

# **BASEL III PILLAR 3**

Capital Adequacy and  
Risk Disclosures  
as at 31 March 2024



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**AMP Bank Limited, Basel III Pillar 3 Disclosures, 31 March 2024**

ABN 15 081 596 009

**Table 3 : Capital Adequacy (APS 330: Attachment C)**

	31 March 2024	31 December 2023 <sup>1</sup>
	\$m	\$m
<b>Risk Weighted Assets (RWA)</b>		
<b>Subject to Standardised Approach</b>		
Residential mortgages	8,156	8,440
Bank	380	275
Corporate	246	252
Other	2	4
Securitisation	4	4
<b>Total Risk Weighted Assets for Credit Risk Exposures</b>	<b>8,788</b>	<b>8,975</b>
<b>Market Risk RWA</b>	<b>5</b>	<b>7</b>
<b>Operational Risk RWA</b>	<b>513</b>	<b>556</b>
<b>Total Risk Weighted Assets</b>	<b>9,306</b>	<b>9,538</b>
<b>Capital Ratios (%)</b>	<b>%</b>	<b>%</b>
<b>Common Equity Tier 1 Ratio</b>	<b>10.9%</b>	<b>10.7%</b>
<b>Tier 1 Capital Ratio</b>	<b>13.3%</b>	<b>13.1%</b>
<b>Total Capital Ratio</b>	<b>15.8%</b>	<b>17.6%</b>

1. Comparative information has been restated to conform to presentation in the current period.

**AMP Bank Limited, Basel III Pillar 3 Disclosures, 31 March 2024**

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**Table 4 : Credit Risk (APS 330: Attachment C)**

Table 4 (A)	31 March 2024		31 December 2023 <sup>1</sup>	
	As at \$m	Average \$m	As at \$m	Average \$m
<b>Credit Exposure by Types</b>				
Cash and balances with central bank	143	188	284	233
Loans and advances to banks	985	906	646	700
Debt securities	3,812	3,735	3,568	3,493
Loans and advances to customers	20,082	20,299	20,769	20,874
Other assets	39	71	58	69
<b>Total Gross Credit Risk</b>	<b>25,061</b>	<b>25,199</b>	25,325	25,369
Non-market related off-balance sheet credit exposures	1,450	1,397	1,429	1,493
Market related off-balance sheet credit exposures	196	214	230	309
<b>Total Exposures</b>	<b>26,707</b>	<b>26,810</b>	26,984	27,171

<b>Credit Exposure by Portfolios</b>				
Residential mortgages	21,320	21,488	21,999	22,173
Sovereign	3,885	3,857	3,785	3,662
Bank	1,020	969	692	764
Corporate	480	494	506	570
Other	2	2	2	2
<b>Total Exposures</b>	<b>26,707</b>	<b>26,810</b>	26,984	27,171

Table 4 (B)	31 March 2024		31 December 2023	
	As at \$m		As at \$m	
<b>By Portfolios</b>				
<b>Non-performing</b>	381		360	
Residential mortgages	277		259	
Corporate/ specialised lending	104		101	
<b>&gt;=90 Days Past-due</b>	198		163	
Residential mortgages	165		130	
Corporate/ specialised lending	33		33	
<b>Specific Provisions</b>	65		66	
Residential mortgages	12		11	
Corporate/ specialised lending	53		55	
<b>Charges for Specific Provisions During the Period</b>	(1)		(3)	
Residential mortgages	1		5	
Corporate/ specialised lending	(2)		(8)	
<b>Write-offs During the Period</b>	1		1	
Residential mortgages	-		-	
Corporate/ specialised lending	1		1	

**Table 4 (C)**

Provisions held against performing exposures that represent a purely forward looking amount for future losses that are presently unidentified	31	32
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1. Comparative information has been restated to conform to presentation in the current period.

**AMP Bank Limited, Basel III Pillar 3 Disclosures, 31 March 2024**

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**Table 5 : Securitisation Exposures (APS 330: Attachment C)**

	31 March 2024		31 December 2023	
	Total amount of exposure securitised \$m	Recognised gain or loss on sale \$m	Total amount of exposure securitised \$m	Recognised gain or loss on sale \$m
<b>Table 5 (A) - Total Securitisation Activity</b>				
Residential mortgages	-	-	-	-
<b>Total Securitisation Activity for the Reporting Period</b>	-	-	-	-
<b>Table 5 (B) - Total Securitisation Exposures Retained or Purchased</b>				
<b>Securitisation Facility Type</b>				
<b>On-balance Sheet Securitisation Exposures</b>				
RMBS investments	-	-	-	-
Other	20	-	22	-
<b>Total Securitisation Exposures</b>	<b>20</b>	<b>-</b>	<b>22</b>	<b>-</b>
<b>Off-balance Sheet Securitisation Exposures</b>				
Funding facilities	18	-	20	-
Liquidity facilities	-	-	-	-
<b>Total Securitisation Exposures</b>	<b>18</b>	<b>-</b>	<b>20</b>	<b>-</b>

## AMP Bank Limited, Basel III Pillar 3 Disclosures, 31 March 2024

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**Table 20 : Liquidity Coverage Ratio Disclosure (APS 330: Attachment F)**

AMP Bank is required to maintain a minimum Liquidity Coverage Ratio (LCR) of 100%. The LCR requires banks to hold sufficient High Quality Liquid Assets (HQLA) to meet net cash outflows under an APRA-prescribed 30 calendar day stress scenario. AMP Bank manages its LCR on a daily basis with a buffer above the regulatory minimum in line with the AMP Bank prescribed risk appetite and management ranges.

AMP Bank maintains a diversified portfolio of liquid assets consisting of HQLA, cash and other repo-eligible securities (eligible for repo with the Reserve Bank of Australia (RBA)). HQLA includes Commonwealth Government Securities, Australian Semi-Government Securities, and ESA Balances held with the RBA.

AMP Bank has access to a suite of stable, diversified and resilient funding sources that aim to reduce the likelihood of liquidity stress arising across a variety of funding market conditions. AMP Bank utilises a number of funding sources including customer deposits, deposits sourced from AMP's North Platform and Superannuation business, short and long term wholesale debt instruments, and securitisation (via the issuance of Residential Mortgage Backed Securities).

The LCR changes on a daily basis in the ordinary course of business due to changes in the expected net cash outflows and its composition of liquid assets. The average Level 2 LCR over the March 2024 quarter was 128%, which is consistent with the December 2023 quarter, as higher HQLA was offset by lower Net Cash Inflows.

The average HQLA balance was higher during the March 2024 quarter due to amounts held to fund repayment of a subordinated capital instrument on 1 March 2024. Average Cash Inflows decreased following wholesale funding settlements in the prior quarter. Average Cash Outflows remained materially unchanged during the quarter.

The lowest LCR during the period was 123% (5% lower than the average), while the highest was 136% (8% higher than the average). The main drivers of variations relative to the average LCR during the quarter arose primarily from the funding and settlement of wholesale funding transactions.

	31 March 2024		31 December 2023	
	Total unweighted value (average) \$m	Total weighted value (average) \$m	Total unweighted value (average) \$m	Total weighted value (average) \$m
<b>Liquid Assets, of which:</b>				
1 High-quality liquid assets (HQLA)		3,735		3,575
2 Alternate liquid assets (ALA)		-		-
3 Reserve Bank of New Zealand (RNBZ) securities		-		-
<b>Cash Outflows</b>				
4 Retail deposits and deposits from small business customers, of which:	13,180	1,970	13,331	1,964
5 stable deposits	2,803	140	2,802	140
6 less stable deposits	10,377	1,830	10,529	1,824
7 Unsecured wholesale funding, of which;	1,227	686	1,261	682
8 operational deposits (all counterparties) and deposits in networks for cooperative banks	-	-	-	-
9 non-operational deposits (all counterparties)	1,065	523	1,178	599
10 unsecured debt	162	163	83	83
11 Secured wholesale funding		-		-
12 Additional requirements, of which:	3,221	533	3,354	523
13 outflows related to derivatives exposures and other collateral requirements	206	206	206	206
14 outflows related to loss of funding on debt products	130	130	113	113
15 credit and liquidity facilities	2,885	197	3,035	204
16 Other contractual funding obligations	-	-	-	-
17 Other contingent funding obligations	1,406	65	1,295	96
18 <b>Total cash outflows</b>		3,254		3,265
<b>Cash Inflows</b>				
19 Secured lending	-	-	-	-
20 Inflows from fully performing exposures	262	135	252	127
21 Other cash inflows	206	206	346	346
22 <b>Total cash inflows</b>	468	341	598	473
		<b>Total Adjusted Value \$m</b>		<b>Total Adjusted Value \$m</b>
23 <b>Total liquid assets</b>		3,735		3,575
24 <b>Total net cash outflows</b>		2,913		2,792
25 <b>Liquidity coverage ratio (%)</b>		128%		128%
Number of data points used (business days)		63		60