MACQUARIE BANK

MBL Basel III Pillar 3 Disclosures

September 2026



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ASX Release

MACQUARIE BANK RELEASES SEPTEMBER 2026 PILLAR 3 DISCLOSURE DOCUMENT

6 November 2026 – The Macquarie Bank Limited September 2026 Pillar 3 disclosure document was released today on the Macquarie website www.macquarie.com. These disclosures have been prepared in accordance with the Australian Prudential Regulation Authority (APRA) requirements of Prudential Standard APS 330 Public Disclosure.

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Attestation

Macquarie Bank Limited (MBL), as an Authorised Deposit-taking Institution, presents the Pillar 3 report in compliance with the requirements under APRA Prudential Standard APS 330 Public Disclosure.

MBL's prudential disclosures are prepared in accordance with the Prudential Disclosure Policy, which meets the requirements of APS 330 and has been approved by the MBL Board.

We, as the Accountable Persons of MBL, confirm that MBL's prudential disclosures, as set out in the MBL Pillar 3 report for the reporting period ended 30 September 2026, have been prepared in accordance with MBL's Prudential Disclosure Policy.

This report was approved on 6 November 2026.



Frank Kwok
Chief Financial Officer



Andrew Cassidy
Chief Risk Officer

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BCBS Disclosure Mapping

BCBS Disclosure Requirements	Templates	Name	Section reference
DIS20: Overview of risk management, key prudential metrics and RWA	KM1	Key metrics (at consolidated group level)	1. Introduction
	OV1	Overview of risk-weighted assets (RWA)	1. Introduction
DIS21: Comparison of modelled and standardised RWA	CMS1	Comparison of modelled and standardised RWA at risk level	3. Credit Risk
	CMS2	Comparison of modelled and standardised RWA for credit risk at asset class level	3. Credit Risk
DIS25: Composition of capital and TLAC	CC1	Composition of regulatory capital	2. Capital Adequacy
	CC2	Reconciliation of regulatory capital to balance sheet	2. Capital Adequacy
DIS31: Asset encumbrance	ENC	Asset encumbrance	11. Liquidity Risk
DIS40: Credit risk	CR1	Credit quality of assets	5. Credit Quality
	CR2	Changes in stock of defaulted loans and debt securities	5. Credit Quality
	CR3	Credit risk mitigation techniques - overview	4. Credit Risk Mitigation
	CR4	Standardised approach - Credit risk exposure and credit risk mitigation effects	3. Credit Risk
	CR5	Standardised approach - Exposures by asset classes and risk weights	3. Credit Risk
	CR6	IRB - Credit risk exposures by portfolio and probability of default (PD) range	3. Credit Risk
	CR8	RWA flow statements of credit risk exposures under IRB	3. Credit Risk
	CR10	IRB (specialised lending under the slotting approach)	3. Credit Risk
DIS42: Counterparty credit risk	CCR1	Analysis of CCR exposures by approach	6. Counterparty Credit Risk
	CCR3	Standardised approach – CCR exposures by regulatory portfolio and risk weights	6. Counterparty Credit Risk
	CCR4	IRB – CCR exposures by portfolio and probability-of-default (PD) scale	6. Counterparty Credit Risk
	CCR5	Composition of collateral for CCR exposures	6. Counterparty Credit Risk
	CCR6	Credit derivatives exposures	6. Counterparty Credit Risk
	CCR8	Exposures to central counterparties	6. Counterparty Credit Risk
DIS43: Securitisation	SEC1	Securitisation exposures in the banking book	7. Securitisation Risk
	SEC4	Securitisation exposures in the banking book and associated capital requirements – bank acting as investor	7. Securitisation Risk
Market risk (APS 330)		Market risk qualitative disclosures	8. Market Risk
	Table 2(f)	MBL VaR exposures arising from the internal models approach (IMA) for trading portfolios	8. Market Risk
	Table 2(f)	MBL SVaR exposures arising from the internal models approach (IMA) for trading portfolios	8. Market Risk
	Table 1(b)	MBL exposure arising from the standard method	8. Market Risk
		Market risk RWA calculation methods	8. Market Risk
Credit valuation adjustment risk (APS 330)		Total CVA risk capital charge	6. Counterparty Credit Risk
DIS75: Macroprudential supervisory measures	CCyB1	Geographical distribution of credit exposures used in the calculation of the bank-specific countercyclical capital buffer requirement	10. Countercyclical Capital Buffers
DIS80: Leverage ratio	LR1	Summary comparison of accounting assets vs leverage ratio exposure measure	9. Leverage Ratio
	LR2	Leverage ratio common disclosure template	9. Leverage Ratio
DIS85: Liquidity	LIQ1	Liquidity coverage ratio (LCR)	11. Liquidity Risk
	LIQ2	Net stable funding ratio (NSFR)	11. Liquidity Risk

1. Introduction

Macquarie Bank Limited (MBL) is an Authorised Deposit-taking Institution (ADI) regulated by the Australian Prudential Regulation Authority (APRA). MBL presents in this report, regulatory information mandated by the revised APRA Prudential Standard APS 330 Public Disclosure (APS 330) which came into effect on 1 January 2025.

The revised APS 330 integrates the Pillar 3 disclosure requirements from the Basel III Framework, with some national specific modifications. The disclosures consist of key prudential metrics and information relating to MBL's regulatory capital, credit risk, counterparty credit risk, securitisation, market risk, countercyclical capital buffer requirement, leverage ratio and liquidity.

MBL's Pillar 3 disclosures are prepared on a Level 2 basis, in accordance with the applicable reporting requirements and the Board-approved Prudential Disclosure Policy. Unless otherwise indicated, references to MBL in this report refer to the Level 2 regulatory group which includes MBL (the ADI). Further details on the regulatory structure are provided in Section 1.3 Scope of Application.

1.1 Overview of the Basel III Framework

The Basel Committee on Banking Supervision (BCBS) Basel III framework is designed to strengthen the regulation, supervision, and risk management within the banking sector. The key objectives are to enhance bank resilience, improve risk management, increase transparency and enhance regulatory standards. The APRA Capital framework adopted the Basel III framework, with stricter requirements implemented in specific areas relating to the calculation and measurement of capital (APRA super equivalence).

The Basel III framework is divided into three broad sections known as 'Pillars', outlined as follows:

Pillar 1

Pillar 1 of the Basel III framework covers the rules by which the capital requirements (risk-weighted assets or RWA) and capital adequacy are determined. The framework seeks to increase the sensitivity to risk in the capital calculations and to ensure that this is aligned with an ADI's internal processes for assessing risk. Consequently, there are a number of different approaches to risk calculation that allow the use of internal models to calculate regulatory capital. A bank may be accredited to use the advanced approaches when it can demonstrate the integrity and sophistication of its risk management framework. It must also ensure that its internal estimates of risk are fully integrated into corporate governance functions as well as internal calculations of capital. Further to this, the most advanced approaches are available if a bank has sufficient depth and history of default data to enable it to generate its own Loss Given Default (LGD) and Probability of Default (PD) estimates based on its own loss experience.

APRA has approved the use of the Foundation Internal Ratings-Based Approach (F-IRB) for wholesale exposures and the Advanced Internal Ratings-Based Approach (A-IRB) for retail exposures in the calculation of MBL's credit risk capital requirements. These approaches utilise the internal PD and internal rating assigned to the obligor. The internal LGD or APRA-assigned LGD is applied to the respective approaches accordingly. APRA-assigned Credit Conversion Factors (CCF) are applied to off-balance sheet exposures based on the nature of the exposure.

Capital requirements for market risk and Interest rate risk in the banking book (IRRBB) are calculated using the Internal Model Approach (IMA). Operational risk capital requirement is calculated using the Standardised Measurement Approach (SMA).

The use of the internal approaches place a higher reliance on the internal capital measures and therefore require a sophisticated level of risk management and risk measurement practices.

Pillar 2

Pillar 2 (the Supervisory Review Process) of the Basel III framework requires ADIs to make their own assessments of capital adequacy considering their risk profile and to have a strategy in place for maintaining their capital levels. Macquarie's Internal Capital Adequacy Assessment Process (ICAAP) addresses the requirements of Pillar 2.

The ICAAP is part of Macquarie's overall risk management framework; its key features include:

- Comprehensive risk assessment process;
- Internal assessment of capital adequacy using Macquarie's economic capital adequacy model (refer to Section 2.1 Capital management);
- Risk appetite setting;
- Capital management plans designed to ensure the appropriate level and mix of capital given Macquarie's risk profile; and
- Regular reporting of capital adequacy and monitoring of risk profile against risk appetite.

Macquarie's ICAAP is subject to Board and Senior Management oversight.

Pillar 3

Pillar 3 of the Basel III framework lays out the public disclosure requirements seeking to provide clear, comprehensive, meaningful, consistent and comparable information across market participants. In alignment with these principles, APRA has incorporated the BCBS's disclosure requirements into the revised APS 330, effective from 1 January 2025.

This report has been produced in compliance with the revised APS 330, containing disclosures that address the following requirements relevant to the reporting period:

- DIS20: Key prudential metrics and RWA
- DIS21: Comparison of modelled and standardised RWA
- DIS25: Composition of capital
- DIS31: Asset encumbrance
- DIS40: Credit risk
- DIS42: Counterparty credit risk
- DIS43: Securitisation
- Market risk (APS 330)
- Credit valuation adjustment risk (APS 330)
- DIS75: Countercyclical capital buffer
- DIS80: Leverage ratio
- DIS85: Liquidity

Information relating to MBL's risk management approach and other Pillar 3 qualitative disclosures are detailed in the Pillar 3 report issued at 31 March 2026.

Disclosures relating to Remuneration and Global Systemically Important Bank (G-SIB) Indicators are published as standalone reports and are not included in this Pillar 3 report. These disclosures are available on the Macquarie website under regulatory disclosures.

1.2 Pillar 3 Disclosure and Governance

MBL is committed to following a robust internal controls framework to ensure that market disclosures are complete, accurate, and comply with applicable standards and regulations. As set out in APS 330, MBL has implemented a Prudential Disclosure Policy which was approved by the MBL Board as the internal governance for the disclosures in this report. The key elements of the Prudential Disclosure Policy include:

Content of disclosures

MBL is required to assess the disclosure requirements. The level of detail and extent of the required disclosures must align with MBL's prudential obligations. Disclosures should be supported by relevant underlying data and information for the relevant period and reflect the key principles from APS 330.

Key controls for the disclosures

MBL has controls in place to ensure the appropriateness and accuracy of the Pillar 3 information. These controls are aligned with the verification process applied to MBL's preparation of financial reports. The Pillar 3 document also contains disclosures reported to APRA, which are reconciled with regulatory submissions to ensure consistency and are subject to the same internal controls as other regulatory reporting.

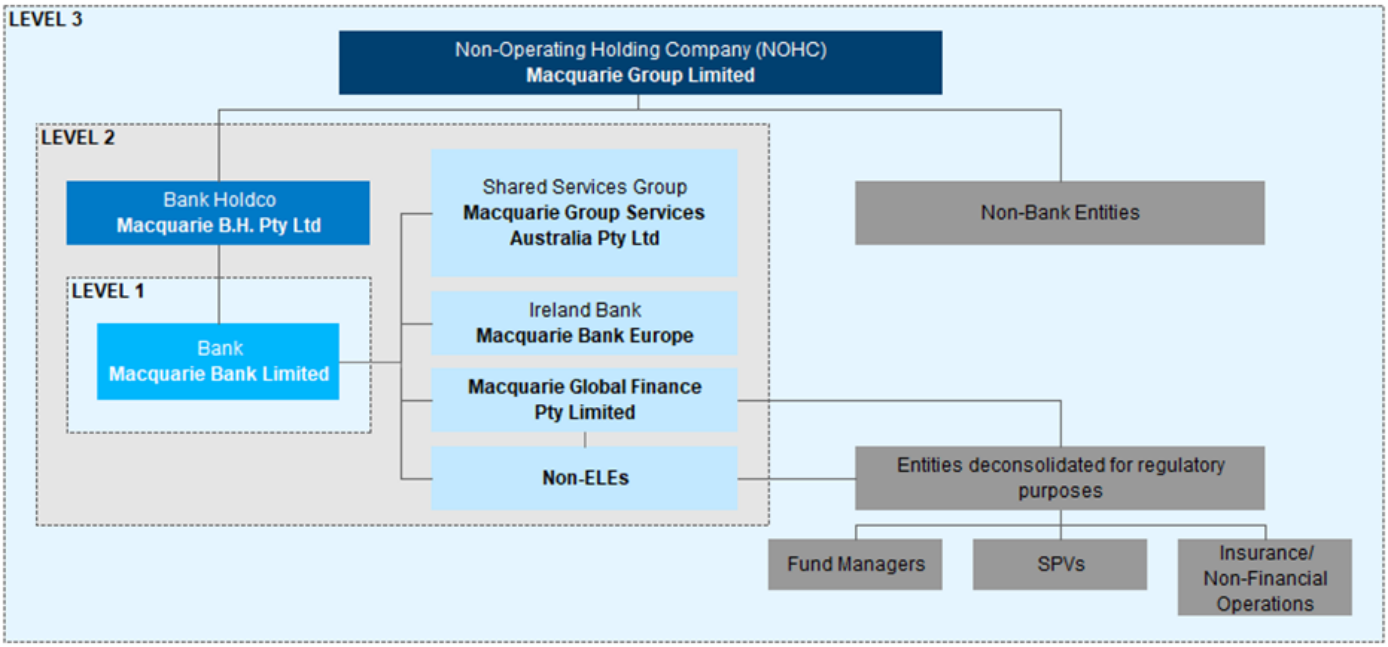
Review and approval process

The policy outlines the roles and responsibilities for the preparation and review, as well as the approval mechanism, of the Pillar 3 document. The governance in place allows for thorough review and Senior Management oversight prior to publication.

As an external publication, this document has been subject to internal verification and approval in line with the Prudential Disclosure Policy to ensure compliance with the regulatory requirements outlined in APS 330. The disclosures in this report are not required to be audited by an external auditor; however, they have been prepared on a basis consistent with information submitted to APRA. The current and historical Pillar 3 reports are available on the Macquarie website under regulatory disclosures.

1.3 Scope of Application

APS 330 requires MBL, as a subsidiary of an authorised non-operating holding company (NOHC), to disclose Pillar 3 information for the Level 2 regulatory consolidated group. The regulatory consolidated group differs from the accounting consolidated group and identifies three different levels of consolidation. The overall regulatory reporting structure of Macquarie Group is illustrated below, and the reporting levels are in accordance with APRA definitions contained in CPS 001 Definitions (CPS 001).



The Level 2 regulatory group primarily consists of MBL (the ADI), its immediate parent (Macquarie B.H. Pty Ltd), and its subsidiaries. The group excludes specific subsidiaries which are required to be deconsolidated according to APRA reporting requirements. These subsidiaries include:

- Special purpose vehicles (SPVs) for which MBL has satisfied operational requirements per APS 120 Securitisation Attachment A for regulatory capital relief; and
- Entities conducting insurance, funds management and non-financial operations.

Consequently, the Level 2 regulatory group excludes a subset of entities which are in scope for the accounting consolidation of MBL and its subsidiaries. Equity investments into these deconsolidated subsidiaries by the Level 2 group are deducted from Common Equity Tier 1 (CET1) capital under APS 111 Capital Adequacy: Measurement of Capital (APS 111).

MBL (the ADI), also equivalent to the Level 1 regulatory group, is part of the larger consolidated group of Macquarie Group Limited (MGL) and its subsidiaries, collectively referred to as the Macquarie Group, the Level 3 regulatory group, or Macquarie. APS 330 does not require disclosures relating to the Level 3 group, however, some limited Level 3 disclosures are made in this report. Comments on policies in this report generally reflect policies adopted across Macquarie, unless it is stated that the policies are specific to any one part of the Group.

References to MBL in this report refer to the Level 2 regulatory group as described above. Unless otherwise stated, all disclosures in this report represent the Level 2 regulatory group prepared on an APRA Basel III basis.

1.4 Basis of Preparation

This Pillar 3 document has been prepared in accordance with reporting requirements from APS 330 and BCBS Disclosure Requirements. The report comprises both quantitative and qualitative information for the period ended 30 September 2026, together with comparatives where relevant for comparability purposes.

MBL's Pillar 3 disclosures are governed by the Prudential Disclosure Policy, which is approved by the MBL Board. The Pillar 3 disclosures issued at MBL's financial half-year at 30 September and full-year at 31 March provide comprehensive information on regulatory capital and risk exposures, and are published concurrently with MBL's interim and annual financial reports. The reports for the quarters ending 30 June and 31 December disclose a subset of this information.

Calculation of MBL's capital requirements follows the methods accredited by APRA. All amounts reported are in Australian Dollars and have been rounded to the nearest million, unless otherwise stated.

1.5 Key Metrics

APRA's capital framework reforms (effective 2023) prescribe the capital adequacy requirements for IRB ADIs as follows:

- Minimum CET1 ratio of 9%, comprising the industry minimum CET1 requirement of 4.5%, a capital conservation buffer (CCB) of 3.75% and a countercyclical capital buffer (CCyB) of 0.75%[1].
- Minimum Tier 1 and Total capital ratios of 10.5% and 17% respectively, inclusive of CCB and CCyB.
- Minimum leverage ratio of 3.5%.

The minimum requirement for liquidity coverage ratio (LCR) and net stable funding ratio (NSFR) is 100% per APS 210 Liquidity.

APRA may impose ADI-specific minimum ratios which may be higher than these requirements. At 30 September 2026, the MBL Level 2 regulatory group's key prudential metrics including the capital ratios, leverage ratio and liquidity ratios are above the APRA imposed regulatory minimum requirements, and the Board imposed internal minimum requirements.

Macquarie has been working with APRA on a remediation plan that strengthens MBL's governance, culture, structure and remuneration to ensure full and ongoing compliance with prudential standards and management of MBL-specific risks. These will continue to be delivered through 2026 and beyond, creating a positive impact through improved systems, frameworks, processes, and strengthening risk culture.

On 5 February 2026, APRA announced it had reduced liquidity add-on requirements imposed on MBL in 2021 and 2022. APRA has partially removed the add-on to the net cash outflow component of MBL's LCR, reducing the add-on from 25% to 15%. APRA has also removed MBL's NSFR add-on of 1% that was applied to the available stable funding component of the NSFR calculation. The changes are effective 5 February 2026. There has been no change to the operational capital overlay of $500 million[2] which MBL was required by APRA to hold from 2021.

At 30 September 2026, MBL's CET1 ratio was 12.9%, down 0.9% from 13.8% in the previous quarter, largely due to a $14.1 billion increase in RWA resulting from higher commodity prices and portfolio growth. This was partially offset by a $0.4 billion increase in CET1 capital, reflecting the net impact of quarterly earnings and regulatory deductions.

Further details on the overall movement in RWA are provided in Table 3: OV1 - Overview of total risk exposure amounts.

The leverage ratio was 4.4% at 30 September 2026, a reduction of 0.1% from the prior quarter. This was largely driven by higher exposures resulting from portfolio growth, partially offset by increase in Tier 1 Capital.

The three month average LCR to 30 September 2026 was 187%, representing a 5% decrease from the prior quarter. The lower average LCR was driven by an increase in net cash outflows which was partly offset by an increase in high-quality liquid assets over the same period.

The NSFR as at 30 September 2026 was 116%, which increased 3% from the prior quarter, driven by an increase in available stable funding, partly offset by an increase in required stable funding.

Updates on MBL's business activities and developments are provided in the MBL Interim Financial Report and Presentation to investors and analysts

[1] The CCyB of the Level 2 regulatory group at 30 September 2026 is 0.79%, The individual CCyB varies by jurisdiction and the CCyB of the Level 2 regulatory group is calculated as a weighted average based on exposures in different jurisdictions at period end.

[2] Specific to the MBL Level 1 regulatory group, APRA has imposed an operational capital overlay of $500 million effective from 1 April 2021. This action pertains to historical issues relating to intra-group funding arrangements.

Table 1: KM1 - Key metrics

		a	b	c	d	e
		Sep 2026	Jun 2026	Mar 2026	Dec 2025	Sep 2025
		$m	$m	$m	$m	$m
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	21,620	21,202	21,370	20,002	19,123
2	Tier 1	23,996	23,581	23,754	22,422	21,553
3	Total capital	38,255	36,451	35,814	33,401	32,575
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	167,896	153,813	167,288	161,880	154,566
4a	Total risk-weighted assets (pre-floor)	167,896	153,813	167,288	161,880	154,566
	Risk-based capital ratios as a percentage of RWA					
5	CET1 ratio (%)	12.9 %	13.8 %	12.8 %	12.4 %	12.4 %
5b	CET1 ratio (%) (pre-floor ratio)	12.9 %	13.8 %	12.8 %	12.4 %	12.4 %
6	Tier 1 ratio (%)	14.3 %	15.3 %	14.2 %	13.9 %	13.9 %
6b	Tier 1 ratio (%) (pre-floor ratio)	14.3 %	15.3 %	14.2 %	13.9 %	13.9 %
7	Total capital ratio (%)	22.8 %	23.7 %	21.4 %	20.6 %	21.1 %
7b	Total capital ratio (%) (pre-floor ratio)	22.8 %	23.7 %	21.4 %	20.6 %	21.1 %
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement (2.5% from 2019) (%)	3.75 %	3.75 %	3.75 %	3.75 %	3.75 %
9	Countercyclical buffer requirement (%)	0.79 %	0.78 %	0.79 %	0.76 %	0.75 %
10	Bank G-SIB and/or D-SIB additional requirements (%)	NA	N/A	N/A	N/A	N/A
11	Total of bank CET1 specific buffer requirements (%)[1] (row 8 + row 9 + row 10)	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %
12	CET1 available after meeting the bank's minimum capital requirements (%)[2]	8.4 %	9.3 %	8.3 %	7.9 %	7.9 %
	Basel III Leverage ratio					
13	Total Basel III leverage ratio exposure measure	547,940	524,981	503,654	484,881	458,694
14	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	4.4 %	4.5 %	4.7 %	4.6 %	4.7 %
14a	Fully loaded ECL accounting model 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
14b	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	4.4 %	4.5 %	4.7 %	4.6 %	4.7 %
14c	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	4.4 %	4.5 %	4.7 %	4.6 %	4.7 %
14d	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	4.4 %	4.5 %	4.7 %	4.6 %	4.7 %
	Liquidity Coverage Ratio (LCR)					
15	Total high-quality liquid assets (HQLA)	63,883	57,935	55,255	59,889	49,121
16	Total net cash outflow	34,196	30,227	32,032	33,719	28,373
17	LCR ratio(%)[3]	187 %	192 %	173 %	178 %	173 %
	Net Stable Funding Ratio (NSFR)					
18	Total available stable funding	288,666	274,594	265,050	247,852	236,117
19	Total required stable funding	249,576	243,998	228,725	223,303	208,942
20	NSFR ratio[4]	116 %	113 %	116 %	111 %	113 %

[1] Total of 3.75% capital conservation buffer and 0.79% countercyclical capital buffer, rounded to 4.5% for presentation purposes.
[2] Calculated as the difference between MBL's CET1 ratio and the industry minimum CET1 requirement of 4.5% per APS 110.
[3] APRA imposed a 25% add-on to the Net Cash Outflow (NCO) component of the LCR calculation, effective from 1 May 2022. APRA has partially removed the add-on to the NCO component, reducing it from 25% to 15%, effective from 5 February 2026. Accordingly, the 3 month average LCR to 30 September 2026 and 30 June 2026 include a 15% NCO add-on. The 3 month average LCR to 31 March 2026 includes a 25% NCO add-on until 4 February 2026 and a 15% NCO add-on from 5 February 2026. Other reporting periods (September 2025 to December 2025) include a 25% NCO add-on.
[4] APRA imposed a 1% decrease to the Available Stable Funding (ASF) component of the NSFR calculation, effective from 1 April 2021. APRA has removed the add-on applied to the ASF component, effective from 5 February 2026. Accordingly, the 1% add-on is removed in the NSFR for reporting periods 31 March 2026 to 30 September 2026. Other reporting periods (September 2025 to December 2025) include the 1% add-on applied to the ASF component.

Table 2: Level 1 Capital Ratios

	Sep 2026	Mar 2026
Risk-based capital ratios as a percentage of RWA (Level 1)		
CET1 ratio (%)	12.4 %	12.2 %
Tier 1 ratio (%)	13.8 %	13.6 %
Total capital ratio (%)	22.3 %	20.9 %

1.6 Risk-Weighted Assets

Table OV1 below presents an overview of MBL's RWAs and minimum capital requirements by risk categories and calculation approaches. The minimum capital requirement is calculated as 8% of RWA. Further details regarding the relevant reporting items are provided in Table 4: Overview of total risk exposures by asset classes.

Total RWA increased by $14.1 billion during the September 2026 quarter and the key movements are outlined below:

- Credit risk increased by $6.1 billion as a result of underlying book growth across the wholesale and retail portfolios.
- RWA increased for CVA and CCR by $5.2 billion and $4.1 billion respectively mainly on account of commodity price movements.

Table 3: OV1 - Overview of total risk exposure amounts

		a	b		c	
		RWA $m			Minimum capital requirements $m	Table/Section Reference
		Sep 2026	Jun 2026	Mar 2026	Sep 2026	
1	Credit risk (excluding counterparty credit risk)[1]	94,142	88,013	90,014	7,532	CR4 /CR6/CR10
2	Of which: standardised approach (SA)	4,681	4,731	4,723	375	CR4
3	Of which: foundation internal ratings-based (F-IRB) approach[2]	41,529	36,539	40,321	3,322	CR6
4	Of which: supervisory slotting approach	6,621	6,363	5,779	530	CR10
5	Of which: advanced internal ratings-based (A-IRB) approach	41,311	40,380	39,191	3,305	CR6
6	Counterparty credit risk (CCR)	33,892	29,771	34,856	2,711	CCR1/CCR8
7	Of which: standardised approach for counterparty credit risk	28,994	24,213	30,231	2,319	CCR1/CCR8
9	Of which: other CCR	4,898	5,558	4,625	392	CCR1
10	Credit valuation adjustment (CVA)	8,778	3,596	8,465	702	6.2 Credit Valuation Adjustment
15	Settlement risk	5	2	1	-	
16	Securitisation exposures in banking book	1,360	1,313	1,191	109	SEC4
18	Of which: securitisation external ratings - (SEC-ERBA), including internal assessment approach (IAA) based approach	362	407	410	29	SEC4
19	Of which: securitisation standardised approach (SEC-SA)	998	906	781	80	SEC4
20	Market risk[3]	7,636	8,869	10,540	611	8.4.6 Market Risk
21	Of which: standardised approach (SA)	454	276	357	36	8.4.6 Market Risk
22	Of which: internal model approach (IMA)	7,182	8,593	10,183	575	8.4.6 Market Risk
20a	Interest rate risk in the banking book (IRRBB)[4,5]	1,902	2,068	2,040	152	
24	Operational risk	20,181	20,181	20,181	1,614	
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-	-	
26	Output floor applied	72.5 %	72.5 %	72.5 %		
27	Floor adjustment (before application of transitional cap)	-	-	-		
28	Floor adjustment (after application of transitional cap)	-	-	-		
29	**Total (1 + 6 + 10 + 15 + 16 + 20 + 20a + 24 + 25 + 28)**	**167,896**	**153,813**	**167,288**	**13,431**	

[1] Includes $2.0 billion overlays related to PD model in Residential Mortgages and Corporates.
[2] Includes residual value of operating leases.
[3] Market risk RWA includes the Risks-Not-In-VaR (RNIV) overlay imposed by APRA, effective from 1 January 2024.
[4] In line with national specific modification.
[5] A Bank-determined overlay of $0.8 billion is included in IRRBB RWAs. This includes amounts related to open issues which are expected to be remediated during FY27, and amounts calculated under a Risks Not in Model ("RNIM") framework.

Table 4 below presents an overview of MBL's exposures and RWAs by asset classes.

Table 4: Overview of total risk exposures by asset classes

30 September 2026

	EAD post CRM and post-CCF			RWA		
Portfolio Type	Credit Risk $m	Counterparty Credit Risk $m	Total $m	Credit Risk $m	Counterparty Credit Risk $m	Total $m
Subject to IRB approach						
Corporate[1]	43,926	27,520	71,446	36,352	19,414	55,766
Sovereign	20,190	2,118	22,308	332	28	360
Financial Institution	12,824	37,460	50,284	4,463	10,817	15,280
Residential Mortgages	221,256	-	221,256	41,310	-	41,310
Retail SME	8	-	8	1	-	1
Operating leases	382	-	382	382	-	382
Total IRB approach	**298,586**	**67,098**	**365,684**	**82,840**	**30,259**	**113,099**
Specialised lending subject to Slotting approach	**6,170**	**1,672**	**7,842**	**6,621**	**1,668**	**8,289**
Subject to Standardised approach						
Corporate	912	1,255	2,167	703	979	1,682
Residential Mortgages	319	-	319	297	-	297
Other Retail	893	-	893	746	-	746
Other Assets	3,131	-	3,131	2,940	-	2,940
Central Counterparties	-	15,831	15,831	-	986	986
Total Standardised approach	**5,255**	**17,086**	**22,341**	**4,686**	**1,965**	**6,651**
Securitisation			7,100			1,360
Credit Value Adjustment			-			8,778
Total Credit Risk	**310,011**	**85,856**	**402,967**	**94,147**	**33,892**	**138,177**
Market Risk						7,636
Operational Risk						20,181
IRRBB						1,902
Total	**310,011**	**85,856**	**402,967**	**94,147**	**33,892**	**167,896**

[1] Sub-asset classes of SME Corporate and IPRE have been aggregated into Corporate.

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Portfolio Type	EAD post CRM and post-CCF			RWA		
	Credit Risk $m	Counterparty Credit Risk $m	Total $m	Credit Risk $m	Counterparty Credit Risk $m	Total $m
Subject to IRB approach						
Corporate[1]	40,312	28,120	68,432	33,289	20,219	53,508
Sovereign	17,627	2,137	19,764	282	17	299
Financial Institution	17,658	32,665	50,323	5,891	9,694	15,585
Residential Mortgages	205,090	-	205,090	39,188	-	39,188
Retail SME	15	-	15	3	-	3
Operating leases	859	-	859	859	-	859
Total IRB approach	**281,561**	**62,922**	**344,483**	**79,512**	**29,930**	**109,442**
Specialised lending subject to Slotting approach	**5,341**	**3,017**	**8,358**	**5,779**	**3,152**	**8,931**
Subject to Standardised approach						
Corporate	989	1,414	2,403	857	1,090	1,947
Residential Mortgages	458	-	458	402	-	402
Other Retail	876	-	876	733	-	733
Other Assets	2,788	-	2,788	2,732	-	2,732
Central Counterparties	-	16,039	16,039	-	684	684
Total Standardised approach	**5,111**	**17,453**	**22,564**	**4,724**	**1,774**	**6,498**
Securitisation			5,809			1,191
Credit Value Adjustment			-			8,465
Total Credit Risk	**292,014**	**83,392**	**381,214**	**90,015**	**34,856**	**134,527**
Market Risk						10,540
Operational Risk						20,181
IRRBB						2,040
Total	**292,014**	**83,392**	**381,214**	**90,015**	**34,856**	**167,288**

[1] Sub-asset classes of SME Corporate and IPRE have been aggregated into Corporate.

2. Capital Adequacy

2.1 Capital management

2.1.1 Capital management strategy

Macquarie's capital management strategy is to determine and maintain appropriate capital levels to support Macquarie's businesses. This includes generating appropriate returns on capital and managing capital in a manner consistent with the expectations of external stakeholders, including regulators, investors and rating agencies.

The capital management objectives are to maintain sufficient capital resources to:

- Support Macquarie's business and operational requirements;
- Safeguard interests of depositors and Macquarie's ability to continue as a going concern;
- Exceed regulatory capital requirements; and
- Support Macquarie's credit ratings.

Macquarie's capital management strategy uses both internal and external measures of capital. Internally, Macquarie has developed an Economic Capital Adequacy Model (ECAM) that is used to quantify the MGL Group's and the MBL Group's aggregate level of risk, including for specific risk types such as credit, equity, market and operational risk. Externally, Macquarie is subject to minimum capital requirements imposed by APRA on a Level 1, Level 2 and Level 3 basis.

The internal and external measures of capital are used to inform the capital management strategy and support business decision making including:

- Capital adequacy assessment;
- Risk appetite setting; and
- Risk adjusted performance measurement.

2.1.2 Capital adequacy assessment

Capital adequacy is primarily assessed on a regulatory basis for the regulatory reporting groups (Level 1, Level 2 and Level 3), as well as on an economic basis for the MBL Group and MGL Group. The assessment is conducted in accordance with the ICAAP framework (refer Section 1.1 Overview of the Basel III Framework), with results reported to the MBL Board, MGL Board and Senior Management, together with projections of capital adequacy under a range of scenarios.

Capital requirements are assessed as follows:

Entity	Regulatory basis (Basel III)	Economic basis (ECAM)
Level 1 regulatory group	Capital to cover RWA and regulatory deductions, according to APRA's ADI Prudential Standards	n/a
Level 2 regulatory group	Capital to cover RWA and regulatory deductions, according to APRA's ADI Prudential Standards	Internal model, covering exposures of the MBL Group
Level 3 regulatory group (MGL Group)	Level 2 regulatory group capital requirement plus internal ECAM requirement of the Non-Bank Group	Internal model, covering exposures of the MGL Group

The Non-Bank Group's capital requirement is calculated using Macquarie's ECAM. The ECAM is based on similar principles and models as the Basel III regulatory capital framework for banks, as shown in the table below, with both calculating capital at a one year, 99.9% confidence level. The table below shows a comparison of Basel III and ECAM methodologies for key risk types.

Risk[1]	Basel III[2]	ECAM
Credit	Capital requirement generally determined by Basel III IRB formula, with some parameters specified by the regulator (e.g. loss given default estimates for wholesale counterparties)	Capital requirement generally determined by Basel III IRB formula, but with internal estimates of key parameters
Equity	Harmonised Basel III: 250% or 400% risk weight, depending on the type of investment. Deduction from Common Equity Tier 1 above a threshold APRA Basel III: 100% Common Equity Tier 1 deduction[3]	Capital requirement generally determined by an extension of Basel III credit model to cover equity exposures. Capital requirement between 34% and 82% of face value; average 53%
Market	M[4] times 10-day 99% Value at Risk (VaR) plus M times 10-day 99% Stressed Value at Risk (SVaR), plus a specific risk charge	Scenario-based approach
Operational	Standardised Measurement Approach	Scenario-based internal measurement approach

The MGL Group and the Level 1 and 2 regulatory groups are well capitalised. Surplus capital is available to support growth, provide strategic flexibility, accommodate regulatory change and capital volatility. Macquarie actively manages the sensitivity of its capital position to foreign currency movements in order to reduce volatility.

[1] The ECAM also covers non-traded interest rate risk and the risk on assets held as part of business operations, including fixed assets, goodwill, intangible assets and capitalised expenses.
[2] Basel III requirements shown with Market Risk per the revised BCBS Basel II market risk framework. APRA has implemented the Basel III framework (APRA Basel III), and in some areas has introduced stricter requirements (APRA super equivalence).
[3] Includes all Banking Book equity investments, plus net long Trading Book holdings in financial institutions.
[4] M is the Market Risk capital multiplier, which is 3 plus any additions specified.

2.2 Regulatory capital instruments

MBL's regulatory capital comprises Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital, recognised in accordance with APS 111.

Common Equity Tier 1 Capital

The Bank Group's Common Equity Tier 1 capital under Basel III consists of ordinary share capital, retained earnings and certain reserves, less prescribed regulatory adjustments. MBL periodically pays dividends to MGL. As required, MGL may inject capital into MBL to support projected business growth.

Tier 1 Capital

Tier 1 capital consists of Common Equity Tier 1 capital and Additional Tier 1 capital (hybrids). Additional Tier 1 capital as at 30 September 2026 consists of MACS, BCN2 and BCN3.

MACS were issued by MBL, acting through its London Branch in March 2017. MACS are subordinated, unsecured notes that pay discretionary, non-cumulative, semi-annual fixed rate cash distributions. Subject to certain conditions the MACS may be redeemed on 8 March 2027, or every fifth anniversary thereafter. MACS can be exchanged for a variable number of fully paid MGL ordinary shares on an acquisition event (where a person acquires control of MBL or MGL), where MBL's Common Equity Tier 1 capital ratio falls below 5.125%, or where APRA determines MBL would be non-viable without an exchange or a public sector injection of capital (or equivalent support).

BCN2 were issued by MBL in June 2020 and are quoted on the Australian Securities Exchange. The BCN2 pay discretionary, quarterly floating rate cash distributions equal to three month BBSW plus 4.70% per annum margin, adjusted for franking credits. These instruments are non-cumulative and unsecured and may be redeemed at face value on 21 December 2026 (subject to certain conditions being satisfied) or earlier in specified circumstances. The BCN2 can be converted into a variable number of MGL ordinary shares (subject to certain conditions being satisfied) on these redemption dates; mandatorily exchanged on 21 December 2028; exchanged earlier upon an acquisition event (with the acquirer gaining control of MGL or MBL); where MBL's Common Equity Tier 1 capital ratio falls below 5.125%, or where APRA determines MBL would be non-viable without an exchange or a public sector injection of capital (or equivalent support).

BCN3 were issued by MBL in August 2021 and are quoted on the Australian Securities Exchange. The BCN3 pay discretionary, quarterly floating rate cash distributions equal to three-month BBSW plus 2.90% per annum margin, adjusted for franking credits. These instruments are non-cumulative and unsecured and may be redeemed at face value on 7 September 2028, 7 March 2029, or 7 September 2029 (subject to certain conditions being satisfied) or earlier in specified circumstances. The BCN3 can be converted into a variable number of MGL ordinary shares (subject to certain conditions being satisfied) on these redemption dates; mandatorily exchanged on 8 September 2031; exchanged earlier upon an acquisition event (with the acquirer gaining control of MGL or MBL); where MBL's Common Equity Tier 1 capital ratio falls below 5.125%, or where APRA determines MBL would be non-viable without an exchange or a public sector injection of capital (or equivalent support).

Tier 2 Capital

MBL's Tier 2 capital consists of convertible subordinated debt qualifying as Tier 2 capital instruments and a portion of certain credit loss reserves.

MBL has issued cumulative Tier 2 capital instruments amounting to $US750 million in June 2020, $US1,000 million in March 2021, $A850 million in June 2022, $US1,000 million in January 2023, $A1,250 million in March 2024, $A1,250 million in August 2024, $A1,250 million in May 2025, $US1,000 million in August 2025, $A1,250 million in February 2026, $US1,250 million in June 2026 and $A1,400 million in September 2026 which are Basel III compliant. This is reported as the value of the liability at the period end date adjusted for any amortisation required under APS 111.

The full terms and conditions of all instruments included in regulatory capital can be found on the Macquarie website.

2.3 Composition of Regulatory Capital

Table CC1 below discloses the composition of MBL's regulatory capital, capital ratios, and buffer requirements, presented with relevant references to the regulatory balance sheet. This table should be read in conjunction with Table 6: CC2 - Reconciliation of regulatory capital to balance sheet.

Table 5: CC1 - Composition of regulatory capital

		a	b	
		Amounts Sep 2026 $m	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	Amounts Mar 2026 $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	10,285		10,264
2	Retained earnings	13,845		13,580
3	Accumulated other comprehensive income (and other reserves)	684		731
6	**Common Equity Tier 1 capital before regulatory adjustments**	**24,814**		24,575
	Common Equity Tier 1 capital: regulatory adjustments			
7	Prudent valuation adjustments	3		2
8	Goodwill (net of related tax liability)	-		-
9	Other intangibles other than mortgage servicing rights (MSR) (net of related tax liability)	13		15
10	Deferred tax assets (DTA) that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	11	Table a	13
11	Cash flow hedge reserve	16		18
12	Shortfall of provisions to expected losses	313		199
14	Gains and losses due to changes in own credit risk on fair valued liabilities	31		33
26	National specific regulatory adjustments	**2,776**		2,918
26a	of which: deferred fee income	(289)		(269)
26b	of which: equity investments in financial institutions	270		276
26c	of which: deferred tax assets (temporary differences)	1,065	Table a	1,109
26d	of which: capitalised expenses	1,086		1,004
26e	of which: investments in commercial (non-financial) entities that are deducted under APRA prudential requirements	434		513
26f	of which: other national specific regulatory adjustments not reported in rows 26a to 26e	210		285
	Other regulatory adjustments not reported above	31		7
28	Total regulatory adjustments to Common Equity Tier 1 capital	**3,194**		3,205
29	**Common Equity Tier 1 capital (CET1)**	**21,620**		21,370
	Additional Tier 1 capital: instruments			
30	Directly issued qualifying additional Tier 1 instruments plus related stock surplus	2,376	Table b	2,384
32	Of which: classified as liabilities under applicable accounting standards	2,376	Table b	2,384
36	Additional Tier 1 capital before regulatory adjustments	2,376	Table b	2,384
44	Additional Tier 1 capital (AT1)	2,376	Table b	2,384
45	Tier 1 capital (T1 = CET1 + AT1)	23,996		23,754
	Tier 2 capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	14,234	Table c	12,042
50	Provisions	25		18
51	Tier 2 capital before regulatory adjustments	14,259		12,060
58	Tier 2 capital	14,259		12,060
59	**Total regulatory capital (= Tier 1 + Tier2)**	**38,255**		35,814
60	**Total risk-weighted assets**	**167,896**		167,288
	Capital adequacy ratios and buffers			
61	Common Equity Tier 1 capital (as a percentage of risk-weighted assets)	12.9 %		12.8 %
62	Tier 1 capital (as a percentage of risk-weighted assets)	14.3 %		14.2 %
63	Total capital (as a percentage of risk-weighted assets)	22.8 %		21.4 %

		a	b	
		Amounts Sep 2026 $m	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	Amounts Mar 2026 $m
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]	4.5 %		4.5 %
65	Of which: capital conservation buffer requirement	3.75 %		3.75 %
66	Of which: bank-specific countercyclical buffer requirement	0.79 %		0.79 %
67	Of which: higher loss absorbency requirement	N/A		N/A
68	Common Equity Tier 1 capital (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements[2]	8.4 %		8.3 %
	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)	25		18
77	Cap on inclusion of provisions in Tier 2 capital under standardised approach	193		187
78	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-		-
79	Cap for inclusion of provisions in Tier 2 capital under internal ratings-based approach	714		710

[1] Total of 3.75% capital conservation buffer and 0.79% countercyclical capital buffer, rounded to 4.5% for presentation purposes.
[2] Calculated as the difference between MBL's CET1 ratio and the industry minimum CET1 requirement of 4.5% per APS 110.

2.4 Reconciliation of Regulatory Capital to Balance Sheet in MBL Interim Financial Report

Information presented in table CC2 consists of the accounting consolidated balance sheet of MBL and its subsidiaries (column a), the regulatory balance sheet of the Level 2 group (column b), together with relevant reconciliations to regulatory capital information (disclosed in Table 5: CC1 - Composition of regulatory capital).

Details on the balance sheet movements are provided in MBL Interim Financial Report.

Table 6: CC2 - Reconciliation of regulatory capital to balance sheet

	a	b	c
	Balance sheet as in published financial	Under regulatory scope of consolidation	Reference
	Sep 2026 $m	Sep 2026 $m	
Assets			
Cash and bank balances	18,372	18,352	
Cash collateralised lending and reverse repurchase agreements	85,450	85,450	
Trading assets	47,459	47,455	CC1 Row 26f
Margin money and settlement assets	20,099	20,091	
Derivative assets	41,357	41,357	
Financial investments	24,517	24,516	
Other assets	7,717	6,880	CC1 Row 8, 9, 26
Loan assets	245,114	245,114	CC1 Row 26d
Due from subsidiaries and other Macquarie Group entities	5,980	6,145	
Property, plant and equipment and right-of-use assets	3,328	3,302	
Investments in regulatory non-consolidated subsidiaries	-	207	
Deferred tax assets	1,105	1,095	
Total assets	**500,498**	**499,964**	
Liabilities			
Deposits	244,162	244,162	
Cash collateralised borrowing and repurchase agreements	11,553	11,553	
Trading liabilities	12,946	12,946	
Margin money and settlement liabilities	29,053	29,051	
Derivative liabilities	37,617	37,617	
Other liabilities	11,915	11,817	
Due to subsidiaries and other Macquarie Group entities	12,115	12,468	
Issued debt securities and borrowings	100,120	99,393	
Deferred tax liabilities	10	10	
Total liabilities excluding loan capital	**459,491**	**459,017**	
Loan capital	16,133	16,133	Table b / Table c
Total liabilities	**475,624**	**475,150**	
Net assets	**24,874**	**24,814**	
Equity			
Contributed equity	10,285	10,285	
Reserves	674	684	
Retained earnings	13,915	13,845	
Total capital and reserves attributable to the ordinary equity holder of Macquarie Bank Limited	**24,874**	**24,814**	
Total equity	**24,874**	**24,814**	

The tables below provide reconciliations between the regulatory balance sheet (disclosed in Table 6: CC2 - Reconciliation of regulatory capital to balance sheet) and the regulatory capital information (disclosed in Table 5: CC1 - Composition of regulatory capital).

Table a - DTA	Sep 2026 $m	CC1 Row reference
Deferred Tax Assets per Regulatory Balance Sheet	1,095	
Less: Deferred Tax Liabilities per Regulatory Balance Sheet	(10)	
Net Deferred Tax Assets	1,085	
Adjustments required in accordance with APRA prudential standards	(9)	
Adjusted Net Deferred Tax Assets	1,076	
of which: Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	(11)	Row 10
of which: Deferred tax assets (temporary differences) - Amounts below prescribed threshold	(1,065)	Row 26c
Total Deferred Tax Assets - Per CC1 disclosure	-	

Table b - Additional Tier 1 Capital	Sep 2026 $m	CC1 Row reference
Loan Capital per Regulatory Balance Sheet	16,133	
Less: Tier 2 capital instruments reported in Table c	(13,761)	
Less: Accrued interest	(8)	
Add: Capitalised expenses deducted in Common Equity Tier 1 Capital[1]	3	Row 26d
Less: Fair value hedge adjustments[2]	9	
Total Additional Tier 1 Capital - Per CC1 disclosure	2,376	Row 30/32/36/44
Additional Tier 1 Capital Instruments		
Macquarie Bank Capital Notes 2	641	
Macquarie Bank Capital Notes 3	655	
Macquarie Additional Capital Securities	1,080	
Total Additional Tier 1 Capital - Per CC1 disclosure	2,376	Row 30/32/36/44

Table c - Total Tier 2 Capital	Sep 2026 $m	CC1 Row reference
Tier 2 Capital per Regulatory Balance Sheet	13,761	Table b
Less: Accrued Interest	(132)	
Add: Capitalised expenses deducted in Common Equity Tier 1 Capital[1]	37	
Less: Fair value hedge adjustments[2]	785	
Less: Basel III non-transitional amortisation	(217)	
Total Tier 2 Capital - Per CC1 disclosure	14,234	Row 46
Tier 2 Capital instruments[3]		
USD 750m issued in June 2020	864	
USD 1b issued in March 2021	1,440	
AUD 850m issued in June 2022	850	
USD 1b issued in January 2023	1,440	
AUD 650m & AUD 600m issued in March 2024	1,250	
AUD 900m & AUD 350m issued in August 2024	1,250	
AUD 500m & AUD 750m issued in May 2025	1,250	
USD 1b issued in August 2025	1,440	
AUD 850m & AUD 400m issued in February 2026	1,250	
USD 1.25b issued in June 2026	1,800	
AUD 700m, AUD 200m & AUD 500m issued in September 2026	1,400	
Total Tier 2 Capital - Per CC1 disclosure	14,234	Row 46

[1] Unamortised issue cost relating to capital instruments are netted against each instrument on the Level 2 Regulatory Balance Sheet. For regulatory capital purposes, the unamortised costs are deducted at CET1 as part of capitalised expenses in row 26d of Table 5: CC1 - Composition of regulatory capital.
[2] For regulatory capital purposes, APRA requires these instruments to be included as unhedged.
[3] Values are post transitional amortisation.

3. Credit Risk

3.1 Quantitative information on capital requirements under the Internal ratings-based (IRB) approach

The following tables present the capital requirements for credit risk exposures subject to the IRB risk-weight approach. The disclosure includes an overview of on- and off-balance sheet exposures by portfolios and asset classes, presented together with the key parameters used to calculate EAD and RWA.Original on-balance sheet gross exposure and Off-balance sheet exposures pre CCF are pre CRM. Non-performing assets are not included in the weighted average calculations of PD, LGD, Maturity and RWA density.

Table 7: CR6 - IRB - Credit risk exposures by portfolio and probability of default (PD) range

30 September 2026
Wholesale Portfolio

	a	b	c	d	e	f	g	h	i	j	k	l
PD Scale	Original on-balance sheet gross exposure $m	Off-balance sheet exposures pre CCF $m	Average CCF %	EAD post CRM and post-CCF $m	Average PD %	Number of obligors	Average LGD %	Average maturity years	RWA $m	RWA density %	EL $m	Provisions $m
Corporate												
0.00 to <0.15	5,669	293	49.1 %	5,861	0.08 %	162	46.1 %	2.7	1,766	30.1 %	2	
0.15 to <0.25	2,755	641	91.6 %	3,506	0.16 %	95	44.0 %	3.3	1,760	50.2 %	3	
0.25 to <0.50	10,129	2,293	69.0 %	10,513	0.35 %	980	44.0 %	2.3	6,237	59.3 %	16	
0.50 to <0.75	-	-	— %	-	— %	-	— %	-	-	— %	-	
0.75 to <2.50	11,393	3,944	81.5 %	14,021	1.15 %	2,774	37.5 %	2.5	12,388	88.4 %	60	
2.50 to <10.00	6,395	2,497	73.2 %	7,924	3.75 %	3,001	39.1 %	2.6	9,959	125.7 %	117	
10.00 to <100.00	1,376	524	59.2 %	1,446	17.32 %	776	42.5 %	2.4	3,107	214.9 %	108	
RWA overlays	-	-	— %	-	— %	-	— %	-	1,135	— %	-	
100.00 (Non-Performing)	595	61	99.6 %	655	100.00 %	110	35.8 %	2.0	-	— %	235	
Sub-total	**38,312**	**10,253**	**75.3 %**	**43,926**	**1.75 %**	**7,898**	**41.2 %**	**2.5**	**36,352**	**84.0 %**	**541**	**446**
Financial Institution												
0.00 to <0.15	7,142	58	42.9 %	9,665	0.05 %	348	50.0 %	1.3	2,084	21.6 %	3	
0.15 to <0.25	1,381	17	40.0 %	1,388	0.16 %	55	50.2 %	1.6	717	51.6 %	1	
0.25 to <0.50	796	40	81.4 %	809	0.36 %	118	50.0 %	1.4	599	74.0 %	1	
0.50 to <0.75	-	-	— %	-	— %	-	— %	-	-	— %	-	
0.75 to <2.50	516	67	43.4 %	545	0.82 %	48	50.6 %	1.1	560	102.8 %	2	
2.50 to <10.00	164	24	43.1 %	171	2.85 %	31	48.6 %	1.1	265	155.4 %	2	
10.00 to <100.00	88	160	100.0 %	245	13.23 %	41	17.4 %	3.9	238	97.1 %	7	
100.00 (Non-Performing)	1	-	- %	1	100.00 %	5	50.0 %	1.0	-	- %	-	
Sub-total	**10,088**	**366**	**72.1 %**	**12,824**	**0.41 %**	**646**	**49.4 %**	**1.4**	**4,463**	**34.8 %**	**16**	**11**
Sovereign												
0.00 to <0.15	20,059	33	40.0 %	20,072	0.02 %	31	5.6 %	1.9	241	1.2 %	-	
0.15 to <0.25	-	-	— %	-	- %	-	- %	-	-	- %	-	
0.25 to <0.50	19	-	— %	19	0.27 %	2	50.0 %	1.0	8	44.3 %	-	
0.50 to <0.75	-	-	— %	-	-	-	— %	-	-	— %	-	
0.75 to <2.50	88	29	40.0 %	99	0.81 %	2	50.0 %	1.2	83	83.9 %	-	
2.50 to <10.00	-	-	— %	-	- %	-	- %	-	-	- %	-	
10.00 to <100.00	-	-	— %	-	46.40 %	1	50.0 %	1.0	-	266.7 %	-	
100.00 (Non-Performing)	-	-	— %	-	- %	-	— %	-	-	— %	-	
Sub-total	**20,166**	**62**	**40.0 %**	**20,190**	**0.02 %**	**36**	**5.9 %**	**1.8**	**332**	**1.6 %**	**-**	**-**
Residual Value of Operating Lease	**381**	**1**	**100.0 %**	**382**	**- %**	**-**	**- %**	**-**	**382**	**100.0 %**	**-**	**-**
Total (all portfolios)	**68,947**	**10,682**	**75.0 %**	**77,322**	**1.06 %**	**8,580**	**33.1 %**	**2.2**	**41,529**	**54.2 %**	**557**	**457**

Retail Portfolio

	a	b	c	d	e	f	g	h	i	j	k	l
PD Scale	Original on-balance sheet gross exposure $m	Off-balance sheet exposures pre CCF $m	Average CCF %	EAD post CRM and post-CCF $m	Average PD %	Number of obligors	Average LGD %	Average maturity years	RWA $m	RWA density %	EL $m	Provisions $m
Residential Mortgage												
0.00 to <0.15	80,296	11,925	100.0 %	92,221	0.11 %	142,531	11.7 %		5,625	6.1 %	12	
0.15 to <0.25	36,055	1,534	100.0 %	37,590	0.20 %	52,670	13.4 %		3,396	9.0 %	10	
0.25 to <0.50	-	-	— %	-	— %	-	— %		-	— %	-	
0.50 to <0.75	-	-	— %	-	— %	-	— %		-	— %	-	
0.75 to <2.50	81,718	7,045	100.0 %	88,763	1.07 %	145,316	13.6 %		27,647	31.2 %	133	
2.50 to <10.00	353	75	100.0 %	428	2.50 %	1,034	14.4 %		247	57.6 %	2	
10.00 to <100.00	790	12	100.0 %	803	22.70 %	1,291	13.5 %		1,042	129.8 %	25	
RWA overlays	-	-	— %	-	— %	-	— %		910	— %	-	
100.00 (Non-Performing)	1,435	15	100.0 %	1,451	100.00 %	2,244	15.1 %		2,443	168.4 %	46	
Sub-total	**200,647**	**20,606**	**100.0 %**	**221,256**	**0.60 %**	**345,086**	**12.8 %**		**41,310**	**17.7 %**	**228**	**213**
SME Retail												
0.00 to <0.15	-	-	— %	-	— %	-	— %		-	— %	-	
0.15 to <0.25	2	4	100.0 %	6	0.20 %	15	12.0 %		-	5.3 %	-	
0.25 to <0.50	-	-	— %	-	— %	-	— %		-	— %	-	
0.50 to <0.75	-	-	— %	-	— %	-	— %		-	— %	-	
0.75 to <2.50	1	-	100.0 %	1	1.37 %	4	10.0 %		-	16.9 %	-	
2.50 to <10.00	-	-	- %	-	- %	-	- %		-	- %	-	
10.00 to <100.00	1	-	100.0 %	1	22.70 %	1	17.1 %		1	108.2 %	-	
RWA overlays	-	-	-	-	-	-	-		-	-	-	
100.00 (Non-Performing)	-	-	— %	-	— %	-	— %		-	— %	-	
Sub-total	**4**	**4**	**100.0 %**	**8**	**2.10 %**	**20**	**12.1 %**		**1**	**15.0 %**	**-**	**-**
Total (all portfolios)	**200,651**	**20,610**	**100.0 %**	**221,264**	**0.60 %**	**345,106**	**12.8 %**		**41,311**	**17.7 %**	**228**	**213**

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Wholesale Portfolio

	a	b	c	d	e	f	g	h	i	j	k	l
PD Scale	Original on-balance sheet gross exposure $m	Off-balance sheet exposures pre CCF $m	Average CCF %	EAD post CRM and post-CCF $m	Average PD %	Number of obligors	Average LGD %	Average maturity years	RWA $m	RWA density %	EL $m	Provisions $m
Corporate												
0.00 to <0.15	4,186	355	47.5 %	4,465	0.08 %	142	46.6 %	3.0	1,390	31.1 %	2	
0.15 to <0.25	2,707	361	98.2 %	3,243	0.16 %	85	42.8 %	2.9	1,479	45.6 %	2	
0.25 to <0.50	9,866	2,199	72.5 %	10,868	0.35 %	908	44.7 %	2.1	6,408	59.0 %	17	
0.50 to <0.75	-	-	— %	-	— %	-	— %	-	-	— %	-	
0.75 to <2.50	10,516	4,098	79.6 %	12,987	1.12 %	2,688	37.1 %	2.5	11,919	91.8 %	54	
2.50 to <10.00	5,892	2,241	77.7 %	7,101	3.73 %	3,038	39.4 %	2.5	8,703	122.6 %	104	
10.00 to <100.00	1,348	319	62.2 %	1,202	17.76 %	724	44.4 %	2.0	2,602	216.4 %	97	
RWA overlays	-	-	— %	-	— %	-	— %	-	788	— %	-	
100.00 (Non-performing)	427	19	100.0 %	445	100.00 %	90	29.9 %	1.4	-	— %	133	
Sub-total	**34,942**	**9,592**	**76.5 %**	**40,312**	**1.68 %**	**7,675**	**41.3 %**	**2.5**	**33,289**	**83.5 %**	**409**	**366**
Financial Institution												
0.00 to <0.15	9,850	88	41.9 %	12,223	0.05 %	324	50.0 %	1.0	2,367	19.4 %	3	
0.15 to <0.25	765	5	40.0 %	779	0.16 %	38	50.4 %	1.2	360	46.2 %	1	
0.25 to <0.50	3,756	439	40.2 %	3,939	0.30 %	107	50.1 %	1.1	2,504	63.6 %	6	
0.50 to <0.75	-	-	— %	-	— %	-	— %	-	-	— %	-	
0.75 to <2.50	186	40	46.1 %	204	0.82 %	50	49.7 %	0.9	195	95.7 %	1	
2.50 to <10.00	138	2	84.6 %	140	3.06 %	34	49.3 %	1.2	226	161.5 %	2	
10.00 to <100.00	86	287	99.5 %	372	13.49 %	40	11.8 %	4.3	239	64.3 %	7	
100.00 (Non-performing)	1	-	— %	1	100.00 %	6	50.0 %	1.0	-	— %	-	
Sub-total	**14,782**	**861**	**60.5 %**	**17,658**	**0.43 %**	**599**	**49.2 %**	**1.1**	**5,891**	**33.4 %**	**20**	**17**
Sovereign												
0.00 to <0.15	17,473	34	40.0 %	17,524	0.02 %	30	5.4 %	1.8	199	1.1 %	-	
0.15 to <0.25	-	-	— %	-	— %	-	— %	-	-	— %	-	
0.25 to <0.50	8	-	— %	8	— %	3	50.0 %	1.0	4	— %	-	
0.50 to <0.75	-	-	— %	-	— %	-	— %	-	-	— %	-	
0.75 to <2.50	83	29	40.0 %	95	0.81 %	2	49.4 %	1.2	79	83.6 %	-	
2.50 to <10.00	-	-	— %	-	— %	-	— %	-	-	— %	-	
10.00 to <100.00	-	-	— %	-	46.40 %	1	50.0 %	1.0	-	266.7 %	-	
100.00 (Non-performing)	-	-	— %	-	— %	-	— %	-	-	— %	-	
Sub-total	**17,564**	**63**	**40.0 %**	**17,627**	**0.02 %**	**36**	**5.7 %**	**1.8**	**282**	**1.6 %**	**-**	**-**
Residual Value of Operating Lease	**858**	**1**	**100.0 %**	**859**	**— %**	**-**	**— %**	**-**	**859**	**100.0 %**	**-**	**-**
Total (all portfolios)	**68,146**	**10,517**	**75.0 %**	**76,456**	**1.00 %**	**8,310**	**34.8 %**	**2.0**	**40,321**	**53.0 %**	**429**	**383**

Retail Portfolio

	a	b	c	d	e	f	g	h	i	j	k	l
PD Scale	Original on-balance sheet gross exposure $m	Off-balance sheet exposures pre CCF $m	Average CCF %	EAD post CRM and post-CCF $m	Average PD %	Number of obligors	Average LGD %	Average maturity years	RWA $m	RWA density %	EL $m	Provisions $m
Residential Mortgage												
0.00 to <0.15	72,768	11,359	100.0 %	84,126	0.11 %	129,982	11.7 %		5,123	6.1 %	11	
0.15 to <0.25	32,222	1,508	100.0 %	33,730	0.20 %	47,524	13.4 %		3,048	9.0 %	9	
0.25 to <0.50	-	-	— %	-	— %	-	— %		-	— %	-	
0.50 to <0.75	-	-	— %	-	— %	-	— %		-	— %	-	
0.75 to <2.50	76,315	8,337	100.0 %	84,653	1.07 %	140,629	13.6 %		26,596	31.4 %	128	
2.50 to <10.00	433	85	100.0 %	518	2.50 %	1,226	14.6 %		301	58.1 %	2	
10.00 to <100.00	818	8	100.0 %	826	22.70 %	1,360	13.5 %		1,071	129.7 %	25	
RWA overlays	-	-	— %	-	— %	-	— %		910	— %	-	
100.00 (Non-performing)	1,216	21	100.0 %	1,237	100.00 %	1,953	15.1 %		2,139	172.9 %	35	
Sub-total	**183,772**	**21,318**	**100.0 %**	**205,090**	**0.62 %**	**322,674**	**12.8 %**		**39,188**	**18.2 %**	**210**	**165**
SME Retail												
0.00 to <0.15	-	-	— %	-	— %	-	— %		-	— %	-	
0.15 to <0.25	3	3	100.0 %	6	0.20 %	17	10.2 %		-	4.5 %	-	
0.25 to <0.50	-	-	— %	-	— %	-	— %		-	— %	-	
0.50 to <0.75	-	-	— %	-	— %	-	— %		-	— %	-	
0.75 to <2.50	4	-	100.0 %	4	1.37 %	8	14.7 %		1	24.8 %	-	
2.50 to <10.00	4	-	100.0 %	4	2.50 %	1	10.0 %		1	24.5 %	-	
10.00 to <100.00	1	-	100.0 %	1	22.70 %	1	17.1 %		1	108.2 %	-	
RWA overlays	-	-	— %	-	— %	-	— %		-	— %	-	
100.00 (Non-performing)	-	-	— %	-	- %	-	- %		-	- %	-	
Sub-total	**12**	**3**	**100.0 %**	**15**	**2.12 %**	**27**	**11.6 %**		**3**	**19.5 %**	**-**	**-**
Total (all portfolios)	**183,784**	**21,321**	**100.0 %**	**205,105**	**0.62 %**	**322,701**	**12.8 %**		**39,191**	**18.2 %**	**210**	**165**

Table CR8 below presents the key factors contributing to the movements in IRB RWA between the current and prior reporting period.

Table 8: CR8 - RWA flow statements of credit risk exposures under IRB

		3 months to 30 Sep 26 $m	3 months to 30 Jun 26 $m
1	**RWA as at end of previous reporting period**	**83,282**	85,290
2	Asset size	7,398	(469)
3	Asset quality	(1,119)	(1,722)
4	Model updates	-	347
5	Methodology and policy	-	-
6	Acquisitions and disposals	-	-
7	Foreign exchange movements	(100)	(164)
8	Other	-	-
9	**RWA as at end of reporting period**	**89,461**	**83,282**

Table CR10 below presents information on the specialised lending exposures under the supervisory slotting approach by regulatory categories.

Table 9: CR10 - IRB (specialised lending under the slotting approach)

30 September 2026

Specialised lending exposures subject to supervisory slotting[1]									
				Exposure amount $m					
Regulatory categories	On-balance sheet amount $m	Off-balance sheet amount $m	RW %	PF	OF	CF	Total	RWA $m	Expected losses $m
Strong	5	132	70 %	137	-	-	137	96	1
Good	1,919	399	90 %	630	1,674	-	2,304	2,074	18
Satisfactory	2,715	831	115 %	2,551	837	-	3,388	3,896	95
Weak	68	144	250 %	63	159	-	222	555	18
Default	49	17	— %	119	-	-	119	-	59
Total	**4,756**	**1,523**		**3,500**	**2,670**	**-**	**6,170**	**6,621**	**191**

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Specialised lending exposures subject to supervisory slotting[1]									
				Exposure amount $m					
Regulatory categories	On-balance sheet amount $m	Off-balance sheet amount $m	RW %	PF	OF	CF	Total	RWA $m	Expected losses $m
Strong	5	135	70 %	141	-	-	141	99	1
Good	1,552	393	90 %	564	1,371	-	1,935	1,742	15
Satisfactory	2,203	1,009	115 %	2,302	722	-	3,024	3,478	85
Weak	119	65	250 %	105	79	-	184	460	15
Default	20	16	— %	57	-	-	57	-	28
Total	**3,899**	**1,618**		**3,169**	**2,172**	**-**	**5,341**	**5,779**	**144**

[1] Income-producing real estate (IPRE) exposures are excluded from this disclosure as they are not subject to the supervisory slotting treatment.

3.2 Quantitative information on capital requirements under the standardised approach

Table CR4 presents the capital requirements for credit risk exposures subject to the standardised risk-weight approach. The disclosure provides an overview of on- and off-balance sheet exposures by asset classes, reported both before and after the application of CCF and CRM.

Table 10: CR4 - Standardised approach - Credit risk exposure and credit risk mitigation effects

30 September 2026

		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
	Asset classes	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	7	-	7	-	-	— %
4	Banks	-	-	-	-	-	— %
5	Covered bonds	-	-	-	-	-	— %
6	Corporates	1,390	39	899	13	703	77.1 %
7	Subordinated debt, equity and other capital	7	9	7	2	21	233.3 %
8	Retail	699	754	588	302	743	83.6 %
9	Property Exposures	301	12	301	12	288	92.0 %
	Of which: Residential Property	300	12	300	12	286	91.7 %
	Of which: Commercial Property	-	-	-	-	-	— %
	Of which: land acquisition, development and construction	1	-	1	-	2	200.0 %
10	Non-performing exposures	8	-	8	-	12	150.0 %
11	Other assets[1]	3,088	49	3,087	28	2,914	93.5 %
12	**Total**	**5,500**	**863**	**4,897**	**357**	**4,681**	**89.1 %**

[1] The major components of Other Assets are fixed assets.

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		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
	Asset classes	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	56	-	56	-	-	— %
4	Banks	-	-	-	-	-	— %
5	Covered bonds	-	-	-	-	-	— %
6	Corporates	1,168	147	961	28	857	86.7 %
7	Subordinated debt, equity and other capital	6	10	6	2	19	237.5 %
8	Retail	715	648	595	259	710	83.1 %
9	Property Exposures	413	36	413	36	389	86.6 %
	Of which: Residential Property	413	36	413	36	389	86.6 %
	Of which: Commercial Property	-	-	-	-	-	— %
	Of which: land acquisition, development and construction	-	-	-	-	-	— %
10	Non-performing exposures	31	-	31	-	37	119.4 %
11	Other assets[1]	2,688	58	2,688	36	2,711	99.6 %
12	**Total**	**5,077**	**899**	**4,750**	**361**	**4,723**	**92.5 %**

[1] The major components of Other Assets are fixed assets.

The following tables present the credit risk exposures under the standardised approach, categorised by asset classes and risk weight percentages. The total credit exposure amounts reflect the application of CCF and CRM and are presented to the nearest million dollars.

Table 11: CR5 - Standardised approach - Exposures by asset classes and risk weights

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	0%	20%	50%	100%	150%	Total credit exposure amount
1 Sovereigns and their central banks	7	-	-	-	-	7

	20%	30%	40%	50%	75%	100%	150%	Total credit exposure amount
4 Banks	-	-	-	-	-	-	-	-

	10%	15%	20%	25%	35%	50%	100%	Total credit exposure amount
5 Covered bonds	-	-	-	-	-	-	-	-

	20%	50%	65%	75%	80%	85%	100%	130%	150%	Total credit exposure amount
6 Corporates	-	419	-	2	-	-	491	-	-	912

	100%	150%	250%	400%	Total credit exposure amount
7 Subordinated debt, equity and other capital	-	-	9	-	9

	45%	75%	100%	Total credit exposure amount
8 Retail	-	581	309	890

	0%	20%	25%	30%	35%	40%	45%	50%	60%	65%	70%	75%	85%	90%	100%	105%	110%	150%	Total credit exposure amount
9 Property Exposures	-	1	2	12	1	1	1	27	-	-	-	-	-	-	267	-	-	1	313
Of which: Residential Property	-	1	2	12	1	1	1	27	-	-	-	-	-	-	267	-	-	-	312
Of which: Commercial Property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which: land acquisition, development and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1

	50%	100%	150%	Total credit exposure amount
10 Non-performing exposures	-	-	8	8

	0%	20%	100%	1250%	Total credit exposure amount
11 Other assets[1]	-	251	2,864	-	3,115

[1] The major components of Other Assets are fixed assets.

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

		a	b	c	d
	Risk weight	On-balance sheet exposure $m	Off-balance sheet exposure (pre-CCF) $m	Weighted average CCF* %	Exposure (post-CCF and post-CRM) $m
1	Less than 40%	268	6	100.0 %	274
2	40-70%	938	-	100.0 %	448
3	75%	318	661	40.0 %	582
4	85%	-	-	— %	-
5	90-100%	3,960	187	46.3 %	3,933
6	105-130%	-	-	— %	-
7	150%	9	-	100.0 %	9
8	250%	7	9	20.0 %	8
9	400%	-	-	— %	-
10	1250%	-	-	— %	-
11	**Total exposures**	**5,500**	**863**	**41.6 %**	**5,254**

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

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	0%	20%	50%	100%	150%	Total credit exposure amount
1 Sovereigns and their central banks	56	-	-	-	-	56

	20%	30%	40%	50%	75%	100%	150%	Total credit exposure amount
4 Banks	-	-	-	-	-	-	-	-

	10%	15%	20%	25%	35%	50%	100%	Total credit exposure amount
5 Covered bonds	-	-	-	-	-	-	-	-

	20%	50%	65%	75%	80%	85%	100%	130%	150%	Total credit exposure amount
6 Corporates	-	262	-	3	-	-	724	-	-	989

	100%	150%	250%	400%	Total credit exposure amount
7 Subordinated debt, equity and other capital	-	-	8	-	8

	45%	75%	100%	Total credit exposure amount
8 Retail	-	576	278	854

	0%	20%	25%	30%	35%	40%	45%	50%	60%	65%	70%	75%	85%	90%	100%	105%	110%	150%	Total credit exposure amount
9 Property Exposures	-	4	1	6	1	11	1	89	-	-	-	-	-	-	336	-	-	-	449
Of which: Residential Property	-	4	1	6	1	11	1	89	-	-	-	-	-	-	336	-	-	-	449
Of which: Commercial Property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which: land acquisition, development and construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	50%	100%	150%	Total credit exposure amount
10 Non-performing exposures	-	20	11	31

	0%	20%	100%	1250%	Total credit exposure amount
11 Other assets[1]	-	14	2,710	-	2,724

[1] The major components of Other Assets are fixed assets.

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

		a	b	c	d
	Risk weight	On-balance sheet exposure $m	Off-balance sheet exposure (pre-CCF) $m	Weighted average CCF* %	Exposure (post-CCF and post-CRM) $m
1	Less than 40%	68	14	100.0 %	82
2	40-70%	546	25	100.0 %	363
3	75%	319	648	40.0 %	579
4	85%	-	-	— %	-
5	90-100%	4,127	202	64.3 %	4,068
6	105-130%	-	-	— %	-
7	150%	11	-	100.0 %	11
8	250%	6	10	20.0 %	8
9	400%	-	-	— %	-
10	1250%	-	-	— %	-
11	**Total exposures**	**5,077**	**899**	**47.9 %**	**5,111**

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

3.3 Comparison of modelled and standardised RWA

Table CMS1 below presents a comparison between the RWA reported as the current requirements versus the equivalent RWA calculated using the full standardised approach for the respective risk categories.

The difference between IRB credit risk RWA and standardised RWA is primarily due to the Retail Residential Mortgages portfolio benefiting from modelled LGD and PD under IRB which considers a broader range of factors compared to the standardised approach.

Table 12: CMS1 - Comparison of modelled and standardised RWA at risk level

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		a	b	c	d
		RWA $m			
		RWA for modelled approaches that banks have supervisory approval to use	RWA for portfolios where standardised approaches are used	Total Actual RWA (a + b) (ie RWA which banks report as current requirements)	RWA calculated using full standardised approach (ie used in the base of the output floor)
1	Credit risk (excluding counterparty credit risk)	89,461	4,681	94,142	135,134
2	Counterparty credit risk	31,927	1,965	33,892	56,128
3	Credit valuation adjustment		8,778	8,778	8,778
4	Securitisation exposures in the banking book	-	1,360	1,360	1,360
5	Market risk	7,182	454	7,636	7,636
5a	Interest rate risk in the banking book (IRRBB)	1,902	-	1,902	-
6	Operational risk		20,181	20,181	20,181
7	Residual RWA		5	5	5
8	**Total**	**130,472**	**37,424**	**167,896**	**229,222**

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		a	b	c	d
		RWA $m			
		RWA for modelled approaches that banks have supervisory approval to use	RWA for portfolios where standardised approaches are used	Total Actual RWA (a + b) (ie RWA which banks report as current requirements)	RWA calculated using full standardised approach (ie used in the base of the output floor)
1	Credit risk (excluding counterparty credit risk)	85,291	4,723	90,014	128,711
2	Counterparty credit risk	33,082	1,774	34,856	54,395
3	Credit valuation adjustment		8,465	8,465	8,465
4	Securitisation exposures in the banking book	-	1,191	1,191	1,191
5	Market risk	10,183	357	10,540	10,540
5a	Interest rate risk in the banking book (IRRBB)	2,040	-	2,040	-
6	Operational risk		20,181	20,181	20,181
7	Residual RWA		1	1	1
8	**Total**	**130,596**	**36,692**	**167,288**	**223,484**

Table CMS2 below provides an overview comparison of the credit risk RWA calculated using the internally modelled approach versus the equivalent RWA calculated using the full standardised approach for the respective asset classes.

Table 13: CMS2 - Comparison of modelled and standardised RWA for credit risk at asset class level

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		a	b	c	d
		RWA $m			
		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 (ie RWA which banks report as current requirements)	RWA calculated using full standardised approach (ie RWA used in the base of the output floor)
1	Corporate	36,352	39,775	37,055	40,478
2	Specialised Lending - Subject to Supervisory Slotting Approach	6,621	6,466	6,621	6,466
3	Sovereign	332	345	332	345
4	Financial Institution	4,463	6,491	4,463	6,491
5	Residential Mortgages	41,310	76,992	41,607	77,288
6	SME Retail	1	3	4	6
7	Other Retail	-	-	743	743
8	Other Assets	382	382	3,317	3,317
9	**Total**	**89,461**	**130,454**	**94,142**	**135,134**

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		a	b	c	d
		RWA $m			
		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 (ie RWA which banks report as current requirements)	RWA calculated using full standardised approach (ie RWA used in the base of the output floor)
1	Corporate	33,288	36,295	34,145	37,152
2	Specialised Lending - Subject to Supervisory Slotting Approach	5,779	5,641	5,779	5,641
3	Sovereign	282	255	282	255
4	Financial Institution	5,891	9,259	5,891	9,259
5	Residential Mortgages	39,188	71,665	39,590	72,068
6	SME Retail	3	5	3	5
7	Other Retail	-	-	733	733
8	Other Assets	859	866	3,591	3,598
9	**Total**	**85,290**	**123,986**	**90,014**	**128,711**

4. Credit Risk Mitigation

Table CR3 below provides an overview of the credit risk exposures, along with the eligible CRM. The CRM mechanisms include collateral, guarantees, and credit derivatives, which are subject to the eligibility criteria specified in APS 112 and APS 113.

Table 14: CR3 - Credit risk mitigation techniques – overview

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		a	b	c	d	e
		Exposures unsecured: carrying amount $m[1]	Exposures to be secured $m[2]	Exposures secured by collateral $m[3]	Exposures secured by financial guarantees $m	Exposures secured by credit derivatives $m
1	Loans[4]	47,362	216,245	212,781	3,464	-
2	Debt securities	10,735	83	83	-	-
3	**Total**	**58,097**	**216,328**	**212,864**	**3,464**	**-**
4	Of which Non-Performing	248	1,637	1,637	-	-

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		a	b	c	d	e
		Exposures unsecured: carrying amount $m[1]	Exposures to be secured $m[2]	Exposures secured by collateral $m[3]	Exposures secured by financial guarantees $m	Exposures secured by credit derivatives $m
1	Loans[4]	48,551	197,654	194,519	3,135	-
2	Debt securities	9,485	71	71	-	-
3	**Total**	**58,036**	**197,725**	**194,590**	**3,135**	**-**
4	Of which Non-Performing	148	1,426	1,426	-	-

[1] Includes fully unsecured exposures and the unsecured portion of partially-secured exposures.
[2] Exposures secured by eligible collateral for the purposes of reducing capital requirements under APS 112 and APS 113.
[3] All residential mortgages are included in exposure secured by collateral.
[4] For the purpose of this disclosure, Loans also include cash and bank balances and other receivables.

5. Credit Quality

Table CR1 below presents a breakdown of the performing and non-performing exposures, along with the related provisions for credit losses. The reported exposures consist of on-balance sheet financial assets and off-balance sheet exposures that are subject to the credit risk framework.

Table 15: CR1 - Credit quality of assets

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		a	b	c	d	e	f	g
		Gross carrying values of $m		Allowances / impairments $m	Of which ECL accounting provisions for credit losses on SA exposures $m		Of which ECL accounting provisions for credit losses on IRB exposures $m	Net Values $m (a+b-c)
		Non-performing exposures	Performing exposures		Allocated in regulatory category of Specific	Allocated in regulatory category of General		
1	Loans[1]	2,150	262,231	774	11	25	738	263,607
2	Debt Securities	-	10,823	5	-	-	5	10,818
3	Off-balance sheet exposures	94	31,945	84	-	1	83	31,955
4	**Total**	**2,244**	**304,999**	**863**	**11**	**26**	**826**	**306,380**

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		a	b	c	d	e	f	g
		Gross carrying values of $m		Allowances / impairments $m	Of which ECL accounting provisions for credit losses on SA exposures $m		Of which ECL accounting provisions for credit losses on IRB exposures $m	Net Values $m (a+b-c)
		Non-performing exposures	Performing exposures		Allocated in regulatory category of Specific	Allocated in regulatory category of General		
1	Loans[1]	1,733	245,111	639	32	17	590	246,205
2	Debt Securities	-	9,557	1	-	-	1	9,556
3	Off-balance sheet exposures	57	32,469	86	-	1	85	32,440
4	**Total**	**1,790**	**287,137**	**726**	**32**	**18**	**676**	**288,201**

Table CR2 below presents the key factors contributing to the movements in non-performing exposures between the current and prior reporting periods.

Table 16: CR2 - Changes in stock of non-performing loans, debt securities and off-balance sheet exposures

		6 months to 30 Sep 26 $m
1	Non-performing loans, debt securities and off-balance sheet exposures at end of the previous reporting period	**1,790**
2	Exposures recognised as non-performing during the current reporting period	1,030
3	Returned to performing status	262
4	Amounts written off[2]	13
5	Other changes[3]	(301)
6	Non-performing loans, debt securities and off-balance sheet exposures at end of the reporting period (1+2-3-4+5)	**2,244**

[1] For the purpose of this disclosure, Loans also include cash and bank balances and other receivables.
[2] Under AASB 9, there are no longer direct write offs to Income Statement. A financial asset is written off when there is no reasonable expectation of recovering it. At the time of writing off a financial asset it is adjusted against the Expected Credit Loss (ECL) provision created over the life of the asset and not directly written off to Income Statement.
[3] Other changes primarily includes repayments and change in existing counterparties.

6. Counterparty Credit Risk

6.1 Quantitative information on counterparty credit risk

Table CCR1 below presents the capital requirements for CCR exposures, along with the main parameters used to determine the exposures and the corresponding RWA.

Table 17: CCR1 - Analysis of CCR exposures by approach

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		a	b	c	d	e	f
		Replacement cost $m	Potential future exposure $m	Effective EPE $m	Alpha used for computing regulatory EAD	EAD post-CRM $m	RWA $m
1	SA-CCR (for derivatives)	15,369	21,614		1.4	51,680	28,008
4	Comprehensive Approach for credit risk mitigation (for SFTs)					18,346	4,898
6	**Total**						**32,906**

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		a	b	c	d	e	f
		Replacement cost $m	Potential future exposure $m	Effective EPE $m	Alpha used for computing regulatory EAD	EAD post-CRM $m	RWA $m
1	SA-CCR (for derivatives)	14,417	21,670		1.4	50,402	29,547
4	Comprehensive Approach for credit risk mitigation (for SFTs)					16,950	4,625
6	**Total**						**34,172**

Table CCR3 below presents the CCR exposures subject to the standardised risk-weight approach.

Table 18: CCR3 - Standardised approach – CCR exposures by regulatory portfolio and risk weights

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	a	b	c	d	e	f	g	h	i
Risk weight→ / Regulatory portfolio↓	0% $m	10% $m	20% $m	50% $m	75% $m	100% $m	150% $m	Others $m	Total credit exposure $m
Sovereigns	-	-	-	-	-	-	-	-	-
Non-central government public sector entities	-	-	-	-	-	-	-	-	-
Multilateral development banks	-	-	-	-	-	-	-	-	-
Banks	-	-	-	-	-	-	-	-	-
Securities firms	-	-	-	-	-	-	-	-	-
Corporates	-	-	-	552	1	702	-	-	1,255
Regulatory retail portfolios	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**552**	**1**	**702**	**-**	**-**	**1,255**

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	a	b	c	d	e	f	g	h	i
Risk weight→ / Regulatory portfolio↓	0% $m	10% $m	20% $m	50% $m	75% $m	100% $m	150% $m	Others $m	Total credit exposure $m
Sovereigns	-	-	-	-	-	-	-	-	-
Non-central government public sector entities	-	-	-	-	-	-	-	-	-
Multilateral development banks	-	-	-	-	-	-	-	-	-
Banks	-	-	-	-	-	-	-	-	-
Securities firms	-	-	-	-	-	-	-	-	-
Corporates	-	-	-	649	2	763	-	-	1,414
Regulatory retail portfolios	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**649**	**2**	**763**	**-**	**-**	**1,414**

Table CCR4 below presents the capital requirements for CCR exposures subject to the IRB risk-weight approach. The disclosure includes an overview of the CCR exposures by asset classes, along with the key parameters used to calculate EAD and RWA.

Table 19: CCR4 - IRB – CCR exposures by portfolio and probability-of-default (PD) scale

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	a	b	c	d	e	f	g
PD scale	EAD post-CRM $m	Average PD %	Number of obligors	Average LGD %	Average maturity years	RWA $m	RWA density %
Corporate							
0.00 to <0.15	5,398	0.09 %	195	50.0 %	1.2	1,201	22.3 %
0.15 to <0.25	3,860	0.16 %	220	50.0 %	1.4	1,380	35.8 %
0.25 to <0.50	8,066	0.35 %	621	50.0 %	1.1	4,238	52.5 %
0.50 to <0.75	-	— %	-	— %	-	-	— %
0.75 to <2.50	6,122	1.13 %	539	50.0 %	1.2	5,876	96.0 %
2.50 to <10.00	3,018	3.76 %	318	50.0 %	1.0	4,351	144.2 %
10.00 to <100.00	1,036	12.25 %	300	50.1 %	1.1	2,368	228.6 %
100.00 (Non-Performing)	20	100.00 %	3	50.0 %	0.7	-	— %
Sub-total	**27,520**	**1.27 %**	**2,196**	**50.0 %**	**1.2**	**19,414**	**70.6 %**
Financial institution							
0.00 to <0.15	26,331	0.05 %	1,594	50.0 %	1.0	3,993	15.2 %
0.15 to <0.25	3,488	0.16 %	252	50.0 %	1.0	1,547	44.3 %
0.25 to <0.50	6,845	0.33 %	609	50.0 %	0.8	4,296	62.8 %
0.50 to <0.75	-	— %	-	— %	-	-	— %
0.75 to <2.50	633	0.91 %	165	50.0 %	0.7	644	101.7 %
2.50 to <10.00	97	3.00 %	59	50.0 %	1.1	160	164.9 %
10.00 to <100.00	66	11.01 %	90	50.0 %	1.8	177	269.3 %
100.00 (Non-Performing)	-	— %	-	— %	-	-	— %
Sub-total	**37,460**	**0.16 %**	**2,769**	**50.0 %**	**0.7**	**10,817**	**28.9 %**
Sovereign							
0.00 to <0.15	2,118	0.02 %	28	14.4 %	0.3	28	1.3 %
0.15 to <0.25	-	— %	-	— %	-	-	— %
0.25 to <0.50	-	— %	-	— %	-	-	— %
0.50 to <0.75	-	— %	-	— %	-	-	— %
0.75 to <2.50	-	— %	-	— %	-	-	— %
2.50 to <10.00	-	— %	-	— %	-	-	— %
10.00 to <100.00	-	— %	-	— %	-	-	— %
100.00 (Non-Performing)	-	— %	-	— %	-	-	— %
Sub-total	**2,118**	**0.02 %**	**28**	**14.4 %**	**0.3**	**28**	**1.3 %**
Total (sum of portfolios)	**67,098**	**0.61 %**	**4,993**	**48.9 %**	**0.9**	**30,259**	**45.1 %**

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	a	b	c	d	e	f	g
PD scale	EAD post-CRM $m	Average PD %	Number of obligors	Average LGD %	Average maturity years	RWA $m	RWA density %
Corporate							
0.00 to <0.15	4,813	0.08 %	192	50.0 %	1.2	1,019	21.2 %
0.15 to <0.25	4,308	0.16 %	237	49.9 %	1.4	1,562	36.3 %
0.25 to <0.50	7,914	0.34 %	654	50.0 %	1.2	4,157	52.5 %
0.50 to <0.75	-	— %	-	— %	-	-	— %
0.75 to <2.50	6,862	1.14 %	527	49.8 %	1.2	6,544	95.4 %
2.50 to <10.00	3,107	3.32 %	299	50.0 %	1.0	4,305	138.6 %
10.00 to <100.00	1,112	13.99 %	291	50.0 %	1.2	2,633	236.8 %
100.00 (Non-Performing)	4	100.00 %	2	49.9 %	1.0	-	— %
Sub-total	**28,120**	**1.35 %**	**2,202**	**49.9 %**	**1.2**	**20,219**	**71.9 %**
Financial institution							
0.00 to <0.15	22,998	0.06 %	1,473	50.0 %	0.6	3,608	15.7 %
0.15 to <0.25	2,730	0.16 %	194	50.0 %	1.1	1,219	44.6 %
0.25 to <0.50	6,259	0.32 %	530	50.0 %	1.0	3,950	63.1 %
0.50 to <0.75	-	— %	-	— %	-	-	— %
0.75 to <2.50	470	0.96 %	159	50.0 %	0.8	491	104.6 %
2.50 to <10.00	120	3.10 %	56	50.0 %	1.3	202	168.7 %
10.00 to <100.00	87	11.28 %	90	50.0 %	1.1	224	257.5 %
100.00 (Non-Performing)	-	— %	-	— %	-	-	-
Sub-total	**32,664**	**0.17 %**	**2,502**	**50.0 %**	**0.7**	**9,694**	**29.7 %**
Sovereign							
0.00 to <0.15	2,137	0.02 %	23	9.8 %	0.3	17	0.8 %
0.15 to <0.25	-	— %	-	— %	-	-	— %
0.25 to <0.50	-	— %	-	— %	-	-	— %
0.50 to <0.75	-	— %	-	— %	-	-	— %
0.75 to <2.50	-	— %	-	— %	-	-	— %
2.50 to <10.00	-	— %	-	— %	-	-	— %
10.00 to <100.00	-	— %	-	— %	-	-	— %
100.00 (Non-Performing)	-	— %	-	— %	-	-	— %
Sub-total	**2,137**	**0.02 %**	**23**	**9.8 %**	**0.3**	**17**	**0.8 %**
Total (sum of portfolios)	**62,921**	**0.68 %**	**4,727**	**48.6 %**	**0.9**	**29,930**	**47.6 %**

Table CCR5 below provides a breakdown of all types of collateral posted or received to support or reduce the CCR exposures relating to derivative transactions and SFTs.

Table 20: CCR5 - Composition of collateral for CCR

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	a	b	c	d	e	f
	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received $m		Fair value of posted collateral $m		Fair value of collateral received $m	Fair value of posted collateral $m
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash	23,028	34,608	72	38,156	15,315	87,362
Debt	3,637	731	2,782	1,731	93,538	26,507
Equity	881	-	1,578	-	44,771	48,859
Other[1]	194	136	516	-	-	189
Total	**27,740**	**35,475**	**4,948**	**39,887**	**153,624**	**162,917**

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	a	b	c	d	e	f
	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received $m		Fair value of posted collateral $m		Fair value of collateral received $m	Fair value of posted collateral $m
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash	23,127	35,030	-	30,305	8,665	78,180
Debt	4,676	674	3,180	1,495	78,187	22,436
Equity	567	-	2,067	-	48,737	42,941
Other[1]	218	154	366	-	-	187
Total	**28,588**	**35,858**	**5,613**	**31,800**	**135,589**	**143,744**

[1] Other includes gold and securitisation tranche.

Table CCR6 below presents an overview of MBL's exposures to credit derivative transactions.

Table 21: CCR6 - Credit derivatives exposures

	a	b	a	b
	Sep 2026		Mar 2026	
	Protection bought $m	Protection sold $m	Protection bought $m	Protection sold $m
Notionals				
Single-name credit default swaps	436	386	531	416
Index credit default swaps	2,168	-	1,895	-
Total return swaps	-	-	-	-
Credit options	-	-	-	-
Other credit derivatives	-	-	-	191
Total notionals	**2,604**	**386**	**2,426**	**607**
Fair values	**-**	**-**	**-**	**-**
Negative fair value (liability)	(44)	(2)	(48)	(1)
Positive fair value (asset)	32	7	32	24

Table CCR8 below presents a comprehensive view of MBL's exposures to central counterparties and the associated capital requirements.

Table 22: CCR8 - Exposures to central counterparties

		a	b	a	b
		Sep 2026		Mar 2026	
		EAD (post-CRM) $m	RWA $m	EAD (post-CRM) $m	RWA $m
1	Exposures to QCCPs (total)		986		684
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	12,668	268	14,119	298
3	(i) OTC derivatives	2,018	55	1,717	50
4	(ii) Exchange-traded derivatives	10,650	213	12,402	248
5	(iii) Securities financing transactions	-	-	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-	-	-
7	Segregated initial margin	1,623		957	
8	Non-segregated initial margin[1]	4,824	-	4,859	-
9	Pre-funded default fund contributions	1,540	718	963	386
10	Unfunded default fund contributions	-	-	-	-
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] Non-segregated initial margin exposures already embedded in trade exposure. Reported as Fair value of collateral with no equivalent RWA.

6.2 Credit Valuation Adjustment

Credit Valuation Adjustment (CVA) reduces the value of Macquarie's derivative assets and accounts for the possibility of counterparty default. The size of the adjustment is the difference between the value with and without the risk of counterparty default. Macquarie's CVA risk is monitored and governed by Macquarie's CGM XVA Committee. CVA risk may be hedged with CDS instruments.

Under Basel III and APS 180 Capital Adequacy: Counterparty Credit Risk, ADIs are subject to a CVA capital charge for potential mark-to-market losses on OTC derivatives associated with a deterioration in the creditworthiness of a counterparty. APS 180 also allows ADIs to include eligible CVA hedges in the calculation of the CVA risk capital charge.

The CVA RWA is shown in the table below.

Table 23: Total CVA risk capital charge

	Sep 2026 $m	Mar 2026 $m
CVA RWA	8,778	8,465
Capital Requirement	702	677

7. Securitisation Risk

Securitisation Exposures

Table SEC1 below presents an overview of the securitisation exposures held in the banking book, where MBL acts as either the originating ADI or investor. MBL has not undertaken any synthetic securitisation in the banking book.

Table 24: SEC1 - Securitisation exposures in the banking book

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	a	c	d	e	g	h	i	k	l
	Bank acts as originator $m			Bank acts as sponsor $m			Bank acts as investor $m		
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
Total	**88,561**	**-**	**88,561**	**-**	**-**	**-**	**7,179**	**-**	**7,179**
Residential Mortgages	88,561	-	88,561	-	-	-	3,901	-	3,901
Credit cards and other personal loans	-	-	-	-	-	-	506	-	506
Auto and equipment finance[1]	-	-	-	-	-	-	1,299	-	1,299
Other	-	-	-	-	-	-	1,473	-	1,473
Re-securitisation	-	-	-	-	-	-	-	-	-

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	a	c	d	e	g	h	i	k	l
	Bank acts as originator $m			Bank acts as sponsor $m			Bank acts as investor $m		
	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
Total	**78,372**	**-**	**78,372**	**-**	**-**	**-**	**5,891**	**-**	**5,891**
Residential Mortgages	78,372	-	78,372	-	-	-	3,294	-	3,294
Credit cards and other personal loans	-	-	-	-	-	-	238	-	238
Auto and equipment finance[1]	-	-	-	-	-	-	1,193	-	1,193
Other	-	-	-	-	-	-	1,166	-	1,166
Re-securitisation	-	-	-	-	-	-	-	-	-

[1] Underlying exposures relate to mixed asset pools.

Table SEC4 below provides detailed information on the securitisation exposures held in the banking book, where MBL acts as the investor, along with the corresponding capital requirements.

Table 25: SEC4 - Securitisation exposures in the banking book and associated capital requirements – bank acting as investor

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		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Exposure values (by risk weight bands) $m					Exposure values (by regulatory approach) $m				RWA (by regulatory approach) $m[1]				Capital charge after cap $m			
		≤20%	>20% to 50%	>50% to 100%	>100% to <1250%	1250%	SEC-IRBA	SEC-ERBA and SEC-IAA	SEC-SA	1250%	SEC-IRBA	SEC-ERBA and SEC-IAA	SEC-SA	1250%[2]	SEC-IRBA	SEC-ERBA and SEC-IAA	SEC-SA	1250%
1	**Total exposures**	**6,021**	**788**	**291**	**-**	**79**	**-**	**1,547**	**5,553**	**79**	**-**	**362**	**1,023**	**989**	**-**	**29**	**80**	**79**
2	Traditional securitisation	6,021	788	291	-	79	-	1,547	5,553	79	-	362	1,023	989	-	29	80	79
3	Of which securitisation	6,021	788	291	-	79	-	1,547	5,553	79	-	362	1,023	989	-	29	80	79
4	Of which retail underlying[3]	6,021	788	291	-	79	-	1,547	5,553	79	-	362	1,023	989	-	29	80	79
6	Of which wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Of which re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Synthetic securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Of which securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Of which retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Of which wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Of which re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

[1] RWA is before the application of risk-weight cap equal to the average risk weight that would apply to the underlying exposures in the pool under APS 112.
[2] For presentation, deductions from CET1 are treated as 1250% risk weight.
[3] Underlying exposures relate to mixed asset pools.

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		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Exposure values (by risk weight bands) $m					Exposure values (by regulatory approach) $m				RWA (by regulatory approach) $m[1]				Capital charge after cap $m			
		≤20%	>20% to 50%	>50% to 100%	>100% to <1250%	1250%	SEC-IRBA	SEC-ERBA and SEC-IAA	SEC-SA	1250%	SEC-IRBA	SEC-ERBA and SEC-IAA	SEC-SA	1250%[2]	SEC-IRBA	SEC-ERBA and SEC-IAA	SEC-SA	1250%
1	**Total exposures**	**4,401**	**1,189**	**219**	**-**	**82**	**-**	**1,669**	**4,140**	**82**	**-**	**410**	**792**	**1,021**	**-**	**33**	**62**	**82**
2	Traditional securitisation	4,401	1,189	219	-	82	-	1,669	4,140	82	-	410	792	1,021	-	33	62	82
3	Of which securitisation	4,401	1,189	219	-	82	-	1,669	4,140	82	-	410	792	1,021	-	33	62	82
4	Of which retail underlying[3]	4,401	1,189	219	-	82	-	1,669	4,140	82	-	410	792	1,021	-	33	62	82
6	Of which wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Of which re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Synthetic securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Of which securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Of which retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Of which wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Of which re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

[1] RWA is before the application of risk-weight cap equal to the average risk weight that would apply to the underlying exposures in the pool under APS 112.
[2] For presentation, deductions from CET1 are treated as 1250% risk weight.
[3] Underlying exposures relate to mixed asset pools.

8. Market Risk

8.1 Market Risk

Market risk is the risk of adverse changes in the value of Macquarie's trading positions as a result of changes in market conditions. Macquarie is exposed to the following risks:

- Price: The risk of loss due to changes in price of a risk factor (interest rates, foreign exchange, commodities etc.),
- Volatility: The risk of loss due to changes in the volatility of a risk factor,
- Basis: The risk of imperfect correlation between offsetting investments in a hedging strategy,
- Correlation: The risk that the actual correlation between two assets or variables is different from the assumed correlation,
- Illiquid market: The risk of inability to sell assets or close out positions in thinly traded markets at close to the last market prices,
- Concentration: The risk of over concentration of trading exposures in certain markets and products,
- Valuation adjustments (XVA): The risk of valuation adjustments to derivative positions; specifically, Credit Valuation Adjustment (CVA), Debit Valuation Adjustment (DVA) and Funding Valuation Adjustment (FVA).

Macquarie has long favoured transparent scenario analysis over complex statistical modelling as the cornerstone of risk measurement.

8.2 Market Risk Structure and Governance

RMG Market Risk is the second line risk function that assesses, monitors and reports on market risk. The operating groups own market risk arising from their activities, with independent monitoring and oversight by RMG Market Risk.

The RMG Market Risk function oversees Traded Market Risk (including VaR) and Non-Traded Market Risk (including IRRBB). The Market Risk Limits Policy outlines the framework and processes for managing market risk at Macquarie, including the setting and approval of market risk limits and the monitoring and reporting of market risk exposures.

The RMG Market Risk function also owns and operates the regulatory capital models for both Traded Market Risk and Interest Rate Risk in the Banking Book (IRRBB). Second line oversight of these models is provided by RMG Model Risk, while RMG Aggregate Risk & Prudential oversee the compliance of the wider frameworks with the relevant APRA prudential standards (APS 116 and APS 117).

Traded Market Risk is governed by the Market Risk Committee (MRC), which meets on a quarterly basis. The MRC was established by Macquarie's Executive Committee to oversee the Value at Risk (VaR) model, the Trading Book Policy Statement and to review key information concerning the effectiveness of the Market Risk function. Its composition includes certain members of the Executive Committee, with the CRO as Chair.

IRRBB is governed by the Asset and Liability Committee (ALCO) and the IRRBB Oversight Committee (IOC). The IOC oversees the IRRBB management framework and provides reporting to the ALCO who oversee the Non-traded Market Risk Policy. IOC meets at least quarterly and is comprised of senior leaders from each of the business areas that give rise to IRRBB exposures, and from RMG Market Risk. ALCO meets at least five times throughout the year and is comprised of the members of the Executive Committee and the Head of Group Treasury, with the CFO as Chair.

8.3 Aggregate Measures of Market Risk

Macquarie's appetite for market risk is set by the Board as part of the Risk Appetite Statement and cascaded down through aggregate and division level limits. Aggregate risk exposures are reported to the board monthly.

8.3.1 Traded market risk

Aggregate traded market risk is constrained by two risk measures, Value at Risk (VaR) and the Macro Economic Linkages (MEL) stress scenarios. RMG Market Risk monitor traded market risk limits daily, with MEL monitored on T+1 basis and VaR on a T+2 basis.

The VaR model quantifies the maximum loss at a 99% confidence level in Macquarie's trading portfolio due to adverse movements in global markets over holding periods of one and ten days. The MEL scenario uses the contingent loss approach to capture simultaneous, worst case movements across all major markets. Whereas MEL focuses on extreme price movements, VaR is calculated at the 99% level of confidence and does not account for losses that could exceed this. Stress testing therefore remains the predominant focus of RMG as it is considered to be the most effective mechanism to reduce Macquarie's exposure to unexpected market events.

8.3.2 Interest rate risk in the banking book (IRRBB)

Aggregate IRRBB is constrained by two measures, Economic Value Sensitivity (EVS) and Earnings at Risk (EaR). The EVS metric measures the change in net present value of the banking book as a result of changes in interest rates. The EaR model constrains the impact on reported income for a change in interest rates, including the Net Interest Income for accrual portfolios.

8.4 Traded Market Risk

All trading activities contain calculated elements of risk taking. Macquarie is prepared to accept such risks provided they are within agreed limits, independently and correctly identified, calculated and monitored by RMG and reported to senior management on a regular basis. Market Risk source exposures directly from the front office risk management systems.

RMG monitors positions within Macquarie according to a limit structure that sets limits for all exposures in all markets. Limits are applied at a granular level to individual trading desks, through increasing levels of aggregation to Divisions and Operating Groups, and ultimately, Macquarie. This approach removes the need for future correlations or scenarios to be precisely predicted as all risks are stressed to the extreme and accounted for within the risk profile agreed for each business and Macquarie in aggregate.

Limits are approved by senior management with appropriate authority for the size and nature of the risk and Macquarie adheres to a strict 'no limit, no dealing' policy. If a product or position has not been authorised and given a limit structure by RMG, then it cannot be traded. Material breaches of the approved limit structure are communicated monthly to the MGL and MBL Boards.

RMG sets three complementary limit structures:

- Contingent loss limits: Worst case scenarios that shock prices and volatilities by more than has occurred historically. Multiple scenarios are set for each market to capture the non-linearity and complexity of exposures arising from derivatives. A wide range of assumptions about the correlations between markets is applied
- Position limits: Volume, maturity and open position limits are set on a large number of market instruments and securities in order to constrain concentration risk and to avoid the accumulation of risky, illiquid positions
- Value at Risk (VaR) limits: Statistical measure based on a 10-day holding period and a 99% confidence level, as stipulated by the APRA capital adequacy standard. The model is validated by back-testing a one-day VaR against hypothetical and actual daily trading profit or loss.

The risk of loss from incorrect or inappropriate pricing and hedging models is mitigated by the requirement for all new pricing models to be independently tested by the specialists within the Model Risk Management team in RMG.

8.4.1 Value at Risk Model

VaR provides a statistically based summary of overall market risk in the Bank. The VaR model uses a Monte Carlo simulation to generate:

- log-normally / normally distributed prices for approximately 13,500 benchmarks, using volatilities and correlations based on three years of historical price data; and
- implied volatilities based on a GARCH framework.

Emphasis is placed on more recent market movements to more accurately reflect current conditions. Each benchmark represents an asset at a specific maturity, for example, one year crude oil futures or spot gold. The benchmarks provide a high level of granularity in assessing risk, covering a range of points on yield curves and forward price curves, and distinguishing between similar but distinct assets; for example, crude oil as opposed to heating oil, or gas traded at different locations. Exposures to individual equities within a national market are captured by specific risk modelling incorporated directly into the VaR model.

The integrity of the VaR model is tested against daily hypothetical and actual trading outcomes (profit and loss) and reported to APRA quarterly.

8.4.2 Macro-Economic Linkage Model

MEL scenarios are large, simultaneous, 'worst case' movements in global markets. The MEL scenarios consider very large movements in a number of markets at once, based on Macquarie's understanding of the economic linkages between markets. The MEL scenarios reflect a market 'shock' or 'gap' as opposed to a sustained deterioration.

8.4.3 Market Risk Capital Requirement

APRA has approved the use of Macquarie's internal model to calculate regulatory capital for market risk under APS 116.

The internal model calculation is based upon:

- Value at Risk using a 10-day time horizon at a 99% confidence level
- Stressed Value at Risk using a 10-day time horizon at a 99% confidence level
- Regulatory capital for debt security specific risk is calculated using the APRA standard method (see Section 8.4.5 Debt Security Specific Risk Figures).

The sum of the VaR and debt security specific risk components is scaled by 12.5 in accordance with APRA policy to arrive at the traded market risk RWA, which was $7,636 million as at 30 September 2026 (31 March 2026: $10,540 million).

There were 3 hypothetical and 1 actual trading losses that exceeded the one-day day 99% VaR calculated for the 12 months ended 30 September 2026. The observed number of back testing exceptions indicates continued acceptable operation of the VaR model.

Market risk requirements are set out in the tables below.

8.4.4 MBL exposures using the internal models approach (IMA) for trading portfolios

Table 26: Market Risk – MBL VaR exposures arising from the internal models approach (IMA) for trading portfolios (APS 330 (A-31) Table 2(f))

Value at Risk Figures (10 day 99%)

	For the 6 months to Sep 2026				For the 6 months to Mar 2026			
	VaR over the current reporting period			Var	**VaR over the previous reporting period**			Var
	Mean value $m	Max value $m	Min value $m	Sep 2026 $m	Mean value $m	Max value $m	Min value $m	Mar 2026 $m
Commodities	50	73	32	36	57	72	45	54
Equities	20	26	14	19	14	22	5	15
Foreign Exchange	12	38	6	11	16	31	8	9
Interest Rates	11	14	8	12	13	21	10	11
Aggregate	53	75	37	38	60	75	36	58

Table 27: Market Risk – MBL SVaR exposures arising from the internal models approach (IMA) for trading portfolios (APS 330 (A-31) Table 2(f))

Stressed Value at Risk Figures (10 day 99%)

	For the 6 months to Sep 2026				For the 6 months to Mar 2026			
	VaR over the current reporting period			Var	**VaR over the previous reporting period**			Var
	Mean value $m	Max value $m	Min value $m	Sep 2026 $m	Mean value $m	Max value $m	Min value $m	Mar 2026 $m
Commodities	85	130	57	57	112	151	92	125
Equities	57	78	28	51	31	54	20	29
Foreign Exchange	20	35	7	25	26	44	10	15
Interest Rates	71	92	55	84	83	94	71	91
Aggregate	109	153	75	93	126	173	99	152

8.4.5 Debt Security Specific Risk Figures

Regulatory capital for MBL's debt security specific risk (including securitisations held in the trading book) is calculated using the APRA standard method.

Table 28: Market Risk – MBL exposure arising from the standard method (APS 330 (A-31) Table 1(b))

	Sep 2026 $m	Mar 2026 $m
Commodities	-	-
Equities	-	-
Foreign Exchange	-	-
Interest Rates	36	29

The specific risks referred to above arise from credit exposures, such as bonds in the Macquarie trading book.

8.4.6 Market Risk RWA

Table 29: Market risk RWA calculation methods

	Sep 2026 $m	Mar 2026 $m
Standard Method[1]	454	357
Internal Model Approach	7,182	10,183
Total market risk RWA	**7,636**	**10,540**

[1] This is equivalent to the debt security specific risk capital requirements multiplied by 12.5 in accordance with APS 110.

9. Leverage Ratio

The leverage ratio is a non-risk-based ratio that is intended to restrict the build-up of excessive leverage in the banking system and acts as a supplementary measure to create a back stop for the risk-based capital requirements.

Prudential Standard APS 110 Capital Adequacy specifies the minimum leverage ratio requirement as 3.5%, calculated by dividing Tier 1 capital by the total leverage exposures.

Table 30: LR1 - Summary comparison of accounting assets vs leverage ratio exposure measure

		Sep 2026 $m	Mar 2026 $m
1	Total consolidated assets as per published financial statements	500,498	463,081
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(534)	(405)
3	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-	-
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	(799)	(624)
7	Adjustments for eligible cash pooling transactions	-	-
8	Adjustments for derivative financial instruments	13,982	15,163
9	Adjustment for securities financing transactions (ie repurchase agreements and similar secured lending)	5,575	(3,013)
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	30,546	31,338
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-	-
12	Other adjustments	(1,328)	(1,886)
13	**Leverage ratio exposure measure**	**547,940**	**503,654**

Table LR2 provides a detailed breakdown of the components of the leverage ratio exposures, and the actual leverage ratio.

Table 31: LR2 - Leverage ratio common disclosure template

		Sep 2026 $m	Mar 2026 $m
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	366,314	337,629
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	-	-
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	(15,847)	(16,115)
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)	(1,820)	(2,065)
7	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	348,647	319,450
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)	44,609	40,393
9	Add-on amounts for potential future exposure associated with all derivatives transactions	43,925	42,232
10	(Exempted central counterparty (CCP) leg of client-cleared trade exposures)	(10,941)	(4,116)
11	Adjusted effective notional amount of written credit derivatives	386	1,891
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(257)	(1,859)
13	Total derivative exposures (sum of rows 8 to 12)	77,722	78,540
Securities financing transaction exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sale accounting transactions	86,863	71,609
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(1,199)	(1,487)
16	Counterparty credit risk exposure for SFT assets	5,361	4,205
17	Agent transaction exposures	-	-
18	Total securities financing transaction exposures (sum of rows 14 to 17)	91,025	74,326
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	33,724	34,436
20	(Adjustments for conversion to credit equivalent amounts)	(3,178)	(3,098)
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)	30,546	31,338
Capital and total exposures			
23	Tier 1 capital	23,996	23,754
24	Total exposures (sum of rows 7, 13, 18 and 22)	547,940	503,654
Leverage ratio			
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	4.4 %	4.7 %
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	4.4 %	4.7 %
26	National minimum leverage ratio requirement	3.5 %	3.5 %
27	Applicable leverage buffers	-	-
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	85,664	70,121
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	85,450	77,339
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)	547,940	503,654
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)	547,940	503,654
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)	4.4 %	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)	4.4 %	4.7 %

10. Countercyclical Capital Buffers

The Countercyclical Capital Buffer (CCyB) is an extension of the capital conservation buffer which must be held in the form of CET1 capital, ranging from 0% to 3.5%. The CCyB is designed to ensure that ADIs build up capital buffers when excess aggregate credit growth is judged to be associated with a build-up of system wide risk. The CCyB is calculated as the weighted average of the jurisdictional buffers set by the relevant national authority where an ADI has private sector credit exposures, excluding exposures to Banks and Sovereigns.

The table below discloses the geographical distribution of credit exposures relevant to the calculation of the CCyB as per APRA regulation. Exposures to central governments, central banks, regional governments, local authorities, public sector entities, multilateral development banks, international organisations and institutions are excluded and therefore differ from the total exposures presented in the credit and counterparty credit risk sections.

Table 32: CCyB1 - Geographical distribution of credit exposures used in the calculation of the bank-specific countercyclical capital buffer requirement

30 September 2026

	a	b	c	d	e
	Countercyclical capital buffer rate	Exposure values and/or risk-weighted assets (RWA) used in the computation of the countercyclical capital buffer		Bank-specific countercyclical capital buffer rate	Countercyclical capital buffer amount
Geographical breakdown	%	Exposure values $m	RWA $m	%	$m
Australia	1.00 %	260,849	69,608		
United Kingdom	2.00 %	26,331	9,958		
Germany	0.75 %	6,783	3,083		
Luxembourg	0.50 %	3,510	2,024		
Spain	0.50 %	2,665	1,880		
Greece	0.25 %	1,588	1,405		
Denmark	2.50 %	911	1,122		
France	1.00 %	1,638	929		
Norway	2.50 %	1,061	836		
Netherlands	2.00 %	1,006	819		
Ireland	1.50 %	999	522		
Hong Kong	0.50 %	518	486		
Poland	2.00 %	645	269		
Republic of Korea	1.00 %	244	236		
Chile	0.50 %	164	235		
Portugal	0.75 %	273	227		
South Africa	1.00 %	207	196		
Iceland	2.50 %	95	194		
Sweden	2.00 %	274	174		
Cyprus	1.50 %	138	134		
Czech Republic	1.25 %	215	129		
Belgium	1.25 %	195	110		
Others (with jurisdictional buffer)	(blend of jurisdictional buffers)	161	194		
Sum		**310,471**	**94,770**		
Others (with no jurisdictional buffer)	-	53,406	39,436		
Total		**363,877**	**134,206**	**0.79 %**	**1,339**

31 March 2026

	a	b	c	d	e
	Countercyclical capital buffer rate	Exposure values and/or risk-weighted assets (RWA) used in the computation of the countercyclical capital buffer		Bank-specific countercyclical capital buffer rate	Countercyclical capital buffer amount
Geographical breakdown	%	Exposure values $m	RWA $m	%	$m
Australia	1.00 %	242,828	68,223		
United Kingdom	2.00 %	27,309	10,751		
Germany	0.75 %	5,152	2,042		
Luxembourg	0.50 %	3,337	1,919		
Spain	0.50 %	1,804	1,446		
Greece	0.25 %	1,306	1,024		
Netherlands	2.00 %	1,118	913		
Denmark	2.50 %	668	851		
Norway	2.50 %	979	817		
France	1.00 %	1,719	815		
Hong Kong	0.50 %	519	677		
Ireland	1.50 %	1,052	483		
Republic of Korea	1.00 %	485	470		
Portugal	0.75 %	328	265		
Poland	1.00 %	449	204		
South Africa	1.00 %	166	164		
Chile	0.50 %	129	162		
Sweden	2.00 %	220	145		
Romania	1.00 %	88	140		
Belgium	1.00 %	499	138		
Cyprus	1.50 %	132	131		
Others (with jurisdictional buffer)	(blend of jurisdictional buffers)	301	267		
Sum		**290,588**	**92,046**		
Others (with no jurisdictional buffer)	-	53,732	39,455		
Total		**344,320**	**131,501**	**0.79 %**	**1,317**

11. Liquidity Risk

11.1 Liquidity Coverage Ratio Disclosures

The LCR requires unencumbered liquid assets be held to cover expected net cash outflows (NCOs) under a combined 'idiosyncratic' and market-wide stress scenario lasting 30 calendar days.

Macquarie sets internal management and Board approved minimum limits for the LCR above the regulatory minimum level and monitors its aggregate LCR position against these limits on a daily basis. Macquarie also monitors the LCR position on a standalone basis for major currencies in which it operates, with the high-quality liquid assets (HQLA) portfolio being denominated and held in both Australian dollars and a range of other currencies. In addition to Australian dollars, Macquarie monitors major currency mismatches in USD, EUR and GBP. This ensures that liquid assets are maintained consistent with the distribution of liquidity needs by currency, allowing for an acceptable level of currency mismatches.

Macquarie actively considers the impact of business decisions on the LCR, as well as internal liquidity metrics that form part of the broader liquidity risk management framework. Macquarie's LCR fluctuates on a daily basis as a result of normal business activities and, accordingly, ongoing fluctuations in the reported LCR are expected and are not necessarily indicative of a changing risk appetite. Some examples of factors that can influence the LCR include wholesale funding activities (such as upcoming maturities and prefunding expected future asset growth), the degree of activity in Macquarie's capital markets facing businesses, the composition and nature of liquid asset holdings, and a variety of other external market considerations that could impact day to day collateral requirements.

LCR Quarter Average Result:

Macquarie's three month average LCR to 30 September 2026 was 187% (based on 65 daily observations). This represents a 5% decrease from the three month average LCR to 30 June 2026, which was 192%.

The lower average LCR was driven by an increase in NCOs relative to the June 2026 quarter which was partly offset by an increase in HQLA over the same period.

The increase in average HQLA over the September quarter was primarily driven by growth in deposits and wholesale funding issuance, along with lower funding utilisation from business activity.

The increase in average NCOs over the quarter was primarily driven by:

- higher average cash outflows from deposits;
- higher average cash outflows related to derivative exposures; and
- lower average cash inflows from short dated secured lending activities against non-HQLA securities.

Liquid Assets

In addition to balances held with central banks, Macquarie's LCR liquid assets include Australian Dollar Commonwealth Government and semi-Government securities as well as certain HQLA-qualifying foreign currency securities.

Net Cash Outflows (NCOs)

NCOs in the LCR include contractual and assumed cash outflows, offset by certain allowable contractual cash inflows. Some of the key drivers of Macquarie's NCOs include:

Retail and SME deposits: assumed regulatory outflow relating to deposits from retail and SME customers that are at call or potentially callable within 30 days.

Unsecured wholesale funding: includes remaining deposits which are not received from retail or SME customers along with unsecured debt balances contractually maturing within 30 days.

Secured wholesale funding and lending: represent inflows and outflows from secured lending and borrowing activities contractually maturing within 30 days, such as repurchase, and reverse repurchase agreements.

Outflows relating to derivative exposures and other collateral requirements: includes gross contractual cash outflows relating to contractually maturing derivative contracts (with gross inflows on maturing derivative contracts profiled in 'other cash inflows'). Further, contingent liquidity outflows such as potential collateral requirements from market movements, a 3-notch credit ratings downgrade and withdrawal of excess collateral placed with Macquarie are also included in this category.

Inflows from fully performing exposures: In Macquarie's LCR, a large component of this balance relates to excess liquidity placed on an overnight or very short-term basis with third parties.

Other contractual funding obligations and other cash inflows: Includes other gross flows not profiled elsewhere in the LCR. The volumes in these categories are large relative to Macquarie's total cash outflows and inflows. In addition to derivative inflows noted above, key balances in these categories include:

- **Segregated client funds placed with Macquarie:** Macquarie acts as a clearing agent for clients on various futures exchanges. Clients place margin with Macquarie and Macquarie places this margin either directly with the exchange, holds it in other segregated external

asset accounts or retains a portion on deposit with Macquarie. Some of the balances are recorded on a gross basis on Macquarie's balance sheet and APRA require these to be profiled as gross inflows and outflows in the LCR.

- **Security and broker settlement balances:** these represent securities that have been purchased or sold by Macquarie that have not yet settled and broker balances where stock has been bought or sold on behalf of clients, but payment has not been made to / received from the client. APRA require these balances to be reflected on a gross basis in the LCR as 100% weighted inflows and outflows. The net effect of these balances on Macquarie's average LCR is minimal.

Table 33: LIQ1 - Liquidity coverage ratio

		a	b	a	b
		For the 3 months to 30 Sep 26		For the 3 months to 30 Jun 26	
		Total unweighted value (average) $m	Total weighted value (average) $m	Total unweighted value (average) $m	Total weighted value (average) $m
High-quality liquid assets					
1	Total HQLA		63,883		57,935
Cash outflows					
2	Retail deposits and deposits from small business customers, of which:	178,354	16,984	169,516	16,241
3	Stable deposits	66,270	3,313	62,123	3,106
4	Less stable deposits	112,084	13,671	107,393	13,135
5	Unsecured wholesale funding, of which:	49,146	23,839	50,379	25,588
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	17,466	2,745	16,981	2,632
7	Non-operational deposits (all counterparties)	27,543	16,957	26,783	16,341
8	Unsecured debt	4,137	4,137	6,615	6,615
9	Secured wholesale funding		1,293		851
10	Additional requirements, of which:	54,534	25,671	53,096	23,324
11	Outflows related to derivative exposures and other collateral requirements	25,201	22,942	23,729	20,741
12	Outflows related to loss of funding on debt products	267	267	246	246
13	Credit and liquidity facilities	29,066	2,462	29,121	2,337
14	Other contractual funding obligations	17,629	17,629	18,016	18,014
15	Other contingent funding obligations	10,168	656	8,784	501
16	TOTAL CASH OUTFLOWS		86,072		84,519
Cash inflows					
17	Secured lending (eg reverse repos)	67,998	26,798	64,694	28,852
18	Inflows from fully performing exposures	3,916	2,979	3,891	2,906
19	Other cash inflows	26,559	26,559	26,477	26,477
20	TOTAL CASH INFLOWS	98,473	56,336	95,062	58,235
			Total adjusted value		Total adjusted value
21	Total HQLA		63,883		57,935
22	Total net cash outflows[1]		34,196		30,227
23	Liquidity Coverage Ratio (%)[2]		187 %		192 %

[1] APRA imposed a 25% add-on to the Net Cash Outflow (NCO) component of the LCR calculation, effective from 1 May 2022. APRA has partially removed the add-on to the NCO component, reducing it from 25% to 15%, effective from 5 February 2026. For the 3 months to 30 September 2026 an average NCO overlay of $4,460 million is included in the disclosed balance of $34,196 million (3 months to 30 June 2026 overlay of $3,943 million is included in the disclosed balance of $30,227 million).

[2] The LCR for the 3 months to 30 September 2026 is calculated from 65 daily LCR observations (3 months to 30 June 2026 is calculated from 61 daily LCR observations).

11.2 Net Stable Funding Ratio Disclosures

The NSFR is a twelve-month structural funding metric, requiring that Available Stable Funding (ASF) be sufficient to cover Required Stable Funding (RSF), where 'stable' funding has an actual or assumed maturity of greater than twelve months.

The NSFR seeks to encourage ADIs to fund their activities with more stable sources of funding on an ongoing basis, and thereby promote greater balance sheet resilience. It also aims to reduce an ADI's reliance on less stable sources of funding. These requirements are in line with Macquarie's Board approved Liquidity Policy and Risk Tolerance.

Macquarie sets internal management and Board approved minimum limits for the NSFR above the regulatory minimum level and monitors its aggregate NSFR position against these limits on a daily basis.

Macquarie actively considers the impact of business decisions on the NSFR and LCR, as well as other internal liquidity metrics that form part of its broader liquidity risk management framework.

Macquarie's NSFR fluctuates as a result of normal business activities and, accordingly, ongoing fluctuations in the reported NSFR are expected and are not necessarily indicative of a changing risk appetite. Some examples of factors that can influence the NSFR include wholesale funding activities (such as prefunding expected future asset growth), growth in home loans and customer deposits, equity issuance, the degree of activity in Macquarie's capital markets facing businesses, and a variety of other external market considerations.

NSFR September 2026 Quarter End Result:

Macquarie's NSFR as at 30 September 2026 was 116%, which increased 3% from the 30 June 2026 quarter end NSFR of 113%. The NSFR increased over the September 2026 quarter because of an increase in ASF, only partly offset by an increase in RSF.

The increase in ASF was primarily driven by growth in deposits throughout the quarter.

The increase in RSF was primarily driven by home loan growth and supported by other lending growth over the quarter.

NSFR June 2026 Quarter End Result:

The June 2026 NSFR result of 113% decreased by 3% from the March 2026 quarter end NSFR of 116%.

The NSFR decreased over the June 2026 quarter because of an increase in RSF only partly offset by an increase in ASF.

The increase in ASF was primarily driven by deposit growth throughout the quarter and wholesale funding issuance.

The higher RSF position was primarily driven by growth in home loans and certain trading business assets.

11.2.1 Calculation of the Net Stable Funding Ratio

Under the regulatory rules, ASF factors are applied to Macquarie's capital and liabilities; while RSF factors are applied to assets and off-balance sheet exposures. This calculation is shown in Table 34: LIQ2 - Net stable funding ratio and is based on spot balances.

Table 34: LIQ2 - Net stable funding ratio

30 September 2026

		a	b	c	d	e
		Unweighted value by residual maturity				
(In currency amount)		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:	24,435	-	-	16,453	40,888
2	Regulatory capital	24,435	-	-	16,453	40,888
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers:	147,556	45,730	-	-	177,400
5	Stable deposits	45,084	26,655	-	-	68,152
6	Less stable deposits	102,472	19,075	-	-	109,248
7	Wholesale funding:	42,259	71,716	27,918	31,889	69,481
8	Operational deposits	16,966	-	-	-	8,483
9	Other wholesale funding	25,293	71,716	27,918	31,889	60,998
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities:	14,715	39,873	37	878	897
12	NSFR derivative liabilities	-	15,378	-	-	-
13	All other liabilities and equity not included in the above categories	14,715	24,495	37	878	897
14	Total ASF	228,965	157,319	27,955	49,220	288,666
Required stable funding (RSF) item						
15(a)	Total NSFR (HQLA)	7,983	10,394	1,455	33,127	11,818
15(b)	ALA	-	-	-	-	-
15(c)	RBNZ securities	-	-	-	-	-
16	Deposits held at other financial institutions for operational purposes	2,033	-	-	-	1,017
17	Performing loans and securities	38,900	67,396	7,472	239,310	196,642
18	Performing loans to financial institutions secured by Level 1 HQLA	13,401	26,324	-	-	3,973
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	18,708	27,550	687	1,015	8,283
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and public sector entities (PSEs), of which:	1,687	6,298	112	21,666	17,157
21	With a risk weight of less than or equal to 35% under APS 112	-	61	117	2,286	1,580
22	Performing residential mortgages, of which:	-	5,682	5,442	210,451	156,411
23	With a risk weight equal to 35% under APS 112	-	1,759	1,300	184,656	126,374
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	5,104	1,542	1,231	6,178	10,818
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	Other assets:	12,962	6,133	37	58,341	38,637
27	Physical traded commodities, including gold	9,482	-	-	-	8,060
28	Assets posted as initial margin for derivative contracts and contributions to default funds of central counterparties (CCPs)	-	-	-	12,468	10,158
29	NSFR derivative assets	-	-	-	19,021	3,643
30	NSFR derivative liabilities before deduction of variation margin posted	-	-	-	23,260	4,652
31	All other assets not included in the above categories	3,480	6,133	37	3,592	12,124
32	Off-balance sheet items	-	-	-	30,805	1,462
33	Total RSF	61,878	83,923	8,964	361,583	249,576
34	Net Stable Funding Ratio (%)					116 %

30 June 2026

		a	b	c	d	e
		Unweighted value by residual maturity				
(In currency amount)		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:	24,435	-	-	14,399	38,834
2	Regulatory capital	24,435	-	-	14,399	38,834
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers:	168,616	12,427	-	-	166,068
5	Stable deposits	62,667	2,954	-	-	62,340
6	Less stable deposits	105,949	9,473	-	-	103,728
7	Wholesale funding:	39,875	69,508	25,114	34,239	68,848
8	Operational deposits	17,010	-	-	-	8,505
9	Other wholesale funding	22,865	69,508	25,114	34,239	60,343
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities:	15,366	31,635	356	666	844
12	NSFR derivative liabilities	-	8,894	-	-	-
13	All other liabilities and equity not included in the above categories	15,366	22,741	356	666	844
14	Total ASF	248,292	113,570	25,470	49,304	274,594
Required stable funding (RSF) item						
15(a)	Total NSFR (HQLA)	2,477	11,211	328	33,517	12,058
15(b)	ALA	-	-	-	-	-
15(c)	RBNZ securities	-	-	-	-	-
16	Deposits held at other financial institutions for operational purposes	1,711	-	-	-	856
17	Performing loans and securities	37,391	64,036	6,091	228,691	191,336
18	Performing loans to financial institutions secured by Level 1 HQLA	7,320	21,334	-	-	2,865
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	19,156	28,994	397	956	8,410
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and public sector entities (PSEs), of which:	1,455	5,216	130	19,351	14,972
21	With a risk weight of less than or equal to 35% under APS 112	-	73	72	2,207	1,512
22	Performing residential mortgages, of which:	-	6,059	4,227	204,043	151,840
23	With a risk weight equal to 35% under APS 112	-	1,658	1,344	177,992	122,403
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	9,460	2,433	1,337	4,341	13,249
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	Other assets:	10,715	6,660	125	47,543	38,358
27	Physical traded commodities, including gold	7,947	-	-	-	6,755
28	Assets posted as initial margin for derivative contracts and contributions to default funds of central counterparties (CCPs)	-	-	-	18,915	15,552
29	NSFR derivative assets	-	-	-	11,086	2,192
30	NSFR derivative liabilities before deduction of variation margin posted	-	-	-	14,344	2,869
31	All other assets not included in the above categories	2,768	6,660	125	3,198	10,990
32	Off-balance sheet items	-	-	-	29,460	1,390
33	Total RSF	52,294	81,907	6,544	339,211	243,998
34	Net Stable Funding Ratio (%)					113 %

11.3 Asset Encumbrance

Encumbered assets are subject to limitations or restrictions that prevent their liquidation, sale, transfer, or assignment due to legal, regulatory, contractual, or other constraints.

As at 30 September 2026 and 31 March 2026, asset encumbrance is primarily driven by secured financing activities, including issuances of securitisations, as well as placement of margins. Macquarie funds a portion of assets and other securities via repurchase agreements and other similar borrowing and pledges a portion of customer loans and advances as collateral in securitisation, covered bond and other similar structures.

The Encumbered Assets increased at 30 September 2026 compared to 31 March 2026 as a result of normal business activities.

The tables in this section identify components of MBL's encumbered and unencumbered assets and the assets in use or remaining available to secure transactions in central bank facilities.

Table 35: ENC - Asset encumbrance

30 September 2026

	a	b	c	d
Assets	Encumbered assets $m	Central bank facilities $m	Unencumbered assets $m	Total $m
Cash and bank balances	3,390	-	14,962	18,352
Cash collateralised lending and reverse repurchase agreements	13,657	-	71,793	85,450
Trading assets	22,818	-	24,637	47,455
Margin money and settlement assets	10,227	-	9,864	20,091
Derivative assets	-	-	41,357	41,357
Financial Investments	495	-	24,021	24,516
Other assets	682	-	6,880	7,562
Loan assets	17,100	-	228,014	245,114
Due from other Macquarie Group entities	393	-	5,807	6,200
Property, plant and equipment and right-of-use assets	1	-	3,301	3,302
Investment in regulatory non-consolidated subsidiaries	-	-	207	207
Deferred tax assets	-	-	1,095	1,095
Total	**68,763**	**-**	**431,938**	**500,701**

31 March 2026

	a	b	c	d
Assets	Encumbered assets $m	Central bank facilities $m	Unencumbered assets $m	Total $m
Cash and bank balances	3,148	-	16,434	19,582
Cash collateralised lending and reverse repurchase agreements	13,528	-	63,811	77,339
Trading assets	16,047	-	22,103	38,150
Margin money and settlement assets	10,236	-	8,660	18,896
Derivative assets	-	-	42,247	42,247
Financial Investments	538	-	23,108	23,646
Other assets	785	-	6,346	7,131
Loan assets	14,409	-	211,779	226,188
Due from other Macquarie Group entities	585	-	4,687	5,272
Property, plant and equipment and right-of-use assets	5	-	3,665	3,670
Investment in regulatory non-consolidated subsidiaries	-	-	207	207
Deferred tax assets	-	-	1,138	1,138
Total	**59,281**	**-**	**404,185**	**463,466**

12. Entities deconsolidated for APRA reporting purposes

The regulatory consolidated group excludes a subset of legal entities that are included in the accounting scope of consolidation, as outlined in section 1.3 Scope of Application. The entities deconsolidated from the Level 2 regulatory group for APRA reporting purposes are listed below.

Non-Financial Operations

- Avenal Power Center, LLC
- Capital Meters Limited
- Circularix, LLC
- Circularix Management Company, LLC
- Macquarie Energy Services Pty Limited
- Macquarie Equipment Finance Services Limited
- Macquarie Equipment Trading (Shanghai) Co., Ltd
- Macquarie Semiconductor and Technology Inc.
- PropertyIQ Pty Limited
- Sustainable Feedstocks Group Limited
- Sustainable Feedstocks Group Guangdong Limited
- CX Hatfield, LLC
- CX Hatfield II, LLC
- CX Ocala, LLC
- CX Team, LLC

Funds Management

- Bond Street Custodians Limited
- Macquarie Investment Management Ltd
- Macquarie Investment Services Limited
- Macquarie Prism Pty Limited

SPV

- Barcelona Funding Trust

Insurance

- Macquarie (Bermuda) Limited

Macquarie (Bermuda) Limited is an insurance subsidiary of MBL the ADI, and is deconsolidated for regulatory purposes. Equity invested in Macquarie (Bermuda) Limited is deducted from CET1 capital, in line with the APS 111 requirement. Additionally, MBL does not recognise surplus capital in the insurance subsidiary when calculating capital adequacy.

13. Glossary of Terms

ADI	Authorised Deposit-taking Institution.
Additional Tier 1 Capital	A capital measure defined by APRA comprising high quality components of capital that satisfy the following essential characteristics: • Provide a permanent and unrestricted commitment of funds • Are freely available to absorb losses • Rank behind the claims of depositors and other more senior creditors in the event of winding up of the issuer; and • Provide for fully discretionary capital distributions.
Additional Tier 1 Capital deductions	An amount deducted in determining Additional Tier 1 Capital, as defined in Prudential Standard APS 111 Capital Adequacy: Measurement of Capital.
ALA	Alternative Liquid Assets.
APRA	Australian Prudential Regulation Authority.
ADI Prudential Standards (APS)	APRA's ADI Prudential Standards. For more information refer to APRA website.
ASF	Available Stable Funding.
Bank Group	MBL and its subsidiaries.
Basel III IRB Formula	A formula to calculate RWA, as defined in Prudential Standard APS 113 – Capital Adequacy: Internal Ratings-based Approach to Credit risk.
BAC	Board Audit Committee.
BBSW	Bank Bill Swap Rate.
BCBS	Basel Committee on Banking Supervision.
BCN2	Macquarie Bank Capital Notes 2.
BCN3	Macquarie Bank Capital Notes 3.
BFS	Banking and Financial Services Group.
the Board, Macquarie Bank Board	The Board of Voting Directors of Macquarie Bank Limited.
BRC	Board Remuneration Committee.
BRiC	Board Risk Committee.
CCR	Counterparty Credit Risk.
CEA	Credit Equivalent Amount. The on-balance sheet equivalent value of an off balance sheet transaction.
CEO	Managing Director and Chief Executive Officer.
Central counterparty	A clearing house or exchange that interposes itself between counterparties to contracts traded in one or more financial markets, becoming the buyer to every seller and the seller to every buyer, and therefore ensuring the future performance or open contracts.
Central Service Group	The Central Service Groups consist of Risk Management Group (RMG), Legal and Governance Group (LGG), Financial Management, People and Engagement (FPE) and Corporate Operations Group (COG).
CF	Commodities finance. CF refers to short-term lending to finance reserves, inventories, or receivables of exchange-traded commodities, where the loan will be repaid from the proceeds of the sale of the commodity and the borrower has no independent capacity to repay the loan.
CFO	Chief Financial Officer.
CGM	Commodities and Global Markets Group.
Common Equity Tier 1 capital (CET1)	A capital measure defined by APRA comprising the highest quality components of capital that fully satisfy all the following essential characteristics: • Provide a permanent and unrestricted commitment of funds • Are freely available to absorb losses • Do not impose any unavoidable servicing charge against earnings; and • Rank behind the claims of depositors and other creditors in the event of winding up. • Common equity tier 1 capital comprises Paid Up Capital, Retained Earnings, and certain reserves.
Common Equity Tier 1 Capital deductions	An amount deducted in determining Common Equity Tier 1 Capital, as defined in Prudential Standard APS 111 Capital Adequacy: Measurement of Capital.
Common Equity Tier 1 Capital Ratio	Common Equity Tier 1 Capital net of Common Equity Tier 1 deductions expressed as a percentage of RWA.
CRO	Chief Risk Officer.
CVA	Credit Valuation Adjustment. The risk of mark-to-market losses on the expected counterparty risk to OTC derivatives.
EAD	Exposure at Default – the gross exposure under a facility (the amount that is legally owed to the ADI) upon default of an obligor.

ECAI	External Credit Assessment Institution.
ECAM	Economic Capital Adequacy Model.
EL	Expected Loss, which is a function of EAD, Probability of Default and Loss given Default.
ELE	Extended Licensed Entity is an entity that is treated as part of the ADI ('Level 1') for the purpose of measuring the ADI's capital adequacy and exposures to related entities. The criterion for qualification as an ELE is detailed in the APRA Prudential Standards.
EMEA	Europe, the Middle East & Africa.
ERBA	External Rating Based Approach.
EVE	Economic Value of Equity.
F-IRB	Foundation Internal Ratings Based Approach (for determining credit risk).
FPE	Financial Management, People and Engagement Group.
GARCH	Generalised AutoRegressive Conditional Heteroskedasticity.
HQLA	High-Quality Liquid Assets.
IAA	Internal Assessment Approach.
ICAAP	Internal Capital Adequacy Assessment Process.
IRBA	Internal Rating Based Approach.
IRRBB	Interest Rate Risk in the Banking Book.
LCR	Liquidity Coverage Ratio.
Level 1 Regulatory Group	MBL and any subsidiaries which meet the APRA definition of Extended Licensed Entities.
Level 2 Regulatory Group	MBL, its parent Macquarie B.H. Pty Ltd and MBL's subsidiaries but excluding deconsolidated entities for APRA reporting purposes.
Level 3 Regulatory Group	MGL and its subsidiaries but excluding entities required to be deconsolidated for regulatory reporting purposes.
LGD	Loss given default is defined as the economic loss which arises upon default of the obligor.
LVR	Loan to Value Ratio.
Macquarie Group / Macquarie	MGL and its subsidiaries.
MACS	Macquarie Additional Capital Securities.
MBL	Macquarie Bank Limited ABN 46 008 583 542.
MBL Consolidated Group	MBL and its subsidiaries.
MGL	Macquarie Group Limited ABN 94 122 169 279.
NCO	Net Cash Outflows.
NII	Net Interest Income.
Non-Bank Group	MGL and its subsidiaries, excluding the entities that comprise the Bank Group.
NPAT	Net Profit after Tax.
NSFR	Net Stable Funding Ratio.
OF	Object finance. OF refers to the method of funding the acquisition of equipment where the repayment of the loan is dependent on the cash flows generated by the specific assets that have been financed and pledged or assigned to the lender.
Operating Group	The Operating Groups consist of Banking and Financial Services Group (BFS), Commodities and Global Markets Group (CGM), Macquarie Capital and Macquarie Asset Management Group (MAM).
ORMF	Operational Risk Management Framework.
PCE, PFCE	Potential Credit Exposure (PCE) / Potential Future Credit Exposure (PFCE). The potential exposures arising on a transaction calculated as the notional principal amount multiplied by a credit conversion factor specified by APRA.
PD	Probability of Default. The likelihood of an obligor not satisfying its financial obligations.
PF	Project finance. PF refers to the method of funding in which the lender looks primarily to the revenues generated by a single project, both as the source of repayment and as security for the loan.
P&L	Profit and loss.
QCCP	Qualifying central counterparty.
RAS	Risk Appetite Statement.
Reserve Bank of Australia (RBA)	Central bank of Australia with responsibility over monetary policy.
RMBS	Residential Mortgage-Backed Securities.
RMG	Risk Management Group.
ROE	Return on Ordinary Equity.
RSF	Required Stable Funding.
RWA	Risk-weighted asset. RWA is a risk-based measure of an entity's exposures, which is used in assessing its overall capital adequacy.
SA	Standardised Approach.
Senior Management	Members of Macquarie Group's Executive Committee and Executive Directors who have significant management or risk responsibility in the organisation.

SFT	Securities Financing Transactions (SFT). SFTs are transactions such as repurchase agreements, reverse repurchase agreements and security lending and borrowing, where the value of the transactions depends on market valuations and the transactions are often subject to margin agreements.
SME	Small – Medium Enterprises.
SPV	Special purpose vehicles or securitisation vehicles.
Subordinated debt	Debt issued by Macquarie for which agreements between Macquarie and the lenders provide, in the event of liquidation, that the entitlement of such lenders to repayment of the principal sum and interest thereon is and shall at all times be and remain subordinated to the rights of all other present and future creditors of Macquarie. Subordinated debt is classified as liabilities in the Macquarie financial report and may be included in Tier 2 Capital.
Tier 1 Capital	Tier 1 capital comprise (i) Common Equity Tier 1 Capital; and (ii) Additional Tier 1 Capital.
Tier 1 Capital Deductions	Tier 1 capital deductions comprise (i) Common Equity Tier 1 Capital deductions; and (ii) Additional Tier 1 Capital deductions.
Tier 1 Capital Ratio	Tier 1 Capital net of Tier 1 Capital Deductions expressed as a percentage of RWA.
Tier 2 Capital	A capital measure defined by APRA, comprising other components of capital which contribute to the strength of the entity.
Tier 2 Capital Deductions	An amount deducted in Tier 2 Capital, as defined in Prudential Standard APS 111 Capital Adequacy: Measurement of Capital.
Total Capital	Tier 1 Capital plus Tier 2 Capital less Tier 1 Capital Deductions and Tier 2 Capital Deductions.
Total Capital Ratio	Total Capital expressed as a percentage of RWA.
VaR	Value-at-Risk.
WAL	Weighted Average Life.

14. Disclaimer

The material in this document has been prepared by Macquarie Bank Limited ABN 46 008 583 542 (MBL) for the purpose of explaining the basis on which MBL has prepared and disclosed certain capital requirements and information about the management of risks relating to those requirements and for no other purpose. Information in this document should not be considered as advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling securities or other financial products or instruments and does not take into account your particular investment objectives, financial situation or needs. Before acting on any information you should consider the appropriateness of information having regard to the matters, any relevant offer document and in particular, you should seek independent financial advice. No representation or warranty is made as to the accuracy, completeness or reliability of the information. All securities and financial product or instrument transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments and, in international transactions, currency risk.

This document may contain forward looking statements that is, statements related to future, not past, events or other matters – including, without limitation, statements regarding our intent, belief or current expectations with respect to MBL's businesses and operations, market conditions, results of operation and financial condition, capital adequacy, provisions for impairments and risk management practices. Readers are cautioned not to place undue reliance on these forward looking statements. Macquarie does not undertake any obligation to publicly release the result of any revisions to these forward looking statements or to otherwise update any forward looking statements, whether as a result of new information, future events or otherwise, after the date of this document. Actual results may vary in a materially positive or negative manner. Forward looking statements and hypothetical examples are subject to uncertainty and contingencies outside MBL's control. Past performance is not a reliable indication of future performance.

Unless otherwise specified all information is at 30 September 2026.

Although Pillar 3 disclosures are intended to provide transparent disclosures on a common basis, the information contained in this document may not be directly comparable with other banks. This may be due to a number of factors such as:

- The mix of business exposures between banks.
- Pillar 2 capital requirements are excluded from this disclosure but play a major role in determining both the total capital requirements of the bank and any surplus capital available.
- Difference in implementation of Basel III framework i.e. APRA has introduced stricter requirements (APRA super equivalence).