

OV1: Overview of RWA

		Notes	a	b	c
			Risk –weighted assets		Minimum capital requirements
			31 December 2019	30 September 2019	31 December 2019
R' 000					
1	Credit risk (excluding counterparty credit risk)		15,258,520	16,343,904	1,869,169
2	Of which: standardised approach (SA)		15,258,520	16,343,904	1,869,169
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)		655,512	196,767	80,300
7	Of which: standardised approach for counterparty credit risk		655,512	196,767	80,300
8	Of which: Internal Model Method (IMM)		-	-	-
9	Of which: other CCR		-	-	-
10	Credit valuation adjustment (CVA)		372,173	80,978	45,591
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		4,340	2,695	532
21	Of which: standardised approach (SA)		4,340	2,695	532
22	Of which: internal model approaches (IMA)		-	-	-
23	Capital charge for switch between trading book and banking book		-	-	-
24	Operational risk	N1	1,152,133	972,169	141,136
25	Amounts below thresholds for deduction (subject to 250% risk weight)		118,033	98,620	14,459
26	Floor adjustment		-	-	-
27	Total (1+6+10+11+12+13+14+15+16+20+23+24+25+26)		17,560,711	17,695,132	2,151,187

Notes

N1: The increase in operational risk is as a result of updates in gross income for the current year calculation of operational risk.

KM1: Key Metrics

R'000		Notes		a	b	c	d	e
		31 December 2019	30 September 2019	30 June 2019	31 March 2019	31 December 2018		
Available capital (amounts)								
1	Common Equity Tier 1 (CET1)			4,997,026	4,874,500	4,809,425	4,779,226	4,739,887
1a	Fully loaded ECL accounting model			4,997,026	4,874,500	4,809,425	4,779,226	4,739,887
2	Tier 1			4,997,026	4,874,500	4,809,425	4,779,226	4,739,887
2a	Fully loaded accounting model Tier 1			4,997,026	4,874,500	4,809,425	4,779,226	4,739,887
3	Total capital			5,063,620	4,917,105	4,854,417	4,830,102	4,785,531
3a	Fully loaded ECL accounting model total capital			5,063,620	4,917,105	4,854,417	4,830,102	4,785,531
Risk-weighted assets (amounts)								
4	Total risk-weighted assets (RWA)			17,560,711	17,695,132	15,604,799	14,029,338	14,636,197
Risk-based capital ratios as a percentage of RWA								
5	Common Equity Tier 1 ratio (%)			28.46%	27.55%	30.82%	34.07%	32.38%
5a	Fully loaded ECL accounting model CET1 (%)			28.46%	27.55%	30.82%	34.07%	32.38%
6	Tier 1 ratio (%)			28.46%	27.55%	30.82%	34.07%	32.38%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)			28.46%	27.55%	30.82%	34.07%	32.38%
7	Total capital ratio (%)			28.83%	27.79%	31.11%	34.43%	32.70%
7a	Fully loaded ECL accounting model total capital ratio (%)			28.83%	27.79%	31.11%	34.43%	32.70%
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%	1.88%
9	Countercyclical buffer requirement (%)			-	-	-	-	-
10	Bank D-SIB additional requirements (%)			-	-	-	-	-
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)			2.50%	2.50%	2.50%	2.50%	1.88%
12	CET1 available after meeting the bank's minimum capital requirements (%)			20.58%	19.67%	22.95%	26.19%	24.63%
Basel III Leverage Ratio								
13	Total Basel III leverage ratio measure			39,268,748	32,806,007	35,782,393	35,852,423	39,370,643
14	Basel III leverage ratio (%) (row 2/row 13)	N1		12.73%	14.86%	13.44%	13.33%	12.04%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2A/row 13)			12.73%	14.86%	13.44%	13.33%	12.04%
Liquidity Coverage Ratio								
15	Total HQLA	N2		10,599,949	6,080,430	7,615,788	8,195,536	9,552,622
16	Total net cash outflow			8,373,295	3,703,791	1,996,412	6,492,842	6,861,158
17	LCR ratio (%)			126.59%	164.17%	381.47%	126.22%	139.23%
Net Stable Funding Ratio								
18	Total available stable funding			19,354,456	18,987,629	19,953,366	19,997,010	18,799,868
19	Total required stable funding			16,035,800	15,131,834	13,982,566	13,297,272	12,546,318
20	NSFR ratio (%)			120.70%	125.48%	142.70%	150.38%	149.84%

Notes

N1: Please refer to LR1.

N2: Please refer to LIQ1.

LR1: Summary comparison of accounting assets vs leverage ratio exposure method (January 2014 standard)

R'000 At 31 December 2019			a
Notes			
1	Total consolidated assets as per published financial statements	N1	39,009,886
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	N2	795,048
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)	N3	98,101
7	Other adjustments	N4	-634,287
8	Leverage ratio exposure measure		39,268,748

Notes

- N1: The movement is as a result of increased purchase of HQLA and an increase in central bank placements from excess liquidity.
- N2: The movement is as a result of fair value movements in currency swaps resulting from exchange rate fluctuations.
- N3: The movement is as a result of decreases in unutilised committed facilities.
- N4: The adjustments relates to fluctuations in derivative instruments.

LR2: Summary comparison of accounting assets vs leverage ratio exposure method (January 2014 standard)

R'000		Notes	a	b
			31 December 2019	30 September 2019
On-balance sheet exposures				
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)		38,382,495	32,435,519
2	(Asset amounts deducted in determining Basel III Tier 1 capital)		-6,896	-7,139
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of row 1 and 2)	N1	38,375,599	32,428,380
Derivative exposures				
4	Replacement cost associated with <i>all</i> derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)		627,391	77,633
5	Add-on amounts for PFE associated with <i>all</i> derivatives transactions		167,657	152,761
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	795,048	230,394
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		379,088	458,777
18	(Adjustments for conversion to credit equivalent amounts)		-280,987	-311,544
19	Off-balance sheet items (sum of rows 17 and 18)	N3	98,101	147,233
Capital and total exposures				
20	Tier 1 capital		4,997,026	4,874,500
21	Total exposures (sum of rows 3, 11, 16 and 19)		39,268,748	32,806,007
Leverage ratio				
22	Basel III leverage ratio	N4	12.73%	14.86%

Notes

- N1: The increase is as a result of increased purchase in HQLA and an increase in central bank placements from excess liquidity.
- N2: The increase is as a result of fair value movements in currency swaps resulting from exchange rate fluctuations.
- N3: The decrease is as a result of drawdowns made on committed facilities.
- N4: Please refer to LR1.

LIQ1: LIQUIDITY COVERAGE RATIO (LCR)

R'000		Notes	a	b
At 31 December 2019			Total unweighted value (average)	Total weighted value (average)
High-Quality Liquid Assets				
1	Total HQLA	N1		10,599,949
Cash outflows				
2	Retail deposits and deposits from small business customers, of which:		28,244	2,824
3	Stable deposits		-	-
4	Less stable deposits		28,244	2,824
5	Unsecured wholesale funding, of which:		15,138,584	12,633,253
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks		-	-
7	Non-operational deposits (all counterparties)		-	-
8	Unsecured debt		15,138,584	12,633,253
9	Secured wholesale funding			
10	Additional requirements, of which:		350,746	72,031
11	Outflows related to derivative exposures and other collateral requirements		10,460	10,460
12	Outflows related to loss of funding of debt products		-	-
13	Credit and liquidity facilities		340,286	61,571
14	Other contractual funding obligations		37,967	1,412
15	Other contingent funding obligations		-	-
16	TOTAL CASH OUTFLOWS	N2		12,709,520
Cash inflows				
17	Secured lending (e.g. reverse repo)		-	-
18	Inflows from fully performing exposures		4,351,860	4,336,225
19	Other cash inflows		-	-
20	TOTAL CASH INFLOWS	N3	4,351,861	4,336,225
Total Adjusted Value				
21	Total HQLA			10,599,949
22	Total net cash outflows			8,373,295
23	Liquidity coverage ratio	N4		127%

Notes

- N1: The fluctuation in HQLA is as a result of restriction on foreign currency denominated HQLA in terms of Banks Act Circular 2/2016 and an increase in purchases of HQLA.
- N2: The movement in cash outflows is as a result of increases in short term deposits stemming from excess liquidity of depositors.
- N3: As a result from increases in deposits (please refer to N2 above) the excess was placed in interbank placements.
- N4: The movement in LCR is as a result of increases in net cash outflows stemming from short term deposits received at year end.