African Bank

We are you

African Bank Holdings Limited
and African Bank Limited

Public Pillar III Disclosures in terms of the Banks Act, Regulation 43 as at 30 September 2017

CONTENTS

1. EXECUTIVE SUMMARY

1.1. OVERVIEW

African Bank Holdings Limited (ABH or the ABH Group) and its 100% held banking subsidiary, African Bank Limited ("ABL" or "the Bank") commenced business on 4 April 2016. ABH was capitalised with a cash subscription for ordinary shares in the amount of R10 billion and, in turn, ABH elected to capitalise ABL with the same amount, also in return for ordinary shares. An extended liability term structure was established as a result of the restructuring of the old African Bank that was placed under curatorship on 10 August 2014 and subsequently renamed Residual Debt Services Limited (in curatorship) (RDS), (the Restructuring). ABL acquired a portfolio of assets and liabilities from RDS in terms of the Restructuring, which included the more credit-worthy retail advances book.

Significant improvements in the credit underwriting and provisioning methodologies were immediately applied and continue to be applied in ABL, based on the changing dynamics of the market, the customer profile and the risk experience in respect of the retail advances on book.

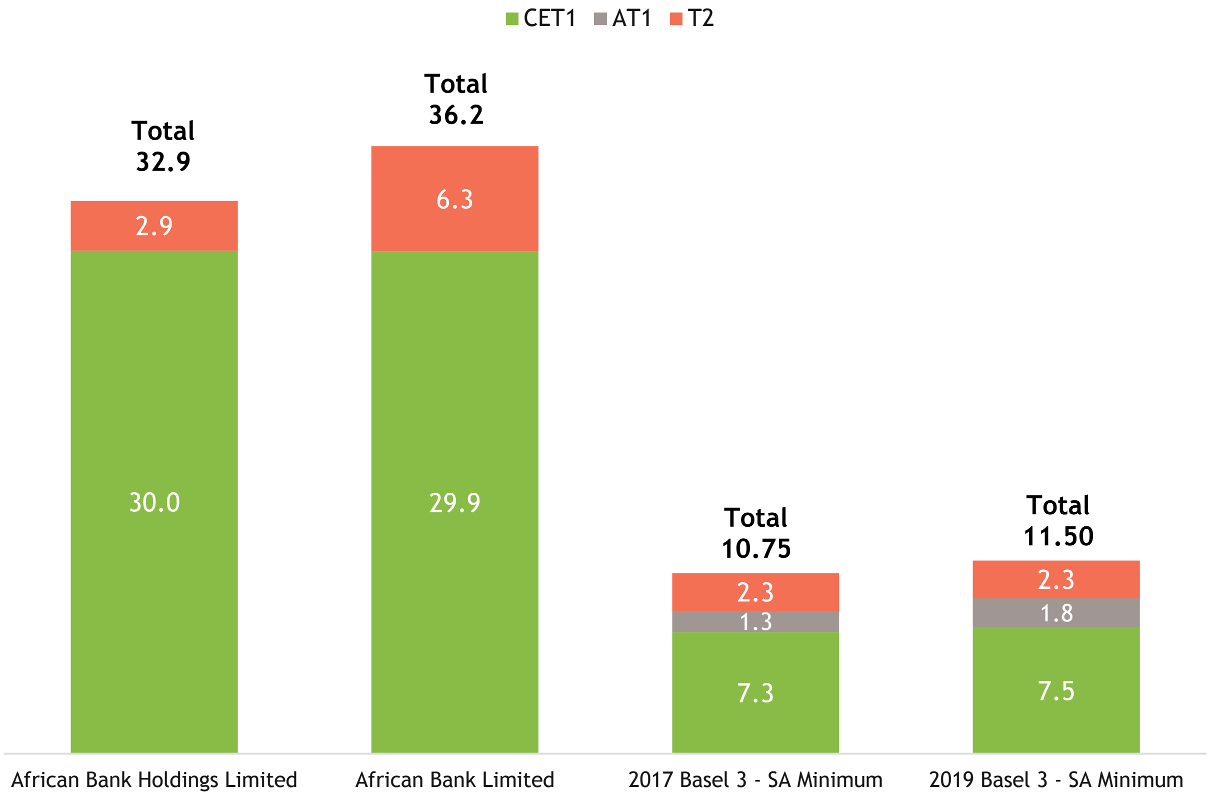
The overall balance sheet of ABL therefore remains strong, with advances well provided for, strong capital adequacy and available cash holdings, including surplus liquid assets of R10.1 billion. Liquidity risk, interest rate risk and foreign exchange risks are also managed within a conservative risk appetite framework.

The overall impact of the strong balance sheet structure, as expressed in the conservative risk appetite, is evidenced in the various sections of this report which, as of 30 September 2017, include CET1 ratio of 29.9%, a leverage ratio of 24.8%, a liquidity coverage ratio of 964% and a net stable funding ratio of 144% at the ABL level.

1.2. CAPITAL ADEQUACY RATIOS

The capital adequacy ratios and qualifying regulatory capital for ABH and ABL as at 30 September 2017 are set out in the graph and table below. The Group remains well capitalised with CET1 and Tier 1 ratios of 30.0% and 29.9% at a consolidated Group and Bank level respectively. The corresponding total capital adequacy ratios are 32.9% and 36.2% respectively.
The lower total capital adequacy for the ABH in comparison to that of ABL is as a result of the exclusion of the minority interest attributed the Tier 2 capital issued at ABL in the computation of the total ABH capital adequacy ratio.

Capital Adequacy by Tier (%)



The following table sets out the composition of the qualifying regulatory capital

	African Bank Holdings Limited		African Bank Limited	
R'm	30 Sep 2017	30 Sep 2016	30 Sep 2017	30 Sep 2016
Composition of qualifying regulatory capital				
Ordinary share capital	10,000	10,000	10,000	10,000
Regulatory adjustments	(1,336)	(1,802)	(1,596)	(1,789)
Common Equity Tier 1 capital (CET1)	8,664	8,198	8,404	8,211
Total qualifying subordinated debt	571	1,248	1,485	1,485
Portfolio Impairments	280	278	280	278
Tier 2 capital (T2)	851	1,526	1,765	1,763
Qualifying regulatory capital	9,515	9,724	10,169	9,974

Refer to 6.2 of the detailed disclosure for a detailed breakdown of the above table

1.2.1. IMPACT OF SA CREDIT RATING DOWNGRADE: CAPITAL ADEQUACY RATIOS

Management has executed action plans to mitigate the impact of the SA credit rating downgrade and the consequential downgrade of the major SA Banks with whom ABL places significant cash deposits. These plans include increased investment in surplus high quality liquid assets with a 0% risk weighting under the standardised approach. This has had the effect of increasing the regulatory capital adequacy ratios and has had a further positive impact on the liquidity coverage ratio.

1.3. LEVERAGE RATIO

The Basel III leverage ratio is defined as the capital measure (Tier 1 capital) divided by the exposure measure (total exposures) and is expressed as a percentage. This measure acts as a backstop to the risk based leverage capital adequacy ratio, by acting as a floor to restrict the build-up of excessive leverage by banks.

The increase in the leverage ratio from the prior reporting period, for both Group and Bank is as a result of an overall increase in capital arising predominantly from an increase retained earnings driven by profits for the year and a reduction in the balance sheet driven by a reduction in derivative exposures, cash balances and the advances book.

Overall derivative exposures have decreased as a result of fewer derivative contracts and the fact that these derivative exposures are now reflected as net of collateral. Cash balances have reduced as result of significant liability buy backs amounting to approximately R 4,1 billion. The advances book has decreased as a result of lower new business volumes and increased write offs as a result of a decision to write off all balances for which no payments have been received for 5 consecutive months (previously consecutive 6 months).

	African Bank Holdings Limited		African Bank Limited	
R'm	30 Sep 2017	30 Sep 2016	30 Sep 2017	30 Sep 2016
Capital and total exposures				
Tier 1 capital	8,664	8,198	8,404	8,211
Total exposures	33,906	39,829	33,928	39,809
Basel III leverage ratio	**25.6%**	**20.6%**	**24.8%**	**20.6%**
Basel III leverage ratio regulatory minimum requirement	**4.0%**	**4.0%**	**4.0%**	**4.0%**

Refer to 7.2 of the detailed disclosure for a detailed breakdown of the above table

1.4. LIQUIDITY COVERAGE RATIO ("LCR")

The LCR is a 30-day stress test, which requires the Bank to hold sufficient high-quality liquidity assets to cover envisaged net outflows. These outflows are calibrated using prescribed Basel factors applied to assets and liabilities in a static run-off model. Basel definitions are used to identify high-quality liquid assets.

The increase in the LCR from the previous reporting period was as a direct result of increasing the holdings of government bonds over and above the minimum high quality liquid assets as required for regulatory liquid holdings, as part of the Bank's cash investment strategy as described above. This was the driver for increasing the holdings of high quality liquid assets from R1,312 million to R3,687 million from the previous reporting period.

Compounding the effect of this increase in high quality liquid assets is the reduction in the net cash outflows via the settlement of collateral liabilities relating to derivatives, which have matured during the period under review.

African Bank Limited	Total weighted value (average)	Total weighted value (average)
R'm	30 Sep 2017	30 Sep 2016
Total high-quality liquid assets	3,687	1,312
Total net cash outflows	250	664
Liquidity coverage ratio (%)	**1,740%**	**198%**
Regulatory minimum requirement	80%	70%

Refer to 10.4 of the detailed disclosure for a detailed breakdown of the above table

1.5. NET STABLE FUNDING RATIO ("NSFR")

The NSFR is defined as the amount of available stable funding relative to the amount of required stable funding, over a one year period. This ratio should be greater than or equal to 100% on an on-going basis.

"Available stable funding" is defined as the portion of capital and liabilities expected to be reliable over the time horizon considered by the NSFR, which extends to one year. The amount of such stable funding required of a specific institution is a function of the liquidity characteristics and residual maturities of the various assets held by that institution as well as those of its off-balance sheet exposures.

The NSFR is designed to ensure closer matching of long-term asset cash flows with long-term funding cash flows. Full compliance for NSFR is required by 2018. Current guidance views a ratio of 100% or more as representing compliance.

The available stable funding has decreased as a result of the debt buy backs executed during the year, while the required stable funding has increased as a result of terming out of the available cash deposits for hedging purposes and to enhance the yield on that cash within the banks liquidity risk appetite.

	30 Sep 2017	30 Sep 2016
NSFR %	**144%**	**192%**
Available stable funding (R'm)	29,392	34,176
Required stable funding (R'm)	20,397	17,773

1.6. REFERENCES OF QUANTITATIVE STANDARDISED TABLES AND TEMPLATES

Refer to the attached Annexure A to this document for ease of reference for the quantitative standardized tables and templates as prescribed in the revised pillar 3 disclosure requirements published in January 2015 by the Basel Committee on Banking Supervision.

2. BASIS OF COMPILATION

The information contained in this report is based on the month end and in some instances average balances as contained in the regulatory returns. Accordingly, this information may not agree to the information contained in the respective sets of Annual Financial Statements, which are prepared on an IFRS basis.

Analysis of advances to customers as at 30 September 2017			
R'm	Term loans	Credit Cards	Total
Gross amount due by customers	21,025	5,488	26,513
Impairment attributable to acquired advances and deferred fees	(4,922)	(896)	(5,818)
Gross advances	**16,103**	**4,592**	**20,695**
Impairment and deferred fees attributable to originated advances	(1,405)	(547)	(1,952)
Net advances	**14,698**	**4,045**	**18,743**

Unless where otherwise indicated, all figures reported are reported in ZAR millions ("R'm")

3. SUPPLEMENTARY INFORMATION INCLUDING RISK MANAGEMENT

Additional information providing context for disclosures contained herein is included in the following documents published by the ABH Group, available on the investor relations portion of the Bank website at https://www.africanbank.co.za/ which contains information as listed under each report.

African Bank Holdings Limited Integrated Report 2017

- Overview and business model
- Material matters
- Strategy
- Governance and compliance
- People and remuneration

African Bank Holdings Limited: consolidated annual financial statements 30 September 2017, and

African Bank Limited: annual financial statements 30 September 2017

The reference to the various sections are given by way of a reference to the specific note in the annual financial statements of both African Bank Holdings Limited and African Bank Limited.

- Accounting policies (Note 1)
- Risk management approach (Note 26)
- Credit risk approach including approach to impairment provisioning (Note 26.1)
- Market risk (Note 26.2)
- Interest rate risk management (Note 26.2.1)
- Foreign currency risk management (note 26.2.2)
- Liquidity risk management (Note 26.3)

The ABH integrated report gives a comprehensive overview of the areas covered while the ABL and ABH Annual Financial Statements give further detail of the approach to risk management and the risk types. This information should be read in conjunction with the detailed information in this report.

4. PERIOD OF REPORTING

This report covers the period from 1 October 2016 to 30 September 2017 for the ABH Group and its 100% held banking subsidiary, ABL. The Group and the Bank commenced operations on 4 April 2016 and published financial statements for the period from this date to 30 September 2016. Comparative disclosures are related to the period from 4 April 2016 to 30 September 2016.

5. SCOPE OF REPORTING

This report contains capital adequacy information for ABH and its 100% held banking subsidiary, ABL. The further disclosures for ABL include the leverage ratio, the liquidity coverage ratio, credit disclosures, liquidity disclosures and foreign exchange exposures, and also materially reflect the position of the ABH Group.

All subsidiaries are consolidated in the same manner for both accounting and supervisory reporting purposes. All companies are incorporated in the Republic of South Africa. The registered banking subsidiary of the Group, ABL, has no subsidiaries.

6. REGULATORY CAPITAL ADEQUACY

The capital adequacy ratios and qualifying regulatory capital for ABH and ABL as at 30 September 2017 are set out in the graph and table below. The Group remains well capitalised with CET1 and Tier 1 ratios of 30.0% and 29.9% at a consolidated Group and Bank level respectively. The corresponding total capital adequacy ratios are 32.9% and 36.2% respectively.

6.1. OVERVIEW OF RISK WEIGHTED ASSETS

The following table gives an overview of the risk weighted asset requirements at the respective reporting date. The predominant risk exposure for the Group is credit risk, which comprises loans, credit cards and interbank deposits.

	African Bank Holdings Limited			African Bank Limited		
R'm	RWA		Minimum capital requirements (1)	RWA		Minimum capital requirements (1)
	Sep-17	Sep-16	Sep-17	Sep-17	Sep-16	Sep-17
Credit risk (excluding counterparty credit risk)	**22,173**	**22,178**	**2,384**	**22,173**	**22,178**	**2,384**
Of which standardised approach (SA) (5)	22,173	22,178	2,384	22,173	22,178	2,384
Of which internal rating-based (IRB) approach	-	-	-	-	-	-
Counterparty credit risk	**327**	**139**	**35**	**327**	**139**	**35**
Of which standardised approach for counterparty credit risk (SA-CCR) (2)	327	139	35	327	139	35
Of which internal model method (IMM)	-	-	-	-	-	-
Market risk	**545**	**338**	**59**	**545**	**338**	**59**
Of which standardised approach (SA)	545	338	59	545	338	59
Of which internal model approach (IMM)	-	-	-	-	-	-
Operational risk	**3,469**	**2,359**	**373**	**3,373**	**2,359**	**363**
Of which basic indicator approach	-	-	-	-	-	-
Of which standardised approach (3)	3,469	2,359	373	3,373	2,359	363
Of which advanced measurement approach	-	-	-	-	-	-
Other risk (4)	**2,397**	**1,830**	**258**	**1,694**	**1,046**	**182**
Total	**28,911**	**26,844**	**3,109**	**28,112**	**26,060**	**3,023**

(1) The minimum capital requirement per risk category for 2017 is 10.75% which comprises the base minimum (8.00%)plus the Pillar 2A systemic risk add-on (1.50%) plus capital conservation buffer (1.25%)
(2) ABL currently applies the current exposure method to calculate counterparty credit risk
(3) ABL currently applies the alternative standardised approach in calculating its operational risk
(4) Other risk includes accounting other assets, deferred tax asset and threshold deduction items
(5) Refer below for a further split of credit risk exposures

R'm	African Bank Holdings Limited RWA		African Bank Holdings Limited Minimum capital requirements (1)	African Bank Limited RWA		African Bank Limited Minimum capital requirements (1)
	Sep-17	Sep-16	Sep-17	Sep-17	Sep-16	Sep-17
Of which standardised approach (SA)	**22,173**	**22,178**	**2,384**	**22,173**	**22,178**	**2,384**
Retail Exposures	15,385	16,638	1,654	15,385	16,638	1,654
Interbank Exposures	6,788	5,540	730	6,788	5,540	730

6.2. COMPOSITION OF REGULATORY CAPITAL

The qualifying regulatory capital and capital adequacy ratios for ABH and ABL as at 30 September 2017 are set out in the table below. The Group remains well capitalised with CET1 and Tier 1 ratios of 30.0% and 29.9% at a consolidated Group and Bank level respectively. The corresponding total capital adequacy ratios are 35.1% and 36.2% respectively.

R'm	African Bank Holdings Limited		African Bank Limited	
	30 Sep 2017	30 Sep 2016	30 Sep 2017	30 Sep 2016
Composition of qualifying regulatory capital				
Ordinary share capital	10,000	10,000	10,000	10,000
Accumulated profit	-	-	-	-
	10,000	10,000	10,000	10,000
Regulatory adjustments				
- Intangible assets in terms of IFRS	(75)	(92)	(75)	(92)
- Other regulatory adjustments, including accumulated losses	(1,261)	(1,710)	(1,521)	(1,697)
Common Equity Tier 1 capital (CET1)	**8,664**	**8,198**	**8,404**	**8,211**
Additional Tier 1 capital (AT1)	-	-	-	-
Tier 1 capital (T1)	**8,664**	**8,198**	**8,404**	**8,211**
Issued subordinated debt	1,485	1,485	1,485	1,485
Surplus capital attributable to minorities/third parties	(914)	(237)	-	-
Total subordinated debt	**571**	**1,248**	**1,485**	**1,485**
Portfolio Impairments	280	278	280	278
Tier 2 capital (T2)(1)	**851**	**1,526**	**1,765**	**1,763**
Qualifying regulatory capital	**9,515**	**9,724**	**10,169**	**9,974**
CET1%	30.0	30.5	29.9	31.5
AT1%	0.0	0.0	0.0	0.0
T1%	30.0	30.5	29.9	31.5
T2%	2.9	5.7	6.3	6.8
Total capital adequacy %	**32.9**	**36.2**	**36.2**	**38.3**

(1) The minority interest attributed the Tier 2 capital issued at ABL in the computation of the total ABH capital adequacy ratio was adjusted in 2017 subsequent to the publication of Circular 7/2016 on 24 November 2016. The application of the circular results in a larger corresponding deduction of Tier 2 minority interests for ABH than in 2016. The full amount of the Tier 2 instruments issues at the ABL level continue to qualify as capital for ABL.

6.3. COMPOSITION OF CAPITAL DISCLOSURE TEMPLATE

The following table gives further details the capital and relevant adjustments as calculated for regulatory reporting purposes.

African Bank Limited - Period ended: 30 September 2017

	Common Equity Tier 1 capital instruments and reserves	R'm
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related to stock surplus	10,000
2	Retained earnings	-
3	Accumulated other comprehensive income (and other reserves)	-
6	Common Equity Tier 1 capital before regulatory adjustments	10,000
	Common Equity Tier 1 capital: regulatory adjustments	
28	Total regulatory adjustments to Common Equity Tier 1	(1,596)
29	Common Equity Tier 1 capital (CET 1)	8,404
	Additional Tier 1 capital: instruments	
36	Additional Tier 1 capital before regulatory adjustments	-
	Additional Tier 1 capital: regulatory adjustments	
44	Additional Tier 1 capital (AT1)	-
45	Tier 1 capital (T1= CET1 + AT1)	8,404
	Tier 2 capital and provisions	
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	1,485
50	Provisions	280
51	Tier 2 capital before regulatory adjustments	1,765
	Tier 2 capital: regulatory adjustments	
57	Total regulatory adjustments to Tier 2 capital	
58	Tier 2 capital (T2)	1,765
59	Total capital (TC = T1 + T2)	10,169
60	Total risk weighted assets	28,112
	Capital ratios	
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	29.9%
62	Tier 1 (as a percentage of risk weighted assets)	29.9%
63	Total capital (as a percentage of risk weighted assets)	36.2%
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement, expressed as a percentage of risk weighted assets)	0.4%
65	of which: capital conservation buffer requirement	1.250%
66	of which: bank specific countercyclical buffer requirement	0%
67	of which: G-SIB buffer requirement	0%
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	29.9%

Amounts below the threshold for deductions (before risk weighting)		
75	Deferred tax assets arising from temporary differences (net of related tax liability)	389
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)	1,893
77	Cap on inclusion of provisions in Tier 2 under standardised approach	280

7. LEVERAGE RATIO

Public disclosure of the leverage ratio (calculated using the prescribed leverage ratio template) and its components has been required since 1 January 2015. The Basel III leverage ratio is defined as the capital measure (Tier 1 capital) divided by the exposure measure (total exposures) and is expressed as a percentage. This measure acts as a backstop to the risk based leverage capital adequacy ratio (see section 6 above), by acting as a floor to restrict the build-up of excessive leverage by banks.

The increase in the leverage ratio from the prior reporting period, for both Group and Bank is as a result of an overall increase in capital arising from an increase retained earnings driven by profits for the year and a reduction in the balance sheet driven by a reduction in derivative exposures, cash balances and the advances book.

Overall derivative exposures have decreased as a result of lower derivative contracts and the fact that these derivative exposures are now reflected as net of collateral. Cash balances have reduced as result of buy backs amounting to approximately R 4,1 billion, while the advances book has decreased as a result of lower new business volumes and increased write offs as a result of decision to write off all balances for which no payments have been received for 5 consecutive months (previously consecutive 6 months).

The exposure used in the calculation of the ratio (see 7.2) differs from the total assets as measured using IFRS as shown below.

7.1 SUMMARY COMPARISON OF ACCOUNTING ASSETS VS LEVERAGE RATIO EXPOSURE MEASURE

		African Bank Holdings Limited		African Bank Limited	
Line #	R'm	30 Sep 2017	30 Sep 2016	30 Sep 2017	30 Sep 2016
1	Total consolidated assets as per published financial statements	32,954	37,711	32,324	37,691
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(651)	-	-	-
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	(537)	26	(537)	26
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	-	-	-	-
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	314	167	314	167
7	Other adjustments (1)	1,826	1,925	1,826	1,925
8	Leverage ratio exposure	33,906	39,829	33,927	39,809

(1) Other adjustments reflect differences between regulatory and accounting basis of preparation (refer Basis of compilation). This impacted the values relating to general provisions and intangible assets.

7.2 LEVERAGE RATIO DISCLOSURE

Line #	R'm	African Bank Holdings Limited		African Bank Limited	
		30 Sep 2017	30 Sep 2016	30 Sep 2017	30 Sep 2016
	On-balance sheet exposures				
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	33,456	37,498	33,477	37,478
2	Asset amounts deducted in determining Basel III Tier 1 capital	(75)	(92)	(75)	(92)
3	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)**	**33,381**	**37,406**	**33,402**	**37,386**
	Derivative exposures				
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	210	2,230	210	2,230
5	Add-on amounts for PFE associated with all derivatives transactions	1	26	1	26
6	Gross-up for derivatives collateral provided where deducted from the balance sheet asset pursuant to the operative accounting framework	-	-	-	-
7	(Deductions of receivables 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 lines 4 to 10)**	**211**	**2,256**	**211**	**2,256**
	Securities financing transaction exposures				
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	-	-	-	-
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-	-	-
14	CCR exposure for SFT assets	-	-	-	-
15	Agent transaction exposures	-	-	-	-
16	**Total securities financing transaction exposures (sum of lines 12 to 15)**	**-**	**-**	**-**	**-**
	Other off-balance sheet exposures				
17	Off-balance sheet exposure at gross notional amount	1,078	826	1,078	826
18	(Adjustments for conversion to credit equivalent amounts)	(764)	(659)	(764)	(659)
19	**Off-balance sheet items (sum of lines 17 and 18)**	**314**	**167**	**314**	**167**
20	Tier 1 capital	8,664	8,198	8,404	8,211
21	**Total exposures (sum of lines 3, 11, 16 and 19)**	**33,906**	**39,829**	**33,927**	**39,809**
	Leverage ratio				
22	**Basel III leverage ratio**	**25.6%**	**20.6%**	**24.8%**	**20.6%**

8. LINKAGES BETWEEN FINANCIAL STATEMENTS AND REGULATORY EXPOSURES

This section outlines the treatment and the carrying values as published in the financial statements used for the various regulatory risk categories and the carrying values of the items for the calculation of regulatory capital. Certain differences arise as a result of differing treatment under regulatory and IFRS rules as further explained below.

8.1 DIFFERENCES BETWEEN ACCOUNTING AND REGULATORY SCOPES OF CONSOLIDATION AND MAPPING OF FINANCIAL STATEMENT CATEGORIES WITH REGULATORY RISK CATEGORIES

	a	c	d	e	f	g	h
R'm	Carrying values as reported in financial statements & under scope of regulatory consolidation	Carrying values of items[(1)]:					
		Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to capital requirements or subject to deductions from capital	Subject to other risk [(1)]
Cash and cash equivalents	6,862	6,832	-	-	3,251	-	30
Statutory assets	4,722	4,312	-	-	1,015	-	410
Derivative assets	748	-	748	-	238	-	-
Net advances	18,743	18,743	-	-	-	-	-
Accounts receivable and other assets	219	-	-	-	-	-	219
Current tax asset	49	49	-	-	-	-	-
Loans to group companies	23	23	-	-	-	-	-
Property and equipment	494	-	-	-	-	-	494
Intangible assets	75	-	-	-	-	75	-
Deferred tax asset	389	-	-	-	-	-	389
Total assets	**32,324**	**29,959**	**748**	**-**	**4,504**	**75**	**1,542**
Short-term funding	4,305	-	538	-	-	3,767	-
Derivative liabilities	5	-	5	-	-	-	-
Creditors and accruals	620	-	-	-	-	620	-
Current tax	-	-	-	-	-	-	-
Bonds and other long-term funding	17,385	-	-	-	5,953	17,385	-
Subordinated bonds, debentures, loans	1,530	-	-	-	-	1,530	-
Deferred tax liability	-	-	-	-	-	-	-
Total liabilities	**23,845**	**-**	**543**	**-**	**5,953**	**23,302**	**-**

(1) The Other risk includes accounting other assets, cash balances with Central banks, property and equipment and deferred tax asset

8.2 MAIN SOURCES OF DIFFERENCES BETWEEN REGULATORY AMOUNTS AND CARRYING VALUES IN FINANCIAL STATEMENTS

The purpose of this table is to provide information on the main sources of differences (other than due to different scopes of consolidation which are shown in 8.1) between the financial statements' carrying value amounts and the exposure amounts used for regulatory purposes.

	a	b	c	d	e	f
		Items subject to:				
R'm	Total	Credit risk framework	Counterparty credit risk framework	Securitisation framework	Market risk framework	Other risk framework
Asset carrying value amount under scope of regulatory consolidation	32,324	29,959	748	-	4,504	1,543
Liabilities carrying value amount under scope of regulatory consolidation	23,844	-	543	-	5,953	-
Total net amount under regulatory scope of consolidation	8,479	29,959	205	-	(1,449)	1,543
Off-balance sheet amounts	1,078	314	117	-	1,988	-
Exposure amounts considered for regulatory purposes	-	33,910	327	-	545	1,694

9. CREDIT RISK

This section outlines the regulatory view of the credit risk associated with retail advances, comprising personal loans and credit cards, and interbank deposits. These balances are reflected on the ABL balance sheet.

For an overview of credit risk management, including credit granting criteria, the credit philosophy, credit risk assessment and monitoring, collections and restructures and the credit provisioning methodologies, please refer to Note 27 in the ABL annual financial statements for the year ended 30 September 2017.

9.1 CREDIT QUALITY OF ASSETS

The following table shows the classification of the gross carrying value of the total of the retail advances and interbank deposits split between defaulted and non-defaulted exposures showing the impairments in respect of the defaulted exposures. The impairment provision coverage in respect of the non-defaulted exposures are not included here and are shown under section 9.5.

	a	b	c	d
	Gross carrying values of			
R'm	Defaulted exposures [1]	Non-defaulted exposures	Allowances/ impairments	Net values (a + b - c)
Loans	9,574	23,779	7,756	25,597
Debt securities	-	4,312	-	4,312
Off-balance sheet exposures	-	1,078	-	1,078
Total	**9,574**	**29,169**	**7,756**	**30,987**

(1) Defaulted exposures are exposures which are overdue for more than 90 days and where it is evident that the obligor is under stress and is likely to avoid or delay repayment.

9.2 CHANGES IN STOCK OF DEFAULTED LOANS AND DEBT SECURITIES

This table shows the movement in the gross defaulted loans and advances during the reporting period

	a
Defaulted loans and debt securities at end of the previous reporting period	**9,526**
Increase in defaulted Loans and debt securities since the last reporting period	2,127
Returned to non-defaulted status	73
Amounts written off	1,907
Other changes	(99)
Defaulted loans and debt securities at end of the reporting period	**9,574**

9.3 BREAKDOWN OF GROSS CREDIT EXPOSURE BY GEOGRAPHICAL AREAS

The total gross credit exposure is located within the Republic of South Africa (Rm 40,538). There is no exposure outside of South Africa.

9.4 BREAKDOWN OF GROSS CREDIT EXPOSURE BY INDUSTRY TYPE

The split of the credit exposure between financial intermediaries and private household is given below. The first category comprises interbank deposits and RSA sovereign exposures, while the second comprises personal loans and credit cards.

R'm	On balance sheet exposure	Off balance sheet exposure	Total
Financial intermediation and insurance	8,582	328	8,910
Private households	26,517	750	27,267
Other	4,361		4,361
Total	**39,460**	**1,078**	**40,538**
of which: Sovereign (central government and central bank)	4,361	-	4,361

9.5 IMPAIRED ADVANCES

The impaired advances relate to exposures to private households. No impairments have been raised on the other exposures.

Where advances are five (previously six) or more instalments in arrears and no payment has been received in any of the preceding five (previously six) months, such advances are written off in full. Where payments were received in any of the six preceding months, the advance will not be written off, but will be impaired according to the applicable expected repayment profile.

Regulatory classifications	Impairment Cover %
	30 Sep 2017
Standard and special mention	11.17%
Sub-standard	41.22%
Doubtful	61.37%
Loss	70.10%

9.6 AGEING ANALYSIS

The ageing of gross advances to customers based purely on days past due.

	Gross
	R'm
Not past due	14,033
Past due 31 -90 days	3,557
Past due 91 - 182 days	1,593
Past due > 182 days	7,330
Total	**26,513**

9.7 EXTERNAL CREDIT ASSESSMENT

In calculating the required amount of capital to be held against credit risk, the Bank applies the long term, international credit ratings as published by the Moody's Investor Services.

These credit ratings are applied to all asset classes where such ratings are available.

The Bank applies the standardized approach for the measurement of credit risk in terms of Regulation 23 and 24 of the Regulations relating to banks.

Credit assessment issued by eligible institution						
Claim in respect of	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	Below B-	Unrated
Sovereigns	0%	20%	50%	100%	150%	100%
Public sector entities	20%	50%	50%	100%	150%	50%
Bank	20%	50%	50%	100%	150%	50%
Securities firms	20%	50%	50%	100%	150%	50%
Bank: short term claims	20%	20%	20%	50%	150%	20%
Securities firms: short term claims	20%	20%	20%	50%	150%	20%
	AAA to AA-	A+ to A-	BBB+ to BB-	Below BB-		Unrated
Corporate entities	20%	50%	100%	150%		100%
	Short term credit assessment					
	A-1/P-1	A-2/P-2	A-3/P-3	Other		
Banks and corporate entities	20%	50%	100%	150%		

9.8 CREDIT RISK MITIGATION TECHNIQUES

Credit risk arising from cross currency swaps are mitigated by collateral held which is disclosed under the counterparty credit risk section 9.14.

	a	b	c	d	e	f	g
	Exposures Unsecured: carrying amount	Exposures secured by collateral	Exposures secured by collateral of which: secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees of which: secured amount	Exposure secured by credit derivatives	Exposures secured by credit derivatives of which: secured amount
Loans	25,597	-	-	-	-	-	-
Debt securities	4,312	-	-	-	-	-	-
Total	**29,909**	**-**	**-**	**-**	**-**	**-**	**-**
Of which defaulted	9,574	-	-	-	-	-	-

9.9 CREDIT RISK EXPOSURE AND CREDIT RISK MITIGATION (CRM) EFFECTS

The following table shows the net on balance sheet amount after provisions of the various asset classes, together with the risk weighted asset requirement calculated against those net exposures.

	a	B	c	d	e	f
R'm	Exposures before CCF and CRM		Exposures post CCF and CRM(1)		RWA and RWA density	
Asset classes	**On-balance sheet amount**	**Off-balance sheet amount**	**On-balance sheet amount**	**Off-balance sheet amount**	**RWA**	**RWA density**
Sovereign and their central banks	4,361	-	4,361	-	1,015	23.27%
Non-central government public sector entities	-	-	-	-	-	-
Multilateral development banks	-	-	-	-	-	-
Banks	8,441	1	8,441	-	5,773	68.39%
Securities firms	-	-	-	-	-	-
Corporates	141	327	141	164	-	0.00%
Regulatory retail portfolios	20,654	750	20,654	149	15,385	73.96%
of which:						
Secured by residential property	-	-	-	-	-	-
Secured by commercial real estate	-	-	-	-	-	-
Equity	-	-	-	-	-	-
Past-due loans	3,689	197	3,689	39	2,578	69.15%
Higher-risk categories	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total	**33,597**	**1,078**	**33,597**	**313**	**22,173**	**65.39%**

(1) As per 9.8, credit risk mitigation (CRM) is applied to derivative exposures, which are not included in the table above. Credit conversion factors (CCF) have been applied to off-balance sheet exposures in terms of Regulation 23.

9.10 EXPOSURES BY ASSET CLASS AND RISK WEIGHTS

This table shows the risk weightings assigned to the various asset classes, post CCF and CRM

R'm	a	b	c	d	e	F	g	h	i	j
Asset classes by risk weights	**0%**	**10%**	**20%**	**35%**	**50%**	**75%**	**100%**	**150%**	**Others**	**Total credit exposures amount (post CCF and post-CRM)**
Sovereign and their central banks	3,346	-	-	-	-	-	1,015	-	-	4,361
Non-central government public sector entities (PSEs)	-	-	-	-	-	-	-	-	-	-
Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-	-	-
Banks	-	-	3,186	-	238	-	5,017	-	-	8,441
Securities firms	-	-	-	-	-	-	-	-	-	-
Corporates	305	-	-	-	-	-	-	-	-	305
Regulatory retail portfolios	-	-	-	-	2,856	17,076	317	555	-	20,804
of which: Secured by residential property	-	-	-	-	-	-	-	-	-	-
Secured by commercial real estate	-	-	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	-	-	-	-
Past-due loans	-	-	-	-	2,856	-	317	555	-	3,728
Higher-risk categories	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total	**3,651**	**-**	**3,186**	**-**	**3,094**	**17,076**	**6,349**	**555**	**-**	**33,911**

9.11 ANALYSIS OF COUNTERPARTY CREDIT RISK (CCR) EXPOSURE BY APPROACH

The information shown in this table and the three tables below show the CCR in respect of the interest rate and cross currency swap hedges that the Bank has entered into. The numbers are relatively small in relation to the exposure as the swaps are largely cash collateralised as shown in the table under 9.14.

	a	b	c	d	E	F
R'm	Replacement Cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
SA-CCR (for derivatives) [1]	748	748			210	210
Internal model method (for derivatives and SFTs)			-	-	-	-
Simple approach for credit risk mitigation (for SFTs)					-	-
Comprehensive approach for credit risk mitigation (for SFTs)					-	-
VaR for SFTs					-	-
Total						**210**

(1) African Bank is currently applying the Current Exposure method

9.12 CREDIT VALUATION ADJUSTMENT (CVA) CHARGE

Credit valuation adjustment (CVA) is the difference between the risk-free portfolio value and the true portfolio value that takes into account the possibility of a counterparty's default. In other words, CVA is the market value of counterparty credit risk. The RWA of the CVA is added to the risk weighted amount for counterparty credit exposure.

	a	B
R'm	EAD post-CRM	RWA
Total portfolios subject to the advanced CVA capital charge	-	-
(i) VaR component (including the 3 x multiplier)		
(ii) Stressed VaR component (including the 3 x multiplier)		
All portfolios subject to the standardised CVA capital charge	205	116
Total subject to the CVA capital charge	**205**	**116**

9.13 CCR EXPOSURES BY REGULATORY PORTFOLIOS AND RISK WEIGHTS

This exposure relates to interest rate and cross-currency swaps that are held with other banks which are largely collateralised, thus limiting the exposure at default to R210 million.

R'm	a	b	c	d	e	f	g	H	I	j
Regulatory portfolios by risk weights	**0%**	**10%**	**20%**	**35%**	**50%**	**75%**	**100%**	**150%**	**Others**	**Total credit exposure**
Sovereigns	-	-	-	-	-	-	-	-	-	-
Non-central government public sector entities (PSEs)	-	-	-	-	-	-	-	-	-	-
Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-	-	-
Banks	-	-	-	-	-	-	210	-	-	210
Securities firms	-	-	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	-	-	-	-	-	-
Regulatory retail portfolios	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**210**	**-**	**-**	**210**

9.14 COMPOSITION OF COLLATERAL FOR CCR EXPOSURE

The collateral applied to the CCR exposure is limited to the exposure amount on an individual counterparty basis.

	a	b	c	d	e	f
R'm	Collateral used in derivative transactions				Collateral used in SFT's	
	Fair value of collateral received		**Fair value of posted collateral**		**Fair value of collateral received**	**Fair value of posted collateral**
	Segregated	**Un segregated**	**Segregated**	**Un segregated**		
Cash - domestic currency	-	547	-	538	-	-
Cash - other currencies	-	-	-	-	-	-
Total	**-**	**547**	**-**	**538**	**-**	**-**

10. LIQUIDITY MEASUREMENTS

10.1 LIQUIDITY MANAGEMENT

Liquidity risk is managed by the Group Asset and Liability Committee (ALCO) that oversees the activities of the Treasury department which operates in terms of an approved Assets and Liabilities Management (ALM) risk appetite policy and approved limits, managing cash on a centralised basis.

This section presents various measurements of the Group liquidity position. Further detail regarding liquidity risk is given in Note 26.3 to the ABL annual financial statements for the year ended 30 September 2017.

10.2 CONTRACTUAL AND BEHAVIOURAL LIQUIDITY MISMATCHES

Both the contractual and behavioural mismatches benefit positively from the high component of equity funding and the extended term of the wholesale liabilities. This creates a surplus of asset cash flows over liability cash flows.

10.3 CONTRACTUAL LIQUIDITY MATURITY ANALYSIS (MISMATCH)

The following table analyses assets and liabilities of the Group into relevant maturity groupings, based on the remaining period at balance sheet date to the contractual maturity date. The table was prepared on the following basis:

- Asset and liability cash flows are presented on an undiscounted basis with an adjustment to reflect the total discounted result;
- The cash flows of floating rate financial instruments are calculated using published forward market rates at balance sheet date;
- The cash flows of derivative financial instruments are included on a gross basis;
- Contractual cash flows with respect to off-balance sheet items which have not yet been recorded on the balance sheet, are excluded;
- Adjustments to loans and advances to clients relate to deferred loan fee income, and
- Non-cash liabilities, representing leave pay and the straight-lining of operating leases, are disclosed as adjustments to trade and other payables.

African Bank Limited

Assets and liabilities maturities *as at 30 September 2017* R'm	Demand and up to 1 month	Greater than 1 month up to 3 months	Greater than 3 months up to 12 months	Greater than 12 months up to 24 months	Greater than 24 months	Non-contractual	Total
Assets							
Cash and cash equivalents	1,167	1,853	1,083	2,759	-	-	6,862
Statutory assets	678	-	2,572	993	479	-	4,722
Derivative assets	-	-	707	41	-	-	748
Net advances	902	1,069	4,925	2,888	6,016	2,943	18,743
Accounts receivable and other assets	219	-	-	-	-	-	219
Current tax asset						49	49
Loans to group companies	23	-	-	-	-	-	23
Property and equipment	-	-	-	-	-	494	494
Intangible assets	-	-	-	-	-	75	75
Deferred tax asset	-	-	-	-	-	389	389
Total assets	**2,989**	**2,922**	**9,287**	**6,681**	**6,495**	**3,950**	**32,324**
Liabilities and equity							
Short-term funding	908	138	3,126	-	-	-	4,172
Derivative liabilities	-	-	5	-	-	-	5
Creditors and other liabilities	355	215	-	-	-	50	620
Current tax	-	-	-	-	-	-	-
Bonds and other long-term funding	301	3	93	4,907	12,214	-	17,518
Subordinated bonds, debentures and loans	53	-	-	-	1,477	-	1,530
Deferred tax liability							
Ordinary shareholder's equity	-	-	-	-	-	8,479	8,479
Total liabilities and equity	**1,617**	**356**	**3,224**	**4,907**	**13,691**	**8,529**	**32,324**
Net liquidity gap	**1,372**	**2,566**	**6,063**	**1,774**	**(7,196)**	**(4,579)**	**-**

The above table differs to the view presented under IFRS in the audited financial statements largely for the reasons described in section 2 of the executive summary (basis of preparation) of this report.

Off balance sheet items

The following off balance sheet items will result in a future outflow of cash subsequent to reporting date. These cash flows are regarded as transactions relating to future reporting periods and are therefore excluded from the static maturity analysis above. As a going concern, these outflows will be offset by future cash inflows.

(a) Operating lease commitments: Operating lease commitments relate mainly to properly operating lease commitments. The future minimum lease payments under non-cancellable operating leases will result in an outflow of cash subsequent to the reporting date.

(b) Committed undrawn credit card facilities: Committed undrawn credit card facilities totaled R750 million. These commitments are attributable to undrawn credit card amounts.

The future obligations measured on a straight-lined basis are as follows:

R'm	30 Sep 2017
Payable within one year	16
Payable between one and five years	320
Total	**336**

10.4 LIQUIDITY COVERAGE RATIO (LCR) – COMMON DISCLOSURE TEMPLATE

The LCR is a 30-day stress test, which requires the Bank to hold sufficient high-quality liquid assets to cover envisaged net outflows. These outflows are calibrated using prescribed Basel factors applied to assets and liabilities in a static run-off model. Basel definitions are used to identify high-quality liquid assets.

The increase in the LCR from the previous reporting period was as a direct result of increasing the holdings of government bonds over and above the minimum high quality liquid assets as required for regulatory liquid holdings, as part of the Bank's cash investment strategy as described above. This was the driver for increasing the holdings of high quality liquid assets from R1,312 million to R3,687 million from the previous reporting period.

Compounding the effect of this increase in high quality liquid assets is the reduction in the net cash outflows as a result of the settlement of collateral liabilities which related to derivatives which matured during the period under review.

African Bank Limited	Total unweighted value (average) (1)	Total weighted value (average) (1)	Total weighted value (average) (1)
R'm	**30 Sep 2017**	**30 Sep 2017**	**30 Sep 2016**
Total high-quality liquid assets (HQLA) (see 7.4.1)		**3,687**	**1,312**
Cash outflows			
Retail deposits and deposits from small business customers, of which:	24	2	5
Stable deposits	-	-	-
Less-stable deposits	24	2	5
Unsecured wholesale funding, of which:	693	693	2,526
Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-
Non-operational deposits (all counterparties)	-	-	-
Unsecured debt	693	693	2,526
Secured wholesale funding	-	-	-
Additional requirements, of which:	-	-	-
Outflows related to derivative exposures and other collateral requirements	171	171	78
Outflows related to loss of funding on debt products	-	-	-
Credit and liquidity facilities	845	117	47
Other contractual funding obligations	307	15	-
Other contingent funding obligations	-	-	-
Total cash outflows	**1,870**	**999**	**2,656**
Cash inflows			
Secured lending (e.g. reverse repos)	-	-	-
Inflows from fully performing exposures	3,773	3,499	9,880
Other cash inflows	0	0	116
Total cash inflows	**3,773**	**3,499**	**9,996**
		Total Adjusted Value	Total Adjusted Value
Total HQLA		**3,687**	**1,312**
Total net cash outflows (2)		**250**	**664**
Liquidity coverage ratio (%) (3)		**1,740%**	**198%**

(1) The average numbers are calculated using the daily LCR figures for the quarter ended 30 September 2017
(2) ABL has a net cash inflow after applying the run-off factors, outflows for the purpose of the ratio are therefore deemed to be 25% of gross outflows
(3) There is no material difference between Bank and Group

10.4.1 Composition of high-quality liquid assets

The high-quality liquid assets include only those with a high potential to be converted easily and quickly into cash. There are three categories of high-quality liquidity assets with decreasing levels of quality: level 1, level 2A and level 2B assets.

R'm	30 Sep 2017	30 Sep 2016
Total level one qualifying high-quality liquid assets [1]	3,687	1,312
Cash	1	2
Qualifying central bank reserves	405	453
Specified debt securities issued in Rand by the central government of the RSA or the Reserve Bank	3,281	857

(1) ABL does not have any investments in level two high-quality liquid assets

10.4.2 Derivative exposures and potential collateral calls

The table below provide information on the potential exposure to margin calls on derivative exposures. All derivatives are entered into for the sole purpose of risk mitigation in the banking book.

	a
Rm	RWA
Outright products	**545**
- Interest rate risk (general and specific)	-
- Equity risk (general and specific)	-
- Foreign exchange risk	545
- Commodity risk	-
Options	**-**
- Simplified approach	-
- Delta-plus method	-
- Scenario approach	-
Securitisation	-
Total	**545**

Gains and losses recognised in comprehensive income on swap contracts are released to the income statement in line with the interest expense and foreign currency movement on the underlying hedged items.

The forecast cash flows presented above show how the cash flow hedging reserve will be released to the income statement over time. The swaps have quarterly reset and settlement dates. The forecast cash flows were based on contracted interest and ruling exchange rates.

11. THE NET STABLE FUNDING RATIO (NSFR)

The NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. This ratio should be equal to at least 100% on an on-going basis.

"Available stable funding" is defined as the portion of capital and liabilities expected to be reliable over the time horizon considered by the NSFR, which extends to one year. The amount of such stable funding required of a specific institution is a function of the liquidity characteristics and residual maturities of the various assets held by that institution as well as those of its off-balance sheet exposures.

The NSFR is designed to ensure closer matching of long-term asset cash flows with long-term funding cash flows. Full compliance is required by 2018. Current guidance views a ratio of 100% or more as representing compliance.

The available stable funding has decreased as a result of the liability buy backs executed during the year while the required stable funding has increased as a result of the terming out of the available cash deposits in for hedging purposes and to enhance the yield on that cash within the banks liquidity risk appetite.

	30 Sep 2017	30 Sep 2016
NSFR %	144%	192%
Available stable funding (R'm)	29,392	34,176
Required stable funding (R'm)	20,397	17,773

12. INTEREST RATE RISK

The sensitivity analyses have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments. A 200-basis point movement for ZAR exposures and a 50-basis point movement for foreign currency exposures are used when reporting interest rate risk internally and represents management's assessment of the reasonably possible change in interest rates.

Further detail regarding interest rate risk is given in Note 26.2.1 to the African Bank Limited Annual Financial Statements for the year ended 30 September 2017. The differences between the disclosures for interest rate risk sensitivity in the annual financial statements and this report relate to differing methodologies applied.

The impact of a parallel rate shock on ABL's interest rate risk sensitivity calculated as a percentage of qualifying capital and reserve funds is small. Interest rate increase resulted in 0.38% and an interest rate decrease resulted in (0.38%).

Interest rate sensitivity (R'm)	30 Sep 2017	30 Sep 2016
Increase	38	120
Decrease	(37)	(105)

13. QUALITATIVE DISCLOSURES AND ACCOUNTING POLICIES

The regulations require that certain qualitative disclosures and statements on accounting policy be made. These were made in the annual financial statements and integrated annual report for the financial period ended 30 September 2017, in the remuneration report, corporate governance and risk management review and statements on group accounting policy. The disclosures in this report should be read together with the integrated annual report and transitional Basel III template. These disclosures can be found on the ABL website under investor relations, financial reporting.

Annexure A

	Tables and templates	Reference to Pillar 3
Part 2 – Overview of risk management and RWA	OVA – Bank risk management approach	3 (Referenced o AFS)
	OV1 – Overview of RWA	6.1
Part 3 – Linkages between financial statements and regulatory exposures	LI1 – Difference between accounting and regulatory scopes of consolidation and mapping of financial statements with regulatory risk categories	8.1
	LI2 – Main sources of differences between regulatory exposure amounts and carrying values in financial statements	8.2
	LIA – Explanations of differences between accounting and regulatory exposure amounts	N/A (No difference)
Part 4 – Credit Risk	CRA – General information about credit risk	9 (Note 27 of AFS)
	CR1 – Credit quality of assets	9.1
	CR2 – Changes in stock of defaulted loans and debt securities	9.2
	CRB – Additional disclosure related to the credit quality of assets	9.3 to 9.6
	CRC – Qualitative disclosure requirements related to credit risk mitigation techniques	3 (Referenced to AFS)
	CR3 – Credit risk mitigation techniques – Overview	9.8
	CRD – Qualitative disclosures on banks' use of external credit ratings under the standardised approach for credit risk	9.7
	CR4 – Standardised approach – credit risk exposure and Credit Risk Mitigation (CRM) effects	9.9
	CR5 – Standardised approach – exposures by asset classes and risk weights	9.10
Part 5 – Counterparty credit risk	CCRA – Qualitative disclosure related to counterparty credit risk	3 (Referenced to AFS)
	CCR1 – Analysis of counterparty credit risk (CCR) exposure by approach	9.11
	CCR2 – Credit valuation adjustment (CVA) capital charge	9.12
	CCR3 – Standardised approach of CCR exposures by regulatory portfolio and risk weights	9.13
	CCR5 – Composition of collateral for CCR exposures	9.14
Part 7 – Market risk	MRA – Qualitative disclosure requirements related to market risk	3 (Referenced to AFS)
	MR1 – Market risk under standardised approach	10.4.2