

# Basel III Pillar 3 Disclosures

30 September 2020

Basel III Pillar 3

Quantitative Disclosures

	Tables and templates	Template ref.#	Page NO.
Part 1 – Overview of risk management and RWA	KM1 – Key metrics (at consolidated group level)	<u>KM1</u>	<u>3</u>
	OV1 – Overview of RWA	<u>OV1</u>	<u>4</u>
Part 2 – Leverage ratio	LR1 – Summary comparison of accounting assets vs leverage ratio exposure measure	<u>LR1</u>	<u>5</u>
	LR2 – Leverage ratio common disclosure template	<u>LR2</u>	<u>6</u>
Part 3 – Liquidity	LIQ1 – Liquidity Coverage Ratio (LCR)	<u>LIQ1</u>	<u>7</u>

Template KM1

Key metrics (at consolidated group level) (SAR '000)

		a	b	c	d	e
		Sep-20	Jun-20	Mar-20	Dec-19	Sep -19
<b>Available capital (amounts)</b>						
1	Common Equity Tier 1 (CET1)	10,382,250	9,923,667	9,611,012	9,473,031	9,115,041
1a	Fully loaded ECL accounting model	10,382,250	9,923,667	9,611,012	9,473,031	9,115,041
2	Tier 1	10,382,250	9,923,667	9,611,012	9,473,031	9,115,041
2a	Fully loaded ECL accounting model Tier 1	10,382,250	9,923,667	9,611,012	9,473,031	9,115,041
3	Total capital	13,215,699	12,725,785	12,405,489	12,264,291	11,868,769
3a	Fully loaded ECL accounting model total capital	13,215,699	12,725,785	12,405,489	12,264,291	11,868,769
<b>Risk-weighted assets (amounts)</b>						
4	Total risk-weighted assets (RWA)	74,447,180	71,853,718	70,365,787	70,099,746	66,829,627
<b>Risk-based capital ratios as a percentage of RWA</b>						
5	Common Equity Tier 1 ratio (%)	13.95%	13.81%	13.66%	13.51%	13.64%
5a	Fully loaded ECL accounting model Common Equity Tier 1 (%)	13.95%	13.81%	13.66%	13.51%	13.64%
6	Tier 1 ratio (%)	13.95%	13.81%	13.66%	13.51%	13.64%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	13.95%	13.81%	13.66%	13.51%	13.64%
7	Total capital ratio (%)	17.75%	17.71%	17.63%	17.50%	17.76%
7a	Fully loaded ECL accounting model total capital ratio (%)	17.75%	17.71%	17.63%	17.50%	17.76%
<b>Additional CET1 buffer requirements as a percentage of RWA</b>						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.5%	2.5%	2.5%	2.5%	2.5%
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)	2.5%	2.5%	2.5%	2.5%	2.5%
12	CET1 available after meeting the bank's minimum capital requirements (%)	11.45%	11.31%	11.16%	11.01%	11.14%
<b>Basel III Leverage Ratio</b>						
13	Total Basel III leverage ratio exposure measure	99,528,939	95,217,684	94,901,262	91,998,156	86,882,409
14	Basel III leverage ratio (%) (row 2 / row 13)	10.43%	10.42%	10.13%	10.30%	10.49%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a / row13)	10.43%	10.42%	10.13%	10.30%	10.49%
<b>Liquidity Coverage Ratio</b>						
15	Total HQLA	16,362,364	16,144,691	15,138,021	13,994,743	13,579,372
16	Total net cash outflow	14,764,166	13,020,787	12,577,510	10,885,799	10,237,395
17	LCR ratio (%)	111%	124%	120%	129%	133%
<b>Net Stable Funding Ratio</b>						
18	Total available stable funding	63,499,124	65,142,794	64,036,931	62,432,696	61,758,805
19	Total required stable funding	57,232,830	56,651,201	54,253,452	51,047,910	49,463,860
20	NSFR ratio	111%	115%	118%	122%	125%

## B.2 - Template OV1

### Overview of RWA (SAR '000)

		a	b	c
		RWA		Minimum Capital Requirements
		Sep 2020	Jun 2020	Sep 2020
1	Credit risk (excluding counterparty credit risk) (CCR)	66,675,903	64,169,456	5,334,072
2	Of which standardised approach (SA)	66,675,903	64,169,456	5,334,072
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	-	-	-
7	Of which standardised approach for counterparty credit risk (SA-CCR)	-	-	-
8	Of which internal model method (IMM)	-	-	-
9	Of which: other CCR	-	-	-
10	Credit valuation adjustment (CVA)	-	-	-
11	Equity positions in banking book under market-based approach	-	-	-
12	Equity investments in funds – look-through approach	-	-	-
13	Equity investments in funds – mandate-based approach	1,420,247	1,730,293	113,620
14	Equity investments in funds – fall-back approach	-	-	-
15	Settlement risk	-	-	-
16	Securitisation exposures in banking book	-	-	-
17	Of which: securitisation internal ratings-based 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	734,358	860,358	58,749
21	Of which standardised approach (SA)	734,358	860,358	58,749
22	Of which internal model approaches (IMM)	-	-	-
23	Capital charge for switch between trading book and banking book	-	-	-
24	Operational risk	7,036,919	6,823,904	562,954
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
26	Floor adjustment	-	-	-
27	<b>Total (1+4+7+8+9+10+11+12+16+19+23+24)</b>	<b>74,447,180</b>	<b>71,853,718</b>	<b>5,955,774</b>

Template LR1

Summary comparison of accounting assets vs leverage ratio exposure measure (SAR '000)

Items		a
1	Total consolidated assets as per published financial statements	92,293,571
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 fiduciary assets recognized on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	
4	Adjustments for derivative financial instruments	
5	Adjustment for securities financing transactions (ie repos and similar secured lending)	
6	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	4,949,859
7	Other adjustments	2,285,509
8	<b>Leverage ratio exposure measure</b>	<b>99,528,939</b>

Template LR2

Leverage ratio common disclosure template (SAR '000)

		a	b
On-balance sheet exposures		Sep-2020	Jun-2020
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	94,579,080	90,968,246
2	(Asset amounts deducted in determining Basel III Tier 1 capital)		
3	<b>Total on-balance sheet exposures</b> (excluding derivatives and SFTs) (sum of rows 1 and 2)	<b>94,579,080</b>	<b>90,968,246</b>
Derivative exposures			
4	Replacement cost associated with <i>all</i> derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	-	
5	Add-on amounts for PFE associated with <i>all</i> derivatives transactions	-	-
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-	-
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-	-
8	(Exempted CCP leg of client-cleared trade exposures)	-	-
9	Adjusted effective notional amount of written credit derivatives	-	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
11	<b>Total derivative exposures</b> (sum of rows 4 to 10)	<b>-</b>	<b>-</b>
Securities financing transaction exposures			
12	Gross SFT <i>assets</i> (with no recognition of netting), after adjusting for sale accounting transactions	-	-
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
14	CCR exposure for SFT assets	-	-
15	Agent transaction exposures	-	-
16	<b>Total securities financing transaction exposures</b> (sum of rows 12 to 15)		
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	9,736,029	7,957,198
18	(Adjustments for conversion to credit equivalent amounts)	(4,786,170)	(3,707,760)
19	<b>Off-balance sheet items</b> (sum of rows 17 and 18)	<b>4,949,859</b>	<b>4,249,438</b>
Capital and total exposures			
20	Tier 1 capital	10,382,250	9,923,667
21	<b>Total exposures</b> (sum of rows 3, 11, 16 and 19)	<b>99,528,939</b>	<b>95,217,684</b>
Leverage ratio			
21	Basel III leverage ratio	10.43%	10.42%

Template LIQ1

Liquidity Coverage Ratio (LCR) (SAR '000)

		a	b
		Total unweighted value (average)	Total weighted value (average)
<b>High-quality liquid assets</b>			
1	Total HQLA		16,362,364
<b>Cash outflows</b>			
2	Retail deposits and deposits from small business customers, of which:	38,055,776	3,805,578
3	Stable deposits		
4	Less stable deposits	38,055,776	3,805,578
5	Unsecured wholesale funding, of which:	28,618,681	13,483,511
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks		
7	Non-operational deposits (all counterparties)	28,618,681	13,483,511
8	Unsecured debt		
9	Secured wholesale funding		
10	Additional requirements, of which:	712,899	71,290
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	712,899	71,290
14	Other contractual funding obligations	1,686	1,686
15	Other contingent funding obligations	20,169,068	403,381
16	<b>TOTAL CASH OUTFLOWS</b>		<b>17,765,446</b>
<b>Cash inflows</b>			
17	Secured lending (eg reverse repos)		
18	Inflows from fully performing exposures	4,800,714	3,001,280
19	Other cash inflows		
20	<b>TOTAL CASH INFLOWS</b>	<b>4,800,714</b>	<b>3,001,280</b>
		<b>Total adjusted value</b>	
21	Total HQLA		16,362,364
22	Total net cash outflows		14,764,166
23	Liquidity Coverage Ratio (%)		110.82%

APPENDIX: TABLES AND TEMPLATES THAT ARE NOT APPLICABLE

	Tables and templates
Part 3 – Linkages between financial statements and regulatory exposures	PV1 – Prudent valuation adjustments (PVA)
Part 4 – Composition of capital and TLAC	CC1 – Composition of regulatory capital
	CC2 – Reconciliation of regulatory capital to balance sheet
	CCA – Main features of regulatory capital instruments and of other TLAC-eligible instruments
Part 5 – Macroprudential supervisory measures	GSIB1 – Disclosure of G-SIB indicators
	CCyB1 – Geographical distribution of credit exposures used in the countercyclical buffer
Part 7 – Liquidity	LIQA – Liquidity risk management
	LIQ 2 – Net Stable Funding Ratio (NSFR)
Part 8 – Credit risk	CR1 – Credit quality of assets
	CR2 – Changes in stock of defaulted loans and debt securities
	CRB – Additional disclosure related to the credit quality of assets
	CRC – Qualitative disclosure requirements related to credit risk mitigation techniques
	CR3 – Credit risk mitigation techniques – overview
	CRD – Qualitative disclosures on banks’ use of external credit ratings under the standardised approach for credit risk
	CR4 – Standardised approach – credit risk exposure and credit risk mitigation (CRM) effects
CR5 – Standardised approach – exposures by asset classes and risk weights	
Part 11 – Market risk	MRA – General qualitative disclosure requirements related to market risk
	MR1 – Market risk under SA
Part 12 – Interest rate risk in the banking book	IRRBBA – IRRBB risk management objective and policies
	IRRBB1 – Quantitative information on IRRBB
Part 13 – Remuneration	REMA – Remuneration policy
	REM1 – Remuneration awarded during the financial year
	REM2 – Special payments
	REM3 – Deferred remuneration