



بنك الإمارات دبي الوطني
Emirates NBD

Basel III
Pillar 3 Disclosures
For the year ended
31 December 2025

Building on strong foundations

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Introduction

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

Pillar 3 disclosures 2025

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

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

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

CBUAE requires the Pillar 2 – Supervisory Review Process to focus on each bank’s Internal Capital Adequacy Assessment Process (ICAAP) in addition to Pillar 1 capital calculations. The ICAAP should include a risk based forward looking view of, but not limited to, Credit, Market and Operational Risk capital.

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

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

Verification

The Pillar 3 disclosures for the year ended 31st December 2025 have been reviewed by the Group’s internal auditors, and external auditors have performed agreed upon procedures on the report.

Implementation of Basel III standards and guidelines

- The Group is compliant with Standardised Approach for Credit, Market and Operational Risk (Pillar 1) as applicable in 2025.
- The Group also assigns capital on other than Pillar 1 risk categories which are part of the Pillar 2 framework.

Group structure

The Bank was incorporated in the United Arab Emirates on 16 July 2007 consequent to the merger between Emirates Bank International P.J.S.C. and National Bank of Dubai P.J.S.C., under the Commercial Companies Law (Federal Law Number 8 of 1984 as amended) as a Public Joint Stock Company (P.J.S.C.).

The Bank is listed on Dubai Financial Market (TICKER: “EMIRATESNBD”). The Group’s principal business activities are corporate & institutional banking, retail banking & wealth management, global markets & treasury (GM&T) and Islamic banking. The Bank’s website is www.emiratesnbd.com.

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The direct subsidiaries of the Group are as follows:

Subsidiaries	Group % Share holding	Nature of business	Country of incorporation	Description of accounting treatment (Consolidation/ Investment Accounting)	Description of regulatory capital treatment (Consolidation/ Deduction from capital/ neither)
Buzz Contact Centre Solutions L.L.C.	100	Call center management services	Dubai, U.A.E.	Consolidation	Consolidation
DenizBank Anonim Sirketi	100	Banking	Türkiye	Consolidation	Consolidation
Emirates Funds L.L.C.	100	Asset management	Dubai, U.A.E.	Consolidation	Consolidation
Emirates Funds Managers (Jersey) Limited	100	Asset management	Jersey, England	Consolidation	Consolidation
Emirates Islamic Bank P.J.S.C. ⁽¹⁾	100	Islamic banking	Dubai, U.A.E.	Consolidation	Consolidation
Emirates Money Consumer Finance L.L.C.	100	Consumer finance	Dubai, U.A.E.	Consolidation	Consolidation
Emirates NBD Asset Management Limited	100	Asset management	Dubai, U.A.E.	Consolidation	Consolidation
Emirates NBD Capital (KSA) L.L.C.	100	Investment services	KSA	Consolidation	Consolidation
Emirates NBD Capital P.S.C.	100	Investment services	Dubai, U.A.E.	Consolidation	Consolidation
Emirates NBD Egypt S.A.E.	100	Banking	Egypt	Consolidation	Consolidation
Emirates NBD Global Funding Limited	100	Medium term borrowing and money market transactions	Cayman Islands	Consolidation	Consolidation
Emirates NBD Properties L.L.C.	100	Real estate management	Dubai, U.A.E.	Consolidation	Neither ⁽²⁾
Emirates NBD Securities L.L.C.	100	Brokerage services	Dubai, U.A.E.	Consolidation	Consolidation
Emirates NBD Trust Company (Jersey) Limited ³	100	Trust administration services	Jersey, England	Consolidation	Consolidation
ENBD London Branch Nominee Company	100	Nominee Company for Investment business	England	Consolidation	Consolidation
Emirates NBD Global Services L.L.C.	100	Shared services organization	Dubai, U.A.E.	Consolidation	Consolidation
Emirates NBD Capital India Private Limited	100	Asset management	India	Consolidation	Consolidation

Other entities consolidated by the Group are as follows:

Entities	Nature of business	Description of accounting treatment (Consolidation/ Investment Accounting)	Description of regulatory capital treatment (Consolidation/ Deduction from capital/ neither)
Emirates NBD Global Markets Limited	SPE for funding purpose	Consolidation	Consolidation

(1) During the year, the Group acquired an additional 0.1% equity interest in Emirates Islamic Bank (P.J.S.C.).

(2) Included in gross credit exposure as investment at carrying value.

(3) Under liquidation.

Key metrics for the Group (KM1)

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

AED in millions		31 December 2025	30 September 2025	30 June 2025	31 March 2025	31 December 2024
Available capital (amounts)²						
1	Common Equity Tier 1 (CET1)	118,999	120,133	113,327	106,569	101,273
1a	Fully loaded ECL accounting model ¹	118,999	120,133	113,327	106,569	100,352
2	Tier 1	128,128	129,262	122,456	115,698	110,402
2a	Fully loaded ECL accounting model Tier 1	128,128	129,262	122,456	115,698	109,481
3	Total capital	137,168	138,171	130,863	123,575	117,934
3a	Fully loaded ECL accounting model total capital	137,168	138,171	130,863	123,575	117,013
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	827,618	818,030	771,576	725,681	690,375
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio (%)	14.38%	14.69%	14.69%	14.69%	14.67%
5a	Fully loaded ECL accounting model CET1 (%)	14.38%	14.69%	14.69%	14.69%	14.54%
6	Tier 1 ratio (%)	15.48%	15.80%	15.87%	15.94%	15.99%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	15.48%	15.80%	15.87%	15.94%	15.86%
7	Total capital ratio (%)	16.57%	16.89%	16.96%	17.03%	17.08%
7a	Fully loaded ECL accounting model total capital ratio (%)	16.57%	16.89%	16.96%	17.03%	16.95%
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%) ³	0.07%	0.07%	0.08%	0.07%	0.07%
10	Bank D-SIB additional requirements (%)	1.50%	1.50%	1.50%	1.50%	1.50%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	4.07%	4.07%	4.08%	4.07%	4.07%
12	CET1 available after meeting the bank's minimum capital requirements (%)	6.07%	6.39%	6.46%	6.53%	6.58%
Leverage Ratio						
13	Total leverage ratio measure	1,299,235	1,281,285	1,208,240	1,143,158	1,106,192
14	Leverage ratio (%) (row 2/row 13)	9.86%	10.09%	10.14%	10.12%	9.98%
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2a/row 13)	9.86%	10.09%	10.14%	10.12%	9.90%
14b	Leverage ratio (%) (excluding the impact of any	9.86%	10.09%	10.14%	10.12%	9.90%
Liquidity Coverage Ratio						
15	Total HQLA	229,268	251,383	267,068	250,034	241,257
16	Total net cash outflow	151,405	152,943	145,000	132,150	119,525
17	LCR ratio (%)	151.43%	164.36%	184.19%	189.20%	201.85%
Net Stable Funding Ratio						
18	Total available stable funding	757,634	731,538	707,232	670,686	652,011
19	Total required stable funding	629,063	590,599	544,683	521,273	509,677
20	NSFR ratio (%)	120.44%	123.86%	129.84%	128.66%	127.93%

Quarter on quarter CET1 capital decreased by AED 1.2 billion. Profit for the quarter of AED 5.1 billion was offset by proposed dividend of AED 6.3 billion.

Year on year CET1 capital increased by AED 17.7 billion. Profit for the year of AED 24 billion was offset by proposed dividend of AED 6.3 billion.

Refer overview (OV1) disclosure for further details on Risk Weighted Assets (RWAs).

1 "Fully Loaded" means Group's regulatory capital compared with a situation where the transitional arrangement (if any) had not been applied. There are no transitional arrangements applicable on 31 December 2025.

CBUAE had introduced transitional arrangements as per circular no. 04/2020 "Regulation Regarding Accounting Provisions and Capital Requirements - Transitional Arrangements".

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

2 Impacts of implementing IAS 29 on hyperinflation accounting in financial statements are excluded from regulatory ratios calculations.

3 Effective 1st January 2026 CBUAE vide circular no. 1265.2024 on 10-Dec-2024 increased CCyB requirement for the private sector corporate exposures in UAE to 0.5%.

Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories (LI1)

The below table splits the financial balance sheet into each regulatory risk category. The regulatory risk category drives the approach applied in the calculation of regulatory exposures and RWA.

31 December 2025 AED in millions	a	b	c	d	e	f	g
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to market risk framework	Not subject to capital requirements or subject to deduction from capital
Assets							
Cash and deposits with central banks	124,647	124,647	124,647	-	-	-	-
Due from banks	136,147	136,147	136,147	-	-	-	-
Investment securities	206,608	208,222	208,222	-	-	31,667	-
Loans and receivables	632,847	632,847	632,847	-	-	-	-
Positive fair value of derivatives	12,413	12,413	-	12,413	-	11,823	-
Customer acceptances	9,350	9,350	9,350	-	-	-	-
Property & equipment	8,742	7,392	5,356	-	-	-	2,036
Goodwill & intangibles	5,620	5,620	-	-	-	-	5,620
Other assets	28,068	29,903	29,903	-	-	-	-
Total assets	1,164,442	1,166,541	1,146,472	12,413	-	43,490	7,656
Liabilities							
Due to banks	66,277	66,277	-	-	-	-	66,277
Customer deposits	786,024	786,024	-	-	-	-	786,024
Debt issued, sukuks payable and other borrowed funds	90,287	90,287	-	-	-	-	90,287
Negative fair value of derivatives	19,208	19,208	-	19,208	-	14,430	-
Customer acceptances	9,350	9,350	-	-	-	-	9,350
Other liabilities	48,477	53,588	2,199	-	-	-	51,389
Total liabilities	1,019,623	1,024,734	2,199	19,208	-	14,430	1,003,327

31 December 2024 AED in millions	a	b	c	d	e	f	g
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to market risk framework	Not subject to capital requirements or subject to deduction from capital
Assets							
Cash and deposits with central bank	104,665	104,665	104,665	-	-	-	-
Due from banks	132,766	132,766	132,766	-	-	-	-
Investment securities	199,223	201,076	201,076	-	-	10,309	-
Loans and receivables	501,627	501,627	501,627	-	-	-	-
Positive fair value of derivatives	12,468	12,468	-	12,468	-	11,809	-
Customer acceptances	9,478	9,478	9,478	-	-	-	-
Property & equipment	7,941	7,017	5,235	-	-	-	1,782
Goodwill & intangibles	5,626	5,626	-	-	-	-	5,626
Other assets	22,788	25,714	25,714	-	-	-	-
Total assets	996,582	1,000,437	980,561	12,468	-	22,118	7,408
Liabilities							
Due to banks	55,487	55,487	-	-	-	-	55,487
Customer deposits	666,777	666,777	-	-	-	-	666,777
Debt issued, sukuks payable and other borrowed funds	79,903	79,903	-	-	-	-	79,903
Negative fair value of derivatives	15,897	15,897	-	15,897	-	10,792	-
Customer acceptances	9,478	9,478	-	-	-	-	9,478
Other liabilities	42,826	49,515	2,561	-	-	-	46,954
Total liabilities	870,368	877,057	2,561	15,897	-	10,792	858,599

The amounts shown in the column 'Carrying values under scope of regulatory consolidation' do not equal the sum of the amounts shown in the remaining columns of this table for line items 'Derivatives' and 'Investment Securities' as the assets in this column are subject to regulatory capital charges for credit risk, counterparty credit risk and market risk. Variances between the financial and regulatory consolidated balance sheets in LI1 arise primarily from differences in the basis of consolidation. Non-financial subsidiaries are not consolidated for regulatory purposes. Impact from IAS 29 on hyperinflation accounting is not considered in scope of regulatory consolidation.

Main sources of differences between regulatory exposure amounts and carrying values in financial statements (LI2)

31 December 2025 AED in millions	a	b	c	d	e
	Total	Credit risk framework	Securitisation framework	Counterparty credit risk framework	Market risk framework
1 Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	1,158,885	1,146,472	-	12,413	43,490
2 Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	21,407	2,199	-	19,208	14,430
3 Total net amount under regulatory scope of consolidation	1,137,478	1,144,273	-	(6,795)	29,060
4 Off-balance sheet amounts excluding derivatives	107,412	107,412	-	-	-
5 Differences due to different netting rules, other than those already included in row 2	-	-	-	-	-
6 Differences due to consideration of provisions and interest in suspense	31,460	31,460	-	-	-
7 Differences due to prudential filters	-	-	-	-	-
8 Differences due to potential future exposures	23,572	-	-	23,572	-
9 Exposure amounts considered for regulatory purposes	1,299,922	1,283,145	-	16,777	29,060

Impact of IAS29 on hyperinflation accounting is not considered in regulatory scope of consolidation.

31 December 2024 AED in millions	a	b	c	d	e
	Total	Credit risk framework	Securitisation framework	Counterparty credit risk framework	Market risk framework
1 Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	993,029	980,561	-	12,468	22,118
2 Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	18,458	2,561	-	15,897	10,792
3 Total net amount under regulatory scope of consolidation	974,571	978,000	-	(3,429)	11,326
4 Off-balance sheet amounts excluding derivatives	92,155	92,155	-	-	-
5 Differences due to different netting rules, other than those already included in row 2	-	-	-	-	-
6 Differences due to consideration of provisions and interest in suspense	34,896	34,896	-	-	-
7 Differences due to prudential filters	-	-	-	-	-
8 Derivatives	15,373	-	-	15,373	-
9 Exposure amounts considered for regulatory purposes	1,116,995	1,105,051	-	11,944	11,326

Major differences between carrying values and amounts considered for regulatory purposes are:

- Off-balance sheet amounts subject to credit risk including undrawn portions of committed and uncommitted facilities, trade finance commitments and guarantees post Credit Conversion Factor (CCF). Further potential future exposures (PFE) and impact of CRM on counterparty credit risk are added on derivative exposures.
- Credit risk adjustments, including Expected Credit Losses (ECL) and Interest In Suspense (IIS) which are grossed up for regulatory exposures.

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Capital management

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

The group applies CBUAE issued Basel III capital regulations, which came into effect from 1 February 2017, introducing minimum capital requirements at three levels, namely Common Equity Tier 1 (CET1), Additional Tier 1 (AT1) and Total Capital.

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

Over and above additional capital buffers, the Group as a Domestic Systemically Important Bank (D-SIB) is required to keep an additional D-SIB buffer of 1.5% of the capital base.

Regulatory capital

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

- CET1 capital is the highest quality form of capital, comprising share capital, share premium, legal, statutory and other reserves, fair value reserve, retained earnings, non-controlling interest after deductions for goodwill and intangibles and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes under CBUAE guidelines.
- AT1 capital comprises eligible non-common equity capital instruments.
- Tier 2 capital comprises qualifying subordinated debt, and general provisions upto 1.25% of CRWA.

The regulatory capital ratios exclude the impact of hyperinflation accounting on Group's consolidated financial statements.

Details of the Group's qualifying equity and AT1 instruments are set out in Appendix A.

Composition of regulatory capital (CC1)

This provides a breakup of the elements constituting the Group's capital.

AED in millions	31 December 2025	31 December 2024	CC2 Reference
Common Equity Tier 1 capital: instruments and reserves			
1 Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	24,271	24,271	b
2 Retained earnings	117,284	97,891	f
3 Accumulated other comprehensive income (and other reserves)	(15,766)	(13,572)	
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)	-	-	
Common Equity Tier 1 capital before regulatory deductions	125,789	108,590	
Common Equity Tier 1 capital regulatory adjustments			
7 Prudent valuation adjustments	-	-	
8 Goodwill (net of related tax liability)	(5,620)	(5,626)	a
9 Other intangibles (net of related tax liability)	(2,036)	(1,782)	
10 Deferred tax assets that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	-	-	
11 Cash flow hedge reserve	912	137	
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)	(46)	(46)	
16 Reciprocal cross-holdings in CET1, AT1, tier 2	-	-	
17 Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-	
18 Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-	
19 Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-	

AED in millions	31 December 2025	31 December 2024	CC2 Reference
20 Amount exceeding 15% threshold	-	-	
21 Of which: significant investments in the common stock of financials	-	-	
22 Of which: deferred tax assets arising from temporary differences	-	-	
23 CBUAE specific regulatory adjustments	-	-	
24 Total regulatory adjustments to Common Equity Tier 1	(6,790)	(7317)	e
25 Common Equity Tier 1 capital (CET1)	118,999	101,273	
Additional Tier 1 capital: instruments			
26 Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	9,129	9,129	c
27 Of which: classified as equity under applicable accounting standards	9,129	9,129	
28 Of which: classified as liabilities under applicable accounting standards	-	-	
29 Directly issued capital instruments subject to phase-out from AT1	-	-	
30 AT1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in AT1)	-	-	
31 Of which: instruments issued by subsidiaries subject to phase-out	-	-	
32 Additional Tier 1 capital before regulatory adjustments	9,129	9,129	
Additional Tier 1 capital: regulatory adjustments			
33 Investments in own additional tier 1 instruments	-	-	
34 Investments in capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-	
35 Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-	
36 CBUAE specific regulatory adjustments	-	-	
37 Total regulatory adjustments to additional tier 1 capital	-	-	
38 Additional Tier 1 capital (AT1)	9,129	9,129	
39 Tier 1 capital (T1= CET1 + AT1)	128,128	110,402	
Tier 2 capital: instruments and provisions			
40 Directly issued qualifying tier 2 instruments plus related stock surplus	-	-	
41 Directly issued capital instruments subject to phase-out from tier 2	-	-	
42 Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 30) issued by subsidiaries and held by third parties (amount allowed in group tier 2)	-	-	
43 Of which: instruments issued by subsidiaries subject to phase-out	-	-	
44 Provisions	9,040	7,532	d
45 Tier 2 capital before regulatory adjustments	9,040	7,532	
Tier 2 capital: regulatory adjustments			
46 Investments in own tier 2 instruments	-	-	
47 Investments in capital, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	-	
48 Significant investments in the capital, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-	
49 CBUAE specific regulatory adjustments	-	-	
50 Total regulatory adjustments to Tier 2 capital	-	-	
51 Tier 2 capital (T2)	9,040	7,532	
52 Total regulatory capital (TC = T1 + T2)	137,168	117,934	
53 Total risk-weighted assets	827,618	690,375	
Capital ratios and buffers			
54 Common Equity Tier 1 (as a percentage of risk-weighted assets)	14.38%	14.67%	
55 Tier 1 (as a percentage of risk-weighted assets)	15.48%	15.99%	
56 Total capital (as a percentage of risk-weighted assets)	16.57%	17.08%	
57 Institution specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk-weighted assets)	4.07%	4.07%	

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Composition of regulatory capital (CC1) (continued)

AED in millions	31 December 2025	31 December 2024	CC2 Reference
58 Of which: capital conservation buffer requirement	2.50%	2.50%	
59 Of which: bank-specific countercyclical buffer requirement	0.07%	0.07%	
60 Of which: higher loss absorbency requirement (e.g., DSIB)	1.50%	1.50%	
61 Common Equity Tier 1 (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirement.	6.07%	6.58%	
The CBUAE Minimum Capital Requirement			
62 Common Equity Tier 1 minimum ratio	7.00%	7.00%	
63 Tier 1 minimum ratio	8.50%	8.50%	
64 Total capital minimum ratio	10.50%	10.50%	
Amounts below the thresholds for deduction (before risk weighting)	-	-	
65 Non-significant investments in the capital and other TLAC liabilities of other financial entities	-	-	
66 Significant investments in common stock of financial entities	-	-	
67 Mortgage servicing rights (net of related tax liability)	-	-	
68 Deferred tax assets arising from temporary differences (net of related tax liability)	-	-	
Applicable caps on the inclusion of provisions in Tier 2			
69 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	13,223	13,454	
70 Cap on inclusion of provisions in tier 2 under standardised approach	9,040	7,532	d
71 Provisions eligible for inclusion in tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-	-	
72 Cap for inclusion of provisions in tier 2 under internal ratings-based approach	-	-	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)			
73 Current cap on CET1 instruments subject to phase-out arrangements	-	-	
74 Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	-	
75 Current cap on AT1 instruments subject to phase-out arrangements	-	-	
76 Amount excluded from AT1 due to cap (excess after redemptions and maturities)	-	-	
77 Current cap on T2 instruments subject to phase-out arrangements	-	-	
78 Amount excluded from T2 due to cap (excess after redemptions and maturities)	-	-	

The increase in CET1 is primarily from profit for the year amounting to AED 24 billion (2024: AED 23 billion) offset by proposed dividend of AED 6.3 billion (2024: AED 6.3 billion).

Reconciliation of regulatory capital to balance sheet (CC2)

The following 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 are used in the composition of capital disclosure template set out in Template CC1. Variances between the financial and regulatory consolidated balance sheets are consistent with L11 disclosure.

31 December 2025 AED in millions	Balance sheet as in published financial statements	Under regulatory scope of consolidation	CC1 Reference
Assets			
Cash and deposits with central bank	124,647	124,647	
Due from banks	136,147	136,147	
Investment securities	206,608	208,222	
Loans & receivables	632,847	632,847	
Positive fair value of derivatives	12,413	12,413	
Customer acceptances	9,350	9,350	
Property & equipment	8,742	7,392	
Goodwill & intangibles	5,620	5,620	a
Other assets	28,068	29,903	
Total assets	1,164,442	1,166,541	
Liabilities			
Due to banks	66,277	66,277	
Customer deposits	786,024	786,024	
Debt issued, sukuks payable and other borrowed funds	90,287	90,287	
Negative fair value of derivatives	19,208	19,208	
Customer acceptances	9,350	9,350	
Other liabilities	48,477	53,588	
Total Liabilities	1,019,623	1,024,734	
Issued capital	6,317	6,317	b
Treasury shares	(46)	(46)	
Tier 1 capital notes	9,129	9,129	c
Share premium reserve	17,954	17,954	b
Legal and statutory reserve	3,158	3,158	
Other reserves	2,945	2,945	
Fair value reserve	(1,122)	(1,034)	
Currency translation reserve	(4,438)	(20,835)	
Retained earnings	110,685	117,284	f
Common equity tier 1 capital regulatory deductions	-	(6,744)	e
Non-controlling interest	237	-	
Provisions eligible for inclusion in tier 2	-	9,040	d
Total Capital	144,819	137,168	

Variances between financial and regulatory consolidated balance sheets arise primarily from difference in basis of consolidation.

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

31 December 2024 AED in millions	Balance sheet as in published financial statements	Under regulatory scope of consolidation	CC1 Reference
Assets			
Cash and deposits with central bank	104,665	104,665	
Due from banks	132,766	132,766	
Investment securities	199,223	201,076	
Loans & receivables	501,627	501,627	
Positive fair value of derivatives	12,468	12,468	
Customer acceptances	9,478	9,478	
Property & equipment	7,941	7,017	
Goodwill & intangibles	5,626	5,626	a
Other assets	22,788	25,714	
Total Assets	996,582	1,000,437	
Liabilities			
Due to banks	55,487	55,487	
Customer deposits	666,777	666,777	
Debt issued, sukuk payable and other borrowed funds	79,903	79,903	
Negative fair value of derivatives	15,897	15,897	
Customer acceptances	9,478	9,478	
Other liabilities	42,826	49,515	
Total Liabilities	870,368	877,057	
Issued capital	6,317	6,317	b
Treasury shares	(46)	(46)	
Additional Tier 1 capital notes	9,129	9,129	c
Share premium reserve	17,954	17,954	b
Legal and statutory reserve	3,158	3,158	
Other reserves	2,945	2,945	
Fair value reserve	(1,132)	(1,132)	
Currency translation reserve	(6,071)	(18,543)	
Retained earnings	93,736	97,891	f
Common equity tier 1 capital regulatory deductions	-	(7,271)	e
Non-controlling interest	224	-	
Provisions eligible for inclusion in tier 2	-	7,532	d
Total Capital	126,214	117,934	

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

Banks are required to maintain CCyB as per geographical distribution of its private sector exposures. The Group will be subject to CCyB rate of 0.5% on its private sector corporate exposures within the UAE effective 1st January 2026, vide circular no 1265.2024 dated 10-Dec-2024. Following table provides an overview of the geographical distribution of private sector credit exposures relevant for countries with active CCyB rate.

31 December 2025 AED in million	a	b	c	d	e	f
	Exposure values and/or risk-weighted assets used in the computation of the countercyclical capital buffer					
	Counter cyclical capital buffer rate (%)	Exposure values	Risk-weighted assets	Minimum Capital Requirement	Share of Minimum Capital (%)	Bank-specific counter cyclical capital buffer rate (%)
Geographical breakdown						
United Kingdom	2.00%	22,335	15,324	2,222	2.78%	0.06%
Cyprus	1.00%	2,180	735	107	0.13%	0.00%
Romania	1.00%	1,927	84	12	0.02%	0.00%
France	1.00%	1,586	1,281	186	0.23%	0.00%
Netherlands	2.00%	1,566	1,561	226	0.28%	0.01%
Ireland	1.50%	1,262	1,289	187	0.23%	0.00%
Hong Kong	0.50%	1,184	1,199	174	0.22%	0.00%
Luxembourg	0.50%	1,024	1,014	147	0.18%	0.00%
South Korea	1.00%	797	324	47	0.06%	0.00%
Germany	0.75%	712	699	101	0.13%	0.00%
Spain	0.50%	521	514	74	0.09%	0.00%
Greece	0.25%	406	396	57	0.07%	0.00%
Belgium	1.00%	186	172	25	0.03%	0.00%
Australia	1.00%	170	146	21	0.03%	0.00%
Sweden	2.00%	40	33	5	0.01%	0.00%
Bulgaria	2.00%	33	10	2	0.00%	0.00%
Poland	1.00%	30	29	4	0.01%	0.00%
Hungary	1.00%	17	8	1	0.00%	0.00%
Slovenia	1.00%	11	5	1	0.00%	0.00%
Slovakia	1.50%	7	2	0	0.00%	0.00%
Armenia	1.50%	7	1	0	0.00%	0.00%
Latvia	1.00%	5	5	1	0.00%	0.00%
Chile	0.50%	3	3	0	0.00%	0.00%
Iceland	2.50%	2	2	0	0.00%	0.00%
Denmark	2.50%	2	1	0	0.00%	0.00%
Estonia	1.50%	1	1	0	0.00%	0.00%
Norway	2.50%	1	1	0	0.00%	0.00%
Croatia	1.50%	1	0	0	0.00%	0.00%
United Arab Emirates ³	0.00%	452,773	321,171	46,570	58.34%	0.00%
Others ⁴	0.00%	266,388	204,541	29,659	37.15%	0.00%
Sum¹		36,016	24,839			
Total²		755,177	550,551			0.07%

AED in millions	31 December 2025	31 December 2024
Total risk-weighted assets of the Group	827,618	690,375
Bank specific countercyclical capital buffer rate	0.07%	0.07%
Bank specific countercyclical capital buffer requirement	579	483

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

	a	b	c	d	e	f
		Exposure values and/or risk-weighted assets used in the computation of the countercyclical capital buffer				
31 December 2024 AED in millions	Counter cyclical capital buffer rate (%)	Exposure values	Risk-weighted assets	Minimum Capital Requirement	Share of Minimum Capital (%)	Bank-specific counter cyclical capital buffer rate (%)
Geographical breakdown						
United Kingdom	2.00%	14,752	11,847	1,718	2.57%	0.05%
Cyprus	1.00%	2,028	585	85	0.13%	0.00%
Netherlands	2.00%	1,771	1,762	256	0.38%	0.01%
Hong Kong	1.00%	1,318	1,259	183	0.27%	0.01%
France	1.00%	1,111	841	122	0.18%	0.00%
Germany	0.75%	812	785	114	0.17%	0.00%
Luxembourg	0.50%	429	436	63	0.09%	0.00%
Ireland	1.50%	329	327	47	0.07%	0.00%
Belgium	1.00%	307	250	36	0.05%	0.00%
Australia	1.00%	137	134	19	0.03%	0.00%
South Korea	1.00%	112	10	1	0.00%	0.00%
Romania	1.00%	43	37	5	0.01%	0.00%
Bulgaria	2.00%	33	4	1	0.00%	0.00%
Sweden	2.00%	11	7	1	0.00%	0.00%
Hungary	0.50%	8	-	-	0.00%	0.00%
Latvia	0.50%	4	4	1	0.00%	0.00%
Slovakia	1.50%	3	2	-	0.00%	0.00%
Denmark	2.50%	2	2	-	0.00%	0.00%
Armenia	1.50%	1	1	-	0.00%	0.00%
Estonia	1.50%	1	1	-	0.00%	0.00%
Iceland	2.50%	1	1	-	0.00%	0.00%
United Arab Emirates ³	0.00%	381,480	273,192	39,613	59.31%	0.00%
Others ⁴	0.00%	212,249	169,122	24,523	36.72%	0.00%
Sum¹		23,213	18,295			
Total²		616,942	460,609			0.07%

- 1 Sum of private sector credit exposures and related RWA in jurisdictions with a non-zero countercyclical buffer rate only.
2 Total of private sector credit exposures and related RWA across all jurisdictions.
3 The private sector corporate exposures as present in the UAE which will attract 0.5% country specific CCyB rate.
4 Others primarily includes exposures in other markets with no CCyB requirement.

Leverage Ratio

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

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

AED in millions		31 December 2025	30 September 2025	31 December 2024
1	Total consolidated assets as per published financial statements	1,164,442	1,389,083	996,582
2	Adjustments for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	1,601	1,995	3,889
3	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-	-	-
4	Adjustments for temporary exemption of central bank reserves (if applicable)	-	-	-
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	-	-
6	Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	-	-	-
7	Adjustments for eligible cash pooling transactions	-	-	-
8	Adjustments for derivative financial instruments	6,613	8,932	5,130
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)	143,084	148,607	117,507
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-	-	-
12	Other adjustments ¹	(16,505)	(17,332)	(16,916)
13	Leverage ratio exposure measure	1,299,235	1,281,285	1,106,192

- 1 This includes Assets deducted from CET1 capital, customer acceptances (considered as off-balance sheet) and Impact of IAS 29 on hyperinflation accounting on non-monetary assets

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Leverage Ratio (continued)

Leverage ratio common disclosure template (LR2)

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

AED in millions	31 December 2025	30 September 2025	31 December 2024
On-balance sheet exposures			
1 On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	1,116,666	1,090,366	948,926
2 Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	-	-	-
3 Deductions of receivable assets for cash variation margin provided in derivatives transactions	-	-	-
4 Adjustment for securities received under securities financing transactions that are recognised as an asset	-	-	-
5 Specific and general provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital	-	-	-
6 Asset amounts deducted in determining Tier 1 capital	(7,656)	(7,662)	(7,408)
7 Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	1,109,010	1,082,704	941,518
Derivative exposures			
8 Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	3,999	3,870	4,722
9 Add-on amounts for PFE associated with all derivatives transactions	9,592	10,123	7,848
10 Exempted CCP leg of client-cleared trade exposures	-	-	-
11 Adjusted effective notional amount of written credit derivatives	-	-	-
12 Adjusted effective notional offsets and add-on deductions for written credit derivatives	-	-	-
13 Total derivative exposures (Calculated as rows 8 to 12)*1.4	19,027	19,590	17,598
Securities financing transactions			
14 Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	28,114	30,383	29,569
15 Netted amounts of cash payables and cash receivables of gross SFT assets	-	-	-
16 CCR exposure for SFT assets	-	-	-
17 Agent transaction exposures	-	-	-
18 Total securities financing transaction exposures (sum of rows 14 to 17)	28,114	30,383	29,569
Other off-balance sheet exposures			
19 Off-balance sheet exposure at gross notional amount	476,513	422,199	374,511
20 Adjustments for conversion to credit equivalent amounts	(333,429)	(273,591)	(257,004)
21 Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital	-	-	-
22 Off-balance sheet items (sum of rows 19 to 21)	143,084	148,608	117,507
Capital and total exposures			
23 Tier 1 capital	128,128	129,262	110,402
24 Total exposures (sum of rows 7, 13, 18 and 22)	1,299,235	1,281,285	1,106,192
Leverage ratio			
25 Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	9.86%	10.09%	9.98%
25a Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	9.86%	10.09%	9.98%
26 CBUAE minimum leverage ratio requirement	3.00%	3.00%	3.00%
27 Applicable leverage buffers	0.5%	0.5%	0.5%

Overview of risk management and risk weighted assets (RWA)

Risk management approach

Please refer note 44 of the Group's annual financial statements for the risk management framework including: risk governance structure, risk profile and risk measurement systems of the bank, risk mitigation and risk reporting to the Board of Directors ('Board') and senior management.

The Group conducts a wide-ranging stress testing exercise that support the requirements of risk management and capital planning. This includes execution of stress tests mandated by regulators. The Group's stress testing is supported by dedicated teams and infrastructure. The stress testing exercise assesses capital strength and enhances resilience to external shocks, thereby helping to understand and mitigate risks and informed decision making on capital levels.

Overview of Risk Weighted Assets (RWAs) (OV1)

The following table provides an overview of total RWAs forming the denominator of the risk-based capital requirements. Further breakdowns of RWA are presented in subsequent parts.

AED in millions	31 December 2025	30 September 2025	31 December 2024	Minimum capital requirements 31 December 2025
1 Credit risk (excluding counterparty credit risk)	702,082	691,039	589,675	102,293
2 Of which: standardised approach (SA)	702,082	691,039	589,675	102,293
3 Counterparty credit risk (CCR)	11,958	12,217	7,751	1,742
4 Of which: standardised approach for counterparty credit risk	11,958	12,217	7,751	1,742
5 Credit valuation adjustment (CVA)	8,428	8,697	5,007	1,228
6 Equity investments in funds - look-through approach	-	-	-	-
7 Equity investments in funds - mandate-based approach	-	-	-	-
8 Equity investments in funds - fall-back approach	772	770	102	112
9 Settlement risk	-	-	-	-
10 Securitisation exposures in the banking book	-	-	-	-
11 Of which: securitisation external ratings-based approach (SEC-ERBA)	-	-	-	-
12 Of which: securitisation standardised approach (SEC-SA)	-	-	-	-
13 Market risk	23,884	26,666	16,550	3,480
14 Of which: standardised approach (SA)	23,884	26,666	16,550	3,480
15 Operational risk	80,494	78,641	71,290	11,728
16 Total (1+3+5+8+13+15)	827,618	818,030	690,375	120,583

The regulatory minimum capital requirement is calculated at 14.57% of the RWA including CBUAE assigned capital buffers.

Credit risk weighted assets increased by AED 10.5 billion quarter on quarter and AED 120.7 billion year on year majorly due to growth in lending volumes.

Operational risk increased due to higher average operating income over past three year time horizon, where 2025 higher income replaced 2022 lower income.

Credit Risk

Please refer note no. 44 D in the annual financial statements for criteria, approach, structure, and organization of credit risk management and reporting of risk exposures, risk mitigation and stress testing related to credit risk. For definition of default please refer note 6 (f) (iii) of annual financial statements.

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Credit quality of assets (CRI)

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

		a	b	c	d	e	f
		Gross carrying values of			Of which ECL accounting provisions for credit losses on SA exposures		
31 December 2025 AED in millions		Defaulted exposures ³	Non-defaulted exposures	Allowances/Impairments	Allocated in regulatory category of Specific	Allocated in regulatory category of General	Net values (a+b-c)
1	Loans	15,614	642,157	24,924	13,575	11,349	632,847
2	Debt securities ¹	–	175,010	304	–	304	174,706
Total		15,614	817,167	25,228	13,575	11,653	807,553
3	Off-balance sheet exposures ²	2,277	1,514,971	3,326	2,199	1,127	1,513,922

		a	b	c	d	e	f
		Gross carrying values of			Of which ECL accounting provisions for credit losses on SA exposures		
31 December 2024 AED in millions		Defaulted exposures ³	Non-defaulted exposures	Allowances/Impairments	Allocated in regulatory category of Specific	Allocated in regulatory category of General	Net values (a+b-c)
1	Loans	17,639	511,540	27,552	15,562	11,990	501,627
2	Debt securities ¹	–	188,858	154	–	154	188,704
Total		17,639	700,398	27,706	15,562	12,144	690,331
3	Off-balance sheet exposures ²	3,125	1,254,766	3,641	2,561	1,080	1,254,250

1 Debt securities include only banking book securities.

2 Includes letters of credit, guarantees, liability on risk participations, customer acceptances, irrevocable loan commitments and notional amount of derivatives.

3 Defaulted exposures are net of interest in suspense (IIS).

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

The following table identifies the changes in the Group'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.

AED in millions		31 December 2025	31 December 2024
1	Defaulted loans and debt securities at the end of the previous reporting period	17,639	22,022
2	Loans and debt securities that have defaulted since the last reporting period	8,697	6,433
3	Returned to non-default status	(961)	(626)
4	Amounts written off	(4,542)	(6,451)
5	New financial assets, net of repayments and others	(5,219)	(3,739)
6	Defaulted loans and debt securities at the end of the reporting period	15,614	17,639

Additional disclosure related to the credit quality of assets (CRB)

Definition of default

Please refer note 6 in the annual financial statements for scope and definitions of 'past due' and 'credit-impaired' exposures.

Past due exposures not impaired

There were no past due exposures which were not impaired as at 31 December 2025 (2024: nil).

The methods used for determining accounting provisions for credit losses and adopting an ECL accounting model for categorization of ECL accounting provisions in general and specific categories for standardised approach exposures have been detailed in the annual financial statements note 6(f)(iii).

Restructured financial assets

Please refer note 6(f)(iii) of the annual financial statements for the year ended 31 December 2025 for policy on restructured financial assets details.

As at 31 December 2025, impaired restructured loans constituted AED 5.77 billion (2024: AED 6.68 billion).

Gross credit exposures by currency classification

The Group's gross credit exposures by foreign and local currency, both funded and non-funded is detailed below:

31 December 2025 AED in millions	Loans and receivables	Debt securities	Other assets	Total funded	Commitments	Derivatives	Other off-balance sheet exposures	Total non-funded	Grand Total
Foreign Currency	249,244	125,860	212,205	587,309	10,785	14,639	62,128	87,552	674,861
AED	412,178	49,150	117,746	579,074	6,477	2,138	37,372	45,987	625,061
Total	661,422	175,010	329,951	1,166,383	17,262	16,777	99,500	133,539	1,299,922

31 December 2024 AED in millions	Loans and receivables	Debt securities	Other assets	Total funded	Commitments	Derivatives	Other off-balance sheet exposures	Total non-funded	Grand Total
Foreign Currency	201,343	114,371	185,028	500,742	12,198	8,784	46,185	67,167	567,909
AED	332,233	74,487	95,955	502,675	14,585	3,160	28,666	46,411	549,086
Total	533,576	188,858	280,983	1,003,417	26,783	11,944	74,851	113,578	1,116,995

Other assets include cash & deposits with Central Banks, due from banks, trading securities, equity investment in banking book, investment in subsidiaries and associates, investment properties, property & equipment, and other assets.

Gross credit exposures by maturity

The following table lists the Group's gross exposures by residual maturity:

31 December 2025 AED in millions	Loans and receivables	Debt securities	Other assets	Total funded	Commitments	Derivatives	Other off-balance sheet exposures	Total non-funded	Grand Total
Less than 3 months	163,322	40,449	222,279	426,050	1,601	4,941	46,474	53,016	479,066
3 months to 1 year	120,979	31,760	56,451	209,190	11,186	3,587	31,614	46,387	255,577
1 year to 5 years	264,598	60,719	27,905	353,222	2,732	5,631	14,347	22,710	375,932
Over 5 years	83,948	41,778	22,934	148,660	1,739	2,618	4,870	9,227	157,887
Add: Grossing up of interest in suspense & provisions	28,575	304	382	29,261	4	–	2,195	2,199	31,460
Total	661,422	175,010	329,951	1,166,383	17,262	16,777	99,500	133,539	1,299,922

Other assets include cash & deposits with Central Banks, due from banks, trading securities, equity investment in banking book, investment in subsidiaries and associates, investment properties, property & equipment, and other assets.

31 December 2024 AED in millions	Loans and receivables	Debt securities	Other assets	Total funded	Commitments	Derivatives	Other off-balance sheet exposures	Total non-funded	Grand Total
Less than 3 months	132,916	34,445	196,790	364,151	5,368	3,836	35,659	44,863	409,014
3 months to 1 year	77,710	59,063	40,892	177,665	18,788	1,833	22,985	43,606	221,271
1 year to 5 years	204,947	57,386	19,534	281,867	2,190	4,544	11,506	18,240	300,107
Over 5 years	86,054	37,964	23,767	147,785	437	1,731	4,701	6,869	154,654
Add: Grossing up of interest in suspense & provisions	31,949	–	–	31,949	–	–	–	–	31,949
Total	533,576	188,858	280,983	1,003,417	26,783	11,944	74,851	113,578	1,116,995

Other assets include cash & deposits with Central Banks, due from banks, trading securities, equity investment in banking book, investment in subsidiaries and associates, investment properties, property & equipment, and other assets.

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Gross credit exposures by geography

The Group's gross credit exposures by geography, both funded and non-funded is detailed below:

31 December 2025 AED in millions	Loans and receivables	Debt securities	Other assets	Total funded	Commitments	Derivatives	Other off- balance sheet exposures	Total non- funded	Grand Total
United Arab Emirates	432,070	77,217	141,003	650,290	6,143	5,799	48,766	60,708	710,998
GCC excluding UAE*	59,616	24,113	43,614	127,343	5,110	1,857	7,571	14,538	141,881
Arab League (excluding GCC)	12,352	5,264	22,356	39,972	197	1,135	4,445	5,777	45,749
Asia	116,575	9,073	76,027	201,675	1,718	2,321	23,032	27,071	228,746
Africa	2,751	-	2,817	5,568	-	57	383	440	6,008
North America	550	31,292	6,162	38,004	1	279	209	489	38,493
South America	10	-	2,536	2,546	-	-	-	-	2,546
Caribbean	6,208	-	1,121	7,329	-	924	3	927	8,256
Europe	29,318	26,982	32,462	88,762	4,081	4,334	15,082	23,497	112,259
Australia	380	-	62	442	-	70	8	78	520
Others	1,592	1,069	1,791	4,452	12	1	1	14	4,466
Total	661,422	175,010	329,951	1,166,383	17,262	16,777	99,500	133,539	1,299,922

Other assets include cash & deposits with Central Banks, due from banks, trading securities, equity investment in banking book, investment in subsidiaries and associates, investment properties, property & equipment, and other assets.

*This includes Saudi Arabia, Bahrain, Kuwait, Oman, and Qatar

31 December 2024 AED in millions	Loans and receivables	Debt securities	Other assets	Total funded	Commitments	Derivatives	Other off- balance sheet exposures	Total non- funded	Grand Total
United Arab Emirates	361,325	103,686	108,497	573,508	12,376	4,365	42,747	59,488	632,996
GCC excluding UAE*	40,278	21,581	40,654	102,513	4,850	1,313	6,170	12,333	114,846
Arab League (excluding GCC)	8,940	1,878	13,470	24,288	52	544	2,396	2,992	27,280
Asia	94,518	9,199	80,949	184,666	1,935	1,711	17,125	20,771	205,437
Africa	1,132	-	3,218	4,350	51	2	20	73	4,423
North America	436	27,882	3,102	31,420	184	26	108	318	31,738
South America	7	-	1,722	1,729	-	-	37	37	1,766
Caribbean	4,167	-	13	4,180	40	139	34	213	4,393
Europe	21,097	23,245	26,896	71,238	7,284	3,691	5,867	16,842	88,080
Australia	436	-	1,636	2,072	-	22	324	346	2,418
Others	1,240	1,387	826	3,453	11	131	23	165	3,618
Total	533,576	188,858	280,983	1,003,417	26,783	11,944	74,851	113,578	1,116,995

Other assets include cash & deposits with Central Banks, due from banks, trading securities, equity investment in banking book, investment in subsidiaries and associates, investment properties, property & equipment, and other assets.

* This includes Saudi Arabia, Bahrain, Kuwait, Oman, and Qatar.

Gross credit exposures by economic activity

The Group's gross credit exposures by economic activity, both funded and non-funded is detailed below:

31 December 2025 AED in millions	Loans and receivables	Debt securities	Other assets	Total funded	Commitments	Derivatives	Other off- balance sheet exposures	Total non- funded	Grand Total
Agriculture, fishing & related activities	10,606	-	15	10,621	140	18	739	897	11,518
Crude, oil gas, mining & quarrying	2,248	1,019	521	3,788	28	12	1,780	1,820	5,608
Manufacturing	38,249	110	472	38,831	2,576	285	8,295	11,156	49,987
Electricity & Water	5,005	3,363	1,660	10,028	1	210	1	212	10,240
Construction	14,362	331	115	14,808	716	37	22,449	23,202	38,010
Trade	46,357	-	6	46,363	3,390	370	10,485	14,245	60,608
Transport, storage & communication	43,524	1,820	3,686	49,030	898	1,294	1,624	3,816	52,846
Financial institutions and investment companies	104,801	16,422	140,059	261,282	3,611	11,590	34,907	50,108	311,390
Real estate	55,055	191	19	55,265	1,604	148	8,270	10,022	65,287
Services	39,318	541	17,328	57,187	370	811	2,852	4,033	61,220
Sovereign	74,752	149,374	148,405	372,531	358	314	2,498	3,170	375,701
Personal	196,719	-	132	196,851	1,920	558	862	3,340	200,191
All Others	26,775	1,839	17,533	46,147	1,650	1,130	4,738	7,518	53,665
Add: Grossing up of interest in suspense	3,651	-	-	3,651	-	-	-	-	3,651
Total	661,422	175,010	329,951	1,166,383	17,262	16,777	99,500	133,539	1,299,922

Other assets include cash & deposits with Central Banks, due from banks, trading securities, equity investment in banking book, investment in subsidiaries and associates, investment properties, property & equipment, and other assets.

31 December 2024 AED in millions	Loans and receivables	Debt securities	Other assets	Total funded	Commitments	Derivatives	Other off- balance sheet exposures	Total non- funded	Grand Total
Agriculture, fishing & related activities	16,164	-	6	16,170	30	2	530	562	16,732
Crude, oil gas, mining & quarrying	2,240	599	243	3,082	28	29	1,421	1,478	4,560
Manufacturing	28,844	-	1,280	30,124	2,252	134	7,248	9,634	39,758
Electricity & Water	2,814	2,225	386	5,425	1	-	-	1	5,426
Construction	10,522	-	22	10,544	719	72	18,257	19,048	29,592
Trade	34,673	-	-	34,673	3,312	174	8,736	12,222	46,895
Transport, storage & communication	40,223	551	2,113	42,887	667	563	1,617	2,847	45,734
Financial institutions and investment companies	67,073	14,775	135,355	217,203	11,777	8,841	18,518	39,136	256,339
Real estate	45,894	251	261	46,406	3,143	452	7,050	10,645	57,051
Services	33,712	188	8,200	42,100	1,275	484	3,150	4,909	47,009
Sovereign	65,836	166,874	107,049	339,759	80	28	4,188	4,296	344,055
Personal	159,574	-	121	159,695	1,289	417	431	2,137	161,832
All Others	21,610	3,395	25,947	50,952	2,210	748	3,705	6,663	57,615
Add: Grossing up of interest in suspense	4,397	-	-	4,397	-	-	-	-	4,397
Total	533,576	188,858	280,983	1,003,417	26,783	11,944	74,851	113,578	1,116,995

Other assets include cash & deposits with Central Banks, due from banks, trading securities, equity investment in banking book, investment in subsidiaries and associates, investment properties, property & equipment, and other assets.

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Impaired loans by geography

The details of impaired loans by geography are as below:

31 December 2025 AED in millions	Overdue (Gross of interest in suspense/ ECL)			Expected Credit Losses (ECL)		Adjustments		Interest in suspense	Total impaired assets
	Less than 90 days	90 days and above	Total	Specific*	General**	Write- offs	Write- backs		
United Arab Emirates	-	11,737	11,737	8,436	-	3,782	3,576	3,173	128
GCC excluding UAE***	-	1,752	1,752	1,122	-	123	80	285	345
Arab League (excluding GCC)	-	387	387	283	-	27	8	81	23
Asia	-	4,710	4,710	3,198	-	610	1,230	61	1,451
Africa	-	-	-	-	-	-	-	-	-
North America	-	2	2	1	-	-	-	-	1
South America	-	-	-	-	-	-	-	-	-
Caribbean	-	-	-	-	-	-	-	-	-
Europe	-	554	554	435	-	-	14	51	68
Australia	-	44	44	36	-	-	-	-	8
Others	-	79	79	64	-	-	33	-	15
Total	-	19,265	19,265	13,575	11,349	4,542	4,941	3,651	2,039

*Specific provisions represent Stage 3 Expected Credit Losses (ECL).

**General provisions represent Stage 1 and Stage 2 ECL.

***This includes Saudi Arabia, Bahrain, Kuwait, Oman, and Qatar

31 December 2024 AED in millions	Overdue (Gross of interest in suspense/ ECL)			Expected Credit Losses (ECL)		Adjustments		Interest in suspense	Total impaired assets
	Less than 90 days	90 days and above	Total	Specific*	General**	Write- offs	Write- backs		
United Arab Emirates	-	15,845	15,845	11,726	-	5,089	2,466	4,052	67
GCC excluding UAE***	-	1,388	1,388	1,141	-	307	29	218	29
Arab League (excluding GCC)	-	260	260	190	-	107	19	39	31
Asia	-	3,647	3,647	2,285	-	927	521	61	1,301
Africa	-	-	-	-	-	-	-	-	-
North America	-	1	1	1	-	-	-	-	-
South America	-	-	-	-	-	-	-	-	-
Caribbean	-	-	-	-	-	-	-	-	-
Europe	-	491	491	48	-	21	-	27	416
Australia	-	52	52	43	-	-	-	-	9
Others	-	352	352	128	-	-	73	-	224
Total	-	22,036	22,036	15,562	11,990	6,451	3,108	4,397	2,077

*Specific provisions represent Stage 3 Expected Credit Losses (ECL).

**General provisions represent Stage 1 and Stage 2 ECL.

***This includes Saudi Arabia, Bahrain, Kuwait, Oman, and Qatar

Impaired loans by economic activity

31 December 2025 AED in millions	Overdue (Gross of interest in suspense/ ECL)			Expected Credit Losses (ECL)		Adjustments		Interest in suspense	Total impaired assets
	Less than 90 days	90 days and above	Total	Specific*	General**	Write- offs	Write- backs		
Agriculture, fishing & related activities	-	661	661	414	-	105	35	-	247
Crude, oil gas, mining & quarrying	-	196	196	161	-	-	2	-	35
Manufacturing	-	1,357	1,357	1,149	-	729	283	150	58
Electricity and water	-	219	219	139	-	-	2	-	80
Construction	-	1,951	1,951	1,223	-	578	614	653	75
Trade	-	2,077	2,077	1,702	-	407	554	262	113
Transport, storage & communication	-	221	221	149	-	1	35	5	67
Financial institutions	-	800	800	673	-	41	570	81	46
Real estate	-	3,369	3,369	2,355	-	13	768	933	81
Services	-	1,442	1,442	1,109	-	18	507	140	193
Sovereign	-	-	-	-	-	-	-	-	0
Personal	-	6,443	6,443	4,141	-	1,256	1,235	1,384	918
Others	-	529	529	360	-	1,394	336	43	126
Total	-	19,265	19,265	13,575	11,349	4,542	4,941	3,651	2,039

*Specific provisions represent Stage 3 Expected Credit Losses (ECL).

**General provisions represent Stage 1 and Stage 2 ECL.

31 December 2024 AED in millions	Overdue (Gross of interest in suspense/ ECL)			Expected Credit Losses (ECL)		Adjustments		Interest in suspense	Total impaired assets
	Less than 90 days	90 days and above	Total	Specific*	General**	Write- offs	Write- backs		
Agriculture, fishing & related activities	-	313	313	171	-	36	8	-	142
Crude, oil gas, mining & quarrying	-	227	227	102	-	-	5	-	125
Manufacturing	-	1,297	1,297	1,150	-	178	67	126	21
Electricity and water	-	145	145	88	-	-	45	-	57
Construction	-	3,121	3,121	1,964	-	294	296	1,115	42
Trade	-	2,404	2,404	1,738	-	1,134	118	344	322
Transport, storage & communication	-	228	228	172	-	48	41	8	48
Financial institutions	-	1,876	1,876	1,511	-	32	778	306	59
Real estate	-	3,826	3,826	2,789	-	588	604	921	116
Services	-	2,328	2,328	1,406	-	576	159	396	526
Sovereign	-	-	-	-	-	-	-	-	-
Personal	-	5,455	5,455	3,798	-	2,008	290	1,114	543
Others	-	816	816	673	-	1,557	697	67	76
Total	-	22,036	22,036	15,562	11,990	6,451	3,108	4,397	2,077

*Specific provisions represent Stage 3 Expected Credit Losses (ECL).

**General provisions represent Stage 1 and Stage 2 ECL.

BASEL III – PILLAR 3 DISCLOSURES continued

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Qualitative disclosure requirements related to credit risk mitigation techniques (CRC)

Please refer note 44 in the annual financial statements for criteria, approach, structure, and organization of credit risk management and reporting of risk exposures, risk mitigation and stress testing related to credit risk.

The Group has adopted comprehensive approach for collateral valuation assessment. Categories of collaterals include cash/ fixed deposits, shares, guarantees (corporate, bank and sovereign guarantees), gold and bonds. As at 31 December 2025, total eligible collaterals held by the Group amounted to AED 78.3 billion (2024: AED 45.4 billion). CR3 table below discloses collaterals securing loans and debt securities only. Out of these, AED 34.9 billion (2024: AED 21.2 billion) were held as cash collaterals

Credit Risk Mitigation (CRM) techniques – overview (CR3)

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

		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
31 December 2025 AED in millions								
1	Loans	529,077	100,632	49,212	3,138	3,136	-	-
2	Debt securities	174,706	-	-	-	-	-	-
3	Total	703,783	100,632	49,212	3,138	3,136	-	-
4	Of which defaulted	1,664	374	67	1	-	-	-
		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
31 December 2024 AED in millions								
1	Loans	425,385	74,713	32,931	1,529	1,528	-	-
2	Debt securities	188,704	-	-	-	-	-	-
3	Total	614,089	74,713	32,931	1,529	1,528	-	-
4	Of which defaulted	1,488	582	224	7	7	-	-

Qualitative disclosures on use of external credit ratings under the standardised approach for credit risk (CRD)

Recognition of external credit assessment institutions (ECAI)

The standardised approach requires banks to use risk assessments prepared by ECAs to determine the risk weightings applied to rated counterparties. As advised by CBUAE; Moody's Investor Service (Moody's), Standard and Poor's rating agency (S&P) and Fitch ratings (Fitch) have been used for ratings purpose.

The Group in line with CBUAE guidelines follows below rating matrix in determining the risk weights.

Long term rating correspondence

S & P	Fitch	Moody's
AAA to AA-	AAA to AA-	Aaa to Aa3
A+ to A-	A+ to A-	A1 to A3
BBB+ to BBB-	BBB+ to BBB-	Baa1 to Baa3
BB+ to BB-	BB+ to BB-	Ba1 to Ba3
B+ to B-	B+ to B-	B1 to B3
Below B-	Below B-	Below B3
Unrated	Unrated	Unrated

If there is only one rating, that rating is used to determine the risk weight of the exposure. If there are two ratings that map to different risk weights, the higher risk weight is applied.

If there are three ratings with different risk weights, the ratings corresponding to the two lowest risk weights is referred to. If these give rise to the same risk weight, that risk weight is applied. If different, the higher risk weight is applied.

ECAs risk assessments are used within the Group as part of the determination of risk weightings for the following classes of exposure:

- Sovereigns
- Public Sector Enterprises
- Banks
- Corporates

All other exposure classes are assigned risk weights as prescribed in the CBUAE standards.

BASEL III – PILLAR 3 DISCLOSURES continued
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Credit risk exposures and Credit Risk Mitigation (CRM) effects (CR4)

The following table illustrates the effect of CRM on capital calculations and RWA density, providing a synthetic metric on riskiness of each portfolio.

31 December 2025 AED in millions	Exposure before CCF and CRM		Exposure post CCF and CRM		RWA and RWA Density	
	On Balance	Off Balance	On Balance	Off Balance	RWA	RWA Density
Sovereigns and their central banks	343,996	5,248	343,996	2,519	59,728	17%
Public Sector Entities	106,913	60,000	102,035	7,390	78,928	72%
Multilateral development banks	2,472	240	2,472	23	741	30%
Banks	139,163	45,931	137,384	24,622	93,213	58%
Securities firms	1	1	-	1	1	100%
Corporates	239,601	237,172	199,451	64,770	253,474	96%
Regulatory retail portfolios	138,019	127,023	134,874	3,982	104,404	75%
Secured by residential property	45,032	2,583	44,873	1,291	22,701	49%
Secured by commercial real estate	65,472	12,886	62,106	7,006	69,111	100%
Equity Investment in Funds (EIF)	62	-	62	-	774	1250%
Past-due loans	19,264	2,277	1,915	67	2,519	127%
Higher-risk categories	-	-	-	-	-	-
Other assets	66,388	3	66,385	-	29,217	44%
Total	1,166,383	493,364	1,095,553	111,671	714,811	59%

31 December 2024 AED in millions	Exposure before CCF and CRM		Exposure post CCF and CRM		RWA and RWA Density	
	On Balance	Off Balance	On Balance	Off Balance	RWA	RWA Density
Sovereigns and their central banks	333,529	5,474	333,529	3,870	54,294	16%
Public Sector Entities	86,682	51,981	79,689	10,661	68,077	75%
Multilateral development banks	1,606	138	1,606	31	323	20%
Banks	138,468	31,428	137,235	22,378	82,941	52%
Securities firms	6	503	-	103	103	100%
Corporates	182,692	199,077	159,511	58,912	210,363	96%
Regulatory retail portfolios	116,609	90,434	114,425	3,045	89,278	76%
Secured by residential property	34,314	1,393	34,234	435	16,273	46%
Secured by commercial real estate	47,446	2,818	45,257	1,394	46,649	100%
Equity Investment in Funds (EIF)	8	-	8	-	103	1250%
Past-due loans	22,036	3,204	2,147	544	3,790	154%
Higher-risk categories	-	-	-	-	-	-
Other assets	40,021	2	40,021	2	25,334	63%
Total	1,003,417	386,452	947,662	101,375	597,528	57%

Exposures by asset classes and risk weights (CR5)

The following table presents the breakdown of credit risk exposures under the standardised approach by asset class and risk weight.

31 December 2025 AED in millions	Exposures amount (post CCF and post CRM)								
	Risk Weights								
Regulatory portfolio	0%	20%	35%	50%	75%	100%	150%	Others	Total credit exposure
Sovereigns	272,893	15,419	-	3,116	-	55,087	-	-	346,515
Public Sector Entities (PSEs)	1,656	28,432	-	12,191	-	67,146	-	-	109,425
Multilateral development banks (MDBs)	916	161	-	1,418	-	-	-	-	2,495
Banks	-	26,475	-	96,089	-	38,580	862	-	162,006
Securities firms	-	-	-	-	-	1	-	-	1
Corporates	-	2,971	-	12,042	-	232,585	71	16,549	264,218
Regulatory retail portfolios	-	1,107	-	-	134,614	3,135	-	-	138,856
Secured by residential property	-	-	34,403	-	4,399	7,362	-	-	46,164
Secured by commercial real estate	-	2	-	-	-	69,110	-	-	69,112
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	62	62
Past-due loans	-	-	-	-	-	941	1,041	-	1,982
Higher-risk categories	-	-	-	-	-	-	-	-	-
Other assets	37,922	144	-	-	-	27,006	1,108	208	66,388
Total	313,387	74,711	34,403	124,856	139,013	500,953	3,082	16,819	1,207,224

Risk weight composition on PSEs has improved due to increase in CRM and guaranteed exposures during the year, coupled with overall volume increase and mix changes within banks.

31 December 2024 AED in millions	Exposures amount (post CCF and post CRM)								
	Risk Weights								
Regulatory portfolio	0%	20%	35%	50%	75%	100%	150%	Others	Total credit exposure
Sovereigns	270,308	12,080	-	6,265	-	48,746	-	-	337,399
Public Sector Entities (PSEs)	1,354	25,221	-	1,487	-	62,290	-	-	90,352
Multilateral development banks (MDBs)	820	279	-	534	-	-	-	-	1,633
Banks	-	49,891	-	73,964	-	35,316	443	-	159,614
Securities firms	-	-	-	-	-	103	-	-	103
Corporates	-	3,481	-	7,129	-	194,537	-	13,278	218,425
Regulatory retail portfolios	-	13	-	108	112,983	4,366	-	-	117,470
Secured by residential property	-	-	27,125	-	3,058	4,486	-	-	34,669
Secured by commercial real estate	-	2	-	-	-	46,649	-	-	46,651
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	8	8
Past-due loans	-	-	-	7	-	29	2,654	-	2,690
Higher-risk categories	-	-	-	-	-	-	-	-	-
Other assets	16,389	248	-	-	-	20,843	1,917	625	40,022
Total	288,871	91,215	27,125	89,494	116,041	417,365	5,014	13,911	1,049,036

Counterparty credit risk (CCR)

Counterparty Credit Risk (CCR) is the risk that the counterparty to a transaction could default before the final settlement. The value of derivative transactions will change with fluctuations in factors such as interest rates, foreign exchange rates, equities, or commodities. The Group is exposed to CCR from its sales, trading, and balance sheet management activities. CCR is managed through the Counterparty Credit Risk Policy and methodology framework.

Counterparty credit risk oversight and management

The Board Risk Committee (BRC) is the board level committee with an oversight on counterparty credit risk. The Group Risk Committee (GRC) and Management Credit Committee (MCC) are the management level committees responsible for the same and have an oversight on policy, methodology and limit framework.

Group Market & Treasury Credit Risk (MTCR) is a group function which is independent from the first line client relationship and product risk taking units. MTCR reports directly to the Group Chief Risk Officer (CRO), has second line responsibility for measuring, monitoring and assists with managing counterparty credit risk in the Group.

Identification

Existing credit underwriting process, new products and process approvals (NPPA) and ongoing discussions with business units and obligors are the methods adopted by the Group in its CCR management process.

Measurement

Mark-to-market, potential future exposure, issuer (risk) exposure, repo exposure and settlement (risk) exposure are calculated and reported on a daily basis. Approved risk measurement methodology is used to model statistical CCR measures such as the Potential Future Exposure (PFE). For derivative contracts, the total credit exposure of a contract is computed as peak exposure at a specified confidence interval over the remaining term of the contract.

Monitoring, control and reporting

Only authorized sales and trading activities for approved products and risk types are used by the Global Markets & Treasury business. Limits are approved to reflect credit exposure amount and tenor appetite. CCR positions are monitored daily against approved and allocated CCR limits. Exceptions, including any temporary breaches, are reported and escalated to senior management. CCR limits are reviewed annually in accordance with applicable credit policies, processes and approval delegation. Interim reviews are undertaken where necessitated by change in counterparty credit worthiness and/or business plans. Appropriate counterparty credit limits are established for each counterparty based on the Group's assessment of the counterparty's creditworthiness. CCR limits are subject to regular review and are approved within the overarching framework of credit risk management.

Counterparties are actively monitored and reviewed. Collateral may be taken to partially or fully cover mark-to-market exposures on outstanding positions. The collateral agreement typically includes a minimum threshold amount where additional collateral is to be posted by either party if the mark-to-market exposures exceed the agreed threshold. Master agreements, such as those from the International Swaps and Derivatives Agreement (ISDA) also allow for closeout netting if either counterparty defaults. The group also uses Central Clearing Counterparty (CCP) through clearing banks to reduce counterparty risk for Over the Counter (OTC) derivatives.

Counterparty credit risk limits

The Group's credit policy focuses on the core credit principles. Standard procedures specific to businesses are in place to manage various types of risks across different business segments, products, and portfolios. CCR limits are set by the Group Credit Department and limits are based on credit risk appetite, given the type of business and specific traded product.

Counterparty credit risk capital calculation

For regulatory capital charge purposes of Over the Counter (OTC) derivatives, the Group calculates pre-settlement capital adequacy requirement using following counterparty credit risk measures:

- Standardized Approach to Counterparty Credit Risk Capital Calculation (SA-CCR) from December 2021.
- Standardized Credit Valuation Adjustment Capital Charge (S-CVA) from 30 June 2022.

Risk Category	Approach	Application
Derivatives	Standardized approach for Counterparty Credit Risk (SA-CCR)	SA-CCR calculates the exposure at default of derivatives and "long-settlement transactions" exposed to counterparty credit risk. It builds EAD as (i) a "Replacement Cost", were the counterparty to default today; combined with (ii) an "Add On" with its appropriate multiplier, essentially potential future exposure. The SA-CCR exposure at default (EAD) is an input to the bank's regulatory capital calculation where it is combined with the counterparty's external ratings to derive risk weights.
	Standardized Credit Valuation Adjustment (S-CVA)	Group also provides capital requirement to cover the risk of mark-to-market losses on the expected counterparty risk (such losses being known as CVA) to OTC derivatives.

Wrong Way Risk (WWR)

WWR arises when there is adverse (positive) correlation between a client's credit worthiness (probability of default) and the Group's credit exposure to that client. WWR is broadly categorized as either general or specific.

General Wrong Way Risk (GWWR) – GWWR arises where there is adverse (positive) correlation between the client's credit worthiness (PD) and the Group's exposure to the client owing to a co-dependency on non-client specific, market driven risk factors such as market levels for Forex, Interest Rates or Commodities. GWWR transactions are strongly discouraged and require pre-approval.

Specific Wrong Way Risk (SWWR) – SWWR arises when there is adverse (positive) correlation between the client's credit worthiness and the Group's exposure to the client owing to the respective counterparty-group specific reasons. These would include trades with direct or indirect reference (including underlying collateral) to the counterparty or related entity's (parent, holding company, subsidiary, group entity) equity price or credit spread. These also include direct or indirect reference to the Group's security issuances. SWWR transactions are not permitted unless pre-approved.

Policy guidelines related to WWR are integrated in the Group's Counterparty Credit Risk Policy Framework. The goal of these guidelines is to provide best practices and guidelines for the identification, approval, reporting and mitigation of specific and general WWR.

Derivative master netting agreements and margin agreements

Credit risk from derivatives is mitigated where possible through netting agreements whereby derivative assets and liabilities with the same counterparty can be offset. The Group policy requires all netting arrangements to be legally documented. ISDA master agreements are the Group's preferred manner for documenting OTC derivatives.

The agreements provide the contractual framework within which dealing activities across a full range of OTC products are conducted and contractually bind both parties to apply close-out netting across all outstanding transactions covered by an agreement if either party defaults or other predetermined events occur.

The Group considers the level of legal certainty regarding enforceability of its offsetting rights under master netting agreements and credit support annexes to be an important factor in its risk management process.

In-house legal counsel independently review relevant jurisdictions, counterparties and respective master agreements and advise business and risk units on close-out netting and collateral enforceability.

The SA-CCR and S-CVA capital charge accordingly incorporates the margining impact due to these enforceable netting and margining agreements.

Impact of the group's rating downgrade on collateral

The liquidity impact of a downgrade on collateral management from the Group's perspective is not material as the collateral agreements are generally not linked to the Group's rating.

Analysis of Counterparty Credit Risk (CCR) exposure (CCR1)

The following table provides details of counterparty credit risk regulatory requirements and the main parameters. CBUAE requires banks to calculate CCR using standardized approach.

	a	b	c	d	e	f
31 December 2025 AED in millions	Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1 SA-CCR (for derivatives)	3,527	8,457	-	1.4	16,777	11,958
2 Simple approach for credit risk mitigation (for SFTs)	-	-	-	-	-	-
3 Comprehensive approach for credit risk mitigation (for SFTs)	-	-	-	-	-	-
4 Total	3,527	8,457	-	-	16,777	11,958

	a	b	c	d	e	f
31 December 2024 AED in millions	Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1 SA-CCR (for derivatives)	3,266	5,265	-	1.4	11,944	7,751
2 Simple approach for credit risk mitigation (for SFTs)	-	-	-	-	-	-
3 Comprehensive approach for credit risk mitigation (for SFTs)	-	-	-	-	-	-
4 Total	3,266	5,265	-	-	11,944	7,751

Credit Valuation Adjustment (CVA) capital charge (CCR2)

	a	b
31 December 2025 AED in millions	EAD post-CRM	RWA
1 All portfolios subject to the Standardised CVA capital charge	16,777	8,428
2 All portfolios subject to the Simple alternative CVA capital charge	-	-

	a	b
31 December 2024 AED in millions	EAD post-CRM	RWA
1 All portfolios subject to the Standardised CVA capital charge	11,944	5,007
2 All portfolios subject to the Simple alternative CVA capital charge	-	-

CCR exposures by regulatory portfolio and risk weights (CCR3)

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

31 December 2025 AED in millions	Risk weight							Total credit exposure
	a	b	c	d	e	f	g	
Regulatory portfolio	0%	20%	50%	75%	100%	150%	Others	
Sovereigns	313	-	-	-	-	-	-	313
Public Sector Entities (PSEs)	-	93	20	-	2,322	-	-	2,435
Multilateral development banks (MDBs)	-	-	23	-	-	-	-	23
Banks	-	1,818	4,680	-	2,341	64	-	8,903
Securities firms	-	-	-	-	1	-	-	1
Corporates	-	678	141	-	4,116	-	12	4,947
Regulatory retail portfolios	-	-	-	131	24	-	-	155
Secured by residential property	-	-	-	-	-	-	-	-
Secured by commercial real estate	-	-	-	-	-	-	-	-
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-
Past-due loans	-	-	-	-	-	-	-	-
Higher-risk categories	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
Total	313	2,589	4,864	131	8,804	64	12	16,777

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

31 December 2024 AED in millions	Risk weight							Total credit exposure
	a	b	c	d	e	f	g	
Regulatory portfolio	0%	20%	50%	75%	100%	150%	Others	
Sovereigns	21	-	-	-	-	-	-	21
Public Sector Entities (PSEs)	-	210	-	-	1,157	-	-	1,367
Multilateral development banks (MDBs)	-	-	4	-	-	-	-	4
Banks	-	2,147	3,445	-	1,383	36	-	7,011
Securities firms	-	-	-	-	3	-	-	3
Corporates	-	634	121	-	2,693	-	40	3,488
Regulatory retail portfolios	-	-	-	30	20	-	-	50
Secured by residential property	-	-	-	-	-	-	-	-
Secured by commercial real estate	-	-	-	-	-	-	-	-
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-
Past-due loans	-	-	-	-	-	-	-	-
Higher-risk categories	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
Total	21	2,991	3,570	30	5,256	36	40	11,944

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Composition of collateral for CCR exposure (CCR5)

Below table provides the breakdown of types of collateral posted or received related to derivative transactions.

31 December 2025 AED in millions	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	Segregated	Unsegregated	Segregated	Unsegregated	Fair value of collateral received	Fair value of posted collateral		
Cash - other currencies	1,757	662	-	5,520	-	-	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,757	662	-	5,520	-	-	-	-	-	-	-	-

31 December 2024 AED in millions	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	Segregated	Unsegregated	Segregated	Unsegregated	Fair value of collateral received	Fair value of posted collateral		
Cash - other currencies	1,374	1,552	-	4,427	-	-	-	-	-	-	-	-
Government agency debt	-	-	-	744	-	-	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,374	1,552	-	5,171	-	-	-	-	-	-	-	-

Credit derivative exposures (CCR6)

The table below shows the credit derivative exposures that the Group holds.

AED in millions	a		b		a		b	
	31 December 2025 Protection bought	31 December 2025 Protection sold	31 December 2024 Protection bought	31 December 2024 Protection sold	31 December 2025 Protection bought	31 December 2025 Protection sold	31 December 2024 Protection bought	31 December 2024 Protection sold
Notional								
Single-name credit default swaps	6,513	5,097	1,770	1,065				
Index credit default swaps	-	-	-	-				
Total return swaps	408	10,487	3,096	2,415				
Credit options	-	-	-	-				
Other credit derivatives	-	-	-	-				
Total notional	6,921	15,584	4,866	3,480				
Fair values								
Positive fair value (asset)	447	-	188	-				
Negative fair value (liability)	-	4,105	-	521				

Exposures to central counterparties (CCR8)

AED in millions	a		b		a		b	
	31 December 2025 EAD (post-CRM)	31 December 2025 RWA	31 December 2024 EAD (post-CRM)	31 December 2024 RWA	31 December 2025 EAD (post-CRM)	31 December 2025 RWA	31 December 2024 EAD (post-CRM)	31 December 2024 RWA
1 Exposures to QCCPs	-	-	-	-	-	-	-	-
2 Exposures for trades at QCCPs (excluding initial margin and default fund contribution); of which:	-	-	-	-	-	-	-	-
3 (i) OTC derivatives	-	-	-	-	-	-	-	-
4 (ii) Exchange-traded derivatives	-	-	-	-	-	-	-	-
5 (iii) Securities financing transactions	-	-	-	-	-	-	-	-
6 (iv) Netting sets where cross-product netting has been approved	-	-	-	-	-	-	-	-
7 Segregated initial margin	-	-	-	-	-	-	-	-
8 Non-segregated initial margin	-	-	-	-	-	-	-	-
9 Pre-funded default fund contributions	-	-	-	-	-	-	-	-
10 Unfunded default fund contributions	-	-	-	-	-	-	-	-
11 Exposures to non-QCCPs	-	-	-	-	-	-	-	-
12 Exposures for trades at non-QCCPs (excluding initial margin and default fund contribution); of which:	672	171	535	250	672	171	535	250
13 (i) OTC derivatives	-	-	-	-	-	-	-	-
14 (ii) Exchange-traded derivatives	393	115	231	189	393	115	231	189
15 (iii) Securities financing transactions	-	-	-	-	-	-	-	-
16 (iv) Netting sets where cross-product netting has been approved	279	56	304	61	279	56	304	61
17 Segregated initial margin	-	-	-	-	-	-	-	-
18 Non-segregated initial margin	(506)	-	(437)	-	(506)	-	(437)	-
19 Pre-funded default fund contributions	-	-	-	-	-	-	-	-
20 Unfunded default fund contributions	-	-	-	-	-	-	-	-

Market risk

Market risk is the risk that the value of financial instruments in the Group's books – with the inclusion of some other financial assets and liabilities could produce a loss because of changes in future market conditions.

The Group takes on market risks in the pursuit of its strategic and business objectives.

The Group predominantly pursues opportunities in the market that exposes itself to the following categories of market risk – which are actively managed and monitored:

- **Interest Rate Risk:** losses in value due to changes in the level, slope and curvature of yield curves and, the volatility of interest rates.
- **FX Risk:** losses in value due to exposures to changes in spot prices, forward prices and volatilities of currency rates.
- **Credit Spread Risk:** losses in the value due to change in credit spreads driven by associated credit risk of the security issuer/underlying.
- **Commodity Price Risk:** losses in value due to exposures to changes in spot prices, forward prices, and volatilities of commodities such as precious metals.

Respective desk head/ managers are accountable for managing market risk within the approved limits. These managers have extensive knowledge of markets and products, their risk exposures and of the financial instruments available to hedge their exposures.

The Group's risk exposures to market risk are segregated into trading and banking books. The trading book includes those financial instruments held with trading intent arising from market-making, position-taking and other so designated financial instruments accounted for at fair value daily. The banking book includes financial instruments not held with trading intent that arise from the management of Interest rate risk and FX risk from the Group's retail and corporate and institutional banking assets and liabilities, and other financial investments designated as either fair value through other comprehensive income (FVOCI) or amortised cost.

Market risk (continued)

Market risk oversight and management process

As part of the Group's enterprise-wide risk management framework, an extensive governance process is applied to the market risk taking activities. This governance framework includes, inter alia:

- Approval by the Board Risk Committee ('BRC') and Group Asset-Liability Committee (Group ALCO) of a set of risk limits with appropriate monitoring, reporting and limits excesses' escalation procedures;
- Independent valuation of financial instruments in the trading book and measurement of market risk;
- A comprehensive set of policies, procedures and limits; and
- Monitoring a wide range of risk metrics appropriate for the respective trading activities - such as risk sensitivities, gross and net open positions, Value-at-Risk (VaR) and stop-loss limits.

The Group uses appropriate and independently validated market standard models for the revaluation and risk measurement of its trading book financial products and receives regular market information from independent market data providers in order to measure and monitor market risk.

Trading book oversight by MTCR

MTCR is a group risk function which is independent from the first line market risk taking units. MTCR reports directly to the Group CRO, has second line responsibility for measuring, monitoring, and managing market risk in the Group, in co-operation with other independent and support functions across the Group's global businesses.

MTCR monitors the limits' utilisation in the trading book of the Group on a daily basis through a multi-layered Limit Monitoring System which uses independently sourced data and reports from the Global Markets & Treasury IT systems.

Depending on the trading exposure and as appropriate, MTCR uses appropriate metrics including:

- **Non statistical metrics:** Interest rate sensitivity, (DV01/PV01), FX sensitivity (FX01), Net open/ Net Gross outstanding positions, Maximum notional and tenor measures, Derivatives' Greek sensitivities (Delta, Gamma, Vega), and Stop Loss limits;
- **Statistical metrics:** Value-at-Risk (VaR), by desk as well as total for the whole trading book.

At a minimum, trading book limits are reviewed and approved by BRC and Group ALCO on an annual basis. Portfolio updates are presented to Group ALCO on a monthly basis as well as to BRC on a quarterly basis.

Market risk capital

The Group calculates market risk capital requirements using Basel III standardised approach. The following risk types are covered by Basel III standardised approach.

Interest rate risk:	Risk arising from fluctuations in the level of interest rates in the market environment and impacts prices of interest rate sensitivities financial instruments.
Equity risk:	Risk arising from fluctuations in equity prices, volatilities, and dividend yields.
Foreign exchange risk:	Risk arising from fluctuations in foreign exchange rates and impacts transactions denominated in a currency other than the domestic currency of the Group.
Commodity risk:	Risk arising from fluctuations in the prices of commodities.
Options risk:	Risk arising from fluctuations in the volatilities and prices/ rates impacts financial instruments with optionality.

Market risk under standardised approach (MRI)

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

AED in millions		31 December 2025 RWA	31 December 2024 RWA
1	General Interest rate risk (General and Specific)	19,237	13,949
2	Equity risk (General and Specific)	-	-
3	Foreign exchange risk	1,293	1,335
4	Commodity risk	1,557	1031
	Options		
5	Simplified approach	-	-
6	Delta-plus method	1,796	235
7	Scenario approach	-	-
8	Securitisation	-	-
9	Total	23,883	16,550

Operational risk (ORA)

For details of Group's Operational Risk Management, kindly refer note 44 K in the financial statements.

Basel III framework outlines three methods for calculating the risk charge for operational risk: Basic Indicator, Standardised Approach and Advanced Measurement Approach. The Group presently follows the Standardised Approach.

The total capital requirement for Operational Risk as at 31 December 2025 is AED 11.7 billion (2024: AED 10.4 billion). This charge is computed by categorising the Group's activities into 8 business lines (as defined by CBUAE guidelines) and multiplying the line's three-year average gross income by a pre-defined beta factor.

Interest Rate Risk in the Banking Book (IRRBB)

IRRBB risk management objectives and policies (IRRBBA)

Overview

Interest Rate Risk in the Banking Book (IRRBB) is defined as potential loss of future earnings or economic value due to adverse movement in interest rates, which arises from a mismatch in the repricing profile of assets, liabilities and off-balance sheet items in the banking book.

Management

In order to manage this risk optimally, IRRBB in non-trading portfolios is transferred to GM&T under the supervision of the Group ALCO, through Funds Transfer Pricing (FTP) framework. Interest rate risk is managed by GM&T under oversight of Group ALCO and within the risk appetite approved by the Board. The interest rate risk management process also involves utilization of off-balance sheet hedging strategies. The accounting treatment of hedges is described in the note 6 of the financial statements. The Group finance and Group risk functions are responsible for measurement, monitoring, formulation of policy framework and provide periodic updates to the Group ALCO and the BRC. The Internal Audit provides an independent opinion to the Board Audit Committee (BAC) on the adequacy and effectiveness of risk governance and internal controls. The Group ALCO regularly monitors the interest rate risk positions and if required directs suitable remediation to ensure this remains within risk appetite.

Interest Rate Risk in the Banking Book (IRRBB) (continued)
IRRBB risk management objectives and policies (IRRBBA) (continued)

Measurement

The Group uses two key metrics for measuring IRRBB: Net Interest Income (NII) sensitivity, an income measure which quantifies the potential change in projected net interest income over a one year horizon for defined movements in interest rates and Economic Value of Equity (EVE), a value measure which estimates the potential change in present value of the Group's assets and liabilities for defined movements in interest rates. These metrics are measured and monitored on periodic basis.

The NII sensitivity disclosed below is calculated based on a stressed assumption of parallel shifts to the yield curve as recommended by Basel and assessing the corresponding impact on NII over a one year horizon. The EVE sensitivity disclosed below is calculated based on a stressed assumption of parallel and non-parallel shifts to the yield curve as recommended by Basel Committee. Further, the EVE computations are based on the behavioural cashflows with a repricing schedule that distributes the principal and interest cash flows by aggregating into granular time buckets and discounted with the equivalent risk-free rate. The average repricing maturity of Non-Maturity Deposits (NMD) are determined based on statistical behavioural analysis conducted normally over a period of 5 to 10 years. The EVE and NII sensitivity analysis incorporate behavioural models to account for the impact of prepayment of loans and premature withdrawal of term deposits.

The repricing maturities assigned to NMDs are:

- Average repricing maturity assigned to NMDs – 1.61 years
- Longest repricing maturity assigned to NMDs – 5 years

Sensitivity of economic value of equity and NII – IRRBB1

The table below indicates the economic value of equity and net interest income under each of the prescribed interest rate shock scenarios. New models for behavioural assumptions have been developed and implemented in the year 2025 along with inclusion of basis risk impact. The numbers below for 31st December 2025 are not directly comparable with the previous year.

AED in millions	ΔEVE*		ΔNII*	
	2025	2024	2025	2024
Parallel up	(1,906)	(2,080)	3,537	1,631
Parallel down	(6,540)	(216)	(4,005)	(3,594)
Steepener	(1,110)	(1,501)		
Flattener	(1,363)	(273)		
Short rate up	(1,621)	(522)		
Short rate down	(4,781)	(667)		
Maximum	(6,540)	(2,080)		
			31 December 2025	31 December 2024
Tier 1 capital			128,128	110,402

* Negative indicates loss.

Liquidity

Overview and Governance

Liquidity Risk refers to the inability of the Group to fund an increase in assets and meet obligations as they become due (Structural Funding Risk), or the inability to convert assets into cash at reasonable prices (Market Liquidity Risk). The risk arises from mismatches in the amount and timings of cash flows.

The Board, through the BRC, sets out absolute boundaries of the Group's risk appetite. The Group ALCO is the principal senior management committee supporting the Board to effectively discharge their oversight function on the Group's liquidity risk. Group ALCO is responsible for managing the liquidity risk within the internally approved risk appetite. The Group ALCO executes the liquidity risk management strategies through GM&T. The Group finance and Group risk functions are responsible for measurement, monitoring, formulation of policy framework and provide periodic updates to the Group ALCO and the BRC. The subsidiaries and international locations manage the liquidity risk profile through the local ALCOs under the guidance of the Group ALCO.

Management

The objective of the Group's liquidity and funding management framework is to ensure that all foreseeable funding commitments, under both normal and stressed conditions can be met when due. To this end, the Group maintains a diversified funding base comprising core retail and corporate customer deposits and institutional balances. The funding profile is further augmented with term funding from capital markets and wholesale funding sources. The Group maintains a portfolio of High-Quality Liquidity Assets (HQLA) across the geographies to enable the Group to respond quickly and smoothly to unforeseen liquidity requirements. The details of liquidity risk maturity analysis are in the note 44 N & 44 O of the annual financial statements.

The Group's ALCO through the Funds Transfer Pricing (FTP) framework incorporates the liquidity costs, benefits and risks in the internal pricing of assets and liabilities to the business lines.

The funding liquidity management process includes:

- projecting cash flows under various stress scenarios and considering the level of liquid assets necessary in relation thereto;
- mis-match analysis between assets and liabilities for different periods with a focus on shorter time frames. These gap reports are based on contractual cash flow with overlays of behavioural assumptions for non-maturing assets and liabilities and potential liquidity demand through undrawn commitments;
- monitoring balance sheet liquidity, advances to deposits ratios, long term funding ratios, Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) against internal and regulatory requirements;
- maintaining a diverse range of funding sources with back-up facilities.
- managing the deposit concentration and profile of debt maturities;
- maintaining debt financing plans;

Stress testing

Stress testing is an integral part of the Liquidity Risk Management Framework. The objective of stress testing is to ensure that the Group maintains adequate level of liquidity to be able to withstand a range of severe stress scenarios. The Group conducts liquidity stress testing across systemic, bank specific and combined scenarios and ensures that the survival horizon across these stress scenarios remains within the Board approved appetite. The stress tests are conducted on a periodic basis and updated to Group ALCO and BRC.

Contingency Funding Plan (CFP)

CFP sets out the Group's strategies to respond to a severe disruption of the Group's liquidity or funding position due to internal or external events. The plan designates the CFP team, which will be activated in the event of a liquidity crisis and establishes allocation of roles within the team. The CFP includes a set of early warning triggers consisting of internal and external indicators, which are monitored by the Group ALCO and updated to the BRC. The plan includes identification, invocation and escalation procedures and details potential actions, available sources of liquidity, mitigations and specifies a communication plan, which could be implemented based on the severity of the liquidity crisis.

Liquidity Coverage Ratio (LCR) (LIQ1)

LCR is a regulatory ratio introduced as a part of CBUAE's Basel III framework with an objective to promote short term resilience of liquidity risk profile of banks. The ratio requires the banks to hold an adequate stock of HQLA to meet liquidity needs for a 30-calendar day liquidity stress scenario.

The Group measures and reports its LCR under the CBUAE liquidity regulations. The Group also meets the local prudential LCR requirements across the international footprint, where applicable. The LCR is calculated as a proportion of the stock of unencumbered HQLA against the net cash outflow over a 30 day period after applying the standardized haircuts.

The HQLA comprises of cash or assets that can be converted into cash at little or no loss of value. The HQLA eligible securities fall into three categories viz. level 1, level 2A and level 2B. Level 1 assets are of the highest quality and deemed most liquid e.g., Central Bank reserves. Level 2A and 2B assets are reliable source of liquidity but not to the same extent as level 1 and are capped at a maximum of 40% by the regulations.

The net cash outflow comprise of total expected cash outflow as reduced by total expected cash inflows for the 30-day period. The total expected cashflows are calculated by multiplying the outstanding balances of various categories of liabilities, assets, and off-balance sheet commitments by prescribed rate at which they are expected to be run off or drawn down over the 30-day period.

The LCR calculated based on CBUAE regulations is included in the following table. The LCR disclosure below is a simple average of the month end Group LCR observations over the last quarter of the year.

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Liquidity (continued)

Overview and Governance (continued)

AED in millions	31 December 2025 Total unweighted value (average)	31 December 2025 Total weighted value (average)	31 December 2024 Total unweighted value (average)	31 December 2024 Total weighted value (average)
1 Total HQLA	-	229,268	-	241,257
2 Retail deposits and deposits from small business customers, of which:				
3 Stable deposits	11,959	598	9,057	453
4 Less stable deposits	362,661	30,158	334,325	27,328
5 Unsecured wholesale funding, of which:				
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks	109,883	27,471	89,494	22,373
7 Non-operational deposits (all counterparties)	185,288	91,014	160,505	79,632
8 Unsecured debt	-	-	-	-
9 Secured wholesale funding	-	612	-	495
10 Additional requirements, of which:				
11 Outflows related to derivative exposures and other collateral requirements	13,996	7,982	11,984	6,404
12 Outflows related to loss of funding of debt products	-	-	-	-
13 Credit and liquidity facilities	361,119	45,736	269,851	30,802
14 Other contractual funding obligations	8,366	8,366	8,328	8,328
15 Other contingent funding obligations	23,892	1,195	22,893	1,145
16 Total cash outflows		213,132		176,960
17 Secured lending (e.g., reverse repo)	4,346	3,290	7,611	3,896
18 Inflows from fully performing exposures	64,132	45,250	60,935	46,126
19 Other cash inflows	13,187	13,187	7,413	7,413
20 Total cash inflows	81,665	61,727	75,959	57,435
		Total adjusted value		Total adjusted value
21 Total HQLA		229,268		241,257
22 Total net cash outflows		151,405		119,525
23 Liquidity coverage ratio (%)		151.43%		201.85%

The Group maintained LCR of 151.43% (2024: 201.85%) on an average during last quarter of the reporting year and 152.32% (2024: 197.28%) at the year end, which is in excess of the regulatory minimum of 100%. The LCR is influenced by the amount, profile of the funding base and the deployment of funding into customer lending or HQLA investments. The deployment alternatives are assessed on an ongoing basis and adjusted as per the market opportunities, while maintaining a prudent LCR surplus.

The HQLA over the reporting period was AED 229 billion (2024: 241 billion) and 90% (2024: 91%) of this comprised of HQLA level 1 assets, which represents balances held with Central Banks and other high quality sovereign securities. HQLA Level 2A and 2B assets comprised the remaining 10% (2024: 9%) of the total HQLA. The HQLA presented excludes excess liquidity held at subsidiaries that is deemed not transferable within the Group.

The retail deposits are prescribed a lower run-off factor and comprise 14% (2024: 16%) of the total cash outflow, whereas wholesale funding is prescribed a higher run-off and comprise 56% (2024: 58%) of the total cash outflows.

The Group manages liquidity at currency level and cross currency funding is utilized appropriately to manage the currency gaps. The Group measures LCR for major currencies and meets the local currency LCR as per the applicable local prudential requirements.

Net Stable Funding Ratio (NSFR) (LIQ2)

NSFR is a regulatory ratio introduced as part of CBUAE's Basel III reforms with an objective to promote a sustainable funding structure at banks. The ratio requires the banks to maintain a stable funding profile in relation to the composition of their assets and off-balance sheet activities.

The Group measures and reports its NSFR under the CBUAE liquidity regulations. The Group also meets the local prudential NSFR requirements across the international footprint, where applicable.

The NSFR is calculated as a proportion of Available Stable Funding (ASF) against the Required Stable Funding (RSF). The ASF is defined as the portion of capital and liabilities expected to be stable over the time horizon of one year considered by NSFR. The RSF is measured based on broad characteristic of the liquidity risk profile of the assets and off-balance sheet exposures. The regulations prescribe the factor to be applied to the outstanding value of capital, liabilities, assets and off-balance sheet items for NSFR computation.

NSFR computed based on CBUAE regulations is included in the following table. The NSFR disclosure below is a simple average of the month end Group NSFR observations over the last quarter of the year.

31 December 2025 AED in millions	Unweighted value by residual maturity				Weighted value
	a No maturity*	b <6 months	c 6 months to <1 year	d ≥1 year	
Available stable funding (ASF) item					
Capital:					
1 Regulatory capital	-	-	-	-	-
2 Other capital instruments	-	-	-	145,544	145,544
Retail deposits and deposits from small business customers:					
3 Stable deposits	-	11,592	229	13	11,242
4 Less stable deposits	-	308,396	27,358	8,595	310,774
Wholesale funding:					
5 Operational deposits	-	107,055	-	-	53,527
6 Other wholesale funding	-	293,974	45,985	99,555	233,035
7 Liabilities with matching interdependent assets	-	-	-	-	-
Other liabilities:					
8 NSFR derivative liabilities	-	-	-	11,730	-
9 All other liabilities and equity not included in the above categories	-	77,948	2,026	2,499	3,512
14 Total ASF					757,634
Required stable funding (RSF) item					
15 Total NSFR high-quality liquid assets (HQLA)	-	180,690	16,741	83,186	19,615
Deposits held at other financial institutions for operational purposes					
16 Performing loans and securities:					
17 Performing loans to financial institutions secured by Level 1 HQLA	-	1,634	120	2,954	3,178
18 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	77,087	36,227	38,331	68,008
19 Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:					
20 With a risk weight of less than or equal to 35% under the standardised approach for credit risk	-	154,094	53,493	331,198	385,324
21 Performing residential mortgages, of which:					
22 With a risk weight of less than or equal to 35% under the standardised approach for credit risk	-	-	-	18,577	12,075
23 Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	10,018	2,717	15,010	19,413
Assets with matching interdependent liabilities					
24 Other assets:					
25 Physical traded commodities, including gold	191	-	-	-	162
26 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	-	-	-	-
27 NSFR derivative assets	-	-	-	9,454	-
28 NSFR derivative liabilities before deduction of variation margin posted	-	-	-	17,497	3,499
29 All other assets not included in the above categories	-	(9,924)	1,061	54,400	44,167
30 Off-balance sheet items	385,297	-	-	-	31,216
33 Total RSF					629,063
34 Net Stable Funding Ratio (%)					120.44%

* Items to be reported in the "no maturity" time bucket do not have stated maturity. These may include but are not limited to items such as capital with perpetual maturity, non maturity deposit, short positions, open maturity positions and equities.

BASEL III – PILLAR 3 DISCLOSURES continued

31 DECEMBER 2025

The Group maintained NSFR of 120.44% (2024: 127.93%) on an average during last quarter of the reporting year and 120.90 % (2024: 127.45%) as at the year ended 31 December 2025, which is in excess of the regulatory minimum of 100%. The Group maintains a diversified funding base comprising core retail and corporate customer deposits, institutional balances and capital market term funding. This is illustrated in the composition of Available Stable Funding (ASF) broadly consisting of capital 19% (2024: 20%), Retail deposits 43% (2024: 45%) and wholesale deposits 38% (2024: 35%). The RSF largely comprised of loan and advances 81% (2024: 80%) whereas securities held in HQLA are prescribed a lower RSF factor.

NSFR computed based on CBUAE's regulations is included in the following table. The NSFR disclosure below is a simple average of the month end Group NSFR observations over the last quarter of the year.

31 December 2024 AED in millions	Unweighted value by residual maturity				Weighted value
	a No maturity*	b <6 months	c 6 months to <1 year	d ≥1 year	
Available stable funding (ASF) item					
1 Capital:	-	-	-	-	-
2 Regulatory capital	-	-	-	128,494	128,494
3 Other capital instruments	-	-	-	-	-
4 Retail deposits and deposits from small business customers:	-	-	-	-	-
5 Stable deposits	-	8,626	120	9	8,317
6 Less stable deposits	-	283,636	28,793	5,539	286,725
7 Wholesale funding:	-	-	-	-	-
8 Operational deposits	-	86,591	-	-	43,295
9 Other wholesale funding	-	250,876	40,328	64,897	183,465
10 Liabilities with matching interdependent assets	-	-	-	-	-
11 Other liabilities:	-	-	-	-	-
12 NSFR derivative liabilities	-	-	-	9,809	-
13 All other liabilities and equity not included in the above categories	-	73,608	2,167	631	1,715
14 Total ASF					652,011
15 Total NSFR high-quality liquid assets (HQLA)	-	181,080	29,841	79,272	20,883
16 Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17 Performing loans and securities:	-	-	-	-	-
18 Performing loans to financial institutions secured by Level 1 HQLA	-	3,488	-	1,289	1,637
19 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	75,064	20,041	23,755	45,035
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:	-	105,348	40,445	280,650	311,451
21 With a risk weight of less than or equal to 35% under the standardised approach for credit risk	-	-	-	21,140	13,741
22 Performing residential mortgages, of which:	-	-	-	-	-
23 With a risk weight of less than or equal to 35% under the standardised approach for credit risk	-	-	-	58,455	37,996
24 Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	1,470	908	11,263	10,947
25 Assets with matching interdependent liabilities	-	-	-	-	-
26 Other assets:	-	-	-	-	-
27 Physical traded commodities, including gold	186	-	-	-	158
28 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	-	-	-	-
29 NSFR derivative assets	-	-	-	9,406	-
30 NSFR derivative liabilities before deduction of variation margin posted	-	-	-	15,038	3,008
31 All other assets not included in the above categories	-	(18,087)	944	58,165	40,078
32 Off-balance sheet items	292,569	-	-	-	24,746
33 Total RSF					509,677
34 Net Stable Funding Ratio (%)					127.93%

* Items to be reported in the "no maturity" time bucket do not have stated maturity. These may include, but are not limited to items such as capital with perpetual maturity, non maturity deposit, short positions, open maturity positions and equities.

Remuneration Policy

The Group has a Remuneration Policy designed to ensure the implementation of appropriate remuneration policies and practices across the Group, with a focus on promoting sound and effective risk management. The Remuneration Policy incorporates key aspects which include, but are not limited to, the Group's Compensation Philosophy, Remuneration Governance framework and Remuneration Structure. The Policy aligns with the UAE remuneration regulatory requirements with respect to:

- The application of a cap on the discretionary annual bonus.
- The categories for Material Risk Taker (MRT) identification.
- The application of deferred compensation as part of variable remuneration.
- Performance adjustment associated with malus and claw back.

Changes to the Policy are reviewed and approved by the Group Board Nomination, Remuneration and ESG Committee (BNRESGC). Changes made to the Policy during the year 2025 were to add clarity, update or elaborate on various sections and provide for an addendum for the ENBD London branch to comply with the applicable UK regulatory requirements.

Whilst the Group Remuneration Policy covers all international entities and branches, there are additional specific remuneration policies and practices applicable in India, Egypt, the United Kingdom and Turkiye to comply with local remuneration regulations.

Composition and functions of the Group BNRESGC

The Group BNRESGC is the main governing body that oversees remuneration for the Group, on behalf of the Board of Directors.

The Group BNRESGC has independent oversight of:

- The Group's organisational structure, human resource policies and strategies;
- The plans for general pay increments for employees;
- Remuneration policies for Senior Management;
- The assessment of performance of Senior Management;
- Fit and proper process for selection of Senior Management;
- Succession plans for Senior Management.
- Group compensation policies and disclosures of the Group's remuneration levels and policies.

The Group BNRESGC oversees the Group's corporate culture and values, guides management on strategic human resources decisions and reviews and approves changes to human resource policies, such as succession planning, nationalization strategy, reward, workforce planning, Senior Management compensation and human resource governance. The Group BNRESGC also focuses on human resource strategic issues associated with reward including bonus planning and variable pay policies, to ensure an appropriate balance between risk and financial results.

The Group BNRESGC consists of three members from the Board of Directors and assembles on a quarterly basis. Management attendance comprises of the Group CEO, the Group Chief Human Resource Officer (GCHRO) and other members of executive and senior management who may attend by invitation.

Design and structure of remuneration policies and processes

The Group's general remuneration policies and practices aim to provide a total reward offering that recognizes and rewards performance aligned to the Group's strategy, within a sound risk management and governance framework that clearly emphasizes 'how' goals are achieved in addition to 'what' is achieved and has the following set objectives:

- Attract, retain and motivate talent through fair and equitable remuneration based on the role, with an offering that is clear and easy to understand and appropriately balanced between fixed and variable compensation.
- Foster a pay-for-performance culture, with appropriate differentiation based on performance and contribution aligned to the achievement of business objectives.
- Offer flexible and agile compensation structures to help attract and retain key talent and grow and sustain the business.
- Support a culture that generates sustainable growth and value over the long term to the Group's stakeholders, customers, employees and communities.
- Align, drive and reinforce the Group's culture, values and desired behaviours that are integral to the attainment of individual and team results and the achievement of organisational goals.
- Integrate risk management and compensation, promoting conduct based on prudent decision-making and highest ethical standards and guided by internal controls and regulatory compliance.
- Instil a sense of ownership in employees by providing them with opportunities to share in the company's success through a competitive total reward offering that is linked to exceptional performance and financial results.

Remuneration Policy (continued)

Remuneration – effective alignment of compensation with prudent risk taking

A key element of the Group's compensation philosophy is the integration of risk management and compensation, promoting conduct based on prudent decision-making and highest ethical standards and, guided by internal controls and regulatory compliance. Under the guidance of the Group BNRESGC, the Group focuses on ensuring alignment of compensation with prudent risk taking, supported by strong corporate governance.

Compensation is linked to corporate, business and individual performance objectives achieved whilst considering the Group's target risk profile as articulated in the Board approved Risk Appetite Statement. For control functions which are independent of the business units, performance is assessed based on the objectives of their respective functions and not the performance of the business units that they oversee/support.

Variable remuneration to be awarded to employees are intended to be subject to Ex-Post Risk Adjustments covered in detail further below.

In addition, the Group periodically conducts a robust review to identify employees who have the potential to take or commit the Group to significant risk. A portion of the variable compensation for Material Risk Takers (MRTs), including Senior Management, is subject to deferral and performance adjustment to promote prudent risk taking.

Identification of Senior Managers and Material Risk Takers

From the Group's perspective, for the 2025 performance year, 16 Senior Managers have been identified as those responsible and accountable to the Board of Directors for the sound and prudent day-to-day management of the Group and as key employees responsible for the oversight of the Group's key business lines. i.e., the Group CEO, the Group ExCo, Group Heads of the Control Functions, (i.e. Risk, Compliance and Audit) and Group Head of Legal.

In addition to Senior Managers, the Group has identified 45 MRTs (including current and former) in ENBD Group based on appropriately set qualitative and quantitative criteria to capture all categories of employees whose professional activities have a material impact on the risk profile of the Group and in line with the CBUAE Corporate Governance and Standards (September 2019). The qualitative criteria capture staff:

- Whose duties involve the assumption of risk or the taking on of exposure.
- Who engage in the design, sales and management of either securities or derivative products.
- Who are incentivised to meet certain quotas or targets by payment of variable remuneration.
- In control functions.

In line with UAE regulatory requirements, variable remuneration awarded to Senior Management and MRTs under the discretionary annual bonus scheme is comprised of cash bonuses, paid after the end of the performance year, and deferred cash awards, granted under the terms and conditions of the relevant plan rules. Deferred awards vest in tranches over a three-year period.

Overview of main performance metrics

In assessing performance, there is a focus on 'how' goals are achieved in addition to 'what' is achieved, and this applies to all levels of the Group, including business units and at the individual levels, with MRTs being held to a higher standard on the 'how'. The assessment of the 'how' is aligned to employee behaviours including but not limited to living the organisational values and demonstration of good conduct or managing conduct risk in line with the Group Conduct Risk Policy and Framework.

The Group Scorecard and Senior Management Scorecards include qualitative and quantitative measures which are set to support the Group's vision to building the bank of the future.

- The qualitative measures in the Group and Senior Management Scorecards are aligned with the Group's vision and set the objectives of the organization that are cascaded to business units and employees.
- From a quantitative perspective, there are metrics in the Scorecard focused on the following areas: Financials, Customer and Communities, Core Business, Future Potential, Market Leading Infrastructure, and People.

There are also benchmark metrics set by the Control Functions which are focused on promoting the right behaviours associated with the organization values and which set the minimum level of performance relating to governance, controls and risk management across the organization. Where these metrics have not been met, this has a negative impact on the overall scoring for the Senior Management on their Scorecards.

At the employee level, there are roles that may have standard objectives and/or KPIs applied as assessed by the business. Where appropriate, specific customer conduct objectives are included within individual performance objectives.

Individual remuneration including different forms of variable remuneration linked to bank-wide and individual performance

Fixed remuneration for employees is reviewed annually in line with the Group's compensation philosophy. It is set appropriately based on the Group's affordability, market and internal pay levels for the comparable roles in the industry by location, individual's expertise, professional experience, role responsibilities and seniority of the employee and regulatory and governance requirements.

Variable remuneration is paid as an annual discretionary bonus or incentive payments depending on the role:

Annual Discretionary Bonus

The Group's annual bonus scheme applies the pay-for-performance principle and operates on a discretionary basis. The Group BNRESGC approves the bonus pool taking into account financial and non-financial performance of the Group and overall compliance with the risk appetite. The pay-for-performance principle is then applied, and bonus pools are allocated based on the performance of business units and employees measured against a range of performance metrics as set out in the relevant Scorecards.

Bonus allocations to employees are determined based on the overall risk-adjusted Group performance, business performance and individual performance, whereby performance is assessed based on both financial and non-financial criteria, including conduct and behaviour.

Performance objectives are set by Group, Senior Management and employees at the start of the performance year. The attainment of performance metrics is assessed throughout the year, formally at mid-year and year-end. Employee performance is assessed using performance ratings which are designed to support the pay-for-performance principle and enables the organization to differentiate between varying levels of performance. Individual bonuses are then determined taking into account the bonus pool funding for the relevant business and employee performance.

The annual discretionary bonus can comprise of both a cash bonus and a deferred award (which is granted and governed under the terms and conditions of the relevant plan rules). In line with UAE regulatory requirements, variable remuneration awarded from the 2022 performance year to MRTs include a deferral element in the form of deferred cash.

Incentive Payments

Incentives apply to certain businesses and sales roles (or operations roles which support the sales roles) and/or roles responsible for recoveries against outstanding collections. Incentive payments are awarded in cash and have been aligned to practice in the local market, whilst enabling the Group to reward employees based on Group, business unit and individual performance. The incentives also operate on the pay-for-performance principle. Incentives are calculated based on value-add, whether it be associated with the effort made by selling products and growing portfolios or volumes of transactions processed. Quantitative targets are set for specific roles and measurement against the quantitative targets are based on a set formulaic approach. Conduct, quality and risk measures apply to the performance assessment of the employee and impact the overall incentive payout to the employee. Employees who are under an incentive scheme are not entitled to annual bonuses.

The Group may apply ex-post risk adjustment to variable compensation in the form of in-year adjustments via operation of Malus Adjustment and/or Claw back Adjustment on awards made and/or paid, including but not limited to, during periods of material restatement or downturn of financial results for the relevant period and instances of significant employee misbehaviour or misconduct.

Remuneration related to Risk, Audit and compliance employees

As Senior Managements of the Group, the variable remuneration of the Group Chief Risk Officer, Group Chief Audit Officer and Group Chief Compliance Officer are directly overseen by the Group BNRESGC.

Remuneration for Group Risk, Audit and Compliance employees is set at a level to attract and retain suitably qualified and experienced employees and is predominantly fixed remuneration (when considering the fixed: variable remuneration ratio). Performance is assessed based on the objectives of their respective functions and not on the performance of the business units that they oversee.

The bonus pool allocations to the Group Risk, Audit and Compliance functions and individual variable remuneration decisions for Control function employees are made independently of the overall financial performance of the business units they support and are based on the function's performance and overall affordability of the Group.

Remuneration awarded during the financial year (REM1)

The following table includes information on fixed and variable remuneration for the financial year.

AED in millions	2025 Senior Management	2025 Other Material Risk-takers
Fixed Remuneration *		
1 Number of employees	16	45
2 Total fixed remuneration (3 + 5 + 7)	61	67
3 Of which: cash-based	60	66
4 Of which: deferred	-	-
5 Of which: shares or other share-linked instruments	-	-
6 Of which: deferred	-	-
7 Of which: other forms	1	1
8 Of which: deferred	-	-
Variable Remuneration		
9 Number of employees	15	44
10 Total variable remuneration (11 + 13 + 15)	49	56
11 Of which: cash-based	49	56
12 Of which: deferred	14	15
13 Of which: shares or other share-linked instruments	-	-
14 Of which: deferred	-	-
15 Of which: other forms	-	-
16 Of which: deferred	-	-
17 Total Remuneration (2+10)	110	123

* Fixed Remuneration (which then forms part of Total Remuneration) has been reported on an award basis and excludes accrued post-employment and long-term benefits and deferrals which were paid in the current year but awarded in prior years.
* The number of employees includes employees who were identified as Senior Management or MRTs at any time during the 2025 performance year, including those who were no longer MRTs as at the end of the year (i.e. former MRTs)

Other variable remuneration

The Group may award a guaranteed bonus to new hires, for the first year of employment only. The guaranteed bonus compensates for the loss of an annual bonus award from a prior employer that will be forfeited solely because of joining the Group, in addition to the employee's performance with the Group for the relevant performance year. An employee may also be awarded a discretionary annual bonus subject to their performance and in limited cases. Guaranteed bonuses will only be awarded in exceptional circumstances and in line with regulatory requirements. Guaranteed bonuses awarded to MRTs will also be subject to deferral.

The Group may grant a buy-out award to new hires to compensate for the loss of unvested deferred compensation awards from a prior employer that will be forfeited solely because of the new hire ceasing employment with their prior employer to join the Group, or paid compensation awards that are clawed back from the prior employer as a result of the new hire ceasing employment with the prior employer to join the Group. Any applicable buy-outs would also be taken into account at the time the new hire is selected.

Retention awards are awarded in very limited circumstances and are granted to select talent; typically existing employees based on business requirements with the aim of retaining top talent and/or critical resources for the business and taking into account the scarcity of talent both within the Group and in the marketplace.

Severance payments are considered to be both fixed and variable pay, where fixed payments are contractual such as Gratuity in line with UAE Labor Law, and variable payments are those payments which are discretionary in nature such as ex-gratia.

Another form of fixed remuneration captured is Employer Pension Contributions.

Special payments (REM2):

The following table includes quantitative information on special payments for the financial year.

31 December 2025 AED in millions	Guaranteed Bonuses		Sign on Awards		Severance Payments	
	Number of employees	Total amount	Number of employees	Total amount	Number of employees	Total amount
Special Payments						
Senior Management	-	-	-	-	-	-
Other Material Risk-takers	1	-	-	-	2	2

Deferred remuneration (REM3)

In line with UAE regulatory requirements, variable remuneration awarded to MRTs in Q1 of each year (with effect from the 2022 performance year) include a deferral element in the form of deferred cash.

The proportion of bonus deferred is based on a set percentage of the bonus and increases significantly along with the level of seniority and/or responsibility of the MRT. For Senior Management and the most highly paid employees, the percentage of variable compensation that is deferred is substantially higher.

In addition, bonus deferrals are awarded in Turkiye, which is a jurisdiction in which Group has a subsidiary. Bonuses are subject to local regulatory requirements that require deferrals to be applied to those employees who have a material influence on the risk profile of Group's respective subsidiary.

Policy and criteria for adjusting variable remuneration:

Variable compensation is subject to ex-post risk adjustment under certain events and conditions via operation of malus and/or clawback adjustments. Ex-post risk adjustment may be applied on an individual or a collective basis, depending on the circumstances of the event and in a range of circumstances, including but not limited to, material restatement or downturn of financial results for the relevant period, fraud or gross negligence by an individual or group of employees, material error or failures of risk management controls. The applicable claw back period is three years after the date of payment of the relevant award.

The circumstances for ex-post risk adjustment are reviewed by the BNRESGC annually and applied in each case as determined by the Committee at its sole discretion. The Group will consider all relevant factors (including the proximity of the employee to the failure of risk management in question and the employee's level of responsibility) in deciding whether, and to what extent, it is reasonable to seek recovery of any or all of their variable remuneration.

Engagement of external professional consultants

External professional consultants are engaged by Human Resources and local compliance teams on a regular basis to ensure Group's remuneration policies, practices and processes are in alignment with the market and compliant with regulatory requirements in each relevant jurisdiction. During the year 2025, Aon PLC (a leading global professional services firm specialising in risk, retirement, and health solutions) provided the Group with market and industry insights and trends and remuneration benchmarking data.

The following table includes quantitative information on Senior Management and MRT deferred remuneration subject to ex-post risk adjustment:

31 December 2025 AED in millions	Total amount of outstanding deferred remuneration	Of which: Total amount of outstanding deferred and retained remuneration exposed to ex post explicit and/or implicit adjustment	Total amount of amendment during the year due to ex post explicit adjustments	Total amount of amendment during the year due to ex post implicit adjustments	Total amount of deferred remuneration paid out in the financial year
Deferred and retained remuneration					
Senior management	27	27	-	-	8
Cash	27	27	-	-	8
Shares	-	-	-	-	-
Cash-linked instruments	-	-	-	-	-
Other	-	-	-	-	-
Other material risk-takers	25	25	-	-	7
Cash	25	25	-	-	7
Shares	-	-	-	-	-
Cash-linked instruments	-	-	-	-	-
Other	-	-	-	-	-
Total	52	52	-	-	15

Appendix A : Template CCA: Main features of regulatory capital instruments

Srno	Particulars	Equity shares	U.S.\$1,000,000,000 Perpetual Additional Tier 1 capital securities	U.S.\$750,000,000 Perpetual Additional Tier 1 capital securities	U.S.\$750,000,000 Perpetual Additional Tier 1 capital securities
1	Issuer	Emirates NBD Bank P.J.S.C.	Emirates NBD Bank P.J.S.C.	Emirates NBD Bank P.J.S.C.	Emirates NBD Bank P.J.S.C.
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)		XS3004977057	XS2134363170	XS2342723900
3	Governing law(s) of the instrument	CBUAE, SCA, CCL	English law	English law	English law
Regulatory treatment					
4	Transitional arrangement rules (i.e. grandfathering)	Common equity tier 1	NA	NA	NA
5	Post-transitional arrangement rules (i.e. grandfathering)	Common equity tier 1	Additional tier 1	Additional tier 1	Additional tier 1
6	Eligible at solo/group/ group and solo	Solo and Group	Solo and Group	Solo and Group	Solo and Group
7	Instrument type (types to be specified by each jurisdiction)	Common shares	Perpetual debt instruments	Perpetual debt instruments	Perpetual debt instruments
8	Amount recognised in regulatory capital (AED in billions, as of 31 December 2025)	6.3	3.7	2.7	2.7
9	Nominal amount of instrument	NA	U.S.\$1,000,000,000	U.S.\$750,000,000	U.S.\$750,000,000
9a	Issue price	NA	100 percent	100 percent	100 percent
9b	Redemption price	NA	100% in case of an optional redemption or a tax event redemption, and 101% in case of a capital event redemption.	100% in case of an optional redemption or a tax event redemption, and 101% in case of a capital event redemption.	100% in case of an optional redemption or a tax event redemption, and 101% in case of a capital event redemption.
10	Accounting classification	Equity attributable to equity holders	Equity attributable to equity holders	Equity attributable to equity holders	Equity attributable to equity holders
11	Original date of issuance		25th February 2025	9th July 2020	27th May 2021
12	Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual
13	Original maturity date	No maturity	NA	NA	NA
14	Issuer call subject to prior supervisory approval	No	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	NA	25th August 2030 / tax event or a capital event / at par for optional and tax event call, at 101% in case of a capital event	9th April 2026 / tax Event or a capital event / at par for optional and tax event call, at 101% in case of a capital event.	27th Feb 2027 / tax event or a capital event / at par for optional and tax event call, at 101% in case of a capital event.
16	Subsequent call dates, if applicable	NA	25th February 2031 and every 6 months thereafter	9th July 2026 and every 6 months thereafter	27th May 2027 and every 6 months thereafter

Coupons / dividends

Srno	Particulars	Equity shares	U.S.\$1,000,000,000 Perpetual Additional Tier 1 capital securities	U.S.\$750,000,000 Perpetual Additional Tier 1 capital securities	U.S.\$750,000,000 Perpetual Additional Tier 1 capital securities
17	Fixed or floating dividend/coupon	NA	Fixed	Fixed	Fixed
18	Coupon rate and any related index	NA	6.125%	6.125%	4.25%
19	Existence of a dividend stopper	NA	Yes	Yes	Yes
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Partially discretionary	Partially discretionary	Partially discretionary
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Partially discretionary	Partially discretionary	Partially discretionary
21	Existence of step-up or other incentive to redeem	No	No	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	NA	Non-convertible	Non-convertible	Non-convertible
24	Write down feature	NA	Yes	Yes	Yes
25	If write down, write down trigger(s)	NA	Notice from the CBUAE (as the 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 (i.e., Point of Non-Viability (PONV) trigger)	Notice from the CBUAE (as the 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 (i.e., Point of Non-Viability (PONV) trigger)	Notice from the CBUAE (as the 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 (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)
27	If write down, permanent or temporary	NA	Permanent	Permanent	Permanent
28	If temporarily write down, description of writeup	NA	NA	NA	NA
28a	Type of subordination	NA	Contractual	Contractual	Contractual

Acronyms

ALCO	Asset and Liability Committee	MTM	Mark-To-Market
ALM	Asset and Liability Management	NII	Net Interest Income
ASF	Available stable funding	NSFR	Net Stable Funding Ratio
ATI	Additional Tier 1	OTC	Over the counter
BCBS	Basel Committee on Banking Supervision	PD	Probability of Default
BIS	Bank for International Settlements	PFE	Potential Future Exposure
BRC	Board Risk Committee	PVA	Prudent Valuation Adjustment
CBUAE	Central Bank of UAE	QCCP	Qualifying Central Counterparty
CCF	Credit Conversion Factor	RSF	Required stable funding
CCP	Central Counterparty	RWAs	Risk-Weighted Assets
CCR	Counterparty Credit Risk	SA	Standardised Approach
CCyB	Countercyclical capital buffer	SFT	Securities Financing Transactions
CET1	Common Equity Tier 1	SME	Small and Medium - sized Enterprise
CRM	Credit Risk Mitigation	SPE	Special Purpose Entity
CFO	Chief Financial Officer	T1	Tier 1 capital
CVA	Credit Valuation Adjustment	T2	Tier 2 capital
D-SIB	Domestic Systemically Important Bank	TC	Total capital
EAD	Exposure at default	VaR	Value at Risk
ECAI	External Credit Assessment Institutions	SCA	Securities and Commodities Authority
ECL	Expected Credit loss	CHRO	Chief Human Resource Officer
FSB	Financial Stability Board	CEO	Chief Executive Officer
GCC	Gulf Cooperative Council	IRR	Interest Rate Risk
GCRO	Group Chief Risk Officer	LCR	Liquidity Coverage Ratio
HQLA	High Quality Liquid Asset	ExCO	Executive Committee
IFRS	International Financial Reporting Standards	LGD	Loss Given Default
ICAAP	Internal Capital Adequacy Assessment Process	BNRESGC	Board Nomination Remuneration & ESG Committee
MDB	Multilateral Development Banks	KPI	Key Performance Indicator

Glossary

Capital conservation buffer

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

Countercyclical capital buffer (CCyB)

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

Counterparty credit risk (CCR)

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

Credit conversion factor (CCF)

Factors used to convert off-balance-sheet items into credit exposure equivalents.

Credit risk adjustment (CRA)

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

Credit risk mitigation (CRM)

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

Domestic systemically important banks (D-SIBs)

Domestic systemically important banks are deemed systemically relevant for the domestic financial system in which they operate. The CBUAE and the BCBS have developed a framework for identifying and dealing with D-SIBs. The Central Bank of the UAE annually assesses national banks at their consolidated group level and foreign banks at their UAE branch level; to designate banks whose failure could escalate systemic risk for the UAE banking sector and eventually impact the economy.

Internal capital adequacy assessment process (ICAAP)

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

Leverage ratio

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

Liquidity coverage ratio (LCR)

The ratio of the stock of high quality liquid assets to expected net cash outflows over the following 30 days. High quality liquid assets should be unencumbered, liquid in markets during a time of stress and, ideally, be central bank eligible.

Net stable funding ratio (NSFR)

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

RWA density

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

Standardised approach (SA)

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

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