

**Disclosures of UniCredit Group Slovenia
for the 1Q 2020**

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Disclosures of Unicredit Group Slovenia for the 1Q 2020 are prepared in accordance with the requirements of Capital Requirements Regulation – CRR (Regulation (EU) no 575/2013 of the European parliament and of the Council of 26th June 2013 on prudential requirements for credit institutions and investment firms and amending regulation (EU) no 648/2012) and CRR2 (Regulation (EU) 2019/876 of the European Parliament and of the Council of 20th May 2019).

Disclosures are based on Consolidated level which consists of UniCredit Banka Slovenija d.d. and UniCredit Leasing, leasing, d.o.o..

Disclosures were approved by the Management Board of the Bank.

All amounts are in thousands of EUR, unless otherwise stated. Zero values refers to amounts lower than 500 euros.

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Measures issued in the context of the Covid-19 outbreak, provided by the European regulatory authorities and National Member States

During the first quarter 2020, the Governing Council of the European Central Bank (ECB) has decided a number of measures to ensure that its directly supervised banks can continue to fulfil their role in funding the real economy given the economic effects of the Covid-19.

As well, the European Banking Authority (EBA) issued several statements to explain a number of interpretative aspects on the functioning of the prudential framework in relation to the classification of loans in default, the identification of forbore exposures, and their accounting treatment. These clarifications help ensure consistency and comparability in risk metrics across the whole EU banking sector, which are crucial to monitor the effects of the current crisis.

For Slovenia the following National measures are relevant and could have potential impact on reported figures:

- Law requiring banks to provide moratorium to retail and corporate customers was passed by end of March.
- The Act applies to:
 - (i) banks and savings banks with seat in Slovenia and Slovenian branches of EU banks, on the lenders' side;
 - (ii) companies, co-operatives, foundations, institutes (all with seat in Slovenia), sole entrepreneurs, farmers, natural persons (all if Slovenian citizens residing in Slovenia), on the borrowers' side.
- Debtors may apply for deferral of instalments during the period of pandemic which officially started as of 12 March 2020
- Interests are accrued on delayed payments.
- ECB asked banks not to pay dividends until at least October 2020: Based on that decision also Bank of Slovenia issued measure about dividend payment. To boost the capacity to absorb losses and support lending to households, small businesses and corporates, the banks should not pay dividends for the financial years 2019 and 2020 for the one year period.

Capital Instruments and Common Equity Tier 1 (According to Article 437)

Common Equity Tier 1

Common Equity Tier 1 capital: instruments and reserves		
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	256.475
Common Equity Tier 1 (CET1) capital: regulatory adjustments		
28	Total regulatory adjustments to Common equity Tier 1 (CET1)	- 13.840
29	Common Equity Tier 1 (CET1) capital	242.635
Additional Tier 1 (AT1) capital: instruments		
36	Additional Tier 1 (AT1) capital: regulatory adjustments	-
Additional Tier 1 (AT1) capital: regulatory adjustments		
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	-
44	Additional Tier (AT1) capital	-
45	Tier 1 capital (AT1 = CET1 + AT1)	242.635
Tier 2 (T2) capital: instruments and provisions		
51	Tier 2 (T2) capital before regulatory adjustments	3.505
Tier 2 (T2) capital: regulatory adjustments		
57	Total regulatory adjustments to Tier 2 (T2) capital	-
58	Tier 2 (T2) capital	3.505
59	Total capital (TC = T1 + T2)	246.140
Capital ratios and buffers		
61	Common Equity Tier 1 (as a percentage of risk exposure amount)	16,20%
62	Tier 1 (as a percentage of risk exposure amount)	16,20%
63	Total capital (as a percentage of risk exposure amount)	16,43%

Template 4: EU OV1 – Overview of RWAs

CAPITAL REQUIREMENTS (Article 438)

Purpose: Provide an overview of total RWA forming the denominator of the risk-based capital requirements calculated in accordance with Article 92 of the CRR. Further breakdowns of RWAs are presented in subsequent parts of these guidelines.

		RWAs		Minimum capital requirements
		31.03.2020	31.12.2019	31.03.2020
1	Credit risk (excluding CCR)	1.326.912	1.306.618	106.153
2	Of which the standardised approach	754.588	759.113	60.367
3	Of which the foundation IRB (FIRB) approach	526.948	504.838	42.156
4	Of which the advanced IRB (AIRB) approach	39.859	36.407	3.189
5	Of which equity IRB under the simple risk-weighted approach or the IMA	5.517	6.261	441
6	CCR	13.058	11.070	1.045
7	Of which mark to market	13.058	11.070	1.045
8	Of which original exposure	-	-	-
9	Of which the standardised approach	-	-	-
10	Of which internal model method (IMM)	-	-	-
11	Of which: Financial collateral simple method (for SFTs)	-	-	-
12	Of which: Financial collateral comprehensive method (for SFTs)	-	-	-
13	Of which: VaR for SFTs	-	-	-
14	Of which risk exposure amount for contributions to the default fund of a CCP	-	-	-
15	Of which CVA	-	-	-
16	Settlement risk	-	-	-
17	Securitisation exposures in the banking book (after the cap)	-	-	-
18	Of which IRB approach	-	-	-
19	Of which IRB supervisory formula approach (SFA)	-	-	-
20	Of which internal assessment approach (IAA)	-	-	-
21	Of which standardised approach	-	-	-
22	Market risk	407	1.008	33
23	Of which the standardised approach	407	1.008	33
24	Of which IMA	-	-	-
25	Large exposures	-	-	-
26	Operational risk	98.004	97.362	7.840
27	Of which basic indicator approach	-	-	-
28	Of which standardised approach	12.666	12.666	1.013
29	Of which advanced measurement approach	85.338	84.696	6.827
30	Amounts below the thresholds for deduction (subject to 250% risk weight)	7.198	7.198	576
31	Floor adjustment	-	-	-
32	Other calculation elements	52.500	70.000	4.200
33	Total	1.498.080	1.493.257	119.846

Credit risk RWA increased compared to the previous quarter mainly due to increase of RWA on IRB approach. Increase was driven by higher exposure to Institutions and Corporates - Other segments. On the other hand first 25% (EUR -17.5m) was released from the booked model add-on end of year 2019, which lowered the amount of "Other calculation elements" in March 2020 compared to December 2019. Market risk and Operational risk RWA remained constant in 1Q20. All these changes results to a final increase of total RWAs by EUR 5m.

Template 23: EU CR8 – RWA flow statements of credit risk exposures under the IRB approach

CAPITAL REQUIREMENTS (Article 438)

Purpose: Present a flow statement explaining variations in the credit RWAs of exposures for which the riskweighted amount is determined in accordance with Part Three, Title II, Chapter 3 of the CRR and the corresponding capital requirement as specified in Article 92(3)(a).

		a	b
		RWA amounts	Capital requirements
1	RWAs as at the end of the previous reporting period (31.12.2019)	547.506	43.800
2	Asset size	23.294	1.863
3	Asset quality	1.524	122
4	Model updates		
5	Methodology and policy		
6	Acquisitions and disposals		
7	Foreign exchange movements		
8	Other		
9	RWAs as at the end of the reporting period (31.3.2020)	572.324	45.786

Table LRCom: Leverage ratio common disclosure

LEVERAGE (Article 451)

		CRR leverage ratio exposures
Capital and total exposure measure		
20	Tier 1 capital	242.635
21	Leverage ratio total exposure measure (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	3.068.547
Leverage ratio		
22	Leverage ratio	7,9%
Choice on transitional arrangements and amount of derecognised fiduciary items		
EU-23	Choice on transitional arrangements for the definition of the capital measure	Transitional