

GIB Consolidated Liquidity Coverage Ratio (LCR)
Three months ended 30th June 2024

In August 2018 the Central Bank of Bahrain (CBB) issued regulations on Liquidity Risk Management through its Liquidity Risk Management Module. The regulations require Bahraini bank licensees to meet a minimum Liquidity Coverage Ratio (LCR) of 100 per cent on a daily basis. The LCR has been designed to promote short term resilience of a bank's liquidity risk profile and aims to ensure that a bank has an adequate stock of high-quality, unencumbered liquid assets to meet its liquidity needs for a 30-calendar day stressed liquidity period.

The below table provides Gulf International Bank's disclosure of its consolidated LCR for the three months ended 30th June 2024 and the previous three month period in the manner prescribed by the CBB. The consolidated average LCR of 126 per cent for the three months ended 30th June 2024 is mainly derived from US\$10.3 billion of High Quality Liquid Assets (HQLA). The HQLA mainly comprise overnight balances with central banks in the jurisdictions in which the Group operates, and investments in debt securities of investment grade issuers.

US\$ millions		3 months ended 30.06.24		3 months ended 31.03.24	
		Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
High-Quality Liquid Assets (HQLA)					
1	Total high quality liquid assets (HQLA)		10,332		8,937
Cash Outflows					
2	Retail deposits and deposits from small business customers, of which:	449	45	402	40
3	Stable deposits	-	-	-	-
4	Less stable deposits	449	45	402	40
5	Unsecured wholesale funding, of which:	25,787	10,473	22,261	9,074
6	Operational deposits (all counterparties)	-	-	-	-
7	Non operational deposits (all counterparties)	25,787	10,473	22,261	9,074
8	Unsecured debt	-	-	-	-
9	Secured wholesale funding	225	9	148	8
10	Additional requirements, of which:	2,779	368	2,900	425
11	Outflows related to derivative exposures and other collateral requirements	58	58	94	94
12	Outflows related to loss of funding on debt products	-	-	-	-
13	Credit and liquidity facilities	2,721	310	2,806	331
14	Other contractual funding obligations	426	426	475	480
15	Other contingent funding obligations	8,030	401	7,973	398
16	Total Cash Outflows		11,723		10,426
Cash inflows					
17	Secured lending (e.g. reverse repos)	105	4	106	8
18	Inflows from fully performing exposures	3,292	3,010	3,879	3,467
19	Other cash inflows	388	388	240	244
20	Total Cash Inflows	3,785	3,402	4,224	3,718
		Total adjusted value		Total adjusted value	
21	Total HQLA		10,332		8,937
22	Total Net Cash Outflows		8,321		6,707
23	Liquidity Coverage Ratio (%)		126%		134%

Note: In accordance with Central Bank of Bahrain guidelines, the LCR presented above is a simple average of the daily LCRs for the period

GIB Consolidated Net Stable Funding Ratio (NSFR)

30th June 2024

In August 2018 the Central Bank of Bahrain (CBB) issued regulations on Liquidity Risk Management through its Liquidity Risk Management Module. The regulations require Bahraini bank licensees to meet a minimum Net Stable Funding Ratio (NSFR) of 100 per cent on an ongoing basis from 31st December 2019. The NSFR rules are designed to ensure that a bank's liability profile provides it adequate stable funds to fund its assets.

The below table provides Gulf International Bank's disclosure of its consolidated NSFR as at 30th June 2024 in the manner prescribed by the CBB. The consolidated NSFR of 155 per cent at 30th June 2024 (31st March 2024: 148 per cent) demonstrates that the Group has adequate Available Stable Funds (ASF) relative to its Required Stable Funds (RSF). The Group's ASF comprises the Group's capital base, senior term financing, retail deposits and wholesale customer deposits. The ASF attributable to the Group's capital base and liabilities maturing beyond one year comprised 44 per cent (31st March 2024: 40 per cent) of the Group's total ASF. 68 per cent (31st March 2024: 66 per cent) of the Group's RSF is attributable to loans provided to non-financial clients. The Group's HQLA, which mainly comprise investment grade debt securities and overnight placements with Central Banks, require minimal RSF on a weighted basis.

All figures in US\$ millions

No.	Item	Unweighted Values (i.e. before applying relevant factors)				30th June 2024	
		No specified maturity	Maturing in less than 6 months	Maturing in more than 6 months and less than one year	Maturing over one year	Total unweighted value	Total weighted value
Available Stable Funding (ASF):							
1	Capital:						
2	Regulatory Capital	3,030	0	0	0	3,030	3,030
3	Other Capital Instruments	440	0	0	400	840	840
4	Retail deposits and deposits from small business customers:						
5	Stable deposits						
6	Less stable deposits	132	1,221	73	0	1,427	1,284
7	Wholesale funding:						
8	Operational deposits						
9	Other wholesale funding	18,106	14,530	1,149	5,103	38,889	15,240
10	Other liabilities:						
11	NSFR derivative liabilities						
12	All other liabilities not included in the above categories						
13	Total ASF						20,394
Required Stable Funding (RSF):							
14	Total NSFR high-quality liquid assets (HQLA)						1,233
15	Deposits held at other financial institutions for operational purposes						
16	Performing loans and securities:						
17	Performing loans to financial institutions secured by Level 1 HQLA						
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	692	2,736	1,353	283	5,064	1,473
19	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	0	6,334	1,465	4,397	12,196	7,637
20	- With a risk weight of less than or equal to 35% as per the CBB Capital Adequacy Ratio guidelines	0	0	0	2,050	2,050	1,332
21	Performing residential mortgages, of which:						
22	- With a risk weight of less than or equal to 35% under the CBB Capital Adequacy Ratio						
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	175	24	7	288	494	474
24	Other assets:						
25	Physical traded commodities, including gold						
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		73			73	62
27	NSFR derivative assets		233			233	233
28	NSFR derivative liabilities before deduction of variation margin posted		62			62	62
29	All other assets not included in the above categories	231				231	231
30	OBS items		3,198	1,362	4,454	9,015	451
31	Total RSF						13,188
32	NSFR (%)						155%