



Pillar III Disclosures

Qualitative & Quantitative Disclosures

31-Dec-21

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Template KM1: Key metrics (at consolidated group level)

SAR,000		a	a	b	c	d
		Q4, 2021	Q3, 2021	Q2, 2021	Q1, 2021	Q4, 2020
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	12,763,118	12,545,340	12,686,992	12,520,916	12,159,294
1a	Fully loaded ECL accounting model	12,126,962	11,909,183	12,050,835	11,884,759	11,523,137
2	Tier 1	14,638,118	14,420,340	14,561,992	12,520,916	12,159,294
2a	Fully loaded accounting model Tier 1	14,001,962	13,784,183	13,925,835	11,884,759	11,523,137
3	Total capital	17,023,088	14,798,688	14,957,998	15,018,362	14,793,072
3a	Fully loaded ECL accounting model total capital	16,386,932	14,162,531	14,321,841	14,382,205	14,156,915
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	69,742,050	64,749,252	63,388,301	64,291,526	62,633,102
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio (%)	18.30%	19.38%	20.01%	19.48%	19.41%
5a	Fully loaded ECL accounting model CET1 (%)	17.39%	18.39%	19.01%	18.49%	18.40%
6	Tier 1 ratio (%)	20.99%	22.27%	22.97%	19.48%	19.41%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	20.08%	21.29%	21.97%	18.49%	18.40%
7	Total capital ratio (%)	24.41%	22.86%	23.60%	23.36%	23.62%
7a	Fully loaded ECL accounting model total capital ratio (%)	23.50%	21.87%	22.59%	22.37%	22.60%
Basel III Leverage Ratio						
13	Total Basel III leverage ratio measure	110,024,057	104,430,298	101,404,098	100,058,889	98,277,808
14	Basel III leverage ratio (%) (row 2/row 13)	13.30%	13.81%	14.36%	12.51%	12.37%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2A/row 13)	12.73%	13.20%	13.73%	11.88%	11.73%
Liquidity Coverage Ratio						
15	Total HQLA	30,428,445	29,379,966	28,757,553	28,778,255	28,733,433
16	Total net cash outflow	19,092,582	15,759,568	16,983,221	16,271,186	16,821,092
17	LCR ratio (%)	159.37%	186.43%	169.33%	176.87%	170.82%
Net Stable Funding Ratio						
18	Total available stable funding	64,135,816	58,514,673	57,196,052	54,925,734	52,848,048
19	Total required stable funding	48,290,773	46,027,855	46,535,951	45,662,429	44,814,239
20	NSFR ratio (%)	132.81%	127.13%	122.91%	120.29%	117.93%

Table OVA: Bank risk management approach

(a) 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**
 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
 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 Board 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:

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    graph TD
      Shareholders --> ShariaCommittee[Sharia Committee]
      Shareholders --> BoD[BoD]
      BoD --> Executive
      BoD --> REMCO
      BoD --> AuditCommittee[Audit Committee]
      BoD --> SocialResponsibility[Social Responsibility]
      BoD --> BRC
      Executive --> SME[SME (Small, Medium Enterprise Committee)]
      Executive --> ITSteering[IT Steering]
      Executive --> BusinessContinuity[Business Continuity]
      SME --> SDC[SDC (Strategy Digitalization Committee)]
      SME --> Credit
      SME --> ALCO
      BRC --> ISC
      BRC --> AntiFraud[Anti Fraud]
      BRC --> PPRC
      ISC --> MRC
      ISC --> MPRC
    
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(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) Process of risk information reporting provided to the board and senior management
 Risk dashboards are reported to Board and Senior Management 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
 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
 Risk Management structure 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

SAR,000		a	b	c
		RWA		Minimum capital requirements
		Q4 2021	Q3 2021	Q4 2021
1	Credit risk (excluding counterparty credit risk)	61,797,666	56,938,843	4,943,813
2	Of which: standardised approach (SA)	61,797,666	56,938,843	4,943,813
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)	208,199	214,734	16,656
7	Of which: standardised approach for counterparty credit risk	208,199	214,734	16,656
8	Of which: Internal Model Method (IMM)	-	-	
9	Of which: other CCR	-	-	
10	Credit valuation adjustment (CVA)	149,016	157,824	11,921
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 the 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	-	-	
19	Of which: securitisation standardised approach (SEC-SA)	-	-	
20	Market risk	1,593,934	1,571,301	127,515
21	Of which: standardised approach (SA)	1,593,934	1,571,301	127,515
22	Of which: internal model approaches (IMA)	-	-	
23	Capital charge for switch between trading book and banking book	-	-	
24	Operational risk	5,993,235	5,866,549	479,459
25	Amounts below 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)	69,742,050	64,749,252	5,579,364

Revised Basel III Pillar 3– Qualitative & Quantitative Disclosures

B.3 - Template LI1: Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories (Figures in SAR 000's)

	a	b	c	d	e	f	g
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to credit risk framework	Subject to counterparty credit risk framework	Carrying values of items:		
					Subject to the securitisation framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
Assets							
Cash and balances with SAMA	5,386,871	5,386,871	5,386,871	-	-	-	-
Due from banks and other financial institutions	663,502	663,502	663,502	-	-	-	-
Investments, net	31,433,805	31,433,805	31,167,363	-	-	266,442	-
Positive fair value of derivatives	12,058	12,058	-	12,058	-	-	-
Loans and advances, net	62,434,476	62,434,476	62,434,476	-	-	-	-
Investment in Associates	211,143	211,143	211,143	-	-	-	-
Other real estate, net	507,743	507,743	507,743	-	-	-	-
Property and Equipment	1,156,380	1,156,380	1,156,380	-	-	-	-
Other assets	1,021,343	1,021,343	1,021,343	-	-	-	-
Total Assets	102,827,321	102,827,322	102,548,822	12,058	-	266,442	-
Liabilities							
Due to banks and other financial institutions	6,410,080	-	-	-	-	-	6,410,080
Negative fair value of derivatives	227,309	-	-	-	-	-	227,309
Customers' deposits	78,365,149	-	-	-	-	-	78,365,149
Other liabilities	1,935,027	-	-	-	-	-	1,935,027
Subordinated Sukuk	1,994,685	-	-	-	-	-	1,994,685
Total Liabilities	88,932,250	-	-	-	-	-	88,932,250

Revised Basel III Pillar 3– Qualitative & Quantitative Disclosures

B.4 - Template LI2: Main sources of differences between regulatory exposure amounts and carrying values in financial statements (Figures in SAR 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)	102,827,321	102,548,822		12,058	266,442
2 Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	-				-
3 Total net amount under regulatory scope of consolidation	102,827,321	102,548,822	-	12,058	266,442
4 Off-balance sheet amounts	15,208,712	6,497,619	-	-	-
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 Derivatives	6,255,720	-	-	208,199	-
10 Exposure amounts considered for regulatory purposes	124,291,753	109,046,441	-	220,257	266,442

Linkages between financial statements and regulatory exposures

(a) Explanation of significant differences between the amounts in columns (a) and (b) in L11.
- 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) Explanation of the origins of differences between carrying values and amounts considered for regulatory purposes shown in L12.
- 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)

- Valuation methodologies, including an explanation of how far mark-to-market and mark-to-model methodologies are used.
- Description of the independent price verification process.
- 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.

Template CCI: Composition of regulatory capital

	a
	Amounts
SAR,000	
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	1,653,507
3 Accumulated other comprehensive income (and other reserves)	2,802,721
4 <i>Directly issued capital subject to phase-out from CET1 (only applicable to non-joint stock companies)</i>	-
5 Common share capital issued by third parties (amount allowed in group CET1)	-
6 Common Equity Tier 1 capital before regulatory deductions	12,656,228
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 (net of related tax liability)	-
10 Deferred tax assets that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	-
11 Cash flow hedge reserve	(106,890.65)
12 Shortfall of provisions to expected losses	-
13 Securitisation gain on sale (as set out in paragraph 36 of Basel III securitisation framework)	-
14 Gains and losses due to changes in own credit risk on fair-valued liabilities	-
15 Defined benefit pension fund net assets	-
16 Investments in own shares (if not already 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 Mortgage servicing rights (amount above 10% threshold)	-
21 Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-
22 Amount exceeding 15% threshold	-
23 Of which: significant investments in the common stock of financials	-
24 Of which: mortgage servicing rights	-
25 Of which: deferred tax assets arising from temporary differences	-
26 National specific regulatory adjustments	-
27 Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-
28 Total regulatory adjustments to Common Equity Tier 1	(106,890.65)
29 Common Equity Tier 1 capital (CET1)	12,763,118
Additional Tier 1 capital: instruments	
30 Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	-
31 Of which: classified as equity under applicable accounting standards	-
32 Of which: classified as liabilities under applicable accounting standards	-
33 <i>Directly issued capital instruments subject to phase-out from additional Tier 1</i>	1,875,000.00
34 Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in AT1)	-
35 <i>Of which: instruments issued by subsidiaries subject to phase-out</i>	-
36 Additional Tier 1 capital before regulatory adjustments	1,875,000.00
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 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-
40 Significant investments in the common stock 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 due to insufficient Tier 2 to cover deductions	-
43 Total regulatory adjustments to additional Tier 1 capital	-
44 Additional Tier 1 capital (AT1)	1,875,000.00
45 Tier 1 capital (T1= CET1 + AT1)	14,638,118
Tier 2 capital: instruments and provisions	
46 Directly issued qualifying Tier 2 instruments plus related stock surplus	1,991,422
47 <i>Directly issued capital instruments subject to phase-out from Tier 2</i>	-
48 Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-
49 <i>Of which: instruments issued by subsidiaries subject to phase-out</i>	-
50 Provisions	393,548
51 Tier 2 capital before regulatory adjustments	2,384,970
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 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 (T2)	2,384,970.00
59 Total regulatory capital (TC = T1 + T2)	17,023,088.23
60 Total risk-weighted assets	69,742,050
Capital ratios and buffers	
61 Common Equity Tier 1 (as a percentage of risk-weighted assets)	18.30%
62 Tier 1 (as a percentage of risk-weighted assets)	20.99%
63 Total capital (as a percentage of risk-weighted assets)	24.41%
64 Institution specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk-weighted assets)	-
65 Of which: capital conservation buffer requirement	-
66 Of which: bank-specific countercyclical buffer requirement	-
67 Of which: higher loss absorbency requirement	-
68 Common Equity Tier 1 (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirement.	-
National minima (if different from Basel III)	
69 National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	-
70 National Tier 1 minimum ratio (if different from Basel III minimum)	-
71 National total capital minimum (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 common stock of financial entities	-
74 Mortgage servicing rights (net of related tax liability)	-
75 Deferred tax assets arising from temporary differences (net of related tax liability)	-
Applicable caps on the inclusion of provisions in Tier 2	
76 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	-
77 Cap on inclusion of provisions in Tier 2 under standardised approach	-
78 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-
79 Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)	
80 Current cap on CET1 instruments subject to phase-out arrangements	-
81 Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-
82 Current cap on AT1 instruments subject to phase-out arrangements	-
83 Amount excluded from AT1 due to cap (excess after redemptions and maturities)	-
84 Current cap on T2 instruments subject to phase-out arrangements	-
85 Amount excluded from T2 due to cap (excess after redemptions and maturities)	-

Template CC2: Reconciliation of regulatory capital to balance sheet

SAR,000	a		b	
	Balance sheet as in published financial statements		Under regulatory scope of consolidation	
	As at period-end		As at period-end	
Assets				
Cash and balances with SAMA		5,386,871		5,386,871
Due from banks and other financial institutions		663,502		663,502
Investments		31,433,805		31,433,805
Positive fair value of Derivatives		12,058		12,058
Loans and advances, net		62,434,476		62,434,476
Investment in associate		211,143		211,143
Other real estate, net		507,743		507,743
Property and equipment, net		1,156,380		1,156,380
Other assets		1,021,343		1,021,343
Total assets		102,827,321		102,827,322
Liabilities				
Due to banks and other financial institutions		6,410,080		6,410,080
Customers' deposits		78,365,149		78,365,149
Negative fair value of Derivatives		227,309		227,309
Subordinated debt		1,994,685		1,994,685
Other liabilities		1,935,027		1,935,027
Total liabilities		88,932,250		88,932,250
Shareholders' equity				
Share capital		8,200,000		8,200,000
Statutory reserve		2,917,273		2,917,273
General reserve		-		-
Other reserves		(114,552)		(114,552)
Retained earnings		1,017,350		1,017,350
Proposed Dividend		-		-
Total shareholders' equity		12,020,071		12,020,071
Tier 1 Sukuk		1,875,000		1,875,000
Total Equity		13,895,071		13,895,071

TABLE 2: CAPITAL STRUCTURE

Main features template of regulatory capital instruments - (Table 2(e))			
1	Issuer	Bank Aljazira	Bank Aljazira
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	SA143FK0FVJ0	XS2358740590
3	Governing law(s) of the instrument	Law of the Kingdom of Saudi Arabia	English Law
	Regulatory treatment		
4	Transitional Basel III rules	Common Equity Tier 1	Equity Tier 1
5	Post-transitional Basel III rules	Common Equity Tier 1	Equity Tier 1
6	Eligible at solo/group/group&solo	Group & Solo	Group & Solo
7	Instrument type	Paid-up Share Capital	Tier 1 Sukuk
8	Amount recognised in regulatory capital (Currency in mil. as of most recent reporting date)	SAR 8,200 million	USD 500 MM
9	Par value of instrument	SAR 8,200 million	USD 500 MM
10	Accounting classification	Shareholders' equity	Shareholders' equity
11	Original date of issuance	27-Jul-1976	29-Jun-2021
12	Perpetual or dated	Perpetual	Dated
13	Original maturity date	No maturity	No maturity
14	Issuer call subject to prior supervisory approval	No	Yes
15	Option call date, contingent call dates and redemption amount	Not Applicable	29-Jun-2026
16	Subsequent call dates if applicable	Not Applicable	Anytime after above date
	Coupons / dividends		
17	Fixed or Floating dividend/coupon	Not Applicable	Fixed
18	Coupon rate and any related index	Not Applicable	3.95%
19	Existence of a dividend stopper	Not Applicable	Not Applicable
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-Cumulative	Non-Cumulative
23	Convertible or non-convertible	Nonconvertible	Nonconvertible
24	If convertible, conversion trigger (s)	Not Applicable	Not Applicable
25	If convertible, fully or partially	Not Applicable	Not Applicable
26	If convertible, conversion rate	Not Applicable	Not Applicable
27	If convertible, mandatory or optional conversion	Not Applicable	Not Applicable
28	If convertible, specify instrument type convertible into	Not Applicable	Not Applicable
29	If convertible, specify issuer of instrument it converts into	Not Applicable	Not Applicable
30	Write-down feature	No	No
31	Convertible or non-convertible	Not Applicable	Not Applicable
32	If write-down, full or partial	Not Applicable	Not Applicable
33	If write-down, permanent or temporary	Not Applicable	Not Applicable
34	If temporary writedown, description of the write-up mechanism	Not Applicable	Not Applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	None	Paid-up Share Capital
36	Non-compliant transitioned features	No	Yes
37	If yes, specify non-compliant features	Not Applicable	Presence of call option

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

SAR,000		a
1	Total consolidated assets as per published financial statements	124,291,752
2	Adjustments for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
4	Adjustments for derivative financial instruments	(5,956,762)
5	Adjustment for securities financing transactions (ie repos and similar secured lending)	-
6	Adjustments for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	(8,711,092)
7	Other adjustments	400,159
8	Leverage ratio exposure measure	110,024,057

Template LR2: Leverage ratio common disclosure template

SAR,000		a	b
		Dec-21	Sep-21
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	103,227,480	98,962,715
2	(Asset amounts deducted in determining Basel III Tier 1 capital)		
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of row 1 and 2)	103,227,480	98,962,715
Derivative exposures			
4	Replacement cost associated with <i>all</i> derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	17,280	3,213
5	Add-on amounts for PFE associated with <i>all</i> derivatives transactions	281,678	257,772
6	Gross-up for derivatives collateral provide where deducted from the balance sheet assets pursuant to the operative accounting framework	-	-
7	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	-	-
8	(Exempted CCP leg of client-cleared trade exposures)	-	-
9	Adjusted effective notional amount of written credit derivatives	-	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
11	Total derivative exposures (sum of rows 4 to 10)	298,958	260,985
Securities financing transactions			
12	Gross SFT <i>assets</i> (with no recognition of netting), after adjusting for sale accounting transactions	0	0
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	0	0
14	CCR exposure for SFT assets	0	0
15	Agent transaction exposures	0	0
16	Total securities financing transaction exposures (sum of rows 12 to 15)	0	0
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	15,208,711	12,390,290
18	(Adjustments for conversion to credit equivalent amounts)	(8,711,092)	(7,183,692)
19	Off-balance sheet items (sum of rows 17 and 18)	6,497,619	5,206,598
Capital and total exposures			
20	Tier 1 capital	14,638,118	14,420,340
21	Total exposures (sum of rows 3, 11, 16 and 19)	110,024,057	104,430,297
Leverage ratio			
22	Basel III leverage ratio	13.30%	13.81%

Liquidity

Template LIQA: Liquidity risk management

a) Governance of Liquidity Risk Management:

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 policies to be ratified by the Board after MRPC review and approval.
- Review and approve the Market Risk Limits Package.
- 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.
- Product Program review and approval.
- Authorize temporary increases or permanent changes to limits.
- Review reports on trading portfolio risks.
- Reclassify certain Investment exposures within Board approved limits.
- Oversee the structure, composition and performance of the investment portfolio.
- Review and approve all existing and new counterparty credit and issuer limits along with all limits approval 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.
- Oversee the installation and maintenance of an information system that supplies, on a timely basis, the information and data necessary for the ALCO to fulfil its roles and responsibilities.

b) Funding Strategy:

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 assesses 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 (47.2 percent of the total customer deposits of SAR 78,365 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) Liquidity Stress Testing:

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) Contingency Funding Plan:

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 Disclosure:

f) Customised Liquidity Risk Measurement Tools

S.No	Ratio Description	Code	Formula	Regulatory Limit	RAG Criteria (Internal Limit)			Current Ratio	RAG
					RED	AMBER	GREEN		
1	Liquidity Coverage Ratio	LCR	Stock of high quality liquid assets / Total net cash outflows over the next 30 calendar days	> 100%	< 120%	> 130%	> 130%	159.4%	GREEN
2	Net Stable Funding Ratio	NSFR	Available amount of stable funding / Required amount of stable funding	> 100%	< 110%	> 110%	> 120%	132.8%	GREEN
3	SAMA Liquidity Ratio	SLR	Total Liquid Assets / Total Deposit Liabilities for Liquid Reserves	> 20%	< 25%	> 25%	> 30%	44.1%	GREEN
4	Modified Loans to Deposits Ratio	LDR	Loans and advances, net / Weighted deposits	< 90%	< 85%	> 80%	< 80%	68.2%	GREEN
5	Significant Funding Ratio *	SFS	Top 20 Depositors / Total Customer Deposits	-	TBD		-	52.1%	AMBER
6	Interbank Borrowing Ratio	IBR	Total Interbank Borrowing / Total Assets	-	> 10% of Total Assets	< 8% of Total Assets	-	5.8%	GREEN
7	Repo Concentration	RC	Total Interbank Repo / Eligible Sukuk that can be repo with SAMA and FIs	-	TBD		-	1.2%	GREEN
8	Maximum Cumulative Outflow	1 Month MCO	The maximum aggregate outflow of liquidity for a given time horizon of its liquidity maturity profile	-	TBD		-	(SAR 7,096)	AMBER
		2 Month MCO		-	TBD		-	(SAR 13,532)	AMBER
		3 Month MCO		-	TBD		-	(SAR 12,025)	AMBER
9	Credit Limit Usage Ratio	CLUR	Total Undrawn Credit Limits / Total Credit Limit (Approved)	-	TBD		-	AMBER	

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:

Sr. N Category Type and n Location Haircut

Sr. No.	Category	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 are pre-arranged (if available) or current haircuts at reasonable costs of standing facility	SUKUK Guaranteed by MoF	Saudi Arabia	15%
		SAMA FRN	Saudi Arabia	10%
		KSA Sukuk	Saudi Arabia	0%
3	Customer collateral received that the bank is permitted to deliver or re-pledge	-	-	-

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 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.

i) Balance Sheet Gapping Report

As of December 2021 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	104,995	-	-	-	5,281,876	5,386,871
Due from banks and other financial institutions	16,874	-	-	-	646,628	663,502
Investments, net	-	-	6,381,082	24,542,498	510,225	31,433,805
Positive fair value of derivatives	-	-	-	-	12,058	12,058
Loans and advances, net	18,337,508	22,614,424	8,887,271	11,963,305	631,968	62,434,476
Investment in Associates	-	-	-	-	211,143	211,143
Other real estate, net	-	-	-	-	507,743	507,743
Property and Equipment	-	-	-	-	1,156,380	1,156,380
Other assets	-	-	-	-	1,021,343	1,021,343
Total Assets	18,459,377	22,614,424	15,268,352	36,505,803	9,979,364	102,827,321
Liabilities						
Due to banks and other financial institutions	3,612,375	288,671	-	-	2,509,034	6,410,080
Negative fair value of derivatives	-	-	-	-	227,309	227,309
Customers' deposits	27,322,303	9,670,095	10,804	-	41,361,947	78,365,149
Other liabilities	-	-	-	-	1,935,027	1,935,027
Subordinated Sukuk	-	-	-	1,994,685	-	1,994,685
Total Liabilities	30,934,678	9,958,766	10,804	1,994,685	46,033,317	88,932,250
Shareholders' Equity	-	-	-	-	13,895,071	13,895,071
Total Liabilities and Shareholders' Equity	30,934,678	9,958,766	10,804	1,994,685	59,928,388	102,827,321
Total Off Balance Sheet	3,844,967	2,638,448	231,724	23,050	(406,090)	6,330,099
Gap	(16,320,268)	10,017,210	15,025,824	34,488,068	(49,540,934)	(6,330,099)
Cummulative Gap	(16,320,268)	(6,303,057)	8,722,767	43,210,835	(6,330,099)	0

Liquidity

Template LIQ1: Liquidity Coverage Ratio (LCR)

	a	b
	Total unweighted value (average)	Total weighted value (average)
High-quality liquid assets		
1 Total HQLA		30,428,445
Cash outflows		
2 Retail deposits and deposits from small business customers, of which:	-	-
3 Stable deposits	-	-
4 Less stable deposits	23,482,311	2,348,231
5 Unsecured wholesale funding, of which:	-	-
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-
7 Non-operational deposits (all counterparties)	35,341,347	20,853,548
8 Unsecured debt	-	-
9 Secured wholesale funding	-	-
10 Additional requirements, of which:	-	-
11 Outflows related to derivative exposures and other collateral requirements	37,832	37,832
12 Outflows related to loss of funding of debt products	-	-
13 Credit and liquidity facilities	439,590	43,959
14 Other contractual funding obligations	-	-
15 Other contingent funding obligations	13,761,187	354,881
16 TOTAL CASH OUTFLOWS		23,638,451
Cash inflows		
17 Secured lending (eg reverse repo)	-	-
18 Inflows from fully performing exposures	8,498,482	4,541,261
19 Other cash inflows	4,608	4,608
20 TOTAL CASH INFLOWS	8,503,089	4,545,868
	-	Total adjusted value
21 Total HQLA		30,428,445
22 Total net cash outflows		19,092,582
23 Liquidity coverage ratio (%)		159.37%

Instructions & Definitions: See pages 59 & 60 of Basel's Pillar 3 disclosure requirements - consolidated and enhanced framework - March 2017

Liquidity

Template LIQ2: Net Stable Funding Ratio (NSFR)

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity*	<6 months	6 months to <1 year	≥1 year	
Available stable funding (ASF) item						
1	Capital:					
2	Regulatory capital	15,023,088	-	-	2,000,000	17,023,088
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers:	-	-	-	-	-
5	Stable deposits	-	-	-	-	-
6	Less stable deposits	22,563,103	1,596,701	283,167	2,615	22,001,288
7	Wholesale funding:	-	-	-	-	-
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	16,530,103	36,694,035	2,900,344	2,703,545	25,111,440
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities:	-	-	-	-	-
12	NSFR derivative liabilities					
13	All other liabilities and equity not included in the above categories	3,617,303	-	-	-	-
14	Total ASF					64,135,816
Required stable funding (RSF) item						
15	Total NSFR high-quality liquid assets (HQLA)					
16	Deposits held at other financial institutions for operational purposes					
17	Performing loans and securities:					
18	Performing loans to financial institutions secured by Level 1 HQLA	-	2,062,500	-	24,158,282	1,311,039
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:	-	26,088,545	8,898,531	28,723,643	41,908,634
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	266,792	360,000	-	1,937,036	2,053,254
25	Assets with matching interdependent liabilities	0	0	0	0	0
26	Other liabilities:	0	0	0	0	0
27	Physical traded commodities, including gold	-				-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs				-	-
29	NSFR derivative assets				-	-
30	NSFR derivative liabilities before deduction of variation margin posted				-	-
31	All other assets not included in the above categories	2,625,100	467,278	0	375,000	3,000,100
32	Off-balance sheet items		-	-	-	16,374
33	Total RSF					48,290,773
34	Net Stable Funding Ratio (%)					132.81%

* Items to be reported in the "no maturity" time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities and physical traded commodities.

Instructions & Definitions: See pages 61 to 64 of Basel's Pillar 3 disclosure requirements - consolidated and enhanced framework - March 2017

Credit risk

Template CRA: General qualitative information about credit risk

- (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 reviews; 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 organisation 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 and to the board of directors
- 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

		a	b	c	d	e	f	g
		Carrying values of		Allowances/impairments	Of which ECL accounting provisions for credit losses on SA exposures		Of which ECL accounting provisions for credit losses on IRB exposures	Net values (a+b-c)
		Defaulted exposures	Non-defaulted exposures		Allocated in regulatory category or Specific	Allocated in regulatory category or General		
1	Loans	1,379,115	63,693,358	2,637,997	2,244,449	393,548	-	62,434,476
2	Debt securities	-	31,168,739	6,611	-	6,611	-	31,162,128
3	Off-balance sheet exposures	112,416	6,625,773	408,090	386,368	21,722	-	6,330,099
4	Total	1,491,531	101,487,870	3,052,698	2,630,817	421,881	-	99,926,703

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

SAR,000		a
1	Defaulted loans and debt securities at the end of the previous reporting period	1,399,856
2	Loans and debt securities that have defaulted since the last reporting period	126,363
3	Returned to non-default status	(84,244)
4	Amounts written off	(53,653)
5	Other changes	(9,207)
6	Defaulted loans and debt securities at the end of the reporting period (1+2-3-4±5)	1,379,115

Credit risk

Template 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.

- 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 recognises 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 impairments.

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 below:

Stage	Definition	Description	Loss recognition
Stage 1	Characterizes low Credit Risk assets	This stage includes performing assets with no signs of impairment. This would also include newly originated assets, considering assessment in the appraisal process.	12 month ECL is calculated, depicting probable losses from defaults within 12 months of the reporting date
Stage 2	Assets where there has been a Significant Increase in Credit Risk (SICR)	The criteria for this stage is 'significant increase in credit risk', which is evaluated based on the credit monitoring framework, including internal and macroeconomic factors, or the Early Warning Signals (EWS) framework of the Bank.	Lifetime ECL is computed, considering the probability weights for lifetime losses
Stage 3	Asset category of impaired and non-performing assets	Categorization of assets in Stage 3 is based on objective evidence of impairment, based on the credit monitoring and overdue status of the accounts. Stage 3 categorization can also be based on qualitative assessments, based on internal or external information available pertaining to accounts or obligors.	Lifetime ECL is computed, considering the probability weights for lifetime losses and changes in the losses are recognized Rebuttable presumption that default takes place no later than 90 days past due This is subject to qualitative portfolio level adjustments, to recognize income on a net basis for Stage 3 assets

(d) The bank's own definition of a restructured exposure.

- 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 maturity;

- Please refer quantitative disclosures.

(f) Amounts of impaired exposures (according to the definition used by the bank for accounting purposes) and related allowances and write-offs, broken down by geographical areas and industry

-Please refer quantitative disclosures.

(g) Ageing analysis of accounting past-due exposures;

-Please refer quantitative disclosures.

Revised Basel III Pillar 3– Qualitative & Quantitative Disclosures							
B.9.1 : Geographic Breakdown- 31 Dec 2021 (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:	24,968,843	590,834	-	-	-	443,326	26,003,003
*SAMA and Saudi Government	24,968,843	-	-	-	-	-	24,968,843
*Others	-	590,834	-	-	-	443,326	1,034,160
Multilateral Development Banks (MDBs)	-	-	-	-	-	-	-
Public Sector Entities	6,931,764	-	-	-	-	-	6,931,764
Banks & Securities Firm Exposure	3,180,858	205,597	122,521	2,177,185	18,393	32,222	5,736,777
Corporate	31,874,503	-	-	-	1,075	1,410	31,876,988
Retail Non-Mortgages	16,653,800	-	-	-	-	-	16,653,800
*Small Business Facilities Enterprises (SBFE's)	13,380,227	-	-	-	-	-	13,380,227
*Other Retail Non-Mortgages	3,273,573	-	-	-	-	-	3,273,573
Mortgages	15,999,412	-	-	-	-	-	15,999,412
*Residential	15,999,412	-	-	-	-	-	15,999,412
*Commercial	-	-	-	-	-	-	-
Securitized Assets	0	-	-	-	-	-	0
Equities	578,061	-	-	-	-	-	578,061
Others	4,071,457	-	-	-	-	-	4,071,457
Past Due Exposures	156,489	-	-	-	-	-	156,489
TOTAL	104,415,188	796,431	122,521	2,177,185	19,468	476,958	108,007,752

Revised Basel III Pillar 3- Qualitative & Quantitative Disclosures

B.9.2 : Industry Sector Breakdown - 31 Dec 2021 (Figures in SAR 000's)

Portfolios	Industry sector												Total
	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	
Sovereigns and central banks:	443,326	20,656,960	-	590,834	-	-	-	-	-	-	-	4,311,883	26,003,003
*SAMA and Saudi Government	-	20,656,960	-	-	-	-	-	-	-	-	-	4,311,883	24,968,843
*Others	443,326	-	-	590,834	-	-	-	-	-	-	-	-	1,034,160
Multilateral Development Banks (MDBs)	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Sector Entities	6,853,678	-	-	-	75,000	-	-	210	-	1,348	-	-	6,931,764
Banks & Securities Firm Exposure	-	5,733,906	-	-	-	-	-	-	-	-	-	-	5,736,777
Corporate	3,936,364	4,988,406	200,698	4,806,162	96,635	153,013	3,731,221	11,192,352	1,953,172	2,040,087	-	-	31,876,988
Retail Non-Mortgages	-	40	-	3,033	-	2	70,202	52,623	816	28,703	-	-	16,653,800
*Small Business Facilities Enterprises (SBFE's)	-	40	-	3,033	-	2	70,202	51,742	816	28,703	-	-	13,980,227
*Other Retail Non-Mortgages	-	-	-	-	-	-	-	881	-	-	-	-	3,273,573
Mortgages	-	-	-	-	-	-	-	-	-	-	-	-	15,999,412
*Residential	-	-	-	-	-	-	-	-	-	-	-	-	15,999,412
*Commercial	-	-	-	-	-	-	-	-	-	-	-	-	-
Securitized Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Equities	-	-	-	-	-	-	-	-	-	-	-	-	578,061
Others	-	-	-	-	-	-	-	545	-	270	-	-	4,070,643
Past Due Exposures	-	-	-	-	-	-	-	-	-	-	-	-	156,489
TOTAL	11,233,369	31,379,312	200,698	5,400,029	171,635	153,015	3,801,422	11,245,730	1,953,988	2,070,408	-	40,241,659	108,007,752

Portfolios	Maturity breakdown									Total
	Less than 8 days	8-30 days	0-90 days	90-180 days	180-360 days	1-3 years	3-5 years	Over 5 years		
Sovereigns and Central Banks	Sovereigns and central banks:									
- SAMA and Saudi Government			5,287,328	45,167	1,551,048	2,723,488	6,704,250	9,691,722	26,003,003	
- Others			4,874,383	-	975,000	2,723,488	6,704,250	9,691,722	24,968,843	
Multilateral Development Banks	*SAMA and Saudi Government									
- Others			412,945	45,167	576,048	-	-	-	1,034,160	
Public Sector Entities	Multilateral Development Banks (MDBs)									
- Public Sector Entities			2,342,830	711,423	-	-	-	-	6,931,764	
Banks and Securities Firms	Banks & Securities Firm Exposure									
- Corporate			13,445,109	6,600,481	6,462,657	926,962	325,200	4,116,579	31,876,988	
Retail Non-Mortgages	Retail Non-Mortgages									
- SBFs ¹			1,329,665	281,553	14,692,511	25,064	197,924	127,082	16,653,800	
- Other Retail non-mortgages			183,056	8,349	13,054,755	10,058	1,577	122,432	13,380,227	
Mortgages	*Other Retail Non-Mortgages									
- Residential			1,146,610	273,204	1,637,757	15,005	196,347	4,650	3,273,573	
- Commercial			-	-	14,428,919	-	-	1,570,493	15,999,412	
Securitized Assets	*Commercial									
- Securitized Assets			-	-	-	-	-	-	-	
Equity	Equities									
- Others			-	-	578,061	-	-	-	578,061	
Past Dues Exposures	Past Due Exposures									
- TOTAL			323	-	4,051,276	492	-	19,367	4,071,457	
Total			-	-	156,489	-	-	-	156,489	
Total			23,074,921	7,638,625	41,921,473	7,478,005	12,341,358	15,553,370	108,007,752	

Revised Basel III Pillar 3 – Qualitative & Quantitative Disclosures									
B.9.4 : Impaired Loans, Past Due Loans and Allowances - 31 December 2021 (Figures in SAR 000's)									
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	-	-	-	-	-	-	-	-	14,803
Banks and other financial institutions	-	-	-	-	-	-	-	-	7,479
Agriculture and fishing	-	-	-	-	-	-	-	-	55
Manufacturing	175,895	26,397	744	-	-	178,163	13,408	601,045	140,500
Mining and quarrying	-	-	-	-	-	-	-	-	-
Electricity, water, gas and health services	-	-	-	-	-	-	-	-	221
Building and construction	140,614	5,791	34,937	93,162	320,658	112,214	1,359	484,911	4,350
Commerce	521,554	3,124	24,331	10,938	36,031	313,704	80,414	691,840	51,448
Transportation and communication	-	893	-	-	-	34	-	226	1,534
Service	82,514	1,569	176	6,479	2	52,122	56,428	122,480	31,746
Consumer loans and credit cards	324,793	990,598	130	-	-	90,899	7,570	197,367	93,827
Others	133,745	11,509	289	304	3,859	97,275	-	146,580	47,585
TOTAL	1,379,115	1,039,882	60,608	110,883	360,550	844,410	159,179	2,244,449	393,548

Revised Basel III Pillar 3– Qualitative & Quantitative Disclosures							
B.9.5 : Impaired Loans, Past Due Loans And Allowances- 31 December 2021 (Figures in SAR 000's)							
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	1,379,115	1,039,882	60,608	110,883	360,550	2,244,449	393,548
Other GCC & Middle East	-	-	-	-	-	-	-
Europe	-	-	-	-	-	-	-
North America	-	-	-	-	-	-	-
South East Asia	-	-	-	-	-	-	-
Other countries	-	-	-	-	-	-	-
TOTAL	1,379,115	1,039,882	60,608	110,883	360,550	2,244,449	393,548

Revised Basel III Pillar 3– Qualitative & Quantitative Disclosures		
B.9.6 : Reconciliation Of Changes In The Allowances For Loan Impairment - 31 Dec 2021 (Figures in SAR 000's)		
	Specific allowances	General allowances
Balance, beginning of the period	1,559,218	633,779
Charge-offs taken against the allowances during the period	1,005,128	-
Amounts set aside (or reversed) during the period	(160,886)	(240,232)
Other adjustments:	-	-
- exchange rate differences	-	-
- business combinations	-	-
- acquisitions and disposals of subsidiaries, etc	169	-
- - Written off	(159,179)	-
Transfers between allowances	-	-
Provision written back previously written off	-	-
Balance, end of the period	2,244,449	393,548

Credit risk

Template CRC: Qualitative disclosure requirements related to credit risk mitigation techniques

- (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).
- 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 Enterprise Risk Management Group prior to decision making. Due to the wholesale nature of business, Country Concentration (outside Saudi Arabia) is virtually non-existent.

Template CR3: Credit risk mitigation techniques - overview

		a	b	c	d	e	f	g
		Exposures unsecured: carrying amount	Exposures secured by collateral	Exposures secured by collateral of which: secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees, of which: secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
SAR,000								
1	Loans	97,192,759	2,139,214	2,139,214	-	-	-	-
2	Debt securities	-	-	-	-	-	-	-
3	Total	97,192,759	2,139,214	2,139,214	-	-	-	-
4	Of which defaulted	-	-	-	-	-	-	-

Credit risk under standardised approach

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

(a) Names of the external credit assessment institutions (ECAIs) and export credit agencies (ECAs) used by the bank, and the reasons for any changes over the reporting period;
 - Bank Al Jazira currently uses multiple assessments as specified by relevant guidelines of BCBS, where ECAI used are as follows : (a) Fitch (b) Standard & Poor's & (c) Moody's. There are no changes at the reporting period.

(b) The asset classes for which each ECAI or ECA 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 paragraphs 99-101 of the Basel framework; 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 exposure 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 parts 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 Management Credit Committee and Market Risk Policy Committee.

(d) The alignment of the alphanumerical scale of each agency used with the risk buckets (except where the relevant supervisor publishes a standard mapping with which the bank has to comply).

Please refer to the Master Rating / Mapping Scale 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%

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

SAR,000		a		b		c		d		e		f	
Asset classes		Exposures before CCF and CRM				Exposures post-CCF and CRM				RWA and RWA density			
		On-balance sheet amount		Off-balance sheet amount		On-balance sheet amount		Off-balance sheet amount		RWA		RWA density	
1	Sovereigns and their central banks	25,347,383		710,875		25,347,383		40,984		1,034,160			4%
2	Non-central government public sector entities	6,854,190		302,574		6,854,190		77,574		3,326,292			48%
3	Multilateral development banks	-		-		-		-		-			0%
4	Banks	2,435,265		187,528		2,435,265		187,528		2,227,480			85%
5	Securities firms	-		-		-		-		-			0%
6	Corporates	34,627,464		13,530,896		31,069,639		5,979,029		28,580,553			77%
7	Regulatory retail portfolios	25,688,662		476,838		25,118,352		193,901		19,673,656			78%
8	Secured by residential property	5,577,993		-		5,577,352		-		2,790,940			50%
9	Secured by commercial real estate	-		-		-		-		-			0%
10	Equity	578,061		-		578,061		-		872,988			151%
11	Past-due loans	290,967		-		156,489		-		171,857			110%
12	Higher-risk categories	-		-		-		-		-			0%
13	Other assets	4,093,045		-		4,093,045		-		3,119,741			76%
14	Total	105,493,032		15,208,712		101,229,778		6,479,016		61,797,666			57%

B.14 - Template CR5: Standardised approach – exposures by asset classes and risk weights (Figures in SAR 000's)

SAR,000	a	b	c	d	e	f	g	h	i	j
Asset classes/ Risk weight*	0%	10%	20%	35%	50%	75%	100%	150%	Others	Total credit exposures amount (post CCF and post-CRM)
1 Sovereigns and their central banks	24,968,843	0	0	0	0	0	1,034,160	0	0	26,003,003
2 Non-central government public sector entities (PSEs)	0	0	465,302	0	6,466,463	0	0	0	0	6,931,764
3 Multilateral development banks (MDBs)	0	0	0	0	0	0	0	0	0	0
4 Banks	0	0	3,416,476	0	306,977	0	2,012,985	339	0	5,736,777
5 Securities firms	0	0	0	0	0	0	0	0	0	0
6 Corporates	0	0	0	0	0	0	31,876,988	0	0	31,876,988
7 Regulatory retail portfolios	0	0	0	0	0	13,380,227	3,273,573	0	0	16,653,800
8 Secured by residential property	0	0	0	0	15,994,885	0	4,527	0	0	15,999,412
9 Secured by commercial real estate	0	0	0	0	0	0	0	0	0	0
10 Equity	0	0	0	0	0	0	381,444	0	196,618	578,061
11 Past-due loans	0	0	0	0	0	0	125,752	30,737	0	156,489
12 Higher-risk categories	0	0	0	0	0	0	0	0	0	0
13 Other assets	973,305	0	0	0	0	0	3,098,153	0	0	4,071,457
14 Total	25,942,148	0	3,881,777	0	22,768,324	13,380,227	41,807,582	31,075	196,618	108,007,752

Counterparty credit risk

Template CCRA: Qualitative disclosure related to counterparty credit risk

(a) Risk management objectives and policies related to counterparty credit risk, including:

Risk management objective is to identify, measure, manage and govern counterparty credit risk aimed at efficiency in bank's capital utilization through proper monitoring of counterparty risk.

(b) 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.

(c) 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.

(d) 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.

(e) 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.

Counterparty credit risk

	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)	-	-	-	-	298,958	208,199
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						208,199

Definitions: See Page 38 of Basel's Revised Pillar disclosure requirements - January 2015

Counterparty credit risk

Template CCR2: Credit valuation adjustment (CVA) capital charge

		a	b
		EAD post-CRM	RWA
	Total portfolios subject to the Advanced CVA capital charge	-	-
1	(i) VaR component (including the 3x multiplier)		-
2	(ii) Stressed VaR component (including the 3x multiplier)		-
3	All portfolios subject to the Standardised CVA capital charge	11,921	149,016
4	Total subject to the CVA capital charge	11,921	149,016

Definitions: See Page 39 of Basel's Revised Pillar disclosure requirements - January 2015

Counterparty credit risk

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

Risk weight**	a	b	c	d	e	f	g	h	i
	0%	10%	20%	50%	75%	100%	150%	Others	Total credit exposure
Regulatory portfolio*									
Sovereigns									-
Non-central government public sector entities (PSEs)	-	-	-	-	-	-	-	-	-
Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-	-
Banks	-	-	235,482	33,896	-	16	-	-	269,394
Securities firms	-	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	-	29,049	-	-	29,049
Regulatory retail portfolios	-	-	-	-	-	516	-	-	516
Other assets	-	-	-	-	-	-	-	-	-
Total	-	-	235,482	33,896	-	29,580	-	-	298,958

* The breakdown by risk weight and regulatory portfolio included in the template is for illustrative purposes. Banks may complete the template with the breakdown of asset classes according to the local implementation of the Basel framework.

** Banks subject to the simplified standardised approach should indicate risk weights determined by the supervisory authority in the columns.

Total credit exposures: the total amount relevant for capital requirements calculation, having applied CRM techniques

Other assets: the amount excludes exposures to CCPs, which are reported in CCR8.

Counterparty credit risk

Template CCR5: Composition of collateral for CCR exposure

	a	b		c		d	e		f	
	Collateral used in derivative transactions						Collateral used in SFTs			
	Fair value of collateral received		Fair value of posted collateral				Fair value of collateral received		Fair value of posted collateral	
	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated				
Cash - domestic currency	-	-	-	-	-	-	-	-	-	
Cash - other currencies	-	-	156,667	-	-	-	-	-	-	
Domestic sovereign debt	-	-	-	-	-	-	-	-	-	
Government agency debt	-	-	-	-	-	-	-	-	-	
Corporate bonds	-	-	-	-	-	-	-	-	-	
Equity securities	-	-	-	-	-	-	-	-	-	
Other collateral	-	-	-	-	-	-	-	-	-	
Total	-	-	-	-	-	-	-	-	-	

Definitions: See Page 43 of Basel's Revised Pillar disclosure requirements - January 2015

Market risk

Table MRA: General qualitative disclosure requirements related to market risk

(a) Strategies and processes of the bank, which must include an explanation and/or description of:

- 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 risk, including policies for hedging risk and the strategies/processes for monitoring the continuing effectiveness of hedges.
- A general description of the desk structure.
- Types of instruments included in the desks or desk categories that are not covered by
- Policies for determining whether a position is designated as trading, including the definition of state 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.

(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 a row (a) above.

(c) The scope and nature of risk reporting and/or measurement systems.

Table MRA: Qualitative disclosure requirements related to market risk

(A) Banks must describe their risk management objectives and policies for market risk according to the framework below (the granularity of the information should support the provision of meaningful information to users):

- (a) Strategies and processes of the bank: this must include an explanation of management'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 strategies/processes for monitoring the continuing effectiveness of hedges
- Market Risk Management
The Bank's willingness to accept risk is influenced by various factors including market volatility, business direction, macro-economic and subjective factors. This is managed and contained through relevant market risk limits and policies governed under the approved risk management framework and regulatory compliance. The Bank continually monitors its market risk by quantifying its capital requirement, profit rate risk, currency risk and by ensuring that its Treasury Business operates within its respective limits.
- 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.

(b) Structure and organisation of the market risk management function: description of the market risk governance structure established to implement the strategies and processes of the bank discussed in row (a) above, and describing the relationships and the communication mechanisms between the different parties involved in market risk management

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.

(c) 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 DVO1
- III. Investment Portfolio
- IV. Profit Rate Exposure
- V. Market Access Requirement

Market risk

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

		a
		Capital charge in SA
1	General interest rate risk	41,991
2	Equity risk	2,888
3	Commodity risk	-
4	Foreign exchange risk	82,636
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	127,515

Operational Risk (unchanged)

Qualitative Disclosures	(a)	<p>In addition to the general qualitative disclosure requirement (paragraph 824), the approach(es) for operational risk capital assessment for which the bank qualifies.</p> <p>- The Bank follows the Basic Indicator Approach (BIA) for measurement of Operational Risk Capital charge. The Bank has the intent of migrating from BIA to the approach recommended by BCBS (Basel Committee on Banking Supervision) through its "Basel III – Finalizing post-crisis reforms" document issued in December 2017 and subsequent SAMA guidelines. The Bank is in the process of defining a road map to adopt the new approach as per the timelines suggested by the regulators.</p> <p>The bank will continue to collect loss data and map it against the business lines to establish a comprehensive Internal Loss data history before migrating to the new methodology subject to receiving SAMA's final guidelines on the same.</p>
	(b)	<p>Description of the advanced measurement approaches for operational risk (AMA), if used by the bank, including a discussion of relevant internal and external factors considered in the bank's measurement approach. In the case of partial use, the scope and coverage of the different approaches used.</p> <p>- Not Applicable</p>
	(c)	<p>For banks using the AMA, a description of the use of insurance for the purpose of mitigating operational risk.</p> <p>- Not Applicable</p>

* Fulfilling this requirement is a condition for the use of the particular approach (AMA) for the calculation of regulatory capital.

B.42 - Profit rate risk in the banking book (PRRBB)

<p>Qualitative disclosures</p>	<p>(a) A description of how the bank defines IRRBB for purposes of risk control and measurement.</p> <p>Profit Rate Risk in the banking book arises from changes in profit rates that exposes the Bank to the risk of loss due to changes in future cash flows or the fair value of financial instruments. The Bank has in place an appropriate framework for identifying and measuring profit rate risk; these include profit rate gap, earnings-at-risk and economic value of equity (EVE) analyses reports be presented to management for regular review. Annual review of underlying assumptions used to forecast profit rate margins, profit rates, fiscal/budgetary conditions and the economy at both local and international levels, in particular, considering the Bank's product and pricing structure fall under ALCO responsibilities. From a governance perspective, BAJ's Market Risk Policy Committee (MRPC) has established limits on the profit rate risk exposure of the bank. Positions are monitored on a daily basis and reported regularly to senior management to ensure that profit rate risk is maintained within the established limits. Market Risk Management is responsible for monitoring profit rate risk, on a day-to-day basis. Market Risk is also responsible for implementing the profit rate risk policy. Profit rate risks are reported to the MRPC.</p>
	<p>(b) A description of the bank's overall IRRBB management and mitigation strategies.</p> <p>The MRPC has responsibility for governing the nature and the level of the bank's IRRBB exposure. The committee approves broad business strategies as well as overall policies with respect to IRRBB. It ensures that there is clear guidance regarding the acceptable level of IRRBB, given the bank's business strategies.</p> <p>Accordingly, the MRPC is responsible for ensuring that steps are taken by the bank to identify, measure, monitor and control IRRBB consistent with the approved strategies and policies.</p> <ul style="list-style-type: none"> i. Appropriate limits on IRRBB, including the definition of specific procedures and approvals necessary for exceptions, and ensuring compliance with the limits; ii. Adequate systems and standards for measuring IRRBB; iii. Standards for measuring IRRBB, valuing positions and assessing performance, including procedures for updating interest rate shock and stress scenarios and key underlying assumptions driving the institution's IRRBB analysis; iv. A comprehensive IRRBB reporting and review process; and v. Effective internal controls and management information systems (MIS). <p>Market Risk has established a monitoring and reporting process for profit rate risk that provides pertinent and timely information to MRPC. The following lists some of the aspects of the regular monitoring:</p> <ul style="list-style-type: none"> i. Monitoring of the implementation of the limits ii. Checking for limit violations as and when they occur, and reporting accordingly iii. Computing the profit rate risk of the Bank's portfolio iv. Detection and correction of deficiencies in the policies, processes and procedures that relate and have a direct impact on market and profit rate risk v. Managing profit rate risk through ongoing, periodic and annual reviews <p>For the measurement of profit rate risk, the Bank has adopted the Economic Value of Equity and Earnings based approaches as recommended by the Basel committee. EVE Approach captures the long term risk of change in values of banking book assets and liabilities till maturity/repricing.</p> <p>Limit Structures for Profit Rate Exposures</p> <p>EaR Trigger - This is the maximum level of loss in earnings that can be incurred over a given time frame.</p> <p>TRAP Trigger – This is being implemented and acts as a management action trigger on the economic change in value of the balance sheet from a defined point in time (e.g. Month-to-date, Year-to-date and Inception-to-date).</p> <p>Economic Value of Equity (EVE) or the Equity approach captures the long-term risk of change in values of banking book assets and liabilities till maturity/repricing for the purpose of capital estimation.</p> <p>BAJ manages its profit rate risk on an entity-wide basis, it re-evaluates its cash flow exposures periodically. The frequency of the evaluation would depend on the Bank's risk management policy and repricing intervals of the hedged items and instruments.</p>
	<p>(c) The periodicity of the calculation of the bank's IRRBB measures, and a description of the specific measures that the bank uses to gauge its sensitivity to IRRBB.</p> <p>Market Risk Management is responsible for monitoring profit rate risk, on a day-to-day basis. Market Risk is also responsible for implementing the profit rate risk policy. Profit rate risks are reported to the MRPC.</p> <p>Stress Testing</p> <p>The Bank conducts stress tests semi-annually, in line with the regulatory requirements, to identify vulnerabilities in the Bank's portfolio to various risks as envisaged in its Pillar-2 assessments. The stress test has the objective of enabling the Bank to assess the capital requirements and implement corrective actions, if required. Besides, the Bank also conducts ad hoc stress tests pertaining to various portfolios such as real estate, impact of provisions due to vulnerable accounts etc.</p> <p>Stress tests produce information summarizing the Bank's exposure to extreme, but possible, circumstances and offer a way of measuring and monitoring the portfolio against extreme risk factor movements. Stress testing addresses the large moves in key market variables of the kind that lie beyond day-to-day risk monitoring but could potentially occur.</p> <p>Sensitivity Analysis</p> <p>A sensitivity analysis includes shocking the various profit rates by 'x' basis points.</p> <p>Scenario Analysis</p> <p>A scenario analysis includes building scenarios of benchmark profit rates, changing the level, slope and shape of the profit rate curves and changing the spreads between various profit rates.</p> <p>Market Risk is responsible for performing stress tests in line with regulatory and executive management's requirements.</p>

(d) **A description of the interest rate shock and stress scenarios that the bank uses to estimate changes in the economic value and in earnings.**

In line with Basel best practices, Bank applies six prescribed interest rate shock scenarios to capture parallel and non-parallel gap risks for EVE and two prescribed interest rate shock scenarios for NII. IRRBB is measured by means of the following six scenarios:

- a. parallel shock up;
- b. parallel shock down;
- c. steeper shock (short rates down and long rates up);
- d. flattener shock (short rates up and long rates down);
- e. short rates shock up; and
- f. short rates shock down

(e) **Where significant modelling assumptions used in the bank's IMS (i.e. the EVE metric generated by the bank for purposes other than disclosure, e.g. for internal assessment of capital adequacy) are different from the modelling assumptions prescribed for the disclosure in Table IRRBBA, the bank should provide a description of those assumptions and of their directional implications and explain its rationale for making those assumptions (e.g. historical data, published research, management judgment and analysis).**

N/A

(f) **f. A high-level description of how the bank hedges its IRRBB, as well as the associated accounting treatment.**

In addition, as part of its ongoing asset and liability management activities, BAJ uses derivatives for hedging purposes in order to pro-actively manage its exposure to profit rate risk and remain within risk limit and appetite guidelines. This is generally achieved by hedging items on the balance sheet. Profit rate gaps on the balance sheet are typically created when the bank books long term assets with a fixed profit rate and funds them with short or long term floating profit rate liabilities e.g. Sukus and fixed term customer deposits. These gaps exposes the bank to profit rate risk and the bank's strategy is to manage the exposure arising from these gaps (fixed-rate assets) by using derivatives to off-set the exposure. This can be achieved by receiving a floating and paying a fixed rate on the derivative which results in the profit rate risk (gap) being set-off on the balance sheet. The profit rate gap thus effectively gets neutralized. In all such cases, the hedging relationship and objective, including details of the hedged items and hedging instrument are formally documented and the transactions are treated in accordance with respective accounting guidelines.

A high-level description of key modelling and parametric assumptions used in calculating Δ EVE and Δ NII in Table B:

Banks measures Δ EVE and Δ NII under the prescribed interest rate shock scenarios set out in BASEL guideline "Interest Rate Risk in the Banking Book April 2016". Bank uses its internal model to calculate the PRRBB exposure values.

The qualitative and quantitative disclosure (issued separately) of the bank provide sufficient information and supporting detail to enable the public to:

- i. monitor the sensitivity of the bank's economic value and earnings to changes in interest rates;
- ii. Understand the primary assumptions underlying the measurement produced by the bank.
- iii. Insight into the bank's overall IRRBB objective and IRRBB management.

- **For Δ EVE, whether commercial margins and other spread components have been included in the cash flows used in the computation and discount rate used.**

Market / Economical Value of Equity

For Δ EVE calculation; customer rates and other spread have been included in the cash flows and relevant benchmark/yield curves are used for discounting.

- i. Banks excludes its own equity from the computation of the exposure level.
- ii. Banks includes all cash flows from all interest rate-sensitive assets, liabilities and off-balance sheet items in the banking book in the computation of their exposure. Banks includes commercial margins and other spread components in its cash flows.
- iii. Cash flows are being discounted by using standard relevant yield curve/benchmark.
- iv. Δ EVE is computed with the assumption of a run-off balance sheet, where existing banking book positions amortize and are not replaced by any new business.

Net Interest Income

For Δ NII calculation; customer rates and other spread have been included in the cash flows and relevant benchmark/yield curves are used for discounting.

- i. For Δ NII Banks includes expected cash flows including customer rates and other spread components arising from all interest rate-sensitive assets, liabilities and off-balance sheet items in the banking book.
- ii. Δ NII is computed assuming a constant balance sheet, where maturing or repricing cash flows are replaced by new cash flows with identical features with regard to the amount, repricing period and spread components.
- iii. Δ NII is disclosed as the difference in future interest income over a rolling 12-month period.

	<p>- How the average repricing maturity of non-maturity deposits in (1) has been determined (including any unique product characteristics that affect assessment of repricing behavior).</p> <p>Banks separates its Non-Maturity Deposits according to the nature of the deposits. Bank identifies core and non-core deposits, as described in the section Cash flow slotting (Table 2) but being more conservative the caps average maturity on Retail/Transactional and Wholesale deposit reduced from 5 year to 3years.</p> <p>Bank classifies the NMDs into retail and wholesale categories. Retail deposits are defined as deposits placed with a bank by an individual person. Deposits made by small business customers and managed as retail exposures. Retail deposits are considered as held in a transactional account when regular transactions are carried out in that account.</p> <p>Banks distinguishes between the stable and the non-stable parts of each NMD category. The stable NMD portion is the portion that is found to remain undrawn with a high degree of likelihood. Core deposits are the proportion of stable NMDs which are unlikely to reprice even under significant changes in the interest rate environment. The remainder constitutes non-core NMDs.</p> <p>Banks estimates its level of core deposits by using Basel prescribed procedure for each deposit category to determine the overall volume of core deposits subject to imposed caps.</p>
	<p>(g) The methodology used to estimate the prepayment rates of customer loans, and/or the early withdrawal rates for time deposits, and other significant assumptions.</p> <p>Given the fact that prepayments are immaterial, the Bank does not have any prepayment model and/or the early withdrawal rates for time deposits.</p>
	<p>- Any other assumptions (including for instruments with behavioral optionalities that have been excluded) that have a material impact on the disclosed ΔEVE and ΔNII in Table B, including an explanation of why these are material. Any methods of aggregation across currencies and any significant interest rate correlations between different currencies.</p> <p>As per customer contract, the Bank has the option to reprice Retail Real Estate transactions. This portfolio has been forecasted to reprice at a reasonably higher rate (< 1%) in relevant scenarios as appropriate.</p>
	<p>- (Optional) Any other information which the bank wishes to disclose regarding its interpretation of the significance and sensitivity of the IRRBB measures disclosed and/or an explanation of any significant variations in the level of the reported IRRBB since previous disclosures.</p> <p>N/A</p>
<p>Quantitative disclosures</p>	<p>1 Average repricing maturity assigned to NMDs is 3.52 Years (Retail) and 2.46 Years (Wholesale). 2 Longest repricing maturity assigned to NMDs is 10 Years.</p>

Interest rate risk in the banking book

Table IRRBB1: Quantitative information on IRRBB

In reporting currency Period	ΔEVE		ΔNII	
	T	T-1	T	T-1
Parallel up	(1,599,870)	(1,197,413)	(450,421)	(206,154)
Parallel Down	2,202,721	1,673,694	450,421	206,154
Steepener	(641,718)	(353,670)		
Flattener	358,647	159,061		
Short rate up	(461,676)	(452,482)		
Short rate down	(1,026,645)	(712,495)		
Maximum	1,599,870	1,197,413	450,421	206,154
Period	T		T-1	
Tier 1 capital	14,638,118		14,598,701	

Instructions & Definitions: See page 74 of Basel's Pillar 3 disclosure requirements - consolidated and enhanced framework - March 2017

REMA - Remuneration Policy

Please refer to the Published Financial Statements

REM1 - Remuneratio awarded during the financial year

Please refer to the Published Financial Statements

REM2 - Special Payments

Please refer to the Published Financial Statements

REM3 - Deferred remuneration

Please refer to the Published Financial Statements