



Pillar 3 disclosures

31 March 2023



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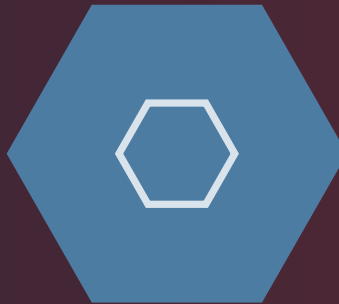
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1 Introduction

Disclosures under the third pillar of the Basel standards have been prepared in accordance with the provisions of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investments firms, including all amendments (CRR), and Commission Implementing Regulation (EU) No 2021/637 laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council (hereinafter: Regulation 2021/637).

SID Bank has the status of other systemically important institution (O-SII), which means that it is treated as a large institution in accordance with Article 4(146)(b) of the CRR. SID Bank has issued bonds that have been admitted for trading on a regulated market. Accordingly, the Bank is bound to the frequency and scope of disclosures set out in Article 433(a) of the CRR.

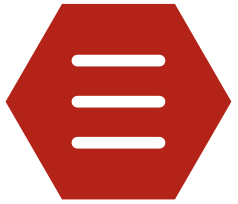
The disclosures are drawn up for SID Bank on an individual basis, as the Bank is not required to meet its prudential requirements under the CRR on a consolidated basis.

The Bank discloses the required data and information in this section in the templates prescribed by Regulation (EU) No 2021/637. That regulation prescribes for each individual template which past comparative periods are disclosed. In accordance with Article 432 of the CRR, a specific template only displays the rows or columns that are relevant for SID Bank. The Bank did not omit any information regarded as proprietary or confidential. The quantitative disclosures in specific templates are in line with the information in the reports sent to the regulator.

All amounts in disclosures are expressed in thousands of euros. The figures as at 31 March 2023 are not audited.

All disclosures for previous periods are published on SID Bank's website (www.sid.si).





2 Statement on the appropriateness of internal procedures and controls

In accordance with Article 431(3) of Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (CRR), the management body, represented by

Borut Jamnik, President of the Management Board and Stanka Šarc Majdič, Member of the Management Board;

by signing this statement confirms that SID Bank has the appropriate formal policies and internal procedures and controls in place, which ensures that the data from the disclosures are appropriate.

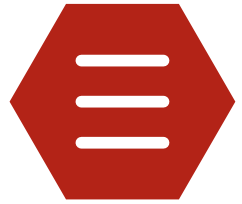
Ljubljana, 23 May 2023

Management Board of SID Banka

Stanka Šarc Majdič
Member

Borut Jamnik
President

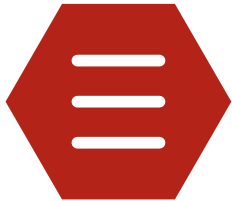




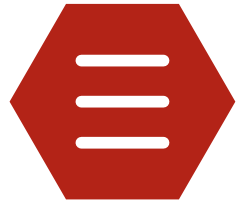
3 Disclosure of key metrics and overview of risk-weighted exposure amounts

3.1 **Template EU KM1 – Key metrics template**
(Article 447(a) to (g) and Article 438(b) of the CRR)

		a	b	c	d	e
		31 Mar 2023	31 Dec 2022	30 Sep 2022	30 June 2022	31 Mar 2022
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	450,464	441,040	440,770	439,940	457,990
2	Tier 1 capital	450,464	441,040	440,770	439,940	457,990
3	Total capital	450,464	441,040	440,770	439,940	457,990
Risk-weighted exposure amounts						
4	Total risk exposure amount	1,686,125	1,735,801	1,683,297	1,642,665	1,660,094
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	26.72%	25.41%	26.18%	26.78%	27.59%
6	Tier 1 ratio (%)	26.72%	25.41%	26.18%	26.78%	27.59%
7	Total capital ratio (%)	26.72%	25.41%	26.18%	26.78%	27.59%
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 (%)	2.25%	2.25%	2.25%	2.25%	2.25%
EU 7b	of which: to be made up of CET1 capital (percentage points)	1.27%	1.27%	1.27%	1.27%	1.27%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	1.69%	1.69%	1.69%	1.69%	1.69%
EU 7d	Total SREP own funds requirements (%)	10.25%	10.25%	10.25%	10.25%	10.25%



		a	b	c	d	e
		31 Mar 2023	31 Dec 2022	30 Sep 2022	30 June 2022	31 Mar 2022
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 (%)	0.00%	0.00%	0.00%	0.00%	0.00%
9	Institution specific countercyclical capital buffer (%)	0.03%	0.02%	0.02%	0.01%	0.02%
EU 9a	Systemic risk buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	Global Systemically Important Institution buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 10a	Other Systemically Important Institution buffer (%)	0.25%	0.25%	0.25%	0.25%	0.25%
11	Combined buffer requirement (%)	2.78%	2.77%	2.77%	2.76%	2.77%
EU 11a	Overall capital requirements (%)	13.03%	13.02%	13.02%	13.01%	13.02%
12	CET1 available after meeting the total SREP own funds requirements (%)	16.47%	15.16%	15.93%	16.53%	17.34%
Leverage ratio						
13	Total exposure measure	3,037,976	3,010,264	2,973,693	2,946,465	2,963,582
14	Leverage ratio (%)	14.83%	14.65%	14.82%	14.93%	15.45%
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 (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14b	of which: to be made up of CET1 capital (percentage points)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)						
EU 14d	Leverage ratio buffer requirement (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14e	Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Liquidity coverage ratio (LCR)						
15	Total high-quality liquid assets (HQLA) (weighted value-average)	575,078	400,309	440,702	374,954	308,873
EU 16a	Cash outflows – total weighted value	33,463	27,723	18,104	20,498	18,483
EU 16b	Cash inflows – total weighted value	33,262	5,661	25,886	16,286	31,589
16	Total net cash outflows (adjusted value)	8,366	22,062	3,017	4,211	3,080
17	LCR (%)	6,874%	1,814%	14,606%	8,904%	10,027%
Net stable funding ratio (NSFR)						
18	Total available stable funding	2,490,135	2,356,416	2,563,441	2,530,476	2,732,002
19	Total required stable funding	1,587,275	1,625,973	1,655,539	1,672,430	1,928,454
20	NSFR (%)	156.88%	144.92%	154.84%	151.31%	141.67%

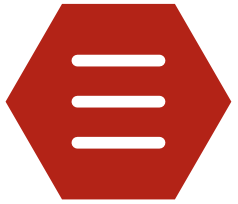


The Bank’s total capital ratio was 26.72% as at 31 March 2023 (31 December 2022: 25.41%). The higher ratio, comparing to the year-end 2022, is mostly due to an increase in the stock of the Bank’s available own funds due to higher value of debt securities measured at fair value through other comprehensive income, recognition of part of the previous year's profit in available own funds and lower total exposure risk amount. Beside overall capital requirement (OCR) ratio, which is 13.03%, the Bank must fulfil the capital requirement from Pillar 2 guidance (P2G) in the amount of 1.50%. The overall capital requirement stood at 14.53% as at 31 March 2023 and still remains well below Bank’s total capital ratio.

The leverage ratio stood at 14.83% as at 31 March 2023 (31 December 2022: 14.65%) and is still well above the regulatory requirement of 3% for the leverage ratio. The liquidity coverage ratio (LCR) stood at 6,874% (31 December 2022: 1,814%). This ratio is quite volatile over time due to the Bank’s specific role as a development institution (see chapter 4.2). The net stable funding ratio (NSFR) was 156.88% (31 December 2022: 144.92%).

3.2 Template EU OV1 – Overview of total risk exposure amounts (Article 438(d) of the CRR)

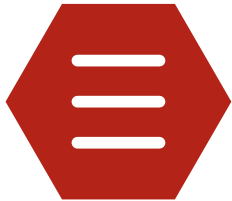
		Total risk exposure amounts (TREA)		Total own funds requirements
		a	b	c
		31 Mar 2023	31 Dec 2022	31 Mar 2023
1	Credit risk (excluding CCR)	1,587,578	1,651,626	127,006
2	of which standardised approach	1,587,578	1,651,626	127,006
6	Counterparty credit risk – CCR	24,691	10,318	1,975
EU 8b	of which credit valuation adjustment – CVA	20,584	8,239	1,647
9	of which other CCR	4,107	2,079	329
23	Operational risk	73,856	73,856	5,909
EU 23a	of which basic indicator approach	73,856	73,856	5,909
24	Amounts below the thresholds for deduction (subject to 250% risk weight)	29,835	32,836	2,387
29	Total (1+6+23)	1,686,125	1,735,801	134,890



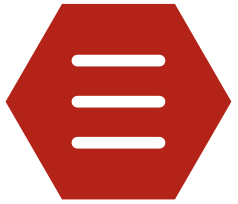
4 Disclosure of liquidity requirements

4.1 Template EU LIQ1 – Quantitative information of LCR (Article 451a(2) of the CRR)

		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on	31 Mar 2023	31 Dec 2022	30 Sep 2022	30 June 2022	31 Mar 2023	31 Dec 2022	30 Sep 2022	30 June 2022
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					403,094	362,393	343,776	340,294
CASH OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	0	0	0	0	0	0	0	0
3	Stable deposits	0	0	0	0	0	0	0	0
4	Less stable deposits	0	0	0	0	0	0	0	0
5	Unsecured wholesale funding	3,972	3,969	15,175	15,400	3,972	3,969	15,175	15,400
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	0	0	0	0	0	0	0	0
7	Non-operational deposits (all counterparties)	3,699	3,697	14,903	15,128	3,699	3,697	14,903	15,128
8	Unsecured debt	272	272	272	272	272	272	272	272
9	Secured wholesale funding					0	0	0	0
10	Additional requirements	114,314	95,291	90,767	105,557	20,951	15,765	14,787	18,727
11	Outflows related to derivative exposures and other collateral requirements	72	44	27	25	72	44	27	25
12	Outflows related to loss of funding on debt products	0	0	0	0	0	0	0	0
13	Credit and liquidity facilities	114,242	95,247	90,741	105,532	20,879	15,721	14,761	18,701
14	Other contractual funding obligations	2,140	2,061	2,391	2,301	807	751	1,094	1,026
15	Other contingent funding obligations	90,558	87,910	84,421	81,297	5,297	5,203	4,724	4,285
16	TOTAL CASH OUTFLOWS					31,027	25,688	35,780	39,438

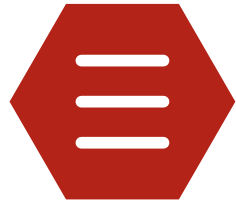


		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on	31 Mar 2023	31 Dec 2022	30 Sep 2022	30 June 2022	31 Mar 2023	31 Dec 2022	30 Sep 2022	30 June 2022
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
CASH INFLOWS									
17	Secured lending (e.g. reverse repos)	0	0	0	0	0	0	0	0
18	Inflows from fully performing exposures	28,544	29,816	40,202	44,558	24,228	25,075	35,413	39,482
19	Other cash inflows	2,763	3,513	3,555	2,565	2,763	3,513	3,555	2,565
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)					0	0	0	0
EU 19b	(Excess inflows from a related specialised credit institution)					0	0	0	0
20	TOTAL CASH INFLOWS	31,308	33,329	43,756	47,123	26,991	28,588	38,968	42,046
EU 20a	Fully exempt inflows	0	0	0	0	0	0	0	0
EU 20b	Inflows subject to 90% cap	0	0	0	0	0	0	0	0
EU 20c	Inflows subject to 75% cap	31,308	33,329	43,756	47,123	26,991	28,588	38,968	42,046
TOTAL ADJUSTED VALUE									
EU 21	LIQUIDITY BUFFER					403,094	362,393	343,776	340,294
22	TOTAL NET CASH OUTFLOWS					14,837	8,937	9,997	10,567
23	LIQUIDITY COVERAGE RATIO					4,902%	6,123%	6,390%	5,214%



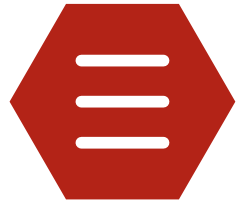
4.2 Table EU LIQB on qualitative information on LCR, which complements template EU LIQ1 (Article 451a(2) of the CRR)

Row number		Qualitative information - Free format
(a)	Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time	The Bank maintains a high liquidity coverage ratio (LCR), which is quite volatile over time due to the Bank's specific role as a development institution and its readiness to intervene as required, and the fact that SID Bank does not accept deposits from the public but rather acquires primarily long-term funding supported by a Slovenian government guarantee. SID Bank obtains funding primarily on international financial markets and at related financial institutions. As a result, the Bank does not have a high stock of outflows in the period of 30 days, which are taken into account in the calculation of the ratio, except for the maturities of long-term funding.
(b)	Explanations on the changes in the LCR over time	
(c)	Explanations on the actual concentration of funding sources	
(d)	High-level description of the composition of the institution`s liquidity buffer.	The liquidity buffer comprises extremely liquid assets and highly liquid assets.
(e)	Derivative exposures and potential collateral calls	The bank uses derivatives in the form of interest rate swaps due to interest risk management. The bank calculates CCR for these transactions using the original exposure method, as set out in Article 282 of the CRR.
(f)	Currency mismatch in the LCR	The amount of assets that make up the liquidity buffer and the amount of liquidity outflows only comprise items denominated in euros. The proportion of liquidity inflows accounted for by other currencies is negligible.
(g)	Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile	-



5 List of templates for quarterly reporting from regulation 2021/637

Article and Annex in Regulation 2021/637	Article in CRR	Template	Reporting frequency	Chapter in disclosures
Annex I: Disclosure of key metrics and overview of risk-weighted exposure amounts				
1.1	article 447(a) to (g) and article 438(b)	EU KM1	Quarterly (article 447)	3.1
1.2	article 438(d)	EU OV1	Quarterly	3.2
Annex XIII: Disclosure of liquidity requirements				
7(b)	article 451a(2)	EU LIQ1	Quarterly	4.1
7(b)	article 451a(2)	EU LIQB	Quarterly	4.2
Annex XXI: Disclosure of the use of the IRB approach to credit risk				
11(d)	article 438(h)	EU CR8	Quarterly	Not relevant – the bank does not use the IRB approach for credit risk
Annex XXV: Disclosure of exposures to counterparty credit risk				
13(g)	article 438(h)	EU CCR7	Quarterly	Not relevant – the bank does not use internal models for calculating CCR
Annex XXIX: Disclosure of the use of standardised approach and internal model for market risk				
15.2(d)	article 438(h)	EU MR2-B	Quarterly	Not relevant – the bank does not use internal models for calculating market risk



List of abbreviations and terms

CCR	Counterparty credit risk
CET1	Common Equity Tier 1 Capital
CRR	Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (with amendments)
CVA	Credit Valuation Adjustment
EU	European Union
HQLA	High-quality liquid assets
IRB	Internal Ratings Based Approach
LCR	Liquidity Coverage Ratio
NSFR	Net Stable Funding Ratio
OCR	Overall capital requirement
O-SII	Other systemically important institutions
P2G	Pillar 2 guidance
SREP	Supervisory Review and Evaluation Process
TREA	Total risk exposure amount



Profile of SID Bank



Company name	SID – Slovenska izvozna in razvojna banka, d.d., Ljubljana
Abbreviated company name	SID banka, d.d., Ljubljana
Registered office	Ulica Josipine Turnograjske 6, 1000 Ljubljana
Registration number	5665493
Tax number	82155135
VAT ID number	SI82155135
IBAN	SI56 3800 0380 0000 039
SWIFT	SIDRSI22
GIIN	66SIIE.99999.SL.705
LEI	549300BZ3GKOJ13V6F87
Website	www.sid.si
E-mail	info@sid.si
Secure electronic mailbox	sid@vep.si
Telephone	+386 (1) 200 75 00
Facebook	www.facebook.com/sid.banka
LinkedIn	www.linkedin.com/company/sid---slovenska-izvozna-in-razvojna-banka-d.d.-ljubljana
YouTube	www.youtube.com/channel/UCK_2pY_T0EiC4PGF36sZJqA

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