RAIFFEISENBANK (BULGARIA) EAD

ANNUAL CONSOLIDATED DISCLOSURE 2020

ON THE REQUIREMENTS SET OUT IN ARTICLE 70 OF THE LAW ON CREDIT INSTITUTIONS AND PART EIGHT OF REGULATION (EU) 575/2013

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1. REPORTING ENTITY

Raiffeisenbank (Bulgaria) EAD (the Bank) is the first greenfield foreign direct investment in the Bulgarian banking sector. The Bank is registered in the commercial register of the Sofia City Court on 01. Aug.1994.

The Bank is 100% owned by its parent company Raiffeisenbank International (the RBI Group), Austria.

Raiffeisenbank (Bulgaria) EAD has a full license for operations in Bulgaria and abroad issued by the Bulgarian National Bank and for performing all types of deals and services as an investment intermediary in accordance with the Law on Public Offering of Securities and the related acts.

2. REPORTING CURRENCY

The reporting currency for this disclosure is thousand Bulgarian Leva (BGN).

3. SCOPE AND METHODS FOR CONSOLIDATION

The disclosure is prepared consolidating all financial institutions and Special Purpose Vehicles (SPVs) in which the Bank has either control over or significant influence. The equity participations in organizations other than those listed below are not subject to consolidation for the means of this disclosure.

The consolidation methods used in the current disclosure according to regulatory requirements and those used in the public financial reports of the Group according to International Financial Reporting Standards are as follows:

	Equity participations as of 31.12.2020	Consolidation method (public)	Consolidation method (regulatory)
Raiffeisen Service EOOD	100%	Full consolidation	Full consolidation
Raiffeisen Asset Management EAD	100%	Full consolidation	Full consolidation
Raiffeisen Insurance Broker EOOD as participation of RLBG	100%	Full consolidation	Full consolidation
Raiffeisen Leasing OOD	100%	Full consolidation	Full consolidation

4. GOALS AND RISK MANAGEMENT POLICIES

SECTION A: GENERAL INFORMATION ON GOALS AND RISK MANAGEMENT POLICIES

The risk strategy is aligned with the Group's business strategy and describes the planned business structure, strategic development, and growth under a process-, methodology-, and organization-based view on risk and risk factors. It is an important instrument for the development of the Group as it establishes a link between business orientation and risk orientation. This link is expressed through the Risk Appetite and specific risk targets which are derived from the Group's mid-term business targets and thus frame upcoming risk related business decisions.

The risk strategy is based on the bank's business strategy, regulatory requirements, and organizational structures. The definition of this risk strategy is motivated by the following objectives:

- It promotes risk awareness within RBI Group and helps identification with the Group's strategy.
- It is a high-level steering instrument in the means that RBI Group members use it as a starting point for developing their own risk strategies.
- It enhances transparency by announcing risk targets of RBI Group and defines top-level responsibilities for risk management.

It strengthens the understanding for RBI Group's values and targets and governs risk management in all Group members.

Risk is defined as exposure to uncertainty, the potential for loss because of a negative deviation from an expected outcome.

As a precondition, two components must be present to pose a risk: uncertainty and exposure. Uncertainty arises from the lack of knowledge about the future and often is associated with variability around expected values. Exposure in the banking context is formed by any transaction or business decision that contains uncertainty in the result.

There are two types of risks: one type which we actively underwrite for receiving an adequate premium and another type inherent in the banking business that we cannot quantify in a standardized and efficient way to a full extent. Many risks also allow for positive deviations from expected outcomes and thus represent opportunities as well. Both risks however are managed and controlled by the RBBG's risk management units.

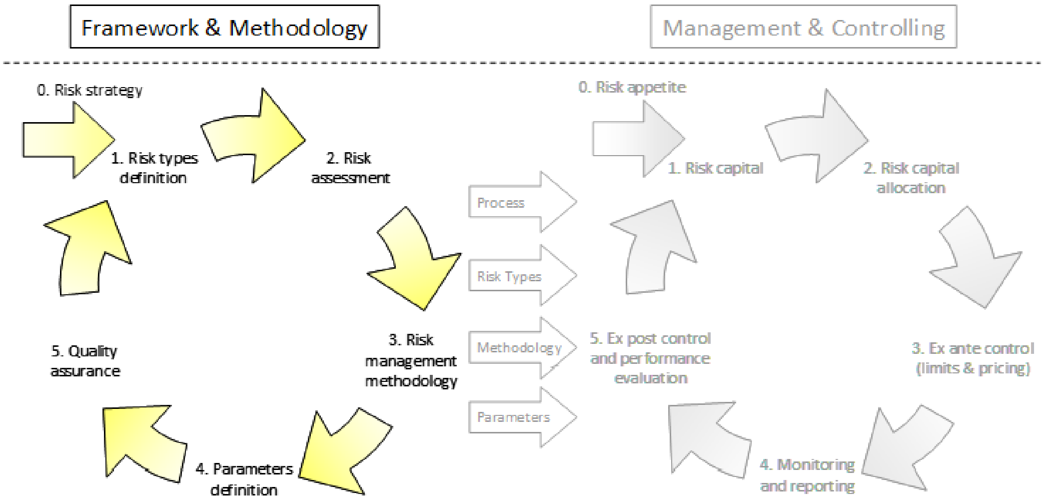
For some risks probabilities can be assigned to expected outcomes (specific uncertainty), for other risks potential outcomes are completely unknown (general uncertainty). From a precautionary point of view, it is essential to avoid general uncertainty by requiring it to be reduced to a set of well-defined risk types.

Risk management and controlling (as business functions) are key instruments for overall bank management in RBBG. In addition to legal and regulatory requirements they consider the nature, scale, and complexity of business activities and resulting risks. The responsibilities of overall bank management can be defined as managing costs, income, and risks which arise from the special situation of banks as risk transformers. Taking risks as well as transforming risks is an integral part of banking business and operational risks are an inevitable consequence of being in business. RBBG therefore does not aim to eliminate all risks involved but tries to identify, evaluate, manage (accept, avoid, mitigate, transfer), monitor and report all material risks the bank is exposed to.

The implementation of instruments, methods, parameters, and standards used to measure, and monitor risks includes the:

- definition of methodologies and parameters for risk measurement.

- quantification of risk capital and risk-taking capacity.
- implementation of risk measurement and risk controlling.
- organization and process design of risk management functions.



The **risk strategy** describes the planned business structure, strategic development, and business growth from a risk perspective. It sets specific risk policies (i.e. the rules of conduct for handling risks), establishes a common understanding of the Bank's risk management goals, and thus it is a fundamental guideline for risk management and controlling. Such strategies are defined in the Risk Strategy and specific risk policies:

- Corporate credit policy.
- SE credit policy.
- PI credit risk policy.
- Micro credit policy.
- Market risk management rulebook.
- Policy for management of the liquidity and liquidity risk.
- Operational risk management policy.
- Treasury policy.

These policies shape the risk profile by specifying which risks the Bank in general takes (or avoids) and they describe organizational structures and processes which ensure that the Bank achieves the desired risk profile and adheres to it.

Another important policy is the definition of the Bank's risk appetite. It defines the amount of risk the Bank is going to take (e.g. balance sheet size, RWAs, funding gap) and the amount of available risk capital (e.g. equity, loan loss provisioning, profits). Throughout the annual bank - and group wide budgeting process, the risk limit setting also determines the share of risk capital that is used for absorbing quantifiable risks.

Risk types definition: Based on the current and future business structure we can identify the risks the Bank is exposed to, find precise risk definitions, and classify them according to the source of risk (according to their risk factors or risk drivers).

Risk assessment: In the risk assessment we analyze how much the value of the Bank might be affected by the defined risk types. Within the risk assessment we document whether risk types are material or immaterial for RBI Group.

Risk management methodology: The handling of specific risk types in more detail where the level of sophistication of these management and controlling techniques is chosen consistently with the materiality of a certain risk type.

Parameters definition: Hand in hand with selecting (statistical) risk quantification models as risk management tools comes the need for defining the required input parameters. For value-at-risk models these are most importantly the confidence level and assumed holding period (horizon).

Quality assurance: Finally, it is necessary to establish processes to ensure the adherence to rules and regulations in place, the correct execution of defined processes, and high data quality.

The link between business orientation and risk orientation of the Bank is expressed through the risk appetite and specific risk targets, thus, framing the upcoming risk related business decisions. Furthermore, risk appetite defines a risk tolerance which is being transformed into business layers, including key strategic initiatives and business goals, risk limits and key performing indicators for the main risk categories. Accordingly, Risk Strategy of Raiffeisenbank (Bulgaria) EAD for 2021 is aligned with Strategic Road Map of RBBG for 2020-2021.

Risk Strategy of Raiffeisenbank Bulgaria EAD for 2021 has been supplemented by specific quantitative key performing indicators (KPIs), set for the individual risk goals and a subject to performance measurement and monitoring on a quarterly basis.

The **Risk Appetite Framework** is based on the following key elements:

- **Risk Capacity**: The level of overall risk the bank can absorb before breaching regulatory requirements (and potentially become the subject of resolution).
- **Risk Profile**: Risk Profile is defined as the respective sum of the risk amounts for all quantified risk types in the ICAAP at a given reporting date.
- **Risk Tolerance:** The level of overall risk the bank is willing (or allowed by the regulator) to tolerate before it must consider countermeasures.
- **Risk Appetite:** The planned and budgeted overall level of risk aligned with the business objectives. Given the volatility in financial markets and the economic environment, and the unpredictability of large singular risk events, the Risk Appetite as a percentage of the overall Risk Capacity should be set below the level of Risk Tolerance with a large enough cushion in order to avoid a frequent breaching of this warning level.
- **Economic Capital Allocation:** Based on risk capacity, risk tolerance and risk appetite goals and figures, an Economic Capital budgeting allocation process is performed on an annual basis.
- **Capital Forecast Calculation:** An early identification of potential risk drivers and capital developments is one of the key aspects of risk management.
- **Concentration Limits:** Concentration limits are calibrated and set for the relevant risk types to ensure that the Group's overall level of risk remains below the Risk Tolerance level in most circumstances and below the Risk Capacity in virtually any circumstance. Limiting concentration risks in their different dimensions is a key strategic objective.

Credit Risk Stress Testing

Stress testing is a key risk management tool within financial institution. Stress testing is a useful instrument to help identify potential losses regarding retail credit portfolio and to measure a banks resilience to adverse developments. A stress event can be defined as events that are "exceptional" yet "plausible" and effect business conditions in an adverse way. It is express aim of stress testing to assess only effects of low probability, but, while stress events should have a low probability of occurring, they should not be too farfetched.

The retail credit risk stress testing covers the following types of stress-testing activities:

- **Level A Stress Testing** – simple, pre-defined sensitivity/scenario analysis testing
- **Level B Stress Testing** - advanced, macro-economic based stress testing where the

sensitivity of RWA parameters is tested in relation to selected economic factors. The relation between the macro-economic factors and the RWA parameters is derived through macro-economic modelling.

Level A Stress Testing in Retail

The Level A Stress Testing is mandatory for execution for RBBG as the Bank already has received an approval for retail AIRB approach for credit risk.

Major assumptions made in the level A stress test are:

- regardless of whether just one or several parameters are stressed, the impacts are applied simultaneously on the portfolio according to the pre-defined scope. The outcome is calculated by substituting the original values with the "stressed" ones of all affected parameters into the RWA formula for IRB approach
- the simulation (the scenario) has an immediate effect on the portfolio for the selected cut-off date
- except for the stressed parameters, all other characteristics of the portfolio (exposure, risk parameters, etc.) are assumed static
- the stressed parameters whose impact on the RWA is measured by the Level A Stress tests are the following:
    - Probability of Default (PD) - associated with the exposure and expressed as a percentage (Could be also a particular rating grade with which certain PD is associated)
    - Loss Given Default (LGD) - associated with the exposure/account and expressed as a percentage
    - Conversion Factor (CF) - the probability that an unutilized and still available credit limit will be utilized
- the stress scenarios can be simulated by directly assuming new values of the above-mentioned parameters (e.g. increase the original value of a parameter by certain percentage). Alternatively, the simulation of certain immediate developments of the portfolio structure could be done which eventually lead to changes in the above parameters
- migration of exposures with certain notch to other notch, which in consequence means replacing the PD value associated with the original notch with the PD value associated with the "new" notch
- default of certain exposures, which is a specific case of the previous bullet as the original PD value is replaced by 100% and the LGD is compared with the BEEL to estimate the RWA.
- the stress test scenarios are applicable only for the IRB-relevant portfolios.

Scenario 1: Overall relative increase of PD by 40%.

This stress test is based on the suggestion of the German Bundesbank that used a PD shift of 30% and 60% in the article: "Stress testing in the German banking system". It covers the BWG requirement to consider mild recession scenarios in the stress-testing program.

Scenario 2: Migration of non-defaulted accounts by one notch

This stress test is based on the requirement: "A credit institution shall assess migration in its ratings under the stress-test scenarios" in the EU Directive. Migration means replacing the PD value associated with the original notch with the PD value associated with the "new" notch.

Scenario 3: Default of the top 1% of non-defaulted accounts, ordered by size of exposure

This scenario provides an indication of the sensitivity of the Risk Weighted Assets and Expected Losses towards the concentration in the portfolio by selecting the accounts with largest exposures, which account for 1% of the total number of accounts, and simulating a default event for them.

Scenario 4: Migration of the top 1% of non-defaulted accounts, based on exposure size, by 3 notches (no new defaults are assumed)

Migration means replacing the PD value associated with the original notch with the PD value associates with the "new" notch.

Scenario 5: Relative increase of LGD for all secured loans by 20%

The scenario simulates a stress on the real estate market. As long as under the A-IRB approach collaterals are not directly considered for the RWA and EL calculation, the decrease of collateral market values is translated as impact on the potential recoveries of the secured exposures, hence their LGD is assumed to increase.

Scenario 6: Increase of utilization of revolving products - relative increase of CF by 30%

The CFs for all products within the Regulatory revolving asset class are increased by 30%. This stress test covers the recommendation for forward-looking stress tests.

Scenario 7: Real Estate Crisis: relative increase of PD and LGD by 30% for Mortgage loans

This scenario is intended to simulate a crisis on the real estate market. Generally, such a crisis would be associated with increased default rate for the companies operating in the real estate sector and a drop of the value of the real estate assets.

Scenario 8: Economic downturn: relative increase of PD, LGD and CF by 15%

The scenario shows a moderate slowdown in economic conditions. For all IRB exposures all PDs are increased by 15%, all LGDs by 15% and all CFs by 15% as well.

Scenario 9: Global Recession: CEE currencies depreciation against EUR by 30%.

The scenario assumes relative PD, LGD and CF increase by 30% for CEE currency denominated loans (BAM, BYR, EEK, LVL, BGN, CZK, BGL, HUF, HRK, CSD, KZT, LTL, PLN, RON, RSD, RUB, RUR, SIT, SKK, UAH, UZS) and by 15% for all other currencies. The effect of the currency depreciation on exposure amounts is not considered here in line with the assumption for static balance sheet.

Scenario 10: Default of the worst rating grade.

This scenario gives a sensitivity about the effect of an immediate default of the worst rating grade. The impact in RWA and EL gives insight in size and loss sensitivity of such accounts.

A-level Stress Tests in Non-Retail

A-level standard scenarios in Non-retail provide a detailed insight on portfolio sensitivity. The stress degree or portfolio scope does not have to be based on a specific economic forecast but rather on the effects on risk drivers given possible future events. Generally, a major risk parameter is subject to an extreme stress event revealing comprehensive information on the portfolio's and subportfolios' risk profile. There are three Standard Scenario types: 1. Rating & PD stress; 2. Collateral stress; 3. Concentration stress. Each type addresses a different area of sensitivity thereby allowing a holistic analysis of the portfolio's risk profile. Subsequent scenarios are designed as hypothetical scenarios supporting Risk Management in a sensitivity-based analysis to assess the portfolio's risk characteristics:

- Rating & PD Stress - this scenario type focuses on rating migrations and/or PD increases as the main risk parameter. The stress would result from unfavourable economic downturns leading to increased downgrades and/or PD increases.

- Collateral Stress - the level of portfolio collateralization influences the amount of own funds requirements or more generally speaking the capability to withstand adverse economic scenarios. Hence the impact of adverse economic developments on the market value of existing collateral are an important part of the overall risk profile of the portfolio. As the Regulatory Credit Risk Stress Test addresses both Pillar 1 and Pillar 2 requirements, both the Nominal Collateral Value and the Weighted Collateral Value are subject to a stress. The following two scenarios address this sensitivity with one scenario using selective stress assumptions on the collateral market value per collateral type and the other scenario applying a market value stress equal for all collateral types.

- Concentration Stress - the third component related to Standard Scenarios refers to concentration. The level of concentration within a portfolio is an important characteristic of its overall risk profile. For this purpose the respective portfolios' top customers are identified and subsequently submitted to specific stress events. Top customers are defined according to their credit exposure before application of a Credit Conversion Factor (EAD pre CCF). In order to make the concentration scenarios as meaningful as possible, the following exclusion critieria are used to identify the relevant top customers:

    - No defaulted customers;
    - Non credit risk relevant exposures excluded;
    - No dummy customers;
    - No Raiffeisen related customers;
    - No Clearing Institutes;
    - No other assets;
    - No customers with sovereign, multinational development bank or supranational character;
    - No intragroup customers.

Scenario 1: PD increase by 40%

This Stress Test Scenario is based on the suggestion of the German Bundesbank that used a PD shift of 30% and 60% in its published article on "Stress testing in the German banking system". To account for increased PD values coming from an economic downturn a relative PD increase of 40% is applied on the overall portfolio.

Scenario 2: Rating Downgrade by one notch

Within this scenario an internal rating downgrade for all customers of one notch is performed with the constraint that no defaults are occurring. For rating models with 27 rating grades a one notch downgrade refers to a deterioration of 3 rating grades.

Scenario 3: Collateral Stress

The level of portfolio collateralization influences the amount of own funds requirements or more generally speaking the capability to withstand adverse economic scenarios. Hence the impact of adverse economic developments on the market value of existing collateral are an important part of the overall risk profile of the portfolio. The following two scenarios are applied: Market value for specific collateral types reduced based on expert opinion plus rating downgrade of all guarantors by 1 class and Market value for all funded collateral reduced by 20% while unfunded collateral (i.e. guarantees) were not changed.

Scenario 4: Default of Top 3 RBBG customers

In this scenario the three biggest customers based on total exposure are treated as defaulted having a critical impact on key capital measures. According to the currently applied default definition, if one customer is in default also all its exposure is classified as defaulted.

Scenario 5: Rating downgrade of Top 10 RBBG customers

This concentration scenario assesses the impact on the capital position out of rating migrations given the portfolio's concentration. In a first step, the ten biggest customers based on overall exposure are identified. In a second step, identified customers are downgraded by three notches.

Scenario 6: Default Top 3 RBBG unsecured customers

This scenario identifies the three biggest customers based on unsecured exposure and treats them as defaulted. The Stress Test Scenario supports the analysis on the capital impact both out of low collateralization and high concentration.

Scenario 7: Default of Top 3 Corporate customers

In this scenario the three biggest Corporate customers based on total exposure are treated as defaulted having a critical impact on key capital measures.

Scenario 8: Real Estate Crisis

The Real Estate Crisis scenario is a hybrid insofar that both the market value of all real estate collateral (i.e. RRE and CRE) is decreased by 50% and the internal ratings of all counterparties in the real estate sector are decreased by one notch.

LEVEL B STRESS TESTING – INTEGRATED AND REVERSE STRESS TESTING

Raiffeisenbank (Bulgaria) EAD conducts integrated stress test and reverse stress test. Integrated stress test assesses the impact from adverse development of external environment on Bank's CET1 ratio in 3-year horizon, whereas the reverse stress test scenario represents a simulation of extremely negative circumstances on the default rate for all applicable portfolios leading to a breach of a predefined threshold on a CET 1 level.

Performed integrated stress test consists of two scenarios – baseline and adverse. The stress test incorporates assumptions for imposing shock on credit risk, market risk and operational risk as well as on the potential funding cost (in the adverse scenario).A static balance sheet assumption is applied throughout the simulation of both baseline and adverse scenarios. This means that no new loans are being issued and only the loan composition changes from performing to non-performing due to the defaulting exposures for the reference reporting year.

The macro variables used in the stress test for simulating RBBG's default rates for the next 3 years under the baseline scenario – the same as the ones used for IFRS 9 purposes baseline scenario are:

- **Gross Domestic Product (GDP):** a basic measure of a country's overall economic output and generated income
- **Consumer Price Index (CPI)**: measures changes in the price level of a market basket of consumer goods and services purchased by households. The annual percentage change in CPI is used for retail business as a measure of inflation
- **Unemployment rate**: the percentage of the total labor force that is unemployed but actively seeks employment.

The reverse stress test scenario is used to assess the increase in default rates of the portfolio which will lead to a breach of the red threshold of RBBG Recovery Plan.

SECTION B: OBJECTIVES AND RISK MANAGEMENT POLICIES

All identified risks are periodically evaluated and checked for relevance in accordance with the Internal Capital Adequacy Assessment Policy of Raiffeisenbank (Bulgaria) EAD.

Once a year, the Group conducts a comprehensive risk assessment based on a methodology validated for the entire RBI Group. Credit, market, liquidity, and operational risk are subject to thorough control and analysis. For these types of risk, quantitative estimates have been developed and qualitative methods have been introduced to ensure that the Group's risk exposure does not exceed the assigned risk capital.

CREDIT RISK

Credit risk is the risk of loss resulting from adverse changes in the creditworthiness of counterparties. Credit risk arises on credit exposures in all forms. It comprises the risk that debtors are not able to meet their payments (in height or time) due to default or out of other reasons (i.e. transfer or convertibility restrictions). Also, the loss potential from credit migrations and deterioration of the financial situation of participations, in which the bank owns a stake, constitutes credit risk. In addition, the residual risk from credit risk mitigation techniques is seen as credit risk, as the collateral realization in the case of default might not turn out to be as valuable as expected.

The Group categorizes the credit risk in eight sub-types:

- Default and Migration Risk
- Counterparty Credit Risk
- Credit Risk Concentrations
- Country Risk
- Participation Risk
- Securitization Risk
- Residual Risk in Credit Risk Mitigations
- Dilution Risk

Default Risk is the risk that a counterparty will not be able to fulfil contractually agreed financial obligations due to its default.

Default risk materializes as a non-payment or forced rescheduling of contractually agreed payments of a borrower. The economic loss in the case of default depends on several factors including product type, seniority, available guarantees, and value of collateral.

Defaults are reflected in the bank's balance sheet as specific or portfolio-based provisions or as direct write-offs and therefore have an immediate effect on the income statement.

Migration Risk is the loss potential due to changes in the fair value of credit exposures because of rating transitions of borrowers.

This category covers the risk that an obligor with given credit rating might move into a lower rating grade during the risk horizon.

If the credit standing of a borrower is weakening, then the bank suffers losses on a fair value basis (opportunity principle) – these losses, however, typically are not to be disclosed in the income statement.

Counterparty Credit Risk denotes the risk that the counterparty to a derivative or similar transaction could default or deteriorate in credit quality before the final settlement of the transaction's cash flows.

This risk type is listed separately with its credit risk arising from counterparties in derivative instruments, repurchase transactions, securities or commodities lending or borrowing transactions, long settlement transactions and margin lending transactions. This type of credit risk is induced by market price movements (e.g. in swaps, forwards, etc.) and might be connected to wrong-way risk i.e. cases where the exposure increases when the credit quality of the counterparty decreases. Also, it typically involves special risk mitigation techniques (netting agreements, margin payments) which are not common in normal lending business.

Concentration risk in Credit Portfolios is the risk of suffering extreme losses from:

- an uneven distribution of exposures to counterparties.
- contagion effects between borrowers.
- sectoral concentration (industry, geographical region, etc.).

Credit risk concentrations can be pre-planned and be part of a bank's business strategy to benefit from information advantages. However, they also can lead to extreme losses that endanger the existence of the bank.

In the Non-Retail lending business concentrations are distinguished by the strength of dependencies into single-name concentration (portfolio granularity), concentrations in firms connected through business relations (micro contagion), and sectoral concentration (industry or geographical).

In the case of single-name concentration, enterprises that are likely to fail if one of them fails are classified as single risk entity (group of connected customers). Micro contagion risk (spill-over effects) takes weaker interdependencies, which cannot be explained by observable sector-dependent risk factors, into account. Sectoral concentration describes the weakest interdependency, namely the affiliation to the same economic or geographical sector.

In the retail segment concentrated lending in single product types, with common product characteristics, or uniform customer characteristics leads to concentrations.

Concentrations in single product types arise if loans are granted mainly in a narrow product category (e.g. second-lien mortgages, yacht leasing, etc.). Foreign currency loans or loans with repayment vehicles as common product characteristics increase the correlation of the creditworthiness of customers as well. In FCY loans, borrowers are exposed to exchange rate risk if they do not have revenues/income sources in the same foreign currency. Thus, foreign currency loans link the borrower's creditworthiness to a common factor (i.e. adverse movements in the exchange rate) like several other risk drivers in retail lending. Other specific customer characteristics that can lead to credit risk concentrations include for instance the borrowers' country of residence, their profession, or their employer (and in a weaker form also its industry sector).

Country risk is the risk of default on any foreign debt repayment of principal and/ or interest owing to developments within a country that affect its creditworthiness.

Country risk covers the risks involved in cross-border lending. Missed or delayed payments may either apply to any obligor domiciled in the country or to the sovereign itself. Country risk includes transfer risk (prevention of payments by authorities), conversion risk (limiting access to sufficient foreign exchange) and moratorium risk.

Participation risk is the risk of a decrease in the value of equity participations, in which the bank owns a state below 50%.

Participation risk and counterparty risk have similar roots: the deteriorating financial situation (drop of profitability ratios, depleted reserves, insolvency, etc.) of a participation is reflected in a rating downgrade of the respective entity. In addition, country risk has an impact on participations in a foreign country.

Securitization Risk is the potential negative effect on the financial position of a bank which acts as **issuer/originator** under a securitization when (i) a securitization arrangement is failing to operate as anticipated or (ii) a hedging counterparty under a securitization transaction is not performing as anticipated. Securitization Risk for a bank acting as an **investor** refers to the risk of the values and risks transferred not emerging as expected.

Residual Risk in Credit Risk Mitigations is the risk of the bank's failure to realize the financial worth of transactions intended to mitigate credit risk.

Residual risk arising from credit risk mitigation (CRM) techniques (such as guarantees, collaterals, and credit derivatives) can result from the inability to realize payment from a guarantor in a timely manner, that the collateral will not turn out to be as valuable as expected, or from ineffective documentation (legal risks in CRM transactions are included under this risk heading whereas all other legal risks are seen as a component of operational risk).

Another residual risk arises if the risk of value of collateral or the default probability of a guarantor is correlated with the default probability of the obligor. This risk has its source in poorly structured transactions, for example, those collateralized by own or related party shares. But it also arises if the credit quality of the counterparty is correlated through some general macroeconomic factor to the creditworthiness of the guarantor.

Dilution risk is the risk of losses due to possibility that the receivable amount of purchased receivables is reduced through cash or non-cash credits to the receivable's obligor.

Dilution risk arises from the possibility that new debt issuances, made immediately before a customer's default, can dilute existing debts: those issues reduce the amount which can be recovered by existing earlier debtholders in the case of a default or restructuring.

Dilution risk applies only to purchased receivables; it is, for instance, an important risk factor for trade or credit card receivables, issues of asset-backed securities, and in sovereign debt contracts. Dilution risk arises from positions in the trading and banking book and materializes in losses from the need of provisioning or fair value accounting.

MARKET RISK

Market risk is the risk arising from unexpected and unfavorable changes in market factors that affect the Bank's revenues or the value of the financial instruments in its portfolio. This includes interest rates, securities and commodity prices, exchange rates, credit spreads (not applicable to changes in the debtor's/issuer's credit situation) and correlations between them. The movements in negative direction of the above factors lead to a decrease in the market value of the Bank's assets.

Market risk may arise from a direct investment in a financial instrument as well as from an investment in a product whose value depends on the change in the value of market factors.

Market risk, therefore, arises from present value changes of on- and off-balance sheet positions in the Bank’s Trading and Banking book. Depending on the accounting category and the method of accounting, market risk may influence the net result, interest income or directly on the capital of the bank.

Interest rate risk is the potential loss of adverse changes in the fair value of interest sensitive positions due to a change in market interest rates. Interest rate risk arises in the presence of exposure to interest-sensitive instruments. Interest rate risk also exists where there is an imbalance in the maturity structure of the interest-sensitive liabilities and assets.

The potential loss of interest rate change is calculated assuming that the debtor's solvency remains without a substantial change.

The potential loss arises from unfavorable movements of interest rates and change in the shape of the interest curve. Such movement affects the Bank's open interest positions as well as positions whose hedging is not effective.

From an accounting perspective the manifestation of interest rate risk may be different: it can be reflected in reduced interest income (from items such as loans or financial assets at amortized cost), decrease of the trading result (for instruments in the trading book) or other comprehensive income (for financial assets at fair value through other comprehensive income), etc.

Traditionally, interest rate risk can be categorized into:

- Risk of changes the interest curve (changes in rates, slope, and shape of the curve).
- Risk of mismatch in the interest structure of assets and liabilities
- Basis risk (risk arising from imperfect correlation between interest rate levels of different instruments resulting in term differences or differences of reset frequency, etc.)
- Option risk (value of interest options that are embedded in the standard instruments or purchased as standalone instruments in the Bank's portfolio)

Credit spread risk is the risk of negative changes in the value of the Bank's positions in debt instruments because of an unexpected change in credit spreads.

The credit spread risk arises from the change in the risk appetite of investors, which influences the market price, leading to narrowing or widening of credit spreads. If the likelihood that the issuer of the debt security will fail to meet the obligation to pay the coupon payments, as well as the principal itself, rises, the market reacts by requiring higher yield compared to the risk-free curve.

Currency risk is the risk of negative changes in the value of foreign currency positions arising from changes in the exchange rate. Positions in foreign currencies /as well as in gold and silver/ lead to currency risk and have an immediate effect on the current and potential cash flows of the Bank in a currency other than the local.

The value of the portfolio is sensitive to changes in exchange rates if there are positions denominated in other than the base currency. Currency risk arises from both Banking and Trading book positions. Currency risk is reflected in the balance sheet and the income statement of the Bank since its assets and liabilities are subject to daily revaluation.

Basis risk is defined as the risk that remains when a particular position is offset by a position in another product where a different interest curve is used as the basis for the valuation of the position.

Sovereign Basis risks: The risk of the spread between the government treasury bond yield curve and a general interest rate curve (deposits/fixings, swaps).

General Basis risks: The basis risks remaining when one position is offset by a similar position in a different product where different specific interest rate curves are used for the valuation of the two positions. (Swap rates – 6m Euribor) as well as additional product-inherent market differences.

Equity price risk is a risk of potential loss from adverse price movements of equity instruments or other direct or indirect investments of the Bank, which are classified as a Trading book. Exposures in stocks, stock derivatives or indices, exposures in contractual funds, etc. are exposed to this type of risk.

In practice the management of this type of risks requires three main VaR methods: variance/covariance, historical simulation, and Monte Carlo simulation.

Commodity prices risk is the risk of potential loss due to adverse price movements of commodities traded on the stock exchanges: metals, oil, gas, etc.

Volatility risk is the risk of potential loss caused by adverse changes in the value of an instrument due to a change in market expectations for future movements/price changes in a market factor.

This market risk category is mainly reflected in the price change of instruments that have an asymmetric risk profile, i.e. especially options.

Market risk is managed by the Market Risk Management department. On the one hand, Treasury departments (Capital Markets and Asset and Liability Management) organize their own trade (for example, they manage the Bank's Trading book) and, on the other, manage the market risks of positions in the Banking book (which risks should be transferred to the Asset and Liability Management Department). Raiffeisenbank (Bulgaria) EAD takes market risks through its departments:

- Trading Department (part of Capital Markets Division)
- Treasury / Asset and Liability Management Department (part of Finance Division)

Under the organizational structure and functional responsibilities, the Capital Markets Sales department (part of Capital markets division) implements all transactions that are related to sales of financial instruments to corporate clients and individuals, while transactions on behalf of the Bank are concluded by the Trading department including derivative transactions on a back-to-back basis, which are reciprocal to those concluded with corporate clients, purchase and sale of securities for the Trading book account, as well as at the request of the Treasury/asset Management department for the account of Bank's Banking book portfolio. The responsibilities of the Trading department also include the management of the currency position of the bank, money market transactions, etc.

All the activities related to the proprietary trading process for own account and the management of positions in the Trading and Banking books are carried out according to the current risk strategy and within the defined risk appetite of the Bank and their approved for this purpose limits.

The Market and Liquidity Risk Management Section under Market, Liquidity and Operational Risk Controlling department organizes the process of preventive ex-ante and ex-post market risk control at the Bank.

The Market risk is monitored through a strict limit system, consisting of currency, interest rate, price risk and credit spread limits.

The Limits for open positions depend on the Economic capital allocated for market risk. In addition to VaR limits, interest rate sensitivity (BPV), Stop Loss and Warning/activation (Soft Stop Loss Limits) are also applied.

All market risk limits are determined and submitted by Raiffeisenbank (Bulgaria) EAD but are also aligned and approved in Raiffeisen Bank International AG during a standardized process for application and approval.

All internal limits are valid until they are revoked (or replaced by new ones) or a ban by the Group Risk Committee or the Group Market Risk Committee. Limits which have been provisionally introduced will be abolished as specified, unless submitted and approved by the Group Risk Committee or the Group Market Risk Committee for a provisional application for extension. Group market risk limits are reviewed by the RBI Market Risk unit in coordination with the RBI-Treasury units (for all Treasury/ALM limits and general limits for the RBI Group) and Capital Markets (for all interbank market limits). An Annual review shall also be conducted if the strategy or allocated economic capital for market risk does not change.

In addition, a review and update of the Market risk limits is carried out at least once a year, taking into account both the new budget figures and/or any changes in the defined risk appetite and to adjust the current limits to the new and/or the amended business strategies.

About interest rate risk in the Banking book, the Bank applies a combination of the most common techniques to measure the risk of the change in the economic value of assets/liabilities resulting from changes in the interest rates. The Bank's interest exposures are managed using reports of interest-rate sensitivity of assets and liabilities. The techniques for monitoring and managing interest rate risk are mainly based on maturity tables and tables reflecting the dates of subsequent interest rate changes in the relevant currency, according to the market conditions for the floating rate instruments. As part of the limit system, the possible deviations are transformed into limits.

The Bank's Risk appetite for market risk is defined in the highest hierarchical internal documents of RBBG, setting the objectives and determining how to achieve them, as well as the potential exposure to Market risk, as one of the significant risks to the financial institution that were identified.

The fundamental documents for the determination of the Risk appetite are the three-year overall strategy for the development of RBBG (updated once a year and applied after final approval of the Supervisory Board of the Bank), as well as the relevant strategies for trading and investing in instruments with inherent market risk.

After the initial definition of the Risk appetite, any subsequent updates of the strategic documents shall be reflected in the former.

The subsequent impact of the respective Risk appetite is also observed in the range of products offered, as well as by the new products offered to customers by the RBBG, as well as in the annual budgeting process.

LIQUIDITY RISK

Liquidity risk stems from the transformation of the term and currency structure of the Bank's assets and liabilities. For example, in the standard commercial banking industry, this is the case when short-term liabilities (deposits) or part of them are used to finance assets with longer maturity (loans). In this case, the need for liquid funds in the Bank (to cover the cash outflows) could exceed the cash inflows. A similar problem can also occur in cases where currencies are not freely convertible into each other and at the same time cash inflows into a given currency are not sufficient to cover the cash outflows in the same currency. This is the risk associated with the internal activity and management of the Bank's balance. Liquidity risk also arises in the impossibility of responding adequately to changes in market conditions that affect the ability of quick asset transformation into cash and with minimal loss of value, including the inability to manage unplanned reductions or changes in funding sources. The latter represents the risk associated with the external economic and market situation.

For the purposes of liquidity risk management, the Bank distinguishes the following types of liquidity risk:

- Short-term liquidity risk.
- Funding risk.

Short-term liquidity risk – this type of risk is defined as the risk of losses caused by unforeseen mismatch of cash inflows and outflows (e.g. in mass withdrawals or lending crisis).

Short-term liquidity risk management is based on structural constraints, as well as active monitoring and careful analysis of future cash inflows and outflows in maturity bands. In the case of "opening" of the so-called liquidity imbalances, depending on their significance and time horizon, procedures and plans to address the situation are triggered.

Short-term liquidity risk is measured based on the traditional approach to calculate liquidity imbalances for a given period and currency.

Liquidity imbalances are calculated based on cash inflows and outflows from on-balance sheet and off-balance sheet items giving rise to cash movements. However, from a liquidity management point of view, it is essential to distinguish between the planned (contractual) cash flows and the real ones. Distinguishing among these two categories makes liquidity management very complex. On the one hand, any significant deviations from the contractually agreed cash outflows should be taken into account (part of the deposits, for example, may be renewed on the day of maturity or withdrawn early), and on the other should carefully assess the uncertainty inherent in cash inflows. The situation is further complicated when it comes to assets and liabilities without a specific contractually agreed maturity. Those cash flows can be predicted based on the customer's behavioral patterns. The purpose of the development of such models is to predict the real cash flows, which in turn are used in the process of calculating liquidity imbalances. The framework considers the specific features and historical observations of the positions of each bank in the Group. Liquidity imbalances, including accepted "saleability" and "stickiness" ratios, are subject to strict monitoring and limitations. In addition, for cumulative liquidity imbalances in the "Going concern" scenario, as a percentage of the balance sheet, limits were introduced at different maturity intervals.

To ensure effective liquidity management in times of crisis, the Bank conducts stress tests that demonstrate its readiness and ability to cope with stressful situations, both in terms of market environment and in terms of intrinsic liquidity shocks. To survive such shocks, the Bank structures and maintains liquidity buffers in the form of cash balances and other liquid assets that are intended to provide a survival period of at least 90 days on a common level, and up to a minimum of 30 days for each significant currency separately.

To ensure timely liquidity in the event of a liquidity crisis, the Bank strives to continuously optimize its ratio of the total amount of highly liquid assets to the total liabilities. The Concentration of the wholesale funding is limited by a special concept at Group level – "Funding Concentration Risk". The latter offers maximum conservative treatment and influences the results of the liquidity stress test, as it does not encourage the attracting of significant funding from single counterparty.

The Bank's Liquid assets include cash and cash balances with the Central bank, current accounts with other banks and interbank deposits up to 7 days, marketable debt securities issued by central governments or Central banks, Treasury bills and bonds of the Government of the Republic of Bulgaria, marketable debt securities issued by institutions with a top-notch credit rating, marketable debt securities issued by international development banks and international organizations. Encumbered assets at the end of 2020 were totaling 171million BGN compared to 131 million BGN at the end of 2020.

Based on the Regulation (EU) 2017/2114 (see letter BNB-03083/10.01.2018) the Maturity ladder reporting from iALM3 is applied in RBBG.

Based on art. 412, § 5 of Regulation (EU) 575/2013 the Liquidity Coverage Ratio (LCR) is applied in accordance with art. 460, § 2 of Regulation (EU) 575/2013.

The liquidity indicators - LCR and NSFR (next two tables) are all reported on individual level due to calculation specifics.

In accordance with Regulation (EU) No 575/2013, the liquidity coverage ratio (LCR) is included in the liquidity risk management framework, measuring the Bank's ability to meet its liquidity needs in an unfavorable scenario for 30 Days. The liquidity coverage ratio (LCR) at the end of the 2020 amounts to 272%.

Liquidity coverage components as of 31.12.2020	Million BGN
High quality liquid assets	2 323
Cash balances and Central bank assets	1 309
Securities	1 014
Outflows	1 251
Inflows	396

On a quarterly basis, the Net Stable Funding Ratio (NSFR) is also monitored, focusing on the availability of sufficient medium-term and long-term funding. At the end of 2020 it amounts to 147%.

Net Stable Funding components as of 31.12.2020	Million BGN
Items requiring stable funding	5 614
Items providing stable funding	8 250

The Bank strives to maintain amounts of the ratio exceeding the required regulatory minimum of 100, and as of 2020 this limit has not been breached.

In addition to the overall liquidity management framework, the Bank is developing a system of early indicators that aims to identify possible liquidity crises in a timely manner. In this way the optimum level of effectiveness of the applicable countermeasures is achieved.

Contingency plans have also been developed as an integral part of the tool kit to deal with crisis conditions.

The liquidity contingency plan describes the role of the different departments, the events leading to the declaration or cancellation of the liquidity crisis, respectively its level (three levels defined) and possible actions to address the deteriorated situation. The Plans include a clear definition of the tasks and responsibilities of the individual units as well as the information and communication flows within the Bank.

The Bank also prepares a Recovery plan in accordance with the requirements of Ordinance 7 of BNB and Directive 2014/59/EU.

The Plan includes a set of early signaling indicators designed to recognize the first signs of stressful situations, as well as a range of measures that could be taken to keep the Bank's stable position in the long term.

Funding risk/Risk of funding cost increase – This risk occurs when there is a need to secure liquidity under in unfavorable conditions, for example stemming from change the Bank's credit spread, i.e. the price of funding changes and the Bank's assets or commitments are not financed by liabilities with a similar maturity structure. This would lead to a substantial increase in the cost of funding the Bank's activities.

As the rating is awarded by rating agencies, the Bank manages this type of risk by focusing on the elements influencing the rating assessment of the agencies:

- Generating sustainable profitability.
- Limiting the possibility of not achieving the results previously identified.
- Ensure the Bank's resilience in accordance with the pre-defined target rating.

On a Group level, a quantitative and qualitative tool kit of indicators is applied that serves to target and monitor the Group's ability to generate income.

The Bank quantifies the risk of securing funding through a VaR model (value at risk with a holding period of 1 year and a confidence interval of 99.90%) aiming to measure the potential loss from the closure of current open liquidity imbalances (over 1 year) at a higher cost. It follows that the funding risk depends on the following components:

- The liquidity imbalances of the Bank for each separate maturity interval.

- The future, hypothetical, costs necessary to procure funding to cover liquidity imbalances.

The Bank prepares each year a plan to secure resources and strategy for the next three calendar years.

A particular attention is paid to ensuring a diversified funding base.

To reduce liquidity risk, the Bank develops a Financing Strategy that allows more flexible liquidity management within the year.

The entire liquidity risk management framework and toolbox is duly described in the Bank's internal procedures and policies. They shall be updated regularly or when circumstances require so.

OPERATIONAL RISK

Operational Risk is defined as the risk of loss resulting from inadequate or poorly functioning internal processes, people, and systems or from external events.

Model risk (the risk that models used during bank-wide risk management or their application may not be suited for achieving their intended purpose) is covered implicitly in the Operational Risk subcategories

Legal Risk comprises the risks due to non-observance of legal or statutory requirements and/or inaccurately drafted contracts and their execution due to ignorance, lack of diligence in applying the respective law or a delay in reacting to changes in legal framework conditions. Non-observance due to ignorance is also considered an operational risk where the actual legal situation and the Raiffeisenbank (Bulgaria) EAD and its subsidiaries’ own assessment of it diverge without fault or when these are unavoidable. For example, in the event of an unexpected change in jurisdiction or on the entry into force of new legal provisions, either of which has retroactive effect on existing legal relations. Legal risk is a component of Operational Risk.

Conduct risk is the risk associated with bank’s losses arising from an inappropriate, unethical, or unlawful behavior (including cases of willful or negligent misconduct) in the process of supply of financial services. Conduct risk is the risk of inappropriate, unethical, or unlawful behavior on the part of an organization’s management or employees. Such risk can be caused by deliberate actions or may be inadvertent and caused by inadequacies in an organization’s practices, frameworks, or training programs

SECTION C: INFORMATION ON GOVERNANCE RULES

The Supervisory Board of Raiffeisenbank (Bulgaria) EAD pledges and approves the Bank's objectives. The Managing Board of the Bank is responsible for the fulfillment of these objectives, for the establishment of an appropriate organizational structure and for the timely development of an effective risk management function, for the adequate risk monitoring and control.

Although the Management Board may delegate some of its authorities, it remains exclusively responsible for all these activities.

The Management Board of Raiffeisenbank (Bulgaria) EAD is responsible for the development of a specific comprehensive risk management strategy and the implementation of risk management policies. The Management Board decides which procedures are to be developed for risk identification, measurement, and control. It also takes specific management decisions based on the prepared reports and risk analyses. The Management Board is assisted by the relevant departments and risk committees.

RISK MANAGEMENT FUNCTIONS UNDER CRO/CFO

Risk management units have the objective to optimize the risk profile of their supervised portfolios in defined risk categories. They develop, define, and implement tools, parameters, and methodologies used to analyze risks in business transactions and for managing portfolio risks; also, they define procedures to be followed in the process of underwriting risk.

The risk management units aim at optimization of the risk profile of portfolios managed by them in abidance by the defined risk categories. They develop, set, and implement the tools, parameters, and methodology for analysis of business transactions and management of risks associated with each respective portfolio. The responsible officers from the risk management units take active part in the process of establishment of procedures to be implemented during the transaction negotiation.

Two main risk functions exist in the risk management process:

- **The Risk management function** is responsibility of all units under the Risk management board area and comprises of the following main activities:
    - Define and implement the risk management strategy for the respective business segment/portfolio.
    - Develop, set, and implement the risk management methods and processes (such as rating models, assessment of collaterals, competence levels, etc.).
    - Ensure that all Group and best practice standards regarding the risk management methods, policies, practices, and the respective tools are implemented across all business levels.
    - Approve counterpart limits, other limits, and all new products according to defined competence authorities.
    - Second level of approval of a certain business decision (client rating, etc.).
    - Actively manage the risk (portfolio management, risk mitigation, diversification, and portfolio analysis) in accordance with the approved budget and available risk-taking capacity.
- **The risk control function establishes** the general control and monitoring framework of various types of risk on an aggregated level. Its purpose is to coordinate the implementation of the instruments, methods, parameters and risk evaluation and monitoring standards to avoid risk situations and improve the risk / return ratio within the risk limits. This includes:
    - Definition of the risk assessment methodology and parameters (such as credit and market VaR models, impairment, stress tests, concentrations).
    - Implementation of risk assessment and control tools (for example ensuring the abidance by limits and risk parameters).
    - Risk measurement, monitoring and preparation of reports on all types of risk on an aggregated level.
    - Drawing up of proposals for risk cost and capital allocation.
    - Budgeting and Forecasting risk costs, risk-weighted assets, funds-transfer pricing.
    - Actively communicate Risk related activities and methodology in front of the local supervisor and defend applied solutions. Carries out being compliant to all

requirements posed by local legislation.

- Monitoring of the counterparty limits.
- Capital management activity – to ensure adequate internal and regulatory capital to cover all risks taken as well as to avoid the overcapitalization to ensure optimal employment of the shareholders' capital.
- Carrying out scenario analyses and stress tests to test the impact of extreme and severe crises on the bank's positions.
- Regarding the definition of methodologies and parameters the controlling function coordinates itself closely with the respective risk management functions.
- Support the implementation of risk related IT solutions.

The structure above shows the functional allocation of the different risk management departments / divisions according to the risk category they manage.

Risk Management – Risk categories and division functions	
Credit Risk	Risk Management Division – Corporate Banking
	Rik Management Division – Retail Banking
	Risk Controlling Division
	Problem Loans Department
	Collateral Management Department
Market Risk	Risk Controlling Division
Operational Risk	Risk Controlling Division
Liquidity Risk	Risk Controlling Division

RISK MANAGEMENT COMMITTEES

Risk Management committees in Raiffeisenbank (Bulgaria) EAD consist of representatives of all units dealing with risk management. Meetings are held regularly to make decisions on risk management related issues. The following committees are active in the Bank:

Assets and Liabilities Management Committee is responsible for the overall management of the Bank's balance sheet. It monitors the interest sensitivity and the structural liquidity of the bank.

Credit Committee has the authority to approve limits and credit reviews for RBBG. The credit exposures/limits exceeding the local authorities of RBBG are referred for approval by the Supervisory Board of the Bank.

Operational Risk Management & Control Committee is a specialized internal body of

Raiffeisen Bulgaria Group in the area of operational risk management and internal controls (ICS). The MB, as a supreme management body of operational risk in Raiffeisen Bulgaria Group, has delegated certain functions and responsibilities to the Operational Risk Management & Control Committee.

Problem Loans Committee is the ultimate decision body for all problematic exposures in RBBG. Problem Loan Committee decisions are made to achieve the highest Net Present Value of the RBBG's receivables also considering the risks involved for each workout strategy.

In certain cases, as specified in the PLC Bylaws, the applications and credit reviews shall be approved by the Executive Credit Committee (ECC) or by the SB.

Fraud Committee is a specialized internal body of the management of RBBG in the area of management and control of the fraud risk. The Fraud committee is responsible for considering and making decisions regarding questions of a general nature, a comprehensive strategy to combat fraud and technical and organizational measures. Making proposals or order to improve structures and processes. Determination of expert team for investigation of complex fraud cases. In important cases of fraud, make recommendations to the Board including proposals for decision-making and lessons learned.

The primarily purpose of the **Risk Governance Committee** is to provide oversight, review and approval of the Bank and its subsidiaries' risk management activities in respect to RBBG Risk profile, Risk governance, Risk tolerance, Risk appetite framework and applied for all material risks, account, pool and portfolio level models. In fulfilling the above function, it shall monitor and continuously improve the overall risk management framework, promote sound risk governance, and foster an effective risk culture throughout the Bank.

The Committee reviews policies, procedures, rules and practices related to the applied by RBBG Economic capital Model and Stress testing, as well as reviews and approves the results and scenarios for Stress testing and reviews and approves the results of Validation for all models through the model lifecycle (initial validation, regular monitoring of the performance and periodic validation). It assesses the Bank's compliance with Group regulations and analyses the effects of regulatory changes. Risk Governance Committee ensures comprehensive risk identification, measurement, monitoring and timely implementation of remedial actions. It is responsible for the definition of risk-related parameters, assumptions, forecasts, and trends.

PI/ Micro/ Corporate Portfolio Committee

Data Governance Operational Steering Committee is an operational decision-making body for RBBG towards overall Data Governance and BCBS 239 compliance management. It oversees rules, regulations, processes and roles that are established in order to manage operational issues related to Data Governance and BCBS 239 principles and monitors Data Quality performance statistics, Data Quality Defect management statistics, operational incidents and issues related to Data Quality.

Management Board defines the policy and strategy of the Bank, makes decisions on all proposals of the committee for management of the respective risk type (such as allocating capital and budgeting, approval of limits, etc.).

SB Risk Committee as per CRD IV has been established**.**

MACRO-PRUDENTIAL SUPERVISION

Implementation of the global regulatory framework Basel III in European legislation through Directive 2013/36/ EU (CRD IV) has established 5 additional capital buffers, applicable for Credit institutions:

- Capital conservation buffer

The reason for implementation of a capital conservation buffer is future avoidance of using state aid, when a bank experience financial difficulties, i.e. taxpayer's money for support of troubled banks. This buffer provides additional resources, where necessary for recovery and resolution of financial institutions in times of crisis. The capital conservation buffer of Common Equity Tier 1 (CET1) should be maintained to 2,5% of the total amount of their overall risk exposure.

- Bank-specific countercyclical capital buffer

The countercyclical capital buffer is a macroprudential instrument introduced in BNB Ordinance No. 8 on Banks' Capital Buffers, in accordance with the requirements of Directive 2013/36/EU. The main purpose of the buffer is to safeguard the banking system against potential losses, stemming from build-up of cyclical systemic risk during periods of excessive credit growth. As of Q4 2020 the level of the countercyclical capital buffer is 0.5%.

- Systemic risk buffer

The aim of the systemic risk buffer is maintaining the capital reserves built up so far in the banking system, as well as preventing and mitigating long-term non-cyclical systemic or macroprudential risks, which could cause disruption in the financial system. The systemic risk buffer is 3% of the risk-weighted exposures, which should be covered by CET1 capital, at the discretion of the Bulgarian National Bank it may also be applied to exposures in third countries. The BNB Governing Council with its decision confirmed the requirement to all banks to maintain a systemic risk buffer of 3% of their risk exposures in Bulgaria. The systemic risk buffer thus set is cumulative to the buffer for other systemically important institutions (O-SII buffer) in accordance with art. 15 of Ordinance No. 8.

- Buffer for global systemically important institutions - G-SII buffer and Buffer for other systemically important institutions - O-SII buffer

The buffer for other systemically important institutions (O-SIIs) is a macroprudential measure with preventive character that is aimed at banks with systemic importance. The goal of the buffer is to strengthen the capacity of O-SIIs to absorb losses and accordingly to limit the contagion risks stemming from potential stress event in a systemically important bank to other credit institutions or the banking system as a whole. With the higher capital requirements, the resilience of the systemic institutions to adverse shocks is enhanced and the normal functioning of the banking system, even in times of significant unexpected future losses, is ensured.

The BNB Governing Council set a buffer for O-SIIs in accordance with art. 11, paragraph 1 of the BNB Ordinance No. 8 on an individual and on consolidated basis, applicable to the total risk exposure amount at the level of 0.25% applicable from 1-st January 2018 and 0.5%

applicable from 1-st January 2019. From 1-st January 2020 the buffer for O-SIIs, applicable for RBBG, is set at the level of 0.75%.

5. INFORMATION ON THE SCOPE OF THE REGULATORY FRAMEWORK

EU LI1 — Differences between accounting and regulatory scopes of consolidation and the mapping of financial statement categories with regulatory risk categories (Annex 1)

EU LI2 — Main sources of differences between regulatory exposure amounts and carrying values in financial statements (Annex 1)

EU LI3 — Outline of the differences in the scopes of consolidation (entity by entity)

No differences as of Dec. 2020.

6. OWN FUNDS

The elements of own funds of Raiffeisenbank Bulgaria consist of:

- Tier 1 Capital – share capital and reserves
- Tier 2 Capital – subordinated debt

The following are deducted form own funds:

- Intangible assets with the exception of prudently valued software assets the value of which is not negatively affected by resolution, insolvency or liquidation of the institution
- Deduction of negative amounts resulting from calculation of expected loss amounts

The deductions from own funds are based on and in compliance with Ordinance №7 of the Bulgarian National Bank and Regulation (EU) №575/2013.

Disclosure of own funds as per the provisions set in Regulation (EU) №575/2013 (Annex 1)

7. CAPITAL REQUIREMENTS

As of 01.11.2014 Raiffeisenbank (Bulgaria) EAD has been granted permission to apply Internal Rating Based Approach for calculating and managing the Credit risk on Bank level, according to the up-to-date banking regulatory requirements - Regulation (EU) 575/2013 of the European

Parliament and the Council of the EU on prudential requirements for credit institutions and investment firms. For Market and Operational risk, the Bank applies Standardized Approach.

Risk weighted assets are calculated based on the exposure classes considering the respective credit, market, and interest rate risk as well as the available collaterals and guarantees. The approach is similar when risk weighted assets are calculated for the off-balance sheet exposures including that a credit conversion factor (CCF) is applied to the respective type of commitment measuring the probability of the such to be drawn.

The scope of the own funds requirements for Credit risk includes Credit risk, Counterparty credit risk and Dilution risk of the Banking book.

The scope of the own funds requirements for Market risk includes Market risk of the Trading book as well as Exchange rate risk and Commodities risk for both Banking and Trading books.

Since the beginning of 2012, the Bank applies the Standardized Approach for calculating the own funds requirements for operational risk.

During the reporting year 2020 the Bank remained compliant to all own funds requirements and has kept its Capital Adequacy Ratio above the minimum regulatory requirements.

EU OV1 — Overview of RWAs (Annex 1)

EU CR10 — IRB (specialized lending and equities) (Annex1)

The specialized lending exposures as of 31.12.2020 are split only into regulatory categories 1 and 2. The total on-balance sheet exposures amount to 156 783 BGN thsd. In Category 1 the reported on-balance sheet amount comprises of 31% of the total on-balance sheet specialized lending exposure. The remaining 69% are part of Category 2 and Category 3. The total off-balance sheet exposure equals to 70 516 BGN thsd., of which 39% are categorized in Category 1 and 61% mainly in Category 2. The specialized lending RWAs are 138 166 BGN thsd.

EU INS1 — Non-deducted participations in insurance undertakings:

RBBG does not have participations in insurance undertakings as of 31.12.2020

8. COUNTERCYCLICAL BUFFER

In accordance with Title IV, Chapter 4 of Directive 2013/36/EU and Ordinance №8 of the Bulgarian National Bank, countercyclical capital buffer should be applied with its macroprudential character and purpose – to protect the banking system against potential losses arising from accumulation of systemic risk throughout the economic cycle during periods of excessive credit growth. In accordance with Art. 5 of Ordinance №8 of BNB, the Bulgarian National Bank discloses the information for the level of countercyclical capital buffer which should be applied. This information is being updated every three months. As of March 2020 BNB Management board took the decision not to increase the capital buffer rate and to keep it to the level of 0.5% for the whole 2020 and the first half of 2021 because of the COVID-16 pandemic.

Period	CCyB Rate
2020 – Q1	0.5%
2020 – Q2	0.5%
2020 – Q3	0.5%
2020 – Q4	0.5%

As ofQ4 2020, Raiffeisenbank Bulgaria applies countercyclical capital buffer rate of 0.5%.

The institution-specific level of countercyclical capital buffer is also 0.5% after breaking down the exposure amounts on geographical indication and weighting and applying the rates of the given countries.

Below you can find this breakdown by countries, divided in two - for exposures under Standardized Approach and under Internal Rating Based approach.

Standardized Approach for Credit Risk:

Country	Exposure - Standartised Approach for Credit Risk	Capital requirements - Standartised Approach for Credit Risk
Albania	2	0
Austria	1	0
Bulgaria	597 235	40 448
Croatia	1	0
Germany	4	0
Greece	3	0
Italy	8	0
UK	1	0
Ukraine	2	0
Uzbekistan	5	0
Total in thsd. BGN	597 262	40 450

Internal Rating Credit Based Approach for Credit Risk:

Country	Exposure - Internal Rating Based Approach for Credit Risk	Capital requirements - Internal Rating Based Approach for Credit Risk
Armenia	5	0
Austria	1 656	26
Azerbaijan	2	0
Belgium	714	26
Brazil	62	7
Bulgaria	6 519 067	350 446
Canada	980	68
China	31	5
Croatia	14	1
Cuba	9	0
Cyprus	1	0
Czech Republic	6 876	194
Denmark	134	1
Estonia	18	2
Finland	272	12
France	671	11
Georgia	95	13
Germany	3 903	367
Greece	627	53
Hungary	201	9
Ireland	4	1
Israel	171	1
Italy	230	28
Kyrgyzstan	8	1
Latvia	3	1
Lebanon	6	0
Lithuania	22	3
Luxembourg	4	0
Malaysia	174	30
Malta	207	4
Moldova	29	1
Mozambique	11	1
North Macedonia	25	1
Pakistan	8	0
Poland	1	0
Portugal	83	8
Romania	218	14
Russian Federation	252	6
Serbia	46 175	2 055
Slovakia	107	12
South Africa	3	0
Spain	159	15
Sweden	4	1
Switzerland	611	37
The Netherlands	20 888	954
Turkey	367	45
Ukraine	32	2
United Kingdom	13 287	751
USA	75 536	2 564
Uzbekistan	29	8
Total in thsd. BGN	6 693 992	357 785

9. CREDIT RISK. GENERAL INFORMATION ON CREDIT RISK MITIGATION (CRM)

SECTION A: GENERAL QUALITATIVE INFORMATION ON CREDIT RISK

The credit risk appraisal is based on four components: (i) probability of default (ii) current and expected credit exposure amount; (iii) expected amount to be recovered (loss given default) and (iv) time horizon of the probability of default.

These components of the credit risk, which represent expected losses, are according to the regulatory capital adequacy requirements and are part of the daily operations in the Bank.

For the measurement of the impairment losses, which decrease the amount of credit receivables is applied IFRS9. The Group assesses on a forward-looking basis the expected credit loss associated with its debt instrument assets carried at amortized cost and FVOCI and with the exposure arising from loan commitments, leasing receivables and financial guarantee contracts. The Group recognizes a loss allowance for such losses at each reporting date.

Definition of past-due for accounting purposes – Exposures are past due when the contractually agreed date for payment has been exceeded or when the borrower has exceeded the approved credit limit.

Definition of default and credit-impaired assets – The Group defines a financial instrument as in default according to Art. 178 of CRR 575/2013. A financial instrument is considered credit-impaired when it meets one or more of the following criteria:

- Quantitative criteria

The borrower is more than 90 days past due on a material credit obligation. No attempt is made to rebut the presumption that financial assets which are more than 90 days past due are to be shown in Stage 3.

- Qualitative criteria

The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty and unlikely to repay any credit obligation in full. The indications of unlikeliness to pay include:

- A credit obligation is put to a non-accrual status due to its deteriorated credit quality
- A credit obligation is sold at a material economic loss
- A credit obligation is subject to a distressed restructuring
- An obligor is bankrupt/insolvent
- An obligor committed credit fraud
- An obligor is deceased
- A credit contract was prematurely terminated due to obligor's non-compliance with contractual obligations.

The criteria above have been applied to all financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the Group's expected loss calculations.

An instrument is considered to be out of default (i.e. to have cured) when it no longer meets any of the default criteria according to Art. 178 of CRR 575/2013 for a consecutive period of a minimum of 3 months or longer for distressed restructured exposures. RBBG follows the guidelines and technical standards for entering/curing from default of EBA (EBA/GL/2017/16 and EBA/RTS/2016/03) .

Definition of restructured (forborne) exposure – The definition used for distressed restructuring and forborne exposures are fully compliant with the definition in CRR 575/2013 art. 178, para 3, (d) and forborne exposure defined in Annex V of the Commission Implementing Regulation (EU) No 680/2014.

SECTION B: GENERAL QUANTITATIVE INFORMATION ON CREDIT RISK

EU CRB - B — Total and average net amount of exposures (Annex 1)

EU CRB - C — Geographical breakdown of exposures (Annex 1)

EU CRB - D — Concentration of exposures by industry or counterparty types (Annex 1)

EU CRB - E — Maturity of exposures (Annex 1)

EU CR1 - A — Credit quality of exposures by exposure class and instrument (Annex 1)

EU CR1 - C — Credit quality of exposures by geography (Annex 1)

EU CR1 - D — Ageing of past-due exposures (Annex 1)

EU CR1 - E — Non-performing and forborne exposures (Annex 1)

EU CR2 - A — Changes in the stock of general and specific risk adjustments (Annex 1)

EU CR2 - B — Changes in the stock of defaulted and impaired loans and debt securities (Annex 1)

SECTION C: GENERAL QUALITATIVE INFORMATION ON CREDIT RISK MITIGARION (CRM)

The bank uses policies and practices for credit risk mitigation. The most traditional technique is by acceptance of collateral. The bank uses rules for establishment of acceptable classes of collaterals or credit protection.

To achieve effective credit risk mitigation, the bank:

- Ensure agreements for credit protection, which are legally effective and enforceable in all relevant jurisdiction.
- Takes proper actions for ensuring effectiveness of credit risk protection agreements.
- Has procedures for effective management and control of risks deriving from actions connected with credit risk mitigation and expected loss.
- Performs complete valuation of credit risk of long positions by reporting credit risk

mitigation or expected loss.

- Reviews and monitors by proper written rules and procedures the residual risk deriving from low effective risk protection than expected from the applied techniques for credit risk and expected loss.

Main collateral types recognized by the bank are:

- Mortgages of real estates – residential, commercial, industrial, agricultural, raw land, etc.
- Cash.
- Pledge of machines and equipment, inventory, receivables, commodities.
- Bank guarantees and counter guarantees.
- Portfolio guarantees issued by international or national institutions.
- Pledge of financial instruments as bonds, equities

As of 31.12.2020 the bank does not apply balance and write-off netting as a technique for credit risk mitigation However the Bank uses netting of Reverse repo-deals with the Debt securities as collateralization when there is such business case.

When determine the policy for acceptable collaterals the bank follows group directive of RBI for collateral evaluation. According to this directive only collaterals described in it are taken for collateralization of secured exposures.

Valid legal title - The bank's legal title (not only represented by the underlying collateral contract but also considering all other steps like filing, registration, etc.) to the collateral is properly documented and legally enforceable under the applicable jurisdiction. The track record of jurisdiction in the country must ensure enforceability of the collateral by banks.

Sustainable intrinsic value - The collateral has sustainable intrinsic value at least for the total tenor of regularly monitored and evaluated underlying credit contracts. In case of decrease in value, technical condition, etc. it is the Bank's right to ask an independent appraiser for a new external appraisal report. In a case of market value decrease, appropriate measures are taken to reflect this decrease and additional collateral may be asked to cover the Bank's requirements for collateralization upon initial approval of secured exposures.

Realizable and willingness to realize - the collateral must be realizable in cash within reasonable time, proven by a favorable track record for assignment and realization of collateral according to Bulgarian legislation.

Little or no correlation - there shall be little or no correlation between the credit standing of the borrower and the value of the collateral (example of high correlation: a bond issued by the borrower used as collateral)

To apply more conservative approach to evaluate collateral realization the bank uses minimum discounts for correction of accepted market value, applicable for all network units of RBI. The purpose of this correction is to compensate the eventual risk of volatility of collateral prices, and any other risks connected with collateral realization.

Of significant importance for unfunded protection is the collateral provider and the conditions under which is the contract for credit protection. Collateral provider must be eligible and credit protection legally effective in all relevant jurisdictions. It is the main method to achieve proper level of security of credit protection, after recognizing the effect of credit risk mitigation techniques

The bank has no open exposures in credit derivatives or collateralized ones.

The bank monitors for potential concentration of risk, deriving from usage of techniques for credit risk protection. These techniques should correspond to the risk profile of the bank.

SECTION D: GENERAL QUANTITATIVE INFORMATION ON CREDIT RISK MITIGATION (CRM)

EU CR3 — CRM techniques - Overview (Annex 1)

*In this template as collateralized are shown those exposures which have valid and eligible collateral in accordance with Regulation (EU) 575/2013 and used for calculating the regulatory capital requirements.

In the Annual Financial Report are disclosed the on-balance sheet credit exposures (without exposures to financial institutions) collateralized and non-collateralized according to the internal policies of the Bank.

10. CREDIT RISK AND CREDIT RISK MITIGATION UNDER STANDARTIZED APPROACH

SECTION A: QUALITATIVE INFORMATION ON THE USE OF STANDARTIZED APPROACH TO CREDIT RISK

The exposure types to which Raiffeisenbank (Bulgaria) EAD has the permission to apply **permanent partial use of Standardized Approach** are:

- **according to art. 150(1)(c) of Regulation (EU) 575/2013**: exposures in non-significant business units as well as exposure classes or types of exposures that are immaterial in terms of size and perceived risk profile.
- **according to art. 150(1)(d) of Regulation (EU) 575/2013**: exposures to central governments and central banks of the Member States and their regional governments, local authorities, administrative bodies, and public sector entities provided:
    - there is no difference in risk between the exposures to that central government and central bank and those other exposures because of specific public arrangements; and
    - exposures to the central government and central bank are assigned a 0 % risk weight under Article 114(2), (4) or (5).
- **- according to art. 150(1)(j) of Regulation (EU) 575/2013**: State and State-reinsured guarantees referred to in Article 215(2).

Standardized Approach is applied also to other non-credit obligation assets – cash, cash items in process of collection, tangible fixed assets, and suspense accounts.

SECTION B: QUANTITATIVE INFORMATION ON THE USE OF STANDARTIZED APPROACH TO CREDIT RISK

EU CR4 — Standardized approach – Credit risk exposure and CRM effects (Annex 1)

EU CR5 — Standardized approach (Annex 1)

11. CREDIT RISK AND CREDIT RISK MITIGATION UNDER INTERNAL RATING BASED APPROACH

SECTION A: QUALITATIVE INFORMATION ON THE USE OF INTERNAL RATING BASED APPROACH TO CREDIT RISK

In connection with the application of an IRB Approach before granting a new credit limit, the credit quality of the obligor is assessed by assigning an internal rating. Several rating / scoring models are applied depending on the asset class of the respective debtor:

- Large Corporate Rating Model.
- Regular Corporate Rating Model.
- Small and Medium Business Rating Model.
- Sovereign Rating Model.
- Financial Institutions Rating Model.
- Insurance Rating Model.
- Collective Investment Undertakings Rating Model.
- Project Finance Rating Model.
- Scoring models for individuals.
- Scoring models for microenterprises.

The calculation of the capital requirements for credit risk for the relevant asset classes is based on the allocation of the credit portfolio by rating categories as a result by the application of the internal models.

RBBG offers to the two retail segments a variety of products, and for the majority of those, RBBG has obtained regulatory approval to use the Advanced Internal Ratings-Based (A-IRB) approach to capital requirements for credit risk.

Local and Regional Governments Rating Model is currently under the Standardized Approach to capital requirements for credit risk (regulatory approval received in January 2017). In the case of the PF model, the 'slotting criteria approach' is used.

SECTION B: QUANTITATIVE INFORMATION ON THE USE OF INTERNAL RATING BASED APPROACH TO CREDIT RISK

EU CR6 — IRB approach – Credit risk exposures by exposure class and PD range (Annex 1)

EU CR7 — IRB approach – Effect on the RWAs of credit derivatives used as CRM techniques:

As of 31.12.2020, RBBG does not use credit derivatives as a CRM technique.

EU CR8 — RWA flow statements of credit risk exposures under IRB approach (Annex 1)

Reported change in capital requirements with respect to Methodology and policy reflects the application of Article 114 (6b) from Regulation (EU) No 575/2013, effective from the beginning of 2019.

EU CR9 — IRB approach – Back-testing of PD per exposure class (Annex 1)

Historic default rate covers 5 consecutive non-overlapping years starting from 31.12.2015 to 31.12.2020. The default rate is calculated based on the number of performing clients in the current portfolio in the end of each year and the number of clients in default in the next 12 months.

As of November 2019, a New Default Definition (NDD) was implemented in Retail. The rise in the number of obligors defaulted during the year is due to NDD.

Probability of default (PD) in Retail portfolio represents weighted average of the parameter estimates within one internal grade in the respective exposure class, weighted by EAD and number of obligors.

PD values within the different exposure classes are lower in comparison to the 5-year default rates due to the favorable economic environment. Performed comparison by exposure class and internal grade accounts for coherence.

12. CREDIT RISK - FORBEARANCE AND NON-PERFORMING EXPOSURES

RBBG is being developing NPE strategy since 2017 according to EBA guidelines. In a such manner it's ensured that the Bank effectively manages NPEs and forborne exposures (FBEs) in the balance sheet.

The non-performing exposures include the defaulted and impaired exposures. Forborne exposures can be identified both in the performing and in the non-performing portfolios.

Non-performing exposures are those that satisfy either or both of the following criteria:

- material exposures which are more than 90 days past due.
- the debtor is assessed as unlikely to pay its credit obligations in full without realization of collateral, regardless of the existence of any past-due amount or of the number of days past due.

Forborne exposures are debt contracts in respect of which forbearance measures have been extended. Forbearance measures consist of concessions towards a debtor facing or about to face difficulties in meeting its financial commitments ("financial difficulties").

In Annex 1 the following quantitative templates represent as of 31.12.2020 the requested information:

Template 1: Credit quality of forborne exposures

Template 3: Credit quality of performing and non-performing exposures by past due days

Template 4: Performing and non-performing exposures and related provisions

Template 9: Collateral obtained by taking possession and execution processes

13. COUNTERPARTY CREDIT RISK (CCR)

Counterparty credit risk arises from exposures which originate from derivative deal transactions, repurchase agreements, securities or commodities lending/borrowing transactions, margin lending transactions, long settlement transactions. It is the risk that the counterparty to a transaction could default before the final settlement of the transaction's cash flows and could not be able to provide the respective contractual transactions on time.

The Bank holds own funds for counterparty credit risk arising from derivative deals and repurchase agreements using the Mark-to-Market Method according to art. 247 of Regulation (EU) 575/2013.

Raiffeisenbank (Bulgaria) EAD applies number of counterparty credit risk mitigation policies. The most common one is for receiving collaterals as credit risk protection. The Bank applies eligibility rules for collateral and credit protection acceptance.

Main types of collaterals accepted by the Bank are:

- Immovable property mortgage.
- Cash deposits.
- Pledge of commercial assets like machines or buildings, inventory, and receivables.
- Bank guarantees.
- Portfolio guarantees issued by fist-class Bulgarian or international institutions.
- Pledge agreements for securities.

Long-term financing and corporate client credits are usually collateralized, while private individuals' consumer loans are often not collateralized. In addition, for minimizing the expected credit loss in some circumstances when there are indications for worsening the quality of the credit, the Bank may request additional collateral to be provided by the customer.

In 2020 RBBG started to use actively used Potential future exposure methodology (PFE). PFE is an advanced method for identifying the maximum exposure under a certain confidence level, which can occur caused by market price fluctuations of its current derivative portfolio in the future. For counterparty credit limit utilization, we use a confidence level of 97.5%.

In addition, Wrong-Way risk (WWR) may arise due to the origination of derivative exposures. Wrong-Way risk is the risk that the probability of default of a derivative customer is positively correlated with the exposure of its derivative portfolio. I.e. if the exposure is high it can be expected that the default probability is also high and vice versa. According to Article 291 CRR, specific stress-testing framework is established on a group level. In case of potential cases detection, group has established process for notification to all relevant decision makers, also including board member responsible for the Risk Management. Final decision whether there really is a WWR or not, and whether there are any actions to be taken, is based on the local governance bodies.

SECTION A: INFORMATION ON REGULATORY MEASURES

EU CCR1 — Analysis of CCR exposure by approach (Annex 1)

EU CCR2 — CVA capital charge (Annex 1)

EU CCR8 — Exposure to CCPs:

As of 31.12.2020, RBBG does not have exposures to CCPs.

SECTION B: INFORMATION BY REGULATORY RISK-WEIGHT APPROACH

EU CCR3 — Standardized approach – CCR exposures by regulatory portfolio and risk:

As of 31.12.2020, RBBG does not have CCR exposures.

EU CCR4 — IRB approach – CCR exposures by portfolio and PD scale (Annex 1)

EU CCR7 — RWA flow statement if CCR exposures under the IMM:

As RBBG does not apply IMM, this information is not applicable.

SECTION D: OTHER INFORMATION ON CCR

EU CCR5 - A — Impact of netting collateral held on exposure values:

As of 31.12.2020 the Bank does not have given or received collaterals as well as does not perform exposure nettings in accordance with the provisions set out in Part Three, Title II, Chapter 6 of Regulation (EU) 575/2013 neither has exposures to CCPs.

EU CCR5 - B — Composition of collateral for exposures to CCR:

As of 31.12.2020, RBBG does not have collateralized exposures to CCR.

EU CCR6 — Credit derivatives exposure:

As of 31.12.2020, RBBG does not have open positions in credit derivatives.

14. UNENCUMBERED AND ENCUMBERED ASSETS

Unencumbered assets

Unencumbered assets	Carrying amount of encumbered assets	Carrying amount of non-encumbered assets
Assets of the reporting institution	**158 807**	**9 422 315**
Loans on demand	12 120	1 224 631
Equity instruments	0	9 319
Debt securities	135 285	1 166 311
of which: covered bonds	0	0
of which: asset-backed securities	0	0
of which: issued by general governments	135 285	904 952
of which: issued by financial corporations	0	201 590
of which: issued by non-financial corporations	0	59 768
Loans and advances other than loans on demand	0	6 524 054
of which: mortgage loans	0	2 298 489
Other assets	11 402	498 001

Encumbered assets

Template A - Assets

		Carrying amount of encumbered assets	Fair value of encumbered assets	Carrying amount of non-encumbered assets	Fair value of unencumbered assets
		010	040	060	090
010	**Assets of the reporting institution**	158 807		9 422 315	
030	Equity instruments	0	0	9 319	9 319
040	Debt securities	135 285	137 038	1 166 311	1 174 584
120	Other assets	11 402		498 001	

Template B - Collateral received by the reporting institution (AE-COL)

		Fair value of encumbered collateral received, or own debt securities issued	Fair value of collateral received, or own debt securities issued available for encumbrance
		010	040
130	Collateral received by the reporting institution		
150	Equity instruments		
160	Dept securities		
230	Other collateral received		
240	Own debt securities issued other than own covered bonds or ABSs		

Template C - Carrying amount of encumbered assets / collateral received and associated liabilities

		Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and ABSs encumbered
		010	030
010	Carrying amount of selected financial liabilities	**105 524**	**135 285**

Not to be filled under any circumstances

Template D - Information on the Importance of Encumbrance

The amount of pledged securities is monitored on a daily base, changes are made when necessary (could be daily). The amount of pledged securities is excluded from the value of the liquidity buffer for the purpose of the liquidity model and the calculation of the stress-test result, together with the value of the available highly liquid securities for the purpose of liquidity coverage ratio. The report is based on the "maturity ladder" template (reporting form iALM3), established by Regulation (EC) 2017/2114.
Liquidity coverage ratio (LCR) calculation is based on Article 460, § 2 from Regulation (EC) 575/2013.
The process of pledging the securities is an integral part of the general framework for the bank's liquidity risk management. In this context, the currency structure of the pledged securities is in line with the current and expected results from the stress-test scenario for every significant currency.
The general principles, duties, and responsibilities, which should be complied with in managing the risk arising from the encumbering of assets, are described in the internal regulation "PR 10.28 Procedure for managing the risk arising from the encumbering of the assets". In accordance with the regulation, all types of encumbered assets are as follows:

- Funding schemes with International Financial Institutions and banks outside RBI's network units.
- Provisioning of attracted funds – includes provisioning of budget funds attracted by the bank and provisioning by the bank of external funding lines with sovereign government bonds, Eurobonds/ Global government securities.
- Secured funding deals – repo deals, borrowing and lending securities, sale/buy back security deals.
- Agreements for deals with covered derivatives (Margin account).
- Securitization of loan portfolios.

In addition, and with the purpose of avoiding discrepancies, the bank has developed a special instruction describing in great details the roles and responsibilities of the employees, committed to the implementation of the requirements made by the Bulgarian National Bank and the Ministry of Finance towards the commercial banks, in line with the Law of the State Budget, regarding servicing the budget resources, as well as other requirements by International Financial Institutions, in accordance with the signed contracts for financing- these are the two main sources for encumbering. (IC. 09.08.03 Instruction for determining and securing the attracted budget funds with government securities, as well as provisioning of external lines through local government securities and Eurobonds / Global government securities).

The amount of pledged securities is monitored on a daily base, changes are made when necessary (could be daily). The amount of pledged securities is excluded from the value of the liquidity buffer for the purpose of the liquidity model and the calculation of the stress-test result, together with the value of the available highly liquid securities for the purpose of liquidity coverage ratio. The report based on Ordinance №11 also takes this under consideration and books the securities in column Pledged assets/Past due assets over 30 days.

The process of pledging the securities is an integral part of the general framework for the bank's liquidity risk management. In this context, the currency structure of the pledged securities is in line with the current and expected results from the stress-test scenario for every significant currency.

The general principles, duties and responsibilities, which should be complied with in managing the risk arising from the encumbering of assets, are described in the internal regulation "PR 10.28 Procedure for managing the risk arising from the encumbering of the assets". In accordance with the regulation, all types of encumbered assets are as follows:

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- Provisioning of attracted funds – includes provisioning of budget funds attracted by the bank and provisioning by the bank of external funding lines with sovereign government bonds, Eurobonds/ Global government securities.
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- Agreements for deals with covered derivatives (Margin account).
- Securitization of loan portfolios.

In addition, and with the purpose of avoiding discrepancies, the bank has developed a special instruction describing in great details the roles and responsibilities of the employees, committed to the implementation of the requirements made by the Bulgarian National Bank and the Ministry of Finance towards the commercial banks, in line with the Law of the State Budget, regarding servicing the budget resources, as well as other requirements by International Financial Institutions, in accordance with the signed contracts for financing- these are the two main sources for encumbering.

15. MARKET RISK

SECTION A: OWN FUNDS REQUIREMENTS FOR MARKET RISK UNDER STANDARTIZED APPROACH

EU MR1 — Market risk under the Standardized approach (Annex 1)

SECTION B: QUALITATIVE INFORMATION ON THE INTERNAL MODEL APPROACH

As of 31.12.2020, the bank does not apply market risk internal model for the calculation of own fund capital requirements. Such models are used only for internal purposes and they support the limit system in the Bank's internal market risk limits structure.

SECTION C: OWN FUNDS REQUIREMENTS FOR MARKET RISK UNDER THE INTERNAL MODEL APPROACH

EU MR2-A — Market risk under the IMA: Not applicable.

EU MR2-B — RWA flow statement of market risks exposures under the IMA: Not applicable.

SECTION D: OTHER QUANTITATIVE INFORMATION FOR MARKET RISK UNDER THE INTERNAL MODEL APPROACH

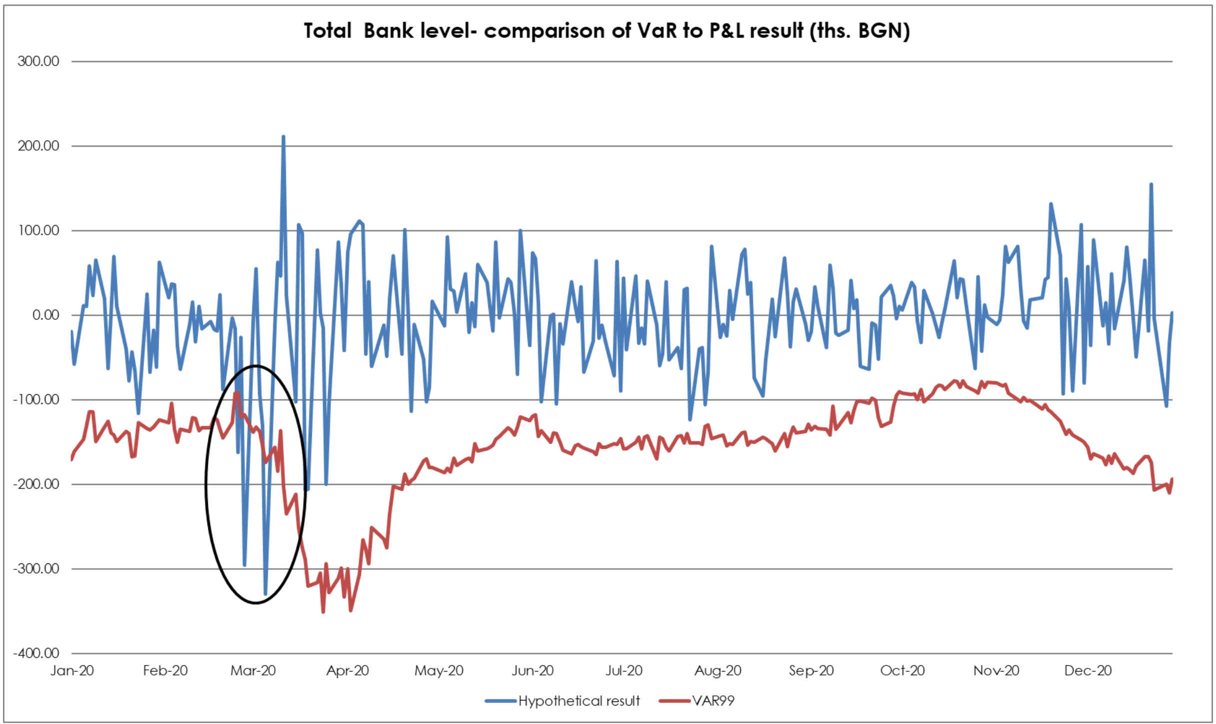
EU MR3 — IMA values for trading portfolio: Not applicable.

EU MR4 — Comparison of VaR estimates with gains/losses

Notwithstanding the Bank does not apply market risk internal models for the evaluation of the risk, RBBG strictly monitors the deviations in Value at Risk figures on daily basis, deviations of the hypothetical and actual results.

On Total bank level, only hypothetical result vs. Value at Risk changes are monitored, as for the Banking and Trading book, the bank monitors the actual results vs. Value at Risk as well.

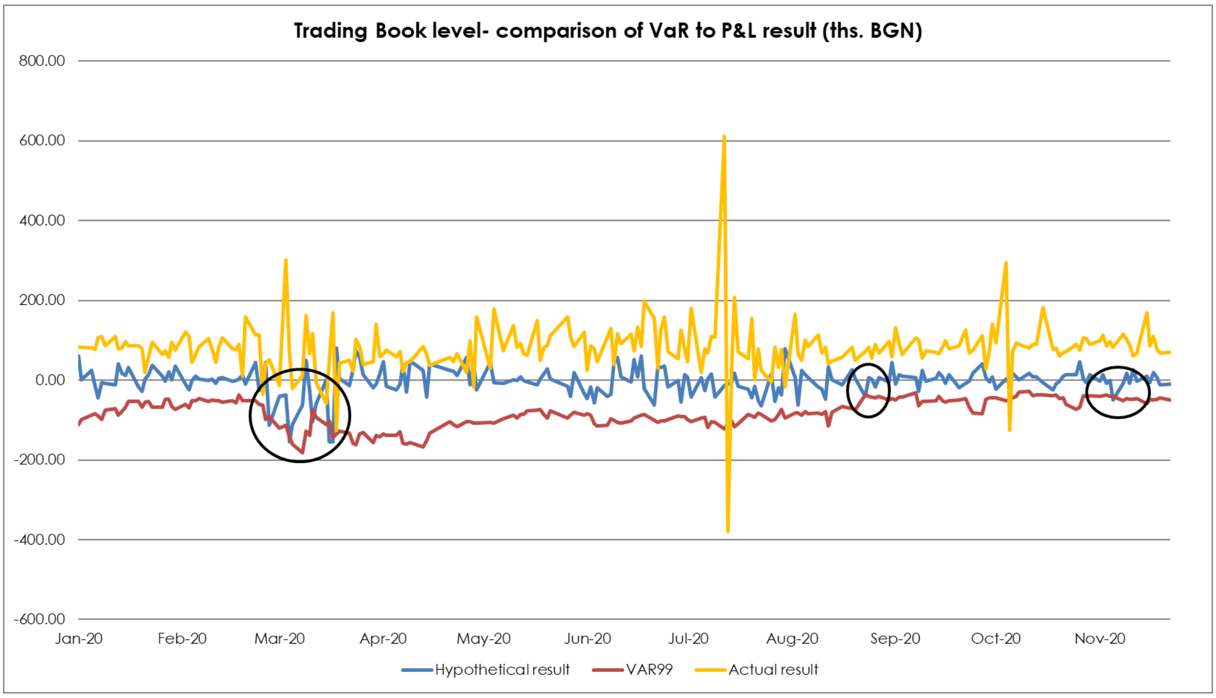
A) On Total Bank level, for the 2020, 3 violations of the hypothetical results are registered, which are in the green zone. The violations are due to the volatility that hit the markets in the middle of March and the escalation of the COVID-19 pandemic situation. However, as the bank does not apply the internal model approach, there is not a requirement for additional add-on factor to economic capital calculations.



Zone	Number of overshootings	Addend
Green	0	0.00
	1	0.00
	2	0.00
	3	0.00
	4	0.00
Yellow	5	0.40
	6	0.50
	7	0.65
	8	0.75
	9	0.85
Red	10 or more	1.00

B) Trading book:

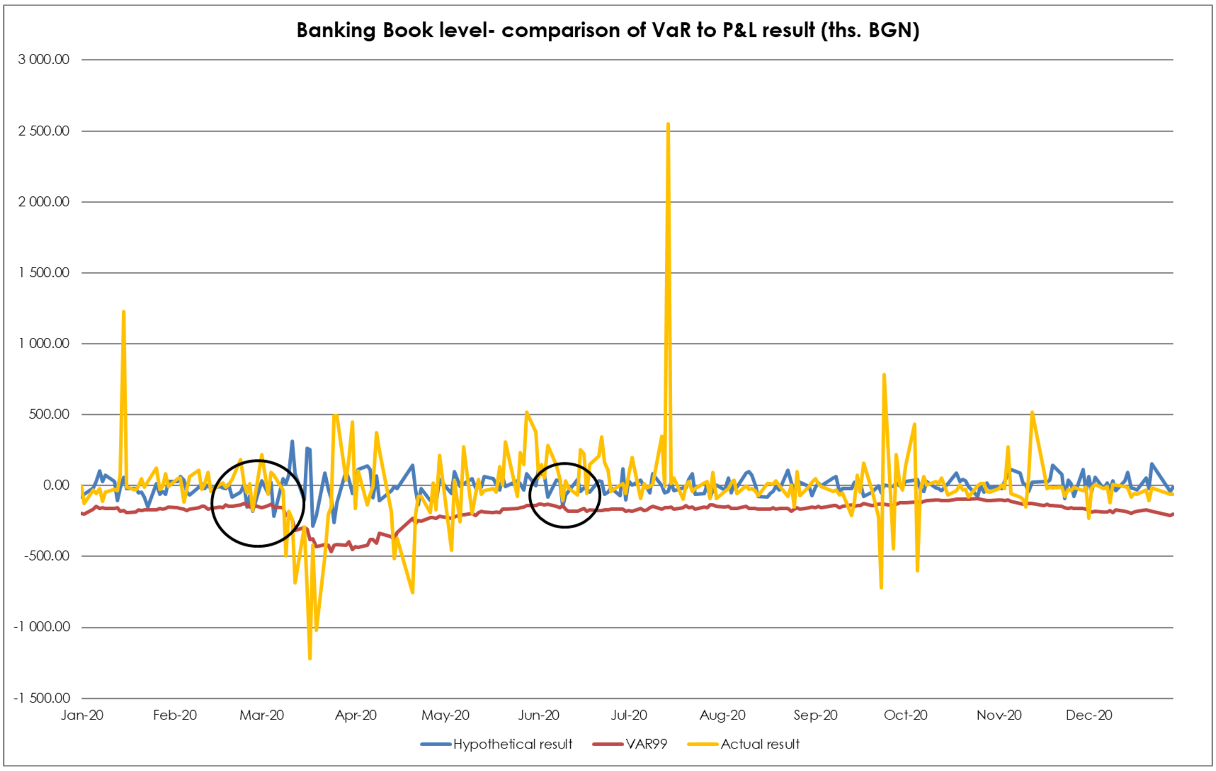
On trading book level, there are 7 violations of the hypothetical P&L for the 2020, which are in the yellow zone for the applied add-on for the economic capital calculations. Most of the violations are due to the volatility that hit the markets in the middle of March and the escalation of the COVID-19 pandemic situation. There were several violations of the actual result vs. VaR which were also due to the pandemic situation. As the bank does not apply the internal model approach, there is not a requirement for additional add-on factor to economic capital calculations.



Zone	Number of overshootings	Addend
Green	0	0.00
	1	0.00
	2	0.00
	3	0.00
	4	0.00
Yellow	5	0.40
	6	0.50
	7	0.65
	8	0.75
	9	0.85
Red	10 or more	1.00

C) Banking Book:

On a Banking book level, there are 4 registered violations of the hypothetical P&L vs. VaR on back-testing level from 2020. There were several violations of the actual result vs. VaR during the year. The main reason for the violations is the volatility that hit the markets due to COVID-19 pandemic situation.



Zone	Number of overshootings	Addend
Green	0	0.00
	1	0.00
	2	0.00
	3	0.00
	4	0.00
Yellow	5	0.40
	6	0.50
	7	0.65
	8	0.75
	9	0.85
Red	10 or more	1.00

16. OPERATIONAL RISK

Operational Risk Management is identifying, measuring, managing, and monitoring exposures, resulting from inadequate or failed internal processes, human interaction, and systems, or from external events.

The Operational Risk Management Framework consists of the processes, structures, controls, and systems used to manage Operational risk throughout the Group, ensuring that key governance elements and operating activities are in place.

RBI Group fosters a risk aware and open environment/culture, which supports identification, measurement, management, and monitoring of operational risks.

All employees of RBBG and its subsidiaries, through their individual roles and responsibilities, contribute to maintaining an effective Operational Risk Management Framework. Hence, all employees must clearly understand their individual role in the risk management process.

The Bank applies the Three lines of defense operating model which establishes the appropriate accountability for the Operational Risk Management.

The first line of defense is the risk originating units whose business activities give rise to risk. The risk originating units own Operational Risk. The Operational Risk Managers (ORM) and Dedicated Operational Risk Specialists (DORS) are responsible for the day-to-day management of Operational Risk in a manner consistent with the Group-wide principles applied in RBBG and its subsidiaries.

The second line of defense provides an independent assessment of Operational Risk, oversight and challenges the first line of defense. The second line of defense is comprised of: Group Chief Risk Officer (CRO) and Executive Director Risk Management and Finance; Operational Risk Management & Controls Committees; Group Operational Risk Controlling; Operational Risk Controlling of RBBG and its subsidiaries (ORC in RBBG).

Other units that are part of second line of defense are: Security Department (of second line of defense regarding Business Continuity Management, Information Security и Physical Security) and Compliance Department (of second line of defense regarding Compliance, Financial Crime Management и Internal Control System). The mentioned units as well as ORC in RBBG secure that risks related to their area are proactively defined, measured, managed, and monitored. Group Units that are part of second line of defense (SloD) also review and check the processes and systems of the Group.

The third line of defense is the Internal Audit Department, it reviews effectiveness and suitability of the general risk management processes. The audit function shall not be part of the day-by-day Operational Risk Management process to act as an independent review function.

Operational Risk is managed within the Risk Management cycle, which encompasses the identification, measurement, management, and monitoring of risk. More particularly, the Operational Risk is managed using the following tools and approaches - Risk Assessment, Scenario Analysis, Event Data Collection Early Warning Indicators, Reporting, etc. Together these tools and measures provide an overview of the Operational Risk exposure and ensure that it stays within the RBBG's risk appetite.

During 2020, the Operational Risk Controlling function focused on further improvements in the local processes related to operational risk management instruments, as well as COVID-19 effects data collection, analysis, and reporting.

The Bank applies the Standardized Approach (TSA) for the calculation of the regulatory capital for operational risk.

17. EXPOSURES TOWARDS EQUITY INSTRUMENTS OTHER THAN HELD FOR TRADING

The Bank recognizes the fair value of financial instruments using the following hierarchy of methods based on the significance of the factors used for fair value definition:

- Level 1: the inputs for level 1 are the quoted (unquoted) prices of instruments on active markets for identical financial instruments.
- Level 2: the inputs for level 2 are the observable or unobservable inputs for a certain asset or liability different from the quoted prices (included in level 1). This category includes instruments evaluated using quoted prices of identical or similar assets or liabilities on markets, not considered to be active; other valuation techniques where all significant inputs can be observed directly or indirectly using market data.
- Level 3: the inputs for level 3 are unobservable inputs for a certain asset or liability. This category includes all instruments for which the valuation technique does not include observable inputs and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments whose valuation is based on quoted prices of similar instruments where significant unobservable corrections or assumptions are required to account for the differences between the instruments.

The fair value of the financial instruments is calculated based on existing quotations of market prices using a state-of-the-art valuation tool widely adopted worldwide. The fair value of financial instruments for which no market prices quotations exist is calculated by diverse valuation techniques, as for example: calculation of the net present value, future cash flows discount, or comparison to similar instruments for which there are market prices quotations.

For more complex financial instruments the Bank apples internally developed models based on proven by practice valuation models. Some of the calculated valuations may be unobservable under the existing market conditions and are based on market prices or percentages or are based on assumptions. At the moment of the deal the financial instrument is at first recognized at purchase price that is the best fair value indicator, although it may differ from the value calculated by implementation of valuation models. This initial difference from the application of valuation models is recognized in the comprehensive income statement depending on the circumstances and conditions of the deal, but not later than the moment when there are observable financial markets inputs.

The fair values determined by application of valuation models are adjusted for several factors and circumstances considered at the time of the deal and that may not always be accounted for in the valuation model. These adjustments take into account the credit risk, dealer margins, liquidity risk, etc. the Management considers these adjustments to be necessary and relevant for the appropriate representation of the fair values in the Banks's financial statements so that they are as close as possible to the market prices, that would have been determined on a market basis in a transaction between unrelated parties.

The fair value calculation is supervised by the Market and Liquidity Risk Management Section under Market, Liquidity and Operational Risk Controlling department and is independent from Bank departments that are directly involved in the trading and investment activities. The specific supervisory functions include confirmation of the applied market prices, review of valuation models, review, and confirmation of new valuation models.

All equity instruments in the banking book are strategic investments sanctioned by decisions of the respective committees and the Management/Supervisory Board.

18. INTEREST RATE RISK ARISING FROM NON-TRADING BOOK ACTIVITIES

Due to the specifics of the positions arising from non-trading book an activity, defining the scope of interest rate risk is a matter of utmost importance, i.e. all interest rate risks related to the Bank's assets, liabilities and off-balance sheet items must be taken into account. To achieve this objective, an internal system for monitoring of exposures has been established. The system covers all on-balance-sheet and off-balance sheet items which are exposed to the risk of changing interest rates. The results generated by the interest rate risk management system in the Banking book are used to assess the effective allocation of economic capital, which in turn ensures the active monitoring and management of market risk, to which the Bank's Banking book is exposed.

The Bank applies a combination of the most common techniques to measure the risk of the change in the economic value of its assets/liabilities because of changing interest rates. The techniques for monitoring and managing interest rate risk are mainly based on maturity tables and tables that account for the next interest rate resets in the corresponding currency, according to the market conditions for the floating rate instruments. As part of the limit system, the possible deviations are translated into limits. The maturity tables used to account for the Bank's interest risk exposure are the distribution of interest sensitive assets, liabilities and off-balance sheet positions at predetermined time intervals according to their maturity (in case of fixed rate instruments) or the remaining time until the next interest reset date (in case of floating rate instruments). Assets and liabilities for which the maturity cannot be determined (e.g. sight deposits or savings accounts) are modelled by using replication matrices, the validity of which is back-tested every 6 months and, if necessary, they are optimized/recalibrated. Interest rate gap analysis combined with applying durational weights for each time interval is used in the next phase in management and monitoring of interest risk in the Banking book. Such analysis successfully complements the rest of the techniques used by the Bank and it is an essential part of the tool kit for determining, limiting, and monitoring the interest rate risk of the Banking book.

The Bank's system for interest rate risk management aims to improve the process and optimize the calculation processes. The system is specialized software that is used on a group level and allows for the following:

- Simulation of the Bank's net interest income (NII) in different standard and non-standard scenarios of changing interest curves.
- Identifying the factors that are relevant to the Bank's NII.
- Measuring the impact of different business strategies on the Bank's balance, thus providing a sound basis for decision making.
- Support the process of regulatory compliance and recommendations.

On the following figure the change of the interest-sensitive income of the Bank at the end of 2020 is presented in a scenario +/-200 b.p. (parallel shift of the interest rate curve). The scenario presented below represents a positive or negative change in interest-sensitive income against baseline scenarios at stable interest rates.

ISI Scenarios / ISI Sensitivity	Parallel + 200 bp		Parallel - 200 bp	
	2021	2022	2021	2022
Change in Net Interest Income	72.33	85.12	-27.75	-38.06
Change in Valuation	-14.88	0.65	28.96	2.31
Total ISI Sensitivity	57.45	85.77	1.20	-35.75

In BGN mn |Figures representing difference between Stable and respective Stree scenario

*Income variability due to application of interest rates shocks

The Interest rate risk in the Banking book is also valued using the value-for-risk (VaR) calculation. VaR values and existing limits are the basis of the concept of applying internal models for risk management purposes on an operational level and are calculated on a daily basis. This type of limit serves to regulate the Bank's exposure to interest rate changes. StdVarHistIr is a stand-alone IR simulation, it is regulatory required on bank level banking book scope. StdVarHistIr is a historical VaR simulation with the following setup:

- Overlapping 20 (working) day returns over a 7-year period (7 years approx. 1750 returns)
- Mirroring of the scenarios (for each scenario a scenario with the returns multiplied by -1 is added) yielding 3500 scenarios
- 1%-quantile of the simulated P/L vector is taken
- The weighting scheme considered is such that the most recent 4 years from the total 7 years, i.e. most recent 1000 scenarios, are equally weighted. After 4 years the weight is reduced linearly to reach a value of 0 after 7 years.

VaR 1d/99%	2020			
In thsd. BGN	Avg	Max	Min	31/12/2020
VaR IRRBB	7 276.07	8 353.43	6 393.87	6 394.23

*IR VaR in the Banking book for 2020

19. EXPOSURES IN SECURITISATION POSITIONS

Raiffeisenbank Bulgaria currently participates in synthetic securitization schemes as an issuer but as of 31.12.2020 does not transfer the risk to the investor for calculating the regulatory capital requirements.

20. REMUNERATION

The Management Board of Raiffeisenbank (Bulgaria) EAD approves the Remuneration Policy then confirmed by the Supervisory Board. The Policy applies to employees of the Bank and its subsidiaries who are under supervision on a consolidated basis.

The Human Resources Department, the Compliance Department, and the Legal Division are involved in the preparation and the annual review of the Policy. The Remuneration Policy is in line with the applicable Internal Regulations of the RBI Group, part of which is Raiffeisenbank (Bulgaria) EAD. The Policy defines the main principles for determining the remuneration elements (fixed and variable) for all employees falling within the scope of the Policy. It focuses on the reliable and effective risk management and does not encourage risk taking that would lead to a change in the Bank's risk profile and would exceed the Bank's tolerable risk levels. The policy aims at synchronizing the employees' interests with the Bank's long-term interests and its business strategy and provides for measures for avoiding conflicts of interest.

The policy considers remuneration as a set of elements of fixed and variable nature, the latter being directly linked to the results (quantitative and qualitative indicators) of the activity of the bank as a whole, the structural unit and the employee in different configurations. The elements of the variable remuneration are managed through a bonus pool, which includes the variable remuneration of all employees entitled to such remuneration, including senior management.

The amount and funding of the bonus pool, as well as the allocation of the deferred/retained parts of the individual variable remuneration of the identified staff under Art. 2, items 1, 2 and 4 of Ordinance No. 4 of 2010 of the BNB on the requirements for remuneration in banks is determined according to the annual results on predefined indicators – return on equity, cost/income ratio, return of risk-adjusted capital, risk weighted assets, fulfilment of CET1 ratio at RBI Group level, fulfilment of CET1 ratio at local level. The results of the activity of Raiffeisenbank (Bulgaria) EAD are measured and evaluated on predefined indicators, covering periods longer than 1 year, taking into account the business cycle and the risks undertaken, as well as the cost of the capital and the necessary liquidity.

The incentive schemes for variable remuneration, documented in Art. 5.6.9. of the Raiffeisenbank (Bulgaria) EAD Remuneration Policy, consider individual and team performance, have a qualitative step-in criterion for payment of variable remuneration and a minimum of 30% of the performance depends on the realization of quality indicators. These models necessarily provide for both a possibility for zero variable remuneration and a maximum amount of the individual variable remuneration.

The procedure for allocation and payment of variable remuneration to the persons under Art. 2, items 1, 2 and 4 of Ordinance No. 4 of 2010 of the BNB on the requirements for remuneration in banks is documented in Art. 6 of the Remuneration Policy of Raiffeisenbank (Bulgaria) EAD – Specific Principles for Remuneration in the RBI Group – applicable in RBBG. The variable portion of the total remuneration of the persons under Art. 2 of Ordinance No. 4 of the BNB is distributed in a ratio of 50/50 for the monetary and non-monetary part. The payment of 40% of the variable remuneration (both for the monetary and the non-monetary part) is deferred for a period of 3 years, and the portion paid in instruments is retained for one year. For the persons under Article 10 of the CIA, the payment of 60% of the variable remuneration (both for the monetary and the non-monetary part) is deferred for a period of 4 years and the portion paid in instruments is retained for two years.

Variable remuneration elements that are subject to retention can only be granted (only after the expiry of the relevant retention periods – with a duration of 1 or 2 years) in amounts that allow the proper application of the risk reporting requirements (after a check on events occurred, resulting in a reduction in deferred remunerations or the reimbursement of paid or acquired remunerations, the so-called Malus/Clawback events).

A limit on the variable remuneration is set at 100% of the fixed remuneration, which can be increased to 200% of the fixed remuneration only with the approval of the RBI Board, the RBBG Supervisory Board and the shareholders or owners or members of RBBG.

21. LEVERAGE RATIO

In compliance with art. 429 of Regulation (EU) 575/2013 (and the later amendments of that Regulation) the Leverage ratio is part of the Liquidity risk management framework. The Bank calculates its Leverage ratio dividing the capital measure by the total exposure measure and expressed as a percentage. Below you can find information about the Leverage ratio of the Bank in accordance with art. 451 of Regulation (EU) 575/2013 and Implementing Regulation (EU) 2016/200:

Table LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

		Applicable Amount
1	Total assets as per published financial statements	9,763,706
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	
3	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with Article 429(13) of Regulation (EU) No 575/2013)	
4	Adjustments for derivative financial instruments	18,475
5	Adjustment for securities financing transactions (SFTs)	
6	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	852,906
EU-6a	(Adjustment for intragroup exposures excluded from the leverage ratio total exposure measure in accordance with Article 429(7) of Regulation (EU) No 575/2013)	
EU-6b	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with Article 429(14) of Regulation (EU) No 575/2013)	
7	Other adjustments	134,474
8	**Leverage ratio total exposure measure**	10,769,561

Table LRCom: Leverage ratio common disclosure

		CRR leverage ratio exposures
On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	9,892,808
2	(Asset amounts deducted in determining Tier 1 capital)	(14,696)
3	**Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)**	9,878,112
Derivative exposures		
4	Replacement cost associated with all derivatives transactions (ie net of eligible cash variation margin)	20,068
5	Add-on amounts for PFE associated with all derivatives transactions (mark- to-market method)	18,475
EU-5a	Exposure determined under Original Exposure Method	
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	
8	(Exempted CCP leg of client-cleared trade exposures)	
9	Adjusted effective notional amount of written credit derivatives	
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	
11	**Total derivatives exposures (sum of lines 4 to 10)**	38,543
SFT exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	
14	Counterparty credit risk exposure for SFT assets	
EU-14a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429b(4) and 222 of Regulation (EU) No 575/2013	
15	Agent transaction exposures	
EU-15a	(Exempted CCP leg of client-cleared SFT exposure) 16	
16	Total securities financing transaction exposures (sum of lines 12 to 15a)	-
Other off-balance sheet exposures		
17	Off-balance sheet exposures at gross notional amount	
18	(Adjustments for conversion to credit equivalent amounts)	852,906
19	**Other off-balance sheet exposures (sum of lines 17 and 18)**	852,906
Exempted exposures in accordance with Article 429(7) and (14) of Regulation (EU) No 575/2013 (on and off balance sheet)		
EU-19a	(Intragroup exposures (solo basis) exempted in accordance with Article 429(7) of Regulation (EU) No 575/2013 (on and off balance sheet))	
EU-19b	(Exposures exempted in accordance with Article 429 (14) of Regulation (EU) No 575/2013 (on and off balance sheet))	
Capital and total exposure mesure		
20	**Tier 1 capital**	883,449
21	**Leverage ratio total exposure measure (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)**	10,769,561
Leverage ratio		
22	**Leverage ratio**	8.20%
Choice on transitional arrangements and amount of derecognised fiduciary items		
EU-23	Choice on transitional arrangements for the definition of the capital measure	
EU-24	Amount of derecognised fiduciary items in accordance with Article 429(11) of Regulation (EU) No 575/2013	

Table LRSpl: Split-up of on balance sheet exposures (excluding derivatives, STFs and exempted exposures)

		CRR leverage ratio exposures
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	9,892,808
EU-2	Trading book exposures	
EU-3	Banking book exposures, of which:	9,892,808
EU-4	Covered bonds	107,477
EU-5	Exposures treated as sovereigns	2,066,942
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	22,450
EU-7	Institutions	598,958
EU-8	Secured by mortgages of immovable properties	1,953,305
EU-9	Retail exposures	1,433,143
EU-10	Corporate	2,983,233
EU-11	Exposures in default	172,827
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	554,473

22. INTERNAL CAPITAL ADEQUACY ASSESSMENT

Raiffeisenbank Bulgaria defines the respective capital used for covering losses regarding subsequent Pillar 2 items – Internal Capital and Risk-Taking Capacity.

Based on Principle 5 (Internal capital is of high quality and clearly defined) of the "ECB Guide to the internal capital adequacy assessment process (ICAAP)" stipulating that the internal capital is of high quality and clearly defined, RBBG and RBI group defines the respective Internal Capital and Risk Taking Capacity for the economic perspective as well as the respective capital used to cover potential losses within the normative perspective (Stress Testing purposes).

The general target of the respective capital definition is to ensure high quality of all components and to fulfil the Principle 5 of the ECB Guide.

With regards to the economic perspective, the Bank is applying two different perspectives (As these two perspectives have different confidence levels in regard to their covered risk types (99.9% vs. 95%), capital composition is different too.

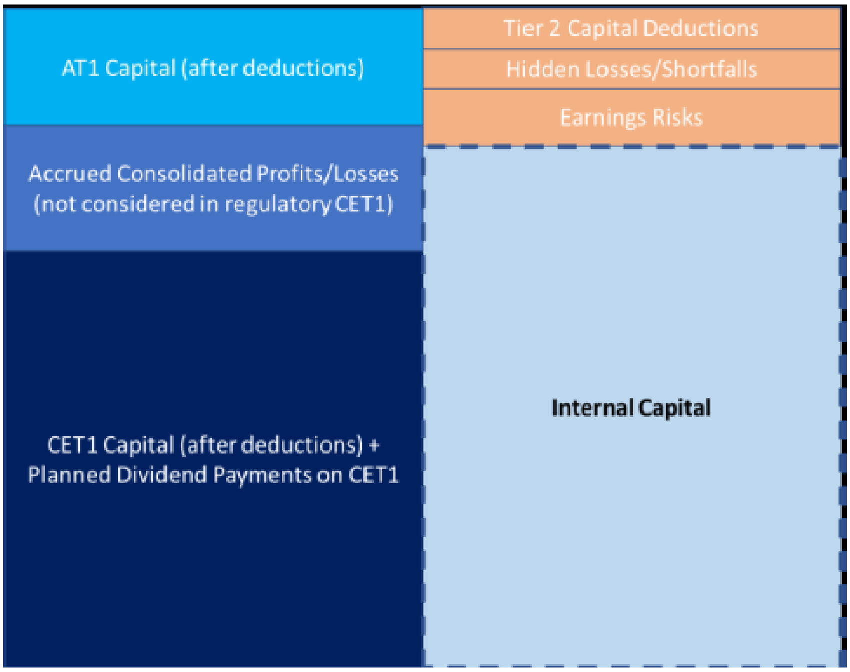
INTERNAL CAPITAL

Internal capital is the capital amount available to cover risks in the Economic Capital approach.

To fulfil Principle 5 of the "ECB Guide", the definition of internal capital uses regulatory own funds, excluding any Tier 2 Capital positions. Respectively, Raiffeisenbank (Bulgaria) EAD internal capital consists of:

- Common Equity Tier 1 Capital.
- Additional Tier 1 Capital.

The graph below outlines the main calculation principles to determine internal capital on RBI Group level:



- CET1 after deductions and Planned Dividend payments

CET1 after deductions is based on respective regulatory Reporting of own funds. This means, several deduction items are already considered (e.g. deduction of intangible assets). CET 1 includes subscribed capital, capital reserves, retained earnings and is core component of the internal capital of the Bank.

- Accrued Consolidated Profit

Accrued Consolidated profits (losses) which are not considered in regulatory CET1 positions of the current reference period but exclude any expected profits until the end of the remaining planning/reporting period. This amount is calculated periodically while preparing the Bank's regular income statement.

- Additional Tier 1

AT 1 Instruments means any (directly or indirectly issued) capital instruments that qualify as Additional Tier 1 instruments pursuant to Article 52 CRR, including any capital instruments that qualify as Additional Tier 1 instruments pursuant to transitional provisions under the CRR.

- Deductions of T2 Capital

From regulatory perspective, additional deduction items exist on T2 capital (acc. CRR Art. 66). The respective positions are deducted from Gross Internal Capital.

- Hidden Losses and Shortfalls

Hidden Losses could exist in the case that there exist negative differences of fair value and book value of asset and liability positions.

Shortfall: In case, loss provisions from Bank's portfolio are lower than its expected losses, the respective shortfall amount (Loss provisions versus Expected loss) is deducted from Gross Internal Capital. A respective excess of provisions over expected loss is not considered in Gross Internal capital.

Calculation of Excess/Shortfall for Internal Capital:

  - Calculation of excess/shortfall from PLLP vs. EL from performing portfolio, capped by 0.6% of credit EC * 12.5
  - Calculation of excess/shortfall from ILLP vs. EL from non-performing portfolio, capped by 0.6% of credit EC * 12.5

- Earnings Risk

Earnings risk stemming from immediate change in interest rates and net fee and commission income are deducted from Internal Capital.

RISK TAKING CAPACITY

Value-at Risk Approach - Banking laws require banks to hold a minimum amount of capital for all their material risks. Regulators require banks to hold capital for the same objective but a different reason as the bank's shareholders do. They try to avoid financial distress of a bank as they are concerned with the spill-over of a default to other banks (systemic risk) and the cost they must bear for deposit insurance or bank rescue operations.

For these risks (i.e. credit, market, and operational risk) explicit quantification and assessment procedures are given; adding up those numbers yields the regulatory capital requirement.

Likewise, a legal definition of eligible capital for backing these risks exists. So-called Common Equity Tier-1, Additional Tier 1 capital, and Tier-2 capital is accepted as risk buffer.

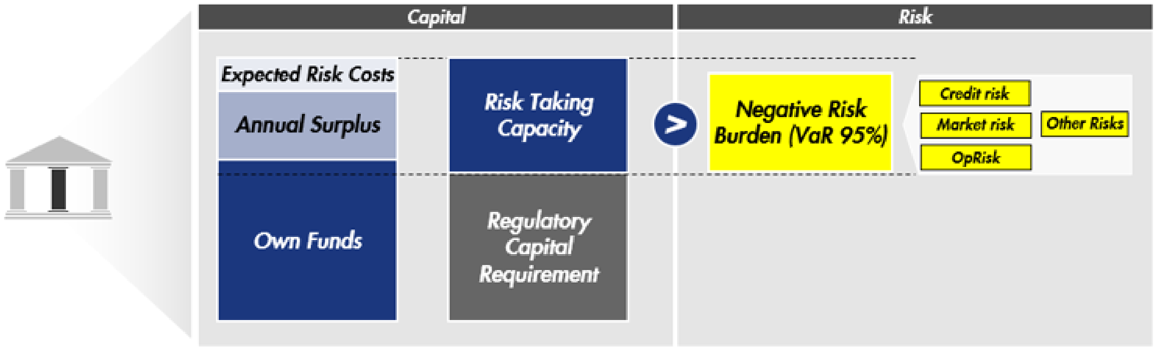
Besides the economic capital concept risk management must ensure that regulatory capital requirements are met.

Failure to meet these capital requirements will not necessarily result in default but will probably trigger regulatory intervention against the management of the bank and dividend payments. The Bank holds capital more than the regulatory minimum as an extra buffer to avoid regulatory intervention and subsequent reputational losses which is called risk taking capacity (RTC). Additionally, excess capital is held as a buffer for increasing business activities and future growth.

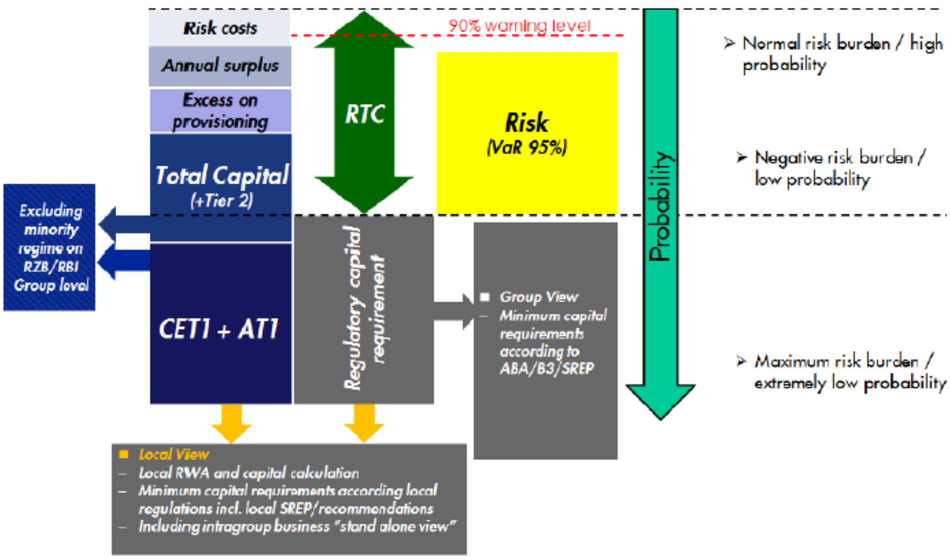
Because Risk Taking Capacity is mainly based on the surplus of capital over the minimum capital requirement (MCR), MCR is the needed regulatory capital requirement for Pillar I risks. For RTC purposes, the MCR is not calculated by using the CRR minimum capital requirement only, but also includes the subsequent buffer types:

- the additional Pillar II SREP add-on since 01.01.2020.
- the combined buffer regime (systemic risk buffer, capital conservation buffer, countercyclical buffer, buffer for global systemically important institutions, buffer for other systemically important institutions).

Since 2020 Risk Taking Capacity is used for monitoring purposes only and not for capital steering.



The maximum loss such that the bank still can meet the defined MCR is the excess capitalization of eligible own funds compared to MCR. In addition, several restrictions on the eligibility of different levels of capital quality exist. No need to pay a minimum dividend is assumed, but if business operations were increased, then new capital would be necessary.

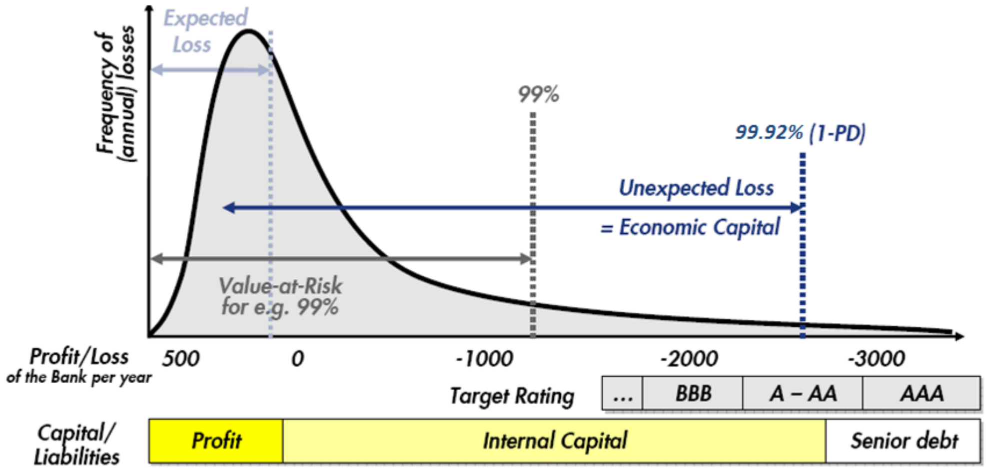


ECONOMIC CAPITAL

Economic capital (also called Internal Assessment of Capital Needs) denotes an overall estimate of the overall level of the risk at Raiffeisenbank Bulgaria, calculated using statistical risk measurement approaches. The horizon that underlies the estimation of economic capital equals one year which is consistent with the one year period for estimating the default probability of the Bank's target rating and – moreover – it corresponds to the annual planning and budgeting process used to calculate and allocate economic capital. Nevertheless, for some risk types other horizons are used as well to reflect different market conditions (e.g. for trading book positions) or planning periods. The confidence level for quantifying economic capital is set at 99.90%, consistent with the default probability of the target rating of the Bank.

Value-at-Risk (VaR) is an assessment of the maximum expected and unexpected potential loss over a given time horizon for a given confidence level. Credit risk losses could be expected due to the possibility of occurrence of customer default. Unexpected credit risk losses arise due to write-offs or due to increase of loan loss provisions above the expected amounts. Market risk-taking activities are related to expectations of positive financial results. Still, unfavorable changes in risk factors (for instance, interest rates, FX rates, equity prices, volatility, etc.) could lead to losses from the portfolio. The frequency and the severity of the inadequate or failed internal processes, people, and systems or from external events are a measure of the unexpected losses arising from operational risk.

Economic capital is related to VaR in that it denotes the unexpected part of the VaR figure. Expected losses directly reduce (expected returns increase) available risk coverage capital and therefore only unexpected losses need to be backed by the (adjusted) amount of capital.



Economic capital is a comparable measure of different risk drivers and it ensures consistency in two different lines: consistency of the applied methodology and of the set of parameters related to it.

VaR for Market risk

VaR is a measure, based on statistical methods, of the potential loss for the Bank in unfavorable market movements. It is the maximum loss which can occur with certain level of confidence (99%). Therefore, there is a 1% chance that the loss will be greater than the expected amount. The VaR methodology assumes a holding period of n days for closing of the positions (1d). The model also assumes that the market conditions during the holding period will follow to a certain degree the conditions that were historically recorded.

The Bank uses a hybrid approach in VaR calculation. The historical simulation method is combined with the parametric VaR, taking into consideration events resulting from extreme movements of the risk factors. The volatility of the risk factors is time-weighted (the volatility for the last 20 trading days is weighted with 80% in the calculation and the volatility of the last two years is assigned with a 20% weight in the model).

For the purpose of Economic Capital (EC) calculation, the scope is extended to include credit spreads and the position scope is extended to cover Trading Book and Banking Book interest rate positions separately. In November 2020 a new method for calculating Economic Capital for Banking Book was implemented. The calculation now includes one simulation which combines Interest rate, Credit Spread and FX Risk. Credit Spread Risk for Loan Book is removed from VaR/Economic Capital calculation and this is aligned with European Central Bank.

To calculate Economic Capital for Banking Book, "StdVarHistIALL NoMarginEve" simulation is used. The simulation "StdVarHistIALL NoMarginEve" represents a 99% 20-day VaR.

Total Economic Capital is the sum of diversified Banking Book (BB) plus Trading Book (TB) which is of course lower than sum of individual risks due to diversification effects in Banking Book. Currently RBBG does not have StdVarVega1K and StdVaREq.

Market Risk EC = **Trading Book EC** + **Banking Book EC** + **Equity Risk EC**

Trading Book EC = **StdVarAll + StdVarVega1K (45-day Holding Period,99.9%-quantile, TB only)**

Banking Book EC = **StdVaRHistAll NoMarginEve* + StdVarVega1K (250-day Holding Period, 99.9%-quantile, BB only)**

Equity Risk EC = **StdVarEq (99.9%-quantile)**

Regarding the detailed calculation of Economic Capital, RBBG follows strictly the best methodological practices of RBI which are presented in "REG-2015-0015 Market Risk Management Rulebook RBI Group General Part" and the respective supporting documentation.

VaR calculations for each portfolio differ according to the set of market factors considered in the model. VaR is calculated for each group of market factors: FX VaR (foreign currency risk), IR VaR (interest rate risk), SP VaR (spread risk), EQ VaR (equity risk):

Risk Factor	Covered in VaR	Not covered in VaR	Comment
Foreign Exchange (FX)	X		
Interest Rate (IR)	X		
Credit Spread (SP)	X		Bond/CDS-spreads
Equity (ZQ)	partly	X	Only indices and dominating underlyings of capital guarantee/ZUV exposures, Not approved risk category (only in RCB)
Equity Dividends (ZQD)		X	Not approved risk category (only in RCB)
Commodity (CO)		X	Not approved risk category (only in RCB)
Implied Volatility for FX options (FXV)	X		FX
Implied Volatility for IR options (IRV)	X		cap, swaptions
Implied volatility for EQ options (ZQV)		X	Not approved risk category (only in RCB)
Implied Quanto correlation (QC)		X	Covered by sensitivity limits
Inflation (IFR)	X		Inflation swaps
Implied volatility for Inflation (ICY, ICZ)	X		
CO2		X	Not approved risk category
Sovereign Basis risk (included in SP)	X		Government-swap covered in SP category
General basis risks (SPB)	X		FREQ Types and XC/FX
Gap risk	X		Only connected with capital guarantees in RBI

FX – Foreign Exchange Rates

IR – Interest Rate

SP – Credit spread

ZQ – Equity price

ZQD – Equity Dividend

CO – Commodity Prices

FXV/ IRV – Implied volatilities

ZQV – Implied volatilities

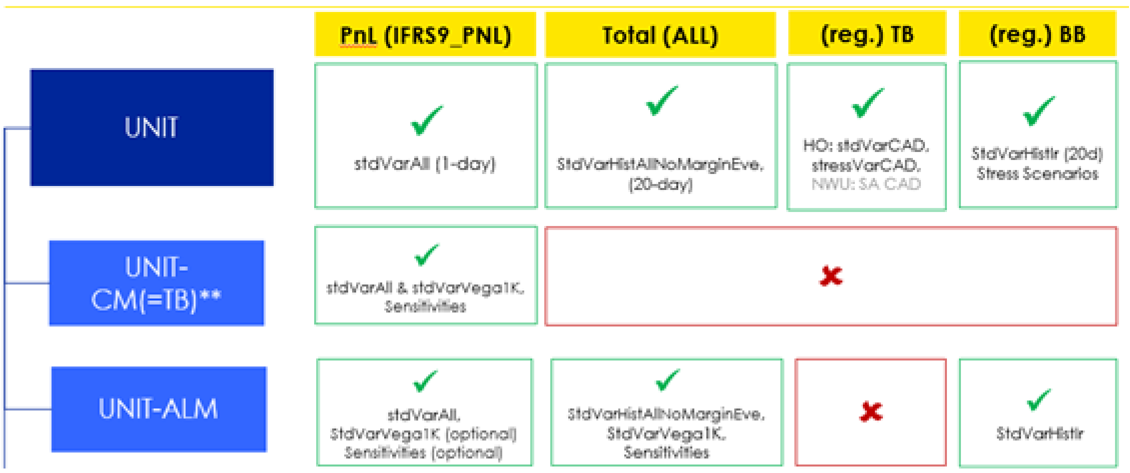
QU – Implied Correlations

IN – The risk that the implied inflation curve changes

CO_2 – Carbon emission

Real results from the applied model are analyzed on a continuous basis in order to validate the assumptions and factors applied in the calculations.

In 2020 RBI introduced a new scope for Value at Risk simulations. The main purpose of the new scope is the focus of the "reactive" Std VarAll simulation to be placed on the positions that can be actively managed, and which are also affecting the daily P&L figures according to the IFRS 9 standards.



The application of this framework could not prevent the occurrence of losses above the specified limits. Nevertheless, the application of the hybrid VaR model considers to a certain degree extreme market factor conditions and movements above the expected ranges.

- StdVarHistAllNoMarginEve: includes all risk factors, (FX, IR, Bond Spread, Basis Risk, Credit Spread). This simulation is relevant for Market risk EC calculations following the completed 2020 limit reviews.
- StdVarHistIr: is a stand-alone IR simulation, it is regulatory required on bank level banking book scope.
- StdVarAll: is a 1-day Monte-Carlo hybrid simulation, calibrated on 2-year history of returns, 80% weight on the last 20 days.

Detailed information regarding Value-at-Risk methodology can be found in REG-2015-0015 Market Risk Management Rulebook RBI Group General Part and the respective supporting documents.

in thsd. BGN (1 d/99 %)	AVG	MAX	MIN	31.12.2020
Trading Book VaR on an individual basis	78	181	28	48
Banking Book VaR on an individual basis	2 614	4 198	1 469	4 023
Total VaR Diversified	2 612	4 164	1 444	4 012

RISK APPETITE

The **Risk Appetite** framework aims to provide the management with a tool to set and constrain the level of overall risk RBBG is willing and able to take on, to achieve its strategic and business goals. There is a close interconnectedness to the Internal Capital Adequacy Assessment Process (ICAAP), as the main objective of the Risk Appetite Framework is to align strategic and business target with the necessity to fulfill minimum regulatory capital requirements not only in the base case scenario, but importantly also in adverse scenarios, as well as in an extreme risk scenario (gone-concern).

Under the framework of Risk Appetite, the following terms are defined:

- **Risk Capacity**: The level of overall risk the bank can absorb before breaching regulatory requirements and potentially become subject of resolution. Within the ICAAP concept the Risk Capacity is defined 100% utilization of Internal Capital by Economic Capital (Economic Capital Approach). The regulatory minimum capital ratios (CET1, T1, TC) form the Risk Capacity is the Normative Perspective. In the context of the ILAAP the Risk Capacity is defined as the regulatory minimum for the LCR.
- **Risk Profile** – RBBG Risk Profile is defined as the respective sum of the risk amounts for all quantified risk types in the ICAAP at a given reporting date (i.e. the Economic Capital).
- **Risk Tolerance** – the level of overall risk the bank is willing to tolerate before it must consider countermeasures.
    - ICAAP – Economic Perspective
        - Risk Tolerance threshold for the allocated EC budget is set at 95% of the RBBG's individual internal capital
    - ICAAP – Normative Perspective
        - Baseline Scenario: aligned with the yellow thresholds in the Trigger Monitoring.
        - Stress Scenarios: aligned with the red thresholds in the Trigger Monitoring

- **Risk Appetite** – the overall level of risk which is planned and budgeted in line with the business perspective. For this purpose, the Appetite is defined as a percent of the Risk Tolerance, so that regular breaches are not observed. The currently applicable threshold is defined as 75% of the Internal Capital.

The Economic Capital utilization is monitored on a quarterly basis and reported to the Risk Governance Committee and the utilization is considered separately for each risk type:

- Non-Retail Credit Risk.
- Retail Credit Risk.
- Market Risk.
- FX capital position.
- Operational Risk.
- Other Risks (including participation risk, liquidity risk, owned property risk, CVA risk).
- Risk buffer for non-quantifiable risks – defined as % of the Economic Capital allocated for all other risk types.

23. DISSEMINATION OF INFORMATION

This information is disclosed annually in compliance with Part Eight of Regulation (EU) 575/2013 on the Bank's website *rbb.bg* under section Annual Reports.

Stefan Ivanov

Executive Director

Procurator

ANNEX 1 – DISCLOSURE TEMPLATES

Detailed Information About The Own Funds of Raiffeisenbank (Bulgaria) EAD as of 31.12.2020 on Consolidated Basis in accordance with Commission Implementing Regulation (EU) No 1423/2013 laying down implementing technical standards with regard to disclosure of own funds requirements for institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council

BGN 000's

	Transition own funds disclosure template (consolidated basis)	AMOUNT AT DISCLOSURE DATE	REGULATION (EU)No 575/2013 ARTICLE REFERENCE
	Common equity Tier 1 (CET1) capital: Instruments and reserves		
1	Capital instruments and the related share premium accounts	603 448	26 (1), 27, 28, 29
	of which: Instrument type 1	603 448	EBA list 26 (3)
	of which: Instrument type 2		EBA list 26 (3)
	of which: Instrument type 3		EBA list 26 (3)
2	Retained earnings	296 652	26 (1) (c)
3	Accumulated other comprehensive income (and other reserves)	7 800	26 (1)
3a	Funds for general banking risks		26 (1) (f)
4	Number of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1		486 (2)
5	Minority interests (amount allowed in consolidated CET1)		84
5a	Independently reviewed interim profits net of any foreseeable charge or dividend		26 (2)
6	Common equity Tier 1 (CET1) capital before regulatory adjustments	907 900	Sum of rows 1 to 5a
	Common equity Tier 1 (CET1) capital: regulatory adjustments		
7	Additional value adjustments (negative amount)	-3 002	34, 105
8	Intangible assets (net of related tax liability) (negative amount)	-21 449	36 (1) (b), 37
9	Empty set in the EU		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)		36 (1) (c), 38
11	Fair value reserves related to gains or losses on cash flow hedges		33 (1) (a)
12	Negative amounts resulting from the calculation of expected loss amounts		26 (1) (d), 40, 159

13	Any increase in equity that result from securitized assets (negative amount)		32 (1)
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing		33 (1) (b)
15	Defined-benefit pension fund assets (negative amount)		36 (1) (e), 41
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)		36 (1) (f), 42
17	Direct, indirect, and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		36 (1) (g), 44
18	Direct, indirect, and synthetic holdings of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10 % threshold and net of eligible short positions) (negative amount)		36 (1) (h), 43, 45, 46, 49 (2) (3), 79
19	Direct, indirect, and synthetic holdings of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10 % threshold and net of eligible short positions) (negative amount)		36 (1) (i), 43, 45, 47, 48 (1) (b), 49, (1) to (3), 79
20	Empty set in the EU		
20a	Exposure amount of the following items which qualify for a RW of 1250 %, where the institution opts for the deduction alternative		36 (1) (k)
20b	of which: qualifying holdings outside the financial sector (negative amount)		36 (1) (k) (i), 89 to 91
20c	of which: securitization positions (negative amount)		36 (1) (k) (ii), 243 (1) (b), 244 (1) (b), 258
20d	of which: free deliveries (negative amount)		36 (1) (k) (iii), 379 (3)
21	Deferred tax assets arising from temporary differences (amount above 10 % threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)		36 (1) (c), 38, 48 (1) (a)
22	Amount exceeding the 15 % threshold (negative amount)		48 (1)
23	of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities		36 (1) (i), 48 (1) (b)
24	Empty set in the EU		
25	of which: deferred tax assets arising from temporary differences		36 (1 (c), 38, 41 (1) (a)
25a	Losses for the current financial year (negative amount)		36 (1) (a)
25b	Foreseeable tax charges relating to CET1 items (negative		36 (1) (l)

	amount)		
26	Regulatory adjustments applied to Common Equity Tier 1 in respect of amounts subject to pre-CRR treatment		
26a	Regulatory adjustments relating to unrealized gains and losses pursuant to Article 467 and 468		
26b	Amount to be deducted from or added to Common Equity Tier 1 capital regarding additional filters and deductions required pre CRR		481
27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)		36 (1) (j)
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	-24 451	Sum of rows 7 to 20a, 21, 22 and 25a to 27
29	Common equity Tier 1 (CET1) capital	883 449	Row 6 minus row 28
	Additional Tier 1 (AT1) capital: Instruments		
30	Capital instruments and the related share premium accounts		51, 52
31	of which: classified as equity under applicable accounting standards		
32	of which: classified as liabilities under applicable accounting standards		
33	Number of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1		486 (3)
	Public sector capital injections grandfathered until 1 January 2018		483 (3)
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties		85, 86, 480
35	of which: Instruments issued by subsidiaries subject to phase out		486 (3)
36	Additional Tier 1 (AT1) capital before regulatory adjustments		
	Additional Tier 1 (AT1) capital: regulatory adjustments		
37	Direct and indirect holdings by an institution of own AT1 instruments (negative amount)		52 (1) (b), 56 (a), 57, 475 (2)
38	Holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		56 (b), 58, 475 (3)
39	Direct and indirect holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10 % threshold and net of eligible short positions) (negative amount)		56 (c) 59, 60, 79, 475 (4)
40	Direct and indirect holdings of the AT1 instruments of financial sector entities where the institution has a		56 (d), 59, 79, 475 (4)

	significant investment in those entities (amount above 10 % threshold and net of eligible short positions) (negative amount)		
41	Regulatory adjustments applied to additional tier 1 in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 572/2013 (i.e. CRR residual amounts)		
41a	Residual amounts deducted from Additional Tier 1 capital regarding deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of regulation (EU) No 575/2013		472, 472 (3) (a), 472 (4), 472 (6), 472 (8) (a), 472 (9), 472 (10) (a) 472 (11) (a)
	Of which items to be detailed line by line, e.g. Material net interim losses, intangibles, shortfall of provisions to expected losses etc.		
41b	Residual amounts deducted from Additional Tier 1 capital regarding deduction from Tier 2 capital during the transitional period pursuant to article 472 of regulation (EU) No 575/2013		477, 477 (3), 477 (4) (a)
	Of which items to be detailed line by line, e.g. Reciprocal cross holdings in Tier 2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc.		
41c	Amount to be deducted from or added to Additional Tier 1 capital regarding additional filters and deductions required pre-CRR		467, 468, 481
42	Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)		56 (e)
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	0	
44	Additional Tier 1 (AT1) capital	0	
45	Tier 1 capital (T1 = CET1 + AT1)	883 449	
Tier 2 (T2) capital: instruments and provisions			
46	Capital instruments and the related share premium accounts	292 171	62, 63
47	Number of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2		486 (4)
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties		87, 88, 480
49	of which: Instruments issued by subsidiaries subject to phase out		486 (4)
50	Credit risk adjustments	25 884	62 (c) & (d)
51	Tier 2 (T2) capital before regulatory adjustments	318 055	
Tier 2 (T2) capital: regulatory adjustments			
52	Direct and indirect holdings by an institution of own T2		63 (b) (i), 66

	instruments and subordinated loans (negative amount)		(a), 67, 477 (2)
53	Holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		66 (b), 68, 477 (3)
54	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10 % threshold and net of eligible short positions) (negative amount)		66 (c), 69, 70, 79, 477 (4)
54a	Of which new holdings not subject to transitional arrangements		
54b	Of which holdings existing before 1 January 2013 and subject to transitional arrangements		
55	Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) as described in Articles 66(d) and 69 of Regulation (EU) 575/2013 (negative amount)		66 (d), 69, 79, 477 (4)
56	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (amount above 10 % threshold and net of eligible short positions) (negative amount)		
56a	Residual amounts deducted from Tier 2 capital regarding deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013		472, 472 (3) (a), 472 (4), 472 (6), 472 (8) (a), 472 (9), 472 (10) (a), 472 (11) (a)
	Of which items to be detailed line by line, e.g. Material net interim losses, intangibles, shortfall of provisions to expected losses etc.		
56b	Residual amounts deducted from T2 capital regarding deduction from Additional Tier 1 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013		475, 475 (2) (a), 475 (3), 475 (4) (a)
	Of which items to be detailed line by line, i.e. reciprocal cross holdings of in AT1 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc.		
56c	Amount to be deducted from or added to Tier 2 capital regarding additional filters and deductions required pre CRR		467, 648, 481
	Items not deducted from T2 items (Regulation (EU) No 575/2013 residual amounts)		477, 477 (2) (b), 477 (2) (c),

	(items to be detailed line by line, e.g. Indirect holdings of own T2 instruments, indirect holdings of non-significant investments in the capital of other financial sector entities, indirect holdings of significant investments in the capital of other financial sector entities etc.)		477 (4) (b)
57	Total regulatory adjustments to Tier 2 (T2) Capital	0	
58	Tier 2 (T2) capital	318 055	
59	Total capital (TC = T1 + T2)	1 201 504	
59a	Risk weighted assets in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)		
60	Total risk weighted assets	5 369 626	
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of risk exposure amount)	16.45%	92 (2) (a), 465
62	Tier 1 (as a percentage of risk exposure amount)	16.45%	92 (2) (b), 465
63	Total capital (as a percentage of risk exposure amount)	22.38%	92 (2) (c)
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus the systemically important institution buffer (G-SII or O-SII buffer), expressed as a percentage of risk exposure amount)	592 471	CRD 128, 129, 130
65	of which: capital conservation buffer requirement	134 241	
66	of which: countercyclical buffer requirement	26 311	
67	of which: systemic risk buffer requirement	150 014	
67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	40 272	CRD 131
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	16.45%	CRD 128
Amounts below the thresholds for deduction (before risk weighting)			
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)		36 (1) (h), 45, 46, 472 (10), 56 (c), 59, 60, 475 (4), 66 (c),69, 70, 477 (4)
73	Direct and indirect holdings of the CET 1 of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)		26 (1) (i), 45, 48, 470, 472 (11)
74	Empty set in the EU		
75	Deferred tax assets arising from temporary differences (amount above 10 % threshold, net of related tax liability where the conditions in Article 38 (3) are met)		36 (1) (c), 38, 48, 470, 472 (5)
Applicable caps on the inclusion of provisions in Tier 2			

76	Credit risk adjustments included in T2 in respect of exposures subject to standardized approach (prior to the application of the cap)		62
77	Cap on inclusion of credit risk adjustments in T2 under standardized approach		62
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	25 884	62
79	Cap on inclusion of credit risk adjustments in T2 under internal ratings-based approach	25 884	62
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements		484 (3), 486 (2) & (5)
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		484 (4), 486 (3) & (5)
82	Current cap on AT1 instruments subject to phase out arrangements		484 (4), 486 (3) & (5)
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)		484 (4), 486 (3) & (5)
84	Current cap on T2 instruments subject to phase out arrangements		484 (5), 486 (4) & (5)
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		484 (5), 486 (4) & (5)

Capital instruments main features template on consolidated basis (1 of 5)		
BGN 000's		
1	Issuer	Raiffeisenbank (Bulgaria) EAD
2	Unique identifier	BG1100092052
3	Governing law(s) of the instrument	Bulgarian
	Regulatory treatment	CET1 (Art. 26 from Regulation (EU) No 575/2013)
4	Transitional CRR rules	Common Equity Tier 1 capital
5	Post-transitional CRR rules	Common Equity Tier 1 capital
6	Eligible on solo/(sub-)consolidated/ solo & (sub-)consolidated	solo & (sub-) consolidated
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares
8	Amount recognized in regulatory capital (currency in thousands as of most recent reporting date)	603 488
9	Nominal amount of instrument	603 488
9a	Issue price	100%
9б	Redemption price	N/A
10	Accounting classification	Share capital
11	Original date of issuance	1994 - 2009

12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dated and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
17	Fixed or floating dividend/coupon	N/A
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	N/A
20a	Fully discretionally, partially discretionally or mandatory (in terms of timing)	N/A
20b	Fully discretionally, partially discretionally or mandatory (in terms of amount)	N/A
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	N/A
23	Convertible or non-convertible	N/A
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory, or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down features	No
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated to all other liabilities
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

Capital instruments main features template on consolidated basis (2 of 5)		
BGN 000's		
1	Issuer	Raiffeisenbank (Bulgaria) EAD
2	Unique identifier	N/A
3	Governing law(s) of the instrument	Austrian / Bulgarian
	Regulatory treatment	Tier 2 capital (Art. 63 from Regulation (EU) No 575/2013)
4	Transitional CRR rules	Tier 2 capital

5	Post-transitional CRR rules	Tier 2 capital
6	Eligible on solo/(sub-)consolidated/ solo & (sub-)consolidated	solo & (sub-)consolidated
7	Instrument type (types to be specified by each jurisdiction)	Hybrid instrument
8	Amount recognized in regulatory capital (currency in thousands as of most recent reporting date)	138 864
9	Nominal amount of instrument	138 864
9a	Issue price	100%
96	Redemption price	N/A
10	Accounting classification	Liability - at amortized cost
11	Original date of issuance	2001 - 2006
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dated and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	EURIBOR + 1.5 points + 0.5% administration fee
19	Existence of a dividend stopper	Yes
20a	Fully discretionally, partially discretionally or mandatory (in terms of timing)	Mandatory
206	Fully discretionally, partially discretionally or mandatory (in terms of amount)	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory, or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down features	N/A
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A

35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated to all liabilities except CET1 capital
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

Capital instruments main features template on consolidated basis (3 of 5)		
BGN 000's		
1	Issuer	Raiffeisenbank (Bulgaria) EAD
2	Unique identifier	N/A
3	Governing law(s) of the instrument	Austrian / Bulgarian
	Regulatory treatment	Tier 2 capital (Art. 63 from Regulation (EU) No 575/2013)
4	Transitional CRR rules	Tier 2 capital
5	Post-transitional CRR rules	Tier 2 capital
6	Eligible on solo/(sub-)consolidated/ solo & (sub-)consolidated	solo & (sub-)consolidated
7	Instrument type (types to be specified by each jurisdiction)	Hybrid instrument
8	Amount recognized in regulatory capital (currency in thousands as of most recent reporting date)	39 117
9	Nominal amount of instrument	39 117
9a	Issue price	100%
96	Redemption price	N/A
10	Accounting classification	Liability - at amortized cost
11	Original date of issuance	08.12.2006
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dated and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	EURIBOR + 1.9 points + 0.5% administration fee
19	Existence of a dividend stopper	
20a	Fully discretionally, partially discretionally or mandatory (in terms of timing)	Mandatory
206	Fully discretionally, partially discretionally or mandatory (in terms of amount)	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Cumulative

23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory, or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down features	No
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated to all liabilities except CET1 capital
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

Capital instruments main features template on consolidated basis (4 of 5)		
BGN 000's		
1	Issuer	Raiffeisenbank (Bulgaria) EAD
2	Unique identifier	N/A
3	Governing law(s) of the instrument	Austrian / Bulgarian
	Regulatory treatment	Tier 2 capital (Art. 63 from Regulation (EU) No 575/2013)
4	Transitional CRR rules	Tier 2 capital
5	Post-transitional CRR rules	Tier 2 capital
6	Eligible on solo/(sub-)consolidated/ solo & (sub-)consolidated	solo & (sub-)consolidated
7	Instrument type (types to be specified by each jurisdiction)	Subordinated debt
8	Amount recognized in regulatory capital (currency in thousands as of most recent reporting date)	40 552
9	Nominal amount of instrument	71 583
9a	Issue price	100%
96	Redemption price	N/A
10	Accounting classification	Liability - at amortized cost
11	Original date of issuance	2013
12	Perpetual or dated	Dated

13	Original maturity date	2023
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dated and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	EURIBOR + 5.22 points EUR 2 500 fixed management fee EUR 2 500 fixed administration fee
19	Existence of a dividend stopper	No
20a	Fully discretionally, partially discretionally or mandatory (in terms of timing)	Mandatory
20б	Fully discretionally, partially discretionally or mandatory (in terms of amount)	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory, or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down features	No
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated to all liabilities except CET1 capital
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

Capital instruments main features template on consolidated basis (5 of 5)		
BGN 000's		
1	Issuer	Raiffeisenbank (Bulgaria) EAD
2	Unique identifier	N/A
3	Governing law(s) of the instrument	Austrian / Bulgarian

	Regulatory treatment	Tier 2 capital (Art. 63 from Regulation (EU) No 575/2013)
4	Transitional CRR rules	Tier 2 capital
5	Post-transitional CRR rules	Tier 2 capital
6	Eligible on solo/(sub-)consolidated/ solo & (sub-)consolidated	solo & (sub-)consolidated
7	Instrument type (types to be specified by each jurisdiction)	Subordinated debt
8	Amount recognized in regulatory capital (currency in thousands as of most recent reporting date)	73 638
9	Nominal amount of instrument	113 438
9a	Issue price	100%
9б	Redemption price	N/A
10	Accounting classification	Liability - at amortized cost
11	Original date of issuance	2014
12	Perpetual or dated	Dated
13	Original maturity date	2024
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dated and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	EURIBOR + 5.12 points EUR 2 550 fixed management fee EUR 2 550 fixed administration fee
19	Existence of a dividend stopper	No
20a	Fully discretionally, partially discretionally or mandatory (in terms of timing)	Mandatory
20б	Fully discretionally, partially discretionally or mandatory (in terms of amount)	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory, or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down features	No
31	If write-down, write-down trigger(s)	N/A

32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated to all liabilities except CET1 capital
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

Consolidated basis	Balance sheet positions included in the calculation of CET 1									
Own funds template position	**Paid up capital**	**Retained earnings**	**Profit or loss attributable to owners of the parent**	**Accumulated Other Comprehensive Income**	**Intangible assets**	**Deferred tax asset**	**Financial liabilities measured at amortised cost**	**Other corrections**	**Total T1 Capital**	**Total T2 Capital**
	603 448	**296 652**	**58 914**	**7 800**	**21 449**	**0**	**292 171**		**966 814**	**292 171**
OWN FUNDS									**883 449**	**318 055**
TIER 1 CAPITAL									0	
COMMON EQUITY TIER 1 CAPITAL									0	
Capital instruments eligible as CET1 Capital									0	
Paid up capital instruments	603 448								603 448	
Retained earnings									0	
Previous years retained earnings		296 652							296 652	
Profit or loss attributable to owners of the parent			58 914						58 914	
(-) Part of interim or year-end profit not eligible			-58 914						-58 914	
Accumulated other comprehensive income				7 800					7 800	
Adjustments to CET1 due to prudential filters									0	
(-) Value adjustments due to the requirements for prudent valuation								-1 047	-1 047	
(-) Other intangible assets									0	
(-) Other intangible assets before deduction of deferred tax liabilities					-21 449				-21 449	
Deferred tax liabilities associated to other intangible assets								0	0	
(-) IRB shortfall of credit risk adjustments to expected losses								-1 955	-1 955	
Other transitional adjustments to CET1 Capital								0	0	
TIER 2 CAPITAL									0	
Capital instruments and subordinated loans eligible as T2 Capital									0	
Paid up capital instruments and subordinated loans							292 171		0	292 171
IRB Excess of provisions over expected losses eligible								25 884	0	25 884
Other transitional adjustments to T2 Capital								0	0	0
(-) Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities						0			0	

EU LI1 — Differences between accounting and regulatory scopes of consolidation and the mapping of financial statement categories with regulatory risk categories

	a	b	c	d	e	f	g
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items				
			Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
Assets							
Cash, cash balances at central banks and other demand deposits	1 375 724	1 375 724	1 375 724	0	0	0	0
Financial assets held for trading	36 155	36 155	0	38 542	0	36 155	0
Non-trading financial assets mandatorily at fair value through profit or loss	25 188	25 188	25 188	0	0	0	0
Financial assets at fair value through other comprehensive income	561 490	561 490	561 490	0	0	0	0
Financial assets at amortised cost	7 596 943	7 596 943	7 803 885	0	0	0	0
Investments in subsidiaries, joint ventures and associates	0	0	0	0	0	0	0
Tangible assets	80 857	80 857	80 857	0	0	0	0
Intangible assets	46 519	46 519	25 070	0	0	0	21 449
Tax assets	12	12	12	0	0	0	0
Other assets	40 818	40 818	40 818	0	0	0	0
Non-current assets and disposal groups classified as held for sale	0	0	0	0	0	0	0
Total Assets	**9 763 706**	**9 763 706**	**9 913 044**	**38 542**	**0**	**36 155**	**21 449**
Liabilities							
Financial liabilities held for trading	19 368	19 368	0	0	0	19 368	0
Financial liabilities measured at amortised cost	8 730 695	8 730 695	0	0	0	0	0
Provisions	30 550	30 550	0	0	0	0	0
Tax liabilities	1 644	1 644	0	0	0	0	0
Other liabilities	10 893	10 893	0	0	0	0	0
Total liabilities	**8 793 150**	**8 793 150**	**0**	**0**	**0**	**19 368**	**0**

EU LI2 — Main sources of differences between regulatory exposure amounts and carrying values in financial statements

		a	b	c	d	e
		Total	Items subject to			
			Credit risk framework	CCR framework	Securitisation framework	Market risk framework
1	**Assets carrying value amount under the scope of regulatory consolidation (as per template EU LI1)**	9 763 706	9 913 044	38 542	0	36 155
2	**Liabilities carrying value amount under the regulatory scope of consolidation (as per template EU LI1)**	8 793 150	0	0	0	19 368
3	**Total net amount under the regulatory scope of consolidation**	0	0	0	0	0
4	**Off-balance-sheet amounts**	2 306 075	2 306 075	0	0	0
5	Differences in valuations	0	0	0	0	0
6	Differences due to different netting rules, other than those already included in row 2	0	0	0	0	0
7	Differences due to consideration of provisions	206 942	206 942	0	0	0
8	Differences due to prudential filters	-1 047	-1 047	0	0	0
9	Differences due different rules	-20 030	0	-2 387	0	0
10	Differences due to trading portfolio	-16 125	-16 125	0	0	0

EU LI3 — Outline of the differences in the scopes of consolidation (entity by entity)

Name of the entity	a	b	c	d	e	f
	Method of accounting consolidation	Method of regulatory consolidation				Description of the entity
		Full consolidation	Proportional consolidation	Neither consolidated nor deducted	Deducted	
Raiffeisen Leasing OOD	Full consolidation	X				Other Financial
Raiffesen Insurance Broker EOOD as participation of RLBG	Full consolidation	X				Non financial
Raiffeisen Service EOOD	Full consolidation	X				Non financial
Raiffeisen Asset Management EAD	Full consolidation	X				Other Financial

EU OV1 — Overview of RWAs

			RWAs		Minimum capital requirements
			31.12.2020	30.9.2020	31.12.2020
	1	**Credit risk (excluding CCR)**	**4 806 203**	**4 845 542**	**384 496**
Article 438(c)(d)	2	Of which the standardised approach	510 589	542 470	40 847
Article 438(c)(d)	3	Of which the foundation IRB (FIRB) approach	2 574 096	2 601 470	205 928
Article 438(c)(d)	4	Of which the advanced IRB (AIRB) approach	1 721 518	1 701 602	137 721
Article 438(d)	5	Of which equity IRB under the simple risk-weighted approach or the IMA			-
Article 107 **Article 438(c)(d)**	6	**CCR**	**18 748**	**10 884**	**1 500**
Article 438(c)(d)	7	Of which mark to market	17 685	10 209	1 415
Article 438(c)(d)	8	Of which original exposure			-
	9	Of which the standardised approach			-
	10	Of which internal model method (IMM)			-
Article 438(c)(d)	11	Of which risk exposure amount for contributions to the default fund of a CCP			-
Article 438(c)(d)	12	Of which CVA	1 063	675	85
Article 438(e)	13	**Settlement risk**	-	-	-
Article 449(o)(i)	14	**Securitisation exposures in the banking book (after the cap)**	-	-	-
	15	Of which IRB approach	-	-	-
	16	Of which IRB supervisory formula approach (SFA)	-	-	-
	17	Of which internal assessment approach (IAA)	-	-	-
	18	Of which standardised approach	-	-	-
Article 438 (e)	19	**Market risk**	**6 175**	**6 113**	**494**
	20	Of which the standardised approach	6 175	6 113	494
	21	Of which IMA	-		-
Article 438(e)	22	**Large exposures**	-	-	-
Article 438(f)	23	**Operational risk**	**537 875**	**499 000**	**43 030**
	24	Of which basic indicator approach	-	-	-
	25	Of which standardised approach	537 875	499 000	43 030
	26	Of which advanced measurement approach	-	-	-
Article 437(2), Article 48 and Article 60	27	**Amounts below the thresholds for deduction (subject to 250% risk weight)**	**625**	**625**	**50**
Article 500	28	**Floor adjustment**	-	-	-
	29	**Total**	**5 369 626**	**5 362 164**	**429 570**

EU CR10 — IRB (specialized lending and equities)

Specialised lending							
Regulatory categories	Remaining maturity	On-balance-sheet amount (net of allowances)	Off-balance-sheet amount (net of allowances)	Risk weight	Exposure amount	RWAs	Expected losses
Category 1	Less than 2.5 years	29 542	8 963	50%	36 311	15 064	-
	Equal to or more than 2	18 878	18 212	70%	32 593	18 965	130
Category 2	Less than 2.5 years	36 206	16 372	70%	47 518	27 233	190
	Equal to or more than 2	64 749	17 183	90%	77 644	62 114	621
Category 3	Less than 2.5 years	7 408	9 787	115%	15 130	14 790	424
	Equal to or more than 2	-	-	115%	-	-	-
Category 4	Less than 2.5 years	0.29	-	250%	0.29	0.64	0.02
	Equal to or more than 2	-	-	250%	-	-	-
Category 5	Less than 2.5 years	-	-	-	-	-	-
	Equal to or more than 2	-	-	-	-	-	-
Total	Less than 2.5 years	73 156	35 122		98 959	57 087	614
	Equal to or more than 2	83 627	35 394		110 236	81 080	752

EU CRB-B — Total and average net amount of exposures

		a	b
		Net value of exposures at the end of the period	Average net exposures over the period
1	Central governments or central banks	176 895	495 298
2	Institutions	916 582	1 108 744
3	Corporates	4 380 864	4 344 849
4	*Of which: Specialised lending*	226 792	240 036
5	*Of which: SMEs*	1 632 564	1 657 196
6	Retail	3 480 659	3 383 796
7	*Secured by real estate property*	1 986 885	1 891 170
8	*SMEs*	433 600	425 740
9	*Non-SMEs*	1 553 285	1 465 430
10	*Qualifying revolving*	201 476	193 668
11	*Other retail*	1 292 298	1 298 959
12	*SMEs*	261 263	266 616
13	*Non-SMEs*	1 031 035	1 032 342
14	Equity	8 128	9 319
15	**Total IRB approach**	**8 963 128**	**9 342 005**
16	Central governments or central banks	1 905 972	1 446 603
17	Regional governments or local authorities	26 163	26 998
18	Public sector entities	0	0
19	Multilateral development banks	-	-
20	International organisations	-	-
21	Institutions	601	151
22	Corporates	333 267	258 400
23	*Of which: SMEs*	154 349	164 818
24	Retail	197 881	164 279
25	*Of which: SMEs*	74 891	72 791
26	Secured by mortgages on immovable property	20 567	16 656
27	*Of which: SMEs*	2 999	3 594
28	Exposures in default	8 440	7 120
29	Items associated with particularly high risk	-	-
30	Covered bonds	-	-
31	Claims on institutions and corporates with a short-term cr	-	-
32	Collective investments undertakings	-	-
33	Equity exposures	-	-
34	Other exposures	97 640	219 401
35	**Total standardised approach**	**2 590 531**	**2 139 608**
36	**Total**	**11 553 659**	**11 481 613**

EU CRB - C — Geographical breakdown of exposures

		a	b	c	d	e	f	g	j
		Net value							
		European Union Eurozone	**European Union outside the Eurozone**	**Europe**	**North America**	**South America**	**Asia**	**Africa**	**Total**
1	Central governments or central banks	-	-	-	137 503	31 161	8 231	-	176 895
2	Institutions	441 281	349 053	48 264	77 407	-	577	-	916 582
3	Corporates	48 451	4 206 978	49 723	73 637	185	1 890	-	4 380 864
4	Retail	2 349	3 477 300	419	33	11	532	15	3 480 659
5	Equity	0	3 464	-	4 664	-	-	-	8 128
6	**Total IRB approach**	**492 081**	**8 036 795**	**98 406**	**293 244**	**31 357**	**11 230**	**15**	**8 963 128**
7	Central governments or central banks	30 833	1 875 139	-	-	-	-	-	1 905 972
8	Regional governments or local authorities	-	26 163	-	-	-	-	-	26 163
9	Public sector entities	-	0	-	-	-	-	-	0
10	Multilateral development banks	-	0	-	-	-	-	-	0
11	International organisations	-	0	-	-	-	-	-	0
12	Institutions	-	601	-	-	-	-	-	601
13	Corporates	-	333 267	-	-	-	-	-	333 267
14	Retail	758	197 108	9	-	-	5	1	197 881
15	Secured by mortgages on immovable property	-	20 567	-	-	-	-	-	20 567
16	Exposures in default	29	8 411	-	-	-	-	-	8 440
17	Items associated with particularly high risk	-	-	-	-	-	-	-	0
18	Covered bonds	-	-	-	-	-	-	-	0
19	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	0
20	Collective investments undertakings	-	-	-	-	-	-	-	0
21	Equity exposures	-	-	-	-	-	-	-	0
22	Other exposures	-	97 640	-	-	-	-	-	97 640
23	**Total standardised approach**	**31 620**	**2 558 896**	**9**	**0**	**0**	**5**	**1**	**2 590 531**
24	**Total**	**523 701**	**10 595 691**	**98 415**	**293 244**	**31 357**	**11 235**	**16**	**11 553 659**

EU CRB - D — Concentration of exposures by industry or counterparty types

		a	b	c	d	e	f	g	h	i	j	k
		Net Value										
		Other industries and retail banking	State governance	Real estate activities	Manufacturing	Agriculture, forestry and fishing	Construction	Transport	Wholesale and retail trade	Services	Financial services	Total
1	Central governments or central banks	-	176 895	-	-	-	-	-	-	-	-	176 895
2	Institutions	11 486	-	-	-	-	-	-	-	-	905 096	916 582
3	Corporates	134 162	1	366 720	1 046 136	269 579	310 129	147 651	1 395 002	412 518	298 966	4 380 864
4	Retail	2 775 776	4 105	12 527	103 286	132 632	53 942	50 335	214 357	131 847	1 852	3 480 659
5	Equity	-	-	-	-	-	-	-	-	3 316	4 812	8 128
6	**Total IRB approach**	**2 921 424**	**181 001**	**379 247**	**1 149 422**	**402 211**	**364 071**	**197 986**	**1 609 359**	**547 681**	**1 210 726**	**8 963 128**
7	Central governments or central banks	12 120	983 808	-	-	-	-	-	-	-	910 044	1 905 972
8	Regional governments or local authorities	-	26 163	-	-	-	-	-	-	-	-	26 163
9	Public sector entities	-	-	-	-	-	-	-	-	-	-	0
10	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	0
11	International organisations	-	-	-	-	-	-	-	-	-	-	0
12	Institutions	-	-	-	-	-	-	-	-	-	601	601
13	Corporates	2 048	8	11 284	92 566	31 541	10 827	84 987	59 448	40 186	372	333 267
14	Retail	60 707	214	1 350	8 121	19 987	6 276	6 550	15 902	78 509	265	197 881
15	Secured by mortgages on immovable property	1 968	-	14 753	418	-	258	861	1 511	798	-	20 567
16	Exposures in default	604	1	0	116	1 329	3 553	239	184	2 406	8	8 440
17	Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	-
18	Covered bonds	-	-	-	-	-	-	-	-	-	-	-
19	Claims on institutions and corporates with a short-term (	-	-	-	-	-	-	-	-	-	-	-
20	Collective investments undertakings	-	-	-	-	-	-	-	-	-	-	-
21	Equity exposures	-	-	-	-	-	-	-	-	-	-	-
22	Other exposures	66 695	-	-	74	880	-	127	54	17	29 793	97 640
23	**Total standardised approach**	**144 142**	**1 010 194**	**27 387**	**101 295**	**53 737**	**20 914**	**92 764**	**77 099**	**121 916**	**941 083**	**2 590 531**
24	**Total**	**3 065 566**	**1 191 195**	**406 634**	**1 250 717**	**455 948**	**384 985**	**290 750**	**1 686 458**	**669 597**	**2 151 809**	**11 553 659**

EU CRB - E — Maturity of exposures

		a	b	c	d	e	f
		Net exposure value and derivatives					
		<= 1 month	>1 month <= 3 months	>3 months <=12 months	> 1 year <= 5 years	> 5 years	Total
1	Central governments or central banks	79 693	15 937	-	81 265	-	176 895
2	Institutions	328 642	102 745	153 595	120 899	1 030	706 911
3	Corporates	602 659	80 323	379 517	926 132	698 936	2 687 567
4	Retail	1 842	12 951	114 190	662 854	2 409 437	3 201 274
5	Equity	8 128	-	-	-	-	8 128
6	**Total IRB approach**	**1 020 964**	**211 956**	**647 302**	**1 791 150**	**3 109 403**	**6 780 775**
7	Central governments or central banks	922 163	86 596	58 545	600 970	237 698	1 905 972
8	Regional governments or local authorities	-	-	10 536	7 928	3 986	22 450
9	Public sector entities	-	-	-	-	-	-
10	Multilateral development banks	-	-	-	-	-	-
11	International organisations	-	-	-	-	-	-
12	Institutions	601	-	-	-	-	601
13	Corporates	1 512	1 842	19 677	270 476	16 809	310 316
14	Retail	625	1 144	8 811	113 949	25 919	150 448
15	Secured by mortgages on immovable property	0	231	77	2 930	16 144	19 382
16	Exposures in default	36	824	377	6 747	369	8 353
17	Items associated with particularly high risk	-	-	-	-	-	-
18	Covered bonds	-	-	-	-	-	-
19	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
20	Collective investments undertakings	-	-	-	-	-	-
21	Equity exposures	-	-	-	-	-	-
22	Other exposures	96 488	3	29	1 120	-	97 640
23	**Total standardised approach**	**1 021 425**	**90 640**	**98 052**	**1 004 120**	**300 925**	**2 515 162**
24	**Total**	**2 042 389**	**302 596**	**745 354**	**2 795 270**	**3 410 328**	**9 295 937**

EU CR1 - A — Credit quality of exposures by exposure class and instrument

		a	b	c	d	e	f
		Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Credit risk adjustment charges of the period	Net values
		Defaulted exposures	Non-defaulted exposures				(a+b-c-d)
1	Central governments or central banks	-	176 909	14	-	-28	176 895
2	Institutions	-	916 621	39	-	31	916 582
3	Corporates	38 701	4 393 786	51 623	-	10 341	4 380 864
4	*Of which: Specialised lending*	-	227 876	1 084	-	416	226 792
5	*Of which: SMEs*	19 122	1 644 118	30 676	-	25 496	1 632 564
6	Retail	125 773	3 498 784	143 898	-	41 599	3 480 659
7	*Secured by real estate property*	49 124	1 994 346	56 585	-	17 830	1 986 885
8	*SMEs*	21 707	443 163	31 270	-	10 607	433 600
9	*Non-SMEs*	27 417	1 551 183	25 315	-	7 223	1 553 285
10	*Qualifying revolving*	5 128	203 068	6 720	-	1 485	201 476
11	*Other retail*	71 521	1 301 370	80 593	-	22 284	1 292 298
12	*SMEs*	8 468	265 286	12 491	-	3 499	261 263
13	*Non-SMEs*	63 053	1 036 084	68 102	-	18 785	1 031 035
14	Equity	-	8 128	-	-	0	8 128
15	**Total IRB approach**	**164 474**	**8 994 228**	**195 574**	**0**	**51 943**	**8 963 128**
16	Central governments or central banks	-	1 906 060	88	-	71	1 905 972
17	Regional governments or local authorities	-	26 177	14	-	-7	26 163
18	Public sector entities	-	0	-	-	-	0
19	Multilateral development banks	-	-	-	-	-	-
20	International organisations	-	-	-	-	-	-
21	Institutions	-	601	-	-	-	601
22	Corporates	-	336 758	3 491	-	1 469	333 267
23	*Of which: SMEs*	-	156 074	1 725	-	1 013	154 349
24	Retail	-	205 689	7 808	-	1 413	197 881
25	*Of which: SMEs*	-	78 186	3 295	-	442	74 891
26	Secured by mortgages on immovable property	-	20 574	7	-	4	20 567
27	*Of which: SMEs*	-	2 999	-	-	- 2.00	2 999
28	Exposures in default	18 326	-	9 886	-	6	8 440
29	Items associated with particularly high risk	-	-	-	-	-	-
30	Covered bonds	-	-	-	-	-	-
31	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
32	Collective investments undertakings	-	-	-	-	-	-
33	Equity exposures	-	-	-	-	-	-
34	Other exposures	-	97 640	-	-	0	97 640
35	**Total standardised approach**	**18 326**	**2 593 499**	**21 294**	**0**	**2 956**	**2 590 531**
36	**Total**	**182 800**	**11 587 727**	**216 868**	**0**	**54 899**	**11 553 659**
37	*Of which: Loans*	175 197	6 734 469	206 819	-	55 620	6 702 847
38	*Of which: Debt securities*	-	1 447 552	126	-	-12	1 447 426
39	*Of which: Off-balance-sheet exposures*	7 603	2 298 584	9 923	-	-721	2 296 264

EU CR1 - C — Credit quality of exposures by geography

		a	b	c	d	e	f
		Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Credit risk adjustment charges	Net values
		Defaulted exposures	Non-defaulted exposures				(a+b-c-d)
1	European Union Eurozone	183	383 091	252	-	-24	383 022
2	European Union outside the Eurozone	174 986	8 504 004	206 559	-	55 822	8 472 431
3	Europe	24	97 503	53	-	-66	97 474
4	North America	0	261 978	19	-	-22	261 959
5	South America	-	31 363	9	-	7	31 354
6	Asia	4	11 193	53	-	-97	11 144
7	Africa	-	11	-	-	-	11
8	Australia	-	-	-	-	-	-
9	Other	-	-	-	-	-	-
	Total	**175 197**	**9 289 143**	**206 945**	**0**	**55 620**	**9 257 395**

EU CR1 - D — Ageing of past-due exposures

		а	б	в	г	д	е
		Gross carrying values					
		≤ 30 days	> 30 days ≤ 60 days	> 60 days ≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year
1	Loans	236 941	17 681	103 931	14 478	14 771	45 551
2	Debt securities	0	0	0	0	0	0
3	**Total exposures**	236 941	17 681	103 931	14 478	14 771	45 551

EU CR1 - E — Non-performing and forborne exposures

		a	b	c	d	e	f	g
		Gross carrying amount of performing and non-performing exposures						
			Performing, past due > 30 days <= 90 days	Performing with forbearance measures	Of which non-performing			
						Of which: defaulted	Of which: impaired	Of which: with forbearance measures
10	Debt securities	1 139 328	0	0	0	0	0	0
20	Loans and advances	7 532 133	12 142	64 043	150 184	147 375	144 464	49 802
30	Off-balance-sheet exposures	2 269 784	0	0	0	0	0	0

		h	i	j	k	l	m
		Accumulated impairment, provisions and negative changes in fair value due to credit risk				Collateral received and financial guarantees received	
		Performing exposures		Non-performing exposures		Non-performing exposures	Of which: with forbearance measures
			Of which: with forbearance measures		Of which: with forbearance measures		
10	Debt securities	-104	0	0	0	0	0
20	Loans and advances	-51 143	-3 099	-100 075	-31 335	27 287	57 655
30	Off-balance-sheet exposures	0	0	0	0	0	0

EU CR2 - A — Changes in the stock of general and specific risk adjustments

		a	b
		Accumulated specific credit risk adjustment	Accumulated general credit risk adjustment
1	**Opening balance**	-151 321	
2	Increases due to amounts set aside for estimated loan losses during the period	-98 299	
3	Decreases due to amounts reversed for estimated loan losses during the period		
4	Decreases due to amounts taken against accumulated credit risk adjustments	40 964	
5	Transfers between credit risk adjustments		
6	Impact of exchange rate differences		
7	Business combinations, including acquisitions and disposals of subsidiaries		
8	Other adjustments	1 714	
9	**Closing balance**	**-206 942**	
10	Recoveries on credit risk adjustments recorded directly to the statement of profit or loss	6 950	
11	Specific credit risk adjustments directly recorded to the statement of profit or loss		

EU CR2 - B — Changes in the stock of defaulted and impaired loans and debt securities

		a
		Gross carrying value defaulted exposures
1	**Opening balance**	146 951
2	Loans and debt securities that have defaulted or impaired since the last reporting period	83 892
3	Returned to non-defaulted status	11 092
4	Amounts written off	-11 922
5	Other changes	-54 769
6	**Closing balance**	**175 244**

EU CR3 — CRM techniques - Overview

		a	b	c	d	e
		Exposures unsecured – Carrying amount	Exposures secured – Carrying amount	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Total loans	3 807 764	2 482 940	2 347 277	75 221	0
2	Total debt securities	1 340 075	107 477	107 477	0	0
3	Total exposures	8 894 994	2 730 128	2 544 147	114 518	0
4	Of which defaulted	33 801	59 809	29 537	478	0

In this template are presented secured exposures as per the provisions of Regulation (EU) 575/2013 and which collaterals are used to reduce capital requirements.

The exposures shown above do not include credits to central government and central banks, and credit institutions.

EU CR4 — Standardized approach – Credit risk exposure and CRM

		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post CCF and CRM		RWAs and RWA density	
	Exposure classes	On-balance-sheet amount	Off-balance-sheet amount	On-balance-sheet amount	Off-balance-sheet amount	RWAs	RWA density
1	Central governments or central banks	1 905 972		1 924 685	2 385	11	0%
2	Regional government or local authorities	22 450	3 713	22 450	1 737	4 837	20%
3	Public sector entities	-	-	-	-	-	0%
4	Multilateral development banks	-	-	36 316	3 820	-	0%
5	International organisations	-	-	-	-	-	0%
6	Institutions	601	-	601	-	120	20%
7	Corporates	310 316	22 951	310 307	11 435	288 292	90%
8	Retail	150 448	47 433	131 944	18 343	101 641	68%
9	Secured by mortgages on immovable property	19 382	1 185	19 382	248	9 156	47%
10	Exposures in default	8 353	87	7 920	43	8 892	112%
11	Exposures associated with particularly high risk	-	-	-	-	-	0%
12	Covered bonds	-	-	-	-	-	0%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0%
14	Collective investment undertakings	-	-	-	-	-	0%
15	Equity	-	-	-	-	-	0%
16	Other items	97 640	-	97 640	-	97 640	100%
17	**Total**	**2 515 162**	**75 369**	**2 551 245**	**38 011**	**510 589**	**20%**

EU CR5 — Standardized approach

	Exposure classes	Risk weight							Total	Of which unrated
		0%	20%	35%	50%	75%	100%	150%		
1	Central governments or central banks	1 927 059					11		1 927 070	-
2	Regional government or local authorities		24 187						24 187	15 077
3	Public sector entities								-	-
4	Multilateral development banks	40 136							40 136	40 136
5	International organizations								-	-
6	Institutions		601						601	601
7	Corporates						321 742		321 742	321 742
8	Retail					150 287			150 287	150 287
9	Secured by mortgages on immovable property			3 241	16 389				19 630	19 630
10	Exposures in default						6 105	1 858	7 963	7 963
11	Exposures associated with particularly high risk								-	-
12	Covered bonds								-	-
13	Institutions and corporates with a shortterm credit assessment								-	-
14	Collective investment undertakings								-	-
15	Equity								-	-
16	Other items						97 640		97 640	97 640
17	Total	**1 967 195**	**24 788**	**3 241**	**16 389**	**150 287**	**425 498**	**1 858**	**2 589 256**	**653 076**

EU CR6 — IRB approach – Credit risk exposures by exposure class and PD range

Exposure class	PD scale	a	b	c	d	e	f	g	h	i	j	k	l
		Original on-balance-sheet gross exposures	Off-balance-sheet exposures pre-CCF	Average CCF (%)	EAD post CRM and post CCF	Average PD (%)	Number of obligors	Average LGD (%)	Average maturity (days)	RWA	RWA density (%)	EL	Value adjustments and provisions
Central governments and central banks	0.00 to <0.15	176 909	0	0.00	176 909	0.01	3	41.96	913	14 085	7.96	9	14
Subtotal (Central governments and central banks)		**176 909**	**0**	**0.00**	**176 909**	**0.01**	**3**	**41.96**	**913**	**14 085**	**7.96**	**9**	**14**
Institutions	0.00 to <0.15	634 232	132 298	61.12	715 086	0.06	27	40.78	913	178 145	24.91	177	11
	0.15 to <0.25	8 158	91 585	75.93	78 308	0.17	9	45.00	913	44 594	57.16	60	9
	0.25 to <0.50	39 127	0	0.00	39 127	0.30	1	45.00	913	29 809	76.19	52	0
	0.75 to <2.50	72	2 500	50.00	1 322	1.36	2	16.09	913	527	39.85	3	1
	2.50 to <10.00	8 306	343	20.00	8 375	2.52	2	45.00	913	13 385	159.83	95	18
Subtotal (Institutions)		**689 895**	**226 726**	**66.91**	**842 217**	**0.11**	**41**	**41.37**	**913**	**266 461**	**31.66**	**388**	**39**
Corporates-SME	0.00 to <0.15	39 337	82 955	26.61	60 219	0.08	429	42.76	913	9 255	33.21	20	21
	0.15 to <0.25	47 514	101 024	29.09	75 005	0.20	262	43.88	913	21 874	29.16	66	53
	0.25 to <0.50	121 671	134 135	31.22	158 623	0.35	310	42.87	913	61 188	38.57	237	343
	0.50 to <0.75	183 454	144 625	28.76	217 596	0.63	302	43.91	913	118 376	54.40	602	919
	0.75 to <2.50	314 944	111 587	32.59	344 441	1.33	444	43.86	913	231 402	138.53	2 002	2 059
	2.50 to <10.00	300 999	50 205	26.05	302 196	4.39	397	43.19	913	282 353	194.25	5 686	16 544
	10.00 to <100.00	9 475	2 194	57.13	10 431	26.38	268	42.41	913	13 973	414.29	1 162	865
	100.00(Default)	18 599	523	13.89	18 657	100.00	46	43.23	913	0	0.00	8 066	9 872
Subtotal (Corporates-SME)		**1 035 992**	**627 248**	**29.61**	**1 187 166**	**3.49**	**2 458**	**43.49**	**913**	**738 421**	**111.93**	**17 841**	**30 676**
Corporates-Specialised Lending	0.15 to <0.25	47 999	27 199	75.00	68 398	0.23	15	45.00	913	33 728	49.31	128	110
	0.25 to <0.50	101 423	33 626	70.59	125 162	0.45	24	45.00	913	89 348	71.39	811	540
	0.75 to <2.50	7 632	9 997	75.00	15 130	1.64	1	45.00	913	14 790	97.75	424	435
Subtotal (Corporates-Specialised Lending)		**157 054**	**70 822**	**72.91**	**208 689**	**0.46**	**40**	**45.00**	**913**	**137 866**	**66.06**	**1 363**	**1 084**
Corporates-Other	0.00 to <0.15	226 334	42 678	20.73	235 182	0.08	71	42.41	913	67 904	62.63	82	27
	0.15 to <0.25	158 035	314 870	28.65	248 007	0.17	110	44.69	913	114 221	46.06	193	95
	0.25 to <0.50	261 648	315 010	28.16	354 046	0.34	111	44.59	913	215 591	61.42	536	256
	0.50 to <0.75	342 078	152 522	32.28	387 954	0.62	113	44.52	913	307 047	79.15	1 056	1 922
	0.75 to <2.50	360 761	169 730	25.34	400 391	0.80	150	43.64	913	416 218	212.67	2 406	970
	2.50 to <10.00	112 809	21 768	60.94	122 155	3.20	119	43.41	913	149 670	279.34	1 762	2 116
	10.00 to <100.00	41 682	1 868	37.71	42 382	15.00	514	44.16	913	77 403	541.68	1 758	655
	100.00(Default)	15 226	4 353	87.58	19 008	100.00	161	43.19	913	0	0.00	8 210	13 823
Subtotal (Corporates-Other)		**1 518 572**	**1 022 799**	**29.11**	**1 809 125**	**2.03**	**1 349**	**43.99**	**913**	**1 348 054**	**122.07**	**16 003**	**19 863**
Retail-Secured by real estate SMEs	0.00 to <0.15	47 901	13 705	28.21	51 767	0.09	820	52.85		6 876	13.28	25	121
	0.15 to <0.25	1 506	0	0.00	1 506	0.20	16	41.75		204	13.53	1	1
	0.25 to <0.50	177 961	15 446	31.79	182 872	0.36	1 629	53.36		70 323	38.45	352	975
	0.50 to <0.75	813	0	0.00	813	0.71	22	23.31		152	18.72	1	1
	0.75 to <2.50	118 711	6 730	39.41	121 364	1.15	912	53.45		101 547	182.77	748	4 005
	2.50 to <10.00	35 511	855	50.64	35 944	6.12	336	53.18		79 552	457.84	1 171	5 590
	10.00 to <100.00	23 908	114	233.41	24 175	28.71	221	52.72		80 654	666.25	3 658	6 038
	100.00(Default)	21 497	211	0.00	21 497	100.00	351	79.90		22 972	106.86	15 905	14 538
Subtotal (Retail-Secured by real estate SMEs)		**427 808**	**37 062**	**32.73**	**439 938**	**7.44**	**4 307**	**54.48**		**362 280**	**147.29**	**21 862**	**31 270**
Retail-Secured by real estate non-SME	0.00 to <0.15	725 888	3 959	98.22	729 777	0.09	8 318	46.85		80 392	11.02	308	450
	0.15 to <0.25	253 089	7 665	100.00	260 753	0.20	2 659	48.20		53 456	20.50	251	353
	0.25 to <0.50	294 738	6 894	91.71	301 060	0.39	3 550	48.75		118 552	39.38	570	1 022
	0.50 to <0.75	71 959	3 069	100.00	75 029	0.71	894	46.47		36 759	48.99	248	390
	0.75 to <2.50	111 324	1 296	57.26	112 066	1.31	1 270	49.26		108 014	192.09	702	2 699
	2.50 to <10.00	40 969	147	52.59	41 047	5.47	614	44.40		78 970	407.52	995	3 841
	10.00 to <100.00	29 978	208	100.00	30 186	30.13	486	40.29		78 567	528.43	3 630	3 566
	100.00(Default)	27 294	123	0.00	27 294	100.00	677	60.10		9 330	34.18	15 815	12 994
Subtotal (Retail-Secured by real estate non-SME)		**1 555 239**	**23 361**	**94.06**	**1 577 212**	**2.73**	**18 468**	**47.63**		**564 040**	**53.29**	**22 519**	**25 315**
Retail-Qualifying revolving	0.15 to <0.25	8 229	66 151	36.56	32 416	0.23	18 872	70.16		2 883	8.89	52	124
	0.25 to <0.50	11 887	30 017	38.13	23 333	0.49	13 476	70.16		3 810	16.33	80	174
	0.75 to <2.50	23 408	50 915	44.27	45 949	1.17	32 470	70.16		14 541	31.65	377	771
	2.50 to <10.00	4 319	1 534	89.60	5 693	4.79	3 687	70.16		4 885	186.62	191	436
	10.00 to <100.00	2 128	4 481	43.66	4 084	32.64	3 562	70.16		8 714	393.48	935	874
	100.00(Default)	3 705	1 424	0.00	3 705	100.00	3 612	90.30		1 594	43.02	3 218	4 341
Subtotal (Retail-Qualifying revolving)		**53 675**	**154 521**	**39.80**	**115 181**	**5.24**	**75 679**	**70.81**		**36 427**	**43.00**	**4 854**	**6 720**
Retail-Other SMEs	0.00 to <0.15	21 553	15 623	28.61	26 023	0.09	1 096	59.34		4 151	15.95	14	49
	0.15 to <0.25	40	439	35.27	195	0.23	110	70.16		49	25.21	0	1
	0.25 to <0.50	100 324	27 654	31.41	109 012	0.35	2 907	59.31		43 978	40.34	229	430
	0.75 to <2.50	57 913	9 776	37.52	61 581	1.19	1 623	59.36		44 359	150.46	435	1 420
	2.50 to <10.00	19 907	1 207	67.49	20 721	6.26	502	59.31		21 859	212.41	769	2 228
	10.00 to <100.00	10 429	421	100.77	10 854	30.64	348	59.33		17 947	320.27	1 974	2 095
	100.00(Default)	8 155	313	0.00	8 155	100.00	455	87.81		6 042	74.09	6 827	6 268
Subtotal (Retail-Other SMEs)		**218 321**	**55 433**	**32.87**	**236 540**	**5.88**	**7 041**	**60.32**		**138 386**	**95.40**	**10 248**	**12 491**
Retail-Other non-SMEs	0.00 to <0.15	4 107	423	27.72	4 224	0.09	241	59.34		884	20.94	2	10
	0.25 to <0.50	479 514	5 873	27.53	481 130	0.35	31 632	55.59		169 546	35.24	945	1 044
	0.75 to <2.50	325 829	5 192	27.53	327 258	1.26	18 987	55.53		211 809	179.54	2 285	2 527
	2.50 to <10.00	148 451	0	0.00	148 451	5.18	8 612	55.40		130 352	178.51	4 260	5 053
	10.00 to <100.00	66 696	0	0.00	66 696	23.78	4 037	55.40		88 260	270.26	8 788	12 202
	100.00(Default)	62 753	300	0.00	62 753	100.00	4 717	86.92		19 534	31.13	53 015	47 265
Subtotal (Retail-Other non-SMEs)		**1 087 349**	**11 788**	**26.84**	**1 090 513**	**8.45**	**68 226**	**57.35**		**620 385**	**112.13**	**69 296**	**68 102**
Capital instruments	0.00 to <0.15	59 306	0	0.00	59 306	0.09	5	90.00		74 336	125.34	48	0
	0.15 to <0.25	3 316	0	0.00	3 316	0.12	1	90.00		3 189	96.15	4	0
Subtotal (Capital instruments)		**62 622**	**0**	**0.00**	**62 622**	**0.09**	**6**	**90.00**		**77 525**	**123.80**	**52**	**0**
Total (all portfolios)		**6 983 437**	**2 229 759**	**27.76**	**7 746 112**	**3.09**	**177 618**	**47.72**		**4 303 930**	**55.41**	**164 435**	**195 573**

*PD of exposures in default is not included in the total average PD for each exposure class

EU CR8 — RWA flow statements of credit risk exposures under IRB approach

		a	б
		RWA amounts	**Capital requirements**
1	**RWAs as at the end of the previous reporting period**	**3 188 622**	**255 090**
2	Asset size	786 426	62 914
3	Asset quality	- 107 094	- 8 567
4	Model updates	202 566	16 205
5	Methodology and policy	12 245	980
6	Acquisitions and disposals	-	-
7	Foreign exchange movements	-	-
8	Other	-	-
9	**RWAs as at the end of the reporting period**	**4 082 765**	**326 621**

EU CR9 — IRB approach – Back-testing of PD per exposure class

Exposure class	PD range	External rating equivalent	Weighted average PD	Arithmetic average PD by obligors	Number of obligors		Defaulted obligors in the year	Of which new obligors	Average historical annual default rate of **last 5 years**
					End of previous year	End of the year			
Corporate model	Total		**1.70%**	**1.58%**	1 213	1 231	11	0	**0.68%**
	0.00 to < 0.15		**0.11%**	**0.10%**	20	84	0	0	**0.00%**
	0.15 to < 0.25		**0.18%**	**0.19%**	69	186	0	0	**0.00%**
	0.25 to < 0.50		**0.36%**	**0.35%**	211	221	0	0	**0.00%**
	0.50 to < 0.75		**0.62%**	**0.65%**	239	205	0	0	**0.00%**
	0.75 to < 2.50		**1.37%**	**1.38%**	371	290	1	0	**0.33%**
	2.50 to < 10.00		**4.26%**	**4.03%**	279	226	7	0	**1.62%**
	10.00 to < 100		**21.46%**	**20.24%**	24	19	3	0	**11.39%**

Exposure class	PD range	External rating equivalent	Weighted average PD	Arithmetic average PD by obligors	Number of obligors		Defaulted obligors in the year	Of which new obligors	Average historical annual default rate of **last 5 years**
					End of previous year	End of the year			
SMB model	Total		**2.41%**	**2.04%**	1 569	1 513	13	0	**1.16%**
	0,00 to <0,15		**0.08%**	**0.07%**	391	412	0	0	**0.00%**
	0,15 to <0,25		**0.20%**	**0.19%**	217	157	0	0	**0.00%**
	0,25 to <0,50		**0.37%**	**0.36%**	229	173	1	0	**0.09%**
	0,50 to <0,75		**0.65%**	**0.65%**	226	189	1	0	**0.00%**
	0,75 to <2,50		**1.35%**	**1.40%**	263	283	3	0	**0.95%**
	2,50 to <10,00		**4.82%**	**4.68%**	218	256	4	0	**2.24%**
	10,00 to <100,00		**26.49%**	**29.08%**	25	43	4	0	**13.18%**

Exposure class	PD pool (RBI Retail rating grades)	External rating equivalent	EAD BGN	Weighted average PD	Arithmetic average PD by obligors	Number of obligors		Defaulted obligors in the year	Of which new obligors	Average historical annual default	Average historical	
						End of previous year	End of the year				Number of historical years	Average of annual default rate
Private Individuals (PI)	***total***		**2 689 153 537**	**1.76%**	**2.52%**	**158 130**	**153 551**	**3 539**	**136**	**2.18%**	**13**	**3.37%**
	0.50		742 315 275	0.09%	0.15%	12 355	12 711	25	3	0.08%	13	0.61%
	1.00		557 900 354	0.24%	0.24%	33 508	34 738	112	9	0.23%	13	0.61%
	1.50		532 478 865	0.42%	0.45%	30 195	31 355	221	8	0.44%	13	1.30%
	2.00		325 941 813	0.78%	0.82%	36 074	28 295	392	16	0.75%	13	2.26%
	2.50		234 360 794	1.76%	1.70%	19 710	25 453	366	24	1.70%	13	5.27%
	3.00		132 787 904	3.91%	3.75%	12 259	8 766	535	28	3.78%	13	11.28%
	3.50		62 402 567	8.03%	7.84%	5 462	4 147	415	28	7.65%	13	23.43%
	4.00		47 715 469	14.51%	14.23%	3 136	3 116	450	16	14.26%	13	44.94%
	4.50		53 250 498	36.37%	37.39%	5 431	4 970	1023	4	31.34%	13	105.93%
- hereof secured by immo	***total***		**1 549 918 135**	**1.01%**	**1.31%**	**16 596**	**17 813**	**178**	**2**	**1.72%**	**13**	**2.77%**
	0.50		729 776 627	0.09%	0.09%	7 739	8 335	8		0.08%	13	0.09%
	1.00		302 546 342	0.21%	0.21%	2 798	3 156	6		0.20%	13	0.18%
	1.50		259 267 203	0.41%	0.40%	2 734	3 056	14		0.36%	13	0.38%
	2.00		129 087 941	0.74%	0.73%	1 409	1 368	10	1	0.56%	13	0.68%
	2.50		58 007 262	1.82%	1.81%	841	798	17	1	1.51%	13	1.73%
	3.00		27 811 938	4.11%	4.07%	398	402	23		4.04%	13	3.85%
	3.50		13 234 659	8.33%	8.20%	217	212	24		7.56%	13	7.92%
	4.00		9 002 886	15.63%	15.66%	131	133	19		16.55%	13	15.59%
	4.50		21 183 276	36.29%	35.99%	329	353	57		29.50%	13	35.38%
- hereof qualifying revolvi	***total***		**111 476 040**	**2.09%**	**2.58%**	**76 125**	**72 190**	**1646**	**73**	**2.42%**	**12**	**5.15%**
	0.50		507 631	0.23%	0.23%	1 231	644	14	3	0.23%	12	0.16%
	1.00		31 908 660	0.23%	0.23%	17 637	18 228	66	8	0.23%	12	0.16%
	1.50		23 333 479	0.49%	0.49%	12 576	13 476	134	8	0.51%	12	0.50%
	2.00		27 107 601	0.83%	0.83%	23 936	17 359	296	9	0.91%	12	0.82%
	2.50		18 841 383	1.66%	1.66%	9 403	15 233	188	12	1.77%	12	1.65%
	3.00		3 756 788	3.41%	3.41%	5 222	2 489	265	13	3.44%	12	3.42%
	3.50		1 936 303	7.47%	7.47%	2 023	1 198	188	9	7.53%	12	7.41%
	4.00		954 616	13.93%	13.93%	888	764	155	7	13.51%	12	13.70%
	4.50		3 129 579	38.35%	38.35%	3 209	2 799	340	4	34.09%	12	35.89%
- hereof other	***total***		**1 027 759 362**	**2.86%**	**2.79%**	**65 409**	**63 548**	**1715**	**61**	**2.84%**	**13**	**4.09%**
	0.50		12 031 016.25	0.21%	0.26%	3 385	3 732	3		0.18%	13	0.17%
	1.00		223 445 352.03	0.27%	0.27%	13 073	13 354	40	1	0.27%	13	0.27%
	1.50		249 878 182.36	0.43%	0.43%	14 885	14 823	73		0.52%	13	0.44%
	2.00		169 746 270.57	0.81%	0.81%	10 729	9 568	86	6	0.86%	13	0.82%
	2.50		157 512 148.45	1.74%	1.74%	9 466	9 422	161	11	1.76%	13	1.76%
	3.00		101 219 177.62	3.88%	3.88%	6 639	5 875	247	15	3.71%	13	3.88%
	3.50		47 231 604.14	7.97%	7.97%	3 222	2 737	203	19	7.67%	13	7.94%
	4.00		37 757 967.72	14.26%	14.25%	2 117	2 219	276	9	13.74%	13	14.36%
	4.50		28 937 643.35	36.21%	36.19%	1 893	1 818	626		32.39%	13	36.22%
Small and medium enterpri	***total***		**646 826 227**	**2.63%**	**2.52%**	**10 259**	**10 654**	**286**	**10**	**3.10%**	**10**	**5.51%**
	0.50		77 815 267	0.09%	0.09%	2 105	1 928	8		0.25%	10	0.17%
	1.00		139 554 866	0.29%	0.29%	2 682	2 546	23	1	0.23%	10	0.16%
	1.50		154 005 294	0.42%	0.42%	2 169	2 208	34	3	0.50%	10	0.43%
	2.00		117 872 540	0.77%	0.77%	1 574	1 557	33	4	0.93%	10	0.82%
	2.50		65 884 759	1.87%	1.85%	707	1 006	30	2	1.88%	10	1.80%
	3.00		33 113 888	4.32%	4.29%	403	478	32		3.89%	10	4.02%
	3.50		23 551 360	8.76%	8.72%	275	361	32		7.63%	10	8.01%
	4.00		15 516 961	15.26%	15.22%	171	244	36		14.05%	10	14.40%
	4.50		19 511 292	40.48%	40.10%	173	326	58		32.58%	10	36.20%
- hereof secured by immo	***total***		**418 441 440**	**2.69%**	**2.57%**	**4 007**	**3 968**	**114**	**1**	**3.10%**	**10**	**5.51%**
	0.50		51 767 356	0.09%	0.09%	895	820	2		0.25%	10	0.17%
	1.00		84 057 565	0.29%	0.29%	963	813	6		0.23%	10	0.16%
	1.50		100 320 899	0.42%	0.42%	860	845	13		0.50%	10	0.43%
	2.00		79 812 682	0.77%	0.77%	591	598	9	1	0.93%	10	0.82%
	2.50		42 364 104	1.87%	1.87%	271	335	15		1.88%	10	1.80%
	3.00		21 433 657	4.33%	4.31%	174	195	15		3.89%	10	4.02%
	3.50		14 510 580	8.77%	8.75%	109	141	16		7.63%	10	8.01%
	4.00		11 267 130	15.27%	15.28%	79	100	18		14.05%	10	14.40%
	4.50		12 907 466	40.44%	40.15%	65	121	20		32.58%	10	36.20%
- hereof other	***total***		**228 384 787**	**2.52%**	**2.49%**	**6 252**	**6 686**	**172**	**9**	**3.10%**	**10**	**5.51%**
	0.50		26 047 912	0.09%	0.09%	1 210	1 108	6		0.25%	10	0.17%
	1.00		55 497 301	0.29%	0.29%	1 719	1 733	17	1	0.23%	10	0.16%
	1.50		53 684 395	0.42%	0.42%	1 309	1 363	21	3	0.50%	10	0.43%
	2.00		38 059 857	0.77%	0.78%	983	959	24	3	0.93%	10	0.82%
	2.50		23 520 655	1.87%	1.83%	436	671	15	2	1.88%	10	1.80%
	3.00		11 680 231	4.32%	4.28%	229	283	17		3.89%	10	4.02%
	3.50		9 040 780	8.76%	8.70%	166	220	16		7.63%	10	8.01%
	4.00		4 249 831	15.22%	15.18%	92	144	18		14.05%	10	14.40%
	4.50		6 603 825	40.56%	40.06%	108	205	38		32.58%	10	36.20%

IRB approach – Back-testing of LGD per exposure class:

Exposure class	LGD range	External rating equivalent	Weighted average LGD	Arithmetic average LGD by obligors	Number of obligors		Defaulted obligors in the year	Of which new obligors	Average historical annual loss rate of last 5 years	Average historical	
					End of previous year	End of the year				Number of historical years	Average of annual loss rates
Private Individuals (PI)			**55.35%**	**57.26%**	**158 130**	**153 551**	**3539**	**136**	**31.59%**	**11**	**37.09%**
hereof secured by immovable property			47.38%	41.39%	16 596	17 813	178	2	23.70%	9	27.60%
hereof qualifying revolving			70.16%	70.16%	76 125	72 190	1646	73	55.65%	11	61.07%
hereof other			55.55%	55.50%	65 409	63 548	1715	61	40.87%	11	48.81%
Small and medium enterprises (Micro SME)			**51.44%**	**60.64%**	**10 259**	**10 654**	**286**	**10**	**41.22%**	**11**	**47.26%**
hereof secured by immovable property			53.17%	52.78%	4 007	3 968	114	1	41.46%	9	45.21%
hereof other			59.34%	59.94%	6 252	6 686	172	9	40.77%	11	51.00%

IRB approach – Back-testing of CCF per exposure class:

Exposure class	CCF range	External rating equivalent	Weighted average CCF	Arithmetic average CCF by obligors	Number of obligors		Defaulted obligors in the year	Of which new obligors	Average historical annual credit conversion factor last 5 years	Average historical annual	
					End of previous year	End of the year				Number of historical years	Average of annual credit conversion factor
Private Individuals (PI)			**46%**	**2338%**	**158 130**	**153 551**	**3 539**	**136**			
hereof secured by immovable property			95%	104%	16 596	17 813	178	2			
hereof qualifying revolving			40%	4820%	76 125	72 190	1 646	73	15.77%	13	28.19%
hereof other			28%	102%	65 409	63 548	1 715	61			
Small and medium enterprises (Micro SME)			**33%**	**5509%**	**10 259**	**10 654**	**286**	**10**	14.44%	13	27.89%
hereof secured by immovable property			33%	2565%	4 007	3 968	114	1	14.44%	13	27.89%
hereof other			33%	7141%	6 252	6 686	172	9	14.44%	13	27.89%

Forbearance and Non-performing templates

Template 1: Credit quality of forborne exposures

		Gross carring amount/nominal amount of exposures with forbearance measures				Accumilated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne						
				Of which defaulted	Of which impaired	On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
1	Loans and advances								
2	Central banks								
3	General governments								
4	Credit institutions								
5	Other financial corporations								
6	Non-financial corporations	35 448	37 699		34 480	-2 035	-19 406		17 449
7	Households	24 747	33 204		32 479	-1 919	-20 962		7 647
8	Debt securities								
9	Loan commitments given								
10	**Total**	**60 195**	**70 903**		**66 959**	**-3 954**	**-40 368**		**25 096**

Template 3: Credit quality of performing and non-performing exposures by past due days

		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
			Not past due or past due = < 30 days	Past due > 30 days= < 90 days		Unlikely to pay that are not past due or are past due <= 90 days	Past due > 90 days <= 180 days	Past due > 180 days <= 1 year	Past due > 1 year <= 2 years	Past due > 2 years <= 5 years	Past due > 5 years <= 7 years	Past due > 7 years	Of which defaulted
1	**Loans and advances**	**6 730 935**	**6 713 254**	**17 681**	**178 731**	**103 931**	**14 478**	**14 771**	**24 222**	**12 706**	**1 869**	**6 754**	**164 218**
2	*Central banks*	0	0	0	0	0	0	0	0	0	0	0	0
3	*General governments*	15 322	15 322	0	3 099	0	0	0	3099	0	0	0	3 099
4	*Credit institutions*	478 965	478 965	0	0	0	0	0	0	0	0	0	0
5	*Other financial corporations*	69 525	69 525	0	0	0	0	0	0	0	0	0	0
6	*Non-financial corporations*	3 367 184	3 362 766	4 418	71 172	48 280	3 318	3 055	6 036	3 237	985	6 261	60 722
7	*Of which SMEs*	1 362 931	1 361 026	1 905	49 793	37 719	2 677	2 857	1 808	3 051	366	1 315	48 948
8	*Households*	2 799 939	2 786 676	13 263	104 460	55 651	11 160	11 716	15 087	9 469	884	493	100 397
9	**Debt securities**	**1 451 098**	**1 451 098**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
10	*Central banks*	0	0	0	0	0	0	0	0	0	0	0	0
11	*General governments*	1 169 939	1 169 939	0	0	0	0	0	0	0	0	0	0
12	*Credit institutions*	153 012	153 012	0	0	0	0	0	0	0	0	0	0
13	*Other financial corporations*	68 085	68 085	0	0	0	0	0	0	0	0	0	0
14	*Non-financial corporations*	60 062	60 062	0	0	0	0	0	0	0	0	0	0
15	**Off-balance-sheet exposures**	**2 298 473**	**0**	**0**	**7 602**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
16	*Central banks*	0			0								0
17	*General governments*	4 920			0								0
18	*Credit institutions*	227 199			0								0
19	*Other financial corporations*	18 962			0								0
20	*Non-financial corporations*	1 815 469			5 471								0
21	*Households*	231 923			2 131								0
22	**Total**	**10 480 506**	**8 164 352**	**17 681**	**186 333**	**103 931**	**14 478**	**14 771**	**24 222**	**12 706**	**1 869**	**6 754**	**164 218**

Template 4: Performing and non-performing exposures and related provisions

	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures- accumulated impairment and provisions			Non-performing exposures- accumulated impairment, accumulated negative changrs in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
Loans and advances	**6 730 935**	**5 449 810**	**1 129 948**	**178 731**	**2 531**	**175 242**	**-91 366**	**-21 666**	**-69 699**	**-115 450**	**-587**	**-114 239**	**0**	**3 135 582**	**42 133**
Central banks	***0***	*0*	*0*	***0***	*0*	*0*	***0***	*0*	*0*	***0***	*0*	*0*	*0*	*0*	*0*
General governments	***15 322***	*13 893*	*1429*	***3 099***	*0*	*3 099*	***-8***	*-8*	*0*	***-3 099***	*0*	*-3099*	*0*	*0*	*0*
Credit institutions	***478 965***	*48 332*	*0*	***0***	*0*	*0*	***-21***	*-21*	*0*	***0***	*0*	*0*	*0*	*0*	*0*
Other financial corporations	***69 525***	*349 046*	*0*	***0***	*0*	*0*	***-11***	*-11*	*0*	***0***	*0*	*0*	*0*	*0*	*0*
Non-financial corporations	***3 367 184***	*2 520 538*	*846 601*	***71 172***	*206*	*70 518*	***-50 110***	*-8 101*	*-42 008*	***-42 505***	*-75*	*-42 209*	*0*	*1 576 407*	*25 830*
Of which SMEs	***1 362 931***	*915 453*	*447 479*	***49 793***	*205*	*49 165*	***-37 569***	*-4 290*	*-33 279*	***-31 246***	*-74*	*-30 950*	*0*	*745855*	*15 734*
Households	***2 799 939***	*2 518 001*	*281 918*	***104 460***	*2 325*	*101 625*	***-41 216***	*-13 525*	*-27 691*	***-69 846***	*-512*	*-68 931*	*0*	*1 559 175*	*16 303*
Debt securities	**1 451 098**	**1 451 098**	**0**	**0**	**0**	**0**	**126**	**126**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Central banks	***0***	*0*	*0*	***0***	*0*	*0*	***0***	*0*	*0*	***0***	*0*	*0*	*0*	*0*	*0*
General governments	***1 169 939***	*1 169 939*	*0*	***0***	*0*	*0*	***105***	*105*	*0*	***0***	*0*	*0*	*0*	*0*	*0*
Credit institutions	***153 012***	*153 012*	*0*	***0***	*0*	*0*	***5***	*5*	*0*	***0***	*0*	*0*	*0*	*0*	*0*
Other financial corporations	***68 085***	*68 085*	*0*	***0***	*0*	*0*	***3***	*3*	*0*	***0***	*0*	*0*	*0*	*0*	*0*
Non-financial corporations	***60 062***	*60 062*	*0*	***0***	*0*	*0*	***13***	*13*	*0*	***0***	*0*	*0*	*0*	*0*	*0*
Off-balance-sheet exposures	**2 298 473**	**2 012 576**	**257 674**	**7 602**	**0**	**7 602**	**4 403**	**1 926**	**2 479**	**5 519**	**0**	**5 517**		**0**	**0**
Central banks	***0***	*0*	*0*	***0***	*0*	*0*	***0***	*0*	*0*	***0***	*0*	*0*		*0*	*0*
General governments	***4 920***	*4 920*	*0*	***0***	*0*	*0*	***3***	*3*	*0*	***0***	*0*	*0*		*0*	*0*
Credit institutions	***227 199***	*227 199*	*0*	***0***	*0*	*0*	***13***	*13*	*0*	***0***	*0*	*0*		*0*	*0*
Other financial corporations	***18 962***	*17 789*	*1 173*	***0***	*0*	*0*	***3***	*2*	*1*	***0***	*0*	*0*		*0*	*0*
Non-financial corporations	***1 815 469***	*1 569 264*	*216 950*	***5 471***	*0*	*5471*	***3 169***	*1 318*	*1 852*	***3 933***	*0*	*3932*		*0*	*0*
Households	***231 923***	*193 404*	*39 551*	***2 131***	*0*	*2131*	***1 215***	*590*	*626*	***1 586***	*0*	*1585*		*0*	*0*
Total	**10 480 506**	**8 913 484**	**1 387 622**	**186 333**	**2 531**	**182 844**	**-86 837**	**-19 614**	**-67 220**	**-109 931**	**-587**	**-108 722**	**0**	**3 135 582**	**42 133**

Template 9: Collateral obtained by taking possession and execution processes

		Collateral obtained by taking possession	
		Value at initial recognition	Accumulated negative changes
1	Property, plant and equipment (PP&E)	151	
2	**Other than PP&E**	**2 054**	
3	*Residential immovable property*	*0*	
4	*Commercial Immovable property*	*0*	
5	*Movable property (auto, shipping, etc.)*	*0*	
6	*Equity and debt instruments*	*0*	
7	*Other*	*2 054*	
8	**Total**	**2 205**	

EU CCR1 — Analysis of CCR exposure by approach

		a	b	c	d	e	f	g
		Notional	Replacement cost/current market value	Potential future credit exposure	EEPE	Multiplier	EAD post CRM	RWA
1	Mark to market		20 068	18 475			38 543	17 686
2	Original exposure	-					-	-
3	Standardised approach		-			-	-	-
4	IMM (for derivatives and SFTs)				-	-	-	-
5	*Of which securities financing transactions*				-	-	-	-
6	*Of which derivatives and long settlement transactions*				-	-	-	-
7	*Of which from contractual cross-product netting*				-	-	-	-
8	Financial collateral simple method (for SFTs)						-	-
9	Financial collateral comprehensive method (for SFTs)						-	-
10	VaR for SFTs						-	-
11	**Total**							**17 686**

EU CCR2 — CVA capital charge

		a	b
		Exposure value	**RWAs**
1	Total portfolios subject to the advanced method	-	-
2	(i) VaR component (including the 3× multiplier)		-
3	(ii) SVaR component (including the 3× multiplier)		-
4	All portfolios subject to the standardised method	15 212	1 063
EU4	Based on the original exposure method	-	-
5	**Total subject to the CVA capital charge**	**15 212**	**1 063**

EU CCR4 — IRB approach – CCR exposures by portfolio and PD scale

	PD scale	a	b	c	d	e	f	g
		EAD post CRM	Average PD	Number of obligors	Average LGD	Average maturity	RWAs	RWA density
Institutions								
	0,00 to <0,15	17 042	0	1	45	1	4 707	0
	Subtotal	17 042					4 707	
Corporates - SME								
	0,00 to <0,15	74	0	3	45	0	15	0
	0,15 to <0,25	4	0	1	45	0	1	0
	0,25 to <0,50	828	0	6	45	3	369	0
	0,50 to <0,75	213	1	2	45	7	122	1
	0,75 to <2,50	183	1	5	45	1	115	1
	2,50 to <10,00	334	5	3	45	7	362	1
	Subtotal	1 636					984	
Corporates - Other								
	0,00 to <0,15	1 786	0	3	45	0	366	0
	0,15 to <0,25	239	0	1	45	0	117	0
	0,25 to <0,50	15 478	0	3	45	1	8 924	1
	0,50 to <0,75	179	1	3	45	5	138	1
	0,75 to <2,50	1 190	1	5	45	2	1 216	1
	2,50 to <10,00	485	8	2	45	0	934	2
	Subtotal	19 358					11 694	
Corporates - Specialised Lending								
	0,15 to <0,25	506	0	1	45	7	301	1
	Subtotal	506					301	
Total (all portfolios)		**38 543**					**17 686**	**1**

EU MR1 — Market risk under the Standardized approach

Market risk under the Standardized approach		**a**	**b**
		RWA amounts	**Capital requirements**
Outright products		6 175	494
1	Interest rate risk (general and specific)	6 175	494
2	Equity risk (general and specific)	-	-
3	Foreign exchange risk	-	-
4	Commodity risk	-	-
Options		-	-
5	Simplified approach	-	-
6	Delta-plus method	-	-
7	Scenario approach	-	-
8	Securitization (specific risk)	-	-
9	**Total**	**6 175**	**494**