



Goldman Sachs International Bank  
Johannesburg Branch

# Pillar 3 Disclosures

For the period ended May 31, 2020

## TABLE OF CONTENTS

---

	<b>Page No.</b>
Introduction .....	1
Capital Framework .....	2
Key Prudential metrics and overview of RWA .....	3
Composition of Capital.....	5
Credit Risk .....	8
Market Risk.....	10
Leverage Ratio .....	11
Liquidity Risk.....	13
Cautionary Note on Forward-Looking Statements .....	15
Appendix: Index of Tables to BCBS Templates .....	16

---

## INDEX OF TABLES

---

	<b>Page No.</b>
Table 1: Key Metrics (KM1) .....	3
Table 2: Overview of RWA (OV1).....	4
Table 3: Composition of Regulatory Capital (CC1) .....	5
Table 4: Standardised Approach – Credit Risk Exposure and Credit Risk Mitigation (CRM) Effects (CR4) .....	8
Table 5: Standardised Approach – Exposures by Asset Classes and Risk Weights (CR5) .....	9
Table 6: Summary Comparison of Accounting Assets vs Leverage Ratio Exposure (LR1) .....	11
Table 7: Leverage Ratio (LR2) .....	12
Table 8: Liquidity Coverage Ratio (LIQ1) .....	13
Table 9: Net Stable Funding Ratio (LIQ2) .....	14

---

## Introduction

### Overview

Goldman Sachs International Bank Johannesburg Branch (the branch) is a branch of Goldman Sachs International Bank (the head office) and is incorporated and domiciled in the Republic of South Africa.

Goldman Sachs International Bank (GSIB) is a UK-domiciled bank involved in lending and deposit-taking activities, securities lending, and a primary dealer for European government bonds.

The branch's ultimate parent undertaking and controlling entity is The Goldman Sachs Group, Inc. (Group Inc.), a Delaware corporation, which together with its consolidated subsidiaries (collectively, the firm), is a leading global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and individuals. When we use the terms "Goldman Sachs" and "the firm", we mean Group Inc. and its consolidated subsidiaries and when we use the terms "the branch", "we", "us" and "our", we mean Goldman Sachs International Bank Johannesburg Branch.

The Board of Governors of the Federal Reserve System (FRB) is the primary regulator of Group Inc., a bank holding company (BHC) under the Bank Holding Company Act of 1956 and a financial holding company under amendments to this Act. As a BHC, the firm is subject to consolidated regulatory capital requirements which are calculated in accordance with the regulations of the FRB (Capital Framework).

The capital requirements are expressed as risk-based capital and leverage ratios that compare measures of regulatory capital to risk-weighted assets (RWAs), average assets and off-balance-sheet exposures. Failure to comply with these capital requirements could result in restrictions being imposed by our regulators and could limit our ability to distribute capital, including share repurchases and dividend payments, and to make certain discretionary compensation payments. The branch's capital levels are also subject to qualitative judgements by our regulators about components of capital, risk weightings and other factors.

For information on Group Inc.'s financial statements and regulatory capital ratios, please refer to the firm's most recent Quarterly Pillar 3 Disclosures and Quarterly Report on Form

10-Q. References to the "Quarterly Report on Form 10-Q" are to the firm's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2020.

<https://www.goldmansachs.com/investor-relations/financials/current/other-information/2q-pillar3-2020.pdf>

<https://www.goldmansachs.com/investor-relations/financials/current/10q/second-quarter-2020-10-q.pdf>

This quarterly disclosure for the branch has been prepared for the three-month period ended May 31, 2020, in line with the accounting reference date for GSIB. All references to May 2020 refer to the three-month period ended thereof, or the date, as the context requires, May 31, 2020.

The branch is supervised by the South African Reserve Bank (SARB) and as such is subject to minimum capital adequacy standards. Quarterly disclosures are prepared in accordance with the Basel Committee on Banking Supervision (BCBS)'s revised pillar 3 disclosure requirements, and the SARB Directive 1 of 2019 issued in terms of section 6(6) of the Banks Act No. 94 of 1990 and Regulation 43(1) of the regulations relating to banks.

Measures of exposures and other metrics disclosed in this report may not be based on International Financial Reporting Standards (IFRS), may not be directly comparable to measures reported in financial statements, and may not be comparable to similar measures used by other companies or branches. These disclosures are not required to be, and have not been, audited by our independent auditors.

### Definition of Risk-Weighted Assets

The risk weights used in the calculation of RWAs reflect an assessment of the riskiness of our assets and exposures. These risk weights are based on either predetermined levels set by regulators or on internal models which are subject to various qualitative and quantitative parameters that are subject to approval by our regulators. The relationship between available capital and capital requirements can be expressed in the form of a capital ratio.

## Pillar 3 Disclosures

### Capital Framework

#### Capital Structure

For regulatory capital purposes, the total available capital has the following components:

- Common Equity Tier 1 capital (CET1), which is comprised of endowment capital from GSIB, after giving effect to deductions for disallowed items and other adjustments;
- Tier 1 capital which is comprised of CET1 capital and other qualifying capital instruments; and
- Tier 2 capital which is comprised of qualifying instruments that can include long term subordinated debt and preference shares.

Certain components of our regulatory capital are subject to regulatory limits and restrictions under the rules. In general, to qualify as Tier 1 or Tier 2 capital, an instrument must be fully paid and unsecured. A qualifying Tier 1 or Tier 2 capital instrument must also be subordinated to all senior indebtedness of the organisation.

#### Regulatory Capital Ratios

The risk-based capital requirements are expressed as capital ratios that compare measures of regulatory capital to RWAs. The CET1 ratio is calculated as CET1 divided by RWAs. The Tier 1 capital ratio is defined as Tier 1 capital divided by RWAs. The Total capital ratio is defined as Total capital divided by RWAs.

#### Compliance with Capital Requirements

As of May 31, 2020, the branch had capital levels in excess of its minimum regulatory capital requirements.

**Pillar 3 Disclosures****Key Prudential metrics and overview of RWA**

The table below provides an overview of the branch's prudential regulatory position as measured by key regulatory metrics as at May 31, 2020.

**Table 1: Key Metrics (KM1)<sup>1</sup>**

	May 2020 R'm	Feb 2020 R'm
<b>Available capital (amounts)<sup>2</sup></b>		
1	251	254
1a	-	-
2	251	254
2a	-	-
3	251	254
3a	-	-
<b>Risk-weighted assets (amounts)</b>		
4	545	523
<b>Risk-based capital ratios as a percentage of RWA</b>		
5	46.0%	48.5%
5a	-	-
6	46.0%	48.5%
6a	-	-
7	46.0%	48.5%
7a	-	-
<b>Additional CET1 buffer requirements as a percentage of RWA</b>		
8	2.5%	2.5%
9	0.0%	0.0%
10	0.0%	0.0%
11	2.5%	2.5%
12	38.5%	41.0%
<b>Basel III Leverage Ratio</b>		
13	912	767
14	27.6%	33.1%
14a	27.6%	33.1%
<b>Liquidity Coverage Ratio</b>		
15	113	26
16	0	0
17	NM <sup>3</sup>	NM
<b>Net Stable Funding Ratio</b>		
18	745	656
19	427	381
20	174%	172%

1. No transitional arrangement with regards implementation of IFRS 9 for the impact of expected credit loss accounting on regulatory capital have been applied.
2. Excludes audited profits for the financial year ended 30 November 2019 approved to be included in the capital base on 2 July 2020
3. NM – not meaningful.

**Pillar 3 Disclosures**

RWAs are calculated based on measures of credit risk, market risk and operational risk. The tables below represent a summary of the RWAs and capital requirements by type as at May 31, 2020 and February 29, 2020.

**Table 2: Overview of RWA (OV1)**

	RWA		Minimum capital requirements <sup>1</sup>
	May 2020 R'm	Feb 2020 R'm	May 2020 R'm
<b>1 Credit risk (excluding counterparty credit risk)</b>	<b>179</b>	<b>157</b>	<b>21</b>
2 Of which: standardised approach (SA)	179	157	21
3 Of which: foundation internal ratings-based (F-IRB) approach	-	-	-
4 Of which: supervisory slotting approach	-	-	-
5 Of which: advanced internal ratings-based (A-IRB) approach	-	-	-
<b>6 Counterparty credit risk (CCR)</b>	<b>-</b>	<b>-</b>	<b>-</b>
7 Of which: standardised approach for counterparty credit risk	-	-	-
8 Of which: Internal Model Method (IMM)	-	-	-
9 Of which: other CCR	-	-	-
<b>10 Credit valuation adjustment (CVA)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>11 Equity positions under the simple risk weight approach</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>12 Equity investments in funds - look-through approach</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13 Equity investments in funds - mandate-based approach</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>14 Equity investments in funds - fall-back approach</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>15 Settlement risk</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>16 Securitisation exposures in the banking book</b>	<b>-</b>	<b>-</b>	<b>-</b>
17 Of which: securitisation internal ratings-based approach (SEC-IRBA)	-	-	-
18 Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach	-	-	-
19 Of which: securitisation standardised approach (SEC-SA)	-	-	-
<b>20 Market risk</b>	<b>0</b>	<b>0</b>	<b>0</b>
21 Of which: standardised approach (SA)	0	0	0
22 Of which: internal model approaches (IMA)	-	-	-
<b>23 Capital charge for switch between trading book and banking book</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>24 Operational risk</b>	<b>363</b>	<b>363</b>	<b>42</b>
<b>25 Amounts below thresholds for deduction (subject to 250% risk weight)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>26 Aggregate capital floor applied</b>	<b>-</b>	<b>-</b>	<b>-</b>
27 Floor adjustment (before application of transitional cap)	-	-	-
28 Floor adjustment (after application of transitional cap)	-	-	-
<b>29 Other assets risk</b>	<b>3</b>	<b>3</b>	<b>-</b>
<b>30 Total (1+6+10+11+12+13+14+15+16+20+23+24+25+28)</b>	<b>545</b>	<b>523</b>	<b>63</b>

1. Minimum capital requirements - This value is 11.5%, consisting of a Pillar 1 requirement of 8.00%, Pillar 2A of 1%, and a phased in Capital Conservation Buffer of 2.5%.

**Pillar 3 Disclosures****Composition of Capital**

The table below presents further information on the detailed capital position of the branch.

**Table 3: Composition of Regulatory Capital (CC1)**

	May 2020 R'm	
<b>Common Equity Tier 1 capital: instruments and reserves</b>		
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	255
2	Retained earnings	-
3	Accumulated other comprehensive income (and other reserves)	-
4	<i>Directly issued capital subject to phase-out from CET1 (only applicable to non-joint stock companies)</i>	-
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-
6	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	255
<b>Common Equity Tier 1 capital: regulatory adjustments</b>		
7	Prudent valuation adjustments	-
8	Goodwill (net of related tax liability)	-
9	Other intangibles other than mortgage servicing rights (net of related tax liability)	-
10	Deferred tax assets that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	(4)
11	Cash flow hedge reserve	-
12	Shortfall of provisions to expected losses	-
13	Securitisation gain on sale (as set out in paragraph 36 of Basel III securitisation framework <sup>25</sup> )	-
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-
15	Defined benefit pension fund net assets	-
16	Investments in own shares (if not already subtracted from 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, 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 (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 Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-
28	<b>Total regulatory adjustments to Common Equity Tier 1</b>	(4)
29	<b>Common Equity Tier 1 capital (CET1)</b>	251
<b>Additional Tier 1 capital: instruments</b>		
30	Directly issued qualifying additional Tier 1 instruments plus related stock surplus	-
31	Of which: classified as equity under applicable accounting standards	-
32	Of which: classified as liabilities under applicable accounting standards	-
33	<i>Directly issued capital instruments subject to phase-out from additional Tier 1</i>	-
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-
35	<i>Of which: instruments issued by subsidiaries subject to phase-out</i>	-
36	<b>Additional Tier 1 capital before regulatory adjustments</b>	-

## Pillar 3 Disclosures

<b>Additional Tier 1 capital: regulatory adjustments</b>		
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, 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	-
41	National specific regulatory adjustments	-
42	Regulatory adjustments applied to additional Tier 1 due to insufficient Tier 2 to cover deductions	-
43	<b>Total regulatory adjustments to additional Tier 1 capital</b>	-
44	<b>Additional Tier 1 capital (AT1)</b>	-
45	<b>Tier 1 capital (T1 = CET1 + AT1)</b>	251
<b>Tier 2 capital: instruments and provisions</b>		
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	-
47	<i>Directly issued capital instruments subject to phase-out from Tier 2</i>	-
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-
49	<i>Of which: instruments issued by subsidiaries subject to phase-out</i>	-
50	Provisions	-
51	<b>Tier 2 capital before regulatory adjustments</b>	-
<b>Tier 2 capital: regulatory adjustments</b>		
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 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 G-SIBs 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	<b>Total regulatory adjustments to Tier 2 capital</b>	-
58	<b>Tier 2 capital (T2)</b>	-
59	<b>Total regulatory capital (TC = T1 + T2)</b>	251
60	<b>Total risk-weighted assets</b>	545
<b>Capital ratios and buffers</b>		
61	<b>Common Equity Tier 1 (as a percentage of risk-weighted assets)</b>	46.0%
62	<b>Tier 1 (as a percentage of risk-weighted assets)</b>	46.0%
63	<b>Total capital (as a percentage of risk-weighted assets)</b>	46.0%
64	<b>Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk-weighted assets)</b>	2.5%
65	<i>Of which: capital conservation buffer requirement</i>	2.5%
66	<i>Of which: bank-specific countercyclical buffer requirement</i>	-
67	<i>Of which: higher loss absorbency requirement</i>	-
68	<b>Common Equity Tier 1 (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements</b>	38.5%
<b>National minima (if different from Basel III)</b>		
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	-
70	National Tier 1 minimum ratio (if different from Basel III minimum)	-
71	National total capital minimum ratio (if different from Basel III minimum)	-
<b>Amounts below the thresholds for deduction (before risk weighting)</b>		
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	-
74	Mortgage servicing rights (net of related tax liability)	-
75	Deferred tax assets arising from temporary differences (net of related tax liability)	-

**Pillar 3 Disclosures**

<b>Applicable caps on the inclusion of provisions in Tier 2</b>		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	-
77	Cap on inclusion of provisions in Tier 2 under standardised approach	-
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)</b>		
80	<i>Current cap on CET1 instruments subject to phase-out arrangements</i>	-
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-
82	<i>Current cap on AT1 instruments subject to phase-out arrangements</i>	-
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-
84	<i>Current cap on T2 instruments subject to phase-out arrangements</i>	-
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-

**Pillar 3 Disclosures****Credit Risk**

Credit risk represents the potential for loss due to the default or deterioration in credit quality of a counterparty or an issuer of securities or other instruments we hold. Credit risk comes from cash placed with banks, securities financing transactions (i.e., resale and repurchase agreements and securities borrowing and lending activities) and customer and other receivables.

Credit Risk, which is independent of the revenue-producing units and reports to the firm's chief risk officer, has primary responsibility for assessing, monitoring and managing credit risk through firmwide oversight across the firm's global businesses. The Risk Governance Committee reviews and approves credit policies and parameters. In addition, we hold other positions that give rise to credit risk (e.g., bonds). These credit risks are captured as a component of market risk measures, which are monitored and managed by Market Risk.

**Table 4: Standardised Approach – Credit Risk Exposure and Credit Risk Mitigation (CRM) Effects (CR4)**

Asset classes	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1 Sovereigns and their central banks	-	-	-	-	-	-
2 Non-central government public sector entities	-	-	-	-	-	-
3 Multilateral development banks	-	-	-	-	-	-
4 Banks	554	-	554	-	111	20.0%
5 Securities firms	137	-	137	-	68	50.0%
6 Corporates	-	-	-	-	-	-
7 Regulatory retail portfolios	-	-	-	-	-	-
8 Secured by residential property	-	-	-	-	-	-
9 Secured by commercial real estate	-	-	-	-	-	-
10 Equity	-	-	-	-	-	-
11 Past-due loans	-	-	-	-	-	-
12 Higher-risk categories	-	-	-	-	-	-
13 Other assets	115	-	115	-	3	2.0%
14 <b>Total</b>	806	-	806	-	182	23.0%

**Pillar 3 Disclosures****Table 5: Standardised Approach – Exposures by Asset Classes and Risk Weights (CR5)**

		0%	10%	20%	35%	50%	75%	100%	150%	Others	May 2020 R'm Total credit exposures amount (post CCF and post- CRM)
1	Sovereigns and their central banks	-	-	-	-	-	-	-	-	-	-
2	Non-central government public sector entities (PSEs)	-	-	-	-	-	-	-	-	-	-
3	Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-	-	-
4	Banks	-	-	554	-	0	-	-	-	-	554
5	Securities firms	-	-	-	-	137	-	-	-	-	137
6	Corporates	-	-	-	-	-	-	-	-	-	-
7	Regulatory retail portfolios	-	-	-	-	-	-	-	-	-	-
8	Secured by residential property	-	-	-	-	-	-	-	-	-	-
9	Secured by commercial real estate	-	-	-	-	-	-	-	-	-	-
10	Equity	-	-	-	-	-	-	-	-	-	-
11	Past-due loans	-	-	-	-	-	-	-	-	-	-
12	Higher-risk categories	-	-	-	-	-	-	-	-	-	-
13	Other assets	113	-	-	-	-	-	2	-	-	115
14	<b>Total</b>	113	-	554	-	137	-	3	-	-	806

**Pillar 3 Disclosures**

**Market Risk**

Market risk is the risk of loss in the value of inventory, investments, loans and other financial assets and liabilities accounted for at fair value, due to changes in market conditions.

Market Risk, which is independent of the revenue-producing units and reports to the firm's chief risk officer, has primary responsibility for assessing, monitoring and managing market risk through firmwide oversight across global businesses.

Managers in revenue-producing units and Market Risk discuss market information, positions and estimated loss scenarios on an ongoing basis. Managers in revenue-producing units are accountable for managing risk within prescribed limits. These managers have in-depth knowledge of their positions, markets and the instruments available to hedge their exposures.

As of May 31, 2020, we have immaterial market risk exposures in the branch.

**Pillar 3 Disclosures****Leverage Ratio**

The company is required to monitor and disclose its leverage ratio that compares Tier 1 capital to a measure of leverage exposure, defined as the sum of certain assets plus certain off-balance-sheet exposures, less Tier 1 capital deductions.

The table below presents information about the company's leverage ratio. The leverage ratio as of May 2020 decreased compared with February 2020, primarily due to an increase in the company's leverage exposure from increasing trading activities.

**Table 6: Summary Comparison of Accounting Assets vs Leverage Ratio Exposure (LR1)**

	<b>May 2020</b>
	<b>R'm</b>
1 Total consolidated assets as per the BA 900	810
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 securitised exposures that meet the operational requirements for the recognition of risk transference	-
4 Adjustments for temporary exemption of central bank reserves (if applicable)	-
5 Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
6 Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	-
7 Adjustments for eligible cash pooling transactions	-
8 Adjustments for derivative financial instruments	-
9 Adjustment for securities financing transactions (ie repos and similar secured lending)	-
10 Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	105
11 Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-
12 Other adjustments	(4)
<b>13 Leverage ratio exposure measure</b>	<b>912</b>

**Pillar 3 Disclosures****Table 7: Leverage Ratio (LR2)**

	May 2020 R'm	Feb 2020 R'm
<b>On-balance sheet exposures</b>		
1 On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	810	763
2 (Asset amounts deducted in determining Basel III Tier 1 capital)	(4)	(1)
3 <b>Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of row 1 and 2)</b>	806	762
<b>Derivative exposures</b>		
4 Replacement cost associated with <i>all</i> derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	-	-
5 Add-on amounts for PFE associated with <i>all</i> derivatives transactions	-	-
6 Gross-up for derivatives collateral provide 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 <b>Total derivative exposures (sum of rows 4 to 10)</b>	-	-
<b>Securities financing transactions</b>		
12 Gross SFT assets (with no recognition of netting), after adjusting for sale 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 <b>Total securities financing transaction exposures (sum of rows 12 to 15)</b>	-	-
<b>Other off-balance sheet exposures</b>		
17 Off-balance sheet exposure at gross notional amount	526	23
18 (Adjustments for conversion to credit equivalent amounts)	(421)	(18)
19 <b>Off-balance sheet items (sum of rows 17 and 18)</b>	105	5
<b>Capital and total exposures</b>		
20 <b>Tier 1 capital</b>	251	254
21 <b>Total exposures (sum of rows 3, 11, 16 and 19)</b>	912	767
<b>Leverage ratio</b>		
22 <b>Basel III leverage ratio</b>	<b>27.6%</b>	<b>33.1%</b>

## Pillar 3 Disclosures

## Liquidity Risk

Table 8: Liquidity Coverage Ratio (LIQ1)

	Total unweighted value (average)	Total weighted value (average)
	R'm	
<b>High-quality liquid assets</b>		
1 Total HQLA		113
<b>Cash outflows</b>		
2 Retail deposits and deposits from small business customers, of which:		
3 Stable deposits		
4 Less stable deposits		
5 Unsecured wholesale funding, of which:		
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks		
7 Non-operational deposits (all counterparties)		
8 Unsecured debt		
9 Secured wholesale funding		
10 Additional requirements, of which:		
11 Outflows related to derivative exposures and other collateral requirements		
12 Outflows related to loss of funding of debt products		
13 Credit and liquidity facilities		
14 Other contractual funding obligations	0	0
15 Other contingent funding obligations		
16 TOTAL CASH OUTFLOWS		0
<b>Cash inflows</b>		
17 Secured lending (eg reverse repo)		
18 Inflows from fully performing exposures		
19 Other cash inflows		
20 TOTAL CASH INFLOWS		
		<b>Total adjusted value</b>
21 Total HQLA		113
22 Total net cash outflows		0
23 Liquidity coverage ratio (%)		NM

\* NM – not meaningful.

## Pillar 3 Disclosures

Table 9: Net Stable Funding Ratio (LIQ2)

		Unweighted value by residual maturity				Weighted value
		No maturity*	<6 months	6 months to <1 year	≥1 year	
		R'm	R'm	R'm	R'm	
<b>Available stable funding (ASF) item</b>						
1	Capital:	255	-	-	-	255
2	Regulatory capital	255				255
3	Other capital instruments					
4	Retail deposits and deposits from small business customers:					
5	Stable deposits					
6	Less stable deposits					
7	Wholesale funding:	-	-	-	434	434
8	Operational deposits					
9	Other wholesale funding				434	434
10	Liabilities with matching interdependent assets					
11	Other liabilities:	56	68			56
12	NSFR derivative liabilities					
13	All other liabilities and equity not included in the above categories	56	68			56
<b>14</b>	<b>Total ASF</b>					<b>745</b>
<b>Required stable funding (RSF) item</b>						
15	Total NSFR high-quality liquid assets (HQLA)		113			0
16	Deposits held at other financial institutions for operational purposes	538				269
17	Performing loans and securities:					
18	Performing loans to financial institutions secured by Level 1 HQLA					
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions					
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:					
21	With a risk weight of less than or equal to 35%					
22	Performing residential mortgages, of which:					
23	With a risk weight of less than or equal to 35%					
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities				0	0
25	Assets with matching interdependent liabilities					
26	Other assets:	-	158	-	-	158
27	Physical traded commodities, including gold					
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs					
29	NSFR derivative assets					
30	NSFR derivative liabilities before deduction of variation margin posted					
31	All other assets not included in the above categories		158			158
32	Off-balance sheet items					
<b>33</b>	<b>Total RSF</b>					<b>427</b>
<b>34</b>	<b>Net Stable Funding Ratio (%)</b>					<b>174%</b>

\* Items to be reported in the "no maturity" time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities and physical traded commodities.

## **Cautionary Note on Forward-Looking Statements**

We have included in these disclosures, and our management may make, statements that may constitute “forward-looking statements.” Forward-looking statements are not historical facts or statements of current conditions, but instead represent only our beliefs regarding future events, many of which, by their nature, are inherently uncertain and outside our control. These statements include statements other than historical information or statements of current conditions.

It is possible that our actual results and financial condition may differ, possibly materially, from the anticipated results and financial condition indicated in these forward-looking statements. Important factors that could cause our actual results and financial condition to differ from those indicated in these statements include, among others, those discussed in “Risk Factors” in Part I, Item 1A in the firm’s 2019 Form 10-K as well as Part II, Item 1A in the firm’s Quarterly Report on Form 10-Q.

**Pillar 3 Disclosures****Appendix: Index of Tables to BCBS Templates**

Table	Full name	Page
1	KM1 – Key metrics (at consolidated group level)	3
N/A	KM2 – Key metrics – TLAC requirements (at resolution group level)	N/A
2	OV1 – Overview of RWA	4
3	CC1 – Composition of regulatory capital	5
N/A	CC2 – Reconciliation of regulatory capital to balance sheet	N/A
N/A	CCA – Main features of regulatory capital instruments and of other TLAC-eligible instruments	N/A
N/A	TLAC1 – TLAC composition for G-SIBs (at resolution group level)	N/A
N/A	TLAC2 – Material subgroup entity – creditor ranking at legal entity level	N/A
N/A	TLAC3 – Resolution entity – creditor ranking at legal entity level	N/A
N/A	CCyB1 – Geographical distribution of credit exposures used in the countercyclical buffer	N/A
6	LR1 – Summary comparison of accounting assets vs leverage ratio exposure measure	11
7	LR2 – Leverage ratio common disclosure template	12
8	LIQ1 – Liquidity Coverage Ratio (LCR)	13
9	LIQ 2 – Net Stable Funding Ratio (NSFR)	14
N/A	CR1 – Credit quality of assets	N/A
N/A	CR2 – Changes in stock of defaulted loans and debt securities	N/A
N/A	CR3 – Credit risk mitigation techniques – overview	N/A
4	CR4 – Standardised approach – credit risk exposure and Credit Risk Mitigation (CRM) effects	8
5	CR5 – Standardised approach – exposures by asset classes and risk weights	9
N/A	CR6 – IRB - Credit risk exposures by portfolio and PD range	N/A
N/A	CR7 – IRB – Effect on RWA of credit derivatives used as CRM techniques	N/A
N/A	CR8 – RWA flow statements of credit risk exposures under IRB	N/A
N/A	CR10 – IRB (specialised lending and equities under the simple risk weight method)	N/A
N/A	CCR1 – Analysis of counterparty credit risk (CCR) exposure by approach	N/A
N/A	CCR2 – Credit valuation adjustment (CVA) capital charge	N/A
N/A	CCR3 – Standardised approach of CCR exposures by regulatory portfolio and risk weights	N/A
N/A	CCR4 – IRB – CCR exposures by portfolio and PD scale	N/A
N/A	CCR5 – Composition of collateral for CCR exposure	N/A
N/A	CCR6 – Credit derivatives exposures	N/A
N/A	CCR7 – RWA flow statements of CCR exposures under the Internal Model Method (IMM)	N/A
N/A	CCR8 – Exposures to central counterparties	N/A
N/A	SEC1 – Securitisation exposures in the banking book	N/A
N/A	SEC2 – Securitisation exposures in the trading book	N/A
N/A	SEC3 – Securitisation exposures in the banking book and associated regulatory capital requirements – bank acting as originator or as sponsor	N/A
N/A	SEC4 – Securitisation exposures in the banking book and associated capital requirements –bank acting as investor	N/A
N/A	MRC – The structure of desks for banks using the IMA	N/A
N/A	MR1 – Market risk under standardised approach	N/A
N/A	MR2 – RWA flow statements of market risk exposures under an IMA	N/A
N/A	MR3 – IMA values for trading portfolios	N/A
N/A	MR4 – Comparison of VaR estimates with gains/losses	N/A

1. Template KM2, TLAC1, TLAC2, and TLAC3 have not been disclosed per paragraph 3.5.2 of SARB Directive 1 of 2019.
2. Template CC2 has not been disclosed as GSIBJB does not publish semi-annual financial statements.
3. Table CCA has not been disclosed as GSIBJB has nothing to report as of May 2020.
4. Template CCyB1 has not been disclosed as GSIBJB does not have any credit exposures in jurisdictions where the countercyclical buffer rate is higher than zero.
5. Template CR1, CR2, CR3, CR6, CR7 and CR8 have not been disclosed as GSIBJB has no relevant exposures as of May 2020.
6. Template CCR1-8 have not been disclosed as GSIBJB has no CCR exposures as of May 2020.
7. Template SEC1-4 have not been disclosed as GSIBJB has no securitisation exposure as of May 2020.
8. Template MR1 has not been disclosed as GSIBJB has no relevant exposures as of May 2020.
9. Template MRC, MR2, MR3 and MR4 have not been disclosed as GSIBJB has no MR exposures under IMA as of May 2020.