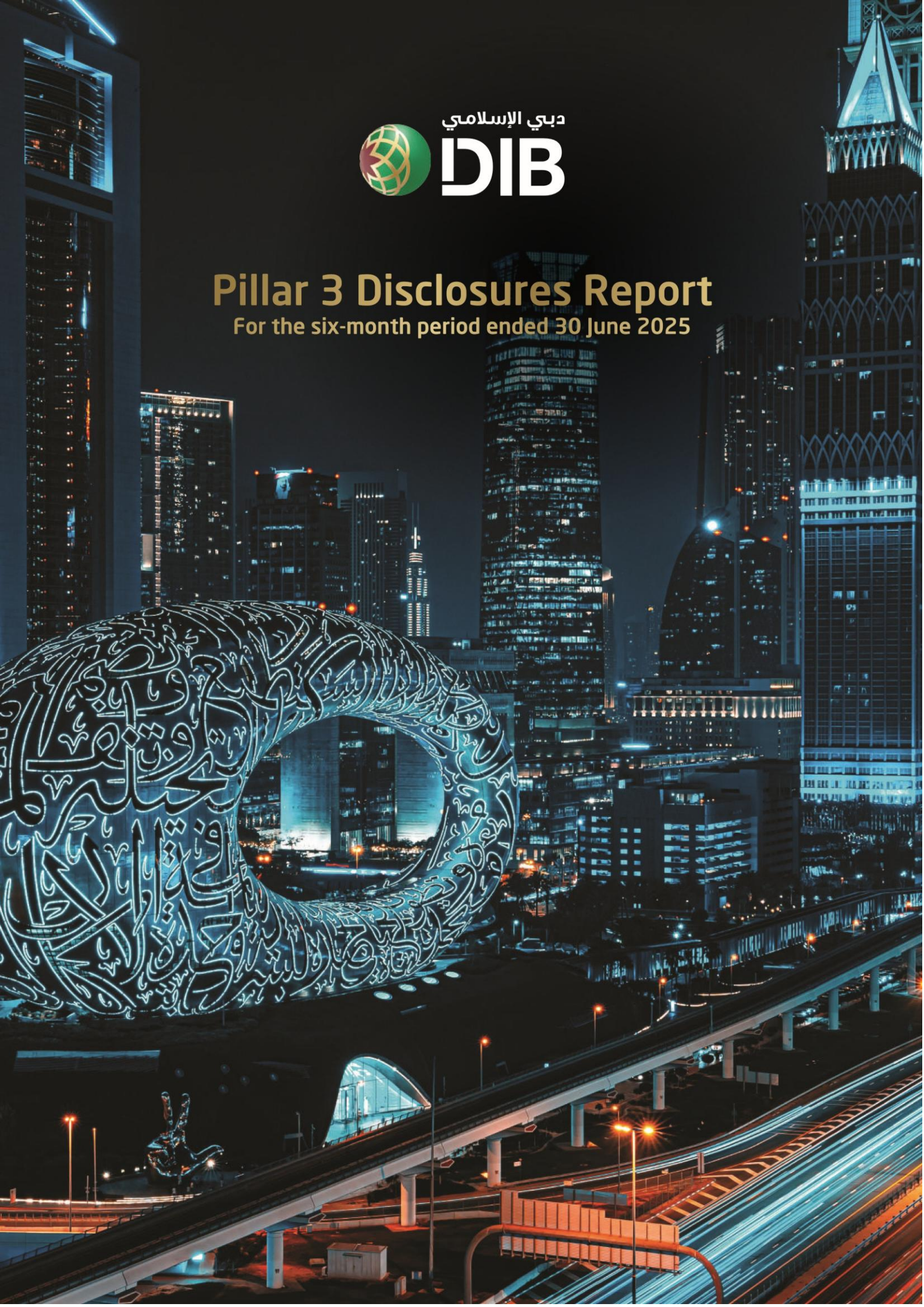




# Pillar 3 Disclosures Report

For the six-month period ended 30 June 2025





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## 1. Overview and Introduction

This document (as ‘Pillar III disclosures report’), in line with the requirements and guidelines of Central Bank of UAE (the “CBUAE”), presents Pillar III disclosures of Dubai Islamic Bank (Public Joint Stock Company) including its banking subsidiaries (as the “Bank”) and all other subsidiaries (as the “Group”).

The Pillar 3 report also provides in-depth information about the Group’s regulatory capital structure, sources and its adequacy, risk exposures, liquidity position, risk management objectives, policies and assessment processes.

The Pillar 3 report aims to provide information to the users of this report, in a clear, concise, and consistent manner. It enables market users to access key information about the Group in a transparent manner which can be easily compared with other market participants.

### 1.1. Scope of reporting

This report has been prepared on the consolidated basis, comprising of the parent, its banking and other financial subsidiaries, except where specifically mentioned otherwise.

### 1.2. Basel Regulatory Framework

The Basel Regulatory Accord framework consists of the following three main pillars:

- Pillar I - defines the regulatory minimum capital requirements by providing rules and regulations for measurement of credit risk, market risk and operational risk.
- Pillar II - addresses the Bank’s Internal Capital Adequacy Assessment Process (“ICAAP”) for assessing the overall capital adequacy in addition to Pillar I. Pillar II also introduces the Supervisory Review and Evaluation Process (“SREP”), which is used as a tool to assess the internal capital adequacy of banks; and
- Pillar III - complements the other two pillars and focuses on enhanced transparency in information disclosure, covering risk and capital management, including capital adequacy which encourages market discipline and allows market participants to assess specific information.

CBUAE has established regulatory thresholds for Common Equity Tier 1, Tier 1 and overall regulatory Capital.

- CET1 must be at least 7.0% of risk weighted assets (RWA).
- Tier 1 Capital must be at least 8.5% of RWA.
- Total Capital must be at least 10.5% of RWA.

On top of this minimum capital requirement, CBUAE has also mandated all the banks to keep additional buffers i.e., capital conservation buffer (CCB) of 2.5% of RWAs and a specific “D-SIB” buffer of 0.5% of RWA for DIB. The banks are also subject to counter-cyclical buffer (CCyB) that varies between zero and 2.5% of total risk weighted assets. CCyB is currently at 0.0066% for DIB with respect to credit exposures in jurisdictions attracting counter-cyclical buffer.

CBUAE has increased the CCyB requirement on the private sector credit exposures in the UAE from 0% to 0.50%. The requirement will be effective on 1 January 2026 with a phase-in period of 12 months, beginning on 1 January 2025.

### 1.3. Implementation and Compliance of Basel Framework

The Bank has been in compliance with Basel Accord guidelines since December 2007, in accordance with CBUAE directives on the Standardised Approach for Credit, Market and Operational Risk.

In compliance with the CBUAE guidelines and Basel accords, these disclosures include information on the Group’s risk management objectives and policies, risk assessment processes and computation, capital management and capital adequacy.

The Bank will ensure the smooth implementation of any forthcoming new guidelines and disclosure requirements from the regulator.

### 1.4. Internal review and verification

This document, Pillar III disclosures report for the six-month period ended 30 June 2025, has been audited by Group Internal Audit (GIA).

## 2. Key metrics of the Group (KM1)

The below table provides an overview of the Bank's key prudential metrics related to regulatory capital, capital adequacy, minimum capital ratio requirement, additional buffers, leverage ratio and liquidity ratios.

S. No.	Particulars	30 June 2025 AED 000	31 Mar 2025 AED 000	31 Dec 2024 AED 000	30 Sept 2024 AED 000	30 June 2024 AED 000
	<b>Available capital (amounts)</b>					
1	Common Equity Tier 1 (CET1)	36,835,002	35,634,702	34,035,967	36,053,021	34,387,610
1a	Fully loaded ECL accounting model	-	-	-	-	-
2	Tier 1	44,181,002	42,980,702	44,136,717	44,317,271	42,651,860
2a	Fully loaded ECL accounting model Tier 1	-	-	-	-	-
3	Total capital	47,413,515	46,010,113	47,062,141	47,273,652	45,517,477
3a	Fully loaded ECL accounting model total capital	-	-	-	-	-
	<b>Risk-weighted assets (amounts)</b>					
4	Total risk-weighted assets (RWA)	283,852,030	266,545,023	257,207,564	258,677,801	251,751,403
	<b>Risk-based capital ratios as a percentage of RWA</b>					
5	Common Equity Tier 1 ratio (%)	13.0%	13.4%	13.2%	13.9%	13.7%
5a	Fully loaded ECL accounting model CET1 (%)	-	-	-	-	-
6	Tier 1 ratio (%)	15.6%	16.1%	17.2%	17.1%	16.9%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	-	-	-	-	-
7	Total capital ratio (%)	16.7%	17.3%	18.3%	18.3%	18.1%
7a	Fully loaded ECL accounting model total capital ratio (%)	-	-	-	-	-
	<b>Additional CET1 buffer requirements as a percentage of RWA</b>					
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.5%	2.5%	2.5%	2.5%	2.5%
9	Countercyclical buffer requirement (%) <sup>1</sup>	0.0%	0.0%	0.0%	0.0%	0.0%
10	Bank D-SIB additional requirements (%)	0.5%	0.5%	0.5%	0.5%	0.5%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9+ row 10)	3.0%	3.0%	3.0%	3.0%	3.0%
12	CET1 available after meeting the bank's minimum capital requirements (%)	6.0%	6.4%	6.2%	6.9%	6.7%

# Dubai Islamic Bank PJSC

Pillar 3 Disclosures Report

For the six-month period ended 30 June 2025



S. No.	Particulars	30 June 2025 AED 000	31 Mar 2025 AED 000	31 Dec 2024 AED 000	30 Sept 2024 AED 000	30 June 2024 AED 000
	<b>Leverage Ratio</b>					
13	Total leverage ratio measure	389,731,523	370,709,994	359,668,206	345,187,023	338,455,778
14	Leverage ratio (%) (row 2/row 13)	11.3%	11.6%	12.3%	12.8%	12.6%
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2a/row 13)	-	-	-	-	-
14b	Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	-	-	-	-	-
	<b>Liquidity Coverage Ratio <sup>2</sup></b>					
15	Total HQLA	57,519,870	59,220,568	61,496,995	48,438,757	51,621,837
16	Total net cash outflow	44,810,848	44,323,982	38,591,203	34,526,926	35,367,462
17	LCR ratio (%)	128.4%	133.6%	159.4%	140.3%	146.0%
	<b>Net Stable Funding Ratio <sup>2</sup></b>					
18	Total available stable funding	258,386,399	236,085,365	240,737,338	223,443,867	221,831,240
19	Total required stable funding	242,050,850	224,754,568	215,718,155	212,757,741	205,200,377
20	NSFR ratio (%)	106.7%	105.0%	111.6%	105.0%	108.1%
	<b>ELAR <sup>3</sup></b>					
21	Total HQLA	-	-	-	-	-
22	Total liabilities	-	-	-	-	-
23	Eligible Liquid Assets Ratio (ELAR) (%)	-	-	-	-	-
	<b>ASRR <sup>4</sup></b>					
24	Total available stable funding	-	-	-	-	-
25	Total Advances	-	-	-	-	-
26	Advances to Stable Resources Ratio (%)	-	-	-	-	-

<sup>1</sup> CCyB is at 0.0066% for 30 June 2025 (0.0017% for 31 March 2025).

<sup>2</sup> LCR and NSFR are calculated as at the end of each period. For average LCR, refer to table LIQ1.

<sup>3</sup> ELAR is not applicable.

<sup>4</sup> ASRR is not applicable.

### 3. Overview of RWA (OV1)

The below table provides an overview of the total RWA(s) (forming the denominator of the risk-based capital requirements).

S. No	Particulars	Risk weighted assets (RWA)		Minimum capital requirements <sup>1</sup>	
		30 June 2025 AED '000'	31 Mar 2025 AED '000'	30 June 2025 AED '000'	31 Mar 2025 AED '000'
1	Credit risk (excluding counterparty credit risk) <sup>2</sup>	256,011,191	240,305,543	26,881,174	25,232,101
2	Of which: standardised approach (SA)	256,011,191	240,305,543	26,881,174	25,232,101
6	Counterparty credit risk (CCR) <sup>3</sup>	1,849,515	1,234,655	194,199	129,639
7	Of which: standardised approach for counterparty credit risk	1,849,515	1,234,655	194,199	129,639
12	Equity investments in funds - look-through approach	-	-	-	-
13	Equity investments in funds - mandate-based approach	460,496	444,898	48,352	46,714
14	Equity investments in funds - fallback approach	279,815	367,618	29,381	38,600
15	Settlement risk	-	183	-	19
16	Securitisation exposures in the banking book	-	-	-	-
18	Of which: securitisation external ratings-based approach (SEC-ERBA)	-	-	-	-
19	Of which: securitisation standardised approach (SEC-SA)	-	-	-	-
20	Market risk <sup>4</sup>	3,404,967	2,740,303	357,522	287,732
21	Of which: standardised approach (SA)	3,404,967	2,740,303	357,522	287,732
23	Operational risk	21,846,046	21,451,823	2,293,835	2,252,441
<b>26</b>	<b>Total (1+6+12+13+14+15+16+20+23)</b>	<b>283,852,030</b>	<b>266,545,023</b>	<b>29,804,463</b>	<b>27,987,227</b>

<sup>1</sup> The minimum capital requirement applied is 10.5% in line with the guidance of Pillar 3 disclosures. In addition to this, the Bank is required to maintain a combined buffer of 3.007% (including CCyB) to CET 1.

<sup>2</sup> Including CVA but excluding equity investment in funds and Settlement risk.

<sup>3</sup> Increase in CCR is driven by increase in replacement cost.

<sup>4</sup> Increase in Market Risk RWA is primarily driven by increase in GIRR.

## 4. Composition of capital

### 4.1. Composition of regulatory capital (CC1)

Below table provides a breakdown of the constituent elements of the Bank's capital.

S. No	Particulars	30 June 2025	31 Dec 2024	Reference to CC2
		AED '000'	AED '000'	
	<b>Common Equity Tier 1 capital: instruments and reserves</b>			
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	7,240,744	7,240,744	a
2	Retained earnings	19,600,705	16,652,186	c - Dividend
3	Accumulated other comprehensive income (and other reserves)	10,462,314	10,517,173	
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	<b>Common Equity Tier 1 capital before regulatory deductions</b>	<b>37,303,763</b>	<b>34,410,103</b>	
	<b>Common Equity Tier 1 capital regulatory adjustments</b>			
7	Prudent valuation adjustments	-	-	
8	Goodwill (net of related tax liability)	-	-	
9	Other intangibles other than mortgage servicing rights (net of related tax liability)	301,136	215,824	
10	Deferred tax assets that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	136,310	126,997	
11	Cash flow hedge reserve	-	-	
12	Securitisation gain on sale	-	-	
13	Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	
14	Defined benefit pension fund net assets	-	-	
15	Investments in own shares (if not already subtracted from paid-in capital on reported balance sheet)	31,315	31,315	
16	Reciprocal cross-holdings in common equity	-	-	
17	Investments in the capital of banking, financial and Insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-	
18	Significant investments in the common stock of banking, financial and Insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-	
19	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-	
20	Amount exceeding 15% threshold	-	-	
21	Of which: significant investments in the common stock of financials	-	-	
22	Of which: deferred tax assets arising from temporary differences	-	-	
23	CBUAE specific regulatory adjustments	-	-	
24	<b>Total regulatory adjustments to Common Equity Tier 1</b>	<b>468,761</b>	<b>374,136</b>	
25	<b>Common Equity Tier 1 capital (CET1)</b>	<b>36,835,002</b>	<b>34,035,967</b>	
	<b>Additional Tier 1 capital: instruments</b>			
26	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	7,346,000	10,100,750	b
27	Of which: classified as equity under applicable accounting standards	7,346,000	10,100,750	
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)	-	-	

S. No	Particulars	30 June 2025	31 Dec 2024	Reference to CC2
		AED '000'	AED '000'	
31	Of which: instruments issued by subsidiaries subject to phase-out	-	-	
32	Additional Tier 1 capital before regulatory adjustments	7,346,000	10,100,750	
	<b>Additional Tier 1 capital: regulatory adjustments</b>			
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	<b>Additional Tier 1 capital (AT1)</b>	<b>7,346,000</b>	<b>10,100,750</b>	
39	<b>Tier 1 capital (T1= CET1 + AT1)</b>	<b>44,181,002</b>	<b>44,136,717</b>	
	<b>Tier 2 capital: instruments and provisions</b>			
40	Directly issued qualifying Tier 2 instruments plus related stock surplus	-	-	
41	Directly issued capital instruments subject to phase-out from Tier 2	-	-	
42	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-	-	
43	Of which: instruments issued by subsidiaries subject to phase-out	-	-	
44	Provisions	3,232,513	2,925,424	
45	<b>Tier 2 capital before regulatory adjustments</b>	<b>3,232,513</b>	<b>2,925,424</b>	
	<b>Tier 2 capital: regulatory adjustments</b>			
46	Investments in own Tier 2 instruments	-	-	
47	Investments in capital, financial and Insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	-	
48	Significant investments in the capital and other TLAC liabilities of banking, financial and Insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-	
49	CBUAE specific regulatory adjustments	-	-	
50	<b>Total regulatory adjustments to Tier 2 capital</b>	<b>-</b>	<b>-</b>	
51	<b>Tier 2 capital (T2)</b>	<b>3,232,513</b>	<b>2,925,424</b>	
52	<b>Total regulatory capital (TC = T1 + T2)</b>	<b>47,413,515</b>	<b>47,062,141</b>	
53	<b>Total risk-weighted assets</b>	<b>283,852,030</b>	<b>257,207,564</b>	
	<b>Capital ratios and buffers</b>			
54	<b>Common Equity Tier 1 (as a percentage of risk-weighted assets)</b>	<b>13.0%</b>	<b>13.2%</b>	
55	<b>Tier 1 (as a percentage of risk-weighted assets)</b>	<b>15.6%</b>	<b>17.2%</b>	
56	<b>Total capital (as a percentage of risk-weighted assets)</b>	<b>16.7%</b>	<b>18.3%</b>	
57	<b>Institution specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk-weighted assets)</b>	<b>3.0%</b>	<b>3.0%</b>	
58	<b>Of which: capital conservation buffer requirement</b>	<b>2.5%</b>	<b>2.5%</b>	
59	<b>Of which: bank-specific countercyclical buffer requirement <sup>1</sup></b>	<b>0.0%</b>	<b>0.0%</b>	
60	<b>Of which: higher loss absorbency requirement (e.g. DSIB)</b>	<b>0.5%</b>	<b>0.5%</b>	
61	<b>Common Equity Tier 1 (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirement.</b>	<b>6.0%</b>	<b>6.2%</b>	
	<b>The CBUAE Minimum Capital Requirement</b>			
62	Common Equity Tier 1 minimum ratio	7.0%	7.0%	
63	Tier 1 minimum ratio	8.5%	8.5%	



S. No	Particulars	30 June 2025	31 Dec 2024	Reference to CC2
		AED '000'	AED '000'	
64	Total capital minimum ratio <sup>2</sup>	10.5%	10.5%	
66	Significant investments in common stock of financial entities	-	-	
68	Deferred tax assets arising from temporary differences (net of related tax liability)	-	-	
<b>Applicable caps on the inclusion of provisions in Tier 2</b>				
69	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	4,561,726	4,124,408	
70	Cap on inclusion of provisions in Tier 2 under standardised approach	3,232,513	2,925,424	
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)</b>				
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)	-	-	

<sup>1</sup> CCyB is at 0.0066% for 30 June 2025 (0.0037% for 31 December 2024).

<sup>2</sup> The minimum capital requirement applied is 10.5% in line with the guidance of Pillar 3 disclosures. In addition to this, the Bank is required to maintain a combined buffer of 3.007% (including CCyB) to CET 1.

## 4.2. Reconciliation of regulatory capital to balance sheet (CC2)

Below table enables 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 have been used in the composition of capital disclosure template set out in Template CC1.

S. No	Particulars	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
		30 June 2025 - AED '000'		31 Dec 2024 - AED '000'		
	<b>Assets</b>					
1	Cash and balances with the Central Banks	22,949,744	22,949,305	26,700,468	26,699,971	
2	Due from banks and financial institutions	3,439,914	2,289,394	5,642,110	4,037,150	
3	Islamic financing and investing assets, net	237,375,695	237,304,788	212,426,748	212,293,940	
4	Investments in Sukuk	89,284,999	89,284,999	82,160,734	82,160,734	
5	Other investments measured at fair value	618,587	606,669	785,404	775,426	
6	Investments in associates and joint ventures <sup>1</sup>	3,081,276	4,528,412	2,502,668	3,981,052	
7	Properties held for development and sale	1,152,088	32,056	988,138	32,056	
8	Investment properties	4,611,827	2,435,826	4,520,483	2,367,046	
9	Receivables and other assets	9,052,751	8,844,519	7,081,994	7,624,694	
10	Property and equipment	1,912,468	1,299,050	1,878,071	1,257,478	
	<b>Total assets</b>	<b>373,479,349</b>	<b>369,575,018</b>	<b>344,686,818</b>	<b>341,229,547</b>	
	<b>Liabilities</b>					
1	Customer's deposits	283,662,748	284,355,537	248,545,755	249,220,123	
2	Due to banks and financial institutions	3,004,351	2,953,751	5,854,493	5,803,993	
3	Sukuk issued	21,396,817	21,396,817	24,154,397	24,154,397	
4	Payables and other liabilities	15,250,465	13,538,608	12,697,749	11,438,807	
5	Zakat payable	-	-	581,545	581,545	
	<b>Total liabilities</b>	<b>323,314,381</b>	<b>322,244,713</b>	<b>291,833,939</b>	<b>291,198,865</b>	
	<b>Shareholders' equity</b>					
1	Share capital	7,240,744	7,240,744	7,240,744	7,240,744	a
2	Tier 1 sukuk	7,346,000	7,346,000	10,100,750	10,100,750	b
3	Other reserves and treasury shares	16,274,668	16,274,668	15,874,668	15,874,668	
4	Investments fair value reserve	(1,212,114)	(1,212,114)	(1,267,060)	(1,267,060)	
5	Exchange translation reserve	(2,136,345)	(2,136,345)	(2,028,690)	(2,028,690)	
6	Retained earnings	19,600,705	19,600,705	19,904,386	19,904,386	c
7	Non-controlling interests	3,051,310	216,647	3,028,081	205,884	
	<b>Total shareholders' equity</b>	<b>50,164,968</b>	<b>47,330,305</b>	<b>52,852,879</b>	<b>50,030,682</b>	
	<b>Total Liabilities and Shareholders' equity</b>	<b>373,479,349</b>	<b>369,575,018</b>	<b>344,686,818</b>	<b>341,229,547</b>	

<sup>1</sup> For column "Under regulatory scope of consolidation", this includes carrying values of unconsolidated subsidiaries.

### 4.3. Main features of regulatory capital instruments (CCA)

Below table provides a description of the main features of the Bank's regulatory capital instruments.

S. No.	Particulars	Quantitative / qualitative information			
1	Issuer	Dubai Islamic Bank PJSC			
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	AED000201015	XS2258453443	XS2330535381	XS2913984568
3	Governing law(s) of the instrument	UAE Law	English Law	English Law	English Law
<b>Regulatory treatment</b>					
4	Transitional arrangement rules (i.e. grandfathering)	NA	NA	NA	NA
5	Post-transitional arrangement rules (i.e. grandfathering)	NA	NA	NA	NA
6	Eligible at solo/group/group and solo	Group and solo			
7	Instrument type (types to be specified by each jurisdiction)	Ordinary Shares <sup>1</sup>	Sukuk <sup>2</sup>	Sukuk <sup>2</sup>	Sukuk <sup>2</sup>
8	Amount recognised in regulatory capital (currency in thousands, as of most recent reporting date)	7,240,744	3,673,000	1,836,500	1,836,500
9	Nominal amount of instrument	NA	USD 1000	USD 500	USD 500
9a	Issue price	NA	100 Percent		
9b	Redemption price	As per Market Value	At Par		
10	Accounting classification	Shareholder's equity	Tier 1 sukuk		
11	Original date of issuance	Multiple	19 <sup>th</sup> November 2020	19 <sup>th</sup> April 2021	16 <sup>th</sup> October 2024
12	Perpetual or dated	NA	Perpetual		
13	Original maturity date	NA	NA	NA	NA
14	Issuer call subject to prior supervisory approval	NA	Yes		
15	Optional call date, contingent call dates and redemption amount	-	On or after 19- May - 2026/Tax event or Capital Event/ at par	On or after 19-Oct - 2026/ Tax event or Capital Event/ at par	On or after 16-Apr- 2030 / Tax event or Capital Event/ at par
16	Subsequent call dates, if applicable	NA	Any Periodic Distribution Date on or after the First Reset Date (19-Nov-2026)	Any Periodic Distribution Date on or after the First Reset Date (19-Apr-2027)	Any Periodic Distribution Date on or after the First Reset Date (16-Oct-2030)
<b>Coupons / dividends</b>					
17	Fixed or floating dividend/coupon	Dividend	Fixed		
18	Coupon rate and any related index	NA	4.63% <sup>2</sup>	3.38% <sup>2</sup>	5.25% <sup>2</sup>
19	Existence of a dividend stopper	NA	Yes	Yes	Yes
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Full discretionary	Full discretionary		
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Full discretionary	Full discretionary		
21	Existence of step-up or other incentive to redeem	NA	No	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative		
23	Convertible or non-convertible	NA	Non-convertible		

# Dubai Islamic Bank PJSC

## Pillar 3 Disclosures Report

For the six-month period ended 30 June 2025



S. No.	Particulars	Quantitative / qualitative information			
24	Write down feature	NA	Yes		
25	If write-down, write down trigger(s)	NA	Notice from the financial regulator to the Issuer that the Issuer has, or will, become Non-Viable (as defined in the Conditions) without a write-down or a public injection of capital or equivalent support.		
26	If write-down, full or partial	NA	Full or Partial as determined by the Financial Regulator.		
27	If write down, permanent or temporary	NA	Permanent		
28	If temporary write-down, description of writeup mechanism	NA	NA	NA	NA
28a	Type of subordination	NA	Structural subordination		
29	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	NA	Senior only to Share Capital		
30	Non-compliant transitioned features	NA	No	No	No
31	If yes, specify non-compliant features	NA	NA	NA	NA

<sup>1</sup> <https://www.dib.ae/about-us/investor-relations/share-information>

<sup>2</sup> <https://www.dib.ae/about-us/investor-relations/disclosures-publications>



## 5. Macroprudential supervisory measures

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

The below table provides an overview of the geographical distribution of the Bank's credit exposures used in the countercyclical capital buffer.

30 June 2025 – AED '000'

Geographical breakdown	a	b		c	d	e
	Counter cyclical 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	Countercyclical buffer amount <sup>4</sup>
		Exposure values	Risk-weighted assets			
Ireland	1.50%	922,340	922,340		0.0%	18,783
Belgium	1.00%	458	688		0.0%	9
France	1.00%	0	0		0.0%	0
<b>Sum <sup>1</sup></b>		<b>922,799</b>	<b>923,028</b>		<b>0.0% <sup>3</sup></b>	<b>18,792</b>
Other countries	0.00%	277,432,191	208,157,120		-	-
<b>Total <sup>2</sup></b>		<b>278,354,990</b>	<b>209,080,148</b>		<b>0.0% <sup>3</sup></b>	<b>18,792</b>

31 December 2024 – AED '000'

Geographical breakdown	a	b		c	d	e
	Counter Cyclical 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	Countercyclical buffer amount <sup>4</sup>
		Exposure values	Risk-weighted assets			
Ireland	1.50%	445,054	445,054		0.0%	9,007
Norway	2.50%	16,490	16,490		0.0%	556
Belgium	1.00%	407	611		0.0%	8
France	1.00%	0	0		0.0%	0
<b>Sum <sup>1</sup></b>		<b>461,951</b>	<b>462,155</b>		<b>0.0% <sup>3</sup></b>	<b>9,571</b>
Other countries	0.00%	248,921,173	190,180,323		-	-
<b>Total <sup>2</sup></b>		<b>249,383,124</b>	<b>190,642,478</b>		<b>0.0% <sup>3</sup></b>	<b>9,571</b>

<sup>1</sup> Sum of private sector credit exposures and related RWA in jurisdictions (based on country of ultimate risk) with a non-zero CCyB rate.

<sup>2</sup> Total of private sector credit exposures and related RWA across all jurisdictions (based on country of ultimate risk).

<sup>3</sup> CCyB is at 0.0066% for 30 June 2025 (0.0037% for 31 December 2024).

<sup>4</sup> Countercyclical buffer amounts will be AED 2.44 Mn (31 December 2024 AED1.27 Mn) if computed as a percentage of CET1 Capital.

## 6. Leverage ratio

### 6.1. Summary comparison of accounting assets vs leverage ratio exposure measure (LR1)

The below table provides reconciliation of the total assets in the published financial statements to the leverage ratio exposure measure.

S. No.	Particulars	30 June 2025 AED '000'	31 Mar 2025 AED '000'
1	Total consolidated assets as per published financial statements	373,479,349	355,268,562
2	Adjustments for investments in banking, financial, Insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(3,904,332)	(3,748,050)
3	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-	-
4	Adjustments for temporary exemption of central bank reserves (if applicable)	-	-
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	-
6	Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	-	-
7	Adjustments for eligible cash pooling transactions	-	-
8	Adjustments for Sharia-compliant derivative financial instruments	1,398,850	942,703
9	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	-	-
10	Adjustments for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	18,123,198	17,358,396
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-	-
12	Other adjustments	634,458	888,383
13	<b>Leverage ratio exposure measure</b>	<b>389,731,523</b>	<b>370,709,994</b>

## 6.2. Leverage ratio common disclosure template (LR2)

The below table provides a detailed breakdown of the components of the leverage ratio exposure, as well as information on the leverage ratio, minimum requirements and buffers.

S. No.	Particulars	30 June 2025 AED '000'	31 Mar 2025 AED '000'
	<b>On-balance sheet exposures</b>		
1	On-balance sheet exposures (excluding Sharia-compliant derivatives and securities financing transactions (SFTs), but including collateral) <sup>1</sup>	369,088,417	351,905,771
2	Gross-up for Sharia-compliant 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 Sharia-compliant derivatives transactions)	-	-
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(Specific and general provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	(437,446)	(352,634)
7	<b>Total on-balance sheet exposures (excluding Sharia-compliant derivatives and SFTs) (sum of rows 1 to 6)</b>	<b>368,650,971</b>	<b>351,553,137</b>
	<b>Sharia-compliant derivative exposures</b>		
8	Replacement cost associated with all Sharia-compliant derivative transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	1,568,309	535,320
9	Add-on amounts for PFE associated with all Sharia-compliant derivative transactions	1,389,045	1,263,141
10	(Exempted CCP leg of client-cleared trade exposures)	-	-
11	Adjusted effective notional amount of written Sharia-compliant credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written Sharia-compliant credit derivatives)	-	-
13	<b>Total Sharia-compliant derivative exposures (sum of rows 8 to 12)</b>	<b>2,957,354</b>	<b>1,798,461</b>
	<b>Securities financing transactions</b>		
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	<b>Total securities financing transaction exposures (sum of rows 14 to 17)</b>	<b>-</b>	<b>-</b>
	<b>Other off-balance sheet exposures</b>		
19	Off-balance sheet exposure at gross notional amount	38,589,501	37,867,684
20	(Adjustments for conversion to credit equivalent amounts)	(20,466,303)	(20,509,288)
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	-	-
22	<b>Off-balance sheet items (sum of rows 19 to 21)</b>	<b>18,123,198</b>	<b>17,358,396</b>
	<b>Capital and total exposures</b>		
23	<b>Tier 1 capital</b>	<b>44,181,002</b>	<b>42,980,702</b>
24	<b>Total exposures (sum of rows 7, 13, 18 and 22)</b>	<b>389,731,523</b>	<b>370,709,994</b>
	<b>Leverage ratio</b>		
25	<b>Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)</b>	<b>11.3%</b>	<b>11.6%</b>
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	11.3%	11.6%
26	CBUAE minimum leverage ratio requirement	3.5%	3.5%
27	<b>Applicable leverage buffers</b>	<b>-</b>	<b>-</b>

<sup>1</sup> The On-balance sheet exposure increased in 'June 2025' from 'March 2025', mainly due to increase in exposure to financing and sukuk.

## 7. Liquidity Risk

### 7.1. Liquidity Coverage Ratio – LCR (LIQ1)

30 June 2025 – AED ‘000’

S. No	Particulars	Total unweighted value (average)	Total weighted value (average)
	<b>High-quality liquid assets</b>		
1	<b>Total HQLA</b>		<b>61,260,814</b>
	<b>Cash outflows</b>		
2	<b>Retail deposits and deposits from small business customers, of which:</b>	<b>55,870,807</b>	<b>4,531,223</b>
3	Stable deposits	21,117,150	1,055,858
4	Less stable deposits	34,753,657	3,475,366
5	<b>Unsecured wholesale funding, of which:</b>	<b>88,178,711</b>	<b>35,427,345</b>
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	19,598,709	4,899,677
7	Non-operational deposits (all counterparties)	68,580,002	30,527,667
8	Unsecured debt	-	-
9	<b>Secured wholesale funding</b>		-
10	<b>Additional requirements, of which:</b>	<b>36,978,500</b>	<b>5,679,419</b>
11	Outflows related to Sharia-compliant derivative exposures and other collateral requirements	-	-
12	Outflows related to loss of funding of debt products	-	-
13	Credit and liquidity facilities	36,978,500	5,679,419
14	<b>Other contractual funding obligations</b>	-	-
15	<b>Other contingent funding obligations</b>	-	-
16	<b>TOTAL CASH OUTFLOWS</b>		<b>45,637,987</b>
	<b>Cash inflows</b>		
17	<b>Secured lending (e.g. reverse repo)</b>	-	-
18	<b>Inflows from fully performing exposures</b>	3,432,297	1,716,148
19	<b>Other cash inflows</b>	2,394,951	2,394,951
20	<b>TOTAL CASH INFLOWS</b>	<b>5,827,248</b>	<b>4,111,100</b>
	<b>Total adjusted value</b>		
21	<b>Total HQLA</b>		<b>61,260,814</b>
22	<b>Total net cash outflows</b>		<b>41,526,887</b>
23	<b>Liquidity coverage ratio (%)</b>		<b>148.0%</b>



#### 31 Mar 2025 – AED ‘000’

S. No	Particulars	Total unweighted value (average)	Total weighted value (average)
	<b>High-quality liquid assets</b>		
<b>1</b>	<b>Total HQLA</b>		<b>62,106,956</b>
	<b>Cash outflows</b>		
<b>2</b>	<b>Retail deposits and deposits from small business customers, of which:</b>	<b>54,563,844</b>	<b>4,413,522</b>
3	Stable deposits	20,857,243	1,042,862
4	Less stable deposits	33,706,600	3,370,660
<b>5</b>	<b>Unsecured wholesale funding, of which:</b>	<b>79,576,515</b>	<b>32,937,577</b>
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	20,839,618	5,209,904
7	Non-operational deposits (all counterparties)	58,736,897	27,727,673
8	Unsecured debt	-	-
<b>9</b>	<b>Secured wholesale funding</b>		-
<b>10</b>	<b>Additional requirements, of which:</b>	<b>36,264,409</b>	<b>5,898,624</b>
11	Outflows related to Sharia-compliant derivative exposures and other collateral requirements	1,302,737	260,547
12	Outflows related to loss of funding of debt products	-	-
13	Credit and liquidity facilities	34,961,672	5,638,077
14	Other contractual funding obligations	-	-
15	Other contingent funding obligations	-	-
<b>16</b>	<b>TOTAL CASH OUTFLOWS</b>		<b>43,249,723</b>
	<b>Cash inflows</b>		
<b>17</b>	<b>Secured lending (e.g. reverse repo)</b>	-	-
<b>18</b>	<b>Inflows from fully performing exposures</b>	<b>3,138,454</b>	<b>1,569,227</b>
<b>19</b>	<b>Other cash inflows</b>	<b>2,519,772</b>	<b>2,519,772</b>
<b>20</b>	<b>TOTAL CASH INFLOWS</b>	<b>5,658,226</b>	<b>4,088,999</b>
	<b>Total adjusted value</b>		
<b>21</b>	<b>Total HQLA</b>		<b>62,106,956</b>
<b>22</b>	<b>Total net cash outflows</b>		<b>39,160,724</b>
<b>23</b>	<b>Liquidity coverage ratio (%)</b>		<b>158.9%</b>

The LCR is designed to ensure that banks hold a sufficient reserve of high-quality liquid assets (HQLA) to allow them to survive a period of significant liquidity stress lasting 30 calendar days. LCR ratio of the Bank as at 30<sup>th</sup> June 2025 was 128.4% (31<sup>st</sup> Mar 2025 was 133.6%) whereas the average LCR ratio for the quarter ended 30<sup>th</sup> June 2025 was 148.0% (31<sup>st</sup> March 2025 was 158.9%). LCR both spot and average are higher than CBUAE current minimum requirement of LCR 100%.

## 7.2. Net Stable Funding Ratio – NSFR (LIQ2)

30 June 2025 – AED ‘000’

S. No	Particulars	Unweighted value by residual maturity				Weighted value
		No maturity	<6 months	6 months to <1 year	≥1 year	
Available stable funding (ASF) item						
1	Capital:					
2	Regulatory capital	47,882,333	-	-	-	47,882,333
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers:					
5	Stable deposits	21,831,907	1,436	-	-	20,741,676
6	Less stable deposits	24,480,268	26,821,257	14,539,033	834,313	60,090,816
7	Wholesale funding:					
8	Operational deposits	23,120,634	-	-	-	11,560,317
9	Other wholesale funding	32,998,379	67,324,656	53,407,608	43,201,038	116,666,373
10	Liabilities with matching interdependent assets					
11	Other liabilities:					
12	NSFR Sharia-compliant derivative liabilities				1,345,093	
13	All other liabilities and equity not included in the categories	-	9,741,868	2,306,229	291,769	1,444,884
14	Total ASF					258,386,399
Required stable funding (RSF) item						
15	Total NSFR high-quality liquid assets (HQLA)	18,441,176	5,273,487	3,339,136	50,757,866	15,769,610
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17	Performing financing and securities:					
18	Performing financing to financial institutions secured by Level 1 HQLA	-	-	-	-	-
19	Performing financing to financial institutions secured by non-Level 1 HQLA and unsecured performing financing to financial institutions	-	4,430,697	2,179,080	-	1,754,145
20	Performing financing to non-financial corporate clients, financing to retail and small business customers, and financing to sovereigns, central banks and PSEs, of which:	-	19,433,241	18,435,311	151,714,022	147,891,195
21	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	-	-	25,007,926	16,255,152
22	Performing Home finance, of which:					
23	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	-	-	18,655,476	12,126,059
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	2,525,551	4,359,758	27,937,920	27,189,886
25	Assets with matching interdependent liabilities					
26	Other assets:					
27	Physical traded commodities, including gold	-				-
28	Assets posted as initial margin for Sharia-compliant derivative contracts and contributions to default funds of CCPs		-	-	-	-
29	NSFR Sharia-compliant derivative assets				1,412,452	67,359
30	NSFR Sharia-compliant derivative liabilities before deduction of variation margin posted				1,345,093	269,019
31	All other assets not included in the above categories	15,755,961	-	-	468,761	16,224,722
32	Off-balance sheet items					4,657,311
33	Total RSF					242,204,458
34	Net Stable Funding Ratio (%)					106.7%

**31 December 2024 – AED '000'**

S. No	Particulars	Unweighted value by residual maturity				Weighted value
		No maturity	<6 months	6 months to <1 year	≥1 year	
Available stable funding (ASF) item						
1	Capital:					
2	Regulatory capital	47,436,276	-	-	-	47,436,276
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers:					
5	Stable deposits	21,557,144	681,694	58,006	930	21,182,931
6	Less stable deposits	23,512,416	25,611,260	12,327,401	1,332,688	56,638,657
7	Wholesale funding:					
8	Operational deposits	24,395,544	-	-	-	12,197,772
9	Other wholesale funding	23,391,659	82,830,517	17,722,214	45,216,065	101,888,130
10	Liabilities with matching interdependent assets					
11	Other liabilities:					
12	NSFR Sharia-compliant derivative liabilities		967,322			
13	All other liabilities and equity not included in the categories	-	11,601,317	2,329,389	228,876	1,393,570
14	Total ASF	240,737,338				
Required stable funding (RSF) item						
15	Total NSFR high-quality liquid assets (HQLA)	19,759,602	15,701,008	1,052,509	43,425,928	14,952,823
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17	Performing financing and securities:					
18	Performing financing to financial institutions secured by Level 1 HQLA	-	-	-	-	-
19	Performing financing to financial institutions secured by non-Level 1 HQLA and unsecured performing financing to financial institutions	-	5,556,625	1,999,438	-	1,833,213
20	Performing financing to non-financial corporate clients, financing to retail and small business customers, and financing to sovereigns, central banks and PSEs, of which:	-	22,672,751	12,411,904	127,246,837	125,702,139
21	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	-	-	25,187,150	16,371,648
22	Performing Home finance, of which:					
23	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	-	-	20,670,748	13,435,986
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	641,884	2,498,638	25,467,475	23,217,615
25	Assets with matching interdependent liabilities					
26	Other assets:					
27	Physical traded commodities, including gold	-				-
28	Assets posted as initial margin for Sharia-compliant derivative contracts and contributions to default funds of CCPs		-	-	-	-
29	NSFR Sharia-compliant derivative assets		484,969			-
30	NSFR Sharia-compliant derivative liabilities before deduction of variation margin posted		967,322			193,464
31	All other assets not included in the above categories	16,049,115	-	-	374,136	16,423,250
32	Off-balance sheet items	3,587,808				
33	Total RSF	215,717,947				
34	Net Stable Funding Ratio (%)	111.6%				

Note: Items reported in the "no maturity" time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits and non-HQLA equities.

## 8. Credit Risk

### 8.1. Credit quality of assets (CR1)

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

**30 June 2025 – AED ‘000’**

S. No	Particulars	Gross carrying values of		Allowances/ Impairments (c)	Of which ECL accounting provisions for credit losses on SA exposures		Net values (a + b - c)
		Defaulted exposures <sup>2</sup> (a)	Non- defaulted exposures (b)		Allocated in regulatory category of Specific (d)	Allocated in regulatory category of General (e)	
1	Islamic financing and investing assets	6,631,326	237,427,161	6,753,700	4,992,648	1,761,052	237,304,788
2	Investment in sukuk	29,916	89,520,553	265,470	8,798	256,672	89,284,999
3	Off-balance sheet exposures <sup>1</sup>	973,227	40,410,130	40,913	-	40,913	41,342,444
4	<b>Total</b>	<b>7,634,469</b>	<b>367,357,844</b>	<b>7,060,083</b>	<b>5,001,446</b>	<b>2,058,637</b>	<b>367,932,231</b>

**31 December 2024 – AED ‘000’**

S. No	Particulars	Gross carrying values of		Allowances/ Impairments (c)	Of which ECL accounting provisions for credit losses on SA exposures		Net values (a + b - c)
		Defaulted exposures <sup>2</sup> (a)	Non- defaulted exposures (b)		Allocated in regulatory category of Specific (d)	Allocated in regulatory category of General (e)	
1	Islamic financing and investing assets	7,178,777	211,874,453	6,759,290	5,121,447	1,637,843	212,293,940
2	Investment in sukuk	33,702	82,438,281	311,249	13,530	297,719	82,160,734
3	Off-balance sheet exposures <sup>1</sup>	1,242,831	36,352,613	40,913	-	40,913	37,554,531
4	<b>Total</b>	<b>8,455,310</b>	<b>330,665,347</b>	<b>7,111,452</b>	<b>5,134,977</b>	<b>1,976,475</b>	<b>332,009,206</b>

<sup>1</sup> Including Sharia-compliant derivatives.

<sup>2</sup> The defaulted exposures as reported above are in-line with regulatory reporting i.e. past due more than 90 days.

### 8.2. Changes in the stock of defaulted financing and sukuks (CR2)

Below table identify 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.

S. No	Particulars	Six months ending on	
		30 June 2025 AED ‘000’	31 Dec 2024 AED ‘000’
1	<b>Defaulted financing and sukuk at the end of the previous reporting period</b>	<b>7,212,479</b>	<b>9,686,106</b>
2	Financing and sukuk that have defaulted since the last reporting period	931,806	1,301,773
3	Returned to non-default status	(595,883)	(3,164,973)
4	Amounts written off	(358,140)	(500,327)
5	Other changes	(529,020)	(110,100)
6	<b>Defaulted financing and sukuk at the end of the reporting period (1+2-3-4-5)</b>	<b>6,661,242</b>	<b>7,212,479</b>



### 8.3. Credit risk mitigation techniques – overview (CR3)

Below table disclose the extent of use of credit risk mitigation techniques.

**30 June 2025 – AED ‘000’**

Particulars	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 Sharia-compliant credit derivatives	Exposures secured by Sharia-compliant credit derivatives, of which: secured amount
Islamic financing and investing assets	154,962,581	75,484,399	5,202,418	6,857,808	6,818,808	-	-
Investment in sukuk	89,284,999	-	-	-	-	-	-
<b>Total</b>	<b>244,247,580</b>	<b>75,484,399</b>	<b>5,202,418</b>	<b>6,857,808</b>	<b>6,818,808</b>	<b>-</b>	<b>-</b>
Of which defaulted	1,550,702	109,095	11,849	-	-	-	-

**31 December 2024 – AED ‘000’**

Particulars	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 Sharia-compliant credit derivatives	Exposures secured by Sharia-compliant credit derivatives, of which: secured amount
Islamic financing and investing assets	170,826,902	40,645,380	4,434,002	821,659	792,668	-	-
Investment in sukuk	82,160,734	-	-	-	-	-	-
<b>Total</b>	<b>252,987,636</b>	<b>40,645,380</b>	<b>4,434,002</b>	<b>821,659</b>	<b>792,668</b>	<b>-</b>	<b>-</b>
Of which defaulted	1,710,826	366,675	55,296	-	-	-	-

#### 8.4. Standardised approach - credit risk exposure and CRM effects (CR4)

Below table provides an illustration of the effect of CRM on standardised approach capital requirements' calculations, and RWA density.

##### 30 June 2025 – AED ‘000’

Asset class <sup>1</sup>	Exposures before CCF and CRM <sup>2</sup>		Exposures post-CCF and CRM <sup>3</sup>		RWA and RWA density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA <sup>4</sup>	RWA density
Sovereigns and their central banks	108,760,047	101,216	108,760,025	98,161	35,820,476	32.9%
Public Sector Entities	32,162,220	12,130,268	31,898,645	3,196,770	32,276,274	92.0%
Multilateral development banks	1,315,953	-	1,315,953	-	-	0.0%
Banks	12,471,586	491,737	12,419,831	488,236	6,499,883	50.4%
Securities firms	-	-	-	-	-	0.0%
Corporates	120,807,840	23,400,820	115,816,995	11,151,236	114,376,116	90.1%
Regulatory retail portfolios	39,496,544	3,600,299	39,334,945	126,102	29,786,673	75.5%
Secured by residential property	29,502,909	638,477	29,390,667	127,695	11,477,163	38.9%
Secured by commercial real estate	4,276,192	3,255	4,222,093	651	4,222,744	100.0%
Equity Investment in Funds (EIF)	336,390	-	336,390	-	740,311	220.1%
Past-due financing	7,092,756	973,227	2,179,404	973,227	3,431,640	108.9%
Higher-risk categories	286,326	-	286,326	-	429,489	150.0%
Other assets	17,616,747	44,058	17,616,747	44,058	17,690,733	100.2%
<b>Total</b>	<b>374,125,510</b>	<b>41,383,357</b>	<b>363,578,021</b>	<b>16,206,136</b>	<b>256,751,502</b>	<b>67.6%</b>

##### 31 December 2024 – AED ‘000’

Asset class <sup>1</sup>	Exposures before CCF and CRM <sup>2</sup>		Exposures post-CCF and CRM <sup>3</sup>		RWA and RWA density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA <sup>4</sup>	RWA density
Sovereigns and their central banks	109,423,680	23,057	109,423,680	23,057	31,108,664	28.4%
Public Sector Entities	29,535,274	10,691,518	29,535,274	2,648,554	30,133,506	93.6%
Multilateral development banks	1,039,792	-	1,039,792	-	-	0%
Banks	10,557,339	525,591	10,557,339	518,725	6,288,422	56.8%
Securities firms	-	-	-	-	-	0%
Corporates	105,439,441	20,753,636	100,273,054	9,163,509	101,710,039	89.1%
Regulatory retail portfolios	35,572,847	4,191,929	35,447,570	186,768	26,905,295	75.5%
Secured by residential property	25,877,255	122,824	25,787,731	24,564	10,193,556	39.5%
Secured by commercial real estate	4,603,460	-	4,487,869	-	4,487,869	99.4%
Equity Investment in Funds (EIF)	326,425	-	326,425	-	799,333	244.9%
Past-due financing	7,615,090	1,242,831	2,869,221	1,242,831	4,537,760	108.9%
Higher-risk categories	1,293,956	-	1,293,956	-	1,940,934	150.0%
Other assets	15,434,503	44,058	15,434,503	44,058	14,931,173	96.5%
<b>Total</b>	<b>346,719,062</b>	<b>37,595,444</b>	<b>336,476,414</b>	<b>13,852,066</b>	<b>233,036,551</b>	<b>65.6%</b>

<sup>1</sup> Including Sharia-compliant derivatives.

<sup>2</sup> These numbers are gross of 'Specific provision' and 'Profit in suspense'.

<sup>3</sup> CRM impact has been included.

<sup>4</sup> Excluding CVA charge.

## 8.5. Standardised approach - exposures by asset classes and risk weights (CR5)

Below table provides the breakdown of credit risk exposures under the standardised approach by asset class and risk weight.

### 30 June 2025 – AED ‘000’

Asset Class <sup>1</sup>	Risk weight								Others	Total <sup>2</sup>
	0%	20%	35%	50%	75%	85%	100%	150%		
Sovereigns and their central banks	62,732,391	10,151,746	-	9,856,262	-	-	20,629,369	5,488,418	-	108,858,186
Public Sector Entities	-	1,099,215	-	3,879,536	-	-	30,116,663	-	-	35,095,414
Multilateral development banks	1,315,953	-	-	-	-	-	-	-	-	1,315,953
Banks	-	4,512,599	-	5,685,722	-	-	2,620,234	89,512	-	12,908,067
Securities firms	-	-	-	-	-	-	-	-	-	-
Corporates	1,243,041	47,805	-	26,391,172	-	2,113,178	92,769,570	4,403,465	-	126,968,231
Regulatory retail portfolios	-	-	-	-	38,697,499	-	763,549	-	-	39,461,048
Secured by residential property	-	-	27,235,677	-	1,352,039	-	930,646	-	-	29,518,362
Secured by commercial real estate	-	-	-	-	-	-	4,222,744	-	-	4,222,744
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	306,997	29,392	336,389
Past-due financing	-	-	-	-	-	-	2,594,612	558,019	-	3,152,631
Higher-risk categories	-	-	-	-	-	-	-	286,326	-	286,326
Other assets	2,736,892	-	-	-	-	-	12,361,272	1,077,145	1,485,497	17,660,806
<b>Total</b>	<b>68,028,277</b>	<b>15,811,365</b>	<b>27,235,677</b>	<b>45,812,692</b>	<b>40,049,538</b>	<b>2,113,178</b>	<b>167,008,659</b>	<b>12,209,882</b>	<b>1,514,889</b>	<b>379,784,157</b>

### 31 December 2024 – AED ‘000’

Asset Class <sup>1</sup>	Risk weight								Others	Total <sup>2</sup>
	0%	20%	35%	50%	75%	85%	100%	150%		
Sovereigns and their central banks	67,379,339	10,280,120	-	9,804,106	-	-	17,648,344	4,334,828	-	109,446,737
Public Sector Entities	-	-	-	4,100,644	-	-	28,083,184	-	-	32,183,828
Multilateral development banks	1,039,792	-	-	-	-	-	-	-	-	1,039,792
Banks	-	3,034,247	-	5,412,173	-	-	1,937,960	691,684	-	11,076,064
Securities firms	-	-	-	-	-	-	-	-	-	-
Corporates	-	1,546,835	-	16,534,433	-	1,327,117	86,073,717	3,954,461	-	109,436,563
Regulatory retail portfolios	-	-	-	-	34,916,171	-	718,167	-	-	35,634,338
Secured by residential property	-	-	23,498,821	-	1,378,027	-	935,448	-	-	25,812,296
Secured by commercial real estate	-	-	-	-	-	-	4,487,869	-	-	4,487,869
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	287,810	38,615	326,425
Past-due financing	-	-	-	-	-	-	3,260,634	851,417	-	4,112,051
Higher-risk categories	-	-	-	-	-	-	-	1,293,956	-	1,293,956
Other assets	2,341,299	-	-	-	-	-	11,851,713	134,412	1,151,137	15,478,561
<b>Total</b>	<b>70,760,430</b>	<b>14,861,202</b>	<b>23,498,821</b>	<b>35,851,356</b>	<b>36,294,198</b>	<b>1,327,117</b>	<b>154,997,036</b>	<b>11,548,568</b>	<b>1,189,752</b>	<b>350,328,480</b>

<sup>1</sup> Guaranteed exposures have been reported using guarantor risk weight.

<sup>2</sup> Total credit exposure (post CCF and post CRM).

## 9. Counterparty credit risk (CCR)

### 9.1. Analysis of counterparty credit risk exposure by approach (CCR1)

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

#### 30 June 2025 – AED ‘000’

Particulars	Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA <sup>1</sup>
SA-CCR (for Sharia-compliant derivatives)	1,120,220	875,391		1.4	2,793,856	1,849,515
Internal Model Method (for Sharia-compliant derivatives and SFTs)			-	-	-	-
Simple Approach for credit risk mitigation (for SFTs)					-	-
Comprehensive Approach for credit risk mitigation (for SFTs)					-	-
VaR for SFTs					-	-
<b>Total</b>						<b>1,849,515</b>

<sup>1</sup> Increase in CCR is driven by increase in replacement cost.

#### 31 December 2024 – AED ‘000’

Particulars	Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
SA-CCR (for Sharia-compliant derivatives)	219,302	794,608		1.4	1,419,474	997,340
Internal Model Method (for Sharia-compliant derivatives and SFTs)			-	-	-	-
Simple Approach for credit risk mitigation (for SFTs)					-	-
Comprehensive Approach for credit risk mitigation (for SFTs)					-	-
VaR for SFTs					-	-
<b>Total</b>						<b>997,340</b>

### 9.2. Credit valuation adjustment capital charge (CCR2)

Credit valuation adjustments (CVA) represent the risk of loss as a result of adverse changes to the credit quality of counterparties in derivative transactions.

S. No.	CVA charge	30 June 2025 – AED ‘000’		31 Dec 2024 – AED ‘000’	
		EAD post CRM	RWA	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	2,793,856	1,849,515	1,419,474	997,340

### 9.3. Standardised approach - CCR exposures by regulatory portfolio and risk weights (CCR3)

Below table provides breakdown of counterparty credit risk exposures, calculated according to the standardised approach, by the type of counterparties and by their risk weights.

**30 June 2025 – AED ‘000’**

Asset class	Risk weight								Total credit exposure
	0%	20%	50%	75%	85%	100%	150%	Others	
Sovereigns	97,397	-	-	-	-	-	-	-	97,397
Public Sector Entities (PSEs)	-	-	2,250	-	-	288,618	-	-	290,868
Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-	-
Banks	-	204,547	247,020	-	-	-	6,906	-	458,473
Securities firms	-	-	-	-	-	-	-	-	-
Corporates	-	-	1,126,037	-	1,270	817,641	2,170	-	1,947,118
Regulatory retail portfolios	-	-	-	-	-	-	-	-	-
Secured by residential property	-	-	-	-	-	-	-	-	-
Secured by commercial real estate	-	-	-	-	-	-	-	-	-
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-	-
Past-due financing	-	-	-	-	-	-	-	-	-
Higher-risk categories	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>97,397</b>	<b>204,547</b>	<b>1,375,307</b>	<b>-</b>	<b>1,270</b>	<b>1,106,259</b>	<b>9,076</b>	<b>-</b>	<b>2,793,856</b>

**31 December 2024 – AED ‘000’**

Asset class	Risk weight								Total credit exposure
	0%	20%	50%	75%	85%	100%	150%	Others	
Sovereigns	23,057	-	-	-	-	-	-	-	23,057
Public Sector Entities (PSEs)	-	-	2,739	-	-	195,048	-	-	197,787
Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-	-
Banks	-	171,635	317,377	-	-	-	11,676	-	500,688
Securities firms	-	-	-	-	-	-	-	-	-
Corporates	-	-	216,757	-	266	479,178	1,741	-	697,942
Regulatory retail portfolios	-	-	-	-	-	-	-	-	-
Secured by residential property	-	-	-	-	-	-	-	-	-
Secured by commercial real estate	-	-	-	-	-	-	-	-	-
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-	-
Past-due financing	-	-	-	-	-	-	-	-	-
Higher-risk categories	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>23,057</b>	<b>171,635</b>	<b>536,873</b>	<b>-</b>	<b>266</b>	<b>674,226</b>	<b>13,417</b>	<b>-</b>	<b>1,419,474</b>

#### 9.4. Composition of collateral for CCR exposure (CCR5)

Below table provides a breakdown of all types of collateral posted or received by the Bank to support or reduce the counterparty credit risk exposures related to derivative transactions.

30 June 2025 – AED ‘000’

Collaterals	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash – domestic currency	-	-	-	-	-	-
Cash – other currencies	-	142,365	-	776,876	-	-
Domestic sovereign sukuk	-	-	-	-	-	-
Foreign sovereign sukuk	-	-	-	-	-	-
Corporate sukuk	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
<b>Total</b>	-	<b>142,365</b>	-	<b>776,876</b>	-	-

31 December 2024 – AED ‘000

Collaterals	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash – domestic currency	-	-	-	-	-	-
Cash – other currencies	-	514,073	-	76,949	-	-
Domestic sovereign sukuk	-	-	-	-	-	-
Foreign sovereign sukuk	-	-	-	-	-	-
Corporate sukuk	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
<b>Total</b>	-	<b>514,073</b>	-	<b>76,949</b>	-	-

<sup>1</sup> The collateral is held directly by the Bank/Counterparty.



## 10. Market risk

### 10.1. Market risk under the standardised approach (MR1)

Below table provides the components of the capital requirement under the SA for market risk.

S. No.	Particulars	30 June 2025 RWA AED 000	31 Dec 2024 RWA AED 000
1	General interest rate risk (General and Specific)	854,958	477,339
2	Equity risk (General and Specific)	-	-
3	Foreign exchange risk	2,550,009	1,633,090
4	Commodity risk	-	-
5	Simplified approach	-	-
6	Delta-plus method	-	-
8	Securitisation	-	-
9	<b>Total <sup>1</sup></b>	<b>3,404,967</b>	<b>2,110,429</b>

<sup>1</sup> Increase in Market Risk RWA is primarily driven by increase in GIRR.



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