

Pillar III Disclosures

Al Rajhi Bank



March 31, 2018



Summary – Quarterly Report

Section	Tables and templates	Template ref. #	Applicable
Part 2 – Overview of risk management and RWA	OV1 – Overview of RWA	B.2	Yes
Part 4 – Credit risk	CR8 – RWA flow statements of credit risk exposures under IRB	B.8	No
Part 5 – Counterparty credit risk	CCR7 – RWA flow statements of CCR exposures under the Internal Model Method (IMM)	B.28	No
Part 7 – Market risk	MR2 – RWA flow statements of market risk exposures under an IMA	B.38	No
Appendix	ARB HR Statement	-	-



B.2 - Template OV1: Overview of RWA

- Market Risk increase is due to an increase in FX Net Open Position.

SAR '000s		a	b	c
		RWA		Minimum capital requirements
		Mar-18	Dec-17	Mar-18
1	Credit risk (excluding counterparty credit risk) (CCR)	214,238,267	219,687,988	17,139,061
2	Of which standardised approach (SA)	214,238,267	219,687,988	17,139,061
3	Of which internal rating-based (IRB) approach	-	-	-
4	Counterparty credit risk	-	-	-
5	Of which standardised approach for counterparty credit risk (SA-CCR)	-	-	-
6	Of which internal model method (IMM)	-	-	-
7	Equity positions in banking book under market-based approach	-	-	-
8	Equity investments in funds – look-through approach	-	-	-
9	Equity investments in funds – mandate-based approach	-	-	-
10	Equity investments in funds – fall-back approach	-	-	-
11	Settlement risk	-	-	-
12	Securitisation exposures in banking book	-	-	-
13	Of which IRB ratings-based approach (RBA)	-	-	-
14	Of which IRB Supervisory Formula Approach (SFA)	-	-	-
15	Of which SA/simplified supervisory formula approach (SSFA)	-	-	-
16	Market risk	5,636,604	4,594,750	450,928.32
17	Of which standardised approach (SA)	5,636,604	4,594,750	450,928.32
18	Of which internal model approaches (IMM)	-	-	-
19	Operational risk	26,832,383	26,832,383	2,146,590.64
20	Of which Basic Indicator Approach	-	-	-
21	Of which Standardised Approach	26,832,383	26,832,383	2,146,590.
22	Of which Advanced Measurement Approach	-	-	-
23	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
24	Floor adjustment	-	-	-
25	Total (1+4+7+8+9+10+11+12+16+19+23+24)	246,707,255	251,115,121	19,736,580

Reports B8, B28 and B38 are not applicable



Appendix – ARB HR Statement

Al Rajhi Bank Employees conduct their day-to-day operations by strictly adhering to all policies, procedures, employee code of conduct and demonstrating “Living the Values”. Work ethics and Professionalism is at the core of employee conduct and behavior. The Bank has developed and implemented a detailed “Code of Conduct” for almost a decade, which is reviewed and approved by the Board of Directors on a regular basis. Annually, every employee is required to read, acknowledge and pass an assessment to certify clear understanding of the Code of Conduct.