

Deutsche Bank AG – Johannesburg Branch

Pillar 3 Disclosure



Pillar 3 Quarterly Disclosure
June 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 June 2018, including comparative information (where applicable) for the quarter ended 31 March 2018.

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

	June 2018	March 2018
Available capital (R'000)		
1 Common Equity Tier 1 (CET1)	1,040,634	1,144,256
2 Tier 1	1,040,634	1,144,256
3 Total Capital	1,042,897	1,146,711
Risk-weighted assets (R'000)		
4 Total risk-weighted assets (RWA)	5,657,686	5,732,468
Risk-based capital ratios as a percentage of RWA		
5 Common Equity Tier 1 ratio (%)	18.39	19.96
6 Tier 1 ratio (%)	18.39	19.96
7 Total capital ratio (%)	18.43	20.00
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 (%)	12.39	13.96
Basel III leverage ratio		
13 Total Basel III leverage ratio exposure measure	11,669,413	11,701,867
14 Basel III Leverage ratio (%) (row2/row13)	8.92	9.78
Liquidity Coverage Ratio		
15 Total High quality Liquid Assets (HQLA)	796,637	1,556,177
16 Total Net Cash Outflow	302,779	325,922
17 LCR ratio (%)	262	482



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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 June 2018, including comparative information (where applicable) for the quarter ended 31 March 2018.

	RWA R'000	RWA R'000	Minimum capital requirements ⁽¹⁾ R'000
	June 2018	March 2018	June 2018
Overview of Risk Weighted Assets			
1 Credit risk (excluding counterparty credit risk) (CCR)	1,870,745	1,990,353	208,120
2 Of which standardised approach (SA)	1,870,745	1,990,353	208,120
3 Of which internal rating-based (IRB) approach	-	-	-
4 Counterparty credit risk	3,272,699	3,251,991	364,088
5 Of which standardised approach for counterparty credit risk (SA-CCR)	-	-	-
6 Of which internal model method (IMM)	-	-	-
Of which Current Exposure Method (CEM)	3,272,699	3,251,991	364,088
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	78,413	74,038	8,723
17 Of which standardised approach (SA)	78,413	74,038	8,723
18 Of which internal model approaches (IMM)	-	-	-
19 Operational risk	336,953	336,964	37,486
20 Of which Basic Indicator Approach	336,953	336,964	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)	55,030	45,768	6,122
24 Floor adjustment	-	-	-
25 Other Assets Risk	43,846	33,354	4,878
Total (1+4+7+8+9+10+11+12+16+19+23+24+25)	5,657,686	5,732,468	629,418

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.