

Basel III - Pillar 3 Disclosures

30th Sep 2024

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Overview of Risk Management and RWA

KM1 – Key metrics

(SAR '000)

	a	b	c	d	e	
	Sep-24	Jun-24	Mar-24	Dec-23	Sep-23	
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	16,131,863	15,805,747	15,700,950	15,281,887	14,636,415
1a	Fully loaded ECL accounting model CET1	16,131,863	15,805,747	15,700,950	15,258,110	14,612,638
2	Tier 1	16,131,863	15,805,747	15,700,950	15,281,887	14,636,415
2a	Fully loaded ECL accounting model Tier 1	16,131,863	15,805,747	15,700,950	15,258,110	14,612,638
3	Total capital	20,413,215	20,075,740	19,970,629	19,555,798	18,888,589
3a	Fully loaded ECL accounting model total capital	20,413,215	20,075,740	19,970,629	19,532,021	18,864,813
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	110,513,685	110,907,150	112,317,884	110,100,562	106,950,959
4a	Total risk-weighted assets (pre-floor)	110,513,685	110,907,150	112,317,884	110,100,562	106,950,959
Risk-based capital ratios as a percentage of RWA						
5	CET1 ratio (%)	14.60%	14.25%	13.98%	13.88%	13.69%
5a	Fully loaded ECL accounting model CET1 (%)	14.60%	14.25%	13.98%	13.86%	13.66%
5b	CET1 ratio (%) (pre-floor ratio)	14.60%	14.25%	13.98%	13.88%	13.69%
6	Tier 1 ratio (%)	14.60%	14.25%	13.98%	13.88%	13.69%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	14.60%	14.25%	13.98%	13.86%	13.66%
6b	Tier 1 ratio (%) (pre-floor ratio)	14.60%	14.25%	13.98%	13.88%	13.69%
7	Total capital ratio (%)	18.47%	18.10%	17.78%	17.76%	17.66%
7a	Fully loaded ECL accounting model total capital ratio (%)	18.47%	18.10%	17.78%	17.74%	17.64%
7b	Total capital ratio (%) (pre-floor ratio)	18.47%	18.10%	17.78%	17.76%	17.66%
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 (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	Bank G-SIB and/or D-SIB additional requirements (%)	0.00%	0.00%	0.00%	0.00%	0.00%
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 (%)	7.60%	7.25%	6.98%	6.88%	6.69%
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	168,817,868	161,071,616	159,354,746	159,020,235	153,005,900

		a	b	c	d	e
		Sep-24	Jun-24	Mar-24	Dec-23	Sep-23
14	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	9.56%	9.81%	9.85%	9.61%	9.57%
14a	Fully loaded ECL accounting model Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) (%)	9.56%	9.81%	9.85%	9.60%	9.55%
14b	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	9.56%	9.81%	9.85%	9.61%	9.57%
14c	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	9.56%	9.81%	9.85%	9.61%	9.57%
14d	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	9.56%	9.81%	9.85%	9.61%	9.57%
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA)	22,387,731	21,872,301	21,366,427	21,433,567	21,420,986
16	Total net cash outflow	17,646,758	18,618,188	17,856,050	17,296,008	16,439,780
17	LCR ratio (%)	126.87%	117.48%	119.66%	123.92%	130.30%
Net Stable Funding Ratio						
18	Total available stable funding	105,414,559	100,527,704	101,099,390	100,459,726	96,173,879
19	Total required stable funding	95,034,012	91,974,734	90,356,461	89,359,561	88,052,698
20	NSFR ratio	110.92%	109.30%	111.89%	112.42%	109.22%

OV1 – Overview of risk-weighted assets (RWA)

(SAR '000)

		a	b	c
		RWA		Minimum Capital Requirements
		Sep-24	Jum-24	Sep-24
1	Credit risk (excluding counterparty credit risk)	100,834,484	100,015,675	8,066,759
2	Of which: standardised approach (SA)	100,834,484	100,015,675	8,066,759
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)	27,083	29,093	2,167
7	Of which: standardised approach for counterparty credit risk	27,083	29,093	2,167
8	Of which: IMM			
9	Of which: other CCR			
10	Credit valuation adjustment (CVA)	44,855	60,889	3,588
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	1,527,980	1,257,000	122,238
13	Equity investments in funds – mandate-based approach	145,731	326,773	11,658
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	1,453,874	2,738,043	116,310
21	Of which: standardised approach (SA)	1,453,874	2,738,043	116,310
22	Of which: internal model approach (IMA)			
23	Capital charge for switch between trading book and banking book	-	-	-
24	Operational risk	6,479,677	6,479,677	518,374
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)	110,513,685	110,907,150	8,841,095

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	153,722,174
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	60,955
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)	13,191,761
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-
12	Other adjustments	1,842,978
13	Leverage ratio exposure measure	168,817,868

LR2 – Leverage ratio common disclosure template

(SAR '000)

		A	B
		Sep-24	Jun-24
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	155,565,152	147,099,085
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)	155,565,152	147,099,085
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)	15,805	33,207
9	Add-on amounts for potential future exposure associated with all derivatives transactions	27,734	26,126
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)	60,955	83,066
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	35,479,984	37,078,379

		A	B
		Sep-24	Jun-24
20	(Adjustments for conversion to credit equivalent amounts)	(22,288,223)	(23,188,914)
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)	13,191,761	13,889,465
Capital and total exposures			
23	Tier 1 capital	16,131,863	15,805,747
24	Total exposures (sum of rows 3, 11, 16 and 19)	168,817,868	161,071,616
Leverage ratio			
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	9.56%	9.81%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	9.56%	9.81%
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		22,387,731
Cash outflows			
2	Retail deposits and deposits from small business customers, of which:	44,961,485	4,496,149
3	Stable deposits	-	-
4	Less stable deposits	44,961,485	4,496,149
5	Unsecured wholesale funding, of which:	45,187,325	20,140,057
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-
7	Non-operational deposits (all counterparties)	45,187,325	20,140,057
8	Unsecured debt	-	-
9	Secured wholesale funding	-	-
10	Additional requirements, of which:	1,980,453	198,045
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	1,980,453	198,045
14	Other contractual funding obligations	-	-
15	Other contingent funding obligations	34,135,207	856,168
16	TOTAL CASH OUTFLOWS		25,690,418
Cash inflows			
17	Secured lending (eg reverse repos)	-	-
18	Inflows from fully performing exposures	11,429,576	8,043,661
19	Other cash inflows	-	-
20	TOTAL CASH INFLOWS		8,043,661
Total adjusted value			
21	Total HQLA		22,387,731
22	Total net cash outflows		17,646,758
23	Liquidity Coverage Ratio (%)		126.87%

General qualitative disclosure requirements related to CVA

CVA4 – RWA flow statements of CVA risk exposures under SA-CVA

(SAR '000)

		a
1	Total RWA for CVA at previous quarter-end	60,889
2	Total RWA for CVA at end of reporting period	44,855