

blme

بنك لندن والشرق الأوسط
Bank of London & The Middle East

Pillar 3 Disclosure 2022

Bank of London and The Middle East plc ("BLME") Bank of London and The Middle East plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. BLME appears on the FCA Register under firm reference number 464292. Bank of London and The Middle East plc is a company registered in England & Wales. Its company registered number is 05897786. The registered office is Cannon Place, 78 Cannon Street, London, EC4N 6HL, United Kingdom. Bank of London and The Middle East plc DIFC Branch is regulated by the Dubai Financial Services Authority ("DFSA"). The registered office is Office 2904, Level 29, Al Fattan Currency House, Dubai International Financial Centre, Dubai, UAE, PO Box 506557.

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I. Executive Summary

1.1 Introduction

This document comprises BLME Group's Pillar 3 disclosures on capital and risk management as at 31 December 2022.

The Group (BLME) comprises Bank of London and The Middle East plc (the "Bank") its main operating entity and Walbrook Asset Finance Ltd ("WAF"). The Bank and WAF are both wholly owned by BLME Holdings Limited which is 71% owned by Boubyan Bank K.S.C.P. of Kuwait.

The principal activity of the Bank is to provide Sharia'a compliant financing facilities and solutions for corporate clients, treasury services to financial institutions digital bank services to largely Kuwaiti based clients, and wealth management financing, investment and advisory services to a wide spectrum of clients.

The principal activities of WAF provide Asset Finance for businesses including Operating Leases, Finance Leases and Hire Purchase arrangements.

1.2 Background

BLME is subject to the Capital Requirements Regulation (CRR), as amended and on-shored in the UK. BLME's Pillar 3 disclosures are in accordance with Article 433b of the CRR and incorporated in the PRA rulebook. BLME applies the derogation in paragraph 2 of Article 433b.

2 Key metrics

The table below presents the key prudential metrics, risk weighted assets, leverage ratio, liquidity coverage ratio and net stable funding ratio.

	GBP'000	GBP'000
	31/12/2022	31/12/2021
Available own funds (amounts)		
Common Equity Tier 1 (CET1) capital	227,212	238,839
Tier 1 capital	227,212	238,839
Total capital	227,212	238,839
Risk-weighted exposure amounts		
Total risk-weighted exposure amount	1,376,389	1,313,776
Capital ratios (as a percentage of risk-weighted exposure amount)		
Common Equity Tier 1 ratio (%)	16.51%	18.18%
Tier 1 ratio (%)	16.51%	18.18%
Total capital ratio (%)	16.51%	18.18%
Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)		
Additional CET1 SREP requirements (%)	1.94%	1.94%
Total SREP own funds requirements (%)	9.94%	9.94%
Combined buffer requirement (as a percentage of risk-weighted exposure amount)		
Capital conservation buffer (%)	2.50%	2.50%
Institution specific countercyclical capital buffer (%)	0.95%	0.00%
Combined buffer requirement (%)	3.45%	2.50%
Overall capital requirements (%)	13.39%	12.44%
CET1 available after meeting the total SREP own funds requirements (%)	3.11%	5.74%
Leverage ratio		
Total exposure measure excluding claims on central banks	1,622,691	1,600,428
Leverage ratio excluding claims on central banks (%)	14.00%	14.92%
Liquidity Coverage Ratio		
Total high-quality liquid assets (HQLA) (Weighted value - average)	92,894	71,695
Cash outflows - Total weighted value	105,540	90,975
Cash inflows - Total weighted value	109,725	140,123
Total net cash outflows (adjusted value)	26,385	22,744
Liquidity coverage ratio (%)	352%	315%
Net Stable Funding Ratio		
Total available stable funding	1,502,432	N/A
Total required stable funding	1,053,953	N/A
NSFR ratio (%)	143%	N/A

