

Pillar III Disclosures

30 June 2023

Section	#	Tables and templates	Applicable
1. Overview of Risk Management and RWA	KM1	Key Metrics (at consolidated group level)	Yes
	OVA	Bank risk management approach	
	OV1	Overview of RWA	
2. Linkages Between Financial Statements and Regulatory Exposures	LI1	Differences between accounting and regulatory scopes of consolidation and mapping of financial statements with regulatory risk categories	No
	LI2	Main sources of differences between regulatory exposure amounts and carrying values in financial statements	
	LIA	Explanations of differences between accounting and regulatory exposure amounts	
3. Prudential valuation adjustments	PV1	Prudential valuation adjustments	No
4. Composition of Capital	CC1	Composition of regulatory capital	Yes
	CC2	Reconciliation of regulatory capital to balance sheet	Yes
	CCA	Main features of regulatory capital instruments	Yes
5. Macroprudential Supervisory measures	CCyB1	Geographical distribution of credit exposures used in the countercyclical buffer	Yes
6. Leverage Ratio	LR1	Summary comparison of accounting assets vs leverage ratio exposure	Yes
	LR2	Leverage ratio common disclosure template	Yes
7. Liquidity	LIQA	Liquidity risk management	No
	LIQ1	Liquidity Coverage Ratio	No
	LIQ2	Net Stable Funding Ratio	Yes
	ELAR	Eligible Liquid Assets Ratio	Yes
	ASRR	Advances to Stable Resources Ratio	Yes
	CRA	General qualitative information about credit risk	No
8. Credit Risk	CR1	Credit quality of assets	Yes
	CR2	Changes in stock of defaulted financing and sukuk	Yes
	CRB	Additional disclosure related to the credit quality of assets	No
	CRC	Qualitative disclosure requirements related to credit risk mitigation techniques	No
	CR3	Credit risk mitigation techniques – overview	Yes
	CRD	Qualitative disclosures on Banks' use of external credit ratings under the standardised approach for credit risk	No
	CR4	Standardised approach – credit risk exposure and Credit Risk Mitigation (CRM) effects	Yes
	CR5	Standardised approach – exposures by asset classes and risk weights	Yes
	CCR6	Credit derivatives exposures	Yes
9. Counterparty Credit Risk	CCRA	Qualitative disclosure related to counterparty credit risk	Yes
	CCR1	Analysis of counterparty credit risk (CCR) exposure by approach	
	CCR3	Credit valuation adjustment capital charge	
	CCR5	Standardised approach of CCR exposures by regulatory portfolio and risk weights	Yes
	CCR6	Composition of collateral for CCR exposure	No
	CCR8	Exposures to central counterparties	
10. Securitisation	SECA	Qualitative disclosure requirements related to securitisation exposures	No
	SEC1	Securitisation exposures in the Banking book	
	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 Banking book and associated capital requirements – Bank acting as investor	
11. Market Risk	MRA	General qualitative disclosure requirements related to market risk	No
	MR1	Market risk under standardised approach	Yes
12. Profit Rate Risk in the Banking Book	PRRBBA	PRRB risk management objective and policies	No
	PRRB1	Quantitative information on PRRBB	No
13. Operational Risk Qualitative Disclosure	OR1	Qualitative disclosure on operational risk	No
14. Remuneration policy	REMA	Remuneration policy	No
	REM1	Remuneration awarded during the 2021	No
	REM2	Special payments	No
	LIQA	Liquidity risk management	No

Introduction

The Central Bank of the UAE sets and monitors capital requirements for the Group as a whole. 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.

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

For 2023 and onwards, CCB will be required to be maintained at 2.5% (2022: 2.5%) of the Capital base. CCyB is not yet in effect and is not required to be maintained for 2023 (2022: Nil).

The Basel III framework is based on three pillars:

- Pillar I – Minimum capital requirements: defines rules for the calculation of minimum capital for credit, market and operational risk. The framework allows for different approaches, which can be selected depending on size, sophistication and other considerations. These comprise for Credit Risk: Standardised, Foundation Internal Rating Based (FIRB), Advanced Internal Rating Based (AIRB); for Market Risk: Standardised and Internal Models Approach; and for Operational Risk: Basic Indicator Approach and Standardised Approach.
- Pillar II – Provides the framework for an enhanced supervisory review process with the objective of assessing the adequacy of the Bank’s capital to cover not only the three primary risks (Credit, Market and Operational), but in addition a series of other risks that the Bank may be exposed to; for example, concentration risk, residual risk, business risk, liquidity risk etc. It includes the requirement for banks to undertake an Internal Capital Adequacy Assessment Process (ICAAP) on an annual basis, which is subject to the Central Bank review and inspection.
- Pillar III – Market discipline: requires expanded disclosures, which allow regulators, investors and other market participants to more fully understand the risk profiles of individual banks. The requirements of Pillar III in the case of ADIB are fulfilled in this annual report.

The requirements of the Central Bank of the UAE act as the framework for the implementation of the Basel III Accord in the UAE. In December 2022, CBUAE issued revised standards and guidelines for Capital Adequacy in UAE via Circular 5280/2022. The revised version of the Standards also includes additional Guidance on the topics of Credit Risk, Market Risk, and Operational Risk.

Following are the changes in the revised standards which have been adopted either prior to 2023:

- The Tier Capital Supply Standard.
- Tier Capital Instruments Standard.
- Pillar 2 Standard: Internal Capital Adequacy Assessment Process (ICAAP).
- Credit Risk, Market Risk and Operational Risk.
- Equity Investment in Funds, Securitisation, Counterparty Credit Risk, Leverage Ratio.
- Credit Value Adjustment (CVA) for Pillar 1 and 3.

The purpose of Pillar 3 - Market Discipline is to complement the minimum capital requirements (Pillar 1) and the supervisory review process (Pillar 2). The CBUAE supports the enhanced market discipline by developing a set of disclosure requirements which will allow market participants to assess key information on the scope of application, capital, risk exposure, risk assessment process and hence the capital adequacy of the Group. 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.

Information On Subsidiaries And Significant Investment As On 30 June 2023

	Country of Incorporation	% Ownership	Description	Treatment - Regulatory	Treatment - Accounting
SUBSIDIARIES					
Abu Dhabi Islamic Securities Company LLC	UAE	95	Equity Brokerage Services	Fully consolidated	Fully consolidated
ADIB Invest 1	BVI	100	Equity Brokerage Services	Fully consolidated	Fully consolidated
Burooj Properties LLC **	UAE	100	Real Estate Investments	Not consolidated	Fully consolidated
MPM Properties LLC **	UAE	100	Real Estate Services	Not consolidated	Fully consolidated
Kawader Services LLC **	UAE	100	Manpower Supply	Not consolidated	Fully consolidated
ADIB (UK) Limited	United Kingdom	100	Other services	Fully consolidated	Fully consolidated
ADIB Capital Ltd	UAE	100	Funds Services	Fully consolidated	Fully consolidated
Abu Dhabi Islamic Bank – Egypt (S.A.E.)	Egypt	53	Islamic banking	Fully consolidated	Fully consolidated
ADIB Sukuk Company II Ltd.*	Cayman Islands	-	Special Purpose Vehicle	Fully consolidated	Fully consolidated
ADIB Capital Invest 2 Ltd.*	Cayman Islands	-	Special Purpose Vehicle	Fully consolidated	Fully consolidated
ADIB Capital Invest 3 Ltd.*	Cayman Islands	-	Special Purpose Vehicle	Fully consolidated	Fully consolidated
ADIB Alternatives Ltd.*	Cayman Islands	-	Special Purpose Vehicle	Fully consolidated	Fully consolidated
SIGNIFICANT INVESTMENT					
The Residential REIT (IC) Limited	UAE	29	Real Estate Fund	Deduction treatment	Equity Method
Abu Dhabi National Takaful PJSC	UAE	42	Islamic insurance	Deduction treatment	Equity Method
Bosnia Bank International D.D	Bosnia	27	Islamic banking	Deduction treatment	Equity Method
Saudi Finance Company CSJC	Kingdom of Saudi Arabia	51	Islamic Retail Finance	Deduction treatment	Equity Method
Arab Link Money Transfer PSC (under liquidation)	UAE	51	Currency Exchange	Deduction treatment	Equity Method
Abu Dhabi Islamic Merchant Acquiring Company LLC	UAE	51	Merchant acquiring	Deduction treatment	Equity Method

* The Bank does not have any direct holding in these entities and they are considered to be a subsidiary by virtue of control.

** In accordance with the Circular No. 52/2017 and the Capital Supply standard, the consolidated entity includes all subsidiaries except commercial entities for the purpose of Basel III calculations and is subject to treatment outlined section 5 of "Tier Capital Supply Standard" related to "Significant investment in commercial entities"

1. Overview of Risk Management and RWA

KM1: Key metrics (at consolidated group level): Overview of risk management, key prudential metrics and RWA categories

AED '000s		a	b	c	d	e
		30 Jun 2023	31 Mar 2023	31 Dec 2022	30 Sept 2022	30 June 2022
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	16,455,669	15,411,562	14,480,430	15,293,743	14,590,177
1a	Fully loaded ECL accounting model	16,315,519	15,293,443	14,332,387	15,251,594	14,517,360
2	Tier 1	21,210,044	20,165,937	19,234,805	20,048,118	19,344,552
2a	Fully loaded accounting model Tier 1	21,069,894	20,047,818	19,086,762	20,005,969	19,271,735
3	Total capital	22,656,200	21,545,362	20,578,904	21,376,398	20,609,589
3a	Fully loaded ECL accounting model total capital	22,516,050	21,427,243	20,430,860	21,334,249	20,536,571
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	128,331,204	122,840,401	119,856,783	119,432,225	114,227,651
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio (%)	12.82%	12.55%	12.08%	12.81%	12.77%
5a	Fully loaded ECL accounting model CET1 (%)	12.71%	12.45%	11.96%	12.77%	12.71%
6	Tier 1 ratio (%)	16.53%	16.42%	16.05%	16.79%	16.94%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	16.42%	16.32%	15.92%	16.75%	16.87%
7	Total capital ratio (%)	17.65%	17.54%	17.17%	17.90%	18.04%
7a	Fully loaded ECL accounting model total capital ratio (%)	17.55%	17.44%	17.05%	17.86%	17.98%
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 (%)	0.02%	0.02%	0.02%	0.00%	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)	2.52%	2.52%	2.52%	2.50%	2.50%
12	CET1 available after meeting the bank's minimum capital requirements (%)	5.82%	5.55%	5.08%	5.81%	5.77%
Leverage Ratio						
13	Total leverage ratio measure	189,331,768	178,510,644	174,424,479	159,742,767	152,037,410
14	Leverage ratio (%) (row 2/row 13)	11.20%	11.30%	11.03%	12.55%	12.72%
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2A/row 13)	11.13%	11.23%	10.94%	12.52%	12.68%
14b	Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	11.20%	11.30%	11.03%	12.55%	12.72%
Liquidity Coverage Ratio						
15	Total HQLA	N/A	N/A	N/A	N/A	N/A
16	Total net cash outflow	N/A	N/A	N/A	N/A	N/A
17	LCR ratio (%)	N/A	N/A	N/A	N/A	N/A
Net Stable Funding Ratio						
18	Total available stable funding	N/A	N/A	N/A	N/A	N/A
19	Total required stable funding	N/A	N/A	N/A	N/A	N/A
20	NSFR ratio (%)	N/A	N/A	N/A	N/A	N/A
Eligible Liquidity Asset Ratio (ELAR)						
21	Total HQLA	31,076,746	26,454,931	24,386,707	19,889,775	20,916,061
22	Total liabilities	142,316,122	135,038,021	128,797,134	125,002,931	120,241,024
23	Eligible Liquid Assets Ratio (ELAR) (%)	21.84%	19.59%	18.93%	15.9%	17.4%
Advances to Stable Resources Ratio (ASRR)						
24	Total available stable funding	148,647,953	140,972,387	138,871,454	118,338,051	113,578,670
25	Total Advances	115,909,880	113,167,485	113,977,207	101,907,869	96,704,956
26	Advances to Stable Resources Ratio (ASRR) (%)	77.98%	80.28%	82.07%	86.1%	85.1%

OV1: Overview of RWA

AED '000s		a	b	c
		RWAs		Minimum capital requirements
		30 June 2023	31 March 2023	30 June 2023
1	Credit risk (excluding counterparty credit risk) (CCR)	115,012,884	109,820,405	12,076,353
2	Of which standardised approach (SA)	115,012,884	109,820,405	12,076,353
3				
4				
5				
6	Counterparty credit risk (CCR)	647,445	507,309	67,982
7	Of which standardised approach for counterparty credit risk	647,445	507,309	67,982
8				
9				
10				
11				
12	Equity investments in funds – look-through approach	-	-	-
13	Equity investments in funds – mandate-based approach	-	-	-
14	Equity investments in funds – fallback approach	32,209	26,298	3,382
15	Settlement risk	-	-	-
16	Securitisation exposures in banking book	-	-	-
17				
18	Of which: securitisation external ratings-based approach (SEC-ERBA)	-	-	-
19	Of which: securitisation standardised approach (SEC-SA)	-	-	-
20	Market risk	1,956,796	1,804,519	205,464
21	Of which standardised approach (SA)	1,956,796	1,804,519	205,464
22				
23	Operational risk	10,681,870	10,681,870	1,121,596
24				
25				
26	Total (1+6+10+11+12+13+14+15+16+20+23)	128,331,204	122,840,401	13,474,776

- The minimum capital requirements applied in column C is 10.5%.

2. Linkages between Financial Statements and Regulatory Exposures Required Annually

3. Prudential Valuation Adjustments

PV1: Prudential valuation adjustments (PVAs)

Not applicable

4. Composition of Capital

CC1: Composition of regulatory capital

		30 June 2023	
		a	b
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
AED '000s			
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	3,632,000	Same as (a) from CC2 template
2	Retained earnings	8,880,678	
3	Accumulated other comprehensive income (and other reserves)	4,513,666	
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	17,026,344	
Common Equity Tier 1 capital regulatory adjustments			
7	Prudent valuation adjustments	-	
8	Goodwill (net of related tax liability)	(509,556)	
9	Other intangibles including mortgage servicing rights (net of related tax liability)	-	
10	Deferred tax assets that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	(4,831)	
11	Cash flow hedge reserve	2,513	
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)	(58,801)	
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	(570,675)	
25	Common Equity Tier 1 capital (CET1)	16,455,669	
Additional Tier 1 capital: instruments			
26	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	4,754,375	CC2 (b)
27	Of which: classified as equity under applicable accounting standards	4,754,375	
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	4,754,375	
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)	4,754,375	
39	Tier 1 capital (T1= CET1 + AT1)	21,210,044	

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	1,446,157
45	Tier 2 capital before regulatory adjustments	1,446,157
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)	-
49	CBUAE specific regulatory adjustments	-
50	Total regulatory adjustments to Tier 2 capital	-
51	Tier 2 capital (T2)	1,446,157
52	Total regulatory capital (TC = T1 + T2)	22,656,201
53	Total risk-weighted assets	128,331,204
Capital ratios and buffers		
54	Common Equity Tier 1 (as a percentage of risk-weighted assets)	12.82%
55	Tier 1 (as a percentage of risk-weighted assets)	16.53%
56	Total capital (as a percentage of risk-weighted assets)	17.65%
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)	2.52%
58	Of which: capital conservation buffer requirement	2.50%
59	Of which: bank-specific countercyclical buffer requirement	0.02%
60	Of which: higher loss absorbency requirement (e.g. DSIB)	0.00%
61	Common Equity Tier 1 (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirement.	5.82%
The CBUAE Minimum Capital Requirement		
62	Common Equity Tier 1 minimum ratio	7.00%
63	Tier 1 minimum ratio	8.50%
64	Total capital minimum ratio	10.50%
Amounts below the thresholds for deduction (before risk weighting)		
66	Significant investments in common stock of financial entities	-
67	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)	1,446,157
70	Cap on inclusion of provisions in Tier 2 under standardised approach	-
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	a	b	c
	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	June-23	June-23	
Assets			
Cash and balances with central banks	31,239,798	31,239,527	
Balance and wakala deposits with Islamic banks and other financial institutions	5,460,658	5,434,708	
Murabaha and mudaraba with financial institution	3,221,117	3,221,117	
Murabaha, Ijara and other Islamic financing	109,328,537	110,410,442	
Investment in sukuk at amortised cost	17,167,720	17,167,720	
Investment measured at fair value	5,421,933	6,020,509	
Investment in associates and joint ventures	799,269	799,269	
Investment properties	1,270,147	320,509	
Development properties	713,701	-	
Other assets	4,102,271	4,116,885	
Property and equipment	2,798,617	2,666,590	
Goodwill and intangibles	642,779	642,779	
Total assets	182,166,547	182,040,055	
Liabilities			
Due to financial institutions	3,458,507	-	
Depositors' accounts	150,400,856	-	
Other liabilities	4,858,550	-	
Total liabilities	158,717,913	-	
Equity			
Share capital	3,632,000	3,632,000	
Of which: amount eligible for CET1	3,632,000	3,632,000	(a)
Of which: amount eligible for AT1	-	-	
Legal reserve	2,647,426	2,630,749	
General reserve	2,976,046	2,954,085	
Credit risk reserve	400,000	400,000	
Retained earnings	8,989,675	9,150,288	
Other reserves	(899,886)	(1,408,698)	
Tier 1 sukuk	4,754,375	4,754,375	(b)
Equity attributable to the equity and Tier 1 sukuk holders of the Bank	22,499,636	22,112,799	
Non-controlling interest	948,998	-	
Total equity	23,448,634	22,112,799	

CCA: Main features of regulatory capital instruments

1	Issuer	Quantitative / Qualitative information		
		Abu Dhabi Islamic Bank	Abu Dhabi Islamic Bank & Subsidiaries	Abu Dhabi Islamic Bank
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A	XS1870373443	N/A
3	Governing law(s) of the instrument	UAE Law	English Law	UAE Law
	Regulatory treatment			
4	Transitional arrangement rules (i.e. grandfathering)	Common Equity Tier 1	N/A	N/A
5	Post-transitional arrangement rules (i.e. grandfathering)	Common Equity Tier 1	Additional Tier 1	Additional Tier 1
6	Eligible at solo/group/group and solo	Solo and Group	Solo and Group	Solo and Group
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares	Sukuk	Sukuk
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	AED 3,632 million	USD 750 million	AED 2 billion
9	Nominal amount of instrument	N/A	USD 750 million	AED 2 billion
9a	Issue price	N/A	100%	100%
9b	Redemption price	N/A	Refer point 15 below	Refer point 15 below
10	Accounting classification	Equity	Equity	Equity
11	Original date of issuance	Various	20 September 2018	16 April 2009
12	Perpetual or dated	Perpetual	Perpetual	Perpetual

13	Original maturity date	N/A	N/A	N/A
14	Issuer call subject to prior supervisory approval	No	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	N/A	On the First Call Date, 20 September 2023 (at par); following a Tax Event (at par) (at any time); and following a Capital Event (at 101%) (at any time).	On the Call Date, 16 April 2027 (at par); following a Tax Event (at par) (at any time); and following a Capital Event (at par) (at any time).
16	Subsequent call dates, if applicable	N/A	Any period distribution date after the first call date.	Any period distribution date after the call date.
	Coupons / dividends			
17	Fixed or floating dividend/coupon	N/A	Expected mudaraba profit rate for initial period of 5 years and for every 5 th year thereafter resets to new Expected mudaraba profit rate.	Expected mudaraba profit rate for initial period of 5 years and after the initial period bear an Expected variable mudaraba profit rate.
18	Coupon rate and any related index	N/A	7.125% (expected mudaraba profit rate for initial period of 5 years) and resets the then 5 years US treasury rate plus expected margin of 4.270%	6.0% (expected mudaraba profit rate for initial period of 5 years) and after initial period of 5 years bear as expected variable mudaraba profit rate payable of 6month Eibor plus expected margin of 2.3%
19	Existence of a dividend stopper	N/A	Yes	Yes
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully Discretionary	Fully Discretionary	Fully Discretionary
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully Discretionary	Fully Discretionary	Fully Discretionary
21	Existence of step-up or other incentive to redeem	No	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	N/A	Non-convertible	Non-convertible
24	Writedown feature	N/A	Yes	Yes
25	If writedown, writedown trigger(s)	N/A	Contractual Non-Viability Loss Absorption as detailed in the issue prospectus.	Contractual Non-Viability Loss Absorption as detailed in the issue documents.
26	If writedown, full or partial	N/A	Full or partial write down.	Full or partial write down.
27	If writedown, permanent or temporary	N/A	Permanent	Permanent
28	If temporary write-own, description of writeup mechanism	N/A	N/A	N/A
28a	Type of subordination	N/A	Contractual	Contractual
29	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	N/A	Senior only to share capital	Senior only to share capital
30	Non-compliant transitioned features	N/A	No	No
31	If yes, specify non-compliant features	N/A	N/A	N/A

5. Macroprudential Supervisory measures

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

AED '000s	30 June 2023				
	a	b		d	e
	Geographical breakdown	Countercyclical capital buffer rate	Exposure values and/or risk-weighted assets used in the computation of the countercyclical capital buffer		Bank-specific countercyclical capital buffer rate
Exposure values			Risk-weighted assets		
France	0.50%	36,435	21,385		
Hong Kong	1.00%	899	300		
United Kingdom	1.00%	2,455,044	2,414,461		
Australia	1.00%	3,120	765		
Germany	0.75%	24,582	10,621		
Norway	2.50%	425	127		
Netherlands	1.00%	3,627	1,594		
Denmark	2.50%	575	287		
Sweden	2.00%	2,416	610		
Ireland	0.50%	7,876	1,606		
Czech Republic	2.50%	35,435	7,193		
Romania	0.50%	2,665	2,380		
Slovakia	1.00%	295	103		
Sum		2,573,393	2,461,433		
Total		192,728,848	107,051,601	0.02%	24,581

6. Leverage Ratio

LR1: Summary comparison of accounting assets vs leverage ratio exposure

Summary comparison of accounting assets versus leverage ratio exposure measure		30 June 2023
Item		a
		AED '000s
1	Total consolidated assets as per published financial statements	182,166,547
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(126,492)
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 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	1,617,155
9	Adjustment for securities financing transactions (i.e. repos and similar secured financing)	-
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	6,804,942
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	(487,605)
12	Other adjustments	(642,779)
13	Leverage ratio exposure measures	189,331,768

LR2: Leverage ratio common disclosure template

	AED '000s	a	b
		30 June 23	31 March 23
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	182,040,055	172,027,353
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)	(487,605)	(551,448)
6	(Asset amounts deducted in determining Tier 1 capital)	(642,779)	(647,881)
7	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	180,909,671	170,828,024
Derivative Exposures			
8	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	488,041	387,038
9	Add-on amounts for PFE associated with all derivatives transactions	1,129,144	839,728
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)	1,617,155	1,226,767
Securities financing transaction exposures			
14	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	-	-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Credit Conversion Factor (CCR) exposure for Security Financing Transaction (SFT) assets	-	-
17	Agent transaction exposures	-	-
18	Total securities financing transaction exposures (sum of lines 14 to 17)	-	-
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	13,201,131	12,910,818
20	(Adjustments for conversion to credit equivalent amounts)	(6,396,190)	(6,454,965)
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	-	-
22	Off-balance sheet items (sum of lines 19 to 21)	6,804,942	6,455,853
Capital and total exposures			
23	Tier 1 capital	21,210,043	20,165,937
24	Total exposures (sum of lines 7, 13, 18 and 22)	189,331,768	178,510,644
Leverage ratio			
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	11.20%	11.30%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	11.20%	11.30%
26	CBUAE minimum leverage ratio requirement	3.00%	3.00%
27	Applicable leverage buffers	0.00%	0.00%

7. Liquidity

LIQ1: Liquidity Coverage Ratio (LCR) – Not applicable for ADIB Group

LIQ2: Net Stable Funding Ratio (NSFR) – Not applicable for ADIB Group

ELAR: Eligible Liquid Assets Ratio* (UAE operation only)

	AED '000s	30 June 2023	
		Nominal amount	Eligible Liquid Asset
1	High Quality Liquid Assets		
1.1	Physical cash in hand at the bank + balances with the CBUAE	28,073,552	
1.2	UAE Federal Government Sukuks	-	
	Sub Total (1.1 to 1.2)	28,073,552	28,073,552
1.3	UAE local governments publicly traded debt securities	3,003,194	
1.4	UAE Public sector publicly traded debt securities	-	
	Sub Total (1.3 to 1.4)	3,003,194	3,003,194
1.5	Foreign Sovereign debt instruments or instruments issued by their respective central banks	-	-
1.6	Total	31,076,746	31,076,746
2	Total liabilities		142,316,122
3	Eligible Liquid Assets Ratio (ELAR)		21.84%

*as per BRF 8.

ASRR: Advances to Stable Resources Ratio*

	AED '000s	30 June 2023 Amount
1	Computation of Advances	
1.1	Net financing (gross financing – specific and profit in suspense)	109,166,797
1.2	Placement with non-banking financial institutions	612,180
1.3	Net Financial Guarantees & Stand-by LC (issued – received)	638,177
1.4	Interbank Placements	5,492,726
1.5	Total Advances	115,909,880
2	Computation of Net Stable Resources	
2.1	Total capital + general provisions	24,882,413
	Deduct:	
2.1.1	Goodwill and other intangible assets	642,779
2.1.2	Fixed Assets	2,761,105
2.1.3	Funds allocated to branches abroad	-
2.1.5	Unquoted Investments	116,530
2.1.6	Investment in subsidiaries, associates and affiliates	1,358,879
2.1.7	Total deduction	4,879,293
2.2	Net Free Capital Funds	20,003,120
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	37,210
2.3.3	Refinancing of Housing financing	-
2.3.4	Financing from non-Banking Financial Institutions	1,679,747
2.3.5	Customer Deposits	126,927,876
2.3.6	Capital market funding/ term financing maturing after 6 months from reporting date	-
2.3.7	Total other stable resources	128,644,833
2.4	Total Stable Resources (2.2+2.3.7)	148,647,953
3	Advances TO STABLE RESOURCES RATIO (1.5/ 2.4*100)	77.98

*as per BRF 54.

8. Credit Risk

CR1: Credit quality of assets

		30 June 2023					
		a	b	c	d	e	f
		Gross carrying values of		Allowances/ impairments	Of which ECL accounting provisions for credit losses		Net values (a+b-c)
Defaulted exposures	Non-defaulted exposures	Allocated in regulatory category of Specific	Allocated in regulatory category of General				
AED '000s							
1	Customer Financing	8,990,737	105,262,040	5,656,156	4,388,964	1,267,191	108,596,621
2	Sukuk	123,604	22,504,623	224,866	98,188	126,678	22,403,361
3	Off-balance sheet exposures	784,508	13,236,351	191,557	92,812	98,745	13,829,302
4	Total	9,898,849	141,003,013	6,072,579	4,579,964	1,492,615	144,829,283

Definition of defaulted exposures

Accounts are considered in default for regulatory purposes after failure to meet the obligations by 90 days.

CR2: Changes in stock of defaulted customer financing and sukuk

AED '000s		a
1	Defaulted customer financing and sukuk at the end of 31 December 2022	9,106,383
2	Customer financing and sukuk that have defaulted since the last reporting period	574,488
3	Returned to non-defaulted status	(361,681)
4	Amounts written off	(63,534)
5	Other changes	(141,315)
6	Defaulted customer financing and sukuk at the end of 30 June 2023 (1+2-3-4±5)	9,114,341

CR3: Credit risk mitigation techniques - overview

		30 June 2023						
		a	b	c	d	e	f	g
AED '000s		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
1	Customer Financing	81,533,283	31,963,544	1,440,570	755,950	755,950	-	-
2	Sukuk	22,628,227	-	-	-	-	-	-
3	Total	104,161,509	31,963,544	1,440,570	755,950	755,950	-	-
4	Of which defaulted	9,114,341	-	-	-	-	-	-

CR4: Standardised approach – credit risk exposure and Credit Risk Mitigation (CRM) effects

AED '000s		30 June 2023					
		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
Asset classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density	
1	Sovereigns and their central banks	44,271,165	2,272,153	44,271,165	847,135	9,376,020	21%
2	Public Sector Entities	17,863,179	44,419	17,863,178	32,827	13,447,286	75%
3	Multilateral development banks	288,995	-	288,995	-	57,799	20%
4	Banks	12,393,409	2,041,687	12,393,410	1,741,959	6,837,116	48%
5	Securities firms	-	-	-	-	-	-
6	Corporates	25,030,307	7,722,115	25,030,305	4,000,730	26,784,096	92%
7	Regulatory retail portfolios	35,896,122	863,315	35,896,122	455,077	26,629,570	73%
8	Secured by residential property	17,887,759	292,525	18,019,895	14,126	7,276,168	40%
9	Secured by commercial real estate	8,011,360	137	8,011,359	69	7,964,674	99%
11	Past-due financing	4,303,125	691,696	4,210,313	784,508	6,018,189	120%
12	Higher-risk categories	144,695	-	144,695	-	217,043	150%
13	Other assets	12,710,689	-	12,710,689	-	10,404,923	82%
10	Equity Investment in Funds (EIF)	2,577	-	2,577	-	32,209	1250%
14	CVA	-	-	-	-	647,445	-
15	Total	178,803,379	13,928,047	178,842,703	7,876,429	115,692,538	62%

CR5: Standardised approach – exposures by asset classes and risk weights

AED '000s		30 June 2023										Total credit exposures amount (post CCF and post-CRM)
		a	b	c	d	e	f	g	h	i	j	
Asset classes/ Risk weight		0%	20%	35%	50%	75%	85%	100%	150%	250%	1250%	
1	Sovereigns and their central banks	33,056,290	2,392,975	-	1,543,221	-	-	8,125,814	-	-	-	45,118,300
2	Public Sector Entities	28,310	2,597,393	-	4,684,991	-	-	10,585,311	-	-	-	17,896,005
3	Multilateral development banks	-	288,995	-	-	-	-	-	-	-	-	288,995
4	Banks	-	2,482,438	-	10,624,641	-	-	1,028,254	36	-	-	14,135,369
5	Securities firms	-	-	-	-	-	-	-	-	-	-	-
6	Corporates	412,620	-	-	3,557,107	-	371,774	24,689,535	-	-	-	29,031,035
7	Regulatory retail portfolios	1,198,132	-	-	-	34,093,986	-	1,059,081	-	-	-	36,351,199
8	Secured by residential property	25,386	-	16,292,037	-	570,573	-	1,146,026	-	-	-	18,034,021
9	Secured by commercial real estate	46,754	-	-	-	-	-	7,964,674	-	-	-	8,011,428
10	Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-	-	2,577	2,577
11	Past-due financing	36,178	-	-	-	-	-	2,839,550	2,119,093	-	-	4,994,821
12	Higher-risk categories	-	-	-	-	-	-	-	144,695	-	-	144,695
13	Other assets	3,943,143	-	-	-	-	-	7,268,555	611,110	887,882	-	12,710,689
14	Total	38,746,812	7,761,801	16,292,037	20,409,960	34,664,559	371,774	64,706,798	2,874,934	887,882	2,577	186,719,133

9. Counterparty Credit Risk

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

AED '000s		30 June 2023					
		a	b	c	d	e	F
		Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR (for derivatives)	347,709	805,515		1.4	1,614,513	647,445
2				-	-	-	-
3	Simple Approach for credit risk mitigation (for SFTs)					-	-
4	Comprehensive Approach for credit risk mitigation (for SFTs)					-	-
5							
6	Total						647,445

CCR2: Credit valuation adjustment (CVA) capital charge

AED '000s		30 June 2023	
		a	b
		EAD post-CRM	RWA
1	All portfolios subject to the Standardised CVA capital charge*	-	-
2	All portfolios subject to the Simple alternative CVA capital charge	1,614,513	647,445

CCR3: Standardised approach - CCR exposures by regulatory portfolio and risk weights

AED '000s		30 June 2023							
		a	b	c	d	e	f	g	h
Regulatory Portfolio / Risk weight		0%	20%	50%	75%	100%	150%	Others	Total credit exposures
1	Sovereigns and their central banks	-	-	-	-	-	-	-	-
2	Public Sector Entities	-	-	-	-	21,234	-	-	21,234
3	Multilateral development banks	-	-	-	-	-	-	-	-
4	Banks	-	803,218	648,987	-	1,199	-	-	1,453,404
5	Securities firms	-	-	-	-	-	-	-	-
6	Corporates	-	-	-	-	139,875	-	-	139,875
7	Regulatory retail portfolios	-	-	-	-	-	-	-	-
8	Secured by residential property	-	-	-	-	-	-	-	-
9	Secured by commercial real estate	-	-	-	-	-	-	-	-
10	Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-
11	Past-due financing	-	-	-	-	-	-	-	-
12	Higher-risk categories	-	-	-	-	-	-	-	-
13	Other assets	-	-	-	-	-	-	-	-
14	Total	-	803,218	648,987	-	162,308	-	-	1,614,513

CCR5: Composition of collateral for CCR exposure

AED '000s		30 June 2023											
		a		b		c		d		e		f	
		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		Fair value of collateral received		Fair value of posted collateral	
1	Cash - domestic currency	-	-	-	-	-	-	-	-	-	-	-	-
2	Cash - other currencies	-	-	-	-	-	-	-	-	-	-	-	-
3	Domestic sovereign debt	-	-	-	-	-	-	-	-	-	-	-	-
4	Government agency debt	-	-	-	-	-	-	-	-	-	-	-	-
5	Corporate sukuk	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity securities	-	-	-	-	-	-	-	-	-	-	-	-
7	Other collateral	-	-	-	-	-	-	-	-	-	-	-	-
8	Total	-	-	-	-	-	-	-	-	-	-	-	-

CCR6: Credit derivative exposures - Not applicable

CCR8: Exposures to central counterparties - Not applicable

10. Securitisation

SECA: Qualitative disclosure requirements related to securitisation exposures

Not applicable

SEC1: Securitisation exposures in the banking book

Not applicable

SEC2: Securitisation exposures in the trading book

Not applicable

SEC3: Securitisation exposures in the banking book and associated regulatory capital requirements - bank acting as originator or as sponsor

Not applicable

SEC4: Securitisation exposures in the banking book and associated capital requirements - bank acting as investor

Not applicable

11. Market Risk

MR1: Market risk under the standardised approach (SA)

AED '000s		30 June 2023
		a
		RWA
1	General profit rate risk (General and Specific)	1,194,115
2	Equity risk (General and Specific)	714,025
3	Foreign exchange risk	48,656
4	Commodity risk	-
Options		
5	Simplified approach	-
6	Delta-plus method	-
7		
8	Securitisation	-
9	Total	1,956,796

12. Profit Rate Risk in the Banking Book (PRRBB)

Required Annually

13. Operational Risk

Required Annually

14. Remuneration Policy

Required Annually