



## BNP Paribas UAE Branches Pillar III – Semi-annual 30 June 2024

*Templates with nil reporting and those which are not applicable to BNP Paribas UAE branches are not included in this document.*

## OVERVIEW: Q2 2024

**KM1 Key Metrics:** Below is an extract of key metrics as of 30 June 2024 and comparative information.

### Overview of risk management, key prudential metrics and RWA

Amounts in AED 000

	a	b	c	d	e
	30-Jun-24	31-Mar-24	31-Dec-23	30-Sep-23	30-Jun-23
<b>Available capital (amounts)</b>					
Common Equity Tier 1 (CET1)	1,568,583	1,568,583	1,568,583	1,527,227	1,527,227
Tier 1	1,568,583	1,568,583	1,568,583	1,527,227	1,527,227
Tier 2	80,054	81,620	84,768	73,218	67,117
Total capital	1,648,637	1,650,203	1,653,351	1,600,445	1,594,344
<b>Risk-weighted assets (amounts)</b>					
Total risk-weighted assets (RWA)	6,797,318	6,926,133	7,172,722	6,132,397	5,644,796
<b>Risk-based capital ratios as a percentage of RWA</b>					
Common Equity Tier 1 ratio (%)	23.08%	22.65%	21.87%	24.90%	27.06%
Tier 1 ratio (%)	23.08%	22.65%	21.87%	24.90%	27.06%
Total capital ratio (%)	24.25%	23.83%	23.05%	26.10%	28.24%
<b>Additional CET1 buffer requirements as a percentage of RWA</b>					
Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
Countercyclical buffer requirement (%)	0.00%	0.00%	0.00%	0.00%	0.00%
Bank D-SIB additional requirements (%)	0.00%	0.00%	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%	2.50%	2.50%
CET1 available after meeting the bank's minimum capital requirements (%)	13.75%	13.33%	12.55%	15.60%	17.74%
<b>Leverage Ratio</b>					
Total leverage ratio measure	11,754,981	11,548,149	12,768,132	12,044,327	11,981,731
Leverage ratio (%) (row 2/row 13)	13.34%	13.58%	12.29%	12.68%	12.75%
<b>ELAR</b>					
Total HQLA	2,100,140	1,993,891	1,912,071	1,972,053	1,537,464
Total liabilities	5,394,734	5,096,790	6,359,364	5,875,796	5,994,695
Eligible Liquid Assets Ratio (ELAR) (%)	38.93%	39.12%	30.07%	33.56%	25.65%
<b>ASRR</b>					
Total available stable funding	5,393,998	5,253,497	6,041,091	4,626,567	4,920,397
Total Advances	1,423,758	1,653,583	1,204,337	1,613,830	1,873,719
Advances to Stable Resources Ratio (%)	26.40%	31.48%	19.94%	34.88%	38.08%



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## OV1: Overview of RWA

### Overview of risk management, key prudential metrics and RWA

Amounts in AED 000

	RWA		Min capital requirements
	a	b	c
	30-Jun-24	31-Mar-24	30-Jun-24
<b>Credit risk (excluding counterparty credit risk)</b>	<b>6,397,643</b>	<b>6,523,733</b>	<b>671,753</b>
Of which: standardised approach (SA)	6,397,643	6,523,733	671,753
<b>Counterparty credit risk (CCR)</b>	<b>6,660</b>	<b>5,850</b>	<b>699</b>
Of which: standardised approach for counterparty credit risk	6,660	5,850	699
<b>Market risk</b>	<b>28,403</b>	<b>31,937</b>	<b>2,982</b>
Of which: standardised approach (SA)	28,403	31,937	2,982
<b>Operational risk</b>	<b>364,612</b>	<b>364,612</b>	<b>38,284</b>
<b>Total</b>	<b>6,797,318</b>	<b>6,926,133</b>	<b>713,718</b>

## COMPOSITION OF CAPITAL

### CC1: Composition of Regulatory Capital

#### Composition of capital

Amounts in AED 000

	Amounts
<b>Common Equity Tier 1 capital: instruments and reserves</b>	
Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	446,431
Retained earnings	963,367
Accumulated other comprehensive income (and other reserves)	179,242
<b>Common Equity Tier 1 capital before regulatory deductions</b>	<b>1,589,040</b>
<b>Common Equity Tier 1 capital regulatory adjustments</b>	
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	20,457
Total regulatory adjustments to Common Equity Tier 1	20,457
<b>Common Equity Tier 1 capital (CET1)</b>	<b>1,568,583</b>
<b>Additional Tier 1 capital: instruments</b>	
Additional Tier 1 capital before regulatory adjustments	0
<b>Additional Tier 1 capital: regulatory adjustments</b>	
CBUAE specific regulatory adjustments	0
Total regulatory adjustments to additional Tier 1 capital	0
Additional Tier 1 capital (AT1)	0
Tier 1 capital (T1= CET1 + AT1)	<b>1,568,583</b>
<b>Tier 2 capital: instruments and provisions</b>	
Directly issued qualifying Tier 2 instruments plus related stock surplus	0
<i>Directly issued capital instruments subject to phase-out from Tier 2</i>	0
Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 30) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	0
<i>Of which: instruments issued by subsidiaries subject to phase-out</i>	0
Provisions	80,054
Tier 2 capital before regulatory adjustments	80,054

<b>Tier 2 capital: regulatory adjustments</b>	
Investments in own Tier 2 instruments	0
Investments in capital, 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)	0
Significant investments in the capital, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	0
CBUAE specific regulatory adjustments	0
<b>Total regulatory adjustments to Tier 2 capital</b>	<b>0</b>
<b>Tier 2 capital (T2)</b>	<b>80,054</b>
<b>Total regulatory capital (TC = T1 + T2)</b>	<b>1,648,637</b>
<b>Total risk-weighted assets</b>	<b>6,797,318</b>
<b>Capital ratios and buffers</b>	
Common Equity Tier 1 (as a percentage of risk-weighted assets)	23.08%
Tier 1 (as a percentage of risk-weighted assets)	23.08%
Total capital (as a percentage of risk-weighted assets)	24.25%
Institution specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk-weighted assets)	2.50%
Of which: capital conservation buffer requirement	2.50%
Of which: bank-specific countercyclical buffer requirement	0
Of which: higher loss absorbency requirement (e.g. DSIB)	0
Common Equity Tier 1 (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirement.	2.50%
<b>The CBUAE Minimum Capital Requirement</b>	
Common Equity Tier 1 minimum ratio	7.00%
Tier 1 minimum ratio	8.50%
Total capital minimum ratio	10.50%

## CC2: Reconciliation of regulatory capital to balance sheet

### Composition of capital

Amounts in AED 000

	a	b
	Balance sheet as in BRF Reporting	Under regulatory scope of consolidation
	30-Jun-24	30-Jun-24
<b>Assets</b>		
Cash and balances at central banks	1,316,183	1,316,183
Financial assets at amortised cost	783,957	783,957
Derivative financial instruments	774,841	774,841
Due from other banks	583,935	583,935
Due from Head office and branches	2,597,415	2,597,415
Loans and advances to customers	1,045,707	1,045,707
Current and deferred tax assets	19,924	19,924
Prepayments, accrued income and other assets	407,769	407,769
Property, plant and equipment	6,800	6,800
<b>Total assets</b>	<b>7,536,531</b>	<b>7,536,531</b>
<b>Liabilities</b>		
Balances due to Central bank	49,804	49,804
Due to other banks	-	-
Due to Head office and branches	11,044	11,044
Customer accounts	4,077,349	4,077,349
Derivative financial instruments	774,848	774,848
Accruals, deferred income and other liabilities	473,068	473,068
Provisions	211,092	211,092
Retirement benefit liabilities	8,621	8,621
<b>Total liabilities</b>	<b>5,605,826</b>	<b>5,605,826</b>
<b>Shareholders' equity</b>		
Paid-in share capital	446,431	446,431
Of which: amount eligible for CET1	446,431	446,431
Retained earnings	1,203,243	1,203,243
Accumulated other comprehensive income & Reserves	281,031	281,031
<b>Total shareholders' equity</b>	<b>1,930,705</b>	<b>1,930,705</b>

## LEVERAGE RATIO

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

Amounts in AED 000	30-Jun-24
<b>Total consolidated assets</b>	6,447,591
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	13,380
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)	5,314,467
Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-
Other adjustments	(20,457)
<b>Leverage ratio exposure measure</b>	<b>11,754,981</b>

**LR2: Leverage ratio common disclosure template**

Amounts in AED 000

	a	b
	30-Jun-24	31-Mar-24
<b>On-balance sheet exposures</b>		
On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	6,447,591	6,279,491
(Asset amounts deducted in determining Tier 1 capital)	(20,457)	(20,457)
<b>Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)</b>	<b>6,427,134</b>	<b>6,259,034</b>
<b>Derivative exposures</b>		
Replacement cost associated with <i>all</i> derivatives transactions	5,533	4,821
Add-on amounts for PFE associated with <i>all</i> derivatives transactions	7,847	5,654
(Exempted CCP leg of client-cleared trade exposures)	0	0
Adjusted effective notional amount of written credit derivatives	0	0
(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	0	0
<b>Total derivative exposures (sum of rows 8 to 12)</b>	<b>13,380</b>	<b>10,475</b>
<b>Securities financing transactions</b>		
Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	0	0
(Netted amounts of cash payables and cash receivables of gross SFT assets)	0	0
CCR exposure for SFT assets	0	0
Agent transaction exposures	0	0
<b>Total securities financing transaction exposures (sum of rows 14 to 17)</b>	<b>0</b>	<b>0</b>
<b>Other off-balance sheet exposures</b>		
Off-balance sheet exposure at gross notional amount	11,226,876	11,154,106
(Adjustments for conversion to credit equivalent amounts)	(5,912,409)	(5,875,466)
(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	0	0
<b>Off-balance sheet items (sum of rows 19 to 21)</b>	<b>5,314,467</b>	<b>5,278,640</b>
<b>Capital and total exposures</b>		
Tier 1 capital	1,568,583	1,568,583
<b>Total exposures (sum of rows 7, 13, 18 and 22)</b>	<b>11,754,981</b>	<b>11,548,149</b>
<b>Leverage ratio</b>		
<b>Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)</b>	<b>13.34%</b>	<b>13.58%</b>



## LIQUIDITY

### ELAR: Eligible Liquid Assets Ratio

Amounts in AED 000

30-Jun-24

High Quality Liquid Assets	Nominal amount	Eligible Liquid Asset
Physical cash in hand at the bank + balances with the CBUAE	2,100,140	
UAE Federal Government Bonds and Sukuks	-	
<b>Sub Total</b>	<b>2,100,140</b>	<b>2,100,140</b>
UAE local governments publicly traded debt securities	-	
UAE Public sector publicly traded debt securities	-	
<b>Sub Total</b>	<b>-</b>	<b>-</b>
Foreign Sovereign debt instruments or instruments issued by their respective central banks	-	-
<b>Total</b>	<b>2,100,140</b>	<b>2,100,140</b>
<b>Total liabilities</b>		<b>5,394,734</b>
<b>Eligible Liquid Assets Ratio (ELAR)</b>		<b>38.93%</b>

## ASRR: Advances to Stables Resource Ratio

Amounts in AED 000

30-Jun-24

<b>Computation of Advances</b>	
Net Lending (gross loans - specific and collective provisions + interest in suspense)	868,421
Lending to non-banking financial institutions	-
Net Financial Guarantees & Stand-by LC (issued - received)	147,899
Interbank Placements	407,438
<b>Total Advances</b>	<b>1,423,758</b>
<b>Calculation of Net Stable Ressources</b>	
Total capital + general provisions	1,930,705
<b>Deduct:</b>	
Goodwill and other intangible assets	-
Fixed Assets	6,800
Funds allocated to branches abroad	-
Unquoted Investments	-
Investment in subsidiaries, associates and affiliates	-
<b>Total deduction</b>	<b>6,800</b>
<b>Net Free Capital Funds</b>	<b>1,923,905</b>
<b>Other stable resources:</b>	
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	48,957
Customer Deposits with remaining life of more than 6 months	10,611
85% of the rest of Customer Deposits	3,392,162
Capital market funding/ term borrowings maturing after 6 months from reporting date	-
Head Office loans towards meeting Large Exposure Funding	-
<b>Total other stable resources</b>	<b>3,470,093</b>
<b>Total Stable Resources</b>	<b>5,393,998</b>
<b>Advances to Stable Resources Ratio</b>	<b>26.40%</b>

## CREDIT RISK

### CR1: Credit quality of assets

Amounts in AED 000

	a	b	c	d	e	f
	Gross carrying values of		Allowances/ Impairments	Of which		Net values (a+b-c)
	Defaulted exposures	Non-defaulted exposures		Specific	General	
Loans	62,441	879,532	75,154	73,552	1,602	866,819
Off-balance sheet exposures	43,120	11,183,756	32,204	28,698	3,506	11,194,672
<b>Total</b>	<b>105,561</b>	<b>12,063,288</b>	<b>107,358</b>	<b>102,250</b>	<b>5,108</b>	<b>12,061,491</b>

### CR2: Changes in the stock of defaulted loans and debt securities

Amounts in AED 000

	30-Jun-24
<b>Defaulted loans and debt securities at the end of the previous reporting period</b>	134,789
Loans and debt securities that have defaulted since the last reporting period	
Returned to non-default status	
Amounts written off	(72,348)
Other changes	
<b>Defaulted loans and debt securities at the end of the reporting period (1+2-3-4±5)</b>	62,441

**CR3 Credit risk mitigation techniques**

Amounts in AED 000

	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
Loans	941,973	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-
<b>Total</b>	941,973	-	-	-	-	-	-
Of which defaulted	62,441	-	-	-	-	-	-

## CR4 Standardised approach - Credit risk exposure and CRM effects

Amounts in AED 000

	a	b	c	d	e	f
	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
Asset classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
Sovereigns and their central banks	2,100,138	-	2,100,138	-	-	0%
Public Sector Entities	244,217	-	244,217	-	244,217	100%
Multilateral development banks	-	-	-	-	-	-
Banks	3,179,202	12,072	1,247,647	12,072	377,728	30%
Securities firms	-	-	-	-	-	-
Corporates	635,315	11,228,184	576,909	5,076,768	5,653,678	100%
Regulatory retail portfolios	-	-	-	-	-	-
Secured by residential property	-	-	-	-	-	-
Secured by commercial real estate	-	-	-	-	-	-
Equity Investment in Funds (EIF)	-	-	-	-	-	-
Past-due loans	166,175	-	866	-	866	100%
Higher-risk categories	-	-	-	-	-	-
Other assets	122,544	-	122,544	-	121,155	99%
<b>Total</b>	<b>6,447,591</b>	<b>11,240,256</b>	<b>4,292,321</b>	<b>5,088,840</b>	<b>6,397,643</b>	<b>68%</b>

## CR5 Standardised approach - exposures by asset classes and risk weights

Amounts in AED 000

	a	b	d	f	h	i
<b>Risk weight</b>	0%	20%	50%	100%	Others	Total credit exposures (post CCF and post-CRM)
<b>Asset classes</b>						
Sovereigns and their central banks	2,100,138	-	-	-	-	2,100,138
Public Sector Entities	-	-	-	244,217	-	244,217
Multilateral development banks	-	-	-	-	-	-
Banks	-	840,439	419,280	-	-	1,259,719
Securities firms	-	-	-	-	-	-
Corporates	-	-	-	5,653,677	-	5,653,677
Regulatory retail portfolios	-	-	-	-	-	-
Secured by residential property	-	-	-	-	-	-
Secured by commercial real estate	-	-	-	-	-	-
Equity Investment in Funds (EIF)	-	-	-	-	-	-
Past-due loans	-	-	-	866	-	866
Higher-risk categories	-	-	-	-	-	-
Other assets	2	1,734	-	-	120,808	122,544
<b>Total</b>	<b>2,100,140</b>	<b>842,173</b>	<b>419,280</b>	<b>5,898,760</b>	<b>120,808</b>	<b>9,381,161</b>

## COUNTERPARTY CREDIT RISK

### CCR1: Analysis of CCR by approach

Amounts in AED 000

	a	b	c	d	e	f
	Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
SA-CCR (for derivatives)	3,952	5,605		1.40	13,380	6,660

### CCR2: Credit valuation adjustment capital charge

Amounts in AED 000

	a	b
	EAD post-CRM	RWA
All portfolios subject to the Simple alternative CVA capital charge	13,380	6,660

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

Amounts in AED 000

	a	b	c	e	h
Risk weight	0%	20%	50%	100%	Total credit exposure
<b>Regulatory portfolio</b>					
Sovereigns	-	-	-	-	-
Public Sector Entities (PSEs)	-	-	-	-	-
Multilateral development banks (MDBs)	-	-	-	-	-
Banks	-	2,279	9,792	-	12,072
Securities firms	-	-	-	-	-
Corporates	-	-	-	1,308	1,308
Regulatory retail portfolios	-	-	-	-	-
Secured by residential property	-	-	-	-	-
Secured by commercial real estate	-	-	-	-	-
Equity Investment in Funds (EIF)	-	-	-	-	-
Past-due loans	-	-	-	-	-
Higher-risk categories	-	-	-	-	-
Other assets	-	-	-	-	-
<b>Total</b>					<b>13,380</b>



## MARKET RISK

### MR1 Market risk under the standardised approach

Amounts in AED 000

	30-Jun-24
	RWA
General Interest rate risk (General and Specific)	-
Equity risk (General and Specific)	-
Foreign exchange risk	28,403
Commodity risk	-
Options	-
Simplified approach	-
Delta-plus method	-
Securitisation	-
<b>Total</b>	<b>28,403</b>