

# Newcastle Greater Mutual Group Ltd

## Disclosure of Prudential Information: Risk Exposures and Assessment

As at 31 March 2023

Based on Level 2 – Reporting Consolidated Group



### Capital Adequacy

Risk Weighted Assets	\$m	Capital Base	\$m
Credit Risk (excluding securitisation) by portfolio		Common Equity Tier 1 Capital before regulatory adjustments	1,731.9
Property exposures		Regulatory adjustments	(106.1)
Residential property	5,208.9	Common Equity Tier 1 Capital	1,625.8
Land acquisition, development and construction	141.7	Tier 2 Capital	13.1
Commercial property	20.3	<b>Total Capital</b>	<b>1,638.9</b>
Non-property exposures			
Bank	1,137.9	<b>Capital Ratios:</b>	<b>%</b>
Retail	159.3	Common Equity Tier 1 Ratio	21.5%
Corporate	0.8	Tier 1 Ratio	21.5%
Other	121.7	Total Capital Ratio	21.7%
Total Credit Risk (excluding securitisation)	6,790.6		
Credit Risk (securitisation)	91.1		
Operational Risk	688.2		
<b>Total Risk Weighted Assets</b>	<b>7,569.9</b>		

### Credit Risk (excluding Securitisation Exposures)

Type of Credit Exposure	Gross Credit Risk Exposure \$m	Average Gross Exposure <sup>1,2</sup> \$m	Non-Performing Facilities \$m	Specific Provisions \$m	Charges for specific provisions \$m	Write-offs \$m	Forward-looking provisions against performing exposures <sup>3</sup> \$m
Cash and investment securities	4,231.1	2,862.2	-	-	-	-	1.1
Loans and advances	15,492.1	11,974.5	36.2	0.7	0.2	-	11.9
Other on-balance sheet assets	121.7	80.9	-	-	-	-	-
Off-balance sheet commitments	1,165.6	880.0	-	-	-	-	-
	<b>21,010.5</b>	<b>15,797.6</b>	<b>36.2</b>	<b>0.7</b>	<b>0.2</b>	<b>-</b>	<b>13.0</b>

1. Average exposure is calculated by using closing monthly balances during the quarter.

2. For the March 2023 quarter, the average balances represent two months of Newcastle Permanent Building Society Limited (pre-merger) and one month of Newcastle Greater Mutual Group Ltd (post-merger).

3. Represents provisions held against performing exposures that represent a purely forward-looking amount for future losses that are presently unidentified.

### Securitisation Exposures

Current period securitisation activity	Newcastle Greater Mutual Group Ltd Originated		Non Newcastle Greater Mutual Group Ltd Originated	
	Balance \$m	Gain/(Loss) on Sale \$m	Balance \$m	Gain/(Loss) on Sale \$m
<b>a) Investment securities</b>				
Securities held in Residential Mortgage Backed Securities (RMBS)	4,070.8	-	457.0	-
<b>(b) Securitised Assets - Newcastle Greater Mutual Group Ltd Originated</b>				
<b>On-balance Sheet - Lending</b>	<b>Balance \$m</b>			
Housing Loans	4,040.3			
<b>Off-balance Sheet - Lending</b>	<b>Notional Amount \$m</b>			
Funding Facilities	920.1			
Swaps	2,062.4			

#### Note:

These disclosures represent the first quarter that Newcastle Greater Mutual Group Ltd has applied the new capital requirements outlined in APS 112 *Capital Adequacy: Standardised Approach to Credit Risk* (effective 1 January 2023).

Prior quarter reporting has not been disclosed on the basis that the underlying capital calculations, asset exposure categories and reporting definitions were not comparable.