



## 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 AT 30 June 2023

Quarterly disclosures in accordance with the Basel Committee on Banking Supervision's revised Pillar 3 disclosure requirements, the Prudential Authority (PA) Directives 1 of 2019, issued in terms of section 6(6) of the Banks Act No.94 of 1990 and Regulation 43 of the regulations relating to Banks.

### KEY METRICS (KM1)

	Jun-23	Mar-23	Dec-22	Sep-22	Jun-22
	R'million				
<b>Available capital amounts</b>					
Common Equity Tier 1 (CET1)	3,621	3,724	3,696	3,527	3,680
Fully loaded Expected Credit Loss (ECL) accounting model Tier 1	3,621	3,724	3,696	3,527	3,680
Fully loaded ECL accounting model Tier 1	3,621	3,724	3,696	3,527	3,680
Total capital	3,651	3,752	3,729	3,557	3,712
Fully loaded ECL accounting model total capital	3,651	3,752	3,729	3,557	3,712
<b>Risk-weighted assets (amounts)</b>					
Total risk-weighted assets (RWA)	17,655	19,551	18,079	20,927	19,352
<b>Risk-based capital ratios as a percentage of RWA</b>					
CET 1 ratio (%)	20.51%	19.05%	20.44%	16.86%	19.02%
Fully loaded ECL accounting model CET1 (%)	20.51%	19.05%	20.44%	16.86%	19.02%
Tier 1 ratio (%)	20.51%	19.05%	20.44%	16.86%	19.02%
Fully loaded ECL accounting model Tier 1 ratio (%)	20.51%	19.05%	20.44%	16.86%	19.02%
Total capital ratio (%)	20.68%	19.19%	20.63%	17.00%	19.18%
Fully loaded ECL accounting model total capital ratio (%)	20.68%	19.19%	20.63%	17.00%	19.18%
<b>Additional CET1 buffer requirements as a percentage of RWA</b>					
Capital conservation buffer requirement (%)	2.50%	2.50%	2.50%	2.50%	2.50%
Countercyclical buffer requirement (%)	0.00%	0.00%	0.00%	0.00%	0.00%
Bank G-SIB and/or D-SIB additional requirements (%)	0.00%	0.00%	0.00%	0.00%	0.00%
Total of bank CET1 specific buffer requirements (%) (rows 8,9 and 10)	2.50%	2.50%	2.50%	2.50%	2.50%
CET1 available after meeting the bank's minimum capital requirements (%)	12.63%	11.17%	12.56%	8.98%	11.14%
<b>Basel III leverage ratio</b>					
Total Basel III leverage ratio exposure measure	49,133	47,679	44,357	47,913	41,834
Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	7.37%	7.81%	8.33%	7.36%	8.80%
Fully loaded ECL accounting model Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) (%)	7.37%	7.81%	8.33%	7.36%	8.80%
<b>Liquidity Coverage Ratio</b>					
Total high-quality liquid assets (HQLA)	12,658	13,285	12,694	11,614	10,535
Total net cash outflow	6,362	5,744	5,234	4,193	5,473
LCR ratio (%)	199%	231%	243%	277%	193%
<b>Net Stable Funding Ratio</b>					
Total available stable funding	23,923	22,542	21,607	20,698	17,298
Total required stable funding	14,036	15,139	13,806	15,088	14,117
NSFR ratio (%)	170%	149%	157%	137%	123%



## OVERVIEW OF RWA (OV1)

	Risk-weighted assets	Risk-weighted assets	Minimum Capital Requirements
	Jun-23	Mar-23	Jun-23
	R'million		
Credit risk (excluding counterparty credit risk)	12,026	14,543	1,383
Of which standardised approach	12,026	14,543	1,383
Of which: foundation internal ratings-based (F-IRB) approach	-	-	-
Of which: Supervisory slotting approach	-	-	-
Of which Advanced internal ratings-based (A-IRB) approach	-	-	-
Counterparty credit risk (CCR)	765	1,189	88
Of which: standardised approach for counterparty credit risk	765	1,189	88
Of which: Internal Model Method (IMM)	-	-	-
Of which: other CCR	-	-	-
Credit valuation adjustment (CVA)	1,269	340	146
Equity positions under the simple risk weight approach	-	-	-
Equity investments in funds – look-through approach	-	-	-
Equity investments in funds – mandate-based approach	-	-	-
Equity investments in funds – fall-back approach	-	-	-
Settlement risk	-	-	-
Securitisation exposures in the banking book	-	-	-
Of which: securitisation internal ratings-based approach (SEC-IRBA)	-	-	-
Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)	-	-	-
Of which: securitisation standardised approach (SEC-SA)	-	-	-
Market risk	63	38	7
Of which standardised approach	63	38	7
Of which internal model approaches	-	-	-
Capital charge for switch between trading book and banking book	-	-	-
Operational risk	3,193	3,144	367
Amounts below the thresholds for deduction (subject to 250% risk weight)	339	298	39
Floor Adjustment	-	-	-
<b>Total</b>	<b>17,655</b>	<b>19,552</b>	<b>2,030</b>

Minimum capital requirements - This includes the Basel base minimum of 8%, plus Pillar 2A capital requirement, plus any applicable Basel buffers.

Counterparty credit risk and Credit valuation adjustment movements are attributable to business-as-usual activities. Market risk increase was attributable to higher Net Open Position on USD currency over the reporting period. Amounts below the threshold for deduction include movements in deferred tax assets.



## SUMMARY OF ACCOUNTING ASSETS VS LEVERAGE RATIO EXPOSURE (LR1)

	Jun-23 R'million
Total consolidated assets as per published financial statements	44,928
Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-
Adjustments for temporary exemption of central bank reserves (if applicable)	-
Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
Adjustments for regular way purchases and sales of financial assets subject to trade date accounting	-
Adjustments for eligible cash pooling transactions	964
Adjustments for derivative financial instruments	(2,006)
Adjustment for securities financing transactions (i.e. repurchase agreements and similar secured lending)	6,853
Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	(861)
Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	(746)
Other adjustments	
<b>Leverage ratio exposure measure</b>	<b>49,133</b>

Based on quarter-end balances.



## LEVERAGE RATIO COMMON DISCLOSURE (LR2)

	Jun-23	Mar-23
	R'million	
<b>On-balance sheet exposures</b>		
On-balance sheet exposures (excluding derivatives and SFT's but including collateral)	39,351	38,607
Gross up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	-	-
(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	-	-
(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
(Specific and general provisions associated with on balance sheet exposures that are deducted from Basel III Tier 1 capital)	-	-
(Asset amounts deducted in determining Basel III Tier 1 capital and regulatory adjustments)	(373)	(371)
<b>Total on-balance sheet exposures (excluding derivatives and SFT's (sum of rows 1 to 6))</b>	<b>38,978</b>	<b>38,246</b>
<b>Derivative exposures</b>		
Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	1,631	1,352
Add on amounts for potential future exposure associated with all derivatives transactions	1,661	643
(Exempted central counterparty (CCP) leg of client cleared trade exposures)	-	-
Adjusted effective notional amount of written credit derivatives	-	-
(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
<b>Total derivatives exposure (sum rows 8 to 12)</b>	<b>3,292</b>	<b>1,995</b>
<b>Securities financing transaction exposures</b>		
Gross SFT assets (with no recognition of netting), after adjustment for sale accounting transactions	2,015	1,997
(Netted amounts of cash payables and cash receivables of gross SFT assets)	(2,015)	(1,997)
Counterparty credit risk exposure for SFT assets	9	10
Agent transaction exposures	-	-
<b>Total securities financing transaction exposures (sum of rows 14 to 17)</b>	<b>9</b>	<b>10</b>
<b>Other off-balance sheet exposures</b>		
Off-balance sheet exposure at gross notional amount	24,551	24,788
(Adjustment for conversion to credit equivalent amounts)	(17,697)	(17,350)
(Specific and general provisions associated with off balance sheet exposures deducted in determining Tier 1 capital)	-	-
<b>Off-balance sheet items ( sum of rows 19 to 21)</b>	<b>6,853</b>	<b>7,438</b>
<b>Capital and total exposures</b>		
<b>Tier 1 capital <sup>1</sup></b>	<b>3,621</b>	<b>3,724</b>
<b>Total exposures (sum of rows 7, 13, 18 and 22)</b>	<b>49,133</b>	<b>47,679</b>
<b>Leverage ratio</b>		
<b>Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)</b>	<b>7.37%</b>	<b>7.81%</b>

Based on quarter-end balances. <sup>1</sup>Excluding unappropriated profits.



## LIQUIDITY COVERAGE RATIO (LIQ1)

	Jun-23	Jun-23
	Total Unweighted Value (average)	Total Weighted (average)
	R'million	
<b>High-Quality Liquid Assets</b>		
Total HQLA		12,658
<b>Cash outflows</b>		
Retail deposits and deposits from small business customers, of which:	-	-
Stable deposits	-	-
Less stable deposits	-	-
Unsecured wholesale funding, of which:	18,332	10,517
Operational deposits (all counterparties) and deposits in networks of cooperative banks	4,307	1,077
Non-operational deposits (all counterparties)	14,025	9,440
Unsecured debt	-	-
Secured wholesale funding		-
Additional requirements	18,093	2,397
Outflows related to derivative exposures and other collateral requirements	1,515	1,515
Outflows related to loss of funding on debt products	-	-
Credit and liquidity facilities	12,504	678
Other contractual funding obligations	-	-
Other contingent funding obligations	4,074	204
<b>Total cash outflows</b>		12,914
<b>Cash inflows</b>		
Secured lending (e.g. reverse repos)	-	-
Inflows from fully performing exposures	6,122	5,085
Other cash inflows	1,466	1,466
<b>Total cash inflows</b>	7,588	6,551
		<b>Total adjusted value</b>
Total HQLA		12,658
Total net cash outflows		6,363
Liquidity coverage ratio (%)		199%

Average of 91 days of daily observations over the quarter ended 30 June 2023.