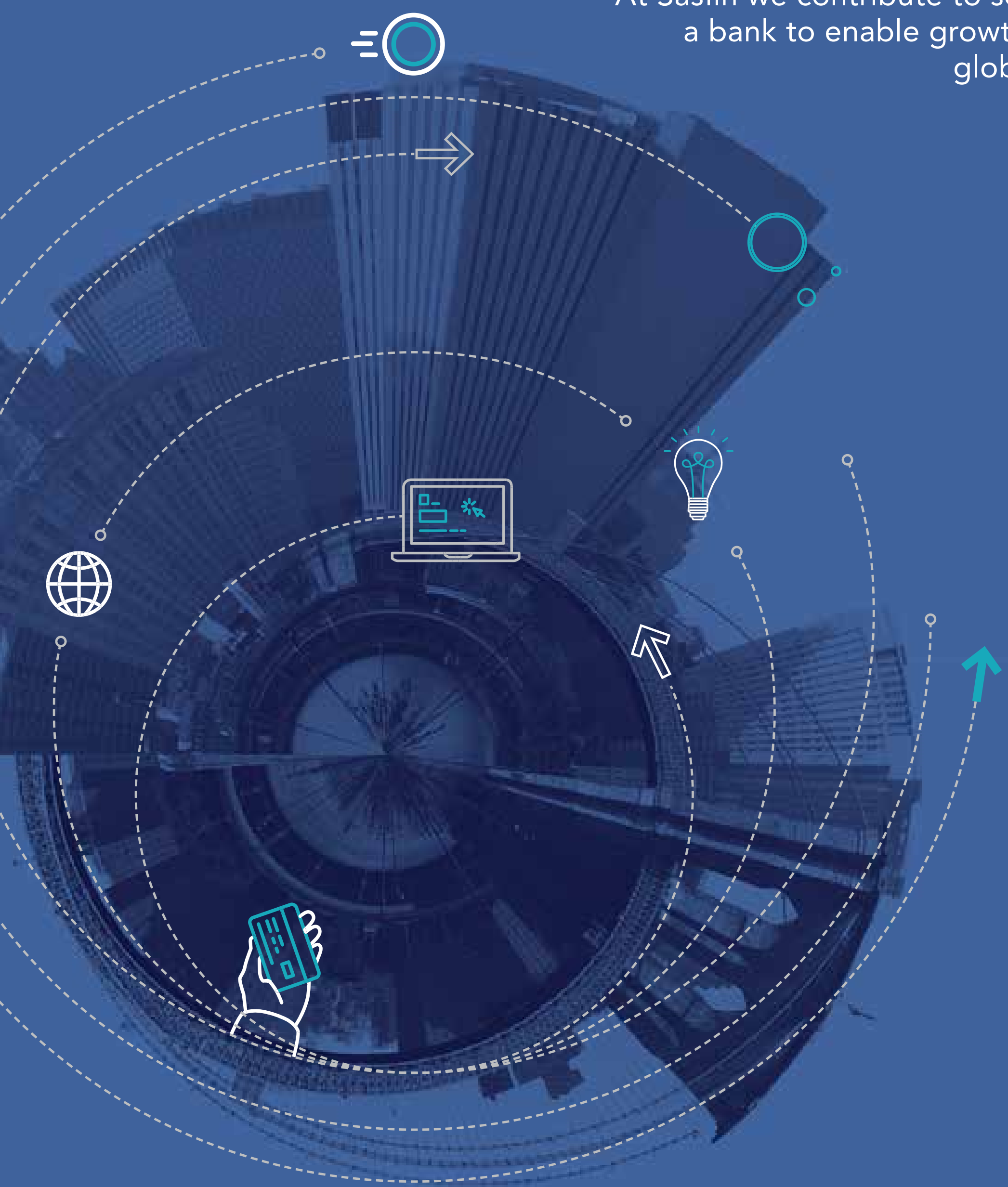
Pillar III Risk Management Report

30 September 2020

At Sasfin we contribute to society by going beyond a bank to enable growth in the businesses and global wealth of our clients.



sasfin | Holdings Limited

beyond a bank

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1. INTRODUCTION

The risk and capital management report (Pillar 3 disclosure) provides information regarding the activities of Sasfin Holdings Limited and Sasfin Bank Limited in accordance with:

- The Basel Committee on Banking Supervision's (BCBS) revised Pillar 3 disclosure requirements (Pillar 3 standard), BCBS 309 published in January 2015, and the consolidated and enhanced framework, BCBS 400 published in March 2017; and
- Regulation 43 of the Regulations relating to Banks (Regulations), issued in terms of the Banks Act 94 of 1990, Directive D1/2019 on Matters related to Pillar 3 disclosure requirement framework and all other Pillar 3 disclosure-related directives issued by the Prudential Authority (PA).

The information in this report applies to banking operations only and is unaudited. Disclosures are prepared on a prospective basis.

For the reporting period, 30 September 2020 (compared to September 2019), the Board and senior management are satisfied that Sasfin Holdings Limited (Group) and Sasfin Bank Limited's risk and capital management processes are operating effectively, that business activities have been managed within the Board-approved risk appetite, and that the Group is adequately capitalised and funded to support the execution of its strategy.

This report has been internally verified through the group's governance processes, in line with the group's Public Disclosure Policy, which describes the responsibilities of senior management and the board in the preparation and review of the Pillar 3 disclosure and aims to ensure that:

- Appropriate internal control processes and procedures relating to qualitative and quantitative information are followed;
- The changing nature of user needs as well as the regulatory environment in terms of qualitative and quantitative information are monitored and understood;
- The relevance, frequency and materiality of public information is constantly assessed; and
- Material risks are identified.

In this regard the board and senior management have ensured that the appropriate procedures were followed in the preparation, review and sign-off of all disclosures. The board is satisfied that the Pillar 3 disclosures have been prepared in line with the Public Disclosure Policy, that appropriate internal control processes and review have been applied, and that the Pillar 3 disclosure complies with the relevant disclosure requirements.

2. RISK MANAGEMENT AND RISK WEIGHTED ASSETS (RWA)

The approach to risk management is guided by the Enterprise Risk Management (ERM) Framework and is effected by the Board of directors, management and other personnel. The ERM is applied in strategy setting and across the enterprise, designed to identify potential events that may affect the entity, and manage risk to be within its risk appetite, to provide reasonable assurance regarding the achievement of entity objectives.

2.1 OV1: OVERVIEW OF RISK WEIGHTED ASSETS (HOLDINGS)

Overview of risk management, key prudential metrics and RWA

		Sasfin Holdings Ltd.			
		a	b		c
		RWA			Minimum capital require-ments*
		Sep-20 T	Jun-20 T-1	Sep-19 T	Sep-20 T
1	Credit risk (excluding counterparty credit risk)	5 892 171	6 298 168	6 720 833	589 217
2	Of which: standardised approach (SA)	5 892 171	6 298 168	6 720 833	589 217
3	Of which: foundation internal ratings-based (F-IRB) approach**	–	–	–	–
4	Of which: supervisory slotting approach**	–	–	–	–
5	Of which: advanced internal ratings-based (A-IRB) approach	–	–	–	–
6	Counterparty credit risk (CCR)	53 665	95 500	48 592	5 366
7	Of which: standardised approach for counterparty credit risk	53 665	95 500	48 592	5 366
8	Of which: Internal Model Method (IMM)***	–	–	–	–
9	Of which: other CCR***	–	–	–	–
10	Credit valuation adjustment (CVA)	2 229	2 474	4 408	223
11	Equity positions under the simple risk weight approach	502 487	501 183	699 347	50 249
12	Equity investments in funds – look-through approach#	–	–	–	–
13	Equity investments in funds – mandate-based approach#	–	–	–	–
14	Equity investments in funds – fall-back approach#	–	–	–	–
15	Settlement risk#	–	–	–	–
16	Securitisation exposures in the banking book	333 762	334 965	336 918	33 376
17	Of which: securitisation internal ratings-based approach (SEC-IRBA)	–	–	–	–
18	Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach	–	–	–	–
19	Of which: securitisation standardised approach (SEC-SA)	333 762	334 965	336 918	33 376
20	Market risk	204 941	175 103	103 978	20 494
21	Of which: standardised approach (SA)	204 941	175 103	103 978	20 494
22	Of which: internal model approaches (IMA)	–	–	–	–
23	Capital charge for switch between trading book and banking book****	–	–	–	–
24	Operational risk	1 670 872	1 742 317	1 474 962	167 087
25	Amounts below thresholds for deduction (subject to 250% risk weight)	20 366	20 527	33 528	2 037
26	Aggregate capital floor applied	–	–	–	–
27	Floor adjustment (before application of transitional cap)	–	–	–	–
28	Floor adjustment (after application of transitional cap)	–	–	–	–
29	**Total (1+6+10+11+12+13+14+15+16+20+23+24+25+28)**	8 680 493	9 170 237	9 422 565	868 049

* *The Capital requirement calculated at 10.00% of RWA (September 2019: 11.00%). The minimum requirement excludes the capital conservation buffer requirement. The difference to the BCBS base minimum (8%) relates to the buffer add-ons for Pillar 2A and capital conservation buffer.*

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

*** *The current exposure and standardised methods are applied to counterparty credit risk. The group does not apply the internal model method to counterparty credit risk (row 8 of OV1 template) and there were no other CCR (row 9 of OV1 template). The proposed implementation date for the standardised approach for measuring counterparty credit risk (SA-CCR) is 1 January 2021.*

**** *There were no switches from the Banking to a trading book.*

\# *The proposed implementation date for rows 12 – 14 is 1 January 2021 and therefore these have not been completed.*

2. RISK MANAGEMENT AND RISK WEIGHTED ASSETS (RWA) continued

2.2 OV1: OVERVIEW OF RISK WEIGHTED ASSETS (BANK)

Overview of risk management, key prudential metrics and RWA

		Sasfin Bank Ltd			
		a	b		c
		RWA			Minimum capital require-ments
		Sep-20 T	Jun-20 T-1	Sep-19 T	Sep-20 T
1	Credit risk (excluding counterparty credit risk)	4 283 861	4 551 677	4 766 878	428 386
2	Of which: standardised approach (SA)	4 283 861	4 551 677	4 766 878	428 386
3	Of which: foundation internal ratings-based (F-IRB) approach**	–	–	–	–
4	Of which: supervisory slotting approach**	–	–	–	–
5	Of which: advanced internal ratings-based (A-IRB) approach	–	–	–	–
6	Counterparty credit risk (CCR)	53 665	95 500	48 592	5 366
7	Of which: standardised approach for counterparty credit risk	53 665	95 500	48 592	5 366
8	Of which: Internal Model Method (IMM)***	–	–	–	–
9	Of which: other CCR***	–	–	–	–
10	Credit valuation adjustment (CVA)	2 229	2 474	4 408	223
11	Equity positions under the simple risk weight approach	231 106	231 106	231 213	23 111
12	Equity investments in funds – look-through approach#	–	–	–	–
13	Equity investments in funds – mandate-based approach#	–	–	–	–
14	Equity investments in funds – fall-back approach#	–	–	–	–
15	Settlement risk#	–	–	–	–
16	Securitisation exposures in the banking book	333 762	334 965	345 109	33 376
17	Of which: securitisation internal ratings-based approach (SEC-IRBA)	–	–	–	–
18	Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach	–	–	–	–
19	Of which: securitisation standardised approach (SEC-SA)	333 762	334 965	345 109	33 376
20	Market risk	449	3 927	723	45
21	Of which: standardised approach (SA)	449	3 927	723	45
22	Of which: internal model approaches (IMA)	–	–	–	–
23	Capital charge for switch between trading book and banking book****	–	–	–	–
24	Operational risk	928 723	941 919	865 809	92 872
25	Amounts below thresholds for deduction (subject to 250% risk weight)	–	–	–	–
26	Aggregate capital floor applied				–
27	Floor adjustment (before application of transitional cap)	–	–	–	–
28	Floor adjustment (after application of transitional cap)	–	–	–	–
29	**Total (1+6+10+11+12+13+14+15+16+20+23+24+25+28)**	5 833 794	6 161 568	6 262 732	583 379

* *The Capital requirement calculated at 10.00% of RWA (September 2019: 11.00%). The minimum requirement excludes the capital conservation buffer requirement. The difference to the BCBS base minimum (8%) relates to the buffer add-ons for Pillar 2A and capital conservation buffer.*

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

*** *The current exposure and standardised methods are applied to counterparty credit risk. The group does not apply the internal model method to counterparty credit risk (row 8 of OV1 template) and there were no other CCR (row 9 of OV1 template). The proposed implementation date for the standardised approach for measuring counterparty credit risk (SA-CCR) is 1 January 2021.*

**** *There were no switches from the Banking to a trading book.*

\# *The proposed implementation date for rows 12 – 14 is 1 January 2021 and therefore these have not been completed.*

3. CAPITAL RISK

Governance: The capital management function is governed primarily by Board approved subcommittees that oversee the risks associated with capital management, namely the Group Risk and Capital Management Committee (GRCMC), the Asset and Liability Committee (ALCO) and its subcommittee, the Daily Liquidity Committee. The Board and the GRCMC are responsible for the capital management process including setting of appropriate capital targets and ensuring adequate capitalisation.

Management and Measurement: The internal capital management approach is embedded in a formal ICAAP consisting of the Group's risk appetite, capital and risk management frameworks (including capital planning) and stress testing. The Board reviews the Group's risk profile to ensure that the level of available capital:

- Exceeds the Group's minimum regulatory capital requirements by a predetermined margin;
- Remains sufficient to support the Group's risk profile;
- Remains consistent with the Group's strategic goals; and
- Is sufficient to absorb potential losses under severe stress scenarios.

Stress tests are performed on the Group's capital position to determine the impact on the capital position should a severe economic downturn materialise. Stress tests consider changes in the macroeconomic environment, key risks and vulnerabilities within the Group's business model.

Capital management also includes strategic allocation of capital and capital optimisation.

3.1 KM1: KEY PRUDENTIAL METRICS (HOLDINGS)

Overview of risk management, key prudential metrics and RWA

		Sasfin Holdings				
		a Sep-20 T	b Jun-20 T-1	c Mar-20 T-2	d Dec-19 T-3	e Sep-19 T-4
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	1 389 291	1 406 571	1 454 736	1 390 005	1 429 816
1a	Fully loaded ECL accounting model	1 389 291	1 406 571	1 454 736	1 390 005	1 429 816
2	Tier 1	1 426 908	1 444 188	1 492 354	1 446 426	1 429 816
2a	Fully loaded accounting model Tier 1	1 426 908	1 444 188	1 492 354	1 446 426	1 429 816
3	Total capital	1 500 320	1 521 600	1 563 896	1 521 163	1 563 033
3a	Fully loaded ECL accounting model total capital	1 500 320	1 521 600	1 563 896	1 521 163	1 563 033
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	8 680 493	9 170 238	8 459 458	8 915 225	9 422 566
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio (%)	16.005%	15.338%	15.884%	16.431%	16.038%
5a	Fully loaded ECL accounting model CET1 (%)	16.005%	15.338%	15.884%	16.431%	16.038%
6	Tier 1 ratio (%)	16.438%	15.749%	16.295%	17.098%	16.038%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	16.438%	15.749%	16.295%	17.098%	16.038%
7	Total capital ratio (%)	17.284%	16.593%	17.076%	17.982%	17.532%
7a	Fully loaded ECL accounting model total capital ratio (%)	17.284%	16.593%	17.076%	17.982%	17.532%
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.500%	2.500%	2.500%	2.500%	2.500%
9	Countercyclical buffer requirement (%)	0%	0%	0%	0%	0%
10	Bank D-SIB additional requirements (%)	0%	0%	0%	0%	0%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9+ row 10)	2.500%	2.500%	2.500%	2.500%	2.500%
12	CET1 available after meeting the bank's minimum capital requirements (%)	7.63%	6.96%	7.51%	7.09%	6.67%
	Basel III Leverage Ratio					
13	Total Basel III leverage ratio measure	11 580 969	13 001 951	13 489 376	12 175 733	12 268 098
14	Basel III leverage ratio (%) (row 2/row 13)	12.32%	11.11%	11.06%	11.88%	12.11%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2A/row 13)	12.32%	11.11%	11.06%	11.88%	12.11%
	Liquidity Coverage Ratio					
15	Total HQLA	1 022 658	994 581	1 069 187	910 684	1 254 680
16	Total net cash outflow	411 016	415 792	698 899	635 808	624 725
17	LCR ratio (%)	248.81%	239.20%	152.98%	143.23%	200.84%
	Net Stable Funding Ratio					
18	Total available stable funding	4 950 952	4 628 308	5 163 170	5 371 456	5 212 237
19	Total required stable funding	4 138 204	3 883 093	4 515 603	4 854 582	4 494 009
20	NSFR ratio	119.64%	119.19%	114.34%	110.65%	115.98%

3. CAPITAL RISK continued

The capital adequacy ratios remain strong, above the minimum regulatory requirements and within the Board approved limits. The decrease in available capital amounts is mainly attributable to the deduction of unappropriated profits in line with the regulatory basis which requires the deduction of unappropriated profits.

Total RWA: Decrease from R9.170 billion (Jun-20) to R8.680 billion (Sep-20) as a result of low demand for asset purchases and working capital facilities in the last quarter.

The liquidity coverage ratio remains strong, above the regulatory requirements and within the Board risk appetite. The QoQ increase is mainly as a result of wholesale and retail funding clients increasing the duration of deposits resulting in a decrease in total cash outflows.

The net stable funding ratio remains strong and above the regulatory requirements with no significant QoQ movements.

3.2 KM1: KEY PRUDENTIAL METRICS (BANK)

Overview of risk management, key prudential metrics and RWA

		Sasfin Bank (Solo)				
		a Sep-20 T	b Jun-20 T-1	c Mar-20 T-2	d Dec-19 T-3	e Sep-19 T-4
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	921 665	962 086	942 131	903 616	897 647
1a	Fully loaded ECL accounting model	921 665	962 086	942 131	903 616	897 647
2	Tier 1	921 665	962 086	942 131	903 616	897 647
2a	Fully loaded accounting model Tier 1	921 665	962 086	942 131	903 616	897 647
3	Total capital	976 095	1 018 455	981 103	941 143	938 463
3a	Fully loaded ECL accounting model total capital	976 095	1 018 455	981 103	941 143	938 463
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	5 833 794	6 161 568	6 062 226	6 292 215	6 262 732
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio (%)	15.799%	15.614%	15.541%	14.361%	14.333%
5a	Fully loaded ECL accounting model CET1 (%)	15.799%	15.614%	15.541%	14.361%	14.333%
6	Tier 1 ratio (%)	15.799%	15.614%	15.541%	14.361%	14.333%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	15.799%	15.614%	15.541%	14.361%	14.333%
7	Total capital ratio (%)	16.732%	16.529%	16.184%	14.957%	14.985%
7a	Fully loaded ECL accounting model total capital ratio (%)	16.732%	16.529%	16.184%	14.957%	14.985%
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.500%	2,500%	2,500%	2,500%	2,500%
9	Countercyclical buffer requirement (%)	0%	0%	0%	0%	0%
10	Bank D-SIB additional requirements (%)	0%	0%	0%	0%	0%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9+ row 10)	2,500%	2,500%	2,500%	2,500%	2,500%
12	CET1 available after meeting the bank's minimum capital requirements (%)	7.424%	7.239%	7.166%	5.86%	5.83%
	Basel III Leverage Ratio					
13	Total Basel III leverage ratio measure	8 029 119	8 810 809	8 530 380	8 833 846	9 411 408
14	Basel III leverage ratio (%) (row 2/row 13)	11.48%	10.92%	11.04%	10.23%	9.54%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2A/row 13)	11.48%	10.92%	11.04%	10.23%	9.54%
	Liquidity Coverage Ratio					
15	Total HQLA	1 022 658	994 581	1 069 187	910 684	1 254 680
16	Total net cash outflow	411 016	415 792	698 899	635 808	624 725
17	LCR ratio (%)	248.81%	239.20%	152.98%	143.23%	200.84%
	Net Stable Funding Ratio					
18	Total available stable funding	4 950 952	4 628 308	5 163 170	5 371 456	5 212 237
19	Total required stable funding	4 138 204	3 883 093	4 515 603	4 854 582	4 494 031
20	NSFR ratio (%)	119.64%	119.19%	114.34%	110.65%	115.98%

4. LEVERAGE

Consistent with the treatment in table KM1, the leverage position is shown on a regulatory, IFRS basis.

LR1: SUMMARY COMPARISON OF ACCOUNTING ASSETS VS LEVERAGE RATIO EXPOSURE (HOLDINGS)

Leverage ratio

		a Sep-20
1	Total consolidated assets	12 591 233
2	Adjustments for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	–
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	–
4	Adjustments for derivative financial instruments	71 255
5	Adjustment for securities financing transactions (ie repos and similar secured lending)	–
6	Adjustments for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	133 289
7	Other adjustments	(1 214 808)
8	**Leverage ratio exposure measure**	11 580 969

LR1: SUMMARY COMPARISON OF ACCOUNTING ASSETS VS LEVERAGE RATIO EXPOSURE (BANK)

Leverage ratio

		a Sep-20
1	Total consolidated assets	8 210 141
2	Adjustments for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	–
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	–
4	Adjustments for derivative financial instruments	71 255
5	Adjustment for securities financing transactions (ie repos and similar secured lending)	–
6	Adjustments for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	167 278
7	Other adjustments	(419 555)
8	**Leverage ratio exposure measure**	8 029 119

4. LEVERAGE continued

LR2: LEVERAGE RATIO COMMON DISCLOSURE TEMPLATE (HOLDINGS)

Leverage ratio

		a Sep-20 T	b Jun-20 T-1
	On-balance sheet exposures		
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	11 376 425	12 751 669
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	–	–
3	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of row 1 and 2)**	11 376 425	12 751 669
	Derivative exposures		
4	Replacement cost associated with *all* derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	38 860	84 537
5	Add-on amounts for PFE associated with *all* derivatives transactions	32 395	33 755
6	Gross-up for derivatives collateral provide where deducted from the balance sheet assets pursuant to the operative accounting framework	–	–
7	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	–	–
8	(Exempted CCP leg of client-cleared trade exposures)	–	–
9	Adjusted effective notional amount of written credit derivatives	–	–
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	–	–
11	**Total derivative exposures (sum of rows 4 to 10)**	71 255	118 292
	Securities financing transactions		
12	Gross SFT *assets* (with no recognition of netting), after adjusting for sale accounting transactions	–	–
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	–	–
14	CCR exposure for SFT assets	–	–
15	Agent transaction exposures	–	–
16	**Total securities financing transaction exposures (sum of rows 12 to 15)**	–	–
	Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	847 985	872 730
18	(Adjustments for conversion to credit equivalent amounts)	(714 695)	(740 740)
19	**Off-balance sheet items (sum of rows 17 and 18)**	133 289	131 990
	Capital and total exposures		
20	**Tier 1 capital**	1 426 908	1 444 188
21	**Total exposures (sum of rows 3, 11, 16 and 19)**	11 580 969	13 001 951
	Leverage ratio		
22	**Basel III leverage ratio**	12.32%	11.86%

4. LEVERAGE continued

LR2: LEVERAGE RATIO COMMON DISCLOSURE TEMPLATE (BANK)

Leverage ratio

		a Sep-20 T	b Jun-20 T-1
	On-balance sheet exposures		
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	7 790 586	8 678 055
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	–	–
3	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of row 1 and 2)**	7 790 586	8 678 055
	Derivative exposures		
4	Replacement cost associated with *all* derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	38 860	84 537
5	Add-on amounts for PFE associated with *all* derivatives transactions	32 395	33 755
6	Gross-up for derivatives collateral provide where deducted from the balance sheet assets pursuant to the operative accounting framework	–	–
7	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	–	–
8	(Exempted CCP leg of client-cleared trade exposures)	–	–
9	Adjusted effective notional amount of written credit derivatives	–	–
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	–	–
11	**Total derivative exposures (sum of rows 4 to 10)**	71 255	118 293
	Securities financing transactions		
12	Gross SFT *assets* (with no recognition of netting), after adjusting for sale accounting transactions	–	–
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	–	–
14	CCR exposure for SFT assets	–	–
15	Agent transaction exposures	–	–
16	**Total securities financing transaction exposures (sum of rows 12 to 15)**	–	–
	Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	167 278	131 990
18	(Adjustments for conversion to credit equivalent amounts)	–	–
19	**Off-balance sheet items (sum of rows 17 and 18)**	167 278	131 990
	Capital and total exposures		
20	**Tier 1 capital**	921 665	962 086
21	**Total exposures (sum of rows 3, 11, 16 and 19)**	8 029 119	8 810 809
	Leverage ratio		
22	**Basel III leverage ratio**	11.48%	10.92%

5. LIQUIDITY

LIQ1: LIQUIDITY COVERAGE RATIO (LCR)

		a Total unweighted value (average)	b Total weighted value (average)
	High-quality liquid assets		
1	Total HQLA		1 022 658
	Cash outflows		
2	**Retail deposits and deposits from small business customers, of which:**	971 295	97 129
3	Stable deposits	–	–
4	Less stable deposits	971 295	97 129
5	**Unsecured wholesale funding, of which:**	3 858 823	980 885
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	–	–
7	Non-operational deposits (all counterparties)	3 858 823	980 885
8	Unsecured debt	–	–
9	**Secured wholesale funding**		14 190
10	**Additional requirements, of which:**	870 790	251 288
11	Outflows related to derivative exposures and other collateral requirements	54 184	54 184
12	Outflows related to loss of funding of debt products	–	–
13	Credit and liquidity facilities	816 606	197 103
14	**Other contractual funding obligations**	302 491	300 573
15	**Other contingent funding obligations**	–	–
16	**TOTAL CASH OUTFLOWS**		1 644 065
	Cash inflows		
17	**Secured lending (eg reverse repo)**	449 142	398 897
18	**Inflows from fully performing exposures**	984 897	934 651
19	**Other cash inflows**	718 932	556 313
20	**TOTAL CASH INFLOWS**	2 152 971	1 889 861

		Total adjusted value
21	**Total HQLA**	1 022 658
22	**Total net cash outflows**	411 016
23	**Liquidity coverage ratio (%)**	248.81%

5. LIQUIDITY continued

LIQ2: NET STABLE FUNDING RATIO (NSFR)

		a	b	c	d	e
		Unweighted value by residual maturity				
		No maturity*	<6 months	6 months to <1 year	≥1 year	Weighted value
	Available stable funding (ASF) item					
1	Capital:	1 011 387	–	–	–	1 011 387
2	*Regulatory capital*	1 011 387				1 011 387
3	*Other capital instruments*					–
4	Retail deposits and deposits from small business customers:	–	1 907 598	219 414	37 703	1 952 014
5	*Stable deposits*					
6	*Less stable deposits*		1 907 598	219 414	37 703	1 952 014
7	Wholesale funding:	–	4 099 550	549 783	257 680	1 880 453
8	*Operational deposits*		1 478 831	79 200	47 878	952 340
9	*Other wholesale funding*		2 620 720	470 583	209 802	928 113
10	Liabilities with matching interdependent assets					–
11	Other liabilities:	–	320 259	–	61 234	107 099
12	NSFR derivative liabilities					
13	*All other liabilities and equity not included in the above categories*		320 259	–	61 234	107 099
14	**Total ASF**					4 950 952
	Required stable funding (RSF) item					
15	Total NSFR high-quality liquid assets (HQLA)					199 086
16	Deposits held at other financial institutions for operational purposes	–	–	–	–	–
17	Performing loans and securities:	–	3 764 916	913 095	2 695 200	3 055 570
18	*Performing loans to financial institutions secured by Level 1 HQLA*	–	593 214	533 641	488 684	199 086
19	*Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions*	–	1 180 879	17 404	234 601	420 435
20	*Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:*	–	1 429 764	314 005	–	878 062
21	*With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk*	–	–	–	1 769 766	1 150 348
22	*Performing residential mortgages, of which:*	–	–	–	–	–
23	*With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk*	–	–	–	–	–
24	*Securities that are not in default and do not qualify as HQLA, including exchange-traded equities*	–	561 059	48 044	202 149	407 639
25	Assets with matching interdependent liabilities					–
26	Other liabilities:	–	–	–	–	1 040 235
27	*Physical traded commodities, including gold*	–				–
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*					–
29	*NSFR derivative assets*					–
30	*NSFR derivative liabilities before deduction of variation margin posted*					3 904
31	*All other assets not included in the above categories*					1 036 331
32	Off-balance sheet items					42 399
33	**Total RSF**					4 138 204
34	**Net Stable Funding Ratio (%)**					119.64%

Corporate details

Country of incorporation and domicile
South Africa

Company registration number
1987/002097/06

Tax reference number
9300/204/71/7

Independent Non-Executive Chair
Roy Andersen*

Executive Directors
Michael Sassoon (Group CEO)
Angela Pillay (Group FD)

Independent Non-Executive Directors
Richard Buchholz (Lead Independent Director)
Deon de Kock
Grant Dunnington**
Thabang Magare
Mark Thompson
Eileen Wilton

Non-Independent, Non-Executive Directors
Gugu Dingaan
Nontobeko Ndhlazi
Shaun Rosenthal (Alternate)
Roland Sassoon

Group Company Secretary
Charissa de Jager

Website and email
www.sasfin.com
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Transfer secretaries
Computershare Investor Services (Pty) Ltd
Rosebank Towers
15 Biermann Avenue
Rosebank
Johannesburg
2196

Sponsor
Sasfin Capital (Pty) Ltd (a member of the Sasfin Group)

Independent sponsor
Deloitte & Touche Sponsor Services (Pty) Ltd

Auditors
PricewaterhouseCoopers Inc.

Registered office
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Company registration number: 1987/002097/06

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* *Exemption from Directive 4 of 2018 (issued by the Prudential Authority) granted by the PA until March 2023.*
** *Exemption from Directive 4 of 2018 (issued by the Prudential Authority) granted by the PA until the Group's 2021 AGM.*

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beyond a bank