BNP Paribas UAE Branches

Pillar III - 31 March 2023

BNP PARIBAS

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OVERVIEW: Q3 2022

KM1 Key Metrics: Below is an extract of key metrics as of 31 March 2023 and comparative information

Amounts in AED 000	a	b	c
	31-Mar-23	31-Dec-22	30-Sep-22
Available capital (amounts)			
Common Equity Tier 1 (CET1)	1,527,227	1,527,227	1,462,543
Tier 1	1,527,227	1,527,227	1,462,543
Tier 2	65,567	72,429	95,000
Total capital	1,592,794	1,599,656	1,557,543
Risk-weighted assets (amounts)			
Total risk-weighted assets (RWA)	5,514,320	6,071,904	6,836,744
Risk-based capital ratios as a percentage of RWA			
Common Equity Tier 1 ratio (%)	27.7%	25.15%	21.39%
Tier 1 ratio (%)	27.7%	25.15%	21.39%
Total capital ratio (%)	28.88%	26.35%	22.78%
Additional CET1 buffer requirements as a percentage of RWA			
Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%
Countercyclical buffer requirement (%)	0.00%	0.00%	0.00%
Bank D-SIB additional requirements (%)	0.00%	0.00%	0.00%
Total of bank CET1 specific buffer requirements (%) (row 8 + row 9+ row 10)	2.50%	2.50%	2.50%
CET1 available after meeting the bank's minimum capital requirements (%)	18.38%	15.85%	12.28%
Leverage Ratio			
Total leverage ratio measure	11,398,510	11,934,889	11,854,032
Leverage ratio (%)	13.40%	12.80%	12.34%
ELAR			
Total HQLA	1,373,877	1,058,651	1,074,776
Total liabilities	5,787,511	5,975,443	5,843,279
Eligible Liquid Assets Ratio (ELAR) (%)	23.74%	17.72%	18.39%
ASRR			
Total available stable funding	4,705,439	5,565,907	4,428,633
Total Advances	1,736,285	2,440,434	2,984,774
Advances to Stable Resources Ratio (%)	36.90%	43.85%	67.40%

OV1: Overview of RWA:

Amounts in AED 000	RWA		Min Capital Req
	a	b	c
	31-Mar-23	31-Dec-22	31-Mar-23
Credit risk	**5,225,767**	**5,773,073**	**679,350**
Of which: standardised approach (SA)	5,225,767	5,773,073	679,350
Counterparty credit risk (CCR)	**19,562**	**21,209**	**2,543**
Of which: standardised approach for counterparty credit risk	19,562	21,209	2,543
Market risk	**23,252**	**31,883**	**3,023**
Of which: standardised approach (SA)	23,252	31,883	3,023
Operational Risk	**245,739**	**245,739**	**31,946**
Total	5,514,320	6,071,904	716,862

LIQUIDITY

Eligible Liquid Assets Ratio (ELAR):

Amounts in AED 000

High Quality Liquid Assets	31-Mar-23 Nominal amount	31-Mar-23 Eligible Liquid Asset
Physical cash in hand at the bank + balances with the CBUAE	1,373,877	
UAE Federal Government Bonds and Sukuks	-	
Sub total	1,373,877	1,373,877
UAE local governments publicly traded debt securities	-	
UAE Public sector publicly traded debt securities	-	
Sub total	-	-
Foreign Sovereign debt instruments or instruments issued by their respective central banks	-	-
Total	1,373,877	1,373,877
Total liabilities		5,787,511
Eligible Liquid Assets Ratio (ELAR) (%)		23.74%

Advances to Stables Resource Ratio:

Amounts in AED 000

	31-Mar-23
Computation of Advances	
Net Lending (gross loans - specific and collective provisions + interest in suspense)	1,410,592
Lending to non-banking financial institutions	-
Net Financial Guarantees & Stand-by LC (issued - received)	19,651
Interbank Placements	306,042
Total Advances	**1,736,285**
Calculation of Net Stable Ressources	
Total capital + general provisions	1,694,580
Deduct:	
Goodwill and other intangible assets	-
Fixed Assets	10,755
Funds allocated to branches abroad	-
Unquoted Investments	-
Investment in subsidiaries, associates and affiliates	-
Total deduction	**10,755**
Net Free Capital Funds	**1,683,825**
Other stable resources:	
Funds from the head office	-
Interbank deposits with remaining life of more than 6 months	-
Refinancing of Housing Loans	-
Borrowing from non-Banking Financial Institutions remaining life of more than 6 months	18,363
85% of the rest of NBFI Deposits	62,698
Customer Deposits with remaining life of more than 6 months	23,876
85% of the rest of Customer Deposits	2,916,677
Capital market funding/ term borrowings maturing after 6 months from reporting date	-
Total other stable resources	**3,021,614**
Total Stable Resources	**4,705,439**
Advances TO STABLE RESOURCES RATIO	36.90%

LEVERAGE RATIO

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

Amounts in AED 000	31-Mar-23
Total consolidated assets	6,651,630
Adjustments for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-
Adjustments for temporary exemption of central bank reserves (if applicable)	-
Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	-
Adjustments for eligible cash pooling transactions	-
Adjustments for derivative financial instruments	30,615
Adjustment for securities financing transactions (ie repos and similar secured lending)	-
Adjustments for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	4,760,736
Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-
Other adjustments	(44,471)
Leverage ratio exposure measure	11,398,510

LR2: Leverage ratio common disclosure template:

Amounts in AED 000	a	b
	31-Mar-23	31-Dec-22
On-balance sheet exposures		
On-balance sheet exposures	6,651,630	7,026,439
(Asset amounts deducted in determining Tier 1 capital)	(44,471)	(44,471)
Total on-balance sheet exposures	6,607,159	6,981,968
Derivative exposures		
Replacement cost associated with *all* derivatives transactions	25,369	24,206
Add-on amounts for PFE associated with *all* derivatives transactions	5,246	7,542
(Exempted CCP leg of client-cleared trade exposures)	-	-
Adjusted effective notional amount of written credit derivatives	-	-
(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
Total derivative exposures	30,615	31,748
Securities financing transactions		
Gross SFT *assets*	-	-
(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
CCR exposure for SFT assets	-	-
Agent transaction exposures	-	-
Total securities financing transaction exposures	-	-
Other off-balance sheet exposures		
Off-balance sheet exposure at gross notional amount	9,523,216	10,156,126
(Adjustments for conversion to credit equivalent amounts)	(4,762,480)	(5,234,953)
(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	0	0
Off-balance sheet items (sum of rows 19 to 21)	4,760,736	4,921,174
Capital and total exposures		
Tier 1 capital	1,527,227	1,527,227
Total exposures (sum of rows 7, 13, 18 and 22)	11,398,510	11,934,889
Leverage ratio		
Leverage ratio	13.40%	12.80%