



# **Pillar 3 Disclosures 30 June 2023**

**•SDD Banka**

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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. 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.

A detailed overview of the frequency and scope of reporting disclosures in accordance with the CRR, as well as the importance of individual disclosures for SID Bank and the place of publication of a particular disclosure, are indicated on a list in Chapter 15. A list of prescribed templates from Regulation (EU) 2021/637 and information as to whether a template is relevant for SID Bank are presented in Chapter 16.

All amounts in the disclosures are in EUR thousand. The data as at 30 June 2023 are not audited.

All disclosures for previous periods are published on SID Bank's website ([www.sid.si](http://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 board, 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, 12 September 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
		30 June 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022	30 June 2022
	<b>Available own funds (amounts)</b>					
1	Common Equity Tier 1 (CET1) capital	454,645	450,464	441,040	440,770	439,940
2	Tier 1 capital	454,645	450,464	441,040	440,770	439,940
3	Total capital	454,645	450,464	441,040	440,770	439,940
	<b>Risk-weighted exposure amounts</b>					
4	Total risk exposure amount	1,660,980	1,686,125	1,735,801	1,683,297	1,642,665
	<b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>					
5	Common Equity Tier 1 ratio (%)	27.37%	26.72%	25.41%	26.18%	26.78%
6	Tier 1 ratio (%)	27.37%	26.72%	25.41%	26.18%	26.78%
7	Total capital ratio (%)	27.37%	26.72%	25.41%	26.18%	26.78%
	<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 (%)	2.25%	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%
	<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%
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 (%)	0.05%	0.03%	0.02%	0.02%	0.01%
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 (%)	2.80%	2.78%	2.77%	2.77%	2.76%
EU-11a	Overall capital requirements (%)	13.05%	13.03%	13.02%	13.02%	13.01%
12	CET1 available after meeting the total SREP own funds requirements (%)	17.12%	16.47%	15.16%	15.93%	16.53%



		a	b	c	d	e
		30 June 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022	30 June 2022
	<b>Leverage ratio</b>					
13	Total exposure measure	2,834,926	3,037,976	3,010,264	2,973,693	2,946,465
14	Leverage ratio (%)	16.04%	14.83%	14.65%	14.82%	14.93%
	<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 (%)	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%
	<b>Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)</b>					
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%
	<b>Liquidity coverage ratio (LCR)</b>					
15	Total high-quality liquid assets (HQLA) (weighted value-average)	446,755	575,078	400,309	440,702	374,954
EU-16a	Cash outflows – total weighted value	25,274	33,463	27,723	18,104	20,498
EU-16b	Cash inflows – total weighted value	8,612	33,262	5,661	25,886	16,286
16	Total net cash outflows (adjusted value)	16,662	8,366	22,062	3,017	4,211
17	LCR (%)	2,681%	6,874%	1,814%	14,606%	8,904%
	<b>Net stable funding ratio (NSFR)</b>					
18	Total available stable funding	2,457,004	2,490,135	2,356,416	2,563,441	2,530,476
19	Total required stable funding	1,581,984	1,587,275	1,625,973	1,655,539	1,672,430
20	NSFR (%)	155.31%	156.88%	144.92%	154.84%	151.31%

The Bank's total capital ratio stood at 27.37% as at 30 June 2023 (31 March 2023: 26.72%). The rise in the ratio compared with 31 March 2023 was primarily attributable to an increase in the Bank's regulatory capital. Retained earnings for 2022 in the amount of EUR 3,919 thousand were included in the calculation of CET1 capital on 30 June 2023, and hence in total capital, having been allocated to other reserves following confirmation at the general meeting. In addition to meeting the overall capital requirement (OCR), which is 13.05%, the Bank must also meet the capital requirement under Pillar 2 guidance (P2G) in the amount of 1.50%. The

aggregate capital requirement (OCR + P2G) thus amounted to 14.55% as at 30 June 2023, still well below the Bank's total capital ratio.

The leverage ratio stood at 16.04% (31 March 2023: 14.83%), still well above the regulatory requirement of 3%. The liquidity coverage ratio (LCR) stood at 2,681% (31 March 2023: 6,874%). This ratio is quite volatile over time, due to the Bank's specific role as a development institution (see note 7.2). The net stable funding ratio (NSFR) stood at 155.31% (31 March 2023: 156.88%).



### 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
		30 June 2023	31 Mar 2023	30 June 2023
1	Credit risk (excluding CCR)	1,565,597	1,587,578	125,248
2	of which standardised approach	1,565,597	1,587,578	125,248
6	Counterparty credit risk – CCR	21,527	24,691	1,722
EU-8b	of which credit valuation adjustment – CVA	17,707	20,584	1,417
9	of which other CCR	3,820	4,107	306
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)	29,549	29,835	2,364
29	<b>Total (1+6+23)</b>	<b>1,660,980</b>	<b>1,686,125</b>	<b>132,878</b>

## 4 DISCLOSURE OF OWN FUNDS

### 4.1 Template EU CC1 – Composition of regulatory own funds

(Article 437(a), (d), (e) and (f) of the CRR)

		(a)	(b)
		Balance at 30 June 2023	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>			
1	Capital instruments and the related share premium accounts	301,139	EU CC2: Shareholders' Equity, rows 1, 2
	of which: Instrument type 1	301,139	EU CC2: Shareholders' Equity, rows 1, 2
3	Accumulated other comprehensive income (and other reserves)	156,658	EU CC2: Shareholders' Equity, rows 3, 5
6	<b>Common Equity Tier 1 (CET1) capital before regulatory adjustments</b>	<b>457,797</b>	
<b>Common Equity Tier 1 (CET1) capital: regulatory adjustments</b>			
7	Additional value adjustments (negative amount)	(524)	
8	Intangible assets (net of related tax liability) (negative amount)	(1,029)	EU CC2: Assets, row 7
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	(1,324)	EU CC2: Shareholders' Equity, row 6
27a	Other regulatory adjustments	(274)	
28	<b>Total regulatory adjustments to Common Equity Tier 1 (CET1)</b>	<b>(3,151)</b>	
29	<b>Common Equity Tier 1 (CET1) capital</b>	<b>454,645</b>	
<b>Additional Tier 1 (AT1) capital: regulatory adjustments</b>			
45	<b>Tier 1 capital (T1 = CET1 + AT1)</b>	<b>454,645</b>	
<b>Tier 2 (T2) capital: regulatory adjustments</b>			
59	<b>Total capital (TC = T1 + T2)</b>	<b>454,645</b>	
60	<b>Total risk exposure amount</b>	<b>1,660,980</b>	
<b>Capital ratios and requirements including buffers</b>			
61	Common Equity Tier 1 (CET1) capital	27.37%	
62	Tier 1 capital	27.37%	
63	Total capital	27.37%	
64	Institution CET1 overall capital requirements	8.57%	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: countercyclical capital buffer requirement	0.05%	
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	0.25%	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	1.27%	
68	<b>Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements</b>	<b>17.12%</b>	
<b>Amounts below the thresholds for deduction (before risk weighting)</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)	14,917	
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)	11,820	

SID Bank's capital is comprised solely of the highest quality Common Equity Tier 1 capital. SID Bank does not hold any Additional Tier 1 capital or Tier 2 capital instruments.

SID Bank included undistributed retained earnings for year 2022 in the amount of EUR 3,919 thousand in the capital adequacy calculation as at 30 June 2023, which was distributed to other reserves following confirmation at the general meeting.

Regulatory adjustments to capital include a deduction for intangible assets in the amount of EUR 1,029 thousand, a deduction for impairment and provisioning expenses in the current year in the amount of EUR 274 thousand, and a deduction in the amount of EUR 524 thousand as an additional adjustment to the value of assets and liabilities disclosed at fair value due to prudential valuation requirements.

The Bank calculates capital requirements for credit risk according to the standardised approach. To calculate the amounts of risk-weighted exposures for credit risk, the ratings for individual exposure classes are not used; rather risk weights for specific exposure classes are assigned with respect to the

degree of risk of a customer's country. In order to determine the level of credit quality of a central government (Article 114 of the CRR), the Bank uses SID Bank's rating as a nominated ECA, as set out in Article 137 of the CRR.

The Bank uses the basic indicator approach to calculate capital requirements for operational risk (Articles 315 and 316 of the CRR).

The capital requirement for credit valuation adjustment (CVA) risk is calculated using the standardised method, as set out in Article 384 of the CRR.

SID Bank does not hold any positions in the trading book and therefore does not calculate capital requirements for market risk for that purpose. In the scope of market risk, SID Bank only calculates capital requirements for currency risk. SID Bank's exposure to currency risk is low and does not exceed the prescribed regulatory limit for the calculation of the capital requirement for currency risk in accordance with Article 351 of the CRR. The Bank is thus not required to formulate capital requirements for that purpose.

## 4.2 Template EU CC2 – Reconciliation of regulatory own funds to balance sheet in financial statements

(Article 437(a), (d), (e) and (f) of the CRR)

		a	c
		Balance sheet as in financial statements	Reference
		30 June 2023	
<b>Assets – Breakdown by asset classes according to the balance sheet in financial statements</b>			
1	Cash, cash balances at central banks and demand deposits at banks	318,082	
2	Non-trading financial assets mandatorily at fair value through profit or loss	45,226	
3	Financial assets measured at fair value through other comprehensive income	456,456	
4	Financial assets measured at amortised cost	1,788,766	
5	Derivatives - Hedge accounting	5,532	
6	Property, plant and equipment	3,738	
7	Intangible assets	1,029	EU CC1: row 8
8	Other assets	13,131	
9	<b>Total assets</b>	<b>2,631,961</b>	
<b>Liabilities – Breakdown by liability classes according to the balance sheet in financial statements</b>			
1	Financial liabilities measured at amortised cost	2,148,197	
2	Derivatives - Hedge accounting	17,064	
3	Provisions	2,262	
4	Other liabilities	1,956	
5	<b>Total liabilities</b>	<b>2,169,480</b>	
<b>Shareholders' Equity</b>			
1	Capital	300,000	EU CC1: row 1
2	Share premium	1,139	EU CC1: row 1
3	Accumulated other comprehensive income	(36,503)	EU CC1: row 3
4	Retained earnings	0	
5	Other reserves	193,161	EU CC1: row 3
6	(-) Treasury shares	(1,324)	EU CC1: row 16
7	Profit or loss attributable to owners of the bank	6,009	
8	<b>Total shareholders' equity</b>	<b>462,481</b>	

SID Bank is obligated to fulfil regulatory requirements on an individual basis. The data in the above template therefore relate to the

individual statement of financial position of SID Bank as at 30 June 2023, which also represents a financial statement for regulatory purposes.

## 5 DISCLOSURE OF COUNTERCYCLICAL CAPITAL BUFFERS

### 5.1 Template EU CCyB1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

(Article 440(a) of the CRR)

	a	f	g	j	k	l	m
	General credit exposures	Total exposure value	Own funds requirements		Risk-weighted exposure amounts	Own funds requirements weights (%)	Countercyclical buffer rate (%)
	Exposure value under the standardised approach		Relevant credit risk exposures - credit risk	Total			
<b>Breakdown by country:</b>							
Slovenia	1,208,066	1,208,066	97,871	97,871	1,223,390	86.62%	0.00%
Luxembourg	29,792	29,792	3,204	3,204	40,050	2.84%	0.50%
Belarus	22,866	22,866	2,744	2,744	34,299	2.43%	0.00%
Netherlands	18,831	18,831	1,614	1,614	20,180	1.43%	1.00%
France	16,097	16,097	1,288	1,288	16,097	1.14%	0.50%
Other countries*	14,917	14,917	1,193	1,193	14,917	1.06%	0.00%
Ukraine	11,730	11,730	1,408	1,408	17,596	1.25%	0.00%
Germany	11,404	11,404	912	912	11,404	0.81%	0.75%
Ghana	10,272	10,272	1,233	1,233	15,408	1.09%	0.00%
Italy	5,564	5,564	445	445	5,564	0.39%	0.00%
Czech Republic	5,353	5,353	428	428	5,353	0.38%	2.50%
Belgium	2,972	2,972	238	238	2,972	0.21%	0.00%
Rwanda	2,364	2,364	189	189	2,364	0.17%	0.00%
Republic of Kosovo	1,792	1,792	143	143	1,792	0.13%	0.00%
Serbia	807	807	65	65	807	0.06%	0.00%
United States	65	65	5	5	65	0.00%	0.00%
United Kingdom	47	47	4	4	47	0.00%	1.00%
Ireland	41	41	3	3	41	0.00%	0.50%
Switzerland	3	3	0	0	3	0.00%	0.00%
<b>Total</b>	<b>1,362,981</b>	<b>1,362,981</b>	<b>112,988</b>	<b>112,988</b>	<b>1,412,347</b>	<b>100.00%</b>	

\* exposures to supranational organizations

The template discloses the exposures to individual countries in which SID Bank holds credit exposures relevant to the calculation of the Bank's institution-specific countercyclical capital buffer. The relevant credit exposures include all exposure classes under Article 112 of the CRR with the exception of the

exposure classes referred to in points (a) to (f) of the aforementioned article.

The Bank uses the standardised approach to calculate exposure values, and has no exposures included in the trading book or in securitisation positions.

## 5.2 Template EU CCyB2 – Amount of institution-specific countercyclical capital buffer

*(Article 440(b) of the CRR)*

		a
1	Total risk exposure amount	1,660,980
2	Institution specific countercyclical capital buffer rate	0.0497%
3	Institution specific countercyclical capital buffer requirement	826

The Bank's institution-specific countercyclical capital buffer rate stood at 0.0497% as at 30 June 2023, and is calculated as the weighted average of

the applicable countercyclical capital buffer rates used in the countries in which the Bank's relevant credit exposures disclosed in point 5.1 are located.

## 6 DISCLOSURE OF THE LEVERAGE RATIO

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

*(Article 451(1)(b) of the CRR)*

		a
		Applicable amount
1	Total assets as in financial statements	2,631,961
8	Adjustments for derivative financial instruments	13,567
10	Adjustment for off-balance-sheet items (i.e. conversion to credit equivalent amounts of off-balance-sheet exposures)	192,276
12	Other adjustments	(2,878)
13	<b>Total exposure measure</b>	<b>2,834,926</b>

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

*(Article 451(1)(a), (b) and (c) and Article 451(2) and (3) of the CRR)*

		CRR leverage ratio exposure	
		a	b
		30 June 2023	31 Dec 2022
<b>On-balance-sheet exposures (excluding derivatives and SFTs)</b>			
1	On-balance-sheet items (excluding derivatives, SFTs, but including collateral)	2,626,429	2,796,293
6	(Asset amounts deducted in determining Tier 1 capital)	(2,878)	(2,902)
7	<b>Total on-balance-sheet exposures (excluding derivatives and SFTs)</b>	<b>2,623,552</b>	<b>2,793,391</b>
<b>Derivative exposures</b>			
EU-9b	Exposure determined under Original Exposure Method	19,098	10,395
13	<b>Total derivatives exposures</b>	<b>19,098</b>	<b>10,395</b>
<b>Other off-balance-sheet exposures</b>			
19	Off-balance-sheet exposures at gross notional amount	279,046	279,366
20	(Adjustments for conversion to credit equivalent amounts)	(86,771)	(72,888)
22	<b>Off-balance-sheet exposures</b>	<b>192,276</b>	<b>206,478</b>
<b>Capital and total exposure measure</b>			
23	<b>Tier 1 capital</b>	<b>454,645</b>	<b>441,040</b>
24	<b>Total exposure measure</b>	<b>2,834,926</b>	<b>3,010,264</b>
<b>Leverage ratio</b>			
25	Leverage ratio (%)	16.04%	14.65 %
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	16.04%	14.65 %
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	16.04%	14.65 %
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00 %
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00 %
EU-26b	of which: to be made up of CET1 capital	0.00%	0.00 %
27	Leverage ratio buffer requirement (%)	0.00%	0.00 %
EU-27a	Overall leverage ratio requirement (%)	3.00%	3.00 %

The leverage ratio stood at 16.04% as at 30 June 2023, up 1.39% on 31 December 2022 as a result of a decline in the total exposure measure.

SID Bank held no securities financing transactions (SFTs), so the template cites no rows relating to

arithmetic means as the total exposure measure having remained unchanged.

When calculating the total exposure measure and the resulting leverage ratio, the Bank takes account of all exposures in accordance with the CRR.



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

*(Article 451(1)(b) of the CRR)*

		a
		CRR leverage ratio exposures
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	2,626,429
EU-3	Banking book exposures, of which:	2,626,429
EU-5	Exposures treated as sovereigns	820,603
EU-6	Exposures to regional governments, MDBs, international organisations and PSE, not treated as sovereigns	154,460
EU-7	Institutions	419,902
EU-10	Corporates	1,107,179
EU-11	Exposures in default	59,442
EU-12	Other exposures (e.g., equity, securitisations, and other non-credit obligation assets)	64,843

## 7 DISCLOSURE OF LIQUIDITY REQUIREMENTS

### 7.1 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	30 June 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022	30 June 2023	31 Mar 2023	31 Dec 2022	30 Sep 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)					461,019	403,094	362,393	343,776
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	4,300	3,972	3,969	15,175	4,300	3,972	3,969	15,175
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)	4,025	3,699	3,697	14,903	4,025	3,699	3,697	14,903
8	Unsecured debt	275	272	272	272	275	272	272	272
9	Secured wholesale funding					0	0	0	0
10	Additional requirements	133,080	114,314	95,291	90,767	22,724	20,951	15,765	14,787
11	Outflows related to derivative exposures and other collateral requirements	315	72	44	27	315	72	44	27
12	Outflows related to loss of funding on debt products	0	0	0	0	0	0	0	0
13	Credit and liquidity facilities	132,765	114,242	95,247	90,741	22,409	20,879	15,721	14,761
14	Other contractual funding obligations	1,732	2,140	2,061	2,391	359	807	751	1,094
15	Other contingent funding obligations	91,994	90,558	87,910	84,421	5,340	5,297	5,203	4,724
16	TOTAL CASH OUTFLOWS					32,722	31,027	25,688	35,780

		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU-1a	Quarter ending on	30 June 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022	30 June 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022
EU-1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
<b>CASH INFLOWS</b>									
17	Secured lending (e.g. reverse repos)	0	0	0	0	0	0	0	0
18	Inflows from fully performing exposures	19,416	28,544	29,816	40,202	16,110	24,228	25,075	35,413
19	Other cash inflows	2,425	2,763	3,513	3,555	2,425	2,763	3,513	3,555
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	21,841	31,308	33,329	43,756	18,535	26,991	28,588	38,968
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	21,841	31,308	33,329	43,756	18,535	26,991	28,588	38,968
<b>TOTAL ADJUSTED VALUE</b>									
EU-21	LIQUIDITY BUFFER					461,019	403,094	362,393	343,776
22	TOTAL NET CASH OUTFLOWS					17,724	14,837	8,937	9,997
23	LIQUIDITY COVERAGE RATIO					3,820%	4,902%	6,123%	6,390%

## 7.2 Table EU LIQB on qualitative information on LCR, which complements template EU LIQ1

*(Article 451a(2) of the CRR)*

	Qualitative information	
(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.	The bank does not include any other items that are not captured in the LCR disclosure template.

## 7.3 Template EU LIQ2 – Net Stable Funding Ratio

(Article 451a(3) of the CRR)

Template EU LIQ2 as at 30 June 2023:

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
Available stable funding (ASF) items						
1	Capital items and instruments	456,472	0	0	0	456,472
2	Own funds	456,472	0	0	0	456,472
7	Wholesale funding:		142,875	56,304	1,942,892	2,000,532
9	Other wholesale funding		142,875	56,304	1,942,892	2,000,532
11	Other liabilities:	0	6,443	0	0	0
13	All other liabilities and capital instruments not included in the above categories		6,443	0	0	0
14	Total available stable funding (ASF)					2,457,004
Required stable funding (RSF) items						
15	Total high-quality liquid assets (HQLA)					16,723
17	Performing loans and securities:		132,586	103,825	1,556,367	1,463,887
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		41,453	25,244	203,561	220,328
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs		79,874	73,215	1,131,789	1,058,118
22	Performing loans, secured with residential mortgage		2,969	1,454	20,401	0
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		8,291	3,911	200,616	185,441
26	Other assets:	0	28,644	6,054	66,116	85,499
29	NSFR derivative assets		4,247			4,247
30	NSFR derivative liabilities before deduction of variation margin posted		15,750			787
31	All other assets not included in the above categories		8,648	6,054	66,116	80,465
32	Off-balance-sheet items		122,755	10,355	145,936	15,875
33	Total required stable funding (RSF)					1,581,984
34	Net Stable Funding Ratio (%)					155.31%

Template EU LIQ2 as at 31 March 2023:

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
Available stable funding (ASF) items						
1	Capital items and instruments	452,060	0	0	0	452,060
2	Own funds	452,060	0	0	0	452,060
7	Wholesale funding:		218,580	170,786	1,944,272	2,038,075
9	Other wholesale funding		218,580	170,786	1,944,272	2,038,075
11	Other liabilities:	0	6,843	0	0	0
13	All other liabilities and capital instruments not included in the above categories		6,843	0	0	0
14	Total available stable funding (ASF)					2,490,135
Required stable funding (RSF) items						
15	Total high-quality liquid assets (HQLA)					24,770
17	Performing loans and securities:		143,706	112,549	1,536,723	1,453,911
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		59,020	27,382	233,598	253,191
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs		74,964	74,953	1,132,671	1,057,313
22	Performing loans, secured with residential mortgage		2,764	1,416	20,581	0
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		6,958	8,797	149,873	143,406
26	Other assets:	0	28,676	5,732	69,521	89,925
29	NSFR derivative assets		4,903			4,903
30	NSFR derivative liabilities before deduction of variation margin posted		14,355			718
31	All other assets not included in the above categories		9,418	5,732	69,521	84,304
32	Off-balance-sheet items		74,867	85,310	143,672	18,669
33	Total required stable funding (RSF)					1,587,275
34	Net Stable Funding Ratio (%)					156.88%

Template EU LIQ2 as at 31 December 2022:

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
Available stable funding (ASF) items						
1	Capital items and instruments	442,618	0	0	0	442,618
2	Own funds	442,618	0	0	0	442,618
7	Wholesale funding:		349,728	136,947	1,837,535	1,913,798
9	Other wholesale funding		349,728	136,947	1,837,535	1,913,798
11	Other liabilities:	0	6,908	0	0	0
13	All other liabilities and capital instruments not included in the above categories		6,908	0	0	0
14	Total available stable funding (ASF)					2,356,416
Required stable funding (RSF) items						
15	Total high-quality liquid assets (HQLA)					25,967
17	Performing loans and securities:		149,230	149,712	1,555,255	1,500,990
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		47,367	26,860	228,189	246,355
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs		64,527	113,608	1,151,991	1,096,720
22	Performing loans, secured with residential mortgage		1,864	1,807	23,855	0
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		35,471	7,437	151,220	157,915
26	Other assets:	0	27,266	5,536	62,114	80,197
29	NSFR derivative assets		3,524			3,524
30	NSFR derivative liabilities before deduction of variation margin posted		14,710			735
31	All other assets not included in the above categories		9,033	5,536	62,114	75,937
32	Off-balance-sheet items		29,161	65,557	184,648	18,818
33	Total required stable funding (RSF)					1,625,973
34	Net Stable Funding Ratio (%)					144.92%



Template EU LIQ2 as at 30 September 2022:

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
Available stable funding (ASF) items						
1	Capital items and instruments	443,208	0	0	0	443,208
2	Own funds	443,208	0	0	0	443,208
7	Wholesale funding:		21,580	346,769	1,938,301	2,120,233
9	Other wholesale funding		21,580	346,769	1,938,301	2,120,233
11	Other liabilities:	0	5,229	0	0	0
13	All other liabilities and capital instruments not included in the above categories		5,229	0	0	0
14	Total available stable funding (ASF)					2,563,441
Required stable funding (RSF) items						
15	Total high-quality liquid assets (HQLA)					97,397
17	Performing loans and securities:		161,925	100,717	1,549,472	1,472,156
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		65,498	26,915	246,041	266,048
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs		56,608	65,938	1,127,787	1,048,274
22	Performing loans, secured with residential mortgage		1,304	1,617	24,386	0
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		38,515	6,247	151,257	157,834
26	Other assets:	0	25,780	4,482	54,403	70,691
29	NSFR derivative assets		2,670			2,670
30	NSFR derivative liabilities before deduction of variation margin posted		14,675			734
31	All other assets not included in the above categories		8,436	4,482	54,403	67,288
32	Off-balance-sheet items		2,167	56,019	156,711	15,295
33	Total required stable funding (RSF)					1,655,539
34	Net Stable Funding Ratio (%)					154.84%

## 8 DISCLOSURE OF EXPOSURES TO CREDIT RISK AND DILUTION RISK, AND DISCLOSURE OF CREDIT QUALITY

### 8.1 Template EU CR1 – Performing and non-performing exposures and related provisions

(Article 442(c) and (f) of the CRR)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount / nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collaterals and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
005	Cash balances at central banks and other demand deposits	318,082	318,082	0	0	0	0	0	0	0	0	0	0	0	0	0
010	Loans and advances	1,609,534	1,508,966	95,792	98,817	0	94,140	(11,652)	(6,540)	(9,746)	(38,253)	0	(35,852)	0	718,120	54,130
030	General governments	203,754	203,754	0	0	0	0	(25)	(25)	0	0	0	0	0	0	0
040	Credit institutions	287,026	287,026	0	24,088	0	24,088	(289)	(289)	0	(1,222)	0	(1,222)	0	0	22,866
050	Other financial corporations	878	36	842	0	0	0	(84)	0	(84)	0	0	0	0	750	0
060	Non-financial corporations	1,113,073	1,013,805	94,491	74,729	0	70,052	(11,166)	(6,189)	(9,611)	(37,032)	0	(34,630)	0	714,286	31,264
070	of which: SMEs	479,705	404,944	74,761	34,020	0	32,484	(12,235)	(3,993)	(8,243)	(20,000)	0	(19,296)	0	353,098	8,140
080	Households	4,803	4,344	458	0	0	0	(88)	(37)	(51)	0	0	0	0	3,085	0
090	Debt securities	573,440	573,440	0	0	0	0	(212)	(212)	0	0	0	0	0	0	0
110	General governments	370,681	370,681	0	0	0	0	(5)	(5)	0	0	0	0	0	0	0
120	Credit institutions	134,653	134,653	0	0	0	0	(37)	(37)	0	0	0	0	0	0	0
130	Other financial corporations	12,390	12,390	0	0	0	0	(6)	(6)	0	0	0	0	0	0	0

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount / nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collaterals and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
140	Non-financial corporations	55,717	55,717	0	0	0	0	(164)	(164)	0	0	0	0	0	0	0
150	Off-balance-sheet exposures	279,046	279,046	0	0	0	0	(492)	(492)	0	0	0	0		81,618	0
170	General governments	2,607	2,607	0	0	0	0	0	0	0	0	0	0		0	0
180	Credit institutions	58,455	58,455	0	0	0	0	(29)	(29)	0	0	0	0		38,426	0
190	Other financial corporations	18,219	18,219	0	0	0	0	0	0	0	0	0	0		0	0
200	Non-financial corporations	199,765	199,765	0	0	0	0	(463)	(463)	0	0	0	0		43,192	0
220	Total	2,780,102	2,679,534	95,792	98,817	0	94,140	(12,356)	(7,244)	(9,746)	(38,253)	0	(35,852)	0	799,739	54,130

SID Bank disclosed non-performing exposures from loans and other financial assets in the total gross carrying amount of EUR 98,817 thousand as at 30 June 2023. Accumulated impairments and negative changes in fair value due to credit risk amounted to EUR 38,253 thousand in total for non-performing exposures.

Non-performing loans and other financial assets measured at amortised cost amounted to EUR 95,944 thousand (of which loans classed as Stage 3 amounted to

EUR 94,140 thousand, and loans classified as POCI items EUR 1,804 thousand), while loans measured at fair value through other comprehensive income amounted to EUR 2,873 thousand.

The total NPL ratio stood at 5.78% as at 30 June 2023 (31 December 2022: 4.78%).

## 8.2 Template EU CR1-A – Maturity of exposures

(Article 442(g) of the CRR)

		a	b	c	d	e	f
		Net exposure value					
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	624	41,133	312,284	1,304,404	0	1,658,445
2	Debt securities	0	54,800	416,746	101,682	0	573,228
3	<b>Total</b>	<b>624</b>	<b>95,933</b>	<b>729,030</b>	<b>1,406,086</b>	<b>0</b>	<b>2,231,673</b>

## 8.3 Template EU CR2 – Changes in the stock of non-performing loans and advances

(Article 442(f) of the CRR)

		a
		Gross carrying amount
010	<b>Initial stock of non-performing loans and advances</b>	<b>84,994</b>
020	Inflows to non-performing portfolios	24,766
030	Outflows from non-performing portfolios	(10,943)
040	Outflows due to write-offs	(118)
050	Outflows due to other situations	(10,825)
060	<b>Final stock of non-performing loans and advances</b>	<b>98,817</b>

Disclosed in the template are changes in non-performing loans and other financial assets during the first half of the year 2023. The stock of non-performing loans and other financial assets was EUR 98,817 thousand as at 30 June 2023 (31 December 2022: EUR 84,994 thousand). Outflows

due to other situations comprise partial and complete repayment of non-performing loans (EUR 9,017 thousand), liquidation of collateral (EUR 1,786 thousand) and other outflows (EUR 21 thousand).

## 8.4 Template EU CR2a – Changes in the stock of non-performing loans and advances and related net accumulated recoveries

*(Article 442(c) and (f) of the CRR)*

		a	b
		Gross carrying amount	Related net accumulated recoveries
010	<b>Initial stock of non-performing loans and advances</b>	<b>84,994</b>	
020	Inflows to non-performing portfolios	24,766	
030	Outflows from non-performing portfolios	(10,943)	
040	Outflow to performing portfolio	0	
050	Outflow due to loan repayment, partial or total	(9,017)	
060	Outflow due to collateral liquidations	(1,903)	(1,786)
070	Outflow due to taking possession of collateral	0	0
080	Outflow due to sale of instruments	0	0
090	Outflow due to risk transfers	0	0
100	Outflows due to write-offs	(1)	
110	Outflow due to other situations	(21)	
120	Outflow due to reclassification as held for sale	0	
130	<b>Final stock of non-performing loans and advances</b>	<b>98,817</b>	

The outflow due to collateral liquidation in the amount of EUR 1,903 thousand is disclosed in the amount of the gross carrying amount of the claims where the collateral has been liquidated. This amount also includes part of claims in the amount

of EUR 117 thousand that were written off after liquidation of the collateral. The Bank actually received EUR 1,786 thousand from collateral liquidation.

## 8.5 Template EU CQ1 – Credit quality of forborne exposures

(Article 442(c) of the CRR)

		a	b	c	d	e	f	g	h
		Gross carrying amount / nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne		On performing forborne exposures	On non-performing forborne exposures			
			Of which defaulted	Of which impaired			Of which collateral and financial guarantees received on non-performing exposures with forbearance measures		
010	Loans and advances	14,417	43,446	43,446	40,573	3,205	(12,315)	45,182	27,570
060	Non-financial corporations	14,417	43,446	43,446	40,573	3,205	(12,315)	45,182	27,570
100	Total	14,417	43,446	43,446	40,573	3,205	(12,315)	45,182	27,570

## 8.6 Template EU CQ2 – Quality of forbearance

(Article 442(c) of the CRR)

		a
		Gross carrying amount of forbore exposures
010	Loans and advances that have been forbore more than twice	4,913
020	Non-performing forbore loans and advances that failed to meet the non-performing exit criteria	16,359

## 8.7 Template EU CQ4 – Quality of non-performing exposures by geography

(Article 442(c) and (e) of the CRR)

		a	b	c	d	e	f	g
		Gross carrying amount / nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Of which non-performing		Of which subject to impairment				
				Of which defaulted				
010	On-balance-sheet exposures	2,281,791	98,817	98,817	2,278,917	(48,612)		(1,506)
020	Slovenia	1,823,028	51,839	51,839	1,820,153	(46,401)		(1,506)
030	France	67,968	0	0	67,968	(11)		0
040	Spain	50,188	0	0	50,188	(2)		0
050	Germany	52,201	0	0	52,201	(25)		0
060	Italy	36,885	0	0	36,885	(11)		0
070	Other countries	251,521	46,978	46,978	251,521	(2,162)		0
080	Off-balance-sheet exposures	279,046	0	0			(492)	
090	Slovenia	246,190	0	0			(489)	
100	Luxembourg	11,834	0	0			0	
110	Republic of Kosovo	975	0	0			(3)	
120	Netherlands	48	0	0			0	
140	Other countries	20,000	0	0			0	
150	Total	2,560,837	98,817	98,817	2,278,917	(48,612)	(492)	(1,506)

Disclosed in the template are exposures and impairments by individual country with respect to a counterparty's head office. On-balance-sheet exposures in the template include the stock of

loans and other financial assets, and debt securities. Exposures to supranational organisations are disclosed amongst other countries.



## 8.8 Template EU CQ5 – Credit quality of loans and advances to non-financial corporations by industry

(Article 442(c) and (e) of the CRR)

		a	b	c	d	e	f
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing	Of which loans and advances subject to impairment	Of which defaulted		
010	Agriculture, forestry and fishing					0	0
020	Mining and quarrying	5,514	0	0	5,514	(24)	0
030	Manufacturing	438,519	17,828	17,828	438,519	(23,000)	0
040	Electricity, gas, steam and air conditioning supply	160,395	0	0	160,395	(949)	0
050	Water supply	12,624	10,648	10,648	12,624	(387)	0
060	Construction	24,140	704	704	24,140	(1,178)	0
070	Wholesale and retail trade	159,811	7,464	7,464	159,811	(5,486)	0
080	Transportation and storage	150,825	6,082	6,082	150,825	(61)	0
090	Accommodation and food service activities	126,783	9,945	9,945	123,910	(7,806)	(1,506)
100	Information and communication	44,283	12,216	12,216	44,283	(677)	0
110	Financial and insurance activities	0	0	0	0	0	0
120	Real estate activities	5,359	0	0	5,359	(18)	0
130	Professional, scientific and technical activities	37,213	9,839	9,839	37,213	(6,724)	0
140	Administrative and support service activities	14,188	4	4	14,188	(337)	0
150	Public administration and defence, compulsory social security	0	0	0	0	0	0
160	Education	0	0	0	0	0	0
170	Human health services and social work activities	7,064	0	0	7,064	(28)	0
180	Arts, entertainment and recreation	430	0	0	430	(2)	0
190	Other services	652	0	0	652	(14)	0
200	Total	1,187,802	74,729	74,729	1,184,929	(46,692)	(1,506)

## 8.9 Template EU CQ6 – Collateral valuation - loans and advances

(Article 442(c) of the CRR)

		a	b	c	d	e	f	g	h	i	j	k	l	
		Loans and advances												
			Performing		Non-performing									
				Of which past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days	Of which past due > 90 days ≤ 180 days	Of which: past due > 180 days ≤ 1 year	Of which: past due > 1 years ≤ 2 years	Of which: past due > 2 years ≤ 5 years	Of which: past due > 5 years ≤ 7 years	Of which: past due > 7 years	
010	Gross carrying amount	1,708,351	1,609,534	5,290	98,817	66,705	32,112	14,390	2,409	7,570	2,817	3,799	1,127	
020	of which secured	895,062	823,378	4,381	71,684	55,756	15,928	13,479	1,042	1,407	0	0	0	
030	of which secured with immovable property	555,344	534,347	2,004	20,997	19,117	1,880	264	707	909	0	0	0	
040	of which instruments with LTV higher than 60% and lower or equal to 80%	84,569	84,569		0	0	0							
050	of which instruments with LTV higher than 80% and lower or equal to 100%	55,631	52,230		3,401	2,978	424							
060	of which instruments with LTV higher than 100%	231,572	217,503		14,069	13,160	909							
070	Accumulated impairment for secured assets	(49,905)	(11,652)	(245)	(38,253)	(20,131)	(18,123)	(1,417)	(1,690)	(7,273)	(2,817)	(3,799)	(1,127)	
080	Collateral													
090	of which value capped at the value of exposure	594,933	586,486	1,823	8,446	7,736	711	104	310	297	0	0	0	
100	of which immovable property	425,319	417,537	1,823	7,782	7,078	703	104	310	290	0	0	0	
110	of which value above the cap	813,841	793,146	996	20,694	18,662	2,032	876	701	455	0	0	0	
120	of which immovable property	386,664	372,639	996	14,025	12,186	1,839	876	701	261	0	0	0	
130	Financial guarantees received	212,867	166,900	2,266	45,968	33,296	12,672	12,355	317	0	0	0	0	
140	Accumulated partial write-off	0	0	0	0	0	0	0	0	0	0	0	0	

## 9 DISCLOSURE OF THE USE OF CREDIT RISK MITIGATION TECHNIQUES

### 9.1 Template EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

(Article 453(f) of the CRR)

		Unsecured carrying amount	Secured carrying amount			
				Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
		a	b	c	d	e
1	Loans and advances	936,100	772,251	594,045	178,206	0
2	Debt securities	573,440	0	0	0	
3	Total	1,509,540	772,251	594,045	178,206	0
4	of which non-performing exposures	44,686	54,130	8,463	45,668	0
EU-5	of which defaulted	44,686	54,130			

Disclosed in the template is the carrying amount of unsecured and secured loans and debt securities, taking into account all accepted collateral.

SID Bank uses collateral to reduce capital requirements for credit risk for exposures secured by financial assets or guarantees received from EU funds and institutions. The value of collateral that SID Bank used to reduce capital requirements for credit risk, according to the balance as at 30 June

2023, amounted to EUR 107,727 thousand. Of that amount, EUR 38,426 thousand was accounted for by European Cohesion Policy funds pledged as collateral for portfolio guarantees, while the remaining amount of EUR 69,302 thousand was accounted for by guarantees from the Pan-European Guarantee Fund.

SID Bank does not use derivatives for managing capital requirements.

## 10 DISCLOSURE OF THE USE OF THE STANDARDISED APPROACH

### 10.1 Template EU CR4 – Standardised approach – Credit risk exposure and CRM effects

*(Article 453(g), (h) and (i), and Article 444(e) of the CRR)*

	Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
		a	b	c	d	e	f
1	Central governments or central banks	734,735	0	734,735	38,426	34,116	4.41%
2	Regional government or local authorities	130,945	2,607	130,945	1,303	26,450	20.00%
3	Public sector entities	23,515	0	23,515	0	4,703	20.00%
4	Multilateral development banks	1,664	20,000	70,965	20,000	4,000	4.40%
5	International organisations	14,903	0	14,903	0	0	0.00%
6	Institutions	419,902	38,426	419,902	0	83,980	20.00%
7	Corporates	1,175,359	199,302	1,107,179	114,327	1,221,506	100.00%
10	Exposures in default	60,563	0	59,442	0	83,731	140.86%
14	Collective investment undertakings	43,859	18,219	43,859	18,219	87,155	140.40%
15	Equity	14,917	0	14,917	0	14,917	100.00%
16	Other items	5,038	0	5,038	0	5,038	100.00%
17	<b>TOTAL</b>	<b>2,625,400</b>	<b>278,554</b>	<b>2,625,400</b>	<b>192,276</b>	<b>1,565,597</b>	<b>55.56%</b>

The template discloses exposures before CCF and CRM, exposures after CCF and CRM, RWAs and the average risk weight solely for the exposure classes in which SID Bank holds classified exposures and for which it calculates RWAs for credit risk. It

discloses the value of RWAs for on- and off-balance-sheet exposures, without taking account of exposure to derivatives for which counterparty credit risk is calculated.

## 10.2 Template EU CR5 – Standardised approach

*(Article 444(e) of the CRR)*

	Exposure classes	Risk weight						Total	Of which unrated
		0 %	20 %	100 %	150 %	250 %	Other		
		a	e	j	k	l	o	p	q
1	Central governments or central banks	738,503	22,838	0	0	11,820	0	<b>773,161</b>	773,161
2	Regional governments or local authorities	0	132,249	0	0	0	0	<b>132,249</b>	132,249
3	Public sector entities	0	23,515	0	0	0	0	<b>23,515</b>	23,515
4	Multilateral development banks	70,965	20,000	0	0	0	0	<b>90,965</b>	90,965
5	International organisations	14,903	0	0	0	0	0	<b>14,903</b>	14,903
6	Institutions	0	419,902	0	0	0	0	<b>419,902</b>	419,902
7	Corporates	0	0	1,221,506	0	0	0	<b>1,221,506</b>	1,221,506
10	Exposures in default	0	0	10,864	48,578	0	0	<b>59,442</b>	59,442
14	Collective investment undertakings	0	0	0	45,859	0	16,219	<b>62,078</b>	62,078
15	Equity	0	0	14,917	0	0	0	<b>14,917</b>	14,917
16	Other items	0	0	5,038	0	0	0	<b>5,038</b>	5,038
17	<b>TOTAL</b>	<b>824,371</b>	<b>618,504</b>	<b>1,252,324</b>	<b>94,437</b>	<b>11,820</b>	<b>16,219</b>	<b>2,817,676</b>	2,817,676

The template discloses the value of on- and off-balance-sheet exposures after application of CCF and after consideration of CRM with regard to the assigned risk weight. Only exposure classes in

which SID Bank holds classified exposures are disclosed. The template does not disclose exposure to derivatives for which counterparty credit risk is calculated.

## 11 DISCLOSURE OF EXPOSURE TO COUNTERPARTY CREDIT RISK

### 11.1 Template EU CCR1 – Analysis of CCR exposure by approach

(Article 439(f), (g) and (k) of the CRR)

		a	b	c	d	e	f	g	h
		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU-1	EU - Original Exposure Method (for derivatives)	5,532	8,110		1.4	19,098	19,098	19,098	3,820
6	<b>Total</b>					<b>19,098</b>	<b>19,098</b>	<b>19,098</b>	<b>3,820</b>

In order to manage interest rate risk SID Bank concludes swap transactions. In order to calculate counterparty credit risk exposure from these

transactions the Bank uses the original exposure method in accordance with Article 282 of the CRR.

### 11.2 Template EU CCR2 – Transactions subject to own funds requirements for CVA risk

(Article 439(h) of the CRR)

		a	b
		Exposure value	RWEA
4	Transactions subject to the standardised method	19,098	17,707
5	<b>Total transactions subject to own funds requirements for CVA risk</b>	<b>19,098</b>	<b>17,707</b>

SID Bank calculates the capital requirement for credit valuation adjustment (CVA) according to a

standardised method in accordance with Article 384 of the CRR.

### 11.3 Template EU CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights

(Article 439(l) referring to Article 444(e) of the CRR)

	Exposure classes	Risk weight	
		e	l
		20%	Total exposure value
6	Institutions	19,098	19,098
11	<b>Total exposure value</b>	<b>19,098</b>	<b>19,098</b>

SID Bank concludes transactions in derivatives solely with other institutions, for which reason only those exposure classes where counterparty credit

risk is calculated are disclosed in the template. The risk weight at which the RWAs for counterparty credit risk (CCR) are calculated is disclosed.

## 11.4 Template EU CCR5 – Composition of collateral for CCR exposures

(Article 439(e) of the CRR)

		a	b	c	d
		Collateral used in derivative transactions			
	Collateral type	Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	0	0	0	15,779
9	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,779</b>

SID Bank has not concluded securities financing transactions (SFT). The Bank's derivative transactions only include collateral in the form of

funds in the domestic currency to provide initial collateral.



## 12 DISCLOSURE OF EXPOSURE TO INTEREST RATE RISK ON POSITIONS NOT INCLUDED IN THE TRADING BOOK

### 12.1 Template EU IRRBB1 – Interest rate risks of non-trading book activities

*(Article 448(a) and (b) of the CRR)*

Supervisory shock scenarios		a	b	c	d
		Changes of the economic value of equity ( $\Delta$ EVE)		Changes of the net interest income ( $\Delta$ NI)	
		30 June 2023	31 Dec 2022	30 June 2023	31 Dec 2022
1	Parallel up	(13,061)	(11,427)	1,796	1,455
2	Parallel down	7,297	11,896	(3,592)	(1,455)
3	Steeper	0	962		
4	Flatter	(1,724)	(2,717)		
5	Short rates up	(5,610)	(5,922)		
6	Short rates down	3,004	6,138		

Exposure to interest rate risk in the banking book derives primarily from the portfolio of long-term debt securities and loans granted with a fixed interest rate on the asset side, and issued securities and loans received with a fixed interest rate on the liability side. As at 30 June 2023 the Bank held four interest rate swaps for fair value hedges of asset items in the total contractual amount of EUR 65,000 thousand, and three interest rate swaps for fair value hedges of liability items in the total contractual amount of EUR 315,000 thousand. All hedging relationships were effective according to hedge accounting rules as at 30 June 2023.

The results of sensitivity analysis of the economic value of equity (EVE) according to data as at 30 June 2023 indicate that the Bank would incur the most severe potential loss in EVE in the scenario of a parallel shift in interest rates of +200 basis points, in the amount of EUR 13,061 thousand, equivalent to 2.9% of Common Equity Tier 1 capital. The increase in the loss compared with 31 December 2022 is primarily attributable to purchases of debt securities measured at amortised cost. In March 2023 the Bank issued a seven-year fixed-rate bond

in the amount of EUR 140 million, and concluded an interest rate swap in the same amount as a fair value hedge for the issued bonds. The resulting impact on EVE was thus immaterial.

Were market interest rates to rise by 200 basis points, SID Bank's net interest income in the income statement would increase by EUR 1,796 thousand over one year according to data as at 30 June 2023. Were market interest rates to fall by 200 basis points, net interest income would decline by EUR 3,592 thousand over the period of one year, or 0.8% of Common Equity Tier 1 capital. This is the largest decline in net interest income under any of the six adverse scenarios for market interest rates.

By 30 June 2023 the Bank had upgraded its internal methodology for measuring IRRBB to comply with the new EBA guidelines. The results of the sensitivity analysis of net interest income and the economic value of equity in the case of parallel upward and downward interest rate shocks are not of directly comparable size, as the positive result (gain) has a factor of 0.5 applied, while the negative result (loss) has a factor of 1.0 applied.

### 13 DISCLOSURE OF USE OF STANDARDISED APPROACH AND INTERNAL MODEL FOR MARKET RISK

SID Bank does not hold any positions in the trading book and therefore does not calculate capital requirements for position risk in debt instruments and position risk in equities.

In the scope of market risk, SID Bank only calculates capital requirements for currency risk in accordance with the CRR. The Bank's exposure to currency risk is low and does not exceed the prescribed regulatory limit for the calculation of

the capital requirement for currency risk in accordance with Article 351 of the CRR. It is thus not required to formulate capital requirements for currency risk.

Total risk exposure amount for market risk amount to zero. The Bank thus does not disclose template EU MR1 – Market risk under the standardised approach.

## 14 DISCLOSURE OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISKS (ESG RISKS)

*(Article 449(a) of the CRR)*

### 14.1 Qualitative information on environmental risk

	Business strategy and processes	
(a)	The institution's business strategy to integrate environmental factors and risks, taking into account the impact of environmental factors and risks on the institution's business environment, business model, strategy and financial planning.	<p>SID Bank's development strategy for 2023-2025 addresses environmental and climate risks from the perspective of dual materiality:</p> <ul style="list-style-type: none"> <li>• via the effects of its financing on sustainable development of the economy</li> <li>• via the impact of the treatment and management of environment and climate risks on its performance</li> </ul> <p>Environmental and climate aspects are identified at the operational level, by adjusting the business model, and managing environmental and climate risks. The environmental and climate aspects of SID Bank's operations are also integrated into all its sub-strategies:</p> <ul style="list-style-type: none"> <li>• risk management strategy and policies</li> <li>• information technology strategy</li> <li>• HR strategy</li> </ul>
(b)	Objectives, targets and limits to assess and address environmental risk in short-, medium-, and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes.	<p>The business model is defined by the ZSIRB, which limits SID Bank's operational framework to the segment of market gaps. The gap in financing the economy's transition to more sustainable forms of business models by focusing on carbon-neutral operations is particularly highlighted. The guiding principle in terms of implementing SID Bank's mandate is to ensure that its developmental role is pursued in parallel with its countercyclical role. The strategy defines environmentally sustainable financing as one of the core elements of the Bank's development role.</p> <p>The structure of SID Bank's business model ensures long-term operational viability. As part of comprehensive risk management, the strategy provides for the further building of the system for assessing and managing climate and environmental risks (transition risks and physical risks alike). The embedding of climate and environmental risks into the ICAAP, and the establishment of a link between key indicators of climate and environmental risks and risk appetite are envisaged at the strategy level.</p>

		<p>Within the framework of the development strategy for 2023-2025 SID Bank sets short-, medium- and long-term mandated objectives in the area of sustainable business. The short term envisages an upgrade to the methodology and tools for speeding up action to assist firms in reducing their exposure to transition risks. The medium term envisages an upgrade to financing programmes with the green component of rules to promote environmentally sustainable financing. The long term envisages the inclusion of the green component to promote environmentally sustainable financing in all financing programmes (new and old). The business model provides for the identification and non-financing of excluded sectors.</p> <p>General climate risk objectives are set as part of the strategic and operational planning process, and are defined as performance indicators. Two indicators have been put in place to monitor environmental and climate risks: (1) as a strategic objective: the average ESG risk assessment for new loans, and (2) as a sustainability objective: reducing SID Bank's carbon footprint by 2030. Annual upgrades and an expansion of the selection of strategic and sustainable objectives relating to environmental and climate risks have been envisaged for the upcoming strategic operational planning cycles.</p> <p>In its sustainable financing policy SID Bank has set the goal of achieving climate neutrality by 2050 inclusive.</p> <p>The limitations in assessing and addressing environmental and climate risks mainly relate to poor data availability, and the lack of historical links between firms' transition activities, physical climate events and firms' financial performance.</p>
(c)	Current investment activities and (future) investment targets towards environmental objectives and EU Taxonomy-aligned activities.	In 2022 SID Bank implemented environmentally sustainable financing programmes (the programme for financing investment projects contributing to the transition to a circular economy, and the loan programme for financing projects for comprehensive energy renovation of public buildings from the Fund of Funds). SID Bank designed a new environmentally sustainable financing programme in 2023 by utilising the InvestEU guarantee with support from the EIF.
(d)	Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce environmental risks.	<p>The issuance of a green bond has also been envisaged for the provision of funding to implement these environmentally sustainable financing programmes.</p> <p>SID Bank has adopted a sustainable financing policy that sets out the framework for a gradual transition to sustainable financing in accordance with the objectives of the Paris Agreement, and has put in place a framework for introducing other elements of ESG risk management at the transaction level. The policy also defines the excluded sectors that fail to comply with the environmental and climate targets, and the sectors that are classed as environmentally sustainable.</p>

	Governance	
(e)	Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of environmental risk management covering relevant transmission channels.	<p>At SID Bank content relating to sustainability and environmental and climate risks is integrated into the management board and at the level of executive functions. The management board approves the development strategy, the strategic policies, and the risk management strategy and policies. The management board is briefed quarterly on the achievement of sustainability objectives and environmental and climate risk targets through the quarterly strategic objective reports and the quarterly risk report. The supervisory board is also briefed on these reports.</p> <p>Until May 2023 SID Bank had a sustainable development committee, which was responsible for steering the sustainable development concept at the Bank and integrating it into its actions. The powers of the sustainable development committee were transferred to the management body and to the asset and liability committee in June 2023.</p>
(f)	Management body's integration of short-, medium- and long-term effects of environmental factors and risks, organisational structure both within business lines and internal control functions.	
(g)	Integration of measures to manage environmental factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body covering relevant transmission channels.	
(h)	Lines of reporting and frequency of reporting relating to environmental risk	<p>Reporting on environmental and climate risks is undertaken within the framework of the risk report, which is submitted quarterly to the management board and the supervisory board for information purposes. The report also contains a section on ESG risks, with a focus on environmental risks.</p> <p>For reporting ESG transition risks, SID Bank uses a methodology based on climate policy relevant sectors (CPRS), i.e. sectors that are exposed to higher transition risk in the context of environmental risks. Exposures to CPRS at SID Bank are compared in regular reports to exposures to non-financial corporations at the level of EU banks and at the level of Slovenian banks.</p>
(i)	Alignment of the remuneration policy with the institution's environmental risk-related objectives.	The implementation of the Bank's policy and practices for awarding variable remuneration is directly or indirectly linked to the achievement of the set strategic indicators in the area of ESG and sustainability, for members of the management board (taking account of the remuneration policy for members of the management body and the methodology for determining their variable remuneration) and for all other employees (taking account of the remuneration policy, the company-level collective agreement, and the methodology for determining variable remuneration and the performance-based component of remuneration).

	Risk management	
(j)	Integration of short-, medium- and long-term effects of environmental factors and risks in the risk management framework.	<p>SID Bank defines and monitors its activities and exposures that are sensitive and susceptible to environmental risks within the framework of ESG risk mitigation at the level of the RAF.</p> <p>In its ICAAP weighting SID Bank treated exposures to obligors whose business activities encompass the sale and/or processing of fossil fuels as exposures associated with particularly high risk. These exposures are therefore provisionally treated the same as exposures associated with particularly high risk under the standardised approach to the calculation of capital requirements for credit risk.</p>
(k)	Definitions, methodologies and international standards on which the environmental risk management framework is based.	<p>When identifying ESG factors and their associated risks, SID Bank takes account of its strategy, mandate, sustainability commitments, environmental and climate objectives, and the relevance of the factor in terms of the materialisation of risks in the future. Within the framework of ESG factors, SID Bank interprets environmental (E) factors to mean greenhouse gas emissions, energy efficiency, water consumption, wastewater management, waste management, biodiversity and healthy ecosystems, air quality, and adaptation to climate change.</p> <p>In drawing up the set of ESG risk factors, SID Bank followed the SASB and EBA standards for the interpretation of ESG factors. In the definition of ESG risks at the level of the individual transaction, SID Bank has developed its own methodology for formulating an ESG risk assessment.</p>
(l)	Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to environmental risks, covering relevant transmission channels.	<p>SID Bank initiated several activities in 2022 to identify a broader range of ESG risks that it faces, in particular the environmental and climate risks inherent in lending, and has taken the first steps in managing those risks, which include:</p> <ul style="list-style-type: none"> <li>• Identifying exposure to environmental and climate risks at the financing level is put in place as part of the investment approval process, with an assessment of the customer in terms of ESG factors. An ESG questionnaire is conducted at firms with exposures of more than EUR 300 thousand, and an ESG risk assessment is drawn up. The ESG questionnaire gathers information from firms about their carbon footprint, emission allowance costs, planned investments in energy efficiency improvements, exposure to physical climate risks and the likelihood of an impact on operating revenues.</li> <li>• During approval of an investment for transactions where real estate is provided as collateral, information on the energy performance certificate of the building pledged as collateral or its energy class is obtained from the valuation report.</li> <li>• In order to determine the exposure to physical climate risks at the portfolio level, a model is used to assess firms' exposure to physical climate risks according to geographical maps of the probability of a natural event.</li> </ul>

(m)	Activities, commitments and exposures contributing to mitigate environmental risks.	<p>SID Bank defines and monitors its activities and exposures that are sensitive and susceptible to environmental risks within the framework of ESG risk mitigation at the level of the RAF, where a limit is set on exposure to CPRS (fossil fuels). A dynamic annual reduction in exposure to these sectors (investments that will be recognised as environmentally sustainable will be excluded from the limit even if classified as CPRS).</p> <p>Improving the average ESG risk assessment of new loans with regard to the average ESG assessment of the portfolio is set as a strategic objective.</p> <p>SID Bank has defined excluded sectors in its sustainable financing policy. SID Bank does not finance sectors, investments and projects based on the extraction, sale and use of coal (all activities under NACE 05, NACE 35.3 and NACE 35.11, if they use coal in their activities). Exceptionally financing may be obtained by a firm where the implementation of the project/investment for which the firm received financing from SID Bank contributes to reducing environmental pollution, provided that it does not extend the useful life of a plant where coal is used or increase its capacity. The financing of CCUS technologies is also allowed.</p> <p>In its purchases of new liquid securities SID Bank excludes purchases of securities in the fossil fuels sector, except in the case of specific measures in the Slovenian economy that are specifically approved by the credit committee.</p>
(n)	Implementation of tools for identification, measurement and management of environmental risks.	<p>The basic tool for obtaining information about environmental factors is the ESG questionnaire that SID Bank conducts at firms with exposure of more than EUR 300 thousand. An ESG risk assessment tool has been developed for assessing ESG risks at individual firms, and converts the responses to the ESG questionnaire into an ESG risk assessment. For firms where no data on exposure to physical climate risks is available, SID Bank uses a geographic and sector-based model to assess their exposure to chronic climate risks with regard to the probability of a natural event.</p>
(o)	Results and outcome of the risk tools implemented and the estimated impact of environmental risk on capital and liquidity risk profile.	<p>SID Bank embarked on several activities in 2022 to identify the broader set of ESG risks that it faces. These are primarily environmental and climate risks inherent in lending, where the Bank has taken the first steps to manage these risks within the framework of internal stress tests and within the framework of the ICAAP.</p> <p>In its ICAAP weighting SID Bank treated exposures to obligors whose business activities encompass the sale and/or processing of fossil fuels as exposures associated with particularly high risk. These exposures are provisionally treated the same as exposures associated with particularly high risk under the standardised approach to the calculation of capital requirements for credit risk.</p> <p>In 2023 SID Bank will also include customers with high CO<sub>2</sub> emissions in the ICAAP, and will conduct a stress test of the sensitivity of ratings to the rise in emission allowances for customers included in the Emissions Trading System.</p>

(p)	Data availability, quality and accuracy, and efforts to improve these aspects.	SID Bank obtains the majority of its data on environmental and climate risks directly from customers on the basis of the ESG questionnaire. The ESG questionnaire is updated annually, with new questions added in line with needs and the regulatory changes to reporting by non-financial corporations. The framework of the organisational structure and the positioning of ESG functions in the Bank's complete structure and organisation are also being formulated and updated.
(q)	Description of limits to environmental risks (as drivers of prudential risks) that are set, and triggering escalation and exclusion in the case of breaching these limits.	SID Bank implements restrictive measures at multiple levels. When approving an investment operation, SID Bank also assesses the firm from the perspective of ESG. The report on ESG risks sets out an individual risk assessment for an investment operation on a comparative basis with regard to the ESG risk assessment for the portfolio.
(r)	Description of the link (transmission channels) between environmental risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework.	<p>SID Bank has conducted analysis of the materiality of environmental risks for individual categories of risk. It found environmental risks to be of high materiality in the management of credit risk and reputation risk, but low materiality in the management of market risks and operational risks.</p> <p>Transmission channels for environmental risks to:</p> <ul style="list-style-type: none"> <li>• Credit risk: SID Bank has passed a proposal for the transfer and inclusion of ESG assessments in ratings. The inclusion of new ESG issues has also changed the methodology for calculating ESG risks, and consequently the model assessments of ESG risks. SID Bank will classify customers into groups of low, medium or high ESG risks on the basis of the ESG risk assessment process. ESG assessments will also be included in the risk appetite, and in the ICAAP framework via ratings.</li> <li>• Market risk: SID Bank has conducted analysis of government and central bank instruments on the basis of the climate change performance index (CCPI), and analysis of green securities.</li> <li>• Operational risk: In selecting the backup location for data centres, locations outside of flood zones are chosen in public tenders.</li> <li>• Reputation risk: Disclosures on the management of ESG risks and sustainability reporting and environmental indicators have all been put in place.</li> </ul>



## 14.2 Qualitative information on social risk

	Business strategy and processes	
(a)	Adjustment of the institution's business strategy to integrate social factors and risks, taking into account the impact of social factors and risks on the institution's business environment, business model, strategy and financial planning.	<p>SID Bank's business model is generally defined by the ZSIRB, which directs SID Bank's operational framework to the segment of market gaps. There is a particular focus on the gaps in the following areas of financing as gaps in connection with the social aspects of operation:</p> <ul style="list-style-type: none"> <li>• the commercial sector, with a special emphasis on small and medium-size enterprises, entrepreneurship and venture capital, primarily with the aim of financing entrepreneurial projects in all stages of development, introducing new financial/insurance schemes, creating possibilities for the establishment of new firms, and inclusion in tasks and programmes organised by providers from the entrepreneurial, innovative and financial environments;</li> <li>• research, development and innovation, primarily with the aim of promoting competition and development in the framework of national research and development programmes, promoting innovation and stimulating research and development activities and knowledge-sharing, and providing different types of support for the organisers of projects that involve product development, production processes and services;</li> <li>• education, primarily with the aim of promoting and raising the level of education, knowledge and knowledge management, and encouraging the necessary retraining and acquisition of specific knowledge;</li> <li>• employment, in part with the aim of providing incentives to firms for the employment of individuals with the specialist qualifications and skills required for growth or employee retraining;</li> <li>• regional development, primarily with the aim of ensuring balanced development at the national, regional and local levels, reducing gaps in economic development and other activities, where SID Bank can link up with other entities involved in and dedicated to the achievement of public objectives in the area of regional development and rural development, through the use of various combined financial engineering instruments;</li> <li>• housebuilding, primarily with the aim of ensuring adequate housing capacity, and promoting the construction, renovation and maintenance of flats and houses for certain population groups, together with the provision of an environment and circumstances that make for decent living conditions;</li> <li>• commercial and public infrastructure, and municipal and regional development, primarily with the aim of improving logistics, public utilities and other infrastructure, while SID Bank additionally provides guarantee, financial and public-private partnership schemes for the construction of this infrastructure, e.g. for the rebuilding, development and renovation of cities; and</li> <li>• development projects in developing countries.</li> </ul>

		The guiding principle in terms of implementing SID Bank's mandate is to ensure that its developmental role is pursued in parallel with its countercyclical role.
(b)	Objectives, targets and limits to assess and address social risk in short-term, medium-term and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes.	In support of its sustainability activities, SID Bank sets short-term social risk objectives in the context of its own operations, including objectives related to employees involved in education and training (including mandatory training), objectives related to expenditure for training and development of employees, and objectives related to gender diversity in management positions.
(c)	Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce socially harmful activities.	Identifying exposure to social risks at the financing level is put in place as part of the investment approval process, with an assessment of the customer in terms of ESG factors. An ESG questionnaire is conducted at firms with exposures of more than EUR 300 thousand, and an ESG risk assessment is drawn up.  The ESG questionnaire obtains data from firms about employee turnover, employee training, high-skilled workers, labour unrest, the minimum wage, lawsuits for violations of labour rights and discrimination, sick leave and the proportion of women in management positions.
<b>Governance</b>		
(d)	Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of social risk management covering counterparties' approaches to:	At SID Bank sustainability management, including social risks, is embedded at the level of the management board, and in the executive management pillar, which is responsible for the area of sustainable development. The management board adopts general strategic guidelines and policies, monitors risks, and oversees the implementation of the strategy and policies. The management board is responsible for monitoring and implementing the strategy and policies in the area of social sustainability.  The management board discusses and adopts reports in the area of sustainable financing and insurance that are concerned with changing and new legislation, sustainable financing and performance.  Risk management is organised by function, with the responsibility to oversee risks, including social risks.
(i)	activities for the community and society;	
(ii)	employee relationships and labour standards;	
(iii)	customer protection and product responsibility;	
(iv)	human rights.	
(e)	Integration of measures to manage social factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body.	

(f)	Lines of reporting and frequency of reporting relating to social risk.	A report on the achievement of strategic objectives, which includes the achievement of social sustainability objectives, is submitted to the management body and supervisory board on a quarterly basis.
(g)	Alignment of the remuneration policy in line with the institution's social risk-related objectives.	The implementation of the Bank's policy and practices for awarding variable remuneration is directly or indirectly linked to the achievement of the set strategic indicators in the area of ESG and social sustainability, for members of the management board (taking account of the remuneration policy for members of the management body and the methodology for determining their variable remuneration) and for all other employees (taking account of the remuneration policy, the company-level collective agreement, and the methodology for determining variable remuneration and the performance-based component of remuneration).
<b>Risk management</b>		
(h)	Definitions, methodologies and international standards on which the social risk management framework is based.	<p>When identifying ESG factors and their associated risks, SID Bank takes account of its strategy, mandate, sustainability commitments and the relevance of the factor in terms of the materialisation of risks in the future. SID Bank interprets social (S) factors within the framework of ESG factors as community relationships and accessibility, employee relationships (internships, occupational health and safety, engagement and performance of employees), customer relationships (customer privacy, data protection, customer welfare), and product quality and safety.</p> <p>In drawing up the set of ESG risk factors, SID Bank followed the SASB and EBA standards for the interpretation of ESG factors. In the definition of ESG risks at the level of the individual transaction, SID Bank has developed its own methodology for formulating an ESG risk assessment.</p>
(i)	Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to social risk, covering relevant transmission channels.	SID Bank initiated several activities in 2022 to identify a broader range of ESG risks that it faces, including social risks inherent in lending, and has taken the first steps in managing those risks, including identifying exposure to social risks at the level of financing within the framework of the investment approval process with a customer assessment from the perspective of ESG factors. An ESG questionnaire is conducted at firms with exposures of more than EUR 300 thousand, and an ESG risk assessment is drawn up. The ESG questionnaire obtains data from firms in the area of social factors about employee turnover, employee training, high-skilled workers, labour unrest, the minimum wage, lawsuits for violations of labour rights and discrimination, sick leave and the proportion of women in management positions.
(j)	Activities, commitments and assets contributing to mitigate social risk.	SID Bank is a signatory to the commitment to uphold human rights in business. The commitment is based on generally accepted international human rights guidelines, which are regulated at the national level by the National Action Plan of the Republic of Slovenia on Business and Human Rights. By signing this instrument SID Bank has committed itself as a firm to complying with measures in connection with respect for human rights throughout the entire business process, and avoiding and preventing potential negative impacts.

(k)	Implementation of tools for identification and management of social risk.	The Bank uses the ESG questionnaire with the ESG risk assessment as a tool for identifying social risks at the counterparty level.
(l)	Description of setting limits to social risk and cases to trigger escalation and exclusion in the case of breaching these limits.	
(m)	Description of the link (transmission channels) between social risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework.	

### 14.3 Qualitative information on governance risk

	Governance	
(a)	Institution's integration of the governance performance of the counterparty in the governance arrangements, including committees of the highest governance body, committees responsible for decision-making on economic, environmental, and social topics.	SID Bank assesses the governance of counterparties as part of its due diligence, part of its ESG risk assessment, and part of its preparation of ratings. The ESG risk assessment includes an assessment of the effectiveness of governance factors, including commitments to sustainability, circularity of business models for managerial staff expertise, and disclosures. SID Bank has passed a proposal for the transfer and inclusion of ESG assessments in ratings. The inclusion of new ESG issues has also changed the methodology for calculating ESG risks, and consequently the model assessments of ESG risks.
(b)	Institution's accounting of the counterparty's highest governance body's role in non-financial reporting.	SID Bank initiated several activities in 2022 to identify a broader range of ESG risks that it faces, including the governance aspects and the quality of counterparty information. Identification of the role of the senior management of the counterparty is verified by assessing the experience and professional competence of the management structure and the quality and transparency of the information provided by the counterparty (publication of a sustainability report). The verification is included in the ESG questionnaire under the assessment of a firm's environmental, social and governance factors.
(c)	Institution's integration of the governance performance of their counterparties in governance arrangements including:	SID Bank assesses the overall performance of counterparties as part of the requirements in connection with the ESG questionnaire and the preparation of ratings. The analysis of the ESG report is part of the credit proposal, which is also discussed by the credit committee, which is informed of the results of the governance assessment and the overall ESG risk assessment.
(i)	ethical considerations;	
(ii)	strategy and risk management;	
(iii)	inclusiveness;	
(iv)	transparency;	
(v)	management of conflict of interest;	
(vi)	internal communication on critical concerns.	
	<b>Risk management</b>	
(d)	Institution's integration of the governance performance of their counterparties in risk management arrangements considering:	
(i)	ethical considerations;	
(ii)	strategy and risk management;	
(iii)	inclusiveness;	
(iv)	transparency;	
(v)	management of conflict of interest;	
(vi)	internal communication on critical concerns.	

## 14.4 Template 1 - Banking book - Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity

	Sector/subsector	a	b	d	e	f	g	h	i	m	n	o	p
		Gross carrying amount				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks*	Of which stage 2 exposures	Of which non-performing exposures		Of which stage 2 exposures	Of which non-performing exposures					
1	Exposures towards sectors that highly contribute to climate change	1,130,232	96,842	93,763	52,671	(40,491)	(4,475)	(30,253)	192,284	651,531	246,475	39,942	8.29
3	B - Mining and quarrying	6,550	0	2,377	0	(34)	(14)	0	3,413	3,136	0	0	4.85
6	B.07 - Mining of metal ores	2,377	0	2,377	0	(14)	(14)	0	2,377	0	0	0	2.16
7	B.08 - Other mining and quarrying	4,173	0	0	0	(21)	0	0	1,036	3,136	0	0	6.38
9	C - Manufacturing	461,791	0	50,194	17,828	(23,036)	(4,910)	(15,708)	110,544	255,759	95,489	0	7.51
10	C.10 - Manufacture of food products	15,035	0	1,012	193	(439)	(115)	(193)	5,683	9,352	0	0	5.58
11	C.11 - Manufacture of beverages	2,942	0	0	0	(2)	0	0	2,942	0	0	0	2.75
13	C.13 - Manufacture of textiles	5,152	0	0	0	(35)	0	0	586	4,566	0	0	6.61
14	C.14 - Manufacture of wearing apparel	190	0	0	0	(2)	0	0	190	0	0	0	3.92
16	C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	22,340	0	1,922	319	(684)	(273)	(237)	2,862	10,872	8,606	0	8.34
17	C.17 - Manufacture of pulp, paper and paperboard	14,078	0	4,377	5,430	(5,996)	(537)	(5,430)	7,149	6,928	0	0	5.28
18	C.18 - Printing and service activities related to printing	15,348	0	79	378	(428)	(9)	(378)	3,474	11,874	0	0	6.63
20	C.20 - Production of chemicals	11,896	0	0	411	(126)	0	(77)	1,363	10,533	0	0	7.61
21	C.21 - Manufacture of pharmaceutical preparations	2,697	0	0	0	(4)	0	0	2,697	0	0	0	3.52
22	C.22 - Manufacture of rubber products	59,155	0	5,581	0	(1,192)	(851)	0	5,508	41,088	12,559	0	8.29
24	C.24 - Manufacture of basic metals	34,921	0	6,442	1,202	(1,631)	(259)	(1,164)	7,650	20,682	6,590	0	6.79
25	C.25 - Manufacture of fabricated metal products, except machinery and equipment	89,832	0	5,464	874	(1,409)	(345)	(591)	14,508	58,132	17,192	0	7.94
26	C.26 - Manufacture of computer, electronic and optical products	5,675	0	1,142	0	(169)	(137)	0	2,363	3,312	0	0	6.06
27	C.27 - Manufacture of electrical equipment	45,037	0	12,784	565	(1,768)	(1,469)	(149)	32,530	12,508	0	0	4.97
28	C.28 - Manufacture of machinery and equipment	33,821	0	1,273	2,079	(1,646)	(170)	(1,375)	5,395	26,139	2,287	0	7.32

Sector/subsector		a	b	d	e	f	g	h	i	m	n	o	p
		Gross carrying amount				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
29	C.29 - Manufacture of motor vehicles, trailers and semi-trailers	54,227	0	5,780	924	(1,545)	(218)	(819)	1,042	10,670	42,515	0	10.36
30	C.30 - Manufacture of other transport equipment	8,327	0	0	580	(587)	0	(580)	580	7,746	0	0	9.18
31	C.31 - Manufacture of furniture	9,766	0	0	2,220	(2,279)	0	(2,194)	3,122	2,120	4,524	0	9.08
32	C.32 - Other manufacturing	28,851	0	4,015	2,604	(2,994)	(484)	(2,472)	10,380	17,254	1,216	0	6.67
33	C.33 - Repair and installation of machinery and equipment	2,502	0	321	49	(99)	(42)	(49)	520	1,982	0	0	6.37
34	D - Electricity, gas, steam and air conditioning supply	174,474	59,101	114	0	(960)	(17)	0	14,634	109,092	16,135	34,613	9.86
35	D35.1 - Electric power generation, transmission and distribution	146,737	59,101	0	0	(813)	0	0	14,634	81,932	15,558	34,613	10.25
36	D35.11 - Production of electricity	11,073	0	0	0	(14)	0	0	554	10,519	0	0	5.61
38	D35.3 - Steam and air conditioning supply	27,737	0	114	0	(147)	(17)	0	0	27,160	577	0	7.81
39	E - Water supply; sewerage, waste management and remediation activities	12,624	0	89	10,648	(387)	(6)	(376)	206	12,417	0	0	6.40
40	F - Construction	24,140	0	4,830	704	(1,178)	(483)	(538)	5,269	18,226	645	0	6.48
41	F.41 - Construction of buildings	6,078	0	402	204	(295)	(59)	(204)	1,809	4,269	0	0	6.18
42	F.42 - Civil engineering	6,632	0	2,583	264	(403)	(177)	(160)	1,738	4,893	0	0	5.97
43	F.43 - Specialised construction activities	11,430	0	1,844	236	(481)	(247)	(174)	1,722	9,064	645	0	6.94
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	167,439	37,726	3,851	7,464	(5,505)	(308)	(4,256)	39,002	106,619	21,817	0	6.57
45	H - Transportation and storage	151,073	16	11,281	6,082	(61)	3,927	(3,458)	10,455	71,805	68,812	0	9.39
46	H.49 - Land transport and transport via pipelines	64,125	16	1,847	2,701	(1,973)	(289)	(1,313)	4,651	49,740	9,734	0	7.56
48	H.51 - Air transport	502	0	0	0	(1)	0	0	0	502	0	0	7.45
49	H.52 - Warehousing and support activities for transportation	86,416	0	9,434	3,351	1,944	4,216	(2,115)	5,775	21,563	59,078	0	10.76
50	H.53 - Postal and courier activities	30	0	0	30	(30)	0	(30)	30	0	0	0	0.00
51	I - Accommodation and food service activities	126,783	0	21,027	9,945	(9,311)	(2,665)	(5,916)	8,760	74,074	41,831	2,118	10.09
52	L - Real estate activities	5,359	0	0	0	(18)	0	0	0	402	1,746	3,211	20.00

Sector/subsector	a	b	d	e	f	g	h	i	m	n	o	p	
	Gross carrying amount				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity	
		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks*	Of which stage 2 exposures	Of which non-performing exposures		Of which stage 2 exposures	Of which non-performing exposures						
53	Exposures towards sectors other than those that highly contribute to climate change	113,286	0	5,504	22,058	(7,870)	(501)	(6,779)	47,775	55,684	9,828	0	5.81
55	Exposures to other sectors (NACE codes J, M - U)	113,286	0	5,504	22,058	(7,870)	(501)	(6,779)	47,775	55,684	9,828	0	5.81
56	TOTAL	1,243,519	96,842	99,268	74,729	(48,361)	(4,977)	(37,032)	240,059	707,215	256,302	39,942	8.07

\* in accordance with points (d) to (g) of Article 12(1) and in accordance with Article 12(2) of Regulation (EU) 2020/1818

SID Bank used the information obtained from ESG questionnaires to identify counterparties that have been excluded from EU's benchmarks. The ESG questionnaire included questions addressing the counterparty's revenues from the discovery, mining, extraction and distribution of coal, petroleum fuels, gaseous fuels and the counterparty's revenues from the production of electricity with a greenhouse gas intensity above 100 g CO<sub>2</sub> e/kWh. The questionnaire (done in December 2022) included large enterprises, in particular entities obligated to disclose information under the NFRD and listed companies. For the uncovered portion of the portfolio, due to lack of data (in particular, this concerns companies not obligated to report under the NFRD and unlisted companies), no

assessment of the non-compliance of the exposure with the objectives of the Paris Agreement has been carried out.

There was an expansion of the ESG questionnaire in 2023, which also includes questions on exclusion from the Paris Agreement benchmarks, even to SMEs or all companies with exposure of more than EUR 300 thousand.

SID Bank also obtains information from the ESG questionnaire on the scope of emissions 1, 2 and 3 from a company for the current and over the past two years. The questionnaire is carried out in 2023 for all companies with exposure of more than EUR 300 thousand.



## 14.5 Template 2 – Banking book – Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
Counterparty sector		Total gross carrying amount															
		Level of energy efficiency (EP score in kWh/m² of collateral)						Level of energy efficiency (EPC label of collateral)						Without EPC label of collateral			
		0; <= 100	> 100; <= 200	> 200; <= 300	> 300; <= 400	> 400; <= 500	> 500	A	B	C	D	E	F			G	Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated
1	Total EU area	555,344	34,073	60,148	19,214	15,648	5,177	8,828	5,185	8,699	15,940	51,900	13,708	7,295	292	452,324	0
2	of which Loans collateralised by commercial immovable property	539,211	31,621	58,932	18,774	15,295	5,177	8,429	4,650	8,337	13,972	50,825	13,543	7,036	292	440,557	0
3	of which Loans collateralised by residential immovable property	16,133	2,452	1,215	440	353	0	399	536	362	1,968	1,075	166	259	0	11,767	0
4	of which Collateral obtained by taking possession: residential and commercial immovable properties	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	0	0	0	0	0	0	0								0	0

SID Bank has no loans collateralised by mortgages on real estate in non-EU area.

SID Bank assesses the level of energy efficiency of buildings pledged as collateral on the basis of information on a building's energy efficiency in the issued energy performance certificates. For immovable properties provided as collateral with no energy performance certificate, SID Bank does not carry out assessments of collateral in terms of energy efficiency.

For all new transactions in the future where the property provided as collateral does not have an energy performance certificate, an energy performance assessment will be carried out by a valuer. The energy performance assessment of a building becomes an integral part of the valuation report as of 2022. From January 2022 onwards, property valuers can assess the energy performance of a building in a valuation report (by entering the year of construction, information on previous renovations and energy use), based on a standardised methodology.

## 14.6 Template 4 - Banking book - Climate change transition risk: Exposures to top 20 carbon-intensive firms

In order to identify the top 20 global carbon-intensive firms, SID Bank used a list that is published on the website <https://climateaccountability.org/carbon-majors-dataset-2020/>.

SID Bank has no exposure to any firm included on this list, and thus is not required to disclose Template 4.

## 14.7 Template 5 - Banking book - Climate change physical risk: Exposures subject to physical risk

	a	b	c	d	e	F	g	h	i	j	k	l	m	n	o
			Gross carrying amount												
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures
1	A - Agriculture, forestry and fishing	0	0	0	0	0	0.00	0	0	0	0	0	0	0	0
2	B - Mining and quarrying	6,550	0	0	0	0	0.00	0	0	0	0	0	0	0	0
3	C - Manufacturing	461,791	5,295	24,438	0	0	7.10	0	29,733	0	2,924	0	(484)	(382)	0
4	D - Electricity, gas, steam and air conditioning supply	174,474	1	98,886	0	0	6.09	0	98,887	0	0	0	(711)	0	0
5	E - Water supply; sewerage, waste management and remediation activities	12,624	0	0	0	0	0.00	0	0	0	0	0	0	0	0
6	F - Construction	24,140	2,854	9,273	144	0	6.59	12,272	0	0	1,343	236	(474)	(179)	(174)
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	167,439	0	11,433	2,258	0	6.98	564	13,690	564	0	0	(47)	0	0
8	H - Transportation and storage	151,073	1,936	37,974	5,014	0	7.37	18,014	39,910	13,000	0	0	(93)	0	0
9	L - Real estate activities	5,359	0	402	599	3,211	20.28	4,212	0	0	0	0	(16)	0	0
10	Loans collateralised by residential immovable property	22,924	688	2,224	0	0	6.44	2,881	31	0	1,251	31	(205)	(172)	7
11	Loans collateralised by commercial immovable property	538,567	9,292	103,213	27,378	2,118	9.30	65,152	92,249	15,401	8,763	8,449	(6,628)	(988)	(5,019)
12	Reposessed collaterals	0	0	0	0	0	0.00	0	0	0	0	0	0	0	0

a	b	c	d	e	F	g	h	i	j	k	l	m	n	o	
		Gross carrying amount													
		of which exposures sensitive to impact from climate change physical events													
		Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			
<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity								of which Stage 2 exposures	Of which non-performing exposures		
13	Other relevant sectors (breakdown below where relevant)	173,452	9,791	59,828	22,576	2,118	9.60	59,884	52,299	17,870	5,888	8,692	(6,154)	(603)	(5,168)
14	I - Accommodation and food service activities	126,783	6,355	59,828	22,576	2,118	9.85	59,884	48,863	17,870	5,888	8,692	(6,130)	(603)	(5,168)
15	M - Professional, scientific and technical activities	46,669	3,436	0	0	0	3.69	0	3,436	0	0	0	(24)	0	0

SID Bank uses two exposure assessment approaches to identify exposures to physical climate risks.

The information obtained on counterparties' exposure to physical events that may have a material impact on the counterparty's income shall be used to assess the exposure to acute and chronic risks. SID Bank obtains information on its exposure to the acute effects of natural events from the ESG questionnaire. The ESG questionnaire (done in December 2022) included large enterprises, in particular entities obligated to disclose information under the NFRD and listed companies. The ESG questionnaire's identification of companies' exposure to acute physical climate risks covered 47.1% of the gross exposure reported in Template 5.

A model was developed at SID Bank for the uncovered portion of the portfolio due to lack of data (in particular, this concerns companies not subject to the NFRD and unlisted companies) in order to assess the exposure to chronic physical climate risks. The model is based on the probability of occurrence of each major natural event by NUTS 2 region for Slovenia, and on the materiality of each event for each reporting sector from Template 5. The source of data on the probability of a particular climate event is the Global Facility for Disaster Reduction and Recovery (GFDRR), the Thinkhazard climate database for Slovenia.

Looking ahead, there is a plan to audit and verify the model for assessing exposure to chronic physical climate risks, and to adapt input data on the probability of the occurrence of each climate-related natural event to the data sources of the Slovenian Environment Agency's climate projections.

## 14.8 Template 10 - Other climate change mitigating actions that are not covered in Regulation (EU) 2020/852

	a	B	c	d	e
	Type of financial instrument	Type of counterparty	Gross carrying amount	Type of risk mitigated (Climate change transition risk)	Type of risk mitigated (Climate change physical risk)
1	Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	2,552	YES	NO
2		Non-financial corporations	20,921	YES	NO
4		Other counterparties	62,019	YES	NO
6	Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Non-financial corporations	22,679	YES	NO
7		of which Loans collateralised by commercial immovable property	18,055	YES	NO
11		Other counterparties	42,332	YES	NO

### Qualitative information on the nature of the mitigating actions

SID Bank financed the implementation of measures via the green bond source of financing: renewable sources of energy, energy efficiency, prevention of pollution, sustainable management of living and natural resources, ensuring aquatic and terrestrial biodiversity, clean transport, sustainable management of water sources, adaptation to climate changes, environmentally efficient products, technologies and processes. All the financed measures and investments contribute to the objective of mitigating climate

changes. However, the implemented measures and investments that were financed via the green bond source of financing and other green loans do not comply with the requirements under Article 11 of Regulation (EU) 2020/852, as SID Bank's green bond was issued under the requirements for compliance with the "Green Bond Principle", so at a time when Regulation (EU) 2020/852 and the EU taxonomy for determining environmentally sustainable financing of activities under pre-defined assessment criteria had yet to take effect.

## 15 FREQUENCY AND SCOPE OF DISCLOSURES ACCORDING TO CRR

Article	Article name	Frequency of disclosure	Chapter	Page
<b>435</b>	<b>Disclosure of risk management objectives and policies</b>			
	1(a) the strategies and processes to manage those categories of risks	Annual		
	1(b) the structure and organisation of the relevant risk management function including information on the basis of its authority, its powers and accountability in accordance with the institution's incorporation and governing documents	Annual		
	1(c) the scope and nature of risk reporting and measurement systems	Annual		
	1(d) the policies for hedging and mitigating risk, and the strategies and processes for monitoring the continuing effectiveness of hedges and mitigants	Annual		
	1(e) a declaration approved by the management body on the adequacy of the risk management arrangements of the relevant institution providing assurance that the risk management systems put in place are adequate with regard to the institution's profile and strategy	Annual		
	1(f) a concise risk statement approved by the management body succinctly describing the relevant institution's overall risk profile associated with the business strategy	Annual		
	2(a) the number of directorships held by members of the management body	Annual		
	2(b) the recruitment policy for the selection of members of the management body and their actual knowledge, skills and expertise	Annual		
	2(c) the policy on diversity with regard to selection of members of the management body, its objectives and any relevant targets set out in that policy, and the extent to which those objectives and targets have been achieved	Annual		
	2(d) whether or not the institution has set up a separate risk committee and the number of times the risk committee has met	Annual		
	2(e) the description of the information flow on risk to the management body	Annual		
<b>436</b>	<b>Disclosure of the scope of application</b>			
	(a) the name of the institution to which this Regulation applies	Annual		
	(b) a reconciliation between the consolidated financial statements prepared in accordance with the applicable accounting framework and the consolidated financial statements prepared in accordance with the requirements on regulatory consolidation pursuant to Sections 2 and 3 of Title II of Part One; that reconciliation shall outline the differences between the accounting and regulatory scopes of consolidation and the legal entities included within the regulatory scope of consolidation where it differs from the accounting scope of consolidation; the outline of the legal entities included within the regulatory scope of consolidation shall describe the method of regulatory consolidation where it is different from the accounting consolidation method, whether those entities are fully or proportionally consolidated and whether the holdings in those legal entities are deducted from own funds	Annual		
	(c) a breakdown of assets and liabilities of the consolidated financial statements prepared in accordance with the requirements on regulatory consolidation pursuant to Sections 2 and 3 of Title II of Part One, broken down by type of risks as referred to under this Part	Annual		
	(d) a reconciliation identifying the main sources of differences between the carrying value amounts in the financial statements under the regulatory scope of consolidation as defined in Sections 2 and 3 of Title II of Part One, and the exposure amount used for regulatory purposes; that reconciliation shall be supplemented by qualitative information on those main sources of differences	Annual		
	(e) for exposures from the trading book and the non-trading book that are adjusted in accordance with Article 34 and Article 105, a breakdown of the amounts of the constituent elements of an institution's prudent valuation adjustment, by type of risks, and the total of constituent elements separately for the trading book and non-trading book positions	Annual		

Article	Article name	Frequency of disclosure	Chapter	Page
	(f) any current or expected material practical or legal impediment to the prompt transfer of own funds or to the repayment of liabilities between the parent undertaking and its subsidiaries	Annual		
	(g) the aggregate amount by which the actual own funds are less than required in all subsidiaries that are not included in the consolidation, and the name or names of those subsidiaries	Annual		
	(h) where applicable, the circumstances under which use is made of the derogation referred to in Article 7 or the individual consolidation method laid down in Article 9 CRR	Annual		
<b>437</b>	<b>Disclosure of own funds</b>			
	(a) a full reconciliation of Common Equity Tier 1 items, Additional Tier 1 items, Tier 2 items and the filters and deductions applied to own funds of the institution pursuant to Articles 32 to 36, 56, 66 and 79 with the balance sheet in the audited financial statements of the institution	Semi-annual	4.1 4.2	10-11 12
	(b) a description of the main features of the Common Equity Tier 1 and Additional Tier 1 instruments and Tier 2 instruments issued by the institution	Annual		
	(c) the full terms and conditions of all Common Equity Tier 1, Additional Tier 1 and Tier 2 instruments	Annual		
	(d) a separate disclosure of the nature and amounts of the following:			
	(i) each prudential filter applied pursuant to Articles 32 to 35	Annual		
	(ii) items deducted pursuant to Articles 36, 56 and 66	Annual		
	(iii) items not deducted pursuant to Articles 47, 48, 56, 66 and 79	Annual		
	(e) a description of all restrictions applied to the calculation of own funds in accordance with this Regulation and the instruments, prudential filters and deductions to which those restrictions apply	Annual		
	(f) a comprehensive explanation of the basis on which capital ratios are calculated where those capital ratios are calculated by using elements of own funds determined on a basis other than the basis laid down in this Regulation	Annual		
<b>437a</b>	<b>Disclosure of own funds and eligible liabilities</b>	Semi-annual		Not relevant for the bank
<b>438</b>	<b>Disclosure of own funds requirements and risk-weighted exposure amounts</b>			
	(a) a summary of their approach to assessing the adequacy of their internal capital to support current and future activities	Annual		
	(b) the amount of the additional own funds requirements based on the supervisory review process as referred to in point (a) of Article 104(1) of Directive 2013/36/EU and its composition in terms of Common Equity Tier 1, additional Tier 1 and Tier 2 instruments	Quarterly	3.1	7-8
	(c) upon demand from the relevant competent authority, the result of the institution's internal capital adequacy assessment process	Annual		
	(d) the total risk-weighted exposure amount and the corresponding total own funds requirement determined in accordance with Article 92, to be broken down by the different risk categories set out in Part Three and, where applicable, an explanation of the effect on the calculation of own funds and risk-weighted exposure amounts that results from applying capital floors and not deducting items from own funds	Quarterly	3.2	9
	(e) the on- and off-balance-sheet exposures, the risk-weighted exposure amounts and associated expected losses for each category of specialised lending referred to in Table 1 of Article 153(5) and the on- and off-balance-sheet exposures and risk-weighted exposure amounts for the categories of equity exposures set out in Article 155(2)	Semi-annual		Not relevant for the bank
	(f) the exposure value and the risk-weighted exposure amount of own funds instruments held in any insurance undertaking, reinsurance undertaking or insurance holding company that the institutions do not deduct from their own funds in accordance with Article 49 when calculating their capital requirements on an individual, sub-consolidated and consolidated basis	Annual		

Article	Article name	Frequency of disclosure	Chapter	Page
	(g) the supplementary own funds requirement and the capital adequacy ratio of the financial conglomerate calculated in accordance with Article 6 of Directive 2002/87/EC and Annex I to that Directive where method 1 or 2 set out in that Annex is applied	Annual		
	(h) the variations in the risk-weighted exposure amounts of the current disclosure period compared to the immediately preceding disclosure period that result from the use of internal models, including an outline of the key drivers explaining those variations	Quarterly	Not relevant for the bank	
<b>439</b>	<b>Disclosure of exposures to counterparty credit risk</b>			
	(a) a description of the methodology used to assign internal capital and credit limits for counterparty credit exposures, including the methods to assign those limits to exposures to central counterparties	Annual		
	(b) a description of policies related to guarantees and other credit risk mitigants, such as the policies for securing collateral and establishing credit reserves	Annual		
	(c) a description of policies with respect to General Wrong-Way risk and Specific Wrong-Way risk as defined in Article 291	Annual		
	(d) the amount of collateral the institution would have to provide if its credit rating was downgraded	Annual		
	(e) the amount of segregated and unsegregated collateral received and posted per type of collateral, further broken down between collateral used for derivatives and securities financing transactions	Semi-annual	11.4	36
	(f) for derivative transactions, the exposure values before and after the effect of the credit risk mitigation as determined under the methods set out in Sections 3 to 6 of Chapter 6 of Title II of Part Three, whichever method is applicable, and the associated risk exposure amounts broken down by applicable method	Semi-annual	11.1	35
	(g) for securities financing transactions, the exposure values before and after the effect of the credit risk mitigation as determined under the methods set out in Chapters 4 and 6 of Title II of Part Three, whichever method is used, and the associated risk exposure amounts broken down by applicable method	Semi-annual	11.1	35
	(h) the exposure values after credit risk mitigation effects and the associated risk exposures for credit valuation adjustment capital charge, separately for each method as set out in Title VI of Part Three	Semi-annual	11.2	35
	(i) the exposure value to central counterparties and the associated risk exposures within the scope of Section 9 of Chapter 6 of Title II of Part Three, separately for qualifying and non-qualifying central counterparties, and broken down by types of exposures	Semi-annual	Not relevant for the bank	
	(j) the notional amounts and fair value of credit derivative transactions; credit derivative transactions shall be broken down by product type; within each product type, credit derivative transactions shall be broken down further by credit protection bought and credit protection sold	Semi-annual	Not relevant for the bank	
	(k) the estimate of alpha where the institution has received the permission of the competent authorities to use its own estimate of alpha in accordance with Article 284(9)	Semi-annual	Not relevant for the bank	
	(l) separately, the disclosures included in point (e) of Article 444 and point (g) of Article 452	Semi-annual	11.3	35
	(m) for institutions using the methods set out in Sections 4 to 5 of Chapter 6 of Title II Part Three, the size of their on- and off-balance-sheet derivative business as calculated in accordance with Article 273a(1) or (2), as applicable	Annual		
<b>440</b>	<b>Disclosure of countercyclical capital buffers</b>			
	(a) the geographical distribution of the exposure amounts and risk-weighted exposure amounts of its credit exposures used as a basis for the calculation of their countercyclical capital buffer	Semi-annual	5.1	13
	(b) the amount of their institution-specific countercyclical capital buffer	Semi-annual	5.2	14
<b>441</b>	<b>Disclosure of indicators of global systemic importance</b>	Annual		
<b>442</b>	<b>Disclosure of exposures to credit risk and dilution risk</b>			



Article	Article name	Frequency of disclosure	Chapter	Page
	(a) the scope and definitions that they use for accounting purposes of 'past due' and 'impaired' and the differences, if any, between the definitions of 'past due' and 'default' for accounting and regulatory purposes	Annual		
	(b) a description of the approaches and methods adopted for determining specific and general credit risk adjustments	Annual		
			8.1	24-25
	(c) information on the amount and quality of performing, non-performing and forborne exposures for loans, debt securities and off-balance-sheet exposures, including their related accumulated impairment, provisions and negative fair value changes due to credit risk and amounts of collateral and financial guarantees received	Semi-annual	8.4	27
			8.5	28
			8.6	29
			8.7	29
			8.8	30
			8.9	31
	(d) an ageing analysis of accounting past due exposures	Annual		
	(e) the gross carrying amounts of both defaulted and non-defaulted exposures, the accumulated specific and general credit risk adjustments, the accumulated write-offs taken against those exposures and the net carrying amounts and their distribution by geographical area and industry type and for loans, debt securities and off- balance-sheet exposures	Semi-annual	8.7	29
			8.8	30
	(f) any changes in the gross amount of defaulted on- and off-balance-sheet exposures, including, as a minimum, information on the opening and closing balances of those exposures, the gross amount of any of those exposures reverted to non-defaulted status or subject to a write-off	Semi-annual	8.1	24-25
			8.3	26
			8.4	27
	(g) the breakdown of loans and debt securities by residual maturity	Semi-annual	8.2	26
<b>443</b>	<b>Disclosure of encumbered and unencumbered assets</b>	Annual		
<b>444</b>	<b>Disclosure of the use of the Standardised Approach</b>			
	(a) the names of the nominated ECALs and ECAs and the reasons for any changes in those nominations over the disclosure period	Annual		
	(b) the exposure classes for which each ECAI or ECA is used	Annual		
	(c) a description of the process used to transfer the issuer and issue credit ratings onto items not included in the trading book	Annual		
	(d) the association of the external rating of each nominated ECAI or ECA with the risk weights that correspond to the credit quality steps as set out in Chapter 2 of Title II of Part Three, taking into account that it is not necessary to disclose that information where the institutions comply with the standard association published by EBA	Annual		
	(e) the exposure values and the exposure values after credit risk mitigation associated with each credit quality step as set out in Chapter 2 of Title II of Part Three, by exposure class, as well as the exposure values deducted from own funds	Semi-annual	10.1	33
			10.2	34
			11.3	35
<b>445</b>	<b>Disclosure of exposure to market risk</b>	Semi-annual	13	38
<b>446</b>	<b>Disclosure of operational risk management</b>			
	(a) the approaches for the assessment of own funds requirements for operation risk that the institution qualifies for	Annual		
	(b) where the institution makes use of it, a description of the methodology set out in Article 312(2), which shall include a discussion of the relevant internal and external factors being considered in the institution's advanced measurement approach	Annual		
	(c) in the case of partial use, the scope and coverage of the different methodologies used	Annual		
<b>447</b>	<b>Disclosure of key metrics</b>			
	(a) the composition of their own funds and their own funds requirements as calculated in accordance with Article 92	Quarterly	3.1	7-8
	(b) the total risk exposure amount as calculated in accordance with Article 92(3)	Quarterly	3.1	7-8

Article	Article name	Frequency of disclosure	Chapter	Page
	(c) where applicable, the amount and composition of additional own funds which the institutions are required to hold in accordance with point (a) of Article 104(1) of Directive 2013/36/EU	Quarterly	3.1	7-8
	(d) their combined buffer requirement which the institutions are required to hold in accordance with Chapter 4 of Title VII of Directive 2013/36/EU	Quarterly	3.1	7-8
	(e) their leverage ratio and the total exposure measure as calculated in accordance with Article 429	Quarterly	3.1	7-8
	(f) the following information in relation to their liquidity coverage ratio as calculated in accordance with the delegated act referred to in Article 460(1):	Quarterly	3.1	7-8
	(i) the average or averages, as applicable, of their liquidity coverage ratio based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period	Quarterly	3.1	7-8
	(ii) the average or averages, as applicable, of total liquid assets, after applying the relevant haircuts, included in the liquidity buffer pursuant to the delegated act referred to in Article 460(1), based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period	Quarterly	3.1	7-8
	(iii) the averages of their liquidity outflows, inflows and net liquidity outflows as calculated pursuant to the delegated act referred to in Article 460(1), based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period	Quarterly	3.1	7-8
	(g) the following information in relation to their net stable funding requirement as calculated in accordance with Title IV of Part Six:	Quarterly	3.1	7-8
	(i) the net stable funding ratio at the end of each quarter of the relevant disclosure period	Quarterly	3.1	7-8
	(ii) the available stable funding at the end of each quarter of the relevant disclosure period	Quarterly	3.1	7-8
	(iii) the required stable funding at the end of each quarter of the relevant disclosure period	Quarterly	3.1	7-8
	(h) their own funds and eligible liabilities ratios and their components, numerator and denominator, as calculated in accordance with Articles 92a and 92b and broken down at the level of each resolution group, where applicable	Quarterly	Not relevant for the bank	
<b>448</b>	<b>Disclosure of exposures to interest rate risk on positions not held in the trading book</b>			
	(a) the changes in the economic value of equity calculated under the six supervisory shock scenarios referred to in Article 98(5) of Directive 2013/36/EU for the current and previous disclosure periods	Semi-annual	12.1	37
	(b) the changes in the net interest income calculated under the two supervisory shock scenarios referred to in Article 98(5) of Directive 2013/36/EU for the current and previous disclosure periods	Semi-annual	12.1	37
	(c) a description of key modelling and parametric assumptions, other than those referred to in points (b) and (c) of Article 98(5a) of Directive 2013/36/EU used to calculate changes in the economic value of equity and in the net interest income required under points (a) and (b) of this paragraph	Annual		
	(d) an explanation of the significance of the risk measures disclosed under points (a) and (b) of this paragraph and of any significant variations of those risk measures since the previous disclosure reference date	Annual		
	(e) the description of how institutions define, measure, mitigate and control the interest rate risk of their non-trading book activities for the purposes of the competent authorities' review in accordance with Article 84 of Directive 2013/36/EU, including:	Annual		
	(i) a description of the specific risk measures that the institutions use to evaluate changes in their economic value of equity and in their net interest income	Annual		
	(ii) a description of the key modelling and parametric assumptions used in the institutions' internal measurement systems that would differ from the common modelling and parametric assumptions referred to in Article 98(5a) of Directive 2013/36/EU for the purpose of calculating changes to the economic value of equity and to the net interest income, including the rationale for those differences	Annual		
	(iii) a description of the interest rate shock scenarios that institutions use to estimate the interest rate risk	Annual		

Article	Article name	Frequency of disclosure	Chapter	Page
	(iv) the recognition of the effect of hedges against those interest rate risks, including internal hedges that meet the requirements laid down in Article 106(3)	Annual		
	(v) an outline of how often the evaluation of the interest rate risk occurs	Annual		
	(f) the description of the overall risk management and mitigation strategies for those risks	Annual		
	(g) average and longest repricing maturity assigned to non-maturity deposits	Annual		
<b>449</b>	<b>Disclosure of exposures to securitisation positions</b>	Semi-annual	Not relevant for the bank	
<b>449a</b>	<b>Disclosure of environmental, social and governance risks (ESG risks)</b>	Semi-annual	14	39-57
<b>450</b>	<b>Disclosure of remuneration policy</b>			
	Institutions shall disclose the following information regarding their remuneration policy and practices for those categories of staff whose professional activities have a material impact on the risk profile of the institutions:	Annual		
	(a) information concerning the decision-making process used for determining the remuneration policy, as well as the number of meetings held by the main body overseeing remuneration during the financial year, including, where applicable, information about the composition and the mandate of a remuneration committee, the external consultant whose services have been used for the determination of the remuneration policy and the role of the relevant stakeholders	Annual		
	(b) information about the link between pay of the staff and their performance	Annual		
	(c) 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	Annual		
	(d) the ratios between fixed and variable remuneration set in accordance with point (g) of Article 94(1) of Directive 2013/36/EU	Annual		
	(e) information on the performance criteria on which the entitlement to shares, options or variable components of remuneration is based	Annual		
	(f) the main parameters and rationale for any variable component scheme and any other non-cash benefits	Annual		
	(g) aggregate quantitative information on remuneration, broken down by business area	Annual		
	(h) aggregate quantitative information on remuneration, broken down by senior management and members of staff whose professional activities have a material impact on the risk profile of the institutions, indicating the following:	Annual		
	(i) the amounts of remuneration awarded for the financial year, split into fixed remuneration including a description of the fixed components, and variable remuneration, and the number of beneficiaries	Annual		
	(ii) the amounts and forms of awarded variable remuneration, split into cash, shares, share-linked instruments and other types separately for the part paid upfront and the deferred part	Annual		
	(iii) the amounts of deferred remuneration awarded for previous performance periods, split into the amount due to vest in the financial year and the amount due to vest in subsequent years	Annual		
	(iv) the amount of deferred remuneration due to vest in the financial year that is paid out during the financial year, and that is reduced through performance adjustments	Annual		
	(v) the guaranteed variable remuneration awards during the financial year, and the number of beneficiaries of those awards	Annual		
	(vi) the severance payments awarded in previous periods, that have been paid out during the financial year	Annual		
	(vii) the amounts of severance payments awarded during the financial year, split into paid upfront and deferred, the number of beneficiaries of those payments and highest payment that has been awarded to a single person	Annual		

Article	Article name	Frequency of disclosure	Chapter	Page
	(i) the number of individuals that have been remunerated EUR 1 million or more per financial year, with the remuneration between EUR 1 million and EUR 5 million broken down into pay bands of EUR 500 000 and with the remuneration of EUR 5 million and above broken down into pay bands of EUR 1 million	Annual		
	(j) upon demand from the relevant Member State or competent authority, the total remuneration for each member of the management body or senior management	Annual		
	(k) information on whether the institution benefits from a derogation laid down in Article 94(3) of Directive 2013/36/EU	Annual		
<b>451</b>	<b>Disclosure of the leverage ratio</b>			
	(a) the leverage ratio and how the institutions apply Article 499(2)	Semi-annual	6.2	15
	(b) a breakdown of the total exposure measure referred to in Article 429(4), as well as a reconciliation of the total exposure measure with the relevant information disclosed in published financial statements	Semi-annual	6.1 6.2 6.3	15 15 16
	(c) where applicable, the amount of exposures calculated in accordance with Articles 429(8) and 429a(1) and the adjusted leverage ratio calculated in accordance with Article 429a(7)	Semi-annual	6.2	15
	(d) a description of the processes used to manage the risk of excessive leverage	Annual		
	(e) a description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers	Annual		
<b>451a</b>	<b>Disclosure of liquidity requirements</b>			
	2(a) the average or averages, as applicable, of their liquidity coverage ratio based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period	Quarterly	7.1 7.2	17-18 19
	2(b) the average or averages, as applicable, of total liquid assets, after applying the relevant haircuts, included in the liquidity buffer pursuant to the delegated act referred to in Article 460(1), based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period, and a description of the composition of that liquidity buffer	Quarterly	7.1 7.2	17-18 19
	2(c) the averages of their liquidity outflows, inflows and net liquidity outflows as calculated in accordance with the delegated act referred to in Article 460(1), based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period and the description of their composition	Quarterly	7.1 7.2	17-18 19
	3(a) quarter-end figures of their net stable funding ratio calculated in accordance with Chapter 2 of Title IV of Part Six for each quarter of the relevant disclosure period	Semi-annual	7.3	20-23
	3(b) an overview of the amount of available stable funding calculated in accordance with Chapter 3 of Title IV of Part Six	Semi-annual	7.3	20-23
	3(c) an overview of the amount of required stable funding calculated in accordance with Chapter 4 of Title IV of Part Six	Semi-annual	7.3	20-23
<b>452</b>	<b>Disclosure of the use of the IRB Approach to credit risk</b>	Semi-annual	Not relevant for the bank	
<b>453</b>	<b>Disclosure of the use of credit risk mitigation techniques</b>			
	(a) the core features of the policies and processes for on- and off-balance-sheet netting and an indication of the extent to which institutions make use of balance sheet netting	Annual		
	(b) the core features of the policies and processes for eligible collateral evaluation and management	Annual		
	(c) a description of the main types of collateral taken by the institution to mitigate credit risk	Annual		
	(d) for guarantees and credit derivatives used as credit protection, the main types of guarantor and credit derivative counterparty and their creditworthiness used for the purpose of reducing capital requirements, excluding those used as part of synthetic securitisation structures	Annual		
	(e) information about market or credit risk concentrations within the credit risk mitigation taken	Annual		

Article	Article name	Frequency of disclosure	Chapter	Page
	(f) for institutions calculating risk-weighted exposure amounts under the Standardised Approach or the IRB Approach, the total exposure value not covered by any eligible credit protection and the total exposure value covered by eligible credit protection after applying volatility adjustments; the disclosure set out in this point shall be made separately for loans and debt securities and including a breakdown of defaulted exposures	Semi-annual	9.1	32
	(g) the corresponding conversion factor and the credit risk mitigation associated with the exposure and the incidence of credit risk mitigation techniques with and without substitution effect	Semi-annual	10.1	33
	(h) for institutions calculating risk-weighted exposure amounts under the Standardised Approach, the on- and off-balance-sheet exposure value by exposure class before and after the application of conversion factors and any associated credit risk mitigation	Semi-annual	10.1	33
	(i) for institutions calculating risk-weighted exposure amounts under the Standardised Approach, the risk-weighted exposure amount and the ratio between that risk-weighted exposure amount and the exposure value after applying the corresponding conversion factor and the credit risk mitigation associated with the exposure; the disclosure set out in this point shall be made separately for each exposure class	Semi-annual	10.1	33
	(j) for institutions calculating risk-weighted exposure amounts under the IRB Approach, the risk-weighted exposure amount before and after recognition of the credit risk mitigation impact of credit derivatives; where institutions have received permission to use own LGDs and conversion factors for the calculation of risk-weighted exposure amounts, they shall make the disclosure set out in this point separately for the exposure classes subject to that permission	Semi-annual	Not relevant for the bank	
454	Disclosure of the use of the Advanced Measurement Approaches to operational risk	Annual		
455	Use of internal market risk models	Semi-annual	Not relevant for the bank	

## 16 LIST OF TEMPLATES FROM REGULATION (EU) NO 2021/637

Article and Annex in Regulation 2021/637	Article in CRR	Template	Reporting frequency	Chapter in disclosures
<b>Annex I: Disclosure of key metrics and overview of risk-weighted exposure amounts</b>				
1.1	article 447(a) to (g) and article 438(b)	EU KM1	Quarterly	3.1
1.2	article 438(d)	EU OV1	Quarterly	3.2
1.3	article 438(a) and (c)	EU OVC	Annual	
1.4	article 438(f)	EU INS1	Annual	
1.4	article 438(g)	EU INS2	Annual	
<b>Annex III: Disclosure of risk management policies and objectives</b>				
2	article 435(1)	EU-OVA	Annual	
2	article 435(2)	EU-OVB	Annual	
<b>Annex V: Disclosure of the scope of application</b>				
3.1	article 436(c)	EU LI1	Annual	
3.1	article 436(b)	EU LI3	Annual	
3.2	article 436(d)	EU LI2	Annual	
3.2	article 436(b)	EU LIA	Annual	
3.3	article 436(e)	EU PV1	Annual	
3.4	article 436(f), (g) and (h)	EU LIB	Annual	
<b>Annex VII: Disclosure of own funds</b>				
4(a)	article 437(a), (d), (e) and (f)	EU CC1	Semi-annual	4.1
4(a)	article 437(a)	EU CC2	Semi-annual	4.2
4(b)	article 437(b) and (c)	EU CCA	Annual	
<b>Annex IX: Disclosure of countercyclical capital buffers</b>				
5(a)	article 440(a)	EU CCyB1	Semi-annual	5.1
5(b)	article 440(b)	EU CCyB2	Semi-annual	5.2
<b>Annex XI: Disclosure of the leverage ratio</b>				
6(a)	article 451(1)(b)	EU LR1 – LRSum	Semi-annual	6.1
6(a)	article 451(1)(a), (b) and (c), article 451(2) and article 451(3)	EU LR2 – LRCom	Semi-annual	6.2
6(a)	article 451(1)(b)	EU LR3 – LRSpI	Semi-annual	6.3
6(b)	article 451(1)(d) and (e)	EU LRA	Annual	
<b>Annex XIII: Disclosure of liquidity requirements</b>				
7(a)	article 435(1) and article 451a(4)	EU LIQA	Annual	
7(b)	article 451a(2)	EU LIQ1	Quarterly	7.1
7(b)	article 451a(2)	EU LIQB	Quarterly	7.2
7(c)	article 451a(3)	EU LIQ2	Semi-annual	7.3
<b>Annex XV: Disclosure of exposures to credit risk and dilution risk, and disclosure of credit quality</b>				
8.1(a)	article 435(1)(a), (b), (d) and (f)	EU CRA	Annual	
8.1(b)	article 442(a) and (b)	EU CRB	Annual	
8.1(c)	article 442(c) and (d)	EU CQ3	Annual	
8.1(d)	article 442(g)	EU CR1-A	Semi-annual	8.2
8.1(e)	article 442(f)	EU CR2	Semi-annual	8.3
8.2	article 442(c) and (f)	EU CR1	Semi-annual	8.1
8.2	article 442(c)	EU CQ1	Semi-annual	8.5
8.2	article 442(c) and (e)	EU CQ4	Semi-annual	8.7



Article and Annex in Regulation 2021/637	Article in CRR	Template	Reporting frequency	Chapter in disclosures
8.2	article 442(c) and (e)	EU CQ5	Semi-annual	8.8
8.2	article 442(c)	EU CQ7	Semi-annual	Not relevant – the bank does not have any collateral obtained by taking possession and execution processes
8.3	article 442(c) and (f)	EU CR2a	Semi-annual	8.4
8.3	article 442(c)	EU CQ2	Semi-annual	8.6
8.3	article 442(c) and (e)	EU CQ4	Semi-annual	8.7
8.3	article 442(c) and (e)	EU CQ5	Semi-annual	8.8
8.3	article 442(c)	EU CQ6	Semi-annual	8.9
8.3	article 442(c)	EU CQ8	Semi-annual	Not relevant – the bank does not have any collateral obtained by taking possession and execution processes
<b>Annex XVII: Disclosure of the use of credit risk mitigation techniques</b>				
9(a)	article 453(a) to (e)	EU CRC	Annual	
9(b)	article 453(f)	EU CR3	Semi-annual	9.1
<b>Annex XIX: Disclosure of the use of standardised approach</b>				
10(a)	article 444(a) to (d)	EU CRD	Annual	
10(b)	article 453(g), (h) and (i) and article 444(e)	EU CR4	Semi-annual	10.1
10(c)	article 444(e)	EU CR5	Semi-annual	10.2
<b>Annex XXI: Disclosure of the use of the IRB approach to credit risk</b>				
11(a)	article 452(a) to (f)	EU CRE	Annual	
11(a)	article 452(b)	EU CR6-A	Annual	
11(b)	article 452(g)	EU CR6	Semi-annual	
11(c)	article 453(j)	EU CR7	Semi-annual	Not relevant – the bank does not use IRB approach for credit risk
11(c)	article 453(g)	EU CR7-A	Semi-annual	
11(d)	article 438(h)	EU CR8	Quarterly	
11(e)	article 452(h)	CR9	Annual	
11(e)	article 452(h) and article 180(1)(h)	CR9.1	Annual	
<b>Annex XXIII: Disclosure of specialised lending</b>				
12	article 438(e)	EU CR10	Semi-annual	Not relevant – the bank does not use IRB approach for credit risk
<b>Annex XXV: Disclosure of exposures to counterparty credit risk</b>				
13(a)	article 439(a) to (d)	EU CCRA	Annual	
13(b)	article 439(f), (g) (k) and (m)	EU CCR1	Semi-annual	11.1
13(c)	article 439(h)	EU CCR2	Semi-annual	11.2
13(d)	article 439(l) and article 444(e)	EU CCR3	Semi-annual	11.3
13(d)	article 439(l) and article 452(g)	EU CCR4	Semi-annual	Not relevant – the bank does not use IRB approach for calculating CCR
13(e)	article 439(e)	EU CCR5	Semi-annual	11.4
13(f)	article 439(j)	EU CCR6	Semi-annual	Not relevant – the bank does not have credit derivatives exposures
13(g)	article 438(h)	EU CCR7	Quarterly	Not relevant – the bank does not use internal models for calculating CCR
13(h)	article 439(i)	EU CCR8	Semi-annual	Not relevant – the bank does not have exposures to central counterparties
<b>Annex XXVII: Disclosure of exposures to securitisation positions</b>				
14(a)	article 449(a) to (i)	EU-SECA	Annual	
14(b)	article 449(j)	EU-SEC1	Semi-annual	
14(b)	article 449(j)	EU-SEC2	Semi-annual	
14(c)	article 449(k)(i)	EU-SEC3	Semi-annual	Not relevant – the bank does not have exposures to securitisation positions
14(c)	article 449(k)(ii)	EU-SEC4	Semi-annual	
14(d)	article 449(l)	EU-SEC5	Semi-annual	

Article and Annex in Regulation 2021/637	Article in CRR	Template	Reporting frequency	Chapter in disclosures
<b>Annex XXIX: Disclosure of the use of standardised approach and internal model for market risk</b>				
15.1	article 445	EU MR1	Semi-annual	13
15.2(a)	article 435(1)(a) to (d)	EU MRA	Annual	Not relevant – the bank does not use internal models for calculating market risk
15.2(b)	article 455(a), (b), (c) and (f)	EU MRB	Annual	
15.2(c)	article 455(e)	EU MR2-A	Semi-annual	
15.2(d)	article 438(h)	EU MR2-B	Quarterly	
15.2(e)	article 455(d)	EU MR3	Semi-annual	
15.2 (f)	article 455(g)	EU MR4	Semi-annual	
<b>Annex XXXI: Disclosure of operational risk</b>				
16	article 435(1), article 446 and article 454	EU ORA	Annual	
16	article 446 and article 454	EU OR1	Annual	
<b>Annex XXXVII: Disclosure of exposure to interest rate risk for positions not held in the trading book</b>				
16a	article 448(a) and (b)	EU IRRBB1	Semi-annual	12.1
16a	article 448(c) to (g)	EU IRRBBA	Annual	
<b>Annex XXXIII: Disclosure of remuneration policy</b>				
17(a)	article 450(1)(a), (b), (c), (d), (e), (f), (j) and (k) and article 450(2)	EU REMA	Annual	
17(b)	article 450(1)(h) (i)-(ii)	EU REM1	Annual	
17(c)	article 450(1)(h) (v)-(vii)	EU REM2	Annual	
17(d)	article 450(1)(h) (iii)-(iv)	EU REM3	Annual	
17(e)	article 450(1)(i)	EU REM4	Annual	
17(e)	article 450(1)(g)	EU REM5	Annual	
<b>Annex XXXV: Disclosure of encumbered and unencumbered assets</b>				
18	article 443	EU AE1	Annual	
18	article 443	EU AE2	Annual	
18	article 443	EU AE3	Annual	
18	article 443	EU AE4	Annual	
<b>Annex XXXIX: Disclosure of ESG risks</b>				
18a	article 449a	Table 1	Semi-annual	14.1
18a	article 449a	Table 2	Semi-annual	14.2
18a	article 449a	Table 3	Semi-annual	14.3
18a	article 449a	Template 1	Semi-annual	14.4
18a	article 449a	Template 2	Semi-annual	14.5
18a	article 449a	Template 4	Semi-annual	14.6
18a	article 449a	Template 5	Semi-annual	14.7
18a	article 449a	Template 10	Semi-annual	14.8



## LIST OF ABBREVIATIONS AND TERMS

ASF	Available stable funding
CCF	Credit conversion factor
CCR	Counterparty credit risk
CCUS	Carbon Capture, Utilization and Storage
CET1	Common Equity Tier 1 Capital
CPRS	Climate policy relevant sectors
CRM	Credit risk mitigation
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
EBA	European Banking Authority
ECA	Export Credit Agency
EEPE	Effective expected positive exposure
EIF	European Investment Fund
ESG	Environmental, Social and Governance Factors
EU	European Union
EVE	Economic Value of Equity
GSII	Global systemically important institutions
HQLA	High-quality liquid assets
ICAAP	Internal Capital Adequacy Assessment Process
IRRBB	Interest rate risks of non-trading book activities
LCR	Liquidity Coverage Ratio
NACE	Nomenclature of Economic Activities
NFRD	Non-Financial Reporting Directive
NII	Net Interest Income
NPL	Non-performing loans
NSFR	Net Stable Funding Ratio
NUTS	Nomenclature of Territorial Units for Statistics
OCR	Overall capital requirement
O-SII	Other systemically important institutions
P2G	Pillar 2 guidance
PFE	Potential future exposure
POCI	Purchased or Originated Credit-Impaired assets
RAF	Risk Appetite Framework
RC	Replacement costs
RSF	Required stable funding
RWA	Risk-weighted assets
RWEA	Risk-weighted exposure amount
SASB	Sustainability Accounting Standards Board
SFT	Securities financing transactions
SME	Small and Medium Sized Enterprises
SREP	Supervisory Review and Evaluation Process
TREA	Total risk exposure amount
ZSIRB	Slovene Export and Development Bank Act