



Standard Chartered Bank - Johannesburg Branch

(Registered as an externa company in terms of the South African Companies Act 71 of 2008)
Registration number 2003/020177/10 ("Standard Chartered" or "the bank")

QUARTERLY REPORT ON PILLAR 3 DISCLOSURES AT 31 MARCH 2021

Quarterly disclosures in accordance with the Basel Committee on Banking Supervision's revised Pillar 3 disclosure requirements, the Prudential Authority (PA) Directives 1 of 2019, issued in terms of section 6(6) of the Banks Act No.94 of 1990 and Regulation 43 of the regulations relating to Banks.

KEY METRICS (KM1)

	Mar-21	Dec-20	Sep-20	Jun-20	Mar-20
	R'million				
Available capital amounts					
Common Equity Tier 1 (CET1)	3,773	3,896	3,909	3,916	3,817
Fully loaded ECL accounting model Tier 1	3,773	3,896	3,909	3,916	3,817
Fully loaded ECL accounting model Tier 1	3,773	3,896	3,909	3,916	3,817
Total capital	4,026	4,124	4,131	4,145	4,043
Fully loaded ECL accounting model total capital	4,026	4,124	4,131	4,145	4,043
Risk-weighted assets (amounts)					
Total risk-weighted assets (RWA)	26,087	24,580	23,751	24,763	24,231
Total risk-weighted assets (pre-floor)	26,087	24,580	23,751	24,763	24,231
Risk-based capital ratios as a percentage of RWA					
Common Equity Tier 1 ratio (%)	14.46%	15.85%	16.46%	15.81%	15.75%
Fully loaded ECL accounting model CET1 (%)	14.46%	15.85%	16.46%	15.81%	15.75%
CET1 ratio (%) (pre-floor ratio)	14.46%	15.85%	16.46%	15.81%	15.75%
Tier 1 ratio (%)	14.46%	15.85%	16.46%	15.81%	15.75%
Fully loaded ECL accounting model Tier 1 ratio (%)	14.46%	15.85%	16.46%	15.81%	15.75%
Tier 1 ratio (%) (pre-floor ratio)	14.46%	15.85%	16.46%	15.81%	15.75%
Total capital ratio (%)	15.43%	16.78%	17.39%	16.74%	16.69%
Fully loaded ECL accounting model total capital ratio (%)	15.43%	16.78%	17.39%	16.74%	16.69%
Total capital ratio (%) (pre-floor ratio)	15.43%	16.78%	17.39%	16.74%	16.69%
Additional CET1 buffer requirements as a percentage of RWA					
Capital conservation buffer requirement (%)	2.50%	2.50%	2.50%	2.50%	2.50%
Countercyclical buffer requirement (%)	0.00%	0.00%	0.00%	0.00%	0.00%
Bank G-SIB and/or D-SIB additional requirements (%)	0.00%	0.00%	0.00%	0.00%	0.00%
Total of bank CET1 specific buffer requirements (%) (rows 8,9 and 10)	2.50%	2.50%	2.50%	2.50%	2.50%
CET1 available after meeting the bank's minimum capital requirements (%)	7.08%	8.47%	8.58%	7.93%	7.87%
Basel III leverage ratio					
Total Basel III leverage ratio exposure measure	44,314	45,158	45,600	45,422	47,563
Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	8.51%	8.63%	8.57%	8.62%	8.02%
Fully loaded ECL accounting model Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) (%)	8.51%	8.63%	8.57%	8.62%	8.02%
Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	8.51%	8.63%	8.57%	8.62%	8.02%
Liquidity Coverage Ratio					
Total high-quality liquid assets (HQLA)	7,390	10,590	11,121	12,534	8,358
Total net cash outflow	3,352	6,235	5,653	10,103	6,387
LCR ratio (%)	220%	170%	197%	124%	131%
Net Stable Funding Ratio					
Total available stable funding	27,765	25,376	26,125	26,849	27,555
Total required stable funding	18,894	18,317	19,337	21,561	23,061
NFSR ratio	147%	139%	135%	125%	119%



OVERVIEW OF RWA (OV1)

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	Risk-weighted assets Mar-21	Risk-weighted assets Dec-20	Minimum Capital Requirements Mar-21
	R'million		
Credit risk (excluding counterparty credit risk)	17,902	16,091	1,880
Of which standardised approach	17,902	16,091	1,880
Of which: foundation internal ratings-based (F-IRB) approach	-	-	-
Of which: Supervisory slotting approach	-	-	-
Of which Advanced IRB approach	-	-	-
Counterparty credit risk	5,065	5,284	532
Of which: standardised approach for counterparty credit risk	3,420	3,283	359
Of which: Internal Model Method (IMM)	-	-	-
Of which: other CCR	-	-	-
Credit valuation adjustment (CVA)	1,645	2,001	173
Equity positions under the simple risk weight approach	-	-	-
Equity investments in funds – look-through approach	-	-	-
Equity investments in funds – mandate-based approach	-	-	-
Equity investments in funds – fall-back approach	-	-	-
Settlement risk	-	-	-
Securitisation exposures in the banking book	-	-	-
Of which: securitisation internal ratings-based approach (SEC-IRBA)	-	-	-
Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)	-	-	-
Of which: securitisation standardised approach (SEC-SA)	-	-	-
Market risk	53	138	6
Of which standardised approach	53	138	6
Of which internal model approaches	-	-	-
Capital charge for switch between trading book and bankingbook	-	-	-
Operational risk	3,067	3,067	322
Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
Floor Adjustment	-	-	-
Other asset risk	-	-	-
Total	26,087	24,580	2,739

Minimum capital requirements - This includes the Basel base minimum of 8%, plus Pillar 2A capital requirement, plus any applicable Basel buffers.

RWA increased by ZAR1.5 billion from 31 December 2020 to ZAR26.1 billion. This was driven by an increase in credit risk RWA of ZAR1.5 billion due to new exposures and change in market risk and counterparty credit risk of, ZAR0.2 billion and ZAR0.09 billion respectively.



SUMMARY OF ACCOUNTING ASSETS VS LEVERAGE RATIO EXPOSURE (LR1)

	Mar-21 R'million
Total assets	37,555
Adjustment difference between the accounting scope of consolidation and the regulatory scope of consolidation	-
Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
Adjustments for derivative financial instruments	1,576
Adjustments for securities financing transactions (SFTs)	(1,329)
Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	7,264
Other adjustments	(753)
Total leverage ratio exposure	44,314

Based on month-end balances

LEVERAGE RATIO COMMON DISCLOSURE (LR2)

	Mar-21	Dec-20
	R'million	
On-balance sheet exposures		
On-balance sheet exposures (excluding derivatives and SFT's but including collateral)	30,564	30,851
Asset amounts deducted in determining tier 1 capital	376	326
Total on-balance sheet exposures (excluding derivatives and SFT's (total of items 1 and 2))	30,188	30,525
Derivative exposures		
Replacement costs associated with all derivative transactions, net of eligible cash variation margin	3,458	6,199
Add-on amounts for PFE associated with all derivative transactions	2,075	1,476
Gross-up derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-	-
Deductions from receivables assets for cash variation margin provided in derivatives transactions	-	-
Exempted CCP leg of client-cleared trade exposure	-	-
Adjusted effective notional amount of written credit derivatives	-	-
Adjusted effective notional offsets and add-on deductions for written credit derivatives	-	-
Total derivatives exposure (sum rows 4 to 10)	5,533	7,676
Securities financing transaction exposures		
Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	1,329	-
Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
CRR exposure for SFT assets	-	-
Agent transaction exposures	-	-
Total securities financing transaction exposures (sum of rows 12 to 15)	1,329	-
Other off-balance sheet exposures		
Off-balance sheet exposure at gross notional amount	29,318	27,572
Adjustment for conversion to credit equivalent amounts	(22,053)	(20,615)
Off-balance sheet items (sum of rows 17 and 18)	7,264	6,957
Capital and total exposures		
Tier 1 capital	3,773	3,896
Total exposures (sum of rows 3,11,16 and 19)	44,314	45,158
Leverage ratio		
Leverage ratio (expressed as a percentage)	8.51%	8.63%

Based on month-end balances



LIQUIDITY COVERAGE RATIO (LIQ1)

	Mar-21 Total Unweighted Value (average) R'million	Mar-21 Total Weighted (average) R'million
High-Quality Liquid Assets		
Total HQLA		7,390
Cash outflows		
Retail deposits and deposits from small business customers, of which:	-	-
Stable deposits	-	-
Less stable deposits	-	-
Unsecured wholesale funding, of which:	15,513	8,867
Operational deposits (all counterparties) and deposits in networks of cooperative banks	3,763	941
Non-operational deposits (all counterparties)	11,750	7,927
Unsecured debt	-	-
Secured wholesale funding	-	-
Additional requirements	22,646	4,042
Outflows related to derivative exposures and other collateral requirements	2,956	2,956
Outflows related to loss of funding on debt products	-	-
Credit and liquidity facilities	-	-
Other contractual funding obligations	-	-
Other contingent funding obligations	19,690	1,086
Total cash outflows	38,159	12,909
Cash inflows		
Secured lending (e.g. reverse repos)	-	-
Inflows from fully performing exposures	8,320	7,079
Other cash inflows	2,909	2,909
Total cash inflows	11,230	9,989
		Total adjusted value
Total HQLA		7,390
Total net cash outflows		3,352
Liquidity coverage ratio (%)		220%

Simple average of 90 days of daily observations over the quarter ended 31 March 2021.



NET STABLE FUNDING RATIO (LIQ2)

	Unweighted value by residual maturity				Weighted Value
	6 months to				
	No maturity	<6 months	<1 year	≥1 year	
	R'million	R'million	R'million	R'million	
Available stable funding (ASF) item					
Capital:	-	-	-	4,169	4,169
Regulatory capital	-	-	-	4,169	4,169
Other capital instruments	-	-	-	-	-
Retail deposits and deposits from small business customers:	-	-	-	-	-
Stable deposits	-	-	-	-	-
Less stable deposits	-	-	-	-	-
Wholesale funding:	-	-	-	-	-
Operational deposits	-	-	-	-	-
Other wholesale funding	-	16,738	-	-	6,947
Liabilities with matching interdependent assets	-	-	-	-	-
Other liabilities:	-	-	-	-	-
NSFR derivative liabilities	-	-	-	-	-
All other liabilities and equity not included in the above categories	-	-	-	16,649	16,649
Total ASF					27,765
Required stable funding (RSF) item					
Total NSFR high-quality liquid assets (HQLA)					
Deposits held at other financial institutions for operational purposes	-	-	-	-	-
Performing loans and securities:					
Performing loans to financial institutions secured by Level 1 HQLA	-	5,631	2,500	2,758	544
Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	7,247	-	-	1,087
Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	4,847	421	-	2,352
With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit	-	-	-	-	-
Performing residential mortgages, of which:	-	-	-	606	515
With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	-	-	14	9
Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	790	130	1,005	1,314
Assets with matching interdependent liabilities	-	-	-	-	-
Other liabilities:					
Physical traded commodities, including gold	-	-	-	-	-
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	-	-	-	-
NSFR derivative assets	-	-	-	-	-
NSFR derivative liabilities before deduction of variation margin posted	-	-	-	-	-
All other assets not included in the above categories	-	-	-	11,607	11,607
Off-balance sheet items	-	-	-	29,318	1,466
Total RSF					18,894
Net Stable Funding Ratio (%)					147%