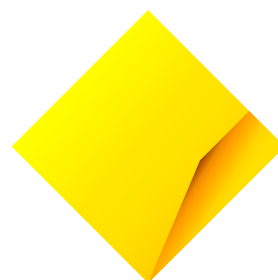


Basel III Pillar 3

Capital Adequacy and Risk
Disclosures as at 31 December 2025

Commonwealth Bank of Australia



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The release of this announcement was authorised by the Board.

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1

Introduction

The Commonwealth Bank of Australia (CBA) is an Authorised Deposit-taking Institution (ADI) regulated by the Australian Prudential Regulation Authority (APRA) under the authority of the *Banking Act 1959* (Cth).

This document is prepared for CBA and its subsidiaries (the Group) in accordance with the Board approved policy and APRA's Prudential Standard APS 330 *Public Disclosures* (APS 330). Australian ADIs are required to comply with the "Disclosure requirements" Standard issued by the Basel Committee on Banking Supervision (BCBS), subject to certain modifications by APRA.

The document presents information on the Group's capital adequacy, Risk Weighted Assets (RWA) calculations, Group's leverage and liquidity ratios in accordance with prescribed regulatory methodologies.

For capital adequacy the Group reports information on credit risk (including securitisation), traded market risk, interest rate risk in the banking book (IRRBB) and operational risk.

The Group is required to report its assessment of capital adequacy on a Level 2 basis. Level 2 is defined as the Consolidated Banking Group excluding an insurance entity and certain entities through which securitisation of the Group's assets is conducted.

The Group is predominantly accredited to use the Advanced Internal-Ratings Based (AIRB) approach for credit risk and the Standardised Measurement Approach (SMA) for operational risk. The Group is also required to assess its traded market risk and IRRBB requirements under Pillar 1 of the Basel capital framework. The Group adopted the revised APS 117 *Capital Adequacy: Interest Rate Risk in the Banking Book* (APS 117) effective from 1 October 2025.

The Group's Pillar 3 documents including disclosures of capital instruments are available on the Group's corporate website: commbank.com.au/regulatorydisclosures.

The Group in Review

	31 Dec 25	30 Jun 25	31 Dec 24
Summary Group Capital Adequacy Ratios (Level 2)	%	%	%
Common Equity Tier 1	12.3	12.3	12.2
Additional Tier 1	1.5	1.6	1.9
Tier 1	13.8	13.9	14.1
Tier 2	6.8	7.0	6.6
Total Capital	20.6	20.9	20.7

Group Capital Ratios

As at 31 December 2025, the Group's Basel III Common Equity Tier 1 (CET1), Tier 1 and Total Capital ratios were 12.3%, 13.8% and 20.6%, respectively.

Leverage Ratio

The Group's leverage ratio which is defined as Tier 1 Capital as a percentage of total exposures, was 4.7% as at 31 December 2025.

Liquidity Coverage Ratio

The Liquidity Coverage Ratio (LCR) requires Australian ADIs to hold sufficient liquid assets to meet 30 day Net Cash Outflows (NCO) projected under an APRA prescribed severe liquidity stress scenario. The Group maintained an average LCR of 132% in the 31 December 2025 quarter.

Net Stable Funding Ratio

The Net Stable Funding Ratio (NSFR) is the ratio of the amount of Available Stable Funding (ASF) to the amount of Required Stable Funding (RSF) over a one year horizon. Factors prescribed by APRA are used to determine the stable funding requirement of assets and the stability of alternative sources of funding. The Group's NSFR was 117% at 31 December 2025.

Introduction (continued)

The Group in Review (continued)

Policy Framework and Risk Management Culture

The Group regularly benchmarks and aligns its policy framework against existing prudential and regulatory standards. Potential developments in Australian and international standards, along with global best practice are also considered in the framework.

To support its policy framework, the Group continues to monitor and take actions to enhance and strengthen its risk culture. The Group has a formal Risk Management Approach (RMA) that creates clear obligations and transparency over risk management and strategy decisions. A risk accountability model (Three Lines of Accountability) requires business management to operate responsibly by taking well understood and managed risks that are appropriately and adequately priced.

The application of the RMA is reflected in the Group's overall asset quality and capital position. CBA is one of the few banking institutions with an AA-/Aa2 credit rating.

The Group's capital and forecasting process and capital plans are in place to support a sufficient capital buffer above minimal levels to be maintained at all times. The Group manages its capital by regularly and simultaneously considering regulatory capital requirements, rating agency views on the capital required to maintain the Group's credit rating, the market response to capital levels and stress testing. The Group's management of its capital adequacy is supported by capital management processes applied in each Business Unit (BU). The results are reinforced by integration into the Group's risk-adjusted performance and pricing processes.

2

Scope of Application

This document has been prepared in accordance with the Board approved policy and the requirements as set out in APS 330.

APRA adopts a tiered approach to the measurement of an ADI's capital adequacy:

- **Level 1:** The Parent Bank (CBA) and offshore branches (the Bank) and APRA approved Extended Licensed Entities (ELE);
- **Level 2:** the Consolidated Banking Group excluding an insurance entity and certain entities through which securitisation of the Group's assets is conducted; and
- **Level 3:** the conglomerate group including the Group's insurance entity and qualifying securitisation entities (the Group).

Most of the disclosures in this document are undertaken on a Level 2 basis. Additional disclosure of capital ratios relating to material ADIs within the Group together with the Level 1 capital ratios are included in Section 3 of this document.

ASB Bank Limited (ASB) operates under Advanced accreditation status and is subject to regulation by the Reserve Bank of New Zealand (RBNZ).

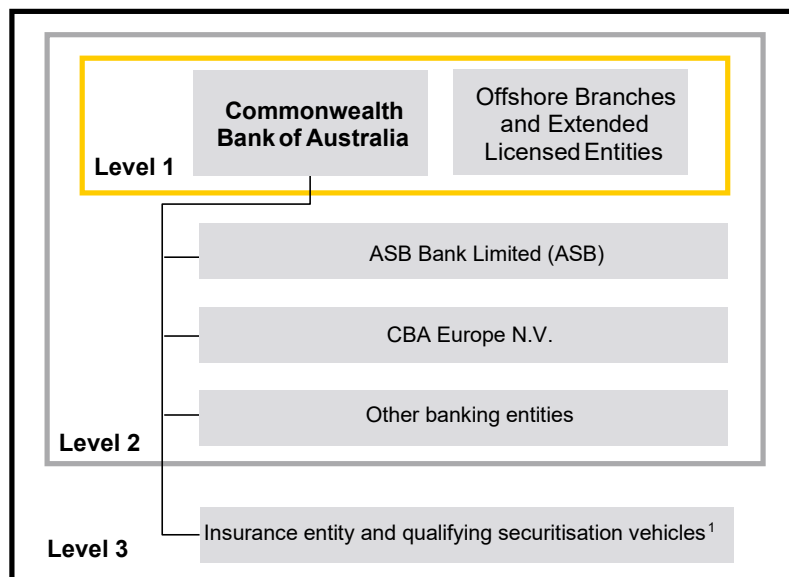
CBA Europe N.V. applies the standardised capital methodology in calculating its local regulatory capital requirements. Effective from March 2022, APRA approved the use of the Internal Ratings Based approach (IRB) by CBA Europe N.V. for the purpose of determining the Group's capital requirement on a Level 2 basis.

Restrictions on transfer of funds or regulatory capital within the Group

The transfer of regulatory capital and funding within the Group is subject to restrictions imposed by local regulatory requirements. In particular, APS 222 *Associations with Related Entities* establishes prudential limits on the level of exposure that the Bank may have to a related entity.

The Bank and all of the subsidiaries of the Group are adequately capitalised. There are no capital deficiencies in non-consolidated (regulatory) subsidiaries in the Group.

APS 330 reporting structure



¹ Securitisation that meets APRA's operational requirements for regulatory capital relief under APS 120 *Securitisation* (APS 120).

Capital Adequacy

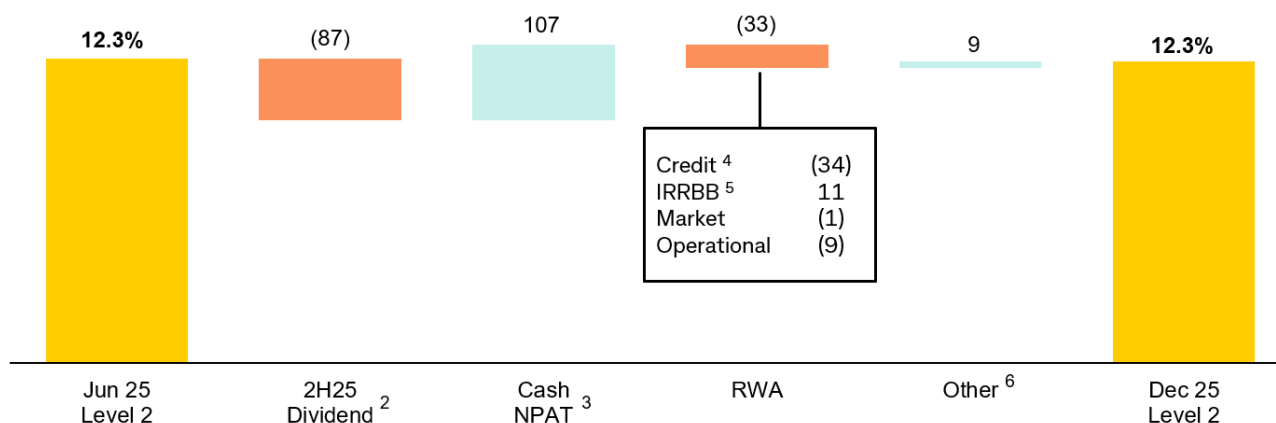
The Group actively manages its capital to balance the perspectives of various stakeholders (regulators, rating agencies and shareholders). This is achieved by optimising the mix of capital, while maintaining adequate capital ratios throughout the financial year. The Group's capital is managed within a formal framework, the Internal Capital Adequacy Assessment Process (ICAAP), which is an integration of risk, financial and capital management processes.

APRA advises the Group of its Prudential Capital Requirement (PCR), which represents the regulatory minimum CET1, Tier 1 and Total Capital ratios that the Group is required to maintain at all times. In order to ensure there is no breach of these minimum levels, APRA expects the Group to maintain a prudent buffer over these prescribed minimum levels. The PCR is subject to an ongoing review by APRA and is formally reassessed on an annual basis. The Group is required to inform APRA immediately of any breach or potential breach of its PCR, including details of remedial action taken or planned to be taken.

The Group has a range of instruments and methodologies available to effectively manage capital. These include issuances and buy-backs of ordinary shares, dividend and DRP policies, subordinated loan capital issuances qualifying as Tier 2 Capital, and the redemption of existing Additional Tier 1 Capital and Tier 2 Capital instruments according to their terms and conditions. All major capital related initiatives require approval by the Board.

The Group's capital position is monitored on a continuous basis and reported monthly to the Executive Leadership Team of the Group and at regular intervals throughout the year to the Board Risk and Compliance Committee. Capital forecasts are updated on a continuous basis and a detailed capital plan is presented to the Board annually.

Capital – CET1 (APRA) (bpts) ¹



¹ Due to rounding, numbers presented in this section may not sum precisely to the totals provided.

² The 2025 final dividend included the on-market purchase of \$643 million of shares (CET1 impact of -13 bpts) in respect of the Dividend Reinvestment Plan.

³ Excludes net equity accounted profits/losses and impairments from associates as they are capital neutral with offsetting changes in regulatory capital deductions.

⁴ Excludes the impact of foreign exchange movements which is included in 'Other'.

⁵ Includes the impact of the reduction to IRRBB RWA of ~\$10 billion (CET1 impact of +24 bpts) on adoption of the revised APS 117 framework effective 1 October 2025.

⁶ Includes the impact of intangibles, FX impact on Credit RWA, equity accounted profits/losses and impairments from associates, movements in reserves and other regulatory adjustments.

Capital Position

The Group's CET1 Capital ratio was 12.3% as at 31 December 2025, in line with 30 June 2025. The CET1 Capital ratio was well above APRA's regulatory requirement at all times throughout the half year ended 31 December 2025.

The key drivers of the change in CET1 for the 6 months ended 31 December 2025 were:

- Capital generated from earnings; and
- Other regulatory adjustments and movement in reserves; partly offset by
- The payment of the 2H25 dividend; and
- Higher Credit Risk, Traded Market Risk and Operational Risk RWA, partly offset by lower IRRBB RWA which includes the impact of adoption of the revised APS 117 framework, effective 1 October 2025.

Further details on the movements in RWA are provided on pages 13-14.

Capital (continued)

Capital Initiatives

The following significant capital initiatives were undertaken during the half year ended 31 December 2025:

Common Equity Tier 1 Capital

The Dividend Reinvestment Plan (DRP) in respect of the 2025 final dividend was satisfied in full by the on-market purchase of shares. The participation rate for the DRP was 14.8%.

As at 31 December 2025, the Group has completed \$300 million of the \$1 billion on-market share buy-back previously announced on 9 August 2023 (2,706,964 ordinary shares at an average price of \$110.72). No share buy-back activity was undertaken during the December 2025 half.

Tier 2 Capital

The Group issued EUR1,000 million Basel III compliant subordinated notes in August 2025.

The Group redeemed AUD1,400 million subordinated notes in September 2025 and the remaining USD597 million of the USD1,250 million subordinated notes in December 2025, both Basel III compliant Tier 2 Capital instruments.

Regulatory Framework

The APRA prudential standards prescribe a minimum CET1 capital ratio of 10.25% for Internal Ratings-based (IRB) ADIs such as CBA, comprising of a minimum Prudential Capital Requirement (PCR) of 4.5% and a capital conservation buffer (CCB) of 5.75%, which includes a Domestic Systemically Important Bank (D-SIB) buffer of 1% and a baseline countercyclical capital buffer (CCyB) set at 1%¹. The CCyB, which may be varied by APRA in the range of 0%-3.5%, can be released in times of systemic stress and post-stress recovery.

The minimum Tier 1 Capital requirement as at 31 December 2025 was 11.75%.

To satisfy APRA's loss-absorbing capacity (LAC) requirements, the minimum Total Capital ratio requirement for D-SIBs, including CBA, has increased from 16.75% to 18.25% effective from 1 January 2026.

Regulatory Developments

Additional Tier 1 Capital

On 4 December 2025, APRA finalised the consequential amendments to the bank prudential framework to phase out Additional Tier 1 Capital (AT1) instruments. Large, internationally active banks such as CBA will be able to replace the current 1.5% of AT1 Capital with 0.25% of CET1 Capital and 1.25% of Tier 2 Capital. The CET1 minimum requirement, inclusive of regulatory buffers, will increase to 10.50%, whilst Total Capital requirement will remain unchanged at the 1 January 2026 level of 18.25%.

Existing AT1 instruments will be eligible to be included as Tier 2 Capital from this date until their first scheduled call date. During the transition period, the legal terms of AT1 instruments will remain in effect, with AT1 Capital absorbing losses ahead of Tier 2 in a resolution event.

The leverage ratio and limits on large and related-party exposures will be measured on a CET1 Capital basis. For IRB banks such as CBA, the minimum leverage ratio requirement will decrease from 3.5% to 3.25%.

These changes will be effective from 1 January 2027.

New Zealand bank capital adequacy requirements

On 17 December 2025, the Reserve Bank of New Zealand (RBNZ) released the final capital settings for New Zealand deposit takers.

For Group 1 deposit takers such as ASB, the changes include a lower CET1 capital requirement of 12%, removal of AT1 capital instruments and the introduction of a 6% LAC requirement which may be met with Tier 2 capital, increasing the Total Capital requirement to 21%. All Tier 2 and LAC requirements must be internally issued to the Australian parent bank, such as CBA.

The RBNZ expects to further consult on the components of these changes across 2026 and 2027 prior to publishing the final standards by 31 May 2027, with phased implementation commencing 1 December 2028.

Traded Market Risk and Counterparty Credit Risk

APRA is yet to commence consultation on revisions to APS 116 *Capital Adequacy: Market Risk*, and APS 180 *Capital Adequacy: Counterparty Credit Risk*.

¹ In November 2025, APRA announced that the CCyB for Australian exposures will remain at 1%. The Group has limited exposures to those offshore jurisdictions which a CCyB in excess of 0% has been imposed.

Capital (continued)

Group Regulatory Capital Position

	31 Dec 25	30 Jun 25	31 Dec 24
Summary Group Capital Adequacy Ratios (Level 2)	%	%	%
Common Equity Tier 1	12.3	12.3	12.2
Additional Tier 1	1.5	1.6	1.9
Tier 1	13.8	13.9	14.1
Tier 2	6.8	7.0	6.6
Total Capital	20.6	20.9	20.7

	31 Dec 25	30 Jun 25	31 Dec 24
Group Regulatory Capital Position	\$M	\$M	\$M
Ordinary share capital and treasury shares	33,775	33,775	33,775
Reserves	(1,367)	1,242	(900)
Retained earnings	44,953	43,911	42,518
Common Equity Tier 1 Capital before regulatory adjustments	77,361	78,928	75,393
Common Equity Tier 1 regulatory adjustments	(15,439)	(17,961)	(16,522)
Common Equity Tier 1 Capital	61,922	60,967	58,871
Additional Tier 1 Capital	7,907	7,907	9,272
Tier 1 Capital	69,829	68,874	68,143
Tier 2 Capital	34,432	34,829	31,562
Total Capital	104,261	103,703	99,705
Risk Weighted Assets	505,310	496,145	482,369

Capital (continued)

Capital Ratios: Level 1 and Major Subsidiaries

	31 Dec 25	30 Jun 25	31 Dec 24
	%	%	%
Significant Group ADIs			
CBA Level 1 CET1 Capital ratio	12.2	12.4	12.1
CBA Level 1 Tier 1 Capital ratio	13.9	14.1	14.2
CBA Level 1 Total Capital ratio	21.3	21.8	21.3
ASB CET1 Capital ratio ¹	14.7	14.4	14.8
ASB Tier 1 Capital ratio ¹	14.7	14.4	14.8
ASB Total Capital ratio ¹	16.0	15.8	16.3

¹ Calculated in accordance with the RBNZ prudential requirements.

	31 Dec 25	30 Jun 25	31 Dec 24
	\$M	\$M	\$M
CBA Level 1			
Common Equity Tier 1 Capital	57,170	55,978	53,607
Additional Tier 1 Capital	7,907	7,907	9,272
Tier 1 Capital	65,077	63,885	62,879
Tier 2 Capital	34,266	34,619	31,365
Total Capital	99,343	98,504	94,244
Risk Weighted Assets	466,990	452,589	441,640

	31 Dec 25	30 Jun 25	31 Dec 24
	NZ\$M	NZ\$M	NZ\$M
ASB Banking Group ¹			
Common Equity Tier 1 Capital	11,614	10,857	10,904
Additional Tier 1	–	–	–
Tier 1 Capital	11,614	10,857	10,904
Tier 2 Capital	1,055	1,005	1,083
Total Capital	12,669	11,862	11,987
Risk Weighted Assets	79,178	75,257	73,761

¹ Calculated in accordance with the RBNZ prudential requirements.

Refer to tables CC1 and CC2 in *Appendices* for the details of the calculation of the Group's regulatory capital.

4

Leverage Ratio

The Group's leverage ratio, defined as Tier 1 Capital as a percentage of total exposures, was 4.7% as at 31 December 2025 in line with the prior half with capital generated from earnings offset by higher exposures and the payment of the 2H25 dividend.

The minimum leverage ratio requirement for IRB banks, such as CBA, is 3.5%. From 1 January 2027, leverage ratio will be measured on a CET1 Capital basis, with the minimum requirement reducing to 3.25%.

Summary Group Leverage Ratio	31 Dec 25	30 Jun 25	31 Dec 24
Tier 1 Capital (\$M)	69,829	68,874	68,143
Total Exposures (\$M) ¹	1,497,194	1,453,694	1,393,974
Leverage Ratio (%)	4.7	4.7	4.9

¹ Total exposures is the sum of on balance sheet exposures, derivatives, securities financing transactions (SFTs), and off-balance sheet exposures, net of any Tier 1 regulatory deductions, as outlined in APS 110 *Capital Adequacy* (APS 110).

Refer to tables LR1 and LR2 in *Appendices* for the details of the calculation of the leverage ratio.

5 Risk Weighted Assets

RWA are calculated using the AIRB approach for the majority of the Group's credit risk exposures and using the Foundation or Standardised approach as required under the Australian prudential standards. For CBA's New Zealand Subsidiary, ASB, RWA are calculated using the RBNZ prudential rules subject to certain APRA-prescribed adjustments. The Group must use the External Ratings-based Approach where a securitisation exposure is externally rated by an External Credit Assessment Institution (ECAI) or for which an inferred rating is available. Where the Group cannot use the External Ratings-based Approach, the Group must use the Supervisory Formula Approach.

	31 Dec 25	30 Jun 25	31 Dec 24
Risk Weighted Assets	\$M	\$M	\$M
Credit Risk	409,119	398,928	385,117
of which: IRB (excluding counterparty credit risk)	375,267	363,693	349,191
of which: counterparty credit risk and other ¹	33,852	35,235	35,926
Traded Market Risk	9,971	9,752	7,949
Interest Rate Risk in the Banking Book	35,179	39,841	41,679
Operational Risk	51,041	47,624	47,624
Total Risk Weighted Assets	505,310	496,145	482,369

¹ Includes credit valuation adjustment, securitisation, standardised portfolios and settlement risk RWA.

Total Group RWA ¹

Total RWA increased \$9.2 billion on the prior half to \$505.3 billion, mainly driven by higher Credit RWA, Operational Risk RWA and Traded Market Risk RWA, partly offset by lower IRRBB RWA.



¹ Due to rounding, numbers presented in this section may not sum precisely to the totals provided.

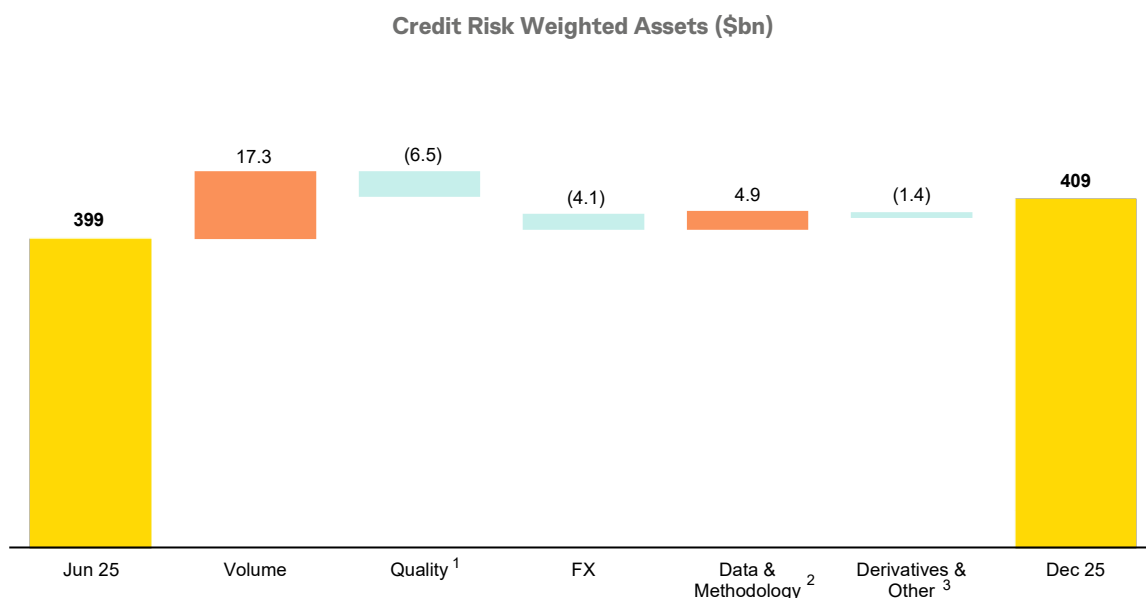
Risk Weighted Assets (continued)

Risk Weighted Assets (continued)

Credit Risk RWA

Credit risk RWA increased \$10.2 billion or 2.6% on the prior half to \$409.1 billion. The key drivers include:

- Volume growth (increase of \$17.3 billion) across commercial portfolios, domestic residential mortgages and New Zealand portfolios; and
- Data & methodology (increase of \$4.9 billion) due to an increase in the residential mortgage overlay; partly offset by
- Credit quality improvement (decrease of \$6.5 billion) primarily from lower risk weights for residential mortgages;
- Foreign currency movements (decrease of \$4.1 billion); and
- Derivatives and other (decrease of \$1.4 billion) mainly from lower derivatives.



¹ Credit quality includes portfolio mix.

² Includes data and methodology, credit risk estimates changes and regulatory treatments.

³ Includes credit valuation adjustment, securitisation, standardised portfolios and settlement risk RWA.

Traded Market Risk RWA

Traded Market Risk RWA increased \$0.2 billion or 2% on the prior half to \$10.0 billion.

Interest Rate Risk in the Banking Book (IRRBB) RWA

IRRBB RWA decreased \$4.7 billion or 12% on the prior half to \$35.2 billion, driven by the implementation of the revised APS 117, effective 1 October 2025, partly offset by the impact of higher long-term interest rates in Australia reducing embedded gains.

Operational Risk RWA

The increase in Operational Risk RWA by \$3.4 billion or 7.2% on the prior half to \$51.0 billion was primarily driven by higher average net interest income over the years ended 30 June 2025, 2024 and 2023 due to higher interest rates and lending growth.

Risk Weighted Assets (continued)

OV1: Overview of RWA

The following table provides an overview of total RWA by risk types with further details on the key drivers of the movements in RWA provided on pages 13 to 14.

	RWA			Minimum capital requirements ¹
	31 Dec 25 \$M	30 Sep 25 \$M	30 Jun 25 \$M	31 Dec 25 \$M
1 Credit risk (excluding counterparty credit risk)	394,405	385,583	383,003	31,552
2 Of which: standardised approach (SA)	19,138	19,647	19,310	1,531
3 Of which: foundation internal ratings-based (FIRB) approach ²	42,077	39,217	39,625	3,366
4 Of which: supervisory slotting approach	8,200	8,577	9,033	656
5 Of which: advanced internal ratings-based (AIRB) approach ^{2 3}	324,990	318,142	315,035	25,999
6 Counterparty credit risk (CCR)	7,284	7,547	8,053	583
7 Of which: standardised approach for counterparty credit risk	6,579	6,805	7,348	527
9 Of which: other CCR	705	742	705	56
10 Credit valuation adjustment (CVA)	3,327	3,665	3,841	266
15 Settlement risk	7	4	—	1
16 Securitisation exposures in banking book	4,096	4,140	4,031	328
18 Of which: securitisation external ratings-based approach (SEC-ERBA)	1,527	1,511	1,329	122
19 Of which: securitisation standardised approach (SEC-SA)	2,569	2,629	2,702	206
20 Market risk	9,971	9,700	9,752	798
21 Of which: standardised approach (SA) ⁴	1,397	1,172	1,834	112
22 Of which: internal model approach (IMA) ⁵	8,574	8,528	7,918	686
Interest rate risk in the banking book	35,179	39,766	39,841	2,814
24 Operational risk	51,041	51,041	47,624	4,083
25 Amounts below the thresholds for deduction (subject to 250% risk weight)	—	—	—	—
26 Output floor applied (%)	72.5	72.5	72.5	n/a
27 Floor adjustment	—	—	—	n/a
29 Total	505,310	501,446	496,145	40,425

¹ Minimum total capital requirement in accordance with APS 110 *Capital Adequacy* is 8% of RWA.

² Includes non-retail overlays of \$nil (30 September 2025: \$nil; 30 June 2025: \$0.5 billion) and IPRE risk weight floor of \$2.9 billion (30 September 2025: \$3.0 billion; 30 June 2025: \$2.6 billion).

³ 31 December 2025 includes an \$8.0 billion RWA overlay relating to the Australian Residential Mortgage PD model. 30 September 2025 and 30 June 2025 include a self-imposed residential mortgage risk weight floor of \$5.2 billion and \$2.4 billion, respectively.

⁴ Represents specific market risk RWA in relation to interest rate risk.

⁵ Includes internal model approach RWA in relation to VaR of \$1.6 billion (30 September 2025: \$1.7 billion; 30 June 2025: \$1.6 billion) and SVaR of \$7.0 billion (30 September 2025: \$6.8 billion; 30 June 2025: \$6.3 billion).

Risk Weighted Assets (continued)

Exposure at default (EAD) and credit RWA by approach

The table below provides an overview of EAD and credit RWA by asset class. Details on the key drivers of the movement in credit RWA are provided on page 14.

Asset Category	31 December 2025					
	EAD post CRM and post CCF			RWA		
	Credit Risk \$M	Counterparty credit risk ¹ \$M	Total \$M	Credit Risk \$M	Counterparty credit risk ¹ \$M	Total \$M
Subject to AIRB approach						
Corporate (incl. SME corporate) ²	193,619	910	194,529	102,005	545	102,550
SME retail	20,167	4	20,171	11,581	2	11,583
Residential mortgage ³	720,249	–	720,249	154,941	–	154,941
Qualifying revolving retail	22,929	–	22,929	5,233	–	5,233
Other retail	9,226	–	9,226	9,183	–	9,183
Total subject to AIRB approach	966,190	914	967,104	282,943	547	283,490
Subject to FIRB approach						
Corporate - large ²	55,547	4,654	60,201	30,014	2,379	32,393
Sovereign	147,148	4,621	151,769	2,524	120	2,644
Financial institution	34,900	16,467	51,367	9,539	3,745	13,284
Total subject to FIRB approach	237,595	25,742	263,337	42,077	6,244	48,321
Specialised lending	5,343	72	5,415	4,304	60	4,364
Subject to standardised approach						
Corporate (incl. SME corporate)	659	1	660	659	1	660
SME retail	1,063	51	1,114	800	50	850
Sovereign	–	–	–	–	–	–
Residential mortgage	18,540	–	18,540	7,497	–	7,497
Other retail	321	–	321	322	–	322
Other assets ⁴	18,209	4,188	22,397	6,224	184	6,408
Total subject to standardised approach	38,792	4,240	43,032	15,502	235	15,737
RBNZ regulated entities	131,877	790	132,667	49,586	198	49,784
Total credit risk and counterparty credit risk	1,379,797	31,758	1,411,555	394,412	7,284	401,696
Credit valuation adjustment (CVA)						3,327
Securitisation exposures in the banking book			24,512			4,096
Total			1,436,067			409,119

¹ Includes central counterparties.

² Includes a IPRE risk weight floor of \$2.9 billion.

³ Includes an \$8.0 billion RWA overlay relating to the Australian Residential Mortgage PD model.

⁴ Includes immaterial contributions from other standardised asset classes, including domestic public sector entities, commercial property, land acquisition, development and construction, and bank.

Risk Weighted Assets (continued)

Exposure at default (EAD) and credit RWA by approach (continued)

Asset Category	30 June 2025					
	EAD post CRM and post CCF			RWA		
	Credit Risk \$M	Counterparty credit risk ¹ \$M	Total \$M	Credit Risk \$M	Counterparty credit risk ¹ \$M	Total \$M
Subject to AIRB approach						
Corporate (incl. SME corporate) ²	183,130	1,876	185,006	96,933	889	97,822
SME retail	19,633	5	19,638	11,323	4	11,327
Residential mortgage ³	691,020	–	691,020	149,143	–	149,143
Qualifying revolving retail	22,784	–	22,784	5,210	–	5,210
Other retail	8,924	–	8,924	9,023	–	9,023
Total subject to AIRB approach	925,491	1,881	927,372	271,632	893	272,525
Subject to FIRB approach						
Corporate - large ²	51,010	4,116	55,126	27,667	2,232	29,899
Sovereign	140,363	3,942	144,305	2,447	56	2,503
Financial institution	35,029	17,546	52,575	9,511	4,288	13,799
Total subject to FIRB approach	226,402	25,604	252,006	39,625	6,576	46,201
Specialised lending	5,796	122	5,918	4,675	101	4,776
Subject to standardised approach						
Corporate (incl. SME corporate)	944	1	945	930	1	931
SME retail	866	1	867	650	1	651
Sovereign	1	–	1	1	–	1
Residential mortgage	18,365	–	18,365	7,432	–	7,432
Other retail	329	–	329	331	–	331
Other assets ⁴	16,370	3,824	20,194	6,091	252	6,343
Total subject to standardised approach	36,875	3,826	40,701	15,435	254	15,689
RBNZ regulated entities	137,306	1,328	138,634	51,636	229	51,865
Total credit risk and counterparty credit risk	1,331,870	32,761	1,364,631	383,003	8,053	391,056
Credit valuation adjustment (CVA)						3,841
Securitisation exposures in the banking book			24,781			4,031
Total			1,389,412			398,928

¹ Includes central counterparties.

² Includes non-retail overlays of \$0.5 billion and IPRE risk weight floor of \$2.6 billion.

³ Includes a \$2.4 billion self-imposed residential mortgage risk weight floor.

⁴ Includes immaterial contributions from other standardised asset classes, including domestic public sector entities, commercial property, land acquisition, development and construction, and bank.

Risk Weighted Assets (continued)

CMS1: Comparison of modelled and standardised RWA at risk level

The Group is predominantly accredited to use its own internal models to determine the capital requirements for Credit Risk, Market Risk and IRRBB. APRA's ADI capital framework has been calibrated such that the capital requirements using the internal model methods tend to be lower than standardised capital requirements. This calibration has the policy objectives of encouraging investment by banks in advanced modelling capabilities and associated technology, data and specialist skills and enabling banks to more accurately allocate capital for risk.

The Group's total RWA is above the 72.5% minimum set by the BCBS and APRA as a safeguard to ensure that the capital benefit for advanced banks is not excessive and does not unfairly disadvantage standardised banks.

The following table provides details of the comparison of modelled and standardised RWA by risk type. Details on the key drivers of the movements in RWA are provided on pages 13 to 14.

31 December 2025				
	RWA for modelled approaches that banks have supervisory approval to use	RWA for portfolios where standardised approaches are used	Total Actual RWA	RWA calculated using full standardised approach (ie used in the base of the output floor)
	\$M	\$M	\$M	\$M
1 Credit risk (excluding counterparty credit risk)	375,267	19,138	394,405	597,994
2 Counterparty credit risk	6,939	345	7,284	15,655
3 Credit valuation adjustment	n/a	3,327	3,327	3,327
4 Securitisation exposures in the banking book	–	4,096	4,096	4,096
5 Market risk	8,574	1,397	9,971	9,971
Interest rate risk in banking book	35,179	–	35,179	–
6 Operational risk	n/a	51,041	51,041	51,041
7 Residual RWA	n/a	7	7	7
8 Total	425,959	79,351	505,310	682,091

30 June 2025				
	RWA for modelled approaches that banks have supervisory approval to use	RWA for portfolios where standardised approaches are used	Total Actual RWA	RWA calculated using full standardised approach (ie used in the base of the output floor)
	\$M	\$M	\$M	\$M
1 Credit risk (excluding counterparty credit risk)	363,693	19,310	383,003	574,094
2 Counterparty credit risk	7,659	394	8,053	17,034
3 Credit valuation adjustment	n/a	3,841	3,841	3,841
4 Securitisation exposures in the banking book	–	4,031	4,031	4,031
5 Market risk	7,918	1,834	9,752	9,752
Interest rate risk in banking book	39,841	–	39,841	–
6 Operational risk	n/a	47,624	47,624	47,624
7 Residual RWA	n/a	–	–	–
8 Total	419,111	77,034	496,145	656,376

The difference between internally modelled RWA and the associated full standardised approach RWA for credit risk is mainly driven by residential mortgage and corporate (including large and SME corporate) asset classes.

Risk Weighted Assets (continued)

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

The table below provides details of the comparison of modelled and standardised credit RWA at asset class level. Details on the key drivers of the movements in credit RWA are provided on page 14.

31 December 2025				
	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	RWA calculated using full standardised approach (ie used in the base of the output floor)
	\$M	\$M	\$M	\$M
1 Corporate (incl. Large and SME corporate)	132,019	208,322	132,678	208,981
2 Sovereign	2,524	4,072	2,524	4,072
3 Financial institution	9,539	21,992	9,539	21,992
4 SME retail	11,581	10,576	12,381	11,376
5 Residential mortgage	154,941	247,544	162,438	255,041
6 Qualifying revolving retail	5,233	11,284	5,233	11,284
7 Other retail	9,183	7,719	9,505	8,041
8 Specialised lending	4,304	6,039	4,304	6,039
9 Other assets ¹	—	—	6,217	6,217
10 RBNZ regulated entities	45,943	61,308	49,586	64,951
11 Total	375,267	578,856	394,405	597,994

¹ Includes immaterial contributions from other standardised asset classes, including Domestic public sector entities, Commercial property, Land acquisition, development and construction, and Bank.

30 June 2025				
	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	RWA calculated using full standardised approach (ie used in the base of the output floor)
	\$M	\$M	\$M	\$M
1 Corporate (incl. Large and SME corporate)	124,600	192,856	125,530	193,785
2 Sovereign	2,447	4,461	2,448	4,461
3 Financial institution	9,511	21,727	9,511	21,727
4 SME retail	11,323	10,387	11,973	11,037
5 Residential mortgage	149,143	236,951	156,575	244,383
6 Qualifying revolving retail	5,210	11,205	5,210	11,205
7 Other retail	9,023	7,456	9,354	7,786
8 Specialised lending	4,675	6,547	4,675	6,547
9 Other assets ¹	—	—	6,091	6,091
10 RBNZ regulated entities	47,761	63,196	51,636	67,072
11 Total	363,693	554,786	383,003	574,094

¹ Includes immaterial contributions from other standardised asset classes, including Domestic public sector entities, Commercial property, Land acquisition, development and construction, and Bank.

6

Credit Risk

6.1 Credit quality, non-performing exposures and provisions

CR1: Credit quality of assets

The table below provides an overview of the credit quality of the Group's lending assets and debt securities.

31 December 2025							
Gross carrying values of			Of which ECL accounting provisions for credit losses on SA exposures		Of which ECL accounting provisions for credit losses on IRB exposures		Net values \$M
	Non-performing exposures \$M	Performing exposures \$M	Allowances / impairments \$M	Allocated in regulatory category of Specific \$M	Allocated in regulatory category of General \$M		
1 Loans	10,199	1,013,603	6,002	91	113	5,798	1,017,800
2 Debt securities	–	109,148	8	–	3	5	109,140
3 Off-balance sheet exposures	251	234,507	323	1	17	305	234,435
4 Total	10,450	1,357,258	6,333	92	133	6,108	1,361,375

30 June 2025							
Gross carrying values of			Of which ECL accounting provisions for credit losses on SA exposures		Of which ECL accounting provisions for credit losses on IRB exposures		Net values \$M
	Non-performing exposures \$M	Performing exposures \$M	Allowances / impairments \$M	Allocated in regulatory category of Specific \$M	Allocated in regulatory category of General \$M		
1 Loans	10,627	980,108	5,966	48	115	5,803	984,769
2 Debt securities	–	101,567	4	–	1	3	101,563
3 Off-balance sheet exposures	352	224,824	402	1	4	397	224,774
4 Total	10,979	1,306,499	6,372	49	120	6,203	1,311,106

For the definition of a non-performing exposure refer to the *Glossary*.

Credit Risk (continued)

6.1 Credit quality, non-performing exposures and provisions (continued)

CR2: Changes in stock of non-performing loans and debt securities

The table below shows changes in gross carrying amount of non-performing loans, debt securities and off-balance sheet instruments during the half years ended 31 December 2025 and 30 June 2025.

	For the half year ended	
	31 Dec 25	30 Jun 25
Movement in non-performing loans, debt securities and off-balance sheet instruments	\$M	\$M
1 Non-performing loans, debt securities and off-balance sheet instruments at end of the previous reporting period	10,979	10,297
2 Loans, debt securities and off-balance sheet instruments that became non-performing since the last reporting period	3,572	4,241
3 Returned to performing status	(2,056)	(1,922)
4 Amounts written off	(415)	(386)
5 Other changes	(1,630)	(1,251)
6 Non-performing loans, debt securities and off-balance sheet instruments at end of the reporting period	10,450	10,979

Non-performing exposures decreased \$0.5 billion or 5% on the prior half to \$10.5 billion driven by lower arrears in the residential mortgages portfolio in addition to net upgrades and external refinancing in the corporate portfolio.

Credit Risk (continued)

6.1 Credit quality, non-performing exposures and provisions (continued)

CRB(e)(i): Credit exposures by portfolio type and geographic distribution

The following tables provide supplementary breakdown of exposures by geographical areas. The tables exclude derivative and SFTs exposures subject to counterparty credit risk requirements, equity and securitisation exposures.

Portfolio Type	31 December 2025			
	Australia \$M	New Zealand \$M	Other \$M	Total \$M
Corporate (incl. Large and SME corporate)	236,441	3,474	9,910	249,825
Sovereign	112,794	473	33,881	147,148
Financial institution	19,836	10	15,054	34,900
SME retail ¹	21,225	–	5	21,230
Residential mortgage	738,745	–	44	738,789
Qualifying revolving retail	22,929	–	–	22,929
Other retail	9,547	–	–	9,547
Specialised lending	2,494	–	2,849	5,343
Other assets ²	17,961	12	236	18,209
RBNZ regulated entities	–	131,877	–	131,877
Total credit exposures ³	1,181,972	135,846	61,979	1,379,797

1 Including SME retail secured by residential property.

2 Includes immaterial contributions from other standardised asset classes, including domestic public sector entities, commercial property, land acquisition, development and construction, and bank.

3 Geographical segmentation of exposures is based on the location of the office in which these items were booked.

Portfolio Type	30 June 2025			
	Australia \$M	New Zealand \$M	Other \$M	Total \$M
Corporate (incl. Large and SME corporate)	221,810	3,376	9,898	235,084
Sovereign	108,349	470	31,545	140,364
Financial institution	19,740	11	15,278	35,029
SME retail ¹	20,496	–	3	20,499
Residential mortgage	709,333	–	52	709,385
Qualifying revolving retail	22,784	–	–	22,784
Other retail	9,253	–	–	9,253
Specialised lending	2,465	–	3,331	5,796
Other assets ²	16,003	10	357	16,370
RBNZ regulated entities	–	137,306	–	137,306
Total credit exposures ³	1,130,233	141,173	60,464	1,331,870

1 Including SME retail secured by residential property.

2 Includes immaterial contributions from other standardised asset classes, including domestic public sector entities, commercial property, land acquisition, development and construction, and bank.

3 Geographical segmentation of exposures is based on the location of the office in which these items were booked.

Credit Risk (continued)

6.1 Credit quality, non-performing exposures and provisions (continued)

CRB(e)(i): Credit exposures by portfolio type and geographic distribution (continued)

Portfolio Type	31 December 2024			
	Australia \$M	New Zealand \$M	Other \$M	Total \$M
Corporate (incl. Large and SME corporate)	209,778	3,092	9,468	222,338
Sovereign	103,881	463	25,484	129,828
Financial institution	17,234	11	14,433	31,678
SME retail ¹	20,446	–	–	20,446
Residential mortgage	689,539	–	61	689,600
Qualifying revolving retail	22,984	–	–	22,984
Other retail	9,365	–	–	9,365
Specialised lending	2,419	–	3,423	5,842
Other assets ²	11,992	14	303	12,309
RBNZ regulated entities	–	129,074	–	129,074
Total credit exposures ³	1,087,638	132,654	53,172	1,273,464

¹ Including SME retail secured by residential property.

² Includes immaterial contributions from other standardised asset classes, including domestic public sector entities, commercial property, land acquisition, development and construction, and bank.

³ Geographical segmentation of exposures is based on the location of the office in which these items were booked.

Total credit exposures increased by \$47.9 billion or 4% on the prior half to \$1,379.8 billion primarily driven by volume growth across domestic residential mortgages, commercial and New Zealand portfolios, partly offset by foreign currency movements.

Credit Risk (continued)

6.1 Credit quality, non-performing exposures and provisions (continued)

CRB(e)(ii): Credit exposures by portfolio type and industry sector

The following tables provide supplementary breakdown of exposures by industry sector. The tables exclude derivative and SFTs exposures subject to counterparty credit risk requirements, equity and securitisation exposures.

Portfolio Type	31 December 2025							
	Industry Sector							
	Consumer \$M	Finance & Insurance \$M	Business Services \$M	Agriculture & Forestry \$M	Construction \$M	Mining, Oil & Gas \$M	Wholesale & Retail Trade \$M	Transport & Storage \$M
Corporate (incl. Large and SME corporate)	—	2,696	12,562	20,684	7,553	3,258	25,092	20,346
Sovereign	—	—	—	—	—	—	—	—
Financial institution	—	34,900	—	—	—	—	—	—
SME retail ¹	—	394	2,155	1,471	3,118	116	2,928	1,348
Residential mortgage	738,789	—	—	—	—	—	—	—
Qualifying revolving retail	22,929	—	—	—	—	—	—	—
Other retail	9,547	—	—	—	—	—	—	—
Specialised lending	—	—	—	1	—	20	400	760
Other assets ²	2,705	84	19	34	13	—	35	15
RBNZ regulated entities	82,386	2,696	1,758	10,547	1,165	13	3,638	886
Total credit exposures	856,356	40,770	16,494	32,737	11,849	3,407	32,093	23,355

Portfolio Type	Industry Sector (continued)							
	Manufacturing \$M	Commercial Property ³ \$M	Government Admin. & Defence \$M	Health & Community Services \$M	Entertainment Leisure & Tourism \$M	Electricity Gas & Water \$M	Other \$M	Total \$M
Corporate (incl. Large and SME corporate)	15,269	90,898	—	12,760	18,473	8,779	11,455	249,825
Sovereign	—	—	147,148	—	—	—	—	147,148
Financial institution	—	—	—	—	—	—	—	34,900
SME retail	1,106	1,638	—	1,149	1,405	52	4,350	21,230
Residential mortgage	—	—	—	—	—	—	—	738,789
Qualifying revolving retail	—	—	—	—	—	—	—	22,929
Other retail	—	—	—	—	—	—	—	9,547
Specialised lending	161	—	—	—	55	3,850	96	5,343
Other assets ²	37	79	—	11	10	—	15,167	18,209
RBNZ regulated entities	1,262	10,713	12,043	1,819	803	844	1,304	131,877
Total credit exposures	17,835	103,328	159,191	15,739	20,746	13,525	32,372	1,379,797

¹ SME retail business lending secured by residential property has been allocated by industry.

² Includes immaterial contributions from other standardised asset classes, including domestic public sector entities, commercial property, land acquisition, development and construction, and bank.

³ Commercial Property includes Real Estate Investment Trusts (REITs) and excludes Business Services.

Credit Risk (continued)

6.1 Credit quality, non-performing exposures and provisions (continued)

CRB(e)(ii): Credit exposures by portfolio type and industry sector (continued)

Portfolio Type	30 June 2025 Industry Sector							
	Consumer \$M	Finance & Insurance \$M	Business Services \$M	Agriculture & Forestry \$M	Construction \$M	Mining, Oil & Gas \$M	Wholesale & Retail Trade \$M	Transport & Storage \$M
Corporate (incl. Large and SME corporate)	–	2,388	11,313	20,627	7,398	3,272	22,649	19,511
Sovereign	–	–	–	–	–	–	–	–
Financial institution	–	35,029	–	–	–	–	–	–
SME retail ¹	–	391	2,036	1,479	2,955	120	2,816	1,305
Residential mortgage	709,385	–	–	–	–	–	–	–
Qualifying revolving retail	22,784	–	–	–	–	–	–	–
Other retail	9,253	–	–	–	–	–	–	–
Specialised lending	–	–	–	2	–	28	375	847
Other assets ²	2,650	84	20	19	18	1	14	14
RBNZ regulated entities	84,769	2,872	1,774	11,029	1,252	13	3,931	1,031
Total credit exposures	828,841	40,764	15,143	33,156	11,623	3,434	29,785	22,708

Portfolio Type	Industry Sector (continued)							
	Manufacturing \$M	Commercial Property ³ \$M	Government Admin. & Defence \$M	Health & Community Services \$M	Entertainment Leisure & Tourism \$M	Electricity Gas & Water \$M	Other \$M	Total \$M
Corporate (incl. Large and SME corporate)	13,977	84,848	–	12,225	17,117	8,995	10,764	235,084
Sovereign	–	–	140,364	–	–	–	–	140,364
Financial institution	–	–	–	–	–	–	–	35,029
SME retail ¹	1,064	1,635	–	1,063	1,332	44	4,259	20,499
Residential mortgage	–	–	–	–	–	–	–	709,385
Qualifying revolving retail	–	–	–	–	–	–	–	22,784
Other retail	–	–	–	–	–	–	–	9,253
Specialised lending	164	–	–	–	54	4,229	97	5,796
Other assets ²	37	40	–	8	7	–	13,458	16,370
RBNZ regulated entities	1,475	11,026	13,518	1,916	830	781	1,089	137,306
Total credit exposures	16,717	97,549	153,882	15,212	19,340	14,049	29,667	1,331,870

¹ SME retail business lending secured by residential property has been allocated by industry.

² Includes immaterial contributions from other standardised asset classes, including domestic public sector entities, commercial property, land acquisition, development and construction, and bank.

³ Commercial Property includes Real Estate Investment Trusts (REITs) and excludes Business Services.

Credit Risk (continued)

6.1 Credit quality, non-performing exposures and provisions (continued)

CRB(e)(ii): Credit exposures by portfolio type and industry sector (continued)

Portfolio Type	31 December 2024 Industry Sector							
	Consumer \$M	Finance & Insurance \$M	Business Services \$M	Agriculture & Forestry \$M	Construction \$M	Mining, Oil & Gas \$M	Wholesale & Retail Trade \$M	Transport & Storage \$M
Corporate (incl. Large and SME corporate)	–	2,410	11,274	18,966	6,864	3,587	21,995	18,917
Sovereign	–	–	–	–	–	–	–	–
Financial institution	–	31,678	–	–	–	–	–	–
SME retail ¹	–	379	2,008	1,517	2,862	122	2,818	1,311
Residential mortgage	689,600	–	–	–	–	–	–	–
Qualifying revolving retail	22,984	–	–	–	–	–	–	–
Other retail	9,365	–	–	–	–	–	–	–
Specialised lending	–	–	–	2	–	61	435	915
Other assets ²	2,613	98	8	26	11	17	25	392
RBNZ regulated entities	80,005	2,703	1,826	10,653	1,202	9	3,696	952
Total credit exposures	804,567	37,268	15,116	31,164	10,939	3,796	28,969	22,487

Portfolio Type	Industry Sector (continued)							
	Manufacturing \$M	Commercial Property ³ \$M	Government Admin. & Defence \$M	Health & Community Services \$M	Entertainment Leisure & Tourism \$M	Electricity Gas & Water \$M	Other \$M	Total \$M
Corporate (incl. Large and SME corporate)	13,447	79,048	–	11,023	16,460	8,434	9,913	222,338
Sovereign	–	–	129,828	–	–	–	–	129,828
Financial institution	–	–	–	–	–	–	–	31,678
SME retail ¹	1,055	1,683	–	1,073	1,288	46	4,284	20,446
Residential mortgage	–	–	–	–	–	–	–	689,600
Qualifying revolving retail	–	–	–	–	–	–	–	22,984
Other retail	–	–	–	–	–	–	–	9,365
Specialised lending	184	–	–	–	52	4,092	101	5,842
Other assets ²	49	47	–	8	6	–	9,009	12,309
RBNZ regulated entities	1,434	10,510	11,536	1,866	814	750	1,118	129,074
Total credit exposures	16,169	91,288	141,364	13,970	18,620	13,322	24,425	1,273,464

1 SME retail business lending secured by residential property has been allocated by industry.

2 Includes immaterial contributions from other standardised asset classes, including domestic public sector entities, commercial property, land acquisition, development and construction, and bank.

3 Commercial Property includes Real Estate Investment Trusts (REITs) and excludes Business Services.

Total credit exposures increased by \$47.9 billion or 4% on the prior half to \$1,379.8 billion primarily driven by the following sectors:

- Consumer increased \$27.5 billion or 3% on the prior half to \$856.4 billion due to the volume growth in domestic residential mortgages portfolio;
- Commercial Property increased by \$5.8 billion or 6% to \$103.3 billion due to exposures growth to Residential property from development activity; and
- Government Administration and Defence increased by \$5.3 billion or 4% to \$159.2 billion mainly due to growth in High Quality Liquid assets and high grade bonds.

Credit Risk (continued)

6.1 Credit quality, non-performing exposures and provisions (continued)

CRB(f)(i): Non-performing exposures, related provisions and actual losses by industry sector

The following table provides information about non-performing exposures, specific provisions and actual losses by industry.

Industry Sector	31 December 2025		
	Non performing exposures ¹	Specific provision balance	Half year actual losses ²
	\$M	\$M	\$M
Consumer	7,819	560	242
Government Administration & Defence	–	–	–
Finance & Insurance	20	11	(1)
Business Services	228	60	6
Agriculture & Forestry	283	28	1
Mining, Oil & Gas	12	2	–
Manufacturing	247	122	15
Electricity, Gas & Water	2	–	38
Construction	258	107	12
Wholesale & Retail Trade	446	204	11
Transport & Storage	185	103	4
Commercial Property	287	31	2
Entertainment, Leisure & Tourism	224	107	16
Health & Community Services	290	90	1
Other	149	38	13
Total	10,450	1,463	360

¹ Excludes non-performing exposures in securitisation entities that meet APRA's operational requirements for regulatory capital relief under APS 120 *Securitisation*.

² Losses stemming from lower risk IPRE lending and overall losses from IPRE lending are less than 0.3% and 0.5% of outstanding IPRE exposures, respectively, in each of the past 3 years to 31 December 2025.

Credit Risk (continued)

6.1 Credit quality, non-performing exposures and provisions (continued)

CRB(f)(i): Non-performing exposures, related provisions and actual losses by industry sector (continued)

Industry Sector	30 June 2025		
	Non performing exposures ¹	Specific provision balance	Full year actual losses ²
	\$M	\$M	\$M
Consumer	8,205	592	408
Government Administration & Defence	—	—	—
Finance & Insurance	23	12	6
Business Services	177	59	20
Agriculture & Forestry	343	35	8
Mining, Oil & Gas	9	2	(1)
Manufacturing	236	93	38
Electricity, Gas & Water	—	—	—
Construction	329	117	55
Wholesale & Retail Trade	365	216	29
Transport & Storage	217	88	9
Commercial Property	353	30	2
Entertainment, Leisure & Tourism	217	121	13
Health & Community Services	361	115	1
Other	144	37	23
Total	10,979	1,517	611

- ¹ Excludes non-performing exposures in securitisation entities that meet APRA's operational requirements for regulatory capital relief under APS 120 *Securitisation*.
- ² Losses stemming from lower risk IPRE lending and overall losses from IPRE lending are less than 0.3% and 0.5% of outstanding IPRE exposures, respectively, in each of the past 3 years to 30 June 2025.

Credit Risk (continued)

6.1 Credit quality, non-performing exposures and provisions (continued)

CRB(f)(i): Non-performing exposures, related provisions and actual losses by industry sector (continued)

Industry Sector	31 December 2024		
	Non performing exposures ¹	Specific provision balance	Half year actual losses ²
	\$M	\$M	\$M
Consumer	7,458	578	199
Government Administration & Defence	—	—	—
Finance & Insurance	30	18	1
Business Services	169	59	11
Agriculture & Forestry	394	40	3
Mining, Oil & Gas	12	2	—
Manufacturing	290	103	—
Electricity, Gas & Water	—	—	—
Construction	321	130	37
Wholesale & Retail Trade	407	200	23
Transport & Storage	289	59	3
Commercial Property	310	22	2
Entertainment, Leisure & Tourism	218	112	4
Health & Community Services	236	127	1
Other	163	39	6
Total	10,297	1,489	290

¹ Excludes non-performing exposures in securitisation entities that meet APRA's operational requirements for regulatory capital relief under APS 120 *Securitisation*.

² Losses stemming from lower risk IPRE lending and overall losses from IPRE lending are less than 0.3% and 0.5% of outstanding IPRE exposures, respectively, in each of the past 3 years to 31 December 2024.

Non-performing exposures decreased \$0.5 billion or 5% on the prior half to \$10.5 billion primarily driven by lower arrears in the residential mortgages portfolio in addition to net upgrades and external refinancing in the corporate portfolio.

Specific provisions reduced by \$54 million or 4% on the prior half to \$1,463 million primarily due to lower individually assessed provisions in relation to the residential mortgages portfolio driven by strong house prices as well as a few single name customers in the health and community services industry. This was partially offset by an increase related to a single name customer in the manufacturing industry.

Credit Risk (continued)

6.1 Credit quality, non-performing exposures and provisions (continued)

CRB(f)(ii): Non-performing exposures, related provisions and actual losses by portfolio

The following table provides information about non-performing exposures, related provisions and actual losses by portfolio.

Portfolio	31 December 2025		
	Non performing exposures ¹	Specific provision balance	Half year actual losses ²
	\$M	\$M	\$M
Corporate (inc. Large and SME Corp.)	1,739	504	76
Sovereign	—	—	—
Financial Institution	1	1	—
SME Retail	391	148	33
Residential Mortgage	6,371	304	13
Qualifying Revolving Retail	76	50	74
Other Retail	116	89	138
Specialised Lending	161	139	—
Other Assets	36	8	(4)
RBNZ Regulated Entities	1,559	220	30
Total	10,450	1,463	360

- 1 Excludes non-performing exposures in securitisation entities that meet APRA's operational requirements for regulatory capital relief under APS 120 *Securitisation*.
2 Losses stemming from lower risk IPRE lending and overall losses from IPRE lending are less than 0.3% and 0.5% of outstanding IPRE exposures, respectively, in each of the past 3 years to 31 December 2025.

Portfolio	30 June 2025		
	Non performing exposures ¹	Specific provision balance	Full year actual losses ²
	\$M	\$M	\$M
Corporate (Inc. Large and SME Corp.)	1,985	552	134
Sovereign	—	—	—
Financial Institution	2	1	—
SME Retail	354	142	48
Residential Mortgage	6,403	293	17
Qualifying Revolving Retail	80	53	124
Other Retail	118	93	221
Specialised Lending	134	134	—
Other Assets	1	—	—
RBNZ Regulated Entities	1,902	249	67
Total	10,979	1,517	611

- 1 Excludes non-performing exposures in securitisation entities that meet APRA's operational requirements for regulatory capital relief under APS 120 *Securitisation*.
2 Losses stemming from lower risk IPRE lending and overall losses from IPRE lending are less than 0.3% and 0.5% of outstanding IPRE exposures, respectively, in each of the past 3 years to 30 June 2025.

Credit Risk (continued)

6.1 Credit quality, non-performing exposures and provisions (continued)

CRB(f)(ii): Non-performing exposures, related provisions and actual losses by portfolio (continued)

Portfolio	31 December 2024		
	Non performing exposures ¹	Specific provision balance	Half year actual losses ²
	\$M	\$M	\$M
Corporate (Inc. Large and SME Corp.)	1,986	566	61
Sovereign	—	—	—
Financial Institution	1	1	—
SME Retail	317	118	19
Residential Mortgage	5,789	321	9
Qualifying Revolving Retail	77	50	59
Other Retail	101	72	106
Specialised Lending	121	118	—
Other Assets	24	14	—
RBNZ Regulated Entities	1,881	229	36
Total	10,297	1,489	290

¹ Excludes non-performing exposures in securitisation entities that meet APRA's operational requirements for regulatory capital relief under APS 120 *Securitisation*.

² Losses stemming from lower risk IPRE lending and overall losses from IPRE lending are less than 0.3% and 0.5% of outstanding IPRE exposures, respectively, in each of the past 3 years to 31 December 2024.

Credit Risk (continued)

6.1 Credit quality, non-performing exposures and provisions (continued)

CRB(f)(iii): Non-performing exposures and related provisions by geographic region

The following table provides information about non-performing exposures and the related provisions by geographic region.

Geographic Region ¹	31 December 2025		
	Non performing exposures ²	Specific provision balance	General provision balance
	\$M	\$M	\$M
Australia	8,865	1,240	4,432
New Zealand	1,537	217	339
Other	48	6	101
Total	10,450	1,463	4,872

1 Balances are reported based on the risk domicile of the borrower.

2 Excludes non-performing exposures in securitisation entities that meet APRA's operational requirements for regulatory capital relief under APS 120 *Securitisation*.

Geographic Region ¹	30 June 2025		
	Non performing exposures ²	Specific provision balance	General provision balance
	\$M	\$M	\$M
Australia	9,054	1,258	4,311
New Zealand	1,873	245	383
Other	52	14	166
Total	10,979	1,517	4,860

1 Balances are reported based on the risk domicile of the borrower.

2 Excludes non-performing exposures in securitisation entities that meet APRA's operational requirements for regulatory capital relief under APS 120 *Securitisation*.

Geographic Region ¹	31 December 2024		
	Non performing exposures ²	Specific provision balance	General provision balance
	\$M	\$M	\$M
Australia	8,265	1,250	4,275
New Zealand	1,867	229	369
Other	165	10	94
Total	10,297	1,489	4,738

1 Balances are reported based on the risk domicile of the borrower.

2 Excludes non-performing exposures in securitisation entities that meet APRA's operational requirements for regulatory capital relief under APS 120 *Securitisation*.

Specific provisions reduced by \$54 million or 4% on the prior half to \$1,463 million primarily due to lower individually assessed provisions in the residential mortgages portfolio as well as a few single name customers in the corporate portfolios.

General provisions increased marginally by \$12m or 0.2% on the prior half to \$4,872 million.

Credit Risk (continued)

6.2 Portfolios subject to standardised and supervisory risk weights

CR4: Standardised approach - credit risk exposure and credit risk mitigation effects

The table below provides information about the effect of credit risk mitigation techniques by portfolio using regulatory exposure amounts. The table excludes derivative and SFTs exposures subject to counterparty credit risk requirements, equity and securitisation exposures.

EAD post-CCF and post-Credit Risk Management (CRM) is derived by applying relevant CCFs to committed but undrawn exposures and provisions are deducted from the outstanding drawn non-performing balances. The Group does not apply Credit Risk Mitigation Instrument (CRMI) on the standardised portfolio.

31 December 2025						
Portfolio Type	Exposures before CCF and CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
	On-balance sheet	Off-balance sheet	On-balance sheet	Off-balance sheet	RWA	RWA density ¹
	\$M	\$M	\$M	\$M	\$M	%
1 Sovereign	400	–	–	–	–	97
6 Corporate (incl. SME corporate)	502	633	472	187	659	100
8 SME retail	644	820	644	419	800	75
9 Residential mortgage	16,999	3,459	16,981	1,559	7,497	40
Other retail	143	444	143	178	322	100
11 Other assets ²	17,209	2,415	17,205	1,004	6,224	34
RBNZ regulated entities	16,390	1,101	16,390	552	3,643	22
12 Total	52,287	8,872	51,835	3,899	19,145	34

¹ RWA density is calculated based on unrounded numbers.

² Includes immaterial contributions from other standardised asset classes, including Domestic public sector entities, Commercial property, Land acquisition, development and construction, and Bank.

30 June 2025						
Portfolio Type	Exposures before CCF and CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
	On-balance sheet	Off-balance sheet	On-balance sheet	Off-balance sheet	RWA	RWA density ¹
	\$M	\$M	\$M	\$M	\$M	%
1 Sovereign	400	1	1	–	1	95
6 Corporate (incl. SME corporate)	737	498	737	207	930	98
8 SME retail	495	697	495	371	650	75
9 Residential mortgage	16,827	3,343	16,815	1,550	7,432	40
Other retail	150	449	150	179	331	100
11 Other assets ²	15,414	2,325	15,414	956	6,091	37
RBNZ regulated entities	18,298	1,142	18,298	573	3,875	21
12 Total	52,321	8,455	51,910	3,836	19,310	35

¹ RWA density is calculated based on unrounded numbers.

² Includes immaterial contributions from other standardised asset classes, including Domestic public sector entities, Commercial property, Land acquisition, development and construction, and Bank.

Credit Risk (continued)

6.2 Portfolios subject to standardised and supervisory risk weights (continued)

CR5(i): Standardised approach – exposures by asset classes and risk weights

The table below shows the post-CCF and post-CRM exposures by asset class and risk weights. The table excludes derivative and SFTs exposures subject to counterparty credit risk requirements, equity and securitisation exposures.

EAD post-CCF and post-CRM is derived by applying relevant CCFs to committed but undrawn exposures and provisions are deducted from the outstanding drawn non-performing balances. The Group does not apply CRMI on the standardised portfolio.

		31 December 2025																										
		Risk weight																										
Portfolio		0%	20%	25%	30%	35%	40%	45%	50%	55%	60%	65%	70%	75%	80%	85%	90%	95%	100%	105%	110%	120%	130%	150%	>150%	1,250%	Total	
Type		\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	
1	Sovereign	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
6	Corporate (incl. SME corporate)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	281	–	–	21	–	342	–	–	15	–	–	659	
8	SME retail	–	–	–	–	–	–	–	–	–	–	–	–	1,060	–	–	–	–	–	–	–	–	–	3	–	–	1,063	
9	Residential mortgage	–	3,096	2,499	2,972	4,223	1,196	1,102	971	169	–	116	9	–	23	24	–	2	1,841	149	–	35	–	113	–	–	18,540	
	Other retail	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	318	–	–	–	–	3	–	–	321	
11	Other assets ¹	9,297	3,446	–	–	–	–	–	14	–	69	–	39	5	–	61	6	–	5,042	–	117	–	–	60	52	1	18,209	
	RBNZ regulated entities	11,091	1,216	–	–	630	654	–	911	–	–	–	5	4	–	–	3	–	2,413	–	–	–	–	8	7	–	16,942	
Total		20,388	7,758	2,499	2,972	4,853	1,850	1,102	1,896	169	69	116	53	1,069	23	366	9	2	9,635	149	459	35	–	202	59	1	55,734	

¹ Includes immaterial contributions from other standardised asset classes, including Domestic public sector entities, Commercial property, Land acquisition, development and construction, and Bank.

Credit Risk (continued)

6.2 Portfolios subject to standardised and supervisory risk weights (continued)

CR5(i): Standardised approach – exposures by asset classes and risk weights

Portfolio Type		30 June 2025																											
		Risk weight																											
		0%	20%	25%	30%	35%	40%	45%	50%	55%	60%	65%	70%	75%	80%	85%	90%	95%	100%	105%	110%	130%	150%	>150%	1,250%	6,250%	Total		
		\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M		
1	Sovereign	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	1	–	–	–	–	–	–	–	1		
6	Corporate (incl. SME corporate)	–	–	–	–	–	–	–	–	–	–	–	–	–	432	–	–	5	–	507	–	–	–	–	–	–	944		
8	SME retail	–	–	–	–	–	–	–	–	–	–	–	865	–	–	–	–	–	–	–	–	1	–	–	–	–	866		
9	Residential mortgage	–	3,005	2,429	2,997	4,168	1,299	1,000	1,033	154	–	98	7	–	28	19	–	3	1,848	153	–	32	92	–	–	–	18,365		
	Other retail	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	326	–	–	–	3	–	–	–	–	329		
11	Other assets ¹	7,983	2,896	–	–	–	–	–	63	–	49	–	28	1	–	52	5	–	5,112	–	122	–	13	46	–	–	16,370		
	RBNZ regulated entities	12,643	1,176	–	–	715	737	–	1,012	–	–	–	5	5	–	–	1	–	2,570	–	–	–	7	–	–	–	18,871		
Total		20,626	7,077	2,429	2,997	4,883	2,036	1,000	2,108	154	49	98	40	871	28	503	6	3	9,862	153	629	32	116	46	–	–	55,746		

¹ Includes immaterial contributions from other standardised asset classes, including Domestic public sector entities, Commercial property, Land acquisition, development and construction, and Bank.

Credit Risk (continued)

6.2 Portfolios subject to standardised and supervisory risk weights (continued)

CR5(ii): Standardised approach - exposure amounts and CCFs by risk weight

The table below shows the exposure amounts and CCFs applied to on and off balance sheet exposures, categorised based on risk weight band of converted exposures. The table excludes derivative and SFTs exposures subject to counterparty credit risk requirements, equity and securitisation exposures.

Exposures post-CCF and post-CRM are derived by applying relevant CCFs to committed but undrawn exposures and provisions are deducted from the outstanding drawn non-performing balances. The Group does not apply CRMI on the standardised portfolio.

31 December 2025				
Risk weight	On-balance sheet exposure \$M	Off-balance sheet exposure (pre-CCF) \$M	Weighted average CCF ¹ %	Exposure (post-CCF and post-CRM) \$M
1 Less than 40%	36,374	4,930	42.5	38,470
2 40–70%	5,010	526	46.8	5,255
3 75%	649	822	51.1	1,069
80%	23	—	—	23
4 85%	272	235	40.3	366
5 90–100%	9,316	1,762	43.2	9,646
6 105–130%	381	575	45.8	643
7 150%	202	22	82.1	202
8 250%	52	—	—	52
9 400%	7	—	—	7
10 1250%	1	—	—	1
11 Total exposures	52,287	8,872	43.9	55,734

¹ Weighting is based on off-balance sheet exposure (pre-CCF).

30 June 2025				
Risk weight	On-balance sheet exposure \$M	Off-balance sheet exposure (pre-CCF) \$M	Weighted average CCF ¹ %	Exposure (post-CCF and post-CRM) \$M
1 Less than 40%	35,956	4,736	43.4	38,012
2 40–70%	5,280	512	45.8	5,485
3 75%	499	698	53.3	871
80%	28	—	—	28
4 85%	363	341	41.2	503
5 90–100%	9,464	1,785	43.6	9,871
6 105–130%	558	380	67.1	814
7 150%	127	3	47.9	116
8 250%	46	—	—	46
9 400%	—	—	—	—
10 1250%	—	—	—	—
11 Total exposures	52,321	8,455	45.4	55,746

¹ Weighting is based on off-balance sheet exposure (pre-CCF).

Credit Risk (continued)

6.2 Portfolios subject to standardised and supervisory risk weights (continued)

CR10: IRB (specialised lending under the slotting approach)

The table below shows specialised lending exposures by slotting category, split by residual maturity.

		31 December 2025									
		On-balance sheet amount	Off-balance sheet amount	Risk Weight ²	Exposure amount ¹					RWA ²	Expected Losses
Regulatory categories	Residual maturity				PF	OF	CF	IPRE	Total		
		\$M	\$M	%	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Strong	Less than 2.5 years	1,315	442	70%	848	122	–	640	1,610	1,172	6
	Equal to or more than 2.5 years	1,252	313	70%	1,025	197	–	224	1,446	1,028	6
Good	Less than 2.5 years	2,680	609	90%	984	1	252	1,875	3,112	2,969	25
	Equal to or more than 2.5 years	1,738	515	90%	1,445	67	–	500	2,012	1,859	16
Satisfactory		966	71	115%	198	3	1	634	836	1,035	23
Weak		54	–	250%	30	12	–	12	54	137	4
Default		217	–	–	55	–	149	12	216	–	108
Total		8,222	1,950		4,585	402	402	3,897	9,286	8,200	188

¹ Includes \$4.0 billion of exposures and \$3.9 billion RWA in relation to specialised lending exposures in the Group's RBNZ regulated entities. Pursuant to APRA requirements, the related RWA amounts have been multiplied by a scaling factor of 1.10.

² Risk-weight (%) exclude APRA's 1.1 scaling factor for specialised lending exposures of the RBNZ regulated banking subsidiary, whereas RWA (\$m) is after application of this scaling factor.

Credit Risk (continued)

6.2 Portfolios subject to standardised and supervisory risk weights (continued)

CR10: IRB (specialised lending under the slotting approach)

		30 June 2025									
		Exposure amount ¹								RWA ²	Expected Losses
Regulatory categories	Residual maturity	On-balance sheet amount \$M	Off-balance sheet amount \$M	Risk Weight ² %	PF \$M	OF \$M	CF \$M	IPRE \$M	Total \$M		
Strong	Less than 2.5 years	965	384	70%	706	119	–	429	1,254	908	5
	Equal to or more than 2.5 years	1,490	366	70%	1,270	283	–	134	1,687	1,190	7
Good	Less than 2.5 years	3,615	775	90%	1,458	–	229	2,487	4,174	3,981	33
	Equal to or more than 2.5 years	1,368	726	90%	1,342	31	–	507	1,880	1,741	15
Satisfactory		957	82	115%	153	7	2	672	834	1,037	23
Weak		68	–	250%	32	14	–	22	68	176	5
Default		208	–	–	54	–	146	9	209	–	104
Total		8,671	2,333		5,015	454	377	4,260	10,106	9,033	192

¹ Includes \$4.3 billion of exposures and \$4.4 billion RWA in relation to specialised lending exposures in the Group's RBNZ regulated entities. Pursuant to APRA requirements, the related RWA amounts have been multiplied by a scaling factor of 1.10.

² Risk-weight (%) exclude APRA's 1.1 scaling factor for specialised lending exposures of the RBNZ regulated banking subsidiary, whereas RWA (\$m) is after application of this scaling factor.

Credit Risk (continued)

6.3 Portfolios subject to internal ratings-based approaches

CR6: IRB - Credit risk exposures by portfolio and PD range

The table below shows the detailed key parameters used for the calculation of capital requirements under the IRB approach, broken down by asset class and PD range.

31 December 2025													
Subject to AIRB approach		Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post-CCF	Average PD ¹	Number of borrowers	Average LGD	Average maturity	RWA ²	RWA density ³	Expected Loss	Provisions
Portfolio Type	PD Range	\$M	\$M	%	\$M	%	#	%	Years	\$M	%	\$M	\$M
Corporate (incl. SME corporate)	0.00 to <0.15	6,853	2,124	40	7,665	0.08	273	30	2.9	1,722	22	2	
	0.15 to <0.25	17,944	3,664	48	19,690	0.21	791	26	2.6	7,237	37	11	
	0.25 to <0.50	18,666	5,134	52	21,310	0.37	1,477	24	2.3	8,338	39	18	
	0.50 to <0.75	18,675	6,128	56	22,094	0.55	3,742	22	1.9	9,406	43	27	
	0.75 to <2.50	86,690	19,769	52	96,854	1.27	23,435	25	1.8	54,769	57	305	
	2.50 to <10.00	20,326	3,190	47	21,829	3.98	9,852	24	1.5	15,079	69	212	
	10.00 to <100.00	2,336	299	47	2,477	26.67	912	27	1.3	3,523	142	179	
	100.00 (Default)	1,659	83	49	1,700	100.00	1,505	31	1.6	1,931	114	643	
	Sub-total	173,149	40,391	51	193,619	2.43	41,987	25	1.9	102,005	53	1,397	1,979
SME retail	0.00 to <0.15	17	487	103	521	0.10	10,498	50		74	14	–	
	0.15 to <0.25	204	748	102	970	0.19	12,931	41		183	19	1	
	0.25 to <0.50	1,205	1,360	101	2,587	0.39	21,587	35		658	25	4	
	0.50 to <0.75	131	–	100	131	0.55	4,906	37		41	31	–	
	0.75 to <2.50	6,823	2,214	101	9,085	1.33	50,762	36		4,300	47	45	
	2.50 to <10.00	3,524	1,406	100	4,952	4.19	60,824	40		3,761	76	77	
	10.00 to <100.00	1,365	157	101	1,531	17.62	7,766	36		1,680	110	104	
	100.00 (Default)	368	22	100	390	100.00	3,062	46		884	227	143	
	Sub-total	13,637	6,394	101	20,167	4.96	172,336	38		11,581	57	374	297

¹ Average PD is calculated using EAD at the end of the period.

² Includes RWA overlays.

³ RWA density is calculated based on unrounded numbers.

Credit Risk (continued)

6.3 Portfolios subject to internal ratings-based approaches (continued)

CR6: IRB – Credit risk exposures by portfolio and PD range (continued)

31 December 2025

Subject to AIRB approach		Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post-CCF	Average PD ¹	Number of borrowers	Average LGD	Average maturity	RWA ²	RWA density ³	Expected Loss	Provisions
Portfolio Type	PD Range	\$M	\$M	%	\$M	%	#	%	Years	\$M	%	\$M	\$M
Residential mortgage	0.00 to <0.15	243,751	56,359	100	300,335	0.08	757,813	14		20,084	7	34	
	0.15 to <0.25	108,299	13,232	100	121,542	0.18	306,609	16		12,518	10	34	
	0.25 to <0.50	93,603	7,404	100	101,013	0.34	250,743	17		17,638	17	57	
	0.50 to <0.75	53,376	2,274	100	55,650	0.57	147,350	18		14,948	27	56	
	0.75 to <2.50	98,039	2,370	101	100,430	1.32	268,642	17		45,226	45	230	
	2.50 to <10.00	33,906	160	103	34,072	3.81	99,708	18		29,921	88	237	
	10.00 to <100.00	1,032	5	100	1,037	16.66	3,193	15		1,375	133	27	
	100.00 (Default)	6,149	18	111	6,170	100.00	15,898	20		13,231	214	300	
	Sub-total	638,155	81,822	100	720,249	1.40	1,849,956	16		154,941	22	975	1,817
Qualifying revolving retail	0.00 to <0.15	3,702	12,526	87	14,607	0.10	1,640,779	85		821	6	12	
	0.15 to <0.25	91	580	65	469	0.19	83,226	81		42	9	1	
	0.25 to <0.50	940	1,969	82	2,560	0.31	345,077	84		364	14	7	
	0.50 to <0.75	–	2	72	2	0.58	138	85		–	24	–	
	0.75 to <2.50	1,845	1,322	94	3,082	1.22	377,722	84		1,254	41	32	
	2.50 to <10.00	1,507	447	93	1,922	5.26	262,579	85		2,153	112	85	
	10.00 to <100.00	184	28	116	217	38.63	41,173	84		453	209	71	
	100.00 (Default)	66	5	83	70	100.00	12,079	85		146	209	49	
	Sub-total	8,335	16,879	86	22,929	1.38	2,762,773	85		5,233	23	257	403
Other retail	0.00 to <0.15	7	37	100	44	0.09	9,781	88		10	23	–	
	0.15 to <0.25	5	–	103	5	0.18	18	30		1	12	–	
	0.25 to <0.50	322	64	100	386	0.30	32,587	76		171	44	1	
	0.50 to <0.75	441	204	100	645	0.66	139,095	86		507	79	4	
	0.75 to <2.50	4,089	808	100	4,895	1.44	398,038	58		3,590	73	43	
	2.50 to <10.00	2,389	86	100	2,475	4.56	189,651	84		3,326	134	95	
	10.00 to <100.00	620	43	100	663	21.59	917,497	87		1,405	212	125	
	100.00 (Default)	112	1	101	113	100.00	31,778	84		173	153	84	
	Sub-total	7,985	1,243	100	9,226	4.82	1,718,445	70		9,183	100	352	521

¹ Average PD is calculated using EAD at the end of the period.

² Includes RWA overlays.

³ RWA density is calculated based on unrounded numbers.

Credit Risk (continued)

6.3 Portfolios subject to internal ratings-based approaches (continued)

CR6: IRB – Credit risk exposures by portfolio and PD range (continued)

31 December 2025

Subject to AIRB approach		Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post-CCF	Average PD ¹	Number of borrowers	Average LGD	Average maturity	RWA ²	RWA density ³	Expected Loss	Provisions
Portfolio Type	PD Range	\$M	\$M	%	\$M	%	#	%	Years	\$M	%	\$M	\$M
RBNZ regulated entities													
Non-retail	0.00 to <0.15	1,062	636	94	1,659	0.08	76	45	2.0	405	24	1	
	0.15 to <0.25	2,944	1,028	83	3,795	0.21	873	32	1.7	1,186	31	3	
	0.25 to <0.50	3,600	900	86	4,373	0.37	923	28	1.9	1,649	38	4	
	0.50 to <0.75	4,863	900	83	5,608	0.55	1,660	27	1.8	2,520	45	8	
	0.75 to <2.50	10,118	1,815	80	11,569	1.14	4,961	26	1.8	6,080	53	34	
	2.50 to <10.00	1,377	256	79	1,581	4.32	947	31	1.7	1,505	95	22	
	10.00 to <100.00	303	28	72	323	21.44	139	28	1.0	499	154	19	
	100.00 (Default)	240	17	68	252	100.00	115	44	1.1	674	268	76	
	Sub-total	24,507	5,580	83	29,160	1.98	9,694	29	1.8	14,518	50	167	271
RBNZ regulated entities													
Retail	0.00 to <0.15	8,261	4,146	100	12,408	0.15	78,177	15		760	6	3	
	0.15 to <0.25	–	–	–	–	–	–	–		–	–	–	
	0.25 to <0.50	15,460	2,310	100	17,771	0.45	201,968	21		3,243	18	17	
	0.50 to <0.75	11,586	1,094	100	12,680	0.66	104,813	21		3,064	24	17	
	0.75 to <2.50	28,683	1,635	100	30,318	1.22	313,236	23		12,158	40	87	
	2.50 to <10.00	7,205	173	100	7,378	2.96	93,701	26		5,531	75	56	
	10.00 to <100.00	–	–	–	–	–	–	–		–	–	–	
	100.00 (Default)	1,265	12	100	1,277	100.00	9,417	23		2,773	217	101	
	Sub-total	72,460	9,370	100	81,832	2.50	801,312	21		27,529	34	281	212
Total subject to AIRB approach		938,228	161,679	86	1,077,182	1.78	7,356,503	20	1.9	324,990	30	3,803	5,500

¹ Average PD is calculated using EAD at the end of the period.

² Includes RWA overlays.

³ RWA density is calculated based on unrounded numbers.

Credit Risk (continued)

6.3 Portfolios subject to internal ratings-based approaches (continued)

CR6: IRB – Credit risk exposures by portfolio and PD range (continued)

31 December 2025

Subject to FIRB approach		Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post-CCF	Average PD ¹	Number of borrowers	Average LGD	Average maturity	RWA ²	RWA density ³	Expected Loss	Provisions
Portfolio Type	PD Range	\$M	\$M	%	\$M	%	#	%	Years	\$M	%	\$M	\$M
Corporate - Large	0.00 to <0.15	8,929	9,286	40	12,684	0.08	225	42	2.4	3,062	24	4	
	0.15 to <0.25	12,526	13,058	43	18,132	0.21	441	42	2.3	8,108	45	16	
	0.25 to <0.50	6,572	7,682	46	10,113	0.37	470	44	2.3	6,488	64	16	
	0.50 to <0.75	5,426	2,726	44	6,613	0.55	285	36	2.4	4,507	68	13	
	0.75 to <2.50	5,942	2,588	51	7,136	1.10	412	39	2.5	6,838	96	31	
	2.50 to <10.00	311	409	56	530	4.39	72	38	1.2	662	125	9	
	10.00 to <100.00	138	7	43	141	32.84	8	46	1.0	349	247	22	
	100.00 (Default)	185	17	75	198	100.00	4	48	1.2	–	–	96	
	Sub-total	40,029	35,773	44	55,547	0.84	1,917	41	2.3	30,014	54	207	376
Sovereign	0.00 to <0.15	146,934	3,061	16	146,872	0.02	326	7	2.8	2,427	2	2	
	0.15 to <0.25	243	91	34	274	0.25	141	25	3.3	96	35	–	
	0.25 to <0.50	1	–	70	2	0.37	7	45	0.3	1	39	–	
	0.50 to <0.75	–	–	43	–	0.55	4	34	1.0	–	45	–	
	0.75 to <2.50	–	–	45	–	1.17	7	17	1.0	–	27	–	
	2.50 to <10.00	–	–	50	–	5.80	3	–	1.0	–	–	–	
	10.00 to <100.00	–	–	40	–	31.00	2	50	1.0	–	289	–	
	100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
	Sub-total	147,178	3,152	17	147,148	0.02	490	7	2.8	2,524	2	2	5

¹ Average PD is calculated using EAD at the end of the period.

² Includes RWA overlays.

³ RWA density is calculated based on unrounded numbers.

Credit Risk (continued)

6.3 Portfolios subject to internal ratings-based approaches (continued)

CR6: IRB – Credit risk exposures by portfolio and PD range (continued)

31 December 2025

Subject to FIRB approach		Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post-CCF	Average PD ¹	Number of borrowers	Average LGD	Average maturity	RWA ²	RWA density ³	Expected Loss	Provisions
Portfolio Type	PD Range	\$M	\$M	%	\$M	%	#	%	Years	\$M	%	\$M	\$M
Financial institution	0.00 to <0.15	24,801	21,191	30	31,909	0.06	482	48	1.4	7,476	23	9	
	0.15 to <0.25	987	1,290	52	1,659	0.18	147	51	1.5	870	52	2	
	0.25 to <0.50	341	282	48	475	0.37	46	50	2.7	475	100	1	
	0.50 to <0.75	156	123	72	245	0.55	41	44	2.1	233	95	1	
	0.75 to <2.50	518	252	39	581	1.05	123	30	1.7	455	78	2	
	2.50 to <10.00	22	15	41	28	4.77	33	26	1.5	30	105	–	
	10.00 to <100.00	–	–	–	–	–	1	–	–	–	–	–	
	100.00 (Default)	3	–	100	3	100.00	1	50	1.0	–	–	1	
Sub-total		26,828	23,153	32	34,900	0.10	874	48	1.4	9,539	27	16	33
Total subject to FIRB approach		214,035	62,078	38	237,595	0.22	3,281	21	2.5	42,077	18	225	414
All Portfolios		1,152,263	223,757	73	1,314,777	1.50	7,359,784	20	2.2	367,067	28	4,028	5,914

¹ Average PD is calculated using EAD at the end of the period.

² Includes RWA overlays.

³ RWA density is calculated based on unrounded numbers.

Credit Risk (continued)

6.3 Portfolios subject to internal ratings-based approaches (continued)

CR6: IRB – Credit risk exposures by portfolio and PD range (continued)

30 June 2025

Subject to AIRB approach		Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post-CCF	Average PD ¹	Number of borrowers	Average LGD	Average maturity	RWA ²	RWA density ³	Expected Loss	Provisions
Portfolio Type	PD Range	\$M	\$M	%	\$M	%	#	%	Years	\$M	%	\$M	\$M
Corporate (incl. SME corporate)	0.00 to <0.15	6,430	2,279	41	7,336	0.07	260	28	2.7	1,460	20	2	
	0.15 to <0.25	15,946	3,885	43	17,617	0.21	696	27	2.5	6,311	36	10	
	0.25 to <0.50	17,233	3,891	45	19,003	0.37	1,398	23	2.2	7,220	38	16	
	0.50 to <0.75	18,944	5,112	58	21,899	0.55	3,778	23	1.8	9,541	44	28	
	0.75 to <2.50	80,148	16,858	52	88,800	1.27	22,275	24	1.8	49,261	55	275	
	2.50 to <10.00	22,326	3,272	50	23,952	4.00	10,394	25	1.4	17,021	71	236	
	10.00 to <100.00	2,432	291	48	2,571	26.92	1,019	28	1.3	3,775	147	194	
	100.00 (Default)	1,891	129	47	1,952	100.00	1,690	30	1.6	2,344	120	662	
	Sub-total	165,350	35,717	50	183,130	2.71	41,510	25	1.9	96,933	53	1,423	2,112
SME retail	0.00 to <0.15	26	457	100	483	0.10	10,169	49		67	14	–	
	0.15 to <0.25	179	687	100	865	0.19	12,626	40		160	18	1	
	0.25 to <0.50	993	1,248	100	2,241	0.39	20,987	34		555	25	3	
	0.50 to <0.75	138	1	100	139	0.55	5,455	37		43	31	–	
	0.75 to <2.50	6,672	2,054	100	8,726	1.36	52,507	36		4,131	47	44	
	2.50 to <10.00	3,860	1,329	100	5,189	4.16	64,053	39		3,894	75	79	
	10.00 to <100.00	1,460	174	100	1,633	17.85	8,364	35		1,748	107	106	
	100.00 (Default)	329	27	100	357	100.00	3,107	44		725	203	134	
	Sub-total	13,657	5,977	100	19,633	5.06	177,268	37		11,323	58	367	276

¹ Average PD is calculated using EAD at the end of the period.

² Includes RWA overlays.

³ RWA density is calculated based on unrounded numbers.

Credit Risk (continued)

6.3 Portfolios subject to internal ratings-based approaches (continued)

CR6: IRB – Credit risk exposures by portfolio and PD range (continued)

30 June 2025 ¹

Subject to AIRB approach		Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post-CCF	Average PD ²	Number of borrowers	Average LGD	Average maturity	RWA ³	RWA density ⁴	Expected Loss	Provisions
Portfolio Type	PD Range	\$M	\$M	%	\$M	%	#	%	Years	\$M	%	\$M	\$M
Residential mortgage	0.00 to <0.15	227,654	53,855	100	281,508	0.08	742,470	14		18,014	6	31	
	0.15 to <0.25	101,884	12,498	100	114,382	0.18	302,015	16		11,223	10	32	
	0.25 to <0.50	88,288	6,877	100	95,166	0.34	249,481	17		15,803	17	54	
	0.50 to <0.75	52,563	2,107	100	54,671	0.57	151,009	18		13,767	25	54	
	0.75 to <2.50	99,351	2,277	100	101,627	1.34	282,242	17		44,472	44	236	
	2.50 to <10.00	36,294	153	100	36,447	3.82	109,963	18		31,087	85	257	
	10.00 to <100.00	1,012	5	100	1,017	16.66	3,216	16		1,388	137	27	
	100.00 (Default)	6,187	15	100	6,202	100.00	16,499	20		13,389	216	285	
	Sub-total	613,233	77,787	100	691,020	1.47	1,856,895	16		149,143	22	976	1,768
Qualifying revolving retail	0.00 to <0.15	3,485	12,525	87	14,372	0.10	1,615,155	85		808	6	12	
	0.15 to <0.25	86	570	65	455	0.19	81,868	81		41	9	1	
	0.25 to <0.50	927	2,104	80	2,611	0.31	356,928	84		371	14	7	
	0.50 to <0.75	9	47	80	47	0.60	5,269	85		11	24	–	
	0.75 to <2.50	1,904	1,327	92	3,130	1.24	393,923	84		1,287	41	33	
	2.50 to <10.00	1,542	325	103	1,878	5.12	251,198	84		2,064	110	81	
	10.00 to <100.00	190	21	126	216	36.22	55,201	84		461	213	66	
	100.00 (Default)	71	5	89	75	100.00	12,939	85		167	224	51	
	Sub-total	8,214	16,924	86	22,784	1.37	2,772,481	85		5,210	23	251	413
Other retail	0.00 to <0.15	1	33	99	34	0.10	9,943	107		10	29	–	
	0.15 to <0.25	–	–	–	–	–	1	–		–	–	–	
	0.25 to <0.50	308	64	100	372	0.30	31,608	76		166	45	1	
	0.50 to <0.75	413	213	100	626	0.66	139,355	87		498	79	4	
	0.75 to <2.50	3,862	803	100	4,663	1.45	393,480	58		3,457	74	42	
	2.50 to <10.00	2,350	77	100	2,427	4.57	190,063	84		3,263	134	93	
	10.00 to <100.00	640	45	100	686	21.50	924,620	87		1,463	213	129	
	100.00 (Default)	115	1	100	116	100.00	23,141	85		166	143	87	
	Sub-total	7,689	1,236	100	8,924	5.02	1,712,211	71		9,023	101	356	521

¹ Comparative information has been restated to conform to presentation in current period. The Number of Borrowers for Qualifying Revolving Retail has been updated to exclude contracts with no EAD.

² Average PD is calculated using EAD at the end of the period.

³ Includes RWA overlays.

⁴ RWA density is calculated based on unrounded numbers.

Credit Risk (continued)

6.3 Portfolios subject to internal ratings-based approaches (continued)

CR6: IRB – Credit risk exposures by portfolio and PD range (continued)

30 June 2025													
Subject to AIRB approach		Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post-CCF	Average PD ¹	Number of borrowers	Average LGD	Average maturity	RWA ²	RWA density ³	Expected Loss	Provisions
Portfolio Type	PD Range	\$M	\$M	%	\$M	%	#	%	Years	\$M	%	\$M	\$M
RBNZ regulated entities													
Non-retail	0.00 to <0.15	741	584	95	1,293	0.07	66	54	2.2	385	30	–	
	0.15 to <0.25	2,928	1,063	87	3,854	0.22	715	34	1.8	1,279	33	3	
	0.25 to <0.50	3,355	752	85	3,995	0.37	847	28	1.9	1,473	37	4	
	0.50 to <0.75	5,095	932	81	5,854	0.55	1,583	27	1.8	2,623	45	9	
	0.75 to <2.50	11,191	1,815	81	12,667	1.14	4,910	25	1.8	6,568	52	37	
	2.50 to <10.00	1,515	179	71	1,642	4.21	883	27	1.6	1,390	85	20	
	10.00 to <100.00	290	97	94	381	20.71	144	34	1.0	697	183	26	
	100.00 (Default)	255	20	89	273	100.00	129	39	1.2	624	228	73	
	Sub-total	25,370	5,442	84	29,959	2.07	9,277	29	1.8	15,039	50	172	302
RBNZ regulated entities													
Retail	0.00 to <0.15	8,356	4,106	100	12,461	0.15	74,830	15		746	6	3	
	0.15 to <0.25	–	–	–	–	–	–	–		–	–	–	
	0.25 to <0.50	16,109	2,207	100	18,316	0.45	197,387	21		3,259	18	17	
	0.50 to <0.75	12,021	1,009	100	13,030	0.66	103,129	21		3,087	24	18	
	0.75 to <2.50	29,668	1,564	100	31,232	1.22	305,446	23		12,305	39	88	
	2.50 to <10.00	7,339	182	100	7,522	2.97	97,496	25		5,534	74	57	
	10.00 to <100.00	–	–	–	–	–	–	–		–	–	–	
	100.00 (Default)	1,594	11	100	1,605	100.00	11,080	23		3,433	214	129	
	Sub-total	75,087	9,079	100	84,166	2.85	789,368	21		28,364	34	312	241
Total subject to AIRB approach		908,600	152,162	86	1,039,616	1.92	7,359,010	20	1.9	315,035	30	3,857	5,633

¹ Average PD is calculated using EAD at the end of the period.

² Includes RWA overlays.

³ RWA density is calculated based on unrounded numbers.

Credit Risk (continued)

6.3 Portfolios subject to internal ratings-based approaches (continued)

CR6: IRB – Credit risk exposures by portfolio and PD range (continued)

30 June 2025

Subject to FIRB approach		Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post-CCF	Average PD ¹	Number of borrowers	Average LGD	Average maturity	RWA ²	RWA density ³	Expected Loss	Provisions
Portfolio Type	PD Range	\$M	\$M	%	\$M	%	#	%	Years	\$M	%	\$M	\$M
Corporate - Large	0.00 to <0.15	7,853	9,807	43	12,086	0.07	208	42	2.3	2,858	24	4	
	0.15 to <0.25	11,742	12,288	44	17,120	0.21	427	43	2.4	7,837	46	16	
	0.25 to <0.50	6,026	6,668	47	9,169	0.37	417	43	2.2	5,609	61	15	
	0.50 to <0.75	4,672	2,641	47	5,909	0.55	238	37	2.6	4,308	73	12	
	0.75 to <2.50	4,555	3,127	50	6,026	1.16	408	41	2.5	6,187	103	29	
	2.50 to <10.00	183	263	62	337	3.37	94	42	1.4	416	123	4	
	10.00 to <100.00	103	163	48	182	20.45	10	46	1.0	452	248	17	
	100.00 (Default)	129	117	45	181	100.00	4	49	1.5	–	–	89	
	Sub-total	35,263	35,074	45	51,010	0.80	1,806	42	2.4	27,667	54	186	348
Sovereign	0.00 to <0.15	140,082	3,163	17	140,068	0.02	327	7	2.8	2,342	2	2	
	0.15 to <0.25	265	82	33	292	0.25	132	25	3.4	103	35	–	
	0.25 to <0.50	–	–	69	–	0.37	8	32	1.0	–	34	–	
	0.50 to <0.75	1	4	40	3	0.55	6	50	1.0	2	67	–	
	0.75 to <2.50	–	1	49	–	1.82	14	4	1.0	–	9	–	
	2.50 to <10.00	–	–	40	–	5.05	1	50	1.0	–	162	–	
	10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
	100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
	Sub-total	140,348	3,250	17	140,363	0.02	488	7	2.8	2,447	2	2	5

¹ Average PD is calculated using EAD at the end of the period.

² Includes RWA overlays.

³ RWA density is calculated based on unrounded numbers.

Credit Risk (continued)

6.3 Portfolios subject to internal ratings-based approaches (continued)

CR6: IRB – Credit risk exposures by portfolio and PD range (continued)

30 June 2025

Subject to FIRB approach		Original on-balance sheet gross exposure	Off-balance sheet exposures pre CCF	Average CCF	EAD post CRM and post-CCF	Average PD ¹	Number of borrowers	Average LGD	Average maturity	RWA ²	RWA density ³	Expected Loss	Provisions
Portfolio Type	PD Range	\$M	\$M	%	\$M	%	#	%	Years	\$M	%	\$M	\$M
Financial institution	0.00 to <0.15	23,776	21,223	31	30,900	0.06	466	49	1.2	6,754	22	9	
	0.15 to <0.25	1,654	1,631	50	2,467	0.19	141	51	1.3	1,238	50	2	
	0.25 to <0.50	677	411	45	863	0.37	56	53	2.3	851	99	2	
	0.50 to <0.75	123	119	73	210	0.55	38	43	1.9	187	89	–	
	0.75 to <2.50	497	292	40	580	1.06	111	30	1.9	475	82	2	
	2.50 to <10.00	4	1	68	5	5.32	24	31	1.5	6	125	–	
	10.00 to <100.00	–	–	–	–	–	1	–	–	–	–	–	
	100.00 (Default)	3	–	56	4	100.00	6	47	1.1	–	–	2	
Sub-total		26,734	23,677	33	35,029	0.11	843	49	1.3	9,511	27	17	30
Total subject to FIRB approach		202,345	62,001	39	226,402	0.21	3,137	21	2.5	39,625	18	205	383
All Portfolios		1,110,945	214,163	73	1,266,018	1.61	7,362,147	21	2.2	354,660	28	4,062	6,016

¹ Average PD is calculated using EAD at the end of the period.

² Includes RWA overlays.

³ RWA density is calculated based on unrounded numbers.

Credit Risk (continued)

6.3 Portfolios subject to internal ratings-based approaches (continued)

CR7: IRB - Effect on RWA of credit derivatives used as CRM techniques

The table below provides a breakdown of IRB credit risk RWAs before and after credit derivatives CRM effects. The table excludes derivative and SFT exposures subject to counterparty credit risk requirements, equity, and securitisation exposures. The use of credit derivatives as a CRM technique has an insignificant impact on the Group's RWA.

Portfolio Type	31 December 2025	
	Pre-credit derivatives RWA \$M	Actual RWA \$M
Subject to AIRB approach		
Corporate (incl. SME corporate)	102,005	102,005
SME retail	11,581	11,581
Residential mortgage	154,941	154,941
Qualifying revolving retail	5,233	5,233
Other retail	9,183	9,183
Total AIRB approach	282,943	282,943
Subject to FIRB approach		
Corporate - large	30,018	30,014
Sovereign	2,524	2,524
Financial Institution	9,539	9,539
Total FIRB approach	42,081	42,077
Specialised lending	4,304	4,304
RBNZ regulated entities	45,943	45,943
Total	375,271	375,267

Portfolio Type	30 June 2025	
	Pre-credit derivatives RWA \$M	Actual RWA \$M
Subject to AIRB approach		
Corporate (incl. SME corporate)	96,933	96,933
SME retail	11,323	11,323
Residential mortgage	149,143	149,143
Qualifying revolving retail	5,210	5,210
Other retail	9,023	9,023
Total AIRB approach	271,632	271,632
Subject to FIRB approach		
Corporate - large	27,671	27,667
Sovereign	2,447	2,447
Financial Institution	9,511	9,511
Total FIRB approach	39,629	39,625
Specialised lending	4,675	4,675
RBNZ regulated entities	47,761	47,761
Total	363,697	363,693

Credit Risk (continued)

6.3 Portfolios subject to internal ratings-based approaches (continued)

CR8: RWA flow statements of credit risk exposures under IRB

The following table summarises the movements of credit RWA under the IRB approach. The table excludes derivative and SFTs exposures subject to counterparty credit risk requirements, equity and securitisation exposures. Details on the key drivers of the movements in credit RWA are provided on page 14.

	RWA amounts			
	Quarter ended		Half year ended	
	31 Dec 25	30 Sep 25	31 Dec 25	30 Jun 25
	\$M	\$M	\$M	\$M
1 RWA as at end of previous reporting period	365,936	363,693	363,693	349,191
2 Asset size ¹	10,698	6,576	17,274	13,787
3 Asset quality	(3,130)	(3,383)	(6,513)	(2,544)
4 Model updates	2,872	2,840	5,712	2,540
5 Methodology and policy	–	(795)	(795)	(201)
6 Acquisitions and disposals	–	–	–	–
7 Foreign exchange movements	(1,109)	(2,995)	(4,104)	920
8 Other	–	–	–	–
9 RWA as at end of reporting period	375,267	365,936	375,267	363,693

¹ Includes organic changes in book size (including origination of new businesses and maturing loans) but excludes changes in book size resulting from acquisition or disposal of entities.

Credit Risk (continued)

6.4 Credit risk mitigation

CR3: Credit risk mitigation techniques overview

The table below provides a breakdown of loans and advances and debt securities by different credit risk mitigation techniques. Amounts presented are net of provisions for credit losses.

31 December 2025					
	Exposures unsecured: carrying amount	Exposures to be secured	Exposures secured by collateral	Exposures secured by financial guarantees ¹	Exposures secured by credit derivatives
	\$M	\$M	\$M	\$M	\$M
1 Loans	65,954	951,846	951,127	719	–
2 Debt securities	107,825	1,315	1,315	–	–
3 Total	173,779	953,161	952,442	719	–
4 Of which non-performing	131	8,613	8,613	–	–

¹ Includes \$684 million of financial guarantees provided by financial institutions and \$35 million provided by sovereign counterparties.

30 June 2025					
	Exposures unsecured: carrying amount	Exposures to be secured	Exposures secured by collateral	Exposures secured by financial guarantees ¹	Exposures secured by credit derivatives
	\$M	\$M	\$M	\$M	\$M
1 Loans	64,382	920,387	919,756	631	–
2 Debt securities	100,521	1,042	1,042	–	–
3 Total	164,903	921,429	920,798	631	–
4 Of which non-performing	100	9,117	9,117	–	–

¹ Includes \$573 million of financial guarantees provided by financial institutions and \$58 million provided by sovereign counterparties.

7

Counterparty Credit Risk

CCR1: Analysis of CCR exposures by approach

The table below provides the capital requirements for CCR exposures by approach. The table excludes exposures to central counterparties (CCPs). Exposures to CCPs are disclosed in table CCR8.

31 December 2025					
	Replacement cost	Potential future exposure	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
	\$M	\$M		\$M	\$M
1 SA-CCR (for derivatives)	4,966	11,335	1.4	22,752	6,399
Current exposure method (for derivatives)				50	50
4 Comprehensive Approach for credit risk mitigation (for SFTs)				3,978	453
RBNZ regulated entities ¹				411	182
6 Total					7,084

¹ Includes \$373 million of EAD and \$175 million of RWA in relation to CCR derivative exposures under the current exposure method and \$38 million of EAD and \$7 million of RWA in relation to CCR SFT exposures under the comprehensive approach for credit risk mitigation.

30 June 2025					
	Replacement cost	Potential future exposure	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
	\$M	\$M		\$M	\$M
1 SA-CCR (for derivatives)	6,082	11,214	1.4	24,133	7,153
Current exposure method (for derivatives)				54	54
4 Comprehensive Approach for credit risk mitigation (for SFTs)				3,475	417
RBNZ regulated entities ¹				935	213
6 Total					7,837

¹ Includes \$432 million of EAD and \$210 million of RWA in relation to CCR derivative exposures under the current exposure method and \$503 million of EAD and \$3 million of RWA in relation to CCR SFT exposures under the comprehensive approach for credit risk mitigation.

Counterparty Credit Risk (continued)

CCR3: Standardised approach – CCR exposures by regulatory portfolio and risk weights

The table below provides a breakdown of CCR exposures subject to the standardised approach by portfolio and risk weight. The table excludes exposures cleared through CCPs.

31 December 2025									
Portfolio Type	Risk weight								Total credit exposure
	0%	10%	20%	50%	75%	100%	150%	Others	\$M
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Corporate (incl. SME corporate)	–	–	–	–	–	1	–	–	1
Sovereign	–	–	–	–	–	–	–	–	–
SME retail	–	–	–	–	–	51	–	–	51
Residential mortgage	–	–	–	–	–	–	–	–	–
Other retail	–	–	–	–	–	–	–	–	–
Other assets ¹	–	–	–	–	–	–	–	–	–
RBNZ regulated entities	4	–	138	131	–	1	–	–	274
Total	4	–	138	131	–	53	–	–	326

¹ Includes immaterial contributions from other standardised asset classes, including Domestic public sector entities, Commercial property, Land acquisition, development and construction, and Bank.

30 June 2025									
Portfolio Type	Risk weight								Total credit exposure
	0%	10%	20%	50%	75%	100%	150%	Others	\$M
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Corporate (incl. SME corporate)	–	–	–	–	–	1	–	–	1
Sovereign	–	–	–	–	–	–	–	–	–
SME retail	–	–	–	–	–	1	–	–	1
Residential mortgage	–	–	–	–	–	–	–	–	–
Other retail	–	–	–	–	–	–	–	–	–
Other assets ¹	–	–	–	–	–	54	–	–	54
RBNZ regulated entities	472	–	143	185	–	2	–	–	802
Total	472	–	143	185	–	58	–	–	858

¹ Includes immaterial contributions from other standardised asset classes, including Domestic public sector entities, Commercial property, Land acquisition, development and construction, and Bank.

Counterparty Credit Risk (continued)

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

The table below provides key parameters used in the calculation of capital requirements for CCR exposures under the IRB approach broken down by portfolio and PD range. The table excludes exposures cleared through CCPs.

		31 December 2025						
Subject to AIRB approach		EAD post-CRM	Average PD	Number of borrowers	Average LGD	Average maturity	RWA	RWA density ¹
Portfolio Type	PD scale	\$M	%	#	%	Years	\$M	%
Corporate (incl. SME corporate)								
	0.00 to <0.15	148	0.07	47	37	3.2	40	27
	0.15 to <0.25	151	0.20	108	36	2.1	60	40
	0.25 to <0.50	197	0.37	138	33	2.5	101	51
	0.50 to <0.75	100	0.55	167	41	1.7	67	67
	0.75 to <2.50	277	1.20	544	40	1.4	228	82
	2.50 to <10.00	31	4.53	124	42	1.0	38	124
	10.00 to <100.00	5	17.20	7	49	1.0	10	208
	100.00 (Default)	1	100.00	5	34	1.0	1	263
	Sub-total	910	0.88	1,140	38	2.1	545	60
SME retail								
	0.00 to <0.15	—	—	—	—	—	—	—
	0.15 to <0.25	—	0.19	2	65	—	—	30
	0.25 to <0.50	1	0.39	64	60	—	—	43
	0.50 to <0.75	—	—	—	—	—	—	—
	0.75 to <2.50	2	1.07	63	53	—	1	63
	2.50 to <10.00	1	5.08	13	65	—	1	109
	10.00 to <100.00	—	11.11	1	65	—	—	127
	100.00 (Default)	—	—	—	—	—	—	—
	Sub-total	4	1.90	143	58		2	50
RBNZ regulated entities								
	0.00 to <0.15	7	0.09	14	48	2.6	2	31
	0.15 to <0.25	20	0.23	34	51	1.8	9	46
	0.25 to <0.50	43	0.37	48	46	2.0	26	60
	0.50 to <0.75	15	0.55	67	34	1.8	8	50
	0.75 to <2.50	27	1.02	153	37	1.8	19	71
	2.50 to <10.00	10	4.06	28	26	1.4	8	84
	10.00 to <100.00	3	15.21	3	21	1.8	3	111
	100.00 (Default)	—	100.00	2	50	1.0	2	615
	Sub-total	125	1.15	349	42	1.9	77	62
Total subject to AIRB approach		1,039	0.96	1,632	38	2.1	624	60

¹ RWA density is calculated based on unrounded numbers.

Counterparty Credit Risk (continued)

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

		31 December 2025						
Subject to FIRB approach		EAD post-CRM	Average PD	Number of borrowers	Average LGD	Average maturity	RWA	RWA density ¹
Portfolio Type	PD scale	\$M	%	#	%	Years	\$M	%
Corporate - Large								
	0.00 to <0.15	1,345	0.07	62	47	1.7	293	22
	0.15 to <0.25	2,500	0.22	122	50	1.9	1,217	49
	0.25 to <0.50	404	0.37	66	51	1.3	236	58
	0.50 to <0.75	120	0.55	25	54	1.3	92	77
	0.75 to <2.50	155	1.13	36	53	1.3	162	105
	2.50 to <10.00	10	5.15	7	50	1.0	16	162
	10.00 to <100.00	120	19.28	1	50	3.5	363	302
	100.00 (Default)	—	—	—	—	—	—	—
	Sub-total	4,654	0.73	319	50	1.8	2,379	51
Sovereign								
	0.00 to <0.15	4,492	0.02	42	9	1.3	75	2
	0.15 to <0.25	48	0.15	1	50	0.2	11	22
	0.25 to <0.50	81	0.37	2	50	0.2	34	42
	0.50 to <0.75	—	—	—	—	—	—	—
	0.75 to <2.50	—	—	—	—	—	—	—
	2.50 to <10.00	—	—	—	—	—	—	—
	10.00 to <100.00	—	—	—	—	—	—	—
	100.00 (Default)	—	—	—	—	—	—	—
	Sub-total	4,621	0.02	45	10	1.3	120	3
Financial institution								
	0.00 to <0.15	15,268	0.05	546	52	0.8	2,802	18
	0.15 to <0.25	978	0.20	149	66	1.4	697	71
	0.25 to <0.50	117	0.37	24	59	1.4	104	89
	0.50 to <0.75	9	0.55	4	56	1.1	9	102
	0.75 to <2.50	60	1.07	59	50	0.2	52	88
	2.50 to <10.00	24	2.92	15	61	0.5	47	188
	10.00 to <100.00	11	15.21	5	51	1.0	34	296
	100.00 (Default)	—	—	—	—	—	—	—
	Sub-total	16,467	0.09	802	53	0.8	3,745	23
Total subject to FIRB approach		25,742	0.19	1,166	44	1.1	6,244	24
All Portfolios		26,781	0.22	2,798	44	1.1	6,868	26

¹ RWA density is calculated based on unrounded numbers.

Counterparty Credit Risk (continued)

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

		30 June 2025						
Subject to AIRB approach		EAD post-CRM	Average PD	Number of borrowers	Average LGD	Average maturity	RWA	RWA density ¹
Portfolio Type	PD scale	\$M	%	#	%	Years	\$M	%
Corporate (incl. SME corporate)								
	0.00 to <0.15	563	0.06	45	45	1.2	79	14
	0.15 to <0.25	288	0.20	113	38	2.1	114	40
	0.25 to <0.50	323	0.37	136	33	2.5	165	51
	0.50 to <0.75	216	0.55	163	42	1.4	140	65
	0.75 to <2.50	438	1.15	544	35	1.6	335	77
	2.50 to <10.00	46	4.17	121	38	1.1	51	112
	10.00 to <100.00	2	28.83	6	36	1.0	5	200
	100.00 (Default)	—	100.00	1	50	1.0	—	688
	Sub-total	1,876	0.59	1,129	39	1.7	889	47
SME retail								
	0.00 to <0.15	—	—	—	—	—	—	—
	0.15 to <0.25	—	0.19	2	65	—	—	30
	0.25 to <0.50	2	0.39	64	58	—	1	42
	0.50 to <0.75	—	—	—	—	—	—	—
	0.75 to <2.50	2	1.01	83	61	—	2	70
	2.50 to <10.00	1	4.83	28	64	—	1	106
	10.00 to <100.00	—	11.11	1	65	—	—	127
	100.00 (Default)	—	—	—	—	—	—	—
	Sub-total	5	1.53	178	60	—	4	66
RBNZ regulated entities								
	0.00 to <0.15	6	0.09	15	57	2.3	2	35
	0.15 to <0.25	14	0.24	25	46	1.8	6	42
	0.25 to <0.50	29	0.37	44	49	2.1	19	65
	0.50 to <0.75	18	0.55	75	36	1.9	10	55
	0.75 to <2.50	45	1.06	165	35	1.8	29	65
	2.50 to <10.00	5	3.75	26	27	1.8	4	79
	10.00 to <100.00	3	15.21	2	50	1.0	7	252
	100.00 (Default)	—	100.00	3	50	1.0	—	19
	Sub-total	120	1.14	355	41	1.9	77	64
Total subject to AIRB approach		2,001	0.65	1,662	39	1.7	970	48

¹ RWA density is calculated based on unrounded numbers.

Counterparty Credit Risk (continued)

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

		30 June 2025						
Subject to FIRB approach		EAD post-CRM	Average PD	Number of borrowers	Average LGD	Average maturity	RWA	RWA density ¹
Portfolio Type	PD scale	\$M	%	#	%	Years	\$M	%
Corporate - Large								
	0.00 to <0.15	1,087	0.07	60	45	2.4	288	26
	0.15 to <0.25	2,195	0.22	123	49	2.1	1,063	48
	0.25 to <0.50	391	0.37	65	51	1.5	235	60
	0.50 to <0.75	204	0.55	26	50	1.4	150	74
	0.75 to <2.50	112	1.03	36	52	1.3	113	101
	2.50 to <10.00	7	3.67	4	59	0.9	12	167
	10.00 to <100.00	120	19.20	2	50	3.8	371	308
	100.00 (Default)	—	—	—	—	—	—	—
	Sub-total	4,116	0.80	316	48	2.1	2,232	54
Sovereign								
	0.00 to <0.15	3,881	0.02	44	7	1.4	37	1
	0.15 to <0.25	34	0.15	1	50	0.2	8	22
	0.25 to <0.50	27	0.37	2	50	0.1	11	42
	0.50 to <0.75	—	—	—	—	—	—	—
	0.75 to <2.50	—	—	—	—	—	—	—
	2.50 to <10.00	—	—	—	—	—	—	—
	10.00 to <100.00	—	—	—	—	—	—	—
	100.00 (Default)	—	—	—	—	—	—	—
	Sub-total	3,942	0.03	47	8	1.4	56	1
Financial institution								
	0.00 to <0.15	16,157	0.05	599	52	0.9	3,141	19
	0.15 to <0.25	1,171	0.19	147	67	1.6	879	75
	0.25 to <0.50	159	0.37	26	69	1.6	181	114
	0.50 to <0.75	4	0.55	5	58	1.5	5	117
	0.75 to <2.50	34	1.00	68	50	0.4	34	100
	2.50 to <10.00	13	2.97	46	57	0.4	24	180
	10.00 to <100.00	8	15.21	7	51	1.0	24	296
	100.00 (Default)	—	—	—	—	—	—	—
	Sub-total	17,546	0.07	898	53	0.9	4,288	24
Total subject to FIRB approach		25,604	0.18	1,261	45	1.2	6,576	26
All Portfolios		27,605	0.22	2,923	45	1.2	7,546	27

¹ RWA density is calculated based on unrounded numbers.

Counterparty Credit Risk (continued)

CCR5: Composition of collateral for CCR exposures

The table below provides information about collateral posted or received by the Group to support or reduce the CCR exposures related to derivative transactions and SFTs, including transactions cleared through CCPs.

31 December 2025						
	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
	\$M	\$M	\$M	\$M	\$M	\$M
Cash – domestic currency	–	242	–	1,157	25,842	70,480
Cash – other currencies	–	3,800	–	5,806	66,255	57,275
Domestic sovereign debt	–	17	101	–	41,058	18,882
Domestic semi government	–	–	–	112	19,005	7,409
Other sovereign debt	121	171	2,751	14	51,619	61,822
Government agency debt	–	–	–	–	3,634	6,102
Corporate bonds	–	–	–	–	11,102	14,076
Equity securities	–	–	–	–	758	–
Other collateral	–	–	–	–	4,317	5,905
Total	121	4,230	2,852	7,089	223,590	241,951

30 June 2025						
	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
	\$M	\$M	\$M	\$M	\$M	\$M
Cash – domestic currency	–	418	–	818	19,407	62,762
Cash – other currencies	–	4,442	375	5,721	41,581	40,967
Domestic sovereign debt	–	18	500	–	33,938	9,377
Domestic semi government	–	–	–	152	18,871	7,964
Other sovereign debt	296	130	2,508	138	36,193	41,814
Government agency debt	–	–	–	–	3,045	1,682
Corporate bonds	–	–	–	–	11,715	14,426
Equity securities	–	–	–	–	395	–
Other collateral	–	–	–	–	2,517	3,035
Total	296	5,008	3,383	6,829	167,662	182,027

Counterparty Credit Risk (continued)

CCR6: Credit derivatives exposures

The table below shows the Group's exposures to credit derivative transactions.

	31 December 2025	
	Protection bought	Protection sold
	\$M	\$M
Notionals		
Single-name credit default swaps	164	22
Index credit default swaps	2,685	785
Total return swaps	—	—
Credit options	—	—
Other credit derivatives	—	—
Total notionals	2,849	807
Fair values		
Positive fair value (asset)	—	15
Negative fair value (liability)	(60)	—

	30 June 2025	
	Protection bought	Protection sold
	\$M	\$M
Notionals		
Single-name credit default swaps	92	23
Index credit default swaps	4,678	2,837
Total return swaps	—	—
Credit options	—	—
Other credit derivatives	—	—
Total notionals	4,770	2,860
Fair values		
Positive fair value (asset)	—	49
Negative fair value (liability)	(87)	—

Counterparty Credit Risk (continued)

CCR8: Exposures to central counterparties

The table below provides a breakdown of exposures and RWA related to the Group's exposure to CCPs.

31 December 2025		
	EAD (post-CRM)	RWA
	\$M	\$M
1 Exposures to QCCPs (total)		200
2 Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	2,647	74
3 (i) OTC derivatives	1,490	34
4 (ii) Exchange-traded derivatives	1,157	40
5 (iii) Securities financing transactions	—	—
6 (iv) Netting sets where cross-product netting has been approved	—	—
7 Segregated initial margin ¹	2,629	
8 Non-segregated initial margin	1,813	57
9 Pre-funded default fund contributions	107	69
10 Unfunded default fund contributions ²	347	—
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 Segregated initial margin is excluded from exposure calculations, as outlined in APS 180 *Capital Adequacy: Counterparty Credit Risk*.

² Unfunded default fund is excluded from exposure calculations under APS180 *Capital Adequacy: Counterparty Credit Risk*.

Counterparty Credit Risk (continued)

CCR8: Exposures to central counterparties (continued)

30 June 2025		
	EAD (post-CRM)	RWA
	\$M	\$M
1 Exposures to QCCPs (total)		216
2 Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	2,651	76
3 (i) OTC derivatives	1,575	36
4 (ii) Exchange-traded derivatives	1,076	40
5 (iii) Securities financing transactions	–	–
6 (iv) Netting sets where cross-product netting has been approved	–	–
7 Segregated initial margin ¹	3,199	
8 Non-segregated initial margin	1,381	46
9 Pre-funded default fund contributions	132	94
10 Unfunded default fund contributions ²	418	–
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 Segregated initial margin is excluded from exposure calculations, as outlined in APS 180 *Capital Adequacy: Counterparty Credit Risk*.

² Unfunded default fund is excluded from exposure calculations under APS180 *Capital Adequacy: Counterparty Credit Risk*.

8 Securitisation

SEC1: Securitisation exposures in the banking book

The table below provides the carrying values of securitisation exposures across all securitisation activities in the banking book.

31 December 2025						
	Bank acts as originator / sponsor ¹			Bank acts as investor		
	Traditional \$M	Synthetic \$M	Sub-total \$M	Traditional \$M	Synthetic \$M	Sub-total \$M
1 Retail (total)	75,037	–	75,037	14,442	–	14,442
– of which						
2 Residential mortgage	75,037	–	75,037	13,257	–	13,257
3 Credit card	–	–	–	238	–	238
4 Other retail exposures	–	–	–	947	–	947
5 Re-securitisation	–	–	–	–	–	–
6 Wholesale (total)	–	–	–	4,456	–	4,456
– of which						
7 Loans to corporates	–	–	–	–	–	–
8 Commercial loans	–	–	–	874	–	874
9 Lease and receivables ²	–	–	–	3,329	–	3,329
10 Other wholesale	–	–	–	253	–	253

¹ Includes funding only, capital relief and self-securitisation exposures.

² Includes mixed asset pools.

30 June 2025						
	Bank acts as originator / sponsor ¹			Bank acts as investor		
	Traditional \$M	Synthetic \$M	Sub-total \$M	Traditional \$M	Synthetic \$M	Sub-total \$M
1 Retail (total)	75,996	–	75,996	13,831	–	13,831
– of which						
2 Residential mortgage ²	75,996	–	75,996	12,623	–	12,623
3 Credit card	–	–	–	285	–	285
4 Other retail exposures	–	–	–	923	–	923
5 Re-securitisation	–	–	–	–	–	–
6 Wholesale (total)	–	–	–	3,901	–	3,901
– of which						
7 Loans to corporates	–	–	–	–	–	–
8 Commercial loans	–	–	–	635	–	635
9 Lease and receivables ²	–	–	–	3,051	–	3,051
10 Other wholesale	–	–	–	215	–	215

¹ Includes funding only, capital relief and self-securitisation exposures.

² Includes mixed asset pools.

Securitisation (continued)

SEC2: Securitisation exposures in the trading book

The table below provides the carrying values of the Group's securitisation exposures across all securitisation activities in the trading book.

31 December 2025						
	Bank acts as originator / sponsor			Bank acts as investor		
	Traditional \$M	Synthetic \$M	Sub-total \$M	Traditional \$M	Synthetic \$M	Sub-total \$M
1 Retail (total)	28	–	28	469	–	469
– of which						
2 Residential mortgage	28	–	28	468	–	468
3 Credit card	–	–	–	–	–	–
4 Other retail exposures	–	–	–	1	–	1
6 Wholesale (total)	–	–	–	3	–	3
– of which						
7 Loans to corporates	–	–	–	–	–	–
8 Commercial loans	–	–	–	3	–	3
9 Lease and receivables	–	–	–	–	–	–
10 Other wholesale	–	–	–	–	–	–

30 June 2025						
	Bank acts as originator / sponsor			Bank acts as investor		
	Traditional \$M	Synthetic \$M	Sub-total \$M	Traditional \$M	Synthetic \$M	Sub-total \$M
1 Retail (total)	5	–	5	199	–	199
– of which						
2 Residential mortgage	5	–	5	199	–	199
3 Credit card	–	–	–	–	–	–
4 Other retail exposures	–	–	–	–	–	–
6 Wholesale (total)	–	–	–	–	–	–
– of which						
7 Loans to corporates	–	–	–	–	–	–
8 Commercial loans	–	–	–	–	–	–
9 Lease and receivables	–	–	–	–	–	–
10 Other wholesale	–	–	–	–	–	–

Securitisation (continued)

SEC3: Securitisation exposures in the banking book and associated regulatory capital requirements – bank acting as originator or as sponsor

The table below provides exposures and associated regulatory capital requirements under APS 120 in relation to the Group's banking book securitisation activities as originator. The Group does not act as sponsor in securitisation activities.

31 December 2025															
	Exposure values (by risk weight bands)					Exposure values (by regulatory approach)			RWA (by regulatory approach)			Capital charge after cap			
	≤20%	>20%- 50%	>50%- 100%	>100%- <1,250%	1,250%	SEC- ERBA & SEC- IAA	SEC- SA	1,250%	SEC- ERBA & SEC- IAA	SEC- SA	1,250%	SEC- ERBA & SEC- IAA	SEC- SA	1,250%	
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	
1 Total exposures	61	–	–	–	–	61	–	–	11	–	–	1	–	–	
2 Traditional securitisation	61	–	–	–	–	61	–	–	11	–	–	1	–	–	
– of which:															
3 Securitisation	61	–	–	–	–	61	–	–	11	–	–	1	–	–	
– of which:															
4 Retail underlying	61	–	–	–	–	61	–	–	11	–	–	1	–	–	
6 Wholesale	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
9 Synthetic securitisation	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
– of which:															
10 Securitisation	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
– of which:															
11 Retail underlying	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
12 Wholesale	–	–	–	–	–	–	–	–	–	–	–	–	–	–	

Securitisation (continued)

SEC3: Securitisation exposures in the banking book and associated regulatory capital requirements – bank acting as originator or as sponsor (continued)

30 June 2025														
	Exposure values (by risk weight bands)					Exposure values (by regulatory approach)			RWA (by regulatory approach)			Capital charge after cap		
	≤20%	>20%-50%	>50%-100%	>100%-<1,250%	1,250%	SEC-ERBA & SEC-IAA	SEC-SA	1,250%	SEC-ERBA & SEC-IAA	SEC-SA	1,250%	SEC-ERBA & SEC-IAA	SEC-SA	1,250%
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
1 Total exposures	89	–	–	–	–	89	–	–	16	–	–	1	–	–
2 Traditional securitisation	89	–	–	–	–	89	–	–	16	–	–	1	–	–
– of which:														
3 Securitisation	89	–	–	–	–	89	–	–	16	–	–	1	–	–
of which:														
4 Retail underlying	89	–	–	–	–	89	–	–	16	–	–	1	–	–
6 Wholesale	–	–	–	–	–	–	–	–	–	–	–	–	–	–
9 Synthetic securitisation	–	–	–	–	–	–	–	–	–	–	–	–	–	–
– of which:														
10 Securitisation	–	–	–	–	–	–	–	–	–	–	–	–	–	–
of which:														
11 Retail underlying	–	–	–	–	–	–	–	–	–	–	–	–	–	–
12 Wholesale	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Securitisation (continued)

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

The table below provides exposures and associated regulatory capital requirements under APS 120 in relation to the Group's banking book securitisation activities as investor.

31 December 2025															
		Exposure values (by risk weight bands)					Exposure values (by regulatory approach)			RWA (by regulatory approach)			Capital charge after cap		
		≤20%	>20%-50%	>50%-100%	>100%-<1,250%	1,250%	SEC-ERBA & SEC-IAA	SEC-SA	1,250%	SEC-ERBA & SEC-IAA	SEC-SA	1,250%	SEC-ERBA & SEC-IAA	SEC-SA	1,250%
1	Total exposures	23,961	484	6	–	–	7,704	16,747	–	1,516	2,569	–	121	205	–
2	Traditional securitisation	23,961	484	6	–	–	7,704	16,747	–	1,516	2,569	–	121	205	–
	– of which:														
3	Securitisation	23,961	484	6	–	–	7,704	16,747	–	1,516	2,569	–	121	205	–
	of which:														
4	Retail underlying	18,744	262	6	–	–	3,835	15,177	–	748	2,308	–	60	185	–
6	Wholesale	5,217	222	–	–	–	3,869	1,570	–	768	261	–	61	20	–
9	Synthetic securitisation	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	– of which:														
10	Securitisation	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	of which:														
11	Retail underlying	–	–	–	–	–	–	–	–	–	–	–	–	–	–
12	Wholesale	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Securitisation (continued)

SEC4: Securitisation exposures in the banking book and associated capital requirements – bank acting as investor (continued)

30 June 2025

	Exposure values (by risk weight bands)					Exposure values (by regulatory approach)			RWA (by regulatory approach)			Capital charge after cap		
	≤20%	>20%- 50%	>50%- 100%	>100%- <1,250%	1,250%	SEC- ERBA & SEC- IAA	SEC- SA	1,250%	SEC- ERBA & SEC- IAA	SEC- SA	1,250%	SEC- ERBA & SEC- IAA	SEC- SA	1,250%
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
1 Total exposures	24,096	587	9	–	–	7,027	17,665	–	1,313	2,702	–	105	216	–
2 Traditional securitisation	24,096	587	9	–	–	7,027	17,665	–	1,313	2,702	–	105	216	–
– of which:														
3 Securitisation	24,096	587	9	–	–	7,027	17,665	–	1,313	2,702	–	105	216	–
of which:														
4 Retail underlying	19,647	262	9	–	–	3,953	15,965	–	793	2,422	–	63	194	–
6 Wholesale	4,449	325	–	–	–	3,074	1,700	–	520	280	–	42	22	–
9 Synthetic securitisation	–	–	–	–	–	–	–	–	–	–	–	–	–	–
– of which:														
10 Securitisation	–	–	–	–	–	–	–	–	–	–	–	–	–	–
of which:														
11 Retail underlying	–	–	–	–	–	–	–	–	–	–	–	–	–	–
12 Wholesale	–	–	–	–	–	–	–	–	–	–	–	–	–	–

9

Market Risk

Traded market risk

Traded market risk by Modelling Method

The breakdown of RWA for traded market risk by modelling method is summarised in the table below.

	31 Dec 25 \$M	30 Jun 25 \$M	31 Dec 24 \$M
Traded Market Risk RWA by Modelling Approach			
Internal model approach	8,574	7,918	6,491
Standard method	1,397	1,834	1,458
Total Traded Market Risk RWA	9,971	9,752	7,949

Traded market risk under the standard method

The capital requirement for traded market risk under the standard method is disclosed in following table.

Exposure Type	31 Dec 25 \$M	30 Jun 25 \$M	31 Dec 24 \$M
Interest rate risk	111.8	146.7	116.6
Equity risk	–	–	–
Foreign exchange risk	–	–	–
Commodity risk	–	–	–
Total	111.8	146.7	116.6
Risk Weighted Asset equivalent ¹	1,397	1,834	1,458

¹ Risk Weighted Assets equivalent is the capital requirements multiplied by 12.5 in accordance with APS 110.

Market Risk (continued)

Traded market risk (continued)

Traded market risk under the internal model

The VaR and SVaR results calculated under the internal model approach are summarised in following table.

	Aggregate VaR Over the Reporting Period			
	Mean value	Maximum value	Minimum value	As at balance date
	\$M	\$M	\$M	\$M
Average VaR ¹				
Over the 6 months to 31 December 2025	44	55	36	55
Over the 6 months to 30 June 2025	39	49	29	41
Over the 6 months to 31 December 2024	50	81	32	39

¹ 10 day, 99.0% confidence interval over the reporting period.

	Aggregate SVaR Over the Reporting Period			
	Mean value	Maximum value	Minimum value	As at balance date
	\$M	\$M	\$M	\$M
Stressed VaR ¹				
Over the 6 months to 31 December 2025	185	214	158	198
Over the 6 months to 30 June 2025	140	193	79	171
Over the 6 months to 31 December 2024	138	211	80	192

¹ 10 day, 99.0% confidence interval over the reporting period.

Market Risk (continued)

Traded market risk (continued)

Internal model approach – back-test results

The Internal model is subject to back-testing against hypothetical profit and loss. In the 6 months to 31 December 2025 there were no back-test outlier. The back-test results are summarised in the tables below. A comparison of VaR with actual gains or losses during the 6 months to 31 December 2025 are illustrated in a table below.

Summary Table of the Number of Back-Testing Outliers ¹

Over the 6 months to 31 December 2025	–
Over the 6 months to 30 June 2025	1
Over the 6 months to 31 December 2024	–

¹ 10 day, 99.0% confidence interval over the reporting period.

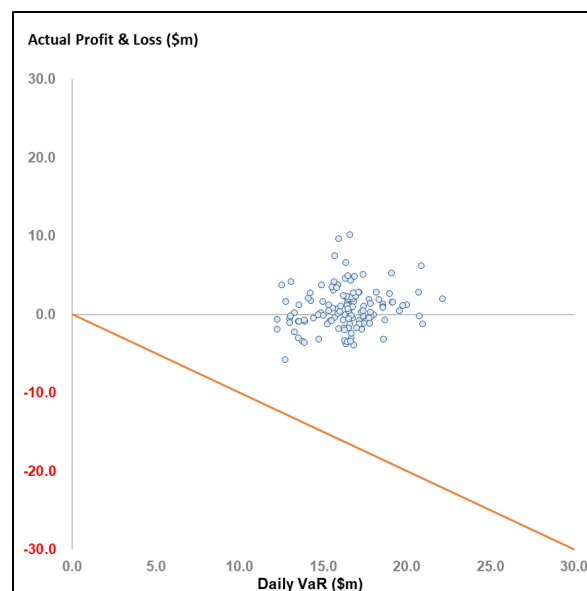
Details of back-testing outliers

Date	Over the Reporting Period 1 Jul 2025 to 31 Dec 2025	
	Hypothetical loss \$M	VaR 99% \$M
	–	–

Date	Over the Reporting Period 1 Jan 2025 to 30 Jun 2025	
	Hypothetical loss \$M	VaR 99% \$M
4 April 2025	32	16

Date	Over the Reporting Period 1 Jul 2024 to 31 Dec 2024	
	Hypothetical loss \$M	VaR 99% \$M
	–	–

Comparison of VaR estimates outliers with actual gains/losses experiences for the 6 months ended 31 December 2025



Market Risk (continued)

Non-traded market risk

Interest Rate Risk in the Banking Book

IRRBB RWA decreased \$4.7 billion or 12% on the prior half to \$35.2 billion, driven by the implementation of the revised APS 117, effective 1 October 2025, partly offset by higher long-term interest rates in Australia reducing embedded gains.

	31 Dec 25	30 Jun 25	31 Dec 24
Regulatory RWA	\$M	\$M	\$M
Interest rate risk in the banking book	35,179	39,841	41,679

IRRBBA: IRRBB risk management objectives and policies

IRRBB refers to the risk to the Group's capital and earnings that arises from adverse movements in interest rates and spreads. This risk materialises through changes in the economic value of assets and liabilities, or through variability in net interest income, due to mismatches in the repricing characteristics of balance sheet items.

Risk management and governance

IRRBB risk management operates in accordance with Group's risk management framework to identify, measure, monitor and respond to material IRRBB risks. The risk management of IRRBB is enabled by appropriate governance, reporting, policies, procedures, standards, infrastructure, data, accountabilities within a 3LoA approach and skilled staff.

Group Audit & Assurance (GA&A) is the Internal Audit function of the CBA Group. It provides independent and objective assurance to the Board Audit Committee (BAC), Board Risk and Compliance Committee (BRCC) and Board People and Remuneration Committee (BPRC) Committees of the CBA Board of Directors. As part of its responsibilities, it conducts independent reviews of the risk management framework for IRRBB in accordance with Prudential Standard APS 117 *Capital Adequacy: Interest Rate Risk in the Banking Book* (APS 117) (effective 1 October 2025 paragraph 59). Its independent reviews include effectiveness of the model governance of the risk measurement models and associated documentation from Line 1 and Line 2 Model Risk and Validation in accordance with the CBA Audit Methodology and the Prudential Guide APG 117 *Capital Adequacy: IRRBB* (APG 117).

Banking net interest income sensitivity and economic value of equity sensitivity

Banking book activities include lending, investing in liquid assets, deposit taking, issuing wholesale funding and managing capital. These activities generate interest income and expense, and expose the Group to interest rate risk which arises as a result of inherent mismatches in the interest rate repricing of assets and liabilities. Because of these mismatches, changes in interest rates can create volatility and adversely affect both the earnings and capital within the banking book.

The Group measures and manages the impact of interest rate risk in two key ways:

- Next 12 Months' Earnings Interest rate risk from an earnings perspective is the impact based on changes to the net interest income over the next 12 months. The risk to net interest income over the next 12 months from changes in interest rates is measured on a monthly basis. Earnings risk is measured through a sensitivity analysis which applies an instantaneous 200 basis point parallel shock in interest rates across the yield curve. The prospective change to net interest income is measured by using an Asset and Liability Management simulation model. Assets and liabilities that reprice directly from observable market rates are measured based on the full extent of the rate shock that is applied. Products that are priced based on Group administered or discretionary interest rates and that are impacted by customer behaviour are measured by taking into consideration the historic repricing strategy of the Group; and
- Market Value Sensitivity (MVS) measures the potential economic value loss of the balance sheet under adverse market conditions. It is defined as the largest loss across three prescribed repricing scenarios and a historical simulation of diversified and undiversified interest rate and spread movements. These historical movements are modelled using eight years of 10-day overlapping intervals, scaled to a one-year horizon, and assessed at a 97.5% expected shortfall confidence level.

Active management of IRRBB

Methods such as interest rate sensitivity, change in market value sensitivity, change in net interest income, stress testing, and internal capital adequacy assessment procedures are used to measure and analyse the risk. The established IRRBB limits and early warning indicators cascading from Board to desk level ensures risks are actively managed within risk appetite via implementing hedging strategies which are supported by collaborative engagement between line 1 and line 2 to ensure emerging risks are proactively managed. Early warnings and breach handling mechanisms, daily IRRBB stress testing and risk metric monitoring are integrated into the management decision-making process.

The Group's banking subsidiaries, ASB and CBA Europe N.V., each manage their own domestic IRRBB in accordance with their respective risk management policies and the policies of the Group. The Group's objective is to manage interest rate risk to achieve stable and sustainable earnings over the long term.

The Group applies hedge accounting to align derivative gains and losses with the exposures they hedge. Hedges are designated as fair value, cash flow, or net investment hedges, with formal documentation, strict effectiveness testing, and the recognition of gains or losses in profit or loss or other comprehensive income, as appropriate.

Market Risk (continued)

Non-traded market risk (continued)

IRRBB: IRRBB risk management objectives and policies (continued)

Interest rate shock and stress scenarios

IRRBB Stress Testing is used to assess the impact of severe yet plausible adverse interest rate movements (that may not have occurred in the past) on the Group's capital and earnings. The results are used to identify balance sheet vulnerabilities, to inform management of IRRBB risk and to guide policy and limit design and setting. The scenarios are a combination of standardised shocks (e.g. the six Bank for International Settlements standard outlier tests) and scenario narratives (e.g. a severe inflation shock).

Modelling

The Group's Model Risk Framework includes policy, standards and procedures as well as governance committees and a Group Model Register (GMR). This framework applies to IRRBB models and requires the model owner to document the model, including the assumptions, and the independent model validator is required to review and challenge the assumptions in their independent model validation report. The validation report is required for model assurance and is part of the model approval process. The report includes model findings which inform the model's overall (fit-for-purpose) risk rating. The findings, including those related to assumptions, are recorded in the GMR where they are tracked to resolution. IRRBB models are subject to regular review at the model technical sub-committee and materiality-based re-validation to ensure that they remain fit-for-purpose, are appropriate for changing market conditions and subjected to regular model monitoring. Design, documentation, operation, data, change, assumptions, limitations (gaps), performance and operation under stress are all considered throughout the life of a model.

For Economic Value sensitivities, CBA splits the balance sheet in-line with the market-related/non-market-related split as prescribed in APS117. The economic value of non-market-related items are measured off a funding centre value (which excludes margins), while market-related items are fully revalued based on market pricing (including margins). CBA has very few products that require prepayment rates (CPR) to be applied. When required, CPRs are based on historic prepayment analysis of the underlying product.

For NII sensitivities, CBA assumes a constant balance sheet, and projects interest income inclusive of margins. Individual products margins are assumed to be stable over the forward period and all new business is assumed to be variable rate so that it does not introduce new interest rate risk into future periods. All customer pricing is floored at 0%. Deposits with discretionary interest rates have pass-on percentage assumptions applied relative to moves in the cash rate. The pass-on assumptions for interest bearing non-maturity deposits are modelled within the approved models based on historical pass-through behaviour. The average repricing maturity for non-maturity deposits is also assessed within the approved deposit models with a maximum reprice term of 5 years.

The Group does not have any internal modelling assumptions that significantly deviate from the disclosed modelling outputs for IRRBB.

Quantitative information on IRRBB

The average repricing maturity for non-maturity deposits, as of 31 December 2025, was 2.5 years and the longest repricing maturity permitted under APS 117 is 5 years.

Market Risk (continued)

Non-traded market risk (continued)

IRRBB1: Quantitative information on IRRBB

The table below provides information about changes in the Group's economic value of equity and net interest income under prescribed interest rate shock scenarios to support APRA in identifying outliers and supervisory concerns in banks' IRRBB profiles.

Quantitative information on IRRBB	31 December 2025		Tier 1 capital \$M
	ΔEVE \$M	ΔNII \$M	
Parallel up	(991)	1,945	
Parallel down	1,097	(3,322)	
Steepener	11		
Flattener	(231)		
Short rate up	(574)		
Short rate down	647		
Maximum	(991)	(3,322)	
Tier 1 capital			69,829

Quantitative information on IRRBB (AUD)	31 Dec 25	
	ΔEVE \$M	ΔNII \$M
Parallel up	(431)	1,665
Parallel down	523	(2,557)
Steepener	(302)	
Flattener	203	
Short rate up	34	
Short rate down	12	
Maximum	(431)	(2,557)

Quantitative information on IRRBB (USD) ¹	31 Dec 25	
	ΔEVE \$M	ΔNII \$M
Parallel up	(69)	136
Parallel down	60	(142)
Steepener	91	
Flattener	(107)	
Short rate up	(121)	
Short rate down	124	
Maximum	(121)	(142)

¹ Includes other immaterial currencies.

Market Risk (continued)

Non-traded market risk (continued)

IRRBB1: Quantitative information on IRRBB (continued)

	31 Dec 25	
	Δ EVE	Δ NII
Quantitative information on IRRBB (NZD)	\$M	\$M
Parallel up	(491)	144
Parallel down	514	(623)
Steeper	222	
Flattener	(327)	
Short rate up	(487)	
Short rate down	511	
Maximum	(491)	(623)

10 Operational Risk

OR2: Business indicator and subcomponents

The table below provides information in relation to the business indicator (BI) and its subcomponents used in the calculation of the Group's operational risk capital and RWA for the period from 30 September 2025 to 31 December 2025.

BI and its subcomponents	30 Jun 25 \$M	30 Jun 24 \$M	30 Jun 23 \$M
1 Interest, lease and dividend component ^{1 2}	21,586		
1a Interest and lease income	61,393	57,467	43,214
1b Interest and lease expense	39,580	36,663	21,288
1c Interest earning assets ³	1,295,435	1,208,556	1,200,232
1d Dividend income	137	55	25
2 Services component ^{1 4}	3,484		
2a Fee and commission income	3,134	3,023	2,818
2b Fee and commission expense	87	88	86
2c Other operating income	217	139	202
2d Other operating expense	646	556	274
3 Financial component ^{1 5}	2,452		
3a Net P&L on the trading book	2,990	2,384	1,445
3b Net P&L on the banking book	61	307	168
4 BI ⁶	27,522		
5 Business indicator component (BIC) ⁷	4,083		
Disclosure on the BI:			
6a BI gross of excluded divested activities	27,522		
6b Reduction in BI due to excluded divested activities	—		

1 Business indicator components represent averages for the most recent three financial years.

2 The interest, lease and dividend component is calculated as the lesser of the average net interest and lease income and 2.25% of interest earning assets, plus the average of dividend income.

3 Interest earning assets as at the end of each financial year.

4 The services component is calculated as the higher of the average fee and commission income and expense, plus the higher of the average other operating income and expense.

5 The financial component is calculated as the sum of the average net profit or loss on the trading and banking book.

6 Business indicator is a sum of the interest, lease and dividend component, services component and financial component.

7 Calculated as the business indicator multiplied by 12%, plus 3% of the amount by which the business indicator exceeds \$1.5 billion.

Operational Risk (continued)

OR2: Business indicator and subcomponents (continued)

The table below provides information in relation to the business indicator (BI) and its subcomponents used in the calculation of the Group's operational risk capital and RWA for the period from 30 September 2024 to 30 June 2025.

BI and its subcomponents	30 Jun 24 \$M	30 Jun 23 \$M	30 Jun 22 \$M
1 Interest, lease and dividend component ^{1 2}	20,540		
1a Interest and lease income	57,467	43,214	23,973
1b Interest and lease expense	36,663	21,288	5,162
1c Interest earning assets ³	1,208,556	1,200,232	1,149,427
1d Dividend income	55	25	–
2 Services component ^{1 4}	3,286		
2a Fee and commission income	3,023	2,818	2,896
2b Fee and commission expense	88	86	119
2c Other operating income	139	202	204
2d Other operating expense	556	274	292
3 Financial component ^{1 5}	1,873		
3a Net P&L on the trading book	2,384	1,445	797
3b Net P&L on the banking book	307	168	518
4 BI ⁶	25,699		
5 Business indicator component (BIC) ⁷	3,810		
Disclosure on the BI:			
6a BI gross of excluded divested activities	25,773		
6b Reduction in BI due to excluded divested activities ⁸	(74)		

1 Business indicator components represent averages for the most recent three financial years.

2 The interest, lease and dividend component is calculated as the lesser of the average net interest and lease income and 2.25% of interest earning assets, plus the average of dividend income.

3 Interest earning assets as at the end of each financial year.

4 The services component is calculated as the higher of the average fee and commission income and expense, plus the higher of the average other operating income and expense.

5 The financial component is calculated as the sum of the average net profit or loss on the trading and banking book.

6 Business indicator is a sum of the interest, lease and dividend component, services component and financial component.

7 Calculated as the business indicator multiplied by 12%, plus 3% of the amount by which the business indicator exceeds \$1.5 billion.

8 The Group completed the sale of PT Bank Commonwealth (PTBC) on 1 May 2024. The calculation of the BI excludes the divested activities of PTBC.

Operational Risk (continued)

OR3: Minimum required operational risk capital

The table below presents the operational risk regulatory capital requirements.

	31 Dec 25 \$M	30 Jun 25 \$M
1 Business indicator component (BIC)	4,083	3,810
2 Internal loss multiplier (ILM) ¹	n/a	n/a
3 Minimum required operational risk capital (ORC)	4,083	3,810
Other regulatory capital charges	—	—
4 Operational risk RWA ²	51,041	47,624

1 APS 115 does not prescribe an internal loss multiplier.

2 Operational risk RWA is operational risk capital multiplied by 12.5.

Operational risk RWA increased \$3.4 billion or 7.2% on the prior half to \$51.0 billion following the annual update of the business indicator component of operational risk capital based on the Group's 2025 financial report. The increase was driven by higher average net interest income over the years ended 30 June 2025, 2024 and 2023 due to higher interest rates and lending growth.

11 Liquidity Risk

LIQ1: Liquidity Coverage Ratio

The Group calculates its LCR position on a daily basis, ensuring a buffer is maintained over the minimum regulatory requirement of 100% and the Board's risk appetite. The Group maintained an average LCR of 132% in the December 2025 quarter. On a spot basis, the LCR ranged between 123% and 142% over the quarter.

The Group's mix of liquid assets consists of HQLA, such as cash, deposits with central banks, Australian semi-government and Commonwealth government securities. Liquid assets also include securities classified as liquid assets by the RBNZ. Liquid assets are distributed across the Group to support regulatory and internal requirements and are consistent with the distribution of liquidity needs by currency. Average liquid assets increased \$0.6 billion or 0.3% over the quarter.

NCO are modelled under an APRA prescribed 30 day severe liquidity stress scenario. The Group manages modelled NCO by maintaining a large base of low LCR outflow customer deposits and actively managing its wholesale funding maturity profile as part of its overall liquidity management strategy. Average NCO increased \$1.9 billion or 1.3% over the quarter, mainly due to an increase in deposit cash outflows and decreased cash inflows within the 30-day window.

	31 Dec 25 ¹		30 Sep 25 ¹	
	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
	\$M	\$M	\$M	\$M
High-quality liquid assets				
1 Total HQLA ²		198,944		198,331
Cash outflows				
2 Retail deposits and deposits from small business customers, of which:	523,272	42,616	510,663	41,491
3 Stable deposits	299,323	14,966	293,396	14,670
4 Less stable deposits	223,949	27,650	217,267	26,821
5 Unsecured wholesale funding, of which:	205,425	86,046	204,247	87,656
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks	102,900	24,789	101,074	24,359
7 Non-operational deposits (all counterparties)	92,776	51,508	92,404	52,528
8 Unsecured debt	9,749	9,749	10,769	10,769
9 Secured wholesale funding		6,368		5,469
10 Additional requirements, of which:	209,548	29,260	204,506	28,243
11 Outflows related to derivative exposures and other collateral requirements	7,324	7,324	7,235	7,235
12 Outflows related to loss of funding on debt products	—	—	—	—
13 Credit and liquidity facilities	202,224	21,936	197,271	21,008
14 Other contractual funding obligations	—	—	—	—
15 Other contingent funding obligations	100,783	11,592	100,970	14,000
16 Total cash outflows		175,882		176,859
Cash inflows				
17 Secured lending (e.g. reverse repos)	54,717	6,083	57,411	6,698
18 Inflows from fully performing exposures	16,427	11,318	15,721	11,146
19 Other cash inflows	7,500	7,500	9,903	9,903
20 Total cash inflows	78,644	24,901	83,035	27,747
		Total adjusted value		Total adjusted value
21 Total HQLA		198,944		198,331
22 Total net cash outflows		150,981		149,112
23 Liquidity Coverage Ratio (%)		132		133
Number of data points used (Business days)		64		65

¹ The averages presented are calculated as simple averages of daily observations over the previous quarter.

² Includes RBNZ securities of \$1.4 billion and alternative liquid assets (ALA) of \$nil (30 September 2025: RBNZ securities \$0.1 billion; ALA \$nil).

Liquidity Risk (continued)

LIQ2: Net Stable Funding Ratio

The NSFR requires Australian ADIs to have sufficient Available Stable Funding (ASF) to meet their Required Stable Funding (RSF) over a one year horizon. The Group calculates its NSFR position daily, ensuring a buffer is maintained over the regulatory requirement of 100% and the Board's risk appetite. The ASF and RSF are calculated by applying factors prescribed by APRA, to liabilities, assets and off-balance sheet commitments.

The Group's main sources of ASF are deposits from retail and SME customers, wholesale funding and capital. The main contributors to RSF are residential mortgages and loans to business and corporate customers.

The NSFR increased from 116% at 30 September 2025 to 117% at 31 December 2025. Over the period, the Group's ASF increased 2.5% mainly due to growth in retail and SME deposits, and an increase in wholesale funding. RSF increased 2.0% mainly due to growth in residential mortgages, and financial institution and non-financial institution lending.

As at 31 December 2025					
Unweighted value by residual maturity					Weighted value
	No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
	\$M	\$M	\$M	\$M	\$M
Available stable funding (ASF) item					
1 Capital:	77,360	–	–	42,340	119,701
2 Regulatory capital	77,360	–	–	42,340	119,701
3 Other capital instruments	–	–	–	–	–
4 Retail deposits and deposits from small business customers:	512,405	135,057	25	143	600,375
5 Stable deposits	298,485	51,382	6	8	332,387
6 Less stable deposits	213,920	83,675	19	135	267,988
7 Wholesale funding:	171,267	265,145	77,436	109,126	256,868
8 Operational deposits	101,303	–	–	–	50,652
9 Other wholesale funding	69,964	265,145	77,436	109,126	206,216
10 Liabilities with matching interdependent assets	–	–	–	–	–
11 Other liabilities:	–	22,094	170	1,613	1,698
12 NSFR derivative liabilities	–	11,626	–	–	–
13 All other liabilities and equity not included in the above categories	–	10,468	170	1,613	1,698
14 Total ASF					978,642
Required Stable Funding (RSF) Item					
15a Total NSFR high-quality liquid assets (HQLA)					7,345
15b ALA					–
15c RBNZ Securities					323
16 Deposits held at other financial institutions for operational purposes					–
17 Performing loans and securities:	12,646	159,458	74,901	923,472	774,060
18 Performing loans to financial institutions secured by Level 1 HQLA	8,610	69,985	2,870	1,950	11,245
19 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	4,036	35,759	22,067	51,844	68,846
20 Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	–	42,085	39,540	162,230	178,045
21 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	–	654	689	3,313	2,824
22 Performing residential mortgages, of which:	–	8,307	8,396	695,961	503,015
are standard loans to individuals with a LVR of 80% or below	–	6,229	6,484	510,418	338,128
24 Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	–	3,322	2,028	11,487	12,909
25 Assets with matching interdependent liabilities	–	–	–	–	–
26 Other assets:	12,181	31,943	2,245	25,540	44,996
27 Physical traded commodities, including gold	12,181	–	–	–	10,354
28 Assets posted as initial margin for derivative contracts and contributions to default funds of central counterparties (CCPs)	–	1,788	–	–	1,520
29 NSFR derivative assets	–	7,147	–	–	–
30 NSFR derivative liabilities before deduction of variation margin posted	–	20,227	–	–	4,045
31 All other assets not included in the above categories	–	2,781	2,245	25,540	29,077
32 Off-balance sheet items	–	229,461	–	–	11,454
33 Total RSF					838,178
34 Net Stable Funding Ratio (%)					117

Liquidity Risk (continued)

LIQ2: Net Stable Funding Ratio (continued)

As at 30 September 2025					
Unweighted value by residual maturity					
	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:	75,983	–	–	42,975	118,958
2 Regulatory capital	75,983	–	–	42,975	118,958
3 Other capital instruments	–	–	–	–	–
4 Retail deposits and deposits from small business customers:	496,381	133,992	15	30	584,394
5 Stable deposits	288,859	51,416	9	3	323,273
6 Less stable deposits	207,522	82,576	6	27	261,121
7 Wholesale funding:	168,719	262,799	65,053	109,738	249,742
8 Operational deposits	102,410	–	–	–	51,205
9 Other wholesale funding	66,309	262,799	65,053	109,738	198,537
10 Liabilities with matching interdependent assets	–	–	–	–	–
11 Other liabilities:	–	29,221	172	1,644	1,730
12 NSFR derivative liabilities	–	11,650	–	–	–
13 All other liabilities and equity not included in the above categories	–	17,571	172	1,644	1,730
14 Total ASF					954,824
Required Stable Funding (RSF) Item					
15a Total NSFR high-quality liquid assets (HQLA)					6,794
15b ALA					–
15c RBNZ Securities					317
16 Deposits held at other financial institutions for operational purposes					–
17 Performing loans and securities:	15,858	153,140	72,887	897,939	751,307
18 Performing loans to financial institutions secured by Level 1 HQLA	12,203	64,149	7,112	3,422	14,613
19 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	3,655	36,635	21,872	44,430	61,409
20 Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	–	39,848	34,109	159,443	171,783
21 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	–	692	673	3,604	3,025
22 Performing residential mortgages, of which:	–	8,485	8,193	681,199	492,281
are standard loans to individuals with a LVR of 80% or below	–	6,354	6,258	496,753	329,195
24 Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	–	4,023	1,601	9,445	11,221
25 Assets with matching interdependent liabilities	–	–	–	–	–
26 Other assets:	11,179	36,361	9,618	26,471	52,165
27 Physical traded commodities, including gold	11,179	–	–	–	9,502
28 Assets posted as initial margin for derivative contracts and contributions to default funds of central counterparties (CCPs)	–	1,531	–	–	1,301
29 NSFR derivative assets	–	7,477	–	–	–
30 NSFR derivative liabilities before deduction of variation margin posted	–	17,594	–	–	3,519
31 All other assets not included in the above categories	–	9,759	9,618	26,471	37,843
32 Off-balance sheet items	–	229,038	–	–	11,347
33 Total RSF					821,930
34 Net Stable Funding Ratio (%)					116

12 Appendices

KM1: Key metrics

The table below provides key regulatory metrics in relation to the Group's regulatory capital (including buffer requirements and ratios), RWA, leverage ratio, liquidity coverage ratio and net stable funding ratio.

	31 Dec 25 \$M	30 Sep 25 \$M	30 Jun 25 \$M	31 Mar 25 \$M	31 Dec 24 \$M
Available capital (amounts)					
1 Common Equity Tier 1 (CET1)	61,922	58,933	60,967	57,513	58,871
2 Tier 1	69,829	66,840	68,874	66,785	68,143
3 Total capital	104,261	101,908	103,703	100,229	99,705
Risk-weighted assets (amounts)					
4 Total risk-weighted assets (RWA)	505,310	501,446	496,145	484,491	482,369
4a Total risk-weighted assets (pre-floor)	505,310	501,446	496,145	484,491	482,369
Risk-based capital ratios as a percentage of RWA					
5 CET1 ratio (%)	12.3	11.8	12.3	11.9	12.2
5b CET1 ratio (%) (pre-floor ratio)	12.3	11.8	12.3	11.9	12.2
6 Tier 1 ratio (%)	13.8	13.3	13.9	13.8	14.1
6b Tier 1 ratio (%) (pre-floor ratio)	13.8	13.3	13.9	13.8	14.1
7 Total capital ratio (%)	20.6	20.3	20.9	20.7	20.7
7b Total capital ratio (%) (pre-floor ratio)	20.6	20.3	20.9	20.7	20.7
Additional CET1 buffer requirements as a percentage of RWA					
8 Capital conservation buffer requirement (%)	3.75	3.75	3.75	3.75	3.75
9 Countercyclical buffer requirement (%)	0.84	0.84	0.83	0.83	0.83
10 Bank G-SIB and/or D-SIB additional requirements (%)	1.0	1.0	1.0	1.0	1.0
11 Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	5.59	5.59	5.58	5.58	5.58
12 CET1 available after meeting the bank's minimum capital requirements (%) ¹	7.8	7.3	7.8	7.4	7.7
Basel III Leverage ratio					
13 Total Basel III leverage ratio exposure measure	1,497,194	1,478,547	1,453,694	1,410,610	1,393,974
14 Basel III leverage ratio (%)	4.7	4.5	4.7	4.7	4.9
Liquidity Coverage Ratio (LCR)					
15 Total high-quality liquid assets (HQLA)	198,944	198,331	183,896	186,402	175,257
16 Total net cash outflow	150,981	149,112	141,075	140,072	138,117
17 LCR ratio (%)	132	133	130	133	127
Net Stable Funding Ratio (NSFR)					
18 Total available stable funding	978,642	954,824	938,762	927,375	909,249
19 Total required stable funding	838,178	821,930	813,996	796,982	780,913
20 NSFR ratio (%)	117	116	115	116	116

¹ Represents CET1 capital in excess of the regulatory minimum requirement of 4.5%.

Appendices (continued)

Capital

CC1: Composition of regulatory capital

The table below, which provides the breakdown of the Group's regulatory capital as at 31 December 2025, should be read in conjunction with CC2: Reconciliation of regulatory capital to balance sheet. Further details on the key drivers of the movement in capital are provided on page 8.

	31 Dec 25 \$M	Reconciliation Table Reference
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	33,580	Table A
2 Retained earnings	44,953	
3 Accumulated other comprehensive income (and other reserves)	(1,367)	
4 Directly issued capital subject to phase-out from CET1 capital (only applicable to non-joint stock companies)	—	
5 Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1 capital)	—	
6 Common Equity Tier 1 capital before regulatory adjustments	77,166	
Common Equity Tier 1 capital: regulatory adjustments		
7 Prudent valuation adjustments	(12)	
8 Goodwill (net of related tax liability)	(5,270)	Table B
9 Other intangibles other than mortgage servicing rights (MSR) (net of related tax liability)	(2,970)	Table B
10 Deferred tax assets (DTA) that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	—	Table C
11 Cash flow hedge reserve	1,113	
12 Shortfall of provisions to expected losses	—	
13 Securitisation gain on sale	—	
14 Gains and losses due to changes in own credit risk on fair valued liabilities	(37)	
15 Defined benefit pension fund net assets	(407)	
16 Investments in own shares (if not already subtracted from 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, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	—	
19 Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	—	
20 MSR (amount above 10% threshold)	—	
21 DTA arising from temporary differences (amount above 10% threshold, net of related tax liability)	—	Table C
22 Amount exceeding the 15% threshold	—	
23 of which: significant investments in the common stock of financials	—	
24 of which: MSR	—	
25 of which: DTA arising from temporary differences	—	
26 National specific regulatory adjustments	(7,661)	
26a of which: treasury shares	195	Table A
26b of which: offset to dividends declared due to 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	(2,795)	Table F
26e of which: deferred tax assets not reported in rows 10, 21 and 25	(2,890)	Table C
26f of which: capitalised expenses	(1,381)	
26g of which: investments in commercial (non-financial) entities that are deducted under APRA prudential requirements	(583)	Table F
26h of which: covered bonds in excess of asset cover in pools	—	
26i of which: undercapitalisation of a non-consolidation subsidiary	—	
26j of which: other national specific regulatory adjustments not reported in rows 26a to 26i	(207)	
27 Regulatory adjustments applied to Common Equity Tier 1 capital due to insufficient Additional Tier 1 and Tier 2 capital to cover deductions	—	
28 Total regulatory adjustments to Common Equity Tier 1 capital	(15,244)	
29 Common Equity Tier 1 capital (CET1)	61,922	

Appendices (continued)

CC1: Composition of regulatory capital (continued)

	31 Dec 25	Reconciliation Table Reference
	\$M	
Additional Tier 1 capital: instruments		
30 Directly issued qualifying additional Tier 1 instruments plus related stock surplus	7,907	
31 of which: classified as equity under applicable accounting standards	–	
32 of which: classified as liabilities under applicable accounting standards	7,907	Table D
33 Directly issued capital instruments subject to phase-out from additional Tier 1 capital	–	
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 additional Tier 1 capital)	–	
35 of which: instruments issued by subsidiaries subject to phase-out	–	
36 Additional Tier 1 capital before regulatory adjustments	7,907	Table D
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, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	–	
40 Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation	–	
41 National specific regulatory adjustments	–	
42 Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	–	
43 Total regulatory adjustments to additional Tier 1 capital	–	
44 Additional Tier 1 capital (AT1)	7,907	
45 Tier 1 capital (T1 = CET1 + AT1)	69,829	
Tier 2 capital: instruments and provisions		
46 Directly issued qualifying Tier 2 instruments plus related stock surplus	32,790	Table E
47 Directly issued capital instruments subject to phase-out from Tier 2 capital	–	
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 Tier 2)	–	
49 of which: instruments issued by subsidiaries subject to phase-out	–	
50 Provisions	2,228	
51 Tier 2 capital before regulatory adjustments	35,018	
Tier 2 capital: regulatory adjustments		
52 Investments in own Tier 2 instruments	(30)	
53 Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities	–	
54 Investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	(556)	
54a Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions (for G-SIBs only)	–	
55 Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	–	
56 National specific regulatory adjustments	–	
57 Total regulatory adjustments to Tier 2 capital	(586)	
58 Tier 2 capital	34,432	
59 Total regulatory capital (= Tier 1 + Tier 2)	104,261	
60 Total risk-weighted assets	505,310	

Appendices (continued)

CC1: Composition of regulatory capital (continued)

	31 Dec 25 % / \$M	Reconciliation Table Reference
Capital adequacy ratios and buffers		
61 Common Equity Tier 1 capital (as a percentage of risk-weighted assets)	12.3	
62 Tier 1 capital (as a percentage of risk-weighted assets)	13.8	
63 Total capital (as a percentage of risk-weighted assets)	20.6	
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	10.09	
65 of which: capital conservation buffer requirement	3.75	
66 of which: bank-specific countercyclical buffer requirement	0.84	CCyB1
67 of which: higher loss absorbency requirement (D-SIB)	1.00	
68 Common Equity Tier 1 capital (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements	7.8	
National minima (if different from Basel III)		
69 National minimum Common Equity Tier 1 capital adequacy ratio (if different from Basel III minimum)	—	
70 National minimum Tier 1 capital adequacy ratio (if different from Basel III minimum)	—	
71 National minimum Total capital adequacy ratio (if different from Basel III minimum)	—	
Amounts below the thresholds for deduction (before risk-weighting)		
72 Non-significant investments in the capital and other TLAC liabilities of other financial entities	869	Table F
73 Significant investments in the common stock of financial entities	1,926	Table F
74 MSR (net of related tax liability)	—	
75 DTA arising from temporary differences (net of related tax liability)	2,890	Table C
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)	84	
77 Cap on inclusion of provisions in Tier 2 capital under standardised approach	285	
78 Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to internal ratings-based approach (prior to application of cap)	2,145	
79 Cap for inclusion of provisions in Tier 2 capital under internal ratings-based approach	2,293	

¹ Comprises a minimum CET1 ratio of 4.5%, capital conservation buffer of 3.75% (per row 65), D-SIB buffer of 1% (per row 67) and a countercyclical capital buffer (per row 66).

Appendices (continued)

CC2: Reconciliation of regulatory capital to balance sheet

The table below provides comparison between the Group's consolidated balance sheet in accordance with the published financial statements and the regulatory balance sheet for the Level 2 Regulatory consolidated Group as at 31 December 2025. For further details on the balance sheet, refer to the financial statements in the 31 December 2025 Profit Announcement.

	Balance sheet as in published financial statements \$M	Under regulatory scope of consolidation \$M	Reference
Assets			
Cash and liquid assets	82,606	82,605	
Receivables from financial institutions	7,299	7,299	
Assets at fair value through income statement	117,676	117,676	
Derivative assets	19,673	19,673	
Investment securities:			
At amortised cost	471	471	
At fair value through other comprehensive income	115,215	115,215	
Assets held for sale	4	4	
Loans and other receivables	1,040,881	1,039,082	
Investment in regulatory non-consolidated subsidiaries	–	89	Table F
Property, plant and equipment	3,537	3,537	
Intangible assets	8,296	8,296	Table B
Deferred tax assets	3,143	3,143	Table C
Other assets	9,927	9,927	
Total assets	1,408,728	1,407,017	
Liabilities			
Deposits and other public borrowings	982,534	982,688	
Payables to financial institutions	32,982	32,982	
Liabilities at fair value through income statement	66,562	66,562	
Derivative liabilities	22,477	22,477	
Current tax liabilities	397	395	
Deferred tax liabilities	104	104	Table C
Provisions	3,098	3,098	
Term funding from central banks	16	16	
Debt issues	169,499	167,654	
Bills payable and other liabilities	15,888	15,936	
Loan capital	37,939	37,939	Table D
Total liabilities	1,331,496	1,329,851	
Shareholders' equity			
Ordinary share capital	33,580	33,580	Table A
Reserves	(1,367)	(1,367)	
Retained profits	45,019	44,953	
Total shareholders' equity	77,232	77,166	

Appendices (continued)

CC2: Reconciliation of regulatory capital to balance sheet (continued)

Reconciliation between detailed capital disclosures template and regulatory balance sheet

The following supplementary tables provide information in relation to the reconciliation of regulatory capital to the balance sheet for the Level 2 Group.

Table A	31 Dec 25 \$M	Template Reference
Share Capital		
Total per Balance Sheet (Ordinary Share Capital) ¹	33,580	Row 1
Treasury Shares held by the Group's employee share scheme trusts (APRA specific adjustment)	195	Row 26a
Total Ordinary Share Capital and Treasury Shares	33,775	

Table B	31 Dec 25 \$M	Template Reference
Goodwill and Other Intangibles		
Total per Balance Sheet ¹	8,296	
Less capitalised software and other intangibles separately disclosed in template	(3,026)	
Total per Capital Template - Goodwill	5,270	Row 8
Other intangibles (including capitalised software) per Balance Sheet	3,026	
Less deferred tax liability associated with other intangibles	(56)	
Total per Capital Template - Other Intangibles	2,970	Row 9

Table C	31 Dec 25 \$M	Template Reference
Deferred Tax Assets		
Deferred tax assets per Balance Sheet ¹	3,143	
Less deferred tax liabilities per Balance Sheet ¹	(104)	
Net Deferred Tax Assets ²	3,039	
Adjustments required in accordance with APRA prudential standards ³	(149)	
Total per Capital Template	2,890	Row 26e, 75

¹ Represents the balance per Level 2 Regulatory Balance Sheet.

² Represents the balance of deferred tax assets net of deferred tax liabilities per Level 2 Regulatory Balance Sheet.

³ Represents the deferred tax balances associated with reserves ineligible for inclusion in regulatory capital, intangibles and the impact of limitations of netting of balances within the same jurisdiction.

Appendices (continued)

CC2: Reconciliation of regulatory capital to balance sheet (continued)

Table D	31 Dec 25 \$M	Template Reference
Additional Tier 1 Capital		
Total Loan Capital per Balance Sheet ¹	37,939	
Add fair value hedge adjustments ²	2,677	
Total Loan Capital net of issue costs at their contractual values	40,616	
Less amount related to Tier 2 Capital Instruments	(32,743)	
Total Tier 1 Loan Capital	7,873	
Add issue costs ³	34	
Total per Capital Template	7,907	Row 36
Additional Tier 1 Capital Instruments comprises		
Basel III Complying Instruments		
PERLS XII	1,650	
PERLS XIII	1,180	
PERLS XIV	1,750	
PERLS XV	1,777	
PERLS XVI	1,550	
Total Additional Tier 1 Capital Instruments	7,907	Row 36

Table E	31 Dec 25 \$M	Template Reference
Tier 2 Capital Instruments		
Total included in Balance Sheet	32,743	
Less amount of Tier 2 debt issued by subsidiary ineligible for inclusion in the Group's Capital	–	
Add issue costs ³	47	
Less amortisation of instruments ⁴	–	
Total per Capital Template	32,790	Row 46, 47

¹ Represents the balance per Level 2 Regulatory Balance Sheet.

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

³ Unamortised issue costs relating to capital instruments are netted off against each instrument in the Balance Sheet. For regulatory capital purposes, these capital instruments are shown at face value. The unamortised issue costs are deducted from CET1 as part of capitalised expenses in Row 26f in the Table CC1.

⁴ APRA requires these instruments to be amortised by 20% of the original amount during each of the last five years to maturity.

Details on the main features of capital instruments included in the Group's regulatory capital (Ordinary Share Capital, Additional Tier 1 Capital and Tier 2 Capital) as required by APS 330 can be found at Commbank.com.au/regulatorydisclosures.

Appendices (continued)

CC2: Reconciliation of regulatory capital to balance sheet (continued)

Table F	31 Dec 25 \$M	Template Reference
Equity Investments		
Investment in commercial entities	583	Row 26g
Investments in significant financial entities	1,837	Row 26d, 73
Investments in non-significant financial entities	869	Row 26d, 72
	3,289	
Equity investment in non-consolidated subsidiaries	89	Row 26d, 73
Total per Capital Template ^{1 2}	3,378	

1 Equity investments are included in assets at fair value through income statement, investment securities, investment in regulatory non-consolidated subsidiaries and other assets in the Level 2 Group balance sheet.

2 The aggregate of investments in significant financial entities of \$1,837 million, investments in non-significant financial entities of \$869 million and equity investment in non-consolidated subsidiaries of \$89 million is a total of \$2,795 million and is included in Row 26d in CC1. The remaining balance of \$583 million related to investments in commercial entities.

Appendices (continued)

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

CCyB, which is effective for Australian ADIs from 1 January 2016, represents an extension to the capital conservation buffer and may require an ADI to hold additional CET1 capital of up to 3.5%. The CCyB is calculated as the sum of the specific buffer set by APRA with respect to Australian private sector exposures and the weighted average for offshore private sector exposures where the CCyB has been enacted.

31 December 2025				
Geographical breakdown ¹	Countercyclical capital buffer rate %	RWA used in the computation of the countercyclical capital buffer \$M	Bank-specific countercyclical capital buffer rate %	Countercyclical capital buffer ² amount \$M
Australia	1.00	325,367		
United Kingdom	2.00	3,145		
Ireland	1.50	1,436		
France	1.00	972		
Luxembourg	0.50	602		
Netherlands	2.00	480		
Germany	0.75	402		
Hong Kong	1.00	362		
South Korea	1.00	284		
Spain	0.50	193		
Other	0.50 to 2.50	148		
Sum ³		333,391		
Other ⁴		68,145		
Total		401,536	0.84	4,245

¹ The geographical allocation is prepared on an ultimate risk basis.

² The countercyclical capital buffer amount has been calculated using unrounded numbers.

³ Jurisdictions where non-zero countercyclical capital buffer rates apply.

⁴ Jurisdictions where countercyclical capital buffer rates of zero have been applied.

Appendices (continued)

CCyB1: Geographical distribution of credit exposures used in the calculation of the bank-specific countercyclical capital buffer requirement (continued)

30 June 2025				
Geographical breakdown ¹	Countercyclical capital buffer rate %	RWA used in the computation of the countercyclical capital buffer \$M	Bank-specific countercyclical capital buffer rate %	Countercyclical capital buffer ² amount \$M
Australia	1.00	312,994		
United Kingdom	2.00	3,641		
Ireland	1.50	1,369		
France	1.00	829		
Germany	0.75	579		
Luxembourg	0.50	431		
Hong Kong	1.00	418		
Netherlands	2.00	411		
South Korea	1.00	328		
Sweden	2.00	44		
Other	0.50 to 2.50	57		
Sum ³		321,101		
Other ⁴		70,480		
Total		391,581	0.83	4,125

¹ The geographical allocation is prepared on an ultimate risk basis.

² The countercyclical capital buffer amount has been calculated using unrounded numbers.

³ Jurisdictions where non-zero countercyclical capital buffer rates apply.

⁴ Jurisdictions where countercyclical capital buffer rates of zero have been applied.

Appendices (continued)

Leverage ratio

Leverage ratio is a non-risk-based measure introduced to supplement the risk-based capital requirements. It is designed to constrain the build-up of excessive leverage in the banking system. In accordance with APS 110, the ratio is calculated by dividing Tier 1 Capital by the total leverage ratio exposure measure.

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

The table below provides a reconciliation of the Group's total assets as at 31 December 2025 in accordance with the published financial statements and the total leverage ratio exposures determined under APS 110.

The key differences between the Group's total assets in accordance with the published financial statements and the total leverage ratio exposure measure are as follows:

- measurement of derivative financial instruments in accordance with accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB), compared to the application of the standardised approach for measuring counterparty credit risk exposures (SA-CCR) for the purposes of the leverage ratio exposure measure;
- off-balance sheet instruments are generally not recognised as assets in the financial statements but included in the calculation of the total leverage ratio exposure measure;
- SFTs exposures recognised in the financial statements at their reporting date values are included in the leverage ratio exposure measure based on the average month-end values during the quarter. In addition, SFTs exposures are adjusted to reflect counterparty credit risk in the calculation of the leverage ratio exposure measure; and
- total assets in accordance with the published financial statements are adjusted for regulatory capital deductions related to the Group's assets.

	31 Dec 25 \$M	30 Jun 25 \$M
1 Total consolidated assets as per published financial statements	1,408,728	1,353,799
2 Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	89	89
3 Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	(1,799)	(2,045)
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	–	–
7 Adjustments for eligible cash pooling transactions	(2,207)	(2,305)
8 Adjustments for derivative financial instruments	2,852	8,581
9 Adjustment for securities financing transactions (i.e. repurchase agreements and similar secured lending)	(15,753)	(5,767)
10 Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	121,422	117,606
11 Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	–	–
12 Other adjustments	(16,138)	(16,264)
13 Leverage ratio exposure measure	1,497,194	1,453,694

Appendices (continued)

LR2: Leverage ratio common disclosure template

The table below shows the leverage ratio calculation and includes additional breakdowns of the leverage ratio exposure measure. Refer to page 12 for the details on the movements in the leverage ratio.

	31 Dec 25 \$M	30 Jun 25 \$M
On-balance sheet exposures		
1 On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	1,292,890	1,248,216
2 Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	–	8,253
3 (Deductions of receivable assets for cash variation margin provided in derivatives transactions)	(5,141)	(5,177)
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)	(18,345)	(18,569)
7 Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	1,269,404	1,232,723
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)	6,696	9,430
9 Add-on amounts for potential future exposure associated with all derivatives transactions	20,949	20,734
10 (Exempted central counterparty (CCP) leg of client-cleared trade exposures)	–	–
11 Adjusted effective notional amount of written credit derivatives	808	2,860
12 (Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(785)	(2,799)
13 Total derivative exposures (sum of rows 8 to 12)	27,668	30,225
Securities financing transaction exposures		
14 Gross SFT assets (with no recognition of netting), after adjustment for sale accounting transactions	114,453	101,450
15 (Netted amounts of cash payables and cash receivables of gross SFT assets)	(39,203)	(31,714)
16 Counterparty credit risk exposure for SFT assets	3,450	3,404
17 Agent transaction exposures	–	–
18 Total securities financing transaction exposures (sum of rows 14 to 17)	78,700	73,140
Other off-balance sheet exposures		
19 Off-balance sheet exposure at gross notional amount	237,112	229,011
20 (Adjustments for conversion to credit equivalent amounts)	(115,690)	(111,405)
21 (Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	–	–
22 Off-balance sheet items (sum of rows 19 to 21)	121,422	117,606
Capital and total exposures		
23 Tier 1 capital	69,829	68,874
24 Total exposures (sum of rows 7, 13, 18 and 22)	1,497,194	1,453,694
Leverage ratio		
25 Leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	4.7	4.7
25a Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	4.7	4.7
26 National minimum leverage ratio requirement (%)	3.5	3.5
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	75,250	69,736
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)	1,497,194	1,453,694
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)	1,497,194	1,453,694
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	4.7
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	4.7

Appendices (continued)

Liquidity Risk

ENC: Asset encumbrance

The table below presents the carrying value of the Group's encumbered and unencumbered assets. For the purposes of this disclosure, encumbered assets are assets that the Group is restricted or prevented from liquidating, selling, transferring or assigning due to legal, regulatory, contractual or other constraints. The Group's sources of encumbrance include assets pledged under repurchase agreements, covered bonds, external securitisation and collateral. As at 31 December 2025, the Group has \$143.6 billion of encumbered assets, which is predominantly debt securities of \$75.4 billion and loans and advances of \$57.5 billion.

	31 Dec 2025		
	Encumbered assets \$M	Unencumbered assets \$M	Total \$M
Cash and liquid assets	173	82,433	82,606
Assets at fair value through income statement	58,069	59,607	117,676
Investment securities	17,309	98,377	115,686
Loans and other receivables	57,515	983,366	1,040,881
Property, plant and equipment	1,929	1,608	3,537
Other ¹	8,601	39,741	48,342
Total assets ²	143,596	1,265,132	1,408,728

¹ Represents other residual items disclosed in the balance sheet, as per the Group's published financial statements.

² Total assets reflect the consolidated balance sheet number as reported in the Group's published financial statements.

	30 Jun 2025		
	Encumbered assets \$M	Unencumbered assets \$M	Total \$M
Cash and liquid assets	135	83,684	83,819
Assets at fair value through income statement	50,236	46,134	96,370
Investment securities	8,211	99,440	107,651
Loans and other receivables	54,418	953,338	1,007,756
Property, plant and equipment	1,994	1,569	3,563
Other ¹	8,724	45,916	54,640
Total assets ²	123,718	1,230,081	1,353,799

¹ Represents other residual items disclosed in the balance sheet, as per the Group's published financial statements.

² Total assets reflect the consolidated balance sheet number as reported in the Group's published financial statements.

Management attestation**Commonwealth Bank of Australia attests that:**

Prudential disclosures for the Commonwealth Bank of Australia and its subsidiaries (the Group) are prepared in accordance with the "Disclosure requirements" Standard made by the Basel Committee on Banking Supervision, subject to modifications specified in APRA Prudential Standard APS 330 *Public Disclosure* (APS 330). In line with APS 330, the Group maintains a Board-approved disclosure policy that sets out the Group's approach to determining the content of its prudential disclosures, and the internal controls and procedures for disclosures, including review and verification processes. The Group's Pillar 3 Capital Adequacy and Risk Disclosures as at 31 December 2025 have been prepared in accordance with the Group's disclosure policy.



Alan Docherty

Group Chief Financial Officer

11 February 2026

Term	Definition
Additional Tier 1 Capital (AT1)	Additional Tier 1 Capital is a concept defined by APRA and consists of high quality capital that essentially provides a permanent and unrestricted commitment of funds, is freely available to absorb losses, ranks behind the claims of depositors and other senior creditors in the event of a wind-up, and provides for fully discretionary capital distributions.
Advanced Internal Ratings-based (AIRB) Approach	This approach is used to measure credit risk in accordance with the Group's Basel III accreditation. This allows the Group to use internal estimates of PD and LGD (excluding senior unsecured and subordinated corporate exposures), with supervisory estimates to be used for EAD for the purposes of calculating regulatory capital.
ASB	ASB Bank Limited – a subsidiary of the Commonwealth Bank of Australia that is regulated by the RBNZ.
Australian Accounting Standards	The Australian Accounting Standards as issued by the Australian Accounting Standards Board (AASB).
Australian Prudential Regulation Authority (APRA)	The Australian Prudential Regulation Authority is an independent statutory authority that supervises institutions across banking, insurance and superannuation, and is accountable to the Australian parliament. The regulator of banks, insurance companies and superannuation funds, credit unions, building societies and friendly societies in Australia.
Authorised Deposit-taking Institution (ADI)	ADIs are corporations that are authorised under the <i>Banking Act 1959</i> (Cth) to carry on banking business in Australia.
Banking Book	The banking book is a term for assets on a bank's Balance Sheet that are expected to be held to maturity, usually consisting of customer loans to, and deposits from retail and corporate customers. The banking book can also include those derivatives that are used to hedge exposures arising from the banking book activity, including interest rate risk.
Basel III	Refers to the Basel Committee on Banking Supervision's framework for more resilient banks and banking systems issued in December 2010 (revised in June 2011), Capital requirements for bank exposures to central counterparties (July 2012), and the subsequent Basel III reforms finalised in December 2017.
Capital Floor	The capital floor is defined as the higher of total RWA as determined under the IRB approach, and 72.5% of total RWA as calculated under the standardised approach.
CBA	Commonwealth Bank of Australia – the head entity of the Group.
Central Counterparty (CCP)	A clearing house that interposes itself between counterparties to contracts traded in one or more financial markets, thereby ensuring the future performance of open contracts.
Collective Provision	All loans and receivables that do not have an individually assessed provision are assessed collectively for impairment. The Collective Provision is maintained to reduce the carrying value of the portfolio of loans to their estimated recoverable amounts. These provisions are reported in the Group's Financial Statements in accordance with Australian Accounting Standards (AASB 9 <i>Financial Instruments</i>).
Commercial Property	Basel asset class – a property exposure that is not a residential property or a land acquisition, development and construction exposure.
Common Equity Tier 1 (CET1) Capital	The highest quality of capital available to the Group reflecting the permanent and unrestricted commitment of funds that are freely available to absorb losses. It comprises ordinary share capital, retained earnings and reserves, less prescribed deductions.
Corporate	This includes commercial credit risk where annual revenues are greater than or equal to \$75 million but less than \$750 million.
Corporate - Large	Basel asset class – applies to commercial credit risk where annual revenues are more than \$750 million.
Credit Valuation Adjustment (CVA) Risk	The risk of mark-to-market losses related to deterioration in the credit quality of a derivative counterparty.
Domestic Public Sector Entity	Basel asset class – exposures that do not meet the definition of Sovereign exposures, but have a level of control or ownership by any level of the Australian Government or the RBA, including those which do not have specific revenue-raising powers.
Exposure at Default (EAD)	The extent to which the Group may be exposed if a borrower defaults.

Glossary (continued)

Term	Definition
Extended Licenced Entity (ELE)	An Extended Licensed Entity comprises an ADI and any of its subsidiaries specified in an approval granted by APRA under Prudential Standard APS 222 <i>Associations with Related Entities</i> .
External Credit Assessment Institution (ECAI)	For example: Moody's Investor Services, S&P Global Ratings or Fitch Ratings.
Financial Institution	Basel asset class – primarily includes exposures which relate to: banking, the management of financial assets, lending, factoring, leasing, provision of credit enhancements, securitisation, investments, financial custody, central counterparty services, and proprietary trading.
Foundation Internal Ratings-based (FIRB) Approach	This approach is used to measure credit risk in accordance with the Group's Basel III accreditation that allows the Group to use internal estimates of PD and rely on supervisory estimates for LGD and EAD for the purposes of calculating regulatory capital.
General Provisions	Collective Provisions classified as Stage 1 and Stage 2 in accordance with Australian Accounting Standards (AASB 9 <i>Financial Instruments</i>). All Stage 2 provisions are held on a purely forward-looking basis for future losses presently unidentified; hence all Stage 2 provisions (together with Stage 1) are classified as General Provisions.
Group	Commonwealth Bank of Australia and its subsidiaries.
High-Quality Liquid Assets (HQLA)	Assets are considered to be high-quality liquid assets if they can be easily and immediately converted into cash at little or no loss of value.
Individual provisions	Provisions made against individual facilities where there is objective evidence of impairment and full recovery of principal and interest is considered doubtful. These provisions are as reported in the Group's Financial Statements in accordance with the Australian Accounting Standards (AASB 9 <i>Financial Instruments</i>). Also known as individually assessed provisions or IAP.
Interest Rate Risk in the Banking Book (IRRBB)	Interest Rate Risk in the Banking Book is the risk that the Bank's profit derived from Net Interest Income (interest earned less interest paid), in current and future periods, is adversely impacted by changes in interest rates. This is measured from two perspectives: firstly by quantifying the change in the net present value of the Balance Sheet's future earnings potential, and secondly as the anticipated change to Net Interest Income earned over 12 months.
Level 1	The Parent Bank (Commonwealth Bank of Australia), offshore branches (the Bank) and APRA approved Extended Licensed Entities.
Level 2	The level at which the Group reports its capital adequacy to APRA, being the Consolidated Banking Group comprising the ADI and all of its subsidiary entities other than the insurance business and certain entities through which securitisation of Group assets is conducted. This is the basis on which this report has been produced.
Level 3	The conglomerate group including the Group's insurance entity and qualifying securitisation entities.
Leverage Ratio	Tier 1 Capital divided by total exposures, expressed as a percentage.
Liquidity Coverage Ratio (LCR)	The LCR is a quantitative liquidity measure that is part of the Basel III reforms. It was implemented by APRA in Australia on 1 January 2015. It requires Australian ADIs to hold sufficient liquid assets to meet 30-day net cash outflows projected under an APRA prescribed stress scenario.
Loss Given Default (LGD)	An estimate of the expected severity of loss for a credit exposure following a default event. LGD represents the fraction of EAD that is not expected to be recovered following a default.
Net Cash Outflows (NCO)	Net cash outflows in the LCR are calculated by applying prescribed run-off factors on liabilities and various off Balance Sheet exposures that can generate a cash outflow in the next 30 days.
Net Stable Funding Ratio (NSFR)	The NSFR more closely aligns the behaviour term of assets and liabilities. It is the ratio of the amount of available stable funding (ASF) to the amount of required stable funding (RSF). ASF is the portion of an ADI's capital and liabilities expected to be a reliable source of funds over a one-year time horizon. RSF is a function of the liquidity characteristics and residual maturities of an ADI's assets and off Balance Sheet activities.

Glossary (continued)

Term	Definition
Non-performing	Credit exposures are classified as non-performing when they are in default. Default is considered to have occurred with regards to a particular borrower or counterparty when either: - they are 90 calendar days or more past due on a credit obligation to the Group; and/or - the Group considers they are unlikely to pay their credit obligations to the Group in full, without recourse by the Group to actions such as realising available security. A credit exposure that has been classified as non-performing may be reclassified to performing when all of the following criteria are met: - the borrower or counterparty does not have any credit exposure 90 days or more past-due; - the borrower's or counterparty's situation has improved so that full repayment of the credit exposure is likely; - repayments have been made when due over a continuous repayment period of at least 90 calendar days, or at least six months for restructured exposures; and - no individually assessed provision is held.
Operational Risk under the Standardised Measurement Approach	The methodology used to measure operational risk, utilising an APRA prescribed formulaic approach which is largely dependent on profit or loss from ordinary banking activities.
Other Assets	Basel asset class – primarily includes Cash Items, Investments in Related Entities, Fixed Assets, Lease Assets and Margin Lending.
Other Retail	Basel asset class – primarily includes retail credit exposures not otherwise classed as a residential mortgage, SME retail or a qualifying revolving retail asset.
Past Due	Facilities are past due when a contracted amount, including principal or interest, has not been met when due, or when it is otherwise outside contracted arrangements.
Probability of Default (PD)	The PD reflects a borrower's ability to generate sufficient cash flows in the future to meet the terms of all of its credit obligations to the Group.
Prudential Capital Requirement (PCR)	The regulatory minimum CET1, Tier 1 and Total Capital ratios that the Group is required to maintain at all times.
Qualifying Revolving Retail (QRR)	Basel asset class – represents revolving exposures less than \$0.1 million to individuals, unsecured and unconditionally cancellable by the Group. Only Australian retail credit cards qualify for this asset class.
RBA	Reserve Bank of Australia.
RBNZ	Reserve Bank of New Zealand.
RBNZ regulated entities	All references to RBNZ regulated entities refer to RBNZ regulated subsidiaries and include ASB exposures for which RWA are calculated using the RBNZ's prudential rules subject to certain APRA-prescribed adjustments.
Residential Mortgage	Basel asset class – retail exposures secured by residential mortgage property.
Risk Weighted Assets (RWA)	The value of the Group's on and off Balance Sheet assets are adjusted by risk weights calculated according to various APRA prudential standards.
Scaling Factor	In order to broadly maintain the aggregate level of capital in the global financial system post implementation of Basel II, the Basel Committee on Banking Supervision applies a scaling factor to the RWA amounts for credit risk under the IRB Retail, AIRB and FIRB approaches of 1.10. This is also applied to advanced exposures within RBNZ regulated entities.
Securities Financing Transactions (SFT)	APRA defines securities financing transactions as transactions such as repurchase agreements, reverse repurchase agreements, security lending and borrowing, and margin lending transactions, where the value of the transactions depends on the market valuation of securities and the transactions are typically subject to margin agreements.
Securitisation	Basel asset class – Group originated securitised exposures and the provision of facilities to customers in relation to securitisation activities.
SME corporate	Basel asset class – Small and Medium Enterprise (SME) commercial credit risk where annual revenues are less than \$75 million.
SME retail	Basel asset class – Small and Medium Enterprise (SME) commercial credit risk where annual revenues are less than \$75 million and exposures are less than \$1.5 million.

Glossary (continued)

Term	Definition
Sovereign	Basel asset class – primarily claims on Australian and foreign governments, central banks (including the RBA), international banking agencies and regional development banks.
Specialised Lending	Basel asset classes subject to the supervisory slotting approach which include: object finance, project finance and commodity finance.
Specific Provisions	All provisions, both collectively and individually assessed, classified as Stage 3 in accordance with Australian Accounting Standards (AASB 9 <i>Financial Instruments</i>).
Stage 1	On origination, an impairment provision equivalent to 12 months expected credit losses (ECL) is recognised, reflecting the credit losses expected to arise from defaults occurring over the next 12 months.
Stage 2	Financial assets that have experienced a significant increase in credit risk (SICR) since origination are transferred to Stage 2 and an impairment provision equivalent to lifetime ECL is recognised. Lifetime ECL is the credit losses expected to arise from defaults occurring over the remaining life of financial assets. If credit quality improves in a subsequent period such that the increase in credit risk since origination is no longer considered significant the exposure is reclassified to Stage 1 and the impairment provision reverts to 12 months ECL.
Stage 3	Non-performing (defaulted) financial assets are transferred to Stage 3 and an impairment provision equivalent to lifetime ECL is recognised.
Standardised Approach	An alternate approach to the assessment of credit, operational and traded market risk whereby an ADI uses external ratings agencies to assist in assessing credit risk and/or the application of specific values provided by regulators to determine RWA.
Stressed Value-at-Risk (SVaR)	Stressed Value-at-Risk uses the same methodology as VaR except that the historical data used is taken from a one-year observation period of significant market volatility as seen during the Global Financial Crisis.
Tier 1 Capital	Comprises CET1 and Additional Tier 1 Capital.
Tier 2 Capital	Capital items that fall short of the necessary conditions to qualify as Tier 1 Capital.
Total Capital	Comprises CET1, Additional Tier 1 Capital and Tier 2 Capital.
Total Exposures (as used in the leverage ratio)	The sum of on Balance Sheet items, derivatives, securities financing transactions (SFTs), and off Balance Sheet items, net of any Tier 1 regulatory deductions that are already included in these items, as outlined in APS 110 <i>Capital Adequacy</i> (APS 110) Attachment D.
Trading Book	Exposures, including derivative products and other off Balance Sheet instruments that are held either with a trading intent or to hedge other elements of the trading book.
Value-at-Risk (VaR)	Value-at-Risk is a measure of potential loss using historically observed market volatility and correlation between different markets.

Important information

The material in this report is current as at the date of this report, 11 February 2026.

This report may contain certain forward-looking statements with respect to the financial condition, capital adequacy, operations and business of the Group. Forward-looking statements can generally be identified by the use of words such as “may”, “will”, “would”, “could”, “expect”, “aim”, “estimate” or other similar words, and include statements regarding the Group’s intent, belief or current expectations with respect to the Group’s business and operations, market conditions, results of operations and financial condition, capital adequacy and risk management. Such forward-looking statements speak only as at the date of this report and undue reliance should not be placed upon such statements. Past performance is not a reliable indicator of future performance. Although the Group currently believes the forward-looking statements have a reasonable basis, they are not certain and involve known and unknown risks and assumptions, many of which are beyond the control of the Group, which may cause actual results, conditions or circumstances to differ materially from those expressed or implied in such statements.

Actual results may vary significantly from those anticipated or suggested by forward-looking statements, due to a range of factors, including but not limited to those outlined in the sections titled ‘Our operating context’ and ‘Managing our risks’ in our 2025 Annual Report, available at commbank.com.au/annualreport. Readers are cautioned not to place undue reliance on forward-looking statements, particularly in light of: current economic conditions, the increasingly complex geopolitical setting, competitive intensity and the evolving technological landscape.

To the maximum extent permitted by law, responsibility for the accuracy or completeness of any forward-looking statements, whether as a result of new information, future events or results or otherwise, is disclaimed. The Group is under no obligation to update any of the forward-looking statements contained within this report, subject to applicable disclosure requirements.

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