

PILLAR 3 MARKET DISCIPLINE REPORT

Disclosures as at 30th September 2025

INTRODUCTION

This Pillar 3 Market Discipline Disclosure Report provides an overview of NCBA Bank Uganda's regulatory capital profile and risk-weighted assets as of 30 September 2025. It aligns with the Bank of Uganda's guidelines on Pillar 3 disclosures, which were introduced to help promote comparability of supervised financial institution's (SFIs) risk profiles, and to promote market discipline through these regulatory disclosures. It emphasizes our commitment to maintaining a robust governance framework, promoting risk culture, and aligning our practices with the evolving regulatory landscape..

The report aims to enhance market discipline by promoting transparency in how the Bank identifies, measures, monitors, and manages its risks. By disclosing key financial and risk-related information, stakeholders can assess the Bank's stability, resilience, and alignment with sound governance and risk management principles. Guided by the regulatory framework established by the Bank of Uganda, our approach ensures proactive risk identification, assessment, and mitigation while maintaining capital adequacy and financial stability.

This report reaffirms our dedication to open communication with stakeholders and our focus on building a resilient and well-governed institution. The report confirms that the Bank is adequately capitalized as of 30 September 2025. The information contained in this report is as per the unaudited financial statements

CERTIFICATION OF PILLAR 3 MARKET DISCIPLINE DISCLOSURE REPORT

The Board confirms that the report for the period ended 30th September, 2025 has been prepared in accordance with the guidelines established by the Bank of Uganda and in accordance with the Board agreed internal control process.

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Mark A Muyobo
Managing Director/CEO

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Grace Jethro Kavuma
Board Chairman

KEY PRUDENTIAL METRICS

The table below Provides an overview of NCBA Bank's prudential regulatory metrics

No.	Amounts in UGX '000	Sep-25	Jun-25	Mar-25	Dec-24	Sep-24
Available Capital						
1	Core capital	192,027,264	191,197,315	189,212,248	183,559,800	163,599,729
2	Supplementary capital	3,121,583	2,780,073	2,942,798	3,053,775	3,018,043
3	Total capital	195,148,847	193,977,388	192,155,046	186,613,574	166,617,772
Risk-weighted Assets (amounts)						
4	Total risk-weighted assets (RWA)	487,908,438	479,678,779	470,119,454	485,389,087	479,030,765
Risk-based Capital Ratios As a Percentage Of RWA						
5	Core capital ratio (%)	39.4%	39.9%	40.2%	37.8%	34.2%
6	Total capital ratio (%)	40.0%	40.4%	40.9%	38.5%	34.8%
Capital Buffer Requirements As a Percentage Of RWA						
7	Capital conservation buffer requirement (2.5%)	2.5%	2.5%	2.5%	2.5%	2.5%
8	Countercyclical buffer requirement (%)	-	-	-	-	-
9	Systemic buffer (for DSIBs) (%)	-	-	-	-	-
10	Total of capital buffer requirements (%) (row 7 + row 8 + row 9)	2.5%	2.5%	2.5%	2.5%	2.5%
11	Core capital available after meeting the bank's minimum capital requirements (%)**	26.86%	27.36%	27.75%	25.32%	21.65%
Basel III Leverage Ratio						
13	Total Basel III leverage ratio exposure measure	1,167,602,196	1,082,573,530	979,407,313	1,027,152,988	1,014,653,735
14	Basel III leverage ratio (%) (row 1 / row 13)	16.4%	17.7%	19.3%	17.9%	16.1%
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA)	306,515,772	242,957,764	219,108,241	201,572,895	125,742,422
16	Total net cash outflow	104,466,149	33,107,747	35,402,086	58,229,031	93,576,140
17	LCR (%)	293%	734%	619%	346.2%	134.4%
Net Stable Funding Ratio						
18	Total available stable funding	738,414,431	706,635,580	666,192,171	772,714,860	752,750,496
19	Total required stable funding	559,450,782	552,570,040	494,021,827	508,245,908	513,378,416
20	NSFR	132%	128%	135%	152.0%	146.6%

**** Core capital available after meeting the bank's minimum capital requirements is computed as row 5 minus row 10 minus the minimum core capital ratio of 10%**

The Bank remained fully compliant with the Bank of Uganda requirement to maintain minimum paid-up cash capital and core capital of not less than UGX 150 billion, closing the period with a capital position of UGX 192 billion. Quarter-on-quarter, both the core capital and total capital adequacy ratios remained stable at 39.4% and 40%, respectively significantly above the regulatory minimum thresholds of 12.5% and 14.5%.

OVERVIEW OF THE RISK WEIGHTED ASSETS

The table below provides an overview of total RWA forming the denominator of the risk-based capital requirements.

Amounts in UGX '000		RWA		Minimum capital requirements
		Sep-25	Jun-25	Sep-25
1	Credit risk (excluding counter party credit risk)	442,301,516	404,067,272	55,287,689
2	Counterparty credit risk (CCR)	-	-	-
3	Market risk	12,852,124	43,265,915	1,606,515
4	Operational risk	32,754,798	32,345,592	4,094,350
5	Total (1 + 2 + 3 + 4)	487,908,438	479,678,779	60,988,555

Minimum capital requirement computed at 12.5% in line with the regulations

As of 30 September 2025, the Bank's total Risk-Weighted Assets (RWA) amounted to UGX 487.9 billion, up slightly from UGX 479.7 billion in June 2025.

The increase was primarily driven by higher credit risk stemming from growth in the loan portfolio. Market risk declined during the quarter, largely due to the appreciation of the Ugandan shilling against major currencies. Operational risk exposures remained broadly unchanged.

The Bank continues to maintain capital buffers well above the regulatory thresholds, highlighting its strong capital position and prudent risk management practices.

ABBREVIATIONS

The following abbreviations are used throughout the document.

BOU	Bank of Uganda
DSIBs	Domestic Systemically Important Banks
HQLA	High Quality Liquid Assets
LCR	Liquidity Coverage Ratio
NSFR	Net Stable Funding Ratio
RWA	Risk Weighted Assets
UGX	Uganda Shillings



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NCBA Bank Uganda Limited is regulated by Bank of Uganda. Customer Deposits are protected by the Deposit Protection Fund upto UGX 10 million. T's and C's apply

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