

SHARJAH ISLAMIC BANK

Pillar III Disclosure

31st March 2022

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1) Overview of Risk Management

1.1. Introduction & basis of preparation

The purpose of the document is to fulfil regulatory disclosure requirements based on the revised Basel banking framework commonly known as "Basel III". The "Basel III" framework contains capital requirements for credit risk (including credit risk mitigation techniques), operational risk and market risk.

1.2. Scope of pillar III disclosures:

The Basel banking framework contains three main pillars:

- Pillar I -Minimum quantitative (capital) requirements
- Pillar II- Supervisory Review Process.
- Pillar III-Disclosure requirements in order to reach market discipline by transparency to the public

1.3. Summary of Basel III requirements

The Bank complies with the Basel III standards and guidance notes, which have been implemented in the UAE. Basel regulation has evolved to comprise three pillars concerned with minimum capital requirements (Pillar 1), supervisory review (Pillar 2), and market discipline (Pillar 3).

Pillar 1: The first Pillar deals, amongst other things, with the minimum capital requirements. Capital requirements are to be calculated for credit risk, market risk and operational risk. The capital charge for each risk category has to be calculated using an approach that is suitable and sufficient for the individual bank.

Pillar 2: Pillar 2 constitutes risks that are not covered under Pillar 1 assessment. Risk management best practices are at the heart of Pillar 2. Banks must undertake an ICAAP (Internal Capital Adequacy Assessment Process) that looks at all risks to which the bank is exposed. ICAAP allows bank and supervisors to assess on whether the bank is required to hold additional capital to cover the three Pillar 1 risk types or to cover other risks.

Pillar 3: Bolster market discipline through public disclosure Under Pillar 3, banks are required to disclose information regarding their capital structure and adequacy as well as their risk management. Pillar 3 includes a set of disclosure requirements, which are intended to improve the ability of market participants to assess banks' risk management processes, capital structures & adequacy, and exposures. This transparency is designed to incentivize banks to implement sound and robust risk management frameworks.

1.4. Significant capital adequacy, liquidity and funding related disclosure requirements

Capital adequacy, funding, liquidity and remuneration related disclosures in Pillar 3 report has been prepared in accordance with Central Bank of UAE Pillar 3 disclosure requirements as stipulated in Standards and Guidance re Capital Adequacy in the UAE (Notice CBUAE/BSD/N/2020/4980 dated 12 November 2020) and Explanatory Notes on Pillar 3 Disclosure requirements, the underlying BCBS guidance "Revised Pillar 3 disclosure requirements" issued in January 2015.

This report should be read in conjunction with the risk disclosures in audited financial statements.

1.5. Sharjah Islamic Bank (SIB) approach to pillar I.

- **Credit risk:** the Bank uses the standardised approach for calculating its capital requirements for credit risk. This approach allows the use of external ratings from designated credit-rating agencies wherever available in determining the appropriate risk weights. The risk weights are determined by the asset class and the external rating of the counterparty. The net exposure incorporates off-balance-sheet exposures after applying the credit conversion (CCF) and credit risk mitigation (CRM) factors.
- **Market risk:** the Bank uses the standardised approach for calculating regulatory market risk capital requirements.
- **Operational risk:** the Bank uses basic Indicator approach (BIA) for computing capital requirements for operational risk. Bank's operational risk is estimated as a percentage (alpha factor 15%) of the gross income (calculated as the average of the previous three financial years).

1.6. Minimum capital requirement

CBUAE Requirement	CBUAE Requirement
CET 1 must be at 7.0% of Risk Weighted Assets (RWA)	7.0%
Tier 1 Capital must be at least 8.5% of RWA	8.5%
Total capital, calculated as the sum of Tier 1 Capital and Tier 2 Capital, must be at least 10.5% of RWA	10.5%
In addition to the minimum CET1 capital of 7.0% of RWA, bank must maintain a Capital Conservative Buffer (CCB) of 2.5% of RWAs in the form of CET1 capital	2.5%
Countercyclical Buffer (CCyB) requirement will vary between 0% to 2.5% of RWA and be communicated by the Central Bank with an adequate notice period.	0 to 2.5%

1.7. Basis of consolidation

The Bank's Pillar 3 disclosures are presented on a consolidated basis incorporating all its subsidiaries excluding commercial entities. In accordance with paragraph 825 of International Convergence of Capital Measurement and Capital Standards issued by the Basel Committee, general disclosures of credit risk provided in this report have a wide range of information about overall credit exposure and may not be necessarily based on information prepared for regulatory purposes.

1.8. 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 Pillar 3 report;
- Data-sourcing and reconciliation – data is sourced from multiple systems which are reconciled with the general ledger, sub ledgers and audited financial statements;
- Reviews – Pillar 3 report undergoes several rounds of reviews by Finance and Risk functions;
- Internal audit – Internal audit provides independent and objective assurance of disclosures in Pillar 3 report.

- e) Attestation is obtained from Senior Management that Pillar 3 report has been prepared in accordance with the board-agreed internal control policies and procedures.

1.9. Ownership

Major shareholders mentioned below

Shareholder	Percentage
Sharjah Asset Management LLC	28.46
Kuwait Finance House	18.18
Sharjah Social Security Fund	9.09

1.10. Board

The Board of Directors ('the Board') is responsible for the overall framework of the risk governance and management. The Board is responsible for determining risk strategy, setting the Group's risk limits and ensuring that risk exposure is monitored, controlled effectively and kept within the set limits. It is also responsible for establishing a clearly defined risk management structure and for approval of the risk policies and procedures, infrastructure and management of all risks related to the Group.

1.11. Risk Management Group (RMG)

In order to manage credit, market, operational and IT security risks, RMG is in place. Its role includes the following:

- Develop a strategy, policy framework for risk management such that these are aligned with business requirements;
- Provide support to the Group in implementation of the framework;
- Bring together analysis of risk concentrations and sensitivities across the Group;
- Act as a point of reference for risk and control matters, providing advice to management, sharing best practices and carrying out special reviews as directed by ALCO; and
- Provide independent assessment of, and challenge to the business areas' risk management and profiles to ensure that they are maintained in a robust manner.

In order to effectively discharge this responsibility, the Board is assisted by Board Committees and Management Committees.

1.12. Executive Committee (EC)

EC acts as the Board's senior executive management assuring that the Board meets its strategic and operational objectives. EC consists of four members.

1.13. Audit Committee (AC)

The AC consists of Board members and its purpose is to assist the Board in fulfilling its oversight responsibility by:

- Overseeing the Group's financial reporting processes, maintaining accounting policies, reviewing and approving the financial information; and
- Reviewing reports on the internal controls.
- Managing the relationship with the Group's external auditors; and

- Reviewing the internal audit reports and monitors control issues of major significance of the Group.

1.14. Board Risk Committee (BRC)

The BRC consists of Board Members and its purpose is to assist the Board in fulfilling its oversight responsibility by:

- Overseeing the risks inherent in the businesses of the Group and the control processes with respect to such risks;
- Reviewing the risk profile of the Group;
- Overseeing the Risk Management Compliance and control activities of the Group;
- Providing a critical assessment of the organisation' s business strategies and plans from an Enterprise risk perspective; and
- Ensuring that appropriate policies and procedures are in place for managing risks to which the Group is exposed.

1.15. Management Committee (MC)

The scope of management committee includes all cross functional issues that are not covered in the scope of other committees. Typically, MC covers the areas like strategic, policies, human resources, marketing and administrative processes. In addition, the MC is also responsible to liaise with all other units/divisions across the Group.

1.16. Investment Committee (IC)

The purpose of the IC is to review the quality of the Group' s Investment portfolio on behalf of the Board of Directors, trends affecting the portfolio, the administration of investment related policies, as well as the approval of Investment proposals, including Sukuks and Syndicate Finance within the approval limit set by the BOD.

1.17. IT Steering Committee (ITSC)

The ITSC provides strategic and tactical guidance for managing the Group's overall technology systems in the long and short term, to ensure that Information Technology (IT) initiatives are consistent with the strategic business goals of the Group. The ITSC is charged with assisting the Board in:

- Providing guidance in the prioritization and implementation of technology initiatives and projects (including those related to infrastructure);
- Reviewing IT operations
- Reviewing IT Security plans, policies and reports relating to the effectiveness of information security, their
- implementation and measures taken to address any residual risks
- Reviewing Business Continuity plans, policies and reports relating to the effectiveness of business continuity, their
- implementation and measures taken to address any residual risks; and
- Reviewing the Group's IT development, strategic opportunities and plans

1.18. Asset and Liability Committee (ALCO)

The objective of ALCO is to derive the most appropriate strategy for the Group in terms of the mix of assets and liabilities given its expectations of the future and the potential consequences of profit rate movements, liquidity constraints, and foreign exchange exposure and capital adequacy. The ALCO is also responsible to ensure that all strategies conform to the Group's risk appetite and levels of exposure as determined by the Board of Directors.

1.19. Information Security Working Group Committee (ISWGC)

The purpose of the Information Security Working Group Committee (ISWGC) is to ensure that there is clear direction and visible management support for information security initiatives. The committee shall be responsible for the following:

- To provide oversight of information security policies, procedures, plans, and execution intended to provide confidentiality, availability, and integrity of the information.
- To formulate the tasks related to Information Security Management System (ISMS) rollout like Risk Management, Policy and Procedure Deployment, Information Security Awareness, Information Security Incident Monitoring, Measurement of control effectiveness, etc.
- To oversee the effectiveness of the information security controls with respect to its information systems, including network security and data security.
- To monitor the significant development in information security related projects, incidents handling and risk mitigation.
- To review the changes to significant threats and exposures of information assets against cyberattacks, insider activity, error or control failure.

1.20. Credit Committee (CC)

CC manages the credit risk of the Group by continuous review of credit limits, policies and procedures, the approval of specific exposures and work out situation, constant revaluation of the finances portfolio and the sufficiency of provisions thereof.

1.21. Human Resource Committee (HRC)

HRC manages the resources, performance and hiring of individuals required by the Group on a time-to-time basis.

1.22 Disciplinary Committee (DC)

DC reviews all the cases in the bank and its subsidiaries of alleged misconduct of staff members and to endorse disciplinary action in the event of any violation.

1.23 Nomination & Compensation Committee (NCC)

The basic purpose of the Board Nomination & Compensation Committee (NCC) is to lead the process for Board and Senior Management appointments, compensation, and make recommendations to the Board. This committee shall also recommend the appointment of Internal Shari'ah Supervisory Committee members to the Board for approval.

2) Key Metrics (at Consolidated Group Level) and RWA – (KM1)

		a	b	c	d	e
		Q1 / 2022	Q4 / 2021	Q3 / 2021	Q2 / 2021	Q1 / 2021
	Available capital (amounts) -	AED 000				
1	Common Equity Tier 1 (CET1)	5,713,225	5,651,211	5,869,113	5,756,010	5,626,437
1a	Fully loaded ECL accounting model	5,597,112	5,506,611	5,742,937	5,650,675	5,526,734
2	Tier 1	7,549,725	7,487,711	7,705,613	7,592,510	7,462,937
2a	Fully loaded ECL accounting model Tier 1	7,433,612	7,343,111	7,579,437	7,487,175	7,363,234
3	Total capital	8,022,068	7,931,263	8,155,470	8,045,677	7,909,607
3a	Fully loaded ECL accounting model total capital	7,905,955	7,786,663	8,029,294	7,940,342	7,809,904
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	40,347,008	38,065,929	38,456,076	38,715,180	38,186,956
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio (%)	14.16%	14.85%	15.26%	14.87%	14.73%
5a	Fully loaded ECL accounting model CET1 (%)	13.87%	14.47%	14.93%	14.60%	14.47%
6	Tier 1 ratio (%)	18.71%	19.67%	20.04%	19.61%	19.54%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	18.42%	19.29%	19.71%	19.34%	19.28%
7	Total capital ratio (%)	19.88%	20.84%	21.21%	20.78%	20.71%
7a	Fully loaded ECL accounting model total capital ratio (%)	19.59%	20.46%	20.88%	20.51%	20.45%
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.5%	2.5%	2.5%	2.5%	2.5%
9	Countercyclical buffer requirement (%)	0%	0%	0%	0%	0%
10	Bank D-SIB additional requirements (%)	0%	0%	0%	0%	0%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9+ row 10)	2.5%	2.5%	2.5%	2.5%	2.5%
12	CET1 available after meeting the bank's minimum capital requirements (%)	7.16%	7.85%	8.26%	7.87%	7.73%
	Leverage Ratio					
13	Total leverage ratio measure	57,903,198	58,056,689	57,516,522	57,366,694	56,409,101
14	Leverage ratio (%) (row 2/row 13)	13.04%	12.90%	13.40%	13.24%	12.92%
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2A/row 13)	12.84%	12.65%	13.18%	13.05%	12.74%
14b	Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	-	-	-	-	-
	Liquidity Coverage Ratio					
15	Total HQLA	-	-	-	-	-
16	Total net cash outflow	-	-	-	-	-
17	LCR ratio (%)	-	-	-	-	-

		a	b	c	d	e
		Q1 / 2022	Q4 / 2021	Q3 / 2021	Q2 / 2021	Q1 / 2021
	Net Stable Funding Ratio					
18	Total available stable funding	-	-	-	-	-
19	Total required stable funding	-	-	-	-	-
20	NSFR ratio (%)	-	-	-	-	-
	ELAR					
21	Total HQLA	7,633,357	10,243,993	7,445,130	8,157,302	8,542,497
22	Total liabilities	47,223,236	47,303,483	46,864,278	46,788,739	47,439,516
23	Eligible Liquid Assets Ratio (ELAR) (%)	16.16	21.66	15.89	17.43	18.01
	ASRR					
24	Total available stable funding	44,966,679	45,290,621	44,163,214	43,055,037	43,338,355
25	Total Advances	31,197,809	30,265,969	31,162,301	30,821,810	31,248,879
26	Advances to Stable Resources Ratio (%)	69.38	66.83	70.56	71.59	72.10

3) Overview of Risk Management, Key Prudential Metrics and RWA (OV1)

AED000

		a	b	c
		RWA		Minimum Capital Requirements
		Q1/ 2022	Q4 /2021	Q1/2022
1	Credit risk (excluding counterparty credit risk)	37,787,451	35,483,976	3,967,682
2	Of which: standardized approach (SA)	37,772,098	35,468,127	3,966,070
3	Of which: foundation internal ratings-based (F-IRB) approach	-	-	-
4	Of which: supervisory slotting approach	-	-	-
5	Of which: advanced internal ratings-based (A-IRB) approach	-	-	-
6	Counterparty credit risk (CCR)	3.69	-	0.39
7	Of which: standardized approach for counterparty credit risk	3.69	-	0.39
8	Of which: Internal Model Method (IMM)	-	-	-
9	Of which: other CCR	-	-	-
10	Credit valuation adjustment (CVA)	-	-	-
11	Equity positions under the simple risk weight approach	-	-	-
12	Equity investments in funds - look-through approach	15,349	15,849	1,612
13	Equity investments in funds - mandate-based approach	-	-	-
14	Equity investments in funds - fall-back approach	-	-	-
15	Settlement risk	-	-	-
16	Securitisation exposures in the banking book	-	-	-
17	Of which: securitisation internal ratings-based approach (SEC-IRBA)	-	-	-
18	Of which: securitisation external ratings-based approach (SEC-ERBA)	-	-	-
19	Of which: securitisation standardised approach (SEC-SA)	-	-	-
20	Market risk	193,173	215,569	20,283
21	Of which: standardised approach (SA)	193,173	215,569	20,283
22	Of which: internal models approach (IMA)			
23	Operational risk	2,366,383	2,366,383	248,470
24	Amounts below thresholds for deduction (subject to 250% risk weight)			
25	Floor adjustment			
26	Total (1+6+10+11+12+13+14+15+16+20+23)	40,347,007	38,065,929	4,236,436

4) Leverage Ratio

Basel III introduced a 3% minimum leverage ratio. The bank does not see any material changes for this reporting period.

1.Summary comparison of accounting assets vs leverage ratio exposure LR1

		AED 000	
		Q1 / 2022	Q4 / 2021
1	Total consolidated assets as per published financial statements	54,711,073	54,956,795
2	Adjustments for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	1,525	14,452
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	9.8	-
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)	1,508,295	1,330,092
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-	-
12	Other adjustments	1,682,296	1,755,349
13	Leverage ratio exposure measure	57,903,199	58,056,688

2.Leverage ratio common disclosure template – (LR2)

		a	b
		Q1 / 2022	Q4 / 2021
On-balance sheet exposures			
AED 000			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	54,256,397	54,610,138
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)	54,256,397	54,610,138
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)	-	-
9	Add-on amounts for PFE associated with <i>all</i> derivatives transactions	7	-
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)	9.8	-
Securities financing transactions			
14	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	1,716,282	1,716,282
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	CCR exposure for SFT assets	422,215	400,177
17	Agent transaction exposures		
18	Total securities financing transaction exposures (sum of rows 14 to 17)	2,138,497	2,116,459
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	2,635,990	2,593,943
20	(Adjustments for conversion to credit equivalent amounts)	(1,127,695)	(1,263,851)
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)	1,508,295	1,330,092
Capital and total exposures			
23	Tier 1 capital	7,549,725	7,487,711
24	Total exposures (sum of rows 7, 13, 18 and 22)	57,903,199	58,056,689

		a	b
		Q1 / 2022	Q4 / 2021
Leverage ratio			
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	13.04%	12.90%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	-	-
26	CBUAE minimum leverage ratio requirement	3.00%	3.00%
27	Applicable leverage buffers	-	-

5) Liquidity

Liquidity risk is the risk that the Group will encounter difficulty in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets. It includes the risk of the inability to fund assets at appropriate maturities and rates and the inability to liquidate assets at reasonable prices and in an appropriate timeframe and inability to meet obligations as they become due. Liquidity risk can be caused by market disruptions or credit downgrades which may cause certain sources of funding to diminish.

The Group's approach for managing liquidity risk is to ensure that, management has diversified funding sources and closely monitors liquidity to ensure adequate funding.

The Group's board of directors set the Group's strategy for managing liquidity risk and delegates responsibility for oversight of the implementation of this policy to ALCO. ALCO approves the Group's liquidity policies and procedures. Treasury department manages the Group's liquidity position on a day-to-day basis and reviews daily reports covering the liquidity position of both the Group and operating subsidiaries. All liquidity policies and procedures are subject to review and approval by ALCO.

1. Governance of liquidity risk management: ALCO is the primary committee responsible for liquidity and funding risk management based on guidelines approved by the Board Risk Management Committee (BRMC). Liquidity policies and framework are reviewed by the ALCO and approved by the BRMC prior to implementation.
2. Funding strategy: The Bank's liquidity and funding positions are supported by the Bank's significant government and retail deposit base, accompanied by funding from wholesale markets. The Bank's retail deposit base comprises current and savings deposits which, although payable on demand, have traditionally in aggregate provided stable sources of funding. The Bank's reputation, earnings generation capacity, strong credit rating, financial and capital strength including offering of competitive deposit rates are core attributes to preserve depositors' confidence and ensure liquidity. The Bank accesses the wholesale markets through the issuance of debt instruments, time deposits to meet short-term obligations.
3. An explanation of how stress testing is used. A liquidity stress test program is in place to ensure liquidity stress tests are systematically performed to determine the impact on the counterbalancing capacity under the "bank-specific" and "market wide" scenarios and the possible sources of funding to meet the shortfalls during a liquidity crisis.
4. An outline of the bank's contingency funding plans. Contingency funding plan is in place to identify early warning signals of a liquidity problem. The contingency funding plan also sets out the crisis escalation process as well as the various strategies to be employed to preserve liquidity including an orderly communication channel during a liquidity problem.
5. Customised measurement tools or metrics that assess the structure of the bank's balance sheet or that project cash flows and future liquidity positions, taking into account off-balance sheet risks which are specific to the bank. The primary tools for monitoring liquidity and funding positions are the maturity mismatch analysis, assessment on the concentration of funding, the availability of unencumbered assets and the use of market-wide information to identify possible liquidity problems. Liquidity and funding positions are reported to the ALCO on a monthly basis and to BRMC on a quarterly basis.

1. Eligible Liquid Assets Ratio (ELAR)

Q1 / 2022	High Quality Liquid Assets	Nominal amount AED - 000	Eligible Liquid Asset AED - 000
	Physical cash in hand at the bank + balances with the CBUAE	6,840,353	
	UAE Federal Government Bonds and Sukuks		
	Sub Total	6,840,353	6,840,353
	UAE local governments publicly traded debt securities	793,004	-
	UAE Public sector publicly traded debt securities		
	Subtotal	793,004	793,004
	Foreign Sovereign debt instruments or instruments issued by their respective central banks	-	-
	Total	7,633,357	7,633,357
	Total liabilities		47,233,236
	Eligible Liquid Assets Ratio (ELAR)		16.16%

2. Advances to Stables Resource Ratio (ASRR)

Q1 / 2022	Items	Amount AED 000
	Computation of Advances	
	Net Lending (gross loans - specific and collective provisions + interest in suspense)	30,155,699
	Lending to non-banking financial institutions	192,468
	Net Financial Guarantees & Stand-by LC (issued - received)	519,072
	Interbank Placements	330,570
	Total Advances	31,197,809
	Calculation of Net Stable Resources	
	Total capital + general provisions	7,908,682
	Deduct:	-
	Goodwill and other intangible assets	-
	Fixed Assets	354,143
	Funds allocated to branches abroad	
	Unquoted Investments	1,022,719
	Investment in subsidiaries, associates and affiliates	650,000
	Total deduction	2,026,862
	Net Free Capital Funds	5,881,820
	Other stable resources:	
	Funds from the head office	-
	Interbank deposits with remaining life of more than 6 months	1,741,215
	Refinancing of Housing Loans	-
	Borrowing from non-Banking Financial Institutions	1,309,135
	Customer Deposits	32,366,465
	Capital market funding/ term borrowings maturing after 6 months from reporting date	3,668,045
	Total other stable resources	39,084,859
	Total Stable Resources	44,966,679
	Advances TO STABLE RESOURCES RATIO	69.38%

6) Abbreviation

ALCO – Asset Liability Committee
ASRR – Advance to Stable Resource Ratio
BIA – Basic Indicator Approach
BRC – Board Risk Committee
CCB – Capital Conservative Buffer
CCF – Credit Conversion Factor
CCP – Central Counterparty
CCyB – Countercyclical Buffer
CET – Common Equity
CRM – Credit Risk Mitigation
CVA – Credit Valuation Adjustment
ELAR – Eligible Liquid Assets Ratio
FCD – Financial Control Division
ICAAP –Internal Capital Adequacy Assessment Process
LCR – Liquidity Coverage Ratio
NSFR – Net Stable Funding Ratio
RWA –Risk weighted assets
SIB –Sharjah Islamic Bank