

# HSBC Bank Australia Limited

Pillar 3 Disclosures at 30 June 2025  
Consolidated Basis



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# Introduction

## Purpose

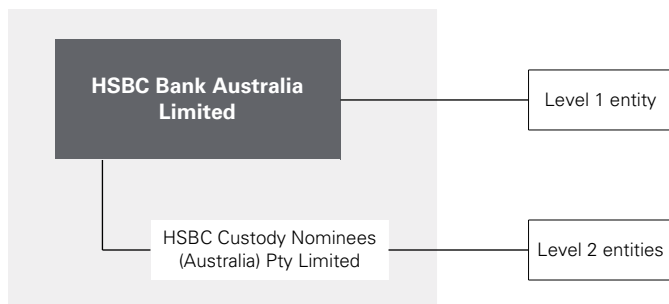
HSBC Bank Australia Limited ('HBAU') is an Authorised Deposit-taking Institution ('ADI') regulated by the Australian Prudential Regulation Authority ('APRA'), under the authority of the Banking Act 1959.

This report has been prepared by HBAU to meet its disclosure requirements under APRA's revised prudential standard APS 330: Public Disclosure ('APS 330') effective 1 January 2025, which integrated APS 330 disclosure requirements with the Basel Committee on Banking Supervision ('BCBS Standard') titled 'Disclosure requirements', with some national specific modifications.

## Scope of application

For regulatory reporting purposes, HBAU establishes two levels of reporting; Level 1, which is HBAU on stand-alone basis, and Level 2, which is the consolidation of HBAU and all its subsidiaries ('Consolidated basis').

The Pillar 3 disclosures are based on Level 2 – Consolidated basis.



## Basis of preparation

This report has been prepared in accordance with the templates and tables as set out in the BCBS Standard, subject to the modifications specified in APS 330.

Unless otherwise stated, the amounts presented in this report are for the quarter ended 30 June 2025, and all amounts are reported in Australian dollars. The abbreviation '\$m' is used to represent millions.

## Capital management strategy

HBAU has adopted the APRA Standardised Approach for Credit, Market and Operational Risks as of 1 January 2008.

The Bank's capital management strategy aims to ensure adequate capital levels are maintained and capital is measured and managed in line with Prudential Standards issued by APRA. The Bank's Internal Capital Adequacy Assessment Process ('ICAAP') provides the framework to ensure that the Bank is capitalised to meet internal capital targets and APRA's requirements. The ICAAP is reviewed regularly and the Bank's capital position is monitored on a continuous basis.

## Frequency and availability of disclosures

The quarterly, semi-annual and annual Pillar 3 disclosures for HBAU can be viewed under the 'Financial disclosures' tab at <https://www.about.hsbc.com.au/hsbc-in-australia>.

In addition, the Bank's main features of capital instruments are updated on an ongoing basis and are available at the Regulatory Disclosures section of HBAU's website referenced in the paragraph above.

## Verification

The Pillar 3 disclosures are not required to be audited by an external auditor. However, the disclosures have been appropriately verified internally and are consistent with information that is lodged or published elsewhere or that has been already supplied to APRA.

## Attestation

As the Chief Financial Officer of HSBC Bank Australia Limited, I attest that the information presented in this Pillar 3 report has been prepared by HSBC Bank Australia Limited to meet its disclosure requirements set out in APRA's prudential standard APS 330 Public Disclosure ('APS 330') and has been prepared in accordance with our policy and procedure on disclosure controls and prudential disclosures.

**Lettina Evans**  
Chief Financial Officer

26 August 2025

# Overview of Key Prudential Metrics

Table KM1 provides an overview of a bank's prudential regulatory metrics.

KM1: Key metrics (at consolidated group level)

		At				
		30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024
		\$m	\$m	\$m	\$m	\$m
<b>Available capital (amounts)</b>						
1	Common Equity Tier 1 ('CET1')	2,675.8	2,602.7	2,523.1	2,538.6	2,403.7
2	Tier 1	3,075.8	3,002.7	2,923.1	2,938.6	2,803.7
3	Total capital	3,444.2	3,370.5	3,291.8	3,304.3	3,171.2
<b>Risk-weighted assets (amounts)</b>						
4	Total risk-weighted assets ('RWAs')	21,979.4	21,768.8	21,697.4	21,351.6	21,203.0
<b>Risk-based capital ratios as a percentage of RWAs</b>						
5	CET1 ratio (%)	12.2	12.0	11.6	11.9	11.3
6	Tier 1 ratio (%)	14.0	13.8	13.5	13.8	13.2
7	Total capital ratio (%)	15.7	15.5	15.2	15.5	15.0
<b>Additional CET1 buffer requirements as a percentage of RWAs</b>						
8	Capital conservation buffer requirement (2.5% from 2019) (%) <sup>1</sup>	2.5	2.5	2.5	2.5	2.5
9	Countercyclical buffer requirement (%)	0.98	0.98	0.98	0.98	0.98
10	Bank G-SIB and/or D-SIB additional requirements (%) <sup>2</sup>	N/A	N/A	N/A	N/A	N/A
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	3.5	3.5	3.5	3.5	3.5
12	CET1 available after meeting the bank's minimum capital requirements (%) <sup>3</sup>	7.7	7.5	7.1	7.4	6.8
<b>Basel III Leverage ratio</b>						
13	Total Basel III leverage ratio exposure measure <sup>4</sup>	N/A	N/A	N/A	N/A	N/A
14	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) <sup>4</sup>	N/A	N/A	N/A	N/A	N/A
<b>Liquidity Coverage Ratio ('LCR')</b>						
15	Total high-quality liquid assets ('HQLA')	20,244.1	20,155.6	18,629.5	17,437.6	16,827.1
16	Total net cash outflow	11,490.6	11,311.5	11,012.5	10,309.4	10,110.9
17	LCR ratio (%)	176.2	178.2	169.2	169.1	166.4
<b>Net Stable Funding Ratio ('NSFR')</b>						
18	Total available stable funding	44,348.0	44,638.4	44,841.2	43,150.7	42,127.4
19	Total required stable funding	30,718.3	30,443.0	30,542.6	30,832.6	30,788.7
20	NSFR ratio (%)	144.4	146.6	146.8	140.0	136.8

1 Total of 2.5% capital conservation buffer requirement for Standardised Approach deposit-taking institutions per APRA Prudential Standard 110 ('APS 110').

2 Not required as HBAU is not a Global Systematically Important Bank ('G-SIB') and/or Domestic Systematically Important Bank ('D-SIB').

3 Calculated as the difference between CET1 ratio and the minimum CET1 requirement of 4.5% per APS 110.

4 Not required for Standardised Approach authorised deposit-taking institutions.

# Overview of Risk Weighted Assets ('RWAs')

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

Total RWAs increased by \$210.6m during the June 2025 quarter and the primary drivers were as follows:

- Credit risk RWAs increased by \$169.9m with an increase in the retail secured lending portfolio from growth in mortgage lending volumes.
- Counterparty credit risk ('CCR') RWAs increased by \$5.8m driven by higher trading volumes in foreign exchange contracts.

Table OV1 provides an overview of total RWA and the corresponding minimum capital requirements.

OV1: Overview of Risk Weighted Assets ('RWAs')

	RWAs		Minimum capital requirements
	At 30 Jun 2025 \$m	At 31 Mar 2025 \$m	At 30 Jun 2025 \$m
1 <b>Credit risk (excluding counterparty credit risk)</b>	<b>19,563.1</b>	19,393.2	<b>1,565.1</b>
2 – of which: standardised approach ('SA')	<b>19,563.1</b>	19,393.2	<b>1,565.1</b>
6 <b>Counterparty credit risk ('CCR')</b>	<b>107.8</b>	102.0	<b>8.6</b>
7 – of which: standardised approach for counterparty credit risk	<b>107.8</b>	102.0	<b>8.6</b>
10 <b>Credit valuation adjustment ('CVA')</b>	<b>14.0</b>	13.7	<b>1.1</b>
16 <b>Securitisation exposures in banking book</b>	<b>22.4</b>	23.6	<b>1.8</b>
19 – of which: securitisation standardised approach ('SEC-SA')	<b>22.4</b>	23.6	<b>1.8</b>
20 <b>Market risk</b>	<b>75.6</b>	39.8	<b>6.1</b>
21 – of which: standardised approach ('SA')	<b>75.6</b>	39.8	<b>6.1</b>
24 <b>Operational risk</b>	<b>2,196.5</b>	2,196.5	<b>175.7</b>
29 <b>Total (1 + 6 + 10 + 16 + 20 + 24)</b>	<b>21,979.4</b>	21,768.8	<b>1,758.4</b>

# Composition of Capital

Table CC1 provides a breakdown of regulatory capital requirements and adjustment under APRA's guidance.

CC1: Composition of regulatory capital

		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	CC2 reference
		At 30 Jun 2025 \$m		
	Common Equity Tier 1 capital: instruments and reserves			
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	811.0		E1
2	Retained earnings	2,100.9	Table A	E3
3	Accumulated other comprehensive income (and other reserves)	21.3	Table B	E2
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	2,933.2		
	Common Equity Tier 1 capital: regulatory adjustments			
7	Prudent valuation adjustments	—		
8	Goodwill (net of related tax liability)	58.7	Table C	A13
9	Other intangibles other than mortgage servicing rights ('MSR') (net of related tax liability)	5.9	Table C	A13
10	Deferred tax assets ('DTA') that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	—		
11	Cash flow hedge reserve	(0.2)		
13	Securitisation gain on sale	—		
14	Gains and losses due to changes in own credit risk on fair valued liabilities	—		
15	Defined benefit pension fund net assets	—		
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	Mortgage service rights (amount above 10% threshold)	—		
21	DTA arising from temporary differences (amount above 10% threshold, net of related tax liability)	—		
22	Amount exceeding the 15% threshold	—		
23	of which: significant investments in the common stock of financials	—		
24	of which: MSR	—		
25	of which: DTA arising from temporary differences	—		
26	National specific regulatory adjustments	193.0		
AU-26(a)	of which: treasury shares	—		
AU-26(b)	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	—		
AU-26(c)	of which: deferred fee income	—		
AU-26(d)	of which: equity investments in financial institutions not reported in rows 18, 19 and 23	4.0		
AU-26(e)	of which: deferred tax assets not reported in rows 10, 21 and 25	76.9	Table E	A12
AU-26(f)	of which: capitalised expenses	112.1		
AU-26(g)	of which: investments in commercial (non-financial) entities that are deducted under APRA prudential requirements	—		
AU-26(h)	of which: covered bonds in excess of asset cover in pools	—		
AU-26(i)	of which: undercapitalisation of a non-consolidated subsidiary	—		
AU-26(j)	of which: other national specific regulatory adjustments not reported in rows 26(a) to 26(i)	—		
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	257.4		
29	Common Equity Tier 1 capital ('CET1')	2,675.8		
	Additional Tier 1 capital: instruments			
30	Directly issued qualifying additional Tier 1 instruments plus related stock surplus	400.0		
31	of which: classified as equity under applicable accounting standards	400.0		
32	of which: classified as liabilities under applicable accounting standards	—		
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	400.0		

CC1: Composition of regulatory capital (continued)

		Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	CC2 reference
		Amounts	
		At 30 Jun 2025	
		\$m	
	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	—	
AU-41(a)	of which: holdings of capital instruments in group members by other group members on behalf of third parties	—	
AU-41(b)	of which: investments in the capital of financial institutions that are outside the scope of regulatory consolidations not reported in rows 39 and 40	—	
AU-41(c)	of which: other national specific regulatory adjustments not reported in rows 41(a) and 41(b)	—	
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')	400.0	
45	Tier 1 capital (T1 = CET1 + AT1)	3,075.8	
	Tier 2 capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	350.0	L8
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	18.4	Table D
51	Tier 2 capital before regulatory adjustments	368.4	
	Tier 2 capital: regulatory adjustments		
52	Investments in own Tier 2 instruments	—	
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)	—	
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	—	
58	Tier 2 capital	368.4	
59	Total regulatory capital (= Tier 1 + Tier2)	3,444.2	
60	Total risk-weighted assets	21,979.4	
	Capital adequacy ratios and buffers		
61	Common Equity Tier 1 capital (as a percentage of risk-weighted assets)	12.2	
62	Tier 1 capital (as a percentage of risk-weighted assets)	14.0	
63	Total capital (as a percentage of risk-weighted assets)	15.7	
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)	7.0	
65	of which: capital conservation buffer requirement <sup>1</sup>	2.5	
66	of which: bank-specific countercyclical buffer requirement	0.98	CCyB1
68	Common Equity Tier 1 capital (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements <sup>2</sup>	7.7	
	Amounts below the thresholds for deduction (before risk-weighting)		
72	Non-significant investments in the capital and other TLAC liabilities of other financial entities	4.0	
73	Significant investments in the common stock of financial entities	—	
75	DTA arising from temporary differences (net of related tax liability)	76.9	A12
	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)	18.4	
77	Cap on inclusion of provisions in Tier 2 capital under standardised approach	244.2	

1 Total of 2.5% capital conservation buffer requirement for Standardised Approach deposit-taking institutions per APS 110.

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

## Basel III Pillar 3 Disclosures at 30 June 2025

Table CC2 provides the differences between Consolidated Balance sheet prepared in accordance with IFRS and the composition of capital disclosure template set out in CC1.

### CC2: Reconciliation of regulatory capital to balance sheet

	Accounting balance sheet	Regulatory balance sheet	Reference from CC1 Composition of regulatory capital	Reference from tables
	At 30 Jun 2025 \$m	At 30 Jun 2025 \$m		
<b>Assets</b>				
A1 Cash and balances at central banks	6,469.6	6,469.6		
A2 Items in the course of collection from other banks	—	—		
A3 Other financial assets mandatorily measured at FV through profit or loss	10.8	10.8		
A4 Derivatives	130.0	130.0		
A5 Loans and advances to banks	20.6	20.6		
A6 Loans and advances to customers	40,502.4	40,502.4		
A7 Financial investments	14,826.5	14,826.5		
A8 Receivables from related entities	2,542.8	2,542.8		
A9 Other assets	1,084.8	1,084.8		
A10 Right-of-use assets	161.9	161.9		
A11 Property, plant and equipment	37.8	37.8		
A12 Net deferred tax assets	77.1	77.1	row AU-26(e)	Table E
A13 Intangible Assets	64.6	64.6		Table C
<b>Total assets</b>	<b>65,928.9</b>	<b>65,928.9</b>		
<b>Liabilities</b>				
L1 Deposits by banks	851.3	851.3		
L2 Items in the course of transmission to other banks	70.1	70.1		
L3 Sale and repurchase agreements – non-trading	849.9	849.9		
L4 Derivatives	129.0	129.0		
L5 Customer Accounts	51,846.5	51,846.5		
L6 Debt securities in issue	2,675.1	2,675.1		
L7 Provisions for liabilities and charges	21.9	21.9		
L8 Payables to related entities	5,522.0	5,522.0		
of which: Qualifying Tier 2 instruments subordinated loans	350.0	350.0	row 46	
L9 Other liabilities	345.5	345.5		
L10 Lease liabilities	179.5	179.5		
L11 Employee benefits	121.1	121.1		
<b>Total liabilities</b>	<b>62,611.9</b>	<b>62,611.9</b>		
Net assets	3,317.0	3,317.0		
<b>Equity</b>				
E1 Share capital	811.0	811.0	row 1	
E2 Reserves	413.5	413.5		
of which: Qualifying Additional Tier 1 instruments	400.0	400.0	row 30	Table B
of which: Other reserves	13.5	13.5	row 3	Table B
E3 Retained earnings	2,092.5	2,092.5	row 2	Table A
<b>Total equity</b>	<b>3,317.0</b>	<b>3,317.0</b>		



This reference table provides details for reconciliation of regulatory capital to balance sheet set out in CC2.

Reference tables: Reconciliation between detailed capital template and regulatory balance sheet

	At 30 Jun 2025 \$m	Reference from CC1 Composition of regulatory capital
<b>Table A</b>		
Retained Earnings		
Total per Balance Sheet	2,092.5	
Add increments in General Reserve for Credit Losses deducted from retained earnings	—	
Add eligible deferred fee income recognised in regulatory capital	8.4	
Total Common Disclosure Template – Retained Earnings	2,100.9	row 2
<b>Table B</b>		
Reserves		
Total per Balance Sheet	413.5	
Less Additional Tier 1 capital loan	(400.0)	
Less Capital contribution reserve	3.7	
Less Equity fair value	4.2	
Total Common Disclosure Template – Other Comprehensive Income	21.3	row 3
<b>Table C</b>		
Goodwill & Other Intangibles		
Total per Balance Sheet	64.6	
Less capitalised software and other intangibles separately disclosed in template	(5.9)	
Total Common Disclosure Template – Goodwill	58.7	row 8
Other intangibles including capitalised software	5.9	
Less deferred tax liability associated with other intangibles	—	
Total Common Disclosure Template – Other Intangibles	5.9	row 9
<b>Table D</b>		
Tier 2 Eligible Provisions		
Total included in Balance Sheet	18.4	
Exclude non eligible provision per APS 220	—	
Add increments in General Reserve for Credit Losses deducted from retained earnings	—	
Total Common Disclosure Template – Tier 2 Eligible Provisions	18.4	row 50
<b>Table E</b>		
Net deferred tax assets		
Total included in Balance Sheet	77.1	
Less deferred tax assets adjustment on provisions of external securitisation	(0.2)	
Total Common Disclosure Template – Deferred tax assets	76.9	row AU-26(e)

# Macroprudential Supervisory Measures

CCyB1 table provides an overview of the geographical distribution of private sector credit exposures relevant for the calculation of the countercyclical capital buffer.

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

Geographical breakdown <sup>1</sup>	At 30 Jun 2025				
	Countercyclical capital buffer rate	Exposure values and/or risk-weighted assets (RWA) used in the computation of the countercyclical capital buffer <sup>2</sup>		Bank-specific countercyclical capital buffer rate <sup>3</sup>	Countercyclical capital buffer amount <sup>4</sup>
		Exposure values	RWA		
		\$m	\$m		
Australia	1.00	45,644.6	18,445.8		
France	1.00	24.0	18.0		
Hong Kong	0.50	14.4	14.6		
United Kingdom	2.00	231.9	216.1		
Netherlands	2.00	15.5	13.9		
Luxembourg	0.50	0.5	0.5		
Germany	0.75	10.5	6.5		
Korea, Rep of (South)	1.00	1.3	1.3		
Belgium	1.00	0.8	0.8		
Ireland	1.50	2.0	2.0		
Denmark	2.50	85.3	67.7		
Others (with jurisdictional buffer)	(blend of jurisdictional buffers)	—	—		
Sum of countries where countercyclical capital buffer rate applies		46,030.8	18,787.2		
Others (with no jurisdictional buffer)	—	1,258.9	638.7		
<b>Total of Geographical breakdown</b>		<b>47,289.7</b>	<b>19,425.9</b>	<b>0.98</b>	<b>216.2</b>

1 Represents country of ultimate risk.

2 Represents total private sector (excludes sovereign and bank) credit and specific market risk exposure and RWA.

3 Calculated as a sum of each country's share of total private sector credit and specific market risk RWA multiplied by the jurisdictional CCyB of each country.

4 Countercyclical capital buffer amount is calculated as Bank-specific countercyclical capital buffer rate times Total RWA reported in OV1.

# Credit Risk

Table CR1 provides a comprehensive view of the credit quality of the on-balance and off-balance sheet assets.

## CR1: Credit quality of assets

		At 30 Jun 2025						Net Value \$m
		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	
		Non-performing exposures <sup>1</sup> \$m	Performing exposures \$m	Allowances/ impairments \$m	Allocated in regulatory category of Specific <sup>2</sup> \$m	Allocated in regulatory category of General \$m		
1	Loans	604.9	38,439.2	57.3	48.0	9.3	—	38,986.8
2	Debt Securities	—	14,928.7	0.4	—	0.4	—	14,928.3
3	Off-balance sheet exposures <sup>3</sup>	9.8	20,619.1	3.1	3.1	—	—	20,625.8
4	<b>Total</b>	<b>614.7</b>	<b>73,987.0</b>	<b>60.8</b>	<b>51.1</b>	<b>9.7</b>	<b>—</b>	<b>74,540.9</b>

1 'Non-performing exposures' as defined in APRA Prudential Standard 220 Credit Risk Management.

2 'Regulatory category of specific provisions' include ECL accounting provisions for credit losses held against stage 2 and 3.

3 'Off-balance sheet exposures' are gross of any credit conversion factor ('CCF') or credit risk mitigation ('CRM') techniques.

Table CR2 provides the changes in the stock of non-performing exposures, the flows between performing and non-performing exposure categories and reductions in the stock of non-performing exposures due to write-offs.

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

		6 months to 30 Jun 2025 \$m
1	Non-performing loans, debt securities and off balance sheet exposures <sup>1</sup> at end of the previous reporting period	592.1
2	Loans and debt securities that are non-performing since the last reporting period	213.6
3	Returned to performing status	169.6
4	Amounts written off	10.9
5	Other changes <sup>2</sup>	(10.5)
6	<b>Non-performing loans, debt securities and off balance sheet exposures at end of the reporting period</b>	<b>614.7</b>

1 'Non-performing exposures' as defined in APRA Prudential Standard 220 Credit Risk Management.

2 Other changes primarily include repayments and other movements in the respective balances during the period.

Table CR3 provides a breakdown of unsecured and secured exposures and the amount of risk exposure which is mitigated by APRA defined eligible collateral, guarantees or credit derivatives.

## CR3: Credit risk mitigation techniques – overview

		At 30 Jun 2025				
		Exposures unsecured: carrying amount <sup>1</sup> \$m	Exposures to be secured <sup>2</sup> \$m	Exposures secured by collateral <sup>3</sup> \$m	Exposures secured by financial guarantees \$m	Exposures secured by credit derivatives \$m
1	Loans	3,501.3	35,485.5	35,458.8	26.7	—
2	Debt securities	14,928.3	—	—	—	—
3	<b>Total</b>	<b>18,429.6</b>	<b>35,485.5</b>	<b>35,458.8</b>	<b>26.7</b>	<b>—</b>
4	of which: Non-performing	33.0	532.1	532.1	—	—

1 Total carrying amount of exposures are net of allowances/impairments.

2 Includes exposures partly or totally secured by collateral, financial guarantees, or credit derivatives.

3 Includes physical security over mortgages that benefit from reduced capital requirements on risk weights.

## Basel III Pillar 3 Disclosures at 30 June 2025

Table CR4 provides on-balance sheet and off-balance sheet exposures before and after credit conversion factors ('CCF') and CRM, as well as RWA and RWA density under the standardised approach.

The table excludes counterparty credit risk and securitisation exposures.

### CR4: Standardised approach – credit risk exposure and credit risk mitigation ('CRM') effects

Asset classes	At 30 Jun 2025					
	Exposures before CCF and CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
	On-balance sheet amount \$m	Off-balance sheet amount \$m	On-balance sheet amount \$m	Off-balance sheet amount \$m	RWA \$m	RWA density %
1 Sovereigns and their central banks	20,623.6	866.0	20,623.6	6.4	—	—
2 Non-central government public sector entities	—	—	—	—	—	—
3 Multilateral development banks	—	—	—	—	—	—
4 Banks	525.6	2,910.9	525.6	194.6	232.8	32.3
5 Covered bonds	739.7	—	739.7	—	74.0	10.0
6 Corporates	2,763.2	7,329.4	2,431.6	2,972.2	4,664.8	86.3
of which: specialised lending	65.1	6.4	65.1	2.5	74.4	110.0
7 Subordinated debt, equity and other capital	—	—	—	—	—	—
8 Retail	519.0	1,286.4	518.9	515.5	784.1	75.8
9 Real estate	34,658.2	8,214.1	34,628.0	3,672.6	12,902.3	33.7
of which: Residential Property Owner Occupied And Principal And Interest Standard	21,127.2	4,521.5	21,124.7	1,808.5	6,355.3	27.7
of which: Residential Property Other Standard	12,600.0	2,997.4	12,595.6	1,563.9	5,368.8	37.9
of which: Residential Property Non-Standard Other	41.9	70.4	38.7	28.2	66.8	100.0
of which: Commercial Property Dependent Non-Standard	0.3	—	0.3	—	0.4	150.0
of which: Commercial Property Dependent Standard	69.7	5.1	69.6	2.1	55.0	76.8
of which: Commercial Property Not Dependent Cash flows Non-Standard	13.0	43.1	13.0	20.0	33.0	100.0
of which: Commercial Property Not Dependent Cash flows Standard	736.6	517.7	716.6	226.7	884.0	93.7
of which: Land acquisition, Development and Construction	69.5	58.9	69.5	23.2	139.0	150.0
10 Non-performing exposures	565.1	8.3	565.0	2.7	588.3	103.6
11 Other assets	313.1	10.7	313.2	2.1	316.8	100.5
12 <b>Total</b>	<b>60,707.5</b>	<b>20,625.8</b>	<b>60,345.6</b>	<b>7,366.1</b>	<b>19,563.1</b>	<b>28.9</b>

Table CR5 provides the breakdown of credit risk exposures under the standardised approach by asset class and risk weight.

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

		At 30 Jun 2025																												Total credit exposure amount (post-CCF and post-CRM)
		0%	10%	20%	25%	30%	35%	38%	40%	45%	50%	55%	60%	65%	68%	70%	75%	80%	85%	90%	95%	98%	100%	105%	110%	113%	120%	150%	250%	
1	Sovereigns and their central banks	20,630	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	20,630
2	Non-central government public sector entities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3	Multilateral development banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4	Banks	—	—	424	—	—	—	—	—	—	296	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	720
5	Covered bonds	—	740	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	740
6	Corporates	—	—	794	—	—	—	—	—	—	88	—	—	—	—	—	268	—	—	—	—	—	4,187	—	68	—	—	—	—	5,404
	of which: specialised lending	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	68	—	—	—	—	68
7	Subordinated debt, equity and other capital	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
8	Retail	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,003	—	—	—	—	—	29	—	—	3	—	—	—	1,034
9	Real estate	—	—	6,865	8,196	8,315	5,027	14	3,628	3,067	530	91	153	1,241	7	137	—	—	10	1	—	5	895	14	12	—	—	93	—	38,301
	of which: Residential Property Owner Occupied And Principal And Interest Standard	—	—	6,865	4,875	5,221	5,027	2	437	3	391	91	—	—	—	17	—	—	4	—	—	—	—	—	—	—	—	—	—	22,933
	of which: Residential Property Other Standard	—	—	—	3,321	3,094	—	12	3,191	3,064	139	—	5	1,241	7	61	—	—	6	—	—	5	—	14	—	—	—	—	—	14,160
	of which: Residential Property Non-Standard Other	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	67	—	—	—	—	—	—	—	67
	of which: Commercial Property Dependent Non-Standard	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
	of which: Commercial Property Dependent Standard	—	—	—	—	—	—	—	—	—	—	—	—	—	—	59	—	—	—	1	—	—	—	—	12	—	—	—	—	72
	of which: Commercial Property Not Dependent Cash flows Non-Standard	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	33	—	—	—	—	—	—	—	33
	of which: Commercial Property Not Dependent Cash flows Standard	—	—	—	—	—	—	—	—	—	—	—	148	—	—	—	—	—	—	—	—	795	—	—	—	—	—	—	—	943
	of which: Land acquisition, Development and Construction	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	93	—	—	93
10	Non-performing exposures	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	44	—	—	10	—	371	—	—	—	139	4	—	—	568
11	Other assets	9	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	299	—	—	—	—	—	7	—	315

## Basel III Pillar 3 Disclosures at 30 June 2025

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

		At 30 Jun 2025			
Risk weight		On-balance sheet exposure \$m	Off-balance sheet exposure (pre-CCF) \$m	Weighted average CCF <sup>1</sup> %	Exposure (post-CCF and post-CRM) \$m
1	Less than 40%	48,651.6	9,276.8	25.5	51,014.1
2	40–70%	7,995.4	2,094.4	59.4	9,238.6
3	75–80%	695.1	1,515.8	40.9	1,314.4
4	85%	10.7	0.3	40.0	10.4
5	90–100%	3,049.2	7,646.8	40.6	5,795.3
6	105–130%	226.8	22.0	40.0	234.8
7	150%	73.7	58.9	39.3	96.9
8	250%	5.1	10.7	20.0	7.2
9	400%	—	—	—	—
10	1250%	—	—	—	—
11	<b>Total exposures</b>	<b>60,707.6</b>	<b>20,625.7</b>	<b>35.7</b>	<b>67,711.7</b>

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

# Counterparty Credit Risk

Table CCR1 provides a comprehensive view of the methods used to calculate counterparty credit risk regulatory requirements and the main parameters used within each method.

### CCR1: Analysis of CCR exposures by approach

		At 30 Jun 2025					
		Replacement cost \$m	Potential future exposure \$m	Effective EPE \$m	Alpha used for computing regulatory EAD	EAD post-CRM \$m	RWA¹ \$m
1	SA-CCR (for derivatives)	130.0	115.8		1.4	339.0	91.2
2	Internal Model Method (for derivatives and Securities Financing Transactions ('SFTs'))			—	—	—	—
3	Simple Approach for credit risk mitigation (for SFTs)					—	—
4	Comprehensive Approach for credit risk mitigation (for SFTs)					—	—
5	Value-at-risk (VaR) for SFTs					—	—
6	<b>Total</b>						<b>91.2</b>

1 The amount excludes exposures to central counterparties ('CCPs'), which are reported in CCR8.

Table CCR3 provides a breakdown of counterparty credit risk exposures calculated according to the standardised approach: by portfolio (type of counterparties) and by risk weight (riskiness attributed according to standardised approach).

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

Risk weight	At 30 Jun 2025								
	0%	10%	20%	50%	75%	100%	150%	Others	Total credit exposure <sup>1</sup>
<b>Regulatory portfolio</b>									<b>\$m</b>
Sovereigns	—	—	—	—	—	—	—	—	—
Non-central government public sector entities	—	—	—	—	—	—	—	—	—
Multilateral development banks	—	—	—	—	—	—	—	—	—
Banks	—	—	148.5	44.4	—	—	—	—	192.9
Securities firms	—	—	—	—	—	—	—	—	—
Corporates	—	—	—	—	—	146.1	—	—	146.1
Regulatory retail portfolios	—	—	—	—	—	—	—	—	—
Other assets	—	—	—	—	—	—	—	—	—
<b>Total</b>	—	—	148.5	44.4	—	146.1	—	—	339.0

1 Total credit exposure: the amount relevant for the capital requirements calculation, having applied CRM techniques.

Table CCR5 provides a breakdown of all types of collateral posted or received by banks to support or reduce the counterparty credit risk exposures related to derivative transactions or to SFTs, including transactions cleared through a CCP.

### CCR5: Composition of collateral for CCR exposure

	At 30 Jun 2025					
	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of	Fair value of
	Segregated	Unsegregated	Segregated	Unsegregated	collateral received	posted collateral
\$m						
Cash – domestic currency	—	—	—	—	—	—
Cash – other currencies	—	5.1	—	—	—	—
Domestic sovereign debt	—	—	—	—	2,375.5	854.1
Other sovereign debt	—	—	—	—	—	—
Government agency debt	—	—	—	—	—	—
Corporate bonds	—	—	—	—	—	—
Equity securities	—	—	—	—	—	—
Other collateral	—	—	—	—	—	—
<b>Total</b>	—	5.1	—	—	2,375.5	854.1

## Basel III Pillar 3 Disclosures at 30 June 2025

Table CCR8 provides a comprehensive picture of the bank's exposures to central counterparties and its corresponding RWA.

### CCR8: Exposures to central counterparties

		At 30 Jun 2025	
		EAD (post-CRM)	RWA
		\$m	\$m
1	<b>Exposures to QCCPs (total)</b>		<b>16.6</b>
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	<b>737.2</b>	<b>16.6</b>
3	(i) OTC derivatives	<b>737.2</b>	<b>16.6</b>
4	(ii) Exchange-traded derivatives	—	—
5	(iii) Securities financing transactions	—	—
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	—	—
8	Non-segregated initial margin	—	—
9	Pre-funded default fund contributions	—	—
10	Unfunded default fund contributions	—	—
11	<b>Exposures to non-QCCPs (total)</b>		—
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	—	—



# Securitisation

Table SEC1 provides the breakdown of securitisation exposures in banking book by underlying asset type.

## SEC1: Securitisation exposures in the banking book

		At 30 Jun 2025											
		Bank acts as originator <sup>1</sup>				Bank acts as sponsor				Banks acts as investor			
		of which simple, transparent and comparable (STC)				of which STC				of which STC			
\$m		Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
1	<b>Retail (total) – of which:</b>	<b>9,940.9</b>	–	–	<b>9,940.9</b>	–	–	–	–	–	–	–	–
2	residential mortgage	<b>9,940.9</b>	–	–	<b>9,940.9</b>	–	–	–	–	–	–	–	–
3	credit card	–	–	–	–	–	–	–	–	–	–	–	–
4	other retail exposures	–	–	–	–	–	–	–	–	–	–	–	–
5	re-securitisation	–		–	–	–		–	–	–		–	–

1 Bank acts as originator reflects securitisation activities in which we securitise our own assets. This includes internal securitisation and funding only securitisation transactions where the Bank retains all notes issued by LION SERIES 2009-1.

Table SEC3 provides securitisation exposures in the banking book by risk weight and by regulatory approach when the bank acts as originator or sponsor and the associated capital requirements.

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

		At 30 Jun 2025																
		Exposure values (by risk weight bands)				Exposure values (by regulatory approach)				RWA (by regulatory approach)				Capital charge after cap				
						SEC- ERBA and SEC- IAA				SEC- ERBA and SEC- IAA				SEC- ERBA and SEC- IAA				
		<20% to 50%	>20% to 50%	>50% to 100%	>100% to <1250 % RW	1,250% IRBA	1,250% SA	1,250% IRBA	1,250% SA	1,250% IRBA	1,250% SA	1,250% IRBA	1,250% SA	1,250% IRBA	1,250% SA	1,250% IRBA	1,250% SA	
\$m																		
1	Total exposures	149.2	—	—	—	—	—	—	149.2	—	—	—	22.4	—	—	—	1.8	—
2	Traditional securitisation	149.2	—	—	—	—	—	—	149.2	—	—	—	22.4	—	—	—	1.8	—
3	of which: securitisation	149.2	—	—	—	—	—	—	149.2	—	—	—	22.4	—	—	—	1.8	—
4	of which: retail underlying	149.2	—	—	—	—	—	—	149.2	—	—	—	22.4	—	—	—	1.8	—

# Market Risk

MR table provides the components of the capital requirements under the standardised approach for market risk.

MR: Market risk under the standardised approach

		At 30 Jun 2025
		Capital requirement (in terms of risk-weighted assets) for:
		\$m
1	Interest rate risk	73.6
	of which: general market risk	73.6
2	Equity position risk	—
3	Foreign exchange risk	2.0
	of which: foreign exchange risk	2.0
4	Commodity risk	—
5	<b>Total</b>	<b>75.6</b>

# Liquidity Coverage Ratio

The Liquidity Coverage Ratio ('LCR') aims to ensure that a bank has sufficient High Quality Liquid Assets ('HQLA') to meet its liquidity needs in a 30-calendar day severe liquidity stress scenario. HBAU follows guidelines set by APRA and is compliant with the minimum coverage ratio requirement of 100%. HBAU reported a weighted average LCR of 176.2% in the quarter ended 30 June 2025.

HBAU maintains a well-diversified and high-quality liquid asset portfolio to support regulatory and internal requirements. Average liquid assets for the quarter were \$20,244.1m. HBAU's mix of liquid assets consist of cash, deposits with the Central Bank, Australian Semi Government and Commonwealth Government Securities.

Funding sources to support business lending are primarily from customer deposits.

LCR Net Cash Outflows ('NCOs') represent the net cash inflows and outflows that could potentially occur from on and off-balance sheet activities within a 30-day severe liquidity stress scenario. The cash flows are calculated by applying APRA prescribed run-off factors to maturing debt, deposits and off-balance sheet exposures offset by inflows from assets based on prescribed run-off factors. Higher run-off factors are applied to sophisticated investors and depositors including long term and short-term debt holders, financial institution, and corporate depositors. Lower run-off factors are applied to

deposits less likely to be withdrawn in a period of severe stress. These include deposits from retail customers and corporate and financial institutions, which are considered to be operational in nature.

Cash outflows arising from business activities that create contingent funding and collateral requirements, such as repo funding and derivatives and the extension of credit and liquidity facilities to customers, are also captured within the LCR calculation along with an allowance for debt buyback requests.

HBAU manages its LCR position on a daily basis, ensuring a buffer is maintained over the minimum regulatory requirement and the Board's risk appetite.

During the period of March 2025 to June 2025, the average LCR ratio has decreased by 2.0% from 178.2% to 176.2%. This was mainly driven by increase in net cash outflows of \$179.1m driven by increased retail deposits \$96.5m and increased unsecured wholesale funding of \$66.1m.

HBAU monitors the LCR for its material currencies. Limits are set to ensure that outflows can be met. This continuous monitoring helps with overall management of currency exposures, in line with our internal framework.

## LIQ1: Liquidity Coverage Ratio ('LCR')

	At 30 Jun 2025		At 31 Mar 2025	
	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
	\$m	\$m	\$m	\$m
<b>Liquid assets</b>				
1 High-quality liquid assets ('HQLA')		20,244.1		20,155.6
AU-1(a) Alternative liquid assets ('ALA')		—		—
AU-1(b) Reserve Bank of New Zealand ('RBNZ') securities		—		—
<b>Cash outflows</b>				
2 <b>Retail deposits and deposits from small business customers, of which:</b>	22,442.0	1,973.2	21,722.5	1,876.7
3 Stable deposits	10,683.4	534.2	10,410.4	520.5
4 Less stable deposits	11,758.6	1,439.0	11,312.1	1,356.2
5 <b>Unsecured wholesale funding, of which:</b>	20,253.1	8,247.0	19,732.3	8,180.9
6 Operational deposits (all counterparties) and deposits in networks for cooperative banks	10,245.7	2,460.2	9,991.2	2,397.3
7 Non-operational deposits (all counterparties)	10,007.4	5,786.8	9,741.1	5,783.6
8 Unsecured debt	—	—	—	—
9 <b>Secured wholesale funding</b>		—		—
10 <b>Additional requirements, of which:</b>	9,740.9	1,234.1	9,495.1	1,229.6
11 Outflows related to derivatives exposures and other collateral requirements	413.3	413.3	418.6	418.6
12 Outflows related to loss of funding on debt products	0.9	0.9	0.9	0.9
13 Credit and liquidity facilities	9,326.7	819.9	9,075.6	810.1
14 <b>Other contractual funding obligations</b>	178.3	173.1	154.0	148.6
15 <b>Other contingent funding obligations</b>	4,025.8	423.9	4,432.7	454.7
16 <b>Total cash outflows</b>		12,051.3		11,890.5
<b>Cash inflows</b>				
17 <b>Secured lending (e.g. reverse repos)</b>	1,794.7	—	751.0	—
18 <b>Inflows from fully performing exposures</b>	894.1	526.9	888.5	523.9
19 Other cash inflows	33.8	33.8	55.1	55.1
20 <b>Total cash inflows</b>	2,722.6	560.7	1,694.6	579.0
		<b>Total adjusted value</b>		<b>Total adjusted value</b>
21 <b>Total HQLA</b>		20,244.1		20,155.6
22 <b>Total net cash outflows</b>		11,490.6		11,311.5
23 <b>Liquidity Coverage Ratio (%)</b>		176.2		178.2

The LCR Disclosure Template reflects the Basel standards and is calculated based on simple averages of daily observations over the previous quarter excluding weekends and public holidays.

# Net Stable Funding Ratio

The Net Stable Funding Ratio ('NSFR') is a regulatory metric that requires that Available Stable Funding ('ASF') be sufficient to cover Required Stable Funding ('RSF'). It reflects a bank's long term funding profile (funding with a term of more than a year). It is designed to complement the LCR. The NSFR seeks to encourage ADIs to fund their business activities with more stable sources of funding on an ongoing basis, and thereby promote greater balance sheet resilience.

HBAU actively manages its NSFR position ensuring a buffer is maintained over the minimum regulatory requirement and the Board's risk appetite.

At 30 June 2025, HBAU's NSFR was 144.4%, down by 2.2% from March 2025. This was mainly attributable to increased RSF of \$275.3m and decreased ASF of \$290.4m.

The main sources of ASF at June 2025 were retail deposits at 62%, wholesale funding at 30% and capital at 8% of the total ASF.

The majority of HBAU's RSF at June 2025 was driven by mortgages at 80% and lending to non-financial customers at 8% of the total RSF.

The tables below display the NSFR for HBAU as at 30 June 2025 and 31 March 2025.

Table LIQ2 provides details of a bank's NSFR and selected details of its NSFR components.

## LIQ2: Net Stable Funding Ratio ('NSFR')

		At 30 Jun 2025			
		Unweighted value by residual maturity			Weighted value \$m
		No maturity \$m	< 6 months \$m	6 months to < 1 year \$m	
Available stable funding ('ASF') item					
1	Capital:	3,351.6	—	—	250.0
2	Regulatory capital	3,351.6	—	—	250.0
3	Other capital instruments	—	—	—	—
4	Retail deposits and deposits from small business customers:	20,320.8	9,434.4	—	—
5	Stable deposits	9,859.4	3,351.6	—	—
6	Less stable deposits	10,461.4	6,082.8	—	—
7	Wholesale funding:	21,119.1	5,605.9	785.0	3,379.5
8	Operational deposits	11,431.6	—	—	—
9	Other wholesale funding	9,687.5	5,605.9	785.0	3,379.5
10	Liabilities with matching interdependent assets	—	—	—	—
11	Other liabilities:	—	576.6	—	179.5
12	NSFR derivative liabilities	—	—	—	—
13	All other liabilities and equity not included in the above categories	—	576.6	—	179.5
14	<b>Total ASF</b>				<b>44,348.0</b>
Required stable funding ('RSF') item					
15	Total NSFR high-quality liquid assets ('HQLA')				703.1
AU-15(a)	Alternative liquid assets ('ALA')				—
AU-15(b)	Reserve Bank of New Zealand ('RBNZ') securities				—
16	Deposits held at other financial institutions for operational purposes				
17	Performing loans and securities:	962.2	4,243.2	366.0	37,589.0
18	Performing loans to financial institutions secured by Level 1 HQLA	—	2,436.7	—	—
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	112.1	130.2	—	210.3
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:	850.1	1,440.8	144.7	1,004.0
21	Standard residential property loans to individuals with a LVR of 80 per cent or below	—	—	—	—
22	Performing residential mortgages, of which:	—	6.8	1.3	36,073.2
23	Standard residential property loans to individuals with a LVR of 80 per cent or below	—	0.1	1.2	31,832.9
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	—	228.7	220.0	301.5
25	Assets with matching interdependent liabilities	—	—	—	—
26	Other assets:	546.5	32.0	10.0	732.4
27	Physical traded commodities, including gold				—
28	Assets posted as initial margin for derivative contracts and contributions to default funds of central counterparties			6.8	5.7
29	NSFR derivative assets			1.0	1.0
30	NSFR derivative liabilities before deduction of variation margin posted			9.6	9.6
31	All other assets not included in the above categories	546.5	14.7	10.0	732.4
32	Off-balance sheet items				13,425.2
33	<b>Total RSF</b>				<b>30,718.3</b>
34	<b>Net Stable Funding Ratio (%)</b>				<b>144.4</b>

## LIQ2: Net Stable Funding Ratio ('NSFR') (continued)

		At 31 Mar 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:	3,393.1	—	—	250.0	3,643.1
2	Regulatory capital	3,393.1	—	—	250.0	3,643.1
3	Other capital instruments	—	—	—	—	—
4	Retail deposits and deposits from small business customers:	20,106.5	9,605.6	—	—	27,399.0
5	Stable deposits	9,782.5	3,379.2	—	—	12,503.6
6	Less stable deposits	10,324.0	6,226.4	—	—	14,895.4
7	Wholesale funding:	18,626.9	5,526.3	1,050.0	3,827.5	13,411.5
8	Operational deposits	10,656.7	—	—	—	5,328.4
9	Other wholesale funding	7,970.2	5,526.3	1,050.0	3,827.5	8,083.1
10	Liabilities with matching interdependent assets	—	—	—	—	—
11	Other liabilities:	—	543.4	—	184.8	184.8
12	NSFR derivative liabilities			—		
13	All other liabilities and equity not included in the above categories	—	543.4	—	184.8	184.8
14	Total ASF					44,638.4
Required stable funding ('RSF') item						
15	Total NSFR high-quality liquid assets ('HQLA')					752.3
AU-15(a)	Alternative liquid assets ('ALA')					—
AU-15(b)	Reserve Bank of New Zealand ('RBNZ') securities					—
16	Deposits held at other financial institutions for operational purposes	—	—	—	—	—
17	Performing loans and securities:	907.5	3,120.8	382.3	36,982.3	27,757.1
18	Performing loans to financial institutions secured by Level 1 HQLA	—	1,056.5	—	—	105.6
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	115.7	253.3	28.8	112.7	280.8
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:	791.8	1,432.8	178.0	1,004.9	2,332.6
21	Standard residential property loans to individuals with a LVR of 80 per cent or below	—	—	—	—	—
22	Performing residential mortgages, of which:	—	2.5	0.6	35,417.7	24,315.8
23	Standard residential property loans to individuals with a LVR of 80 per cent or below	—	0.7	0.5	31,037.3	20,175.0
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	—	375.7	174.9	447.0	722.3
25	Assets with matching interdependent liabilities	—	—	—	—	—
26	Other assets:	579.4	87.8	—	730.8	1,396.9
27	Physical traded commodities, including gold	—				—
28	Assets posted as initial margin for derivative contracts and contributions to default funds of central counterparties			7.6		6.5
29	NSFR derivative assets			45.3		45.3
30	NSFR derivative liabilities before deduction of variation margin posted			18.1		18.1
31	All other assets not included in the above categories	579.4	16.8	—	730.8	1,327.0
32	Off-balance sheet items				13,739.4	536.7
33	Total RSF					30,443.0
34	Net Stable Funding Ratio (%)					146.0

# Asset Encumbrance

Table ENC provides the amount of encumbered and unencumbered assets.

ENC: Asset encumbrance

Assets of the reporting institution	At 30 Jun 2025		
	Encumbered assets	Unencumbered assets	Total
	\$m	\$m	\$m
Loans on demand	—	6,559.4	6,559.4
Equity instruments	—	9.1	9.1
Debt securities <sup>1</sup>	856.5	13,965.0	14,821.5
of which: covered bonds	—	710.1	710.1
of which: securitisations	—	—	—
of which: issued by general governments	856.5	12,154.3	13,010.8
of which: issued by financial corporations	—	1,810.7	1,810.7
of which: issued by non-financial corporations	—	—	—
Loans and advances other than loans on demand	3,474.2	40,278.8	43,753.0
of which: mortgage loans	2,675.1	35,016.0	37,691.1
Other assets	—	785.9	785.9
<b>Total</b>	<b>4,330.7</b>	<b>61,598.2</b>	<b>65,928.9</b>

1 Debt securities include Reserve Bank of Australia repurchase agreement.

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