

Table 21

Scope of application

Qualitative Disclosures	(a)	The name of a bank in the group to which this Framework applies.	Bank SBI Botswana Ltd
	(b)	An outline of the difference in the basis of consolidation for accounting and regulatory purposes, within the group (a) That are fully consolidated. (b) That are pro-rata consolidated; (c) that are given a deduction treatment, and (d) equity accounted.	Only one Branch, No Group
	(c)	Any restrictions, or other major impediments, on the transfer of funds or regulatory capital within the group.	Not Applicable
Quantitative Disclosures	(d)	The aggregate amount of capital deficiencies in all subsidiaries, that are not included in the consolidation for regulatory purposes (i.e., that are deducted) and the name (s) of such subsidiaries.	Not Applicable
	(e)	The aggregate amounts (e.g., current book value) of a bank's total interests insurance entities, which are risk-weighted, rather than deducted from capital, as well as their names, their country of incorporation or residence, the proportion of ownership interest and, if different, the proportion of voting power in these entities.	Not Applicable

Table 22

Common Equity Tier I capital: instruments and reserves		
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus.	124 852
2	Retained earnings	(16 259)
3	Accumulated other comprehensive income (and other reserves)	125
4	<i>Directly issued capital subject to phase out from CET1 CAPITAL (only applicable to non-joint stock companies)</i>	-
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1 CAPITAL)	-
6	Common Equity Tier I capital before regulatory adjustments	-
Common Equity Tier I capital: regulatory adjustments		
7	Prudential valuation adjustments	-
8	Goodwill (net of related tax liability)	-
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	-
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	2 931
11	Cash-flow hedge reserve	-
12	Shortfall of provisions to expected losses	-
13	Securitisation gain on sale (as set out in paragraph 562 of Basel II 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 off paid-in capital on reported balance sheet)	-
17	Reciprocal cross-holdings in common equity	-
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-
20	Mortgage servicing rights (amount above 10% threshold)	-
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 I due to insufficient Additional Tier I and Tier II to cover deductions	-
28	Total regulatory adjustments to Common equity Tier I	-
29	Common Equity Tier I capital (CET1 CAPITAL)	108 718

Additional Tier I capital: instruments		
30	Directly issued qualifying Additional Tier I instruments plus related stock surplus	0
31	of which: classified as equity under applicable accounting standards	0
32	of which: classified as liabilities under applicable accounting standards	0
33	<i>Directly issued capital instruments subject to phase out from Additional Tier I</i>	0
34	Additional Tier I instruments (and CET1 CAPITAL instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	0
35	<i>of which: instruments issued by subsidiaries subject to phase out</i>	0
36	Additional Tier I capital before regulatory adjustments	0
0		
37	Investments in own Additional Tier I instruments	
38	Reciprocal cross-holdings in Additional Tier I instruments	
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, 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 (net of eligible short positions)	
41	National specific regulatory adjustments	
42	Regulatory adjustments applied to Additional Tier I due to insufficient Tier II to cover deductions	
43	Total regulatory adjustments to Additional Tier I capital	
44	Additional Tier I capital (AT1)	
45	Tier I capital (T1 = CET1 CAPITAL + AT1)	
Tier II capital: instruments and provisions		
46	Directly issued qualifying Tier II instruments plus related stock surplus	
47	<i>Directly issued capital instruments subject to phase out from Tier II</i>	
48	Tier II instruments (and CET1 CAPITAL and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier II)	
49	<i>of which: instruments issued by subsidiaries subject to phase out</i>	
50	Provisions	
51	Tier II capital before regulatory adjustments	

Tier II capital: regulatory adjustments		
52	Investments in own Tier II instruments	-
53	Reciprocal cross-holdings in Tier II instruments	-
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold).	-
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 II capital	-
58	Tier II capital (T2)	-
59	Total capital (TC = T1 + T2)	108 718
60	Total risk-weighted assets	274,194

Capital ratios and buffers		
61	Common Equity Tier I (as a percentage of risk weighted assets)	39.65%
62	<i>Tier I (as a percentage of risk-weighted assets)</i>	39.65%
63	<i>Total capital (as a percentage of risk weighted assets)</i>	39.65%
64	<i>Institution specific buffer requirement (minimum CET1 CAPITAL requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement, expressed as a percentage of risk weighted assets)</i>	0
65	<i>of which: capital conservation buffer requirement</i>	
66	<i>of which: bank specific countercyclical buffer requirement</i>	0
67	<i>of which: G-SIB buffer requirement</i>	0
68		
<i>Common Equity Tier I available to meet buffers (as a percentage of risk weighted assets)</i>		
<i>National minima (if different from Basel III)</i>	<i>National Common Equity Tier I minimum ratio (if different from Basel III minimum)</i>	0
70	<i>National Tier I minimum ratio (if different from Basel III minimum)</i>	0
71	<i>National total capital minimum ratio (if different from Basel III minimum)</i>	0
<i>Amounts below the thresholds for deduction (before risk-weighting)</i>		
72	<i>Non-significant investments in the capital of other financials</i>	0
73	<i>Significant investments in the common stock of financials</i>	0

74	<i>Mortgage servicing rights (net of related tax liability)</i>	0
75	<i>Deferred tax assets arising from temporary differences (net of related tax liability)</i>	0
<i>Applicable caps on the inclusion of provisions in Tier II</i>		0
76	<i>Provisions eligible for inclusion in Tier II in respect of exposures subject to standardised approach (prior to application of cap)</i>	0
77	<i>Cap on inclusion of provisions in Tier II under standardised approach</i>	0
78	<i>Provisions eligible for inclusion in Tier II in respect of exposures subject to internal ratings-based approach (prior to application of cap)</i>	0
79	<i>Cap for inclusion of provisions in Tier II under internal ratings-based approach</i>	
<i>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2015 and 1 Jan 2020)</i>		0
80	<i>Current cap on CET1 CAPITAL instruments subject to phase out arrangements</i>	0
81	<i>Amount excluded from CET1 CAPITAL due to cap (excess over cap after redemptions and maturities)</i>	0
82	<i>Current cap on AT1 instruments subject to phase out arrangements</i>	0
83	<i>Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)</i>	0
84	<i>Current cap on T2 instruments subject to phase out arrangements</i>	0
85	<i>Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)</i>	0

Table 25

	Balance sheet as in published financial statements	Under regulatory scope of consolidation
	As at period end	As at period end
Assets		
Cash and balances at central banks	29 959.00	
Items in the course of collection from other banks	40 000	
Trading portfolio assets		
Financial assets designated at fair value		
Derivative financial instruments		
Loans and advances to banks		
Loans and advances to customers	197 040	
Reverse repurchase agreements and other similar secured lending	188 491	
Available for sale financial investments		
Current and deferred tax assets	2 931.00	
Prepayments, accrued income and other assets	1 919.00	
Investments in associates and joint ventures		
Goodwill and intangible assets		
Property, plant and equipment	3 010.00	
Total assets	463 350	
Liabilities		
Deposits from banks		
Items in the course of collection due to other banks		
Customer accounts	350 650	
Repurchase agreements and other similar secured borrowing		
Trading portfolio liabilities		
Financial liabilities designated at fair value		
Derivative financial instruments		
Debt securities in issue		
Accruals, deferred income and other liabilities	3018	
Current and deferred tax liabilities		
Subordinated liabilities		

Provisions	964	
Retirement benefit liabilities		
Total liabilities	463350	
Shareholders' Equity		
Paid-in share capital	124 852	
Retained earnings	-16259	
Accumulated other comprehensive income	125.00	
Total shareholders' equity	108718	

Table 26

Expanded Regulatory

Balance Sheet

	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	As at period end	As at period end	
Assets			
Cash and balances at central banks	29959		
Items in the course of collection from other banks	40000		
Trading portfolio assets	0		
Financial assets designated at fair value	0		
Derivative financial instruments	0		
Loans and advances to banks	0		
Loans and advances to customers	197040		
Reverse repurchase agreements and other similar secured lending	188491		
Available for sale financial investments	0		
Current and deferred tax assets	2931		
Prepayments, accrued income and other assets	1919		
Investments in associates and joint ventures			
Goodwill and intangible assets			
of which goodwill	0		
of which other intangibles (excluding MSRs)			
of which MSRs			
Property, plant and equipment	3010		
Total assets	463350		
Liabilities			
Deposits from banks	0		
Items in the course of collection due to other banks	0		
Customer accounts	350650		
Repurchase agreements and other similar secured borrowing	0		
Trading portfolio liabilities	0		

Financial liabilities designated at fair value	0		
Derivative financial instruments	0		
Debt securities in issue	0		
Accruals, deferred income and other liabilities	3018		
Current and deferred tax liabilities			
Of which DTLs related to goodwill			d
Of which DTLs related to intangible assets			e
(excluding MSR)			
Of which DTLs related to MSRs			f
Subordinated liabilities			
Provisions	964		
Retirement benefit liabilities			
Total liabilities	463350		
Shareholders' Equity			
Paid-in share capital	124852		
of which amount eligible for CET1 CAPITAL			h
of which amount eligible for AT1			i
Retained earnings	-16259		
Accumulated other comprehensive income	125		
Total shareholders' equity	108718		

Table 27

**Extract of Basel III common disclosure
template (with added column)**

Common Equity Tier I capital: instruments and reserves			
		Component of regulatory capital reported by bank	Source based on Reference numbers/letters of the balance sheet under the regulatory scope of consolidation from step 2.
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus.	124 852	
2	Retained earnings	(16 259)	
3	Accumulated other comprehensive income (and other reserves)	125	
4	<i>Directly issued capital subject to phase out from CET1 CAPITAL (only applicable to non- joint stock companies)</i>	-	
5	Common share capital issued by subsidiaries and held by third parties (amount) allowed in group CET1 CAPITAL)	-	
6	Common Equity Tier I capital before regulatory adjustments	108 718	
7	Prudential valuation adjustments	-	
8	Goodwill (net of related tax liability)	2 931	

Table 28**Main features template**

1	Issuer	
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	0
3	Governing law(s) of the instrument	0
	<i>Regulatory treatment</i>	0
4	Transitional Basel III rules	0
5	Post-transitional Basel III rules	0
6	Eligible at solo/group/group and solo	0
7	Instrument type (types to be specified by each jurisdiction)	0
8	Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date)	0
9	Par value of instrument	0
10	Accounting classification	0
11	Original date of issuance	0
12	Perpetual or dated	0
13	Original maturity date	0
14	Issuer call subject to prior supervisory approval	0
15	Optional call date, contingent call dates and redemption amount	0
16	Subsequent call dates, if applicable	0
	<i>Coupons / dividends</i>	0
17	Fixed or floating dividend/coupon	0
18	Coupon rate and any related index	0
19	Existence of a dividend stopper	0
20	Fully discretionary, partially discretionary or mandatory	0
21	Existence of step up or other incentive to redeem	0
22	Noncumulative or cumulative	0
23	Convertible or non-convertible	0
24	If convertible, conversion trigger (s)	0

25	If convertible, fully or partially	0
26	If convertible, conversion rate	0
27	If convertible, mandatory or optional conversion	0
28	If convertible, specify instrument type convertible into	0
29	If convertible, specify issuer of instrument it converts into	0
##	Write-down feature	0
##	If write-down, write-down trigger(s)	0
##	If write-down, full or partial	0
##	If write-down, permanent or temporary	0
##	If temporary write-down, description of write-up mechanism	0
##	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	0
##	Non-compliant transitioned features	0
##	If yes, specify non-compliant features	0

Table 33

General disclosure for exposures related to counterparty credit risk

Qualitative Disclosures	(a)	The general qualitative disclosure requirement with respect to derivatives and CCR, including: No business under this model being undertaken by Bank	
		• Discussion of methodology used to assign economic capital and credit limits for counterparty credit exposures;	NA
		• Discussion of policies for securing collateral and establishing credit reserves;	NA
		• Discussion of policies with respect to wrong-way risk exposures;	NA
	• Discussion of the impact of the amount of collateral the bank would have to provide given a credit rating downgrade.	NA	
Quantitative Disclosures	(b)	Gross positive fair value of contracts, netting benefits, netted current credit exposure, collateral held (including type, e.g. cash, government securities, etc.), and net derivatives credit exposure. The notional value of credit derivative hedges, and the distribution of current credit exposure by types of credit exposure.	NA
	(c)	Credit derivatives transactions that create exposures to CCR (notional value), segregated between the use for institution's own credit portfolio, as well as in its intermediation activities, including the distribution of the credit derivatives products used, broken down further by protection bought and sold within each product group.	NA

Table 34

Market risk: disclosures for banks using the standardised approach

(in BWP '000s)

<p>Qualitative Disclosures</p>	<p>(a)</p>	<p>The general qualitative disclosure requirement for market risk including the portfolios covered by the standardised approach. Foreign Exchange Risk: The NOOP is maintained within the limit prescribed by Bank of Botswana. All open Positions are revalued as at end of day on the day's midrate / Raloo rates as the Case may be. Interest Rate Risk: Interest rate risk management policy in place. Interest rate sensitivity Monitor prepared every quarter ending 31st March, 30th June, 30th September and 31st December and put up to RCOM for review. Equity Position Risk: No investment / exposure in equity market. Commodity Risk: We do not deal in commodities as of now.</p>								
<p>Quantitative Disclosures</p>	<p>(b)</p>	<p>The capital requirements for:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20px;">•</td> <td>interest rate risk; P 1,906.00</td> </tr> <tr> <td>•</td> <td>equity position risk; Nil</td> </tr> <tr> <td>•</td> <td>foreign exchange risk; P 141.00</td> </tr> <tr> <td>•</td> <td>commodity risk: Nil</td> </tr> </table>	•	interest rate risk; P 1,906.00	•	equity position risk; Nil	•	foreign exchange risk; P 141.00	•	commodity risk: Nil
•	interest rate risk; P 1,906.00									
•	equity position risk; Nil									
•	foreign exchange risk; P 141.00									
•	commodity risk: Nil									

Table 35

**Operational
risk**

Qualitative Disclosures	(a)	In addition to the general qualitative disclosure requirement, the approach for operational risk capital assessment for which the bank chose.	Standardised Approach
Quantitative Disclosures	(b)	Description of either the BIA or SA used by the bank, including a discussion of relevant internal and external factors considered in the bank's measurement approach.	All factors influencing operational risk

Table 36

Equities: disclosures for banking book positions

Qualitative Disclosures	(a)	The general qualitative disclosure requirement with respect to equity risk, including:	Banking book position of the Bank in respect of Trading is Nil
		· differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and	
		· Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.	
Quantitative Disclosures	(b)	· Value disclosed in the balance sheet of investments, as well as the fair value of those investments, for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.	NA
	(c)	The types and nature of investments, including the amount that can be classified as;	
		· Publicly traded; and	NA
		· Privately held.	NA
	(d)	The cumulative realised gains (losses) arising from sales and liquidations in the retaining period.	NA
	(e)	· Total unrealised gains (losses)	NA
		· Total latent revaluation gains (losses)	NA
		· Any amounts of the above included in Tier I and/or Tier II capital.	NA
	(f)	Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory transition or grandfathering provisions regarding regulatory	NA

	capital requirements.	
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Table 37

Interest rate risk the banking book (IRRBB)

Qualitative Disclosures	(a)	The general qualitative requirement, including the nature of IRRBB and key assumptions, including assumptions regarding loan prepayments and behaviour of non-maturity deposits, and frequency of IRRBB measurements.	Not Applicable, No related Business
Quantitative Disclosures	(b)	The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring IRRBB, broken down by currency (as relevant).	NA

Table 38

Remuneration

Qualitative disclosures	(a)	Information relating to the bodies that oversee remuneration. Disclosures should include:	
		· Name, composition and mandate of the main body overseeing remuneration.	NA
		· External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process.	NA
		· A description of the scope of the bank’s remuneration policy (eg by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches.	NA
		· A description of the types of employees considered as material risk takers and as senior managers, including the number of employees in each group.	NA
	(b)	Information relating to the design and structure of remuneration processes. Disclosures should include:	NA
		· An overview of the key features and objectives of remuneration policy.	NA
		· Whether the remuneration committee reviewed the firm’s remuneration policy during the past year, and if so, an overview of any changes that were made.	NA
		· A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee.	NA
	(c)	Description of the ways in which current and future risks are taken into account in the remuneration processes. Disclosures should include:	
		· An overview of the key risks that the bank takes into account when implementing remuneration measures.	NA
· An overview of the nature and type of the key measures used to take account of these risks, including risks difficult to measure (values need not be disclosed).		NA	
· A discussion of the ways in which these measures affect		NA	

		remuneration. · A discussion of how the nature and type of these measures has changed over the past year and reasons for the change, as well as the impact of changes on remuneration.	NA
	(d)	Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration. Disclosures should include:	No such Policy in force
		· An overview of main performance metrics for bank, top-level business lines and individuals.	NA
		· A discussion of how amounts of individual remuneration are linked to bank-wide and individual performance. · A discussion of the measures the bank will in general implement to adjust remuneration in the event that performance metrics are weak. ²	NA
	(e)	Description of the ways in which the bank seek to adjust remuneration to take account of longer-term performance. Disclosures should include:	NA
		· A discussion of the bank’s policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance.	NA
		· A discussion of the bank’s policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through claw back arrangements.	NA
	(f)	Description of the different forms of variable remuneration that the bank utilises and the rationale for using these different forms. Disclosures should include:	No such Policy in force
		· An overview of the forms of variable remuneration offered (i.e. cash, shares and share-linked instruments and other forms ³).	NA
		· A discussion of the use of the different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or groups of employees), a description the factors that determine the mix and their relative importance.	NA
	Quantitative disclosures	(g)	· Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member.
(h)		· Number of employees having received a variable remuneration award during the financial year.	NA

		· Number and total amount of guaranteed bonuses awarded during the financial year.	NA
		· Number and total amount of sign-on awards made during the financial year.	NA
		· Number and total amount of severance payments made during the financial year.	NA
	(i)	· Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.	NA
		· Total amount of deferred remuneration paid out in the financial year.	NA
	(j)	· Breakdown of amount of remuneration awards for the financial year to show:	NA
		- Fixed and variable.	
		- Deferred and non-deferred.	NA
		- Different forms used (cash, shares and share-linked instruments, other forms).	NA
	(k)	Quantitative information about employees' exposure to implicit (eg fluctuations in the value of shares or performance units) and explicit adjustments (e.g., malus, claw backs or similar reversals or downward revaluations of awards) of deferred remuneration and retained remuneration:	NA
		· Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments.	NA
		· Total amount of reductions during the financial year due to ex post explicit adjustments.	NA
		· Total amount of reductions during the financial year due to ex post implicit adjustments.	NA

Table 38(a)

Table 38 (a) to be completed separately for senior management

Total value of remuneration awards for the current fiscal year	Unrestricted	Deferred
Fixed remuneration	NA	NA
· Cash-based	x	x
· Shares and share-linked instruments	x	x
· Other	x	x
Variable remuneration		
· Cash-based	x	x
· Shares and share-linked instruments	x	x
· Other	x	x