



INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED
ABU DHABI BRANCH

30 September 2023

PILLAR III DISCLOSURES

**Industrial and Commercial Bank of
China Limited - Abu Dhabi Branch**

PILLAR III DISCLOSURES

FOR THE QUARTER ENDED 30 September 2023

Industrial and Commercial Bank of China Limited - Abu Dhabi Branch
Pillar III Disclosures for the quarter ended 30 September 2023

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1. Overview of Risk Management and RWA

KM1: Key Metrics

		AED 000				
		(a)	(b)	(c)	(d)	(e)
		Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	543,149	545,700	543,752	545,115	536,345
1a	Fully loaded ECL accounting model	543,149	545,700	543,752	545,115	536,345
2	Tier 1	543,149	545,700	543,752	545,115	536,345
2a	Fully loaded ECL accounting model Tier 1	543,149	545,700	543,752	545,115	536,345
3	Total capital	638,769	639,667	640,568	658,265	645,080
3a	Fully loaded ECL accounting model total capital	638,769	639,667	640,568	658,265	645,080
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	2,958,727	2,187,796	1,940,364	1,782,993	1,432,976
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio (%)	18.36%	24.94%	28.02%	30.57%	37.43%
5a	Fully loaded ECL accounting model CET1 (%)	18.36%	24.94%	28.02%	30.57%	37.43%
6	Tier 1 ratio (%)	18.36%	24.94%	28.02%	30.57%	37.43%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	18.36%	24.94%	28.02%	30.57%	37.43%
7	Total capital ratio (%)	21.59%	29.24%	33.01%	36.92%	45.02%
7a	Fully loaded ECL accounting model total capital ratio (%)	21.59%	29.24%	33.01%	36.92%	45.02%
	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%

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9	Countercyclical buffer requirement (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	Bank D-SIB additional requirements (%)	0.00%	0.00%	0.00%	0.00%	0.00%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9+ row 10)	2.50%	2.50%	2.50%	2.50%	2.50%
12	CET1 available after meeting the bank's minimum capital requirements (%)	11.36%	17.94%	21.02%	23.57%	30.43%
Leverage Ratio						
13	Total leverage ratio measure	5,781,472	4,508,275	4,563,559	3,342,956	3,178,674
14	Leverage ratio (%) (row 2/row 13)	9.39%	12.10%	11.92%	16.31%	16.87%
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2A/row 13)	9.39%	12.10%	11.92%	16.31%	16.87%
14b	Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	9.39%	12.10%	11.92%	16.31%	16.87%
ELAR						
21	Total HQLA	858,109	900,789	1,289,765	346,084	731,257
22	Total liabilities	4,105,197	3,186,230	3,320,212	2,061,309	1,792,978
23	Eligible Liquid Assets Ratio (ELAR) (%)	20.90%	28.27%	38.85%	16.79%	40.78%
ASRR						
24	Total available stable funding	2,651,608	2,215,645	2,572,637	2,135,214	1,657,167
25	Total Advances	196,032	360,970	207,077	761,177	289,112
26	Advances to Stable Resources Ratio (%)	7.39%	16.29%	8.05%	35.65%	17.45%

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OV1: Overview of RWA

		AED 000		
		(a)	(b)	(c)
		RWA		Min Capital Requirement
		Q3 2023	Q2 2023	Q3 2023
1	Credit risk (excluding counterparty credit risk)	2,758,762	1,948,738	289,670
2	<i>Of which: standardised approach (SA)</i>	2,758,762	1,948,738	289,670
6	Counterparty credit risk (CCR)	131,289	59,894	13,785
7	<i>Of which: standardised approach for counterparty credit risk</i>	131,289	59,894	13,785
12	Equity investments in funds - look-through approach	0	0	0
13	Equity investments in funds - mandate-based approach	0	0	0
14	Equity investments in funds - fall-back approach	0	0	0
15	Settlement risk	0	0	0
16	Securitisation exposures in the banking book	0	0	0
18	<i>Of which: securitisation external ratings-based approach (SEC-ERBA)</i>	0	0	0
19	<i>Of which: securitisation standardised approach (SEC-SA)</i>	0	0	0
20	Market risk	1,555	112,044	163
21	<i>Of which: standardised approach (SA)</i>	1,555	112,044	163
23	Operational risk	67,121	67,121	7,048
26	Total (1+6+12+13+14+15+16+20+23)	2,958,727	2,187,796	310,666

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2. Leverage ratio

LR2: Leverage ratio common disclosure template

		AED 000	
		(a)	(b)
		Q3 2023	Q2 2023
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	4,892,640	3,961,471
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	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	4,892,640	3,961,471
Derivative exposures			
8	Replacement cost associated with <i>all</i> derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	35,283	31,552
9	Add-on amounts for PFE associated with <i>all</i> derivatives transactions	445,634	147,140
10	(Exempted CCP leg of client-cleared trade exposures)		
11	Adjusted effective notional amount of written credit derivatives		
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)		
13	Total derivative exposures (sum of rows 8 to 12)	480,917	178,692
Securities financing transactions			
14	Gross SFT <i>assets</i> (with no recognition of netting), after adjusting for sale accounting transactions	0	0
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	0	0
16	CCR exposure for SFT assets	0	0
17	Agent transaction exposures	0	0
18	Total securities financing transaction exposures (sum of rows 14 to 17)	0	0
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	893,503	736,224
20	(Adjustments for conversion to credit equivalent amounts)	-485,588	-368,112
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)	407,915	368,112
Capital and total exposures			
23	Tier 1 capital	543,149	543,149
24	Total exposures (sum of rows 7, 13, 18 and 22)	5,781,472	4,508,275
Leverage ratio			
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	9.39%	12.05%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	9.39%	0.00%

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26	CBUAE minimum leverage ratio requirement	3%	3%
27	Applicable leverage buffers	0.00%	0.00%

3. Liquidity

ELAR: Eligible Liquid Assets Ratio

1	High Quality Liquid Assets	AED 000	
		Nominal amount	Eligible Liquid Asset
1.1	Physical cash in hand at the bank + balances with the CBUAE	811,882	
1.2	UAE Federal Government Bonds and Sukuks	36,283	
	Sub Total (1.1 to 1.2)	848,165	848,165
1.3	UAE local governments publicly traded debt securities	9,944	
1.4	UAE Public sector publicly traded debt securities	0	
	Sub Total (1.3 to 1.4)	9,944	9,944
1.5	Foreign Sovereign debt instruments or instruments issued by their respective central banks	0	0
1.6	Total	858,109	858,109
2	Total liabilities		4,105,197
3	Eligible Liquid Assets Ratio (ELAR)		20.90%

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ASRR: Advances to Stables Resource Ratio

		Items	AED 000
			Amount
1		Computation of Advances	
	1.1	Net Lending (gross loans - specific and collective provisions + interest in suspense)	850,388
	1.2	Lending to non-banking financial institutions	0
	1.3	Net Financial Guarantees & Stand-by LC (issued - received)	-757,187
	1.4	Interbank Placements	102,831
	1.5	Total Advances	196,032
2		Calculation of Net Stable Resources	
	2.1	Total capital + general provisions	812,645
		Deduct:	
	2.1.1	Goodwill and other intangible assets	0
	2.1.2	Fixed Assets	8,040
	2.1.3	Funds allocated to branches abroad	0
	2.1.5	Unquoted Investments	0
	2.1.6	Investment in subsidiaries, associates and affiliates	0
	2.1.7	Total deduction	8,040
	2.2	Net Free Capital Funds	804,605
	2.3	Other stable resources:	
	2.3.1	Funds from the head office	0
	2.3.2	Interbank deposits with remaining life of more than 6 months	0
	2.3.3	Refinancing of Housing Loans	0
	2.3.4	Borrowing from non-Banking Financial Institutions	17
	2.3.5	Customer Deposits	1,846,986
	2.3.6	Capital market funding/ term borrowings maturing after 6 months from reporting date	0
	2.3.7	Total other stable resources	1,847,003
	2.4	Total Stable Resources (2.2+2.3.7)	2,651,608
3		Advances TO STABLE RESOURCES RATIO (1.5/ 2.4*100)	7.39%



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