

BASEL III – PILLAR III DISCLOSURES

First Quarter – 2022

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1 Overview of Risk Management and RWA

OV1: Overview of RWA

		RWA		Minimum capital requirements
		Q1 2022	Q4 2021	Q1 2022
1	Credit risk (excluding counterparty credit risk)	15,229,956	15,069,603	1,599,145
2	Of which: standardised approach (SA)	15,229,956	15,069,603	1,599,145
-	-			
-	-			
-	-			
6	Counterparty credit risk (CCR)	253,218	279,818	26,588
7	Of which: standardised approach for counterparty credit risk	253,218	279,818	26,588
-	-			
-	-			
-	-			
-	-			
12	Equity investments in funds - look-through approach	521,534	534,730	54,761
13	Equity investments in funds - mandate-based approach	0	0	0
14	Equity investments in funds - fall-back approach	0	0	0
15	Settlement risk	0	0	0
16	Securitisation exposures in the banking book	0	0	0
17	-			
18	Of which: securitisation external ratings-based approach (SEC-ERBA)	0	0	0
19	Of which: securitisation standardised approach (SEC-SA)	0	0	0
20	Market risk	76,875	116,908	8,072
21	Of which: standardised approach (SA)	76,875	116,908	8,072
22	-			
23	Operational risk	1,154,498	1,154,498	121,222
-	-			
-	-			
26	Total (1+6+10+11+12+13+14+15+16+20+23)	17,236,080	17,155,557	1,809,788

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

KM1: Key metrics

		Q1 2022	Q4 2021
	Available capital (amounts)		
1	Common Equity Tier 1 (CET1)	2,480,183	2,522,257
1a	Fully loaded ECL accounting model	0	0
2	Tier 1	2,480,183	2,522,257
2a	Fully loaded ECL accounting model Tier 1	0	0
3	Total capital	2,680,242	2,720,809
3a	Fully loaded ECL accounting model total capital	0	0
	Risk-weighted assets (amounts)		
4	Total risk-weighted assets (RWA)	17,236,080	17,155,557
	Risk-based capital ratios as a percentage of RWA		
5	Common Equity Tier 1 ratio (%)	14.39%	14.70%
5a	Fully loaded ECL accounting model CET1 (%)	0	0

		Q1 2022	Q4 2021
6	Tier 1 ratio (%)	14.39%	14.70%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	0	0
7	Total capital ratio (%)	15.55%	15.86%
7a	Fully loaded ECL accounting model total capital ratio (%)	0	0
Additional CET1 buffer requirements as a percentage of RWA			
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%
9	Countercyclical buffer requirement (%)	0	0
10	Bank D-SIB additional requirements (%)	0	0
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9+ row 10)	2.50%	2.50%
12	CET1 available after meeting the bank's minimum capital requirements (%)	7.39%	7.70%
Leverage Ratio			
13	Total leverage ratio measure	22,123,501	22,740,886
14	Leverage ratio (%) (row 2/row 13)	11.21%	11.09%
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2A/row 13)	0	0
14b	Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	11.21%	11.09%
Liquidity Coverage Ratio			
15	Total HQLA	0	0
16	Total net cash outflow	0	0
17	LCR ratio (%)	0	0
Net Stable Funding Ratio			
18	Total available stable funding	0	0
19	Total required stable funding	0	0
20	NSFR ratio (%)	0	0
ELAR			
21	Total HQLA	2,714,184	2,545,486
22	Total liabilities	19,495,218	19,014,966
23	Eligible Liquid Assets Ratio (ELAR) (%)	13.92%	13.39%
ASRR			
24	Total available stable funding	17,625,477	18,133,115
25	Total Advances	15,031,265	15,732,255
26	Advances to Stable Resources Ratio (%)	85.28%	86.76%

*LCR and NSFR are not applicable

2 Leverage Ratio

LR2: Leverage ratio common disclosure template

		Q1 2022	Q4 2021
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	21,790,725	22,339,906
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	0	0
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	0	0
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	0	0
5	(Specific and general provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital)	0	0

6	(Asset amounts deducted in determining Tier 1 capital)	0	0
7	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	21,790,725	22,339,906
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)	1,707	3,331
9	Add-on amounts for PFE associated with <i>all</i> derivatives transactions	16,045	28,712
10	(Exempted CCP leg of client-cleared trade exposures)	0	0
11	Adjusted effective notional amount of written credit derivatives	0	0
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	0	0
13	Total derivative exposures (sum of rows 8 to 12)	17,751	32,043
Securities financing transactions			
14	Gross SFT <i>assets</i> (with no recognition of netting), after adjusting for sale accounting transactions	0	0
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	0	0
16	CCR exposure for SFT assets	0	0
17	Agent transaction exposures	0	0
18	Total securities financing transaction exposures (sum of rows 14 to 17)	0	0
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	1,131,414	1,417,677
20	(Adjustments for conversion to credit equivalent amounts)	(816,389)	(1,048,741)
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	0	0
22	Off-balance sheet items (sum of rows 19 to 21)	315,025	368,937
Capital and total exposures			
23	Tier 1 capital	2,480,183	2,522,257
24	Total exposures (sum of rows 7, 13, 18 and 22)	22,123,501	22,740,886
Leverage ratio			
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	11.21%	11.09%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	11.21%	11.09%
26	CBUAE minimum leverage ratio requirement	3%	3%
27	Applicable leverage buffers	8.21%	8.09%

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	1,863,984	
1.2	UAE Federal Government Bonds and Sukuks		
	Sub Total (1.1 to 1.2)	1,863,984	1,863,984
1.3	UAE local governments publicly traded debt securities	543,894	
1.4	UAE Public sector publicly traded debt securities		
	Sub total (1.3 to 1.4)	543,894	543,013

1.5	Foreign Sovereign debt instruments or instruments issued by their respective central banks	307,187	307,187
1.6	Total	2,715,065	2,714,184
2	Total liabilities		19,495,218
3	Eligible Liquid Assets Ratio (ELAR)		13.92%

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)	14,384,560
1.2	Lending to non-banking financial institutions	0
1.3	Net Financial Guarantees & Stand-by LC (issued - received)	97,550
1.4	Interbank Placements	549,155
1.5	Total Advances	15,031,265
2	Calculation of Net Stable Resources	
2.1	Total capital + general provisions	2,711,016
	Deduct:	
2.1.1	Goodwill and other intangible assets	0
2.1.2	Fixed Assets	1,216,328
2.1.3	Funds allocated to branches abroad	0
2.1.5	Unquoted Investments	181,624
2.1.6	Investment in subsidiaries, associates and affiliates	177,313
2.1.7	Total deduction	1,575,265
2.2	Net Free Capital Funds	1,135,751
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	0
2.3.3	Refinancing of Housing Loans	0
2.3.4	Borrowing from non-Banking Financial Institutions	1,569,875
2.3.5	Customer Deposits	14,919,851
2.3.6	Capital market funding/ term borrowings maturing after 6 months from reporting date	0
2.3.7	Total other stable resources	16,489,726
2.4	Total Stable Resources (2.2+2.3.7)	17,625,477
3	Advances TO STABLE RESOURCES RATIO (1.6/ 2.4*100)	85.28