



REGULATORY DISCLOSURE **REPORT**

Banca Transilvania Financial Group

Q3 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 AND FUNDING RISK

Liquidity risk represents the current or future risk that the profit and capital may be negatively affected as a result 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 of time. The Group is continuously acting to counter this type of risk.

The Group has access to diversified funding sources. Funds are raised through a broad range of instruments, such as deposits from customers or from partner banks, loans from development institutions and financial institutions as well as share capital. Access to various funding sources improves the flexibility of fundraising, limits dependence on a single type of financing and type of partner and leads to an overall decrease of financing costs. The Group tries to maintain a balance between continuity and flexibility in attracting funds, by signing financing contracts with different maturities and in different currencies. The Group continually assess liquidity risk by identifying and monitoring changes in the financing contracts, and by diversifying the funding sources.

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, so as to eliminate unacceptable deviations in terms of liquidity risk management.

The liquidity risk appetite in 2024 was set as “low” due to the appropriate structural correlations of the bank’s assets and liabilities, to the mix of instruments designed for the use of temporary liquidity excess, but also due to the share of stable resources raised from clients in total funds; the liquidity risk profile is determined in a conscious manner and in line with the international and domestic market conditions, but also by considering the bank’s sound development under the current legislative frameworks, with the purpose to achieve both prudential and profitability requirements. The bank manages liquidity at a centralized level.

The main principles in determining the types of instruments used by the Treasury in order to use temporary liquidity excess are: holding a diversified portfolio of investments (more than 5 types/categories), considering the reversed correlation between the risk degree and the liquidity level, establishing minimum and/or maximum accepted levels for the significant categories of investments, paying special attention to liquid assets easily convertible into cash that are eligible for collateral, without materially affecting the initial yield of investments, respectively their profitability.

For a sound management of liquidity risk, the Group constantly seeks to attract liquidity through treasury operations, external financing, capital markets, etc. taking into account various factors such as the issuer’s rating, the issuance maturity and volume, trading markets.

The operative management of liquidity is carried out on several intraday horizons, on a daily basis, or on a longer timeframe, in line with a liquidity management policy that includes the management of assets in view of the market trading capacity and the liabilities’ structure, the management of liquidity denominated in main currencies, the definition of specific liquidity ratios to be monitored on a daily basis, including early warning signals, the assessment of future cash flows and cash flow mismatches and counteraction capacity, the preparation of an alternative liquidity management plan, so as to ensure the execution of all settlements/ payments of the bank carried out in its own name or on behalf of its customers, in lei or FCY, on accounts or in cash, within the internal, legal and mandatory limits.

Moreover, the Bank also applies a liquidity buffer consisting mainly in cash, unencumbered government securities and minimum required reserve surplus, for the purpose to cover the additional liquidity needs that may occur over a short period of time, under stress conditions.

During the year 2024, the Bank registered comfortable levels of liquidity indicators, thus demonstrating a solid position and having a comfortable liquidity position, in a generally fragile economic context.

The main source of funding is represented by Retail segment, which also receives the lowest exit rates within the LCR indicator. Within the Retail segment, the largest share is represented by accounts with which the bank has a stable relationship.

Other important sources for the bank in terms of diversification, but which have higher exit rates, are: corporate deposits, funding lines from financial institutions (banks and development institutions).

The quantitative information about LCR presents the values and dates for each of the four calendar quarters preceding the publication date, calculated as simple averages of observations made at the end of each month, over the 12 months preceding the end of each quarter.

The bank's total LCR as of September 30, 2024 stands at 446%.

Currency mismatch in the LCR:

The LCR is calculated in all significant currencies that make up at least 5% of the total Balance Sheet (RON, EUR and aggregated in RON). There is no explicit LCR risk appetite for the specific currencies but according to Article 4 paragraph 5 of Commission Delegated Regulation (EU) 2015/61 all liquidity coverage ratio results are monitored.

LCR

		a				b			
Scope of consolidation (solo/ consolidated)		Total unweighted value				Total weighted value			
Currency and units (RON million)									
Quarter ending on		30-Sep_24	30-Jun-24	31-Mar-24	31-Dec-23	30-Sep_24	30-Jun-24	31-Mar-24	31-Dec-23
Number of data points used in the calculation of a verages		12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality assets (HQLA)					63,809	60,054	49,427	44,429
CASH-OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	129,759	119,312	113,808	111,831	10,767	10,163	9,840	9,091
3	Stable deposits	76,240	72,185	68,971	67,970	3,812	3,609	3,449	3,399
4	Less stable deposits	47,568	45,747	43,496	43,183	5,532	5,174	5,051	5,014
5	Unsecured wholesale funding	33,434	27,344	31,104	28,380	16,867	15,057	16,217	14,458
6	Operational deposits (all counter parties) and deposits in networks of cooperative banks	-	-	-	-	-	-	-	-
7	Non-operational deposits (all Counter parties)	33,434	27,344	31,104	28,380	16,867	15,057	16,217	14,458
8	Unsecured debt	-	-	-	-	-	-	-	-
9	Secured wholesales funding					-	-	-	-
10	Additional requirements	4,575	4,019	3,648	4,051	349	272	250	226
11	Outflows related to derivatives exposure and other collateral requirements	42	56	65	-	42	56	65	-
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	4,533	3,963	3,583	4,051	306	217	185	226
14	Other contractual funding obligations	1,704	1,442	968	872	182	202	18	9
15	Other contingent funding obligations	2,027	45	1	1	-	-	-	-
16	TOTAL CASH OUTFLOWS					28,165	25,693	26,324	23,783
CASH-FLOWS									
17	Secured lending (eg reverse repos)	-	-	-	-	-	-	-	-
18	Inflows from fully performing exposures	14,449	11,176	20,032	23,031	13,127	9,908	19,022	21,265
19	Other cash Inflows	867	176	2,453	622	856	176	2,453	622
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					-	-	-	-
EU-19b	(Excess inflows from a related specialised credit insti tution)					-	-	-	-
20	TOTAL CASH FLOWS	15,317	11,353	22,485	23,653	13,983	10,085	21,475	21,887
EU-20a	Fully exempt inflows	-	-	-	-	-	-	-	-
EU-20b	Inflows subject to 90% cap	-	-	-	-	-	-	-	-
EU-20b	Inflows subject to 75% cap	15,317	11,353	22,485	23,653	13,983	10,085	21,475	21,887
TOTAL ADJUSTED VALUE									
21	Total HQLA					63,809	60,054	49,427	44,429
22	TOTAL NETCASH OUTFLOWS					14,303	15,717	6,581	5,946
23	LIQUIDITY COVERAGE RATIO (%)					446%	382%	751%	747%

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
Common Equity Tier 1 (CET1) capital: instruments and reserves		30.09.2024	
1	Capital instruments and the related share premium accounts	9,286,534	CC2 row 35+ CC2 row 37
2	Retained earnings	3,423,112	CC2 row 38 + CC2 row 39 + CC2 row 40 + CC2 row 41
3	Accumulated other comprehensive income (and other reserves)	1,778,860	
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		
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	14,566,399	
Common Equity Tier 1 (CET1) capital: regulatory adjustments		30.09.2024	
7	Additional value adjustments (negative amount)	(42,438)	
8	Intangible assets (net of related tax liability) (negative amount)	(420,709)	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 securitised assets (negative amount)		
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing		
15	Defined-benefit pension fund assets (negative amount)		
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	(84,601)	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	(52,743)	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)		
EU-20c	of which: securitisation positions (negative amount)	(52,743)	
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	1,677,789	
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	1,077,299	
29	Common Equity Tier 1 (CET1) capital	15,643,698	
Additional Tier 1 (AT1) capital: instruments		30.09.2024	
30	Capital instruments and the related share premium accounts		
31	of which: classified as equity under applicable accounting standards		
32	of which: classified as liabilities under applicable accounting standards		
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1		
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1		

EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1		
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties		
35	of which: instruments issued by subsidiaries subject to phase out		
36	Additional Tier 1 (AT1) capital before regulatory adjustments		
Additional Tier 1 (AT1) capital: regulatory adjustments		30.09.2024	
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)		
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		
41	Not applicable		
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)		
42a	Other regulatory adjustments to AT1 capital		
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital		
44	Additional Tier 1 (AT1) capital		
45	Tier 1 capital (T1 = CET1 + AT1)		15,643,698
Tier 2 (T2) capital: instruments		30.09.2024	
46	Capital instruments and the related share premium accounts		2,101,815
47	Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR		
EU-47a	Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2		
EU-47b	Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2		
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties		
49	of which: instruments issued by subsidiaries subject to phase out		
50	Credit risk adjustments		
51	Tier 2 (T2) capital before regulatory adjustments		2,101,815
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)		
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
54a	Not applicable		
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where		

	the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		
56	Not applicable		
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)		
EU-56b	Other regulatory adjustments to T2 capital		
57	Total regulatory adjustments to Tier 2 (T2) capital		
58	Tier 2 (T2) capital		2,101,815
59	Total capital (TC = T1 + T2)		17,745,513
60	Total risk-weighted assets		79,980,144
Capital ratios and requirements including buffers		30.09.2024	
61	Common Equity Tier 1 capital		19.56%
62	Tier 1 capital		19.56%
63	Total capital		22.19%
64	Institution CET1 overall capital requirements		12.15%
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		
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		
68	Common Equity Tier 1 capital (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements		10.69%
National minima (if different from Basel III)		30.09.2024	
69	Not applicable		
70	Not applicable		
71	Not applicable		
Amounts below the thresholds for deduction (before risk weighting)		30.09.2024	
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)		
Applicable caps on the inclusion of provisions in Tier 2		30.09.2024	
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		
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)		30.09.2024	
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 has chosen to apply until December 31, 2025 the temporary treatment of unrealized gains and losses valued at fair value through other elements of the comprehensive result, in accordance with art. 468 of Regulation (EU) 575/2013, amended by Regulation (EU) 2024/1623 of May 31, 2024. The Bank removes from the calculation of the basic level 1 own funds elements the amount calculated according to the provisions of the regulation

RON thous.

		a	b	c	d	e
		30.09.2024	30.06.2024	31.03.2024	31.12.2023	30.09.2023
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	15,643,698	15,362,583	12,033,975	12,692,053	11,044,602
	CET1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	15,119,082	14,874,006	11,551,616	11,729,764	10,121,907
	CET1 capital as if the temporary treatment of unrealized gains and losses measured at fair value through OCI (other comprehensive income) in accordance with Article 468 of the CRR had not been applied	14,329,167	13,702,156	12,033,975	12,692,053	11,044,602
2	Tier 1 capital	15,643,698	15,362,583	12,033,975	12,692,053	11,044,602
	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	15,119,082	14,874,006	11,551,616	11,729,764	10,121,907
	Tier 1 capital as if the temporary treatment of unrealized gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	14,329,167	13,702,156	12,033,975	12,692,053	11,044,602
3	Total capital	17,745,513	17,483,899	14,276,030	14,954,116	13,453,395
	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	17,220,898	16,995,322	13,793,670	13,991,827	12,530,700
	Total capital as if the temporary treatment of unrealized gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	16,430,982	15,823,472	14,276,030	14,954,116	13,453,395
	Risk-weighted exposure amounts					
4	Total risk exposure amount	79,980,144	66,853,108	72,303,237	69,383,159	64,431,266
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	19.56%	22.98%	16.64%	18.29%	17.14%
	CET1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	19.00%	22.25%	15.98%	16.91%	15.71%

	CET1 (as a percentage of risk exposure amount) as if the temporary treatment of unrealized gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	18.01%	20.50%	16.64%	18.29%	17.14%
6	Tier 1 ratio (%)	19.56%	22.98%	16.64%	18.29%	17.14%
	Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	19.00%	22.25%	15.98%	16.91%	15.71%
	Tier 1 (as a percentage of risk exposure amount) as if the temporary treatment of unrealized gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	18.01%	20.50%	16.64%	18.29%	17.14%
7	Total capital ratio (%)	22.19%	26.15%	19.74%	21.55%	20.88%
	Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	21.64%	25.42%	19.08%	20.17%	19.45%
	Total capital (as a percentage of risk exposure amount) as if the temporary treatment of unrealized gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	20.65%	23.67%	19.74%	21.55%	20.88%
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	3.83%	2.83%	2.83%	2.83%	2.83%
EU 7b	of which: to be made up of CET1 capital (%)	2.15%	1.59%	1.59%	1.59%	1.59%
EU 7c	of which: to be made up of Tier 1 capital (%)	2.87%	2.12%	2.12%	2.12%	2.12%
EU 7d	Total SREP own funds requirements (%)	11.83%	10.83%	10.83%	10.83%	10.83%
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)					
9	Institution specific countercyclical capital buffer (%)	1.00%	1.00%	1.00%	1.00%	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%	5.50%	5.50%	5.00%

EU 11a	Overall capital requirements (%)	17.33%	16.33%	16.33%	16.33%	15.83%
12	CET1 available after meeting the total SREP own funds requirements (%)	10.69%	14.86%	8.52%	10.17%	9.02%
	Leverage ratio					
13	Total exposure measure	209,265,666	185,703,160	182,875,058	177,000,695	165,744,944
14	Leverage ratio (%)	7.48%	8.27%	6.58%	7.17%	6.66%
	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	7.24%	8.03%	6.33%	6.66%	6.14%
	Leverage ratio as if the temporary treatment of unrealized gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	6.89%	7.45%	6.58%	7.17%	6.66%
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
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 (%)				-	-
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d	Leverage ratio buffer requirement (%)					
EU 14e	Overall leverage ratio requirement (%)					
	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	63,809	60,054	49,427	44,429	43,176
EU 16a	Cash outflows - Total weighted value	28,165	25,693	26,324	23,783	23,040
EU 16b	Cash inflows - Total weighted value	13,983	10,085	21,475	21,887	15,320
16	Total net cash outflows (adjusted value)	14,303	15,717	6,581	5,946	7,720
17	Liquidity coverage ratio (%)	446%	382%	751%	747%	559%
	Net Stable Funding Ratio					
18	Total available stable funding	164,967,000	147,615,702	144,783,455	141,759,838	132,820,368
19	Total required stable funding	68,109,843	60,459,909	60,742,403	61,132,908	58,790,858
20	NSFR ratio (%)	242.21%	244.15%	238.36%	231.89%	225.92%

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 (common equity tier 1, additional tier 1 and tier 2) on the one hand and risk-weighted assets (RWA) on the other hand.

Template 4: EU OV1 – Overview of RWAs

RON thous.

		a		b		c
		RWA				Minimum capital requirements
		30.09.2024		30.06.2024		
1	Credit risk (excluding CCR)					
2	Of which the standardised approach	63,119,497		51,744,673		5,049,560
3	Of which the Foundation IRB (F-IRB) approach	63,119,497		51,744,673		5,049,560
4	Of which slotting approach	-		-		-
EU 4a	Of which equities under the simple riskweighted approach	-		-		-
5	Of which the Advanced IRB (A-IRB) approach	-		-		-
6	Counterparty credit risk - CCR	306,740		269,264		24,539
7	Of which the standardised approach	144,768		121,836		11,581
8	Of which internal model method (IMM)	-		-		-
EU 8a	Of which exposures to a CCP	-		-		-
EU 8b	Of which credit valuation adjustment - CVA	161,972		147,428		12,958
9	Of which other CCR	-		-		-
10	Not applicable	-		-		-
11	Not applicable	-		-		-
12	Not applicable	-		-		-
13	Not applicable	-		-		-
14	Not applicable	-		-		-
15	Settlement risk	-		-		-
16	Securitisation exposures in the non-trading book (after the cap)	-		-		-
17	Of which SEC-IRBA approach	-		-		-
18	Of which SEC-ERBA (including IAA)	-		-		-
19	Of which SEC-SA approach	-		-		-
EU 19a	Of which 1250% / deduction	-		-		-
20	Position, foreign exchange and commodities risks (Market risk)	2,642,486		2,540,055		211,399
21	Of which the standardised approach	2,642,486		2,540,055		211,399
22	Of which IMA	-		-		-
EU 22a	Large exposures	13,911,422		12,299,116		1,112,914
23	Operational risk	-		-		-
EU 23a	Of which basic indicator approach	-		-		-
EU 23b	Of which standardised approach	-		-		-
EU 23c	Of which advanced measurement approach	-		-		-
24	Amounts below the thresholds for deduction (subject to 250% risk weight)	-		-		-
25	Not applicable	-		-		-
26	Not applicable	-		-		-
27	Not applicable	-		-		-
28	Not applicable	-		-		-
29	Total	79,980,144		66,853,108		6,398,412

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

RON thous.

		30.09.2024			
		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)
1.00	Credit risk (excluding counterparty credit risk)	-	-	63,119,497	-
2.00	Counterparty credit risk	-	-	144,768	-
3.00	Credit valuation adjustment	-	-	161,972	-
4.00	Securitisation exposures in the banking book	-	-	-	-
5.00	Market risk	-	-	2,642,486	-
6.00	Operational risk	-	-	13,911,422	-
7.00	Residual RWA	-	-	-	-
8.00	Total	-	-	79,980,144	-

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

RON thous.

		a
		30.09.2024
1	Total RWA for CVA at previous quarter-end	147,428
2	Total RWA for CVA at end of reporting period	161,972

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.

Description of the processes used to manage the risk of excessive leverage

Banca Transilvania uses quantitative methods for the evaluation and mitigation of leverage risk. Monitoring and managing risk indicators related to excessive leverage risk takes place on two levels, namely at Board of Director/Leaders Committee and CRO, through periodical reports.

Description of the factors that had an impact on the leverage Ratio during the period to which the disclosed leverage Ratio refers

As at 30.09.2024, the leverage ratio according to the transitional definition decreased slightly from 8.27% at 30.06.2024 to 7.48%, mainly due to the decrease of the leverage ratio on exposures.

Template EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures
RON thous.

		a
		Applicable amount 30.09.2023
1	Total assets as per published financial statements	199,731,327
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	838,052
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	360,559
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)	9,044,832
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
12	Other adjustments	(709,104)
13	Total exposure measure	209,265,666

Template EU LR2 - LRCom: Leverage ratio common disclosure

RON thous.

		a	b
		Applicable amount	Applicable amount
On-balance sheet exposures (excluding derivatives and SFTs)		30.09.2024	30.06.2024
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	200,569,379	178,484,546
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework		
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)		
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)		
5	(General credit risk adjustments to on-balance sheet items)		
6	(Asset amounts deducted in determining Tier 1 capital)	(709,104)	(529,897)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	199,860,275	177,954,648

8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	70,091	62,670
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardized approach		
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	290,469	287,854
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardized approach		
EU-9b	Exposure determined under Original Exposure Method		
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)		
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardized approach)		
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)		
11	Adjusted effective notional amount of written credit derivatives		
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)		
13	Total derivatives exposures	360,559	350,524
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		
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e (5) and 222 CRR		
17	Agent transaction exposures		
EU-17a	(Exempted CCP leg of client cleared SFT exposure)		
18	Total securities financing transaction exposures		
19	Off-balance sheet exposures at gross notional amount	32,514,135	26,713,975
20	(Adjustments for conversion to credit equivalent amounts)	(23,469,303)	(19,315,988)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated associated with off-balance sheet exposures)		
22	Off-balance sheet exposures	9,044,832	7,397,987
EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)		
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))		
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)		
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)		
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))		
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)		
EU-22g	(Excluded excess collateral deposited at triparty agents)		

EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)		
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)		
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)		
EU-22k	(Total exempted exposures)		
23	Tier 1 capital	15,643,698	15,362,583
24	Total exposure measure	209,265,666	185,703,160
25	Leverage ratio	7.48%	8.27%
EU-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		
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)		
EU-26b	of which: to be made up of CET1 capital		
27	Leverage ratio buffer requirement (%)		
EU-27a	Overall leverage ratio requirement (%)		
EU-27b	Choice on transitional arrangements for the definition of the capital measure		
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)		

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

RON thous.

		a
		CRR leverage ratio exposures 30.09.2024
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	200,569,379
EU-2	Trading book exposures	2,118,930
EU-3	Banking book exposures, of which:	198,450,448
EU-4	Covered bonds	-
EU-5	Exposures treated as sovereigns	92,244,779
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	1,576,924
EU-7	Institutions	7,793,690
EU-8	Secured by mortgages of immovable properties	24,803,985
EU-9	Retail exposures	33,379,037
EU-10	Corporates	23,563,819
EU-11	Exposures in default	1,915,535
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	13,172,679

