023.

At 31 March 2024, the Group's Leverage Ratio of 5.4% was above the 3.5% minimum requirement. Table 18 below shows the Group's Leverage Ratio calculation as at 31 March 2024 and Table 19 summarises the reconciliation of accounting assets and leverage ratio exposure measure at 31 March 2024.

Table 18 Leverage Ratio

		Mar 24 $M	Sep 23 $M	Mar 23 $M
	On-balance sheet exposures			
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	996,723	996,947	1,025,480
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(11,848)	(12,284)	(11,965)
3	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**984,875**	**984,663**	**1,013,515**
	Derivative exposures			
4	Replacement cost associated with all derivatives transactions (ie net of eligible cash variation margin)	19,038	19,984	13,959
5	Add-on amounts for PFE associated with all derivatives transactions	38,257	31,992	33,127
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	6,657	4,683	2,777
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(5,553)	(6,253)	(5,370)
8	(Exempted CCP leg of client-cleared trade exposures)	-	-	-
9	Adjusted effective notional amount of written credit derivatives	11,322	9,740	10,154
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(10,364)	(9,138)	(10,035)
11	**Total derivative exposures**	**59,357**	**51,008**	**44,612**
	Securities financing transaction exposures			
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	58,424	47,840	39,647
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(2,666)	(2,159)	(2,495)
14	CCR exposure for SFT assets	3,237	5,066	6,604
15	Agent transaction exposures	-	-	-
16	**Total securities financing transaction exposures**	**58,995**	**50,747**	**43,756**
	Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	284,606	297,020	297,629
18	(Adjustments for conversion to credit equivalent amounts)	(159,712)	(158,719)	(156,630)
19	Off-balance sheet items	**124,894**	**138,301**	**140,999**
	Capital and Total Exposures			
20	**Tier 1 capital**	**66,709**	**66,026**	**65,564**
21	**Total exposures**	**1,228,121**	**1,224,719**	**1,242,882**
	Leverage ratio			
22	**Basel III leverage ratio**	**5.4%**	**5.4%**	**5.3%**

Table 19 Summary comparison of accounting assets vs. leverage ratio exposure measure

		Mar 24 $M	Sep 23 $M	Mar 23 $M
1	Total consolidated assets as per published financial statements	1,090,138	1,106,041	1,111,605
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation.	(630)	(848)	(864)
3	Adjustment for assets held on the balance sheet in a fiduciary capacity pursuant to the Australian Accounting Standards but excluded from the leverage ratio exposure measure	-	-	-
4	Adjustments for derivative financial instruments.	11,876	(9,398)	(1,002)
5	Adjustment for SFTs (i.e. repos and similar secured lending)	13,691	2,907	4,109
6	Adjustment for off-balance sheet exposures (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	124,894	138,301	140,999
7	Other adjustments	(11,848)	(12,284)	(11,965)
	Leverage ratio exposure	**1,228,121**	**1,224,719**	**1,242,882**

Table 20 Liquidity Coverage Ratio disclosure template

		Mar 24		Dec 23	
		Total Unweighted Value $M	Total Weighted Value $M	Total Unweighted Value $M	Total Weighted Value $M
	Liquid assets, of which:				
1	High-quality liquid assets (HQLA)		283,202		276,438
2	Alternative liquid assets (ALA)		-		-
3	Reserve Bank of New Zealand (RBNZ) securities		2,252		1,549
	Cash outflows				
4	Retail deposits and deposits from small business customers	267,776	26,304	267,462	26,214
5	of which: stable deposits	118,921	5,946	119,012	5,951
6	of which: less stable deposits	148,855	20,358	148,450	20,263
7	Unsecured wholesale funding	291,524	157,930	295,062	161,517
8	of which: operational deposits (all counterparties) and deposits in networks for cooperative banks	94,975	22,936	94,533	22,808
9	of which: non-operational deposits (all counterparties)	181,844	120,289	186,996	125,176
10	of which: unsecured debt	14,705	14,705	13,533	13,533
11	Secured wholesale funding		1,222		1,585
12	Additional requirements	184,879	64,684	192,408	69,052
13	of which: outflows related to derivatives exposures and other collateral requirements	41,058	41,058	44,394	44,394
14	of which: outflows related to loss of funding on debt products	-	-	-	-
15	of which: credit and liquidity facilities	143,821	23,626	148,014	24,658
16	Other contractual funding obligations	7,801	-	8,180	-
17	Other contingent funding obligations	122,236	8,413	125,419	8,614
18	Total cash outflows		258,553		266,982
	Cash inflows				
19	Secured lending (e.g. reverse repos)	34,477	1,276	28,595	1,157
20	Inflows from fully performing exposures	26,937	19,136	27,485	19,305
21	Other cash inflows	30,533	30,533	32,418	32,418
22	Total cash inflows	91,947	50,945	88,498	52,880
23	Total liquid assets		285,454		277,987
24	Total net cash outflows		207,608		214,102
25	Liquidity Coverage Ratio (%)		137.5%		129.8%
	Number of data points used (simple average)		64		65

Liquidity Risk Overview, Management and Control Responsibilities

Liquidity risk is the risk that the Group is either:

- unable to meet its payment obligations (including repaying depositors or maturing wholesale debt) when they fall due; or
- does not have the appropriate amount, tenor and composition of funding and liquidity to fund increases in its assets.

Management of liquidity and funding risks are overseen by the Group Asset and Liability Committee (GALCO). The Group's liquidity and funding risks are governed by a set of principles approved by the Board Risk Committee (BRC) and include:

- maintaining the ability to meet all payment obligations in the immediate term;
- ensuring that the Group has the ability to meet 'survival horizons' under a range of ANZ specific, and general market, liquidity stress scenarios, at a country and Group-wide level, to meet cash flow obligations over the short to medium term;
- maintaining strength in the Group's balance sheet structure to ensure long term resilience in the liquidity and funding risk profile;
- ensuring the liquidity management framework is compatible with local regulatory requirements;
- preparing daily liquidity reports and scenario analysis to quantify the Group's positions;
- targeting a diversified funding base to avoid undue concentrations by investor type, maturity, market source and currency;
- holding a portfolio of high quality liquid assets to protect against adverse funding conditions and to support day-to-day operations; and
- establishing detailed contingency plans to cover different liquidity crisis events.

Key Areas of Measurement for Liquidity Risk

Scenario modelling of funding sources

Group's liquidity risk appetite is defined by a range of regulatory and internal liquidity metrics mandated by the ANZBGL Board. The metrics cover a range of scenarios of varying duration and level of severity.

The objective of this framework is to:

- Provide protection against shorter term extreme market dislocation and stress.
- Maintain structural strength in the balance sheet by ensuring that an appropriate amount of longer-term assets are funded with longer-term funding.
- Ensure that no undue timing concentrations exist in the Group's funding profile.

Key components of this framework are the Liquidity Coverage Ratio (LCR), which is a severe short term liquidity stress scenario and Net Stable Funding Ratio (NSFR) a longer term structural liquidity measure, both of which are mandated by banking regulators including APRA.

Liquid assets

Group holds a portfolio of high quality (unencumbered) liquid assets to protect Group's liquidity position in a severely stressed environment and to meet regulatory requirements. High quality liquid assets comprise three categories consistent with Basel III LCR requirements:

- Highest-quality liquid assets (HQLA1) - cash and highest credit quality government, central bank or public sector securities eligible for repurchase with central banks to provide same-day liquidity.
- High-quality liquid assets (HQLA2) - high credit quality government, central bank or public sector securities, high quality corporate debt securities and high quality covered bonds eligible for repurchase with central banks to provide same-day liquidity.
- Alternative liquid assets (ALA) - eligible securities that the RBNZ will accept in its domestic market operations.

Group monitors and manages the size and composition of its liquid assets portfolio on an ongoing basis in line with regulatory requirements and the risk appetite set by the ANZBGL Board.

Liquidity crisis contingency planning

ANZBGL Group maintains APRA-endorsed liquidity crisis contingency plans for analysing and responding to a liquidity threatening event at a country and ANZBGL Group-wide level. Key liquidity contingency crisis planning requirements and guidelines include:

Ongoing business management	Early signs/ mild stress	Severe stress
• establish crisis/severity levels • liquidity limits • early warning indicators	• monitoring and review • Management actions not requiring business rationalisation	• activate contingency funding plans • management actions for altering asset and liability behaviour
Assigned responsibility for internal and external communications and the appropriate timing to communicate.		

Since the precise nature of any stress event cannot be known in advance, we design the plans to be flexible to the nature and severity of the stress event with multiple variables able to be accommodated in any plan.

Group funding
Group monitors the composition and stability of its funding so that it remains within the Group's funding risk appetite. This approach ensures that an appropriate proportion of the Group's assets are funded by stable funding sources, including customer deposits; longer-dated wholesale funding (with a remaining term exceeding one year); and equity.

Funding plans prepared	Considerations in preparing funding plans
• 3 year strategic plan prepared annually • annual funding plan as part of the ANZBGL Group's planning process • forecasting in light of actual results as a calibration to the annual plan	• customer balance sheet growth • changes in wholesale funding including: targeted funding volumes; markets; investors; tenors; and currencies for senior, secured, subordinated, hybrid transactions and market conditions

Liquidity Coverage Ratio (LCR)

ANZBGL Group's average LCR for the 3 months to 31 March 2024 was 137.5% (31 December 2023: 129.8%) with total liquid assets exceeding net cash outflows by an average of $77.8 billion. Through the period the LCR has remained within the range 130% to 147%. The liquid asset portfolio was made up of on average 55% ($154.6 billion) cash and central bank reserves and 41% ($116.5 billion) HQLA1 securities with the remaining mainly consisting of HQLA2 securities.

As per APRA requirements, liquid assets beyond the regulatory minimum are not included in the consolidated Group position where they are deemed non-transferable between geographies, in particular this applies to liquid assets held in New Zealand.

The main contributors to net cash outflows were modelled outflows associated with the bank's corporate and retail deposit portfolios, offset by inflows from maturing loans. While cash outflows associated with derivatives are material, these are effectively offset by derivative cash inflows. Modelled outflows are also included for market valuation changes of derivatives based on the past 24 months largest 30-day movements in collateral balances.

The Group has a well-diversified deposit and funding base avoiding undue concentrations by investor type, maturity, market source and currency. ANZBGL Group monitors and manages its liquidity risk on a daily basis including LCR by geography and currency. The Group's liquidity risk framework ensures ongoing monitoring of foreign currency LCR (including derivative flows) and sets limits at the Group level to ensure mismatches are managed effectively.
The Group's liquidity and funding management includes monitoring of liquidity across the Group, specifically for:

- Individual countries, including any local regulatory requirements.
- Consolidated ANZBGL Group Level 1 and 2 LCR
- AUD only LCR for Australia as well as Group Level

Other contingent funding obligations include outflows for revocable credit and liquidity facilities, trade finance related obligations, buybacks of domestic Australian debt securities and other contractual outflows such as interest payments.

Table 21 NSFR disclosure template

		Mar 24				
		Unweighted value by residual maturity				
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
	Available Stable Funding (ASF) Item	$M	$M	$M	$M	$M
1	Capital	69,554	-	-	33,173	102,727
2	of which: regulatory capital	69,554	-	-	33,173	102,727
3	of which: other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers	243,073	92,679	-	-	308,942
5	of which: stable deposits	116,548	18,762	-	-	128,544
6	of which: less stable deposits	126,525	73,917	-	-	180,398
7	Wholesale funding	169,240	284,316	51,969	75,249	224,985
8	of which: operational deposits	92,387	-	-	-	46,193
9	of which: other wholesale funding	76,853	284,316	51,969	75,249	178,792
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities	14,130	10,125	356	3,607	3,785
12	of which: NSFR derivative liabilities		10,125	-	-	
13	of which: All other liabilities and equity not included in the above categories	14,130	-	356	3,607	3,785
14	**Total ASF**					**640,439**
Required Stable Funding (RSF) Item						
15a	Total NSFR (HQLA)					10,010
15b	ALA					809
15c	RBNZ securities					898
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17	Performing loans and securities	12,347	120,159	44,326	555,451	485,366
18	of which: Performing loans to financial institutions secured by Level 1 HQLA	-	38,846	-	-	3,885
19	of which: Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	976	28,388	8,834	41,637	51,288
20	of which: Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and public sector entities (PSEs)	11,258	47,379	29,792	130,215	155,407
21	of which: With a risk weight of less than or equal to 35% under APS 112	-	410	404	17,150	11,555
22	of which: Performing residential mortgages	-	4,652	4,707	377,070	268,197
23	of which: Standard loans to individuals with an LVR of 80% or below	-	3,801	3,844	304,789	205,901
24	of which: Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	113	894	993	6,529	6,589
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	Other assets:	24,330	35,866	984	4,481	36,605
27	of which: Physical traded commodities, including gold	2,917				2,480
28	of which: Assets posted as initial margin for derivative contracts and contributions to default funds of central counterparties (CCPs)		4,235	-	-	3,600
29	of which: NSFR derivative assets		13,687	-	-	3,562
30	of which: NSFR derivative liabilities before deduction of variation margin posted		17,519	-	-	3,504
31	of which: All other assets not included in the above categories	21,413	425	984	4,481	23,459
32	Off-balance sheet items		-	-	204,339	8,784
33	**Total RSF**					**542,472**
34	**Net Stable Funding Ratio (%)**					**118.1%**

ANZ's NSFR as at 31 March 2024 was 118.1% (31 December 2023: 115.4%).

The main sources of Available Stable Funding (ASF) at March 2024 were deposits from Retail and SME customers, at 48%, with other wholesale funding at 28% and capital at 16% of the total ASF.

The majority of ANZ's Required Stable Funding (RSF) at March 2024 was driven by mortgages at 49% and other lending to non-FI customers at 29% of the total RSF.

Table 21 NSFR disclosure template (continued)

	Available Stable Funding (ASF) Item	Dec 23 Unweighted value by residual maturity No maturity $M	< 6 months $M	6 months to < 1yr $M	≥ 1yr $M	Weighted value $M
1	Capital	67,342	-	-	28,680	96,021
2	of which: regulatory capital	67,342	-	-	28,680	96,021
3	of which: other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers	243,841	91,379	-	-	308,469
5	of which: stable deposits	116,968	18,435	-	-	128,634
6	of which: less stable deposits	126,873	72,944	-	-	179,835
7	Wholesale funding	162,862	338,367	56,425	67,402	219,298
8	of which: operational deposits	93,463	-	-	-	46,732
9	of which: other wholesale funding	69,399	338,367	56,425	67,402	172,566
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities	13,202	12,596	348	3,872	4,046
12	NSFR derivative liabilities		12,596	-	-	
13	All other liabilities and equity not included in the above categories	13,202	-	348	3,872	4,046
14	**Total ASF**					**627,834**
	Required Stable Funding (RSF) Item					
15(a)	Total NSFR (HQLA)					9,787
15(b)	ALA					809
15(c)	RBNZ securities					969
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17	Performing loans and securities	13,789	131,277	46,145	553,653	488,628
18	of which: Performing loans to financial institutions secured by Level 1 HQLA	-	51,269	-	-	5,127
19	of which: Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	797	27,644	10,818	40,711	51,064
20	of which: Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and public sector entities (PSEs)	11,136	46,693	30,074	133,536	157,894
21	of which: With a risk weight of less than or equal to 35% under APS 112	-	423	441	17,308	11,682
22	of which: Performing residential mortgages	-	4,720	4,777	372,830	266,662
23	of which: Standard loans to individuals with an LVR of 80% or below	-	3,851	3,900	300,438	204,256
24	of which: Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	1,856	951	476	6,576	7,881
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	Other assets:	25,229	40,327	1,157	2,249	35,278
27	of which: Physical traded commodities, including gold	4,189				3,561
28	of which: Assets posted as initial margin for derivative contracts and contributions to default funds of central counterparties (CCPs)		5,008	-	-	4,257
29	of which: NSFR derivative assets		10,938	-	-	-
30	of which: NSFR derivative liabilities before deduction of variation margin posted		22,371	-	-	4,474
31	of which: All other assets not included in the above categories	21,040	2,008	1,157	2,249	22,986
32	Off-balance sheet items		-	-	201,770	8,692
33	**Total RSF**					**544,163**
34	**Net Stable Funding Ratio (%)**					**115.4%**

Glossary

ADI	Authorised Deposit-taking Institution.
Basel III Credit Valuation adjustment (CVA) capital charge	CVA charge is an additional capital requirement under Basel III for bilateral derivative exposures. Derivatives not cleared through a central exchange/counterparty are subject to this additional capital charge and also receive normal CRWA treatment under Basel II principles.
Collectively Assessed Provision for Credit Impairment	Collectively assessed provisions for credit impairment represent the Expected Credit Loss (ECL) calculated in accordance with AASB 9 Financial Instruments (AASB 9). These incorporate forward looking information and do not require an actual loss event to have occurred for an impairment provision to be recognised.
Credit exposure	The aggregate of all claims, commitments and contingent liabilities arising from on- and off-balance sheet transactions (in the banking book and trading book) with the counterparty or group of related counterparties.
Credit risk	The risk of financial loss resulting from a counterparty failing to fulfil its obligations, or from a decrease in credit quality of a counterparty resulting in a loss in value.
Credit Valuation Adjustment (CVA)	Over the life of a derivative instrument, ANZ uses a CVA model to adjust fair value to take into account the impact of counterparty credit quality. The methodology calculates the present value of expected losses over the life of the financial instrument as a function of probability of default, loss given default, expected credit risk exposure and an asset correlation factor. Impaired derivatives are also subject to a CVA.
Days past due	The number of days a credit obligation is overdue, commencing on the date that the arrears or excess occurs and accruing for each completed calendar day thereafter.
Exposure at Default (EAD)	Exposure At Default is defined as the expected facility exposure at the date of default.
Impaired assets (IA)	Facilities are classified as impaired when there is doubt as to whether the contractual amounts due, including interest and other payments, will be met in a timely manner. Impaired assets include impaired facilities, and impaired derivatives. Impaired derivatives have a credit valuation adjustment (CVA), which is a market assessment of the credit risk of the relevant counterparties.
Impaired loans (IL)	Impaired loans comprise of drawn facilities where the customer's status is defined as impaired.
Individual provision charge (IPC)	Individual provision charge is the amount of expected credit losses on financial instruments assessed for impairment on an individual basis (as opposed to on a collective basis). It takes into account expected cash flows over the lives of those financial instruments.
Individually Assessed Provisions for Credit Impairment	Individually assessed provisions for credit impairment are calculated in accordance with AASB 9 Financial Instruments (AASB 9). They are assessed on a case-by-case basis for all individually managed impaired assets taking into consideration factors such as the realisable value of security (or other credit mitigants), the likely return available upon liquidation or bankruptcy, legal uncertainties, estimated costs involved in recovery, the market price of the exposure in secondary markets and the amount and timing of expected receipts and recoveries.

Internationally Comparable Basel III Capital Ratio	The Internationally Comparable Basel III CET1 ratios are ANZ's interpretation of the regulations documented in the Basel Committee publications; "Basel 3: A global regulatory framework for more resilient banks and banking systems" (June 2011) and "International Convergence of Capital Measurement and Capital Standards" (June 2006). They also include differences identified in APRA's information paper entitled International Capital Comparison Study (13 July 2015).
Market risk	The risk to ANZ's earnings arising from changes in interest rates, foreign exchange rates, credit spreads, volatility, correlations or from fluctuations in bond, commodity or equity prices. ANZ has grouped market risk into two broad categories to facilitate the measurement, reporting and control of market risk: Traded market risk - the risk of loss from changes in the value of financial instruments due to movements in price factors for both physical and derivative trading positions. Trading positions arise from transactions where ANZ acts as principal with customers, financial exchanges or inter-bank counterparties. Non-traded market risk (or balance sheet risk) - comprises interest rate risk in the banking book and the risk to the AUD denominated value of ANZ's capital and earnings due to foreign exchange rate movements.
Operational risk	The risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events including legal risk but excluding reputation risk.
Past due facilities	Facilities where a contractual payment has not been met or the customer is outside of contractual arrangements are deemed past due. Past due facilities include those operating in excess of approved arrangements or where scheduled repayments are outstanding but do not include impaired assets.
Qualifying Central Counterparties (QCCP)	QCCP is a central counterparty which is an entity that interposes itself between counterparties to derivative contracts. Trades with QCCP attract a more favorable risk weight calculation.
Recoveries	Payments received and taken to profit for the current period for the amounts written off in prior financial periods.
Restructured items	Restructured items comprise facilities in which the original contractual terms have been modified for reasons related to the financial difficulties of the customer. Restructuring may consist of reduction of interest, principal or other payments legally due, or an extension in maturity materially beyond those typically offered to new facilities with similar risk.
Risk Weighted Assets (RWA)	Assets (both on and off-balance sheet) are risk weighted according to each asset's inherent potential for default and what the likely losses would be in the case of default. In the case of non-asset backed risks (i.e., market and operational risk), RWA is determined by multiplying the capital requirements for those risks by 12.5.
Securitisation risk	The risk of credit related losses greater than expected due to a securitisation failing to operate as anticipated, or of the values and risks accepted or transferred, not emerging as expected.
Write-Offs	Facilities are written off against the related provision for impairment when they are assessed as partially or fully uncollectable, and after proceeds from the realisation of any collateral have been received. Where individual provisions recognised in previous periods have subsequently decreased or are no longer required, such impairment losses are reversed in the current period income statement.

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