
ALINMA BANK
(A Saudi Joint Stock Company)

BASEL III Pillar 3 Disclosures
For the Financial Period Ended June 30, 2020

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KM1: Key Metrics (at group consolidated level)

		June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
	Available Capital (amounts: SAR '000)					
1	Common Equity Tier 1 (CET 1) <i>(after transitional arrangement for IFRS 9)</i>	24,108,755	23,500,837	22,878,645	22,364,864	21,612,608
1a	Fully loaded ECL accounting model <i>(before transitional arrangement for IFRS 9)</i>	23,385,888	22,777,970	22,444,925	21,931,144	21,178,888
2	Tier 1 <i>(after transitional arrangement for IFRS 9)</i>	24,108,755	23,500,837	22,878,645	22,364,864	21,612,608
2a	Fully loaded ECL accounting model Tier 1 <i>(before transitional arrangement for IFRS 9)</i>	23,385,888	22,777,970	22,444,925	21,931,144	21,178,888
3	Total Capital <i>(after transitional arrangement for IFRS 9)</i>	25,559,645	24,917,716	24,253,513	23,700,782	22,909,670
3a	Fully loaded ECL accounting model total capital <i>(before transitional arrangement for IFRS 9)</i>	24,836,779	24,194,849	23,819,793	23,267,062	22,475,950
	Risk-weighted assets (amounts: SAR '000)					
4	Total risk-weighted assets (RWA)-Pillar - 1	130,611,540	129,212,976	119,718,952	117,094,598	112,594,010
	Risk-based capital ratios as a percentage of RWA-Pillar - 1					
5	Common Equity Tier 1 ratio (%)	18.46%	18.19%	19.11%	19.10%	19.20%
5a	Fully loaded ECL accounting model Common Equity Tier 1 (%)	17.90%	17.63%	18.75%	18.73%	18.81%
6	Tier 1 ratio (%)	18.46%	18.19%	19.11%	19.10%	19.20%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	17.90%	17.63%	18.75%	18.73%	18.81%
7	Total capital ratio (%)	19.57%	19.28%	20.26%	20.24%	20.35%
7a	Fully loaded ECL accounting model capital ratio (%)	19.02%	18.72%	19.90%	19.87%	19.96%
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conversion buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	Bank G-SIB and/or D-SIB additional requirements (%)	0.00%	0.00%	0.00%	0.00%	0.00%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	2.50%	2.50%	2.50%	2.50%	2.50%
12	CET1 available after meeting the bank's minimum capital requirements (%) (5-11)	15.96%	15.69%	16.61%	16.60%	16.70%
	Basel III leverage ratio					
13	Total Basel III leverage ratio exposure measure (amounts: SAR '000)	151,521,589	147,766,591	140,652,541	136,546,466	131,720,425
14	Basel III leverage ratio (%) (row 2 / row 13)	15.91%	15.90%	16.27%	16.38%	16.41%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a / row 13)	15.43%	15.41%	15.96%	16.06%	16.08%
	Liquidity Coverage Ratio**					
15	Total HQLA (amounts: SAR '000)	26,433,237	26,051,670	25,344,825	24,273,739	23,262,320
16	Total net cash outflow (amounts: SAR '000)	21,564,182	19,346,978	20,327,287	19,894,644	20,874,118
17	LCR ratio (%)	122.58%	134.65%	124.68%	122.01%	111.44%
	Net Stable Funding Ratio					
18	Total available stable funding (amounts: SAR '000)	97,863,285	91,142,487	89,251,715	87,937,864	82,962,646
19	Total required stable funding (amounts: SAR '000)	82,488,665	79,521,072	73,827,085	72,627,458	72,085,986
20	NSFR ratio	118.64%	114.61%	120.89%	121.08%	115.09%

** Average of 90 days

OV1: Overview of RWA

		a	b	c
		RWA		Minimum capital requirements*
		June 30, 2020	March 31, 2020	June 30, 2020
1	Credit risk (excluding counterparty credit risk) (CCR)	113,757,486	110,828,153	9,100,599
2	Of which standardised approach (SA)	113,757,486	110,828,153	9,100,599
3	Of which internal rating-based (IRB) approach	-	-	-
4	Counterparty credit risk	-	-	-
5	Of which standardised approach for counterparty credit risk (SA-CCR)	-	-	-
6	Of which internal model method (IMM)	-	-	-
7	Equity positions in banking book under market-based approach	-	-	-
8	Equity investments in funds – look-through approach	1,964,644	2,522,192	157,172
9	Equity investments in funds – mandate-based approach	-	-	-
10	Equity investments in funds – fall-back approach	-	-	-
11	Settlement risk	-	-	-
12	Securitisation exposures in banking book	-	-	-
13	Of which IRB ratings-based approach (RBA)	-	-	-
14	Of which IRB Supervisory Formula Approach (SFA)	-	-	-
15	Of which SA/simplified supervisory formula approach (SSFA)	-	-	-
16	Market risk	5,245,032	6,301,692	419,603
17	Of which standardised approach (SA)	5,245,032	6,301,692	419,603
18	Of which internal model approaches (IMM)	-	-	-
19	Operational risk	9,644,378	9,560,939	771,550
20	Of which Basic Indicator Approach	9,644,378	9,560,939	771,550
21	Of which Standardised Approach	-	-	-
22	Of which Advanced Measurement Approach	-	-	-
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
24	Floor adjustment	-	-	-
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	130,611,540	129,212,976	10,448,923

*calculated as 8% of RWA

CC2: Reconciliation of regulatory capital to balance sheet

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

	Balance sheet in Published financial statements (C)	Adjustment of banking associates / other entities (D)	Under regulatory scope of consolidation (E)
Assets			
Cash and balances with Saudi Arabian Monetary Agency ('SAMA')	8,546,876		8,546,876
Due from banks and other financial institutions	1,087,532		1,087,532
Investments	25,875,612		25,875,612
Financing, net	103,177,825		103,177,825
Property and equipment, net	2,343,125		2,343,125
Other assets	1,165,078		1,165,078
Total assets	142,196,048	0	142,196,048
Liabilities			
Due to banks and other financial institutions	6,709,213		6,709,213
Customers' deposits	107,417,310		107,417,310
Amount due to Mutual Funds' unitholders	42,830		42,830
Other liabilities	4,640,806		4,640,806
Total Liabilities	118,810,159	0	118,810,159
Share capital	20,000,000		15,000,000
Statutory reserve	100,000		100,000
Fair value reserve for FVOCI investments	76,655		77,372
Retained earnings	3,236,140		2,287,302
Treasury shares	(99,996)		(103,475)
Other reserves	73,090		83,725
Total liabilities and equity	142,196,048	0	142,196,048

CC2: Reconciliation of regulatory capital to balance sheet

Balance sheet - Step 2 (Table 2(c))

	Adjustment			Reference
	Balance sheet in Published financial statements (C)	of banking associates / other entities (D)	Under regulatory scope of consolidation (E)	
Assets				
Cash and balances with Saudi Arabian Monetary Agency ('SAMA')	8,546,876		8,546,876	
Due from banks and other financial institutions	1,087,532		1,087,532	
Investments	25,875,612		25,875,612	
Financing, net	103,177,825		103,177,825	
of which Collective provisions	1,450,890		1,450,890	A
Property and equipment, net	2,343,125		2,343,125	
Other assets	1,165,078		1,165,078	
Total assets	142,196,048	0	142,196,048	
Liabilities				
Due to banks and other financial institutions	6,709,213		6,709,213	
Customers' deposits	107,417,310		107,417,310	
Amount due to Mutual Funds' unitholders	42,830		42,830	
Other liabilities	4,640,806		4,640,806	
Total Liabilities	118,810,159	0	118,810,159	
Equity				
Paid up share capital	20,000,000		20,000,000	
of which amount eligible for CET1	20,000,000		20,000,000	B
of which amount eligible for AT1	-		-	C
Statutory reserve	100,000		100,000	D
Fair value reserve for FVOCI investments	76,655		76,655	E
Retained earnings	3,236,140		3,236,140	F
Treasury shares	(99,996)		(99,996)	H
Employees Share based plan and other reserves	73,090		73,090	I
Total liabilities and equity	142,196,048	0	142,196,048	

CC1 – Composition of regulatory capital

Common template (Post 2018) - Step 3 (Table 2d (i))

		Components of regulatory capital reported by the bank	Source based on reference numbers / letters of the balance sheet under the regulatory scope of consolidation from step 2
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Common Equity Tier 1 capital: Instruments and reserves			
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	20,000,000	B F D+E+G+I
2	Retained earnings	3,959,006	
3	Accumulated other comprehensive income (and other reserves)	249,745	
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)	-	
6	Common Equity Tier 1 capital before regulatory adjustments	24,208,751	
Common Equity Tier 1 capital: Regulatory adjustments			
7	Prudential valuation adjustments	-	
8	Goodwill (net of related tax liability)	-	
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	-	
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)	(99,996)	H
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% thresh	-	
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)	-	

		Components of regulatory capital reported by the bank	Source based on reference numbers / letters of the balance sheet under the regulatory scope of consolidation from step 2
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	-	
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	(99,996)	
29	Common Equity Tier 1 capital (CET1)	24,108,755	
	Additional Tier 1 capital: instruments		
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	-	
31	of which: classified as equity under applicable accounting standards	-	
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	-	
	Additional Tier 1 capital: regulatory adjustments		
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 (am	-	
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	-	
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)	-	
45	Tier 1 capital (T1 = CET1 + AT1)	24,108,755	

Note: Items which are not applicable are to be left blank.

CC1 – Composition of regulatory capital

Common template (Post 2018) - Step 3 (Table 2d (ii))

		Components ¹ of regulatory capital reported by the bank	Source based on reference numbers / letters of the balance sheet under the regulatory scope of consolidation from step 2
	Tier 2 capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	-	
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	1,450,890	A
51	Tier 2 capital before regulatory adjustments	1,450,890	
	Tier 2 capital: regulatory adjustments		
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 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	-	
57	Total regulatory adjustments to Tier 2 capital	-	
58	Tier 2 capital (T2)	1,450,890	
59	Total capital (TC = T1 + T2)	25,559,645	
60	Total risk weighted assets	130,611,540	
	Capital ratios		
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	18.46%	
62	Tier 1 (as a percentage of risk weighted assets)	18.46%	
63	Total capital (as a percentage of risk weighted assets)	19.57%	
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	of which: capital conservation buffer requirement	-	
66	of which: bank specific countercyclical buffer requirement	-	
67	of which: G-SIB buffer requirement	-	

		Components ¹ of regulatory capital reported by the bank	Source based on reference numbers / letters of the balance sheet under the regulatory scope of consolidation from step 2
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	-	
	National minima (if different from Basel 3)		
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	
	Amounts below the thresholds for deduction (before risk weighting)		
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)	-	
	Applicable caps on the inclusion of provisions in Tier 2		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	1,450,890	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	1,450,890	
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	-	
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)		
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)	-	

Note: Items which are not applicable are to be left blank.

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

Main features template of regulatory capital instruments-(Table 2(e))

NONE

LR1 – Leverage ratio common disclosure template

A. Summary Comparison (Table 1)

For the Quarter Ended June 30, 2020

Summary comparison of accounting assets versus leverage ratio exposure measure		
Row #	Item	In SR 000's
1	Total consolidated assets as per published financial statements	142,196,048
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	-
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)	9,325,541
7	Other adjustments	-
8	Leverage ratio exposure	151,521,589

LR1 – Leverage ratio common disclosure template

B. Leverage Ratio Common Disclosure Template (Table 2)

In SR 000's

Row #	Item	June 30, 2020	March 31, 2020
On –balance sheet exposures			
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	142,196,048	138,021,338
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)	142,196,048	138,021,338
Derivatives Exposure			
4	Replacement cost associated with all derivatives transactions (ie net of eligible cash variation margin)	-	-
5	Add-on amounts for Potential Financial Exposure (PFE) associated with all derivatives transactions	-	-
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-	-
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-	-
8	(Exempted CCP leg of client-cleared trade exposures)	-	-
9	Adjusted effective notional amount of written credit derivatives	-	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
11	Total derivative exposures (Sum of lines 4 to 10)	-	-
Securities financing transaction exposure			
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	-	-
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
14	Credit Conversion Factor (CCR) exposure for Security Financing Transaction (SFT) assets	-	-
15	Agent transaction exposures	-	-
16	Total securities financing transaction exposures (Sum of lines 12 to 15)	-	-
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	14,343,202	15,090,776
18	(Adjustments for conversion to credit equivalent amounts)	(5,017,661)	(5,345,523)
19	Off-balance sheet items (Sum of lines 17 and 18)	9,325,541	9,745,253
Capital and total exposures			
20	Tier 1 capital	24,108,755	23,500,837
21	Total exposures (Sum of lines 3, 11, 16 and 19)	151,521,589	147,766,591
Leverage ratio			
22	Basel III leverage ratio	15.91%	15.90%

LR1 – Leverage ratio common disclosure template

Table 5

For the Quarter Ended June 30, 2020

A reconciliation requirements that details sources of material differences between the bank's total balance sheet assets in their financial statements and on-balance sheet exposures in the table 2.

		SR 000's
1	Total Assets amounts on Financial Statements	142,196,048
2	Total on balance sheet assets according Row #1 on Table 2	142,196,048
3	Difference between 1 and 2 above	-

LIQ1 – Liquidity Coverage Ratio (LCR)

For the quarter ended June 30, 2020

		SAR '000	
		Total Unweighted Value (average)	Total weighted Value (average)
HIGH QUALITY LIQUID ASSETS			
1	Total High-Quality Liquid Assets (HQLA)	26,433,237	26,433,237
CASH OUTFLOWS			
2	Retail deposits and deposits from small business of which:	35,990,810	3,599,081
3	<i>Stable deposits</i>	-	-
4	<i>Less stable deposits</i>	35,990,810	3,599,081
5	Unsecured wholesale funding of which	42,836,040	20,976,946
6	<i>Operational deposits (all counterparties)</i>	-	-
7	<i>Non-operational deposits (all counterparties)</i>	47,364,293	20,976,946
8	<i>Unsecured debt</i>	-	-
9	Secured wholesale funding	-	-
10	Additional requirements of which	40,009,128	1,081,014
11	<i>Outflow related to derivative exposures and other collateral requirements</i>	-	-
12	<i>Outflows related to loss of funding on debt products</i>	-	-
13	<i>Credit and liquidity facilities</i>	40,009,128	1,081,014
14	Other contractual funding obligations	-	-
15	Other contingent funding obligations	-	-
16	TOTAL CASH OUTFLOWS	118,835,978	25,657,041
CASH INFLOWS			
17	Secured lending (e.g. reverse repos)	-	-
18	Inflows from fully performing exposures	-	-
19	Other cash inflows	-	-
20	TOTAL CASH INFLOWS	7,164,133	4,092,859
21	TOTAL HQLA		TOTAL ADJUSTED VALUE 26,433,237
22	TOTAL NET CASH OUTFLOWS		21,564,182
23	LIQUIDITY COVERAGE RATIO (%)		122.58%

- a) Unweighted values are calculated as outstanding balances maturing or callable within 30 days (for inflows and Outflows).
- b) Weighted values are calculated after application of respective haircuts (for HQLA) or inflow and outflow rates (for inflows and outflows).
- c) Adjusted values are calculated after application of both i) haircuts and inflow and outflow rates and ii) any applicable caps (i.e. cap on level 2B and level 2 assets for HQLA and cap on inflows).
- d) Average of Last three months data.

LIQ2: Net Stable Funding Ratio (NSFR)

For the Quarter Ended June 30, 2020

SAR in '000		Unweighted value by residual maturity				Weighted value
		No Maturity	< 6 months	6 months to < 1 year	1 year or more	
ASF Items						
1	Capital	24,836,778	-	-	722,867	25,559,646
2	Regulatory capital	24,836,778	-	-	-	24,836,778
3	Other capital instruments	-	-	-	722,867	722,867
4	Retail deposits and deposits from small business customers:	36,402,608	1,599,428	218,930	53,436	34,452,306
5	Stable deposits	-	-	-	-	-
6	Less stable deposits	36,402,608	1,599,428.17	218,930	53,436	34,452,306
7	Wholesale funding	30,305,780	34,406,527	7,942,608	2,248,102	37,851,333
8	Operational deposits	-	-	4,955,975	804,132	3,282,119
9	Other wholesale funding	30,305,780	34,406,527	2,986,632	1,443,970	34,569,214
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities:	7,097,677	-	-	-	-
12	NSFR derivative liabilities	-	-	-	-	-
13	All other liabilities and equity not included in the above categories	7,097,677	-	-	-	-
14	Total ASF					97,863,285

LIQ2: Net Stable Funding Ratio (NSFR)

For the Quarter Ended June 30, 2020

						RSF Items
15	Total NSFR high-quality liquid assets (HQLA)					1,033,914
16	Deposits held at other financial institutions for operational purpose	726,360	-	-	-	363,180
17	Performing loans and securities:	-	34,521,067	15,341,984	55,927,234	73,502,097
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	-	-	-	1,214,614	1,032,422
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:	-	34,521,067	15,341,984	55,927,234	72,469,675
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	-	-
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	-	-	-	-	-
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	Other assets:	-	-	-	-	-
27	Physical traded commodities, including gold	-	-	-	-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	-	-	-	-
29	NSFR derivative assets	-	-	-	-	-
30	NSFR derivative liabilities before deduction of variation margin posted	-	-	-	-	-
31	All other assets not included in the above categories	7,545,349	-	-	-	7,545,348.58
32	Off-balance sheet items	-	-	-	45,002,459	44,125
33	Total RSF					82,488,665
34	Net Stable Funding Ratio (%)					118.64%

CR1: Credit quality of assets

As of June 30, 2020

SAR '000

		a	b	c	d
		Gross carrying values of		Allowances/ impairments	Net values (a+b-c)
		Defaulted exposures	Non-defaulted exposures		
1	Loans and other investments	3,371,107	103,031,008	3,224,290	103,177,825
2	Debt Securities	-	23,191,488	8,098	23,183,390
3	Off-balance sheet exposures	-	9,325,541	148,306	9,177,235
4	Total	3,371,107	135,548,037	3,386,823	135,532,321

Default exposure comprises of non performing financing exposures and past due more than 90 day, but not yet impaired.

CR2: Changes in stock of defaulted loans and debt securities

As of June 30, 2020

SAR '000

	a	
1	Defaulted loans and debt securities at end of the previous reporting period	2,798,573
2	Loans and debt securities that have defaulted since the last reporting period	572,534
3	Returned to non-defaulted status	-
4	Amounts written off	-
5	Other changes	-
6	Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5)	3,371,107

Defaulted Loans to total portfolio has increased due to addition of new non-performing customers and growing portfolio.

CR3: Credit risk mitigation techniques – Overview

As of June 30, 2020

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	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
1	Loans and other investments	49,588,176	53,589,649	47,228,485	-	-	-
2	Debt securities	23,183,390	-	-	-	-	-
3	Total	72,771,566	53,589,649	47,228,485	-	-	-
4	Of which defaulted	1,531,204	1,839,903	1,458,125	-	-	-

Although a significant portion of credit is secured by collateral, however, bank is currently not availing the CRM benefit as a prudence measure.

CR4: Standardised approach – credit risk exposure and Credit Risk Mitigation (CRM) effects

As of June 30, 2020

SAR '000

Asset classes	a	b	c	d	e	f
	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
	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	25,329,535	-	25,329,535	-	-	0%
2 Non-central government public sector entities	-	-	-	-	-	0%
3 Multilateral development banks	-	-	-	-	-	0%
4 Banks	1,089,363	1,253,284	1,089,363	677,249	862,521.93	49%
5 Securities firms	-	-	-	-	-	0%
6 Corporates	82,285,629	13,089,918	82,285,629	8,648,292	89,345,208.23	98%
7 Regulatory retail portfolios	17,266,288	-	17,266,288	-	12,958,193	75%
8 Secured by residential property	4,268,795	-	4,268,795	-	2,134,397	50%
9 Secured by commercial real estate	-	-	-	-	-	0%
10 Equity	237,922	-	237,922	-	713,767	300%
11 Past-due loans	2,782,864	-	1,072,501	-	1,072,501	100%
12 Higher-risk categories	4,718,686	-	4,718,686	-	5,100,855	108%
13 Other assets	6,088,965	-	6,088,965	-	3,534,687	58%
14 Total	144,068,047	14,343,202	142,357,684	9,325,541	115,722,130	76%

CR5: Standardised approach – exposures by asset classes and risk weights

As of June 30, 2020

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	25,329,535	-	-	-	-	-	-	-	-	25,329,535
2 Non-central government public sector entities (PSEs)	-	-	-	-	-	-	-	-	-	-
3 Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-	-	-
4 Banks	163,000	-	926,363	-	-	-	677,249	-	-	1,766,612
5 Securities firms	-	-	-	-	-	-	-	-	-	-
6 Corporates	-	-	-	-	2,402,237	-	85,947,727	-	2,583,956	90,933,920
7 Regulatory retail portfolios	-	-	-	-	-	17,232,382	33,906	-	-	17,266,288
8 Secured by residential property	-	-	-	-	4,268,795	-	-	-	-	4,268,795
9 Secured by commercial real estate	-	-	-	-	-	-	-	-	-	-
10 Equity	-	-	-	-	1,152,225	-	-	-	237,922	1,390,147
11 Past-due loans	-	-	-	-	-	-	1,072,501	-	-	1,072,501
12 Higher-risk categories	-	-	-	-	-	-	1,502,037	-	2,064,424	3,566,461
13 Other assets	2,554,278	-	-	-	-	-	3,534,687	-	-	6,088,965
14 Total	28,046,813	-	926,363	-	7,823,257	17,232,382	92,768,107	-	4,886,302	151,683,225

MR1: Market risk under Standardised Approach

As of June 30, 2020

SAR '000

		a RWA
	Outright products	5,245,032
1	Interest rate risk (general and specific)	-
2	Equity risk (general and specific)	4,893,689
3	Foreign exchange risk	351,343
4	Commodity risk	-
	Options	-
5	Simplified approach	-
6	Delta-plus method	-
7	Scenario approach	-
8	Securitisation	-
9	Total	

The increase in RWA during the period is mainly due to new investments in traded securities.