



JP MORGAN CHASE BANK, N.A.
JOHANNESBURG BRANCH

PILLAR 3 DISCLOSURES: REGULATION 43 OF THE REGULATIONS RELATING TO
BANKS PRUDENTIAL AUTHORITY FOR THE YEAR ENDED 31 DECEMBER 2024

January 2026

Table of contents

1. Overview	1
2. Financial Statements.....	2
3. Regulatory capital	5
4. Leverage position.....	6
5. Risk profile.....	7
6. Interest Rate Risk in the Banking Book:.....	8
7. Credit risk (table CRA, CRB, CRC and CRD)	11
8. Counterparty credit risk (table CCRA)	25
9. Market risk (table MRA).....	28
10. Operational risk (Table ORA).....	31
11. Liquidity risk (Table LIQA)	34
12. Interest rate risk in the banking book (“IRRBB”) (table IRRBBA).....	38
13. Remuneration disclosures (Table REMA).....	41
Appendices.....	42

1. Overview

Aim of the public disclosure report

This report provides information on JPMorgan Chase Bank, N.A. Johannesburg Branch capital structure, capital adequacy, risk exposures, and risk weighted assets (“RWA”). This disclosure fulfils the requirements as set out in The Regulations to the Banks Act, issued by the Prudential Authority, Directive D1 of 2019, Directive D1 of 2024, and the Basel Committee of Banking Supervision Standards (BCBS).

Ownership and firmwide disclosure

JPMorgan Chase Bank, N.A. Johannesburg Branch (“JPMCB Jhb” or the “Branch”) is a branch of JPMorgan Chase Bank, National Association (“the Bank”) and is registered as an external company in South Africa. The Bank’s ultimate parent is JPMorgan Chase & Co. (“the Firm”), a financial holding company incorporated in the United States of America.

Firm-wide disclosure is made under Basel III requirement and is available at the below link.

Reference is made to this firmwide disclosure throughout the document:

<http://investor.shareholder.com/jpmorganchase/basel.cfm>

The above firmwide report should be read in conjunction with the Annual Report on Form 10-K and the Quarterly Report on Form 10-Q which have been filed with the U.S. Securities and Exchange Commission and are available at the following link:

<http://investor.shareholder.com/jpmorganchase/sec.cfm>

This document refers to JPMorgan Chase & Co. or the “ Firm” when referring to frameworks, methodologies, systems, and controls that are adopted throughout JPMorgan Chase & Co. and its subsidiaries. Entity names are used to refer to documents, financial resources, and other tangible concepts relevant only to that entity.

Business activities

JPMCB Jhb is a registered provider of financial services in South Africa, including trading in foreign exchange, fixed income, and interest rate markets, as well as structured products, cash management, liquidity products, loans, and advisory services to South African corporate and state-owned enterprises.

JPMCB Jhb holds a banking license in South Africa and is regulated by the Prudential Authority (“PA”). It is also an Authorised Dealer regulated by the South African Reserve Bank (“SARB”) and an Authorised Financial Services Provider regulated by the Financial Sector Conduct Authority (“FSCA”) and the Financial Intelligence Centre.

JPMCB Jhb also holds a Primary Dealer license and is a trading member of the Johannesburg Stock Exchange Interest Rate and Currency Derivative Market (“IRC”). The Branch was approved by the FSCA in April 2021 as an Over-the-Counter Derivative Provider (“ODP”) and is also a direct ZAR clearing member for both low value and high value ZAR payments.

Governance

As a branch of the Bank, governance is ultimately the responsibility of the Board of Directors of JPMorgan Chase Bank, N.A. who is responsible for the oversight of management of the Bank. The JPMorgan Chase Bank, N.A. Board of Directors executes this function acting directly and through the principal standing committees of the Firm’s Board of Directors. Risk oversight on behalf of the Bank is primarily the responsibility of the Risk Policy Committee of the Board of Directors and the Audit Committee of the Firm’s Board of Directors and, with respect to

compensation and other management-related matters, the Compensation & Management Development Committee of the Firm's Board of Directors.

In South Africa, JPMCB Jhb oversight is managed by the Branch Oversight Committee (BOC). The BOC is the most senior governance committee in South Africa. It is responsible for overseeing the risk and control framework, as well as the overall strategy of the Branch. This includes compliance with the Bank Act and other relevant financial sector legislation and regulations applicable to the Branch.

The BOC acts as the escalation forum for all risk and control issues that may affect the Branch. It holds ownership of the overall country strategy and ensures that all business activities within JPMCB Jhb are conducted appropriately, in alignment with the Firm's policies and values.

2. Financial Statements

Basis of preparation

The figures presented in the Statement of Financial Position and the Summarised Statement of Comprehensive Income have been prepared in accordance with the International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Additionally, these statements are reported in compliance with the Prudential Authority's (PA) Regulations pertaining to banks.

Offsetting

Financial assets and financial liabilities are offset, and the net amount reported in the Statement of Financial Position, when the Branch has a current legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Branch or the counterparty.

Statement of financial position

Assets (R millions)	2024	2023
Balances with central bank	1,176	1,090
Treasury bills	4,603	3,489
Loans and advances, net of credit impairment	34,663	34,100
Investment and trading securities	16,441	2,470
Derivative financial instruments	20,648	23,095
Other assets	1,060	2,012
Total assets	78,591	66,255
Equity and liabilities		
Deposits	42,014	26,239
Derivative financial instruments	20,329	23,257
Other trading liabilities	1,578	757
Other liabilities	907	2,297
Total liabilities	64,828	52,550
Capital from head office	13,767	13,767
Other reserves	(4)	(61)
Total equity	13,763	13,706
Total equity and liabilities	78,591	66,255

Template LI1: Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories (annual)

LI1	a	b	c	d	e	f	G
	(R millions)	(R millions)					
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to securitisation framework	Subject to market risk framework	Carrying values of items Not subject to capital requirements or subject to deduction from capital
Balances at central banks	1,176	1,176	1,176				
Treasury bills	4,603	4,603	4,603				
Loans and advances, net of credit impairment	34,663	34,663	17,908	16,755		4,076	
Investment and trading securities	16,441	16,441				16,441	
Derivative financial instruments	20,648	20,648		20,648		20,237	
Other assets	1,060	1,060	1,060				39
Total assets	78,591	78,591	24,747	37,403		40,754	39
Deposits	42,014	42,014		16,628			25,386
Derivative financial instruments	20,329	20,329					20,329
Other trading liabilities	1,578	1,578					1,578
Other liabilities	907	907					907
Total liabilities	64,828	64,828		16,628			48,200

Summarised statement of Profit and Loss and Other Comprehensive Income

(R millions)	2024	2023
Net interest income	400	1,202
Trading revenue and fee income	1,389	338
Gross operating income	1,789	1,540
Credit impairment released/(raised)	(17)	(8)
Operating expenses	(834)	(696)
Net profit before taxation	938	836
Taxation	(264)	(258)
Net profit after taxation	674	578
Other comprehensive income:		
Items that may be reclassified to profit or loss		
Changes in fair value of loans and other balances	17,899	23,610
Changes in fair value of Government securities	3,507	992
Income tax relating to these items	(947)	(257)
Total profit of loss and other comprehensive income for the year	694,019	602,615

Template LI2: Main sources of differences between regulatory exposure amounts and carrying values in financial statements (annual)

	a	b	c	d	E
	Items subject to:				
	Total	Credit risk framework	Securitisation framework	Counterparty credit risk framework (derivatives and SFT's)	(R millions) Market risk framework
1	Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	78,591	24,747	37,403	40,754
2	Liability carrying value amount under scope of regulatory consolidation (as per template LI1)	64,828		16,628	
3	Total net amount under scope of regulatory consolidation (as per template LI1)	13,763	24,747	20,775	40,754
4	Off-balance sheet items	30,835	30,835		
5	Differences in valuation				
6	Potential future exposure	7,507		7,507	
	Exposure amounts considered for regulatory purposes	52,105	55,583	28,282	40,754

3. Regulatory capital

Regulatory capital base for JPMCB Jhb

JPMCB Jhb's regulatory capital base as at 31 December 2024 was R13 700 million. The Branch remits profits to Head Office and losses are reimbursed to JPMCB Jhb monthly. Approval from the PA for any remittances is dependent on JPMCB Jhb retaining an additional 10% capital buffer. This approval is renewed annually. The regulatory capital position of JPMCB Jhb is as follows:

(R millions)	2024	2023
Common Equity Tier 1 Capital		
Endowment capital from parent	13,767	13,767
Accumulated other comprehensive income		
Regulatory adjustments		
Goodwill		
Other regulatory adjustments	(156)	(67)
Common equity Tier 1 capital	13,611	13,700
Additional Tier 1 capital		–
Tier 1 Capital	13,611	13,700
Tier 2 capital	44	17
Total capital	13,655	13,718

For more detail, refer to:

Annexure A: Composition of Capital Disclosure Template, and

Annexure B: Main Features Disclosure Template

Capital adequacy requirement: JPMCB Jhb

Risk weighted assets as at 31 December.

(R millions)	2024	2023
Credit and counterparty credit risk	25,307	31,976
Market risk	1,583	1,664
Operational risk	3,661	2,935
Total risk weighted assets	30,551	36,575
CET Tier 1 capital adequacy ratio	44.55%	37.46%
Tier 1 capital adequacy ratio	44.55%	37.46%
Total capital adequacy ratio	44.70%	37.51%

4. Leverage position

The Branch's leverage ratio provides comfort regarding the strength of the Branch's short term liquidity position and ensures a prudent funding structure. JPMCB Jhb's leverage ratio is managed at a branch level and is compliant with the minimum requirements stipulated contained in the Regulations.

	December 2024	December 2023
Leverage ratio	15.48%	26.31%

5. Risk profile

The risk profile of JPMCB Jhb is shaped by its diverse business activities, which encompass a range of financial services and operations. The primary risks associated with these activities include:

- **Credit Risk (including Counterparty Credit Risk):** This risk arises from the possibility that borrowers or counterparties may fail to meet their financial obligations. It is a significant component of JPMCB Jhb's risk profile, given the nature of its lending and trading activities.
- **Market Risk:** This risk pertains to potential losses due to fluctuations in market prices, such as interest rates, foreign exchange rates, and equity prices. Market risk is inherent in the bank's trading and investment activities.
- **Operational Risk:** Operational risk involves potential losses resulting from inadequate or failed internal processes, systems, human errors, or external events. It is a critical aspect of risk management, ensuring the bank's operations are resilient and efficient.
- **Liquidity Risk:** Liquidity risk refers to the risk that the bank may not be able to meet its financial obligations as they come due, without incurring unacceptable losses. Effective liquidity management is essential to maintain the bank's financial stability.

6. Interest Rate Risk in the Banking Book:

This risk arises from potential changes in interest rates that could affect the bank's earnings or economic value. It is particularly relevant to the bank's non-trading activities and requires careful monitoring and management.

Risk management activities

Risk is an inherent part of JPMorgan's business activities. When the Branch extends a loan, advises clients, market making in securities, or offers other products or services, the Branch takes on some degree of risk. The overall objective is to manage its business, and the associated risks, in a manner that balances serving the interests of its clients and protects the safety and soundness of the Firm.

The Branch follows the Firm's approach in respect to effective risk management which requires, among other things.

- Acceptance of responsibility, including identification and escalation of risk issues by all individuals within the Firm.
- Ownership of risk identification, assessment, data, and management within each of the lines of business ("LOB") and Corporate functions; and
- A Firmwide risk governance and oversight structure

The Branch adheres to a disciplined and balanced compensation framework, characterised by robust internal governance. This framework is aligned with the Firm's expectations, ensuring that compensation practices reflect the organisation's values and strategic objectives. The impact of risk and control issues is carefully considered in the performance evaluation and incentive compensation processes.

Risk organisation

The Firm's risk governance framework is managed on a firmwide basis, ensuring a cohesive approach to risk management across all operations. The Firm has an Independent Risk Management (IRM) function, which encompasses both Risk Management and Compliance. Subject to approval by the Risk Committee of the Board of Directors (the "Board Risk Committee"), the Firm's Chief Executive Officer ("CEO") appoints, the Firm's Chief Risk Officer ("CRO") to lead the IRM function and maintain the risk governance framework of the Firm. The framework is subject to approval by the Board Risk Committee through its review and approval of the Risk Governance and Oversight Policy.

The Firm's CRO oversees and delegates authority to the Firmwide Risk Executives ("FREs"), the Chief Risk Officers of the Lines of Business ("LOBs") and Corporate functions ("LOB CROs"), and the Firm's Chief Compliance Officer ("CCO"), who, in turn, establish Risk Management and Compliance organizations, develop the Firm's risk governance policies and standards, and define and oversee the implementation of the Firm's risk governance framework. The LOB CROs oversee risks that arise in their LOBs and Corporate functions, while FREs oversee risks that span across the LOBs and Corporate functions, as well as across different regions. Each area of the Firm that gives rise to risk is expected to operate within the parameters identified by the IRM function, and within the risk and control standards established by its own management.

The Firm's "three lines of defence" are as follows:

The first line of defence consists of each LOB, Treasury and Chief Investment Office, and certain Other Corporate initiatives, including their aligned Operations, Technology and Control Management. The first line of defence owns the risks, and identification of risks, associated with their respective activities and the design and execution of controls to manage those risks.

Responsibilities also include adherence to applicable laws, rules, and regulations and implementation of the risk governance framework established by IRM, which may include policies, standards, limits, thresholds, and controls.

The second line of defence is the IRM function, which is separate from, and independently assesses and challenges the first line of defence risk management practices. IRM is also responsible for the identification of risks within its respective organization, adherence to applicable laws, rules, and regulations and for the development and implementation of policies and standards with respect to its own processes.

The third line of defence is Internal Audit, an independent function that provides objective assessment of the adequacy and effectiveness of Firmwide processes, controls, governance, and risk management. The Internal Audit function is led by the General Auditor, who reports to the Audit Committee and administratively to the CEO.

In addition, there are other functions that contribute to the Firmwide control environment but are not considered part of a particular line of defence, including Corporate Finance, Human Resources and Legal. These other functions are responsible for the identification of risks within their respective organisation, adherence to applicable laws, rules and regulations and policies and implementation of the risk governance framework established by IRM.

Risk governance and oversight structure

The independent status of the IRM function is supported by a governance structure that provides for escalation of risk issues to senior management, the Firmwide Risk Committee (“FRC”) and the Board of Directors, as appropriate.

The FRC is the Firm’s highest management-level risk committee. It oversees the risks inherent in the Firm’s business and provides a forum for discussion of risk-related and other topics and issues that are raised or escalated by its members and other committees.

EMEA Risk Governance

Whilst the Firm has established a comprehensive Firmwide risk policy framework, this is supplemented as required by legal entity-specific risk policies, which are approved by the relevant entity Boards.

To complement the global LOB structure, there is a regional risk governance construct as per below.

- The EMEA Risk Committee (ERC) provides oversight of the risks inherent in the Firm’s business conducted in EMEA or booked into EMEA entities and relevant branches as well as EMEA branches of ex-EMEA firms. Oversight of Tier 2 and 3 entities is delegated to the EMEA Legal Entity Risk Committee (ELERC), a sub-committee of the ERC. The South Africa Risk Committee escalates to the ELERC.
- The ERC is accountable to the EMEA Management Committee (EMC) and the Boards, Risk Committees and Oversight Committees of the relevant LE’s. It reports to the Firmwide Risk Committee (FRC), the EMEA HR Control Forum, in addition to the EMC and the relevant legal entity boards.
- The EMEA CRO leads the Risk Management function in the region and chairs the ERC. The EMEA CRO is a member of the EMC and ELERC

Other key committees with responsibilities to focus on capital and liquidity include the EMEA Capital Committee (EMEA CRO is a member) and the EMEA Asset Liability Committee (“EMEA ALCO”).

JPMCB Jhb Risk Governance Framework

The Branch Oversight Committee (BOC) has primary responsibility for risk management of JPMCB Jhb.

The BOC has approved the establishment of the South Africa Risk Committee (SARC), as a sub-committee of the BOC, to provide oversight of the risks inherent in JPMCB Jhb. The Chair of the SARC has responsibility to escalate matters to the BOC as appropriate.

The Branch appointed a Chief Risk Officer, , who is a member of the BOC, Chair of the SARC and member of the regional EMEA Legal Entity Risk Committee.

JPMCB Jhb's activities are the responsibility of the BOC whose members are approved by the PA. The BOC acknowledges its responsibility to be informed about, and to assess the level of risk that arises from the activities of the Branch, its need to discuss with management the nature and management of that risk, to be informed of significant internal control issues and to receive information on events or developments that could expose JPMCB Jhb to substantial loss.

Risk Identification

The LOBs and Corporate functions are responsible for the identification of risks within their respective organizations, as well as the design and execution of controls, including IRM-specified controls, to manage those risks. To support this activity, the Firm has a risk identification framework designed to facilitate the responsibility of each LOB and Corporate function to identify material risks inherent to the Firm's businesses and operational activities, catalogue them in a central repository and review material risks on a regular basis. The IRM function reviews and challenges the risks identified by each LOB and Corporate function, maintains the central repository and provides the consolidated Firmwide results to the Firmwide Risk Committee ("FRC") and the Board Risk Committee.

JPMCB Jhb completes an Internal Capital Adequacy Assessment Process ("ICAAP") periodically. The ICAAP forms part of management and decision-making processes including capital and risk management frameworks, and stress testing. The ICAAP is used to identify applicable and material risks to which JPMCB Jhb is exposed; how these risks are measured, managed, monitored and mitigated; and how much capital the Branch should hold for these risks now, in the future and under stressed conditions.

Risk Appetite

The Firm's overall appetite for risk is governed by Risk Appetite frameworks for quantitative and qualitative risks.

The Firm's risk appetite is periodically set and approved by senior management (including the CEO and CRO) and approved by the Board Risk Committee. Quantitative and qualitative risk are assessed to monitor and measure the Firm's capacity to take risk consistent with its stated risk appetite. Risk appetite results are reported to the Board Risk Committee.

JPMCB Jhb is subject to the Firmwide Quantitative Risk Appetite policy and Firmwide Qualitative Risk appetite policy.

In addition, JPMCB JHB's has established a legal entity specific Risk Appetite Framework which is approved by the BOC annually. This document outlines the framework for managing JPMCB JHB's risk appetite including parameters, roles and responsibilities and governance requirements.

7. Credit risk (table CRA, CRB, CRC and CRD)

Credit risk is the risk associated with the default or change in credit profile of a client. The Branch is exposed to credit risk through its lending and, market-making activities with and for clients and counterparties, as well as through its operating services activities (such as cash management and clearing activities), and securities financing activities. The Branch is also exposed to credit risk through its investment securities portfolio and cash placed with banks.

Credit Risk Organisation

Credit Risk Management is an independent risk management function that monitors, measures, and manages credit risk throughout the Firm and defines credit risk policies and procedures. The Firm's credit risk management governance includes the following activities.

- Maintaining a credit risk policy framework
- Monitoring and measuring credit risk across all portfolio segments, including transaction and exposure approval.
- Setting industry and geographic concentration limits, as appropriate, and establishing underwriting guidelines
- Assigning and monitoring credit authorities in connection with the approval of credit exposure
- Managing criticised exposures and delinquent loans, and
- Estimating credit losses and supporting appropriate credit risk-based capital management.

Risk Governance and Policy Framework

- JPMCB Jhb's approach mirrors the firmwide approach in respect to the governance overlay.
- The Firm has developed policies and practices that are designed to preserve the independence and integrity of the approval and decision-making process for extending credit so that credit risks are assessed accurately, approved properly, and monitored regularly at both the transaction and portfolio levels. The firmwide policy framework establishes credit approval authorities, concentration limits, risk-rating methodologies, portfolio review parameters and guidelines for management of distressed exposures.
- Primary responsibility for decisions on acceptability of clients and customers from a credit perspective, approval of credit lines, ongoing credit exposure monitoring, and determining impairment provisions is managed centrally according to the Firm's credit risk policies. Specifically, responsibility resides with Credit Officers in CIB Credit Risk Management for Client Credit Management (including credit analysis) and Credit Executives for credit approval. In addition, a Booking Office Credit Approval ('BOCA') workflow has been established to trigger formal notification and local approval for any new and/or changes to non-rules-based facilities for the Branch.

Risk Measurement

To measure credit risk, the Firm employs several methodologies for estimating the likelihood of obligor or counterparty default. Methodologies for measuring credit risk vary depending on several factors, including type of asset, risk measurement parameters and risk management and collection processes. Credit risk measurement is based on the probability of default of an obligor or counterparty, the loss severity given a default event and the exposure at default.

Credit loss estimates are based on estimates of the probability of default (PD) and loss severity given default (LGD). Wholesale loans include loans made to a variety of clients, ranging from large corporate and institutional clients to high-net-worth individuals. The primary credit quality indicator for wholesale loans is the internal risk rating assigned to each loan. Risk ratings are used to identify the credit quality of loans and differentiate risk within the portfolio. Risk ratings on loans consider the PD and the LGD. The PD is the likelihood that a loan will default. The LGD is the estimated loss on the loan that would be realized upon the default of the borrower and takes into consideration collateral and structural support for each credit facility. Risk ratings are reviewed on a regular and ongoing basis by Credit Risk Management and adjusted as necessary for updated information affecting the obligor's ability to fulfil its obligations. The calculations and assumptions are based on both internal and external historical experience and management judgment and are reviewed regularly.

JPMCB Jhb adopts the following approaches for calculating the credit risk capital requirements.

- Credit risk: Standardised approach.
- Counterparty credit risk: Standardised Approach to Counterparty Credit Risk (1 January 2021)
- JPMCB Jhb uses Moody's for external credit ratings. No change from prior years

Stress Testing

Stress testing is important in measuring credit risk in the Branch's credit portfolio. The stress testing process assesses the potential impact of alternative economic and business scenarios on estimated credit losses for the Firm. Economic scenarios and the underlying parameters are defined centrally, articulated in terms of macroeconomic factors, and applied across the businesses. The stress test results may indicate credit migration, changes in delinquency trends and potential losses in the credit portfolio. In addition to the periodic stress testing processes, management also considers additional stresses outside these scenarios, including industry and country specific stress scenarios, as necessary. The stress testing is used to inform decisions on setting risk appetite both for the Branch, as well as to assess the impact of stress on individual counterparties.

Credit Risk Approval and Control

Approval of Clients: All clients are subject to credit analysis and financial review by Credit Risk Management before new business with credit risk exposure is accepted.

Establishment of Credit Lines: All credit exposure must be approved by a Credit Officer(s) with the level of credit authority required by the applicable credit authority grid unless qualifying for rules-based policies, standards or where there are explicit guidelines that state credit approvals are not required. Such approval, together with details of the credit limits are recorded in the Credit Systems.

In some instances, credit limits can be established according to predetermined rules that are subject to annual review by the appropriate Credit Officers. The governing risk policy framework provides a single, consistent, global approach while allowing the application of differing local requirements.

Intraday exposure control: Intraday overdrafts are an extension of credit during the business day that generate Operating Credit Exposure. Intraday overdrafts can arise from usage of an intraday facility, a credit approved excess usage of the intraday facility, or a credit approved payment outflow where there is no facility. Intraday overdrafts become overnight overdrafts if the account is not fully funded by close of business. Overnight overdrafts result from account debits exceeding fully available account credits by close of business, generating Primary Credit Exposure. Intraday transactions are monitored and actioned, as appropriate.

Risk Monitoring

The Firm has developed policies and practices that are designed to preserve the independence and integrity of the approval and decision-making process of extending credit to ensure credit risks are assessed accurately, approved properly, monitored regularly, and managed actively at both the transaction and portfolio levels. The policy framework establishes credit approval authorities, concentration limits, risk-rating methodologies, portfolio review parameters and guidelines for management of distressed exposures. In addition, certain models, assumptions, and inputs used in evaluating and monitoring credit risk are independently validated by groups that are separate from the lines of business.

Concentrations of credit risk arise when a few clients, counterparties or customers are engaged in similar business activities or activities in the same geographic region, or when they have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic conditions. The Firm regularly monitors various segments of its credit portfolios to assess potential credit risk concentrations and to obtain additional collateral when deemed necessary and permitted under the Firm's agreements. Senior management is involved in the credit approval and review process, and risk levels are adjusted as needed to reflect the Firm's risk appetite. The firm manages Wholesale Credit Risk at a client and portfolio level, and has established relevant client and portfolio limits, thresholds, and indicators to monitor, escalate and control large concentrations of credit exposure that can subject the firm to the risk of credit losses. Credit risk concentrations are evaluated primarily by industry and monitored regularly on both an aggregate portfolio level and on an individual client or counterparty basis.

Risk Reporting

To enable monitoring of credit risk and effective decision-making, aggregate credit exposure, credit quality forecasts, concentration levels and risk profile changes are reported regularly to senior members of Credit Risk Management. Detailed portfolio reporting of industry, clients, counterparties and customers, product and geography are prepared, and the appropriateness of the allowance for credit losses is reviewed by senior management at least on a quarterly basis. Through the risk reporting and governance structure, credit risk trends and limit exceptions for the Branch are provided regularly to, and discussed with, risk committees, senior management, and the BOC.

Gross credit exposure before credit risk mitigation¹ as at 31 December

(R millions)	On-balance sheet	Off-balance sheet	Repo exposure	Derivative instruments	Total
2024					
Banks	8,718		32,949	27,976	69,643
Corporate	10,031	33,617		5,685	49,333
Public sector entities	1	9		4,997	5,007
Securities firms				39	39
Sovereign	4,603			18	4,622
Total	23,352	33,627	32,949	38,716	128,643
(R millions)	On-balance sheet	Off-balance sheet	Repo exposure	Derivative instruments	Total
2023					
Banks	8,321	–	15,371	31,578	55,270

Corporate	12,503	2,676	–	8,429	23,608
Public sector entities	389	359	–	6,093	6,840
Securities firms	–	–	–	14	14
Sovereign	3,489	–	–	26	3,516
Total	24,702	3,035	15,371	46,141	89,248

Average gross credit exposure before credit risk mitigation¹ during the year

(R millions)	On-balance sheet	Off-balance sheet	Repo exposure	Derivative instruments	Total
2024					
Banks	9,579	19,060	37,665	29,933	96,236
Corporate	11,046	5,258		6,481	22,785
Public sector entities	141	52		5,677	5,870
Security firms				19	19
Sovereign	3,542			22	3,564
Total	24,307	24,370	37,665	42,133	128,475

(R millions)	On-balance sheet	Off-balance sheet	Repo exposure	Derivative instruments	Total
2023					
Banks	7,502		15,371	37,267	68,220
Corporate	9,395	2,081	-	7,983	19,458
Public sector entities	1,264	30	-	8,092	9,386
Security firms		-	-	21	21
Sovereign	3,851	-	-	20	3,872
Total	22,012	2,111	15,371	53,384	100,957

Maturity profile of gross credit exposure as at 31 December

(R millions)	2024	2023
Less than 1 year	87,802	88,706
1–5 years	3,065	422
More than 5 years	37,777	121
Total gross exposure	128,643	89,248

Breakdown of gross exposures by geographical areas

(R millions)	2024	2023
South Africa	31,047	36,502
Europe	36,529	20,811
North America	30,231	31,705

Rest of world	30,836	230
Total gross exposure	128,643	89,248

Breakdown of gross exposures by industry

(R millions)	2024	2023
Mining and quarrying	10	96
Manufacturing	1,453	1,674
Electricity, gas and water supply	1,361	1,746
Wholesale and retail trade, repair of specified items, hotels and restaurants	566	549
Transport, storage and communication	4,767	6,204
Financial intermediation and insurance	84,528	74,351
Real estate	105	454
Other	35,853	4,174
Total gross exposure	128,643	89,248

Expected credit loss measurement (ECL)

Impairment of financial assets and lending-related commitments

Instruments in scope of Traditional Credit Products (TCP) include loans, lending-related commitments, and other lending products stemming from extensions of credit to borrowers (including intercompany and affiliated entities). Non- Traditional Credit Products (Non-TCP) include, but are not limited to, other third-party and intercompany debt instruments such as reverse repurchase agreements, margin loans, fee receivables, and intercompany receivables (such as cash and deposits). Intercompany exposure can either be TCP or non-TCP depending on product type. The Branch establishes an ECL for these instruments to ensure they are reflected in the financial statements at the Branch's best estimate of the net amount expected to be collected. The ECL is determined on in-scope financial instruments measured at amortized cost or FVOCI. ECL are measured collectively via a portfolio-based (modelled) approach for Stage 1 and 2 assets but are generally measured individually for Stage 3 assets.

ECL are forecasted over the 12-month term (Stage 1) or expected life (Stage 2 or 3) of in-scope financial instruments, where the forecast horizon includes the reasonable and supportable (R&S) forecast period, the reversion period and the residual period and considers the time value of money. In determining the ECL measurement and staging for a financial instrument, the Branch applies the definition of default consistent with the Basel definition of default to maintain uniformity of the definition across the Branch.

Determining the appropriateness of the allowance is complex and significant assumptions about future economic conditions and credit behaviours that are inherently uncertain. Further, estimating the allowance involves consideration of a range of possible outcomes, which management evaluates to determine its best estimate. A number of significant judgements are also required in measuring ECL, such as:

- Determining the criteria for identifying when financial instruments have experienced a significant increase in credit risk;
- Choosing appropriate forecasts and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of financial instrument/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL

The measurement of ECLs must reflect:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;

- The time value of money; and
- Reasonable and evidence-based information about past events, current (economic) conditions, and forecasts of future economic conditions.

Subsequent evaluations of the TCP portfolio, in light of the circumstances then prevailing, may result in significant changes in the ECL in future periods.

The Branch considers the appropriateness of decisions and judgments regarding methodology and inputs utilized in developing estimates of ECL each reporting period.

Impact of staging on measuring expected credit losses.

ECL are measured using a three-stage model based on changes in credit quality of the financial instrument since it was initially recognized ("initial recognition"):

- Stage 1—performing financial instruments that have not had a significant increase in credit risk since initial recognition.
- Stage 2—performing financial instruments that have experienced a significant increase in credit risk; and
- Stage 3—non-performing financial instruments that have been determined to be credit-impaired.

Unimpaired and without significant increase in credit risk (Stage 1)

Financial instruments that have not had a significant increase in credit risk ("SICR") since initial recognition are included in Stage 1. For Stage 1 instruments, ECL are calculated by considering the probability of default within 12 months after the reporting date on a collective basis and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for the credit loss allowance). Non-TCP intercompany assets with material legal entities that are covered by the Branch's' resolution and recovery plans are considered to be investment grade and therefore these are included in Stage 1 with no SICR.

Significant increase in credit risk (Stage 2)

Financial instruments that have experienced a SICR since initial recognition for which there is no objective evidence of impairment are included in Stage 2. For Stage 2 instruments, ECL are calculated considering the probability of default over the remaining life of the instrument on a collective basis and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for the credit loss allowance).

The Branch assesses for evidence of a SICR by considering whether there has been a change in the risk of a default occurring since the financial instrument was initially recognized.

For TCP, the Branch assesses for evidence of a SICR considering whether there has been a change in the risk of a default occurring since the financial instrument was initially recognised. The Branch considers a financial instrument to have experienced a SICR when any of the following quantitative criteria have been met:

Quantitative criteria

- The Branch determines whether the probability of a default ("PD") occurring has changed between the initial recognition and the reporting date of a financial instrument. If the change in PD exceeds certain relative and absolute thresholds, the instrument has experienced a SICR. The assessment of the PD takes into account reasonable and supportable information, including information about past events, current and future economic conditions.

Qualitative criteria

- The Branch monitors borrowers that may become impaired by including them on its watch list. Obligors that are on the watch list are considered to have experienced a SICR. The Branch also monitors changes in internal credit risk ratings (relative to the credit rating on initial recognition) and delinquency triggers to determine if a borrower has experienced a SICR.
- The Branch's TCP portfolio is mostly comprised of large, international, wholesale borrowers. For these borrowers, short-term delinquencies alone are not considered to be a meaningful credit quality indicator as the Branch's experience has shown that other internal credit quality indicators generally identify increases in credit risk well before delinquency. As such, the Branch has determined that using the quantitative and qualitative assessments described above are most appropriate for capturing SICR for TCP
- Financial instruments that are in Stage 2 are moved to Stage 1 as described below in the period that the quantitative and qualitative assessments for a SICR no longer exist. The approach for determining whether there has been a SICR for Non-TCP portfolios depends on the type of instrument. The Branch presumes non-TCP financial assets that are 30 days past due have experienced a SICR and are included in Stage 2 except for certain fee receivables (i.e. fee receivables with institutional clients which follow a different billing and collection cycle) that are classified in Stage 2 at 90 days past due.

Default and credit-impairment (Stage 3)

Financial instruments are included in Stage 3 when there is objective evidence of impairment at the reporting date. For Stage 3 instruments, ECL are calculated considering the probability of default over the remaining life of each instrument ("Lifetime ECL") on an individual asset basis and interest revenue is calculated on the net carrying amount (that is, net of the allowance for credit losses). All financial assets, regardless of their category as TCP, Non-TCP or debt security, are considered to be credit-impaired and are included in Stage 3 when one or more of the following events that have a detrimental impact on the estimated future cash flows of that financial asset has occurred:

- Significant financial difficulty of the issuer or the borrower.
- A default or past due event.
- The Branch has granted a concession to the borrower for economic or contractual reasons relating to the borrower's financial difficulty.
- It has become probable the borrower will enter bankruptcy or other financial re-organisation.
- An active market for that financial asset no longer exists because of the borrower's financial difficulties; or
- A financial asset is purchased or originated at a deep discount that reflects a credit loss has been incurred.

The criteria above are consistent with how the Branch defines "default" for internal credit risk management purposes.

Generally, a Stage 3 financial asset is considered to no longer be impaired when the borrower has made payments for a minimum of six months and there is other objective evidence of credit improvement.

However, for assets that were considered to be Stage 3 as a result of a restructuring where the borrower experiencing difficulty was granted a financial concession, there is no cure period, and the asset will remain in Stage 3.

ECL measurement for TCP portfolios

ECL for stage 1 and stage 2 assets is determined using a collective assessment model that estimates losses expected on the portfolio from possible defaults in the next 12 months or lifetime depending on whether the instrument is included in stage 1 or 2. The 12-month ECL are calculated by multiplying the 12-month Probability of Default, Exposure at Default and Loss Given Default. Lifetime ECL are calculated using the lifetime PD instead.

These inputs are collectively known as the modelled estimate and are described in further detail below:

Probability of Default (“PD”): The PD model estimates the probability of a borrower defaulting given certain macroeconomic scenarios and the probability of a borrower moving from one risk rating to another during the reasonable and supportable period. The 12-month and lifetime PDs represent the probability of default occurring over the next 12 months and the remaining maturity of the instrument respectively. The PD is determined at a facility level. Country specific information is applied to risk ratings, as appropriate in accordance with internal risk rating guidelines. Beyond the reasonable and supportable period, the probability of default and likelihood of downgrade are based on long run historical averages with no macroeconomic forecasting element. Internal historical default data is used for all periods, both during the reasonable and supportable (“R&S”) forecast period and beyond.

Loss Given Default (“LGD”): LGD, also known as loss severity, represents the amount of loss, expressed as a percentage, in the event the facility defaults under a given forecasted macroeconomic environment during the reasonable and supportable period. Beyond the reasonable and supportable period long run historical average LGD is used based on the Loan’s risk characteristics (e.g. secured type, region, LOB). Country specific considerations are also applied to the LGD inputs, as appropriate. Similar to PD, internal historical default data is used for all periods, both during the R&S forecast period and beyond

Exposure at Default (“EAD”): Exposure at Default represents the gross exposure of the Branch upon the Obligor’s default and is characterized, as follows:

- Term Loans–EAD is 100% of exposure, net of amortization.
- Revolving commitments–EAD is a model-based estimate that considers the expectation of future utilization at the facility level in the case of a default under a given macroeconomic environment.
- After the R&S forecast period, a long run EAD is determined based on the facility’s risk characteristics.
- All other unfunded committed facilities–EAD is determined judgmentally and where appropriate, empirically, based on the type of credit facility, line of business, underlying risk characteristics and utilization.

Forward-looking information

ECL estimates are derived from the Branch’s historical experience and future forecasted economic conditions. To incorporate forward-looking information into the ECL calculation, the Branch develops forecasted economic scenarios. As mentioned in 2020 Developments, the Branch moved from three forward looking scenarios (upside, base and downside) to five forward looking scenarios (base, relative upside, extreme upside, relative downside and extreme downside cases) during the year. Each of these scenarios contain a set of MEVs that reflect forward-looking economic and financial conditions. MEVs include, but are not limited to FX rates, inflation and GDP per country or country block (group of countries that have similar economic circumstances). MEVs for each scenario are projected over a reasonable and supportable forecast period of two

years. After the forecast period, the losses revert to historical averages over a one-year transition period.

On a quarterly basis, the five economic scenarios are updated, and probability weighted. The Branch uses judgement to develop the scenarios and assign probability weightings. The most likely economic scenario in management's view is the base case which would generally be expected to be weighted more heavily than the other two scenarios.

The PD, LGD and EAD models are designed to forecast the credit quality and performance of a TCP portfolio based on industry, geography, rating and size of obligors, among other attributes of the portfolio.

PD, LGD and EAD models are calibrated based on historical MEVs and use forecasted macroeconomic scenarios for projecting PD, LGD and EAD values.

ECL calculation

The Branch uses the forward-looking PD, LGD, and EAD values for each of the scenarios to produce the scenario credit losses ("SCLs"). The modelled ECL estimate includes a probability-weighted calculation of the five SCLs discounted using the original effective interest rate or an approximation thereof. The weightings are periodically reviewed and approved centrally by a risk governance committee within the Branch.

As part of the normal review process, the central ECL calculation is subject to further adjustment to take into consideration the requirements of the Branch. As the centrally estimated ECL are not specific to local and regional conditions, the Branch completes a local review, which involves conducting individual client reviews and reviewing local MEVs and will adjust the centrally estimated ECL to appropriately reflect the Branch's portfolio. Management applies judgement in making this adjustment, which considers economic and political conditions, quality of underwriting standards, borrower behaviour, deterioration within an industry, product or portfolio, as well as other relevant internal and external factors affecting the credit quality of the portfolio. In certain instances, the interrelationships between these factors create further uncertainties.

In 2020, the Branch enhanced its statistical model methodology used for collective assessment to better estimate expected credit losses. Key model enhancements included:

Expansion of forecasting during the reasonable and supportable period from using three forward looking scenarios (central, adverse and upside) to five forward looking scenarios (central, relative upside, extreme upside, relative adverse and extreme adverse)

Introduction of large loan uncertainty (LLU) captures the variation in loan sizes across the portfolio by taking into consideration the risk of large exposures defaulting due to the nonhomogeneous nature of the portfolio.

Stage 3 portfolio estimation techniques

In estimating ECL for Stage 3 Loans using an individual discounted cash flow assessment, broad economic conditions affecting a borrower are less relevant as they may not have a direct impact on the specific borrower and its ability to service its debts. Consequently, the Branch believes that borrower specific scenarios are the most relevant in estimating expected credit losses in an individual discounted cash flow assessment. When applying the discounted cash flow methodology, the Branch projects cash flows under three borrower-specific forecast scenarios that are reviewed, adjusted and ultimately blended into one-probability weighted calculation of ECL.

The Branch also uses three scenarios to estimate ECL for Stage 3 loans. However, these scenarios focus on the microeconomic conditions applicable to a specific borrower as those considered the most relevant in predicting losses for that borrower are applied. The borrower may

be experiencing a variety of specific difficulties, and no one macroeconomic theme can be applied to the total impaired loan portfolio.

Modification of loans

The Branch may modify terms with borrowers that are not experiencing financial difficulty. In these instances, the Branch will make a determination of whether the modification results in a new financial asset. If the modification is substantive, the existing loan is de-recognised, and a new financial asset is recognised. If the modification does not result in a new financial asset, the unamortised net fees are carried forward as part of the recorded Investment in the modified loan along with any new fees or costs associated with the modification.

The Branch seeks to modify certain loans in conjunction with its loss-mitigation activities. A modification may result in the Branch granting one or more concessions to a borrower who is experiencing financial difficulty in order to minimise the Branch's economic loss, avoid foreclosure or repossession of the collateral, and to ultimately maximise cash flows received by the Branch from the borrower.

Concessions granted vary by borrower, and may include interest rate reductions, term extensions, payment deferrals, principal forgiveness, or the acceptance of equity or other assets in lieu of cash.

Such loan modifications are included in Stage 3, and the loans are considered to be credit-impaired until they mature, are repaid, or are otherwise liquidated, regardless of whether the borrowers perform under the modified terms. These modified loans are measured for impairment using the Branch's established asset-specific allowance methodology. An impaired loan generally remains subject to the asset-specific allowance methodology throughout its remaining life.

Impairment of non-TCP transactions

The Branch's approach to measuring ECL for Non-TCP portfolios depends on the type of instrument. See detail below for ECL analysis per balance sheet line item.

a. Cash and balances at central banks

Cash and balances with central banks include interest-bearing deposits and are held with institutions with varying risk ratings. In evaluating the lifetime ECL related to receivables from a bank, the Branch determined the expected probability of default was extremely remote, and the magnitude of lifetime ECL related to exposures would be negligible as majority of these are regulated investment-grade institutions that have significant capital, loss absorbing capacity and liquidity. The majority of the deposits held are short term in nature and can be withdrawn at short notice (typically overnight). The Branch includes cash and balances at central banks in Stage 1 as they are short-term, and investment-grade and banking institutions are considered to have high quality credit with low risk of default and therefore the Branch has concluded there is no material SICR.

b. Deposits with banks

The Branch places substantially all of its deposits with banks which are of investment-grade. Refer above for ECL assessment. Similar to cash and balances at central banks, the Branch includes loans and advances to banks in Stage 1 as investment-grade institutions are considered to have high quality credit with low risk of default and therefore the Branch has concluded there is no material SICR.

c. Securities purchased under agreements to resell and securities borrowed

The Branch generally bears credit risk related to resale agreements and securities borrowed where cash advanced to the counterparty exceeds the expected value of the collateral received on default.

The Branch's credit exposure on these transactions is significantly lower than the amounts recognised on balance sheet, which do not account for collateral received.

Where a fully collateralised arrangement exists (for example a reverse repurchase agreement), the estimate of the allowance is immaterial due to the following credit mitigants:

- Continuous margining requirements: The contractual terms of these agreements are designed to ensure that they are fully collateralised based on continuous margining requirements, even when the credit risk of the borrower increases significantly. The contractual terms provide the Branch (as lender) with the legal right to receive additional margin from the borrower each day a margin deficit exists. The contractual terms also allow the Branch to increase margin requirements, and to revoke or reduce commitments to the borrower at any time.
- Intercompany arrangements may be repayable on demand: The vast majority of the Branch's collateralised intercompany lending arrangements are executed under master contracts that provide additional protections for the Firm, such as stipulating that extensions of credit are repayable on demand.
- High quality collateral: If, in the extremely rare circumstance that the borrower were to default, because the collateral is generally of high quality or is otherwise considered highly liquid, the Branch has the legal right and operational ability, as well as the intent, to immediately seize the collateral and liquidate it in a timely and price-efficient manner to minimize any loss.

The majority of securities purchased under agreements to resell are held at fair value. The fair value of the security collateral in respect of securities financing transactions is, in aggregate, greater than the net amounts reported on balance sheet.

Securities financing arrangements tend to be short-term in nature with no history of credit losses. These arrangements are included in Stage 1 as the Branch has determined there is no SICR during the short tenor of the instrument as at 31 December 2024. The Branch recognises no ECL on these balances as the ECL related to these exposures is assessed as immaterial.

d. Debtors

Debtors consist of trade and other debtors. Trade debtors mainly consist of unsettled trades, receivables related to sales of securities which have not yet settled. These receivables generally have minimal credit risk due to the low probability of default of a clearing organisation default and failure to deliver, and the short-term nature of receivables related to securities settlements which are predominately on a delivery versus payment basis. The Branch recognises no ECL on these balances as the ECL related to these exposures is assessed as immaterial.

Other debtors primarily comprise receivables related to cash collateral paid to counterparties in respect of derivative financial instruments. Margin posted in cash is reflected as a receivable from the counterparty and is carried at amortised cost.

Furthermore, the Branch provides clearing services to its clients wherein it facilitates the execution and settlement of derivative transactions by intermediating between a Central Clearing Party ("CCP") and a client, the associated cash collateral is recognised at amortised cost. In evaluating the lifetime ECL related to receivables from a CCP, the Branch determined the expected probability of CCP default was extremely remote, and the magnitude of lifetime expected credit losses related to CCP exposures would be negligible due to the robust multi-layered credit protection inherent in the design and operations of the CCP clearing model. The Firm includes these receivables in Stage 1 due to the robust multi-layered credit protection inherent in the design and operations of the CCP clearing model.

e. Fee receivables

Fee receivables arise out of revenue from contracts with clients. Staging and write off policies depend on the nature of the asset.

Fee receivables for institutional clients are included in Stage 1 if they are less than 90 days past due ("dpd"), and instruments less than 180 dpd are included in Stage 2. A fee receivable from an institutional client is deemed to be credit-impaired and 100% reserved when it is 180 dpd.

The Branch has not had significant losses on its fee receivable portfolios and based on the immateriality of these losses, the provision matrix and staging approach described is applied.

Fee receivables from non-institutional clients are included in Stage 1 if they are less than 30 dpd, and instruments less than 90 dpd are included in Stage 2. A fee receivable for non-institutional clients is deemed to be credit-impaired and 100% reserved when it is 90 dpd. The Firm has not had significant losses on its fee receivable portfolios and based on the immateriality of these losses, the provision matrix and staging approach described is applied.

The Branch continues to monitor the fee receivable population to ensure the described framework is appropriate and ECL on this portfolio are adequately reflected.

f. Non-TCP intercompany transactions

Non-TCP include, but are not limited to, other debt instruments such as reverse repurchase agreements, margin loans, fee receivables, and intercompany receivables (such as cash and deposits).

All intercompany exposures had formerly been considered non-TCP, but have been segmented based on product type, irrespective of whether the borrower is third party or intercompany. In other words, TCP and non-TCP both have intercompany positions.

For intercompany transactions where the counterparty is a Material Legal Entity ("MLE"), the Branch's anticipated ECL was determined to not be material and no loss was recognized, for the following reasons:

The MLE has been prepositioned with funding in an extremely efficient manner from both a liquidity and a capital perspective.

JPMorgan Chase Bank, N.A. ("JPMCB") and the JP Morgan Chase & Co Intermediate Holding Companies ("IHC") are obligated to provide financial support to their direct and indirect subsidiaries in connection with the Support Agreement that is put in place as part of the Firm's resolution planning process, which effectively functions as a guarantee/backstop for intercompany lending arrangements with an MLE borrower.

As MLEs are adequately capitalized to ensure the MLE can fulfil all of its obligations even in the event of an orderly liquidation of JPMorgan Chase & Co. and are of investment grade, these intercompany receivables are included in Stage 1 as they are held with MLEs and considered to not have an increase in credit risk that would result in material expected credit losses. Receivables from MLE's are only included in Stage 2 if the obligor is no longer considered an MLE and there is evidence of credit deterioration of the obligor, or if certain support triggers defined in the JPMorgan Chase & Co.'s Resolution Plan occur. Receivables from MLE's are not credit impaired as the Firm ensures MLE's are more than adequately capitalized as required by the Firms Resolution Plan.

The anticipated ECL for other receivables from non MLEs was determined to not be material and no loss was recognized.

g. Non-TCP intercompany transactions

The Branch has determined that ECL on other non-TCP portfolios are immaterial due to:

The existence of credit risk mitigants such as the existence of the collateral.

The credit quality of the borrower (e.g. investment-grade); and/or the short-term nature of the instrument. Similarly, the Branch has determined that these non-TCP portfolios are without SICR (i.e. Stage 1) due to the credit quality of the borrower and/or the short-term nature of the instrument.

For non-TCP intercompany transactions, the Branch evaluates the counterparty based on the consolidated Firm's resolution and recover plan, tenor of the instrument and any collateral received. The Branch has not experienced any losses on non-TCP intercompany transactions.

The Branch continues to monitor its non-TCP portfolios to ensure the described framework is appropriate and its exposure to credit risk and ECL on these portfolios are adequately reflected in the allowance for credit losses.

Write-offs

Loans recognised as loans and advances on the balance sheet are charged off when it is highly certain that a loss has been realised. The determination of whether to recognise a charge-off includes many factors, including the prioritisation of the Branch's claim in bankruptcy, expectations of the workout/restructuring of the loan and valuation of the borrower's equity or the loan collateral.

All other financial assets are written off when there is no reasonable expectation of recovery, and the amount of loss can be reasonably estimated or when the asset is past due for a specified period.

8. Counterparty credit risk (table CCRA)

Credit exposure arising from markets activity is referred to as counterparty exposure.

Risk Measurement

JPMCB Jhb calculates standalone CCR on a standardised approach, based on its exposure to OTC derivatives.

Counterparty Risk relies upon multiple measures to capture, monitor, and control counterparty credit risk. These include but are not limited to metrics on Stress (SSE), Peak, Duration Based Settlement Exposure (DBSE) and Gross Market Concentration (GMC).

SSE is a primary scenario-based stress exposure metric used for credit limit monitoring of Over the counter (OTC) derivatives, exchange traded Futures and Options (F&O) and Securities Financing Transactions (SFT). SSE scales the Firm's point in time counterparty exposure under a range of stressed but plausible market environments to calculate the potential loss following the instantaneous default of a counterparty, enabling Credit Officers to analyze the resulting profit/loss to better understand the risks across a range of economic and market scenarios, as well as the risk factors and assets responsible for the losses in each scenario. SSE is calculated by applying instantaneous shocks to jointly stressed counterparty positions and collateral. The SSE metric is calculated daily for non-CCP and weekly for CCPs per the Strategic Stress Exposure Framework.

Potential Future Exposure (Peak) is the exposure measure used in limit setting and considers the netting and collateral. It is calculated as a 93.5% Expected Shortfall measure which is calibrated to be broadly equivalent in severity to a percentile measure at 97 to 98% confidence level. Peak is a tail risk measure that assumes that the default of a counterparty coincides with a highly disadvantageous market conditions, and so measures a "near worst case".

Duration Based Settlement Exposure (DBSE) considers the duration of risk resulting from settling different currencies locally and is used for limits monitoring against Settlement Limits. DBSE measures the amount of purchased contracts which are delivered on a single day to a particular counterparty. It does not include Delivery vs. Payment (DVP) or Payment vs. Payment (PVP) transactions.

Gross Market Concentration (GMC) is a measurement of the size of a traded position (OTC, Cleared and Securities Financing Transactions) with a counterparty that references a single issuer or asset vs. the traded market depth of that issuer or asset, as determined by reference to the applicable dollar value of the average daily trading volume.

Credit Risk Mitigation

As part of its management of credit and counterparty credit exposures, the Firm actively engages in credit risk mitigation techniques to reduce the amount of credit risk it is taking, to spread the concentration of risk across its portfolio and ultimately to ensure efficient use of capital in compliance with the applicable regulations. This is accomplished through a number of means, including loan sales, receipt of collateral, master netting agreements, guarantees, credit derivatives, and other risk-reduction techniques.

As a result of such credit risk mitigation activities the firm is potentially exposed to residual risk to the extent that said techniques prove less effective than expected. In this regard, the firm has established policies and procedures to ensure that this risk is adequately governed, and the mitigating technique conservatively measured, as detailed below.

Receipt of collateral and netting arrangements: Where possible, the Firm seeks to mitigate its credit risk exposures arising from derivative transactions through the use of legally enforceable master netting arrangements and collateral agreements.

Master netting agreements allow for netting of credit risk exposure to a counterparty resulting from various transactions against the Firm's obligations to the counterparty in the event of default, to produce lower net credit exposure. Similarly to Collateral Confidence Factors ("CCF"), a Netting Confidence Factor ("NCF") is assigned to each jurisdiction where the Firm has a legal opinion on netting enforceability during a closeout. Netting enforceability can affect the firm's ability to reduce exposure with collateral. An NCF is assigned by Firm's legal department.

Guarantees: The Third-Party Credit Supports policy sets out specific requirements of an "eligible guarantee" for purposes of Risk-Based Capital Rules applicable to the Firm. To ensure the legal enforceability of the commitment by the guarantor, all guarantees must be reviewed by legal counsel at the outset and are also subject to periodic review to ensure their ongoing effectiveness.

Credit Derivatives: The Firm uses credit derivatives to manage the credit risk associated with lending exposures activities (loans and unfunded commitments) in its wholesale and consumer businesses and derivatives counterparty exposures in its wholesale businesses, and to manage credit risk arising from certain financial instruments in the Firm's market-making businesses. The effectiveness of credit default swaps ("CDS") as a hedge against the Firm's exposures may vary depending on a number of factors, including the named reference entity (i.e. the Firm may experience losses on specific exposures that are different than the named reference entities in the purchased CDS); the contractual terms of the CDS (which may have a defined credit event that does not align with an actual loss realized by the Firm); and the maturity of the Firm's CDS protection (which in some cases may be shorter than the Firm's exposures). However, the Firm generally seeks to purchase credit protection with a maturity date that is the same or similar to the maturity date of the exposure for which the protection was purchased, and remaining differences in maturity are actively monitored and managed by the Firm.

Wrong way risk

The Firm may be exposed to additional credit risk as a result of wrong way nature of certain OTC Derivatives, Cleared Derivatives, Futures & Options and Securities Financing trades, or the wrong way nature of collateral taken against these trades. The Firm has established a Standard that defines governance framework and additional controls to cover specific and general wrong way risk. Specific Wrong Way Risk (SWWR) is when the potential exposure on a transaction with a counterparty is highly and adversely correlated with the counterparty's creditworthiness. This risk is generally measured on the basis of an immediate jump-to-default assumption. General Wrong Way Risk (GWWR) arises for a given counterparty when the exposure and likelihood of default of the counterparty are positively correlated with general market risk factors.

JPMCB Jhb exposure to counterparty credit risk

	Unmargined netting sets		Margined netting sets		Exposure amount	
	Replacement costs	Potential future exposure add-on	Replacement costs	Potential future exposure add-on	Unmargined netting sets	Margined netting sets
	(R millions)	(R millions)	(R millions)	(R millions)	(R millions)	(R millions)
2024						
Over the counter derivative instruments	8,129	6,674	99	833	20,724	1,304
Total	8,129	6,674	99	833	20,724	1,304

	<u>Unmargined netting sets</u>		<u>Margined netting sets</u>		<u>Exposure amount</u>	
	<u>Replacement costs</u>	<u>Potential future exposure add-on</u>	<u>Replacement costs</u>	<u>Potential future exposure add-on</u>	<u>Unmargined netting sets</u>	<u>Margined netting sets</u>
	(R millions)	(R millions)	(R millions)	(R millions)	(R millions)	(R millions)
2023						
Over the counter derivative instruments	8,058	9,509	322	2,531	24,593	3,994
Total	8,058	9,509	322	2,531	24,593	3,994

Credit derivatives are held in the trading book and are fully hedged resulting in no net market risk. Credit derivatives are netted with other derivative exposures with the same counterparty under ISDA agreements.

9. Market risk (table MRA)

Market risk is the risk associated with the effect of changes in market factors such as interest and foreign exchange rates, equity and commodity prices, credit spreads or implied volatilities, on the value of assets and liabilities held for both the short and long term.

Market Risk Governance

Market Risk Management monitors market risks throughout the Firm and defines market risk guidance.

The Market Risk Management function seeks to manage risk, facilitate efficient risk/return decisions, reduce volatility in operating performance and provide transparency into the Firm's market risk profile for senior management, the Board of Directors and regulators.

JPMCB Jhb's approach to market risk governance mirrors the Firmwide approach with legal entity specific governance overlay.

Risk Measurement

There is no single measure to capture market risk and therefore the Firm and JPMCB Jhb use various metrics both statistical and non-statistical to assess risk. The appropriate set of risk measures utilized for a given business activity is tailored based on business mandate, risk horizon, materiality, market volatility and other factors.

JPMCB Jhb uses the standardised approach to calculate market risk capital requirement for local regulatory reporting and compliance requirements.

Value-at-Risk ('VaR')

The Firm utilises VaR, a statistical risk measure, to estimate the potential loss from adverse market moves in the current market environment.

The VaR framework is employed across the Firm using historical simulation based on data for the previous 12 months.

VaR is calculated assuming a one-day holding period and an expected tail-loss methodology which approximates a 95% confidence level. These VaR results are reported to senior management, the Firm Board of Directors and regulators.

JPMCB Jhb applies the Firm-wide approach for VaR as described above, for internal risk management purposes.

Stress testing

Along with VaR, stress testing is an important tool to assess risk. While VaR reflects the risk of loss due to adverse changes in markets using historical market behaviour, stress testing reflects the risk of loss from hypothetical changes in the value of market risk sensitive positions applied simultaneously.

The Firm and JPMCB Jhb run weekly stress tests on market-related risks across the lines of business using multiple scenarios that assume significant changes in risk factors such as credit spreads, equity prices, interest rates, currency rates or commodity prices.

The Firm and JPMCB Jhb use a number of standard scenarios that capture different risk factors across asset classes including geographical factors, specific idiosyncratic factors and extreme tail events. The stress testing framework calculates multiple magnitudes of potential stress for both market rallies and market sell-offs for each risk factor and combines them in multiple ways to capture different market scenarios. The flexibility of the stress testing framework allows risk managers to construct new, specific scenarios that can be used to form decisions about future possible stress events.

Stress-test results, trends and qualitative explanations based on current market risk positions are reported to the respective Line of Business (“LOB”), Firm and JPMCB Jhb senior management as appropriate, to allow them to better understand the sensitivity of positions to certain defined events and to enable them to manage their risks with more transparency.

Stress scenarios are defined and reviewed by Market Risk Management, and significant changes are reviewed by the relevant LOB Risk Committees and may be redefined on a periodic basis to reflect current market conditions.

Non-statistical risk measures

Aside from VaR and stress testing, other specific risk measures, such as, but not limited to, credit spread sensitivities, net open positions, basis point values, option sensitivities, are also utilised within specific market context and aggregated across businesses.

JPMCB Jhb utilises non-statistical risk measures such as but not limited to, FX Delta and IR Delta, to measure and monitor risk.

Limits

Market risk limits are employed as the primary control to align the Firm’s and JPMCB Jhb’s market risk with certain quantitative parameters within the Firm’s and JPMCB Jhb’s Risk Appetite framework, respectively.

Market Risk Management sets limits and regularly reviews and updates them as appropriate, at least semi-annually, with any changes approved by Firm or LOB or JPMCB Jhb management, as appropriate, and Market Risk Management. Limits that have not been reviewed within a specified time period by Market Risk Management are reported to senior management.

Limit breaches are required to be reported in a timely manner to limit approvers, which include Market Risk Management and senior management. In the event of a limit breach, Market Risk Management consults with senior management to determine the course of action required to return to compliance, which may include as a reduction in risk or granting a temporary increase in limits to accommodate an expected increase in client activity and/or market volatility. Certain Firm, LOB or JPMCB Jhb level limits that have been breached are escalated as appropriate.

JPMCB Jhb’s limits include VaR, Stress and non-statistical limits established for the legal entity:

Appropriate Business area representatives and Market Risk representatives are signatories to these limits.

Risk Reporting

The Firm and JPMCB Jhb have their own set of regular market risk reports, which include daily notification of limit utilizations and limit breaches, and where applicable, granular market risk metrics which provide transparency into potential risk concentrations.

Market risk capital requirements

JPMCB Jhb has adopted the standardised approach for calculating the regulatory market risk capital requirements for the Prudential Authority.

**Market Risk Capital Requirements Weighted Exposure as at 31
December**

(R millions)	2024	2023
Interest rate risk	1,058	1,185
Foreign exchange net open position	525	479
Total	1,583	1,664

10. Operational risk (Table ORA)

Operational risk

Operational risk is the risk of an adverse outcome resulting from inadequate or failed internal processes or systems; human factors; or external events impacting the Firm's processes or systems. Operational Risk includes compliance, conduct, legal, and estimations and model risk. Operational risk is inherent in the Firm's activities and can manifest itself in various ways, including fraudulent acts, business disruptions (including those caused by extraordinary events beyond the Firm's control) cyber-attacks, inappropriate employee behaviour, failure to comply with applicable laws, rules and regulations or failure of vendors or third-party providers to perform in accordance with their agreements. Operational Risk Management attempts to manage operational risk at appropriate levels in light of the Firm's financial position, the characteristics of its businesses, and the markets and regulatory environments in which it operates.

Operational Risk Management Framework

The Firm's Compliance, Conduct, and Operational Risk ("CCOR") Management Framework is designed to enable the Firm to govern, identify, measure, monitor and test, manage and report on the Firm's operational risk.

Operational Risk Governance

The LOBs and Corporate are responsible for the management of operational risk. The Control Management Organization, which consists of control managers within each LOB and Corporate, is responsible for the day-to-day execution of the CCOR Framework.

The Firm's Global Chief Compliance Officer ("CCO") and Firmwide Risk Executive ("FRE") for Operational Risk and Qualitative Risk Appetite is responsible for defining the CCOR Management Framework and establishing the minimum standards for its execution. The LOB and Corporate aligned CCOR Lead Officers report to the Global CCO and FRE for Operational Risk and Qualitative Risk Appetite and are independent of the respective businesses or functions they oversee. The CCOR Management Framework is included in the Risk Governance and Oversight Policy that is reviewed and approved by the Board Risk Committee periodically.

Operational Risk Identification

The Firm utilizes a structured risk and control self-assessment process that is executed by the LOBs and Corporate. As part of this process, the LOBs and Corporate evaluate the effectiveness of their respective control environment to assess circumstances in which controls have failed, and to determine where remediation efforts may be required. The Firm's Operational Risk and Compliance organization ("Operational Risk and Compliance") provides oversight of and challenge to these evaluations and may also perform independent assessments of significant operational risk events and areas of concentrated or emerging risk.

Operational Risk Measurement

Operational Risk and Compliance performs an independent assessment of the operational risks inherent within the LOBs and Corporate, which includes evaluating the effectiveness of the control environments and reporting the results to senior management.

In addition, Operational Risk and Compliance assesses operational risks through quantitative means, including operational risk-based capital and estimation of operational risk losses under both baseline and stressed conditions.

The Firm considers the impact of stressed economic conditions on operational risk losses and develops a forward-looking view of material operational risk events that may occur in a stressed environment. The Firm's operational risk stress testing framework is utilized in calculating results for the Firm's CCAR and other stress testing processes.

Operational Risk Monitoring and testing

The results of risk assessments performed by Operational Risk and Compliance are used in connection with their independent monitoring and testing compliance of the LOBs and Corporate with laws, rules, and regulations. Through monitoring and testing, Operational Risk and Compliance independently identify areas of heightened operational risk and tests the effectiveness of controls within the LOBs and Corporate.

Management of Operational Risk

The operational risk areas or issues identified through monitoring and testing are escalated to the LOBs and Corporate to be remediated through action plans, as needed, to mitigate operational risk. Operational Risk and Compliance may advise the LOBs and Corporate in the development and implementation of action plans.

Operational Risk Reporting

All employees of the Firm are expected to escalate risks appropriately. Risks identified by Operational Risk and Compliance are escalated to the appropriate LOB and Corporate Control Committees, as needed. Operational Risk and Compliance has established standards designed to ensure that consistent operational risk reporting and operational risk reports are produced on a Firmwide basis as well as by the LOBs and Corporate. Reporting includes the evaluation of key risk and performance indicators against established thresholds as well as the assessment of different types of operational risk against stated risk appetite. The standards establish escalation protocols to senior management and to the Board of Directors.

JPMCB Jhb Operational Risk Overview

JPMCB Jhb adheres to the firmwide Compliance, Conduct and Operational Risk Management Framework.

The Branch has one dedicated Location Control Manager ("LCM"). The LCM forms part of the business reporting into the Control Management organisation and supports the business in the execution of the CCOR framework at the location level in the region.

A Location Operational Risk and Control Committee ("LORCC") is in place as a forum where Senior Managers discuss operational risks and supervise the control environment of each line of business operating in South Africa. Committee members review metrics that indicate soundness of their operational risk processes. The LORCC is a delegated committee of the SA LMC and issues raised at the LORCC are escalated to the SA LMC as appropriate.

JPMCB Jhb Operational Risk capital measurement

JPMCB Jhb calculates the Operational Risk Capital Requirement (ORCR) for Pillar 1 using the Basic Indicator Approach ("BIA"). The Pillar 1 assessment of Operational risk is calculated in accordance with the BIA under Basel 3. This approach calculates operational risk capital using a single indicator as a proxy for an institution's overall operational risk exposure—referred to as the "relevant indicator".

The relevant indicator is the sum of JPMCB Jhb's net interest income and its net non-interest income before the deduction of any provisions and operating expenses. The Operational Risk

Capital Requirement under the BIA is equal to 15% of the average over the previous three years of the relevant indicator. If the relevant indicator for a given year is negative, it is excluded from both the numerator and denominator when calculating the average.

On instructions from the PA, a 3% capital requirement is added to Pillar 1 leading total Operational risk RWA to an equivalent of 18% of the relevant indicator.

Operational risk weighted exposure as at 31 December

(R millions)	2024	2023
Operational risk	3,661	2,935

11. Liquidity risk (Table LIQA)

Liquidity risk is the risk that the JPMCB Jhb will be unable to meet contractual and contingent financial obligations as they arise or there not being an appropriate amount, composition and tenor of funding and liquidity to support its assets and liabilities.

JPMCB Jhb's liquidity and funding management is integrated into JPMorgan Chase & Co.'s (the Firm's) liquidity management framework.

Liquidity management

The Treasury and Chief Investment Officer is responsible for liquidity management. The primary objectives of the Firm's liquidity management are as follows:

- Ensure that the Firm's core businesses and material legal entities are able to operate in support of client needs and meet contractual and contingent financial obligations through normal economic cycles as well as during stress events and
- Manage an optimal funding mix and availability of liquidity sources.

These objectives are addressed through:

- Analysing and understanding the liquidity characteristics of the assets and liabilities of the Firm, lines of business and legal entities, taking into account legal, regulatory, and operational restrictions.
- Developing internal liquidity stress testing assumptions.
- Defining and monitoring firmwide and legal entity specific liquidity strategies, policies, reporting and contingency funding plans.
- Managing liquidity within the Firm's approved liquidity risk appetite tolerances and limits.
- Managing compliance with regulatory requirements related to funding and liquidity risk; and
- Setting Funds Transfer Pricing (FTP) in accordance with underlying liquidity characteristics of balance sheet assets and liabilities as well as certain off-balance sheet items

As part of the Firm's overall liquidity management strategy, the Firm manages liquidity and funding using a centralised, global approach designed to:

- Optimize liquidity sources and uses.
- Monitor exposures.
- Identify constraints on the transfer of liquidity between legal entities; and
- Maintain the appropriate amount of surplus liquidity at a firmwide and legal entity level.

Liquidity risk management

The Liquidity Risk Management (LRM) function is the Firm's independent second line of defence. LRM is responsible for the independent assessment, measuring, monitoring, and control of liquidity risk across the Firm. LRM's responsibilities include, but are not limited to:

- Defining, monitoring, and reporting liquidity risk metrics
- Independently establishing and monitoring limits and indicators, including liquidity risk appetite
- Developing a process to classify, monitor and report limit breaches.

- Performing an independent review of liquidity risk management processes to evaluate their adequacy and effectiveness based on LRM's Independent Review Framework
- Monitoring and reporting internal firmwide and legal entity liquidity stress tests regulatory defined liquidity metrics, as well as liquidity positions, balance sheet variances and funding activities.
- Approving or escalating for review new or updated liquidity stress assumptions

Liquidity Risk Governance

The Firm has established and implemented strategies, policies, and procedures to effectively manage liquidity risk at the Firmwide, legal entity and LOB levels. The specific risk committees responsible for liquidity risk governance include the Firmwide Board Risk Committee, Firmwide ALCO, the Treasurer Committee and CTC Risk Committee, as well as risk committees and ALCOs of regions, legal entities, and LOBs.

The CTC Risk Committee (RC), which is co-chaired by JPMC Chief Financial Officer (CFO) and CTC CRO is the governing committee and escalation channel to the FRC for the oversight of firmwide liquidity risk. The CTC RC reviews.

- Stress practices, methodologies, assumptions (including any amendments), and results used within liquidity risk stress tests that are part of the firm's Quantitative Risk Appetite Framework on a quarterly basis.
- The size and composition of the liquidity buffer
- The firm's compliance with liquidity risk limits on a quarterly basis
- A summary of the independent reviews evaluating the adequacy and effectiveness of the firm's liquidity risk management processes on an annual basis

The Firm's Liquidity Risk Management Policy specifies overall principles for the Firm's approach to liquidity risk management. This policy establishes the requirements to assess, measure, monitor and control liquidity risk. Liquidity risk limits and indicators framework is detailed in and governed by the firmwide Liquidity Risk Limits and Indicators Standard, which is reviewed and approved by the Head of Liquidity Risk Management.

Liquidity risk limits and indicators

Liquidity risk limits and indicators framework is detailed in and governed by the firmwide Liquidity Risk Limits and Indicators Standard, which is approved by the Head of LRM.

Limits are defined as internal risk metrics, used as the primary controls that aim to restrict the amount of liquidity risk or balance sheet exposure across the Firm such that the Firm's liquidity position is maintained and is aligned with the Firm's quantitative risk appetite, as determined by the Firm's senior management.

Indicators serve as early warning signals of changes within market or counterparty/customer behaviour. Indicator breaches require a prompt assessment of the current and/or potentially changing liquidity status for the Firm, region, or LOB.

The key principles underpinning these limits and indicators are.

- Limits and indicators are established by International ALM Risk, who are part of the LRM group, in conjunction with Global Treasury
- Limits and indicators are classified as Level 1 (highest level), Level 2, and Level 3 which have formalised approvers, notifications list and escalations.
- Limits and indicators must be tracked and reported in accordance with the with their defined frequency.

- New liquidity risk limits and indicators, as well as changes, breaches, and one-off approvals of current limits and indicators must be approved and signed by the liquidity risk limit and indicator signatories. Notifications must be sent to both signatories and groups identified under notifications.
- All valid end of day Level 1, Level 2 and Level 3 liquidity risk limit breaches require Corporate Treasury to actively direct LOBs or take steps to bring utilization within limits, unless Treasury and LRM agree that known activity will address the breach. All valid indicator breaches require Corporate Treasury or respective LOBs to provide feedback and commentary to LRM on the reason for the breach and an assessment of the current and/or potentially changing liquidity status, which will be included within breach notifications.
- Any intraday limit breaches require notification to signatories and predefined controls to be enacted. Intraday indicator breaches require notification to signatories. Limits and indicators must be tracked and reported daily.

Internal stress testing

Liquidity stress tests are intended to ensure that there is sufficient liquidity under a variety of adverse scenario, including scenarios analysed as part of the Firm's resolution and recovery planning.

Liquidity stress scenarios are produced for JPMorgan Chase & Co. and the Firm's material legal entities on a regular basis, and other stress tests are performed, in response to specific market events or concerns. Liquidity stress tests assume contractual financial obligations are met and take into consideration:

- Varying levels of access to unsecured and secured funding markets,
- Estimated non-contractual and contingent cash outflows,
- Potential impediments to the availability and transferability of liquidity between jurisdictions and material legal entities such as regulatory, legal, or other restrictions

Liquidity outflow assumptions are modelled across a range of time horizons and currency dimensions and contemplate both market and idiosyncratic stress.

The results of stress tests are considered in the formulation of the funding plan and assessment of its liquidity position. JPMCB Jhb is incorporated into the firmwide internal stress testing framework and the primary internal stress test for JPMCB Jhb is JPM Stress which is currently managed through 90 days. The JPM Stress scenario is defined as a simultaneous occurrence of an extreme market and idiosyncratic stress event with significant financing constraints. The scenario assumes that the stress event occurs on day 1 and excludes the benefit of any prior period deleveraging actions as a mitigant to potential stress impacts.

Contingency funding plan

The Firm's contingency funding plan (CFP), which is approved by the firmwide ALCO and the Board Risk Committee, is a compilation of procedures and action plans for managing liquidity through stress events. The CFP incorporates the limits and indicators set by the Liquidity Risk Management (LRM) group. These limits and indicators are reviewed regularly to identify emerging risks or vulnerabilities in the Firm's liquidity position. The CFP identifies the alternative contingent funding and liquidity resources available to the Firm and its legal entities in a period of stress.

CFP Legal Entity addendum of JPMCB Johannesburg should be read in conjunction with the JPM Group Contingency Funding Plan.

JPMorgan Chase Bank, N.A. Johannesburg (“JPMCB Jhb”)

The South African Asset and Liability Committee (“SA ALCO”) is responsible for reviewing the liquidity risk profile of JPMCB Jhb.

JPMCB Jhb is subject to the PA’s liquidity regulations.

Liquidity Coverage Ratio (LCR)

Per the directives issued by the PA, the LCR is a prudential requirement with a minimum requirement of 100%.

The LCR is intended to measure the amount of “high quality liquid assets” (“HQLA”) held by the Branch in relation to estimated net cash outflows within a 30-day period during an acute

stress event.

The Branch did not breach its LCR limit or indicator during 2024.

Net stable funding ratio (NSFR)

NSFR aims to promote resilience over a longer time horizon by creating incentives for banks to fund their activities with more stable sources of funding on an ongoing basis.

Per PA Directive 8 of 2017 the NSFR became a minimum applicable liquidity requirement from 1 January 2018, reportable on a monthly basis within 20 business days immediately following the reportable month end.

The Branch did not breach its NSFR limit or indicator during 2024.

Liquid asset requirement

Under the PA liquidity requirements, JPMCB Jhb holds certain unencumbered high quality, liquid assets that are available to raise liquidity if required.

The Branch did not breach its liquid asset requirement during 2024.

12. Interest rate risk in the banking book (“IRRBB”) (table IRRBBA)

Interest rate risk in the banking book (IRRBB)

Interest Rate Risk in the Banking Book (IRRBB) is defined as interest rate risk resulting from the Firm’s traditional banking activities (accrual accounted on and off-balance sheet positions) which include the extension of loans and credit facilities, taking deposits and issuing debt (collectively referred to as ‘non-trading’ activities); and also the impact from Treasury and Chief Investment Office (T/CIO) investment securities portfolio and other related T/CIO activities. IRR from non-trading activities can occur due to a variety of factors, including but not limited to

- Difference in the timing of re-pricing of assets, liabilities, and off-balance sheet instruments.
- Differences in the balances of assets, liabilities, and off-balance sheet instruments that re-price at the same time.
- Differences in the amounts by which short-term and long-term market interest rates change; and
- Impact of changes in the duration of various assets, liabilities, or off-balance sheet instruments as interest rates change.

IRRBB Governance

Governance for Firmwide IRR is defined in the IRR Management policy which is approved by CTC CRO. The CIO, Treasury and Other Corporate Risk Committee (CTC RC) is the governing committee with respect to IRRBB. The CTC RC is responsible for, but not limited to:

- Reviewing the IRR Management policy
- Reviewing the IRR profile of the Firm and adherence to limits
- Reviewing significant changes to IRR models and/or assumptions; and
- Providing Governance on legal entity related exposures

IRR exposures, significant models and/or assumptions including the changes are reviewed by Firmwide ALCO, chaired by the Firm’s Treasurer and Chief Investment Officer, and supported by the Treasurer Committee. The ALCO provides a framework for overseeing the IRR of LOBs, foreign jurisdictions, and key legal entities to appropriate LOB ALCOs, Country ALCOs and other local governance bodies.

In addition, oversight of structural interest rate risk is managed through IRR Management, an independent risk management function reporting to the CTC CRO.

IRR Management is responsible for, but not limited to

- Establishing and monitoring metrics to manage interest rate risk, which may include, but are not limited to Earnings at Risk, Duration of Equity, Economic Value Sensitivity.
- Defining and monitoring interest rate risk limits; signatories to limits include representatives from both the first and second lines of defence.
- Developing a process to classify, monitor and report limit breaches.
- Performing independent review of the Firm’s interest rate risk activities.
- Creating and maintaining governance over interest rate risk assumptions.
- Overseeing interest rate risk of LOBs net of Funds Transfer Pricing; and
- Providing independent oversight and governance for applicable legal entities

Risk identification and measurement

Treasury and Chief Investment Office (T/CIO) manages interest rate risk exposure on behalf of the Firm by identifying, measuring, modelling, and monitoring Firmwide interest rate risk. The office identifies and understands material balance sheet impacts of new initiatives and products and executes market transactions to manage interest rate risk through its investment portfolio positions. Execution is based on parameters established by senior management, per the Investment Policy. Lines of businesses are responsible for developing and monitoring the appropriateness of LOB specific interest rate risk modelling assumptions. The Funds Transfer Pricing policy provides a framework to transfer interest rate risk from LOBs to T/CIO.

Measures to monitor and manage IRR include:

- Earnings-at-Risk (EaR): Primary metric used to gauge the Firm's shorter term interest rate risk exposure is Earnings at Risk (EaR), or the sensitivity of pre-tax net interest income and interest rate sensitive fees to changes in interest rates over a rolling 12 months compared to a base scenario.
- Duration of Equity (DoE): Primary metric used to determine the Firm's long-term exposure to interest rate changes. DoE is calculated by measuring the change in the discounted value of asset, liability, and off-balance sheet cash-flows for a 100-basis point change in interest rates, divided by the book value of equity.
- Economic Value Sensitivity (EVS): EVS is an additional Firmwide metric utilized to determine changes in Economic Value of Equity (EVE) due to changes in interest rates. EVE sums the present value of expected future cash-flows across the Firm's balance sheet.
- Additional scenario analysis, including Firmwide Stress Initiative (FSI) scenarios and bespoke scenarios, will also be run, as required.

Limits

The independent International Asset Liability Management ("IALM") Risk function is responsible for oversight of IRR. The function's responsibilities include the identification, measurement, and monitoring of IRR, including establishing and monitoring IRR Limits. IALM Risk periodically reviews/updates the limits as appropriate.

IRR limits are established for Economic Value Sensitivity ("EVS")/Equity (15%) and Earnings-at-Risk ("EaR") (R750m) metrics for JPMCB Jhb.

JPMCB Jhb

JPMCB Jhb banking book's interest rate risk is managed by the Branch Treasurer supported by Corporate Treasury which manages to the firmwide policies on interest rate risk management.

At the legal entity level, IRR is monitored using Earnings at Risk and Economic Value Sensitivity ("EVS") of the banking book under two parallel and four non-parallel shifts in interest rate curve. The magnitude of the interest rate shocks is prescribed by the Basel Committee on Banking Supervision (BCBS). The impact of the binding scenarios on the Earnings-at-risk (EaR) and economic value (EVS) from IRRBB of JPMCB Jhb are shown in the tables below.

IRRBB impact of parallel rate shock on Net interest Income (NII) including derivative instruments as at 31 December 2024

(R millions)

In reporting currency	ΔEVE (Behavioural)		ΔNII (Behavioural)	
	2024	2023	2024	2023
Parallel up	(46)	(70)	645	650
Parallel down	49	79	(645)	(650)
Steeper	24	29		
Flattener	(32)	(42)		
Short rate up	(45)	(64)		
Short rate down	48	67		
Maximum	46	70	645	650
Tier 1 capital	13,611	13,700		

13. Remuneration disclosures (Table REMA)

Background

This section sets out the remuneration disclosures required in relation to JPMCB Jhb and in respect of the remuneration period (“Performance Year”) ending 31 December 2024.

This disclosure sets out general principles. Details of specific remuneration programmes are set forth in the relevant plan terms and conditions as in force from time to time.

Qualitative disclosures

As part of the Firm, JPMCB Jhb applies the Firm’s global compensation practices and principles. The qualitative remuneration disclosures required under the Basel Pillar 3 standards in respect of all employees of the Firm’s businesses operating in EMEA, including staff of JPMCB Jhb, is available in the most recent EMEA Remuneration Policy Disclosure at: <http://investor.shareholder.com/jpmorganchase/basel.cfm>.

Additional qualitative disclosures specific to JPMCB Jhb

The South African Banking Regulations do not include guidance on, or a definition of, “material risk taker” (“MRTs”) or “Senior Management”. For the purposes of this disclosure, JPMCB Jhb has identified.

Ten members of the Branch as “Senior Management” being those employees that comprise its Branch Oversight Committee

Two further employees of the Branch as “Other Material Risk Takers” on the basis of their role (in particular their regulatory designation) and total compensation level

Quantitative disclosures

The prescribed disclosures in relation to these two groups are set out in the Appendices as follows:

Appendix D: Remuneration awarded during the financial year.

Appendix E: Special payments

Appendix F: Analysis of deferred remuneration

In preparation of these disclosures, JPMCB Jhb has taken into account its size, in particular the number of individuals identified as “Senior Management” and “Other Material Risk Takers” for the purposes of this disclosure. In light of these considerations, JPMCB Jhb concluded that it was appropriate to aggregate the compensation information for these groups. Where compensation was denominated in currencies other than ZAR, the annual average FX rate has been used for the purposes of these disclosures (ZAR18.44: USD 1). Note that 2023 figures have not been restated.

Appendices

Table CCA: Main features disclosure template (annual)

**Name of bank/controlling company: JPMorgan Chase Bank, N.A
Johannesburg Branch**

Year ended: 2024-12-31.

Main features of regulatory capital instruments

1	Issuer	N/A
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	
	Regulatory Treatment	
4	Transitional Basel III rules	N/A
5	Post-transitional Basel III rules	N/A
6	Eligible at solo/group/group and solo	N/A
7	Instrument type	N/A
8	Amount recognised in regulatory capital (R 'million, as of most recent reporting date)	13,767
9	Par value of instrument	N/A
10	Accounting classification	Shareholders' equity
11	Original date of issuance	N/A
12	Perpetual or dated	Perpetual
13	Original maturity date	N/A
14	Issuer call subject to prior supervisory approval	N/A
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A

Coupons / dividends

17	Fixed or floating dividend / coupon	N/A
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	N/A
20	Fully discretionary, partially discretionary, or mandatory	N/A
21	Existence of step up or other incentive to redeem	N/A
22	Noncumulative or cumulative	N/A
23	Convertible or non-convertible	N/A
24	If convertible, conversion trigger	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory, or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	N/A
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A

Template REM1: Remuneration awarded during the financial year (annual)

Total amount of remuneration for the performance year (ZAR 000)		2023	2024
1	Number of employees	12	12
2	Total fixed remuneration	51,700	54,058
3	Of which: Cash-based	51,700	54,058
4	Of which: Deferred		
5	Fixed remuneration		
	Of which: Shares or other share-linked instruments		
6	Of which deferred		
7	Of which: Other forms		
8	Of which deferred		
9	Number of employees	12	10
10	Total variable remuneration (11+13.15)	62,447	61,658
11	Of which: Cash-based	41,874	40,894
12	Variable remuneration		
	Of which: Deferred		
13	Of which: Shares or other share-linked instruments	20,603	20,764
14	Of which deferred	20,603	20,764
15	Of which: Other forms		
16	Of which deferred		
17	Total remuneration (2+10)	114,117	115,716

Template REM2: Special payments (annual)

Guarantees, sign-on and severance payments.

No guaranteed bonus or sign-on awards were paid to either group during 2024 (2023: Nil). No severance payments were made to these groups during 2024 (2023: Nil).

Special payments	Guaranteed bonuses		Sign-on awards		Severance payments	
	Number of employees	Total amount	Number of employees	Total amount	Number of employees	Total amount
Senior management						
Other material risk-takers						

Template REM3: Analysis of deferred remuneration (annual)

	a	b	c	d	e
		Of which: Total amount of outstanding deferred and retained	Total amount of amendment during the year due to ex post explicit adjustments	Total amount of amendment during the year due to ex post implicit adjustments ²	Total amount of deferred remuneration paid out in 2024
Deferred and retained remuneration (ZAR '000)	Total amount of outstanding deferred remuneration as at 31 December 2024	remuneration exposed to ex post explicit and/or implicit adjustment ¹			
Cash					
Shares	74,830	74,830		22,607	(25,139)
Cash-linked instruments					
Other					
Total	74,830	74,830		22,607	(25,139)

1. All awards of deferred variable compensation are subject to malus and clawback provisions as set out in the most recent EMEA Remuneration Policy Disclosure, as referenced above.

2. All awards of deferred variable compensation have been made in Restricted Stock Units and so their value fluctuates with the value of the Firm's stock.

Template LIQ1: Liquidity coverage ratio for the quarter ended 31 December 2024 (quarterly)

(R millions)	Total unweighted ¹ value (daily average October to December 2024)	Total weighted ² (daily average October to December 2024)
High quality liquid assets		
1 Total high-quality liquid assets (HQLA)		17,207
Cash outflows		
2 Retail deposits and deposits from small business customers, of which:		
3 Stable deposits	-	
4 Less stable deposits	-	
5 Unsecured wholesale funding, of which:	25,065	4,786
6 Specified term deposit with residual maturity greater than 30 days	16,786	
7 Operational deposits (all counterparties) and deposits in networks of cooperative banks		
8 Non-operational deposits (all counterparties)	8,279	4,786
9 Unsecured debt		
10 Secured wholesale funding	10,192	
11 Additional requirements, of which:	36,670	4,830
12 Outflows related to derivative exposures and other collateral requirements	3,128	3,128
13 Outflows related to loss of funding on debt products		
14 Credit and liquidity facilities		
15 Other contractual funding obligations	11	1
16 Other contingent funding obligations	33,532	1,701
17 Total cash outflows		9,616
18 Secured lending (e.g. reverse repos)	18,729	
19 Inflows from fully performing exposures		
20 Other cash inflows	19,270	19,169
21 Total Cash Inflows		19,169
		Total adjusted³ value
22 Total HQLA		17,207
23 Total net cash outflows		2,404
24 Liquidity coverage ratio (%)		715.77%

Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

Weighted values must be calculated after the application of respective haircuts (for HQLA) or inflow and outflow rates (for inflows and outflows).

Adjusted values must be calculated after the application of both (i) haircuts and inflow and outflow rates and (ii) any applicable caps (i.e. cap on level 2B and Level 2 assets for HQLA and cap on inflows).

Template KM1: Key prudential metrics at 31 December 2024 (quarterly)

No transitional arrangement with regards implementation of IFRS 9 for the impact of expected credit loss accounting on regulatory capital have been applied.

		a	b	c	d	e
	(R millions)	Current Quarter Dec-24	Quarter 3 Sep-24	Quarter 2 Jun-24	Quarter 1 Mar-24	Quarter 4 Dec-23
Available capital (amounts)						
1	Common equity Tier 1 (CET1)	13,611	13,633	13,606	13,724	13,700
1a	Fully loaded ECL accounting model					
2	Tier 1	13,611	13,633	13,606	13,724	13,700
2a	Fully loaded ECL accounting model Tier 1					
3	Total capital	13,655	13,711	13,701	13,747	13,718
3a	Fully loaded ECL accounting model total capital					
Risk weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	30,551	29,760	33,076	30,553	36,575
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio (%)	44.55%	45.81%	41.13%	44.92%	37.46%
5a	Fully loaded ECL accounting model common equity tier 1 (%)					
6	Tier 1 ratio (%)	44.55%	45.81%	41.13%	44.92%	37.46%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)					
7	Total capital ratio (%)	44.70%	46.07%	41.42%	44.99%	37.51%
7a	Fully loaded ECL accounting model total capital ratio (%)	-				
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirements (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)	-				
10	Bank G-SIB and/or D-SIB additional requirements (%)	-				
11	Total of bank CET1 specific buffer	2.50%	2.50%	2.50%	2.50%	2.50%

		a	b	c	d	e
	(R millions)	Current Quarter Dec-24	Quarter 3 Sep-24	Quarter 2 Jun-24	Quarter 1 Mar-24	Quarter 4 Dec-23
	requirements (%) (row 8 + row 9 + row 10)					
12	CET1 available after meeting the bank's minimum capital requirements (%) (as a percentage of risk weighted assets)	35.80%	37.06%	32.38%	36.17%	28.71%
	Basel III leverage ratio	Average for quarter	Average for quarter	Average for quarter	Average for quarter	Average for quarter
13	Total Basel III leverage ratio exposure	82,831	81,113	81,790	58,473	54,048
14	Basel III leverage ratio (%) (row 2/row 13)	16.42%	16.79%	16.72%	23.49%	25.35%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a/ row 13)					
	Liquidity coverage ratio	Average for quarter	Average for quarter	Average for quarter	Average for quarter	Average for quarter
15	Total HQLA	17,207	16,342	15,485	15,815	19,668
16	Total net cash outflow	2,404	2,579	2,171	1,892	2,063
17	LCR ratio (%)	715.77%	633.56%	713.40%	835.66%	958.41%
	Net stable funding ratio	Dec-24	Sep-24	Jun-24	Mar-24	Dec-23
18	Total available stable funding	16,951	16,924	16,951	16,795	17,197
19	Total required stable funding	9,448	10,317	8,731	6,782	5,764
20	NSFR ratio	179.41 %	164.04%	194.13%	247.64%	298.36%

Template LR2: Leverage ratio common disclosure template (quarterly)

(R millions)	Current Quarter (Average month end October, November and December 2024)	Quarter 3 (Average month end July, August and September 2024)
On-balance sheet exposures		
1 On-balance sheet items (excluding derivatives and SFT's but including collateral)	47,421	51,279
2 (Asset amounts deducted in determining Basel III Tier 1 capital)	(25)	
3 Total on-balance sheet exposures (excluding derivatives and SFT's) (sum of rows 1 and 2)	47,396	51,279
Derivative exposure		
4 Replacement costs associated with all derivative transactions (where applicable net of eligible cash variation margin and/or bilateral netting)	7,011	5,707
5 Add-on amounts for PFE associated with all derivative transactions	7,490	7,729
6 Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework		
7 (Deductions of receivables assets for cash variation margin provided in derivatives transactions)		
8 (Exempted CCP leg of client-cleared trade exposure)		
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 exposure (sum of rows 4 to 10)	14,501	13,436
Other off-balance sheet exposures		
12 Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	42,756	48,862
13 (Netted amounts of cash payables and cash receivables of gross SFT assets)	(42,646)	(48,081)
14 CRR exposure for SFT assets		
15 Agent transaction exposures		
16 Total securities financing transaction exposures (sum of rows 12 to 15)	110	780
Other off-balance sheet exposures		
17 Off-balance sheet exposure at gross notional amount	33,831	33,817
18 Adjustments for conversion to credit equivalent amounts	(13,007)	(18,199)
19 Off-balance sheet items (sum of rows 17 and 18)	20,824	15,618
Capital and total exposure		
20 Tier 1 capital	13,607	13,622
21 Total exposures (sum of rows 3,11,16 and 19)	82,831	81,113
Leverage ratio		
22 Basel III leverage ratio	16.42%	16.79%

Template LIQ2: Net stable funding ratio as at 31 December 2024

(R millions)	Unweighted value by residual maturity				Weighted value
	No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
Available stable funding (ASF) item					
1	Capital:			13,767	13,767
2	Regulatory capital			13,767	13,767
3	Other capital instruments				
4	Retail deposits and deposits from small business customers:				
5	Stable deposits				
6	Less stable deposits				
7	Wholesale funding:	41,730			3,080
8	Operational deposits				
9	Other wholesale funding	41,730			3,080
10	Liabilities with matching interdependent assets				
11	Other liabilities:	2,377		104	104
12	NSFR derivative liabilities				
13	All other liabilities and equity not included in the above categories	2,377		104	104
14	Total ASF				16,951
15	Total NSFR high-quality liquid assets (HQLA)	21,672	0		1,058
16	Deposits held at other financial institutions for operational purposes				
17	Performing loans and securities:	33,214	324	222	4,556
18	Performing loans to financial institutions secured by Level 1 HQLA	16,755			1,675
19	Performing loans to financial institutions secured by non-level 1 HQLA and unsecured performing loans to financial institutions	16,328		104	2,553
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:	131	324	118	328
21	With a risk weight of less than or equal to 35% under Basel II standardised approach for credit risk				
22	Performing residential mortgages, of which:				
23	With a risk weight of less than or equal to 35% under Basel II standardised approach for credit risk				
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities			549	467
25	Assets with matching interdependent liabilities				
26	Other assets:	800		1,061	941
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				
31	All other assets not included in the above categories	800		1,061	941
32	Off-balance sheet items	34,383			2,426
33	Total RSF	90,068	324	1,832	9,448
34	Net stable funding ratio (%)				179.41%

Template CC1: Composition of regulatory capital (semi-annual) as at 31 December 2024

a

		Amounts (R millions)	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Common equity Tier 1 capital: Instruments and reserves			
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	13,767	
2	Retained earnings	(103)	
3	Accumulated other comprehensive income (and other reserves)	61	
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)		
6	Common Equity Tier 1 capital before regulatory adjustments	13,724	
Common equity tier 1 capital: Regulatory adjustments			
7	Prudential valuation adjustments	74	
8	Goodwill (net of related tax liability)		minus (d)
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)		minus (e)
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 (as set out in paragraph 36 of Basel III securitisation framework 25)		
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, 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)		(c) minus (f) minus 10% threshold
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	39	
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		

		a	
		Amounts (R millions)	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to over deductions		
28	Total regulatory adjustments to Common equity tier 1	114	
29	Common equity Tier 1 capital (CET1)	13,611	
Additional tier 1 capital: Instruments			
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus		(i)
31	Of which: Classified as equity under applicable Financial Reporting Standards		
32	Of which: Classified as liabilities under applicable Financial Reporting Standards		
33	Directly issued capital instruments subject to phase out from Additional Tier 1		
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT 1)		
35	Of which: instruments issued by subsidiaries subject to phase out		
36	Additional Tier 1 capital before regulatory adjustments		
Additional Tier 1 capital: Regulatory adjustments			
37	Investments in own Additional Tier 1 instruments		
38	Reciprocal cross-holdings in Additional Tier 1 instruments		
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation		
41	National specific regulatory adjustments		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		
43	Total regulatory adjustments to additional tier 1 capital		
44	Additional Tier 1 capital (AT1)		
45	Tier 1 capital (T1=CET1 + AT1)	13,611	
Tier 2 capital: Instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus		
47	Directly issued capital instruments subject to phase out from Tier 2		
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)		
49	Of which: Instruments issued by subsidiaries subject to phase out		
50	Provisions	44	
51	Tier 2 capital before regulatory adjustments	44	
Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments		

		a	
		Amounts (R millions)	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities		
54	Investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		
54a	Investments in other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions (for G-SIBs only)		
55	Significant investments in the capital and other TLAC liabilities of 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 2 capital		
58	Tier 2 capital (T2)	44	
59	Total regulatory capital (TC=T1+T2)	13,655	
60	Total risk weighted assets	30,551	
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	44.55%	
62	Tier 1 (as a percentage of risk weighted assets)	44.55%	
63	Total capital (as a percentage of risk weighted assets)	44.70%	
64	Institution specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk weighted assets)	2.50%	
65	of which: Capital conservation buffer requirement	2.50%	
66	of which: Banks specific countercyclical buffer requirement	0.00%	
67	of which: Higher loss absorbency requirement	0.00%	
68	Common Equity Tier 1 (as a percentage of risk weighted assets) available after meeting the bank's minimum capital requirements	35.96%	
National minima (if different from Basel III)			
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	8.75%	
70	National Tier 1 minimum ratio (if different from Basel III minimum)	10.50%	
71	National total capital minimum ratio (if different from Basel III minimum)	12.75%	
Amounts below the threshold for deductions (before risk we			
72	Non-significant investments in the capital and other TLAC liabilities of other financial entities	N/A	
73	Significant investments in common stock of financial entities	N/A	
74	Mortgage servicing rights (net of related tax liability)	N/A	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	39	

		a
		Amounts (R millions)
		Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Applicable caps on the inclusion of provisions in Tier 2		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	44
77	Cap on inclusion of provisions in Tier 2 under standardised approach	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	N/A
79	Cap on inclusion of provisions in Tier 2 under internal ratings-based approach	N/A
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)		
80	Current cap on CET1 instruments subject to phase out arrangements	N/A
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	N/A
82	Current cap on AT1 instruments subject to phase out arrangements	N/A
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	N/A
84	Current cap on T2 instruments subject to phase out arrangements	N/A
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	N/A

Template OV1: Overview of RWA (quarterly) as at 31 December 2024

	a	b	c	
		RWA (R millions)	Minimum capital requirements (Basel Minimum 8%) (R millions)	
	31-Dec- 24	30-Sep- 24	31-Dec-24	
1	Credit risk (excluding counterparty credit risk)	16,628	12,605	1,338
2	Of which: Standardised approach (SA)	16,628	12,605	1,338
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)	3,218	4,359	257
7	Of which Standardised approach (SA)	3,218	4,359	257
8	Of which: Internal model approach (IMM)			
9	Of which: Other CCR			
10	Credit valuation adjustment (CVA)	5,362	7,157	429
11	Equity positions under simple risk weight approach			
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 exposure in banking book			
17	Of which: Securitisation internal ratings-based approach (SEC-IRBA)			
18	Of which: Securitisation external ratings-based approach (SEC-ERBA)			
19	Of which: Securitisation standardised approach (SEC-SA)			
20	Market risk	1,583	2,704	127
21	Of which: Standardised approach (SA)	1,583	2,704	127
22	Of which Internal model approach (IMA)			
23	Capital charge for switch between trading book and banking book			
24	Operational risk	3,661	2,935	284
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	98		
26	Floor adjustment			
27	Total (1+6+10+11+12+13+14+15+16+20+23+24+25+26)	30,551	29,760	2,435

Table CCA: Main features of regulatory capital instruments and of other TLAC-eligible instruments (semi-annual) as at 31 December 2024

		Quantitative/ qualitative information
1	Issuer	N/A
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of instrument	N/A
3a	Means by which enforceability requirement of Section 13 of TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	N/A
4	Transitional Basel III rules	N/A
5	Post-transitional Basel III rules	N/A
6	Eligible at solo/group/group and solo	N/A
7	Instrument type (types to be specified by each jurisdiction)	N/A
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	13,767
9	Par value of instrument	N/A
10	Accounting classification	N/A
11	Original date of issuance	N/A
12	Perpetual or dated	N/A
13	Original maturity date	N/A
14	Issuer call subject to prior supervisory approval	N/A
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call duties, if applicable	N/A
Coupons/dividends		
17	Fixed or floating dividend/coupon	N/A
18	Coupon rate and any related index	N/A
19	Existence of dividend stopper	N/A
20	Fully discretionary, partially discretionary or mandatory	N/A
21	Existence of step-up or other incentive to redeem	N/A
22	Non-cumulative or cumulative	N/A
23	Convertible or non-convertible	
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument type convertible into	N/A
30	Write down features	
31	If write down, write down triggers	N/A

32	If write down,	N/A
33	If write down,	N/A
34	If temporary write-own, description of write-up mechanism	N/A
34a	Type of subordination	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	N/A
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A

Template CR1: Credit quality of assets (semi-annual) as at 31 December 2024

		a		b	c	d
		Gross carrying values of (R millions)		Allowances/ impairments (R millions)	Net values (a+b-c) (R millions)	
		Defaulted exposures	Non-defaulted exposures			
1	Loans	0	18,749	26		18,723
2	Debt securities	0	4,603			4,603
3	Off-balance sheet exposures	0	33,627	18		33,609
4	Total	0	56,979	44		56,935

Definitions

Gross carrying values: On- and off-balance sheet items that give rise to a credit risk exposure according to the Basel framework. On-balance sheet items include loans and debt securities. Off-balance sheet items must be measured according to the following criteria: (a) guarantees given—the maximum amount that the bank would have to pay if the guarantee were called. The amount must be gross of any credit conversion factor (CCF) or credit risk mitigation (CRM) techniques. (b) Irrevocable loan commitments—total amount that the bank has committed to lend. The amount must be gross of any CCF or CRM techniques. Revocable loan commitments must not be included. The gross value is the accounting value before any allowance/impairments but after considering write-offs. Banks must not take into account any credit risk mitigation technique.

Write-offs for the purpose of this template are related to a direct reduction of the carrying amount when the entity has no reasonable expectations of recovery.

Defaulted exposures: Banks should use the definition of default that they also use for regulatory purposes. Banks must provide this definition of default in the accompanying narrative.

Non-defaulted exposures: Any exposure not meeting the above definition of default.

Allowances/impairments: Total amount of impairments, made via an allowance against impaired and not impaired exposures (may correspond to general reserves in certain jurisdictions or may be made via allowance account or direct reduction—direct write-down in some jurisdictions) according to the applicable accounting framework.

Net values: Total gross values less allowances/impairments

Template CR2: Changes in stock of defaulted loans and debt securities as at 31 December 2024 (semi-annual)

		a
		(R millions)
1	Defaulted loans and debt securities as at end of previous reporting period	0
2	Loans and debt securities that have defaulted since the last reporting period	0
3	Returned to non-defaulted	0
4	Amounts written off	0
5	Other changes	0
6	Defaulted loans and debt securities at end of reporting period (1+2-3-4±5)	0

Template CR3: Credit risk mitigation techniques—overview as at 31 December 2024 (semi-annual)

		a	b	c	d	e	f	g
		(R millions)						
		Exposures unsecured: carrying amount	Exposures secured by collateral	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees, of which: secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
1	Loans	18,723	0	0	0	0	0	0
2	Debt securities	4,603	0	0	0	0	0	0
3	Total	23,326	0	0	0	0	0	0
4	Of which defaulted	0	0	0	0	0	0	0

Definitions

Exposures unsecured—carrying amount: Carrying amount of exposures (net of allowances/impairments) that do not benefit from a credit risk mitigation technique.

Exposures secured by collateral: Carrying amount of exposures (net of allowances/ impairments) partly or totally secured by collateral, regardless of what portion of the original exposure is secured.

Exposures secured by collateral—of which secured amount: Amounts of the exposure portions, which are secured by collateral. Where the value of the collateral (meaning the amount that the collateral can be settled for) exceeds the value of the exposure, the bank must report the exposure amount (i.e. it does not report the over-collateralisation).

Exposures secured by financial guarantees: Carrying amount of exposures (net of allowances/impairments) partly or totally secured by financial guarantees, regardless of what portion of the original exposure is guaranteed.

Exposures secured by financial guarantees—of which secured amount: Amounts of the exposure portions, which are covered by the financial guarantee. Where the value of the guarantee (amount that can be obtained if the guarantee is called) is above the amount of the exposure, the bank must report the amount of the exposure, i.e. not to report the excess value.

Exposures secured by credit derivatives: Carrying amount of exposures (net of allowances/impairments) partly or totally secured by credit derivatives, regardless of what portion of the original exposure is secured.

Exposures secured by credit derivatives—of which secured amount: Amounts of the exposure portions which are secured by the credit derivatives. Where the value of the credit derivative (amount that the credit derivative can be settled for) is above the amount of the exposure, the bank must report the amount of the exposure, i.e. not to report the excess value.

Template CR4: Standardised approach—credit risk exposure and credit risk mitigation effects as at 31 December 2024 (semi-annual)

		a		b		c		d		e		f	
		Exposures before CCF and CRM		Exposures post CCF and CRM		Exposures before CCF and CRM		Exposures post CCF and CRM		RWA and RWA density		RWA density (%)	
		On-balance sheet amount (R millions)	Off-balance sheet amount (R millions)	On-balance sheet amount (R millions)	Off-balance sheet amount (R millions)	On-balance sheet amount (R millions)	Off-balance sheet amount (R millions)	RWA	RWA	RWA	RWA density (%)	RWA	RWA density (%)
1	Sovereigns and their central banks	4,603	-	4,603									
2	Non-central government public sector entities	1	9	1	5								
3	Multilateral development banks												
4	Banks	8,718		8,718				51			0.58%		
5	Securities firms												
6	Corporates	10,031	33,617	10,031	30,831			16,357			37.47%		
7	Regulatory retail portfolios												
8	Secured by residential property												
9	Secured by commercial real estate												
10	Equity												
11	Past due loans												
12	Higher risk categories												
13	Other assets	1,397		1,397				221			15.81%		
14	Total	24,750	33,627	24,750	30,835			16,628			28.49%		

Template CR5: Standardised approach—exposures by asset classes and risk weights as at 31 December 2024 (semi-annual)

	A	b	c	d	e	f	g	h	i	J
	(R millions)									
	Total credit exposure amount (post CCF and post CRM)									
Risk weight										
Asset class	0%	10%	20%	35%	50%	75%	100%	150%	Other	
1 Sovereigns and their central banks	4,603						-			4,603
2 Non-central government public sector entities (PSEs)	5						0			5
3 Multilateral development banks (MDBs)										-
4 Banks	8,465		251		1					8,717
5 Securities firms										-
6 Corporates	-		30,630				10,231			40,861
7 Regulatory retail portfolios										-
8 Secured by residential property										-
9 Secured by commercial real estate										-
10 Equity										-
11 Past-due loans										-
12 Higher-risk categories										-
13 Other assets	1,176						221			1,397
14 Total	14,251		30,882		1	-	10,452		-	55,585

Definitions

Total credit exposure amount (post-CCF and CRM): The amount used for the capital requirements calculation (both for on- and off-balance sheet amounts), therefore net of allowances and write-offs and after having applied CRM techniques and CCF but before the application of the relevant risk weights.

Past-due loans: Past-due loans correspond to the unsecured portion of any loan past due for more than 90 days, as defined in paragraph 75 of the Basel framework.

Higher-risk categories: Banks must include in this row the exposures included in paragraphs 79 and 80 of the Basel framework that are not included in other regulatory portfolios (e.g. exposure weighted at 150% or higher risk weight reflecting the higher risks associated with these assets). Exposures reported in this row should not be reported in the rows above. From 1 January 2017 when the Banks' equity investments in funds framework enters into force, corresponding requirements must not be reported in this template but only in OV1.

Equity investments in funds: Will become applicable from 1 January 2017 when the corresponding framework enters into force.

Other assets: Refers to assets subject to specific risk weight set out by paragraph 81 of the Basel framework and to significant investment in commercial entities that receive a 1250% risk-weight according to paragraph 90, fourth bullet, of Basel III.

Template CCR1: Analysis of counterparty credit risk exposure approach as at 31 December 2024 (semi-annual)

	a	b	c	d	E	
	(R millions)					
	Replacement cost	Potential future exposure	Alpha used for computing regulatory EAD	EAD post CRM	RWA	
1	Current exposure method (for derivatives and SFTs) ¹	8,228	7,507	1,4	22,028	3,218
2	Internal Model Method (for derivatives and SFTs)					
3	Simple approach for credit risk mitigation (SFTs)					
4	Comprehensive approach for credit risk mitigation (for SFTs)				337	
5	VaR for SFTs					
6	Total	8,228	7,507	1,4	22,365	3,218

Standardised approach (SA-CCR) for measuring exposure at default for counterparty credit risk will be applicable from 1 October 2019. Before it enters into force, banks should report in row 1 information corresponding to the Current Exposures Method and the Standardised Method which will become obsolete once the SA-CCR enters into force; see BCBS, March 2014, The standardised approach.

Definitions

Replacement Cost (RC): For trades that are not subject to margining requirements, the RC is the loss that would occur if a counterparty were to default and was closed out of its transactions immediately. For margined trades, it is the loss that would occur if a counterparty were to default at present or at a future date, assuming that the closeout and replacement of transactions occur instantaneously. However, closeout of a trade upon a counterparty default may not be instantaneous. The replacement cost under the Current Exposure Method is described under the Basel framework, Annex 4, paragraph 92(i). The replacement cost under the standardised approach for measuring counterparty credit risk exposures is described in the standardised approach for measuring counterparty credit risk exposures (see footnote 18).

Potential Future Exposure is any potential increase in exposure between the present and up to the end of the margin period of risk. The potential future exposure for the Current Exposure Method is described in Basel framework, Annex 4, paragraph 92(i). The potential future exposure for the standardised approach is described in the standardised approach for measuring counterparty credit risk exposures.

Effective Expected Positive Exposure (EEPE) is the weighted average over time 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 are the proportion that an individual expected exposure represents of the entire time interval (see Annex 4, paragraph 2E).

EAD post-CRM: exposure at default. This refers to the amount relevant for the capital requirements calculation having applied CRM techniques, credit valuation adjustments according to paragraph 9 of Annex 4 (as supplemented by Basel III in paragraph 105) and specific wrong-way adjustments (see Annex 4, paragraph 58).for measuring counterparty credit risk exposures, accessible at <http://www.bis.org/publ/bcbs279.htm>.

Template CCR2: Credit valuation adjustment capital charge as at 31 December 2024(semi-annual)

	a	b
	(R millions)	
Total portfolios subject to the Advanced CVA capital charge	EAD post-CRM	RWA
1 VaR component (including the 3x multiplier)		
2 Stressed Var component (including the 3x multiplier)		
3 All portfolios subject to the Standardised CVA capital charge	22,028	5,362
4 Total subject to the CVA capital charge	22,028	5,362

Definitions

Advanced CVA capital charge: The amount of the advanced capital charge calculated according to paragraphs 98–103 of Annex 4 of the Basel framework.

Standardised CVA capital charge: The amount of the standardised capital charge calculated according to paragraph 104 of Annex 4 of the Basel framework or with the definition provided in domestic regulation if use of external credit ratings is not permitted.

EAD post-CRM: Exposure at default. This refers to the amount used for the capital requirements calculation. It is therefore the amount of the credit valuation adjustments according to paragraph 9 of Annex 4 of the Basel framework (as supplemented by Basel III in its paragraph 105) and of the specific wrong-way adjustments (see Annex 4, paragraph 58), having applied CRM techniques.

Template CCR3: Standardised approach of CCR exposures by regulatory portfolio and risk weights as at 31 December 2024 (semi-annual)

	a	b	c	d	e	f	g	h	i
	R'M	R'M	R'M	R'M	R'M	R'M	R'M	R'M	R'M
Risk weight/ Regulatory portfolio	0%	10%	20%	50%	75%	100%	150%	Others	Total credit exposure
Sovereigns	9								9
Non-central government public sector entities (PSEs)						693			693
Multilateral development banks (MDBs)									
Banks	19,109			4		993			20,106
Securities firms				55					55
Corporates						1,504			1,504
Regulatory retail portfolios									
Other assets									
Total	19,118			59		3,189			22,365

Note: Total credit exposure: the amount relevant for the capital requirements calculation, having applied CRM techniques.

Template CCR5: Composition of collateral for CCR exposures as at 31 December 2024 (semi-annual)

	a		b		c		d		e		F
	Collateral used in derivative transactions				Collateral used in SFTs						
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral				
	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	
	R'M	R'M	R'M	R'M	R'M	R'M	R'M	R'M	R'M	R'M	
Cash-domestic currency	284		953								16,629
Cash-other currencies											
Domestic sovereign debt							16,347				
Other sovereign debt											
Government agency debt											
Corporate bonds											
Equity securities											
Other collateral											
Total	284		953				16,347				16,629

Template CCR6: Credit derivative exposures as at 31 December 2024 (semi-annual)

	a		B	
	Protection bought	Protection sold	Protection bought	Protection sold
	(R million)	(R million)	(R million)	(R million)
Notionals				
Single-name credit default swaps				
Index credit default swaps				
Total return swaps		305		305
Credit options				
Other credit derivatives				
Total notional				
Fair values				
Positive fair value (asset)		16		
Negative fair value (liability)				16

Template CCR8: Exposures to central counterparties as at 31 December 2024 (semi-annual)

No exposures to central counterparties as at 31 December 2024.

Template MR1: Market risk under standardised approach as at 31 December 2024 (semi-annual)

		a
		Capital charge in SA (Basel minimum 8%) (R millions)
1	General interest rate risk	85
2	Equity risk	
3	Commodity risk	
4	Foreign Exchange risk	42
5	Credit spread risk–non-securitisations	
6	Credit spread risk–securitisations (non-correlation trading portfolio)	
7	Credit spread risk–securitisations (correlation trading portfolio)	
8	Default risk–non-securitisations	
9	Default risk–securitisations (non-correlation trading portfolio)	
10	Default risk–securitisations (correlation trading portfolio)	
11	Residual risk add-on	
12	Total	127

Table LIA (annual)

Assets	
Loans and advances, net of credit impairment	<ul style="list-style-type: none"> ● Standardised approach: Credit risk for overdrafts and overnight loans are based on average balances for the month ● Counterparty credit risk: Resale agreements
Derivative financial instruments	<ul style="list-style-type: none"> ● Standardised approach market risk: Interest rate sensitivities are used in maturity based approach ● Standardised approach for counterparty credit risk are used where gross exposure is calculated on positive mark to markets and an add on (potential future exposure) as per Basel recommendations. This will also include some netting benefits
Other assets	<ul style="list-style-type: none"> ● Only banking book
Liabilities	
Deposits	<ul style="list-style-type: none"> ● Counterparty credit risk: Repurchase agreements
Derivative financial instruments	<ul style="list-style-type: none"> ● Standardised approach market risk: Interest rate sensitivities are used in maturity based approach ● Standardised approach for counterparty credit risk are used where gross exposure is calculated on positive mark to markets and an add on (potential future exposure) as per Basel recommendations. This will also include some netting benefits

Template LR1: Summary comparison of accounting assets vs leverage ratio exposure measure (quarterly)

		A
		(R millions)
1	Total assets per published financial statements	85,677
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	(5,012)
5	Adjustments for securities financing instruments (i.e. repos and similar secured lending)	(18,620)
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	20,824
7	Other adjustments	-38
8	Leverage ratio exposure measure	82,831

Appendix: Acronyms

Acronyms	Description
ALCO	Asset and Liability Committee
BIA	Basic Indicator Approach
CCOR	Compliance, Conduct and Operational Risk Management Framework
CIO	Chief Investment Office
CTC	CIO, Treasury and Corporate
DRPC	Risk Policy Committee of the Board of Directors
ELERC	EMEA Legal Entity Risk Committee
ERC	EMEA Risk Committee
FCSA	Financial Sector Conduct Authority
FRC	Firmwide Risk Committee
IFRS	International Financial Reporting Standards
JPMCB Jhb or Branch	JPMorgan Chase Bank, N.A. Johannesburg Branch
JSE IRC	Johannesburg Stock Exchange Interest rate and Currency Derivatives
LCM	Location Control Manager
LERM	Legal Entity Risk Manager
LMC	Local Management Committee
LOB	Line of business
LORCC	Location Operational Risk and Control Committee
PA	Prudential Authority
RC	Risk Committee
RCSA	Risk and Control Self-Assessment
Regulations	Regulations Relating to Banks, Prudential Authority
SARB	South African Reserve Bank
the Bank	JPMorgan Chase Bank, National Association
the Firm	JPMorgan Chase & Co

JP MORGAN CHASE BANK, N.A. JOHANNESBURG BRANCH