

AS Citadele banka

Risk management and capital adequacy report (pillar 3 disclosures)

First quarter 2021

More
opportunities


Citadele



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INTRODUCTION

This report provides interim update on the qualitative and quantitative disclosures on the major risks of operations of AS Citadele banka and its risk management objectives, policies and information on capital adequacy as required by:

- Part eight of the Regulation (EU) No 575/2013 "On prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012",
- Regulation No.86 of the Financial and Capital Market Commission (FCMC) "Rules on disclosure of the information in accordance with the part eight of the Regulation (EU) 575/2013 about materiality of the information, protected and confidential information and frequency of the disclosure of the information" and
- Guidelines EBA/GL/2016/11 of the European Banking Authority "On disclosure requirements under part eight of Regulation (EU) No 575/2013".

This report should be read in conjunction with the latest the annual report, the relevant quarterly financial statements, the report on remuneration policy and the statement on corporate governance as certain important information is disclosed in these reports and is not repeated in this report. The mentioned reports are available at www.cblgroup.com.

Refer to the separate report on remuneration policy for disclosures on remuneration in accordance with the requirements of:

- Guidelines EBA/GL/2015/22 of the European Banking Authority "On sound remuneration policies under Articles 74(3) and 75(2) of Directive 2013/36/EU and disclosures under Article 450 of Regulation (EU) No 575/2013",
- Article 34.5. of the regulation No.86 of the FCMC "Rules on disclosure of the information in accordance with the part eight of the Regulation (EU) 575/2013 about materiality of the information, protected and confidential information and frequency of the disclosure of the information", and
- Regulation No.207 of the FCMC "Regulation on remuneration policy principles".

AS Citadele banka has subsidiaries, which are financial institutions, thus it needs to comply with the capital adequacy, liquidity coverage ratio (LCR), leverage ratio (LR) and other regulatory requirements both at the Bank's standalone level and at the Group's consolidated level. However, in line with the pillar 3 disclosure requirements information in the Risk report is disclosed only at the Group's consolidated level. For key information on the Bank standalone refer to the latest annual report and the relevant quarterly financial statements.

All monetary figures in this report are presented in thousands of Euros (EUR 000's). If not specified otherwise, all figures represent amounts as of 31 March 2021.

CONSOLIDATION GROUP

AS Citadele banka (thereon – the Bank), registration number 40103303559, is the parent company of the Group. In the consolidation group for regulatory purposes (thereon – the Group) companies are included as per requirements of Regulation (EU) No 575/2013, while in the consolidation group for the accounting purposes companies are included in accordance with International Financial Reporting Standards (IFRS) as adopted in the European Union.

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

Name of the entity	a Method of accounting consolidation	b-e Method of regulatory consolidation	f Description of the entity
AS Citadele banka	Full consolidation	Full consolidation	Banking
SIA Citadele Leasing	Full consolidation	Full consolidation	Leasing
SIA Citadeles moduli	Full consolidation	Full consolidation	Support services
AP Anlage & Privatbank AG	Full consolidation	Full consolidation	Banking
SIA Citadele Lizings un Faktoringas	Full consolidation	Full consolidation	Leasing
IPAS CBL Asset Management	Full consolidation	Full consolidation	Investment management company
UAB Citadele faktoringas ir lizingas	Full consolidation	Full consolidation	Leasing
SIA Hortus Residential	Full consolidation	Full consolidation	Support services
AS CBL Atklātais Pensiju Fonds	Full consolidation	Full consolidation	Pension fund
OU Citadele Leasing & Factoring	Full consolidation	Full consolidation	Leasing
SIA Mobilly (Investments in associates)	Equity method	Equity method	Electronic money institution
SIA Hortus Land	Full consolidation	Full consolidation	Support services
AAS CBL Life	Full consolidation	Deducted	Life insurance
Calenia Investments Limited	Full consolidation	Full consolidation	In liquidation
OOO Mizush Asset Management Ukraina	Full consolidation	Full consolidation	In liquidation

There are no immediate or foreseeable legal obstacles for capital element transferability or liability repayment between the Group's parent company and its subsidiaries.

In certain jurisdictions all profits may not be paid out in dividends. In other jurisdictions specific part from accumulated profits has to be set aside for reserves. These reserves are freely available to the respective company for unlimited and immediate use to cover risks or losses, when such are incurred. For certain Group's earnings tax on capital distribution applies. For more details refer to the latest annual report.

GOVERNANCE

In order to ensure that the Bank's Supervisory Board and Management Board members and key function holders are suitable for their position and represent diversity, the Bank has developed internal regulation "AS Citadele banka's policy on the assessment of the suitability of members of the Supervisory Board and Management Board and key function holders".

The policy has been developed in accordance with the Credit Institution Law of the Republic of Latvia and the recommendations of the FCMC. The policy is reviewed and if necessary updated regularly.

The policy prescribes the procedure and the frequency of the assessment of the suitability of members of the Bank's Supervisory Board and Management Board and key function holders, as well as procedure for decision making on the suitability.

The initial suitability assessment is performed when a new member is nominated to the Bank's Supervisory Board or Management Board prior to his/her election or prior to the date of commencement of his/her duties, but not later than within 6 weeks after the election of the member of the Supervisory Board or the Management Board.

The reassessment of suitability is performed in the following cases:

- During the annual assessment of the suitability of a member of the Supervisory Board or the Management Board,
- If a member of the Supervisory Board or the Management Board is re-elected to his/her position,
- If changes are made to the responsibilities of a member of the Supervisory Board or the Management Board or in the competences required to carry out such responsibilities,
- If there is a doubt about the reliability, competence or reputation of a member of the Supervisory Board or the Management Board.

The suitability assessment is performed considering the overall composition of the Supervisory Board and the Management Board, as well as the knowledge and competence collectively necessary for the Supervisory Board and the Management Board, awareness and personal qualities in order to properly carry out the duties assigned to the members of the Supervisory Board in relation to the supervision of the Management Board activities and to the Management Board in relation to the Group's operational management.

The suitability assessment of the members of the Supervisory Board and the Management Board is performed by the Remuneration and Nomination Committee. The Supervisory Board approves the composition and also regulations of this committee. The suitability assessment of key function holders is performed by a special committee. The Management Board approves the composition and also regulations of this committee.

Each member of the Management Board is responsible for a specific scope of the Group operations. The suitability assessment process ensures that members of the Management Board have adequate level of necessary knowledge and competence in relation to specific scope of operations of the Group under responsibility of each member of the Management Board, as well adequate necessary collective knowledge and competence.

RISK MANAGEMENT

The Group considers risk management to be an essential component of its management process. The Group pursues prudent risk management that is aligned with its business ambitions and aims to achieve effective risk mitigation. In order to assess and monitor complex risk exposures, the Group applies a wide range of risk management tools in conjunction with risk committees. Members of risk committees represent various operations of the Group in order to balance business and risk orientation within respective risk committees. The Group's risk management principles are set out in its Risk Management Policy. The Group adheres to the following key risk management principles:

- The Group aims to ensure that it maintains low overall risk exposure, diversified asset portfolio, limited risks in financial markets and low levels of operational risk;
- The Group aims to ensure an acceptable risk level in all operations. Risks are always assessed in relation to their expected return. Risk exposures that are not acceptable are avoided, limited or hedged;
- The Group does not assume high or uncontrollable risks irrespective of the return they provide and assumes risks only in economic fields and geographical regions in relation to which it believes it has sufficient knowledge and expertise;
- Risk management is based on each Group's employee's responsibility for the transactions carried out by him/her and awareness of the related risks;
- Risk limit system and strict controls are essential risk management elements. Control over risk levels and compliance with the imposed limits is achieved by the existence of structured risk limit systems for all material risks.

The aim of the risk management in the Group is to facilitate the achievement of the Group's goals, sustainable growth, long-term financial stability and to protect the Group from unidentified risks. The Bank has appointed a Risk Director (CRO) who is a member of the Bank's Management Board and whose responsibilities do not include the duties related to the activities under control. The CRO has a direct access to the Bank's Supervisory Board. The Risk Committee, which is subordinated to the Bank's Supervisory Board, has been established in the Bank. The main task of the Risk Committee is to provide support to the Bank's Supervisory Board in relation to the monitoring of the Group's risk management system. The Risk Committee established by the Bank's Supervisory Board provides recommendations to the Bank's Management Board regarding improvements of the risk management system. Risk management within the Group is controlled by an independent unit – the Risk Sector.

The main risks to which the Group is exposed are: credit risk, market risk, interest rate risk, liquidity risk, currency risk and operational risk. For each of these risks the Group has approved risk management policies and other internal regulations defining key risk management principles and processes, functions and responsibilities of units, risk concentration limits, as well as control and reporting system. The Bank's Supervisory Board approves risk management policies and ensures the control of efficiency of the risk management system. The Bank's Management Board and CRO ensure implementation of the risk management policies and development of internal regulations for the management of each material risk within the Group. In order to assess and monitor material and complex risk exposures, the Bank's Management Board establishes risk committees. Members of risk committees represent various units of the Group in order to ensure the balance between the units responsible for risk monitoring and control and the units with business orientation.

The Group continuously assesses and controls risks – both on an individual basis by type of risk and by performing a comprehensive assessment within the internal capital adequacy assessment process (ICAAP). Each member of the Group is responsible for risk control and management. Each employee of the Group is responsible for the compliance with the principles set out in the Group's internal regulations.

Risk management process includes the following elements: risk identification, risk assessment and decision making, risk management and control, risk monitoring and reporting. The Group regularly, at least once a year, identifies and describes the types of material risks inherent in its operations by assessing what types of risks may have a negative impact on achieving its performance targets and projected financial results. In order to identify the types of material risks, quantitative and qualitative criteria are used and the results of the process are documented. For all types of identified material risks the aims of risk management are defined and risk appetite is determined. In addition, the development of internal regulations in relation to risk management of those risks is ensured, including risk identification and assessment methods, adequate risk restriction and control procedures, such as quantitative restrictions and limits, or control measures that reduce unquantifiable risks, risk appetite, procedures for reporting the information on risks, risk levels assumed and trends thereof to the Group's management bodies, as well as other information necessary for decision making, risk management policy and control procedures, including procedures for control of compliance with the restrictions and limits set, segregation of duties, approval rights and responsibilities.

Risk assessment and decision making include selection, approval and documentation of risk assessment methodology, regular risk assessment, establishment of the risk restriction and controlling system and setting the acceptable level of risks within this system, decision making on assuming the risks. Risk assessment includes the determination of qualitative and quantitative impact of the source of each identified risk using generally accepted methodology, which is adequately documented. The Group makes a decision in relation to each identified and assessed risk, whether the Group accepts such risk or takes the necessary measures for its mitigation, or ceases activities related to this risk. The Group does not assume risks with the impact exceeding the risk appetite determined for each respective type of risk regardless of the economic benefits that might result from assuming such risk.

Risk management and control include the compliance with the level of risk acceptable for the Group including the compliance with the limits restricting the amount of risk. Monitoring and reporting includes regular assessment of the existing level of risk against the desirable level of risk, trend analysis, regular reporting to the relevant unit heads, the Bank's Management Board and the Supervisory Board.

The integral part of the risk management is risk stress testing. Stress testing process ensures regular identification and assessment of risks inherent to the Group's current and future operations, as well as assessment of the impact of different extraordinary and adverse events on the Group's operations, in order to provide support to responsible employees of the Group in management decision-making process at different levels of management (e.g. strategic planning, determination and correction of the risk appetite, capital planning, liquidity management).

The Group's Internal Audit Division regularly monitors the implementation of risk management policies and other internal regulations, as well as provides recommendations regarding improvements of the risk management system.

CAPITAL ADEQUACY CALCULATION

Capital adequacy is calculated in accordance with the current global standards of the bank capital adequacy (the Basel III international regulatory framework) as implemented by the European Union via a regulation (EU) 575/2013 and a directive 2013/36/EU, the Financial and Capital Markets Commission's (FCMC) rules and other relevant regulations.

Capital adequacy is a measure of sufficiency of the Group's eligible capital resources to cover credit risks, market risks, operational risk and other specific risks arising predominantly from asset and off-balance sheet exposures of the Group. The regulations require credit institutions to maintain a Total Capital adequacy ratio of 8.0% of the total risk weighted exposure amounts. The rules also require 4.5% minimum Common Equity Tier 1 capital ratio and 6.0% minimum Tier 1 capital ratio.

Total SREP capital requirement (TSCR) requires capital to cover risks in addition to these covered by the regulation (EU) 575/2013. TSCR is established in a supervisory review and evaluation process (SREP) carried out by the national supervisory authority. The national supervisory authority determines TSCR on a risk-by-risk basis, using supervisory judgement, the outcome of supervisory benchmarking, ICAAP calculations and other relevant inputs. The additional pillar 2 capital requirement is re-assessed annually by the FCMC. As of the period end based on the FCMC's assessment an additional 2.30% capital requirement (TSCR) for the Group and the Bank is determined to cover pillar 2 risks. As of the period end the Bank and the Group is required to cover 56% of the TSCR with Common Equity Tier 1 capital (1.29% capital requirement), 75% with Tier 1 capital (1.73% capital requirement) and 100% with Total Capital (2.30% capital requirement).

On top of the minimum capital adequacy ratios and the pillar 2 capital requirements (TSCR), the Group and the Bank must comply with the capital buffer requirements. The buffer requirements must be reached by Common Equity Tier 1 capital. Capital conservation buffer both for the Group and the Bank is set at 2.50%, limiting dividend pay-out and certain other Tier 1 equity instrument buybacks, if the buffer threshold is not exceeded.

Citadele, being identified as "other systemically important institution" (O-SII), must also comply with the O-SII capital buffer requirement set by the FCMC at 1.50%.

Countercyclical capital buffer norms at each balance sheet date are calculated based on the actual risk exposure geographical distribution and the countercyclical buffer rates applicable for each geographical location. In the reporting period in reaction to the Covid-19 events most European countercyclical capital buffer requirements were decreased to 0%. Therefore, based on the regional distribution of the Group's exposures the effective countercyclical capital buffer requirement of the Group has decreased to almost 0%.

The Group and the Bank applies requirements of minimum loss coverage for non-performing exposures in line with FCMC regulations for the exposures originated until 25 April 2019, and in line with a regulation (EU) 2019/630 for the exposures originated starting from 26 April 2019. The minimum loss coverage calculation is mathematically simplistic "calendar based" calculation for non-performing exposures which is constructed on principle - the longer an exposure has been non-performing, the lower the probability for the recovery of its value. Therefore, the portion of the exposure that should be covered by provisions, impairments, other adjustments or deductions should increase with time, following a pre-defined calendar. Insufficient coverage for non-performing exposures is deductible from the regulatory capital. Due to the Group's provisioning policy and portfolio structure, the



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regulation of minimum loss coverage for non-performing exposures has had minor impact on the Group's capital adequacy position.

The Bank has to comply with the regulatory requirements both at the Bank's standalone level and at the Group's consolidated level. As of the period end both the Bank and the Group have sufficient capital to comply with the FCMC's capital adequacy requirements. The long-term regulatory capital position of the Group and the Bank is planned and managed in line with these and other expected upcoming regulatory requirements.

Regulatory capital requirements of the Group on 31 March 2021

	Common Equity Tier 1 capital ratio	Tier 1 capital ratio	Total Capital adequacy ratio
Common Equity Tier 1 ratio	4.50%	4.50%	4.50%
Additional Tier 1 ratio	-	1.50%	1.50%
Additional Total Capital ratio	-	-	2.00%
Individual TSCR, as determined by the FCMC	1.29%	1.73%	2.30%
Capital buffer requirements:			
Capital conservation buffer	2.50%	2.50%	2.50%
O-SII capital buffer	1.50%	1.50%	1.50%
Countercyclical capital buffer	0.00%	0.00%	0.00%
Capital requirement	9.79%	11.73%	14.30%

Capital adequacy ratio

	EUR thousands	
	31/03/2021 Group	31/12/2020 Group
Common Equity Tier 1 capital		
Paid up capital instruments	156,556	156,556
Retained earnings	176,651	176,651
Regulatory deductions	(6,624)	(5,599)
Other capital components and transitional adjustments, net	10,700	13,405
Tier 2 capital		
Eligible part of subordinated liabilities	60,000	60,000
Total own funds	397,283	401,013
Risk weighted exposure amounts for credit risk, counterparty credit risk and dilution risk	2,057,423	1,340,639
Total exposure amounts for position, foreign currency open position and commodities risk	15,365	13,690
Total exposure amounts for operational risk	187,358	187,358
Total exposure amounts for credit valuation adjustment	1,816	933
Total risk exposure amount	2,261,962	1,542,620
Total Capital adequacy ratio	17.6%	26.0%
Common Equity Tier 1 capital ratio	14.9%	22.1%

Transitional adjustments applied as of 31 March 2021

Capital adequacy calculation in accordance with the EU and the FCMC regulations permits transitional adjustments. The regulatory compliance is measured based on the transitional capital adequacy ratio. For transparency purposes fully loaded capital adequacy ratio (i.e. excluding transitional adjustments) is also disclosed. The expectation is that in the medium term the transitional capital adequacy ratio will converge with the fully loaded capital adequacy ratio, as the transitional provisions expire.

Most of the transitional provisions, if applied, allow for a favourable treatment of specific capital components or risk exposure items, resulting in a marginal improvement in the capital adequacy ratios. Application of the transitional provisions mostly is discretionary. Application decision is evaluated in the context of estimated positive impact on the capital adequacy ratio versus the resources required to develop the systems and the processes to implement each transitional provision.

The transitional provisions that the Group and the Bank has applied for the period end capital adequacy calculations:

The regulation (EU) 2017/2395 which permits specific proportion of the IFRS 9 implementation impact to be amortised over a five-year period (starting from 2018) for capital adequacy calculation purposes.

All other transitional provisions for which the Group and the Bank is eligible are not applied as of the period end and are still in the assessment phase, implementation phase or have been decided not to be implemented.

Fully loaded capital adequacy ratio (i.e. excluding transitional adjustments)

	EUR thousands	
	31/03/2021 Group	31/12/2020 Group
Common Equity Tier 1 capital, fully loaded	334,357	336,917
Tier 2 capital	60,000	60,000
Total own funds, fully loaded	394,357	396,917
Total risk exposure amount, fully loaded	2,259,426	1,539,013
Total Capital adequacy ratio, fully loaded	17.5%	25.8%
Common Equity Tier 1 capital ratio, fully loaded	14.8%	21.9%

OWN FUNDS

The capital of AS Citadele banka consists of two types of instruments – ordinary shares and subordinated debt securities issued. For more information on the bondholders and shareholders of the Bank refer to the latest annual report.

EU 1423/2013, Annex II – Capital instruments' main features

	Ordinary shares	Subordinated liabilities: Publicly listed unsecured bonds	Subordinated liabilities: Publicly listed unsecured bonds
Capital instruments' main features			
1 Issuer	AS Citadele banka	AS Citadele banka	AS Citadele banka
2 Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	-	LV0000802221	LV0000880011
3 Governing law(s) of the instrument	Latvia	Latvia	Latvia
Regulatory treatment			
4 Transitional CRR rules	Common Equity Tier 1	Tier 2	Tier 2
5 Post-transitional CRR rules	Common Equity Tier 1	Tier 2	Tier 2
6 Eligible at solo/(sub-)consolidated/ solo & (sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7 Instrument type (types to be specified by each jurisdiction)	Ordinary shares	Subordinated liabilities	Subordinated liabilities
8 Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 156.6 million	EUR 40.0 million	EUR 20.0 million
9 Nominal amount of instrument	EUR 156.6 million	EUR 40.0 million	EUR 20.0 million
9a Issue price	EUR 156.6 million	EUR 40.0 million	EUR 20.0 million
9b Redemption price	-	EUR 40.0 million	EUR 20.0 million
10 Accounting classification	Shareholders' Equity	Liabilities at amortised cost	Liabilities at amortised cost
11 Original date of issuance	Various	06/12/2016	24/11/2017
12 Perpetual or dated	Perpetual	Dated	Dated
13 Original maturity date	No Maturity	06/12/2026	24/11/2027
14 Issuer call subject to prior supervisory approval	Yes	Yes	Yes
15 Optional call date, contingent call dates and redemption amount	-	-	-
16 Subsequent call dates, if applicable	-	-	-
Coupons / dividends			
17 Fixed or floating dividend/coupon	-	Fixed	Fixed
18 Coupon rate and any related index	-	6.25%	5.50%
19 Existence of a dividend stopper	-	-	-
20a Fully discretionary, partially discretionary or mandatory (in terms of timing)	Discretionary	Fixed	Fixed
20b Fully discretionary, partially discretionary or mandatory (in terms of amount)	Discretionary	Fixed	Fixed
21 Existence of step up or other incentive to redeem	-	-	-
22 Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23 Convertible or non-convertible	Non-Convertible	Non-convertible	Non-convertible
24 If convertible, conversion trigger(s)	-	-	-
25 If convertible, fully or partially	-	-	-
26 If convertible, conversion rate	-	-	-
27 If convertible, mandatory or optional conversion	-	-	-
28 If convertible, specify instrument type convertible into	-	-	-
29 If convertible, specify issuer of instrument it converts into	-	-	-
30 Write-down future	No	No	No
31 If write-down, write-down trigger(s)	-	-	-
32 If write-down, full or partial	-	-	-
33 If write-down, permanent or temporary	-	-	-
34 If temporary write-down, description of write-up mechanism	-	-	-
35 Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated to subordinated liabilities	Subordinated to other non-subordinated liabilities	Subordinated to other non-subordinated liabilities
36 Non-compliant transitioned features	No	No	No
37 If yes, specify non-compliant features	-	-	-

EU 1423/2013, Annex VI – Own funds disclosure

		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	156,556	26 (1), 27, 28, 29, EBA list 26 (3)
<i>of which: ordinary shares</i>	156,556	EBA list 26 (3)
2 Retained earnings	176,651	26 (1) (c)
Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the appropriate accounting standards)	7,773	26 (1)
3.a Funds for general banking risk	-	26 (1) (f)
Amount of qualifying items referred to in the Article 484 (3) and the related share premium accounts subject to phase out from CET1	-	486 (2)
Public sector capital injections grandfathered until 1 January 2018	-	483 (2)
5 Minority interest (amount allowed in consolidated CET1)	-	84, 479, 480
5.a Independently reviewed interim profits net of any foreseeable change or dividend	-	26 (2)

6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	340,980	Sum of lines 1 to 5.a
	Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7	Additional value adjustments (negative amount)	(347)	34, 105
8	Intangible assets (net of related tax liability) (negative amount)	(3,113)	36 (1) (b), 37, 472 (4)
9	Empty set in the EU	-	
	Deferred tax assets that rely on future profitability excluding these arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	(2,387)	36 (1) (c), 38, 472 (5)
10	Fair value reserves related to gains or losses on cash flow hedges	-	33 (1) (a)
11	Negative amounts resulting from the calculation of expected loss amounts	-	36 (1) (d), 40, 159, 472 (6)
12	Any increase in equity that results from securitised assets (negative amount)	-	32 (1)
13	Gain or loss on liabilities valued at fair value resulting from changes in own credit standing	-	33 (1) (b)
14	Defined-benefit pension fund assets (negative amount)	-	36 (1) (e), 41, 472 (7)
15	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	-	36 (1) (f), 42, 472 (8)
16	Direct, indirect and synthetic holdings of CET1 instruments of financial sector entities where those entities have reciprocal holdings with the institution designated to inflate artificially the own funds of the institution (negative amount)	-	36 (1) (g), 44, 472 (9)
17	Direct, indirect and synthetic holdings of CET1 instruments of financial sector entities where the institution does not have a significant investment in these entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	36 (1) (h), 43, 45, 46, 49 (2) and (3), 79, 472 (10)
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in these 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, 470, 472 (11)
19	Empty set in EU	-	
20	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	36 (1) (k)
20.a	of which: qualifying holdings outside the financial sector (negative amount)	-	36 (1) (k) (i), 89 to 91
20.b	of which: securitisation positions (negative amount)	-	36 (1) (k) (ii), 243 (1) (b), 244 (1) (b), 258
20.c	of which: free deliveries (negative amount)	-	36 (1) (k) (iii), 379 (3)
	Deferred tax asset 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), 470, 472 (5)
21	Amount exceeding the 15% threshold (negative amount)	-	48 (1)
22	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 these entities	-	36 (1) (j), 48 (1) (b), 470, 472 (11)
23	Empty set in the EU	-	
24	of which: deferred tax assets arising from temporary differences	-	36 (1) (c), 38, 48 (1) (a)
25	Losses for the current financial year (negative amount)	-	36 (1) (a), 472 (3)
25.a	Foreseeable tax charges relating to CET1 items (negative amount)	-	36 (1) (l)
25.b	Regulatory adjustments applied to Common Equity Tier 1 in respect of amounts subject to pre-CRR treatment	-	
26	Regulatory adjustments relating to unrealised gains and losses pursuant to Article 467 and 468	-	467, 468
26a	Amount to be deducted from or added to Common Equity Tier 1 capital with regard to additional filters and deductions required pre CRR	2,927	481, 473a
26b	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)	-	36 (1) (j)
27	Regulatory corrections related to deferred tax assets in accordance with Article 472	-	472
27a	Prudential "calendar" provisioning	(777)	Regulation Nr.120 of the FCMC on Credit risk management
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	(3,697)	Sum of lines 7 to 20.a, 21, 22, and 25.a to 27
29	Common Equity Tier 1 (CET1) capital	337,283	Line 6 less line 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	-	
	Amounts of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	-	486 (3)
33	Public sector capital injections grandfathered until 1 January 2018	-	483 (3)
	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
34	of which: instruments issued by subsidiaries to phase out	-	486 (3)
35	Additional Tier 1 (AT1) capital before regulatory adjustments	-	Sum of lines 30, 33 and 34
	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)
	Direct, indirect and synthetic 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)
38		-	

39	Direct, indirect and synthetic 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, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	56 (d), 59, 79, 475 (4)
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 575/2013 (i.e. CRR residual amount)	-	
41a	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013 <i>Of which: items to be detailed line by line, e.g. material net interim losses, intangibles, shortfall of provisions to expected losses etc.</i>	-	472, 472 (3) (a), 472 (4), 472 (6), 472 (8) (a), 472 (9), 472 (10) (a), 472 (11) (a)
41b	Residual amounts deducted from Additional Tier 1 capital with regards to deductions from Tier 2 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013 <i>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.</i>	-	477, 477 (3), 477 (4) (a)
41c	Amount to be deducted from or added to Additional Tier 1 capital with regard to 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	-	Sum of lines 37 to 42
44	Additional Tier 1 (AT1) capital	-	Line 36 less line 43
45	Tier 1 capital (T1 = CET1 + AT1)	337,283	Sum of lines 29 and 44
Tier 2 (T2) capital: instruments and provisions			
46	Capital instruments and the related share premium accounts	60,000	62, 63
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	-	486 (4)
	Public sector capital injections grandfathered until 1 January 2018	-	483 (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 subsidiary and held by third parties	-	87, 88, 480
49	<i>of which: instruments issued by subsidiaries subject to phase out</i>	-	486 (4)
50	Credit risk adjustments	-	62 (c) and (d)
51	Tier 2 (T2) capital before regulatory adjustments	60,000	
Tier 2 (T2) capital: regulatory adjustments			
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	63 (b) (i), 66 (a), 67, 477 (2)
53	Holdings of the T2 instruments and subordinated loans of financial sector entities where those have reciprocal cross holdings with the institution designated to inflate 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	<i>of which: new holdings not subject to transitional arrangements</i>	-	
54b	<i>of which: holdings existing before 1 January 2013 and subject to transitional arrangements</i>	-	
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) (negative amount)	-	66 (d), 69, 79, 477 (4)
56	Regulatory adjustments applied to Tier 2 in respect of amount subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EUR) No 575/2013 (i.e. CRR residual amounts)	-	
56a	Residual amounts deducted from Tier 2 capital with regard to deductions from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013 <i>of which: items to be detailed line by line, e.g. material net interim losses, intangibles, shortfall of provisions to expected losses etc.</i>	-	472, 472 (3) (a), 472 (4), 472 (6), 472 (8) (a), 472 (9), 472 (10) (a), 472 (11) (a)
56b	Residual amounts deducted from Tier 2 capital with regard to deductions from Additional Tier 1 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013 <i>of which: items to be detailed line by line, e.g. reciprocal cross holdings in AT1 instruments, direct holdings of non-significant investments in capital of other financial sector entities, etc.</i>	-	475, 475 (2) (a), 475 (3), 475 (4) (a)
56c	Amount to be deducted from or added to Tier 2 capital with regards to additional filters and deductions required pre CRR	-	467, 468, 481
57	Total regulatory adjustments to Tier 2 (T2) capital	-	Sum of lines 52 to 56
58	Tier 2 (T2) capital	60,000	Line 51 less line 57
59	Total Capital (TC = T1 + T2)	397,283	Sum of line 45 and line 58
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)		

	<i>of which: items not deducted from CET1 (Regulation (EU) No 575/2013 residual amount) (items to be deducted line by line, e.g. deferred tax assets that rely on future profitability net of related tax liabilities, indirect holdings of own CET1, etc.)</i>		472, 472 (5), 472 (8) (b), 472 (10) (b), 472 (11) (b)
	<i>of which: items not deducted from AT1 items (Regulation (EU) No 575/2013 residual amount) (items to be detailed line by line, e.g. reciprocal cross holdings in T2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc.)</i>		475, 475 (2) (b), 475 (2) (c), 475 (4) (b)
	Items not deducted from T2 items (Regulation (EU) No 575/2013 residual amount) (items to be detailed line by line, e.g. indirect holdings of own T2 instruments, indirect holdings of other financial sector entities, indirect holdings of significant investments in the capital of other financial sector entities etc.)		477, 477 (2) (b), 477 (2) (c), 477 (4) (b)
60	Total risk weighted assets	2,261,962	
	Capital ratios and buffers		
61	Common Equity Tier 1 (as a percentage of risk exposure amount)	14.9%	92 (2) (a), 465
62	Tier 1 (as a percentage of risk exposure amount)	14.9%	92 (2) (b), 465
63	Total Capital (as a percentage of risk exposure amount)	17.6%	92 (2) (c)
	Instruction specific buffer requirements (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer (G-SII or		
64	O-SII buffer), expressed as a percentage of risk exposure amount	4.0%*	CRD 128, 129, 130
65	<i>of which: capital conservation buffer requirement</i>	2.5%	
66	<i>of which: countercyclical buffer requirement</i>	0.0%	
67	<i>of which: systemic risk buffer requirement</i>	-	
67.ε	<i>Other Systematically Important Institution (O-SII) or</i>	1.5%	CRD 131
	Common Equity Tier 1 available to meet buffers (as a percentage of risk		
68	exposure amount)	10.4% ⁽²⁾	CRD 128
69	[non relevant in EU regulation]	-	
70	[non relevant in EU regulation]	-	
71	[non relevant in EU regulation]	-	
	Capital ratios and buffers		
	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		
72	positions)	-	36 (1) (h), 45, 46, 472 (10), 56 (c), 59, 60, 475 (4), 66 (c), 69, 70, 477 (4)
	Direct and indirect holdings by the institution of the CET 1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of		
73	eligible short positions)	4,269	36 (1) (i), 45, 48, 470, 472 (11)
74	Empty set in the EU	-	
	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article		
75	38 (3) are met)	-	36 (1) (c), 38, 48, 470, 472 (5)
	Applicable caps on the inclusion of provisions in Tier 2		
	Credit risk adjustments included in T2 in respect of exposures subject to		
76	standardized approach (prior to the application of the cap)	-	62
	Cap on inclusion of credit risk adjustments in T2 under standardised		
77	approach)	-	62
	Credit risk adjustments included in T2 in respect of exposures subject to		
78	internal ratings-based approach (prior to the application of the cap)	-	62
	Cap for inclusion of credit risk adjustment in T2 under internal ratings-		
79	based approach	-	62
	Capital instruments subject to phase-out arrangements (only applicable between 1 January 2013 and 1 January 2022)		
80	Current cap on CAT1 instruments subject to phase out arrangements	-	484 (3), 486 (2) and (5)
	Amount excluded from CET1 due to cap (excess over cap after		
81	redemptions and maturities)	-	484 (3), 486 (2) and (5)
82	Current cap on AT1 instruments subject to phase out arrangements	-	484 (3), 486 (2) and (5)
	Amount excluded from AT1 due to cap (excess over cap after		
83	redemptions and maturities)	-	484 (3), 486 (2) and (5)
84	Current cap on T2 instruments subject to phase out arrangements	-	484 (3), 486 (2) and (5)
	Amount excluded from T2 due to cap (excess over cap after		
85	redemptions and maturities)	-	484 (3), 486 (2) and (5)

* The national supervisory authority determines TSCR on a risk-by-risk basis, using supervisory judgement, the outcome of supervisory benchmarking, ICAAP calculations and other relevant inputs. The additional pillar 2 capital requirement is re-assessed annually by the FCMC. The Group is required to cover 56% of the TSCR with Common Equity Tier 1 capital, 75% with Tier 1 capital and 100% with Total Capital.

EU OV1 – Overview of RWAs

		RWAs		Minimum capital requirements	
		31/03/2021	31/12/2020	31/03/2021	
	1	Credit risk (excluding CCR)	2,050,770	1,337,282	164,062
Article 438(c)(d)	2	Of which the standardised approach	2,050,770	1,337,282	164,062
Article 438(c)(d)	3	Of which the foundation IRB (FIRB) approach			
Article 438(c)(d)	4	Of which the advanced IRB (AIRB) approach			
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	8,469	4,290	677
Article 438(c)(d)		Of which mark-to-market	6,653	3,357	532
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	1,816	933	145
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	15,365	13,690	1,229
	20	Of which the standardised approach	15,365	13,690	1,229
	21	Of which IMA	-	-	-
Article 438(e)	22	Large exposures	-	-	-
Article 438(f)	23	Operational risk *	187,358	187,358	14,989
	24	Of which basic indicator approach	-	-	-
	25	Of which standardised approach	187,358	187,358	14,989
	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)	-	-	-
Article 500	28	Floor adjustment	-	-	-
	29	Total	2,261,962	1,542,620	180,957

EU INS1 – Non-deducted participations in insurance undertakings

	Value
Holdings of own funds instruments of a financial sector entity where the institution has a significant investment not deducted from own funds (before risk-weighting)	4,542
Total RWAs	11,355

CREDIT RISK AND CREDIT RISK MITIGATION (CRM)

Credit risk is the risk that the Group will incur a loss from debtor's non-performance or default. The Group is exposed to credit risk in its lending, investing and transaction activities, as well as in respect of the guarantees issued to or received from third parties and other off-balance sheet commitments to third parties. Credit risk management is performed pursuant to the Credit Risk Management Policy. The goal of credit risk management is to achieve a diversified asset portfolio, which generates profits that correspond to the assumed level of risk.

Credit risk management is based on an adequate assessment of a credit risk and a proper decision-making in relation to such risk. In cases when significant risk is to be undertaken, the credit risk analysis is performed by independent units of the Risk Sector. The credit risk analysis consists of an assessment of customer's creditworthiness and collateral quality and liquidity. The analysis of a legal entity's creditworthiness includes an assessment of the industry in which it operates, as well as an analysis of its credit history and current and forecasted financial situation. The assessment of a private individual's creditworthiness consists of the analysis of its credit history, income and debt-to-income ratio analysis, as well as an analysis of applicable social and demographic factors. In cases of material risks, lending decisions are taken by the Credit Committee and approved by the Bank's Management Board.

In relation to the acquisition of corporate bonds, the Group always analyses the business profile and financial performance of the issuer, taking into consideration the credit ratings assigned to it by international rating agencies, as well as market-based indicators. Sovereign bonds are assessed similarly, but with an emphasis on different fundamental factors, including the country's economic strength, institutional strength, financial strength of the government, political risks and other relevant factors.

After a loan is issued or a fixed income security is acquired, the customer's financial position and the issuers' risk indicators, such as credit rating changes, are monitored on a regular basis in order to timely identify potential credit quality deterioration. The loan monitoring process covers monitoring of financial results, financial position and cash flows of the borrower, loan repayment discipline and assessment of collateral quality.

The Group reviews its loan portfolio and securities portfolio on a regular basis to assess its structure, quality and concentration levels, as well as to evaluate portfolio trends and to control credit risk level. The Group takes measures for limiting credit risk

concentration by diversifying the portfolio and setting credit risk concentration limits. To limit its credit risk the Group has set the following concentration limits: individual counterparty and issuer limits, maximum exposure limit linked to a particular risk class of counterparty/issuer, limit for internally risk weighted exposures in a particular country/sector combination, limit for groups of connected customers, limit for large risk exposures, limit for transactions with the Group's related parties, industry limit, limit by customer type, loan product type, collateral type, intra-group transactions. Control of compliance with credit risk concentration limits, credit risk identification, monitoring and reporting is the responsibility of the Risk Sector.

In addition to the credit risk, which is inherent in the Group's loan portfolio and fixed income securities portfolio, the Group is also exposed to credit risk as a result of its banking relationships with multiple credit institutions, which it maintains in order to process customer transactions in a prompt and efficient manner. The Group manages its exposure to commercial banks and brokerage companies by monitoring on a regular basis the credit ratings of such institutions, conducting due diligence of their credit profiles and monitoring the individual exposure limits applicable to counterparties set by the Financial Market and Counterparty Risk Committee (FMCRC). The Group's exposures to derivative counterparties arise from its activities in managing liquidity and credit risks through short term derivatives that do not expose it to material counterparty risk.

EU CRB-A – Additional disclosure related to the credit quality of assets

Qualitative disclosures

Article 442(a)	The scope and definitions of 'past-due' and 'impaired' exposures used for accounting purposes and the definitions of past due and default for regulatory purposes are as specified by the EBA Guidelines on the application of the definition of default.
Article 442(a)	All exposures past-due more than 90 days are considered past-due exposures and are considered credit impaired for accounting purposes. All financial assets are assessed for expected credit losses.
Article 442(b)	By default all exposures are assessed collectively for expected credit losses, and the corresponding impairment allowances or provisions for off-balance sheet exposures are presented as general credit risk adjustments. For larger loan book exposures, where there are indications of impairment, an individual expected credit loss assessment is carried out and, if based on the assessment, the exposure is impaired the resulting impairments allowance and provisions are presented as specific credit risk adjustment. For large exposures, which have no impairment indicators or where based on the individual assessment are not impaired, expected credit losses are assessed collectively and presented as general credit risk adjustments.
Article 442(a)	The institution is applying definition of a restructured exposure for the implementation of Article 178(3)(d) as specified by the EBA Guidelines on default in the definition of forbore exposure defined in Annex V of the Commission Implementing Regulation (EU) No 680/2014.

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
16 Central governments or central banks	1,450,285	1,882,734
17 Regional governments or local authorities	53,300	53,757
18 Public sector entities	1,486	860
19 Multilateral development banks	43,494	46,056
20 International organisations	-	-
21 Institutions	280,317	273,959
22 Corporates	1,299,054	1,125,040
23 <i>Of which: SMEs</i>	550,120	500,885
24 Retail	1,099,410	813,179
25 <i>Of which: SMEs</i>	601,098	420,394
26 Secured by mortgages on immovable property	498,890	489,206
27 <i>Of which: SMEs</i>	150	181
28 Exposures in default	41,615	32,711
29 Items associated with particularly high risk	22,176	23,725
30 Covered bonds	16,968	16,968
31 Claims on institutions and corporates with a short-term credit assessment	-	-
32 Collective investments undertakings	12,847	13,340
33 Equity exposures	5,824	7,566
34 Other exposures	109,287	95,804
35 Total standardised approach	4,934,953	4,874,905
36 Total	4,934,953	4,874,905

* Including exposure value for counterparty credit risk (CCR).

EU CRB-C – Geographical breakdown of exposures

	a	b	c	d			g
				Net value			
	Latvia	Lithuania	Estonia	United States	Netherlands	Other countries	Total
7 Central governments or central banks	592,939	613,953	66,863	16,494	14,470	145,566	1,450,285
8 Regional governments or local authorities	154	24,499	356	-	-	28,291	53,300
9 Public sector entities	1,154	171	161	-	-	-	1,486
10 Multilateral development banks	-	-	-	10,629	-	32,865	43,494
11 International organisations	-	-	-	-	-	-	-
12 Institutions	255	181	457	22,705	40,875	215,844	280,317
13 Corporates	517,393	525,139	65,076	61,575	39,798	90,073	1,299,054
14 Retail	543,205	387,406	167,911	4	54	830	1,099,410
15 Secured by mortgages on immovable property	259,940	126,522	107,461	213	-	4,754	498,890
16 Exposures in default	20,368	12,379	8,656	-	-	212	41,615
17 Items associated with particularly high risk	21,862	314	-	-	-	-	22,176
18 Covered bonds	-	-	8,906	-	-	8,062	16,968
19 Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-
20 Collective investments undertakings	12,847	-	-	-	-	-	12,847
21 Equity exposures	4,667	-	-	1,014	-	143	5,824
22 Other exposures	96,620	4,431	4,248	3	15	3,970	109,287
23 Total standardised approach	2,071,404	1,694,995	430,095	112,637	95,212	530,610	4,934,953
24 Total	2,071,404	1,694,995	430,095	112,637	95,212	530,610	4,934,953

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

	a		c	d	f	g
	Gross carrying values of					
	Defaulted exposures	Non-defaulted exposures	Specific credit risk adjustment	General credit risk adjustment	Credit risk adjustment charges of the period	Net values (a+b-c-d)
16 Central governments or central banks	-	1,450,825	(1)	(539)	(152)	1,450,285
17 Regional governments or local authorities	-	53,318	-	(18)	(8)	53,300
18 Public sector entities	-	1,490	-	(4)	(3)	1,486
19 Multilateral development banks	-	43,496	-	(2)	-	43,494
20 International organisations	-	-	-	-	-	-
21 Institutions	-	280,437	-	(120)	(6)	280,317
22 Corporates	46,020	1,317,856	(13,812)	(22,866)	(10,465)	1,327,198
23 Of which: SMEs	14,207	559,568	(4,802)	(11,109)	(3,186)	557,864
24 Retail	3,740	1,118,235	(141)	(20,700)	(9,346)	1,101,134
25 Of which: SMEs	2,029	611,779	(88)	(11,666)	(7,568)	602,054
26 Secured by mortgages on immovable property	4,970	503,770	(816)	(5,637)	(409)	502,287
27 Of which: SMEs	-	151	-	(1)	1	150
28 Exposures in default	n/a	n/a	n/a	n/a	n/a	n/a
29 Items associated with particularly high risk	-	22,656	(232)	(248)	52	22,176
30 Covered bonds	-	16,968	-	-	-	16,968
31 Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
32 Collective investments undertakings	-	12,847	-	-	-	12,847
33 Equity exposures	-	5,824	-	-	-	5,824
34 Other exposures	25,201	110,346	(15,852)	(2,058)	(1,455)	117,637
35 Total standardised approach	79,931	4,938,068	(30,854)	(52,192)	(21,792)	4,934,953
36 Total	79,931	4,938,068	(30,854)	(52,192)	(21,792)	4,934,953



AS Citadele banka
Risk management and capital adequacy report (pillar 3 disclosures) for the three months ended 31 March 2021

EU CR5 – Standardised approach

Exposure classes	Risk weight															Total	
	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others		Deducted
1 Central governments or central banks	1,463,486	-	-	-	25,662	-	-	-	-	-	-	-	-	-	-	-	1,489,148
2 Regional governments or local authorities	3,271	-	-	-	48,274	-	-	-	-	-	-	-	-	-	-	-	51,545
3 Public sector entities	-	-	-	-	1,031	-	355	-	-	-	-	-	-	-	-	-	1,386
4 Multilateral development banks	35,212	-	-	-	-	-	8,282	-	-	-	-	-	-	-	-	-	43,494
5 International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 Institutions	-	-	-	-	227,372	-	46,156	-	-	6,789	-	-	-	-	-	-	280,317
7 Corporates	-	-	-	-	85,146	-	65,619	-	-	931,025	346	-	-	-	-	-	1,082,136
8 Retail	-	-	-	-	-	-	-	-	956,579	-	-	-	-	-	-	-	956,579
9 Secured by mortgages on immovable property	-	-	-	-	-	367,048	-	-	67,566	49,730	-	-	-	-	-	-	484,344
10 Exposures in default	-	-	-	-	-	-	-	-	-	22,534	15,061	-	-	-	-	-	37,595
11 Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	19,376	-	-	-	-	-	19,376
12 Covered bonds	-	-	-	16,968	-	-	-	-	-	-	-	-	-	-	-	-	16,968
13 Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Collective investments undertakings	-	-	-	-	-	-	-	-	-	12,847	-	-	-	-	-	-	12,847
15 Equity exposures	-	-	-	-	-	-	-	-	-	1,555	-	4,269	-	-	-	-	5,824
16 Other exposures	143,886	-	-	-	44,519	-	-	-	-	51,345	-	-	-	-	-	-	239,750
17 Total	1,645,855	-	-	16,968	432,004	367,048	120,412	-	1,024,145	1,075,825	34,783	4,269	-	-	-	-	4,721,309

EU 2015/1555, Table 1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical capital buffer

Row	Country	General credit exposures		Trading book exposures		Securitisation exposures		Own funds requirements			Counter-cyclical capital buffer rate		
		Exposure value for SA	Exposure value for IRB	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Exposure value for SA	Exposure value for IRB	of which: general credit exposures	of which: trading book exposures	of which: securitisation exposures		Own funds requirements weights	
		10	20	30	40	50	60	70	80	90	100	110	120
010	Latvia	1,302,273	-	-	-	-	-	75,487	-	-	75,487	48.02%	0.00%
	Lithuania	990,399	-	-	-	-	-	55,154	-	-	55,154	35.09%	0.00%
	Estonia	352,128	-	-	-	-	-	18,238	-	-	18,238	11.60%	0.00%
	United States	62,843	-	-	-	-	-	1,885	-	-	1,885	1.20%	0.00%
	Netherlands	39,889	-	-	-	-	-	1,296	-	-	1,296	0.82%	0.00%
	Germany	8,916	-	-	-	-	-	609	-	-	609	0.39%	0.00%
	Poland	6,407	-	-	-	-	-	372	-	-	372	0.24%	0.00%
	Other with 0% countercyclical capital buffer	69,686	-	-	-	-	-	2,988	-	-	2,988	1.90%	0.00%
	Other with non 0% countercyclical capital buffer	22,877	-	11,050	-	-	-	990	177	-	1,167	0.74%	0.58%
020	Total	2,855,418	-	11,050	-	-	-	157,022	177	-	157,196	100.00%	0.00%

In accordance with the EC 1152/2014 foreign exposures, whose aggregate does not exceed 2% of the aggregate of the general credit, trading book and securitisation exposures of that institution are allocated to an institution's home member state. The Article 140.4 of the 2013/36/EU requires only relevant credit exposures of the institution to be included in the countercyclical capital buffer calculation.

EU 2015/1555, Table 2 – Amount of institution-specific countercyclical capital buffer

		10
10	Total risk exposure amount	2,261,962
20	Institution specific countercyclical capital buffer rate	0.00%
30	Institution specific countercyclical capital buffer requirement	0

In the reporting period in reaction to the Covid-19 events, most European countercyclical capital buffer requirements were decreased to 0%. Therefore, based on the regional distribution of the Group's exposures the effective countercyclical capital buffer requirement of the Group has decreased to almost 0.00%.

COUNTERPARTY CREDIT RISK

Counterparty credit risk is the risk that the counterparty to a transaction could default before the final settlement of the transaction's cash flows. Group's counterparty credit risk arises primarily from currency derivatives transactions. The Group applies mark-to-market method to calculate counterparty credit risk.

LEVERAGE RATIO

Leverage ratio is calculated as Tier 1 capital versus the total exposure measure with the minimum requirement of 3%. No buffer requirements for O-SII banks apply under the current regulatory framework. The exposure measure includes both non-risk based on-balance sheet and off-balance sheet items calculated in accordance with the capital requirements regulation. The leverage ratio and the risk-based capital adequacy ratio requirements are complementary, with the leverage ratio defining the minimum capital to total exposure requirement and the risk-based capital adequacy ratios limiting bank risk-taking.

	<u>31/03/2021</u>
	<u>Group</u>
Leverage Ratio – fully phased-in definition of Tier 1 capital	7.1%
Leverage Ratio - transitional definition of Tier 1 capital	7.1%

LRCom: Leverage ratio common disclosure (EU 2016/200)

	CRR leverage ratio exposures
On-balance sheet exposures (excluding derivatives and SFTs)	
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral) 4,614,127
2	Asset amounts deducted in determining Tier 1 capital -
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2) 4,614,127
Derivative exposures	
4	Replacement cost associated with derivatives transactions 5,094
5	Add-on amounts for SFT associated with derivatives transactions 2,723
EU-5a	Exposure determined under Original Exposure Method
6	Empty set in the EU
7	Empty set in the EU
8	Empty set in the EU
9	Empty set in the EU
10	Empty set in the EU
11	Total derivative exposures (sum of lines 4 to 5a) 7,817
Securities financing transaction exposures	
12	Empty set in the EU -
EU-12a	SFT exposure according to Article 220 of Regulation (EU) NO. 575/2013 -
EU-12b	SFT exposure according to Article 222 of Regulation (EU) NO. 575/2013 -
13	Empty set in the EU -
14	Empty set in the EU -
15	Empty set in the EU -
16	Total securities financing transaction exposures -
Off-balance sheet exposures	
17	Off-balance sheet exposures at gross notional amount 313,008
18	Adjustments for conversion to credit equivalent amounts (198,483)
19	Total off-balance sheet exposures (sum of lines 17 to 18) 114,525
Capital and Total Exposures	
20	Tier 1 capital 337,283
EU-21a	Exposures of financial sector entities according to Article 429(4) 2nd subparagraph of Regulation (EU) NO. 575/2013
21	Total Exposures (sum of lines 3, 11, 16, 19 and 21a) 4,733,548
Leverage Ratios	
22	End of quarter leverage ratio 7.13%
EU-22a	Leverage ratio (average of the monthly leverage ratios over the quarter) -
Choice on transitional arrangements and amount of derecognised fiduciary items	
EU-23	Choice on transitional arrangements for the definition of the capital measure (2,921)
EU-24	Amount of derecognised fiduciary items in accordance with Article 429(11) of Regulation (EU) NO. 575/2013 -

LRSum: Summary reconciliation of accounting assets and leverage ratio exposures (EU 2016/200)

	Applicable Amounts
1	Total assets as per published financial statements 4,690,465
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation (68,612)
	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio exposure measure according to Article 429(11) of Regulation (EU) NO. 575/2013 4 Adjustments for derivative financial instruments 5 Adjustments for securities financing transactions -
3	
4	Adjustments for derivative financial instruments 2,723
5	Adjustments for securities financing transaction -
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures) 114,525
7	Other adjustments (5,552)
8	Leverage ratio exposure 4,733,548

The calculation of leverage ratio includes exposures with financial sector entities in accordance with Article 429 (4) (2) of Regulation (EC) No 575/2013 which relate to the Group's investment in AAS CBL Life.

LRSpI: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) (EU 2016/200)

	CRR leverage ratio exposures
EU-1 Total on-balance sheet exposures (excluding derivatives and SFTs), of which:	4,614,127
EU-2 Trading book exposures	-
EU-3 Banking book exposures, of which:	4,614,127
EU-4 Covered bonds	16,968
EU-5 Exposures treated as sovereigns	1,488,586
EU-6 Exposures to regional governments, MDB, international organisations and PSE NOT treated as sovereigns	93,834
EU-7 Institutions	275,894
EU-8 Secured by mortgages of immovable properties	482,782
EU-9 Retail exposures	948,746
EU-10 Corporate	1,027,087
EU-11 Exposures in default	37,432
EU-12 Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	242,799

LRQua: Free format text boxes for disclosure on qualitative items (EU 2016/200)

- Description of the processes used to manage the risk of excessive leverage:
The Group regularly calculates leverage ratio and monitors changes in it, to manage risk of excessive leverage.
- Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers:
The major factors affecting the Group's leverage ratio in the reporting period was a changes in the Group's total assets which was related to the acquisition of the leasing subsidiary.

MARKET RISK

Market risk is the risk that the Group will incur a loss as a result of the mark-to-market revaluation of balance sheet and off-balance sheet items caused by changes in market values of financial instruments due to changes in foreign exchange rates, interest rates and other factors.

Position risk of financial instruments is assessed and limits are set by the Group's Investment Committee (GIC). The decisions of the GIC are approved by the Bank's Management Board. Market risk is managed by the Group's business units and subsidiaries which can accept market risk in line with the set limits and investment restrictions of the respective portfolio. Market risk is measured, monitored and risk levels are reported by the Risk Sector.

The Group manages market risk by developing investment guidelines for every significant portfolio, which restrict, among other things, the sensitivity against interest rate changes, the duration and credit quality profile of investments, as well as by setting individual limits for issuers and financial instruments, to keep limit volumes closely linked to the results of risk assessments. The Group places significant emphasis on managing concentration risk and applies a framework, under which limits are set on risk adjusted exposures for every country and sector combination that the Group invests in. To assess position risk the Group uses sensitivity and scenario analysis, which identifies and quantifies the negative impact of adverse events on the portfolio of the Group taking into consideration regional, sector profiles of the portfolio and credit rating risk profiles of issuers.

EU MR1 – Market risk under the standardised approach

	a	b
	RWAs	Capital requirements
Outright products		
1 Interest rate risk (general and specific)	8,521	681
2 Equity risk (general and specific)	-	-
3 Foreign exchange risk	6,844	548
4 Commodity risk	-	-
Options		
5 Simplified approach	-	-
6 Delta-plus method	-	-
7 Scenario approach	-	-
8 Securitisation (specific risk)	-	-
9 Total	15,365	1,229

Exposures in equities not included in the trading book

None of the Group's investments in the equity exposures is included in the trading book. Information on the Group's investments in the equities, including carrying value, applied valuation techniques, fair value hierarchy level and estimated fair value, is disclosed at AS Citadele banka latest financial report which is available at www.cblgroup.com.

The prudential consolidation group does not include AAS CBL Life. The Group's investment of EUR 4,269 thousand in the capital of this subsidiary is accounted at cost and is not revalued.

Currency risk

Currency risk is a risk of loss arising from fluctuations in currency exchange rates.

Currency risk management in the Group is carried out in accordance with Currency Risk Management Policy. Currency risk is assessed and decisions are made by the FMCRC. The decisions of the FMCRC are approved by the Bank's Management Board. The FMCRC defines the acceptable currency risk level and the Group's internal limit system, as well as monitors compliance with these limits.

Day-to-day currency risk management is the responsibility of the Treasury Sector, while risk monitoring and reporting is the responsibility of the Risk Sector.

The Group has a low risk appetite for foreign exchange risk. The Group aims to keep exposures at levels that would produce a small net impact even in periods of high volatility. Several well-known methodologies are used to measure and manage foreign exchange risk including a conservative limit for a daily value-at-risk exposure. The Group is in full compliance with the currency position requirements of Latvian legislation.

Interest rate risk

Interest rate risk is related to the possible negative impact of changes in general interest rates on the Group's income and economic value.

Interest rate risk management in the Group is carried out in accordance with Interest Rate Risk Management Policy. Interest rate risk is assessed and decisions are taken by the Assets and Liabilities Management Committee (ALCO). The decisions of the ALCO are approved by the Bank's Management Board. The ALCO sets the acceptable interest rate risk level and the Group's internal limit system, monitors the compliance with the approved limits and use of the instruments for the management of interest rate risk. Interest rate risk measurement, management and reporting are responsibilities of the Treasury Sector, while the Risk Sector ensures proper oversight and prepares analytical reports to the ALCO and the Bank's Management Board.

The Group manages interest rate risk by using repricing gap analysis of the risk sensitive assets and liabilities, duration analysis of assets and liabilities as well as stress testing. The Group sets limits for impact of interest rate shock on economic value, net interest income and revaluation reserve. Based on the market analysis and the Group's financing structure, the ALCO sets the interest rates for customer deposits.

LIQUIDITY RISK

Liquidity risk is the risk that the Group will be unable to meet its legal payment obligations. The purpose of liquidity risk management is to ensure the availability of liquid assets to cover any possible gaps between cash inflows and outflows as well as to secure sufficient funding for lending and investment activities.

The Group manages its liquidity risk in accordance with Liquidity Risk Management Policy. The management and reporting of liquidity risk is coordinated by the Treasury Sector, and the risk is assessed and decisions are taken by the ALCO. The decisions of the ALCO are approved by the Bank's Management Board. The Risk Sector on a monthly basis provides information to the ALCO and the Bank's Management Board about the level of the assumed risk as part of the reporting and supervision process.

Liquidity risk for the Group is assessed in each currency in which the Group has performed a significant amount of transactions. Liquidity risk limits are reviewed at least once a year and also when there are major changes to the Group's operations or external factors affecting its operations. A liquidity crisis management plan has been developed and is updated on a regular basis.

One of the crucial tools used to evaluate liquidity risk is scenario analysis. Several scenarios of different severity and duration are employed by the Group with risk tolerances defined for the outcomes of those scenarios. Furthermore, the Group has developed a system of liquidity risk limits and early warning indicators and systematically prepares cash flow forecasts which incorporate assumptions about the most likely flow of funds over the period of one year. For general assessment of existing gaps between contractual maturities of assets and liabilities without any assumptions on customer behaviour, the Group regularly analyses liquidity term structure and sets corresponding risk tolerances.

The Group's balance sheet structure is planned for at least a one-year period and is aligned with development plans for the current period. The major current and potential funding sources are regularly analysed and controlled across the Group. The Group maintains regular contact with its interbank business partners and creditors with the aim of projecting possible deadlines for repayment or prolongation of funding sources as well as absorption of excess liquidity.

The general principles of the liquidity coverage ratio (LCR) and the net stable funding ratio (NSFR) as measurements of the Group's liquidity position are defined in the Regulation (EC) No 575/2013. The Commission Delegated Regulation (EU) 2015/61 effective from 1 October 2016 in more details defines LCR calculation principles. The minimum LCR requirement is 100%. The Group is compliant with LCR requirements.

EU LIQ1 – LCR disclosure template and the template on qualitative information on the LCR (EBA/GL/2017/01)

Scope of consolidation: consolidated

Currency and units: EUR thousands

Quarter ending on: as indicated in the report

Number of data points used in the calculation of averages: 1

	Total unweighted value	Total weighted value
High-quality liquid assets		
1 Total high-quality liquid assets (HQLA)	n/a	1,215,071
Cash – outflows		
2 Retail deposits and deposits from small business customers, of which:	2,525,093	187,853
3 <i>Stable deposits</i>	1,541,863	77,093
4 <i>Less stable deposits</i>	705,368	90,857
5 Unsecured wholesale funding	972,502	399,895
6 <i>Operational deposits (all counterparties) and deposits in networks of cooperative banks</i>	185,064	47,663
7 <i>Non-operational deposits (all counterparties)</i>	787,438	352,232
8 <i>Unsecured debt</i>	-	-
9 Secured wholesale funding	n/a	-
10 Additional requirements	246,350	24,620
11 <i>Outflows related to derivative exposures and other collateral requirements</i>	1,170	1,170
12 <i>Outflows related to loss of funding on debt products</i>	-	-
13 <i>Credit and liquidity facilities</i>	245,180	23,450
14 Other contractual funding obligations	23,441	23,441
15 Other contingent funding obligations	47,412	2,352
16 Total cash outflows	n/a	638,161
Cash – inflows		
17 Secured lending (e.g. reverse repos)	-	-
18 Inflows from fully performing exposures	75,478	65,165
19 Other cash inflows	5,575	5,575
EU-19a (Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)	n/a	-
EU-19b (Excess inflows from a related specialised credit institution)	n/a	-
20 Total cash inflows	81,053	70,740
EU-20a <i>Fully exempt inflows</i>	-	-
EU-20b <i>Inflows subject to 90% cap</i>	81,053	70,740
EU-20c <i>Inflows subject to 75% cap</i>	-	70,740
		Total adjusted value
21 Liquidity buffer		1,215,071
22 Total net cash outflows		567,421
23 Liquidity coverage ratio (%)		214%

OPERATIONAL RISK

The Group has adopted the Basel Committee on Banking Supervision's definition of operational risk: the probability of incurring losses due to failure or partial failure of internal processes to comply with the requirements of the laws and binding external regulations, as well as the requirements of internal regulations, due to the acts of the Group's employees and operation of systems, irregularities in internal processes, as well as due to the acts of third parties or other external conditions. Operational risk is divided into the following categories: personnel risk, process risk, IT and system risk, external risk.

Operational risk management in the Group is carried out in accordance with Operational Risk Management Policy. Operational risk is managed using an integrated and comprehensive framework of policies, methodologies, procedures and regulations for identification, analysis, mitigation, control and reporting of operational risk. The Group's operational risk management processes are integral to all business activities and are applicable to all employees and members of the Group. The Group's aim is to ensure that each of its employees knows not just how to perform specific transactions, but also understand the key areas where risk can arise and the processes and steps required to prevent, or otherwise mitigate such risk.

The goal of the Group's operational risk management framework is to maintain the lowest possible level of risk while ensuring that any remaining risk is economically justified in light of the need to sustain the Group's performance and profit in the long term. Whether a risk is economically justified depends on an assessment of the potential losses it could cause, the probability of its occurrence, the ability to implement mitigating measures and the cost of such measures, as well as the level of risk that would remain if such mitigating measures were to be put in place.

The Group aims to avoid operational risks with a potential impact which exceeds 10% of its net annual revenue and has a higher probability of occurrence than once per ten years, or risks with unquantifiable impact which are unmanageable, irrespective of the financial gains this could bring. Each accepted risk must be economically justified and, in cases where the assessment of operational risk in monetary terms is possible, the costs of the control measures required must be commensurate with the eventual loss that could be prevented by the existence of the control system.

The Group applies following approaches for operational risk management:

- Assessing operational risk in development projects: new and updated services and products are introduced only after a thorough risk assessment has been carried out;
- Conducting regular operational risk-control self-assessment: the Group identifies and assesses potential operational risk events, assesses control systems and analyses the necessary risk reduction measures;
- Determining operational risk indicators: the Group uses statistical, financial and other indicators which represent the levels of operational risk in its various activities;
- Measuring, analysing, monitoring, reporting and escalating operational risk: the Group registers and analyses operational risk events, including their severity, causes and other important information in an operational risk loss and incident database;
- Conducting scenario analysis and stress-testing;
- Performing business continuity planning: the Group performs regular business impact analysis and has implemented a Disaster Recovery Plan;
- Assigning responsibilities: the operational risk management system includes assignment of responsibilities to certain individuals; and
- Documenting decisions: the Group maintains records in relation to the process undertaken to reach a particular decision or to prevent or mitigate a particular risk.

EXPOSURES, WHICH WERE SUBJECT TO SUPPORT MEASURES IN RESPONSE TO COVID-19

FCMC's regulation No 102 "Reporting and information disclosure about risk exposures, which were subject to support measures as a result of Covid-19 impact" requires specific information disclosure in accordance with the Appendix 3 of the European Banking Authority's guidelines EBA/GL/2020/07 on "Reporting and disclosure of exposures subject to measures applied in response to the Covid-19 crisis". In this section the required information is disclosed.

EBA/GL/2020/07, Template 1: Information on loans and advances subject to legislative and non-legislative moratoria

Exposure amounts disclosed in the Template 1 include only these which are subject to active EBA-compliant moratoria (i.e. expired EBA-compliant moratoria is excluded).

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	
	Gross carrying amount							Accumulated impairment, accumulated negative changes in fair value due to credit risk							Gross carrying amount	
	Performing				Non-performing			Performing				Non-performing			Inflows to non-performing exposures	
	Of which: exposures with forbearance measures	Of which: instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)			Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days		Of which: exposures with forbearance measures	Of which: instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days				
1	Loans and advances subject to moratorium	364	364	341	341	-	-	-	(15)	(15)	(12)	(12)	-	-	-	-
2	of which: Households	23	23	-	-	-	-	-	(3)	(3)	-	-	-	-	-	-
3	of which: Collateralised by residential immovable property	23	23	-	-	-	-	-	(3)	(3)	-	-	-	-	-	-
4	of which: Non-financial corporations	341	341	341	341	-	-	-	(12)	(12)	(12)	(12)	-	-	-	-
5	of which: Small and Medium-sized Enterprises	341	341	341	341	-	-	-	(12)	(12)	(12)	(12)	-	-	-	-
6	of which: Collateralised by commercial immovable property	341	341	341	341	-	-	-	(12)	(12)	(12)	(12)	-	-	-	-

EBA/GL/2020/07, Template 2: Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria

Exposure amounts disclosed in the Template 2 include not only active EBA-compliant moratoria but also expired EBA-compliant moratoria; that is, the exposure amount of loans and advances for which the EBA-compliant moratoria have expired at the reference date (i.e. the residual maturity of moratoria is equal to zero).

	a	b	c	d	Gross carrying amount						
					Of which: legislative moratoria	Of which: expired	Residual maturity of moratoria				
							<= 3 months	> 3 months <= 6 months	> 6 months <= 9 months	> 9 months <= 12 months	> 1 year
2	Loans and advances subject to moratorium (granted)	321	40,801	-	40,436	364	-	-	-	-	
3	of which: Households	n/a	13,634	-	13,610	24	-	-	-	-	
4	of which: <i>Collateralised by residential immovable property</i>	n/a	13,634	-	13,610	24	-	-	-	-	
5	of which: Non-financial corporations	n/a	27,167	-	26,826	341	-	-	-	-	
6	of which: <i>Small and Medium-sized Enterprises</i>	n/a	26,145	-	25,804	341	-	-	-	-	
7	of which: <i>Collateralised by commercial immovable property</i>	n/a	22,483	-	22,142	341	-	-	-	-	

EBA/GL/2020/07, Template 3: Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis

Exposure amounts disclosed in the Template 3 include only newly originated loans and advances subject to public guarantee schemes subject to legislative and non-legislative moratoria. Pre-existing exposures, that as a result of Covid-19 were subjected to legislative and non-legislative moratoria, are excluded in the Template 3.

	a	b	c	d	
					Gross carrying amount
		of which: forborne	Public guarantees received	Inflows to non-performing exposures	
1	Newly originated loans and advances subject to public guarantee schemes	2,367	-	1,893	-
2	of which: Households	-	n/a	n/a	-
3	of which: <i>Collateralised by residential immovable property</i>	-	n/a	n/a	-
4	of which: Non-financial corporations	2,367	-	1,893	-
5	of which: <i>Small and Medium-sized Enterprises</i>	1,154	n/a	n/a	-
6	of which: <i>Collateralised by commercial immovable property</i>	1,460	n/a	n/a	-