الإمارات الإسلامي
EMIRATES ISLAMIC

Innovation with Integrity

Basel III – Pillar 3 Disclosures
For the six months period ended 30 June 2025

Contents

Introduction

The Central Bank of the UAE ("CBUAE") supervises Emirates Islamic Bank P.J.S.C. ("EI" or the "Bank") and its subsidiaries (together referred to as the "Group") on a consolidated basis, and therefore receives information on the capital adequacy of, and sets capital requirements for, the Group as a whole. The capital requirements are computed at a Group level using the Basel III framework of the Basel Committee on Banking Supervision ("Basel Committee"), after applying the amendments advised by the CBUAE, within national discretion. The Basel III framework is structured around three 'pillars': minimum capital requirements (Pillar 1); supervisory review process (Pillar 2); and market discipline (Pillar 3).

Pillar 3 Disclosures

Pillar 3 complements the minimum capital requirements and the supervisory review process. Its aim is to encourage market discipline by developing disclosure requirements which allow market participants to assess specified information on the scope of application of Basel III, capital, particular risk exposures and risk assessment processes, and hence the capital adequacy of the institution. Disclosures consist of both quantitative and qualitative information and are provided at the consolidated level.

The CBUAE issued Basel III capital regulations, which came into effect from 1 February 2017 introducing minimum capital requirements at three levels, namely Common Equity Tier 1 ('CET1'), Additional Tier 1 ('AT1') and Total Capital. Additional capital buffers (Capital Conservation Buffer and Countercyclical Capital Buffer - maximum up to 2.5% for each buffer) introduced are over and above the minimum CET1 requirement of 7%.

In November 2020, CBUAE issued revised standards and guidelines for Capital Adequacy in UAE. The new version to the Standards also includes additional Guidance on the topics of Credit Risk, Market Risk, and Operational Risk. In December 2022, CBUAE published revised capital guidelines mainly focused on updates on Pillar 2.

CBUAE requires the Pillar 2 - Supervisory Review Process to focus on each bank's Internal Capital Adequacy Assessment Process (ICAAP) in addition to Pillar I Capital calculations. The ICAAP should include a risk based forward looking view of, but not limited to, Credit, Market and Operational Risk Capital.

The revised Pillar 3 disclosures, based on a common framework, are an effective means of informing the market about the risks faced by the Group, and provide a consistent and understandable disclosure framework that enhances transparency and improves comparability and consistency.

In compliance with the CBUAE Basel III standards and guidelines, these disclosures include qualitative and quantitative information on the Group's risk management objectives and policies, risk assessment processes, capital management and capital adequacy. The Group's Pillar 3 disclosures are in line with the key elements governed by the disclosure policy framework in line with CBUAE Basel III standards and approved by the Group Board Audit Committee.

Verification

The Pillar 3 Disclosures for the six months period ended 30 June 2025 have been reviewed by the Group's Internal auditors.

Implementation of Basel III standards and guidelines

The Group is compliant with Standardized Approach for Credit, Market and Operational Risk (Pillar 1) as applicable as of 30 June 2025.

The Group also assigns capital on other than Pillar 1 risk categories, which are part of Pillar 2 framework.

Group Structure

The Bank was incorporated by a decree of His Highness the Ruler of Dubai as a conventional Bank with a limited liability in the Emirate of Dubai on 3 October 1975. The Bank was reregistered as a Public Joint Stock Company in July 1995 and is regulated by the Central Bank of United Arab Emirates.

At an extraordinary general meeting held on 10 March 2004, a resolution was passed to transform the Bank's activities to be in full compliance with the Sharia rules and principles. The entire process was completed on 9 October 2004 (the "Transformation Date") when the Bank obtained the UAE Central Bank and other UAE authorities' approvals.

The Bank is a subsidiary of Emirates NBD Bank PJSC, Dubai (the "Group Holding Company"). The ultimate parent company of the Group Holding Company is Investment Corporation of Dubai (the "Ultimate Parent Company"), a company in which the Government of Dubai is the major shareholder. The Bank's website is www.emiratesislamic.ae. The Pillar 3 disclosures comprise of the Emirates Islamic Bank PJSC and its subsidiaries (together referred to as "the Group").

For details of Group's subsidiaries refer to Pillar 3 disclosures for year ended 31 December 2024 available on the Bank's website.

Key metrics for the Group (KM1)

Key prudential regulatory metrics have been included in the following table:

	Available capital (amounts)	**30 June 2025 AED 000**	**31 March 2025 AED 000**	**31 December 2024 AED 000**	**30 September 2024 AED 000**	**30 June 2024 AED 000**
1	Common Equity Tier 1 (CET1)	16,137,793	15,261,265	14,358,016	14,221,431	13,248,378
1a	Fully loaded ECL accounting model[1]	16,137,793	15,261,265	14,191,302	14,019,463	13,025,341
2	Tier 1	16,137,793	15,261,265	14,358,016	14,221,431	13,248,378
2a	Fully loaded ECL accounting model Tier 1	16,137,793	15,261,265	14,191,302	14,019,463	13,025,341
3	Total capital	17,190,327	16,229,513	15,261,588	15,086,766	14,061,748
3a	Fully loaded ECL accounting model total capital	17,190,327	16,229,513	15,261,588	15,086,766	14,061,748
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	92,888,961	85,748,547	79,978,461	76,515,078	71,891,487
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio (%)	17.37%	17.80%	17.95%	18.59%	18.43%
5a	Fully loaded ECL accounting model CET1 (%)	17.37%	17.80%	17.74%	18.32%	18.12%
6	Tier 1 ratio (%)	17.37%	17.80%	17.95%	18.59%	18.43%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	17.37%	17.80%	17.74%	18.32%	18.12%
7	Total capital ratio (%)	18.51%	18.93%	19.08%	19.72%	19.56%
7a	Fully loaded ECL accounting model total capital ratio (%)	18.51%	18.93%	18.87%	19.45%	19.25%
	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 (%)	0.01%	0.01%	0.01%	0.01%	0.00%
10	Bank D-SIB additional requirements (%)	0.00%	0.00%	0.00%	0.00%	0.00%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9+ row 10)	2.51%	2.51%	2.51%	2.51%	2.50%
12	CET1 available after meeting the bank's minimum capital requirements (%)	8.01%	8.43%	8.58%	9.22%	9.06%
	Leverage Ratio					
13	Total leverage ratio measure	148,972,478	132,833,774	119,443,488	112,283,341	107,629,408
14	Leverage ratio (%) (row 2/row 13)	10.83%	11.49%	12.02%	12.67%	12.31%
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2A/row 13)	10.83%	11.49%	11.88%	12.49%	12.10%
14b	Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	10.83%	11.49%	11.88%	12.49%	12.10%
	Liquidity Coverage Ratio					
	ELAR					
15	Total HQLA	24,283,593	19,093,054	17,679,062	17,764,061	18,540,907
16	Total Liabilities	116,430,257	103,862,658	95,522,740	90,502,883	86,883,724
17	Eligible Liquid Assets Ratio (ELAR) (%)	20.86%	18.38%	18.51%	19.63%	21.34%
	ASRR					
18	Total available stable funding	113,257,009	99,923,672	92,030,381	89,312,855	84,163,118
19	Total Advances	92,135,936	87,295,060	80,600,069	72,653,691	68,354,485
20	Advances to Stable Resources Ratio (%)	81.35%	87.36%	87.58%	81.35%	81.22%

Key metrics for the Group (KM1) (Continued)

Significant change in each metrics compared with prior quarter has been explained below:

CET1 capital increase by AED 877 million as compared to the prior quarter, mainly driven by increase in profit for the quarter by AED 854 million and fair value reserves by AED 39 million which is offset by regulatory deductions by AED 16 million.

Total Risk weighted assets (RWA) increased by AED 7,140 million during the quarter. Refer OV1 disclosure for further details on RWAs.

[1]"Fully Loaded" means bank's regulatory capital compared with a situation where the transitional arrangement (if any) had not been applied. There are no transitional arrangements applicable on 30 June 2025. CBUAE introduced transitional arrangements as per circular no. 04/2020 "Regulation Regarding Accounting Provisions and Capital Requirements - Transitional Arrangements".

Pursuant to the above circular, CBUAE issued a regulation for a 'Prudential Filter' that permitted Banks to add back increase in IFRS 9 provisions (stage 1 and stage 2) to the regulatory capital over a transition period of 5 years for the years 2020 to 2024, on a proportionate basis. The said prudential filter ended on 31 December 2024.

Capital Management

Approach and policy

The Group's approach to capital management is driven by strategic and organizational requirements, considering the regulatory, economic, and commercial environment. The Group aims to maintain a strong capital base to support the risks inherent in the business and invest in accordance with strategy, meeting both consolidated and local regulatory capital requirements consistently.

Additional capital buffers (Capital Conservation Buffer (CCB) and Countercyclical Capital Buffer (CCyB) - maximum up to 2.5% for each buffer) introduced over and above the minimum CET1 requirement of 7%.

Regulatory Capital

The Group's capital base is divided into three main categories, namely CET1, AT1 and Tier 2, depending on their characteristics.

- CET1 capital is the highest quality form of capital, comprising share capital, share premium, legal, statutory, and other reserves, fair value reserve, retained earnings, non-controlling interest after deductions for goodwill and intangibles and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes under 'CBUAE' guidelines.
- AT1 capital comprises eligible non-common equity capital instruments.
- Tier 2 capital comprises qualifying subordinated financing, and undisclosed reserve.

Details of the Group's qualifying equity instruments is set out in Appendix A.

Composition of regulatory capital (CC1)

This provides a breakdown of the constituent elements of the bank's capital.

		30 June 2025 AED 000	31 December 2024 AED 000	CC2 Reference
	Common Equity Tier 1 capital: instruments and reserves			
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	5,430,422	5,430,422	a
2	Retained earnings[1]	9,068,761	7,372,291	b
3	Accumulated other comprehensive income (and other reserves)	1,771,154	1,664,312	
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**	**16,270,337**	**14,467,025**	
	Common Equity Tier 1 capital regulatory adjustments			
7	Prudent valuation adjustments			
8	Goodwill (net of related tax liability)			
9	Other intangibles including mortgage servicing rights (net of related tax liability)	(132,544)	(109,009)	c
10	Deferred tax assets that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	-	-	
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)	-	-	
16	Reciprocal cross-holdings in CET1, AT1, Tier 2	-	-	
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**	**(132,544)**	**(109,009)**	
25	**Common Equity Tier 1 capital (CET1)**	**16,137,793**	**14,358,016**	

Composition of regulatory capital (CC1) (Continued)

		30 June 2025 AED 000	31 December 2024 AED 000	CC2 Reference
	Additional Tier 1 capital: instruments			
26	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	-	-	
27	Of which: classified as equity under applicable accounting standards	-	-	
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)**	**-**	**-**	
39	**Tier 1 capital (T1= CET1 + AT1)**	**16,137,793**	**14,358,016**	
	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 30) 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	1,052,536	903,572	d
45	**Tier 2 capital before regulatory adjustments**	**1,052,536**	**903,572**	
	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, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-	

Composition of regulatory capital (CC1) (Continued)

		30 June 2025 AED 000	31 December 2024 AED 000	CC2 Reference
49	CBUAE specific regulatory adjustments	-	-	
50	**Total regulatory adjustments to Tier 2 capital**	**-**	**-**	
51	**Tier 2 capital (T2)**	**1,052,536**	**903,572**	
52	**Total regulatory capital (TC = T1 + T2)**	**17,190,329**	**15,261,588**	
53	**Total risk-weighted assets**	**92,888,961**	**79,978,461**	
	Capital ratios and buffers			
54	Common Equity Tier 1 (as a percentage of risk-weighted assets)	17.37%	17.95%	
55	Tier 1 (as a percentage of risk-weighted assets)	17.37%	17.95%	
56	Total capital (as a percentage of risk-weighted assets)	18.51%	19.08%	
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)	2.51%	2.51%	
58	Of which: capital conservation buffer requirement	2.50%	2.50%	
59	Of which: bank-specific countercyclical buffer requirement	0.01%	0.01%	
60	Of which: higher loss absorbency requirement (e.g., DSIB)	0.00%	0.00%	
61	Common Equity Tier 1 (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirement.	8.01%	8.58%	
	The CBUAE Minimum Capital Requirement			
62	Common Equity Tier 1 minimum ratio	7.00%	7.00%	
63	Tier 1 minimum ratio	8.50%	8.50%	
64	Total capital minimum ratio	10.50%	10.50%	
	Amounts below the thresholds for deduction (before risk weighting)			
65	Non-significant investments in the capital and other TLAC liabilities of other financial entities	-	-	
66	Significant investments in common stock of financial entities	-	-	
67	Mortgage servicing rights (net of related tax liability)	-	-	
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 standardized approach (prior to application of cap)	1,731,436	1,676,039	
70	Cap on inclusion of provisions in Tier 2 under standardized approach	1,052,536	903,572	d
71	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-	-	
72	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-	-	

Composition of regulatory capital (CC1) (Continued)

		30 June 2025 AED 000	31 December 2024 AED 000	CC2 Reference
	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)	-	-	

CET1 capital increase by AED 877 million as compared to the prior quarter, mainly driven by increase in profit for the quarter by AED 854 million and fair value reserves by AED 39 million which is offset by regulatory deductions by AED 16 million.

[1] Retained Earnings for 31 December 2024 is after the inclusion of IFRS 9 prudential filers as prescribed by CBUAE.

Reconciliation of regulatory capital to balance sheet (CC2)

The following table enable users to identify the differences between the scope of accounting consolidation and the scope of regulatory consolidation, and to show the link between the bank's balance sheet in its published financial statements and the numbers that are used in the composition of capital disclosure template set out in Template CC1. Variances between the financial and regulatory consolidated balance sheets are consistent with LI1 disclosure.

30 June 2025 **AED 000**	**Balance sheet as in published financial statements**	**Under regulatory scope of consolidation**	**CC1 Reference**
Assets			
Cash and Deposits with Central Bank	23,347,463	23,347,463	
Due from Banks	14,884,968	14,884,968	
Investment Securities	15,588,255	15,588,255	
Financing Receivables	79,918,949	79,918,949	
Positive Fair Value of Derivatives	294,402	294,402	
Customer Acceptances	1,508,085	1,508,085	
Investment Properties	169,260	169,260	
Property & Equipment	335,394	335,394	
Other Assets	1,499,516	1,499,516	
Total Assets	**137,546,292**	**137,546,292**	
Liabilities			
Due to Banks	4,028,842	4,028,842	
Islamic Customer Deposits	97,406,073	97,406,073	
Sukuk Payable	13,119,250	13,119,250	
Negative Fair Value of Derivatives	307,890	307,890	
Customer Acceptances	1,508,085	1,508,085	
Other Liabilities	4,905,815	4,905,815	
Total Liabilities	**121,275,955**	**121,275,955**	
Issued Capital	5,430,422	5,430,422	a
Legal and Statutory Reserve	1,308,187	1,308,187	
Other Reserves	543,043	543,043	
Fair Value Reserve	(80,076)	(80,076)	
Retained Earnings[1]	9,068,761	9,068,761	b
Common equity tier 1 capital regulatory deductions	-	(132,544)	c
Provisions eligible for inclusion in Tier 2	-	1,052,536	d
Total Capital	**16,270,337**	**17,190,329**	

Reconciliation of regulatory capital to balance sheet (CC2) (Continued)

31 December 2024 **AED 000**	**Balance sheet as in published financial statements**	**Under regulatory scope of consolidation**	**CC1 Reference**
Assets			
Cash and Deposits with Central Bank	14,674,527	14,674,527	
Due from Banks	10,028,460	10,028,460	
Investment Securities	13,463,573	13,463,573	
Financing Receivables	70,479,855	70,479,855	
Positive Fair Value of Derivatives	156,947	156,947	
Customer Acceptances	747,795	747,795	
Investment Properties	170,795	170,795	
Property & Equipment	320,207	320,207	
Other Assets	1,086,514	1,086,514	
Total Assets	**111,128,673**	**111,128,673**	
Liabilities			
Due to Banks	5,883,525	5,883,525	
Islamic Customer Deposits	76,784,930	76,784,930	
Sukuk Payable	9,263,125	9,263,125	
Negative Fair Value of Derivatives	150,020	150,020	
Customer Acceptances	747,795	747,795	
Other Liabilities	3,998,967	3,998,967	
Total Liabilities	**96,828,362**	**96,828,362**	
Issued Capital	5,430,422	5,430,422	a
Legal and Statutory Reserve	1,308,187	1,308,187	
Other Reserves	543,043	543,043	
Fair Value Reserve	(186,918)	(186,918)	
Retained Earnings[1]	7,205,577	7,372,291	b
Common equity tier 1 capital regulatory deductions	-	(109,009)	c
Provisions eligible for inclusion in Tier 2	-	903,572	d
Total Capital	**14,300,311**	**15,261,588**	

[1] Retained Earnings for 31 December 2024 is after the inclusion of IFRS 9 prudential filers as prescribed by CBUAE.

Geographical distribution of credit exposures used in the countercyclical capital buffer (CCyB1)

Following table provides an overview of the geographical distribution of private sector credit exposures relevant for the calculation of countercyclical buffer.

30 June 2025	a	b	c	d	e	f
		Exposure values and/or risk-weighted assets used in the computation of the countercyclical capital buffer				
Geographical breakdown	Counter cyclical capital buffer rate	Exposure values AED 000	Risk-weighted assets AED 000	Minimum Capital Requirement AED 000	Share of Minimum Capital (%)	Bank-specific counter cyclical capital buffer rate (%)
Norway	2.50%	93	93	12	0.00%	0.00%
Armenia	1.50%	6	5	1	0.00%	0.00%
Hong Kong	0.50%	41	31	4	0.00%	0.00%
Luxembourg	0.50%	-	-	-	0.00%	0.00%
Sweden	2.00%	32,283	32,216	4,188	0.05%	0.00%
United Kingdom	2.00%	348,091	308,852	40,151	0.44%	0.01%
Germany	0.75%	1,942	1,574	205	0.00%	0.00%
Australia	1.00%	490	496	64	0.00%	0.00%
France	1.00%	1,140	874	114	0.00%	0.00%
Netherlands	2.00%	439	388	50	0.00%	0.00%
Croatia (local name: Hrvatska)	1.50%	50	-	-	0.00%	0.00%
Denmark	2.50%	330	318	41	0.00%	0.00%
Romania	1.00%	91	-	-	0.00%	0.00%
Slovakia (Slovak Republic)	1.50%	97	58	8	0.00%	0.00%
Ireland	1.50%	80	60	8	0.00%	0.00%
Estonia	1.50%	-	-	-	0.00%	0.00%
Iceland	2.50%	-	-	-	0.00%	0.00%
Bulgaria	2.00%	-	-	-	0.00%	0.00%
Czech Republic	1.25%	8	6	1	0.00%	0.00%
Lithuania	1.00%	-	-	-	0.00%	0.00%
Slovenia	1.00%	70	52	7	0.00%	0.00%
Belgium	1.00%	94	70	9	0.00%	0.00%
Chili	0.50%	129	129	17	0.00%	0.00%
Korea, Republic of (South Korea)	1.00%	16	12	2	0.00%	0.00%
Hungary	0.50%	12,122	3,398	442	0.00%	0.00%
Cyprus	1.00%	1,000	1,016	132	0.00%	0.00%
Latvia	1.00%	-	-	-	0.00%	0.00%
Others	0.00%	99,119,842	69,232,388	9,000,211	99.50%	0.00%
Sum[1]		**398,612**	**349,648**			
Total[2]		**99,518,454**	**69,582,036**			**0.01%**

Geographical distribution of credit exposures used in the countercyclical capital buffer (CCyB1) (Continued)

31 December 2024	a	b	c	d	e	f
		Exposure values and/or risk-weighted assets used in the computation of the countercyclical capital buffer				
Geographical breakdown	Counter cyclical capital buffer rate	Exposure values AED 000	Risk-weighted assets AED 000	Minimum Capital Requirement AED 000	Share of Minimum Capital (%)	Bank-specific counter cyclical capital buffer rate (%)
Norway	2.50%	-	-	-	0.00%	0.00%
Armenia	1.50%	-	-	-	0.00%	0.00%
Hong Kong	1.00%	72	54	7	0.00%	0.00%
Luxembourg	0.50%	-	-	-	0.00%	0.00%
Sweden	2.00%	7,157	7,118	925	0.01%	0.00%
United Kingdom	2.00%	289,885	274,372	35,668	0.45%	0.01%
Germany	0.75%	763	654	85	0.00%	0.00%
Australia	1.00%	-	-	-	0.00%	0.00%
France	1.00%	864	718	93	0.00%	0.00%
Netherlands	2.00%	493	369	48	0.00%	0.00%
Croatia (local name: Hrvatska)	1.50%	-	-	-	0.00%	0.00%
Denmark	2.50%	85	73	9	0.00%	0.00%
Romania	1.00%	-	-	-	0.00%	0.00%
Slovakia (Slovak Republic)	1.50%	-	-	-	0.00%	0.00%
Ireland	1.50%	225	169	22	0.00%	0.00%
Estonia	1.50%	-	-	-	0.00%	0.00%
Iceland	2.50%	-	-	-	0.00%	0.00%
Bulgaria	2.00%	-	-	-	0.00%	0.00%
Czech Republic	1.25%	8	6	1	0.00%	0.00%
Lithuania	1.00%	-	-	-	0.00%	0.00%
Slovenia	0.50%	80	60	8	0.00%	0.00%
Belgium	1.00%	9	6	1	0.00%	0.00%
Chili	0.50%	-	-	-	0.00%	0.00%
Korea, Republic of (South Korea)	1.00%	77	58	8	0.00%	0.00%
Hungary	0.50%	8,482	564	73	0.00%	0.00%
Cyprus	1.00%	1,036	1,058	138	0.00%	0.00%
Latvia	0.50%	-	-	-	0.00%	0.00%
Others	0.00%	86,876,086	61,231,206	7,960,057	99.54%	0.00%
Sum[1]		**309,236**	**285,279**			
Total[2]		**87,185,322**	**61,516,485**			**0.01%**

[1]Sum of private sector credit exposures and related RWA in jurisdictions with a non-zero countercyclical buffer rate only.

[2]Total of private sector credit exposures and related RWA across all jurisdictions.

LEVERAGE RATIO

Leverage Ratio

Summary comparison of accounting assets versus leverage ratio exposure (LR1)

The following table reconciles the total assets in the published financial statements to the leverage ratio exposure measure.

		30 June 2025 AED 000	31 March 2025 AED 000	31 December 2024 AED 000
1	Total consolidated assets as per published financial statements	137,546,292	123,354,046	111,128,673
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	Adjustment for securitized 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 recognized 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	734,343	681,728	576,537
9	Adjustment for securities financing transactions (i.e., repos and similar secured financing)	-	-	-
10	Adjustments for off-balance sheet items (i.e., conversion to credit equivalent amounts of off-balance sheet exposures)	12,332,902	9,969,499	8,595,082
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-	-	-
12	Other adjustments[1]	(1,640,629)	(1,171,499)	(856,804)
13	**Leverage ratio exposure measure**	**148,972,908**	**132,833,774**	**119,443,488**

[1] *Includes assets deducted from CET1 capital and customer acceptances (considered as off-balance sheet)*

Leverage Ratio (Continued)

Leverage ratio common disclosure template (LR2)

The table below provides a breakdown of the components of the leverage ratio denominator, as well as information on the actual leverage ratio, minimum requirements and buffers as of period end.

		30 June 2025 AED 000	31 March 2025 AED 000	31 December 2024 AED 000
	On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	135,717,821	122,039,126	110,190,943
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 recognized 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)	(132,544)	(116,539)	(109,009)
7	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)**	**135,585,277**	**121,922,587**	**110,081,934**
	Derivative exposures			
8	Replacement cost associated with *all* derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	320,386	259,960	189,935
9	Add-on amounts for PFE associated with *all* derivatives transactions	432,992	412,674	357,545
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) *1.4**	**1,054,729**	**941,688**	**766,472**
	Securities financing transactions	**-**	**-**	**-**
14	Gross SFT *assets* (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	38,261,459	31,639,581	28,491,055
20	(Adjustments for conversion to credit equivalent amounts)	25,928,557	21,670,082	19,895,973

Leverage Ratio (Continued)

Leverage ratio common disclosure template (LR2)

		30 June 2025 AED 000	31 March 2025 AED 000	31 December 2024 AED 000
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)**	**12,332,902**	**9,969,499**	**8,595,082**
	Capital and total exposures			
23	**Tier 1 capital**	**16,137,793**	**15,261,265**	**14,358,016**
24	**Total exposures (sum of rows 7, 13, 18 and 22)**	**148,972,908**	**132,833,774**	**119,443,488**
25	**Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)**	**10.83%**	**11.49%**	**12.02%**
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	**10.83%**	**11.49%**	12.02%
26	CBUAE minimum leverage ratio requirement	3.00%	3.00%	3.00%
27	**Applicable leverage buffers**	**7.83%**	**8.49%**	**9.02%**

Overview of Risk Management and Risk Weighted Assets (“RWAs”) (OV1)

The following table provides an overview of total RWA forming the denominator of the risk-based capital requirements.

					Minimum capital requirements
		30 June 2025 AED 000	31 March 2025 AED 000	31 December 2024 AED 000	30 June 2025 AED 000
1	Credit risk (excluding counterparty credit risk)	82,762,455	75,945,916	71,150,545	10,759,119
2	Of which: standardized approach (SA)	82,762,455	75,945,916	71,150,545	10,759,119
3	Of which: foundation internal ratings-based (F-IRB) approach	-	-	-	-
4	Of which: supervisory slotting approach	-	-	-	-
5	Of which: advanced internal ratings-based (A-IRB) approach	-	-	-	-
6	Counterparty credit risk (CCR)	704,489	607,434	485,284	91,584
7	Of which: standardized approach for counterparty credit risk	704,489	607,434	485,284	91,584
8	Of which: Internal Model Method (IMM)	-	-	-	-
9	Of which: other CCR	-	-	-	-
10	Credit valuation adjustment (CVA)	735,939	906,503	649,939	95,672
11	Equity positions under the simple risk weight approach	-	-	-	-
12	Equity investments in funds - look-through approach	-	-	-	-
13	Equity investments in funds - mandate-based approach	-	-	-	-
14	Equity investments in funds - fallback approach	-	-	-	-
15	Settlement risk	-	-	-	-
16	Securitization exposures in the banking book	-	-	-	-
17	Of which: securitization internal ratings-based approach (SEC-IRBA)	-	-	-	-
18	Of which: securitization external ratings-based approach (SEC-ERBA)	-	-	-	-
19	Of which: securitization standardized approach (SEC-SA)	-	-	-	-
20	Market risk	79,107	155,899	61,033	10,284
21	Of which: standardized approach (SA)	79,107	155,899	61,033	10,284
22	Of which: internal models approach (IMA)	-	-	-	-
23	Operational risk	8,606,971	8,132,795	7,631,660	1,118,906
24	Amounts below thresholds for deduction (subject to 250% risk weight)	-	-	-	-
25	Floor adjustment				
26	**Total (1+6+10+11+12+13+14+15+16+20+23)**	**92,888,961**	**85,748,547**	**79,978,461**	**12,075,565**

The regulatory minimum capital requirement is calculated at 13.0% of the RWA including CBUAE assigned capital buffers.

Total credit risk weighted assets (CRWAs) increased as compared to previous quarter by AED 7,140 million due to overall volume growth in due from bank, investments, financing receivables and off-balance sheet exposures.

Decrease in market risk weighted assets (MRWA) pertains to overall movement in PKR and INR position as compared to previous quarter.

Credit Risk

Please refer Note no. 36 in the annual financial statements for criteria, approach, structure, and organization of credit risk management and reporting of risk exposures, risk mitigation and stress testing related to credit risk. For definition of default please refer Note 5(i) of annual financial statements.

Credit quality of assets (CR1)

The table provides a comprehensive picture of the credit quality of the Group's (on- and off-balance sheet) assets.

		a	b	c	d	e	f
		Gross carrying values of		Allowances/ Impairments	Of which ECL accounting provisions for credit losses on SA exposures		Net values (a+b-c)
	30 June 2025 AED 000	**Defaulted exposures[3]**	**Non-defaulted exposures**		**Allocated in regulatory category of Specific**	**Allocated in regulatory category of General**	
1	Financing receivables	2,357,740	81,331,334	3,770,125	2,167,069	1,603,056	79,918,949
2	Sukuk[1]	-	15,544,378	18,898	-	18,898	15,525,480
3	**Total**	**2,357,740**	**96,875,712**	**3,789,023**	**2,167,069**	**1,621,954**	**95,444,429**
4	Off-balance sheet exposures[2]	308,612	64,187,792	300,939	219,942	80,997	64,195,465

[1] Sukuk includes only banking book securities, excluding equities / funds
[2] Includes letter of credit, guarantees, liability on risk participations, irrevocable financing commitments, customer acceptances and notional amount of derivatives
[3] Defaulted exposures are net of profit in suspense (PIS)

Credit quality of assets - CR1 (Continued)

		a	b	c	d	e	F
		Gross carrying values of		**Allowances/ Impairments**	**Of which ECL accounting provisions for credit losses on SA exposures**		**Net values (a+b-c)**
	31 December 2024 AED 000	**Defaulted exposures[3]**	**Non-defaulted exposures**		**Allocated in regulatory category of Specific**	**Allocated in regulatory category of General**	
1	Financing receivables	3,300,175	71,875,546	4,695,866	3,111,460	1,584,406	70,479,855
2	Sukuk[1]	-	13,414,553	13,755	-	13,755	13,400,798
3	**Total**	**3,300,175**	**85,290,099**	**4,709,621**	**3,111,460**	**1,598,161**	**83,880,653**
4	Off-balance sheet exposures[2]	339,753	52,521,485	312,229	256,572	55,656	52,549,009

[1] Sukuk includes only banking book securities, excluding equities / funds
[2] Includes letter of credit, guarantees, liability on risk participations, irrevocable financing commitments, customer acceptances and notional amount of derivatives
[3] Defaulted exposures are net of profit in suspense (PIS)

Changes in stock of defaulted Financing Receivables and Sukuk (CR2)

The following table identifies the changes in the bank's stock of defaulted exposures, the flows between non-defaulted and defaulted exposure categories and reductions in the stock of defaulted exposures due to write-offs.

		30 June 2025 AED 000	31 December 2024 AED 000
1	Defaulted financing receivables and sukuk at the end of the previous reporting period	3,300,175	3,682,118
2	Financing receivables and sukuk that have defaulted since the last reporting period	490,811	960,539
3	Returned to non-default status	(10,868)	(55,492)
4	Amounts written off	(998,022)	(974,553)
5	New financial assets, net of repayments and others	(424,356)	(312,437)
6	**Defaulted financing receivables and sukuk at the end of the reporting period (1+2-3-4±5)**	**2,357,740**	**3,300,175**

Credit risk mitigation techniques – overview (CR3)

The following table discloses the extent of use of credit risk mitigation techniques.

		A	B	c	d	e	F	g
		Exposures unsecure: 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**
	30 June 2025 AED 000							
1	Financing receivables	66,869,074	9,624,879	6,757,341	3,424,996	3,396,663	-	-
2	Sukuk	15,525,480	-	-	-	-	-	-
3	**Total**	**82,394,554**	**9,624,879**	**6,757,341**	**3,424,996**	**3,396,663**	**-**	**-**
4	Of which defaulted	184,463	6,208	7,221	-	-	-	-

Credit risk mitigation techniques – overview (CR3) (Continued)

The following table discloses the extent of use of credit risk mitigation techniques.

		A	b	c	d	e	F	g
		Exposures unsecure: 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**
	31 December 2024 AED 000							
1	Financing receivables	62,668,081	7,518,555	5,318,624	293,219	218,920	-	-
2	Sukuk	13,400,798	-	-	-	-	-	-
3	**Total**	**76,068,879**	**7,518,555**	**5,318,624**	**293,219**	**218,920**	**-**	**-**
4	Of which defaulted	178,122	10,593	18,958	-	-	-	-

Credit risk exposure and Credit Risk Mitigation (CRM) effects (CR4)

The following table Illustrates the effect of CRM on capital requirements' calculations. RWA density provides a synthetic metric on riskiness of each portfolio.

	Exposure before CRM		Exposure post CCF and CRM		RWA and RWA Density	
Risk weight Regulatory portfolio 30 June 2025 AED 000	**On Balance Sheet**	**Off Balance Sheet**	**On Balance Sheet**	**Off Balance Sheet**	**RWA**	**RWA Density**
Sovereigns and their central banks	29,727,980	12,255	29,727,980	11,366	1,880,677	6%
Public Sector Entities	6,846,654	1,782,664	6,765,529	302,157	6,137,820	87%
Multilateral development banks	861,121	4,301	861,121	-	311,292	36%
Banks	18,465,677	2,661,628	18,465,677	1,903,531	11,418,793	56%
Securities firms	-	-	-	-	-	0%
Corporates	27,938,827	21,857,261	22,245,707	6,601,791	26,665,176	92%
Regulatory retail portfolios	20,383,918	7,764,875	19,848,121	230,226	15,240,291	76%
Secured by residential property	15,931,546	3,041,939	15,930,846	1,184,322	5,926,144	35%
Secured by commercial real estate	13,746,727	1,785,406	12,512,647	899,253	13,411,900	100%
Equity Investment in Funds (EIF)	-	-	-	-	-	0%
Past-due financing	2,524,137	308,612	(38,104)	308,612	481,887	178%
Higher-risk categories	-	-	-	-	-	0%
Other assets	3,168,576	-	3,168,576	-	1,992,964	63%
Total	**139,595,163**	**39,218,941**	**129,488,100**	**11,441,258**	**83,466,944**	**59%**

Credit risk exposure and Credit Risk Mitigation (CRM) effects (CR4) (Continued)

The following table Illustrates the effect of CRM on capital requirements' calculations. RWA density provides a synthetic metric on riskiness of each portfolio.

	Exposure before CRM		Exposure post CCF and CRM		RWA and RWA Density	
31 December 2024 AED 000	**On Balance Sheet**	**Off Balance Sheet**	**On Balance Sheet**	**Off Balance Sheet**	**RWA**	**RWA Density**
Sovereigns and their central banks	19,730,378	21,766	19,730,378	21,293	1,725,587	9%
Public Sector Entities	5,228,030	1,426,615	5,213,271	203,095	4,809,699	89%
Multilateral development banks	481,739	-	481,739	-	121,636	25%
Banks	13,367,980	1,562,658	12,933,267	1,410,638	7,979,250	56%
Securities firms	-	-	-	-	-	-
Corporates	27,468,021	16,726,043	22,527,903	4,736,928	25,516,285	94%
Regulatory retail portfolios	18,363,754	6,951,690	17,847,111	204,456	13,679,047	76%
Secured by residential property	15,034,312	1,393,102	15,033,593	435,074	6,619,581	43%
Secured by commercial real estate	9,171,051	788,797	8,731,271	399,511	9,130,782	100%
Equity Investment in Funds (EIF)	-	-	-	-	-	-
Past-due financing	3,494,299	339,753	(92,377)	339,753	500,375	202%
Higher-risk categories	-	-	-	-	-	-
Other assets	2,692,778	-	2,692,778	-	1,553,587	58%
Total	**115,032,342**	**29,210,424**	**105,098,934**	**7,750,748**	**71,635,829**	**63%**

Exposures by asset classes and risk weights (CR5)

The following table Illustrates the effect of CRM on capital requirements' calculations. RWA density provides a synthetic metric on riskiness of each portfolio.

Risk weight Regulatory portfolio 30 June 2025 AED 000	0%	20%	35%	50%	75%	100%	150%	Others 85%	Total credit exposure
Sovereigns	26,179,004	1,610,970	-	844,997	-	1,041,155	63,220	-	29,739,346
Public Sector Entities (PSEs)	-	762,922	-	639,057	-	5,665,707	-	-	7,067,686
Multilateral development banks (MDBs)	238,537	-	-	622,584	-	-	-	-	861,121
Banks	-	4,417,520	-	10,842,799	-	5,098,887	10,002	-	20,369,208
Securities firms	-	-	-	-	-	-	-	-	-
Corporates	-	282,532	-	3,342,157	-	23,019,848	69,581	2,133,380	28,847,498
Regulatory retail portfolios	-	35	-	-	19,352,113	726,199	-	-	20,078,347
Secured by residential property	3,287,991	-	11,288,933	-	2,252,906	285,338	-	-	17,115,168
Secured by commercial real estate	-	-	-	-	-	13,411,900	-	-	13,411,900
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-	-
Past-due financing	-	-	-	-	-	(152,249)	422,757	-	270,508
Higher-risk categories	-	-	-	-	-	-	-	-	-
Other assets	1,145,873	76,414	-	-	-	1,883,505	62,784	-	3,168,576
Total	**30,851,405**	**7,150,393**	**11,288,933**	**16,291,594**	**21,605,019**	**50,980,290**	**628,344**	**2,133,380**	**140,929,358**

Exposures by asset classes and risk weights (CR5) (Continued)

The following table Illustrates the effect of CRM on capital requirements' calculations. RWA density provides a synthetic metric on riskiness of each portfolio.

Risk weight **Regulatory portfolio** **31 December 2024** **AED 000**	**0%**	**20%**	**35%**	**50%**	**75%**	**100%**	**150%**	**Others 85%**	**Total credit exposure**
Sovereigns	16,321,845	1,609,791	-	832,813	-	987,222	-	-	**19,751,671**
Public Sector Entities (PSEs)	-	336,517	-	674,908	-	4,404,941	-	-	**5,416,366**
Multilateral development banks (MDBs)	238,468	-	-	243,271	-	-	-	-	**481,739**
Banks	-	2,106,328	-	9,368,916	-	2,858,932	9,729	-	**14,343,905**
Securities firms	-	-	-	-	-	-	-	-	**-**
Corporates	-	130		2,936,352	-	22,459,912	-	1,868,437	**27,264,831**
Regulatory retail portfolios	-	-	-	108,089	17,273,903	669,575	-	-	**18,051,567**
Secured by residential property	-	-	12,638,930	-	2,535,125	294,612	-	-	**15,468,667**
Secured by commercial real estate	-	-	-	-	-	9,130,782	-	-	**9,130,782**
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-	**-**
Past-due financing	-	-	-	-	-	(258,620)	505,996	-	**247,376**
Higher-risk categories	-	-	-	-	-	-	-	-	**-**
Other assets	1,170,582	-	-	-	-	1,459,411	62,785	-	**2,692,778**
Total	**17,730,895**	**4,052,766**	**12,638,930**	**14,164,349**	**19,809,028**	**42,006,767**	**578,510**	**1,868,437**	**112,849,682**

Analysis of counterparty credit risk (CCR) exposure by approach (CCR1)

The following table provides a comprehensive view of the methods used to calculate counterparty credit risk regulatory requirements and the main parameters used within each method.

SA-CCR (for derivatives)

		a	b	c	d	e	f
	30 June 2025 AED 000	**Replacement cost**	**Potential future exposure**	**EEPE**	**Alpha used for computing regulatory EAD**	**EAD post-CRM**	**RWA**
1	SA-CCR (for derivatives)	320,386	363,531		1.4	957,484	704,489
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**	**320,386**	**363,531**	**-**		**957,484**	**704,489**

Analysis of counterparty credit risk (CCR) exposure by approach (CCR1) (Continued)

	31 December 2024 **AED 000**	**A** **Replacement cost**	**b** **Potential future exposure**	**c** **EEPE**	**d** **Alpha used for computing regulatory EAD**	**e** **EAD post-CRM**	**f** **RWA**
1	SA-CCR (for derivatives)	189,935	323,900	-	1.4	719,369	485,284
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**	**189,935**	**323,900**	**-**		**719,369**	**485,284**

Credit valuation adjustment (CVA) capital charge (CCR2)

	30 June 2025	**a**	**b**
		EAD post-CRM	**RWA**
		AED 000	**AED 000**
1	All portfolios subject to the Standardised CVA capital charge	957,484	735,939
2	All portfolios subject to the Simple alternative CVA capital charge	-	-

	31 December 2024	**a**	**b**
		EAD post-CRM	**RWA**
		AED 000	**AED 000**
1	All portfolios subject to the Standardised CVA capital charge	719,369	649,939
2	All portfolios subject to the Simple alternative CVA capital charge	-	-

Standardized approach - CCR exposures by regulatory portfolio and risk weights (CCR3)

The following table presents information on the risk-weighting of CCR exposures under the standardized approach by regulatory portfolio.

	a	b	c	d	e	f	g	h
Risk weight Regulatory portfolio 30 June 2025 AED 000	**0%**	**20%**	**50%**	**75%**	**100%**	**150%**	**Others 85%**	**Total credit exposure**
Sovereigns	10,893	-	-	-	-	-	-	10,893
Public Sector Entities (PSEs)	-	-	-	-	31,591	-	-	31,591
Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-
Banks	-	51,482	390,538	-	-	-	-	442,020
Securities firms	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	418,340	-	16,392	434,732
Regulatory retail portfolios	-	-	-	12,754	25,494	-	-	38,248
Secured by residential property	-	-	-	-	-	-	-	-
Secured by commercial real estate	-	-	-	-	-	-	-	-
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-
Past-due financing	-	-	-	-	-	-	-	-
Higher-risk categories	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
Total	**10,893**	**51,482**	**390,538**	**12,754**	**475,425**	-	**16,392**	**957,484**

Standardized approach - CCR exposures by regulatory portfolio and risk weights (CCR3) (Continued)

	a	b	c	d	e	f	g	h
Risk weight Regulatory portfolio 31 December 2024 AED 000	**0%**	**20%**	**50%**	**75%**	**100%**	**150%**	**Others 85%**	**Total credit exposure**
Sovereigns	20,820	-	-	-	-	-	-	20,820
Public Sector Entities (PSEs)	-	-	-	-	11,571	-	-	11,571
Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-
Banks	-	8,078	409,820	-	-	-	-	417,898
Securities firms	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	234,077	-	11,141	245,218
Regulatory retail portfolios	-	-	-	884	22,978	-	-	23,862
Secured by residential property	-	-	-	-	-	-	-	-
Secured by commercial real estate	-	-	-	-	-	-	-	-
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-
Past-due financing	-	-	-	-	-	-	-	-
Higher-risk categories	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
Total	**20,820**	**8,078**	**409,820**	**884**	**268,626**	**-**	**11,141**	**719,369**

Market risk under the standardized approach (MR1)

The following table provides the components of capital requirement under the SA for market risk:

		30 June 2025 AED 000 RWA	31 December 2024 AED 000 RWA
1	General Profit rate risk (General and Specific)	-	-
2	Equity risk (General and Specific)	-	-
3	Foreign exchange risk	79,107	61,033
4	Commodity risk	-	-
	Options	-	-
5	Simplified approach	-	-
6	Delta-plus method	-	-
7	Scenario approach	-	-
8	Securitization	-	-
9	**Total**	**79,107**	**61,033**

Liquidity

Eligible Liquid Assets Ratio (ELAR)

The ELAR is calculated based on Central Bank of UAE regulations which is included in the following table.

		Nominal Amount	Eligible Liquid Asset	Nominal Amount	Eligible Liquid Asset
1	**High Quality Liquid Assets**	**30 June 2025 AED 000**	**30 June 2025 AED 000**	**31 December 2024 AED 000**	**31 December 2024 AED 000**
1.1	Physical cash in hand at the bank + balances with the CBUAE	21,443,944	-	15,404,880	-
1.2	UAE Federal Government Bonds and Sukuks	2,319,766	-	1,882,464	-
	Sub Total (1.1 to 1.2)	23,763,710	23,763,710	17,287,344	17,287,344
1.3	UAE local governments publicly traded sukuk securities	519,883	-	391,718	-
1.4	UAE Public sector publicly traded sukuk securities	-	-	-	-
	Sub Total (1.3 to 1.4)	519,883	519,883	391,718	391,718
1.5	Foreign Sovereign sukuk instruments or instruments issued by their respective central banks	-	-	-	-
1.6	**Total**	24,283,593	24,283,593	**17,679,062**	**17,679,062**
2	Total liabilities		116,430,257		95,522,740
3	**Eligible Liquid Assets Ratio (ELAR)**		**20.86%**		**18.51%**

The Group maintained ELAR of 20.86% (calculated on the basis of 90 days simple average). ELAR as of 30 June 2025 was 21.81%, which is in excess of the regulatory minimum of 10%. The ELAR is influenced by the amount of eligible liquid assets over the total liabilities.

The average Eligible Liquid Assets over the reporting period was AED 24.28 billion which mainly comprised of cash and reserves with Central Bank of UAE.

The average Total Liabilities over the reporting period was AED 116.43 billion.

Advance to Stable Resources Ratio (ASRR)

The ASRR computed based on Central Bank of UAE regulations is included in the following table.

		Items	30 June 2025	31 December 2024
1		**Computation of Advances**	**AED 000**	**AED 000**
	1.1	Net Financing (gross financing - specific and collective provisions + profit in suspense)	79,021,577	70,418,832
	1.2	Financing to non-banking financial institutions	2,500,273	1,645,267
	1.3	Net Financial Guarantees & Stand-by LC (issued - received)	717,518	623,391
	1.4	Interbank Placements	9,896,568	7,912,579
	1.5	**Total Advances**	**92,135,936**	**80,600,069**
2		**Calculation of Net Stable Resources**		
	2.1	Total capital + general provisions	17,861,838	15,744,707
		Deduct:		
	2.1.1	Goodwill and other intangible assets	-	-
	2.1.2	Fixed Assets	335,393	320,213
	2.1.3	Funds allocated to branches abroad	-	-
	2.1.5	Unquoted Investments	62,774	62,774
	2.1.6	Investment in subsidiaries, associates, and affiliates	30,000	30,000
	2.1.7	**Total deduction**	**428,167**	**412,987**
	2.2	**Net Free Capital Funds**	**17,433,671**	**15,331,720**
	2.3	**Other stable resources:**		
	2.3.1	Funds from the head office	-	-
	2.3.2	Interbank deposits with remaining life of more than 6 months	11,152	863,477
	2.3.3	Refinancing of Home financing	-	-
	2.3.4	Deposits from non-Banking Financial Institutions	1,383,401	1,044,789
	2.3.5	Customer Deposits	83,145,785	65,527,270
	2.3.6	Sukuk payable maturing after 6 months from reporting date	11,283,000	9,263,125
	2.3.7	**Total other stable resources**	**95,823,338**	**76,698,661**
	2.4	**Total Stable Resources (2.2+2.3.7)**	**113,257,009**	**92,030,381**
3		**Advances to Stable Resources Ratio (1.5/ 2.4*100)**	**81.35%**	**87.58%**

The Group maintained ASRR of 81.35% over the reporting period, which is below the regulatory limit of 100%.

Acronyms

ALCO	Asset and Liability Committee	IFRS	International Financial Reporting Standards
ALM	Asset and Liability Management	ICAAP	Internal Capital Adequacy Assessment Process
ASF	Available stable funding	LGD	Loss Given Default
ASRR	Advances to Stable Resources Ratio	MDB	Multilateral Development Banks
AT1	Additional Tier 1	MR	Market Risk
BCBS	Basel Committee on Banking Supervision	MTM	Mark-To-Market
BIS	Bank of International Settlements	NFI	Net Funded Income
BRC	Board Risk Committee	OTC	Over the counter
CBUAE	Central Bank UAE	PD	Probability of Default
CCF	Credit Conversion Factor	PFE	Potential Future Exposure
CCP	Central Counterparty	PIT	Point in Time
CCR	Counterparty Credit Risk	PM	Portfolio Management
CCyB	Countercyclical capital buffer	PRR	Profit Rate Risk
CET1	Common Equity Tier 1	PVA	Prudent Valuation Adjustment
CRM	Credit Risk Mitigation	QCCP	Qualifying Central Counterparty
CRO	Chief Risk Officer	RSF	Required stable funding
CVA	Credit Valuation Adjustment	RWAs	Risk-Weighted Assets
CCL	Commercial Company Law	SA	Standardized Approach
D-SIB	Domestic Systemically Important Bank	SCA	Securities and Commodities Authority
DVA	Debit Valuation Adjustment	SFT	Securities Financing Transactions
EAD	Exposure at default	SME	Small and Medium - sized Enterprise
ECAI	External Credit Assessment Institutions	SPE	Special Purpose Entity
ECL	Expected Credit Loss	T1	Tier 1 capital
ELAR	Eligible Liquid Asset Ratio	T2	Tier 2 capital
FSB	Financial Stability Board	TC	Total capital
GCC	Gulf Cooperative Council	TESS	Target Economic Support Scheme
GCRO	Group Chief Risk Officer	TM	Treasury Markets
G-SIB	Global Systemically Important Bank	VaR	Value at Risk
HQLA	High Quality Liquid Asset	XVA	Credit and Funding Valuation Adjustment

Glossary

Capital Conservation Buffer

A capital buffer prescribed by BCBS and CBUAE under Basel III and designed to ensure banks build up capital buffers outside periods of stress which can be drawn down as losses are incurred. Should the bank's CET1 capital fall within the capital conservation buffer range, capital distributions will be constrained by the regulators.

Countercyclical Capital Buffer (CCyB)

The countercyclical capital buffer is part of a set of macroprudential instruments, designed to help counter pro-cyclicality in the financial system. CCyB as defined in the Basel III standard provides for an additional capital requirement of up to 2.5 per cent of risk-weighted assets.

Counterparty Credit Risk (CCR)

The risk that a counterparty defaults before satisfying its obligations under a derivative, a securities financing transaction (SFT) or a similar contract.

Credit Conversion Factor (CCF)

As prescribed by CBUAE, an estimate of the amount the Group expects a customer to have drawn further on a facility limit at the point of default.

Credit Risk Adjustment (CRA)

This includes impairment allowances or provisions' balances, and changes in ECL.

Credit risk mitigation (CRM)

Credit risk mitigation is a process to mitigate potential credit losses from any given account, customer or portfolio by using a range of tools such as collateral, netting agreements, credit insurance, credit derivatives and guarantees.

Internal Capital Adequacy Assessment Process (ICAAP)

A requirement under Pillar 2 of the Basel framework to undertake a comprehensive assessment of their risks and to determine the appropriate amounts of capital to be held against these risks.

Leverage Ratio

A ratio introduced under Basel III/CRD that compares Tier 1 capital to total exposures, including certain exposures held off-balance sheet as adjusted by stipulated credit conversion factors. Intended to be a simple, non-risk-based backstop measure.

Eligible Liquid Assets Ratio (ELAR)

The ratio of the stock of high-quality liquid assets to expected net cash outflows. High quality liquid assets should be unencumbered, liquid in markets during a time of stress and, ideally, be central bank eligible.

Advances to Stables Resource Ratio (ASRR)

The ratio of available stable funding to required stable funding. It is a longer-term liquidity measure designed to restrain the amount of wholesale deposit and encourage stable funding over a one-year time horizon.

RWA density

The risk-weighted asset as a percentage of exposure at default (EAD).

Glossary (Continued)

Securities Financing Transactions (SFT)

Securities Financing Transactions are secured (i.e., collateralized) transactions that involve the temporary exchange of cash against securities, or securities against other securities, e.g., stock financing or stock deposits or the financing or deposits of other financial instruments, a repurchase or reverse repurchase transaction, or a buy-sell back or sell-buy back transaction.

Standardized Approach (SA)

In relation to credit risk, a method for calculating credit risk capital requirements using External Credit Assessment Institutions (ECAI) ratings and supervisory risk-weights. In relation to operational risk, a method of calculating the operational risk capital requirement by the application of a supervisory defined percentage charge to the gross income of eight specified business lines.

Appendix A

Template CCA: Main features of regulatory capital instruments

Sr no	Particulars	Equity Shares
1	Issuer	Emirates Islamic Bank PJSC
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	
3	Governing law(s) of the instrument	CBUAE, SCA, CCL
	Regulatory treatment	
4	Transitional arrangement rules (i.e., grandfathering)	Common Equity Tier I
5	Post-transitional arrangement rules (i.e., grandfathering)	Common Equity Tier I
6	Eligible at solo/group/group and solo	Solo and Group
7	Instrument type (types to be specified by each jurisdiction)	Common Shares
8	Amount recognized in regulatory capital (**AED in Millions, as of 30 June 2025**)	5,430
9	Nominal amount of instrument	NA
9a	Issue price	
9b	Redemption price	NA
10	Accounting classification	Equity Attributable to Equity Holders
11	Original date of issuance	
12	Perpetual or dated	Perpetual
13	Original maturity date	No Maturity
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	NA
16	Subsequent call dates, if applicable Coupons / dividends	NA
17	Fixed or floating dividend/coupon	NA
18	Coupon rate and any related index	NA
19	Existence of a dividend stopper	NA
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary
21	Existence of step-up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-Cumulative
23	Convertible or non-convertible	NA
24	Write-down feature	NA
25	If write down, write down trigger(s)	NA
26	If write down, full or partial	NA
27	If write down, permanent or temporary	NA
28	If temporary write-own, description of writeup mechanism	NA
28a	Type of subordination	NA
29	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	Perpetual Debt Instruments
30	Non-compliant transitioned features	NA
31	If yes, specify non-compliant features	NA

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