



Standard Bank Group

PILLAR 3 DISCLOSURE

AS AT 30 JUNE 2018

RISK AND CAPITAL MANAGEMENT REPORT

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Standard Bank Group

PILLAR 3 DISCLOSURE AS AT 30 JUNE 2018

THIS REPORT

This report sets out the Standard Bank Group (group) and the Standard Bank of South Africa Limited (SBSA) semi-annual disclosures in accordance with the Basel Committee on Banking Supervision (BCBS) 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.

This report covers the the group's banking activities and other banking interests. Refer to the group's 2017 risk and capital management report and annual financial statements for information regarding the group's insurance operations.

This report contains the group's quantitative revised pillar 3 disclosure requirements only. Refer to the group's 2017 risk and capital management report for the qualitative disclosure, which is still relevant for the period under review.

Shareholders are advised that the information in this report has not been reviewed nor reported on by the group's external auditors.

All amounts are in rand millions unless otherwise stated. FY17 refers to the year ended 31 December 2017 and 1H18 refers to the period ended 30 June 2018.

Pillar 3 table references (OV1, CR1 etc.) have been included in the table headings.

BOARD RESPONSIBILITY

The group's board of directors (the board) has the ultimate responsibility for the oversight of risk.

For the period under review, the board is satisfied that:

- the group's risk, compliance, treasury, capital management and group internal audit (GIA) processes generally operated effectively
- the group's business activities have been managed within the board-approved risk appetite
- the group is adequately funded and capitalised to support the execution of the group's strategy.

In the instances where the group incurred losses, breached risk appetite or was fined by its regulators, the board is satisfied that management has taken appropriate remedial action.

The group abides by a disclosure policy which incorporates the revised pillar 3 disclosure requirements as set out by the BCBS.

Key elements of this policy include:

- guiding principles for pillar 3 disclosure
- frequency of reporting
- governance processes
- internal controls and procedures.

The board is satisfied that this report has been prepared in accordance with the requirements of the group disclosure policy and that an appropriate control framework has been applied in the preparation of this report.

CAPITAL MANAGEMENT

KM1: key metrics (at a consolidated group level)

The table provides an overview of a bank's key prudential metrics.

	1H18	FY17	1H17	FY16	1H16	
Available capital¹ (Rm)						
1	Common equity tier I (CET I)	125 772	118 282	115 139	114 401	112 826
1a	Fully loaded expected credit losses (ECL) accounting model CET I	120 750				
2	Tier I	131 807	124 989	120 084	118 020	116 464
2a	Fully loaded ECL accounting model tier I	126 785				
3	Total capital	149 244	141 939	138 108	138 150	138 258
3a	Fully loaded ECL accounting model total capital	147 059				
Risk-weighted assets (RWA) (Rm)						
4	Total RWA	986 352	957 046	911 520	883 179	912 822
Risk-based capital ratios as a percentage of RWA²						
5	CET I ratio (%)	12.8	12.4	12.6	13.0	12.4
5a	Fully loaded ECL accounting model CET I (%)	12.3				
6	Tier I ratio (%)	13.4	13.1	13.2	13.4	12.8
6a	Fully loaded ECL accounting model tier I ratio (%)	12.9				
7	Total capital ratio (%)	15.1	14.8	15.2	15.6	15.1
7a	Fully loaded ECL accounting model total capital ratio (%)	14.9				
Additional CET I buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	1.88	1.25	1.25	0.63	0.63
9	Countercyclical buffer requirement (%)	0.0005	0.0005	0.0002	0.0001	0.0001
10	Bank domestic systemically important banks (D-SIB) additional requirements (%) ³					
11	Total of bank CET I specific buffer requirements (%) (row 8 + row 9 + row 10)	1.9	1.3	1.3	0.6	0.6
12	CET I available after meeting the bank's minimum capital requirements (%)	3.8	4.1	4.4	5.3	4.3
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	1 743 754	1 687 522	1 646 016	1 653 748	1 614 735
14	Basel III leverage ratio (%) (row 2/row 13)	7.6	7.4	7.3	7.1	7.2
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a/row13)	7.3				
Liquidity coverage ratio (LCR)						
15	Total high-quality liquid assets (HQLA)	249 604	240 935	215 195	208 656	187 333
16	Total net cash outflow	205 728	178 337	185 030	178 131	178 832
17	LCR ratio (%)	121.3	135.1	116.3	117.1	104.8
Net stable funding ratio (NSFR)						
18	Total available stable funding	1 052 465				
19	Total required stable funding	855 107				
20	NSFR ratio (%)	123.1				

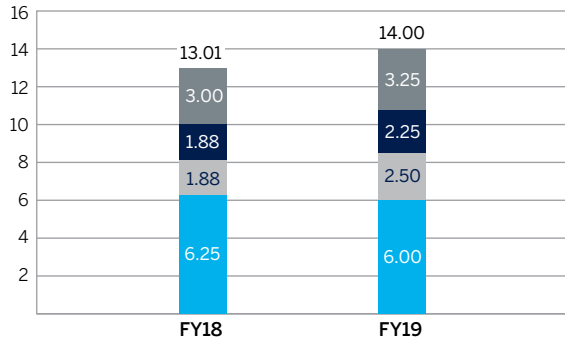
¹ On 1 January 2018 the group adopted IFRS 9 – Financial Instruments (IFRS 9). For more information on the IFRS 9 transition adjustment, please refer to the group's IFRS 9 Transition Report which is available on the group's Investor Relations website. In terms of the SARB Directive 5/2017, the group elected the three-year transition period. All metrics below are presented on the basis of applying this transition period with the exception of those metrics referred to as 'fully loaded'.

² Excluding unappropriated profit.

³ Bank-specific confidential requirement.

South African minimum capital requirement (SARB ratios effective 1 January each year)¹

The graph below reflects the Basel III capital requirements and phase-in periods applicable to South Africa.

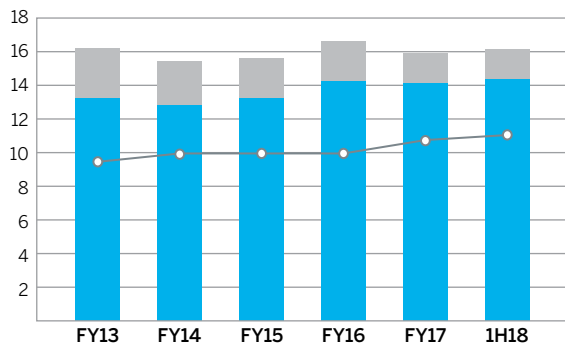


■ CET I
■ Conservation buffer
■ Additional tier I
■ Tier II

¹ Graph excludes CCyB and confidential bank-specific pillar 2b capital requirement, but includes maximum potential D-SIB requirement, which is also bank-specific and therefore confidential.

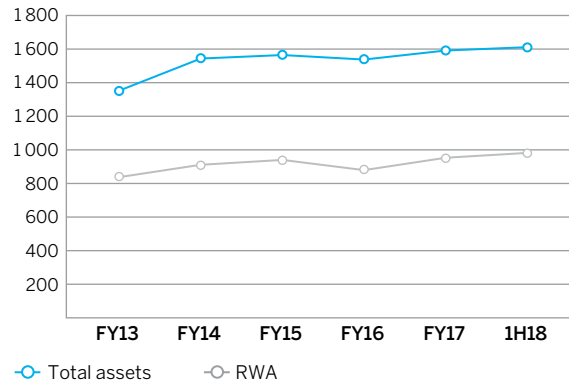
Capital adequacy (%)

The following graph discloses the group's total capital adequacy and the components thereof and indicates that the group's capital adequacy is above the required level.



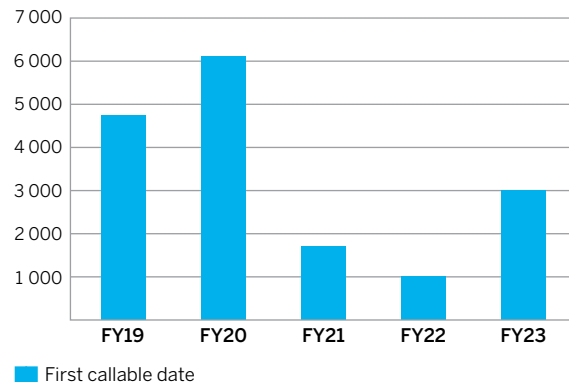
■ Tier I
■ Tier II
○ Required capital

RWA history (Rbn)¹



¹ Banking entities and other banking interests.

Maturity profile of the group's tier II instruments (Rm)



■ First callable date

PILLAR 3 DISCLOSURE

Capital management continued

Qualifying capital, excluding unappropriated profits (banking operations)

For disclosure relating to the group's qualifying capital as at 30 June 2018, refer to page 62 of the group's interim results analysis for the six months ended 30 June 2018 to be found at www.reporting.standardbank.com.

OV1: Basel RWA and associated capital requirements (banking operations)

The table below provides an overview of the group's RWA and capital requirements.

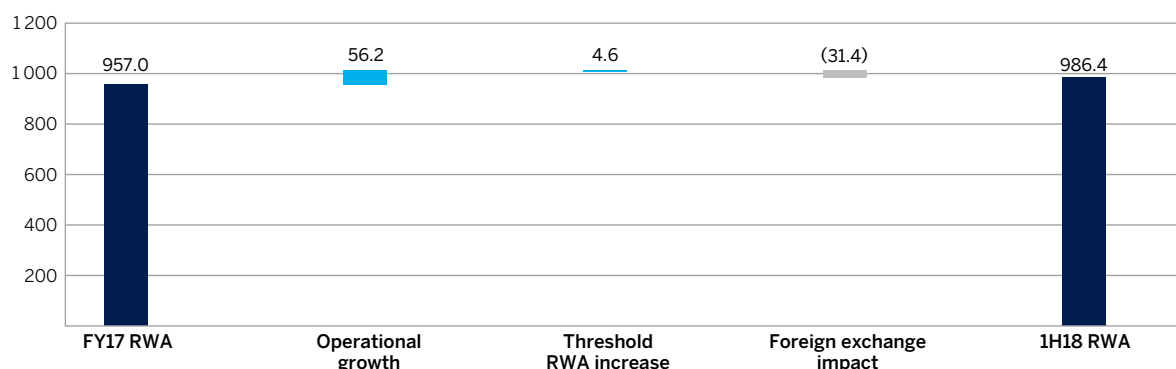
	Table reference ¹	RWA		Minimum capital requirements ²
		1H18	FY17	1H18
Credit risk (excluding counterparty credit risk (CCR))		686 215	666 422	76 345
Of which standardised approach ³	CR4	287 189	267 924	31 951
Of which internal rating-based (IRB) approach	CR6, CR7, CR8	399 026	398 498	44 394
CCR	CCR1	25 261	24 350	2 811
Of which standardised approach for CCR		4 736	3 424	527
Of which IRB approach		20 525	20 926	2 284
Equity positions in banking book under market-based approach	CR10	6 455	6 154	718
Securitisation exposures in banking book		734	747	82
Of which IRB approach	SEC3, SEC4	580	394	65
Of which IRB supervisory formula approach	SEC3	154	353	17
Market risk		64 995	60 021	7 231
Of which standardised approach	MR1	54 372	47 217	6 049
Of which internal model approach (IMA)	MR2	10 623	12 804	1 182
Operational risk		157 425	158 670	17 515
Of which standardised approach		88 621	91 818	9 860
Of which advanced measurement approach		68 804	66 852	7 655
Amounts below the thresholds for deduction (subject to 250% risk weight)		45 267	40 682	5 036
Total		986 352	957 046	109 738

¹ Refer to page 53 for more information.

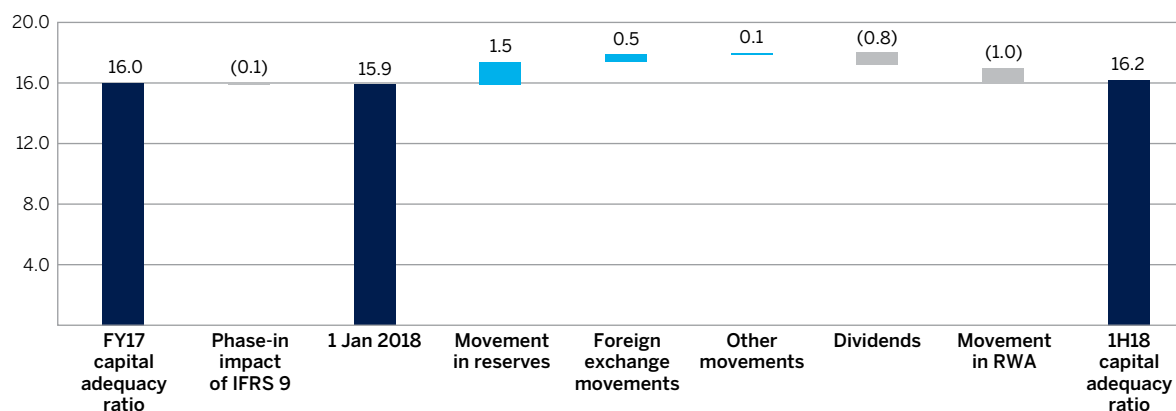
² Measured at 11.13% in line with Basel III transitional requirements and excludes any bank specific capital requirements. There is currently no requirement for the countercyclical buffer add-on in South Africa. The impact on the group's countercyclical buffer requirement from other jurisdictions in which the group operates is insignificant (buffer requirement of 0.0005%).

³ Portfolios on the standardised approach relate to the group's Africa Regions and portfolios for which application to adopt the IRB approach has not been submitted, or for which an application has been submitted but approval has not been granted.

RWA reconciliation (banking operations) (Rbn)



Total capital adequacy ratio movement (%)



Capital adequacy ratios

For disclosure relating to the group's capital adequacy ratios as at 30 June 2018, refer to pages 62 to 63 of the group's interim results analysis for the six months ended 30 June 2018 to be found at www.reporting.standardbank.com.

Capital adequacy ratios of banking subsidiaries

For disclosure relating to the group's capital adequacy ratios of banking subsidiaries as at 30 June 2018, refer to page 63 of the group's interim results analysis for the six months ended 30 June 2018 to be found at www.reporting.standardbank.com.

CCyB1: geographical distribution of credit exposures used in the countercyclical buffer (banking operations)

The SARB has not activated a CCyB requirement for banks in South Africa, but the group is subject to CCyB requirements on exposures in other jurisdictions where these buffers apply from time-to-time.

The proportion of capital held for CCyB requirements in geographies other than South Africa are shown in the table below.

Geographical breakdown	Countercyclical capital buffer rate (%)	RWA used in the computation of the countercyclical capital buffer (R'000)	Bank-specific countercyclical capital buffer rate (%)	Countercyclical buffer amount (R'000)
Hong Kong	1.9	27 044	0.0002207	2 174
Norway	2.0	66	0.0000006	6
Sweden	2.0	16 829	0.0001465	1 443
United Kingdom ¹	0.5	57 849	0.0001259	1 240

¹ Introduction of CCyB to the United Kingdom of 0.5% in June 2018 with an update to 1% in November 2018.

PILLAR 3 DISCLOSURE

Capital management continued

LR1: summary comparison of accounting assets vs leverage ratio exposure measure (banking operations)

The table below shows the reconciliation of the total assets in the published financial statements to the leverage ratio exposure measure.

	1H18 Rm	FY17 Rm
Total consolidated assets as per published financial statements	1 617 569	1 597 968
Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	10 567	10 605
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 derivative financial instruments	(13 949)	(29 263)
Adjustment for securities financing transactions (repos and similar secured lending)	1 035	794
Adjustment for off-balance sheet items (conversion to credit equivalent amounts of off-balance sheet exposures)	116 676	109 106
Other adjustments	11 856	(1 688)
Leverage ratio exposure	1 743 754	1 687 522

LR2: leverage ratio common disclosure table (banking operations)

The table below provides a detailed breakdown of the components of the leverage ratio.

	1H18 Rm	FY17 Rm
On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs))	1 521 644	1 467 667
On-balance sheet exposures (excluding derivatives and SFT's, but including collateral)	1 545 923	1 499 991
Less: asset amounts deducted in determining Basel III tier I capital	(24 279)	(32 324)
Derivatives exposures	52 475	43 365
Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	13 867	11 449
Add-on amounts for potential future exposures (PFE) associated with all derivatives transactions	44 553	25 176
Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework		
Less: deductions of receivables assets for cash variation margin provided in derivatives transactions	(8 366)	(12 550)
Less: exempted central counterparty (CCP) leg of client-cleared trade exposures	(20 260)	(3 426)
Adjusted effective notional amount of written credit derivatives	22 681	22 716
Less: adjusted effective notional offsets and add-on deductions for written credit derivatives		
SFT exposures	52 959	67 384
Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	51 924	66 590
Less: netted amounts of cash payables and cash receivables of gross SFT assets		
CCR exposure for SFT assets	1 035	794
Other off-balance sheet exposures	116 676	109 106
Off-balance sheet exposure at gross notional amount	319 977	310 944
Less: adjustments for conversion to credit equivalent amounts	(203 301)	(201 838)
Capital and total exposures		
Tier I capital ¹	131 807	124 989
Total exposures	1 743 754	1 687 522
Leverage ratio		
Basel III leverage ratio	7.6	7.4
Basel III leverage ratio (including unappropriated profit)	8.1	8.1

¹ Excluding unappropriated profit.

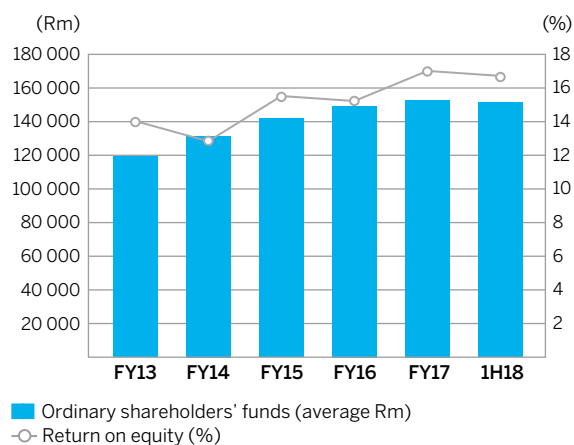
Reconciliation with annual financial statements

	1H18 Rm	FY17 Rm
Total consolidated assets per published financial statements	1 617 569	1 597 968
Derivative assets as per the statement of financial position (SOPF)	(66 424)	(72 629)
Security financing transactions	(51 924)	(66 590)
Total consolidated assets per published financial statements (excluding derivative and SFT assets)	1 499 221	1 458 749
Gross-up for cash management schemes	36 135	30 637
Adjustment for share of consolidated insurance assets	10 567	10 605
Total on-balance sheet items as per line 1 of common disclosure table	1 545 923	1 499 991

Economic capital by risk type (banking operations)

For disclosure relating to the group's economic capital by risk type as at 30 June 2018, refer to page 59 of the group's interim results analysis for the six months ended 30 June 2018 to be found at www.reporting.standardbank.com.

Return on ordinary equity



CREDIT RISK

CR1: credit quality of assets

The credit quality of the group's on- and off-balance sheet assets is reflected in table CR1 below, through the disclosure of the gross carrying values of both defaulted and non-defaulted exposures, as well as the net exposures after impairments and allowances.

	Gross carrying values of			Allowances/ impairments ¹ Rm	Net values (a+b-c) Rm
	Defaulted exposures (a) Rm	Non- defaulted exposures (b) Rm	Total exposure Rm		
1H18					
Loans ²	39 808	1 104 574	1 144 382	30 472	1 113 910
Debt securities and other investments	10	131 128	131 138	202	130 936
On-balance sheet exposures	39 818	1 235 702	1 275 520	30 472	1 244 846
Off-balance sheet exposures	1 424	308 518	309 943	450	309 493
Total	41 242	1 544 220	1 585 463	31 124	1 554 339
Table reference	CR2				
FY17					
Loans ²	34 938	1 078 545	1 113 483	22 366	1 091 117
Debt securities and other investments	78	140 921	140 999	78	140 921
On-balance sheet exposures	35 016	1 219 466	1 254 482	22 444	1 232 038
Off-balance sheet exposures	1 546	299 857	301 403		301 403
Total	36 562	1 519 323	1 555 885	22 444	1 533 441
Table reference	CR2				

¹ As reported in the financial statements.

² Included in loans are placements with central banks outside of South Africa. Placements under resale and similar agreements are included within the CCR framework and excluded from credit risk.

CR2: changes in stock of defaulted loans and debt securities

Table CR2 presents the movement in the balance of defaulted exposures for the reporting period, including loans and debt securities that have defaulted since the last reporting period, those that have returned to default status and the amounts that have been written off.

	1H18 Rm	FY17 Rm
Defaulted loans and debt securities at beginning of period	36 562	34 857
Loans and debt securities that have defaulted since the last reporting period	13 745	24 036
Returned to non-defaulted status	(4 954)	(12 491)
Amounts written off ¹	(3 242)	(7 794)
Other changes	(869)	(2 046)
Defaulted loans and debt securities at end of period	41 242	36 562
	CR1	CR1

¹ As reported in the financial statements.

CR3: CRM techniques – overview

The table below provides details on the credit mitigation techniques used by the group.

	Exposures unsecured: carrying amount ¹ Rm	Exposures secured ¹ Rm	Total Rm	Exposures secured by collateral	Exposures secured by collateral, of which secured amount Rm	Exposures secured by financial guarantees Rm	Exposures secured by financial guarantees, of which; secured amount Rm	Exposures secured by credit derivatives Rm	Exposures secured by credit derivatives, of which; secured amount Rm
1H18									
Loans	549 988	563 922	1 113 910	549 538	543 602	20 015	18 197		
Debt securities	125 805	5 131	130 936	4 427	4 427	704	704		
Off-balance sheet exposures	299 217	10 276	309 493	8 676	5 633	1 600	1 354		
Total	975 010	579 329	1 554 339	562 640	553 661	22 320	20 255		
Of which defaulted	10 426	13 231	23 657	12 767	12 174	464			
FY17									
Loans	509 160	581 957	1 091 117	563 770	558 392	18 137	16 037	50	50
Debt securities	136 449	4 472	140 921	2 513	2 513	1 959	1 959		
Off-balance sheet exposures	290 621	10 782	301 403	9 220	4 630	1 562	1 292		
Total	936 230	597 211	1 533 441	575 503	565 535	21 658	19 288	50	50
Of which defaulted	8 792 ²	12 500	21 292 ²	12 500	12 500 ²				

¹ Exposures are net of impairments.

² Restated.

PILLAR 3 DISCLOSURE

Credit risk continued

CR4: standardised approach – credit risk exposure and CRM effects

The table below illustrates the effect of CRM on standardised approach capital requirements' calculations.

Asset classes	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
	On-balance sheet amount Rm	Off-balance sheet amount Rm	On-balance sheet amount Rm	Off-balance sheet amount Rm	RWA Rm	RWA density %
1H18						
Corporate	54 517	27 780	50 543	10 354	57 474	94
SME corporate	41 041	20 160	40 168	5 604	47 036	103
Public sector entities	3 627	511	3 626	135	3 918	104
Local governments and municipalities	72		70		58	84
Sovereign	125 836		129 273		96 466	75
Banks	18 613	15 545	14 990	5 698	9 207	45
Retail mortgage advances	18 826	2 120	18 549	1 475	12 644	63
Retail revolving credit	4 523	3 381	4 392		3 986	91
SME retail	11 911	6 365	11 292	2 195	13 378	99
Other retail	17 978	3 169	17 634	902	16 778	91
Other assets	66 378		66 378		26 244	40
Total	363 322	79 031	356 915	26 363	287 189	
Sum of exposures post-CCF and CRM				383 278		
Table reference				CR5	OV1	
FY17						
Corporate	49 090	23 184	42 195	7 922	47 836	95
SME corporate	36 651	18 322	35 703	4 535	41 094	102
Public sector entities	3 879	595	3 879	316	3 824	91
Local governments and municipalities	78		76		40	53
Sovereign	130 823		130 823		94 478	72
Banks	13 855	11 584	13 840	4 202	8 056	45
Retail mortgage advances	17 138	1 344	16 934	724	12 313	70
Retail revolving credit	4 089	692	3 910		3 732	95
SME retail	9 939	6 326	9 466	1 882	13 806	122
Other retail	15 915	3 601	15 520	956	16 722	101
Other assets	70 236		70 236		26 023	38
Total	351 693	65 648	342 582	20 537	267 924	74
Sum of exposures post-CCF and CRM				363 119		
Table reference				CR5	OV1	

CR5: standardised approach – exposure by asset classes and risk weights

The table below presents the breakdown of credit risk exposures under the standardised approach by Basel asset class and risk weight. The total credit exposure amount represents on- and off-balance sheet amounts after application of credit risk mitigation (CRM) and credit conversion factors (CCF).

Risk weights	0%	20%	35%	40%	50%	75%	100%	150%	Total credit exposures amount (post CCF and post CRM)
1H18									
Asset classes									
Corporate			6 519		1 685		49 362	3 331	60 897
Small and medium enterprises (SME) corporate					140		42 922	2 710	45 772
Public sector entities					147		3 154	460	3 761
Local governments and municipalities					24		46		70
Sovereign	39 613	2 025			2 103		74 515	11 017	129 273
Banks		3 821			16 868				20 689
Retail mortgage advances			14 328		186	4 319	1 193		20 025
Retail revolving credit					6	4 337	49		4 392
SME retail					100	8 886	4 350	150	13 486
Other retail					209	17 945	374	7	18 535
Other assets	39 198	1 170					26 009		66 377
Total	78 811	7 016	20 847		21 468	35 487	201 974	17 675	383 278
Table reference									CR4
FY17									
Asset classes									
Corporate			5 264		102		42 396	2 355	50 117
SME corporate					244		37 955	2 039	40 238
Public sector entities					1 272		2 393	530	4 195
Local governments and municipalities					72		4		76
Sovereign	39 601	1 477			2 257		77 534	9 954	130 823
Banks		3 222			14 820				18 042
Retail mortgage advances			7 693		192	8 787	986		17 658
Retail revolving credit					9	3 862	38	1	3 910
SME retail					107	7 084	4 000	157	11 348
Other retail					225	15 946	301	4	16 476
Other assets	43 157	1 321					25 758		70 236
Total	82 758	6 020	12 957		19 300	35 679	191 365	15 040	363 119
Table reference									CR4

PILLAR 3 DISCLOSURE

Credit risk continued

CR6: IRB – credit risk exposures by portfolio and probability of default (PD) range total (all portfolios)

The table below provides the main parameters used for the calculation of capital requirements for IRB models. For the breakdown of credit exposures by Basel asset class, refer to page 28 of annexure A.

PD scales	Original on-balance sheet gross exposure Rm	Off-balance sheet exposures pre-CCF Rm	Average CCF %	EAD ¹ post-CRM and post-CCF Rm	Average PD %
1H18					
0.00 to < 0.15	145 298	37 406	57.32	168 145	0.05
0.15 to < 0.25	62 356	47 364	51.33	88 457	0.22
0.25 to < 0.50	181 402	61 061	47.25	211 847	0.40
0.50 to < 0.75	114 411	28 906	44.48	127 930	0.63
0.75 to < 2.50	278 827	41 612	48.10	298 950	1.33
2.50 to < 10.00	119 046	11 618	53.38	125 439	4.27
10.00 to < 100.00	42 801	1 521	57.56	44 446	26.30
100.00 (default)	31 500	1 424	49.95	32 212	100.00
Subtotal	975 641	230 912		1 097 426	5.030
Table reference					
FY17					
0.00 to < 0.15	144 735	44 998	59.81	174 055	0.05
0.15 to < 0.25	57 074	36 725	55.35	78 755	0.21
0.25 to < 0.50	173 138	71 144	46.10	207 518	0.39
0.50 to < 0.75	127 043	28 950	44.66	140 580	0.63
0.75 to < 2.50	280 249	39 042	50.81	300 079	1.38
2.50 to < 10.00	122 356	10 993	56.87	128 391	4.32
10.00 to < 100.00	39 952	2 357	49.08	41 869	25.81
100.00 (default)	28 478	1 546	45.52	29 182	100.00
Subtotal	973 025	235 755	50.69	1 100 429	4.69
Table reference					

¹ Exposure at default.

² Represents the number of unique obligors. The total number of unique obligors will not equal the sum of the obligors in the underlying asset classes shown in annexure A, since an obligor may be present in more than one asset class.

³ Loss given default.

⁴ Expected loss.

Number of obligors ²	Average LGD ³ %	Average maturity Years	RWA Rm	RWA density %	EL ⁴ Rm	Provisions Rm
173 584	32.70	1.5	16 848	10.02	25	
218 018	21.79	1.9	15 029	16.99	40	
275 597	24.04	2.0	62 149	29.34	200	
250 837	21.19	2.1	37 478	29.30	173	
1 000 000	27.20	2.2	125 778	42.07	1 135	
2 000 000	35.77	2.0	82 549	65.81	1 943	
711 584	33.19	1.9	52 627	118.41	3 787	
383 014	34.03	2.4	6 568	20.39	14 698	
5 012 634	27.72	1.9	399 026	36.36	22 001	24 221
			OV1 CR7			
190 530	32.79	1.3	17 849	10.25	30	
194 981	19.04	2.0	10 490	13.32	31	
378 235	24.92	2.0	62 741	30.23	206	
348 014	20.60	2.1	38 568	27.43	184	
1 400 225	27.62	2.4	132 610	44.19	1 175	
1 883 537	35.08	2.2	86 613	67.46	1 973	
727 278	31.48	1.8	46 387	110.79	3 349	
276 355	34.24	2.1	3 240	11.10	12 875	
5 399 155	27.24	1.9	398 498	36.21	19 823	17 701
			OV1 CR7			

PILLAR 3 DISCLOSURE

Credit risk continued

CR7: IRB – effect on RWA of credit derivatives used as CRM techniques

The table below illustrates the effect of credit derivatives on the IRB approach capital requirements' calculations.

	1H18		FY17	
	Pre-credit derivatives RWA Rm	Actual RWA Rm	Pre-credit derivatives RWA Rm	Actual RWA Rm
Corporate	137 119	137 119	128 652	128 653
Other asset classes ¹		261 907		269 935
Specialised lending – high volatility commercial real estate (property development)		22		15
Specialised lending – income producing real estate		6 009		5 145
Specialised lending – project finance		12 823		11 891
SME corporate		14 328		13 712
Securities firms		114		145
Sovereign		6 348		5 334
Public sector entities		5 405		13 025
Local governments and municipalities		1 978		1 775
Banks		21 875		28 842
Retail mortgages		90 154		91 300
Qualifying revolving retail exposures		49 633		47 680
Retail – other		20 881		19 551
SME retail		24 831		24 255
Equity		7 506		7 265
Total (all portfolios)		399 026		398 498

¹ Other asset classes' pre-credit derivatives RWA is equivalent to actual.

CR8: IRB – RWA flow statements of credit risk exposures

The table below explains the variations in credit RWA under the IRB approach attributable to each of the key risk drivers.

Note the following:

- asset size represents organic changes in the book size and composition
- asset quality represents changes due to changes in borrower risk, such as risk grade migration
- foreign exchange movements are changes driven by changes in foreign exchange rates.

	1H18 RWA Rm	FY17 RWA Rm
RWA at the beginning of period	398 498	369 165
Asset size	1 858	28 708
Asset quality	(4 547)	9 758
Foreign exchange movements	6 381	(6 590)
Other ¹	(3 164)	(2 543)
RWA at the end of period	399 026	398 498

¹ Mainly foreign exchange movements.

CR10: IRB equities under the simple risk weight method

The table below presents the group's equity exposures using the simple risk-weight approach.

Categories	On- balance sheet amount Rm	Off- balance sheet amount Rm	Risk weight %	RWA Rm
1H18				
Private equity exposures	1 614		400	6 455
Other equity exposures				
Total	1 614			6 455
Table reference				OV1
FY17				
Private equity exposures	1 451		400	6 154
Other equity exposures				
Total	1 451			6 154
Table reference				OV1

COUNTERPARTY CREDIT RISK

CCR1: analysis of CCR exposure by approach

The table below provides a view of the methods used to calculate CCR regulatory requirements and the main parameters used within each method.

	Replacement cost Rm	Potential future exposure Rm	Alpha used for computing regulatory EAD	EAD post-CRM Rm	RWA Rm
1H18					
Current exposure method (for derivatives)	67 395	58 035	1.4	31 758	14 001
Comprehensive approach for credit risk mitigation (for SFTs)				4 452	1 041
Total	67 395	58 035	1.4	36 210	15 042
Credit valuation adjustment (CVA) from CCR2 CCP and default funds from CCR8					9 709 510
Total					25 261
Table reference					OV1
FY17					
Current exposure method (for derivatives)	73 001	42 623	1.4	28 985	12 563
Comprehensive approach for credit risk mitigation (for SFTs)				5 037	1 475
Total	73 001	42 623	1.4	34 022	14 038
CVA from CCR2					10 132
CCP and default funds from CCR8					180
Total					24 350
Table reference					OV1

CCR2: CVA capital charge

	1H18		FY17	
	EAD post-CRM Rm	RWA Rm	EAD post-CRM Rm	RWA Rm
All portfolios subject to the standardised CVA capital charge	31 758	9 709	28 985	10 132
Total subject to the CVA capital charge	31 758	9 709	28 985	10 132
Table reference		CCR1		CCR1

CCR3: standardised approach – CCR exposures by regulatory portfolio and risk weights

Risk weight	20%	50%	75%	100%	150%	Total credit exposure	Table reference
1H18							
Corporate				1 264	4	1 268	
SME corporate				324		324	
Public sector entities		840				840	
Sovereign				980		980	
Banks	423	424				847	
Securities firms	43	9				52	
Retail revolving credit			2			2	
Total	466	1 273	2	2 568	4	4 313	
EAD						31 897	CCR4
Total						36 210	CCR1
FY17							
Corporate				1 542	7	1 549	
SME corporate				421		421	
Sovereign				286		286	
Banks	323	484				807	
Securities firms		85				85	
Retail revolving credit				6		6	
Total	323	569		2 255	7	3 154	
EAD						30 868	CCR4
Total						34 022	CCR1

CCR4: IRB – CCR exposures by portfolio and PD scale (total)

The table below provides information on the relevant parameters used for the calculation of CCR capital requirements under the IRB approach. To note:

- EAD post-CRM is the EAD as calculated under the applicable CCR approach and after applying CRM but gross of accounting provisions
- number of obligors correspond to the number of individual PDs in a band
- average PD and LGD are weighted by EAD

Refer to page 46 for a breakdown of exposures by portfolio.

PD scale	EAD post-CRM Rm	Average PD %	Number of obligors	Average LGD %	Average maturity Years	RWA Rm	RWA density %
1H18							
0.00 to < 0.15	20 962	0.05	76	38.84	1.5	3 789	18.07
0.15 to < 0.25	930	0.22	50	39.76	1.6	365	39.21
0.25 to < 0.50	7 016	0.43	199	42.36	2.1	4 989	71.12
0.50 to < 0.75	1 367	0.64	107	37.24	1.9	840	61.46
0.75 to < 2.50	1 039	1.15	160	43.38	1.5	892	85.95
2.50 to < 10.00	523	4.48	68	32.37	3.0	571	109.33
10.00 to < 100.00	9	31.45	5	40.09	1.0	19	200.67
100.00 (default)	51	100.00	5	40.05	1.0	272	530.43
Subtotal	31 897	0.44	670	39.62	1.7	11 737	36.80
FY17							
0.00 to < 0.15	17 525	0.05	73	37.9	1.6	3 152	17.99
0.15 to < 0.25	2 498	0.22	53	32.33	2.3	862	34.49
0.25 to < 0.50	7 388	0.43	184	40.8	1.7	4 705	63.71
0.50 to < 0.75	1 817	0.64	96	36.8	2.9	1 302	71.63
0.75 to < 2.50	1 398	1.32	154	35.28	2.5	1 137	81.31
2.50 to < 10.00	236	3.18	58	38.84	1.2	251	105.97
10.00 to < 100.00	6	37.10	6	37.58	1.0	13	198.34
100.00 (default)		100.00	2	40.09	1.0	1	531.19
Subtotal	30 868	0.28	626	37.97	1.8	11 423	37.01

PILLAR 3 DISCLOSURE

Counterparty credit risk continued

CCR5: composition of collateral for CCR exposure

The following table discloses a breakdown of all types of collateral posted or received to support or reduce the CCR exposures related to derivative and SFTs. The total collateral posted or received is reflected.

	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received Rm	Fair value of posted collateral Rm
	Segregated Rm	Un-segregated Rm	Segregated Rm	Un-segregated Rm		
1H18						
Cash – domestic currency		11 023		566	37 916	17 317
Cash – other currencies		1 049		7 800	3 851	33 831
Domestic sovereign debt		1 084			6 837	25 313
Other sovereign debt					7 168	
Government agency debt		451			65	
Corporate bonds					20 899	669
Equity securities					5 488	12 852
Other collateral					16 240	
Total		13 607		8 366	98 464	89 982
FY17						
Cash – domestic currency		7 924		3 166	34 620	21 531
Cash – other currencies		1 612		8 580		31 946
Domestic sovereign debt		755			8 098	11 215
Other sovereign debt					4 508	
Government agency debt					41	38
Corporate bonds					24 807	1 140
Equity securities		794			3 191	5 657
Other collateral					15 240	16 799
Total		11 085		11 746	90 505	88 326

CCR6: credit derivatives exposures

The table that follows presents the group's exposure to credit derivatives with a distinction made between protection bought and sold.

	1H18		FY17	
	Protection bought Rm	Protection sold Rm	Protection bought Rm	Protection sold Rm
Notionals				
Single-name credit default swaps	7 340	29 993	5 870	26 698
Index credit default swaps	4 216	6 059	3 060	4 211
Total return swaps	341	1 001	2 875	1 014
Other credit derivatives	30 176	3 403	24 830	2 411
Total notionals	42 073	40 456	36 635	34 334
Fair values				
Positive fair value (asset)	1 362	181	432	366
Negative fair value (liability)	1 618	789	669	498

CCR8: exposures to central counterparties

	1H18		FY17	
	EAD (post-CRM) Rm	RWA Rm	EAD (post-CRM) Rm	RWA Rm
Exposures to qualifying central counterparties (total)	30 188	510	13 602	180
Exposures for trades at qualifying central counterparties (excluding initial margin and default fund contributions); of which	20 206	365	3 400	141
(i) OTC derivatives	5 694	117	2 815	53
(ii) Exchange-traded derivatives	14 512	248	585	88
(iii) Securities financing transactions				
(iv) Netting sets where cross-product netting has been approved				
Segregated initial margin				
Non-segregated initial margin	9 849	141	10 084	35
Pre-funded default fund contributions	133	4	118	4
Table reference		CCR1		CCR1

SECURITISATION

SEC1: securitisation exposures in the banking book

	a	e	i
	Bank acts as originator	Bank acts as sponsor	Bank acts as investor
	Traditional Rm	Traditional Rm	Traditional Rm
1H18			
Retail – of which:	49 723	3 140	463
residential mortgages	49 723	2 851	
credit card			
other retail exposures		289	463
re-securitisation			
FY17			
Retail – of which:	50 485	3 818	
residential mortgages	50 485	3 061	
credit card			
other retail exposures		288	
re-securitisation		469	
Wholesale (total) – of which:		1 511	
re-securitisation		1 511	

SEC4: securitisation exposures in the banking book and associated capital requirements – bank acting as investor

	a	b	c	d	e
	Exposure values (by risk weight bands)				
	<=20% RW	<20% to 50% RW	<50% to 100% RW	<100% to <1250% RW	1250% RW
Total exposures					
Traditional securitisation		463			
Of which securitisation		463			
Of which retail underlying		463			

SEC3: securitisation exposures in the banking book and associated regulatory capital requirements – bank acting as originator or as sponsor

	Exposure values (by risk weight bands)				Exposure values (by regulatory approach)		RWA (by regulatory approach)		Capital charge after cap	
	<=20% RW	<20% to 50% RW	<50% to 100% RW	<100% to 1250% RW	IRB RBA ¹	IRB SFA ³	IRB RBA ¹	IRB SFA ³	IRB RBA ¹	IRB SFA ²
1H18										
Total exposures	2 900		238	2	1 066	2 074	408	154	52	19
Traditional securitisation	2 900		238	2	1 066	2 074	408	154	52	19
Of which securitisation	2 900		238	2	1 066	2 074	408	154	52	19
Of which retail underlying	2 900		238	2	1 066	2 074	408	154	52	19
Of which re-securitisation										
Of which non-senior										
FY17										
Total exposures	3 111		706		1 013	2 804	394	353	46	41
Traditional securitisation	3 111		706		1 013	2 804	394	353	46	41
Of which securitisation	3 111		238		1 013	2 336	394	180	46	21
Of which retail underlying	3 111		238		1 013	2 336	394	180	46	21
Of which re-securitisation			468			468		173		20
Of which non-senior			468			468		173		20

¹ Ratings-based approach.

² Supervisory formula approach.

	f	g	h	i	j	k	l	m	n	o	p	q
	Exposure values (by regulatory approach)				RWA (by regulatory approach)				Capital charge after cap			
	IRB RBA (including IAA)	IRB SFA	SA/ SSF A	12,5	IRB RBA (including IAA)	IRB SFA	SA/ SSF A	12,5	IRB RBA (including IAA)	IRB SFA	SA/ SSF A	12,5
					OV1							
	463				172				22			
	463				172				22			
	463				172				22			

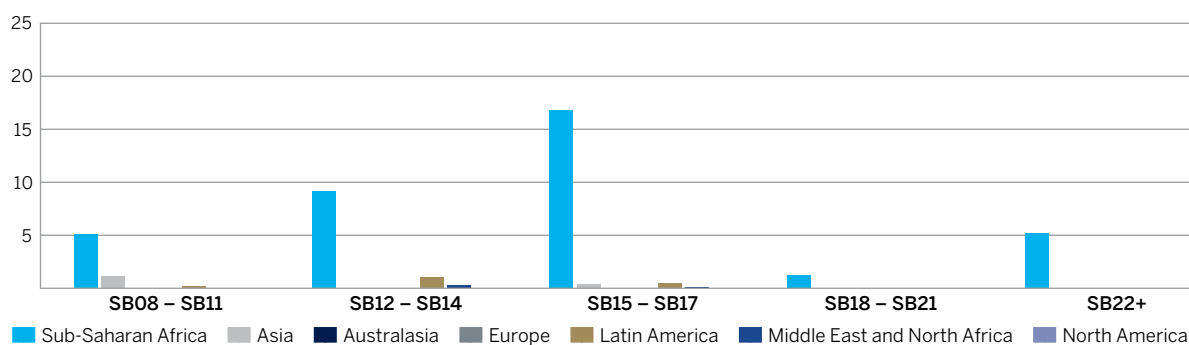
COUNTRY RISK

Country risk exposure by region and risk grade

The risk distribution of cross-border country risk exposures is weighted towards European, Asian and North American low-risk countries, as well as Sub-Saharan African medium- and high-risk countries.

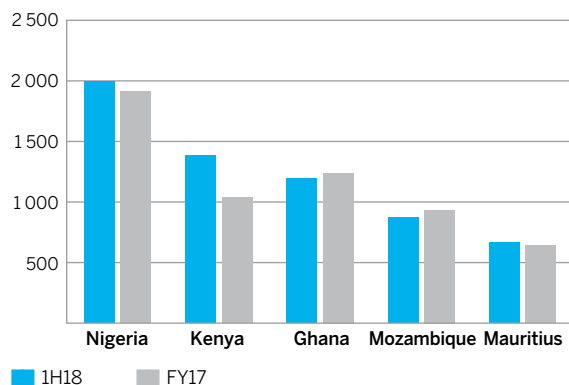
	Sub-Saharan Africa %	Asia %	Australasia %	Europe %	Latin America %	Middle East and North Africa %	North America %
1H18							
Risk grade							
SB01 – SB07	0.64	23.54	1.07	24.45		1.51	8.35
SB08 – SB11	5.05	1.05			0.16		
SB12 – SB14	9.09				0.97	0.25	
SB15 – SB17	16.74	0.35			0.41	0.08	
SB18 – SB21	1.15						
SB22+	5.14						
FY17							
Risk grade							
SB01 – SB07	0.58	23.97	1.40	26.04		1.63	10.71
SB08 – SB11	4.61	0.92			0.15		
SB12 – SB14	8.01				0.71	0.17	
SB15 – SB17	15.91						
SB18 – SB21	0.95	0.33					
SB22+	3.91						

Medium- and high-risk country exposure by region (%)

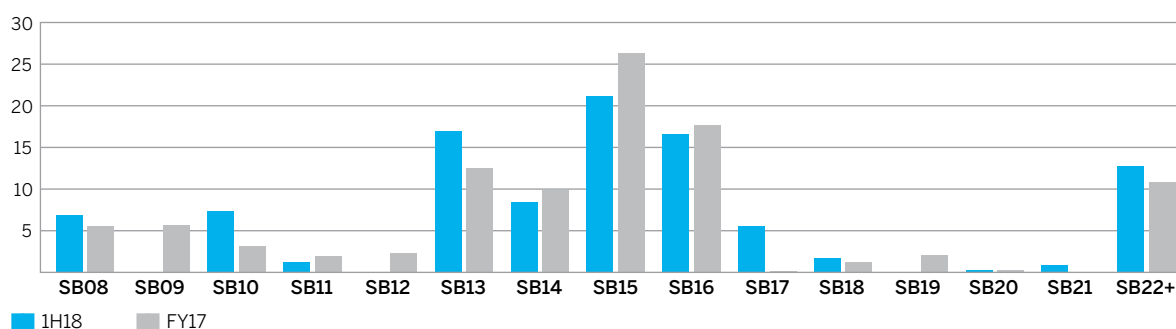


Top five medium- and high-risk country EAD (USDm)

Exposure to the top five medium- and high-risk countries is shown together with comparatives in the graph below. These exposures are in line with the group's growth strategy, which is focused on Africa.



Medium- and high-risk country EAD concentration by county rating (%)



FUNDING AND LIQUIDITY RISK

Overview of liquidity and funding metrics

The summary liquidity results reflected in the table below for 1H18 and FY17, provides an overview of results detailed within this section with reference to the additional liquidity management detail on page 56 and 57 in the group's financial results for the six months ended 30 June 2018.

	1H18	FY17
Total contingent liquidity (Rbn)	343.5	322.3
Eligible Basel III LCR HQLA (Rbn)	266.5	251.3
Managed liquidity (Rbn)	77.0	71.0
Total contingent liquidity as a % of funding related liabilities (%)	26.5	25.2
Single depositor (%)	2.1	1.7
Top 10 depositors (%)	8.4	7.6
Basel III LCR (quarterly average %)	121.3	135.1
Minimum regulatory LCR requirement (%)	90.0	80.0
Basel III NSFR (%)	123.1	
Minimum regulatory NSFR requirement (%)	100.0	

PILLAR 3 DISCLOSURE

Funding and liquidity risk continued

LIQ1: liquidity coverage ratio

The Basel III LCR promotes short-term resilience of the group's 30 calendar-day liquidity risk profile by ensuring it has sufficient HQLA to meet potential outflows in a stressed environment.

The analysis that follows includes banking and/or deposit taking entities and represents an aggregation of the relevant individual net cash outflows and HQLA portfolios.

	1H18 ¹		FY17	
	Total unweighted ² value (average) Rm	Total weighted ³ value (average) Rm	Total unweighted ² value (average) Rm	Total weighted ³ value (average) Rm
HQLA				
Total HQLA		249 604		240 935
Retail deposits and deposits from small business customers, of which:				
Stable deposits	389 209	31 889	428 381	31 784
Less stable deposits	14 096	705	14 425	721
	375 113	31 184	413 956	31 063
Unsecured wholesale funding, of which:				
Operational deposits (all counterparties) and deposits in networks of cooperative banks	540 493	270 179	538 457	266 296
Non-operational deposits (all counterparties)	163 467	40 867	165 342	41 336
Unsecured debt	376 832	229 118	372 884	224 729
Secured wholesale funding	194	194	231	231
Additional requirements, of which:				
Outflows related to derivative exposures and other collateral requirements	64 096	24 224	107 747	26 684
Outflows related to loss of funding on debt products	12 439	12 439	14 151	14 142
Credit and liquidity facilities	6 216	6 216	3 012	3 012
	45 441	5 569	90 584	9 530
Other contractual funding obligations	3 039	3 039	2 273	2 273
Other contingent funding obligations	348 252	13 730	316 674	11 783
Total cash outflows		343 061		338 822
Cash inflows				
Secured lending	30 039	19 022	22 799	15 349
Inflows from fully performing exposures	135 440	108 879	156 857	128 645
Other cash inflows	15 099	9 432	22 898	16 491
Total cash inflows		137 333		160 485
		Total adjusted value ⁴ Rm		Total adjusted value ⁴ Rm
Total HQLA		249 604		240 935
Total net cash outflows		205 728		178 337
Liquidity coverage ratio (%)		121.3		135.1

¹ Simple average of 91 days of daily observations over the quarter ended 30 June 2018 for SBSA, SBSA Isle of Man branch, Stanbic Bank Ghana, Stanbic Bank Uganda, Standard Bank Namibia, Stanbic IBTC Bank Nigeria, Standard Bank Isle of Man Limited and Standard Bank Jersey Limited and the simple average of three month-end data points ended 30 June 2018 for the other Africa Regions' banking entities.

² Unweighted value represents the outstanding balances maturing or callable within 30 days (for inflows and outflows).

³ Total weighted value is calculated after the application of respective haircuts (for HQLA) or inflow and outflow rates (for inflows and outflows).

⁴ Adjusted value calculated after the application of both (i) haircuts and inflow and outflow rates and (ii) any applicable caps (i.e. cap on level 2B and level 2 assets for HQLA and cap on inflows).

LIQ2: net stable funding ratio

The Basel III NSFR became effective on 1 January 2018 with the objective to promote funding stability and resilience in the banking sector by requiring banks to maintain a stable funding profile in relation to the composition of its assets and off-balance sheet activities. The available stable funding is defined as the portion of capital and liabilities expected to be reliable over the one-year time horizon considered by the NSFR. The amount of required stable funding is a function of the liquidity characteristics and residual maturities of the various assets (including off-balance sheet exposures) held by the bank. By ensuring that banks do not embark on excessive maturity transformation that is not sustainable, the NSFR is intended to reduce the likelihood that disruptions to a banks funding sources would erode its liquidity position, increase its risk of failure and potentially lead to broader systemic risk.

Only banking and/or deposit taking entities are included and the group data represents a consolidation of the relevant individual assets, liabilities and off-balance sheet items as at 30 June 2018.

The group maintained NSFR compliance in excess of the 100% regulatory requirement and operates above risk appetite and management internal buffer requirements.

LIQ2: net stable funding ratio continued

	Unweighted value by residual maturity				Weighted value Rm
	No maturity Rm	< 6 months Rm	6 months to < 1 year Rm	≥ 1 year Rm	
Available stable funding item					
Capital:	132 192	245	2	21 382	153 660
Regulatory capital	122 377			10 580	132 957
Other capital instruments	9 815	245	2	10 802	20 703
Retail deposits and deposits from small business customers:	174 062	197 274	9 835	11 390	355 221
Stable deposits	14 829	721			14 772
Less stable deposits	159 233	196 553	9 835	11 390	340 449
Wholesale funding:	288 942	355 248	76 980	148 498	459 899
Operational deposits	161 278				80 636
Other wholesale funding	127 664	355 248	76 980	148 498	379 263
Liabilities with matching interdependent assets					
Other liabilities:	22 093	57 276	3 694	70 187	83 685
NSFR derivative liabilities					
All other liabilities and equity not included in the above categories	22 093	57 276	3 694	70 187	83 685
Total available stable funding					1 052 465
Required stable funding item					
Total NSFR HQLA					24 390
Deposits held at other financial institutions for operational purposes		35			18
Performing loans and securities:	52 689	230 550	130 981	689 407	714 468
Performing loans to financial institutions secured by level 1 HQLA		7 486	168	1 581	2 413
Performing loans to financial institutions secured by non-level 1 HQLA and unsecured performing loans to financial institutions	2 764	121 172	23 359	24 695	54 964
Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	38 499	88 879	93 711	358 360	427 533
With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk		39 704	10 218	43 007	61 517
Performing residential mortgages, of which:		6 385	5 271	276 338	188 128
With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk		6 106	5 026	262 937	176 475
Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	11 426	6 628	8 472	28 433	41 430
Assets with matching interdependent liabilities					
Other assets:	3 792	4 756		124 111	101 569
Physical traded commodities, including gold					
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs				4 049	3 441
NSFR derivative assets				10 980	892
NSFR derivative liabilities before deduction of variation margin posted				17 416	1 778
All other assets not included in the above categories	3 792	4 756		91 666	95 458
Off-balance sheet items				293 234	14 662
Total required stable funding					855 107
NSFR (%)					123.1

PILLAR 3 DISCLOSURE

Funding and liquidity risk continued

Total contingent liquidity

For disclosure relating to the breakdown of the group's liquid and marketable instruments as at 30 June 2018, refer to page 56 of the group's interim results analysis for the six months ended 30 June 2018 to be found at www.reporting.standardbank.com.

Funding activities

For disclosure relating to the diversified funding base as at 30 June 2018, refer to page 57 of the group's interim results analysis for the six months ended 30 June 2018 to be found at www.reporting.standardbank.com.

SBSA 12- and 60-month liquidity spread

For disclosure relating to the market cost of liquidity for the period ended 30 June 2018, refer to page 57 of the group's interim results analysis for the six months ended 30 June 2018 to be found at www.reporting.standardbank.com.

MARKET RISK

MR1: market risk under the standardised approach

	1H18 RWA Rm	FY17 RWA Rm
Outright products	52 704	45 651
Interest rate risk (general and specific)	49 824	44 188
Equity risk (general and specific)	291	30
Foreign exchange risk	2 354	1 384
Commodity risk	235	49
Options	1 668	1 566
Simplified approach		
Delta-plus method	1 668	1 566
Scenario approach		
Securitisation		
Total	54 372	47 217
	OV1	OV1

MR2: RWA flow statements of market risk exposures under IMA

	VaR ¹ Rm	SVaR ² Rm	Total RWA Rm
RWA as at 31 December 2017	4 346	8 458	12 804
Movement in risk levels	(783)	(1 398)	(2 181)
Model updates/changes			
RWA at 30 June 2018	3 563	7 060	10 623
			OV1

¹ Value at risk.

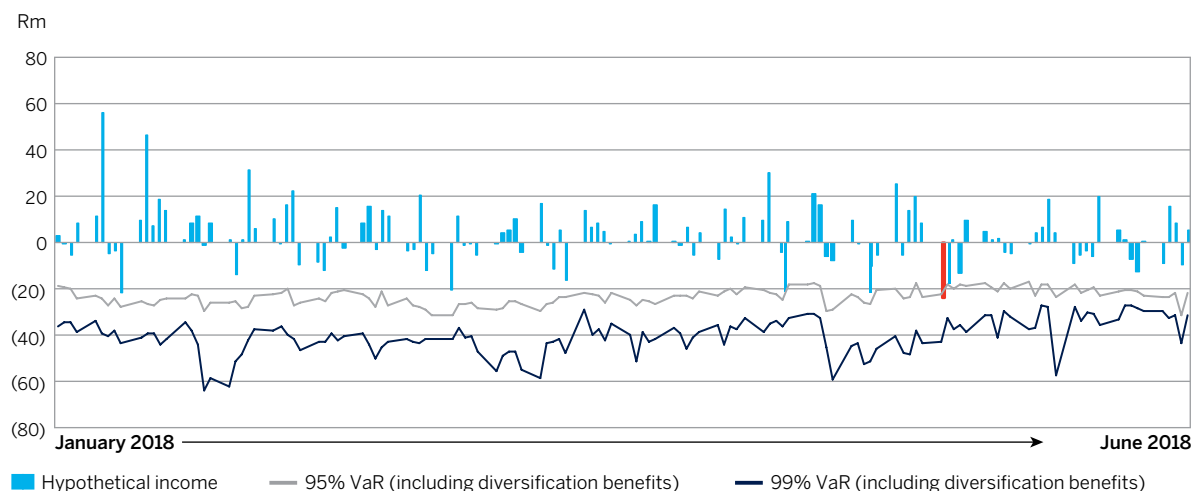
² Stressed value at risk.

MR4: comparison of VaR estimates with gains/losses

Refer to the graph on the following page for the results of the group's backtesting for 1H18. The lower exception in May is mainly due to USD/ZAR spot movement and tightening of credit spreads.

Regulators categorise a VaR model as green, amber or red and assign regulatory capital multipliers based on this categorisation. A green model is consistent with a satisfactory VaR model and is achieved for models that have four or less backtesting exceptions in a 12-month period at 99% VaR. All of the group's approved models were assigned green status for the period under review (2017: green).

MR4: comparison of VaR estimates with gains/losses continued



Distribution of daily trading income (Rm)

For the graph of the distribution of daily trading profit or loss for the period ended 30 June 2018, refer to page 43 of the group's interim results analysis for the six months ended 30 June 2018 to be found at www.reporting.standardbank.com.

MR3: IMA values for trading portfolios

	1H18 Rm	FY17 Rm
VaR (10 day 99%)		
Maximum value	154	278
Average value	92	135
Minimum value	45	57
Period end	93	63
SVaR (10 day 99%)		
Maximum value	297	361
Average value	169	207
Minimum value	111	78
Period end	134	201

Interest rate risk in the banking book

The table below indicates the rand equivalent sensitivity of the group's banking book earnings and other comprehensive income (OCI) given a parallel yield curve shock. A floor of 0% is applied to all interest rates under the decreasing interest rate scenario.

		ZAR	USD	GBP	Euro	Other	Total
1H18							
Increase in basis points		200	100	100	100	100	
Sensitivity of annual net interest income	Rm	2 209	300	(14)	(19)	470	2 946
Sensitivity of OCI	Rm	(10)	(10)	(2)		(161)	(183)
Decrease in basis points		200	100	100	100	100	
Sensitivity of annual net interest income	Rm	(2 223)	(344)	10		(484)	(3 041)
Sensitivity of OCI	Rm	10	10	1		161	182
FY17							
Increase in basis points		200	100	100	100	100	
Sensitivity of annual net interest income	Rm	2 295	246	(2)	(15)	331	2 855
Sensitivity of OCI	Rm	8	(9)	(1)		(247)	(249)
Decrease in basis points		200	100	100	100	100	
Sensitivity of annual net interest income	Rm	(2 325)	(339)			(367)	(3 031)
Sensitivity of OCI	Rm	(8)	9	1		247	249

ANNEXURES

CR6: credit risk exposures by portfolio and PD range

Refer to page 10 to 11 for the total of the asset classes.

Corporates

PD scale	Original on-balance sheet gross exposure Rm	Off-balance sheet exposures pre-CCF Rm	Average CCF %	EAD post-CRM and post-CCF Rm	Average PD %
1H18					
0.00 to < 0.15	20 153	8 459	44.30	23 976	0.08
0.15 to < 0.25	42 588	26 767	43.35	54 285	0.22
0.25 to < 0.50	92 847	45 075	44.23	113 116	0.40
0.50 to < 0.75	34 577	12 057	48.39	40 429	0.64
0.75 to < 2.50	59 450	17 721	47.67	68 170	1.31
2.50 to < 10.00	9 215	3 248	57.04	11 089	3.39
10.00 to < 100.00	1 481	71	63.75	1 524	16.28
100.00 (default)	4 605	1 424	49.95	5 317	100.00
Subtotal	264 916	114 822	45.29	317 906	2.42
FY17					
0.00 to < 0.15	18 117	12 033	43.47	23 403	0.08
0.15 to < 0.25	34 760	15 078	44.24	41 536	0.22
0.25 to < 0.50	82 151	54 091	43.74	106 153	0.39
0.50 to < 0.75	39 161	12 237	46.03	44 943	0.64
0.75 to < 2.50	60 760	15 262	48.79	68 549	1.35
2.50 to < 10.00	10 885	3 015	59.07	12 701	3.77
10.00 to < 100.00	2 053	1 201	44.06	2 615	15.88
100.00 (default)	2 401	1 546	45.52	3 105	100.00
Subtotal	250 288	114 463	44.97	303 005	1.89

Specialised lending – high volatility commercial real estate (property development)

PD scale	Original on-balance sheet gross exposure Rm	Off-balance sheet exposures pre-CCF Rm	Average CCF %	EAD post-CRM and post-CCF Rm	Average PD %
1H18					
0.00 to < 0.15					
0.15 to < 0.25					
0.25 to < 0.50					
0.50 to < 0.75					
0.75 to < 2.50	40			40	1.38
2.50 to < 10.00					
10.00 to < 100.00					
100.00 (default)	2			2	100.00
Subtotal	42			42	6.94
FY17					
0.00 to < 0.15					
0.15 to < 0.25					
0.25 to < 0.50					
0.50 to < 0.75					
0.75 to < 2.50	30			30	1.41
2.50 to < 10.00					
10.00 to < 100.00					
100.00 (default)	1			1	100.00
Subtotal	31			31	3.85

Number of obligors	Average LGD %	Average maturity Years	RWA Rm	RWA density %	EL Rm	Provisions Rm
128	32.51	1.4	3 473	14.48	6	
316	22.22	1.9	11 471	21.13	27	
633	25.10	2.0	38 777	34.77	112	
207	26.83	1.9	18 980	46.95	69	
10 358	29.49	2.0	45 414	66.62	269	
315	36.87	1.5	11 853	106.89	139	
49	31.62	1.4	2 353	154.43	77	
173	43.15	2.1	4 798	90.24	2 935	
12 179	27.07	1.9	137 119	43.31	3 634	3 710
203	32.59	1.6	3 722	15.9	6	
209	18.09	2.1	7 041	16.95	16	
536	24.65	2	34 953	32.93	102	
349	24.82	1.9	19 085	42.46	71	
10 493	30.84	1.9	46 337	67.6	281	
354	34.15	1.6	13 232	104.18	167	
82	31.38	1.7	3 884	148.53	135	
164	43.01	1.3	309	9.96	2 204	
12 390	26.43	1.9	128 563	42.43	2 982	3 365

Number of obligors	Average LGD %	Average maturity Years	RWA Rm	RWA density %	EL Rm	Provisions Rm
3	28.22	1.4	22	55.25		
2	32.30	5.0			2	
5	28.45	1.6	22	52.14	2	2
3	23.24	2	15	48.93		
1	14.11	5				
4	23.02	2.1	15	47.71		

PILLAR 3 DISCLOSURE

Annexures continued

CR6: credit risk exposures by portfolio and PD range continued

Specialised lending – income producing real estate

PD scale	Original on-balance sheet gross exposure Rm	Off-balance sheet exposures pre-CCF Rm	Average CCF %	EAD post-CRM and post-CCF Rm	Average PD %
1H18					
0.00 to < 0.15	1			1	0.11
0.15 to < 0.25	933			933	0.21
0.25 to < 0.50	7 953	5	100.00	7 958	0.44
0.50 to < 0.75	4 966			4 966	0.64
0.75 to < 2.50	5 534			5 534	1.13
2.50 to < 10.00	775			775	3.05
10.00 to < 100.00					10.24
100.00 (default)	34			34	100.00
Subtotal	20 196	5	100.00	20 201	0.93
FY17					
0.00 to < 0.15	3			3	0.11
0.15 to < 0.25	635			635	0.21
0.25 to < 0.50	6 452	2 309	39.50	7 364	0.43
0.50 to < 0.75	2 951			2 950	0.64
0.75 to < 2.50	5 509	83	59.39	5 559	1.07
2.50 to < 10.00	1 082			1 082	3.10
10.00 to < 100.00	8			8	28.96
100.00 (default)	23			23	100.00
Subtotal	16 663	2 392	39.97	17 624	0.97

Specialised lending – project finance

PD scale	Original on-balance sheet gross exposure Rm	Off-balance sheet exposures pre-CCF Rm	Average CCF %	EAD post-CRM and post-CCF Rm	Average PD %
1H18					
0.00 to < 0.15					
0.15 to < 0.25	1 217	507	39.00	1 415	0.23
0.25 to < 0.50	5 443	514	39.09	5 644	0.43
0.50 to < 0.75	3 985	825	43.25	4 341	0.64
0.75 to < 2.50	5 535	551	89.16	6 026	1.13
2.50 to < 10.00	2 488			2 488	3.63
10.00 to < 100.00					
100.00 (default)	776			776	100.00
Subtotal	19 444	2 397	46.62	20 690	4.78
FY17					
0.00 to < 0.15					
0.15 to < 0.25	1 515	533	54.00	1 803	0.23
0.25 to < 0.50	4 125	214	70.58	4 277	0.37
0.50 to < 0.75	5 431	150	48.91	5 505	0.64
0.75 to < 2.50	5 184	533	90.48	5 664	1.15
2.50 to < 10.00	2 326			2 326	3.63
10.00 to < 100.00					
100.00 (default)	709			709	100.00
Subtotal	19 290	1 430	65.40	20 284	4.51

Number of obligors	Average LGD %	Average maturity Years	RWA Rm	RWA density %	EL Rm	Provisions Rm
4	5.00	1.1		2.52		
43	10.49	3.1	121	12.94		
167	11.32	2.6	1 298	16.31	4	
151	18.19	3.3	1 842	37.11	6	
179	18.44	2.5	2 268	40.97	12	
48	21.22	1.5	449	57.95	5	
1	15.32	1.6		50.55		
6	12.18	3.5	31	91.50	5	
599	15.30	2.7	6 009	29.75	32	39
10	5.00	1		2.41		
52	10.69	3.1	75	11.82		
168	13.15	2.8	1 559	21.17	4	
145	14.07	2.5	727	24.66	3	
194	16.91	2.7	2 094	37.66	10	
57	20.51	2.2	642	59.35	7	
1	8.04	3.4	4	48.65		
7	17.59	4.7	44	192.11	5	
634	14.85	2.7	5 145	29.19	29	81

Number of obligors	Average LGD %	Average maturity Years	RWA Rm	RWA density %	EL Rm	Provisions Rm
2	35.07	2.8	662	46.79	1	
16	21.68	4.8	2 572	45.57	5	
11	23.46	4.3	2 350	54.14	7	
12	26.59	4.5	4 493	74.54	18	
3	34.83	4.0	2 746	110.38	31	
2	37.22	4.6			478	
46	26.56	4.4	12 823	61.97	540	562
2	22.33	2.9	473	26.21	1	
13	20.01	4.7	1 682	39.33	3	
8	21.57	4.4	2 785	50.59	8	
13	26.37	4.8	4 294	75.79	17	
3	34.84	4.5	2 657	114.25	29	
2	37.21	4.7			427	
41	24.72	4.5	11 891	58.62	485	520

PILLAR 3 DISCLOSURE

Annexures continued

CR6: credit risk exposures by portfolio and PD range continued

SME corporate

PD scale	Original on-balance sheet gross exposure Rm	Off-balance sheet exposures pre-CCF Rm	Average CCF %	EAD post-CRM and post-CCF Rm	Average PD %
1H18					
0.00 to < 0.15	479	80	67.43	554	0.10
0.15 to < 0.25	789	114	74.83	898	0.21
0.25 to < 0.50	3 132	1 235	71.47	4 113	0.38
0.50 to < 0.75	3 730	18	72.40	3 744	0.63
0.75 to < 2.50	14 287	691	69.28	14 848	1.36
2.50 to < 10.00	5 175	176	62.42	5 291	3.82
10.00 to < 100.00	2 203	76	70.70	2 258	18.00
100.00 (default)	1 114		50.00	1 114	100.00
Subtotal	30 909	2 390	70.07	32 820	5.99
FY17					
0.00 to < 0.15	588	64	74.01	650	0.10
0.15 to < 0.25	2 523	127	74.02	2 643	0.22
0.25 to < 0.50	1 922	348	73.23	2 242	0.34
0.50 to < 0.75	8 192	369	71.33	8 486	0.63
0.75 to < 2.50	13 455	749	65.40	14 009	1.39
2.50 to < 10.00	5 441	379	65.51	5 719	4.14
10.00 to < 100.00	779	25	70.34	798	18.01
100.00 (default)	779		50.00	779	100.00
Subtotal	33 679	2 061	68.47	35 326	4.03

Securities firms

PD scale	Original on-balance sheet gross exposure Rm	Off-balance sheet exposures pre-CCF Rm	Average CCF %	EAD post-CRM and post-CCF Rm	Average PD %
1H18					
0.00 to < 0.15	91			91	0.09
0.15 to < 0.25					
0.25 to < 0.50	40	252	39.75	140	0.42
0.50 to < 0.75		50	39.50	20	0.64
0.75 to < 2.50					
2.50 to < 10.00		1	39.50		2.56
10.00 to < 100.00					
100.00 (default)					
Subtotal	131	303	39.71	251	0.32
FY17					
0.00 to < 0.15	373	90	100.00	463	0.07
0.15 to < 0.25					
0.25 to < 0.50		113	42.24	48	0.36
0.50 to < 0.75					
0.75 to < 2.50		1	39.50		1.81
2.50 to < 10.00	1			1	6.47
10.00 to < 100.00					
100.00 (default)					
Subtotal	374	204	56.65	512	0.11

Number of obligors	Average LGD %	Average maturity Years	RWA Rm	RWA density %	EL Rm	Provisions Rm
27	27.70	1.9	109	19.77		
35	26.07	2.1	219	24.43		
162	27.04	1.9	1 332	32.39	4	
42	13.35	1.9	842	22.50	3	
533	16.74	2.0	4 848	32.65	36	
390	21.56	2.4	3 057	57.78	45	
28	42.89	1.5	3 887	172.10	183	
40	33.14	2.4	34	3.07	694	
1 257	21.22	2.0	14 328	43.66	965	1 054
29	26.26	2.0	116	17.78		
32	16.52	1.2	361	13.65	1	
88	26.28	1.9	695	31.07	3	
142	15.91	2.0	2 134	25.15	8	
521	16.92	2.2	4 756	33.95	36	
288	27.96	2.1	4 570	79.91	70	
32	30.85	2.1	1 041	130.40	50	
33	33.39	2.2	39	4.95	509	
1 165	19.88	2.0	13 712	38.82	677	664

Number of obligors	Average LGD %	Average maturity Years	RWA Rm	RWA density %	EL Rm	Provisions Rm
8	41.18	1.0	21	23.24		
6	40.09	1.0	82	58.38		
1	40.09	1.0	11	56.08		
1	40.09	1.0		98.35		
16	40.49	1.0	114	45.54		3
12	40.11	1.8	118	25.39		
5	40.09	1.1	26	54.08		
1	40.09	1.0		87.33		
2	29.54	0.9	1	102.37		
20	40.09	1.7	145	28.23		37

PILLAR 3 DISCLOSURE

Annexures continued

CR6: credit risk exposures by portfolio and PD range continued

Sovereign

PD scale	Original on-balance sheet gross exposure Rm	Off-balance sheet exposures pre-CCF Rm	Average CCF %	EAD post-CRM and post-CCF Rm	Average PD %
1H18					
0.00 to < 0.15	71 071	6	54.12	71 073	0.01
0.15 to < 0.25			29.25		0.20
0.25 to < 0.50	3	31	15.56	7	0.36
0.50 to < 0.75	2 246	28	42.65	2 258	0.64
0.75 to < 2.50	2 079	494	38.67	2 270	0.94
2.50 to < 10.00		12	9.52	1	5.43
10.00 to < 100.00	9	25	29.83	12	33.23
100.00 (default)	2			2	100.00
Subtotal	75 410	596	33.71	75 623	0.07
FY17					
0.00 to < 0.15	73 620	12	26.59	73 623	0.01
0.15 to < 0.25			30.33		0.21
0.25 to < 0.50	2 307	15	11.63	2 310	0.45
0.50 to < 0.75	2	46	29.94	16	0.61
0.75 to < 2.50	1 926	14	35.60	1 927	0.95
2.50 to < 10.00	6	24	26.81	10	9.23
10.00 to < 100.00	21	14	38.37	21	30.20
100.00 (default)	4			4	100.00
Subtotal	77 886	125	25.3	77 911	0.06

Public sector entities

PD scale	Original on-balance sheet gross exposure Rm	Off-balance sheet exposures pre-CCF Rm	Average CCF %	EAD post-CRM and post-CCF Rm	Average PD %
1H18					
0.00 to < 0.15	7 960			7 960	0.01
0.15 to < 0.25		1 375	99.86	1 374	0.23
0.25 to < 0.50	565	2 524	38.96	1 548	0.32
0.50 to < 0.75	3 084	8 132	38.76	6 239	0.64
0.75 to < 2.50	1 640	521	39.69	1 846	0.91
2.50 to < 10.00	39	4	22.95	40	5.14
10.00 to < 100.00	24	354	43.05	176	10.28
100.00 (default)					100.00
Subtotal	13 312	12 910	41.66	19 183	0.45
FY17					
0.00 to < 0.15	4 348			4 348	0.02
0.15 to < 0.25		1 237	99.85	1 236	0.23
0.25 to < 0.50	842	2 994	38.12	1 986	0.34
0.50 to < 0.75	4 582	6 214	39.13	7 014	0.64
0.75 to < 2.50	11 216	2 751	62.32	12 939	1.67
2.50 to < 10.00	560	4	16.79	560	5.13
10.00 to < 100.00	4	345	43.47	152	10.52
100.00 (default)					100.00
Subtotal	21 552	13 545	44.84	28 235	1.12

Number of obligors	Average LGD %	Average maturity Years	RWA Rm	RWA density %	EL Rm	Provisions Rm
6	29.52	1.7	3 221	4.53	2	
2	39.65	1.0		28.48		
12	36.51	1.2	2	37.84		
2	32.38	1.0	1 023	45.29	5	
9	45.94	2.1	2 074	91.37	10	
9	39.65	1.0	2	126.50		
13	39.65	1.0	24	207.40	2	
6	39.65	1.0	2	87.75	1	
59	30.10	1.7	6 348	8.39	20	28
6	29.16	1.5	2 759	3.75	3	
3	37.01	1.0		26.90		
7	34.97	1.0	940	40.68	4	
8	29.00	1.1	7	40.16		
8	45.99	1.3	1 566	81.26	9	
8	37.66	1.0	14	150.52		
15	37.66	1.0	43	204.62	2	
5	37.66	1.0	5	127.38	1	
60	29.75	1.4	5 334	6.85	19	364

Number of obligors	Average LGD %	Average maturity Years	RWA Rm	RWA density %	EL Rm	Provisions Rm
1	28.81	2.2	596	7.49		
5	13.18	1.6	164	11.93		
13	28.21	2.2	544	35.06	2	
6	26.29	1.4	2 502	40.11	11	
6	26.26	4.2	1 261	68.30	4	
11	26.87	3.5	41	103.15	1	
7	40.09	1.1	297	169.04	7	
1	39.65	1.0		87.75		
50	26.68	2.1	5 405	28.17	25	41
1	28.94	3.2	503	11.57		
5	13.18	2.1	166	13.41		
10	27.96	2.1	703	35.40	3	
8	26.29	1.5	2 861	40.79	12	
8	22.45	3.6	8 434	65.18	48	
9	10.49	1.0	185	32.96	3	
12	26.59	1.2	173	113.53	4	
2	37.66	1.0		127.38		
55	24.17	2.8	13 025	46.13	70	134

PILLAR 3 DISCLOSURE

Annexures continued

CR6: credit risk exposures by portfolio and PD range continued

Local governments and municipalities

PD scale	Original on-balance sheet gross exposure Rm	Off-balance sheet exposures pre-CCF Rm	Average CCF %	EAD post-CRM and post-CCF Rm	Average PD %
1H18					
0.00 to < 0.15				213	0.15
0.15 to < 0.25	213			50	0.43
0.25 to < 0.50	50	676	39.36	648	0.64
0.50 to < 0.75	381	500	39.50	1 747	1.64
0.75 to < 2.50	1 549		75.00	45	2.73
2.50 to < 10.00	45	1	9.18	12	12.24
10.00 to < 100.00	12				100.00
100.00 (default)					
Subtotal	2 250	1 177	39.32	2 715	1.33
FY17					
0.00 to < 0.15	205			205	0.14
0.15 to < 0.25		3	75.00	3	0.21
0.25 to < 0.50	45	1	9.73	45	0.42
0.50 to < 0.75	391			391	0.64
0.75 to < 2.50	1 442	500	39.50	1 639	1.85
2.50 to < 10.00	13	1	9.74	13	4.33
10.00 to < 100.00	2			2	11.70
100.00 (default)					100.00
Subtotal	2 098	505	39.22	2 298	1.49

Banks

PD scale	Original on-balance sheet gross exposure Rm	Off-balance sheet exposures pre-CCF Rm	Average CCF %	EAD post-CRM and post-CCF Rm	Average PD %
1H18					
0.00 to < 0.15	41 043	5 202	49.84	43 635	0.07
0.15 to < 0.25	146	463	38.52	325	0.17
0.25 to < 0.50	13 229	505	33.67	13 399	0.45
0.50 to < 0.75	279	10	40.26	283	0.64
0.75 to < 2.50	2 583	711	36.23	2 841	1.34
2.50 to < 10.00	951	288	21.53	1 013	2.69
10.00 to < 100.00		1	20.00		18.48
100.00 (default)					
Subtotal	58 231	7 180	43.60	61 496	0.26
FY17					
0.00 to < 0.15	42 676	5 633	95.44	48 053	0.07
0.15 to < 0.25	539	272	83.95	768	0.17
0.25 to < 0.50	19 841	76	68.65	19 893	0.45
0.50 to < 0.75	2	52	96.55	52	0.64
0.75 to < 2.50	4 960	956	27.63	5 224	1.37
2.50 to < 10.00	226	63	93.79	285	2.57
10.00 to < 100.00					10.24
100.00 (default)					100.00
Subtotal	68 244	7 052	71.11	74 275	0.27

Number of obligors	Average LGD %	Average maturity Years	RWA Rm	RWA density %	EL Rm	Provisions Rm
20	30.95	1.1	90	42.32		
11	25.48	2.2	19	37.11		
8	23.95	2.8	304	46.98	1	
35	27.63	1.7	1 498	85.77	9	
5	29.18	1.5	46	102.11		
5	30.92	1.0	21	170.38		
1	39.65	1.0		87.75		
85	27.01	1.9	1 978	72.87	10	14
15	30.69	1.0	85	41.51		
3	30.69	1.0	1	22.29		
10	26.31	2.6	18	40.17		
6	26.28	4.3	241	61.58	1	
36	26.97	1.9	1 418	86.51	9	
6	22.05	1.8	8	65.04		
2	30.69	1.0	4	168.29		
2	37.58	1.0		125.87		
80	27.15	2.2	1 775	77.23	10	10

Number of obligors	Average LGD %	Average maturity Years	RWA Rm	RWA density %	EL Rm	Provisions Rm
102	40.19	1.1	8 143	18.66	12	
15	43.03	1.0	116	35.83		
31	45.98	1.1	9 340	69.70	28	
5	47.04	1.0	242	85.48	1	
28	49.25	1.1	2 738	96.36	19	
18	51.27	1.0	1 295	127.81	14	
2	56.57	1.0	1	263.64		
201	42.10	1.1	21 875	35.57	74	115
98	40.30	1.1	9 184	19.11	14	
20	42.96	1.1	249	32.43	1	
24	45.93	1.1	14 032	70.54	41	
6	47.04	1.0	34	65.81		
33	49.28	1.0	5 036	96.40	35	
13	43.16	1.1	306	107.27	3	
1	55.44	1.0	1	231.77		
1	61.93	5.0				
196	42.49	1.1	28 842	38.83	94	392

PILLAR 3 DISCLOSURE

Annexures continued

CR6: credit risk exposures by portfolio and PD range continued

Retail mortgages

PD scale	Original on-balance sheet gross exposure Rm	Off-balance sheet exposures pre-CCF Rm	Average CCF %	EAD post-CRM and post-CCF Rm	Average PD %
1H18					
0.00 to < 0.15	1 939	15 418	58.79	11 004	0.11
0.15 to < 0.25	13 570	13 816	65.13	22 568	0.20
0.25 to < 0.50	45 719	5 773	69.54	49 737	0.39
0.50 to < 0.75	56 698	1 293	100.84	58 006	0.61
0.75 to < 2.50	126 379	623	156.95	127 435	1.25
2.50 to < 10.00	47 669	102	118.33	47 815	4.19
10.00 to < 100.00	23 732	3	107.92	23 736	28.20
100.00 (default)	14 737			14 737	100.00
Subtotal	330 443	37 028	64.39	355 038	7.22
FY17					
0.00 to < 0.15	2 075	17 801	58.32	12 455	0.11
0.15 to < 0.25	14 479	15 201	62.46	23 974	0.20
0.25 to < 0.50	42 662	5 468	69.11	46 444	0.39
0.50 to < 0.75	61 251	1 645	102.94	62 949	0.63
0.75 to < 2.50	118 891	483	148.05	119 687	1.31
2.50 to < 10.00	50 728	114	118.01	50 888	4.17
10.00 to < 100.00	23 053	2	122.18	23 057	28.01
100.00 (default)	14 316			14 316	100.00
Subtotal	327 455	40 714	62.83	353 770	7.09

Revolving retail credit

PD scale	Original on-balance sheet gross exposure Rm	Off-balance sheet exposures pre-CCF Rm	Average CCF %	EAD post-CRM and post-CCF Rm	Average PD %
1H18					
0.00 to < 0.15	226	3 538	95.94	3 622	0.11
0.15 to < 0.25	504	2 452	86.75	2 626	0.20
0.25 to < 0.50	1 080	2 444	83.93	3 109	0.35
0.50 to < 0.75	1 224	4 581	37.64	2 891	0.66
0.75 to < 2.50	20 060	17 232	46.27	26 925	1.60
2.50 to < 10.00	29 370	5 017	72.56	32 204	4.48
10.00 to < 100.00	6 769	639	111.86	7 763	27.19
100.00 (default)	5 855			5 855	100.00
Subtotal	65 088	35 903	54.13	84 995	11.62
FY17					
0.00 to < 0.15	318	3 990	96.9	4 184	0.11
0.15 to < 0.25	528	2 228	90.35	2 536	0.19
0.25 to < 0.50	1 110	2 507	84.33	3 204	0.35
0.50 to < 0.75	1 906	6 832	39.21	4 250	0.67
0.75 to < 2.50	19 844	14 870	50.66	26 144	1.60
2.50 to < 10.00	28 193	4 736	82.77	30 861	4.44
10.00 to < 100.00	6 484	535	86.16	7 309	26.22
100.00 (default)	6 092			6 092	100.00
Subtotal	64 475	35 698	56.96	84 580	11.64

Number of obligors	Average LGD %	Average maturity Years	RWA Rm	RWA density %	EL Rm	Provisions Rm
43 537	12.09		360	3.27	1	
51 979	12.66		1 231	5.45	6	
109 186	11.93		4 074	8.19	23	
88 687	13.28		7 358	12.69	48	
162 144	16.18		31 309	24.57	261	
74 158	16.51		24 324	50.87	328	
40 483	16.22		21 471	90.46	1 116	
24 887	16.25		27	0.18	4 466	
595 061	14.81		90 154	25.39	6 249	6 840
44 190	12.27		400	3.21	2	
56 144	12.58		1 302	5.43	6	
101 475	11.98		3 822	8.23	22	
98 585	13.49		8 228	13.07	54	
154 693	16.08		30 165	25.20	255	
79 544	16.62		26 016	51.12	350	
39 940	16.38		21 051	91.30	1 085	
24 147	16.76		316	2.21	3 738	
598 718	14.84		91 300	25.81	5 512	5 276

Number of obligors	Average LGD %	Average maturity Years	RWA Rm	RWA density %	EL Rm	Provisions Rm
115 765	58.13		147	4.07	2	
87 471	58.92		172	6.56	3	
101 872	59.34		332	10.66	7	
136 760	62.85		540	18.68	12	
1 144 642	65.95		10 141	37.66	284	
1 648 429	64.90		24 277	75.38	926	
539 245	63.58		12 800	164.89	1 352	
318 039	64.22		1 224	20.90	3 687	
4 092 223	64.32		49 633	58.39	6 273	7 131
131 291	58.21		166	3.96	3	
82 418	59.10		165	6.49	3	
185 708	59.54		336	10.51	7	
229 453	64.04		810	19.06	18	
1 090 808	65.99		9 850	37.68	276	
1 620 769	64.76		23 133	74.96	877	
552 380	62.71		11 868	162.38	1 213	
214 140	64.22		1 352	22.19	3 879	
4 106 967	64.2		47 680	56.37	6 276	4 234

PILLAR 3 DISCLOSURE

Annexures continued

CR6: credit risk exposures by portfolio and PD range continued

Retail – other

PD scale	Original on-balance sheet gross exposure Rm	Off-balance sheet exposures pre-CCF Rm	Average CCF %	EAD post-CRM and post-CCF Rm	Average PD %
1H18					
0.00 to < 0.15	1			1	0.11
0.15 to < 0.25	130	12	108.96	143	0.18
0.25 to < 0.50	3 378	30	111.21	3 411	0.26
0.50 to < 0.75	671	5	133.87	677	0.62
0.75 to < 2.50	18 831	82	100.44	18 913	1.65
2.50 to < 10.00	15 649	50	94.89	15 701	4.81
10.00 to < 100.00	4 376		169.87	4 377	25.97
100.00 (default)	1 939			1 939	100.00
Subtotal	44 975	179	101.67	45 162	9.21
FY17					
0.00 to < 0.15	38	25	109.21	65	0.13
0.15 to < 0.25	132	8	114.50	142	0.18
0.25 to < 0.50	3 472	21	117.55	3 497	0.28
0.50 to < 0.75	666	21	113.57	690	0.63
0.75 to < 2.50	16 340	47	75.93	16 375	1.63
2.50 to < 10.00	14 970	29	111.48	15 004	5.14
10.00 to < 100.00	4 321		18.08	4 322	22.20
100.00 (default)	1 797			1 797	100.00
Subtotal	41 736	151	98.3	41 892	9.09

SME retail

PD scale	Original on-balance sheet gross exposure Rm	Off-balance sheet exposures pre-CCF Rm	Average CCF %	EAD post-CRM and post-CCF Rm	Average PD %
1H18					
0.00 to < 0.15	2 258	4 703	82.76	6 152	0.07
0.15 to < 0.25	2 230	1 858	76.12	3 641	0.20
0.25 to < 0.50	7 466	2 673	63.46	9 118	0.40
0.50 to < 0.75	2 531	1 231	70.12	3 389	0.61
0.75 to < 2.50	19 891	2 486	59.47	21 386	1.39
2.50 to < 10.00	7 661	2 720	37.52	8 968	4.87
10.00 to < 100.00	3 617	351	37.72	4 010	25.14
100.00 (default)	2 426			2 426	100.00
Subtotal	48 080	16 022	60.57	59 090	7.17
FY17					
0.00 to < 0.15	2 306	5 350	79.01	6 535	0.07
0.15 to < 0.25	1 963	2 038	74.58	3 479	0.19
0.25 to < 0.50	7 614	2 987	63.07	9 460	0.40
0.50 to < 0.75	2 398	1 384	60.46	3 224	0.59
0.75 to < 2.50	19 813	2 793	58.63	21 454	1.39
2.50 to < 10.00	7 345	2 628	34.52	8 361	4.82
10.00 to < 100.00	3 226	235	39.91	3 584	24.81
100.00 (default)	2 278			2 278	100.00
Subtotal	46 943	17 415	59.04	58 375	6.74

Number of obligors	Average LGD %	Average maturity Years	RWA Rm	RWA density %	EL Rm	Provisions Rm
108	0.68			0.19		
654	7.28		4	3.10		
1 268	26.21		459	13.45	2	
3 580	28.97		167	24.70	1	
97 057	28.16		6 854	36.24	92	
102 820	33.92		8 302	52.88	263	
98 004	47.60		4 780	109.22	534	
31 012	39.93		315	16.23	886	
334 503	32.35		20 881	46.24	1 778	2 073
148	34.35		7	10.90		
639	9.91		6	4.11		
1 438	26.16		489	13.98	3	
4 056	30.25		180	26.03	1	
93 885	27.91		5 880	35.91	79	
105 540	34.91		8 242	54.93	277	
92 895	47.34		4 482	103.72	447	
30 813	40.41		265	14.75	809	
329 414	32.80		19 551	46.67	1 616	991

Number of obligors	Average LGD %	Average maturity Years	RWA Rm	RWA density %	EL Rm	Provisions Rm
19 247	43.70		536	8.72	2	
79 822	42.66		663	18.20	3	
65 733	38.51		2 307	25.30	13	
24 589	41.85		1 202	35.48	9	
112 357	37.85		9 717	45.44	113	
142 463	43.96		6 126	68.31	191	
53 397	45.70		4 252	106.04	463	
17 669	43.89		28	1.15	1 544	
515 277	40.79		24 831	42.02	2 338	2 601
20 453	44.09		571	8.74	2	
57 553	44.49		651	18.70	3	
93 880	38.98		2 430	25.70	14	
21 101	41.84		1 125	34.89	8	
117 737	38.52		9 903	46.16	115	
125 481	44.04		5 712	68.32	176	
58 678	46.19		3 833	106.95	413	
14 984	44.75		30	1.30	1 303	
509 867	41.26		24 255	41.55	2 034	1 557

PILLAR 3 DISCLOSURE

Annexures continued

CR6: credit risk exposures by portfolio and PD range continued

Equity

PD scale	Original on-balance sheet gross exposure Rm	Off-balance sheet exposures pre-CCF Rm	Average CCF %	EAD post-CRM and post-CCF Rm	Average PD %
1H18					
0.00 to < 0.15	76			76	0.11
0.15 to < 0.25	36			36	0.23
0.25 to < 0.50	497			497	0.40
0.50 to < 0.75	39			39	0.64
0.75 to < 2.50	969			969	1.03
2.50 to < 10.00	9			9	3.62
10.00 to < 100.00	578			578	10.24
100.00 (default)	10			10	100.00
Subtotal	2 214			2 214	3.69
FY17					
0.00 to < 0.15	68			68	0.11
0.15 to < 0.25					
0.25 to < 0.50	595			595	0.39
0.50 to < 0.75	110			110	0.64
0.75 to < 2.50	879			879	0.95
2.50 to < 10.00	580			580	2.56
10.00 to < 100.00	1			1	28.96
100.00 (default)	78			78	100.00
Subtotal	2 311			2 311	4.53

Number of obligors	Average LGD %	Average maturity Years	RWA Rm	RWA density %	EL Rm	Provisions Rm
1	90.00	5.0	242	318.00		
1	90.00	5.0	116	318.00		
2	90.00	5.0	1 011	203.59		
3	90.00	5.0	115	292.36		
5	90.00	5.0	3 141	324.17	8	
3	90.00	5.0	31	352.00		
2	90.00	5.0	2 741	474.07	53	
1	90.00	5.0	109	1 125.00		
18	90.00	5.0	7 506	339.00	61	8
1	90.00	5.0	218	318.00		
3	90.00	5.0	1 056	177.52		
3	90.00	5.0	351	318.00		
4	90.00	5.0	2 862	325.59	5	
2	90.00	5.0	1 895	327.09	14	
1	90.00	5.0	3	573.24		
2	90.00	5.0	880	1 125.00		
16	90.00	5.0	7 265	314.37	19	76

PILLAR 3 DISCLOSURE

Annexures continued

CCR4: CCR exposure by portfolio and PD scale

Refer to page 17 for that total of the following asset classes.

Corporate

PD scale	EAD post-CRM Rm	Average PD %	Number of obligors Number	Average LGD %	Average maturity Years	RWA Rm	RWA density %
1H18							
0.00 to < 0.15	133	0.08	17	36.38	2.1	33	25.09
0.15 to < 0.25	927	0.22	47	39.75	1.6	364	39.22
0.25 to < 0.50	1 415	0.40	161	36.73	2.3	832	58.81
0.50 to < 0.75	895	0.64	77	39.42	1.1	514	57.41
0.75 to < 2.50	569	1.10	120	43.50	1.3	492	86.48
2.50 to < 10.00	183	3.82	51	40.13	1.0	211	115.67
10.00 to < 100.00	9	32.39	4	40.09	1.0	18	202.12
100.00 (default)	51	100	5	40.05	1.0	272	530.43
Subtotal	4 182	1.94	482	39.08	1.7	2 736	65.42
FY17							
0.00 to < 0.15	493	0.09	13	30.31	1.5	89	18.11
0.15 to < 0.25	1 714	0.22	48	32.03	1.2	454	26.48
0.25 to < 0.50	1 867	0.39	149	34.62	1.5	819	43.86
0.50 to < 0.75	1 061	0.64	72	38.45	2.6	765	72.08
0.75 to < 2.50	574	1.26	115	39.06	1.5	480	83.66
2.50 to < 10.00	217	3.01	43	39.22	1.1	228	105.19
10.00 to < 100.00	6	38.70	3	37.8	1	13	202.29
100.00 (default)		100.00	2	40.09	1	1	531.19
Subtotal	5 932	0.58	445	34.8	1.60	2 849	48.03

SME corporate

PD scale	EAD post-CRM Rm	Average PD %	Number of obligors Number	Average LGD %	Average maturity Years	RWA Rm	RWA density %
1H18							
0.00 to < 0.15							
0.15 to < 0.25							
0.25 to < 0.50	13	0.34	5	40.09	3.9	10	79.31
0.50 to < 0.75	65	0.64	9	29.46	2.0	27	41.09
0.75 to < 2.50	35	1.14	13	41.63	2.4	32	90.99
2.50 to < 10.00	28	2.81	7	40.09	1.9	24	85.24
10.00 to < 100.00							
100.00 (default)							
Subtotal	141	1.17	34	35.58	2.3	93	65.79
FY17							
0.00 to < 0.15	42	0.08	1	40.09	5	15	36.22
0.15 to < 0.25	14	0.23	1	43.89	5	8	57.77
0.25 to < 0.50	36	0.32	3	40.09	1	14	38.96
0.50 to < 0.75	69	0.64	8	40.09	2.4	44	64.01
0.75 to < 2.50	33	1.14	11	41.36	2.6	32	95.62
2.50 to < 10.00	6	4.17	6	30.62	1	5	82.34
10.00 to < 100.00		10.24	1	40.09	1		145.79
100.00 (default)							
Subtotal	200	0.63	31	40.3	2.90	118	59.06

Securities firms

PD scale	EAD post-CRM Rm	Average PD %	Number of obligors Number	Average LGD %	Average maturity Years	RWA Rm	RWA density %
1H18							
0.00 to < 0.15	6 889	0.05	9	39.38	1.1	1 050	15.24
0.15 to < 0.25							
0.25 to < 0.50	329	0.45	6	40.09	1.0	201	61.18
0.50 to < 0.75	21	0.64	5	40.09	1.0	15	68.99
0.75 to < 2.50			1				
2.50 to < 10.00	12	2.56	2	40.09	1.0	12	98.35
10.00 to < 100.00							
100.00 (default)							
Subtotal	7 251	0.08	23	39.42	1.1	1 278	17.62
FY17							
0.00 to < 0.15	6 449	0.05	12	38.98	1.1	1 004	15.57
0.15 to < 0.25		0.23	2	40.09	1		30.70
0.25 to < 0.50	1 171	0.45	8	39.07	1	696	59.45
0.50 to < 0.75	4	0.64	3	38.65	1	3	69.97
0.75 to < 2.50							
2.50 to < 10.00		2.56	2	31.11	1		76.28
10.00 to < 100.00							
100.00 (default)							
Subtotal	7 624	0.12	27	38.99	1.10	1 703	22.34

Sovereign

PD scale	EAD post-CRM Rm	Average PD %	Number of obligors Number	Average LGD %	Average maturity Years	RWA Rm	RWA density %
1H18							
0.00 to < 0.15	865	0.01	2	28.11	1.0	20	2.32
0.15 to < 0.25							
0.25 to < 0.50	580	0.32	2	35.33	4.5	373	64.29
0.50 to < 0.75		0.64	1	26.29	1.0		36.77
0.75 to < 2.50	1	0.90	1	26.29	3.5		62.91
2.50 to < 10.00							
10.00 to < 100.00							
100.00 (default)							
Subtotal	1 446	0.14	6	31.00	2.4	393	27.19
FY17							
0.00 to < 0.15	1 538	0.01	2	28.13	1	36	2.30
0.15 to < 0.25	770	0.23	1	32.77	4.6	400	51.89
0.25 to < 0.50							
0.50 to < 0.75							
0.75 to < 2.50	1	0.9	1	26.29	4.1		67.36
2.50 to < 10.00							
10.00 to < 100.00							
100.00 (default)							
Subtotal	2 309	0.08	4	29.67	2.20	436	18.87

PILLAR 3 DISCLOSURE

Annexures continued

CCR4: CCR exposure by portfolio and PD scale continued

Public sector entities

PD scale	EAD post-CRM Rm	Average PD %	Number of obligors Number	Average LGD %	Average maturity Years	RWA Rm	RWA density %
1H18							
0.00 to < 0.15		0.23	1	26.29	1.0		20.13
0.15 to < 0.25		0.45	3	45.50	2.9	550	75.83
0.25 to < 0.50	726	0.64	3	26.29	1.3	39	39.04
0.50 to < 0.75	100	0.90	1	26.29	2.5	1	54.81
0.75 to < 2.50	2	5.12	1	26.29	4.4	317	107.49
2.50 to < 10.00	295	10.24	1	40.09	1.0	1	167.60
10.00 to < 100.00							
100.00 (default)							
Subtotal	1 123	1.69	10	38.71	3.2	908	80.86
FY17							
0.00 to < 0.15		0.23	1	26.29	1		20.13
0.15 to < 0.25	987	0.42	4	42.54	3.1	717	72.82
0.25 to < 0.50	131	0.64	2	26.29	1.6	54	41.11
0.50 to < 0.75	318	1.8	3	26.29	2.5	220	68.94
0.75 to < 2.50	4	5.12	2	26.29	1	4	82.44
2.50 to < 10.00		10.24	1	26.29	1		109.91
10.00 to < 100.00							
100.00 (default)							
Subtotal	1 440	0.76	13	37.41	2.80	995	69.10

Specialised lending – project finance

PD scale	EAD post-CRM Rm	Average PD %	Number of obligors Number	Average LGD %	Average maturity Years	RWA Rm	RWA density %
1H18							
0.00 to < 0.15		0.43	15	19.73	4.5	58	40.16
0.15 to < 0.25		0.64	9	35.69	4.4	243	86.16
0.25 to < 0.50	144	1.10	5	31.94	2.9	96	67.21
0.50 to < 0.75	283	6.95	2	33.91	4.9	3	153.31
0.75 to < 2.50	142						
2.50 to < 10.00	2						
10.00 to < 100.00							
100.00 (default)							
Subtotal	571	0.72	31	30.71	4.1	400	70.08
FY17							
0.00 to < 0.15		0.36	13	18.56	4.3	68	34.74
0.15 to < 0.25	197	0.64	6	32.75	4.7	354	80.85
0.25 to < 0.50	438	1.06	6	31.29	4.8	279	83.13
0.50 to < 0.75	335	7.24	1	33.18	5	8	156.66
0.75 to < 2.50	5						
2.50 to < 10.00							
10.00 to < 100.00							
100.00 (default)							
Subtotal	975	0.76	26	29.38	4.6	709	72.71

Banks

PD scale	EAD post-CRM Rm	Average PD %	Number of obligors Number	Average LGD %	Average maturity Years	RWA Rm	RWA density %
1H18							
0.00 to < 0.15	13 075	0.05	48	39.30	1.7	2 686	20.54
0.15 to < 0.25	3	0.16	2	42.90	1.0	1	35.66
0.25 to < 0.50	3 809	0.45	7	45.99	1.5	2 965	77.83
0.50 to < 0.75	3	0.64	3	47.04	1.7	2	74.71
0.75 to < 2.50	290	1.27	19	49.11	1.0	271	93.73
2.50 to < 10.00	3	3.59	5	52.27	1.0	4	143.87
10.00 to < 100.00							
100.00 (default)							
Subtotal	17 183	0.16	84	40.95	1.7	5 929	34.51
FY17							
0.00 to < 0.15	9 003	0.05	45	39.21	2	2 008	22.31
0.15 to < 0.25							
0.25 to < 0.50	3 130	0.45	7	45.98	1.4	2 391	76.39
0.50 to < 0.75	114	0.64	5	47.04	1.5	82	71.85
0.75 to < 2.50	137	1.14	18	48.75	1	126	92.42
2.50 to < 10.00	4	3.98	4	52.43	1	6	148.92
10.00 to < 100.00		10.24	1	55.44	1		270.59
100.00 (default)							
Subtotal	12 388	0.17	80	41.1	1.80	4 613	37.23

PILLAR 3 DISCLOSURE

Annexures continued

SBSA: LCR

	1H18 ¹		FY17 ¹	
	Total unweighted ² value (average) Rm	Total weighted ³ value (average) Rm	Total unweighted ² value (average) Rm	Total weighted ³ value (average) Rm
HQLA				
Total HQLA		169 420		157 699
Retail deposits and deposits from small business customers, of which:	264 989	21 672	260 794	21 304
Stable deposits				
Less stable deposits	264 989	21 672	260 794	21 304
Unsecured wholesale funding, of which:	407 783	206 830	421 487	225 422
Operational deposits (all counterparties) and deposits in networks of cooperative banks	163 467	40 867	165 317	41 329
Non-operational deposits (all counterparties)	244 245	165 892	256 076	183 999
Unsecured debt	71	71	94	94
Secured wholesale funding				2
Additional requirements, of which	61 983	22 967	102 938	23 718
Outflows related to derivative exposures and other collateral requirements	11 300	11 300	11 645	11 637
Outflows related to loss of funding on debt products	6 216	6 216	3 012	3 012
Credit and liquidity facilities	44 467	5 451	88 281	9 069
Other contractual funding obligations	3 039	3 039	2 272	2 272
Other contingent funding obligations	279 310	12 837	241 620	10 764
Total cash outflows		267 345		283 482
Cash inflows				
Secured lending	30 039	19 022	22 799	15 349
Inflows from fully performing exposures	98 158	81 419	116 691	96 220
Other cash inflows	14 047	8 381	20 362	13 956
Total cash inflows		108 822		125 525
		Total adjusted value⁴ Rm		Total adjusted value ⁴ Rm
Total HQLA		169 420		157 699
Total net cash outflows		158 523		157 957
Liquidity coverage ratio (%)		106.9		99.8

¹ Simple average of 91 and 92 days of daily observations over the quarter ended 30 June 2018 and 31 December 2017 respectively, for SBSA excluding foreign branches.

² Unweighted value represents the outstanding balances maturing or callable within 30 days (for inflows and outflows).

³ Total weighted value is calculated after the application of respective haircuts (for HQLA) or inflow and outflow rates (for inflows and outflows).

⁴ Adjusted value calculated after the application of both (i) haircuts and inflow and outflow rates and (ii) any applicable caps (i.e. cap on level 2B and level 2 assets for HQLA and cap on inflows).

Group: composition of capital¹

	1H18 Rm	FY17 Rm
CET I capital	125 772	118 282
Instruments and reserves		
CET I capital before regulatory adjustments	150 554	150 608
Directly issued qualifying common share capital plus related stock surplus	17 789	18 063
Retained earnings	131 958	133 486
Accumulated other comprehensive income (and other reserves)	(4 161)	(5 833)
Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET I)	4 968	4 892
Regulatory adjustments		
Less: total regulatory adjustments to CET I	(24 782)	(32 326)
IFRS 9 and prudential valuation adjustments	4 979	(51)
Goodwill (net of related tax liability)	(2 128)	(1 904)
Other intangibles other than mortgage-servicing rights (net of related tax liability)	(18 225)	(18 603)
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	(163)	(78)
Cash-flow hedge reserve	64	(137)
Shortfall of provisions to expected losses		(2 076)
Gains and losses due to changes in own credit risk on fair valued liabilities	(29)	1
Defined-benefit pension fund net assets	(191)	(216)
Investments in own shares (if not already netted of paid-in capital on reported balance sheet)	(129)	(121)
Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	(8 960)	(9 141)
Additional tier I capital	6 035	6 707
Instruments		
Additional tier I capital before regulatory adjustments	5 742	6 291 ²
Directly issued qualifying additional tier I instruments plus related stock surplus, classified as:	5 742	6 291
Equity under applicable accounting standards	5 742	6 291
<i>Directly issued capital instruments subject to phase out from additional tier I</i>	5 495	5 495
Additional tier I instruments (and CET I instruments not included in common share capital) issued by subsidiaries and held by third parties (amount allowed in group additional tier I), including:	293	416
Tier I capital	131 807	124 989

¹ Disclosure based on prescribed SARB template.

² Restated.

PILLAR 3 DISCLOSURE

Annexures continued

Group: composition of capital¹ continued

	1H18 Rm	FY17 Rm
Capital and provisions		
Tier II capital before regulatory adjustments	19 086	19 253
Tier II instruments (and CET I and additional tier I instruments not included in common share capital and additional tier I instruments) issued by subsidiaries and held by third parties (amount allowed in group tier II), including:	16 580	17 080
<i>Instruments issued by subsidiaries subject to phase out</i>	6 000	9 500
Provisions	2 506	2 173
Regulatory adjustments		
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	(1 649)	(2 303)
Tier II capital	17 437	16 950
Total capital	149 244	141 939
Total RWA	986 352	957 046
Capital ratios and buffers		
CET I (as a percentage of RWA)	12.8	12.4
Tier I (as a percentage of RWA)	13.4	13.1
Total capital (as a percentage of RWA)	15.1	14.8
Institution specific buffer requirement (minimum CET I requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement, expressed as a percentage of RWA)	7.4	7.3
Capital conservation buffer requirement	1.9	1.3
Common equity tier I available to meet buffers (as a percentage of RWA)	5.4	5.1
National minima (if different from Basel III)		
National CET I minimum ratio (if different from Basel III minimum) – excluding individual capital requirement (ICR) and D-SIB	7.4	7.3
National tier I minimum ratio (if different from Basel III minimum) – excluding ICR and D-SIB	8.9	8.5
National total capital minimum ratio (if different from Basel III minimum) – excluding ICR and D-SIB	11.1	10.8
Amounts below the threshold for deductions (before risk weighting)		
Non-significant investments in the capital of other financials	766	777
Significant investments in the common stock of financials	12 971	12 862
Mortgage servicing rights (net of related tax liability)	4 633	3 530
Deferred tax assets arising from temporary differences (net of related tax liability)	4 633	3 530
Applicable caps on the on the inclusion of provisions in tier II	2 506	2 173
Provisions eligible for inclusion in tier II in respect of exposures subject to standardised approach (prior to application of cap)	3 655	3 384
Cap for inclusion of provisions in tier II under IRB approach	2 317	2 325

¹ Disclosure based on prescribed SARB template.

SBSA: composition of capital¹

	1H18 Rm	FY17 Rm
CET I capital	72 410	71 852
Instruments and reserves		
CET I capital before regulatory adjustments	85 497	89 781
Directly issued qualifying common share capital plus related stock surplus	44 448	43 698
Retained earnings	40 194	45 284
Accumulated other comprehensive income (and other reserves)	855	799
Regulatory adjustments		
Less: total regulatory adjustments to CET I	(13 087)	(17 929)
IFRS 9 phase-in prudential valuation adjustments	2 034	(51)
Goodwill (net of related tax liability)	(42)	(42)
Other intangibles other than mortgage-servicing rights (net of related tax liability)	(14 812)	(15 346)
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	(4)	
Cash-flow hedge reserve	(43)	(14)
Shortfall of provisions to expected losses		(2 084)
Securitisation gain on sale		(177)
Gains and losses due to changes in own credit risk on fair valued liabilities	(29)	
Defined-benefit pension fund net assets	(191)	(216)
Investments in own shares (if not already netted of paid-in capital on reported balance sheet)		1
Additional tier I capital	3 544	3 544
Instruments		
Equity under applicable accounting standards	3 544	3 544
Tier I capital	75 954	75 396
Capital and provisions		
Tier II capital before regulatory adjustments	17 223	17 541
<i>Directly issued qualifying tier II instruments plus related stock surplus</i>	16 580	17 080
Directly issued capital instruments subject to phase out from tier II	6 000	9 500
Provisions	643	461
Regulatory adjustments		
Total regulatory adjustments to tier II capital	(3 073)	(2 341)
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	(3 073)	(2 341)
Tier II capital	14 150	15 200
Total capital	90 104	90 596

¹ Disclosure based on prescribed SARB template.

PILLAR 3 DISCLOSURE

Annexures continued

SBSA: composition of capital¹ continued

	1H18 Rm	FY17 Rm
2018		
Total RWA	620 254	610 314
CET I (as a percentage of RWA)	11.7	11.8
Tier I (as a percentage of RWA)	12.2	12.4
Total capital (as a percentage of RWA)	14.5	14.8
Institution specific buffer requirement (minimum CET I requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement, expressed as a percentage of RWA)	7.4	7.3
Common equity tier I available to meet buffers (as a percentage of RWA)	4.3	4.5
National minima (if different from Basel III)		
National CET I minimum ratio (if different from Basel III minimum) – excluding ICR and D-SIB	7.4	7.3
National tier I minimum ratio (if different from Basel III minimum) – excluding ICR and D-SIB	8.9	8.5
National total capital minimum ratio (if different from Basel III minimum) – excluding ICR and D-SIB	11.1	10.8
Amounts below the threshold for deductions (before risk weighting)		
Non-significant investments in the capital of other financials	292	155
Significant investments in the common stock of financials	470	555
Deferred tax assets arising from temporary differences (net of related tax liability)	4 720	2 639
Applicable caps on the on the inclusion of provisions in tier II		
Provisions eligible for inclusion in tier II in respect of exposures subject to standardised approach (prior to application of cap)	643	461
Cap on inclusion of provisions in tier II under standardised approach	477	461

¹ Disclosure based on prescribed SARB template.

Map of cross-reference of pillar 3 tables

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		Basel RWA and associated capital requirements	Other tables that cross link
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14	CR8 RWA flow statements of credit risk exposures under IRB	OV1	CR6
15	CR10 IRB (specialised lending and equities under the simple risk weight method)	OV1	CCR1
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