



Gulf International Bank – Saudi Arabia

BASEL 3 PILLAR 3 DISCLOSURES

As at 30th June 2019



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1. OV1 - Overview of risk weighted assets (RWA)

SAR 000's		(a)	(c)
		RWA	Minimum capital requirements
		30 June 2019	30 June 2019
1	Credit risk (excluding counterparty credit risk)	25,598,671	2,047,894
2	Of which: standardised approach (SA)	25,598,671	2,047,894
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)	358,454	28,676
7	Of which: standardised approach for counterparty credit risk	358,454	28,676
8	Of which: Internal Model Method (IMM)		
9	Of which: other CCR		
10	Credit valuation adjustment (CVA)	312,611	25,009
11	Equity positions under the simple risk weight approach		
12	Equity investments in funds – look-through approach		
13	Equity investments in funds – mandate-based approach		
14	Equity investments in funds – fall-back approach		
15	Settlement risk		
16	Securitisation exposures in banking book		
17	Of which: securitisation internal ratings-based 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	514,708	41,177
21	Of which: standardised approach (SA)	514,708	41,177
22	Of which: internal model approaches (IMA)		
23	Capital charge for switch between trading book and banking book		
24	Operational risk	761,032	60,883
25	Amounts below the thresholds for deduction (subject to 250% risk weight)		
26	Floor adjustment		
27	Total (1 + 6 + 10 + 11 + 12 + 13 + 14 + 15 + 16 + 20 + 23 + 24 + 25 + 26)	27,545,476	2,203,639

Point to note:

(i) Items marked with an asterisk (*) will be applicable only after their respective policy frameworks take effect. Until then, "Not applicable" should be reported in the rows.

2. CR1 - Credit quality of assets

SAR 000's		a	b	c	d
		Gross carrying values of		Allowances/ impairments	Net values (a+b-c)
		Defaulted exposures	Non-defaulted exposures		
01	Loans	2,068,043	17,615,586	1,538,828	18,144,801
02	Debt Securities		2,409,244		2,409,244
03	Off-balance sheet exposures		19,552,284		19,552,284
04	Total	2,068,043	39,577,114	1,538,828	40,106,329

A default is considered to have occurred with regard to a particular obligor when either or both of the two following events have taken place:

1. The obligor is past due for 90 days or more on any material credit obligations to the Bank including principal instalments, interest payments and fees.
2. The bank considers that the obligor is unlikely to pay its credit obligations to the bank in full, without recourse by the bank to actions such as realizing security (if any).

3. CR3 - Credit risk mitigation techniques – overview

SAR 000's		Exposures unsecured: carrying amount	Exposures secured by collateral	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees, of which: secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
01	Loans	17,697,970	446,831	84,034	91,646	91,646		
02	Debt Securities	2,409,244						
03	Total	20,168,705	446,831	84,034	91,646	91,646		
04	Of which defaulted	527,543	2,070	50				

4. CR4 - Standardised approach – credit risk exposure and credit risk mitigation (CRM) effects

SAR 000's		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
01	Sovereigns and their central banks	11,782,059		11,782,059			0%
02	Non-central government public sector entities	44,156		44,156		22,078	50%
03	Multilateral development banks	2,435		2,435		1,218	50%
04	Banks	1,620,022	4,301,745	1,711,668	2,117,966	1,542,772	40%
06	Corporates	17,916,428	15,214,956	17,824,832	4,921,164	22,588,673	99%
07	Regulatory retail portfolios	413,987		413,987		413,987	100%
10	Equity	277,805		277,805		277,805	100%
11	Past-due loans	529,613		529,563		718,262	136%
13	Other assets	435,495	35,583	435,495	3,132	392,330	89%
	Total	33,022,000	19,552,284	33,022,000	7,042,262	25,957,125	65%

5. CR5 - Standardised approach – exposures by asset classes and risk weights

SAR 000's		a	b	c	d	e	f	g	h	j
Asset classes/ Risk weight*		0%	10%	20%	35%	50%	75%	100%	150%	Total credit exposures amount (post CCF and post-CRM)
01	Sovereigns and their central banks	11,782,059								11,782,059
02	Non-central government public sector entities					44,156				44,156
03	Multilateral development banks					2,435				2,435
04	Banks			1,600,205		2,013,396		216,033		3,829,634
06	Corporates	76,155		70,186		50,039		22,549,616		22,745,996
07	Regulatory retail portfolios							413,987		413,987
10	Equity							277,805		277,805
11	Past-due loans							151,690	377,873	529,563
13	Other assets	44,084						394,543		438,627
	Total	11,902,298		1,670,391		2,110,026		24,003,674	377,873	40,064,262

6. CCR1 - Analysis of counterparty credit risk (CCR) exposure by approach

SAR 000's		a	b	c	d	e	f
		Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR (for derivatives)	191,102	157,150		1.4	487,553	358,454
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	VaR for SFTs						
6	Total						358,454

7. CCR2 - Credit valuation adjustment (CVA) capital charge

SAR 000's		a	b
		EAD post-CRM	RWA
	Total portfolios subject to the Advanced CVA capital charge		
1	(i) VaR component (including the 3×multiplier)		
2	(ii) Stressed VaR component (including the 3×multiplier)		
3	All portfolios subject to the Standardised CVA capital charge	487,553	312,611
4	Total subject to the CVA capital charge	487,553	312,611

8. CCR3 - Standardised approach – CCR exposures by regulatory portfolio and risk weights

SAR 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 exposures
Banks			10,703	241,073					251,776
Corporates						235,777			235,777
Total			10,703	241,073		235,777			487,553

9. CCR8 - Exposures to central counterparties

SAR 000's		a	b
		EAD (post-CRM)	RWA
1	Exposures to Qualifying Central Counterparties (QCCPs) (total)		
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which		
3	(i) OTC derivatives		
4	(ii) Exchange-traded derivatives		
5	(iii) Securities financing transactions		
6	(iv) Netting sets where cross-product netting has been approved		
7	Segregated initial margin		
8	Non-segregated initial margin		
9	Pre-funded default fund contributions		
10	Unfunded default fund contributions		
11	Exposures to non-QCCPs (total)		358,454
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	487,553	358,454
13	(i) OTC derivatives	487,553	358,454
14	(ii) Exchange-traded derivatives		
15	(iii) Securities financing transactions		
16	(iv) Netting sets where cross-product netting has been approved		
17	Segregated initial margin		
18	Non-segregated initial margin		
19	Pre-funded default fund contributions		
20	Unfunded default fund contributions		

10. MR1 - Market risk under standardised approach

SAR 000's		a
		RWA
	Outright products	514,708
01	Interest rate risk (general and specific)	57,518
02	Equity risk (general and specific)	409,558
03	Foreign exchange risk	47,632
04	Commodity risk	
	Options	
05	Simplified approach	
06	Delta-plus method	
07	Scenario approach	
08	Securitisation	
09	Total	514,708