

HSBC Bank plc – Johannesburg Branch

Q1 2018 Quarterly Pillar 3

March 2018

	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1
Available capital amounts	'Rm				
1 Common Equity Tier 1 (CET1)	4,941	4,991	5,015	5,014	4,954
1a Fully loaded ECL accounting model	4,941	4,991	5,015	5,014	4,954
2 Tier 1	4,941	4,991	5,015	5,014	4,954
2a Fully loaded accounting model Tier 1	4,941	4,991	5,015	5,014	4,954
3 Total capital	5,045	5,005	5,029	5,027	4,967
3a Fully loaded ECL accounting model total capital	5,045	5,005	5,029	5,027	4,967
Risk-weighted assets (amounts)					
4 Total risk-weighted assets (RWA)	23,228	23,586	22,923	23,273	20,150
Risk-based capital ratios as a percentage of RWA					
5 Common Equity Tier 1 ratio (%)	21,27%	21,16%	21,88%	21,55%	24,59%
5a Fully loaded ECL accounting model CET1 (%)	21,27%	21,16%	21,88%	21,55%	24,59%
6 Tier 1 ratio (%)	21,27%	21,16%	21,88%	21,55%	24,59%
6a Fully loaded ECL accounting model Tier 1 ratio (%)	21,27%	21,16%	21,88%	21,55%	24,59%
7 Total capital ratio (%)	21,72%	21,22%	21,94%	21,60%	24,65%
7a Fully loaded ECL accounting model total capital ratio (%)	21,72%	21,22%	21,94%	21,60%	24,65%
Additional CET1 buffer requirements as a percentage of RWA					
8 Capital conservation buffer requirement (2.5% from 2019) (%)	1,88%	1,25%	1,25%	1,25%	1,25%
9 Countercyclical buffer requirement (%)	0,00%	0,00%	0,00%	0,00%	0,00%
10 Bank D-SIB additional requirements (%)	0,00%	0,00%	0,00%	0,00%	0,00%
11 Total of bank CET1 specific buffer requirements (%) (row 8 + row 9+ row 10)	1,88%	1,25%	1,25%	1,25%	1,25%
12 CET1 available after meeting the bank's minimum capital requirements (%)	13,52%	13,54%	14,25%	13,92%	16,96%
Basel III Leverage Ratio					
13 Total Basel III leverage ratio measure	50,465	52,094	56,581	58,779	51,644
14 Basel III leverage ratio (%) (row 2/row 13)	9,79%	9,58%	8,86%	8,53%	9,59%
14a Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2A/row 13)	9,79%	9,58%	8,86%	8,53%	9,59%
Liquidity Coverage Ratio					
15 Total HQLA	17,981	21,948	21,278	23,533	19,287
16 Total net cash outflow	13,964	17,808	14,234	15,119	14,862
17 LCR ratio (%)	129%	123%	149%	156%	130%
Net Stable Funding Ratio					
18 Total available stable funding	17,688	18,020	19,465	20,638	17,534
19 Total required stable funding	14,138	15,333	14,708	13,888	13,201
20 NSFR ratio (%)	125%	118%	132%	149%	133%

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	RWA 'Rm		Minimum capital requirements 'Rm
	2018 Q1	2017 Q4	2018 Q1
1 Credit risk (excluding counterparty credit risk)	17,616	17,566	1,960
2 Of which: standardised approach (SA)	17,616	17,566	1,960
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			
6 Counterparty credit risk (CCR)	2,011	2,455	224
7 Of which: standardised approach for counterparty credit risk	2,011	2,455	224
8 Of which: Internal Model Method (IMM)			
9 Of which: other CCR			
10 Credit valuation adjustment (CVA)			
11 Equity positions under the simple risk weight approach			
12 Equity investments in funds - look-through approach			
13 Equity investments in funds - mandate-based approach			
14 Equity investments in funds - fall-back approach			
15 Settlement risk			
16 Securitisation exposures in the banking book			
17 Of which: securitisation internal ratings-based approach (SEC-IRBA)			
Of which: securitisation external ratings-based approach (SEC-ERBA), incl.			
18 Internal assessment approach			
19 Of which: securitisation standardised approach (SEC-SA)			
20 Market risk	446	403	50
21 Of which: standardised approach (SA)	446	403	50
22 Of which: internal model approaches (IMA)			
23 Capital charge for switch between trading book and banking book			
24 Operational risk	3,012	3,012	335
25 Amounts below thresholds for deduction (subject to 250% risk weight)	144	150	16
26 Floor adjustment			
27 Total (1+6+10+11+12+13+14+15+16+20+23+24+25+26)	23,288	23,586	2,584

Minimum capital requirements - This value is 11.125% for 2018 (10.75% for 2017), consisting of a Pillar 1 requirement of 8%, Pillar 2A of 1.25% conservation buffer of 1.875%, increasing from 1.25% in 2017.