

BCR GROUP DISCLOSURE REPORT 2022 Q3

*Pursuant to NBR
Regulation no.5/2013
on prudential
requirements for
credit institutions,
with subsequent
amendments, and
Regulation (EU) No
2019/876 (CRR2)
amending Regulation
(EU) No 575/2013
(CRR)*

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Romania*

*Trade Register
J40/90/1991*

*Unique Registration
Code 361757*

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www.bcr.ro

Contents

1	Introduction	2
2	Overview of Non-applicable Disclosures.....	3
3	Overview of total risk exposures amount	4
4	Disclosure of key metrics	5
5	Disclosure of liquidity requirements	6
6	Disclosure of exposures subject to measures applied in response to the COVID-19 crisis	11
7	Disclosure of international financial reporting standard 9 (IFRS 9) transitional arrangements	14
8	Abbreviations	16

1 Introduction

The provisions of the NBR Regulation no. 5/2013 on prudential requirements for credit institutions, with subsequent amendments, and Regulation (EU) No 2019/876 (CRR2) amending Regulation (EU) No 575/2013 (CRR) apply to BCR Group, hereinafter referred to as BCR Group. This Report is prepared on a consolidated basis (IFRS) according to NBR's Regulations. All information herein is presented as of September 30th, 2022, unless otherwise stated.

Following an overall frequency assessment of all Pillar 3 disclosures this quarterly report Pillar 3 Report provides principally an update to the areas mentioned below, which are also in line with the recommendations provided by the European Banking Authority ("EBA") in its Final Report – Final draft implementing technical standards on public disclosures by institutions of the information referred to in titles II and III of Part Eight of Regulation (EU) No. 575/2013 (EBA/ITS/2020/04) and Regulation EU 2019/876 of the European Parliament and of the Council of 20 May 2019.

In addition, the following disclosure requirements are applied on a quarterly basis:

- EBA/GL/2020/07 – Guidelines on reporting and disclosure of exposures subject to measures applied in response to the COVID-19 crisis and NBR Instructions / 03.08.2020 on reporting and disclosure of exposures subject to measures applied in response to the COVID-19.
- EBA/GL/2020/12 – Final Report - Guidelines amending Guidelines EBA/GL/2018/01 on uniform disclosures under Article 473a of Regulation (EU) No 575/2013 (CRR) on the transitional period for mitigating the impact of the introduction of IFRS 9 on own funds to ensure compliance with the CRR 'quick fix' in response to the COVID-19 pandemic.
- GEO 90/29.06.2022 regarding the granting of payment deferral benefits for certain categories of debtors.

Considering the above, areas which require that quarterly disclosures to be provided are as follows:

- Information on the overview of risk-weighted exposure amount
- Information on the institution key metrics, which also includes information on Pillar 2 requirements
- Information on the institution's LCR, its liquidity buffers, cash outflows, cash inflows and high-quality liquid assets, complemented by qualitative information
- Information on disclosure requirements for the exposures subject to the payment moratoria in accordance with the GL EBA/2020/07
- Information on comparison of own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 in accordance with EBA/GL/2020/12.

For the full set of information please refer to "BCR GROUP DISCLOSURE REPORT 2021" which is available on the BCR Group website (<https://www.bcr.ro/en/investors/transparency-and-public-disclosure>).

2 Overview of Non-applicable Disclosures

The following table provides an overview of the CRR 2 Articles which are not covered by the quarterly Disclosure Report alongside an explanation regarding the reason behind their non-applicability.

1 Non-applicable CRR 2 articles

CRR2 article number	Article description	Reason for non-applicable disclosure	Non-applicable templates
438 (h)	Disclosure of own funds requirements and risk-weighted exposure amounts	BCR Group calculates the risk-weighted exposure amounts under Standardized approach.	Template EU CR8 Template EU CCR7
438 (h)	Use of internal market risk models	BCR Group does not apply the internal market risk model.	Template EU MR2-B
447 (h)	Disclosure of key metrics	BCR Group is identified as an O-SII institution	
468	DISCLOSURE REQUIREMENTS COVERED: EBA/GL/2020/12	The full impact related to unrealized gains and losses for financial assets measured at fair value through other comprehensive income is considered in the calculation of own funds, capital ratios and leverage ratio	
473 (a)	DISCLOSURE REQUIREMENTS COVERED: EBA/GL/2020/12	The full impact related to credit risk provisions calculated in accordance with IFRS 9 requirements is considered in the calculation of own funds, capital ratio and leverage ratio	

3 Overview of total risk exposures amount

DISCLOSURE REQUIREMENT COVERED BY: ART. 438 (d) CRR 2

Template EU OV1 on the overview of risk-weighted exposure amount (RWEA). This template provides an overview of the total RWEA forming the denominator of the risk-based capital requirements calculated in accordance with Article 92 of the CRR.

The regulatory capital requirements computed as of September 30th, 2022, for the credit risk, market risk and operational risk were as follows:

2 Template EU OV1 - Overview of risk weighted exposure amounts

in RON million	Total risk exposure amounts (TREA)		Total own funds requirements
	Sep-22	Jun-22	Sep-22
1 Credit risk (excluding CCR)	39,008	37,279	3,121
2 Of which the standardised approach	39,008	37,279	3,121
3 Of which the Foundation IRB (F-IRB) approach	-	-	-
4 Of which slotting approach	-	-	-
EU 4a Of which equities under the simple riskweighted approach	-	-	-
5 Of which the Advanced IRB (A-IRB) approach	-	-	-
6 Counterparty credit risk - CCR	316	278	25
7 Of which the standardised approach	106	70	8
8 Of which internal model method (IMM)	-	-	-
EU 8a Of which exposures to a CCP	-	-	-
EU 8b Of which credit valuation adjustment - CVA	169	69	14
9 Of which other CCR	40	138	3
15 Settlement risk	0	0	0
16 Securitisation exposures in the non-trading book (after the cap)	-	-	-
17 Of which SEC-IRBA approach	-	-	-
18 Of which SEC-ERBA (including IAA)	-	-	-
19 Of which SEC-SA approach	-	-	-
EU 19a Of which 1250%	-	-	-
20 Position, foreign exchange and commodities risks (Market risk)	37	23	3
21 Of which the standardised approach	37	23	3
22 Of which IMA	-	-	-
EU 22a Large exposures	-	-	-
23 Operational risk	8,099	7,878	648
EU 23a Of which basic indicator approach	359	359	29
EU 23b Of which standardised approach	-	-	-
EU 23c Of which advanced measurement approach	7,740	7,518	619
24 Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
29 Total	47,460	45,457	3,797

As of September 30th, 2022, the total RWA for BCR Group was 47,460 mn RON, with 2,003 mn RON higher as compared to June 30th, 2022 (45,457 mn RON). The increase in credit risk RWA (including CCR) by 1,768 mn RON was mainly driven by the positive development of loans to customers.

RWA equivalent for market risk increased with 14 mn RON due to increase in TDI. RWA equivalent for operational risk increased with +221 mn RON, following a higher capital requirement according to AMA (Advanced Measurement Approach) for BCR.

4 Disclosure of key metrics

DISCLOSURE REQUIREMENT COVERED BY: ART. 447 (a-g) CRR 2

Template EU KM1, on institutions' key metrics, has been developed in application of Article 447 of the CRR, and includes a summary of the main prudential and regulatory information and ratios covered by the CRR.

3 Template EU KM1 – Key metrics

in RON million	Sep-22	Jun-22	Mar-22	Dec-21	Sep-21
Available own funds (amounts)					
1 Common Equity Tier 1 (CET1) capital	7,942	8,484	8,288	8,421	8,468
2 Tier 1 capital	8,684	8,484	8,288	8,421	8,468
3 Total capital	9,179	8,484	8,312	8,469	8,541
Risk-weighted exposure amounts					
4 Total risk exposure amount	47,460	45,457	43,787	41,460	40,546
Capital ratios (as a percentage of risk-weighted exposure amount)					
5 Common Equity Tier 1 ratio (%)	16.73%	18.66%	18.93%	20.31%	20.88%
6 Tier 1 ratio (%)	18.30%	18.66%	18.93%	20.31%	20.88%
7 Total capital ratio (%)	19.34%	18.66%	18.98%	20.43%	21.07%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7a Additional own funds requirements to address risks other than the risk of excessive leverage (%)	4.09%	4.09%	4.09%	2.84%	2.84%
EU 7b of which: to be made up of CET1 capital (percentage points)	2.30%	2.30%	2.30%	1.60%	1.60%
EU 7c of which: to be made up of Tier 1 capital (percentage points)	3.07%	3.07%	3.07%	2.13%	2.13%
EU 7d Total SREP own funds requirements (%)	12.09%	12.09%	12.09%	10.84%	10.84%
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
8 Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
EU 8a Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-	-	-
9 Institution specific countercyclical capital buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 9a Systemic risk buffer (%)	-	-	-	-	-
10 Global Systemically Important Institution buffer (%)	-	-	-	-	-
EU 10a Other Systemically Important Institution buffer (%)	1.50%	1.50%	1.50%	2.00%	2.00%
11 Combined buffer requirement (%)	4.00%	4.00%	4.00%	4.50%	4.50%
EU 11a Overall capital requirements (%)	16.09%	16.09%	16.09%	15.34%	15.34%
12 CET1 available after meeting the total SREP own funds requirements (%)	5,721	6,356	6,239	6,471	6,561
Leverage ratio					
13 Total exposure measure	101,444	99,474	95,566	95,577	88,836
14 Leverage ratio (%)	8.56%	8.53%	8.67%	8.81%	9.53%
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
EU 14a Additional own funds requirements to address the risk of excessive leverage (%)	-	-	-	-	-
EU 14b of which: to be made up of CET1 capital (percentage points)	-	-	-	-	-
EU 14c Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d Leverage ratio buffer requirement (%)	-	-	-	-	-
EU 14e Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Liquidity Coverage Ratio					
15 Total high-quality liquid assets (HQLA) (Weighted value -average)	29,152	30,032	31,151	31,231	30,658
EU 16a Cash outflows - Total weighted value	18,607	17,656	16,847	16,010	15,438
EU 16b Cash inflows - Total weighted value	3,751	3,543	3,428	3,106	3,031
16 Total net cash outflows (adjusted value)	14,856	14,112	13,419	12,904	12,408
17 Liquidity coverage ratio (%)	196.22%	212.80%	232.14%	242.01%	247.09%
Net Stable Funding Ratio					
18 Total available stable funding	68,407	66,706	66,977	68,333	62,877
19 Total required stable funding	41,983	40,992	39,217	37,533	35,606
20 NSFR ratio (%)	162.94%	162.73%	170.78%	182.06%	176.59%

5 Disclosure of liquidity requirements

DISCLOSURE REQUIREMENT COVERED BY: ART. 451a (2) CRR 2

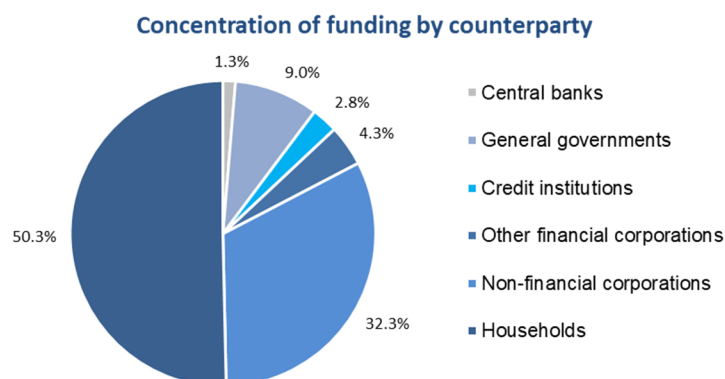
Template on qualitative information on LCR

Concentration of funding:

- By counterparty and by product:

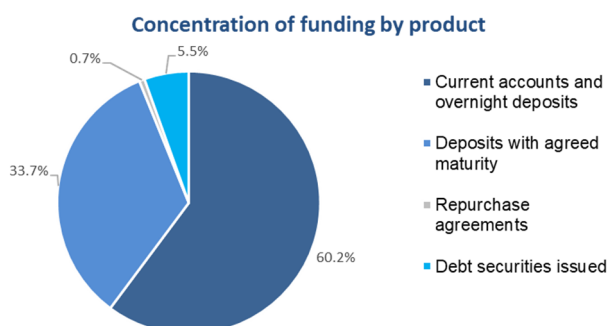
Compared with H1 2022, the percentage of funding from households slightly decreased in September 2022 from 50.9% to 50.3%, while the funding provided by non-financial corporations increased from 28.8% to 32.3%. At the same time, funding from credit institutions increased from 2.5% to 2.8%. Also, in the same period, the percentage of funding from deposits with agreed maturity increased from 31.2% to 33.7% while funding received from current accounts and overnight deposits decreased from 63.2% to 60.2%.

4 Concentration of funding sources (as of 30 September 2022 for BCR Bank)



- By top 10 funding providers: - the weight of first 10 funding providers in total funding is equal to 16.2%.

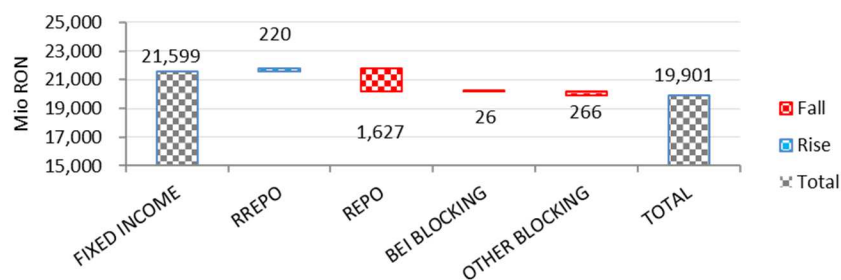
Concentration of liquidity sources:



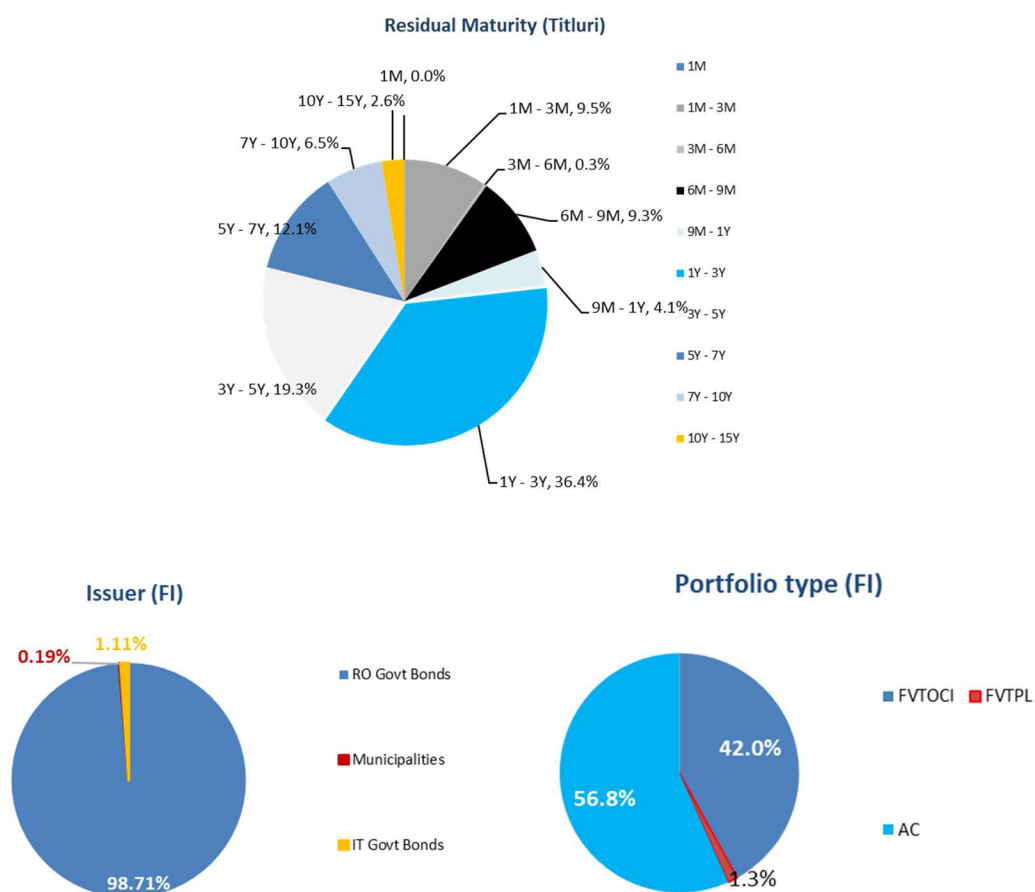
Compared with June 2022, the total eligible, unencumbered fixed income portfolio increased from 16,041 mn RON to 19,901 mn RON.

5 HLA Composition for BCR Standalone

HLA composition as of 30.09.2022 (eligible at BNR or ECB)



6 Portfolio split based on residual maturity, issuer and type (accounting) for BCR Standalone



In addition to fixed income portfolio in amount of 19,901 mn RON, the liquidity buffer contains a stock of cash in amount of 5,236 mn RON.

Derivative exposures and potential collateral calls

Derivatives in Trading Book are closed back-to-back with Erste Group Bank, with the exception of FX swaps for which the bank can maintain open positions. At the end of Q3 2022, there was an open position of RON -8.03 mn, mainly coming from transactions for liquidity management purposes (Banking Book positions). The derivatives exposure as of 30.09.2022 is presented in the following table:

7 Derivative exposures

As of 30.09.2022	TB/BB	Long (Assets)		Short (Liabilities)		Net Exposure
in RON million		Notional	MtM	Notional	MtM	MtM
IRS		1716.26	122.89	1716.26	122.89	0.00
	TB	1716.26	122.89	1716.26	122.89	0.00
	BB	0.00	0.00	0.00	0.00	0.00
CIRS	BB	0.00	0.00	0.00	0.00	0.00
FX Swap		1820.26	27.97	2696.98	36.17	-8.20
	TB	1192.82	23.07	921.61	20.55	2.52
	BB	627.44	4.90	1775.36	15.62	-10.72
FX Option	TB	0.00	0.00	0.00	0.00	0.00
IR Option	TB	562.38	2.87	63.08	2.87	0.00
Forward	TB	81.68	2.01	81.68	1.84	0.17
Total Exposure		4180.58	155.73	4557.99	163.77	-8.03

In LCR, the outflows related to derivative exposures are offset by inflows related to derivative exposures.

Currency mismatch in the LCR

In BCR, the LCR is calculated in all major currencies that exceed 5% of the institution's total liabilities (EUR and RON). Thus, the liquidity buffer requirements must be determined for different currencies.

The distribution of the liquidity buffer in foreign currency is monitored monthly in order to ensure that net cash outflows in significant currencies (RON and EUR) are fully covered by liquid assets denominated in the same currency.

8 Composition of liquidity buffers by currency

weighted amounts, in RON million	BCR Bank		BCR Group	
	RON	EUR	RON	EUR
Liquidity buffer	17,826	7,171	18,340	7,178
Coins and banknotes	2,397	1,436	2,397	1,444
Withdrawable central bank reserves	1,234	27	1,234	27
Central bank assets	3	0	3	0
Central government assets	14,156	5,708	14,670	5,708
Multilateral development bank and international organisations assets	-	-	-	-
Extremely high quality covered bonds	-	-	-	-
Regional government / local authorities or Public Sector Entity assets (Member State, RW20%)	37	-	37	-
Corporate debt securities (CQS2/3)	-	-	-	-
Shares (major stock index)	-	-	-	-
Net liquidity outflow	11,572	5,605	11,538	5,613

High-level description of the composition of the institution's liquidity buffer

The main component of Liquidity Buffer is represented by Fixed Income Portfolio. Other elements that are taken into consideration for Liquidity Buffer are: Cash, Excess/Deficit of Mandatory Minimum Reserves and Shares fulfilling the eligibility criteria laid down in the LCR Delegated Act.

This template below provides information on the institution's LCR, its liquidity buffers, cash outflows, cash inflows and high-quality liquid assets.

9 Template EU LIQ1 – Quantitative information on LCR

in RON million	Total unweighted value (average)				Total weighted value (average)			
EU 1a Quarter ending on (DD Month YYYY)	Sep-22	Jun-22	Mar-22	Dec-21	Sep-22	Jun-22	Mar-22	Dec-21
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)					29,152	30,032	31,151	31,231
CASH - OUTFLOWS								
2 Retail deposits and deposits from small business customers, of which:	44,032	44,302	44,313	43,945	3,429	3,439	3,425	3,382
3 Stable deposits	23,911	24,178	24,325	24,267	1,196	1,209	1,216	1,213
4 Less stable deposits	20,121	20,124	19,989	19,677	2,233	2,231	2,209	2,169
5 Unsecured wholesale funding	26,512	24,722	23,325	22,062	11,534	10,616	10,025	9,500
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-	-	-	-	-
7 Non-operational deposits (all counterparties)	26,505	24,718	23,324	22,062	11,528	10,612	10,024	9,499
8 Unsecured debt	6	4	1	1	6	4	1	1
9 Secured wholesale funding					-	-	-	-
10 Additional requirements	2,466	2,297	2,175	1,892	2,466	2,297	2,174	1,891
11 Outflows related to derivative exposures and other collateral requirements	2,466	2,297	2,174	1,891	2,466	2,297	2,174	1,891
12 Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
13 Credit and liquidity facilities	1	1	1	1	0	0	0	0
14 Other contractual funding obligations	723	934	890	875	431	600	555	580
15 Other contingent funding obligations	18,699	17,602	16,971	16,857	748	703	668	657
16 TOTAL CASH OUTFLOWS					18,607	17,656	16,847	16,010
CASH - INFLOWS								
17 Secured lending (e.g. reverse repos)	1,412	1,354	1,334	1,201	34	42	76	48
18 Inflows from fully performing exposures	1,819	1,760	1,708	1,682	1,246	1,203	1,176	1,167
19 Other cash inflows	2,471	2,298	2,176	1,891	2,471	2,298	2,176	1,891
(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					-	-	-	-
EU-19a								
EU-19b (Excess inflows from a related specialised credit institution)					-	-	-	-
20 TOTAL CASH INFLOWS	5,702	5,412	5,217	4,774	3,751	3,543	3,428	3,106
EU-20a Fully exempt inflows	-	-	-	-	-	-	-	-
EU-20b Inflows subject to 90% cap	-	-	-	-	-	-	-	-
EU-20c Inflows subject to 75% cap	5,702	5,412	5,217	4,774	3,751	3,543	3,428	3,106
TOTAL ADJUSTED VALUE								
EU-21 LIQUIDITY BUFFER					29,152	30,032	31,151	31,231
22 TOTAL NET CASH OUTFLOWS					14,856	14,112	13,419	12,904
23 LIQUIDITY COVERAGE RATIO					196.22%	212.80%	232.14%	242.01%

LCR registered a decrease compared to the previous quarter, however being significantly above the 100% regulated threshold due to the stock of high-quality liquid assets (HQLA). The HQLA registered a decrease in Q3 compared to the previous period as a result of the evolution of the market value of the portfolio of securities issued by Central governments while future net cash outflows registered an increase mostly supported by higher Unsecured wholesale funding.

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 considers that all the relevant information for its liquidity profile was already presented in this report.

6 Disclosure of exposures subject to measures applied in response to the COVID-19 crisis

DISCLOSURE REQUIREMENTS COVERED: EBA GL/2020/07 Guideline on reporting and disclosure of exposures subject to measures applied in response to the COVID-19 crisis and NBR Instructions / 03.08.2020 on reporting and disclosure of exposures subject to measures applied in response to the COVID-19 crisis

Template 1 presented below provides an overview of the credit quality of loans and advances subject to moratoria on loan repayments applied in the light of the COVID-19 crisis. The gross carrying amount and the related accumulated impairment or accumulated changes in fair value due to credit risk are disclosed broken down by counterparty, by performing / non-performing status and by forbearance status. Separate presentation is required for performing exposures with significant increase in credit risk since initial recognition (Stage 2) and for non-performing exposures that are unlikely to pay and that are not past-due or past-due with less than 90 days. Inflows to non-performing exposures are also highlighted.

The decrease of NPL ratio at 11.90% as of Sep'22 for loans and advances subject to moratoria vs 17.80% as of Jun'22 sustained by the decrease of NPL stock with 43% in corporate segments, compared with the previous quarter. Increase in the share of stage 2 at 40% as of Sep'22 vs 35% as of Jun'22 above the local market (33.5% as of June 2022).

10 Template 1: Information on loans and advances subject to legislative and non-legislative moratoria

in RON million	Gross carrying amount							Accumulated impairment, accumulated negative changes in fair value due to credit risk							Gross carrying amount
	Performing				Non performing			Performing				Non performing			Inflows to non-performing exposures
	Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)			Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days		Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days			
1 Loans and advances subject to moratorium	3,314	2,920	181	1,320	394	221	271	(436)	(212)	(27)	(204)	(224)	(99)	(125)	46
2 of which: Households	2,603	2,343	54	937	260	113	169	(347)	(163)	(7)	(157)	(184)	(74)	(101)	22
3 of which: Collateralised by residential immovable property	1,611	1,477	34	597	134	68	122	(183)	(101)	(3)	(98)	(82)	(44)	(74)	11
4 of which: Non-financial corporations	674	539	127	358	134	107	103	(89)	(49)	(21)	(47)	(40)	(25)	(24)	24
5 of which: Small and Medium-sized Enterprises	261	210	14	111	51	37	35	(52)	(19)	(3)	(18)	(34)	(25)	(19)	10
6 of which: Collateralised by commercial immovable property	435	361	119	252	74	72	74	(45)	(34)	(19)	(33)	(11)	(10)	(11)	2

Legislative and Non-legislative Moratorium

Considering the spread of COVID-19, a variety of measures have been taken by the Romanian government aimed at addressing the economic consequences of the outbreak on individuals, households and businesses. Such measures include legislative / public moratorium on repayment of loans, overdraft facilities and mortgages.

The Romanian government adopted GEO 227/30.12.2020, which reactivates and modifies GEO no. 37/2020 for loan instalment postponement (legislative moratorium). According to GEO 227/30.12.2020, clients were able to submit only between 15th of February and 15th of March 2021 requests for new deferrals of ongoing loans for a maximum of 9 months, this period including also any deferrals from which they benefited during 2020.

11 Template 2: Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria

in RON million	Number of obligors	Gross carrying amount							
			Of which: legislative moratoria	Of which: expired	Residual maturity of moratoria				
					<= 3 months	> 3 months <= 6 months	> 6 months <= 9 months	> 9 months <= 12 months	> 1 year
1 Loans and advances for which moratorium was offered	308,134	3,474							
2 Loans and advances subject to moratorium (granted)	306,420	3,314	1,797	3,314	-	-	-	-	-
3 of which: Households		2,603	1,251	2,603	-	-	-	-	-
4 of which: Collateralised by residential immovable property		1,611	1,085	1,611	-	-	-	-	-
5 of which: Non-financial corporations		674	545	674	-	-	-	-	-
6 of which: Small and Medium-sized Enterprises		261	241	261	-	-	-	-	-
7 of which: Collateralised by commercial immovable property		435	319	435	-	-	-	-	-

Template 2 provides details on EBA-compliant moratorium (legislative and non-legislative) for loans and advances that meet the requirements described in paragraph 10 of the EBA Guidelines on moratorium. The template provides information on the number of obligors and gross carrying amount of loans and advances subject to different statuses of EBA-compliant moratorium (requested/granted). In addition, the template contains a breakdown by the residual maturity of EBA-compliant moratorium and information on the gross carrying amount of legislative moratoria as per the definition of the EBA Guidelines on moratorium.

As of September 2022, moratorium participation rate is 9% for Retail and 3% for Corporate, all payment deferrals measures being expired.

12 Template 3: Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis

in RON million	Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
		of which: forbore	Public guarantees received	Inflows to non-performing exposures
1 Newly originated loans and advances subject to public guarantee schemes	2,514	418	1,798	5.1
2 of which: Households	3			-
3 of which: Collateralised by residential immovable property	0			-
4 of which: Non-financial corporations	2,510	418	1,795	5.1
5 of which: Small and Medium-sized Enterprises	2,092			5.1
6 of which: Collateralised by commercial immovable property	69			-

Template 3 provides details on newly originated loans and advances as referred to in paragraph 15 of EBA GL 2020 07 that are subject to public guarantee schemes that the Romanian State introduced in response to the COVID-19 crisis. In the case of refinancing of previous debt with a new loan or of repackaging of several debts into a new loan, the new loan recognised in the financial statements is reported in this template provided that it is covered by a public guarantee scheme related to the COVID-19 crisis (not the case for BCR as of 30th of September 2022). The template provides a breakdown of the gross carrying amount, the forbearance measures and the amount of public guarantees related to loans and advances and the inflows to non-performing exposure.

Disclosure of exposures subject to measures applied in response to the energy crisis

Considering the energy crisis and the conflictual situation between Ukraine and Russia, the Romanian government adopted GEO 90/29.06.2022 regarding the granting of payment deferral benefits for certain categories of debtors, in order to alleviate the adverse effects of the current macroeconomic and geopolitical context.

Through this normative act, individuals and companies who have payment obligations due regarding loans, capital rates, interest rates and commissions granted by the 30th of April 2022 could request the suspension of the payments for a period between one and nine months if certain conditions are respected, except for revolving credit facilities, credit cards, overdrafts and credit lines.

According to GEO 90/29.06.2022, clients were able to submit payment deferrals requests between 29th of June and 29th of August 2022 for ongoing loans for a maximum period of 9 months. This moratorium was applicable for both Retail and Corporate customers, without days past due registered in the last 6 months and any agreed solution or debt restructuring plan implemented in the previous 3 months prior to entry into force of the GEO.

The template provides an overview of the payment deferrals granted by the Bank under legislative moratorium GEO 90/29.06.2022, including the number of debtors, gross carrying amount and the breakdown of residual maturity of loans and advances pertaining to GEO 90 compliant moratorium.

13 Breakdown of loans and advances subject to legislative moratoria according to GEO by residual maturity of moratoria

in RON million	Number of obligors	Of which: Implemented		Gross carrying amount				
					Of which: expired	Of which: Implemented		
						Residual maturity of moratoria		
						<= 3 months	> 3 months <= 6 months	> 6 months <= 9 months
1 Loans and advances subject to legislative moratoria according to GEO	1,849	728	181.37	87.19	6.68	13.43	8.24	58.84
2 of which: Households				79.00	6.68	13.43	8.24	50.65
3 of which: Collateralised by residential immovable property				45.09	3.27	7.02	3.64	31.16
4 of which: Non-financial corporations				8.19	-	-	-	8.19
5 of which: Small and Medium-sized Enterprises				8.09	-	-	-	8.09
6 of which: Collateralised by commercial immovable property				0.70	-	-	-	0.70

As of September 2022, volume of implemented payment deferral requests was RON 87,19mn, representing 0.15% from Loans to Customers portfolio, 92% of payment deferrals measures being active at the reporting date (RON 80,51mn).

7 Disclosure of international financial reporting standard 9 (IFRS 9) transitional arrangements

DISCLOSURE REQUIREMENTS COVERED: EBA/GL/2020/12 – Final Report - Guidelines amending Guidelines EBA/GL/2018/01 on uniform disclosures under Article 473a of Regulation (EU) No 575/2013 (CRR) on the transitional period for mitigating the impact of the introduction of IFRS 9 on own funds to ensure compliance with the CRR 'quick fix' in response to the COVID-19 pandemic.

14 Template on the comparison of own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs

in RON million		Sep-22	Jun-22	Mar-22	Dec-21	Sep-21
Available capital (amounts)						
1	CET1 capital	7,942	8,484	8,288	8,421	8,468
2	CET1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	7,942	8,484	8,288	8,421	8,468
2a	CET1 capital as if the temporary treatment of unrealised gains and losses measured at fair value through OCI (other comprehensive income) in accordance with Article 468 of the CRR had not been applied	7,771	8,303	8,288	8,421	8,468
3	Tier 1 capital	8,684	8,484	8,288	8,421	8,468
4	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	8,684	8,484	8,288	8,421	8,468
4a	Tier 1 capital as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	8,512	8,303	8,288	8,421	8,468
5	Total capital	9,179	8,484	8,312	8,469	8,541
6	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	9,179	8,484	8,312	8,469	8,541
6a	Total capital as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	9,007	8,303	8,312	8,469	8,541
Risk-weighted assets (amounts)						
7	Total risk-weighted assets	47,460	45,457	43,787	41,460	40,546
8	Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	47,460	45,457	43,787	41,460	40,546
Capital ratios						
9	CET1 (as a percentage of risk exposure amount)	16.73%	18.66%	18.93%	20.31%	20.88%
10	CET1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	16.73%	18.66%	18.93%	20.31%	20.88%
10a	CET1 (as a percentage of risk exposure amount) as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	16.37%	18.27%	18.93%	20.31%	20.88%
11	Tier 1 (as a percentage of risk exposure amount)	18.30%	18.66%	18.93%	20.31%	20.88%
12	Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	18.30%	18.66%	18.93%	20.31%	20.88%
12a	Tier 1 (as a percentage of risk exposure amount) as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	17.94%	18.27%	18.93%	20.31%	20.88%
13	Total capital (as a percentage of risk exposure amount)	19.34%	18.66%	18.98%	20.43%	21.07%
14	Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	19.34%	18.66%	18.98%	20.43%	21.07%
14a	Total capital (as a percentage of risk exposure amount) as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	18.98%	18.27%	18.98%	20.43%	21.07%
Leverage ratio						
15	Leverage ratio total exposure measure	101,444	99,474	95,566	95,577	88,836
16	Leverage ratio	8.56%	8.53%	8.67%	8.81%	9.53%
17	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	8.56%	8.53%	8.67%	8.81%	9.53%
17a	Leverage ratio as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	8.39%	8.35%	8.67%	8.81%	9.53%

BCR GROUP DISCLOSURE REPORT 2022 Q3

BCR Group does not apply the transitory measures described in article 473a relate to IFRS 9. The full impact related to credit risk provisions calculated in accordance with IFRS 9 requirements is considered in the calculation of own funds, capital ratio and leverage ratio.

Starting with June 30th, 2022, BCR Group apply the transitory measures described in article 468 related to unrealized gains and losses for financial assets measured at fair value through other comprehensive income. The full impact related to this is considered in the calculation of own funds, capital ratios and leverage ratio.

In comparison with June 30th, 2022, the total own funds increased by RON 695 mn, the common equity tier 1 is lower by RON 541 mn mainly due to excluded audit profit and risk cost deducted. In July 2022 Tier 2 instruments were issued in amount of EUR 100 mn and in September 2022 Additional T1 capital instruments were issued in amount of RON 741,5 mn.

8 Abbreviations

AC	Amortized Cost
A-IRB	Advanced Internal Rating-based Approach
ALCO	Assets and Liabilities Management Committee
AMA	Advanced Measurement Approach
ANEVAR	National Association of Romanian Authorized Valuers
ART	article
ASF	Available Stable Funding
AT1	Additional Tier 1 capital
BB	Banking Book
BCBS	Basel Committee on Banking Supervision
BCR	Banca Comerciala Romana
BSM	Balance Sheet Management Division
CCP	Central Counterparty
CCR	Counterparty Credit Risk
CCyB	Countercyclical capital buffer
CET1	Common Equity Tier 1
CQS	Credit Quality Step
CRD	Capital Requirement Directive
CRM	Credit Risk Mitigation
CRO	Chief Risk Officer
CRR	Capital Requirements Regulation
CRR	Capital Requirement Regulation
CSD	Credit Spread Derivative
CVA	Credit Valuation Adjustment
DCF	Discount Cash Flow
DTL	Deferred Tax Liability
EBA	European Banking Authority
ECAI	External Credit Assessment Institution
ECB	European Central Bank
ECL	Expected credit loss
EGB	Erste Group Bank
EOY	end of year
EU	European Union
EVE	Economic Value of Equity
FIRB	Foundation Internal Rating-based Approach
F-IRB	Foundation
FNGC	National credit guarantee fund for SMEs
FTP	Funds Transfer Pricing
FVTOCI	Fair Value Through the statement of Other Comprehensive Income
FVTPL	Fair Value Through Profit or Loss
FX	Foreign Exchange
GCM	Global Capital Markets
GEO	Government Emergency Ordinance
GL	Guideline
G-SII	Global Systemically Important Institutions
HLA	High Liquid Assets
HQLA	High Quality Liquid Assets
IAA	Internal Assessment Approach

ICAAP	Internal Capital Adequacy Assessment Process
IFRS	International Financial Reporting Standards
ILAAP	Internal Liquidity Adequacy Assessment Process
IMA	Internal Model Approach
IMM	Internal Model Method
IRB	Internal Rating-based Approach
IT	Information Technology
ITS	Implementing Technical Standards
LCR	Liquidity Coverage Ratio
LR	Leverage Ratio
MB	Management Board
MLRM	Market and Liquidity Risk Management Department
mn	million
MtM	Mark to market
MVoE	Market Value of Equity
NACE	statistical classification of economic activities in the European Community
NBR	National Bank of Romania
NBR	National Bank of Romania
NII	Net interest income
NPL	Non-Performing Loan
NSFR	Net Stable Funding Ratio
OCI	Other Comprehensive Income
OCI	Other Comprehensive Income
OLC	Operative Liquidity Committee
O-SII	Other Systemically Important Institutions
PAP	Product Approval Process
PIs	Personal Individuals
PP&E	Property, plant and equipment
PSE	Public Sector Enterprises
PVBP	Present Value of a Basis Point
RAS	Risk Appetite Statement
RMA	Risk Materiality Assessment
RREPO	Reverse REPO
RSF	Required Stable Funding
RW	Risk Weight
RWA	Risk Weighted Assets
RWEA	Risk Weighted Exposure Amount
S/L	Stop/Loss
SA	Standardized Approach
SA-CCR	Standardized approach for counterparty credit risk
SB	Supervisory Board
SEC	Securitization
SEC-ERBA	Securitization: External-ratings-based approach
SEC-IRBA	Securitization: Internal-ratings-based approach
SEC-SA	Securitization: Standardized Approach
SFT	Securities Financing Transactions
SICR	Significant increase in credit risk since initial recognition
SMEs	Small Medium Enterprises
SPA	Survival Period Analysis
SREP	Supervisory Review and Evaluation Process
SRM	Strategic Risk Management



BCR GROUP DISCLOSURE REPORT 2022 Q3

T1	Tier 1 capital
T2	Tier 2 capital
TB	Trading Book
TC	Total Capital
TDI	Trade Debt Income
TREA	Total Risk Exposure Amounts
VaR	Value-at-Risk