

Shinhan Bank Canada

Leverage Ratio Disclosure as at September 30th, 2020

(Unit: C\$1,000)

	Item	Leverage Ratio Framework
On-balance sheet exposures		
1	On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral) (1)	906,762
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework (IFRS)	NA
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	NA
4	(Asset amounts deducted in determining Tier 1 capital)	(415)
5	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 to 4)	906,347
Derivative exposures		
6	Replacement cost associated with all derivative transactions	NA
7	Add-on amounts for potential future exposure associated with all derivative transactions	NA
8	(Exempted CCP-leg of client cleared trade exposures)	NA
9	Adjusted effective notional amount of written credit derivatives	NA
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	NA
11	Total derivative exposures (sum of lines 6 to 10)	NA
Securities financing transaction exposures		
12	Gross SFT assets recognised for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	NA
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	NA
14	Counterparty credit risk (CCR) exposure for SFTs	NA
15	Agent transaction exposures	NA
16	Total securities financing transaction exposures (sum of lines 12 to 15)	NA
Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	40,379
18	(Adjustments for conversion to credit equivalent amounts)	(14,535)
19	Off-balance sheet items (sum of lines 17 and 18)	25,844
Capital and Total Exposures		
20	Tier 1 Capital	86,043
20a	Tier 1 Capital with transitional arrangements for ECL provisioning not applied	85,785
21	Total Exposures (sum of lines 5, 11, 16 and 19)	932,191
Leverage Ratio		
22	Basel III leverage ratio	9.23%
22a	Leverage Ratio with transitional arrangements for ECL provisioning not applied	9.20%

(1) From the beginning of Q2 2020, includes the impact of regulatory flexibility announced by OSFI in April, 2020. The measure results in exposures arising from central bank reserves and sovereign-issued securities that qualify as HQLA. The exposure is allowed to be excluded from the leverage ratio at the full on-balance sheet value.