



بنك دبي الإسلامي
Dubai Islamic Bank

Basel III – Pillar III Disclosures

June 2022



Table of Contents

Section	Table Description		Applicable	Page#
1. Overview of risk management and RWA	OV1	Overview of RWA	Yes	3
	KM1	Key metrics (at consolidated group level)		4
2. Composition of capital	CC1	Composition of regulatory capital	Yes	5
	CC2	Reconciliation of regulatory capital to balance sheet		7
	CCA	Main features of regulatory capital instruments		8
3. Macroprudential Supervisory measures	CCyB1	Geographical distribution of credit exposures used in the countercyclical buffer	Yes	8
4. Leverage ratio	LR1	Summary comparison of accounting assets vs leverage ratio exposure measure (January 2014 standard)	Yes	9
	LR2	Leverage ratio common disclosure template (January 2014 standard)		9
5. Liquidity	LIQ1	Liquidity Coverage Ratio (LCR)	Yes	10
	LIQ2	Net Stable Funding Ratio (NSFR)	Yes	11
	ELAR	Eligible Liquid Assets Ratio (ELAR)	No	11
	ASRR	Advances to Stables Resource Ratio (ASRR)	No	11
6. Credit risk	CR1	Credit quality of assets	Yes	12
	CR2	Changes in the stock of defaulted loans and debt securities		12
	CR3	Credit risk mitigation techniques - overview		12
	CR4	Standardised approach - credit risk exposure and CRM effects		12
	CR5	Standardised approach - exposures by asset classes and risk weights		13
7. Counterparty credit risk (CCR)	CCR1	Analysis of CCR by approach	Yes	13
	CCR2	Credit valuation adjustment (CVA) capital charge		13
	CCR3	Standardised approach - CCR exposures by regulatory portfolio and risk weights		14
	CCR5	Composition of collateral for CCR exposure		14
	CCR6	Credit derivatives exposures		14
	CCR8	Exposures to central counterparties		14
8. Securitisation	SEC1	Securitisation exposures in the banking book	No	14
	SEC2	Securitisation exposures in the trading book		
	SEC3	Securitisation exposures in the banking book and associated regulatory capital requirements - bank acting as originator or as sponsor		
	SEC4	Securitisation exposures in the trading book and associated capital requirements - bank acting as investor		
9. Market risk	MR1	Market risk under the standardised approach	Yes	14

1. Overview of Risk Management and RWA
OV1: Overview of RWA

	AED '000s	RWA		Minimum capital requirements*
		Q2 2022	Q1 2022	Q2 2022
1	Credit risk (excluding counterparty credit risk)	207,534,923	206,553,839	21,791,167
2	Of which: standardised approach (SA)	207,534,923	206,553,839	21,791,167
3				
4				
5				
6	Counterparty credit risk (CCR)	1,100,221	1,343,348	115,523
7	Of which: standardised approach for counterparty credit risk	1,100,221	1,343,348	115,523
8				
9				
10				
11				
12	Equity investments in funds - look-through approach	-	149,067	-
13	Equity investments in funds - mandate-based approach	786,289	804,377	82,560
14	Equity investments in funds - fallback approach ¹	1,293,381	416,633	135,805
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 ²	2,947,396	4,024,712	309,477
21	Of which: standardised approach (SA)	2,947,396	4,024,712	309,477
22				
23	Operational risk	17,027,141	17,077,480	1,787,850
24				
25				
26	Total (1+6+10+11+12+13+14+15+16+20+23)	230,689,350	230,369,457	24,222,382

*The minimum capital requirements applied is 10.5%

1. The increase in EIF RWA is due to the change in approach from LTA to FBA for one investment on a conservative basis
2. The change in Q2'2022 Market Risk Weight Assets as compared to Q1'2022 is due to the decrease in both profit rate risk and FX exposures

KM1: Key metrics (at consolidated group level)

	AED '000s	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	30,435,830	29,438,196	28,265,092	29,442,660	28,432,578
1a	Fully loaded ECL accounting model	-	-	-	-	-
2	Tier 1	38,700,080	37,702,446	36,529,342	37,706,910	36,696,828
2a	Fully loaded ECL accounting model Tier 1	-	-	-	-	-
3	Total capital	41,334,015	40,318,287	39,138,463	40,315,104	39,307,806
3a	Fully loaded ECL accounting model total capital	-	-	-	-	-
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	230,689,350	230,369,457	228,820,246	230,569,163	230,640,452
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio (%)	13.2%	12.8%	12.4%	12.8%	12.3%
5a	Fully loaded ECL accounting model CET1 (%)	-	-	-	-	-
6	Tier 1 ratio (%)	16.8%	16.4%	16.0%	16.4%	15.9%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	-	-	-	-	-
7	Total capital ratio (%)	17.9%	17.5%	17.1%	17.5%	17.0%
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) (%)	2.5%	2.5%	2.5%	2.5%	2.5%
9	Countercyclical buffer requirement (%)	0.0%	0.0%	0.0%	0.0%	0.0%
10	Bank D-SIB additional requirements (%)	0.5%	0.5%	0.5%	0.5%	0.5%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9+ row 10)	3.0%	3.0%	3.0%	3.0%	3.0%
12	CET1 available after meeting the bank's minimum capital requirements (%)	6.2%	5.8%	5.4%	5.8%	5.3%
Leverage Ratio						
13	Total leverage ratio measure	294,098,198	302,409,283	291,419,143	300,224,727	305,841,604
14	Leverage ratio (%) (row 2/row 13)	13.2%	12.5%	12.5%	12.6%	12.0%
14 a	Fully loaded ECL accounting model leverage ratio (%) (row 2a/row 13)	-	-	-	-	-
14 b	Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	-	-	-	-	-
Liquidity Coverage Ratio						
15	Total HQLA	41,008,546	49,005,274	49,002,374	54,122,326	52,226,132
16	Total net cash outflow	35,034,818	39,810,481	35,923,392	33,729,386	34,350,631
17	LCR ratio (%)	117.1%	123.1%	136.4%	160.5%	152.0%
Net Stable Funding Ratio						
18	Total available stable funding	194,378,921	193,821,280	187,935,313	193,226,218	202,307,845
19	Total required stable funding	187,744,057	186,732,730	184,134,134	185,979,995	188,437,867
20	NSFR ratio (%)	103.5%	103.8%	102.1%	103.9%	107.4%
ELAR						
21	Total HQLA	-	-	-	-	-
22	Total liabilities	-	-	-	-	-
23	Eligible Liquid Assets Ratio (ELAR) (%)	-	-	-	-	-
ASRR						
24	Total available stable funding	-	-	-	-	-
25	Total Advances	-	-	-	-	-
26	Advances to Stable Resources Ratio (%)	-	-	-	-	-

*ELAR and ASRR are not applicable

2. Composition of capital
CC1: Composition of regulatory capital
AED '000s

	Common Equity Tier 1 capital: instruments and reserves	Amounts
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	7,240,744
2	Retained earnings	12,104,505
3	Accumulated other comprehensive income (and other reserves)	11,283,844
4	Directly issued capital subject to phase-out from CET1 (only applicable to non-joint stock companies)	-
5	Common share capital issued by third parties (amount allowed in group CET1)	-
6	Common Equity Tier 1 capital before regulatory deductions	30,629,094
	Common Equity Tier 1 capital regulatory adjustments	
7	Prudent valuation adjustments	-
8	Goodwill (net of related tax liability)	-
9	Other intangibles other than mortgage servicing rights (net of related tax liability)	117,511
10	Deferred tax assets that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	44,437
11	Cash flow hedge reserve	-
12	Securitisation gain on sale	-
13	Gains and losses due to changes in own credit risk on fair valued liabilities	-
14	Defined benefit pension fund net assets	-
15	Investments in own shares (if not already subtracted from paid-in capital on reported balance sheet)	31,315
16	Reciprocal cross-holdings in common equity	-
17	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-
18	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-
19	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-
20	Amount exceeding 15% threshold	-
21	Of which: significant investments in the common stock of financials	-
22	Of which: deferred tax assets arising from temporary differences	-
23	CBUAE specific regulatory adjustments	-
24	Total regulatory adjustments to Common Equity Tier 1	193,263
25	Common Equity Tier 1 capital (CET1)	30,435,830
	Additional Tier 1 capital: instruments	
26	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	8,264,250
27	Of which: classified as equity under applicable accounting standards	8,264,250
28	Of which: classified as liabilities under applicable accounting standards	-
29	Directly issued capital instruments subject to phase-out from additional Tier 1	-
30	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in AT1)	-
31	Of which: instruments issued by subsidiaries subject to phase-out	-
32	Additional Tier 1 capital before regulatory adjustments	-
	Additional Tier 1 capital: regulatory adjustments	
33	Investments in own additional Tier 1 instruments	-
34	Investments in capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-
35	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-
36	CBUAE specific regulatory adjustments	-
37	Total regulatory adjustments to additional Tier 1 capital	-
38	Additional Tier 1 capital (AT1)	8,264,250
39	Tier 1 capital (T1= CET1 + AT1)	38,700,080
	Tier 2 capital: instruments and provisions	
40	Directly issued qualifying Tier 2 instruments plus related stock surplus	-
41	Directly issued capital instruments subject to phase-out from Tier 2	-
42	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-
43	Of which: instruments issued by subsidiaries subject to phase-out	-

44	Provisions	2,633,935
45	Tier 2 capital before regulatory adjustments	-
	Tier 2 capital: regulatory adjustments	
46	Investments in own Tier 2 instruments	-
47	Investments in capital, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-
48	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-
49	CBUAE specific regulatory adjustments	-
50	Total regulatory adjustments to Tier 2 capital	-
51	Tier 2 capital (T2)	2,633,935
52	Total regulatory capital (TC = T1 + T2)	41,334,015
53	Total risk-weighted assets	230,689,350
	Capital ratios and buffers	
54	Common Equity Tier 1 (as a percentage of risk-weighted assets)	13.2%
55	Tier 1 (as a percentage of risk-weighted assets)	16.8%
56	Total capital (as a percentage of risk-weighted assets)	17.9%
57	Institution specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk-weighted assets)	3.0%
58	Of which: capital conservation buffer requirement	2.5%
59	Of which: bank-specific countercyclical buffer requirement	0.0%
60	Of which: higher loss absorbency requirement (e.g. DSIB)	0.5%
61	Common Equity Tier 1 (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirement.	6.2%
	The CBUAE Minimum Capital Requirement	
62	Common Equity Tier 1 minimum ratio	7.0%
63	Tier 1 minimum ratio	8.5%
64	Total capital minimum ratio	10.5%
	Amounts below the thresholds for deduction (before risk weighting)	
		-
66	Significant investments in common stock of financial entities	472,172
		-
68	Deferred tax assets arising from temporary differences (net of related tax liability)	-
	Applicable caps on the inclusion of provisions in Tier 2	
69	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	3,170,269
70	Cap on inclusion of provisions in Tier 2 under standardised approach	2,633,935
		-
		-
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)	
73	Current cap on CET1 instruments subject to phase-out arrangements	-
74	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-
75	Current cap on AT1 instruments subject to phase-out arrangements	-
76	Amount excluded from AT1 due to cap (excess after redemptions and maturities)	-
77	Current cap on T2 instruments subject to phase-out arrangements	-
78	Amount excluded from T2 due to cap (excess after redemptions and maturities)	-

CC2: Reconciliation of regulatory capital to balance sheet

	AED '000s	
	Balance sheet as in published financial statements	Under regulatory scope of consolidation
	Q2 2022	Q2 2022
Assets		
Cash and balances with the Central Bank	19,984,189	19,983,647
Due from banks and financial institutions	2,996,982	2,620,477
Islamic financing and investing assets, net	194,359,077	194,539,399
Investments in Islamic Sukuk	46,967,546	46,967,546
Other investments measured at fair value	1,102,293	1,174,756
Investments in associates and joint ventures	1,920,717	2,865,602
Properties held for development and sale	1,567,689	30,698
Investment properties	5,390,832	3,110,956
Receivables and other assets	6,368,602	6,816,400
Property and equipment	1,560,336	975,963
Total assets	282,218,263	279,085,443
Liabilities		
Customer's deposits	202,213,596	201,954,155
Due to banks and financial institutions	10,644,014	10,452,203
Sukuk issued	19,613,279	19,613,279
Payables and other liabilities	7,830,190	7,588,224
Zakat payable	-	-
Total liabilities	240,301,079	239,607,861
Shareholders' equity		
Share capital	7,240,744	7,240,744
Tier 1 sukuk	8,264,250	8,264,250
Other reserves and treasury shares	14,204,668	14,204,668
Investments fair value reserve	(1,062,436)	(1,062,436)
Exchange translation reserve	(1,463,186)	(1,463,186)
Retained earnings	12,104,505	12,104,505
Non-controlling interests	2,628,639	189,037
Total shareholders' equity	41,917,184	39,477,583

CCA: Main features of regulatory capital instruments

		AED '000s			
		Quantitative / qualitative information			
1	Issuer	Dubai Islamic Bank			
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	AED000201015	XS1935140068	XS2258453443	XS2330535381
3	Governing law(s) of the instrument	The instrument is governed by the laws of United Arab Emirates			
	Regulatory treatment				
4	Transitional arrangement rules (i.e. grandfathering)	NA	NA	NA	NA
5	Post-transitional arrangement rules (i.e. grandfathering)	NA	NA	NA	NA
6	Eligible at solo/group/group and solo	Group	Group	Group	Group
7	Instrument type (types to be specified by each jurisdiction) *	Ordinary Shares	Sukuk	Sukuk	Sukuk
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	7,240,744	2,754,750	3,673,000	1,836,500
9	Nominal amount of instrument	7,240,744	2,754,750	3,673,000	1,836,500
9a	Issue price	7,240,744	2,754,750	3,673,000	1,836,500
9b	Redemption price	as per Market Value	2,754,750	3,673,000	1,836,500
10	Accounting classification	Shareholder's equity	Tier 1 sukuk	Tier 1 sukuk	Tier 1 sukuk
11	Original date of issuance	NA	Jan-19	Nov-20	Apr-21
12	Perpetual or dated	NA	Perpetual	Perpetual	Perpetual
13	Original maturity date	NA	NA	NA	NA
14	Issuer call subject to prior supervisory approval	NA	NA	NA	NA
15	Optional call date, contingent call dates and redemption amount	-	On or after Jan-25	On or after May-26	On or after Oct-26
16	Subsequent call dates, if applicable	NA	Yes	Yes	Yes
	Coupons / dividends				
17	Fixed or floating dividend/coupon	NA	Fixed	Fixed	Fixed
18	Coupon rate and any related index	Dividend	6.25%	4.63%	3.38%
19	Existence of a dividend stopper	NA	Yes	Yes	Yes
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Full discretionary	Full discretionary	Full discretionary	Full discretionary
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Full discretionary	Full discretionary	Full discretionary	Full discretionary
21	Existence of step-up or other incentive to redeem	NA	No	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	NA	Non-convertible	Non-convertible	Non-convertible
24	Write-down feature	NA	NA	NA	NA
25	If writedown, writedown trigger(s)	NA	NA	NA	NA
26	If writedown, full or partial	NA	NA	NA	NA
27	If writedown, permanent or temporary	NA	NA	NA	NA
28	If temporary write-own, description of writeup mechanism	NA	NA	NA	NA
28a	Type of subordination	NA	Structural subordination	Structural subordination	Structural subordination
29	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	NA	Senior only to Share Capital	Senior only to Share Capital	Senior only to Share Capital
30	Non-compliant transitioned features	NA	No	No	No
31	If yes, specify non-compliant features	NA	NA	NA	NA

* <https://www.dib.ae/about-us/investor-relations/share-information>
<https://www.dib.ae/about-us/investor-relations/disclosures-publications>

3. Macroprudential Supervisory measures
CCyB1: Geographical distribution of credit exposures used in the countercyclical buffer

Not applicable. There are no credit exposures relevant for the calculation of the countercyclical buffer.

4. Leverage ratio
LR1: Summary comparison of accounting assets vs leverage ratio exposure measure (January 2014 standard)

		AED '000s	Q2 2022
1	Total consolidated assets as per published financial statements		282,218,262
2	Adjustments for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation		(3,132,819)
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 (if applicable)		-
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		1,616,237
9	Adjustment for securities financing transactions (ie repos and similar secured lending)		-
10	Adjustments for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)		12,103,139
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital		-
12	Other adjustments		1,293,379
13	Leverage ratio exposure measure		294,098,198

LR2: Leverage ratio common disclosure template (January 2014 standard)

		AED '000s	Q2 2022	Q1 2022
On-balance sheet exposures				
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)		276,983,998	281,980,852
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)		(161,948)	(177,369)
7	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)		276,822,049	281,803,483
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)		651,475	689,911
9	Add-on amounts for PFE associated with <i>all</i> derivatives transactions ¹		964,762	1,193,684
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)		1,616,237	1,883,595
Securities financing transactions				
14	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions		3,556,773	3,556,773
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)		3,556,773	3,556,773
Other off-balance sheet exposures				
19	Off-balance sheet exposure at gross notional amount ²		27,300,727	36,555,455
20	(Adjustments for conversion to credit equivalent amounts) ²		(15,197,588)	(21,390,023)
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)		12,103,139	15,165,432
Capital and total exposures				
23	Tier 1 capital		38,700,080	37,702,446
24	Total exposures (sum of rows 7, 13, 18 and 22)		294,098,198	302,409,283
Leverage ratio				
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)		13.2%	12.5%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)		13.2%	12.5%
26	CBUAE minimum leverage ratio requirement		3.5%	3.5%
27	Applicable leverage buffers		-	-

1. The decrease in PFE is due to effect of rolling in maturity of underlying contracts and shift in Credit Equivalent Amounts (CEA) towards interbank counterparties.

2. The off-balance sheet exposures and conversion to credit equivalent amounts decreased in Q2'2022 due to decrease in the undrawn commitments.

5. Liquidity Risk
LIQ1: Liquidity Coverage Ratio (LCR)

		AED '000s	Total unweighted value (average)	Total weighted value (average)
High-quality liquid assets				
1	Total HQLA			41,265,504
2	Retail deposits and deposits from small business customers, of which:		51,639,747	4,174,728
3	Stable deposits		19,784,928	989,246
4	Less stable deposits		31,854,819	3,185,482
5	Unsecured wholesale funding, of which:		72,106,969	30,153,283
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks		17,892,480	4,473,120
7	Non-operational deposits (all counterparties)		54,214,489	25,680,163
8	Unsecured debt		-	-
9	Secured wholesale funding			-
10	Additional requirements, of which:		37,202,529	3,786,703
11	Outflows related to derivative exposures and other collateral requirements		3,814,974	762,995
12	Outflows related to loss of funding of debt products		-	-
13	Credit and liquidity facilities		33,387,555	3,023,709
14	Other contractual funding obligations		-	-
15	Other contingent funding obligations		-	-
16	TOTAL CASH OUTFLOWS			38,114,714
Cash inflows				
17	Secured lending (eg reverse repo)		-	-
18	Inflows from fully performing exposures		3,481,233	1,740,616
19	Other cash inflows		730,867	730,867
20	TOTAL CASH INFLOWS		4,212,100	2,471,483
				Total adjusted value
21	Total HQLA			41,265,504
22	Total net cash outflows			35,643,231
23	Liquidity coverage ratio (%)			115.8%

The LCR is designed to ensure that banks hold a sufficient reserve of high-quality liquid assets (HQLA) to allow them to survive a period of significant liquidity stress lasting 30 calendar days.

LCR ratio as at 30th June 2022 was 117.1% whereas the average LCR ratio for the quarter ended 30th June 2022 was 115.8%.

LCR both spot and average are higher than CBUAE current minimum requirement of LCR 100%.

LIQ2: Net Stable Funding Ratio (NSFR)

	AED '000s	Unweighted value by residual maturity				Weighted value
		No maturity*	<6 months	6 months to <1 year	≥1 year	
Available stable funding (ASF) item						
1	Capital:					
2	Regulatory capital	41,527,277	-	-	-	41,527,277
3	Other capital instruments	-	-	-	13,957,400	13,957,400
4	Retail deposits and deposits from small business customers:					
5	Stable deposits	20,350,700	16,501	9,903	192,558	19,550,807
6	Less stable deposits	28,516,511	3,540,032	1,526,489	18,795,054	49,019,782
7	Wholesale funding:					
8	Operational deposits	19,042,594	211,696	-	-	9,627,145
9	Other wholesale funding	20,674,604	81,873,071	16,738,305	1,937,011	56,175,121
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities:					
12	NSFR derivative liabilities					
13	All other liabilities and equity not included in the above categories	-	4,673,658	6,233,938	1,404,419	4,521,388
14	Total ASF					194,378,921
Required stable funding (RSF) item						
15	Total NSFR high-quality liquid assets (HQLA)	9,024,258	11,001,686	4,205,182	24,797,990	7,055,108
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17	Performing loans and securities:					
18	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	1,960,354	1,915,994	220,380	1,472,430
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	19,986,638	16,934,580	111,993,971	113,655,484
21	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	-	-	18,574,542	12,073,452
22	Performing residential mortgages, of which:					
23	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	-	-	18,940,671	12,311,436
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	778,714	2,965,011	14,207,909	14,456,377
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	Other assets:					
27	Physical traded commodities, including gold	-	-	-	-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs					
29	NSFR derivative assets					
30	NSFR derivative liabilities before deduction of variation margin posted					
31	All other assets not included in the above categories	23,520,592	-	-	193,264	23,713,856
32	Off-balance sheet items	-	-	-	-	3,005,913
33	Total RSF					187,744,057
34	Net Stable Funding Ratio (%)					103.5%

* Items reported in the "no maturity" time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities and physical traded commodities.

NSFR ratio is higher than CBUAE current minimum requirement of 100%.

Eligible Liquid Assets Ratio (ELAR)

Not Applicable.

Advances to Stables Resource Ratio (ASRR)

Not Applicable.

6. Credit Risk
CR1: Credit quality of assets

		Gross carrying values of		Allowances/ Impairments (c)	Of which ECL accounting provisions for credit losses on SA exposures		Net values (a+b-c)
		Defaulted exposures * (a)	Non-defaulted exposures (b)		Allocated in regulatory category of Specific (d)	Allocated in regulatory category of General (e)	
		<i>AED '000s</i>					
1	Loans	12,304,563	191,952,454	9,717,618	7,181,124	2,536,494	194,539,399
2	Debt securities	291,769	46,971,551	295,774	178,847	116,927	46,967,546
3	Off-balance sheet exposures	972,218	27,944,746	40,913	-	40,913	28,876,051
4	Total	13,568,549	266,868,751	10,054,305	7,359,971	2,694,334	270,382,996

* The figures in the table represents impaired above 90 DPD

CR2: Changes in the stock of defaulted loans and debt securities

		<i>AED '000s</i>	Q2 2022*
1	Defaulted loans and debt securities at the end of the previous reporting period		10,809,486
2	Loans and debt securities that have defaulted since the last reporting period		2,578,714
3	Returned to non-default status		(209,513)
4	Amounts written off		(413,302)
5	Other changes		(169,053)
6	Defaulted loans and debt securities at the end of the reporting period		12,596,331

* The figures in the table represents impaired above 90 DPD

CR3: Credit risk mitigation techniques – overview

	Exposures unsecured: carrying amount	Exposures secured by collateral	Exposures secured by collateral of which: secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees, of which: secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
<i>AED '000s</i>							
Loans	139,628,891	54,910,508	54,910,508	-	-	-	-
Debt securities	46,967,546	-	-	-	-	-	-
Total	186,596,437	54,910,508	54,910,508	-	-	-	-
Of which defaulted	3,673,713	1,562,648	1,562,648	-	-	-	-

CR4: Standardised approach - credit risk exposure and CRM effects

Asset classes*	<i>AED '000s</i>		<i>AED '000s</i>		<i>AED '000s</i>	
	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
Sovereigns and their central banks	77,791,928	664,539	77,791,928	132,908	23,390,484	30.0%
Public Sector Entities	34,506,919	2,517,288	34,173,503	703,508	32,995,325	94.6%
Multilateral development banks	101,392	-	101,392	-	-	0.0%
Banks	7,065,057	965,028	7,056,831	952,404	3,131,142	39.1%
Securities firms	-	-	-	-	-	0.0%
Corporates	81,893,224	19,396,668	80,197,539	8,189,934	87,342,225	98.8%
Regulatory retail portfolios	27,946,779	4,015,493	27,825,508	169,374	21,464,868	76.7%
Secured by residential property	20,461,072	-	20,351,058	-	8,998,390	44.2%
Secured by commercial real estate	9,322,791	385,730	8,625,430	77,146	8,702,576	100.0%
Equity Investment in Funds (EIF)	660,052	-	660,052	-	2,079,669	315.1%
Past-due loans	14,961,926	972,218	6,672,917	972,218	9,066,037	118.6%
Higher-risk categories	834,167	-	834,167	-	1,251,251	150.0%
Other assets	12,701,415	-	12,701,251	-	11,192,626	88.1%
Total	288,246,723	28,916,964	276,991,576	11,197,491	209,614,593	72.7%

* Including derivatives

CR5: Standardised approach - exposures by asset classes and risk weights
AED '000s

Risk weight Asset Classes **	0%	20%	35%	50%	75%	100%	150%	Others	Total credit exposures amount (post CCF and post-CRM)
Sovereigns	48,840,743	5,409,706	-	2,731,687	-	20,942,700	-	-	77,924,836
PSEs	-	-	-	3,763,373	-	31,113,638	-	-	34,877,011
MDBs	101,392	-	-	-	-	-	-	-	101,392
Banks	-	4,103,025	-	3,191,345	-	714,864	-	-	8,009,235
Securities	-	-	-	-	-	-	-	-	-
Corporates	-	-	-	2,090,497	-	86,296,976	-	-	88,387,473
Retail	-	-	-	-	26,120,058	1,874,825	-	-	27,994,883
Residential property	-	-	16,897,148	-	1,478,085	1,975,825	-	-	20,351,058
Commercial Real estate	-	-	-	-	-	8,702,576	-	-	8,702,576
EIFs	-	-	-	-	-	-	524,193	135,859	660,052
Past dues	-	-	-	-	-	4,803,332	2,841,803	-	7,645,135
Higher-risk	-	-	-	-	-	-	834,167	-	834,167
Other assets	2,408,344	-	-	-	-	9,437,813	382,921	472,172	12,701,251
Total	51,350,479	9,512,731	16,897,148	11,776,902	27,598,143	165,862,549	4,583,084	608,032	288,189,068

** Total credit exposure amount (post CCF and post CRM)

7. Counterparty credit risk (CCR)
CCR1: Analysis of counterparty credit risk (CCR) exposure by approach

		Replace ment cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
<i>AED '000s</i>							
1	SA-CCR (for derivatives)	465,339	689,116		1.40	1,616,237	1,100,221
2	Internal Model Method (for derivatives and SFTs)			-	-	-	-
3	Simple Approach for credit risk mitigation (for SFTs)					-	-
4	Comprehensive Approach for credit risk mitigation (for SFTs)					-	-
5	VaR for SFTs					-	-
6	Total						1,100,221

CCR2: Credit valuation adjustment (CVA) capital charge

		EAD post-CRM	RWA
<i>AED '000s</i>			
1	All portfolios subject to the Standardised CVA capital charge	-	-
2	All portfolios subject to the Simple alternative CVA capital charge	1,616,237	1,100,221

CCR3: Standardised approach - CCR exposures by regulatory portfolio and risk weights
AED '000s

Risk weight Asset Class	0%	20%	50%	75%	100%	150%	Others	Total credit exposure
	Sovereigns	-	-	-	-	-	-	-
Public Sector Entities (PSEs)	-	-	773	-	52,465	-	-	53,238
Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-
Banks	-	293,575	561,540	-	49,180	-	-	904,295
Securities firms	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	658,704	-	-	658,704
Regulatory retail portfolios	-	-	-	-	-	-	-	-
Residential property	-	-	-	-	-	-	-	-
Commercial Real estate	-	-	-	-	-	-	-	-
Equity Investment in Funds (EIFs)	-	-	-	-	-	-	-	-
Past-due loans	-	-	-	-	-	-	-	-
Higher-risk categories	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
Total	-	293,575	562,313	-	760,350	-	-	1,616,237

CCR5: Composition of collateral for CCR exposure

<i>AED '000s</i>	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash - domestic currency	-	-	-	-	-	-
Cash - other currencies	702,829	-	173,733	-	-	-
Domestic sovereign debt	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	702,829	-	173,733	-	-	-

CCR6: Credit derivative exposures

Not applicable. There are no credit derivative exposures.

CCR8: Exposures to central counterparties

Not applicable. There are no exposures to Central Counterparties.

8. Securitisation

Not applicable reports: SECA, SEC1, SEC2, SEC3 and SEC4

9. Market risk
MR1: Market risk under the standardised approach

	<i>AED '000s</i>	RWA
1	General Interest/profit rate risk (General and Specific)	1,166,026
2	Equity risk (General and Specific)	-
3	Foreign exchange risk	1,781,370
4	Commodity risk	-
	Options	-
5	Simplified approach	-
6	Delta-plus method	-
7		
8	Securitisation	-
9	Total	2,947,396

The change in Q2'2022 MRWA as compared to Q1'2022 is due to the decrease in both profit rate risk and FX exposures