

## Standard Chartered Bank Johannesburg Branch

(Registered as an external 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 AS AT 30 SEPTEMBER 2020

Quarterly disclosures in accordance with the Basel Committee on Banking Supervision's revised pillar 3 disclosure requirements, the South African Reserve Bank (SARB) Directives 1 of 2019, issued in terms of section 6(6) of the Banks Act No. 94 of 1990 and Regulation 43(1)(e) and Regulation 43 (2) of the regulations relating to Banks.

#### KEY METRICS (KM1)

	Sep-20 R'million
<b>Available capital amounts</b>	
1 Common Equity Tier 1 (CET1)	3,909
1a Fully loaded ECL accounting model	3,909
2 Tier 1	3,909
2a Fully loaded ECL accounting model Tier 1	3,909
3 <b>Total capital</b>	4,131
3a <b>Total capital as IFRS 9 or analogous ECLs transitional arrangements had not been applied</b>	4,131
<b>Risk-weighted assets amounts</b>	
4 Total risk-weighted assets (RWA)	23,751
4a Total risk-weighted assets (pre-floor)	23,751
<b>Risk-based capital ratios as a percentage of RWA</b>	
5 Common Equity Tier 1 ratio (%)	16.46%
5a Fully loaded ECL accounting model CET1 (%)	16.46%
5b CET1 ratio (%) (pre-floor ratio)	16.46%
6 Tier 1 ratio (%)	16.46%
6a Fully loaded ECL accounting model Tier 1 ratio (%)	16.46%
6b Tier 1 ratio (%) (pre-floor ratio)	16.46%
7 Total capital ratio (%)	17.39%
7a Fully loaded ECL accounting model total capital ratio (%)	17.39%
7b Total capital ratio (%) (pre-floor ratio)	17.39%
<b>Additional CET1 buffer requirements as a percentage of RWA</b>	
8 Capital conservation buffer requirement (%)	2.50%
9 Countercyclical buffer requirement (%)	0.00%
10 Bank G-SIB and/or D-SIB additional requirements (%)	0.00%
11 Total of bank CET1 specific buffer requirements (%) (rows 8,9 and 10)	2.50%
12 CET1 available after meeting the bank's minimum capital requirements (%)	8.58%
<b>Basel III leverage ratio</b>	
13 Total Basel III leverage ratio exposure measure	45,600
14 Basel III leverage ratio (%) (row2/row13)	8.57%
14a Fully loaded ECL accounting model Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) (%)	8.57%
14b Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	8.57%
<b>Liquidity Coverage Ratio</b>	
15 Total HQLA	11,121
16 Total net cash outflow	5,653
17 LCR ratio (%)	197%
<b>Net Stable Funding Ratio</b>	
18 Total available stable funding	26,125
19 Total required stable funding	19,337
20 NFSR ratio	135%

## OVERVIEW OF RISK MANAGEMENT (OV1)

	Risk-weighted assets Sep-20 R'million	Minimum Capital Requirements Sep-20 R'million
1 <b>Credit risk (excluding counterparty credit risk)</b>	14,510	1,669
2 Of which standardised approach	14,510	1,669
3 Of which advanced IRB approach	-	-
4 <b>Counterparty credit risk</b>	5,567	640
5 Of which: standardised approach for counterparty credit risk		-
6 Of which: Internal Model Method (IMM)	3,374	388
7 Of which: other CCR	-	-
8 Credit valuation adjustment (CVA)	2,194	252
9 Equity positions under the simple risk weight approach	-	-
10 Equity investments in funds – look-through approach	-	-
11 Equity investments in funds – mandate-based approach	-	-
12 Equity investments in funds – fall-back approach	-	-
13 Settlement risk	-	-
14 Securitisation exposures in the banking book	-	-
15 Of which: securitisation internal ratings-based approach (SEC-IRBA)	-	-
16 Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)	-	-
17 Of which: securitisation standardised approach (SEC-SA)	-	-
18 <b>Market risk</b>	110	13
19 Of which standardised approach	110	13
20 Of which internal model approaches	-	-
21 <b>Operational risk</b>	2,882	331
22 Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-
23 Floor Adjustment	-	-
24 Other asset risk	681	78
<b>25 Total</b>	<b>23,751</b>	<b>2,731</b>

## LEVERAGE RATIO

## Summary comparison of accounting assets vs leverage ratio exposure (LR1)

	Sep-20 R'million
<b>1 Total assets</b>	<b>37,166</b>
Adjustment difference between the accounting scope of consolidation and the regulatory scope of consolidation	-
2 Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
3 Adjustments for derivative financial instruments	2,524
4 Adjustments for securities financing transactions (SFTs)	(641)
5 Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	7,248
6 Other adjustments	(696)
<b>7 Total leverage ratio exposure</b>	<b>45,600</b>

## Leverage Ratio Summary (LR2)

	Sep-20 R'million
<b>On-balance sheet exposures</b>	
1 On-balance sheet exposures (excluding derivatives and SFT's but including collateral)	30,867
2 Asset amounts deducted in determining tier 1 capital	348
<b>3 Total on-balance sheet exposures (excluding derivatives and SFT's (total of items 1 and 2))</b>	<b>30,519</b>
<b>Derivative exposures</b>	
4 Replacement costs associated with all derivative transactions, net of eligible cash variation margin	6,133
5 Add-on amounts for PFE associated with all derivative transactions	1,701
6 Gross-up derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-
7 Deductions from receivables assets for cash variation margin provided in derivatives transactions	-
8 Exempted CCP leg of client-cleared trade exposure	-
9 Adjusted effective notional amount of written credit derivatives	-
10 Adjusted effective notional offsets and add-on deductions for written credit derivatives	-
<b>11 Total derivatives exposure (sum rows 4 to 10)</b>	<b>7,833</b>
<b>Securities financing transaction exposures</b>	
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 CRR exposure for SFT assets	-
15 Agent transaction exposures	-
<b>16 Total securities financing transaction exposures (sum of rows 12 to 15)</b>	<b>-</b>
<b>Other off-balance sheet exposures</b>	
17 Off-balance sheet exposure at gross notional amount	30,949
18 Adjustment for conversion to credit equivalent amounts	(23,702)
<b>19 Off-balance sheet items (sum of rows 17 and 18)</b>	<b>7,248</b>
<b>Capital and total exposures</b>	
20 Tier 1 capital	3,909
21 Total exposures (sum of rows 3,11,16 and 19)	45,600
<b>Leverage ratio</b>	
22 Leverage ratio (expressed as a percentage)	8.57%

## LIQUIDITY RATIO

## Liquidity Coverage Ratio (LIQ1)

	Sep-20 Total Unweighted Value (average) R'million	Sep-20 Total Weighted (average) R'million
<b>High-Quality Liquid Assets</b>		
1 Total HQLA		11,121
<b>Cash outflows</b>		
2 Retail deposits and deposits from small business customers, of which:	-	-
3 Stable deposits	-	-
4 Less stable deposits	-	-
5 Unsecured wholesale funding, of which:	24,427	12,925
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks	8,925	2,231
7 Non-operational deposits (all counterparties)	15,502	10,694
8 Unsecured debt	-	-
9 Secured wholesale funding	-	-
10 Additional requirements	36,348	6,979
11 Outflows related to derivative exposures and other collateral requirements	5,341	5,341
12 Outflows related to loss of funding on debt products	-	-
Credit and liquidity facilities	-	-
14 Other contractual funding obligations	-	-
15 Other contingent funding obligations	31,008	1,638
16 Total cash outflows	60,776	19,904
<b>Cash inflows</b>		
17 Secured lending (e.g. reverse repos)	-	-
18 Inflows from fully performing exposures	10,939	8,942
19 Other cash inflows	5,310	5,310
20 Total cash inflows	16,249	14,251
		<b>Total adjusted value</b>
21 Total HQLA		11,121
22 Total net cash outflows		5,653
23 Liquidity coverage ratio (%)		<b>197%</b>

## Net Stable Funding Ratio (NSFR)

		Unweighted value by residual maturity				Weighted Value
		No maturity	<6 months	6 months to <1	year ≥1	
		R'million	R'million	R'million	R'million	
1	Capital:					
2	Regulatory capital	-	-	-	4,257	4,257
3	Other capital instruments	-	-	-	4,257	4,257
4	Retail deposits and deposits from small business customers:					
5	Stable deposits	-	-	-	-	-
6	Less stable deposits	-	-	-	-	-
7	Wholesale funding:					
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	-	-	-	-
10	Liabilities with matching interdependent assets	-	18,366	-	-	7,325
11	Other liabilities:					
12	NSFR derivative liabilities	-	-	-	-	-
13	All other liabilities and equity not included in the above categories	-	-	-	14,543	14,543
14	Total ASF					26,125
15	Total NSFR high-quality liquid assets (HQLA)					
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17	Performing loans and securities:					
18	Performing loans to financial institutions secured by Level 1 HQLA	-	5,786	4,721	22	526
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	9,912	509	606	3,412
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	-	1,146	-	-	306
22	Performing residential mortgages, of which:					
23	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	-	-	612	516
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	515	790	1,135	1,617
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	Other liabilities:					
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	-	-	-	-	-
31	All other assets not included in the above categories	-	-	-	11,412	11,412
32	Off-balance sheet items	-	-	-	-	-
33	Total RSF				30,949	1,547
34	<b>Net Stable Funding Ratio (%)</b>					<b>19,337</b> <b>135%</b>