SMBC

SMBC Group

Pillar 3 disclosures

SMBC Bank International plc

As of 30 June 2025

Contents

Document disclaimer

- The purpose of the Pillar 3 disclosures as contained within this Disclosure Document is to explain how SMBC Bank International plc (SMBC BI or the Bank) complies with certain prudential requirements and to provide information about the management of risks relating to those requirements.
- The information has been subject to internal review but has not been audited by the Bank's external auditor, KPMG.
- Although Pillar 3 disclosures are designed to provide transparent capital and liquidity disclosures by banks on a common basis, the information contained in this Disclosure Document may not be directly comparable with that made available by other banks. This may be due to several factors such as:

  - the different approaches to calculating capital allowed under the Prudential regulatory requirements.
  - the mix of corporate exposure types between banks.
  - the different risk appetites and profiles of banks; and
  - the different waivers applied for and granted by the Prudential Regulation Authority (PRA).

1. Overview

1.1 Background

From 1 January 2022, UK Pillar 3 disclosure requirements are set out under the Disclosure Part of the PRA Rulebook and are broadly aligned to the equivalent revisions that have already come into force under the EU version of CRR II.

In addition to summary capital and leverage disclosures, specific Pillar 3 templates are required to be disclosed by large institutions on a quarterly basis and these are included within this report with the following exceptions:

– Template CR8 (RWA flow statements of credit risk exposures under the IRB approach) is not applicable to SMBC BI PLC
– Template CCR7 (RWA flow statements of CCR exposures under the IMM) is not applicable to SMBC BI PLC.
– Template MR2-B (RWA flow statements of market risk exposures under the IMA) is not applicable to SMBC BI PLC.

The information presented in this Pillar 3 report is not required to be, and has not been, subject to external audit

2. Key metrics

The key metrics dashboard provides an overview of the Bank's prudential regulatory situation including its capital, leverage ratio and liquidity ratios.

Table 1: KM1 Key metrics

		30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	**5,780**	5,786	5,450	5,465	5,469
2	Tier 1 capital	**5,780**	5,786	5,450	5,465	5,469
3	Total capital	**5,780**	5,786	5,450	5,465	5,469
	Risk weighted exposure amounts					
4	Total risk weighted exposure amount	**34,299**	33,891	32,113	30,156	28,591
	Capital ratios (as a percentage of risk weighted exposure amount)					
5	CET1 ratio (%)	**16.9**	17.1	17.0	18.1	19.1
6	Tier 1 ratio (%)	**16.9**	17.1	17.0	18.1	19.1
7	Total capital ratio (%)	**16.9**	17.1	17.0	18.1	19.1
	Additional own funds requirements based on SREP* (as a percentage of risk weighted exposure amount)					
UK 7a	Additional CET1 SREP requirements (%)	**1.0**	1.0	1.0	1.0	1.0
UK 7b	Additional Tier 1 SREP requirements (%)	**0.3**	0.3	0.3	0.3	0.3
UK 7c	Additional Tier 2 SREP requirements (%)	**0.5**	0.5	0.5	0.5	0.5
UK 7d	Total SREP own funds requirements (%)	**9.8**	9.8	9.8	9.8	9.8
	Combined buffer requirement (as a percentage of risk weighted exposure amount)					
8	Capital conservation buffer (%)	**2.5**	2.5	2.5	2.5	2.5
9	Institution specific countercyclical capital buffer (%)	**1.1**	1.1	1.1	1.1	1.1
11	Combined buffer requirement (%)	**3.6**	3.6	3.6	3.6	3.5
UK11a	Overall capital requirements (%)	**13.4**	13.4	13.4	13.5	13.4
12	CET1 available after meeting the total SREP own funds requirements (%)	**7.0**	7.2	7.1	8.3	9.3
	Leverage ratio					
13	Total exposure measure excluding claims on central banks	**63,790**	57,267	59,429	40,131	36,189
14	Leverage ratio excluding claims on central banks (%)	**9.1**	10.1	9.2	13.6	15.1
	Additional leverage ratio disclosure requirements					
14a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	**9.1**	10.1	9.2	13.6	15.1
14b	Leverage ratio including claims on central banks (%)	**6.7**	7.0	6.8	8.8	9.6
14c	Average leverage ratio excluding claims on central banks (%)	**9.6**	9.9	9.3	14.3	14.6
14d	Average leverage ratio including claims on central banks (%)	**6.9**	7.1	6.9	9.0	9.2
14e	Countercyclical leverage ratio buffer (%)	**0.4**	0.4	0.4	0.4	0.4
	Liquidity coverage ratio					
15	Total high quality liquid assets (HQLA) (Weighted value – average)	**26,296**	25,359	24,939	25,369	25,342
UK16a	Cash outflows – Total weighted value	**22,301**	20,582	19,357	18,932	19,184
UK16b	Cash inflows – Total weighted value	**5,452**	4,747	3,973	3,281	3,329
16	Total net cash outflows (adjusted value)	**16,850**	15,835	15,384	15,651	15,855
17	Liquidity coverage ratio (%)	**156.1**	160.1	162.1	162.1	159.8

		30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024
	Net stable funding ratio					
18	Total available stable funding	23,735	22,673	22,805	23,060	23,516
19	Total required stable funding	19,020	17,827	16,987	16,693	16,735
20	NSFR ratio (%)	124.8	127.2	134.3	138.1	140.5

* Supervisory Review and Evaluation Process.

3. Own funds requirements and risk weighted exposure amounts

Table 2: OV1 Overview of risk weighted exposure amounts

This table provides a breakdown of the risk weighted exposure amounts (RWEAs) and the total own funds requirements, by exposure class and calculation approach, of SMBC BI as of 30 June 2025. Total own funds requirements are calculated as RWEAs multiplied by 8%.

		RWEAs		Total own funds requirements	
		30 June 2025	31 March 2025	30 June 2025	31 March 2025
1	Credit risk (excluding CCR)	27,619	27,889	2,210	2,231
2	Of which the standardised approach	27,619	27,889	2,210	2,231
6	Counterparty credit risk – CCR	2,021	1,841	162	147
7	of which: the standardised approach	1,301	1,395	104	112
UK 8a	of which: exposures to a CCP	2.6	2.5	0.2	0.2
UK 8b	Of which credit valuation adjustment – CVA	227	222	22	18
9	of which other CCR	440	222	35	18
15	Settlement risk	1.0	0.1	0.08	0
20	Position, foreign exchange and commodities risks (market risk)	2,315	1,818	185	145
21	Of which the standardised approach	2,315	1,818	185	145
UK 22a	Large exposures	–	–	–	–
23	Operational risk	2,343	2,343	187	187
UK 23a	Of which basic indicator approach	–	–	–	–
UK 23b	Of which standardised approach	2,343	2,343	187	187
24	Amounts below the thresholds for deduction (subject to 250% risk weight) (for information)	72	99	6	8
29	Total	34,299	33,891	2,744	2,711

4. Liquidity requirements

Table 3: LIQ1 – Quantitative information of LCR

		Total unweighted value (average)				Total weighted value (average)			
UK 1a	Quarter ending on (DD Month YYY)	30 June 2025	31 March 2025	31 Dec 2024	30 Sep 2024	30 June 2025	31 March 2025	31 Dec 2024	30 Sep 2024
UK 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
High quality liquid assets									
1	Total high quality liquid assets (HQLA)					26,296	25,359	24,939	25,369
Cash outflows									
5	Unsecured wholesale funding	21,419	20,773	20,347	20,853	15,512	14,868	14,371	14,639
7	Non-operational deposits (all counterparties)	21,100	20,407	20,015	20,506	15,193	14,502	14,040	14,293
8	Unsecured debt	319	367	332	347	319	367	332	347
9	Secured wholesale funding					1,752	1,140	596	0
10	Additional requirements	800	854	952	1,011	800	854	952	1,011
11	Outflows related to derivative exposures and other collateral requirements	800	854	952	1,011	800	854	952	1,011
13	Credit and liquidity facilities	14,950	14,364	14,197	14,106	3,197	2,978	2,933	2,919
14	Other contractual funding obligations	1,032	657	377	160	725	440	236	109
15	Other contingent funding obligations	26,673	25,414	24,766	24,420	315	301	269	254
16	Total cash outflows	–	–	–	–	22,301	20,582	19,357	18,932
Cash inflows									
17	Secured lending (e.g., reverse repos)	7,897	5,655	3,652	1,696	1,027	712	363	0
18	Inflows from fully performing exposures	4,289	4,117	3,990	3,847	3,346	3,172	3,101	2,973
19	Other cash inflows	1,153	939	591	323	1,079	863	508	308
20	Total cash inflows	13,338	10,711	8,233	5,865	5,452	4,747	3,973	3,281
UK 20c	Inflows subject to 75% cap	13,338	10,711	8,233	5,865	5,452	4,747	3,973	3,281
Total adjusted value									
UK 21	Liquidity buffer					26,296	25,359	24,939	25,369
22	Total net cash outflows					16,850	15,835	15,384	15,651
23	Liquidity coverage ratio					156.1%	160.1%	162.1%	162.1%

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