



# REGULATORY DISCLOSURE **REPORT**

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**Banca Transilvania Financial Group**

**Q1 2024**

## Introduction

Through this document, the Banca Transilvania Financial Group fulfills the technical criteria regarding transparency and publication according to the requirements of Regulation no. 575/2013 on prudential requirements for credit institutions (Capital Requirements Regulation ), Part 8.

This document is available on the bank's website (<https://www.bancatransilvania.ro/>).

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## LIQUIDITY QND FUNDING RISK

Liquidity risk represents the current or future risk that the profit and capital may be negatively affected because of the incapacity of the Bank to meet its obligations when they fall due.

Liquidity risk has two main components: either difficulties in procuring the funds at the related maturities, needed to refinance current assets, or the inability to convert an asset into liquidity at a value close to its fair value, within a reasonable period. The Group is continuously acting to counter this type of risk.

The Assets and Liabilities Management Committee of the Bank is responsible of the periodic review of liquidity indicators and the establishment of corrective measures for balance sheet figures, to eliminate unacceptable deviations in terms of liquidity risk management.

### LCR

		a				b			
Scope of consolidation ( solo/ consolidated)		Total unweighted value				Total weighted value			
Currency and units ( RON million)									
Quarter ending on		31-Mar-24	31-Dec-23	30-Sep-23	30-iun-2023	31-Mar-24	31-Dec-23	30-Sep-23	30-iun-2023
Number of data points used in the calculation of a verages		12	12	12	12	12	12	12	12
<b>HIGH-QUALITY LIQUID ASSETS</b>									
1	Total high-quality assets (HQLA)					49,427	44,429	43,176	46,113
<b>CASH-OUTFLOWS</b>									
2	Retail deposits and deposits from small business customers, of which:	113,808	111,831	106,032	102,557	9,840	9,091	8,597	8,145
3	Stable deposits	68,971	67,970	64,332	62,259	3,449	3,399	3,217	3,113
4	Less stable deposits	43,496	43,183	41,091	39,891	5,051	5,014	4,772	4,625
5	Unsecured wholesale funding	31,104	28,380	26,248	26,583	16,217	14,458	14,206	14,406
6	Operational deposits (all counter parties) and deposits in networks of cooperative banks	-	-	-	-	-	-	-	-
7	Non-operational deposits (all Counter parties)	31,104	28,380	26,248	26,583	16,217	14,458	14,206	14,406
8	Unsecured debt	-	-	-	-	-	-	-	-
9	Secured wholesales funding								
10	Additional requirements	3,648	4,051	-	3,823	250	226	220	221
11	Outflows related to derivatives exposure and other collateral requirements	65	-	-	-	65	-	-	-
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	3,583	4,051	3,933	3,823	185	226	220	221
14	Other contractual funding obligations	968	872	1,778	266	18	9	17	-
15	Other contingent funding obligations	1	1	1	-	-	-	-	-
16	<b>TOTAL CASH OUTFLOWS</b>					<b>26,324</b>	<b>23,783</b>	<b>23,040</b>	<b>22,772</b>
<b>CASH-FLOWS</b>									
17	Secured lending (eg reverse repos)	-	-	-	-	-	-	-	-
18	Inflows from fully performing exposures	20,032	23,031	13,967	13,511	19,022	21,265	12,869	12,304
19	Other cash Inflows	2,453	622	2,451	188	2,453	622	2,451	188
20	<b>TOTAL CASH FLOWS</b>	<b>22,485</b>	<b>23,653</b>	<b>16,418</b>	<b>13,699</b>	<b>21,475</b>	<b>21,887</b>	<b>15,320</b>	<b>12,492</b>
21	Total HQLA					49,427	44,429	43,176	46,113
22	<b>TOTAL NETCASH OUTFLOWS</b>					<b>6,581</b>	<b>5,946</b>	<b>7,720</b>	<b>10,281</b>
23	<b>LIQUIDITY COVERAGE RATIO (%)</b>					<b>751%</b>	<b>747%</b>	<b>559%</b>	<b>449%</b>

## OWN FUNDS

### OWN FUNDS REQUIREMENTS

The Group's and the Bank's own funds are based on the applicable legal requirements on regulatory capital and include:

- Common Equity Tier 1 , which includes subscribed and paid in capital, share premiums, eligible reserves, retained earnings and deductions stipulated by the applicable legal provisions;
- Tier II, which includes subordinated borrowings and deductions stipulated by the applicable legal provisions.

### Own funds (prudential)

#### Template EU CC1 - Composition of regulatory own funds

		RON thous.	
		(a)	(b)
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
<b>Common Equity Tier 1 (CET1) capital: instruments and reserves</b>		<b>31.03.2024</b>	
1	Capital instruments and the related share premium accounts	8,104,318	CC2 row 35+ CC2 row 37
2	Retained earnings	2,750,620	CC2 row 38 + CC2 row 39
3	Accumulated other comprehensive income (and other reserves)	1,498,115	+ CC2 row 40 + CC2 row 41
EU-3a	Funds for general banking risk	77,893	
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1		
5	Minority interests (amount allowed in consolidated CET1)		
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend		
<b>6</b>	<b>Common Equity Tier 1 (CET1) capital before regulatory adjustments</b>	<b>12,430,946</b>	
<b>Common Equity Tier 1 (CET1) capital: regulatory adjustments</b>		<b>31.03.2024</b>	
7	Additional value adjustments (negative amount)	(42,344)	
8	Intangible assets (net of related tax liability) (negative amount)	(496,501)	CC2 row 15+ CC2 row 16
9	Not applicable		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)		
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value		
12	Negative amounts resulting from the calculation of expected loss amounts		
13	Any increase in equity that results from securitized assets (negative amount)		
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing		

15	Defined-benefit pension fund assets (negative amount)		
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	(119,548)	CC2 row 36 (partial) - treasury shares
17	Direct, indirect, and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		
18	Direct, indirect, and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
19	Direct, indirect, and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
20	Not applicable		
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	(55,546)	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)		
EU-20c	of which: securitization positions (negative amount)	(55,546)	
EU-20d	of which: free deliveries (negative amount)		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)		
22	Amount exceeding the 17,65% threshold (negative amount)		
23	of which: direct, indirect, and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities		
24	Not applicable		
25	of which: deferred tax assets arising from temporary differences		
EU-25a	Losses for the current financial year (negative amount)		
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)		
26	Not applicable		
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)		
27a	Other regulatory adjustments	316,968	
28	<b>Total regulatory adjustments to Common Equity Tier 1 (CET1)</b>	<b>(396,971)</b>	
29	<b>Common Equity Tier 1 (CET1) capital</b>	<b>12,033,975</b>	
<b>Additional Tier 1 (AT1) capital: instruments</b>		<b>31.03.2024</b>	
30	Capital instruments and the related share premium accounts		
31	of which: classified as equity under applicable accounting standards		
32	of which: classified as liabilities under applicable accounting standards		
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1		
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1		
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1		
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties		
35	of which: instruments issued by subsidiaries subject to phase out		
36	<b>Additional Tier 1 (AT1) capital before regulatory adjustments</b>		
<b>Additional Tier 1 (AT1) capital: regulatory adjustments</b>		<b>31.03.2024</b>	
37	Direct, indirect, and synthetic holdings by an institution of own AT1 instruments (negative amount)		
38	Direct, indirect, and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		
39	Direct, indirect, and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		

40	Direct, indirect, and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		
41	Not applicable		
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)		
42a	Other regulatory adjustments to AT1 capital		
43	<b>Total regulatory adjustments to Additional Tier 1 (AT1) capital</b>		
44	<b>Additional Tier 1 (AT1) capital</b>		
45	<b>Tier 1 capital (T1 = CET1 + AT1)</b>		<b>12,033,975</b>
<b>Tier 2 (T2) capital: instruments</b>		<b>31.03.2024</b>	
46	Capital instruments and the related share premium accounts		2,242,055
47	Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR		
EU-47a	Amount of qualifying items referred to in Article 494a (2) CRR subject to phase out from T2		
EU-47b	Amount of qualifying items referred to in Article 494b (2) CRR subject to phase out from T2		
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties		
49	of which: instruments issued by subsidiaries subject to phase out		
50	Credit risk adjustments		
51	<b>Tier 2 (T2) capital before regulatory adjustments</b>		<b>2,242,055</b>
52	Direct, indirect, and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)		
53	Direct, indirect, and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		
54	Direct, indirect, and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
54a	Not applicable		
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		
56	Not applicable		
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)		
EU-56b	Other regulatory adjustments to T2 capital		
57	<b>Total regulatory adjustments to Tier 2 (T2) capital</b>		
58	<b>Tier 2 (T2) capital</b>		<b>2,242,055</b>
59	<b>Total capital (TC = T1 + T2)</b>		<b>14,276,030</b>
60	<b>Total risk-weighted assets</b>		<b>72,303,237</b>
<b>Capital ratios and requirements including buffers</b>		<b>31.03.2024</b>	
61	Common Equity Tier 1 capital		16.64%
62	Tier 1 capital		16.64%
63	Total capital		19.74%
64	Institution CET1 overall capital requirements		9.59%
65	of which: capital conservation buffer requirement		2.50%
66	of which: countercyclical capital buffer requirement		1.00%
67	of which: systemic risk buffer requirement		0.00%
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement		2.00%
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage		0.00%
68	<b>Common Equity Tier 1 capital (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements</b>		<b>8.52%</b>
<b>National minima (if different from Basel III)</b>		<b>31.03.2024</b>	
69	Not applicable		

70	Not applicable		
71	Not applicable		
<b>Amounts below the thresholds for deduction (before risk weighting)</b>		<b>31.03.2024</b>	
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)		
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)		
74	Not applicable		
75	Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)		
<b>Applicable caps on the inclusion of provisions in Tier 2</b>		<b>31.03.2024</b>	
76	Credit risk adjustments included in T2 in respect of exposures subject to standardized approach (prior to the application of the cap)		
77	Cap on inclusion of credit risk adjustments in T2 under standardized approach		
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)		
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach		
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)</b>		<b>31.03.2024</b>	
80	Current cap on CET1 instruments subject to phase out arrangements		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		
82	Current cap on AT1 instruments subject to phase out arrangements		
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)		
84	Current cap on T2 instruments subject to phase out arrangements		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		

### Template EU KM1 - Key metrics template

Banca Transilvania, chose to apply the temporary treatment provided by the prudential regulations.

RON thous.

	a	b	c	d	e	
	31.03.2024	31.12.2023	30.09.2023	30.06.2023	31.03.2023	
<b>Available own funds (amounts)</b>						
1	Common Equity Tier 1 (CET1) capital	12,033,975	12,692,053	11,044,602	11,668,469	9,701,576
2	Tier 1 capital	12,033,975	12,692,053	11,044,602	11,668,469	701,576
3	Total capital	14,276,030	14,954,116	13,453,395	14,064,122	11,176,653
<b>Risk-weighted exposure amounts</b>						
4	Total risk exposure amount	72,303,237	69,383,159	64,431,266	62,839,571	62,512,196
<b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>						
5	Common Equity Tier 1 ratio (%)	16.64%	18.29%	17.14%	18.57%	15.52%
6	Tier 1 ratio (%)	16.64%	18.29%	17.14%	18.57%	15.52%
7	Total capital ratio (%)	19.74%	21.55%	20.88%	22.38%	17.88%
<b>Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)</b>						



EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.83%	2.83%	2.83%	2.83%	2.83%
EU 7b	of which: to be made up of CET1 capital (%)	1.59%	1.59%	1.59%	1.59%	1.59%
EU 7c	of which: to be made up of Tier 1 capital (%)	2.12%	2.12%	2.12%	2.12%	2.12%
EU 7d	Total SREP own funds requirements (%)	10.83%	10.83%	10.83%	10.83%	10.83%
<b>Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)</b>						
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Institution specific countercyclical capital buffer (%)	1.00%	1.00%	0.50%	0.50%	0.50%
EU 9a	Systemic risk buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	Global Systemically Important Institution buffer (%)	-	-	-	-	-
EU 10a	Other Systemically Important Institution buffer (%)	2.00%	2.00%	2.00%	2.00%	2.00%
11	Combined buffer requirement (%)	5.50%	5.50%	5.00%	5.00%	5.00%
EU 11a	Overall capital requirements (%)	16.33%	16.33%	15.83%	15.83%	15.83%
12	CET1 available after meeting the total SREP own funds requirements (%)	8.52%	10.17%	9.02%	10.45%	7.40%
<b>Leverage ratio</b>						
13	Total exposure measure	182,875,058	177,000,695	165,744,944	160,794,207	154,445,323
14	Leverage ratio (%)	6.58%	7.17%	6.66%	7.26%	6.28%
<b>Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)</b>						
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-	-	-	-
EU 14b	of which: to be made up of CET1 capital (percentage points)	-	-	-	-	-
EU 14c	Total SREP leverage ratio requirements (%)	-	-	-	-	-
<b>Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)</b>						
EU 14d	Leverage ratio buffer requirement (%)					
EU 14e	Overall leverage ratio requirement (%)					
<b>Liquidity Coverage Ratio</b>						
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	49,427	44,429	43,176	46,113	43,703
EU 16a	Cash outflows - Total weighted value	26,324	23,783	23,040	22,772	21,957
EU 16b	Cash inflows - Total weighted value	21,475	21,887	15,320	12,492	8,776
16	Total net cash outflows (adjusted value)	6,581	5,946	7,720	10,281	13,181
17	Liquidity coverage ratio (%)	751%	747%	559%	449%	332%
<b>Net Stable Funding Ratio</b>						

18	Total available stable funding	144,783,455	141,759,838	132,820,368	127,126,026	120,659,345
19	Total required stable funding	60,742,403	61,132,908	58,790,858	55,958,667	56,371,756
20	NSFR ratio (%)	238.36%	231.89%	226%	227%	214%

## CAPITAL REQUIREMENTS

The internal process for the assessment of capital adequacy to risks is integrated in the administration and management process of Banca Transilvania and in its decision-making culture, according to which the management body must ensure the proper identification, measurement, aggregation and monitoring of risks, the preservation of internal capital levels adjusted to the bank's risk profile, as well as the use and development of sound risk management systems.

The following computation methods are used by the Bank and the Group:

- Credit risk: RWA (risk weighted assets) standardized approach.
- Credit risk of the counterparty: the method of calculating risk-weighted assets is the standard method.
- Market risk: capital requirements with respect to the foreign exchange risk and the trading portfolio are calculated based on the standardized approach.
- Operational risk: capital requirements for the coverage of operational risk are calculated according to the basic indicator approach.

The Group manages its capital base in a flexible manner, by monitoring regulatory capital requirements, by anticipating the adequate adjustments required for the achievement of its objectives, as well as by optimizing the structure of assets and shareholders' equity.

Planning and monitoring take into consideration the total own funds (core tier 1, additional tier 1 and tier 2) on the one hand and risk-weighted assets (RWA) on the other hand.

## CAPITAL REQUIREMENTS

### Template 4: EU OV1 – Overview of RWAs

RON thous.

		a	b	c
		RWA		Minimum capital requirements
		31.03.2024	31.12.2023	31.03.2024
1	Credit risk (excluding CCR)	56,790,325	51,274,647	4,543,226
2	Of which: standardised approach (SA)	56,790,325	51,274,647	4,543,226
3	Of which: foundation internal ratings-based (F-IRB) approach	-	-	-
4	Of which: supervisory slotting approach	-	-	-
5	Of which: advanced internal ratings-based (A-IRB) approach	-	-	-
6	Counterparty credit risk - CCR	96,444	65,886	7,716
7	Of which: standardised approach for counterparty credit risk	96,444	65,886	7,716
8	Of which IMM	-	-	-
9	Of which other CCR	-	-	-
10	Of which valuation adjustment - CVA	135,874	91,494	10,870
11	Equity positions under the simple risk weight approach and the internal model method during the five-year linear phase-in period	-	-	-
12	Equity investments in funds – look-through approach	-	-	-
13	Equity investments in funds – mandate-based approach	-	-	-
14	Equity investments in funds – fall-back approach	-	-	-
15	Settlement risk	-	-	-
16	Securitisation exposures in banking book	-	-	-
17	Of which: securitisation IRB approach (SEC-IRBA)	-	-	-
18	Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)	-	-	-
19	Of which: securitisation standardised approach (SEC-SA)	-	-	-
20	Market risk	2,981,479	2,634,274	238,518
21	Of which: standardised approach (SA)	2,981,479	2,634,274	238,518
22	Of which: internal model approach (IMA)	-	-	-
23	Capital charge for switch between trading book and banking book	-	-	-
24	Operational risk	12,299,116	10,364,965	983,929
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
26	Output floor applied	-	-	-
27	Floor adjustment (before application of transitional cap)	-	-	-
28	Floor adjustment (after application of transitional cap)	-	-	-
29	<b>Total</b>	<b>72,303,237</b>	<b>64,431,266</b>	<b>5,784,259</b>

### Template CMS1 – Comparison of modelled and standardised RWA at risk level

RON thous.

		a	b	c	d
		RWA			
		RWA for modelled approaches that banks have supervisory approval to use	RWA for portfolios where standardised approaches are used	Total Actual RWA (a + b) (ie RWA which banks report as current requirements)	RWA calculated using full standardised approach (ie used in the base of the output floor)
1	Credit risk (excluding counterparty credit risk)	-	-	56,790,325	56,790,324.52
2	Counterparty credit risk	-	-	96,444	96,443.76
3	Credit valuation adjustment	-	-	135,874	135,874.47
4	Securitisation exposures in the banking book	-	-	-	-
5	Market risk	-	-	2,981,479	2,981,478.59
6	Operational risk	-	-	12,299,116	12,299,115.93
7	Residual RWA	-	-	-	-
8	<b>Total</b>	-	-	<b>72,303,237</b>	<b>72,303,237.27</b>

## Template CVA4: RWA flow statements of CVA risk exposures under SA-CVA

		RON thous.
		a
		<b>31.03.2024</b>
1	Total RWA for CVA at previous quarter-end	94,229
2	Total RWA for CVA at end of reporting period	135,874

### EXPOSURE TO SECURITISATION POSITIONS

Banca Transilvania (the Bank) entered a non-STS synthetic securitization transaction with the European Investment Bank (EIB) Group on 22.12.2023, whereby it obtained protection of a portfolio of legal entities through an unfunded financial guarantee on senior and mezzanine tranches. The credit risk is transferred vertically at portfolio level, meaning that the EIB Group guarantees a maximum of 95% of each Reference Obligation, the difference being retained by the bank.

Banca Transilvania initiated the securitization transaction with the main objective of making the use of capital more efficient, thus allowing its redeployment for the purpose of granting new loans, contributing to economic growth and a greater focus on green and sustainable lending.

The transaction has a replenishment period of 2 years (until 31.12.2025), during which amortized exposures in the securitized portfolio can be replaced with new eligible exposures and the scheduled maturity date of the guarantee is 31.12.2039.

The reference portfolio remains on the bank's balance sheet and losses are allocated to tranches in reverse seniority order. Losses are allocated first to the synthetic excess spread and then to the tranches, starting with the junior tranche. The synthetic excess spread as well as the junior tranche shall be deducted from the value of the tier 1 own capital items in accordance with Article 253(1) and Article 36(1)(k) of Regulation (EU) No 575/2013.

### LEVERAGE RATIO

Within the framework of EU Regulation no.575/2013 and in addition to the total capital requirements, the leverage ratio was implemented as a new instrument to limit the risk of excessive indebtedness. The leverage ratio is the ratio of capital to the leverage exposure, specifically the tier 1 capital in relation to unweighted exposure on and off the statement of financial position.

As at 31.03.2024, the leverage ratio according to the transitional definition decreased slightly from 7.17 % at 31.12.2023 to 6.58%, mainly due to the increase of the leverage ratio exposures.

## Template EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

RON thous.

		a
		Applicable amount 31.03.2024
1	Total assets as per published financial statements	175,983,723
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	288,343
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustment for derivative financial instruments	284,145
9	Adjustment for securities financing transactions (SFTs)	-
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	7,142,632
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
12	Other adjustments	(823,784)
13	<b>Total exposure measure</b>	<b>182,875,058</b>

### Template EU LR2 - LRCom: Leverage ratio common disclosure

RON thous.

		a	b
		Applicable amount 31.03.2024	Applicable amount 31.12.2023
<b>On-balance sheet exposures (excluding derivatives and SFTs)</b>			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	176,272,066	170,207,593
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework		
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)		
4	(Adjustment for securities received under securities financing transactions that are recognized as an asset)		
5	(General credit risk adjustments to on-balance sheet items)		
6	(Asset amounts deducted in determining Tier 1 capital)	(823,784)	(474,425)
7	<b>Total on-balance sheet exposures (excluding derivatives and SFTs)</b>	<b>175,448,282</b>	<b>169,733,167</b>
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	59,666	31,291
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	224,479	156,381

10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)		
11	Adjusted effective notional amount of written credit derivatives		
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)		
<b>13</b>	<b>Total derivatives exposures</b>	<b>284,145</b>	<b>187,672</b>
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	-	-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)		
16	Counterparty credit risk exposure for SFT assets		
17	Agent transaction exposures		
<b>18</b>	<b>Total securities financing transaction exposures</b>	<b>-</b>	<b>-</b>
19	Off-balance sheet exposures at gross notional amount	25,865,767	24,049,762
20	(Adjustments for conversion to credit equivalent amounts)	(18,723,136)	(16,969,907)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)		
<b>22</b>	<b>Off-balance sheet exposures</b>	<b>7,142,632</b>	<b>7,079,855</b>
23	Tier 1 capital	12,033,975	12,692,053
24	<b>Total exposure measure</b>	<b>182,875,058</b>	<b>177,000,695</b>
<b>25</b>	<b>Leverage ratio</b>	<b>6.58%</b>	<b>7.17%</b>
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)		
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)		
26	National minimum leverage ratio requirement		
27	Applicable leverage buffers		
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable		
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables		
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)		
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)		
31	Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)		
31a	Basel III leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)		

