

PILLAR III DISCLOSURE AS OF 30 JUNE 2021

Table 22 (a)

Basel III Common Equity Tier I Disclosure Template (With Transitional Adjustments)

Amount in BWP 000

Common Equity Tier I capital: instruments and reserves		
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus.	181,000
2	Retained earnings	210,906
3	Accumulated other comprehensive income (and other reserves)	
4	<i>Directly issued capital subject to phase out from CET1 CAPITAL (only applicable to non-joint stock companies)</i>	
5	Common share capital issued by subsidiaries and held by third parties (amount all owed in group CET1 CAPITAL)	
6	Common Equity Tier I capital before regulatory adjustments	391,906
Common Equity Tier I capital: regulatory adjustments		
7	Prudential valuation adjustments	
8	Goodwill(net of related tax liability)	
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	
11	Cash-flow hedge reserve	
12	Shortfall of provisions to expected losses	
13	Securitisation gain on sale(asset out in paragraph562 of Basel II frame work)	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	
15	Defined-benefit pension fund net assets	
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	
17	Reciprocal cross-holdings in common equity	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above10% threshold)	
20	Mortgage servicing rights(amountabove10%threshold)	
21	Deferred tax assets arising from temporary differences (amount above10%threshold,net of related tax liability)	
22	Amount exceeding the 15% threshold	
23	of which :significant investments in the common stock of financials	
24	of which :mortgage servicing rights	

25	of which: deferred tax assets arising from temporary differences	
26	National specific regulatory adjustments	
27	Regulatory adjustments applied to Common Equity Tier I due to insufficient Additional Tier I and Tier II to cover deductions	
27 a	Transitional Adjustment Amount added back to CET	
28	Total regulatory adjustments to Common equity Tier I	
29	Common Equity Tier I capital(CET1 CAPITAL)	391,906
Additional Tier I capital: instruments		
30	Directly issued qualifying Additional Tier I instruments plus related stock surplus	
31	of which: classified as equity under applicable accounting standards	
32	of which: classified as liabilities under applicable accounting standards	
33	<i>Directly issued capital instruments subject to phase out from Additional Tier I</i>	
34	Additional Tier Instruments(and CET1 CAPITAL instruments not included in row 5) issued by subsidiaries and held by third parties(amount allowed in group AT1)	
35	<i>Of which: instruments issued by subsidiaries subject to phase out</i>	
36	Additional Tier I capital before regulatory adjustments	
Additional Tier I capital: regulatory adjustments		
37	Investments in own Additional Tier I instruments	
38	Reciprocal cross-holdings in Additional Tier I instruments	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount	
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	
41	National specific regulatory adjustments	
42	Regulatory adjustments applied to Additional Tier I due to insufficient Tier II to cover deductions	
43	Total regulatory adjustments to Additional Tier I capital	
44	Additional Tier I capital (AT1)	
45	Tier I capital(T1=CET1 CAPITAL+AT1)	391,906
Tier II capital: instruments and provisions		
46	Directly issued qualifying Tier II instruments plus related stock surplus	
47	<i>Directly issued capital instruments subject to phase out from Tier II</i>	
48	Tier II instruments (and CET1 CAPITAL and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier II)	
49	<i>Of which :instruments issued by subsidiaries subject to phase out</i>	

50	Provisions and unpublished current year profit	33,543
51	Tier II capital before regulatory adjustments	33,543
Tier II capital: regulatory adjustments		
52	Investments in own Tier II instruments	
53	Reciprocal cross-holding sin Tier I instruments	
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10%	
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions).	
56	National specific regulatory adjustments	
57	Total regulatory adjustments to Tier II capital	0
58	Tier II capital(T2)	33,543
59	Total capital(TC=T1+T2)	425,449
60	Total risk-weighted assets	1707,930
Capital ratios and buffers		
61	Common Equity Tier I (as a percentage of risk weighted assets)	22.95%
62	<i>Tier I(as a percentage of risk-weighted assets)</i>	22.95%
63	<i>Total capital (as a percentage of risk weighted assets)</i>	24.91%
64	<i>Institution specific buffer requirement (minimum CET1 CAPITAL requirement plus capital conservation buffer plus counter cyclical buffer requirements plus G-SIB buffer requirement, expressed as a percentage of risk weighted assets)</i>	
65	<i>Of which: capital conservation buffer requirement</i>	
66	<i>Of which: bank specific counter cyclical buffer requirement</i>	
67	<i>Of which:G-SIB buffer requirement</i>	
68		
	Common Equity Tier I available to meet buffers (as a percentage of risk weighted assets)	
	<i>Notional Common Equity Tier I minimum ratio(if different from Basel III minimum)</i>	10.45%
70	<i>Notional Tier I minimum ratio(if different from Basel III minimum)</i>	10.45%
71	<i>Notional total capital minimum ratio(if different from Basel III minimum)</i>	12.41%
Amounts below the thresholds for deduction (before risk-weighting)		
72	<i>Non-significant investments in the capital of other financials</i>	
73	<i>Significant investments in the common stock of financials</i>	
74	<i>Mortgage servicing rights(net of related tax liability)</i>	
75	<i>Deferred tax assets arising from temporary differences (net of related tax liability)</i>	

Applicable caps on the inclusion of provisions in Tier II		
76	Provisions eligible for inclusion in Tier II in respect of exposures subject to standardized approach (prior to application of cap)	
77	Cap on inclusion of provisions in Tier II under standardised approach	
78	Provisions eligible for inclusion in Tier II in respect of exposures subject to internal ratings-based approach(prior to application of cap)	
79	Cap for inclusion of provisions in Tier II under internal ratings-based approach	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2015 and 1Jan2020)		
80	Current cap on CET1 CAPITAL instruments subject to phase out arrangements	
81	Amount excluded from CET1 CAPITAL due to cap (excess over cap after redemptions and maturities)	
82	Current cap on AT 1 instruments subject to phase out arrangements	
83	Amount excluded from AT 1 due to cap (excess over cap after redemptions and maturities)	
84	Current cap on T2 instruments subject to phase out arrangements	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	

Table 22 (b)
Basel III Common Equity Tier I Disclosure Template (Fully Loaded)

Common Equity Tier I capital: instruments and reserves		Amount in BWP 000
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus.	181,000
2	Retained earnings	210,906
3	Accumulated other comprehensive income (and other reserves)	
4	Directly issued capital subject to phase out from CET1 CAPITAL (only applicable to non-joint stock companies)	
5	Common share capital issued by subsidiaries and held by third parties (amount all owed in group CET1 CAPITAL)	
6	Common Equity Tier I capital before regulatory adjustments	391,906
Common Equity Tier I capital: regulatory adjustments		
7	Prudential valuation adjustments	
8	Goodwill(net of related tax liability)	
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	
11	Cash-flow hedge reserve	
12	Shortfall of provisions to expected losses	
13	Securitisation gain on sale(asset out in paragraph562 of Basel II frame work)	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	

15	Defined-benefit pension fund net assets	
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	
17	Reciprocal cross-holdings in common equity	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	
20	Mortgage servicing rights (amount above 10% threshold)	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	
22	Amount exceeding the 15% threshold	
23	of which :significant investments in the common stock of financials	
24	of which :mortgage servicing rights	
25	of which: deferred tax assets arising from temporary differences	
26	National specific regulatory adjustments	
27	Regulatory adjustments applied to Common Equity Tier I due to insufficient Additional Tier I and Tier II to cover deductions	
28	Total regulatory adjustments to Common equity Tier I	
29	Common Equity Tier I capital (CET1 CAPITAL)	391,906
Additional Tier I capital: instruments		
30	Directly issued qualifying Additional Tier I instruments plus related stock surplus	
31	of which: classified as equity under applicable accounting standards	
32	of which: classified as liabilities under applicable accounting standards	
33	<i>Directly issued capital instruments subject to phase out from Additional Tier I</i>	
34	Additional Tier Instruments (and CET1 CAPITAL instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	
35	<i>Of which: instruments issued by subsidiaries subject to phase out</i>	
36	Additional Tier I capital before regulatory adjustments	
Additional Tier I capital: regulatory adjustments		
37	Investments in own Additional Tier I instruments	
38	Reciprocal cross-holdings in Additional Tier I instruments	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount	

40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	
41	National specific regulatory adjustments	
42	Regulatory adjustments applied to Additional Tier I due to insufficient Tier II to cover deductions	
43	Total regulatory adjustments to Additional Tier I capital	
44	Additional Tier I capital (AT1)	
45	Tier I capital(T1=CET1 CAPITAL+AT1)	391,906
Tier II capital: instruments and provisions		
46	Directly issued qualifying Tier II instruments plus related stock surplus	
47	<i>Directly issued capital instruments subject to phase out from Tier II</i>	
48	Tier II instruments (and CET1 CAPITAL and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier II)	
49	<i>Of which :instruments issued by subsidiaries subject to phase out</i>	
50	Provisions and unpublished current year profit	33,543
51	Tier II capital before regulatory adjustments	33,543
Tier II capital: regulatory adjustments		
52	Investments in own Tier II instruments	
53	Reciprocal cross-holding sin Tier I instruments	
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10%	
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions).	
56	National specific regulatory adjustments	
57	Total regulatory adjustments to Tier II capital	
58	Tier II capital(T2)	33,543
59	Total capital(TC=T1+T2)	425,449
60	Total risk-weighted assets	1707,930
Capital ratios and buffers		
61	Common Equity Tier I (as a percentage of risk weighted assets)	22.95%
62	<i>Tier I(as a percentage of risk-weighted assets)</i>	22.95%
63	<i>Total capital (as a percentage of risk weighted assets)</i>	24.91%
64	<i>Institution specific buffer requirement (minimum CET1 CAPITAL requirement plus capital conservation buffer plus counter cyclical buffer requirements plus G-SIB buffer requirement, expressed as a percentage of risk weighted assets)</i>	
65	<i>Of which: capital conservation buffer requirement</i>	

66	<i>Of which: bank specific counter cyclical buffer requirement</i>	
67	<i>Of which:G-SIB buffer requirement</i>	
68		
	<i>Common Equity Tier I available to meet buffers (as a percentage of risk weighted assets)</i>	
	<i>National Common Equity Tier I minimum ratio(if different from Basel III minimum)</i>	10.45%
70	<i>National Tier I minimum ratio(if different from Basel III minimum)</i>	10.45%
71	<i>National total capital minimum ratio(if different from Basel III minimum)</i>	12.41%
	<i>Amounts below the thresholds for deduction (before risk-weighting)</i>	
72	<i>Non-significant investments in the capital of other financials</i>	
73	<i>Significant investments in the common stock of financials</i>	
74	<i>Mortgage servicing rights(net of related tax liability)</i>	
75	<i>Deferred tax assets arising from temporary differences (net of related tax liability)</i>	
	<i>Applicable caps on the inclusion of provisions in Tier II</i>	
76	<i>Provisions eligible for inclusion in Tier II in respect of exposures subject to standardized approach (prior to application of cap)</i>	
77	<i>Cap on inclusion of provisions in Tier II under standardized approach</i>	
78	<i>Provisions eligible for inclusion in Tier II in respect of exposures subject to internal ratings-based approach(prior to application of cap)</i>	
79	<i>Cap for inclusion of provisions in Tier II under internal ratings-based approach</i>	
	<i>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2015 and 1Jan2020)</i>	
80	<i>Current cap on CET1 CAPITAL instruments subject to phase out arrangements</i>	
81	<i>Amount excluded from CET1 CAPITAL due to cap (excess over cap after redemptions and maturities)</i>	
82	<i>Current cap on AT 1 instruments subject to phase out arrangements</i>	
83	<i>Amount excluded from AT 1 due to cap (excess over cap after redemptions and maturities)</i>	
84	<i>Current cap on T2 instruments subject to phase out arrangements</i>	
85	<i>Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)</i>	

Table 22 (c): Transitional Disclosures

Amount in BWP 000

		a	b	c	D	e
		T 30/06/2021	T-1 31/03/2021	T -2 31/12/2020	T-3 30/09/2020	T-4 30/06/2020
	Available capital (P'000)					
1	Common Equity Tier 1 (CET1)	391,906	397,572	386,860	375,220	371,513
1a	Fully loaded ECL accounting model	391,906	391,902	381,190	369,559	365,843
2	Tier 1	391,906	397,572	386,860	375,220	371,513
2a	Fully loaded ECL accounting model Tier 1	391,906	391,902	381,190	369,559	365,843
3	Total capital (unimpaired)	425,449	409,448	398,736	387,096	383,389
3a	Fully loaded ECL accounting model total capital	425,449	403,778	393,066	381,435	377,719
	Risk-weighted assets (P'000)					
4	Total risk-weighted assets (RWA)	1707,930	1758,017	1643,546	1795,621	1697,929
	Risk-based capital ratios as a percentage of RWA (%)					
5	Common Equity Tier 1 ratio	22.95%	22.61%	23.54%	20.90%	21.88%
5a	Fully loaded ECL accounting model Common Equity Tier 1	22.95%	22.29%	23.19%	20.58%	21.55%
6	Tier 1 ratio	22.95%	22.61%	23.54%	20.90%	21.88%
6a	Fully loaded ECL accounting model Common Equity Tier 1	22.95%	22.29%	23.19%	20.58%	21.55%
7	Total Capital ratio	24.91%	23.29%	24.26%	21.56%	22.58%
7a	Fully loaded ECL accounting model total capital ratio	24.91%	22.97%	23.92%	21.24%	22.25%
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirements (2.5% from 2019) (%)	NA	NA	NA	NA	NA
9	Countercyclical requirement (%)	NA	NA	NA	NA	NA
10	Bank G-SIB and/or D-SIB additional requirements (%)	NA	NA	NA	NA	NA
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 +	NA	NA	NA	NA	NA

	row 10)					
12	CET1 available after meeting the bank's minimum capital requirement (P'000)	NA	NA	NA	NA	NA

Table 25 Amount in BWP 000

	Balance sheet as in published financial statements	Under regulatory scope of consolidation
	As at period end	As at period end
Assets		
Cash and balances at central banks	97,967	97,967
Items in the course of collection from other banks	390,065	390,065
Trading portfolio assets	181,154	181,154
Financial assets designated at fair value		
Derivative financial instruments		
Loans and advances to banks		
Loans and advances to customers	1559,332	1559,332
Reverse repurchase agreements and other similar Secured lending		
Available for sale financial investments		
Current and deferred tax assets	10	10
Prepayments, accrued income and other assets	27,877	27,877
Investments in associates and joint ventures		
Good will and intangible assets		
Property, plant and equipment	5,449	5,449
Total assets	2261,854	2261,854
Liabilities		
Deposits / Borrowings from banks	98,094	98,094
Items in the course of collection due to other banks	0.00	0.00
Customer accounts	1679,196	1679,196
Repurchase agreements and other similar secured borrowing		
Trading portfolio liabilities		
Financial liabilities designated at fair value		
Derivative financial instruments		
Debt securities in issue		
Accruals, deferred income and other liabilities	28,434	28,434

Current and deferred tax liabilities		
Subordinated liabilities		
Provisions		
Retirement benefit liabilities		
Total liabilities	1805,724	1805,724
Shareholders' Equity		
Paid-in share capital	181,000	181,000
Retained earnings	210,906	210,906
Accumulated other comprehensive income	64,224	64,224
Total share holder's equity	456,130	456,130

Table 26

Expanded Regulatory Balance Sheet	Amount in BWP 000		
	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	As at period end	As at period end	
Assets			
Cash and balances at central banks	97,967	97,967	
Items in the course of collection from other banks	390,065	390,065	
Trading portfolio assets	181,154	181,154	
Financial assets designated at fair value			
Derivative financial instruments			
Loans and advances to banks			
Loans and advances to customers	1559,332	1559,332	
Reverse repurchase agreements and other similar secured lending			
Available for sale financial investments			
Current and deferred tax assets	10	10	
Prepayments, accrued income and other assets	27,877	27,877	
Investments in associates and joint ventures			
Good will and intangible assets			
of which goodwill			a
of which other intangibles(excluding MSRs)			b
of which MSRs			c
Property, plant and equipment	5,449	5,449	
Total assets	2261,854	2261,854	

Liabilities			
Deposits / Borrowings from banks	98,094	98,094	
Items in the course of collection due to other banks	0.00	0.00	
Customer accounts	1679,196	1679,196	
Repurchase agreements and other similar secured borrowing			
Trading portfolio liabilities			
Financial liabilities designated at fair value			
Derivative financial instruments			
Debt securities in issue			
Accruals, deferred income and other liabilities	28,434	28,434	
Current and deferred tax liabilities			
Of which DTLs related to goodwill			d
Of which DTLs related to intangible assets (excluding MSRs)			e
Of which DTLs related to MSRs			f
Subordinated liabilities			
Provisions			
Retirement benefit liabilities			
Total liabilities	1805,724	1805,724	
Shareholders' Equity			
Paid-in share capital	181,000	181,000	
of which amount eligible for CET1 CAPITAL	181,000	181,000	h
of which amount eligible for AT1	181,000	181,000	i
Retained earnings	210,906	210,906	
Accumulated other comprehensive income	64,224	64,224	
Total shareholders' equity	456,130	456,130	

Table 27

Extract of Basel III common disclosure template (with added column)

Amount in BWP 000

Common Equity Tier I capital: instruments and reserves			
		Component of regulatory capital reported by bank	Source based on Reference numbers/letters of the balance sheet under the regulatory scope of consolidation from step 2.
1	Directly issued qualifying common share (and equivalent for non-joint stock Companies) capital plus related stock surplus.	181,000	h
2	Retained earnings	210,906	
3	Accumulated other comprehensive income (and other reserves)		
4	<i>Directly issued capital subject to phase out from CET1 CAPITAL (only applicable to non-joint stock companies)</i>		
5	Common share capital issued by subsidiaries and held by third parties (amount) allowed in group CET1 CAPITAL		
5a	Transitional Adjustment Added back to CET 1		
6	Common Equity Tier I capital before regulatory adjustments	391906	
7	Prudential valuation adjustments		
8	Goodwill (net of related tax liability)		a-d