



Absa Group Limited

Pillar 3 risk management report
for the reporting period ended 30 June 2019

Scope and boundary

Absa Group Limited ('Absa Group' or 'the Group') includes subsidiaries, associates and joint ventures. Note 49.3 of the annual financial statements for the year ended 2018 provides a list of material subsidiaries and consolidated entities.

Absa Bank Limited ('Absa Bank') includes subsidiary undertakings, special-purpose entities, joint ventures, associates and offshore holdings.

Introduction

This interim risk management report contains the Group's quantitative revised Pillar 3 disclosure requirements only. Refer to the Group's 2018 Pillar 3 risk management report for the qualitative disclosure, which is still relevant for the period under review. The interim report provides a view of the Group's regulatory capital and risk exposures, and it complies with:

- The Basel Committee on Banking Supervision (BCBS) revised Pillar 3 disclosure requirements (Pillar 3 standard).
- Regulation 43 of the Regulations relating to Banks (Regulations), issued in terms of the Banks Act, 1990 (Act No. 94 of 1990), where not superseded by the revised Pillar 3 disclosure requirements.

The interim report is supplemented with the Group's interim financial results booklet.

Separation

Barclays PLC (Barclays) executed the sell-down of its controlling interest in the Group. The 'Separation' refers to the programme of activities which will disengage the businesses from one another.

Unless otherwise indicated, the numbers reported are on an IFRS basis of reporting.

Assurance

The Group applies a risk-based, combined assurance approach over its operations. Internal controls, management assurance, compliance and internal audit reviews as well as independent external service providers support the accuracy of disclosures within the published reports. In line with their respective mandates, specific reports are reviewed and recommended to the Board for approval by the Disclosure, Social and Ethics, Remuneration, Directors' Affairs, Group Audit and Compliance, and Group Risk and Capital Management committees.

Management and members of the Group Risk and Capital Management Committee (GRCCM) reviewed the Pillar 3 report. For the reporting period, the Board is satisfied that the Group's risk and capital management processes operated effectively, that business activities have been managed within the Board-approved risk appetite, and that the Group is adequately capitalised and funded to support the execution of its strategy. The information in this report is unaudited. Further details of the basis of preparation is available in section 2 of the Group's 2018 Pillar 3 risk management report.

Contents

1. Overview of risk management, key prudential metrics and RWA	
Capital adequacy	2
KM1: Key metrics (at consolidated group level)	3
OV1: Overview of risk-weighted assets (RWA)	4
2. Leverage ratio	
LR1: Summary comparison of accounting assets versus leverage ratio exposure measure	6
LR2: Leverage ratio common disclosure template	7
3. Liquidity	
LIQ1: Liquidity coverage ratio (LCR)	9
LIQ2: Net stable funding ratio (NSFR)	11
4. Credit risk	
CR1: Credit quality of assets	14
CR2: Changes in stock of defaulted loans and debt securities	15
CR3: Credit risk mitigation (CRM) techniques – overview	15
CR4: Standardised approach – credit risk exposure and CRM effects	16
CR5: Standardised approach – exposures by asset classes and risk weights	17
CR6: Internal ratings based (IRB) – Credit risk exposures by portfolio and probability of default (PD) range	18
CR7: IRB – Effect on RWA of credit derivatives used as CRM techniques	24
CR8: RWA flow statements of credit risk exposures under IRB	24
CR10: Internal ratings based (IRB) (specialised lending and equities under the simple risk weight method)	25
5. Counterparty credit risk (CCR)	
CCR1: Analysis of CCR exposure by approach	26
CCR2: Credit valuation adjustment (CVA) capital charge	26
CCR4: IRB – CCR exposures by portfolio and PD scale	27
CCR5: Composition of collateral for CCR exposure	28
CCR6: Credit derivatives exposures	28
CCR8: Exposures to central counterparties	29
6. Securitisation	
SEC1: Securitisation exposures in the banking book	30
SEC3: Securitisation exposures in the banking book and associated regulatory capital (RC) requirements – bank acting as originator or as sponsor	32
7. Market risk	
MR1: Market risk under standardised approach	34
MR2: RWA flow statements of market risk exposures under an internal models approach (IMA)	34
MR3: IMA values for trading portfolios	35
MR4: Comparison of value at risk (VaR) estimates with gains/losses	35
8. Composition of capital	
CC1: Composition of regulatory capital	36
CC2: Reconciliation of regulatory capital to balance sheet	42
CCA: Main features of regulatory capital instruments and of other TLAC-eligible instruments	46
9. Abbreviations	
Abbreviations	50

1. Overview of risk management, key prudential metrics and RWA

In line with regulatory and accounting requirements, the capital and leverage position of Group and Bank in this document is reflected on a regulatory basis (which requires unappropriated profits to be excluded), and in accordance with IFRS accounting rules (which requires the impact of the contribution amounts received from Barclays PLC as part of the separation to be included). However, the capital and leverage position of the Group is also managed on a statutory, normalised basis (which includes unappropriated profits, and excludes the impact of the contribution amounts received from Barclays PLC). For reference, the summary tables below provide key capital and leverage information on a statutory, normalised basis as at 30 June 2019. Further information can be found in the Group's financial booklet as at 30 June 2019.

Capital adequacy

Group	Board target ranges ¹ %	Normalised performance Jun 2019 %	Normalised performance Dec 2018 %
Statutory capital ratios (includes unappropriated profits)			
CET 1	11.00 – 12.00	11.9	12.0
Tier 1	12.00 – 13.00	12.7	12.8
Total capital adequacy requirement (CAR)	14.50 – 15.50	15.4	15.4
Leverage	5.00 – 7.00	6.7	7.0
Bank			
Statutory capital ratios (includes unappropriated profits)			
CET 1	11.00 – 12.00	11.3	11.2
Tier 1	12.00 – 13.00	12.3	12.0
Total capital adequacy requirement (CAR)	14.50 – 15.50	15.8	15.4
Leverage	5.00 – 7.00	5.3	5.3

The remainder of this document reflects the capital and leverage position of Group and Bank on an IFRS, regulatory basis.

¹ Normalised capital ratios (including unappropriated profits) are managed against Board capital target ranges.

1. Overview of risk management, key prudential metrics and RWA

KM1: Key metrics (at consolidated group level)

In line with the requirements of IFRS 9, which became effective on 1 January 2018, the Group moved from the recognition of credit losses on an incurred loss basis to an expected credit loss (ECL) basis. The Group elected to utilise the transition period of three years for phasing in the regulatory capital impact of IFRS 9, as afforded by Directive 5. The table below reflects the capital and leverage position of the Group on a fully loaded basis, as well as on a transitional basis.

Group	a	b	c	d	e
	30 Jun 2019 Rm	31 Mar 2019 Rm	31 Dec 2018 Rm	30 Sep 2018 ¹ Rm	30 Jun 2018 ¹ Rm
Available capital (Rm)					
1 Common equity tier 1 (CET 1) transitional basis	95 034	95 984	92 829	94 638	96 391
1a Fully loaded ECL accounting model	93 306	94 256	90 237	92 062	93 814
2 Tier 1 transitional basis	102 101	101 341	98 547	98 993	100 662
2a Fully loaded ECL accounting model Tier 1	100 373	99 613	95 955	96 417	98 086
3 Total capital transitional basis	124 669	122 187	119 835	120 961	122 524
3a Fully loaded ECL accounting model total capital	122 941	120 459	117 243	118 385	119 948
RWA (Rm)					
4 Total RWA transitional basis	844 332	832 028	818 592	780 897	769 725
4a Fully loaded RWA	837 186	824 882	807 872	770 177	759 005
Risk-based capital ratios as a percentage of RWA (%)					
5 CET 1 ratio transitional basis	11.3	11.5	11.3	12.1	12.5
5a Fully loaded ECL accounting model CET	11.2	11.4	11.2	11.9	12.4
6 Tier 1 ratio transitional basis	12.1	12.2	12.0	12.7	13.1
6a Fully loaded ECL accounting model Tier 1 ratio	12.0	12.1	11.9	12.5	12.9
7 Total capital ratio transitional basis	14.8	14.7	14.6	15.5	15.9
7a Fully loaded ECL accounting model total capital ratio	14.7	14.6	14.5	15.4	15.8
Additional CET 1 buffer requirements as a percentage of RWA (%)					
8 Capital conservation buffer requirement (2.5% from 2019)	2.5	2.5	1.9	1.9	1.9
9 Countercyclical buffer requirement ²	–	–	–	–	–
10 Bank G-SIB and/or D-SIB additional requirements ³	–	–	–	–	–
11 Total of bank CET 1 specific buffer requirements (row 8 + row 9 + row 10)	2.5	2.5	1.9	1.9	1.9
12 CET 1 available after meeting the bank's minimum capital requirements	3.8	4.0	3.9	4.7	5.1
Basel III leverage ratio					
13 Total Basel III leverage ratio exposure measure (Rm)	1 597 486	1 586 022	1 494 861	1 431 094	1 416 659
14 Basel III leverage ratio (%) (row 2/row 13) transitional basis	6.4	6.4	6.6	6.9	7.1
14a Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a/row13)	6.3	6.3	6.4	6.7	6.9
Liquidity coverage ratio⁴					
15 Total high quality liquid assets (HQLA) (Rm)	179 203	187 500	189 979	180 750	173 915
16 Total net cash outflow (Rm)	141 104	160 559	172 903	167 234	160 150
17 LCR (%)	127.0	116.8	109.9	108.1	108.6
Net stable funding ratio					
18 Total available stable funding (ASF) (Rm)	834 432	827 614	808 351	799 054	755 870
19 Total required stable funding (RSF) (Rm)	749 331	750 073	733 786	704 855	713 291
20 NSFR (%)	111.4	110.3	110.2	113.4	106.0

The Group's capital ratios (calculated on a regulatory, IFRS basis) remained robust over the period 31 December 2018 to 30 June 2019 as growth in capital demand, increased regulatory deductions and the reduced impact of the contribution amounts from Barclays PLC were offset by profit appropriations, as well as by issuances of Additional Tier 1 capital (R1.7bn) and Tier 2 capital (R1.6bn).

¹ These numbers have been restated. Refer to reporting changes overview on the inside front cover of the Group results booklet for the reporting period.

² The countercyclical buffer is not required for banks in South Africa.

³ Bank-specific confidential requirement.

⁴ The Group LCR reflects an aggregation of the Bank LCR and the LCR of Absa Regional Operations (ARO). For this purpose, a simple average of the relevant 3 month-end data points is used in respect of ARO. In respect of Bank, the LCR was calculated as a simple average of 90 calendar-day LCR observations. The December 2018 and March 2019 Group LCR was restated post a change in certain assumptions.

1. Overview of risk management, key prudential metrics and RWA

OV1: Overview of risk-weighted assets (RWA)

Group	a	b		c
	30 Jun 2019 RWA Rm	31 Mar 2019 RWA Rm	31 Dec 2018 RWA Rm	30 Jun 2019 Minimum capital requirements ¹ Rm
1 Credit risk (excluding counterparty credit risk (CCR))	606 312	599 132	593 992	69 726
2 Of which: standardised approach (SA)	176 964	178 804	176 051	20 351
3 Of which: foundation internal rating-based (FIRB) approach	–	–	–	–
4 Of which: supervisory slotting approach	–	–	–	–
5 Of which: advanced internal ratings based (AIRB) approach	429 348	420 328	417 941	49 375
6 CCR	16 894	14 211	14 268	1 943
7 Of which: SA-CCR ²	16 894	14 211	14 268	1 943
8 Of which: internal model method (IMM)	–	–	–	–
9 Of which: other CCR	–	–	–	–
10 Credit valuation adjustment (CVA)	9 483	8 551	7 400	1 091
11 Equity positions under the simple risk weigh approach	3 921	4 015	4 171	451
12 Equity investments in funds – look-through approach	7 607	7 624	6 990	875
13 Equity investments in funds – mandate-based approach	–	–	–	–
14 Equity investments in funds – fall-back approach	–	–	–	–
15 Settlement risk	905	1 940	874	104
16 Securitisation exposures in banking book	28	28	24	3
17 Of which: IRB ratings based approach (SEC-IRBA)	28	28	24	3
18 Of which: securitisation external RBA (SEC-ERBA), including internal assessment approach (IAA)	–	–	–	–
19 Of which: securitisation SA (SEC-SA)	–	–	–	–
20 Market risk	41 885	39 435	37 007	4 817
21 Of which: SA	16 891	19 069	15 818	1 943
22 Of which: internal model approaches (IMA)	24 994	20 366	21 189	2 874
23 Capital charge for switch between trading book and banking book	–	–	–	–
24 Operational risk ³	97 483	90 156	90 156	11 211
Non-customer assets	27 964	27 239	24 637	3 216
25 Amounts below the thresholds for deduction (subject to 250% risk weight)	15 802	17 107	16 483	1 816
26 Floor adjustment ⁴	16 048	22 590	22 590	1 846
27 Total (1+6+10+11+12+13+14+15+16+20+23+24+25+26+non-customer assets)	844 332	832 028	818 592	97 098

The Group's RWAs increased by R25.7bn to R844.3bn (December 2018: R818.6bn), mainly driven by increases in credit risk and market risk.

- **Credit risk:** RWA from AIRB approach portfolios increased by R11.4bn due to exposure growth, whilst RWAs from standardised portfolios increased by R860m, primarily due to exchange rate fluctuations applicable to ARO.
- **CCR and CVA:** The increase in CCR of R2.6bn and in CVA of R2.1bn are primarily due to market movements.
- **Market risk:** The increase of R4.9bn is primarily driven by an increase in specific risk arising from local currency sovereign bond inventory held by ARO, in support of the Group's growth strategy in these countries, coupled with the current positioning in the South African trading book leading to increased risk consumption when measured against historic stressed market movements. A lack of liquidity across some markets created a challenging environment for the business to exit risk arising from client facilitation.

¹ The 2019 minimum regulatory capital requirement is calculated at 11.5% (2018: 11.13%), which includes the capital conservation buffer but excludes the bank-specific individual capital requirement (Pillar 2b add-on) and the D-SIB add-on.

² SA-CCR amount is calculated using the current exposure method (CEM).

³ Due to a late advanced measurement approach (AMA) model adjustment there is an allocation difference between the Group's published booklet and the Pillar 3 disclosure affecting the floor adjustment and the pure AMA capital amounts, there is no impact on the total operational risk capital or RWA.

⁴ Includes the operational risk floor.

1. Overview of risk management, key prudential metrics and RWA

OV1: Overview of risk-weighted assets (RWA) (continued)

Bank	a	b		c
	30 Jun 2019 RWA Rm	31 Mar 2019 RWA Rm	31 Dec 2018 RWA Rm	30 Jun 2019 Minimum capital requirements ¹ Rm
1 Credit risk (excluding counterparty credit risk (CCR))	426 041	417 969	416 843	48 995
2 Of which: standardised approach (SA)	9 408	9 902	10 792	1 082
3 Of which: foundation internal rating-based (FIRB) approach	–	–	–	–
4 Of which: supervisory slotting approach	–	–	–	–
5 Of which: advanced internal ratings based (AIRB) approach	416 633	408 067	406 051	47 913
6 CCR	15 867	13 214	13 499	1 825
7 Of which: SA-CCR ²	15 867	13 214	13 499	1 825
8 Of which: internal model method (IMM)	–	–	–	–
9 Of which: other CCR	–	–	–	–
10 Credit valuation adjustment (CVA)	9 483	8 551	7 400	1 091
11 Equity positions under the simple risk weigh approach	1 815	1 814	1 769	209
12 Equity investments in funds – look-through approach	358	367	353	41
13 Equity investments in funds – mandate-based approach	–	–	–	–
14 Equity investments in funds – fall-back approach	–	–	–	–
15 Settlement risk	837	1 873	783	96
16 Securitisation exposures in banking book	28	28	24	3
17 Of which: IRB ratings based approach (SEC-IRBA)	28	28	24	3
18 Of which: securitisation external RBA (SEC-ERBA), including internal assessment approach (IAA)	–	–	–	–
19 Of which: securitisation SA (SEC-SA)	–	–	–	–
20 Market risk	32 843	28 866	29 187	3 777
21 Of which: SA	7 849	8 500	7 998	903
22 Of which: internal model approaches (IMA)	24 994	20 366	21 189	2 874
23 Capital charge for switch between trading book and banking book	–	–	–	–
24 Operational risk ³	59 186	56 424	56 424	6 807
Non-customer assets	20 998	20 624	18 364	2 415
25 Amounts below the thresholds for deduction (subject to 250% risk weight)	3 147	3 650	4 287	361
26 Floor adjustment ⁴	18 524	20 570	20 570	2 130
27 Total (1+6+10+11+12+13+14+15+16+20+23+24+25+26+non-customer assets)	589 127	573 950	569 503	67 750

The Bank's RWAs increased by R19.6bn to R589.1bn (December 2018: R569.5bn), mainly driven by increases in credit risk and market risk.

- **Credit risk:** RWA from AIRB approach portfolios increased by R10.6bn due to exposure growth, offset by a R1.4bn decrease in RWA from standardised approach portfolios, driven by a reduction in the size of these portfolios.
- **CCR and CVA:** The increase in CCR of R2.4bn and in CVA of R2.1bn are primarily due to market movements.
- **Market risk:** The increase of R3.7bn is primarily driven by the current positioning of the trading book leading to increased risk consumption when measured against historic stressed market movements. A lack of liquidity across some markets created a challenging environment for the business to exit risk arising from client facilitation.

¹ The 2019 minimum regulatory capital requirement is calculated at 11.5% (2018: 11.13%), which includes the capital conservation buffer but excludes the bank-specific individual capital requirement (Pillar 2b add-on) and the D-SIB add-on.

² SA-CCR amount is calculated using the current exposure method (CEM).

³ Due to a late AMA model adjustment there is an allocation difference between the Group's published booklet and the Pillar 3 disclosure affecting the floor adjustment and the pure AMA capital amounts, there is no impact on the total operational risk capital or RWA.

⁴ Includes the operational risk floor.

2. Leverage ratio

Consistent with the treatment in table KM1, the leverage position below is shown on a regulatory, IFRS basis.

LR1: Summary comparison of accounting assets versus leverage ratio exposure measure

Group	a	
	30 Jun 2019 Rm	31 Dec 2018 Rm
1 Total consolidated assets as per published financial statements	1 376 705	1 288 744
2 Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(38 140)	(37 105)
3 Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	–	–
4 Adjustments for derivative financial instruments	12 702	10 143
5 Adjustments for securities financing transactions (i.e. repos and similar secured lending)	–	–
6 Adjustments for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	257 316	244 381
7 Other adjustments	(11 097)	(11 302)
8 Leverage ratio exposure measure	1 597 486	1 494 861

Bank	a	
	30 Jun 2019 Rm	31 Dec 2018 Rm
1 Total consolidated assets as per published financial statements	1 154 828	1 079 679
2 Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	–	–
3 Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	–	–
4 Adjustments for derivative financial instruments	18 596	10 948
5 Adjustments for securities financing transactions (i.e. repos and similar secured lending)	–	–
6 Adjustments for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	211 370	215 717
7 Other adjustments	(9 971)	(9 057)
8 Leverage ratio exposure measure	1 374 823	1 297 287

2. Leverage ratio

LR2: Leverage ratio common disclosure template

Group	a	
	30 Jun 2019 Rm	31 Dec 2018 Rm
On-balance sheet exposures		
1 On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	1 217 735	1 158 946
2 (Asset amounts deducted in determining Basel III Tier 1 capital)	(10 838)	(11 303)
3 Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 and 2)	1 206 897	1 147 643
Derivative exposures		
4 Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	22 483	20 795
5 Add-on amounts for potential future exposure (PFE) associated with all derivatives transactions	41 981	36 286
6 Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	–	–
7 (Deductions of receivable assets for cash variation margin provided in derivatives transactions)	–	–
8 (Exempted CCP leg of client-cleared trade exposures)	–	–
9 Adjusted effective notional amount of written credit derivatives	–	–
10 (Adjusted effective notional offsets and add-on deductions for written credit derivatives)	–	–
11 Total derivative exposures (sum of rows 4 to 10)	64 464	57 081
Security financing transaction exposures		
12 Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	68 809	45 756
13 (Netted amounts of cash payables and cash receivables of gross SFT assets)	–	–
14 CCR exposure for SFT assets	–	–
15 Agent transaction exposures	–	–
16 Total securities financing transaction exposures (sum of rows 12 to 15)	68 809	45 756
Other off-balance sheet exposures		
17 Off-balance sheet exposures at gross notional amount	375 350	384 452
18 (Adjustments for conversion to credit equivalent amounts)	(118 034)	(140 071)
19 Off-balance sheet items (sum of rows 17 and 18)	257 316	244 381
Capital and total exposures		
20 Tier 1 capital (excluding unappropriated profits)	102 101	98 547
21 Total exposures (sum of lines 3, 11, 16 and 19) excluding IFRS 9 adjustment	1 597 486	1 494 861
Leverage ratio		
22 Basel III leverage ratio ¹	6.4	6.6

The Group's leverage ratio (calculated on a regulatory, IFRS basis) reduced to 6.4% (31 December 2018: 6.6%). The reduction is attributable to an increase in leverage exposure driven by increased customer asset exposures of R54.5bn, increased derivative exposures of R7.4bn, and an increase in reverse repo exposures of R23.1bn.

¹ Numbers reported are on a regulatory basis, and include the contribution amounts from Barclays PLC as part of the separation.

2. Leverage ratio

LR2: Leverage ratio common disclosure template (continued)

Bank	a	
	30 Jun 2019 Rm	31 Dec 2018 Rm
On-balance sheet exposures		
1 On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	1 039 113	987 493
2 (Asset amounts deducted in determining Basel III Tier 1 capital)	(9 713)	(8 760)
3 Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 and 2)	1 029 400	978 733
Derivative exposures		
4 Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	23 285	20 795
5 Add-on amounts for PFE associated with all derivatives transactions	42 227	36 286
6 Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	—	—
7 (Deductions of receivable assets for cash variation margin provided in derivatives transactions)	—	—
8 (Exempted CCP leg of client-cleared trade exposures)	—	—
9 Adjusted effective notional amount of written credit derivatives	—	—
10 (Adjusted effective notional offsets and add-on deductions for written credit derivatives)	—	—
11 Total derivative exposures (sum of rows 4 to 10)	65 512	57 081
Security financing transaction exposures		
12 Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	68 541	45 756
13 (Netted amounts of cash payables and cash receivables of gross SFT assets)	—	—
14 CCR exposure for SFT assets	—	—
15 Agent transaction exposures	—	—
16 Total securities financing transaction exposures (sum of rows 12 to 15)	68 541	45 756
Other off-balance sheet exposures		
17 Off-balance sheet exposures at gross notional amount	318 002	313 446
18 (Adjustments for conversion to credit equivalent amounts)	(106 632)	(97 729)
19 Off-balance sheet items (sum of rows 17 and 18)	211 370	215 717
Capital and total exposures		
20 Tier 1 capital (excluding unappropriated profits)	71 016	69 426
21 Total exposures (sum of lines 3, 11, 16 and 19) excluding IFRS 9 adjustment	1 374 823	1 297 287
Leverage ratio		
22 Basel III leverage ratio ¹	5.2	5.4

The Bank's leverage ratio (calculated on a regulatory, IFRS basis) reduced to 5.2% (31 December 2018: 5.4%). The reduction is attributable to an increase in leverage exposure driven by increased customer asset exposures of R45.6bn, increased derivative exposures of R8.4bn, and an increase in reverse repo exposures of R22.8bn.

¹ Numbers reported are on a regulatory basis, and include the contribution amounts from Barclays PLC as part of the separation.

3. Liquidity

LIQ1: Liquidity coverage ratio (LCR)

The Group LCR reflects an aggregation of the Bank LCR and the LCR of Absa Regional Operations (ARO). For this purpose, a simple average of the relevant 3 month-end data points is used in respect of the ARO. In respect of Bank, the LCR was calculated as a simple average of 90 calendar-day LCR observations.

Group	a		b		a		b	
	30 Jun 2019		31 Mar 2019 ¹		31 Dec 2018 ¹			
	Total unweighted value (average) Rm	Total weighted value (average) Rm	Total unweighted value (average) Rm	Total weighted value (average) Rm	Total unweighted value (average) Rm	Total weighted value (average) Rm	Total unweighted value (average) Rm	Total weighted value (average) Rm
High-quality liquid assets (HQLA)								
1 Total HQLA		179 203		187 500		189 979		
Cash outflows								
2 Retail deposits and deposits from small business customers, of which:	348 027	26 192	337 276	26 049	337 488	26 550		
3 Stable deposits	–	–	–	–	–	–		
4 Less stable deposits	348 027	26 192	337 276	26 049	337 488	26 550		
5 Unsecured wholesale funding, of which:	321 165	174 901	332 823	183 662	333 592	183 598		
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks	107 457	26 864	94 414	23 853	94 760	23 690		
7 Non-operational deposits (all counterparties)	204 857	139 186	229 065	150 465	229 641	150 717		
8 Unsecured debt	8 851	8 851	9 344	9 344	9 191	9 191		
9 Secured wholesale funding		1 163		2 892		979		
10 Additional requirements, of which:	286 359	27 357	294 927	28 686	286 696	29 825		
11 Outflows related to derivative exposures and other collateral requirements	7 212	7 212	8 597	8 597	10 187	10 187		
12 Outflows related to loss of funding on debt products	–	–	–	–	–	–		
13 Credit and liquidity facilities	279 147	20 145	286 330	20 089	276 509	19 638		
14 Other contractual funding obligations	83	83	117	117	–	–		
15 Other contingent funding obligations	184 429	8 741	184 059	8 850	195 979	9 464		
16 Total cash outflows		238 437		250 256		250 416		
Cash inflows								
17 Secured lending (eg reverse repos)	22 081	4 623	16 425	5 253	6 811	5 607		
18 Inflows from fully performing exposures	115 239	86 713	106 163	77 570	89 939	62 164		
19 Other cash inflows	6 157	5 997	6 989	6 874	10 287	9 742		
20 Total cash inflows	143 477	97 333	129 577	89 697	107 037	77 513		
	Total adjusted value Rm		Total adjusted value Rm		Total adjusted value Rm			
High-quality liquid assets (HQLA)								
21 Total HQLA		179 203		187 500		189 979		
22 Total net cash outflows		141 104		160 559		172 903		
23 LCR (%)		127.0		116.8		109.9		

The Group's LCR has increased to 127.0% (31 December: 109.9%). The key drivers were an increase in cash inflows, driven mainly by an increase in performing loans to financial institutions and an improved funding mix, with an increase in the amount of funding provided by retail deposits and operational deposits from wholesale counterparties, and a reduction in the amount of funding provided by non-operational deposits from wholesale counterparties.

¹ The December 2018 and March 2019 Group LCR was restated post a change in assumptions.

3. Liquidity

LIQ1: Liquidity coverage ratio (LCR) (continued)

The Bank LCR was calculated as a simple average of 90 calendar-day LCR observations.

Bank	a		b		a		b	
	30 Jun 2019		31 Mar 2019 ¹		31 Dec 2018 ¹			
	Total unweighted value (average) Rm	Total weighted value (average) Rm	Total unweighted value (average) Rm	Total unweighted value (average) Rm	Total weighted value (average) Rm	Total weighted value (average) Rm	Total weighted value (average) Rm	Total weighted value (average) Rm
High-quality liquid assets (HQLA)								
1 Total HQLA		161 089		167 100				173 987
Cash outflows								
2 Retail deposits and deposits from small business customers, of which:	266 950	19 516	260 773	19 714	258 940		19 877	
3 Stable deposits	–	–	–	–	–		–	
4 Less stable deposits	266 950	19 516	260 773	19 714	258 940		19 877	
5 Unsecured wholesale funding, of which:	267 720	149 811	272 024	154 664	277 265		158 074	
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks	102 300	25 575	95 272	23 818	89 186		22 297	
7 Non-operational deposits (all counterparties)	160 654	119 470	171 497	125 591	182 005		129 703	
8 Unsecured debt	4 766	4 766	5 255	5 255	6 074		6 074	
9 Secured wholesale funding		1 163		2 892			979	
10 Additional requirements, of which:	260 129	24 561	269 839	26 182	267 235		27 934	
11 Outflows related to derivative exposures and other collateral requirements	6 842	6 842	8 486	8 486	10 115		10 115	
12 Outflows related to loss of funding on debt products	–	–	–	–	–		–	
13 Credit and liquidity facilities	253 287	17 719	261 353	17 696	257 120		17 819	
14 Other contractual funding obligations	83	83	117	117	–		–	
15 Other contingent funding obligations	151 780	7 272	154 722	7 546	163 275		8 006	
16 Total cash outflows		202 406		211 115			214 870	
Cash inflows								
17 Secured lending (eg reverse repos)	22 082	4 623	16 425	5 253	6 811		5 606	
18 Inflows from fully performing exposures	85 038	72 555	76 300	61 576	63 597		48 090	
19 Other cash inflows	3 027	2 868	4 563	4 448	6 585		6 041	
20 Total cash inflows	110 147	80 046	97 288	71 277	76 993		59 737	
		Total adjusted value Rm		Total adjusted value Rm		Total adjusted value Rm		
High-quality liquid assets (HQLA)								
21 Total HQLA		161 089		167 100			173 987	
22 Total net cash outflows		122 360		139 838			155 133	
23 LCR (%)		131.7		119.5			112.2	

The Bank's LCR has increased to 131.7% (31 December 2018: 112.2%), driven by the same factors as outlined for Group above.

¹ The December 2018 and March 2019 Group LCR was restated post a change in assumptions.

3. Liquidity

LIQ2: Net stable funding ratio (NSFR)

Group	a	b	c	d	e
	No maturity Rm	<6 months Rm	6 months to <1 year Rm	<1 year Rm	Weighted value Rm
	30 Jun 2019 Unweighted value by residual maturity				
Available stable funding (ASF) item					
1 Capital	127 208	–	–	–	127 208
2 Regulatory capital	121 160	–	–	–	121 160
3 Other capital instruments	6 048	–	–	–	6 048
4 Retail deposits and deposits from small business customers:					
5 Stable deposits	–	308 219	25 541	23 572	323 956
6 Less stable deposits	–	308 219	25 541	23 572	323 956
7 Wholesale funding:					
8 Operational deposits	–	569 764	101 929	130 925	374 514
9 Other wholesale funding	–	135 315	21	867	68 535
10 Liabilities with matching interdependent assets	–	434 449	101 908	130 058	305 979
11 Other liabilities:					
12 NSFR derivative liabilities	–	–	–	6 413	–
13 All other liabilities and equity not included in the above categories	11 111	21 021	46	12 822	8 754
14 Total ASF					834 432
Required stable funding (RSF) item					
15 Total NSFR high-quality liquid assets (HQLA)					15 170
16 Deposits held at other financial institutions for operational purposes	–	–	–	–	–
17 Performing loans and securities:					
18 Performing loans to financial institutions secured by Level 1 HQLA	–	264 657	85 315	581 883	611 849
19 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	–	45 758	743	892	5 840
20 Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and public sector entities (PSEs), of which:					
21 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	–	93 443	34 813	118 206	149 629
22 Performing residential mortgages, of which:					
23 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	–	80 378	29 957	–	55 168
24 Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	–	41 416	15 663	341 212	318 569
25 Assets with matching interdependent liabilities	–	–	–	–	–
26 Other assets:					
27 Physical traded commodities, including gold	1 701	3 662	3 310	115 743	78 719
28 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	–	–	829	5 830	3 924
29 NSFR derivative assets	–	–	–	–	–
30 NSFR derivative liabilities before deduction of variation margin posted	–	–	–	8 135	2 105
31 All other assets not included in the above categories	27 594	38 132	–	62 531	90 125
32 Off-balance sheet items	–	–	–	358 073	17 904
33 Total RSF					749 331
34 Net stable funding ratio (%)					111.4

3. Liquidity

LIQ2: Net stable funding ratio (NSFR) (continued)

Group	a	b	c	d	e
	No maturity Rm	<6 months Rm	6 months to <1 year Rm	<1 year Rm	Weighted value Rm
	31 Mar 2019				
	Unweighted value by residual maturity				
Available stable funding (ASF) item					
1 Capital	135 082	–	–	–	135 082
2 Regulatory capital	118 938	–	–	–	118 938
3 Other capital instruments	16 144	–	–	–	16 144
4 Retail deposits and deposits from small business customers:	–	288 867	34 731	23 057	314 295
5 Stable deposits	–	–	–	–	–
6 Less stable deposits	–	288 867	34 731	23 057	314 295
7 Wholesale funding:	–	556 176	79 439	126 745	354 215
8 Operational deposits	–	114 424	185	1 414	58 719
9 Other wholesale funding	–	441 752	79 254	125 331	295 496
10 Liabilities with matching interdependent assets	–	–	–	–	–
11 Other liabilities:	17 688	19 589	777	25 546	24 022
12 NSFR derivative liabilities	–	–	–	6 131	–
13 All other liabilities and equity not included in the above categories	17 688	19 589	777	19 415	24 022
14 Total ASF					827 614
Required stable funding (RSF) item					
15 Total NSFR high-quality liquid assets (HQLA)					15 475
16 Deposits held at other financial institutions for operational purposes	–	–	–	–	–
17 Performing loans and securities:	–	211 579	66 769	533 057	540 365
18 Performing loans to financial institutions secured by Level 1 HQLA	–	17 526	826	1 331	3 497
19 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	–	109 892	22 468	114 127	141 845
20 Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	–	62 749	24 853	–	43 801
21 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	–	15 918	11 875	299 198	268 215
22 Performing residential mortgages, of which:	–	–	–	–	–
23 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	–	3 185	2 950	113 345	76 742
24 Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	–	2 309	3 797	5 056	6 265
25 Assets with matching interdependent liabilities	–	–	–	–	–
26 Other assets:	30 438	65 372	6 921	140 825	176 009
27 Physical traded commodities, including gold	1 276	–	–	–	1 084
28 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	–	–	–	–	–
29 NSFR derivative assets	–	–	–	13 980	7 848
30 NSFR derivative liabilities before deduction of variation margin posted	–	–	–	7 791	2 024
31 All other assets not included in the above categories	29 162	65 372	6 921	119 054	165 053
32 Off-balance sheet items	–	–	–	364 472	18 224
33 Total RSF					750 073
34 Net stable funding ratio (%)					110.3

3. Liquidity

LIQ2: Net stable funding ratio (NSFR) (continued)

Group	a	b	c	d	e
	No maturity Rm	<6 months Rm	6 months to <1 year Rm	<1 year Rm	Weighted value Rm
	31 Dec 2018 Unweighted value by residual maturity				
Available stable funding (ASF) item					
1 Capital	132 530	–	–	–	132 530
2 Regulatory capital	115 856	–	–	–	115 856
3 Other capital instruments	16 674	–	–	–	16 674
4 Retail deposits and deposits from small business customers:					
5 Stable deposits	–	292 350	31 972	21 244	313 134
6 Less stable deposits	–	292 350	31 972	21 244	313 134
7 Wholesale funding:					
8 Operational deposits	–	110 234	51	1 431	56 573
9 Other wholesale funding	–	407 362	82 053	121 926	282 170
10 Liabilities with matching interdependent assets	–	–	–	–	–
11 Other liabilities:	14 979	15 997	15	24 643	23 944
12 NSFR derivative liabilities	–	–	–	4 614	–
13 All other liabilities and equity not included in the above categories	14 979	15 997	15	20 029	23 944
14 Total ASF					808 351
Required stable funding (RSF) item					
15 Total NSFR high-quality liquid assets (HQLA)					14 469
16 Deposits held at other financial institutions for operational purposes	–	–	–	–	–
17 Performing loans and securities:	–	204 384	67 014	529 946	536 091
18 Performing loans to financial institutions secured by Level 1 HQLA	–	14 829	–	797	2 280
19 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	–	93 436	26 635	84 517	111 850
20 Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	–	72 182	22 172	–	47 177
21 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	–	15 979	11 669	326 999	291 773
22 Performing residential mortgages, of which:	–	–	–	–	–
23 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	–	3 148	2 911	111 275	75 359
24 Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	–	4 810	3 627	6 358	7 652
25 Assets with matching interdependent liabilities	–	–	–	–	–
26 Other assets:	25 757	46 648	3 559	135 430	165 203
27 Physical traded commodities, including gold	2 318	–	–	–	1 971
28 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	–	–	–	–	–
29 NSFR derivative assets	–	–	–	12 660	8 046
30 NSFR derivative liabilities before deduction of variation margin posted	–	–	–	6 528	2 089
31 All other assets not included in the above categories	23 439	46 648	3 559	116 242	153 097
32 Off-balance sheet items	–	–	–	360 467	18 023
33 Total RSF					733 786
34 Net stable funding ratio (%)					110.2

The NSFR improved to 111.4% (31 December 2018: 110.2%), driven by increased retail deposits and operational deposits from wholesale counterparties, combined with an increase in the tenor of funding provided by non-operational wholesale counterparties.

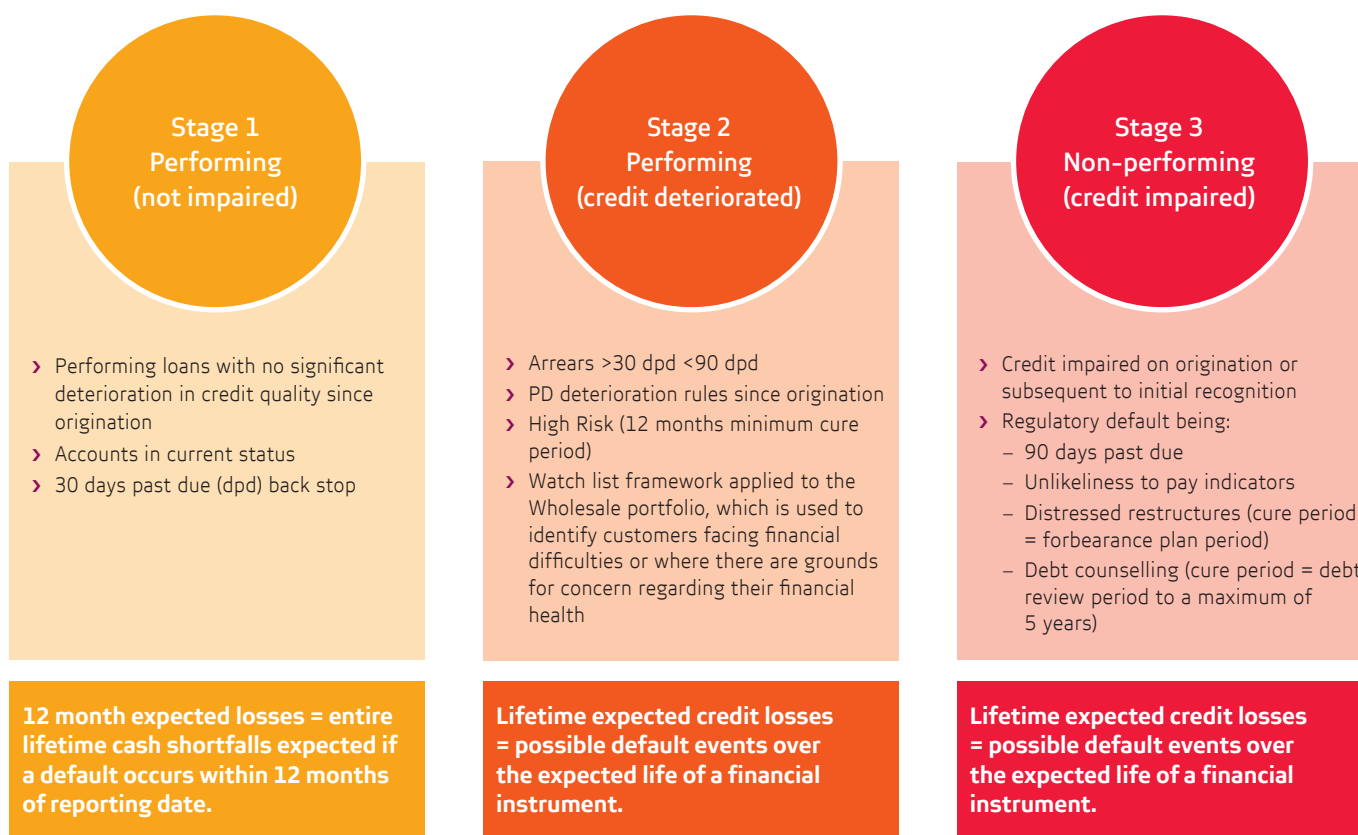
4. Credit risk

CR1: Credit quality of assets

		a	b	c	d
		30 Jun 2019			
		Gross carrying values ^{1,2} of			Net values
		Defaulted exposures	Non-defaulted exposures	Allowances/ impairments	(a+b-c)
		Rm	Rm	Rm	Rm
1	Loans	46 940	881 383	29 631	898 691
2	Debt securities	–	122 347	–	122 347
3	Off-balance sheet exposures	–	278 895	–	278 895
4	Total	46 940	1 282 625	29 631	1 299 933

		a	b	c	d
		31 Dec 2018			
		Gross carrying values of			Net values
		Defaulted exposures	Non-defaulted exposures	Allowances/ impairments	(a+b-c)
		Rm	Rm	Rm	Rm
1	Loans	47 167	852 425	30 190	869 402
2	Debt securities	–	128 352	–	128 352
3	Off-balance sheet exposures	–	260 490	–	260 490
4	Total	47 167	1 241 267	30 190	1 258 244

Various regulatory and accounting terms are used to refer to assets that are not performing as expected at the time of origination. The diagram below depicts these terms.



¹ Carrying values exclude net carrying amount of R46.0 billion relating to loans and advances to customers and banks relating to reverse repos which are included as part of counterparty risk for credit risk reporting purposes.

² Carrying values exclude net carrying amount of R2.5 billion relating to internal as well as structural assets and R1.9 billion relating to securitisation balances.

4. Credit risk

CR2: Changes in stock of defaulted loans and debt securities

	a	a
	30 Jun 19 Defaulted exposures Rm	31 Dec 18 Defaulted exposures Rm
1	47 167	30 890
2	11 733	29 922
3	(3 842)	(8 824)
4	(5 321)	(7 499)
5	(2 797)	2 678
6	46 940	47 167

- › Loans and debt securities that have defaulted since the last reporting period benefit from improvement in the collateral realisation process in retail secured products. This is evident in amounts written off in 2019, which have also been impacted by single name write-offs in wholesale.
- › Other changes reflect the impact of security realised and a reduction of interest in suspense following write-offs in the wholesale portfolio.

CR3: Credit risk mitigation techniques – overview

	a	b	c	d	e
	30 Jun 2019				
	Exposures unsecured: carrying amount Rm	Exposures secured by collateral Rm	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
1	384 231	524 228	524 228	19 863	17 877
2	122 347	–	–	–	–
3	506 578	524 228	524 228	19 863	17 877
4	14 428	32 511	32 511	–	–

	a	b	c	d	e
	31 Dec 2018				
	Exposures unsecured: carrying amount Rm	Exposures secured by collateral Rm	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
1	376 010	505 103	505 103	18 479	16 631
2	128 352	–	–	–	–
3	504 362	505 103	505 103	18 479	16 631
4	14 526	32 641	32 641	–	–

4. Credit risk

CR4: Standardised approach – credit risk exposure and CRM effects

		a	b	c	d	e	f
		30 Jun 2019				RWA and RWA density	
		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 %
1	Corporate	31 595	23 996	31 475	12 096	45 729	105
2	SME Corporate	30 597	16 795	29 237	8 783	38 770	102
3	PSEs	3 485	1 759	3 401	806	2 268	54
4	Local governments and municipalities	–	–	–	–	–	–
5	Sovereign (including central government and central bank)	50 302	1 299	50 303	567	43 960	86
6	Banks	30 188	1 341	30 188	662	6 419	21
7	Securities firms	–	–	–	–	–	–
8	Residential mortgages (including any home equity line of credit)	8 774	–	8 699	–	3 512	40
9	Retail – revolving credit	7 076	11 992	6 467	3 069	7 144	76
10	Retail – other	28 396	88	27 444	390	20 865	75
11	SME Retail	796	13	788	62	664	78
12	Total	191 209	57 283	188 002	26 435	169 331	79

		a	b	c	d	e	f
		31 Dec 2018				RWA and RWA density	
		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 %
1	Corporate	28 934	22 635	28 290	10 090	41 334	108
2	SME Corporate	29 782	24 268	28 194	11 231	42 548	108
3	PSEs	3 971	1 554	3 885	872	2 782	58
4	Local governments and municipalities	–	–	–	–	–	–
5	Sovereign (including central government and central bank)	50 253	682	50 254	136	45 037	89
6	Banks	27 944	776	27 944	390	2 981	11
7	Securities firms	–	–	–	–	–	–
8	Residential mortgages (including any home equity line of credit)	8 196	–	8 027	–	3 293	41
9	Retail – revolving credit	7 870	11 831	7 072	2 983	7 584	75
10	Retail – other	28 517	–	27 044	–	20 620	76
11	SME Retail	1 537	226	1 472	118	1 245	78
12	Total	187 004	61 972	182 182	25 820	167 424	80

The reported increase in the on-balance sheet exposures is largely due to wholesale business activity in ARO, driven primarily by the corporate, SME Corporate and banking sectors. Business growth is in accordance with the ARO growth strategy and is focused on trade finance, oil and gas and the funding of global multinationals expanding into Africa.

4. Credit risk

CR5: Standardised approach – exposures by asset classes and risk weights

	a	b	c	d	e	f	g	h	i	j	k
	30 Jun 2019 Risk weight										Total credit exposures amount (post-CCF and post-CRM)
	0%	>0% – 10%	>10% – 20%	>20% – 35%	>35% – 50%	>50% – 75%	>75% – 100%	>100% – 150%	>150%	Others	
Asset classes											
1 Corporate	–	–	–	–	15	–	39 222	4 334	–	–	43 571
2 SME Corporate	–	–	32	–	665	–	34 626	2 695	–	–	38 018
3 PSEs	–	–	–	–	4 042	–	–	165	–	–	4 207
4 Local governments and municipalities	–	–	–	–	–	–	–	–	–	–	–
5 Sovereign (including central government and central bank)	2 837	–	3 513	–	5 336	–	36 372	2 812	–	–	50 870
6 Banks	17 148	–	6 282	–	4 562	–	2 811	47	–	–	30 850
7 Securities firms	–	–	–	–	–	–	–	–	–	–	–
8 Residential mortgages (including any home equity line of credit)	–	–	–	–	1 837	5 858	1 004	–	–	–	8 699
9 Retail – revolving credit	–	–	–	–	10	9 370	151	6	–	–	9 537
10 Retail – other	–	–	–	–	127	27 627	78	3	–	–	27 835
11 SME Retail	–	–	–	–	3	740	106	1	–	–	850
12 Total	19 985	–	9 827	–	16 597	43 595	114 370	10 063	–	–	214 437

	a	b	c	d	e	f	g	h	i	j	k
	31 Dec 2018 Risk weight										Total credit exposures amount (post-CCF and post-CRM)
	0%	>0% – 10%	>10% – 20%	>20% – 35%	>35% – 50%	>50% – 75%	>75% – 100%	>100% – 150%	>150%	Others	
Asset classes											
1 Corporate	–	–	–	–	7	–	33 743	4 630	–	–	38 380
2 SME Corporate	370	–	32	–	373	–	34 072	4 576	–	–	39 423
3 PSEs	–	–	–	–	4 482	–	–	275	–	–	4 757
4 Local governments and municipalities	–	–	–	–	–	–	–	–	–	–	–
5 Sovereign (including central government and central bank)	48	–	3 223	–	8 436	–	35 698	2 984	–	–	50 389
6 Banks	18 447	–	7 472	–	1 869	–	532	14	–	–	28 334
7 Securities firms	–	–	–	–	–	–	–	–	–	–	–
8 Residential mortgages (including any home equity line of credit)	–	–	–	1 437	120	5 607	864	–	–	–	8 028
9 Retail – revolving credit	–	–	–	–	229	9 679	144	4	–	–	10 056
10 Retail – other	–	–	–	–	248	26 712	84	–	–	–	27 044
11 SME Retail	–	–	–	–	7	1 503	81	–	–	–	1 591
12 Total	18 865	–	10 727	1 437	15 771	43 501	105 218	12 483	–	–	208 002

4. Credit risk

CR6: Internal ratings based (IRB) – Credit risk exposures by portfolio and probability of default (PD) range

PD scale	30 Jun 2019											
	a	b	c	d	e	f	g	h	i	j	k	l
	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 ^{1,2} %	Number of obligors	Average LGD %	Average maturity	RWA Rm	RWA density ³ %	EL Rm	Provisions Rm
Corporate												
0.00 to <0.15	90 105	55 216	20	104 584	0.09	328	35	1.79	19 407	19	33	29
0.15 to <0.25	15 512	10 439	11	19 106	0.23	154	29	1.78	5 038	26	13	16
0.25 to <0.50	38 881	35 156	18	49 644	0.34	415	32	1.99	19 549	39	55	44
0.50 to <0.75	5 100	3 874	29	6 775	0.60	186	32	1.80	3 370	50	13	10
0.75 to <2.50	50 242	30 577	29	59 963	1.41	1 672	36	1.93	47 669	79	307	225
2.50 to <10.00	6 297	2 451	53	7 494	4.86	257	36	1.85	8 868	118	133	92
10.00 to <100.00	2 766	637	79	3 092	24.51	79	34	1.11	5 511	178	270	178
100.00 (Default)	2 028	312	94	2 257	100.00	27	37	1.04	3 405	151	856	856
Sub-total	210 931	138 662	22	252 915	1.81	3 118	34	1.85	112 817	45	1 680	1 450
Specialised lending												
0.00 to <0.15	1 007	1 646	1	1 181	0.14	52	16	2.86	148	13	–	2
0.15 to <0.25	10 900	2 663	6	11 548	0.23	81	26	4.58	4 693	41	7	8
0.25 to <0.50	8 580	3 499	2	8 893	0.38	120	22	3.94	3 681	41	8	18
0.50 to <0.75	1 982	797	–	2 015	0.61	67	17	3.34	635	31	2	2
0.75 to <2.50	12 677	3 235	1	12 879	1.52	817	24	3.42	7 753	60	48	49
2.50 to <10.00	3 354	2 278	9	4 108	6.35	77	30	2.27	4 277	104	79	58
10.00 to <100.00	1 141	464	–	1 145	19.66	27	21	2.45	1 298	113	45	38
100.00 (Default)	1 267	24	1	1 267	100.00	33	50	3.93	523	41	697	697
Sub-total	40 908	14 606	3	43 036	4.70	1 274	25	3.70	23 008	53	886	872
SME Corporate												
0.00 to <0.15	1 401	830	42	1 042	0.14	200	31	2.81	238	23	–	2
0.15 to <0.25	1 460	576	67	1 907	0.23	625	34	2.84	621	33	2	5
0.25 to <0.50	12 887	4 047	65	16 332	0.41	3 004	34	2.71	7 023	43	23	42
0.50 to <0.75	9 027	2 622	62	10 936	0.64	1 901	36	3.08	6 168	56	25	37
0.75 to <2.50	45 590	10 448	67	54 225	1.72	34 743	36	2.92	40 723	75	333	279
2.50 to <10.00	9 949	1 410	75	11 319	5.41	2 872	38	2.74	12 130	107	238	194
10.00 to <100.00	2 150	240	78	2 406	26.32	887	34	3.02	3 954	164	215	193
100.00 (Default)	2 920	50	41	2 952	100.00	668	40	2.78	1 978	67	1 473	1 473
Sub-total	85 384	20 223	65	101 119	5.22	44 900	36	2.88	72 835	72	2 309	2 225
Public sector entities												
0.00 to <0.15	5 694	5 117	11	7 029	0.17	18	25	2.02	1 454	21	3	3
0.15 to <0.25	8 597	3 375	10	8 860	0.20	8	24	2.86	2 367	27	4	3
0.25 to <0.50	6	317	65	242	0.43	17	23	1.03	64	26	–	–
0.50 to <0.75	–	240	100	165	0.67	7	25	0.75	56	34	–	–
0.75 to <2.50	583	346	38	692	2.81	97	32	2.0	585	85	6	4
2.50 to <10.00	73	535	97	354	5.18	9	25	2.71	317	90	5	2
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	–
Sub-total	14 953	9 930	20	17 342	0.40	156	25	2.43	4 843	28	18	12

¹ Total asset class average weighted PD % includes defaulted EADs.

² From December 2018, defaulted accounts are included in the total EAD weighted average PD to standardise reporting.

³ Post model adjustments (PMAs) not included.

4. Credit risk

CR6: Internal ratings based (IRB) – Credit risk exposures by portfolio and probability of default (PD) range (continued)

PD scale	a	b	c	d	e	f	g	h	i	j	k	l
	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 ^{1,2} %	Number of obligors	Average LGD %	Average maturity	RWA Rm	RWA density ³ %	EL Rm	Provisions Rm
30 Jun 2019												
Local government and municipalities												
0.00 to <0.15	3 398	1 265	56	3 797	0.17	42	16	3.20	583	15	1	3
0.15 to <0.25	1 980	1 523	40	2 587	0.25	18	11	3.51	376	15	1	1
0.25 to <0.50	3	1	99	4	0.35	7	45	2.64	2	54	–	–
0.50 to <0.75	–	–	100	–	0.63	4	47	1.0	–	53	–	–
0.75 to <2.50	1 910	786	10	1 991	1.74	147	26	4.09	1 543	77	10	7
2.50 to <10.00	–	–	100	–	3.55	1	45	1.0	–	99	–	–
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	–
Sub-total	7 291	3 575	39	8 379	0.57	219	16	3.51	2 504	30	12	11
Sovereign (including central government and central bank)												
0.00 to <0.15	75 285	1 901	2	76 435	0.01	27	31	3.29	5 779	8	3	1
0.15 to <0.25	2 000	117	58	2 043	0.23	10	30	3.26	784	38	1	3
0.25 to <0.50	102	25	90	122	0.32	12	49	4.43	88	73	–	–
0.50 to <0.75	–	2	100	1	0.61	3	11	1.0	–	15	–	–
0.75 to <2.50	–	20	78	15	1.85	15	29	1.0	10	63	–	–
2.50 to <10.00	311	946	–	348	8.48	6	24	4.08	385	111	7	6
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	–
Sub-total	77 698	3 011	5	78 964	0.06	73	31	3.29	7 046	9	11	10
Banks												
0.00 to <0.15	17 488	9 543	65	17 317	0.07	88	32	1.12	2 185	13	4	6
0.15 to <0.25	1 069	1 470	76	1 753	0.23	12	27	0.99	477	27	1	1
0.25 to <0.50	324	543	101	785	0.31	11	45	0.61	285	36	1	–
0.50 to <0.75	–	–	–	–	0.59	1	60	1.0	–	100	–	–
0.75 to <2.50	1 288	1 095	95	1 938	1.43	46	36	1.08	1 522	79	10	4
2.50 to <10.00	6 408	4 769	95	10 511	5.83	35	39	0.97	8 448	80	239	60
10.00 to <100.00	55	93	100	144	28.02	6	44	0.50	340	236	18	1
100.00 (Default)	3	–	–	3	100.00	1	44	1.0	–	–	3	3
Sub-total	26 635	17 513	78	32 451	2.16	200	35	1.05	13 257	41	276	75
Securities firms												
0.00 to <0.15	604	2 046	67	1 823	0.03	26	17	1.01	62	3	–	–
0.15 to <0.25	1 936	716	14	1 986	0.24	7	28	2.08	570	29	1	1
0.25 to <0.50	1 687	3 334	2	1 763	0.35	8	31	1.0	540	31	2	1
0.50 to <0.75	3	3	1	3	0.60	3	44	4.98	4	109	–	–
0.75 to <2.50	324	140	19	337	1.84	27	42	1.0	319	95	3	2
2.50 to <10.00	5	1	100	5	4.00	4	58	1.03	8	166	–	–
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	–
Sub-total	4 559	6 240	25	5 917	0.30	75	26	1.37	1 503	25	6	4

¹ Total asset class average weighted PD % includes defaulted EADs.

² From December 2018, defaulted accounts are included in the total EAD weighted average PD to standardise reporting.

³ Post model adjustments (PMAs) not included.

4. Credit risk

CR6: Internal ratings based (IRB) – Credit risk exposures by portfolio and probability of default (PD) range (continued)

PD scale	a	b	c	d	e	f	g	h	i	j	k	l
	Original on-balance sheet gross exposure Rm	Off-balance sheet exposures pre-CCF Rm	Average CCF %	EAD post-CRM and Average post-CCF Rm	Average PD ^{1,2} %	Number of obligors	Average LGD %	Average maturity	RWA Rm	RWA density ³ %	EL Rm	Provisions Rm
30 Jun 2019												
Retail mortgages (including any home equity line of credit)												
0.00 to <0.15	1 056	1 445	54	1 898	0.12	3 199	14	–	74	4	–	–
0.15 to <0.25	2 139	3 622	48	3 900	0.22	9 092	11	–	191	5	1	–
0.25 to <0.50	12 978	11 672	54	19 663	0.39	36 901	13	–	1 779	9	10	7
0.50 to <0.75	13 883	16 328	53	23 133	0.65	45 710	14	–	3 121	13	20	2
0.75 to <2.50	116 894	14 562	53	128 656	1.82	236 757	13	–	30 801	24	293	129
2.50 to <10.00	54 970	5 514	84	58 281	4.31	86 214	13	–	24 906	43	342	68
10.00 to <100.00	10 014	76	63	10 325	28.91	20 979	13	–	7 605	74	382	75
100.00 (Default)	20 338	95	–	20 338	100.00	36 392	21	–	232	1	4 880	4 880
Sub-total	232 272	53 314	56	266 194	10.67	475 244	14	–	68 709	26	5 928	5 161
Retail revolving credit												
0.00 to <0.15	585	6 766	52	5 743	0.10	400 921	57	–	214	4	3	4
0.15 to <0.25	646	2 242	51	2 094	0.23	136 101	58	–	153	7	3	2
0.25 to <0.50	2 552	4 675	53	5 629	0.39	300 553	58	–	631	11	13	16
0.50 to <0.75	1 903	2 075	53	3 327	0.64	191 264	57	–	545	16	12	7
0.75 to <2.50	10 426	6 179	57	15 021	1.64	745 996	56	–	4 866	32	138	208
2.50 to <10.00	19 644	16 972	63	27 135	5.25	666 009	57	–	20 302	75	813	1 450
10.00 to <100.00	3 086	403	57	3 644	26.50	232 148	55	–	5 310	146	533	868
100.00 (Default)	6 390	133	–	6 390	100.00	191 044	74	–	3 722	58	4 426	4 426
Sub-total	45 232	39 445	57	68 983	13.16	2 864 036	58	–	35 743	52	5 941	6 981
SME Retail												
0.00 to <0.15	172	1 058	75	1 484	0.04	96 553	78	–	42	3	–	132
0.15 to <0.25	107	405	91	538	0.22	2 792	49	–	119	22	1	1
0.25 to <0.50	921	1 063	81	2 096	0.37	44 715	57	–	394	19	5	58
0.50 to <0.75	739	554	90	1 351	0.63	10 388	56	–	456	34	5	11
0.75 to <2.50	9 294	2 754	80	12 574	1.59	65 119	48	–	5 466	43	102	92
2.50 to <10.00	3 331	492	96	3 961	5.54	18 643	70	–	3 909	99	155	64
10.00 to <100.00	906	106	82	1 040	26.88	5 371	63	–	1 782	171	171	46
100.00 (Default)	1 081	9	43	1 026	100.00	9 144	52	–	466	45	562	562
Sub-total	16 551	6 441	82	24 070	7.24	252 725	56	–	12 634	52	1 001	966
Retail – other												
0.00 to <0.15	1 297	986	73	4 220	0.16	18 848	25	–	356	8	2	1
0.15 to <0.25	140	158	33	254	0.23	4 278	58	–	69	27	–	–
0.25 to <0.50	1 655	152	80	1 881	0.45	17 373	39	–	524	28	3	2
0.50 to <0.75	2 909	96	31	3 006	0.65	27 034	37	–	979	33	7	2
0.75 to <2.50	25 789	1 068	57	26 895	1.96	179 616	38	–	13 407	50	196	155
2.50 to <10.00	42 768	118	29	42 859	5.70	377 230	42	–	29 293	68	1 086	838
10.00 to <100.00	13 033	35	4	13 055	20.60	135 944	45	–	13 427	103	1 233	998
100.00 (Default)	9 460	14	1	9 460	100.00	101 416	49	–	5 114	54	3 898	3 898
Sub-total	97 051	2 627	60	101 630	14.91	861 739	41	–	63 169	62	6 425	5 894
Total (all portfolios)	859 465	315 587	39	1 001 000	6.71	4 503 759	31	2.39	418 068	42	24 493	23 661

¹ Total asset class average weighted PD % includes defaulted EADs.

² From December 2018, defaulted accounts are included in the total EAD weighted average PD to standardise reporting.

³ Post model adjustments (PMAs) not included.

4. Credit risk

CR6: Internal ratings based (IRB) – Credit risk exposures by portfolio and probability of default (PD) range (continued)

	a	b	c	d	e	f	g	h	i	j	k	l
	31 Dec 2018											
	Original on-balance sheet exposure Rm	Off-balance sheet exposures pre-CCF Rm	Average CCF %	EAD and post-CRM post-CCF Rm	Average PD ^{1,2} %	Number of obligors	Average LGD %	Average maturity	RWA Rm	RWA density ³ %	EL Rm	Provisions Rm
PD scale												
Corporate												
0.00 to <0.15	96 151	52 833	16	107 863	0.10	349	35	2.0	20 761	19	38	35
0.15 to <0.25	18 951	14 816	15	25 519	0.22	131	27	1.99	6 170	24	16	20
0.25 to <0.50	32 467	34 608	14	41 335	0.36	380	34	2.28	17 138	41	51	46
0.50 to <0.75	7 224	7 307	21	9 682	0.62	201	36	2.29	5 642	58	22	20
0.75 to <2.50	40 266	28 676	23	51 199	1.47	1 705	38	2.03	42 287	83	282	213
2.50 to <10.00	6 461	1 944	49	7 497	4.77	275	36	2.05	8 744	117	129	96
10.00 to <100.00	1 855	1 936	28	2 396	33.49	68	35	1.81	4 663	195	285	187
100.00 (Default)	2 711	2	58	2 712	100.00	27	29	2.03	2 346	87	2 009	2 009
Sub-total	206 086	142 122	18	248 203	2.01	3 136	35	2.06	107 751	43	2 832	2 626
Specialised lending³												
0.00 to <0.15	2 838	2 012	–	3 057	0.15	46	28	3.58	842	28	1	5
0.15 to <0.25	7 435	1 828	2	7 793	0.23	84	26	5.73	3 199	41	5	8
0.25 to <0.50	11 726	4 659	3	12 360	0.40	135	29	6.60	6 784	55	15	23
0.50 to <0.75	4 030	377	1	4 092	0.65	76	19	3.99	1 524	37	5	11
0.75 to <2.50	11 777	5 561	6	12 660	1.69	827	26	3.76	8 387	66	58	66
2.50 to <10.00	1 935	960	1	2 195	5.66	67	28	3.19	2 174	99	36	30
10.00 to <100.00	1 143	417	–	1 144	19.29	18	22	2.66	1 313	115	45	44
100.00 (Default)	1 141	29	1	1 141	100.00	36	51	4.84	616	54	646	646
Sub-total	42 025	15 843	3	44 442	4.05	1 289	27	4.87	24 839	56	811	833
SME Corporate												
0.00 to <0.15	691	537	30	934	0.12	139	26	2.14	127	14	–	–
0.15 to <0.25	807	306	63	1 033	0.23	272	34	3.66	318	31	1	3
0.25 to <0.50	11 949	4 148	65	15 346	0.41	2 634	34	3.90	6 424	42	22	46
0.50 to <0.75	7 260	2 321	59	8 936	0.63	1 718	36	4.43	4 963	56	20	37
0.75 to <2.50	41 888	10 544	71	50 649	1.75	34 218	35	4.20	37 082	73	303	297
2.50 to <10.00	10 025	2 179	74	11 983	5.22	3 032	40	3.59	13 056	109	251	213
10.00 to <100.00	2 057	235	86	2 326	26.03	789	35	4.41	3 806	164	208	184
100.00 (Default)	3 082	66	40	3 099	100.00	678	38	3.35	2 259	73	1 475	1 475
Sub-total	77 759	20 336	67	94 306	5.66	43 480	35	4.05	68 035	72	2 280	2 255
Public sector entities												
0.00 to <0.15	5 855	3 254	10	6 923	0.15	18	25	2.25	1 401	20	3	3
0.15 to <0.25	9 106	3 508	6	9 307	0.21	7	24	3.05	2 534	27	5	5
0.25 to <0.50	264	387	64	531	0.44	22	24	1.14	151	28	1	–
0.50 to <0.75	–	175	82	145	0.72	4	25	1.07	54	38	–	–
0.75 to <2.50	669	344	90	985	2.69	108	32	1.63	811	82	9	6
2.50 to <10.00	59	567	53	374	4.96	7	25	2.93	329	88	5	2
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	–
Sub-total	15 953	8 235	18	18 265	0.43	166	25	2.60	5 280	29	23	16

¹ Total asset class average weighted PD % includes defaulted EADs.

² From December 2018, defaulted accounts are included in the total EAD weighted average PD to standardise reporting.

³ Post model adjustments (PMAs) not included.

4. Credit risk

CR6: Internal ratings based (IRB) – Credit risk exposures by portfolio and probability of default (PD) range

(continued)

	a	b	c	d	e	f	g	h	i	j	k	l
	31 Dec 2018											
	Original on-balance sheet exposure	Off-balance sheet exposures pre-CCF ¹	Average CCF	EAD and post-CRM post-CCF	Average PD ^{1,2}	Number of obligors	Average LGD	Average maturity	RWA	RWA density ³	EL ³	Provisions
PD scale	Rm	Rm	%	Rm	%		%		Rm	%	Rm	Rm
Local government and municipalities												
0.00 to <0.15	3 135	3 380	10	3 487	0.12	52	19	3.82	538	15	1	5
0.15 to <0.25	1 038	1 593	40	1 718	0.25	19	11	2.92	238	14	–	1
0.25 to <0.50	15	15	79	27	0.43	10	45	1.89	15	53	–	–
0.50 to <0.75	–	–	100	–	0.62	2	45	0.75	–	51	–	–
0.75 to <2.50	448	255	18	499	1.73	123	26	5.59	339	68	3	2
2.50 to <10.00	–	2	88	2	4.94	3	55	1.57	3	143	–	–
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	–
Sub-total	4 636	5 245	19	5 733	0.30	209	18	3.69	1 133	20	4	8
Sovereign (including central government and central bank)												
0.00 to <0.15	81 969	1 754	34	82 971	0.01	29	31	6.33	6 106	7	3	1
0.15 to <0.25	2 490	97	38	2 526	0.23	9	30	3.08	905	36	2	4
0.25 to <0.50	95	24	66	114	0.38	7	54	9.80	99	86	–	1
0.50 to <0.75	–	1	100	1	0.70	1	5	1.0	–	6	–	–
0.75 to <2.50	–	1 758	1	15	1.87	11	36	1.08	12	79	–	–
2.50 to <10.00	332	225	–	374	5.40	2	24	4.28	362	97	5	5
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	–
Sub-total	84 886	3 859	17	86 001	0.04	59	31	6.23	7 484	9	10	11
Banks												
0.00 to <0.15	15 005	8 163	37	13 660	0.05	94	29	1.15	1 298	10	2	3
0.15 to <0.25	2 570	1 571	57	3 465	0.23	16	26	1.31	875	25	2	1
0.25 to <0.50	50	305	94	337	0.29	6	43	0.37	108	32	–	–
0.50 to <0.75	–	20	69	14	0.54	6	44	1.0	8	56	–	–
0.75 to <2.50	465	355	51	683	1.51	42	44	1.66	656	96	5	2
2.50 to <10.00	4 892	5 392	84	9 481	6.38	26	42	1.05	9 479	100	255	57
10.00 to <100.00	15	68	92	78	18.14	5	44	0.38	171	219	6	1
100.00 (Default)	3	–	–	3	100.00	1	44	1.0	–	–	3	3
Sub-total	23 000	15 874	57	27 721	2.34	196	34	1.14	12 595	45	273	67
Securities firms												
0.00 to <0.15	3 540	130	39	3 579	0.04	24	20	1.41	186	5	–	–
0.15 to <0.25	2 253	200	25	2 303	0.25	7	31	2.07	759	33	2	2
0.25 to <0.50	2 276	4 486	2	2 568	0.35	10	22	1.33	585	23	2	1
0.50 to <0.75	–	155	50	77	0.60	2	21	1.0	22	28	–	–
0.75 to <2.50	367	91	66	427	1.63	26	44	1.0	390	91	3	2
2.50 to <10.00	3	1	50	3	4.00	4	44	1.07	4	126	–	–
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	–
Sub-total	8 439	5 063	6	8 957	0.26	73	25	1.54	1 946	22	7	5

¹ Total asset class average weighted PD % includes defaulted EADs.

² From December 2018, defaulted accounts are included in the total EAD weighted average PD to standardise reporting.

³ Post model adjustments (PMAs) not included.

4. Credit risk

CR6: Internal ratings based (IRB) – Credit risk exposures by portfolio and probability of default (PD) range

(continued)

	a	b	c	d	e	f	g	h	i	j	k	l
	31 Dec 2018											
	Original on-balance sheet exposure Rm	Off-balance sheet gross exposures pre-CCF ¹ Rm	Average CCF %	EAD post-CRM and post-CCF Rm	Average PD ^{1,2} %	Number of obligors	Average LGD %	Average maturity	RWA Rm	RWA density ³ %	EL ³ Rm	Provisions Rm
PD scale												
Retail mortgages (including any home equity line of credit)												
0.00 to <0.15	1 107	1 574	56	2 080	0.12	3 481	15	–	88	4	–	–
0.15 to <0.25	2 189	3 472	48	3 891	0.23	8 986	11	–	202	5	1	1
0.25 to <0.50	10 793	10 925	54	17 054	0.38	32 806	14	–	1 546	9	9	7
0.50 to <0.75	14 896	16 333	53	24 152	0.65	48 424	13	–	3 223	13	21	21
0.75 to <2.50	108 702	14 584	53	120 149	1.81	229 628	12	–	28 328	24	269	154
2.50 to <10.00	61 550	4 506	78	65 207	4.27	98 549	13	–	26 973	41	368	166
10.00 to <100.00	8 923	77	63	9 212	29.73	19 588	13	–	6 675	72	343	151
100.00 (Default)	20 027	100	–	20 027	100.00	36 579	21	–	193	1	4 731	4 731
Sub-total	228 187	51 571	55	261 772	10.68	478 041	13	–	67 228	26	5 742	5 231
Retail revolving credit												
0.00 to <0.15	442	5 908	52	5 144	0.10	385 569	56	–	184	4	3	6
0.15 to <0.25	640	2 432	51	2 182	0.22	135 278	58	–	157	7	3	3
0.25 to <0.50	2 496	4 957	52	5 745	0.39	319 704	58	–	641	11	13	21
0.50 to <0.75	1 786	2 064	53	3 179	0.65	175 089	57	–	522	16	12	7
0.75 to <2.50	9 478	5 933	57	13 927	1.63	773 107	56	–	4 480	32	127	231
2.50 to <10.00	17 934	15 681	63	24 832	5.24	646 264	57	–	18 501	75	740	1 387
10.00 to <100.00	2 661	369	57	3 157	27.48	222 514	55	–	4 563	145	477	848
100.00 (Default)	6 074	122	–	6 074	100.00	201 428	74	–	3 951	65	4 219	4 219
Sub-total	41 511	37 466	57	64 240	13.27	2 858 953	58	–	32 999	51	5 594	6 722
SME Retail												
0.00 to <0.15	139	1 092	74	1 498	0.04	97 764	78	–	45	3	–	87
0.15 to <0.25	39	44	100	93	0.20	198	65	–	26	28	–	–
0.25 to <0.50	405	781	83	1 361	0.38	30 856	75	–	287	21	4	38
0.50 to <0.75	226	280	83	569	0.62	3 565	75	–	173	30	3	4
0.75 to <2.50	8 732	3 743	81	12 964	1.77	76 384	47	–	5 712	44	111	72
2.50 to <10.00	4 206	724	94	5 096	5.25	23 539	61	–	4 514	89	169	63
10.00 to <100.00	899	112	87	1 054	26.81	5 335	63	–	1 794	170	174	38
100.00 (Default)	1 082	11	46	1 035	100.00	5 775	48	–	609	59	526	526
Sub-total	15 728	6 787	82	23 670	7.70	243 416	55	–	13 160	56	987	828
Retail – other												
0.00 to <0.15	1 200	1 013	72	4 126	0.17	16 652	25	–	355	9	2	3
0.15 to <0.25	207	169	30	324	0.22	7 317	54	–	80	25	–	–
0.25 to <0.50	1 804	170	82	2 051	0.47	19 755	38	–	574	28	4	2
0.50 to <0.75	2 598	97	31	2 666	0.66	25 281	38	–	905	34	7	2
0.75 to <2.50	25 406	1 081	56	26 547	1.98	180 923	37	–	13 081	49	193	147
2.50 to <10.00	39 984	132	36	40 091	5.62	368 634	42	–	27 034	67	993	703
10.00 to <100.00	12 653	33	4	12 674	20.60	132 031	44	–	12 906	102	1 191	962
100.00 (Default)	8 879	16	16	8 882	100.00	100 836	50	–	5 874	66	3 733	3 733
Sub-total	92 731	2 711	60	97 361	14.69	851 429	41	–	60 809	62	6 123	5 552
Total (all portfolios)	840 941	315 112	35	980 671	6.68	4 480 447	31	3.30	403 259	41	24 686	24 154

¹ Total asset class average weighted PD % includes defaulted EADs.

² From December 2018, defaulted accounts are included in the total EAD weighted average PD to standardise reporting.

³ Post model adjustments (PMAs) not included.

4. Credit risk

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

	a 30 Jun 2019		b 31 Dec 2018	
	Pre-credit derivatives RWA Rm	Actual RWA Rm	Pre-credit derivatives RWA Rm	Actual RWA Rm
1 Corporate	112 977	112 817	107 800	107 751
2 Specialised lending	23 049	23 007	24 905	24 838
3 SME Corporate	72 836	72 836	68 036	68 035
4 PSEs	4 987	4 844	5 420	5 282
5 Local government and municipalities	2 504	2 504	1 132	1 132
6 Sovereign (including central government and central bank)	7 047	7 047	7 484	7 484
7 Banks	13 374	13 257	12 930	12 594
8 Securities firms	1 503	1 503	1 947	1 947
9 Retail mortgages (including any home equity line of credit)	68 709	68 709	67 226	67 226
10 Retail revolving credit	35 743	35 743	33 001	33 001
11 SME Retail	12 633	12 633	13 159	13 159
12 Retail – other	63 170	63 170	60 810	60 810
13 Total	418 532	418 070	403 850	403 259

CR8: RWA flow statements of credit risk exposures under IRB

	a 30 Jun 2019 RWA amounts Rm	a 31 Dec 2018 RWA amounts Rm
1 RWA as at end of previous reporting period	417 941	382 908
2 Asset size	14 981	30 918
3 Asset quality	–	–
4 Model updates	–	6 481
5 Methodology and policy	–	–
6 Acquisitions and disposals	–	–
7 Foreign exchange movements	–	–
8 Other	(3 574)	(2 366)
9 RWA as at end of reporting period	429 348	417 941

The increase in the RWA is attributable to exposure growth across Retail and Business Banking (RBB) and Corporate and Investment Bank (CIB). This was offset through the decrease of the IFRS 9 phasing adjustment.

4. Credit risk

CR10: Internal ratings based (IRB) (specialised lending and equities under the simple risk weight method)

	30 Jun 2019				
	On-balance sheet amount Rm	Off-balance sheet amount Rm	Risk weight %	Exposure amount Rm	RWA Rm
Exchange-traded equity exposures	628		300	628	1 995
Private equity exposures	2 248		400	2 248	9 532
Total	2 876			2 876	11 527
	31 Dec 2018				
	On-balance sheet amount Rm	Off-balance sheet amount Rm	Risk weight %	Exposure amount Rm	RWA Rm
Exchange-traded equity exposures	567		300	567	1 803
Private equity exposures	2 218		400	2 218	9 357
Total	2 785			2 785	11 160

5. Counterparty credit risk

CCR1: Analysis of CCR exposure by approach

		a	b	c	d	e	f
		30 Jun 2019					
		Replacement cost Rm	PFE Rm	EEPE ¹ Rm	Alpha used for computing regulatory EAD Rm	EAD post-CRM Rm	RWA Rm
1	CEM (for derivatives)	22 266	23 788		1.40	36 491	13 354
2	IMM (for derivatives and SFTs)			-	-	-	-
3	Simple approach for CRM (for SFTs)					-	-
4	Comprehensive approach for CRM (for SFTs)					6 267	1 929
5	VaR for SFTs					-	-
6	Total						15 283

		a	b	c	d	e	f
		31 Dec 2018					
		Replacement cost Rm	PFE Rm	EEPE ¹ Rm	Alpha used for computing regulatory EAD Rm	EAD post-CRM Rm	RWA Rm
1	CEM (for derivatives)	21 028	21 196		1.40	32 400	11 143
2	IMM (for derivatives SFTs)			-	-	-	-
3	Simple approach for CRM (for SFTs)					-	-
4	Comprehensive approach for CRM (for SFTs)					5 913	1 803
5	VaR for SFTs					-	-
6	Total						12 946

CCR2: Credit valuation adjustment (CVA) capital charge

		a	b	a	b
		Jun 2019		Dec 2018	
		EAD post-CRM Rm	RWA Rm	EAD post-CRM Rm	RWA Rm
Total portfolios subject to the advanced CVA capital charge					
1	i. VaR component (including the 3×multiplier)		-		-
2	ii. Stressed value at risk (sVaR) component (including the 3×multiplier)		-		-
3	All portfolios subject to the standardised CVA capital charge	36 491	9 896	32 400	7 735
4	Total subject to the CVA capital charge	36 491	9 896	32 400	7 735

¹ EEPE: Effective expected positive exposure.

5. Counterparty credit risk

CCR4: IRB – CCR exposures by portfolio and PD scale

PD scale	a	b	c	d	e	f	g
	EAD post-CRM Rm	Average PD %	Number of obligors	Average LGD %	Average maturity Yrs	RWA Rm	RWA density %
30 Jun 2019							
Corporate/SME Corporate							
0.00 to <0.15	3 513	0.09	70	36	1.71	680	19
0.15 to <0.25	1 107	0.23	40	30	3.42	437	39
0.25 to <0.50	8 989	0.43	105	28	1.83	3 417	38
0.50 to <0.75	363	0.62	29	36	1.45	167	46
0.75 to <2.50	2 178	1.47	426	42	1.28	1 896	87
2.50 to <10.00	93	7.35	54	31	1.95	110	118
10.00 to <100.00	65	16.56	9	67	1.21	212	328
100.00 (Default)	–	–	–	–	–	–	–
Sub-total	16 308	0.59	733	32	1.83	6 919	42
Banks/Securities firms							
0.00 to <0.15	21 508	0.08	49	40	1.25	4 884	23
0.15 to <0.25	315	0.23	11	44	1.07	143	45
0.25 to <0.50	891	0.40	8	34	2.39	448	50
0.50 to <0.75	290	0.60	5	44	0.98	172	59
0.75 to <2.50	1 646	1.90	33	44	0.96	1 575	96
2.50 to <10.00	526	6.91	19	31	0.36	520	99
10.00 to <100.00	4	29.81	2	44	1.00	–	244
100.00 (Default)	–	–	–	–	–	9	–
Sub-total	25 180	0.37	127	40	1.24	7 751	31
Total (all portfolios)	41 488	0.46	860	37	1.47	14 670	35

PD scale	a	b	c	d	e	f	g
	EAD post-CRM Rm	Average PD %	Number of obligors	Average LGD %	Average maturity Yrs	RWA Rm	RWA density %
31 Dec 2018							
Corporate/SME Corporate							
0.00 to <0.15	3 343	0.09	75	37	1.66	677	20
0.15 to <0.25	840	0.22	39	28	2.84	273	33
0.25 to <0.50	6 644	0.46	102	27	1.87	2 456	37
0.50 to <0.75	209	0.60	34	43	1.29	110	53
0.75 to <2.50	2 268	1.49	312	42	2.86	2 002	88
2.50 to <10.00	54	5.72	39	34	1.73	62	115
10.00 to <100.00	49	17.80	9	65	1.56	161	329
100.00 (Default)	–	–	–	–	–	–	–
Sub-total	13 407	0.61	610	32	2.03	5 741	43
Banks/Securities firms							
0.00 to <0.15	20 309	0.07	47	43	1.09	3 729	18
0.15 to <0.25	341	0.23	8	44	1.76	154	45
0.25 to <0.50	1 036	0.37	9	36	2.17	495	48
0.50 to <0.75	125	0.60	7	44	0.99	74	60
0.75 to <2.50	1 386	1.55	29	44	1.04	1 313	95
2.50 to <10.00	776	5.14	18	44	0.31	1 005	130
10.00 to <100.00	–	20.32	2	44	1.00	–	78
100.00 (Default)	–	–	–	–	–	–	–
Sub-total	23 973	0.34	120	43	1.12	6 770	28
Total (all portfolios)	37 380	0.44	730	39	1.45	12 511	33

5. Counterparty credit risk

CCR5: Composition of collateral for CCR exposure

	a		b		c		d		e		f	
	30 Jun 2019											
	Collateral used in derivative transactions				Collateral used in SFTs							
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		RWA fair value of posted collateral					
	Segregated Rm	Unsegregated Rm	Segregated Rm	Unsegregated Rm	Segregated Rm	Unsegregated Rm	Segregated Rm	Unsegregated Rm	Segregated Rm	Unsegregated Rm		
Cash – domestic currency	–	5 684	–	186	82 735	53 342						
Cash – other currencies	–	2 248	–	5 509	7 228	15 199						
Domestic sovereign debt	–	–	–	–	48 471	80 248						
Other sovereign debt	–	–	–	–	820	–						
Government agency debt	–	–	–	–	–	–						
Corporate bonds	–	2 024	–	989	11 947	557						
Equity securities	–	–	–	–	–	–						
Other collateral	–	–	–	–	–	–						
Total	–	9 956	–	6 684	151 201	149 346						

	a		b		c		d		e		f	
	31 Dec 2018											
	Collateral used in derivative transactions				Collateral used in SFTs							
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		RWA fair value of posted collateral					
	Segregated Rm	Unsegregated Rm	Segregated Rm	Unsegregated Rm	Segregated Rm	Unsegregated Rm	Segregated Rm	Unsegregated Rm	Segregated Rm	Unsegregated Rm		
Cash – domestic currency	–	4 974	–	380	56 924	31 598						
Cash – other currencies	–	2 476	–	5 395	7 390	14 158						
Domestic sovereign debt	–	–	–	–	28 653	53 325						
Other sovereign debt	–	–	–	–	1 778	–						
Government agency debt	–	–	–	–	–	–						
Corporate bonds	–	2 374	–	984	9 457	274						
Equity securities	–	–	–	–	–	–						
Other collateral	–	–	–	–	–	–						
Total	–	9 824	–	6 759	104 202	99 355						

The growth in collateral held is due to increased repo/reverse repo balances flowing from increased client flow on the prime services desk.

CCR6: Credit derivatives exposures

	a		b		a		b	
	Jun 2019				31 Dec 2018			
	Protection bought Rm	Protection sold Rm	Protection bought Rm	Protection sold Rm	Protection bought Rm	Protection sold Rm	Protection bought Rm	Protection sold Rm
Notionals								
Single-name credit default swaps	5 834	4 626	4 299	4 908				
Index credit default swaps	–	–	–	–				
Total return swaps	11 656	16 681	20 382	13 729				
Credit options	–	–	–	–				
Other credit derivatives	2 824	–	2 878	–				
Total notionals	20 314	21 307	27 559	18 637				
Fair values								
Positive fair value (asset)	3 695	289	4 712	676				
Negative fair value (liability)	(286)	(724)	(669)	(1 310)				

The total return swaps decrease is due to matured repo trades.

5. Counterparty credit risk

CCR8: Exposures to central counterparties

	a		b		a		b	
	30 Jun 2019		31 Dec 2018		EAD post-CRM Rm		RWA Rm	
1 Exposures to qualifying central counterparty (QCCPs) (total)		1 204						986
2 Exposures for trades at QCCPs (excluding initial margin and default fund contributions), of which								
3 i. Over-the-counter (OTC) derivatives	-	-	-	-	-	-	-	-
4 ii. Exchange-traded derivatives	7 308	1 157	10 091	935				
5 iii. SFTs	-	-	-	-				
6 iv. Netting sets where cross-product netting has been approved	-	-	-	-				
7 Segregated initial margin	-		-					
8 Non-segregated initial margin	1 667	41	1 865	45				
9 Pre-funded default fund contributions	55	6	50	6				
10 Unfunded default fund contributions	-	-	-	-				
11 Exposures to non-QCCPs (total)		-		-				-
12 Exposures for trades at QCCPs (excluding initial margin and default fund contributions), of which								
13 i. Over-the-counter (OTC) derivatives	-	-	-	-				
14 ii. Exchange-traded derivatives	-	-	-	-				
15 iii. SFTs	-	-	-	-				
16 iv. Netting sets where cross-product netting has been approved	-	-	-	-				
17 Segregated initial margin	-		-					
18 Non-segregated initial margin	-	-	-	-				
19 Pre-funded default fund contributions	-	-	-	-				
20 Unfunded default fund contributions	-	-	-	-				

6. Securitisation

SEC1: Securitisation exposures in the banking book

	a	b	c	e	f	g
	30 Jun 2019					
	Bank acts as originator			Bank acts as sponsor		
	Traditional Rm	Synthetic Rm	Sub-total Rm	Traditional Rm	Synthetic Rm	Sub-total Rm
1 Retail (total)	-	-	-	219	-	219
2 Residential mortgage	-	-	-	219	-	219
6 Wholesale (total)	-	-	-	-	-	-

	a	b	c	e	f	g
	31 Dec 2018					
	Bank acts as originator			Bank acts as sponsor		
	Traditional Rm	Synthetic Rm	Sub-total Rm	Traditional Rm	Synthetic Rm	Sub-total Rm
1 Retail (total)	-	-	-	189	-	189
2 Residential mortgage	-	-	-	189	-	189
6 Wholesale (total)	-	-	-	-	-	-

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6. Securitisation

SEC3: Securitisation exposures in the banking book and associated regulatory capital (RC) requirements – bank acting as originator or as sponsor

	30 Jun 2019									
	Exposure values (by risk-weight (RW) bands)					Exposure values (by regulatory approach)				
		>20% to	50% to	>100% to						
	≤20% RW Rm	50% RW Rm	100% RW Rm	<1 250% RW Rm	1 250% RW Rm	IRB RBA ¹ (incl. IAA ²) Rm	IRB SFA ³ Rm	SA ⁴ /SSFA ⁵ Rm	1 250% Rm	
1 Total exposures	219	–	–	–	–	–	219	–	–	–
2 Traditional securitisation	219	–	–	–	–	–	219	–	–	–
3 Of which securitisation	219	–	–	–	–	–	219	–	–	–
4 Of which retail underlying	219	–	–	–	–	–	219	–	–	–
5 Of which wholesale	–	–	–	–	–	–	–	–	–	–
6 Of which re-securitisation	–	–	–	–	–	–	–	–	–	–
7 Of which senior	–	–	–	–	–	–	–	–	–	–
8 Of which non-senior	–	–	–	–	–	–	–	–	–	–
9 Synthetic securitisation	–	–	–	–	–	–	–	–	–	–
10 Of which securitisation	–	–	–	–	–	–	–	–	–	–
11 Of which retail underlying	–	–	–	–	–	–	–	–	–	–
12 Of which wholesale	–	–	–	–	–	–	–	–	–	–
13 Of which re-securitisation	–	–	–	–	–	–	–	–	–	–
14 Of which senior	–	–	–	–	–	–	–	–	–	–
15 Of which non-senior	–	–	–	–	–	–	–	–	–	–

	31 Dec 2018									
	Exposure values (by risk-weight (RW) bands)					Exposure values (by regulatory approach)				
		>20% to	50% to	>100% to						
	≤20% RW Rm	50% RW Rm	100% RW Rm	<1 250% RW Rm	1 250% RW Rm	IRB RBA ¹ (incl. IAA ²) Rm	IRB SFA ³ Rm	SA ⁴ /SSFA ⁵ Rm	1 250% Rm	
1 Total exposures	189	–	–	–	–	–	189	–	–	–
2 Traditional securitisation	189	–	–	–	–	–	189	–	–	–
3 Of which securitisation	189	–	–	–	–	–	189	–	–	–
4 Of which retail underlying	189	–	–	–	–	–	189	–	–	–
5 Of which wholesale	–	–	–	–	–	–	–	–	–	–
6 Of which re-securitisation	–	–	–	–	–	–	–	–	–	–
7 Of which senior	–	–	–	–	–	–	–	–	–	–
8 Of which non-senior	–	–	–	–	–	–	–	–	–	–
9 Synthetic securitisation	–	–	–	–	–	–	–	–	–	–
10 Of which securitisation	–	–	–	–	–	–	–	–	–	–
11 Of which retail underlying	–	–	–	–	–	–	–	–	–	–
12 Of which wholesale	–	–	–	–	–	–	–	–	–	–
13 Of which re-securitisation	–	–	–	–	–	–	–	–	–	–
14 Of which senior	–	–	–	–	–	–	–	–	–	–
15 Of which non-senior	–	–	–	–	–	–	–	–	–	–

¹ RBA: ratings-based approach.

² IAA: internal assessment approach.

³ SFA: supervisory formula approach.

⁴ SA: standardised approach.

⁵ SSFA: simplified supervisory formula approach.

30 Jun 2019								
RWA (by regulatory approach)				Capital charge after cap				
IRB RBA (incl. IAA) Rm	IRB SFA Rm	SA/SSFA Rm	1 250% Rm	IRB RBA (incl. IAA) Rm	IRB SFA Rm	SA/SSFA Rm	1 250% Rm	
-	28	-	-	-	2	-	-	
-	28	-	-	-	2	-	-	
-	28	-	-	-	2	-	-	
-	28	-	-	-	2	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	

Dec 2018								
RWA (by regulatory approach)				Capital charge after cap				
IRB RBA (incl. IAA) Rm	IRB SFA Rm	SA/SSFA Rm	1 250% Rm	IRB RBA (incl. IAA) Rm	IRB SFA Rm	SA/SSFA Rm	1 250% Rm	
-	24	-	-	-	2	-	-	
-	24	-	-	-	2	-	-	
-	24	-	-	-	2	-	-	
-	24	-	-	-	2	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	

7. Market risk

MR1: Market risk under standardised approach

	a 30 Jun 2019 RWA Rm	a 31 Dec 2018 RWA Rm
Outright products		
1 Interest rate risk (general and specific) ¹	15 428	14 390
2 Equity risk (general and specific)	629	881
3 Foreign exchange risk	834	548
4 Commodity risk	–	–
Options		
5 Simplified approach	–	–
6 Delta-plus method	–	–
7 Scenario approach	–	–
8 Securitisation	–	–
9 Total	16 891	15 819

Traded market risk standardised RWA increased by R1 072m (7%). The increase was primarily driven by specific risk arising from local currency sovereign bond inventory held by ARO, in support of the Group's growth strategy in these countries.

MR2: RWA flow statements of market risk exposures under an IMA

	a	b	c	d	e	f	
	30 Jun 2019						
	VaR Rm	sVaR Rm	IRC ² Rm	CRM Rm	Other Rm	Total RWA Rm	Total capital requirement ³ Rm
1 RWA at previous quarter end (31 March 2019)	6 811	13 555	–	–	–	20 366	2 189
2 Movements in risk levels	2 389	2 238	–	–	–	4 628	497
3 Model updates/changes							
4 Methodology and policy							
5 Acquisitions and disposals							
6 Other							
7 RWA at end of reporting period (30 June 2019)	9 200	15 794	–	–	–	24 994	2 687
	a	b	c	d	e	f	
	31 Dec 2018						
	VaR Rm	sVaR Rm	IRC ² Rm	CRM Rm	Other Rm	Total RWA Rm	Total capital requirement ³ Rm
1 RWA at previous quarter end (30 September 2018)	8 016	13 762	–	–	–	21 778	2 341
2 Movements in risk levels	(912)	325				(587)	(63)
3 Model updates/changes							
4 Methodology and policy							
5 Acquisitions and disposals							
6 Other							
7 RWA at end of reporting period (31 December 2018)	7 104	14 087	–	–	–	21 191	2 278

› VaR and sVaR: The increase in VaR and sVaR was primarily driven by the current positioning of the trading book leading to increased risk consumption when measured against historic stressed market movements. A lack of liquidity across some markets created a challenging environment for the business to exit risk arising from client facilitation.

¹ General and specific risk are calculated separately as stand-alone charges without diversification.

² IRC: incremental risk charge.

³ Calculated at 10.75% of RWA.

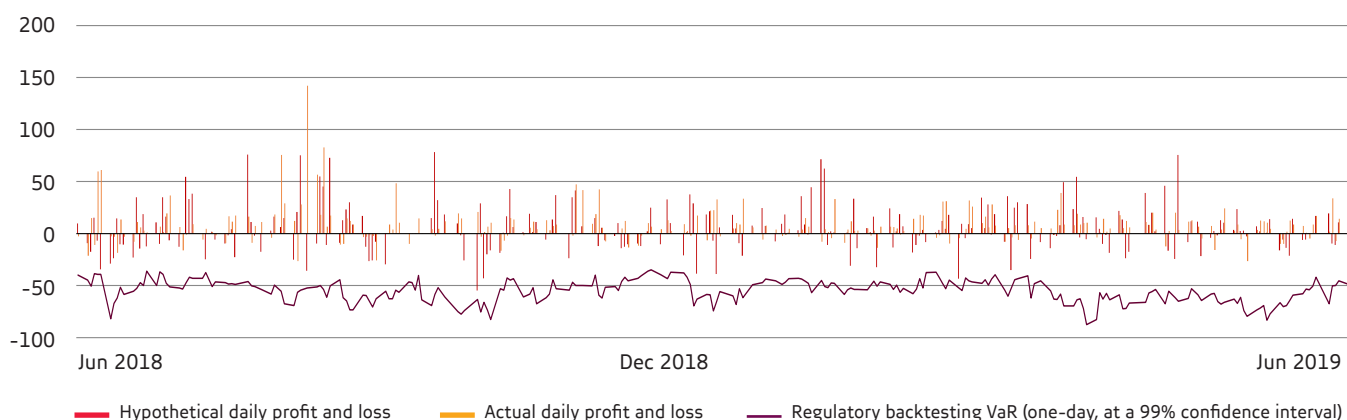
7. Market risk

MR3: IMA values for trading portfolios

	a 30 Jun 2019 Rm	a 31 Dec 2018 Rm
VaR (10-day 99%)¹		
1 Maximum value	268	282
2 Average value	173	151
3 Minimum value	116	83
4 Period end	144	136
Stressed VaR (10-day 99%)¹		
5 Maximum value	540	606
6 Average value	316	274
7 Minimum value	188	153
8 Period end	344	203
Incremental risk charge (99.9%)		
9 Maximum value	-	-
10 Average value	-	-
11 Minimum value	-	-
12 Period end	-	-
Comprehensive risk capital charge (99.9%)		
13 Maximum value	-	-
14 Average value	-	-
15 Minimum value	-	-
16 Period end	-	-
17 Floor (standardised measurement method)	-	-

Traded market risk exposure, as measured by average 10 day 99% daily value at risk (DVaR) and average 10 day 99% sVaR, increased by 15%. The Group uses the square root of time rule to scale VaR for the purpose of calculating the market risk regulatory capital requirement.

MR4: Comparison of value at risk (VaR) estimates with gains/losses



No material outliers occurred during the period. Actual profit and loss (PnL) includes fair value adjustments and reserves, which relate to instruments held at fair value according to IFRS 13, but excludes new deals, intraday trading PnL, commissions and fees. Hypothetical PnL is calculated by the risk system holding positions static and revaluing them using the change in market rates, prices and volatilities across two days.

¹ 1 day VaR scaled to 10 days by multiplying the 1 day VaR by square root of 10, same approach for sVaR.

8. Composition of capital

CC1: Composition of regulatory capital (Group)

	a	b	a
	30 Jun 19		31 Dec 18
	Amounts		Amounts
	Rm ¹	Ref. ²	Rm ¹
CET 1 capital: instruments and reserves			
1	12 486	(e)	11 860
2	83 056	(f)	79 476
3	5 923	(g)	5 629
4	–		–
5	2 499	(a)	2 435
6	103 964		99 400
CET 1 capital: regulatory adjustments			
7	331		201
	(1 712)		(2 576)
8	768	(b)	770
9	7 896	(c)	7 108
10	38		54
11	1 374		402
12	–		–
13	–		–
14	(188)		(167)
15	424		779
16	–		–
17	–		–
18	–		–
19	–		–
20	–		–
21	–		–
22	–		–
23	–		–
24	–		–
25	–		–
26	–		–
27	–		–
28	8 930		6 571
29	95 034		92 829
Additional Tier 1 capital: instruments			
30	4 419	(h)	2 741
31	4 419		2 741
32	–		–
33	–		–
34	2 648		2 977
35	1 393	(h)	1 858
36	7 067		5 718

¹ Numbers reported on a regulatory basis and include the contribution amounts received from Barclays as part of the separation.

² References refer to the reconciliation of accounting capital to regulatory capital.

8. Composition of capital

CC1: Composition of regulatory capital (Group) (continued)

	a	b	a
	30 Jun 19 Amounts Rm ¹	Ref. ²	31 Dec 18 Amounts Rm ¹
Additional Tier 1 capital: regulatory adjustments			
37 Investments in own Additional Tier 1 instruments	–		–
38 Reciprocal cross-holdings in Additional Tier 1 instruments	–		–
39 Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	–		–
40 Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	–		–
41 National specific regulatory adjustments	–		–
42 Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	–		–
43 Total regulatory adjustments to Additional Tier 1 capital	–		–
44 Additional Tier 1 capital (AT1)	7 067		5 718
45 Tier 1 capital (T1 = CET 1 + AT1)	102 101		98 547
Tier 2 capital instruments and provisions			
46 Directly issued qualifying Tier 2 instruments plus related stock surplus	18 955	(d)	17 472
47 Directly issued capital instruments subject to phase out from Tier 2	–		–
48 Tier 2 instruments (and CET 1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	1 488	(i)	1 671
49 of which: instruments issued by subsidiaries subject to phase out	1 500		1 500
50 Provisions	2 124		2 145
51 Tier 2 capital before regulatory adjustments	22 568		21 288
Tier 2 capital: regulatory adjustments			
52 Investments in own Tier 2 instruments	–		–
53 Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities	–		–
54 Investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	–		–
54a Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions (for GSIBs only)	–		–
55 Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	–		–
56 National specific regulatory adjustments	–		–
57 Total regulatory adjustments to Tier 2 capital	–		–
58 Tier 2 capital (T2)	22 588		21 288
59 Total capital (TC = T1 + T2)	124 669		119 835
60 Total RWA	844 332		818 592
Capital ratios and buffers			
61 CET 1 (as a percentage of RWA)	11.3		11.3
62 Tier 1 (as a percentage of RWA)	12.1		12.0
63 Total capital (as a percentage of RWA)	14.8		14.6
64 Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of RWA)	7.5		7.4
65 of which: capital conservation buffer requirement	2.5		1.9
66 of which: bank-specific countercyclical buffer requirement	–		–
67 of which: higher loss absorbency requirement	–		–
68 CET 1 available to meet buffers (as a percentage of RWA) available after meeting the bank's minimum capital requirements	3.8		3.9

¹ Numbers reported on a regulatory basis and include the contribution amounts received from Barclays PLC as part of the separation.

² References refer to the reconciliation of accounting capital to regulatory capital.

8. Composition of capital

CC1: Composition of regulatory capital (Group) (continued)

	a	b	a
	30 Jun 19 Amounts Rm ¹	Ref. ²	31 Dec 18 Amounts Rm ¹
National minima (if different from Basel III)			
69 National CET 1 minimum ratio (if different from Basel III minimum)	7.5		7.4
70 National Tier 1 minimum ratio (if different from Basel III minimum)	9.25		8.9
71 National total capital minimum ratio (if different from Basel III minimum)	11.5		11.1
Amounts below the thresholds for deduction (before risk weighting)			
72 Non-significant investments in the capital and other TLAC liabilities of other financial entities	–		–
73 Significant investments in the common stock of financials	4 171		4 312
74 Mortgage servicing rights (net of related tax liability)	–		–
75 Deferred tax assets arising from temporary differences (net of related tax liability)	2 150		2 281
Applicable caps on the inclusion of provisions in Tier 2			
76 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	3 010		2 145
77 Cap on inclusion of provisions in Tier 2 under standardised approach	2 124		2 145
78 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (IRBA) (prior to application of cap)	–		–
79 Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	2 509		2 545
Capital instruments subject to phase-out arrangements (only applicable between 1 January 2018 and 1 January 2022)			
80 Current cap on CET 1 instruments subject to phase-out arrangements	–		–
81 Amount excluded from CET 1 due to cap (excess over cap after redemptions and maturities)	–		–
82 Current cap on AT1 instruments subject to phase out arrangements	1 393		1 858
83 Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	–		–
84 Current cap on T2 instruments subject to phase out arrangements	4 833		6 444
85 Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	–		–

The main changes in the composition of capital of the Group over the reporting period, were as follows:

- › CET 1 capital increased due to profit appropriations and increases in other reserves, which was offset by the impact of phasing in the capital impact of IFRS 9 and an increase in intangible assets (Line 9).
- › Additional Tier 1 capital increased due to an issuance of R1.7bn new-style Basel III Additional Tier 1 capital instruments in May 2019 (Line 36).
- › Tier 2 capital increased due to an issuance of R1.6bn of Basel III compliant Tier 2 capital in April 2019 (Line 51).

¹ Numbers reported on a regulatory basis and include the contribution amounts received from Barclays PLC as part of the separation.

² References refer to the reconciliation of accounting capital to regulatory capital.

8. Composition of capital

CC1: Composition of regulatory capital (Bank)

	a	b	a
	30 Jun 19 Amounts Rm ¹	Ref. ²	31 Dec 18 Amounts Rm ¹
CET 1 capital: instruments and reserves			
1 Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	37 184	(e)	37 184
2 Retained earnings	32 040	(f)	30 076
3 Accumulated other comprehensive income (and other reserves)	5 031	(g)	3 917
4 Directly issued capital subject to phase out from CET 1 (only applicable to non-joint stock companies)	–		–
5 Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET 1)	–		–
6 CET 1 capital before regulatory adjustments	74 254		71 177
CET 1 capital: regulatory adjustments			
7 Prudential valuation adjustments	245		201
Other regulatory adjustments (IFRS 9 phase-in adjustment)	(1 048)		(1 572)
8 Goodwill (net of related tax liability)	112	(b)	112
9 Other intangibles other than mortgage-servicing rights (net of related tax liability)	7 493	(c)	6 611
10 Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	–		–
11 Cash flow hedge reserve	1 376		403
12 Shortfall of provisions to expected losses	595		297
13 Securitisation gain on sale (as set out in paragraph 36 of Basel III securitisation framework)	–		–
14 Gains and losses due to changes in own credit risk on fair valued liabilities	(188)		(167)
15 Defined-benefit pension fund net assets	466		465
16 Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	–		–
17 Reciprocal cross-holdings in common equity	–		–
18 Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	–		–
19 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)	–		–
20 Mortgage servicing rights (amount above 10% threshold)	–		–
21 Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	–		–
22 Amount exceeding the 15% threshold	–		–
23 of which: significant investments in the common stock of financials	–		–
24 of which: mortgage servicing rights	–		–
25 of which: deferred tax assets arising from temporary differences	–		–
26 National specific regulatory adjustments	–		–
27 Regulatory adjustments applied to CET 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	–		–
28 Total regulatory adjustment to CET 1	9 051		6 350
29 CET 1 capital (CET 1)	65 204		64 827

The changes in the composition of capital of the Bank over the reporting period were driven by the same factors as outlined above for Absa Group. The Additional Tier 1 and Tier 2 capital issuances conducted at a Group level were down-streamed to Bank.

¹ Numbers reported on a regulatory basis and include the contribution amounts received from Barclays PLC as part of the separation.

² References refer to the reconciliation of accounting capital to regulatory capital.

8. Composition of capital

CC1: Composition of regulatory capital (Bank) (continued)

	a	b	a
	30 Jun 19 Amounts Rm ¹	Ref. ²	31 Dec 18 Amounts Rm ¹
Additional Tier 1 capital: instruments			
30	5 812	(h)	4 599
31	5 812		4 599
32	–		–
33	4 644		4 644
34	–		–
35	–		–
36	5 812		4 599
Additional Tier 1 capital: regulatory adjustments			
37	–		–
38	–		–
39	–		–
40	–		–
41	–		–
42	–		–
43	–		–
44	5 812		4 599
45	71 016		69 426
Tier 2 capital instruments and provisions			
46	20 455	(d)	17 472
47	1 500		1 500
48	–		–
49	–		–
50	62		312
51	20 517		19 284
Tier 2 capital: regulatory adjustments			
52	–		–
53	–		–
54	–		–
54a	–		–
55	–		–
56	–		–
57	–		–
58	20 517		19 284
59	91 533		88 710
60	589 127		569 503

¹ Numbers reported are on a regulatory basis and include the contribution amounts received from Barclays PLC as part of the separation.

² References refer to the reconciliation of accounting capital to regulatory capital.

8. Composition of capital

CC1: Composition of regulatory capital (Bank) (continued)

	a	b	a
	30 Jun 19 Amounts Rm ¹	Ref. ²	31 Dec 18 Amounts Rm ¹
Capital ratios and buffers			
61 CET 1 (as a percentage of RWA)	11.1		11.4
62 Tier 1 (as a percentage of RWA)	12.1		12.2
63 Total capital (as a percentage of RWA)	15.5		15.6
64 Institution specific buffer requirement (minimum CET 1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement expressed as a percentage of RWA)	7.5		7.4
65 of which: capital conservation buffer requirement	2.5		1.9
66 of which: bank specific countercyclical buffer requirement	–		–
67 of which: higher loss absorbency requirement	–		–
68 CET 1 available to meet buffers (as a percentage of RWA) available after meeting the bank's minimum capital requirements	3.6		4.0
National minima (if different from Basel III)			
69 National CET 1 minimum ratio (if different from Basel III minimum)	7.5		7.4
70 National Tier 1 minimum ratio (if different from Basel III minimum)	9.25		8.9
71 National total capital minimum ratio (if different from Basel III minimum)	11.5		11.1
Amounts below the thresholds for deduction (before risk weighting)			
72 Non-significant investments in the capital and other TLAC liabilities of other financial entities	–		–
73 Significant investments in the common stock of financial entities	484		391
74 Mortgage servicing rights (net of related tax liability)	–		–
75 Deferred tax assets arising from temporary differences (net of related tax liability)	775		1 324
Applicable caps on the inclusion of provisions in Tier 2			
76 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	323		312
77 Cap on inclusion of provisions in Tier 2 under standardised approach	62		312
78 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (IRBA) (prior to application of cap)	–		–
79 Cap for inclusion of provisions in Tier 2 under internal ratings based approach	2 430		2 470
Capital instruments subject to phase-out arrangements (only applicable between 1 January 2018 and 1 January 2022)			
80 Current cap on CET 1 instruments subject to phase-out arrangements	–		–
81 Amount excluded from CET 1 due to cap (excess over cap after redemptions and maturities)	–		–
82 Current cap on AT1 instruments subject to phase-out arrangements	1 393		1 858
83 Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	–		–
84 Current cap on T2 instruments subject to phase-out arrangements	4 833		6 444
85 Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	–		–

The changes in the composition of capital of Bank over the reporting period were driven by the same factors as outlined above for Group. The Additional Tier 1 and Tier 2 capital issuances conducted at an Absa Group level were down-streamed to Bank.

¹ Numbers reported are on a regulatory basis and include the contribution amounts received from Barclays PLC as part of the separation.

² References refer to the reconciliation of accounting capital to regulatory capital.

8. Composition of capital

CC2: Reconciliation of regulatory capital to balance sheet (Group)

	30 Jun 2019			31 Dec 2018	
	a Accounting balance sheet per published financial statements ^{1,2} Rm	b Balance sheet per regulatory scope of consolidation ^{1,2} Rm	c Ref. ³	a Accounting balance sheet per published financial statements ^{1,2} Rm	b Balance sheet per regulatory scope of consolidation ^{1,2} Rm
Assets					
Cash, cash balances and balances with central banks	52 489	48 416		46 929	42 850
Investment securities	129 487	126 221		135 420	131 998
Loans and advances to banks	66 947	64 935		53 140	50 830
Trading portfolio assets	134 595	134 591		128 569	128 562
Hedging portfolio assets	3 361	3 361		2 411	2 411
Other assets	52 781	51 696		30 642	29 810
Current tax assets	1 137	1 040		819	699
Non-current assets held for sale	148	14		239	239
Loans and advances to customers	882 365	882 365		841 720	841 720
Reinsurance assets	1 085	146		618	–
Investment linked to investment contracts	19 516	–		18 481	–
Investments in associates and joint ventures	1 520	1 520		1 310	3 924
Goodwill and intangible assets	9 395	8 664		8 672	7 878
of which goodwill	852	768	(b)	856	770
of which other intangibles	8 543	8 364	(c)	7 816	7 630
net of deferred tax	–	(468)	(c)	–	(522)
Investment properties	503	251		508	251
Property and equipment	18 407	18 330		15 835	15 758
Deferred tax assets	2 969	2 798		3 431	3 261
Total assets	1 376 705			1 288 744	

¹ Relates to Absa Group Limited balance sheet, including insurance entities.

² Includes the contribution amounts received from Barclays PLC as part of the separation.

³ References to composition of capital disclosure table.

8. Composition of capital

CC2: Reconciliation of regulatory capital to balance sheet (Group) (continued)

	a		b	c	a		b
	30 Jun 2019		31 Dec 2018		Accounting balance sheet per published financial statements ^{1,2}		Balance sheet per regulatory scope of consolidation ^{1,2}
	Accounting balance sheet per published financial statements ^{1,2}	Balance sheet per regulatory scope of consolidation ^{1,2}	Ref. ³		Accounting balance sheet per published financial statements ^{1,2}	Balance sheet per regulatory scope of consolidation ^{1,2}	
	Rm	Rm			Rm	Rm	
Liabilities							
Deposits from banks	116 687	116 687			121 421	121 421	
Trading portfolio liabilities	50 036	50 036			51 632	51 632	
Hedging portfolio liabilities	1 294	1 294			1 343	1 343	
Other liabilities	59 996	58 909			36 662	35 259	
Provisions	2 762	2 693			4 017	3 933	
Current tax liabilities	69	66			236	197	
Non-current liabilities held for sale	121	–			124	124	
Deposits due to customers	797 708	797 708			736 305	736 305	
Debt securities in issue	164 321	164 321			160 971	160 971	
Liabilities under investment contracts	30 235	8 682			29 674	8 974	
Policyholder liabilities under insurance contracts	4 806	–			4 168	–	
Borrowed funds	21 942	21 942			20 225	18 661	
of which directly issued qualifying Tier 2 instruments	–	18 955	(d)		–	17 472	
of which relates to subsidiaries	–	1 488	(i)		–	1 189	
of which relates to accrued interest and fair value adjustments	–	1 499			–	–	
Deferred tax liabilities	419	290			360	234	
Total liabilities	1 250 396				1 167 138		
Equity							
Capital and reserves							
Attributable to ordinary equity holders:							
Paid-in share capital	12 486	12 486			11 860	11 860	
of which amount eligible for CET 1	–	12 486	(e)		–	11 860	
Retained earnings including unappropriated profits	93 286	93 274			91 237	91 237	
of which amount eligible for CET 1	–	83 056	(f)		–	79 476	
of which unappropriated profits	–	10 218			–	11 761	
Accumulated other comprehensive income	6 725	6 725			6 387	6 449	
of which amount eligible for CET 1	–	5 923	(g)		–	5 629	
of which amount eligible for T2	–	802			–	824	
Non-controlling interest – ordinary shares	4 749	4 611			4 737	4 036	
of which relate to eligible CET 1	–	2 499	(a)		–	2 435	
of which relates to eligible AT1	–	1 487			–	1 119	
of which amount eligible for T2	–	625			–	482	
Non-controlling interest – preference shares	4 644	1 393			4 644	3 060	
of which AT1 instruments subject to phase out	–	1 393	(g)		–	3 060	
of which directly issued qualifying AT1 instruments	–	–			–	–	
Non-controlling interest – additional Tier 1 capital	4 419	4 419			2 741	2 741	
of which directly issued qualifying AT1 instruments	–	4 419	(h)		–	2 741	
Total equity	126 309				121 606		
Total liabilities and equity	1 376 705				1 288 744		

¹ Relates to Absa Group Limited balance sheet, including insurance entities.

² Includes the contribution amounts received from Barclays PLC as part of the separation.

³ References to composition of capital disclosure table.

8. Composition of capital

CC2: Reconciliation of regulatory capital to balance sheet (Bank)

	30 Jun 2019			31 Dec 2018	
	a Accounting balance sheet per published financial statements ¹ Rm	b Balance sheet per regulatory scope of consolidation ¹ Rm	c Ref. ²	a Accounting balance sheet per published financial statements ¹ Rm	b Balance sheet per regulatory scope of consolidation ¹ Rm
Assets					
Cash, cash balances and balances with central banks	29 432	29 432		22 679	22 679
Investment securities	87 022	87 022		93 576	93 576
Loans and advances to banks	51 443	51 443		40 533	40 533
Trading portfolio assets	100 310	100 310		101 271	101 271
Hedging portfolio assets	3 357	3 357		2 407	2 407
Other assets	44 322	44 322		22 294	22 294
Current tax assets	852	852		366	366
Non-current assets held for sale	–	–		50	50
Loans and advances to customers	769 884	769 884		735 200	735 200
Loans to Absa Group companies	41 960	41 960		37 363	37 363
Investment linked to investment contracts	–	–		–	–
Investments in associates and joint ventures	1 520	1 520		1 310	1 310
Goodwill and intangible assets	7 989	7 605		7 246	6 723
of which goodwill	112	112	(b)	112	112
of which other intangibles	7 877	7 877	(c)	7 134	7 134
net of deferred tax	–	(384)	(c)	–	(523)
Investment properties	–	–		180	180
Property and equipment	15 701	15 701		13 609	13 609
Deferred tax assets	1 038	1 038		1 595	1 595
Total assets	1 154 830			1 079 679	

¹ Includes the contribution amounts received from Barclays as part of the separation.

² References to composition of capital disclosure table.

8. Composition of capital

CC2: Reconciliation of regulatory capital to balance sheet (Bank) (continued)

	30 Jun 2019			31 Dec 2018	
	a Accounting balance sheet per published financial statements ¹ Rm	b Balance sheet per regulatory scope of consolidation ¹ Rm	c Ref. ²	a Accounting balance sheet per published financial statements ¹ Rm	b Balance sheet per regulatory scope of consolidation ¹ Rm
Liabilities					
Deposits from banks	121 762	121 762		127 959	127 959
Trading portfolio liabilities	45 969	45 969		46 280	46 280
Hedging portfolio liabilities	1 294	1 294		1 343	1 343
Other liabilities	50 465	50 465		31 907	31 907
Provisions	1 653	1 653		2 682	2 682
Current tax liabilities	57	57		66	66
Non-current liabilities held for sale	–	–		–	–
Deposits due to customers	659 347	659 347		605 647	605 647
Debt securities in issue	162 547	162 547		160 042	160 042
Borrowed funds	21 804	20 455	(d)	20 052	18 972
Deferred tax liabilities	14	14		15	15
Total liabilities	1 086 840			995 993	
Equity					
Capital and reserves					
Attributable to ordinary equity holders:					
Paid-in share capital	37 184	37 184		37 184	37 184
of which amount eligible for CET 1	–	37 184	(e)	–	37 184
Retained earnings including unappropriated profits	38 637	38 637		35 209	35 209
of which amount eligible for CET 1	–	32 040	(f)	–	30 076
of which unappropriated profits	–	6 597		–	5 133
Accumulated other comprehensive income	5 031	5 031		3 918	3 917
of which amount eligible for CET 1	–	5 031	(g)	–	3 917
of which amount eligible for T2	–	–		–	–
Non-controlling interest – ordinary shares	1	–		(10)	–
Non-controlling Interest – preference shares	9 063	5 812	(h)	7 385	4 599
of which AT1 instruments subject to phase out	–	1 393		–	1 858
of which directly issued qualifying AT1 instruments	–	4 419		–	2 741
Total equity	89 916			83 686	
Total liabilities and equity	1 154 828			1 079 679	

For the reporting period ended 30 June 2019, there have been no additional significant changes to the expanded balance sheet items for both Group and Bank further to the published 2019 interim results.

¹ Includes the contribution amounts received from Barclays as part of the separation.

² References to composition of capital disclosure table.

8. Composition of capital

CCA: Main features of regulatory capital instruments and of other TLAC-eligible instruments (Group)

	1	2	3	4	5	6	7	8	9	10	11	12
1 Issuer	Absa Group	Absa Group	Absa Group	Absa Group	Absa Group	Absa Group	Absa Group	Absa Group	Absa Group	Absa Group	Absa Group	Absa Group
2 Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	ZAE000255915	ZAE000079810	ZAG000146531	ZAG000154527	ZAG0000159476	ZAG000073669	ZAG000121476	ZAG000121484	ZAG000123100	ZAG000123118	ZAG000129354	ZAG000129362
3 Governing law(s) of the instrument	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa
3a Means by which enforceability requirement of Section 13 of the TLAC term sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	-	-	-	-	-	-	-	-	-	-	-	-
Regulatory treatment												
4 Transitional Basel III rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
5 Post-transitional Basel III rules	Common Equity Tier 1	Ineligible	Additional Tier 1	Additional Tier 1	Additional Tier 1	Ineligible	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
6 Eligible at solo/group/Group and solo	Group	Solo and Group	Group	Group	Group	Solo and Group	Group	Group	Group	Group	Group	Group
7 Instrument type (types to be specified by each jurisdiction)	Ordinary share capital and premium	Preference share capital and premium	Additional Tier 1 Callable Notes	Additional Tier 1 Callable Notes	Additional Tier 1 Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes
8 Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	R11 860	R1 858	R1 500	R1 241	R1 678	R1 500	R370	R130	R1 693	R807	R508	R437
9 Par value of instrument	R1 694	R2	R1 500	R1 241	R1 678	R845	R370	R130	R1 693	R807	R508	R437
10 Accounting classification	Shareholders' equity	Shareholders' equity	Shareholders' equity	Shareholders' equity	Shareholders' equity	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost
11 Original date of issuance	1986	2006 and 2007	11 Sep 2017	09 Oct 2018	28 May 2019	10 Dec 2009	18 Nov 2014	18 Nov 2014	04 Feb 2015	04 Feb 2015	03 Sep 2015	03 Sep 2015
12 Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Dated	Dated	Dated	Dated	Dated	Dated	Dated
13 Original maturity date	NA	NA	NA	NA	NA	07 Dec 2028	21 Nov 2023	19 Nov 2024	19 Nov 2024	05 Feb 2025	05 Feb 2025	04 Sep 2025
14 Issuer call subject to prior supervisory approval	NA	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
15 Optional call date, contingent call dates and redemption amount	NA	NA	12 Sep 2022, R1 500	10 Oct 2023, R1 241	28 Nov 2024, R1 678	07 Dec 2023, R845	19 Nov 2019, R370	19 Nov 2019, R130	05 Feb 2020, R1 693	05 Feb 2020, R807	04 Sep 2020, R508	04 Sep 2020, R437
16 Subsequent call dates, if applicable	NA	NA	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	NA	Semi-annually after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Semi-annually after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Semi-annually after the first optional call date until maturity	Semi-annually after the first optional call date until maturity
Coupons/dividends												
17 Fixed or floating dividend/coupon	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Fixed	Floating	Fixed	Fixed	Floating
18 Coupon rate and any related index	NA	70% of the prime overdraft lending rate	3M JIBAR +565bps	3M JIBAR +475bps	3M JIBAR +450bps	5.5 % indexed to ZAR revised CPI	3M JIBAR +330bps	10.835%	3M JIBAR +350bps	10.05%	11.365%	3M JIBAR +350bps
19 Existence of a dividend stopper	No	Yes	Yes	Yes	Yes	No	No	No	No	No	No	No
20 Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21 Existence of step up or other incentive to redeem	NA	No	No	No	No	Yes	No	No	No	No	No	No
22 Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23 Convertible or non-convertible	NA	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24 If convertible, conversion trigger(s)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
25 If convertible, fully or partially	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
26 If convertible, conversion rate	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
27 If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
28 If convertible, specify instrument type convertible into	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
29 If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
30 Write-down feature	No	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes
31 If write-down, write-down trigger(s)	NA	NA	At SARB's discretion	At SARB's discretion	At SARB's discretion	NA	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion
32 If write-down, full or partial	NA	NA	Full or partial	Full or partial	Full or partial	NA	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial
33 If write-down, permanent or temporary	NA	NA	Permanent	Permanent	Permanent	NA	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent
34 If temporary write-down, description of write-up mechanism	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
34a Type of subordination	-	-	-	-	-	-	-	-	-	-	-	-
35 Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	Columns 5 to 26, then Columns 3 and 4	Columns 5 to 26	Columns 5 to 26	Columns 5 to 26	Columns 6 to 28	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes
36 Non-compliant transitioned features	NA	Yes	NA	NA	NA	Yes	NA	NA	NA	NA	NA	NA
37 If yes, specify non-compliant features	NA	Loss absorbency criteria and point of non-viability	NA	NA	NA	Loss absorbency criteria and point of non-viability	NA	NA	NA	NA	NA	NA

8. Composition of capital

13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28
Absa Group ZAG000129388	Absa Group ZAG000129396	Absa Group ZAG000129966	Absa Group ZAG000135997	Absa Group ZAG000136003	Absa Group ZAG000138801	Absa Group ZAG000138819	Absa Group ZAG000140203	Absa Group ZAG000142746	Absa Group ZAG000144254	Absa Group ZAG000146002	Absa Group ZAG000147018	Absa Group ZAG000147026	Absa Group XS1799058174	Absa Group ZAG000155615	Absa Group ZAG000158452
South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	United Kingdom (except certain provisions under South African law)	South Africa	South Africa
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
Group	Group	Group	Group	Group	Group	Group	Group	Group	Group	Group	Group	Group	Group	Group	Group
Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes
R737	R30	R288	R31	R200	R1 510	R140	R500	R642	R500	R390	R295	R1 014	USD400	R1 500	R1 580
R737	R30	R288	R31	R200	R1 510	R140	R500	R642	R500	R390	R295	R1 014	USD400	R1 500	R1 580
Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost
03 Sep 2015	03 Sep 2015	28 Sep 2015	04 May 2016	04 May 2016	19 Aug 2016	19 Aug 2016	02 Nov 2016	16 Mar 2017	24 May 2017	14 Aug 2017	29 Sep 2017	29 Sep 2017	25 April 2018	28 Nov 2018	10 Apr 2019
Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated
04 Sep 2025	03 Sep 2027	03 Sep 2027	29 Sep 2025	05 May 2026	05 May 2026	20 Aug 2026	20 Aug 2026	03 Nov 2026	17 Mar 2027	25 May 2027	14 Aug 2029	30 Sep 2027	25 April 2028	30 Sep 2027	11 Apr 2019
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
03 Sep 2022, R737	03 Sep 2022, R30	29 Sep 2020, R288	05 May 2021, R31	05 May 2021, R200	20 Aug 2021, R1 510	20 Aug 2021, R140	03 Nov 2021, R500	17 Mar 2022, R642	25 May 2022, R500	14 Aug 2024, R390	30 Sep 2022, R295	29 Sep 2024, R1 014	25 April 2023, USD400	29 Nov 2023, R1 500	11 Apr 2024, R1 580
Quarterly after the first optional call date until maturity	Semi-annually after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Semi-annually after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Semi-annually after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Semi-annually after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Semi-annually after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity
Fixed	Floating	Fixed	Floating	Fixed	Floating	Fixed	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Fixed	Floating
11.810%	3M JIBAR +360bps	11.400%	3M JIBAR +400bps	12.430%	3M JIBAR +400bps	11.740%	3M JIBAR +400bps	3M JIBAR +378bps	3M JIBAR +385bps	3M JIBAR +385bps	3M JIBAR +315bps	3M JIBAR +345bps	6.250%	3M JIBAR +245bps	3M JIBAR +240bps
No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion
Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial
Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	N/A	NA	NA
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

8. Composition of capital

CCA: Main features of regulatory capital instruments and of other TLAC-eligible instruments (Bank)

	1	2	3	4	5	6	7	8	9	10	11	12
1 Issuer	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank
2 Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	ZAE000079810	ZAE000079810	ZAG000146465	ZAG000154519	ZAG000159484	ZAG000073669	ZAG000121492	ZAG000121500	ZAG000123126	ZAG000123134	ZAG000129412	ZAG000129420
3 Governing law(s) of the instrument	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa
3a Means by which enforceability requirement of Section 13 of the TLAC term sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	–	–	–	–	–	–	–	–	–	–	–	–
Regulatory treatment												
4 Transitional Basel III rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
5 Post-transitional Basel III rules	Common Equity Tier 1	Ineligible	Additional Tier 1	Additional Tier 1	Additional Tier 1	Ineligible	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
6 Eligible at solo/group/group and solo	Solo	Solo and Group	Solo	Solo	Group	Solo and Group	Solo	Solo	Solo	Solo	Solo	Solo
7 Instrument type (types to be specified by each jurisdiction)	Ordinary share capital and premium	Preference share capital and premium	Additional Tier 1 Callable Notes	Additional Tier 1 Callable Notes	Additional Tier 1 Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes
8 Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	R37 184	R1 858	R1 500	R1 241	R1 678	R1 500	R370	R130	R1 693	R807	R508	R437
9 Par value of instrument	R304	R2	R1 500	R1 241	R1 678	R845	R370	R130	R1 693	R807	R508	R437
10 Accounting classification	Shareholders' equity	Shareholders' equity	Shareholders' equity	Shareholders' equity	Shareholders' equity	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost
11 Original date of issuance	1986	2006 and 2007	11 Sep 2017	09 Oct 2018	28 May 2019	10 Dec 2009	18 Nov 2014	18 Nov 2014	04 Feb 2015	04 Feb 2015	03 Sep 2015	03 Sep 2015
12 Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Dated	Dated	Dated	Dated	Dated	Dated	Dated
13 Original maturity date	NA	NA	NA	NA	NA	07 Dec 2028	19 Nov 2024	19 Nov 2024	05 Feb 2025	05 Feb 2025	04 Sep 2025	04 Sep 2025
14 Issuer call subject to prior supervisory approval	NA	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
15 Optional call date, contingent call dates and redemption amount	NA	NA	12 Sep 2022, R1 500	10 Oct 2023, R1 241	28 Nov 2024, R1 678	07 Dec 2023, R845	19 Nov 2019, R370	19 Nov 2019, R130	05 Feb 2020, R1 693	05 Feb 2020, R807	04 Sep 2020, R508	04 Sep 2020, R437
16 Subsequent call dates, if applicable	NA	NA	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	NA	Quarterly after the first optional call date until maturity	Semi-annually after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Semi-annually after the first optional call date until maturity	Semi-annually after the first optional call date until maturity	Quarterly after the first optional call date until maturity
Coupons/dividends												
17 Fixed or floating dividend/coupon	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Fixed	Floating	Fixed	Fixed	Floating
18 Coupon rate and any related index	NA	70% of the prime overdraft lending rate	3M JIBAR +565bps	3M JIBAR +475bps	3M JIBAR +450bps	5.5% indexed to ZAR revised CPI	3M JIBAR +330bps	10.835%	3M JIBAR +350bps	10.05%	11.365%	3M JIBAR +350bps
19 Existence of a dividend stopper	No	Yes	Yes	Yes	Yes	No	No	No	No	No	No	No
20 Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21 Existence of step up or other incentive to redeem	NA	No	No	No	No	Yes	No	No	No	No	No	No
22 Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23 Convertible or non-convertible	NA	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24 If convertible, conversion trigger(s)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
25 If convertible, fully or partially	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
26 If convertible, conversion rate	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
27 If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
28 If convertible, specify instrument type convertible into	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
29 If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
30 Write-down feature	No	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes
31 If write-down, write-down trigger(s)	NA	NA	At SARB's discretion	At SARB's discretion	At SARB's discretion	NA	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion
32 If write-down, full or partial	NA	NA	Full or partial	Full or partial	Full or partial	NA	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial
33 If write-down, permanent or temporary	NA	NA	Permanent	Permanent	Permanent	NA	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent
34 If temporary write-down, description of write-up mechanism	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
34a Type of subordination	–	–	–	–	–	–	–	–	–	–	–	–
35 Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Columns 5 to 26, then Columns 3 and 4	Columns 5 to 26	Columns 5 to 26	Columns 5 to 26	Columns 6 to 28	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes
36 Non-compliant transitioned features	NA	Yes	NA	NA	NA	Yes	NA	NA	NA	NA	NA	NA
37 If yes, specify non-compliant features	NA	Loss absorbency criteria and point of non-viability	NA	NA	NA	Loss absorbency criteria and point of non-viability	NA	NA	NA	NA	NA	NA

8. Composition of capital

13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28
Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank	Absa Bank
ZAG000129438	ZAG000129446	ZAG000129958	ZAG000136045	ZAG000136052	ZAG000138835	ZAG000138827	ZAG000140211	ZAG000142753	ZAG000144247	ZAG000146010	ZAG000147042	ZAG000147034	NA	ZAG000155722	ZAG000158494
South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
Solo	Solo	Solo	Solo	Solo	Solo	Solo	Solo	Solo	Solo	Solo	Solo	Solo	Solo	Solo	Solo
Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Loan	Subordinated Callable Notes	Subordinated Callable Notes
R737	R30	R288	R31	R200	R1 510	R140	R500	R642	R500	R390	R295	R1 014	USD400	R1 500	R1 500
R737	R30	R288	R31	R200	R1 510	R140	R500	R642	R500	R390	R295	R1 014	USD400	R1 500	R1 580
Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost
03 Sep 2015	03 Sep 2015	28 Sep 2015	04 May 2016	04 May 2016	19 Aug 2016	19 Aug 2016	02 Nov 2016	16 Mar 2017	24 May 2017	14 Aug 2017	29 Sep 2017	29 Sep 2017	25 April 2018	28 Nov 2018	10 Apr 2019
Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated
03 Sep 2027	03 Sep 2027	29 Sep 2025	05 May 2026	05 May 2026	20 Aug 2026	20 Aug 2026	03 Nov 2026	17 Mar 2027	25 May 2027	14 Aug 2029	30 Sep 2027	29 Sep 2029	25 April 2028	29 Nov 2028	11 Apr 2029
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
03 Sep 2022, R737	03 Sep 2022, R30	29 Sep 2020, R288	05 May 2021, R31	05 May 2021, R200	20 Aug 2021, R1 510	20 Aug 2021, R140	03 Nov 2021, R500	17 Mar 2022, R642	25 May 2022, R500	14 Aug 2024, R390	30 Sep 2022, R295	29 Sep 2024, R1 014	25 April 2023, USD400	29 Nov 2023, R1 500	11 Apr 2024, R1 580
Semi-annually after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Semi-annually after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Semi-annually after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Semi-annually after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Semi-annually after the first optional call date until maturity	Quarterly after the first optional call date until maturity
Fixed	Floating	Fixed	Floating	Fixed	Floating	Fixed	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Fixed	Floating
11.810%	3M JIBAR +360bps	11.400%	3M JIBAR +400bps	12.430%	3M JIBAR +400bps	11.740%	3M JIBAR +400bps	3M JIBAR +378bps	3M JIBAR +385bps	3M JIBAR +385bps	3M JIBAR +315bps	3M JIBAR +345bps	6.250%	3M JIBAR +245bps	3M JIBAR +240bps
No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion
Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial
Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Abbreviations and acronyms

A		M	
AIRB	advanced internal ratings-based approach	MR	market risk
AMA	advanced measurement approach	N	
ARO	Absa Regional Operations	NPL	non-performing loan
ASF	available stable funding	NSFR	net stable funding ratio
B		O	
Basel	Basel Capital Accord	OTC	over-the-counter
BCBS	Basel Committee on Banking Supervision	P	
bps	basis points	PD	probability of default
C		PFE	potential future exposure
CCF	credit conversion factor	PMA	post model adjustments
CCP	central counterparty	PnL	profit and loss
CCR	counterparty credit risk	PSE	public sector entity
CEM	current exposure method	Q	
CET 1	Common Equity Tier 1	QCCP	qualifying central counterparty
CIB	Corporate and Investment Bank	R	
CR	credit risk	RBA	ratings based approach
CRM	credit risk mitigation	RBB	Retail and Business Banking
CVA	credit valuation adjustment	RC	regulatory capital
D		RSF	required stable funding
dpd	days past due	RW	risk-weight
D-SIBs	domestic-systemically important banks	RWA	risk-weighted assets
DVaR	daily value at risk	S	
E		SA	standardised approach
EAD	exposure at default	SA-CCR	standardised approach for counterparty credit risk
EEPE	effective expected positive exposure	SARB	South African Reserve Bank
EL	expected loss	SFA	supervisory formula approach
F		SFTs	securities financing transactions
FIRB	foundation internal rating based	SME	small- and medium-sized enterprises
G		SSFA	simplified supervisory formula approach
GRCMC	Group Risk and Capital Management Committee	sVaR	stressed value at risk
Group	Absa Group Limited	T	
G-SIBs	global systemically important banks	TLAC	total loss-absorbing capacity
H		V	
HQLA	high-quality liquid assets	VaR	value at risk
I			
IAA	internal assessment approach		
IFRS	International Financial Reporting Standard(s)		
IMA	internal models approach		
IMM	internal model method		
IRB	internal ratings based		
IRBA	internal ratings based approach		
IRC	incremental risk charge		
L			
LCR	liquidity coverage ratio		
LGD	loss given default		



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