

Basel III - Pillar 3 Disclosures

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Overview of Risk Management and RWA

KM1 – Key metrics

(SAR '000)

		a	b	c	d	e
		Mar-23	Dec-22	Sep-22	Jun-22	Mar-22
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	14,106,122	13,446,502	13,082,231	12,646,955	12,372,965
1a	Fully loaded ECL accounting model CET1	14,082,346	13,398,948	13,034,678	12,599,402	12,325,412
2	Tier 1	14,106,122	13,446,502	13,082,231	12,646,955	12,372,965
2a	Fully loaded ECL accounting model Tier 1	14,082,346	13,398,948	13,034,678	12,599,402	12,325,412
3	Total capital	18,306,826	17,548,528	17,172,671	16,714,883	16,390,064
3a	Fully loaded ECL accounting model total capital	18,283,050	17,500,975	17,125,119	16,667,330	16,342,511
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	105,737,299	99,117,264	96,057,630	94,666,619	90,145,127
4a	Total risk-weighted assets (pre-floor)	105,737,299	99,117,264	96,057,630	94,666,619	90,145,127
Risk-based capital ratios as a percentage of RWA						
5	CET1 ratio (%)	13.34%	13.57%	13.62%	13.36%	13.73%
5a	Fully loaded ECL accounting model CET1 (%)	13.32%	13.52%	13.57%	13.31%	13.67%
5b	CET1 ratio (%) (pre-floor ratio)	13.34%	13.57%	13.62%	13.36%	13.73%
6	Tier 1 ratio (%)	13.34%	13.57%	13.62%	13.36%	13.73%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	13.32%	13.52%	13.57%	13.31%	13.67%
6b	Tier 1 ratio (%) (pre-floor ratio)	13.34%	13.57%	13.62%	13.36%	13.73%
7	Total capital ratio (%)	17.31%	17.70%	17.88%	17.66%	18.18%
7a	Fully loaded ECL accounting model total capital ratio (%)	17.29%	17.66%	17.83%	17.61%	18.13%
7b	Total capital ratio (%) (pre-floor ratio)	17.31%	17.70%	17.88%	17.66%	18.18%
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)	0%	0%	0%	0%	0%
10	Bank G-SIB and/or D-SIB additional requirements (%)	0%	0%	0%	0%	0%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	2.50%	2.50%	2.50%	2.50%	2.50%
12	CET1 available after meeting the bank's minimum capital requirements (%)	10.84%	11.07%	11.12%	10.86%	11.23%
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	151,166,617	140,910,735	136,531,613	131,277,077	125,715,581
14	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	9.33%	9.54%	9.58%	9.63%	9.84%
14a	Fully loaded ECL accounting model Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) (%)	9.32%	9.51%	9.55%	9.60%	9.80%
14b	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	9.33%	9.54%	9.58%	9.63%	9.84%

		a	b	c	d	e
		Mar-23	Dec-22	Sep-22	Jun-22	Mar-22
14c	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	9.33%	9.54%	9.58%	9.63%	9.84%
14d	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	9.33%	9.54%	9.58%	9.63%	9.84%
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA)	22,113,461	22,160,891	20,313,734	19,622,007	19,269,362
16	Total net cash outflow	13,894,553	14,227,852	13,713,320	14,389,317	13,938,613
17	LCR ratio (%)	159.15%	155.76%	148.13%	136.37%	138.24%
Net Stable Funding Ratio						
18	Total available stable funding	94,718,889	89,487,560	88,807,248	86,560,407	82,589,288
19	Total required stable funding	83,375,382	80,653,774	81,560,302	79,460,589	75,384,886
20	NSFR ratio	113.61%	110.95%	108.89%	108.94%	109.56%

OV1 – Overview of RWA

(SAR '000)

		a	b	c
		RWA		Minimum Capital Requirements
		Mar-23	Dec-22	Mar-23
1	Credit risk (excluding counterparty credit risk)	94,362,920	86,938,457	7,549,034
2	Of which: standardised approach (SA)	94,362,920	86,938,457	7,549,034
3	Of which: foundation internal ratings-based (F-IRB) approach			
4	Of which: supervisory slotting approach			
5	Of which: advanced internal ratings-based (A-IRB) approach			
6	Counterparty credit risk (CCR)			
7	Of which: standardised approach for counterparty credit risk			
8	Of which: IMM			
9	Of which: other CCR			
10	Credit valuation adjustment (CVA)			
11	Equity positions under the simple risk weight approach and the internal model method during the five-year linear phase-in period			
12	Equity investments in funds – look-through approach			
13	Equity investments in funds – mandate-based approach	1,693,416	1,223,653	135,473
14	Equity investments in funds – fall-back approach			
15	Settlement risk			
16	Securitisation exposures in banking book			
17	Of which: securitisation IRB approach (SEC-IRBA)			
18	Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)			
19	Of which: securitisation standardised approach (SEC-SA)			
20	Market risk	3,614,648	2,242,872	289,172
21	Of which: standardised approach (SA)	3,614,648	2,242,872	289,172
22	Of which: internal model approach (IMA)			
23	Capital charge for switch between trading book and banking book			
24	Operational risk	6,066,316	8,712,282	485,305
25	Amounts below the thresholds for deduction (subject to 250% risk weight)			
26	Output floor applied			
27	Floor adjustment (before application of transitional cap)			
28	Floor adjustment (after application of transitional cap)			
29	Total (1 + 6 + 10 + 11 + 12 + 13 + 14 + 15 + 16 + 20 + 23 + 24 + 25 + 28)	105,737,299	99,117,264	8,458,984

Leverage Ratio

LR1 – Summary comparison of accounting assets vs leverage ratio exposure measure

(SAR '000)

Items		a
1	Total consolidated assets as per published financial statements	135,368,347
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-
4	Adjustments for temporary exemption of central bank reserves (if applicable)	-
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
6	Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustments for eligible cash pooling transactions	-
8	Adjustments for derivative financial instruments	-
9	Adjustment for securities financing transactions (ie repurchase agreements and similar secured lending)	-
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	13,985,017
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-
12	Other adjustments	1,813,253
13	Leverage ratio exposure measure	151,166,617

LR2 – Leverage ratio common disclosure template

		(SAR '000)	
		a	b
		Mar-23	Dec-22
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	137,181,600	132,212,733
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	-	-
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	-	-
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(Specific and general provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital)	-	-
6	(Asset amounts deducted in determining Tier 1 capital and regulatory adjustments)	-	-
7	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	137,181,600	132,212,733
Derivative exposures			
8	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin, with bilateral netting and/or the specific treatment for client cleared derivatives)	-	-
9	Add-on amounts for potential future exposure associated with all derivatives transactions	-	-
10	(Exempted central counterparty (CCP) leg of client-cleared trade exposures)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	Total derivative exposures (sum of rows 8 to 12)	-	-
Securities financing transaction exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sale accounting transactions	-	-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	-	-
17	Agent transaction exposures	-	-
18	Total securities financing transaction exposures (sum of rows 14 to 17)	-	-
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	46,644,700	14,491,110
20	(Adjustments for conversion to credit equivalent amounts)	(32,659,682)	(5,793,108)
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	-	-
22	Off-balance sheet items (sum of rows 19 and 21)	13,985,017	8,698,002
Capital and total exposures			

		a	b
		Mar-23	Dec-22
23	Tier 1 capital	14,106,122	13,446,502
24	Total exposures (sum of rows 3, 11, 16 and 19)	151,166,617	140,910,735
Leverage ratio			
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	9.33%	9.54%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	9.33%	9.54%
26	National minimum leverage ratio requirement		
27	Applicable leverage buffers		
Disclosure of mean values			
28	Mean value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
30	Total exposures (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	-	-
30a	Total exposures (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	-	-
31	Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	-	-
31a	Basel III leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	-	-

Liquidity

LIQ1 – Liquidity Coverage Ratio (LCR)

		(SAR '000)	
		a	b
		Total unweighted value (average)	Total weighted value (average)
High-quality liquid assets			
1	Total HQLA		22,113,461
Cash outflows			
2	Retail deposits and deposits from small business customers, of which:	-	-
3	Stable deposits	-	-
4	Less stable deposits	43,698,168	4,369,817
5	Unsecured wholesale funding, of which:		
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-
7	Non-operational deposits (all counterparties)	34,966,449	15,436,143
8	Unsecured debt	-	-
9	Secured wholesale funding		
10	Additional requirements, of which:		
11	Outflows related to derivative exposures and other collateral requirements	-	-
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	104,939	10,494
14	Other contractual funding obligations	30,093,352	902,801
15	Other contingent funding obligations	24,671,923	493,438
16	TOTAL CASH OUTFLOWS		21,212,692
Cash inflows			
17	Secured lending (eg reverse repos)	-	-
18	Inflows from fully performing exposures	9,660,977	7,318,139
19	Other cash inflows	-	-
20	TOTAL CASH INFLOWS	9,660,977	7,318,139
Total adjusted value			
21	Total HQLA		22,113,461
22	Total net cash outflows		13,894,553
23	Liquidity Coverage Ratio (%)		159.15%