



Deutsche Bank AG – Johannesburg Branch Pillar 3 Disclosure

Pillar 3 Quarterly Disclosure
September 2018

Overview

The following information is compiled in terms of the requirements of the Banks Act 1990 (as amended) and Regulation 43(1)(e)(iv) and 43(2) of the Banking Regulations, whereby banks (including foreign branches) are obliged to report certain qualitative and quantitative information with regards to their risk profile and capital adequacy on a regular basis to the public, which incorporates the Basel III Pillar 3 requirements on market discipline.

Reporting framework

The information disclosed in this report is based on the definitions, calculation methodologies and measurements as defined by the Amended Regulations. All tables, diagrams, quantitative information and commentary in this report are unaudited unless otherwise noted.

Period of reporting

This report is in respect of the quarter ended 30 September 2018, including comparative information (where applicable) for the quarter ended 30 June 2018.

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

	September 2018	June 2018
Available capital (R'000)		
1 Common Equity Tier 1 (CET1)	877,808	1,040,634
2 Tier 1	877,808	1,040,634
3 Total Capital	880,156	1,042,897
Risk-weighted assets (R'000)		
4 Total risk-weighted assets (RWA)	4,707,855	5,657,686
Risk-based capital ratios as a percentage of RWA		
5 Common Equity Tier 1 ratio (%)	18.65	18.39
6 Tier 1 ratio (%)	18.65	18.39
7 Total capital ratio (%)	18.70	18.43
Additional CET1 buffers requirements as a percentage of RWA		
8 Capital conservation buffer requirement (2.5% from 2019) (%)	1.88	1.88
9 Countercyclical buffer requirement (%)	-	-
10 Bank GSIB and/or DSIB additional requirements (%)	-	-
11 Total of bank CET1 specific buffer requirements (%) (row8+row9+row10)	1.88	1.88
12 CET1 available to meet buffers after meeting the bank's minimum capital requirements, and, if applicable, TLAC requirements (%)	12.65	12.39
Basel III leverage ratio		
13 Total Basel III leverage ratio exposure measure	12,231,468	11,669,413
14 Basel III Leverage ratio (%) (row2/row13)	7.18	8.92
Liquidity Coverage Ratio		
15 Total High quality Liquid Assets (HQLA)	757,920	796,637
16 Total Net Cash Outflow	320,642	302,779
17 LCR ratio (%)	237	262



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The table below provides an overview of total RWA forming the denominator of the risk-based capital requirement in respect of the quarter ended 30 September 2018, including comparative information (where applicable) for the quarter ended 30 June 2018.

	RWA R'000	RWA R'000	Minimum capital requirements ⁽¹⁾ R'000
	September 2018	June 2018	September 2018
Overview of Risk Weighted Assets			
1 Credit risk (excluding counterparty credit risk) (CCR)	1,253,062	1,870,745	139,403
2 Of which standardised approach (SA)	1,253,062	1,870,745	139,403
3 Of which internal rating-based (IRB) approach	-	-	-
4 Counterparty credit risk	2,927,322	3,272,699	325,665
5 Of which standardised approach for counterparty credit risk (SA-CCR)	-	-	-
6 Of which internal model method (IMM)	-	-	-
Of which Current Exposure Method (CEM)	2,927,322	3,272,699	325,665
7 Equity positions in banking book under market-based approach	-	-	-
8 Equity investments in funds – look-through approach	-	-	-
9 Equity investments in funds – mandate-based approach	-	-	-
10 Equity investments in funds – fall-back approach	-	-	-
11 Settlement risk	-	-	-
12 Securitisation exposures in banking book	-	-	-
13 Of which IRB ratings-based approach (RBA)	-	-	-
14 Of which IRB Supervisory Formula Approach (SFA)	-	-	-
15 Of which SA/simplified supervisory formula approach (SSFA)	-	-	-
16 Market risk	81,875	78,413	9,109
17 Of which standardised approach (SA)	81,875	78,413	9,109
18 Of which internal model approaches (IMM)	-	-	-
19 Operational risk	336,953	336,953	37,486
20 Of which Basic Indicator Approach	336,953	336,953	37,486
21 Of which Standardised Approach	-	-	-
22 Of which Advanced Measurement Approach	-	-	-
23 Amounts below the thresholds for deduction (subject to 250% risk weight)	67,180	55,030	7,474
24 Floor adjustment	-	-	-
25 Other Assets Risk	41,463	43,846	4,613
Total (1+4+7+8+9+10+11+12+16+19+23+24+25)	4,707,855	5,657,686	523,749

1 Minimum capital requirements - This value is 11.125% for 2018, consisting of a Pillar 1 requirement of 8.00%, Pillar 2A of 1.25%, and a phased in Capital Conservation Buffer of 1.875% in 2018.