

MBL Basel III Pillar 3 Disclosures

September 2025



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**MACQUARIE
BANK**

ASX Release

MACQUARIE BANK RELEASES SEPTEMBER 2025 PILLAR 3 DISCLOSURE DOCUMENT

7 November 2025 – The Macquarie Bank Limited September 2025 Pillar 3 disclosure document was released today. These disclosures have been prepared in accordance with the Australian Prudential Regulation Authority (APRA) requirements of Prudential Standard APS 330 Public Disclosure.

Attestation

Macquarie Bank Limited (MBL), as an Authorised Deposit-taking Institution, presents the Pillar 3 report in compliance with the requirements under APRA Prudential Standard APS 330 Public Disclosure.

MBL's prudential disclosures are prepared in accordance with the Prudential Disclosure Policy, which meets the requirements of APS 330 and has been approved by the MBL Board.

We, as the Accountable Persons of MBL, confirm that MBL's prudential disclosures, as set out in the MBL Pillar 3 report for the reporting period ended 30 September 2025, have been prepared in accordance with MBL's Prudential Disclosure Policy.

This report was approved on 7 November 2025.



Alex Harvey
Chief Financial Officer



Andrew Cassidy
Chief Risk Officer

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BCBS Disclosure Mapping

BCBS Disclosure Requirements	Templates	Name	Section reference
DIS20: Overview of risk management, key prudential metrics and RWA	KM1	Key metrics (at consolidated group level)	1. Introduction
	OV1	Overview of risk-weighted assets (RWA)	1. Introduction
DIS21: Comparison of modelled and standardised RWA	CMS1	Comparison of modelled and standardised RWA at risk level	3. Credit Risk
	CMS2	Comparison of modelled and standardised RWA for credit risk at asset class	3. Credit Risk
DIS25: Composition of capital and TLAC	CC1	Composition of regulatory capital	2. Capital Adequacy
	CC2	Reconciliation of regulatory capital to balance sheet	2. Capital Adequacy
DIS31: Asset encumbrance	ENC	Asset encumbrance	11. Liquidity Risk
DIS40: Credit risk	CR1	Credit quality of assets	5. Credit Quality
	CR2	Changes in stock of defaulted loans and debt securities	5. Credit Quality
	CR3	Credit risk mitigation techniques - overview	4. Credit Risk Mitigation
	CR4	Standardised approach - Credit risk exposure and credit risk mitigation effects	3. Credit Risk
	CR5	Standardised approach - Exposures by asset classes and risk weights	3. Credit Risk
	CR6	IRB - Credit risk exposures by portfolio and probability of default (PD) range	3. Credit Risk
	CR8	RWA flow statements of credit risk exposures under IRB	3. Credit Risk
	CR10	IRB (specialised lending under the slotting approach)	3. Credit Risk
DIS42: Counterparty credit risk	CCR1	Analysis of CCR exposures by approach	6. Counterparty Credit Risk
	CCR3	Standardised approach - CCR exposures by regulatory portfolio and risk weights	6. Counterparty Credit Risk
	CCR4	IRB - CCR exposures by portfolio and probability-of-default (PD) scale	6. Counterparty Credit Risk
	CCR5	Composition of collateral for CCR exposures	6. Counterparty Credit Risk
	CCR6	Credit derivatives exposures	6. Counterparty Credit Risk
	CCR8	Exposures to central counterparties	6. Counterparty Credit Risk
DIS43: Securitisation	SEC1	Securitisation exposures in the banking book	7. Securitisation Risk
	SEC4	Securitisation exposures in the banking book and associated capital requirements - bank acting as investor	7. Securitisation Risk
Market risk (APS 330)		Market risk qualitative disclosures	8. Market Risk
	Table 2(f)	MBL VaR exposures arising from the internal models approach (IMA) for trading portfolios	8. Market Risk
	Table 2(f)	MBL SVaR exposures arising from the internal models approach (IMA) for trading portfolios	8. Market Risk
	Table 1(b)	MBL exposure arising from the standard method	8. Market Risk
Credit valuation adjustment risk (APS 330)		Market risk RWA calculation methods	8. Market Risk
		Total CVA risk capital charge	6. Counterparty Credit Risk
DIS75: Macroprudential supervisory measures	CCyB1	Geographical distribution of credit exposures used in the calculation of the bank-specific countercyclical capital buffer requirement	10. Countercyclical Capital Buffers
DIS80: Leverage ratio	LR1	Summary comparison of accounting assets vs leverage ratio exposure measure	9. Leverage Ratio
	LR2	Leverage ratio common disclosure template	9. Leverage Ratio
DIS85: Liquidity	LIQ1	Liquidity coverage ratio (LCR)	11. Liquidity Risk
	LIQ2	Net stable funding ratio (NSFR)	11. Liquidity Risk

1. Introduction

Macquarie Bank Limited (MBL) is an Authorised Deposit-taking Institution (ADI) regulated by the Australian Prudential Regulation Authority (APRA). MBL presents in this report, regulatory information mandated by the revised APRA Prudential Standard APS 330 Public Disclosure (APS 330) which came into effect on 1 January 2025.

The revised APS 330 integrates the Pillar 3 disclosure requirements from the Basel III Framework, with some national specific modifications. The disclosures consist of key prudential metrics and information relating to MBL's regulatory capital, credit risk, counterparty credit risk, securitisation, market risk, countercyclical capital buffer requirement, leverage ratio and liquidity.

MBL's Pillar 3 disclosures are prepared on a Level 2 basis, in accordance with the applicable reporting requirements and the Board-approved Prudential Disclosure Policy. Unless otherwise indicated, references to MBL in this report refer to the Level 2 regulatory group which includes MBL (the ADI). Further details on the regulatory structure are provided in Section 1.3 Scope of Application.

1.1 Overview of the Basel III Framework

The Basel Committee on Banking Supervision (BCBS) Basel III framework is designed to strengthen the regulation, supervision, and risk management within the banking sector. The key objectives are to enhance bank resilience, improve risk management, increase transparency and enhance regulatory standards. The APRA Capital framework adopted the Basel III framework, with stricter requirements implemented in specific areas relating to the calculation and measurement of capital (APRA super equivalence).

The Basel III framework is divided into three broad sections known as 'Pillars', outlined as follows:

Pillar 1

Pillar 1 of the Basel III framework covers the rules by which the capital requirements (risk-weighted assets or RWA) and capital adequacy are determined. The framework seeks to increase the sensitivity to risk in the capital calculations and to ensure that this is aligned with an ADI's internal processes for assessing risk. Consequently, there are a number of different approaches to risk calculation that allow the use of internal models to calculate regulatory capital. A bank may be accredited to use the advanced approaches when it can demonstrate the integrity and sophistication of its risk management framework. It must also ensure that its internal estimates of risk are fully integrated into corporate governance functions as well as internal calculations of capital. Further to this, the most advanced approaches are available if a bank has sufficient depth and history of default data to enable it to generate its own Loss Given Default (LGD) and Probability of Default (PD) estimates based on its own loss experience.

APRA has approved the use of the Foundation Internal Ratings-Based Approach (F-IRB) for wholesale exposures and the Advanced Internal Ratings-Based Approach (A-IRB) for retail exposures in the calculation of MBL's credit risk capital requirements. These approaches utilise the internal PD and internal rating assigned to the obligor. The internal LGD or APRA-assigned LGD is applied to the respective approaches accordingly. APRA-assigned Credit Conversion Factors (CCF) are applied to off-balance sheet exposures based on the nature of the exposure.

Capital requirements for market risk and Interest rate risk in the banking book (IRRBB) are calculated using the Internal Model Approach (IMA). Operational risk capital requirement is calculated using the Standardised Measurement Approach (SMA).

The use of the internal approaches place a higher reliance on the internal capital measures and therefore require a sophisticated level of risk management and risk measurement practices.

Pillar 2

Pillar 2 (the Supervisory Review Process) of the Basel III framework requires ADIs to make their own assessments of capital adequacy considering their risk profile and to

have a strategy in place for maintaining their capital levels. Macquarie's Internal Capital Adequacy Assessment Process (ICAAP) addresses the requirements of Pillar 2.

The ICAAP is part of Macquarie's overall risk management framework; its key features include:

- Comprehensive risk assessment process;
- Internal assessment of capital adequacy using Macquarie's economic capital adequacy model (refer to Section 2.1 Capital management);
- Risk appetite setting;
- Capital management plans designed to ensure the appropriate level and mix of capital given Macquarie's risk profile; and
- Regular reporting of capital adequacy and monitoring of risk profile against risk appetite.

Macquarie's ICAAP is subject to Board and Senior Management oversight.

Pillar 3

Pillar 3 of the Basel III framework lays out the public disclosure requirements seeking to provide clear, comprehensive, meaningful, consistent and comparable information across market participants. In alignment with these principles, APRA has incorporated the BCBS's disclosure requirements into the revised APS 330, effective from 1 January 2025.

This report has been produced in compliance with the revised APS 330, containing disclosures that address the requirements relevant to the current reporting period, listed below:

- DIS20: Key prudential metrics and RWA
- DIS21: Comparison of modelled and standardised RWA
- DIS25: Composition of capital
- DIS31: Asset encumbrance
- DIS40: Credit risk
- DIS42: Counterparty credit risk
- DIS43: Securitisation
- Market risk (APS 330)
- Credit valuation adjustment risk (APS 330)
- DIS75: Countercyclical capital buffer
- DIS80: Leverage ratio
- DIS85: Liquidity

Information relating to MBL's risk management approach and other Pillar 3 qualitative disclosures are detailed in the Pillar 3 report issued at 31 March 2025.

Disclosures relating to Remuneration and Global Systemically Important Bank (G-SIB) Indicators are published separately and not included in this Pillar 3 report.

1.2 Pillar 3 Disclosure and Governance

MBL is committed to following a robust internal controls framework to ensure that market disclosures are complete, accurate, and comply with applicable standards and regulations. As set out in APS 330, MBL has implemented a Prudential Disclosure Policy which was approved by the MBL Board as the internal governance for the disclosures in this report. The key elements of the Prudential Disclosure Policy include:

Content of disclosures

MBL is required to assess the disclosure requirements. The level of detail and extent of the required disclosures must align with MBL's prudential obligations. Disclosures should be supported by relevant underlying data and information for the relevant period and reflect the key principles from APS 330.

Key controls for the disclosures

MBL has controls in place to ensure the appropriateness and accuracy of the Pillar 3 information. These controls are aligned with the verification process applied to MBL's preparation of financial reports. The Pillar 3 document also contains disclosures reported to APRA, which are reconciled with regulatory submissions to ensure consistency and are subject to the same internal controls as other regulatory reporting.

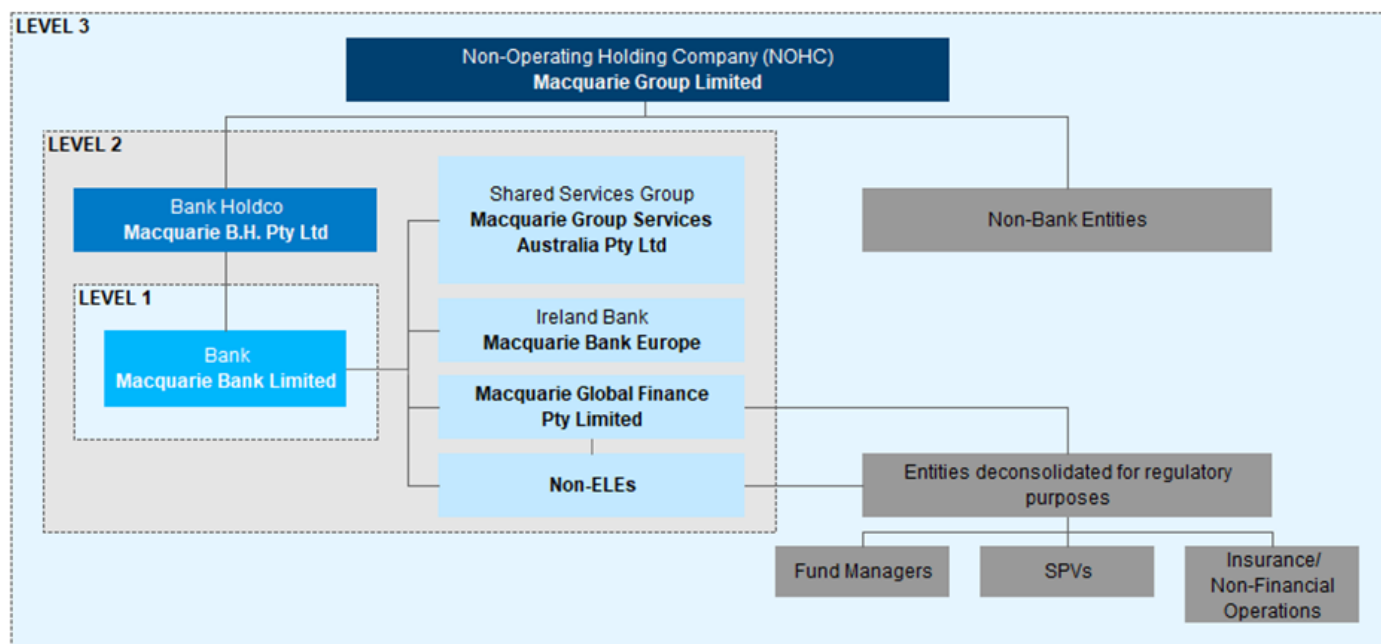
Review and approval process

The policy outlines the roles and responsibilities for the preparation and review, as well as the approval mechanism, of the Pillar 3 document. The governance in place allows for thorough review and Senior Management oversight prior to publication.

As an external publication, this document has been subject to internal verification and approval in line with the Prudential Disclosure Policy to ensure compliance with the regulatory requirements outlined in APS 330. The disclosures in this report are not required to be audited by an external auditor; however, they have been prepared on a basis consistent with information submitted to APRA.

1.3 Scope of Application

APS 330 requires MBL, as a subsidiary of an authorised non-operating holding company (NOHC), to disclose Pillar 3 information for the Level 2 regulatory consolidated group. The regulatory consolidated group differs from the accounting consolidated group and identifies three different levels of consolidation. The overall regulatory reporting structure of Macquarie Group is illustrated below, and the reporting levels are in accordance with APRA definitions contained in APS 001 Definitions (APS 001).



The Level 2 regulatory group primarily consists of MBL (the ADI), its immediate parent (Macquarie B.H. Pty Ltd), and its subsidiaries. The group excludes specific subsidiaries which are required to be deconsolidated according to APRA reporting requirements. These subsidiaries include:

- Special purpose vehicles (SPVs) for which MBL has satisfied operational requirements per APS 120 Securitisation Attachment A for regulatory capital relief; and
- Entities conducting insurance, funds management and non-financial operations.

Equity investments into these deconsolidated subsidiaries by the Level 2 group are deducted from Common Equity Tier 1 (CET1) capital under APS 111 Capital Adequacy: Measurement of Capital (APS 111). Consequently, the Level 2 regulatory group excludes a subset of entities which are in scope for the accounting consolidation of MBL and its subsidiaries. These entities are listed in Section 12. Entities deconsolidated for APRA reporting purposes.

MBL (the ADI), also equivalent to the Level 1 regulatory group, is part of the larger consolidated group of Macquarie Group Limited (MGL) and its subsidiaries, collectively referred to as the Macquarie Group, the Level 3 regulatory group, or Macquarie. APS 330 does not require disclosures relating to the Level 3 group, however, some limited Level 3 disclosures are made in this report. Comments on policies in this report generally reflect policies adopted across Macquarie, unless it is stated that the policies are specific to any one part of the Group.

References to MBL in this report refer to the Level 2 regulatory group as described above. Unless otherwise stated, all disclosures in this report represent the Level 2 regulatory group prepared on an APRA Basel III basis.

On 29 August 2025, Macquarie transferred Macquarie International Finance Limited (MIFL) and certain subsidiaries—including its North American Power, Gas & Emissions business—from the Bank Group (Level 2) to the Non-Bank Group (Level 3). Following this restructure, Macquarie Global Finance Pty Limited has replaced MIFL as the holding entity for the majority of non-ELEs in the Bank Group.

1.4 Basis of Preparation

This Pillar 3 document has been prepared in accordance with reporting requirements from APS 330 and BCBS Disclosure Requirements. The report comprises both quantitative and qualitative information for the period ended 30 September 2025, together with comparatives where available and relevant for comparability purposes.

MBL's Pillar 3 disclosures are governed by the Prudential Disclosure Policy, which is approved by the MBL Board. The Pillar 3 disclosures issued at MBL's financial half-year at 30 September and full-year at 31 March provide comprehensive information on regulatory capital and risk exposures, and are published concurrently with MBL's interim and annual financial reports. The reports for the quarters ending 30 June and 31 December disclose a subset of this information.

Calculation of MBL's capital requirements follows the methods accredited by APRA. All amounts reported are in Australian Dollars and have been rounded to the nearest million, unless otherwise stated.

1.5 Key Metrics

APRA's capital framework reforms (effective 2023) prescribe the capital adequacy requirements for IRB ADIs as follows:

- Minimum CET1 ratio of 9%, comprising the industry minimum CET1 requirement of 4.5%, a capital conservation buffer (CCB) of 3.75% and a countercyclical capital buffer (CCyB) of 0.75%¹.
- Minimum Tier 1 and Total capital ratios of 10.5% and 15.5% respectively, inclusive of CCB and CCyB.
- Minimum leverage ratio of 3.5%.

The minimum requirement for liquidity coverage ratio (LCR) and net stable funding ratio (NSFR) is 100% per APS 210 Liquidity.

APRA may impose ADI-specific minimum ratios which may be higher than these requirements. At 30 September 2025, the MBL Level 2 regulatory group's key prudential metrics including the capital ratios, leverage ratio and liquidity ratios are above the APRA imposed regulatory minimum requirements, and the Board imposed internal minimum requirements.

Specific to the MBL Level 1 regulatory group, APRA has imposed an operational capital overlay of \$500 million effective from 1 April 2021. This action pertains to historical issues relating to intra-group funding arrangements. Macquarie has been working with APRA on a remediation plan that strengthens MBL's governance, culture, structure and remuneration to ensure full and ongoing compliance with prudential standards and management of MBL-specific risks. These will continue to be delivered through 2025 and beyond, creating a positive impact through improved systems, frameworks, processes, and strengthening risk culture.

At 30 September 2025, MBL's CET1 ratio was 12.4%, down 0.3% from 12.7% in the previous quarter. This reduction was primarily driven by an overall decrease in CET1 capital, reflecting dividend payments partially offset by earnings, while the total RWA remained broadly consistent with the prior quarter.

Further details on the overall movement in RWA are provided in Table 2: OV1 - Overview of total risk exposure amounts.

The leverage ratio was 4.7% at 30 September 2025, a reduction of 0.4% from the prior quarter. This was largely driven by lower Tier 1 Capital, in addition to higher exposures resulting from growth in homes loans and trading assets.

The three month average liquidity coverage ratio (LCR) to 30 September 2025 was 173%, representing a 11% decrease from the previous quarter. The lower average LCR was driven by an increase in net cash outflows which was partly offset by an increase in high-quality liquid assets over the same period.

The net stable funding ratio (NSFR) as at 30 September 2025 was 113%, which increased 3% from 30 June 2025, driven by an increase in available stable funding, partly offset by an increase in required stable funding.

Updates on MBL's business activities and developments are provided in the MBL Interim Financial Report.

¹ The CCyB of the Level 2 regulatory group at 30 September 2025 is 0.75%. The individual CCyB varies by jurisdiction and the CCyB of the Level 2 regulatory group is calculated as a weighted average based on exposures in different jurisdictions at period end. Refer to section 10. Countercyclical Capital Buffers for further details on CCyB.

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Table 1: KM1 - Key metrics

	a	b	c	d	e
	Sep 2025	Jun 2025	Mar 2025	Dec 2024	Sep 2024
	\$m	\$m	\$m	\$m	\$m
Available capital (amounts)					
1 Common Equity Tier 1 (CET1)	19,123	19,630	19,250	18,496	17,610
2 Tier 1	21,553	22,065	21,746	21,004	19,991
3 Total capital	32,575	31,600	31,242	30,550	29,043
Risk-weighted assets (amounts)					
4 Total risk-weighted assets (RWA)	154,566	154,946	150,958	146,778	138,067
4a Total risk-weighted assets (pre-floor)	154,566	154,946	150,958	146,778	138,067
Risk-based capital ratios as a percentage of RWA					
5 CET1 ratio (%)	12.4 %	12.7 %	12.8 %	12.6 %	12.8 %
5b CET1 ratio (%) (pre-floor ratio)	12.4 %	12.7 %	12.8 %	12.6 %	12.8 %
6 Tier 1 ratio (%)	13.9 %	14.2 %	14.4 %	14.3 %	14.5 %
6b Tier 1 ratio (%) (pre-floor ratio)	13.9 %	14.2 %	14.4 %	14.3 %	14.5 %
7 Total capital ratio (%)	21.1 %	20.4 %	20.7 %	20.8 %	21.0 %
7b Total capital ratio (%) (pre-floor ratio)	21.1 %	20.4 %	20.7 %	20.8 %	21.0 %
Additional CET1 buffer requirements as a percentage of RWA					
8 Capital conservation buffer requirement (2.5% from 2019) (%)	3.75 %	3.75 %	3.75 %	3.75 %	3.75 %
9 Countercyclical buffer requirement (%)	0.75 %	0.73 %	0.74 %	0.76 %	0.76 %
10 Bank G-SIB and/or D-SIB additional requirements (%)	N/A	N/A	N/A	N/A	N/A
11 Total of bank CET1 specific buffer requirements (%) ¹ (row 8 + row 9 + row 10)	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %
12 CET1 available after meeting the bank's minimum capital requirements (%) ²	7.9 %	8.2 %	8.3 %	8.1 %	8.3 %
Basel III Leverage ratio					
13 Total Basel III leverage ratio exposure measure	458,694	430,793	425,094	418,311	399,648
14 Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	4.7 %	5.1 %	5.1 %	5.0 %	5.0 %
14a Fully loaded ECL accounting model Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) (%)	N/A	N/A	N/A	N/A	N/A
14b Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	4.7 %	5.1 %	5.1 %	5.0 %	5.0 %
14c Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	4.7 %	5.1 %	5.1 %	5.0 %	5.0 %
14d Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	4.7 %	5.1 %	5.1 %	5.0 %	5.0 %
Liquidity Coverage Ratio (LCR)					
15 Total high-quality liquid assets (HQLA)	49,121	46,886	49,462	44,531	45,665
16 Total net cash outflow	28,373	25,521	28,333	22,734	23,511
17 LCR ratio (%) ³	173 %	184 %	175 %	196 %	194 %
Net Stable Funding Ratio (NSFR)					
18 Total available stable funding	236,117	218,798	214,065	206,824	191,643
19 Total required stable funding	208,942	198,821	188,731	183,384	174,509
20 NSFR ratio ⁴	113 %	110 %	113 %	113 %	110 %

¹ Total of 3.75% capital conservation buffer and 0.75% countercyclical capital buffer.

² Calculated as the difference between MBL's CET1 ratio and the industry minimum CET1 requirement of 4.5% per APS 110.

³ APRA imposed a 25% add-on to the Net Cash Outflow component of the LCR calculation, effective from 1 May 2022.

⁴ APRA imposed a 1% decrease to the Available Stable Funding component of the NSFR calculation, effective from 1 April 2021.

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Table 2: Level 1 Capital Ratios

	Sep 2025	Mar 2025
Risk-based capital ratios as a percentage of RWA (Level 1)		
CET1 ratio (%)	12.1 %	12.1 %
Tier 1 ratio (%)	13.7 %	13.9 %
Total capital ratio (%)	21.0 %	20.4 %

1.6 Risk-Weighted Assets

Table OV1 below presents an overview of MBL's RWAs and minimum capital requirements by risk categories and calculation approaches. The minimum capital requirement is calculated as 8% of RWA. Further details regarding the relevant reporting items are provided in the respective tables or sections within this report.

Total RWA decreased by \$0.4 billion during the September 2025 quarter and the key movements are outlined below:

- Credit risk increased by \$4.1 billion as a result of growth across the wholesale and retail portfolios,
- Decrease in RWA for CCR of \$1.0 billion and CVA of \$1.3 billion largely driven by the transfer outlined in section 1.3 Scope of Application, along with other market movements; and
- Decrease in market risk RWA of \$1.9 billion due to reduced commodity exposures.

Table 3: OV1 - Overview of total risk exposure amounts

		a		b		c		Table/Section Reference
					Minimum capital requirements \$m			
		Sep 2025	RWA \$m	Jun 2025			Mar 2025	
1	Credit risk (excluding counterparty credit risk) ¹	82,991	78,842	76,623	6,640			CR4 /CR6/CR10
2	Of which: standardised approach (SA)	4,722	5,201	5,532	378			CR4
3	Of which: foundation internal ratings-based (F-IRB) approach ²	36,425	34,507	33,240	2,914			CR6
4	Of which: supervisory slotting approach	4,895	4,065	4,836	392			CR10
5	Of which: advanced internal ratings-based (A-IRB) approach	36,949	35,069	33,015	2,956			CR6
6	Counterparty credit risk (CCR)	31,879	32,887	31,017	2,550			CCR1/CCR8
7	Of which: standardised approach for counterparty credit risk	27,139	28,582	26,862	2,171			CCR1/CCR8
9	Of which: other CCR	4,740	4,305	4,155	379			CCR1
10	Credit valuation adjustment (CVA)	8,230	9,482	10,995	658			6.2 Credit Valuation Adjustment
15	Settlement risk	1	1	1	-			
16	Securitisation exposures in banking book	1,083	1,061	916	87			SEC4
18	Of which: securitisation external ratings - (SEC-ERBA), including internal assessment approach (IAA) based approach	409	416	372	33			SEC4
19	Of which: securitisation standardised approach (SEC-SA)	674	645	544	54			SEC4
20	Market risk ³	8,436	10,331	8,526	675			8.4.6 Market Risk
21	Of which: standardised approach (SA)	741	543	1,319	59			8.4.6 Market Risk
22	Of which: internal model approach (IMA)	7,695	9,788	7,207	616			8.4.6 Market Risk
20a	Interest rate risk in the banking book (IRRBB) ^{4,5}	3,220	3,616	4,154	258			
24	Operational risk	18,726	18,726	18,726	1,498			
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-	-			
26	Output floor applied	72.5 %	72.5 %	72.5 %				
27	Floor adjustment (before application of transitional cap)	-	-	-				
28	Floor adjustment (after application of transitional cap)	-	-	-				
29	Total (1 + 6 + 10 + 15 + 16 + 20 + 20a + 24 + 25 + 28)	154,566	154,946	150,958	12,366			

¹ Includes \$1.8 billion overlays related to PD model in Residential Mortgages, SME Corporate and Retail portfolios.

² Includes residual value of operating leases.

³ Market risk RWA includes the Risks-Not-In-VaR (RNIV) overlay imposed by APRA, effective from 1 January 2024.

⁴ In line with national specific modification.

⁵ APRA has approved MBL's historical simulation internal model subject to a \$100 million capital overlay add-on, which is included in the IRRBB RWAs, effective from December 2024. An additional Bank determined overlay of \$50m for Risks not in model (RNIM) is also included, effective from September 2025.

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Table 4 below presents an overview of MBL's exposures and RWAs by asset classes

Table 4: Overview of total risk exposures by asset classes

30 September 2025

Portfolio Type	EAD post CRM and post-CCF			RWA		
	Credit Risk \$m	Counterparty Credit Risk \$m	Total \$m	Credit Risk \$m	Counterparty Credit Risk \$m	Total \$m
Subject to IRB approach						
Corporate	26,263	23,437	49,700	20,709	17,245	37,954
SME Corporate	6,158	63	6,221	6,909	60	6,969
Specialised lending- IPRE	6,432	9	6,441	3,970	7	3,977
Sovereign	18,840	1,455	20,295	252	8	260
Financial Institution	11,343	30,781	42,124	3,471	9,948	13,419
Residential Mortgages	182,980	-	182,980	35,632	-	35,632
Other Retail	1,178	-	1,178	659	-	659
Retail SME	805	-	805	657	-	657
Operating leases ¹	1,114	-	1,114	1,114	-	1,114
Total IRB approach	255,113	55,745	310,858	73,373	27,268	100,641
Specialised lending subject to Slotting approach	4,592	2,609	7,201	4,895	2,785	7,680
Subject to Standardised approach						
Corporate	1,067	1,442	2,509	838	1,058	1,896
Residential Mortgages	527	-	527	470	-	470
Other Retail	675	-	675	531	-	531
Other Assets ²	2,881	-	2,881	2,885	-	2,885
Central Counterparties	-	12,252	12,252	-	768	768
Total Standardised approach	5,150	13,694	18,844	4,724	1,826	6,550
Securitisation			5,581			1,083
Credit Value Adjustment			-			8,230
Total Credit Risk	264,855	72,048	342,484	82,992	31,879	124,184
Market Risk						8,436
Operational Risk						18,726
IRRBB						3,220
Total	264,855	72,048	342,484	82,992	31,879	154,566

¹ Residual value of operating leases.

² The major components of Other Assets are fixed assets.

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Portfolio Type	EAD post CRM and post-CCF			RWA		
	Credit Risk \$m	Counterparty Credit Risk \$m	Total \$m	Credit Risk \$m	Counterparty Credit Risk \$m	Total \$m
Subject to IRB approach						
Corporate	26,395	28,208	54,603	19,852	19,393	39,245
SME Corporate	6,061	14	6,075	6,748	15	6,763
Specialised lending- IPRE	5,779	13	5,792	3,258	11	3,269
Sovereign	11,672	1,356	13,028	240	36	276
Financial Institution	8,858	26,484	35,342	3,201	9,594	12,795
Residential Mortgages	171,855	-	171,855	33,502	-	33,502
Other Retail	1,391	-	1,391	799	-	799
Retail SME	949	-	949	768	-	768
Operating leases ¹	1,208	-	1,208	1,208	-	1,208
Total IRB approach	234,168	56,075	290,243	69,576	29,049	98,625
Specialised lending subject to Slotting approach	4,003	2,287	6,290	4,065	2,420	6,485
Subject to Standardised approach						
Corporate	823	1,157	1,980	690	765	1,455
Residential Mortgages	572	-	572	514	-	514
Other Retail	895	-	895	693	-	693
Other Assets ²	3,301	-	3,301	3,305	-	3,305
Central Counterparties	-	13,925	13,925	-	653	653
Total Standardised approach	5,591	15,082	20,673	5,202	1,418	6,620
Securitisation			4,649			1,061
Credit Value Adjustment			-			9,482
Total Credit Risk	243,762	73,444	321,855	78,843	32,887	122,273
Market Risk						10,331
Operational Risk						18,726
IRRBB						3,616
Total	243,762	73,444	321,855	78,843	32,887	154,946

¹ Residual value of operating leases.

² The major components of Other Assets are fixed assets.

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Portfolio Type	EAD post CRM and post-CCF			RWA		
	Credit Risk \$m	Counterparty Credit Risk \$m	Total \$m	Credit Risk \$m	Counterparty Credit Risk \$m	Total \$m
Subject to IRB approach						
Corporate	24,999	24,682	49,681	19,225	17,798	37,023
SME Corporate	5,882	37	5,919	6,450	35	6,485
Specialised lending- IPRE	5,353	5	5,358	3,064	7	3,071
Sovereign	19,143	1,301	20,444	276	52	328
Financial Institution	8,702	24,720	33,422	2,831	8,816	11,647
Residential Mortgages	162,374	-	162,374	31,233	-	31,233
Other Retail	1,632	-	1,632	920	-	920
Retail SME	1,115	-	1,115	862	-	862
Operating leases ¹	1,394	-	1,394	1,394	-	1,394
Total IRB approach	230,594	50,745	281,339	66,255	26,708	92,963
Specialised lending subject to Slotting approach	4,497	2,789	7,286	4,836	2,946	7,782
Subject to Standardised approach						
Corporate	1,424	941	2,365	1,197	595	1,792
Residential Mortgages	601	-	601	541	-	541
Other Retail	977	-	977	756	-	756
Other Assets ²	3,033	-	3,033	3,039	-	3,039
Central Counterparties	-	13,087	13,087	-	768	768
Total Standardised approach	6,035	14,028	20,063	5,533	1,363	6,896
Securitisation			4,177			916
Credit Value Adjustment			-			10,995
Total Credit Risk	241,126	67,562	312,865	76,624	31,017	119,552
Market Risk						8,526
Operational Risk						18,726
IRRBB						4,154
Total	241,126	67,562	312,865	76,624	31,017	150,958

¹ Residual value of operating leases.

² The major components of Other Assets are fixed assets.

2. Capital Adequacy

2.1 Capital management

2.1.1 Capital management strategy

Macquarie's capital management strategy is to determine and maintain appropriate capital levels to support Macquarie's businesses. This includes generating appropriate returns on capital and managing capital in a manner consistent with the expectations of external stakeholders, including regulators, investors and rating agencies.

The capital management objectives are to maintain sufficient capital resources to:

- Support Macquarie's business and operational requirements;
- Safeguard interests of depositors and Macquarie's ability to continue as a going concern;
- Exceed regulatory capital requirements; and
- Support Macquarie's credit ratings.

Macquarie's capital management strategy uses both internal and external measures of capital. Internally, Macquarie has developed an Economic Capital Adequacy Model (ECAM) that is used to quantify the MGL Group's and the MBL Group's aggregate level of risk, including for specific risk types such as credit, equity, market and operational risk. Externally, Macquarie is subject to minimum capital requirements imposed by APRA on a Level 1, Level 2 and Level 3 basis.

The internal and external measures of capital are used to inform the capital management strategy and support business decision making including:

- Capital adequacy assessment;
- Risk appetite setting; and
- Risk adjusted performance measurement.

2.1.2 Capital adequacy assessment

Capital adequacy is primarily assessed on a regulatory basis for the regulatory reporting groups (Level 1, Level 2 and Level 3), as well as on an economic basis for the MBL Group and MGL Group. The assessment is conducted in accordance with the ICAAP framework (refer Section 1.1 Overview of the Basel III Framework), with results reported to the MBL Board, MGL Board and Senior Management, together with projections of capital adequacy under a range of scenarios.

Capital requirements are assessed as follows:

Entity	Regulatory basis (Basel III)	Economic basis (ECAM)
Level 1 regulatory group	Capital to cover RWA and regulatory deductions, according to APRA's ADI Prudential Standards	n/a
Level 2 regulatory group	Capital to cover RWA and regulatory deductions, according to APRA's ADI Prudential Standards	Internal model, covering exposures of the MBL Group
Level 3 regulatory group (MGL Group)	Level 2 regulatory group capital requirement plus internal ECAM requirement of the Non-Bank Group	Internal model, covering all exposures of the MGL Group

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The Non-Bank Group's capital requirement is calculated using Macquarie's ECAM. The ECAM is based on similar principles and models as the Basel III regulatory capital framework for banks, as shown in the table below, with both calculating capital at a one year, 99.9% confidence level. The table below shows a comparison of Basel III and ECAM methodologies for key risk types.

Risk ¹	Basel III ²	ECAM
Credit	Capital requirement generally determined by Basel III IRB formula, with some parameters specified by the regulator (e.g. loss given default estimates for wholesale counterparties)	Capital requirement generally determined by Basel III IRB formula, but with internal estimates of key parameters
Equity	Harmonised Basel III: 250% or 400% risk weight, depending on the type of investment. Deduction from Common Equity Tier 1 above a threshold APRA Basel III: 100% Common Equity Tier 1 deduction ³	Capital requirement generally determined by an extension of Basel III credit model to cover equity exposures. Capital requirement between 34% and 81% of face value; average 53%
Market	M ⁴ times 10-day 99% Value at Risk (VaR) plus M times 10-day 99% Stressed Value at Risk (SVaR), plus a specific risk charge	Scenario-based approach
Operational	Standardised Measurement Approach	Scenario-based internal measurement approach

The MGL Group and the Level 1 and 2 regulatory groups are well capitalised. Surplus capital is available to support growth, provide strategic flexibility, accommodate regulatory change and capital volatility. Macquarie actively manages the sensitivity of its capital position to foreign currency movements in order to reduce volatility.

¹ The ECAM also covers non-traded interest rate risk and the risk on assets held as part of business operations, including fixed assets, goodwill, intangible assets and capitalised expenses.

² Basel III requirements shown with Market Risk per the revised BCBS Basel II market risk framework. APRA has implemented the Basel III framework (APRA Basel III), and in some areas has introduced stricter requirements (APRA super equivalence).

³ Includes all Banking Book equity investments, plus net long Trading Book holdings in financial institutions.

⁴ M is the Market Risk capital multiplier, which is 3 plus any additions specified.

2.2 Regulatory capital instruments

MBL's regulatory capital comprises Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital, recognised in accordance with APS 111.

Common Equity Tier 1 Capital

The Bank Group's Common Equity Tier 1 capital under Basel III consists of ordinary share capital, retained earnings and certain reserves, less prescribed regulatory adjustments. MBL periodically pays dividends to MGL. As required, MGL may inject capital into MBL to support projected business growth.

Tier 1 Capital

Tier 1 capital consists of Common Equity Tier 1 capital and Additional Tier 1 capital (hybrids). Additional Tier 1 capital as at 30 September 2025 consists of MACS, BCN2 and BCN3.

MACS were issued by MBL, acting through its London Branch in March 2017. MACS are subordinated, unsecured notes that pay discretionary, non-cumulative, semi-annual fixed rate cash distributions. Subject to certain conditions the MACS may be redeemed on 8 March 2027, or every fifth anniversary thereafter. MACS can be exchanged for a variable number of fully paid MGL ordinary shares on an acquisition event (where a person acquires control of MBL or MGL), where MBL's Common Equity Tier 1 capital ratio falls below 5.125%, or where APRA determines MBL would be non-viable without an exchange or a public sector injection of capital (or equivalent support).

BCN2 were issued by MBL in June 2020 and are quoted on the Australian Securities Exchange. The BCN2 pay discretionary, quarterly floating rate cash distributions equal to three month BBSW plus 4.70% per annum margin, adjusted for franking credits. These instruments are non-cumulative and unsecured and may be redeemed at face value on 21 December 2025, 21 June 2026 or 21 December 2026 (subject to certain conditions being satisfied) or earlier in specified circumstances. The BCN2 can be converted into a variable number of MGL ordinary shares (subject to certain conditions being satisfied) on these redemption dates; mandatorily exchanged on 21 December 2028; exchanged earlier upon an acquisition event (with the acquirer gaining control of MGL or MBL); where MBL's Common Equity Tier 1 capital ratio falls below 5.125%, or where APRA determines MBL would be non-viable without an exchange or a public sector injection of capital (or equivalent support).

BCN3 were issued by MBL in August 2021 and are quoted on the Australian Securities Exchange. The BCN3 pay discretionary, quarterly floating rate cash distributions equal to three-month BBSW plus 2.90% per annum margin, adjusted for franking credits. These instruments are non-cumulative and unsecured and may be redeemed at face value on 7 September 2028, 7 March 2029, or 7 September 2029 (subject to certain conditions being satisfied) or earlier in specified circumstances. The BCN3 can be converted into a variable number of MGL ordinary shares (subject to certain conditions being satisfied) on these redemption dates; mandatorily exchanged on 8 September 2031; exchanged earlier upon an acquisition event (with the acquirer gaining control of MGL or MBL); where MBL's Common Equity Tier 1 capital ratio falls below 5.125%, or where APRA determines MBL would be non-viable without an exchange or a public sector injection of capital (or equivalent support).

Tier 2 Capital

MBL's Tier 2 capital consists of a portion of certain credit loss reserves plus subordinated debt instruments.

MBL has issued cumulative convertible subordinated debt amounting to \$US750 million in June 2020, \$US1,000 million in March 2021, \$A750 million in June 2021, \$A850 million in June 2022, \$US1,000 million in January 2023, \$A1,250 million in March 2024, \$A1,250 million in August 2024, \$A1,250 million in May 2025 and \$US1,000 million in August 2025 which are Basel III compliant. This is reported as the value of the liability at the period end date adjusted for any amortisation required under APS 111.

2.3 Composition of Regulatory Capital

Table CC1 below discloses the composition of MBL's regulatory capital, capital ratios, and buffer requirements, presented with relevant references to the regulatory balance sheet. This table should be read in conjunction with Table 6: CC2 - Reconciliation of regulatory capital to balance sheet.

Table 5: CC1 - Composition of regulatory capital

		a	b
		Amounts Sep 2025 \$m	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation Amounts Mar 2025 \$m
Common Equity Tier 1 capital: instruments and reserves			
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	10,267	10,192
2	Retained earnings	11,213	11,047
3	Accumulated other comprehensive income (and other reserves)	1,140	1,612
6	Common Equity Tier 1 capital before regulatory adjustments	22,620	22,851
Common Equity Tier 1 capital: regulatory adjustments			
7	Prudent valuation adjustments	-	1
8	Goodwill (net of related tax liability)	-	42
9	Other intangibles other than mortgage servicing rights (MSR) (net of related tax liability)	24	28
10	Deferred tax assets (DTA) that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	48	Table a 51
11	Cash flow hedge reserve	89	105
12	Shortfall of provisions to expected losses	296	236
14	Gains and losses due to changes in own credit risk on fair valued liabilities	25	32
26	National specific regulatory adjustments	3,015	3,106
26a	of which: deferred fee income	(263)	(202)
26b	of which: equity investments in financial institutions	423	443
26c	of which: deferred tax assets (temporary differences)	846	Table a 1,020
26d	of which: capitalised expenses	985	851
26e	of which: investments in commercial (non-financial) entities that are deducted under APRA prudential requirements	788	750
26f	of which: other national specific regulatory adjustments not reported in rows 26a to 26e	236	244
28	Total regulatory adjustments to Common Equity Tier 1 capital	3,497	3,601
29	Common Equity Tier 1 capital (CET1)	19,123	19,250
Additional Tier 1 capital: instruments			
30	Directly issued qualifying additional Tier 1 instruments plus related stock surplus	2,430	Table b 2,496
32	Of which: classified as liabilities under applicable accounting standards	2,430	Table b 2,496
36	Additional Tier 1 capital before regulatory adjustments	2,430	Table b 2,496
44	Additional Tier 1 capital (AT1)	2,430	Table b 2,496
45	Tier 1 capital (T1 = CET1 + AT1)	21,553	21,746
Tier 2 capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	11,018	Table c 9,490
50	Provisions	4	6
51	Tier 2 capital before regulatory adjustments	11,022	9,496
58	Tier 2 capital	11,022	9,496
59	Total regulatory capital (= Tier 1 + Tier2)	32,575	31,242
60	Total risk-weighted assets	154,566	150,958
Capital adequacy ratios and buffers			
61	Common Equity Tier 1 capital (as a percentage of risk-weighted assets)	12.4 %	12.8 %
62	Tier 1 capital (as a percentage of risk-weighted assets)	13.9 %	14.4 %
63	Total capital (as a percentage of risk-weighted assets)	21.1 %	20.7 %

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		a	b
		Amounts Sep 2025 \$m	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation Amounts Mar 2025 \$m
64	Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk-weighted assets) ¹	4.5 %	4.5 %
65	Of which: capital conservation buffer requirement	3.75 %	3.75 %
66	Of which: bank-specific countercyclical buffer requirement	0.75 %	0.74 %
67	Of which: higher loss absorbency requirement	N/A	N/A
68	Common Equity Tier 1 capital (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements ²	7.9 %	8.3 %
Applicable caps on the inclusion of provisions in Tier 2 capital			
76	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to standardised approach (prior to application of cap)	4	6
77	Cap on inclusion of provisions in Tier 2 capital under standardised approach	185	224
78	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-	-
79	Cap for inclusion of provisions in Tier 2 capital under internal ratings-based approach	650	604

¹ Total of 3.75% capital conservation buffer and 0.75% countercyclical capital buffer.

² Calculated as the difference between MBL's CET1 ratio and the industry minimum CET1 requirement of 4.5% per APS 110.

2.4 Reconciliation of Regulatory Capital to Balance Sheet in MBL Interim Financial Report

Information presented in table CC2 consists of the accounting consolidated balance sheet of MBL and its subsidiaries (column a), the regulatory balance sheet of the Level 2 group (column b), together with relevant reconciliations to regulatory capital information disclosed in Table 5: CC1 - Composition of regulatory capital.

Details on the balance sheet movements are provided in MBL Interim Financial Report.

Table 6: CC2 - Reconciliation of regulatory capital to balance sheet

	a	b	c
	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	Sep 2025 \$m	Sep 2025 \$m	
Assets			
Cash and bank balances	20,034	19,996	
Cash collateralised lending and reverse repurchase agreements	66,104	66,104	
Trading assets	41,369	41,367	CC1 Row 26f
Margin money and settlement assets	18,034	18,026	
Derivative assets	24,143	24,143	
Financial investments	19,694	19,693	
Held for sale assets	1,554	1,554	
Other assets	6,007	5,832	CC1 Row 8, 9, 26
Loan assets	199,789	199,789	CC1 Row 26d
Due from subsidiaries and other Macquarie Group entities	5,780	6,030	
Property, plant and equipment and right-of-use assets	5,447	5,364	
Investments in regulatory non-consolidated subsidiaries	-	213	
Deferred tax assets	905	894	
Total Assets	408,860	409,005	
Liabilities			
Deposits	198,769	198,769	
Cash collateralised borrowing and repurchase agreements	7,825	7,825	
Trading liabilities	11,215	11,215	
Margin money and settlement liabilities	20,771	20,770	
Derivative liabilities	22,681	22,681	
Other liabilities	7,541	7,470	
Due to subsidiaries and other Macquarie Group entities	13,362	13,663	
Issued debt securities and borrowings	90,788	90,779	
Deferred tax liabilities	18	17	
Total Liabilities excluding loan capital	372,970	373,189	
Loan Capital	13,180	13,180	Table b / Table c
Total liabilities	386,150	386,369	
Net assets	22,710	22,636	
Equity			
Contributed equity	10,267	10,267	
Reserves	1,144	1,141	
Retained earnings	11,299	11,228	
Total capital and reserves attributable to the ordinary equity holder of Macquarie Bank Limited	22,710	22,636	
Total equity	22,710	22,636	

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The tables below provide reconciliations between the regulatory balance sheet (disclosed in Table 6: CC2 - Reconciliation of regulatory capital to balance sheet) and the regulatory capital information (disclosed in Table 5: CC1 - Composition of regulatory capital).

Table a - DTA	Sep 2025 \$m	CC1 Row reference
Deferred Tax Assets per Regulatory Balance Sheet	894	
Less: Deferred Tax Liabilities per Regulatory Balance Sheet	(17)	
Net Deferred Tax Assets	877	
Adjustments required in accordance with APRA prudential standards	17	
Adjusted Net Deferred Tax Assets	894	
of which: Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	(48)	Row 10
of which: Deferred tax assets (temporary differences) - Amounts below prescribed threshold	(846)	Row 26c
Total Deferred Tax Assets - Per CC1 disclosure	-	

Table b - Additional Tier 1 Capital	Sep 2025 \$m	CC1 Row reference
Loan Capital per Regulatory Balance Sheet	13,180	
Less: Tier 2 capital instruments reported in Table c	(10,771)	
Less: Accrued interest	(7)	
Add: Capitalised expenses deducted in Common Equity Tier 1 Capital ¹	7	Row 26d
Less: Fair value hedge adjustments ²	21	
Total Additional Tier 1 Capital - Per CC1 disclosure	2,430	Row 30/32/36/44

Additional Tier 1 Capital Instruments		
Macquarie Bank Capital Notes 2	641	
Macquarie Bank Capital Notes 3	655	
Macquarie Additional Capital Securities	1,134	
Total Additional Tier 1 Capital - Per CC1 disclosure	2,430	Row 30/32/36/44

Table c - Total Tier 2 Capital	Sep 2025 \$m	CC1 Row reference
Tier 2 Capital per Regulatory Balance Sheet	10,771	Table b
Less: Accrued Interest	(93)	
Add: Capitalised expenses deducted in Common Equity Tier 1 Capital ¹	29	
Less: Fair value hedge adjustments ²	311	
Less: Basel III non-transitional amortisation	-	
Total Tier 2 Capital - Per CC1 disclosure	11,018	Row 46

Tier 2 Capital instruments³		
USD 750m subordinated debt issued in June 2020	1,135	
USD 1b subordinated debt issued in March 2021	1,511	
AUD 750m subordinated debt issued in June 2021	750	
AUD 850m subordinated debt issued in June 2022	850	
USD 1b subordinated debt issued in January 2023	1,511	
AUD 650m & AUD 600m subordinated debt issued in March 2024	1,250	
AUD 900m & AUD 350m subordinated debt issued in August 2024	1,250	
AUD 500m & AUD 750m subordinated debt issued in May 2025	1,250	
USD 1b subordinated debt issued in August 2025	1,511	
Total Tier 2 Capital - Per CC1 disclosure	11,018	Row 46

¹ Unamortised issue cost relating to capital instruments are netted against each instrument on the Level 2 Regulatory Balance Sheet. For regulatory capital purposes, the unamortised costs are deducted at CET1 as part of capitalised expenses in row 26d of Table 5: CC1 - Composition of regulatory capital.

² For regulatory capital purposes, APRA requires these instruments to be included as unhedged.

³ Values are post transitional amortisation.

3. Credit Risk

3.1 Quantitative information on capital requirements under the Internal ratings-based (IRB) approach

The following tables present the capital requirements for credit risk exposures subject to the IRB risk-weight approach. The disclosure includes an overview of on- and off-balance sheet exposures by portfolios and asset classes, presented together with the key parameters used to calculate EAD and RWA.

Original on-balance sheet gross exposure and Off-balance sheet exposures pre CCF are pre CRM. Non-performing assets are not included in the weighted average calculations of PD, LGD, Maturity and RWA density.

Table 7: CR6 - IRB - Credit risk exposures by portfolio and probability of default (PD) range

30 September 2025
Wholesale Portfolio

	a	b	c	d	e	f	g	h	i	j	k	l
PD Scale	Original on-balance sheet gross exposure \$m	Off-balance sheet exposures pre CCF \$m	Average CCF %	EAD post CRM and post-CCF \$m	Average PD %	Number of obligors	Average LGD %	Average maturity years	RWA \$m	RWA density %	EL \$m	Provisions \$m
Corporate												
0.00 to <0.15	4,518	527	60.6 %	5,051	0.1 %	137	48.6 %	2.9	1,801	35.7 %	2	
0.15 to <0.25	2,770	358	97.6 %	3,111	0.2 %	69	45.4 %	2.8	1,511	48.6 %	3	
0.25 to <0.50	6,409	1,839	59.3 %	7,107	0.4 %	314	46.2 %	2.2	4,397	61.9 %	12	
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	
0.75 to <2.50	5,611	3,486	59.5 %	7,029	1.2 %	455	44.7 %	2.3	7,203	102.5 %	37	
2.50 to <10.00	2,010	1,278	67.7 %	2,651	3.7 %	299	41.6 %	2.2	3,527	133.1 %	41	
10.00 to <100.00	1,224	433	43.4 %	1,104	19.9 %	260	41.1 %	1.7	2,270	205.7 %	86	
100.00 (Non-Performing)	183	30	90.2 %	210	100.0 %	32	44.7 %	1.6	-	-	94	
Sub-total	22,725	7,951	61.8 %	26,263	1.7 %	1,566	45.5 %	2.4	20,709	79.5 %	275	170
SME Corporate												
0.00 to <0.15	2	11	100.0 %	12	0.1 %	2	23.9 %	1.4	1	10.4 %	-	
0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	
0.25 to <0.50	376	146	100.0 %	522	0.5 %	485	42.7 %	3.1	341	65.4 %	1	
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	
0.75 to <2.50	2,054	763	98.5 %	2,806	1.3 %	1,928	40.9 %	3.0	2,455	87.5 %	14	
2.50 to <10.00	1,918	526	100.0 %	2,444	3.8 %	2,510	42.4 %	3.1	2,852	116.7 %	38	
10.00 to <100.00	230	27	89.9 %	254	14.1 %	441	45.1 %	2.5	472	185.8 %	16	
RWA overlays	-	-	-	-	-	-	-	-	788	-	-	
100.00 (Non-Performing)	110	10	100.0 %	120	100.0 %	74	42.1 %	2.1	-	-	51	
Sub-total	4,690	1,483	99.0 %	6,158	2.8 %	5,440	41.8 %	3.1	6,909	114.4 %	120	62
Specialised lending - IPRE¹												
0.00 to <0.15	365	171	100.0 %	588	0.1 %	8	31.2 %	2.5	215	36.6 %	-	
0.15 to <0.25	336	35	100.0 %	372	0.2 %	4	32.2 %	3.8	211	56.7 %	-	
0.25 to <0.50	1,195	129	100.0 %	1,272	0.4 %	77	22.6 %	2.6	599	47.1 %	1	
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	
0.75 to <2.50	2,409	488	100.0 %	2,897	1.1 %	370	23.5 %	2.4	1,943	67.1 %	7	
2.50 to <10.00	968	119	100.0 %	1,087	3.7 %	344	21.8 %	2.4	952	87.5 %	9	
10.00 to <100.00	34	4	100.0 %	38	17.5 %	16	20.7 %	1.3	50	129.1 %	1	
100.00 (Non-Performing)	176	1	100.0 %	178	100.0 %	23	20.6 %	1.4	-	-	36	
Sub-total	5,483	947	100.0 %	6,432	1.4 %	842	24.2 %	2.5	3,970	63.5 %	54	13

¹ IPRE (Income producing real estate) specialised lending exposures are reported in this template, while other Specialised lending exposures (subject to slotting approach) are reported under CR10.

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	a	b	c	d	e	f	g	h	i	j	k	l
PD Scale	Original on-balance sheet gross exposure \$m	Off-balance sheet exposures pre CCF \$m	Average CCF %	EAD post CRM and post-CCF \$m	Average PD %	Number of obligors	Average LGD %	Average maturity years	RWA \$m	RWA density %	EL \$m	Provisions \$m
Financial Institution												
0.00 to <0.15	7,528	36	44.8 %	9,117	0.1 %	308	50.0 %	1.0	1,837	20.2 %	3	
0.15 to <0.25	505	15	40.0 %	518	0.2 %	39	50.0 %	1.3	255	49.2 %	-	
0.25 to <0.50	1,083	45	43.3 %	1,104	0.4 %	110	50.3 %	1.4	852	77.2 %	2	
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	
0.75 to <2.50	224	19	100.0 %	243	1.0 %	52	49.7 %	1.5	288	118.4 %	1	
2.50 to <10.00	59	14	98.0 %	73	3.5 %	48	41.6 %	2.1	106	145.3 %	1	
10.00 to <100.00	51	237	100.0 %	287	12.7 %	47	8.9 %	4.3	133	46.2 %	3	
100.00 (Non-Performing)	1	-	-	1	100.0 %	4	50.0 %	1.0	-	-	-	
Sub-total	9,451	366	85.1 %	11,343	0.5 %	608	48.9 %	1.2	3,471	30.6 %	10	13
Sovereign												
0.00 to <0.15	18,778	35	40.0 %	18,792	-	19	5.1 %	1.7	209	1.1 %	-	
0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	
0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-	
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	
0.75 to <2.50	35	30	40.0 %	48	0.9 %	2	48.7 %	1.6	43	89.8 %	-	
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	
10.00 to <100.00	-	-	-	-	44.3 %	1	50.0 %	1.0	-	271.9 %	-	
100.00 (Non-Performing)	-	-	-	-	-	-	-	-	-	-	-	
Sub-total	18,813	65	40.0 %	18,840	-	22	5.2 %	1.7	252	1.3 %	-	-
Residual Value of Operating Lease	1,112	2	100.0 %	1,114	-	-	-	-	1,114	100.0 %	-	-
Total (all portfolios)	62,274	10,814	70.9 %	70,150	1.1 %	8,478	32.7 %	2.1	36,425	52.3 %	459	258

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Retail Portfolio

	a	b	c	d	e	f	g	h	i	j	k	l
PD Scale	Original on-balance sheet gross exposure \$m	Off-balance sheet exposures pre CCF \$m	Average CCF %	EAD post CRM and post-CCF \$m	Average PD %	Number of obligors	Average LGD %	Average maturity years	RWA \$m	RWA density %	EL \$m	Provisions \$m
Residential Mortgage												
0.00 to <0.15	63,632	10,652	100.0 %	74,284	0.1 %	116,556	11.6 %		4,505	6.1 %	10	
0.15 to <0.25	28,002	1,449	100.0 %	29,451	0.2 %	42,119	13.3 %		2,640	9.0 %	8	
0.25 to <0.50	-	-	-	-	-	-	-		-	-	-	
0.50 to <0.75	-	-	-	-	-	-	-		-	-	-	
0.75 to <2.50	68,763	7,783	100.0 %	76,545	1.1 %	129,546	13.6 %		24,107	31.5 %	116	
2.50 to <10.00	579	90	100.0 %	669	2.5 %	1,462	14.9 %		403	60.3 %	2	
10.00 to <100.00	681	7	100.0 %	688	22.7 %	1,191	13.4 %		890	129.3 %	21	
RWA overlays	-	-	-	-	-	-	-		770	-	-	
100.00 (Non-Performing)	1,320	24	100.0 %	1,343	100.0 %	2,128	14.8 %		2,318	172.5 %	33	
Sub-total	162,977	20,005	100.0 %	182,980	0.6 %	293,002	12.8 %		35,633	18.3 %	190	151
SME Retail												
0.00 to <0.15	-	-	-	-	-	-	-		-	-	-	
0.15 to <0.25	8	6	100.0 %	14	0.2 %	20	14.7 %		1	6.5 %	-	
0.25 to <0.50	-	-	-	-	-	-	-		-	-	-	
0.50 to <0.75	-	-	-	-	-	-	-		-	-	-	
0.75 to <2.50	411	-	100.0 %	411	1.5 %	16,466	40.3 %		211	51.5 %	3	
2.50 to <10.00	342	3	100.0 %	345	4.6 %	8,141	43.8 %		243	70.4 %	7	
10.00 to <100.00	1	-	100.0 %	1	22.7 %	3	15.8 %		1	99.5 %	-	
RWA overlays	-	-	-	-	-	-	-		135	-	-	
100.00 (Non-Performing)	34	-	-	34	100.0 %	1,101	38.0 %		66	191.9 %	12	
Sub-total	796	9	100.0 %	805	2.9 %	25,731	41.4 %		657	76.7 %	22	39
Other Retail												
0.00 to <0.15	-	-	-	-	-	-	-		-	-	-	
0.15 to <0.25	-	-	-	-	-	-	-		-	-	-	
0.25 to <0.50	225	-	-	225	0.4 %	13,394	31.8 %		50	22.1 %	-	
0.50 to <0.75	361	-	-	361	0.5 %	10,024	27.2 %		78	21.5 %	-	
0.75 to <2.50	353	-	-	353	1.3 %	15,878	39.5 %		171	48.5 %	2	
2.50 to <10.00	206	-	-	206	5.1 %	11,823	52.0 %		174	84.4 %	6	
10.00 to <100.00	-	-	-	-	-	-	-		-	-	-	
RWA overlays	-	-	-	-	-	-	-		114	-	-	
100.00 (Non-Performing)	33	-	-	33	100.0 %	1,884	45.8 %		72	219.7 %	14	
Sub-total	1,178	-	-	1,178	1.6 %	53,003	36.3 %		659	51.2 %	22	73
Total (all portfolios)	164,951	20,014	100.0 %	184,963	0.6 %	371,736	13.0 %		36,949	18.8 %	234	263

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Wholesale Portfolio

	a	b	c	d	e	f	g	h	i	j	k	l
PD Scale	Original on-balance sheet gross exposure \$m	Off-balance sheet exposures pre CCF \$m	Average CCF %	EAD post CRM and post-CCF \$m	Average PD %	Number of obligors	Average LGD %	Average maturity years	RWA \$m	RWA density %	EL \$m	Provisions \$m
Corporate												
0.00 to <0.15	4,486	396	45.2 %	4,543	0.1 %	359	48.6 %	3.3	1,766	38.9 %	2	
0.15 to <0.25	2,256	249	97.2 %	2,790	0.2 %	98	46.9 %	2.2	1,227	44.0 %	2	
0.25 to <0.50	6,435	1,370	65.0 %	7,138	0.4 %	701	43.4 %	2.1	4,041	56.6 %	11	
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	
0.75 to <2.50	5,727	3,359	63.0 %	6,838	1.2 %	453	44.7 %	2.1	6,879	100.6 %	37	
2.50 to <10.00	2,777	1,158	62.2 %	2,921	3.5 %	361	43.9 %	2.1	4,020	137.7 %	45	
10.00 to <100.00	748	245	57.7 %	571	19.1 %	317	44.8 %	2.1	1,292	226.2 %	48	
100.00 (Non-Performing)	195	14	78.6 %	198	100.0 %	30	45.6 %	1.2	-	-	90	
Sub-total	22,624	6,791	63.3 %	24,999	1.3 %	2,319	45.2 %	2.3	19,225	77.5 %	235	148
SME Corporate												
0.00 to <0.15	4	11	100.0 %	15	0.1 %	3	28.6 %	1.8	2	14.0 %	-	
0.15 to <0.25	-	-	100.0 %	-	0.2 %	1	50.0 %	5.0	-	70.8 %	-	
0.25 to <0.50	272	121	100.0 %	393	0.5 %	384	41.2 %	3.3	255	64.9 %	1	
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	
0.75 to <2.50	2,082	682	97.6 %	2,747	1.3 %	1,925	41.5 %	2.8	2,326	84.7 %	14	
2.50 to <10.00	1,950	415	100.0 %	2,364	3.8 %	2,581	41.5 %	3.0	2,647	112.0 %	37	
10.00 to <100.00	199	55	81.5 %	244	15.5 %	618	42.9 %	2.5	432	177.0 %	16	
RWA overlays	-	-	-	-	-	-	-	-	788	-	-	
100.00 (Non-Performing)	114	5	100.0 %	119	100.0 %	74	41.5 %	1.9	-	-	49	
Sub-total	4,621	1,289	98.0 %	5,882	2.9 %	5,586	41.5 %	2.9	6,450	111.9 %	117	71
Specialised lending - IPRE¹												
0.00 to <0.15	319	-	-	319	0.1 %	2	20.0 %	1.6	50	15.7 %	-	
0.15 to <0.25	126	-	-	126	0.2 %	1	50.0 %	2.6	98	77.3 %	-	
0.25 to <0.50	1,225	66	100.0 %	1,291	0.5 %	77	20.4 %	2.7	551	42.7 %	1	
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	
0.75 to <2.50	2,185	215	100.0 %	2,400	1.1 %	375	21.0 %	2.1	1,351	56.3 %	6	
2.50 to <10.00	859	114	100.0 %	973	3.6 %	324	22.3 %	2.1	861	88.4 %	8	
10.00 to <100.00	105	2	100.0 %	107	30.7 %	15	21.5 %	1.3	153	142.2 %	7	
100.00 (Non-Performing)	135	1	100.0 %	137	100.0 %	20	22.0 %	1.9	-	-	30	
Sub-total	4,954	398	100.0 %	5,353	1.9 %	814	21.7 %	2.2	3,064	58.7 %	52	20
Financial Institution												
0.00 to <0.15	4,660	148	41.2 %	6,720	0.1 %	291	50.0 %	1.4	1,732	25.8 %	2	
0.15 to <0.25	493	-	-	525	0.2 %	36	50.0 %	1.0	237	45.3 %	-	
0.25 to <0.50	637	20	43.6 %	699	0.4 %	99	50.5 %	1.3	522	74.8 %	1	
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	
0.75 to <2.50	161	488	100.0 %	649	1.4 %	46	12.6 %	4.5	253	39.0 %	1	
2.50 to <10.00	10	13	100.0 %	24	4.8 %	40	22.5 %	4.3	24	102.3 %	-	
10.00 to <100.00	23	45	100.0 %	68	20.5 %	47	17.3 %	3.8	63	93.1 %	2	
100.00 (Non-Performing)	17	-	-	17	100.0 %	4	50.0 %	1.0	-	-	9	
Sub-total	6,001	714	86.2 %	8,702	0.4 %	563	46.9 %	1.7	2,831	32.6 %	15	25

¹ IPRE (Income Producing real estate) specialised lending exposures are reported in this template, while other Specialised lending exposures are (subject to slotting approach) are reported under CR10.

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	a	b	c	d	e	f	g	h	i	j	k	l
PD Scale	Original on-balance sheet gross exposure \$m	Off-balance sheet exposures pre CCF \$m	Average CCF %	EAD post CRM and post-CCF \$m	Average PD %	Number of obligors	Average LGD %	Average maturity years	RWA \$m	RWA density %	EL \$m	Provisions \$m
Sovereign												
0.00 to <0.15	18,993	37	40.0 %	19,092	-	28	5.5 %	1.7	229	1.2 %	-	
0.15 to <0.25	1	-	-	1	0.2 %	1	50.0 %	1.0	-	34.5 %	-	
0.25 to <0.50	-	-	-	-	0.3 %	1	50.0 %	1.0	-	47.0 %	-	
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	
0.75 to <2.50	33	40	40.0 %	49	0.9 %	2	48.4 %	2.0	46	93.9 %	-	
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	
10.00 to <100.00	1	-	-	1	11.0 %	2	50.0 %	1.0	1	219.7 %	-	
100.00 (Non-Performing)	-	-	-	-	-	-	-	-	-	-	-	
Sub-total	19,028	77	40.0 %	19,143	-	34	5.6 %	1.7	276	1.4 %	-	-
Residual Value of Operating Lease	1,392	2	100.0 %	1,394	-	-	-	-	1,394	100.0 %	-	-
Total (all portfolios)	58,620	9,271	71.3 %	65,473	1.0 %	9,316	31.2 %	2.1	33,240	51.1 %	419	264

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Retail Portfolio

	a	b	c	d	e	f	g	h	i	j	k	l
PD Scale	Original on-balance sheet gross exposure \$m	Off-balance sheet exposures pre CCF \$m	Average CCF %	EAD post CRM and post-CCF \$m	Average PD %	Number of obligors	Average LGD %	Average maturity years	RWA \$m	RWA density %	EL \$m	Provisions \$m
Residential Mortgage												
0.00 to <0.15	56,977	10,136	100.0 %	67,113	0.1 %	106,314	11.6 %		4,049	6.0 %	9	
0.15 to <0.25	24,440	1,472	100.0 %	25,912	0.2 %	37,400	13.2 %		2,308	8.9 %	7	
0.25 to <0.50	-	-	-	-	-	-	-		-	-	-	
0.50 to <0.75	-	-	-	-	-	-	-		-	-	-	
0.75 to <2.50	60,724	6,033	100.0 %	66,757	1.1 %	114,955	13.5 %		20,730	31.1 %	100	
2.50 to <10.00	616	110	100.0 %	726	2.5 %	1,636	14.6 %		431	59.3 %	3	
10.00 to <100.00	631	7	100.0 %	638	22.7 %	1,096	13.4 %		826	129.5 %	19	
RWA overlays	-	-	-	-	-	-	-		770	-	-	
100.00 (Non-Performing)	1,215	13	100.0 %	1,228	100.0 %	2,005	14.8 %		2,120	172.6 %	29	
Sub-total	144,603	17,771	100.0 %	162,374	0.6 %	263,406	12.7 %		31,233	18.1 %	167	135
SME Retail												
0.00 to <0.15	-	-	-	-	-	-	-		-	-	-	
0.15 to <0.25	4	6	100.0 %	10	0.2 %	18	12.5 %		1	5.5 %	-	
0.25 to <0.50	-	-	-	-	-	-	-		-	-	-	
0.50 to <0.75	-	-	-	-	-	-	-		-	-	-	
0.75 to <2.50	589	-	100.0 %	589	1.5 %	22,663	40.5 %		303	51.6 %	4	
2.50 to <10.00	478	3	100.0 %	481	4.7 %	11,474	44.2 %		343	71.2 %	10	
10.00 to <100.00	-	-	100.0 %	-	22.7 %	3	14.1 %		-	89.3 %	-	
RWA overlays	-	-	-	-	-	-	-		135	-	-	
100.00 (Non-Performing)	35	-	100.0 %	35	100.0 %	1,218	36.0 %		80	228.7 %	8	
Sub-total	1,106	9	100.0 %	1,115	2.9 %	35,376	41.9 %		862	72.4 %	22	37
Other Retail												
0.00 to <0.15	-	-	-	-	-	-	-		-	-	-	
0.15 to <0.25	-	-	-	-	-	-	-		-	-	-	
0.25 to <0.50	324	-	-	324	0.4 %	18,072	32.1 %		72	22.3 %	-	
0.50 to <0.75	480	-	-	480	0.5 %	12,897	27.3 %		104	21.6 %	1	
0.75 to <2.50	492	-	-	492	1.3 %	21,184	40.1 %		243	49.3 %	3	
2.50 to <10.00	292	-	-	292	5.1 %	16,264	52.4 %		249	85.2 %	8	
10.00 to <100.00	-	-	-	-	-	-	-		-	-	-	
RWA overlays	-	-	-	-	-	-	-		114	-	-	
100.00 (Non-Performing)	44	-	-	44	100.0 %	2,729	46.2 %		138	311.1 %	12	
Sub-total	1,632	-	-	1,632	1.6 %	71,146	36.9 %		920	49.2 %	24	78
Total (all portfolios)	147,341	17,780	100.0 %	165,121	0.7 %	369,928	13.1 %		33,015	18.7 %	213	250

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Table CR8 below presents the key factors contributing to the movements in IRB RWA between the current and prior reporting period. For the three months to 30 September 2025, the increase attributed to methodology and policy changes reflects a change in treatment, resulting in the reclassification of exposures from the trading book to the banking book. These exposures are now assessed under the credit risk framework. The reduction related to acquisitions and disposals is due to the transfer outlined in section 1.3 Scope of Application.

Table 8: CR8 - RWA flow statements of credit risk exposures under IRB

	a	
	3 months to 30 Sep 25 \$m	3 months to 30 Jun 25 \$m
1 RWA as at end of previous reporting period	73,641	71,091
2 Asset size	5,441	3,198
3 Asset quality	(387)	(7)
4 Model updates	-	-
5 Methodology and policy	128	-
6 Acquisitions and disposals	(368)	-
7 Foreign exchange movements	(186)	(641)
8 Other	-	-
9 RWA as at end of reporting period	78,269	73,641

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Table CR10 below presents information on the specialised lending exposures under the supervisory slotting approach by regulatory categories.

Table 9: CR10 - IRB (specialised lending under the slotting approach)

30 September 2025

Specialised lending exposures subject to supervisory slotting ¹									
Regulatory categories	On-balance sheet amount \$m	Off-sheet balance amount \$m	RW %	Exposure amount \$m				RWA \$m	Expected losses \$m
				PF	OF	CF	Total		
Strong	6	-	70 %	6	-	-	6	4	-
Good	1,280	414	90 %	607	1,093	-	1,700	1,531	14
Satisfactory	1,878	917	115 %	1,870	911	-	2,781	3,199	78
Weak	53	30	250 %	64	-	-	64	161	5
Default	21	17	-	41	-	-	41	-	21
Total	3,238	1,378		2,588	2,004	-	4,592	4,895	118

31 March 2025

Specialised lending exposures subject to supervisory slotting ¹									
Regulatory categories	On-balance sheet amount \$m	Off-sheet balance amount \$m	RW %	Exposure amount \$m				RWA \$m	Expected losses \$m
				PF	OF	CF	Total		
Strong	8	2	70 %	10	-	-	10	7	-
Good	772	305	90 %	749	332	-	1,081	973	9
Satisfactory	2,451	840	115 %	1,374	1,899	-	3,273	3,763	92
Weak	-	70	250 %	31	6	-	37	93	3
Default	46	21	-	96	-	-	96	-	48
Total	3,277	1,238		2,260	2,237	-	4,497	4,836	152

¹ Income-producing real estate (IPRE) exposures are excluded from this disclosure as they are not subject to the supervisory slotting treatment.

3.2 Quantitative information on capital requirements under the standardised approach

Table CR4 presents the capital requirements for credit risk exposures subject to the standardised risk-weight approach. The disclosure provides an overview of on- and off-balance sheet exposures by asset classes, reported both before and after the application of CCF and CRM.

Table 10: CR4 - Standardised approach - Credit risk exposure and credit risk mitigation effects

30 September 2025

Asset classes	a	b	c	d	e	f
	Exposures before CCF and CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
	On-balance sheet amount \$m	Off-balance sheet amount \$m	On-balance sheet amount \$m	Off-balance sheet amount \$m	RWA \$m	RWA density %
1 Sovereigns and their central banks	-	-	-	-	-	-
4 Banks	-	-	-	-	-	-
5 Covered bonds	-	-	-	-	-	-
6 Corporates	1,145	317	1,036	31	838	78.5 %
7 Subordinated debt, equity and other capital	6	11	6	2	19	237.5 %
8 Retail	517	656	411	262	528	78.3 %
9 Property Exposures	477	40	477	40	455	88.0 %
Of which: Residential Property	475	40	475	40	452	87.6 %
Of which: Commercial Property	-	-	-	-	-	-
Of which: land acquisition, development and construction	2	-	2	-	3	150.0 %
10 Non-performing exposures	12	-	12	-	17	141.7 %
11 Other assets ¹	2,840	56	2,840	33	2,865	99.7 %
12 Total	4,997	1,080	4,782	368	4,722	91.7 %

¹ The major components of Other Assets are fixed assets.

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Asset classes	a	b	c	d	e	f
	Exposures before CCF and CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
	On-balance sheet amount \$m	Off-balance sheet amount \$m	On-balance sheet amount \$m	Off-balance sheet amount \$m	RWA \$m	RWA density %
1 Sovereigns and their central banks	-	-	-	-	-	-
4 Banks	-	-	-	-	-	-
5 Covered bonds	-	-	-	-	-	-
6 Corporates	1,402	188	1,337	87	1,197	84.1 %
7 Subordinated debt, equity and other capital	6	11	6	2	20	250.0 %
8 Retail	808	719	685	288	751	77.2 %
9 Property Exposures	537	57	537	57	530	89.2 %
Of which: Residential Property	535	57	535	57	526	88.9 %
Of which: Commercial Property	-	-	-	-	-	-
Of which: land acquisition, development and construction	2	1	2	1	4	133.3 %
10 Non-performing exposures	11	-	11	-	16	145.5 %
11 Other assets ¹	2,993	56	2,993	32	3,018	99.8 %
12 Total	5,757	1,031	5,569	466	5,532	91.7 %

¹ The major components of Other Assets are fixed assets.

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The following tables present the credit risk exposures under the standardised approach, categorised by asset classes and risk weight percentages. The total credit exposure amounts reflect the application of CCF and CRM and are presented to the nearest million dollars.

Table 11: CR5 - Standardised approach - Exposures by asset classes and risk weights

30 September 2025

1		Sovereigns and their central banks		0%		20%		50%		100%		150%		Total credit exposure amount																											
				-		-		-		-		-		-																											
				20%		30%		40%		50%		75%		100%		150%		Total credit exposure amount																							
4		Banks		-		-		-		-		-		-		-		-																							
				10%		15%		20%		25%		35%		50%		100%		Total credit exposure amount																							
5		Covered bonds		-		-		-		-		-		-		-		-																							
				20%		50%		65%		75%		80%		85%		100%		130%		150%		Total credit exposure amount																			
6		Corporates		-		398		-		120		-		-		549		-		-		1,067																			
				100%				150%				250%				400%				Total credit exposure amount																					
7		Subordinated debt, equity and other capital		-				-				8				-				8																					
				45%				75%				100%						Total credit exposure amount																							
8		Retail		-				583				90				673																									
				0%		20%		25%		30%		35%		40%		45%		50%		60%		65%		70%		75%		85%		90%		100%		105%		110%		150%		Total credit exposure amount	
9		Property Exposures		-		4		5		6		1		11		1		88		-		-		-		-		-		-		399		-		-		2		517	
		Of which: Residential Property		-		4		5		6		1		11		1		88		-		-		-		-		-		-		399		-		-		-		515	
		Of which: Commercial Property		-		-		-		-		-		-		-		-		-		-		-		-		-		-		-		-		-		-			
		Of which: land acquisition, development and construction		-		-		-		-		-		-		-		-		-		-		-		-		-		-		-		-		2		2			
				50%				100%				150%						Total credit exposure amount																							
10		Non-performing exposures		-				-				12				12																									
				0%				20%				100%				1250%		Total credit exposure amount																							
11		Other assets ¹		-				11				2,862				-		2,873																							

¹ The major components of Other Assets are fixed assets.

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Exposure amounts and CCFs applied to off-balance sheet exposures, categorised based on risk bucket of converted exposures

Risk weight	a	b	c	d
	On-balance sheet exposure \$m	Off-balance sheet exposure (pre-CCF) \$m	Weighted average CCF* %	Exposure (post-CCF and post-CRM) \$m
1 Less than 40%	16	11	100.0 %	28
2 40-70%	582	24	100.0 %	498
3 75%	440	656	40.0 %	702
4 85%	-	-	-	-
5 90-100%	3,940	378	82.5 %	3,901
6 105-130%	-	-	-	-
7 150%	13	-	100.0 %	13
8 250%	6	11	20.0 %	8
9 400%	-	-	-	-
10 1250%	-	-	-	-
11 Total exposures	4,997	1,080	56.6 %	5,150

* Weighting is based on off-balance sheet exposure (pre-CCF).

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		0%		20%		50%		100%		150%		Total credit exposure amount									
1	Sovereigns and their central banks	-		-		-		-		-		-									
		20%		30%		40%		50%		75%		100%		150%		Total credit exposure amount					
4	Banks	-		-		-		-		-		-		-		-					
		10%		15%		20%		25%		35%		50%		100%		Total credit exposure amount					
5	Covered bonds	-		-		-		-		-		-		-		-					
		20%		50%		65%		75%		80%		85%		100%		130%		150%		Total credit exposure amount	
6	Corporates	-		454		-		-		-		-		970		-		-		1,424	
		100%				150%				250%				400%				Total credit exposure amount			
7	Subordinated debt, equity and other capital	-				-				8				-				8			
		45%						75%						100%						Total credit exposure amount	
8	Retail	-						885						88						973	
		0%	20%	25%	30%	35%	40%	45%	50%	60%	65%	70%	75%	85%	90%	100%	105%	110%	150%	Total credit exposure amount	
9	Property Exposures	-	7	5	3	-	10	3	95	-	-	-	-	-	-	468	-	-	3	594	
	Of which: Residential Property	-	7	5	3	-	10	3	95	-	-	-	-	-	-	468	-	-	-	591	
	Of which: Commercial Property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Of which: land acquisition, development and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	3	
		50%						100%						150%						Total credit exposure amount	
10	Non-performing exposures	-						2						9						11	
		0%				20%				100%				1250%				Total credit exposure amount			
11	Other assets ¹	-				8				3,017				-				3,025			

¹ The major components of Other Assets are fixed assets.

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Exposure amounts and CCFs applied to off-balance sheet exposures, categorised based on risk bucket of converted exposures

		a	b	c	d
		On-balance sheet exposure	Off-balance sheet exposure	Weighted average CCF*	Exposure
Risk weight		\$m	(pre-CCF) \$m	%	(post-CCF and post-CRM) \$m
1	Less than 40%	15	8	100.0 %	23
2	40-70%	596	28	100.0 %	562
3	75%	597	719	40.0 %	885
4	85%	-	-	-	-
5	90-100%	4,531	264	61.2 %	4,545
6	105-130%	-	-	-	-
7	150%	12	1	100.0 %	12
8	250%	6	11	20.0 %	8
9	400%	-	-	-	-
10	1250%	-	-	-	-
11	Total exposures	5,757	1,031	47.4 %	6,035

* Weighting is based on off-balance sheet exposure (pre-CCF).

3.3 Comparison of modelled and standardised RWA

Table CMS1 below presents a comparison between the RWA reported as the current requirements versus the equivalent RWA calculated using the full standardised approach for the respective risk categories.

The difference between IRB credit risk RWA and standardised RWA is primarily due to the Retail Residential Mortgages portfolio benefiting from modelled LGD and PD under IRB which considers a broader range of factors compared to the standardised approach.

Table 12: CMS1 - Comparison of modelled and standardised RWA at risk level
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	a	b	c	d
	RWA \$m			
	RWA for modelled approaches that banks have supervisory approval to use	RWA for portfolios where standardised approaches are used	Total Actual RWA (a + b) (ie RWA which banks report as current requirements)	RWA calculated using full standardised approach (ie used in the base of the output floor)
1 Credit risk (excluding counterparty credit risk)	78,269	4,722	82,991	116,318
2 Counterparty credit risk	30,052	1,827	31,879	49,331
3 Credit valuation adjustment		8,230	8,230	8,230
4 Securitisation exposures in the banking book	-	1,083	1,083	1,083
5 Market risk	7,695	741	8,436	8,436
5a Interest rate risk in the banking book (IRRBB) ¹	3,220	-	3,220	-
6 Operational risk		18,726	18,726	18,726
7 Residual RWA		1	1	1
8 Total	119,236	35,330	154,566	202,125

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	a	b	c	d
	RWA \$m			
	RWA for modelled approaches that banks have supervisory approval to use	RWA for portfolios where standardised approaches are used	Total Actual RWA (a + b) (ie RWA which banks report as current requirements)	RWA calculated using full standardised approach (ie used in the base of the output floor)
1 Credit risk (excluding counterparty credit risk)	71,091	5,532	76,623	107,260
2 Counterparty credit risk	29,653	1,364	31,017	45,352
3 Credit valuation adjustment		10,995	10,995	10,995
4 Securitisation exposures in the banking book	-	916	916	916
5 Market risk	7,207	1,319	8,526	8,526
5a Interest rate risk in the banking book (IRRBB) ¹	4,154	-	4,154	-
6 Operational risk		18,726	18,726	18,726
7 Residual RWA		1	1	1
8 Total	112,105	38,853	150,958	191,776

¹ In line with national specific modification.

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Table CMS2 below provides an overview comparison of the credit risk RWA calculated using the internally modelled approach versus the equivalent RWA calculated using the full standardised approach for the respective asset classes.

Table 13: CMS2 - Comparison of modelled and standardised RWA for credit risk at asset class level

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	a	b	c	d
	RWA \$m			
	RWA for modelled approaches that banks have supervisory approval to use	RWA for column (a) if re-computed using the standardised approach	Total Actual RWA (ie RWA which banks report as current requirements)	RWA calculated using full standardised approach (ie RWA used in the base of the output floor)
1 Corporate	20,709	24,649	21,546	25,487
2 SME Corporate	6,909	4,782	6,910	4,782
3 Specialised lending - IPRE	3,970	5,005	3,969	5,005
4 Specialised Lending - Subject to Supervisory Slotting Approach	4,895	4,852	4,895	4,852
5 Sovereign	252	64	252	64
6 Financial Institution	3,471	5,466	3,471	5,466
7 Residential Mortgages	35,633	63,926	36,103	64,396
8 SME Retail	657	588	657	588
9 Other Retail	659	1,150	1,190	1,680
10 Other Assets ¹	1,114	1,114	3,998	3,998
11 Total	78,269	111,596	82,991	116,318

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	a	b	c	d
	RWA \$m			
	RWA for modelled approaches that banks have supervisory approval to use	RWA for column (a) if re-computed using the standardised approach	Total Actual RWA (ie RWA which banks report as current requirements)	RWA calculated using full standardised approach (ie RWA used in the base of the output floor)
1 Corporate	19,225	23,378	20,422	24,574
2 SME Corporate	6,450	4,527	6,451	4,527
3 Specialised lending - IPRE	3,064	3,874	3,063	3,874
4 Specialised Lending - Subject to Supervisory Slotting Approach	4,836	4,713	4,836	4,713
5 Sovereign	276	243	276	243
6 Financial Institution	2,831	4,739	2,832	4,739
7 Residential Mortgages	31,233	56,432	31,774	56,973
8 SME Retail	862	826	1,061	1,025
9 Other Retail	920	1,602	1,477	2,159
10 Other Assets ¹	1,394	1,396	4,431	4,433
11 Total	71,091	101,730	76,623	107,260

¹ The major components of Other Assets are fixed assets and residual value of operating leases.

4. Credit Risk Mitigation

Table CR3 below provides an overview of the credit risk exposures, along with the eligible CRM. The CRM mechanisms include collateral, guarantees, and credit derivatives, which are subject to the eligibility criteria specified in APS 112 and APS 113.

Table 14: CR3 - Credit risk mitigation techniques - overview

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	a	b	c	d	e
	Exposures unsecured: carrying amount \$m ¹	Exposures to be secured \$m ²	Exposures secured by collateral \$m ³	Exposures secured by financial guarantees \$m	Exposures secured by credit derivatives \$m
1 Loans ⁴	45,110	175,974	173,459	2,515	-
2 Debt securities	8,855	-	-	-	-
3 Total	53,965	175,974	173,459	2,515	-
4 Of which Non-Performing	233	1,505	1,505	-	-

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	a	b	c	d	e
	Exposures unsecured: carrying amount \$m ¹	Exposures to be secured \$m ²	Exposures secured by collateral \$m ³	Exposures secured by financial guarantees \$m	Exposures secured by credit derivatives \$m
1 Loans ⁴	45,024	157,346	154,567	2,779	-
2 Debt securities	6,387	-	-	-	-
3 Total	51,411	157,346	154,567	2,779	-
4 Of which Non-Performing	279	1,370	1,366	4	-

¹ Includes fully unsecured exposures and the unsecured portion of partially-secured exposures.

² Exposures secured by eligible collateral for the purposes of reducing capital requirements under APS 112 and APS 113.

³ All residential mortgages are included in exposure secured by collateral.

⁴ For the purpose of this disclosure, Loans also include cash and bank balances and other receivables.

5. Credit Quality

Table CR1 below presents a breakdown of the performing and non-performing exposures, along with the related provisions for credit losses. The reported exposures consist of on-balance sheet financial assets and off-balance sheet exposures that are subject to the credit risk framework.

Table 15: CR1 - Credit quality of assets

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		a	b	c	d		e	f	g
		Gross carrying values of \$m		Allowances / impairments \$m	Of which ECL accounting provisions for credit losses on SA exposures \$m		Allocated in regulatory category of General	Of which ECL accounting provisions for credit losses on IRB exposures \$m	Net Values \$m (a+b-c)
		Non-performing exposures	Performing exposures		Allocated in regulatory category of Specific				
1	Loans ¹	1,908	219,705	529	12		3	514	221,084
2	Debt Securities	-	8,856	1	-		-	1	8,855
3	Off-balance sheet exposures	82	30,465	74	-		1	73	30,473
4	Total	1,990	259,026	604	12		4	588	260,412

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		a	b	c	d		e	f	g
		Gross carrying values of \$m		Allowances / impairments \$m	Of which ECL accounting provisions for credit losses on SA exposures \$m		Allocated in regulatory category of General	Of which ECL accounting provisions for credit losses on IRB exposures \$m	Net Values \$m (a+b-c)
		Non-performing exposures	Performing exposures		Allocated in regulatory category of Specific				
1	Loans ¹	1,854	201,093	577	16		5	556	202,370
2	Debt Securities	-	6,393	6	-		-	6	6,387
3	Off-balance sheet exposures	54	26,644	43	-		1	42	26,655
4	Total	1,908	234,130	626	16		6	604	235,412

Table CR2 below presents the key factors contributing to the movements in non-performing exposures between the current and prior reporting periods.

Table 16: CR2 - Changes in stock of non-performing loans, debt securities and off-balance sheet exposures

		6 months to 30 Sep 25 \$m
1	Non-performing loans, debt securities and off balance sheet exposures at end of the previous reporting period	1,908
2	Exposures recognised as non-performing during the current reporting period	751
3	Returned to performing status	266
4	Amounts written off ²	64
5	Other changes ³	(339)
6	Non-performing loans, debt securities and off balance sheet exposures at end of the reporting period (1+2-3-4+5)	1,990

¹ For the purpose of this disclosure, Loans also include cash and bank balances and other receivables.

² Under AASB 9, there are no longer direct write offs to Income Statement. A financial asset is written off when there is no reasonable expectation of recovering it. At the time of writing off a financial asset it is adjusted against the Expected Credit Loss (ECL) provision created over the life of the asset and not directly written off to Income Statement.

³ Other changes primarily includes repayments and change in existing counterparties.

6. Counterparty Credit Risk

6.1 Quantitative information on counterparty credit risk

Table CCR1 below presents the capital requirements for CCR exposures, along with the main parameters used to determine the exposures and the corresponding RWA.

Table 17: CCR1 - Analysis of CCR exposures by approach

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	a	b	c	d	e	f
	Replacement cost \$m	Potential future exposure \$m	Effective EPE \$m	Alpha used for computing regulatory EAD	EAD post-CRM \$m	RWA \$m
1 SA-CCR (for derivatives)	10,788	20,477		1.4	43,673	26,370
4 Comprehensive Approach for credit risk mitigation (for SFTs)					16,122	4,741
6 Total						31,111

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	a	b	c	d	e	f
	Replacement cost \$m	Potential future exposure \$m	Effective EPE \$m	Alpha used for computing regulatory EAD	EAD post-CRM \$m	RWA \$m
1 SA-CCR (for derivatives)	10,083	20,610		1.4	42,872	26,094
4 Comprehensive Approach for credit risk mitigation (for SFTs)					11,602	4,155
6 Total						30,249

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Table CCR3 below presents the CCR exposures subject to the standardised risk-weight approach.

Table 18: CCR3 - Standardised approach - CCR exposures by regulatory portfolio and risk weights

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	a	b	c	d	e	f	g	h	i
Risk weight→									
Regulatory portfolio↓	0% \$m	10% \$m	20% \$m	50% \$m	75% \$m	100% \$m	150% \$m	Others \$m	Total credit exposure \$m
Sovereigns	-	-	-	-	-	-	-	-	-
Non-central government public sector entities	-	-	-	-	-	-	-	-	-
Multilateral development banks	-	-	-	-	-	-	-	-	-
Banks	-	-	-	-	-	-	-	-	-
Securities firms	-	-	-	-	-	-	-	-	-
Corporates	-	-	-	729	77	636	-	-	1,442
Regulatory retail portfolios	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	729	77	636	-	-	1,442

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	a	b	c	d	e	f	g	h	i
Risk weight→									
Regulatory portfolio↓	0% \$m	10% \$m	20% \$m	50% \$m	75% \$m	100% \$m	150% \$m	Others \$m	Total credit exposure \$m
Sovereigns	-	-	-	-	-	-	-	-	-
Non-central government public sector entities	-	-	-	-	-	-	-	-	-
Multilateral development banks	-	-	-	-	-	-	-	-	-
Banks	-	-	-	-	-	-	-	-	-
Securities firms	-	-	-	-	-	-	-	-	-
Corporates	-	-	-	692	-	249	-	-	941
Regulatory retail portfolios	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	692	-	249	-	-	941

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Table CCR4 below presents the capital requirements for CCR exposures subject to the IRB risk-weight approach. The disclosure includes an overview of the CCR exposures by asset classes, along with the key parameters used to calculate EAD and RWA.

Table 19: CCR4 - IRB - CCR exposures by portfolio and probability-of-default (PD) scale

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	a	b	c	d	e	f	g
PD scale	EAD post-CRM \$m	Average PD %	Number of obligors	Average LGD %	Average maturity years	RWA \$m	RWA density %
Corporate							
0.00 to <0.15	2,771	0.1 %	166	50.0 %	1.2	647	23.4 %
0.15 to <0.25	4,472	0.2 %	225	50.0 %	1.5	1,785	39.9 %
0.25 to <0.50	8,349	0.4 %	695	50.0 %	1.1	4,522	54.2 %
0.50 to <0.75	-	-	-	-	-	-	-
0.75 to <2.50	3,930	1.2 %	516	49.9 %	1.2	3,818	97.1 %
2.50 to <10.00	2,942	3.8 %	301	49.8 %	1.2	4,295	146.0 %
10.00 to <100.00	963	11.3 %	269	50.0 %	1.3	2,178	226.3 %
100.00 (Non-Performing)	10	100.0 %	4	50.0 %	0.7	-	-
Sub-total	23,437	1.3 %	2,176	50.0 %	1.2	17,245	73.6 %
SME Corporate							
0.00 to <0.15	-	-	-	-	-	-	-
0.15 to <0.25	-	-	-	-	-	-	-
0.25 to <0.50	-	-	-	-	-	-	-
0.50 to <0.75	-	-	-	-	-	-	-
0.75 to <2.50	48	1.5 %	4	50.0 %	1.0	40	83.1 %
2.50 to <10.00	12	2.9 %	5	50.0 %	1.1	14	112.6 %
10.00 to <100.00	3	10.5 %	1	50.0 %	1.0	6	211.9 %
100.00 (Non-Performing)	-	-	-	-	-	-	-
Sub-total	63	2.2 %	10	50.0 %	1.0	60	95.0 %
Specialised lending - IPRE							
0.00 to <0.15	3	0.1 %	1	50.0 %	1.2	1	23.5 %
0.15 to <0.25	-	-	-	-	-	-	-
0.25 to <0.50	4	0.5 %	3	50.0 %	1.8	4	113.0 %
0.50 to <0.75	-	-	-	-	-	-	-
0.75 to <2.50	2	0.9 %	2	50.0 %	1.0	2	125.2 %
2.50 to <10.00	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-
100.00 (Non-Performing)	-	-	-	-	-	-	-
Sub-total	9	0.4 %	6	50.0 %	1.5	7	87.2 %
Financial institution							
0.00 to <0.15	21,294	0.1 %	1,431	50.0 %	0.6	3,546	16.7 %
0.15 to <0.25	1,954	0.2 %	138	50.0 %	1.0	902	46.2 %
0.25 to <0.50	6,765	0.4 %	497	50.0 %	0.9	4,454	65.9 %
0.50 to <0.75	-	-	-	-	-	-	-
0.75 to <2.50	476	1.0 %	163	50.0 %	0.8	499	104.8 %
2.50 to <10.00	214	3.2 %	61	50.0 %	0.9	350	163.9 %
10.00 to <100.00	76	11.0 %	85	50.0 %	1.1	197	257.2 %
100.00 (Non-Performing)	2	100.0 %	1	50.0 %	-	-	-
Sub-total	30,781	0.2 %	2,376	50.0 %	0.7	9,948	32.3 %

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	a	b	c	d	e	f	g
PD scale	EAD post-CRM \$m	Average PD %	Number of obligors	Average LGD %	Average maturity years	RWA \$m	RWA density %
Sovereign							
0.00 to <0.15	1,455	-	20	6.0 %	0.3	8	0.5 %
0.15 to <0.25	-	-	-	-	-	-	-
0.25 to <0.50	-	-	-	-	-	-	-
0.50 to <0.75	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-
100.00 (Non-Performing)	-	-	-	-	-	-	-
Sub-total	1,455	-	20	6.0 %	0.3	8	0.5 %
Total (sum of portfolios)	55,745	1.0 %	4,588	49.0 %	0.9	27,268	48.9 %

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	a	b	c	d	e	f	g
PD scale	EAD post-CRM \$m	Average PD %	Number of obligors	Average LGD %	Average maturity years	RWA \$m	RWA density %
Corporate							
0.00 to <0.15	4,406	0.1 %	291	50.0 %	1.2	1,001	22.7 %
0.15 to <0.25	4,167	0.2 %	242	50.0 %	1.4	1,602	38.4 %
0.25 to <0.50	7,770	0.4 %	740	50.0 %	1.2	4,312	55.5 %
0.50 to <0.75	-	-	-	-	-	-	-
0.75 to <2.50	4,456	1.3 %	536	49.9 %	1.2	4,420	99.2 %
2.50 to <10.00	2,875	3.7 %	308	49.6 %	1.3	4,195	145.9 %
10.00 to <100.00	988	11.7 %	368	50.4 %	1.3	2,266	229.3 %
100.00 (Non-Performing)	20	100.0 %	6	50.0 %	1.0	-	-
Sub-total	24,682	1.3 %	2,491	50.0 %	1.2	17,796	72.2 %
SME Corporate							
0.00 to <0.15	-	-	-	-	-	-	-
0.15 to <0.25	-	-	-	-	-	-	-
0.25 to <0.50	2	0.5 %	1	50.0 %	0.6	1	57.4 %
0.50 to <0.75	-	-	-	-	-	-	-
0.75 to <2.50	24	1.5 %	3	50.0 %	1.0	21	88.6 %
2.50 to <10.00	9	2.8 %	2	50.0 %	1.0	10	114.6 %
10.00 to <100.00	2	10.5 %	7	50.0 %	1.0	3	170.5 %
100.00 (Non-Performing)	-	-	-	-	-	-	-
Sub-total	37	2.1 %	13	50.0 %	1.0	35	96.0 %
Specialised lending - IPRE							
0.00 to <0.15	-	-	-	-	-	-	-
0.15 to <0.25	-	-	-	-	-	-	-
0.25 to <0.50	3	0.5 %	3	50.0 %	2.0	4	115.3 %
0.50 to <0.75	-	-	-	-	-	-	-
0.75 to <2.50	2	0.9 %	3	50.0 %	1.0	3	125.2 %
2.50 to <10.00	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-
100.00 (Non-Performing)	-	100.0 %	1	50.0 %	1.0	-	-
Sub-total	5	0.6 %	7	50.0 %	1.6	7	119.2 %
Financial institution							
0.00 to <0.15	16,119	0.1 %	1,206	50.0 %	0.7	2,968	18.4 %
0.15 to <0.25	2,142	0.2 %	135	50.0 %	1.0	974	45.5 %
0.25 to <0.50	5,713	0.4 %	515	50.0 %	0.9	3,836	67.2 %
0.50 to <0.75	-	-	-	-	-	-	-
0.75 to <2.50	528	1.1 %	168	50.0 %	1.0	606	114.9 %
2.50 to <10.00	151	3.4 %	53	50.0 %	1.3	255	168.7 %
10.00 to <100.00	67	11.3 %	92	50.0 %	1.3	176	262.5 %
100.00 (Non-Performing)	-	-	-	-	-	-	-
Sub-total	24,720	0.2 %	2,169	50.0 %	0.8	8,815	35.7 %
Sovereign							
0.00 to <0.15	1,299	-	26	14.4 %	0.5	51	4.0 %
0.15 to <0.25	1	0.2 %	1	50.0 %	1.0	-	34.5 %
0.25 to <0.50	-	0.3 %	1	50.0 %	1.0	-	47.0 %
0.50 to <0.75	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-
10.00 to <100.00	1	10.5 %	1	50.0 %	1.0	1	218.8 %
100.00 (Non-Performing)	-	-	-	-	-	-	-
Sub-total	1,301	-	29	14.5 %	-	52	4.1 %
Total (sum of portfolios)	50,745	0.7 %	4,709	49.1 %	1.0	26,705	52.7 %

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Table CCR5 below provides a breakdown of all types of collateral posted or received to support or reduce the CCR exposures relating to derivative transactions and SFTs.

Table 20: CCR5 - Composition of collateral for CCR

30 September 2025

	a	b	c	d	e	f
	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received \$m		Fair value of posted collateral \$m		Fair value of collateral received \$m	Fair value of posted collateral \$m
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash	17,072	18,395	2	22,198	9,568	69,075
Debt	4,492	558	3,447	922	65,826	21,544
Equity	789	-	1,558	-	45,524	36,635
Other ¹	134	-	824	-	-	96
Total	22,487	18,953	5,831	23,120	120,918	127,350

31 March 2025

	a	b	c	d	e	f
	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received \$m		Fair value of posted collateral \$m		Fair value of collateral received \$m	Fair value of posted collateral \$m
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash	18,478	17,735	94	21,055	6,941	61,821
Debt	2,872	616	2,303	931	58,731	15,352
Equity	263	-	854	-	31,094	20,533
Other ¹	-	-	896	-	-	69
Total	21,613	18,351	4,147	21,986	96,766	97,775

¹ Other includes gold and securitisation tranche.

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Table CCR6 below presents an overview of MBL's exposures to credit derivative transactions.

Table 21: CCR6 - Credit derivatives exposures

	a		b	
	Sep 2025		Mar 2025	
	Protection bought \$m	Protection sold \$m	Protection bought \$m	Protection sold \$m
Notionals				
Single-name credit default swaps	514	428	754	577
Index credit default swaps	473	18	100	92
Total return swaps	-	-	-	-
Credit options	-	-	-	-
Other credit derivatives	-	620	-	73
Total notionals	987	1,066	854	742
Fair values				
Negative fair value (liability)	(44)	(1)	(11)	(5)
Positive fair value (asset)	37	78	39	14

Table CCR8 below presents a comprehensive view of MBL's exposures to central counterparties and the associated capital requirements.

Table 22: CCR8 - Exposures to central counterparties

	a		b	
	Sep 2025		Mar 2025	
	EAD (post-CRM) \$m	RWA \$m	EAD (post-CRM) \$m	RWA \$m
1 Exposures to QCCPs (total)		768		768
2 Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	10,183	218	10,161	224
3 (i) OTC derivatives	2,060	56	2,701	75
4 (ii) Exchange-traded derivatives	8,123	162	7,460	149
5 (iii) Securities financing transactions	-	-	-	-
6 (iv) Netting sets where cross-product netting has been approved	-	-	-	-
7 Segregated initial margin	1,162		1,850	
8 Non-segregated initial margin ¹	4,456	-	3,829	-
9 Pre-funded default fund contributions	907	550	1,076	544
10 Unfunded default fund contributions	-	-	-	-
11 Exposures to non-QCCPs (total)		-		-
12 Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-	-	-
13 (i) OTC derivatives	-	-	-	-
14 (ii) Exchange-traded derivatives	-	-	-	-
15 (iii) Securities financing transactions	-	-	-	-
16 (iv) Netting sets where cross-product netting has been approved	-	-	-	-
17 Segregated initial margin	-		-	
18 Non-segregated initial margin	-	-	-	-
19 Pre-funded default fund contributions	-	-	-	-
20 Unfunded default fund contributions	-	-	-	-

¹ Non-segregated initial margin exposures already embedded in trade exposure. Reported as Fair value of collateral with no equivalent RWA.

6.2 Credit Valuation Adjustment

Under Basel III and APS 180 Capital Adequacy: Counterparty Credit Risk, ADIs are subject to a CVA capital charge for potential mark-to-market losses on OTC derivatives associated with a deterioration in the creditworthiness of a counterparty. APS 180 also allows ADIs to include eligible CVA hedges in the calculation of the CVA risk capital charge. The CVA RWA is shown in the table below.

Table 23: Total CVA risk capital charge

	Sep 2025	Mar 2025
	\$m	\$m
CVA RWA	8,230	10,995
Capital Requirement	658	880

7. Securitisation Risk

Securitisation Exposures

Table SEC1 below presents an overview of the securitisation exposures held in the banking book, where MBL acts as either the originating ADI or investor. MBL has not undertaken any synthetic securitisation in the banking book.

Table 24: SEC1 - Securitisation exposures in the banking book

30 September 2025

	a	c	d	e	g	h	i	k	l
	Bank acts as originator \$m			Bank acts as sponsor \$m			Bank acts as investor \$m		
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
Total	64,029	-	64,029	-	-	-	5,613	-	5,613
Residential Mortgages	62,676	-	62,676	-	-	-	3,009	-	3,009
Credit cards and other personal loans	-	-	-	-	-	-	2	-	2
Auto and equipment finance ¹	1,353	-	1,353	-	-	-	1,245	-	1,245
Other	-	-	-	-	-	-	1,357	-	1,357
Re-securitisation	-	-	-	-	-	-	-	-	-

31 March 2025

	a	c	d	e	g	h	i	k	l
	Bank acts as originator \$m			Bank acts as sponsor \$m			Bank acts as investor \$m		
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
Total	65,533	-	65,533	-	-	-	4,207	-	4,207
Residential Mortgages	63,630	-	63,630	-	-	-	2,401	-	2,401
Credit cards and other personal loans	-	-	-	-	-	-	20	-	20
Auto and equipment finance ¹	1,903	-	1,903	-	-	-	758	-	758
Other	-	-	-	-	-	-	1,028	-	1,028
Re-securitisation	-	-	-	-	-	-	-	-	-

¹ Underlying exposures relate to mixed asset pools.

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Table SEC4 below provides detailed information on the securitisation exposures held in the banking book, where MBL acts as the investor, along with the corresponding capital requirements.

Table 25: SEC4 - Securitisation exposures in the banking book and associated capital requirements – bank acting as investor

30 September 2025

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	Exposure values (by risk weight bands) \$m					Exposure values (by regulatory approach) \$m				RWA (by regulatory approach) \$m ¹				Capital charge after cap \$m			
	≤20%	>20% to 50%	>50% to 100%	>100% to <1250%	1250%	SEC-IRBA	SEC-ERBA and SEC- IAA	SEC-SA	1250%	SEC-IRBA	SEC-ERBA and SEC- IAA	SEC-SA	1250% ²	SEC-IRBA	SEC-ERBA and SEC- IAA	SEC-SA	1250%
1 Total exposures	4,975	459	131	16	32	-	1,685	3,896	32	-	409	674	399	-	33	54	32
2 Traditional securitisation	4,975	459	131	16	32	-	1,685	3,896	32	-	409	674	399	-	33	54	32
3 Of which securitisation	4,975	459	131	16	32	-	1,685	3,896	32	-	409	674	399	-	33	54	32
4 Of which retail underlying ³	4,975	459	131	16	32	-	1,685	3,896	32	-	409	674	399	-	33	54	32
6 Of which wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Of which re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Synthetic securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Of which securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Of which retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 Of which wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Of which re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

¹ RWA is before the application of risk-weight cap equal to the average risk weight that would apply to the underlying exposures in the pool under APS 112.

² For presentation, deductions from CET1 are treated as 1250% risk weight.

³ Underlying exposures relate to mixed asset pools.

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31 March 2025

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	Exposure values (by risk weight bands) \$m					Exposure values (by regulatory approach) \$m				RWA (by regulatory approach) \$m ¹				Capital charge after cap \$m			
	≤20%	>20% to 50%	>50% to 100%	>100% to <1250%	1250%	SEC-IRBA	SEC-ERBA and SEC- IAA	SEC-SA	1250%	SEC-IRBA	SEC-ERBA and SEC- IAA	SEC-SA	1250% ²	SEC-IRBA	SEC-ERBA and SEC- IAA	SEC-SA	1250%
1 Total exposures	3,327	722	111	17	30	-	1,570	2,607	30	-	372	544	381	-	30	44	30
2 Traditional securitisation	3,327	722	111	17	30	-	1,570	2,607	30	-	372	544	381	-	30	44	30
3 Of which securitisation	3,327	722	111	17	30	-	1,570	2,607	30	-	372	544	381	-	30	44	30
4 Of which retail underlying ³	3,327	722	111	17	30	-	1,570	2,607	30	-	372	544	381	-	30	44	30
6 Of which wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Of which re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Synthetic securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Of which securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Of which retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 Of which wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Of which re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

¹ RWA is before the application of risk-weight cap equal to the average risk weight that would apply to the underlying exposures in the pool under APS 112.

² For presentation, deductions from CET1 are treated as 1250% risk weight.

³ Underlying exposures relate to mixed asset pools.

8. Market Risk

8.1 Market Risk

Market risk is the risk of adverse changes in the value of Macquarie's trading positions as a result of changes in market conditions. Macquarie is exposed to the following risks:

- Price: The risk of loss due to changes in price of a risk factor (interest rates, foreign exchange, commodities etc.),
- Volatility: The risk of loss due to changes in the volatility of a risk factor,
- Basis: The risk of imperfect correlation between offsetting investments in a hedging strategy,
- Correlation: The risk that the actual correlation between two assets or variables is different from the assumed correlation,
- Illiquid market: The risk of inability to sell assets or close out positions in thinly traded markets at close to the last market prices,
- Concentration: The risk of over concentration of trading exposures in certain markets and products,
- Valuation adjustments (XVA): The risk of valuation adjustments to derivative positions; specifically, Credit Valuation Adjustment (CVA), Debit Valuation Adjustment (DVA) and Funding Valuation Adjustment (FVA).

Macquarie has long favoured transparent scenario analysis over complex statistical modelling as the cornerstone of risk measurement.

8.2 Market Risk Structure and Governance

RMG Market Risk is the second line risk function that assesses, monitors and reports on market risk. The operating groups own market risk arising from their activities, with independent monitoring and oversight by RMG Market Risk.

The RMG Market Risk function oversees Traded Market Risk (including VaR) and Non-Traded Market Risk (including IRRBB). The Market Risk Limits Policy outlines the framework and processes for managing market risk at Macquarie, including the setting and approval of market risk limits and the monitoring and reporting of market risk exposures.

The RMG Market Risk function also owns and operates the regulatory capital models for both Traded Market Risk and Interest Rate Risk in the Banking Book (IRRBB). Second line oversight of these models is provided by RMG Model Risk, while RMG Aggregate Risk & Prudential oversee the compliance of the wider frameworks with the relevant APRA prudential standards (APS116 and APS117).

Traded Market Risk is governed by the Market Risk Committee (MRC), which meets on a quarterly basis. The MRC was established by Macquarie's Executive Committee to oversee the Value at Risk (VaR) model, the Trading Book Policy Statement and to review key information concerning the effectiveness of the Market Risk function. Its composition includes certain members of the Executive Committee and the Head of Group Treasury, with the CRO as Chair.

IRRBB is governed by the Asset and Liability Committee (ALCO) and the IRRBB Oversight Committee (IOC). The IOC oversees the IRRBB management framework and provides reporting to the ALCO who oversee the Non-traded Market Risk Policy. IOC meets at least quarterly and is comprised of senior leaders from each of the business areas that give rise to IRRBB exposure, and from RMG Market Risk. ALCO meets at least five times throughout the year and is comprised of the members of the Executive Committee, with the CFO as Chair.

8.3 Aggregate Measures of Market Risk

Macquarie's appetite for market risk is set by the Board as part of the Risk Appetite Statement and cascaded down through aggregate and division level limits. Aggregate risk exposures are reported to the board monthly.

8.3.1 Traded market risk

Aggregate traded market risk is constrained by two risk measures, Value at Risk (VaR) and the Macro Economic Linkages (MEL) stress scenarios. RMG Market Risk monitor traded market risk limits daily, with MEL monitored on T+1 basis and VaR on a T+2 basis.

The VaR model quantifies the maximum loss at a 99% confidence level in Macquarie's trading portfolio due to adverse movements in global markets over holding periods of one and ten days. The MEL scenario uses the contingent loss approach to capture simultaneous, worst case movements across all major markets. Whereas MEL focuses on extreme price movements, VaR is calculated at the 99% level of confidence and does not account for losses that could exceed this. Stress testing therefore remains the predominant focus of RMG as it is considered to be the most effective mechanism to reduce Macquarie's exposure to unexpected market events.

8.3.2 Interest rate risk in the banking book (IRRBB)

Aggregate IRRBB is constrained by two measures, Economic Value Sensitivity (EVS) and Earnings at Risk (EaR). The EVS metric measures the change in net present value of the banking book as a result of changes in interest rates. The EaR model constrains the impact on reported income for a change in interest rates, including the Net Interest Income for accrual portfolios.

8.4 Traded Market Risk

All trading activities contain calculated elements of risk taking. Macquarie is prepared to accept such risks provided they are within agreed limits, independently and correctly identified, calculated and monitored by RMG and reported to senior management on a regular basis. Market Risk source exposures directly from the front office risk management system.

RMG monitors positions within Macquarie according to a limit structure that sets limits for all exposures in all markets. Limits are applied at a granular level to individual trading desks, through increasing levels of aggregation to Divisions and Operating Groups, and ultimately, Macquarie. This approach removes the need for future correlations or scenarios to be precisely predicted as all risks are stressed to the extreme and accounted for within the risk profile agreed for each business and Macquarie in aggregate.

Limits are approved by senior management with appropriate authority for the size and nature of the risk and Macquarie adheres to a strict 'no limit, no dealing' policy. If a product or position has not been authorised and given a limit structure by RMG, then it cannot be traded. Material breaches of the approved limit structure are communicated monthly to the MGL and MBL Boards.

RMG sets three complementary limit structures:

- Contingent loss limits: Worst case scenarios that shock prices and volatilities by more than has occurred historically. Multiple scenarios are set for each market to capture the non-linearity and complexity of exposures arising from derivatives. A wide range of assumptions about the correlations between markets is applied
- Position limits: Volume, maturity and open position limits are set on a large number of market instruments and securities in order to constrain concentration risk and to avoid the accumulation of risky, illiquid positions
- Value at Risk (VaR) limits: Statistical measure based on a 10-day holding period and a 99% confidence level, as stipulated by the APRA capital adequacy standard. The model is validated by back-testing a one-day VaR against hypothetical and actual daily trading profit or loss.

The risk of loss from incorrect or inappropriate pricing and hedging models is mitigated by the requirement for all new pricing models to be independently tested by the specialists within the Model Risk Management team in RMG.

8.4.1 Value at Risk Model

VaR provides a statistically based summary of overall market risk in the Bank. The VaR model uses a Monte Carlo simulation to generate:

- log-normally / normally distributed prices for approximately 11,000 benchmarks, using volatilities and correlations based on three years of historical price data; and

- implied volatilities based on a GARCH framework.

Emphasis is placed on more recent market movements to more accurately reflect current conditions. Each benchmark represents an asset at a specific maturity, for example, one year crude oil futures or spot gold. The benchmarks provide a high level of granularity in assessing risk, covering a range of points on yield curves and forward price curves, and distinguishing between similar but distinct assets; for example, crude oil as opposed to heating oil, or gas traded at different locations. Exposures to individual equities within a national market are captured by specific risk modelling incorporated directly into the VaR model.

The integrity of the VaR model is tested against daily hypothetical and actual trading outcomes (profit and loss) and reported to APRA quarterly.

8.4.2 Macro-Economic Linkage Model

MEL scenarios are large, simultaneous, 'worst case' movements in global markets. The MEL scenarios consider very large movements in a number of markets at once, based on Macquarie's understanding of the economic linkages between markets. The MEL scenarios reflect a market 'shock' or 'gap' as opposed to a sustained deterioration.

8.4.3 Market Risk Capital Requirement

APRA has approved the use of Macquarie's internal model to calculate regulatory capital for market risk under APS 116.

The internal model calculation is based upon:

- Value at Risk using a 10-day time horizon at a 99% confidence level
- Stressed Value at Risk using a 10-day time horizon at a 99% confidence level
- Regulatory capital for debt security specific risk is calculated using the APRA standard method (see Section 8.4.5 Debt Security Specific Risk Figures).

The sum of the VaR and debt security specific risk components is scaled by 12.5 in accordance with APRA policy to arrive at the traded market risk RWA, which was \$8,436 million as at 30 September 2025 (31 March 2025: \$8,526 million).

There were two hypothetical and one actual trading losses that exceeded the one-day day 99% VaR calculated for the 12 months ended 30 September 2025. The observed number of back testing exceptions indicates continued acceptable operation of the VaR model.

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Market risk requirements are set out in the tables below.

8.4.4 MBL exposures using the internal models approach (IMA) for trading portfolios

Table 26: Market Risk – MBL VaR exposures arising from the internal models approach (IMA) for trading portfolios (APS 330 (A-31) Table 2(f))

Value at Risk Figures (10 day 99%)

	For the 6 months to Sep 2025				For the 6 months to Mar 2025			
	VaR over the current reporting period			Var Sep 2025 \$m	VaR over the previous reporting period			Var Mar 2025 \$m
	Mean value \$m	Max value \$m	Min value \$m		Mean value \$m	Max value \$m	Min value \$m	
Commodities	70	108	40	56	53	85	37	59
Equities	14	26	7	9	15	24	10	17
Foreign Exchange	11	20	4	17	11	18	5	10
Interest Rates	16	22	9	14	11	18	8	10
Aggregate	68	111	37	57	56	84	43	65

Table 27: Market Risk – MBL SVaR exposures arising from the internal models approach (IMA) for trading portfolios (APS 330 (A-31) Table 2(f))

Stressed Value at Risk Figures (10 day 99%)

	For the 6 months to Sep 2025				For the 6 months to Mar 2025			
	VaR over the current reporting period			Var Sep 2025 \$m	VaR over the previous reporting period			Var Mar 2025 \$m
	Mean value \$m	Max value \$m	Min value \$m		Mean value \$m	Max value \$m	Min value \$m	
Commodities	96	129	73	110	99	124	70	108
Equities	24	35	15	25	36	47	22	35
Foreign Exchange	23	53	6	39	24	50	5	20
Interest Rates	72	87	50	72	46	70	31	34
Aggregate	114	153	72	109	101	136	66	112

8.4.5 Debt Security Specific Risk Figures

Regulatory capital for MBL's debt security specific risk (including securitisations held in the trading book) is calculated using the APRA standard method.

Table 28: Market Risk – MBL exposure arising from the standard method (APS 330 (A-31) Table 1(b))

	Sep 2025 \$m	Mar 2025 \$m
Commodities	-	-
Equities	-	-
Foreign Exchange	-	-
Interest Rates	59	106

The specific risks referred to above arise from credit exposures, such as bonds in the Macquarie trading book.

8.4.6 Market Risk RWA

Table 29: Market risk RWA calculation methods

	Sep 2025 \$m	Mar 2025 \$m
Standard Method ¹	741	1,319
Internal Model Approach	7,695	7,207
Total market risk RWA	8,436	8,526

¹ This is equivalent to the debt security specific risk capital requirements multiplied by 12.5 in accordance with APS 110.

9. Leverage Ratio

The leverage ratio is a non-risk-based ratio that is intended to restrict the build-up of excessive leverage in the banking system and acts as a supplementary measure to create a back stop for the risk-based capital requirements.

Prudential Standard APS 110 Capital Adequacy specifies the minimum leverage ratio requirement as 3.5%, calculated by dividing Tier 1 capital by the total leverage exposures. Table LR1 below provides a reconciliation of the consolidated accounting assets of MBL and its subsidiaries with the total leverage exposures.

Table 30: LR1 - Summary comparison of accounting assets vs leverage ratio exposure measure

		a	
		Sep 2025 \$m	Mar 2025 \$m
1	Total consolidated assets as per published financial statements	408,860	375,221
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	145	186
3	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-	-
4	Adjustments for temporary exemption of central bank reserves (if applicable)	-	-
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	-
6	Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	299	(203)
7	Adjustments for eligible cash pooling transactions	-	-
8	Adjustments for derivative financial instruments	20,360	19,192
9	Adjustment for securities financing transactions (ie repurchase agreements and similar secured lending)	1,998	7,323
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	29,753	26,240
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-	-
12	Other adjustments	(2,721)	(2,865)
13	Leverage ratio exposure measure	458,694	425,094

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Table LR2 provides a detailed breakdown of the components of the leverage ratio exposures, and the actual leverage ratio.

Table 31: LR2 - Leverage ratio common disclosure template

		a	
		Sep 2025 \$m	Mar 2025 \$m
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	313,970	284,643
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	-	-
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	(11,968)	(12,176)
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(Specific and general provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital)	-	-
6	(Asset amounts deducted in determining Tier 1 capital and regulatory adjustments)	(2,788)	(2,893)
7	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	299,214	269,574
Derivative exposures			
8	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin, with bilateral netting and/or the specific treatment for client cleared derivatives)	27,092	27,072
9	Add-on amounts for potential future exposure associated with all derivatives transactions	37,311	37,004
10	(Exempted central counterparty (CCP) leg of client-cleared trade exposures)	(4,337)	(4,186)
11	Adjusted effective notional amount of written credit derivatives	397	448
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(285)	(385)
13	Total derivative exposures (sum of rows 8 to 12)	60,178	59,953
Securities financing transaction exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sale accounting transactions	67,392	68,075
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(1,505)	(889)
16	Counterparty credit risk exposure for SFT assets	3,662	2,141
17	Agent transaction exposures	-	-
18	Total securities financing transaction exposures (sum of rows 14 to 17)	69,549	69,327
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	33,434	29,489
20	(Adjustments for conversion to credit equivalent amounts)	(3,618)	(3,208)
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	(63)	(42)
22	Off-balance sheet items (sum of rows 19 to 21)	29,753	26,240
Capital and total exposures			
23	Tier 1 capital	21,553	21,746
24	Total exposures (sum of rows 7, 13, 18 and 22)	458,694	425,094
Leverage ratio			
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	4.7 %	5.1 %
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	4.7 %	5.1 %
26	National minimum leverage ratio requirement	3.5 %	3.5 %
27	Applicable leverage buffers	-	-
Disclosure of mean values			
28	Mean value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	65,886	67,186
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	67,550	62,005
30	Total exposures (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	458,694	425,094
30a	Total exposures (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	458,694	425,094
31	Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	4.7 %	5.1 %
31a	Basel III leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	4.7 %	5.1 %

10. Countercyclical Capital Buffers

The Countercyclical Capital Buffer (CCyB) is an extension of the capital conservation buffer which must be held in the form of CET1 capital, ranging from 0% to 3.5%. The CCyB is designed to ensure that ADIs build up capital buffers when excess aggregate credit growth is judged to be associated with a build-up of system wide risk. The CCyB is calculated as the weighted average of the jurisdictional buffers set by the relevant national authority where an ADI has private sector credit exposures, excluding exposures to Banks and Sovereigns.

The table below discloses the geographical distribution of credit exposures relevant to the calculation of the CCyB as per APRA regulation. Exposures to central governments, central banks, regional governments, local authorities, public sector entities, multilateral development banks, international organisations and institutions are excluded and therefore differ from the total exposures presented in the credit and counterparty credit risk sections.

Table 32: CCyB1 - Geographical distribution of credit exposures used in the calculation of the bank-specific countercyclical capital buffer requirement

30 September 2025

Geographical breakdown	a	b		d	e
	Countercyclical capital buffer rate %	Exposure values and/or risk-weighted assets (RWA) used in the computation of the countercyclical capital buffer		Bank-specific countercyclical capital buffer rate %	Countercyclical capital buffer amount \$m
		Exposure values \$m	RWA \$m		
Australia	1.00 %	222,044	65,631		
United Kingdom	2.00 %	20,486	8,059		
Luxembourg	0.50 %	2,268	1,462		
Germany	0.75 %	2,350	1,213		
Norway	2.50 %	994	827		
France	1.00 %	1,259	796		
Netherlands	2.00 %	752	511		
Ireland	1.50 %	1,151	504		
Republic of Korea	1.00 %	634	478		
Hong Kong	0.50 %	510	409		
Denmark	2.50 %	338	402		
Poland	1.00 %	302	198		
Iceland	2.50 %	55	117		
Belgium	1.00 %	428	115		
Cyprus	1.00 %	95	98		
Others (with jurisdictional buffer)	(blend of jurisdictional buffers)	498	344		
Sum		254,163	81,163		
Others (with no jurisdictional buffer)	-	53,540	39,637		
Total		307,702	120,801	0.75 %	1,162

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	a	b	c	d	e
	Countercyclical capital buffer rate %	Exposure values and/or risk-weighted assets (RWA) used in the computation of the countercyclical capital buffer		Bank-specific countercyclical capital buffer rate %	Countercyclical capital buffer amount \$m
Geographical breakdown		Exposure values \$m	RWA \$m		
Australia	1.00 %	199,756	60,165		
United Kingdom	2.00 %	19,192	7,636		
Germany	0.75 %	2,351	1,240		
Luxembourg	0.50 %	1,641	1,173		
Norway	2.50 %	1,004	977		
Denmark	2.50 %	683	871		
France	1.00 %	866	723		
Netherlands	2.00 %	800	635		
Ireland	1.50 %	1,159	507		
Hong Kong	0.50 %	407	462		
Republic of Korea	1.00 %	623	432		
Iceland	2.50 %	79	174		
Cyprus	1.00 %	131	135		
Slovakia	1.50 %	131	120		
Others (with jurisdictional buffer)	(blend of jurisdictional buffers)	557	370		
Sum		229,381	75,620		
Others (with no jurisdictional buffer)	-	53,262	40,878		
Total		282,643	116,498	0.74 %	1,116

11. Liquidity Risk

11.1 Liquidity Coverage Ratio Disclosures

The LCR requires unencumbered liquid assets be held to cover expected net cash outflows (NCOs) under a combined 'idiosyncratic' and market-wide stress scenario lasting 30 calendar days.

Macquarie sets internal management and Board approved minimum limits for the LCR above the regulatory minimum level and monitors its aggregate LCR position against these limits on a daily basis. Macquarie also monitors the LCR position on a standalone basis for major currencies in which it operates, with the high-quality liquid assets (HQLA) portfolio being denominated and held in both Australian dollars and a range of other currencies. In addition to Australian dollars, Macquarie monitors major currency mismatches in USD, EUR and GBP. This ensures that liquid assets are maintained consistent with the distribution of liquidity needs by currency, allowing for an acceptable level of currency mismatches.

Macquarie actively considers the impact of business decisions on the LCR, as well as internal liquidity metrics that form part of the broader liquidity risk management framework. Macquarie's LCR fluctuates on a daily basis as a result of normal business activities and, accordingly, ongoing fluctuations in the reported LCR are expected and are not necessarily indicative of a changing risk appetite. Some examples of factors that can influence the LCR include wholesale funding activities (such as upcoming maturities and prefunding expected future asset growth), the degree of activity in Macquarie's capital markets facing businesses, the composition and nature of liquid asset holdings, and a variety of other external market considerations that could impact day to day collateral requirements.

LCR Quarter Average Result:

Macquarie's three month average LCR to 30 September 2025 was 173% (based on 65 daily observations). This represents a 11% decrease from the three month average LCR to 30 June 2025, which was 184%.

The lower average LCR was driven by an increase in NCOs relative to the June 2025 quarter which was partly offset by an increase in HQLA over the same period.

The increase in average HQLA over the quarter was driven by funding issuance, partly offset by business growth.

The increase in average NCOs over the quarter was driven by:

- higher average cash outflows from retail and wholesale deposits and higher average volumes of unsecured debt securities maturing within 30 days; and
- lower average cash inflows from short dated secured lending activities against non-HQLA securities.

Liquid Assets

In addition to balances held with central banks, Macquarie's LCR liquid assets include Australian Dollar Commonwealth Government and semi-Government securities as well as certain HQLA-qualifying foreign currency securities.

Net Cash Outflows (NCOs)

NCOs in the LCR include contractual and assumed cash outflows, offset by certain allowable contractual cash inflows. Some of the key drivers of Macquarie's NCOs include:

Retail and SME deposits: assumed regulatory outflow relating to deposits from retail and SME customers that are at call or potentially callable within 30 days.

Unsecured wholesale funding: includes remaining deposits which are not received from retail or SME customers along with unsecured debt balances contractually maturing within 30 days.

Secured wholesale funding and lending: represent inflows and outflows from secured lending and borrowing activities contractually maturing within 30 days, such as repurchase, and reverse repurchase agreements.

Outflows relating to derivative exposures and other collateral requirements: includes gross contractual cash outflows relating to contractually maturing derivative contracts (with gross inflows on maturing derivative contracts profiled in 'other cash inflows'). Further, contingent liquidity outflows such as potential collateral requirements from market movements, a 3-notch credit ratings downgrade and withdrawal of excess collateral placed with Macquarie are also included in this category.

Inflows from fully performing exposures: In Macquarie's LCR, a large component of this balance relates to excess liquidity placed on an overnight or very short-term basis with third parties.

Other contractual funding obligations and other cash inflows: Includes other gross flows not profiled elsewhere in the LCR. The volumes in these categories are large relative to Macquarie's total cash outflows and inflows. In addition to derivative inflows noted above, key balances in these categories include:

- **Segregated client funds placed with Macquarie:** Macquarie acts as a clearing agent for clients on various futures exchanges. Clients place margin with Macquarie and Macquarie places this margin either directly with the exchange, holds it in other segregated external asset accounts or retains a portion on deposit with Macquarie. Some of the balances are recorded on a

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gross basis on Macquarie's balance sheet and APRA require these to be profiled as gross inflows and outflows in the LCR.

- **Security and broker settlement balances:** these represent securities that have been purchased or sold by Macquarie that have not yet settled and broker

balances where stock has been bought or sold on behalf of clients, but payment has not been made to / received from the client. APRA require these balances to be reflected on a gross basis in the LCR as 100% weighted inflows and outflows. The net effect of these balances on Macquarie's average LCR is minimal.

Table 33: LIQ1 - Liquidity coverage ratio

		a		b	
		For the 3 months to 30 Sep 25		For the 3 months to 30 Jun 25	
		Total unweighted value (average) \$m	Total weighted value (average) \$m	Total unweighted value (average) \$m	Total weighted value (average) \$m
High-quality liquid assets					
1	Total HQLA		49,121		46,886
Cash outflows					
2	Retail deposits and deposits from small business customers, of which:	140,268	13,549	131,000	12,701
3	Stable deposits	49,958	2,498	46,662	2,333
4	Less stable deposits	90,310	11,051	84,338	10,368
5	Unsecured wholesale funding, of which:	46,686	23,957	43,536	21,999
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	16,272	2,583	16,329	2,634
7	Non-operational deposits (all counterparties)	24,989	15,950	22,339	14,497
8	Unsecured debt	5,424	5,424	4,868	4,868
9	Secured wholesale funding		841		852
10	Additional requirements, of which:	47,178	20,302	45,699	20,837
11	Outflows related to derivative exposures and other collateral requirements	20,556	17,917	20,919	18,540
12	Outflows related to loss of funding on debt products	208	208	254	254
13	Credit and liquidity facilities	26,413	2,176	24,526	2,043
14	Other contractual funding obligations	13,419	13,417	14,631	14,614
15	Other contingent funding obligations	9,533	528	7,194	395
16	TOTAL CASH OUTFLOWS		72,594		71,398
Cash inflows					
17	Secured lending (eg reverse repos)	51,880	24,625	50,954	26,059
18	Inflows from fully performing exposures	3,521	2,709	3,277	2,462
19	Other cash inflows	22,562	22,562	22,460	22,460
20	TOTAL CASH INFLOWS	77,963	49,896	76,691	50,981
		Total adjusted value		Total adjusted value	
21	Total HQLA		49,121		46,886
22	Total net cash outflows ¹		28,373		25,521
23	Liquidity Coverage Ratio (%) ²		173 %		184 %

¹ APRA imposed a 25% add-on to the Net Cash Outflow (NCO) component of the LCR calculation, effective from 1 May 2022. For the 3 months to 30 September 2025 an average NCO overlay of \$5,675 million is included in the disclosed balance of \$28,373 million (3 months to 30 June 2025 overlay of \$5,104 million is included in the disclosed balance of \$25,521 million).

² The LCR for the 3 months to 30 September 2025 is calculated from 65 daily LCR observations (3 months to 30 June 2025 is calculated from 61 daily LCR observations).

11.2 Net Stable Funding Ratio Disclosures

The NSFR is a twelve-month structural funding metric, requiring that Available Stable Funding (ASF) be sufficient to cover Required Stable Funding (RSF), where 'stable' funding has an actual or assumed maturity of greater than twelve months.

The NSFR seeks to encourage ADIs to fund their activities with more stable sources of funding on an ongoing basis, and thereby promote greater balance sheet resilience. It also aims to reduce an ADI's reliance on less stable sources of funding. These requirements are in line with Macquarie's Board approved Liquidity Policy and Risk Tolerance.

Macquarie sets internal management and Board approved minimum limits for the NSFR above the regulatory minimum level and monitors its aggregate NSFR position against these limits on a daily basis.

Macquarie actively considers the impact of business decisions on the NSFR and LCR, as well as other internal liquidity metrics that form part of its broader liquidity risk management framework.

Macquarie's NSFR fluctuates as a result of normal business activities and, accordingly, ongoing fluctuations in the reported NSFR are expected and are not necessarily indicative of a changing risk appetite. Some examples of factors that can influence the NSFR include wholesale funding activities (such as prefunding expected future asset growth), growth in home loans and customer deposits, equity and hybrids issuance, the degree of activity in Macquarie's capital markets facing businesses, and a variety of other external market considerations.

NSFR September 2025 Quarter End Result:

Macquarie's NSFR as at 30 September 2025 was 113%, which increased 3% from the 30 June 2025 quarter end NSFR of 110%, driven by an increase in ASF, partly offset by an increase in RSF.

The increase in ASF was driven by strong growth in deposits throughout the quarter and growth in wholesale funding issuance.

The increase in RSF was driven by home loan growth over the quarter as well as growth in certain trading assets.

NSFR June 2025 Quarter End Result:

The June 2025 NSFR result of 110% decreased by 3% from the March 2025 quarter end NSFR of 113%.

The NSFR decreased over the June 2025 quarter because of an increase in RSF only partially offset by an increase in ASF.

The increase in ASF was driven by strong deposit growth throughout the quarter.

The higher RSF position was primarily driven by growth in home loans and certain trading assets.

11.2.1 Calculation of the Net Stable Funding Ratio

Under the regulatory rules, ASF factors are applied to Macquarie's capital and liabilities; while RSF factors are applied to assets and off-balance sheet exposures. This calculation is shown in Table 34: LIQ2 - Net stable funding ratio and is based on spot balances.

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Table 34: LIQ2 - Net stable funding ratio

30 September 2025

		a	b	c	d	e
		Unweighted value by residual maturity				
(In currency amount)		No Maturity \$m	< 6 months \$m	6 months to < 1 year \$m	≥ 1 year \$m	Weighted value \$m
Available stable funding (ASF) item						
1	Capital:	22,884	-	-	12,060	34,944
2	Regulatory capital	22,884	-	-	12,060	34,944
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers:	144,043	9,727	-	-	140,952
5	Stable deposits	51,712	2,383	-	-	51,391
6	Less stable deposits	92,331	7,344	-	-	89,561
7	Wholesale funding:	37,032	63,400	27,465	28,629	61,551
8	Operational deposits	16,001	-	-	-	8,000
9	Other wholesale funding	21,031	63,400	27,465	28,629	53,551
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities:	10,647	22,889	118	997	(1,330)
12	NSFR derivative liabilities	-	5,044	-	-	-
13	All other liabilities and equity not included in the above categories ¹	10,647	17,845	118	997	(1,330)
14	Total ASF	214,606	96,016	27,583	41,686	236,117
Required stable funding (RSF) item						
15(a)	Total NSFR (HQLA)	10,336	8,160	1,438	25,119	8,795
15(b)	ALA	-	-	-	-	-
15(c)	RBNZ securities	-	-	-	-	-
16	Deposits held at other financial institutions for operational purposes	2,084	-	-	-	1,042
17	Performing loans and securities	36,134	56,041	8,326	190,206	161,226
18	Performing loans to financial institutions secured by Level 1 HQLA	8,856	17,006	303	-	2,738
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	17,386	24,492	37	589	6,890
20	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), of which:	2,658	5,951	337	35,067	26,673
21	With a risk weight of less than or equal to 35% under APS 112	-	78	83	2,180	1,503
22	Performing residential mortgages, of which:	-	6,854	5,542	151,068	114,520
23	With a risk weight equal to 35% under APS 112	-	2,111	2,025	146,300	101,133
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	7,234	1,738	2,107	3,482	10,405
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	Other assets:	12,482	5,882	108	35,558	36,464
27	Physical traded commodities, including gold	8,394	-	-	-	7,134
28	Assets posted as initial margin for derivative contracts and contributions to default funds of central counterparties (CCPs)	-	-	-	11,497	9,073
29	NSFR derivative assets	-	-	-	9,418	4,375
30	NSFR derivative liabilities before deduction of variation margin posted	-	-	-	10,866	2,173
31	All other assets not included in the above categories	4,088	5,882	108	3,777	13,709
32	Off-balance sheet items	-	-	-	30,705	1,415
33	Total RSF	61,036	70,083	9,872	281,588	208,942
34	Net Stable Funding Ratio (%)					113 %

¹ APRA has imposed a 1% decrease to the Available Stable Funding component of the NSFR calculation, effective from 1 April 2021. An overlay of \$2,385 million, equal to a 1% decrease to the ASF component, is included in the disclosed 'No maturity' balance of \$10,647 million.

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30 June 2025

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value \$m
		No Maturity \$m	< 6 months \$m	6 months to < 1 year \$m	≥ 1 year \$m	
(In currency amount)						
Available stable funding (ASF) item						
1	Capital:	23,373	-	-	10,579	33,953
2	Regulatory capital	23,373	-	-	10,579	33,953
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers:	131,030	10,410	-	-	129,502
5	Stable deposits	47,173	2,291	-	-	46,991
6	Less stable deposits	83,857	8,119	-	-	82,511
7	Wholesale funding:	35,636	61,837	18,119	29,021	56,568
8	Operational deposits	16,111	-	-	-	8,055
9	Other wholesale funding	19,525	61,837	18,119	29,021	48,513
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities:	6,047	27,112	85	943	(1,225)
12	NSFR derivative liabilities	-	6,343	-	-	-
13	All other liabilities and equity not included in the above categories ¹	6,047	20,769	85	943	(1,225)
14	Total ASF	196,086	99,359	18,204	40,543	218,798
Required stable funding (RSF) item						
15(a)	Total NSFR (HQLA)	4,618	8,312	1,457	20,220	6,392
15(b)	ALA	-	-	-	-	-
15(c)	RBNZ securities	-	-	-	-	-
16	Deposits held at other financial institutions for operational purposes	2,193	-	-	-	1,095
17	Performing loans and securities	34,809	48,282	9,730	178,859	153,281
18	Performing loans to financial institutions secured by Level 1 HQLA	8,130	12,041	687	-	2,360
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	18,118	20,111	590	535	6,565
20	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), of which:	2,692	6,473	1,314	34,750	27,419
21	With a risk weight of less than or equal to 35% under APS 112	-	59	106	2,130	1,473
22	Performing residential mortgages, of which:	-	7,164	6,037	140,309	107,651
23	With a risk weight equal to 35% under APS 112	-	1,928	1,859	137,292	95,263
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	5,869	2,493	1,102	3,265	9,286
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	Other assets:	11,602	7,032	98	39,757	36,765
27	Physical traded commodities, including gold	7,811	-	-	-	6,640
28	Assets posted as initial margin for derivative contracts and contributions to default funds of central counterparties (CCPs)	-	-	-	11,247	8,875
29	NSFR derivative assets	-	-	-	11,498	5,155
30	NSFR derivative liabilities before deduction of variation margin posted	-	-	-	13,230	2,646
31	All other assets not included in the above categories	3,791	7,032	98	3,782	13,449
32	Off-balance sheet items	-	-	-	28,200	1,288
33	Total RSF	53,222	63,626	11,285	267,036	198,821
34	Net Stable Funding Ratio (%)					110 %

¹ APRA has imposed a 1% decrease to the Available Stable Funding component of the NSFR calculation, effective from 1 April 2021. An overlay of \$2,210 million, equal to a 1% decrease to the ASF component, is included in the disclosed 'No maturity' balance of \$6,047 million.

11.3 Asset Encumbrance

Encumbered assets are subject to limitations or restrictions that prevent their liquidation, sale, transfer, or assignment due to legal, regulatory, contractual, or other constraints.

As at 30 September 2025 and 31 March 2025, asset encumbrance is primarily driven by secured financing activities, including issuances of securitisations, as well as placement of margins. Macquarie funds a portion of assets and other securities via repurchase agreements and other similar borrowing and pledges a portion of customer loans and advances as collateral in securitisation, covered bond and other similar structures.

The Encumbered Assets increased at 30 September 2025 compared to 31 March 2025 as a result of normal business activities.

The tables in this section identify components of MBL's encumbered and unencumbered assets and the assets in use or remaining available to secure transactions in central bank facilities.

Table 35: ENC - Asset encumbrance

30 September 2025

	a	b	c	d
	Encumbered assets \$m	Central bank facilities \$m	Unencumbered assets \$m	Total \$m
Assets				
Cash and bank balances	3,999	-	15,997	19,996
Cash collateralised lending and reverse repurchase agreements	10,302	-	55,802	66,104
Trading assets	15,809	-	25,558	41,367
Margin money and settlement assets	10,363	-	7,663	18,026
Derivative assets	-	-	24,143	24,143
Financial Investments	442	-	19,251	19,693
Held for sale assets	1,027	-	527	1,554
Other assets	163	-	5,669	5,832
Loan assets	12,024	-	187,765	199,789
Due from subsidiaries and other Macquarie Group entities	773	-	5,257	6,030
Property, plant and equipment and right-of-use assets	20	-	5,344	5,364
Investment in regulatory non-consolidated subsidiaries	-	-	213	213
Deferred tax assets	-	-	894	894
Total	54,922	-	354,083	409,005

31 March 2025

	a	b	c	d
	Encumbered assets \$m	Central bank facilities \$m	Unencumbered assets \$m	Total \$m
Assets				
Cash and bank balances	3,446	-	18,772	22,218
Cash collateralised lending and reverse repurchase agreements	5,997	-	54,167	60,164
Trading assets	8,575	-	21,144	29,719
Margin money and settlement assets	10,259	-	9,812	20,071
Derivative assets	-	-	23,936	23,936
Financial Investments	348	-	16,706	17,054
Held for sale assets	-	-	-	-
Other assets	319	-	6,712	7,031
Loan assets	14,550	-	166,837	181,387
Due from subsidiaries and other Macquarie Group entities	818	-	5,801	6,619
Property, plant and equipment and right-of-use assets	33	-	5,880	5,913
Investment in regulatory non-consolidated subsidiaries	-	-	209	209
Deferred tax assets	-	-	1,086	1,086
Total	44,345	-	331,062	375,407

12. Entities deconsolidated for APRA reporting purposes

The regulatory consolidated group excludes a subset of legal entities that are included in the accounting scope of consolidation, as outlined in section 1.3 Scope of Application. The entities deconsolidated from the Level 2 regulatory group for APRA reporting purposes are listed below.

Non-Financial Operations

- Avenal Power Center, LLC
- Capital Meters Limited
- Circularix, LLC
- Circularix Management Company, LLC
- Comercializadora Energía de la Reforma S. de R.L. de C.V.
- Macquarie Energy Services Pty Limited
- Macquarie Equipment Finance Services Limited
- Macquarie Equipment Trading (Shanghai) Co., Ltd
- Macquarie Semiconductor and Technology Inc.
- PropertyIQ Pty Limited
- Sustainable Feedstocks Group Limited
- Sustainable Feedstocks Group Guangdong Limited
- CX Hatfield, LLC
- CX Hatfield II, LLC
- CX Ocala, LLC
- CX Team, LLC

Funds Management

- Bond Street Custodians Limited
- Macquarie Investment Management Ltd
- Macquarie Investment Services Limited
- Macquarie Prism Pty Limited

SPV

- Barcelona Funding Trust

Insurance

- Macquarie (Bermuda) Limited

Macquarie (Bermuda) Limited is an insurance subsidiary of MBL the ADI, and is deconsolidated for regulatory purposes. Equity invested in Macquarie (Bermuda) Limited is deducted from CET1 capital, in line with the APS 111 requirement. Additionally, MBL does not recognise surplus capital in the insurance subsidiary when calculating capital adequacy.

13. Glossary of Terms

ADI	Authorised Deposit-taking Institution.
Additional Tier 1 Capital	A capital measure defined by APRA comprising high quality components of capital that satisfy the following essential characteristics: • Provide a permanent and unrestricted commitment of funds • Are freely available to absorb losses • Rank behind the claims of depositors and other more senior creditors in the event of winding up of the issuer; and • Provide for fully discretionary capital distributions.
Additional Tier 1 Capital deductions	An amount deducted in determining Additional Tier 1 Capital, as defined in Prudential Standard APS 111 Capital Adequacy: Measurement of Capital.
ALA	Alternative Liquid Assets.
APRA	Australian Prudential Regulation Authority.
ADI Prudential Standards (APS)	APRA's ADI Prudential Standards. For more information refer to APRA website.
ASF	Available Stable Funding.
Bank Group	MBL and its subsidiaries.
Basel III IRB Formula	A formula to calculate RWA, as defined in Prudential Standard APS 113 – Capital Adequacy: Internal Ratings-based Approach to Credit risk.
BAC	Board Audit Committee.
BBSW	Bank Bill Swap Rate.
BCBS	Basel Committee on Banking Supervision.
BCN2	Macquarie Bank Capital Notes 2.
BCN3	Macquarie Bank Capital Notes 3.
BFS	Banking and Financial Services Group.
the Board, Macquarie Bank Board	The Board of Voting Directors of Macquarie Bank Limited.
BRC	Board Remuneration Committee.
BRiC	Board Risk Committee.
CCR	Counterparty Credit Risk.
CEA	Credit Equivalent Amount. The on-balance sheet equivalent value of an off balance sheet transaction.
CEO	Managing Director and Chief Executive Officer.
Central counterparty	A clearing house or exchange that interposes itself between counterparties to contracts traded in one or more financial markets, becoming the buyer to every seller and the seller to every buyer, and therefore ensuring the future performance or open contracts.
Central Service Group	The Central Service Groups consist of Risk Management Group (RMG), Legal and Governance Group (LGG), Financial Management, People and Engagement (FPE) and Corporate Operations Group (COG).
CF	Commodities finance. CF refers to short-term lending to finance reserves, inventories, or receivables of exchange-traded commodities, where the loan will be repaid from the proceeds of the sale of the commodity and the borrower has no independent capacity to repay the loan.
CFO	Chief Financial Officer.
CGM	Commodities and Global Markets Group.
Common Equity Tier 1 capital (CET1)	A capital measure defined by APRA comprising the highest quality components of capital that fully satisfy all the following essential characteristics: • Provide a permanent and unrestricted commitment of funds • Are freely available to absorb losses • Do not impose any unavoidable servicing charge against earnings; and • Rank behind the claims of depositors and other creditors in the event of winding up. • Common equity tier 1 capital comprises Paid Up Capital, Retained Earnings, and certain reserves.
Common Equity Tier 1 Capital deductions	An amount deducted in determining Common Equity Tier 1 Capital, as defined in Prudential Standard APS 111 Capital Adequacy: Measurement of Capital.
Common Equity Tier 1 Capital Ratio	Common Equity Tier 1 Capital net of Common Equity Tier 1 deductions expressed as a percentage of RWA.
CRO	Chief Risk Officer.
CVA	Credit Valuation Adjustment. The risk of mark-to-market losses on the expected counterparty risk to OTC derivatives.
EAD	Exposure at Default – the gross exposure under a facility (the amount that is legally owed to the ADI) upon default of an obligor.

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ECAI	External Credit Assessment Institution.
ECAM	Economic Capital Adequacy Model.
EL	Expected Loss, which is a function of EAD, Probability of Default and Loss given Default.
ELE	Extended Licensed Entity is an entity that is treated as part of the ADI ('Level 1') for the purpose of measuring the ADI's capital adequacy and exposures to related entities. The criterion for qualification as an ELE is detailed in the APRA Prudential Standards.
EMEA	Europe, the Middle East & Africa.
ERBA	External Rating Based Approach.
EVE	Economic Value of Equity.
F-IRB	Foundation Internal Ratings Based Approach (for determining credit risk).
FPE	Financial Management, People and Engagement Group.
GARCH	Generalised AutoRegressive Conditional Heteroskedasticity.
HQLA	High-Quality Liquid Assets.
IAA	Internal Assessment Approach.
ICAAP	Internal Capital Adequacy Assessment Process.
IRBA	Internal Rating Based Approach.
IRRBB	Interest Rate Risk in the Banking Book.
LCR	Liquidity Coverage Ratio.
Level 1 Regulatory Group	MBL and certain subsidiaries which meet the APRA definition of Extended Licensed Entities.
Level 2 Regulatory Group	MBL, its parent Macquarie B.H. Pty Ltd and MBL's subsidiaries but excluding deconsolidated entities for APRA reporting purposes.
Level 3 Regulatory Group	MGL and its subsidiaries but excluding entities required to be deconsolidated for regulatory reporting purposes.
LGD	Loss given default is defined as the economic loss which arises upon default of the obligor.
LVR	Loan to Value Ratio.
Macquarie Group / Macquarie	MGL and its subsidiaries.
MACS	Macquarie Additional Capital Securities.
MBL	Macquarie Bank Limited ABN 46 008 583 542.
MBL Consolidated Group	MBL and its subsidiaries.
MGL	Macquarie Group Limited ABN 94 122 169 279.
NCO	Net Cash Outflows.
NII	Net Interest Income.
Non-Bank Group	MGL and its subsidiaries, excluding the entities that comprise the Bank Group.
NPAT	Net Profit after Tax.
NSFR	Net Stable Funding Ratio.
OF	Object finance. OF refers to the method of funding the acquisition of equipment where the repayment of the loan is dependent on the cash flows generated by the specific assets that have been financed and pledged or assigned to the lender.
Operating Group	The Operating Groups consist of Banking and Financial Services Group (BFS), Commodities and Global Markets Group (CGM), Macquarie Capital and Macquarie Asset Management Group (MAM).
ORMF	Operational Risk Management Framework.
PCE, PFCE	Potential Credit Exposure (PCE) / Potential Future Credit Exposure (PFCE). The potential exposures arising on a transaction calculated as the notional principal amount multiplied by a credit conversion factor specified by APRA.
PD	Probability of Default. The likelihood of an obligor not satisfying its financial obligations.
PF	Project finance. PF refers to the method of funding in which the lender looks primarily to the revenues generated by a single project, both as the source of repayment and as security for the loan.
P&L	Profit and loss.
QCCP	Qualifying central counterparty.
RAS	Risk Appetite Statement.
Reserve Bank of Australia (RBA)	Central bank of Australia with responsibility over monetary policy.
RMBS	Residential Mortgage-Backed Securities.
RMG	Risk Management Group.
ROE	Return on Ordinary Equity.
RSF	Required Stable Funding.
RWA	Risk-weighted asset. RWA is a risk-based measure of an entity's exposures, which is used in assessing its overall capital adequacy.
SA	Standardised Approach.
Senior Management	Members of Macquarie Group's Executive Committee and Executive Directors who have significant management or risk responsibility in the organisation.

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SFT	Securities Financing Transactions (SFT). SFTs are transactions such as repurchase agreements, reverse repurchase agreements and security lending and borrowing, where the value of the transactions depends on market valuations and the transactions are often subject to margin agreements.
SME	Small – Medium Enterprises.
SPV	Special purpose vehicles or securitisation vehicles.
Subordinated debt	Debt issued by Macquarie for which agreements between Macquarie and the lenders provide, in the event of liquidation, that the entitlement of such lenders to repayment of the principal sum and interest thereon is and shall at all times be and remain subordinated to the rights of all other present and future creditors of Macquarie. Subordinated debt is classified as liabilities in the Macquarie financial report and may be included in Tier 2 Capital.
Tier 1 Capital	Tier 1 capital comprise (i) Common Equity Tier 1 Capital; and (ii) Additional Tier 1 Capital.
Tier 1 Capital Deductions	Tier 1 capital deductions comprise (i) Common Equity Tier 1 Capital deductions; and (ii) Additional Tier 1 Capital deductions.
Tier 1 Capital Ratio	Tier 1 Capital net of Tier 1 Capital Deductions expressed as a percentage of RWA.
Tier 2 Capital	A capital measure defined by APRA, comprising other components of capital which contribute to the strength of the entity.
Tier 2 Capital Deductions	An amount deducted in Tier 2 Capital, as defined in Prudential Standard APS 111 Capital Adequacy: Measurement of Capital.
Total Capital	Tier 1 Capital plus Tier 2 Capital less Tier 1 Capital Deductions and Tier 2 Capital Deductions.
Total Capital Ratio	Total Capital expressed as a percentage of RWA.
VaR	Value-at-Risk.
WAL	Weighted Average Life.

14. Disclaimer

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Unless otherwise specified all information is at 30 September 2025.

Although Pillar 3 disclosures are intended to provide transparent disclosures on a common basis, the information contained in this document may not be directly comparable with other banks. This may be due to a number of factors such as:

- The mix of business exposures between banks.
- Pillar 2 capital requirements are excluded from this disclosure but play a major role in determining both the total capital requirements of the bank and any surplus capital available.
- Difference in implementation of Basel III framework i.e. APRA has introduced stricter requirements (APRA super equivalence).