Beyond Vision: Growing to Global Excellence

Rise every day

mashreq

PILLAR 3
BASEL III
Disclosures
Q2 2026

Contents

Overview

Pillar 3 of the Basel framework is designed to strengthen market discipline by requiring banks to publicly disclose detailed information on their regulatory capital structure, risk exposures, and risk-weighted assets (RWA). These disclosures enable stakeholders, including regulators, investors, and analysts, to assess the soundness and resilience of a bank's capital position and risk management practices.

The framework mandates standardized templates covering credit, market, and operational risks under Pillar 1, along with supplementary disclosures to improve transparency and comparability across institutions. These measures aim to reinforce confidence in the UAE banking sector and ensure alignment with global regulatory expectations.

Internal Pillar 3 Policy and attestation process:

- Reviews – Pillar III report undergoes several rounds of reviews by Finance and Risk functions.
- Internal audit – Internal audit performs a review of the Pillar III disclosures. The disclosures were appropriately reviewed and supported by the underlying evidence, with no material exceptions identified.
- Attestation – Attestation is obtained from a CFO, CRO of the bank that Pillar III report has been prepared in accordance with the board-agreed internal control processes.

Pillar III disclosures for the period ending 30th June 2026 have been appropriately reviewed by the management and internal audit.

The Group's Pillar III disclosures for the period ending 30th June 2026 comprises of quantitative information in line with CBUAE Pillar III guidance.

Overview of risk management, key prudential metrics and RWA

Key metrics (KM1)

Key prudential regulatory metrics related to regulatory capital, leverage ratio and liquidity standards:

		Jun-26	Mar-26	Dec-25	Sep-25	Jun-25
				(AED 000)		
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	35,842,673	33,710,032	31,667,913	32,626,687	31,012,268
1a	Fully loaded ECL accounting model	35,842,673	33,710,032	31,667,913	32,626,687	31,012,268
2	Tier 1	40,617,573	38,484,932	34,606,313	35,565,087	33,950,668
2a	Fully loaded ECL accounting model Tier 1	40,617,573	38,484,932	34,606,313	35,565,087	33,950,668
3	Total capital	43,965,683	42,020,797	37,511,346	38,540,901	36,880,303
3a	Fully loaded ECL accounting model total capital	43,965,683	42,020,797	37,511,346	38,540,901	36,880,303
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	259,761,596	266,255,838	258,441,049	229,923,001	210,147,596
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio (%)	13.80%	12.66%	12.25%	14.19%	14.76%
5a	Fully loaded ECL accounting model CET1 (%)	13.80%	12.66%	12.25%	14.19%	14.76%
6	Tier 1 ratio (%)	15.64%	14.45%	13.39%	15.47%	16.16%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	15.64%	14.45%	13.39%	15.47%	16.16%
7	Total capital ratio (%)	16.93%	15.78%	14.51%	16.76%	17.55%
7a	Fully loaded ECL accounting model total capital ratio (%)	16.93%	15.78%	14.51%	16.76%	17.55%
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)	0.14%	0.10%	0.14%	0.10%	0.09%
10	Bank D-SIB additional requirements (%)	0.50%	-	-	-	-
11	Total of bank CET1 specific buffer requirements (%)	3.14%	2.60%	2.64%	2.60%	2.59%
12	CET1 available after meeting the bank's minimum capital requirements (%)	6.43%	5.28%	4.01%	6.26%	7.05%
	Leverage Ratio					
13	Total leverage ratio measure	407,113,269	389,565,141	374,119,225	342,869,289	326,462,459
14	Leverage ratio (%) (row 2/row 13)	9.98%	9.88%	9.25%	10.37%	10.40%
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2A/row 13)	9.98%	9.88%	9.25%	10.37%	10.40%
14b	Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	9.98%	9.88%	9.25%	10.37%	10.40%
	Liquidity Coverage Ratio					
15	Total HQLA	71,833,961	71,411,921	62,485,294	58,590,010	63,245,645
16	Total net cash outflow	58,820,214	52,286,265	46,061,013	47,352,511	55,530,194
17	LCR ratio (%)	122.12%	136.58%	135.66%	123.73%	113.89%
	Net Stable Funding Ratio					
18	Total available stable funding	207,958,509	194,374,902	178,667,677	163,829,943	153,424,100
19	Total required stable funding	185,340,742	169,895,386	157,746,139	145,662,995	135,343,078
20	NSFR ratio (%)	112.20%	114.41%	113.26%	112.47%	113.36%

- Credit risk weighted assets (CRWAs) decreased as of 30 June 2026 despite growth in total assets, mainly due to change in balance sheet mix and increased collateral coverage.

Overview of Risk Weighted Assets (OV1)

The following table provides an overview of total Risk Weighted Assets.

	a	b	c
	RWA		Minimum capital requirements
	Jun – 2026 (AED 000)	Mar – 2026 (AED 000)	Jun – 2026 (AED 000)
Credit risk (excluding counterparty credit risk)	228,004,620	235,727,790	23,940,485
Of which: standardized approach (SA)	228,004,620	235,727,790	23,940,485
Counterparty credit risk (CCR)	1,115,363	1,247,913	117,113
Of which: standardized approach for counterparty credit risk	1,115,363	1,247,913	117,113
Credit valuation adjustment (CVA)	1,051,920	1,051,931	110,452
Equity investments in funds - look-through approach	410,477	392,069	43,100
Market risk	7,548,443	6,583,821	792,586
Of which: Standardized approach (SA)	7,548,443	6,583,821	792,586
Operational risk	21,630,773	21,252,314	2,271,231
Total	259,761,596	266,255,838	27,274,968

- The regulatory minimum capital requirement is calculated at 10.5% of the RWA
- Credit risk weighted assets (CRWAs) decreased as of 30 June 2026 despite growth in total assets, mainly due to change in balance sheet mix and increased collateral coverage.

Composition of capital

This section demonstrates the composition of regulatory capital, along with the reconciliation of regulatory capital to the balance sheet.

Composition of regulatory capital (CC1)

June – 2026 (AED 000)

	a	b
	Amounts (In AED 000)	**Reference**
Common Equity Tier 1 capital: instruments and reserves		
Directly issued qualifying common share capital plus related stock surplus	2,006,098	c
Retained earnings	36,176,063	
Accumulated other comprehensive income (and other reserves)	(1,838,197)	
Common Equity Tier 1 capital before regulatory deductions	36,343,964	
Common Equity Tier 1 capital regulatory adjustments		
Other intangibles including mortgage servicing rights (net of related tax liability)	(446,368)	b
Deferred tax assets that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	(54,192)	a
Investments in own shares (if not already subtracted from paid-in capital on reported balance sheet)	(731)	
Total regulatory adjustments to Common Equity Tier 1	(501,291)	
Common Equity Tier 1 capital (CET1)	35,842,673	
Additional Tier 1 capital: instruments		
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	4,774,900	d
OF which: classified as equity under applicable accounting standards	4,774,900	
Additional Tier 1 capital before regulatory adjustments	4,774,900	
Additional Tier 1 capital: regulatory adjustments		
Additional Tier 1 capital (AT1)	**4,774,900**	
Tier 1 capital (T1= CET1 + AT1)	**40,617,573**	
Tier 2 capital: instruments and provisions		
Directly issued qualifying Tier 2 instruments plus related stock surplus	1,831,027	
Provisions	1,517,083	
Tier 2 capital before regulatory adjustments	**3,348,110**	
Tier 2 capital: regulatory adjustments		
Tier 2 capital (T2)	**3,348,110**	
Total regulatory capital (TC = T1 + T2)	**43,965,683**	
Total risk-weighted assets	259,761,596	
Capital ratios and buffers		
Common Equity Tier 1 (as a percentage of risk-weighted assets)	13.80%	
Tier 1 (as a percentage of risk-weighted assets)	15.64%	
Total capital (as a percentage of risk-weighted assets)	16.93%	
Institution specific buffer	3.14%	
Of which: capital conservation buffer requirement	2.50%	
Of which: bank-specific countercyclical buffer requirement	0.14%	
Of which: higher loss absorbency requirement (e.g. DSIB)	0.50%	
Common Equity Tier 1 available after meeting the bank's minimum capital requirement.	6.43%	
The CBUAE Minimum Capital Requirement		
Common Equity Tier 1 minimum ratio	7.00%	
Tier 1 minimum ratio	8.50%	
Total capital minimum ratio	10.50%	
Applicable caps on the inclusion of provisions in Tier 2		
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach	1,820,500	
Cap on inclusion of provisions in Tier 2 under standardized approach	1,517,083	

Reconciliation of regulatory capital to balance sheet (CC2)

	a	b	c
	Balance sheet as in published financial statements (In AED 000)	Under regulatory scope of consolidation (In AED 000)	Reference (CC1)
	Jun – 2026	Jun – 2026	
Assets			
Cash and balances with central banks	41,781,711	41,781,655	
Loans and advances to banks	62,043,182	60,679,849	
Financial assets measured at fair value	27,810,912	25,327,011	
Securities measured at amortized cost	48,074,193	47,473,490	
Loans and advances to customers	139,593,874	139,672,325	
Islamic financing and investment products	29,494,123	29,494,123	
Acceptances	4,092,480	4,092,480	
Reinsurance contract assets	2,904,066	-	
Investment in associate	260,380	260,380	
Investment properties	183,935	-	
Property and equipment	1,395,440	1,395,440	
Intangible assets	460,290	446,368	b
Other assets	7,653,266	5,528,617	a
Total assets	**365,747,852**	**356,151,738**	

Liabilities			
Deposits and balances due to banks	32,793,359	32,793,359	
Repurchase agreements with banks	16,072,633	16,072,633	
Customers' deposits	200,820,965	200,820,560	
Islamic customers' deposits	26,368,930	26,368,930	
Acceptances	4,092,480	4,092,480	
Medium-term loans	18,996,537	18,996,537	
Subordinated debt	1,836,500	1,836,500	
Insurance and Investment contract liabilities	6,812,626	-	
Other liabilities	13,909,150	12,386,000	
Total liabilities	**321,703,180**	**313,366,999**	
Shareholders' equity			
Issued and paid-up capital	2,006,098	2,006,098	c
Tier 1 capital notes	4,774,900	4,774,900	d
Other reserves	(172,322)	(172,322)	
Retained earnings	36,176,063	36,176,063	
Equity attributable to owners of the Parent	42,784,739	42,784,739	
Non-controlling interests	1,259,933	-	
Total shareholders' equity	**44,044,672**	**42,784,739**	

- Under the regulatory scope of consolidation, insurance and commercial subsidiaries are not consolidated as per Tier Capital supply standards.

Main features of regulatory capital instruments (CCA)

		Equity Shares	US$ 300,000,000 Perpetual NC5 Additional Tier 1 Capital Securities	US$ 500,000,000 10.25NC5 Tier 2 Capital Securities	US$ 500,000,000 Perpetual NC5.5 Additional Tier 1 Capital Securities	US$ 500,000,000 Perpetual NC5.5 Additional Tier 1 Capital Securities
1	Issuer	Mashreq bank PSC	Mashreq bank PSC	Mashreq bank PSC	Mashreq bank PSC	Mashreq bank PSC
2	Unique identifier	AEM000101018	XS2482857617	XS2548003503	XS2827680112	XS3298823223
3	Governing law(s) of the instrument	UAE laws	English Law	English Law	English Law	English Law
	Regulatory treatment					
4	Transitional arrangement rules (i.e. grandfathering)	CET1	NA	NA	NA	NA
5	Post-transitional arrangement rules (i.e. grandfathering)	CET1	Additional Tier 1	Tier 2	Additional Tier 1	Additional Tier 1
6	Eligible at solo/group/group and solo	Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group
7	Instrument type	Ordinary Shares	Perpetual Debt Instruments	10.25 NC 5 Debt instruments	Perpetual Debt Instruments	Perpetual Debt Instruments
8	Amount recognized in regulatory capital	AED 2,006 Mn	AED 1,102 Mn	AED 1,831 Mn	AED 1,836.5 Mn	AED 1,836.5 Mn
9	Nominal amount of instrument	AED 2,006 Mn	US$ 300 Mn	US$ 500 Mn	US$ 500 Mn	US$ 500 Mn
9a	Issue price	AED 2,006 Mn	100%	99.702%	100%	100%
9b	Redemption price	As per Market Value	at par for Optional Redemption and Tax Event; in case of a Capital Event, at 101%, if redemption date is prior to the First Call date and otherwise at par	at par for Optional Redemption, Tax and Capital Event	at par for Optional Redemption and Tax Event; in case of a Capital Event, at 101%, if redemption date is prior to the First Call date and otherwise at par	at par for Optional Redemption and Tax Event; in case of a Capital Event, at 101%, if redemption date is prior to the First Call date and otherwise at par
10	Accounting classification	Shareholders' Equity	Equity attributable to equity holders	Liability- amortized cost	Equity attributable to equity holders	Equity attributable to equity holders
11	Original date of issuance	NA	7/Jul/2022	23/Nov/2022	10/Jun/2024	19/Feb/2026
12	Perpetual or dated	Perpetual	Perpetual	Dated 10.25 NC 5	Perpetual	Perpetual
13	Original maturity date	NA	NA	24/Feb/2033	NA	NA
14	Issuer call subject to prior supervisory approval	NA	Yes	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	NA	7 July 2027 / Tax Event or a Capital Event / at par for Optional Redemption and Tax Event. In case of a Capital Event, at 101% if redemption date is prior to the First Call date and otherwise at par	24 November 2027 / Tax Event or a Capital Event / at par	10 Jun 2029 / Tax Event or a Capital Event / at par for Optional Redemption and Tax Event. In case of a Capital Event, at 101% if redemption date is prior to the First Call date and otherwise at par	19 Feb 2031 / Tax Event or a Capital Event / at par for Optional Redemption and Tax Event. In case of a Capital Event, at 101% if redemption date is prior to the First Call date and otherwise at par
16	Subsequent call dates, if applicable	NA	7th January 2028 and every 6 months thereafter	Every day from 24th November 2027 to (and including) 24th February 2028	Every day from 10th June 2029 to (and including) 10th December 2029 and every 6 months thereafter	Every day from 19th February 2031 to (and including) 19th August 2031 and every 6 months thereafter
	Coupons / dividends					
17	Fixed or floating dividend/coupon	NA	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	Variable	8.50%	7.875%	7.125%	6.25%
19	Existence of a dividend stopper	NA	Yes	No	Yes	Yes
20a	Fully discretionary, partially discretionary, or mandatory (in terms of timing)	Full discretionary	Partially discretionary	NA	Partially discretionary	Partially discretionary
20b	Fully discretionary, partially discretionary, or mandatory (in terms of amount)	Full discretionary	Partially discretionary	NA	Partially discretionary	Partially discretionary

21	Existence of step-up or other incentive to redeem	NA	No	No	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative	NA	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	NA	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	Write-down feature	NA	Yes	Yes	Yes	Yes
25	If write down, write down trigger(s)	NA	If the UAE Central Bank (as the Regulator) notifies the Issuer that it is, or will become, Non-Viable (as defined in the T&C) without: (i) a Write-down; or (ii) a public sector injection of capital or equivalent support (i.e. Point of Non-Viability (PONV) trigger)	If the UAE Central Bank (as the Regulator) notifies the Issuer that it is, or will become, non-viable (as defined in the T&C) without: (i) a Write-down; or (ii) a public sector injection of capital or equivalent support (i.e. Point of Non-Viability (PONV) trigger)	If the UAE Central Bank (as the Regulator) notifies the Issuer that it is, or will become, non-viable (as defined in the T&C) without: (i) a Write-down; or (ii) a public sector injection of capital or equivalent support (i.e. Point of Non-Viability (PONV) trigger)	If the UAE Central Bank (as the Regulator) notifies the Issuer that it is, or will become, non-viable (as defined in the T&C) without: (i) a Write-down; or (ii) a public sector injection of capital or equivalent support (i.e. Point of Non-Viability (PONV) trigger)
26	If write down, full or partial	NA	Full/Partial (Both options available)	Full/Partial (Both options available)	Full/Partial (Both options available)	Full/Partial (Both options available)
27	If write down, permanent or temporary	NA	Permanent	Permanent	Permanent	Permanent
28	If temporary write-own, description of writeup mechanism	NA	NA	NA	NA	NA
28a	Type of subordination	NA	Contractual	Contractual	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).	NA	Prior to liquidation, Additional Tier 1 Capital Securities shall be subordinate to the Issuer's Tier 2 instruments. To the extent that any of the Solvency Conditions (as defined in the T&C) are not satisfied at the relevant time or if a bankruptcy order in respect of the Issuer has been issued by a court in the United Arab Emirates, all claims of the holders of the Additional Tier 1 Capital Securities under the Additional Tier 1 Capital Securities will be cancelled without any further payment to be made by the Issuer under the Additional Tier 1 Capital Securities	Prior to liquidation, Tier 2 Capital Securities would rank senior to the Additional Tier 1 Capital Securities of the Issuer and junior to all unsubordinated payment obligations of the Issuer. To the extent that any of the Solvency Conditions (as defined in the T&C) are not satisfied at the relevant time or if a bankruptcy order in respect of the Issuer has been issued by a court in the United Arab Emirates, all claims of the holders of the Tier 2 Capital Securities under the Tier 2 Capital Securities will be cancelled without any further payment to be made by the Issuer under the Tier 2 Capital Securities	Prior to liquidation, Additional Tier 1 Capital Securities shall be subordinate to the Issuer's Tier 2 instruments. To the extent that any of the Solvency Conditions (as defined in the T&C) are not satisfied at the relevant time or if a bankruptcy order in respect of the Issuer has been issued by a court in the United Arab Emirates, all claims of the holders of the Additional Tier 1 Capital Securities under the Additional Tier 1 Capital Securities will be cancelled without any further payment to be made by the Issuer under the Additional Tier 1 Capital Securities	Prior to liquidation, Additional Tier 1 Capital Securities shall be subordinate to the Issuer's Tier 2 instruments. To the extent that any of the Solvency Conditions (as defined in the T&C) are not satisfied at the relevant time or if a bankruptcy order in respect of the Issuer has been issued by a court in the United Arab Emirates, all claims of the holders of the Additional Tier 1 Capital Securities under the Additional Tier 1 Capital Securities will be cancelled without any further payment to be made by the Issuer under the Additional Tier 1 Capital Securities
30	Non-compliant transitioned features	NA	No	No	No	No
31	If yes, specify non-compliant features	NA	NA	NA	NA	NA

Geographical distribution of credit exposures used in the countercyclical capital buffer (CCyb1)

Jun - 2026 (AED 000)

	a	b	c	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	Countercyclical buffer amount
		Exposure values	Risk-weighted assets		
Belgium	1.00%	124,629	62,940		629
Denmark	2.50%	60,612	24,707		618
France	1.00%	682,324	285,835		2,858
United Kingdom	2.00%	11,876,084	5,947,694		118,954
Ireland	1.50%	161,999	69,489		1,042
Luxembourg	0.50%	2,492,337	1,510,528		7,553
Germany	0.75%	472,651	179,949		1,350
Australia	1.00%	309,818	128,441		1,284
Sweden	2.00%	101,333	54,142		1,083
Armenia	1.50%	39,748	20,846		313
Norway	2.50%	29,423	11,056		276
Netherlands	2.00%	1,508,562	502,237		10,045
Czech Republic	1.25%	21,160	8,103		101
Korea Republic	1.00%	1,375,157	548,101		5,481
Hong Kong	0.50%	5,453,222	3,252,687		16,263
Chile	0.50%	6,827	3,295		16
Saudi Arabia	1.00%	11,383,548	5,607,405		56,074
Sum		**36,099,436**	**18,217,455**		
Total		**375,441,037**	**164,581,756**	**0.136%**	**223,941**

- Credit Risk Weighted Assets are used in the denominator of bank - specific counter cyclical buffer rate calculation.
- Excludes Claims on Banks, Sovereigns, PSEs, MDBs & Credit Derivatives (Banks & Sovereigns) from calculation.

Leverage ratio

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

		Jun - 2026 (AED 000)
1	Total consolidated assets as per published financial statements	365,747,852
2	Adjustments for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	2,597,254
8	Adjustments for derivative financial instruments	(1,552,464)
9	Adjustment for securities financing transactions (ie repos and similar secured lending)	12,345,476
10	Adjustments for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	47,841,620
12	Other adjustments	(19,866,469)
13	Leverage ratio exposure measure	407,113,269

Leverage ratio common disclosure template (LR2)

In AED 000

		a	b
		Jun 2026	Mar 2026
On-balance sheet exposures			
1	On balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	344,887,691	327,702,453
7	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	344,887,691	327,702,453
Derivative exposures			
8	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	589,082	782,981
9	Add-on amounts for PFE associated with all derivatives transactions	1,449,400	999,734
13	Total derivative exposures (sum of rows 8 to 12)	2,038,482	1,782,715
Securities financing transactions			
14	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	9,284,363	6,431,019
16	CCR exposure for SFT assets	3,061,113	4,332,868
18	Total securities financing transaction exposures (sum of rows 14 to 17)	12,345,476	10,763,887
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	209,919,662	211,631,329
20	(Adjustments for conversion to credit equivalent amounts)	(162,078,042)	(162,315,243)
22	Off-balance sheet items (sum of rows 19 to 21)	47,841,620	49,316,086
Capital and total exposures			
23	Tier 1 capital	40,617,573	38,484,932
24	Total exposures (sum of rows 7, 13, 18 and 22)	407,113,269	389,565,141
Leverage ratio			
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	9.98%	9.88%
26	CBUAE minimum leverage ratio requirement	3.50%	3.00%
27	Applicable leverage buffers	6.48%	6.88%

- The Basel 3 leverage ratio is calculated by dividing the period-end tier 1 capital by the period-end exposure.
- The Leverage exposure consists of both on-balance sheet assets and off-balance sheet items

Liquidity

This section intends to make an informed judgment about the soundness of the group’s liquidity risk management framework and liquidity position.

Liquidity Coverage Ratio (LIQ1)

Jun - 2026 (AED 000)

		a	b
		Total unweighted value (average)	**Total weighted value (average)**
High-quality liquid assets			
1	Total HQLA		71,833,961
Cash outflows			
2	Retail deposits and deposits from small business customers, of which:		
3	Stable deposits	39,439,772	1,971,989
4	Less stable deposits	22,493,010	2,249,301
5	Unsecured wholesale funding, of which:		
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	52,029,718	13,007,430
7	Non-operational deposits (all counterparties)	76,035,081	46,401,855
9	Secured wholesale funding		905,244
10	Additional requirements, of which:		
11	Outflows related to derivative exposures and other collateral requirements	1,133,916	1,133,916
13	Credit and liquidity facilities	67,616,607	14,279,890
15	Other contingent funding obligations	25,081,842	1,254,092
16	TOTAL CASH OUTFLOWS		81,203,716
Cash inflows			
17	Secured lending (e.g. reverse repo)	1,794,434	1,718,856
18	Inflows from fully performing exposures	25,972,244	19,507,409
19	Other cash inflows	1,157,236	1,157,236
20	TOTAL CASH INFLOWS		22,383,502
			Total adjusted value
21	Total HQLA		71,833,961
22	Total net cash outflows		58,820,214
23	Liquidity coverage ratio (%)		122.12%

		Dec - 2025 (AED 000)	
		a	b
		Total unweighted value (average)	Total weighted value (average)
High-quality liquid assets			
1	Total HQLA		62,485,294
Cash outflows			
2	Retail deposits and deposits from small business customers, of which:		
3	Stable deposits	36,111,558	1,805,578
4	Less stable deposits	17,255,365	1,725,536
5	Unsecured wholesale funding, of which:		
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	43,583,963	10,895,991
7	Non-operational deposits (all counterparties)	68,363,398	40,105,370
9	Secured wholesale funding		1,129
10	Additional requirements, of which:		
11	Outflows related to derivative exposures and other collateral requirements	329,223	329,223
12	Outflows related to loss of funding of debt products	169,214	169,214
13	Credit and liquidity facilities	61,708,534	13,116,151
15	Other contingent funding obligations	21,626,377	1,081,319
16	TOTAL CASH OUTFLOWS		69,229,512
Cash inflows			
17	Secured lending (e.g. reverse repo)	1,884,514	1,808,975
18	Inflows from fully performing exposures	26,269,295	20,917,933
19	Other cash inflows	441,590	441,590
20	TOTAL CASH INFLOWS		23,168,499
			Total adjusted value
21	Total HQLA		62,485,294
22	Total net cash outflows		46,061,013
23	Liquidity coverage ratio (%)		135.66%

- The Group maintained LCR of 122.12% on a monthly average during the quarter and 146.68% as at June 30, 2026.
- The key drivers of LCR are the net cumulative outflows driven mainly by the deposit profile and the portfolio of high-quality liquid assets.
- The Group HQLA composition comprised 94.43% Level 1 HQLA and the remaining in Level 2A and 2B HQLA. The Group HQLA requirement are mainly met through balances with CBUAE and various high-quality securities portfolio.
- The bank's funding strategy is to maintain a funding profile that is diversified by structure, tenor and currency.
- The bank monitors and manages the tenor of its funding sources to ensure it can meet liquidity needs under different stress scenarios and different time horizons.

Net Stable Funding Ratio (LIQ2)

Jun - 2026 (AED 000)

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity*	<6 months	6 months to <1 year	≥1 year	
Available stable funding (ASF) item						
1	Capital:					
2	Regulatory capital	41,705,033	-	-	-	41,705,033
5	Stable deposits	-	40,356,356	678,610	1,076,970	40,060,188
6	Less stable deposits	-	26,013,414	2,628,747	4,132,343	29,910,288
8	Operational deposits	-	59,391,996	1,509,838	1,042,846	31,493,763
9	Other wholesale funding	-	120,322,128	16,715,860	19,753,043	60,425,223
13	All other liabilities and equity not included in the above categories	-	13,772,628	-	4,364,014	4,364,014
14	Total ASF					**207,958,509**
Required stable funding (RSF) item						
15	Total NSFR high-quality liquid assets (HQLA)					**21,703,006**
16	Deposits held at other financial institutions for operational purposes	-	4,133,407	-	-	2,066,704
17	Performing loans and securities:	-	115,474,426	24,034,141	100,124,808	139,798,405
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	40,758,092	11,168,334	9,810,045	21,507,926
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	71,429,322	10,574,852	67,897,331	98,714,819
21	With a risk weight of less than or equal to 35% under the standardized approach for credit risk	-	398,994	-	1,263,063	1,273,100
22	Performing residential mortgages, of which:	-	-	-	14,871,334	9,666,367
23	With a risk weight of less than or equal to 35% under the standardized approach for credit risk	-	-	-	14,871,334	9,666,367
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	3,287,012	2,290,955	7,546,097	9,909,293
26	Other assets:	-	893,544	42,386	10,891,044	12,075,201
29	NSFR derivative assets					238,236
31	All other assets not included in the above categories		893,544	42,386	10,891,044	11,826,974
32	Off-balance sheet items		234,061,200	-	-	9,697,426
33	Total RSF					**185,340,742**
34	Net Stable Funding Ratio (%)					**112.20%**

Dec - 2025 (AED 000)

		a	b	c	d	e
		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	38,616,108	-	-	-	38,616,108
5	Stable deposits	-	37,198,958	685,107	470,144	36,460,005
6	Less stable deposits	-	22,264,058	2,568,670	1,479,109	23,828,564
8	Operational deposits	-	50,520,560	2,982,707	299,694	27,051,327
9	Other wholesale funding	-	109,284,818	14,485,397	10,822,573	49,887,465
13	All other liabilities and equity not included in the above	-	13,670,760	-	2,824,207	2,824,207
14	Total ASF					**178,667,677**
Required stable funding (RSF) item						
15	Total NSFR high-quality liquid assets (HQLA)					**10,947,793**
16	Deposits held at other financial institutions for operational purposes	-	3,625,853	-	-	1,812,926
17	Performing loans and securities:	-	103,572,714	21,119,457	93,522,408	126,338,756
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	42,570,776	11,233,149	9,847,165	21,849,356
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	60,099,005	9,650,473	62,220,859	87,762,469
21	With a risk weight of less than or equal to 35% under the standardized approach for credit risk	-	233,567	-	1,944,469	1,769,582
22	Performing residential mortgages, of which:	-	-	-	13,565,041	8,817,277
23	With a risk weight of less than or equal to 35% under the standardized approach for credit risk	-	-	-	13,565,041	8,817,277
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	902,933	235,835	7,889,343	7,909,655
26	Other assets:	-	936,399	19,245	8,589,441	9,882,371
29	NSFR derivative assets					335,545
30	NSFR derivative liabilities before deduction of variation margin posted					1,740
31	All other assets not included in the above categories		936,399	19,245	8,589,441	9,545,086
32	Off-balance sheet items		192,659,656	-	-	8,764,292
33	Total RSF					**157,746,139**
34	Net Stable Funding Ratio (%)					**113.26%**

- The Group maintained NSFR of 112.20% on a monthly average during the quarter and 115.20% as of Jun 30, 2026.
- NSFR measures the amount of available stable funding relative to the amount of required stable funding.
- The main drivers of NSFR are composition and profile of deposits and loans.

Credit Risk

Credit quality of assets (CR1)

This table provides a comprehensive picture of the credit quality of the Group's assets.

Jun - 2026 (AED 000)

		a	b	c	d	e	f
		Gross carrying values of		Allowances/ impairments	Of which ECL accounting provisions for credit losses on SA exposures		Net values (a+b-c)
		Defaulted exposures	Non-defaulted exposures		Allocated in regulatory category of Specific	Allocated in regulatory category of General	
1	Loans	1,997,253	235,072,965	3,131,441	1,448,498	1,682,943	233,938,777
2	Debt Securities	-	70,735,989	48,925	-	48,925	70,687,064
3	Off-balance sheet exposures	1,058,831	80,488,266	557,991	467,365	90,627	80,989,106
	Total	**3,056,084**	**386,297,221**	**3,738,358**	**1,915,863**	**1,822,495**	**385,614,946**

Dec – 2025 (AED 000)

		a	b	c	d	e	f
		Gross carrying values of		Allowances/ impairments	Of which ECL accounting provisions for credit losses on SA exposures		Net values (a+b-c)
		Defaulted exposures	Non-defaulted exposures		Allocated in regulatory category of Specific	Allocated in regulatory category of General	
1	Loans	2,072,389	229,342,196	2,641,157	1,505,496	1,135,661	228,773,428
2	Debt Securities	-	45,122,360	22,347	-	22,347	45,100,012
3	Off-balance sheet exposures	1,139,261	68,438,061	667,735	535,666	132,069	68,909,588
	Total	**3,211,650**	**342,902,617**	**3,331,239**	**2,041,162**	**1,290,077**	**342,783,028**

- The above table excludes Revocable Commitments of AED 133.3 Bn.
- Default exposure includes provisions and IIS.
- For definition of Default refer year end disclosure Pg 33 "Additional disclosure related to the credit quality of assets (CRB).
- Total Loans and Advances & Debt securities figures match with Total on Balance Sheet in Pillar 1 CR 2 sheet.
- Acceptances are covered in loans.

Changes in stock of defaulted loans and debt securities (CR2)

The table below explains the changes in the group's defaulted exposures between December 2025 and June 2026.

Jun - 2026 (AED 000)

		a
1	**Defaulted loans and debt securities at the end of the previous reporting period**	**2,072,389**
2	Loans and debt securities that have defaulted since the last reporting period	253,225
3	Returned to non-defaulted status	5,505
4	Amounts written off	107,009
5	Other changes	(215,847)
6	**Defaulted loans and debt securities at the end of the reporting period (1+2-3-4±5)**	**1,997,253**

- There is minimal decrease in defaulted exposures.

Credit risk mitigation techniques – overview (CR3)

The following table discloses the usage of credit risk mitigation techniques.

Jun – 2026 (AED 000)

		a	b	c	d	e	f	g
		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**
01	Loans	177,518,486	46,750,442	18,374,128	9,669,849	6,828,018	-	-
02	Debt Securities	70,687,064	-	-	-	-	-	-
03	**Total**	**248,205,550**	**46,750,442**	**18,374,128**	**9,669,849**	**6,828,018**	**-**	**-**
04	Of which defaulted	1,981,056	16,197	-	-	-	-	-

Dec – 2025 (AED 000)

		a	b	c	d	e	f	g
		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**
01	Loans	183,119,936	41,132,351	13,743,153	4,521,141	3,817,397	-	-
02	Debt Securities	45,100,012	-	-	-	-	-	-
03	**Total**	**228,219,948**	**41,132,351**	**13,743,153**	**4,521,141**	**3,817,397**	**-**	**-**
04	Of which defaulted	2,055,438	16,951	-	-	-	-	-

- Default exposure includes provisions and IIS.
- Increase in unsecured exposures is mainly due to increase in debt securities.

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

Jun - 2026 (AED 000)

	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**
Sovereigns	96,224,736	-	96,224,736	0	10,247,933	11%
Public Sector Entities (PSEs)	13,668,798	8,544,101	13,668,798	4,330,402	12,299,283	68%
Multilateral development banks (MDBs)	1,446,173	-	1,446,173	0	836,876	58%
Banks	62,346,509	13,804,267	62,346,509	6,730,705	42,267,598	61%
Securities firms	875,319	-	875,319	0	468,884	55%
Corporates	106,297,058	49,205,787	106,297,058	22,658,702	109,699,952	85%
Regulatory retail portfolios	21,897,484	-	21,897,484	0	14,258,508	65%
Secured by residential property	17,292,788	28,859	17,292,788	14,430	7,495,536	43%
Secured by CRE	16,949,274	7,472,782	16,949,274	4,344,728	19,792,994	93%
Equity Investment in Funds (EIF)	185,094	-	185,094	0	410,477	222%
Past-due loans	81,389	1,058,831	81,389	1,058,831	1,359,003	119%
Higher-risk categories	240	-	240	0	360	150%
Other assets	17,092,279	-	17,092,279	0	10,044,123	59%
Total	**354,357,141**	**80,114,627**	**354,357,141**	**39,137,798**	**229,181,525**	**58%**

Dec- 2025 (AED 000)

	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**
Sovereigns	73,068,736	-	73,068,736	-	8,966,733	12%
Public Sector Entities (PSEs)	8,147,799	7,548,067	8,147,799	3,733,135	8,294,398	70%
Multilateral development banks (MDBs)	1,794,191	-	1,794,191	-	1,147,051	64%
Banks	69,441,553	8,966,235	69,441,555	4,380,948	46,407,494	63%
Securities firms	928,772	-	928,772	-	505,685	54%
Corporates	108,517,202	42,732,585	108,517,201	22,048,178	112,267,932	86%
Regulatory retail portfolios	20,276,786	-	20,276,786	-	13,760,252	68%
Secured by residential property	15,582,350	59,146	15,582,350	29,573	6,481,968	42%
Secured by CRE	16,141,081	7,332,258	16,141,081	4,564,177	20,479,894	99%
Past-due loans	182,741	-	182,741	-	404,197	221%
Higher-risk categories	54,949	1,139,261	54,949	1,139,261	1,531,298	128%
Other assets	248	-	248	-	372	150%
Total	**325,663,640**	**67,777,552**	**325,663,641**	**35,895,272**	**230,673,771**	**64%**

- Above table excludes Revocable Commitments of AED 133.3 Bn.
- Above table excludes impairment allowances (Provision + IIS + FIS).
- Increase in total EAD (post CCF and post CRM) is primarily on account of increase in Sovereigns, PSE & Other assets, offset with decrease in Claim of Corporates, Claims on Banks.

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

Jun - 2026 (AED 000)

	a	b	c	d	e	f	g	h	i
Asset classes/ Risk weight	**0%**	**20%**	**35%**	**50%**	**75%**	**100%**	**150%**	**Others**	**Total credit exposures amount (post CCF and post-CRM)**
Sovereigns	76,560,084	9,372,430	-	3,837,551	-	6,454,671	-	-	96,224,736
Public Sector Entities (PSEs)	-	6,375,135	-	1,199,619	-	10,424,446	-	-	17,999,200
Multilateral development Bank	-	-	-	1,218,595	-	227,578	-	-	1,446,173
Banks	7,171,278	9,944,286	-	23,688,652	-	27,950,165	322,834	-	69,077,214
Securities firms	-	-	-	812,871	-	62,448	-	-	875,319
Corporates	7,936,149	7,171,680	-	10,858,410	-	101,790,793	188,610	1,010,118	128,955,760
Regulatory retail portfolios	4,434,009	-	-	-	12,819,865	4,643,609	-	-	21,897,484
Secured by residential Property.	-	-	15,008,302	-	225,142	2,073,774	-	-	17,307,218
Secured by commercial real estate	913,168	734,800	-	-	-	19,646,034	-	-	21,294,002
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	185,094	185,094
Past-due loans	24,527	-	-	-	-	629,073	486,619	-	1,140,220
Higher-risk categories	-	-	-	-	-	-	240	-	240
Other assets	10,800,515	-	-	-	-	3,362,764	641,141	2,287,859	17,092,279
Total	**107,839,731**	**33,598,330**	**15,008,302**	**41,615,698**	**13,045,007**	**177,265,356**	**1,639,445**	**3,483,071**	**393,494,939**

Dec - 2025 (AED 000)

	a	b	c	d	e	f	g	h	i
Asset classes/ Risk weight	**0%**	**20%**	**35%**	**50%**	**75%**	**100%**	**150%**	**Others**	**Total credit exposures amount (post CCF and post-CRM)**
Sovereigns	57,713,978	6,386,765	-	2,557,226	-	6,410,767	-	-	73,068,736
Public Sector Entities (PSEs)	-	1,883,401	-	4,159,631	-	5,837,902	-	-	11,880,934
Multilateral development banks	-	114,686	-	1,110,783	-	568,722	-	-	1,794,191
Banks	4,224,210	11,925,189	-	28,331,114	-	28,312,170	1,029,820	-	73,822,503
Securities firms	-	-	-	846,174	-	82,598	-	-	928,772
Corporates	7,514,677	2,710,925	-	17,422,287	-	101,160,688	955,548	801,254	130,565,379
Regulatory retail portfolios	3,487,677	-	-	-	12,115,430	4,673,679	-	-	20,276,786
Secured by residential property	-	-	13,964,866	-	211,168	1,435,889	-	-	15,611,923
Secured by commercial real estate	225,364	-	-	-	-	20,479,894	-	-	20,705,258
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	182,741	182,741
Past-due loans	19,687	-	-	-	-	460,974	713,549	-	1,194,210
Higher-risk categories	-	-	-	-	-	-	248	-	248
Other assets	4,688,304	-	-	-	-	4,030,784	624,645	2,183,499	11,527,232
Total	**77,873,897**	**23,020,966**	**13,964,866**	**54,427,215**	**12,326,598**	**173,454,067**	**3,323,810**	**3,167,494**	**361,558,913**

- Above table excludes Revocable commitments of AED 133.3 Bn and impairment allowances (Provision + IIS + FIS).

Counterparty credit risk

This section covers quantitative information on Counterparty Credit Risk.

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

Jun - 2026 (AED 000)

		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)	420,774	884,337		1.4	1,827,156	1,115,363
6	**Total**						**1,115,363**

Dec - 2025(AED 000)

		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)	519,422	1,156,610		1.4	2,346,445	1,708,067
6	**Total**						**1,708,067**

- The decrease in RWA is in line with the decrease in EAD which decreased mainly on account of decrease in both replacement cost and potential future components as trades matured/rolled over.

Credit valuation adjustment (CVA) capital charge (CCR2)

Jun - 2026 (AED 000)

		a	b
		EAD post-CRM	**RWA**
1	All portfolios subject to the Standardized CVA capital charge*	1,827,156	1,051,920

Dec - 2025 (AED 000)

		a	b
		EAD post-CRM	**RWA**
1	All portfolios subject to the Standardized CVA capital charge*	2,346,445	670,359

- There is an increase in CVA RWA mainly on account of higher maturity profile of derivative deals outstanding with clients/counterparts.

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

Jun – 2026(AED 000)

	a	b	c	d	e	f	g	h
Regulatory Portfolio	**0%**	**20%**	**50%**	**75%**	**100%**	**150%**	**Others (4%)**	**Total credit exposure**
Public Sector Entities (PSEs)	-	24,087	5,680	-	124,828	-	-	154,594
Banks	-	303,563	490,926	-	41,199	10,709	-	846,396
Corporates	-	116,335	-	-	591,438	-	118,392	826,165
Total	**-**	**443,985**	**496,606**	**-**	**757,464**	**10,709**	**118,392**	**1,827,156**

Dec- 2025(AED 000)

	a	b	c	d	e	f	g	h
Regulatory Portfolio	**0%**	**20%**	**50%**	**75%**	**100%**	**150%**	**Others (4%)**	**Total credit exposure**
Banks	-	231,331	292,008	45,181	19,642	14,828	-	602,990
Corporates	-	-	-	-	1,421,884	-	321,571	1,743,455
Total	**-**	**231,331**	**292,008**	**45,181**	**1,441,527**	**14,828**	**321,571**	**2,346,445**

- Total credit exposure decrease is driven by both MtM & potential future exposure movement across counterparties. Majority movement seen in corporates portfolio due to reduction in both notional & replacement cost outstanding against these counterparty class.

Composition of collateral for CCR exposure (CCR5)

Jun – 2026 (AED 000)

	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**		
Cash - other currencies	-	624,291	-	235,882	-	-
Domestic sovereign debt	-	-	-	-	225,859	-
Government agency debt	-	320,256	29,008	512,580	4,510,810	7,684,300
Corporate bonds	-	-	-	-	2,691,400	7,851,740
Other collateral	-	-	-	-	3,673,070	1,932,839
Total	**-**	**944,547**	**29,008**	**748,462**	**11,101,140**	**17,468,878**

Dec - 2025 (AED 000)

	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**		
Cash - other currencies	-	687,889	-	138,614	-	-
Domestic sovereign debt	-	-	-	-	263,903	-
Government agency debt	-	62,423	272,823	700,203	8,780,899	3,724,851
Corporate bonds	-	-	-	-	829,095	2,428,262
Other collateral	-	-	-	-	789,046	1,819,781
Total	**-**	**750,312**	**272,823**	**838,817**	**10,662,942**	**7,972,894**

- The collateral received in cash has decreased to ~AED 624 MM compared to previous reporting period of Dec'25 (~AED 687 MM), this has been offset with the increase in the amount of collateral received in the form of government securities at AED 320 MM in Jun'26 (viz.~ AED 62.4MM in Dec'25).
- SFTs collateral has also moved in line with outstanding positions in the underlying repo/reverse repo transactions done by the bank over the reporting period.

Credit derivative exposures (CCR6)

	June – 2026 (AED 000)		Dec – 2025 (AED 000)	
	a	b	a	b
	Protection bought	Protection sold	Protection bought	Protection sold
Notional				
Single-name credit default swaps	139,574	36,730	-	-
Index credit default swaps	288,633	-	146,920	-
Total return swaps	-	2,839,235	-	-
Total Notional	428,207	2,875,965	146,920	-
Fair values				
Positive fair value (asset)	12,195	-	-	-
Negative fair value (liability)	26,185	1,872	12,961	-

- Exposure in Credit Default swaps has increased to ~ AED 464 MM in Jun'26 as compared to AED 147 MM in Dec'25 as new positions were bough/sold during the year.
- The bank has also entered TRS trades in the period for notional O/S ~AED 2.8 BN.

Exposures to central counterparties (CCR8)

		June – 2026 (AED 000)		Dec – 2025 (AED 000)	
		a	b	a	b
		EAD (post-CRM)	RWA	EAD (post-CRM)	RWA
1	**Exposures to QCCPs (total)**				
2	Exposures for trades at QCCPs (excluding initial margin and default fund contribution); of which:	118,392	4,736	321,571	12,863
3	(i) OTC derivatives	118,392	4,736	321,571	12,863
7	Segregated initial margin	29,008		272,823	

- Exposure facing QCCP under OTC derivative products has decreased in Jun'26 to ~AED 118 MM compared to previous reporting of Dec'25 (~AED 321 MM) and hence RWA has also decreased. Lower EAD is due to reduction in potential future exposure against the QCCP as per SA-CCR model.

Market risk

Market risk under the standardised approach (SA) (MR1)

		Jun – 2026 (AED 000)	Dec – 2025 (AED 000)
		a	a
		RWA	RWA
1	General Interest rate risk (General and Specific)	5,135,856	3,066,497
2	Equity risk (General and Specific)	338,579	331,583
3	Foreign exchange risk	2,055,276	2,145,220
4	Commodity risk	18,733	-
	Options	-	8,240
9	**Total**	**7,548,443**	**5,551,539**

- There is an increase in the overall market risk RWA to (AED 7,548 MM) compared to previous reporting period of Dec'25 (AED 5,551 MM). This is mainly driven by increase in Interest rate risk resulting from higher positions o/s in debt securities as of Jun'26 compared to previous reports.