



## **Basel Pillar 3 Disclosures**

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As at 30 September 2019

## Basel Pillar 3 Disclosures

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NB. Prior period comparative figures reflect SABB positions prior to merger.

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**KM1: Key metrics (at consolidated group level) (Figures in SAR 000's)**

		a	b	c	d	e
		Sep'19	Jun'19	Mar'19	Dec'18	Sep'18
<b>Available capital (amounts)</b>						
1	Common Equity Tier 1 (CET1)	40,704,332	41,368,807	34,681,015	33,359,762	34,130,969
1a	Fully loaded ECL accounting model	39,629,050	40,277,207	33,913,907	32,355,002	32,734,608
2	Tier 1	40,704,332	41,368,807	34,681,015	33,359,762	34,130,969
2a	Fully loaded ECL accounting model Tier 1	39,629,050	40,277,207	33,913,907	32,355,002	32,734,608
3	Total capital	43,521,620	44,340,227	37,215,672	36,060,296	37,797,494
3a	Fully loaded ECL accounting model total capital	42,446,339	40,277,207	35,797,255	34,256,652	35,244,869
<b>Risk-weighted assets (amounts)</b>						
4	Total risk-weighted assets (RWA)	226,484,102	235,669,705	172,849,432	169,382,602	171,398,153
<b>Risk-based capital ratios as a percentage of RWA</b>						
5	Common Equity Tier 1 ratio (%)	17.97%	17.55%	20.06%	19.69%	19.91%
5a	Fully loaded ECL accounting model Common Equity Tier 1 (%)	17.50%	17.09%	19.62%	19.10%	19.10%
6	Tier 1 ratio (%)	17.97%	17.55%	20.06%	19.69%	19.91%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	17.50%	17.09%	19.62%	19.10%	19.10%
7	Total capital ratio (%)	19.22%	18.81%	21.53%	21.29%	22.05%
7a	Fully loaded ECL accounting model total capital ratio (%)	18.74%	17.09%	20.71%	20.22%	20.56%
<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%	1.875%	1.875%
9	Countercyclical buffer requirement (%)	0.08%	0.06%	0.07%	0.07%	0.07%
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)	3.08%	3.06%	3.07%	2.45%	2.45%
12	CET1 available after meeting the bank's minimum capital requirements (%)	14.89%	14.49%	16.99%	17.25%	17.47%
<b>Basel III leverage ratio</b>						
13	Total Basel III leverage ratio exposure measure	334,109,934	329,149,319	229,320,865	225,820,012	225,778,359
14	Basel III leverage ratio (%) (row 2 / row 13)	12.18%	12.57%	15.12%	14.77%	15.12%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a / row13)	11.86%	12.24%	14.79%	14.33%	14.50%
<b>Liquidity Coverage Ratio</b>						
15	Total HQLA	61,847,305	62,059,847	42,263,905	37,612,078	39,040,172
16	Total net cash outflow	27,994,531	23,619,148	16,714,110	13,560,433	17,767,140
17	LCR ratio (%)	225%	278%	253%	277%	220%
<b>Net Stable Funding Ratio</b>						
18	Total available stable funding	181,983,867	177,874,636	127,652,915	127,857,915	129,902,783
19	Total required stable funding	130,485,469	117,148,434	79,720,661	79,381,640	81,511,328
20	NSFR ratio	139%	152%	160%	161%	159%

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**OV1: Overview of RWA (Figures in SAR 000's)**

		a	b	c
		RWA		Minimum capital requirements
		Sep-19	Jun-19	Sep-19
1	Credit risk (excluding counterparty credit risk)	201,280,158	209,346,256	16,102,413
2	<i>Of which: standardised approach (SA)</i>	201,280,158	209,346,256	16,102,413
3	<i>Of which: foundation internal ratings-based (F-IRB) approach</i>			
4	<i>Of which: supervisory slotting approach</i>			
5	<i>Of which: advanced internal ratings-based (A-IRB) approach</i>			
6	Counterparty credit risk (CCR)	1,016,941	1,013,890	81,355
7	<i>Of which: standardised approach for counterparty credit risk</i>	1,016,941	1,013,890	81,355
8	<i>Of which: Internal Model Method (IMM)</i>	-		
9	<i>Of which: other CCR</i>	-		
10	Credit valuation adjustment (CVA)	726,572	742,897	58,126
11	Equity positions under the simple risk weight approach			
12	Equity investments in funds – look-through approach			
13	Equity investments in funds – mandate-based approach			
14	Equity investments in funds – fall-back approach	157,725	180,675	12,618
15	Settlement risk			
16	Securitisation exposures in banking book			
17	<i>Of which: securitisation internal ratings-based approach (SEC-IRBA)</i>			
18	<i>Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)</i>			
19	<i>Of which: securitisation standardised approach (SEC-SA)</i>			
20	Market risk	1,432,625	2,488,246	114,610
21	<i>Of which: standardised approach (SA)</i>	1,432,625	2,488,246	114,610
22	<i>Of which: internal model approaches (IMA)</i>			
23	Capital charge for switch between trading book and banking book			
24	Operational risk	19,265,850	19,265,850	1,541,268
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	2,604,231	2,631,891	208,339
26	Floor adjustment			
27	<b>Total (1 + 6 + 10 + 11 + 12 + 13 + 14 + 15 + 16 + 20 + 23 + 24 + 25 + 26)</b>	<b>226,484,102</b>	<b>235,669,705</b>	<b>18,118,728</b>

**LR1: Summary comparison of accounting assets vs leverage ratio exposure measure  
(Figures in SAR 000's)**

		A
1	Total consolidated assets as per published financial statements	257,851,071
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	Adjustments for derivative financial instruments	785,203
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)	73,609,260
7	Other adjustments	1,864,400
<b>8</b>	<b>Leverage ratio exposure</b>	<b>334,109,934</b>

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**LR2: Leverage ratio common disclosure template (Figures in SAR 000's)**

		a	b
		Sep-19	Jun-19
<b>On-balance sheet exposures</b>			
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	259,338,028	271,934,645
2	(Relevant Asset amounts deducted in determining Basel III Tier 1 capital)	-	-
3	<b>Total on-balance sheet exposures</b> (excluding derivatives and SFTs) (sum of lines 1 and 2)	<b>259,338,028</b>	<b>271,934,645</b>
<b>Derivative exposures</b>			
4	Replacement cost associated with all derivatives transactions (ie net of eligible cash	377,443	464,058
5	Add-on amounts for Potential Financial Exposure (PFE) associated with all derivatives transactions	785,203	534,171
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the	-	-
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 (sum of lines 4 to 10)</b>	<b>1,162,646</b>	<b>998,229</b>
<b>Securities financing transaction exposures</b>			
12	Gross SFT assets (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	Credit Conversion Factor (CCR) exposure for Security Financing Transaction (SFT ) assets	-	-
15	Agent transaction exposures	-	-
16	<b>Total securities financing transaction exposures (sum of lines 12 to 15)</b>	<b>-</b>	<b>-</b>
<b>Other off-balance sheet exposures</b>			
17	Off-balance sheet exposure at gross notional amount	213,376,366	118,678,543
18	(Adjustments for conversion to credit equivalent amounts)	(139,767,106)	(62,462,097)
19	<b>Off-balance sheet items (sum of lines 17 and 18)</b>	<b>73,609,260</b>	<b>56,216,445</b>
<b>Capital and total exposures</b>			
20	<b>Tier 1 capital</b>	<b>40,704,332</b>	<b>41,368,807</b>
21	<b>Total exposures (sum of lines 3, 11, 16 and 19)</b>	<b>334,109,934</b>	<b>329,149,319</b>
<b>Leverage ratio</b>			
22	<b>Basel III leverage ratio</b>	<b>12.18%</b>	<b>12.57%</b>

**LIQ1: Liquidity Coverage Ratio (LCR) (Figures in SAR 000's)**

		a	b
		Total unweighted value (average)	Total weighted value (average)
<b>High-quality liquid assets</b>			
1	Total high-quality liquid assets (HQLA)		<b>61,847,305</b>
<b>Cash outflows</b>			
2	<b>Retail deposits and deposits from small business customers, of which:</b>		
3	Stable deposits	-	-
4	Less stable deposits	66,330,753	6,633,075
5	<b>Unsecured wholesale funding, of which:</b>		
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-
7	Non-operational deposits (all counterparties)	86,596,348	40,773,717
8	Unsecured debt	-	-
9	<b>Secured wholesale funding</b>	-	-
10	<b>Additional requirements, of which:</b>		
11	Outflows related to derivative exposures and other collateral requirements	763,188	763,188
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	6,880,462	814,860
14	<b>Other contractual funding obligations</b>	-	-
15	<b>Other contingent funding obligations</b>	184,385,464	4,496,067
16	<b>TOTAL CASH OUTFLOWS</b>	<b>344,956,215</b>	<b>53,480,908</b>
<b>Cash inflows</b>			
17	<b>Secured lending (eg reverse repos)</b>		-
18	<b>Inflows from fully performing exposures</b>	40,523,791	24,556,073
19	Other cash inflows	1,051,124	930,303
20	<b>TOTAL CASH INFLOWS</b>	<b>41,574,915</b>	<b>25,486,376</b>
			<b>Total adjusted value</b>
21	<b>TOTAL HQLA</b>		<b>61,847,305</b>
22	<b>TOTAL NET CASH OUTFLOWS</b>		<b>27,994,531</b>
23	<b>LIQUIDITY COVERAGE RATIO (%)</b>		<b>224.8%</b>

**APPENDIX: TABLES & TEMPLATES THAT ARE NOT APPLICABLE**

	Tables and templates
Linkages between F.S & RE	PV1 - Prudent valuation adjustments (PVA)
Composition of capital and TLAC	TLAC1 - TLAC composition for G-SIBs (at resolution group level)
	TLAC2 - Material subgroup entity – creditor ranking at legal entity level
	TLAC3 - Resolution entity – creditor ranking at legal entity level
Macroprudential supervisory measures	GSIB1 - Disclosure of G-SIB indicators
	CCyB1 – Geographical distribution of credit exposures used in the countercyclical buffer
Credit risk	CRE - Qualitative disclosures related to IRB models
	CR6 - IRB - Credit risk exposures by portfolio and PD range
	CR7 - IRB - Effect on RWA of credit derivatives used as CRM techniques
	CR8 - RWA flow statements of credit risk exposures under IRB
	CR9 - IRB - Backtesting of probability of default (PD) per portfolio
	CR10 - IRB (specialised lending and equities under the simple risk weight method)
Counterparty credit risk	CCR4 - IRB - CCR exposures by portfolio and PD scale
	CCR6 - Credit derivatives exposures
	CCR7 - RWA flow statements of CCR exposures under the Internal Model Method (IMM)
	CCR8 - Exposures to central counterparties
Securitisation	SECA - Qualitative disclosure requirements related to securitisation exposures
	SEC1 - Securitisation exposures in the banking book
	SEC2 - Securitisation exposures in the trading book
	SEC3 - Securitisation exposures in the banking book and associated regulatory capital requirements - bank acting as originator or as sponsor
	SEC4 - Securitisation exposures in the banking book and associated capital requirements - bank acting as investor
Market risk	MRB - Qualitative disclosures for banks using the IMA
	MRC - The structure of desks for banks using the IMA
	MR2 - RWA flow statements of market risk exposures under IMA (Phase I only)
	MR2 - Market risk IMA per risk type (Phase II only)
	MR3 - IMA values for trading portfolios (Phase I only)
	MR3 - RWA flow statements of market risk exposures under IMA (Phase II only)
MR4 - Comparison of VaR estimates with gains/losses (Phase I only)	