Abu Dhabi Commercial Bank PJSC

Pillar 3 Report

30 September 2026

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1. Introduction, basis of preparation and governance

1.1 Scope of Basel 3 Pillar 3 disclosures

The Basel Committee on Banking Supervision (BCBS) Basel 3 capital adequacy framework consists of three pillars. Pillar 1 provides a framework for measuring minimum capital requirements for credit, market and operational risks faced by banks. Pillar 2 allows banks and supervisors to take a view on whether the bank should hold additional capital to cover the three Pillar 1 risk types and/or to cover other risks. Pillar 3 requires banks to publish a range of disclosures, mainly covering risk, capital, leverage, liquidity and remuneration.

This report provides Pillar 3 disclosures for Abu Dhabi Commercial Bank PJSC and its subsidiaries together referred to as “ADCB” or the “Bank” or the “Group”.

ADCB is considered a Domestic Systemically Important Bank (D-SIB) under Central Bank laws/regulations and is required to comply with the Standards and Guidance re Capital Adequacy in the UAE – December 2022 as applicable to UAE D-SIBs on a consolidated basis. Capital and other regulatory information of the Bank as at 30 September 2026 is provided in our audited consolidated financial statements –

https://www.adcb.com/en/multimedia/pdfs/2026/october/FinancialStatements-Q3-2026.pdf

1.2 Significant Pillar 3 disclosure requirements and regulations

Capital adequacy, liquidity, funding and remuneration related disclosures in this Pillar 3 report have been prepared in accordance with the following regulations:

- Central Bank of the UAE (CBUAE) Pillar 3 disclosure requirements as stipulated in Standards and Guidance re Capital Adequacy in the UAE – December 2022 and Explanatory Notes on Pillar 3 disclosure requirements (May 2022),
- BCBS guidance Revised Pillar 3 disclosure requirements issued in January 2015,
- Frequently asked questions on the revised Pillar 3 disclosure requirements issued in August 2016,
- Pillar 3 disclosure requirements – consolidated and enhanced framework issued in March 2017 and
- Subsequent Technical Amendment – Pillar 3 disclosure requirements – regulatory treatment of accounting provisions issued in August 2018.

1.3 Internal controls and verification

The key features of internal controls around Pillar 3 reporting are as follows:

- Segregation of duties – maker-checker process is strictly followed in compiling the Pillar 3 report;
- Data-sourcing and reconciliation – data is sourced from multiple systems which are reconciled with the general ledger, sub-ledgers and audited/reviewed consolidated financial statements;
- Reviews – Pillar 3 report undergoes reviews by Finance and Risk functions;
- Internal audit – Internal auditors provide independent and objective assurance on disclosures in the Pillar 3 report;
- External audit – External auditors provide independent and objective assurance on disclosure in the Pillar 3 report based on agreed upon procedures (AUP) and
- Attestation – Attestation is obtained from Board members that the Pillar 3 report has been prepared in accordance with the Board-agreed internal control processes.

The management of the Bank have appropriately reviewed Pillar 3 disclosures for the period ended 30 September 2026.

2. Key Prudential Regulatory Metrics (at consolidated group level)

2.1 Key metrics for the Group (KM1)

The table below sets out the key regulatory metrics covering the Group's available capital (including buffer requirements and ratios), RWAs, Leverage ratio, LCR and NSFR.

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	30-Sep-26	30-Jun-26	31-Mar-26	31-Dec-25	30-Sep-25
Available capital (amounts)					
Common Equity Tier 1 (CET1)	**74,084,244**	70,865,731	67,754,475	65,497,448	61,649,646
Tier 1	**82,838,994**	79,620,481	76,496,291	74,252,198	70,404,396
Total capital	**88,877,716**	85,628,997	83,105,341	80,756,911	77,644,379
Total risk-weighted assets (RWA)	**537,335,864**	518,954,833	490,389,492	474,901,309	485,530,869
Risk-based capital ratios as a percentage of RWA					
Common Equity Tier 1 ratio (%)	**13.79%**	13.66%	13.82%	13.79%	12.70%
Tier 1 ratio (%)	**15.42%**	15.34%	15.60%	15.64%	14.50%
Total capital ratio (%)	**16.54%**	16.50%	16.95%	17.00%	15.99%
Additional CET1 buffer requirements as a percentage of RWA					
Capital conservation buffer requirement (2.5% from 2019) (%)	**2.50%**	2.50%	2.50%	2.50%	2.50%
Counter - cyclical buffer requirement (%)	**0.13%**	0.13%	0.44%	0.08%	0.09%
Bank D-SIB additional requirements (%)	**1.00%**	1.00%	0.50%	0.50%	0.50%
Total bank CET1 specific buffer requirements (%)	**3.63%**	3.63%	3.44%	3.08%	3.09%
CET1 available for the buffer requirement (%)	**6.04%**	6.00%	6.45%	6.50%	5.49%
Basel III Leverage Ratio					
Total Basel III leverage ratio measure	**965,365,717**	912,856,453	884,169,058	840,561,395	816,340,006
Basel III leverage ratio (%)	**8.58%**	8.72%	8.65%	8.83%	8.62%
Liquidity Coverage Ratio*					
Total HQLA	**139,967,117**	136,573,542	160,057,250	153,862,012	135,517,967
Total net cash outflow	**119,818,046**	124,701,635	128,913,281	117,172,633	101,809,128
LCR ratio (%)	**116.82%**	109.52%	124.16%	131.31%	133.11%
Net Stable Funding Ratio					
Total available stable funding	**509,694,728**	479,828,587	469,951,277	456,109,850	447,831,920
Total required stable funding	**488,764,950**	463,714,610	437,114,001	417,779,783	418,991,989
NSFR ratio (%)	**104.28%**	103.47%	107.51%	109.17%	106.88%

* LCR is calculated as at the end of each period rather than using average values. For average LCR, refer to table LIQ1.

3. Risk Weighted Assets

3.1 Overview of risk weighted assets (OV1)

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	RWA					Minimum capital requirements*				
	30-Sep-26	30-Jun-26	31-Mar-26	31-Dec-25	30-Sep-25	**30-Sep-26**	30-Jun-26	31-Mar-26	31-Dec-25	30-Sep-25
Credit risk (excluding counterparty credit risk)	**450,879,544**	435,592,427	414,747,627	401,805,024	413,366,234	**63,709,280**	61,549,210	57,815,819	54,565,122	56,176,471
Of which: standardised approach (SA)	**450,879,544**	435,592,427	414,747,627	401,805,024	413,366,234	**63,709,280**	61,549,210	57,815,819	54,565,122	56,176,471
Of which: foundation internal ratings-based (F-IRB) approach	-	-	-	-	-	-	-	-	-	-
Of which: supervisory slotting approach	-	-	-	-	-	-	-	-	-	-
Of which: advanced internal ratings-based (A-IRB) approach	-	-	-	-	-	-	-	-	-	-
Counterparty credit risk (CCR)	**10,425,208**	**11,665,314**	**12,113,955**	**13,199,190**	**11,367,925**	**1,473,082**	1,648,309	1,688,685	1,792,450	1,544,901
Of which: standardised approach for counterparty credit risk	**10,425,208**	11,665,314	12,113,955	13,199,190	11,367,925	**1,473,082**	1,648,309	1,688,685	1,792,450	1,544,901
Of which: Internal Model Method (IMM)	-	-	-	-	-	-	-	-	-	-
Of which: other CCR	-	-	-	-	-	-	-	-	-	-
Credit valuation adjustment (CVA)	**10,749,910**	10,128,319	10,831,710	8,410,364	7,496,726	**1,518,962**	1,431,131	1,509,940	1,142,127	1,018,805
Equity positions under the simple risk weight approach	-	-	-	-	-	-	-	-	-	-
Equity investments in funds - look-through approach	**7,263,179**	5,732,492	595,221	632,976	649,513	**1,026,287**	810,001	82,974	85,958	88,269
Equity investments in funds - mandate-based approach	-	-	-	-	-	-	-	-	-	-
Equity investments in funds - fall-back approach	-	-	-	-	-	-	-	-	-	-
Settlement risk	-	-	-	-	-	-	-	-	-	-
Securitisation exposures in the banking book	**3,381,834**	2,863,218	3,655,190	3,579,446	1,044,211	**477,853**	404,573	509,533	486,089	141,908
Of which: securitisation internal ratings-based approach (SEC-IRBA)	-	-	-	-	-	-	-	-	-	-
Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach	**2,022,033**	1,612,541	1,308,322	986,255	447,479	**285,713**	227,852	182,380	133,933	60,812
Of which: securitisation standardised approach (SEC-SA)	**1,359,801**	1,250,677	2,346,867	2,593,191	596,732	**192,140**	176,721	327,153	352,155	81,096
Market risk	**16,954,847**	16,556,318	12,528,316	11,402,640	16,525,302	**2,395,720**	2,339,408	1,746,447	1,548,479	2,245,789
Of which: standardised approach (SA)	**16,954,847**	16,556,318	12,528,316	11,402,640	16,525,302	**2,395,720**	2,339,408	1,746,447	1,548,479	2,245,789
Of which: internal model approaches (IMA)	-	-	-	-	-	-	-	-	-	-
Capital charge for switch between trading book and banking book	-	-	-	-	-	-	-	-	-	-
Operational risk	**37,681,342**	36,416,745	35,917,474	35,871,669	35,080,957	**5,324,374**	5,145,686	5,006,896	4,871,373	4,767,502
Amounts below thresholds for deduction (subject to 250% risk weight)	-	-	-	-	-	-	-	-	-	-
Floor adjustment	-	-	-	-	-	-	-	-	-	-
Total	**537,335,864**	518,954,833	490,389,492	474,901,309	485,530,869	**75,925,558**	73,328,318	68,360,295	64,491,598	65,983,645

* Minimum capital requirement is arrived at by using capital adequacy ratio including all regulatory buffers on RWA for respective reporting periods (September 2026 -14.13%).

4. Leverage Ratio

The Basel 3 leverage ratio is calculated by dividing the period-end tier 1 capital by the period-end leverage ratio denominator (LRD), as summarized in the tables below.

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

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Summary comparison of accounting assets vs leverage ratio exposure measure	30-Sep-26	30-Jun-26	31-Mar-26	31-Dec-25	30-Sep-25
Total consolidated assets as per published financial statements	**889,993,101**	833,184,515	808,856,400	773,654,781	744,273,270
Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	**(2,157)**	(18,133)	(19,196)	(14,066)	(20,416)
Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	**-**	-	-	-	-
Adjustments for derivative financial instruments	**(1,470,749)**	6,215,962	5,411,507	8,660,244	9,151,171
Adjustment for securities financing transactions (ie repos and similar secured lending)	**20,001**	107,094	447,794	(5,617,455)	(2,738,899)
Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	**108,530,298**	104,778,787	96,877,343	92,697,714	91,738,499
Other adjustments*	**(31,704,775)**	(31,411,772)	(27,404,789)	(28,819,823)	(26,063,619)
Leverage ratio exposure measure	**965,365,719**	912,856,453	884,169,058	840,561,395	816,340,006

*Includes adjustments for acceptances and intangible assets. Acceptances are treated as off-balance sheet exposure.

The LRD consists of IFRS on-balance sheet assets and off-balance sheet exposures. Derivative exposures are adjusted for a number of items, including replacement value and eligible cash variation margin netting, the SA-CCR method and net notional amounts for written credit derivatives.

The table on the next page shows the reconciliation between total IFRS assets and the BCBS total on-balance sheet exposures. IFRS assets are the starting point for calculating the BCBS LRD, as shown in the LR2 table in this section. The difference is due to the application of the regulatory scope of consolidation for the purpose of the BCBS calculation. In addition, carrying amounts for derivative financial instruments and securities financing transactions (SFTs) are deducted from IFRS total assets. They are measured differently under BCBS leverage ratio rules and are therefore added back in separate exposure line items in the LR2 table.

4.2 Leverage ratio common disclosure (LR2)

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	30-Sep-26	30-Jun-26	31-Mar-26	31-Dec-25	30-Sep-25
On-balance sheet					
On-balance sheet items (excluding derivatives and SFTs)	**828,646,538**	776,357,663	760,658,740	731,702,267	710,047,349
Asset amounts deducted in determining Basel III Tier 1 capital	**(7,743,261)**	(7,686,457)	(7,663,484)	(7,658,496)	(7,670,532)
Total on-balance sheet exposures, excluding derivatives and SFTs	**820,903,277**	768,671,206	752,995,256	724,043,771	702,376,817
Derivative exposures (c + d)	**25,708,692**	22,223,153	21,890,473	23,819,910	22,224,689
Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting) - (a)	**6,492,753**	3,606,800	3,177,151	3,479,891	2,694,868
Add-on amounts for PFE associated with all derivatives transactions - (b)	**11,781,535**	12,103,589	12,393,352	11,051,136	10,321,526
CCR exposure for derivatives transactions 1.4 x (a + b) = (c)	**25,584,004**	21,994,545	21,798,705	20,343,437	18,222,951
Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	**-**	-	-	-	-
Adjusted effective notional amount of written credit derivatives - (d)	**124,689**	228,608	91,768	3,476,473	4,001,738
Deductions of receivables assets for cash variation margin provided in derivatives transactions	**-**	-	-	-	-
Exempted CCP leg of client-cleared trade exposures	**-**	-	-	-	-
Adjusted effective notional offsets and add-on deductions for written credit derivatives	**-**	-	-	-	-
Securities financing transaction exposures					
Gross SFT *assets* (with no recognition of netting), after adjusting for sale accounting transactions	**10,209,556**	17,104,177	11,974,192	-	-
CCR exposure for SFT assets	**13,894**	79,130	431,794	-	-
Agent transaction exposures	**-**	-	-	-	-
Netted amounts of cash payables and cash receivables of gross SFT assets	**-**	-	-	-	-
Other off-balance sheet exposures	**108,530,298**	104,778,787	96,877,342	92,697,713	91,738,499
Other off-balance sheet exposure at gross notional amount	**273,771,858**	266,443,153	241,268,713	228,627,981	214,550,474
Reduction in exposure due to conversion to credit equivalent amounts	**(165,241,560)**	(161,664,366)	(144,391,371)	(135,930,268)	(122,811,975)
Capital and total exposures					
Tier 1 capital	**82,838,994**	79,620,481	76,496,291	74,252,198	70,404,395
Total exposures	**965,365,717**	912,856,453	884,169,058	840,561,395	816,340,006
Leverage ratio	**8.58%**	8.72%	8.65%	8.83%	8.62%

5. Liquidity Coverage Ratio (LCR)(LIQ1)

The LCR is designed to promote short-term resilience of 30 calendar day liquidity profile, by ensuring that banks have sufficient HQLA to meet potential outflows in a stressed environment.

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	30-Sep-26		30-Jun-26		31-Mar-26		31-Dec-25		30-Sep-25	
	Total unweighted value (90 days-average)	Total weighted value (90 days-average)	Total unweighted value (90 days-average)	Total weighted value (90 days-average)	Total unweighted value (90 days-average)	Total weighted value (90 days-average)	Total unweighted value (90 days-average)	Total weighted value (90 days-average)	Total unweighted value (90 days-average)	Total weighted value (90 days-average)
High-quality liquid assets										
Total HQLA	**138,173,519**	**128,222,648**	149,723,963	139,397,132	154,892,273	142,935,355	154,326,082	142,482,394	149,147,384	137,644,314
Cash outflows										
Retail deposits and deposits from small business customers, of which:										
Stable deposits	**109,085,775**	**5,454,289**	108,447,747	5,422,387	107,495,326	5,374,766	101,108,104	5,055,405	96,151,104	4,807,555
Less stable deposits	**56,957,760**	**2,017,773**	49,920,571	1,997,481	47,405,888	1,998,571	48,316,397	1,823,129	49,692,539	1,738,205
Unsecured wholesale funding, of which:										
Operational deposits (all counterparties) and deposits in networks of cooperative banks	**31,269,495**	**7,817,374**	24,656,014	6,164,004	23,850,094	5,962,524	22,500,972	5,625,243	22,092,621	5,523,155
Non-operational deposits (all counterparties)	**175,193,824**	**81,702,805**	168,864,088	77,322,498	159,251,320	73,628,539	155,712,682	73,478,032	152,949,441	71,329,437
Unsecured debt	**-**	**-**	-	-	-	-	-	-	-	-
Secured wholesale funding	**27,035,513**	**6,162,439**	13,477,298	4,094,856	9,140,362	1,429,120	4,050,188	898,556	5,074,916	2,022,757
Additional requirements, of which:										
Outflows related to derivative exposures and other collateral requirements	**18,734,855**	**15,297,587**	21,929,873	18,956,867	22,811,251	20,540,799	22,134,291	20,807,512	16,047,135	14,730,740
Outflows related to loss of funding of debt products	**59**	**59**	11,665	11,665	19,508	19,509	131,210	131,211	48,615	48,616
Credit and liquidity facilities	**285,165,020**	**45,425,948**	258,599,983	41,515,967	240,246,452	40,281,516	214,403,086	36,570,342	186,352,013	33,999,638
Total cash outflows	**703,442,301**	**163,878,274**	645,907,239	155,485,725	610,220,201	149,235,344	568,356,930	144,389,429	528,408,384	134,200,103
Cash inflows										
Secured lending (eg reverse repo)	**5,037,126**	**4,006,258**	5,234,905	3,704,687	1,468,248	1,241,177	66,333	30,335	(48,307)	(48,307)
Inflows from fully performing exposures	**23,419,102**	**19,587,131**	19,756,373	14,966,618	18,014,476	12,844,295	15,841,661	12,907,594	14,034,849	11,449,902
Other cash inflows	**14,805,306**	**14,805,306**	17,433,359	17,433,359	20,333,156	20,333,156	21,687,543	21,687,543	14,631,717	14,631,717
Total cash inflows	**43,261,534**	**38,398,695**	42,424,637	36,104,664	39,815,880	34,418,628	37,595,537	34,625,472	28,618,259	26,033,312

	Total adjusted value	Total adjusted value	Total adjusted value	Total adjusted value	Total adjusted value
Total HQLA	**128,222,648**	139,397,132	142,935,355	142,482,394	137,644,314
Total net cash outflows	**125,479,579**	119,381,061	114,816,715	109,763,956	108,166,790
Liquidity coverage ratio (%)	**102.33%**	116.88%	124.94%	129.91%	127.32%

Note: All figures reported in LIQ1 are calculated as 90 days averages and the LCR ratio is an average of same 90 days LCR.