

Overview of risk management, key prudential metrics and RWA

KM1: Key metrics

(Amount in '000)

	a	b	c	d	e
	Jun'19	Mar'19	Dec'18	Sep'18	Jun'18
Available Capital (amounts)					
1 Common Equity Tier 1 (CET1)	1 561 683	1 560 441	1 543 346	1 551 788	1 418 291
1a Fully loaded ECL accounting model	1 561 683	1 560 441	1 543 346	1 551 788	1 418 291
2 Tier 1	1 561 683	1 560 441	1 543 346	1 551 788	1 418 291
2a Fully loaded ECL accounting model Tier1	1 561 683	1 560 441	1 543 346	1 551 788	1 418 291
3 Total Capital	1 601 061	1 599 819	1 576 285	1 584 727	1 451 230
3a Fully loaded ECL Accounting model total capital	1 601 061	1 599 819	1 576 285	1 584 727	1 451 230
Risk-Weighted assets (amounts)					
4 Total risk-weighted assets (RWA)	9 878 455	9 920 754	10 366 520	9 198 932	8 171 264
Risk-based capital ratios as a percentage of RWA					
5 Common Equity Tier1 ratio(%)	15.81%	15.73%	14.89%	16.87%	17.36%
5a Fully loaded ECL accounting model Common Equity Tier 1(%)	15.81%	15.73%	14.89%	16.87%	17.36%
6 Tier 1 ratio(%)	15.81%	15.73%	14.89%	16.87%	17.36%
6a Fully loaded ECL accounting model Tier 1 ratio(%)	15.81%	15.73%	14.89%	16.87%	17.36%
7 Total Capital ratio (%)	16.21%	16.13%	15.21%	17.23%	17.76%
7a Fully loaded ECL accounting model total capital ratio (%)	16.21%	16.13%	15.21%	17.23%	17.76%
Additional CET1 buffer requirements as a percentage of RWA					
8 Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	1.875%	1.875%	1.875%
9 Countercyclical buffer requirement(%)	0.02%	0.02%	0.00%	0.00%	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%	1.88%	1.88%	1.88%
12 CET1 available after meeting the bank's minimum capital requirement(%)	3.29%	3.21%	2.39%	4.37%	4.86%
Basel III Leverage ratio					
13 Total Basel III leverage ratio exposure measure	11 003 289.00	11 561 561.00	11 530 112.00	12 834 837.00	10 365 797.00
14 Basel III leverage ratio(%) (row 2/row 13)	14.19%	13.50%	13.39%	12.09%	13.68%
14a Fully loaded ECL accounting model Basel III Leverage ratio(%) (row2a/row13)	14.19%	13.50%	13.39%	12.09%	13.68%
Liquidity coverage ratio					
15 Total HQLA	418 212.00	419 957.00	434 464.00	524 448.00	468 713.00
16 Total net cash outflow	191 523.00	265 528.00	101 845.00	343 903.00	289 784.00
17 LCR ratio (%)	218%	158%	427%	152%	162%

OV1: Overview of RWA

		a	b	c	
		RWA			Minimum Capital requirements
		T	T-1	T	
1	Credit risk (excluding counterparty credit risk)	9 098 463	9 187 069	1 139 128	
2	Of which: standardised approach (SA)	9 098 463	9 187 069	1 139 128	
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)	201 570	127 365	25 237	
7	Of which: standardised approach for counterparty credit risk	201 570	127 365	25 237	
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	22 447	61 105	2 810	
21	Of which: standardised approach (SA)	22 447	61 105	2 810	
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)	31 415	29 868	3 933	
26	Floor adjustment	27 433	18 220	3 435	
27	Total (1 + 6 + 10 + 11 + 12 + 13 + 14 + 15 + 16 + 20 + 23 + 24 + 25 + 26)	9 878 455	9 920 754	1 236 783	

Leverage Ratio

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

		a
1	Total consolidated assets as per published financial statements	11 268 330
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	
4	Adjustments for derivative financial instruments	18 920
5	Adjustment for securities financing transactions (ie repos and similar secured lending)	
6	Adjustment for off-balance sheet items (ie conversation to credit equivalent amounts of off-balance sheet exposures)	-283 204
7	Other adjustments	-757
8	Leverage ratio exposure measure	11 003 289

LR2: Leverage ratio

Leverage ratio framework		a	b
		June 2019	March 2019
On-balance sheet exposures			
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	9 558 827	9,938,477
2	(Asset amounts deducted in determining Basel III Tier 1 capital)		
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	9 558 827	9,938,477
Derivative exposures			
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	27 988	4,909
5	Add-on amounts for PEE associated with all derivatives transactions	18 920	171
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework		
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)		
8	(Exempted CCP leg of client-cleared trade exposures)		
9	Adjusted effective notional amount of written credit derivatives		
10	(adjusted effective notional offsets and add-on deductions for written credit derivatives)		
11	Total derivative exposures (sum of lines 4 to 10)	46 908	5,080
Securities financing transaction exposures			
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions		
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)		
14	CCR exposure for SFT assets		
15	Agent transaction exposures		
16	Total securities financing transaction exposures (sum of lines 12 to 15)		
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	1 680 758	1,903,053
18	(Adjustments for conversion to credit equivalent amounts)	-283 204	-285,049
19	Off-balance sheet items (sum of lines 17 and 18)	1 397 554	1,618,004
Capital and total exposures			
20	Tier 1 capital	1 561 683	1,560,441
21	Total exposures (sum of lines 3, 11, 16 and 19)	11 003 289	11,561,561
Leverage ratio			
22	Basel III leverage ratio	14.19%	13.50%

LIQ1 – Liquidity Coverage Ratio (LCR)

		a	b
		Total unweighted value (average)	Total weighted value (average)
	High-quality liquid assets		
1	Total HQLA	418212	418212
	Cash Outflow		
2	Retail deposits and deposits from small business customers, of which:		
3	Stable deposits	150895	0
4	Less stable deposits	272179	27218
5	Unsecured wholesale funding, of which:		
6	Operational deposits (all counterparties) and deposits in network	658794	11494
7	Non-operational deposits (all counterparties)	397555	159022
8	Unsecured debt	355301	355301
9	Secured wholesale funding	0	0
10	Additional requirements, of which:		
11	Outflows related to derivative exposures and other collateral requirements	24691	24691
12	Outflows related to loss of funding on debt products		
13	Credit and liquidity facilities	1717678	96521
14	Other contractual funding obligations		
15	Other contingent funding obligations		
16	TOTAL CASH OUTFLOWS	3577093	674247
	Cash Inflows		
17	Secured lending (eg reverse repos)		
18	Inflows from fully performing exposures	701561	454736
19	Other cash inflows	33773	27988
20	TOTAL CASH INFLOWS	735334	482724
			Total adjusted value
21	Total HQLA		418212
22	Total net cash outflows		191523
23	Liquidity Coverage Ratio (%)		218