

## Introduction

In accordance with Australian Prudential Standard APS 330, locally incorporated ADI's using the standardised approach under the Basel III regulatory regime such as Regional Australia Bank are required to disclose information about their Capital, Capital Instruments, Credit Risk exposure and Remuneration.

The frequency and timing of Regional Australia Bank's disclosures as required under the Prudential Standard APS 330 Public Disclosure are:

Table	Frequency of Disclosure
Table 1: Composition of Capital	Annual
Regulatory Capital reconciliation	Annual
Table 3: Capital Adequacy	Quarterly
Table 4: Credit Risk	Quarterly
Table 5: Securitisation	Quarterly
Table 22: Remuneration	Annual

## Capital Management

Regional Australia Bank maintains an actively managed capital base to cover risks inherent in its business. The adequacy of Regional Australia Bank's capital is monitored using, among other measures, the rules and ratios established by the Australian Prudential Regulation Authority.

Regional Australia Bank has complied in full with all its externally imposed capital requirements. The primary objectives of Regional Australia Bank's capital management are to ensure that the business complies with externally imposed capital requirements and that Regional Australia Bank maintains healthy capital ratios in order to support its activities.

For the purposes of Capital disclosures Regional Australia Bank is using the post 1 January 2018 common disclosure template because it is fully applying the Basel III regulatory adjustments as implemented by APRA.

<b>TABLE 3: Capital Adequacy</b>	<b>30 Jun 2022</b>	<b>31 Mar 2022</b>
	<b>000's</b>	<b>000's</b>
Capital requirements (in terms of risk weighted assets) for :		
Credit Risk *		
Residential Mortgages	821,210	813,804
Other Retail Loans	123,780	126,893
Corporate Loans	49,754	49,727
Funds Deposited with ADI's	115,039	86,335
Government	-	-
Fixed Assets	13,527	12,586
Other Assets	7,624	8,919
Off Balance Sheet	79,281	81,682
Total Credit Risk	1,210,214	1,179,947
Market risk	-	-
Operational risk	127,989	122,810
Total Assessed Risk	1,338,204	1,302,757
<b>Common Equity Tier 1</b>	<b>14.91%</b>	<b>14.98%</b>
<b>Tier 1</b>	<b>14.91%</b>	<b>14.98%</b>
<b>Total Capital</b>	<b>15.27%</b>	<b>15.36%</b>

**TABLE 4: Credit Risk December Quarter** **30 Jun 22**  
**000's** **Qtr Average**  
**000's**

Total Gross Credit Risk exposures, plus average gross exposure over the period, broken down by;

Cash and Investment Securities	774,495	764,779
Trade and other receivables	2,642	3,466
Loans and advances to members		
Personal Loans	46,851	48,638
Mortgage Loans	2,082,831	2,069,487
Commercial Loans	195,492	195,931
Revolving Credit	29,807	28,643
Other Financial Assets	2,475	2,514
Property, plant and equipment	7,675	7,751
Intangible assets	943	898
Right of use Asset	4,909	4,408
Deferred tax assets	2,811	2,925
	3,150,931	3,129,439

Claims secured by residential mortgage	2,191,284	2,178,058
Other retail	76,370	76,947
Corporate (excluding secured by residential mortgage)	92,437	92,667
	2,360,091	2,347,672

By portfolio:

	<b>Jun 22</b>				
	Impaired Facilities \$'000	Past Due \$'000	Specific Provision \$'000	Charges \$'000	Write Offs \$'000
Claims secured by residential mortgage	1,038	8,266	385	-	-
Other retail	1,849	2,887	-	-	432
Corporate	-	-	-	-	-
Bank	-	-	-	-	-
Government	-	-	-	-	-
All other	-	-	-	-	-
<b>Total</b>	<b>2,887</b>	<b>11,153</b>	<b>385</b>	-	<b>432</b>

General Reserve for Credit Losses 4,907

**TABLE 4: Credit Risk December Quarter** 31 Mar 22  
000's Qtr Average  
000's

Total Gross Credit Risk exposures, plus average gross exposure over the period, broken down by;

Cash and Investment Securities	755,063	731,963
Trade and other receivables	4,290	4,246
Loans and advances to members		
Personal Loans	50,424	52,150
Mortgage Loans	2,056,143	2,040,123
Commercial Loans	196,370	201,451
Revolving Credit	27,479	27,749
Other Financial Assets	2,554	2,554
Property, plant and equipment	7,828	7,491
Intangible assets	852	941
Right of use Asset	3,907	4,069
Deferred tax assets	3,039	3,039
	3,107,948	3,075,776

Claims secured by residential mortgage	2,164,832	2,147,411
Other retail	77,524	79,466
Corporate (excluding secured by residential mortgage)	92,898	99,483
	2,335,254	2,326,360

By portfolio:

	<b>Mar 22</b>				
	Impaired	Past	Specific	Charges	Write
	Facilities	Due	Provision		Offs
	\$'000	\$'000	\$'000	\$'000	\$'000
Claims secured by residential mortgage	1,448	5,174	191	-	-
Other retail	1,656	3,105	-	-	328
Corporate	-	-	-	-	-
Bank	-	-	-	-	-
Government	-	-	-	-	-
All other	-	-	-	-	-
<b>Total</b>	<b>3,105</b>	<b>8,278</b>	<b>191</b>	-	<b>328</b>

General Reserve for Credit Losses 4,979

<b>TABLE 5: Securitisation exposures</b>	<b>30 Jun 22</b> 000's	<b>31 Mar 22</b> 000's
<b>Loans Securitised during the quarter</b>	<b>0</b>	<b>112,606</b>
<b>On-Balance Sheet Securitisation Exposures</b>		
Claims secured by residential mortgage	615,237	615,421
<b>Off-Balance Sheet Securitisation Exposures</b>		
Claims secured by residential mortgage	598	769
<b>Total</b>	<b>615,836</b>	<b>616,190</b>