BRD - GROUPE SOCIÉTÉ GÉNÉRALE

REPORT ON TRANSPARENCY AND DISCLOSURE REQUIREMENTS

according to Part Eight of Regulation (EU) 575/2013 on prudential requirements for credit institutions and investment firms, as amended by Regulation (EU) No 2019/876 of the European Parliament as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements

JUNE 2021

CONTENTS

1 - INTRODUCTION 3
2 - OWN FUNDS 5
3 - CAPITAL REQUIREMENTS 10
4 - COUNTERCYCLICAL CAPITAL BUFFERS 11
5 - CREDIT RISK QUALITY 12
6 - ADDITIONAL QUANTITATIVE INFORMATION ON CREDIT RISK 15
7 - EXPOSURES SUBJECT TO MEASURES APPLIED IN RESPONSE TO THE COVID-19 CRISIS 17
8 - LEVERAGE RATIO 19
9 - LIQUIDITY REQUIREMENTS 22
10 - INDEX OF TABLES 24

1 - Introduction

THE SCOPE OF THE REPORT

BRD's Report on Transparency and Disclosure Requirements aims to fulfil the disclosure requirements according to Part Eight of Regulation (EU) 575/2013 on prudential requirements for credit institutions and investment firms, as amended by Regulation (EU) No 2019/876 of the European Parliament as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements ("CRR2").

According to Article 4, point 146 of CRR 2, BRD is a large institution, being identified as "other systemically important institution" (O-SII) by the National Bank of Romania through NBR Order No 5 from 4th of December 2020. In addition, BRD is one of the three largest institutions in Romania in terms of total value of assets as at 30th of June 2021.

For the disclosure requirements, BRD applies Article 13 (1) of CRR 2, according to which large subsidiaries of EU parent institutions shall disclose the information specified in Articles 437 (disclosure of own funds), 438 (disclosure of own funds requirements and risk-weighted exposure amounts), 440 (disclosure of countercyclical buffers), 442 (disclosure of credit risk and dilution risk), 450 (disclosure of remuneration policy), 451 (disclosure of the leverage ratio), 451a (disclosure of liquidity requirements) and 453 (disclosure of the use of credit risk mitigation techniques) on an individual basis or, where applicable, in accordance with this Regulation and Directive 2013/36/EU, on a sub-consolidated basis.

The information disclosed through this half-year report for the period ended June 30, 2021, takes into account the evolutions stemming from the Commission Implementing Regulation (EU) No 2021/637 of 15 March 2021, laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council and repealing Commission Implementing Regulation (EU) No 1423/2013, Commission Delegated Regulation (EU) 2015/1555, Commission Implementing Regulation (EU) 2016/200 and Commission Delegated Regulation (EU) 2017/2295.

The formats of the tables have thus been adapted to the technical instructions issued by the European Banking Authority (notably EBA/ITS/2020/04).

Additionally, as per NBR Instruction from August 2020 on reporting and disclosure of exposures subject to measures applied in response to the COVID-19 crisis (which sets out the reporting and disclosure requirements referred in EBA/GL/2020/07), BRD also discloses with a semi-annual frequency information on exposures subject to payment moratoria and public guarantees.

CONSOLIDATION PERIMETER

As BRD is parent credit institution in Romania and, at the same time, subsidiary of Société Générale, BRD Group consolidation perimeter for prudential purposes is defined in accordance with Regulation (EU) No 575/2013 (CRR), Part One, Title II, Chapter 2, Section 3.

The consolidated entities for prudential scope are identified based on the criteria as per Articles 4 (1) (3), (16) to (27), 18 and 19 of CRR. According to Article 4 of CRR, entities consolidated in the prudential reporting must have one of the following types of activity: credit institution, investment firm, ancillary services undertaking and/or other financial institution.

In contrast, in accordance with BRD Group's IFRS financial statements, all entities controlled directly or indirectly (including non-financial entities, insurance companies, etc.) are fully consolidated. Additional exclusion of subsidiaries from prudential consolidation perimeter is based on criteria from Article 19 of CRR. Non-consolidated subsidiaries are included in the prudential consolidated statements based on equity method.

Based on the above, the application of CRR 2 requirements is at sub-consolidated level and for this purpose the prudential consolidation perimeter of BRD Group includes the parent company BRD - Groupe Société Générale S.A and two fully consolidated subsidiaries: BRD Sogelease IFN S.A. and BRD Finance IFN S.A.

Table 1: Index of the tables in the report

Article in CRR2	Topic	Title
437, point (a)	Disclosure of own funds	EU CC2 - Reconciliation of regulatory own funds to balance sheet in the audited financial statements
		EU CC1 - Composition of regulatory own funds
438, point (d) and (h)	Disclosureof own funds requirements and risk-weighted exposure amounts	EU OV1 – Overview of total risk exposure amounts
440, point (a) and point (b)	Disclosure of countercyclical capital buffers	EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer
		EU CCyB2 - Amount of institution-specific countercyclical capital buffer
442, points (c), (e), (f) and (g)	Disclosure of credit risk quality	EU CR1: Performing and non-performing exposures and related provisions
		EU CR1-A: Maturity of exposures
		EU CQ1: Credit quality of forborne exposures
		EU CQ4: Quality of non-performing exposures by geography
		EU CQ5: Credit quality of loans and advances to non-financial corporations by industry
		EU CQ7: Collateral obtained by taking possession and execution processes
451	Disclosure of leverage ratio	EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures
		EU LR2 - LRCom: Leverage ratio common disclosure
		EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)
451a, (2) and (3)	Disclosure of liquidity requirements	EU LIQ1 - Quantitative information of LCR
		EU LIQ2: Net Stable Funding Ratio
453, points (f), (g), (h) and (i)	Disclosure of the use of credit risk mitigation techiniques	EU CR3: CRM techniques overview: Disclosure of the use of credit risk mitigation techniques
		EU CR4: Standardised approach – Credit risk exposure and CRM effects

Note:

Throughout this report, amounts are in RON thousand at June 30, 2021, unless otherwise stated.

2 - Own funds

The basis for calculation of own funds is the consolidated prudential perimeter.

The table below provides the full reconciliation of regulatory own funds with the equity elements in the audited IFRS financial statements. The table enables the identification of the differences between the scope of accounting consolidation and the scope of regulatory consolidation, and shows the link between the balance sheet as published in the financial statements and the composition of regulatory own funds as disclosed in the Table 3 - EU CC1: Composition of regulatory own funds.

Table 2: EU CC2 - Reconciliation of regulatory own funds to balance sheet in the audited financial statements

	Balance sheet as in published financial statements	Prudential restatements(1)	Under regulatory scope of consolidation	Reference to table 3 (EU CC1)
ASSETS				
Cash in hand	2,447,575	-	2,447,575	
Due from Central Bank	2,895,882	-	2,895,882	
Due from banks	5,829,420	-	5,829,420	
Derivatives and other financial instruments held for trading	2,899,720	-	2,899,720	
Loans, gross	34,433,710	-	34,433,710	
Impairment allowance for loans	(1,900,578)	-	(1,900,578)	
Loans and advances to customers	32,533,132	-	32,533,132	
Finance lease receivables	1,139,802	-	1,139,802	
Financial assets available for sale	-	-	-	
Financial assets at fair value through profit and loss	7,176	-	7,176	
Financial assets at fair value through other comprehensive income	17,183,963	-	17,183,963	
Investments in subsidiaries, associates and joint ventures	94,833	26,399	121,232	
Property, plant and equipment	1,055,865	(937)	1,054,928	
Investment property	17,147	-	17,147	
Goodwill	50,130	-	50,130	
Intangible assets	262,383	(445)	261,938	
Current tax assets	-	-	-	
Deferred tax asset	11,180	(82)	11,098	
Other assets	360,545	(1,471)	359,074	
Non-current assets held for sale	2,889	-	2,889	
TOTAL ASSETS	**66,791,642**	**23,464**	**66,815,106**	
LIABILITIES AND SHAREHOLDERS' EQUITY				
Due to banks	485,121	-	485,121	
Due to customers	53,007,283	26,056	53,033,339	
Borrowed funds	1,760,803	-	1,760,803	
Derivatives and other financial instruments held for trading	257,384	-	257,384	
Current tax liability	62,761	(218)	62,543	
Deferred tax liability	1,446	-	1,446	
Provisions	370,681	-	370,681	
Other liabilities	756,269	(2,368)	753,901	
TOTAL LIABILITIES	**56,701,748**	**23,470**	**56,725,218**	
Share capital	2,515,622	-	2,515,622	1
Retained earnings	5,967,923	- 6	5,967,917	2
Other comprehensive income	548,635	-	548,635	3
Fund for general banking risk	170,762	-	170,762	EU-3a
Other reserves	383,387	-	383,387	3
Profit attributable to equity holders of the parent	622,694	-	622,694	EU-5a
Non-controlling interest	51,633	-	51,633	5
TOTAL EQUITY	**10,089,894**	**- 6**	**10,089,888**	-
TOTAL LIABILITIES AND EQUITY	**66,791,642**	**23,464**	**66,815,106**	-

(1) Prudential restatements refers to treatment differences of subsidiaries excluded from prudential consolidation scope, i.e. BRD Asset Management is included in prudential consolidation with equity method.

OWN FUNDS

BRD Group regulatory own funds as at June 30, 2021 amounted to RON 8,718 million (excluding current year net result) compared to RON 9,056 million as at December 31, 2020 (including 2020 net result, net of dividends according to GSM resolution, strongly limited, in compliance with the strict restriction imposed by the regulatory authority) and consist of common equity capital (CET1). The decrease in own funds as compared to 2020 year end is mainly explained by lower reserves from revaluation of debt instruments accounted at fair value though other comprehensive income (banking book government bonds)

Common Equity Capital (CET1) is formed of:

- Eligible Capital includes the nominal share capital and the hyperinflation adjustment of share capital accounted until December 31, 2003. As at June 30, 2021, the share capital amounted to RON 696.9 million, unchanged versus previous periods. The hyperinflation adjustment amounted to RON 1,819 million.

- Eligible Reserves include:

  - ✓ Retained earnings, which represent the undistributed profits of previous periods and retained earnings arising from IFRS implementation adjustments.

  - ✓ Other reserves: legal reserve, general reserve for credit risk, fund for general banking risk, representing reserves established by the law and the share based payment reserves.

- Other comprehensive income (OCI) includes unrealized gains and losses from changes in the fair value of debt instruments at fair value through other comprehensive income and from re-measurement of defined benefit liability arising from the post-employment benefit plan.

Regulatory deductions from CET 1 applicable as at June 30, 2021 essentially involved the following elements:

- Starting 31 December 2020, goodwill and intangible assets that are not prudently valuated as per Regulation 876/2019 are deducted 100% from CET 1 (as compared to previous periods when intangible assets accounting value was fully deducted from CET 1). Under this current approach, the positive difference between the prudential and the accounting amortisation becomes fully deducted from the CET 1 capital, while the residual portion of the carrying value of the software prudently valuated is risk weighted at 100%. Goodwill is fully deducted from CET 1 capital.

- Contingent or any foreseeable tax charges related to CET 1 reserves taxable upon utilization to cover losses or risks.

As at June 30, 2021 the Bank had no Additional Tier 1 or Tier 2 capital instruments issued and outstanding.

CAPITAL RATIOS AND REQUIREMENTS INCLUDING BUFFERS

On top of the total regulatory ratio of 8% set by Art 92 from CRR, starting 2016, based on NBR requirements, BRD Group maintains additional own funds to cover risks resulting from internal assessment and SREP (Supervisory Review and Evaluation Process) amounting to 4.59% of RWA during 2021 (4.61% during 2020). Thus, the TSCR ratio (total SREP capital requirements) for BRD Group is 12.59% for 2021 (12.61% for 2020).

Overall capital requirements (OCR) represent the total of SREP requirements and capital buffers, namely:

- A Conservation Buffer in CET 1 capital intended to absorb losses during periods of stress. This buffer is mandatory and fully effective from 1 January 2019 and amounts to 2.5% of total RWA.

- A Countercyclical Buffer that may be imposed during periods of excessive credit growth when system-wide risk is building up and is capped at 2.5% of total RWA. According to NBR Order

12/2015 the level of countercyclical buffer was established at 0% for credit exposures in Romania. BRD Group maintained an overall countercyclical buffer rate, 0.004331% of total risk weighted assets (1.35 million RON) at June 30, 2021, driven by relevent credit risk exposures on non-Romanian entities (mainly from Czech Republic).

- Other systemically important institutions (O-SIIs) identified by NBR which have been authorized in Romania, may be subject to an O-SII Capital Buffer of up to 2% of the total RWA. BRD was identified as O-SII by NBR and O-SII Capital Buffer is 1% starting with 1 January 2016.

- A Systemic Risk Buffer was required, according to NBR Order 4/2018, starting with 30 June 2018, with the aim of supporting the adequate management of credit risk and enhancing banking sector resilience to unanticipated shocks, amid unfavourable structural circumstances. The buffer is applied to all exposure and is calibrated at 0%, 1% or 2%, depending on the level of the non-performing loans ratio and the coverage ratio, according to the methodology described in NBR Order 8/2018. The systemic risk buffer for January – June 2021, based on the average NPL and coverage ratio, at consolidated level, at each reference date, September 2019, December 2019, March 2020 and June 2020, applicable for BRD is 0%. The capital requirement for structural buffers is determined as the max of O-SII buffer and systemic risk buffer, therefore remains covered by the O-SII buffer of 1% already applied.

The table below provides a breakdown of the constituting elements of own funds as of June 30, 2021.

Table 3: EU CC1 - Composition of regulatory own funds

		Amounts	Source based on references to the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	Capital instruments and the related share premium accounts	2,515,622	see EU CC2
	of which: Instrument type 1	-	
	of which: Instrument type 2	-	
	of which: Instrument type 3	-	
2	Retained earnings	5,797,158	see EU CC2
3	Accumulated other comprehensive income (and other reserves)	932,022	see EU CC2
EU-3a	Funds for general banking risk	170,762	see EU CC2
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	-	
5	Minority interests (amount allowed in consolidated CET1)	-	accounting minority interest not eligible for inclusion in CET 1
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	Profit and loss for the period not included in CET 1
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**9,415,564**	

Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	(227,177)	
8	Intangible assets (net of related tax liability) (negative amount)	(195,728)	deduction of intagibles that are not prudently valuated as per CRR 2
9	Not applicable	-	
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) CRR are met) (negative amount)	-	
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	-	
12	Negative amounts resulting from the calculation of expected loss amounts	-	
13	Any increase in equity that results from securitised assets (negative amount)	-	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	
15	Defined-benefit pension fund assets (negative amount)	-	
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	
17	Direct, indirect and synthetic holdings of the CET 1 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)	-	
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 those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
19	Direct, indirect and synthetic holdings by the institution 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)	-	
20	Not applicable	-	
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)	-	
EU-20c	of which: securitisation positions (negative amount)	-	
EU-20d	of which: free deliveries (negative amount)	-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	-	
22	Amount exceeding the 17,65% threshold (negative amount)	-	
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-	
24	Not applicable	-	
25	of which: deferred tax assets arising from temporary differences	-	
EU-25a	Losses for the current financial year (negative amount)	-	
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	(275,078)	Potential fiscal liabilities
26	Not applicable	-	
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	
27a	Other regulatory adjustments	(1)	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**(697,984)**	
29	**Common Equity Tier 1 (CET1) capital**	**8,717,580**	
Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	-	
31	of which: classified as equity under applicable accounting standards	-	
32	of which: classified as liabilities under applicable accounting standards	-	
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1	-	
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	-	
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	-	
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	-	
35	of which: instruments issued by subsidiaries subject to phase out	-	
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	-	
Additional Tier 1 (AT1) capital: regulatory adjustments			
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	
38	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)	-	
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)	-	
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)	-	
41	Not applicable	-	
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	
42a	Other regulatory adjustments to AT1 capital	-	
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	-	
44	**Additional Tier 1 (AT1) capital**	-	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**8,717,580**	
Tier 2 (T2) capital: instruments			
46	Capital instruments and the related share premium accounts		
47	Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR		
EU-47a	Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2		
EU-47b	Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2		
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		
49	of which: instruments issued by subsidiaries subject to phase out		
50	Credit risk adjustments		
51	**Tier 2 (T2) capital before regulatory adjustments**		

Tier 2 (T2) capital: regulatory adjustments		
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-
53	Direct, indirect and synthetic 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)	-
54	Direct, indirect and synthetic 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)	-
54a	Not applicable	-
55	Direct, indirect and synthetic 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)	-
56	Not applicable	-
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-
EU-56b	Other regulatory adjustments to T2 capital	-
57	**Total regulatory adjustments to Tier 2 (T2) capital**	-
58	**Tier 2 (T2) capital**	-
59	**Total capital (TC = T1 + T2)**	**8,717,580**
60	**Total Risk exposure amount**	**30,327,472**
Capital ratios and requirements including buffers		
61	Common Equity Tier 1 capital	28.7448%
62	Tier 1 capital	28.7448%
63	Total capital	28.7448%
64	Institution CET1 overall capital requirements	10.5862%
65	of which: capital conservation buffer requirement	2.5000%
66	of which: countercyclical capital buffer requirement	0.0043%
67	of which: systemic risk buffer requirement	0.0000%
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	1.0000%
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	2.5819%
68	**Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements**	24.2448%
National minima (if different from Basel III)		
69	Not applicable	-
70	Not applicable	-
71	Not applicable	-
Amounts below the thresholds for deduction (before risk weighting)		
72	Direct and indirect holdings of own funds and eligible liabilities 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)	7,177
73	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 (amount below 17.65% thresholds and net of eligible short positions)	81,168
74	Not applicable	-
75	Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	10,158
Applicable caps on the inclusion of provisions in Tier 2		
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	379,093
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)		
80	Current cap on CET1 instruments subject to phase out arrangements	-
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-
82	Current cap on AT1 instruments subject to phase out arrangements	-
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-
84	Current cap on T2 instruments subject to phase out arrangements	-
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-

3 - Capital requirements

MINIMUM CAPITAL REQUIREMENTS

From a regulatory perspective, capital requirements cover:

- credit risk
- operational risk, foreign exchange risk and settlement risk
- position risk in trading book
- credit valuation adjustment risk for OTC derivative instruments.

The calculation of credit risk capital requirement takes into account the transactions' risk profile and is computed according to the standardized approach (CRR Part 3, Title 2, Chapter 2) using the Financial Collateral Comprehensive Method and information regarding credit assessments performed by external credit assessment institutions (ECAI). All CRR2 requirements have been implemented as of June 2021.

The capital requirement for general position risk is calculated using the Maturity-based method. Capital requirement for credit valuation adjustment is determined using the standardized method.

The capital requirement for operational risk is calculated according the CRR, Part 3, Title 2, Chapter 4, using advanced measurement approaches (AMA). BRD, as a member of the Société Générale Group, uses AMA to measure operational risk since 2008 based on the SG internal methodology and calculation. The allocation of operational risk capital requirements to the sub-consolidated entities is based on net banking income and history of operational risk losses.

An overview of total risk exposure amounts and own fund requirements corresponding to the RWAs for the different risk categories is presented in the table below.

Table 4: EU OV1 - Overview of total risk exposure amounts

		Total risk exposure amounts (TREA)		Total own funds requirements
		30.06.2021	31.12.2020	30.06.2021
1	**Credit risk (excluding CCR)**	**26,640,003**	**24,473,767**	**2,131,200**
2	Of which the standardised approach	26,640,003	24,473,767	2,131,200
3	Of which the Foundation IRB (F-IRB) approach	-	-	-
4	Of which slotting approach	-	-	-
EU 4a	Of which equities under the simple riskweighted approach	-	-	-
5	Of which the Advanced IRB (A-IRB) approach	-	-	-
6	**Counterparty credit risk - CCR**	**632,694**	**333,131**	**50,616**
7	Of which the standardised approach	290,403	172,823	23,232
8	Of which internal model method (IMM)	-	-	-
EU 8a	Of which exposures to a CCP	-	-	-
EU 8b	Of which credit valuation adjustment - CVA	342,292	160,308	27,383
9	Of which other CCR	-	-	-
10	Not applicable	-	-	-
11	Not applicable	-	-	-
12	Not applicable	-	-	-
13	Not applicable	-	-	-
14	Not applicable	-	-	-
15	**Settlement risk**	**-**	**-**	**-**
16	**Securitisation exposures in the non-trading book (after the cap)**	**-**	**-**	**-**
17	Of which SEC-IRBA approach	-	-	-
18	Of which SEC-ERBA (including IAA)	-	-	-
19	Of which SEC-SA approach	-	-	-
EU 19a	Of which 1250% / deduction	-	-	-
20	**Position, foreign exchange and commodities risks (Market risk)**	**245,028**	**228,830**	**19,602**
21	Of which the standardised approach	245,028	228,830	19,602
22	Of which IMA	-	-	-
EU 22a	**Large exposures**	**-**	**-**	**-**
23	**Operational risk**	**2,809,746**	**2,751,525**	**224,780**
EU 23a	Of which basic indicator approach	-	-	-
EU 23b	Of which standardised approach	-	-	-
EU 23c	Of which advanced measurement approach	2,809,746	2,751,525	224,780
24	Amounts below the thresholds for deduction (subject to 250% risk weight)	213,079	246,689	17,046
25	Not applicable	-	-	-
26	Not applicable	-	-	-
27	Not applicable	-	-	-
28	Not applicable	-	-	-
29	**Total**	**30,327,472**	**27,787,253**	**2,426,198**

The minimum own funds requirements as at June 30, 2021 increased by 9% compared to December 31, 2020, mainly driven by increasing capital requirements for credit risk on higher net exposure value as a result of dynamic lending activity and regulatory changes following the entry into force of the Regulation 2019/876 (amending Regulation 575/2013) related to counterparty credit risk and credit valuation adjustment risk capital requirements.

4 - Countercyclical capital buffers

The countercyclical capital buffer (CCB) is part of the macro prudential toolkit included in the CRD IV/CRR legislative framework. The European Systemic Risk Board (ESRB) recommends this instrument to be implemented in order to reduce and prevent excessive credit growth and leverage. The aim of the CCB is to improve the banking sector's resilience to possible shocks. The decision to activate the countercyclical capital buffer is based on the deviation of the credit-to-GDP ratio from its long-term trend (the main indicator, as recommended by the ESRB), as well as the analysis of additional indicators capturing potential vulnerabilities in the development of credit and leverage. The release of the CCB should take place either as a result of the materialization of the risk or as a result of the successful mitigation of said risk.

The countercyclical capital buffer is aimed at monitoring the credit market developments at aggregate level. However, the structure of lending is also analyzed in order to identify any disproportionate build-up of risks (e.g. a concentration of foreign currency lending). Should this be the case, additional macro prudential tools, such as Loan To Value or Debt Service To Income ratios or sectoral limits, could be implemented (as set forth in the ESRB recommendations as well).

A Countercyclical Buffer may be imposed during periods of excessive credit growth when system-wide risk is building up and is capped at 2.5% of total RWA. According to NBR Order 12/2015 the level of countercyclical buffer was established at 0% for credit exposures in Romania.

BRD Group maintained an overall countercyclical buffer rate, 0.004331% of total risk weighted assets (1.35 million RON) at June 30, 2021, driven by relevant credit risk exposures on non-Romanian entities (mainly from Czech Republic).

The geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer is presented in the table below.

Table 5: EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
Breakdown by country:													
Romania	35,335,411	-	-	-	-	35,335,411	1,946,920	-	-	1,946,920	24,336,495	97.29%	0.00%
Czech Republic	251,463	-	-	-	-	251,463	20,110	-	-	20,110	251,381	1.00%	0.50%
Luxembourg	10,530	-	-	-	-	10,530	691	-	-	691	8,639	0.03%	0.50%
Bulgaria	3,358	-	-	-	-	3,358	194	-	-	194	2,420	0.01%	0.50%
Norway	286	-	-	-	-	286	10	-	-	10	130	0.00%	1.00%
Slovakia	5	-	-	-	-	5	0	-	-	0	4	0.00%	1.00%
Other countries	494,787	-	-	-	-	494,787	33,213	-	-	33,213	415,162	1.66%	0.00%
Total	**36,095,839**	**-**	**-**	**-**	**-**	**36,095,839**	**2,001,139**	**-**	**-**	**2,001,139**	**25,014,231**	**100.00%**	

Table 6: EU CCyB2 - Amount of institution-specific countercyclical capital buffer

		30.06.2021	31.12.2020
1	Total risk exposure amount	30,327,472	27,787,253
2	Institution specific countercyclical capital buffer rate	0.0043312%	0.0048558%
3	Institution specific countercyclical capital buffer	1,314	1,349

5 - Credit risk quality

According to Article 442 of Regulation (EU) No 2019/876, credit institutions should disclose information regarding credit quality of assets.

The following tables present the information on the amounts and quality of performing, non-performing and forborne exposures for loans, debt securities and off-balance-sheet, including their related accumulated impairment, provision and negative fair value changes due to credit risk and amounts of collateral and financial guarantees received. The credit quality of forborne exposures and of performing and non-performing exposures is presented by geographical area and industry sector, with provisions and associated collateral.

The non-performing loan (NPL) ratio at BRD Group level at June 30, 2021 was 4.15% (lower than the 5% threshold which, according to EBA ITS, triggers additional disclosures on credit risk quality). This ratio is calculated in accordance with the instructions relating to the requirements of prudential disclosures published by the EBA, and represents the ratio of the gross carrying amount of NPLs and advances to the total gross carrying amount of loans and advances subject to the NPE (non performing exposures) definition. For the purpose of this calculation, loans and advances classified as held for sale, cash balances at central banks and other demand deposits are to be excluded both from the denominator and from the numerator.

Table 7: EU CR1 - 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 changes 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			
005	Cash balances at central banks and other demand deposits	4,258,101	4,258,101	-	-	-	-	-	-	-	-	-	-	-	-	-
010	Loans and advances	38,390,469	30,583,244	7,807,225	1,663,100	-	1,663,100	(911,740)	(232,778)	(678,962)	(1,220,410)	-	(1,220,410)	-	28,745,254	380,521
020	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	*General governments*	1,245,515	1,198,174	47,341	53,586	-	53,586	(10,923)	(6,617)	(4,306)	(26,347)	-	(26,347)	-	490,480	27,221
040	*Credit institutions*	4,476,823	4,476,823	-	23	-	23	(393)	(393)	-	(23)	-	(23)	-	-	-
050	*Other financial corporations*	451,975	175,221	276,755	196	-	196	(9,208)	(599)	(8,608)	(145)	-	(145)	-	382,394	42
060	*Non-financial corporations*	10,406,512	8,489,259	1,917,254	623,300	-	623,300	(226,616)	(91,195)	(135,421)	(457,224)	-	(457,224)	-	7,771,274	130,103
070	*Of which SMEs*	5,365,334	4,109,598	1,255,736	475,114	-	475,114	(143,695)	(50,007)	(93,688)	(380,575)	-	(380,575)	-	4,785,820	61,596
080	*Households*	21,809,644	16,243,767	5,565,876	985,995	-	985,995	(664,600)	(133,973)	(530,626)	(736,672)	-	(736,672)	-	20,101,106	223,156
090	Debt securities	17,602,469	17,602,469	-	-	-	-	(6,850)	(6,850)	-	-	-	-	-	-	-
100	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	*General governments*	17,595,725	17,595,725	-	-	-	-	(6,689)	(6,689)	-	-	-	-	-	-	-
120	*Credit institutions*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
130	*Other financial corporations*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
140	*Non-financial corporations*	6,744	6,744	-	-	-	-	(161)	(161)	-	-	-	-	-	-	-
150	Off-balance-sheet exposures	18,031,288	15,426,708	2,604,579	360,506	-	360,506	82,192	43,306	38,886	218,460	-	218,460		4,028,697	54,875
160	*Central banks*	5,243	5,243	-	-	-	-	-	-	-	-	-	-		-	-
170	*General governments*	20,072	14,006	6,066	-	-	-	259	49	210	-	-	-		7,364	-
180	*Credit institutions*	442,475	442,475	-	-	-	-	134	134	-	-	-	-		422,673	-
190	*Other financial corporations*	1,502,621	1,429,237	73,384	-	-	-	516	442	74	-	-	-		16,971	-
200	*Non-financial corporations*	14,085,659	11,640,807	2,444,852	342,182	-	342,182	75,164	38,940	36,224	215,889	-	215,889		3,574,942	54,640
210	*Households*	1,975,218	1,894,940	80,277	18,325	-	18,325	6,119	3,740	2,379	2,571	-	2,571		6,746	235
220	***Total***	**78,282,327**	**67,870,522**	**10,411,805**	**2,023,606**	**-**	**2,023,606**	**(836,398)**	**(196,323)**	**(640,075)**	**(1,001,950)**	**-**	**(1,001,950)**	**-**	**32,773,951**	**435,396**

Table 8: EU CR1 - A: Maturity of exposures

	Net exposure value					
	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
Loans and advances	-	13,727,868	12,353,485	11,840,065	-	37,921,419
Debt securities	-	3,050,571	5,123,227	9,421,820	-	17,595,619
Total	**-**	**16,778,440**	**17,476,713**	**21,261,885**	**-**	**55,517,037**

Table 9: EU CQ1 - Credit quality of forborne exposures

	Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated 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			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
			Of which defaulted	Of which impaired				
Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
Loans and advances	55,660	365,107	365,107	365,107	(10,421)	(268,581)	126,454	81,666
Central banks	-	-	-	-	-	-	-	-
General governments	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-
Other financial corporations	-	-	-	-	-	-	-	-
Non-financial corporations	642	229,644	229,644	229,644	(23)	(186,665)	30,418	29,915
Households	55,018	135,463	135,463	135,463	(10,398)	(81,917)	96,037	51,751
Debt Securities	-	-	-	-	-	-	-	-
Loan commitments given	1,105	714	714	714	13	418	-	-
Total	**56,764**	**365,821**	**365,821**	**365,821**	**(10,409)**	**(268,163)**	**126,454**	**81,666**

Table 10: EU CQ4 - Quality of non-performing exposures by geography

		Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing		Of which subject to impairment			
				Of which defaulted				
010	***On-balance-sheet exposures***	***57,656,038***	***1,663,100***	***1,663,100***	***57,656,038***	***(2,139,000)***		-
020	*Romania*	*51,541,241*	*1,657,279*	*1,657,279*	*51,541,241*	*(2,129,374)*		-
030	*Germany*	*1,721,356*	*89*	*89*	*1,721,356*	*(236)*		-
040	*Austria*	*1,015,899*	*31*	*31*	*1,015,899*	*(37)*		-
050	*France*	*1,590,632*	*480*	*480*	*1,590,632*	*(760)*		-
060	*Belgium*	*1,094,640*	*81*	*81*	*1,094,640*	*(95)*		-
070	*Czech Republic*	*323,906*	*2,063*	*2,063*	*323,906*	*(231)*		-
	Other countries	*368,364*	*3,077*	*3,077*	*368,364*	*(8,268)*		-
080	***Off-balance-sheet exposures***	***18,391,794***	***360,506***	***360,506***	***-***	***-***	***300,652***	
090	*Romania*	*15,942,853*	*360,505*	*360,505*	*-*	*-*	*297,376*	
100	*Germany*	*24,823*	*-*	*-*	*-*	*-*	*0*	
110	*Austria*	*934*	*-*	*-*	*-*	*-*	*8*	
120	*France*	*243,756*	*-*	*-*	*-*	*-*	*904*	
130	*Belgium*	*18,259*	*-*	*-*	*-*	*-*	*89*	
140	*Czech Republic*	*1,345,790*	*-*	*-*	*-*	*-*	*0*	
	Other countries	*815,380*	*1*	*1*	*-*	*-*	*2,276*	
150	***Total***	***76,047,832***	***2,023,606***	***2,023,606***	***57,656,038***	***(2,139,000)***	***300,652***	***-***

Table 11: EU CQ5 - Credit quality of loans and advances to non-financial corporations by industry

	Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Of which non-performing		Of which loans and advances subject to impairment		
			Of which defaulted			
Agriculture, forestry and fishing	972,551	39,732	39,732	972,551	(54,993)	-
Mining and quarrying	50,499	1,719	1,719	50,499	(2,146)	-
Manufacturing	1,986,622	69,528	69,528	1,986,622	(88,208)	-
Electricity, gas, steam and air conditioning supply	1,420,908	85,800	85,800	1,420,908	(37,430)	-
Water supply	135,383	3,802	3,802	135,383	(6,093)	-
Construction	590,234	121,981	121,981	590,234	(112,411)	-
Wholesale and retail trade	2,624,624	100,197	100,197	2,624,624	(116,423)	-
Transport and storage	849,395	31,646	31,646	849,395	(41,365)	-
Accommodation and food service activities	279,230	51,825	51,825	279,230	(58,746)	-
Information and communication	462,494	3,837	3,837	462,494	(5,164)	-
Financial and insurance actvities	324,340	1,454	1,454	324,340	(6,851)	-
Real estate activities	540,638	26,910	26,910	540,638	(42,545)	-
Professional, scientific and technical activities	195,038	46,237	46,237	195,038	(43,921)	-
Administrative and support service activities	99,908	11,340	11,340	99,908	(7,936)	-
Public administration and defense, compulsory social security	1,579	14	14	1,579	(186)	-
Education	35,593	389	389	35,593	(4,573)	-
Human health services and social work activities	250,972	5,570	5,570	250,972	(11,368)	-
Arts, entertainment and recreation	52,870	4,627	4,627	52,870	(11,637)	-
Other services	156,934	16,693	16,693	156,934	(31,844)	-
Total	**11,029,812**	**623,300**	**623,300**	**11,029,812**	**(683,840)**	**-**

Table 12: EU CQ7 - Collateral obtained by taking possession and execution processes

	Collateral obtained by taking possession	
	Value at initial recognition	Accumulated negative changes
Property, plant and equipment (PP&E)	-	-
Other than PP&E	7,938	(1,925)
Residential immovable property	4,917	(675)
Commercial Immovable property	-	-
Movable property (auto, shipping, etc.)	3,021	(1,250)
Equity and debt instruments	-	-
Other collateral	-	-
Total	***7,938***	***(1,925)***

In IFRS financial statements repossessed assets are classified in other assets category or as other assets held for sale based on business intention.

6 - Additional quantitative information on credit risk

To reduce the credit risks associated with its exposures, BRD seeks to use collateral as credit risk mitigation (CRM) technique, where possible.

The table below shows the amount of unsecured loans and secured loans, either by collateral or financial guarantees.

Table 13: EU CR3 - CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

		Unsecured carrying amount	Secured carrying amount			
				Of which **secured by collateral**	Of which **secured by financial guarantees**	Of which **secured by credit derivatives**
1	Loans and advances	15,185,895	29,125,775	25,636,514	3,489,261	-
2	Debt securities	17,602,469	-	-	-	
3	Total	32,788,363	29,125,775	25,636,514	3,489,261	-
4	*Of which non-performing exposures*	1,282,578	380,521	316,625	63,897	-
EU-5	*Of which defaulted*	1,282,578	380,521			

Note: Loans and advances from the table above include also exposure from central banks and sight deposits.

MAIN TYPES OF SECURITIES ACCEPTED AS CREDIT RISK MITIGATION TECHNIQUES

BRD has a cash flow-based lending approach, as the Bank expects the debt to be serviced primarily through the future cash flow (legal entities)/ income (individuals) generated by the debtor. Thus, credit risk mitigation techniques, in the form of collateral (funded credit protection) or guarantee (unfunded credit protection), are accepted merely to mitigate credit risk and they cannot serve as a substitute for the borrower's ability to meet obligations, which is the main credit decision driver. Their scope is to minimize the loss in case of debtor's default, through lowering the credit losses with the collateral execution proceeds or through transferring the risk to the guarantee's issuer.

The Bank accepts the following **main types of securities**:

- Financial collateral (cash, deposits, Romanian Government bonds, shares);
- Non-financial collateral (real estate, movable assets, receivables, intangibles, payment instruments);
- Guarantees (personal guarantees, letters of guarantee, letters of comfort, financial guarantees issued by guarantee funds and Eximbank, sovereign guarantees, endorsements).

The most frequent type of accepted collateral is represented by real estate assets.

Policies and processes for collaterals'/ guarantees' valuation and management

In order to reduce its credit risk-taking, BRD pursued an active management of securities by:

- Following a collateral policy structured along the dimensions presented below:
  - types of security accepted by the bank
  - strict criteria for validation, acceptance and eligibility of collateral/ guarantee
  - principles governing the management of securities, as well as of the roles and responsibilities involved in the process
- Assessments performed during the credit approval/ monitoring processes, on the guarantees and/ or collateral, from eligibility, validity and legal enforceability perspectives

- Periodical evaluation of the collateral portfolio, in order to reduce the discrepancies between the market value of collaterals and the value used by the Bank in its internal processes (monitoring, provisioning etc.)
- Estimation of the collateral recovery value by applying discount coefficients to its market value, when determining the level of provisions on individual assessment basis
- Regular monitoring through specific risk indicators
- Internal controls performed on valuation activity
- Implementing a set of risk management principles regarding concentration on credit risk mitigations techniques and, in order to ensure an appropriate monitoring, concentration limits defined on single protection provider.

For ***Real estate collaterals*** the market value is estimated by external or internal certified evaluators. Valuation is performed in accordance with the International Valuation Standards and ANEVAR Standards and Recommendations. Real estate valuations are verified by the competent units, independently from the credit approval process. The Bank uses the market approach and income approach as valuation methods for real estate. Revaluation is performed yearly for commercial/ industrial/ agricultural real-estate, plots of land, at least once every 3 years for residential real estate or with higher frequency if the real estate market displays a significant negative evolution.

Movable assets collaterals (machinery& equipment, inventories, other movables) are appraised based on the value recognized for financial or other related purposes (balance sheet, insurance etc.). The Bank monitors the movable assets market value on a frequent basis, but at least yearly. If the market is subject to significant changes, market value is monitored more frequently.

Before a ***guarantee*** is accepted, the protection provider is assessed in order to measure its solvency and risk profile, using the same principles as for direct credit exposures towards BRD's clients/ counterparties. The credit risk mitigation effect of guarantees is closely linked to the guarantor's creditworthiness and the secured amount must be reasonably proportionate to the economic performance capabilities of the protection provider. The main guarantor for BRD's clients is the Romanian State, which intervenes to sustain credit activity by national wide guarantee programs implemented through intermediation of guarantee funds (FNGCIMM or FGCR) or Eximbank, mainly "Prima Casa" program.

The breakdown of net exposures to credit risk (excluding CCR) by exposure class before and post CCF and CRM, as per COREP report as of June 30, 2021, is presented in the table below.

Table 14: EU CR4 - standardised approach – Credit risk exposure and CRM effects

	Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
1	Central governments or central banks	22,037,183	5,313	26,779,599	148,782	153,576	0.57%
2	Regional government or local authorities	857,762	27,301	871,856	3,192	278,650	31.84%
3	Public sector entities	-	-	-	-	-	0.00%
4	Multilateral development banks	-	-	62,216	7,415	-	0.00%
5	International organisations	-	-	-	-	-	0.00%
6	Institutions	5,719,275	445,799	5,713,858	291,519	1,318,938	21.96%
7	Corporates	8,942,748	15,114,973	8,093,763	3,913,227	10,954,039	91.23%
8	Retail	15,539,183	2,161,185	11,177,919	1,017,393	8,973,853	73.58%
9	Secured by mortgages on immovable property	7,174,516	131,513	7,174,516	63,898	2,714,536	37.50%
10	Exposures in default	446,682	147,789	359,726	41,023	418,877	104.52%
11	Exposures associated with particularly high risk	-	-	-	-	-	0.00%
12	Covered bonds	-	-	-	-	-	0.00%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0.00%
14	Collective investment undertakings	-	-	-	-	-	0.00%
15	Equity	128,409	-	128,409	-	250,161	194.82%
16	Other items	3,997,305	-	3,997,305	-	1,577,370	39.46%
17	**TOTAL**	**64,843,062**	**18,033,873**	**64,359,166**	**5,486,448**	**26,640,003**	**38.14%**

7 - Exposures subject to measures applied in response to the COVID-19 crisis

The outbreak of the COVID-19 pandemic has prompted rapid social and economic responses worldwide. Within the EU, Member States have implemented a broad range of support measures aimed at minimizing the medium- and long-term economic impacts of the pandemic. The response included some forms of moratorium on payments of credit obligations (with the aim of supporting the operational and liquidity challenges faced by borrowers), introduced either jurisdiction-wide (legislative moratorium) or voluntary industry-wide or through individual initiatives by institutions (non-legislative moratorium). In Romania, the moratorium reflects a combination of statewide legislation (GEO 37/2020, and GEO 227/2021) and various initiatives of the banking system.

In addition to legislative moratorium provisions, BRD has also designed internal deferral programs in order to support its debtors under the temporary distress. These measures fall into the non-legislative category.

In this context, EBA issued guidelines (EBA/GL/2020/08) to clarify the requirements for public and private moratoria, which if fulfilled, will help avoid the classification of exposures under the definition of forbearance or as defaulted under distressed restructuring. In addition, in order to ensure an appropriate understanding of institutions' risk profile and asset quality, and to strengthen transparency, in accordance to EBA/GL/2020/07, credit institutions identified as O-SII are subject to: i) disclosure requirements on exposures subject to legislative and non-legislative moratoria on loan repayments applied in the light of the COVID-19 crisis, and ii) disclosure requirements on newly originated exposures that are subject to public guarantee schemes applied in response to the COVID-19 crisis.

The below tables, are prepared according to EBA/GL/2020/07, with the reference date, June 30, 2021.

Table 15: Information on loans and advances subject to legislative and non-legislative moratoria

	Gross carrying amount							Accumulated impairment, accumulated negative changes in fair value due to credit risk							Gross carrying amount
		Performing			Non performing				Performing			Non performing			
			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	Inflows to non-performing exposures
Loans and advances subject to moratorium	**77,955**	**75,916**	**-**	**60,135**	**2,039**	**100**	**2,035**	**(7,939)**	**(6,867)**	**-**	**(6,573)**	**(1,072)**	**(73)**	**(1,069)**	**306**
of which: Households	74,286	72,983	-	57,780	1,303	-	1,298	(7,149)	(6,720)	-	(6,433)	(429)	-	(427)	273
of which: Collateralised by residential immovable property	*50,175*	*49,172*	*-*	*42,126*	*1,003*	*-*	*1,003*	*(4,721)*	*(4,456)*	*-*	*(4,364)*	*(265)*	*-*	*(265)*	*252*
of which: Non-financial corporations	3,669	2,933	-	2,355	736	100	736	(790)	(147)	-	(140)	(643)	(73)	(643)	33
of which: Small and Medium-sized Enterprises	*3,669*	*2,933*	*-*	*2,355*	*736*	*100*	*736*	*(790)*	*(147)*	*-*	*(140)*	*(643)*	*(73)*	*(643)*	*33*
of which: Collateralised by commercial immovable property	*848*	*245*	*-*	*245*	*603*	*-*	*603*	*(576)*	*(24)*	*-*	*(24)*	*(552)*	*-*	*(552)*	*-*

Table 16: Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria

		Number of obligors	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
1	Loans and advances for which moratorium was offered	51,436	3,574,249							
2	Loans and advances subject to moratorium (granted)	47,481	3,413,024	1,979,705	3,335,069	63,050	14,906	-	-	-
3	of which: Households		2,650,107	1,666,039	2,575,821	61,375	12,911	-	-	-
4	*of which: Collateralised by residential immovable property*		1,925,543	1,150,199	1,875,368	41,964	8,211	-	-	-
5	of which: Non-financial corporations		762,917	313,666	759,248	1,675	1,994	-	-	-
6	*of which: Small and Medium-sized Enterprises*		612,786	249,954	609,116	1,675	1,994	-	-	-
7	*of which: Collateralised by commercial immovable property*		215,170	143,134	214,322	722	126	-	-	-

An additional measure within the relief package to support the economy at national level was the approval of an envelope of state guarantees and interest subsidies to support SME sector financing within IMM INVEST loan facility program (the envelope for 2021 is RON 15 billion). The outstanding amount on the program exposures are presented below.

Table 17: Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis

		Gross carrying amount		Maximum amount of the guarantee that can be considered	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	733,350	-	615,111	291
2	of which: Households	-			-
3	of which: Collateralised by residential immovable property	-			-
4	of which: Non-financial corporations	733,350	-	615,111	291
5	of which: Small and Medium-sized Enterprises	726,383			291
6	of which: Collateralised by commercial immovable property	18,115			-

8 - Leverage ratio

BRD computes and reports leverage ratio which is designed specifically to limit the risk of excessive leverage in credit institutions, in accordance with CRR2 provisions applicable since end June 2021.

The leverage ratio of BRD Group is well above the 3% minimum requirement, level enforced based on Regulation 2019/876 amending CRR starting with June 2021. It stands at 11.85% as at June 30, 2021, considering a Tier 1 capital amount of RON 8,718 million compared with a leverage exposure of RON 73,550 million (versus 12.98% as of December 30, 2020 considering a Tier 1 capital amount of RON 9,056 million and a leverage exposure of RON 69,752 million).

The consistent level of leverage ratio results from the strong capital base, namely high level of Common Equity Tier 1 capital and a balance-sheet structure specific to the universal bank business model with core focus on retail activities.

Table 18: EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

		Applicable amount
1	Total assets as per published financial statements	66,791,642
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	23,959
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustment for derivative financial instruments	550,777
9	Adjustment for securities financing transactions (SFTs)	20,083
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	6,586,171
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
12	Other adjustments	(422,906)
13	**Total exposure measure**	**73,549,726**

Table 19: EU LR2 - LRCom: Leverage ratio common disclosure

		CRR leverage ratio exposures	
		30.06.2021	31.12.2020
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	65,038,790	60,938,538
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-	-
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	(422,906)	(339,989)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	64,615,884	60,598,549
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	114,542	123,281
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	516,108	144,555
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-
EU-9b	Exposure determined under Original Exposure Method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	Total derivatives exposures	630,650	267,836
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	1,696,938	2,533,521
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	20,083	27,294
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	Total securities financing transaction exposures	1,717,021	2,560,816
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	18,333,829	18,138,987
20	(Adjustments for conversion to credit equivalent amounts)	(11,747,658)	(11,813,813)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated associated with off-balance sheet exposures)	-	-
22	Off-balance sheet exposures	6,586,171	6,325,174
Excluded exposures			
EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	-
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	-	-
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	-	-
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	-	-
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	(Total exempted exposures)	-	-
Capital and total exposure measure			
23	**Tier 1 capital**	8,717,580	9,056,309
24	**Total exposure measure**	73,549,726	69,752,374
Leverage ratio			
25	Leverage ratio (%)	11.85%	12.98%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	11.85%	12.98%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	11.85%	12.98%
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-
EU-26b	of which: to be made up of CET1 capital	-	-
27	Leverage ratio buffer requirement (%)	-	-
EU-27a	Overall leverage ratio requirement (%)	3.00%	3.00%
Choice on transitional arrangements and relevant exposures			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	-	-
Disclosure of mean values			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	1,906,439	-
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	1,696,938	-
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	73,759,227	-
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	73,759,227	-
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	11.82%	0.00%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	11.82%	0.00%

Table 20: EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

		CRR leverage ratio exposures
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	65,038,790
EU-2	Trading book exposures	-
EU-3	Banking book exposures, of which:	65,038,790
EU-4	Covered bonds	-
EU-5	Exposures treated as sovereigns	22,037,183
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	857,762
EU-7	Institutions	5,719,275
EU-8	Secured by mortgages of immovable properties	7,174,516
EU-9	Retail exposures	15,539,183
EU-10	Corporates	8,942,748
EU-11	Exposures in default	446,682
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	4,321,442

9 - Liquidity requirements

BRD complies with the liquidity standards introduced by CRD IV, following the two liquidity ratios defined:

- short term - Liquidity Coverage Ratio (LCR)

  The liquidity coverage ratio (LCR) refers to the proportion of high liquid assets held to ensure the ongoing ability to meet short-term obligations (30 days horizon).

- medium term - Net Stable Funding Ratio (NSFR)

  Net Stable Funding ratio (NSFR) seeks to assess the proportion of Available Stable Funding ("ASF") via the liabilities over Required Stable Funding ("RSF") for the assets.

Their actual level is monitored in Assets and Liabilities Committee (ALCO) on a monthly basis.

As at 30 June 2021 the LCR stands at 398% in terms of monthly averages over the previous twelve months. The value of LCR as at June 2021 end is quite stable compared to March 2021 end, and higher with 40 bps compared with December 2020 value (the same methodology of previous 12 months average being applied).

BRD's liquidity buffer consists of cash and government bonds. A fundamental line of the liquidity strategy consists in maintaining a significant portfolio of government bonds. These represent the core liquidity buffer and are the high quality liquid assets available on the Romanian market. The portfolio can be used for obtaining liquidity through participation at the regular open market operations of the central bank, through access to the Lombard refinancing facility, through sell/buy-back transactions in the interbank market, or through outright sale.

Table 21: EU LIQ1 - Quantitative information of LCR

		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on	30.06.2021	31.03.2021	31.12.2020	30.09.2020	30.06.2021	31.03.2021	31.12.2020	30.09.2020
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					20,534,953	19,763,965	18,738,428	18,046,683
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	34,626,686	33,677,595	31,792,015	29,808,692	2,067,484	2,043,191	2,022,507	1,988,972
3	*Stable deposits*	24,224,346	23,339,644	21,825,860	20,371,109	1,211,217	1,166,982	1,091,293	1,018,555
4	*Less stable deposits*	10,402,339	10,337,950	9,966,155	9,437,583	856,267	876,209	931,214	970,417
5	Unsecured wholesale funding	15,196,502	14,774,394	14,333,377	13,883,756	7,594,589	7,464,095	7,390,952	7,243,911
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	-	-	4,451	13,437	-	-	1,113	3,359
7	*Non-operational deposits (all counterparties)*	15,196,502	14,774,394	14,328,927	13,870,319	7,594,589	7,464,095	7,389,840	7,240,552
8	*Unsecured debt*	-	-	-	-	-	-	-	-
9	*Secured wholesale funding*					-	-	-	-
10	Additional requirements	4,171,431	3,882,066	3,785,203	3,577,706	332,229	307,281	302,851	286,100
11	*Outflows related to derivative exposures and other collateral requirements*	6,016.6	5,969.8	6,079.5	6,092.1	6,016.6	5,969.8	6,079.5	6,092.1
12	*Outflows related to loss of funding on debt products*	-	-	-	-	-	-	-	-
13	*Credit and liquidity facilities*	4,165,415	3,876,096	3,779,124	3,571,614	326,213	301,311	296,772	280,008
14	Other contractual funding obligations	215,028	300,242	357,635	313,223	215,028	300,242	357,635	313,223
15	Other contingent funding obligations	-	-	-	-	-	-	-	-
16	TOTAL CASH OUTFLOWS					10,209,331	10,114,810	10,073,945	9,832,207
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	1,511,629	1,460,258	1,331,636	1,484,287	-	3,928.8	4,198.7	5,074.4
18	Inflows from fully performing exposures	5,061,481	5,180,204	4,879,077	4,134,967	4,865,971	4,943,556	4,628,420	3,853,946
19	Other cash inflows	179,723	186,862	198,102	176,072	179,723	186,862	198,102	176,072
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer					-	-	-	-
EU-19b	(Excess inflows from a related specialised credit institution)					-	-	-	-
20	TOTAL CASH INFLOWS	6,752,834	6,827,324	6,408,815	5,795,327	5,045,695	5,134,347	4,830,721	4,035,093
EU-20a	*Fully exempt inflows*	-	-	-	-	-	-	-	-
EU-20b	*Inflows subject to 90% cap*	-	-	-	-	-	-	-	-
EU-20c	*Inflows subject to 75% cap*	6,752,834	6,827,324	6,408,815	5,795,327	5,045,695	5,134,347	4,830,721	4,035,093
TOTAL ADJUSTED VALUE									
EU-21	LIQUIDITY BUFFER					20,534,953	19,763,965	18,738,428	18,046,683
22	TOTAL NET CASH OUTFLOWS					5,163,636	4,980,462	5,243,225	5,797,114
23	LIQUIDITY COVERAGE RATIO					398%	397%	357%	311%

Table 22: EU LIQ2 - Net Stable Funding Ratio

		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments		-	-	10,028,158	10,028,158
2	*Own funds*		-	-	10,028,158	10,028,158
3	*Other capital instruments*		-	-	-	-
4	Retail deposits		33,276,278	1,406,821	467,228	33,073,976
5	*Stable deposits*		26,657,370	1,181,814	351,237	26,798,462
6	*Less stable deposits*		6,618,908	225,006	115,991	6,275,514
7	Wholesale funding:		14,660,672	245,034	121,341	7,574,194
8	*Operational deposits*		-	-	-	-
9	*Other wholesale funding*		14,660,672	245,034	121,341	7,574,194
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:		5,274,365	361,515	1,000,821	1,181,579
12	*NSFR derivative liabilities*					
13	*All other liabilities and capital instruments not included in the above categories*		5,274,365	361,515	1,000,821	1,181,579
14	**Total available stable funding (ASF)**					**51,857,907**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)		-	-	-	-
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		13,105,101	3,121,099	24,274,904	25,296,209
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		1,696,738	-	-	-
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		6,572,997	86,544	180,057	880,628
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		4,819,062	3,019,180	17,220,884	18,556,872
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		-	-	-	-
22	*Performing residential mortgages, of which:*		16,303	15,376	6,873,963	5,858,708
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		-	-	-	-
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		-	-	-	-
25	Interdependent assets		-	-	-	-
26	Other assets:		869,584	88,728	1,732,571	2,331,010
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*				-	-
29	*NSFR derivative assets*				10,896.4	10,896.4
30	*NSFR derivative liabilities before deduction of variation margin posted*				3,569.3	178.5
31	*All other assets not included in the above categories*		855,118	88,728	1,732,571	2,319,935
32	Off-balance sheet items		2,652,382	1,585,350	2,569,823	388,480
33	**Total RSF**					**28,015,698**
34	**Net Stable Funding Ratio (%)**					**185%**

10 - Index of tables

Table 1: Index of the tables in the report 4

Table 2: EU CC2 - Reconciliation of regulatory own funds to balance sheet in the audited financial statements 5

Table 3: EU CC1 - Composition of regulatory own funds 7

Table 4: EU OV1 - Overview of total risk exposure amounts 10

Table 5: EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer 11

Table 6: EU CCyB2 - Amount of institution-specific countercyclical capital buffer 11

Table 7: EU CR1 - Performing and non-performing exposures and related provisions 12

Table 8: EU CR1 - A: Maturity of exposures 12

Table 9: EU CQ1 - Credit quality of forborne exposures 13

Table 10: EU CQ4 - Quality of non-performing exposures by geography 13

Table 11: EU CQ5 - Credit quality of loans and advances to non-financial corporations by industry 13

Table 12: EU CQ7 - Collateral obtained by taking possession and execution processes 14

Table 13: EU CR3 - CRM techniques overview: Disclosure of the use of credit risk mitigation techniques 15

Table 14: EU CR4 - standardised approach – Credit risk exposure and CRM effects 16

Table 15: Information on loans and advances subject to legislative and non-legislative moratoria 17

Table 16: Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria 17

Table 17: Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis 18

Table 18: EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures 19

Table 19: EU LR2 - LRCom: Leverage ratio common disclosure 20

Table 20: EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) 21

Table 21: EU LIQ1 - Quantitative information of LCR 22

Table 22: EU LIQ2 - Net Stable Funding Ratio 23