

# APRA BASEL III PILLAR 3 DISCLOSURES

Quarter Ended 30 November 2025



**BOQ  
GROUP**

Bank of Queensland Limited  
ABN: 32 009 656 740

**20  
25**

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# INTRODUCTION.

# Introduction

Bank of Queensland Limited (**BOQ Limited**) is an Authorised Deposit-taking Institution (**ADI**) regulated by the Australian Prudential Regulation Authority (**APRA**) under the authority of the Banking Act 1959.

This Pillar 3 report has been prepared by BOQ to meet its disclosure requirements set out in APRA's revised prudential standard APS 330 'Public Disclosure' (**APS 330**), effective 1 January 2025. The revised APS 330 aligns with international standards set by the Basel Committee on Banking Supervision (**BCBS**) and aims to provide sufficient information for market participants to assess the ADI's regulatory capital adequacy and risk exposures.

The disclosures in this Pillar 3 report include key prudential metrics and information relating to BOQ's risk management approach, regulatory capital, countercyclical capital buffer requirement, credit risk, counterparty credit risk, securitisation, market risk, operational risk, interest rate risk in the banking book (**IRRBB**), and liquidity. The frequency of disclosures is provided on a quarterly, semi-annual, or annual basis in accordance with the BCBS disclosure requirements.

This report is prepared on a Level 2 basis in accordance with the APS 330 prudential requirements. The Level 2 regulatory consolidated group primarily consists of BOQ (the ADI) and its subsidiaries. The group excludes specific subsidiaries which are required to be deconsolidated according to APRA definitions in CPS 001 'Defined terms' (**CPS 001**).

This report is not subject to an external audit; however, it has been prepared on a basis consistent with information submitted to APRA.

In addition to this report, the Bank's main features of capital instruments are updated on an ongoing basis and are available at the Regulatory Disclosures section of the Bank's website at the following address: [https://www.boq.com.au/regulatory\\_disclosures](https://www.boq.com.au/regulatory_disclosures)

## Key Points

The Bank's capital management strategy aims to ensure adequate capital levels are maintained to protect deposit holders. The Bank's capital is measured and managed in line with Prudential Standards issued by APRA. The Bank's Internal Capital Adequacy Assessment Process (**ICAAP**) provides the framework to ensure that the Bank is capitalised to meet internal capital targets and APRA's requirements. The ICAAP is reviewed regularly and submitted to the Board annually for approval. The Bank's capital position is monitored on a continuous basis and reported monthly to the Asset and Liability Committee and Board.

## Capital Ratios

BOQ operates under APRA's revised Basel III capital framework. The Board has determined the Group will target operations within the following management target ranges in normal operating conditions, these are: Common Equity Tier 1 Capital Ratio 10.25-10.75%; Tier 1 Capital Ratio 11.75-12.50% and Total Capital Ratio 13.75-14.50%.

As at 30 November 2025, BOQ's capital ratios are as follows:

- Common Equity Tier 1 Capital Ratio was 10.79% (10.94% as at 31 August 2025);
- Tier 1 Capital Ratio was 12.41% (12.58% as at 31 August 2025); and
- Total Capital Ratio was 15.00% (15.18% as at 31 August 2025).

## Policy

BOQ Group's Prudential Disclosure policy is reviewed and approved by the Board on an annual basis to ensure that it remains compliant with the APS 330 prudential requirements. The policy sets out the process for assessing the appropriateness and accuracy of prudential disclosures, including their validation and frequency; and ensuring that prudential disclosures reflect the BOQ Group's actual risk profile, and are consistent with how the Board and senior management assess and manage risk more broadly.

The policy was approved by the BOQ Board on 14 October 2025.

## Written Attestation

As the Chief Financial Officer of Bank of Queensland (**BOQ**), I attest that the information presented in this Pillar 3 report has been prepared by BOQ to meet its disclosure requirements set out in APRA's prudential standard APS 330 'Public Disclosure' (**APS 330**) and has been prepared in accordance with our Board-approved policy on disclosure controls and prudential disclosures.



## Racheal Kellaway

Chief Financial Officer  
21 January 2026

# OVERVIEW OF KEY PRUDENTIAL METRICS AND RWA.

## KM1: Key metrics (At Level 2 Regulatory Consolidated Group)

The following table provides an overview of key metrics related to capital and liquidity.

(AUD million)	a	b	c	d	e
	Nov 25	Aug 25	May 25	Feb 25	Nov 24
<b>Available capital (amounts)</b>					
1 Common Equity Tier 1 (CET1)	<b>4,383</b>	4,391	4,305	4,370	4,296
2 Tier 1	<b>5,043</b>	5,051	4,965	5,030	4,956
3 Total capital	<b>6,095</b>	6,093	6,006	6,078	6,011
<b>Risk-weighted assets (amounts)</b>					
4 Total risk-weighted assets (RWA)	<b>40,625</b>	40,140	39,872	40,212	40,135
<b>Risk-based capital ratios as a percentage of RWA</b>					
5 CET1 ratio (%)	<b>10.79</b>	10.94	10.80	10.87	10.70
6 Tier 1 ratio (%)	<b>12.41</b>	12.58	12.45	12.51	12.35
7 Total capital ratio (%)	<b>15.00</b>	15.18	15.06	15.11	14.98
<b>Additional CET1 buffer requirements as a percentage of RWA</b>					
8 Capital conservation buffer requirement (2.5% from 2019) (%)	<b>2.50</b>	2.50	2.50	2.50	2.50
9 Countercyclical buffer requirement (%)	<b>1.00</b>	1.00	1.00	1.00	1.00
11 Total of bank CET1 specific buffer requirements (%)	<b>3.50</b>	3.50	3.50	3.50	3.50
12 CET1 available after meeting the bank's minimum capital requirements (%) <sup>(1)</sup>	<b>6.29</b>	6.44	6.30	6.37	6.20
<b>Liquidity Coverage Ratio (LCR)</b>					
15 Total high-quality liquid assets (HQLA)	<b>17,300</b>	17,106	16,435	15,801	16,675
16 Total net cash outflow	<b>12,161</b>	11,980	11,666	11,147	11,556
17 LCR ratio (%)	<b>142.33</b>	142.86	141.21	141.84	144.46
<b>Net Stable Funding Ratio (NSFR)</b>					
18 Total available stable funding	<b>71,711</b>	72,015	71,305	71,591	71,868
19 Total required stable funding	<b>57,284</b>	57,967	57,772	58,354	58,007
20 NSFR ratio (%)	<b>125.19</b>	124.24	123.42	122.68	123.90

(1) CET1 available after meeting the bank's minimum capital requirements is calculated as CET1 ratio of the bank, less the minimum CET1 capital requirement (4.5%) and any shortfall in meeting the Tier 1 and Total capital minimum requirements, as defined by BCBS.

## KM1: Key metrics (continued)

### **CET1**

The CET1 ratio was 10.79% as at 30 November 2025, 15 basis points lower than the previous quarter. This was largely driven by payment of the FY25 final dividends, a net increase in total RWA, partially offset by an increase in earnings and a decrease in capital regulatory adjustments.

### **RWA**

Total RWA increased by \$485 million during the November 2025 quarter, largely driven by higher credit risk RWA primarily attributed to the portfolio growth across commercial property & ADC (land acquisition, development and construction), leases and general corporate, partially offset by a decrease in residential property exposures.

### **LCR**

The LCR requires an ADI to hold sufficient High Quality Liquid Assets (**HQLA**) to meet Net Cash Outflows (**NCO**) over a 30-day period, under a regulator defined liquidity stress scenario.

BOQ's average LCR over the November 2025 quarter was 142%, which is 1% lower than the previous August 2025 quarter average.

### **NSFR**

The NSFR is defined as the ratio of the amount of Available Stable Funding to the amount of Required Stable Funding. The NSFR as at 30 November 2025 was 125%, which is 1% higher than the prior quarter.

## OV1: Overview of risk-weighted assets (RWA)

The following table presents an overview of Bank of Queensland's RWA and the related minimum capital requirements by risk type.

(AUD million)	a	b	c
	RWA		Minimum capital requirements
	Nov 25	Aug 25	Nov 25
<b>1 Credit risk (excluding counterparty credit risk)</b>	<b>36,859</b>	<b>36,450</b>	<b>2,949</b>
2 Of which: standardised approach (SA)	36,859	36,450	2,949
<b>6 Counterparty credit risk (CCR)</b>	<b>206</b>	<b>206</b>	<b>16</b>
9 Of which: other CCR	206	206	16
<b>10 Credit valuation adjustment (CVA)</b>	<b>13</b>	<b>13</b>	<b>1</b>
<b>16 Securitisation exposures in banking book</b>	<b>25</b>	<b>29</b>	<b>2</b>
19 Of which: securitisation standardised approach (SEC-SA)	25	29	2
<b>20 Market risk</b>	<b>146</b>	<b>126</b>	<b>12</b>
21 Of which: standardised approach (SA)	146	126	12
Of which: interest rate risk	124	113	10
Of which: specific risk	2	46	-
Of which: general market risk	122	66	10
Of which: interest rate options - delta-plus method	-	1	-
Of which: equity position risk	-	-	-
Of which: foreign exchange risk	22	13	2
<b>24 Operational risk</b>	<b>3,376</b>	<b>3,316</b>	<b>270</b>
<b>29 Total</b>	<b>40,625</b>	<b>40,140</b>	<b>3,250</b>

# LIQUIDITY RISK.

## LIQ1: Liquidity Coverage Ratio (LCR)

APRA requires authorised deposit-taking institutions (**ADI**) to maintain a minimum Liquidity Coverage Ratio (**LCR**) of 100 per cent. The LCR requires an ADI to hold sufficient High Quality Liquid Assets (**HQLA**) to meet net cash outflows (**NCO**) over a 30-day period, under a regulator defined liquidity stress scenario. BOQ manages its LCR on a daily basis with a buffer above the regulatory minimum, in line with the BOQ prescribed risk appetite and management ranges.

BOQ maintains a portfolio of high quality, diversified liquid assets to facilitate balance sheet liquidity needs and meet the regulatory minimum, with appropriate additional Board and management buffers set in line with the Group risk appetite. Liquid assets are composed of HQLA (RBA balances, cash, Australian semi-government and Commonwealth government securities). BOQ uses a range of funding instruments including customer deposits, short term and long-term wholesale debt instruments, securitisation and covered bonds, with the objective of lengthening tenor, diversifying funding sources and increasing the stable funding base.

BOQ's average Level 2 LCR over the November 2025 quarter was 142%, which is 1% lower than the previous August 2025 quarter average. On a spot basis, the LCR was between 136% and 151% with the low attributed to wholesale maturities entering the NCO window. The average balance of HQLA has increased by \$194m relative to the last quarter.

Average NCOs have increased by \$183m which was primarily driven by:

- \$236m increase in less stable deposits
- \$249m increase in unsecured wholesale funding maturities which included a \$690m October 2025 senior unsecured debt maturity
- \$177m decrease in other contractual obligations and other contingent funding obligations over the quarter due to decreases in loans approved not advanced
- \$113m decrease in collateral movements related to derivative exposures

The following table presents detailed information on the ratio composition for the two quarters. 65 data points were used in calculating the average figures for the November 2025 quarter and 65 data points were used in calculating the average figures for the August 2025 quarter.

## LIQ1: Liquidity Coverage Ratio (LCR) (continued)

The following table provides a breakdown of our cash outflows and cash inflows, as well as its available high-quality liquid assets (HQLA), as measured and defined according to the LCR standard.

(AUD million)		a	b	a1	b1
		Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
		Nov 25		Aug 25	
<b>High-quality liquid assets</b>					
1	Total HQLA		17,300		17,106
<b>Cash outflows</b>					
2	<b>Retail deposits and deposits from small business customers, of which:</b>	43,232	6,574	43,093	6,338
3	Stable deposits	14,520	726	14,518	726
4	Less stable deposits	28,712	5,848	28,575	5,612
5	<b>Unsecured wholesale funding, of which:</b>	6,995	4,486	6,869	4,238
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-
7	Non-operational deposits (all counterparties)	6,186	3,677	6,299	3,668
8	Unsecured debt	809	809	570	570
9	<b>Secured wholesale funding</b>		65		88
10	<b>Additional requirements, of which:</b>	8,306	1,317	8,469	1,432
11	Outflows related to derivative exposures and other collateral requirements	907	907	1,020	1,020
12	Outflows related to loss of funding on debt products	-	-	-	-
13	Credit and liquidity facilities	7,399	410	7,449	412
14	<b>Other contractual funding obligations</b>	1,050	607	1,111	665
15	<b>Other contingent funding obligations</b>	9,108	736	9,510	855
16	<b>TOTAL CASH OUTFLOWS</b>		13,785		13,617
<b>Cash inflows</b>					
17	<b>Secured lending (eg reverse repos)</b>	687	192	1,156	129
18	<b>Inflows from fully performing exposures</b>	906	462	910	464
19	<b>Other cash inflows</b>	970	970	1,044	1,044
20	<b>TOTAL CASH INFLOWS</b>	2,563	1,624	3,110	1,637
			Total adjusted value		Total adjusted value
21	<b>Total HQLA</b>		17,300		17,106
22	<b>Total net cash outflows</b>		12,161		11,980
23	<b>Liquidity Coverage Ratio (%)</b>		142.33		142.86

**BOQ  
GROUP**