

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 JUNE 2018

Quarterly disclosures in accordance with the Basel Committee on Banking Supervision's revised pillar 3 disclosure requirements, the South African Reserve Bank (SARB) Directives 4 of 2014, 11 of 2015 and 1 of 2018 issued in terms of section 6(6) of the Banks Act No. 94 of 1990 and Regulation 43(1)(e)(iii) of the regulations relating to banks.

Standard Chartered Bank, Johannesburg Branch-LCR Common Disclosure Template for quarter ended 30 June 2018			
Liquidity Coverage Ratio (LCR) (LIQ1)		Total Unweighted Value (average) ^a	Total Weighted (average) ^b
		ZAR'm	ZAR'm
High-Quality Liquid Assets			
1	Total HQLA		8,478
Cash outflows			
2	Retail deposits and deposits from small business customers, of which:		0
3	Stable deposits		0
4	Less stable deposits		0
5	Unsecured wholesale funding, of which:	23,519	11,807
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	10,144	2,536
7	Non-operational deposits (all counterparties)	13,375	9,271
8	Unsecured debt	0	
9	Secured wholesale funding		
10	Additional requirements	21,241	3,474
11	Outflows related to derivative exposures and other collateral requirements	2,480	2,480
12	Outflows related to loss of funding on debt products		
14	Other contractual funding obligations	0	0
15	Other contingent funding obligations	18,761	994
16	Total cash outflows		15,282
Cash inflows			
17	Secured lending (e.g. reverse repos)	2,254	2,254
18	Inflows from fully performing exposures		
19	Other cash inflows	8,487	6,084
20	Total cash inflows		8,338
			Total adjusted value ^c
21	Total HQLA		8,478
22	Total net cash outflows		6,943
23	Liquidity coverage ratio (%)		122%

^a Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows)

^b Weighted values must be calculated after the application of respective haircuts (for HQLA) or inflow and outflow rates (for inflows and outflows)

^c Adjusted values must be calculated after the application of both (i) haircuts and inflow and outflow rates and (ii) any applicable caps (ie cap on level 2B and Level 2 assets for HQLA and cap on inflows)

Standard Chartered Bank, Johannesburg Branch-Quarterly KM1 2018					
Key metrics for the Group (KM1)	Current Quarter (Quarter-end) June 2018 ZAR'm	Current Quarter (Quarter-end) March 2018 ZAR'm	Current Quarter (Quarter-end) December 2017 ZAR'm	Current Quarter (Quarter-end) September 2017 ZAR'm	Current Quarter (Quarter-end) June 2017 ZAR'm
Available capital amounts					
1 Common Equity Tier 1 (CET1)	4,355	4,469	3,795	3,796	3,789
2 Tier 1	4,035	4,138	3,175	3,373	3,361
3 Total capital	4,035	4,138	3,175	3,373	3,361
Risk-weighted assets amounts					
4 Total risk-weighted assets (RWA)	27,599	33,088	26,263	23,665	20,661
Risk-based capital ratios as a percentage of RWA					
5 Common Equity Tier 1 ratio (%)	15.8%	13.5%	14.4%	16.0%	18.3%
6 Tier 1 ratio (%)	14.6%	12.5%	12.1%	14.3%	16.3%
7 Total capital ratio (%)	14.6%	12.5%	12.1%	14.3%	16.3%
Additional CET1 buffer requirements as a percentage of RWA					
8 Capital conservation buffer requirement (%)	1.9%	1.9%	1.3%	1.3%	1.3%
9 Countercyclical buffer requirement (%)	-	-	-	-	-
10 Bank G-SIB and/or D-SIB additional requirements (%)	-	-	-	-	-
11 8,9 and 10)	1.9%	1.9%	1.3%	1.3%	1.3%
12 CET1 available after meeting the bank's minimum capital requirements (%)					
Basel III leverage ratio					
13 Total Basel III leverage ratio exposure measure	43,559	39,533	39,290	45,310	39,626
14 Basel III leverage ratio (%) (row2/row13)	9.26%	10.47%	8.08%	7.45%	8.48%
Liquidity Coverage Ratio					
Total HQLA	8,478	7,899	7,701	7,962	6,904
Total net cash outflow	6,943	5,913	5,218	4,640	3,957
LCR ratio (%)	122%	134%	148%	172%	174%
Net Stable Funding Ratio					
18 Total available stable funding	25,270	23,438	23,331	27,399	23,479
19 Total required stable funding	23,136	21,893	21,552	22,010	20,168
20 NFSR ratio	109%	107%	108%	124%	116%

Standard Chartered Bank, Johannesburg Branch-Quarterly Leverage Ratio 2018			
	Line item	Current Quarter (Quarter-end) June 2018 ZAR'm	Current Quarter (Quarter-end) March 2018 ZAR'm
Leverage ratio common disclosure			
On-balance sheet exposures			
On-balance sheet exposures (excluding derivatives and SFT's but including collateral	1	34,465	35,442
Asset amounts deducted in determining tier 1 capital	2	320	331
Total on-balance sheet exposures (excluding derivatives and SFT's (total of items 1 and 2)	3	34,145	35,111
Derivative Exposures			
Replacement costs associated with all derivative transactions, net of eligible cash variation margin	4	2,254	2,269
Add-on amounts for PFE associated with all derivative transactions	5	2,313	1,827
Gross-up derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	6	-	-
Deductions from receivables assets for cash variation margin provided in derivatives transactions	7	-	-
Exempted CCP leg of client-cleared trade exposure	8	-	-
Adjusted effective notional amount of written credit derivatives	9	-	-
Adjusted effective notional offsets and add-on deductions for written credit derivatives	10	-	-
Total derivatives exposure (sum rows 4 to 10)	11	4,567	4,096
Securities financing transaction exposures			
Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	12	-	-
Netted amounts of cash payables and cash receivables of gross SFT assets	13	-	-
CRR exposure for SFT assets	14	-	-
Agent transaction exposures	15	-	-
Total securities financing transaction exposures (sum of rows 12 to 15)	16	-	-
Other off-balance sheet exposures			
Off-balance sheet exposure at gross notional amount	17	9,692	652
Adjustment for conversion to credit equivalent amounts	18	(4,846)	(326)
Off-balance sheet items (sum of rows 17 and 18)	19	4,846	326
Capital and total exposures			
Tier 1 capital ⁽¹⁾	20	4,035	4,138
Total exposures (sum of rows 3,11,16 and 19)	21	43,559	39,533
Leverage ratio			
Leverage ratio (expressed as a percentage)	22	9.26%	10.47%

Standard Chartered Bank, Johannesburg Branch for quarter ended 30 June 2018

OV1: Overview of RWA

	Risk-weighted assets June 2018 ZAR'm	Risk-weighted assets March 2018 ZAR'm	Minimum Capital Requirements June 2018 ¹ ZAR'm
1 Credit risk (excluding counterparty credit risk)	19,639	23,592	2,332
2 Of which standardised approach			
3 Of which advanced IRB approach	19,639	23,592	2,332
4 Counterparty credit risk	3,370	5,121	400
5 Of which: standardised approach for counterparty credit risk	3,370	5,121	400
6 Of which: Internal Model Method (IMM)			
7 Of which: other CCR			
8 Credit valuation adjustment (CVA)			
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)	-	-	-
Of which: securitisation external ratings-based approach (SEC-ERBA),			
16 including internal assessment approach (IAA)	-	-	-
17 Of which: securitisation standardised approach (SEC-SA)	-	-	-
18 Market risk	20	28	2
19 Of which standardised approach	20	28	2
20 Of which internal model approaches			
21 Operational risk	2,769	2,769	329
22 Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
23 Floor Adjustment	-	-	-
24 Other asset risk	1,800	1,578	214
25 Total	27,599	33,088	3,277

¹ Minimum capital requirements - This value is 11.875% for 2018, consisting of a Pillar 1 requirement of 8.00%, Pillar 2A of 1.25%, an add-on: idiosyncratic requirement of 0.75% and a phased in Capital Conservation Buffer of 1.875% in 2018

Standard Chartered Bank, Johannesburg Branch -LIQ2: Net Stable Funding Ratio (NSFR) for half year ended 30 June 2018

	a	b	c	d	e
	Unweighted value by residual maturity				Weighted value
	No maturity*	<6 months	6 months to <1 year	≥1 year	
Available stable funding (ASF) item					
1 Capital:					
2 Regulatory capital	0	0	0	4,355	4,355
3 Other capital instruments	0	0	0	0	0
4 Retail deposits and deposits from small business customers:					
5 Stable deposits	0	0	0	0	0
6 Less stable deposits	0	0	0	0	0
7 Wholesale funding:					
8 Operational deposits	0	0	0	0	0
9 Other wholesale funding	-	18,389	49	3,696	10,364
10 Liabilities with matching interdependent assets					
11 Other liabilities:					
12 NSFR derivative liabilities					
13 All other liabilities and equity not included in the above categories	0	0	0	10,551	10,551
14 Total ASF					25,270
Required stable funding (RSF) item					
15 Total NSFR high-quality liquid assets (HQLA)					32
16 Deposits held at other financial institutions for operational purposes		3,663			550
17 Performing loans and securities:					
18 Performing loans to financial institutions secured by Level 1 HQLA	0	0	0	0	0
19 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0	8,647	2,191	950	2,371
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:	0	-		4,015	3,416
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:					
23 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk					
24 Securities that are not in default and do not qualify as HQLA, including exchange-traded equities		(7)	850	970	1,246
25 Assets with matching interdependent liabilities					
26 Other assets:					
27 Physical traded commodities, including gold					0
28 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs					0
29 NSFR derivative assets					0
30 NSFR derivative liabilities before deduction of variation margin posted					0
31 All other assets not included in the above categories				15,129	15,129
32 Off-balance sheet items					402
33 Total RSF					23,145
34 Net Stable Funding Ratio (%)					109%