# Scotiabank & Trust (Cayman) Ltd
# Basel Pillar 3 Disclosure
# Q2 2024
**For the period ended: April 30, 2024**

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# General Overview

This disclosure is a requirement of the Cayman Islands Monetary Authority's (CIMA) Pillar 3 Disclosure Requirements Rules and Guidelines (September 2021). The aim of the Pillar 3 Disclosures is to promote market discipline and increase transparency across the banking industry.

This publication presents our Q2/2024 disclosures based on our Consolidated Financial Statements and Basel Pillar II Regulatory Return for the same period. Our disclosures have been reviewed and approved by the Board of Directors of Scotiabank & Trust (Cayman) Ltd. This document is not audited.

Scotiabank & Trust (Cayman) Ltd ("STCL" or "the Bank") was incorporated under the Companies Act of the Cayman Islands on 26 August 1965, under the name of Bank of Nova Scotia Trust Company (Cayman) Limited ("Scotia Trust"). STCL was granted Unrestricted Category 'A' Banking and Trust Licenses on 11 November 1966 pursuant to the Cayman Islands' Banks and Trust Companies Act. The ultimate parent is The Group of Nova Scotia ("BNS"), a company incorporated in Canada. STCL registered office and principal place of business is 2nd Floor, 18 Forum Lane, Camana Bay, P.O. Box 501, Grand Cayman, KY1-1106, Cayman Islands. Our business activities consist of the provision of commercial and retail banking services, including the acceptance of deposits, granting of loans and the provision of foreign exchange services within the Cayman Islands, and private banking and trust, corporate, administrative, and financial services.

## Part 1 – OV1 – Overview of Risk Weighted Assets

The primary goals of risk management are to ensure that the outcomes of risk-taking activities are consistent with the Bank's strategies and risk appetite, and that there is an appropriate balance between risk and reward to maximize shareholder value. As a credit providing institution, the bank ensures that it is adequately capitalised relative to exposure measured by its risk weighted assets (RWA). Scotiabank &Trust Cayman Limited has a target capital ratio of 15% which is three hundred (300) basis points more than regulatory capital requirements of 12%.

The following table analyses the minimum capital requirement as of 30 April 2024:

**OV1: Overview of RWA**

| | | a | b | c |
|---|---|---|---|---|
| | | RWA | | Minimum capital requirements (1) |
| | USD (in $000) | Q2 2024 | Q1 2024 | Q2 2024 |
| 1 | Credit risk (excluding counterparty credit risk) | **1,322,451** | **1,383,683** | **158,694** |
| 2 | Securitisation exposures | | | |
| 3 | Counterparty credit risk (CCR) | | | |
| 4 | Of which: Current Exposure method | - | - | |
| 5 | Of which: Standardized method | | | |
| 6 | Market risk | 218,741 | 136,864 | 26,249 |
| 7 | Of which: Equity Risk | | | |
| 8 | Operational Risk | 313,079 | 313,079 | 37,569 |
| 9 | Of which: Basic Indicator Approach | 313,079 | 313,079 | 31,950 |
| 10 | Of which: Standardized Approach | | | |
| 11 | Of which: Alternative Standardized approach | | | |
| 12 | **Total (1 + 2+3+6+8)** | **1,854,271** | **1,833,625** | **222,512** |

Total RWA increased by $20.6 million (1.1%) compared to the prior quarter, driven mainly by higher market risk, owing to an increase in foreign exchange positions; and offset with a decrease in credit risk of $61 million, owing to loan repayments.

# Part 2 - CAP – Details on the bank's capital, including specific capital instruments

STCL is committed to maintaining a solid capital base to support the risks associated with its diversified businesses. A key strength of the Bank is its capital management practices which assures the safety of our customers particularly during times of stress, while allowing the Bank to take advantage of growth opportunities as they arise. We are committed to the prevention of any breach to its regulatory minimum capital requirements and to maintain a solid capital base to support the risks associated with its diverse business.

The Bank continues to have a robust total capital ratio of 51% at the close of the second quarter of fiscal 2024. Compared to the prior reporting period the ratio increased by 2% owing to the increase in available capital.

The following table defines the regulatory capital requirement as of 30 April 2024:

## CAP: Details on the bank's capital, including specific capital instruments

| | USD (in $'000) | a<br>Q2 2024 | b<br>Q4 2023 |
|---|---|---|---|
| **Table 1: Scope** | | | |
| (a) | **Scotiabank and Trust Cayman Limited** | | |
| (b) | For accounting and regulatory purposes, the business units within the bank are consolidated at 100%. The group comprises of an unrestricted license for Banking, Trust Services and a financial instrument business license operating in Japan through our subsidiary Scotia Securities Asia Limited. Under the group banking license, we offer Mutual Fund Administration and Insurances Broker Services and our banking services have been extended to serve customers in Latin America through our Offshore Business Unit. | | |
| ( c) | The bank does not currently have any restrictions or impediments on transfer of funds within the group. | | |
| ( d) | The insurance agency business is not a subsidiary and as such no separately identifiable share capital. | | |
| **Table 2: Capital Structure** | | | |
| (a) | **The capital structure comprise solely of ordinary shares with a par value of US$1.00 each and retained earnings.** | | |
| | The amount of Tier 1 capital, with specific disclosure of: | 850,631 | 852,123 |
| | Paid-up Share Capital/Common Stock | 203,640 | 203,640 |
| | Reserves and Retained Earnings | 646,991 | 648,483 |
| | Minority interests in the equity of subsidiaries | | |
| | Qualifying innovative instruments | | |
| (b) | Other capital instruments | | |
| | Surplus capital from insurance companies | | |
| | Regulatory calculation differences deducted from Tier 1 capital | | |
| | Other amounts deducted from Tier 1 capital, including goodwill | | |
| | Investments | | |
| ( c) | The total amount of Tier 2 and Tier 3 capital | 90,643 | - |
| (d) | Other deductions from capital | | |
| (e) | Total eligible capital | 941,273 | 852,123 |
| **Table 3: Capital Adequacy** | | | |
| (a) | The bank has implemented a comprehensive capital management framework which aims to ensure that the bank's capital is adequate to meet current and future risks and achieve its strategic objectives. The key components include sound corporate governance; creating a comprehensive risk appetite for the bank; managing and monitoring capital, both currently and prospectively. | | |
| | Capital requirements for Credit Risk | 158,694 | 167,062 |
| | Portfolios subject to standardised or simplified standardised approach, disclosed separately for each portfolio; and | 1,322,451 | 1,392,180 |
| | Securitisation exposures. | | |
| (b) | Capital requirements for Market Risk | 26,249 | 10,980 |
| | Standardised Approach | 218,741 | 91,501 |
| ( c) | Capital requirements for Operational Risk | 37,569 | 31,950 |
| | Basic Indicator Approach | 313,079 | 266,251 |
| | Standardised Approach | | |
| | Alternative Standardised Approach | | |
| (d) | Total and Tier 1 capital ratio | 45.87% | 48.69% |
| | For the top Consolidated group | 50.76% | 48.69% |
| | For significant bank subsidiaries (stand alone or sub-consolidated). | | |

## Part 3 – Leverage

The leverage ratio is a non-risk measure that supplements the STCL's risk based minimum capital requirement. This ratio measures the amount of core capital the Bank has, compared to its total assets and is used as an indicator of STCL's ability to effectively respond to economic stress. CIMA's Leverage Ratio, *Rules and Guidelines* (December 2019), provides that a bank must always maintain a minimum leverage ratio of 3%. The Pillar 3 Disclosures measure for leverage is comprised of the LR1 and LR2 schedules detailed below:

### 3.1 – LR1: Summary comparison of accounting assets vs leverage ratio exposure measure

The following table analyses the carrying values of regulatory and financial accounting disclosures as of 30 April 2024:

| LR1: Summary comparison of accounting assets vs leverage ratio exposure measure | | |
|---|---|---|
| | USD (in $'000) | Q2 2024 |
| 1 | Total consolidated assets as per published financial statements | 3,487,820 |
| 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 securitized 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 recognized 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) | 56,119 |
| 11 | Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital | |
| 12 | Other adjustments | |
| **13** | **Leverage ratio exposure measure** | **3,543,939** |

## 3.2 – LR2: Leverage Ratio Common Disclosure

The Bank's leverage ratio for Q2 2024 was 24%, representing a 21% buffer above the regulator minimum requirement of 3%.

| LR2: Leverage ratio common disclosure | | |
|---|---|---|
| | USD (in $'000) | a<br>Q2 2024 |
| **On-balance sheet exposures** | | |
| 1 | On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral) | 3,487,820 |
| 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) | |
| 6 | (Asset amounts deducted in determining Basel III Tier 1 capital and regulatory adjustments) | |
| **7** | **Total on balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)** | **3,487,820** |
| **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 PFE associated with *all* derivatives transactions | |
| 10 | (Exempted 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 rows 8 to 12)** | |
| **Securities financing transaction exposures** | | |
| 14 | Gross SFT assets (with no recognition of netting), after adjustment for sale accounting transactions | |
| 15 | (Netted amounts of cash payables and cash receivables of gross SFT assets) | |
| 16 | Counterparty credit risk exposure for SFT assets | |
| 17 | Agent transaction exposures | |
| 18 | **Total securities financing transaction exposures (sum of rows 14 to 17)** | |
| **Other off-balance sheet exposures** | | |
| 19 | Off-balance balance sheet exposure at gross notional amount | 163,804 |
| 20 | (Adjustments for conversion to credit equivalent amounts) | (107,685) |
| 21 | (Specific and general provisions associated with off balance sheet exposures deducted in determining Tier 1 capital) | |
| 22 | **Off-balance sheet items (sum of rows 19 to 21)** | **56,119** |
| **Capital and total exposures** | | |
| 23 | **Tier 1 capital** | **850,631** |
| 24 | **Total exposures (sum of rows 7,13,18 and 22)** | **3,543,939** |
| **Leverage ratio** | | 24.00% |
| 25 | **Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)** | 24.00% |
| 25a | Basel III leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) | |
| 26 | **National minimum leverage ratio requirement** | 3.00% |
| 27 | **Applicable leverage buffers** | **21.00%** |

# Part 4 – Liquidity

## 4.1 – LIQ1: Liquidity Coverage Ratio (LCR)

The liquidity coverage ratio aims to ensure that a bank has an adequate stock of unencumbered high quality liquid assets (HQLA) that can be converted into cash at little or no loss of value, to meet its liquidity needs for a 30-calendar day liquidity stress scenario. The Liquidity Risk Management Rules and Guidelines (February 2022) provides that the Bank should not have a ratio that is less than 100%. STCL ensures that there is adequate monitoring of our HQLA to maintain our liquidity. The Bank's HQLA comprises largely of marketable securities issued by highly rated sovereign.

The following table analyses the LCR as of 30 April 2024, using monthly averages:

| LIQ1: Liquidity Coverage Ratio (LCR) | | | | | |
|---|---|---|---|---|---|
| USD (in $'000) | | Q2 2024 | | Q1 2024 | |
| | | Total unweighted value (average) | Total weighted value (average) | Total unweighted value (average) | Total weighted value (average) |
| **High-quality liquid assets** | | | | | |
| 1 | Total HQLA | | 173,496 | | 154,980 |
| **Cash Outflows** | | | | | |
| **2** | **Retail deposits and deposits from small business customers, of which:** | 2,624,466 | 27,495 | 2,410,595 | 28,238 |
| 3 | - of which stable deposits | - | - | - | - |
| 4 | - of which less stable deposits | 2,624,466 | 27,495 | 2,410,595 | 28,238 |
| **5** | **Unsecured wholesale funding:** | 2,326,489 | 430,738 | 2,109,602 | 463,307 |
| 6 | - of which operational deposits (all counterparties) and deposits in networks of cooperative banks | 2,274,722 | 378,971 | 2,055,221 | 408,926 |
| 7 | - of which non-operational deposits (all counterparties) | 51,767 | 73,005 | 54,381 | 54,381 |
| 8 | - of which unsecured debt | - | - | - | - |
| 9 | Secured wholesale funding | - | - | - | - |
| **10** | **Additional requirements:** | 60,797 | 6,080 | 117,933 | 11,793 |
| 11 | - of which outflows related to derivative exposures and other collateral requirements | - | - | - | - |
| 12 | - of which outflows related to loss of funding on debt products | - | - | - | - |
| 13 | - of which credit and liquidity facilities | 60,797 | 6,080 | 117,933 | 11,793 |
| 14 | Other contractual funding obligations | 6,917 | - | 8,094 | - |
| 15 | Other contingent funding obligations | 194,604 | 38,489 | 197,393 | 42,608 |
| **16** | **TOTAL CASH OUTFLOWS** | | 502,763 | | 545,947 |
| | | | | | |
| **Cash Inflows** | | | | | |
| 17 | Secured lending (e.g. reverse repos) | | | | |
| 18 | Inflows from fully performing exposures | 2,327,229 | 1,459,430 | 2,378,399 | 1,452,894 |
| 19 | Other cash flows | | | | |
| **20** | **TOTAL CASH INFLOWS** | **2,327,229** | **1,459,430** | **2,378,399** | **1,452,894** |
| | | | **Total adjusted value** | | **Total adjusted value** |
| **21** | **TOTAL HQLA** | | **173,496** | | **154,980** |
| **22** | **Total net cash outflows** | | **125,691** | | **136,487** |
| **23** | **Liquidity Coverage Ratio (%)** | | 138% | | 114% |

The LCR increased due to an increase in HQLA compared to last quarter, owing to the delay in the timing of renewals of investments last quarter, as well as a decrease in weighted value of outflows.

## 4.2 – LIQ2: Net Stable Funding Ratios (NSFR)

The following tables analyses the NSFR as of 30 April 2024:

| LIQ2: Net Stable Funding Ratio ("NSFR") | | | | | | |
|---|---|---|---|---|---|---|
| USD (in $'000) | | Q2 2024 | | | | |
| | | 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:** | | | | **941,273** | **941,273** |
| 2 | Regulatory capital | | | | 941,273 | 941,273 |
| 3 | Other capital instruments | | | | | |
| 4 | **Retail deposits and deposits from small business customers:** | | **289,280** | **6,182** | **4,901** | **270,817** |
| 5 | Stable deposits | | | | | |
| 6 | Less stable deposits | | 289,280 | 6,182 | 4,901 | 270,817 |
| 7 | **Wholesale funding:** | | **1,519,996** | **152,675** | **533,738** | **1,370,074** |
| 8 | Operational deposits | | 1,519,996 | 152,675 | 533,738 | 1,370,074 |
| 9 | Other wholesale funding | | | | | |
| 10 | Liabilities with matching interdependent asstes | | | | | |
| **11** | **Other Liabilities:** | | | | | |
| 12 | NSFR derivative liabilities | | | | | |
| 13 | All other liabilities and equity not included in the above categories | | | | | |
| **14** | **Total ASF** | | 1,809,276 | 158,857 | 1,479,912 | 2,582,164 |
| **Required Stable Funding (RSF) item** | | | | | | |
| **15** | **Total NSFR high-quality liquid assets (HQLA)** | | **153,403** | **13,853** | **14,873** | **8,593** |
| 16 | Deposits held at other financial institutions for operational purposes | | | | | |
| **17** | **Performing loans and securities:** | | **1,911,671** | **240,809** | **583,263** | **868,830** |
| 18 | Performing loans to financial institutions secured by Level 1 HQLA | | 1,791,811 | 146,390 | 56,127 | 398,093 |
| 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: | | 112,990 | 86,057 | 104,798 | 188,601 |
| 21 | With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk | | 66,274 | 86,057 | | 76,165 |
| 22 | Performing residential mortgages, of which: | | 6,870 | 8,362 | 422,338 | 282,136 |
| 23 | *With a risk weight of less than or equal to 35% under the Basel II standardised* | | *6,870* | *8,362* | *422,338* | *282,136* |
| 24 | *Securities that are not in default and do not qualify as HQLA, including exchange-* | | | | | |
| 25 | Assets with matching interdependent liabilities | | | | | |
| **26** | **Other Assets:** | | | | | |
| 27 | Physical traded commodities, including gold | | | | | |
| 28 | Assets posted as initial margin for derivative contracts and contributions to default | | | | | |
| 29 | NSFR derivative assets | | | | | |
| 30 | NSFR derivative liabilities before deduction of variation margin posted | | | | | |
| 31 | All other assets not included in the above categories | | | | | |
| **32** | **Off-balance sheet items** | | **282,988** | | | **169,762** |
| **33** | **Total RSF** | | 2,348,062 | 254,662 | 598,136 | 1,047,187 |
| **34** | **Net Stable Funding Ratio (%)** | | | | | 247% |

STCL continues to maintain a solid NSFR ratio of over +200%, well above the regulatory requirement of 100%.

# Part 5 – Credit Risk

Credit Risk is the risk of financial loss resulting from the failure of a borrower or counterparty, for any reason, to fully honour its financial or contractual obligations to STCL. Credit risk arises in the Bank's direct lending operations, and in its funding, investment, and trading activities where counterparties have repayment or other obligations to the Bank. The extension of credit is a significant contributor to revenue generation. Extending credit creates credit risk that must be effectively managed to preserve value creation. Effective credit risk management must not only consider whether the return is commensurate with the risk but must also consider the STCL's tolerance for risk, and its ability to absorb losses in terms of both earnings and capital.

The Bank's risk management framework includes the Bank's risk policies, guidelines and processes that articulate the Bank's governance, risk management and control structure. This framework ensures that the Bank's risk exposures are adequately assessed, properly approved, and actively managed in a consistent manner across all business lines. The Credit Risk Policy ("the Policy") documented herein is aligned with BNS Canada's - BNS Enterprise-Wide Risk Management Framework and outlines to the Board of Directors (the "Board") the policies and procedures that are to be utilized by STCL to manage credit risk in a sound and prudent manner.

## 5.1 – CR1: Credit Quality of Asset

The following table analyses the credit quality of exposures as of 30 April 2024:

| CR1: Credit quality of assets | | | | | |
|---|---|---|---|---|---|
| USD (in $000) | | a | b | c | d |
| | | Gross carrying values of | | Allowances/ impairments | Net values (a+b-c) |
| | | Defaulted exposures | Non-defaulted exposures | | |
| Q2 2024 | | | | | |
| 1 | Loans | 9,301 | 740,315 | 7,102 | 742,514 |
| 2 | Sovereigns Debt (T-Bill) | | 171,861 | | 171,861 |
| 3 | Debt Securities | | 692,566 | | 692,566 |
| 4 | Off-balance sheet exposures | | 163,804 | - | 163,804 |
| **5** | **Total** | **9,301** | **1,768,545** | **7,102** | **1,770,744** |

The Bank continues to remain prudent with its credit risk practices resulting in a relatively low delinquency. At the end of the second quarter, our default exposure accounted for les than 1% of total gross exposure.

## 5.2 – CR2: Changes in Stock of Defaulted Loans and Debt Securities

The following table analyses the movement in impaired exposures on a semi-annual basis:

| CR2: Changes in stock of defaulted loans and debt securities | | | |
|---|---|---|---|
| | | Q2 2024 | Q4 2023 |
| **1** | **Defaulted loans and debt securities at end of the previous reporting period [1]** | **9,622** | **9,470** |
| 2 | Loans and debt securities that have defaulted since the last reporting period | 1,960 | 2,725 |
| 3 | Returned to non-defaulted status | 1,151 | 1,525 |
| 4 | Amounts written off | 717 | 90 |
| 5 | Other changes | 413 | 958 |
| **6** | **Defaulted loans and debt securities at the end of the reporting period (1+2-3-4+/-5)** | **9,301** | **9,622** |

The reduction in defaulted of -3% compared to the end of fiscal 2023, is largely due to improvements in credit quality of the portfolio.

## 5.3 – CR3: Credit Risk Mitigation Techniques

The following table analyses exposure by collateral as of 30 April 2024:

| CR3: Credit risk mitigation techniques – overview | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | a | b | c | d | e | f | g |
| USD (in $000) | | Exposures unsecured: carrying amount | Exposures secured by collateral | Exposures secured by collateral, of which : secured amount | Exposures secured by financial guarantees | Exposures secured by financial guarantees; of which: secured amount | Exposures secured by credit derivatives | Exposures secured by credit derivatives, of which: secured amount |
| Q2 2024 | | | | | | | | |
| 1 | Loans | 70,008 | 672,506 | 672,506 | | | | |
| 2 | Sovereigns Debt (T-Bill) | - | 171,861 | 171,861 | 171,861 | 171,861 | | |
| 3 | Debt Securities | 692,566 | - | - | | | | |
| 4 | **Total** | **762,574** | **844,367** | **844,367** | **171,861** | **171,861** | **-** | **-** |
| 5 | Of which defaulted | 52 | 7,168 | | | | | |

## 5.4 – CR4: Standardized Approach – Credit Risk Exposure and Credit Risk Mitigation (CRM) Effects

The following tables analyse the RWA by density and asset class as of 30 April 2024:

**CR4: Standardized approach – credit risk exposures and Credit Risk Mitigation (CRM) effects**

| | USD (in $000) | a | b | c | d | e | f |
|---|---|---|---|---|---|---|---|
| | | Exposures before CCF and CRM | | Exposures post-CCF and CRM [1] | | RWA and RWA density | |
| | Asset classes | On-balance sheet amount | Off-balance sheet amount | On-balance sheet amount | Off-balance sheet amount | RWA | RWA density |
| | Q2 2024 | | | | | | |
| 1 | Sovereigns and their central banks | 171,861 | | | | - | |
| 2 | Non-central government public sector entities | | | | | - | |
| 3 | Multilateral development banks | | | | | | |
| 4 | Banks | 2,494,536 | | 2,494,474 | | 706,831 | 28% |
| 5 | Securities firms | | | | | | |
| 6 | Corporates | 245,392 | 163,804 | 243,975 | 56,119 | 266,878 | 89% |
| 7 | Regulatory retail portfolios | 56,808 | | 54,825 | | 54,825 | 100% |
| 8 | Secured by residential property | 437,571 | | 437,571 | | 218,785 | 50% |
| 9 | Secured by commercial real estate | | | | | | |
| 10 | Past-due exposures | 9,291 | | 5,588 | | 5,876 | 105% |
| 11 | Higher-risk categories | | | | | | |
| 12 | Other Assets | 69,255 | | 69,255 | | 69,255 | 100% |
| **13** | **Total** | **3,484,714** | **163,804** | **3,305,689** | **56,119** | **1,322,451** | |

## 5.5 – CR5: Standardized Approach – Exposure by Asset Class and Risk Weight

The following tables analyse the asset exposure by class and risk weighting as of 30 April 2024:

**CR5: Standardized approach – exposures by asset classes and risk weights**

| USD (in $000) | Risk weight / Asset classes | a | b | c | d | e | f | g | h | i | j |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 0% | 10% | 20% | 35% | 50% | 75% | 100% | 150% | Others | Total credit exposures amount (post-CCF and post-CRM) [1] |
| | Q2 2024 | | | | | | | | | | |
| 1 | Sovereigns and their central banks | 171,861 | | | | | | | | | 171,861 |
| 2 | Non-central government public sector entities | | | | | | | | | | |
| 3 | Multilateral development banks | | | | | | | | | | |
| 4 | Banks | | | 1,930,968 | | 563,568 | | | | | 2,494,536 |
| 5 | Securities firms | | | | | | | | | | - |
| 6 | Corporates | | | | | | | 245,392 | | | 245,392 |
| 7 | Regulatory retail portfolios | | | | | | | 56,808 | | | 56,808 |
| 8 | Secured by residential property | | | | | 437,571 | | | | | 437,571 |
| 9 | Secured by commercial real estate | | | | | | | | | | - |
| 10 | Past-due exposures | | | | | | | | 9,291 | | 9,291 |
| 11 | Higher-risk categories | | | | | | | | | | - |
| 12 | Other Assets | | | | | | | 69,255 | | | 69,255 |
| **13** | **Total** | **171,861** | **-** | **1,930,968** | **-** | **1,001,139** | **-** | **371,455** | **9,291** | **-** | **3,484,714** |

## Part 6 – MR1: Market Risk Under the Standardized Approach

Market risk is the risk of loss arising from movements in market prices. For STCL, the key components of this type of risk include foreign exchange risk and interest rate risk.

The following table analyses Market Risk as of 30 April 2024:

| MR1: Market risk under the standardised approach | | | | |
|---|---|---|---|---|
| | USD (in $'000) | Q2 2024 RWA | Q4 2023 RWA | Q2 2023 RWA |
| | **Outright Products** | | | |
| 1 | Interest Rate Risk ( General and Specific) | | | |
| 2 | Equity Rate Risk ( General and Specific) | | | |
| 3 | Foreign Exchange Risk | 218,740 | 91,501 | 207,540 |
| 4 | Commodity Risk | | | |
| | **Options** | | | |
| 5 | Simplified Approach | | | |
| 6 | Delta-Plus Method | | | |
| 7 | Scenario Approach | | | |
| 8 | Securitisation | | | |
| **9** | **Total** | **218,740** | **91,501** | **207,540** |