



**FirstCaribbean International Bank and Trust Company
(Cayman) Limited**

Market Discipline Disclosures (Pillar 3)

For the period ended July 31, 2023

Table of Contents

1. Overview and Purpose	3
2. Overview of Risk Management and Risk Weighted Assets (RWA)	4
2.1 OV1 - Overview of Risk Weighted Assets	4
3. Leverage Ratio	5
3.1 LR1 - Summary Comparison of Accounting Assets vs Leverage Ratio Exposure	5
3.2 LR2 - Leverage Ratio.....	6
4. Glossary.....	7

1. Overview and Purpose¹

This document contains the Market Discipline Disclosures (Pillar 3) for the period ended July 31, 2023, in respect of capital and risk management for FirstCaribbean International Bank and Trust Company (Cayman) Limited (“the Company”).

The information contained in this Pillar 3 disclosure has been prepared in accordance with the Market Discipline Disclosure Requirements (Pillar 3) Rules and Guidelines (September 1, 2021) issued by the Cayman Islands Monetary Authority.

The aim of Pillar 3 is to encourage market discipline by allowing market participants to access key pieces of information regarding capital adequacy and risk management of institutions through a prescribed set of disclosure requirements.

These disclosures were reviewed and approved internally in line with our Board approved disclosure policy. The level of internal control processes for these disclosures are similar to those applied to the Company’s Annual Financial Statements.

All amounts in this document are in thousands of United States dollars, unless otherwise stated.

¹ The information contained in this disclosure has not and is not required to be audited by the Group’s external auditors and does not constitute any form of financial statements. The information should not be relied on in the making any judgement on the Group.

2. Overview of Risk Management and Risk Weighted Assets (RWA)

2.1 OV1 - Overview of Risk Weighted Assets

The Risk Weighted Assets (RWA) are categorized under various risk frameworks and are calculated based on regulatory requirements.

Template OV1

US\$'000

		a	b	c
		RWA		Minimum capital requirements
		Jul 2023	Apr 2023	Jul 2023
1	Credit risk (excluding counterparty credit risk) (CCR)	37,915	44,117	4,550
2	Securitisation exposures	-	-	-
3	Counterparty credit risk	-	-	-
4	Of which: current exposure method	-	-	-
5	Of which: standardized method	-	-	-
6	Market risk	1,461	1,337	175
7	Of which: Equity risk	-	-	-
8	Operational risk	37,198	37,198	4,464
9	Of which: Basic Indicator Approach	-	-	-
10	Of which: Standardised Approach	37,198	37,198	4,464
11	Of which: Alternative Standardised	-	-	-
12	Total (1+2+3+6+8)	76,574	82,652	9,189

Decrease in the RWA for credit risk was mainly due to lower balances held with other financial institutions.

3. Leverage Ratio

3.1 LR1 - Summary Comparison of Accounting Assets vs Leverage Ratio Exposure

Reconciliation of the total assets in the financial statements with the leverage ratio exposure measure.

The exposure measure is calculated based on the regulatory requirements and comprises of on and off-balance assets.

Template LR1

US\$'000

		Jul 2023
1	Total consolidated assets as per financial statements	217,950
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-
4	Adjustments for temporary exemption of central bank reserves	-
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
6	Adjustments for regular way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustments for eligible cash pooling transactions	-
8	Adjustments for derivative financial instruments	-
9	Adjustment for securities financing transactions (i.e. repurchase agreements and similar secured lending)	-
10	Adjustment for off balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	-
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-
12	Other adjustments	-
13	Leverage ratio exposure measure	217,950

There are no differences between the total assets in the financial statements and the leverage ratio exposure measure.

3.2 LR2 - Leverage Ratio

The leverage ratio is a non-risk-based ratio established to supplement the risk-based capital requirements. The ratio is calculated using the regulatory capital and on/off balance sheet figures at a point in time. The Company continues to manage its exposures to remain above the regulatory requirement as seen below.

Template LR2

US\$'000

		Jul 2023	Apr 2023
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	217,950	242,570
2	Gross up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	-	-
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	-	-
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(Specific and general provisions associated with on balance sheet exposures that are deducted from Basel III Tier 1 capital)	-	-
6	(Asset amounts deducted in determining Basel III Tier 1 capital and regulatory adjustments)	-	-
7	Total on balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	217,950	242,570
Derivative exposures			
8	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	-	-
9	Add on amounts for potential future exposure associated with all derivatives transactions	-	-
10	(Exempted central counterparty (CCP) leg of client cleared trade exposures)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add on deductions for written credit derivatives)	-	-
13	Total derivative exposures (sum of rows 8 to 12)	-	-
Securities financing transaction exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sale accounting transactions	-	-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	-	-
17	Agent transaction exposures	-	-
18	Total securities financing transaction exposures (sum of rows 14 to 17)	-	-
Other off-balance sheet exposures			
19	Off-balance balance sheet exposure at gross notional amount	-	-
20	(Adjustments for conversion to credit equivalent amounts)	-	-
21	(Specific and general provisions associated with off balance sheet exposures deducted in determining Tier 1 capital)	-	-
22	Off-balance sheet items (sum of rows 19 to 21)	-	-
Capital and total exposures			
23	Tier 1 capital	33,306	33,774
24	Total exposures (sum of rows 7, 13, 18 and 22)	217,950	242,570
Leverage Ratio			
25	Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	15.3%	13.9%
25a	Basel III leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	15.3%	13.9%
26	National minimum leverage ratio requirement	3%	3%
27	Applicable leverage buffers		

Reduction in the on-balance sheet exposures was mainly due to lower balances held with other financial institutions.

4. Glossary

Term	Definition
CCR	Counterparty Credit Risk
RWA	Risk Weighted Assets
SFT	Security Financing Transaction
The Company	FirstCaribbean International Bank and Trust Company (Cayman) Limited
The Group	FirstCaribbean International Bank Limited (Parent Company)