Liquidity Coverage Ratio ("LCR") common disclosure template - quarter ended 31 March 2026

In line with the disclosure requirements of the Guideline on Liquidity Risk Management, the table below presents LCR information as simple averages of bimonthly observations over the quarter ended 31 March 2026.

LCR common disclosure template			
(Consolidated USD)		TOTAL UNWEIGHTED VALUE (quarterly average of monthly observations)	TOTAL WEIGHTED VALUE (quarterly average of monthly observations)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)	1,233,779,662	1,233,779,662
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:		
3	*Stable deposits*		
4	*Less stable deposits*		
5	Unsecured wholesale funding, of which:	1,437,736,790	998,868,432
6	*Operational deposits (all counterparties)*	369,278,717	92,319,679
7	*Non-operational deposits (all counterparties)*	1,068,458,074	906,548,753
8	*Unsecured debt*		
9	Secured wholesale funding		
10	Additional requirements, of which:	71,273,705	71,273,705
11	*Outflows related to derivative exposures and other collateral requirements*	71,273,705	71,273,705
12	*Outflows related to loss of funding on debt products*		
13	*Credit and liquidity facilities*		
14	Other contractual funding obligations		
15	Other contingent funding obligations	53,781,453	3,745,809
16	**TOTAL CASH OUTFLOWS**		**1,073,887,946**
CASH INFLOWS			
17	Secured funding (e.g. reverse repos)		
18	Inflows from fully performing exposures	1,144,504,368	570,195,235
19	Other cash inflows		
20	**TOTAL CASH INFLOWS**		**570,195,235**
			TOTAL ADJUSTED VALUE
21	**TOTAL HQLA**		**1,233,779,662**
22	**TOTAL NET CASH OUTFLOWS**		**503,692,710**
23	**LIQUIDITY COVERAGE RATIO (%)**		**245%**
24	**QUARTERLY AVERAGE OF DAILY HQLA**		**1,157,734,051**

Liquidity Risk Management

The Liquidity Coverage Ratio ('LCR') is a regulatory requirement set to ensure that the bank has sufficient unencumbered high-quality liquid assets ('HQLA') to meet its liquidity needs in a 30 calendar day liquidity stress scenario.

The bank monitors and reports its liquidity position as per the Bank of Mauritius Guideline on Liquidity Risk Management and has maintained its liquidity position above the prudential requirement.

The consolidated LCR was 219% as at 31 March 2026 against the regulatory limit of 100%. The Bank continues to maintain a strong average LCR position over the reporting period with a prudent surplus over the bank internal trigger and regulatory requirements.

High-quality liquid assets (HQLA)

High-quality liquid assets should be unencumbered, liquid in markets during a time of stress.

HQLA eligible securities fall into three categories: Level 1, Level 2A, and Level 2B liquid assets.

Level 1 liquid assets, which are of the highest quality and deemed the most liquid, are subject to no or little discount (or haircuts) to their market value and may be largely used without limit in the liquidity buffer.

Level 2A and 2B securities are recognized as being relatively stable and reliable sources of liquidity, but not to the same extent as Level 1 assets. LCR rules therefore set a 40 percent cap on the combined amount of Level 2A and Level 2B that firms may hold in their total eligible liquidity buffer.

Level 2B liquid assets are considered less liquid and more volatile than Level 2A liquid assets and are subject to larger and varying haircuts and which may not exceed 15 per cent of the total eligible HQLA.

The bank's HQLA as at end of March 2026 amounted to USD1,214m, composed of Central Bank reserves of USD17m (HQLA1) and investment in United States Government securities of USD1,197m (HQLA 1).

The daily simple averages of the HQLA held over the fourth quarter of 2025 was USD1,158m.

Outflows

Expected outflows are generally calculated as a percentage outflow on-balance sheet items such as funding received and off-balance sheet commitments.

Inflows

Expected inflows are also generally calculated as a percentage inflow on-balance sheet items and include inflows that will be repaid within 30 days. To ensure a minimum level of liquid asset holdings, and to prevent banks from relying solely on anticipated inflows to meet their liquidity coverage ratio, the prescribed amount of inflows that can offset outflows is capped at 75 per cent of total expected outflows.

Main drivers and changes in LCR

The simple average of the Bank's bimonthly LCR over the first quarter of 2026 increased to 245% compared to 181% for the fourth quarter of 2025.

Higher levels of HQLAs were kept on average. Net cash outflows for the first quarter of 2026 decreased by 11% compared to the fourth quarter of 2025, also contributing to the increase in average LCR.

The bank continues to closely monitor the LCR daily to ensure that it operates at an adequate and optimum level of HQLA.

Concentration of funding and liquidity sources

The bank's funding strategy is largely driven by its policy to maintain adequate liquidity at all times and in all currencies, and hence to be in a position to meet all obligations as they fall due. The main funding sources for the bank are current account deposits from financial institutions, custody business and international corporates.

Our funding profile over the reporting period was well diversified. Customer assets were largely funded out of customer deposits, which are considered a stable source of funding and also from group borrowings. Customer deposits are primarily sourced from current accounts out of which a large portion is considered as operational accounts.

The concentration is closely monitored and the bank has put in place key metrics to ensure that there is no undue concentration on specific clients or group.

Derivative exposures and potential collateral calls

The bank deals in the several derivatives instruments and exclusively with group and on an uncollateralized basis.

Trades are taken primarily to facilitate client activity or for hedging our own risk exposures; as such, derivatives are not generally held for position-taking.

The bank runs a low derivative exposure with negligible impact on liquidity.

Currency mismatch in the LCR

The bank LCR is calculated and reported in US dollars and MUR and in other currencies if they meet the materiality threshold as set in the Bank of Mauritius Guideline.

To minimize currency mismatch risk, the bank funds assets in the same currency. The implementation of liquidity metrics such as advance to deposit ratio ensures that a large portion of assets is funded out of liabilities raised in the same currency. We also monitor closely, against set limits, the amount of foreign currency that can be swapped to local currency, and vice versa, in addition to currency mismatches by different tenor buckets.

For the period under review, the bank has no material currency mismatch.

Liquidity risk Management

The bank manages liquidity risk both on a short-term and medium-term basis. In the short-term, the focus is on ensuring that the cash flow demands can be met through asset maturities, customer deposits and wholesale funding where required. In the medium-term, the focus is on ensuring that the statement of financial position remains structurally sound.

Daily liquidity management is performed by Treasury markets with support and oversight by group treasury. Assets and Liabilities Committee ("ALCO") is responsible for ensuring that the bank is self-sufficient and is able to meet all its obligations to make payments as they fall due by operating within the set liquidity limits. It also has primary responsibility for compliance with regulations and bank policy and maintaining a liquidity crisis contingency plan.

Three Line of Defence Roles and Responsibility & Governance Committee Oversight

In line with the three Lines of Defence (LoD) model:

- Country Treasury as the first line of defence is responsible for implementing and monitoring policy requirements. Treasury Markets is responsible for managing the Funding and Liquidity Risk Appetite (RA) metrics, limits and Management Action Triggers (MATs).
- Treasury Chief Risk Officer (CRO) as the second line of defence is responsible for review, challenge, and monitoring compliance with risk appetite. The third line of defence is Audit.
- At Country level, the first line of defence is the Country Chief Executive Officer (CEO) supported by Country Treasury and Finance teams.

The Country Chief Finance Officer (CFO) retains responsibility for meeting local regulations. Country ALCOs play a critical role in the day-to-day management of the balance sheet and making capital allocation trade-offs within the constraints of their respective balance sheets. Among others, the ALCO ensures that Capital Risk, Liquidity and Interest Rate Risk in the Banking Book are managed and maintained in accordance with the country's risk management frameworks, risk appetite and regulatory requirements while supporting the strategic and financial operating objectives of the bank.

Identification, Measurement & Monitoring

- Country Treasury, on an ongoing basis, reviews regulation relevant to Liquidity and Funding to identify policy requirements and ensure that Bank's methodologies remain compliant with appropriate regulatory requirements.
- Country Treasury specifies the metrics which are used by the Bank to measure and manage liquidity and funding risk and publish standards articulating the methodologies used to calculate these metrics.
- The liquidity and funding metrics must be implemented and reported in accordance with the roles and responsibilities set out in the respective standards.
- Under the oversight of Treasury CRO, Cluster Treasurers must set Country MATs which are tabled at local ALCO.
- Liquidity metrics are monitored monthly, any excesses are shared with second line and tabled in local ALCO

The bank liquidity risk management framework requires limits to be set for prudent liquidity management. These limits are on:

– the mismatch in local and foreign currency behavioural cash flows;
– the level of wholesale borrowing to ensure that the size of this funding is proportional to the local market and the bank's operations;
– commitments, both on and off the statement of financial position, to ensure there are sufficient funds available in the event of drawdown on these commitments;
– the advances to deposits ratio to ensure that commercial advances are funded by stable sources;
– the amount of medium-term funding to support the asset portfolio; and the amount of local currency funding sourced from foreign currency sources.

Reporting

Liquidity and funding risk measures are calculated and monitored in accordance with the relevant standards. They include the following:

Metric	High level content / Purpose	Frequency
Advances to Deposits Ratio (ADR)	The purpose of this metric is to measure loans (advances) as a percentage of deposits. A ratio of 100% or less shows that the bank is funding all its loans from deposits rather than relying on wholesale funding. A key feature of the ADR is that it highlights imbalances which could, over time, lead to structural liquidity issues. The ADR can act as an early warning of future funding problems so that plans and strategies can be introduced to prevent such problems from crystallizing.	Monthly
Maximum Cumulative Outflow (MCO)	MCO is the amount of prospective funding that would be required in a normal operating environment. The MCO measures the short-term cashflow mismatch risk in the Balance sheet and reliance on short-term wholesale funding to fund this expected cashflow mismatch. This is required because of differences in the timing of outflows of customer deposits and inflow from assets funded by these deposits.	Daily
Short Term Funding Ratio (STFR)	A short-term funding ratio has been introduced avoid over reliance on short term funding. Short term funding is defined as borrowing with original maturity of up to 93 days. It includes all unsecured wholesale funding interbank, central bank, certificate of deposits, commercial paper and corporate time deposits. The default threshold is 20% and is monitored as a non-Risk appetite trigger.	Weekly
Wholesale Borrowing Internal (WBI)	The primary objective of WBI MAT is to avoid over-dependence on internal funding. SCB provide a valuable contribution to these country balance sheets by sourcing foreign currency (FCY) from larger hubs. This is subject to internal wholesale borrowing limits.	Weekly
Swapped Funds	Cross Currency risk arises due to the mismatch of cashflows/balances between various currencies even though the tenors of these cashflows are matched. Where possible (e.g., markets have the depth and tenors available), countries should avoid short tenor concentration of cross-currency swaps, as this would make their position more vulnerable under stress.	Daily
Liquidity Stress Testing	Stress testing and scenario analysis are used to assess the financial and management capability to continue to operate effectively under extreme, but plausible, operating conditions and to understand the potential threats to the bank's liquidity and other financial resources. Routine stress tests for liquidity run under the Liquidity and Funding Risk Policy comprises of name-specific, market-wide and combined stress scenario. Name Specific ("NSS") – This scenario captures the liquidity impact from an idiosyncratic event affecting SCB brand only – rest of the market is assumed to operate normally. Market Wide ("MWS")– This scenario captures the liquidity impact from a market wide crisis affecting all participants in a country, Cluster or globally. Combined – This scenario is referred to as Survival Horizon (SH) and it assumes both Name Specific and Market Wide events affecting SCB simultaneously and hence typically the most severe scenario.	NSS – monthly MWS – monthly Survival Horizon - Daily
NSFR	The NSFR is equal to the ratio of Available Stable Funding ("ASF") to Required Stable Funding ("RSF") and should be calculated as per the following formula, expressed as a percentage. A stable funding structure is intended to reduce the likelihood that disruption to a bank's regular sources of funding will erode its liquidity position thereby increasing the risk of failure, potentially leading to broader systemic stress.	Monthly
Liquidity Coverage Ratio	The LCR is equal to the ratio of SCB's liquidity buffer to its net liquidity outflows over a 30-calendar day stress period, expressed as a percentage. The LCR requires banks to hold sufficient liquid assets (i.e., assets which can be liquidated at little or no loss of value) to withstand the excess of liquidity outflows over inflows that could be expected to accumulate over a 30-day stressed period.	Monthly
NII and EVE Sensitivities	The potential for a reduction in earnings or economic value due to movements in interest rates on banking book assets, liabilities and off-balance sheet items. This risk arises from differences in the repricing profile, interest rate basis, and optionality of these exposures.	Monthly