Pillar 3 – Capital Adequacy and Risk Disclosures

Quarterly Update as at 31 December 2024

Introduction

Rabobank Australia Limited ("the Bank") is an Authorised Deposit-taking Institution ("ADI") subject to regulation by the Australian Prudential Regulation Authority ("APRA") under the authority of the Banking Act 1959.

In accordance with the Australian Prudential Standard 330 ("APS 330"), financial institutions are required to disclose prudential information. A subset of this information is disclosed quarterly.

Verification of the Disclosure

This Pillar 3 Disclosure ("the Disclosure") document is unaudited. However, it has been verified in accordance with the Board approved Prudential Disclosure policy.

Implementation of revised regulatory capital framework

From 1 January 2023, APRA's new bank capital framework came into effect and is designed to embed "unquestionably strong" levels of capital and align Australian standards with the internationally agreed Basel III requirements. The new framework will help to ensure ADIs continue to have the financial strength to withstand future adverse economic conditions, ensuring depositors are protected and lending is supported. The new framework has resulted in changes to the calculation and presentation of capital ratio.

Scope of Application

The Bank is a Level 1 entity for regulatory ("APRA") reporting purposes. The Bank is a solo entity, therefore does not have any subsidiaries, Level 2 entities.

Level 1	Standalone basis ("Solo")
Level 2	The consolidation of the Bank and all its subsidiary entities other than non-consolidated subsidiaries ("Consolidated")

Context

The Bank currently remains on the Standardised Approach for Credit, Market and Operational risk for APRA regulatory reporting.

Nature of Business

The Bank continues to focus on the provision of flexible, competitively priced, secured loans to the rural sector in Australia and the raising of retail deposits. The Bank continues to provide online deposit product to retail clients through its Rabobank Online Savings division.

There were no significant changes in the state of affairs of the Bank during the financial year.

The following table provides a reconciliation of all regulatory capital elements to the Balance Sheet of the Bank in its audited financial statements.

REGULATORY CAPITAL RECONCILIATION

	Balance sheet per published audited financial statements	Adjustments	Balance sheet under regulatory scope	Reference to Attachment A Table 1
	31 December 2024 AUD mln	31 December 2024 AUD mln	31 December 2024 AUD mln	
Assets				
Due from other financial institutions (including Cash and cash equivalents)	1,489.4	8.5	1,497.9	
Derivative financial instruments	103.0		103.0	
Financial assets at fair value through other comprehensive income	1,548.0	-	1,548.0	
Loans and advances	21,141.5	(156.2)	20,985.3	
of which: IFRS 9 provision for stage 1 and 2 non-defaulted exposure are included as Tier 2 capital			*38.7*	(f)
Due from related entities	455.6	1.7	457.3	
Net deferred tax assets	28.6	-	28.6	
of which: arising from temporary differences included in CET1 regulatory Adjustments			*28.6*	(d)
Right-of-use assets	10.9	-	10.9	
Other assets	17.0	159.4	176.4	
of which: capitalised expenses included in CET1 regulatory Adjustments			*4.0*	(g)
Total assets	**24,794.0**	**13.4**	**24,807.4**	
Liabilities				
Derivative financial instruments	67.8		67.8	
Deposits	16,623.4	(154.2)	16,469.2	
Due to related entities	4,755.8	1.7	4,757.5	
Other provision	6.5	-	6.5	
Lease liabilities	11.3	-	11.3	
Other liabilities	3.6	165.9	169.5	
Total liabilities	**21,468.3**	**13.4**	**21,481.7**	
Net assets	**3,325.7**	**-**	**3,325.7**	
Equity				
Contributed equity	330.7	-	330.7	
of which: amount eligible for CET1			*327.2*	(a)
Reserves	38.3	-	38.3	
of which: AFS reserve			*(11.7)*	(c)
of which: Other reserve			*50.0*	(e)
Retained earnings	2,956.7	-	2,956.7	
of which: included in CET1			*2,956.7*	(b)
Total equity	**3,325.7**	**-**	**3,325.7**	

Attachment A

	Table 1: Common disclosures – composition of capital	31 December 2024 AUD mln	Source reference to the regulatory capital reconciliation
	Common Equity Tier 1 capital: instruments and reserves		
1	Directly issued qualifying ordinary shares (and equivalent for mutually-owned entities) capital	327.2	(a)
2	Retained earnings	2,956.7	(b)
3	Accumulated other comprehensive income (and other reserves)	38.3	(c) (e)
4	Directly issued capital subject to phase out from CET1 (only applicable to mutually-owned companies)	-	
5	Ordinary share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	
6	**Common Equity Tier 1 capital before regulatory adjustments**	**3,322.2**	
	Common Equity Tier 1 capital: regulatory adjustments		
7	Prudential valuation adjustments	-	
8	Goodwill (net of related tax liability)	-	
9	Other intangibles other than mortgage servicing rights (net of related tax liability)	-	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	
11	Cash-flow hedge reserve	-	
12	Shortfall of provisions to expected losses	-	
13	Securitisation gain on sale (as set out in paragraph 562 of Basel II framework)	-	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	
15	Defined benefit superannuation fund net assets	-	
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	-	
17	Reciprocal cross-holdings in common equity	-	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10% threshold)	-	
19	Significant investments in the ordinary shares of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-	
20	Mortgage service rights (amount above 10% threshold)	-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	
22	Amount exceeding the 15% threshold	-	
23	*of which: significant investments in the ordinary shares of financial entities*	-	
24	*of which: mortgage servicing rights*	-	
25	*of which: deferred tax assets arising from temporary differences*		

Table 1: Common disclosures – composition of capital (continued)			
		31 December 2024 AUD mln	Source in regulatory capital reconciliation
26	National specific regulatory adjustments (sum of rows 26a, 26b, 26c, 26d, 26e, 26f, 26g, 26h, 26i and 26j)	32.5	
26a	*of which: treasury shares*	-	
26b	*of which: offset to dividends declared under a dividend reinvestment plan (DRP), to the extent that the dividends are used to purchase new ordinary shares issued by the ADI*	-	
26c	*of which: deferred fee income*	-	
26d	*of which: equity investments in financial institutions not reported in rows 18, 19 and 23*	-	
26e	*of which: deferred tax assets not reported in rows 10, 21 and 25*	*28.6*	*(d)*
26f	*of which: capitalised expenses*	*3.9*	(g)
26g	*of which: investments in commercial (non-financial) entities that are deducted under APRA prudential requirements*	-	
26h	*of which: covered bonds in excess of asset cover in pools*	-	
26i	*of which: undercapitalisation of a non-consolidated subsidiary*	-	
26j	*of which: other national specific regulatory adjustments not reported in rows 26a to 26i*	-	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	
28	**Total regulatory adjustments to Common Equity Tier 1**	**32.5**	
29	**Common Equity Tier 1 Capital (CET1)**	**3,289.7**	
	Additional Tier 1 Capital: instruments		
30	Directly issued qualifying Additional Tier 1 instruments	-	
31	*of which: classified as equity under applicable accounting standards*	-	
32	*of which: classified as liabilities under applicable accounting standards*	-	
33	Directly issued capital instruments subject to phase out from Additional Tier 1	-	
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-	
35	*of which: instruments issued by subsidiaries subject to phase out*	-	
36	**Additional Tier 1 Capital before regulatory adjustments**	-	
	Additional Tier 1 Capital: regulatory adjustments		
37	Investments in own Additional Tier 1 instruments	-	
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10% threshold)	-	
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
41	National specific regulatory adjustments (sum of rows 41a, 41b and 41c)	-	
41a	*of which: holdings of capital instruments in group members by other group members on behalf of third parties*	-	

Table 1: Common disclosures – composition of capital (continued)			
		31 December 2024 AUD mln	**Source in regulatory capital reconciliation**
41b	*of which: investments in the capital of financial institutions that are outside the scope of regulatory consolidations not reported in rows 39 and 40*	-	
41c	*of which: other national specific regulatory adjustments not reported in rows 41a and 41b*	-	
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	
43	**Total regulatory adjustments to Additional Tier 1 capital**	**-**	
44	**Additional Tier 1 Capital (AT1)**	**-**	
45	**Tier 1 Capital (T1=CET1+AT1)**	**3,289.7**	
	Tier 2 Capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments	-	
47	Directly issued capital instruments subject to phase out from Tier 2	-	
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group T2)	-	
49	*of which: instruments issued by subsidiaries subject to phase out*	-	
50	Provisions	38.7	(f)
51	**Tier 2 Capital before regulatory adjustments**	**38.7**	
	Tier 2 Capital: regulatory adjustments		
52	Investments in own Tier 2 instruments	-	
53	Reciprocal cross-holdings in Tier 2 instruments	-	
54	Investments in the Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the ADI does not own more than 10% of the issued share capital (amount above 10% threshold)	-	
55	Significant investments in the Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	-	
56	National specific regulatory adjustments (sum of rows 56a, 56b and 56c)	-	
56a	*of which: holdings of capital instruments in group members by other group members on behalf of third parties*	-	
56b	*of which: investments in the capital of financial institutions that are outside the scope of regulatory consolidation not reported in rows 54 and 55*	-	
56c	*of which: other national specific regulatory adjustments not reported in rows 56a and 56b*	-	
57	**Total regulatory adjustments to Tier 2 capital**	**-**	
58	**Tier 2 Capital (T2)**	**38.7**	
59	**Total Capital (TC=T1+T2)**	**3,328.4**	
60	**Total risk-weighted assets based on APRA standards**	**21,894.0**	
	Capital ratios and buffers		
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	15.03%	
62	Tier 1 (as a percentage of risk-weighted assets)	15.03%	
63	Total capital (as a percentage of risk-weighted assets)	15.20%	

Table 1: Common disclosures – composition of capital (continued)			
		31 December 2024 AUD mln	**Source in regulatory capital reconciliation**
64	Buffer requirement (minimum CET1 requirement of 4.5% plus capital conservation buffer of 2.5% plus any countercyclical buffer requirements expressed as a percentage of risk-weighted assets)	8.0%*	
65	*of which: capital conservation buffer requirement*	2.5%*	
66	*of which: ADI-specific countercyclical buffer requirements*	1.0%**	
67	*of which: G-SIB buffer requirement (not applicable)*	-	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk-weighted assets)	7.03%	
	National minima (if different from Basel III)		
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	n/a	
70	National Tier 1 minimum ratio (if different from Basel III minimum)	n/a	
71	National total capital minimum ratio (if different from Basel III minimum)	n/a	
	Amount below thresholds for deductions (not risk-weighted)		
72	Non-significant investments in the capital of other financial entities	-	
73	Significant investments in the ordinary shares of financial entities	-	
74	Mortgage servicing rights (net of related tax liability)	-	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	28.6	(d)
	Applicable caps on the inclusion of provisions in Tier 2		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	38.7	(f)
77	Cap on inclusion of provisions in Tier 2 under standardised approach	n/a	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	n/a	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	n/a	
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2021 and 1 Jan 2022)		
80	*Current cap on CET1 instruments subject to phase out arrangements*	-	
81	*Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)*	-	
82	*Current cap on AT1 instruments subject to phase out arrangements*	-	
83	*Amount excluded from AT1 instruments due to cap (excess over cap after redemptions and maturities)*	-	
84	*Current cap on T2 instruments subject to phase out arrangements*	-	
85	*Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)*	-	

* The capital conservation buffer came into effect from 1 January 2016.

** The countercyclical buffer came into effect from 1 January 2023.

Attachment C

Table 3: Capital Adequacy (Risk Weighted Equivalent)		
Credit Risk subject to standardised approach	**31 December 2024** AUD mln	**30 September 2024** AUD mln
Corporate*	20,702.3	21,235.2
Government	-	-
Bank	156.9	277.3
Residential Mortgage	188.7	186.4
Other Retail	55.8	53.7
Other	12.4	11.8
Total capital requirement subject to standardised approach	**21,116.1**	**21,764.4**
Credit risk capital requirement relating to securitisation exposures	**-**	**-**
Market risk minimum capital requirement	**0.7**	**-**
Operational risk minimum capital requirement	**777.2**	**777.2**
Total RWA and capital requirement	**21,894.0**	**22,541.7**
Capital Ratios (%)		
Common Equity Tier 1 Capital Ratio	15.03%	14.41%
Tier 1 Capital Ratio	15.03%	14.41%
Total Capital Ratio	**15.20%**	**14.59%**

* Note: Corporate includes corporate and private sector counterparties.

Attachment C

Table 4: Credit Risk				
	31 December 2024		30 September 2024	
Exposure Type	**Gross credit exposure** AUD mln	**Average gross credit exposure** AUD mln	**Gross credit exposure** AUD mln	**Average gross credit exposure** AUD mln
Cash and liquid assets	1,447.9	1,229.4	1,010.9	1,123.9
Debt securities	1,548.0	1,670.6	1,793.3	1,683.8
Due from related entities	9.5	11.6	13.7	15.7
Loans and advances	21,030.2	21,524.8	22,019.4	22,253.3
Derivatives*	220.9	233.4	245.8	235.2
Contingent liabilities, commitments, and other off-balance sheet exposures*	2,561.4	2280.6	1,999.5	1,932.0
Other assets	183.3	209.7	236.2	204.8
Total exposures	**27,001.2**	**27,160.1**	**27,318.8**	**27,448.7**

Portfolios subject to standardised approach	**Gross credit exposure** AUD mln	**Average gross credit exposure** AUD mln	**Gross credit exposure** AUD mln	**Average gross credit exposure** AUD mln
Corporate**	23,539.2	23,788.9	24,038.7	24,158.5
Sovereign	2,943.9	2,622.8	2,301.7	2,281.5
Bank	260.5	493.2	725.8	742.2
Residential Mortgage	187.8	186.8	185.7	188.5
Other retail	55.8	54.7	53.6	57.1
Other	14.0	13.7	13.3	20.9
Total exposures	**27,001.2**	**27,160.1**	**27,318.8**	**27,448.7**

* Note: Derivatives and off-balance sheet exposures represent the credit equivalent amount of the Bank's off-balance sheet exposures calculated in accordance with APS112 and APS180.

** Note: Corporate includes corporate and private sector counterparties.

Attachment C

Table 4: Credit risk (continued)				
Portfolios subject to standardised approach as at 31 December 2024	**Non-performing exposure** AUD mln	**Specific provision balance** AUD mln	**Charges for specific provision** AUD mln	**Write-offs** AUD mln
Corporate*	647.6	37.0	(11.7)	-
Government	-	-	-	-
Bank	-	-	-	-
Residential Mortgage	2.0			
Other retail	0	-	-	-
Other	-	-	-	-
Total	**649.6**	**37.0**	**(11.7)**	**-**

Portfolios subject to standardised approach as at 30 September 2024	Non-performing exposure AUD mln	Specific provision balance AUD mln	Charges for specific provision AUD mln	Write-offs AUD mln
Corporate*	858.3	48.7	3.6	-
Government	-	-	-	-
Bank	-	-	-	-
Residential Mortgage	1.6			
Other retail	-	-	-	-
Other	-	-	-	-
Total	**859.9**	**48.7**	**3.6**	**-**

Balance	31 December 2024 AUD mln	30 September 2024 AUD mln
Provisions held against performing exposures that represent a purely forward-looking amount for future losses that are presently unidentified **	38.7	40.5

* Note: Corporate includes corporate and private sector counterparties.

** Collective provision raised under the accounting standard for stage 1 and stage 2. These represent a purely forward-looking amount for future losses that are presently unidentified for performing loans.

Attachment C

Table 5: Securitisation Exposures

No securitisation or resecuritisation activity was undertaken during the 31 December 2024 or 30 September 2024 quarters.

	31 December 2024		30 September 2024	
Securitisation Exposure – Underlying asset type	**Total Exposures Securitised** AUD mln	**Recognised Gain or (Loss) on sale** AUD mln	**Total Exposures Securitised** AUD mln	**Recognised Gain or (Loss) on sale** AUD mln
Housing Loans	–	–	–	–
Commercial Loans	–	–	–	–
Credit Cards and other Personal Loans	–	–	–	–
Auto and Equipment Finance	–	–	–	–
Other	–	–	–	–
Total	**–**	**–**	**–**	**–**

	31 December 2024			30 September 2024		
Securitisation Exposure – Securitisation facility type	**On-Balance Sheet Securitisation Retained** AUD mln	**On-Balance Sheet Securitisation Purchased** AUD mln	**Off-Balance Sheet Securitisation Exposure** AUD mln	**On-Balance Sheet Securitisation Retained** AUD mln	**On-Balance Sheet Securitisation Purchased** AUD mln	**Off-Balance Sheet Securitisation Exposure** AUD mln
Securities	–	–	–	–	–	–
Liquidity support facilities	–	–	–	–	–	–
Funding facilities	–	–	–	–	–	–
Warehouse facilities	–	–	–	–	–	–
Lending facilities	–	–	–	–	–	–
Other commitments and credit enhancements	–	–	–	–	–	–
Derivative transactions	–	–	–	–	–	–
Underwriting facilities	–	–	–	–	–	–
Other	–	–	–	–	–	–
Total	**–**		**–**	**–**		**–**

Attachment F

The Bank manages its LCR position on a daily basis according to the Board's risk appetite and includes a buffer above the minimum regulatory requirement. The Bank has centralised its liquidity management function, into the Bank's Treasury department, which manages, co-ordinates and executes all the liquidity and funding needs of the Bank.

The Bank's average LCR for the quarter increase slightly from 132.2% to 132.7% compared to the quarter ended 30 September 2024, which continues to be above the regulatory minimum of 100%. The ratio compared to the quarter ended 30 September 2024 was mainly impacted by an increase in holdings of liquid assets, partially offset by an increase in net cash outflows. The intra-period movements of the LCR are forecast and monitored on a daily basis, and were within the normal operating ranges of the Banks' liquidity management activity.

The Bank maintains a diverse mix of liquid assets consisting of cash with the Reserve Bank of Australia (RBA) and Australian Semi-Government and Commonwealth Government securities. The increase in liquid assets is mainly driven by an increase of cash balances with the RBA and Government securities held during the quarter, from the proceeds of seasonal loan repayments.

The LCR net cash outflow (NCO) represents potential cash outflows from on and off balance sheet activities within a 30 day liquidity stress scenario, after applying APRA prescribed run-off factors to maturing debt and deposits, and inflow factors to assets. As part of its overall liquidity management strategy the Bank manages its balance sheet in a manner that aims to manage NCOs within the Board's risk appetite. Average NCO's increased over the quarter, mainly driven by an increase in outflows from retail deposit during the quarter due to an overall increase in retail deposits over the quarter. In addition, average contingent funding obligations increased over the quarter primarily due to higher undrawn facility limits, driven by increased loan repayments attributed to seasonality. The Bank has a diversified funding base aimed at reducing concentrations on funding source, tenor, and outflow risk. RBAL is primarily funded with stable customer deposits, and actively managed intercompany funding from Cooperatieve Rabobank U.A. (the Parent).

In addition, the Bank has in place a $525m Committed Liquidity Facility with Cooperatieve Rabobank U.A. (the Parent) to boost the Bank's access to liquidity, if needed.

There are very limited foreign currency transactions in the Bank, and interest rate derivatives are used to hedge interest rate risk residing in the Bank.

APS330 Table 20: Liquidity Coverage Ratio Disclosure					
		31 December 2024		30 September 2024	
	Liquid Assets, of which	**Total unweighted value (average)*** AUD mln	**Total weighted value (average)**** AUD mln	**Total unweighted value (average)*** AUD mln	**Total weighted value (average)**** AUD mln
1	High Quality liquid assets (HQLA)		2,281		2,175
2	Alternative liquid assets (ALA)		-		-
3	Reserve bank of New Zealand (RBNZ) securities		-		-
	Cash Outflows				
4	Retail deposits and deposits from small business customers, of which:	7,258	1,364	6,975	1,330
5	Stable deposits	2,005	100	1,898	95
6	Less stable deposits	5,253	1,264	5,078	1,235
7	Unsecured wholesale funding, of which:	957	598	962	588
8	Operational deposits (all counterparties) and deposits in networks for cooperative banks	-	-	-	-
9	Non-operational deposits (all counterparties)	957	598	962	588
10	Unsecured debt	-	-	-	-
11	Secured wholesale funding		-		-
12	Additional requirements, of which:	5,648	434	5,139	400
13	Outflows related to derivatives exposures and other collateral requirements	5	5	6	6
14	Outflows related to loss of funding on debt products	-	-	-	-
15	Credit and liquidity facilities	3,140	274	2,962	258
16	Other contractual funding obligations	-	-	-	-
17	Other contingents funding obligations	2,503	155	2,171	136
18	Total cash outflows		2,396		2,318
	Cash Inflows				
19	Secured lending (e.g reverse repos)	-	-	-	-
20	Inflows from fully performing exposures	740	665	663	626
21	Other cash inflows	11	11	45	45
22	Total cash inflows***	751	676	707	670
23	Total liquid assets		2,281		2,175
24	Total net cash outflows		1,720		1,648
25	Liquidity Coverage ratio (%)		132.7		132.2
	Number of data points used (Business Days)		62		65

**Unweighted values are calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows)

**Weighted values is calculated after the application of respective haircuts (for HQLA) or inflow and outflow rates (for inflows and outflows)

***Adjusted values is calculated after the application of both (i) haircuts and inflow and outflow rates and (ii) any applicable caps (i.e cap on HQLA2 and cap on inflows).

The Bank manages its Net Stable Funding Ratio (NSFR) position on a daily basis that includes a buffer above the minimum regulatory requirement and according to the Board's risk appetite.

The NSFR represents the ratio of Available Stable Funding (ASF) against Required Stable Funding (RSF) from on and off balance sheet activities, after applying APRA prescribed ASF factors to maturing debt and deposits, and RSF factors to assets. As part of its overall liquidity management strategy the Bank manages its balance sheet in a manner that aims to manage NSFR within the Board's risk appetite. The Bank's assets mainly consist of lending to Rural clients with average maturity over 1 year, funded predominantly by retail branch clients and Rabobank Online Savings deposits. Funding shortfall is covered by intragroup funding from the Australian Branch of Rabobank.

The main source of ASF were deposits from Retail and SME deposit at 56%, other wholesale funding including intragroup funding at 28% and capital 16% of total ASF. The majority of the Banks' RSF at 31 December 2024 was lending to SME and corporate clients in rural sectors at 95% of the total RSF.

The Bank's NSFR as at 31 December 2024 was 115.9%, increased from 113.0% as at 30 September 2024. The total RSF decreased as at 31 December 2024 compared to 30 September is mainly driven by the increase of loan repayment in December attributed to seasonality in rural sector. Total ASF decreased to the lesser extent as at 31 December compared to 30 September 2024, mainly driven by less intragroup funding, and partially offset by deposit growth from Retail and SME deposit.

Table 21: NSFR disclosure template

		December 2024					September 2024				
		Unweighted value by residual maturity					Unweighted value by residual maturity				
Available Stable Funding (ASF) Item		No maturity	< 6 mths	6 mths to < 1yr	≥ 1yr	Weighted value	No maturity	< 6 mths	6 mths to < 1yr	≥ 1yr	Weighted value
1	Capital	-	-	-	3,322	3,322	-	-	-	3,284	3,284
2	Regulatory capital	-	-	-	3,322	3,322	-	-	-	3,284	3,284
3	Other capital instruments	-	-	-	-	-	-	-	-	-	-
4	Retail deposits and deposits from small business customers	-	12,594	-	-	11,458	-	12,492	-	-	11,365
5	Stable deposits	-	2,483	-	-	2,359	-	2,447	-	-	2,325
6	Less stable deposits	-	10,110	-	-	9,099	-	10,045	-	-	9,040
7	Wholesale funding	-	4,384	19	4,352	5,844	-	3,780	396	5,112	6,522
8	Operational deposits	-	-	-	-	-	-	-	-	-	-
9	Other wholesale funding	-	4,384	19	4,352	5,844	-	3,780	396	5,112	6,522
10	Liabilities with matching interdependent assets	-	-	-	-	-	-	-	-	-	-
11	Other liabilities	-	181	-	-	-	-	211	-	-	-
12	NSFR derivative liabilities				68					77	
13	All other liabilities and equity not included in the above categories	-	114	-	-	-	-	134	-	-	-
14	Total ASF					20,625					21,171
	Required Stable Funding (RSF) Item										
15(a)	Total NSFR (HQLA)					77					90
15(b)	ALA					-					-
15(c)	RBNZ securities					-					-
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-	-	-	-	-	-
17	Performing loans and securities	-	1,298	1,496	18,372	16,812	-	1,191	1,500	19,340	17,584
18	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-	-	-	-	-	-

Table 21: NSFR disclosure template											
		December 2024					September 2024				
		Unweighted value by residual maturity				Weighted value	Unweighted value by residual maturity				Weighted value
Available Stable Funding (ASF) Item		No maturity	< 6 mths	6 mths to < 1yr	≥ 1yr		No maturity	< 6 mths	6 mths to < 1yr	≥ 1yr	
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	572	-	-	86	-	573	-	-	86
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:	-	725	1,496	18,372	16,727	-	618	1,500	19,340	17,498
21	With a risk weight of less than or equal to 35% under APS 112	-	-	-	-	-	-	-	-	-	-
22	Performing residential mortgages, of which:	-	-	-	-	-	-	-	-	-	-
23	With a risk weight equal to 35% under APS 112	-	-	-	-	-	-	-	-	-	-
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	-	-	-	-	-	-	-
25	Assets with matching interdependent liabilities	-	-	-	-	-	-	-	-	-	-
26	Other assets:	-	60	-	710	702	-	59	-	910	892
27	Physical traded commodities, including gold	-				-	-				-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of central counterparties (CCPs)				-	-				-	-
29	NSFR derivative assets				103	35				122	45
30	NSFR derivative liabilities before deduction of variation margin posted				14	14				15	15
31	All other assets not included in the above categories	-	60	-	594	653	-	59	-	773	832
32	Off-balance sheet items				6,350	206				4,952	164
33	Total RSF					17,798					18,729
34	Net Stable Funding Ratio (%)					115.89%					113.04%