Pillar III Disclosure Report

JUNE 2026

CONTENTS

Basis of Compilation

The following information is compiled in accordance with the Basel Committee on Banking Supervision's (BCBS) Pillar 3 disclosure requirements, which incorporates the amendments introduced as part of the Basel III reforms (Basel IV), and Directive 10 of 2025 published by the Prudential Authority on 11 August 2025, which informed banks that the Pillar 3 disclosure requirements have been removed from Regulation 43 of the regulations relating to banks issued under Section 90 of the Banks Act, No 94 of 1990 (as amended) ("the regulations"), which requirements have now been specified in this directive. However, the essential disclosure principles remain in regulation 43(1) of the Regulations.

All disclosures are consistent with those disclosed in terms of International Financial Reporting Standards ("IFRS"), unless otherwise stated. All amounts are disclosed in Rand thousands. Where bank and consolidated figures are not materially different, only one table is disclosed.

All tables and disclosures may not be relevant, as provided in Annexure A, and are excluded from this report.

This Pillar 3 Disclosure Report has been prepared by the Financial Reporting Manager and reviewed by the Finance Manager. The Credit Risk related disclosures have been prepared by the Credit division and reviewed by the Credit Reporting Manager.

Scope of Reporting

The quarterly results of Albaraka Bank Limited for the period ending 30 June 2026 are reported on.

Albaraka Bank Limited is a registered bank domiciled in South Africa and has as its principal objective the operation of its business according to Islamic banking precepts. The bank's parent and holding company is the Albaraka Group, a company incorporated in the Kingdom of Bahrain. The address of its registered office is PO Box 1882, Manama, Kingdom of Bahrain.

Risk Management, Key Prudential Metrics & Risk Weighted Assets

The following section provides an overview of the key prudential regulatory metrics covering the available capital and capital ratios, risk weighted assets, leverage ratio, liquidity coverage ratio and net stable funding ratio of the bank's performance and trends over time on a bank solo and consolidated basis.

3.1 KM1 — KEY METRICS

CONSOLIDATED

Line	Item	30 Jun 2026	31 Mar 2026	31 Dec 2025	30 Sep 2025	30 Jun 2025
Available Capital (Amounts) R'000						
1	Common equity Tier 1 (CET1)	1 168 289	1 142 335	1 113 146	1 083 820	1 057 843
2	Tier 1	1 292 289	1 266 335	1 237 146	1 207 820	1 181 843
3	Total capital	1 426 901	1 414 541	1 402 448	1 404 704	1 390 365
Risk Weighted Assets (Amounts) R'000						
4	Total risk-weighted assets (RWA)	8 490 081	8 468 403	8 111 498	7 894 013	8 467 353
4a	Total risk-weighted assets (pre-floor)	8 490 081	8 468 403	8 111 498	7 894 013	–
Risk-Based Capital Ratios as a percentage of RWA						
5	CET 1 ratio (%)	13.76%	13.49%	13.72%	13.73%	12.49%
5a	CET 1 ratio (%) (pre-floor ratio)	13.76%	13.49%	13.72%	13.73%	–
6	Tier 1 ratio (%)	15.22%	14.95%	15.25%	15.30%	13.96%
6a	Tier 1 ratio (%) (pre-floor ratio)	15.22%	14.95%	15.25%	15.30%	–
7	Total capital ratio (%)	16.81%	16.70%	17.29%	17.79%	16.42%
7a	Total capital ratio (%) (pre-floor ratio)	16.81%	16.70%	17.29%	17.79%	–
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (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 requirements (%) (row 8 + row 9 + row 10)	2.50%	2.50%	2.50%	2.50%	2.50%
12	CET1 available after meeting the bank's minimum capital requirements (%)	5.01%	4.74%	4.97%	4.98%	3.74%
Basel III Leverage Ratio						
13	Total Basel III leverage ratio measure	11 339 088	10 960 752	10 713 613	10 145 781	10 170 200
14	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	11.40%	11.55%	11.55%	11.90%	11.62%

Line	Item	30 Jun 2026	31 Mar 2026	31 Dec 2025	30 Sep 2025	30 Jun 2025
14a	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	11.40%	11.55%	11.55%	11.90%	11.62%
14b	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	11.40%	11.55%	11.55%	11.90%	11.62%
14c	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	11.40%	11.55%	11.55%	11.90%	11.62%
Liquidity Coverage Ratio						
15	Total HQLA	1 153 569	1 134 339	1 189 998	1 090 923	1 057 577
16	Total net cash outflow	139 213	114 500	86 375	110 845	127 019
17	LCR ratio (%)	829%	991%	1 378%	984%	833%
Net Stable Funding Ratio						
18	Total available stable funding	8 674 535	8 396 800	8 216 183	8 002 478	7 760 708
19	Total required stable funding	6 855 870	6 632 422	6 471 495	6 244 737	5 988 244
20	NSFR ratio (%)	127%	127%	127%	128%	130%

BANK

Line	Item	30 Jun 2026	31 Mar 2026	31 Dec 2025	30 Sep 2025	30 Jun 2025
Available Capital (Amounts) R'000						
1	Common equity Tier 1 (CET1)	1 164 535	1 131 622	1 103 567	1 075 473	1 050 604
2	Tier 1	1 288 535	1 255 622	1 227 567	1 199 473	1 174 604
3	Total capital	1 423 147	1 403 828	1 392 869	1 396 357	1 383 126
Risk Weighted Assets (Amounts) R'000						
4	Total risk-weighted assets (RWA)	8 675 984	8 598 462	8 182 507	7 895 548	8 584 926
4a	Total risk-weighted assets (pre-floor)	8 675 984	8 598 462	8 182 507	7 895 548	–
Risk-Based Capital Ratios as a percentage of RWA						
5	CET 1 ratio (%)	13.42%	13.16%	13.49%	13.62%	12.24%
5a	CET 1 ratio (%) (pre-floor ratio)	13.42%	13.16%	13.49%	13.62%	–
6	Tier 1 ratio (%)	14.85%	14.60%	15.00%	15.19%	13.68%
6a	Tier 1 ratio (%) (pre-floor ratio)	14.85%	14.60%	15.00%	15.19%	–
7	Total capital ratio (%)	16.40%	16.33%	17.02%	17.69%	16.11%
7a	Total capital ratio (%) (pre-floor ratio)	16.40%	16.33%	17.02%	17.69%	–
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (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 requirements (%) (row 8 + row 9 + row 10)	2.50%	2.50%	2.50%	2.50%	2.50%
12	CET1 available after meeting the bank's minimum capital requirements (%)	4.67%	4.41%	4.74%	4.87%	3.49%
Basel III Leverage Ratio						
13	Total Basel III leverage ratio measure	11 352 133	10 956 692	10 719 277	10 152 782	10 182 986
14	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	11.35%	11.46%	11.45%	11.81%	11.53%
14a	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	11.35%	11.46%	11.45%	11.81%	11.53%
14b	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	11.35%	11.46%	11.45%	11.81%	11.53%
14c	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	11.35%	11.46%	11.45%	11.81%	11.53%
Liquidity Coverage Ratio						
15	Total HQLA	1 153 569	1 134 339	1 189 998	1 090 923	1 057 577

Line	Item	30 Jun 2026	31 Mar 2026	31 Dec 2025	30 Sep 2025	30 Jun 2025
16	Total net cash outflow	139 213	114 500	86 375	110 845	127 019
17	LCR ratio (%)	829%	991%	1 378%	984%	833%
Net Stable Funding Ratio						
18	Total available stable funding	8 674 535	8 396 800	8 216 183	8 002 478	7 760 708
19	Total required stable funding	6 855 870	6 632 422	6 471 495	6 244 737	5 988 244
20	NSFR ratio (%)	127%	127%	127%	128%	130%

PERIOD UNDER REVIEW · ALBARAKA BANK

- The total capital ratio increased from 16.11% in June 2025 to 16.40% in June 2026. This was due to the growth in total capital of 2.9% from R 1.38 billion to R 1.42 billion being higher than the increase in risk weighted assets of 1.1% from R 8.58 billion to R 8.68 billion.
- The LCR moved down in June 2026 at 829% compared to 991% in March 2026, primarily due to higher net cash outflows owing to growth in the deposit book over the period. The ratio is well above the regulatory requirement of 100%.

3.2 OV1 — OVERVIEW OF RISK WEIGHTED ASSETS

CONSOLIDATED

Line	Item	RWA (R'000) 30 Jun 2026	RWA (R'000) 31 Mar 2026	Min capital req.* (R'000) 30 Jun 2026
1	**Credit risk (excluding counterparty credit risk) (CCR)**	**7 152 879**	**7 247 490**	**822 581**
2	Of which: standardised approach (SA)	7 152 879	7 247 490	822 581
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)**	–	–	–
7	Of which: standardised approach for counterparty credit risk	–	–	–
8	Of which: Internal Model Method (IMM)	–	–	–
9	Of which: other CCR	–	–	–
10	Credit valuation adjustment (CVA)	–	–	–
11	**Equity positions under the simple risk weight approach**	**17 857**	**17 857**	**2 054**
12	Equity investments in funds – look-through approach	–	–	–
13	Equity investments in funds – mandate-based approach	–	–	–
14	Equity investments in funds – fall-back approach	–	–	–
15	Settlement risk	–	–	–
16	Securitisation exposures in the banking book	–	–	–
17	Of which: securitisation internal ratings-based approach (SEC-IRBA)	–	–	–
18	Of which: securitisation external ratings-based approach (SEC- ERBA) including internal assessment approach	–	–	–
19	Of which: securitisation standardised approach (SEC-SA)	–	–	–

Line	Item	RWA (R'000) 30 Jun 2026	RWA (R'000) 31 Mar 2026	Min capital req.* (R'000) 30 Jun 2026
20	**Market risk**	**18 305**	**21 156**	**2 105**
21	Of which: standardised approach (SA)	18 305	21 156	2 105
22	Of which: internal model approaches (IMA)	–	–	–
23	Capital charge for switch between trading book and banking book	–	–	–
24	**Operational risk**	**1 180 015**	**1 070 207**	**135 702**
25	Amounts below thresholds for deduction (subject to 250% risk weight)	121 025	111 693	13 918
26	Aggregate capital floor applied	–	–	–
27	Floor adjustment (before application of transitional cap)	–	–	–
28	Floor adjustment (after application of transitional cap)	–	–	–
29	**Total (1+6+10+11+12+13+14+15+16+20+23+24+25+28)**	**8 490 081**	**8 468 403**	**976 359**

* Minimum requirements include the base minimum and idiosyncratic requirement specified by the Registrar.

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Line	Item	RWA (R'000) 30 Jun 2026	RWA (R'000) 31 Mar 2026	Min capital req.* (R'000) 30 Jun 2026
1	**Credit risk (excluding counterparty credit risk) (CCR)**	**7 317 552**	**7 376 390**	**841 518**
2	Of which: standardised approach (SA)	7 317 552	7 376 390	841 518
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)**	–	–	–
7	Of which: standardised approach for counterparty credit risk	–	–	–
8	Of which: Internal Model Method (IMM)	–	–	–
9	Of which: other CCR	–	–	–
10	Credit valuation adjustment (CVA)	–	–	–
11	**Equity positions under the simple risk weight approach**	**17 857**	**17 857**	**2 054**
12	Equity investments in funds – look-through approach	–	–	–
13	Equity investments in funds – mandate-based approach	–	–	–
14	Equity investments in funds – fall-back approach	–	–	–
15	Settlement risk	–	–	–
16	Securitisation exposures in the banking book	–	–	–
17	Of which: securitisation internal ratings-based approach (SEC-IRBA)	–	–	–
18	Of which: securitisation external ratings-based approach (SEC- ERBA) including internal assessment approach	–	–	–
19	Of which: securitisation standardised approach (SEC-SA)	–	–	–
20	**Market risk**	**18 305**	**21 156**	**2 105**
21	Of which: standardised approach (SA)	18 305	21 156	2 105

Line	Item	RWA (R'000) 30 Jun 2026	RWA (R'000) 31 Mar 2026	Min capital req.* (R'000) 30 Jun 2026
22	Of which: internal model approaches (IMA)	–	–	–
23	Capital charge for switch between trading book and banking book	–	–	–
24	**Operational risk**	**1 200 493**	**1 070 207**	**138 057**
25	Amounts below thresholds for deduction (subject to 250% risk weight)	121 778	112 853	14 004
26	Aggregate capital floor applied	–	–	–
27	Floor adjustment (before application of transitional cap)	–	–	–
28	Floor adjustment (after application of transitional cap)	–	–	–
29	**Total (1+6+10+11+12+13+14+15+16+20+23+24+25+28)**	**8 675 984**	**8 598 462**	**997 738**

* Minimum requirements include the base minimum and idiosyncratic requirement specified by the Registrar.

PERIOD UNDER REVIEW · ALBARAKA BANK

- Risk-weighted assets increased by R77.5 million from R8.6 billion in March 2026 to R8.67 billion in June 2026. This was due to an increase in operational risk RWAs, which increased by R130 million due to higher levels of gross income determined since the last reporting period being December 2025. This was offset by Credit risk RWAs which reduced by R58.8 million owing to lower interbank placements balances risk weighted at 150% since March 2026.

Composition of Capital and TLAC

4.1 CCA — MAIN FEATURES OF REGULATORY CAPITAL INSTRUMENTS AND OF OTHER TOTAL LOSS-ABSORBING CAPACITY (TLAC) — ELIGIBLE INSTRUMENTS

4.2 CC1 — COMPOSITION OF REGULATORY CAPITAL

CONSOLIDATED

Line	Item	30 Jun 2026	Reference*
Common Equity Tier 1 capital: instruments and reserves			
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	404 599	
2	Retained earnings	800 617	a
3	Accumulated other comprehensive income (and other reserves)	2 674	
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	1 207 890	
Common Equity Tier 1 capital: regulatory adjustments			
7	Prudential valuation adjustments	(6 907)	
8	Goodwill (net of related tax liability)	–	
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	(32 694)	b
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)	–	
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 of 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 (amount above 10% threshold)	–	
20	Mortgage servicing rights (amount above 10% threshold)	–	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	–	
22	Amount exceeding the 15% threshold	–	
23	of which: significant investments in the common stock of financials	–	
24	of which: mortgage servicing rights	–	
25	of which: deferred tax assets arising from temporary differences	–	
26	National specific regulatory adjustments	–	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	–	
28	Total regulatory adjustments to Common equity Tier 1	(39 601)	
29	Common Equity Tier 1 capital (CET1)	1 168 289	
Additional Tier 1 capital: instruments			

Line	Item	30 Jun 2026	Reference*
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	124 000	
31	Of which: classified as equity under applicable accounting standards	124 000	
32	of which: classified as liabilities under applicable accounting 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 AT1)	–	
35	of which: instruments issued by subsidiaries subject to phase out	–	
36	Additional Tier 1 capital before regulatory adjustments	124 000	
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)	124 000	
45	Tier 1 capital (T1 = CET1 1+ AT1)	1 292 289	
Tier 2 capital 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	111 680	c
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	22 932	
51	Tier 2 capital before regulatory adjustments	134 612	
Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments	–	
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 the 10% threshold)	–	
54a	Investments in the 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 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)	134 612	
59	Total capital (TC = T1 + T2)	1 426 901	
60	Total risk weighted assets	8 490 081	
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	13.76%	
62	Tier 1 (as a percentage of risk weighted assets)	15.22%	
63	Total capital (as a percentage of risk weighted assets)	16.81%	
64	Institution specific buffer requirement (capital conservation buffer plus countercyclical buffer requirement plus higher loss absorbency requirement, expressed as a percentage of risk weighted assets)	2.50%	

Line	Item	30 Jun 2026	Reference*
65	of which: capital conservation buffer requirement	2.50%	
66	of which: bank specific countercyclical buffer requirement	–	
67	of which: higher loss absorbency requirement	–	
68	Common Equity Tier 1 (as a percentage of risk weighted assets) available after meeting the bank's minimum capital requirements	5.01%	
National Minima (if different from Basel III)			
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	4.50%	
70	National Tier 1 minimum ratio (if different from Basel III minimum)	6.00%	
71	National total capital minimum ratio (if different from Basel III minimum)	8.00%	
Amounts below the threshold for deductions (before risk weighting)			
72	Non-significant investments in the capital and other TLAC liabilities of other financial entities	–	
73	Significant investments in the common stock of financial entities	–	
74	Mortgage servicing rights (net of related tax liability)	–	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	48 410	
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)	134 612	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	22 932	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	–	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	–	
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	–	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	–	
82	Current cap on AT1 instruments subject to phase out arrangements	–	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	–	
84	Current cap on T2 instruments subject to phase out arrangements	–	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	–	

*References refer to CC2- Composition of regulatory capital

4.3 CC2 — RECONCILIATION OF REGULATORY CAPITAL TO BALANCE SHEET

The difference between the amount disclosed in the financial statements and the capital for regulatory purposes relates to the tranches of the bank's tier 2 Sukuk which have reached their five-year period. In line with regulation 38 (12), a cumulative haircut of R196 million has been applied and this is accordingly excluded from the qualifying amount of tier 2 capital.

CONSOLIDATED

Item	Balance sheet as in published financial statements 30 June 2026	Under regulatory scope of consolidation 30 June 2026	Reference
Deferred tax asset	48 410	48 410	
Property and equipment	100 316	100 316	
Right of use asset	1 504	1 504	
Investment properties	10 339	10 339	
Intangible assets	41 495	32 694	b
Of which: other intangibles (excluding MSR)		41 495	b

Item	Balance sheet as in published financial statements 30 June 2026	Under regulatory scope of consolidation 30 June 2026	Reference
Net of deferred tax		(8 801)	b
Investment securities	17 857	17 857	
Advances and other receivables	9 867 231	9 505 884	
South African Revenue Service	337	337	
Regulatory balances	645 302	1 006 649	
Cash and cash equivalents	204 634	204 634	
Total Assets	**10 937 425**	**10 937 425**	
Deferred tax liability	18 185	18 185	
Welfare and charitable funds	64 270	64 270	
Sukuk holders	311 248	307 700	
of which: directly issued capital instruments subject to phase out from Tier 2	–	111 680	c
Provision for leave pay	11 891	11 891	
Lease liabilities	1 921	1 921	
Accounts payable	102 005	102 005	
Deposits from customers	9 007 793	9 011 341	
Total Liabilities	**9 517 313**	**9 517 313**	
Share capital	322 403	322 403	
Share premium	82 196	82 196	
Other reserves	2 674	2 674	
Retained income	888 839	888 839	
of which: relate to eligible CET1		800 617	a
of which: relate to unappropriated profits		88 222	
Additional Tier 1 Sukuk Holders	124 000	124 000	
Total equity	**1 420 112**	**1 420 112**	

*References refer to CC1- Reconciliation of regulatory capital to balance sheet

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Asset Encumbrance

5.1 ENC — ASSET ENCUMBRANCE

Encumbered assets are assets that the bank is restricted or prevented from liquidating, selling, transferring or assigning due to legal, regulatory, contractual or other limitations. Unencumbered assets are those assets which do not meet the definition of encumbered. Central bank facilities are assets in any central bank facility, used for regulatory, liquidity or any other funding facilities. Assets relating to central bank facilities are disclosed separately.

As at 30 June 2026, no encumbered assets were held, with central bank facilities noted as follows:

CONSOLIDATED

Item	a	b	c	d
	Encumbered assets	Central bank facilities	Unencumbered assets	Total
Advances and other receivables	–	–	9 867 231	9 867 231
Regulatory balances	–	645 302	–	645 302
Cash and cash equivalents	–	–	204 634	204 634
Property, Equipment and Intangibles	–	–	153 654	153 654
Investments	–	–	17 857	17 857
Other	–	–	48 747	48 747
Total	–	**645 302**	**10 292 123**	**10 937 425**

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Market Risk

6.1 MR3 — MARKET RISK UNDER THE SIMPLIFIED STANDARDISED APPROACH

CONSOLIDATED & BANK

Line	Item	Outright products	Options		
			Simplified approach	Delta-plus method	Scenario approach
1	Interest rate risk	–	–	–	–
2	Equity risk	–	–	–	–
3	Commodity risk	–	–	–	–
4	Foreign exchange risk	–	1 464	–	–
5	Securitisation	–			
6	**Total**	–	**1 464**	–	–

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Credit Valuation Adjustment Risk

7.1 CVA3 — THE STANDARDISED APPROACH FOR CVA (SA-CVA)

CONSOLIDATED & BANK

Line	Item	SA-CVA RWA	Number of counterparties
1	Interest rate risk	–	–
2	Foreign exchange risk	–	–
3	Reference credit spread risk	–	–
4	Equity risk	–	–
5	Commodity risk	–	–
6	Counterparty credit spread risk	–	–
7	**Total (sum of rows 1 to 6)**	–	–

7.2 CVA4 — RWA FLOW STATEMENTS OF CVA RISK EXPOSURES UNDER SA-CVA

CONSOLIDATED & BANK

Line	Item	R'000
1	Total RWA for CVA at previous quarter-end (March 2026)	–
2	Total RWA for CVA at end of reporting period (June 2026)	–

Leverage Ratio

In terms of Directive 10/2025 the Bank is required to provide a summarised comparison of the accounting assets and the regulatory leverage ratio differences as well as the leverage ratio. The basis of preparation for the leverage ratio is at quarter-end.

8.1 LR1 — SUMMARY COMPARISON OF ACCOUNTING ASSETS VS LEVERAGE RATIO EXPOSURE MEASURE

CONSOLIDATED

Line	Item	30 Jun 2026
1	Total consolidated assets as per published financial statements	11 049 033
2	Adjustment 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 securitised exposures that meet the operational requirements for the recognition of risk transference	–
4	Adjustments for temporary exemption of central bank reserves (if applicable)	–
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	–
6	Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	–
7	Adjustments for eligible cash pooling transactions	–
8	Adjustments for derivative financial instruments	–
9	Adjustment for securities financing transactions (i.e. repurchase agreements and similar secured lending)	–
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	441 263
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	(118 513)
12	Other adjustments	(32 694)
13	Leverage ratio exposure measure	11 339 088

BANK

Line	Item	30 Jun 2026
1	Total consolidated assets as per published financial statements	11 062 078
2	Adjustment 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 securitised exposures that meet the operational requirements for the recognition of risk transference	–
4	Adjustments for temporary exemption of central bank reserves (if applicable)	–
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	–
6	Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	–
7	Adjustments for eligible cash pooling transactions	–
8	Adjustments for derivative financial instruments	–
9	Adjustment for securities financing transactions (i.e. repurchase agreements and similar secured lending)	–
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	441 263
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	(118 513)
12	Other adjustments	(32 694)
13	Leverage ratio exposure measure	11 352 133

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- Total leverage ratio exposure measure increased from R10.96 billion in March 2026 to R11.35 billion in June 2026 representing R395 million or 4% growth. The main reasons for the difference between total assets per the financial statements and the leverage exposure is due to off-balance sheet items.

8.2 LR2 — LEVERAGE RATIO COMMON DISCLOSURE TEMPLATE

CONSOLIDATED

Line	Item	30 Jun 2026	31 Mar 2026
On Balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs) but including collateral)	11 049 033	10 665 177
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	–	–
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	–	–
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	–	–
5	(Specific and general provisions associated with on-balance sheet exposures that are deducted from Basel III Tier 1 capital)	(111 606)	(88 267)
6	(Asset amounts deducted in determining Basel III Tier 1 capital)	(39 601)	(35 072)
7	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 to 6)	10 897 826	10 541 838
Derivative exposures			

Line	Item	30 Jun 2026	31 Mar 2026
8	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	–	–
9	Add-on amounts for potential future exposure associated with all derivatives transactions	–	–
10	(Exempted central counterparty (CCP) leg of client-cleared trade exposures)	–	–
11	Adjusted effective notional amount of written credit derivatives	–	–
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	–	–
13	Total derivative exposures (sum of lines 8 to 12)	–	–
Securities financing transaction exposures			
14	Gross SFT assets (with no recognition of netting) after adjusting for sales accounting transactions	–	–
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	–	–
16	CCR exposure for SFT assets	–	–
17	Agent transaction exposures	–	–
18	Total securities financing transaction exposures (sum of lines 14 to 18)	–	–
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	1 610 144	1 755 717
20	(Adjustments for conversion to credit equivalent amounts)	(1 168 881)	(1 336 803)
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	–	–
22	Off-balance sheet items (sum of lines 19 and 21)	441 263	418 914
Capital and total exposures			
23	Tier 1 capital	1 292 289	1 266 335
24	Total exposures (sum of rows 7, 13, 18 and 22)	11 339 088	10 960 752
Leverage ratio			
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	11.40%	11.55%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	11.40%	11.55%
26	National minimum leverage ratio requirement	–	–
27	Applicable leverage buffers	–	–
Disclosure of mean values			
28	Mean value of gross SFT assets after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	–	–
29	Quarter-end value of gross SFT assets after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	–	–
30	Total exposures (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	11 339 088	10 960 752
30a	Total exposures (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	11 339 088	10 960 752
31	Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	11.40%	11.55%

Line	Item	30 Jun 2026	31 Mar 2026
31a	Basel III leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	11.40%	11.55%

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Line	Item	30 Jun 2026	31 Mar 2026
On Balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs) but including collateral)	11 062 078	10 668 024
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	–	–
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	–	–
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	–	–
5	(Specific and general provisions associated with on-balance sheet exposures that are deducted from Basel III Tier 1 capital)	(111 606)	(88 267)
6	(Asset amounts deducted in determining Basel III Tier 1 capital)	(39 601)	(41 979)
7	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 to 6)	10 910 871	10 537 778
Derivative exposures			
8	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	–	–
9	Add-on amounts for potential future exposure associated with all derivatives transactions	–	–
10	(Exempted central counterparty (CCP) leg of client-cleared trade exposures)	–	–
11	Adjusted effective notional amount of written credit derivatives	–	–
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	–	–
13	Total derivative exposures (sum of lines 8 to 12)	–	–
Securities financing transaction exposures			
14	Gross SFT assets (with no recognition of netting) after adjusting for sales accounting transactions	–	–
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	–	–
16	CCR exposure for SFT assets	–	–
17	Agent transaction exposures	–	–
18	Total securities financing transaction exposures (sum of lines 14 to 18)	–	–
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	1 610 144	1 755 717
20	(Adjustments for conversion to credit equivalent amounts)	(1 168 881)	(1 336 803)
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	–	–
22	Off-balance sheet items (sum of lines 19 and 21)	441 263	418 914
Capital and total exposures			
23	Tier 1 capital	1 288 535	1 266 335
24	Total exposures (sum of rows 7, 13, 18 and 22)	11 352 133	10 956 692
Leverage ratio			
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	11.35%	11.46%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	11.35%	11.46%

Line	Item	30 Jun 2026	31 Mar 2026
26	National minimum leverage ratio requirement	–	–
27	Applicable leverage buffers	–	–
Disclosure of mean values			
28	Mean value of gross SFT assets after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	–	–
29	Quarter-end value of gross SFT assets after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	–	–
30	Total exposures (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	11 352 133	10 956 692
30a	Total exposures (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	11 352 133	10 956 692
31	Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	11.35%	11.46%
31a	Basel III leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	11.35%	11.46%

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- The leverage ratio decreased marginally from 11.46% in March 2026 to 11.35% in June 2026 due to the growth in leverage exposures being proportionately higher than the growth in Tier 1 capital. Tier 1 capital increased by R33 million or 2.6% whilst the leverage exposure increased by R395 million or 3.6%. The main factors contributing to the growth in leverage exposures were gross advances increasing by R297 million, cash and balances with central bank increasing by 41 million and off-balance sheet exposures increasing by R22 million.

Liquidity

9.1 LIQ1 — LIQUIDITY COVERAGE RATIO (LCR)

The objective of the LCR is to promote the short-term resilience of the liquidity risk profile of banks by ensuring that they have sufficient high-quality liquid assets to survive a significant stress scenario lasting 30 calendar days. The values in the table are calculated as the simple average of the 3-month values over the period.

The structure and nature of deposits inside the 30-day window is the key driver of both the level and the volatility of the LCR. This weighted outflow is determined by the customer type of liabilities falling into the 30-day contractual bucket. The HQLA comprises primarily South African sovereign and central bank Rand denominated securities all of which are eligible for South African Reserve Bank (SARB) repo.

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Line	Item	Total Unweighted Value	Total Weighted Value
HIGH QUALITY LIQUID ASSETS			
1	Total HQLA	1 153 569	1 153 569
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	4 198 431	207 472
3	Stable deposits	–	–
4	Less stable deposits	4 198 431	207 472
5	Unsecured wholesale funding, of which:	5 147 144	197 693
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	5 147 144	197 693
7	Non-operational deposits (all counterparties)	–	–
8	Unsecured debt	–	–
9	Secured wholesale funding	–	–
10	Additional requirements, of which:	1 376 530	151 686
11	Outflows related to derivative exposures and other collateral requirements	3 332	3 332
12	Outflows related to loss of funding on debt products	–	–
13	Credit and liquidity facilities	1 267 657	42 813
14	Other contractual funding obligations	105 541	105 541
15	Other contingent funding obligations	–	–
16	**TOTAL CASH OUTFLOWS**	**10 722 105**	**556 851**
CASH INFLOWS			
17	Secured lending (e.g. reverse repos)	–	–
18	Inflows from fully performing exposures	821 162	496 994
19	Other cash inflows	252 213	3 281
20	**TOTAL CASH INFLOWS**	**1 073 375**	**500 275**
TOTAL ADJUSTED VALUE			
21	Total HQLA		1 153 569

Line	Item	Total Unweighted Value	Total Weighted Value
22	Total net cash outflows		139 213
23	**LIQUIDITY COVERAGE RATIO (%)**		**829%**

9.2 LIQ2 — NET STABLE FUNDING RATIO (NSFR)

The objective of the Net Stable Funding Ratio (NSFR) is to promote resilience in the banking sector by requiring banks to maintain a stable funding profile in relation to the composition of their assets and off-balance sheet activities on an ongoing structural basis. By ensuring that banks do not embark on excessive maturity transformation that is not sustainable, the NSFR is intended to reduce the likelihood that disruptions to a bank's funding sources would erode its liquidity position, increase its risk of failure and potentially lead to broader systemic risk. The minimum NSFR requirement is 100%.

The residual maturity of deposits are the key drivers of available stable funding, particularly those from either retail and small business customers or with maturity longer than a year. Capital issued is also a significant contributor. The residual maturity of advances, as well as holdings in securities eligible as HQLA, are the key drivers of required stable funding. Lower weightings apply to mortgages, shorter term advances and HQLA.

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Line	Item	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:	–	–	–	1 727 834	1 727 834
2	Regulatory capital	–	–	–	1 727 834	1 727 834
3	Other capital instruments	–	–	–	–	–
4	Retail deposits and deposits from small business customers:	–	3 404 159	1 947 539	94 358	4 910 886
5	Stable deposits	–	–	–	–	–
6	Less stable deposits	–	3 404 159	1 947 539	94 358	4 910 886
7	Wholesale funding:	–	2 248 077	1 001 909	311 773	1 936 756
8	Operational deposits	–	22	–	–	1
9	Other wholesale funding	–	2 248 055	1 001 909	311 773	1 936 755
10	Liabilities with matching interdependent assets	–	–	–	–	–
11	Other liabilities:	–	112 273	6 984	95 567	99 059
12	NSFR derivative liabilities	–	–	–	–	–
13	All other liabilities and equity not included in the above categories	–	112 273	6 984	95 567	99 059
14	**Total ASF**	–	**5 764 509**	**2 956 432**	**2 229 532**	**8 674 535**
Required Stable Funding (RSF) Item						
15	Total NSFR high-quality liquid assets (HQLA)	–	398 272	–	793 775	50 333
16	Deposits held at other financial institutions for operational purposes	–	920 248	–	–	138 037
17	Performing loans and securities:	–	–	–	–	–
18	Performing loans to financial institutions secured by Level 1 HQLA	–	730 950	100 729	2 719 602	2 183 581
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	–	–	–	–	–
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:	–	728 558	91 610	–	410 084
21	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	–	–	–	–	–
22	Performing residential mortgages, of which:	–	2 392	9 119	2 719 602	1 773 497

Line	Item	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
23	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	–	2 392	9 119	2 719 602	1 773 497
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	–	–	–	–	–
25	Assets with matching interdependent liabilities	–	–	–	–	–
26	Other assets:	–	249 150	87 700	4 950 046	4 403 413
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	–	249 150	87 700	4 950 046	4 403 413
32	Off-balance sheet items	–	1 610 144			80 507
33	**Total RSF**	–	**3 908 764**	**188 429**	**8 463 423**	**6 855 870**
34	**Net Stable Funding Ratio (%)**					**127**

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Credit Risk

10.1 CR1 — CREDIT QUALITY OF ASSETS

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Line	Item	a	b	c	d	e	f	g
		Gross carrying values of		Allowances / impairments	Of which ECL accounting provisions for credit losses on SA exposures		Of which ECL accounting provisions for credit losses on IRB exposures	Net values (a+b−c)
		Defaulted exposures	Non-defaulted exposures		Allocated in regulatory category of Specific	Allocated in regulatory category of General		
1	Loans: Of which:	271 260	10 185 876	110 207	88 674	21 533	–	10 346 930
(a)	Sovereign (including central government and central bank)	–	793 775	1 454	–	1 454	–	792 321
(b)	Banks	–	999 876	377	–	377	–	999 499
(c)	Corporate	1 678	558 343	3 797	1 863	1 934	–	556 224
(d)	SME Corporate	65 354	1 376 616	58 820	52 257	6 563	–	1 383 150
(e)	Specialised Lending: Real Estate (SL)	–	–	–	–	–	–	–
e(1)	SL: Project Finance	–	–	–	–	–	–	–
e(2)	SL: Object and commodity finance	–	–	–	–	–	–	–
(f)	Of which: Purchased receivables - corporate	–	–	–	–	–	–	–
(g)	Of which: Retail residential mortgage advances	31 202	1 103 662	6 064	5 403	661	–	1 128 800
(h)	Of which: Retail qualifying revolving (QRRE)	–	–	–	–	–	–	–
(i)	Of which: Retail SME	171 771	5 140 387	37 501	27 838	9 663	–	5 274 657
(j)	Retail Other	1 255	213 218	2 195	1 313	882	–	212 278
j(1)	Of which: unsecured lending	–	–	–	–	–	–	–
(k)	Of which: Purchased receivables - retail	–	–	–	–	–	–	–
2	Debt Securities	–	–	–	–	–	–	–
3	Off-balance sheet exposures	–	1 610 144	1 399	–	1 399	–	1 608 744
4	**Total**	**271 260**	**11 796 020**	**111 606**	**88 674**	**22 932**	–	**11 955 675**

10.2 CR2 — CHANGES IN STOCK OF DEFAULTED LOANS AND DEBT SECURITIES

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Line	Item	30 Jun 2026
1	Defaulted loans and debt securities at end of the previous reporting period	174 912
2	Loans and debt securities that have defaulted since the last reporting period (December 2025)	105 428
3	Returned to non-defaulted status	8 985
4	Amounts written off	95
5	Other changes	–
6	Defaulted loans and debt securities at end of the reporting period (1+2-3-4+5)	271 260

10.3 CR3 — CREDIT RISK MITIGATION TECHNIQUES — OVERVIEW

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Line	Item	a	b	c	d	e
		Exposures unsecured: carrying amount	Exposures to be secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	**Loans: of which**	**48 962**	**10 297 968**	**11 747 058**	–	–
(a)	Sovereign (including central government and central bank)	–	792 321	793 775	–	–
(b)	Public sector entities	13 361	–	–	–	–
(c)	Banks	–	986 137	986 514	–	–
(d)	Corporate	14 000	542 225	939 208	–	–
(e)	SME Corporate	20 101	1 363 049	1 903 661	–	–
(f)	Specialised Lending: Real Estate (SL)	–	–	–	–	–
1	SL: Project finance	–	–	–	–	–
2	SL: Object and commodity finance	–	–	–	–	–
(g)	Purchased receivables - corporate	–	–	–	–	–
(h)	Retail residential mortgage advances	–	1 128 800	1 119 928	–	–
(i)	Retail qualifying revolving (QRRE)	–	–	–	–	–
(j)	Retail SME	1 500	5 273 157	5 757 457	–	–
(k)	Retail Other	–	212 278	246 515	–	–
1	Of which: unsecured lending	–	–	–	–	–
(l)	Purchased receivables - retail	–	–	–	–	–
2	**Debt securities**	–	–	–	–	–
3	**Of which defaulted**	–	**271 260**	**271 260**	–	–
4	**Total**	**48 962**	**10 569 228**	**12 018 318**	–	–

10.4 CR4 — STANDARDISED APPROACH — CREDIT RISK EXPOSURE AND CREDIT RISK MITIGATION EFFECTS

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Line	Asset classes	a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	**Sovereign (including central government and central bank)**	**793 775**	–	**793 775**	–	–	**0%**
2	**Multilateral development banks**	–	–	–	–	–	**0%**
(a)	Securities firms and other financial institutions	–	–	–	–	–	0%
3	**Banks: of which**	**999 876**	–	**999 876**	–	**837 385**	**85%**
(a)	Securities firms and other financial institutions	986 514	–	986 514	–	837 385	86%
(b)	Public Sector Entities	13 361	–	13 361	–	–	0%
4	**Covered bonds**	–	–	–	–	–	**0%**
5	**Corporates (excluding corporate real estate as per line 8): of which**	**1 664 355**	**942 010**	**1 664 355**	**942 010**	**1 600 446**	**61%**
(a)	SME Corporate	1 126 960	547 146	1 126 960	547 146	1 042 267	62%
(b)	Securities firms and other financial institutions	–	–	–	–	–	0%

Line	Asset classes	a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
(c)	Specialised lending (excluding IPRRE, IPCRE and HVCRE)	–	–	–	–	–	0%
6	**Subordinated debt, equity and other capital**	–	–	–	–	–	**0%**
7	**Retail: of which**	**6 457 266**	**668 133**	**6 457 266**	**668 133**	**4 177 891**	**59%**
(a)	Retail residential mortgage advances	2 495 687	69 133	2 495 687	69 133	928 767	36%
(b)	Retail qualifying revolving (QRRE)	–	–	–	–	–	0%
(c)	SME retail	3 748 362	565 703	3 748 362	565 703	3 075 755	71%
(d)	Retail - other	213 218	33 297	213 218	33 297	173 369	70%
8	**Real estate: Corporate: of which**	**270 604**	–	**270 604**	–	**223 590**	**83%**
(a)	Commercial real estate	191 300	–	191 300	–	155 382	81%
(b)	Income producing real estate	–	–	–	–	–	0%
(c)	HVCRE including land acquisition, development and construction	–	–	–	–	–	0%
9	**Defaulted exposures**	**271 260**	–	**271 260**	–	**260 044**	**96%**
10	**Other assets**	–	–	–	–	–	**0%**
11	**Total**	**10 457 137**	**1 610 144**	**10 457 137**	**1 610 144**	**7 099 357**	**59%**

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Line	Asset classes	a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	**Sovereign (including central government and central bank)**	**793 775**	–	**793 775**	–	–	**0%**
2	**Multilateral development banks**	–	–	–	–	–	**0%**
(a)	Securities firms and other financial institutions	–	–	–	–	–	0%
3	**Banks: of which**	**999 876**	–	**999 876**	–	**837 385**	**85%**
(a)	Securities firms and other financial institutions	986 514	–	986 514	–	837 385	86%
(b)	Public Sector Entities	13 361	–	13 361	–	–	0%
4	**Covered bonds**	–	–	–	–	–	**0%**
5	**Corporates (excluding corporate real estate as per line 8): of which**	**1 664 355**	**942 010**	**1 664 355**	**942 010**	**1 600 446**	**61%**
(a)	SME Corporate	1 126 960	547 146	1 126 960	547 146	1 042 267	62%
(b)	Securities firms and other financial institutions	–	–	–	–	–	0%
(c)	Specialised lending (excluding IPRRE, IPCRE and HVCRE)	–	–	–	–	–	0%
6	**Subordinated debt, equity and other capital**	–	–	–	–	–	**0%**
7	**Retail: of which**	**6 457 266**	**668 133**	**6 457 266**	**668 133**	**4 177 891**	**59%**
(a)	Retail residential mortgage advances	2 495 687	69 133	2 495 687	69 133	928 767	36%
(b)	Retail qualifying revolving (QRRE)	–	–	–	–	–	0%
(c)	SME retail	3 748 362	565 703	3 748 362	565 703	3 075 755	71%
(d)	Retail - other	213 218	33 297	213 218	33 297	173 369	70%
8	**Real estate: Corporate: of which**	**270 604**	–	**270 604**	–	**223 590**	**83%**
(a)	Commercial real estate	191 300	–	191 300	–	155 382	81%
(b)	Income producing real estate	–	–	–	–	–	0%

Line	Asset classes	a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
(c)	HVCRE including land acquisition, development and construction	–	–	–	–	–	0%
9	**Defaulted exposures**	**271 260**	–	**271 260**	–	**260 044**	**96%**
10	**Other assets**	**164 673**	–	**164 673**	–	**164 673**	**100%**
11	**Total**	**10 621 810**	**1 610 144**	**10 621 810**	**1 610 144**	**7 264 030**	**59%**

10.5 CR5 — STANDARDISED APPROACH — EXPOSURES BY ASSET CLASSES AND RISK WEIGHTS

CONSOLIDATED · 30 JUNE 2026

Line	Asset class	0%	20%	25%	30%	35%	40%	45%	50%	60%	65%	70%	75%	85%	90%	100%	105%	110%	150%	250%	400%	Other	Total	Total credit exposure amount (post-CCF and post-CRM)
1	Sovereign (including central government and central bank)	793 775	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	793 775	793 775
2	Public Sector Entities	13 361	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	13 361	13 361
3	Multilateral development banks	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
4	Banks	–	–	–	–	–	–	–	394 648	–	–	–	–	–	–	495 476	–	–	96 390	–	–	–	986 514	986 514
(a)	Of which: securities firms and other financial institutions	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
5	Covered bonds	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
6	Corporates (excluding corporate real estate as per line 9)	36 456	1 668	–	–	–	–	–	–	–	–	–	–	597 931	–	1 066 425	–	–	–	–	–	903 886	2 606 366	2 606 366
(a)	Of which: SME	28 797	37	–	–	–	–	–	–	–	–	–	–	597 931	–	529 029	–	–	–	–	–	518 311	1 674 106	1 674 106
(b)	Of which: securities firms and other financial institutions	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(c)	Of which: specialised lending (excluding IPRRE, IPCRE and HVCRE)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
7	Subordinated debt, equity and other capital	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
8	Retail (excluding retail residential mortgage advances as per line 9): of which	322 542	–	–	–	–	–	–	–	499 744	–	1 342 755	531 484	–	527 259	1 089 469	–	23 307	26 086	–	–	197 934	4 560 580	4 560 580
(a)	Retail qualifying revolving (QRRE)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(b)	SME Retail	289 245	–	–	–	–	–	–	–	498 737	–	1 339 549	377 548	–	527 259	1 034 399	–	23 307	26 086	–	–	197 934	4 314 065	4 314 065
(c)	Retail - other	33 297	–	–	–	–	–	–	–	1 007	–	3 206	153 936	–	–	55 069	–	–	–	–	–	–	246 515	246 515
9	Real estate: of which	7 182	414 090	190 627	862 265	86 320	336 095	342 586	117 002	681 004	–	1 396 894	318 492	87 323	561 894	395 889	–	66 228	30 666	–	–	–	5 894 557	5 894 557
(a)	general RRE retail residential mortgage advances	–	414 090	190 627	862 265	86 320	336 095	342 586	117 002	135 003	–	–	7 119	73 976	–	74 462	–	–	4 580	–	–	–	2 644 124	2 644 124
(b)	no loan splitting applied	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(c)	loan splitting applied (secured)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(d)	loan splitting applied (unsecured)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(e)	IPRRE	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(f)	general CRE	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(g)	no loan splitting applied	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(h)	loan splitting applied (secured)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(i)	Of which: loan splitting applied (unsecured)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(j)	Of which: IPCRE	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(k)	Of which: HVCRE including land acquisition, development and construction	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
10	Defaulted exposures	–	–	–	–	–	–	–	12 203	–	–	–	–	–	–	41 593	–	–	217 465	–	–	–	271 260	271 260
11	Other assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

CONSOLIDATED · Exposure amounts and CCFs applied to off-balance sheet exposures, categorised based on risk bucket of converted exposures

Line	Risk weight	a On-balance sheet exposure	b Off-balance sheet exposure (pre-CCF)	c Weighted average CCF*	d Exposure (post-CCF and post-CRM)
1	Less than 40%	2 360 438	1 462 486	100%	3 822 924
2	40–70%	3 280 431	–	0%	3 280 431
3	75%	538 603	–	0%	538 603
4	85%	685 254	–	0%	685 254
5	90–100%	3 181 661	147 657	100%	3 329 319
6	105–130%	66 228	–	0%	66 228
7	150%	344 521	–	0%	344 521
8	250%	–	–	0%	–
9	400%	–	–	0%	–
10	1250%	–	–	0%	–
11	**Total exposures**	**10 457 137**	**1 610 144**	**100%**	**12 067 280**

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Line	Asset class	0%	20%	25%	30%	35%	40%	45%	50%	60%	65%	70%	75%	85%	90%	100%	105%	110%	150%	250%	400%	Other	Total	Total credit exposure amount (post-CCF and post-CRM)
1	Sovereign (including central government and central bank)	793 775	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	793 775	793 775
2	Public Sector Entities	13 361	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	13 361	13 361
3	Multilateral development banks	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
4	Banks	–	–	–	–	–	–	–	394 648	–	–	–	–	–	–	495 476	–	–	96 390	–	–	–	986 514	986 514
(a)	Of which: securities firms and other financial institutions	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
5	Covered bonds	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
6	Corporates (excluding corporate real estate as per line 9)	36 456	1 668	–	–	–	–	–	–	–	–	–	–	597 931	–	1 066 425	–	–	–	–	–	903 886	2 606 366	2 606 366
(a)	Of which: SME	28 797	37	–	–	–	–	–	–	–	–	–	–	597 931	–	529 029	–	–	–	–	–	518 311	1 674 106	1 674 106
(b)	Of which: securities firms and other financial institutions	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(c)	Of which: specialised lending (excluding IPRRE, IPCRE and HVCRE)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
7	Subordinated debt, equity and other capital	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
8	Retail (excluding retail residential mortgage advances as per line 9): of which	322 542	–	–	–	–	–	–	–	499 744	–	1 342 755	531 484	–	527 259	1 089 469	–	23 307	26 086	–	–	197 934	4 560 580	4 560 580
(a)	Retail qualifying revolving (QRRE)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(b)	SME Retail	289 245	–	–	–	–	–	–	–	498 737	–	1 339 549	377 548	–	527 259	1 034 399	–	23 307	26 086	–	–	197 934	4 314 065	4 314 065
(c)	Retail - other	33 297	–	–	–	–	–	–	–	1 007	–	3 206	153 936	–	–	55 069	–	–	–	–	–	–	246 515	246 515
9	Real estate: of which	7 182	414 090	190 627	862 265	86 320	336 095	342 586	117 002	681 004	–	1 396 894	318 492	87 323	561 894	395 889	–	66 228	30 666	–	–	–	5 894 557	5 894 557
(a)	general RRE retail residential mortgage advances	–	414 090	190 627	862 265	86 320	336 095	342 586	117 002	135 003	–	–	7 119	73 976	–	74 462	–	–	4 580	–	–	–	2 644 124	2 644 124
(b)	no loan splitting applied	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(c)	loan splitting applied (secured)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(d)	loan splitting applied (unsecured)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(e)	IPRRE	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(f)	general CRE	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(g)	no loan splitting applied	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(h)	loan splitting applied (secured)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(i)	Of which: loan splitting applied (unsecured)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(j)	Of which: IPCRE	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(k)	Of which: HVCRE including land acquisition, development and construction	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
10	Defaulted exposures	–	–	–	–	–	–	–	12 203	–	–	–	–	–	–	41 593	–	–	217 465	–	–	–	271 260	271 260
11	Other assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	164 673	–	–	–	–	–	–	164 673	164 673

BANK · Exposure amounts and CCFs applied to off-balance sheet exposures, categorised based on risk bucket of converted exposures

Line	Risk weight	a On-balance sheet exposure	b Off-balance sheet exposure (pre-CCF)	c Weighted average CCF*	d Exposure (post-CCF and post-CRM)
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2	40–70%	3 280 431	–	0%	3 280 431
3	75%	538 603	–	0%	538 603
4	85%	685 254	–	0%	685 254
5	90–100%	3 346 334	147 657	100%	3 493 992
6	105–130%	66 228	–	0%	66 228
7	150%	344 521	–	0%	344 521
8	250%	–	–	0%	–
9	400%	–	–	0%	–
10	1250%	–	–	0%	–
11	**Total exposures**	**10 621 810**	**1 610 144**	**100%**	**12 231 953**

Annexure A

The following tables and disclosures are not relevant to Albaraka Bank Limited and have been excluded from this Pillar III Disclosure Report.

Code	Description
CMS1	Comparison of modelled and standardised RWA at risk level
CMS2	Comparison of modelled and standardised RWA for credit risk at asset class level
CCRA	Qualitative disclosure related to CCR
CCR1	Analysis of CCR exposures by approach
CCR3	Standardised approach – CCR exposures by regulatory portfolio and risk weights
CCR4	IRB – CCR exposures by portfolio and probability-of-default (PD) scale
CCR5	Composition of collateral for CCR exposures
CCR6	Credit derivatives exposures
CCR7	RWA flow statements of CCR exposures under the internal models method (IMM)
CCR8	Exposures to central counterparties
SEC1	Securitisation exposures in the banking book
SEC2	Securitisation exposures in the trading book
SEC3	Securitisation exposures in the banking book and associated regulatory capital requirements – bank acting as originator or as sponsor
SEC4	Securitisation exposures in the banking book and associated capital requirements – bank acting as investor
MR1	Market risk under the standardised approach
MR2	Market risk for banks using the IMA
CVA1	The reduced basic approach for CVA (BA-CVA)
CVA2	The full basic approach for CVA (BA-CVA)
CCyB1	Geographical distribution of credit exposures used in the calculation of the bank-specific countercyclical capital buffer requirement
CR6	IRB - Credit risk exposures by portfolio and probability of default (PD) range
CR7	IRB - Effect on RWA of credit derivatives used as credit risk mitigation (CRM) techniques
CR8	RWA flow statements of credit risk exposures under IRB
CR10	IRB (specialised lending under the slotting approach)