



basel pillar 3

disclosure

for the six months ended 31 December 2023

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FirstRand

1966/010753/06

Certain entities within the FirstRand group are authorised financial services and credit providers. This report is available on the group's website:

www.firstrand.co.za

Email questions to

investor.relations@firstrand.co.za

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The following standardised disclosures relating to capital, leverage and liquidity at 31 December 2023 are available on the group's website: www.firstrand.co.za/investors/integrated-reporting-hub/risk-disclosures/. These include:

- KM1: Key metrics
- CC1: Composition of regulatory capital
- CC2: Reconciliation of regulatory capital to balance sheet
- CCA: Main features of regulatory capital instruments
- CCYB1: Geographical distribution of credit exposures used in the countercyclical capital buffer
- LR1: Summary comparison of accounting assets vs leverage ratio exposure measure
- LR2: Leverage ratio common disclosure template
- LIQ1: Liquidity coverage ratio
- LIQ2: Net stable funding ratio

overview

of the firstrand group

FirstRand's portfolio of integrated financial services businesses comprises FNB, WesBank, RMB and Aldermore. The group operates in South Africa, certain markets in sub-Saharan Africa and in the UK, and offers a universal set of transactional, lending, investment and insurance products and services. The Centre represents group-wide functions.



WesBank



Aldermore

Introduction

This risk and capital management report (Pillar 3 disclosure) covers the operations of FirstRand Limited (FirstRand or the group) and complies with:

- the Basel Committee on Banking Supervision's (BCBS's) Pillar 3 disclosure requirements (Pillar 3 standard); BCBS 309 (January 2015); the consolidated and enhanced framework BCBS 400 (March 2017); and the BCBS technical amendment on the regulatory treatment of accounting provisions (August 2018); and
- Regulation 43 of the Regulations relating to Banks (Regulations), issued in terms of the Banks Act 94 of 1990; *Directive 1 of 2019 on Matters related to Pillar 3 disclosure requirement framework*; and all other Pillar 3 disclosure-related directives issued by the Prudential Authority.

The table references used throughout the Pillar 3 disclosure are in accordance with the Pillar 3 standard, where required.

Some differences exist between the practices, approaches, processes and policies of FirstRand Bank Limited (FRB or the bank) and FirstRand's other wholly owned subsidiaries. These are highlighted by reference to the appropriate entity, where necessary. There is further distinction between FRB (which includes foreign branches) and FirstRand Bank Limited South Africa (FRBSA) (which excludes foreign branches).

This report has been internally verified through the group's governance processes, in line with its external communication and disclosure policy, which describes the responsibilities and duties of senior management and the board in the preparation and review of the Pillar 3 disclosure. It aims to ensure that:

- the minimum disclosure requirements of the Regulations, standards and directives are met;
- disclosed information is consistent with the manner in which the board assesses the group's risk portfolio;
- the disclosure provides a true reflection of the group's financial condition and risk profile; and
- the quantitative and qualitative disclosures are appropriately reviewed.

In this regard, the board and senior management have ensured that appropriate review of the relevant disclosures have taken place. The review process applied was approved by the FirstRand risk, capital management and compliance committee.

overview

of risk-weighted assets

OV1: OVERVIEW OF RWA

The following table provides an overview of risk-weighted assets (RWA) per risk type for the group.

R million		Group				Minimum capital requirement*
		RWA				
		As at 31 Dec 2023	As at 30 Sept 2023	As at 30 Jun 2023	As at 31 Dec 2022	
1.	Credit risk (excluding counterparty credit risk)**	966 483	939 568	930 968	874 310	130 765
2.	– Standardised approach	407 404	393 836	403 663	354 106	55 122
5.	– Advanced internal ratings-based (AIRB) approach	559 079	545 732	527 305	520 204	75 643
16.	Securitisation exposures in banking book	4 140	5 298	5 359	7 463	560
18.	– Internal ratings-based (IRB) supervisory formula approach	4 037	5 229	5 290	4 860	546
19.	– Standardised approach/simplified supervisory formula approach	103	69	69	2 603	14
	Total credit risk	970 623	944 866	936 327	881 773	131 325
6.	Counterparty credit risk#	10 692	14 711	14 922	13 038	1 447
7.	– Standardised approach to counterparty credit risk (SA-CCR)	10 692	14 711	14 922	13 038	1 447
10.	Credit valuation adjustment	9 543	9 671	11 006	7 802	1 291
11.	Equity positions in banking book under market-based approach†	26 616	25 460	25 459	20 837	3 601
12.	Equity investments in funds – look-through approach	322	304	309	284	44
13.	Equity investments in funds – mandate-based approach	23 979	22 292	22 254	9 320	3 244
14.	Equity investments in funds – fall-back approach	131	130	781	121	18
20.	Market risk‡	42 148	37 741	43 897	36 133	5 703
21.	– Standardised approach	16 826	13 403	13 124	13 030	2 277
22.	– Internal model approach	25 322	24 338	30 773	23 103	3 426
24.	Operational risk	157 536	154 576	154 576	151 344	21 315
	– Basic indicator approach	27 023	25 796	25 796	23 086	3 656
	– Standardised approach	28 550	26 850	26 850	25 560	3 863
	– Advanced measurement approach	101 963	101 930	101 930	102 698	13 796
25.	Amounts below the thresholds for deduction (subject to 250% risk weight)	35 059	40 549	40 723	38 237	4 743
26.	Floor adjustment	44 073	38 467	38 467	19 405	5 963
	Other assets	38 234	43 820	35 143	34 127	5 173
27.	Total*	1 358 956	1 332 587	1 323 864	1 212 421	183 867

* The capital requirement was calculated at 13.5% of RWA. The minimum requirement excludes the bank-specific individual capital requirement (Pillar 2B). The difference to the BCBS base minimum (8%) relates to the buffer add-ons for Pillar 2A, countercyclical capital buffer (CCyB), capital conservation and the domestic systemically important bank (D-SIB) as prescribed in the Regulations. The CCyB requirement was 53 bps at 31 December 2023.

** The group does not apply the foundation internal ratings-based or the supervisory slotting approaches (rows 3 and 4 of OV1 template) and these rows are therefore excluded.

The group does not apply the internal model approach to counterparty credit risk (CCR) (row 8 of OV1 template) and there were no other counterparty credit risk (CCR) approaches (row 9 of OV1 template) and these rows are therefore excluded.

† Subject to the simple risk-weighted method.

‡ There were no switches between trading and banking book during the period under review (row 23 of OV1 template) and this row is therefore excluded.

^ Internal ratings-based approach for securitisation exposures in the banking book and settlement risk was nil for the period under review (row 15 and 17 in OV1 template) and these rows are therefore excluded.

Further detailed analysis of the group's credit RWA is provided in the following table.

OVERVIEW OF CREDIT RWA

<i>R million</i>	Group			
	As at 31 December 2023			
	RWA			Capital requirement*
	Advanced approach	Standardised approach	Total	
– Corporate, banks and sovereigns	276 555	148 194	424 749	57 468
– Small and medium-sized enterprises (SMEs)	76 767	87 496	164 263	22 225
– Residential mortgages	70 213	74 377	144 590	19 563
– Qualifying revolving retail	45 798	9 224	55 022	7 445
– Other retail	89 746	88 113	177 859	24 064
– Securitisation exposure	4 037	103	4 140	560
Total credit risk	563 116	407 507	970 623	131 325

* The capital requirement was calculated at 13.5% of RWA. The minimum requirement excludes the bank-specific individual capital requirement (Pillar 2B). The difference to the BCBS base minimum (8%) relates to the buffer add-ons for Pillar 2A, CCyB, capital conservation and the D-SIB, as prescribed in the Regulations.

OV1: OVERVIEW OF RWA

		FRB*				Minimum capital requirement**
		RWA				As at 31 Dec 2023
<i>R million</i>		As at 31 Dec 2023	As at 30 Sept 2023	As at 30 Jun 2023	As at 31 Dec 2022	As at 31 Dec 2023
1.	Credit risk (excluding counterparty credit risk)‡	621 372	610 235	591 783	582 493	80 778
2.	– Standardised approach	43 915	44 189	43 334	41 948	5 709
5.	– AIRB approach	577 457	566 046	548 449	540 545	75 069
16.	Securitisation exposures in banking book	4 140	5 298	5 359	7 463	538
18.	– IRB supervisory formula approach	4 037	5 229	5 290	4 860	525
19.	– Standardised approach/simplified supervisory formula approach	103	69	69	2 603	13
Total credit risk		625 512	615 533	597 142	589 956	81 316
6.	Counterparty credit risk†	8 242	9 365	8 432	9 422	1 071
7.	– SA-CCR	8 242	9 365	8 432	9 422	1 071
10.	Credit valuation adjustment	5 756	6 324	6 032	6 326	748
11.	Equity positions in banking book under market-based approach‡	1 806	2 140	1 854	1 761	235
12.	Equity investments in funds – look-through approach	–	–	–	–	–
13.	Equity investments in funds – mandate-based approach	110	102	102	83	14
14.	Equity investments in funds – fall-back approach	131	130	124	122	17
20.	Market risk^	34 307	31 799	37 382	29 794	4 460
21.	– Standardised approach	8 985	7 461	6 609	6 691	1 168
22.	– Internal model approach	25 322	24 338	30 773	23 103	3 292
24.	Operational risk	102 849	102 356	102 356	102 942	13 370
	– Basic indicator approach	–	–	–	–	–
	– Standardised approach	3 085	2 875	2 875	2 823	401
	– Advanced measurement approach	99 764	99 481	99 481	100 119	12 969
25.	Amounts below the thresholds for deduction (subject to 250% risk weight)	14 433	18 759	18 228	15 632	1 876
26.	Floor adjustment	48 107	42 383	42 383	23 628	6 254
	Other assets	31 217	33 985	27 437	27 006	4 058
27.	Total^o	872 470	862 876	841 472	806 672	113 419

* FRB including foreign branches.

** The capital requirement was calculated at 13% of RWA. The minimum requirement excludes the bank-specific individual capital requirement (Pillar 2B). The difference to the BCBS base minimum (8%) relates to the buffer add-ons for Pillar 2A, CCyB, capital conservation and the D-SIB as prescribed in the Regulations. The CCyB requirement was nil at 31 December 2023.

‡ The bank does not apply the foundation internal ratings-based or the supervisory slotting approaches (rows 3 and 4 of OV1 template) and these rows are therefore excluded.

† The bank does not apply the internal model approach to counterparty credit risk (row 8 of OV1 template) and there were no other CCR approaches (row 9 of OV1 template) and these rows are therefore excluded.

‡ Subject to the simple risk-weighted method.

^ There were no switches between trading and banking book during the period under review (row 23 of OV1 template) and this row is therefore excluded.

o Internal ratings-based approach for securitisation exposures in the banking book and settlement risk was nil for the period under review (row 15 and 17 in OV1 template) and these rows are therefore excluded.

Further detailed analysis of the bank's credit RWA is provided in the following table.

OVERVIEW OF CREDIT RWA

<i>R million</i>	FRB*			
	As at 31 December 2023			
	RWA			Capital requirement**
	Advanced approach	Standardised approach	Total	
– Corporate, banks and sovereigns	294 933	33 492	328 425	42 695
– SMEs	76 767	1 374	78 141	10 158
– Residential mortgages	70 213	–	70 213	9 127
– Qualifying revolving retail	45 798	8 206	54 004	7 021
– Other retail	89 746	843	90 589	11 777
– Securitisation exposure	4 037	103	4 140	538
Total credit risk	581 494	44 018	625 512	81 316

* Includes foreign branches.

** The capital requirement was calculated at 13% of RWA. The minimum requirement excludes the bank-specific individual capital requirement (Pillar 2B). The difference to the BCBS base minimum (8%) relates to the buffer add-ons for Pillar 2A, CCyB, capital conservation and the D-SIB, as prescribed in the Regulations.

credit risk

CR1: CREDIT QUALITY OF ASSETS

As at 31 December 2023

	Gross carrying values of		Allowances/ impairments (c)	Of which ECL accounting provisions for credit losses on standardised approach exposures [#]		Of which ECL accounting provisions for credit losses on AIRB exposures	Net value (a+b-c)
	Defaulted exposures* (a)	Non- defaulted exposures** (b)		Allocated in regulatory category of specific	Allocated in regulatory category of general		
<i>R million</i>							
1. Gross advances	62 240	1 592 572	53 254	7 106	7 461	38 688	1 601 558
FNB	38 177	507 327	29 504	2 998	2 494	24 012	516 000
– Retail	30 085	334 320	20 930	851	702	19 377	343 475
– Commercial	4 467	115 932	4 880	72	173	4 635	115 519
– Broader Africa	3 625	57 075	3 694	2 075	1 619	–	57 006
WesBank	7 802	163 369	6 946	–	–	6 946	164 225
RMB corporate and investment banking (CIB)	4 968	537 452	7 384	–	–	7 384	535 036
UK operations	10 621	350 590	8 007	3 650	4 357	–	353 204
Centre (including Group Treasury)	672	33 834	1 413	458	610	346	33 093
2. Debt investment securities[†]	–	411 986	715	–	–	–	411 271
3. Off-balance sheet exposures	244	291 100	–	–	–	–	291 344
4. Total	62 484	2 295 658	53 969	7 106	7 461	38 688	2 304 173

* Defaulted exposure is stage 3/non-performing loans (NPLs).

** Non-defaulted exposure is the sum of stage 1 and stage 2 gross advances.

[#] ECL = expected credit loss.

[†] Exclude non-recourse investments.

CR1: CREDIT QUALITY OF ASSETS continued

As at 31 December 2022

	Gross carrying values of		Allowances/ impairments (c)	Of which ECL accounting provisions for credit losses on standardised approach exposures [#]		Of which ECL accounting provisions for credit losses on AIRB exposures	Net value (a+b-c)
	Defaulted exposures* (a)	Non- defaulted exposures** (b)		Allocated in regulatory category of specific	Allocated in regulatory category of general		
<i>R million</i>							
1. Gross advances	50 709	1 445 174	48 216	5 646	6 444	36 126	1 447 667
FNB	31 526	475 537	27 916	2 843	2 499	22 574	479 147
– Retail	23 676	316 932	19 071	656	601	17 814	321 537
– Commercial	4 430	106 432	5 073	104	209	4 760	105 789
– Broader Africa	3 420	52 173	3 772	2 083	1 689	–	51 821
WesBank	6 567	147 007	6 238	1	2	6 235	147 336
RMB CIB	3 955	471 527	6 741	–	–	6 741	468 741
UK operations	7 869	314 387	5 827	2 494	3 333	–	316 429
Centre (including Group Treasury)	792	36 716	1 494	308	610	576	36 014
2. Debt investment securities[†]	–	333 549	210	–	–	–	333 339
3. Off-balance sheet exposures	290	265 861	–	–	–	–	266 151
4. Total	50 999	2 044 584	48 426	5 646	6 444	36 126	2 047 157

* Defaulted exposure is stage 3/NPLs.

** Non-defaulted exposure is the sum of stage 1 and stage 2 gross advances.

[#] ECL = expected credit loss.[†] Exclude non-recourse investments.

CR1: CREDIT QUALITY OF ASSETS *continued*

As at 30 June 2023

	Gross carrying values of		Allowances/ impairments (c)	Of which ECL accounting provisions for credit losses on standardised approach exposures [#]		Of which ECL accounting provisions for credit losses on AIRB exposures	Net value (a+b-c)
	Defaulted exposures* (a)	Non- defaulted exposures** (b)		Allocated in regulatory category of specific	Allocated in regulatory category of general		
<i>R million</i>							
1. Gross advances	57 432	1 533 015	51 072	5 649	8 463	36 960	1 539 375
FNB	34 884	494 244	28 389	2 899	2 581	22 909	500 739
– Retail	26 601	327 661	19 660	792	692	18 176	334 602
– Commercial	4 773	111 675	5 003	93	177	4 733	111 445
– Broader Africa	3 510	54 908	3 726	2 014	1 712	–	54 692
WesBank	7 235	155 756	6 595	–	–	6 595	156 396
RMB CIB	5 171	479 478	6 882	–	–	6 882	477 767
UK operations	9 222	361 928	7 831	2 560	5 271	–	363 319
Centre (including Group Treasury)	920	41 609	1 375	190	611	574	41 154
2. Debt investment securities[†]	–	400 401	780	–	–	780	399 621
3. Off-balance sheet exposures	210	277 408	–	–	–	–	277 618
4. Total	57 642	2 210 824	51 852	5 649	8 463	37 740	2 216 614

* *Defaulted exposure is stage 3/NPLs.*** *Non-defaulted exposure is the sum of stage 1 and stage 2 gross advances.*[#] *ECL = expected credit loss.*[†] *Exclude non-recourse investments.*

CR2: CHANGES IN STOCK OF DEFAULTED ADVANCES, DEBT SECURITIES AND OFF-BALANCE SHEET EXPOSURES

<i>R million</i>		Total
1.	Defaulted credit exposures at 30 June 2023	57 642
2.	Advances defaulted	17 184
3.	Return to non-defaulted status	(3 673)
4.	Amounts written off	(6 062)
5.	Payment received	(3 357)
6.	Other changes	750
7.	Defaulted credit exposures at 31 December 2023	62 484

CR3: CREDIT RISK MITIGATION TECHNIQUES

As at 31 December 2023					
Exposures*					
<i>R million</i>	Unsecured carrying value	Secured by collateral		Secured by financial guarantees	
		Carrying value	Secured amount	Carrying value	Secured amount
Advances	258 673	1 342 885	1 342 885	12 996	12 996
Debt securities	66 422	344 848	344 848	–	–
Total advances and debt securities	325 095	1 687 733	1 687 733	12 996	12 996
Of which defaulted	4 708	29 299	29 299	–	–

As at 31 December 2022					
Exposures*					
<i>R million</i>	Unsecured carrying value	Secured by collateral		Secured by financial guarantees	
		Carrying value	Secured amount	Carrying value	Secured amount
Advances	232 975	1 214 693	1 214 693	13 653	13 653
Debt securities	64 754	268 584	268 584	–	–
Total advances and debt securities	297 729	1 483 277	1 483 277	13 653	13 653
Of which defaulted	4 321	21 549	21 549	–	–

As at 30 June 2023					
Exposures*					
<i>R million</i>	Unsecured carrying value	Secured by collateral		Secured by financial guarantees	
		Carrying value	Secured amount	Carrying value	Secured amount
Advances	235 715	1 303 660	1 303 660	14 911	14 911
Debt securities	78 666	320 955	320 955	–	–
Total advances and debt securities	314 381	1 624 615	1 624 615	14 911	14 911
Of which defaulted	4 131	27 263	27 263	–	–

* No exposures were secured by credit derivatives during the periods under review.

The following tables provide the credit risk exposures, credit risk mitigation effects and RWA for standardised approach exposures per asset class. RWA density is the ratio of RWA to exposures post-credit conversion factors (post-CCF) and credit risk mitigation (CRM). There were no equity exposures to disclose as part of credit. Exposures to multilateral development banks have been categorised under 'banks'. Specific details regarding past due advances, higher-risk categories and other asset categories were not separately provided. Rows 3 and 10-13 have been excluded from the tables.

CR4: STANDARDISED APPROACH – CREDIT RISK EXPOSURE AND CREDIT RISK MITIGATION EFFECTS

		As at 31 December 2023					
		Exposures before CCF and CRM		Exposure post-CCF and post-CRM		RWA and RWA density	
<i>R million</i>		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density %
	Asset classes						
1.	Sovereigns and their central banks	144 371	17	143 694	4	43 406	30.21
2.	Non-central government public sector entities	6 225	2 771	5 098	306	2 702	50.00
4.	Banks	36 617	31	30 520	186	10 410	33.90
5.	Securities firms	1 451	–	1 451	–	1 451	100.00
6.	Corporates	99 302	40 121	106 281	8 150	113 185	98.91
7.	Regulatory retail portfolios	158 807	12 753	157 982	4 382	122 532	75.47
8.	Secured by residential property	201 080	8 951	201 082	1 966	74 377	36.63
9.	Secured by commercial real estate	38 747	1 050	38 747	525	39 341	100.18
14.	Total	686 600	65 694	684 855	15 519	407 404	58.17

		As at 31 December 2022					
		Exposures before CCF and CRM		Exposure post-CCF and post-CRM		RWA and RWA density	
<i>R million</i>		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density %
	Asset classes						
1.	Sovereigns and their central banks	101 990	212	99 248	147	49 595	49.90
2.	Non-central government public sector entities	6 112	1 724	5 137	238	2 688	50.01
4.	Banks	37 642	104	32 489	251	11 501	35.13
5.	Securities firms	2 008	–	2 008	–	1 004	50.00
6.	Corporates	79 305	46 278	85 758	5 560	88 433	96.84
7.	Regulatory retail portfolios	143 977	14 306	143 858	4 047	107 302	72.55
8.	Secured by residential property	183 237	6 695	183 229	1 960	66 315	35.81
9.	Secured by commercial real estate	26 163	3 422	26 163	1 105	27 268	100.00
14.	Total	580 434	72 741	577 890	13 308	354 106	59.90

The increase in sovereign exposures from December 2022 to December 2023 is primarily attributed to the growth in treasury bills and government securities in broader Africa and UK operations.

CR4: STANDARDISED APPROACH – CREDIT RISK EXPOSURE AND CREDIT RISK MITIGATION EFFECTS *continued*

As at 30 June 2023							
<i>R million</i>		Exposures before CCF and CRM		Exposure post-CCF and post-CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density %
	Asset classes						
1.	Sovereigns and their central banks	126 197	44	123 958	10	41 888	33.79
2.	Non-central government public sector entities	5 860	2 471	4 862	272	2 568	50.02
4.	Banks	37 398	15	32 666	328	9 834	29.81
5.	Securities firms	1 398	–	1 398	–	1 398	100.00
6.	Corporates	93 282	55 563	100 895	7 731	106 575	98.11
7.	Regulatory retail portfolios	175 942	13 682	175 928	4 528	135 719	75.21
8.	Secured by residential property	208 651	7 342	208 652	2 167	75 528	35.83
9.	Secured by commercial real estate	28 692	4 252	28 692	1 461	30 153	100.00
14.	Total	677 420	83 369	677 051	16 497	403 663	58.20

The following tables provide a breakdown of exposures rated through the standardised approach by asset class to show the effect of credit risk mitigation. Further breakdown by risk weight per asset class is shown where the risk weights used are those prescribed in the Regulations and will differ primarily by asset class as well as credit rating. There were no equity exposures to disclose as part of credit. Exposures to multilateral development banks have been categorised under 'banks'. Specific details regarding past due advances, higher-risk categories and other asset categories were not separately provided. Rows 3 and 10-13 have been excluded from the tables.

CR5: STANDARDISED APPROACH – EXPOSURES BY ASSET CLASSES AND RISK WEIGHTS

As at 31 December 2023										
<i>R million</i>	Asset classes	Risk weight							Total credit exposures amount (post-CCF and post-CRM)	
		0%	10%	20%	35%	50%	75%	100%		150%
1.	Sovereigns and their central banks	100 135	–	–	–	10 882	–	22 111	10 569	143 697
2.	Non-central government public sector entities	–	–	–	–	5 403	–	–	–	5 403
4.	Banks	774	–	24 522	–	2 172	–	1 688	1 550	30 706
5.	Securities firms	–	–	–	–	1 451	–	–	–	1 451
6.	Corporates	–	–	2 657	–	7 854	–	96 252	7 668	114 431
7.	Regulatory retail portfolios	–	–	–	–	649	158 631	2 775	310	162 365
8.	Secured by residential property	–	–	–	196 135	1 130	2 559	3 225	–	203 049
9.	Secured by commercial real estate	–	–	–	–	–	–	39 128	144	39 272
14.	Total	100 909	–	27 179	196 135	29 541	161 190	165 179	20 241	700 374

As at 31 December 2022										
<i>R million</i>	Asset classes	Risk weight							Total credit exposures amount (post-CCF and post-CRM)	
		0%	10%	20%	35%	50%	75%	100%		150%
1.	Sovereigns and their central banks	58 578	–	97	–	8 174	–	22 416	10 130	99 395
2.	Non-central government public sector entities	–	–	–	–	5 375	–	–	–	5 375
4.	Banks	812	6 559	16 949	–	2 176	–	6 006	238	32 740
5.	Securities firms	–	–	–	–	2 008	–	–	–	2 008
6.	Corporates	2 907	–	2 806	–	4 789	230	71 149	9 437	91 318
7.	Regulatory retail portfolios	1 807	–	4 091	291	1 129	139 177	1 360	50	147 905
8.	Secured by residential property	–	–	–	182 234	–	1 726	1 230	–	185 190
9.	Secured by commercial real estate	–	–	–	–	–	–	27 267	–	27 267
14.	Total	64 104	6 559	23 943	182 525	23 651	141 133	129 428	19 855	591 198

The increase in sovereign exposures from December 2022 to December 2023 is primarily attributed to the growth in treasury bills and government securities in broader Africa and UK operations.

CR5: STANDARDISED APPROACH – EXPOSURES BY ASSET CLASSES AND RISK WEIGHTS *continued*

As at 30 June 2023										
<i>R million</i>	Risk weight								Total credit exposures amount (post-CCF and post-CRM)	
	0%	10%	20%	35%	50%	75%	100%	150%		
Asset classes										
1.	Sovereigns and their central banks	83 980	–	–	–	9 053	–	18 082	12 853	123 968
2.	Non-central government public sector entities	–	–	–	–	5 133	–	1	–	5 134
4.	Banks	3 721	13 245	9 403	–	3 203	–	3 229	193	32 994
5.	Securities firms	–	–	–	–	1 398	–	–	–	1 398
6.	Corporates	–	–	6 886	3 214	8 794	6 966	74 928	7 838	108 626
7.	Regulatory retail portfolios	1 203	–	–	417	1 221	169 030	1 869	6 716	180 456
8.	Secured by residential property	–	–	–	208 264	–	2 373	182	–	210 819
9.	Secured by commercial real estate	–	–	–	–	–	–	30 153	–	30 153
14.	Total	88 904	13 245	16 289	211 895	28 802	178 369	128 444	27 600	693 548

Credit risk exposures by portfolio and PD range

The following tables provide the main parameters used for the calculation of capital requirements for exposures in the advanced internal ratings-based (AIRB) models, split by asset class and shown within fixed regulatory probability of default (PD) ranges. These exposures are for FRBSA, where AIRB models are applied:

- regulatory supplied CCF are used;
- CRM measures are applied;
- number of obligors corresponds to the number of counterparties in the PD band;
- average PD and loss given default (LGD) are weighted by exposure at default (EAD);
- average maturity is the obligor maturity in years weighted by EAD;
- RWA density is the total RWA to EAD post-CRM; and
- provisions are only included on a total basis.

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE

Total FRBSA						
As at 31 December 2023						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors
0.00 to <0.15	66 923	37 558	60.46	85 350	0.07	85 116
0.15 to <0.25	94 098	57 088	53.13	120 086	0.20	98 798
0.25 to <0.50	421 890	88 275	52.33	474 919	0.44	342 569
0.50 to <0.75	122 407	40 202	54.54	141 533	0.66	297 435
0.75 to <2.50	310 638	79 281	57.14	354 404	1.52	1 259 880
2.50 to <10	156 716	26 532	60.93	174 890	4.56	1 617 525
10 to <100	47 686	4 537	44.48	50 478	25.65	2 288 314
100 (default)	46 167	87	–	46 596	100.00	647 630
Total	1 266 525	333 560	55.36	1 448 256	5.26	6 637 267

Total FRBSA						
As at 31 December 2023						
<i>PD scale</i>	Average LGD (%)	Average maturity (years)	RWA* (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	18.61	0.61	3 805	4.46	13	
0.15 to <0.25	26.58	1.51	24 889	20.73	62	
0.25 to <0.50	15.02	2.24	86 890	18.30	296	
0.50 to <0.75	25.12	2.41	48 987	34.61	233	
0.75 to <2.50	28.76	2.00	163 546	46.15	1 595	
2.50 to <10	43.15	2.13	138 391	79.13	3 639	
10 to <100	38.00	1.76	60 242	119.34	4 815	
100 (default)	45.38	1.87	32 329	69.38	20 354	
Total	25.72	2.00	559 079	38.60	31 007	34 043

* The difference between total RWA presented in the OV1: Overview of RWA and CR6 templates is due to slotting.

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE *continued*

Total FRBSA						
As at 31 December 2022						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors
0.00 to <0.15	39 314	19 660	38.46	48 938	0.07	140 858
0.15 to <0.25	63 772	57 818	51.91	95 243	0.19	124 609
0.25 to <0.50	381 045	95 929	51.65	430 174	0.45	391 575
0.50 to <0.75	113 223	35 108	58.41	132 782	0.63	306 818
0.75 to <2.50	320 280	85 969	66.50	376 308	1.47	1 243 127
2.50 to <10	156 799	23 174	64.12	171 802	4.34	1 486 572
10 to <100	38 369	3 867	59.98	41 092	25.17	2 000 871
100 (default)	37 342	94	–	37 765	100.00	730 352
Total	1 150 144	321 619	56.58	1 334 104	4.80	6 424 782

Total FRBSA						
As at 31 December 2022						
<i>PD scale</i>	Average LGD (%)	Average maturity (years)	RWA* (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	26.43	0.49	2 704	5.53	10	
0.15 to <0.25	29.89	1.38	20 789	21.83	54	
0.25 to <0.50	15.65	2.20	82 547	19.19	245	
0.50 to <0.75	24.39	2.31	41 985	31.62	212	
0.75 to <2.50	25.93	2.02	164 302	43.66	1 578	
2.50 to <10	38.54	2.20	130 956	76.22	3 209	
10 to <100	37.41	2.53	49 454	120.35	3 993	
100 (default)	47.92	2.59	27 468	72.73	17 579	
Total	25.36	2.06	520 205	38.99	26 880	31 534

* The difference between total RWA presented in the OV1: Overview of RWA and CR6 templates is due to slotting.

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE continued

Corporate						
As at 31 December 2023						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors
0.00 to <0.15	3 596	387	42.73	3 689	0.08	5
0.15 to <0.25	51 875	36 272	42.88	65 341	0.19	47
0.25 to <0.50	62 435	47 883	41.49	81 142	0.40	119
0.50 to <0.75	46 502	16 401	42.89	51 446	0.69	112
0.75 to <2.50	62 847	27 571	42.27	73 307	1.54	302
2.50 to <10	13 038	5 072	43.52	15 427	4.51	168
10 to <100	1 688	526	44.95	1 919	10.71	79
100 (default)	2 213	87	–	2 251	100.00	6
Total	244 194	134 199	42.26	294 522	1.73	838

Corporate						
As at 31 December 2023						
<i>PD scale</i>	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	30.00	1.95	600	16.26	1	
0.15 to <0.25	30.83	1.69	17 810	27.26	39	
0.25 to <0.50	28.57	1.90	31 110	38.34	93	
0.50 to <0.75	25.26	2.16	23 202	45.10	89	
0.75 to <2.50	30.18	1.76	50 157	68.42	346	
2.50 to <10	38.52	1.70	18 979	123.02	269	
10 to <100	35.84	1.45	2 965	154.51	72	
100 (default)	48.21	1.05	–	–	1 086	
Total	29.63	1.84	144 823	49.17	1 995	2 572

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE *continued*

Corporate						
As at 31 December 2022						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors
0.00 to <0.15	1 757	1 002	48.44	2 276	0.09	3
0.15 to <0.25	41 541	37 140	48.20	59 539	0.18	46
0.25 to <0.50	50 999	47 697	45.64	72 363	0.40	106
0.50 to <0.75	29 522	13 940	53.28	36 299	0.66	97
0.75 to <2.50	51 712	23 386	56.25	64 166	1.57	276
2.50 to <10	11 746	3 598	51.39	13 513	4.72	136
10 to <100	1 283	838	53.65	1 734	10.83	84
100 (default)	1 678	93	–	1 693	100.00	9
Total	190 238	127 694	49.37	251 583	1.66	757

Corporate						
As at 31 December 2022						
<i>PD scale</i>	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	30.09	1.41	309	13.58	1	
0.15 to <0.25	30.90	1.57	14 951	25.11	34	
0.25 to <0.50	29.71	1.69	27 767	38.37	85	
0.50 to <0.75	27.17	1.94	16 928	46.63	65	
0.75 to <2.50	30.51	1.85	44 841	69.88	314	
2.50 to <10	38.74	1.86	16 982	125.67	252	
10 to <100	38.83	1.51	2 869	165.46	70	
100 (default)	54.22	1.38	–	–	919	
Total	30.55	1.74	124 647	49.55	1 740	2 210

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE continued

Specialised lending						
As at 31 December 2023						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors
0.00 to <0.15	93	5	–	93	0.08	1
0.15 to <0.25	1 717	79	42.50	1 687	0.21	3
0.25 to <0.50	40 467	5 055	61.91	40 810	0.41	69
0.50 to <0.75	18 478	4 403	43.89	19 548	0.68	52
0.75 to <2.50	35 031	3 221	49.39	36 087	1.47	1 208
2.50 to <10	7 290	833	43.82	7 596	3.61	497
10 to <100	3 492	–	–	3 494	20.00	48
100 (default)	2 219	–	–	2 219	100.00	55
Total	108 787	13 596	51.87	111 534	3.61	1 933

Specialised lending						
As at 31 December 2023						
<i>PD scale</i>	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	25.00	1.96	12	12.90	–	
0.15 to <0.25	13.35	1.80	204	12.09	–	
0.25 to <0.50	16.30	2.84	10 572	25.91	27	
0.50 to <0.75	23.11	3.26	9 296	47.55	31	
0.75 to <2.50	24.89	2.56	22 184	61.47	142	
2.50 to <10	29.53	3.13	7 738	101.87	93	
10 to <100	24.46	2.06	4 500	128.79	163	
100 (default)	21.53	3.45	44	1.98	440	
Total	21.50	2.81	54 550	48.91	896	1 530

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE *continued*

Specialised lending						
As at 31 December 2022						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors
0.00 to <0.15	97	5	–	97	0.08	1
0.15 to <0.25	1 275	341	42.46	1 420	0.21	4
0.25 to <0.50	41 948	6 656	59.29	42 555	0.41	59
0.50 to <0.75	14 822	1 936	58.78	15 684	0.67	53
0.75 to <2.50	32 127	2 430	59.25	33 612	0.93	1 180
2.50 to <10	7 675	103	62.41	7 850	1.15	417
10 to <100	3 169	49	57.46	3 197	13.18	34
100 (default)	1 045	1	–	1 045	100.00	35
Total	102 158	11 521	58.69	105 460	2.04	1 783

Specialised lending						
As at 31 December 2022						
<i>PD scale</i>	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	25.00	2.77	16	16.49	–	
0.15 to <0.25	16.39	1.85	209	14.72	–	
0.25 to <0.50	16.92	2.68	11 172	26.25	30	
0.50 to <0.75	21.47	3.16	7 078	45.13	23	
0.75 to <2.50	15.11	2.42	20 355	60.56	126	
2.50 to <10	7.47	3.00	7 941	101.16	86	
10 to <100	11.58	3.96	2 883	90.18	100	
100 (default)	27.33	3.98	–	–	485	
Total	16.26	2.73	49 654	47.08	850	1 446

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE continued

Sovereign						
As at 31 December 2023						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors
0.00 to <0.15	14 661	1 389	41.95	15 243	0.04	5
0.15 to <0.25	–	–	–	–	–	–
0.25 to <0.50	247 929	4 229	43.59	262 942	0.48	40
0.50 to <0.75	1 676	91	1.52	1 720	0.61	23
0.75 to <2.50	3 440	44	–	3 249	1.16	66
2.50 to <10	1 486	304	46.37	1 630	4.93	840
10 to <100	314	817	48.36	789	26.28	10
100 (default)	615	–	–	615	100.00	2
Total	270 121	6 874	43.11	286 188	0.78	986

Sovereign						
As at 31 December 2023						
<i>PD scale</i>	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	15.21	0.55	405	2.66	1	
0.15 to <0.25	–	–	–	–	–	
0.25 to <0.50	7.09	2.33	29 203	11.11	89	
0.50 to <0.75	28.66	4.58	1 172	68.14	3	
0.75 to <2.50	22.58	1.93	1 685	51.86	9	
2.50 to <10	7.47	3.76	467	28.65	6	
10 to <100	48.24	2.21	2 031	257.41	89	
100 (default)	4.97	1.59	–	–	31	
Total	7.94	2.25	34 963	12.22	228	353

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE *continued*

Sovereign						
As at 31 December 2022						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors
0.00 to <0.15	17 826	851	58.00	18 320	0.04	7
0.15 to <0.25	–	–	–	–	–	–
0.25 to <0.50	236 570	4 749	55.50	243 476	0.48	24
0.50 to <0.75	1 965	325	45.10	2 137	0.20	37
0.75 to <2.50	1 055	92	–	1 093	1.16	102
2.50 to <10	2 007	317	52.58	2 175	4.88	882
10 to <100	389	899	52.27	979	24.94	8
100 (default)	499	–	–	499	100.00	1
Total	260 311	7 233	54.09	268 679	0.76	1 061

Sovereign						
As at 31 December 2022						
<i>PD scale</i>	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	18.25	0.67	667	3.64	1	
0.15 to <0.25	–	–	–	–	–	
0.25 to <0.50	7.49	2.33	28 862	11.85	52	
0.50 to <0.75	7.27	4.61	1 518	71.03	4	
0.75 to <2.50	28.02	2.75	845	77.31	4	
2.50 to <10	6.73	3.37	572	26.30	8	
10 to <100	50.42	1.91	2 610	266.60	111	
100 (default)	10.00	2.25	–	–	50	
Total	8.46	2.24	35 074	13.05	230	403

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE continued

Banks and securities firms						
As at 31 December 2023						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors
0.00 to <0.15	5 680	2 136	23.00	9 333	0.06	36
0.15 to <0.25	4 207	6 076	39.04	6 559	0.17	36
0.25 to <0.50	12 180	5 233	33.84	12 671	0.39	74
0.50 to <0.75	645	351	45.45	805	0.67	25
0.75 to <2.50	1 999	473	30.45	2 539	1.36	44
2.50 to <10	778	635	26.99	951	5.03	28
10 to <100	1 676	1 932	24.15	2 155	11.30	32
100 (default)	-	-	-	-	-	-
Total	27 165	16 836	33.12	35 013	1.14	275

Banks and securities firms						
As at 31 December 2023						
<i>PD scale</i>	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	28.53	0.15	717	7.68	2	
0.15 to <0.25	26.63	0.59	1 171	17.85	3	
0.25 to <0.50	31.95	0.69	4 857	38.33	15	
0.50 to <0.75	39.58	0.87	437	54.29	2	
0.75 to <2.50	31.54	1.58	1 937	76.29	12	
2.50 to <10	52.40	0.92	1 550	162.99	25	
10 to <100	41.51	1.03	3 972	184.32	98	
100 (default)	-	-	-	-	-	-
Total	31.33	0.63	14 641	41.82	157	204

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE *continued*

Banks and securities firms						
As at 31 December 2022						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors
0.00 to <0.15	11 249	2 451	30.00	14 024	0.07	42
0.15 to <0.25	4 696	5 929	52.49	9 180	0.16	33
0.25 to <0.50	12 110	6 756	50.32	14 802	0.42	68
0.50 to <0.75	1 410	300	49.02	1 556	0.66	28
0.75 to <2.50	1 076	922	45.51	1 559	1.32	49
2.50 to <10	1 411	988	31.19	1 705	4.45	36
10 to <100	1 223	643	21.45	1 361	10.69	26
100 (default)	–	–	–	–	–	–
Total	33 175	17 989	45.92	44 187	0.77	282

Banks and securities firms						
As at 31 December 2022						
<i>PD scale</i>	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	29.73	0.08	1 118	7.97	3	
0.15 to <0.25	28.59	0.47	1 695	18.46	4	
0.25 to <0.50	30.88	1.05	5 978	40.39	18	
0.50 to <0.75	21.92	1.06	547	35.15	2	
0.75 to <2.50	38.50	1.37	1 342	86.08	8	
2.50 to <10	49.34	0.93	2 530	148.39	38	
10 to <100	37.06	0.94	2 268	166.64	55	
100 (default)	–	–	–	–	–	–
Total	30.90	0.63	15 478	35.03	128	109

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE continued

SME corporate						
As at 31 December 2023						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors*
0.00 to <0.15	–	–	–	–	–	–
0.15 to <0.25	10 508	1 912	99.38	12 367	0.24	3 518
0.25 to <0.50	8 002	6 680	51.29	10 806	0.44	20 767
0.50 to <0.75	10 880	7 485	47.87	14 114	0.67	11 919
0.75 to <2.50	48 666	17 088	52.41	55 691	1.49	22 750
2.50 to <10	14 777	5 056	47.65	16 469	4.12	14 188
10 to <100	2 780	263	58.34	2 927	19.25	2 775
100 (default)	2 099	–	–	2 257	100.00	6 744
Total	97 712	38 484	53.08	114 631	3.93	82 661

SME corporate						
As at 31 December 2023						
<i>PD scale</i>	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	–	–	–	–	–	–
0.15 to <0.25	25.37	1.02	3 251	26.29	7	–
0.25 to <0.50	25.65	2.05	3 500	32.39	12	–
0.50 to <0.75	24.21	1.99	5 590	39.61	23	–
0.75 to <2.50	22.32	1.98	26 222	47.08	182	–
2.50 to <10	25.11	1.98	11 877	72.12	168	–
10 to <100	23.41	2.04	3 169	108.27	128	–
100 (default)	27.61	1.20	1 588	70.36	1 026	–
Total	23.73	1.87	55 197	48.15	1 546	1 603

* The increase in the number of obligors from December 2022 to December 2023 was due the alignment of the portfolio resulting in accounts migrating from SME retail to SME corporate.

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE *continued*

SME corporate						
As at 31 December 2022						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors
0.00 to <0.15	–	–	–	–	–	–
0.15 to <0.25	8 369	2 859	98.42	11 184	0.24	1 215
0.25 to <0.50	8 074	6 356	43.46	10 705	0.43	7 443
0.50 to <0.75	8 264	4 598	49.98	10 390	0.65	4 759
0.75 to <2.50	43 329	14 991	53.68	49 556	1.56	16 645
2.50 to <10	16 036	5 185	52.29	16 795	3.77	8 513
10 to <100	1 802	356	63.98	2 001	19.83	1 288
100 (default)	1 950	–	–	1 975	100.00	13 784
Total	87 824	34 345	54.91	102 606	3.82	53 647

SME corporate						
As at 31 December 2022						
<i>PD scale</i>	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	–	–	–	–	–	–
0.15 to <0.25	25.28	1.00	2 954	26.41	7	–
0.25 to <0.50	23.34	2.26	3 368	31.46	11	–
0.50 to <0.75	21.84	2.04	3 786	36.44	14	–
0.75 to <2.50	21.40	1.99	22 816	46.04	165	–
2.50 to <10	22.58	2.08	11 039	65.73	142	–
10 to <100	20.44	2.50	1 967	98.30	84	–
100 (default)	44.03	2.98	394	19.95	867	–
Total	22.68	1.96	46 324	45.15	1 290	1 353

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE continued

SME retail						
As at 31 December 2023						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors*
0.00 to <0.15	106	65	56.87	126	0.07	257
0.15 to <0.25	40	94	59.11	85	0.20	1 077
0.25 to <0.50	1 928	1 075	53.15	2 451	0.42	5 532
0.50 to <0.75	4 083	2 772	72.66	6 276	0.63	8 839
0.75 to <2.50	33 487	10 738	57.47	41 182	1.74	147 072
2.50 to <10	32 574	4 859	50.59	37 275	4.09	381 959
10 to <100	5 272	228	29.83	5 486	26.66	32 990
100 (default)	4 134	–	–	4 245	100.00	46 466
Total	81 624	19 831	57.36	97 126	8.24	624 192

SME retail						
As at 31 December 2023						
<i>PD scale</i>	Average LGD (%)	Average maturity** (years)	RWA (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	27.93		7	5.56	–	
0.15 to <0.25	51.22		20	23.53	–	
0.25 to <0.50	28.78		480	19.58	3	
0.50 to <0.75	31.15		1 708	27.21	13	
0.75 to <2.50	31.30		16 764	40.71	232	
2.50 to <10	40.34		23 011	61.73	644	
10 to <100	42.72		5 395	98.34	649	
100 (default)	51.78		1 764	41.55	2 706	
Total	36.25		49 149	50.60	4 247	4 775

* The decrease in the number of obligors from December 2022 to December 2023 was due the alignment of the portfolio resulting in accounts migrating from SME retail to SME corporate.

** As per the Regulations, average maturity was not applied to the SME retail RWA calculation.

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE *continued*

SME retail						
As at 31 December 2022						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors
0.00 to <0.15	68	4	107.76	72	0.07	213
0.15 to <0.25	32	63	62.00	70	0.22	1 124
0.25 to <0.50	1 480	1 092	52.24	2 020	0.42	5 016
0.50 to <0.75	3 412	2 606	72.48	5 437	0.63	10 557
0.75 to <2.50	29 210	10 417	57.72	36 580	1.73	151 979
2.50 to <10	27 732	4 359	51.62	31 879	4.05	384 418
10 to <100	3 921	268	31.44	4 136	29.56	32 487
100 (default)	3 563	–	–	3 656	100.00	99 057
Total	69 418	18 809	57.68	83 850	8.16	684 851

SME retail						
As at 31 December 2022						
<i>PD scale</i>	Average LGD (%)	Average maturity* (years)	RWA (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	35.32		5	6.94	–	
0.15 to <0.25	68.36		22	31.43	–	
0.25 to <0.50	27.36		375	18.56	2	
0.50 to <0.75	31.12		1 480	27.22	11	
0.75 to <2.50	31.33		14 885	40.69	205	
2.50 to <10	39.88		19 444	60.99	539	
10 to <100	44.36		4 276	103.38	554	
100 (default)	57.06		2 207	60.37	2 335	
Total	36.27		42 694	50.92	3 646	4 518

* As per the Regulations, average maturity was not applied to the SME retail RWA calculation.

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE continued

Retail mortgages						
As at 31 December 2023						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors
0.00 to <0.15	42 713	32 784	63.25	56 044	0.08	60 861
0.15 to <0.25	25 579	11 053	80.77	32 254	0.20	33 339
0.25 to <0.50	47 012	8 879	92.97	54 994	0.36	55 516
0.50 to <0.75	31 568	1 820	96.98	33 843	0.62	37 284
0.75 to <2.50	60 369	2 113	98.20	63 812	1.30	80 290
2.50 to <10	21 914	294	98.77	22 776	4.76	34 616
10 to <100	14 041	20	98.59	14 319	29.89	21 265
100 (default)	16 232	–	–	16 269	100.00	23 839
Total	259 428	56 963	73.85	294 311	7.81	347 010

Retail mortgages						
As at 31 December 2023						
<i>PD scale</i>	Average LGD (%)	Average maturity* (years)	RWA (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	16.51		2 023	3.61	8	
0.15 to <0.25	16.90		2 290	7.10	11	
0.25 to <0.50	16.41		5 866	10.67	32	
0.50 to <0.75	15.70		5 069	14.98	33	
0.75 to <2.50	16.25		16 161	25.33	136	
2.50 to <10	16.02		12 005	52.71	173	
10 to <100	15.72		12 018	83.93	683	
100 (default)	26.21		14 781	90.85	3 078	
Total	16.84		70 213	23.86	4 154	4 552

* As per the Regulations, average maturity was not applied to the retail mortgages RWA calculation.

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE *continued*

Retail mortgages						
As at 31 December 2022						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors
0.00 to <0.15	7 527	9 785	22.24	9 703	0.09	19 368
0.15 to <0.25	7 052	7 157	39.08	9 849	0.18	12 166
0.25 to <0.50	26 497	12 761	53.79	33 361	0.38	34 489
0.50 to <0.75	45 501	5 913	51.98	48 575	0.63	45 928
0.75 to <2.50	102 103	20 651	84.87	119 629	1.37	145 750
2.50 to <10	30 535	2 190	96.51	32 649	4.47	47 647
10 to <100	10 929	238	144.96	11 274	28.21	16 898
100 (default)	13 062	–	–	13 266	100.00	21 547
Total	243 206	58 695	59.45	278 306	7.19	343 793

Retail mortgages						
As at 31 December 2022						
<i>PD scale</i>	Average LGD (%)	Average maturity* (years)	RWA (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	14.97		335	3.45	1	
0.15 to <0.25	15.34		612	6.21	3	
0.25 to <0.50	15.54		3 568	10.70	20	
0.50 to <0.75	17.26		8 302	17.09	54	
0.75 to <2.50	17.24		33 849	28.29	289	
2.50 to <10	17.57		18 462	56.55	257	
10 to <100	17.18		10 782	95.63	540	
100 (default)	24.74		12 158	91.65	2 377	
Total	17.29		88 068	31.64	3 541	3 964

* As per the Regulations, average maturity was not applied to the retail mortgages RWA calculation.

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE continued

Retail revolving						
As at 31 December 2023						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors
0.00 to <0.15	12	604	99.86	702	0.12	23 900
0.15 to <0.25	124	1 511	95.38	1 704	0.21	60 633
0.25 to <0.50	1 626	9 046	79.28	8 639	0.39	257 756
0.50 to <0.75	2 197	6 763	78.81	7 315	0.61	205 147
0.75 to <2.50	14 431	17 823	81.36	27 878	1.48	729 013
2.50 to <10	16 603	9 388	85.56	24 084	4.52	559 686
10 to <100	3 569	740	90.23	4 261	25.38	135 533
100 (default)	4 809	–	–	4 889	100.00	136 282
Total	43 371	45 875	82.28	79 472	9.51	2 107 950

Retail revolving						
As at 31 December 2023						
<i>PD scale</i>	Average LGD (%)	Average maturity* (years)	RWA (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	66.59		36	5.13	1	
0.15 to <0.25	67.56		133	7.81	2	
0.25 to <0.50	71.06		1 178	13.64	24	
0.50 to <0.75	71.20		1 441	19.70	32	
0.75 to <2.50	71.76		10 794	38.72	297	
2.50 to <10	72.46		20 595	85.51	789	
10 to <100	69.36		7 469	175.29	754	
100 (default)	78.43		4 150	84.88	3 500	
Total	71.99		45 796	57.63	5 399	5 664

* As per the Regulations, average maturity was not applied to the retail revolving RWA calculation.

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE *continued*

Retail revolving						
As at 31 December 2022						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors
0.00 to <0.15	723	5 485	65.68	4 326	0.12	120 809
0.15 to <0.25	731	4 153	75.13	3 852	0.20	109 670
0.25 to <0.50	3 043	9 560	77.19	10 422	0.35	341 313
0.50 to <0.75	3 014	5 386	80.49	7 349	0.63	213 504
0.75 to <2.50	12 942	12 780	80.70	23 255	1.47	643 645
2.50 to <10	11 908	6 287	83.49	17 157	4.54	424 147
10 to <100	2 984	566	100.07	3 551	25.39	114 926
100 (default)	4 064	–	–	4 140	100.00	124 089
Total	39 409	44 217	78.17	74 052	8.45	2 092 103

Retail revolving						
As at 31 December 2022						
<i>PD scale</i>	Average LGD (%)	Average maturity* (years)	RWA (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	73.48		241	5.57	4	
0.15 to <0.25	71.47		316	8.20	6	
0.25 to <0.50	70.80		1 321	12.68	26	
0.50 to <0.75	71.23		1 478	20.11	33	
0.75 to <2.50	71.49		8 923	38.37	245	
2.50 to <10	72.23		14 637	85.31	563	
10 to <100	71.02		6 326	178.15	637	
100 (default)	81.00		4 531	109.44	3 069	
Total	72.16		37 773	51.01	4 583	5 138

* As per the Regulations, average maturity was not applied to the retail revolving RWA calculation.

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE continued

Other retail*						
As at 31 December 2023						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors
0.00 to <0.15	62	188	48.40	120	0.12	51
0.15 to <0.25	48	91	52.73	89	0.20	145
0.25 to <0.50	311	195	83.62	464	0.38	2 696
0.50 to <0.75	6 378	116	90.29	6 466	0.55	34 034
0.75 to <2.50	50 368	210	98.38	50 659	1.72	279 135
2.50 to <10	48 256	91	99.91	48 682	5.13	625 543
10 to <100	14 854	11	99.97	15 128	27.78	2 095 582
100 (default)	13 846	–	–	13 851	100.00	434 236
Total	134 123	902	79.28	135 459	15.84	3 471 422

Other retail*						
As at 31 December 2023						
<i>PD scale</i>	Average LGD (%)	Average maturity** (years)	RWA (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	17.02		5	4.17	–	
0.15 to <0.25	25.36		10	11.24	–	
0.25 to <0.50	40.85		124	26.72	1	
0.50 to <0.75	20.61		1 072	16.58	7	
0.75 to <2.50	26.83		17 642	34.83	239	
2.50 to <10	54.22		42 169	86.62	1 472	
10 to <100	53.75		18 723	123.76	2 179	
100 (default)	62.32		10 002	72.21	8 487	
Total	43.05		89 747	66.25	12 385	12 790

* Included in other retail is vehicle asset finance (VAF), which comprises 65% of the EAD with a total risk density of 37%.

** As per the Regulations, average maturity was not applied to the other retail RWA calculation.

CR6: AIRB – FRBSA CREDIT RISK EXPOSURES BY PORTFOLIO AND PD RANGE *continued*

Other retail*						
As at 31 December 2022						
<i>PD scale</i>	Original on-balance sheet gross exposure (R million)	Off-balance sheet exposures pre-CCF (R million)	Average CCF (%)	EAD post-CRM and post-CCF (R million)	Average PD (%)	Number of obligors
0.00 to <0.15	67	77	84.25	120	0.07	415
0.15 to <0.25	76	176	48.48	149	0.18	351
0.25 to <0.50	324	302	71.09	470	0.39	3 057
0.50 to <0.75	5 313	104	50.49	5 355	0.55	31 855
0.75 to <2.50	46 726	300	85.63	46 858	1.71	283 501
2.50 to <10	47 749	147	99.60	48 079	4.95	620 376
10 to <100	12 669	10	105.27	12 859	28.32	1 835 120
100 (default)	11 481	–	–	11 491	100.00	471 830
Total	124 405	1 116	74.48	125 381	14.63	3 246 505

Other retail*						
As at 31 December 2022						
<i>PD scale</i>	Average LGD (%)	Average maturity** (years)	RWA (R million)	RWA density (%)	Expected loss (R million)	Provisions (R million)
0.00 to <0.15	44.47		13	10.83	–	
0.15 to <0.25	48.66		30	20.13	–	
0.25 to <0.50	43.74		136	28.94	1	
0.50 to <0.75	20.21		868	16.21	6	
0.75 to <2.50	27.07		16 446	35.10	222	
2.50 to <10	51.50		39 349	81.84	1 324	
10 to <100	51.54		15 473	120.33	1 842	
100 (default)	63.11		8 178	71.17	7 477	
Total	42.06		80 493	64.20	10 872	12 393

* Included in other retail is VAF, which comprises 65% of the EAD with a total risk density of 37%.

** As per the Regulations, average maturity was not applied to the other retail RWA calculation.

Effect on RWA of credit derivatives used as credit risk mitigation techniques

The following table illustrates the effect of credit derivatives on the capital requirement calculation under the AIRB approach. As the group does not apply the foundation internal ratings-based approach, the rows related to this approach have been excluded from the CR7 table. Pre-credit derivatives RWA (before taking credit derivatives' mitigation effect into account) has been selected to assess the impact of credit derivatives on RWA, irrespective of how the credit risk mitigation technique feeds into the RWA calculation. No credit derivatives were applied as credit risk mitigation during the period and, consequently, the RWA amounts are the same as the pre-RWA amounts tabled below. There were no exposures in the equity and purchased receivables portfolios during the period. Rows 14 and 16 were therefore excluded from this table.

CR7: AIRB – EFFECT ON RWA OF CREDIT DERIVATIVES USED AS CREDIT RISK MITIGATION TECHNIQUES

<i>R million</i>		Pre-credit derivatives RWA		
		As at 31 December 2023	As at 31 December 2022	As at 30 June 2023
2.	Sovereign	34 963	35 074	33 504
4.	Banks and securities firms	14 641	15 478	12 492
6.	Corporate	144 823	124 647	129 737
8.	Specialised lending	54 550	49 654	53 264
	SME corporate	55 197	46 324	52 413
9.	Retail revolving	45 796	37 773	44 619
10.	Retail mortgages	70 213	88 068	66 948
11.	SME retail	49 149	42 694	45 878
12.	Other retail	89 747	80 493	88 450
17.	Total	559 079	520 205	527 305

CR8: RWA FLOW STATEMENTS OF CREDIT RISK EXPOSURES UNDER AIRB

<i>R million</i>		RWA
1.	RWA at 30 September 2023	545 732
2.	Asset size	21 270
3.	Asset quality	(3 585)
4.	Model updates	(4 338)
5.	Methodology and policy	–
6.	Acquisitions and disposals	–
7.	Foreign exchange movements	–
8.	Other	–
9.	RWA at 31 December 2023*	559 079

* The RWA represents AIRB credit risk exposures, excluding securitisation exposure per OV1: Overview of RWA template on page 04.

The following table provides information relating to specialised lending exposures that are rated through the slotting approach. The exposures are split among regulatory asset classes.

CR10: AIRB – SPECIALISED LENDING

As at 31 December 2023

<i>R million</i>		Other than high-volatility commercial real estate*							
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount			RWA	Expected losses
					Project finance	Income-producing real estate	Total		
Strong	< 2.5 years	-	-	50%	-	-	-	-	-
	≥ 2.5 years	-	-	70%	-	-	-	-	-
Good	< 2.5 years	-	-	70%	-	-	-	-	-
	≥ 2.5 years	-	-	90%	-	-	-	-	-
Satisfactory		351	-	115%	-	359	359	438	13
Weak		114	-	250%	-	114	114	301	12
Default		-	-	-	-	-	-	-	-
Total		465	-		-	473	473	739	25

As at 31 December 2022

<i>R million</i>		Other than high-volatility commercial real estate*							
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount			RWA	Expected losses
					Project finance	Income-producing real estate	Total		
Strong	< 2.5 years	-	-	50%	-	-	-	-	-
	≥ 2.5 years	-	-	70%	-	-	-	-	-
Good	< 2.5 years	8	-	70%	-	8	8	8	-
	≥ 2.5 years	13	-	90%	-	13	13	12	-
Satisfactory		445	-	115%	-	445	445	577	17
Weak		106	-	250%	-	106	106	282	11
Default		-	-	-	-	-	-	-	-
Total		572	-		-	572	572	879	28

As at 30 June 2023

<i>R million</i>		Other than high-volatility commercial real estate*							
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount			RWA	Expected losses
					Project finance	Income-producing real estate	Total		
Strong	< 2.5 years	-	-	50%	-	-	-	-	-
	≥ 2.5 years	-	-	70%	-	-	-	-	-
Good	< 2.5 years	-	-	70%	-	-	-	-	-
	≥ 2.5 years	-	-	90%	-	-	-	-	-
Satisfactory		303	-	115%	-	310	310	378	11
Weak		179	-	250%	-	179	179	474	18
Default		-	-	-	-	-	-	-	-
Total		482	-		-	489	489	852	29

* There were no high-volatility commercial real estate exposures during the period. For specialised lending exposures other than high-volatility commercial real estate, there were no exposures to object finance or commodities asset classes during the period under review.

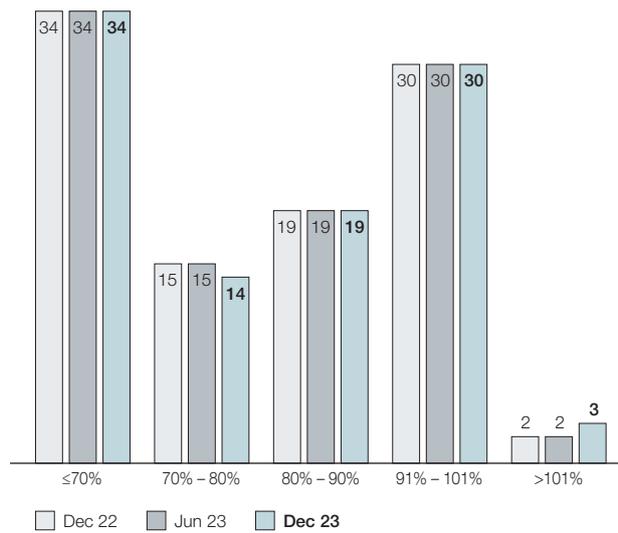
Risk analysis

FNB residential mortgages

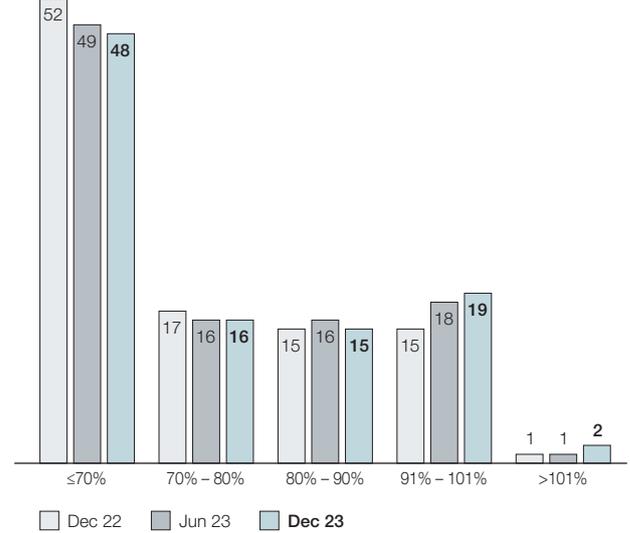
The graphs below provide loan balance-to-value ratios and age distribution of FNB's residential mortgages.

Increased origination in the period under review resulted in a marginal increase in the loan-to-value profile and younger account age distribution. The risk profile remains well within credit risk appetite levels.

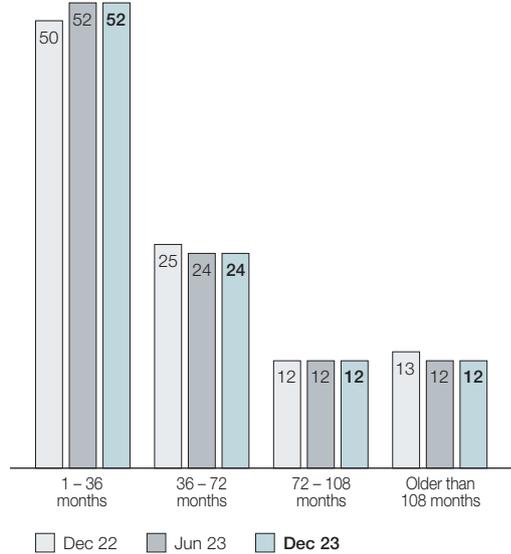
Residential mortgages balance-to-original value (%)



Residential mortgages balance-to-indexed value (%)



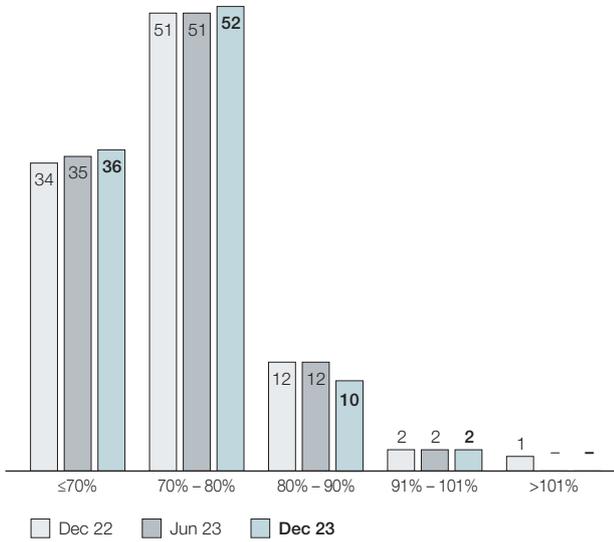
Residential mortgages age distribution total (%)



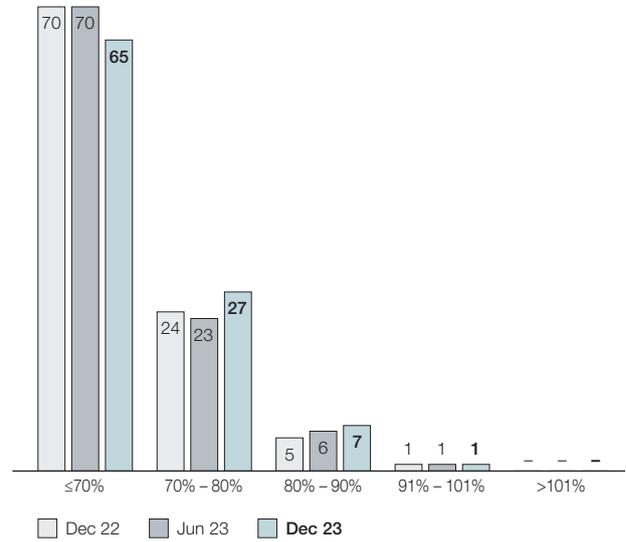
Aldermore mortgages

The graphs below provide loan balance-to-value ratios and age distribution of Aldermore's total mortgages.

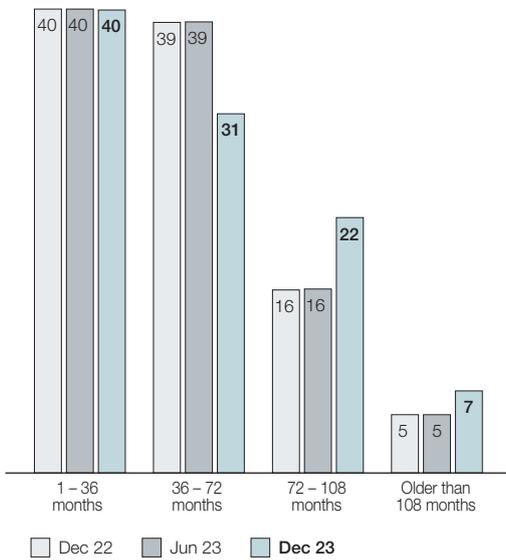
Total mortgages balance-to-original value
(%)



Total mortgages balance-to-indexed value
(%)



Total mortgages age distribution total
(%)



counterparty credit risk

The *CCR1: Analysis of counterparty credit risk exposure by approach* table on the following page provides an overview of the counterparty credit risk arising from the group's derivative and securities financing transactions. The information provided in row 1 therefore corresponds to the requirements of the SA-CCR as applied by FRBSA and other group entities. EAD under SA-CCR is determined by scaling the sum of replacement cost and the potential future exposure by a factor of 1.4 (alpha). The group does not apply the internal model method or the simple approach for credit risk mitigation for derivatives and securities financing transactions. Rows 2 and 3 of the CCR1 template are therefore excluded from CCR1.

The comprehensive approach for credit risk mitigation is used to calculate the exposure for collateralised transactions other than collateralised over-the-counter (OTC) derivative transactions that are subject to SA-CCR. This approach is typically applied to securities financing and repo-style transactions.

The table below provides an explanation of the metrics used in the *CCR1: Analysis of counterparty credit risk exposure by approach* table on the next page.

Replacement cost	The replacement cost for trades that are not subject to margining requirements is the loss that would occur if a counterparty were to default and was immediately closed out of its transactions. For margined trades, the replacement cost is the loss that would occur if a counterparty were to default at present or at a future date, assuming that the close-out and replacement of transactions occur simultaneously, less the market value of available collateral.
Potential future exposure	The maximum expected credit exposure over a specified time. An add-on factor is applied to the replacement cost to determine the potential future exposure over the remaining life of the contract.
Effective expected positive exposure (EEPE)	The weighted average of the effective expected exposure over the first year, or, if all the contracts in the netting set mature before one year, over the time period of the longest-maturity contract in the netting set, where the weights represent the proportion of an individual expected exposure over the entire time interval.
EAD post-CRM	The amount relevant to the calculated capital requirement after applying credit risk mitigation techniques, credit valuation adjustments and specific wrong-way adjustments.

CCR1 provides a comprehensive view of the methods used to calculate counterparty credit risk regulatory requirements and the main parameters used within each method. The exposures reported exclude credit valuation adjustment (CVA) charges and exposures cleared through central clearing counterparties.

CCR1: ANALYSIS OF COUNTERPARTY CREDIT RISK EXPOSURE BY APPROACH FOR THE GROUP*

		As at 31 December 2023				
<i>R million</i>		Replacement cost	Potential future exposure	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1.	SA-CCR (for derivatives)**	6 881	9 848	1.4	23 057	7 600
4.	Comprehensive approach for credit risk mitigation for securities financing transactions [#]				17 567	2 759
6.	Total	6 881	9 848		40 624	10 359

		As at 31 December 2022				
<i>R million</i>		Replacement cost	Potential future exposure	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1.	SA-CCR (for derivatives)**	14 336	9 394	1.4	31 445	9 695
4.	Comprehensive approach for credit risk mitigation for securities financing transactions [#]				16 287	2 958
6.	Total	14 336	9 394		47 732	12 653

		As at 30 June 2023				
<i>R million</i>		Replacement cost	Potential future exposure	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1.	SA-CCR (for derivatives)**	12 959	10 268	1.4	32 122	13 138
4.	Comprehensive approach for credit risk mitigation for securities financing transactions [#]				13 329	1 474
6.	Total	12 959	10 268		45 451	14 612

* Replacement cost, potential future exposure, EEPE, alpha used for computing regulatory EAD, EAD post-CRM and RWA are not inputs into the VaR model calculation for secured financing transactions (SFTs). Row 5 is therefore excluded from these tables.

** EEPE is not calculated under the SA-CCR (for derivatives).

[#] Replacement cost, potential future exposure, EEPE and alpha used for computing regulatory EAD are not calculated under the comprehensive approach for credit mitigation for SFTs.

The changes in exposure and RWA numbers period-on-period are largely attributable to re-contracting significant unmargined trades to achieve daily margin. In addition to this, there has been an increased recognition of pledged equity collateral. The largest drivers of this reduction by sector were banks and securities firms.

The following table provides the EAD post-CRM and RWA amounts for portfolios subject to the standardised CVA capital charge. As the group does not apply the advanced approach for CVA charge, rows 1 and 2 are excluded from CCR2.

CCR2: CVA CAPITAL CHARGE

<i>R million</i>		As at 31 December 2023		As at 31 December 2022		As at 30 June 2023	
		EAD post-CRM	RWA*	EAD post-CRM	RWA*	EAD post-CRM	RWA*
3.	All portfolios subject to the standardised CVA capital charge	23 057	9 543	31 478	7 802	32 122	11 006
4.	Total subject to the CVA capital charge	23 057	9 543	31 478	7 802	32 122	11 006

* CVA RWA includes the subsidiaries in broader Africa, the UK and the bank's foreign branches.

As seen in CCR1, the reduction in CVA capital was driven by the re-contracting of significant unmarginated trades to achieve daily margining.

CCR3: STANDARDISED APPROACH FOR COUNTERPARTY CREDIT RISK EXPOSURES BY REGULATORY PORTFOLIO AND RISK WEIGHTS*

As at 31 December 2023						
<i>R million</i>	Risk weight**					Total credit exposure
	0%	20%	50%	100%	150%	
Asset classes#						
Sovereigns	–	–	–	2 254	0.15	2 254
Non-central government public sector entities	–	–	111	–	–	111
Banks	–	15	729	179	31	954
Corporates	–	–	44	922	4	970
Total	–	15	884	3 355	35	4 289

As at 31 December 2022						
<i>R million</i>	Risk weight**					Total credit exposure
	0%	20%	50%	100%	150%	
Asset classes#						
Sovereigns	–	–	–	1 512	–	1 512
Non-central government public sector entities	–	–	14	–	–	14
Banks	944	–	–	2	26	972
Corporates	–	–	–	670	53	723
Total	944	–	14	2 184	79	3 221

* These exposures are for subsidiaries in broader Africa, the UK and the bank's foreign branches.

** There were no exposures in the 10% and 75% risk-weight buckets during the periods under review.

There were no exposures in the multilateral development banks, securities firms, regulatory retail portfolios and other asset classes during the periods under review.

CCR3: STANDARDISED APPROACH FOR COUNTERPARTY CREDIT RISK EXPOSURES BY REGULATORY PORTFOLIO AND RISK WEIGHTS* *continued*

As at 30 June 2023						
<i>R million</i>	Risk weight**					Total credit exposure
	0%	20%	50%	100%	150%	
Asset classes#						
Sovereigns	–	–	–	3 784	0.2	3 784
Non-central government public sector entities	–	–	64	–	–	64
Banks	–	55	937	245	2	1 239
Corporates	–	–	–	938	25	963
Total	–	55	1 001	4 967	27.2	6 050

* These exposures are for the subsidiaries in broader Africa, the UK and the bank's foreign branches.

** There were no exposures in the 10% and 75% risk-weight buckets at 30 June 2023.

There were no exposures in the securities firms, multilateral development banks, regulatory retail portfolios and other asset classes at 30 June 2023.

Intragroup regulated bank exposures, which attract a 0% risk weight, were removed from these tables to provide a group view of exposure. Overall, the increased exposures reflect the increased trading of long-dated interest rate swap positions against well-rated international banks.

The following tables provide the counterparty credit risk exposures per portfolio and PD range where the AIRB approach is used for credit risk. They also show the main parameters used in the calculation of RWA. These exposures are for FRBSA, where AIRB for credit risk is applied:

- EAD post-CRM, gross of accounting provisions;
- average PD represents the obligor-grade PD weighted by EAD;
- average LGD represents the obligor-grade LGD weighted EAD;
- average maturity in years represents obligor maturity weighted by EAD; and
- RWA density represents total RWA to EAD post-CRM.

CCR4: AIRB – COUNTERPARTY CREDIT RISK EXPOSURES BY PORTFOLIO AND PD SCALE

Total FRBSA							
As at 31 December 2023							
<i>PD scale</i>	EAD post-CRM (R million)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)
0.00 to <0.15	7 844	0.07	30	30.81	1.38	988	12.60
0.15 to <0.25	7 260	0.19	60	33.54	1.18	827	11.39
0.25 to <0.50	5 086	0.42	146	29.85	1.45	1 870	36.76
0.50 to <0.75	3 104	0.68	72	28.78	1.59	1 325	42.68
0.75 to <2.50	1 394	1.69	170	38.67	1.16	1 013	72.69
2.50 to <10	552	5.03	50	37.83	1.13	539	97.74
10 to <100	173	19.28	16	43.27	1.14	337	195.14
100 (default)	0.31	100.00	1	60.00	1.00	–	–
Total	25 413	1.96	545	34.10		6 899	27.15

Total FRBSA							
As at 31 December 2022							
<i>PD scale</i>	EAD post-CRM (R million)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)
0.00 to <0.15	17 847	0.06	22	26.78	1.24	2 096	11.74
0.15 to <0.25	6 531	0.22	64	39.77	0.48	637	9.75
0.25 to <0.50	6 660	0.46	137	21.75	1.17	2 085	31.30
0.50 to <0.75	1 762	0.64	67	31.89	1.12	805	45.71
0.75 to <2.50	979	1.58	173	45.17	0.99	1 027	104.91
2.50 to <10	881	4.75	48	29.44	1.05	796	90.27
10 to <100	74	24.34	23	27.99	2.80	100	135.14
100 (default)	–	–	–	–	–	–	–
Total	34 734	0.41	534	29.10		7 546	21.73

The FRBSA movements were driven by movements across the sectors, with a notable reduction in 0.00 to <0.15 and 0.25 to <0.50 buckets, driven by banks and securities firms. Refer to subsections of the CCR4 tables for detailed descriptions per sector.

CCR4: AIRB – COUNTERPARTY CREDIT RISK EXPOSURES BY PORTFOLIO AND PD SCALE *continued*

Banks							
As at 31 December 2023							
<i>PD scale</i>	EAD post-CRM (R million)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)
0.00 to <0.15	3 766	0.07	24	31.59	1.36	635	16.87
0.15 to <0.25	887	0.16	6	37.83	1.41	267	30.13
0.25 to <0.50	1 047	0.40	14	35.22	1.05	603	57.58
0.50 to <0.75	53	0.67	2	33.00	1.00	28	53.79
0.75 to <2.50	24	1.31	5	42.40	0.79	18	72.39
2.50 to <10	5	5.01	8	52.13	1.23	8	168.32
10 to <100	116	27.33	6	48.58	1.00	241	208.85
100 (default)	–	–	–	–	–	–	–
Subtotal	5 898	3.39	65	37.92		1 800	30.53

Banks							
As at 31 December 2022							
<i>PD scale</i>	EAD post-CRM (R million)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)
0.00 to <0.15	10 361	0.06	17	33.30	1.14	1 538	14.84
0.15 to <0.25	374	0.16	8	35.56	1.40	123	–
0.25 to <0.50	1 050	0.47	14	30.24	1.66	473	45.03
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	22	1.94	6	45.50	0.86	22	99.16
2.50 to <10	23	4.28	7	51.17	1.17	35	152.56
10 to <100	15	11.60	11	48.17	1.00	30	201.51
100 (default)	–	–	–	–	–	–	–
Subtotal	11 845	0.13	63	33.18		2 221	18.75

The overall reduction in exposure and RWA in the 0.00 to <0.15 PD band was driven by the increase in collateralisation of equity trades with well-rated international banks.

CCR4: AIRB – COUNTERPARTY CREDIT RISK EXPOSURES BY PORTFOLIO AND PD SCALE continued

Corporate							
As at 31 December 2023							
<i>PD scale</i>	EAD post-CRM (R million)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)
0.00 to <0.15	2	0.09	1	30.00	1.19	–	12.74
0.15 to <0.25	237	0.20	19	35.16	1.05	62	26.14
0.25 to <0.50	1 481	0.41	55	31.63	1.15	493	33.30
0.50 to <0.75	1 923	0.68	37	30.37	1.14	714	37.14
0.75 to <2.50	445	1.45	65	33.63	1.21	187	42.06
2.50 to <10	120	4.60	23	35.70	0.97	139	115.34
10 to <100	25	13.66	5	43.25	0.82	66	268.78
100 (default)	0.31	100.00	1	60.00	1.00	–	–
Subtotal	4 233	2.04	206	33.23		1 661	39.24

Corporate							
As at 31 December 2022							
<i>PD scale</i>	EAD post-CRM (R million)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	619	0.18	19	33.09	1.00	136	21.96
0.25 to <0.50	524	0.40	48	32.16	1.31	200	38.15
0.50 to <0.75	784	0.64	34	31.02	1.10	346	44.18
0.75 to <2.50	385	1.47	71	29.90	1.12	229	59.55
2.50 to <10	235	4.46	25	25.57	0.96	178	75.85
10 to <100	17	11.90	5	28.66	0.95	21	123.53
100 (default)	–	–	–	–	–	–	–
Subtotal	2 564	1.03	202	31.07		1 110	43.29

The increase in exposure and RWA in the 0.25 to <0.50 and 0.50 to <0.75 PD bands was driven by increased commodity trading in the period under review.

CCR4: AIRB – COUNTERPARTY CREDIT RISK EXPOSURES BY PORTFOLIO AND PD SCALE *continued*

Sovereign							
As at 31 December 2023							
<i>PD scale</i>	EAD post-CRM (R million)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	2	0.17	2	37.36	2.00	1	34.76
0.25 to <0.50	246	0.48	3	30.53	0.65	5	2.07
0.50 to <0.75	2	0.60	2	45.00	0.68	1	56.52
0.75 to <2.50	1	0.91	1	36.00	1.00	–	59.73
2.50 to <10	–	–	–	–	–	–	–
10 to <100	–	–	–	–	–	–	–
100 (default)	–	–	–	–	–	–	–
Subtotal	251	0.48	8	36.54		7	3.00

Sovereign							
As at 31 December 2022							
<i>PD scale</i>	EAD post-CRM (R million)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	2	0.17	2	45.00	0.64	1	34.19
0.25 to <0.50	285	0.48	2	2.86	0.50	10	3.38
0.50 to <0.75	4	0.60	3	45.00	0.65	2	56.19
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10	–	–	–	–	–	–	–
10 to <100	–	–	–	–	–	–	–
100 (default)	–	–	–	–	–	–	–
Subtotal	291	0.48	7	3.63		13	4.47

The overall reduction in exposure and RWA in the 0.25 to <0.50 PD band was driven by reduced mark-to-market values on foreign exchange swap trades.

CCR4: AIRB – COUNTERPARTY CREDIT RISK EXPOSURES BY PORTFOLIO AND PD SCALE continued

Securities							
As at 31 December 2023							
<i>PD scale</i>	EAD post-CRM (R million)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)
0.00 to <0.15	4 076	0.07	5	27.21	1.52	353	8.66
0.15 to <0.25	5 998	0.19	30	32.71	1.10	483	8.05
0.25 to <0.50	719	0.42	46	31.69	1.35	309	42.91
0.50 to <0.75	608	0.72	13	31.35	1.27	306	50.28
0.75 to <2.50	867	2.12	70	48.07	1.03	782	90.18
2.50 to <10	27	5.12	7	38.79	1.46	20	73.38
10 to <100	1	10.07	3	42.00	0.28	1	192.63
100 (default)	–	–	–	–	–	–	–
Subtotal	12 296	1.43	174	38.76		2 254	18.33

Securities							
As at 31 December 2022							
<i>PD scale</i>	EAD post-CRM (R million)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)
0.00 to <0.15	7 486	0.05	5	17.75	1.37	558	7.45
0.15 to <0.25	5 508	0.22	32	40.92	0.36	373	6.77
0.25 to <0.50	3 515	0.47	49	17.74	0.49	860	24.48
0.50 to <0.75	932	0.63	18	32.96	0.99	434	46.54
0.75 to <2.50	510	1.61	74	58.63	0.82	732	143.58
2.50 to <10	37	4.47	8	30.93	0.76	35	94.59
10 to <100	2	10.07	3	37.32	0.90	3	164.61
100 (default)	–	–	–	–	–	–	–
Subtotal	17 990	0.27	189	26.82		2 995	16.65

The overall decrease in exposure and RWA in the 0.00 to <0.15 and 0.25 to <0.50 PD bands was driven by increased recognition of pledged equity collateral, as well as OTC cleared trades.

CCR4: AIRB – COUNTERPARTY CREDIT RISK EXPOSURES BY PORTFOLIO AND PD SCALE *continued*

Public sector and local government							
As at 31 December 2023							
<i>PD scale</i>	EAD post-CRM (R million)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	110	0.21	2	24.40	1.16	10	8.95
0.25 to <0.50	343	0.43	3	35.00	1.90	182	52.98
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10	368	4.93	1	30.00	1.15	346	93.97
10 to <100	–	–	–	–	–	–	–
100 (default)	–	–	–	–	–	–	–
Subtotal	821	1.10	6	30.63		538	65.44

Public sector and local government							
As at 31 December 2022							
<i>PD scale</i>	EAD post-CRM (R million)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	4	0.23	2	22.66	1.14	1	22.89
0.25 to <0.50	486	0.48	2	30.00	3.61	278	57.19
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10	569	5	1	30.00	1.09	532	93.43
10 to <100	0.01	19.03	1	64.00	1.00	0.03	332.01
100 (default)	–	–	–	–	–	–	–
Subtotal	1 059	2.87	6	29.97		811	76.51

The overall decrease in exposure and RWA in the 0.25 to <0.50 and 2.50 to <10 PD bands was driven by reduced foreign exchange trading.

CCR4: AIRB – COUNTERPARTY CREDIT RISK EXPOSURES BY PORTFOLIO AND PD SCALE continued

Other							
As at 31 December 2023							
<i>PD scale</i>	EAD post-CRM (R million)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	26	0.24	1	12.50	3.15	4	16.07
0.25 to <0.50	1 250	0.43	25	18.85	2.54	278	22.28
0.50 to <0.75	518	0.65	18	21.40	2.93	276	53.15
0.75 to <2.50	57	1.26	29	26.72	1.43	26	45.50
2.50 to <10	32	5.88	11	32.00	1.20	26	85.37
10 to <100	31	23.02	2	29.26	3.67	29	88.48
100 (default)	–	–	–	–	–	–	–
Subtotal	1 914	1.98	86	23.89		639	33.37

Other							
As at 31 December 2022							
<i>PD scale</i>	EAD post-CRM (R million)	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (years)	RWA (R million)	RWA density (%)
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	24	0.24	1	15.00	1.01	3	12.50
0.25 to <0.50	800	0.43	22	23.13	2.16	264	32.95
0.50 to <0.75	42	0.68	12	23.09	4.22	23	54.73
0.75 to <2.50	62	2.00	22	29.03	1.64	44	69.35
2.50 to <10	17	3.95	7	31.74	1.34	16	94.12
10 to <100	40	35.14	3	19.47	4.35	46	114.95
100 (default)	–	–	–	–	–	–	–
Subtotal	985	2.02	67	23.30		396	40.10

The overall increase in exposure and RWA in the 0.25 to <0.50 and 0.50 to <0.75 PD bands was driven by increased trading of cross-currency interest rate derivatives and foreign exchange derivatives against real estate and project finance counterparties.

CCR5: COMPOSITION OF COLLATERAL FOR COUNTERPARTY CREDIT RISK EXPOSURE

As at 31 December 2023						
<i>R million</i>	Collateral used in derivative transactions				Collateral used in securities financing transactions	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash – domestic currency	8 476	8 234	380	4 472	–	–
Cash – other currencies	–	6 164	–	3 698	–	–
Domestic sovereign debt	–	3 245	–	–	93 340	49 643
Other sovereign debt	–	862	–	–	9 686	–
Government agency debt	–	–	–	–	3 590	942
Corporate bonds	–	6 980	–	–	2 327	836
Equity securities	–	20 310	–	–	–	–
Other collateral	–	–	–	–	–	–
Total	8 476	45 795	380	8 170	108 943	51 421

As at 31 December 2022						
<i>R million</i>	Collateral used in derivative transactions				Collateral used in securities financing transactions	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash – domestic currency	10 208	11 079	–	24 647	–	–
Cash – other currencies	–	3 718	–	5 607	–	–
Domestic sovereign debt	–	2 750	–	–	89 393	47 196
Other sovereign debt	–	124	–	–	8 501	1 705
Government agency debt	–	–	–	–	1 339	29
Corporate bonds	–	–	–	–	3 247	2 509
Equity securities	–	28 416	–	–	–	–
Other collateral	–	–	–	–	–	–
Total	10 208	46 087	–	30 254	102 480	51 439

CCR5: COMPOSITION OF COLLATERAL FOR COUNTERPARTY CREDIT RISK EXPOSURE continued

As at 30 June 2023						
<i>R million</i>	Collateral used in derivative transactions				Collateral used in securities financing transactions	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash – domestic currency	9 074	11 588	707	8 377	–	–
Cash – other currencies	–	7 036	–	4 983	–	–
Domestic sovereign debt	–	2 460	–	–	92 253	39 263
Other sovereign debt	–	109	–	–	8 827	1 706
Government agency debt	–	–	–	–	3 966	–
Corporate bonds	–	4 095	–	–	2 161	1 905
Other collateral	–	12 415	–	–	–	–
Total	9 074	37 703	707	13 360	107 207	42 874

The reduction in equity securities received in derivative transactions was driven by reduced trading volumes.

CCR6: CREDIT DERIVATIVES EXPOSURES

<i>R million</i>	As at December 2023		As at December 2022		As at 30 June 2023	
	Protection bought	Protection sold	Protection bought	Protection sold	Protection bought	Protection sold
Notionals						
– Single-name credit default swaps	2 463	5 424	14 673	7 659	4 807	7 304
Total notionals	2 463	5 424	14 673	7 659	4 807	7 304
Fair values	39	101	(17)	224	24	37
– Positive fair value (asset)	66	108	80	326	50	76
– Negative fair value (liability)	(27)	(7)	(97)	(102)	(26)	(39)

The group employs credit derivatives primarily to protect its own positions, hedge its credit portfolio and to facilitate market making activities. The period-on-period decrease in credit protection bought and sold was due to a decrease in trading activity and mark-to-marketing facilitation.

The template *CCR7: RWA flow statements of CCR exposures under the internal model method* is not applicable as the group does not use the internal model method for measuring EAD of counterparty credit risk EAD.

The group's exposure to central counterparties (central clearing houses) and related RWA is provided below.

CCR8: EXPOSURES TO CENTRAL COUNTERPARTIES

<i>R million</i>		As at December 2023		As at December 2022		As at 30 June 2023	
		EAD post-CRM	RWA	EAD post-CRM	RWA	EAD post-CRM	RWA
2.	Exposures for trade at qualifying central counterparties (excluding initial margin and default fund contributions) of which:	14 734	297	15 404	308	13 305	272
3.	– OTC derivatives	6 691	160	10 331	207	6 515	130
4.	– Exchange-traded derivatives	8 043	137	5 073	101	6 790	142
5.	– Securities financing transactions	–	–	–	–	–	–
6.	– Netting sets where cross-product netting has been approved	–	–	–	–	–	–
7.	Segregated initial margin*	10 948	–	10 208	–	11 655	–
8.	Non-segregated initial margin	–	–	–	–	–	–
9.	Pre-funded default fund contributions	397	36	347	77	405	38
10.	Unfunded default fund contributions	–	–	–	–	–	–
1.	Total exposures to qualifying central counterparties**	26 079	333	25 959	385	25 365	310

* RWA was not determined on segregation of initial margin.

** There were no exposures to non-qualifying central counterparties (rows 11 – 20 of the CCR8 template) for the period under review.

securitisations

OWN SECURITISATION TRANSACTIONS*

Traditional securitisations	Asset type	Rating agency	Year initiated	Expected close
Nitro Programme (RF) Limited – Nitro 7	Retail: auto loans	Moody's	2019	2027
Fast Issuer SPV (RF) Limited	Retail: auto loans	Unrated	2016	2025
MotoWay Limited	Retail: auto loans	Unrated	2019	Closed
Lehae Programme (RF) Ltd	Retail: residential mortgages	Moody's	2023	2043

R million	Assets securitised	Assets outstanding**			Notes outstanding			Retained exposure		
		Dec 2023	Dec 2022	June 2023	Dec 2023	Dec 2022	June 2023	Dec 2023	Dec 2022	June 2023
Nitro Programme (RF) Limited – Nitro 7	-	5	312	215	-	272	170	-	-	-
FAST Issuer SPV (RF) Limited	2 295	2 718	5 349	3 846	1 571	4 374	2 768	1 571	2 149	2 240
MotoWay Limited#	-	-	1 102	-	-	1 306	-	-	1 024	-
Lehae Programme (RF) Ltd	1 974	2 070	-	-	2 059	-	-	126	-	-
Total	4 269	4 793	6 763	4 061	3 630	5 952	2 938	1 697	3 173	2 240

* Represent transactions structured by the group where the assets have been derecognised from the balance sheet.

** Assets outstanding do not include cash reserves.

Non-rand denominated.

SEC1: SECURITISATION EXPOSURES IN THE BANKING BOOK PER PORTFOLIO

As at 31 December 2023*						
Traditional securitisations						
<i>R million</i>		Group acts as originator	Group acts as sponsor	Group acts as investor	Group acts as originator and sponsor	Total
1.	Retail					
2.	– Residential mortgages	126	–	–	–	126
4.	– Auto loans	1 571	–	25 216	–	26 787
6.	Corporate					
7.	– Loans to corporates	–	–	–	662	662
	Total	1 697	–	25 216	662	27 575

* There were no credit card or resecuritisation exposures in the retail portfolio (rows 3 and 5 of the SEC1 template) and no commercial mortgage, lease and receivables, other corporate or resecuritisation exposures in the corporate portfolio (rows 8 – 11 of the SEC1 template).

As at 31 December 2022**						
Traditional securitisations						
<i>R million</i>		Group acts as originator	Group acts as sponsor	Group acts as investor	Group acts as originator and sponsor	Total
1.	Retail					
4.	– Auto loans	3 455	–	24 709	–	28 164
6.	Corporate					
7.	– Loans to corporates	–	–	–	4 919	4 919
	Total	3 455	–	24 709	4 919	33 083

As at 30 June 2023**						
Traditional securitisations						
<i>R million</i>		Group acts as originator	Group acts as sponsor	Group acts as investor	Group acts as originator and sponsor	Total
1.	Retail					
4.	– Auto loans	2 240	–	25 358	–	27 598
6.	Corporate					
7.	– Loans to corporates	–	–	–	1 127	1 127
	Total	2 240	–	25 358	1 127	28 725

** There were no residential mortgage, credit card or resecuritisation exposures in the retail portfolio (rows 2, 3 and 5 of the SEC1 template) and no commercial mortgage, lease and receivables, other corporate or resecuritisation exposures in the corporate portfolio (rows 8 – 11 of the SEC1 template).

The regulatory approaches for securitisation exposures are explained in the table below. Securitisation exposure capital calculations under the revised framework follow a hierarchy of approaches, which reduces reliance on external credit ratings and enhances risk sensitivity. Calculations of 31 December 2023 and 30 June 2023 capital figures were based on the hierarchy of approaches in the following table.

Securitisations internal ratings-based approach (SEC-IRBA)	<ul style="list-style-type: none"> • Must be a supervisory approved internal ratings-based model. • Must have sufficient information to estimate the capital charge for these underlying exposures.
Securitisations external ratings-based approach (SEC-ERBA)	<ul style="list-style-type: none"> • Must be allowed by the regulator. • SEC-ERBA is based on external ratings of the exposure, or inferred ratings.
Securitisations standardised approach (SEC-SA)	<ul style="list-style-type: none"> • Must be used if the bank cannot apply SEC-IRBA and SEC-ERBA. • Conservative calibration.
1 250%	<ul style="list-style-type: none"> • Risk weighting of 1 250% must be applied if any of the above approaches cannot be applied.

In the old framework, the application of the hierarchy depended on the role the bank played in the securitisation or on the credit risk approach that the bank applied to the type of underlying exposures. Figures as at 31 December 2022 are based on the approaches in the following table.

IRB approach	Ratings-based approach (RBA) Securitisation exposures to notes rated by an external credit assessment institution and held in an entity that uses the IRB approach.
	Internal assessment approach (IAA) The group does not use IAA for calculating risk-weighted assets on securitisation exposures.
	Supervisory formula approach (SFA) Where SFA is used, these exposures are captured in the IRB SFA column.
Standardised approach (SA)	Exposures subject to the look-through approach are disclosed in the simplified supervisory formula approach (SSFA).
Unrated notes	Exposures to unrated notes are risk-weighted at 1 250%.

There were no synthetic securitisations during the period under review.

The SEC2: *Securitisation exposures in the trading book* table is not applicable as the group does not have securitisation exposures in the trading book.

SEC3: TRADITIONAL SECURITISATION EXPOSURES IN THE BANKING BOOK AND ASSOCIATED REGULATORY CAPITAL REQUIREMENTS – BANK ACTING AS ORIGINATOR OR AS SPONSOR

As at 31 December 2023*

R million	Exposure values by risk-weighted (RW) bands					Exposure values by regulatory approach				RWA by regulatory approach				Minimum capital requirements**							
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1 250% RW	1 250% RW	SEC-IRBA	SEC-ERBA	SEC-SA	1 250%	SEC-IRBA	SEC-ERBA	SEC-SA	1 250%	SEC-IRBA	SEC-ERBA	SEC-SA	1 250%				
	Securitisation																				
4.	– Retail	1 697	–	–	–	–	–	–	–	1 697	–	–	–	255	–	–	–	34	–	–	–
5.	– Corporate	662	–	–	–	–	–	–	–	1	–	–	–	–	–	–	–	–	–	14	–
	Total	2 359	–	–	–	–	–	–	–	1 698	–	–	–	255	–	–	–	34	–	14	–

As at 31 December 2022*

R million	Exposure values by RW bands					Exposure values by regulatory approach				RWA by regulatory approach				Minimum capital requirements**								
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1 250% RW	1 250% RW	IRB		SA	1 250%	IRB		SA	1 250%	IRB		SA	1 250%					
						RBA	SFA	SSFA		RBA	SFA	SSFA		RBA	SFA	SSFA						
	Securitisation																					
4.	– Retail	2 149	–	1 306	–	–	–	–	–	2 149	1 306	–	–	–	–	–	–	–	–	43	136	–
5.	– Corporate	460	4 459	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	209	–
	Total	2 609	4 459	1 306	–	–	–	–	–	2 149	6 225	–	–	–	–	–	–	–	–	43	345	–

As at 30 June 2023*

R million	Exposure values by RW bands					Exposure values by regulatory approach				RWA by regulatory approach				Minimum capital requirements**								
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1 250% RW	1 250% RW	SEC-IRBA	SEC-ERBA	SEC-SA	1 250%	SEC-IRBA	SEC-ERBA	SEC-SA	1 250%	SEC-IRBA	SEC-ERBA	SEC-SA	1 250%					
	Securitisation																					
4.	– Retail	2 240	–	–	–	–	–	–	–	2 240	–	–	–	336	–	–	–	–	–	–	–	–
5.	– Corporate	460	667	–	–	–	–	–	–	667	–	–	–	223	–	–	–	–	–	–	–	–
	Total	2 700	667	–	–	–	–	–	–	2 907	–	–	–	559	–	–	–	–	–	–	9	–

* There were no resecuritisations or synthetic securitisations (rows 6 – 15 of the SEC3 template) in the periods under review.

** The capital requirement was calculated at 13.5% of RWA (December 2022: 13.3%; June 2023: 13.3%). The minimum requirement excludes the bank-specific individual capital requirement (Pillar 2B). The difference to the BCBS base minimum (8%) relates to the buffer add-ons for Pillar 2A, CCyB, capital conservation and the D-SIB as prescribed in the Regulations.

SEC4: TRADITIONAL SECURITISATION EXPOSURES IN THE BANKING BOOK AND ASSOCIATED REGULATORY CAPITAL REQUIREMENTS – BANK ACTING AS INVESTOR

As at 31 December 2023*

R million	Exposure values by RW bands**	Exposure values by regulatory approach#		RWA by regulatory approach		Minimum capital requirements#†	
		≤20% RW	SEC-IRBA	SEC-SA	SEC-IRBA	SEC-SA	SEC-IRBA
	Securitisation						
4.	– Retail	25 216	25 216	–	3 782	–	512
5.	– Corporate	–	–	–	–	–	–
	Total	25 216	25 216	–	3 782	–	512

* There were no resecuritisations or synthetic securitisations (rows 6 – 15 of the SEC4 template).

** There were no exposures in the >20% to 50%, >50% to 100%, >100% to <1 250% and 1 250% RW bands.

There were no exposures under the SEC-ERBA or risk-weighted at 1 250%.

† The capital requirement was calculated at 13.5% of RWA. The minimum requirement excludes the bank-specific individual capital requirement (Pillar 2B). The difference to the BCBS base minimum (8%) relates to the buffer add-ons for Pillar 2A, CCyB, capital conservation and the D-SIB, as prescribed in the Regulations.

As at 31 December 2022*

R million	Exposure values by RW bands**	Exposure values by regulatory approach#		RWA by regulatory approach		Minimum capital requirements†	
		IRB		IRB		IRB	
		≤20% RW	RBA	SFA	RBA	SFA	RBA
	Securitisation						
4.	– Retail	24 709	–	24 709	–	4 537	601
5.	– Corporate	–	–	–	–	–	–
	Total	24 709	–	24 709	–	4 537	601

* There were no resecuritisations or synthetic securitisations (rows 6 – 15 of the SEC4 template).

** There were no exposures in the >20% to 50%, >50% to 100%, >100% to <1 250% and 1 250% RW bands.

There were no exposures under the standardised approach or to unrated notes risk weighted at 1 250%.

† The capital requirement was calculated at 13.3% of RWA. The minimum requirement excludes the bank-specific individual capital requirement (Pillar 2B). The difference to the BCBS base minimum (8%) relates to the buffer add-ons for Pillar 2A, CCyB, capital conservation and the D-SIB, as prescribed in the Regulations.

As at 30 June 2023*

R million	Exposure values by RW bands**	Exposure values by regulatory approach#		RWA by regulatory approach#		Minimum capital requirements#†	
		≤20% RW	SEC-IRBA	SEC-SA	SEC-IRBA	SEC-SA	SEC-IRBA
	Securitisation						
4.	– Retail	25 358	25 358	–	4 731	–	628
5.	– Corporate	–	–	–	–	–	–
	Total	25 358	25 358	–	4 731	–	628

* There were no resecuritisations or synthetic securitisations (rows 6 – 15 of the SEC4 template).

** There were no exposures in the >20% to 50%, >50% to 100%, >100% to <1 250% and 1 250% RW bands.

There were no exposures under the SEC-ERBA or risk-weighted at 1 250%.

† The capital requirement was calculated at 13.3% of RWA. The minimum requirement excludes the bank-specific individual capital requirement (Pillar 2B). The difference to the BCBS base minimum (8%) relates to the buffer add-ons for Pillar 2A, CCyB, capital conservation and the D-SIB, as prescribed in the Regulations.

traded market risk

MR1: MARKET RISK UNDER STANDARDISED APPROACH

R million		RWA					
		FirstRand			FRB*		
		As at 31 Dec 2023	As at 31 Dec 2022	As at 30 June 2023	As at 31 Dec 2023	As at 31 Dec 2022	As at 30 June 2023
	Outright products						
1.	Interest rate risk	13 314	11 130	10 006	7 622	5 914	6 022
	– Specific risk	11 657	8 803	8 277	7 622	5 914	6 022
	– General risk	1 657	2 327	1 729	–	–	–
2.	Equity risk	1 223	546	476	509	324	358
	– Specific risk	1 032	529	464	509	324	358
	– General risk	191	17	12	–	–	–
3.	Foreign exchange risk	2 289	1 354	2 642	854	453	229
	– Traded market risk	517	892	1 235	–	–	–
	– Non-traded market risk	1 772	462	1 407	854	453	229
4.	Commodity risk	–	–	–	–	–	–
9.	Total	16 826	13 030	13 124	8 985	6 691	6 609

* FRB includes foreign branches.

Market risk was contained within acceptable limits and effectively managed across the group for the period under review. The increase in standardised RWA was due to an increase in interest rate exposures on the trading book over the period under review.

Options are capitalised using the internal models approach (IMA) (rows 5 – 7 of the MR1 template are therefore excluded) (refer to MR3: IMA values for traded market risk template on page 61), and securitisations (row 8 of the MR1 template excluded) are capitalised under the securitisation framework (refer to the Securitisations section).

MR2: RWA FLOW STATEMENTS OF MARKET RISK EXPOSURES UNDER AN IMA*

R million		VaR	sVaR	Total RWA
1.	RWA at 30 September 2023	12 896	11 442	24 338
2.	Movement in risk levels	956	28	984
3.	Model updates/changes	–	–	–
4.	Methodology and policy	–	–	–
5.	Acquisitions and disposals	–	–	–
6.	Foreign exchange movements	–	–	–
7.	Other	–	–	–
8.	RWA at 31 December 2023	13 852	11 470	25 322

* The group does not use the incremental risk charge and comprehensive risk measure approaches.

The increase in market risk RWA under IMA emanated from market-marking activity across various asset classes, predominantly in the interest rate and foreign exchange business lines.

IMA values

Total market risk is split between traded and non-traded market risk. Traded market risk includes the portfolios that are designated as trading book for regulatory reporting and are shown in the following tables. The group does not use the incremental risk charge (rows 9 – 12 of the MR3 template) and comprehensive risk measure (rows 13 – 17 of the MR3 template) approaches.

MR3: IMA VALUES FOR TRADED MARKET RISK

FRBSA*							
As at 31 December 2023**							
<i>R million</i>	Equities	Interest rates	Foreign exchange	Commodities	Traded credit	Diversification effect	Diversification total
	VaR (10-day 99%)						
1.	Maximum value	58.2	533.1	311.1	72.1	17.2	382.6
2.	Average value	23.7	281.8	169.5	26.2	6.6	296.6
3.	Minimum value	6.2	138.3	77.1	8.1	2.5	182.7
4.	Period end	9.1	268.7	243.1	24.6	3.1	(281.6)
	sVaR (10-day 99%)						
5.	Maximum value	91.5	510.7	412.4	87.8	25.4	374.7
6.	Average value	46.0	302.7	209.2	37.5	10.9	255.5
7.	Minimum value	8.6	148.0	103.2	9.4	3.6	170.5
8.	Period end	10.5	429.8	207.8	47.2	3.8	(405.6)

FRBSA*							
As at 31 December 2022							
<i>R million</i>	Equities	Interest rates	Foreign exchange	Commodities	Traded credit	Diversification effect	Diversification total
	VaR (10-day 99%)						
1.	Maximum value	43.2	385.7	87.4	69.5	21.6	315.9
2.	Average value	16.9	294.1	54.4	38.0	12.3	255.9
3.	Minimum value	5.8	145.9	13.9	17.4	1.8	150.6
4.	Period end	26.1	360.0	72.3	18.1	8.8	(213.7)
	sVaR (10-day 99%)						
5.	Maximum value	84.2	496.2	239.2	79.5	108.4	427.6
6.	Average value	27.2	329.7	103.3	45.2	68.2	291.5
7.	Minimum value	12.5	200.1	21.9	33.1	2.7	189.1
8.	Period end	42.6	413.6	210.9	35.1	24.5	(411.5)
	VaR (1-day 99%)						
	Maximum value	26.3	160.3	59.1	38.9	12.5	131.3
	Average value	8.1	101.5	22.6	20.0	5.4	102.1
	Minimum value	3.7	54.3	4.0	8.8	1.1	73.4
	Period end	9.7	133.4	34.8	8.8	3.2	(71.8)

* The IMA values for traded market risk are for FRBSA, which excludes the bank's foreign branches. These are reported on under the standardised approach for market risk.

** The 1-day value-at-risk per asset class measure was excluded from 30 June 2023 and will not be reported going forward.

MR3: IMA VALUES FOR TRADED MARKET RISK *continued*

		FRBSA*						
		As at 30 June 2023**						
<i>R million</i>		Equities	Interest rates	Foreign exchange	Commodities	Traded credit	Diversification effect	Diversification total
	VaR (10-day 99%)							
1.	Maximum value	79.3	520.6	114.0	69.5	49.3		435.5
2.	Average value	22.9	309.0	54.8	33.1	15.2		266.6
3.	Minimum value	5.8	134.0	13.9	17.4	1.8		140.5
4.	Period end	14.0	296.9	91.6	31.6	11.4	(172.2)	273.3
	sVaR (10-day 99%)							
5.	Maximum value	84.2	553.6	248.7	79.5	211.1		479.9
6.	Average value	30.8	349.4	101.2	42.4	72.4		296.2
7.	Minimum value	10.4	168.1	21.9	27.8	2.7		173.1
8.	Period end	25.5	225.2	166.7	58.3	12.6	(225.1)	263.1

* The IMA values for traded market risk are for FRBSA, which excludes the bank's foreign branches. These are reported on under the standardised approach for market risk.

** The 1-day VaR per asset class measure was excluded from June 2023 and will not be reported going forward.

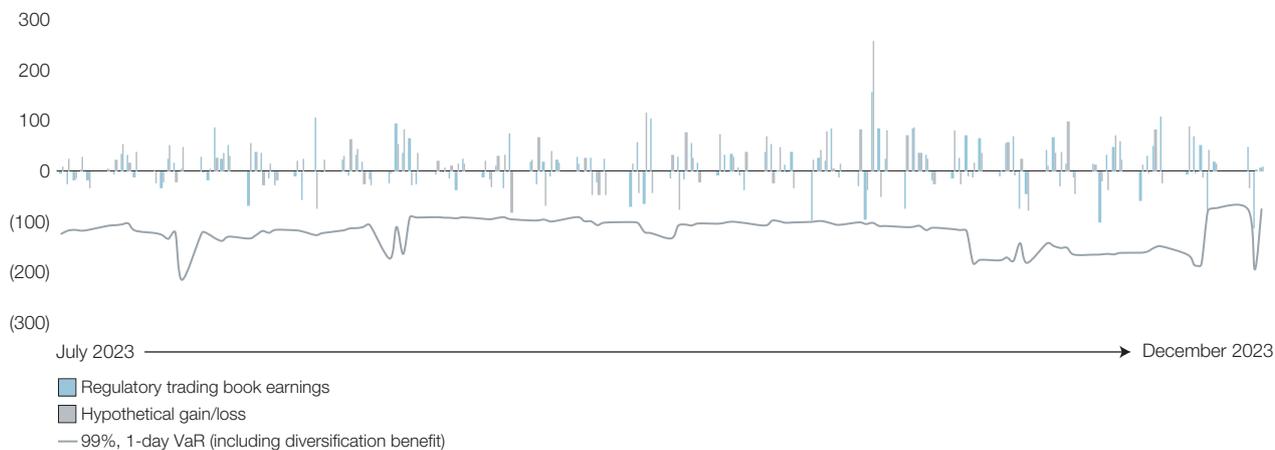
The IMA measures over the review period reflect the positioning across all asset classes and remained within acceptable appetite for the market risk profile.

Backtesting: Daily regulatory trading book earnings versus 1-day, 99% VaR

The group monitors its daily domestic trading earnings profile as illustrated in the following chart. The trading earnings and 1-day VaR relate to the group's internal VaR model.

MR4: Comparison of VaR estimates with gains/losses for FRBSA

(*R million*)



There were no significant changes in the 1-day, 99% VaR methodology. Periodic increases in VaR stemmed from stresses applied on trading book positions. There were no trading book earnings excesses during the period under review.

interest rate risk

in the banking book

PROJECTED NET INTEREST INCOME (NII) SENSITIVITY TO INTEREST RATE MOVEMENTS

As at 31 December 2023*			
Change in projected 12-month NII			
<i>R million</i>	FRBSA	Subsidiaries in broader Africa and the bank's foreign branches	Group**
Downward 400 bps	(3 161)	(1 528)	(4 689)
Upward 400 bps	2 782	1 106	3 888
Downward 200 bps	(1 623)	(768)	(2 391)
Upward 200 bps	1 479	578	2 057

As at 31 December 2022			
Change in projected 12-month NII			
<i>R million</i>	FRBSA	Subsidiaries in broader Africa and the bank's foreign branches	Group**
Downward 200 bps	(733)	(339)	(1 072)
Upward 200 bps	715	339	1 054

As at 30 June 2023*			
Change in projected 12-month NII			
<i>R million</i>	FRBSA	Subsidiaries in broader Africa and the bank's foreign branches	Group**
Downward 400 bps	(2 196)	(1 056)	(3 252)
Upward 400 bps	1 933	822	2 755
Downward 200 bps	(1 279)	(537)	(1 816)
Upward 200 bps	1 160	411	1 571

* December 2023 and June 2023 figures were updated in accordance with revised regulations per Directive 2 of 2023 to reflect sensitivity to a 400 bps downward or upward shock to interest rates. The 200 bps NII sensitivity measures for December 2023 and June 2023 are also included for comparative purposes. It should, however, be noted that direct comparison between periods is not possible due to methodology changes in accordance with revised Regulations.

** Excludes Aldermore.

BANKING BOOK NET ASSET VALUE SENSITIVITY TO INTEREST RATE MOVEMENTS AS A PERCENTAGE OF TIER 1 CAPITAL

	FRBSA			FirstRand*		
	As at 31 December 2023**	As at 31 December 2022#	As at 30 June 2023**	As at 31 December 2023**	As at 31 December 2022#	As at 30 June 2023**
%						
Downward 400 bps	16.27		16.01	11.32		9.74
Upward 400 bps	(13.23)		(13.31)	(9.38)		(8.22)
Downward 200 bps	8.14	4.78	8.01	5.66	3.06	4.87
Upward 200 bps	(6.61)	(4.23)	(6.65)	(4.69)	(2.71)	(4.11)

* Excludes Aldermore.

** December 2023 and June 2023 figures have been updated in accordance with revised regulations per Directive 2 of 2023 to reflect sensitivity to a 400 bps downward or upward shock to interest rates. The 200 bps NII sensitivity measures for December 2023 and June 2023 are also included for comparative purposes. It should, however, be noted that direct comparison between years is not possible due to methodology changes in accordance with revised Regulations.

Ratios calculated using total capital.

structural foreign *exchange risk*

NET STRUCTURAL FOREIGN EXPOSURES

	As at 31 December 2023		As at 31 December 2022		As at 30 June 2023	
	Exposure R million	Impact on equity from 15% currency translation shock	Exposure R million	Impact on equity from 15% currency translation shock	Exposure R million	Impact on equity from 15% currency translation shock
<i>R million</i>						
Functional currency						
Botswana pula	6 008	901	5 179	777	5 812	872
US dollar	13 060	1 959	10 817	1 623	13 429	2 014
British pound sterling	45 284	6 793	37 004	5 551	44 678	6 702
Nigerian naira	1 512	227	2 552	383	1 777	267
Zambian kwacha	1 842	276	1 612	242	2 251	338
Mozambican metical	1 268	190	734	110	1 067	160
Indian rupee	1 083	163	858	129	1 045	157
Ghanaian cedi	547	82	786	118	397	60
Tanzanian shilling	48	7	75	11	51	8
Common Monetary Area (CMA) countries*	7 378	1 107	7 578	1 137	7 346	1 102
Total	78 030	11 705	67 195	10 081	77 853	11 680

* Namibia, Eswatini and Lesotho are currently part of the CMA. Unless these countries exit the CMA, rand volatility will not impact their rand reporting values.

equity investment risk

GROUP INVESTMENT RISK EXPOSURE, SENSITIVITY OF INVESTMENT RISK EXPOSURE AND EQUITY INVESTMENTS

R million	Group								
	As at 31 December 2023			As at 31 December 2022			As at 30 June 2023		
	Publicly quoted investments	Privately held investments	Total	Publicly quoted investments	Privately held investments	Total	Publicly quoted investments	Privately held investments	Total
Carrying value of investments	16	11 394	11 410	5	10 571	10 576	17	11 671	11 688
Per risk bucket									
250% – Basel III investments in financial entities	–	5 129	5 129	–	5 660	5 660	–	5 679	5 679
300% – Listed investments	16	–	16	5	–	5	17	–	17
400% – Unlisted investments	–	6 265	6 265	–	4 911	4 911	–	5 992	5 992
Equity investments in funds	–	5 848	5 848	–	2 208	2 208	–	5 471	5 471
Look-through approach	–	91	91	–	84	84	–	89	89
Mandate-based approach*	–	5 747	5 747	–	2 114	2 114	–	5 320	5 320
Fall-back approach	–	10	10	–	10	10	–	62	62
Latent revaluation gains not recognised on the balance sheet**	–	1 943	1 943	–	285	285	–	1 974	1 974
Fair value	16	19 185	19 201	5	13 064	13 069	17	19 116	19 133
Listed investment risk exposure included in the equity investment risk expected tail loss (ETL) process	–	16	16	5	–	5	17	–	17
Estimated sensitivity to 10% movement in market value on investment fair value of remaining investment balances			469			154			369
Cumulative gains realised from sale of positions during the year			87			1 941			2 161
Capital requirement [#]	7	8 635	8 642	2	5 922	5 924	7	8 359	8 366

* The increase in exposure and RWA compared to December 2022 mostly relates to the consolidation of the FirstRand Empowerment Fund in the group accounts and regulatory funds disclosure, as a result of the consolidation in June 2023 from conditions met in IFRS 10.

** These unrealised gains or losses are not included in Tier 1 or Tier 2 capital.

[#] The capital requirement was calculated at 13.5% of RWA (December 2022: 13.3%; June 2023: 13.3%). The minimum requirement excludes the bank-specific individual capital requirement (Pillar 2B). The difference to the BCBS base minimum (8%) relates to the buffer add-ons for Pillar 2A, CCyB, capital conservation and the D-SIB, as prescribed in the Regulations.

FRBSA INVESTMENT RISK EXPOSURE, SENSITIVITY OF INVESTMENT RISK EXPOSURE AND EQUITY INVESTMENTS IN FUNDS

<i>R million</i>	FRBSA								
	As at 31 December 2023			As at 31 December 2022			As at 30 June 2023		
	Publicly quoted invest-ments	Privately held invest-ments	Total	Publicly quoted invest-ments	Privately held invest-ments	Total	Publicly quoted invest-ments	Privately held invest-ments	Total
Carrying value of investments	16	547	563	4	552	556	16	575	591
Per risk bucket									
250% – Basel III investments in financial entities	–	133	133	–	140	140	–	150	150
300% – Listed investments	16	–	16	4	–	4	16	–	16
400% – Unlisted investments	–	414	414	–	412	412	–	425	425
Equity investments in funds	–	36	36	–	30	30	–	34	34
Look-through approach	–	–	–	–	–	–	–	–	–
Mandate-based approach	–	26	26	–	20	20	–	24	24
Fall-back approach	–	10	10	–	10	10	–	10	10
Latent revaluation gains not recognised in the balance sheet*	–	–	–	–	–	–	–	–	–
Fair value	16	583	599	4	582	586	16	609	625
Listed investment risk exposure included in the equity investment risk ETL process	–	16	16	4	–	4	17	–	17
Estimated sensitivity to 10% movement in market value on investment fair value of remaining investment balances			58			58			61
Cumulative gains realised from sale of positions during the year			41			12			16
Capital requirement**	6	303	309	2	299	301	7	312	319

* These unrealised gains or losses are not included in Tier 1 or Tier 2 capital.

** The capital requirement was calculated at 13% of RWA (December 2022: 13%; June 2023: 13%) and includes capital on investment in financial entities. The minimum requirement excludes the bank-specific individual capital requirement (Pillar 2B). The difference to the BCBS base minimum (8%) relates to the buffer add-ons for Pillar 2A, CCyB, capital conservation and the D-SIB, as prescribed in the Regulations.

CR10: FIRSTRAND EQUITY EXPOSURES USING SIMPLE RISK WEIGHT METHOD AND EQUITY INVESTMENTS IN FUNDS

As at 31 December 2023					
<i>R million</i>	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWA
Categories					
Exchange-traded equity exposures*	16	–	300%	16	51
Private equity exposures*	6 265	–	400%	6 265	26 565
Subtotal	6 281	–		6 281	26 616
Equity investment in funds	5 848			5 848	24 432
Look-through approach	91	–	352%	91	322
Mandate-based approach**	5 747	–	417%	5 747	23 979
Fall-back approach	10	–	1 250%	10	131
Financial and insurance entities	5 129	–	250%	5 129	12 823
Total	17 258			17 258	63 871

As at 31 December 2022					
<i>R million</i>	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWA
Categories					
Exchange-traded equity exposures*	5	–	300%	5	14
Private equity exposures*	4 911	–	400%	4 911	20 823
Subtotal	4 916	–		4 916	20 837
Equity investment in funds	2 208			2 208	9 725
Look-through approach	84	–	340%	84	284
Mandate-based approach	2 114	–	441%	2 114	9 320
Fall-back approach	10	–	1 250%	10	121
Financial and insurance entities	5 660	–	250%	5 660	14 150
Total	12 784	–		12 784	44 712

As at 30 June 2023					
<i>R million</i>	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWA
Categories					
Exchange-traded equity exposures*	17	–	300%	17	54
Private equity exposures*	5 992	–	400%	5 992	25 405
Subtotal	6 009	–		6 009	25 459
Equity investment in funds	5 471			5 471	23 344
Look-through approach	89	–	346%	89	309
Mandate-based approach**	5 320	–	418%	5 320	22 254
Fall-back approach	62	–	1 250%	62	781
Financial and insurance entities	5 679	–	250%	5 679	14 196
Total	17 159	–		17 159	62 999

* RWA includes a 6% scaling factor.

** The increase in exposure and RWA compared to December 2022 mostly relates to the consolidation of the FirstRand Empowerment Fund in the group accounts and regulatory funds disclosure, as a result of the consolidation in June 2023 from conditions met in IFRS 10.

CR10: FRBSA* EQUITY EXPOSURES USING SIMPLE RISK WEIGHT METHOD AND EQUITY INVESTMENTS IN FUNDS

As at 31 December 2023					
<i>R million</i>	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWA
Categories					
Exchange-traded equity exposures**	16	–	300%	16	50
Private equity exposures**	414	–	400%	414	1 754
Subtotal	430	–		430	1 804
Equity investment in funds	36	–		36	241
Look-through approach	–	–	–	–	–
Mandate-based approach	26	–	424%	26	110
Fall-back approach	10	–	1 250%	10	131
Financial and insurance entities	133	–	250%	133	332
Total	599	–		599	2 377

As at 31 December 2022					
<i>R million</i>	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWA
Categories					
Exchange-traded equity exposures**	4	–	300%	4	13
Private equity exposures**	412	–	400%	412	1 748
Subtotal	416	–		416	1 761
Equity investment in funds	30	–		30	205
Look-through approach	–	–	–	–	–
Mandate-based approach	20	–	424%	20	83
Fall-back approach	10	–	1 250%	10	122
Financial and insurance entities	140	–	250%	140	350
Total	586	–		586	2 316

As at 30 June 2023					
<i>R million</i>	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWA
Categories					
Exchange-traded equity exposures**	16	–	300%	16	52
Private equity exposures**	425	–	400%	425	1 800
Subtotal	441	–		441	1 852
Equity investment in funds	34	–		34	226
Look-through approach	–	–	–	–	–
Mandate-based approach	24	–	424%	24	102
Fall-back approach	10	–	1 250%	10	124
Financial and insurance entities	150	–	250%	150	376
Total	625	–		625	2 454

* Excludes foreign branches.

** RWA includes a 6% scaling factor.

abbreviations

AIRB	Advanced internal ratings-based
BCBS	Basel Committee on Banking Supervision
CCF	Credit conversion factors
CCR	Counterparty credit risk
CCyB	Countercyclical buffer
CIB	Corporate and investment banking
CMA	Common Monetary Area
CRM	Credit risk mitigation
CVA	Credit valuation adjustment
D-SIB	Domestic systemically important bank
EAD	Exposure at default. Gross exposure of a facility upon default of a counterparty.
ECL	Expected credit loss
EEPE	Effective expected positive exposure
ETL	Expected tail loss
FRB	FirstRand Bank Limited (including foreign branches)
FRBSA	FirstRand Bank Limited South Africa (excluding foreign branches)
IAA	Internal assessment approach
IMA	Internal models approach
IRB	Internal ratings-based (approach for securitisation exposures)
LGD	Loss given default. Economic loss that will be suffered on an exposure following default of the counterparty, expressed as a percentage of the amount outstanding at the time of default.
NII	Net interest income
NPLs	Non-performing loans
OTC	Over-the-counter
PD	Probability of default. Probability that a counterparty will default within the next year (considering the ability and willingness of the counterparty to repay).
RBA	Ratings-based approach
RW	Risk-weighted
RWA	Risk-weighted assets. Prescribed risk weightings relative to the credit risk of counterparties, operational risk, market risk, equity investment risk and other risk multiplied by on- and off-balance sheet assets.
SA	Standardised approach for securitisation exposures
SA-CCR	Standardised approach to counterparty credit risk
SFA	Supervisory formula approach
SFTs	Secured financing transactions
SM-CCR	Standardised method for measuring counterparty credit risk
SMEs	Small and medium-sized enterprises
SSFA	Simplified supervisory formula approach
sVaR	Stressed VaR
VAF	Vehicle asset finance
VaR	Value-at-risk



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