



INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED
ABU DHABI BRANCH

30 September 2022

PILLAR III DISCLOSURES

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

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FOR THE QUARTER ENDED 30 September 2022

Industrial and Commercial Bank of China Limited - Abu Dhabi Branch
Pillar III Disclosures for the quarter ended 30 September 2022

Content	Page
1. Overview of risk management and RWA	
Key Metrics (KM1)	2
Overview of RWA (OV1)	3
2. Leverage Ratio (LR2)	4
3. Liquidity	
Eligible Liquid Assets Ratio (ELAR)	5
Advances to Stables Resource Ratio (ASRR)	6

Industrial and Commercial Bank of China Limited - Abu Dhabi Branch
Pillar III Disclosures for the quarter ended 30 September 2022

1. Overview of Risk Management and RWA

KM1: Key Metrics

		AED 000			
		(a)	(b)	(c)	(d)
		Q3 2022	Q2 2022	Q1 2022	Q4 2021
	Available capital (amounts)				
1	Common Equity Tier 1 (CET1)	536,345	534,762	539,086	537,222
1a	Fully loaded ECL accounting model	536,345	534,762	539,086	537,222
2	Tier 1	536,345	534,762	539,086	537,222
2a	Fully loaded ECL accounting model Tier 1	536,345	534,762	539,086	537,222
3	Total capital	645,080	642,971	649,369	665,126
3a	Fully loaded ECL accounting model total capital	645,080	642,971	649,369	665,126
	Risk-weighted assets (amounts)				
4	Total risk-weighted assets (RWA)	1,432,976	1,389,152	1,555,245	1,497,501
	Risk-based capital ratios as a percentage of RWA				
5	Common Equity Tier 1 ratio (%)	37.43%	38.50%	34.66%	35.87%
5a	Fully loaded ECL accounting model CET1 (%)	37.43%	38.50%	34.66%	35.87%
6	Tier 1 ratio (%)	37.43%	38.50%	34.66%	35.87%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	37.43%	38.50%	34.66%	35.87%
7	Total capital ratio (%)	45.02%	46.29%	41.75%	44.41%
7a	Fully loaded ECL accounting model total capital ratio (%)	45.02%	46.29%	41.75%	44.41%
	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%
9	Countercyclical buffer requirement (%)	0.00%	0.00%	0.00%	0.00%
10	Bank D-SIB additional requirements (%)	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%
12	CET1 available after meeting the bank's minimum capital requirements (%)	30.43%	31.50%	27.66%	28.87%
	Leverage Ratio				
13	Total leverage ratio measure	3,178,674	2,476,649	2,767,963	2,782,747
14	Leverage ratio (%) (row 2/row 13)	16.87%	21.59%	19.48%	19.31%
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2A/row 13)	16.87%	21.59%	19.48%	19.31%
14b	Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	16.87%	21.59%	19.48%	19.31%
	ELAR				
21	Total HQLA	731,257	406,391	290,123	384,235
22	Total liabilities	1,792,978	1,146,902	1,356,654	1,538,956
23	Eligible Liquid Assets Ratio (ELAR) (%)	40.78%	35.43%	21.39%	24.97%

Industrial and Commercial Bank of China Limited - Abu Dhabi Branch
Pillar III Disclosures for the quarter ended 30 September 2022

ASRR					
24	Total available stable funding	1,657,167	1,388,076	1,341,854	1,580,181
25	Total Advances	289,112	336,134	535,143	519,964
26	Advances to Stable Resources Ratio (%)	17.45%	24.22%	39.88%	32.91%

OV1: Overview of RWA

		AED 000		
		(a)	(b)	(c)
		RWA		Min Capital Requirement
		Q3 2022	Q2 2022	Q3 2022
1	Credit risk (excluding counterparty credit risk)	1,262,584	1,231,619	132,571
2	<i>Of which: standardised approach (SA)</i>	1,262,584	1,231,619	132,571
6	Counterparty credit risk (CCR)	91,186	80,112	9,575
7	<i>Of which: standardised approach for counterparty credit risk</i>	91,186	80,112	9,575
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	8,980	7,195	943
21	<i>Of which: standardised approach (SA)</i>	8,980	7,195	943
23	Operational risk	70,226	70,226	7,374
26	Total (1+6+12+13+14+15+16+20+23)	1,432,976	1,389,152	150,462

Industrial and Commercial Bank of China Limited - Abu Dhabi Branch
Pillar III Disclosures for the quarter ended 30 September 2022

2. Leverage ratio

LR2: Leverage ratio common disclosure template

		AED 000	
		(a)	(b)
		Q3 2022	Q2 2022
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	2,523,382	1,884,483
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	0	0
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	0	0
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	0	0
5	(Specific and general provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital)	0	0
6	(Asset amounts deducted in determining Tier 1 capital)	0	0
7	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	2,523,382	1,884,483
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)	41,084	27,808
9	Add-on amounts for PFE associated with <i>all</i> derivatives transactions	244,079	196,424
10	(Exempted CCP leg of client-cleared trade exposures)	0	0
11	Adjusted effective notional amount of written credit derivatives	0	0
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	0	0
13	Total derivative exposures (sum of rows 8 to 12)	285,163	224,232
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	832,474	737,308
20	(Adjustments for conversion to credit equivalent amounts)	(462,345)	(369,375)
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)		0
22	Off-balance sheet items (sum of rows 19 to 21)	370,129	367,933
Capital and total exposures			
23	Tier 1 capital	536,345	534,762
24	Total exposures (sum of rows 7, 13, 18 and 22)	3,178,674	2,476,648
Leverage ratio			
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	16.87%	21.59%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	0.00%	0.00%
26	CBUAE minimum leverage ratio requirement	3.00%	3.00%
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	721,287	
1.2	UAE Federal Government Bonds and Sukuks	0	
	Sub Total (1.1 to 1.2)	721,287	721,287
1.3	UAE local governments publicly traded debt securities	9,970	
1.4	UAE Public sector publicly traded debt securities	0	
	Sub Total (1.3 to 1.4)	9,970	9,970
1.5	Foreign Sovereign debt instruments or instruments issued by their respective central banks	0	0
1.6	Total	731,257	731,257
2	Total liabilities		1,792,978
3	Eligible Liquid Assets Ratio (ELAR)		40.78%

Industrial and Commercial Bank of China Limited - Abu Dhabi Branch
Pillar III Disclosures for the quarter ended 30 September 2022

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)	276,646
	1.2	Lending to non-banking financial institutions	0
	1.3	Net Financial Guarantees & Stand-by LC (issued - received)	-97,709
	1.4	Interbank Placements	110,175
	1.5	Total Advances	289,112
2		Calculation of Net Stable Resources	
	2.1	Total capital + general provisions	759,750
		Deduct:	
	2.1.1	Goodwill and other intangible assets	0
	2.1.2	Fixed Assets	8,545
	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	8,545
	2.2	Net Free Capital Funds	751,205
	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	14,693
	2.3.3	Refinancing of Housing Loans	0
	2.3.4	Borrowing from non-Banking Financial Institutions	822
	2.3.5	Customer Deposits	890,447
	2.3.6	Capital market funding/ term borrowings maturing after 6 months from reporting date	0
	2.3.7	Total other stable resources	905,962
	2.4	Total Stable Resources (2.2+2.3.7)	1,657,167
3		Advances TO STABLE RESOURCES RATIO (1.5/ 2.4*100)	17.45



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