Disclosures of UniCredit Group Slovenia for the year 2017

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Registrirana pri Okrožnem sodišču v Ljubljani št.reg.vl. 1/10521/00, Osnovni kapital družbe 20.383.764,81 EUR, Matična številka 5446546000, ID številka za DDV SI59622806, Transakcijski račun (IBAN) SI56 2900 0190 0030 037.

UniCredit Bank

Disclosures of UniCredit Group Slovenia for the year 2017

Banks are obliged to disclose certain information, which should allow sufficient information to potential investors about the risks the bank takes in its operations. Disclosures of Unicredit Group Slovenia for the year 2017 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).
Disclosures are based on Consolidated level which consists of UniCredit Banka Slovenija d.d. and UniCredit Leasing, leasing, d.o.o..

The Management Board of the Bank approved disclosures on April 24th, 2018.

All amounts are in thousands of EUR, unless otherwise stated.

UniCredit Bank

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

Capital Instruments

Main Features of Capital Instruments		
1	Issuer	UniCredit Banka Slovenija d.d.
2	Unique identifier	SI0021108749
3	Governing law(s) of the instrument	Slovenian Law
	Regulatory treatment	
4	Transitional CRR rules	Common Equity Tier 1
5	Post-transitional CRR rules	Common Equity Tier 1
6	Eligible at solo/(sub-)consolidated / solo & (sub-)consolidated	Solo (sub)consolidated
7	Instrument type	Common shares - Art. 26 CRR
8	Amount recognised in regulatory capital (currency in million)	128,143
9	Nominal amount of instument	20,384
9a	Issue price	0,00417 EUR/per share
9b	Redemption price	N/A
10	Accounting classification	Shareholders' equity
11	Original date of issuance*	28.12.1999 28.02.2006 21.09.2007
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	N/A
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
17	Fix or floating dividend/coupon	N/A
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	No
20a	Full discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary
20b	Full discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary
21	Existance of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Noncumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down features	No
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write down, description of write-up mechanism	N/A
35	Position in subordination hiearchy in liquidation (specify instrument type immediately senior to instument)	N/A
36	Non-compliant transitioned features	No
37	If yes, specifiy non-compliant features	N/A
where question was not applicable, N/A was inserted		

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

Common Equity Tier 1

			Regulation (EU) No. 575/2013 article reference
Common Equity Tier 1 capital: instruments and reserves			
1	Capital instruments and the related share premium accounts	128.143	26(1), 27, 28, 29
	of which: common shares	20.384	26(3) - list EBA
2	Retained earnings	17.901	26(1)(c)
3	Accumulated other comprehensive income (and other reserves)	106.003	26(1)
3a	Funds for general banking risk	-	26(1)(f)
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1	-	486(2)
5	Minority interests (amount allowed in consolidated CET1)	-	84
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	26(2)
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**252.048**	**sum of rows od 1 do 5a**
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	- 4.248	34, 105
8	Intangible assets (net of related tax liability) (negative amount)	- 15.754	36(1)(b), 37
9	Empty set in the EU	-	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-	36(1)(c), 38
11	Fair value reserves related to gains or losses on cash flow hedges	-	33(1)(a)
12	Negative amounts resulting from the calculation of expected loss amounts	- 8	36(1)(d), 40, 159
13	Any increase in equity that results from securitised assets (negative amount)	-	32(1)
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	33(1)(b)
15	Defined-benefit pension fund assets (negative amount)	-	36(1)(e), 41
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	-	36(1)(f), 42
17	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own finds of the institution (negative amount)	-	36(1)(g), 44
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 the 10% threshold and net of eligible short positions) (negative amount)	-	36(1)(h), 43, 45, 46, 49(2) in (3), 79
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 the 10% threshold and net of eligible short positions) (negative amount)	-	36(1)(i), 43, 45, 47, 48(1)(b), 49(1) do (3), 79
20	Empty set in the EU	-	
20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	36(1)(k)
20b	of which: qualifying holdings outside the financial sector (negative amount)	-	36(1)(k)(i), 89 do 91
20c	of which: securitisation positions (negative amount)	-	36(1)(k)(ii), 243(1)(b), 244(1)(b), 258
20d	of which: free deliveries (negative amount)	-	36(1)(k)(iii), 379(3)
21	Deferred tax assets arising from temporary differences (amount above the 10% threshold, net of related tax liability where the conditions in 38(3) are met) (negative amount)	-	36(1)(c), 38, 48(1)(a)
22	Amount exceeding the 15% threshold (negative amount)	-	48(1)
23	of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has significant investment in those entities	-	36(1)(i), 48(1)(b)
24	Empty set in the EU	-	
25	of which: deferred tax assets arising from temporary differences	-	36(1)(c), 38, 48(1)(a)
25a	Losses for the current financial year (negative amount)	-	36(1)(a)
25b	Foreseeable tax charges relating to CET1 items (negative amount)	-	36(1)(l)
26	Regulatory adjustments applied to Common Equity Tier 1 in respect of amounts subject to pre-CRR treatment	-	
26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Articles 467 and 468	- 14.489	
	Of which: ... filter of unrealised loss 1	-	
	Of which: ... filter of unrealised loss 2	-	
	Of which: ... filter for unrealised gain 1	-	
	Of which: ... filter for unrealised gain 2	-	
26b	Amount to be deducted from or added to Common Equity Tier 1 capital with regard to additional filters and deductions required pre CRR	-	
	of which: ...	-	
27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)	- 3.152	36(1)(j)
28	**Total regulatory adjustments to Common equity Tier 1 (CET1)**	**- 37.652**	**sum of rows 7 do 20a, 21, 22 in 25a do 27**
29	**Common Equity Tier 1 (CET1) capital**	**214.396**	**row 6, minus row 28**

			Regulation (EU) No. 575/2013 article reference
Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	0	51, 52
31	of which: classified as equity under applicable accounting standards	0	
32	of which: classified as liabilities under applicable accounting standards	0	
33	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from AT1	0	486(3)
	Public sector capital injections grandfathered until 1 January 2018	0	
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	0	85, 86
35	of which: instruments issued by subsidiaries subject to phase out	0	486(3)
36	**Additional Tier 1 (AT1) capital: regulatory adjustments**	**0**	**sum of rows 30, 33 in 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
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 finds of the institution (negative amount)	-	56(b), 58
39	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above the 10% threshold and net of eligible short positions) (negative amount)	-	56(c), 59, 60, 79
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 (amount above the 10% threshold and net of eligible short positions) (negative amount)	-	56(d), 59, 79
41	Empty set in the EU		
41	Regulatory adjustments applied to the additional tier 1 in respect of amounts subject to pre-CRR treatment and transitional subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)	-	
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 the article 472 of Regulation (EU) No 575/2013	-	
	Of which items to be detailed line by line, e.g. material net interim losses, intangibles, shortfall of provisions to expected losses etc.	-	
41b	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Tier 2 capital during the transitional period pursuant to the article 472 of Regulation (EU) No 575/2013	-	
	Of which items to be detailed line by line, e.g. reciprocal cross holdings in Tier 2 instruments, direct holdings of non significant investments in the capital of other financial sector entities, etc.	-	
41c	Amount to be deducted from or added to the Additional Tier 1 capital with regard to additional filters and deductions required pre-CRR	-	
	Of which: ... possible filter for unrealised losses	-	
	Of which: ... possible filter for unrealised losses	-	
	Of which: ...	-	
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 rows 37 do 42**
44	**Additional Tier (AT1) capital**	**-**	**row 36, minus row 43**
45	**Tier 1 capital (AT1 = CET1 + AT1)**	**214.396**	**sum of rows 29 in 44**
Tier 2 (T2) capital: instruments and provisions			
46	Capital instruments and the related share premium accounts	-	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)

			Regulation (EU) No. 575/2013 article reference
	Public sector capital injections grandfathered until 1 January 2018	-	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	-	87, 88
49	of which: instruments issued by subsidiaries subject to phase out	-	486(4)
50	Credit risk adjustments	2.771	62(c) in (d)
51	**Tier 2 (T2) capital before regulatory adjustments**	**2.771**	
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
53	Holdings of 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 finds of the institution (negative amount)	-	66(b), 68
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 the 10% threshold and net of eligible short positions) (negative amount)	-	66(c), 69, 70, 79
54a	Of which new holdings not subject to transitional arrangements	-	
54b	Of which holdings existing before 1 January 2013 and subject to transitional arrangements	-	
55	Direct and indirect holdings by the institution of the T2 instruments 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
56	Empty set in the EU		
56	Regulatory adjustments applied to Tier 2 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)	- 2	
56a	Residual amounts deducted from Tier 2 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	-	
	Of which items to be detailed line by line, e.g. material net interim losses, intangibles, shortfall of provisions to expected losses etc.	-	
56b	Residual amounts deducted from Tier 2 capital with regard to deduction from Additional Tier 1 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013	-	
	Of which items to be detailed line by line, e.g. reciprocal cross holdings in AT1 instruments, direct holdings of non significant investments in the capital of other financial sector entities, etc.	-	
56c	Amount to be deducted from or added to Tier 2 capital with regard to additional filters and deductions required pre-CRR	-	
	of which: ... a possible filter for unrealized losses	-	
	of which: ... a possible filter for unrealized losses	-	
	of which: ...	-	
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**- 2**	**sum of rows 52 in 56**
58	**Tier 2 (T2) capital**	**2.769**	**row 51, minus row 57**
59	**Total capital (TC = T1 + T2)**	**217.165**	**sum of rows 45 in 58**
59a	Risk weighted assets in respects 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)	1.201.120	
	Of which: ... items not deducted from CET1 (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. deferred tax assets that rely on future profitability net of related tax liability, indirect holdings of own CET1, etc.)	3.644	
	Of which: ... items not deducted from AT1 (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. deferred tax assets that rely on future profitability net of related tax liability, indirect holdings of own CET1, etc.)	-	
	Items not deducted from T2 items (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line e.g. indirect holdings of own T2 instruments, indirect holdings of non-significant investments in the capital of other financial sector entities, indirect holdings of significant investments in the capital of other financial sector entities etc.)	-	
60	**Total risk weighted assets**	**1.204.763**	
Capital ratios and buffers			
61	**Common Equity Tier 1 (as a percentage of risk exposure amount)**	**17,80%**	**92(2)(a)**
62	**Tier 1 (as a percentage of risk exposure amount)**	**17,80%**	**92(2)(b)**

			Regulation (EU) No. 575/2013 article reference
63	**Total capital (as a percentage of risk exposure amount)**	**18,03%**	**92(2)(c)**
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus the systemically important institution buffer (G-SII or O-SII buffer), expressed as a percentage of risk exposure amount)	1,2501%	128, 129, 130, 131 in 133 CRD
65	of which: capital conversion buffer requirement	1,25%	
66	of which: countercyclical buffer requirement	0,0001%	
67	of which: systemic risk buffer requirement	0,0%	
67a	of which: Globally Systemically Important Instution (G-SII) or Other Systemically Important Institution(O-SII) buffer	0,0%	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	13,30%	128 CRD
69	[not relevant for EU legislation]		
70	[not relevant for EU legislation]		
71	[not relevant for EU legislation]		
Amounts below the thresholds for deduction (before risk weighting)			
72	Direct and indirect holdings of the capital of the financial sector entities where the institution does not have a significant investment in those entities (amount above the 10% threshold and net of eligible short positions)	-	36(1)(h), 45, 46, 56(c), 59, 60, 66(c), 69, 70
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 10% threshold and the net of eligible short positions)	-	36(1)(i), 45, 48
74	Empty set in the EU		
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article 38(3) are met)	-	36(1)(c), 45, 48
Applicable caps on the inclusion of the 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)	-	62
77	Cap on inclusion of credit risk adjustment in T2 under standardised approach	-	62
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-	62
79	Cap on inclusion of credit risk adjustment in T2 under internal ratings-based approach	-	62
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	-	484(3), 486(2) in (5)
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	484(3), 486(2) in (5)
82	Current cap on AT1 instruments subject to phase out arrangements	-	484(4), 486(3) in (5)
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	484(4), 486(3) in (5)
84	Current cap on T2 instruments subject to phase out arrangements	-	484(5), 486(4) in (5)
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	484(5), 486(4) in (5)

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
			T	T - 1	T
	1	Credit risk (excluding CCR)	1.077.012	1.039.672	86.161
Article 438(c)(d)	**2**	Of which the standardised approach	626.791	610.909	50.143
Article 438(c)(d)	**3**	Of which the foundation IRB (FIRB) approach	450.222	428.762	36.018
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	12.177	13.275	974
Article 438(c)(d)	**7**	Of which mark to market	12.177	13.275	974
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	-	-	-
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	10.810	6.502	865
	20	Of which the standardised approach	10.810	6.502	865
	21	Of which IMA	-	-	-
Article 438(e)	**22**	Large exposures	-	-	-
Article 438(f)	**23**	Operational risk	104.764	136.120	8.381
	24	Of which basic indicator approach	-	-	-
	25	Of which standardised approach	27.447	34.017	2.196
	26	Of which advanced measurement approach	77.317	102.103	6.185
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	1.204.763	1.195.569	96.381

Template 5: EU CR10 – IRB (specialised lending and equities)

CAPITAL REQUIREMENTS (Article 438)

Purpose: Provide quantitative disclosures of institutions' specialised lending and equity exposures using the simple riskweighted approach.

Specialised lending							
Regulatory categories	**Remaining maturity**	**On-balancesheet amount**	**Off-balancesheet amount**	**Risk weight**	**Exposure amount**	**RWAs**	**Expected losses**
Category 1	Less than 2.5 years			50%			
	Equal to or more than 2.5 years			70%			
Category 2	Less than 2.5 years			70%			
	Equal to or more than 2.5 years			90%			
Category 3	Less than 2.5 years			115%			
	Equal to or more than 2.5 years			115%			
Category 4	Less than 2.5 years			250%			
	Equal to or more than 2.5 years			250%			
Category 5	Less than 2.5 years			-			
	Equal to or more than 2.5 years			-			
Total	Less than 2.5 years						
	Equal to or more than 2.5 years						
Equities under the simple risk-weighted approach							
Categories		On-balancesheet amount	Off-balancesheet amount	Risk weight	Exposure amount	RWAs	Capital requirements
Private equity exposures				190%			
Exchange-traded equity exposures		981		290%	981	2.844	228
Other equity exposures				370%			
Total							

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**	428.952	34.316
2	Asset size	22.503	1.800
3	Asset quality	- 1.108	- 89
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**	450.348	36.028

Geographical distribution of credit exposures relevant for the calculation of the countercyclical capital buffer

CAPITAL BUFFERS (Article 440)

Row		General credit exposures		Trading book exposure		Securitisation exposure		Own funds requirements					
		Exposure value for SA	Exposure value IRB	Sum of long and short position of trading book	Value of trading book exposure 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	Total	Own funds requirement weights	Countercyclical capital buffer rate
		010	020	030	040	050	060	070	080	090	100	110	120
010	Breakdown by country												
	Albania	1	-	-	-	-	-	0	-			0,0%	0,0000%
	Australia	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Austria	763	5	-	-	-	-	61	-			0,1%	0,0000%
	Azerbaijan	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Belarus	2	-	-	-	-	-	0	-			0,0%	0,0000%
	Belgium	50	-	-	-	-	-	4	-			0,0%	0,0000%
	Belize	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Bosnia-Hercegovina	183	2.444	-	-	-	-	210	-			0,2%	0,0000%
	Brazil	3	-	-	-	-	-	0	-			0,0%	0,0000%
	British Virgin Islands	-	-	-	-	-	-	-	-			0,0%	0,0000%
	Bulgaria	34	-	-	-	-	-	3	-			0,0%	0,0000%
	Cameroon	-	-	-	-	-	-	-	-			0,0%	0,0000%
	Canada	3	-	-	-	-	-	0	-			0,0%	0,0000%
	Cape Verde	2	-	-	-	-	-	0	-			0,0%	0,0000%
	China	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Croatia	124	20.590	-	-	-	-	1.657	-			1,8%	0,0000%
	Cyprus	-	-	-	-	-	-	-	-			0,0%	0,0000%
	Czech Republic	49	-	-	-	-	-	4	-			0,0%	0,0000%
	Denmark	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Egypt	4	-	-	-	-	-	0	-			0,0%	0,0000%
	Estonia	-	-	-	-	-	-	-	-			0,0%	0,0000%
	France	71	-	-	-	-	-	6	-			0,0%	0,0000%
	Germany	198	1	-	-	-	-	16	-			0,0%	0,0000%
	Ghana	-	-	-	-	-	-	-	-			0,0%	0,0000%
	Gibraltar	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Greece	6	-	-	-	-	-	0	-			0,0%	0,0000%
	Hungary	10	12	-	-	-	-	2	-			0,0%	0,0000%
	India	1	-	-	-	-	-	0	-			0,0%	0,0000%
	Iraq	-	-	-	-	-	-	-	-			0,0%	0,0000%
	Ireland	-	-	-	-	-	-	-	-			0,0%	0,0000%
	Israel	3	-	-	-	-	-	0	-			0,0%	0,0000%
	Italy	1.012	126	-	-	-	-	91	-			0,1%	0,0000%
	Japan	2	-	-	-	-	-	0	-			0,0%	0,0000%
	Kazakhstan	1	-	-	-	-	-	0	-			0,0%	0,0000%
	Kosovo	8	-	-	-	-	-	1	-			0,0%	0,0000%
	Latvia	-	-	-	-	-	-	-	-			0,0%	0,0000%
	Lithuania	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Luxembourg	-	-	-	-	-	-	-	-			0,0%	0,0000%
	Macedonia	8	1	-	-	-	-	1	-			0,0%	0,0000%
	Malta	113	6	-	-	-	-	10	-			0,0%	0,0000%
	Mexico	1	-	-	-	-	-	0	-			0,0%	0,0000%
	Moldova	1	-	-	-	-	-	0	-			0,0%	0,0000%
	Montenegro	1	-	-	-	-	-	0	-			0,0%	0,0000%
	Netherlands	1	6.097	-	-	-	-	488	-			0,5%	0,0000%
	Nigeria	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Norway	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Pakistan	1	-	-	-	-	-	0	-			0,0%	0,0000%
	Poland	22	-	-	-	-	-	2	-			0,0%	0,0000%
	Portugal	1	-	-	-	-	-	0	-			0,0%	0,0000%
	Romania	27	1	-	-	-	-	2	-			0,0%	0,0000%
	Russian Federation	33	1.304	-	-	-	-	107	-			0,1%	0,0000%
	Slovakia	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Slovenia	588.476	529.919	-	-	-	-	89.472	-			96,7%	0,0000%
	South Africa	1	-	-	-	-	-	0	-			0,0%	0,0000%
	Spain	1	167	-	-	-	-	13	-			0,0%	0,0000%
	Srbija	438	3.442	-	-	-	-	310	-			0,3%	0,0000%
	Sweden	73	-	-	-	-	-	6	-			0,0%	0,0001%
	Switzerland	320	-	-	-	-	-	26	-			0,0%	0,0000%
	Thailand	0	-	-	-	-	-	0	-			0,0%	0,0000%
	The Philippines	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Turkey	3	-	-	-	-	-	0	-			0,0%	0,0000%
	Turkmenistan	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Ukraine	19	-	-	-	-	-	2	-			0,0%	0,0000%
	United Arab Emirates	427	-	-	-	-	-	34	-			0,0%	0,0000%
	United Kingdom (excluding Guernsey, Jersey, Isle of Man)	75	-	-	-	-	-	6	-			0,0%	0,0000%
	United States	269	-	-	-	-	-	21	-			0,0%	0,0000%
	Uzbekistan	4	-	-	-	-	-	0	-			0,0%	0,0000%
	Venezuela	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Vietnam	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Columbia	-	-	-	-	-	-	-	-			0,0%	0,0000%
	Kirgistan	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Korea, Republic of (formerly South Korea)	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Seychelles	-	-	-	-	-	-	-	-			0,0%	0,0000%
	Chile	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Nepal	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Georgia	1	-	-	-	-	-	0	-			0,0%	0,0000%
	New Zealand	1	-	-	-	-	-	0	-			0,0%	0,0000%
	Tanzania, United Republic of	-	-	-	-	-	-	-	-			0,0%	0,0000%
	Singapore	-	-	-	-	-	-	-	-			0,0%	0,0000%
	Tunesia	-	-	-	-	-	-	-	-			0,0%	0,0000%
	Argentina	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Peru	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Saudi-Arabia	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Lebanon	0	-	-	-	-	-	0	-			0,0%	0,0000%
	Afghanistan	20	-	-	-	-	-	2	-			0,0%	0,0000%
	Dominican Republic	0	-	-	-	-	-	0	-			0,0%	0,0000%
020	Total	592.867	564.116	-	-	-	-	92.559	-	-	-	100%	0,0001%

Amount of institution-specific countercyclical capital buffer

CAPITAL BUFFERS (Article 440)

Row		Column
		010
010	Total risk exposure amount	1.156.982
020	Institution specific countercyclical buffer rate	0,0001%
030	Institution specific countercyclical buffer requirement	92.559

Table 6: EU CRB-A – Additional disclosure related to the credit quality of assets

CREDIT RISK ADJUSTMENTS (Article 442)

Purpose: Supplement the quantitative templates with information on the credit quality of an institution's assets.

Qualitative disclosures

The scope and definitions of 'past-due' and 'impaired' exposures used for accounting purposes and the differences, if any, between the definitions of past due and default for accounting and regulatory purposes as specified by the EBA Guidelines on the application of the definition of default (Article 442 a)

According to the Bank of Italy's regulation stated in the Circular No. 272 of 30 July 2008 and later updates, loans classified as »impaired« based on characteristics defined in paragraphs 58-62 of IFRS 39 (International Financial Reporting Standards), correspond to the category of non-performing exposures as defined by ITS EBA (EBA/ITS /2013/03/rev1 24/7/2014).

In particular, EBA defined the non-performing exposures as the ones which meet one or both criteria stated below:

- Material exposures more that 90 days overdue;
- Exposures for which the bank considers it unlikely that the debtor can entirely fulfil its credit obligations, without proceeding with the enforcement and realisation of collateral, regardless of whether exposures are past due and regardless of number of days past due.

Additionally, the aforementioned EBA standards introduced a definition of exposures with forbearance measures. Forbearance measures are comprised of concessions towards the debtor facing or about to face difficulties with fulfillment of their financial commitments ("financial difficulties"), namely the modification of the contractual terms and or comprehensive or partial refinancing.

According to risk, the aforementioned exposures can be classified into categories of non-performing exposures (bad loans, loans categorised as unlikely to pay, past due impaired) or performing exposures. Regarding the assessment of impairments and provisions for exposures with forbearance measures, the accounting policies were used in line with general criteria in compliance with the requirements of IAS 39.

The same circular 272 further classifies non-performing exposures into the following categories:

- **Bad loans**: the category refers to both on-balance-sheet and off-balance-sheet exposures, which are formally considered as non-collectable, towards the borrowers which are in insolvency (even not determined by the court) or in a comparable situation. The impairment loss assessment is generally carried out on analytical basis (including the validation of the provision with coverage levels statistically defined for certain loan portfolios below a set threshold). In case of non-material amounts, the assessment of impairment loss is carried out on collective basis by grouping similar exposures.

- **Loans categorised as unlikely to pay**: the category refers to on-balance-sheet and off-balance-sheet exposures which correspond to the definition that there is low probability of their repayment while they don't meet the conditions for being classified as bad loans. The classification "unlikely to pay" derives from the assessment of the debtor's unlikeliness (without such actions as realization of collateral) to entirely repay their credit obligations (principal and/or interest). The classification into the category "unlikely to pay" is not necessarily related to the existence of anomalies (default, etc.), but is rather related to the existence of evidence for the debtor's risk of default. The impairment loss assessment is generally carried out on analytical basis (also with checking the coverage level statistically defined for each credit portfolio below certain threshold) or on collective basis by grouping similar exposures.

The exposure classified as "unlikely to pay" and qualified as an exposure with forbearance measures can be reclassified into performing loans only only after one year since the forbearance measure has been granted and provided that the conditions set for in paragraph 157 of the Implementing Technical Standard of EBA are met. Regarding the formation of provisions, the following applies:

- Measurement is generally carried out case-by-case, namely for each loan separately; the resulting adjustment can include a discounted cost due to new agreement on interest rate which is now lower than the original contractual interest rate;

- Loans under negotiations involving a debt/equity swap are valued until swap finalization based on conversion agreements concluded on the accounting reference day. All differences between the value of loans and fair value of shares at initial recognition are transferred into the profit and loss statement.

Impaired, past-due loans: these are on-balance sheet exposures, except those classified as bad loans or loans categorised as unlikely to pay having on the reference date past-due amounts or amount exceeding limits. Impaired past-due amounts can be defined either on a client or on a transaction level. In particular, they include the entire exposure to any borrower not included into the category of bad loans or loans categorised as unlikely to pay, having on the accounting reference date expired facilities or unauthorized overdrafts more than 90 days past-due and which meet the requirement of local supervisory regulations for classification into the category "past-due exposures" (banks with single treasury account, accepting the standardized approach) or into the category "defaulted exposures (IRB banks).

Past due exposures are valued by using the statistical approach based on historical data whereby the level of risk is used – when available – as measured by risk factor used in the Regulation (EU) No. 575/2013 (CRR) on prudential requirements for credit institutions and investment firms.

The impact of IFRS 9 in separately described in the Bank's Annual report on pages 221- 225.

Description of methods used for determining general and specific credit risk adjustments (Article 442 b)

Methods adopted for determining general and specific credit risk adjustments are described in the Bank's Annual Report, chapter Summary of Significant Accounting Policies, point ***b) Impairments and provisions*** on page 221 and in the chapter ***Impairment and provisioning policies*** on page 273.

Template 7: EU CRB-B – Total and average net amount of exposures

CREDIT RISK ADJUSTMENTS (Article 442)

Purpose: Provide the total and the average amount of net exposures over the period by exposure class.

		a	b
		Net value of exposures at the end of the period	**Average net exposures over the period**
1	Central governments or central banks	-	-
2	Institutions	200.152	202.208
3	Corporates	1.310.538	1.227.970
4	*Of which: Specialised lending*	-	-
5	*Of which: SMEs*	515.543	437.838
6	Retail	-	-
7	*Secured by real estate property*	-	-
8	*SMEs*	-	-
9	*Non-SMEs*	-	-
10	*Qualifying revolving*	-	-
11	*Other retail*	-	-
12	*SMEs*	-	-
13	*Non-SMEs*	-	-
14	Equity	981	709
15	***Total IRB approach***	**1.511.671**	**1.430.887**
16	Central governments or central banks	750.734	706.178
17	Regional governments or local authorities	121.870	134.348
18	Public sector entities	57.692	56.857
19	Multilateral development banks	-	-
20	International organisations	-	-
21	Institutions	2.337	2.143
22	Corporates	126.536	114.896
23	*Of which: SMEs*	42.073	38.528
24	Retail	414.584	409.668
25	*Of which: SMEs*	88.089	90.204
26	Secured by mortgages on immovable property	449.241	457.181
27	*Of which: SMEs*	24.156	23.957
28	Exposures in default	26.636	26.464
29	Items associated with particularly high risk	1.695	1.509
30	Covered bonds	-	-
31	Claims on institutions and corporates with a short-term credit assessment	293	73
32	Collective investments undertakings	22.891	22.866
33	Equity exposures	110	110
34	Other exposures	4.395	4.922
35	***Total standardised approach***	**1.979.014**	**1.937.215**
36	***Total***	**3.490.685**	**3.368.102**

Template 8: EU CRB-C – Geographical breakdown of exposures

8. CREDIT RISK ADJUSTMENTS (Article 442)

Purpose: Provide a breakdown of exposures by geographical areas and exposure classes.

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u
		Net value																				
		EUROPE	OF WHICH: AUSTRIA	OF WHICH: ITALY	OF WHICH: GERMANY	OF WHICH: CZECH REPUBLIC	OF WHICH: SPAIN	OF WHICH: FRANCE	OF WHICH: CROATIA	OF WHICH: UNITED KINGDOM	OF WHICH: ROMANIA	OF WHICH: BULGARIA	OF WHICH: HUNGARY	OF WHICH: SWITZERLAND	OF WHICH: OTHER EUROPEAN COUNTRIES	AMERICA	OF WHICH: USA	ASIA	OF WHICH: TURKEY	REST OF THE WORLD	OF WHICH: RUSSIA	TOTAL
1	Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Institutions	187.374	38.396	57.315	48.762	10	-	15.702	1.655	249	-	-	5.646	3.483	16.155	10.923	10.923	1.855	711	-	-	200.152
3	Corporates	1.309.249	10	201	1.047	-	299	-	76.324	-	30	-	22	964	1.230.352	-	-	-	-	1.289	1.289	1.310.538
4	Retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	981	981	-	-	-	-	981
6	***Total IRB approach***	**1.496.623**	**38.406**	**57.516**	**49.809**	**10**	**299**	**15.702**	**77.979**	**249**	**30**	**-**	**5.668**	**4.447**	**1.246.507**	**11.904**	**11.904**	**1.855**	**711**	**1.289**	**1.289**	**1.511.671**
7	Central governments or central banks	750.734	5	-	-	-	-	-	-	-	-	-	-	-	750.729	-	-	-	-	-	-	750.734
8	Regional governments or local authorities	121.870	-	-	-	-	-	-	-	-	-	-	-	-	121.870	-	-	-	-	-	-	121.870
9	Public sector entities	57.692	-	-	-	-	-	-	-	-	-	-	-	-	57.692	-	-	-	-	-	-	57.692
10	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Institutions	1.679	-	-	-	-	1.500	-	-	-	-	-	-	-	179	248	248	410	410	-	-	2.337
13	Corporates	126.536	0	0	-	-	-	-	0	20	-	0	65	-	126.451	0	0	-	-	-	-	126.536
14	Retail	413.339	884	1.050	187	22	2	64	161	74	49	57	23	355	410.412	494	457	577	8	174	125	414.584
15	Secured by mortgages on immovable property	449.060	326	881	174	114	-	75	69	90	-	12	-	171	447.150	-	-	181	-	-	-	449.241
16	Exposures in default	26.636	2	2	7	-	-	-	0	0	0	-	0	3	26.621	0	-	-	-	-	-	26.636
17	Items associated with particularly high risk	1.695	-	-	-	-	-	-	-	-	-	-	-	-	1.695	-	-	-	-	-	-	1.695
18	Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	293	293	-	-	-	-	293
20	Collective investments undertakings	22.891	-	-	-	-	-	-	-	-	-	-	-	-	22.891	-	-	-	-	-	-	22.891
21	Equity exposures	110	-	-	-	-	-	-	-	-	-	-	-	-	110	-	-	-	-	-	-	110
22	Other exposures	4.395	-	-	-	-	-	-	-	-	-	-	-	-	4.395	-	-	-	-	-	-	4.395
23	***Total standardised approach***	**1.976.637**	**1.217**	**1.933**	**368**	**136**	**1.502**	**139**	**230**	**184**	**49**	**68**	**88**	**529**	**1.970.194**	**1.036**	**998**	**1.167**	**418**	**174**	**125**	**1.979.014**
24	***Total***	**3.473.259**	**39.623**	**59.448**	**50.178**	**146**	**1.801**	**15.841**	**78.209**	**433**	**79**	**68**	**5.755**	**4.976**	**3.216.701**	**12.940**	**12.902**	**3.022**	**1.129**	**1.463**	**1.415**	**3.490.685**

Template 9: EU CRB-D – Concentration of exposures by industry or counterparty types

CREDIT RISK ADJUSTMENTS (Article 442)

Purpose: Provide a breakdown of exposures by industry or counterparty types and exposure classes.

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t
		Agriculture, forestry and fishing	Mining and quarrying	Manufacturing	Electricity, gas, steam and air conditioning supply	Water supply	Construction	Wholesale and retail trade	Transport and storage	Accommodation and food service activities	Information and communication	Financial and insurance activities	Real estate activities	Professional, scientific and technical activities	Administrative and support service activities	Public administration and defence, compulsory social security	Education	Human health services and social work activities	Arts, entertainment and recreation	Other services	Total
1	Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Institutions	-	-	-	-	-	-	-	-	-	-	200.152	-	-	-	-	-	-	-	-	200.152
3	Corporates	3.958	1.028	92.671	73.735	4.184	63.448	537.663	133.409	7.417	103.455	86.875	12.376	82.268	99.575	-	12	2.389	4.849	1.227	1.310.538
4	Retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Equity	-	-	-	-	-	-	-	-	-	-	981	-	-	-	-	-	-	-	-	981
6	***Total IRB approach***	**3.958**	**1.028**	**92.671**	**73.735**	**4.184**	**63.448**	**537.663**	**133.409**	**7.417**	**103.455**	**288.007**	**12.376**	**82.268**	**99.575**	**-**	**12**	**2.389**	**4.849**	**1.227**	**1.511.671**
7	Central governments or central banks	-	-	-	-	-	-	-	-	-	-	359.410	-	-	-	391.324	-	-	-	-	750.734
8	Regional governments or local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	121.870	-	-	-	-	121.870
9	Public sector entities	-	-	-	30.003	-	-	-	16.314	-	-	10	-	-	-	121	8.610	2.633	-	-	57.692
10	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Institutions	-	-	-	-	-	-	-	-	-	-	2.337	-	-	-	-	-	-	-	-	2.337
13	Corporates	2.660	213	29.848	84	3.825	4.388	30.320	360	1.829	3.530	1.191	1.110	7.373	3.165	575	325	3.149	241	32.350	126.536
14	Retail	947	64	8.720	809	141	4.183	8.316	87.727	1.932	1.818	125	1.105	4.287	1.749	24	873	2.100	240	289.422	414.584
15	Secured by mortgages on immovable property	-	-	2.032	122	-	15.478	1.190	518	1.548	599	46	732	1.029	521	-	240	1.537	-	423.649	449.241
16	Exposures in default	-	-	483	1	-	513	6.952	385	79	239	1	407	172	137	-	1	76	4	17.185	26.636
17	Items associated with particularly high risk	-	-	-	-	-	1.695	-	-	-	-	-	-	-	-	-	-	-	-	-	1.695
18	Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Claims on institutions and corporates with a shortterm credit assessment	-	-	-	-	-	-	-	-	-	-	293	-	-	-	-	-	-	-	-	293
20	Collective investments undertakings	-	-	-	-	-	-	-	-	-	-	22.891	-	-	-	-	-	-	-	-	22.891
21	Equity exposures	-	-	-	-	-	-	-	-	-	110	-	-	-	-	-	-	-	-	-	110
22	Other exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.395	4.395
23	***Total standardised approach***	**3.607**	**277**	**41.083**	**31.020**	**3.966**	**26.256**	**46.778**	**105.304**	**5.388**	**6.296**	**386.305**	**3.356**	**12.862**	**5.572**	**513.913**	**10.049**	**9.495**	**485**	**767.001**	**1.979.014**
24	***Total***	**7.565**	**1.305**	**133.754**	**104.755**	**8.150**	**89.705**	**584.441**	**238.713**	**12.805**	**109.751**	**674.313**	**15.732**	**95.130**	**105.147**	**513.913**	**10.061**	**11.884**	**5.333**	**768.228**	**3.490.685**

Template 10: EU CRB-E – Maturity of exposures
CREDIT RISK ADJUSTMENTS (Article 442)
Purpose: Provide a breakdown of net exposures by residual maturity and exposure classes.

		a	b	c	d	e	f
		Net exposure value					
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Central governments or central banks	-	-	-	-	-	-
2	Institutions	41.579	46.719	0	-	-	88.299
3	Corporates	23.982	141.428	347.873	215.165	-	728.447
4	Retail	-	-	-	-	-	-
5	Equity	-	-	-	-	981	981
6	***Total IRB approach***	**65.561**	**188.147**	**347.873**	**215.165**	**981**	**817.726**
7	Central governments or central banks	363.055	12.145	128.200	247.325	-	750.725
8	Regional governments or local authorities	7	357	9.886	111.530	-	121.781
9	Public sector entities	1	2.272	22.950	2.132	-	27.355
10	Multilateral development banks	-	-	-	-	-	-
11	International organisations	-	-	-	-	-	-
12	Institutions	137	273	-	-	-	411
13	Corporates	135	10.163	89.857	18.111	-	118.265
14	Retail	14.023	22.474	92.908	238.676	-	368.081
15	Secured by mortgages on immovable property	-	744	21.747	425.898	-	448.389
16	Exposures in default	2.038	524	2.302	21.106	-	25.970
17	Items associated with particularly high risk	1.543	-	-	-	-	1.543
18	Covered bonds	-	-	-	-	-	-
19	Claims on institutions and corporates with a shortterm credit assessment	293	-	-	-	-	293
20	Collective investments undertakings	22.891	-	-	-	-	22.891
21	Equity exposures	110	-	-	-	-	110
22	Other exposures	4.395	-	-	-	-	4.395
23	***Total standardised approach***	**408.629**	**48.951**	**367.850**	**1.064.778**	**-**	**1.890.209**
24	***Total***	**417.493**	**237.098**	**715.723**	**1.279.943**	**57.678**	**2.707.935**

Template 11: EU CR1-A – Credit quality of exposures by exposure class and instrument

CREDIT RISK ADJUSTMENTS (Article 442)

Purpose: Provide a comprehensive picture of the credit quality of an institution's on-balance-sheet and off-balance-sheet exposures.

		a	b	c	d	e	f	g
		Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values
		Defaulted exposures	Non-defaulted exposures					(a+b-c-d)
1	Central governments or central banks	-	-	-	-	-	-	-
2	Institutions	1	200.151	-	-	-	-	200.152
3	Corporates	74.724	1.284.760	48.946	-	199	19.343	1.310.538
4	Of which: Specialised lending	-	-	-	-	-	-	-
5	Of which: SMEs	50.973	498.667	34.097	-	99	9.592	515.543
6	Retail	-	-	-	-	-	-	-
7	*Secured by real estate property*	-	-	-	-	-	-	-
8	*SMEs*	-	-	-	-	-	-	-
9	*Non-SMEs*	-	-	-	-	-	-	-
10	*Qualifying revolving*	-	-	-	-	-	-	-
11	*Other retail*	-	-	-	-	-	-	-
12	*SMEs*	-	-	-	-	-	-	-
13	*Non-SMEs*	-	-	-	-	-	-	-
14	Equity	-	981	-	-	-	-	981
15	***Total IRB approach***	**74.725**	**1.485.892**	**48.946**	-	**199**	**19.343**	**1.511.671**
16	Central governments or central banks	-	750.743	9	-	-	-	750.734
17	Regional governments or local authorities	-	121.942	72	-	-	-	121.870
18	Public sector entities	-	57.734	42	-	-	-	57.692
19	Multilateral development banks	-	-	-	-	-	-	-
20	International organisations	-	-	-	-	-	-	-
21	Institutions	-	2.337	-	-	-	-	2.337
22	Corporates	-	128.505	1.969	-	-	4.366	126.536
23	*Of which: SMEs*	-	42.512	440	-	-	-	42.073
24	Retail	-	417.629	3.045	-	316	2.228	414.584
25	*Of which: SMEs*	-	89.348	1.259	-	-	-	88.089
26	Secured by mortgages on immovable property	-	452.198	2.956	-	-	-	449.241
27	*Of which: SMEs*	-	26.504	2.348	-	-	-	24.156
28	Exposures in default	64.562	-	37.926	-	-	-	26.636
29	Items associated with particularly high risk	-	1.718	23	-	-	-	1.695
30	Covered bonds	-	-	-	-	-	-	-
31	Claims on institutions and corporates with a shortterm credit assessment	-	293	-	-	-	-	293
32	Collective investments undertakings	-	22.891	-	-	-	-	22.891
33	Equity exposures	-	110	-	-	-	-	110
34	Other exposures	-	4.395	-	-	-	-	4.395
35	***Total standardised approach***	**64.562**	**1.960.494**	**46.042**	**-**	**316**	**6.594**	**1.979.014**
36	Total	**139.287**	**3.446.386**	**94.988**	**-**	**515**	**25.937**	**3.490.685**
37	Of which: Loans	134.302	2.248.564	87.015	-	515	25.937	**2.295.851**
38	Of which: Debt securities	-	380.063	-	-	-	-	**380.063**
39	Of which: Off-balance-sheet exposures	4.985	785.738	7.973	-	-	-	**782.749**

Template 12: EU CR1-B – Credit quality of exposures by industry or counterparty types

CREDIT RISK ADJUSTMENTS (Article 442)

Purpose: Provide a comprehensive picture of the credit quality of an institution's on-balance-sheet and off-balance0sheet exposures by industry or counterparty types.

		a	b	c	d	e	f	g
		Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges	Net values
		Defaulted exposures	Non-defaulted exposures					(a +b-c-d)
1	Agriculture, forestry and fishing	41	7.652	129	-	-	-	7.565
2	Mining and quarrying	0	1.354	49	-	-	-	1.305
3	Manufacturing	18.204	128.535	12.984	-	198	15.807	133.754
4	Electricity, gas, steam and air conditioning supply	2	105.173	420	-	-	-	104.755
5	Water supply	1	8.182	33	-	-	-	8.150
6	Construction	4.440	89.598	4.333	-	-	-	89.705
7	Wholesale and retail trade	55.662	550.125	21.346	-	-	4.366	584.441
8	Transport and storage	11.744	239.348	12.379	-	-	3.381	238.713
9	Accommodation and food service activities	6.442	10.637	4.274	-	-	-	12.805
10	Information and communication	303	109.646	198	-	-	-	109.751
11	Financial and insurance activities	5.608	674.564	5.860	-	-	-	674.313
12	Real estate activities	2.333	17.872	4.473	-	-	-	15.732
13	Professional, scientific and technical activities	10.437	93.714	9.021	-	-	-	95.130
14	Administrative and support service activities	1.271	105.226	1.350	-	-	-	105.147
15	Public administration and defence, compulsory social security	-	514.002	90	-	-	-	513.913
16	Education	120	10.054	113	-	-	-	10.061
17	Human health services and social work activities	2.590	10.465	1.171	-	-	-	11.884
18	Arts, entertainment and recreation	94	5.397	158	-	-	-	5.333
19	Other services	19.995	764.841	16.608	-	316	2.382	768.228
20	Total	**139.287**	**3.446.386**	**94.988**	**-**	**515**	**25.937**	**3.490.685**

Template 13: EU CR1-C – Credit quality of exposures by geography

CREDIT RISK ADJUSTMENTS (Article 442)

Purpose: Provide a comprehensive picture of the credit quality of an institution's on-balance-sheet and off-balance-sheet exposures by geography.

		a	b	c	d	e	f	g
		Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges	Net values
		Defaulted exposures	Non-defaulted exposures					(a+b-c-d)
1	EUROPE	139.287	3.428.936	94.963	-	515	25.937	3.473.259
2	*OF WHICH: AUSTRIA*	26	39.632	35	-	-	-	39.623
3	*OF WHICH: ITALY*	5	59.461	17	-	-	-	59.448
4	*OF WHICH: GERMANY*	4.850	49.127	3.799	-	-	3.533	50.178
5	*OF WHICH: CZECH REPUBLIC*	1	146	1	-	-	-	146
6	*OF WHICH: SPAIN*	-	1.803	1	-	-	-	1.801
7	*OF WHICH: FRANCE*	-	15.842	0	-	-	-	15.841
8	OF WHICH: CROATIA	4.898	75.934	2.622	-	-	-	78.209
9	OF WHICH: UNITED KINGDOM	0	436	4	-	-	-	433
10	OF WHICH: ROMANIA	4	80	5	-	-	-	79
11	*OF WHICH: BULGARIA*	-	70	2	-	-	-	68
12	*OF WHICH: HUNGARY*	1	5.757	3	-	-	-	5.755
13	*OF WHICH: SWITZERLAND*	3	5.023	51	-	-	-	4.976
14	OF WHICH: OTHER EUROPEAN COUNTRIES	129.500	3.175.624	88.423	-	515	22.404	3.216.701
15	AMERICA	0	12.942	2	-	-	-	12.940
16	OF WHICH: USA	-	12.903	0	-	-	-	12.902
17	*ASIA*	-	3.037	15	-	-	-	3.022
18	OF WHICH: TURKEY	-	1.129	0	-	-	-	1.129
19	REST OF THE WORLD	0	1.472	9	-	-	-	1.463
20	*OF WHICH: RUSSIA*	-	1.421	6	-	-	-	1.415
21	**TOTAL**	**139.287**	**3.446.386**	**94.988**	**-**	**515**	**25.937**	**3.490.685**

Template 14: EU CR1-D – Ageing of past-due exposures
CREDIT RISK ADJUSTMENTS (Article 442)
Purpose: Provide an ageing analysis of accounting on-balance-sheet past-due exposures regardless of their impairment status.

		a	b	c	d	e	f
		Gross carrying values					
		≤ 30 days	> 30 days ≤ 60 days	> 60 days ≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year
1	Loans	3.433	949	826	1.394	2.461	7.399
2	Debt securities	0	0	0	0	0	0
3	***Total exposures***	3.433	949	826	1.394	2.461	7.399

Template 15: EU CR1-E – Non-performing and forborne exposures

CREDIT RISK ADJUSTMENTS (Article 442)

Purpose: Provide an overview of non-performing and forborne exposures as per the Commission Implementing Regulation (EU) No 680/2014.

		a	b	c	d	e	f	g	h	i	j	k	l	m
		Gross carrying values of performing and non-performing exposures							Accumulated impairment and provisions and negative fair value adjustments due to credit risk				Collaterals and financial guarantees received	
			Of which performing but past due > 30 days and <= 90 days	Of which performing forborne	Of which non-performing				On performing exposures		On non-performing exposures		On non-performing exposures	Of which forborne exposures
						Of which defaulted	Of which impaired	Of which forborne		Of which forborne		Of which forborne		
010	Debt securities	7.202	7.202	0	0	0	0	0	0	0	0	0	0	0
020	Loans and advances	2.386.964	2.250.835	3.594	136.128	58.344	58.342	45.012	-6.774	-118	-80.242	-36.260	28.210	13.323
030	Off-balance-sheet exposures	790.722	785.471	0	5.251	0	0	0	4.602	0	3.371	0	503	0

Template 16: EU CR2-A – Changes in the stock of general and specific credit risk adjustments

CREDIT RISK ADJUSTMENTS (Article 442)

Purpose: Identify the changes in an institution's stock of general and specific credit risk adjustments held against loans and debt securities that are defaulted or impaired.

		a	b
		Accumulated specific credit risk adjustment	Accumulated general credit risk adjustment
1	**Opening balance**	-121.396	0,00
2	Increases due to amounts set aside for estimated loan losses during the period	-56.770	0,00
3	Decreases due to amounts reversed for estimated loan losses during the period	79.844	0,00
4	Decreases due to amounts taken against accumulated credit risk adjustments	0	0,00
5	Transfers between credit risk adjustments	0	0,00
6	Impact of exchange rate differences	0	0,00
7	Business combinations, including	0	0,00
8	acquisitions and disposals of subsidiaries	11.307	0,00
9	Other adjustments	-87.015	0,00
10	**Closing balance**	302	0,00
11	Recoveries on credit risk adjustments recorded directly to the statement of profit or loss	-1.655	0,00

Template 17: EU CR2-B – Changes in the stock of defaulted and impaired loans and debt securities

CREDIT RISK ADJUSTMENTS (Article 442)

Purpose: Identify the changes in an institution's stock of defaulted loans and debt securities.

		a
		Gross carrying value defaulted exposures
1	**Opening balance**	158.344,29
2	Loans and debt securities that have defaulted or impaired since the last reporting period	42.575,62
3	Returned to non-defaulted status	- 51.823,12
4	Amounts written off	- 3.483,22
5	Other changes	- 9.486,47
6	Closing balance	136.127,10

Disclosure of Remuneration and incentive systems and practices (Article 450 CRR)

QUALITATIVE DISCLOSURE

INFORMATION CONCERNING THE DECISION-MAKING PROCESS USED FOR DETERMINING THE REMUNERATION POLICY

When designing policies, the Bank was in assistance Compensation policy of the UniCredit Group as well as the Rules of the Incentive system of UniCredit Group for Identified staff population.

The Bank has adopted and localized the Rules of the Incentive system of UniCredit Group and are applicable for Identified staff population. The Bank does not therefore use external consultants or other external persons to participate in the policy definition process. Each year the Rules of Incentive system is updated, if needed, taking into account the latest applicable international standards and regulations.

In the decision-making process on the Rules of incentive system, its changes and potential local adjustment needs, the Compliance and Human Resources, the Bank's Management Board, the Remuneration Committee and the Supervisory Board are actively involved.

Remuneration Committee

The Remuneration Committee serves as an advisory body to the Supervisory board. In accordance with the 52. Article of Slovene Banking Act (ZBan-2) the tasks of the remuneration committee are the following:

(1) The remuneration committee shall serve as an advisory body to the supervisory board and perform the following tasks:

1. carry out technical and independent assessments of remuneration policies and practices, and formulate initiatives for measures on the basis thereof with the aim of improving the management of the risks to which the bank is exposed, its capital and liquidity.
2. draw up proposals for decisions by the governing body regarding the remuneration of employees, including remuneration that impacts the risks to which the bank is exposed and the management thereof; and
3. control the remuneration of members of senior management who perform risk management functions and ensure the compliance of operations.

(2) In drafting the proposals referred to in the previous paragraph, the remuneration committee shall take into account the long-term interests of shareholders, investors and other stakeholders.

In addition The Remuneration Committee reviews and approves annually a list of functions that matches the EBA criteria. The latter is also confirmed in the case of organizational changes that affect the functions corresponding to the EBA criteria.

The Remuneration Committee consists of 3 members: Mrs. Laura Bendeković, Chairwoman of the Remuneration Committee and members Mr. Marco Lotteri ter Mr. Franco Andreetta.

In 2017 the Remuneration Committee met three times and passed 3 decision as circular vote. During 2017 the key activities of the Remuneration Committee included:

- monitoring and analyzing the remuneration system & approval of remuneration of Identified Staff
- updating the Remuneration policies (Group Incentive System for the Identified Staff, Termination payment policy and Long Term Incentive Plan in line with regulatory requirements),
- approval of termination agrement

Audit department performed the annual audit on Remuneration policies and practices. The audit review was performed to evaluate the compliance of the remuneration process with the internal and external regulation in terms of compensation and benefits proposal, validation, approval and reporting. The results of the audit were presented to the Remuneration Committee on February, 7th, 2018.

INFORMATION ON LINK BETWEEN PAY AND PERFORMANCE

UniCredit Bank Slovenija d.d. conducts every year, in alignment with specific regulation, the self-evaluation process to define Identified Staff population to whom, according to internal/external regulation, specific criteria for remuneration/incentive aspects are adopted. The assessment process for the definition of Identified Staff followed the criteria definded in the European Banking Authority Regulatory Technical Standard (RTS).

The 2017 System, approved by UniCredit Board of Directors on January 10th 2017 and consequently by UniCredit Bank Slovenija d.d.'s Remuneration Committee and Supervisory Board, provides for a 'bonus pool' approach directly linking bonuses with company results at Group and Country/Division level, and further ensuring the connection between profitability, risk and reward.

The System, implemented within the framework of our policy and governance, provides for the allocation of a performance related bonus in cash and/or free ordinary shares and/or phantom shares over a period of 5 or 6 years.

Bonus pools sizing

The bonus pool dimension for each of the relevant clusters is related to the actual profitability measures multiplied with the bonus pool funding rate defined in the budgeting phase.

This calculation determines the so called “theoretical bonus pool” for each cluster that is adjusted accordingly to the actual trend of performance of the respective segment.

2017 Entry conditions at Group and local level

In order to align to regulatory requirements, specific indicators measuring annual profitability, solidity and liquidity results had been set at both local and Group level as Entry Conditions. In particular, risk metrics and thresholds for the 2017 Group Incentive System as defined within the Entry Conditions that confirms, reduces or cancels upfront and deferred payouts include:

GROUP	LOCAL
- NOP adjusted ≥ 0	- NOP adjusted ≥ 0
- Net Profit ≥ 0	- Net Profit ≥ 0
- CET1 ratio transitional ≥ *10,25%*	
- Liquidity Coverage Ratio ≥ RAF (100%)	
- Net Stable Funding Ratio > RAF (100%)	

The definitions of the Entry Conditions metrics are as follows:

- **Net Operating Profit** adjusted means the Net Operating Profit (NOP) excluding income from buy-back of own debt and from the fair value accounting of own liabilities.

- **Net Profit** means the Net Profit stated in the balance sheet excluding any extraordinary item as considered appropriate by the Board of Directors upon Remuneration Committee proposal.

- **Common Equity Tier 1 Ratio Transitional:** the level of CET1 Ratio transitional ensure the alignment with the threshold set as the outcome of the SREP process (Supervisory Review and Evaluation Process) coordinated by the European Central Bank. The level of 10,25% includes also the 0,25% buffer set for systemically relevant banks for 2017.

- **Liquidity Coverage Ratio** (LCR), aims to ensure that banks maintain an adequate level of not restricted "High Quality Liquid Assets" in a sufficient quantity to cover the overall ‘Net Cash Outflows’, over a period of thirty days, under gravely stressed conditions specified by Supervisors.

- **Net Stable Funding Ratio** (NSFR), is defined as the amount of available stable funding relative to the amount of required stable funding and measures, under a long term perspective, the sustainability terms of maturities between asset and liabilities.

2017 Group & Local Risk Adjustments

- (A) In case Entry Conditions at Group level are not met, **the malus condition is activated**, triggering the application of Zero Factor for Executives/Identified Staff population. In any case, a **floor** (e.g. 0 – floor) might be defined for retention purposes.

- (D) In case Entry Conditions at Group level are met, **the gate is “fully open”** meaning the Bonus Pool may be fully confirmed or even increased, in case of positive performance on Risk Sustainability.

- In case Zero Factor is not activated, Bonus Pool adjustments will be applied trough “CRO multiplier” based on the overall qualitative assessment of local & Group risk adjustments, that include also risk indicators aligned with the Group Risk Appetite Framework, covering all relevant risks including cost of capital and different risks such as credit, market, and liquidity.

Approval process is performed according to Group and local legal entities governance.

For the company Control Functions, the regulatory requirements state that incentive mechanisms have to be in accordance with the achievement of the objectives linked to their function, independent of the performance of the business areas they control. Therefore, any reduction of the bonus pool for the Control Functions that would be higher than 50%, will follow a specific governance process including the approval by UniCredit Board of Directors, upon Remuneration Committee opinion, as relevant.

Incentive system ensures a balance between fixed and variable remuneration. A maximum limit to the ratio between the variable and the fix component of compensation is set to 1:1. For the staff of the Company Control Functions it is expected that the fixed remuneration is the predominant component of total remuneration and incentive mechanism are consistent with the assigned tasks as well as independent of results from areas under their control.

THE MOST IMPORTANT DESIGN CHARACTERISTICS OF THE REMUNERATION SYSTEM, INCLUDING INFORMATION ON THE CRITERIA USED FOR PERFORMANCE MEASUREMENT AND RISK ADJUSTMENT, DEFERRAL POLICY AND VESTING CRITERIA

Individual performance appraisal is based on specific goals, linked to the UniCredit 5 Fundamentals of Competency Model: “Customers First”, “People Development”, “Cooperation and Synergies”, “Risk Management” and “Execution and Discipline”. Individual performance appraisal was based on 4-8 goals, of which at least half sustainability, and was assessed within the Executive Development Plan processes. Additional targets may have been defined on top of the 4-8 goals, to be taken into consideration within the overall performance assessment.

Competencies and behaviors considered as relevant were taken into account by the manager for the overall performance appraisal.

Performance evaluation and achievement of goals is carried out using a 5-level descriptive scale.

Below	Almost meet	Meets	Exceeds	Greatly exceeds

For each position of "Identifed staff"[1], a specific »Reference Value« is defined which consideres internal and / or external benchmarking analysis in similar jobs, seniority, etc. Such value is adjusted according to the actual available bonus pool and represents the starting point for the individual bonus allocation.

The managerial bonus allocation was done on the basis of available bonus pool, individual performance appraisal and above mentioned Reference Value.

Particular attention is dedicated to the level of coleration between bonus proposed and actual performance:

Illustrative

Bonus vs. "Position reference"	Below	Almost Meets	Meets	Exceeds	Greatly Exceeds
> 130%					
110% - 130%				2	
90% - 110%			8	1	
80% - 90%					
0% - 80%					

The managerial bonus allocation was done on the basis of available bonus pool, individual performance appraisal and internal benchmarks for specific role.

2017 BONUS PAYOUT ILLUSTRATION

Bonus is paid out on the basis of a deferred payouts scheme in case the bonus exceed the defined threshold. Such payout is divided into phases and coincides with the corresponding risk time period, in order to ensure appropriate distribution of bonus, which is linked to results, and shall be made in cash and in shares / instruments, immediately or with a deferral, subject to mandatory 2 years retention period.

Deferral scheme for Group Identified Staff

Year 0 - upfront payment	Year 1 - deferred payment	Year 2 - deferred payment	Year 3 - deferred payment	Year 4 - deferred payment	Year 5 - deferred payment
30 % cash	10 % cash	30 % upfront UniCredit shares	10 % cash	10 % UniCredit shares	10 % UniCredit shares

Deferral scheme for local Identified Staff

Year 0 - upfront payment	Year 1 - deferred payment	Year 2 - deferred payment	Year 3 - deferred payment	Year 4 - deferred payment
30 % cash		10 % upfront instruments	20% cash 20% deferred instruments	20% deferred instruments

A threshold is used as the minimum level below which deferral scheme will not apply. Deferral scheme applies for bonus higher than 50.000 EUR gross. Bonus lower than 50.000 EUR gross is paid out to employee in cash completely.

In the same way as a variable remuneration also any severance payment in case of termination of the employment is regulated. The rules and conditions are defined in an individual's employment contract and Termination payment policy. Termination payment policy sets out the principles and rules for determining the maximum limits of severance pay, criteria and payout modalities. When severances are paid to employees who are Board members or procura holders, they can be subject to deferred payout mechanisms, in cash and equity, in analogy with and under the same schemes foreseen for the payment of variable remuneration (if it is above threshold).

[1] *Direct reports to the CEO*

THE RATIOS BETWEEN FIXED AND VARIABLE REMUNERATION

The table below shows the distribution of receipts by business area divided into fixed and variable remuneration and the number of beneficiaries.

	Total	MB Management function	Investment banking	Retail banking	Corporate functions	Independent control functions
Total number of staff in FTE	15	5	4	0	3	3
Total remuneration (in EUR)	2.031.626	1.134.154	354.829	0	266.338	276.305
Of which: variable remuneration (in EUR)	274.724	181.674	39.600	0	37.550	15.900

In the financial year 2017, the Bank did not have beneficiaries who would be paid more than EUR 1 million.

INFORMATION ON THE PERFORMANCE CRITERIA ON WHICH THE ENTITLEMENT TO SHARES, OPTIONS OR VARIABLE COMPONENTS OF REMUNERATION IS BASED

Taking into account the criteria for determining achievement of goals or performance, the employee can be rewarded in addition to the variable part of the remuneration, also through shares of the Unicredit Group. According to the current Long term incentive plan (LTI plan) , only the President of the Management Board is entitled to this type of payment. The LTI Plan aims to commit Group Top Management to achieving Unicredit Group strategic targets disclosed to the market by linking part of the variable compensation to the Multi year plan success.

The Plan provides for the allocation of UniCredit free ordinary shares, in several instalments and over a multi-year period, subject to the achievement of specific performance conditions linked to the 2016-2019 Multi-Year Plan. Performance indicators of the LTI Plan to be evaluated for the definition of the numbers of shares are Return On Allocated Capital, Cost/Income Ratio and NET Non Performing Exposure.

AGGREGATE QUANTITATIVE INFORMATION ON REMUNERATION PAID OUT IN 2017

On 31 December 2017, there were 15 employees at UniCredit Banka Slovenija d.d., who are identified as Identified Staff, in accordance with the criteria set out in the Regulatory Technical Standards that identify the Identified Staff population, based on qualitative and quantitative criteria (the so called EBA criteria).

Provided below are the total amounts of gross remuneration paid out to above mentioned Identified Staff population in the period from January to December 2017:

(item (h) of Article 450 of the CRR Regulation)

1. The amounts of remuneration for the financial year, split into fixed and variable remuneration, and the number of beneficiaries;

	Fixed remuneration	Variable remuneration – paid in 2017	Variable remuneration – outcome in 2017	Number of beneficiaries
Total Sum	**1.756.902**	**274.724**	**481.550**	**15**

2. The amounts and forms of variable remuneration, split into cash, shares, share-linked instruments and other types;

	Variable remuneration - cash	Variable remuneration - shares share-linked instruments
Total sum	**287.300**	**194.250**

3. The amounts of outstanding deferred remuneration, split into vested and unvested portions;

	Outstanding deferred remuneration (In cash and in shares)
Total sum	**139.801**

4. The amounts of deferred remuneration awarded during the financial year, paid out and reduced through performance adjustments;

	Paid out deferred remuneration in 2017
Total sum	**72.814**

5. New contractually prearranged variable remuneration and severance payments made during the financial year, and the number of beneficiaries of such payments; EN Official Journal of the European Union, L 176/261 of 27 June 2013;

In 2017, new prearranged variable remuneration during the financial year was allocated to one beneficiary.

6. The amounts of severance payments awarded during the financial year, number of beneficiaries and highest such award to a single person;

In 2017, there were no severance payments during the financial year.

7. The number of individuals being remunerated 1 million EUR or more per financial year, for remuneration between 1 million EUR and 5 million EUR broken down into tranches of 500 000 EUR and for remuneration of 5 million EUR and above broken down into tranches of 1 million EUR;

In 2017, there were no payments made in amounts higher than 1 million EUR.

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

LEVERAGE (Article 451)

		Applicable Amount
1	Total assets as per published financial statements	2.759.685
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	
3	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with Article 429(13) of Regulation (EU) No 575/2013)	
4	Adjustments for derivative financial instruments	25.726
5	Adjustment for securities financing transactions (SFTs)	
6	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	370.471
EU-6a	(Adjustment for intragroup exposures excluded from the leverage ratio total exposure measure in accordance with Article 429(7) of Regulation (EU) No 575/2013)	
EU-6b	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with Article 429(14) of Regulation (EU) No 575/2013)	
7	Other adjustments	- 11.193
8	**Leverage ratio total exposure measure**	3.144.689

Table LRCom: Leverage ratio common disclosure

LEVERAGE (Article 451)

		CRR leverage ratio exposures
On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	2.947.895
2	(Asset amounts deducted in determining Tier 1 capital)	- 11.193
3	**Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)**	**2.936.702**
Derivative exposures		
4	Replacement cost associated with all derivatives transactions (ie net of eligible cash variation margin)	10.487
5	Add-on amounts for PFE associated with all derivatives transactions (mark- to-market method)	15.239
EU-5a	Exposure determined under Original Exposure Method	-
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-
8	(Exempted CCP leg of client-cleared trade exposures)	-
9	Adjusted effective notional amount of written credit derivatives	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-
11	**Total derivatives exposures (sum of lines 4 to 10)**	**25.726**
SFT exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	-
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-
14	Counterparty credit risk exposure for SFT assets	-
EU-14a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429b(4) and 222 of Regulation (EU) No 575/2013	-
15	Agent transaction exposures	-
EU-15a	(Exempted CCP leg of client-cleared SFT exposure)	-
16	**Total securities financing transaction exposures (sum of lines 12 to 15a)**	**-**
Other off-balance sheet exposures		
17	Off-balance sheet exposures at gross notional amount	182.261
18	(Adjustments for conversion to credit equivalent amounts)	-
19	**Other off-balance sheet exposures (sum of lines 17 and 18)**	**182.261**
Exempted exposures in accordance with Article 429(7) and (14) of Regulation (EU) No 575/2013 (on and off balance sheet)		
EU-19a	(Intragroup exposures (solo basis) exempted in accordance with Article 429(7) of Regulation (EU) No 575/2013 (on and off balance sheet))	-
EU-19b	(Exposures exempted in accordance with Article 429 (14) of Regulation (EU) No 575/2013 (on and off balance sheet))	-
Capital and total exposure measure		
20	**Tier 1 capital**	**214.396**
21	**Leverage ratio total exposure measure (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)**	**3.144.689**
Leverage ratio		
22	**Leverage ratio**	**6,8%**
Choice on transitional arrangements and amount of derecognised fiduciary items		
EU-23	Choice on transitional arrangements for the definition of the capital measure	Transitional
EU-24	Amount of derecognised fiduciary items in accordance with Article 429(11) of Regulation (EU) No 575/2013	0

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

LEVERAGE (Article 451)

EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	2.947.895
EU-2	Trading book exposures	5
EU-3	Banking book exposures, of which:	2.947.889
EU-4	Covered bonds	-
EU-5	Exposures treated as sovereigns	904.921
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	-
EU-7	Institutions	88.708
EU-8	Secured by mortgages of immovable properties	462.980
EU-9	Retail exposures	421.256
EU-10	Corporate	917.914
EU-11	Exposures in default	68.264
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	83.845

Table LRQua: Free format text boxes for disclosure on qualitative items

LEVERAGE (Article 451)

1	Description of the processes used to manage the risk of excessive leverage	Group Risk Appetite Framework represents the foundation for risk management within UniCredit Holding. This framework envisages comprehensive governance, processes, tools and procedures for the widespread management of risks. The leverage risk is included in the Group Risk Appetite Framework, therefore, the relevant procedures and resources are applied to this kind of risk. The quantitative tools to assess the leverage risk are coming from Group Risk Appetite KPIs that include also the leverage ratio metric. This KPI has its own targets, triggers and limit levels that are periodically monitored within the regular reporting activity. The monitoring and the periodical reporting is submitted to the Risk Committee (on a quarterly basis) and to the Board of Directors. The Group Risk Appetite process identifies the governance mechanism, managerial involvement and escalation process under normal and stressed operating conditions. The defined escalation process is activated at relevant organizational levels in order to ensure an adequate reaction when triggers or limits are breached.
2	Description of the factors that had an impact on the leverage Ratio during the period to which the disclosed leverage Ratio refers	The main drivers for the changes in the leverage ratio between January and December 2017 were: Tier 1 capital calculated in accordance with transitional provisions did not increased so much. The change in leverage ratio exposure is mainly due to an increase in exposures treated as souvereigns and corporates with a decreasing effect on leverage ratio.

Table 7: EU CRC – Qualitative disclosure requirements related to CRM techniques
USE OF CREDIT RISK MITIGATION TECHNIQUES (Article 453)
Purpose: Provide qualitative information on the mitigation of credit risk.

Description of CRM policies and procedures regarding on-balance sheet and off-balance sheet netting (Article 453, line a)

The Group makes use of on- and off-balance sheet netting, if the conditions are met in line with the CRR Directive.

In general, the agreements on on-balance sheet netting of mutual credit obligations between the Bank and its counterparty are considered legitimate if they are legally effective and enforceable in all relevant jurisdictions, including in case of the counterparty's default or bankruptcy and if the following operational conditions are fulfilled:

- Ensuring the netting of profits and losses from transactions whose clearing is carried out based on framework agreement, so that one party owes the other party one single net amount;
- Fulfilment of minimum requirements for recognition of financial collateral (requirements for valuation and monitoring).

In line with the internal act on procedures of review, monitoring and control regarding the on-balance sheet netting of mutual claims and obligations for the parent bank's cash flows, the on-balance sheet netting of mutual claims between the Bank and the debtor, in this case a Parent bank, is considered as suitable form of funded credit protection. The adequacy of on-balance sheet netting is limited to mutual cash balances between the Bank and the debtor, in this case a Parent bank, namely loans and deposits. The Group defines that netting can be used only if the Bank can determine at any time the value of a position (assets and liabilities related to one customer are subject of netting), control and overview of debt, value of loan and netting.

For the recognition of effects of the agreement on on-balance sheet netting on decrease of credit risk, the following minimum requirements must be fulfilled:

a) they must be legally effective and enforceable according to the jurisdiction which applies to them, including in cases of the counterparty's insolvency or bankruptcy;
b) The Bank must have a constant overview of assets and liabilities forming subject of netting agreements;
c) The Bank must monitor and control the risks related to the break of credit protection;
d) The Bank must monitor and control included exposures on net basis.

In order to perform on-balance sheet netting based on individual netting agreements, an overview and confirmation of the subject agreement on on-balance sheet netting is required by the Legal unit, as an adequate legal foundation pursuant to point a).

Same applies also to off-balance sheet netting (which is actually carried out only in relation to derivatives), where in order to perform off-balance sheet netting based on individual agreements, an overview and confirmation of the subject agreement on off-balance sheet netting is also required by the Legal unit, as an adequate legal foundation.

Also, the Group's policy and process exist also for the off-balance sheet netting, which is carried out in line and in cooperation with the Parent group.

In order to perform off-balance sheet netting based on individual netting agreements, an overview and confirmation of the subject agreement on off-balance sheet netting as an adequate legal foundation. Such overview is carried out the Legal unit.

Policies and processes for collateral valuation and management (Article 453, line b)

The collateral received to support credit lines approved by the Group's legal entities includes primarily real estate, both residential and commercial, and collateral of financial instruments, including debt and equity financial instruments. The remaining part includes pledge rights on other assets (e.g. pledged goods) and other collateral (e.g. movable property).

The criteria for the eligibility of use of collateral to reduce risks must be in line with supervisory regulations, together with specific requirements for the approach adopted for the calculation of regulatory capital for individual counterparties/exposure (standardized, F – IRB), pursuant to the legal framework of the country at the territory of use.

The UniCredit Group has clearly defined guidelines for the eligibility of use of all types of collateral. Each legal entity thus defines a list of eligible collateral, by the Group's methods and processes and in line with local legislative and regulatory requirements and specifics.

Based on general guidelines regarding risk mitigation techniques issued by the UniCredit Group, the Group defined in internal regulations and principles the processes, strategies and procedures for collateral management, with focus on rules regarding collateral eligibility, valuation and monitoring rules to ensure legal enforceability and timely liquidation of collateral in line with legislation.

According to credit policy, the debtor's ability to meet obligations is the primary source of repayment of investments, while accepted collaterals represent only a secondary source of repayment in case the debtor ceases to repay their contractual obligations. For this reason, in addition to the analysis of the borrower's credit worthiness and repayment capacity, the Group also performs valuation and analysis of collateral.

In line with the legislation, the parent group UniCredit implemented the system of valuation, monitoring and reporting of the collateral in line with regulatory time frame and internal guidelines. The management of credit risk mitigation techniques is embedded both in the credit approval process and in the credit risk monitoring process.

Controls and related responsibilities are duly formalized and documented in internal rules and job descriptions. Furthermore, the processes have been implemented to control that all the relevant information regarding the identification and evaluation of collateral are correctly registered in the Group's system.

The Bank places additional emphasis on the importance of processes and controls for ensuring legal certainty of collateral and to checking the issuer's credit worthiness in case of personal credit protection.

In line with the internal credit protection policy, collaterals are exposed to a regular reviewing process, which is carried out on portfolio basis at least every three years for residential real estate, while for others it is carried out individually at least once per year. Such approach enables a better view of the current status and actual value of collateral.

In addition to Probability of default (PD), Loss given default (LGD) also determines the Expected loss (EL) for exposure at default (EAD). Loss given default (LGD) is defined as the level of expected economic loss in percentages of exposure in case of default or LGD finally represents the unpaid debt which a bank loses due to default. The main decisive factor for the level of LGD is collateral (funds acquired by a bank with recovery of collateral). The economic loss considers direct loss (e.g. loss of interest, principal), indirect loss (costs of restructuring and recovery) and discounting effects in case of enforcement.

All funded protections represent the enforceable assets, the value of which can be determined from the loan amount, while taking into consideration the adjustment for collateral volatility (»haircut«), determined based on repayment level of each type of collateral. The decrease of credit risk by using funded protections is thus reflected in the decrease of non-collateralized part of loan. In the process of approving and booking collateral, the Bank uses for individual collateral the adjustments (haircuts) defined with internal rules for individual collateral, which are harmonized with the adjustments (haircuts) determined by the CRM policy by the Parent group. An example of haircut at valuation is described for the purpose of description of collateral by pledging real estate in the next section.

Crucial factors for calculating the level of repayment from collateral include the following:

- Basic assessment of market value for individual type of collateral in case of default (the bank usually uses market value as basis for assessment and confirmation of the value of pledged assets),
- Repayment from achieved collateral,
- Costs of repayment,
- Period of settlement.

Description of types of collateral (Article 453, line c)

In general, the Bank classifies collateral to funded and personal collateral.

Funded credit protection

Funded credit protection is a collateral where a bank has a right, in the event of the debtor's default, their bankruptcy or other credit event defined in the documentation on transaction, to quickly liquidate or retain assets for collateral. The level of correlation between the value of assets given as collateral and the debtor's credit quality must not be excessive. Eligible forms of funded collateral credit protection:

1. Framework netting agreements, including transactions of temporary sales / temporary purchase and/or lending/renting of securities or goods and/ or other transactions with capital market instruments (only when using developed method for calculation of effects of collateral with financial assets).

2. Collateralized with assets:

a) Collateral with immovable property;
b) Collateral with claims;
c) Collateral with mmovable property / Physical collateral;
d) Cash collateral;
e) Collateral with other assets.

3. Other funded collateral:

a) Cash or cash equivalents invested with the third-party institution,
b) Life insurance policies pledged to the Bank,
c) Institution instruments, redeemable upon request.

Personal credit protection

As opposed to funded credit protection, the Bank assesses the adequacy of personal collateral (e.g. guarantees, credit derivatives, guarantees by insurance institutions) by their providers' credit rating. Eligible providers of personal collateral are the following:

a) a central government or central bank,
b) a regional government or local authority,
c) multilateral development banks,
d) international organisations, to which a 0 % risk weight is assigned under standardized approach,

e) public sector entities, claims on which in the standardized approach are treated as claims to institutions or central government,

f) institutions
g) Other corporate entities, including superior or subordinated entities for a bank, which:

- Have a credit rating assessment by the » External Credit Assessment Institutions (hereinafter referred to as ECAI) «, corresponding to at least credit quality level 2,

- Don't have a credit rating assessment by the recognized ECAI, but they do have PD prepared in line with minimum requirements for the use of the IRB approach and which corresponds to at least credit quality level 2– in exposure and amounts of expected losses,

- Use the IRB approach without own LGD (and CF) assessments.

h) institutions, insurance companies, reinsurance companies and export agencies which fulfill the conditions from Article 31 of the Decision on credit protection.

Among personal credit protection also belong eligible types of credit derivatives or instruments that may be composed of such credit derivatives or that are economically effectively similar, such as:
a) credit default swaps,
b) total return swaps,
c) credit linked notes to the extent of their cash funding.

In order to collateralize investments, the Bank mainly accepts the following collateral:

- collateral with commercial and residential real estate, with movable property, cash claims, financial assets, pledging life insurance policies (the so-called funded credit protection);
- joint and several guarantees by individuals and legal entities, bank guarantees, guarantees by government, insurance companies (the so-called personal credit protection).

The Bank's internal acts deal with rules and processes related to individual type of collateral with assets.

1. Collateral with immovable property

Real estate for which mortgage is required to collateralize an individual credit transaction are identified in the loan proposal approved by the competent decision-making body in the Bank. The identification of real estate is carried out through a brief description and by stating land register entries of numbers of plots of land where subject real estate is entered. Mortgage collateral in registered at the Bank as of the day of receipt of notarial agreement which forms basis for the entry of mortgage into the land register.

When obtaining the real estate into collateral, the Bank must obtain its value assessment, prepared by an independent appraiser and subsequently it must monitor the value fluctuation. For commercial and other real estate, the value assessment must be monitored at least once per year, while for residential real estate it must be monitored at least once every three years. More frequent monitoring of the value assessment is necessary in case of significant changes of market conditions. An "independent appraiser" is a person having necessary qualifications, knowledge and experience for conducting a valuation and who is independent from the decision-making process for transactions collateralized with real estate. Valuations of real estate must be conducted entirely in line with the International Valuation Standards adopted by the International Valuation Standards Committee - IVSC. The independent appraiser must assess the value of real estate adopted by the Bank for collateral at market value or at value lower thaje neodvisna od procesa odločanja o poslih, ki so zavarovani z nepremičninami. Ocene vrednosti nepremičnin morajo biti narejene v celoti v skladu z mednarodnimi standardi ocenjevanja vrednosti, ki jih sprejema Odbor za mednarodne standarde ocenjevanja vrednos

The Bank must value a real estate accepted as collateral at its market value. Market value is an estimated amount for which a real estate should be exchanged on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. The value of immovable property collateral is a market value of subject real estate which is adequately reduced so that it reflects the results of monitoring the value of real estate and which takes into consideration any previous claims which burden the real estate. For material valuation of real estate, the Bank defines a minimum haircut and a maximum factor of material coverage according to individual type of real estate.

2. Collateral with financial assets

The following can be recognized as eligible collateral with financial assets:

- Bank deposits or cash equivalents owned by the bank;
- Debt securities (including also credit link notes);
- Investment funds points;
- Equity securities or convertible bonds included into the main index;
- Gold.

The debtor's credit quality and the value of collateral with financial assets must not be in significant positive correlation. Securities issued by the debtor or by any person from the group of persons related in a way as defined in the Companies Act, where the debtor is also present, are not eligible. The Bank must calculate market value of collateral with financial assets and adequately re-evaluate it at least once in six months or whenever it has reasons to doubt that significant decrease of its market value has occurred. If the collateral with financial assets is with the third party, the Bank must adopt adequate measures to ensure that a third party separates this collateral from their own funds. The remaining maturity of collateral with financial assets must not be shorter than the remaining maturity of exposure.

The level of invested cash and cash equivalents on deposit account is a foundation for determining the level of material collateral. If all regulatory requirements are fulfilled, the value of material collateral is considered with the collateral factor of 100 %. If the conditions are not fulfilled, the collateral factor is reduced accordingly. In case of currency mismatch or mismatch in terms of maturity (between the collateralized claim and collateral), the material value of collateral must be additionally adequately reduced. The revision of collateral quality in a form of application with the Bank or deposit is carried out in the Risk management department at each loan proposal and at each regular annual revision of a company and its transactions.

3. Collateral with financial instruments (debt securities, investment fund points, equity securities)

Pledge right on financial instruments must be fully established, since a partial pledge right on financial instruments is not allowed. Pledge right on financial instruments must be first-class, without prior burden in favour of third parties.

It applies for lombard loans that pledged securities (stocks, bonds) must be listed on the Slovenian stock exchange (first stock quotation). In the Risk management department, a minimum threshold for collateral coverage is also determined, which should be fulfilled by the borrower throughout the duration of loan transaction.

Number of debt securities, investment funds units, number of equity securities can be considered as eligible collateral with financial assets if their price (stock exchange quotation) is publicly available on a daily basis. For each type of financial instrument, the following must be stated: its code, ISIN code, minimum haircut, maximum collateral factor, and coverage level. Only a first-class pledge of financial instrument is recognized as material collateral. The basis for valuation is a daily market quotation (closing quote) of a financial instrument. The valuation is carried out for each financial instrument separately- ISIN. Special attention is on liquidity of individual financial instrument. The Bank updates and internally publishes the lists of acceptable financial instruments.

4. Collateral with claims

The following is considered as collateral with claims: all open and existing commercial claims of the companies toward the buyers, future claims which justify the binding obligation of repayment of a certain amount. In case of future (not yet existing) claims, it must be considered that such claims can become subject of collateral only in case when later transaction is evident from the offer.

Claims related to commercial transaction or transactions with original maturity up to 1 (one) year can be considered as eligible collateral. Longer claim maturities can be approved only based on decision by the competent decision-making body. Also, any change to the already approved list of claims must also be approved by the Risk department.

The assignment of claims can be open in in this case the agreement on assignment of claims into collateral can be signed tripartitely (assignor, bank assignee, debtor) whereby the debtor by signing the agreement confirms that they are informed about the assignment of claims. The agreement precisely defines the guarantees and obligations of the assignor as well as the obligations of the assignee and debtor. In case of closed assignment of claims, the agreement is signed only between the assignor and the bank assignee. The agreement precisely defines the guarantees and obligations of the assignor as well as the obligations of the assignee, while in this case the debtor is not informed about the assignment.

Legal certainty and risk management are the foundation for the recognition of effects of collateral with claims on decrease of credit risk. Claims given as collateral by the borrower must be dispersed in must not be in excessive correlation with the borrower. If there is a significant positive correlation, the accompanying risks must be adequately considered when determining the excess of claims given as collateral above the exposure. Claims to persons superior to the debtor, companies subordinated to the debtor and their employees are not recognized as collateral instrument. Also, claims related to securitization, sub-participation (agreements by means of which one bank sells the other credit institution a part of already drawn down loan), credit derivatives also don't count.

Material valuation of claims is not allowed for:

- Claims to related persons,
- Questionable and disputable claims,
- Claims where counter requirements are possible,
- Claims still actually non-existing (future claims based on concluded PO),
- Claims more than 6 months outstanding,
- Claims to persons from foreign countries having a country risk 3- (BA master scale) or lower; an exception applies for countries where the country's political risk is insured with an insurance policy by the eligible insurance institution which is pledged/assigned to the bank's favour,
- Claims where majority of cash flow from pledged/assigned claims is executed via other banks,
- Claims from accounting deferrals or accruals
- Claims where already exists a long-term right of other banks from factoring,
- If a contractual ban exists for assignment of claims.

The requirement for long-term material valuation of claims as collateral can be satisfied only based on due diligence of eligibility of claims offered as collateral. Such review should include:

- Scope of claims level (average scope of claims, fluctuations of claims),
- Debtors of claims (separately at level of person, citizen, public sector, etc.),
- Risk diversification (number and share of debtors of an individual company),
- Payment conditions of claims,
- Option to inform the debtor about the assignment (according to the agreed upon method of informing in case of silent assignment - closure).

The management of the process of collateral with claims must be organized within a department outside of the loan decision-making process, which should check the following:

- Whether time sending of list of claims is in line with the contractual requirement,
- Whether claims on the list are eligible,
- Whether the value of submitted claims corresponds to the required level of material collateral.

Claims from securitization, sub-participation and credit derivatives are not eligible as collateral instruments.

For claims, the following must be monitored:

- Balance of the amount of assigned claims,
- Maturity of assigned claims,
- Quality of assigned claims.

Credit derivatives (Article 453, line d)

In the year 2017, the Bank didn't have exposures in credit derivatives.

Information about market or credit risk concentrations within the credit mitigation taken (Article 453, line e)

Risk of concentration occurs when a major part of the collateral financial assets in the entire Group (on portfolio level) in concentrated in a small number of types of collateral, collateral instruments or special providers of collateral or sectors or when there is a disproportion in the scope of accepted collateral.

At the Bank, the risk of concentration is controlled/ monitored:

- For personal collateral, where for loan proposals the exposure of a guarantor is added, which is reflected in their comprehensive exposure and this affects the level of approval,
- In case of guarantees by the state or financial institutions, the approval must be requested additionally since the entire exposure to a specific subject is being monitored in a central point (country limit, bank limit).

The concentration due to CRM measures is regularly analysed from the aspect of types of instruments of collateral with assets.

It is evident from the table »Market value of the Bank's collateral by type of collateral« in the Annual report, page 272, that the Group has 2.1 billion EUR of collateral by market value, of which 1.7 billion EUR of real estate, representing 80 % of the entire collateral portfolio. Over 99 % of all the Group's real estate is in Slovenia.

The Group classifies as guarantees the irrevocable commitments of the RS which represents a 12-percent share of all the Group's collateral, while minor part is represented by collateral of loans at insurance companies, namely 0.2 %, while other shares are non-material.

Template 18: EU CR3 – CRM techniques – Overview

USE OF CREDIT RISK MITIGATION TECHNIQUES (Article 453)

Purpose: Disclose the extent of the use of CRM techniques.

		a	b	c	d	e
		Exposures unsecured – carrying amount	Exposures secured – carrying amount	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Total loans	2.393.542	53.370	41.382	654	11.334
2	Total debt securities	7.202	0	0	0	0
3	**Total exposures**	2.400.744	53.370	41.382	654	11.334
4	Of which defaulted	199.724	0	0	0	0

Template 19: EU CR4 – Standardised approach – Credit risk exposure and CRM effects

USE OF CREDIT RISK MITIGATION TECHNIQUES (Article 453)

Purpose: Illustrate the effect of all CRM techniques applied in accordance with Part Three, Title II, Chapter 4 of the CRR, including the financial collateral simple method and the financial collateral comprehensive method in the application of Article 222 and Article 223 of the same regulation on standardised approach capital requirements' calculations. RWA density provides a synthetic metric on the riskiness of each portfolio.

		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post CCF and CRM		RWAs and RWA density	
	Exposure classes	On-balance-sheet amount	Off-balance-sheet amount	On-balance-sheet amount	Off-balance-sheet amount	RWAs	RWA density
1	Central governments or central banks	750.734	9	996.275	9	9.109	0,01
2	Regional government or local authorities	121.853	89	121.781	89	24.356	0,20
3	Public sector entities	27.386	30.348	16.392	30.941	7.827	0,17
4	Multilateral development banks	-	-	-	-	-	-
5	International organisations	-	-	-	-	-	-
6	Institutions	88.709	113.779	94.994	113.908	56.020	0,27
7	Corporates	890.839	597.150	649.750	596.330	501.618	0,40
8	Retail	369.970	47.658	366.629	46.503	270.411	0,65
9	Secured by mortgages on immovable property	451.340	858	448.389	852	159.083	0,35
10	Exposures in default	63.883	679	25.759	666	29.060	1,10
11	Exposures associated with particularly high risk	1.566	152	1.543	152	2.360	1,39
12	Covered bonds	-	-	-	-	-	-
13	Institutions and corporates with a short-term credit assessment	293	-	293	-	293	1,00
14	Collective investment undertakings	22.891	-	22.891	-	2.858	0,12
15	Equity	1.091	-	1.091	1.091	1.091	0,50
16	Other items	4.395	-	4.395	-	4.395	1,00
17	**Total**	**2.794.951**	**790.722**	**2.750.182**	**790.540**	**1.068.480**	**0,30**