Disclosure Report

China Construction Bank Corporation, Johannesburg Branch

Basel Pillar 3 Semi – Annual Disclosure Report June 2026

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1. OVERVIEW

Introduction

China Construction Bank Corporation, Johannesburg Branch (hereafter referred to as CCB-JHB or the Branch) is an overseas branch of China Construction Bank Corporation (incorporated in the People's Republic of China).

This document sets out the Semi-annual Pillar III Disclosures as applicable to CCB-JHB as at 30 June 2026, also referred to as H1 2026. Where referring to prior period, this should be interpreted as 31 December 2025 (also referred to as H2 2025), unless stated otherwise. The disclosure is compiled in terms of the requirements of the Banks Act 1990 (as amended) and Regulation 43 of the Regulations relating to Banks ("the Regulations").

CCB-JHB's business model is that of a corporate and merchant bank, servicing the South African business community and promoting Chinese/African investments primarily within the Sub-Saharan region of Africa.

The Executive Management Committee (EXCO) is responsible for maintaining an effective internal control structure in respect of this disclosure and the Regulatory Disclosure Policy sets out requirements in line with applicable directives issued by the Regulator (refers to the Prudential Authority (PA)).

All amounts/figures are reported in R'000 unless stated otherwise within this disclosure.

Directive 10/2025 and Related Tables within Present Disclosure

The following tables, as per Directive 10 of 2025, have not been included in this disclosure and the explanation is detailed below:

Directive 10 of 2025: Semi-Annual Disclosure required tables per Annexure A and B	Explanation
CR6, CR7, CR10, CCR4, MRC, MR2, MR3, MR4, CMS2, CVA2, CVA3	❖ Not applicable due to regulatory reporting approach adopted by the Branch
CR2, CCR5	❖ Not disclosed due to no amounts as end of 30 June 2026 (nil amounts)
CCR6, CCR8	❖ Not applicable due to nature of business, as no items to be disclosed
SEC1, SEC2, SEC3, and SEC4	❖ Not applicable, as CCB-JHB has no securitisation exposure
TLAC1, TLAC2, and TLAC3	❖ Not applicable, as CCB JHB is not a G-SIB and the South African Prudential Authority is not the home regulator of the CCB Group, regulated in China
CC2	❖ Not applicable, CCB-JHB does not issue semi-annual financial statements.
ENC	❖ No asset encumbrance

Financial Highlights and Key Ratios (as per regulatory reporting)

As at 30 June 2026, the financial position of the Branch was as follows:

- Total assets of R 50 643 246;
- Total liabilities of R 42 583 747; and
- Total equity of R 8 059 499.

Total assets increased by 7.56% compared to 31 December 2025 (R 47 083 064). The increase in total assets is mainly driven by increased loans and advances to customers.

For the 6 months, from 1 January 2026 to 30 June 2026, the Branch reported a Net Profit after Tax (NPAT) of R 232 752. The NPAT (H1 2025: R 269 995) decreased compared to the prior year result for the same period by 13.79% and mainly attributable to decreased generated income from the lending business negatively impacted by a lower interest rate environment.

Key capital features, as at 30 June 2026, are as follows:

- The qualifying capital and reserve funds of the Branch is R8 091 390;
- The Capital Adequacy Ratio (CAR) of the Branch is 35.70%; and
- The Leverage Ratio of the Branch is 14.99%.

Key liquidity ratios, as at 30 June 2026, are as follows:

- The Liquidity Coverage Ratio (LCR) of the Branch is 330.97%; and
- The Net Stable Funding Ratio (NSFR) of the Branch is 129.21%.

2. CAPITAL MANAGEMENT

Capital Adequacy and Capital Composition

The total regulatory capital minimum requirement as per Directive 5 of 2021, "Capital Framework for South Africa based on the Basel III framework", is set at 11.50%, excluding bank specific add-ons and Countercyclical Buffers (CCyB).

For the period under review, CCB-JHB maintained both regulatory and internal minimum capital requirements, as stipulated in the Banks Act and in the Branch's Internal Capital Adequacy Assessment Process (ICAAP) respectively.

CCB-JHB's capital structure is as follows:

- Paid in capital amount qualifying as Common Equity Tier 1 (CET1) capital;
- Retained earnings accumulated qualifying as CET1 capital;
- Other Reserves qualifying as CET1;
- General allowance for credit impairments qualifying as Tier 2 capital; and
- Regulatory adjustment as prescribed by the Regulator.

There are no restrictions on the transfer of qualifying capital and reserve funds within the CCB banking group. CCB-JHB complies with local requirements in terms of the transfer of qualifying capital and reserve funds outside of South Africa.

CCB-JHB has high-quality capital with 99.17% of total capital constituting CET1. This capital is suitable to absorb losses and retain value under stressed conditions. There have been no material changes in the capital composition/structure of CCB-JHB during H1 2026.

Capital Position, Capital Adequacy and Leverage Ratio Levels as at 30 June 2026

The total qualifying capital and reserve funds of the Branch were R 8 091 390. As in prior periods, retained earnings steadily increased the Branch's capital position (+3.12%).

The Branch reported a CAR of 35.70% and a leverage ratio of 14.99%.

The CAR decreased during H1 2026, in line with total Risk Weighted Assets (RWA) increasing by 20.66%; the change is predominantly driven through a controlled increase of credit risk (+25.25%) with additional term loans and RCF with local banks, MDBs and large corporates. This is in line with expectations and strategy execution.

The leverage ratio decreased to 14.99% (from 15.75% as at 31st December 2025), driven by growth in total assets.

The Branch's capital level is deemed appropriate to support CCB-JHB's business operations, enable execution of the desired growth strategy, continue to operate under stressed conditions, and meet regulatory requirements.

CC1: Composition of Regulatory Capital

R' 000 At 30 June 2026		Notes	a Amounts	b 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		3 385 642	h
2	Retained earnings		4,517,410	
3	Accumulated other comprehensive income (and other reserves)		156,448	
4	Directly issued capital subject to phase-out from CET1 capital (only applicable to non-joint stock companies)			
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1 capital)			
6	**Common Equity Tier 1 capital before regulatory adjustments**		8,059,499	
	Common Equity Tier 1 capital regulatory adjustments			
7	Prudent valuation adjustments		34,889	
8	Goodwill (net of related tax liability)			a minus d
9	Other intangibles other than mortgage servicing rights (MSR) (net of related tax liability)		526	b minus e
10	Deferred tax assets (DTA) 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		-	
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 subtracted from 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)		-	c minus f minus 10% threshold
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)		-	
22	Amount exceeding 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 capital**		35,416	
29	**Common Equity Tier 1 capital (CET1)**		8,024,083	
	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 accounting standards		-	
32	Of which: classified as liabilities under applicable accounting standards		-	
33	Directly issued capital instruments subject to phase-out from additional Tier 1 capital		-	
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 additional Tier 1 capital)		-	
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 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 common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation		-	

CC1: Composition of regulatory capital (continued)

R' 000 At 30 June 2026		Notes	a Amounts	b Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
41	National specific regulatory adjustments		-	
42	Regulatory adjustments applied to additional Tier 1 due to insufficient Tier 2 capital 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)**		8,024,083	
	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 capital		-	
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		67,306	
51	**Tier 2 capital before regulatory adjustments**		67,306	
	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 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 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 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)**		67,306	
59	**Total regulatory capital (= Tier 1 + Tier 2)**		8,091,390	
60	**Total risk-weighted assets**		22,668,102	
	Capital ratios and buffers			
61	**Common Equity Tier 1 capital (as a percentage of risk-weighted assets)**	N1	35.40%	
62	**Tier 1 capital (as a percentage of risk-weighted assets)**	N2	35.40%	
63	**Total capital (as a percentage of risk-weighted assets)**	N3	35.70%	
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)**		3.30%	
65	Of which: capital conservation buffer requirement		2.50%	
66	Of which: bank-specific countercyclical buffer requirement		0.80%	
67	Of which: higher loss absorbency requirement		0.00%	
68	**Common Equity Tier 1 capital (as a percentage of risk weighted assets) available after meeting the bank's minimum capital requirement.**		27.10%	
	National minima (if different from Basel III)			
69	National minimum Common Equity Tier 1 capital adequacy ratio (if different from Basel III minimum)		7.50%	
70	National minimum Tier 1 capital adequacy ratio (if different from Basel III minimum)		9.25%	
71	National minimum Total capital adequacy ratio (if different from Basel III minimum)		11.50%	
	Amounts below the thresholds for deduction (before risk weighting)			
72	Non-significant investments in the capital and other TLAC liabilities of other financial entities		-	
73	Significant investments in 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)		62,689	
	Applicable caps on the inclusion of provisions in Tier 2 capital			
76	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to standardised approach (prior to application of cap)		67,306	

CC1: Composition of regulatory capital (continued)

R' 000 At 30 June 2026		a Amounts	b Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
77	Cap on inclusion of provisions in Tier 2 capital under standardised approach	67,306	
78	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to internal ratings- based approach (prior to application of cap)	-	
79	Cap for inclusion of provisions in Tier 2 capital 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 capital 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 capital 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 capital due to cap (excess over cap after redemptions and maturities)	-	

Notes

N1, N2 and N3: Common Equity Tier 1, Tier 1 and Total capital (as a percentage of risk-weighted assets): The decrease is as a result of the net effect of an increase in total risk-weighted assets, which is mainly driven by the increase in credit risk from December 2025 to June 2026.

CCA: Main features of regulatory capital instruments

R' 000 At 30 June 2026		a Quantitative/Qualitative Information
1	Issuer	All capital is issued at group level
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	China Construction Bank Corporation - Group
3	Governing law(s) of the instrument	All capital is issued at group level from China
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	[NA]
4	Transitional Basel III rules	Common Equity Tier 1
5	Post-transitional Basel III rules	Common Equity Tier 1
6	Eligible at solo/group/group and solo	Solo and Group
7	Instrument type (types to be specified by each jurisdiction)	[NA]
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	R 3 386
9	Par value of instrument	[NA]
10	Accounting classification	Branch capital
11	Original date of issuance	Initial capital injection was received upon establishment in 2000
12	Perpetual or dated	Perpetual
13	Original maturity date	[NA]
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates, and redemption amount	[NA]
16	Subsequent call dates, if applicable	[NA]
	Coupons / dividends	
17	Fixed or floating dividend/coupon	[NA]
18	Coupon rate and any related index	[NA]
19	Existence of a dividend stopper	[NA]
20	Fully discretionary, partially discretionary or mandatory	[NA]
21	Existence of step-up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	[NA]
25	If convertible, fully or partially	[NA]
26	If convertible, conversion rate	[NA]
27	If convertible, mandatory or optional conversion	[NA]
28	If convertible, specify instrument type convertible into	[NA]
29	If convertible, specify issuer of instrument it converts into	[NA]
30	Write-down feature	No
31	If write down, write down trigger(s)	[NA]
32	If write down, full or partial	[NA]
33	If write down, permanent or temporary	[NA]
34	If temporary write-own, description of writeup mechanism	[NA]
34a	Type of subordination	[NA]
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	No
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	[NA]

CCyB1: Geographical distribution of credit exposures used in the countercyclical buffer

R' 000 At 30 June 2026	a	b	c	d	e
Geographical breakdown	Countercyclical capital buffer rate (N1)	Exposure values and/or risk-weighted assets used in the computation of the countercyclical capital buffer		Bank-specific countercyclical capital buffer rate	Countercyclical buffer amount
		Exposure values	Risk-weighted assets		
South Africa (home)	1%	3,590,461	3,590,461		
Mauritius	Not set	1,314,725	1,314,725		
Netherlands	2%	622,020	466,515		
United Kingdom	2%	521,737	521,737		
United States	0%	963,926	963,926		
Ireland	1.5%	357,172	357,172		
Hong Kong	0.5%	531,540	531,540		
Sum		7,901,582	7,746,077		
Total				0.80% (N2)	181,141

Notes

N1: CCB-JHB is subject to Countercyclical Buffer (CCyB) requirements in the following jurisdictions: UK, Netherlands (both 2.00%), Ireland (1.50%), South Africa (1.00%) and Hong Kong (0.50%).

N2: The increase of the bank-specific CCyB rate when comparing to H2 2025 is due to the introduction of a CCyB requirement for South Africa corporate sector exposures, as per "*Directive 6 of 2024: Positive cycle-neutral countercyclical capital buffer*".

Capital Management Framework

CCB-JHB quantifies and holds capital against risks specified as Pillar I risks, in terms of the minimum requirements as per the Banks Act and Regulations. These risks include credit, counterparty credit, market and operational risk.

Further, CCB-JHB considers other risks for which an explicit regulatory capital treatment is not present, commonly referred to as Pillar 2 risks, such as, but not limited to, positions that result in concentrated exposures to a type of counterparty or industry, as well as liquidity risk and interest rate risk in the banking book. For these types of risks, Senior Management deliberates the potential risk impact at various committees. Of these risks, prudential ratios or dedicated internal risk limits have been set, CCB-JHB allocates internal buffers in respect of these risks, which may take the form of an internal capital buffer.

The potential risk impact is further quantified as part of the Branch's annual ICAAP, which includes stress testing for material risk types. The potential impact on capital is summarised in CCB-JHB's ICAAP document, which is developed in alignment with the SARB Guidance Note 4 of 2015.

The Capital Management Framework, ICAAP and Recovery and Resolution Plan (RRP) inform the capital management strategy for CCB-JHB. This ensures that the Branch's capital:

- remains sufficient to support the Branch's risk profile and outstanding commitments;
- exceeds the regulatory minimum capital adequacy by an appropriate internal buffer;
- allocates, where applicable, an internal capital buffer for Pillar 2 risks;
- is able to activate capital recovery options should a severe economic downturn materialise; and
- remains consistent with the Branch's strategic and operational goals for the next five years, and aligned to CCB Group's expectations.

3. CREDIT RISK

The Branch's credit risk arises through its lending activities and includes credit default risk, pre-settlement risk, country risk, and concentration risk.

A counterparty is considered to be in default when:

- The counterparty is unlikely to repay their credit obligations to the Branch in full, without recourse by the Branch to actions, such as realising security (if any is held);
- The counterparty is more than 90 days past due on any material credit obligation to the Branch; and
- Overdrafts are considered past due once the customer has breached an advised limit or been advised of a limit that is smaller than the current amount outstanding.

As per the current business model and CCB-JHB's core business, the Branch's primary exposure to credit risk arises through its loans and advances. The credit exposure is represented through the carrying amounts of the financial assets on the statement of financial position, as well as to off-balance sheet credit risk through commitments in respect of undrawn committed facilities, and guarantees. The Branch is also exposed to credit risk to a lesser degree on various other financial assets, including derivative financial instruments and interest-bearing securities.

The Branch's lending strategy has remained stable over the years.

Governance and Credit Risk Management

The Branch's Credit Committee (CC) and the Risk, Compliance and Internal Control Committee (RCICC) are tasked to identify, manage and monitor credit risk. The CC is the approval authority of credit facilities, and exercises its authority within limits and parameters delegated by CCB Head Office; all credit applications to HO (where no authority is granted to the Branch) need to be pre-approved locally at CC. RCICC monitors credit risk of existing loans and advances portfolio, including country risk and concentration risk assessments, and is responsible for IFRS 9 impairment processes, including approving all material aspects of the model design, development, validation and model enhancement. EXCO has the overall responsibility for credit risk and for approving recommended improvements for credit risk governance and management and, if necessary, adjusting the credit risk appetite of the Branch.

The Risk Management Department (RMD) carries out daily risk monitoring functions and ensures both RCICC and CC decisions are executed. The credit risk function mainly entails ongoing management of credit risk, which includes validating internal credit ratings, carrying out credit risk assessment, providing risk review opinions on credit submissions, performing continuous post-loan management, reviewing and recommending loan classification, and loan provision levels through the IFRS 9 stage classification. The function also monitors compliance with various key credit related policies.

There has been no major change in managing credit risk in H1 2026.

Credit Quality of Assets

Overall credit quality of assets remained stable over H1 2026. The Branch does not have defaulted, past-due exposures or restructured exposures.

CR1: Credit quality of assets

		a	b	c	d	e	f	g
R' 000 At 30 June 2026		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:	-	28,728,095	39,961	-	39,961	-	28,688,134
(a)	Sovereign (including central government and central bank)	-	-	-	-	-	-	-
(b)	Banks (N1)	-	23,180,606	23,947	-	23,947	-	23,156,659
(c)	Corporate	-	5,547,489	16,014	-	16,014	-	5,531,475
(d)	SME Corporate	-	-	-	-	-	-	-
(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	-	-	-	-	-	-	-
(h)	Of which: Retail qualifying revolving (QRRE)	-	-	-	-	-	-	-
(i)	Of which: Retail SME	-	-	-	-	-	-	-
(j)	Retail Other	-	-	-	-	-	-	-
j(1)	Of which: unsecured lending	-	-	-	-	-	-	-
(k)	Of which: Purchased receivables- retail	-	-	-	-	-	-	-
2	Debt Securities	-	15,801,764	7,950	-	7,950	-	15,793,814
3	Off-balance sheet exposures	-	6,446,266	19,330	-	19,330	-	6,426,936
4	**Total**	**-**	**50,976,125**	**67,241**	**-**	**67,241**	**-**	**50,908,884**

Notes

N1: Includes loans, placements and Nostro accounts.

CR2: Change in stock of defaulted loans and debt securities

There were no defaulted exposures during H1 2026 and thus CR2 would result in a nil table, hence removed from present disclosure.

Credit Risk Mitigation (CRM)

The Branch may hold approved collateral that is acceptable in reducing credit risk. The nature of the collateral must meet the minimum requirements stipulated in relevant collateral management policies and procedures defined by the Branch around collateral management. Preference is given to collateral types that are easily valued and realisable. The Branch may accept credit insurance from accredited insurers. For regulatory capital management, CRM (netting, guarantees, collateral, and others) is recognised only where regulatory and contractual requirements have been met.

CR3: Credit risk mitigation techniques – overview

R' 000 At 30 June 2026		a Exposures unsecured: carrying amount	b Exposures to be secured	c Exposures secured by collateral	d Exposures secured by financial guarantees	e Exposures secured by credit derivatives
1	Loans: of which	28,688,135	-	-	-	-
(a)	Sovereign (including central government and central bank)	-	-	-	-	-
(b)	Public sector entities	149	-	-	-	-
(c)	Banks	23,157,995	-	-	-	-
(d)	Corporate	5,529,991	-	-	-	-
(e)	SME Corporate	-	-	-	-	-
(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	-	-	-	-	-
(i)	Retail qualifying revolving (QRRE)	-	-	-	-	-
(j)	Retail SME	-	-	-	-	-
(k)	Retail Other	-	-	-	-	-
1	Of which: Unsecured lending	-	-	-	-	-
(l)	Purchased receivables - retail	-	-	-	-	-
2	Debt securities	15,793,814	-	-	-	-
3	Of which defaulted	-	-	-	-	-
4	**Total**	**44,481,949**	**-**	**-**	**-**	**-**
Notes						

Measurement of Credit Risk

From a regulatory capital requirement perspective, CCB-JHB is currently using the Standardised Approach (Revised Standardised Approach introduced from 1st of July 2025) for measuring credit risk. This approach is based on counterparties' external ratings mapped to pre-defined risk-weight ratios using the ratings table included in Regulation 23 of the Regulations to the Banks Act. If no external rating is available, the credit exposure will be allocated a conservative risk weight based on the local regulatory requirements.

Credit risk capital demand remains the largest capital charge for the Branch.

CR4: Standardised approach - credit risk exposure and credit risk mitigation (CRM) effects

R' 000 At 30 June 2026		Notes	a	b	c	d	e	f
			Exposures before CCF and CRM		Exposures post CCF and CRM		RWA and RWA density	
	Asset classes	N1	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Sovereigns (including central government and central bank)		21,328,979	-	21,328,979	-	-	0%
2	Multilateral development banks		-	-	-	-	-	-
(a)	Securities firms and other financial institutions		-	-	-	-	-	-
3	Banks: of which	N2	16,517,512	560,661	16,517,512	224,264	11,832,190	71%
(a)	Securities firms and other financial institutions		-	-	-	-	-	
(b)	Public Sector Entities		149	-	149	-	-	0%
4	Covered bonds		-	-	-	-	-	-
5	Corporates (excluding corporate real estate as per line 8): of which	N3	5,547,340	5,885,605	5,547,340	2,354,242	7,746,077	98%
(a)	SME Corporate		-	-	-	-	-	-
(b)	Securities firms and other financial institutions		-	-	-	-	-	-
(c)	Specialised lending (excluding IPRRE, IPCRE and HVCRE)		-	-	-	-	-	-
6	Subordinated debt, equity and other capital		-	-	-	-	-	-
7	Retail: of which		-	-	-	-	-	-
(a)	Retail residential mortgage advances		-	-	-	-	-	-
(b)	Retail qualifying revolving (QRRE)		-	-	-	-	-	-
(c)	SME retail		-	-	-	-	-	-
(e)	Retail - other		-	-	-	-	-	-
8	Real estate: Corporate: of which		-	-	-	-	-	0%
(a)	Commercial real estate		-	-	-	-	-	-
(b)	Income producing real estate		-	-	-	-	-	-
(c)	HVCRE including land acquisition, development and construction		-	-	-	-	-	-
9	Defaulted exposures		-	-	-	-	-	0%
10	Other assets		274,949	-	274,949	-	274,949	100%
11	**Total**		**43,668,929**	**6,446,266**	**43,668,929**	**2,578,506**	**19,853,216**	

Notes

N1: No significant movement between asset classes were noted, all movements remained within the threshold as set by the Branch.

N2: The increase in bank exposure and RWA is mainly as a result an increase in placement and Nostro balances at the end of June 2026. Additionally, the bank purchased a corporate bond during H1 of 2026.

N3: The increase in off-balance sheet amount to corporates is due to an increase in committed unutilised facility balances.

CR5: Standardised approach - exposures by asset classes and risk weights

R'000 At 30 June 2026									
Asset classes↓	Risk weight→	0%	20%	50%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)	
1	Sovereign (including central government and central bank)	21,328,979						21,328,979	
Asset classes ↓	Risk weight→	20%	50%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)		
2	Public Sector Entities					149	149		
Asset classes ↓	Risk weight→	0%	20%	30%	50%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
3	Multilateral development banks					1,728,690	2,046,715		3,775,405
Asset classes ↓	Risk weight→	20%	30%	40%	50%	75%	100%	150%	Other[N1]	Total credit exposure amount (post-CCF and post-CRM)
4 (a)	Banks	3,131,048			750,216		6,448,356		3,491,626	13,821,246
Asset classes ↓	Risk weight→	10%	15%	20%	25%	35%	50%	100%	Other	Total credit exposure amount (post-CCF and post-CRM)
5	Covered bonds									

Asset classes ↓ / Risk weight→		20%	50%	65%	75%	80%	85%	100%	130%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
6	Corporates (excluding corporate real estate as per line 9)				622,020			5,964,837				6,586,857
	(a) Of which: SME											
	(b) Of which: securities firms and other financial institutions							1,314,725				1,314,725
	(c) Of which: specialised lending (excluding IPRRE, IPCRE and HVCRE)											

Asset classes ↓ / Risk weight→		100%	150%	250%[5]	400%[5]	Other	Total credit exposure amount (post-CCF and post-CRM)
7	Subordinated debt, equity and other capital						

Asset classes ↓ / Risk weight→		45%	75%	100%	Other	Total credit exposure amount (post-CCF and post-CRM)
8 (a)	Retail (excluding retail residential mortgage advances as per line 9):of which: Retail qualifying revolving (QRRE)					
(b)	Of which: SME Retail					
(c)	Of which: Retail - other					

	Risk weight→ / Asset classes ↓	0%	20%	25%	30%	35%	40%	45%	50%	60%	65%	70%	75%	85%	90%	100 %	105 %	110 %	150 %	Other	Total credit exposure amount (post-CCF and post-CRM)
9 (a)	Real estate: of which general RRE retail residential mortgage advances																				
(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																				

	Risk weight→ / Asset classes ↓	50%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
10	Defaulted exposures					

	Risk weight→ / Asset classes ↓	0%	20%	100%	125%	Other	Total credit exposure amount (post-CCF and post-CRM)
11	Other assets			275,476			275,476

Exposure amounts and CCFs applied to off-balance sheet exposures, categorised based on risk bucket of converted exposures					
	Risk weight	a	b	c	d
		On-balance sheet exposure	Off-balance sheet exposure (pre-CCF)[N2]	Weighted average CCF*	Exposure (post-CCF and post-CRM)
1	Less than 40%	21,966,568	0	0%	21,966,568
2	40-70%	696,189	135,069	40%	750,216
3	75%	0	1,555,050	40%	622,020
4	85%	0	0	0%	0
5	90-100%	13,137,903	4,756,147	40%	15,040,362
6	105-130%	0	0	0%	0
7	150%	2,046,715	0	0%	2,046,715
8	250%	0	0	0%	0
9	400%	0		0%	0
10	1250%	0	0	0%	0
11	Total	37,847,375	6,446,266	40%	40,425,881

* Weighting is based on off-balance sheet exposure (pre-CCF).

Notes

N1: Intragroup exposure, risk-weighted at 0%.

N2: Off-balance sheet exposure (pre-CCF) excludes Counterparty credit risk which is disclosed in section 4.

4. COUNTERPARTY CREDIT RISK

Counterparty Credit Risk (CCR) arises from the derivatives exposure of CCB-JHB. The Branch's derivative portfolio consists of Interest Rate Swaps (IRS) and Foreign Exchange Contracts (FECs). IRS are solely to hedge interest rate risk, while FX derivatives are for hedging and funding purposes.

Counterparty Credit Risk Governance and Management

The responsibility of CCR governance and strategy resides with the Assets and Liabilities Committee (ALCO), which delegates measurement, monitoring and reporting responsibilities to relevant departments (RMD, Treasury and Accounting) as stipulated by the Branch's Counterparty Credit Risk policy.

CCR management relies on:

- dedicated credit lines for derivatives with banks having signed ISDA master agreements;
- CSA agreements entered into with selected counterparties;
- an automated limit system to prevent limit breach;
- daily regulatory CCR capital requirement calculation; and
- monitoring and reporting of exchange rates and any significant market event possibly affecting CCR levels.

Counterparty Credit Risk Position

The Branch reported a net fair value movement in derivative instruments of -R43 401 arising from exchange rate fluctuations since the previous period.

Total CCR EAD and RWA remained broadly stable over H1 2026. The FX derivative portfolio also remained broadly stable in terms of notional amounts, currencies exchanged, overall maturities, current mandate and overall hedging strategy.

The current CSAs in place with selected banking counterparts exclude the requirement to exchange margin for FX derivative trades.

There are two components for the CCR calculation as detailed as below:

- CCR calculated based on the Standardised Approach (SA-CCR); and
- Credit valuation adjustment (CVA) based on the Reduced Basic Approach (Reduced BA-CVA) calculation :the reduced version was used due to no optionality on current derivatives nor CVA hedges.

CCB-JHB does not enter into Securities Financing Transactions (SFTs).

CCB-JHB has implemented the Revised Credit Valuation Adjustment Framework (CVA) from 1st of July 2025. CCB-JHB has selected the reduced version of the Basic Approach for measuring CVA (BA-CVA).

CCR1: Analysis of counterparty credit risk (CCR) exposures by approach

R'000 At 30 June 2026			a	b	c	d	e	f
			Replacement cost	Potential future exposure	Effective EPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR (for derivatives)		292,534	318,090		1.4	854,874	416,246
2	Internal Model Method (for derivatives and SFTs)							
3	Simple Approach for credit risk mitigation (for SFTs)							
4	Comprehensive Approach for credit risk mitigation (for SFTs)							
5	Value-at-risk (VaR) for SFTs							
6	Total	N1						416,246

Notes

N1: The counterparty credit risk exposure is calculated using the SA-CCR. No significant movements have been noted for the period.

CCR3: Standardised approach - CCR exposures by regulatory portfolio and risk weights

R'000 At 30 June 2026	a	b	c	d	e	f	g	h	i
Risk weight → Regulatory Portfolio ↓	0%	10%	20%	50%	75%	100%	150%	Others	Total credit exposure
Sovereigns	-	-	-	-	-	-	-	-	-
Non-central government public sector entities (PSEs)	-	-	-	-	-	-	-	-	-
Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-	-
Banks	438,628		-	-		416,246			854,874
Securities firms	-	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	-	-	-	-	-
Regulatory retail portfolios	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Total	**438,628**	**-**	**-**	**-**	**-**	**416,246**	**-**	**-**	**854,874**

Notes

Please refer to CCR1. The Branch mainly enters into derivative contracts with local banking counterparties and CCB Head Office.

CCR5: Standardised approach - Composition of collateral for CCR exposure

The branch did not exchange margin during H1 2026 and thus there is currently no collateral reported as 30 June 2026. The CCR5 disclosure therefore is not applicable for the current period.

CVA1: The reduced basic approach for CVA (BA-CVA)

			a	b
			Components	**BA-CVA RWA**
1	Aggregation of systematic components of CVA risk	**N1**	**34,801**	
2	Aggregation of idiosyncratic components of CVA risk	**N2**	**28,270**	
3	**Total**	**N3**		**244 046**

Notes

N1: Aggregation of systematic components of CVA risk: RWA under perfect correlation assumption (ΣcSCVAc) as per [MAR50.14].

N2: Aggregation of idiosyncratic components of CVA risk: RWA under zero correlation assumption (sqrt(ΣcSCVAc2)) as per [MAR50.14].

N3: The bank does not enter into any CVA hedge.

5. LIQUIDITY AND FUNDING RISK

As part of its operations, the Branch faces liquidity risks associated with its financial assets and liabilities. These include risks related to funding risk, market liquidity risk, currency mismatch, and concentration risk.

Liquidity and Funding Risk Governance and Management

The Branch's RCICC governs and oversees liquidity risk, in accordance with the Branch's risk appetite and liquidity risk framework. The committee is responsible for establishing policies and contingency plans that outline the responsibilities, management processes, governance, stress testing, and monitoring procedures for managing liquidity.

The ALCO, mandated by the EXCO, is responsible for supervising liquidity and funding risks within the established risk appetite, internal limits, and regulatory requirements. The committee conducts monthly meetings to review the liquidity position and select strategies to optimise the structure of the balance sheet. The risk management function is tasked with monitoring liquidity risk and providing recommendations to the committee for effective liquidity risk management. The Treasury function is responsible for implementing these strategies and managing the Branch's liquidity on a daily basis.

The Branch aims to manage liquidity efficiently to ensure continuous banking operations under both normal and stressed conditions. Adherence to prudential and internal requirements drives the execution of this strategy, with metrics such as the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR).

The strategy emphasizes diversifying funding through sustainable sources to support the Branch's strategic goals effectively, while continuously monitoring depositors' concentration.

LCR and NSFR Positions

The Branch's liquidity profile has shown short-term resilience throughout the first half of the year, with LCR at 330.97% as at 30 June 2026. The portfolio of high-quality liquid assets (HQLA) decreased by 4.84% from the prior reporting date, which was netted off by the increase in total inflows of 34.88%. This led to an increased LCR in H1 2026. The Branch maintained LCR compliance in excess of both the internal buffer and regulatory requirements.

The NSFR demonstrates the Branch's funding stability and medium/long-term resilience. As at 30 June 2026, NSFR was reported at 129.21%, compliant with regulatory requirements and operating within the internal risk appetite.

Both LCR and NSFR are monitored daily, and adjustments, where applicable, are made to ensure continuous compliance with both internal and regulatory requirements.

LIQ2: Net stable funding ratio (NSFR) Q2 2026

	R' 000 At 30 June 2026	a	b	c	d	e
		Unweighted value by residual maturity				
		No maturity	<6 months	6 months to <1 year	≥1 Year	Weighted value
Available stable funding (ASF) item						
1	Capital:	8,059,499				8,059,499
2	*Regulatory capital*	8,059,499				8,059,499
3	*Other capital instruments*					
4	Retail deposits and deposits from small business customers:	-	15,538	1,462	-	15,378
5	*Stable deposits*		1,549			1,471
6	*Less stable deposits*		13,990	1,462		13,907
7	Wholesale funding:	-	27,734,445	8,062,990	6,618,891	15,323,196
8	*Operational deposits*					
9	*Other wholesale funding*		27,734,445	8,062,990	6,618,891	15,323,196
10	Liabilities with matching interdependent assets					
11	Other liabilities:		110,574	13,000	26,847	33,156
12	*NSFR derivative liabilities*			3 163		
13	*All other liabilities and equity not included in the above categories*		107,602	13,000	26,656	33,156
14	**Total ASF**					23,431,229
15	Total NSFR high-quality liquid assets (HQLA)					820,740
16	Deposits held at other financial institutions for operational purposes					
17	Performing loans and securities:	-	12,980,798	1,318,448	14,510,648	16,552,863
18	*Performing loans to financial institutions secured by Level 1 HQLA*					
19	*Performing loans to financial institutions secured by non- Level 1 HQLA and unsecured performing loans to financial institutions*		12,964,686	818,448	10,712,197	13,066,124
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:*		16,015	500,000	3,716,601	3,417,118
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:*					
23	*With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk*					
24	*Securities that are not in default and do not qualify as HQLA, including exchange-traded equities*		98	-	81,850	69,621
25	Assets with matching interdependent liabilities					
26	Other assets:	-	128,090	-	438,848	438,661
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*			295,923		167,650
30	*NSFR derivative liabilities before deduction of variation margin posted*					
31	*All other assets not included in the above categories*		8		271,007	271,011
32	Off-balance sheet items				6,446,583	322,630
33	***Total RSF***					18,134,894
34	***Net Stable Funding Ratio (%)*** **N1**					**129.21%**

Notes

N1: The NSFR was within the regulatory requirement and internal appetite during the reporting period. The decrease in NSFR from H2 2025 to H1 2026 is as a result of an increase in RSF due to an increase in performing loans and securities.

LIQ2: Net Stable Funding Ratio (NSFR) Q1 2026

	R' 000 At 31 March 2026	a	b	c	d	e
		Unweighted value by residual maturity				
		No maturity	<6 months	6 months to <1 year	≥1 Year	Weighted value
Available stable funding (ASF) item						
1	Capital:	7,883,974	-	-	-	7,883,974
2	*Regulatory capital*	7,883,974				7,883,974
3	*Other capital instruments*					
4	Retail deposits and deposits from small business customers:	-	14,744	1,991	-	15,134
5	*Stable deposits*		1,447	-	-	1,374
6	*Less stable deposits*		13,297	1,991	-	13,760
7	Wholesale funding:	-	29,494,290	5,547,400	5,367,697	15,709,757
8	*Operational deposits*					
9	*Other wholesale funding*		29,494,290	5,547,400	5,367,697	15,709,757
10	Liabilities with matching interdependent assets					
11	Other liabilities:		491,256	13,853	27,219	34,146
12	*NSFR derivative liabilities*			320 283		
13	*All other liabilities and equity not included in the above categories*		170,972	13,853	27,219	34,146
14	**Total ASF**					23,643,011
15	Total NSFR high-quality liquid assets (HQLA)					1,076,907
16	Deposits held at other financial institutions for operational purposes	-				
17	Performing loans and securities:	-	9,449,503	1,274,154	12,569,450	14,129,968
18	*Performing loans to financial institutions secured by Level 1 HQLA*	-				
19	*Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions*		9,437,822	-	9,248,965	10,664,638
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:*		11,681	1,274,154	3,320,485	3,465,330
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:*	-				
23	*With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk*	-				
24	*Securities that are not in default and do not qualify as HQLA, including exchange-traded equities*	-				
25	Assets with matching interdependent liabilities	-				
26	Other assets:	-	65,741	-	452,652	452,652
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*			205,942		140,201
30	*NSFR derivative liabilities before deduction of variation margin posted*					
31	*All other assets not included in the above categories*	-			312,450	312,450
32	Off-balance sheet items				5,763,333	318,592
33	***Total RSF***					15,978,119
34	***Net Stable Funding Ratio (%)***					**147.97%**

6. INTEREST RATE RISK IN THE BANKING BOOK (IRRBB)

The interest rate risk exposure emanates from the banking book, as assets and liabilities are subject to repricing risk, yield curve risk, and basis risk.

Governance and Management

The ALCO oversees interest rate risk in accordance with the Branch's policy and contingency plan approved by the RCICC. ALCO is responsible for establishing the appropriate risk appetite for IRRBB and monitoring adherence to internal limits. Operationally, the Treasury function is responsible for the daily management of interest rate, risk in accordance with the guidelines stipulated by the ALCO.

The Branch aims to maintain a balance sheet profile with natural interest rate risk offsets. In cases where there are no natural offsets, interest rate risk is hedged using appropriate derivatives, which can affect CCB-JHB's income statement. In mitigation, the Branch has implemented fair-value hedge accounting to align the economic substance of the hedges with their accounting treatment.

Risk Position

The Interest Rate Risk in the Banking Book (IRRBB) framework refers to currency specific scenarios for both earnings at risk and Economic Value of Equity (EVE). Foreign currencies are deemed significant when representing > 5% of total assets and/or liabilities; as end of June 2026, USD and CNY were identified as significant foreign currencies. The sensitivity analysis is based on sensitivity of interest-bearing financial instruments as of 30 June 2026.

Sensitivity analysis are used to assess the effectiveness of the CCB-JHB interest rate risk policy. The sensitivity analysis on assets and liabilities is done on a monthly basis, as per contractual repricing maturity profile.

The risk is assessed, should market interest rates change, as:

- Earnings at risk: the loss in income (NII) as a percentage of the projected 12-months NII forecast; and
- EVE, measured as the maximum loss as a percentage of Tier 1 capital, commonly referred as the Supervisory Outlier Test (SOT).

As of 30 June 2026, the following stressed results are applied considering derivative instruments, which have an overall positive impact on SOT, reducing overall IRRBB exposure:

- NII: a parallel increase and decrease of interest rate (currency specific) would respectively decrease NII by R384 519 (-44.72% of 12-months forecasted NII; representing -4.79% of Tier 1 capital) and increase NII by R241 259 (+28.06% of 12-months forecasted NII; representing 3% of Tier 1 capital); and
- EVE: out of the 6 prescribed scenarios, the maximum loss (worst negative impact), the Parallel shock up scenario, would decrease EVE by R52 076, which represents -0.65% of Tier 1 capital (SOT).

In accordance with Basel Committee on Banking Supervision (BCBS) guidance and PA Guidance Note 4 of 2024, the Supervisory Outlier Test (SOT) identifies an outlier bank by calculating the maximum loss in Economic Value of Equity (EVE) across the six prescribed interest-rate shock scenarios and dividing that loss by Tier 1 capital; the resulting ratio must not exceed 15%. CCB-JHB monitors this prudential threshold monthly and remained well within both the regulatory threshold and its internal risk appetite during H1 2026.

Both NII and EVE sensitivities outputs remained within the Branch's appetite during H1 2026.

Additional disclosure on IRRBB can be found in the CCB-JHB Pillar 3 annual disclosures.

7. MARKET RISK

The Branch's exposure to market risk primarily stems from positions resulting from the facilitation of client flows in foreign exchange and money markets. This consists of foreign exchange risk.

CCB-JHB has no trading book exposure. CCB-JHB has no securitisation exposure nor equity, credit default or commodities derivatives exposure. CCB-JHB interest rate derivatives are booked with the parent company for hedging purposes and do not attract regulatory capital requirement.

Market Risk Governance and Management

The ALCO is accountable for the oversight of the governance and effectiveness of the market risk framework. The committee approves the market risk appetite and related limits following both Head Office and local requirements. The committee reviews the market risk exposure monthly and ensures the effectiveness of the management process and approved strategy.

In mitigation of this risk:

- only highly liquid currencies are exchanged;
- FECs are in place;
- Currency open positions are squared-off at end of day; and
- strict intra-day and overnight limits are in place with regards to open foreign currency positions and are monitored daily.

Market Risk Measurement

The Revised Market Risk Framework (encompassed within the FRTB Framework) was implemented on 1 July 2025. The Standardised Approach is used for calculating the market risk capital requirement as per the regulations. CCB-JHB has received regulatory approval for one trading desk which is the FX trading desk, whose main purpose is to manage currency risk at Branch level; i.e. hedging currency risk born by on and off-balance sheet exposures with FX derivatives. The calculation relies on the Sensitivity Based Method (SBM) to calculate capital requirements and applied to said trading desk.

As of 30 June 2026, market risk RWA decreased from R292 287 (December 2025) to R208 128 (-28.79%).

As part of the PA initiative, regular post implementation assessments and prudential meetings are scheduled to monitor overall FRTB implementation and possible pain points.

During H1 2026, the Branch has not detected market risk events that would have a significant effect on the

Branch. Additional disclosures on market risk are reported in the CCB-JHB Pillar 3 annual disclosure.

MR1: Market risk under the standardised approach (SA)

R'000 At 30 June 2026		a Capital charge in standardised approach
1	General interest rate risk	-
2	Equity risk	-
3	Commodity risk	-
4	Foreign exchange risk	23,935
5	Credit spread risk - non-securitisations	-
6	Credit spread risk - securitisations (non-correlation trading portfolio)	-
7	Credit spread risk - securitisation (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**	**23,935**

Notes

The decrease in market risk RWA during H1 2026 was mainly attributable to lower sensitivities from non-ZAR currency pair FX derivative positions

8. OPERATIONAL RISK

Operational risk can cause financial loss, reputational damage, loss of competitive position, or regulatory sanctions. As such, operational risk is a key focus area for CCB-JHB, reflecting the Branch's commitment to maintaining robust risk management practices and safeguarding stakeholder interests. As part of adherence to the Basel framework, this disclosure provides transparency on the operational risk profile and management strategies.

CCB-JHB outlines its approach to identifying, assessing, and mitigating operational risks, including the methodologies used and significant risk events, if any. This disclosure aligns with regulatory requirements and aims to offer stakeholders a clear view of the operational risk landscape.

Operational Risk Governance and Management

The Branch identifies and manages operational risk within acceptable levels by the adoption of sound operational risk management practices. The operational risk management policy is embedded at all levels of the Branch, supported by the risk culture, and is continually enhanced in line with regulatory and industry developments, CCB Head Office, and Branch requirements; this in turn facilitates ongoing operational risk resilience. The RCICC is the governing committee for identifying, monitoring and mitigating this risk.

There have been no material changes in terms of the strategy and management of operational risk.

Operational Risk Measurement and Position

From a regulatory perspective, the Branch has applied the New Standardised Approach since 1 July 2025 for the assessment of regulatory capital; the calculation is based on a series of regulatory components, indicators and Internal Loss Multiplier (ILM) that are applied to gross income over the last three years.

Operational risk capital requirement decreased marginally from H2 2025 to H1 2026. No material operational losses occurred in H1 2026.

Additional disclosure on operational risk may be found in the CCB-JHB Pillar 3 annual disclosure.