



SAUDI BRITISH BANK

Basel III Pillar 3

As at 30th September 2020

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

		a	b	c	d	e
		Sep'20	Jun'20	Mar'20	Dec'19	Sep'19
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	40,825,023	39,614,996	39,198,115	38,450,069	37,515,445
1a	Fully loaded ECL accounting model	39,182,245	37,528,862	37,555,337	37,643,047	36,440,163
2	Tier 1	40,825,023	39,614,996	39,198,115	38,450,069	37,515,445
2a	Fully loaded ECL accounting model Tier 1	39,182,245	37,528,862	37,555,337	37,643,047	36,440,163
3	Total capital	47,011,915	40,946,345	41,909,196	41,269,282	40,332,734
3a	Fully loaded ECL accounting model total capital	45,369,138	38,860,211	40,266,419	40,462,260	39,257,452
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	219,602,675	219,311,596	227,952,054	226,214,175	223,483,310
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio (%)	18.59%	18.06%	17.20%	17.00%	16.79%
5a	Fully loaded ECL accounting model Common Equity Tier 1 (%)	17.84%	17.11%	16.48%	16.64%	16.31%
6	Tier 1 ratio (%)	18.59%	18.06%	17.20%	17.00%	16.79%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	17.84%	17.11%	16.48%	16.64%	16.31%
7	Total capital ratio (%)	21.41%	18.67%	18.39%	18.24%	18.05%
7a	Fully loaded ECL accounting model total capital ratio (%)	20.66%	17.72%	17.66%	17.89%	17.57%
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)	0.06%	0.06%	0.06%	0.08%	0.08%
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)	3.06%	3.06%	3.06%	3.08%	3.08%
12	CET1 available after meeting the bank's minimum capital requirements (%)	15.53%	15.00%	14.14%	13.92%	13.70%
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	318,788,141	323,484,551	326,300,512	334,622,368	334,712,296
14	Basel III leverage ratio (%) (row 2 / row 13)	12.81%	12.25%	12.01%	11.49%	11.21%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a / row13)	12.29%	11.60%	11.51%	11.25%	10.89%
Liquidity Coverage Ratio						
15	Total HQLA	75,744,641	69,358,446	64,960,935	63,844,330	61,847,305
16	Total net cash outflow	31,893,583	33,319,609	30,290,927	29,088,737	27,994,531
17	LCR ratio (%)	239.0%	209%	217%	223%	225%
Net Stable Funding Ratio						
18	Total available stable funding	180,154,022	183,443,422	187,425,553	187,029,503	181,983,867
19	Total required stable funding	123,290,323	124,671,490	132,354,147	131,100,588	131,087,831
20	NSFR ratio	146.1%	147.1%	141.6%	143%	139%

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

		a	b	c
		RWA		Minimum capital requirements
		Sep'20	Jun'20	Sep'20
1	Credit risk (excluding counterparty credit risk)	193,694,098	193,140,044	15,495,529
2	<i>Of which: standardised approach (SA)</i>	193,694,098	193,140,044	15,495,529
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)	1,831,240	1,569,373	146,499
7	<i>Of which: standardised approach for counterparty credit risk</i>	1,831,240	1,569,373	146,499
8	<i>Of which: Internal Model Method (IMM)</i>			
9	<i>Of which: other CCR</i>			
10	Credit valuation adjustment (CVA)	129,773	691,415	10,382
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	151,888	147,800	12,151
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	2,144,679	2,084,173	171,574
21	<i>Of which: standardised approach (SA)</i>	2,144,679	2,084,173	171,574
22	<i>Of which: internal model approaches (IMA)</i>			
23	Capital charge for switch between trading book and banking book			
24	Operational risk	19,064,614	19,064,614	1,525,169
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	2,586,384	2,614,176	206,911
26	Floor adjustment			
27	Total (1 + 6 + 10 + 11 + 12 + 13 + 14 + 15 + 16 + 20 + 23 + 24 + 25 + 26)	219,602,675	219,311,596	17,568,215

**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	263,957,561
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	2,199,999
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)	51,725,199
7	Other adjustments	905,381
8	Leverage ratio exposure	318,788,141

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

		a	b
		Sep'20	Jun'20
On-balance sheet exposures			
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	264,862,942	267,961,068
2	(Relevant Asset amounts deducted in determining Basel III Tier 1 capital)	-	-
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	264,862,942	267,961,068
Derivative exposures			
4	Replacement cost associated with all derivatives transactions (ie net of eligible cash	1,644,504	1,544,067
5	Add-on amounts for Potential Financial Exposure (PFE) associated with all derivatives transactions	555,496	374,736
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	Total derivative exposures (sum of lines 4 to 10)	2,199,999	1,918,803
Securities financing transaction exposures			
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	Total securities financing transaction exposures (sum of lines 12 to 15)	-	-
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	157,511,881	155,596,397
18	(Adjustments for conversion to credit equivalent amounts)	(105,786,682)	(101,991,717)
19	Off-balance sheet items (sum of lines 17 and 18)	51,725,199	53,604,680
Capital and total exposures			
20	Tier 1 capital	40,825,023	39,614,996
21	Total exposures (sum of lines 3, 11, 16 and 19)	318,788,141	323,484,551
Leverage ratio			
22	Basel III leverage ratio	12.81%	12.25%

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

		a	b
		Total unweighted value (average)	Total weighted value (average)
High-quality liquid assets			
1	Total high-quality liquid assets (HQLA)		75,744,641
Cash outflows			
2	Retail deposits and deposits from small business customers, of which:	70,741,848	6,559,305
3	Stable deposits		
4	Less stable deposits	70,741,848	6,559,305
5	Unsecured wholesale funding, of which:	94,233,499	42,843,387
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks		
7	Non-operational deposits (all counterparties)	92,038,257	42,626,620
8	Unsecured debt	2,195,241	216,766
9	Secured wholesale funding	-	-
10	Additional requirements, of which:	161,387,768	4,847,569
11	Outflows related to derivative exposures and other collateral requirements	655,939	655,939
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	3,535,643	353,564
14	Other contractual funding obligations	-	-
15	Other contingent funding obligations	157,196,185	3,838,065
16	TOTAL CASH OUTFLOWS	326,363,115	54,250,261
Cash inflows			
17	Secured lending (eg reverse repos)	-	-
18	Inflows from fully performing exposures	35,822,430	21,265,630
19	Other cash inflows	1,268,102	1,091,049
20	TOTAL CASH INFLOWS	37,090,532	22,356,678
			Total adjusted value
21	TOTAL HQLA		75,744,641
22	TOTAL NET CASH OUTFLOWS		31,893,583
23	LIQUIDITY COVERAGE RATIO (%)		239.0%

APPENDIX: TABLES AND 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
	LIQ2 – Net Stable Funding Ratio (NSFR)
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)