# OV1: Overview of RWA

| R' 000 | | Notes | a | b | c |
|---|---|---|---|---|---|
| | | | Risk –weighted assets | | Minimum capital requirements **N1** |
| | | | 30 September 2021 | 30 June 2021 | 30 September 2021 |
| 1 | **Credit risk (excluding counterparty credit risk)** | | **11,282,693** | **10,754,406** | **1,184,683** |
| 2 | Of which: standardised approach (SA) | | 11,282,693 | 10,754,406 | 1,184,683 |
| 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)** | | **2,277** | **23,156** | **239** |
| 7 | Of which: standardised approach for counterparty credit risk | | 2,277 | 23,156 | 239 |
| 8 | Of which: Internal Model Method (IMM) | | - | - | - |
| 9 | Of which: other CCR | | - | - | - |
| 10 | **Credit valuation adjustment (CVA)** | | **1,293** | **13,157** | **136** |
| 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 the 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 | | - | - | - |
| 19 | Of which: securitisation standardised approach (SEC-SA) | | - | - | - |
| 20 | **Market risk** | | **6,961** | **2,464** | **731** |
| 21 | Of which: standardised approach (SA) | | 6,961 | 2,464 | 731 |
| 22 | Of which: internal model approaches (IMA) | | - | - | - |
| 23 | Capital charge for switch between trading book and banking book | | - | - | - |
| 24 | **Operational risk** | **N2** | **1,196,118** | **1,066,038** | **125,592** |
| 25 | **Amounts below thresholds for deduction (subject to 250% risk weight)** | | **176,488** | **187,035** | **18,531** |
| 26 | **Floor adjustment** | | **-** | **-** | **-** |
| 27 | **Total (1+6+10+11+12+13+14+15+16+20+23+24+25+26)** | | **12,665,830** | **12,046,256** | **1,329,912** |

## Notes

N1: Minimum capital requirements: South African base minima (8%) + conservation buffer (2.5%).

N2: Operational risk: The increase in operational risk is as a result of gross income earned for this quarter.

# KM1: Key Metrics

| | R'000 | Notes | a | b | c | d | e |
|---|---|---|---|---|---|---|---|
| | | | 30 September 2021 | 30 June 2021 | 31 March 2021 | 31 December 2020 | 30 September 2020 |
| | **Available capital (amounts)** | | | | | | |
| 1 | Common Equity Tier 1 (CET1) | | 5,648,775 | 5,531,803 | 5,433,159 | 5,329,190 | 5,212,428 |
| 1a | Fully loaded ECL accounting model | | 5,648,775 | 5,531,803 | 5,433,159 | 5,329,190 | 5,212,428 |
| 2 | Tier 1 | | 5,648,775 | 5,531,803 | 5,433,159 | 5,329,190 | 5,212,428 |
| 2a | Fully loaded accounting model Tier 1 | | 5,648,775 | 5,531,803 | 5,433,159 | 5,329,190 | 5,212,428 |
| 3 | Total capital | | 5,787,718 | 5,664,305 | 5,570,201 | 5,478,905 | 5,374,370 |
| 3a | Fully loaded ECL accounting model total capital | | 5,787,718 | 5,664,305 | 5,570,201 | 5,478,905 | 5,374,370 |
| | **Risk-weighted assets (amounts)** | | | | | | |
| 4 | Total risk-weighted assets (RWA) | | 12,665,830 | 12,046,255 | 12,530,137 | 13,944,972 | 19,461,460 |
| | **Risk-based capital ratios as a percentage of RWA** | | | | | | |
| 5 | Common Equity Tier 1 ratio (%) | | 44.60% | 45.92% | 43.36% | 38.22% | 26.78% |
| 5a | Fully loaded ECL accounting model CET1 (%) | | 44.60% | 45.92% | 43.36% | 38.22% | 26.78% |
| 6 | Tier 1 ratio (%) | | 44.60% | 45.92% | 43.36% | 38.22% | 26.78% |
| 6a | Fully loaded ECL accounting model Tier 1 ratio (%) | | 44.60% | 45.92% | 43.36% | 38.22% | 26.78% |
| 7 | Total capital ratio (%) | | 45.70% | 47.02% | 44.45% | 39.29% | 27.62% |
| 7a | Fully loaded ECL accounting model total capital ratio (%) | | 45.70% | 47.02% | 44.45% | 39.29% | 27.62% |
| | **Additional CET1 buffer requirements as a percentage of RWA** | | | | | | |
| 8 | Capital conservation buffer requirement (2.5% from 2019) (%) | | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% |
| 9 | Countercyclical buffer requirement (%) | | 0% | 0% | 0% | 0% | 0% |
| 10 | Bank D-SIB additional requirements (%) | | 0% | 0% | 0% | 0% | 0% |
| 11 | Total of bank CET1 specific buffer requirements (%) (row 8 + row 9+ row 10) | | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% |
| 12 | CET1 available after meeting the bank's minimum capital requirements (%) | | 37.22% | 38.55% | 35.99% | 30.84% | 19.41% |
| | **Basel III Leverage Ratio** | | | | | | |
| 13 | Total Basel III leverage ratio measure | N1 | 38,789,724 | 35,077,265 | 37,905,641 | 40,397,262 | 39,985,195 |
| 14 | Basel III leverage ratio (%) (row 2/row 13) | | 14.56% | 15.77% | 14.33% | 13.19% | 13.04% |
| 14 a | Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a/row 13) | | 14.56% | 15.77% | 14.33% | 13.19% | 13.04% |
| | **Liquidity Coverage Ratio** | N2 | | | | | |
| 15 | Total HQLA | N3 | 7,415,609 | 9,102,591 | 7,935,504 | 4,743,726 | 5,866,193 |
| 16 | Total net cash outflow | N4 | 1,221,981 | 4,721,705 | 1,369,451 | 2,075,432 | 2,348,350 |
| 17 | LCR ratio (%) | N5 | 606.85% | 192.78% | 579.47% | 228.57% | 249.80% |
| | **Net Stable Funding Ratio** | | | | | | |
| 18 | Total available stable funding | | 20,732,900 | 18,658,144 | 21,958,358 | 23,369,437 | 23,905,590 |
| 19 | Total required stable funding | | 9,476,166 | 10,922,390 | 10,912,735 | 12,891,470 | 16,674,517 |
| 20 | NSFR ratio (%) | N6 | 218.79% | 170.82% | 201.22% | 181.28% | 143.37% |

## Notes

N1: Total Basel III leverage ratio measure: For further information around the movements in the leverage ratio refer to LR2.

N2: The LCR reported in KM1 is the quarter-end LCR as indicated below in the LIQ1 this is prepared on different basis and therefore will not agree.

N3: Total HQLA: The decrease in HQLA is as a result of the limitations on foreign currency denominated HQLA as per Banks Act Directive 7/2014 and Circular 5/2016.

N4: Total net cash outflow: The decrease in net cash outflows is as a result of placements from banks maturing and not replaced as well as the restriction on cash inflows (limited to 75% of the cash outflows).

N5: LCR ratio: The decrease in net cash outflows is greater than the decrease in HQLA thus resulting in an increase in LCR.

N6: NSFR ratio: The increase in NSFR is as result of increases in available stable funding from an increase in deposits as well as a decrease in required stable funding resulting from the reclassification of some clients from financial institutions to non-financial corporates, repayment of loans and tenor of loans reducing.

# LR1: Summary comparison of accounting assets vs leverage ratio exposure method

| | R'000 | Notes | a |
|---|---|---|---|
| 1 | Total consolidated assets as per published financial statements | N1 | 38,302,074 |
| 2 | Adjustments 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 | | 149,154 |
| 5 | Adjustment for securities financing transactions (i.e. repos and similar secured lending) | | - |
| 6 | Adjustments for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures) | N2 | 339,351 |
| 7 | Other adjustments | N3 | -855 |
| **8** | **Leverage ratio exposure measure** | N4 | **38,789,724** |

## Notes

N1: Total consolidated assets: The increase is as a result of a net increase in interbank placements as well as a depreciation of the exchange rate.

N2: Off-balance sheet items: The decrease is as a result of increased utilisation in committed facilities.

N3: Other adjustments: The adjustments relates to fluctuations in fair value of derivative instruments.

N4: Leverage ratio exposure measure: The increase is mainly attributable to an increase in total assets.

N5: Please note that KM1 above contains the comparatives of the Leverage Ratio Exposure measure in aggregate, reference should be made to that disclosure.

# LR2: Summary comparison of accounting assets vs leverage ratio exposure method

| R'000 | | Notes | a<br>30 September 2021 | b<br>30 June 2021 |
|---|---|---|---|---|
| **On-balance sheet exposures** | | | | |
| 1 | On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral) | | 38,287,216 | 34,435,985 |
| 2 | (Asset amounts deducted in determining Basel III Tier 1 capital) | | -1,593 | -8,505 |
| 3 | **Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of row 1 and 2)** | N1 | **38,285,623** | **34,427,480** |
| **Derivative exposures** | | | | |
| 4 | Replacement cost associated with *all* derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting) | | 15,596 | 105,957 |
| 5 | Add-on amounts for PFE associated with *all* derivatives transactions | | 149,154 | 151,111 |
| 6 | Gross-up for derivatives collateral provide where deducted from the balance sheet assets pursuant to the operative accounting framework | | - | - |
| 7 | (Deductions of receivable 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 rows 4 to 10)** | N2 | **164,750** | **257,068** |
| **Securities financing transactions** | | | | |
| 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 rows 12 to 15)** | | **-** | **-** |
| **Other off-balance sheet exposures** | | | | |
| 17 | Off-balance sheet exposure at gross notional amount | | 678,702 | 785,434 |
| 18 | (Adjustments for conversion to credit equivalent amounts) | | -339,351 | -392,717 |
| 19 | **Off-balance sheet items (sum of rows 17 and 18)** | N3 | **339,351** | **392,717** |
| **Capital and total exposures** | | | | |
| 20 | Tier 1 capital | | 5,648,775 | 5,531,803 |
| 21 | **Total exposures (sum of rows 3, 11, 16 and 19)** | N4 | **38,789,724** | **35,077,265** |
| | | | | |
| 22 | **Basel III leverage ratio** | | **14.56%** | **15.77%** |

## Notes

N1: On balance sheet exposure: The increase is as a result of a net increase in interbank placements as well as a depreciation of the exchange rate.

N2: Derivative exposures: The decrease is as a result of fair value movements in currency swaps resulting from exchange rate fluctuations.

N3: Other off-balance sheet exposures: The decrease is as a result of increased utilisation in committed facilities.

N4: Capital and total exposure: The increase is mainly attributable to an increase in total assets.

# LIQ1: LIQUIDITY COVERAGE RATIO (LCR)

| R'000 | | Notes | a<br>Total unweighted value (average) | b<br>Total weighted value (average) |
|---|---|---|---|---|
| **High-Quality Liquid Assets** | | | | |
| 1 | Total HQLA | | | 17,453,989 |
| | | | | |
| **2** | **Retail deposits and deposits from small business customers, of which:** | | **13,946** | **1,395** |
| 3 | Stable deposits | | - | - |
| 4 | Less stable deposits | | 13,946 | 1,395 |
| **5** | **Unsecured wholesale funding, of which:** | | **7,392,081** | **5,571,001** |
| 6 | Operational deposits (all counterparties) and deposits in networks of cooperative banks | | - | - |
| 7 | Non-operational deposits (all counterparties) | | 7,392,081 | 5,571,001 |
| 8 | Unsecured debt | | - | - |
| **9** | **Secured wholesale funding** | | | **-** |
| **10** | **Additional requirements, of which:** | | **1,120,583** | **555,230** |
| 11 | Outflows related to derivative exposures and other collateral requirements | | 389,128 | 389,128 |
| 12 | Outflows related to loss of funding of debt products | | - | - |
| 13 | Credit and liquidity facilities | | 731,455 | 166,102 |
| **14** | **Other contractual funding obligations** | | **57,638** | **2,882** |
| **15** | **Other contingent funding obligations** | | **-** | **-** |
| **16** | **TOTAL CASH OUTFLOWS** | | | **6,130,508** |
| | | | | |
| 17 | Secured lending (e.g. reverse repo) | | **-** | **-** |
| 18 | Inflows from fully performing exposures | | 2,550,651 | 2,439,104 |
| 19 | Other cash inflows | | 53,334 | 53,334 |
| **20** | **TOTAL CASH INFLOWS** | | **2,603,985** | **2,492,438** |
| | | | | |
| 21 | **Total HQLA** | | | **17,453,989** |
| 22 | **Total net cash outflows** | N2 | | **3,728,553** |
| 23 | **Liquidity coverage ratio** | | | **563%** |

## Notes

N1: CCB-JHB has completed LIQ1 based on the requirements of BCBS 400 - *"Pillar 3 disclosure requirements - consolidated and enhanced framework",* which prescribes that this return must be presented on a simple daily average over the quarter. The daily calculation of LCR performed by the Bank does not include the limitations on HQLA as per *Banks Act Directive 7/2014* and *Circular 5/2016* whereas the monthly calculation does take into account the limitations per *Circular 5/2016.*

For reference the LCR ratio as at 30 September 2021 (based on the monthly calculation including the limitations) is 607%.

The number of data points used in the daily calculation is 92 days.

N2: Total net cash outflows does not equal total cash outflows less total cash inflows is due to the restriction on the cash inflows where it is limited to 75% of cash outflows for certain days in this quarter.

**Note: the following tables as per Directive 1 of 2019 have not been included in the present disclosure and the reasons are stated as per the below:**

| Explanation | Directive 1 of 2019: Quarterly Disclosure required tables per Annex 1 |
|---|---|
| CCB-JHB does not make use of the IMA and VaR estimates | MR2, MR3 |
| CCB-JHB does not make use of the IRB approach for measuring Credit Risk | CR8 ,CR7 |
| CCB-JHB does not make use of the IMM for measuring Counterparty Credit Risk | CCR7 |