



BASEL III – PILLAR III DISCLOSURES

Third Quarter – 2023



Table of Contents

1	Overview of Risk Management and RWA	3
	OV1: Overview of RWA.....	3
	KM1: Key metrics.....	3
2	Leverage Ratio	5
	LR2: Leverage ratio common disclosure template.....	5
3	Liquidity	6
	LIQ1: Liquidity Coverage Ratio	6
	ELAR: Eligible Liquid Assets Ratio	6
	ASRR: Advances to Stable Resource Ratio.....	6

1 Overview of Risk Management and RWA

OV1: Overview of RWA

		RWA		Minimum capital requirements
		Q3 2023	Q2 2023	Q3 2023
1	Credit risk (excluding counterparty credit risk)	17,236,809	16,029,184	1,809,865
2	Of which: standardised approach (SA)	17,236,809	16,029,184	1,809,865
-	-			
-	-			
-	-			
6	Counterparty credit risk (CCR)	371,573	329,187	39,015
7	Of which: standardised approach for counterparty credit risk	371,573	329,187	39,015
-	-			
-	-			
-	-			
-	-			
12	Equity investments in funds - look-through approach	101,917	291,798	10,701
13	Equity investments in funds - mandate-based approach			
14	Equity investments in funds - fall-back approach			
15	Settlement risk			
16	Securitisation exposures in the banking book			
17	-			
18	Of which: securitisation external ratings-based approach (SEC-ERBA)			
19	Of which: securitisation standardised approach (SEC-SA)			
20	Market risk	92,393	113,299	9,701
21	Of which: standardised approach (SA)	92,393	113,299	9,701
22	-			
23	Operational risk	1,197,031	1,197,031	125,688
-	-			
-	-			
26	Total (1+6+10+11+12+13+14+15+16+20+23)	18,999,724	17,960,499	1,994,971

Note: The numbers presented in all the tables are in AED '000s unless otherwise specified.

KM1: Key metrics

		Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	2,836,938	2,493,281	2,447,484	2,376,130	2,385,339
1a	Fully loaded ECL accounting model		-	-	-	-
2	Tier 1	2,836,938	2,493,281	2,447,484	2,376,130	2,385,339
2a	Fully loaded ECL accounting model Tier 1		-	-	-	-
3	Total capital	3,058,317	2,701,408	2,648,990	2,567,298	2,576,812
3a	Fully loaded ECL accounting model total capital		-	-	-	-
	Risk-weighted assets (amounts)					

		Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
4	Total risk-weighted assets (RWA)	18,999,724	17,960,499	17,359,491	16,472,717	16,514,833
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio (%)	14.93%	13.88%	14.10%	14.42%	14.44%
5a	Fully loaded ECL accounting model CET1 (%)	-	-	-	-	-
6	Tier 1 ratio (%)	14.93%	13.88%	14.10%	14.42%	14.44%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	-	-	-	-	-
7	Total capital ratio (%)	16.10%	15.04%	15.26%	15.59%	15.60%
7a	Fully loaded ECL accounting model total capital ratio (%)	-	-	-	-	-
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)	-	-	-	-	-
10	Bank D-SIB additional requirements (%)	-	-	-	-	-
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9+ row 10)	2.50%	2.50%	2.50%	2.50%	2.50%
12	CET1 available after meeting the bank's minimum capital requirements (%)	7.93%	6.88%	7.10%	7.42%	7.44%
	Leverage Ratio					
13	Total leverage ratio measure	25,846,233	23,950,681	23,280,445	21,424,944	20,932,552
14	Leverage ratio (%) (row 2/row 13)	10.98%	10.41%	10.51%	11.09%	11.40%
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2A/row 13)	-	-	-	-	-
14b	Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	10.98%	10.41%	10.51%	11.09%	11.40%
	Liquidity Coverage Ratio					
15	Total HQLA	-	-	-	-	-
16	Total net cash outflow	-	-	-	-	-
17	LCR ratio (%)	-	-	-	-	-
	Net Stable Funding Ratio					
18	Total available stable funding	-	-	-	-	-
19	Total required stable funding	-	-	-	-	-
20	NSFR ratio (%)	-	-	-	-	-
	ELAR					
21	Total HQLA	3,615,437	3,814,566	3,270,489	2,732,051	2,808,511
22	Total liabilities	21,567,752	21,492,351	19,842,511	18,269,351	17,515,241
23	Eligible Liquid Assets Ratio (ELAR) (%)	16.76%	17.75%	16.48%	14.95%	16.03%
	ASRR					
24	Total available stable funding	20,258,300	18,925,269	18,724,019	16,550,285	16,251,585
25	Total Advances	15,976,577	15,563,124	14,533,387	14,261,477	13,744,205
26	Advances to Stable Resources Ratio(%)	78.86%	82.23%	77.62%	86.17%	84.57%

*LCR and NSFR are not applicable

2 Leverage Ratio

LR2: Leverage ratio common disclosure template

		Q3 2023	Q2 2023
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	25,203,161	23,578,456
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 Tier 1 capital)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	-	-
7	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	25,203,161	23,578,456
Derivative exposures			
8	Replacement cost associated with <i>all</i> derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	3,590	3,999
9	Add-on amounts for PFE associated with <i>all</i> derivatives transactions	107,319	48,338
10	(Exempted 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)	155,272	73,272
Securities financing transactions			
14	Gross SFT <i>assets</i> (with no recognition of netting), after adjusting for sale accounting transactions	-	-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	CCR 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 sheet exposure at gross notional amount	980,860	1,005,768
20	(Adjustments for conversion to credit equivalent amounts)	(493,061)	(706,814)
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)	487,799	298,953
Capital and total exposures			
23	Tier 1 capital	2,836,938	2,493,281
24	Total exposures (sum of rows 7, 13, 18 and 22)	25,846,233	23,950,681
Leverage ratio			
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	10.98%	10.41%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	10.98%	10.41%
26	CBUAE minimum leverage ratio requirement	3%	3%
27	Applicable leverage buffers	7.98%	7.41%

3 Liquidity

LIQ1: Liquidity Coverage Ratio

Not applicable

ELAR: Eligible Liquid Assets Ratio

1	High Quality Liquid Assets	Nominal amount	Eligible Liquid Asset
1.1	Physical cash in hand at the bank + balances with the CBUAE	2,742,516	
1.2	UAE Federal Government Bonds and Sukuks		
	Sub Total (1.1 to 1.2)	2,742,516	2,742,516
1.3	UAE local governments publicly traded debt securities	529,407	
1.4	UAE Public sector publicly traded debt securities	0	
	Sub Total (1.3 to 1.4)	529,407	529,407
1.5	Foreign Sovereign debt instruments or instruments issued by their respective central banks	343,514	343,514
1.6	Total	3,615,437	3,615,437
2	Total liabilities		21,567,752
3	Eligible Liquid Assets Ratio (ELAR)		16.76%

ASRR: Advances to Stable Resource Ratio

	Items	Amount
1	Computation of Advances	
1.1	Net Lending (gross loans - specific and collective provisions + interest in suspense)	14,678,179
1.2	Lending to non-banking financial institutions	131,712
1.3	Net Financial Guarantees & Stand-by LC (issued - received)	191,535
1.4	Interbank Placements	975,151
1.5	Total Advances	15,976,577
2	Calculation of Net Stable Resources	
2.1	Total capital + general provisions	3,136,507
	Deduct:	
2.1.1	Goodwill and other intangible assets	0
2.1.2	Fixed Assets	1,133,446
2.1.3	Funds allocated to branches abroad	0
2.1.5	Unquoted Investments	231,720
2.1.6	Investment in subsidiaries, associates and affiliates	0
2.1.7	Total deduction	1,365,166
2.2	Net Free Capital Funds	1,771,341
2.3	Other stable resources:	
2.3.1	Funds from the head office	0
2.3.2	Interbank deposits with remaining life of more than 6 months	500,000
2.3.3	Refinancing of Housing Loans	0
2.3.4	Borrowing from non-Banking Financial Institutions	312,134
2.3.5	Customer Deposits	17,674,825
2.3.6	Capital market funding/ term borrowings maturing after 6 months from reporting date	0
2.3.7	Total other stable resources	18,486,959
2.4	Total Stable Resources (2.2+2.3.7)	20,258,300
3	Advances TO STABLE RESOURCES RATIO (1.6/ 2.4*100)	78.86