

## Basel III Pillar 3 Disclosures

30 September 2018

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## Part 2 – Overview of Risk Management and RWA

### KM1 – Key metrics (at consolidated group level)

All figures are in SAR'000

		a	b	c	d	e
		Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017
	<b>Available capital (amounts)</b>					
1	Common Equity Tier 1 (CET1)	57,316,053	58,488,827	57,979,658	56,825,326	55,260,027
1a	Fully loaded ECL accounting model	55,943,458	57,116,233	56,607,063	N/A	N/A
2	Tier 1	64,316,053	65,488,827	64,979,658	63,825,326	62,260,027
2a	Fully loaded ECL accounting model Tier 1	62,943,458	64,116,233	63,607,063	N/A	N/A
3	Total capital	72,225,608	73,465,542	72,969,345	72,057,626	70,416,518
3a	Fully loaded ECL accounting model total capital	72,225,608	73,465,542	72,969,345	N/A	N/A
	<b>Risk-weighted assets (amounts)</b>					
4	Total risk-weighted assets (RWA)	361,091,185	361,095,830	357,953,966	361,106,728	379,814,488
	<b>Risk-based capital ratios as a percentage of RWA</b>					
5	Common Equity Tier 1 ratio (%)	15.9%	16.2%	16.2%	15.7%	14.5%
5a	Fully loaded ECL accounting model Common Equity Tier 1 (%)	15.5%	15.8%	15.8%	N/A	N/A
6	Tier 1 ratio (%)	17.8%	18.1%	18.2%	17.7%	16.4%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	17.4%	17.8%	17.8%	N/A	N/A
7	Total capital ratio (%)	20.0%	20.3%	20.4%	20.0%	18.5%
7a	Fully loaded ECL accounting model total capital ratio (%)	20.0%	20.3%	20.4%	N/A	N/A
	<b>Additional CET1 buffer requirements as a percentage of RWA</b>					
8	Capital conservation buffer requirement (2.5% from 2019) (%)	1.875%	1.875%	1.875%	1.250%	1.250%
9	Countercyclical buffer requirement (%)	0.01%	0.01%	0.00%	0.00%	0.00%
10	Bank G-SIB and/or D-SIB additional requirements (%)	1.00%	1.00%	1.00%	1.00%	1.00%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	2.9%	2.9%	2.9%	2.3%	2.3%
12	CET1 available after meeting the bank's minimum capital requirements (%)	13.0%	13.3%	13.3%	13.5%	12.3%
	<b>Basel III leverage ratio</b>					
13	Total Basel III leverage ratio exposure measure	500,031,014	498,401,654	482,348,412	489,261,486	492,138,294
14	Basel III leverage ratio (%) (row 2 / row 13)	12.9%	13.1%	13.5%	13.0%	12.7%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a / row13)	12.6%	12.9%	13.2%	N/A	N/A
	<b>Liquidity Coverage Ratio</b>					
15	Total HQLA	97,794,859	98,982,691	97,437,832	95,128,719	90,566,020
16	Total net cash outflow	53,043,589	46,710,452	49,062,910	53,661,411	52,508,559
17	LCR ratio (%)	184%	212%	199%	177%	172%
	<b>Net Stable Funding Ratio</b>					
18	Total available stable funding	323,720,535	301,562,144	312,407,805	302,216,270	331,528,396
19	Total required stable funding	246,325,387	248,576,883	248,820,463	254,356,063	240,603,501
20	NSFR ratio	131%	121%	126%	119%	138%

## OV1 – Overview of RWA

*All figures are in SAR'000*

		a	b	c
		RWA		Minimum capital Requirements
		T (Sep-18)	T-1 (June-18)	T (Sep-18)
1	Credit risk (excluding counterparty credit risk) (CCR)	290,560,705	292,484,351	23,244,856
2	Of which standardized approach (SA)	290,560,705	292,484,351	23,244,856
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	7,396,995	7,322,498	591,760
7	Of which standardized approach for counterparty credit risk	7,396,995	7,322,498	591,760
8	Of which internal model method (IMM)			-
9	Of which other CCR			-
10	Credit valuation adjustment (CVA)	6,499,859	5,055,252	519,989
11	Equity positions under the simple risk weight approach	-	-	-
12	Equity investments in funds – look-through approach	7,097,163	6,966,894	567,773
13	Equity investments in funds – mandate-based approach			-
14	Equity investments in funds – fallback approach	2,054,061	2,054,061	164,325
15	Settlement risk			-
16	Securitization exposures in banking book	779,501	982,324	62,360
17	Of which securitization internal ratings-based approach (SEC-IRBA)			-
18	Of which securitization external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)			-
19	Of which SA/simplified supervisory formula approach (SSFA)	779,501	982,324	62,360
20	Market risk	11,876,619	11,536,150	950,130
21	Of which standardized approach (SA)	11,876,619	11,536,150	950,130
22	Of which internal model approaches (IMM)			-
23	Capital charge for switch between trading book and banking book			-
24	Operational risk	34,826,283	34,694,300	2,786,103
25	Amounts below the thresholds for deduction (subject to 250% risk weight)			-
26	Floor adjustment			-
27	<b>Total (1+6+10+11+12+13+14+15+16+20+23+24+25+26)</b>	<b>361,091,185</b>	<b>361,095,830</b>	<b>28,887,295</b>

\* The increase in the CVA is due to the change of the weighted average duration of the derivative book.

## Part 6 – Leverage ratio

### LR1 – Summary comparison of accounting assets vs leverage ratio exposure measure

<i>All figures are in SAR'000</i>		a
1	Total consolidated assets as per published financial statements	459,079,568
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	2,663,648
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)	38,476,866
7	Other adjustments	(189,069)
<b>8</b>	<b>Leverage ratio exposure measure</b>	<b>500,031,014</b>

## LR2 – Leverage ratio common disclosure template

		a	b
		T (Sep-18)	T-1 (June-18)
<b>All figures are in SAR'000</b>			
<b>On-balance sheet exposures</b>			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs),but including collateral)	455,047,634	451,014,495
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(189,069)	(250,969)
3	<b>Total on-balance sheet exposures</b> (excluding derivatives and SFTs) (sum of rows 1 and 2)	<b>454,858,565</b>	<b>450,763,526</b>
<b>Derivative exposures</b>			
4	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	4,031,934	3,359,573
5	Add-on amounts for PFE associated with all derivatives transactions	2,663,648	4,156,849
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 (sum of rows 4 to 10)</b>	<b>6,695,582</b>	<b>7,516,422</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	CCR exposure for SFT assets		
15	Agent transaction exposures		
16	<b>Total securities financing transaction exposures (sum of rows 12 to 15)</b>		
<b>Other off-balance sheet exposures</b>			
17	Off-balance sheet exposure at gross notional amount	65,928,621	69,462,557
18	(Adjustments for conversion to credit equivalent amounts)	(27,451,755)	(29,340,852)
19	<b>Off-balance sheet items (sum of rows 17 and 18)</b>	<b>38,476,866</b>	<b>40,121,705</b>
<b>Capital and total exposures</b>			
20	<b>Tier 1 capital</b>	64,316,053	65,488,827
21	<b>Total exposures (sum of rows 3, 11, 16 and 19)</b>	<b>500,031,014</b>	<b>498,401,654</b>
<b>Leverage ratio</b>			
22	<b>Basel III leverage ratio</b>	<b>12.9%</b>	<b>13.1%</b>

## Part 7 - Liquidity

### LIQ1 – Liquidity Coverage Ratio (LCR)

*All figures are in SAR'000*

		a	b
		Total unweighted value (average)	Total weighted value (average)
<b>High-quality liquid assets</b>			
1	Total HQLA		97,794,859
<b>Cash outflows</b>			
2	<b>Retail deposits and deposits from small business customers, of which:</b>	195,522,534	19,018,256
3	Stable deposits	-	-
4	Less stable deposits	195,522,534	19,018,256
5	<b>Unsecured wholesale funding, of which:</b>	109,176,661	49,072,375
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-
7	Non-operational deposits (all counterparties)	109,176,661	49,072,375
8	Unsecured debt	-	-
9	<b>Secured wholesale funding</b>		2,386,178
10	<b>Additional requirements, of which:</b>	10,868,561	(79,450)
11	Outflows related to derivative exposures and other collateral requirements	(1,112,261)	(1,112,261)
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	11,980,822	1,032,811
14	<b>Other contractual funding obligations</b>	-	-
15	<b>Other contingent funding obligations</b>	89,790,741	1,944,470
16	<b>TOTAL CASH OUTFLOWS</b>		72,341,828
<b>Cash inflows</b>			
17	<b>Secured lending (e.g. reverse repos)</b>	-	-
18	<b>Inflows from fully performing exposures</b>	43,104,923	19,298,240
19	Other cash inflows	-	-
20	<b>TOTAL CASH INFLOWS</b>	43,104,923	19,298,240
			<b>Total adjusted value</b>
21	<b>Total HQLA</b>		97,794,859
22	<b>Total net cash outflows</b>		53,043,589
23	<b>Liquidity Coverage Ratio (%)</b>		184%

The average LCR is calculated by taking a simple average of monthly figures based on daily average balances for the period of July 2018 to September 2018.

During the period from July 2018 - September 2018, the Bank held an average of 79% of its High Quality Liquid Assets (HQLAs) in securities with a 0% risk weight, issued or guaranteed by sovereigns, central banks and supranational entities. The remaining 21%

of HQLAs held a 20% risk weight and encompassed securities guaranteed by sovereigns and non-financial corporate bonds rated AA- or better.

The majority of the bank's weighted cash outflows are attributable to non-financial corporates at 54% of outflows, retail and small Businesses' deposits at 26%, and bank placements at 12%. NCB's derivatives positions are not significant as most transactions are conducted on a back-to-back basis with limited open positions being taken. NCB's main activities are conducted in SAR and USD. The peg between both currencies enhances the funding ability and provides the flexibility to interchange between both currencies.

Additionally, following regulatory guidelines LCR is monitored separately for all significant currencies to ensure the liquidity ratios are met at all times in either currency, these include SAR, USD and TRY.

For the three months ended September 30, 2018, the average LCR was 184%, a decrease of 28% in comparison to June 2018's 212% average balance. The decrease in the average LCR between the two periods is primarily due to the increase in cash outflows.



## TABLE 2: CAPITAL STRUCTURE

### Balance sheet - Step 1 (Table 2(b))

All figures are in SAR'000

	Balance sheet in Published financial statements ( C )	Adjustment of banking associates / other entities (*) ( D )	Under regulatory scope of consolidation ( E )
<b>Assets</b>			
Cash and balances with SAMA	36,906,821		36,906,821
Due from banks and other financial institutions	17,810,806		17,810,806
Investments, net	116,503,533		116,503,533
Financing and advances, net	268,245,445		268,245,445
Positive fair value of derivatives, net	4,031,934		4,031,934
Investments in associates, net	448,260		448,260
Other real estate, net	1,017,811		1,017,811
Property, equipment and software, net	5,131,872		5,131,872
Goodwill	189,069		189,069
Other assets	8,794,017		8,794,017
<b>Total assets</b>	<b>459,079,568</b>		<b>459,079,568</b>
<b>Liabilities and Equity</b>			
<b>Liabilities</b>			
Due to Banks and other financial institutions	48,111,854		48,111,854
Customers' deposits	325,461,108		325,461,108
Debt securities issued	8,635,620		8,635,620
Negative fair value of derivatives, net	1,798,136		1,798,136
Other liabilities	11,798,645		11,798,645
<b>Total liabilities</b>	<b>395,805,363</b>		<b>395,805,363</b>
<b>Equity</b>			
Share capital	30,000,000		30,000,000
Treasury Shares	(373,313)		(373,313)
Statutory reserve	20,266,514		20,266,514
Other reserves (cumulative changes in fair values)	66,901		66,901
Employees' share based payments reserve	171,719		171,719
Retained earnings	10,099,500		10,099,500
Proposed dividend	0		0
Foreign currency translation reserve	(4,727,455)		(4,727,455)
Tier 1 sukuk	7,000,000		7,000,000
Non-controlling interests	770,347		770,347
<b>Total equity</b>	<b>63,274,213</b>		<b>63,274,213</b>
<b>Total liabilities and equity</b>	<b>459,079,576</b>		<b>459,079,576</b>

**Balance sheet - Step 2 (Table 2(c))**
*All figures are in SAR'000*

	Balance sheet in Published financial statements ( C )	Adjustment of banking associates / other entities ( D )	Under regulatory scope of consolidation ( E )	Reference
<b>Assets</b>				
Cash and balances with SAMA	36,906,821		36,906,821	
Due from banks and other financial institutions	17,810,806		17,810,806	
Investments, net	116,503,533		116,503,533	
Financing and advances, net	268,245,445		268,245,445	
of which Collective provisions	(2,909,555)		(2,909,555)	A
Positive fair value of derivatives, net	4,031,934		4,031,934	
Investments in associates, net	448,260		448,260	
Other real estate, net	1,017,811		1,017,811	
Property, equipment and software, net	5,131,872		5,131,872	
Goodwill	189,069		189,069	B
Other assets	8,794,017		8,794,017	
<b>Total assets</b>	<b>459,079,568</b>		<b>459,079,568</b>	
<b>Liabilities and Equity</b>				
<b>Liabilities</b>				
Due to Banks and other financial institutions	48,111,854		48,111,854	
Customers' deposits	325,461,108		325,461,108	
Debt securities issued	8,635,620		8,635,620	
Negative fair value of derivatives, net	1,798,136		1,798,136	
Other liabilities	11,798,645		11,798,645	
<b>Total liabilities</b>	<b>395,805,363</b>		<b>395,805,363</b>	
<b>Equity</b>				
Share capital	30,000,000		30,000,000	
Treasury Shares	(373,313)		(373,313)	C
Statutory reserve	20,266,514		20,266,514	
Other reserves (cumulative changes in fair values)	66,901		66,901	
Employees' share based payments reserve	171,719		171,719	
Retained earnings	10,099,500		10,099,500	
of which Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	625,496		625,496	D
Proposed dividend	0		0	
Foreign currency translation reserve	(4,727,455)		(4,727,455)	
Tier 1 sukuk	7,000,000		7,000,000	
Non-controlling interests	770,347		770,347	
<b>Total equity</b>	<b>63,274,213</b>		<b>63,274,213</b>	
<b>Total liabilities and equity</b>	<b>459,079,576</b>		<b>459,079,576</b>	

**Common template (transition) - Step 3 (Table 2(d)) i**  
**(From January 2013 to 2018 identical to post 2018) With amount subject to Pre- Basel III Treatment**

*All figures are in SAR'000*

Source based on reference numbers / letters of the balance sheet under the regulatory scope of consolidation from step 2

		Components <sup>1</sup> of regulatory capital reported by the bank	Amounts <sup>1</sup> subject to Pre - Basel III treatment
<b>Common Equity Tier 1 capital: Instruments and reserves</b>			
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	30,000,000	
2	Retained earnings	10,099,501	
3	Accumulated other comprehensive income (and other reserves)	15,777,679	
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	625,496	
6	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	<b>56,502,675</b>	
<b>Common Equity Tier 1 capital: Regulatory adjustments</b>			
7	Prudential valuation adjustments		
8	Goodwill (net of related tax liability)	189,069	
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	0	
11	Cash-flow hedge reserve	(3,165)	
12	Shortfall of provisions to expected losses		
13	Securitisation gain on sale (as set out in paragraph 562 of Basel II framework)		
14	Gains and losses due to changes in own credit risk on fair valued liabilities		
15	Defined-benefit pension fund net assets		
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	373,313	
17	Reciprocal cross-holdings in common equity		
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)		
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)		
20	Mortgage servicing rights (amount above 10% threshold)		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)		
22	Amount exceeding the 15% threshold		
23	of which: significant investments in the common stock of financials		
24	of which: mortgage servicing rights		
25	of which: deferred tax assets arising from temporary differences		
26	National specific regulatory adjustments	(1,372,595)	
	REGULATORY ADJUSTMENTS APPLIED TO COMMON EQUITY TIER 1 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT		
	OF WHICH: [INSERT NAME OF ADJUSTMENT]		
	OF WHICH:...		
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions		
28	<b>Total regulatory adjustments to Common equity Tier 1</b>	<b>(813,378)</b>	
29	<b>Common Equity Tier 1 capital (CET1)</b>	<b>57,316,053</b>	
<b>Additional Tier 1 capital: instruments</b>			
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	7,000,000	
31	of which: classified as equity under applicable accounting standards	7,000,000	
32	of which: classified as liabilities under applicable accounting standards		
33	Directly issued capital instruments subject to phase out from Additional Tier 1		
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)		
35	of which: instruments issued by subsidiaries subject to phase out		
36	<b>Additional Tier 1 capital before regulatory adjustments</b>	<b>7,000,000</b>	
<b>Additional Tier 1 capital: regulatory adjustments</b>			
37	Investments in own Additional Tier 1 instruments		
38	Reciprocal cross-holdings in Additional Tier 1 instruments		
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		
41	National specific regulatory adjustments		
	REGULATORY ADJUSTMENTS APPLIED TO ADDITIONAL TIER 1 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT		
	OF WHICH: [INSERT NAME OF ADJUSTMENT]		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		
43	<b>Total regulatory adjustments to Additional Tier 1 capital</b>		
44	<b>Additional Tier 1 capital (AT1)</b>	<b>7,000,000</b>	
45	<b>Tier 1 capital (T1 = CET1 + AT1)</b>	<b>64,316,053</b>	

D

B

C

**Common template (transition) - Step 3 (Table 2(d)) ii**  
**(From January 2013 to 2018 identical to post 2018) With amount subject to Pre- Basel III Treatment**

Source based on reference numbers / letters of the balance sheet under the regulatory scope of consolidation from step 2

All figures are in SAR'000

Components<sup>1</sup> of regulatory capital reported by the bank

Amounts<sup>1</sup> subject to Pre - Basel III treatment

A

<b>Tier 2 capital: instruments and provisions</b>		
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	5,000,000
47	<i>Directly issued capital instruments subject to phase out from Tier 2</i>	
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	
49	<i>of which: instruments issued by subsidiaries subject to phase out</i>	
50	Provisions	2,909,555
51	<b>Tier 2 capital before regulatory adjustments</b>	<b>7,909,555</b>
<b>Tier 2 capital: regulatory adjustments</b>		
52	Investments in own Tier 2 instruments	
53	Reciprocal cross-holdings in Tier 2 instruments	
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	
55	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	
56	National specific regulatory adjustments	
REGULATORY ADJUSTMENTS APPLIED TO TIER 2 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT		
OF WHICH: [INSERT NAME OF ADJUSTMENT]		
OF WHICH: ...		
57	Total regulatory adjustments to Tier 2 capital	
58	<b>Tier 2 capital (T2)</b>	<b>7,909,555</b>
59	<b>Total capital (TC = T1 + T2)</b>	<b>72,225,608</b>
RISK WEIGHTED ASSETS IN REPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT		
OF WHICH: [INSERT NAME OF ADJUSTMENT]		
OF WHICH: ...		
60	<b>Total risk weighted assets</b>	<b>361,091,185</b>
<b>Capital ratios</b>		
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	15.9%
62	Tier 1 (as a percentage of risk weighted assets)	17.8%
63	Total capital (as a percentage of risk weighted assets)	<b>20.0%</b>
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement expressed as a percentage of risk weighted assets)	
65	<i>of which: capital conservation buffer requirement</i>	
66	<i>of which: bank specific countercyclical buffer requirement</i>	
67	<i>of which: G-SIB buffer requirement</i>	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	
<b>National minima (if different from Basel 3)</b>		
69	National Common Equity Tier 1 minimum ratio (if different from Basel 3 minimum)	n/a
70	National Tier 1 minimum ratio (if different from Basel 3 minimum)	n/a
71	National total capital minimum ratio (if different from Basel 3 minimum)	n/a
<b>Amounts below the thresholds for deduction (before risk weighting)</b>		
72	Non-significant investments in the capital of other financials	
73	Significant investments in the common stock of financials	
74	Mortgage servicing rights (net of related tax liability)	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	
<b>Applicable caps on the inclusion of provisions in Tier 2</b>		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	2,909,555
77	Cap on inclusion of provisions in Tier 2 under standardised approach	3,929,854
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)</b>		
80	Current cap on CET1 instruments subject to phase out arrangements	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	
82	Current cap on AT1 instruments subject to phase out arrangements	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	
84	Current cap on T2 instruments subject to phase out arrangements	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	

Main features template of regulatory capital instruments - (Table 2(e))		
1	Issuer	National Commercial Bank (NCOMBK)
2	Unique identifier (eg CUSPIN, ISIN or Bloomberg identifier for private placement)	ISIN No. SA13HFK0IEJ4
3	Governing law(s) of the instrument	The instrument is governed by the laws of the Kingdom of Saudi Arabia
	Regulatory treatment	
4	Transitional Basel III rules	Tier 2
5	Post-transitional Basel III rules	Eligible
6	Eligible at solo/group/group&solo	Group and Solo
7	Instrument type	Subordinated Sukuk
8	Amount recognized in regulatory capital (Currency in mil, as of most recent reporting date)	SAR 5,000mil
9	Par value of instrument	SAR 5,000mil
10	Accounting classification	Liability - amortized cost
11	Original date of issuance	25th February 2014
12	Perpetual or dated	Dated
13	Original maturity date	25th February 2024
14	Issuer call subject to prior supervisory approval	Yes
15	Option call date, contingent call dates and redemption amount	Call option only available after 5 years or for a regulatory or tax event, 25th February 2019 as the date for redemption, NCB shall be entitled to redeem in whole, but not in part, by giving not less than thirty (30) days' nor more than sixty (60) days' notice to the Sukukholders
16	Subsequent call dates if applicable	As above
	Coupons / dividends	
17	Fixed or Floating dividend/coupon	Floating
18	Coupon rate and any related index	6 months SIBOR + 110bps
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Non cumulative or cumulative	Non cumulative
23	Convertible or non-convertible	Non - convertible
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes
31	If write-down, write-down trigger (s)	Terms of contract of the instrument provide the legal basis for SAMA to trigger write-down (a contractual approach)
32	If write-down, full or partial	Written down fully or partial
33	If write-down, permanent or temporary	Permanent
34	If temporary writedown, description of the write-up mechsanim	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated. Senior bondholders are immediately senior to this instrument
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A

Main features template of regulatory capital instruments - (Table 2(e))		
1	Issuer	National Commercial Bank
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	The instrument is governed by the laws of the Kingdom of Saudi Arabia
	Regulatory treatment	
4	Transitional Basel III rules	Additional Tier 1
5	Post-transitional Basel III rules	Eligible
6	Eligible at solo/group/group&solo	Group and Solo
7	Instrument type	Subordinated Sukuk
8	Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date)	SAR 1,000mil
9	Par value of instrument	SAR 1,000mil
10	Accounting classification	Equity
11	Original date of issuance	22nd June 2015
12	Perpetual or dated	Perpetual
13	Original maturity date	N/A
14	Issuer call subject to prior supervisory approval	Yes
15	Option call date, contingent call dates and redemption amount	In compliance with Basel III, call date is equal to or greater than 5 years
16	Subsequent call dates if applicable	Any profit distribution dates after the first call date
	Coupons / dividends	
17	Fixed or Floating dividend/coupon	N/A
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Fully Discretionary
21	Existence of step up or other incentive to redeem	None
22	Non cumulative or cumulative	Non cumulative
23	Convertible or non-convertible	Non - convertible
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes
31	If write-down, write-down trigger (s)	Terms of contract of the instrument provide the legal basis for SAMA to trigger write-down (a contractual approach)
32	If write-down, full or partial	Written down fully or partial
33	If write-down, permanent or temporary	Permanent
34	If temporary writedown, description of the write-up mechansim	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated. Senior and Tier II subordinated sukukholders are senior to this instrument
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A

Main features template of regulatory capital instruments - (Table 2(e))		
1	Issuer	National Commercial Bank
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	The instrument is governed by the laws of the Kingdom of Saudi Arabia
	Regulatory treatment	
4	Transitional Basel III rules	Additional Tier 1
5	Post-transitional Basel III rules	Eligible
6	Eligible at solo/igroup/group&solo	Group and Solo
7	Instrument type	Subordinated Sukuk
8	Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date)	SAR 2,000mil
9	Par value of instrument	SAR 2,000mil
10	Accounting classification	Equity
11	Original date of issuance	15th July 2015
12	Perpetual or dated	Perpetual
13	Original maturity date	N/A
14	Issuer call subject to prior supervisory approval	Yes
15	Option call date, contingent call dates and redemption amount	In compliance with Basel III, call date is equal to or greater than 5 years
16	Subsequent call dates if applicable	Any profit distribution dates after the first call date
	Coupons / dividends	
17	Fixed or Floating dividend/coupon	N/A
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Fully Discretionary
21	Existence of step up or other incentive to redeem	None
22	Non cumulative or cumulative	Non cumulative
23	Convertible or non-convertible	Non - convertible
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes
31	If write-down, write-down trigger (s)	Terms of contract of the instrument provide the legal basis for SAMA to trigger write-down (a contractual approach)
32	If write-down, full or partial	Written down fully or partial
33	If write-down, permanent or temporary	Permanent
34	If temporary writedown, description of the write-up mechansim	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated. Senior and Tier II subordinated sukukholders are senior to this instrument
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A

Main features template of regulatory capital instruments - (Table 2(e))		
1	Issuer	National Commercial Bank
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	The instrument is governed by the laws of the Kingdom of Saudi Arabia
	Regulatory treatment	
4	Transitional Basel III rules	Additional Tier 1
5	Post-transitional Basel III rules	Eligible
6	Eligible at solo/igroup/group&solo	Group and Solo
7	Instrument type	Subordinated Sukuk
8	Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date)	SAR 2,700mil
9	Par value of instrument	SAR 2,700mil
10	Accounting classification	Equity
11	Original date of issuance	23rd December 2015
12	Perpetual or dated	Perpetual
13	Original maturity date	N/A
14	Issuer call subject to prior supervisory approval	Yes
15	Option call date, contingent call dates and redemption amount	In compliance with Basel III, call date is equal to or greater than 5 years
16	Subsequent call dates if applicable	Any profit distribution dates after the first call date
	Coupons / dividends	
17	Fixed or Floating dividend/coupon	N/A
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Fully Discretionary
21	Existence of step up or other incentive to redeem	None
22	Non cumulative or cumulative	Non cumulative
23	Convertible or non-convertible	Non - convertible
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes
31	If write-down, write-down trigger (s)	Terms of contract of the instrument provide the legal basis for SAMA to trigger write-down (a contractual approach)
32	If write-down, full or partial	Written down fully or partial
33	If write-down, permanent or temporary	Permanent
34	If temporary writedown, description of the write-up mechansim	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated. Senior and Tier II subordinated sukukholders are senior to this instrument
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A



Main features template of regulatory capital instruments - (Table 2(e))		
1	Issuer	National Commercial Bank
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	Saudi Arabia
	Regulatory treatment	-
4	Transitional Basel III rules	Additional Tier 1
5	Post-transitional Basel III rules	Eligible
6	Eligible at solo/igroup/group&solo	Group and Solo
7	Instrument type	Subordinated Sukuk
8	Amount recognized in regulatory capital (Currency in mil, as of most recent reporting date)	SAR 1,300 mil
9	Par value of instrument	SAR 1,300 mil
10	Accounting classification	Equity
11	Original date of issuance	5th of June 2017
12	Perpetual or dated	Perpetual
13	Original maturity date	N/A
14	Issuer call subject to prior supervisory approval	Yes
15	Option call date, contingent call dates and redemption amount	Compliant with Basel requirements for call date to be equal to or greater than 5 years
16	Subsequent call dates if applicable	Any profit distribution date following the first call date
	Coupons / dividends	
17	Fixed or Floating dividend/coupon	N/A
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Fully Discretionary
21	Existence of step up or other incentive to redeem	None
22	Non cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Yes
31	If write-down, write-down trigger (s)	Terms of contract of the instrument provide the legal basis for SAMA to trigger write-down (a contractual approach)
32	If write-down, full or partial	Full or partial write-down
33	If write-down, permanent or temporary	Permanent
34	If temporary writedown, description of the write-up mechansim	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated. Senior and Tier II subordinated sukukholders are senior to this instrument
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A

## Appendix

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The below list of tables and templates are Not Available as the related approach is Not Applicable to the Bank

	Tables and templates
<b>Part 8 – Credit risk</b>	CR8 – RWA flow statements of credit risk exposures under IRB
<b>Part 9 – Counterparty credit risk</b>	CCR7 – RWA flow statements of CCR exposures under the Internal Model Method (IMM)
<b>Part 11 – Market risk</b>	MR3 – IMA values for trading portfolios