



Prudential Disclosure Document
as at March 2022

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.



| TABLE 3: Capital Adequacy | 31 Mar 2022 000's | 31 Dec 2021 000's |
|--|------------------------------------|------------------------------------|
| Capital requirements (in terms of risk weighted assets) for : | | |
| Credit Risk | | |
| Residential Mortgages | 813,804 | 800,848 |
| Other Retail Loans | 126,893 | 129,953 |
| Corporate Loans | 49,727 | 60,821 |
| Funds Deposited with ADI's | 86,335 | 74,625 |
| Government | - | - |
| Fixed Assets | 12,586 | 12,416 |
| Other Assets | 8,919 | 8,474 |
| Off Balance Sheet | 81,682 | 76,311 |
| Total Credit Risk | 1,179,947 | 1,163,447 |
| Market risk | - | - |
| Operational risk | 122,810 | 122,810 |
| Total Assessed Risk | 1,302,757 | 1,286,257 |
| Common Equity Tier 1 | 14.98% | 14.83% |
| Tier 1 | 14.98% | 14.83% |
| Total Capital | 15.36% | 15.22% |



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:

| | Mar 22 | | | | |
|--|---------------|--------------|------------|---------|------------|
| | Impaired | Past | Specific | Charges | Write |
| | Facilities | Due | Provision | \$'000 | 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 | - | - | - | - | - |
| Total | 3,105 | 8,278 | 191 | - | 328 |

General Reserve for Credit Losses 4,979



TABLE 4: Credit Risk December Quarter 31 Dec 21
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 | 708,864 | 679,946 |
| Trade and other receivables | 4,202 | 4,371 |
| Loans and advances to members | | |
| Personal Loans | 53,877 | 55,383 |
| Mortgage Loans | 2,024,102 | 1,994,293 |
| Commercial Loans | 206,531 | 208,012 |
| Revolving Credit | 28,019 | 27,254 |
| Other Financial Assets | 2,554 | 2,554 |
| Property, plant and equipment | 7,155 | 7,284 |
| Intangible assets | 1,030 | 1,123 |
| Right of use Asset | 4,231 | 4,402 |
| Deferred tax assets | 3,039 | 3,039 |
| | 3,043,604 | 2,987,661 |
| Claims secured by residential mortgage | 2,129,990 | 2,098,039 |
| Other retail | 81,408 | 82,059 |
| Corporate (excluding secured by residential mortgage) | 106,068 | 109,924 |
| | 2,317,466 | 2,290,022 |

By portfolio:

| | Dec 21 | | | | |
|--|------------------------|---------------|-----------------------|----------|---------------|
| | Impaired Facilities | Past Due | Specific Provision | Charges | Write Offs |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Claims secured by residential mortgage | 2,248 | 5,697 | 226 | - | - |
| Other retail | 2,762 | 4,712 | - | - | 255 |
| Corporate | - | - | - | - | - |
| Bank | - | - | - | - | - |
| Government | - | - | - | - | - |
| All other | - | - | - | - | - |
| Total | 5,010 | 10,409 | 226 | - | 255 |

General Reserve for Credit Losses 4,902



| TABLE 5: Securitisation exposures | 31 Mar 22 000's | 31 Dec 21 000's |
|---|---------------------------|---------------------------|
| Loans Securitised during the quarter | 112,606 | 128,206 |
| On-Balance Sheet Securitisation Exposures | | |
| Claims secured by residential mortgage | 615,421 | 616,831 |
| Off-Balance Sheet Securitisation Exposures | | |
| Claims secured by residential mortgage | 769 | 793 |
| Total | 616,190 | 617,624 |

