



## Overview of risk management, key prudential metrics and RWA

KM1: Key metrics

(Amount in '000)

	a	b	c	d	e
	Dec'19	Sep'19	Jun'19	Mar'19	Dec'18
<b>Available Capital (amounts)</b>					
1 Common Equity Tier 1 ( CET1)	1 562 098.00	1 561 265.00	1 561 683	1 560 441	1 543 346
1a Fully loaded ECL accounting model	1 562 098.00	1 561 265.00	1 561 683	1 560 441	1 543 346
2 Tier 1	1 562 098.00	1 561 265.00	1 561 683	1 560 441	1 543 346
2a Fully loaded ECL accounting model Tier1	1 562 098.00	1 561 265.00	1 561 683	1 560 441	1 543 346
3 Total Capital	1 735 889.00	1 644 493.00	1 601 061	1 599 819	1 576 285
3a Fully loaded ECL Accounting model total capital	1 735 889.00	1 644 493.00	1 601 061	1 599 819	1 576 285
<b>Risk-Weighted assets (amounts)</b>					
4 Total risk-weighted assets (RWA)	10 026 654.00	10 119 213	9 878 455	9 920 754	10 366 520
<b>Risk-based capital ratios as a percentage of RWA</b>					
5 Common Equity Tier1 ratio(%)	15.58%	15.43%	15.81%	15.73%	14.89%
5a Fully loaded ECL accounting model Common Equity Tier 1(%)	15.58%	15.43%	15.81%	15.73%	14.89%
6 Tier 1 ratio(%)	15.58%	15.43%	15.81%	15.73%	14.89%
6a Fully loaded ECL accounting model Tier 1 ratio(%)	15.58%	15.43%	15.81%	15.73%	14.89%
7 Total Capital ratio (%)	17.31%	16.25%	16.21%	16.13%	15.21%
7a Fully loaded ECL accounting model total capital ratio (%)	17.31%	16.25%	16.21%	16.13%	15.21%
<b>Additional CET1 buffer requirements as a percentage of RWA</b>					
8 Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%	1.875%
9 Countercyclical buffer requirement(%)	0.02%	0.02%	0.02%	0.02%	0.00%
10 Bank G-SIB and/or D-SIB additional requirements (%)	0.00%	0.00%	0.00%	0.00%	0.00%
11 Total of bank (CET1) specific buffer requirements (%) ( row 8+row9+row10)	2.52%	2.52%	2.52%	2.52%	1.88%
12 CET1 available after meeting the bank's minimum capital requirement(%)	3.06%	2.91%	3.29%	3.21%	2.39%
<b>Basel III Leverage ratio</b>					
13 Total Basel III leverage ratio exposure measure	10 899 937.00	11 408 228.00	11 003 289.00	11 561 561.00	11 530 112.00
14 Basel III leverage ratio(%) (row 2/row 13)	14.33%	13.69%	14.19%	13.50%	13.39%
14a Fully loaded ECL accounting model Basel III Leverage ratio(%) (row2a/row13)	14.33%	13.69%	14.19%	13.50%	13.39%
<b>Liquidity coverage ratio</b>					
15 Total HQLA	404 133.00	416 738.00	418 212.00	419 957.00	434 464.00
16 Total net cash outflow	83 308.00	74 003.00	191 523.00	265 528.00	101 845.00
17 LCR ratio (%)	485%	563%	218%	158%	427%
<b>Net Stable Funding Ratio (NSFR)</b>					
18 Total available stable funding	7173144	8006182	7 139 244	7 772 474	7 796 823
19 Total required stable funding	6518794	6246056	5 906 929	6 230 446	6 250 428
20 NSFR ratio	110.04	128.18	120.86	124.75	124.74

## OV1: Overview of RWA

		a	b	c
		RWA		Minimum Capital requirements
		T	T-1	T
1	Credit risk (excluding counterparty credit risk)	9 237 199	9 355 240	1 156 497
2	Of which: standardised approach (SA)	9 237 199	9 355 240	1 156 497
3	Of which: foundation internal ratings-based (F-IRB) approach			
4	Of which: supervisory slotting approach			
5	Of which: advanced internal ratings-based (A-IRB) approach			
6	Counterparty credit risk (CCR)	196 979	179 439	24 662
7	Of which: standardised approach for counterparty credit risk	196 979	179 439	24 662
8	Of which: Internal Model Method (IMM)			
9	Of which: other CCR			
10	Credit valuation adjustment (CVA)			
11	Equity positions under the simple risk weight approach			
12	Equity investments in funds – look-through approach			
13	Equity investments in funds – mandate-based approach			
14	Equity investments in funds – fall-back approach			
15	Settlement risk			
16	Securitisation exposures in banking book			
17	Of which: securitisation internal ratings-based approach (SEC-IRBA)			
18	Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)			
19	Of which: securitisation standardised approach (SEC-SA)			
20	Market risk	4 790	24 590	600
21	Of which: standardised approach (SA)	4 790	24 590	600
22	Of which: internal model approaches (IMA)			
23	Capital charge for switch between trading book and banking book			
24	Operational risk	497 127	497 127	62 240
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	75 225	44 030	9 418
26	Aggregate Capital floor applied	15 334	18 787	1 920
27	Floor adjustment (before application of transitional cap)	15 334	18 787	1 920
28	Floor adjustment (after application of transitional cap)			
29	Total (1 + 6 + 10 + 11 + 12 + 13 + 14 + 15 + 16 + 20 + 23 + 24 + 25 + 26)	<b>10 026 654</b>	<b>10 119 213</b>	<b>1 255 337</b>

**Leverage Ratio**

LR1 – Summary comparison of accounting assets vs leverage ratio exposure measure

		<b>a</b>
1	Total consolidated assets as per published financial statements	9 841 492
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	0
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	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	
7	Adjustment for eligible cash pooling transactions	
8	Adjustments for derivative financial instruments	12 685
9	Adjustment for securities financing transactions (ie repos and similar secured lending)	
10	Adjustment for off-balance sheet items ( ie conversation to credit equivalent amounts of off-balance sheet exposures)	1 046 517
11	Adjustments for prudent valuation adjustments and specific general provisions which Adjustments for prudent valuation adjustments and specific general provisions which have reduced Tier-1 capital	
12	Other adjustments	-757
<b>13</b>	<b>Leverage ratio exposure measure</b>	<b>10 899 937</b>

## LR2: Leverage ratio

Leverage ratio framework		a	b
		Dec'19	Sep'19
<b>On-balance sheet exposures</b>			
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	9 814 518	10 150 784
2	Gross-up for Derivatives collateral provided where deducted from balance sheet assets pursuant to the operating accounting framework		
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)		
4	(Adjustment for securities received under financing transactions that are recognised as an asset)		
5	(Specific and general provisions associated with on-balance sheet exposure that are deducted from Basel III Tier 1 capital)		
6	(Asset amounts deducted in determining Basel III Tier 1 capital)		
7	<b>Total on-balance sheet exposures</b> (excluding derivatives and SFTs) (sum of lines 1 to 6)	9 814 518	10 150 784
<b>Derivative exposures</b>			
8	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	25 526.00	7 825
9	Add-on amounts for PEE associated with all derivatives transactions	13 376.00	14 380
10	(Exempted CCP leg of client-cleared trade exposures)		
11	Adjusted effective notional amount of written credit derivatives		
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives )		
13	<b>Total derivative exposures</b> (sum of lines 8 to 12)	38 902.00	22 205
<b>Securities financing transaction exposures</b>			
14	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	0.00	0.00
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)		
16	CCR exposure for SFT assets		
17	Agent transaction exposures		
18	<b>Total securities financing transaction exposures (sum of lines 14 to 17)</b>	0.00	0.00
<b>Other off-balance sheet exposures</b>			
19	Off-balance sheet exposure at gross notional amount	1 345 511.00	1 516 896
20	(Adjustments for conversion to credit equivalent amounts)	-298 994.00	-281 657
21	Specific and general provisions associated with off-balance sheet exposures deducted in determining in Tier -1 Capital		
22	<b>Off-balance sheet items (sum of lines 19 to 21)</b>	1 046 517.00	1 235 239
<b>Capital and total exposures</b>			
23	Tier 1 capital	1 562 098.00	1 561 265
24	Total exposures (sum of lines 7, 13, 18 and 22)	10 899 937.00	11 408 228
<b>Leverage ratio</b>			
25	Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	14.33	13.69
25a	Basel III leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	-	-
26	National minimum Leverage ratio requirement	4.00	4.00
27	Applicable leverage buffers		

## LIQ1 – Liquidity Coverage Ratio (LCR)

		(Amt in ZAR'000)	
		a	b
		Total unweighted value (average)	Total weighted value (average)
<b>High-quality liquid assets</b>			
1	Total HQLA	404 133	404 133
<b>Cash Outflow</b>			
2	Retail deposits and deposits from small business customers, of which:		
3	Stable deposits	151 298	-
4	Less stable deposits	239 808	23 981
5	Unsecured wholesale funding, of which:		
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	346 549	10 104
7	Non-operational deposits (all counterparties)	227 241	90 896
8	Unsecured debt	98 314	98 314
9	Secured wholesale funding	-	-
10	Additional requirements, of which:		
11	Outflows related to derivative exposures and other collateral requirements	24 142	24 142
12	Outflows related to loss of funding on debt products		
13	Credit and liquidity facilities	266 707	21 962
14	Other contractual funding obligations	31 469	31 469
15	Other contingent funding obligations	1 078 808	32 364
16	<b>TOTAL CASH OUTFLOWS</b>	<b>2 464 336</b>	<b>333 232</b>
<b>Cash Inflows</b>			
17	Secured lending (eg reverse repos)		
18	Inflows from fully performing exposures	1 055 290	802 555
19	Other cash inflows	26 217	26 217
20	<b>TOTAL CASH INFLOWS</b>	<b>1 081 507</b>	<b>828 772</b>
			<b>Total adjusted value</b>
21	Total HQLA		404 133
22	Total net cash outflows		83 308
23	Liquidity Coverage Ratio (%)		<b>485</b>

## LIQ2 – Net Stable Funding Ratio (NSFR)

		a	b	c	d	e
		Unweighted value by residual maturity				
		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	Weighted value
<i>(In currency amount)</i>						
<b>Available stable funding (ASF) item</b>						
1	Capital:				1 735 889	1 735 889
2	Regulatory capital				1 735 889	1 735 889
3	Other capital instruments					
4	Retail deposits and deposits from small business customers:		470 055	63 218	18 326	513 275
5	Stable deposits		236 865	63 218	18 326	303 404
6	Less stable deposits		233 190	-	-	209 871
7	Wholesale funding:		231 805	32 043	43 560	175 484
8	Operational deposits					
9	Other wholesale funding		231 805	32 043	43 560	175 484
10	Liabilities with matching interdependent assets					
11	Other liabilities:		1 868 960	1 209 997	4 167 639	4 748 496
12	NSFR derivative liabilities				24 142	
13	All other liabilities and equity not included in the above categories		1 868 960	1 209 997	4 143 497	4 748 496
<b>14</b>	<b>Total ASF</b>					<b>7 173 144</b>
<b>Required stable funding (RSF) item</b>						
15	Total NSFR high-quality liquid assets (HQLA)					20 207
16	Deposits held at other financial institutions for operational purposes		1 434 783	266 102	-	850 443
17	Performing loans and securities:		1 287 330	1 755 556	3 188 914	4 257 943
18	Performing loans to financial institutions secured by Level 1 HQLA					
19	Performing loans to financial institutions secured by non-Level 1 HQLA and <b>unsecured</b> performing loans to financial institutions		1 287 330	1 514 205	3 183 633	4 133 835
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:					
21	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk					
22	Performing residential mortgages, of which:				5 281	3 433
23	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk				5 281	3 433
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities		-	241 351	-	120 675
25	Assets with matching interdependent liabilities					
26	Other assets:		-113 884	6 267	1 606 912	1 322 927
27	Physical traded commodities, including gold					
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs					
29	NSFR derivative assets					
30	NSFR derivative liabilities before deduction of variation margin posted		-	-	26 217	26 217
31	All other assets not included in the above categories		-113 884	6 267	1 580 695	1 296 710
32	Off-balance sheet items				1 345 511	67 275
<b>33</b>	<b>Total RSF</b>					<b>6 518 794</b>
<b>34</b>	<b>Net Stable Funding Ratio (%)</b>					<b>110</b>