البنك السعودي للاستثمار
The Saudi Investment Bank

Basel III Pillar III

Qualitative & Quantitative Disclosures

June 30, 2024

Template KM1: Key metrics (at consolidated group level)

SR 000's

		June 30, 2024 T	March 31, 2024 T-1	December 31, 2023 T-2	September 30, 2023 T-3	June 30, 2023 T-4
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	14,982,297	14,547,676	14,775,943	14,079,627	14,235,876
1a	Fully loaded ECL accounting model	14,982,297	14,547,676	14,501,758	13,805,442	13,961,691
2	Tier 1	17,482,297	17,262,676	17,490,943	16,794,627	16,950,876
2a	Fully loaded ECL accounting model Tier 1	17,482,297	17,262,676	17,216,758	16,520,442	16,676,691
3	Total capital	18,040,069	17,814,815	18,096,510	17,384,703	17,520,375
3a	Fully loaded ECL accounting model total capital	18,040,069	17,814,815	17,822,325	17,110,517	17,246,190
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	95,865,460	92,876,165	90,212,222	90,272,386	87,156,878
4a	Total risk-weighted assets (pre-floor)	95,865,460	92,876,165	90,212,222	90,272,386	87,156,878
Risk-based capital ratios as a percentage of RWA						
5	CET1 ratio (%)	15.63%	15.66%	16.38%	15.60%	16.33%
5a	Fully loaded ECL accounting model CET1 (%)	15.63%	15.66%	16.08%	15.29%	16.02%
5b	CET1 ratio (%) (pre-floor ratio)	15.63%	15.66%	16.08%	15.29%	16.02%
6	Tier 1 ratio (%)	18.24%	18.59%	19.39%	18.60%	19.45%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	18.24%	18.59%	19.08%	18.30%	19.13%
6b	Tier 1 ratio (%) (pre-floor ratio)	18.24%	18.59%	19.08%	18.30%	19.13%
7	Total capital ratio (%)	18.82%	19.18%	20.06%	19.26%	20.10%
7a	Fully loaded ECL accounting model total capital ratio (%)	18.82%	19.18%	19.76%	18.95%	19.79%
7b	Total capital ratio (%) (pre-floor ratio)	18.82%	19.18%	19.76%	18.95%	19.79%
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 (%)	0.00%	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 (%)	**13.13%**	**13.16%**	**13.88%**	**13.10%**	**13.83%**
Basel III leverage ratio						
13	**Total Basel III leverage ratio exposure measure**	**160,505,312**	**154,589,407**	**146,917,960**	**146,400,338**	**138,930,032**
14	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	**10.89%**	**11.17%**	**11.91%**	**11.47%**	**12.20%**
14a	Fully loaded ECL accounting model Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) (%)	**10.89%**	**11.17%**	**11.72%**	**11.28%**	**12.00%**
14b	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	**10.89%**	**11.17%**	**11.91%**	**11.47%**	**12.20%**
14c	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	**10.89%**	**11.17%**	**11.91%**	**11.47%**	**12.20%**
14d	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	**10.89%**	**11.17%**	**11.91%**	**11.47%**	**12.20%**
Liquidity Coverage Ratio (LCR)						
15	Total high-quality liquid assets (HQLA)	17,099,323	15,148,623	15,476,058	15,637,599	16,797,238
16	Total net cash outflow	9,791,899	8,419,057	7,902,202	7,758,209	8,202,760
17	LCR ratio (%)	**174.63%**	**179.93%**	**195.84%**	**201.56%**	**204.78%**
Net Stable Funding Ratio (NSFR)						
18	Total available stable funding	87,234,913	84,072,530	81,561,812	80,673,528	76,281,734
19	Total required stable funding	77,307,700	75,471,214	72,146,162	72,627,697	68,819,025
20	NSFR ratio	**112.84%**	**111.40%**	**113.05%**	**111.08%**	**110.84%**

Template OV1: Overview of RWA

SR 000's

		a	b	c	
		RWA		Minimum capital requirements	Drivers behind significant differences in T and T-1
		T	T-1	T	
1	**Credit risk (excluding counterparty credit risk)**	**88,551,193**	**85,900,367**	**7,084,095**	
2	Of which: standardised approach (SA)	88,551,193	85,900,367	7,084,095	Mainly due to increase in loan portfolio
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 (CCR)**	**759,061**	**525,475**	**60,725**	
7	Of which: standardised approach for counterparty credit risk	759,061	525,475	60,725	
8	Of which: IMM				
9	Of which: other CCR				
10	**Credit valuation adjustment (CVA)**	**744,241**	**513,407**	**59,539**	
11	Equity positions under the simple risk weight approach and the internal model method during the five-year linear phase-in period	-	-	-	
12	Equity investments in funds - look-through approach	-	-	-	
13	Equity investments in funds - mandate-based approach	-	-	-	
14	Equity investments in funds - fall-back approach	-	-	-	
15	Settlement risk	-	-	-	
16	Securitisation exposures in banking book	-	-	-	
17	Of which: securitisation IRB approach (SEC-IRBA)	-	-	-	
18	Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)	-	-	-	
19	Of which: securitisation standardised approach (SEC-SA)	-	-	-	
20	**Market risk**	**1,396,888**	**1,522,837**	**111,751**	
21	Of which: standardised approach (SA)	1,396,888	1,522,837	111,751	
22	Of which: internal model approach (IMA)				
23	Capital charge for switch between trading book and banking book	-	-	-	
24	**Operational risk**	**4,414,078**	**4,414,078**	**353,126**	
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-	
26	Output floor applied				
27	Floor adjustment (before application of transitional cap)				
28	Floor adjustment (after application of transitional cap)				
29	**Total (1 + 6 + 10 + 11 + 12 + 13 + 14 + 15 + 16 + 20 + 23 + 24 + 25 + 28)**	**95,865,460**	**92,876,165**	**7,669,237**	

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

		a
		Quantitative / qualitative information
1	Issuer	Saudi Investment Bank
2	Unique identifier (eg Committee on Uniform Security Identification Procedures (CUSIP), International Securities Identification Number (ISIN) or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	The instrument is governed by the laws of the Kingdom of Saudi Arabia
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	-
4	Transitional Basel III rules	Additional Tier 1
5	Post-transitional Basel III rules	Eligible
6	Eligible at solo/group/group and solo	GROUP and Solo
7	Instrument type (refer to SACAP)	Subordinated Sukuk
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	2,000,000
9	Par value of instrument	SAR 1 million
10	Accounting classification	Equity
11	Original date of issuance	June 29, 2022
12	Perpetual or dated	Perpetual
13	Original maturity date	N/A
14	Issuer call subject to prior SAMA approval	Yes
15	Optional call date, contingent call dates and redemption amount	June 29, 2027
16	Subsequent call dates, if applicable	Any profit distribution dates after the first call date
	Coupons / dividends	-
17	Fixed or floating dividend/coupon	Fixed
18	Coupon rate and any related index	6.00%
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Fully Discretionary
21	Existence of step-up or other incentive to redeem	None
22	Non-cumulative or cumulative	Non cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	NA
25	If convertible, fully or partially	NA
26	If convertible, conversion rate	NA
27	If convertible, mandatory or optional conversion	NA
28	If convertible, specify instrument type convertible into	NA
29	If convertible, specify issuer of instrument it converts into	NA
30	Writedown feature	Yes
31	If writedown, writedown trigger(s)	Terms of contract of the instrument provide the legal basis for SAMA to trigger write-down (a contractual approach)
32	If writedown, full or partial	Written down fully or partial
33	If writedown, permanent or temporary	Permanent
34	If temporary write-down, description of writeup mechanism	N/A
34a	Type of subordination	Subordinated, Senior sukukholders are senior to this instrument
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	N/A
36	Non-compliant transitioned features	NA
37	If yes, specify non-compliant features	-

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

		b
		Quantitative / qualitative information
1	Issuer	Saudi Investment Bank
2	Unique identifier (eg Committee on Uniform Security Identification Procedures (CUSIP), International Securities Identification Number (ISIN) or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	The instrument is governed by the laws of the Kingdom of Saudi Arabia
3a	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	-
4	Transitional Basel III rules	Additional Tier 1
5	Post-transitional Basel III rules	Eligible
6	Eligible at solo/group/group and solo	GROUP and Solo
7	Instrument type (refer to SACAP)	Subordinated Sukuk
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	500,000
9	Par value of instrument	SAR 1 million
10	Accounting classification	Equity
11	Original date of issuance	February 6, 2023
12	Perpetual or dated	Perpetual
13	Original maturity date	N/A
14	Issuer call subject to prior SAMA approval	Yes
15	Optional call date, contingent call dates and redemption amount	February 6, 2028
16	Subsequent call dates, if applicable	Any profit distribution dates after the first call date
	Coupons / dividends	0
17	Fixed or floating dividend/coupon	Fixed
18	Coupon rate and any related index	6.25%
19	Existence of a dividend stopper	Yes
20	Fully discretionary, partially discretionary or mandatory	Fully Discretionary
21	Existence of step-up or other incentive to redeem	None
22	Non-cumulative or cumulative	Non cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	NA
25	If convertible, fully or partially	NA
26	If convertible, conversion rate	NA
27	If convertible, mandatory or optional conversion	NA
28	If convertible, specify instrument type convertible into	NA
29	If convertible, specify issuer of instrument it converts into	NA
30	Writedown feature	Yes
31	If writedown, writedown trigger(s)	Terms of contract of the instrument provide the legal basis for SAMA to trigger write-down (a contractual approach)
32	If writedown, full or partial	Written down fully or partial
33	If writedown, permanent or temporary	Permanent
34	If temporary write-down, description of writeup mechanism	N/A
34a	Type of subordination	Subordinated, Senior sukukholders are senior to this instrument
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	N/A
36	Non-compliant transitioned features	NA
37	If yes, specify non-compliant features	-

Template CC1 - Composition of regulatory capital

SR 000's

		a	b	
		Amounts	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**	**Commentary to explain any significant changes over the reporting period and the key drivers of such change**
Common Equity Tier 1 capital: instruments and reserves				
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	12,500,000		
2	Retained earnings	2,100,042		
3	Accumulated other comprehensive income (and other reserves)	400,550		
4	Directly issued capital subject to phase-out from CET1 capital (only applicable to non-joint stock companies)	-		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1 capital)	-		
6	**Common Equity Tier 1 capital before regulatory adjustments**	15,000,592		
Common Equity Tier 1 capital: regulatory adjustments				
7	Prudent valuation adjustments	-		
8	Goodwill (net of related tax liability)	(18,295)		
9	Other intangibles other than mortgage servicing rights (MSR) (net of related tax liability)	-		
10	Deferred tax assets (DTA) 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 SACAP4.1.4)	-		
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)	-		
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	MSR (amount above 10% threshold)	-		
21	DTA 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: MSR	-		
25	Of which: DTA arising from temporary differences	-		
26	National specific regulatory adjustments	-		
27	Regulatory adjustments applied to Common Equity Tier 1 capital due to insufficient Additional Tier 1 and Tier 2 capital to cover deductions	-		
28	**Total regulatory adjustments to Common Equity Tier 1 capital**	(18,295)		
29	**Common Equity Tier 1 capital (CET1)**	14,982,297		
Additional Tier 1 capital: instruments				
30	Directly issued qualifying additional Tier 1 instruments plus related stock surplus	2,500,000		
31	Of which: classified as equity under applicable accounting standards	2,500,000		
32	Of which: classified as liabilities under applicable accounting standards	-		
33	Directly issued capital instruments subject to phase-out from additional Tier 1 capital	-		
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 additional Tier 1 capital)	-		
35	Of which: instruments issued by subsidiaries subject to phase-out	-		
36	**Additional Tier 1 capital before regulatory adjustments**	2,500,000		
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, 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 capital due to insufficient Tier 2 capital to cover deductions	-		
43	**Total regulatory adjustments to additional Tier 1 capital**	-		
44	**Additional Tier 1 capital (AT1)**	2,500,000		
45	**Tier 1 capital (T1 = CET1 + AT1)**	17,482,297		
Tier 2 capital: instruments and provisions				
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	-		
47	Directly issued capital instruments subject to phase-out from Tier 2 capital	-		
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	557,772		
51	**Tier 2 capital before regulatory adjustments**	557,772		
Tier 2 capital: regulatory adjustments				
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	**Tier 2 capital**	557,772		
59	**Total regulatory capital (= Tier 1 + Tier2)**	18,040,069		
60	**Total risk-weighted assets-Pillar I**	**95,865,460**		
Capital adequacy ratios and buffers				
61	**Common Equity Tier 1 capital (as a percentage of risk-weighted assets)**	15.63		
62	**Tier 1 capital (as a percentage of risk-weighted assets)**	18.24		
63	**Total capital (as a percentage of risk-weighted assets)**	18.82		
64	**Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of riskweighted assets)**	-		
65	Of which: capital conservation buffer requirement	-		
66	Of which: bank-specific countercyclical buffer requirement	-		
67	Of which: higher loss absorbency requirement	-		
68	**Common Equity Tier 1 capital (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements**	-		
National minima (if different from Basel III)				
69	National minimum Common Equity Tier 1 capital adequacy ratio (if different from Basel III minimum)	-		
70	National minimum Tier 1 capital adequacy ratio (if different from Basel III minimum)	-		
71	National minimum Total capital adequacy ratio (if different from Basel III minimum)	-		
	Amounts below the thresholds for deduction (before risk-weighting)			
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	MSR (net of related tax liability)	-		
75	DTA arising from temporary differences (net of related tax liability)	-		
	Applicable caps on the inclusion of provisions in Tier 2 capital			
76	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to standardised approach (prior to application of cap)	-		
77	Cap on inclusion of provisions in Tier 2 capital under standardised approach	-		
78	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to internal ratings based approach (prior to application of cap)	-		
79	Cap for inclusion of provisions in Tier 2 capital 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 capital 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 capital due to cap (excess over cap after redemptions and maturities)	-		
84	Current cap on Tier 2 instruments subject to phase-out arrangements	-		
85	Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)	-		

Template CC2 - Reconciliation of regulatory capital to balance sheet

		a	b	c
		Balance sheet as in published financial statements	**Under regulatory scope of consolidation**	**Reference**
		As at period-end	**As at period-end**	
Assets				
1	Cash and balances at central banks	5,402,901	5,402,901	
2	Items in the course of collection from other banks	-	-	
3	Trading portfolio assets	-	-	
4	Financial assets designated at fair value	-	-	
5	Derivative financial instruments	833,376	833,376	
6	Loans and advances to banks	1,205,733	1,205,733	
7	Loans and advances to customers	90,644,157	90,644,157	
8	Reverse repurchase agreements and other similar secured lending	6,322,000	6,322,000	
9	Available for sale financial investments	34,783,123	34,783,123	
10	Current and deferred tax assets	-	-	
11	Prepayments, accrued income and other assets	1,209,196	1,209,196	
12	Investments in associates and joint ventures	960,266	960,266	
13	Goodwill and intangible assets	554,262	554,262	
	Of which: goodwill	18,295	18,295	
	Of which: other intangibles (excluding MSR) b	535,967	535,967	
	Of which: MSR	-	-	
14	Property, plant and equipment	1,443,055	1,443,055	
15	**Total assets**	**143,358,069**	**143,358,069**	
Liabilities				
16	Deposits from banks	10,351,610	10,351,610	
17	Items in the course of collection due to other banks	-	-	
18	Customer accounts	95,362,797	95,362,797	
19	Repurchase agreements and other similar secured borrowing	18,413,394	18,413,394	
20	Trading portfolio liabilities	-	-	
21	Financial liabilities designated at fair value	-	-	
22	Derivative financial instruments	40,309	40,309	
23	Debt securities in issue	-	-	
24	Accruals, deferred income and other liabilities	1,434,104	1,434,104	
25	Current and deferred tax liabilities	-	-	
	Of which: deferred tax liabilities (DTL) related to goodwill d	-	-	
	Of which: DTL related to intangible assets (excluding MSR) e	-	-	
	Of which: DTL related to MSR	-	-	
26	Subordinated liabilities	-	-	
27	Provisions	255,263	255,263	
28	Retirement benefit liabilities	-	-	
29	**Total liabilities**	**125,857,477**	**125,857,477**	
Shareholders' equity				
30	Paid-in share capital, including AT1	15,000,000	15,000,000	
	Of which: amount eligible for CET1 capital h	15,000,592	15,000,592	
	Of which: amount eligible for AT1 capital i	2,500,000	2,500,000	
31	Retained earnings	2,100,042	2,100,042	
32	Accumulated other comprehensive income, and other disclosed reserves	400,550	400,550	
33	**Total shareholders' equity**	**17,500,592**	**17,500,592**	

Template CR1: Credit quality of assets

SR 000's

		a	b	c	d	e	f	g
		Gross carrying values of		Allowances/ impairments	Of which ECL accounting		Of which ECL accounting provisions for credit losses on IRB exposures	Net values (a+b-c)
		Defaulted exposures	Nondefaulted exposures		Allocated in regulatory category of Specific	Allocated in regulatory category of General		
1	Loans	2,337,411	90,359,473	2,052,727	1,628,282	424,445	-	**90,644,157**
2	Debt Securities	-	31,644,491	11,488	-	11,488	-	**31,633,003**
3	Off-balance sheet exposures	182,839	16,452,907	255,263	129,905	125,358	-	**16,380,483**
4	**Total**	**2,520,250**	**138,456,871**	**2,319,478**	**1,758,187**	**561,291**	**-**	**138,657,643**

Table CR2: Changes in stock of defaulted loans and debt securities

		SR 000's
		a
1	**Defaulted loans and debt securities at end of the previous reporting period**	2,216,285
2	Loans and debt securities that have defaulted since the last reporting period	141,471
3	Returned to non-defaulted status	(53,338)
4	Amounts written off	2,343
5	Other changes	30,650
6	**Defaulted loans and debt securities at end of the reporting period (1+2-3-4+5)**	**2,337,411**

Table CR3: Credit risk mitigation techniques - overview

SR 000's

		a	b	c	d	e
		Exposures unsecured: carrying amount	Exposures to be secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Loans	41,123,141	49,521,016	42,389,794	683,845	-
2	Debt securities	31,633,003	-	-	-	-
3	**Total**	**72,756,143**	**49,521,016**	**42,389,794**	**683,845**	-
4	Of which defaulted	1,194,911	1,142,500	764,255	143,966	-

Template CR4: Standardised approach – credit risk exposure and credit risk mitigation (CRM) effects

SR 000's

		a	b	c	d	e	f
		Exposures before CCF and CRM		**Exposures post-CCF and post- 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	31,735,019	495	31,735,019	-	5,594,563	17.63%
2	Non-central government public sector entities	-	-	-	-	-	
3	Multilateral development banks	-	-	-	-	-	
4	Banks	10,288,116	1,535,069	10,288,074	983,622	3,861,950	34.26%
	Of which: securities firms and other financial institutions	-	-	-	-	-	
5	Covered bonds	-	-	-	-	-	
6	Corporates	84,280,481	17,331,106	55,691,991	13,276,954	66,090,333	95.83%
	Of which: securities firms and other financial institutions	1,915,188	-	1,331,314	-	457,143	
	Of which: specialised lending	-	-	-	-	-	
7	Subordinated debt, equity and other capital	566,032	-	566,032	-	735,841	130.00%
8	Retail MSMEs	7,243,269	15,072	5,874,851	8,867	4,412,788	75.00%
9	Real estate	3,322,978	-	3,322,978	-	1,092,060	32.86%
	Of which: general RR	3,289,740	-	3,289,740	-	1,058,822	
	Of which: IPRRE	-	-	-	-	-	
	Of which: general CRE	33,238	-	33,238	-	33,238	
	Of which: IPCR	-	-	-	-	-	
	Of which: land acquisition, development and construction	-	-	-	-	-	
10	Defaulted exposures	2,235,500	177,607	838,378	61,862	785,016	87.20%
11	Other assets	5,746,989	-	5,746,989	-	5,978,641	104.03%
12	**Total**	**145,418,384**	**19,059,349**	**114,064,311**	**14,331,305**	**88,551,193**	**68.97%**

Template CR5: Standardised approach - exposures by asset classes and risk weights

SR 000's

		0%	20%	25%	30%	40%	50%	75%	85%	100%	130%	150%	250%	Total credit exposure amount (post-CCF and post-CRM)
1	Sovereigns and their central banks	16,469,802	11,671,152	-	-	-	667,464	-	-	2,926,600	-	-	-	**31,735,019**
2	Non-central government public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	**-**
3	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	**-**
4	Banks	-	1,882,737	-	8,394,116	4,674	119,819	701	-	799,222	-	70,428	-	**11,271,695**
	Of which: securities firms and other financial institutions	-	-	-	-	-	-	-	-	-	-	-	-	**-**
5	Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	**-**
6	**Corporates**	-	189,494	-	-	-	**3,195,209**	283,521	**7,056,885**	**58,243,840**	-	-	-	**68,968,949**
	Of which: securities firms and other financial institutions	-	189,494	-	-	-	1,445,151	-	-	280,543	-	-	-	**1,915,188**
	Of which: specialised lending	-	-	-	-	-	-	-	-	-	-	-	-	**-**
7	Subordinated debt, equity and other capital	-	-	-	-	-	-	-	-	-	566,032	-	-	**566,032**
8	Retail	-	-	-	-	-	-	5,883,717	-	-	-	-	-	**5,883,717**
	MSMEs	-	-	-	-	-	-	-	-	-	-	-	-	**-**
9	**Real estate**	**-**	**434,840**	**321,487**	**1,270,569**	**1,211,102**	**51,742**	**-**	**-**	**33,238**	-	**-**	-	**3,322,978**
	Of which: general RRE	-	434,840	321,487	1,270,569	1,211,102	51,742	-	-	-	-	-	-	**3,289,740**
	Of which: no loan splitting applied	-	434,840	321,487	1,270,569	1,211,102	51,742	-	-	-	-	-	-	**3,289,740**
	Of which: loan splitting applied (Secured)	-	-	-	-	-	-	-	-	-	-	-	-	**-**
	Of which: loan splitting applied (Unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	**-**
	Of which: IPRRE	-	-	-	-	-	-	-	-	-	-	-	-	**-**
	Of which: general CRE	-	-	-	-	-	-	-	-	33,238	-	-	-	**33,238**
	Of which: no loan splitting applied	-	-	-	-	-	-	-	-	33,238	-	-	-	**33,238**
	Of which: loan splitting applied (Secured)	-	-	-	-	-	-	-	-	-	-	-	-	**-**
	Of which: loan splitting applied (Unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	**-**
	Of which: IPCRE	-	-	-	-	-	-	-	-	-	-	-	-	**-**
	Of which: land acquisition, development and construction	-	-	-	-	-	-	-	-	-	-	-	-	**-**
10	Defaulted exposures	-	-	-	-	-	243,188	-	-	644,312	-	12,740	-	**900,240**
11	Other assets	1,195,040	17,133	-	-	-	-	-	-	3,574,547	-	-	960,266	**5,746,986**
12	**Total**	**17,664,842**	**14,195,356**	**321,487**	**9,664,685**	**1,215,776**	**4,277,422**	**6,167,939**	**7,056,885**	**66,221,759**	**566,032**	**83,168**	**960,266**	**128,395,616**

Exposure amounts and CCFs applied to off-balance sheet exposures, categorised based on risk bucket of converted exposures

Only applicable columns, containing RWA % have been presented.

		a	b	c	d
	Risk Weight	**On-balance sheet exposure**	**Off-balance sheet exposure (pre-CCF)**	**Weighted average CCF**	**Exposure (post-CCF and post CRM)**
1	Less than 40%	41,726,392	119,978	0.0097	41,846,370
2	40-70%	6,466,944	114,872	0.0093	5,493,197
3	75%	7,527,491	15,072	0.0007	6,167,939
4	85%	6,814,586	2,563,237	0.1375	7,056,885
5	90-100%	81,288,925	16,216,304	0.9242	66,221,759
6	105-130%	566,032	0	-	566,032
7	150%	67,749	29,886	0.0024	83,168
8	250%	960,266	0	-	960,266
9	400%	0	0	-	0
10	1250%	0	0	-	0
11	**Total exposures**	**145,418,384**	**19,059,349**		**128,395,616**

** Weighting is based on off-balance sheet exposure (pre-CCF).*

Template ENC: Asset encumbrance

SR 000's

		a	b	c
		Encumbered Assets	Unencumbered Assets	Total
1	The assets on the balance sheet would be disaggregated; there can be as much disaggregation as desired	19,697,646	123,660,423	**143,358,069**

Template CCR1: Analysis of CCR exposures by approach

SR 000's

		a	b	c	d	e	f
		Replacement cost	Potential future exposure	Effective EPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR (for derivatives)	817,930	355,739		1.4	1,643,137	759,061
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	Value-at-risk (VaR) for SFTs					-	-
6	**Total**						**759,061**

Template CCR3: Standardised approach - CCR exposures by regulatory portfolio and risk weights

SR 000's

	a	c	d	f	h	i
	0%	**20%**	**50%**	**100%**	**Others**	**Total credit exposure**
Sovereigns	-	-	-	-	-	-
Non-central government public sector entities	-	-	-	-	-	-
Multilateral development banks	-	-	-	-	-	-
Banks	-	17,033	-	-	206,217	223,249
Securities firms	-	-	-	-	-	-
Corporates	-	-	-	678,915	-	678,915
Regulatory retail portfolios	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total	**-**	**17,033**	**-**	**678,915**	**206,217**	**902,165**

*** Only applicable RWA categories have been presented.*

Template CCR5: Composition of collateral for CCR exposure

SR 000's

	a	b	c	d	e	f
	Collateral used in derivative transactions				Collateral used in SFTs	
	Segregated	Unsegregated	Segregated	Unsegregated	Fair value of collateral received	Fair value of posted collateral
Cash - domestic currency	-	23,000	-	-	-	-
Cash - other currencies	-	26,449	-	283,328	-	-
Domestic sovereign debt	-	-	-	-	-	-
Other sovereign debt	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	**-**	**49,449**	**-**	**283,328**	**-**	**-**

Template CCR8: Exposures to central counterparties

SR 000's

		a	b
		EAD (post-CRM)	RWA
1	**Exposures to QCCPs (total)**		14,819
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	740,972	14,819
3	(i) OTC derivatives	740,972	14,819
4	(ii) Exchange-traded derivatives	-	-
5	(iii) Securities financing transactions	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	
8	Non-segregated initial margin	-	-
9	Pre-funded default fund contributions	-	-
10	Unfunded default fund contributions	-	-
11	**Exposures to non-QCCPs (total)**		-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC derivatives	-	-
14	(ii) Exchange-traded derivatives	-	-
15	(iii) Securities financing transactions	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
18	Non-segregated initial margin	-	-
19	Pre-funded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

Table MR1: Market risk under the standardised approach

SR 000's

		a
		Capital requirement in standardised approach
1	General interest rate risk	-
2	Equity risk	-
3	Commodity risk	-
4	Foreign exchange risk	111,751
5	Credit spread risk - non-securitisations	-
6	Credit spread risk - securitisations (non-correlation trading portfolio)	-
7	Credit spread risk - securitisation (correlation trading portfolio)	-
8	Default risk - non-securitisations	-
9	Default risk - securitisations (non-correlation trading portfolio)	-
10	Default risk - securitisations (correlation trading portfolio)	-
11	Residual risk add-on	-
12	**Total**	**111,751**

Template CVA4: RWA flow statements of CVA risk exposures under SA-CVA

		SR 000's a
1	**Total RWA for CVA at previous quarter-end**	513,407
2	**Total RWA for CVA at end of reporting period**	744,241

**** The Bank follows Alternative Approcah to assign capital under CVA.***

Template LR1- Summary comparison of accounting assets vs leverage ratio exposure measure

		SR 000's
		a
1	Total consolidated assets as per published financial statements	143,358,069
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 securitised exposures that meet the operational requirements for the recognition of risk transference	-
4	Adjustments for temporary exemption of central bank reserves (if applicable)	-
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
6	Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustments for eligible cash pooling transactions	-
8	Adjustments for derivative financial instruments	1,643,137
9	Adjustment for securities financing transactions (ie repurchase agreements and similar secured lending)	-
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of offbalance sheet exposures)	15,091,917
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	430,484
12	Other adjustments	(18,295)
13	**Leverage ratio exposure measure**	**160,505,312**

Template LR2- Leverage ratio common disclosure template

SR 000's

		a	b
		June 30, 2024	March 31, 2024
On Balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	145,416,451	136,835,747
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	-	-
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	-	-
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(Specific and general provisions associated with on-balance sheet exposures that are deducted from Basel III Tier 1 capital)	-1,627,898	-
6	(Asset amounts deducted in determining Basel III Tier 1 capital and regulatory adjustments)	-18,295	-18,295
7	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)**	**143,770,259**	**136,817,452**
Derivative exposures			
8	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	1,145,102	1,096,690
9	Add-on amounts for potential future exposure associated with all derivatives transactions	498,035	247,865
10	(Exempted central counterparty (CCP) leg of client-cleared trade exposures)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	**Total derivative exposures (sum of rows 8 to 12)**	**1,643,137**	**1,344,555**
Securities financing transaction exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sale accounting transactions	-	-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	-	-
17	Agent transaction exposures	-	-
18	**Total securities financing transaction exposures (sum of rows 14 to 17)**	**-**	**-**
Other off balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	19,059,349	18,777,602
20	(Adjustments for conversion to credit equivalent amounts)	-3,712,169	-2,100,183
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	-255,263	-250,019
22	**Off-balance sheet items (sum of rows 19 to 21)**	**15,091,917**	**16,427,401**
Capital and total exposures			
23	**Tier 1 capital**	**17,482,297**	**17,262,676**
24	**Total exposures (sum of rows 7, 13, 18 and 22)**	160,505,312	154,589,407
Leverage ratio			
25	**Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)**	**10.9%**	**11.2%**
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	**12.0%**	**11.2%**
26	**National minimum leverage ratio requirement**	**3.0%**	**3.0%**
27	**Applicable leverage buffers**	**N/A**	**N/A**
Disclsoure of mean values			
28	Mean value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
30	Total exposures (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	-	-
30a	Total exposures (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	-	-
31	Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	-	-
31a	Basel III leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	-	-

Template LIQ1: Liquidity Coverage Ratio (LCR)

SR 000's

		a	b
		Total unweighted value (average)	**Total weighted value (average)**
High quality liquid assets			
1	Total HQLA		17,099,323
Cash outflows			
2	**Retail deposits and deposits from small business customers, of which:**	**20,579,369**	**1,789,711**
3	Stable deposits	20,579,369	1,789,711
4	Less stable deposits	-	-
5	**Unsecured wholesale funding, of which:**	**40,415,100**	**14,807,095**
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-
7	Non-operational deposits (all counterparties)	**32,773,857**	**14,318,740**
8	Unsecured debt	**7,641,242**	**488,355**
9	**Secured wholesale funding**	**3,354,362**	**748,945**
10	**Additional requirements, of which:**	**14,907,745**	**1,490,775**
11	Outflows related to derivative exposures and other collateral requirements	**-**	**-**
12	Outflows related to loss of funding on debt products	**-**	**-**
13	Credit and liquidity facilities	**14,907,745**	**1,490,775**
14	**Other contractual funding obligations**	**-**	**-**
15	**Other contingent funding obligation**	**-**	**-**
16	**TOTAL CASH OUTFLOWS**		**18,836,527**
Cash inflows			
17	Secured lending (eg reverse repos)	-	-
18	Inflows from fully performing exposures	12,713,700	8,001,060
19	Other cash inflows	1,043,568	1,043,568
20	**TOTAL CASH INFLOWS**		**9,044,628**
			Total adjusted value
21	Total HQLA		17,099,323
22	Total net cash outflows		9,791,899
23	**Liquidity Coverage Ratio (%)**		**174.63%**

LIQ1 – Liquidity Coverage Ratio (LCR)

Introduction

The Liquidity Coverage Ratio (LCR) is a minimum standard set by Basel III, to promote short-term resilience of a bank's liquidity risk profile by ensuring that it has sufficient High Quality Liquid Assets (HQLA) to overcome total expected cash outflows minus total expected cash inflows as per SAMA / Basel specified stress scenarios for the subsequent 30 calendar days.

The LCR report for SAIB is prepared in accordance with the public/ market disclosure requirements and guidelines with respect to the Liquidity Coverage Ratio Disclosure Standards as published by the Saudi Arabian Monetary Authority (SAMA) in August 2014. The purpose of this document is to disclose both qualitative and quantitative information regarding The Saudi Investment Bank's (SAIB or the Bank) liquidity position, LCR results and internal liquidity risk measurement and management processes.

Governance Framework and Liquidity Management

The Bank's Board of Directors has the overall responsibility for liquidity risk management by ensuring that the Bank's risk exposures are maintained at or above the minimum levels. To this end, it has established an appropriate liquidity risk management framework for the management of the Bank's funding and liquidity management requirements. Further, the Bank maintains a Contingency Funding Plan (CFP) which identifies a diversified set of readily available and deployable potential Contingency Funding (CF) resources under crisis situations.

Senior Management monitors the information on the Bank's liquidity needs and market developments on a daily basis, and the Asset Liability Committee ALCO reviews the results on a monthly basis. The management of the Bank's liquidity management is further delegated to the Treasury group to ensure the Bank's liquidity positions are maintained according to the policy and laid down limits. The Bank seeks to hold sufficient unencumbered high quality liquid assets to ensure compliance with the minimum LCR requirements and has set internal triggers to provide timely escalation to ensure mitigating actions are taken.

Qualitative Disclosures for LCR as of June 30, 2024

The 90 days' average LCR (as provided on the next page) has decreased from 179.93 % as of March 31, 2024 to 174.63 % as of June 30, 2024.

The total net cash outflows increased from SAR 8.4 billion to SAR 9.79 billion from previous quarter, and the net inflows decreased from SAR 9.3 billion to SAR 9.04 billion. While the HQLAs increased, from SAR 15.14 billion to SAR 17.01 billion which led to a net decrease in LCR by 530 bps and hence the final LCR was maintained well above regulatory minimum requirement of 100%.

Template LIQ2: Net Stable Funding Ratio (NSFR)

SR 000's

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	<6 months	6 months to < 1 year	≥ 1 year	
Available stable funding (ASF) item						
1	**Capital:**	19,266,184	-	-	5,871,768	25,137,952
2	*Regulatory capital*	18,040,069	-	-	-	18,040,069
3	*Other capital instruments*	1,226,115	-	-	5,871,768	7,097,883
4	**Retail deposits and deposits from small business customers, of which:**	-	26,772,129	29,136,679	-	40,419,345
5	*Stable deposits*	-	-	-	-	-
6	*Less stable deposits*	-	26,772,129	29,136,679	-	40,419,345
7	**Wholesale funding:**	-	28,205,658	15,149,574	-	21,677,616
8	*Operational deposits*	-	-	-	-	-
9	*Other wholesale funding*	-	28,205,658	15,149,574	-	21,677,616
10	**Liabilities with matching interdependent assets**	-	-	-	-	-
11	**Other liabilities**	1,629,671	16,763,935	556,039	-60,964	-
12	*NSFR derivative liabilities*		-	-	-	
13	*All other liabilities and equity not included in the above categories*	1,629,671	16,763,935	556,039	-60,964	-
14	**Total ASF**					**87,234,913**
Required stable funding (RSF) item						
15	**Total NSFR high-quality liquid assets (HQLA)**					**924,627**
16	Deposits held at other financial institutions for operational purposes	-	7,326,980	-	4,154,171	-
17	**Performing loans and securities:**	**7,220,452**	**33,982,107**	**25,353,318**	**40,761,680**	**69,421,746**
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*	-	1,892,585	1,342,142	-	954,959
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:*	6,677,812	32,004,921	23,927,373	23,855,264	53,919,262
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:*	-	84,601	83,803	1,841,869	1,281,417
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*	542,640	-	-	15,064,547	13,266,109
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	Other assets:	**4,283,347**	**-771,572**	**81**	**2,375,234**	**5,887,090**
27	*Physical traded commodities, including gold*	-				-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of central counterparties*		-	-	-	-
29	*NSFR derivative assets*		-	-	923,736	923,736
30	*NSFR derivative liabilities before deduction of variation margin posted*		-	-	-118,776	-118,776
31	*All other assets not included in the above categories*	4,283,347	-771,572	81	1,570,275	5,082,131
32	***Off-balance sheet items***		**-**	**-**	**-**	**1,074,237**
33	***Total RSF***					**77,307,700**
34	***Net Stable Funding Ratio (%)***					**112.84%**