

## Basel III Pillar 3 Disclosures

30 June 2020

## Table of Contents

---

<b>Part 2 – Overview of Risk Management and RWA .....</b>	<b>3</b>
<i>KM1 – Key metrics (at consolidated group level) .....</i>	<i>3</i>
<i>OV1 – Overview of RWA .....</i>	<i>4</i>
<b>Part 4 – Composition of capital and TLAC .....</b>	<b>5</b>
<i>CC1 – Composition of regulatory capital .....</i>	<i>5</i>
<i>CC2 – Reconciliation of regulatory capital to balance sheet.....</i>	<i>9</i>
<i>CCA - Main features of regulatory capital instruments and of other TLAC-eligible instruments .....</i>	<i>10</i>
<b>Part 5 – Macroprudential supervisory measures .....</b>	<b>14</b>
<i>CCyB1 – Geographical distribution of credit exposures used in the countercyclical buffer .....</i>	<i>14</i>
<b>Part 6 – Leverage ratio .....</b>	<b>14</b>
<i>LR1 – Summary comparison of accounting assets vs leverage ratio exposure measure ..</i>	<i>14</i>
<i>LR2 – Leverage ratio common disclosure template .....</i>	<i>15</i>
<b>Part 7 - Liquidity .....</b>	<b>16</b>
<i>LIQ1 – Liquidity Coverage Ratio (LCR) .....</i>	<i>16</i>
<i>LIQ2 – Net Stable Funding Ratio (NSFR) .....</i>	<i>18</i>
<b>Part 8 – Credit Risk .....</b>	<b>20</b>
<i>CR1 – Credit quality of assets.....</i>	<i>20</i>
<i>CR2 – Changes in stock of defaulted loans and debt securities.....</i>	<i>20</i>
<i>CR3 – Credit risk mitigation techniques – overview.....</i>	<i>20</i>
<i>CR4 – Standardized approach – credit risk exposure and Credit Risk Mitigation (CRM) effects .....</i>	<i>21</i>
<i>CR5 – Standardized approach – exposures by asset classes and risk weights .....</i>	<i>22</i>
<b>Part 9 – Counterparty Credit Risk.....</b>	<b>23</b>
<i>CCR1 – Analysis of counterparty credit risk (CCR) exposure by approach .....</i>	<i>23</i>
<i>CCR2 – Credit valuation adjustment (CVA) capital charge.....</i>	<i>23</i>
<i>CCR3 – Standardized approach of CCR exposures by regulatory portfolio and risk weights .....</i>	<i>23</i>
<i>CCR5 – Composition of collateral for CCR exposure.....</i>	<i>24</i>
<i>CCR8: Exposures to central counterparties .....</i>	<i>25</i>
<b>Part 10 – Securitization .....</b>	<b>26</b>
<i>SEC1 – Securitization exposures in the banking book .....</i>	<i>26</i>
<i>SEC4 – Securitization exposures in the banking book and associated capital requirements – bank acting as investor.....</i>	<i>27</i>
<b>Part 11 – Market Risk.....</b>	<b>28</b>
<i>MR1 – Market risk under standardized approach .....</i>	<i>28</i>
<b>Appendix .....</b>	<b>29</b>

---

## Part 2 – Overview of Risk Management and RWA

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

SAR '000		a	b	c	d	e
		Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
	<b>Available capital (amounts)</b>					
1	Common Equity Tier 1 (CET1)	65,472,590	59,692,166	63,168,908	61,217,399	61,756,274
1a	Fully loaded ECL accounting model	63,723,162	57,942,738	62,621,398	60,669,889	61,208,764
2	Tier 1	75,672,590	66,692,166	70,168,908	68,217,399	68,756,274
2a	Fully loaded ECL accounting model Tier 1	73,923,162	64,942,738	69,621,398	67,669,889	68,208,764
3	Total capital	79,871,191	70,289,317	73,183,036	71,504,515	72,037,869
3a	Fully loaded ECL accounting model total capital	78,121,763	68,539,889	73,183,036	71,504,515	72,037,869
	<b>Risk-weighted assets (amounts)</b>					
4	Total risk-weighted assets (RWA)	420,807,137	415,611,822	390,331,166	397,208,552	385,371,995
	<b>Risk-based capital ratios as a percentage of RWA</b>					
5	Common Equity Tier 1 ratio (%)	15.56%	14.36%	16.18%	15.41%	16.03%
5a	Fully loaded ECL accounting model Common Equity Tier 1 (%)	15.14%	13.94%	16.04%	15.27%	15.88%
6	Tier 1 ratio (%)	17.98%	16.05%	17.98%	17.17%	17.84%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	17.57%	15.63%	17.84%	17.04%	17.70%
7	Total capital ratio (%)	18.98%	16.91%	18.75%	18.00%	18.69%
7a	Fully loaded ECL accounting model total capital ratio (%)	18.56%	16.49%	18.75%	18.00%	18.69%
	<b>Additional CET1 buffer requirements as a percentage of RWA</b>					
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.500%	2.500%	2.500%	2.500%	2.500%
9	Countercyclical buffer requirement (%)	0.00%	0.00%	0.01%	0.01%	0.01%
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)	3.5%	3.5%	3.5%	3.5%	3.5%
12	CET1 available after meeting the bank's minimum capital requirements (%)	12.1%	10.9%	12.7%	11.9%	12.5%
	<b>Basel III leverage ratio</b>					
13	Total Basel III leverage ratio exposure measure	608,171,676	584,492,693	549,454,486	540,488,927	521,145,958
14	Basel III leverage ratio (%) (row 2 / row 13)	12.44%	11.41%	12.77%	12.62%	13.19%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a / row13)	12.15%	11.11%	12.67%	12.52%	13.09%
	<b>Liquidity Coverage Ratio</b>					
15	Total HQLA	112,227,598	111,178,870	98,876,048	91,609,663	92,219,635
16	Total net cash outflow	68,013,211	62,177,323	58,550,407	52,883,976	49,708,918
17	LCR ratio (%)	165%	179%	169%	173%	186%
	<b>Net Stable Funding Ratio</b>					
18	Total available stable funding	383,894,405	352,228,296	342,545,016	334,262,482	329,763,773
19	Total required stable funding	318,637,927	309,405,721	275,461,787	271,241,832	262,837,913
20	NSFR ratio	120%	114%	124%	123%	125%

## OV1 – Overview of RWA

SAR '000		a	b	c
		RWA		Minimum capital Requirements
		T (June-20)	T-1 (Mar-20)	T (June-20)
1	Credit risk (excluding counterparty credit risk) (CCR)	333,280,052	324,884,457	26,662,404
2	Of which standardized approach (SA)	333,280,052	324,884,457	26,662,404
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	13,752,991	13,363,948	1,100,239
7	Of which standardized approach for counterparty credit risk	13,752,991	13,363,948	1,100,239
8	Of which internal model method (IMM)			
9	Of which other CCR			
10	Credit valuation adjustment (CVA)	13,988,804	13,892,133	1,119,104
11	Equity positions under the simple risk weight approach			
12	Equity investments in funds – look-through approach	8,680,956	10,265,903	694,477
13	Equity investments in funds – mandate-based approach			
14	Equity investments in funds – fallback approach	956,593	1,023,794	76,527
15	Settlement risk			
16	Securitization exposures in banking book	1,388,691	1,202,177	111,095
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)	1,388,691	1,202,177	111,095
20	Market risk	12,461,262	14,667,593	996,901
21	Of which standardized approach (SA)	12,461,262	14,667,593	996,901
22	Of which internal model approaches (IMM)			
23	Capital charge for switch between trading book and banking book			
24	Operational risk	36,297,788	36,311,815	2,903,823
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>420,807,137</b>	<b>415,611,822</b>	<b>33,664,571</b>

## Part 4 – Composition of capital and TLAC

### CC1 – Composition of regulatory capital

		a	b
SAR '000		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
	<b>Common Equity Tier 1 capital: instruments and reserves</b>		
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	30,000,000	(a)
2	Retained earnings	11,298,412	(b) & (c)
3	Accumulated other comprehensive income (and other reserves)	21,960,160	(d), (e), (f), & (g)
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)	762,012	(h)
6	Common Equity Tier 1 capital before regulatory adjustments	64,020,584	
	<b>Common Equity Tier 1 capital: regulatory adjustments</b>		
7	Prudent valuation adjustments		
8	Goodwill (net of related tax liability)		(i)
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)		
11	Cash flow hedge reserve	(73,606)	
12	Shortfall of provisions to expected losses		
13	Securitisation gain on sale (as set out in paragraph 36 of Basel III securitization framework <sup>25</sup> )		
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 subtracted from paid-in capital on reported balance sheet)	371,028	(j)
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, 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 (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	(1,749,428)	
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions		
28	Total regulatory adjustments to Common Equity Tier 1	(1,452,006)	
29	Common Equity Tier 1 capital (CET1)	65,472,590	
	<b>Additional Tier 1 capital: instruments</b>		
30	Directly issued qualifying additional Tier 1 instruments plus related stock surplus	10,200,000	
31	Of which: classified as equity under applicable accounting standards	10,200,000	(k)
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	Additional Tier 1 capital before regulatory adjustments	10,200,000	
	<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, 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		
41	National specific regulatory adjustments		
42	Regulatory adjustments applied to additional Tier 1 due to insufficient Tier 2 to cover deductions		
43	Total regulatory adjustments to additional Tier 1 capital		
44	Additional Tier 1 capital (AT1)	10,200,000	
45	Tier 1 capital (T1 = CET1 + AT1)	75,672,590	
	<b>Tier 2 capital: instruments and provisions</b>		

46	Directly issued qualifying Tier 2 instruments plus related stock surplus		(I)
47	Directly issued capital instruments subject to phase-out from Tier 2		
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	Of which: instruments issued by subsidiaries subject to phase-out		
50	Provisions	4,198,601	
51	Tier 2 capital before regulatory adjustments	4,198,601	
	<b>Tier 2 capital: regulatory adjustments</b>		
52	Investments in own Tier 2 instruments		
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities		
54	Investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		
54a	Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions (for G-SIBs only)		
55	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		
56	National specific regulatory adjustments		
57	Total regulatory adjustments to Tier 2 capital		
58	<b>Tier 2 capital (T2)</b>	<b>4,198,601</b>	
59	<b>Total regulatory capital (TC = T1 + T2)</b>	<b>79,871,191</b>	
60	<b>Total risk-weighted assets</b>	<b>420,807,137</b>	
	<b>Capital ratios and buffers</b>		
61	<b>Common Equity Tier 1 (as a percentage of risk-weighted assets)</b>	<b>15.56%</b>	
62	<b>Tier 1 (as a percentage of risk-weighted assets)</b>	<b>17.98%</b>	
63	<b>Total capital (as a percentage of risk-weighted assets)</b>	<b>18.98%</b>	
64	<b>Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk-weighted assets)</b>	<b>3.50%</b>	
65	Of which: capital conservation buffer requirement	2.50%	
66	66 Of which: bank-specific countercyclical buffer requirement	0.00%	
67	67 Of which: higher loss absorbency requirement	1.00%	
68	<b>Common Equity Tier 1 (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements</b>	<b>12.06%</b>	
	<b>National minima (if different from Basel III)</b>		
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	n/a	

70	National Tier 1 minimum ratio (if different from Basel III minimum)	n/a	
71	National total capital minimum ratio (if different from Basel III minimum)	n/a	
	<b>Amounts below the thresholds for deduction (before risk weighting)</b>		
72	Non-significant investments in the capital and other TLAC liabilities of other financial entities		
73	Significant investments in the common stock of financial entities		
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)	4,198,601	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	4,650,601	
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	n/a	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	n/a	
82	Current cap on AT1 instruments subject to phase-out arrangements	n/a	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	n/a	
84	Current cap on T2 instruments subject to phase-out arrangements	n/a	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	n/a	



## CC2 – Reconciliation of regulatory capital to balance sheet

	a	b	c
	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
SR '000	As at period-end	As at period-end	
<b>Assets</b>			
Cash and balances with SAMA	37,955,001	37,955,001	
Due from banks and other financial institutions, net	14,554,696	14,554,696	
Investments, net	146,305,827	146,305,827	
Financing and advances, net	316,298,571	316,298,571	
Positive fair value of derivatives, net	9,233,341	9,233,341	
Investments in associates, net	439,375	439,375	
Other real estate, net	1,113,039	1,113,039	
Property, equipment and software, net	5,589,157	5,589,157	
Goodwill			(i)
Right of use assets, net	1,579,131	1,579,131	
Other assets	24,241,896	24,241,896	
<b>Total assets</b>	<b>557,310,034</b>	<b>557,310,034</b>	
<b>Liabilities</b>			
Due to banks and other financial institutions	74,083,005	74,083,005	
Customers' deposits	380,398,487	380,398,487	
Debt securities issued	696,258	696,258	
of which Directly issued qualifying Tier 2 instruments	-	-	(l)
Negative fair value of derivatives, net	12,138,048	12,138,048	
Other liabilities	16,058,990	16,058,990	
<b>Total liabilities</b>	<b>483,374,788</b>	<b>483,374,788</b>	
<b>Shareholders' equity</b>			
Paid-in share capital	30,000,000	30,000,000	
Of which: amount eligible for CET1	30,000,000	30,000,000	(a)
Of which: amount eligible for AT1			
Treasury Shares	(371,028)	(371,028)	(j)
Statutory reserve	25,650,012	25,650,012	(d)
Other reserves (cumulative changes in fair values)	1,100,538	1,100,538	(e)
Employees' share based payments reserve	184,782	184,782	(f)
Retained earnings	11,298,412	11,298,412	(b)
Proposed dividend			(c)
Foreign currency translation reserve	(4,975,172)	(4,975,172)	(g)
Tier 1 Sukuk	10,200,000	10,200,000	(k)
Non-controlling interests	847,702	847,702	
of which Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)		762,012	(h)
<b>Total shareholders' equity</b>	<b>73,935,246</b>	<b>73,935,246</b>	

## CCA - Main features of regulatory capital instruments and of other TLAC-eligible instruments

1)	Quantitative / qualitative information
Issuer	National Commercial Bank
Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
Governing law(s) of the instrument	The instrument is governed by the laws of the Kingdom of Saudi Arabia
Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	N/A
Transitional Basel III rules	Additional Tier 1
Post-transitional Basel III rules	Eligible
Eligible at solo/group/group and solo	Group and Solo
Instrument type (types to be specified by each jurisdiction)	Subordinated Sukuk
Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	SAR 2,000mil
Par value of instrument	SAR 2,000mil
Accounting classification	Equity
Original date of issuance	15th July 2015
Perpetual or dated	Perpetual
Original maturity date	N/A
Issuer call subject to prior supervisory approval	Yes
Optional call date, contingent call dates and redemption amount	In compliance with Basel III, call date is equal to or greater than 5 years
Subsequent call dates, if applicable	Any profit distribution dates after the first call date
Coupons / dividends	
Fixed or floating dividend/coupon	N/A
Coupon rate and any related index	N/A
Existence of a dividend stopper	Yes
Fully discretionary, partially discretionary or mandatory	Fully Discretionary
Existence of step-up or other incentive to redeem	None
Non-cumulative or cumulative	Non-cumulative
Convertible or non-convertible	Non - convertible
If convertible, conversion trigger(s)	N/A
If convertible, fully or partially	N/A
If convertible, conversion rate	N/A
If convertible, mandatory or optional conversion	N/A
If convertible, specify instrument type convertible into	N/A
If convertible, specify issuer of instrument it converts into	N/A
Writedown feature	Yes
If writedown, writedown trigger(s)	Terms of contract of the instrument provide the legal basis for SAMA to trigger write-down (a contractual approach)
If writedown, full or partial	Written down fully or partial
If writedown, permanent or temporary	Permanent
If temporary write-own, description of writeup mechanism	N/A
Type of subordination	N/A
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	Subordinated. Senior and Tier II subordinated sukukholders are senior to this instrument
Non-compliant transitioned features	N/A
If yes, specify non-compliant features	N/A

2)

	Quantitative / qualitative information
Issuer	National Commercial Bank
Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
Governing law(s) of the instrument	The instrument is governed by the laws of the Kingdom of Saudi Arabia
Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	N/A
Transitional Basel III rules	Additional Tier 1
Post-transitional Basel III rules	Eligible
Eligible at solo/group/group and solo	Group and Solo
Instrument type (types to be specified by each jurisdiction)	Subordinated Sukuk
Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	SAR 2,700mil
Par value of instrument	SAR 2,700mil
Accounting classification	Equity
Original date of issuance	23rd December 2015
Perpetual or dated	Perpetual
Original maturity date	N/A
Issuer call subject to prior supervisory approval	Yes
Optional call date, contingent call dates and redemption amount	In compliance with Basel III, call date is equal to or greater than 5 years
Subsequent call dates, if applicable	Any profit distribution dates after the first call date
Coupons / dividends	
Fixed or floating dividend/coupon	N/A
Coupon rate and any related index	N/A
Existence of a dividend stopper	Yes
Fully discretionary, partially discretionary or mandatory	Fully Discretionary
Existence of step-up or other incentive to redeem	None
Non-cumulative or cumulative	Non-cumulative
Convertible or non-convertible	Non - convertible
If convertible, conversion trigger(s)	N/A
If convertible, fully or partially	N/A
If convertible, conversion rate	N/A
If convertible, mandatory or optional conversion	N/A
If convertible, specify instrument type convertible into	N/A
If convertible, specify issuer of instrument it converts into	N/A
Writedown feature	Yes
If writedown, writedown trigger(s)	Terms of contract of the instrument provide the legal basis for SAMA to trigger write-down (a contractual approach)
If writedown, full or partial	Written down fully or partial
If writedown, permanent or temporary	Permanent
If temporary write-own, description of writeup mechanism	N/A
Type of subordination	N/A
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	Subordinated. Senior and Tier II subordinated sukukholders are senior to this instrument
Non-compliant transitioned features	N/A
If yes, specify non-compliant features	N/A

3 )	Quantitative / qualitative information
Issuer	National Commercial Bank
Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
Governing law(s) of the instrument	The instrument is governed by the laws of the Kingdom of Saudi Arabia
Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	N/A
Transitional Basel III rules	Additional Tier 1
Post-transitional Basel III rules	Eligible
Eligible at solo/group/group and solo	Group and Solo
Instrument type (types to be specified by each jurisdiction)	Subordinated Sukuk
Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	SAR 1,300 mil
Par value of instrument	SAR 1,300 mil
Accounting classification	Equity
Original date of issuance	5th of June 2017
Perpetual or dated	Perpetual
Original maturity date	N/A
Issuer call subject to prior supervisory approval	Yes
Optional call date, contingent call dates and redemption amount	Compliant with Basel requirements for call date to be equal to or greater than 5 years
Subsequent call dates, if applicable	Any profit distribution date following the first call date
Coupons / dividends	
Fixed or floating dividend/coupon	N/A
Coupon rate and any related index	N/A
Existence of a dividend stopper	Yes
Fully discretionary, partially discretionary or mandatory	Fully Discretionary
Existence of step-up or other incentive to redeem	None
Non-cumulative or cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible
If convertible, conversion trigger(s)	N/A
If convertible, fully or partially	N/A
If convertible, conversion rate	N/A
If convertible, mandatory or optional conversion	N/A
If convertible, specify instrument type convertible into	N/A
If convertible, specify issuer of instrument it converts into	N/A
Writedown feature	Yes
If writedown, writedown trigger(s)	Terms of contract of the instrument provide the legal basis for SAMA to trigger write-down (a contractual approach)
If writedown, full or partial	Full or partial write-down
If writedown, permanent or temporary	Permanent
If temporary write-own, description of writeup mechanism	N/A
Type of subordination	N/A
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	Subordinated. Senior and Tier II subordinated sukukholders are senior to this instrument
Non-compliant transitioned features	N/A
If yes, specify non-compliant features	N/A

4 )	Quantitative / qualitative information
Issuer	The National Commercial Bank
Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
Governing law(s) of the instrument	The instrument is governed by the laws of the Kingdom of Saudi Arabia
Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	N/A
Transitional Basel III rules	Additional Tier 1 Capital
Post-transitional Basel III rules	Eligible
Eligible at solo/group/group and solo	Group and solo
Instrument type (types to be specified by each jurisdiction)	Subordinated Sukuk
Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	SAR 4,200 Mil
Par value of instrument	SAR 4,200 Mil*
Accounting classification	Equity
Original date of issuance	30 <sup>th</sup> of June 2020
Perpetual or dated	Perpetual
Original maturity date	N/A
Issuer call subject to prior supervisory approval	Yes
Optional call date, contingent call dates and redemption amount	Compliant with Basel requirements for call date to be equal to or greater than 5 years
Subsequent call dates, if applicable	Any profit distribution date following the first call date
Coupons / dividends	Coupon
Fixed or floating dividend/coupon	Fixed
Coupon rate and any related index	4.25% from (including date of issuance) to (excluding the first optional call date), reset every five years thereafter.
Existence of a dividend stopper	Yes
Fully discretionary, partially discretionary or mandatory	Fully discretionary
Existence of step-up or other incentive to redeem	None
Non-cumulative or cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible
If convertible, conversion trigger(s)	None
If convertible, fully or partially	N/A
If convertible, conversion rate	N/A
If convertible, mandatory or optional conversion	N/A
If convertible, specify instrument type convertible into	N/A
If convertible, specify issuer of instrument it converts into	N/A
Writedown feature	Yes
If writedown, writedown trigger(s)	Terms of contract of the instrument provide the legal basis for SAMA to trigger write-down (a contractual approach)
If writedown, full or partial	Full or partial write-down
If writedown, permanent or temporary	Permanent
If temporary write-own, description of writeup mechanism	N/A
Type of subordination	N/A
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	Subordinated. Senior and Tier II subordinated sukukholders are senior to this instrument
Non-compliant transitioned features	N/A
If yes, specify non-compliant features	N/A

\*SAR 1 Mil par value per each instrument

## Part 5 – Macroprudential supervisory measures

### CCyB1 – Geographical distribution of credit exposures used in the countercyclical buffer

SAR '000	a	b	c	d	e
Geographical breakdown	Countercyclical capital buffer rate	Exposure values and/or risk-weighted assets used in the computation of the countercyclical capital buffer		Bank-specific countercyclical capital buffer rate	Countercyclical buffer amount
		Exposure values	Risk-weighted assets		
Hong Kong (SAR)	1.00%	318,013	177,220		
Luxembourg	0.25%	709,803	790,856		
<b>Sum</b>		1,027,817	968,076		
<b>Total</b>		432,086,101	325,992,009	0.00%	1,772

## Part 6 – Leverage ratio

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

SAR '000		a
1	Total consolidated assets as per published financial statements	557,310,034
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	13,247,386
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)	37,614,256
7	Other adjustments	
8	<b>Leverage ratio exposure measure</b>	<b>608,171,676</b>

## LR2 – Leverage ratio common disclosure template

SAR '000		a	b
		T (June-20)	T-1 (Mar-20)
<b>On-balance sheet exposures</b>			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs),but including collateral)	548,076,693	525,993,146
2	(Asset amounts deducted in determining Basel III Tier 1 capital)		
3	<b>Total on-balance sheet exposures</b> (excluding derivatives and SFTs) (sum of rows 1 and 2)	<b>548,076,693</b>	<b>525,993,146</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)	9,233,341	9,013,454
5	Add-on amounts for PFE associated with all derivatives transactions	13,247,386	13,755,805
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>22,480,727</b>	<b>22,769,259</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	61,343,377	60,199,570
18	(Adjustments for conversion to credit equivalent amounts)	-23,729,121	-24,469,282
19	<b>Off-balance sheet items (sum of rows 17 and 18)</b>	<b>37,614,256</b>	<b>35,730,288</b>
<b>Capital and total exposures</b>			
20	<b>Tier 1 capital</b>	<b>75,672,590</b>	<b>65,250,814</b>
21	<b>Total exposures (sum of rows 3, 11, 16 and 19)</b>	<b>608,171,676</b>	<b>584,492,693</b>
<b>Leverage ratio</b>			
22	<b>Basel III leverage ratio</b>	<b>12.44%</b>	<b>11.16%</b>

## Part 7 - 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		112,227,598
<b>Cash outflows</b>			
2	Retail deposits and deposits from small business customers, of which:	229,689,482	21,966,016
3	Stable deposits		
4	Less stable deposits	229,689,482	21,966,016
5	Unsecured wholesale funding, of which:	120,223,056	51,719,019
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks		
7	Non-operational deposits (all counterparties)	120,223,056	51,719,019
8	Unsecured debt		
9	Secured wholesale funding		2,155,143
10	Additional requirements, of which:	13,324,085	3,904,358
11	Outflows related to derivative exposures and other collateral requirements	3,075,902	3,075,902
12	Outflows related to loss of funding on debt products		
13	Credit and liquidity facilities	10,248,184	828,456
14	Other contractual funding obligations		
15	Other contingent funding obligations	80,883,227	1,960,579
16	<b>TOTAL CASH OUTFLOWS</b>		<b>81,705,115</b>
<b>Cash inflows</b>			
17	Secured lending (e.g. reverse repos)		
18	Inflows from fully performing exposures	10,653,275	13,691,904
19	Other cash inflows		
20	<b>TOTAL CASH INFLOWS</b>	<b>10,653,275</b>	<b>13,691,904</b>
			<b>Total adjusted value</b>
21	Total HQLA		112,227,598
22	Total net cash outflows		68,013,211
23	Liquidity Coverage Ratio (%)		165%

The average LCR is calculated by taking a simple average of monthly figures based on daily average balances beginning from April 1st, 2020 to June 30th 2020.

During the period, the Bank held an average of 84% 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 16% of HQLAs held a 20% risk weight from 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 63% of outflows. Whereas retail and small Businesses' deposits held 27%, and bank placements at 10%. NCB's derivatives positions are not significant, as most transactions are conducted on a back-to-back basis with limited open positions being taken. The Group's main activities are conducted in SAR USD, and TRY. The peg between SAR and USD 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, SAR, USD and TRY.

The average Q2-2020 LCR was 165% compared to Q1-2020 179%, a decrease of 14%. The decrease in the average LCR between the two periods was primarily due to the increase in Net Cash Outflows mainly from Unsecured Wholesale Funding.

## LIQ2 – Net Stable Funding Ratio (NSFR)

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
SAR'000		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
<b>Available stable funding (ASF) item</b>						
1	Capital:				80,242,219	80,242,219
2	Regulatory capital				64,020,584	64,020,584
3	Other capital instruments				16,221,636	16,221,636
4	Retail deposits and deposits from small business customers:	219,287,173	16,293,685	1,147,674	1,551,170	214,606,849
5	Stable deposits					
6	Less stable deposits	219,287,173	16,293,685	1,147,674	1,551,170	214,606,849
7	Wholesale funding:	94,822,359	40,797,027	10,296,209	683,911	73,641,708
8	Operational deposits	4,891,359				2,445,680
9	Other wholesale funding	89,931,000	40,797,027	10,296,209	683,911	71,196,028
10	Liabilities with matching interdependent assets					
11	Other liabilities:		54,730,923	10,920,267	9,943,496	15,403,630
12	NSFR derivative liabilities					
13	All other liabilities and equity not included in the above categories		54,730,923	10,920,267	9,943,496	15,403,630
14	<b>Total ASF</b>					<b>383,894,405</b>
<b>Required stable funding (RSF) item</b>						
15	Total NSFR high-quality liquid assets (HQLA)					5,678,914
16	Deposits held at other financial institutions for operational purposes	2,975,994				1,487,997
17	Performing loans and securities:	6,582,300	90,242,310	41,115,001	216,738,484	253,399,165
18	Performing loans to financial institutions secured by Level 1 HQLA					
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions		1,658,585	5,667,925	7,520,120	10,602,870
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:		87,176,386	34,879,508	168,992,790	204,671,818
21	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk				13,248,349	8,611,427
22	Performing residential mortgages, of which:					
23	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk					
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	6,582,300	1,407,339	567,568	26,977,225	29,513,049
25	Assets with matching interdependent liabilities					
26	Other assets:	31,963,971	107,580,998	3,542,493	24,943,731	57,548,695
27	Physical traded commodities, including gold	910,032				733,527
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs			17,190,080		14,661,568
29	NSFR derivative assets					
30	NSFR derivative liabilities before deduction of variation margin posted					
31	All other assets not included in the above categories	31,053,939	607,665	3,542,493	24,943,731	42,163,600
32	Off-balance sheet items		89,783,253			523,156
33	<b>Total RSF</b>					<b>318,637,927</b>
34	<b>Net Stable Funding Ratio (%)</b>					<b>120.48%</b>

As at the end of June 2020, the Bank held a balance of 21% of its Available Stable Funding (ASF) in capital, with a 100% ASF factor, comprised of regulatory and other capital instruments. The majority of Available Stable Funding was held as retail and SME deposits at 56%, with a 90% ASF factor, 19% of ASF was in wholesale funding, with a 50% ASF factor and the remaining balances were held as other liabilities with different ASF factors.

The Required Stable Funding (RSF) at the end of June 2020 was predominantly comprised of performing loans and securities holding 80% of the total Required Stable Funding, with various RSF factors. Of these loans, were performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to financial institutions at 70% of the total Required Stable Funding. The remaining composition of RSF held weights in HQLA's, deposits held at other financial institutions, other assets and off balance sheet items.

## Part 8 – Credit Risk

### CR1 – Credit quality of assets

SAR '000		a	b	c	d
		Gross carrying values of		Allowances/ impairments	Net values (a+b-c)
		Defaulted exposures	Non-defaulted exposures		
1	Loans	5,912,363	318,718,226	8,332,019	316,298,571
2	Debt Securities	-	137,028,719	143,718	136,885,001
3	Off-balance sheet exposures	-	49,292,875	344,244	48,948,631
4	<b>Total</b>	5,912,363	505,039,821	8,819,982	502,132,202

A default is considered to have occurred with regard to a particular obligor when either or both of the two following events have taken place:

1. The obligor is past due for 90 days or more on any material credit obligations to the Bank including principal instalments, interest payments and fees. The materiality threshold for recognition of default is 5% of the total outstanding credit obligations of the client.
2. The bank considers that the obligor is unlikely to pay its credit obligations to the bank in full, without recourse by the bank to actions such as realizing security (if any).

### CR2 – Changes in stock of defaulted loans and debt securities

SAR '000		A
1	Defaulted loans and debt securities at end of the previous reporting period	5,329,396
2	Loans and debt securities that have defaulted since the last reporting period	2,034,910
3	Returned to non-defaulted status	479,002
4	Amounts written off	520,790
5	Other changes	(452,151)
6	<b>Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5)</b>	<b>5,912,363</b>

### CR3 – Credit risk mitigation techniques – overview

SAR '000		a	b	c	d	e	f	g
		Exposures unsecured: carrying amount	Exposures secured by collateral	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees, of which: secured amount	Exposu res secure d by credit derivati ves	Exposu res secured by credit derivati ves, of which: secured amount
1	Loans	299,663,768	16,634,803	520,939	14,111,432	14,111,432		
2	Debt securities	135,140,010	1,744,991	-	1,744,991	1,744,991		
3	<b>Total</b>	434,803,777	18,379,794	520,939	15,856,423	15,856,423		
4	Of which defaulted	5,912,363	144,302	333	-	-		

## CR4 – Standardized approach – credit risk exposure and Credit Risk Mitigation (CRM) effects

SAR '000		a	b	c	d	e	f
		Exposures before CCF & CRM		Exposures post-CCF & CRM		RWA and RWA density	
Asset classes		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Sovereigns and their central banks	124,016,539	3,339,561	141,837,426	3,306,428	8,826,445	6%
2	Non-central government public sector entities	1,666,878	16,086	1,666,888	7,822	1,673,546	100%
3	Multilateral development banks	1,612,500	-	2,478,026	-	-	0%
4	Banks	32,768,455	11,361,180	32,831,768	7,414,534	23,762,094	59%
5	Securities firms	-	-	-	-	-	0%
6	Corporates	178,332,499	37,035,532	163,341,426	22,390,391	171,858,060	93%
7	Regulatory retail portfolios	80,526,467	9,202,663	79,998,020	1,696,920	61,073,124	75%
8	Secured by residential property	53,728,425	132,820	53,728,425	51,684	26,890,055	50%
9	Secured by commercial real estate	10,959,837	255,536	10,959,837	164,076	11,123,914	100%
10	Equity	3,287,022	-	2,709,332	-	2,830,564	104%
11	Past-due loans	5,912,285	-	1,539,133	-	1,767,763	115%
12	Higher-risk categories	-	-	-	-	-	0%
13	Other assets	31,969,168	-	31,968,731	2,582,400	23,474,488	68%
14	<b>Total</b>	<b>524,780,076</b>	<b>61,343,377</b>	<b>523,059,012</b>	<b>37,614,256</b>	<b>333,280,052</b>	<b>59%</b>

## CR5 – Standardized approach – exposures by asset classes and risk weights

SAR '000

Asset classes/ Risk weight*		a	b	c	d	e	f	g	h	i	j
		0%	10%	20%	35%	50%	75%	100%	150%	Others	Total credit exposures amount (post CCF and post-CRM)
1	Sovereigns and their central banks	134,691,762		778,581		2,005,738		7,667,596	176		145,143,854
2	Non-central government public sector entities (PSEs)	1,162		5				1,673,544			1,674,711
3	Multilateral development banks (MDBs)	2,478,026									2,478,026
4	Banks			6,186,937		23,079,045		10,967,600	12,721		40,246,302
5	Securities firms										
6	Corporates	668,484		4,769,962		14,590,739		151,502,745	51,694	14,148,193	185,731,816
7	Regulatory retail portfolios	136,337		172,466		45	81,386,092				81,694,940
8	Secured by residential property					53,780,109					53,780,109
9	Secured by commercial real estate							11,123,914			11,123,914
10	Equity							2,628,510		80,821	2,709,332
11	Past-due loans							1,081,872	457,261		1,539,133
12	Higher-risk categories										
13	Other assets	8,644,269		3,040,206		434		22,866,221			34,551,130
14	<b>Total</b>	146,620,040		14,948,157		93,456,110	81,386,092	209,512,002	521,852	14,229,015	560,673,268

## Part 9 – Counterparty Credit Risk

### CCR1 – Analysis of counterparty credit risk (CCR) exposure by approach

SAR '000		a	b	c	d	e	f
		Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR (for derivatives)*	14,823,237	4,817,934		1.4	27,497,639	13,752,991
2	Internal Model Method (for derivatives and SFTs)						
3	Simple Approach for credit risk mitigation (for SFTs)						
4	Comprehensive Approach for credit risk mitigation (for SFTs)						
5	VaR for SFTs						
6	<b>Total</b>						<b>13,752,991</b>

### CCR2 – Credit valuation adjustment (CVA) capital charge

SAR '000		a	b
		EAD post-CRM	RWA
1	Total portfolios subject to the Advanced CVA capital charge		
2	(i) VaR component (including the 3x multiplier)		
3	(ii) Stressed VaR component (including the 3x multiplier)		
4	All portfolios subject to the Standardized CVA capital charge	17,911,369	13,988,804
5	<b>Total subject to the CVA capital charge</b>	<b>17,911,369</b>	<b>13,988,804</b>

### CCR3 – Standardized approach of CCR exposures by regulatory portfolio and risk weights

SAR '000	a	b	c	d	e	f	g	h	i
Regulatory portfolio*/ Risk weight**	0%	10%	20%	50%	75%	100%	150%	Others	Total credit exposures
Sovereigns and their central banks	24,794	-	-	-	-	2,621	-	-	27,415
Non-central government public sector entities (PSEs)	-	-	-	-	-	-	-	-	-
Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-	-
Banks	-	-	1,468,176	6,299,681	-	1,049	-	-	7,768,905
Securities firms	-	-	-	-	-	-	-	-	-
Corporates	-	-	7	1,153	3	10,112,541	-	-	10,113,704
Regulatory retail portfolios	-	-	16	8	1,309	11	-	-	1,345
Other assets	-	-	-	-	-	-	-	9,586,270	9,586,270
<b>Total</b>	<b>24,794</b>	<b>-</b>	<b>1,468,198</b>	<b>6,300,842</b>	<b>1,312</b>	<b>10,116,223</b>	<b>-</b>	<b>9,586,270</b>	<b>27,497,639</b>

\*The breakdown by risk weight and regulatory portfolio included in the template is for illustrative purposes. Banks may complete the template with the breakdown of asset classes according to the local implementation of the Basel framework.

\*\*Banks subject to the simplified standardized approach should indicate risk weights determined by the supervisory authority in the columns.

## CCR5 – Composition of collateral for CCR exposure

SAR '000	a		b		c		d	e		f
	Collateral used in derivative transactions						Collateral used in SFTs			
	Fair value of collateral received			Fair value of posted collateral			Fair value of collateral received	Fair value of posted collateral		
	Segregated	Unsegregated		Segregated	Unsegregated					
Cash – domestic currency	67,000			86,700						
Cash – other currencies	2,416,212			3,846,170						
Domestic sovereign debt								3,273,295		
Other sovereign debt				4,638,620				171,759		
Government agency debt										
Corporate bonds				519						
Equity securities										
Other collateral										
<b>Total</b>	2,483,212			8,572,009				3,445,055		



## CCR8: Exposures to central counterparties

SAR '000		a	b
		EAD (Post – CRM )	RWA
<b>1</b>	<b>Exposures to QCCPs (total)</b>	9,586,272	191,726
<b>2</b>	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	23,287	466
<b>3</b>	(i) OTC derivatives	23,287	466
<b>4</b>	(ii) Exchange-traded derivatives		
<b>5</b>	(iii) Securities financing transactions		
<b>6</b>	(iv) Netting sets where cross-product netting has been approved		
<b>7</b>	Segregated initial margin	9,562,984	191,260
<b>8</b>	Non-segregated initial margin		
<b>9</b>	Pre-funded default fund contributions		
<b>10</b>	Unfunded default fund contributions		
<b>11</b>	<b>Exposures to non-QCCPs (total)</b>		
<b>12</b>	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which		
<b>13</b>	(i) OTC derivatives		
<b>14</b>	(ii) Exchange-traded derivatives		
<b>15</b>	(iii) Securities financing transactions		
<b>16</b>	(iv) Netting sets where cross-product netting has been approved		
<b>17</b>	Segregated initial margin		
<b>18</b>	Non-segregated initial margin		
<b>19</b>	Pre-funded default fund contributions		
<b>20</b>	Unfunded default fund contributions		

## Part 10 – Securitization

### SEC1 – Securitization exposures in the banking book

SAR '000		a	b	c	d	e	f	g	h	i
		Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
		Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	<b>Retail (total) – of which</b>							2,225,562		2,225,562
2	residential mortgage							1,996,283		1,996,283
3	credit card									
4	other retail exposures							229,279		229,279
5	re-securitization									
6	<b>Wholesale (total) – of which</b>							3,410,602		3,410,602
7	loans to corporates							3,410,602		3,410,602
8	commercial mortgage									
9	lease and receivables									
10	other wholesale									
11	re-securitization									

## SEC4 – Securitization exposures in the banking book and associated capital requirements – bank acting as investor

SAR '000		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Exposure values (by RW bands)					Exposure values (by regulatory approach)				RWA (by regulatory approach)				Capital charge after cap			
		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250 % RW	IRB RBA (including IAA)	IRB SFA	SA/SSFA	1250%	IRB RBA (including IAA)	IRB SFA	SA/SSFA	1250 %	IRB RBA (including IAA)	IRB SFA	SA/SSFA	1250%
1	<b>Total exposures</b>	<b>5,218,083</b>		<b>267,725</b>	<b>150,355</b>				<b>5,636,163</b>				<b>1,388,691</b>				<b>111,095</b>	
2	Traditional securitization	5,218,083		267,725	150,355				5,636,163				1,388,691				111,095	
3	Of which securitization	5,218,083		267,725	150,355				5,636,163				1,388,691				111,095	
4	Of which retail underlying	2,148,535		77,026					2,225,562				483,038				38,643	
5	Of which wholesale																	
6	Of which loans to corporates	3,069,548		190,698	150,355				3,410,602				905,653				72,452	
7	Of which re-securitization																	
8	Of which senior																	
9	Of which non-senior																	
10	Synthetic securitization																	
11	Of which securitization																	
12	Of which retail underlying																	
13	Of which wholesale																	
14	Of which re-securitization																	
15	Of which senior																	
16	Of which non-senior																	

## Part 11 – Market Risk

### MR1 – Market risk under standardized approach

SAR '000		a
		Capital charge in SA
1	General interest rate risk	770,900
2	Equity risk	
3	Commodity risk	28,189
4	Foreign exchange risk	197,812
5	Credit spread risk – non-securitizations	
6	Credit spread risk – securitizations (non-correlation trading portfolio)	
7	Credit spread risk – securitization (correlation trading portfolio)	
8	Default risk – non-securitizations	
9	Default risk – securitizations (non-correlation trading portfolio)	
10	Default risk – securitizations (correlation trading portfolio)	
11	Residual risk add-on	
12	<b>Total</b>	<b>996,901</b>

## Appendix

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 2 – Overview of risk management, key prudential metrics and RWA</b>	KM2 – Key metrics – TLAC requirements (at resolution group level)
<b>Part 4 – Composition of capital and TLAC</b>	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
<b>Part 8 – Credit risk</b>	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
	CR10 – IRB (specialized lending and equities under the simple risk weight method)
<b>Part 9 – Counterparty credit risk</b>	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)
<b>Part 10 – Securitization</b>	SEC2 – Securitization exposures in the trading book
	SEC3 – Securitization exposures in the banking book and associated regulatory capital requirements – bank acting as originator or as sponsor
<b>Part 11 – Market risk</b>	MR2 – RWA flow statements of market risk exposures under an IMA
	MR3 – IMA values for trading portfolios
	MR4 – Comparison of VaR estimates with gains/losses