



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 2016

The Pillar III capital disclosure report on the Bank's Capital adequacy is in terms of Regulation 43 (1)(e)(iii) of the Banks Act 94 of 1990 (as amended) ("the Act").

The following table sets out the available capital as at 30 June 2016 and 30 September 2016:

| | June 2016 | September 2016 |
|--|-----------|----------------|
| Including unappropriated profits | Rm | Rm |
| Tier 1 Capital | 3,343 | 3,343 |
| Reserves | 237 | 271 |
| Other | 1 | 20 |
| Common Equity Tier 1 Capital | 3,581 | 3,634 |
| Goodwill | (158) | (158) |
| Excess of expected loss over eligible provisions | (168) | (146) |
| Intangible assets | (195) | (192) |
| Other regulatory differences and non-qualifying reserves | 0 | 0 |
| Additional Tier 1 Capital | 0 | 0 |
| Tier 2 Capital | 0 | 0 |
| General allowance for credit impairment | 0 | 0 |
| Total Qualifying Capital | 3,059 | 3,138 |
| Capital Adequacy Ratio: percentage | 14.95% | 16.12% |

Minimum required capital and reserve funds per risk type:

| 30 September 2016 R'm | Total |
|---|--------------|
| Minimum ratios | 9,75% |
| Credit Risk | 1,844 |
| Equity Risk | 0 |
| Market Risk | 5 |
| Operational risk | 213 |
| Other | 104 |
| Total Minimum required capital and reserve funds | 2,166 |

Notes:

1. Minimum required capital and reserve funds have been reported at 9,75%, in terms of Directive 05/2011 issued in terms of section 6(4) of the Banks Act, 1990 and amended by Directive 05/2013 for the phase-in arrangements for the minimum requirements.

2. Regulation requires details of any risk exposure or other item that is subject to rapid or material change.

LCR Disclosure

Banks have to comply with the LCR disclosure requirements as set out in Directive 6/2014 and 11/2014. The LCR was phased in at 60% on 1 January 2015 and increase by 10% each year to 100% in 2019.

The bank's LCR as at 30 September 2016 is set out as follows

| | R'million |
|----------------------------|-----------|
| High Quality Liquid Assets | R8,103 |
| Net Cashflows | R8,274 |
| Liquidity Coverage Ratio % | 98% |
| Minimum Requirement | 70% |
| | |

The requirement of the LCR is to ensure that the Bank has adequate stock of unencumbered High Quality Liquid Assets to cover total net cash outflows over a 30 day period under a prescribed scenario.

High Quality Liquid Assets (HQLA) are divided into two categories. Category 1 comprising of cash, cash reserves, Treasury Bills and Government Bonds and Debentures can be included at 100% where category two assets are limited to 40% of their value. Category 2 includes certain government securities, public sector and corporate bonds.