

Disclosure of Prudential Information

For the Quarter Ended 30 September 2021

Risk Exposures and Assessment

Based on Level 2 – Reporting Consolidated Group

Capital Adequacy		
Capital Requirements:	Risk-Weighted Assets	
	30/09/2021	30/06/2021
A) Credit Risk (excluding securitisation)		
Class I – Cash Items	-	-
Class II – Claims on Australian & foreign governments	-	-
Class III – Claims on central banks, international banking agencies, regional development banks, ADIs & overseas banks	\$596,122,036	\$614,952,368
Class IV – Claims secured against eligible residential mortgages	\$3,299,239,216	\$3,215,513,623
Class V – Unsettled and failed transactions	-	-
Class VI – Past due claims	\$2,760,754	\$2,912,419
Class VII – Other assets & claims	\$159,643,870	\$166,600,992
Non-market-related off-balance sheet credit exposures	\$132,774,485	\$145,516,716
Market-related off-balance sheet credit exposures	\$3,463,420	\$4,201,892
Total Credit Risk (excluding securitisation)	\$4,194,003,779	\$4,149,698,010
B) Credit Risk (securitisation)	-	-
C) Market Risk	-	-
D) Operational Risk	\$623,309,506	\$623,309,506
Capital Ratio:		
Common Equity Tier 1 Ratio	20.19%	20.21%
Total Capital Adequacy Ratio	20.69%	20.71%
Tier 1 Capital Adequacy Ratio	20.19%	20.21%

Credit Risk

Total gross credit risk exposures, plus average gross exposure over the period.

A) By major types of credit exposure

On-Balance Sheet credit risk-weighted assets:		Exposure at 30/09/2021	Average Exposure at 30/09/2021 *	Exposure at 30/06/2021	Average Exposure at 30/06/2021 *
Class I	Cash Items	\$321,654,183	\$337,594,640	\$247,533,307	\$207,941,660
Class II	Claims on Australian and foreign governments	\$199,405,831	\$169,748,159	\$84,633,487	\$185,981,506
Class III	Claims on central banks, international banking agencies, regional development banks, ADIs & overseas banks	\$1,963,819,809	\$1,967,415,939	\$2,076,702,312	\$1,977,696,771
Class IV	Claims secured against eligible residential mortgages	\$9,283,095,987	\$9,192,962,350	\$9,038,417,583	\$9,017,400,726
Class V	Unsettled and failed transactions	-	-	-	-
Class VI	Past due items	\$6,196,163	\$6,677,225	\$7,197,673	\$7,564,723
Class VII	Other assets and claims	\$159,643,870	\$161,167,645	\$166,600,992	\$163,583,298
Off-balance sheet exposures Non-market-related					
	Guarantees	\$2,267,132	\$2,193,122	\$2,116,521	\$2,142,506
	Commitments with certain drawdowns	\$363,823,508	\$396,486,039	\$413,107,657	\$428,518,838
	Commitments that can be unconditionally cancelled at any time without notice	\$215,200,392	\$216,230,148	\$213,936,321	\$224,695,242
Off-balance sheet exposures Market-related					
	Interest rate contracts	\$1,504,841	\$1,744,292	\$1,986,572	\$2,299,198
	Foreign exchange and gold contracts	-	-	-	-

*Average exposure is calculated by using closing monthly balances during the period.

B) By portfolio

Impaired Facilities	Balance Outstanding 30/09/2021	Balance Outstanding 30/06/2021
Residents		
Households	\$6,146,313	\$11,033,799
<i>of which: Owner-occupied housing</i>	\$5,159,144	\$8,448,144
<i>of which: Investor housing</i>	\$0	\$1,479,339
<i>of which: Credit Cards</i>	\$233,289	\$363,948
<i>of which: Other personal</i>	\$753,880	\$742,368
Non-financial corporations	\$6,132	\$3,292
<i>of which: Private trading corporations</i>	\$1,182	\$1,184
<i>of which: Private unincorporated businesses</i>	\$4,950	\$2,108
TOTAL	\$6,152,445	\$11,037,091

Past Due Items	Balance Outstanding 30/09/2021	Balance Outstanding 30/06/2021
Residents		
Households	\$3,489,521	\$3,319,245
<i>of which: Owner-occupied housing</i>	\$2,623,780	\$2,617,578
<i>of which: Investor housing</i>	\$563,465	\$225,782
<i>of which: Credit Cards</i>	-	-
<i>of which: Other personal</i>	\$302,276	\$475,885
Non-financial corporations	-	-
<i>of which: Private trading corporations</i>	-	-
<i>of which: Private unincorporated businesses</i>	-	-
TOTAL	\$3,489,521	\$3,319,245

Collective Provision	Outstanding balances 30/09/2021	Provision required 30/09/2021	Outstanding balances 30/06/2021	Provision required 30/06/2021
Category One facilities	\$37,342,200	-	\$49,396,002	-
Category Two facilities	\$3,535,906	\$6,450	\$3,550,353	\$54,314
Category Three facilities	\$480,520	\$33,064	\$453,831	\$56,215
Category Four facilities	\$786,852	\$219,591	\$1,120,476	\$246,716
TOTALS	\$42,145,478	\$259,105	\$54,520,662	\$357,245

Charges and Write-offs during the period	30/09/2021	30/06/2021
	Australia	Australia
Specific provisions	\$7,722,883	\$7,783,654
Charges for specific provisions	-\$28,140	-\$38,662
Bad debts written off to profit and loss	\$17,629	-\$136,919

C) The general reserve for credit losses

	30/09/2021	30/06/2021
Balance	\$24,133,548	\$23,860,347

D) Securitisation exposures[~]

Current period securitisation activity		Balance 30/09/2021	Balance 30/06/2021
Mortgage securitisations (on-balance sheet)			
Opening balance of securitised loans at beginning of quarter		\$106,942,134	\$118,177,142
Add: New loans securitised during the quarter		-	-
Add: Interest charged for the quarter		\$866,480	\$941,160
Less: Repayments/amortisation/loan buy backs for the quarter		\$10,253,452	\$12,176,168
Closing balance of securitised loans at end of quarter		\$97,555,162	\$106,942,134
Investment securitisation exposures			
	Residential Mortgage Backed Securities	Asset Backed Commercial Paper	Total
			Total
Opening balance at beginning of quarter	\$1,853,312	-	\$1,853,312
Add: New purchases for the quarter	-	-	-
Add/(Less): Fair value adjustments	-	-	-\$55,188
Less: Redemptions/Amortisation	\$58,023	-	\$58,023
Closing Balance at end of quarter	\$1,795,289	-	\$1,795,289

^{*}Newcastle Permanent has no off-balance sheet securitisation exposures as at 30 September 2021.

[~]There are no recognised gains or losses on sale of securitisation exposures.