

# 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
		Sep-23	Jun-23	Mar-23	Dec-22	Sep-22
<b>Available capital (amounts)</b>						
1	Common Equity Tier 1 (CET1)	14,636,415	14,194,592	14,106,122	13,446,502	13,082,231
1a	Fully loaded ECL accounting model CET1	14,612,638	14,170,815	14,082,346	13,398,948	13,034,678
2	Tier 1	14,636,415	14,194,592	14,106,122	13,446,502	13,082,231
2a	Fully loaded ECL accounting model Tier 1	14,612,638	14,170,815	14,082,346	13,398,948	13,034,678
3	Total capital	18,888,589	18,417,236	18,306,826	17,548,528	17,172,671
3a	Fully loaded ECL accounting model total capital	18,864,813	18,393,459	18,283,050	17,500,975	17,125,119
<b>Risk-weighted assets (amounts)</b>						
4	Total risk-weighted assets (RWA)	106,950,959	104,575,778	105,737,299	99,117,264	96,057,630
4a	Total risk-weighted assets (pre-floor)	106,950,959	104,575,778	105,737,299	99,117,264	96,057,630
<b>Risk-based capital ratios as a percentage of RWA</b>						
5	CET1 ratio (%)	13.69%	13.57%	13.34%	13.57%	13.62%
5a	Fully loaded ECL accounting model CET1 (%)	13.66%	13.55%	13.32%	13.52%	13.57%
5b	CET1 ratio (%) (pre-floor ratio)	13.69%	13.57%	13.34%	13.57%	13.62%
6	Tier 1 ratio (%)	13.69%	13.57%	13.34%	13.57%	13.62%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	13.66%	13.55%	13.32%	13.52%	13.57%
6b	Tier 1 ratio (%) (pre-floor ratio)	13.69%	13.57%	13.34%	13.57%	13.62%
7	Total capital ratio (%)	17.66%	17.61%	17.31%	17.70%	17.88%
7a	Fully loaded ECL accounting model total capital ratio (%)	17.64%	17.59%	17.29%	17.66%	17.83%
7b	Total capital ratio (%) (pre-floor ratio)	17.66%	17.61%	17.31%	17.70%	17.88%
<b>Additional CET1 buffer requirements as a percentage of RWA</b>						
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 (%)	11.19%	11.07%	10.84%	11.07%	11.12%
<b>Basel III leverage ratio</b>						
13	Total Basel III leverage ratio exposure measure	153,005,900	150,996,276	151,166,617	140,910,735	136,531,613
14	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	9.57%	9.40%	9.33%	9.54%	9.58%
14a	Fully loaded ECL accounting model Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) (%)	9.55%	9.38%	9.32%	9.51%	9.55%

		a	b	c	d	e
		Sep-23	Jun-23	Mar-23	Dec-22	Sep-22
14b	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	9.57%	9.40%	9.33%	9.54%	9.58%
14c	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	9.57%	9.40%	9.33%	9.54%	9.58%
14d	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	9.57%	9.40%	9.33%	9.54%	9.58%
<b>Liquidity Coverage Ratio</b>						
15	Total high-quality liquid assets (HQLA)	21,420,986	22,131,636	22,113,461	22,160,891	20,313,734
16	Total net cash outflow	16,439,780	16,443,882	13,894,553	14,227,852	13,713,320
17	LCR ratio (%)	130.30%	134.59%	159.15%	155.76%	148.13%
<b>Net Stable Funding Ratio</b>						
18	Total available stable funding	96,173,879	94,706,804	94,718,889	89,487,560	88,807,248
19	Total required stable funding	88,052,698	85,417,932	83,375,382	80,653,774	81,560,302
20	NSFR ratio	109.22%	110.87%	113.61%	110.95%	108.89%

## OV1 – Overview of risk-weighted assets (RWA)

(SAR '000)

		a	b	c
		RWA		Minimum Capital Requirements
		Sep-23	Jun-23	Sep-23
1	Credit risk (excluding counterparty credit risk)	98,470,676	96,123,042	7,877,654
2	Of which: standardised approach (SA)	98,470,676	96,123,042	7,877,654
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	1,703,277	1,688,506	136,262
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	710,691	697,914	56,855
21	Of which: standardised approach (SA)	710,691	697,914	56,855
22	Of which: internal model approach (IMA)			
23	Capital charge for switch between trading book and banking book	-	-	-
24	Operational risk	6,066,316	6,066,316	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	<b>Total (1 + 6 + 10 + 11 + 12 + 13 + 14 + 15 + 16 + 20 + 23 + 24 + 25 + 28)</b>	<b>106,950,959</b>	<b>104,575,778</b>	<b>8,556,077</b>

## 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	137,573,157
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)	13,568,773
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-
12	Other adjustments	1,863,970
13	<b>Leverage ratio exposure measure</b>	<b>153,005,900</b>

## LR2 – Leverage ratio common disclosure template

(SAR '000)

		a	b
		Sep-23	Jun-23
<b>On-balance sheet exposures</b>			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	139,437,127	137,227,041
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)	-	-
<b>7</b>	<b>Total on-balance sheet exposures</b> (excluding derivatives and SFTs) (sum of rows 1 to 6)	<b>139,437,127</b>	<b>137,227,041</b>
<b>Derivative exposures</b>			
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)	-	-
<b>13</b>	<b>Total derivative exposures</b> (sum of rows 8 to 12)	<b>-</b>	<b>-</b>
<b>Securities financing transaction exposures</b>			
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	-	-
<b>18</b>	<b>Total securities financing transaction exposures</b> (sum of rows 14 to 17)	<b>-</b>	<b>-</b>
<b>Other off-balance sheet exposures</b>			
19	Off-balance sheet exposure at gross notional amount	34,978,769	35,658,568

		a	b
		Sep-23	Jun-23
20	(Adjustments for conversion to credit equivalent amounts)	(21,409,996)	(21,889,333)
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	-	-
<b>22</b>	<b>Off-balance sheet items (sum of rows 19 and 21)</b>	<b>13,568,773</b>	<b>13,769,235</b>
<b>Capital and total exposures</b>			
<b>23</b>	<b>Tier 1 capital</b>	<b>14,636,415</b>	<b>14,194,592</b>
<b>24</b>	<b>Total exposures (sum of rows 3, 11, 16 and 19)</b>	<b>153,005,900</b>	<b>150,996,276</b>
<b>Leverage ratio</b>			
<b>25</b>	<b>Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)</b>	<b>9.57%</b>	<b>9.40%</b>
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	9.57%	9.40%
<b>26</b>	<b>National minimum leverage ratio requirement</b>	<b>-</b>	<b>-</b>
<b>27</b>	<b>Applicable leverage buffers</b>	<b>-</b>	<b>-</b>
<b>Disclosure of mean values</b>			
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)
<b>High-quality liquid assets</b>			
1	Total HQLA		21,420,986
<b>Cash outflows</b>			
2	Retail deposits and deposits from small business customers, of which:	44,105,346	4,410,535
3	Stable deposits	-	-
4	Less stable deposits	44,105,346	4,410,535
5	Unsecured wholesale funding, of which:	37,670,218	17,169,374
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-
7	Non-operational deposits (all counterparties)	37,670,218	17,169,374
8	Unsecured debt	-	-
9	Secured wholesale funding	-	-
10	Additional requirements, of which:	657,886	65,789
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	657,886	65,789
14	Other contractual funding obligations	21,665,865	649,976
15	Other contingent funding obligations	38,706,163	774,123
16	<b>TOTAL CASH OUTFLOWS</b>		<b>23,069,796</b>
<b>Cash inflows</b>			
17	Secured lending (eg reverse repos)	-	-
18	Inflows from fully performing exposures	9,796,424	6,630,016
19	Other cash inflows	-	-
20	<b>TOTAL CASH INFLOWS</b>		<b>6,630,016</b>
<b>Total adjusted value</b>			
21	Total HQLA		21,420,986
22	Total net cash outflows		16,439,780
23	<b>Liquidity Coverage Ratio (%)</b>		<b>130.30%</b>