

## 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:

<b>Table</b>	<b>Frequency of Disclosure</b>
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 Sep 2022</b> <b>000's</b>	<b>30 Jun 2022</b> <b>000's</b>
Capital requirements (in terms of risk weighted assets) for :		
Credit Risk		
Residential Mortgages	822,240	821,210
Other Retail Loans	121,846	123,780
Corporate Loans	49,135	49,754
Funds Deposited with ADI's	150,305	115,039
Government	-	-
Fixed Assets	13,134	13,527
Other Assets	9,039	7,817
Off Balance Sheet	74,087	79,281
Total Credit Risk	1,239,785	1,210,408
Market risk	-	-
Operational risk	127,989	127,989
Total Assessed Risk	1,367,774	1,338,397
<b>Common Equity Tier 1</b>	<b>15.14%</b>	<b>14.91%</b>
<b>Tier 1</b>	<b>15.14%</b>	<b>14.91%</b>
<b>Total Capital</b>	<b>15.49%</b>	<b>15.28%</b>

**TABLE 4: Credit Risk June Quarter** **30 Sep 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	806,163	790,427
Trade and other receivables	6,297	3,698
Loans and advances to members		
Personal Loans	43,833	45,342
Mortgage Loans	2,094,686	2,088,758
Commercial Loans	199,524	197,508
Revolving Credit	28,791	29,299
Other Financial Assets	2,475	2,475
Property, plant and equipment	7,609	7,642
Intangible assets	769	856
Right of use Asset	4,756	4,832
Deferred tax assets	2,811	2,811
	3,197,713	3,173,649
Claims secured by residential mortgage	2,205,299	2,198,435
Other retail	72,393	74,381
Corporate (excluding secured by residential mortgage)	94,238	93,338
	2,371,930	2,366,154

By portfolio:

	<b>Sep 22</b>				
	Impaired Facilities \$'000	Past Due \$'000	Specific Provision \$'000	Charges \$'000	Write Offs \$'000
Claims secured by residential mortgage	958	5,565	364	-	-
Other retail	2,261	3,219	-	-	67
Corporate	-	-	-	-	-
Bank	-	-	-	-	-
Government	-	-	-	-	-
All other	-	-	-	-	-
<b>Total</b>	<b>3,219</b>	<b>8,784</b>	<b>364</b>	<b>-</b>	<b>67</b>

General Reserve for Credit Losses 4,790

**TABLE 4: Credit Risk June 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	774,691	764,877
Trade and other receivables	1,100	2,695
Loans and advances to members		
Personal Loans	46,851	48,637
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
	3,149,585	3,128,767

Claims secured by residential mortgage	0	0
Other retail	2,191,571	2,178,201
Corporate (excluding secured by residential mortgage)	76,370	76,947
	2,267,941	2,255,148

By portfolio:

	<b>Jun 22</b>				
	Impaired	Past	Specific	Charges	Write
	Facilities	Due	Provision		
	\$'000	\$'000	\$'000	\$'000	Offs
	\$'000	\$'000	\$'000	\$'000	\$'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

<b>TABLE 5: Securitisation exposures</b>	<b>30 Sep 22</b> 000's	<b>30 Jun 22</b> 000's
<b>Loans Securitised during the quarter</b>	<b>117,385</b>	<b>0</b>
<b>On-Balance Sheet Securitisation Exposures</b>		
Claims secured by residential mortgage	615,977	615,237
<b>Off-Balance Sheet Securitisation Exposures</b>		
Claims secured by residential mortgage	543	598
<b>Total</b>	<b>616,519</b>	<b>615,836</b>