Pillar 3 Annual Report 2022

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1 INTRODUCTION

1.1 Management Statement

Senior management of the bank ensures fair presentation and accuracy of the information provided within Pillar 3 disclosure report. The report is prepared in accordance with internal review and control processes coordinated with the board. The report meets the requirements of the decree, signed in April 2017, N92/04 of the Governor of the National Bank of Georgia on "Disclosure requirements for commercial banks within Pillar 3" and other relevant decrees and regulations of NBG.

1.2 Disclosures according to Pillar 3 of the Basel 3 Capital Framework

The purpose of this Report is to provide Pillar 3 disclosures of JSC Credo Bank as required by the global regulatory framework for capital and liquidity, established by the Basel Committee on Banking Supervision, also known as Basel 3 and as required by the Regulation (EU) N575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms. Based on the requirements of the stated Regulations, National Bank of Georgia has implemented the decree N92/04 on "Disclosure requirements for commercial banks within Pillar 3".

1.3 Main Indicators

Table 1 Regulatory Capital (GEL)

1	**Regulatory Capital (GEL)**	**31.12.2022**	**31.12.2021**
1.1	*COMMON EQUITY TIER 1 (CET 1)*	*214,666,012*	*190,970,466*
1.2	*TIER 1*	*214,666,012*	*190,970,466*
1.3	*TOTAL REGULATORY CAPITAL*	*302,188,638*	*275,919,554*

COMMON EQUITY TIER 1 (CET 1) and *TIER 1* increased by GEL 23.7 million in 2022 compared to 2021, the main reasons being:

1. Increase in retained earnings by GEL 25.2 million

2. Issuance of shares in the amount of GEL 0.37 million

At the same time, compared to the same period of the previous year, the regulatory adjustments of the TIER 1 increased by 1.8 million GEL (intangible assets and goodwill) - which ultimately gave us an increase of 23.7 million.

The increase of the *TOTAL REGULATORY CAPITAL* is even more impressive in the amount of GEL 26.2 million, which was conditioned not only by the increase of the above-mentioned *TIER 1,* but also by the increase of Tier 2 components, namely:

- The amount of subordinated loans to be included in the Regulatory capital decreased by 1.3 million GEL due to amortization of subordinated loans.

- General reserves increased by 3.8 million GEL

Table 2 CAR Ratios

2	CAR RATIOS	Requirement	31.12.2022	31.12.2021
2.1	*COMMON EQUITY TIER 1 RATIO (min. req. 4.5 %)*	*8.44%*	*10.75%*	*11.53%*
2.2	*TIER 1 RATIO (min. req. 6.0 %)*	*10.42%*	*10.75%*	*11.53%*
2.3	*TOTAL REGULATORY CAPITAL RATIO (min. req. 8.0 %)*	*13.62%*	*15.13%*	*16.66%*

Capital Adequacy Ratios, both in 2022 and 2021, significantly exceeded the minimum requirements set by the NBG. At the same time, it should be noted that the capital adequacy ratios decreased slightly compared to the previous year (11.53% to 10.75% of the initial capital ratio and 16.66 % to 15.13% of the supervisory capital ratio).

On December 18, 2017, the NBG published and approved amendments on capital adequacy regulation, (Decree N100/04) according to which minimum capital requirement ratios have been revised and set new Pillar I buffers – Capital Conservation, Systemic Risk and Countercyclical buffers, namely:

Common Equity Tier I Capital (CET I), Tier I Capital (Tier I) and Total Regulatory Capital ratios were revised and set at 4.5%, 6% and 8% respectively.

Capital conservation and countercyclical buffers are set at 2.5% and 0.0%. The system risk buffer for Credo Bank was also set at 0.0%.

On December 18, 2017, the NBG also published and approved Pillar II requirements in addition to Pillar I buffers. The requirements include the following capital buffers: Currency Induced Credit Risk (CICR), NET GRAPE, credit Portfolio Concentration Risk and Net-Stress Test buffers. From the abovementioned requirements, CICR, NET GRAPE and credit Portfolio Concentration Risk buffers were in force as of December 31, 2020.

Despite the increased requirements, Credo Bank's supervisory and initial capital ratios are still significantly higher than required (see Table 2).

CET I and Tier I ratios are 10.75%, Total Regulatory Capital ratio is 15.13% versus required 8.44%, 10.42% and 13.62% respectively.

Table 3 Risk Weighted Assets (RWA)

3	RWA (in gel)	31.12.2022	31.12.2021
3.1	*CREDIT RWA*	*1,611,326,899*	*1,302,738,555*
3.2	*MARKET RWA*	*1,155,070*	*1,358,497*
3.3	*OPERATIONAL RWA*	*385,082,003*	*351,858,012*
3.4	***Total RWA***	**1,997,562,972**	***1,655,955,064***

1. The total volume of risk-weighted assets increased by 20.6% compared to 2021, while the absolute volume increased by GEL 341.6 million. This increase was mainly due to the increase

in credit risk weighted assets. The latest increased by 308 million GEL compared to the previous year, which was due to Increasing credit portfolio, in particular:

- The loan portfolio increased by GEL 299.8 million
- Market risk weighted assets decreased slightly compared to the previous year, while operation risk weighted assets increased significantly by 33.2 million, due to the increase of interest and non-interest income, because of the merger of two banks ("Credo" and "Finca"), which are the main parameters of the key indicator method for calculating operational risk.

Credo Bank uses long-term credit ratings for such instruments as S&P, MOODYs and FITCH. The above mentioned ECAIs are nominated by the National Bank of Georgia. Mainly these ratings are used for domestic commercial bank assessment, because currently CREDO has small amount of credit exposures to foreign banks, except for the Risk Position of the Netherlands Development Bank (FMO) in the form of debt securities, which is weighted at 0% risk as the position of the counterparty with the highest credit rating (AAA).

Table 4 Liquidity Ratios

4	Liquidity Ratios	31.12.2022	31.12.2021
4.1	*LIQUID ASSETS / TOTAL ASSETS*	*13.22%*	*12.25%*
4.2	*LIQUIDITY COVERAGE RATIO (min. req. 100%)*	*212.4%*	*174.5%*

2022 and 2021 Liquid assets in total assets are 13,22% and 12.25% accordingly. As for the LCR (Liquidity Coverage Ratio), it became obligatory for banks from September 2017. At the end of December 2022, LCR was 212.4 %, which exceeds the minimum LCR requirement set by NBG 2 times.

Table 5 Portfolio Quality

5	Liquidity Ratios	31.12.2022	31.12.2021
5.1	*NON-PERFORMED LOANS / TOTAL LOANS*	*2.39%*	*3.87%*
5.2	*LLR/TOTAL LOANS*	*3.32%*	*4.3%*

Credo Bank maintains high quality portfolio due to its granularity and diversification in sectorial and geographical terms. Compared to 2021, in 2022 the portion of non-performing loans in total loan portfolio decreased. Also decreased reserves for possible loan losses in relation to the total loan portfolio and amounted to 3.32%, which is explained by the decrease in the restructured loans due to COVID-19 and consequently decrease in the reserve amounts. However, it should be noted that this figure for "Credo" is lower than the average value of the corresponding figure in the banking sector (3.98%).

2 OWNERSHIP STRUCTURE AND SHAREHOLDERS

2.1 Bank Shareholders and Beneficiaries

Established as a foundation in 1997 by World Vision and transformed into Microfinance Organization Credo (Credo) in 2005, Credo was acquired by consortium of foreign investors whose shares in the share capital is given in table 6. The main shareholder is Access Holding (AH), BASED IN Germany.

In March 2017 Credo obtained its banking license from the National Bank of Georgia (NBG).

Table 6. Current ownership structure as of December 2021

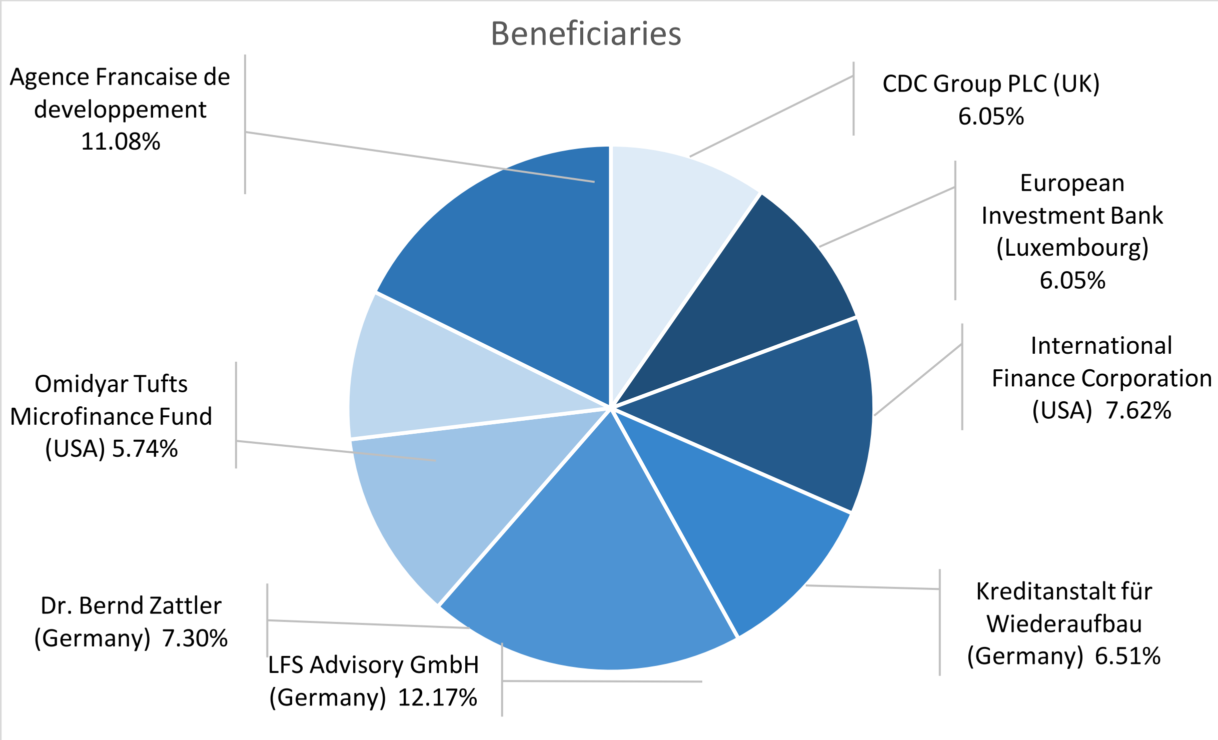
Shareholder	Number, class and denomination of shares held	Share in Charter Capital
Access Microfinance Holding AG Berlin, Germany	264,880 ordinary shares of 10 GEL each	51.1%
Legal Owner Triodos Funds B.V. Zeist, The Netherlands	43,560 ordinary shares of 10 GEL each	8,4%
Triodos SICAV II (Triodos Microfinance Fund) Luxembourg, Grand Duchy of Luxembourg	43,560 ordinary shares of 10 GEL each	8,4%
ResponsAbility Participations AG Zurich, Switzerland	41,096 ordinary shares of 10 GEL each	7,9%
ResponsAbility SICAV (Lux) (Micro and SME Finance Leaders) Luxembourg, Grand Duchy of Luxembourg	8,228 ordinary shares of 10 GEL each	1,6%
responsAbility Global Micro and SME Finance Fund Luxembourg, Grand Duchy of Luxembourg	38,676 ordinary shares of 10 GEL each	7,5%
Societe de Promotion et de Participation pour la Cooperation Economique (Proparco)- France, Paris	77,440 ordinary shares of 10 GEL each	14,9%

Management Board	1,242 ordinary shares of 10 GEL each	0,2%

- The Berlin-based investment company **Access Microfinance Holding AG ("AccessHolding")**, is a public-private partnership established in 2006 with the aim to make equity investments in start-up and early-stage MFIs in developing and transitional countries.
  AccessHolding was established in 2006 by a group of reputable international investors from the public and private sectors. It operates a network of nine banks and mfis, including in Azerbaijan and Tajikistan. AccessBanks focus on the target group of micro, small and medium-sized enterprises. In total, the AccessBank network employs more than 7,000 staff and manages a loan portfolio exceeding USD 1.4 billion and customer deposits of around USD 0.6 billion. Further information is available at www.accessholding.com..
- **responsAbility Investments AG** is one of the world's leading independent asset managers specializing in development-related sectors of emerging economies. They comprise the areas of finance, agriculture, energy, healthcare and education. responsAbility provides debt and equity financing to non-listed companies with business models that target the lower-income section of the population and can thus drive economic growth and social progress. responsAbility offers professionally-managed investment solutions to both institutional and private investors. Founded in 2003, responsAbility currently has USD 2.2 billion of assets under management, which is invested in 500 companies in 90 countries. responsAbility is headquartered in Zurich and has local offices in Paris, Lima, Mumbai and Nairobi. Its shareholders include a broad range of reputable institutions in the Swiss financial market as well as its own employees. responsAbility is registered with the Swiss Financial Market Supervisory Authority FINMA. Further information is available at https://www.responsability.com/en.
- **Triodos Investment Management** is a wholly owned subsidiary of Triodos Bank, one of the world's leading sustainable banks. Triodos Investment Management is a globally recognised leader in impact investing, managing investment funds in different sustainability themes ranging from renewable energy to sustainable real estate and inclusive finance in emerging markets, with combined assets of EUR 2.5 billion at year-end 2013. Since 1994, its assets under management in inclusive finance have increased to over eur 550 million, making it one of the leading investors in the industry. Through specialised funds Triodos Investment Management provides finance – both debt and equity - to 112 upcoming and well-established financial institutions in 44 countries. They hold equity stakes in 22 financial institutions; senior staff of Triodos Bank join the Board of Directors and actively contribute to the governance of these institutions. Further information is available at www.triodos.com.
  Proparco as company, was based in 1977, Proparco is the private sector financing arm of Agence Française de Développement Group (AFD Group). It has been promoting sustainable

economic, social, and environmental development for over 40 years. Proparco provides funding and support to both businesses and financial institutions in Africa, Asia, Latin America and the Middle East. Its action focuses on the key development sectors: infrastructure, mainly for renewable energies, agribusiness, financial institutions, health, and education. Its operations aim to strengthen the contribution of private players to the achievement of the Sustainable Development Goals (SDGs) adopted by the international community in 2015. To this end, Proparco finances companies whose activity contributes to creating jobs and decent incomes, providing essential goods and services, and combating climate change. For a World in Common. Further information is available at https://www.proparco.fr

Chart 1 List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares is as following:



- **CDC Group plc (CDC) 6.05%** - the United Kingdom’s official development finance institution, owned by the UK’s Department for International Development and based in London.
- **European Investment Bank (EIB) 6.05%** - a financing institution of the European Union, based in Luxembourg.
- **International Finance Corporation (IFC) 7.62%** - the private sector arm of the World Bank group based in Washington D.C.
- **KfW Development Bank (KfW) 6.51%** - the German development bank based in Frankfurt/Main.
- **LFS Financial Systems GmbH (LFS) 12.17%** - which founded AccessHolding in August 2006 and which is also the technical partner and manager of the company as well as its investees. LFS is an advisory and management firm based in Berlin, specializing in banking and financial sector projects in developing and transition countries with a focus on micro, small and medium enterprise (MSME) finance.
- **Bernd Zattler 7.30% -** is Chief Executive Officer of AccessHolding. He also serves as a member and chairman of some of the holding’s investees. In 1994, Dr Zattler established the consulting firm LFS Advisory GmbH (former name LFS Financial Systems), the founding shareholder of AccessHolding.
- **Omidyar-Tufts Microfinance Fund (OTMF) 5.74%** - a microfinance investment fund created by Pierre and Pam Omidyar and managed by Tufts University in Boston.
- **MultiConcept Fund Management S.A. 11.08%** - acting on its own name but on behalf of ResponsAbility Global Micro and SME Finance Fund, based in Luxembourg.

2.2 Shareholders’ Rights

The shareholders of the Bank are entitled to do the following:

- Attend or be represented at the General Meeting of Shareholders and take part in the voting (holders of common shares only);
- Receive the information about the activities of the Bank, check their accounts, books, and other documentation (according to the provisions of the legislation).
- Participate in the process of profit distribution and receive their pro rata share dividends.
- Dispose of their shares in accordance with the rules defined by law.
- In case of liquidation of the Bank receive their pro rata share of the assets remaining after the payment of the claims of the creditors.
- Holder(s) of 5% (five percent) or more of the outstanding shares are entitled to request a special inspection of the business activities and the annual balance sheet if they believe in their reasonable judgment that material irregularities have taken place. The General Meeting of Shareholders shall discuss the reasonability of such request and approve appointment of the special inspection unless otherwise set forth in the applicable regulations.
- Holder(s) of 5% (five percent) or more of the outstanding shares are entitled to request that an extraordinary General Meeting of Shareholders.
- The shareholders of the Bank shall:
- Ensure the payment of their respecting contributions to the Bank’s issued capital so that the appropriate amounts of shares are registered in their names.
- Not disclose commercial secret of the Bank and other confidential information
- Adhere to the present Charter.
- Implement decisions of the General Meeting of Shareholders of the Bank.

3 CORPORATE GOVERNANCE

Governance is defined as the distribution of rights and duties among the stakeholders of an organization. Key objectives in designing the corporate governance structure of CREDO are to warrant the highest degree of transparency and accountability at all levels, and to incentivize agents (directors, officers) to act in conformity with the objectives of the business and its shareholders.

The governance structure was designed to warrant a clear distinction between the functions of the Supervisory Board (SB) and the Management Board (MB), which assigns to the former the definition of CREDO’s commercial policies and the supervision of the management (´decision controlling´), and to the latter the responsibility for the operative business (´decision management´). Emphasis is also placed on establishing strong and independent supervision and audit structures, and to identify and contain potential conflicts of interest from the outset.

In line with Georgian laws and regulations, the governance structure consists of the following bodies with their respective tasks and functions:

General Meeting of Shareholders - the supreme governing body of the Bank is the General Meeting of Shareholders.

Supervisory Board (SB) - the supervision of the Bank's operations is conducted by the Supervisory Board. Members of the Supervisory Board are elected by the General Meeting of Shareholders.

Management Board - the Bank's day-to-day management and administration is carried out by the Management Board elected/appointed by the Supervisory Board. The Management Board is led by the Chief Executive Officer (the "CEO").

Audit Committee - administratively is subordinated (and reports) to the Supervisory Board. The main function of the Audit Committee includes facilitation of activities of internal audit and external auditors.

3.1 General Meeting of Shareholders

The General Meeting of Shareholders conducts two types of meetings: Annual General Meeting of Shareholders and Extraordinary General Meeting of Shareholders.

- Convening of the General Meeting of Shareholders:

- Annual General Meeting of the Shareholders shall be convened by the Supervisory Board annually, not later than 2 (two) months following the completion of the external audit of the Bank's books and in no case later than 6 (six) months from the end of the prior fiscal year. An Extraordinary General Meeting of Shareholders may be called from time to time by the Supervisory Board, the Management Board, or by written request of the shareholder(s) holding at least 5 % (five percent) of the Bank's shares.

- If permitted by Georgian law convening of the General Meeting of Shareholders will not be necessary if a shareholder holding more than 75% (seventy-five percent) of the Bank's voting shares intends to take one of the decisions listed in article 7.4 below. Such decision shall be equivalent to the minutes of the General Meeting of Shareholders and shall be considered as a resolution of the General Meeting of Shareholders. In such cases the remaining shareholders shall be notified about such resolution. For the avoidance of doubt, if more than one shareholder, holding together more than 75% (seventy-five percent) of shares of the Bank, intend to take one of the decisions listed in article 7.4 below, convening of the General Meeting of Shareholders is mandatory.

- The time, place and the agenda of the General Meeting of Shareholders shall be published in printed media and sent to the shareholders at least 20 (twenty) days prior to the date of such General Meeting of Shareholders. Shareholders holding at least 1% (one percent) of the Bank's shares should be notified about the General Meeting of Shareholders via registered mail. An Extraordinary General Meeting may be called on a shorter notice if the interests of the Bank require
- so. In such case, the notice will be sent at least 5 (five) working days prior to such meeting, provided that none of the shareholders will object to such procedure before the meeting.

- The Supervisory Board determines the record date for the General Meeting of Shareholders in accordance with the applicable laws.

- The General Meeting of Shareholders is authorized to take decisions and the quorum is established if the meeting is attended by the holders or their authorized representatives of at least 70% (seventy) of the voting shares. If the General Meeting of Shareholders is inquorate, a new General Meeting of Shareholders shall be convened with the same agenda and within the period determined by the Supervisory Board in accordance with the procedures of applicable laws. The new General Meeting of Shareholders shall be quorate if attended or represented by the holders of at least 50% (fifty) +1 share of the voting shares. If the General Meeting of the Shareholders is still inquorate, a new General Meeting of Shareholders shall be convened with the same agenda and within the period determined by the Supervisory Board in accordance with the procedures of applicable laws. Such General Meeting of the Shareholders shall be deemed quorate irrespective of the number of attending voting shareholders or their representatives.

- The General Meeting of Shareholders shall be presided over by the Chairman of the Supervisory Board, or in his absence by the Vice-Chairman of the Supervisory Board, or in their absence, the General Meeting of Shareholders shall be presided over by the CEO.

- The minutes of the meeting shall be drawn up by the Secretary of the General Meeting of Shareholders in English and Georgian language and certified by a notary. The minutes shall be available to any shareholder and to members of the Supervisory Board.

- Representation at the General Meeting of the Shareholders:

- All the shareholders registered with the share registrar as of the record date of the General Meeting of Shareholders shall have the right to attend and vote at the meeting.

- shareholder may appoint legally another shareholder or any third party as his/her representative to attend and vote for any issues raised at the General Meeting of Shareholders.

Competencies of the General Meeting of Shareholders:

Unless otherwise required by the laws of Georgia, the General Meeting of Shareholders reviews and adopts the following resolutions by the affirmative votes of the shareholders holding at least 75 percent of the voting rights:

- Changes and amendments to the Charter.
- Change to the business of the Bank;
- Approval of any and all capital measures (including, inter alia, any increase or decrease in the number of the Shares and changing class of the Shares);
- Approval of encumbrances or any pledging of the Shares;
- Any type of reorganization of the Bank, including transformation, consolidation, mergers, acquisitions, winding up or liquidation of the Bank;
- Purchase of enterprises, business divisions and companies;
- Approval of the audit financial statements;
- Approval of the resolution on the dissolution of the Bank under a liquidation or continuation of the Bank including the appointment and dismissal of liquidators;
- The sale of all or essentially all assets;
- Payment of dividends and other dividend related decisions;
- Selection and change of the auditors;
- Approving the Regulation of the Supervisory Board of the Bank;
- Dissolution of the Supervisory Board of the Bank and revocation of competences in general;
- Determination of compensation for the Supervisory Board members;
- Determination of subscription price/placement value of newly issued shares;
- Election and dismissal of members of the Supervisory Board (except for the decisions related to the election and dismissal of one independent member of the Supervisory Board which is approved by the unanimous decision of the General Meeting); and
- Approval of the related party transactions where applicable.

The following decisions shall be adopted by the affirmative votes of the shareholders holding at least 90 percent of the voting rights:

- Decisions on approval or making amendments to the employee stock option plan;
- Decisions on approval of variable part of remuneration (including, inter alia, bonuses, incentives) of the Material Risk Takers (as defined in the Corporate Governance Code of the Commercial Banks adopted by the National Bank of Georgia on 26 September 2018), except for Supervisory Board members, exceeding 100% of their annual fixed remuneration.

3.2 Supervisory Board

The Supervisory Board consists of at least 5 (five) members. Members of the Supervisory Board are elected and dismissed by the General Meeting of Shareholders. At least two members of the Supervisory Board shall have a status of an independent member and at least one of them shall be appointed by the unanimous decision of the General Meeting of Shareholders.

Unless otherwise specified by the General Meeting of Shareholders, each member of the Supervisory Board shall be elected for a period of four years, provided that its authority is continued after the expiration of mentioned period, until the next General Meeting of Shareholders.

Each member of the Supervisory Board may resign from the Supervisory Board upon at least four weeks prior written notice submitted to the Chairman of the Supervisory Board (the Chairman of the Supervisory Board resigns by submitting his written notice to the Vice-Chairman, and in the absence of the Vice-Chairman to any other member of the Supervisory Board). A new member of the Supervisory Board shall be elected not later than six weeks after the retirement/withdrawal of the departing member by the General Meeting of Shareholders.

Members of the Supervisory Board may not be employees of the Bank.

An individual cannot be a member of the Supervisory Board or he/she shall be dismissed from the Supervisory Board, if he/she does not comply with the criteria for bank administrators set by the National Bank of Georgia.

The Supervisory Board elects the Chairman and the Vice-Chairman from its members in accordance to the present Charter and Georgian legislation. The Chairman (in absence of Chairman – the Vice-Chairman) convenes the meeting of the Supervisory Board and determines the agenda. Any member may add items to the agenda or request that a meeting of the Supervisory Board is convened.

Meetings of the Supervisory Board shall be held at least once per quarter at the address of the Bank or any other location as determined by the Chairman. Subject to the requirements of Georgian law, meetings may be held in person, by telephone, by proxy, facsimile or electronic means communications. A written notification with the respective agenda shall be sent at least eight working days prior to the anticipated date of the meeting. The members of the Supervisory Board may be represented by other members of the Supervisory Board. Each member may represent only one other member. The matters requiring approval of the Supervisory Board may be approved by circulation of a written resolution which shall be effective when approved by all members and signed by the Chairman (in absence of Chairman – the Vice-Chairman) except for cases which require notary attestation for effectiveness of such resolution.

The Supervisory Board is deemed quorate and shall be authorized to adopt resolutions if the majority of its members are attending or represented at the meeting except for decisions with respect to approval of transactions with related parties where two thirds of the members of the Supervisory Board which do not have conflict of interest must be present or represented. If the Supervisory Board is not authorized to proceed, the Chairman (in case of his/her absence, the Vice-Chairman) is entitled to call a new meeting within three working days, which shall be authorized to adopt resolutions if attended by at least 3 (three) members of the Supervisory Board. If the Supervisory Board is not authorized to proceed, then Chairman (in case of his/her absence, the Vice-Chairman) shall convene the General Meeting of Shareholders.

Each member of the Supervisory Board has one vote.

The minutes of the meeting and resolutions of the Supervisory Board shall be drawn up by the Chairman of the Supervisory Board or Corporate Secretary in Georgian and/or English languages. The minutes will be sent to all members of the Supervisory Board and approved at the earlier of (i) written agreement by all members or (ii) approval at a subsequent meeting. The minutes then are signed by the Chairman of the Supervisory Board (or in case of their absence, the Vice-Chairman of the Supervisory Board and in case of the absence of the Vice-Chairman - by any member of the Supervisory Board). The minutes shall state the place (unless held electronically) and the time of the meeting, list of attendees, agenda items and relevant resolutions.

The Supervisory Board may decide by simple majority to create committees. The composition of such committees and their tasks shall be determined by the Supervisory Board. Committees shall report their conclusions and recommendations to the Supervisory Board.

Unless otherwise required by the laws of Georgia, the Supervisory Board passes resolutions by a simple majority of votes of its members on the following matters.
Approving/changing the Regulation of the Management Board of the Bank;

- Preliminary recommendation of decisions to be presented to the General Meeting of Shareholders;
- Election of a Chairman as well as Vice-Chairman of the Supervisory Board;
- Convocation of the General Meetings of Shareholders and extraordinary General Meeting of Shareholders;
- Recommendations for the amount of remuneration and compensation to be paid to the external auditors;
- Approval of the performance targets for the Management Board members;
- Quarterly review and evaluation of performance of the Bank's management team against key operational and financial targets;
- Establishment and liquidation of branches/service-centers and appointment/dismissal of the branch managers except of heads/managers of service-centers who are appointed/dismissed by the Management Board;
- Determination and approval of internal core policies for lending, investing, foreign exchange, assets and liabilities management, their classification and adequate provisioning and other regulatory documents;
- Making decisions in other cases provided by applicable laws.

Unless otherwise required by laws of Georgia, the Supervisory Board shall pass resolutions by at least two thirds of affirmative votes of its members present or represented at the meeting on the following matters:

Appointing and discharging the CEO and other Management Board members, concluding and terminating service contracts with them;

- Acquisition, transfer and encumbrance of real estate and assets, if such transactions fall outside the scope of ordinary scope of business of the Bank and the volume of such transactions exceed EUR 5,000,000 (five million);
- Borrowing of funds, if such borrowing falls outside the scope of ordinary course of business of the Bank and is in excess of EUR 5,000,000 (five million);
- Approval of proposals by the Management Board which would result in the exceeding of the operating cost budget by more than twenty percent (20%);
- Approval of changes in the Bank’s product pricing parameters if these lead to material deviations from the product conditions underlying the annual budget;

- Launching new banking activity(ies) or terminating or suspending existing banking activity(ies);
- Approval of agreements or transactions with affiliates or the related party transactions (pursuant to the Bank's internal regulations and applicable regulations); and
- Determination of general principles of business strategy and the business plan of the Bank and the approval of the annual budget.

A Supervisory Board member shall not take part in any discussion or decision-making that involves any subject or transaction in which such member has a conflict of interest with the Bank.

The Supervisory Board may inspect the Bank's books and property, including without limitation, inspecting the conditions of the Bank's cash, securities, and goods personally, or through its members or invited experts.

The Supervisory Board may request reports on the Bank's activities from the Management Board (including dealings with the associated companies and subsidiaries) and review the information provided by internal audit or external inspections.

Certain responsibilities of the Supervisory Board can be delegated to the Management Board to the extent permitted by the law. The responsibilities of the Management Board may not be delegated to the Supervisory Board.

According to the JSC Credo Bank self-assessment and evaluation procedure the Supervisory Board appraises itself, its committees and the Supervisory Board members individually to establish its effectiveness in fulfilling its obligations and to determine its current strengths and weaknesses.
The evaluation results are derived from the assessment of the performance of the functions and duties written in the self-assessment and evaluation procedure.
As the evaluation outcome, the Supervisory Board and its members individually and collectively are evaluated positively. In the process of performing their duties, their actions were in full compliance with the interests of the Bank, the Charter, the Corporate Governance Code and the legislation. All the rights and duties listed in the self-assessment and evaluation procedure were performed by the Supervisory Board and each of its members in full accuracy.
As for the Bank`s Supervisory Board committees, both The Audit Committee as well as the Risk committee acted in accordance with the Bank's Charter and all the criteria specified in the self-assessment and evaluation procedure were fully met.

3.3 Management Board / Chief Executive Officer

Management Board:

- The Bank's day-to-day activities are carried out by the Management Board. The CEO leads the activities of the Management Board;
- The Management Board consists of at least 3 (three) members and in any case an odd number of members. Members of the Management Board are elected and dismissed by the Supervisory Board. The rules of nomination and the election of members of the Management Board are according to the Charter and Georgian legislation;
- An individual cannot be a member of the Management Board or he/she shall be dismissed from the Management Board, if he/she does not comply with the criteria for bank administrators set by the National Bank of Georgia;

Management Board is obliged to:

- Conduct and carry out the Bank's current activities;
- Review all items prior to putting them on the agenda of the General Meeting of Shareholders or Supervisory Board meetings, obtain all necessary information, prepare proposals and draft resolutions;
- After the end of the fiscal year draft and present to the Supervisory Board for approval the business plans for the current year. Such business plan shall include budget, profit and loss forecast and the Bank's investment plan;
- Supervise lending, settlements, financing, cash services, security, accounting and reporting of cash and valuables of the Bank, internal controls and accounting and supervise all other major activities of the Bank;
- Supervise the functioning of the Bank's branches and service centers, ensuring that the managers fulfill their tasks and functions;
- Review the information provided by internal audit or external inspections, the reports submitted by the branch managers and heads of the service centers, and make appropriate decisions based on this information;
- Ensure the fulfillment of resolutions made by the General Meeting of Shareholders and the Supervisory Board;
- Develop policies, office rules and all other regulations and propose such to the Supervisory Board for approval and ensure compliance with such polices, rules and regulations;
- Decide on the selection, dismissal, training and remuneration of staff subject to the restrictions set out in the Charter;
- Deal with any other issue assigned to the Management Board by the Supervisory Board (or its individual members) and/or the General Meeting of Shareholders and Fulfill the requirements set forth in the Charter and the applicable laws.

Chief Executive Officer (CEO):

- The activities of the Management Board are led by the CEO. For this purpose, the CEO delegates tasks to the members of the Management Board;
- The CEO is entitled to act on the Bank's behalf without a power of attorney. In the absence of the CEO one of other members of the Management Board shall act on the Bank's behalf on the basis of a power-of-attorney issued by the CEO;

The CEO is responsible for the following:

- Chairing meetings of the Management Board, supervising the implementation of decisions of the Management Board, Supervisory Board and the General Meeting of Shareholders, organizing tasks among the Management Board members and other managers of the Bank, and issuing relevant orders, instructions and other directives for these purposes;
- Acting independently on the Bank's behalf, subject to any possible consents and approvals of the Supervisory Board provided in the Charter;
- Submitting (where necessary) for approval by the Supervisory Board, recommendations on the remuneration and bonuses of the Bank's Management Board;
- Appointing and dismissing employees in accordance with the employee recruitment plan;
- Carrying out any other activity required for attaining the Bank's goals, except for the functions imposed on to the General Meeting of Shareholders or the Supervisory Board;
- Ensure the fulfillment of the resolutions adopted by the General Meeting of Shareholders or the Supervisory Board.

The CEO has the right to:

- Independently conclude contracts, subject to any possible consents and approval of the Supervisory Board and/or the shareholders;
- Pay bonuses to and impose penalties on the Bank's employees in accordance with the provisions in the Charter and internal policy;
- Prepare all necessary information/reports and present it to the Supervisory Board and General Meeting of Shareholders;
- The CEO of the Bank is entitled to delegate his direct tasks to the Management Board members;

- The rights and obligations of the members of the Management Board are defined by this Charter, the resolutions of the Bank's Supervisory Board and the CEO.

- 9.9 Decisions on issues that do not fall within the competence of the Supervisory Board and/or General Meeting of Shareholders shall be made by the Management Board.

3.4 Supervisory Board Members' Background

Name, Surname	Position	Member Since	Background
Thomas Engelhardt	Chairmanr	2015	Mr. Engelhardt is AccessHolding's Chief Business Officer. He joined LFS Advisory GmbH as a Partner in 1996 and has served on the AccessHolding management board since its foundation in 2006. He was also the first General Manager of AccessBank Azerbaijan and held other managerial positions in Berlin and abroad. He is also Chairman of the Board of Access Microfinancebank Tanzania and AB Bank Zambia. Mr Engelhardt has an M.Sc degree in Economics, and speaks German, English, Russian and SerboCroat.
Farah, Katia Chams	Member	2021	Ms. Chams has 20 years of experience working in the financial sector in several countries and has held the position of Director of Financial Strategies and Risks at Microfinance Company ''Enda Tamweel.'' She has been actively involved in the banking sector and currently represents 'Triodos Ivestment Management' as Senior Investment Officer. Ms. Chams holds a master's degree in Finance and Economics and speaks French, English and Spanish.

Paul - Catalin Panciu	Member	2015	Paul Panciu has over 15 years of finance services experience in Retail & SME Banking and Non-Bank Financial Institutions in nonexecutive and executive roles in Romania, Moldova, Georgia, Poland and Albania. He has extensive operational expertise in organizational diagnosis, strategy optimization and execution at country and multi-country level: Sales efficiency and organization, Credit Risk, Collections, Audit, Compliance. Currently he acts as Executive Chairman at OMRO IFN SA. He has a Certificate in Global Management from INSEAD and holds Masters in International Business from Norwegian School of Economics and Business Administration.
Johannes Mainhardt	Member	2017	Johannes Mainhardt, Member (AccessHolding). Mr. Mainhardt is the Head of Group Portfolio & Investments at AccessHolding. He has worked in several microfinance banks in different geographical regions. He served as Finance & Risk Director at Credo Bank (Georgia), as well as the Chief Credit & Operating Officer at AB Microfinance Bank Nigeria and held various senior positions in other AccessHolding network banks. Mr. Mainhardt started his career at Deutsche Bank AG in Frankfurt (Germany). He serves on the boards of AccessBank Tanzania and AB Microfinance Bank Nigeria. Mr. Mainhardt has a degree in Business Administration specialized on Banking and is fluent in German, English and Russian.
Pospielovsky Andrew	Independent Member	2019	Dr Andrew Pospielovsky has twenty-years' international management, consulting and Board experience in Microfinance and SME Banking in Eastern Europe, Asia and Africa. He also serves as a director for MSME focused Banks and MFIs in Ukraine, Serbia and Kazakhstan and advises on strategy, institutional transformation and risk management. Dr. Pospielovsky holds a PhD in Modern History from the University of London, and is fluent in English and Russian.
Olga Tomash	Independent Member	2022	Olga Tomash has 28 years of experience in the financial field. During this period, she held managerial positions (including in the supervisory board) in various banks and other organizations, namely: Ipak Yuli Bank Uzbekistan, Access Bank Azerbaijan, Privat Bank Ukraine, FINCA Microfinance Holding) and others. she was actively involved in such important issues as: reorganization of the enterprise and its transformation into a bank, financing of small and medium-sized businesses, risk management/internal audit and development of its control mechanism, alignment of IT strategy with its business strategy, etc. Olga Tomash is a graduate of Frankfurt School of Finance and Kyiv State University of Trade and Economics. In addition, she is a member of the Association of Certified Public Accountants. She speaks Ukrainian, English and Russian languages.

3.5 Management Board Members' Background

Name, Surname	Position	Works Since	Background
Zaal Pirtskhelava	CEO	2003	Zaza Pirtskhelava is the General Director of JSC Credo Bank since 2014. In 1992 he graduated from Tbilisi State University, Faculty of Economic Statistics. After that he continued to get an education in Free University Business School ESM and in 2004 he became a Master of Financial Management. Zaza graduated from Harvard Business School's 2012 General Management Program (GMP). He has also successfully completed more than 25 training courses in business, finance, banking and general management in Georgia and Europe. In 1994, he started his career as an expert in the financial analysis department of JSC "Ponto-Polis" Bank. From 1997 he was an expert in the credit department of JSC "IntellectBank". In 2002 - 2003, he took up the position of Head of Financial Analysis and Planning Department of "IntellectBank". In 2003 he joined Credo's team as Operations Management Director. Since 2013, he has been the Deputy Executive Director's duties and responsibilities. Due to successful activities, Zaza Pirtskhelava is headed by one of the leading organizations in the Georgian financial sector - JSC "Credo Bank" and is Director-General from 2014 to present. Since 2018, he is also a member of the Supervisory Board of one of the AccessHolding's network banks - AccessBank Madagascar.

Erekle Zatiashvili	Finance Director	2017	Irakli joined the position of Financial Director in 2017. His working experience in the banking industry counts 17 tireless years. Before joining to Credo Bank's management board Irakli was chaired by the First Division of National Bank Supervision in 2015-2016, where he was actively overseeing the operations of companies in the business group of the Bank of Georgia. In 2014-2015 he was appointed Executive Director in the Holding Company Agro Business Group. Prior to 2011 -2014, he was the financial director of ProCredit Bank and a member of the Management Board. Prior to 2012 was the executive director of "ProCredit Proof of LLC", where he actively participated in the company's assets management. From 2008 to 2011, ProCredit Bank held a high-level managerial position in financial direction. Irakli Zatiashvili has received a Bachelor Degree in Business Administration (ESM) in 2002. In 2008-2009 he had a 1-year program in ProCredit Holding Management in Macedonia. In 2010-2012, he has undertaken a 3-year program in ProCredit Holding Management in Germany. In 2016 he has undergone macroeconomic and financial stability programs in Austria in the International Monetary Fund.
Zaza Tkeshelashvili	COO Credit Operations	2003	Zaza Tkeshelashvili is the Credit Operations Director of Credo Bank. In 1997 he completed the Faculty of Finances and Credits of Tbilisi State University and in 2015 he became Master of Free University ESM Business School. Zaza has undergone a number of training courses in management, risk management, business administration and agro financing, both in Georgia and in Europe. Zaza's career began in 2000, from the position of credit officer in World Vision International's. With his Successful work, he became the best credit officer. In 2003-2006 he held the position of the Loan Manager in Vision Fund. His career has moved to the new stage since 2007 when he became the Project Manager of "Triquest International Group". During the work in Credo, Zaza successfully completed several important steps - Branch Manager, Regional Operations Manager, Deputy Operations Manager. Since 2014 Zaza Tkeshelashvili is the director of Credit Operations and board member.

Nikoloz Kutateladze	Chief Commercial Director	1999	Nikoloz Kutateladze is the Commercial Director of JSC Credo Bank. Nikoloz graduated from Tbilisi State University, Faculty of Economics in 1998. In 2010, he became a Master of Business Administration at ESM Business School. Nikoloz has successfully completed a number of trainings and management programs in Marketing Research, Customer Relationship, Management and Leadership, Finance and General Management, both domestically and abroad, at leading European business schools. Nikoloz Kutateladze started his career in 1997 in the microfinance program of World Vision International from the position of a Loan Officer. He was soon promoted to the rank of the Senior Officer at Credo, a microfinance organization, from 1999 to 2005. At the same time, he served as a Marketing Officer. In 1999, he was a project coordinator at the Norwegian Refugee Council. Nikoloz Kutateladze, from 2005 to May 2020, headed one of the priority directions of the leading organization in the financial sector of Georgia and held the position of Head of Marketing and Sales Department of JSC Credo Bank. Due to the successful performance, since June 2020, he has become the Commercial Director of JSC Credo Bank and a member of the Board of Directors.
Aleksandre Kumsiashvili	Chief Information Officer	2005	Alexander Kumsiashvili holds the position of Chief Information Officer at Credo Bank with 15 years of microfinance/banking and over 25 years of experience in the IT field. Graduated from Georgian Technical University in 1995, he started his career as an Inspector-Programmer in the National Bureau of Interpol. In the NCB, several innovative IT projects were implemented with his direct involvement in communication, data processing, image recognition, and automation fields. In 1998 Alexander joined the International Rescue Committee, a global humanitarian aid, relief, and development organization, as a Database and Assets Manager responsible for IT Operations and management. Right after the closure of the IRC mission in Georgia in June 2003, he moved to World Vision Georgia, and from the year of 2005, he became an IT and MIS Manager at MFI Credo. Alexander completed various professional, finance, management, and leadership programs, both in-country and abroad, in leading European business schools. Considering high performance and

			importance of the field, since June 2020 he joined the Board of Directors of JSC Credo Bank.

Giorgi Nadareishvili	Chief Risk Officer	2021	Giorgi graduated from Tbilisi State University in 1997 and soon joined the company later known as ProCredit Bank. His experience working in the banking sector across several countries is quite impressive and numerous number of projects have been implemented with his direct involvement. He held the position of Chief Operating Officer at Finca Azerbaijan, was a member of the Board of Directors at TBC Kredit from 2007 to 2012, during which time he developed and implemented both a new business strategy and a core banking system throughout the company. He has made a significant contribution to Finca, where he has held the position of Commercial Director for many years. At the same time, George earned a diploma from the ABA Stonier National Graduate School of Banking and a master's degree from the Edinburgh Business School at Heriot Watt University. He Completed diversified professional, financial, and management programs across several countries. George currently holds the position of Chief Risk Officer at JSC Credo Bank and has been a member of its Board of Directors since 2021.

3.6 Audit Committee and Internal Controls

The General Meeting of Shareholders shall annually elect/approve the external auditor, which shall be economically and legally independent from the Bank. The obligatory annual audit review conducted by such auditor shall include accounting procedures, balance sheet and business practice of the Bank. Immediately upon the completion of the annual audit, the full report shall be presented to the National Bank of Georgia. The Bank's financial statements and auditor's report shall also be published in accordance with the rules set by the National Bank of Georgia.

The Bank's Audit Committee shall be formed by the Supervisory Board. The Audit Committee is comprised of at least three members, but in any case an odd number, all of whom are appointed by the Supervisory Board.

Rights and obligations of the Audit Committee are as follows:

- Audit Committee shall set the accounting and reporting rules for the Bank, supervise the compliance with such rules and inspect the Bank's books and journals through the internal audit department of the Bank;
- Supervise the compliance of the Bank with the applicable laws;
- Approve the regulations governing the Bank's internal audit department and ensure the functioning of the internal audit department of the Bank;
- Ensure the independence of the internal audit department from the Bank's Management Board;
- Approve the operation plan of the internal audit department for the following fiscal year;
- Review the quarterly reports of the internal audit department, approve and present to the Supervisory Board and the Management Board audit inspections and recommendations;
- Supervise the activities of the internal audit, ensure its compliance with quarterly and annual operation plans;
- Assess the activities carried out by the internal audit department;
- Together with the Bank’s Supervisory Board and Management Board ensure the cooperation of the internal audit department with other structural units of the Bank;
- Make recommendations to the Supervisory Board on the employment/dismissal of the head and deputy head of internal audit department;
- Facilitate the activities of the external auditors; and
- As per request of the Supervisory Board of the Bank, submit specific reports to it.

Meetings of the Audit Committee shall be held at least once a quarter. In extraordinary cases, a meeting may be convened upon the request of the Supervisory Board. The Audit Committee passes resolutions by the simple majority of votes. The attending members do not have the right to abstain from voting. The Audit Committee is presided over by the Chairman who is elected by the Supervisory Board.

4 RISK MANAGEMENT

4.1 Bank Strategy

CREDO’s strategy has been to provide innovative financial and non-financial products and outstanding quality services throughout Georgia to preferably rural micro and small, entrepreneurs, their families and their employees.

As in previous years, Credo is focused on efficiency gains for its clients, with the aim to continue to improve access to financial and non-financial services for the Georgian low and middle income strata. This will entail offering a more diversified spectrum of products and services to meet client needs, and among other offerings will include new insurance products, current and savings accounts, mobile banking, and agricultural training services.

Risk strategy of Credo is derived from its business strategy and all factors of the business model are considered for the purpose of defining risk profile of the institution.

Bank plans stable but active growth, which will be mainly expressed in growth of credit and non credit portfolio. Bank fully acknowledges risks associated with its business model and active growth and ensures a proper platform for mitigating these risks by setting adequate regulatory and economic capital as well as proper structure, policies, procedures and reporting.

4.2 Risk Owners

Risk management in Credo Bank is performed at three different levels, and each risk category has a responsible structural unit. For each level there are specific functional units for defined risks and responsibilities are distributed between the first, second and third lines of defense adequately.

4.3 Functions / Responsibilities of Owners

The first defense level in risk management exists at the following structural levels:

- **Credit Operations** - is the core function in daily communication with customers, is responsible for sales and business targets. This function is supervised by the Chief Operations Officer. Credit Operations is managed by Credit Operations Manager. The credit operation function is regulated by the Operations Policy;
- **Litigation and recovery** - is responsible for loan recovery in compliance with internal procedures and Georgian legislation. The department is also in charge of auctions and the sale of collateral in order to cover defaulted borrowers' liabilities. This function is supervised by the Chief Operations Officer. The litigation and recovery function is regulated by the Operations Policy;
- **The Treasury Department -** ensures the undertaking of operations within established limits related to foreign exchange, interest rates, and liquidity. This function operates under the Chief Financial Officer (CFO). Regulations related to treasury activities are approved by the Management Board;
- **Credit Committees** - exist at several hierarchical levels. Depending on different limits and loan types, their composition may vary. Credit Committees may be comprised of both members from business operations as well as from non-business lines (Credit Risk Unit, Management Board, and Supervisory Board). Credit Committees take decisions on loan applications, on the restructuring and refinancing of existing loans, and on actions related to problem loans. Limits to the decision-making authority of Credit Committees are regulated by the Operations Policy;

The second line of defense in risk management exists at the following structural levels:

- **Credit Risk Unit -** is responsible for quality targets of the Bank's credit activities and for the independent loan review and approval. The Credit Risk Unit ensures the critical review of loan applications and is responsible for the identification and analysis of credit risks. This function is supervised by the Chief Risk Officer (CRO). The Credit Risk Unit is managed by Head of the Credit Risk Unit, who is also the Deputy Chief Risk Officer. The department is governed by operating policies
- **The Financial Analysis & Risk Unit** - is independent of risk-taking units and reports to the Chief Risk Officer (CRO). The unit is responsible for the ongoing analysis and regular assessment of risks, reporting on financial and nonfinancial risks, and comparing them with strategic objectives and risk profile. The unit covers market risk, liquidity risk, covenant monitoring and capital planning. It also assesses other risks which might not be material at this stage but may become material for Credo Bank in the future.
- **Operational Risk Unit** – it covers operational risk appetite and KRIs, the classification of operational risk types, business process identification and mapping, operational risk assessment tools and methods, and bank-wide operational risk monitoring, reporting and mitigation. Implements risk management awareness for all staff through the e-Learning platform. The department is accountable to the Chief Risk Officer (CRO).
- **The Compliance Function** - it exists in various structural areas depending on the type of compliance area. Credo Bank has an AML/CFT compliance, a tax compliance and an NBG regulations compliance function. Compliance functions ensure effective and routine monitoring of the Bank's compliance with laws, regulations, codes and policies, and are regulated by regulations of respective structural units. The bank's AML function is accountable to the Chief Risk Officer (CRO).
- **Internal Control Unit** - Provides control / discipline for the implementation of policies and procedures established by the Bank through systematic and regular methodologies, monitors the correctness of policy-procedures performed by both head office and branch operations through risk-based selection, Detection, and investigation. The function is accountable to the Chief Risk Officer (CRO).

ALCO (Assets/Liabilities Committee):

- reviews current and prospective liquidity positions and funding sources.
- Performs gap-analysis of assets/liabilities in terms of maturity and interest rate revaluation schedules and pays special attention to assets and liabilities expressed in large amounts, whose receipt/payment dates are approaching.
- Establishes assessment and maturity parameters for deposits, loans, and investments.
- Develops alternative strategies that consider possible changes in interest rates on deposit and loan products, trends of these changes in the relevant financial markets, and as well as changes in banking regulations.
- Performs independent review of input data, assumptions, procedures and results for ALM model(s);
  Approves the limits and structure of operations with specific counterparties within the determined limits set by the Supervisory Board.

The third line of defense in risk management exists at the following levels, with responsibilities outlined below:

Internal Audit:

- Assesses the adequacy and effectiveness of the Bank's system of risk management, internal control and governance structure;
- Prepares periodic reports to the Audit Committee summarizing audit activities, findings and recommendations;

Audit Committee:

- As it was mentioned in the section of "Corporate Governance", it is a sub-committee of the Supervisory Board and is the body responsible for overseeing the internal and external audit;
- Reviews the Bank's internal control and risk management system (including Internal Audit department) and makes recommendations to the Supervisory and Management Boards on possible improvements;
- Monitors compliance of the Bank with procedures and controls as well as applicable laws and regulations;
- Receives and discusses activity reports including major findings and recommendations from the Internal Audit department.

Supervisory Board (SB):

- Receives, discusses and approves the Bank's risk appetite and reviews the Bank's risk profile;
- Approves the Risk Management Framework and ICAAP framework annually;
- Reviews the adequacy and effectiveness of the Bank's risk management framework;
- Ensures that ICAAP fully reflects all the material risks inherent to the Bank's strategy, business model and business activities;
- Decides on risk mitigation matters that have been escalated by the Management Board based on the regular risk and ICAAP reports.

Management Board (MB):

- Structures business to reflect risks;
- Ensures adequate segregation of duties;
- Ensures adequate procedures are in place, including final approval of all policies (prior to submission to the Supervisory Board) and procedures before implementation;
- Defines operational responsibilities of subordinated staff;
- Ensures that ICAAP is communicated and implemented throughout the Bank and supported by sufficient decision-making authority and resources;
- Decides on risk mitigation based on the ICAAP reports when judged to be necessary;
- Leads the Banks operations, and is responsible for implementation of strategy and for performance.

Risk Management committee:

- Monitors the Bank's risk profile;
- Approves minimum control requirements for principal risks, including evaluation, monitoring and limits for the risks;
- Debates and agrees on actions for the risk profile and risk strategy across the Bank;
- Evaluates effectiveness of the Bank's internal control and risk management systems;
- Reviews the risk analysis results and stress tests that are conducted by the Risk Management Unit, and elaborates corresponding recommendations.

4.4 Main Risks

This section will provide the information on the material risks embedded in the operations of the Bank.

Credit risk

The Bank's credit strategy is to create a diversified and profitable loan portfolio in rural as well as urban areas while maintaining a high portfolio quality. To build and maintain a healthy portfolio, lending processes and rules were developed in a prudent manner.

Credit risk is obviously the most material type of risk for Credo. Credo uses the following steps to measure and manage credit risk:

- **Establishment of an appropriate credit risk management environment** – This is achieved through written Operations Policy with annexes covering target markets, portfolio mix, price and non-price terms, the structure of limits, approval authorities and exceptions, processing and reporting. Bank emphasis on regular staff trainings in own training academy, on regular workshops and operations meetings to improve controls and quality. Career and promotion paths are linked to portfolio quality. All incentive schemes including management have quality targets components.

  All credit decisions are taken by a credit committee comprising of at least two members , no individual can enforce a loan decision.

  Credit risk is monitored by credit department. There are several levels of approval based on loan amount.

  The Institution seeks to create behavior of prompt loan repayments by rewarding those clients that adhere to loan conditions with the opportunity for further loans. Loan officer's assessment of the client's ability to repay a loan always involves not only calculating the enterprise's cash flows and analyzing its liquidity planning, but also evaluating the figures presented in its official books and/or records (if available).

A dedicated recovery department staffed with legal advisors supports the recovery activities of problem loans. Credo is using standardized score cards which are regularly updated and reduce the risk of frauds.

- **Operating under a sound credit-granting process -** Credit granting involves consideration of different elements, that is described in the Operations Policy. It also takes into consideration cooperation with insurance companies to reduce default risk (e.g. crop insurance, life insurance etc.). These insurance products serve to mitigate the possible default risk of a loan portfolio. Loan analysis focuses strongly on the prospective client's ability and willingness to pay, primarily through a thorough computation of the cash flows of the businesses. While there is a professional evaluation of the assets pledged as loan security, this aspect of the analysis is awarded only a secondary rank in the decision making hierarchy.

- **Maintenance of appropriate credit administration, measurement, and monitoring processes** - This involves regular monitoring of a number of key items related to the condition of individual and group of borrowers. It includes the current financial condition of the borrower or counterparty, compliance with existing covenants and collateral coverage, monitoring of loans in the credit portfolio, monitoring of specific types of borrowers as well as connected borrowers to avoid concentrations of risk. Specific attention is addressed to the risk of refinanced / restructured borrowers, where the Bank applies adequate covenants by setting limits, eligibility criteria, intensified credit control and careful monitoring of refinancing / restructuring behavior to maintain high quality of loan portfolio;

- **Maintenance of appropriate portfolio quality reporting -** Portfolio quality and lending limits determined are regularly reported to the management of the Bank via portfolio reporting. Bank classifies its credit facilities into performing and non-performing loans, and builds adequate provisions for expected loan losses in accordance with local regulations. Portfolio report contains information about the distribution of the portfolio by amounts and types of arrears, by exposures to sectors and regions, by currencies, by products etc.

Registered Collateral – one type of means for mitigation of the credit risk is a collateral. The types of collateral used for loans might be: precious metals, movable property, immovable property and third person guarantees. Before using any of the listed types of collateral, it should be properly evaluated by the expert. Operations Policy covers detailed rules, how each of the collateral should be appraised. The expert is rotated one in a quarter. The immovable property should be owned by the borrower, if it is owned by the third person, he/she should become the guarantor if a client.
By the end of 2022 Registered Collateral summed as 732 m GEL. Structure of collateral types are given below in Table 7.

Table 7. Structure of Collateral

Type of Collateral	Share %
Third Person Guarantees	50.68%
Immovable Property (Mortgage)	46.00%
Movable Property	2.37%
Precious Metals	0.002%
Deposit	0.95%

Foreign Exchange Induced Credit Risk (CICR)

Currency-induced credit risk is relevant for the whole portfolio of the Bank denominated in foreign currencies except for cases when the Bank has evidence that the client has income source in the same currency as the loan. The following rules are implemented into the credit processes in order to reduce foreign exchange risk of the credit portfolio:

- Credo has a conservative approach to the CICR risk - keeping buffers on loans disbursed in foreign currency by dividing client's income by a more conservative foreign exchange rate compared to the actual foreign exchange rate (more conservative debt service ratio compared to loans denominated in local currency).

Counterparty Credit Risk

This risk is related to the risk of default by the counterparty before the final settlement of the transaction's cash flows. The credit risk of the counterparty shall be considered in relation to the operations related to the interest rate and foreign currency exchange, which are planned to be carried out in the future - within the terms established by the relevant agreement. These types of operations include futures, swaps, options, and other derivatives.

- The Bank operates counterparty limit system for treasury deals with Bank partners, which is defined by Financial Risk Management Policy and approved by ALCO and Supervisory Board. Limits are reviewed on a yearly basis and in any case when relevant information about the partner is noticed by the Bank. All counterparty limits are approved and regularly reviewed by the Supervisory Board.

Operational Risk

Operational risk may derive from inadequate internal processes or systems, external events, inadequate employee performance or from the breaching of or non-compliance with statutory provisions, contracts and internal regulations. Operational risk includes legal risk but excludes reputational and strategic risk.

To measure and manage operational risk, Credo Bank uses following steps:

- **Risk mapping -** Bank's operational risk policy provides a comprehensive framework for operational risk identification, measurement, and management. The policy lays down the principles on how operational risk must be identified, assessed, monitored, and controlled or mitigated.
- **Operational risk identification, assessment, monitoring, and mitigation -** It involves a system of checks to identify strengths and weaknesses of the operational risk environment.

Operational risk activities in the Bank include:

- **Loss data collection** - collection of observed losses through the involvement of business units (decentralized data collection);

- **Self-assessment -** assessment of existing risks and the possible occurrence of losses (frequency and severity also measured) through the involvement of business units and interviews of respective business process risk owners;
- **Definition and monitoring of risk mitigation actions** - based on loss data collection and results of self-assessment.
- **Risk indicators (KRI**) - according to which the bank monthly monitors, measures and evaluates pre-identified risks, in accordance with the bank's risk appetite.
- **Outsourcing risk assessment and management** - Based on the criticality of the process, assessment of possible events of risk and loss (including probability of occurrence);
- **Developing a strong and effective business continuity plan** - Identifying business processes and assessing criticality, as well as determining process impact. Development of stress tests and annual testing.
- **Assessment of new processes and identification of risks -** which implies management and evaluation of all new risks, the occurrence of which is related to new processes, systems, products, or tools, which ensures their successful implementation.

The operational risk management in the Bank takes place at three levels (business units / departments level, Operational Risk Unit level/ Risk Committee and Audit level), which ensures regular control of operational risk.

Market risk

Two types of market risk are relevant – interest rate risk of the Banking book and foreign exchange risk. Both of them are described in details below.

Interest rate risk of the Banking book - Interest rate risk is taken to be the current or prospective risk to both the earnings and capital of institution arising from adverse movements in interest rates. As Credo does not have a trading book, only Banking book exposures are relevant.

Types of interest rate risks relevant for the Bank:

- revaluation risk, i.e. risk deriving from the different maturity structure of receivables and payables and from pricing that is based on different interest rates or different periods;
- yield curve risk, i.e. risk originating in changes of the shape and steepness of the yield curve;

A revaluation risk occurs when there is a mismatch between the maturity structure of assets and liabilities and if pricing takes place at different intervals or at differently based interest rates (e.g. receivables at a fixed interest rate and liabilities at a variable interest rate). Credo manages and monitors its interest rate risk through the interest rate maturity gap.

Foreign exchange risk - It rises from open or imperfectly hedged positions in a particular currency as a result of unexpected movements of foreign exchange rates (that may lead to losses in the local or reporting currency of the Bank).

Foreign exchange positions are managed according to the Financial Risk Management Policy of the Bank. Calculation of the position is executed in line with the Georgian Regulation Setting, Calculating and Maintaining Overall Open Foreign Exchange Position Limit of Commercial Banks.

Liquidity risk

Liquidity is the ability of the Bank to fund increases in assets and meet obligations as they come due, without incurring unacceptable losses. In fact every financial transaction or commitment has implications on a Bank's liquidity.

Effective liquidity risk management helps to ensure a Bank's ability to meet obligations, which are uncertain as they are affected by external events and other stakeholder's behavior. Liquidity risk management is of paramount importance as a liquidity shortfall at a single institution may have system-wide repercussions.

Deposits have an important share in Credo's midterm perspectives, but the main source of liquidity risk comes from the renewal of institutional ("market") funding. The maturities of these funds are planned and managed in detail, which constitutes the main element of Credo's liquidity risk management:

- Funding decisions are made on regular ALCO meetings that are held at least monthly or more frequently if required;
- Liquidity position is assessed on monthly basis by liquidity ratios that are defined by Financial Risk Management Policy;
- In addition, Bank's Treasury department monitors liquidity position on daily basis and ensures that appropriate liquidity positions are maintained in accordance with the internal limits that are set based on ALCO's decision, historical data and consider relevant internal and external factors, such as funding cost and disbursement seasonality.
- To avoid holding excessive liquidity, Bank assigns liquidity exposure limits to its counterparts which are approved by the Supervisory Board and regularly reviewed and reported. The mentioned limits are updated regularly, and controlled daily by the financial risk department. The bank tries as much as possible to diversify its assets according to the top-rated banks of Georgia.

Reputational risk

Reputational risk is the current or prospective indirect risk to earnings and capital arising from adverse perception of the image of the financial institution by customers, counterparties, shareholders, investors or regulators. It is manifested in the fact that the external opinion on the institution is less favorable than desired.

Reputational risk may originate from the lack of compliance with industry standards, failure to honor commitments, lack of fair market practices, low or inferior service quality, inappropriate business conduct or unfavorable authority opinion and actions.

Reputational risk is managed by several processes and organizational units of the Credo Bank:

- Credo has strong and reputable shareholders and debt investors which ensure high commitment and adherence to best international standards and practices, in particular related to: Customer Protection, AML, Governance, and Environmental and Social Risk Management;
- Access Holding AG, the parent company of Credo, introduced a globally binding customer protection policy in all its institution which requires a regular reporting on customer protection related matters;

- Credo has a strict Environmental and Social Performance Policy which among other topics is regulating employee working conditions, child labor and the investment policy of Credo. Bank's lending activities are limited by the Exclusion List, all potential clients and businesses are screened against the exclusion list prior to funding. Credo is regularly reporting on Environmental and Social issues to its shareholders and majority of its funding partners. The ES policy is regularly updated and reviewed and is subject to frequent due diligence by investors;
- Credo's shareholders impose an Operating Policy which clearly defines minimum standards for the institution related to customer focus, investment policy, credit underwriting standards, the treatment of employees and other external stakeholders, and governance;
- Credo is obliged by its shareholders to select only the top audit companies for the external audit of its financial statements and to maintain insurances with reputable companies covering employee fidelity, cash, electronic fraud, fixed assets, public liability; and directors liability;
- Credo has a call center unit, which enlarges responsiveness of customers related to feedback and complaints;
- Credo owns a training academy, where it trains and re-trains staff during the whole year. Training areas include mission of Credo, target groups, credit underwriting standards, code of conduct, Environmental and Social management and AML;
- Credo has written detailed customer service standards for its staff and branches. Standards are regularly monitored and evaluated by a dedicated unit for customer service control and annually by external mystery shoppers;
- Credo conducts annual focus group researches and regular researches on market, products and existed clients. The client retention rate is monitored on monthly basis.

Reputational risk is managed by policies and processes, no capital is allocated.

5 RISK APPETITE FRAMEWORK

5.1 Stakeholders

Bank determines risk appetite according to regulatory framework and business model of the institution reflected in its business and risk strategy. Therefore, monitoring of operations based on given risk appetite is led by the Management Board assisted by relevant functions which report and assess how close the Bank is to established limits and what additional capacity exists to take additional risks. Risk appetite is a guideline for all level managers in the Bank in order to ensure compliance with the defined risk strategy.

Risk strategy is reflected in limits, giving possibility to managers to analyze each decision they make and to evaluate how they comply with the Bank's risk taking targets and attitude. Risk appetite helps stakeholders such as management, shareholders, employees, rating agencies, regulators and others to assess how much risk the Bank is willing to take, not just how much Bank currently takes.

Risk appetite guides decision making towards the amount of risk a Bank is willing to accept to be in alignment with strategy for the purpose of maximizing value for shareholders and provides a clear reference point to monitor risk taking and to trigger appropriate actions as the limits are approached or breached. It also minimizes the likelihood of "surprises" when adverse risk events occur.

5.2 Factors determining Risk appetite

In determining risk appetite, various external and internal factors are taken into consideration such as:

- Current capital situation of Credo;
- Current risk profile of Credo and limits set to Bank's management;
- Current economic condition, future expectations and forecasts for Georgia and region;
- Competition environment in the sector and shareholders expectations about development of the Banking sector;
- History and experience of the institution regarding performance in various economic and competitive environments;
- Requirements set by regulations of National Bank of Georgia regarding capital adequacy;
- Minimum covenants set by National Bank of Georgia;
- Internal capital adequacy assessment process (ICAAP) annually required from Banks by National Bank of Georgia.

5.3 Risk Appetite statement

Bank is reasonably confident that risk appetite is well communicated and understood by all stakeholders. It is directly linked to Bank's strategy and business model, addresses the Bank's material risks under both normal and stressed market and macroeconomic conditions and sets clear boundaries and expectations by establishing quantitative limits and qualitative statements for risks that are difficult to measure. Credo sets Bank-wide risk appetite and applies aggregate limits to set the overall tone for Bank's approach to risk taking. Although several sub-limits also exists in Bank's various business lines, they are not considered as risk appetite limits, but rather they are management tools to experiment products, segments, sub-sectors etc. under the aggregate risk limits. Key elements of Bank's risk appetite statement are that:

- It is linked with Bank's short and long term strategic, capital and financial plans, as well as compensation programs;
- Establishes the amount of risk Bank is prepared to accept in pursuit of its strategic objectives and business plan, taking in to account the interests of customers, employees, supervisors, shareholders, business partners as well as capital and other regulatory requirements;
- Determines for major risks the maximum level of risk that Bank is willing to operate within, based on its risk appetite, capacity and profile;
- Includes quantitative measures that can be translated into risk limits;
- It is forward looking and subject to scenario and stress testing to ensure that the Bank understands what events might push the Bank outside its risk appetite and/or risk capacity;
- Ensures that the strategy and sub-limits of each business line align with the Bank-wide risk appetite statement as appropriate.

For the purpose of risk appetite, risk limits are the allocation of Bank's aggregate risk appetite statement to specific risk categories, concentrations, and as appropriate, other levels. In order to facilitate effective monitoring and reporting of the risk limits, Credo uses specific, measurable, frequency-based, reportable assumptions. Having measurable risk limits, it assists Credo to prevent unknowingly breaching risk limits as market conditions change and be an effective brake against excessive risk taking.

Risk limits are:

- Set at level to constrain risk-taking within risk appetite based on an estimate of the impact on the interest of customers and shareholders, as well as capital regulatory requirements, in the event that a risk limit is breached and the likelihood that each material risk is realized;
- Expressed relative to capital, liquidity, credit risk and other relevant measures;
- Used to measure material risk concentrations at the Bank-wide level;
- Not strictly based on comparison to peers, default to regulatory limits, be overly complicated, ambiguous, or subjective and be monitored regularly.

The major risk for Credo is credit risk, its appetite is largely expressed in risk limits related to credit operations of the institution defined in this risk appetite statement and aligned with Credit Policy:

- Profitability is a key objective but credit standards must not be compromised in the pursuit of operating income. A well-balanced and high quality credit portfolio is of the highest priority;
- Where borrowing is classed as prohibited, there is no appetite to pursue this type of business, and any exceptions must be referred to the Supervisory Board;

- Unsecured lending will continue in various segments as result of the specific customer base, but the Bank will carefully monitor its share in total credit portfolio;
- Sectorial concentrations in loan portfolio will be an increasingly important area and management will use specific risk limit levels for managing these risks;
- Currency concentrations will be an important focus area and management will use specific risk limit levels for managing these risks.

Bank also puts aggregate limits on other risks such as market (particularly FX risk) and Liquidity risk.

Functions and Responsibilities in Risk Appetite

The Supervisory Board:

- Approves the Bank's RAF and ensures it remains consistent with the Bank's short and long term strategy, business and capital plans, risk capacity as well as compensation programs;
- Holds the CEO and other executive management accountable for the integrity of the RAF, including the timely identification, management and escalation of breaches of established limits and of material risk exposures;
- Ensures that annual business plans are in line with the approved risk appetite and incentives/disincentives are included in the compensation programs to facilitate adherence to risk appetite;
- Includes an assessment of risk appetite in their strategic discussions including decisions regarding growth in business lines or products;
- Regularly reviews and monitors actual versus approved risk limits;
- Discusses and determines actions to be taken, if any, regarding "breaches" of risk limits;
- Obtains if necessary an independent assessment of the design and effectiveness of the RAF and its alignment with supervisory expectations;
- Ensures that there are mechanisms in place to monitor that executive management acts in a timely manner to effectively manage, and where necessary mitigate, material adverse risk exposures, in particular those that are close to or exceed the approved appetite statement and risk limits;

- Ensures that adequate resources and expertise are dedicated to risk management as well as internal audit in order to provide independent assurances to the Supervisory Board and executive management that they are operating within the approved RAF;
- Ensures risk management is supported by adequate IT and MIS to enable identification, measurement, assessment and reporting of risks in timely and accurate manner.

The Management Board:

- Reviews and suggests a prudent risk appetite for the Bank which is consistent with the Bank's short and long-term strategy, business and capital plans, risk capacity, as well as compensation programs and aligns with supervisory expectations;
- Is accountable for the integrity of the RAF, including the timely identification and escalation of breaches of risk limits and of material risk exposures;
- Ensures that the risk appetite is appropriately translated in to risk limits and they are incorporated in the strategic and financial planning, decision making processes and compensation decisions;
- Ensures that the Bank-wide risk appetite statement is implemented by senior management through consistent risk appetite statements or specific risk limits for business lines;
- Provides leadership in communicating the risk appetite to internal and external stakeholders;
- Sets an example by empowering and supporting relevant risk units and departments and effectively incorporating risk appetite in to their decision-making processes;
- Ensures business lines have appropriate processes in place to effectively identify, measure, monitor and report on the risk profile relative to established risk limits on a day to day basis;
- Dedicates sufficient resources and expertise to risk management and IT infrastructure to support effective oversight and adherence to the RAF;
- Notify the Supervisory Board of serious breaches of risk limits and unexpected material risk exposures.

Risk Committees:

- Oversee the Bank's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels;
- Receive regular reports from executive management and risk units on the categories of risk that the Bank faces, the exposure in each category, significant concentrations within those risk categories, the matrices used to monitor the exposures and management's view on the acceptable and appropriate levels of those risk exposures;
- Review the adequacy of RAF and RAS.

Risk Management Unit:

- Supports the development of a prudent risk appetite for the Bank that meets the needs of the Bank and aligns with the expectations of Supervisory Board and the supervision authorities;
- Regularly reports to RC and Management Board on the Bank's risk profile relative to risk appetite;
- Actively monitors the Bank's risk profile relative to its risk appetite, strategy, business and capital plans and risk capacity;
- Establishes a process for reporting on risk;

- Establishes appropriate risk limits (in collaboration with MB and SB) that are prudent and consistent with Bank's risk appetite;
- Acts in time to ensure effective management, and where necessary mitigation, of material risk exposures, in particular those that are close to or exceed the approved risk appetite and/or risk limits;
- Escalates immediately to RC and Management Board any material risk limit breach that could seriously put in danger the financial condition, capital and liquidity of the Bank.

Business lines (units):

- Ensure alignment between the approved risk appetite and planning, compensation and decision making process of the business units;
- Incorporate the risk appetite statement and risk limits into their activities and day to day management of the risk to ensure prudent risk taking and adequate risk culture;
- Actively monitor adherence to approved risk limits;
- Cooperate with the risk units and departments not interfering with its independent duties;
- Implement controls and processes to be able to effectively identify, monitor and report against allocated risk limits;

Internal Audit

- Independently assesses the design and effectiveness of the RAF and its alignment with supervisory expectations;
- Identify whether breaches in risk limits are appropriately identified, escalated and reported, and report to the Audit committee and Supervisory Board as appropriate.

6 REMUNERATION

Remuneration is one of the most sensitive issues in the human resource policy of an organization. The determination of staff salaries and benefits not only affects the operating expenses of the bank, but also has implications on staff motivation, internal working relationships, and employee propensity to perpetrate fraud.

The remuneration policy of Credo Bank is based on the following principles:

- Job evaluation is based on both the individual performance of the employee as well as the HAY guideline profile methodology. Each job has a defined grade and salary scale with minimum and maximum remuneration levels;
- The salary matrix is composed in local currency based on Georgian financial market compensation data to ensure competitive salary levels, in every city and region, according to consumer basket.
- Salary increases are predefined in a salary matrix for each job and is performance-based, ensuring internal equity in compensation.
- Job grading system is basis for employee benefit programs: each employee benefit is linked to job grade and not individual employee ensuring transparency and fairness of remuneration system.
- Staff is informed about salary ranges, defined for its position, including min and max amounts of compensation.

- Credo bank defines compensation regarding to principle of equality, which means paying equal salary for equal work.
- Salaries are reviewed annually in accordance with the policies and procedures implemented in Credo.

Salary and employee benefits administration procedures are clearly defined and accessible to all employees.

Selection and Recruitment of Bank Administrators

Administrators of the bank should satisfy the following requirements to be recruited on a certain position:

- He/she should have the higher education in one of these fields: Economics, Finance, Banking, Business Administration, Audit, Accounting, Law and Legal studies etc.;
- The member of Directorate should have minimum 4 years of work experience in the financial sector, from which minimum 2 years should be on managerial position;
- The manager of the service center must have at least 3 years of work experience in the financial sector, including 1 year of work experience in a managerial position.
- A senior management team member should not be the first and second tier successor of another senior management team member or supervisory board member.
- Must not have an unfulfilled financial obligation in any financial institution;
- Should not be convicted for serious or especially serious offense

In case of meeting the above mentioned criteria, the Supervisory Board selects/recruits the members for the Management Board. Other Administrators, after being selected, are recruited upon the approval of the Board of Directors / General Manager.

7 Annex 1 – Pillar 3 Quarterly Report

7.1 Table 1. Key Ratios

N		T	T-1	T-2	T-3	T-4
	Regulatory capital (amounts, GEL)					
	Based on Basel III framework					
1	Common Equity Tier 1 (CET1)	214,666,013	207,106,306	198,409,431	197,489,454	190,970,466
2	Tier 1	214,666,013	207,106,306	198,409,431	197,489,454	190,970,466
3	Total regulatory capital	302,188,639	294,906,530	287,989,939	282,429,451	275,919,554
	Risk-weighted assets (amounts, GEL)					
4	Risk-weighted assets (RWA) (Based on Basel III framework)	1,997,562,972	1,841,246,013	1,760,935,942	1,656,738,793	1,646,372,343
	Capital ratios as a percentage of RWA					
	Based on Basel III framework *					
5	Common equity Tier 1 ratio >=4.95%	10.75%	11.25%	11.27%	11.92%	11.60%
6	Tier 1 ratio >=6.61%	10.75%	11.25%	11.27%	11.92%	11.60%
7	Total Regulatory Capital ratio >=10.57%	15.13%	16.02%	16.35%	17.05%	16.76%
	Income					
8	Total Interest Income /Average Annual Assets	17.37%	17.58%	17.59%	17.56%	17.91%
9	Total Interest Expense / Average Annual Assets	9.37%	9.52%	9.49%	9.48%	9.18%
10	Earnings from Operations / Average Annual Assets	3.61%	3.75%	3.95%	4.63%	4.36%
11	Net Interest Margin	7.99%	8.05%	8.11%	8.08%	8.73%
12	Return on Average Assets (ROAA)	1.74%	1.53%	1.40%	1.66%	1.79%
13	Return on Average Equity (ROAE)	15.77%	13.77%	12.37%	14.26%	14.94%
	Asset Quality					
14	Non Performed Loans / Total Loans	2.39%	3.24%	3.55%	4.17%	3.87%
15	LLR/Total Loans	3.32%	3.80%	4.07%	4.48%	4.30%
16	FX Loans/Total Loans	10.61%	9.87%	9.87%	9.52%	9.12%
17	FX Assets/Total Assets	16.72%	13.36%	11.81%	11.49%	12.83%
18	Loan Growth-YTD	20.09%	12.77%	8.83%	1.61%	40.13%
	Liquidity					
19	Liquid Assets/Total Assets	13.22%	12.48%	14.02%	10.55%	12.25%
20	FX Liabilities/Total Liabilities	27.63%	23.42%	20.05%	14.54%	15.90%
21	Current & Demand Deposits/Total Assets	10.22%	8.95%	7.21%	5.67%	7.01%
	Liquidity Coverage Ratio*					
22	Total HQLA	253,102,322	227,422,414	189,194,327	169,189,184	207,165,339
23	Net cash outflow	119,163,803	117,655,520	116,937,133	90,968,989	118,717,182
24	LCR ratio (%)	212.4%	193.30%	161.79%	185.99%	174.50%

* Regarding the annulment of conservation buffer requirement please see the press release of National Bank of Goergia "Supervisory Plan Of The National Bank Of Georgia With Regard To COVID-19" (link: https://www.nbg.gov.ge/index.php?m=340&newsid=3901&lng=eng)

*** LCR calculated according to NBG's methodology which is more focused on local risks than Basel framework. See the table 14. LCR; Commercial banks are required to comply with the limits by coefficients calculated according to NBG's methodology. The numbers calculated within Basel framework are given for illustratory purposes.

7.2 Table 2. Balance Sheet

		Reporting Period			Respective period of the previous year		
N	Assets	GEL	FX	Total	GEL	FX	Total
1	Cash	45,906,550	32,395,862	78,302,412	64,538,234	27,478,970	92,017,203
2	Due from NBG	75,251,260	31,350,816	106,602,076	40,377,311	19,420,041	59,797,352
3	Due from Banks	3,628,740	110,016,034	113,644,775	1,039,152	51,404,305	52,443,457
4	Dealing Securities	0	0	0	0	0	0
5	Investment Securities	47,908,709	0	47,908,709	52,158,678	0	52,158,678
6.1	Loans	1,602,490,638	190,131,556	1,792,622,194	1,356,607,537	136,182,461	1,492,789,998
6.2	Less: Loan Loss Reserves	-54,687,257	-4,847,825	-59,535,082	-54,594,296	-9,580,977	-64,175,273
6	Net Loans	1,547,803,381	185,283,731	1,733,087,112	1,302,013,241	126,601,484	1,428,614,726
7	Accrued Interest and Dividends Receivable	24,454,753	1,788,318	26,243,071	24,107,900	1,353,919	25,461,819
8	Other Real Estate Owned & Repossessed Assets	2,229,828	0	2,229,828	1,744,359	0	1,744,359
9	Equity Investments	0	0	0	0	0	0
10	Fixed Assets and Intangible Assets	49,049,196	0	49,049,196	36,653,888	0	36,653,888
11	Other Assets	39,320,395	7,635,303	46,955,698	35,744,581	3,203,221	38,947,802
12	**Total assets**	1,835,552,813	368,470,064	2,204,022,877	1,558,377,344	229,461,939	1,787,839,284
	Liabilities						
13	Due to Banks	0	0	0	0	0	0
14	Current (Accounts) Deposits	100,012,168	81,919,189	181,931,357	71,003,260	25,082,353	96,085,614
15	Demand Deposits	11,085,492	32,216,239	43,301,731	11,825,672	17,397,148	29,222,821
16	Time Deposits	343,087,665	100,041,499	443,129,165	265,378,853	52,168,278	317,547,131
17	Own Debt Securities			0			0
18	Borrowings	795,626,253	291,997,613	1,087,623,866	820,961,938	134,319,270	955,281,208
19	Accrued Interest and Dividends Payable	25,819,354	2,968,497	28,787,852	24,799,956	1,230,465	26,030,421
20	Other Liabilities	91,891,736	13,229,500	105,121,236	75,778,261	5,983,806	81,762,067
21	Subordinated Debentures	61,847,730	22,163,200	84,010,930	61,847,730	15,488,000	77,335,730
22	**Total liabilities**	1,429,370,398	544,535,738	1,973,906,136	1,331,595,671	251,669,321	1,583,264,992
	Equity Capital						
23	Common Stock	5,186,820		5,186,820	5,176,780		5,176,780
24	Preferred Stock	0		0	0		0
25	Less: Repurchased Shares	0		0	0		0
26	Share Premium	35,681,935		35,681,935	35,312,039		35,312,039
27	General Reserves	0		0	0		0
28	Retained Earnings	188,851,526		188,851,526	163,689,014		163,689,014
29	Asset Revaluation Reserves	396,459		396,459	396,459		396,459
30	**Total Equity Capital**	230,116,741		230,116,741	204,574,293		204,574,293
31	**Total liabilities and Equity Capital**	1,659,487,139	544,535,738	2,204,022,877	1,536,169,963	251,669,321	1,787,839,284

7.3 Table 2. Balance Sheet

N		Reporting Period			Respective period of the previous year		
N		GEL	FX	Total	GEL	FX	Total
	Interest Income						
1	Interest Income from Bank's "Nostro" and Deposit Accounts	7,803,237	136,548	7,939,785	6,231,954	-267,388	5,964,566
2	Interest Income from Loans	295,743,498	10,476,772	306,220,270	239,953,716	7,623,007	247,576,723
2.1	from the Interbank Loans	0	0	0	0	0	0
2.2	from the Retail or Service Sector Loans	1,458,264	2,003,605	3,461,869	1,331,703	1,419,179	2,750,882
2.3	from the Energy Sector Loans	0	0	0	0	0	0
2.4	from the Agriculture and Forestry Sector Loans	469,303	30,065	499,369	146,974	23,079	170,052
2.5	from the Construction Sector Loans	113,205	609,195	722,400	90,945	201,941	292,886
2.6	from the Mining and Mineral Processing Sector Loans	307,085	595,995	903,080	311,829	196,841	508,671
2.7	from the Transportation or Communications Sector Loans	138,045	158,474	296,518	98,872	131,804	230,676
2.8	from Individuals Loans	293,095,166	6,962,254	300,057,419	237,874,778	5,637,903	243,512,681
2.9	from Other Sectors Loans	162,430	117,185	279,615	98,615	12,260	110,875
3	Fees/penalties income from loans to customers	17,942,238	328,305	18,270,543	15,560,506	196,214	15,756,720
4	Interest and Discount Income from Securities	4,771,642	0	4,771,642	4,659,452	0	4,659,452
5	Other Interest Income	0	0	0	0	0	0
6	**Total Interest Income**	326,260,614	10,941,626	337,202,240	266,405,628	7,551,833	273,957,462
	Interest Expense						
7	Interest Paid on Demand Deposits	2,624,661	64,297	2,688,959	1,376,346	37,489	1,413,835
8	Interest Paid on Time Deposits	36,245,479	969,390	37,214,869	16,905,419	379,568	17,284,987
9	Interest Paid on Banks Deposits	37,896	22,263	60,159	613,644	3,525	617,169
10	Interest Paid on Own Debt Securities	0	0	0	0	0	0
11	Interest Paid on Other Borrowings	132,632,081	9,401,209	142,033,290	111,778,243	9,297,176	121,075,420
12	Other Interest Expenses	0	0	0	0	0	0
13	**Total Interest Expense**	171,540,117	10,457,160	181,997,277	130,673,652	9,717,759	140,391,410
14	**Net Interest Income**	154,720,497	484,466	155,204,963	135,731,977	-2,165,925	133,566,051
	Non-Interest Income						
15	Net Fee and Commission Income	74,640,023	-205,540	74,434,484	70,865,899	-1,435,290	69,430,609
15.1	Fee and Commission Income	90,268,910	5,087,338	95,356,248	82,040,365	2,236,814	84,277,179
15.2	Fee and Commission Expense	15,628,887	5,292,878	20,921,765	11,174,466	3,672,104	14,846,569
16	Dividend Income	0	0	0	0	0	0
17	Gain (Loss) from Dealing Securities	0	0	0	0	0	0
18	Gain (Loss) from Investment Securities	0	0	0	0	0	0
19	Gain (Loss) from Foreign Exchange Trading	-2,672,422		-2,672,422	-3,311,605		-3,311,605
20	Gain (Loss) from Foreign Exchange Translation	-341,595		-341,595	210,102		210,102
21	Gain (Loss) on Sales of Fixed Assets	957	0	957	10,519	0	10,519
22	Non-Interest Income from other Banking Operations	448,793	925	449,719	28,015	441	28,457
23	Other Non-Interest Income	1,472,896	0	1,472,896	1,505,071	0	1,505,071
24	**Total Non-Interest Income**	73,548,651	-204,614	73,344,037	69,308,002	-1,434,849	67,873,154
	Non-Interest Expenses						
25	Non-Interest Expenses from other Banking Operations	3,695,160	296,826	3,991,987	2,787,197	249,693	3,036,891
26	Bank Development, Consultation and Marketing Expenses	6,877,645	643,580	7,521,224	3,825,919	580,150	4,406,069
27	Personnel Expenses	108,672,406		108,672,406	90,920,742		90,920,742
28	Operating Costs of Fixed Assets	2,083,704		2,083,704	2,095,821		2,095,821
29	Depreciation Expense	15,318,076		15,318,076	14,791,184		14,791,184
30	Other Non-Interest Expenses	21,040,818	213,233	21,254,051	18,293,269	918,235	19,211,505
31	**Total Non-Interest Expenses**	157,687,809	1,153,639	158,841,448	132,714,133	1,748,079	134,462,211
32	**Net Non-Interest Income**	-84,139,158	-1,358,253	-85,497,411	-63,406,130	-3,182,927	-66,589,057
33	**Net Income before Provisions**	70,581,340	-873,787	69,707,553	72,325,846	-5,348,853	66,976,994
34	Loan Loss Reserve	29,455,872		29,455,872	33,433,645		33,433,645
35	Provision for Possible Losses on Investments and Securities			0			0
36	Provision for Possible Losses on Other Assets	2,855,805		2,855,805	916,206		916,206

37	**Total Provisions for Possible Losses**	32,311,677	0	32,311,677	34,349,851	0	34,349,851
38	**Net Income before Taxes and Extraordinary Items**	38,269,663	-873,787	37,395,876	37,975,996	-5,348,853	32,627,143
39	Taxation	6,533,994		6,533,994	5,264,623		5,264,623
40	**Net Income after Taxation**	31,735,669	-873,787	30,861,882	32,711,373	-5,348,853	27,362,521
41	Extraordinary Items	-199,371		-199,371	-14,158		-14,158
42	**Net Income**	31,536,299	-873,787	30,662,512	32,697,215	-5,348,853	27,348,362

7.4 Table 4. Off-balance sheet

N	On-balance sheet items per standardized regulatory report	Reporting Period			Respective period of the previous year		
		GEL	FX	Total	GEL	FX	Total
1	**Contingent Liabilities and Commitments**	28,494,430	16,802,802	45,297,232	28,361,824	5,192,681	33,554,504
1.1	Guarantees Issued	305,899		305,899	30,000		30,000
1.2	Letters of credit Issued			0			0
1.3	Undrawn loan commitments	23,229,794	16,802,802	40,032,596	12,335,365	5,192,681	17,528,046
1.4	Other Contingent Liabilities	4,958,737		4,958,737	15,996,458		15,996,458
2	**Guarantees received as security for liabilities of the bank**			0			0
3	**Assets pledged as security for liabilities of the bank**	0	0	0	0	0	0
3.1	Financial assets of the bank			0			0
3.2	Non-financial assets of the bank			0			0
4	**Guaratees received as security for receivables of the bank**	1,078,055,209	0	1,078,055,209	869,644,273	0	869,644,273
4.1	Surety, joint liability	1,077,789,104		1,077,789,104	869,373,168		869,373,168
4.2	Guarantees	266,105		266,105	271,105		271,105
5	**Assets pledged as security for receivables of the bank**	1,048,946,872	2,702,000	1,051,648,872	669,545,065	0	669,545,065
5.1	Cash	20,218,676	2,702,000	22,920,676	11,374,758		11,374,758
5.2	Precious metals and stones	45,091		45,091	48,352		48,352
5.3	Real Estate:	954,875,672		954,875,672	617,916,158		617,916,158
5.3.1	*Residential Property*	680,468,892		680,468,892	424,488,393		424,488,393
5.3.2	*Commercial Property*	152,552,769		152,552,769	94,891,201		94,891,201
5.3.3	*Complex Real Estate*			0	0		0
5.3.4	*Land Parcel*	117,644,554		117,644,554	95,860,250		95,860,250
5.3.5	*Other*	4,209,457		4,209,457	2,676,314		2,676,314
5.4	Movable Property	73,807,434		73,807,434	40,205,798		40,205,798
5.5	Shares Pledged			0			0
5.6	Securities			0			0
5.7	Other			0			0
6	**Derivatives**	170,967,056	171,358,720	342,325,776	14,236,850	1,541,857	15,778,707
6.1	Receivables through FX contracts (except options)		171,358,720	171,358,720	14,236,850	1,541,857	15,778,707
6.2	Payables through FX contracts (except options)	170,967,056		170,967,056			0
6.3	Principal of interest rate contracts (except options)			0			0
6.4	Options sold			0			0
6.5	Options purchased			0			0
6.6	Nominal value of potential receivables through other derivatives			0			0
6.7	Nominal value of potential payables through other derivatives			0			0
7	**Receivables not recognized on-balance**	164,882,885	1,863,109	166,745,994	98,748,522	25,045,029	123,793,551
7.1	Principal of receivables derecognized during last 3 month	11,805,727	7,841	11,813,568	10,110,062	65,390	10,175,452
7.2	Interest and penalty receivable not recognized on-balance or derecognized during last 3 month	6,437,543	33,979	6,471,522	5,918,877	6,680	5,925,556
7.3	Principal of receivables derecognized during 5 years month (including last 3 month)	90,157,978	239,383	90,397,361	49,914,089	16,966,279	66,880,369
7.4	Interest and penalty receivable not recognized on-balance or derecognized during last 5 years (including last 3 month)	56,481,637	1,581,906	58,063,543	32,805,494	8,006,680	40,812,174
8	**Non-cancelable operating lease**			0			0
8.1	Through indefinit term agreement			0			0
8.2	Within one year			0			0
8.3	From 1 to 2 years			0			0
8.4	From 2 to 3 years			0			0
8.5	From 3 to 4 years			0			0
8.6	From 4 to 5 years			0			0
8.7	More than 5 years			0			0
9	**Capital expenditure commitment**			0			0

7.5 Table 5. Risk Weighted Assets (RWA)

N		T	T-1
1	Risk Weighted Assets for Credit Risk	1,611,326,899	1,488,009,925
1.1	Balance sheet items *	1,591,836,196	1,470,499,875
1.1.1	Including: amounts below the thresholds for deduction (subject to 250% risk weight)		810,408
1.2	Off-balance sheet items	16,071,362	15,016,504
1.3	Counterparty credit risk	3,419,341	2,493,546
2	Risk Weighted Assets for Market Risk	1,155,070	1,378,076
3	Risk Weighted Assets for Operational Risk	385,081,003	351,858,012
4	**Total Risk Weighted Assets**	1,997,562,972	1,841,246,013

7.6 Table 6. Information about supervisory board, directorate, beneficiary owners and shareholders

	Members of Supervisory Board	
1	Thomas Engelhardt (Germany)	
2	Farah, Katia Chams (Netherlands)	
3	Paul-Catalin Panciu (Romania)	
4	Johannes Mainhardt (Germany)	
5	Andrew Pospielovsky (Great Britain)	
6	Olga Tomash (Ukraine)	
	Members of Board of Directors	
1	Zaal Pirtskhelava	
2	Erekle Zatiashvili	
3	Zaza Tkeshelashvili	
4	Nikoloz Kutateladze	
5	Aleksandre Kumsiashvili	
	List of Shareholders owning 1% and more of issued capital, indicating Shares	
1	Access Microfinance Holding AG (Germany)	51.07%
2	Triodos Custody B.V., Triodos Fair Share Fund (Netherlands)	8.40%
3	Triodos SICAV II, Triodos Microfinance Fund (Luxembourg)	8.40%
4	responsAbility Participations AG (Switzerland)	7.92%
5	responsAbility Management Company S.A., responsAbility Global Microfinance Fund (Luxembourg) - 8.79%	7.46%
6	responsAbility SICAV (Lux) - responsAbility SICAV (Lux) Microfinance Leaders Fund - 1.87%	1.59%
	Societe de Promotion et de Participation pour la Cooperation Economique (Proparco)	14.93%
	List of bank beneficiaries indicating names of direct or indirect holders of 5% or more of shares	
1	British International Investment PLC (UK)	6.04%
2	European Investment Bank (Luxembourg)	6.04%
3	International Finance Corporation (USA)	7.60%
4	Kreditanstalt für Wiederaufbau (Germany)	6.49%
5	LFS Advisory GmbH (Germany)	12.14%
6	Dr. Bernd Zattler (Germany)	7.29%
7	Omidyar Tufts Active Citizenship Trust (USA)	5.73%
8	Agence Francaise de developpement	11.06%

7.7 Table 7. Linkages between financial statement assets and balance sheet items subject to credit risk weighting

		a	b	c
			Carrying values of items	
	Account name of standardazed supervisory balance sheet item	Carrying values as reported in published stand-alone financial statements per local accounting rules	Not subject to capital requirements or subject to deduction from capital	Subject to credit risk weighting
1	Cash	78,302,412		78,302,412
2	Due from NBG	106,602,076		106,602,076
3	Due from Banks	113,644,775		113,644,775
4	Dealing Securities	-		-
5	Investment Securities	47,908,709		47,908,709
6.1	Loans	1,792,622,194		1,792,622,194
6.2	*Less: Loan Loss Reserves*	(59,535,082)		(59,535,082)
6	Net Loans	1,733,087,112		1,733,087,112
7	Accrued Interest and Dividends Receivable	26,243,071		26,243,071
8	Other Real Estate Owned & Repossessed Assets	2,229,828		2,229,828
9	Equity Investments	-		-
10	Fixed Assets and Intangible Assets	49,049,196	15,054,269	33,994,927
11	Other Assets	46,955,698		46,955,698
	Total exposures subject to credit risk weighting before adjustments	2,204,022,877	15,054,269	2,188,968,608

7.8 Table 8. Differences between carrying values per standardized balance sheet used for regulatory reporting purposes and the exposure amounts used for capital adequacy calculation purposes

1	**Total carrying value of balance sheet items subject to credit risk weighting before adjustments**	2,188,968,608
2.1	Nominal values of off-balance sheet items subject to credit risk weighting	45,297,232
2.2	Nominal values of off-balance sheet items subject to counterparty credit risk weighting	170,967,056
3	**Total nominal values of on-balance and off-balance sheet items before any adjustments used for credit risk weighting purposes**	2,405,232,896
4	Effect of provisioning rules used for capital adequacy purposes	33,985,622
5.1	Effect of credit conversion factor of off-balance sheet items related to credit risk framework	-25,127,985
5.2	Effect of credit conversion factor of off-balance sheet items related to counterparty credit risk framework (table CCR)	-167,547,715
6	Effect of other adjustments *	
7	**Total exposures subject to credit risk weighting**	2,246,542,818

7.9 Table 9. Regulatory Capital

N		in Lari
1	**Common Equity Tier 1 capital before regulatory adjustments**	230,116,741
2	Common shares that comply with the criteria for Common Equity Tier 1	5,186,820
3	Stock surplus (share premium) of common share that meets the criteria of Common Equity Tier 1	35,681,935
4	Accumulated other comprehensive income	396,459
5	Other disclosed reserves	
6	Retained earnings (loss)	188,851,526
7	**Regulatory Adjustments of Common Equity Tier 1 capital**	15,450,728
8	Revaluation reserves on assets	396,459
9	Accumulated unrealized revaluation gains on assets through profit and loss to the extent that they exceed accumulated unrealized revaluation losses through profit and loss	
10	Intangible assets	15,054,269
11	Shortfall of the stock of provisions to the provisions based on the Asset Classification	
12	Investments in own shares	
13	Reciprocal cross holdings in the capital of commercial banks, insurance entities and other financial institutions	
14	Cash flow hedge reserve	
15	Deferred tax assets not subject to the threshold deduction (net of related tax liability)	
16	Significant investments in the common equity tier 1 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions that are outside the scope of regulatory consolidation	
17	Holdings of equity and other participations constituting more than 10% of the share capital of other commercial entities	
18	Significant investments in the common shares of commercial banks, insurance entities and other financial institutions (amount above 10% limit)	
19	Investments in the capital of commercial banks, insurance entities and other financial institutions where the bank does not own more than 10% of the issued share capital (amount above 10% limit)	
20	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	
21	The amount of significant Investments and Deferred Tax Assets which exceed 15% of common equity tier 1	
22	Regulatory adjustments applied to Common Equity Tier 1 resulting from shortfall of Tier 1 and Tier 2 capital to deduct investments	
23	**Common Equity Tier 1**	214,666,013
24	**Additional tier 1 capital before regulatory adjustments**	0
25	Instruments that comply with the criteria for Additional tier 1 capital	0
26	Including:instruments classified as equity under the relevant accounting standards	
27	Including: instruments classified as liabilities under the relevant accounting standards	
28	Stock surplus (share premium) that meet the criteria for Additional Tier 1 capital	
29	**Regulatory Adjustments of Additional Tier 1 capital**	0
30	Investments in own Additional Tier 1 instruments	
31	Reciprocal cross-holdings in Additional Tier 1 instruments	
32	Significant investments in the Additional Tier 1 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions	
33	Investments in the capital of commercial banks, insurance entities and other financial institutions where the bank does not own more than 10% of the issued share capital (amount above 10% limit)	
34	Regulatory adjustments applied to Additional Tier 1 resulting from shortfall of Tier 2 capital to deduct investments	
35	**Additional Tier 1 Capital**	0
36	**Tier 2 capital before regulatory adjustments**	87,522,626

37	Instruments that comply with the criteria for Tier 2 capital	67,381,040
38	Stock surplus (share premium) that meet the criteria for Tier 2 capital	
39	General reserves, limited to a maximum of 1.25% of the bank's credit risk-weighted exposures	20,141,586
40	**Regulatory Adjustments of Tier 2 Capital**	0
41	Investments in own shares that meet the criteria for Tier 2 capital	
42	Reciprocal cross-holdings in Tier 2 capital	
43	Significant investments in the Tier 2 capital (that are not common shares) of commercial banks, insurance entities and other financial institutions	
44	Investments in the capital of commercial banks, insurance entities and other financial institutions where the bank does not own more than 10% of the issued share capital (amount above 10% limit)	
45	**Tier 2 Capital**	87,522,626

7.9.1 Table 9.1 Capital Adequacy Requirements

	Minimum Requirements	**Ratios**	**Amounts (GEL)**
1	**Pillar 1 Requirements**		
1.1	Minimum CET1 Requirement	4.50%	89,890,334
1.2	Minimum Tier 1 Requirement	6.00%	119,853,778
1.3	Minimum Regulatory Capital Requirement	8.00%	159,805,038
2	**Combined Buffer**		
2.1	Capital Conservation Buffer *	2.50%	49,939,074
2.2	Countercyclical Buffer	0.00%	-
2.3	Systemic Risk Buffer	0.00%	-
3	**Pillar 2 Requirements**		
3.1	CET1 Pillar 2 Requirement	1.44%	28,717,063
3.2	Tier 1 Pillar2 Requirement	1.92%	38,310,535
3.3	Regulatory capital Pillar 2 Requirement	3.12%	62,267,066
	Total Requirements	კოეფიციენტი	თანხა (ლარი)
4	CET1	8.44%	168,546,471
5	Tier 1	10.42%	208,103,388
6	Total regulatory Capital	13.62%	272,011,178

7.10 Table 10. Reconcilation of balance sheet to regulatory capital

N	On-balance sheet items per standardized regulatory report	Carrying values as reported in published stand-alone financial statements per local accounting rules	linkage to capital table
1	Cash	78,302,412	
2	Due from NBG	106,602,076	
3	Due from Banks	113,644,775	
4	Dealing Securities	0	
5	Investment Securities	47,908,709	
6.1	Loans	1,792,622,194	
6.2	*Less: Loan Loss Reserves*	-59,535,082	
6.2.1	*Of which General reserves amount*	-33,985,622	*table 9 (Capital), C46*
6.2.2	*Of which COVID-19 related provisions*		
6	Net Loans	1,733,087,112	
7	Accrued Interest and Dividends Receivable	26,243,071	
8	Other Real Estate Owned & Repossessed Assets	2,229,828	
9	Equity Investments	0	
9.1	*Of which above 10% equity holdings in financial institutions*		
9.2	*Of which significant investments subject to limited recognition*		
9.3	*Of which below 10% equity holdings subject to limited recognition*		
10	Fixed Assets and Intangible Assets	49,049,196	
10.1	*Of which intangible assets*	15,054,269	*table 9 (Capital), C10*
11	Other Assets	46,955,698	
12	**Total assets**	2,204,022,877	
13	Due to Banks	0	
14	Current (Accounts) Deposits	181,931,357	
15	Demand Deposits	43,301,731	
16	Time Deposits	443,129,165	
17	Own Debt Securities	0	
18	Borrowings	1,087,623,866	
19	Accrued Interest and Dividends Payable	28,787,852	
20	Other Liabilities	105,121,236	
20.1	*among them general reserves of off balance items*		
21	Subordinated Debentures	84,010,930	
21.1	*Of which tier II capital qualifying instruments*	67,381,040	*table 9 (Capital), C44*
22	**Total liabilities**	1,973,906,136	
23	Common Stock	5,186,820	*table 9 (Capital), C7*
24	Preferred Stock	0	
25	Less: Repurchased Shares	0	
26	Share Premium	35,681,935	
27	General Reserves	0	
28	Retained Earnings	188,851,526	*table 9 (Capital), C11*
29	Asset Revaluation Reserves	396,459	*table 9 (Capital), C9*
30	**Total Equity Capital**	230,116,741	

7.11 Table 11. Credit risk weighted exposures

		a	b	c	d	e	f	g	h
	Risk weights / Exposure classes	0%		20%		35%		50%	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount
1	Claims or contingent claims on central governments or central banks	98,052,010							
2	Claims or contingent claims on regional governments or local authorities								
3	Claims or contingent claims on public sector entities	26,142,345							
4	Claims or contingent claims on multilateral development banks								
5	Claims or contingent claims on international organizations/institutions								
6	Claims or contingent claims on commercial banks			3,629,284				110,191,487	
7	Claims or contingent claims on corporates								
8	Retail claims or contingent retail claims								
9	Claims or contingent claims secured by mortgages on residential property								
10	Past due items								
11	Items belonging to regulatory high-risk categories								
12	Short-term claims on commercial banks and corporates								
13	Claims in the form of collective investment undertakings (‘CIU’)								
14	Other items	78,302,412							
	Total	202,496,766	0	3,629,284	0	0	0	110,191,487	0

		i	j	k	l	m	n	o	p	q
	Risk weights / Exposure classes	75%		100%		150%		250%		*Risk Weighted Exposures before Credit Risk Mitigation*
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	
1	Claims or contingent claims on central governments or central banks			31,350,816						31,350,816
2	Claims or contingent claims on regional governments or local authorities									-
3	Claims or contingent claims on public sector entities									-
4	Claims or contingent claims on multilateral development banks									-
5	Claims or contingent claims on international organizations/institutions									-
6	Claims or contingent claims on commercial banks			13,447						55,835,048
7	Claims or contingent claims on corporates			27,220,152	3,777,706					30,997,858
8	Retail claims or contingent retail claims	1,581,276,507	16,391,542							1,198,251,037
9	Claims or contingent claims secured by mortgages on residential property									-
10	Past due items			5,652,433		2,278,511				9,070,199
11	Items belonging to regulatory high-risk categories			128,548,368		47,115,550				199,221,694
12	Short-term claims on commercial banks and corporates									-
13	Claims in the form of collective investment undertakings ('CIU')									-
14	Other items			83,180,907						83,180,907
	Total	1,581,276,507	16,391,542	275,966,124	3,777,706	49,394,061	0	0	0	1,607,907,558

7.12 Table 12. Credit Risk Mitigation

		Funded Credit Protection									
		On-balance sheet netting	Cash on deposit with, or cash assimilated instruments	Debt securities issued by central governments or central banks, regional governments or local authorities, public sector entities, multilateral development banks and international organizations/institutions	Debt securities issued by regional governments or local authorities, public sector entities, multilateral development banks and international organizations/institutions	Debt securities issued by other entities, which securities have a credit assessment, which has been determined by NBG to be associated with credit quality step 3 or above under the rules for the risk weighting of exposures to corporates.	Debt securities with a short-term credit assessment, which has been determined by NBG to be associated with credit quality step 3 or above under the rules for the risk weighting of short term exposures	Equities or convertible bonds that are included in a main index	Standard gold bullion or equivalent	Debt securities without credit rating issued by commercial banks	Units in collective investment undertakings
1	Claims or contingent claims on central governments or central banks										
2	Claims or contingent claims on regional governments or local authorities										
3	Claims or contingent claims on public sector entities										
4	Claims or contingent claims on multilateral development banks										
5	Claims or contingent claims on international organizations/institutions										
6	Claims or contingent claims on commercial banks										
7	Claims or contingent claims on corporates										
8	Retail claims or contingent retail claims										
9	Claims or contingent claims secured by mortgages on residential property										
10	Past due items										
11	Items belonging to regulatory high-risk categories										
12	Short-term claims on commercial banks and corporates										
13	Claims in the form of collective investment undertakings										
14	Other items										

	Unfunded Credit Protection								Total Credit Risk Mitigation - On-balance sheet	Total Credit Risk Mitigation - Off-balance sheet	Total Credit Risk Mitigation
		Central governments or central banks	Regional governments or local authorities	Multilateral development banks	International organizations / institutions	Public sector entities	Commercial banks	Other corporate entities that have a credit assessment, which has been determined by NBG to be associated with credit quality step 2 or above under the rules for the risk weighting of exposures to corporates			
1	Claims or contingent claims on central governments or central banks										0
2	Claims or contingent claims on regional governments or local authorities										0
3	Claims or contingent claims on public sector entities										0
4	Claims or contingent claims on multilateral development banks										0
5	Claims or contingent claims on international organizations/institutions										0
6	Claims or contingent claims on commercial banks										0
7	Claims or contingent claims on corporates										0
8	Retail claims or contingent retail claims										0
9	Claims or contingent claims secured by mortgages on residential property										0
10	Past due items										0
11	Items belonging to regulatory high-risk categories										0
12	Short-term claims on commercial banks and corporates										0
13	Claims in the form of collective investment undertakings										0
14	Other items										0
	Total	0	0	0	0	0	0	0	0	0	0

7.13 Table 13. Standardized approach - Effect of credit risk mitigation

		a	b	c	d	e	f
			Off-balance sheet exposures				
	Asset Classes	On-balance sheet exposures	Off-balance sheet exposures - Nominal value	Off-balance sheet exposures post CCF	RWA before Credit Risk Mitigation	RWA post Credit Risk Mitigation	RWA Density f=e/(a+c)
1	Claims or contingent claims on central governments or central banks	129,402,826			31,350,816	31,350,816	24%
2	Claims or contingent claims on regional governments or local authorities	0			0	0	
3	Claims or contingent claims on public sector entities	26,142,345			0	0	0%
4	Claims or contingent claims on multilateral development banks	0			0	0	
5	Claims or contingent claims on international organizations/institutions	0			0	0	
6	Claims or contingent claims on commercial banks	113,834,218			55,835,048	55,835,048	49%
7	Claims or contingent claims on corporates	27,220,152	7,555,411	3,777,706	30,997,858	30,997,858	100%
8	Retail claims or contingent retail claims	1,581,276,507	37,741,821	16,391,542	1,198,251,037	1,198,251,037	75%
9	Claims or contingent claims secured by mortgages on residential property						
10	Past due items	7,930,944			9,070,199	9,070,199	114%
11	Items belonging to regulatory high-risk categories	175,663,919			199,221,694	199,221,694	113%
12	Short-term claims on commercial banks and corporates						
13	Claims in the form of collective investment undertakings ('CIU')						
14	Other items	161,483,319			83,180,907	83,180,907	52%
	Total	2,222,954,229	45,297,232	20,169,248	1,607,907,558	1,607,907,558	71.7%

7.14 Table 14. Liquidity Coverage Ratio

		Total unweighted value (daily average)			Total weighted values according to NBG's methodology* (daily average)			Total weighted values according to Basel methodology (daily average)		
		GEL	FX	Total	GEL	FX	Total	GEL	FX	Total
High-quality liquid assets										
1	Total HQLA				98,860,410	154,241,912	253,102,322	108,267,705	50,712,980	158,980,685
Cash outflows										
2	Retail deposits	156,653,479	162,086,552	318,740,031	39,512,057	41,631,450	81,143,508	7,832,674	8,104,328	15,937,002
3	Unsecured wholesale funding	104,390,402	12,635,128	117,025,530	50,283,890	7,144,949	57,428,838	45,193,026	7,118,011	52,311,037
4	Secured wholesale funding	45,821,685	-	45,821,685	-	-		-	-	
5	Outflows related to off-balance sheet obligations and net short position of derivative exposures	17,898,281	11,642,556	29,540,837	5,369,484	3,492,767	8,862,251	894,914	582,128	1,477,042
6	Other contractual funding obligations				-	-		-	-	
7	Other contingent funding obligations	10,293,950	4,210,684	14,504,634	10,293,950	4,210,684	14,504,634	10,293,950	4,210,684	14,504,634
8	**TOTAL CASH OUTFLOWS**	335,057,796	190,574,920	525,632,716	105,459,382	56,479,849	161,939,231	64,214,565	20,015,150	84,229,715
Cash inflows										
9	Secured lending (eg reverse repos)			-			-			-
10	Inflows from fully performing exposures	83,748,175	1,802,680	85,550,855	41,874,087	901,340	42,775,428	78,270,988	104,443,914	182,714,902
11	Other cash inflows									
12	**TOTAL CASH INFLOWS**	83,748,175	1,802,680	85,550,855	41,874,087	901,340	42,775,428	78,270,988	104,443,914	182,714,902
					Total value according to NBG's methodology* (with limits)	Total value according to Basel methodology (with limits)				
13	Total HQLA				98,860,410	154,241,912	253,102,322	108,267,705	50,712,980	158,980,685
14	Net cash outflow				63,585,294	55,578,509	119,163,803	16,053,641	5,003,787	21,057,429
15	Liquidity coverage ratio (%)				155%	278%	212%	674%	1013%	755%

7.15 Table 15. Counterparty credit risk

		a	b	c	d	e	f	g	h	i	j	k	l
		Nominal amount	Percentage	Exposure value	0%	20%	35%	50%	75%	100%	150%	250%	Counterparty Credit Risk Weighted Exposures
1	**FX contracts**	170,967,056		3,419,341	0	0	0	0	0	3,419,341	0	0	3,419,341
1.1	Maturity less than 1 year	170,967,056	2.0%	3,419,341						3,419,341			3,419,341
1.2	Maturity from 1 year up to 2 years		5.0%	0									0
1.3	Maturity from 2 years up to 3 years	0	8.0%	0									0
1.4	Maturity from 3 years up to 4 years	0	11.0%	0									0
1.5	Maturity from 4 years up to 5 years	0	14.0%	0									0
1.6	Maturity over 5 years	0											0
2	**Interest rate contracts**	0		0	0	0	0	0	0	0	0	0	0
2.1	Maturity less than 1 year		0.5%	0									0
2.2	Maturity from 1 year up to 2 years		1.0%	0									0
2.3	Maturity from 2 years up to 3 years		2.0%	0									0
2.4	Maturity from 3 years up to 4 years		3.0%	0									0
2.5	Maturity from 4 years up to 5 years		4.0%	0									0
2.6	Maturity over 5 years												0
	Total	170,967,056		3,419,341	0	0	0	0	0	3,419,341	0	0	3,419,341

7.15.1 Table 15.1 Leverage Ratio

On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral) *	2,238,008,498
2	(Asset amounts deducted in determining Tier 1 capital)	(15,450,728)
3	**Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)**	2,222,557,770
Derivative exposures		
4	Replacement cost associated with *all* derivatives transactions (ie net of eligible cash variation margin)	
5	Add-on amounts for PFE associated with *all* derivatives transactions (mark-to-market method)	
EU-5a	Exposure determined under Original Exposure Method	3,419,341
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	
8	(Exempted CCP leg of client-cleared trade exposures)	
9	Adjusted effective notional amount of written credit derivatives	
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	
11	**Total derivative exposures (sum of lines 4 to 10)**	3,419,341
Securities financing transaction exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	
14	Counterparty credit risk exposure for SFT assets	
EU-14a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Article 429b (4) and 222 of Regulation (EU) No 575/2013	
15	Agent transaction exposures	
EU-15a	(Exempted CCP leg of client-cleared SFT exposure)	
16	**Total securities financing transaction exposures (sum of lines 12 to 15a)**	-
Other off-balance sheet exposures		
17	Off-balance sheet exposures at gross notional amount	45,297,232
18	(Adjustments for conversion to credit equivalent amounts)	(25,127,985)
19	**Other off-balance sheet exposures (sum of lines 17 to 18)**	20,169,248
Exempted exposures in accordance with CRR Article 429 (7) and (14) (on and off balance sheet)		
EU-19a	(Exemption of intragroup exposures (solo basis) in accordance with Article 429(7) of Regulation (EU) No 575/2013 (on and off balance sheet))	
EU-19b	(Exposures exempted in accordance with Article 429 (14) of Regulation (EU) No 575/2013 (on and off balance sheet))	
Capital and total exposures		
20	**Tier 1 capital**	214,666,013
21	**Total leverage ratio exposures (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)**	2,246,146,359
Leverage ratio		
22	**Leverage ratio**	9.56%
Choice on transitional arrangements and amount of derecognised fiduciary items		
EU-23	Choice on transitional arrangements for the definition of the capital measure	
EU-24	Amount of derecognised fiduciary items in accordance with Article 429(11) of Regulation (EU) NO 575/2013	

8 Annex 2

8.1 Table 20. Differences between accounting and regulatory scopes of consolidation

a	b	c	d	e	f													
					Reconciliation with standardized regulatory reporting format													
					1	2	3	4	5	6.1	6.2	6	7	8	9	10	11	12
Assets (as reported in published IFRS financial statements)	**Carrying Values as reported in published IFRS financial statements**	**Carrying Values per IFRS under scope of regulatory consolidation (stand-alone)**	**Carrying values as reported in published stand-alone financial statements per local accounting rules (stand-alone)**	**Notes**	Cash	Due from NBG	Due from Banks	Dealing Securities	Investment Securities	Total Loans	Less: Loan Loss Reserves	Net Loans	Accrued Interest and Dividends Receivable	Other Real Estate Owned & Repossessed Assets	Equity Investments	Fixed Assets and Intangible Assets	Other Assets	TOTAL ASSETS
Cash and cash equivalents	268,774,000		268,773,539		78,302,412	76,562,851	113,644,775						263,501					268,773,539
Loans and advances to banks	30,039,000		30,039,225			30,039,225												30,039,225
Derivative financial assets	1,011,000		0	*														0
Investment securities	1,750,714,000		1,758,105,901	**						1,792,622,194	-59,535,082	1,733,087,112	25,018,789					1,758,105,901
Loans to customers	48,869,000		48,869,037	***					47,908,709				960,328					48,869,037
Intangible assets	1,653,000		4,059,694	****													4,059,694	4,059,694
Property and equipment	16,201,000		16,201,096	*****												16,201,096		16,201,096
Right of use assets	20,452,000		17,793,832	******												17,793,832		17,793,832
Current income tax asset	21,081,000		15,054,269	*******												15,054,269		15,054,269
Other financial assets	17,291,000		24,633,105	********									453				24,632,652	24,633,105
Other non-financial assets	11,546,000		20,493,180	*********										2,229,828			18,263,352	20,493,180
Total assets	2,187,631,000	0	2,204,022,877	0	78,302,412	106,602,076	113,644,775	0	47,908,709	1,792,622,194	-59,535,082	1,733,087,112	26,243,071	2,229,828	0	49,049,197	46,955,698	2,204,022,877

Carrying Values as reported in published IFRS financial statements	Carrying Values per IFRS under scope of regulatory consolidation (stand-alone)	Carrying Values per local accounting rules under scope of regulatory consolidation (stand-alone)	Notes	Reconciliation with standardized regulatory reporting format									
				13	14	15	16	17	18	19	20	21	22
				Due to Banks	Current (Accounts) Deposits	Demand Deposits	Time Deposits	Own Debt Securities	Borrowings	Accrued Interest and Dividends Payable	Other Liabilities	Subordinated Debentures	Total Liabilities
645,305,000		679,736,388	*		181,931,357	43,301,731	443,129,165			11,374,135			679,736,388
0		562,932	**								562,932		562,932
16,968,000		16,968,430	***								16,968,430		16,968,430
1,133,002,000		1,103,855,627	****						1,087,623,866	16,231,761			1,103,855,627
3,787,000		3,407,280	*****								3,407,280		3,407,280
40,223,000		84,182,593	******								84,182,593		84,182,593
83,844,000		85,192,886	*******							1,181,956		84,010,930	85,192,886
1,923,129,000	0	1,973,906,136	0	0	181,931,357	43,301,731	443,129,165	0	1,087,623,866	28,787,852	105,121,235	84,010,930	1,973,906,136

Carrying Values as reported in published IFRS financial statements	Carrying Values per IFRS under scope of regulatory consolidation (stand-alone)	Carrying Values per local accounting rules under scope of regulatory consolidation (stand-alone)	Notes	Reconciliation with standardized regulatory reporting format							
				23	24	25	26	27	28	29	30
				Common Stock	Preferred Stock	Less: Repurchased Shares	Share Premium	General Reserves	Retained Earnings	Asset Revaluation Reserves	Total Equity Capital
5,187,000		5,186,820		5,186,820							5,186,820
35,775,000		36,078,394					35,681,935			396,459	36,078,394
223,540,000		188,851,526							188,851,526		188,851,526
264,502,000	**0**	230,116,741	**0**	5,186,820	0	0	35,681,935	0	188,851,526	396,459	230,116,741

Disclosure of differences between IFRS and local accounting standard (supervisory reports figures)

* Derivative financial assets	The audited statement in this article includes changes in fair value arising on financial derivatives. In the NBG methodology this asset is not segregated separately, so it is included in other financial assets.
*** Loans to customers	The audited report uses IFRS reservation rules, also includes deferred fees
**** Intangible assets	The audited statement includes an asset acquisition of which for NBG was after the end of the reporting year.

****** Right of use assets	The audit recommendation adjusted the Right of use assets, in particular, reduced the maturity of assets borrowed according to the standard and, consequently, the value of the asset
******* Current income tax asset	Advance income tax paid in the audited statement is deducted from the income tax liability;
******** Other financial assets	1. Under IFRS amounts on transit(temporary) accounts are netted with borrowed funds, while according to local accounting they are represented in other financial assets. 2. Prepayments in the audited report is shown in other non-financial assets and in the NBG report - in other financial assets.
********* Other non-financial assets	Prepayments in the audited report are included in other non-financial assets and in the NBG report in other financial assets.
* Loans from banks and other financial institutions	1. As mentioned above, under IFRS amounts on transit(temporary) accounts are netted with borrowed funds, while according to local accounting they are represented in assets. 2. In the NBG statement the Certificate of Deposit of the Ministry of Finance is shown Customer accounts, and in the financial statements - in the Loans from banks and other financial institutions.
** Derivative financial liabilities	The reason is the same as in the case of Derivative financial assets and represents the netting of mutual liabilities and receivables.
*** Customer accounts	1. Difference is caused by loan drawdown account balances of the borrowers, which is included in Customer Accounts according to audited report. 2. In the NBG statement the Certificate of Deposit of the Ministry of Finance is shown in this article, and in the financial statements - in the Loans from banks and other financial institutions.

**** Current income tax liabilities	Advance income tax is deducted from the income tax liability in the audited statement and the income tax liability is adjusted.
***** Deferred income tax liability	The audit report specifies the deferred income tax liability;
******* Other liabilities	1. The non-amortized portion of the lending fee paid by customers in advance is deducted in the audited statement with the loan portfolio, while in the NBG report it is shown in other liabilities. 2. Difference is caused by loan drawdown account balances of the borrowers, which is included in Customer Accounts according to audited report.

8.2 Table 21. Consolidation by entities

	Name of Entity	Method of Accounting consolidation	Method of regulatory consolidation				Description
			Full Consolidation	Proportional Consolidation	Neither consolidated nor deducted	Deducted	
1	XXX	Full Consolidation				x	
2	XXX	Proportional Consolidation			x		
3	XXX	Not consolidated				x	

8.3 Table 22. Information about historical operational losses

		T	T-1	T-2
1	Total amount of losses	669,578	326,909	246,364
2	Total amount of losses, exceeding GEL 10,000	411,331	165,643	122,682
3	Number of events with losses exceeding GEL 10,000	11	6	5
4	Total amount of 5 biggest losses	287,532	154,717	122,682

8.4 Table 23. Operational risks - basic indicator approach

		a	b	c	d	e
		T	T-1	T-2	Average of sums of net interest and net non-interest income during last three years	Risk Weighted asset (RWA)
1	Net interest income	155,204,963	147,934,697	118,484,451		
2	Total Non-Interest Income	73,344,037	68,839,939	52,318,846		
3	less: income (loss) from selling property	957	13,597	(17,225)		
4	**Total income (1+2-3)**	228,548,044	216,761,039	170,820,522	205,376,535	385,081,003

8.5 Table 24. Remuneration awarded during the reporting period

			Board of Directors	Supervisory Board	Other material risk takers
1	Fixed remuneration	Number of employees	5	5	29
2		Total fixed remuneration (3+5+7)	4,820,181	500,920	0
3		Of which cash-based	4,820,181	500,920	
4		Of which: deferred			
5		Of which: shares or other share-linked instruments			
6		Of which deferred			
7		Of which other forms			
8		Of which deferred			
9	Variable remuneration	Number of employees	5		
10		Total variable remuneration (11+13+15)	1,365,317	0	0
11		Of which cash-based			
12		Of which: deferred			
13		Of which shares or other share-linked instruments	1,365,317		
14		Of which deferred	879,947		
15		Of which other forms			
16		Of which deferred			
17	**Total remuneration**		2,225,464	6,185,498	500,920

8.6 Table 25. Special payments

		Board of Directors	Supervisory Board	Other material risk takers
Guaranteed bonuses	Number of employees			
	Total amount			
Sign-on awards	Number of employees			
	Total amount:	0	46,062	0
	Of which cash-based		46,062	
	Of which shares			
	Of which share-linked instruments			
	Of which other instruments			
Severance payments	Number of employees			
	Total amount:	0	0	0
	Of which cash-based			
	Of which shares			
	Of which share-linked instruments			
	Of which other instruments			

8.7 Table 26. Information about deferred and retained remuneration

		a	b	c	d	e
		Total amount of outstanding deferred remuneration	Of which Total amount of outstanding deferred and retained remuneration exposed to ex post explicit and/or implicit adjustment	Total amount of reduction during the year due to ex post explicit adjustments	Total amount of reduction during the year due to ex post implicit adjustments	Total amount of deferred remuneration paid out in the financial year
1	Board of Directors	0	0	0	0	0
2	Cash					
3	Shares					
4	Share-linked instruments					
5	Other					
6	Supervisory Board	879,947	0	0	0	14,463
7	Cash					
8	Shares	879,947				14,463
9	Share-linked instruments					
10	Other					
11	Other material risk takers	0	0	0	0	0
12	Cash					
13	Shares					
14	Share-linked instruments					
15	Other					
16	Total	879,947	0	0	0	14,463

8.8 Table 27. Shares owned by senior management

		a	b	c	d	e	f	g	h	I	j	k	l	m
		Amount of shares at the beginning of the reporting period			Changes during the reporting period							Amount of shares at the end of the reporting period		
		Unvested	Vested	Total (a+b)	Awarded during the period		Vesting	Reduction during the period		Other Changes		Unvested (a+d-f-g)	Vested (b+e+f-h+i-j)	Total(k+l)
					Of which: Unvested	Of which: Vested		Unvested	Vested	Purchase	Sell			
	Senior management													
1	Total amount:	921	238	1,159	2,670	1,004	305	0	0	0	0	3,286	1,547	4,833
1.1		503	130	633	1,335	514	135					1,703	779	2,482
1.2		85	22	107	316	112	46					355	180	535
1.3		124	32	156	395	145	51					468	228	696
1.4		85	22	107	272	100	34					323	156	479
1.5		124	32	156	352	133	39					437	204	641
1.6				0								0	0	0
.....				0								0	0	0
	Other material risk takers													
2	Total amount:											0	0	0