



RHB Bank Berhad
Brunei Darussalam Branch

Pillar 3 Disclosures

30th September 2021

**RHB BANK BERHAD
BRUNI DARUSSALAM BRANCH
PILLAR 3 DISCLOSURES AS AT 30th SEPTEMBER 2021**

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1.0 Disclosure A: Scope of Application

This document covers the quantitative information as at 30th September 2021. The quarterly disclosure is prepared in compliance with the requirements set forth in Brunei Darussalam Central Bank (BDCB) Notification No. BU/N-3/2021/68 dated 02nd April 2021.

RHB Bank Berhad Brunei Darussalam branch (“the Bank”) is a branch office of RHB Bank Berhad and is part of RHB Banking Group with its Head Office in Malaysia. In operating the business, RHB Bank Berhad Brunei Darussalam branch is guided by the Group Policies, Bank Negara Malaysia’s Guidelines and BDCB’s Guidelines, whichever is more stringent.

Table 1: Key Metrics

| | | Sep 2021 | Jun 2021 | Mar 2021 | Dec 2020 | Sep 2020 |
|---|----------------------------------|-----------|-----------|-----------|-----------|-----------|
| Available Capital (BND'000) | | | | | | |
| 1 | Tier 1 | 42,330.00 | 42,330.00 | 42,453.00 | 42,330.00 | 41,521.00 |
| 2 | Total Capital | 42,495.00 | 42,402.00 | 42,476.00 | 42,360.00 | 41,639.00 |
| Risk-weighted assets (BND'000) | | | | | | |
| 3 | Total risk-weighted assets (RWA) | 89,032.96 | 93,230.50 | 92,168.19 | 82,652.96 | 83,378.82 |
| Risk-based capital ratios as a percentage of RWA | | | | | | |
| 4 | Tier 1 ratio (%) | 47.54 | 45.40 | 46.06 | 51.21 | 49.80 |
| 5 | Total capital ratio (%) | 47.73 | 45.48 | 46.09 | 51.25 | 49.94 |

Total risk-weighted assets (RWA) decreased quarter-on-quarter, mainly due to lower loans and advances and lower interbank placement of more than 3 months compared to previous quarter. Thus, Tier 1 ratio and Total capital ratio (TCR) improved in the same period accordingly. Both ratios remained healthy and the TCR is above the minimum regulatory requirement of 10%.

Table 2: Overview of Risk Weighted Assets (RWA)

| | | RWA (BND'000) | | Minimum capital requirements |
|---|---|------------------|------------------|------------------------------|
| | | Sep 2021 | Jun 2021 | Sep 2021 |
| 1 | Credit risk (Standardised) | 81,766.13 | 85,965.93 | 8,176.61 |
| 2 | Market risk (Standardised) | 130.59 | 128.33 | 13.06 |
| 3 | Operational risk (Basic Indicator/Approach) | 7,136.25 | 7,136.25 | 713.63 |
| 4 | Total | 89,032.96 | 93,230.50 | 8,903.30 |

Total RWA decreased in Sep 2021 as compared to Jun 2021, mainly due to lower credit RWA from lower loans and advances as well as lower long term interbank placement. Market risk increased slightly quarter-on-quarter due to higher foreign exchange net open position (FX NOP) arising from higher Nostro balances in Sep 2021.