



## **Basel III Pillar III**

### **Qualitative & Quantitative Disclosures**

**December 31, 2024**

## Template KM1: Key metrics (at consolidated group level)

		SR 000's				
		December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023
		T	T-1	T-2	T-3	T-4
<b>Available capital (amounts)</b>						
1	Common Equity Tier 1 (CET1)	15,397,819	15,317,126	14,982,297	14,547,676	14,775,943
1a	Fully loaded ECL accounting model	15,397,819	15,317,126	14,982,297	14,547,676	14,501,758
2	Tier 1	20,710,319	17,817,126	17,482,297	17,262,676	17,490,943
2a	Fully loaded ECL accounting model Tier 1	20,710,319	17,817,126	17,482,297	17,262,676	17,216,758
3	Total capital	21,378,986	18,415,869	18,040,069	17,814,815	18,096,510
3a	Fully loaded ECL accounting model total capital	21,378,986	18,415,869	18,040,069	17,814,815	17,822,325
<b>Risk-weighted assets (amounts)</b>						
4	Total risk-weighted assets (RWA)	108,484,653	102,312,677	95,865,460	92,876,165	90,212,222
4a	Total risk-weighted assets (pre-floor)	108,484,653	102,312,677	95,865,460	92,876,165	90,212,222
<b>Risk-based capital ratios as a percentage of RWA</b>						
5	CET1 ratio (%)	14.19%	14.97%	15.63%	15.66%	16.38%
5a	Fully loaded ECL accounting model CET1 (%)	14.19%	14.97%	15.63%	15.66%	16.08%
5b	CET1 ratio (%) (pre-floor ratio)	14.19%	14.97%	15.63%	15.66%	16.08%
6	Tier 1 ratio (%)	19.09%	17.41%	18.24%	18.59%	19.39%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	19.09%	17.41%	18.24%	18.59%	19.08%
6b	Tier 1 ratio (%) (pre-floor ratio)	19.09%	17.41%	18.24%	18.59%	19.08%
7	Total capital ratio (%)	19.71%	18.00%	18.82%	19.18%	20.06%
7a	Fully loaded ECL accounting model total capital ratio (%)	19.71%	18.00%	18.82%	19.18%	19.76%
7b	Total capital ratio (%) (pre-floor ratio)	19.71%	18.00%	18.82%	19.18%	19.76%
<b>Additional CET1 buffer requirements as a percentage of RWA</b>						
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 (%)	11.69%	12.47%	13.13%	13.16%	13.88%
<b>Basel III leverage ratio</b>						
13	<b>Total Basel III leverage ratio exposure measure</b>	<b>182,071,778</b>	<b>173,115,587</b>	<b>160,505,312</b>	<b>154,589,407</b>	<b>146,917,960</b>
14	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	11.37%	10.29%	10.89%	11.17%	11.91%
14a	Fully loaded ECL accounting model Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) (%)	11.37%	10.29%	10.89%	11.17%	11.72%
14b	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	11.37%	10.29%	10.89%	11.17%	11.91%
14c	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	11.37%	10.29%	10.89%	11.17%	11.91%
14d	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	11.37%	10.29%	10.89%	11.17%	11.91%
<b>Liquidity Coverage Ratio (LCR)</b>						
15	Total high-quality liquid assets (HQLA)	17,970,713	16,473,078	17,099,323	15,148,623	15,476,058
16	Total net cash outflow	10,913,368	9,802,566	9,791,899	8,419,057	7,902,202
17	LCR ratio (%)	164.67%	168.05%	174.63%	179.93%	195.84%
<b>Net Stable Funding Ratio (NSFR)</b>						
18	Total available stable funding	96,419,645	92,036,034	87,234,913	84,072,530	81,561,812
19	Total required stable funding	88,706,033	83,320,138	77,307,700	75,471,214	72,146,162
20	NSFR ratio	108.70%	110.46%	112.84%	111.40%	113.05%

**B.1 - Table OVA: Bank risk management approach**

(a) Business model determination and risk profile: The name of the top corporate entity in the Group to which this disclosure applies is The Saudi Investment Bank (hereinafter called "the Bank" or "SAIB").

The Bank has the following three 100% owned subsidiaries:

- Alistithmar for Financial Securities and Brokerage Company, a limited liability company;
- Saudi Investment Real Estate Company, a limited liability company. The primary objective of the Company is to hold title deeds as collateral on behalf of the Bank for real estate related lending transactions; and
- Saudi Markets Limited Company, a limited liability company. The objective of the Company is to conduct derivatives and repurchase activities on behalf of the Bank.

The Bank has investments in the following three associates (where the Bank's investment is above 20% but not exceeding 50%):

- American Express (Saudi Arabia) (Amex)-(ASAL). ASAL is a limited liability company with Amex (Middle East), Bahrain. The principal activities of ASAL include the issuance of credit cards and to offer other American Express products in Saudi Arabia. The Bank holds a 50% interest in ASAL.
- YANAL is a Saudi Arabian closed joint stock company in Saudi Arabia. The principal activities of YANAL include lease-financing services in Saudi Arabia. The Bank holds a 38% interest in Yanal.
- Amlak International for Finance and Real Estate Development Co. (Amlak). Amlak is a Saudi Arabian joint stock company in Saudi Arabia and the Bank holds a 22.4% interest. The principal activities of Amlak include real estate finance products and services in KSA.

The Bank is subject to all laws and regulations of Saudi Arabia and is regulated by SAMA. The Bank also follows relevant regulations pertaining to the financial services industry issued by the Ministry of Commerce and Investment and the Capital Market Authority (CMA).

(b) The risk governance structure:

At the top level, the Board of Directors (The Board) is responsible for establishing the Bank's Corporate Governance processes and for approving the Bank's Risk Appetite and related risk management framework. It is also responsible for approving and implementing policies to ensure compliance with SAMA guidelines, International Reporting Standards (IFRS), and industry best practice including Basel guidelines. The Board has approved the Bank's Risk Management Guide Policy as an overarching Guide under which the Bank has a suite of policies such as the Risk Appetite Framework (RAF), Credit Policy Guide (CPG), Treasury Policy Guide (TPG), Stress Test Policy (STP), ICAAP Policy, Operational Risk and Fraud Risk and other related policies.

The Board is supported by the Board Risk Committee (BRC), a sub-committee of the Board, responsible for recommending policies for Board approval and for monitoring risks within the Bank.

At the management level, the Bank has various committees including the Enterprise Risk Management Committee (ERMC), Credit Committee (CC) and Asset Liability Committee (ALCO) which are responsible for various areas of risk management. Other committees include the ECL Committee (to determine and review provisioning levels), the Operational Risk Management Committee (ORMC), Financial Fraud Control Committee, Business Continuity Management Committee and the Information Security Steering Committee.

At the departmental level, the Bank has a Risk Management Group headed by the Chief Risk Officer (CRO). At units level the Heads of Risk Analytics & Monitoring, Market Risk, Credit Risk Review, Operational Risk, Retail Risk, Credit Administration, Legal Affairs, and Credit Litigation support the Department. The Business Continuity Management Department is supervised by the Head of Market Risk, and the Fraud Prevention & Detection Department works in tandem with Cybersecurity.

In addition to the above, the Bank's internal audit function reports to the Board's Audit Committee and provides an independent validation of the business and support unit's compliance with risk policies and procedures and the adequacy and effectiveness of the Bank's risk management function.

(c) Channels to communicate, decline and enforce the risk culture: The Bank's Risk Culture encompasses the accepted norms of behavior for individuals and groups within the Bank that determine the collective ability to identify and understand, openly discuss, and act on the Bank's current and future risks. The Bank's RAF underlines the importance of the Bank's risk culture, which is grounded in shared values and common understanding, clear communication, and controls how each employee's activities contribute to the Bank's risk profile. The Bank's risk culture affects its risk taking behavior and is an important element of the RAF and Risk Appetite Statement (RAS) by ensuring the Bank's risk taking behavior is translated into measurable metrics. The Bank's RAF specifically includes zero tolerance relating to regulatory non-compliance risk, willful acts of violation of local laws, frauds/money laundering, and other actions which can adversely impact the reputation and business of the Bank.

(d) The scope and main features of risk measurement systems: The Bank uses various industry-standard IT systems to manage and measure its credit, market, operational, liquidity and other related risks. It also uses an industry standard tool for credit assessment and rating. In addition, it has several Bank specific models for measurement of various risks.

The Credit exposure for the Bank is measured and monitored using a centralized exposure management system. The analysis of the composition of the portfolio is presented to the Management and the Board Risk Committee on a periodic basis. The system is capable to provide extensive risk information related to composition of portfolio, concentrations of credit, and quality of credit portfolio.

(e) Process of risk information reporting provided to the Board and senior management: The Bank generates MIS and other regulatory reports covering various types of risks on a daily, weekly, fortnightly, monthly, quarterly, six-monthly and annual frequencies as required under various policies and procedures. The relevant reports are reviewed by senior management and by relevant management level Committees which are further reviewed and approved by the BRC and the Board, according to the Bank's well defined policies.

(f) Qualitative information on stress testing: The Bank has a comprehensive stress testing framework which follows effective stress testing practices and methodologies to make stress testing an integral part of the Bank's risk management function, as well as to meet SAMA regulatory requirements.

The Bank's Stress Testing activities are monitored through the ERM and comprehensive Board approved Bank-wide STP has been implemented. In addition, in accordance with the STP a cross-functional Stress Testing Team (STT) has been established to conduct detailed stress testing with the results submitted to the ERM for its review and feedback.

The Bank's Stress Testing framework specifies the frequency and schedule of stress tests and reporting of the stress test results in accordance with SAMA's requirements. Semi-annual stress tests reports are submitted to SAMA after review and approval by the Board. Top-down and bottom-up risk analyses and various stress tests are also performed to measure the impact of extreme, yet plausible events which enables holistic assessment of vulnerabilities of the Bank's strategy. At the request of SAMA, specific ad-hoc stress tests are also performed in order to measure capital adequacy under severe economic downturn scenarios.

(g) The strategies and processes to manage, hedge and mitigate risks: Various risk policies of the Bank lay down a detailed structure for managing, hedging and mitigating various types of risk such as credit risk, market risk, operational risk, Interest rate risk in banking book, counterparty credit risk, liquidity risk etc. The control over such activities is exercised from the Level of Board to the various committees at the management level.

## Template OV1: Overview of RWA

		SR 000's			Drivers behind significant differences in T and T-1
		a	b	c	
		RWA		Minimum capital requirements	
		T	T-1	T	
1	<b>Credit risk (excluding counterparty credit risk)</b>	101,899,826	94,648,045	8,151,986	
2	Of which: standardised approach (SA)	101,899,826	94,648,045	8,151,986	
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	<b>Counterparty credit risk (CCR)</b>	794,256	986,114	63,540	
7	Of which: standardised approach for counterparty credit risk	794,256	986,114	63,540	
8	Of which: IMM				
9	Of which: other CCR				
10	<b>Credit valuation adjustment (CVA)</b>	778,394	983,220	62,272	
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	<b>Market risk</b>	598,099	1,281,221	47,848	
21	Of which: standardised approach (SA)	598,099	1,281,221	47,848	
22	Of which: internal model approach (IMA)				
23	Capital charge for switch between trading book and banking book	-	-	-	
24	<b>Operational risk</b>	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	<b>Total (1 + 6 + 10 + 11 + 12 + 13 + 14 + 15 + 16 + 20 + 23 + 24 + 25 + 28)</b>	108,484,653	102,312,677	8,678,772	

**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	0
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	

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

		c
		Quantitative / qualitative information
1	Issuer	Issuer: SAIB Tier 1 Sukuk Limited / Obligor: The 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)	ISIN: XS2917911401
3	Governing law(s) of the instrument	English Law
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)	N/A
4	Transitional Basel III rules	Additional Tier 1 Capital
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)	USD 750,000
9	Par value of instrument	USD 1,000
10	Accounting classification	Equity
11	Original date of issuance	November 27, 2024
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	November 27, 2029
16	Subsequent call dates, if applicable	Following the first call date, any profit distribution date thereafter.
	Coupons / dividends	0
17	Fixed or floating dividend/coupon	Fixed until the First reset date and floating thereafter
18	Coupon rate and any related index	6.375% per annum fixed rate payable semi-annually from (and including) the issue date to (but excluding) the first reset date; reset every five years thereafter to Relevant Reset Rate + 2.087% per annum
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 and conditions 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 Sukuk
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	The financial instrument is junior to senior creditors and Tier II capital instruments.
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	



## Template CCI - 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
<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	12,500,000	C
2	Retained earnings	2,077,366	D + G
3	Accumulated other comprehensive income (and other reserves)	838,748	E
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	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	<b>15,416,114</b>	-
<b>Common Equity Tier 1 capital: regulatory adjustments</b>			
7	Prudent valuation adjustments	-	-
8	Goodwill (net of related tax liability)	-18,295	B
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	<b>Total regulatory adjustments to Common Equity Tier 1 capital</b>	<b>-18,295</b>	-
29	<b>Common Equity Tier 1 capital (CET1)</b>	<b>15,397,819</b>	-
<b>Additional Tier 1 capital: instruments</b>			
30	Directly issued qualifying additional Tier 1 instruments plus related stock surplus	5,312,500	I
31	Of which: classified as equity under applicable accounting standards	5,312,500	-
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	<b>Additional Tier 1 capital before regulatory adjustments</b>	<b>5,312,500</b>	-
<b>Additional Tier 1 capital: regulatory adjustments</b>			
37	Investments in own additional Tier 1 instruments	-	-
38	Reciprocal cross-holdings in additional Tier 1 instruments	-	-
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, 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	<b>Total regulatory adjustments to additional Tier 1 capital</b>	<b>-</b>	-
44	<b>Additional Tier 1 capital (AT1)</b>	<b>5,312,500</b>	-
45	<b>Tier 1 capital (T1 = CET1 + AT1)</b>	<b>20,710,319</b>	-

<b>Tier 2 capital: instruments and provisions</b>			
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	668,667	-
51	<b>Tier 2 capital before regulatory adjustments</b>	<b>668,667</b>	-
<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	<b>Total regulatory adjustments to Tier 2 capital</b>	<b>-</b>	<b>-</b>
58	<b>Tier 2 capital</b>	<b>668,667</b>	<b>-</b>
59	<b>Total regulatory capital (= Tier 1 + Tier2)</b>	<b>21,378,986</b>	<b>-</b>
60	<b>Total risk-weighted assets-Pillar 1</b>	<b>108,484,653</b>	<b>-</b>
<b>Capital adequacy ratios and buffers</b>			
61	<b>Common Equity Tier 1 capital (as a percentage of risk-weighted assets)</b>	<b>14.19</b>	
62	<b>Tier 1 capital (as a percentage of risk-weighted assets)</b>	<b>19.09</b>	
63	<b>Total capital (as a percentage of risk-weighted assets)</b>	<b>19.71</b>	
64	<b>Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of riskweighted assets)</b>	<b>0.03</b>	
65	Of which: capital conservation buffer requirement	0.03	-
66	Of which: bank-specific countercyclical buffer requirement	-	-
67	Of which: higher loss absorbency requirement	-	-
68	<b>Common Equity Tier 1 capital (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements</b>	<b>-</b>	<b>-</b>
<b>National minima (if different from Basel III)</b>			
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)	-	-
<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	MSR (net of related tax liability)	-	-
75	DTA arising from temporary differences (net of related tax liability)	-	-
<b>Applicable caps on the inclusion of provisions in Tier 2 capital</b>			
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	-	-
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)</b>			
80	Current cap on CET1 instruments subject to phase-out arrangements	-	-
81	Amount excluded from CET1 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
		Balance sheet as in published financial statements	Under regulatory scope of consolidation
		As at period-end	As at period-end
<b>Assets</b>			
1	Cash and balances at central banks	5,674,878	5,674,878
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	526,498	526,498
6	Loans and advances to banks	1,314,000	1,314,000
7	Loans and advances to customers	99,466,490	99,466,490
8	Reverse repurchase agreements and other similar secured lending	4,244,000	4,244,000
9	Available for sale financial investments	40,431,316	40,431,316
10	Current and deferred tax assets	-	-
11	Prepayments, accrued income and other assets	2,259,057	2,259,057
12	Investments in associates and joint ventures	1,022,418	1,022,418
13	Goodwill and intangible assets	630,573	630,573
	Of which: goodwill	18,295	18,295
	Of which: other intangibles (excluding MSR) b	612,278	612,278
	Of which: MSR	-	-
14	Property, plant and equipment	1,097,458	1,097,458
15	<b>Total assets</b>	<b>156,666,688</b>	<b>156,666,688</b>
<b>Liabilities</b>			
16	Deposits from banks	15,167,894	15,167,894
17	Items in the course of collection due to other banks	-	-
18	Customer accounts	94,013,131	94,013,131
19	Repurchase agreements and other similar secured borrowing	24,733,104	24,733,104
20	Trading portfolio liabilities	-	-
21	Financial liabilities designated at fair value	-	-
22	Derivative financial instruments	58,757	58,757
23	Debt securities in issue	-	-
24	Accruals, deferred income and other liabilities	1,717,164	1,717,164
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	248,024	248,024
28	Retirement benefit liabilities	-	-
29	<b>Total liabilities</b>	<b>135,938,074</b>	<b>135,938,074</b>
<b>Shareholders' equity</b>			
30	Paid-in share capital, including AT1	19,584,021	19,584,021
	Of which: amount eligible for CET1 capital h	14,271,521	14,271,521
	Of which: amount eligible for AT1 capital i	5,312,500	5,312,500
31	Retained earnings	2,112,345	2,112,345
32	Accumulated other comprehensive income, and other disclosed reserves	(967,752)	(967,752)
33	<b>Total shareholders' equity</b>	<b>20,728,614</b>	<b>20,728,614</b>

**B.5 - Table LIA: Explanations of differences between accounting and regulatory exposure amounts**

(a)	<p><b>Explanation of significant differences between the amounts in columns (a) and (b) in LI1.</b></p> <p>NA</p>
(b)	<p><b>Explanation of the origins of differences between carrying values and amounts considered for regulatory purposes shown in LI2.</b></p> <p>Differences is due to consideration of provision amount.</p>
(c)	<p><b>• Valuation methodologies, including an explanation of how far mark-to-market and mark-to-model methodologies are used.</b></p> <p>The Bank uses the following hierarchy in determining and disclosing the fair value of its financial instruments:</p> <p>Level 1. Quoted prices in active markets for the same or identical instrument that an entity can access at the measurement date (i.e., without modification or proxy).</p> <p>Level 2. Quoted prices in active markets for similar assets and liabilities or other valuation techniques for which all significant inputs are based on observable market data.</p> <p>Level 3: Valuation techniques for which any significant input is not based on observable market data.</p> <p>The valuation process is governed by separate policies and procedures approved by relevant Board and management committees.</p> <p><b>• Description of the independent price verification process.</b></p> <p>The Bank performs independent price verification for its investment portfolio using third party based price quotes and is performed by independent team under CRO.</p> <p><b>• Procedures for valuation adjustments or reserves (including a description of the process and the methodology for valuing trading positions by type of instrument).</b></p> <p>The Bank has no positions on its trading book as of <a href="#">December 31, 2024</a>.</p>

**B.3 - Template LI1: Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories**

SAR (000)	a	b	c	d	e	f	g
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items:				
			Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
<b>Assets</b>							
Cash and balances at central banks	5,674,878	5,674,878	5,674,878	-	-	-	-
Items in the course of collection from other banks	-	-	-	-	-	-	-
Trading portfolio assets	-	-	-	-	-	-	-
Financial assets designated at fair value	-	-	-	-	-	-	-
Derivative financial instruments	526,498	526,498	-	526,498	-	-	-
Loans and advances to banks	1,314,000	1,314,000	1,314,000	-	-	-	-
Loans and advances to customers	99,466,490	99,466,490	99,466,490	-	-	-	-
Reverse repurchase agreements and other similar secured lending	4,244,000	4,244,000	4,244,000	-	-	-	-
Available for sale financial investments	40,431,316	40,431,316	40,431,316	-	-	-	-
Current and deferred tax assets	-	-	-	-	-	-	-
Prepayments, accrued income and other assets	2,259,057	2,259,057	2,259,057	-	-	-	-
Investments in associates and joint ventures	1,022,418	1,022,418	1,022,418	-	-	-	-
Goodwill and intangible assets	630,573	630,573	630,573	-	-	-	-
Of which: goodwill	18,295	18,295	18,295	-	-	-	-
Of which: other intangibles (excluding MSR) b	612,278	612,278	612,278	-	-	-	-
Of which: MSR	-	-	-	-	-	-	-
Property, plant and equipment	1,097,458	1,097,458	1,097,458	-	-	-	-
<b>Total assets</b>	<b>156,666,688</b>	<b>156,666,688</b>	<b>156,140,190</b>	<b>526,498</b>	-	-	-
<b>Liabilities</b>							
Deposits from banks	15,167,894	15,167,894	-	-	-	-	15,167,894
Items in the course of collection due to other banks	-	-	-	-	-	-	-
Customer accounts	94,013,131	94,013,131	-	-	-	-	94,013,131
Repurchase agreements and other similar secured borrowings	24,733,104	24,733,104	-	-	-	-	24,733,104
Trading portfolio liabilities	-	-	-	-	-	-	-
Financial liabilities designated at fair value	-	-	-	-	-	-	-
Derivative financial instruments	58,757	58,757	-	58,757	-	-	-
Debt securities in issue	-	-	-	-	-	-	-
Accruals, deferred income and other liabilities	1,717,164	1,717,164	-	-	-	-	1,717,164
Current and deferred tax liabilities	-	-	-	-	-	-	-
Of which: deferred tax liabilities (DTL) related to goodwill	-	-	-	-	-	-	-
Of which: DTL related to intangible assets (excluding MSR)	-	-	-	-	-	-	-
Of which: DTL related to MSR	-	-	-	-	-	-	-
Subordinated liabilities	-	-	-	-	-	-	-
Provisions	248,024	248,024	-	-	-	-	248,024
Retirement benefit liabilities	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>135,938,074</b>	<b>135,938,074</b>	-	<b>58,757</b>	-	-	<b>135,879,317</b>

**B.4 - Template LI2: Main sources of differences between regulatory exposure amounts and carrying values in financial statements**

SAR (000)		a	b	c	d	e
		Total	Items subject to:			
			Credit risk framework	Securitisation framework	Counterparty credit risk framework	Market risk framework
1	Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	156,666,688	156,140,190	-	526,498	-
2	Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	58,757	-	-	58,757	-
3	Total net amount under regulatory scope of consolidation	156,607,931	156,140,190	-	467,741	-
4	Off-balance sheet amounts	59,957,458	59,957,458	-	-	-
5	Differences in valuations	-	-	-	-	-
6	Differences due to different netting rules, other than those already included in row 2	-	-	-	-	-
7	Differences due to consideration of provisions	-	-	-	-	-
8	Differences due to prudential filters	-	-	-	-	-
9	Market Risk of FX Exposure	-	-	-	-	-
11	<b>Exposure amounts considered for regulatory purposes</b>	<b>216,565,388</b>	<b>216,097,647</b>	<b>-</b>	<b>467,741</b>	<b>-</b>

## 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	26,370,827	130,295,861	156,666,688

## REMA - Remuneration Policy

The Board of Directors of the Bank has established a Nomination and Remuneration Committee (the Committee) which consists of four board members. The Committee is primarily responsible for recommending appointments to membership of the Board of Directors and key executives of the Bank in compliance with the Bank's Corporate Governance Guidelines, completing annual reviews for the requirements of suitable skills and independence for membership of the Bank's Board of Directors, reviewing the structure of the Board of Directors, establishing policies for the compensation of members of the Board of Director's, and overseeing the Bank's employee compensation system's design.

The Committee is also responsible to recommend to the Board of Directors the approval of the Bank's Compensation Policy and any amendments thereto, to ensure that the Bank's remuneration policies are in compliance with SAMA Rules on Compensation Practices and the Financial Stability Board's (FSB) Principles for Sound Compensation Practices, to periodically review the Bank's compensation policy, to evaluate practices by which compensation is paid, and to determine the performance bonuses for the Bank's employees based on the risk adjusted profit of the Bank.

The Bank's Compensation Policy is designed to attract, retain and motivate high performing and high potential employees. Employees participate in various variable pay arrangements. Discretionary variable pay as well as fixed pay reviews are dependent on the achievement of objectives, which is monitored/measured via a robust performance management system. The grant of the variable component of the reward is strictly dependent on the achievement of set targets, both financial and non-financial, level of achievements and the Bank's overall performance, including key risk indicators. Higher achievements will warrant a better performance rating and higher variable compensation. The Balanced Scorecard concept is used as a performance management tool and Performance objectives are typically categorized into four segments including financial, customer, process, and people.

Financial and non-financial metrics are used to measure performance against the objectives, which include profitability, expense control, customer satisfaction, quality assurance, employee development and engagement, workforce diversity, sustainable business practices, lending guidelines, internal controls, compliance with regulations, and business systems and processes. Effective risk management is emphasized to maintain a strong and secure operating platform. A Risk Appetite Framework Policy has been established and compliance with the annual Risk Appetite Statement is key to all remuneration decisions including variable pay arrangements.

In addition to the above, the Bank's employees are encouraged to participate in employee share savings and incentive schemes. Variable remuneration is linked to long-term value creation and risk horizons. It is also based on individual, business segment and Bank performance criteria. Accordingly, for certain variable remunerations, a portion of the incentive earned for the annual performance bonus program is deferred in line with long term risk realization. The vesting is subject to clawback mechanisms over a three year period.

The Bank's subsidiaries have adopted a similar approach to remuneration and compensation practices as described above, including policies within a framework of prudent risk management.



## Remuneration awarded during the year

SR 000's

Renuneration Amount			a	b
			Senior management, as defined in SAMA circular No.42081293 date 21/11/1442AH	Other material risktakers
1	Fixed Remuneration	Number of employees	14	83
2		Total fixed remuneration (rows 3 + 5 + 7)	42,723	55,113
3		<i>Of which: cash-based</i>	42,723	55,113
4		Of which: deferred	-	-
5		<i>Of which: shares or other share-linked instruments</i>	-	-
6		Of which: deferred	-	-
7		<i>Of which: other forms</i>	-	-
8		Of which: deferred	-	-
9	Variable Remuneration	Number of employees	14	83
10		Total fixed remuneration (rows 11 + 13 + 15)	31,631	21,964
11		<i>Of which: cash-based</i>	23,188	21,126
12		Of which: deferred	2,882	1,047
13		<i>Of which: shares or other share-linked instruments</i>	8,443	838
14		Of which: deferred	-	-
15		<i>Of which: other forms</i>	-	-
16		Of which: deferred	-	-
17	Total remuneration (2 + 10)		74,354	77,077

Special Payments

SAR'000

Special Payments		Guaranteed bonuses		Sign-on awards		Severence payments	
		Number of employees	Total amount	Number of employees	Total amount	Number of employees	Total amount
1	Senior Management	NA	NA	NA	NA	NA	NA
2	Other material risk-takers	NA	NA	NA	NA	NA	NA

Deferred Remuneration		SR 000's				
		a	b	c	d	e
Deferred and retained remuneration		Total amount of outstanding deferred remuneration	Of which: total amount of outstanding deferred and retained remuneration exposed to ex post explicit and/or implicit adjustment	Total amount of amendment during the year due to ex post explicit adjustments	Total amount of amendment during the year due to ex post implicit adjustments	Total amount of deferred remuneration paid out in the financial year
1	Senior Management	-	-	-	-	-
2	Cash	3,750	-	-	-	2,882
3	Shares	-	-	-	-	-
4	Cash linked instruments	20,427	-	-	-	8,443
5	Other	-	-	-	-	-
6	Other material risk-takers	-	-	-	-	-
7	Cash	1,740	-	-	-	1,047
8	Shares	-	-	-	-	-
9	Cash linked instruments	2,027	-	-	-	838
10	Other	-	-	-	-	-
11	Total	27,944	-	-	-	13,210

**B.6 - Table CRA: General qualitative information about credit risk**

(a)	<p><b>How the business model translates into the components of the Bank's credit risk profile:</b> The Bank manages exposures to credit risk, which is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit exposures arise principally when booking loans and advances, and investment activities. There is also credit risk embedded in off-balance sheet accounts, such as loan commitments.</p>
(b)	<p><b>Criteria and approach used for defining credit risk management policy and for setting credit risk limits:</b> The approach to credit risk management is based on a foundation, which preserves the independence and integrity of credit risk assessment. The Bank has a comprehensive framework of managing credit risk which includes an independent credit risk review function and credit risk monitoring process. Management and reporting processes are therefore combined with clear policies, limits, and approval structures which guide the day-to-day initiation and management of the Bank's credit risk exposure. This approach includes credit limits that are established for all customers after a careful assessment of their creditworthiness.</p> <p>Standing procedures, outlined in the Bank's CPG approved by the Board, require that all credit proposals must be approved by either the Credit Committee or the Board's Executive Committee, based primarily on the level of the exposure. Whenever necessary, credit facilities are secured by acceptable forms of collateral to mitigate the related credit risks. The Bank seeks additional collateral from counterparties as soon as impairment indicators are noticed for relevant individual loans or advances. The Bank also monitors the market value of collateral, requests additional collateral in accordance with underlying agreements, and monitors the market value of collateral obtained during its review of the adequacy of the allowance for impairment losses.</p> <p>The Board defines the Bank's credit risk management strategy and approves significant credit risk policies to ensure alignment of the Bank's exposure with its overall risk policies. The Bank controls credit risk by monitoring credit exposures, limiting transactions with specific counterparties, and by continually assessing the creditworthiness of counterparties. The Bank also uses external ratings of the major rating agencies, where available.</p> <p>The Bank's credit risk management policies are also designed to identify and set appropriate risk limits and to monitor the risks and adherence to those limits. Actual exposures against limits are routinely monitored.</p> <p>The Bank's credit risk for derivatives represents the potential cost to replace the derivative contracts if counterparties fail to fulfill their obligation, and to control the level of credit risk taken. The Bank assesses counterparties using the same techniques as for its lending activities.</p> <p>Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Loan Portfolio Concentration risk is well managed and monitored under the Bank's RAF. Loan Portfolio Concentration risk is managed and monitored under the Bank's Risk Appetite Framework.</p> <p>Concentrations of credit risk indicate the relative sensitivity of the Bank's performance to developments affecting a particular industry or business or geographical location. Hence, the Bank seeks to manage its credit risk exposure through diversification of lending activities to ensure that there is no undue concentration of risks with individuals or groups of customers in specific locations, businesses or industries. The Bank regularly reviews its credit risk management policies and processes to reflect changes in market products and emerging best practices.</p> <p>The Bank ensures that its credit exposures are always in conformity with SAMA Rules on Large exposures. Credit facilities are granted based on detailed credit risk assessments which consider the purpose of the facility and source of repayment, prevailing and potential macro-economic factors, industry trends, and the customer's positioning within its industry peer-group.</p> <p>In compliance with SAMA regulations, lending to individual board members and related parties is fully secured and monitored by the Credit Committee. Such transactions are made on substantially the same terms, including special commission rates as those prevailing at the time for comparable transactions with unrelated parties.</p> <p>(b 1) All new proposals and/or material changes to existing credit facilities are reviewed and approved by the Credit Committee and / or by the Executive Committee within the provisions of the CPG approved by the Board.</p> <p>The credit facility administration process is undertaken by a segregated function to ensure proper execution of all credit approvals and maintenance of documentation, and proactive control over maturities, expiry of limits, collateral valuation, and legal covenants.</p>
(c)	<p><b>Structure and organization of the credit risk management and control function :</b> The Bank's Executive Committee (a committee of the Board of Directors) and the Credit Committee at the management level implement the Board's credit risk strategy by identifying, assessing, monitoring, and controlling credit risk. It is supported by various departments such as Credit Risk Review, Corporate Credit Risk Management, Retail Credit Risk Management, Credit Administration and Collections. The Executive Committee meets regularly to review loan portfolio quality and standards and to approve credits above predetermined levels.</p>
(d)	<p><b>Relationships between the credit risk management, risk control, compliance and internal audit functions :</b> The BRC reviews compliance with various risk measures including compliance related to relevant regulatory guidelines.</p> <p>The Bank's Audit Committee appointed by the Board reviews the audit reports submitted by the Bank's Internal Auditor throughout the year.</p> <p>Departments within the Risk Management Group are audited by the Internal Audit Department and the reports are submitted to the Audit Committee.</p>
(e)	<p><b>Scope and main content of the reporting on credit risk exposure and on the credit risk management function to the executive management and to the board of directors:</b> The Bank's exposures are continuously monitored through a system of triggers and early-warning signals aimed at detecting adverse symptoms that could result in deterioration of credit risk quality. The triggers and early-warning systems are supplemented by facility utilization and collateral valuation monitoring together with a review of upcoming credit facility expiration and market intelligence to enable timely corrective action by management. The results of the monitoring process are reflected in the Bank's internal rating process.</p> <p>Credit risk is monitored on an ongoing basis with formal monthly and quarterly reporting to the ECL Committee, Credit Committee, senior management, and the Board to ensure awareness of shifts in credit quality and portfolio performance along with changing external factors such as economic and business cycles.</p> <p>Consumer credit risk reporting also includes a daily dashboard for consumer and small business lending, classification, and delinquency monitoring.</p> <p>Specialized and focused Remedial Management Unit and Special Credit Unit teams handle the management and collection of problem credit facilities and take any legal action if required.</p>

**B.9 - Table CRB: Additional disclosure related to the credit quality of assets**

(a)	<p><b>The scope and definitions of “past due” and “impaired” exposures used for accounting purposes and the differences, if any, between the definition of past due and default for accounting and regulatory purposes.</b></p> <p>Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower.</p> <p>A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.</p> <p>Evidence that a financial asset is credit-impaired includes the following observable data:</p> <ul style="list-style-type: none"> <li>• Significant financial difficulty of the borrower or issuer;</li> <li>• A breach of contract such as a default or past due event;</li> <li>• The restructuring of a loan or advance by the Group on terms that the Bank would not consider otherwise;</li> <li>• It is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or</li> <li>• The disappearance of an active market for a security because of financial difficulties.</li> </ul> <p>A loan that has been renegotiated due to deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a loan that is overdue for 90 days or more is considered impaired.</p>
(b)	<p><b>The extent of past-due exposures (more than 90 days) that are not considered to be impaired and the reasons for this.</b></p> <p>The 90 days past due rule is strictly applied unless the Bank has strong documentary and legal evidence to support a different classification.</p>
(c)	<p><b>Description of methods used for determining impairments.</b></p> <ol style="list-style-type: none"> <li>1. The exposure is past due for more than <b>90 days</b> on any credit obligations to the Bank; or</li> <li>2. The Bank considers that the obligor is unlikely to honor its credit obligation to the Bank, without recourse by the Bank to actions such as legal intervention or realizing any associated collateral.</li> </ol>
(a)	<p><b>The Bank's own definition of a restructured exposures:</b></p> <p>The process under which the “terms” of an existing loan are being revised (restructured) in order to provide a concession to the obligor which is financially distressed and without such concessionary terms, the loan would become “unserviceable”. The loan becomes restructured only through a process of renegotiation or refinancing.</p> <p>Typical characteristics of a restructured loan includes among other things the following:</p> <ol style="list-style-type: none"> <li>1. Converting a short term debt into a long term debt.</li> <li>2. Converting the repayment from bullet to periodic instalments or structured instalments.</li> <li>3. Aggregating multiple loans into a single new loan with extended repayment terms.</li> <li>4. Providing an additional grace period.</li> </ol>
<b>Quantitative disclosures</b>	
(b)	<p><b>Breakdown of exposures by geographical areas, industry and residual maturity;</b></p> <p>Please refer quantitative disclosures.</p>
(c)	<p><b>Amounts of impaired exposures (according to the definition used by the Bank for accounting purposes) and related allowances and write-offs, broken down by geographical areas and industry:</b></p> <p>Please refer quantitative disclosures.</p>
(d)	<p><b>Ageing analysis of accounting past-due exposures;</b></p> <p>Please refer quantitative disclosures.</p>
(e)	<p><b>Breakdown of restructured exposures between impaired and not impaired exposures.</b></p> <p>Please refer quantitative disclosures.</p>

**B 9.1: CREDIT RISK: GENERAL DISCLOSURES**

Geographic Breakdown of On-Balance Sheet, Off Balance Sheet, and Derivatives Exposures							
Portfolios	Geographic area						
	Saudi Arabia	Other GCC & Middle East	Europe	North America	South East Asia	Others Countries	Total
<i>Sovereigns and central banks:</i>							
SAMA and Saudi Government	26,093,766	-	-	-	-	-	26,093,766
Others	-	7,655,020	-	-	-	-	7,655,020
Multilateral Development Banks (MDBs)	-	-	-	-	-	-	-
Public Sector Entities (PSEs)	-	-	-	-	-	-	-
Banks and securities firms	1,659,723	2,843,529	4,912,322	3,590,564	379,896	656,192	14,042,225
Corporates	75,137,979	3,198,395	452,336	386,041	-	220,250	79,395,000
Regulatory Retail Claims on Individuals	7,464,044	-	-	-	-	-	7,464,044
Small Business Facilities Enterprises (SBFE's)	-	-	-	-	-	-	-
<i>Mortgages:</i>							
Residential	3,527,461	-	-	-	-	-	3,527,461
Commercial	213	-	-	-	-	-	213
Securitized assets	-	-	-	-	-	-	-
Equity	585,267	-	-	-	-	-	585,267
Others	5,658,945	-	-	-	-	-	5,658,945
Past Due	970,261	7	-	-	-	-	970,268
<b>Total</b>	<b>121,097,658</b>	<b>13,696,951</b>	<b>5,364,658</b>	<b>3,976,605</b>	<b>379,896</b>	<b>876,442</b>	<b>145,392,209</b>

B9.2: CREDIT RISK: GENERAL DISCLOSURES													
Industry Sector Breakdown of On-Balance Sheet, Off Balance Sheet, and Derivatives Exposures													
Portfolios	Industry Sectors												
	Government and quasi government	Banks and other financial institutions	Agriculture and fishing	Manufacturing	Mining and quarrying	Electricity, water, gas and health services	Building and construction	Commerce	Transportation and communication	Services	Consumer loans and credit cards	Others	Total
Sovereigns and central banks:													
SAMA and Saudi Government	27,323,361	-	-	-	-	-	-	-	-	-	-	-	27,323,361
Others	6,425,424	-	-	-	-	-	-	-	-	-	-	-	6,425,424
Multilateral Development Banks (MDBs)	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Sector Entities (PSEs)	-	-	-	-	-	-	-	-	-	-	-	-	-
Banks and securities firms	-	13,857,926	-	-	-	-	-	-	-	184,299	-	-	14,042,225
Corporates	10,460	8,821,133	196,877	5,592,940	1,110,231	18,761,876	14,247,483	14,438,792	2,203,890	7,165,478	-	6,845,842	79,395,000
Regulatory Retail Claims on Individuals	-	-	-	144	-	-	100	-	-	2,001	7,461,799	-	7,464,044
Small Business Facilities Enterprises (SBFE's)	-	-	-	-	-	-	-	-	-	-	-	-	-
Mortgages:													
Residential	-	-	-	-	-	-	-	-	-	-	3,527,461	-	3,527,461
Commercial	-	-	-	-	-	-	-	-	-	-	-	213	213
Securitized assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	-	-	-	-	-	585,267	585,267
Others	-	2,027,664	-	-	-	-	-	-	-	-	-	3,631,281	5,658,945
Past Due	-	-	-	13,408	-	-	491,065	296,005	13,391	47,153	88,357	20,889	970,268
Total	33,759,245	24,706,723	196,877	5,606,492	1,110,231	18,761,876	14,738,648	14,734,797	2,217,281	7,398,931	11,077,617	11,083,491	145,392,209

B9.3: CREDIT RISK: GENERAL DISCLOSURES										
Residual Contractual Maturity Breakdown of On-Balance Sheet, Off Balance Sheet, and Derivatives Exposures										
Portfolios	Maturity breakdown									
	Less than 8 days	8-30 days	31-90 days	91-180 days	181-360 days	1-3 years	3-5 years	Over 5 years	No Fixed Maturity	Total
<i>Sovereigns and central banks:</i>										
SAMA and Saudi Government	4,269,800	-	397,130	930,368	964,822	3,516,802	4,851,373	13,967,292	4,851,197	33,748,785
Others	-	-	-	-	-	-	-	-	-	-
Multilateral Development Banks (MDBs)	-	-	-	-	-	-	-	-	-	-
Public Sector Entities (PSEs)	-	-	-	-	-	-	-	-	-	-
Banks and securities firms	-	3,307	27,052	160,666	182,946	1,578,822	2,936,092	7,491,636	1,661,704	14,042,225
Corporates	7,713,111	1,230,480	5,004,850	4,828,371	6,137,537	7,966,339	12,447,291	33,600,456	466,565	79,395,000
Regulatory Retail Claims on Individuals	1,187	42,631	4,602	9,966	51,047	1,619,831	4,885,101	406,307	443,374	7,464,044
Small Business Facilities Enterprises (SBFE's)	-	-	-	-	-	-	-	-	-	-
<i>Mortgages:</i>										
Residential	28	10	71	388	3,152	43,354	118,809	3,361,650	-	3,527,461
Commercial	-	-	-	-	-	-	-	213	-	213
Securitized assets	-	-	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	-	-	585,267	585,267
Past Due	967,907	-	-	-	2,361	-	-	-	-	970,268
Others	-	636,641	-	-	-	-	-	-	5,022,303	5,658,945
<b>Total</b>	<b>12,952,033</b>	<b>1,913,069</b>	<b>5,433,705</b>	<b>5,929,758</b>	<b>7,341,866</b>	<b>14,725,148</b>	<b>25,238,665</b>	<b>58,827,554</b>	<b>13,030,412</b>	<b>145,392,209</b>



**B9.4: CREDIT RISK: GENERAL DISCLOSURES**

Impaired Loans (Stage 3), Past Due Loans and Allowances										
Industry sector	NPLs included in Stage 3	Total Past Due	Aging of Past Due Loans (days)				Stage 3 allowances			Stage 1 & 2 allowances
			Less than 90 Days	90-179	180-359	360 and above	Charges / (transfers) during the period	Charge-offs during the period, net	Balance at the end of the period	
Government and quasi government	-	-	-	-	-	-	-	-	-	3,010
Banks and other financial institutions	-	-	-	-	-	-	-	-	-	39,662
Agriculture and fishing	-	79,988	2,393	-	-	79,988	(3)	-	7,818	457
Manufacturing	13,408	5,840	14,053	-	-	5,840	16,884	(128,735)	9,925	23,275
Mining and quarrying	-	-	-	-	-	-	-	-	-	1,252
Electricity, water, gas and health services	-	-	-	-	-	-	-	-	-	71,836
Building and Construction	491,065	466,674	6,942	2,182	169,987	294,505	121,952	(148,278)	284,214	57,756
Commerce	296,005	350,830	118,147	-	30,309	320,521	48,169	(123,891)	343,483	115,841
Transportation and communication	13,391	13,393	-	-	-	13,393	-	-	13,391	11,340
Services	47,153	42,473	1,251	3	37,263	5,207	17,467	(32,121)	19,489	30,624
Consumer loans and credit cards	88,357	90,150	363,630	35,136	27,930	27,084	447	478	52,145	90,965
Others / (General)	105,271	37,377	1,153,060	118	20,537	16,722	17,719	(115,224)	167,067	308,681
<b>Total</b>	<b>1,054,650</b>	<b>1,086,725</b>	<b>1,659,476</b>	<b>37,439</b>	<b>286,026</b>	<b>763,260</b>	<b>222,635</b>	<b>(547,771)</b>	<b>897,532</b>	<b>754,699</b>

**B9.5: CREDIT RISK: GENERAL DISCLOSURES**

Impaired Loans, Past Due Loans And Allowances								
Geographic area	NPLs included in Stage 3	Aging of Past Due Loans (days)					Stage 3 allowances	Stage 1 & 2 allowances
		Total Past Due	Less than 90 days	90-179	180-359	360 and above		
Saudi Arabia	1,054,650	1,086,725	1,659,476	37,439	286,026	763,260	897,532	754,699
Other GCC & Middle East	-	-	-	-	-	-	-	-
Europe	-	-	-	-	-	-	-	-
North America	-	-	-	-	-	-	-	-
South East Asia	-	-	-	-	-	-	-	-
Others countries	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,054,650</b>	<b>1,086,725</b>	<b>1,659,476</b>	<b>37,439</b>	<b>286,026</b>	<b>763,260</b>	<b>897,532</b>	<b>754,699</b>

**B9.6: CREDIT RISK: GENERAL DISCLOSURES**

**Reconciliation Of Changes In The Allowances For Loan Impairment**

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance, beginning of the year, adjusted for IFRS 9 adoption	359,462	342,150	1,222,668	1,924,280
Charge-offs taken against the allowances during the period	-	-	(547,771)	(547,771)
Changes in exposures and re- measurement	93,544	16,012	166,166	275,722
Other adjustments:	-	-	-	-
- exchange rate differences	-	-	-	-
- business combinations	-	-	-	-
- acquisitions and disposals of subsidiaries	-	-	-	-
- recoveries	-	-	-	-
Transfers between allowances	6,099	(62,568)	56,469	-
Post-model overlay adjustments	-	-	-	-
Balance, end of the year	459,105	295,594	897,532	1,652,231

**Breakdown of restructured exposures between impaired and non impaired exposures**

SAR '000

Restructured exposures	Impaired	Not impaired
1,857,101	1,249,981	607,120

## 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	1,945,521	99,173,200	1,652,231	1,137,941	514,290	-	99,466,490
2	Debt Securities	-	39,852,803	14,671	-	14,671	-	39,838,132
3	Off-balance sheet exposures	160,792	26,551,580	248,022	103,210	144,812	-	26,464,350
4	<b>Total</b>	<b>2,106,313</b>	<b>165,577,583</b>	<b>1,914,924</b>	<b>1,241,150</b>	<b>673,773</b>	<b>-</b>	<b>165,768,972</b>

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

		SR 000's
		<b>a</b>
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	276,374
3	Returned to non-defaulted status	(5,593)
4	Amounts written off	(547,771)
5	Other changes	6,226
6	Defaulted loans and debt securities at end of the reporting period (1+2-3-4+5)	1,945,521

**B.10 - Table CRC: Qualitative disclosure requirements related to credit risk mitigation techniques**

(a)	<p><b>Core features of policies and processes for, and an indication of the extent to which the Bank makes use of, on-and off-balance sheet netting:</b> Portfolio diversification is the cornerstone of the Bank's credit risk mitigation strategy, which is implemented through customer, industry, and geographical limit structures.</p> <p>To ensure diversification at the portfolio level, interrelated companies with the same management or ownership structure are classified and treated as one entity. The Bank limits its credit concentration to various types of counterparties as per the Large Exposure Guidelines issued by SAMA in 2015.</p> <p>Credit risk mitigants such as collateral and guarantees are effective mitigating factors within the Bank's portfolio and collateral quality is continuously monitored and assessed.</p> <p>The Bank uses a credit classification system as a tool to assist in managing the quality of credit risk within the lending portfolio. The Bank maintains ten classification grades that differentiate between performing, past due but not impaired and impaired portfolios, and calculates provisioning based on the IFRS-9 guidelines as per the appropriate Expected loss computation methodology according to the identified staging of the asset.</p> <p>The Credit Committee conducts quality classification exercises over all of its existing borrowers subject to the guidelines provided in the CPG.</p> <p>Consumer loan loss provisions are allocated on the basis of portfolio provisioning in compliance with SAMA regulatory requirements.</p> <p>The adequacy of provisions are regularly reviewed and adjusted according to a portfolio risk analysis undertaken on a monthly basis.</p> <p>The Bank uses external ratings (where available) from Fitch, S&amp;P and Moody's to supplement internal ratings during the process of determining credit limits. Unrated public issue instruments are risk-weighted at 100% for capital adequacy purposes.</p> <p>In respect of counter party financial institutions with derivatives exposures, the Bank signs standard ISDA Master Agreements including a Credit support Annex. The Bank also makes use of collateral exchanges on the changes relating to MTM valuations. Counterparty risk in the Bank is controlled using a combination of the Board approved risk appetite limits and risk control monitoring using an integrated system of limit management at both a product and counterparty level.</p> <p>For the measurement of exposure, (i.e. Exposure At Default-EAD), the Basel mandated methodology is used, where marked-to-market (MTM) (replacement cost in the case of derivatives and drawn amounts in the case of committed facilities), plus an add-on for potential future exposure (PFE) is used. The capital at risk or unexpected loss, i.e. the loss, which constitutes the economic capital is also calculated and monitored. The exposures are revalued daily at market close, PFE is adjusted and mitigation measures applied (collateral, netting, etc.) and limits compliance is monitored daily.</p> <p>For collateral management, derivatives transactions subject to collateral agreements are marked to market daily and the parameters agreed in the collateral agreement are applied and accordingly margin calls are managed.</p>
(b)	<p><b>Core features of policies and processes for collateral evaluation and management:</b> Collateral management is handled independently by the Credit Administration Department which is responsible for safe custody of the documents and securities offered as collateral.</p> <p>Based on SAMA guidelines and best practices, the Bank has laid down policies for valuation of collaterals such as shares, bonds and real estate. In respect of listed/quoted shares, the valuation is based on the daily end of day prices. In respect of real estate, an annual valuation is obtained based on the average valuation of at least two approved valuers.</p>
(c)	<p><b>Information about market or credit risk concentrations under the credit risk mitigation instruments used (i.e. by guarantor type, collateral and credit derivatives providers):</b> The Bank reviews and monitors collateral concentration by various types such as maximum permissible exposure to a company's shares pledged as collateral, maximum exposure of shares pledged for an individual company, number of shares of different companies any borrower can pledge based on the level of Bank's exposures to the borrower etc.</p>

**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	49,514,095	49,952,395	49,359,843	592,552	-
2	Debt securities	39,838,132	-	-	-	-
3	<b>Total</b>	<b>89,352,227</b>	<b>49,952,395</b>	<b>49,359,843</b>	<b>592,552</b>	<b>-</b>
4	Of which defaulted	994,636	950,885	806,327	144,558	-

**B.12 - Table CRD: Qualitative disclosures on the Banks' use of external credit ratings under the standardized approach for credit risk**

(a)	<p><b>Names of the external credit assessment institutions (ECAIs) and export credit agencies (ECAs) used by the bank, and the reasons for any changes over the reporting period:</b></p> <p>The Bank currently uses the Standardized Approach for the credit risk capital calculation charge under SAMA guidelines. The Bank uses the ratings issued by Standard &amp; Poor's (S&amp;P), Moody's, and Fitch, which are the External Credit Assessment Institutions (ECAIs) approved by SAMA for the Standardized Approach. The Bank has not yet implemented the internal ratings-based (IRB) Approach.</p>
(b)	<p><b>The asset classes for which each ECAI or ECA is used:</b></p> <p>The Bank does not use any specific agency exclusively for any particular type of exposure. The available ratings of any of the above three approved ECAIs on the obligors classified as Sovereign, Public Sector Entities, Multilateral Development Banks, Banks and Security Firms, and Corporates are used for risk weighting the exposures on them. The Bank's exposure to the obligors therefore reflects the correct issue rating from an acceptable ECAI long-term issuer rating.</p>
(c)	<p><b>A description of the process used to transfer the issuer to issue credit ratings onto comparable assets in the banking book (see paragraphs 99–101 of the Basel framework):</b></p> <p>Distinction between long-term and short-term claims is made only in respect of claims on banks. Generally, short-term ratings are deemed to be issue specific to be used only for the rated short-term facility. Short-term ratings are not used for any other short-term claims. If there are three or more assessments with different risk weights, the assessments corresponding to the two lowest risk weights are referred to and the higher of those risk weights is applied.</p>
(d)	<p><b>The alignment of the alphanumerical scale of each agency used with risk buckets (except where the relevant supervisor publishes a standard mapping with which the bank has to comply):</b></p> <p>In general, the Bank follows the guidelines issued by SAMA with respect to the use of ECAI ratings. The alignments of the ratings of each ECAI are made as per the standard mapping published by SAMA.</p>



**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	35,105,920	-	33,748,785	-	6,537,759	0.19
2	Non-central government public sector entities	-	-	-	-	-	-
3	Multilateral development banks	-	-	-	-	-	-
4	Banks	13,394,901	953,193	13,394,757	647,468	5,215,188	0.37
	Of which: securities firms and other financial institutions	-	-	-	-	-	-
5	Covered bonds	-	-	-	-	-	-
6	Corporates	89,460,380	57,199,583	57,999,196	21,395,804	75,097,859	0.95
	Of which: securities firms and other financial institutions	2,250,601	-	2,250,601	-	1,287,854	0.57
	Of which: specialised lending	-	-	-	-	-	-
7	Subordinated debt, equity and other capital	585,267	-	585,267	-	1,093,795	1.87
8	Retail MSMEs	8,654,828	1,644,298	7,292,104	171,940	5,598,033	0.75
9	Real estate	3,527,674	-	3,527,674	-	1,130,212	0.32
	Of which: general RR	3,527,461	-	3,527,461	-	1,129,999	0.32
	Of which: IPRRE	-	-	-	-	-	-
	Of which: general CRE	213	-	213	-	213	1.00
	Of which: IPCR	-	-	-	-	-	-
	Of which: land acquisition, development and construction	-	-	-	-	-	-
10	Defaulted exposures	1,940,715	160,383	910,678	59,590	823,055	0.85
11	Other assets	5,658,945	-	5,658,945	-	6,403,925	1.13
12	<b>Total</b>	<b>158,328,630</b>	<b>59,957,458</b>	<b>123,117,407</b>	<b>22,274,802</b>	<b>101,899,826</b>	<b>0.70</b>

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

		SR 000's															
		0%	20%	25%	30%	40%	45%	50%	75%	85%	100%	130%	150%	250%	400%	Other	Total credit exposure amount (post-CCF and post-CRM)
1	Sovereigns and their central banks	17,346,089	12,331,171	-	-	-	-	-	-	-	4,071,525	-	-	-	-	-	33,748,785
2	Non-central government public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Banks	-	1,090,645	-	9,805,068	3,523	-	2,437,472	1,449	-	443,592	-	260,477	-	-	-	14,042,225
	Of which: securities firms and other financial institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Corporates	-	202,562	-	-	-	-	5,004,541	1,076,176	9,091,844	64,019,876	-	-	-	-	-	79,395,000
	Of which: securities firms and other financial institutions	-	-	-	-	-	-	1,491,269	220,250	-	336,519	-	-	-	-	-	2,048,039
	Of which: specialised lending	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Subordinated debt, equity and other capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Retail	-	-	-	-	-	-	-	7,464,044	-	-	-	-	-	65,570	519,698	585,267
	MSMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,464,044
9	Real estate	-	489,336	371,439	1,350,558	1,239,590	-	76,537	-	-	213	-	-	-	-	-	3,527,674
	Of which: general RRE	-	489,336	371,439	1,350,558	1,239,590	-	76,537	-	-	-	-	-	-	-	-	3,527,461
	Of which: no loan splitting applied	-	489,336	371,439	1,350,558	1,239,590	-	76,537	-	-	-	-	-	-	-	-	3,527,461
	Of which: loan splitting applied (Secured)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Of which: loan splitting applied (Unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Of which: IPRE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Of which: general CRE	-	-	-	-	-	-	-	-	-	213	-	-	-	-	-	213
	Of which: no loan splitting applied	-	-	-	-	-	-	-	-	-	213	-	-	-	-	-	213
	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	-	-	-	-	-	-	303,367	-	-	657,961	-	8,940	-	-	-	970,268
11	Other assets	752,701	44,934	-	-	-	-	-	-	-	3,838,890	-	-	1,022,419	-	-	5,658,945
12	Total	18,098,791	14,158,649	371,439	11,155,626	1,243,113	-	7,821,918	8,541,670	9,091,844	73,032,056	-	269,417	1,022,419	65,570	519,698	145,392,209

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	cd
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%	43,520,348	264,156	43,784,505
2	40-70%	9,043,752	21,279	9,065,031
3	75%	8,369,729	171,940	8,541,670
4	85%	7,396,464	1,695,381	9,091,844
5	90-100%	52,931,234	20,100,822	73,032,056
6	105-130%	519,698	-	519,698
7	150%	248,193	21,224	269,417
8	250%	1,022,419	-	1,022,419
9	400%	65,570	-	65,570
10	1250%	-	-	-
11	Total exposures	123,117,407	22,274,802	145,392,209

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

**B.21 - Table CCRA: Qualitative disclosure related to counterparty credit risk**

(a)	<p><b>Risk management objectives and policies related to counterparty credit risk, including:</b></p> <p>The Bank manages and controls credit risk by monitoring credit exposures, limiting transactions with specific counterparties, and continually assessing the creditworthiness of counterparties. The Bank's risk management policies are designed to identify and to set appropriate risk limits and to monitor the risks and adherence to limits. Actual exposures against limits are routinely monitored. The Bank's credit risk for derivatives represents the potential cost to replace the derivative contracts if counterparties fail to fulfill their obligation. To control the level of credit risk taken, the Bank assesses counterparties using the same techniques as for its lending activities.</p>
(b)	<p><b>The method used to assign the operating limits defined in terms of internal capital for counterparty credit exposures and for CCP exposures:</b></p> <p>For the measurement of exposure, (i.e. Exposure At Default-EAD), the Basel mandated methodology is used, where marked-to-market (MTM) (replacement cost in the case of derivatives and drawn amounts in the case of committed facilities), plus an add-on for potential future exposure (PFE) is used. The capital at risk or unexpected loss, i.e. the loss, which constitutes the economic capital is also calculated and monitored. The exposures are revalued daily at market close, PFE is adjusted and mitigation measures applied (collateral, netting, etc.) and limits compliance is monitored daily. For collateral management, derivative transactions subject to collateral agreements are marked to market daily and the parameters agreed in the collateral agreement are applied and accordingly margin calls are managed.</p>
(c)	<p><b>Policies relating to guarantees and other risk mitigants and assessments concerning counterparty risk, including exposures towards CCPs:</b></p> <p>Refer to (a) above.</p>
(d)	<p><b>Policies with respect to wrong-way risk exposures:</b> The Bank has laid down criteria for certain wrong way exposures such as pledges of shares of the borrowing company not being treated as acceptable collateral.</p> <p>For derivative exposures, a Credit Support Annex (CSA) under the International Swap Dealers Association (ISDA) Master Agreement and exchange of margins on MTM basis with all the counterparties ensure minimal wrong way exposures.</p> <p>The Bank reviews the impact of credit rating changes in respect of its counterparties from time to time and takes suitable measures for any expected shortfall in collateral.</p>
(e)	<p><b>The impact in terms of the amount of collateral that the bank would be required to provide given a credit rating downgrade:</b></p> <p>The Bank has not entered in such contracts where rating downgrade will impact the collateral provisions.</p>

## 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)	532,922	192,008		1	1,014,903	778,394
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	<b>Total</b>						<b>778,394</b>

## 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	-	12,635	534	-	323,049	336,218
Securities firms	-	-	-	-	-	-
Corporates	-	-	-	678,685	-	678,685
Regulatory retail portfolios	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total</b>	-	<b>12,635</b>	<b>534</b>	<b>678,685</b>	<b>323,049</b>	<b>1,014,903</b>

\*\* 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	-	12,038	-	-	-	-
Cash - other currencies	-	298,087	-	307,005	-	-
Domestic sovereign debt	-	-	-	-	-	-
Other sovereign debt	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
<b>Total</b>	-	<b>310,125</b>	-	<b>307,005</b>	-	-

## Template CCR8: Exposures to central counterparties

		SR 000's	
		a	b
		EAD (post-CRM)	RWA
<b>1</b>	<b>Exposures to QCCPs (total)</b>		15,862
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	793,108	15,862
3	(i) OTC derivatives	793,108	15,862
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	-	-
<b>11</b>	<b>Exposures to non-QCCPs (total)</b>		-
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	-	-

**B.35 - Table MRA: Qualitative disclosure requirements related to market risk**

(a)	<b>Strategies and processes of the Bank:</b>  The Bank's primary objective is to serve its customers through permitted treasury instruments, with back-to-back hedging of resulting positions so as to reduce Market Risk to a minimum
(b)	<b>Structure and organization of the market risk management function:</b>  The Market Risk function is led by the Head and supported by senior and experienced staff. It sits within the Risk Management Department and is part of the CRO Organisation/span of control.
(c)	<b>Scope and nature of risk reporting and/or measurement systems:</b>  The scope of risk reporting includes all foreign exchange positions (TB as well as BB), Interest Rate and other such products in the Trading Book as per SAMA Guidelines



**Table MR1: Market risk under the standardised approach**

		SR 000's
		a
		Capital requirement in standardised approach
1	General interest rate risk	654
2	Equity risk	-
3	Commodity risk	-
4	Foreign exchange risk	47,193
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	<b>Total</b>	<b>47,848</b>

**General qualitative disclosure requirements related to CVA**

**Banks must describe their risk management objectives and policies for CVA risk as follows:**

a	An explanation and/or a description of the bank's processes implemented to identify, measure, monitor and control the bank's CVA risks, including policies for hedging CVA risk and the processes for monitoring the continuing effectiveness of hedges.	The Bank monitors its Derivative/SFT positions (unmargined/margined and cleared) on a daily basis to measure, monitor and control CCR and CVA risks. The Bank does not undertake any other Credit Risk hedging practices (such as using CDS).
b	Whether the bank is eligible and has chosen to set its capital requirement for CVA at 100% of the bank's capital requirement for counterparty credit risk as applicable under SMAR14.	Yes

**Qualitative disclosures for banks using the SA-CVA**

**Banks must provide the following information on their CVA risk management framework:**

a	A description of the bank's CVA risk management framework.	The Bank utilises the Alternative Approach permitted under the Basic Approach (BA-CVA), using the reduced form based on the relatively lower size of derivatives contracts below the SAMA Threshold.
b	A description of how senior management is involved in the CVA risk management framework.	Senior Management of the Bank provide oversight on the risk capital charge and RWA for CVA Risk
c	An overview of the governance of the CVA risk management framework (eg documentation, independent control unit, independent review, independence of the data acquisition from the lines of business).	There is an internal process within Risk Group and Finance Group for computation and reporting of the CVA Risk for independence and required internal control.

**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	983,220
2	Total RWA for CVA at end of reporting period	778,394

\* The Bank follows Alternative Approach to assign capital under CVA.

**B.41 - Operational risk (Qualitative Disclosures)**

(a)	<p>The Bank's Operational Risk Management Framework and Policy approved by the Board provides a structured approach to identify, assess, monitor, and control operational risks, through the following primary activities:</p> <ul style="list-style-type: none"> <li>• Facilitate RCSAs and validate completeness of key risks being covered and accuracy of assessment.</li> <li>• Maintaining operational risk loss event databases for analysis and reporting;</li> <li>• Establish, measure, monitor, and report on the established KRIs for each Business Unit, Support Area and overall bank level in accordance with their frequency.</li> <li>• Provide Operational Risk Management Framework related training to the First Line of Defense &amp; Senior Management of the Bank.</li> <li>• Periodically reviewing and updating Operational risk Policies &amp; Procedures and functionality of the ORM System to improve Operational Risk Management in the Bank;</li> <li>• Establish generally accepted Operational risk management practices, principles &amp; standards.</li> <li>• Conduct operational risk assessments on all outsourcing contracts including non-material outsourcing contracts.</li> <li>• Perform operational risk and control assessments of new products, activities, processes and systems, including the identification and evaluation of the required change through the decision-making and planning phases to the implementation and post-implementation review.</li> <li>• As of December 31, 2024, the Bank has adopted the Standardized Measurement Approach (SMA) for the calculation of Operational Risk Capital charge as per the SAMA/Basel regulation.</li> </ul>
(b)	<p>The Operational Risk Management Committee (ORMC) has the overall responsibility of supervising the implementation of the operational risk management framework across the Bank. The ORMC reports to the Enterprise Risk Management Committee (ERMC) which in turn reports to the Board Risk Committee (BRC).</p> <p>The Operational Risk Management Department (ORMD) functions as part of the Risk Management Group. The Bank has adopted a structured and proactive approach for the management of operational risks. ORMD is subject to regular audit by the Bank's Internal Audit Department.</p>
(c)	None
(d)	The Operational Risk Management Committee (ORMC) has the overall responsibility of supervising the implementation of the operational risk management framework across the Bank. The ORMC reports to the Enterprise Risk Management Committee (ERMC) which in turn reports to the Board Risk Committee (BRC).
(e)	Bank has in place multiple controls to mitigate risks across the organization including Policies, Procedures, Automated and Manual controls, Training and Awareness to employees etc.

SR 000's

Using 44,600 SAR threshold
<p> </p>

1	recoveries (no exclusions)	11,863	2,848	1,054	2,087	694	5,505	2,748	47,478	291	424	7,499
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Using 446,000 SAR threshold
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[illegible]

Details of operational risk capital calculation
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[illegible]

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**Template OR2: Business Indicator and subcomponents**

SR 000's

		a	b	c
	BI and its subcomponents	T	T-1	T-2
1	Interest, lease and dividend component	2,237,719		
1a	Interest and lease income	8,034,346	4,490,029	3,173,805
1b	Interest and lease expense	4,617,129	1,657,749	821,407
1c	Interest earning assets	113,280,538	97,843,585	87,237,727
1d	Dividend income	-	-	14
2	Services component	552,036		
2a	Fee and commission income	638,867	492,268	524,964
2b	Fee and commission expense	336,622	196,805	198,541
2c	Other operating income	3	7	-
2d	Other operating expense	-	-	-
3	Financial component	152,964		
3a	Net P&L on the trading book	-		
3b	Net P&L on the banking book	247,118	137,546	74,227
4	BI	2,942,719		
5	Business indicator component (BIC)	353,126		

**Disclosure on BI:**

		a
6a	BI gross of excluded divested activities	-
6b	Reduction in BI due to excluded divested activities	-

**Template OR3: Minimum required operational risk capital**

SR 000's

#	Particulars	a
1	Business indicator component (BIC)	353,126
2	Internal loss multiplier (ILM)	1
3	Minimum required operational risk capital (ORC)	353,126
4	Operational risk RWA	4,414,078

Table IRRBBA - IRRBB risk management objectives and policies	
(a)	<p>Interest Rate Risk in Banking Book (IRRB) refers to the current or prospective risk to SAIB's capital and earnings arising from adverse movements in interest rates that affect the bank's banking book positions. When interest rates change, the present value of future cash flows change. This in turn changes the underlying value of a bank's assets, liabilities and off-balance sheet items and hence its economic value. Changes in interest rates also affect a bank's earnings by altering income and expenses from interest rate-sensitive assets and liabilities, affecting the bank's net interest income (NII).</p> <p>SAIB is exposed to commission rate risk as a result of mismatches or gaps in the amounts of assets and liabilities and off-balance sheet instruments that mature or re-price in a given period. The Bank manages this risk by matching the re-pricing of assets and liabilities through commission rate risk management strategies. Bank, as prescribed by SAMA (and Basel), uses two methods of measuring the potential impact of IRRBB:</p> <p>1.Changes in economic value (EV, or EVE when measuring the change in the value relative to equity); and</p> <p>2.Changes in expected earnings (earnings-based measures).</p> <p>Economic Value of Equity (EVE)</p> <p>EV measures a change in the net present value of the balance sheet under an interest rate stress. The EV of a tradable instrument is its present value (PV). In the absence of embedded options, the PV of the instrument is determined from its contractual cash flows, which are discounted to reflect current market rates. Under this approach, the Bank's interest rate risk is indicated by comparing the weighted average duration of assets with the weighted average duration of liabilities to arrive at the duration of the GAP. As with the GAP analysis, the sign and magnitude of duration GAP provides the impact of interest rate changes on the EVE. The market value of equity is computed as the present value of asset (s) items cash flows, less the present value of liability (s) items cash flows, without including assumptions on the interest rate sensitivity of equity.</p> <p>Under EVE approach, IRRBB is measured by means of the following six interest rate scenarios, and the maximum loss across all interest rate shock scenarios is the EVE risk measure:</p> <p>1.parallel shock up;</p> <p>2.parallel shock down;</p> <p>3.steepener shock (short rates down and long rates up);</p> <p>4.flattener shock (short rates up and long rates down);</p> <p>5.short rates shock up; and</p> <p>6.short rates shock down</p> <p>The interest rate scenario shocks are as per the SAMA/Basel guidelines.</p> <p>Net Interest Income (NII)</p> <p>Earnings-based measures look at the expected increase or reduction in the NII over one year time horizon resulting from interest rate movements that are composed of either a gradual or a one-time large interest rate shock. The change in NII is the difference in the expected NII between a base scenario and an alternative, more stressful scenario. The base case scenario reflects the Bank's current corporate plan in projecting the volume, pricing and re-pricing dates of future business transactions. The interest rate scenario shocks are as per the SAMA/Basel guidelines.</p> <p>The measurement of IRRBB is based on outcomes of both economic value and earning/based measures, on quarterly basis, with reference date of the end of the calendar month, reported to the regulator and internal management each quarter. The Bank monitors and manages the IRRBB, as part of the Bank's risk appetite framework (RAF), which are monitored and reported to the Board and the Bank's senior management on quarterly basis. SAIB conducts IRRBB Stress Testing, on a semi-annual basis, as per the Bank's overall Stress Testing framework and is reported to the Board and the Bank's senior management semi-annually.</p>

**IRRBBA risk management objectives and policies**

Average repricing maturity assigned to non-maturity deposits (NMDs).	4.46 years
Longest repricing maturity assigned to NMDs.	10 Years

**Quantitative information on IRRBB**

SR 000's

In reporting currency	ΔEVE		ΔNII	
Period	31-Dec-24	30-Sep-24	31-Dec-24	30-Sep-24
Parallel up	(1,399,852)	(365,234)	569,782	521,091
Parallel down	405,497	123,560	(532,801)	(521,091)
Steepener	(472,369)	36,194		
Flattener	132,068	259,770		
Short rate up	(574,350)	140,915		
Short rate down	603,181	(144,164)		
<b>Maximum</b>	(1,399,852)	(365,234)		
<b>Period</b>	<b>T</b>		<b>T-1</b>	
<b>Tier 1 capital</b>	<b>20,710,319</b>		<b>17,817,126</b>	

## 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	156,666,688
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	1,808,011
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)	23,093,538
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-
12	Other adjustments	503,542
13	<b>Leverage ratio exposure measure</b>	<b>182,071,778</b>



Template LR2- Leverage ratio common disclosure template

		SR 000's	
		a	b
		December 31, 2023	September 30, 2023
<b>On Balance sheet exposures</b>			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	158,328,630	153,374,517
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)	(1,140,105)	(1,650,529)
6	(Asset amounts deducted in determining Basel III Tier 1 capital and regulatory adjustments)	(18,295)	(18,295)
7	<b>Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)</b>	<b>157,170,230</b>	<b>151,705,693</b>
<b>Derivative exposures</b>			
8	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	746,091	957,651
9	Add-on amounts for potential future exposure associated with all derivatives transactions	1,061,919	362,424
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	<b>Total derivative exposures (sum of rows 8 to 12)</b>	<b>1,808,011</b>	<b>1,320,074</b>
<b>Securities financing transaction exposures</b>			
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	<b>Total securities financing transaction exposures (sum of rows 14 to 17)</b>	<b>-</b>	<b>-</b>
<b>Other off balance sheet exposures</b>			
19	Off-balance sheet exposure at gross notional amount	59,957,458	54,575,169
20	(Adjustments for conversion to credit equivalent amounts)	(36,615,896)	(34,225,482)
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	(248,024)	(259,867)
22	<b>Off-balance sheet items (sum of rows 19 to 21)</b>	<b>23,093,538</b>	<b>20,089,820</b>
<b>Capital and total exposures</b>			
23	<b>Tier 1 capital</b>	<b>20,710,319</b>	<b>17,817,126</b>
24	<b>Total exposures (sum of rows 7, 13, 18 and 22)</b>	<b>182,071,778</b>	<b>173,115,587</b>
<b>Leverage ratio</b>			
25	<b>Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)</b>	<b>11.37%</b>	<b>10.29%</b>
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	11.28%	10.29%
26	<b>National minimum leverage ratio requirement</b>	<b>3.00%</b>	<b>3.00%</b>
27	<b>Applicable leverage buffers</b>	<b>N/A</b>	<b>N/A</b>
<b>Disclosure of mean values</b>			
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)	-	-

**Table LIQA: ( a ) General Qualitative Disclosures on Liquidity Risk Management**

(a)	<p>SAIB has a robust Liquidity Risk Management and Governance Framework approved by the Board of Directors (The Board) , comprises of the Board Committee oversights, a Board approved Risk Appetite Statement, Liquidity Risk Policy and a comprehensive control framework. Asset Liability Committee (ALCO) has the overall responsibility for the Bank's 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, SAIB maintains contingency Funding Plan (CFP) which identifies a diversified set of readily available and deployable potential CF resources under crisis situations.</p> <p>Internal Liquidity Adequacy Assessment Plan (ILAAP) is prepared annually to assess the liquidity risk management framework and the liquidity risk appetite of the Bank to ensure that they are adequate and in proportion to the Bank's business model, internal risk appetite, size, complexity, riskiness, and market expectations. Senior Management (through the Asset Liability Committee- ALCO) monitors the information on the Bank's liquidity needs and market developments 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. SAIB seeks to hold unencumbered high quality liquid assets to ensure compliance with minimum LCR requirements and has set internal triggers to provide timely escalation to ensure mitigating actions are taken.</p>
(b)	<p>SAIB has access to diversified funding sources by customer type, funding maturity tenors and product class that underpin the plan required to fund the Bank's proposed asset activities and the expected liability maturities. The strategic liquidity planning process, which incorporates the development of funding supply and demand across product types, together with the Bank's targeted key liquidity and funding metrics, provides the key input parameters to build the Bank's funding strategy. In addition to the Bank's accounting capital including Tier 1 Sukuk, the primary sources of funds include (but not limited to):</p> <ul style="list-style-type: none"> <li>❑ Customer deposits – including demand deposits and other commission bearing deposits</li> <li>❑ Structured Deposits</li> <li>❑ Interbank takings (due to banks);</li> <li>❑ Repurchase agreements;</li> <li>❑ Funding Swaps; for cross currency liquidity requirements</li> <li>❑ Term loan facilities; and</li> <li>❑ Subordinated debt</li> </ul>
(c)	<p>SAIB gives utmost importance to maintain sufficient liquidity at all times, with considerable holdings of High Quality Liquid Assets (HQLA) apart from daily monitoring of liquidity. In addition to the various funding sources described under Funding Strategy, SAIB has SAMA's Open Market Operations and Banking System Liquidity Support as additional available channels</p>
(d)	<p>The stress test results reinforce that the liquidity buffer is sufficient to meet the institution specific and market specific stress tests considered for liquidity adequacy</p>
(e)	<p>The Contingency Funding Plan ("CFP") is a key tool used by the Bank for assessing its ability to meet any unforeseen circumstances and undergoes a "fit for purpose" review by the Senior Management in its annual testing of CFP. The Stress Testing Scenarios are a key assessment in the design of the Bank's liquidity risk appetite and BOD's analysis of the strength of the Bank's liquidity risk management capabilities. The purpose of the CFP is to establish a set of processes that will ensure the Bank manages its liquidity properly in a stress or crisis situation by ensuring the availability and reliability of funding sources in a timely and adequate manner. The Liquidity Crisis Management Team ("LCMT"), headed by the CEO, oversees the execution of the CFP exercise and reviews the outcome presented by the Treasurer to the ERM and the Board Risk Committee. This bi-annual exercise conveys the importance placed by the Bank on the CFP process</p>
(f)	<p>The Bank has developed a Liquidity Gap Report to assess the liquidity/cashflow position. The resulting Liquidity Gap Analysis and its ongoing management is an important internal measure to ensure sound funding liquidity risk management in the Bank</p>
(g)	<p>The bank has concentration limits for top 20 and top 10 depositors. The bank also monitors some product level limits, for example Interbank liability limit to Tier 1 capital etc. Real Estate and shares are part of collateral pool at the bank which are frequently monitored and its value is estimated periodically including impact of adverse scenario as part of the Bank's Stress Testing exercise.</p>
(h)	<p>SAIB measures its liquidity positions by monitoring liquidity gaps for various buckets as well as through Basel III liquidity ratios, SAMA's statutory liquidity ratio, and keeping in view its intraday positions. The table above demonstrates the cash inflows and outflows as are bucketed based on the contractual maturities. This is an ALCO approved methodology to determine liquidity gaps and is managed by ALCO. Both Treasury and Risk Groups jointly monitor it very closely. Key measures are monthly reported to ALCO. SAIB also monitors concentration in accepted collaterals to ensure its quality and eliminate undue risk. Funding needs of the Group subsidiaries are determined and managed at the subsidiary level. To ensure that SAIB supports the liquidity position of its subsidiaries and extend resources in times of stress, it sets limits on lines of funding available to subsidiaries based on the TPG guidelines and annual budgets, additional funding requirements, and liquidity needs. These limits are reviewed on an annual basis as part of the budgeting process and per Risk Appetite Framework guidelines.</p>
(i)	<p>Please refer quantitative disclosures</p>

## 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 December 31, 2024

The 90 days' average LCR (as provided on the next page) has decreased from 168.05 % as of September 30, 2024 to 164.67% as of December 31, 2024

The total net cash outflows increased from SAR 19.8 billion to SAR 20.2 billion from previous quarter, and the net inflows decreased from SAR 10 billion to SAR 9.3 billion. While the HQLAs increased, from SAR 16.5 billion to SAR 18 billion which led to a net decrease in LCR by 338 bps still the final LCR was maintained well above regulatory minimum requirement of 100%.

## Template LIQ1: Liquidity Coverage Ratio (LCR)

		SR 000's	
		a	b
		Total unweighted value (average)	Total weighted value (average)
<b>High quality liquid assets</b>			
1	Total HQLA		17,970,713
<b>Cash outflows</b>			
2	<b>Retail deposits and deposits from small business customers, of which:</b>	21,439,326	1,868,556
3	Stable deposits	-	-
4	Less stable deposits	21,439,326	1,868,556
5	<b>Unsecured wholesale funding, of which:</b>	43,987,542	16,305,965
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-
7	Non-operational deposits (all counterparties)	43,987,542	16,305,965
8	Unsecured debt	-	-
9	<b>Secured wholesale funding</b>	3,588,451	289,627
10	<b>Additional requirements, of which:</b>	17,308,769	1,730,877
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	17,308,769	1,730,877
14	<b>Other contractual funding obligations</b>	-	-
15	<b>Other contingent funding obligation</b>	-	-
16	<b>TOTAL CASH OUTFLOWS</b>	-	20,195,024
<b>Cash inflows</b>			
17	Secured lending (eg reverse repos)	-	-
18	Inflows from fully performing exposures	11,949,716	7,945,885
19	Other cash inflows	1,335,771	1,335,771
20	<b>TOTAL CASH INFLOWS</b>	-	9,281,656
		-	<b>Total adjusted value</b>
21	Total HQLA	-	17,970,713
22	Total net cash outflows	-	10,913,368
23	<b>Liquidity Coverage Ratio (%)</b>	-	164.67%

## 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	
<b>Available stable funding (ASF) item</b>						
1	<b>Capital:</b>	22,677,701	-	-	6,244,506	28,922,206
2	Regulatory capital	21,378,986	-	-	-	21,378,986
3	Other capital instruments	1,298,715	-	-	6,244,506	7,543,220
4	<b>Retail deposits and deposits from small business customers, of which:</b>	31,154,235	22,969,504	1,572,205	-	39,885,885
5	Stable deposits	-	-	-	-	-
6	Less stable deposits	31,154,235	22,969,504	1,572,205	-	39,885,885
7	<b>Wholesale funding:</b>	3,131,972	33,896,567	18,194,567	-	27,611,553
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	3,131,972	33,896,567	18,194,567	-	27,611,553
10	<b>Liabilities with matching interdependent assets</b>	-	-	-	-	-
11	<b>Other liabilities</b>	2,759,068	13,875,568	-	-17,355	-
12	NSFR derivative liabilities	-	-	-	-	-
13	All other liabilities and equity not included in the above categories	2,759,068	13,875,568	-	-17,355	-
14	<b>Total ASF</b>	-	-	-	-	<b>96,419,645</b>
<b>Required stable funding (RSF) item</b>						
15	<b>Total NSFR high-quality liquid assets (HQLA)</b>	-	-	-	-	<b>1,043,006</b>
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17	<b>Performing loans and securities:</b>	<b>9,325,922</b>	<b>30,355,792</b>	<b>16,855,048</b>	<b>60,829,733</b>	<b>79,000,876</b>
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	2,050,307	319,409	667,597	-	1,013,547
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:	7,275,614	30,036,383	16,187,451	40,451,387	61,068,788
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:	-	-	-	2,015,260	1,309,919
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	-	-	-	18,363,086	15,608,623
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	<b>Other assets:</b>	<b>4,978,718</b>	<b>31</b>	<b>32</b>	<b>2,574,698</b>	<b>8,525,038</b>
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	-	-	-	-	1,129,894
30	NSFR derivative liabilities before deduction of variation margin posted	-	-	-	-	-158,336
31	All other assets not included in the above categories	4,978,718	31	32	2,574,698	7,553,479
32	<b>Off-balance sheet items</b>	-	-	-	-	<b>137,113</b>
33	<b>Total RSF</b>	-	-	-	-	<b>88,706,033</b>
34	<b>Net Stable Funding Ratio (%)</b>	-	-	-	-	<b>108.70%</b>

Balance sheet and off-balance sheet items broken down into maturity buckets and the resultant liquidity gaps.

SAR (000)

Liquidity Risk GAP Analysis	Within 3 months	3-12 months	2-5 years	Over 5 years	No fixed maturity 5 Years	TOTAL
<b>December 31, 2024</b>						
Total assets	27,868,330	34,007,821	42,974,764	39,236,281	12,579,492	156,666,688
Total liabilities and equity	64,314,399	29,043,477	7,543,220	-	55,765,592	156,666,688
Liquidity gap	(36,446,069)	4,964,344	35,431,544	39,236,281	(43,186,100)	-
Commitments, Contingencies, and Financial Guarantees	7,441,798	3,614,563	46,020,691	19,813,407	-	76,890,459
<b>December 31, 2023</b>	0	0	0	0	0	0
Total assets	28,911,635	22,153,845	40,660,042	28,354,759	9,903,892	129,984,173
Total liabilities and equity	58,245,151	10,457,343	10,757,673	-	50,524,006	129,984,173
Liquidity gap	(29,333,516)	11,696,502	29,902,369	28,354,759	(40,620,114)	-
Commitments, Contingencies, and Financial Guarantees	4,253,244	11,083,985	24,408,447	6,482,492	-	46,228,168

The amounts disclosed for derivatives, and commitments and contingencies are not indicative of future payment obligations.