

Disclosures Under Basel III Framework

Basel III Pillar 3 Disclosures

30 September 2020

Template KM1: Key metrics

	a	b	c	d	e
	Sep 20	Jun 20	Mar 20	Dec 19	Sep 19
Available capital (amounts)					
1 Common Equity Tier 1 (CET1)	42,654	40,786	37,797	40,571	39,242
1a Fully loaded ECL accounting model	42,654	40,786	37,797	40,571	39,242
2 Tier 1	42,654	40,786	37,797	40,571	39,242
2a Fully loaded ECL accounting model Tier 1	42,654	40,786	37,797	40,571	39,242
3 Total capital	49,131	47,506	48,388	45,085	43,685
3a Fully loaded ECL accounting model total capital	49,131	47,506	48,388	45,085	43,685
Risk-weighted assets (amounts)					
4 Total risk-weighted assets (RWA)	265,329	266,463	258,055	249,556	244,074
Risk-based capital ratios as a percentage of RWA					
5 Common Equity Tier 1 ratio (%)	16.1%	15.3%	14.6%	16.3%	16.1%
5a Fully loaded ECL accounting model Common Equity Tier 1 (%)	16.1%	15.3%	14.6%	16.3%	16.1%
6 Tier 1 ratio (%)	16.1%	15.3%	14.6%	16.3%	16.1%
6a Fully loaded ECL accounting model Tier 1 ratio (%)	16.1%	15.3%	14.6%	16.3%	16.1%
7 Total capital ratio (%)	18.5%	17.8%	18.8%	18.1%	17.9%
7a Fully loaded ECL accounting model total capital ratio (%)	18.5%	17.8%	18.8%	18.1%	17.9%
Additional CET1 buffer requirements as a percentage of RWA					
8 Capital conservation buffer requirement (2.5% from 2019) (%)	2.500%	2.500%	2.500%	2.500%	2.500%
9 Countercyclical buffer requirement (%)	0.0320%	0.0367%	0.0440%	0.0505%	0.0481%
10 Bank G-SIB and/or D-SIB additional requirements (%)	0.50%	0.50%	0.50%	0.50%	0.50%
11 Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	3.032%	3.037%	3.044%	3.051%	3.048%
12 CET1 available after meeting the bank's minimum capital requirements (%)	13.0%	12.3%	11.6%	13.2%	13.0%
Basel III leverage ratio					
13 Total Basel III leverage ratio exposure measure	373,858	360,644	346,367	332,247	317,858
14 Basel III leverage ratio (%) (row 2 / row 13)	11.4%	11.3%	10.9%	12.2%	12.3%
14a Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a / row 13)	11.4%	11.3%	10.9%	12.2%	12.3%
Liquidity Coverage Ratio					
15 Total HQLA	51,074	50,435	52,398	46,281	42,639
16 Total net cash outflow	26,828	31,504	31,245	29,801	25,888
17 LCR ratio (%)	190%	160%	168%	155%	165%
Net Stable Funding Ratio					
18 Total available stable funding	207,909	196,369	173,323	175,303	165,834
19 Total required stable funding	160,427	159,868	150,394	146,035	144,142
20 NSFR ratio	130%	123%	115%	120%	115%

OV1: Overview of RWA - September 2020

		<i>SAR 000</i>		
		a	b	c
		RWA		Minimum capital requirements
		Sep 20	Jun-20	Sep 20
1	Credit risk (excluding counterparty credit risk) (CCR) Includes item 23	237,559,165	238,064,511	19,004,733
2	Of which standardised approach (SA)	237,559,165	238,064,511	19,004,733
3	Of which internal rating-based (IRB) approach			0
4	Counterparty credit risk	6,927,259	6,145,349	554,181
5	Of which standardised approach for counterparty credit risk (SA-CCR)	6,927,259	6,145,349	554,181
6	Of which internal model method (IMM)			0
7	Equity positions in banking book under market-based approach	-	-	-
8	Equity investments in funds – look-through approach	-	-	-
9	Equity investments in funds – mandate-based approach			-
10	Equity investments in funds – fall-back approach	-	-	-
11	Settlement risk			-
12	Securitisation exposures in banking book	-	-	-
13	Of which IRB ratings-based approach (RBA)			-
14	Of which IRB Supervisory Formula Approach (SFA)			-
15	Of which SA/simplified supervisory formula approach (SSFA)	-	-	-
16	Market risk	2,854,100	4,677,520	228,328
17	Of which standardised approach (SA)	2,854,100	4,677,520	228,328
18	Of which internal model approaches (IMM)			0
19	Operational risk	17,988,311	17,575,139	1,439,065
20	Of which Basic Indicator Approach			0
21	Of which Standardised Approach	17,988,311	17,575,139	1,439,065
22	Of which Advanced Measurement Approach			0
23	Amounts below the thresholds for deduction (subject to 250% risk weight)			0
24	Floor adjustment			0
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	265,328,835	266,462,519	21,226,307

Leverage ratio common disclosure

LR1: Summary Comparison of accounting assets versus leverage ratio exposure measure (Table 1)

#	Item	Sep 30, 2020 In SR 000's
1	Total Assets as per published financial statements	308,557,755
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 recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	
4	Adjustment for derivative financial instruments	1,090,079
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of Off-balance sheet exposures)	62,479,959
7	Other adjustments	1,730,035
8	Leverage ratio exposure (A)	373,857,828

LR2: Leverage Ratio Common Disclosure Template (Table 2)

#	Item	Sep 30, 2020 In SR 000's	Jun 30, 2020 In SR 000's
On-balance sheet exposures			
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	306,847,983	293,267,178
2	(Relevant Asset amounts deducted in determining Basel III Tier 1 capital)		
3	Total on-balance sheet exposures	306,847,983	293,267,178
Derivative exposures			
4	Replacement cost associated with <i>all</i> derivatives transactions (i.e. net of eligible cash variation margin)	3,439,807	2,512,010
5	Add-on amounts for Potential Financial Exposure (PFE) associated with <i>all</i> derivatives transactions	1,090,079	1,220,570
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	Total derivative exposures (sum of lines 4 to 10) (b)	4,529,886	3,732,580
Securities financing transaction exposures			
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions		
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)		
14	Credit Conversion Factor (CCR) exposure for Security Financing Transaction (SFT) assets		
15	Agent transaction exposures		
16	Total securities financing transaction exposures (sum of lines 12 to 15)		
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount **	169,977,514	171,090,304
18	(Adjustments for conversion to credit equivalent amounts)	(107,497,555)	(107,445,893)
19	Off-balance sheet items (sum of lines 17 and 18) (c)	62,479,959	63,644,411
Capital and total exposures			
20	Tier 1 capital (B)	42,653,723	40,785,938
21	Total exposures (sum of lines 3, 11, 16 and 19) (A) = (a+b+c)	373,857,828	360,644,169
Leverage ratio			
22	Basel III leverage ratio*** (C) = (B) / (A)	11.4%	11.3%

**Includes commitments that are unconditionally cancellable at any time by the Bank or automatic cancellation due to deterioration in a borrower's creditworthiness

Reconciliation (Table 5)

#	Item	Leverage ratio common disclosure In SR 000's
1	Total Assets on Financial Statements	308,557,755
2	Total On balance sheet assets Row # 1 on Table 2	306,847,983
3	Difference between 1 and 2 above	1,709,772
Explanation		
	Positive fair value of Derivatives	1,709,772
	Other adjustment represents provision	-
		1,709,772

LIQ1: Liquidity Coverage Ratio (LCR)

SAR 000

	TOTAL UNWEIGHTED VALUE (average)	TOTAL WEIGHTED VALUE (average)
1	Total high quality liquid assets (HQLA)	51,073,616
2	Retail deposits and deposits from small businesses customers of which:	81,320,540
3	Stable deposits	-
4	Less stable deposits	81,320,540
5	Unsecured wholesale funding of which:	83,926,425
6	Operational deposits (all counterparties)	
7	Non operational deposits (all counterparties)	83,926,425
8	Unsecured debt	-
9	Secured wholesale funding	1,021,419
10	Additional requirement of which:	12,952,075
11	Outflows related to derivative exposure and other collateral requirements	21,987
12	Outflows related to loss of funding on debt products	-
13	Credit and liquidity facilities	12,930,088
14	Other contractual funding obligations	-
15	Other contingent funding obligations	208,632,323
16	TOTAL CASH OUTFLOWS	50,667,275
17	Secured lending (eg reverse repos)	-
18	Inflows from fully performing exposures	33,276,768
19	Other cash inflows	11,217
20	TOTAL CASH INFLOW	33,287,986
21	TOTAL HQLA	TOTAL ADJUSTED VALUE 51,073,616
22	TOTAL NET CASH OUTFLOW	26,828,315
23	LIQUIDITY COVERAGE RATIO	190%