Pillar 3 Disclosure Rabobank Australia Limited

As at 30 September 2026



Rabobank

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1. Notes to readers

Introduction

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

In accordance with the Australian Prudential Standard 330 ("APS 330"), financial institutions are required to disclose prudential information. From 1 January 2025, APRA's new APS 330 became effective. The revised APS 330 requires prudential disclosures to be made in accordance with the Basel Committee on Banking Supervision (BCBS) and adjusted by APRA for the Australian context to contribute to the transparency of financial markets and to enhance market discipline.

Amounts are presented in Australian dollars and have been rounded to the nearest million dollars ($m) except where indicated.

Scope of Application

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

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

Context

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

Nature of Business

The Bank continues to focus on the provision of flexible, competitively priced, secured loans to the rural sector in Australia and the raising of deposits. The Bank continues to provide deposit products to customers, including household, investors, farmers, corporates, and government entities.

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

Accountable Person Attestation

The Chief Financial Officer, an Accountable Person of Rabobank Australia Limited, attests that the information presented in this Pillar 3 report has been prepared to meet its disclosure requirements set out in APRA's prudential standard APS 330 Public Disclosure and has been prepared in accordance with our Board-approved policy on disclosure controls and prudential disclosures.



David Mu
Chief Financial Officer

23 November 2026

2. Overview of risk management, key prudential metrics and risk-weighted assets

2.1. KM1 Key metrics

The following table provides an overview of prudential metrics over the last five quarters.

KM1: Key metrics

		a	b	c	d	e
		30 Sep 2026	30 Jun 2026	31 Mar 2026	31 Dec 2025	30 Sep 2025
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	3,471	3,472	3,433	3,443	3,450
2	Tier 1	3,471	3,472	3,433	3,443	3,450
3	Total capital	3,705	3,709	3,479	3,473	3,484
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	24,293	24,803	23,471	23,055	23,602
4a	Total risk-weighted assets (pre-floor)	24,293	24,803	23,471	23,055	23,602
	Risk-based capital ratios as a percentage of RWA					
5	CET1 ratio (%)	14.29%	14.00%	14.63%	14.93%	14.62%
5b	CET1 ratio (%) (pre-floor ratio)	14.29%	14.00%	14.63%	14.93%	14.62%
6	Tier 1 ratio (%)	14.29%	14.00%	14.63%	14.93%	14.62%
6b	Tier 1 ratio (%) (pre-floor ratio)	14.29%	14.00%	14.63%	14.93%	14.62%
7	Total capital ratio (%)	15.25%	14.95%	14.82%	15.07%	14.76%
7b	Total capital ratio (%) (pre-floor ratio)	15.25%	14.95%	14.82%	15.07%	14.76%
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)	1.00%	1.00%	1.00%	1.00%	1.00%
10	Bank G-SIB and/or D-SIB additional requirements (%)	0%	0%	0%	0%	0%
11	Total of bank CET1 specific buffer requirements (%)(row 8 + row 9 + row 10)	3.50%	3.50%	3.50%	3.50%	3.50%
12	CET1 available after meeting the Bank's minimum capital requirements (%)*	7.25%	6.95%	6.82%	7.07%	6.76%
	Basel III Leverage ratio					
13	Total Basel III leverage ratio exposure measure	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)	N/A	N/A	N/A	N/A	N/A
	Liquidity Coverage Ratio (LCR)					
15	Total high-quality liquid assets (HQLA)	5,228	5,008	4,674	4,460	3,624
16	Total net cash outflow	2,417	2,385	2,220	2,043	2,104
17	LCR ratio (%)	216.5%	210.4%	211.0%	221.4%	175.0%
	Net Stable Funding Ratio (NSFR)					
18	Total available stable funding	24,174	24,978	22,645	22,733	23,547
19	Total required stable funding	20,536	21,332	19,275	18,992	20,026
20	NSFR ratio	117.7%	117.1%	117.5%	119.7%	117.6%

* CET1 available after meeting the Bank's minimum capital requirements is calculated as CET1 ratio of the Bank, less the minimum CET1 capital requirement (4.5%) and any shortfall in meeting the Tier 1 and Total capital minimum requirements, as defined by BCBS. Comparative information has been realigned to the BCBS methodology.

CET1 / Total Capital (TC)

As at 30 September 2026, the CET1 ratio increased to 14.29% from 14.00% at 30 June 2026, while the Total Capital ratio increased to 15.25% from 14.95%. Both ratios remained well above the minimum prudential capital requirements. The capital base remained broadly stable during the quarter. The increase in both capital ratios was primarily driven by a $510m reduction in RWA, reflecting normal seasonal declines in lending balances following the June quarter peak. Consequently, the CET1 and Total Capital ratios increased by 29 basis points and 30 basis points, respectively.

LCR and NSFR

The LCR and NSFR are well above the minimum requirements. The Bank's average LCR increased to 216.5% for the quarter ended 30 September 2026, compared with 210.4% in the previous quarter. The increase was mainly driven by higher holdings of liquid assets, partially offset by increased net cash outflows.

As at 30 September 2026, the Bank's NSFR increased slightly to 117.7%, from 117.1% as at 30 June 2026. The increase was primarily driven by a decrease in Required Stable Funding (RSF), partially offset by a decrease in Available Stable Funding (ASF). The reduction in RSF was largely driven by lower loan balances from June to September, reflecting seasonal loan repayments in July and August, following the peak drawdown period of May and June. Meanwhile, the decline in ASF was mainly driven by lower intragroup funding.

2.2. OV1 Overview of risk-weighted assets (RWA)

The following table provides RWA and minimum capital requirements.

OV1: Overview of RWA

		a	b	c
		RWA		Minimum capital requirement[1]
		30 September 2026	30 June 2026	30 September 2026
1	Credit risk (excluding counterparty credit risk)	23,141	23,699	1,851
2	Of which: standardised approach (SA)	23,141	23,699	1,851
6	Counterparty credit risk (CCR)	133	109	11
7	Of which: standardised approach for counterparty credit risk	133	109	11
10	Credit valuation adjustment (CVA)	121	97	10
15	Settlement risk	-	-	-
16	Securitisation exposures in banking book	-	-	-
19	Of which: securitisation standardised approach (SEC-SA)	-	-	-
20	Market risk	-	-	-
21	Of which: standardised approach (SA)	-	-	-
22	Of which: internal model approach (IMA)	-	-	-
23	Capital charge for switch between trading book and banking book	-	-	-
24	Operational risk	898	898	72
29	**Total**	**24,293**	**24,803**	**1,944**

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

Total RWA decreased by $510m due to seasonality, primarily driven by lower credit risk RWA. This was in line with the agribusiness production cycle.

3. Credit valuation adjustment risk

3.1. CVAA General qualitative disclosure requirements related to CVA

The Bank calculates its credit valuation adjustment (CVA) risk capital charge for the risk of mark-to-market losses on the expected counterparty credit risk (CVA loss) for all bilateral OTC derivatives. The CVA risk capital charge is calculated using the CVA approach outlined in Prudential Standard APS 180 Capital Adequacy: Counterparty Credit Risk. The CVA capital charge is $10m as at 30 September 2026.

4. Liquidity

4.1. LIQ1 Liquidity Coverage Ratio (LCR)

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

The Bank's average LCR increased to 216.5% for the quarter ended 30 September 2026, compared with 210.4% in the previous quarter. This remains well above the regulatory minimum of 100%. The increase was mainly driven by higher holdings of liquid assets, partially offset by increased net cash outflows. The intra-period movements of the LCR are forecast and monitored on a daily basis and were within the normal operating ranges of the Bank's liquidity management activity.

The Bank maintains a diverse mix of liquid assets consisting of cash with the Reserve Bank of Australia (RBA) and Australian Semi Government and Commonwealth Government securities. During the quarter, the overall increase in liquid assets was primarily driven by higher holdings of Government securities, partially offset by lower cash balances held with the RBA.

The LCR net cash outflow (NCO) represents potential cash outflows from on and off balance sheet activities within a 30 day liquidity stress scenario, after applying APRA prescribed run-off factors to maturing debt and deposits, and inflow factors to assets. As part of its overall liquidity management strategy, the Bank manages its balance sheet in a manner that aims to manage NCOs within the Board's risk appetite. Average NCOs increased over the quarter, primarily due to a reduction in cash inflows from funds placed with other banks. This was partially offset by reduced deposit outflows driven by a shift from call deposits to term deposits. The Bank has a diversified funding base aimed at reducing concentrations by funding source, tenor, and outflow risk. The Bank is primarily funded with stable customer deposits, and intercompany funding from Cooperative Rabobank U.A. ("the Parent").

In addition, the Bank has in place a $725m Committed Liquidity Facility with the Parent to support the Bank's access to liquidity, if needed.

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

LIQ1: Liquidity Coverage Ratio (LCR)

		a	b	a	b
		30 September 2026		30 June 2026	
$m		**Total unweighted value** (average)*	**Total weighted value** (average)**	**Total unweighted value** (average)*	**Total weighted value** (average)**
	High-quality liquid assets				
1	Total HQLA		5,228		5,008
	Alternative liquid assets (ALA)		-		-
	Reserve Bank of New Zealand (RBNZ) securities		-		-
	Cash outflows				
2	**Retail deposits and deposits from small business customers, of which:**	**8,335**	**1,508**	**8,348**	**1,490**
3	Stable deposits	2,542	127	2,603	130
4	Less stable deposits	5,793	1,381	5,745	1,360
5	**Unsecured wholesale funding, of which:**	**1,236**	**599**	**1,495**	**700**
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-
7	Non-operational deposits (all counterparties)	1,235	598	1,495	700
8	Unsecured debt	1	1	-	-

LIQ1: Liquidity Coverage Ratio (LCR)

		a	b	a	b
		30 September 2026		30 June 2026	
$m		Total unweighted value (average)*	Total weighted value (average)**	Total unweighted value (average)*	Total weighted value (average)**
9	**Secured wholesale funding**	**-**	**-**		**-**
10	**Additional requirements, of which:**	**5,806**	**450**	**6,198**	**476**
11	Outflows related to derivative exposures and other collateral requirements	3	3	2	2
12	Outflows related to loss of funding on debt products	-	-	-	-
13	Credit and liquidity facilities	3,019	267	3,280	289
14	Other contractual funding obligations	-	-	-	-
15	Other contingent funding obligations	2,784	180	2,916	185
16	**Total Cash Outflows**		**2,557**		**2,666**
	Cash inflows				
17	Secured lending (eg reverse repos)	250	-	-	-
18	Inflows from fully performing exposures	156	132	311	252
19	Other cash inflows	8	8	29	29
20	**Total Cash Inflows**	**414**	**140**	**340**	**281**
	Total adjusted value				
21	**Total HQLA**		**5,228**		**5,008**
22	**Total net cash outflows**		**2,417**		**2,385**
23	**Liquidity Coverage Ratio (%)**		**216.5**		**210.4**

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

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