2023

Basel III Pillar 3 Disclosures

QUALITATIVE & QUANTITATIVE DISCLOSURES

Q4 2023

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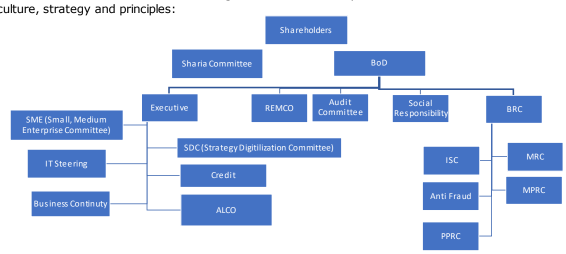
Template KM1: Key metrics (at consolidated group level)

SR 000's

		a	b	c	d	e
		T	T-1	T-2	T-3	T-4
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	12,721,256	12,473,071	12,487,345	12,288,943	12,084,910
1a	Fully loaded ECL accounting model	12,509,204	12,261,019	12,275,293	12,076,890	11,660,806
2	Tier 1	16,596,256	16,348,071	16,362,345	14,163,943	13,959,910
2a	Fully loaded ECL accounting model Tier 1	16,384,204	16,136,019	16,150,293	13,951,890	13,535,806
3	Total capital	19,098,162	18,787,635	18,775,620	16,731,623	16,507,469
3a	Fully loaded ECL accounting model total capital	18,886,110	18,575,583	18,563,568	16,519,570	16,083,365
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	95,854,460	93,052,798	89,927,056	86,456,434	83,739,401
4a	Total risk-weighted assets (pre-floor)	95,854,460	93,052,798	89,927,056	86,456,434	83,739,401
Risk-based capital ratios as a percentage of RWA						
5	CET1 ratio (%)	13.27%	13.40%	13.89%	14.21%	14.43%
5a	Fully loaded ECL accounting model CET1 (%)	13.05%	13.18%	13.65%	13.97%	13.93%
5b	CET1 ratio (%) (pre-floor ratio)	13.27%	13.40%	13.89%	14.21%	14.43%
6	Tier 1 ratio (%)	17.31%	17.57%	18.20%	16.38%	16.67%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	17.09%	17.34%	17.96%	16.14%	16.16%
6b	Tier 1 ratio (%) (pre-floor ratio)	17.31%	17.57%	18.20%	16.38%	16.67%
7	Total capital ratio (%)	19.92%	20.19%	20.88%	19.35%	19.71%
7a	Fully loaded ECL accounting model total capital ratio (%)	19.70%	19.96%	20.64%	19.11%	19.21%
7b	Total capital ratio (%) (pre-floor ratio)	19.92%	20.19%	20.88%	19.35%	19.71%
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	Bank G-SIB and/or D-SIB additional requirements (%)	0.00%	0.00%	0.00%	0.00%	0.00%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	2.50%	2.50%	2.50%	2.50%	2.50%
12	CET1 available after meeting the bank's minimum capital requirements (%)	6.27%	7.40%	7.89%	8.21%	8.43%
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	143,298,361	143,044,725	136,136,155	129,928,614	125,408,927
14	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	11.58%	11.43%	12.02%	10.90%	11.13%
14a	Fully loaded ECL accounting model Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) (%)	11.43%	11.28%	11.86%	10.74%	10.79%
14b	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	-	-	-	-	-
14c	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	-	-	-	-	-
14d	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	-	-	-	-	-
Liquidity Coverage Ratio (LCR)						
15	Total high-quality liquid assets (HQLA)	25,666,185	32,727,889	34,667,264	27,913,492	32,563,498
16	Total net cash outflow	18,037,932	16,221,220	19,178,105	19,748,699	19,736,387
17	LCR ratio (%)	142%	202%	181%	141%	165%
Net Stable Funding Ratio (NSFR)						
18	Total available stable funding	67,312,359	66,896,926	67,513,376	65,564,352	65,570,995
19	Total required stable funding	59,923,460	57,434,574	55,477,505	55,988,447	53,469,498
20	NSFR ratio	112.33%	116.48%	121.70%	117.10%	122.63%

Table OVA: Bank risk management approach

	Banks must describe their risk management objectives and policies, in particular:	
a	How the business model determines and interacts with the overall risk profile (eg the key risks related to the business model and how each of these risks is reflected and described in the risk disclosures) and how the risk profile of the bank interacts with the risk tolerance approved by the board.	Business model determination and risk profile Bank's mission is "to be the Core Banker to our chosen target customers, helping them grow their businesses and wealth" with diversified revenue streams originating from Kingdom. The Bank's strategy remains to identify the current and emerging customer needs and ensuring that it exceeds the customers' expectation, while transforming into a fully integrate Bank offering seamless services to its Retail, Investment, Commercial and Corporate clients. The Bank quantifies its risks using methodologies that have been reasonably tested and deemed to be accepted in the industry. Where risks are not easily quantified, due to the lack of commonly accepted risk measurement techniques, expert judgment is used to determine the size and materiality of the risk. The bank's ICAAP & ILAAP process focuses on the qualitative controls in managing such material, non-quantifiable risks within the established governance framework of the Bank. These qualitative measures include the following: - Adequate governance process through MRC, BRC, EXCOM and Board; - Adequate systems, procedures and internal controls; - Effective risk mitigation strategies; - Regular monitoring and reporting through various committees and management forums.
b	The risk governance structure: responsibilities attributed throughout the bank (eg oversight and delegation of authority; breakdown of responsibilities by type of risk, business unit etc); relationships between the structures involved in risk management processes (eg board of directors, executive management, separate risk committee, risk management structure, compliance function, internal audit function).	The risk management governance approach is premised on three lines of defense – risk taking business units, risk control units and internal audit. The risk taking units are responsible for the day-to-day management of risks inherent in their business activities while the risk control units are responsible for setting-up the risk management frameworks and developing tools and methodologies for the identification, measurement, monitoring, control and testing of risk. Complementing this is internal audit which provides independent assurance of the effectiveness of the risk management approach. The ERM framework of the Bank aims to establish a Risk based strategy for all its products and banking services, driving operational efficiency across the Bank, with guidance on identifying and addressing various forms of risks (including credit, market, operational, liquidity, reputational, compliance risk, etc.), with risk based capital utilization forming the key criteria for design and implementation of services, where applicable.
c	Channels to communicate, decline and enforce the risk culture within the bank (eg code of conduct; manuals containing operating limits or procedures to treat violations or breaches of risk thresholds; procedures to raise and share risk issues between business lines and risk functions).	The Bank has established an enterprise risk capital management framework to manage its material risks. The key components of the framework include the following: I. Defined risk appetite and strategy. II. Risk governance establishing the roles and responsibilities for the management committees and Enterprise Risk Management Group. III. A comprehensive review and analysis of material risks – as assessed by the Bank, at regular frequency along with the review of existing risk mitigation mechanisms. IV. Measurement methodologies for the quantification of risk. V. Monitoring and reporting process to ensure that the risk is maintained within the established tolerance levels. VI. Capital management linked to the overall business strategy to ensure that the capital is commensurate to the levels of risk inherent in the business. VII. Stress test measures to determine if the capital levels are adequate in case of adverse events and take decisions to enhance the capital or mitigate risk. Moreover, following are major Baord and Management Committee entrusted with the oversight of the overall risk profile of the bank in order to communicate, decline and enforce the Enterprise Risk Management culture, strategy and principles: 
d	The scope and main features of risk measurement systems.	At BAJ, the Enterprise Risk Management through the Chief Risk Officer, Chief Credit Officer, and the Credit Risk Managers assumes the independent responsibility of reviewing and co-signing the approval through the Management Credit Committee (MCC), the Executive Committee (Excom), of all major credit proposals of the Bank which are prepared, sponsored and recommended by the Business Units. In addition, Enterprise Risk Management Group (ERMG) provides risk management and advisory to all lines of business for the major risk categories including credit risk, market risk, liquidity risk, operational risk and other industry-specific risks that are discussed under Pillar 2 of the BASEL regime. ERMG ensures that the core risk policies of the bank are consistent and current, sets the risk tolerance level through the approved Risk Appetite Framework & Policy. Also, ERMG is responsible for the development and implementation of various risk policies and related business decisions empowered by the board. ERMG is functionally and organizationally independent of the business units and other risk taking units within BAJ.
e	Description of the process of risk information reporting provided to the board and senior management, in particular the scope and main content of	Process of risk information reporting provided to the board and senior management Risk dashboards are reported to Board and Senior Mangement on a quarterly basis through various MIS. The dashboard covers all material risks i.e. credit risk quality, credit risk profile, credit concentration, top exposures, market risk reports, operational risk dashboards.
f	Qualitative information on stress testing (eg portfolios subject to stress testing, scenarios adopted and methodologies used, and use of stress testing in risk management).	The bank's stress testing program is in compliance with the applicable SAMA Stress Testing guidelines encapsulated in a Board approved Stress Testing Framework and Policy. It is embedded in the risk and capital management process. The program serves as a forward looking risk and capital management tool to understand the bank's risk profile under extreme but plausible conditions. Such conditions may arise from macroeconomic, strategic, political and business environmental factors. The Stress Testing methodology and assertions undergo comprehensive review and challenging process to ensure that these remain in sync with the prevailing regulatory and global best practices. The stress testing exercise in Bank AlJazira is viewed as a means to review bank's capital allocation strategy based on different extreme stress scenarios and the Bank makes necessary adjustments to its strategy where warranted, based on the stress testing results. Under Bank AlJazira's Stress Testing Policy and Framework, the potential unfavorable effects of stress scenarios on the bank's profitability, asset quality, liquidity, risk weighted assets and capital adequacy are modeled.
g	The strategies and processes to manage, hedge and mitigate risks that arise from the bank's business model and the processes for monitoring the continuing effectiveness of hedges and mitigants.	Risk Management sturcture at the bank supports the BRC and BoD in fulfilling the responsibilities of overseeing the risks in the Bank's businesses and making sure necessary controls are in place. It reviews the ability of the Bank to manage risks based on board approved Risk Appetite Framework & Policy (RAF), appropriate analysis and formulation of necessary risk management policies. It also approves the credit classification system in the bank and risk policies for assets and liabilities management as recommended by assets and liabilities committee. The Risk Management culture at BAJ fosters monitoring of the risk management environment, and an integrated evaluation of risks and their interactions. It also ensures the Bank has a consistent approach to monitoring, managing and mitigating the risks the Bank accepts and incurs in its activities. The bank measures the exposures to financial and other significant risks including credits, market, liquidity, reputational, operational and strategic risks in addition to evaluating tolerance levels and approval of appropriate transactions. The bank pro-actively manages the credit risk exposures at transaction and relationship levels. A detailed risk review, including information on provisions, is prepared quarterly. Single name counterparty concentrations are monitored at transaction level. Large exposures and portfolio concentrations are reported regularly to senior management and the Board. BAJ ensures that the overall Business strategy; Risk policies, procedures & methodologies are consistent with the Bank's Risk Appetite. ERMG also prepares the annual Internal Capital Adequacy Assessment Process (ICAAP), Internal Liquidity Adequacy Assessment Process (ILAAP) and Stress Testing reports to SAMA which are approved by the BRC prior to submission to SAMA. The ICAAP and ILAAP are two of the most important risk assessment documents utilised to report the risk attributes being measured and monitored by the Bank's Senior Management and the Board Committees.

Template OV1 Overview of RWA

		SR 000's			
		a	b	c	Drivers behind significant differences in T and T-1
		RWA		Minimum capital requirements	
		T	T-1	T	
1	Credit risk (excluding counterparty credit risk)	83,638,715	85,379,193	6,691,097	-
2	Of which: standardised approach (SA)	83,638,715	85,379,193	6,691,097	-
3	Of which: foundation internal ratings-based (F-IRB) approach				
4	Of which: supervisory slotting approach				
5	Of which: advanced internal ratings-based (A-IRB) approach				
6	Counterparty credit risk (CCR)	419,483	484,549	33,559	-
7	Of which: standardised approach for counterparty credit risk	419,483	484,549	33,559	-
8	Of which: IMM				
9	Of which: other CCR				
10	Credit valuation adjustment (CVA)	419,483	484,549	33,559	-
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	2,166,232	-	173,299	-
14	Equity investments in funds - fall-back approach	2,265,155	-	181,212	-
15	Settlement risk	-	-	-	-
16	Securitisation exposures in banking book	-	-	-	-
17	Of which: securitisation IRB approach (SEC-IRBA)	-	-	-	-
18	Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)	-	-	-	-
19	Of which: securitisation standardised approach (SEC-SA)	-	-	-	-
20	Market risk	2,407,944	2,167,059	192,636	-
21	Of which: standardised approach (SA)	2,407,944	2,167,059	192,636	-
22	Of which: internal model approach (IMA)				
23	Capital charge for switch between trading book and banking book	-	-	-	-
24	Operational risk	4,537,448	4,537,448	362,996	-
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-	-
26	Output floor applied				
27	Floor adjustment (before application of transitional cap)	-	-		-
28	Floor adjustment (after application of transitional cap)	-	-		-
29	Total (1 + 6 + 10 + 11 + 12 + 13 + 14 + 15 + 16 + 20 + 23 + 24 + 25 + 28)	**95,854,460**	**93,052,798**	**7,668,357**	-

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

		a	b	c	d
		Quantitative / qualitative information			
1	Issuer	Bank Aljazira	Bank Aljazira	Bank Aljazira	Bank Aljazira
2	Unique identifier (eg Committee on Uniform Security Identification Procedures (CUSIP), International Securities Identification Number (ISIN) or Bloomberg identifier for private placement)	SA143FK0FVJ0	XS2358740590	SA15EFK0JH39	SA15RFK0JV33
3	Governing law(s) of the instrument	Law of the Kingdom of Saudi Arabia	English Law	Law of the Kingdom of Saudi Arabia	Law 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)	0	0	0	0
4	Transitional Basel III rules	Common Equity Tier 1	Equity Tier 1	Tier 2 Capital	Equity Tier 1
5	Post-transitional Basel III rules	Common Equity Tier 1	Equity Tier 1	Ineligible	Equity Tier 1
6	Eligible at solo/group/group and solo	Group & Solo	Group & Solo	Group & Solo	Group & Solo
7	Instrument type (refer to SACAP)	Paid-up Share Capital	Tier I Sukuk	Subordinated Sukuk	Tier I Sukuk
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	SAR 8,200 million	USD 500 MM	SAR 2,000 mln	SAR 2,000 mln
9	Par value of instrument	SAR 8,200 million	USD 500 MM	SAR 2,000 mln	SAR 2,000 mln
10	Accounting classification	Shareholders' equity	Shareholders' equity	Liability	Shareholders' equity
11	Original date of issuance	27-Jul-76	29-Jun-21	8-Dec-21	21-Jun-23
12	Perpetual or dated	Perpetual	Perpetual	Dated	Perpetual
13	Original maturity date	No maturity	No maturity	48190	No maturity
14	Issuer call subject to prior SAMA approval	No	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	Not Applicable	29-Jun-26	8-Dec-26	21-Jun-28
16	Subsequent call dates, if applicable	Not Applicable	Anytime after above date	Anytime after above date	Any coupon date after above date
	Coupons / dividends	N/A	3.95%	6M SAIBOR + 155bps	6.00%
17	Fixed or floating dividend/coupon	Not Applicable	Fixed	Float	Fixed
18	Coupon rate and any related index	Not Applicable	3.95%	6M SAIBOR + 155bps	6.00%
19	Existence of a dividend stopper	Not Applicable	Not Applicable	Not Applicable	Yes
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary	Mandatory	Fully discretionary
21	Existence of step-up or other incentive to redeem	No	No	No	No
22	Non-cumulative or cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative
23	Convertible or non-convertible	Nonconvertible	Nonconvertible	Nonconvertible	Nonconvertible
24	If convertible, conversion trigger(s)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
25	If convertible, fully or partially	Not Applicable	Not Applicable	Not Applicable	Not Applicable
26	If convertible, conversion rate	Not Applicable	Not Applicable	Not Applicable	Not Applicable
27	If convertible, mandatory or optional conversion	Not Applicable	Not Applicable	Not Applicable	Not Applicable
28	If convertible, specify instrument type convertible into	Not Applicable	Not Applicable	Not Applicable	Not Applicable
29	If convertible, specify issuer of instrument it converts into	Not Applicable	Not Applicable	Not Applicable	Not Applicable
30	Writedown feature	No	Yes	Yes	Yes
31	If writedown, writedown trigger(s)	Not Applicable	A "trigger event" is the earlier of: (1) a decision that a write-off, without which the bank would become non-viable, is necessary, as determined by the relevant authority; and (2) the decision to make a public sector injection of capital, or equivalent support, without which the bank would have become non-viable, as determined by the relevant authority.	A "trigger event" is the earlier of: (1) a decision that a write-off, without which the bank would become non-viable, is necessary, as determined by the relevant authority; and (2) the decision to make a public sector injection of capital, or equivalent support, without which the bank would have become nonviable, as determined by the relevant authority.	A "trigger event" is the earlier of: (1) a decision that a write-off, without which the bank would become non-viable, is necessary, as determined by the relevant authority; and (2) the decision to make a public sector injection of capital, or equivalent support, without which the bank would have become non-viable, as determined by the relevant authority.
32	If writedown, full or partial	Not Applicable	As determined by the Financial Regulator	As determined by the Financial Regulator	As determined by the Financial Regulator
33	If writedown, permanent or temporary	Not Applicable	Permanent	Permanent	Permanent
34	If temporary write-down, description of writeup mechanism	Not Applicable	Not Applicable	Not Applicable	Not Applicable
34a	Type of subordination	N/A	N/A	Contractual	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	None	Paid-up Share Capital	Paid-up Share Capital (should be Tier I Sukuk)	Paid-up Share Capital
36	Non-compliant transitioned features	No	Yes	Yes	Yes
37	If yes, specify non-compliant features	Not Applicable	Presence of call option	Presence of call option	Presence of call option

Template CC1: Composition of regulatory capital

SR 000's

		a	b	
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	Commentary to explain any significant changes over the reporting period and the key drivers of such change
Common Equity Tier 1 capital: instruments and reserves				
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	8,200,000	-	-
2	Retained earnings	1,947,408	-	-
3	Accumulated other comprehensive income (and other reserves)	2,605,138	-	-
4	Directly issued capital subject to phase-out from CET1 capital (only applicable to non-joint stock companies)	-	-	-
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1 capital)	-	-	-
6	**Common Equity Tier 1 capital before regulatory adjustments**	12,752,546	-	-
Common Equity Tier 1 capital: regulatory adjustments				-
7	Prudent valuation adjustments	-	-	-
8	Goodwill (net of related tax liability)	-	-	-
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	-31,290	-	-
12	Shortfall of provisions to expected losses	-	-	-
13	Securitisation gain on sale (as set out in SACAP4.1.4)	-	-	-
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	-
15	Defined benefit pension fund net assets	-	-	-
16	Investments in own shares (if not already subtracted from paid-in capital on reported balance sheet)	-	-	-
17	Reciprocal cross-holdings in common equity	-	-	-
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-	-
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-	-
20	MSR (amount above 10% threshold)	-	-	-
21	DTA arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-	-
22	Amount exceeding the 15% threshold	-	-	-
23	Of which: significant investments in the common stock of financials	-	-	-
24	Of which: MSR	-	-	-
25	Of which: DTA arising from temporary differences	-	-	-
26	National specific regulatory adjustments	-	-	-
27	Regulatory adjustments applied to Common Equity Tier 1 capital due to insufficient Additional Tier 1 and Tier 2 capital to cover deductions	-	-	-
28	**Total regulatory adjustments to Common Equity Tier 1 capital**	-31,290	-	-
29	**Common Equity Tier 1 capital (CET1)**	12,721,256	-	-
Additional Tier 1 capital: instruments				-
30	Directly issued qualifying additional Tier 1 instruments plus related stock surplus	3,875,000	-	-
31	Of which: classified as equity under applicable accounting standards	3,875,000	-	-
32	Of which: classified as liabilities under applicable accounting standards	-	-	-
33	Directly issued capital instruments subject to phase-out from additional Tier 1 capital	-	-	-
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group additional Tier 1 capital)	-	-	-
35	Of which: instruments issued by subsidiaries subject to phase-out	-	-	-
36	**Additional Tier 1 capital before regulatory adjustments**	3,875,000	-	-
Additional Tier 1 capital: regulatory adjustments				-
37	Investments in own additional Tier 1 instruments	-	-	-
38	Reciprocal cross-holdings in additional Tier 1 instruments	-	-	-
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	-	-
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-	-
41	National specific regulatory adjustments	-	-	-
42	Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	-	-	-
43	**Total regulatory adjustments to additional Tier 1 capital**	-	-	-
44	**Additional Tier 1 capital (AT1)**	3,875,000	-	-
45	**Tier 1 capital (T1 = CET1 + AT1)**	16,596,256	-	-

Tier 2 capital: instruments and provisions				-
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	1,994,921	-	-
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	506,985	-	-
51	**Tier 2 capital before regulatory adjustments**	2,501,906	-	-
Tier 2 capital: regulatory adjustments				-
52	Investments in own Tier 2 instruments	-	-	-
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities	-	-	-
54	Investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	-	-
54a	Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions (for G-SIBs only)	-	-	-
55	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-	-
56	National specific regulatory adjustments	-	-	-
57	**Total regulatory adjustments to Tier 2 capital**	-	-	-
58	**Tier 2 capital**	2,501,906	-	-
59	**Total regulatory capital (= Tier 1 + Tier2)**	19,098,162	-	-
60	**Total risk-weighted assets**	**95,854,460**	-	-
Capital adequacy ratios and buffers				-
61	**Common Equity Tier 1 capital (as a percentage of risk-weighted assets)**	13.27	-	-
62	**Tier 1 capital (as a percentage of risk-weighted assets)**	17.31	-	-
63	**Total capital (as a percentage of risk-weighted assets)**	19.92	-	-
64	**Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of riskweighted assets)**	2.50%	-	-
65	Of which: capital conservation buffer requirement	2.50%	-	-
66	Of which: bank-specific countercyclical buffer requirement	0.0%	-	-
67	Of which: higher loss absorbency requirement	0.0%	-	-
68	**Common Equity Tier 1 capital (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements**	6.3%	-	-
National minima (if different from Basel III)				-
69	National minimum Common Equity Tier 1 capital adequacy ratio (if different from Basel III minimum)	-	-	-
70	National minimum Tier 1 capital adequacy ratio (if different from Basel III minimum)	-	-	-
71	National minimum Total capital adequacy ratio (if different from Basel III minimum)	-	-	-
	Amounts below the thresholds for deduction (before risk-weighting)			-
72	Non-significant investments in the capital and other TLAC liabilities of other financial entities	-	-	-
73	Significant investments in the common stock of financial entities	-	-	-
74	MSR (net of related tax liability)	-	-	-
75	DTA arising from temporary differences (net of related tax liability)	-	-	-
	Applicable caps on the inclusion of provisions in Tier 2 capital			-
76	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to standardised approach (prior to application of cap)	-	-	-
77	Cap on inclusion of provisions in Tier 2 capital under standardised approach	-	-	-
78	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to internal ratings based approach (prior to application of cap)	-	-	-
79	Cap for inclusion of provisions in Tier 2 capital under internal ratings-based approach	-	-	-
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)				-
80	Current cap on CET1 instruments subject to phase-out arrangements	-	-	-
81	Amount excluded from CET1 capital due to cap (excess over cap after redemptions and maturities)	-	-	-
82	Current cap on AT1 instruments subject to phase-out arrangements	-	-	-
83	Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)	-	-	-
84	Current cap on Tier 2 instruments subject to phase-out arrangements	-	-	-
85	Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)	-	-	-

71	National minimum Total capital adequacy ratio (if different from Basel III minimum)	-	-	-
	Amounts below the thresholds for deduction (before risk-weighting)			-
72	Non-significant investments in the capital and other TLAC liabilities of other financial entities	-	-	-
73	Significant investments in the common stock of financial entities	-	-	-
74	MSR (net of related tax liability)	-	-	-
75	DTA arising from temporary differences (net of related tax liability)	-	-	-
	Applicable caps on the inclusion of provisions in Tier 2 capital			-
76	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to standardised approach (prior to application of cap)	-	-	-
77	Cap on inclusion of provisions in Tier 2 capital under standardised approach	-	-	-
78	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to internal ratings based approach (prior to application of cap)	-	-	-
79	Cap for inclusion of provisions in Tier 2 capital under internal ratings-based approach	-	-	-
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)				-
80	Current cap on CET1 instruments subject to phase-out arrangements	-	-	-
81	Amount excluded from CET1 capital due to cap (excess over cap after redemptions and maturities)	-	-	-
82	Current cap on AT1 instruments subject to phase-out arrangements	-	-	-
83	Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)	-	-	-
84	Current cap on Tier 2 instruments subject to phase-out arrangements	-	-	-
85	Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)	-	-	-

Template CC2: Reconciliation of regulatory capital to balance sheet

SR 000's

		a	b	c
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
		As at period-end	As at period-end	
Assets				
1	Cash and balances at central banks	5,840,693	5,840,693	-
2	Items in the course of collection from other banks	503,884	503,884	-
3	Trading portfolio assets	-	-	-
4	Financial assets designated at fair value	1,484,128	1,484,128	-
5	Derivative financial instruments	222,508	222,508	-
6	Loans and advances to banks	4,229,905	4,229,905	-
7	Loans and advances to customers	80,780,901	80,780,901	-
8	Reverse repurchase agreements and other similar secured lending	957,985	957,985	-
9	Available for sale financial investments	32,958,162	32,958,162	-
10	Current and deferred tax assets	-	-	-
11	Prepayments, accrued income and other assets	719,449	719,449	-
12	Investments in associates and joint ventures	243,011	243,011	-
13	Goodwill and intangible assets	-	-	-
	Of which: goodwill	-	-	-
	Of which: other intangibles (excluding MSR) b	-	-	-
	Of which: MSR	-	-	-
14	Property, plant and equipment	1,610,151	1,610,151	-
15	**Total assets**	129,550,777	129,550,777	-
Liabilities				
16	Due to Banks	4,518,526	4,518,526	-
17	Items in the course of collection due to other banks	-	-	-
18	Customer accounts	94,054,401	94,054,401	-
19	Repurchase agreements and other similar secured borrowing	10,467,207	10,467,207	-
20	Trading portfolio liabilities	-	-	-
21	Financial liabilities designated at fair value	-	-	-
22	Derivative financial instruments	147,061	147,061	-
23	Debt securities in issue	2,004,346	2,004,346	-
24	Accruals, deferred income and other liabilities	1,320,865	1,320,865	-
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	329,811	329,811	-
28	Retirement benefit liabilities	293,066	293,066	-
29	**Total liabilities**	113,135,283	113,135,283	-
Shareholders' equity				
30	Paid-in share capital	12,075,000	12,075,000	
	Of which: amount eligible for CET1 capital h	8,200,000	8,200,000	-
	Of which: amount eligible for AT1 capital i	3,875,000	3,875,000	-
31	Retained earnings	5,184,893	5,184,893	-
32	Accumulated other comprehensive income	-844,399	-844,399	-
33	**Total shareholders' equity**	16,415,494	16,415,494	-

Table LIA: Explanations of differences between accounting and regulatory exposure amounts

Banks must explain the origins of the differences between accounting amounts, as reported in financial statements amounts and regulatory		
a	Banks must explain the origins of any significant differences between the amounts in columns (a) and (b) in Template LI1.	Bank Al Jazira does not have any difference between "Carrying Vales as reported in published financial statements" and "Carrying values under scope of regulatory consolidation.
b	Banks must explain the origins of differences between carrying values and amounts considered for regulatory purposes shown in Template LI2.	On-Balance Sheet: In case of On-Balance Sheet items, currently there are no differences between carrying values and amounts considered for regulatory purposes except loan loss provisions and Unidentified Differences. - Off-Balance Sheet & Derivatives: In case of Off-Balance sheet and Derivatives Notional values are populated as total carrying / accounting value where as credit equivalent amounts (i.e. after applying conversion factors including Add-on adjustments in case of Derivative portfolio) are populated under respective regulatory framework
c	In accordance with the implementation of the guidance on prudent valuation (see Basel Framework "prudent valuation guidance"), banks must describe systems and controls to ensure that the valuation estimates are prudent and reliable. Disclosure must include: (i) Valuation methodologies, including an explanation of how far mark-to-market and mark-to-model methodologies are used. (ii) Description of the independent price verification process. (iii) Procedures for valuation adjustments or reserves (including a description of the process and the methodology for valuing trading positions by type of instrument).	Please refer to the Published Financial Statements.
d	Banks with insurance subsidiaries must disclose: (i) The national regulatory approach used with respect to insurance entities in determining a bank's reported capital positions (ie deduction of investments in insurance subsidiaries or alternative approaches, as discussed in Basel Framework "Scope and definitions" Banking, securities and other financial subsidiaries (Insurance entities); and (ii) Any surplus capital in insurance subsidiaries recognized when calculating the bank's capital adequacy (see Basel Framework "Scope and definitions" Banking, securities and other financial subsidiaries (Insurance entities).	Not Applicable

Template LI1: Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories

SR 000's

		a	b	c	d	e	f	g
		Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying value of items:				
				Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitization framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
Assets								
1	Cash and balances at central banks	5,840,693	5,840,693	5,840,693	-	-	-	-
2	Items in the course of collection from other banks	503,884	503,884	503,884	-	-	-	-
3	Trading portfolio assets	-	-	-	-	-	-	-
4	Financial assets designated at fair value	1,484,128	1,484,128	1,484,128	-	-	-	-
5	Derivative financial instruments	222,508	222,508	-	222,508	-	-	-
6	Loans and advances to banks	4,229,905	4,229,905	4,229,905	-	-	-	-
7	Loans and advances to customers	80,780,901	80,780,901	80,780,901	-	-	-	-
8	Reverse repurchase agreements and other similar secured lending	957,985	957,985	957,985	-	-	-	-
9	Available for sale financial investments	32,958,162	32,958,162	32,958,162	-	-	-	-
10	Current and deferred tax assets	-	-	-	-	-	-	-
11	Prepayments, accrued income and other assets	719,449	719,449	719,449	-	-	-	-
12	Investments in associates and joint ventures	243,011	243,011	243,011	-	-	-	-
13	Goodwill and intangible assets	-	-	-	-	-	-	-
	Of which: goodwill	-	-	-	-	-	-	-
	Of which: other intangibles (excluding MSR) b	-	-	-	-	-	-	-
	Of which: MSR	-	-	-	-	-	-	-
14	Property, plant and equipment	1,610,151	1,610,151	1,610,151	-	-	-	-
Total Assets		**129,550,777**	**129,550,777**	**129,328,269**	**222,508**	**-**	**-**	**-**
Liabilities								
11	Deposits from banks	4,518,526	4,518,526	-	-	-	-	4,518,526
12	Items in the course of collection due to other banks	-	-	-	-	-	-	-
13	Customer accounts	94,054,401	94,054,401	-	-	-	-	94,054,401
14	Repurchase agreements and other similar secured borrowings	10,467,207	10,467,207	-	-	-	-	10,467,207
15	Trading portfolio liabilities	-	-	-	-	-	-	-
16	Financial liabilities designated at fair value	-	-	-	-	-	-	-
17	Derivative financial instruments	147,061	147,061	-	-	-	-	147,061
18	Debt securities in issue	2,004,346	2,004,346	-	-	-	-	2,004,346
19	Accruals, deferred income and other liabilities	1,320,865	1,320,865	-	-	-	-	1,320,865
20	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	-	-	-	-	-	-	-
21	Subordinated liabilities	-	-	-	-	-	-	-
22	Provisions	329,811	329,811	-	-	-	-	329,811
23	Retirement benefit liabilities	293,066	293,066	-	-	-	-	293,066
Total Liabilities		**113,135,283**	**113,135,283**	**-**	**-**	**-**	**-**	**113,135,283**

Template LI2: Main sources of differences between regulatory exposure amounts and carrying values in financial statements

SR 000's

		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)	129,550,777.00	129,328,269.00	-	222,508.00	-
2	Liabilities carrying value amount under regulatory scope of consolidation (as per Template LI1)	113,135,283.00	-	-	-	-
3	Total net amount under regulatory scope of consolidation (Row 1 - Row 2)	**16,415,494**	**129,328,269**	**-**	**222,508**	**-**
4	Off-balance sheet amounts	24,509,510.43	12,393,528.61	-	-	
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	Derivative	16,351,280.95	-	-	419,483.06	
10	Exposure amounts considered for regulatory purposes	170,411,568.38	141,721,797.61	-	641,991.06	

Template ENC: Asset encumbrance

		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	15,367,501	114,183,276	129,550,777

SR 000's

Table REMA: Remuneration policy

Qualitative disclosures		
a	Information relating to the bodies that oversee remuneration. Disclosures should include: (i) Name, composition and mandate of the main body overseeing remuneration. (ii) External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process. (iii) A description of the scope of the bank's remuneration policy (eg by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches. (iv) A description of the types of employees considered as material risk-takers and as senior managers.	i) NRC, Board and AGM for overseeing the remuneration.
		ii) Mercer, AON, Inspiring Dimensions and Koren Ferry.
		iii) The scope of this policy covers 1- all full time employees and outsource are governed through the labor law and the contractual agreement between the parties involved. 2- The scope is applicable to the following foreign subsidaries of the bank Two (2) operating in Cayman Islands (KY): - AlJazira Securities Limited (KY) - BAJ Sukuk Tier I Limited (KY)
		iv) MRTs are decided by the Enterprise Risk Management Group working in collaboration with Human Capital , the following guidelines will be used when deciding the MRTs for BAJ: 1. The lowest grade for an MRT is 20, VP Level. 2. An MRT position must report into another MRT position. 3. The lowest level that an MRT position can be found is at N-2, and some N-3 roles will be considered on exceptional cases. 4. Tier 1 MRT are higher risks and Tier 2 are lower risks. Roles with more than 3 Risk Exposure qualify to be MRT. Senior Managers : Senior Vice Presidents (SVP) Covers grades 22 to 25 which are Bands A and B.
b	Information relating to the design and structure of remuneration processes. Disclosures should include: (i) An overview of the key features and objectives of remuneration policy. (ii) Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that were made, the reasons for those changes and their impact on remuneration. (iii) A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee.	i) The following are the key features of the remuneration policy and the objective of it. remuneration objective: Provide the framework and governance for the provision of employee compensation and of benefits, Support business strategy by putting in place measures that allow the bank to attract, motivate and retain talented employees, cover all aspects of compensation so as to ensure that risks related to compensation have been prudently managed, Ensure the bank's compensation practices are in compliance with SAMA Rules on Compensation Practices & FSB Principles and Standards and Provide guidance on effective risk management through compensation and hence promote alignment of compensation. Key Features are: A. Fixed Benefits B. Nonfixed Benefits C. Variable Pay
		ii) Remuneration policy was revamped and reviewed by end of 2022 and approved in Jan 2023 by NRC and Board.
		iii) As Per the Approved Bonus Approach by NRC and Board, the Separation of Control Functions from the main pool to follow SAMA direction to allow independence of the control function.
c	Description of the ways in which current and future risks are taken into account in the remuneration processes. Disclosures should include an overview of the key risks, their measurement and how these measures affect remuneration.	Compensation is adjusted for all types of risk. 1. Compensation outcomes are symmetric with risk outcomes at the bank level. 2. The bank identifies material risk takers (MRT) for compensation purposes. 3. The bank uses an appropriate mix of quantitative and qualitative methods in making ex ante risk adjustments. 4. The bank make use of malus or clawback where there have been material breaches. 5. There is clear differentiation of the pay-at-risk profile for revenue generators and the control function
d	Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration. Disclosures should include: (i) An overview of main performance metrics for bank, top-level business lines and individuals. (ii) A discussion of how amounts of individual remuneration are linked to bank-wide and individual performance. (iii) A discussion of the measures the bank will in general implement to adjust remuneration in the event that performance metrics are weak, including the bank's criteria for determining "weak" performance metrics.	i) The following are the main bank performance metrics: (Add others) Company : BAJ's financial commitment expressed as key economic ratio's. This is mainly for all KPI's with direct financial impact. This is applicable for all CEO-1, CEO-2, and VP's. Conduct : BAJ's commitment to being an organization that does things in the right way for the benefit of all our stakeholders. This is applicable for all employees down to level "Manager". Client : BAJ's commitment to putting the customer at the heart of what we do. This is applicable for all CEO-1, CEO-2, and VP's. Community : BAJ's positive impact on the planet and community by demonstrating good governance This is applicable for all CEO-1 only. Colleague : BAJ's expected values and behaviors from each and every one of us. These are 9 Core competencies. This is applicable for all employees down to level "Manager". For Assistant Manager and below, they have a set of 8 standard unified Objectives that covers their main Tasks & Competencies. For Branch Network Employees, They have the Balance Score card that is measuring different dimensions on monthly bases like : Growth, Sales, Quality, Customers, and Profit.
e	Description of the ways in which the bank seeks to adjust remuneration to take account of longer-term performance. Disclosures should include: (i) A discussion of the bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance. (ii) A discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting through clawback arrangements, subject to the relevant laws in Saudi Arabia.	i)for BAJ LTIP Apart from individual performance, the plan takes into account bankwide performance metrics prior to vesting release for each period, similar vesting across all levels.
		ii) Prior to any vesting release, the NRC in consultation with the CEO agree, based on bank results, whether the vesting is released in full, reduced, topped up or withdrawn. The LTIP is subject to standard forfeiture and non-forfeiture conditions. The LTIP awards and governance will be subject to Malus and Clawback conditions as defined in the Compensation Policy and the Code of Conduct for the bank.
f	Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these different forms. Disclosures should include: (i) An overview of the forms of variable remuneration offered (ie cash, shares and share-linked instruments and other forms). (ii) A discussion of the use of the different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or groups of employees), a description the factors that determine the mix and their relative	i) cash only.
		Ii) same across all levels.

Template REM1: Remuneration awarded during the financial year

SR 000's

			a	b
Renuneration Amount			**Senior management, as defined in SAMA circular No.42081293 date 21/11/1442AH**	**Other material risktakers**
1	Fixed Remuneration	Number of employees	22	228
2		Total fixed remuneration (rows 3 + 5 + 7)	**40,700**	**89,142**
3		*Of which: cash-based*	40700	89142
4		Of which: deferred	0	0
5		*Of which: shares or other share-linked instruments*	0	0
6		Of which: deferred	0	0
7		*Of which: other forms*	0	0
8		Of which: deferred	0	0
9	Variable Remuneration	Number of employees	22	228
10		Total fixed remuneration (rows 11 + 13 + 15)	**23,088**	**17,253**
11		*Of which: cash-based*	23088	17253
12		Of which: deferred	7136.72	2723.426
13		*Of which: shares or other share-linked instruments*	0	0
14		Of which: deferred	0	0
15		*Of which: other forms*	0	0
16		Of which: deferred	0	0
#	**Total remuneration (2 + 10)**		**63,788**	**106,395**

Template REM2: Special payments

SR 000's

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	2	2,267	1	735	1	2,777
2	Other material risk-takers	-	-	-	-	2	1,105

Template REM3: 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*	11,510.87	-	-	-	4,603.67
3	*Shares*	-	-	-	-	-
4	*Cash linked instruments*	-	-	-	-	-
5	*Other*	-	-	-	-	-
6	Other materiak risk-takers	-	-	-	-	-
7	*Cash*	4,630.01	-	-	-	2,760.95
8	*Shares*	-	-	-	-	-
9	*Cash linked instruments*	-	-	-	-	-
10	*Other*	-	-	-	-	-
11	Total	16,140.88	-	-	-	7,364.62

Table CRA General qualitative information about credit risk

	Banks must describe their risk management objectives and policies for credit risk, focusing in particular on:	
(a)	How the business model translates into the components of the bank's credit risk profile	-Credit risk, 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 in lending activities that arises from loans and advances, and investment activities. There is also credit risk on credit related commitments, contingencies and derivatives. - BAJ is a diversified financial services institution operating in Saudi Arabia, with a range of business activities and income streams. The Bank's activities comprises mainly of the following financial services: - Personal Banking: Deposits, loans and investment products for individuals, remittance, real estate financing, credit card issuance and personal financing. - Corporate Banking: Loans, deposits and other credit products for corporate, small and medium sized business and institutional customers. - Treasury: Treasury is responsible for managing the assets and liabilities of the Bank. This includes profit rate risk mitigation and liquidity management to ensure that the Bank remains financially secure for customers. The other activities of Treasury include managing the Bank's investment portfolio, offering the Bank's customers Treasury products/solutions to meet their business and risk requirements.
(b)	Criteria and approach used for defining credit risk management policy and for setting credit risk limits	The Bank manages and measures credit risk through a variety of policies, processes and toll, the principal amongst them are: - Credit Policy Limits : Overall limits for business lines; Single exposure limits; Economic segment exposure limit; Geographic limit and Product limits etc. - Risk Identification, measurements and assessment: Portfolio analysis; Credit rating assessments for corporate clients; Periodic credit risk reveiws; Impairment assessments and Stress testing. - Mitigation / Controls: Collateral policy for some classes of lending; Documentation controls; Guarantor where appropriate and Facilities structure
(c)	Structure and organization of the credit risk management and control function	At BAJ, the Risk Management through the Chief Risk Officer, Chief Credit Officer, and the Credit Risk Managers, assumes the independent responsibility of reviewing and co-signing the approval through the Management Credit Committee (MCC) and the Executive Committee (Excom), of all major credit proposals of the Bank which are prepared, sponsored and recommended by the Business Units.
(d)	Relationships between the credit risk management, risk control, compliance and internal audit functions	- The risk management governance approach is premised on three lines of defense – risk taking business units, risk control units and internal audit. The risk taking units are responsible for the day-to-day management of risks inherent in their business activities while the risk control units are responsible for setting-up the risk management frameworks and developing tools and methodologies for the identification, measurement, monitoring, control and testing of risk. Complementing this is internal audit which provides independent assurance of the effectiveness of the risk management approach.
(e)	Scope and main content of the reporting on credit risk exposure and on the credit risk management function to the executive management	The Bank has developed and implemented business line wise credit risk and portfolio management dashboards. These dashboards are produced on a monthly basis by The ERMG and discussed at various forums including but not limited to Senior management and Board risk Committee.

Template CR1: Credit quality of assets

SR 000's

	a	b	c	d	e	f	g
	Gross carrying values of			Of which ECL accounting			
	Defaulted exposures	Nondefaulted exposures	Allowances/ impairments	Allocated in regulatory category of Specific	Allocated in regulatory category of General	Of which ECL accounting provisions for credit losses on IRB exposures	Net values (a+b-c)
Loans	1,535,885	82,037,548	2,792,532	2,285,547	506,985	-	80,780,901
Debt Securities	-	30,325,721	11,694	-	11,694	-	30,314,027
Off-balance sheet exposures	100,640	13,654,641	329,811	284,757	45,054	-	13,425,470
Total	1,636,525	126,017,910	3,134,037	2,570,304	563,733	-	124,520,398

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

SR 000's

		a
1	**Defaulted loans and debt securities at end of the previous reporting period**	1,302,741
2	Loans and debt securities that have defaulted since the last reporting period	324,272
3	Returned to non-defaulted status	-40,739
4	Amounts written off	-30,613
5	Other changes	-19,776
6	**Defaulted loans and debt securities at end of the reporting period (1+2-3-4+5)**	1,535,885

Template 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	78,783,802	1,997,099	1,997,099	-	-
2	Debt securities	30,314,027	-	-	-	-
3	**Total**	109,097,829	1,997,099	1,997,099	-	-
4	Of which defaulted	1,636,525	-	-	-	-

Template CR4: Standardized 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	
	Asset Classes	**On-balance sheet amount**	**Off-balance sheet amount**	**On-balance sheet amount**	**Off-balance sheet amount**	**RWA**	**RWA Density**
1	Sovereigns and their central banks	29,697,247	-	29,692,320	-	303,375	1%
2	Non-central government public sector entities	4,433,910	739,547	4,274,963	366,727	2,320,845	50%
3	Multilateral development banks	-	-	-	-	-	0%
4	Banks	7,767,732	3,218,532	7,760,084	2,803,417	7,968,107	75%
	Of which: securities firms and other financial institutions	7,767,732	3,218,532	7,760,084	2,803,417	7,968,107	75%
5	Covered bonds	-	-	-	-	-	0%
6	Corporates	34,199,281	20,387,444	31,523,523	9,089,778	36,248,126	89%
	Of which: securities firms and other financial institutions	-	-	-	-	-	0%
	Of which: specialised lending	2,473,934	-	2,412,005	-	2,541,462	105%
7	Subordinated debt, equity and other capital	2,955,905	-	2,881,912	-	3,791,900	132%
8	Retail	11,984,618	-	11,915,432	-	8,956,447	75%
	MSMEs	-	-	-	-	-	0%
9	Real estate	33,483,942	-	33,073,835	-	19,875,898	60%
	Of which: general RR	17,837,590	-	17,819,147	-	5,410,302	30%
	Of which: IPRRE	1,044,487	-	1,018,341	-	458,253	45%
	Of which: general CRE	5,055,072	-	4,928,532	-	4,928,532	100%
	Of which: IPCR	4,018,573	-	3,917,979	-	2,742,585	70%
	Of which: land acquisition, development and construction	3,533,190	-	3,444,746	-	4,391,136	127%
10	Defaulted exposures	1,560,006	163,987	367,158	-	183,579	50%
11	Other assets	6,304,159	-	6,201,704	-	8,421,826	136%
12	**Total**	132,386,800	24,509,510	127,690,931	12,259,921	88,070,102	668%

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

SR 000's

		0%	10%	15%	20%	25%	30%	35%	40%	45%	50%	60%	65%	70%
1	**Sovereigns and their central banks**	28,191,522	-	-	1,498,325	-	-	-	-	-	-	-	-	-
2	**Non-central government public sector entities**	-	-	-	366,727	-	-	-	-	-	4,274,963	-	-	-
3	**Multilateral development banks**	-	-	-	-	-	-	-	-	-	-	-	-	-
4	**Banks**	-	-	-	2,313,432	-	2,020,741	-	-	-	1,443,142	-	-	-
	Of which: securities firms and other financial institutions	-	-	-	22,808	-	62,670	-	-	-	243,999	-	-	-
5	**Covered bonds**	-	-	-	-	-	-	-	-	-	-	-	-	-
6	**Corporates**	-	-	-	-	-	-	-	-	-	6,549,614	-	-	-
	Of which: securities firms and other financial institutions	-	-	-	-	-	-	-	-	-	6,549,614	-	-	-
	Of which: specialised lending	-	-	-	-	-	-	-	-	-	-	-	-	-
7	**Subordinated debt, equity and other capital**	-	-	-	-	-	-	-	-	-	-	-	-	-
8	**Retail**	-	-	-	-	-	-	-	-	-	-	-	-	-
	MSMEs	-	-	-	-	-	-	-	-	-	-	-	-	-
9	**Real estate**	-	-	-	3,534,469	2,441,458	7,076,602	-	4,165,132	1,018,341	585,149	-	-	3,934,316
	Of which: general RRE	-	-	-	3,534,469	2,441,458	7,076,602	-	4,165,132	-	585,149	-	-	16,337
	Of which: no loan splitting applied	-	-	-	3,534,469	2,441,458	7,076,602	-	4,165,132	-	585,149	-	-	16,337
	Of which: loan splitting applied (Secured)	-	-	-	-	-	-	-	-	-	-	-	-	-
	Of which: loan splitting applied (Unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	-
	Of which: IPRRE	-	-	-	-	-	-	-	-	1,018,341	-	-	-	-
	Of which: general CRE	-	-	-	-	-	-	-	-	-	-	-	-	-
	Of which: no loan splitting applied	-	-	-	-	-	-	-	-	-	-	-	-	-
	Of which: loan splitting applied (Secured)	-	-	-	-	-	-	-	-	-	-	-	-	-
	Of which: loan splitting applied (Unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	-
	Of which: IPCRE	-	-	-	-	-	-	-	-	-	-	-	-	3,917,979
	Of which: land acquisition, development and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
10	**Defaulted exposures**	-	-	-	-	-	-	-	-	-	367,158	-	-	-
11	**Other assets**	747,623	-	-	-	-	-	-	-	-	-	-	-	-
12	**Total**	28,939,145	-	-	7,712,953	2,441,458	9,097,343	-	4,165,132	1,018,341	13,220,026	-	-	3,934,316

SR 000's

		75%	80%	85%	90%	100%	105%	110%	130%	150%	250%	400%	1250%	Other	Total credit exposure amount (post-CCF and post-CRM)
1	**Sovereigns and their central banks**	-	-	-	-	-	-	-	-	2,474	-	-	-	-	29,692,320
2	**Non-central government public sector entities**	-	-	-	-	-	-	-	-	-	-	-	-	-	4,641,689
3	**Multilateral development banks**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	**Banks**	3,650	-	-	-	1,997,828	-	-	-	2,784,708	-	-	-	-	10,563,500
	Of which: securities firms and other financial institutions	3,650	-	-	-	1,997,321	-	-	-	472,969	-	-	-	-	2,803,417
5	**Covered bonds**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	**Corporates**	314,427	-	7,845,571	-	25,472,168	-	-	431,522	-	-	-	-	-	40,613,301
	Of which: securities firms and other financial institutions	314,427	-	7,845,571	-	23,491,684	-	-	-	-	-	-	-	-	38,201,296
	Of which: specialised lending	-	-	-	-	1,980,484	-	-	431,522	-	-	-	-	-	2,412,005
7	**Subordinated debt, equity and other capital**	-	-	-	-	-	-	-	-	224,504	-	-	-	2,657,409	2,881,912
8	**Retail**	11,835,940	-	-	-	79,492	-	-	-	-	-	-	-	-	11,915,432
	MSMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	**Real estate**	-	-	-	-	1,945,090	-	-	-	1,892,778	-	-	-	6,480,499	33,073,835
	Of which: general RRE	-	-	-	-	-	-	-	-	-	-	-	-	-	17,819,147
	Of which: no loan splitting applied	-	-	-	-	-	-	-	-	-	-	-	-	-	17,819,147
	Of which: loan splitting applied (Secured)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Of which: loan splitting applied (Unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Of which: IPRRE	-	-	-	-	-	-	-	-	-	-	-	-	-	1,018,341
	Of which: general CRE	-	-	-	-	1,945,090	-	-	-	-	-	-	-	4,928,532	6,873,621
	Of which: no loan splitting applied	-	-	-	-	-	-	-	-	-	-	-	-	4,928,532	4,928,532
	Of which: loan splitting applied (Secured)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Of which: loan splitting applied (Unsecured)	-	-	-	-	1,945,090	-	-	-	-	-	-	-	-	1,945,090
	Of which: IPCRE	-	-	-	-	-	-	-	-	-	-	-	-	-	3,917,979
	Of which: land acquisition, development and construction	-	-	-	-	-	-	-	-	1,892,778	-	-	-	1,551,968	3,444,746
10	**Defaulted exposures**	-	-	-	-	-	-	-	-	-	-	-	-	-	367,158
11	**Other assets**	-	-	-	-	3,990,440	-	-	-	-	-	-	179,243	1,284,398	6,201,704
12	**Total**	12,154,017	-	7,845,571	-	33,485,017	-	-	431,522	4,904,463	-	-	179,243	10,422,306	139,950,853

		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%	47,761,309	829,127	48,190,899
2	40-70%	23,744,790	440,345	22,337,814
3	75%	12,227,164	7,437	12,154,017
4	**80- 85%**	6,835,619	1,408,181	7,845,571
5	90-100%	32,697,895	21,162,720	39,965,517
6	105-130%	3,322,319	-	3,243,011
7	150%	5,618,460	661,700	6,034,781
8	250%	-	-	-
9	400%	-	-	-
10	1250%	179,243	-	179,243
11	**Total exposures**	132,386,800	24,509,510	139,950,853

Table CRB: Additional disclosure related to the credit quality of assets

Qualitative disclosures		
a	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. When the accounting framework is IFRS 9, "impaired exposures" are those that are considered "credit-impaired" in the meaning of IFRS 9 Appendix A.	> Under the new IFRS-9 regime, the Bank recognises impairment based on a forward looking Expected Credit Loss (ECL) approach. The key inputs into the measurement of ECL are the term structure of the following variables: > Probability of Default (PD) > Loss Given Default (LGD) > Exposure at Default (EAD) The above parameters are derived from internally developed statistical models, other historical data and are adjusted for forward looking information. The bank recongnises financial assets into following three stages in accordance with IFRS-9 methodology: Stage 1 – Performing assets: Financial asset(s) that are not significantly deteriorated in credit quality since origination. The impairment allowance will be recorded based on 12 months ECL Stage 2 – Underperforming assets: Financial asset(s) that have significantly deteriorated in credit quality since origination. This credit quality assessment is made by comparing the remaining lifetime PD as at reporting date with the remaining lifetime PD point in time that was estimated at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations). The impairment allowance will be recorded based on lifetime ECL. Stage 3 – Impaired assets: For Financial asset(s) that are impaired, the Bank will recognize the impairment allowance based on life time ECL.
b	The extent of past-due exposures (more than 90 days) that are not considered to be impaired and the reasons for this.	If the situation arises as a result of temporary cash flow constraints of the borrower and in the Bank's view the recovery of the dues or the borrower's intention to repay is not in doubt, such outstandings may be classified as past due but not impaired (Ex: loans against receivables under contracts with Government Sector). However, the such exposures are appropriately classified into relevant stage.
c	Description of methods used for determining accounting provisions for credit losses. In addition, banks that have adopted an ECL accounting model must provide information on the rationale for categorisation of ECL accounting provisions in general and specific categories for standardised approach exposures.	The IFRS 9 requirements for impairment calculation entails forward looking models to consider ECL across three different stages. The bank initiates the impairment computation with the stage assessment exercise to identify the applicability of the assets to the three prescribed stages based on the levels of Credit Risk as given in #a above. The Bank classifies Stage 1 and 2 exposures as General provisions while of Stage 3 as Specifc provisions.
d	The bank's own definition of a restructured exposure. Banks should disclose the definition of restructured exposures they use (which may be a definition from the local accounting or regulatory framework).	A restructured exposure is where the bank extends the repayment period of an outstanding at the request of the borrower, to align with the borrower's cash flow which has changed from the time the original facility was granted. The factors driving this could be delay in implementation of a project resulting in delays in billing and collection or delay in realisation of receivables due to administrative reasons. The rescheduled facility will be governed by the new agreements that will be signed between the bank and the borrower. The bank as a policy does not grant any remission in fees or interest for the restructured exposures and merely grants additional time to align the repayment schedule with the cash flow generation rate of the obligor.
Quantitative disclosures		
e	Breakdown of exposures by geographical areas, industry and residual	Please refer quantitative disclosures. In CRB-E.1, CRB-E.2, and CRB-E.3
f	Amounts of impaired exposures (according to the definition used by the bank for accounting purposes) and related accounting provisions, broken down by geographical areas and industry.	Please refer quantitative disclosures. In CRB-F.1, CRB-F.2
g	Ageing analysis of accounting past-due exposures.	Please refer quantitative disclosures. In CRB F.1
h	Breakdown of restructured exposures between impaired and not	Restructured Loans : SAR 1.687Bn (All not impaired)

Table CRB E.1: Quantitative Disclosures For Exposure By Geographical Area

CRB -E.1							
Geographic Breakdown- 31 Dec 2023 (Figures in SAR 000's)							
Portfolios	Geographic area						
	Saudi Arabia	Other GCC & Middle East	Europe	North America	South East Asia	Other countries	Total
Sovereigns and central banks	29,689,839	2,482	-	-	-	-	29,692,320
Public Sector Entities	4,641,689	-	-	-	-	-	4,641,689
Banks	6,349,089	1,242,309	2,102,953	309,965	554,502	4,682	10,563,500
Subordinated debt, equity and other capital instruments	2,880,791	188	933	-	-	-	2,881,912
Retail Exposure	11,915,432	-	-	-	-	-	11,915,432
Corporates and Securities Firms & Other Financial institutions	38,201,297	-	-	-	-	-	38,201,297
Specialized Lending	2,412,005	-	-	-	-	-	2,412,005
Real Estate Exposure	33,073,835	-	-	-	-	-	33,073,835
Other Assets	4,738,063	-	-	-	-	-	4,738,063
Defaulted Exposures	367,158	-	-	-	-	-	367,158
Equity Investment in Funds	157,781	-	1,278,640	27,220	-	-	1,463,641
TOTAL	134,426,979	1,244,979	3,382,526	337,186	554,502	4,682	139,950,853

Table CRB E.2: Quantitative Disclosures For Exposure By Industry Sector

CRB-E.2													
Industry Sector Breakdown - 31 Dec 2023 (Figures in SAR 000's)													
Portfolios	Industry sector												
	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	29,692,320	-	-	-	-	-	-	-	-	-	-	-	29,692,320
Public Sector Entities	4,641,689	-	-	-	-	-	-	-	-	-	-	-	4,641,689
Banks	-	10,563,500	-	-	-	-	-	-	-	-	-	-	10,563,500
Subordinated debt, equity and other capital instruments	-	2,881,912	-	-	-	-	-	-	-	-	-	-	2,881,912
Retail Exposure	-	-	-	-	-	44,104	30,279	118,300	-	179,559	3,575,489	7,967,700	11,915,432
Corporates and Securities Firms & Other Financial institutions	-	-	370,474	2,031,395	404,484	2,505,956	6,867,179	6,678,549	2,016,890	1,738,607	-	15,587,763	38,201,297
Specialized Lending	-	-	-	-	1,628,511	-	-	-	-	-	-	783,495	2,412,005
Real Estate Exposure	-	-	-	-	-	-	8,381,066	-	-	-	17,819,147	6,873,621	33,073,835
Other Assets	-	-	-	-	-	-	-	-	-	-	-	4,738,063	4,738,063
Defaulted Exposures	-	-	-	-	-	-	-	-	-	-	-	367,158	367,158
Equity Investment in Funds	-	1,463,641	-	-	-	-	-	-	-	-	-	-	1,463,641
TOTAL	**34,334,010**	**14,909,054**	**370,474**	**2,031,395**	**2,032,995**	**2,550,061**	**15,278,524**	**6,796,849**	**2,016,890**	**1,918,166**	**21,394,637**	**36,317,799**	**139,950,853**

Table CRB E.3: Quantitative Disclosures For Exposure By Residual Maturity

CRB E.3							
Residual Contractual Maturity Breakdown - 31 Dec 2023 (Figures in SAR 000's)							
Portfolios	**Maturity breakdown**						
	0-90 days	**90-180 days**	**180-360 days**	**1-3 years**	**3-5 years**	**Over 5 years**	**Total**
Sovereigns and central banks	4,675,614	-	-	6,626,823	4,708,822	13,681,062	**29,692,320**
Public Sector Entities	4,209,663	-	373,476	-	58,551	-	**4,641,689**
Banks	2,726,169	-	2,107,043	4,420,057	1,145,005	165,227	**10,563,500**
Subordinated debt, equity and other capital instruments	-	-	-	2,656,908	225,004	-	**2,881,912**
Retail Exposure	23,572	35,020	432,396	3,145,446	8,006,746	272,254	**11,915,432**
Corporates and Securities Firms & Other Financial institutions	7,807,690	6,365,841	15,876,929	2,269,066	1,639,627	4,242,143	**38,201,297**
Specialized Lending	1,392,138	-	-	3,094	147,884	868,889	**2,412,005**
Real Estate Exposure	2,644,155	2,603,589	9,800,435	231,444	545,347	17,248,865	**33,073,835**
Other Assets	-	-	-	3,626,898	-	1,111,165	**4,738,063**
Defaulted Exposures	367,158	-	-	-	-	-	**367,158**
Equity Investment in Funds	-	-	-	-	1,463,641	-	**1,463,641**
TOTAL	**23,846,158**	**9,004,450**	**28,590,278**	**22,979,737**	**17,940,626**	**37,589,605**	**139,950,853**

Table CRB F.1: Quantitative Disclosures For Exposure for Amount Impaired by sector and aging Analysis

CRB F.1									
Impaired Loans, Past Due Loans and Allowances - 31 December 2023 (Figures in SAR'000s)									
Industry sector	Impaired loans	Aging of Past Due Loans (days)				Specific allowances			General allowances
		Less than 90 **	90-180	180-360	Over 360	Gross charges during the period	Charge-offs during the period	Balance at the end of the period	
Government and quasi government	-	0	0	0	0	-	-	-	9,086
Banks and other financial institutions	-	822	2,992	-	-	0	-	10,546	3,427
Agriculture and fishing	-	0	0	0	0	-	-	-	59
Manufacturing	193,442	760	75	-	379,113	173,699	123,546	733,680	7,448
Mining and quarrying	-	0	0	0	0	-	-	-	487
Electricity, water, gas and health services	4,000	0	0	0	0	259	-	284	161
Building and construction	274,487	5,050	-	6	320,767	46,039	-	547,722	12,532
Commerce	473,195	11,992	117,941	5,006	57,599	17,753	-	558,914	115,533
Transportation and communication	-	3,383	-	-	-	(1)	-	-	548
Service	109,419	5,498	3	-	3	5,416	-	74,508	163,939
Consumer loans and credit cards	357,320	1,037,556	-	3,823	-	48,101	68,555	200,439	87,073
Others	124,022	5,584	11	301,957	9,357	22,230	7	159,454	106,692
TOTAL	**1,535,885**	**1,070,645**	**121,023**	**310,792**	**766,839**	**313,496**	**192,107**	**2,285,547**	**506,985**

Table CRB F.2: Quantitative Disclosures For Exposure For Impaired Exposure By Geographic area

CRB F.2							
Impaired Loans, Past Due Loans And Allowances- 31 December 2023 (Figures in SAR'000s)							
Geographic area	Impaired loans	Aging of Past Due Loans (days)				Specific allowances	General allowances
		Less than 90	90-180	180-360	Over 360		
Saudi Arabia	1,535,885	1,070,645	121,023	310,792	766,839	2,285,547	506,985
Other GCC & Middle East	-	-	-	-	-	-	-
Europe	-	-	-	-	-	-	-
North America	-	-	-	-	-	-	-
South East Asia	-	-	-	-	-	-	-
Other countries	-	-	-	-	-	-	-
TOTAL	**1,535,885**	**1,070,645**	**121,023**	**310,792**	**766,839**	**2,285,547**	**506,985**

Table CRB-A – Additional disclosure related to prudential treatment of problem assets

Qualitative disclosures		
a	The bank's own definition of non-performing exposures. The bank should specify in particular if it is using the definition provided in the guidelines on prudential treatment of problem assets (hereafter in this table referred to as SAMA's Rules on Management of Problem No. 41033343, January 2020. And provide a discussion on the implementation of its definition, including the materiality threshold used to categorise exposures as past due, the exit criteria of the non-performing category (providing information on a probation period, if relevant), together with any useful information for users' understanding of this categorisation. This would include a discussion of any differences or unique processes for the categorisation of corporate and retail loans.	Bank defines non-performing exposures as exposures with material amounts that are more than 90 days past due or exposures where the debtor is assessed as unlikely to pay its credit obligations in full without the realization of collateral, regardless of the existence of any past due amounts or number days past due.
b	The bank's own definition of a forborne exposure. The bank should specify in particular if it is using the definition provided in the Guidelines and provide a discussion on the implementation of its definition, including the exit criteria of the restructured or forborne category (providing information on the probation period, if relevant), together with any useful information for users' understanding of this categorisation. This would include a discussion of any differences or unique processes for the catagorisation of corporate and retail loans[1].	A restructured or foreborne exposure is where the bank extends the repayment period of an outstanding at the request of the borrower, to align with the borrower's cash flow which has changed from the time the original facility was granted. The factors driving this could be delay in implementation of a project resulting in delays in billing and collection or delay in realization of receivables due to administrative reasons. The rescheduled facility will be governed by the new agreements that will be signed between the bank and the borrower. The bank as a policy does not grant any remission in fees or profit for the restructured exposures and merely grants additional time to align the repayment schedule with the cash flow generation rate of the obligor. The Bank has implemented the SAMA guidelines on prudential treatment of problem assets and has been monitoring its restructuring accounts accordingly.
Quantitative disclosures		
c	Gross carrying value of total performing as well as non-performing exposures, broken down first by debt securities, loans and off-balance sheet exposures. Loans should be further broken down by corporate and retail exposures. Non-performing exposures should in addition be split into (i) defaulted exposures and/or impaired exposures;[5] (ii) exposures that are not defaulted/impaired exposures but are more than 90 days past due; and (iii) other exposures where there is evidence that full repayment is unlikely without the bank's realisation of collateral (which would include exposures that are not defaulted/impaired and are not more than 90 days past due but for which payment is unlikely without the bank's realisation of collateral, even if the exposures are not past due). Value adjustments and provisions[6] or non-performing exposures should also be disclosed.	Refer to CR1
d	Gross carrying values of restructured/forborne exposures broken down first by debt securities, loans and off-balance sheet exposures. Loans should be further broken down by corporate and retail exposures to enable an understanding of material differences in the level of risk among different portfolios (eg retail exposures secured by real estate/mortages, revolving exposures, SMEs, other retail). Exposures should, in addition, be split into performing and non-performing, and impaired and not impaired exposures. Value adjustments and provisions for non-performing exposures should also be disclosed.	Refer to CRB (h)

Table CRC: Qualitative disclosure related to credit risk mitigation techniques

Banks must disclose:		
a	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.	Netting can reduce capital adequacy requirements by offsetting deposits held by the bank against financing arrangements. However netting arrangements are not used by the Bank unless the deposits need to be in the form of collateral with a specific charge or lien in favor of the Bank.
b	Core features of policies and processes for collateral evaluation and management.	Collateral evaluation and management is the responsibility of the Credit Administration and Control (CAC) Division. Collaterals are mainly in the form of real estate, cash margins and equity shares traded locally. Policy guidelines exist as to the periodicity of the valuation of the collateral, the minimum security coverage ratios to be maintained and the action points if these levels are breached. The bank has empanelled property evaluators and a minimum of three evaluations are done from three different empanelled valuers. An internal rule has been established to arrive at the appraised value of the property. Insurance/Takaful where necessary is also taken where applicable.
c	Information about market or credit risk concentrations under the credit risk mitigation instruments used (ie by guarantor type, collateral and credit derivative providers). Banks should disclose a meaningful breakdown of their credit derivative providers, and set the level of granularity of this breakdown in accordance with section 10. For instance, banks are not required to identify their derivative counterparties nominally if the name of the counterparty is considered to be confidential information. Instead, the credit derivative exposure can be broken down by rating class or by type of counterparty (eg banks, other financial institutions, non-financial institutions).	Bank Al Jazira's corporate portfolio is focused substantially on Saudi large, medium, and small business entities. The credit granting process is centralized and has a well reinforced governance process that ensures independent input from Enteprise Risk Management Group prior to decision making. Due to the wholesale nature of business, Country Concentration (outside Saudi Arabia) is virtually non-existent.

Table CRD: Qualitative disclosure on banks' use of external credit ratings under the standardised approach for credit risk

A. For portfolios that are risk-weighted under the standardised approach for credit risk, banks must disclose the following information:		
a	Names of the external credit assessment institutions (ECAIs);	(a) Fitch (b) Standard & Poor's & (c) Moody's.
b	The asset classes for which each ECAI is used;	> In accordance with the guideline issued by SAMA, ECAI risk assessments are used by the Bank as part of the determination of risk weightings for the following classes of exposure: > Claims on sovereigns and their central banks; > Claims on Multilateral Development Banks; > Claims on Banks and Securities Firms; and > Claims on corporates.
c	A description of the process used to transfer the issuer to issue credit ratings onto comparable assets in the banking book (see SCRE8.16 to SCRE8.18); and	As per the Credit policy following is the description of the process: o External Ratings: The Bank considers use of ratings provided by major reputed External Rating Agencies (ERA) for the cases: - Ratings of Financial Institutions, Banks and Sovereigns from ERAs are considered; - In case of differing ratings between different rating agencies, the lower rating grade is considered. o Countries and Central Governments: The following rules are applicable for consideration of ORR of Sovereigns and governments: - External ratings is considered for rating governments; - In case of absence of ratings, or unrated governments, the expsure may be proposed by the business and approved by the CRD and the CRO. o Government entities: - All Government agencies are rated as per the rules prescribed in the Master Rating Scale; - In case the customer is partially guaranteed by a government agency (less than 100%), the guaranteed part is rated based on the government agency rating, and the other partis rated based on the company's' rating/ ORR. o Financial Institutions - The Bank may consider reference to External ratings for assessing risks pertaining to Financial Institutions; - Ratings of Financial Institutions may also be considered based on dedicated models in case external ratings are unavailable, based on approval of rating by the Mangement Credit Committee and Market Risk Policy Committee.
d	The alignment of the alphanumerical scale of each agency used with risk buckets (as per SAMA circular No. B.C.S 242, issued April 11, 2007).	(see table below)

BAJ Internal Grade	Description	Mapping to Moodys Master Scale
1A	Superior	A2
2A	Excellent	A2
2B	Excellent	A2
2C	Excellent	A3
3A	Very Good	A3
3B	Very Good	Baa1
3C	Very Good	Baa1
4A	Good	Baa2
4B	Good	Baa2
4C	Good	Baa3
5A	Acceptable	Baa3
5B	Acceptable	Ba1
5C	Acceptable	Ba2
6A	Acceptable with Care	Ba2
6B	Acceptable with Care, Not Rated, Start Up	Ba3
6C	Acceptable with Care, Watchlist	B1
7A	Special Attention	B2
7B	Special Attention	B3
7C	Special Attention	Caa1
8A	Default	C
9A	Default	100.0000%
9B	Default	100.0000%

Table CCRA: Qualitative disclosure related to CCR

Banks must provide risk management objectives and policies related to counterparty credit risk, including:		
a	The method used to assign the operating limits defined in terms of internal capital for counterparty credit exposures and for CCP exposures;	The Standardised Approach for Counterparty Credit Risk (SA-CCR) is used for computing Exposure at Default (EAD). The EAD is converted to Risk Weighted Assets (RWA) by applying RWA percentages based on external ratings. The RWA includes a CVA component added to it.
b	Policies relating to guarantees and other risk mitigants and assessments concerning counterparty risk, including exposures towards CCPs;	- The Bank has undertaken Credit Support Annexure (CSAs)with major derivative financial counterparties to mitigate counterparty credit risk.
c	Policies with respect to wrong-way risk exposures;	- Wrong-way risk occurs when exposure to a counterparty is adversely correlated with The Credit quality of that counterparty. The Bank considers its exposure to such risk as limited and immaterial.
d	The impact in terms of the amount of collateral that the bank would be required to provide given a credit rating downgrade.	- This will be managed through variation margin and The impact of any increase in variation margin due to The fact that potential Credit rating downgrade is considered minimal.C32

Template CCR1: Analysis of counterparty credit risk (CCR) exposure 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)	229,323	197,150		1.4	597,062	419,483
2	Internal Model Method (for derivatives and SFTs)			-	-	-	-
3	Simple Approach for credit risk mitigation (for SFTs)					-	-
4	Comprehensive Approach for credit risk mitigation (for SFTs)					-	-
5	Value-at-risk (VaR) for SFTs					-	-
6	**Total**						419,483

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

SR 000's

		a	b	c	d	e	f	g	h	i
Regulatory portfolio*↓	Risk weight*→	0%	10%	20%	50%	75%	100%	150%	Others	Total credit exposure
Sovereigns		-	-	-	-	-	-	-	-	-
Non-central government public sector entities		-	-	-	-	-	-	-	-	-
Multilateral development banks		-	-	-	-	-	-	-	-	-
Banks		-	-	-	-	-	24,791	76,963	308,657	410,410
Securities firms		-	-	-	-	-	-	-	-	-
Corporates		-	-	-	-	-	186,652	-	-	186,652
Regulatory retail portfolios		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	211,442	76,963	308,657	597,062

Table MRA: General qualitative disclosure requirements related to market risk

Banks must describe their risk management objectives and policies for market risk according to the framework as follows:		
a	Strategies and processes of the bank, which must include an explanation and/or a description of:	**Market Risk:** **a) Introduction:** Market risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate due to changes in market variables such as equity prices, profit rates, foreign exchange rates, and commodity prices. **b) Management of Market Risk** Delegated by the Board, the Market Risk Policy Committee (MRPC) is responsible for the policies, limits and controls used in managing market risk. The Bank has an approved Market Risk Policy and Treasury Limits Package that clearly defines policies, procedures, and limits of market risk exposures. The primary objective is to manage volatility in earnings and highlight the market risk and liquidity risk profile to Senior Management, Board Risk Committee (BRC), Asset and Liability Committee (ALCO), the Board of Directors and the national supervisor. **I. Foreign Exchange Risk** Foreign Exchange risk is the risk that financial assets that are denominated in foreign currency lose value, or financial liabilities that are denominated in foreign currency gain value. The MRPC has set limits on net open positions by currency. There are limits for USD, Other G10 Currencies, GCC Currencies, and currencies in other regions. The Bank has negligible exposure in foreign exchange because its assets and liabilities are mainly denominated in Saudi Riyals (SAR) and to a limited extent in United States Dollars (USD) or in USD-pegged currencies. **II. Equity Price Risk** Equity price risk refers to the risk of a decrease in fair values of the Bank's investments in equities. The Bank's portfolio of securities is regularly marked to market and positive/negative changes are taken into the Bank's equity or income statement. **c) Capital Treatment for Market Risk** Bank AlJazira computes the minimum capital requirements against market risk using the Standardized Approach. The capital serves as a financial buffer to withstand any adverse market risk movements. Profit rate risk, foreign currency risk and liquidity risk are the primary risk factors experienced in the Bank's activities.
	(i) The bank's strategic objectives in undertaking trading activities, as well as the processes implemented to identify, measure, monitor and control the bank's market risks, including policies for hedging risk and the strategies/processes for monitoring the continuing effectiveness of hedges.	
	(ii) Policies for determining whether a position is designated as trading, including the definition of stale positions and the risk management policies for monitoring those positions. In addition, banks should describe cases where instruments are assigned to the trading or banking book contrary to the general presumptions of their instrument category and the market and gross fair value of such cases, as well as cases where instruments have been moved from one book to the other since the last reporting period, including the gross fair value of such cases and the reason for the move.	
	(iii) Description of internal risk transfer activities, including the types of internal risk transfer desk (SMAR5)	**Market Risk Management Structure:** Market Risk unit is mainly responsible for monitoring Foreign Exchange Risk, Equity Price Risk and Liquidity Risk on a daily basis. The primary tools used to monitor market risks are: I. Market Risk Factors II. Factor Sensitivity III. Loss Triggers IV. Profit Rate Exposure V. Market Access Requirement VI. Stress Tests **Governance Bodies:** Market Risk Policy Committee (MRPC) The Board Executive Committee (Excom) delegates the decision making authority of monitoring and controlling Treasury activities through the MRPC. This authority includes the risk appetite setting process which culminates in the approval of the market risk and Treasury related credit. **Asset and Liability Committee (ALCO)** ExCom delegates the decision making authority of monitoring and controlling liquidity and accrual risks on BAJ's balance sheet to the ALCO. **Board of Directors Executive Committee (ExCom)** The ExCom has been delegated by the BOD and chaired by the chairman of board of directors. It is the responsibility of the ExCom, in accordance with the delegated powers, to approve credit and monitor the implementation of the strategy and policies set by the BOD, recommend the budget and operating plan of action submitted for the fiscal year, and ensure proper implementation of the policies of the BOD. **Board Risk Committee (BRC)** The Board Risk Committee is primarily responsible for providing advice to the Board in relation to current and potential future risk exposures of the Bank and future risk strategy, including determination of risk appetite and tolerance.
b	The structure and organisation of the market risk management function, including a description of the market risk governance structure established to implement the strategies and processes of the bank discussed in row (a) above.	
c	The scope and nature of risk reporting and/or measurement systems.	BAJ has implemented a comprehensive Market Risk Control function supported by robust MIS systems. Market Risk Management uses various MIS system for the below monitoring and reporting purpose: I. Foreign Exchange Profit & Loss II. Trading DV01 III. Investment Portfolio IV. Profit Rate Exposure V. Market Access Requirement

Table MR1: Market risk under the standardized approach (SA)

SR 000's

		a
		Capital requirement in standardised approach
1	General interest rate risk	41,512
2	Equity risk	-
3	Commodity risk	-
4	Foreign exchange risk	151,124
5	Credit spread risk - non-securitisations	-
6	Credit spread risk - securitisations (non-correlation trading portfolio)	-
7	Credit spread risk - securitisation (correlation trading portfolio)	-
8	Default risk - non-securitisations	-
9	Default risk - securitisations (non-correlation trading portfolio)	-
10	Default risk - securitisations (correlation trading portfolio)	-
11	Residual risk add-on	-
12	**Total**	192,636

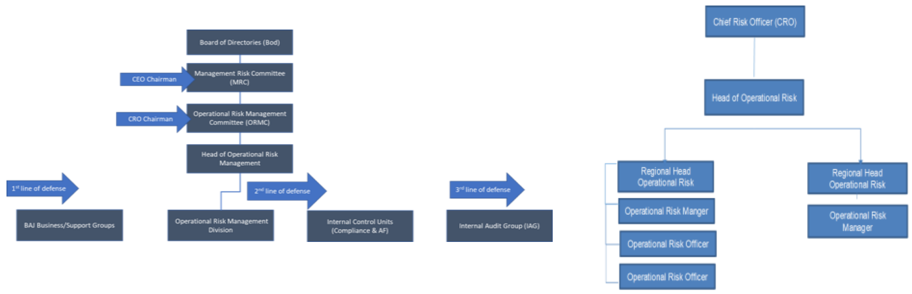
Table CVAA: General qualitative disclosure requirements related to CVA

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.	BAJ is using the Standardized approaches for Counterparty Credit Risk(SA-CCR) and the Alternative Treatment for Credit Valuation Adjustment.(CVA) Standardized Approach for Counterparty Credit Risk (SA-CCR): SA-CCR aims to provide a more risk-sensitive approach to measuring counterparty credit risk associated with derivative transactions, securities financing transactions, and long-settlement transactions. The methodology accounts for potential future exposure (PFE) and incorporates a more risk-sensitive approach to the recognition of collateral and hedges. It introduces a efficient calculation for the exposure amount that is more aligned with the actual risk of the OTC derivative transactions. Alternative Treatment for Credit Valuation Adjustment (AT-CVA): As allowed by SAMA for banks having aggregate notional exposure less than the Materiality Threshold i.e. SAR 446Billion, for all non-centrally cleared derivatives, to use Alternative Treatement i.e. applying CVA charge equivalent to total CCR capital charge. CVA relates to an adjustment to the mid-market valuation of the portfolio of trades with a counterparty. This adjustment reflects the market value of the credit risk due to any failure to perform on contractual agreements with a counterparty. This adjustment may reflect the market value of the credit risk of the counterparty or the market value of the credit risk of both the bank and the counterparty. **Hedging Policies:** Derivative Hedging: Bank may enter into instruments such as Profit rate swaps to offset the credit risk associated with specific counterparties. BAJ uses Profit Rate Derivatives to hedge against the rate movements that could affect CVA exposures. Diversifying the portfolio of derivative transactions across various counterparties and asset classes is also a risk mitigation strategy for BAJ. This helps reduce concentration risk and the impact of a default from a single counterparty. Given the dynamic nature of CVA risk, bank may engage in dynamic hedging strategies, regularly adjusting their hedges to account for changes in market conditions and counterparty creditworthiness. **Monitoring Hedge Effectiveness:** Regular Assessments: Bank performs regular assessments to ensure that its hedging strategies are effective in mitigating CVA risks. This involves comparing the changes in the value of the derivatives used for hedging with the changes in the CVA exposure.
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.	BAJ haing having aggregate notional exposure less than the Materiality Threshold i.e. SAR 446Billion, for all non-centrally cleared derivatives, uses Alternative Treatement i.e. applying CVA charge equivalent to total CCR capital charge.

Table CVAB: 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.	A Bank's Credit Valuation Adjustment (CVA) risk management framework is designed to assess and manage the risk associated with changes in the creditworthiness of counterparties in over-the-counter (OTC) derivative transactions. Following are the key components and processes established by Bank related to CVA risk management framework: Policy and Governance: Policy Development: The framework established a clear policies and guidelines governing the calculation and management of CVA risk. These policies are developed in alignment with regulatory requirements and internal risk management objectives. Governance Structure: There is a defined governance structure outlining the roles and responsibilities of various units involved in CVA risk management. This includes the risk management team, independent control unit, and internal audit.
b	A description of how senior management is involved in the CVA risk management framework.	Senior management of Bank AlJazira played a crucial role in the Credit Valuation Adjustment (CVA) risk management framework. They are involved in setting the strategic direction, defining risk appetite, and ensuring the alignment of CVA risk management with the overall business objectives and regulatory requirements. Senior Management involvement in the CVA risk management framework are as follows: Setting Risk Appetite: Senior management is responsible for establishing the Bank's Risk Appetite, including acceptable levels of CVA risk. This involves determining the maximum level of potential losses from changes in counterparties' creditworthiness that the bank is willing to tolerate. Risk Governance Oversight: Senior management oversees the governance structure for CVA risk management. This includes the roles and responsibilities of different units involved, such as risk management, finance, and independent control units. Monitoring and Reporting: BAJ's Senior management receives regular updates and reports on CVA risk metrics, performance, and the effectiveness of risk mitigation strategies. These updates help senior management in order to make informed decisions and understand the potential impact of CVA risk on the institution. Strategic Decision-Making: Bank's Senior management participates in evaluating and approving hedging strategies to mitigate CVA risk. This involves decisions regarding the use of Profit rate Swaps, collateralization, or other risk mitigation instruments.
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).	Documentation: The documentation outlining the CVA risk covers methodologies, models, and processes used in calculating and managing CVA risk. BAJ ensures that all the relevant documentation meets specified standards for clarity, completeness, and consistency is crucial. This includes model documentation, data dictionaries, and procedures manuals. Independent Control Unit: The governance structure includes a separation of duties between the units responsible for trading and risk management. This separation helps prevent conflicts of interest and ensures a more objective assessment of CVA risk. Role of Risk Management is responsible for assessing risk metrics, and providing an independent review of the overall CVA risk management process. Independent Review: An internal audit function conducts periodic reviews of the CVA risk management framework. This ensures that the processes are being followed, and any weaknesses or areas for improvement are identified and addressed. External auditors also play a role in reviewing the CVA risk management framework, particularly in ensuring compliance with regulatory requirements and accounting standards. Independence of Data Acquisition: BAJ established a robust data governance framework which is crucial to ensure the quality, accuracy, and independence of data used in CVA risk calculations. Regulatory Compliance: Regulatory reporting requirements are clearly understood and integrated into the CVA risk management processes. The governance structure includes mechanisms for timely and accurate reporting to regulatory authorities.

Table ORA: General qualitative information on a bank's operational risk framework

Banks must describe		
a	Their policies, frameworks and guidelines for the management of operational risk.	Bank has approved policy and procedures in place to manage Operational Risk in the bank, P&P are updated periodically to reflect and be aligned with the related regulations and requirements (The Operational Risk Management Framework is designed to establish an effective association between the risk management and the risk owners represented by various business and support groups within the bank. Business and support groups are responsible to manage their activities and the risks within their respective groups, however processes have been established to involve the Operational Risk Division to facilitate risk identification, measurement, assessment and control. Operational Risk framework across the Bank is also subject to independent review by Internal Audit function. The components of the Operational Risk framework to manage and monitor operational risks are (Risk & Control Self-Assessment (RCSA)/ Key Risk Indicators (KRI)/ Loss Data Management (LDM)/ Business Continuity Management (BCM)/ Outsourcing/Anti-Fraud Management
b	The structure and organisation of their operational risk management and control function.	
c	Their operational risk measurement system (ie the systems and data used to measure operational risk in order to estimate the operational risk capital charge).	ORMD use EGRC system and will be moved to use a new system for EGRC from ARCHER, all the data related to risks, controls, KRI and losses/near misses will be transferred to the new system. Operational loss data captured registered, the full data is available in ops risk system and operational risk capital charge is calculated at excel not direct from system.
d	The scope and main context of their reporting framework on operational risk to executive management and to the board of directors.	Reporting the Bank wide status of Operational Risks to the Management Risk Committee (MRC) and/or the Board Risk Committee (BRC).
e	The risk mitigation and risk transfer used in the management of operational risk. This includes mitigation by policy (such as the policies on risk culture, risk appetite, and outsourcing), by divesting from high-risk businesses, and by the establishment of controls. The remaining exposure can then be absorbed by the bank or transferred. For instance, the impact of operational losses can be mitigated with insurance.	ORMD policy covers the and defines the risk mitigation methods related to internal controls, establishing and investing in new controls/defining Operational loss appetite /policy and procedures review and update, Outsourcing and 3rd party engagements/ and using insurance i.e. D&O and BBB insurance policies.

Template OR1: Historical losses

SR 000's

		a	b	c	d	e	f	g	h	i	j	k
		T	T-1	T-2	T-3	T-4	T-5	T-6	T-7	T-8	T-9	Ten year Average
Using 44,600 SAR threshold												
1	Total amount of operational losses net of recoveries (no exclusions)	30,115.00	17,033.00	6,712.00	34,918.00	22,163.00	1,591.00	801.00	1,406.00	3,351.00	6,207.00	12,429.70
2	Total number of operational risk losses	46.00	31.00	19.00	31.00	24.00	10.00	9.00	10.00	21.00	22.00	22.40
3	Total amount of excluded operational risk losses	-	-	-	-	-	-	-	-	-	-	-
4	Total number of exclusions	-	-	-	-	-	-	-	-	-	-	-
5	Total amount of operational losses net of recoveries and net of excluded losses	30,241.00	17,033.00	6,712.00	34,918.00	22,163.00	1,592.00	801.00	1,406.00	3,351.00	6,207.00	12,442.40
Using 446,000 SAR threshold												
6	Total amount of operational losses net of recoveries (no exclusions)	-	-	-	-	-	-	-	-	-	-	-
7	Total number of operational risk losses	-	-	-	-	-	-	-	-	-	-	-
8	Total amount of excluded operational risk losses	-	-	-	-	-	-	-	-	-	-	-
9	Total number of exclusions	-	-	-	-	-	-	-	-	-	-	-
10	Total amount of operational losses net of recoveries and net of excluded losses	-	-	-	-	-	-	-	-	-	-	-
Details of operational risk capital calculation												
11	Are losses used to calculate the ILM (yes/no)?	NO										
12	If "no" in row 11, is the exclusion of internal loss data due to non compliance with the minimum loss data standards (yes/no)?	YES										
13	Loss event threshold: 44,600 SAR or 446,000 SAR for the operational risk capital calculation if applicable	44,600 SAR										

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 componen	2,164,229		
1a	Interest and lease income	3,971,021	3,171,492	3,227,293
1b	Interest and lease expense	-1,399,499	-498,247	-889,625
1c	Interest earning assets	104,677,210	96,241,213	85,608,142
1d	Dividend income	44,954	804	80
2	Services component	771,378		
2a	Fee and commission income	694,573	718,548	845,676
2b	Fee and commission expense	-	-	-
2c	Other operating income	54,019	1,171	146
2d	Other operating expense	-35,652	-72,350	-10,907
3	Financial component	89,359		
3a	Net P&L on the trading book	-35,652	-72,350	-10,907
3b	Net P&L on the banking book	32,591	109,771	6,805
4	BI	3,024,965		
5	Business indicator component (BIC)	362,996		

Disclosure on BI:

		a
6a	BI gross of excluded divested activities	3,024,965
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)	362,996
2	Internal loss multiplier (ILM)	1
3	Minimum required operational risk capital (ORC)	362,996
4	Operational risk RWA	4,537,448

Table IRRBBA - IRRBB risk management objectives and policies (Quantitative disclosures)

SR 000's

Quantitative disclosures		
1	Average repricing maturity assigned to non-maturity deposits (NMDs).	Average repricing maturity assigned to NMDs is 3.52 Years (Retail) and 2.46 Years (Wholesale).
2	Longest repricing maturity assigned to NMDs.	Longest repricing maturity assigned to NMDs is 10 Years.

Template IRRBB1 - Quantitative information on IRRBB1

SR 000's

In reporting currei	ΔEVE		ΔNII	
Period	**T**	**T-1**	**T**	**T-1**
Parallel up	-2,167,924	-1,810,929	-210,659	-354,636
Parallel down	2,906,878	2,326,020	210,659	354,636
Steepener	-1,096,103	-868,479		
Flattener	716,256	476,241		
Short rate up	-392,289	-424,779		
Short rate down	-1,485,771	-1,223,403		
Maximum	2,167,924	1,810,929	210,659	354,636
Period	**T**		**T-1**	
Tier 1 capital	16,596,256		16,348,071	

Template LR1: Summary comparison of accounting assets vs leverage ratio exposure

#	Particulars	SR 000's a
1	Total consolidated assets as per published financial statements	170,411,568
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	-15,754,219
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)	-11,865,973
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-
12	Other adjustments	506,985
13	**Leverage ratio exposure measure**	**143,298,361**

Template LR2: Leverage ratio common disclosure template

SR 000's

		a	b
		T	T-1
On Balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	130,057,762.00	129,699,791.52
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)	-	-
6	(Asset amounts deducted in determining Basel III Tier 1 capital and regulatory adjustments)	-	-
7	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)**	**130,057,762**	**129,699,792**
Derivative exposures			
8	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	321,051.87	517,871.63
9	Add-on amounts for potential future exposure associated with all derivatives transactions	276,009.63	303,120.60
10	(Exempted central counterparty (CCP) leg of client-cleared trade exposures)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	**Total derivative exposures (sum of rows 8 to 12)**	**597,062**	**820,992**
Securities financing transaction exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sale accounting transactions	-	-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	-	-
17	Agent transaction exposures	-	-
18	**Total securities financing transaction exposures (sum of rows 14 to 17)**	**-**	**-**
Other off balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	24,509,510.00	23,744,784.00
20	(Adjustments for conversion to credit equivalent amounts)	-11,865,972.87	-11,220,842.80
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	-	-
22	**Off-balance sheet items (sum of rows 19 to 21)**	**12,643,537**	**12,523,941**
Capital and total exposures			
23	**Tier 1 capital**	16,596,256.05	16,348,071.17
24	**Total exposures (sum of rows 7, 13, 18 and 22)**	**143,298,361**	**143,044,725**
Leverage ratio			
25	**Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)**	**11.58%**	**11.43%**
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	-	-
26	**National minimum leverage ratio requirement**	-	-
27	**Applicable leverage buffers**	-	-
Disclsoure of mean values			
28	Mean value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
30	Total exposures (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	-	-
30a	Total exposures (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	-	-
31	Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	-	-
31a	Basel III leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	-	-
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 - Liquidity risk management

Qualitative disclosures

a Governance of liquidity risk management, including: risk tolerance; structure and responsibilities for liquidity risk management; internal liquidity reporting; and communication of liquidity risk strategy, policies and practices across business lines and with the board of directors.

The Bank has developed Liquidity Risk Policy (LRP) as an important tool to manage adherence to Liquidity Ratios and Liquidity Stress Scenarios as approved by the Market Risk Policy Committee (MRPC) of the Bank. Any exception to the Liquidity Risk Policy must be approved by MRPC and notified to the BRC (as part of regular reporting), Board/ExCom. The Bank has a sound governance process for the management of liquidity and associated risks with well-defined roles and responsibilities of various stakeholders involved in the daily management and monitoring of the Bank's liquidity position.
The Bank has enhanced its liquidity risk management framework by enhancing the charters of Committees as well as produce various liquidity metrics at a regular frequency which help in assessing the liquidity risk profile of the Bank. The Bank computes LCR, NSFR, SLR and LDR as per the required frequency of the regulator. Additionally, the Bank also conducts a CFP testing on a quarterly basis.
Treasury team is responsible for the management of the Bank's liquidity and the structural maturity mismatches. Market and Liquidity Risk Management Unit within Enterprise Risk Management Group (ERMG) works closely with the Treasury team of the Bank to track the liquidity ratios and conduct liquidity stress tests to better prepare the Bank for business as usual and unexpected stress scenarios. Treasury works under the guidelines of the Liquidity Risk Policy (LRP). The Bank's Risk Appetite Framework defines the Bank's Risk Capacity, Risk Appetite, Risk Limit and Risk Profile as approved by the Board after reviewing by the Board Risk Committee (BRC). The Risk Appetite Framework also defines the roles and responsibilities of various stakeholders. The MRPC is the ultimate owner of the Bank's Liquidity Risk management framework and responsible to review the liquidity position of the Bank on a regular basis. The ILAAP is reviewed by the ILAAP Steering Committee and Board Risk Committee (BRC) and approved by the Board upon recommendation of the BRC.

i. Board and Senior Management Oversight
The Board of Directors (BoD) has the overall responsibility for the establishment and governance of the risk management framework and are assisted by Board Level and Management Level Committees. The Board Level Committees are as under:

ii. Board of Directors Executive Committee (ExCom)
The ExCom has been delegated by the BoD and chaired by the Chairman of BoD. It is the responsibility of the ExCom, in accordance with the delegated powers, to approve credit and monitor the implementation of the strategy and policies set out by the BoD, recommend the budget and operating plan of action submitted by Finance Team for the fiscal year, and ensure proper implementation of policies approved by the BoD.

iii. Board Risk Committee
The Board Risk Committee (BRC) is primarily responsible for providing advice to the Board in relation to current and future potential risk exposures of the Bank and future risk strategy, including determination of risk appetite and tolerance.

iv. Market Risk Policy Committee
The Board Executive Committee (ExCom) has delegated the decision making authority of monitoring and controlling Treasury activities through MRPC. This authority includes the risk appetite setting process which culminates in the approval of the market and liquidity risk and Treasury related activities. MRPC has the following roles and responsibilities:
- Review and approve Market Risk Policy, Liquidity Risk Policy, Contingency Liquidity Policy and Profit Rate Risk Policy.
- All changes/revisions in the above mentioned policies to be approved by MRPC and then to be ratified by the Board of Directors (BoD) after Excom and BRC endorsement (based on the relevance of the subject matter).
- Review and approve the Market Risk Limits Package.
- Propose changes to overall Treasury limits to the MRPC for review and submission to the Board after Excom and BRC endorsement (based on the relevance of the subject matter).
- New Product, New Activity and Complex Transaction approval.
- Communicate to the Excom (through the MRPC meeting minutes) any material positions and risks as appropriate.
- Communicate to the Excom (through the MRPC meeting minutes) of all limit exceptions and excesses.
- Treasury related Product Programs review and approval.
- Authorize temporary increases or permanent changes to limits.
- Review reports on trading portfolio risks.
- Oversee the structure, composition and performance of the investment portfolio.
- Reclassify certain Investment exposures within Board approval limits.
- Review and approve all existing and new counterparty credit and issuer limits along with all limit approvals related to the Treasury Business.

v. Asset and Liability Committee
ExCom has delegated the decision making authority of monitoring and controlling liquidity and accrual risks on the Bank's balance sheet to the ALCO. To strategically manage these risks, ALCO has the authority to establish, change or allocate limits related to the Bank's business lines/products.
Roles of the ALCO:
- To develop an effective Asset and Liability Management Framework for Bank wide portfolios and to ensure optimal balance sheet management.
- To oversee and monitor the Bank's approved policies and procedures in relation to the management and control of the following key balance sheet risks.
  - o Liquidity risk – being the risk from the Bank's inability to meet obligations when they become due without incurring unacceptable losses because of an inability to liquidate assets or to obtain adequate funding.
  - o Accrual risk – being the risk to earnings from adverse movements in profit rates.

b Funding strategy, including policies on diversification in the sources and tenor of funding, and whether the funding strategy is centralised or decentralised.

The Board of Directors of the Bank recognises the importance of liquidity management and funding strategy both for ensuring the effective liquidity risk management at the Bank in compliance with the regulatory requirements as well as within the Risk Appetite Limits set by the Board. The funding strategy assess the funding requirement based on the projected growth of the balance sheet and the main source of funding envisaged.

i. Funding Diversification
Customer deposits constitute major source of funding for the Bank followed by shareholders' equity and due to banks and FIs. The debt issuances are a relatively smaller portion of the overall funding profile of the Bank. Customer deposits are well diversified across six major segments. Among the customer deposits "Corporate profit bearing (Naqa'a deposits)" and "Retail non-profit bearing (current accounts)" deposits constitute the major chunk of the total customer deposits (51 percent of the total customer deposits of SAR 79,277 million).
In term of diversification among tenure, the Bank ensures to have a healthy mix of short, medium and long term funding. Most of the interbank funding is of short term in nature which is primarily utilised for managing short term liquidity requirements. Corporate deposits provide the short and medium term funding profile. Retail current accounts are non-maturity accounts which can be withdrawn at any time. However, based on the behavioural study of historical data these deposits remain with the Bank for a relatively longer term, that is, they have shown a lower decay rate. Another long term source of funding for the Bank are issuance of Sukuk.
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ii. Monitoring Mechanism for Funding Diversification
The Bank ensure to limit concentration in any one particular funding source or tenor so as to minimise the risk in case that particular funding source run dry. The Bank main funding source are customer deposits which are relatively more stable as compared to wholesale market funding. The Bank do raise funds from wholesale market through bond issuance and interbank market, but the proportion of these in the overall balance sheet is relatively lower.
The following reports the Bank tracks on a regular basis so as to ensure that the funding sources remain well diversified:
- Large fund providers (LFP) Report: On a monthly basis ALCO tracks the funds raised through large fund providers and their percentage to total deposits.
- Interbank borrowing concentration analysis: Market risk produces this report on a monthly basis which monitor the counterparty concentration and highlights if overreliance is placed on any single interbank counterparty.

c Liquidity risk mitigation techniques.

Market Risk Management has established a monitoring and reporting framework for liquidity risk that provides pertinent information to ALCO.

The following lists the salient aspects of monitoring that is done on a regular basis:

- Monitoring of the implementation of the limits according to Market Risk Policy guidelines.
- Timely detection and correction of deficiencies in the policies, processes and procedures of liquidity gap risk.
- Managing liquidity risk through on-going, periodic and annual reviews.
- Verifying the authenticity and availability of the sources of funds available to the Bank.

d An explanation of how stress testing is used.

As part of our enterprise wide Stress Testing exercise, Enterprise Risk Management Group (ERMG) addresses unusual and unexpected events to occur and accordingly prepares to face and survive such situations. This requires foreseeing situations under hypothetical scenarios considering the question 'what-if' and development of stress tests in such scenarios. This enables the organization to be well equipped to cope with the crisis situations when they arise.

Under the ILAAP regime the bank has developed multiple scenarios comprising of Bank Specific, Market–wide and Combined Stressed Scenarios. These stress testing scenarios have been assessed with and without Management Action (MA) to arrive at the movement in the Bank's regulatory ratios, cash flows, balance sheet and profitability. These management actions are taken to restore the Bank's liquidity positions within the regulatory requirements and internal liquidity risk appetite limits.

e An outline of the bank's contingency funding plans.

The Bank has developed a detailed Contingency Funding Plan (CFP) clearly detailing the approach and actions to be adopted in order to manage its liquidity position during a contingency situation. The Board of Directors and Senior Management of the Bank recognizes the importance of liquidity in the day-to-day operations of the Bank and strongly believes in the need to have a plan for addressing liquidity requirements in times of crisis. Liquidity crisis may unfold due to external as well as internal factors, and CFP has been articulated and developed to address these crisis situations.

The CFP has defined Early Warning Indicators (EWIs) for both internal as well as external factors. These EWIs are tracked on a regular basis.

The Asset and Liability Committee (ALCO) has been designated to execute the CFP and communicate directly with the Board of Directors via the MRPC. The CFP clearly defines the roles and responsibilities of the ALCO Members in a crisis situation. In a crisis situation, the ALCO will convene and decide on the future course of action including formally invoking the CFP. The Bank's Board of Director will be informed immediately by the Chairman of the ALCO. In addition, regular status reports will be submitted to the Board Executive Committee.

Quantitative disclosures

f Customised measurement tools or metrics that assess the structure of the bank's balance sheet or that project cash flows and future liquidity positions, taking into account off-balance sheet risks which are specific to that bank.

BAJ assesses Liquidity gaps and the structure of a bank's balance sheet by through the projected cash flows and future liquidity positions, taking into account off-balance sheet risks specific to the Bank,
Bank follows the following steps:
1.Identification of Off-Balance Sheet Risks:
Bank conducts a comprehensive assessment of their off-balance sheet risks. This involves identification and understanding of potential risks arising from contingent liabilities, commitments, guarantees, and other off-balance sheet exposures.
2.Customized Measurement Tool:
Bank developed its customized measurement tools tailored to its specific off-balance sheet risks. These tools capture and analyze the impact of off-balance sheet activities on the bank's liquidity position and projected future liquidity needs.
3.Consideration of Future Cash Flows:
Bank projects its future cash flows and the timing of inflows and outflows to determine potential liquidity gaps. This metric involves various factors such as loan maturities, expected deposits and withdrawal patterns and potential contingent funding needs.
4.Assess the structure of the balance sheet:
Banks regularly assesses the Balance Sheet Structure in order to ensure its alignment with the Risk Appetite and Liquidity Requirements. This assessment involves analyzing the composition of assets and liabilities, including their maturity/repricing, liquidity and marketability. It also includes evaluating the adequacy and availability of liquid assets to meet potential liquidity needs.

g Concentration limits on collateral pools and sources of funding (both products and counterparties).

Management of collateral entails distinguishing between pledged and unencumbered assets that are available at all times and can be utilised to raise liquidity. It includes identification of the jurisdiction in which the collateral resides so when needed, the collateral can be freely moved from one jurisdiction to another.

The Bank tracks the portfolio of unencumbered assets along with the jurisdiction in which these collaterals reside. A sample unencumbered report is shown below:

h Liquidity exposures and funding needs at the level of individual legal entities, foreign branches and subsidiaries, taking into account legal, regulatory and operational limitations on the transferability of liquidity.

Liquidity exposures and funding needs at the level of individual legal entities, foreign branches and subsidiaries, taking into account legal, regulatory and operational limitations on the transferability of capital.

The Bank has established the lending limit to AlJazira Capital (subsidiary of Bank AlJazira) within the SAMA lending limit of 25% of its own capital. The Bank foresees no requirement of liquidity transferability issues from its subsidiaries or affiliates.

S.No.		Type and Nature	Location	Haircut
1	Available unencumbered assets that are marketable as collaterals in secondary market	Sukuk	Saudi Arabia	25%
2	Available unencumbered assets that are eligible secured financing with central bank at pre-arranged (if available) or current haircuts at reasonable costs for standing facility	Sukuk Guaranteed by MoF	Saudi Arabia	15%
		SAMA FRN	Saudi Arabia	10%
		KSA Sukuk	Saudi Arabia	2%
3	Customer collateral received that the bank is permitted to deliver or re-pledge	-	-	-

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

As of Dec 2023 Amounts in SAR '000	Within 3 months	3-12 months	1-5 years	Over 5 years	No fixed maturity	Total
Assets						
Cash and balances with SAMA	419,936	-	-	-	5,420,757	5,840,693
Due from banks and other financial institutions	1,179,591	4,008,299	-	-	503,884	5,691,774
Investments, net	1,268,384	398,092	14,259,676	17,026,747	1,489,391	34,442,290
Positive fair value of derivatives	46,210	2,322	97,872	76,104	-	222,508
Loans and advances, net	18,538,536	9,896,059	27,992,120	23,926,753	427,433	80,780,901
Investment in Associates	-	-	-	-	243,011	243,011
Other real estate, net	-	-	-	-	498,986	498,986
Property and Equipment	-	-	-	-	1,111,165	1,111,165
Other assets	29,142	87,427	-	-	602,880	719,449
Total Assets	**21,481,799**	**14,392,199**	**42,349,668**	**41,029,604**	**10,297,507**	**129,550,777**
Liabilities						
Due to banks and other financial institutions	12,100,466	961,319	1,713,504	-	210,444	14,985,733
Negative fair value of derivatives	38,881	1,929	73,980	32,271	-	147,061
Customers' deposits	38,594,810	17,409,442	487,564	-	37,562,585	94,054,401
Other liabilities	15,128	44,987	117,545	19,713	1,746,369	1,943,742
Subordinated Sukuk	-	9,425	-	1,994,921	-	2,004,346
Total Liabilities	**50,749,285**	**18,427,102**	**2,392,593**	**2,046,905**	**39,519,398**	**113,135,283**
Shareholders' Equity	-	-	-	-	**16,415,494**	**16,415,494**
Total Liabilities and Shareholders' Equity	**50,749,285**	**18,427,102**	**2,392,593**	**2,046,905**	**55,934,892**	**129,550,777**
Total Off Balance Sheet	**9,034,467**	**2,890,003**	**1,550,271**	**280,540**	-	**13,755,281**
Gap	**(38,301,953)**	**(6,924,906)**	**38,406,804**	**38,702,159**	**(45,637,385)**	**(13,755,281)**
Cummulative Gap	**(38,301,953)**	**(45,226,859)**	**(6,820,055)**	**31,882,104**	**(13,755,281)**	-

Template LIQ1: Liquidity Coverage Ratio (LCR)

SR 000's

		a	b
		Total unweighted value (average)	Total weighted value (average)
High quality liquid assets			
1	Total HQLA		25,666,185
Cash outflows			
2	**Retail deposits and deposits from small business customers, of which:**	20,355,643	2,035,564
3	Stable deposits	-	-
4	Less stable deposits	20,355,643	2,035,564
5	**Unsecured wholesale funding, of which:**	39,450,955	22,225,424
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-
7	Non-operational deposits (all counterparties)	39,450,955	22,225,424
8	Unsecured debt	-	-
9	**Secured wholesale funding**	-	-
10	**Additional requirements, of which:**	1,116,732	145,356
11	Outflows related to derivative exposures and other collateral requirements	37,425	37,425
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	1,079,307	107,931
14	**Other contractual funding obligations**	-	-
15	**Other contingent funding obligation**	24,693,161	604,962
16	**TOTAL CASH OUTFLOWS**		**25,011,306**
Cash inflows			
17	Secured lending (eg reverse repos)	-	-
18	Inflows from fully performing exposures	12,699,528	6,965,576
19	Other cash inflows	7,798	7,798
20	**TOTAL CASH INFLOWS**		**6,973,374**
			Total adjusted value
21	Total HQLA		25,666,185
22	Total net cash outflows		18,037,932
23	Liquidity Coverage Ratio (%)		**142.29%**

Template LIQ2: Net Stable Funding Ratio (NSFR)

SR 000's

		a	b	c	d	e
		Unweighted value by residual maturity				
	(In currency amount)	No maturity	<6 months	6 months to < 1 year	≥ 1 year	Weighted value
Available stable funding (ASF) item						
1	**Capital:**	17,103,241	-	-	1,994,921	19,098,162
2	*Regulatory capital*	17,103,241	-	-	1,994,921	19,098,162
3	*Other capital instruments*	-	-	-	-	-
4	**Retail deposits and deposits from small business customers, of which:**	18,892,280	3,987,921	746,324	32,950	21,296,822
5	*Stable deposits*	-	-	-	-	-
6	*Less stable deposits*	18,892,280	3,987,921	746,324	32,950	21,296,822
7	**Wholesale funding:**	3,132,137	77,089,801	4,098,294	2,209,278	26,917,375
8	*Operational deposits*	-	-	-	-	-
9	*Other wholesale funding*	3,132,137	77,089,801	4,098,294	2,209,278	26,917,375
10	**Liabilities with matching interdependent assets**	-	-	-	-	-
11	**Other liabilities**	6,712,165	-	-	-	-
12	*NSFR derivative liabilities*		-	-	-	
13	*All other liabilities and equity not included in the above categories*	6,712,165	-	-	-	-
14	**Total ASF**					**67,312,359**
Required stable funding (RSF) item						
15	Total NSFR high-quality liquid assets (HQLA)					-
16	Deposits held at other financial institutions for operational purposes	-	-	-	25,915,386	1,308,269
17	Performing loans and securities:	-	-	-	-	-
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*	-	-	-	-	-
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:*	355,877	15,778,455	11,070,495	28,809,637	50,293,588
21	*With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk*	-	-	-	-	-
22	*Performing residential mortgages, of which:*	-	-	-	-	-
23	*With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk*	-	-	-	-	-
24	*Securities that are not in default and do not qualify as HQLA, including exchange-traded equities*	1,489,392	93,750	-	6,329,873	6,693,250
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	Other assets:	1,199,388	-	-	375,000	**1,574,388**
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*		-	-	-	-
30	*NSFR derivative liabilities before deduction of variation margin posted*		-	-	-	-
31	*All other assets not included in the above categories*	1,199,388	-	-	375,000	1,574,388
32	*Off-balance sheet items*		-	-	-	53,965
33	***Total RSF***					59,923,460
34	***Net Stable Funding Ratio (%)***					**112.33%**