



PILLAR 3 – MARKET DISCIPLINE

BNP PARIBAS BANGKOK BRANCH

31 DECEMBER 2018

REGULATOR : Bank of Thailand

VALIDATION DATE : March 21, 2019

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BNP PARIBAS BANGKOK BRANCH market disclosure

BNP Paribas considers its Group Pillar 3 communication to fully satisfy any disclosure to the Markets, especially for branches. The Group consolidated level is the most accurate one to perform analysis and should prevail to any other sub-consolidated/individual basis.

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2018 Registration Document https://invest.bnpparibas.com/sites/default/files/documents/ddr2018-gb-bnp_paribas.pdf (see TABLE 16: RISK-WEIGHTED ASSETS AND CAPITAL REQUIREMENT (EU OV1) on page 311)

BNP Paribas considers this chart to cover any extra disclosure that can be requested to one of its entities. The only purpose of what follows in the next pages is to meet Bank of Thailand requirements.

RISK-WEIGHTED ASSETS AND CAPITAL REQUIREMENT

<i>In millions of THB</i>	RWAs		Capital requirements
	31 December 2018	31 December 2017	31 December 2018
1 Credit risk	36,753	43,194	3,813
2 Of which standardised approach	36,753	43,194	3,813
4 Of which advanced IRB approach			
5 Of which equity positions under the simple risk-weighted approach			
6 Counterparty Credit Risk	-	-	-
7 Of which mark-to-market			
10 Of which internal model method (IMM)			
11 Of which CCP - default fund contributions			
12 Of which CVA			
14 Securitisation exposures in the banking book	-	-	-
15 Of which IRB approach (IRB)			
16 Of which IRB supervisory formula approach (SFA)			
17 Of which internal assessment approach (IAA)			
18 Of which standardised approach			
19 Market risk	18,884	15,938	1,959
20 Of which standardised approach	18,884	15,938	1,959
21 Of which IMA			
23 Operational risk	1,787	2,139	185
24 Of which basic indicator approach			
25 Of which standardised approach	1,787	2,139	185
26 Of which advanced measurement approach (AMA)			
27 Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
29 TOTAL	57,424	61,272	5,958

Capital Structure

The Capital of BNP Paribas Bangkok Branch (the Branch) is made of assets maintained in accordance with the Section 32 of the Financial Institutions Businesses Act B.E. 2551 minus deductible items as prescribed in the notification No. SorNorSor. 8/2558 Re: Components of Capital of Branches of Foreign Commercial Banks.

The Branch maintains assets in accordance with Section 32 of the Financial Institutions Business Act B.E. 2551. They are made of Bonds issued by the Bank of Thailand and the Ministry of Finance or guaranteed by the Ministry of Finance and debt instruments issued by state organizations or state enterprises established under specific laws.

The minimum level of assets required to be maintained as capital is the lower amount between the assets maintained under Section 32 and the result of the following:

3.1. Aggregated amounts of money brought in by the head office or any other branches abroad, the reserves and the net profits transferred to the head office account but still maintained in Thailand, minus net losses not yet compensated by the head office, or

3.2. Aggregated amounts of money brought in by the head office or any other branches abroad, the reserves and the net profits transferred to the head office account but still maintained in Thailand, minus net losses not yet compensated by the head office and net balances of inter office accounts when the Branch is a creditor of the head office or any other branches, parent or subsidiary companies.

Under no circumstances, the Branch can have assets under Section 32 lower than THB 2,000 millions as prescribed in the license for operating branches of foreign commercial bank in Thailand.

Table 1 : Capital Structure of Foreign Bank Branches

Unit : THB '000

Capital Structure	31 December 2018	31 December 2017
1. Assets required to be maintained under Section 32	9,650,516	9,556,349
2. Sum of net capital for maintenance of assets under Section 32 and net balance of inter-office accounts (2.1+2.2)	14,031,310	9,632,543
2.1 Capital for maintenance of assets under Section 32	9,256,028	9,298,481
2.2 Net balance of inter-office accounts which the branch is the debtor (the creditor) to the head office and other branches located in other countries, the parent company and subsidiaries of the head office	4,775,282	334,062
3. Total regulatory capital (3.1-3.2)	9,246,870	9,296,460
3.1 Total regulatory capital before deductions (The lowest amount among item 1 item 2 and item 2.1)	9,256,028	9,298,481
3.2 Deductions	9,158	2,021
4. Capital after deducting capital add-on arising from Single Lending Limit*	9,246,870	9,296,460

(*) Effective in January 2015

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2018 Registration Document https://invest.bnpparibas.com/sites/default/files/documents/ddr2018-gb-bnp_paribas.pdf (see TABLE 13: REGULATORY CAPITAL on page 309)

1. Capital adequacy

The Branch is required to comply with the Bank of Thailand's regulations and especially with the following notifications:

1. No. SorNorSor. 12/2555 Re: Supervisory Guidelines on Capital Provision for Commercial Banks
2. No. SorNorSor. 8/2558 Re: Components of Capital Fund of Branches of Foreign Commercial Banks
3. No. SorNorSor 15/2555 Re: Regulations for Credit Risk Asset Calculations for Commercial Banks Using the Standardised Approach
4. No. SorNorSor. 17/2555 Re: Regulation on the Calculation of Credit Equivalent Amount for OTC Derivatives
5. No. SorNorSor. 18/2555 Re: Regulation on Failed Trades and Non-Delivery versus Payment (Non-DvP) Transactions for Commercial Banks
6. No. SorNorSor. 94/2551 RE: Guideline on Supervision of Market Risk and Capital Requirement for Market Risk of Financial Institutions
7. No. SorNorSor. 95/2551 Re: Regulation on Minimum Capital Requirement for Operational Risk

For local regulatory reporting, the Capital Adequacy Ratios as at 31 December 2018 and 31 December 2017 have been calculated using the Standardised approach for credit, market and operational risk. The Bank of Thailand issued the Notification No. FPG.12/2555 Re: Supervisory Guidelines on Capital Provision for Commercial Banks, to comply with global regulatory framework (Basel III) of Basel Committee on Banking Supervision (BCBS). During the period from 1 January, 2013 to 31 December 2015, the minimum capital requirement ratio is 8.5% of total risk assets and will be increasing to 9.125% (effective 1 January 2016), 9.75% (effective 1 January 2017), 10.375% (effective 1 January 2018) and 11.00% (effective 1 January 2019), respectively.

The ratio is computed locally on a monthly basis to satisfy the Bank of Thailand requirements. The capital adequacy of the Branch covers the needs of activities under normal and stressed conditions. The capital is in line with the strategy, the business plans and the risk management.

According to the Bank of Thailand Notification No. SorNorSor 22/2555 Single Lending Limit guideline, the Bank is required to disclose Capital- Net Add-on Deductions and Capital to Risk-weighted assets - Net Add-on Deductions, effective 1 January 2015 onwards.

Table 2 : Total Capital to Risk-weighted assets

unit : %

Ratio	31 December 2018	31 December 2017
Total Capital to Risk-weighted assets	16.10	16.77
Total Capital to Risk-weighted assets - Net Add-On Deduction*	16.10	16.77

(*) Effective in January 2015

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2018 Registration Document https://invest.bnpparibas.com/sites/default/files/documents/ddr2018-gb-bnp_paribas.pdf (see TABLE 1 : CAPITAL RATIOS on page 280 and TABLE 13: REGULATORY CAPITAL on page 309)

2. Risk Management

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2018 Registration Document https://invest.bnpparibas.com/sites/default/files/documents/ddr2018-gb-bnp_paribas.pdf (See 5.3 Risk Management on page 324-330)

3. Credit risk disclosures

The Credit risk management policy is presented in the registration document and the financial report - BNP Paribas, Pillar 3 disclosure. Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2018 Registration Document https://invest.bnpparibas.com/sites/default/files/documents/ddr2018-gb-bnp_paribas.pdf (see 5.4 CREDIT RISK on page 331-373)

Under the standardised approach, the Branch has decided to use the following External credit assessment institution (ECAIs) notations to risk weight its exposures;

- Sovereign Exposures : Standard and Poor's
- Corporate Exposures : TRIS Rating and Fitch Ratings (Thailand)

The Procedures for Use of ECAI Credit Ratings are in line with Bank of Thailand's regulation No. SorNorSor. 15/2555 Re: Regulations for Credit Risk Asset Calculations for Commercial Banks Using the Standardised Approach

Credit risk mitigation under the Standardised Approach

To mitigate the credit risk, the Branch recognizes collateral under the comprehensive approach and applies haircuts as defined by the Bank of Thailand.

Table 3 Exposure of significant on-balance sheet assets and off-balance sheet items before credit risk mitigation

Unit : THB '000

Item	31 December 2018	31 December 2017
1. On-balance sheet assets (1.1 + 1.2 + 1.3)	40,756,254	44,973,281
1.1 Net loans ^{1/}	9,262,027	11,978,797
1.2 Net Investment in debt securities ^{2/}	16,831,281	15,987,764
1.3 Deposits (including accrued interest receivables)	226,704	246,584
1.4 Derivative asset	14,436,242	16,760,136
2. Off-balance sheet items ^{3/} (2.1 + 2.2 + 2.3)	2,327,420,350	2,336,057,154
2.1 Aval of bills, guarantees, and letter of credits	30,089,674	31,806,061
2.2 OTC derivatives ^{4/}	2,297,330,676	2,302,617,048
2.3 Undrawn committed line	-	1,634,045

^{1/} Including accrued interest receivables and net of deferred incomes, allowances for doubtful accounts and allowances for revaluation from debt restructuring and including net loans of interbank and money market.

^{2/} Excluding accrued interest receivables and net of allowances for revaluation of securities and allowances for impairment of securities

^{3/} Before multiplying credit conversion factor

^{4/} Including equity-related derivatives

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2018 Registration Document https://invest.bnpparibas.com/sites/default/files/documents/ddr2018-gb-bnp_paribas.pdf (see TABLE 26: CREDIT RISK EXPOSURE BY GEOGRAPHICAL REGION (EU CRB-C) on page 338)

Table 4 Exposure of significant on-balance sheet assets and off-balance sheet items before credit risk mitigation classified by country or geographic area of debtor

Unit : THB '000

Country or geographic area of debtor	31 December 2018								
	On-balance sheet assets					Off-balance sheet items ^{3f}			
	Total	Net loans ^{1f}	Net investment in debt securities ^{2f}	Deposits	Derivative Assets	Total	Aval of bills, guarantees of borrowings, and letter of credits	OTC derivatives	Undrawn committed line
1. Thailand	37,458,267	8,988,688	16,831,281	212,484	11,425,813	1,620,681,985	13,353,431	1,607,328,554	-
2. Outside Thailand	3,297,987	273,339	-	14,220	3,010,429	706,738,365	16,736,243	690,002,122	-
Total	40,756,254	9,262,027	16,831,281	226,704	14,436,242	2,327,420,350	30,089,674	2,297,330,676	-

Unit : THB '000

Country or geographic area of debtor	31 December 2017								
	On-balance sheet assets					Off-balance sheet items ^{3f}			
	Total	Net loans ^{1f}	Net investment in debt securities ^{2f}	Deposits	Derivative Assets	Total	Aval of bills, guarantees of borrowings, and letter of credits	OTC derivatives	Undrawn committed line
1. Thailand	39,874,573	10,542,381	15,987,764	233,935	13,110,493	1,685,503,323	12,904,683	1,670,964,594	1,634,045
2. Outside Thailand	5,098,707	1,436,416	-	12,649	3,649,642	650,553,831	18,901,378	631,652,454	-
Total	44,973,281	11,978,797	15,987,764	246,584	16,760,136	2,336,057,154	31,806,061	2,302,617,048	1,634,045

Note:

^{1f} Including accrued interest receivables and net of deferred incomes, allowances for doubtful accounts and allowances for revaluation from debt restructuring and including net loans of interbank and money market.

^{2f} Excluding accrued interest receivables and net of allowances for revaluation of securities and allowances for impairment of securities

^{3f} Before multiplying credit conversion factor

The classified assets of the Branch are split in Pass, Special mention, Substandard, Doubtful, and Doubtful loss categories according to the regulation of the Bank of Thailand No.Sor Nor Sor 31/2008 Re Classification and Provision of Financial Institutions. The defaults and impairment of assets follow the provisioning rules issued by the Bank of Thailand.

The Branch calculates general provision and specific provision based on Bank of Thailand's regulation No. Sor Nor Sor 31/2008 Re Classification and Provision of Financial Institutions.

Table 5 Exposure of significant on-balance sheet assets and off balance sheet items before credit risk mitigation classified by residual maturity

Unit : THB '000

Item	31 December 2018			31 December 2017		
	Maturity not exceeding 1 year	Maturity exceeding 1 year	Total	Maturity not exceeding 1 year	Maturity exceeding 1 year	Total
1. On-balance sheet assets (1.1 + 1.2 + 1.3)						
1.1 Net loans ^{1f}	28,017,912	12,738,342	40,756,254	30,761,819	14,211,462	44,973,281
1.2 Net Investment in debt securities ^{2f}	7,237,081	2,024,946	9,262,027	10,906,145	1,072,652	11,978,797
1.3 Deposits (including accrued interest receivables)	15,466,339	1,364,942	16,831,281	13,892,835	2,094,930	15,987,764
1.4 Derivative asset	226,704	-	226,704	246,584	-	246,584
1.4 Derivative asset	5,087,787	9,348,455	14,436,242	5,716,256	11,043,880	16,760,136
2. Off-balance sheet items^{3f} (2.1 + 2.2 + 2.3)						
2.1 Aval of bills, guarantees of borrowings, and letter of credits	1,197,827,025	1,129,593,325	2,327,420,350	1,134,299,508	1,201,757,646	2,336,057,154
2.2 OTC derivatives	23,860,073.85	6,229,600	30,089,674	24,015,228	7,790,833	31,806,061
2.3 Undrawn committed line	1,173,966,951	1,123,363,725	2,297,330,676	1,108,650,235	1,193,966,813	2,302,617,048
	-	-	-	1,634,045	-	1,634,045

^{1f} Including accrued interest receivables and net of deferred incomes, allowances for doubtful accounts and allowances for revaluation from debt restructuring and including net loans of interbank and money market.

^{2f} Excluding accrued interest receivables and net of allowances for revaluation of securities and allowances for impairment of securities

^{3f} Before multiplying credit conversion factor

Table 6 Loans and investment in debt securities before credit risk mitigation classified by country or geographic area of debtors and by asset classification specified by the Bank of Thailand

Unit : THB '000

Geographic area of debtor	31 December 2018						
	Loans including accrued interest receivables ^{1/}						Investment in debt securities Doubtful loss
	Normal	Special mentioned	Substandard	Doubtful	Doubtful loss	Total	
1. Thailand	9,079,427	-	-	-	-	9,079,427	2,083
2. Outside Thailand	276,100	-	-	-	-	276,100	-
Total	9,355,527	-	-	-	-	9,355,527	2,083

^{1/} Including outstanding amounts of loans and interest receivable receivables of interbank and money market

Unit : THB '000

Geographic area of debtor	31 December 2017						
	Loans including accrued interest receivables ^{1/}						Investment in debt securities Doubtful loss
	Normal	Special mentioned	Substandard	Doubtful	Doubtful loss	Total	
1. Thailand	10,612,847	-	-	-	-	10,612,847	8,682
2. Outside Thailand	1,450,950	-	-	-	-	1,450,950	-
Total	12,063,797	-	-	-	-	12,063,797	8,682

^{1/} Including outstanding amounts of loans and interest receivable receivables of interbank and money market

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2018 Registration Document https://invest.bnpparibas.com/sites/default/files/documents/ddr2018-gb-bnp_paribas.pdf (see TABLE 26: CREDIT RISK EXPOSURE BY GEOGRAPHICAL REGION (EU CRB-C) on page 338)

Table 7 Provisions and bad debt written-off during period on loan & investment in debt securities classified by geographic area of debtor

Unit : THB '000

Geographic area of debtor	31 December 2018			
	Loans including accrued interest receivables ^{1/}			Specific provision for investment in debt securities
	General provision ^{2/}	Specific provision	Bad debt written-off during period	
1. Thailand	-	-	-	2,083
2. Outside Thailand	-	-	-	-
Total	93,500	-	-	2,083

Geographic area of debtor	31 December 2017			
	Loans including accrued interest receivables ^{1/}			Specific provision for investment in debt securities
	General provision ^{2/}	Specific provision	Bad debt written-off during period	
1. Thailand	-	-	-	8,682
2. Outside Thailand	-	-	-	-
Total	65,000	-	-	8,682

^{1/} Including provision and bad debt written-off during period of loans including accrued interest receivables of interbank and money market

^{2/} Disclosed in total amount

Table 8 Loans and accrued interests before credit risk mitigation classified by type of business and by asset classification specified by the Bank of Thailand

Unit : THB '000

Type of business	31 December 2018					Total
	Normal	Special mentioned	Substandard	Doubtful	Doubtful loss	
Agriculture and mining	-	-	-	-	-	-
Manufacturing and commerce	6,671,767	-	-	-	-	6,671,767
Real estate business and construction	400,263	-	-	-	-	400,263
Public utilities and services	2,006,973	-	-	-	-	2,006,973
Housing loans	424	-	-	-	-	424
Interbank	276,100	-	-	-	-	276,100
Total	9,355,527	-	-	-	-	9,355,527

Unit : THB '000

Type of business	31 December 2017					Total
	Normal	Special mentioned	Substandard	Doubtful	Doubtful loss	
Agriculture and mining	-	-	-	-	-	-
Manufacturing and commerce	4,688,102	-	-	-	-	4,688,102
Real estate business and construction	75,239	-	-	-	-	75,239
Public utilities and services	3,150,250	-	-	-	-	3,150,250
Housing loans	601	-	-	-	-	601
Interbank	4,149,604	-	-	-	-	4,149,604
Total	12,063,797	-	-	-	-	12,063,797

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2018 Registration Document https://invest.bnpparibas.com/sites/default/files/documents/ddr2018-gb-bnp_paribas.pdf (see TABLE 27 : CREDIT RISK EXPOSURE BY INDUSTRY (EU-CRB-D) on page 342)

Table 9 Provisions and bad debt written-off during period for loans classified by types of business

Unit : THB '000

Type of business	31 December 2018			31 December 2017		
	General provision ^{1/}	Specific provision	Bad debt written-off during period	General provision ^{1/}	Specific provision	Bad debt written-off during period
Agriculture and mining	-	-	-	-	-	-
Manufacturing and commerce	-	-	-	-	-	-
Real estate business and construction	-	-	-	-	-	-
Public utilities and services	-	-	-	-	-	-
Others	-	-	-	-	-	-
- Interbank and money market	-	-	-	-	-	-
- Others	-	-	-	-	-	-
Total	93,500	-	-	85,000	-	-

^{1/} Disclosed in total amount

Table 10 Reconciliation of change in provisions on loans

Unit : THB '000

Item	31 December 2018			31 December 2017		
	General provision	Specific provision	Bad debt written-off during period	General provision	Specific provision	Bad debt written-off during period
Provisions at the beginning of the period	85,000	-	-	65,000	-	-
Bad debts written-off during the period	-	-	-	-	-	-
Increases (Decreases) of provisions during the period	8,500	-	-	20,000	-	-
Provisions at the end of the period	93,500	-	-	85,000	-	-

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2018 Registration Document https://invest.bnpparibas.com/sites/default/files/documents/ddr2018-gb-bnp_paribas.pdf (see TABLE 43: DEFAULTED EXPOSURES AND PROVISIONS BY BASEL ASSET CLASS (EU CR1-A) on page 367

Table 11 Exposure of on-balance sheet assets* and off-balance sheet items* classified by type of assets under the SA

Unit : THB '000

	31 December 2018			31 December 2017		
	On balance sheet assets	Off balance sheet item **	Total	On balance sheet assets	Off balance sheet item **	Total
1. Performing claims	47,495,596	37,246,521	84,742,117	42,265,684	43,547,994	85,813,678
1.1 Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns	14,603,420	2,858,808	17,462,228	13,095,523	5,841,726	18,937,249
1.2 Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	8,886,350	15,199,807	24,086,157	7,910,264	16,142,076	24,052,340
1.3 Claims on corporates, non-central government public sector entities (PSEs) treated as claims on corporate	296,713	19,187,906	19,484,620	538,404	21,564,192	22,102,597
1.4 Claims on retail portfolios	424	-	424	601	-	601
1.5 Housing loans	-	-	-	-	-	-
1.6 Other assets	23,708,689	-	23,708,689	20,720,891	-	20,720,891
2. Non-performing claims	-	-	-	-	-	-
3. First-to-default credit derivatives and Securitisation	-	-	-	-	-	-
Total	47,495,596	37,246,521	84,742,117	42,265,684	43,547,994	85,813,678

* After multiplying with credit conversion factor and specific provision

** Including all Repo-style transactions (including Reverse repo transactions)

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2018 Registration Document https://invest.bnpparibas.com/sites/default/files/documents/ddr2018-gb-bnp_paribas.pdf (see TABLE 37: STANDARDISED CREDIT RISK EXPOSURE BY STANDARD ASSET CLASS (EU CR4) on page 361

Credit risk exposures under the SA*

Table 12 : Exposure of net on-balance sheet assets and off-balance sheet items** after adjusted by credit risk mitigation for each type of asset, classified by risk weight under the SA

unit : THB '000

Type of asset	Risk weight (%)	31 December 2018								
		Rated outstanding amount				Unrated outstanding amount				
		0	20	50	100	150	0	20	75	100
Performing claims										
1. Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns		12,452,901	2,947,417	514,042	1,547,868					
2. Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms			8,812,814	2,303,276	8,368,530					
3. Claims on corporates, non-central government public sector entities (PSEs) treated as claims on corporate			1,111,716	145,008	22,829,433					
4. Claims on retail portfolios										424
5. Claims on housing loans										
6. Other assets							23,671,148			37,541
	Risk weight (%)			50	100	150				
Non-performing claims^{1/}										
Capital deduction items prescribed by the Bank of Thailand										

* Including insignificant credit portfolios using the SA of the commercial banks that use the IRB

** After multiplying credit conversion factor

^{1/} For the portion claims with no credit risk mitigation of which risk weight are determined by the proportion of provision to total amount of claims

Credit risk exposures under the SA*
Table 12 : Exposure of net on-balance sheet assets and off-balance sheet items after adjusted by credit risk mitigation for each type of asset, classified by risk weight under the SA**

unit : THB'000

Type of asset	31 December 2017								
	Risk weight (%)	Rated outstanding amount				Unrated outstanding amount			
		0	20	50	100	150	0	20	75
Performing claims									
1. Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns	15,455,242	500,889	1,308,174	1,672,944					
2. Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms		11,225,950	6,126,443	4,750,203					
3. Claims on corporates, non-central government public sector entities (PSEs) treated as claims on corporate		456,883	890,205	22,705,252					
4. Claims on retail portfolios									601
5. Claims on housing loans									
6. Other assets						20,661,818			59,073
Risk weight (%)			50	100	150				
Non-performing claims^{1/}									
Capital deduction items prescribed by the Bank of Thailand									

* Including insignificant credit portfolios using the SA of the commercial banks that use the IRB

** After multiplying credit conversion factor

^{1/} For the portion claims with no credit risk mitigation of which risk weight are determined by the proportion of provision to total amount of claims

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2018 Registration Document https://invest.bnpparibas.com/sites/default/files/documents/ddr2018-gb-bnp_paribas.pdf (see TABLE 38: STANDARDISED CREDIT RISK EAD (EU CR5) on page 362)

4. Market risk disclosures

Details, about how market risks of the Branch are managed, are given in Registration document and financial report - BNP Paribas, Pillar 3 disclosure.

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2018 Registration Document https://invest.bnpparibas.com/sites/default/files/documents/ddr2018-gb-bnp_paribas.pdf (see 5.7 MARKET RISK on page 396-410)

Table 13 Capital for market risk under the SA

unit : THB'000

Capital for market risk	31 December 2018	31 December 2017
1. Capital for Interest Rate Risk	1,778,764	1,881,036
2. Capital for Equity Price Risk	-	-
3. Capital for Foreign Exchange Risk	180,443	100,889
4. Capital for Commodity Price Risk	-	-
Total Capital for Market Risk	1,959,207	1,981,926

5. Operational risk disclosures

Details about the operational risk management of the Branch are given in Registration document and financial report - BNP Paribas, Pillar 3 disclosure.

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2018 Registration Document https://invest.bnpparibas.com/sites/default/files/documents/ddr2018-gb-bnp_paribas.pdf (see 5.9 OPERATIONAL RISKS on page 428-434)

For local regulatory reporting, the Branch uses the standard approach to calculate the equivalent factors of operations risk-weighted assets as at 31 December 2018.

6. Equity exposure disclosures

Table 14 Equity exposures in banking book

Unit : THB '000

Equity exposures	31 December 2018	31 December 2017
1. Equity exposures		
1.1 Equities listed and publicly traded in the Stock Exchange		
- Book value	0.00	0.00
- Fair value	0.00	0.00
1.2 Other equities	0.00	0.00
2. Gains (losses) of sale of equities in the reporting period	0.00	0.00
3. Net surplus (deficit) from revaluation of available for sale equities	0.00	0.00
4. Minimum capital requirements for equity exposures classified by the calculation methods		
- SA	0.00	0.00
- IRB	0.00	0.00
5. Equity values for commercial banks applying IRB which the Bank of Thailand allows to use SA	0.00	0.00
Total	0.00	0.00

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2018 Registration Document https://invest.bnpparibas.com/sites/default/files/documents/ddr2018-gb-bnp_paribas.pdf (see CREDIT RISK : EQUITIES UNDER THE SIMPLE WEIGHTING METHOD on page 364-365 and MARKET RISK RELATED TO BANKING ACTIVITIES on page 410-413)

7. Interest rate risk in banking book disclosures

Details about the interest rate risk in the banking book of the Branch are given in Registration document and financial report - BNP Paribas, Pillar 3 disclosure.

Table 15 The effect of changes in interest rates (change 100 bps) to net earnings

Unit : THB '000

Currency	Impact to Net Interest income (NII)	
	31 December 2018	31 December 2017
Baht	78,340	51,896
USD	-41,063	-16,869
EURO	-16,009	24
Others	-761	-735
Total impact to Net Interest Income	20,507	34,317
% of Net Interest Income expected in the next 1 year	6.26	9.55

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2018 Registration Document https://invest.bnpparibas.com/sites/default/files/documents/ddr2018-gb-bnp_paribas.pdf (see MARKET RISK RELATED TO BANKING ACTIVITIES on page 410-413 , TABLE 83: SENSITIVITY OF REVENUES TO GLOBAL INTEREST RATE RISK ON A 50 BASIS POINT INCREASE OR DECREASE IN THE INTEREST RATE page 412)

8. Regulatory Capital during the transitional period to Basel III

The Bank of Thailand's notification No.FPG 4/2556 Capital disclosure for the Commercial Banks, effective 1 January 2013, requires the Commercial bank to disclose the regulatory capital during the transitional period to Basel III. The disclosure is consistent with the BCBS's composition of capital disclosure requirement: June 2012 which prescribes the deduction from capital.

Transitional arrangements under Basel III require that certain capital components be deducted from capital starting from 2014.

Table 16 Total regulatory capital of the Foreign Bank Branch during the transitional period to Basel III

Unit : THB '000

Regulatory Capital and Deductions under Basel III	31 December 2018	31 December 2017
Regulatory Capital	9,256,028	9,298,481
Deductions	9,158	2,021
Net Regulatory Capital	9,246,870	9,296,460

1/ Intangible assets e.g. software licenses, phase-out at 100% p.a. in 2014

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2018 Registration Document https://invest.bnpparibas.com/sites/default/files/documents/ddr2018-gb-bnp_paribas.pdf (see TABLE 10: REGULATORY CAPITAL on page 309)



Appendix

BNP PARIBAS GROUP KEY DOCUMENTS & FIGURES	HYPERLINKS
Registration Document (incl. Group Pillar 3, part 5)	https://invest.bnpparibas.com/sites/default/files/documents/ddr2018-gb-bnp_paribas.pdf
Annual Report	https://invest.bnpparibas.com/en/annual-reports
Results	https://invest.bnpparibas.com/en/results
Information Statement	https://invest.bnpparibas.com/en/information-statement