

Pillar 3 Disclosures Report

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Pillar 3 Disclosures Report

For the year ended 31 December 2025

1. INTRODUCTION

BNF Bank plc (the “Bank”) is a public limited company domiciled and incorporated in Malta. The Bank’s strategies and processes to manage risks reflect the Bank’s structure, scale and business model.

The Pillar 3 Disclosures aim to enhance public awareness regarding a bank’s capital structure and adequacy, as well as its risk management policies and practices. These disclosures are prepared by the Bank in accordance with the requirements outlined in Part Eight of Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019, which amends Regulation (EU) No 575/2013 (known as the Capital Requirements Regulation or “CRR”). They also adhere to the related guidelines and technical standards published by the European Banking Authority (“EBA”), and the requirements governed by Banking Rule BR/07: ‘Publication of Annual Report and Audited Financial Statements of Credit Institutions authorized under the Banking Act 1994’ (“BR/07”), issued by the Malta Financial Services Authority (“MFSA”).

The Bank is required to disclose its return on assets pursuant to Banking Rule BR/07 “Publication of Annual Report and Audited Financial Statements of Credit Institutions Authorised under the Maltese Banking Act (Cap. 371)” (“BR/07”). In this respect, the Bank’s return on assets for the financial year ended 31 December 2025 amounted to 0.19% (2024: 0.65%).

1.1. Preparation of Pillar 3 Disclosures Report

(Article 431 (3) CRR)

The Bank adheres to the requirements laid down in Article 431 of the CRR in terms of the compilation of this Pillar 3 Disclosures report, in line with the requirements laid down in Part Eight of the CRR and the guidelines and technical standards published by the EBA.

1.1.1 Basis of preparation

This Pillar 3 Disclosures Report has been prepared in accordance with the requirements of Part Eight of CRR, the guidelines and technical standards of published by the EBA, as well as the requirements laid down in BR/07.

The Pillar 3 Disclosures Report reflects exposures reported in the Bank’s Annual Report and Financial Statements, which are prepared in accordance with International Financial Reporting Standards (“IFRS”). In contrast to the Bank’s Annual Report and Financial Statements, the information included within the Pillar 3 Disclosures report is not subject to an external audit.

Where the term ‘capital requirements’ is used, this represents the minimum total capital charge set at 8% of risk weighted exposure amounts (“RWEAs”) as per Article 92 of the CRR.

1.1.2 Scope of application

This Pillar 3 Disclosures Report is prepared based on the Bank as a standalone credit institution. The Bank is regulated and supervised by the MFSA and is classified as a listed ‘Other Institution’.

1.1.3 Frequency and means of disclosures

As a listed 'Other institution', the Bank is required to comply with Article 433c(1) of the CRR. In this respect, the Bank is required to publish Pillar 3 disclosures on an annual basis all the information applicable to the Bank included within Part Eight of the CRR (Articles 435 to 455), and on a semi-annual basis the key metrics referred to in Article 447.

Any disclosures not mentioned are to be considered as non-material in terms of Article 432 of the CRR. Any items greyed out within tables presented below implies that the information is not required for the Bank.

The Bank makes available its Annual Report and Financial Statements and the Pillar 3 Disclosures report in the Investor Relations page of the Bank's website (<https://www.bnf.bank/investor-relations>).

1.1.4 Verification and sign-off process

As per banking regulations, these disclosures are not subject to an external audit. The Bank is satisfied that internal verification procedures ensure that these Pillar 3 disclosures are presented fairly.

Based upon the Bank's assessment and verification, the disclosures presented appropriately and comprehensively convey the Bank's overall risk profile as at 31 December 2025.

1.2 Key metrics

(Article 447(a) to (g) & Article 438(b) CRR – Table EU KM1)

Table EU KM1 provides key regulatory metrics and ratios as well as related input components, including own funds, RWEAs, capital ratios, additional requirements based on the Supervisory Review and Evaluation Process (“SREP”), capital buffer requirements, leverage ratio, liquidity coverage ratio (“LCR”) and net stable funding ratio (“NSFR”).

EU KM1 – Key metrics

		a	c	e
	Amounts in EUR	31 Dec 2025	30 June 2025	31 Dec 2024
Available own funds (amounts)				
1	Common Equity Tier 1 (CET1) capital	89,334,140	88,433,272	94,101,854
2	Tier 1 capital	99,334,140	98,433,272	104,101,854
3	Total capital	119,334,140	118,433,272	124,101,854
Risk-weighted exposure amounts				
4	Total risk exposure amount	646,645,007	666,779,047	714,993,879
4a	Total risk exposure pre-floor	646,645,007	666,779,047	714,993,879
Capital ratios (as a percentage of risk-weighted exposure amount)				
5	Common Equity Tier 1 ratio (%)	13.82%	13.26%	13.16%
5b	Common Equity Tier 1 ratio considering unfloored TREA (%)	13.82%	13.26%	13.16%
6	Tier 1 ratio (%)	15.36%	14.76%	14.56%
6b	Tier 1 ratio considering unfloored TREA (%)	15.36%	14.76%	14.56%
7	Total capital ratio (%)	18.45%	17.76%	17.36%
7b	Total capital ratio considering unfloored TREA (%)	18.45%	17.76%	17.36%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)				
EU 7d	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.65%	2.65%	2.65%
EU 7e	of which: to be made up of CET1 capital (percentage points)	0.99%	0.99%	1.49%
EU 7f	of which: to be made up of Tier 1 capital (percentage points)	1.99%	1.99%	1.99%
EU 7g	Total SREP own funds requirements (%)	10.65%	10.65%	10.65%
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)				
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.00%	0.00%	0.00%
9	Institution specific countercyclical capital buffer (%)	0.32%	0.38%	0.37%
EU 9a	Systemic risk buffer (%)	0.44%	0.43%	0.53%
10	Global Systemically Important Institution buffer (%)	0.00%	0.00%	0.00%
EU 10a	Other Systemically Important Institution buffer (%)	0.00%	0.00%	0.00%
11	Combined buffer requirement (%)	3.26%	3.31%	3.39%
EU 11a	Overall capital requirements (%)	13.91%	13.95%	14.04%
12	CET1 available after meeting the total SREP own funds requirements (%)	7.37%	6.78%	6.57%
Leverage ratio				
13	Total exposure measure	1,445,161,220	1,457,218,108	1,413,305,074
14	Leverage ratio (%)	6.87%	6.75%	7.37%
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)				
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%	0.00%
EU 14b	of which: to be made up of CET1 capital (percentage points)	0.00%	0.00%	0.00%
EU 14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)				
EU 14d	Leverage ratio buffer requirement (%)	0.00%	0.00%	0.00%
EU 14e	Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%
Liquidity Coverage Ratio				
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	182,389,633	174,264,345	191,558,448
EU 16a	Cash outflows - Total weighted value	111,967,503	103,665,656	96,883,641
EU 16b	Cash inflows - Total weighted value	21,450,568	16,041,445	17,416,718
16	Total net cash outflows (adjusted value)	90,516,935	87,624,211	79,466,923
17	Liquidity coverage ratio (%)	203.37%	199.47%	243.95%
Net Stable Funding Ratio				
18	Total available stable funding	1,095,364,741	1,154,625,474	1,172,467,465
19	Total required stable funding	793,250,265	829,019,834	829,243,855
20	NSFR ratio (%)	138.09%	139.28%	141.39%

1.3 Scope of application

(Article 436 (b) to (h) CRR – Tables EU LI1 to LI3, EU LIA and EU LIB)

This Pillar 3 Disclosures Report is in respect of BNF Bank plc. The Bank is regulated and supervised by the MFSA and is classified as an 'Other Institution'.

EU LI1 - Differences between the accounting scope and the scope of prudential consolidation and mapping of financial statement categories with regulatory risk categories

		a	b	c	d	e		f	g
		Carrying values as reported in published financial statements	Carrying values under scope of prudential consolidation	Subject to the credit risk framework	Subject to the CCR framework	Carrying values of items			Not subject to own funds requirements or subject to deduction from own funds
						Subject to the securitisation framework	Subject to the market risk framework		
Breakdown by asset classes according to the balance sheet in the published financial statements									
1	Balances with Central Bank of Malta and cash	118,457,477	118,457,477	118,457,477	-	-	5,423,478	-	
2	Cheques in course of collection	1,866,172	1,866,172	1,866,172	-	-	0	-	
3	Financial investments	150,117,067	150,117,067	150,117,067	-	-	11,393,002	-	
4	Loans and advances to banks	27,688,829	27,688,829	27,688,829	-	-	25,226,595	-	
5	Loans and advances to customers	1,026,299,139	1,026,299,139	1,026,299,139	-	-	121,996,392	-	
6	Derivative financial assets	120,034	120,034	-	120,034	-	120,034	-	
7	Prepayments and accrued income	13,682,799	13,682,799	13,682,799	-	-	2,106,190	-	
8	Property and equipment	5,898,912	5,898,912	5,898,912	-	-	-	-	
9	Intangible assets	5,646,165	5,646,165	-	-	-	218,656	5,646,165	
10	Right-of-use assets	1,504,494	1,504,494	1,504,494	-	-	-	-	
11	Other assets	7,322,914	7,322,914	7,322,914	-	-	(840,466)	-	
	Deferred tax assets	6,538,983	6,538,983	6,538,983	-	-	-	-	
	Current tax assets	3,616,567	3,616,567	3,616,567	-	-	-	-	
12	Total assets	1,368,759,551	1,368,759,551	1,362,993,352	120,034	-	165,643,880	5,646,165	
Breakdown by liability classes according to the balance sheet in the published financial statements									
1	Debt securities in issue	19,914,722	19,914,722	-	-	-	-	19,914,722	
2	Amounts owed to banks and other institutions	18,212	18,212	-	-	-	-	18,212	
3	Amounts owed to customers	1,210,023,795	1,210,023,795	-	-	-	48,603,372	1,161,420,424	
4	Derivative financial liabilities	432,435	432,435	-	-	-	432,435	0	
5	Current tax liabilities	-	-	-	-	-	-	-	
6	Other liabilities	19,473,145	19,473,145	-	-	-	117,194,268	(97,721,123)	
7	Accruals	10,303,337	10,303,337	-	-	-	197,082	10,106,255	
8	Total liabilities	1,260,165,647	1,260,165,647	-	-	-	166,427,157	1,093,738,490	

EU LI2 - Main sources of differences between regulatory exposure amounts and carrying values in financial statements

		a	b	c			e	
				Items subject to				
				Credit risk framework	Securitisation framework	CCR framework		Market risk framework
	Total							
1	Assets carrying value amount under the scope of prudential consolidation (as per template LI1)	1,368,759,551	1,362,993,352	-	120,034	165,643,880		
2	Liabilities carrying value amount under the scope of prudential consolidation (as per template LI1)	(1,260,165,647)	-	-	-	166,427,157		
3	Total net amount under the scope of prudential consolidation	2,628,925,198	1,362,993,352	-	120,034	(783,277)		
4	Off-balance-sheet amounts	226,989,453	226,989,453	-	-	-		
5	Differences in valuations	-	-	-	-	-		
6	Differences due to different netting rules, other than those already included in row 2	-	-	-	-	-		
7	Differences due to consideration of provisions	(30,705,750)	(30,705,750)	-	-	-		
8	Differences due to the use of credit risk mitigation techniques (CRMs)	(41,317,109)	(41,317,109)	-	-	-		
9	Differences due to credit conversion factors	(128,647,540)	(128,647,540)	-	-	-		
10	Differences due to Securitisation with risk transfer	-	-	-	-	-		
11	Other differences	-	-	-	-	-		
12	Exposure amounts considered for regulatory purposes	2,855,914,651	1,589,982,805	-	120,034	(783,277)		

EU LI3 - Outline of the differences in the scopes of consolidation (entity by entity)

a	b	c	d	e	f	g	h
Name of the entity	Method of accounting consolidation	Method of prudential consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
BNF Bank PLC	Full consolidation	X					Credit institution

Table EU LIA is not applicable as the Bank does not have any differences between its carrying values as published in the financial statements and the carrying values under the scope of prudential consolidation.

Table EU LIB – Other qualitative information on the scope of application

(a)	<u>Impediment to the prompt transfer of own funds or to the repayment of liabilities within the group</u> This section is not applicable to the Bank.
(b)	<u>Subsidiaries not included in the consolidation with own funds less than required</u> The Bank does not have any subsidiaries.
(c)	<u>Use of derogation referred to in Article 7 CRR or individual consolidation method laid down in Article 9 CRR</u> This section is not applicable to the Bank.
(d)	<u>Aggregate amount by which the actual own funds are less than required in all subsidiaries that are not included in the consolidation</u> The Bank does not have any subsidiaries.

1.4 Attestation by the Board of Directors

The Board of Directors confirm that this Pillar 3 Disclosures Report, to the best of our knowledge, complies with Part Eight of the CRR, including any related guidelines and technical standards published by the EBA, and has been prepared in compliance with the Bank’s internal governance process including policies, processes and systems and internal control environment.

The Board of Directors is of the opinion that the policies and procedures in place are adequate in measuring and controlling the various risks faced by the Bank and reflect well the Bank’s size, business model and its position in the market.

The Pillar 3 Disclosures Report was approved and authorised for issue by the Board of Directors and signed on its behalf on 29 April 2026 by:



DAVID POWER
Chief Executive Officer & Managing Director



MICHAEL FREUDO
Chairman

2. RISK MANAGEMENT

2.1 Information on risk management objectives, framework and policies

(Article 435(1) (a) to (d) CRR – Table EU OVA)

Table EU OVA provides information on the Bank’s business model and how it inherently involves exposing itself to both financial risks and non-financial risks.

Table EU OVA - Institution risk management approach

(a)	<p><u>Disclosure of concise risk statement approved by the management body</u></p> <p>The Board of Directors at BNF Bank plc is committed to high standards of corporate governance, ethics and accountability by fostering a culture of risk awareness. This process includes identifying and addressing various types of risks the Bank encounters and integrating into all decision-making processes. The Board’s dedication to these principles helps safeguard the Bank’s integrity and promote growth.</p> <p>The Bank has implemented a risk management framework that includes a reporting system for regular and timely communication to the Board of Directors, its committees, and other relevant stakeholders within the Bank. The Bank carries out an analysis of its business model and strategy on a regular basis. As part of that analysis, the Bank endeavours to identify its key vulnerabilities, being the areas that drive its risks and potential scenarios of stress.</p> <p>The Bank has clearly defined risk tolerance levels, as outlined in the Risk Appetite Framework. This framework includes the Risk Appetite Statement and selected risk indicators and thresholds. These indicators and thresholds reflect a generally risk-averse approach, aimed at achieving a balanced risk/return position. The Bank imposes various limits, including country and product thresholds, single name exposure limits, credit quality limits, and regulatory ratio metrics. This is demonstrated through regular monitoring of key ratios and figures that are reported to the Board. The Board believes that its risk management processes encompass comprehensive policies, procedures, limits, and controls that effectively identify, assess, manage, monitor, and report on its risks.</p>
(b)	<p><u>Information on the risk governance structure for each type of risk</u></p> <p>The Business Functions, as the first line of defence of the Bank, are made aware of the Bank’s risk appetite limits which fall within their responsibility. They are also primarily responsible for managing risks on a day-to-day basis, in line with the set tolerance limits. The Risk Function provides independent information, analysis and expert judgement on proposed and approved limits. The Risk Function independently assesses breaches of the risk appetite limits, to ascertain the cause and agree with the respective function and management, any action required for closing, reducing or mitigation of the risks.</p> <p>Through the Risk and Compliance Committee, the Board of Directors regularly and comprehensively engages in analysis of the Bank’s risk position. The primary tools used by the Risk and Compliance Committee to address their responsibility are the Risk Appetite and the Risk Assessment Process. The Risk and Compliance Committee should meet at least quarterly and more frequently as circumstances require and ultimately reports to the Board of the Bank. The Risk and Compliance Committee reviews and considers reports from the Risk Management and Compliance functions to ensure good standing of the Bank’s risk profile, risk culture, risk appetite and limits, and risk mitigation plans.</p> <p>The Board’s risk appetite is to maintain a prudent and risk-averse position, with key financial risks outlined in the Financial Statements and Notes to the Financial Statements within the Annual Report. The Board of Directors</p>

continuously challenges the Bank’s management and their performance, delegating the responsibility of overseeing risk management to the Risk and Compliance Committee. The Board is responsible for ensuring that the roles of corporate responsibility, namely accountability, strategy formulation and policy development are implemented throughout the Bank.

The Bank’s policies are structured to align with its risk appetite. The Risk Management framework is organised such that the Bank’s management can mitigate risks through both the functions taking risks and those managing them. The framework includes a series of internal documents (namely policies) approved by the Board across the various risks of the Bank and other governance requirements, including but not limited to:

- Code of Conduct;
- Remuneration Policy;
- Conflicts of Interest Policy;
- Credit Risk Policy;
- IRRBB Interest Rate Risk in the Banking Book Policy;
- Liquidity Management Policy;
- Foreign Exchange and Money Markets Policy;
- Operational Risk Management Policy;
- Management of the Bank’s Documents Policy and;
- Business Continuity Policy.

Policies are subject to a periodic review by the Board of Directors and are enhanced in accordance with changes to the Bank’s risk profile. Policies are subsequently circulated and adhered to by staff at all times and are implemented through procedures designed by Management. All policies and procedures are available to all staff on the Bank’s intranet. Any deviance from parameters set in policies or procedures is subject to sanctioning by the appropriate approval body.

The Board also sets the Bank’s values and standards and understands that high ethical standards are required in its decision-making process. Decisions and strategies formulated by the Board seek to encompass the interests of all stakeholders including the Bank’s customers, shareholders and employees. The Board delegates responsibility for the Bank’s day-to-day management to the Executive Committee (‘Management’), and certain other responsibilities to various committees, including:

Board Committees	Management Committees
The Risk and Compliance Committee	The Executive Committee
The Audit Committee	The Assets and Liabilities Committee
The Compensation and Nomination Committee	The Investments Committee
The Credit Approval Committee	The Executive Credit Committee
	The Products Oversight Committee
	The Environmental, Social and Governance Committee
	The Budget and Planning Committee
	The London Branch Management Committee

The Risk and Compliance Committee: This Committee monitors and reviews risk exposure, and Management’s risk processes and strategies. The Committee recommends the risk appetite framework in line with the Bank’s strategy and regularly reviews the Bank’s risk profile considering the current and prospective macroeconomic, macro-prudential and financial environment. Risk strategies are discussed on both an aggregate basis, as well as by type

	<p>of risk. The Risk and Compliance Committee follows closely correspondence with regulators and management actions.</p> <p><u>The Audit Committee:</u> The Audit Committee monitors the financial reporting process to ensure the integrity of the Bank's financial statements. It reviews estimates, judgments, and significant financial reporting issues, advising the Board on the fairness, balance, and understandability of the annual report. The Committee assesses internal audits, providing recommendations on controls, and monitors Management's actions on addressing weaknesses and non-compliance. It oversees the relationship with external auditors, ensuring their effectiveness, independence, and recommends their appointment, remuneration, and terms of engagement.</p> <p><u>The Compensation and Nomination Committee:</u> This Committee is responsible for reviewing the remuneration policy of the Bank and for making any recommendations as the Committee deems appropriate in light of the general strategic interests of the Bank and regulations. The Committee: sets the over-arching principles and parameters of the Remuneration Policy, approves remuneration arrangements of senior executives and highly paid persons, monitors and reviews remuneration paid to the Chairman and other members of the Board of Directors, and makes recommendations to shareholders in General Meetings. They also approve annual pay increases and bonuses as recommended by Management and oversee any remuneration matters including exercising the functions of a Board Nomination Committee.</p> <p><u>The Credit Approval Committee:</u> This Committee is responsible for assessing credit facilities and taking credit decisions within certain monetary and risk bands and is made up of three directors appointed by the Board with experience in credit. The Chief Executive Officer, the Chief Banking Officer, the Chief Risk Officer and senior representatives of the Bank's Commercial Function attend the Committee meetings by invitation</p> <p>The Board sets the Bank's risk tolerance levels, the strategy for the management of business risks and implements an effective system of internal controls in order to safeguard the Bank's healthy capital and liquidity base in accordance with the requirements of the Malta Financial Services Authority (the "Authority" or "Regulator") and the ECB.</p>
(c)	<p><u>Declaration approved by the management body on the adequacy of the risk management arrangements.</u></p> <p>The Board hereby declares, in accordance with Article 435 of the CRR, that the Bank's risk management systems and arrangements are adequate concerning its risk profile and strategy.</p>
(d)	<p><u>Disclosure on the scope and nature of risk disclosure and/or measurement systems.</u></p> <p>The Board has approved a Risk Appetite Statement which sets out the Bank's tolerance to risk exposure with respect to all risks identified. The Risk Appetite Statement is reviewed and approved by the Board on an annual basis, or more frequently, if required, to remain consistent with the Bank's strategy, business and any regulatory requirements.</p> <p>The Directors are responsible for the adherence to the risk appetite limits. These are monitored regularly and reported at least on a quarterly basis by the Risk, Control and Oversight Department. The Bank has also put in place a tiered approach and early warning thresholds in order to ensure corrective action when necessary.</p>
(e)	<p><u>Disclose information on the main features of risk disclosure and measurement systems.</u></p>

	<p>The Board has approved a Risk Appetite Statement which sets out the Bank’s tolerance to risk exposure with respect to all risks identified. The Risk Appetite Statement is reviewed and approved by the Board on an annual basis, or more frequently, if required, to remain consistent with the Bank’s strategy, business and any regulatory requirements.</p> <p>On a regular basis, the Bank issues policies and procedures to control and/or mitigate material risks. Policies are subject to a periodic review by the Board of Directors and are enhanced in accordance with changes to the Bank’s risk profile. Policies are subsequently circulated and adhered to by staff at all times and are implemented through procedures designed by Management. All policies and procedures are available to all staff on the Bank’s intranet. Any deviance from parameters set in policies or procedures is subject to sanctioning by the appropriate approval body.</p>
(f)	<p><u>Strategies and processes to manage risks for each separate category of risk.</u></p> <p>Formulation of risk strategies and risk profiles, to achieve organisational goals, are the responsibility of the Executive Committee, however implementation is delegated to the Departmental Heads through a formally documented organisational structure with clear and transparent demarcation of functional responsibilities. The Bank’s Risk Management function, led by the Bank’s Chief Risk Officer, executes the risk strategy and communicates it to relevant stakeholders, including business lines and internal control and support functions.</p> <p>The Bank’s business model inherently involves exposing itself to both financial risks and non-financial risks. The Board’s risk appetite is to maintain a prudent and risk-averse position, with key financial risks outlined in the Financial Statements and Notes to the Financial Statements within the Annual Report. The Board of Directors continuously challenges the Bank’s management and their performance, delegating the responsibility of overseeing risk management to the Risk and Compliance Committee.</p> <p>The Risk Appetite Statement identifies the following main risks the Bank is exposed to:</p> <p><u>Credit risk</u></p> <p>The risk of losses arising from untimely or non-repayment of existing or contingent credit obligations, generally resulting from deterioration in the financial condition of a borrower. The Bank is exposed to credit risk on customers, clients or market counterparties, through interbank, commercial and consumer loans and advances, loan commitments arising from such lending activities, and credit enhancement provided, such as financial guarantees, documentary credits, endorsements and acceptances. The Bank is also exposed to credit risk on investments in debt securities and derivatives as well as settlement balances with market counterparties.</p> <p>Country risk refers to the risk of losses arising from economic or political changes that affect the country of origination of an asset. Settlement risk refers to the risk of losses through failure of a counterparty to settle outstanding dues on the settlement date.</p> <p>Credit Risk Management is responsible for:</p> <ul style="list-style-type: none"> • Formulating, maintaining and providing guidance on policies relating to credit and concentration risks. • Perform controls on a continuous basis to check that the non-performing exposures internal management process is operating as intended.

- Formulating, recalibrating and revising, from time to time, the Bank's models and tools relating to credit risks such as, for instance credit scoring systems and probability of default models.
- Identifying, quantifying, assessing, monitoring and reporting on main credit and concentration risks on the loan portfolio.
- Carrying out oversight exercises on business functions proposing forward-looking mitigation action for top management consideration.

More granular details have been included in the Table EU CRA of this report.

Market risk

The risk of losses arising from fluctuations in fair value or future cash flows of financial instruments, due to changes in market variables such as prices, interest rates and currencies, the correlations between them, and their levels of volatility.

Market Risk Management is responsible for:

- Controlling and overseeing that business units do not expose the Bank to unacceptable losses outside the Bank's risk appetite and investment strategy.
- Carry out oversight exercises and propose forward-looking mitigation actions for top management consideration.
- Provide guidance on the process of designing and reviewing market risk related policies and procedures.
- Provide guidance and feedback on new and current interbank relationships.
- Contribute to the Bank's ALCO.
- Carry out scenario analysis and stress testing on the Bank's Liquidity Position.

More granular details have been included in the Table EU MRA of this report.

Liquidity risk

The risk of losses due to the Bank's funding costs increasing disproportionately, lack of funding preventing the Bank from establishing new business, and lack of funding which will ultimately prevent the Bank from meeting its obligations.

Liquidity risk arises from:

- **Market (product) liquidity risk:** The risk of losses arising from the inability to easily offset or eliminate a position without significantly affecting the market price because of inadequate market depth or market disruption.
- **Funding liquidity risk:** The risk of losses arising from a timing mismatch between investing, placements and fundraising.

More granular details have been included in the Table EU LRA of this report.

Operational risk

The risk of direct or indirect losses arising from inadequate or failed internal processes, system failure, human error, fraud or from external events (including legal risk). When controls fail to perform or underperform, operational risks can cause damage to reputation, have legal or regulatory implications, and/or lead to financial loss.

Operational Risk and GRC (Governance, Risk and Compliance) Management is responsible for:

- Maintaining and updating the Operational Risk Management Framework, policies, and procedures.
- Identifying, assessing, and reporting on operational risks, and overseeing mitigation actions.
- Managing the Bank's risk appetite, register, Operational Risk Control Application (ORCA), and business continuity plans.
- Supporting operational risk training and assisting risk managers across the Bank.
- Contributing to ICAAP, Recovery Plans, and monitoring operational risk limits within the Bank's Risk Appetite.

More granular details have been included in the Table EU ORA of this report.

Environmental, Social and Governance (ESG) risks

The risks of any negative financial impact on the Bank stemming from the current or prospective impacts of ESG factors on its counterparties or invested assets. ESG factors refer to environmental, social and governance factors that may have a positive or negative impact on the financial performance or solvency of the Bank.

Enterprise and ESG Risk Management is responsible for:

- Developing and updating the Bank's ICAAP, ILAAP, and Recovery Plan.
- Managing and coordinating the Bank's stress testing and ESG risk frameworks.
- Incorporating ESG risks into strategic planning and internal assessments.
- Overseeing all other risks not assigned to other departments.

Money Laundering/ Funding of Terrorism Risk

Risk that the Bank's infrastructure is being used to integrate and launder money obtained from illegal activities into the financial system and the risk of making funds or other assets available to support, even indirectly, the carrying out of terrorist activities.

Sanctions Risk

Risk of facilitating business for individuals, entities or through countries which have been placed on sanction lists.

ICT risk

Risk of loss due to breach of confidentiality, failure of integrity of systems and data, inappropriateness or unavailability of systems and data or inability to change information technology within a reasonable time and cost in line with business needs.

	<p><u>Cyber Security risk</u></p> <p>Security risks resulting from inadequate or failed internal processes or external events including cyber-attacks or inadequate physical security.</p>
(g)	<p><u>Information on the strategies and processes to manage, hedge and mitigate risks, as well as on the monitoring of the effectiveness of hedges and mitigants.</u></p> <p>The Bank aims to mitigate risk with controls where possible, by ensuring that adequate processes, procedures, and systems of internal control are in place at all times. Systems of internal control also support accurate financial reporting, which in turn aids effective decision making.</p> <p>Within its daily operations, the Bank transacts with counterparty banks and other financial institutions. To mitigate the risk of losses in respect of such transactions, the Bank places short-term funds solely with pre-approved counterparties subject to pre-established limits, which limits are determined after having considered the respective institution's external credit rating.</p> <p>The Bank manages its net interest spread by advancing credit to customers with longer terms to maturity than the liabilities funding such loans. To mitigate exposures arising in this respect, the Bank holds significant liquid assets in the form of listed debt securities, money market placements and other short-term instruments for managing liquidity risk to support payment obligations and contingent funding in a stressed market environment.</p> <p>The Bank proactively manages and mitigates operational risks through its robust control framework, continuous monitoring and by responding to emerging risks. Furthermore, the Bank mitigates operational risk by following strict rules for the assignment of duties and responsibilities among and within the functions and by having in place a system of internal control and supervision.</p> <p>The Bank has in place limits on the level of exposure by currency and in total, which are monitored daily, and hedging strategies are used to ensure that positions are maintained within established limits. The Bank does not apply hedge accounting with respect to its derivative contracts such as foreign currency swap agreements.</p>

2.2 Risk management governance

(Article 435(1) (c) to (d) CRR – Table EU OVA & Article 435(2) (d) to (e) CRR – Table EU OVB)

Table EU OVB provides information on how the Board is responsible for ensuring that the roles of corporate responsibility, namely accountability, strategy formulation and policy development are implemented throughout the Bank.

Table EU OVB - Disclosure on governance arrangements

	<p><u>The number of directorships held by members of the management body.</u></p> <p>Further to article 91 of the CRD IV, the Bank is listing the number of directorships held by the members of the Board of Directors (including those held with the Bank). The number of directorships, both for the Executive Directorship (ED) and Non-Executive Directorship (NED) forming part of the same group are considered as one directorship.</p>
(a)	

	Name	Role	Number of directorships held
	Dr Michael Frendo	Chairman	1 ED + 1 NED
	Sheikh Jassim Feisal Q. F. Al-Thani	Deputy Chairman	1 ED + 3 NED
	Sheikh Mohammed Feisal Q. F. Al-Thani	Director	4 ED + 2 NED
	Sheikh Turki Feisal Q. F. Al-Thani	Director	2 ED + 1 NED
	Mr Tarik Mahmut	Director	3 ED + 1 NED
	Mr Mohammed Abdelqader Drawish Al-Ramahi	Director	1 ED + 2 NED
	Mr Mario P Galea	Director	11 NED
	Mr Paul Mark Johnson	Director	1 NED
	Mr Charles Borg	Director	9 NED
	Mr Hassan Elsayed Hassan Abdalla	Director	8 NED
	Ms Juanita Bencini	Director	8 NED
	Mr David Power	Managing Director and Chief Executive Officer	1 ED

(b)	<p><u>Information regarding the recruitment policy for the selection of members of the management body and their actual knowledge, skills and expertise.</u></p> <p>The Board of Directors shall be composed of Board Members who hail from diverse educational backgrounds, with different skills and with professional and industry experience which is relevant to the business carried out by the Bank. The Board shall also enjoy diversity through the Board Members' age, gender, ethnicity, education, tenure, independence and diversity of thought.</p> <p>The Compensation and Nomination Committee reviews and assesses Board composition on behalf of the Board and recommends the appointment of new Board Members. The Committee reports annually in the corporate governance section of the Bank's Annual Report on the Board Diversity Policy and the measurable objectives set by the Board including any progress made towards achieving those objectives.</p> <p>The shareholders appoint or remove Directors to the Board in accordance with the Bank's Articles of Association after taking into consideration diversity of knowledge, judgement and experience.</p>
(c)	<p><u>Information on the diversity policy with regard of the members of the management body.</u></p> <p>The Board has a Board Diversity Policy with regards to the selection of the members of the Board of Directors. The Committee shall annually review the Board's suitability matrix to determine the members' individual and collective suitability and the Board's overall effectiveness. It will discuss key skills and experience needed for future strategic direction, identifying any skill gaps and addressing them by appointing additional directors if necessary. The Committee will also review the membership and composition of the Board and its committees during this annual exercise.</p>
(d)	<p><u>Information whether or not the institution has set up a separate risk committee and the frequency of the meetings.</u></p> <p>The Audit & Risk Committees have been set up by the institution and its responsibilities have been highlighted under EU OVA. These Committees meet a minimum of 4 times a year.</p>
(e)	<p><u>Description on the information flow on risk to the management body.</u></p> <p>Through the Risk and Compliance Committee, the Board of Directors regularly and comprehensively engages in analysis of the Bank's risk position. The primary tools used by the Risk and Compliance Committee to address their responsibility are the Risk Appetite and the Risk Assessment Process. The Risk</p>

	<p>and Compliance Committee should meet at least quarterly and more frequently as circumstances require and ultimately reports to the Board of the Bank. The Risk and Compliance Committee reviews and considers reports from the Risk Management and Compliance functions to ensure good standing of the Bank’s risk profile, risk culture, risk appetite and limits, and risk mitigation plans. These are documented in the following documents:</p> <ul style="list-style-type: none"> • Risk Management Framework; • Risk Appetite Statement; • Internal Capital Adequacy Assessment Process (“ICAAP”) and Internal Liquidity Adequacy Assessment Process (“ILAAP”) documents; • Recovery plan document; • ICT Risk Management Framework; and • Bank’s Risk Register. <p>As previously mentioned, the Board of Directors has established multiple Board and Management Committees to implement a proper process that guarantees effective internal control systems. Additional information on the operations of various functions and committees can be found in the EU OVA.</p>
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2.3 Risk Management function and Risk Monitoring and Reporting

(Article 435(1) CRR)

The Bank’s Risk function is involved in aggregating and reporting risks, ongoing reporting and overseeing the risk mitigation activities recommended. The Risk function is responsible for the coordination of all risk activities within the Bank as well as their control and oversight. The sections below include details on the various teams within the risk function and responsibilities, and the Bank’s approach to overall risk monitoring and reporting.

2.3.1 Risk Management function

The Bank’s Risk Management function is responsible to ensure the Bank’s growth is undertaken through effective risk management practices and support risk owners in the control of related exposures.

The Chief Risk Officer (“CRO”) of the Bank is responsible for the Risk Management function, who remains independent from the various business lines of the Bank. The CRO is responsible for a number of sub-functions that represent different risk areas, including Risk Control and Oversight, Credit Analysis, Financial Crime Compliance and Credit Recoveries.

The CRO sits on various committees namely the Assets and Liabilities Committee, Investment Committee, Executive Credit Committee, ESG Committee, London Branch Committees, and Executive Committee.

The Risk and Compliance Committee reviews management’s recommendations on various risks. The Committee’s main duties include:

- Recommending the Bank’s overall risk appetite to the Board.
- Reviewing the Bank’s risk profile for different types of risks.
- Commissioning and evaluating reports on key risk issues.

The Committee oversees the implementation of the Bank’s risk strategies and oversees policies and frameworks for banking and operational risks. It monitors the risk management framework, including the Bank’s risk appetite and tolerance levels. The Committee ensures ongoing execution of risk policies and ensures that all risk controls throughout the Bank comply with regulatory requirements and best practices.

2.3.2 Risk Monitoring and Reporting

The Bank's risk profile is dynamic and evolving in response to both internal and external risk drivers and factors. Regular monitoring and reporting of risks, in accordance with the framework established by various committees within the Bank, ensures that limits are observed and analysed by different structures. When necessary, the risk profile is adjusted to better align with the Bank's business model.

Qualitative and quantitative aspects of the Bank's risk position are regularly reported to and discussed by top management. This includes the Board of Directors and its sub-committees, such as the Audit Committee and Risk and Compliance Committee, the Executive Committee, and management committees like the ALCO.

A fundamental component of the Bank's Risk management framework is the Risk Appetite Framework. The Bank has established risk appetite limits based on its risk assessment to ensure sufficient capital and liquidity buffers.

The Board of Directors is ultimately responsible for the Bank's Risk Appetite Framework by:

- Setting and approving any changes to the Bank's Risk Appetite Framework;
- Ensuring robustness and consistency with the Bank's objectives, corporate culture, values, and regulatory requirements; and
- Ensuring that the Framework is aligned with the supervisory expectations.

The Board approves the Risk Appetite Statement on a yearly basis, and at least on a quarterly basis the Risk Function reports to the Executive Committee and Risk and Compliance Committee (as applicable) on the Bank's risk profile relative to its risk appetite. The Chair of the Risk and Compliance Committee subsequently reports on the Bank's current risk profile to the Board during board meetings.

The Board delegates to the respective Committees:

Risk and Compliance Committee - the responsibility of assessing the Bank's overall risk appetite and tolerance limits for the material risks. The Risk and Compliance Committee also advises the Board on the Bank's risk appetite and tolerance limits when determining the Bank's strategy and when the Bank considers any changes to its business model.

Executive Committee – the oversight of the implementation of the Risk Appetite Framework within the Bank. The Executive Committee is also responsible for conveying to the Bank's Business Functions, the Board's expectation that the Bank's activities shall not go beyond the risk appetite and tolerance limits, as defined in this Risk Appetite Framework.

The Business Functions, as the first line of defence of the Bank, are made aware of the Bank's risk appetite limits which fall within their responsibility. They are also primarily responsible for managing risks on a day-to-day basis, in line with the set tolerance limits. The Risk Function provides independent information, analysis and expert judgement on proposed and approved limits. The Risk Function independently assesses breaches of the risk appetite limits, to ascertain the cause and agree with the respective function and management, any action required for closing, reducing or mitigation of the risks.

The Bank has also set different tiers for specific key risk indicators and early warning thresholds for corrective action when needed.

Category	Indicator
Credit Risk	<ul style="list-style-type: none"> • Concentration • Stage 2 exposures • Non-Performing • Forborne Exposures • Coverage ratio
Market Risk/Liquidity	<ul style="list-style-type: none"> • Value at Risk • IRRBB • LCR • NSFR • Intraday Liquidity • Loans to Deposit ratio • Concentration • Price movement
Capital Risk	<ul style="list-style-type: none"> • CET1 • CAR
Profitability Risk	<ul style="list-style-type: none"> • ROE • Cost to Income • Variation to budgets • Leverage ratio • Advances to Deposits • Monthly Run-Off Rate • FX open positions
AML/CFT	<ul style="list-style-type: none"> • STRs • Reviews • Training
Operational Risk (Including IT and Cyber)	<ul style="list-style-type: none"> • Variation to budgets • Operational losses • Customer complaints • SLA breaches • System downtime • Staff retention rate • GDPR issues • Training • Phishing and Access data
ESG Risks	<ul style="list-style-type: none"> • ESG friendly securities • Exposure to specific sectors • ESG initiatives • Staff statistics • Health & Safety • Bank documentation

The Bank has created a strong reporting system within its Risk management framework, providing regular updates to the Board of Directors, its committees, and other relevant stakeholders within the Bank.

The Bank performs stress and scenario testing to assess the resilience of its capital and liquidity under adverse conditions. This process is a key component of the Bank's risk management framework, complementing other analytical tools by providing forward-looking analysis of how risks may evolve based on the Bank's projections. It supports budgeting, capital and liquidity planning, and aids in the development and implementation of mitigation strategies and contingency plans for times of stress.

Stress testing is integrated into the Bank's ICAAP, ILAAP, and Recovery Plan processes. It covers three primary scenarios: an idiosyncratic event, a macroeconomic downturn, and a combined idiosyncratic-macroeconomic scenario. Reverse stress testing is also conducted as part of these processes which are subject to approval by the Bank's Executive Committee, Risk

and Compliance Committee, and the Board, and are further reviewed and challenged by the Bank's Internal Audit Function. Throughout the year, the Bank also performs regular sensitivity analyses as part of its ongoing risk management activities.

2.4 Disclosures on the Bank's risk management strategies and processes by category of risks

*(Article 435(1) (a), (b), (d) and (f) CRR & Article 446 (1) (a) – Tables EU OVA, EU CRA, EU MRA, EU ORA
Article 451a(4) CRR – Table EU LIQA)*

The Bank undertakes a process in order to identify its risks based on various techniques and methodologies, which emanate from the business model and strategy adopted by the Bank.

In terms of Article 435(1) and Tables EU OVA, EU CRA, EU MRA, EU ORA and EU LIQA, the Bank is disclosing its risk management strategies and processes for credit risk, market risk, operational risk and liquidity risk. As at 31 December 2025, the Bank is not exposed to other risks described in Title II of Part Eight of the CRR.

2.4.1 Credit risk

2.4.1.1 Overview

Table EU CRA provides general qualitative information about credit risk as part of the Pillar 3 disclosures. It outlines the institution's policies, frameworks, and processes for identifying, assessing, managing, and mitigating credit risk across its portfolio.

Table EU CRA - General qualitative information about credit risk

(a)	<p><u><i>In the concise risk statement in accordance with point (f) of Article 435(1) CRR, how the business model translates into the components of the institution's credit risk profile.</i></u></p> <p>Please refer to EU OVA for the concise risk statement of the Bank.</p> <p>Credit risk is the single largest financial risk for the Bank as it could impair the quality and hence the value of the Bank's lending assets. Country risk and settlement risk are also included in this category. As mentioned in Section 2.2, the Bank is exposed to credit risk namely through its lending activities, credit enhancements, investments in debt securities and market counterparties.</p> <p>The Bank's lending activities comprise of:</p> <ul style="list-style-type: none"> • Retail portfolio, which includes loans and advances to individual customers such as mortgages, credit cards and other consumer credit. • Corporate portfolio, which includes local loans and advances to local business entities. • International portfolio, which includes international loans, presently corporate exposure originated by the Bank's branch in the United Kingdom which finances prime properties.
(b)	<p><u><i>When discussing their strategies and processes to manage credit risk and the policies for hedging and mitigating that risk in accordance with points (a) and (d) of Article 435(1) CRR, the criteria and approach used for defining the credit risk management policy and for setting credit risk limits.</i></u></p> <p>The Bank persisted in its monitoring activities concerning loan portfolios through the execution of enhanced reviews at regular intervals. These assessments aimed to identify borrowers currently facing or potentially encountering financial adversity attributable to persistent macroeconomic challenges or idiosyncratic risk.</p>

Facilities are generally reviewed periodically. In a facility review, the Bank analyses factors such as the customer profile, credit quality, non-financial considerations, adherence to internal policies and procedures, and profitability.

The Bank manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for industry concentrations, and by monitoring exposures in relation to such limits.

As part of its monitoring processes, the Bank allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgment. The Bank's credit grades are as follows:

Performing:

- High Grade (Internal rating of A1 to A3): A customer having an internal risk rating between A1 through A3 generally would not have any interest and/or capital payments overdue by more than 30 days or a recent history of default. High grade exposures typically do not exhibit indicators of future losses.
- Standard (Internal rating of A4 and B): An exposure with more than 30 days past-due is not graded higher than B under the Bank's internal rating system ('IRS'). An exposure is assessed and potentially classified as A4 if days past-due are not more than 30 but it exhibits one or more of the following indicators: a tight debt-service ratio, a deterioration in financial standing, operations or collateral in an industry under distress, overdraft facilities experiencing hardcore elements, or a high loan-to-value ratio. Other quantitative or qualitative factors may be considered in such assessments as may be deemed necessary by the Bank's credit committees. In addition to the above, if an exposure has more than 30 days past-due it will have an internal risk rating of B or higher under the Bank's IRS.
- Substandard (Internal rating of C): Customers having an internal risk rating of C, thus classified within the 'Substandard' category, generally have interest and/or capital payments overdue by more than 60 days but not overdue by more than 90 days. Further or prolonged deterioration in the indicators set out in the above section on exposures rated as 'Standard' could result in a C rating.

Non-performing:

- Doubtful (Internal rating of D1 to D6 and E): This category includes -
 - All credit-impaired or defaulted exposures.
 - Exposures past due by more than 90 days.
 - Customers granted additional forbearance measures on already forbore exposures.

The Bank's credit impaired loans and advances mainly relate to several independent customers which are not meeting repayment obligations or deemed by the Bank as unlikely to pay their obligations to the Bank without recourse by the Bank to realising the collateral.

When informing on the structure and organisation of the risk management function in accordance with point (b) of Article 435(1) CRR, the structure and organisation of the credit risk management and control function.

(c)

The Credit Analysis Department is responsible for credit risk management activities by way of analysis of credit requests, implementation of credit policies, and participation in credit committees where credit decisions are taken by consensus. The Bank continues to adapt its credit risk management processes for the purposes of identifying deterioration in credit risk within its portfolios and estimating expected credit loss allowances using the best possible judgement.

	<p>The Bank has a credit authorisation structure, made up of various credit committee levels; ranging from the lowest level, which includes authorisation by a Branch/Senior Manager and an Analyst/Manager from the Credit Analysis Department to the highest level, being the Board of Directors. Each credit committee level is assigned a sanctioning limit, under which it can operate within specific guidelines. Within its discretionary limit, a credit committee can approve new credit, increase, reduce or otherwise amend the terms and conditions of existing facilities, or simply renew existing facilities without altering the terms and conditions at original sanction. A credit committee has the onus to ensure that the facility carries acceptable credit risk and meets credit rating requirements. Lending is not primarily based on the existence of collateral but on the customer's perceived ability to repay the exposure from the primary repayment source.</p>
(d)	<p><u><i>When informing on the authority, status and other arrangements for the risk management function in accordance with point (b) of Article 435(1) CRR, the relationships between credit risk management, risk control, compliance and internal audit functions.</i></u></p> <p>The Directors are responsible for the adherence to the risk appetite limits. These are monitored regularly and reported at least on a quarterly basis by the Risk, Control and Oversight Department. The Bank has also put in place a tiered approach and early warning thresholds in order to ensure corrective action when necessary.</p> <p>The Bank's policies are structured to align with its risk appetite. The Risk Management framework is organised such that the Bank's management can mitigate risks through both the functions taking risks and those managing them. The Bank's Risk Management function, led by the Bank's Chief Risk Officer, executes the risk strategy and communicates it to relevant stakeholders, including business lines and internal control and support functions.</p>

Table EU CRD provides qualitative disclosure requirements related to the standardized approach for credit risk as part of the Pillar 3 framework.

Table EU CRD – Qualitative disclosure requirements related to standardised approach

(a)	<p><u><i>Names of the external credit assessment institutions (ECAIs) and export credit agencies (ECAs) nominated by the institution, and the reasons for any changes over the disclosure period:</i></u></p> <p>The Bank uses credit ratings (or assessments) issued by ECAIs in order to calculate the risk weighted assets for certain exposure classes, wherever such a credit assessment is available, in accordance with Chapter 2 of Title II within Part Three of the CRR. In this respect, the Bank uses the external ratings issued by Moody's, S&P and Fitch, in line with the CRR, which are then mapped to the credit quality steps.</p>
(b)	<p><u><i>The exposure classes for which each ECAI or ECA is used:</i></u></p> <p>The Bank applied the ECAI ratings to the following exposure classes:</p> <ul style="list-style-type: none"> • Central governments or central banks exposure class; • Multilateral development banks exposure class; • Institutions exposure class; • Corporates exposure class; • Covered bonds exposure class; • Equity exposure class.
(c)	<p><u><i>A description of the process used to transfer the issuer and issue credit ratings onto comparable assets items not included in the trading book:</i></u></p>

	The relevant ratings were mapped to the credit quality steps according to Commission Implementing Regulation (EU) 2024/1872 of 1 July 2024, amending the implementing technical standards laid down in Implementing Regulation (EU) 2016/1799 as regards the mapping tables specifying the correspondence between the credit risk assessments of external credit assessment institutions and the credit quality steps set out in Regulation (EU) No 575/2013 of the European Parliament and of the Council.
(d)	<p><u>The association of the external rating of each nominated ECAI or ECA (as referred to in row (a)) with the risk weights that correspond with the credit quality steps as set out in Chapter 2 of Title II of Part Three CRR (except where the institution complies with the standard association published by the EBA).</u></p> <p>The risk weights adopted by the Bank for the above exposure classes based on the mapping undertaken between credit ratings published by credit rating agencies with the credit quality steps published by the EBA is in line with the standard association published by the EBA within Commission Implementing Regulation (EU) 2024/1872 of 1 July 2024.</p>

Table EU CRB provides additional disclosures related to the credit quality of assets as part of the Pillar 3 framework. It offers detailed information on the classification, valuation, and impairment of credit exposures, enabling stakeholders to assess the risk profile and creditworthiness of the institution's asset portfolio.

Table EU CRB: Additional disclosure related to the credit quality of asset

(a)	<p><u>The scope and definitions of 'past-due' and 'impaired' exposures used for accounting purposes and the differences, if any, between the definitions of past due and default for accounting and regulatory purposes as specified by the EBA Guidelines on the application of the definition of default in accordance with Article 178 CRR.</u></p> <p>Kindly refer to Note 3.2.3.2 of the Annual Report 2025 for the scope and definitions.</p>
(b)	<p><u>The extent of past-due exposures (more than 90 days) that are not considered to be impaired and the reasons for this.</u></p> <p>Kindly refer to Note 3.2.7 of the Annual Report 2025.</p>
(c)	<p><u>Description of methods used for determining general and specific credit risk adjustments.</u></p> <p>The Bank's method for determining specific credit risk adjustments is disclosed in Note 3.2.3 in the Annual Report and Financial Statements.</p>
(d)	<p><u>The institution's own definition of a restructured exposure used for the implementation of point (d) of Article 178(3) CRR specified by the EBA Guidelines on defaulting in accordance with Article 178 CRR when different from the definition of forborne exposure defined in Annex V to Commission Implementing Regulation (EU) 680/2014.</u></p> <p>The Bank follows the definition of forborne exposure as defined in Annex V to Commission Implementing Regulation (EU) 680/2014.</p>

The Bank's Treasury function also invests in highly liquid, high-quality assets, specifically listed government and corporate debt securities, to mitigate exposure to fluctuations in interest rates.

As at 31 December 2025, practically all assets on the Bank’s balance sheet are subject to credit risk under the Credit risk Standardised, with the exception of intangible assets, which are treated as a deduction from the Bank’s CET1 capital.

2.4.1 Credit risk quantification

In line with Chapter 2 of Title II of Part Three of the CRR, the Bank adopts the standardised approach for credit risk to quantify its Pillar 1 capital requirements for credit risk. As part of its risk management strategies and processes, the Bank also undertakes a process to determine whether additional capital is required to cover any risks not covered by the minimum capital requirements (Pillar 1), as highlighted in Section 8.2 of this Pillar 3 Disclosures report.

2.4.2 Market risk

2.4.2.1 Overview

Table EU MRA provides qualitative disclosure requirements related to market risk as part of the Pillar 3 framework. It details the institution’s market risk management strategies, policies, and governance arrangements, including the identification, measurement, monitoring, and mitigation of market risk exposures.

Table EU MRA - Qualitative disclosure requirements related to market risk.

	<p><u>Points (a) and (d) of Article 435 (1) CRR</u></p> <p><u>A description of the institution’s strategies and processes to manage market risk and a description of the institution’s policies for hedging and mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges.</u></p> <p>Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as prices and interest rates, the correlations between them and their levels of volatility.</p> <p>Market risk for the Bank comprises of two types of risks, namely:</p> <ul style="list-style-type: none"> • Interest rate risk, which results from fluctuations in the future cash flows of financial assets and liabilities and fair value of financial instruments due to interest rate repricing gaps, changes in the yield curves and volatilities in the market interest rates; and • Foreign exchange risk, which results from exposure to changes in prices, spot or forward, and volatility of currency rates. <p><u>Interest rate risk</u></p> <p>Interest rate risk arises in the Bank’s operations due to interest rate fluctuations resulting from interest-earning assets and interest-bearing liabilities, which mature or are repriced at different times or in different amounts. Floating rate assets and liabilities are also exposed to basis risk, which is the difference in repricing characteristics of the various floating rate indices.</p> <p>Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. As outlined previously, the Bank’s operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or reprice within different time periods or on different terms.</p>
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	<p>The Bank adopts a policy to predominantly match the currency and maturity of transactions through treasury operations, as much as is practicable, to minimise the risk of adverse fluctuations in interest rates affecting financial assets and financial liabilities. The Bank accepts deposits from customers at both fixed and floating rates and for varying terms. This poses a risk to the Bank, which risk is managed by monitoring on a continuous basis the level of mismatch of interest rate repricing taking cognisance of the terms of the Bank's principal assets, loans and advances to customers, that are repriceable at the Bank's discretion. The Bank, through its Treasury function, also invests in highly liquid quality assets, namely listed government and corporate debt securities, for the purposes of mitigating exposures to fluctuations in interest rates.</p> <p>The level of interest rate risk is monitored using a number of risk measures, such as prescribed regulatory metrics, the risk appetites as set by the Board of Directors and other risk measures that are considered appropriate. Interest rate risk is measured from two perspectives – the earnings based approach and the economic value of equity (EVE) and exposure is monitored by the Risk and Treasury Functions and reported to ALCO, Executive Committee and Risk and Compliance Committee on a quarterly basis.</p> <p><u>FX risk</u></p> <p>Currency risk is the risk of the exposure of the Bank's financial position and cash flow to adverse movements in foreign exchange rates. The Bank manages currency risk by ensuring that foreign currency liabilities are utilised to fund assets denominated in the same foreign currency thereby matching asset and liability positions as much as is practicable.</p>
(b)	<p><u>Point (b) of Article 435 (1) CRR</u></p> <p><u>A description of the structure and organisation of the market risk management function, including a description of the market risk governance structure established to implement the strategies and processes of the institution discussed in row (a) above, and that describes the relationships and the communication mechanisms between the different parties involved in market risk management.</u></p> <p>The Bank's ALCO is primarily responsible for oversight over the Bank's interest rate risk management process and monitors actively the interest rate risk measures utilised by the Bank.</p> <p>The Bank has in place limits on the level of exposure by currency and in total, which are monitored daily, and hedging strategies are used to ensure that positions are maintained within established limits. The Bank does not apply hedge accounting with respect to its derivative contracts such as foreign currency swap agreements.</p>
(c)	<p><u>Point (c) of Article 435 (1) CRR</u></p> <p><u>Scope and nature of risk reporting and measurement systems</u></p> <p>Interest rate risk is monitored using various risk measures, including regulatory metrics, the risk appetites established by the Board of Directors, and other relevant indicators. This risk is assessed from two perspectives: the earnings-based approach and the economic value of equity (EVE). The Risk and Treasury Functions oversee exposure monitoring, with regular reports submitted quarterly to ALCO, the Executive Committee, and the Risk and Compliance Committee.</p>
EU (d)	<p><u>Paragraph (1) of Article 445 CRR</u></p> <p><u>A general overview of the trading book positions for institutions that use the Simplified Standardised Approach or the Alternative Standardised Approach.</u></p> <p>The Bank does not maintain a trading book so this is not applicable.</p>

Table EU IRRBBA provides information on qualitative aspects of interest rate risks associated with non-trading book activities.

Table EU IRRBBA - Qualitative information on interest rate risks of non-trading book activities

(a)	<p><u><i>A description of how the institution defines IRRBB for purposes of risk control and measurement.</i></u></p> <p>Interest Rate Risk in the Banking Book (IRRBB) refers to the current or prospective risk to the Bank's earnings and economic value from adverse movements in interest rates that affect the Bank's banking book positions.</p> <p>Net Interest Income (NII) captures the short-term effect of the interest rates changes on earnings. The metric is the net interest income generated from the interest earned on assets over the interest paid out on liabilities including off balance exposures.</p> <p>Economic value of equity (EVE) is a specific form of EV measure where equity is excluded from the cash flows.</p>
(b)	<p><u><i>A description of the institution's overall IRRBB management and mitigation strategies.</i></u></p> <p>It is the Bank's policy to undertake the following on an ongoing basis:</p> <ul style="list-style-type: none"> • To ensure that the interest rate risk is commensurate with the level of the internal capital in the banking book; • To incorporate IRRBB in the Bank's risk appetite framework; • Conduct quarterly assessments at minimum, of the Bank's exposure to IRRBB, in terms of potential changes to economic value and changes to expected net interest income or earnings; • To measure economic value and net interest income sensitivity under different scenarios reflecting potential changes in the level and slope of the interest rate yield curve; • Through the CEO, inform the competent authority immediately if any Supervisory Outlier Test is breached. Otherwise, annual reporting through ICAAP will be presented to the competent authority; • To ensure and constantly strengthen robust internal governance arrangements for managing IRRBB; • To establish lines of authority and responsibilities for managing interest rate risk and ensure appropriate escalation procedures in place if risk appetite limits are breached.
(c)	<p><u><i>The periodicity of the calculation of the institution's IRRBB measures, and a description of the specific measures that the institution uses to gauge its sensitivity to IRRBB.</i></u></p> <p>The Bank conducts scenario analysis and stress testing to assess the potential impact of interest rate movements on the Bank's financial performance and capital adequacy.</p> <p>Scenario Analysis is carried out at least on a quarterly basis, leveraging a range of interest rate movement assumptions to assess the Bank's vulnerability across varying economic conditions. These scenarios are developed in alignment with internal expectations and regulatory guidance.</p> <p>Stress testing is performed regularly, at least annually and more frequently in times of increased interest rate volatility and rising interest rate risk levels. Stress testing forms part of the Bank's ICAAP and integrated into the Bank's overall stress-testing framework.</p> <p>The Board will consider the outcome of scenario and stress testing exercises when establishing and reviewing the policies and limits for IRRBB. The results shall feed into strategic or business decisions, the allocation of internal capital, and risk management decisions.</p> <p><u><i>A description of the interest rate shock and stress scenarios that the institution uses to estimate changes in the economic value and in net interest income (if applicable).</i></u></p> <p>The following analyses are utilised:</p> <p>A. Economic Value of Equity (EVE) provides management with a measurement of how the economic value of the Bank's equity can be impacted by a change in interest rates and is the Bank's primary analytical tool for measuring long-term interest rate risk. EVE helps to measure if the long-term safety and soundness of the institution is being compromised.</p> <p>The Bank calculates Economic Value (EV) sensitivities based on the application of the following six prescribed interest rate shock scenarios as per EBA Guidelines:</p> <ul style="list-style-type: none"> • Parallel Shock up • Parallel Shock down • Steepened Shock (Short rates down and long rates up)
(d)	

	<ul style="list-style-type: none"> • Flattener Shock (Short rates up and long rates down) • Short rates shock up; and • Short rates shock down <p>The supervisory shock scenarios above are applied separately to currencies other than EUR, for which the Bank has relevant positions, i.e. where the accounting value of financial assets or liabilities denominated in that currency amounts to either of the following:</p> <ul style="list-style-type: none"> • 5% or more of the total non-trading book financial assets or liabilities; or • less than 5 % of the total non-trading book financial assets or liabilities if the sum of financial assets or liabilities included in the calculation is lower than 90 % of total non-trading book financial assets, excluding tangible assets, or liabilities. <p>B. The change of Net Interest Income (“NII”) which is an earnings-based metric and measures the change of the net interest income over a 1-year time horizon resulting from instantaneous parallel shocks (i.e. applied to all tenors on all spot curves) and following the constant balance sheet assumption;</p>
(e)	<p><u><i>A description of the key modelling and parametric assumptions different from those used for disclosure of template EU IRRBB1 (if applicable).</i></u></p> <p>Not applicable.</p>
(f)	<p><u><i>A high-level description of how the bank hedges its IRRBB, as well as the associated accounting treatment (if applicable).</i></u></p> <p>The Bank applies various strategies to mitigate interest rate risk to ensure minimal impact on the Bank's profitability, capital adequacy, and financial stability. Such strategies are listed below:</p> <p>Asset-Liability Management: Changes to the Bank's Balance Sheet are managed through ALCO ensuring business is aligned in terms of the Bank's overall objectives, including returns, growth and risk appetite.</p> <p>Gap analysis: Review of the overall interest rate gap return and the impact on net interest margin of different shifts in the market yield curve is performed on a regular basis.</p> <p>Maturity Structure/Cash flow matching: The Bank manages liquidity risk through its maturity structure by strategically aligning the maturity profiles and cashflows of assets and liabilities. The Bank monitors the contractual maturity ladder, which allows the Bank to determine the availability of liquid assets to meet liquidity gaps for several time horizons. The maturity ladder provides insight on the extent to which the Bank relies on the maturity transformation of contractual cash flows.</p> <p>Scenario analysis: The scenario analysis conducted using the IRRBB model assists the Bank in evaluating the potential consequences of various interest rate scenarios on its financial position. Scenario analysis also enables the Bank to assess the impact of changes in its bond portfolio on EVE, such as acquisitions or disposals of longer-term securities, thereby ensuring continued compliance with regulatory limits.</p> <p>Risk Limits: The setting of risk tolerance limits and early warning indicators aid the Bank in taking any necessary mitigation action in a timely manner.</p>
(g)	<p><u><i>A description of key modelling and parametric assumptions used for the IRRBB measures in template EU IRRBB1 (if applicable).</i></u></p> <p>Please refer to (d) above.</p>
(h)	<p><u><i>Explanation of the significance of the IRRBB measures and of their significant variations since previous disclosures.</i></u></p> <p>Changes in market interest rates affect the present value of fixed-rate instruments, when rates rise, the economic value of such positions falls, and vice-versa. If these valuation movements are not fully</p>

	<p>offset by other positions, the Bank incurs an economic gain or loss. Such open positions typically arise from mismatches in nominal amounts, residual maturities, and interest-rate reset dates.</p> <p>Economic value effects are measured using the term structure of interest rates (the yield curve), which links discount rates to time to maturity and reflects expectations on future interest rates, inflation, and economic conditions.</p> <p>Between 2024 and 2025, the Bank’s IRRBB profile evolved due to structural changes in the balance sheet and shifts in the interest rate environment. EVE sensitivity increased across most shock scenarios, primarily driven by longer dated assets. The steepening of the yield curve in 2025 further contributed to higher long-end sensitivity.</p> <p>Conversely, NII sensitivity declined materially in 2025, reflecting lower deposit volumes and reduced interbank balances. Despite the increase in EVE sensitivity, all IRRBB metrics remained within regulatory thresholds.</p>
(1) (2)	<p><u>Disclosure of the average and longest repricing maturity assigned to non-maturity deposits.</u></p> <p>For positions without contractual maturity or repricing dates, the Bank allocates them to the 1–3-month bucket, to reflect regulatory and conduct requirements and sufficient time for notification.</p>

2.4.2.2 Market risk quantification

The Bank takes 8% of the sum of its overall net foreign exchange position in order to calculate its own funds requirements for FX risk. With respect to Interest rate risk, whilst no Pillar 1 requirement exists, the Bank calculates the supervisory shock scenarios required by the EBA to quantify changes to economic value of equity (“EVE”) and changes of net interest income (“NII”).

2.4.3 Operational risk

2.4.3.1 Overview

Table EU ORA provides qualitative information on operational risk as part of the Pillar 3 disclosures. It offers insights into the institution’s approach to identifying, assessing, and managing operational risk, including the key policies, procedures, and risk mitigation strategies in place.

Table EU ORA - Qualitative information on operational risk

(a)	<p><u>Disclosure of the risk management objectives and policies.</u></p> <p>Operational risk is broadly defined as the risk of direct or indirect losses or damaged reputation due to failure attributable to technology, employees, processes, procedures, or physical arrangements, including external events and legal risks. Operational Risk is inherent in all the Bank’s products, services and activities, including outsourced activities and encompasses a broad range of sub-risk categories. These include Internal Fraud, External Fraud, Legal, Regulatory Compliance, Cyber Security, Money Laundering, Sanctions, Conduct, ICT, Reputational, Business Process, Third-party, Staff Dependency, Business Continuity, Change Management, Data Privacy and Confidentiality and Transformation.</p>
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	<p>The Bank actively promotes the overarching concept that operational risk management is not solely confined to the Risk function but is also the responsibility of all the risk and control owners, irrespective of the functional title held. To this end, operational risk managers have been appointed to cover all areas throughout the Bank to ensure better coverage and collation of operational risk events closer to the point of incidence.</p>
(b)	<p><u>Disclosure of the structure and organisation of the operational risk management function.</u></p> <p>The Risk function is responsible for the coordination of all operational risk activities within the Bank as well as their control and oversight. Every effort is made to ensure that operational risks are curtailed, minimised and/or mitigated to inhibit, or at least to significantly reduce, the incidence of operational risks materialising into operational losses. Realistically, the Bank cannot be expected to eliminate all operational risks, but through its control framework and by monitoring and responding to potential risks, such risks can be prudently managed and mitigated. Controls include effective segregation of duties, restricted access, authorisation, reconciliation procedures, staff education and assessment processes, including the judicious disposal of internal audit findings.</p>
(c)	<p><u>Description of the scope and nature of the measurement system.</u></p> <p>In 2025, the Bank continued to enhance the reporting and management of operational risks by integrating systems which facilitate the risk management process, simplifying the reporting, data collection and analysis of operational risk events and their potential losses, if any. This continued to strengthen the governance and controls around the risk management framework.</p>
(d)	<p><u>Description of the scope and nature of the operational risk reporting framework.</u></p> <p>Operational risk is addressed through a capital charge calculated using the "Business Indicator Approach" under CRR III rules on the average interest, leases and dividend component over the past three years.</p>
(e)	<p><u>Description of the policies and strategies of the risk mitigation and risk hedge.</u></p> <p>The Bank has also set different tiers for specific key risk indicators and early warning thresholds for corrective action when needed. For Operational risk these include:</p> <ul style="list-style-type: none"> • Variation to budgets • Operational losses • Customer complaints • SLA breaches • System downtime • Staff retention rate • GDPR issues • Training • Phishing and Access data <p>The Risk function is responsible for coordinating all operational risk activities within the Bank, as well as overseeing and controlling them. Every effort is made to curtail, minimize, and mitigate operational risks in order to prevent or substantially reduce their impact.</p>

2.4.3.2 Operational risk quantification

Operational risk is addressed through a capital charge calculated using the "Business Indicator Approach" under CRR III rules on the average interest, leases and dividend component over the past three year.

2.4.4 Liquidity risk

2.4.4.1 Overview

Table EU LIQA presents qualitative information on liquidity risk management as part of the Pillar 3 disclosures. It outlines the institution’s approach to identifying, assessing, and mitigating liquidity risk, including key policies, governance structures, and risk mitigation tools employed.

Table EU LIQA - Liquidity risk management

<p>(a)</p>	<p><u>Strategies and processes in the management of the liquidity risk, including policies on diversification in the sources and tenor of planned funding.</u></p> <p>Liquidity risk may result from the Bank’s inability to meet its obligations when they fall due as a result of customer deposits being withdrawn, cash requirements from contractual commitments, or other cash outflows, as well as the inability to sell a financial asset quickly at close to its fair value. The Bank is exposed to daily calls on its available cash resources from overnight deposits, current and call deposits, maturing term deposits, loan drawdowns and guarantees.</p> <p>Such risk is inherent in all banking operations, which is generally affected by a range of institution-specific and market-wide events including, but not limited to, credit events, systemic shocks and natural disasters. The objective of the Bank’s liquidity and funding management is to ensure that all foreseeable funding commitments and deposit withdrawals can be met when due. It is the Bank’s objective to maintain a diversified and stable funding base with the objective of enabling the Bank to respond quickly and smoothly to unforeseen liquidity requirements. The Bank manages this risk by ensuring that its assets and liabilities are matched in terms of maturities as much as is practicable. However, the Bank manages its net interest spread by advancing credit to customers with longer terms to maturity than the liabilities funding such loans. To mitigate exposures arising in this respect, the Bank holds significant liquid assets in the form of listed debt securities, money market placements and other short-term instruments for managing liquidity risk to support payment obligations and contingent funding in a stressed market environment.</p>
<p>(b), (c)</p>	<p><u>Structure and organisation of the liquidity risk management function (authority, statute, other arrangements) and A description of the degree of centralisation of liquidity management and interaction between the group’s units.</u></p> <p>The Bank’s liquidity management process is summarised below:</p> <ul style="list-style-type: none"> • Management of day-to-day funding, by monitoring future cash flows to ensure that requirements can be met. This includes replenishment of funds as they mature or are borrowed by customers. The starting point for projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets; • Maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flow; • Monitoring the liquidity ratios of the Bank against internal and regulatory requirements; and • Managing the concentration and profile of debt maturities. <p>Refer to point (a) for the responsibilities of the Bank’s liquidity and funding management.</p>

<p>(d)</p>	<p><u>Scope and nature of liquidity risk reporting and measurement systems.</u></p> <p>The Bank also monitors the level and type of undrawn lending commitments and the impact of contingent liabilities such as guarantees as part of the liquidity management process previously referred to.</p> <p>The LCR tracks the liquidity outflows and the liquidity inflows under stressed conditions so as to ensure that an institution maintains levels of liquidity buffers which are adequate to face any possible imbalance between liquidity inflows and outflows under gravely stressed conditions over a period of thirty days.</p> <p>The NSFR is used by the Bank to ensure that long term obligations are adequately met with a diversity of stable funding instruments under both normal and stressed conditions. During the financial year ended 31 December 2025, the Bank's LCR and NSFR were at all times maintained to levels which were higher than the 100% regulatory threshold applicable.</p> <p>The Treasury Department manages liquidity by also maintaining a healthy LCR ratio that is monitored daily, reported to management weekly, including a one-week forecast, and also reported to ALCO monthly including a one-month forecast (up to the end of the following month). Normally, LCR is the ratio that determines the amount of excess liquidity that needs to be kept by the Bank, and the Bank has tried in the past and will continue in the future, to optimise liquidity as much as possible, targeting a healthy and sustainable ratio.</p> <p>The NSFR requires institutions to maintain sufficient stable funding relative to required stable funding, and reflects a bank's long-term funding profile (funding with a term of more than a year). It is designed to complement the LCR. The NSFR methodology is calculated in line with the amendments of the Capital Requirements Regulation (EU) No 575/2013 (CRR II) with effect from 28 June 2021.</p>
<p>(e)</p>	<p><u>Policies for hedging and mitigating the liquidity risk and strategies and processes for monitoring the continuing effectiveness of hedges and mitigants.</u></p> <p>It is the Bank's policy to ensure that the risk appetite of the Bank is followed and monitored.</p> <p>The primary objective is to allow efficient liquidity management activities via the various funding sources available Bank, and mitigation of liquidity risks in relation to balance sheet management.</p> <p>The Bank's liquidity is composed of the following and may be referred to as Intraday Available Liquidity (IAL):</p> <ul style="list-style-type: none"> • Unencumbered cash (both in Euro and foreign currencies) held in Nostro accounts with Correspondent Banks and Central Banks • Physical banknotes and coins kept in vaults within the Bank's branch network or at the external cash centre • Unencumbered financial assets, such as Bonds, that are eligible for Central Bank funding. The value of such bonds shall be calculated after the specific haircuts are applied. <p>The Bank maintains well-articulated risk tolerance levels and selected risk indicators and thresholds.</p> <p>In situations in which there are breaches to limits set in the RAF, the Executive Committee shall immediately be notified in a timely manner together with proposed action/s to remediate the breach, within a reasonable period of time not extending beyond two months. The Bank is to implement various measures/controls intended to minimize the Bank's liquidity risks. Such measures/ controls shall be devised to detect any material deterioration</p>

	of liquidity promptly so to reduce the negative impact on profitability, reputation and going concern status of the Bank.
(f)	<p><u><i>An outline of the bank's contingency funding plans.</i></u></p> <p>In a crisis situation, management does not have the necessary time to plan and structure its strategy, so it is crucial to have a reasonable, accepted and well-developed contingency liquidity plan prior to a crisis occurring.</p>
(g)	<p><u><i>An explanation of how stress testing is used.</i></u></p> <p>The Bank takes a regulatory liquidity charge for liquidity risk as determined for HQLA's in terms of LCR and NSFR. The charge is supplemented by liquidity measures in the Internal Liquidity Adequacy Assessment Process (ILAAP) which also factors in stressed scenarios.</p>
(h)	<p><u><i>A declaration approved by the management body on the adequacy of liquidity risk management arrangements of the institution providing assurance that the liquidity risk management systems put in place are adequate with regard to the institution's profile and strategy.</i></u></p> <p>Kindly refer to Table EU OVA.</p>
(i)	<p><u><i>A concise liquidity risk statement approved by the management body succinctly describing the institution's overall liquidity risk profile associated with the business strategy. This statement shall include key ratios and figures (other than those already covered in the EU LIQ1 template under this ITS) providing external stakeholders with a comprehensive view of the institution's management of liquidity risk, including how the liquidity risk profile of the institution interacts with the risk tolerance set by the management body.</i></u></p> <p>The Board sets the Bank's risk tolerance levels, the strategy for the management of business risks and implements an effective system of internal controls in order to safeguard the Bank's healthy capital and liquidity base in accordance with the requirements of the Malta Financial Services Authority (the "Authority" or "Regulator") and the ECB.</p> <p>Please refer to EU OVA for the concise risk statement of the Bank.</p>

Table EU LIQB provides qualitative information on the Liquidity Coverage Ratio (LCR), complementing the quantitative data presented in Template EU LIQ1 as part of the Pillar 3 disclosures. It offers insights into the institution's methodology for calculating the LCR.

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

	<p><u><i>Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time</i></u></p> <p>The Bank's LCR is mainly driven by the composition of the liquidity buffer, customer deposit levels by segment and maturity profile, and expected contractual cash flows within the 30-day horizon.</p>
(a)	<p>In order to optimise the LCR without imposing high balance fees on customers, the Treasury Department prices products by customer segment (Retail, Corporate and Financial Corporate) for balances exceeding €1 million and actively manages deposit structures and maturities. In particular, Treasury promotes alternatives to short-dated current account balances, including notice accounts with notice periods exceeding the regulatory LCR horizon, as well as pricing incentives designed to encourage medium- to long-term placements, especially for financial corporate customers.</p>

(b)	<p><u>Explanations on the changes in the LCR over time</u></p> <p>Changes in the LCR over time primarily reflect movements in customer deposits, the mix between operational and non-operational balances, and the level of high-quality liquid assets maintained, which are predominantly composed of cash balances with central banks and other eligible Level 1 assets.</p>
(c)	<p><u>Explanations on the actual concentration of funding sources</u></p> <p>Funding is largely deposit-based, with a diversified mix across retail, corporate and financial corporate customers. Funding concentration and behavioural assumptions are monitored on an ongoing basis.</p>
(d)	<p><u>High-level description of the composition of the institution's liquidity buffer.</u></p> <p>The liquidity buffer is predominantly composed of cash balances with central banks and other eligible Level 1 assets.</p>
(e)	<p><u>Derivative exposures and potential collateral calls</u></p> <p>The Bank only has FX derivative transactions.</p>
(f)	<p><u>Currency mismatch in the LCR</u></p> <p>Currency mismatches are generally limited through maintaining liquidity buffers in the same currencies as the related outflows.</p>

2.4.4.2 Liquidity risk quantification

The Risk function of the Bank performs a risk assessment to identify the significance and likelihood of liquidity risks, namely through the ILAAP. Further information on the Bank's assessment through the ILAAP is included in Section 8.2.

During the financial year ended 31 December 2025, the Bank's LCR and NSFR were at all times maintained to levels which were higher than the 100% regulatory threshold applicable.

3. CREDIT RISK

Credit risk is the risk of financial loss to the Bank if a customer or a counterparty to a financial instrument fails to meet its contractual obligations and arises mainly from the Bank's loans and advances to customers.

3.1 Credit quality

3.1.1 Credit quality analysis

(Article 442 (c), (d), (e), (f) and (g) CRR – Tables EU CR1, CR1-A, CR2, CR2a, EU CQ1 to CQ5)

The following tables provide a thorough overview of the credit quality of the Bank's assets by exposure class as at 31 December 2025, in line the guidelines published by the EBA.

Table EU CR1 and CR1-A provides information on the asset quality of the Bank's asset base (namely loans and debt securities, off-balance sheet exposures) broken down by exposure classes and maturity of exposures.

The amounts shown are based on IFRS accounting values according to the regulatory scope of consolidation. The gross carrying amount reflects the exposure value including accumulated impairment and provisions. An exposure is being classified as non-performing (defaulted) according to the criteria in Article 47a (3) (Article 178) of the CRR.

EU CR1: Performing and non performing exposures and related provisions

As at 31 December 2025		a	b	c	d	e	f
		Gross carrying amount/nominal amount					
		Performing exposures			Non-performing exposures		
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3
005	Cash balances at central banks and other demand deposits	108,672,814	108,672,814	-	-	-	-
010	Loans and advances	1,046,486,377	1,017,143,484	29,342,893	25,412,303	-	25,412,303
020	Central banks	-	-	-	-	-	-
030	General governments	-	-	-	-	-	-
040	Credit institutions	29,230,525	29,230,525	-	-	-	-
050	Other financial corporations	26,500,629	26,169,185	331,444	2,120,034	-	2,120,034
060	Non-financial corporations	339,391,922	324,053,802	15,338,120	12,067,388	-	12,067,388
070	Of which SMEs	290,428,302	275,426,940	15,001,362	11,524,811	-	11,524,811
080	Households	651,363,300	637,689,971	13,673,329	11,224,881	-	11,224,881
090	Debt securities	151,458,686	151,458,686	-	-	-	-
100	Central banks	-	-	-	-	-	-
110	General governments	74,037,182	74,037,182	-	-	-	-
120	Credit institutions	70,110,090	70,110,090	-	-	-	-
130	Other financial corporations	3,905,323	3,905,323	-	-	-	-
140	Non-financial corporations	3,406,090	3,406,090	-	-	-	-
150	Off-balance-sheet exposures	228,709,464	221,449,948	7,259,516	215,853	-	215,853
160	Central banks	-	-	-	-	-	-
170	General governments	500,000	500,000	-	-	-	-
180	Credit institutions	9,867	9,867	-	-	-	-
190	Other financial corporations	23,796,822	23,748,825	47,997	-	-	-
200	Non-financial corporations	127,836,698	121,312,260	6,524,438	14,648	-	14,648
210	Households	76,566,077	75,878,996	687,081	201,205	-	201,205
220	Total	1,535,327,341	1,498,724,932	36,602,409	25,628,156	-	25,628,156

As at 31 December 2025		g	h	i	j	k	l	m	n	o	
		Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions							Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions					On performing exposures	On non-performing exposures
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3					
005	Cash balances at central banks and other demand deposits	(1,042.75)	(1,042.75)	-	-	-	-	-	-	-	
010	Loans and advances	(1,152,179.61)	(894,085.52)	(258,094.09)	(12,089,369.36)	-	(12,089,369.38)	-	935,181,563	13,221,562	
020	Central banks	-	-	-	-	-	-	-	-	-	
030	General governments	-	-	-	-	-	-	-	-	-	
040	Credit institutions	(4,842)	(4,842)	-	-	-	-	-	-	-	
050	Other financial corporations	(62,343)	(62,293)	(50)	(12,703)	-	(12,703)	-	14,007,126	2,107,331	
060	Non-financial corporations	(596,343)	(562,485)	(33,858)	(8,599,596)	-	(8,599,596)	-	292,124,822	3,385,607	
070	Of which SMEs	(467,879)	(435,661)	(32,217)	(8,057,018)	-	(8,057,018)	-	260,511,722	3,385,607	
080	Households	(488,652)	(264,465)	(224,187)	(3,477,070)	-	(3,477,070)	-	629,049,615	7,728,625	
090	Debt securities	(478)	(478)	-	-	-	(478)	-	-	-	
100	Central banks	(478)	(478)	-	-	-	-	-	-	-	
110	General governments	-	-	-	-	-	-	-	-	-	
120	Credit institutions	-	-	-	-	-	-	-	-	-	
130	Other financial corporations	(478)	(478)	-	-	-	-	-	-	-	
140	Non-financial corporations	-	-	-	-	-	-	-	-	-	
150	Off-balance-sheet exposures	30,762	28,349	2,412	2,097	-	2,097		5,968,353	19,051	
160	Central banks	-	-	-	-	-	-		-	-	
170	General governments	-	-	-	-	-	-		-	-	
180	Credit institutions	4	4	-	-	-	-		-	-	
190	Other financial corporations	2,729	2,729	-	-	-	-		24,296	-	
200	Non-financial corporations	26,230	23,818	2,412	23	-	23		3,403,530	1,165	
210	Households	1,798	1,798	-	2,074	-	2,074		2,540,527	17,886	
220	Total	(1,122,939)	(867,257)	(255,682)	(12,087,272)	-	(12,087,272)	-	941,149,916	13,240,613	

Note: Gross carrying amount is defined in Part 1 of Annex V to Commission Implementing Regulation (EU) 680/2014, and implies the carrying amount calculated under IFRS before any loss allowances. Nominal amount is defined in Part 2 of Annex V to Commission Implementing Regulation (EU) 680/2014, and implies the amount that represents the maximum exposure to credit risk without taking account any collateral held or other credit enhancements. An exposure is classified as non-performing in accordance to the criteria in Article 47a(3) of the CRR.

EU CR1-A: Maturity of exposures

As at 31 December 2025		a	b	c	d	e	f
		Net exposure value					
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	3,553,963	78,950,229	151,107,570	792,687,376	-	1,026,299,138
2	Debt securities	-	14,690,738	24,670,461	110,374,174	382,174	150,77,547
3	Total	3,553,963	93,640,967	175,778,031	903,061,550	382,174	1,176,416,684

Table EU CR2 and CR2a presents the changes in the stock of non-performing loans and advances during the year.

EU CR2: Changes in the stock of non-performing loans and advances

As at 31 December 2025		a
		Gross carrying amount
010	Initial stock of non-performing loans and advances	24,489,691
020	Inflows to non-performing portfolios	3,838,551
030	Outflows from non-performing portfolios	(2,915,939)
040	Outflows due to write-offs	-
050	Outflow due to other situations	(2,915,939)
060	Final stock of non-performing loans and advances	25,412,303

EU CR2a: Changes in the stock of non-performing loans and advances and related net accumulated recoveries

As at 31 December 2025		a	b
		Gross carrying amount	Related net accumulated recoveries
010	Initial stock of non-performing loans and advances	24,489,691	
020	Inflows to non-performing portfolios	3,838,551	
030	Outflows from non-performing portfolios	(2,915,939)	
040	Outflow to performing portfolio	(2,475,121)	
050	Outflow due to loan repayment, partial or total	(440,818)	
060	Outflow due to collateral liquidations	-	-
070	Outflow due to taking possession of collateral	-	-
080	Outflow due to sale of instruments	-	-
090	Outflow due to risk transfers	-	-
100	Outflows due to write-offs	-	
110	Outflow due to other situations	-	
120	Outflow due to reclassification as held for sale	-	
130	Final stock of non-performing loans and advances	25,412,303	

Table EU CQ3 provides information on the gross carrying amount on-balance sheet performing and non-performing exposures (as well as the nominal amount for off-balance sheet exposures) by past due days

EU CQ3: Credit quality of performing and non-performing exposures by past due days

		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures				Non-performing exposures							
As at 31 December 2025		Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted	
005	Cash balances at central banks and other demand deposits	108,672,814	108,672,814	-	-	-	-	-	-	-	-	-	-
010	Loans and advances	1,046,486,377	1,045,143,561	1,342,816	25,412,303	3,423,145	668,502	3,817,538	1,180,469	1,926,185	1,589,705	12,806,759	25,412,303
020	Central banks	-	-	-	-	-	-	-	-	-	-	-	-
030	General governments	-	-	-	-	-	-	-	-	-	-	-	-
040	Credit institutions	29,230,525	29,230,525	-	-	-	-	-	-	-	-	-	-
050	Other financial corporations	26,500,629	26,343,563	157,066	2,120,034	-	-	347,776	482	2,020	-	1,769,757	2,120,034
060	Non-financial corporations	339,391,922	339,378,926	12,997	12,067,388	44,976	5,546	2,000,413	645,176	104,126	1,160,789	8,106,361	12,067,388
070	Of which SMEs	290,428,302	290,415,305	12,997	11,524,811	44,976	5,546	2,000,413	122,448	84,277	1,160,789	8,106,361	11,524,811
080	Households	651,363,300	650,190,547	1,172,753	11,224,881	3,378,169	662,956	1,469,349	534,811	1,820,039	428,916	2,930,641	11,224,881
090	Debt securities	151,458,686	151,458,686	-	-	-	-	-	-	-	-	-	-
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-
110	General governments	74,037,182	74,037,182	-	-	-	-	-	-	-	-	-	-
120	Credit institutions	70,110,090	70,110,090	-	-	-	-	-	-	-	-	-	-
130	Other financial corporations	3,905,323	3,905,323	-	-	-	-	-	-	-	-	-	-
140	Non-financial corporations	3,406,090	3,406,090	-	-	-	-	-	-	-	-	-	-
150	Off-balance-sheet exposures	228,709,464			215,853								215,853
160	Central banks	-			-								-
170	General governments	500,000			-								-
180	Credit institutions	9,867			-								-
190	Other financial corporations	23,796,822			-								-
200	Non-financial corporations	127,836,698			14,648								14,648
210	Households	76,566,077			201,205								201,205
220	Total	1,535,327,341	1,305,275,061	1,342,816	25,628,156	3,423,145	668,502	3,817,538	1,180,469	1,926,185	1,589,705	12,806,759	25,628,156

Tables EU CQ1 provides information on the Bank's forbore exposures split into the exposure classes, and the quality of forbearance.

EU CQ1: Credit quality of forbore exposures

EU CQ1		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forbore exposures	
As at 31 December 2025		Performing forbore	Non-performing forbore		On performing forbore exposures	On non-performing forbore exposures			Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
			Of which defaulted	Of which impaired					
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	16,494,341	38,169,779	38,169,779	38,169,779	(20,411)	(1,684,988)	4,980,804	4,558,811
020	Central banks	-	-	-	-	-	-	-	-
030	General governments	-	-	-	-	-	-	-	-
040	Credit institutions	-	-	-	-	-	-	-	-
050	Other financial corporations	13,554,698	719,796	719,796	719,796	-	(5,926)	1,763,831	1,763,831
060	Non-financial corporations	2,792,440	32,219,222	32,219,222	32,219,222	(15,074)	(1,360,687)	2,823,425	2,497,083
070	Households	147,203	5,230,761	5,230,761	5,230,761	(5,337)	(318,376)	393,547	297,897
080	Debt Securities	-	-	-	-	-	-	-	-
090	Loan commitments given	13,047	3,673	-	-	-	-	-	-
100	Total	16,507,388	38,173,452	38,169,779	38,169,779	(20,411)	(1,684,988)	4,980,804	4,558,811

Table EU CQ2: Quality of forbearance is not being disclosed is not applicable to the Bank as at 31 December 2025.

Tables EU CQ4 and CQ5 list the quality of non-performing exposures according to geography and industry.

EU CQ4: Quality of non-performing exposures by geography

		a	b	c	d	e	f	g
		Gross carrying/nominal amount			Of which subject to impairment	Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Of which non-performing						
			Of which defaulted					
10	On-balance-sheet exposures	1,332,030,180	25,412,303	25,412,303	1,332,030,180	(13,243,070)		-
20	Austria	1,040,582	-	-	1,040,582	-		-
30	Belgium	0	-	-	0	-		-
40	Canada	10,518,993	-	-	10,518,993	(49)		-
50	Switzerland	1,985,022	-	-	1,985,022	(540)		-
60	Czech Republic	1,072,311	-	-	1,072,311	-		-
70	Germany	2,274,936	-	-	2,274,936	(176)		-
80	Spain	9,483,260	-	-	9,483,260	(198)		-
90	Finland	3,767,231	-	-	3,767,231	-		-
100	France	12,756,709	29,392	29,392	12,756,709	(29,393)		-
110	United Kingdom	144,686,221	1,595	1,595	144,686,221	(381,456)		-
130	Iceland	5,735,591	-	-	5,735,591	-		-
160	Ireland	992,003	-	-	992,003	(2,291)		-
170	Italy	1,501	-	-	1,501	(6)		-
180	Japan	-	-	-	-	-		-
190	Luxembourg	18,318,589	-	-	18,318,589	(7,677)		-
200	Latvia	0	-	-	0	-		-
220	Malta	1,093,465,782	25,379,302	25,379,302	1,093,465,782	(12,818,653)		-
230	Netherlands	9,152,184	-	-	9,152,184	(231)		-
240	Norway	3,005,524	-	-	3,005,524	-		-
250	Poland	2,068,445	-	-	2,068,445	(99)		-

260	Portugal	187	-	-	187	(14)	-
270	Slovenia	-	-	-	-	-	-
290	United States	8,594,540	-	-	8,594,540	(201)	-
300	Virgin Island, British	2,014	2,014	2,014	2,014	(2,014)	-
310	South Africa	21	-	-	21	-	-
320	Lithuania	3,105,770	-	-	3,105,770	-	-
330	Qatar	2,742	-	-	2,742	(72)	-
340	Denmark	-	-	-	-	-	-
350	Greece	0	-	-	0	-	-
360	Hungary	0	-	-	0	-	-
370	Sweedden	0	-	-	0	-	-
380	Libya	21	-	-	21	-	-
390	Other Countries	-	-	-	-	-	-
310	Off-balance-sheet exposures	228,933,817	215,853	215,853			32,973
340	Switzerland	350,000	-	-			-
360	Germany	240,500	-	-			10
390	France	1,500	-	-			-
400	United Kingdom	9,467,605	-	-			4
420	Ireland	6,571	-	-			-
430	Italy	7,199	-	-			4
440	Libya	2,979	-	-			-
450	Latvia	1	-	-			-
460	Malta	218,760,226	215,853	215,853			32,846
470	Marshall Islands	1	-	-			2
480	Poland	1,018	-	-			-
490	Portugal	19,313	-	-			21
500	Qatar	64,168	-	-			79
510	Tunisia	7,000	-	-			9
520	South Africa	979	-	-			-

530	United States	4,757	-	-	-	-	-
540	Total	1,560,963,996.90	25,628,155.79	25,628,155.79	1,332,030,179.90	(13,243,070.01)	32,973.38

EU CO5: Credit quality of loans and advances by industry

As at 31 December 2025		a	b		c	d	E	f
		Gross carrying amount	Of which non-performing	Of which defaulted	Of which loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures	
010	Agriculture, forestry and fishing	223,563	223,563	223,563	223,563	(96,269)	-	
020	Mining and quarrying	-	-	-	-	-	-	
030	Manufacturing	3,251,400	605,742	605,742	3,251,400	(14,511)	-	
040	Electricity, gas, steam and air conditioning supply	33,908	-	-	33,908	(1)	-	
050	Water supply	886,170	1,595	1,595	886,170	(3,263)	-	
060	Construction	137,342,355	226,771	226,771	137,342,355	(379,017)	-	
070	Wholesale and retail trade	44,512,792	8,156,990	8,156,990	44,512,792	(6,281,502)	-	
080	Transport and storage	2,157,560	784,140	784,140	2,157,560	(644,839)	-	
090	Accommodation and food service activities	53,619,387	1,456,199	1,456,199	53,619,387	(1,631,062)	-	
100	Information and communication	239,222	-	-	239,222	(687)	-	
110	Financial and insurance activities	86,748,405	516,692	516,692	86,748,405	(13,406)	-	
120	Real estate activities	18,803	4,081	4,081	18,803	(4,081)	-	
130	Professional, scientific and technical activities	13,421,770	13,480	13,480	13,421,770	(37,757)	-	
140	Administrative and support service activities	8,245,747	71,990	71,990	8,245,747	(82,227)	-	
150	Public administration and defense, compulsory social security	-	-	-	-	-	-	
160	Education	1,013	-	-	1,013	(5)	-	
170	Human health services and social work activities	504,184	-	-	504,184	(1,158)	-	
180	Arts, entertainment and recreation	242,648	6,146	6,146	242,648	(6,151)	-	
190	Other services	10,384	-	-	10,384	(4)	-	
200	Total	351,459,311	12,067,388	12,067,388	351,459,311	(9,195,939)	-	

3.2 The Bank's credit risk exposures under the standardised approach

(Article 453 (g), (h) and (i) & Article 444 (e) CRR – Tables EU CR4, EU CR5)

Table EU CR4 provides information on the Bank's exposure classes, both before and after credit conversion factors and the use of credit risk mitigation, as well as the risk weighted assets and risk weighted asset density ratio per exposure class.

EU CR4 – standardised approach – Credit risk exposure and CRM effects

	Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWEA	RWEA density (%)
		a	b	c	d	e	f
1	Central governments or central banks	182,603,434	-	182,603,434	-	182,603,434	100.00%
2	Non-central government public sector entities	-	488,928	-	195,571	97,786	0.00%
EU 2a	Regional government or local authorities	-	-	-	-	-	0.00%
EU 2b	Public sector entities	-	488,928	-	195,571	97,786	0.00%
3	Multilateral development banks	2,536,751	-	2,536,751	-	-	0.00%
EU 3a	International organisations	4,939,602	-	4,939,602	-	-	0.00%
4	Institutions	85,813,870	-	85,813,870	-	26,105,299	30.42%
5	Covered bonds	9,039,978	-	9,039,978	-	903,998	10.00%
6	Corporates	19,821,975	6,818,838	18,478,853	3,119,078	16,887,738	78.19%
6.1	Of which: Specialised Lending	-	-	-	-	-	0.00%
7	Subordinated debt exposures and equity	5,533,633	-	5,533,633	-	5,533,633	100.00%
EU 7a	Subordinated debt exposures	-	-	-	-	-	0.00%
EU 7b	Equity	5,533,633	-	5,533,633	-	5,533,633	100.00%
8	Retail	26,833,536	121,938,222	21,112,775	42,716,273	46,038,087	72.13%
9	Secured by mortgages on immovable property and ADC exposures	971,207,074	97,311,476	952,112,736	36,905,553	445,161,634	45.01%

9.1	Secured by mortgages on residential immovable property - non IPRE	660,803,373	20,221,583	660,803,373	8,279,456	193,237,100	28.88%
9.2	Secured by mortgages on residential immovable property - IPRE	43,291,944	7,015,613	43,291,944	2,806,245	19,468,914	42.23%
9.3	Secured by mortgages on commercial immovable property - non IPRE	45,427,161	12,452,750	45,427,161	5,065,237	24,785,268	49.09%
9.4	Secured by mortgages on commercial immovable property - IPRE	153,919,150	531,842	153,919,150	212,737	103,850,871	67.38%
9.5	Acquisition, Development and Construction (ADC)	67,765,446	57,089,688	48,671,108	20,541,879	103,819,480	150.00%
10	Exposures in default	13,153,079	170,322	13,114,182	23,782	13,476,865	102.58%
EU 10a	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	0.00%
EU 10b	Collective investment undertakings	-	-	-	-	-	0.00%
EU 10c	Other items	38,653,003	-	38,653,003	-	30,313,404	78.42%
11	Not applicable						
12	TOTAL	1,360,135,935	226,727,787	1,333,938,816	82,960,257	585,660,747	41.33%

Table EU CR5 provides information on the Bank's exposure value post-CCF and CRM, broken down by the different risk weights applied in the respective exposure classes.

EU CR5 – standardised approach

	Exposure classes	Risk weight										
		0%	2%	4%	10%	20%	30%	35%	40%	45%	50%	
		a	b	c	d	e	f	g	h	i	j	
1	Central governments or central banks	176,891,913	-	-	-	5,711,522	-	-	-	-	-	
2	Non-central government public sector entities	-	-	-	-	-	-	-	-	-	195,571	
EU 2a	Regional governments or local authorities	-	-	-	-	-	-	-	-	-	-	
EU 2b	Public sector entities	-	-	-	-	-	-	-	-	-	195,571	
3	Multilateral development banks	2,536,751	-	-	-	-	-	-	-	-	-	
EU 3a	International organisations	4,939,602	-	-	-	-	-	-	-	-	-	
4	Institutions	-	-	-	-	40,388,996	22,479,628	-	7,774,065	-	13,685,409	
5	Covered bonds	-	-	-	9,039,978	-	-	-	-	-	-	
6	Corporates	-	-	-	-	2,574,438	-	-	-	-	-	
6.1	Of which: Specialised Lending	-	-	-	-	40,388,996	22,479,628	-	7,774,065	-	13,685,409	
7	Subordinated debt exposures and equity	-	-	-	-	-	-	-	-	-	-	
EU 7a	Subordinated debt exposures	-	-	-	-	-	-	-	-	-	-	
EU 7b	Equity	-	-	-	-	-	-	-	-	-	-	
8	Retail exposures	-	-	-	-	-	-	-	-	-	-	
9	Secured by mortgages on immovable property and ADC exposures	446,801	-	-	-	556,613,327	9,291,963	13,161,893	-	17,794,062	-	
9.1	Secured by mortgages on residential immovable property - non IPRE	446,801	-	-	-	556,613,327	-	-	-	-	-	
9.1.1	No loan splitting applied	-	-	-	-	-	-	-	-	-	-	
9.1.2	loan splitting applied (secured)	-	-	-	-	556,613,327	-	-	-	-	-	
9.1.3	loan splitting applied (unsecured)	446,801	-	-	-	-	-	-	-	-	-	
9.2	Secured by mortgages on residential immovable property - IPRE	-	-	-	-	-	9,291,963	13,161,893	-	17,794,062	-	
9.3	Secured by mortgages on commercial immovable property - non IPRE	-	-	-	-	-	-	-	-	-	-	

9.3.1	No loan splitting applied	-	-	-	-	-	-	-	-	-	-
9.3.2	loan splitting applied (secured)	-	-	-	-	-	-	-	-	-	-
9.3.3	loan splitting applied (unsecured)	-	-	-	-	-	-	-	-	-	-
9.4	Secured by mortgages on commercial immovable property - IPRE	-	-	-	-	-	-	-	-	-	-
9.5	Acquisition, Development and Construction (ADC)	-	-	-	-	-	-	-	-	-	-
10	Exposures in default	-	-	-	-	-	-	-	-	-	-
EU 10a	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-
EU 10b	Collective investment undertakings (CIU)	-	-	-	-	-	-	-	-	-	-
EU 10c	Other items	9,801,899	-	-	-	10,432,716	-	-	-	-	-
11	not applicable										
EU 11c	TOTAL	194,616,967	-	-	9,039,978	615,720,999	31,771,591	13,161,893	7,774,065	17,794,062	13,880,980

		60%	70%	75%	80%	90%	100%	105%	110%	130%	150%
	Exposure classes	k	l	m	n	o	p	q	r	s	t
1	Central governments or central banks	-	-	-	-	-	-	-	-	-	-
2	Non-central government public sector entities	-	-	-	-	-	-	-	-	-	-
EU 2a	Regional governments or local authorities	-	-	-	-	-	-	-	-	-	-
EU 2b	Public sector entities	-	-	-	-	-	-	-	-	-	-
3	Multilateral development banks	-	-	-	-	-	-	-	-	-	-
EU 3a	International organisations	-	-	-	-	-	-	-	-	-	-
4	Institutions	-	-	617,967	-	-	867,805	-	-	-	-
5	Covered bonds	-	-	-	-	-	-	-	-	-	-
6	Corporates	-	-	-	-	-	19,023,492	-	-	-	-
6.1	Of which: Specialised Lending	-	-	617,967	-	-	867,805	-	-	-	-
7	Subordinated debt exposures and equity	-	-	-	-	-	5,533,633	-	-	-	-
EU 7a	Subordinated debt exposures	-	-	-	-	-	-	-	-	-	-

EU 7b	Equity	-	-	-	-	-	5,533,633	-	-	-	-
8	Retail exposures	-	-	63,829,048	-	-	-	-	-	-	-
9	Secured by mortgages on immovable property and ADC exposures	47,089,295	-	109,566,628	-	38,620,178	11,709,447	-	1,946,160	-	69,639,736
9.1	Secured by mortgages on residential immovable property - non IPRE	-	-	108,518,997	-	-	3,503,703	-	-	-	-
9.1.1	No loan splitting applied	-	-	4,104,432	-	-	572,002	-	-	-	-
9.1.2	loan splitting applied (secured)	-	-	-	-	-	-	-	-	-	-
9.1.3	loan splitting applied (unsecured)	-	-	104,414,565	-	-	2,931,701	-	-	-	-
9.2	Secured by mortgages on residential immovable property - IPRE	-	-	118,314	-	-	5,731,957	-	-	-	-
9.3	Secured by mortgages on commercial immovable property - non IPRE	47,089,295	-	929,316	-	-	2,473,787	-	-	-	-
9.3.1	No loan splitting applied	-	-	252,562	-	-	-	-	-	-	-
9.3.2	loan splitting applied (secured)	47,089,295	-	-	-	-	-	-	-	-	-
9.3.3	loan splitting applied (unsecured)	-	-	676,754	-	-	2,473,787	-	-	-	-
9.4	Secured by mortgages on commercial immovable property - IPRE	-	-	-	-	38,620,178	-	-	1,946,160	-	426,750
9.5	Acquisition, Development and Construction (ADC)	-	-	-	-	-	-	-	-	-	69,212,987
10	Exposures in default	-	-	-	-	-	12,460,161	-	-	-	677,803
EU 10a	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-
EU 10b	Collective investment undertakings (CIU)	-	-	-	-	-	-	-	-	-	-
EU 10c	Other items	-	-	-	-	-	11,879,404	-	-	-	-
11	Not applicable										
EU 11c	TOTAL	47,089,295	-	174,013,642	-	38,620,178	61,473,943	-	1,946,160	-	70,317,539

	Exposure classes						Total	Of which unrated
		250%	370%	400%	1250%	Others		
		u	v	w	x	y	z	aa
1	Central governments or central banks	-	-	-	-	-	182,603,434	
2	Non-central government public sector entities	-	-	-	-	-	195,571	
EU 2a	Regional governments or local authorities	-	-	-	-	-	-	
EU 2b	Public sector entities	-	-	-	-	-	195,571	
3	Multilateral development banks	-	-	-	-	-	2,536,751	
EU 3a	International organisations	-	-	-	-	-	4,939,602	
4	Institutions	-	-	-	-	-	85,813,870	
5	Covered bonds	-	-	-	-	-	9,039,978	
6	Corporates	-	-	-	-	-	21,597,931	
6.1	Of which: Specialised Lending	-	-	-	-	-	85,813,870	
7	Subordinated debt exposures and equity	-	-	-	-	-	5,533,633	
EU 7a	Subordinated debt exposures	-	-	-	-	-	-	
EU 7b	Equity	-	-	-	-	-	5,533,633	
8	Retail exposures	-	-	-	-	-	63,829,048	
9	Secured by mortgages on immovable property and ADC exposures	-	-	-	-	113,138,799	989,018,289	
9.1	Secured by mortgages on residential immovable property - non IPRE	-	-	-	-	-	669,082,829	
9.1.1	No loan splitting applied	-	-	-	-	-	4,676,434	
9.1.2	loan splitting applied (secured)	-	-	-	-	-	556,613,327	
9.1.3	loan splitting applied (unsecured)	-	-	-	-	-	107,793,068	
9.2	Secured by mortgages on residential immovable property - IPRE	-	-	-	-	-	46,098,189	
9.3	Secured by mortgages on commercial immovable property - non IPRE	-	-	-	-	-	50,492,398	
9.3.1	No loan splitting applied	-	-	-	-	-	252,562	
9.3.2	loan splitting applied (secured)	-	-	-	-	-	47,089,295	
9.3.3	loan splitting applied (unsecured)	-	-	-	-	-	3,150,541	

9.4	Secured by mortgages on commercial immovable property - IPRE	-	-	-	-	113,138,799	154,131,887	
9.5	Acquisition, Development and Construction (ADC)	-	-	-	-	-	69,212,987	
10	Exposures in default	-	-	-	-	-	13,137,963	
EU 10a	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	
EU 10b	Collective investment undertakings (CIU)	-	-	-	-	-	-	
EU 10c	Other items	6,538,983	-	-	-	-	38,653,003	
11	not applicable							
EU 11c	TOTAL	6,538,983	-	-	-	113,138,799	1,416,899,073	

3.4 Collateral

(Article 442 (c) CRR – Tables EU CQ6, CQ7 and EU CQ8 and Article 453 CRR – EU CRC and EU CR3)

Table EU CRC provides qualitative disclosure requirements related to Credit Risk Mitigation (CRM) techniques as part of the Pillar 3 framework. It details the institution’s policies and procedures for employing CRM tools, such as collateral, guarantees, and netting arrangements, to reduce credit risk exposure.

The Bank’s policies regarding obtaining collateral have not changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Bank since the prior period. A portion of the Bank’s loans and advances to customers, secured by cash, have no loss allowance being recognised in accordance with the Bank’s expected credit loss model. The carrying amount of such financial assets as at 31 December 2025 was €25,163,000 (2024: €29,290,000). The extendible value of the collateral is the lower of the fair value of a pledged asset for lending purposes and the gross carrying amount of the secured loans.

Table EU CRC – Qualitative disclosure requirements related to CRM techniques

(a)	<p><u>A description of the core features of the policies and processes for on- and off-balance sheet netting and an indication of the extent to which institutions make use of balance sheet netting.</u></p> <p>The Bank currently does not apply any on- and off-balance sheet netting procedures.</p>
(b)	<p><u>The core features of policies and processes for eligible collateral evaluation and management.</u></p> <p>Lending decisions should be based primarily on the borrower’s assessed ability to repay the loan from their main source of income, rather than the presence of collateral. However, collateral serves as a secondary safeguard, providing the Bank with a fallback option should repayment issues arise. In cases where a loan cannot be repaid despite sound initial and ongoing assessments, the Bank may recover part or all of the exposure by liquidating the pledged collateral.</p> <p>The liquidity of collateral varies depending on the asset type and market conditions. Therefore, when assessing collateral, a haircut or margin is applied to estimate its likely realisable value in a forced-sale scenario.</p> <p>It is essential that all collateral is properly perfected, meaning all legal procedures and documentation are completed to ensure enforceability. Where collateral is a key element of the transaction, no disbursement of funds take place until the borrower has fulfilled all related requirements and submitted the necessary documentation outlined in the credit agreement.</p> <p>Acceptable collateral includes cash, debt instruments, pledges over insurance policies, equities or collective investment schemes and charges over property.</p> <p>The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. The Bank’s Board establishes a policy regarding the acceptability of types of collateral and valuation parameters. Longer-term finance and lending to corporate entities are generally secured; revolving individual credit facilities are at times unsecured.</p> <p>The main types of collateral obtained include:</p> <ul style="list-style-type: none"> • For corporate lending: charges over real estate properties, cash or securities;

	<ul style="list-style-type: none"> • For retail lending (including home loans and consumer credit): mortgages over residential properties, cash or securities; • For international lending: charges over real estate ; and • For exposures arising from reverse repurchase transactions: a pledge on liquid sovereign debt securities. <p>Collateral requirements depend on several factors, such as exposure amount, facility type and term, borrower contribution, and assessed credit risk. Collateral is valued at market value less a haircut as per internal policy guidelines.</p>
(c)	<p><u><i>A description of the main types of collateral taken by the institution to mitigate credit risk</i></u></p> <p>The Immovable property, the most common form of collateral, undergoes a series of challenges and the Bank has a process in place to challenge eligible architect valuations. The Residential Property Price Index (RPPI/NSO) is closely monitored, forecasted and used for impairment calculations. Selected collateral is also reviewed periodically. The Bank has internal processes in place highlighting the use of internal and external architects, challenging of provide valuations, regular and ongoing reviews and submission of progress reports.</p> <p>Asset encumbrance forms an integral part of the Bank’s operating model, ensuring compliance with regulatory safeguards (e.g., the Depository Compensation Scheme and reserve requirements), operational continuity (e.g., payment processing), and access to financial markets.</p> <ul style="list-style-type: none"> • Visa collateral: This collateral is linked to settlement obligations with Visa, supporting the Bank’s card services infrastructure. It ensures uninterrupted payment processing and adherence to network requirements. • Securities pledged in favour of the Depositor Compensation Scheme: These securities are pledged in relation to the DCS. The use of these securities as collateral reflects the Bank’s compliance with regulatory protection mechanisms and contributes to systemic investor confidence. • Reserve deposit amount: This represents the Bank’s mandatory reserve holdings with the Central Bank of Malta, as required under regulatory frameworks. These funds are legally restricted and serve to support monetary policy and overall financial stability. • Collateral pledged with counterparties: This includes collateral for FX derivative transactions. This supports FX trading and hedging activities which is essential to the Bank’s treasury operations, as well collateral placed in relation to counterparty support arrangements, ensuring risk mitigation and access to liquidity facilities.
(d)	<p><u><i>For guarantees and credit derivatives used as credit protection, the main types of guarantor and credit derivative counterparty and their creditworthiness used for the purposes of reducing capital requirements, excluding those used as part of synthetic securitisation structures.</i></u></p> <p>This is not applicable to the Bank.</p>
(e)	<p><u><i>Information about market or credit risk concentrations within the credit mitigation taken</i></u></p> <p>The Credit Analysis Department is responsible for credit risk management activities by way of analysis of credit requests, implementation of credit policies, and participation in credit committees where credit decisions are taken by consensus. The Bank continues to adapt its credit risk management processes for the purposes of identifying</p>

	deterioration in credit risk within its portfolios and estimating expected credit loss allowances using the best possible judgement.
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Table EU CR3 below provides an overview of the credit risk mitigation techniques used.

EU CR3: CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

		Unsecured carrying amount	Secured carrying amount			
				Of which secured by collateral		Of which secured by financial guarantees Of which secured by credit derivatives
		a	b	c	d	e
1	Loans and advances	218,925,777	948,403,125	928,902,013	19,501,112	-
2	Debt securities	151,458,208	-	-	-	-
3	Total	370,383,985	948,403,125	928,902,013	19,501,112	-
4	<i>Of which non-performing exposures</i>	101,371	13,221,562	13,221,562	-	-
EU-5	<i>Of which defaulted</i>	101,371	13,221,562			

Tables EU CQ6 and EU CQ7 are not disclosed as they are not applicable to the Bank as at 31 December 2025.

3.5 Disclosure of exposure to counterparty credit risk

(Article 439 (a) to (k) CRR – Table EU CCR1, CCR3, CCR5, CCR8 and EU CCRA)

The Bank's policies and procedures set out limits on acceptable currencies, maximum transaction size, acceptable counterparties, counterparty creditworthiness, and types of derivative contracts. Counterparties are monitored by the Treasury and Risk Function on a regular basis including adverse media, downgrades and updated financials. Limits are sent for re-approval at least on an annual basis. Requests for limits are also analysed from an AML/CFT perspective by the Financial Crime Compliance team.

In so far as types of derivative contracts are concerned, the Bank's limits only allow forward contracts or swap transactions. Derivative transactions are governed by the European Market Infrastructure Regulation (EMIR). For this reporting period, OTC derivative exposures relate to currency swaps.

The Bank adopts the Original Exposure method to calculate its own funds requirement for counterparty credit risk.

The following tables provide an overview of the counterparty credit risk as at 31 December 2025, in line with the guidelines published by the EBA.

EU CCR1: Analysis of CCR exposure by approach

		a	b	c	d	e	f	g	h
		Replacement cost (RC)	Potential future exposure(PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU-1	EU - Original Exposure Method (for derivatives)	120,034	4,500,928		1.4	6,469,347	6,469,347	6,469,347	4,268,900
EU-2	EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1	SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
2	IMM (for derivatives and SFTs)			-	-	-	-	-	-
2a	<i>Of which securities financing transactions netting sets</i>			-		-	-	-	-
2b	<i>Of which derivatives and long settlement transactions netting sets</i>			-		-	-	-	-
2c	<i>Of which from contractual cross-product netting sets</i>			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					-	-	-	-
5	VaR for SFTs					-	-	-	-
6	Total					6,469,347	6,469,347	6,469,347	4,268,900

The following tables are not being disclosed as they are not applicable to the Bank as at 31 December 2025:

- EU CCR3: Standardised approach – CCR exposures by regulatory exposure class and risk weights;
- EU CCR5: Composition of collateral for CCR exposures; and
- EU CCR8: Exposures to CCPs.

4. MARKET RISK

(Article 445 and Article 448 CRR – Tables EU MR1 and EU IRRBB1)

Section 2.5.2 defines market risk and discloses details and analysis on the types of market risk the Bank is exposed to, as well as disclosing details on market risk management.

Table EU MR1 provides an overview of the risk weighted assets in relation to market risk, split by product and type of risk.

EU MR1: Market risk under the standardised approach

		a
		RWEAs
	Outright products	
1	Interest rate risk (general and specific)	-
2	Equity risk (general and specific)	-
3	Foreign exchange risk	4,452,315
4	Commodity risk	-
	Options	
5	Simplified approach	-
6	Delta-plus approach	-
7	Scenario approach	-
8	Securitisation (specific risk)	-
9	Total	4,452,315

Table EU IRRBB1 provides the results of the supervisory shock scenarios required by the EBA in respect of changes of the economic value of equity (EVE) and changes of the net interest income (NII).

EU IRRBB1 - Interest rate risks of non-trading book activities

Supervisory shock scenarios		a	b	c	d
		Changes of the economic value of equity		Changes of the net interest income	
		Current period	Last period	Current period	Last period
1	Parallel up	(12,546,308)	(7,241,763)	1,123,209	2,439,527
2	Parallel down	7,261,272	4,212,309	(983,559)	(2,527,235)
3	Steeper	(4,861,189)	(6,468,762)		
4	Flattener	1,509,301	2,761,651		
5	Short rates up	(1,134,285)	1,488,299		
6	Short rates down	441,437	(3,031,758)		

5. OPERATIONAL RISK

(Article 446 (2) (a) and (b) CRR – Table EU OR3)

Section 2.5.3 defines operational risk and discloses details on the types of operational risk the Bank is exposed to, as well as disclosing details on operational risk management.

Template OR1 is not applicable to the bank. Table EU OR2 has not been disclosures since the COREP template C_16.02 is not in force.

Template EU OR3 - Operational risk own funds requirements and risk exposure amounts

		a
1	Business Indicator Component (BIC)	4,012,162
EU1	Alternative Standardised Approach (ASA) Own Funds Requirements (OROF) under Article 314(4)	-
2	Not applicable	
3	Minimum Required Operational Risk Own Funds Requirements (OROF)	4,012,162
4	Operational Risk Exposure Amounts (REA)	50,152,022

6. OWN FUNDS

(Article 437 (a) to (f) CRR and Article 438 (b) – Tables EU CC1, EU CC2 and EU CCA)

The Bank is obliged to comply with regulatory capital requirements emanating primarily from the CRR, and from various other local and European requirements. Compliance with such requirements is therefore a top priority of the Board, as is efficient capital management. The Bank manages its capital structure with additional buffers imposed by the Regulator, and adjusts it in the light of economic and business conditions, and the risk characteristics of its activities.

The Bank’s regulatory Own Funds consist of Common equity Tier 1 (‘CET1’) capital, Perpetual capital notes and Tier 2 capital, which include the following items:

- ordinary share capital;
- retained earnings;
- revaluation reserve;
- perpetual capital notes;
- subordinated debt; and
- other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes, including the treatment of deferred tax assets, deductions relating to amounts pledged in favour of the Depositor Compensation Scheme and deductions relating to intangible assets.

Table EU CC1 below provides a detailed overview of the composition of the Bank's own funds in accordance with the CRR.

EU CC1 - Composition of regulatory own funds

		(a)	(b)
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 (CET1) capital: Instruments and reserves			
1	Capital instruments and the related share premium accounts	74,543,999	A
	of which: Common Equity Tier 1	74,543,999	
	of which: Instrument type 2	-	
	of which: Instrument type 3	-	
2	Retained earnings	18,884,259	D
3	Accumulated other comprehensive income (and other reserves)	(775,641)	C
EU-3a	Funds for general banking risk	-	
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	-	
5	Minority interests (amount allowed in consolidated CET1)	-	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	2,619,894	D
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	95,272,511	-
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	-	
8	Intangible assets (net of related tax liability) (negative amount)	(5,646,165)	F
9	Not applicable	-	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	-	
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	-	
12	Negative amounts resulting from the calculation of expected loss amounts	-	
13	Any increase in equity that results from securitised assets (negative amount)	-	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	
15	Defined-benefit pension fund assets (negative amount)	-	
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	
17	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
20	Not applicable	-	
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	--	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)	-	
EU-20c	of which: securitisation positions (negative amount)	-	
EU-20d	of which: free deliveries (negative amount)	-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38-(3) CRR are met) (negative amount)	-	
22	Amount exceeding the 17,65% threshold (negative amount)	-	
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-	
24	Not applicable	-	
25	of which: deferred tax assets arising from temporary differences	-	
EU-25a	Losses for the current financial year (negative amount)	-	
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	

26	Not applicable	-	
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	
27a	Other regulatory adjustments	(292,206)	
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	(5,938,371)	
29	Common Equity Tier 1 (CET1) capital	89,334,140	
Additional Tier 1 (AT1) capital: Instruments			
30	Capital instruments and the related share premium accounts	10,000,000	B
31	of which: classified as equity under applicable accounting standards	-	
32	of which: classified as liabilities under applicable accounting standards	-	
33	Net Stable Funding Ratio	-	
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	-	
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	-	
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	-	
35	of which: instruments issued by subsidiaries subject to phase out	-	
36	Additional Tier 1 (AT1) capital before regulatory adjustments	10,000,000	
Additional Tier 1 (AT1) capital: regulatory adjustments			
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	
41	Not applicable	-	
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	
42a	Other regulatory adjustments to AT1 capital	-	
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	-	
44	Additional Tier 1 (AT1) capital	10,000,000	
45	Tier 1 capital (T1 = CET1 + AT1)	99,334,140	
Tier 2 (T2) capital: Instruments			
46	Capital instruments and the related share premium accounts	20,000,000	E
47	Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	-	
EU-47a	Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2	-	
EU-47b	Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2	-	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	-	
49	of which: instruments issued by subsidiaries subject to phase out	-	
50	Credit risk adjustments	-	
51	Tier 2 (T2) capital before regulatory adjustments	20,000,000	
Tier 2 (T2) capital: regulatory adjustments			
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
54a	Not applicable	-	
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	
56	Not applicable	-	
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	
EU-56b	Other regulatory adjustments to T2 capital	-	
57	Total regulatory adjustments to Tier 2 (T2) capital	-	
58	Tier 2 (T2) capital	20,000,000	
59	Total capital (TC = T1 + T2)	119,334,140	
60	Total Risk exposure amount	646,645,007	
Capital ratios and requirements including buffers			
61	Common Equity Tier 1 capital	13.82%	
62	Tier 1 capital	15.36%	
63	Total capital	18.45%	
64	Institution CET1 overall capital requirements	15.41%	

65	of which: capital conservation buffer requirement	2.50%	
66	of which: countercyclical capital buffer requirement	0.32%	
67	of which: systemic risk buffer requirement	0.44%	
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	0.00%	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	0.99%	
68	Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	7.37%	
National minima (if different from Basel III)			
69	Not applicable	-	
70	Not applicable	-	
71	Not applicable	-	
Amounts below the thresholds for deduction (before risk weighting)			
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-	
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	-	
74	Not applicable	-	
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	-	
Applicable caps on the inclusion of provisions in Tier 2			
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	-	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-	
Capital Instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	-	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	
82	Current cap on AT1 instruments subject to phase out arrangements	-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	
84	Current cap on T2 instruments subject to phase out arrangements	-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	

Table EU CC2 below provides a detailed overview of the composition of the Bank's own funds in accordance with the CRR.

Template EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements

		a	b	c
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
		As at period end	As at period end	
Assets - Breakdown by asset classes according to the balance sheet in the published financial statements				
1	Balances with Central Bank of Malta and cash	118,457,477	118,457,477	
2	Cheques in course of collection	1,866,172	1,866,172	
3	Financial investments	150,117,067	150,117,067	
4	Loans and advances to banks	27,688,829	27,688,829	
5	Loans and advances to customers	1,026,299,139	1,026,299,139	
6	Derivative financial assets	120,034	120,034	
7	Prepayments and accrued income	13,682,799	13,682,799	
8	Property and equipment	5,898,912	5,898,912	
9	Intangible assets	5,646,165	5,646,165	F
10	Right-of-use assets	1,504,494	1,504,494	
11	Other assets	7,322,914	7,322,914	
12	Deferred tax assets	6,538,983	6,538,983	
13	Current tax assets	3,616,567	3,616,567	
14	Total assets	1,368,759,551	1,368,759,551	
Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements				
1	Debt securities in issue	19,914,722	19,914,722	E
2	Amounts owed to banks and other institutions	18,212	18,212	
3	Amounts owed to customers	1,210,023,795.41	1,210,023,795.41	
4	Derivative financial liabilities	432,435	432,435	
5	Current tax liabilities	-	-	
6	Other liabilities	19,473,145	19,473,145	
7	Accruals	10,303,337	10,303,337	

8	Total liabilities	1,260,165,647	1,260,165,647	
Shareholders' Equity				
1	Share capital	74,543,999.15	74,543,999.15	A
2	Perpetual capital notes	10,000,000.00	10,000,000.00	B
3	Revaluation reserve	(775,640.54)	(775,640.54)	C
4	Retained earnings	24,825,544.75	24,825,544.75	D
5	Total shareholders' equity	108,593,903	108,593,903	

In line with Article 437 of the CRR the following table discloses the main features and terms and conditions of the Ordinary share capital and the AT1 instruments:

Template EU CCA: Main features of regulatory own funds instruments and eligible liabilities instruments

		a	b	c	d
		Share capital	Perpetual Additional Tier 1 capital notes 2016	Perpetual Additional Tier 1 capital notes 2018 (Tranche 1) and 2019 (Tranche 2)	4.5% Unsecured Subordinated Bonds 2027-2032
1	Issuer	BNF Bank plc	BNF Bank plc	BNF Bank plc	BNF Bank plc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A	N/A	N/A	MT0002581206
2a	Public or private placement	Private	Private	Private	Public
3	Governing law(s) of the instrument	Maltese law	Maltese law	Maltese law	Maltese Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	No	Yes	Yes	Yes
	<i>Regulatory treatment</i>				
4	Current treatment taking into account, where applicable, transitional CRR rules	CET1 capital	AT1 capital	AT1 capital	Tier 2 capital
5	Post-transitional CRR rules	CET1 capital	AT1 capital	AT1 capital	Tier 2 capital
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo	Solo	Solo	Solo
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares	Additional Tier 1 Notes	Additional Tier 1 Notes	Subordinated Callable Bonds
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	€74,543,999	€5,000,000	€5,000,000	€20,000,000
9	Nominal amount of instrument	€74,543,999	€5,000,000	€5,000,000	€20,000,000
EU - 9a	Issue price	€0.7552 per share	€100	€100	€100
EU - 9b	Redemption price	N/A	€100	€100	€100
10	Accounting classification	Shareholders' equity	Shareholders' equity	Shareholders' equity	Liability - amortised cost
11	Original date of issuance	27-Mar-2007	04-Oct-2016	Tranche 1: 31-Dec-2018 Tranche 2: 31-Mar-2019	29-Jul-2022
12	Perpetual or dated	Perpetual	Perpetual	Perpetual	Dated
13	Original maturity date	No maturity	No maturity	No maturity	29-Jul-2032
14	Issuer call subject to prior supervisory approval	No	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	No	First Call Date: 31 Dec 2021. Redemption price is €100. Callable on Tax Event and Capital event	First Call Date (Tranche 1): 31 Dec 2023. First Call Date (Tranche 2): 31 Mar 2024. Redemption price is €100. Callable on Tax Event and Capital event	Each of the 5th, 6th, 7th, 8th and 9th anniversaries of the Issue Date, subject to MFSA approval and subject to the Bank giving the Bondholders at least 30 days' notice in writing Redemption amount: Nominal Value together

16	Subsequent call dates, if applicable	No	Each Interest Payment Date	Each Interest Payment Date	with accrued and unpaid interest up to the relevant Early Redemption Date or Maturity Date, as applicable
	<i>Coupons / dividends</i>				<i>Coupon</i>
17	Fixed or floating dividend/coupon	Dividend	Floating	Fixed	Fixed
18	Coupon rate and any related index	N/A	10.00% + 6 month Euribor	8.00%	4.50%
19	Existence of a dividend stopper	N/A	N/A	N/A	N/A
EU - 20 a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	N/A	Fully Discretionary	Fully Discretionary	Mandatory
EU - 20 b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	N/A	Fully Discretionary	Fully Discretionary	Mandatory
21	Existence of step up or other incentive to redeem	N/A	No	No	No
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-cumulative	Yes	Yes	No
24	If convertible, conversion trigger(s)	N/A	Capital Event: Issuer CET1 Ratio on an unconsolidated basis is less than 5.125%	Capital Event: Issuer CET1 Ratio on an unconsolidated basis is less than 5.125%	N/A
25	If convertible, fully or partially	N/A	Fully	Fully	N/A
26	If convertible, conversion rate	N/A	Division of the aggregate principal amount of the Notes outstanding immediately prior to the Conversion Date, by the Conversion Price rounded down to the nearest whole number of ordinary shares	Division of the aggregate principal amount of the Notes outstanding immediately prior to the Conversion Date, by the Conversion Price rounded down to the nearest whole number of ordinary shares	N/A
27	If convertible, mandatory or optional conversion	N/A	Mandatory	Mandatory	N/A
28	If convertible, specify instrument type convertible into	N/A	Ordinary Shares	Ordinary Shares	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	BNF Bank plc	BNF Bank plc	N/A
30	Write-down features	N/A	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	N/A	In the event that an order is made or resolution passed or other action taken for the dissolution, termination of existence, liquidation, winding-up or bankruptcy of the Issuer, the Notes shall become immediately due and payable.	In the event that an order is made or resolution passed or other action taken for the dissolution, termination of existence, liquidation, winding-up or bankruptcy of the Issuer, the Notes shall become immediately due and payable.	The SRB or the Resolution Committee, as the case may be, must exercise the power to write down and convert shares and other capital instruments immediately before or together with the application of a resolution tool. The SRB or the Resolution Committee, as the case may be, either: (i) independently of resolution action;

					or (ii) in combination with a resolution action, where the conditions for resolution are met. The SRB or the Resolution Committee, as the case may be, has the powers as necessary to apply the resolution tools.
32	If write-down, full or partial	N/A	Fully	Fully	Fully or Partially
33	If write-down, permanent or temporary	N/A	Permanent	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A
34 a	Type of subordination (only for eligible liabilities)	N/A	Statutory	Statutory	Statutory
EU - 34 b	Ranking of the instrument in normal insolvency proceedings	Ordinary Shares	Subordinated	Subordinated	Subordinated
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated to Perpetual capital notes	Subordinated to the right of payment to the payment of any present or future claims of (i) depositors of the Issuer, (ii) other unsubordinated creditors of the Issuer and (iii) any other subordinated creditors of the Issuer	Subordinated to the right of payment to the payment of any present or future claims of (i) depositors of the Issuer, (ii) other unsubordinated creditors of the Issuer and (iii) any other subordinated creditors of the Issuer	subordinated to the claims of all depositors and other unsubordinated secured and unsecured creditors of the Bank
36	Non-compliant transitioned features	No	No	No	No
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A
37 a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A	N/A	https://cdn.prod.website-files.com/6459ee7d5d571422507392cd/648b0dd55ee6dbba175a4bdf_BNF%20Bank%20Bonds%20Prospectus%20-%2028%20June%202022.pdf

Table EU PV1: Prudent valuation adjustments (PVA) is not being disclosed as it is not applicable to the Bank as at 31 December 2025.

7. DISCLOSURE OF COUNTERCYCLICAL CAPITAL BUFFERS

(Article 440 (1) CRR – Tables EU CCYB1 & EU CCYB2)

Banking Rule BR/15: 'Capital Buffers of Credit Institutions authorised under the Banking Act, 1994', sets out requirements for capital buffers. The two capital buffers applicable to the Bank are the capital conservation buffer and the countercyclical buffer.

The capital conservation requirement is of 2.5%, fully comprised of CET1 capital. The countercyclical buffer requirement ranges between 0 - 2.5%, based on the country's exposure to cyclical risk. The Bank's institution specific countercyclical buffer, as determined by Article 140 (1) of Directive 2013/36/EU stood at 0.32%. The institution specific countercyclical buffer considers exposures outside of Malta and is calculated as the weighted average of the individual countercyclical buffer rates applicable in each country where the Bank's exposures are located.

EU CCyB1: Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

		a	b	c		d	e	f
		General credit exposures		Relevant credit exposures – Market risk				
		Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Securitisation exposures Exposure value for non-trading book		Total exposure value
010	Breakdown by country:							
	Austria	312,173	-	-	-	-	-	312,173
	Canada	1,852,322	-	-	-	-	-	1,852,322
	Czech Republic	536,156	-	-	-	-	-	536,156
	Finland	1,130,137	-	-	-	-	-	1,130,137
	France	3,781,914	-	-	-	-	-	3,781,914
	Germany	547,622	-	-	-	-	-	547,622
	Iceland	1,142,304	-	-	-	-	-	1,142,304
	Ireland	1,454,541	-	-	-	-	-	1,454,541
	Italy	5,385	-	-	-	-	-	5,385
	Libya	243	-	-	-	-	-	243
	Luxembourg	7,583,449	-	-	-	-	-	7,583,449
	Malta	486,230,022	-	-	-	-	-	486,230,022
	Netherlands	5,002,996	-	-	-	-	-	5,002,996
	Norway	600,789	-	-	-	-	-	600,789
	Poland	677,423	-	-	-	-	-	677,423
	Portugal	1,579	-	-	-	-	-	1,579
	Qatar	3,514	-	-	-	-	-	3,514
	Spain	3,433,992	-	-	-	-	-	3,433,992
	Switzerland	474,957	-	-	-	-	-	474,957
	United Kingdom	89,899,827	-	-	-	-	-	89,899,827
	United States	3,700,968	-	-	-	-	-	3,700,968
020	Total	608,372,311	-	-	-	-	-	608,372,311

		g	h	i	j	k	l	m
		Own fund requirements			Total	Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
		Relevant credit risk exposures - Credit risk	Relevant credit exposures - Market risk	Relevant credit exposures - Securitisation positions in the non-trading book				
010	Breakdown by country:							
	Austria	312,173	-	-	312,173	3,902,164	0.05%	0.00%
	Canada	1,852,322	-	-	1,852,322	23,154,021	0.30%	0.00%
	Czech Republic	536,156	-	-	536,156	6,701,945	0.09%	1.25%
	Finland	1,130,137	-	-	1,130,137	14,126,710	0.19%	0.00%
	France	3,781,914	-	-	3,781,914	47,273,927	0.62%	1.00%
	Germany	547,622	-	-	547,622	6,845,276	0.09%	0.75%
	Iceland	1,142,304	-	-	1,142,304	14,278,804	0.19%	2.50%
	Ireland	1,454,541	-	-	1,454,541	18,181,763	0.24%	1.50%
	Italy	5,385	-	-	5,385	67,307	0.00%	0.00%
	Libya	243	-	-	243	3,037	0.00%	0.00%
	Luxembourg	7,583,449	-	-	7,583,449	94,793,108	1.25%	0.50%
	Malta	486,230,022	-	-	486,230,022	6,077,875,274	79.92%	0.00%
	Netherlands	5,002,996	-	-	5,002,996	62,537,446	0.82%	0.00%
	Norway	600,789	-	-	600,789	7,509,861	0.10%	2.50%
	Poland	677,423	-	-	677,423	8,467,784	0.11%	1.00%
	Portugal	1,579	-	-	1,579	19,733	0.00%	0.00%
	Qatar	3,514	-	-	3,514	43,927	0.00%	0.00%
	Spain	3,433,992	-	-	3,433,992		0.56%	0.50%
	Switzerland	474,957	-	-	474,957		0.08%	0.00%
	United Kingdom	89,899,827	-	-	89,899,827		14.78%	2.00%
	United States	3,700,968	-	-	3,700,968	46,262,102	0.61%	0.00%
020	Total	608,372,311	-	-	608,372,311	7,604,653,891	100.00%	

EU CCyB2: Amount of institution-specific countercyclical capital buffer

		a
1	Total risk exposure amount	646,645,007
2	Institution specific countercyclical capital buffer rate	0.32%
3	Institution specific countercyclical capital buffer requirement	2,098,059

8. CAPITAL MANAGEMENT AND REQUIREMENTS

8.1 Capital management, Internal Capital Adequacy Assessment Process and Internal Liquidity Adequacy Assessment Process

(Article 438 CRR and Article 438 (a) and (c) & Article 451a CRR – Tables EU OVC and EU LIQA)

Table EU OVC provides qualitative information related to the Internal Capital Adequacy Assessment Process (ICAAP) as part of the Pillar 3 disclosures. It outlines the institution’s approach to assessing the adequacy of the internal capital.

Table EU OVC - ICAAP information

	<p><u>Approach to assessing the adequacy of the internal capital</u></p> <p>It is the Bank’s policy to actively manage its capital base to cover inherent risks in the business and at the same time to support the development of the business, to maximise shareholders’ value and to meet all the regulatory requirements. Capital management policy is monitored by the Executive Committee and the ALCO.</p> <p>Accordingly, the purpose of the Bank’s capital management is essentially to ensure an efficient use of capital, taking cognisance of the Bank’s risk appetite and profile as well as its objectives for business development. The Bank is a licensed credit institution and must therefore comply with the capital requirements under the relevant laws and regulations. During the years ended 31 December 2025 and 2024, the Bank complied with the imposed regulatory capital requirements.</p> <p>The Bank’s minimum Pillar 1 capital requirements excluding buffer requirements are:</p> <ul style="list-style-type: none"> • CET1 ratio of 4.5%. • Capital Adequacy Ratio (CAR) of 8%. <p>(a) Pillar 1 capital requirements are based on standard rules which state the minimum Own Funds requirements to cover credit risk, market risk and operational risk. The Bank uses the Standardised Approach to calculate credit risk, the Basic Indicator Approach for operational risk and the Standardised Approach with respect to market risk.</p> <p>As part of its risk management process the Bank performs an assessment of risks not adequately covered under Pillar 1 of the CRR, with a view to anticipate Pillar 2 requirements. This process is referred to as the ICAAP and ILAAP process. The Bank’s ICAAP and ILAAP process is compliant with requirements emanating from MFSA Banking Rule BR/12 and various guidelines emanating from the European Central Bank and the European Banking Authority.</p> <p>The ICAAP and ILAAP are vital components of the Bank’s Risk Management Framework, supporting the strategic goal of aligning the Bank’s business plan with adequate capital and liquidity. Through these assessments, the Bank identifies and evaluates key risks, assesses their potential impact on capital adequacy and financial stability, and defines its risk appetite in line with strategic objectives. The processes guide capital and liquidity allocation, inform risk-taking decisions, and ensure that risk management remains closely integrated with business planning.</p> <p>The integrated ICAAP and ILAAP document is prepared annually, or more frequently as may be deemed necessary, under the coordination of the Chief Risk Officer, with support from the Risk Function and contribution from other areas, including Finance, Treasury, and Financial Crime Compliance Functions.</p>
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	<p>Stress and scenario testing are key parts of the ICAAP and ILAAP and assess the Bank’s capital and liquidity resilience under stress. Stress and scenario testing complement other analyses by offering a forward-looking risk approach, supporting budgeting and planning, and guiding mitigation and contingency strategies. The ICAAP stress testing results are subsequently benchmarked against both internal risk appetite tolerance limits and regulatory requirements.</p> <p>ICAAP and ILAAP reporting is subject to Executive Committee, Risk and Compliance Committee and Board approval and submitted to the regulator. Additionally, all assumptions and methodologies used in the ICAAP and ILAAP are subject to internal validation by the Bank’s Internal Audit Function.</p> <p>ICAAP and ILAAP reporting is carried out in addition to regular risk reporting. The Risk and Compliance Committee plays a key role by advising the Board on capital and liquidity adequacy assessments and endorsing related risk disclosures in the annual report. Regulatory risk reporting is also conducted regularly through ICAAP, ILAAP, and the Recovery Plan.</p> <p>The Bank’s Board of Directors is confident that all material risks applicable to the period under review were identified and assessed as part of the ICAAP and ILAAP process.</p>
(b)	<p><u>Upon demand from the relevant competent authority, the result of the institution’s internal capital adequacy assessment process</u></p> <p>After obtaining Board approval, the outcome of the institution’s internal capital adequacy assessment process is submitted to the Regulator in accordance with the prescribed timelines. There is no requirement from the competent authority for further information under this disclosure.</p>

8.2 Capital requirements

(Article 438 (d) CRR – Table EU OVI)

Capital requirements represent the amount of capital resources that a bank must allocate against risk. The Bank uses the following methods to calculate the capital charge for each risk:

- Credit risk: the Bank uses the standardised approach to calculate its capital requirements for credit risk. To calculate the risk-weighted exposure amounts, risk weights are applied based on the exposure class and the related credit quality.
- Market risk: the Bank has adopted the Standardised Approach to determine its market/ foreign exchange risk requirement in accordance with Article 325 of the CRR.
- Operational risk: the Bank calculates its capital requirement for operational risk using the Business Indicator Approach in terms of Article 313 of the CRR on the average interest, leases and dividend component over the past three years.

As at 31 December 2025, the Bank is not exposed to other risks calculated in terms of Article 92(3) of the CRR, as highlighted in Table EU OVI below.

EU OV1: Overview of risk weighted exposure amounts

		Total risk exposure amounts (TREA)		Total own funds requirements
		a	b	c
		31-Dec-25	31-Dec-24	31-Dec-25
1	Credit risk (excluding CCR)	587,771,769	656,513,887	47,021,742
2	Of which the standardised approach	587,771,769	656,513,887	47,021,742
3	Of which the Foundation IRB (F-IRB) approach	-	-	-
4	Of which slotting approach	-	-	-
EU 4a	Of which equities under the simple risk weighted approach	-	-	-
5	Of which the Advanced IRB (A-IRB) approach	-	-	-
6	Counterparty credit risk - CCR	4,268,900	-	341,512
7	Of which the standardised approach	-	-	-
8	Of which internal model method (IMM)	-	-	-
EU 8a	Of which exposures to a CCP	-	-	-
9	Of which other CCR	4,268,900	-	341,512
10	Credit valuation adjustments risk - CVA risk	-	-	-
EU 10a	Of which the standardised approach (SA)	-	-	-
EU 10b	Of which the basic approach (F-BA and R-BA)	-	-	-
EU 10c	Of which the simplified approach	-	-	-
11	Not applicable			
12	Not applicable			
13	Not applicable			
14	Not applicable			
15	Settlement risk	-	-	-
16	Securitisation exposures in the non-trading book (after the cap)	-	-	-
17	Of which SEC-IRBA approach	-	-	-
18	Of which SEC-ERBA (including IAA)	-	-	-
19	Of which SEC-SA approach	-	-	-
EU 19a	Of which 1250% / deduction	-	-	-
20	Position, foreign exchange and commodities risks (Market risk)	4,452,315	1,137	356,185
21	Of which the Alternative standardised approach (A-SA)	-	-	-
EU 21a	Of which the Simplified standardised approach (S-SA)	4,452,315	1,137	356,185
22	Of which the Alternative Internal Models Approach (A-IMA)	-	-	-
EU 22a	Large exposures	-	-	-
23	Reclassifications between trading and non-trading books	-	-	-
24	Operational risk	50,152,022	58,478,855	4,012,162
EU 24a	Exposures to crypto-assets	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
26	Output floor applied (%)	-	-	-
27	Floor adjustment (before application of transitional cap)	-	-	-
28	Floor adjustment (after application of transitional cap)	-	-	-
29	Total	646,645,007	714,993,879	51,731,601

9. UNENCUMBERED ASSETS

(Article 443 CRR – Tables EU AE1, AE2, AE3 and AE4)

Row number	Qualitative information - Free format
(a)	<p><i>General narrative information on asset encumbrance</i></p> <p>The disclosure on asset encumbrance emanates from Banking Rule 07 transposing the provisions of the EBA Guidelines on Disclosure of Encumbered and Unencumbered Assets (EBA/GL/2014/03).</p> <p>The objective of this disclosure is to facilitate an understanding of available and unrestricted assets that could be used to support potential future funding and collateral needs. An asset is deemed to be encumbered when it is pledged as collateral in respect of an existing liability and consequentially is rendered out of reach to the Bank. The Bank is not able to sell encumbered assets or pledge them as collateral to raise funds.</p>
(b)	<p><i>Narrative information on the impact of the business model on assets encumbrance and the importance of encumbrance to the institution's business model, which provides users with the context of the disclosures required in Template EU AE1 and EU AE2.</i></p> <p>The Bank maintains a prudent level of encumbrance relative to its balance sheet size and liquidity profile. Encumbrance is monitored in order to maintain a robust pool of unencumbered, high-quality liquid assets, preserving flexibility to respond to stress scenarios or funding needs. Encumbrance is carefully aligned with the Bank's strategic objectives and regulatory obligations, and does not materially constrain its funding or liquidity management capabilities.</p>

EU AE1: Encumbered and unencumbered assets

		Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
			of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
		010	030	040	050	060	080	090	100
010	Assets of the disclosing institution	20,015,262	-			1,359,015,492	104,092,909		
030	Equity instruments	-	-	-	-	435,729	-	-	-
040	Debt securities	3,357,497	-	4,047,043	-	162,777,814	104,092,909	102,992,009	99,954,534
050	of which: covered bonds	-	-	-	-	8,621,621	8,621,621	8,533,040	7,040,870
060	of which: securitisations	-	-	-	-	-	-	-	-
070	of which: issued by general governments	3,357,497	-	4,047,043	-	76,195,980	81,992,501	81,185,198	81,666,763
080	of which: issued by financial corporations	-	-	-	-	83,168,831	16,321,690	16,116,787	14,624,617
090	of which: issued by non-financial corporations	-	-	-	-	3,391,338	6,088,571	6,004,601	4,444,589
120	Other assets	16,847,674	-			1,204,312,370	-		

EU AE2: Collateral received and own debt securities issued

	Fair value of encumbered collateral received or own debt securities issued	Unencumbered			
		Fair value of collateral received or own debt securities available for encumbrance	of which EHQLA and HQLA		
	010	030	040	060	
130	Collateral received by the disclosing institution	-	-	-	-
140	Loans on demand	-	-	-	-
150	Equity instruments	-	-	-	-
160	Debt securities	-	-	-	-
170	of which: covered bonds	-	-	-	-
180	of which: securitisations	-	-	-	-
190	of which: issued by general governments	-	-	-	-
200	of which: issued by financial corporations	-	-	-	-
210	of which: issued by non-financial corporations	-	-	-	-
220	Loans and advances other than loans on demand	-	-	-	-
230	Other collateral received	-	-	-	-
240	Own debt securities issued other than own covered bonds or securitisations	-	-	-	-
241	Own covered bonds and securitisations issued and not yet pledged	-	-	-	-
250	TOTAL COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED	20,015,263	-	-	-

Table EU AE3: Sources of encumbrance is not being disclosed as it is not applicable to the Bank as at 31 December 2025.

10. LEVERAGE

(Article 451(1) (a) to (e) CRR – Tables EU LR1, EU LR2, EU LR3 and EU LRA)

Table EU LRA provides qualitative disclosures related to the Leverage Ratio (LR) as part of the Pillar 3 framework. It presents information on the institution's policies, methodologies, and governance arrangements for calculating and managing the leverage ratio.

Table EU LRA - Disclosure of LR qualitative information

(a)	<p><u>Description of the processes used to manage the risk of excessive leverage.</u></p> <p>The leverage ratio is measured by comparing the amount of capital the institution has with its total assets. The Leverage Ratio (LR) measures the relationship between the Bank's capital and its total exposure. The minimum LR requirement of 3% is aimed at preventing build-up of excessive leverage.</p> <p>The Bank's leverage ratio workings as at 31 December 2025 are reproduced hereunder, which highlights the significant buffer above the 3% minimum requirement.</p> <p>The ICAAP and ILAAP constitute critical components of the Bank's Risk Management Framework, underpinning the strategic objective of aligning the Bank's business plan with appropriate capital and liquidity levels. Through these comprehensive assessments, the Bank systematically identifies and evaluates key risks, quantifies their potential impact on capital adequacy and financial stability, and defines its risk appetite in accordance with its strategic priorities. These processes facilitate prudent allocation of capital and liquidity, guide risk-taking decisions, and ensure the seamless integration of risk management with business planning.</p> <p>For more granular details regarding the ICAAP and ILAAP can be found in the Table EU OVC of this report.</p>
(b)	<p><u>Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers.</u></p> <p>The leverage ratio fluctuated throughout the year as a result of movement in both the Tier 1 capital and total assets of the Bank.</p>

Article 451 of the CRR obliges financial institutions to disclose information on the leverage ratio of the institution. For the purposes of the LR, capital is defined as Tier 1 capital in line with article 25 of the CRR, whilst total exposure relates to the total on and off-balance sheet exposures, less deductions applied to Tier 1 capital.

The Bank's leverage ratio workings as at 31 December 2025 are reproduced hereunder, which highlights the significant buffer above the 3% minimum requirement.

EU LR1: LRSum - Summary reconciliation of accounting assets and leverage ratio exposures

		a
		Applicable amount
1	Total assets as per published financial statements	1,368,759,551
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	-
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for temporary exemption of exposures to central bank (if applicable))	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with point (i) of point (i) of Article 429a(1) CRR)	-

6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustments for derivative financial instruments	6,349,313
9	Adjustment for securities financing transactions (SFTs)	-
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	90,455,743
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
EU - 11a	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-
EU - 11b	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
12	Other adjustments	(20,403,386)
13	Leverage ratio total exposure measure	1,445,161,220

EU LR2: LRCom - Leverage ratio common disclosure

		CRR leverage ratio exposures	
		a	b
		31 Dec 2024	31 Dec 2024
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	1,353,882,296	1,375,597,124
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-	-
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	(5,646,165)	(3,155,426)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	1,348,236,131	1,372,441,698
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	-	-
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	-	-
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-
EU-9b	Exposure determined under Original Exposure Method	6,469,347	3,265,449
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original exposure method)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	Total derivatives exposures	6,469,347	3,265,449
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	-	-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	-	-
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	Total securities financing transaction exposures	-	-
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	90,455,743	37,597,928
20	(Adjustments for conversion to credit equivalent amounts)	-	-
21	(General provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	-	-
22	Off-balance sheet exposures	90,455,743	37,597,928
Excluded exposures			
EU-22a	(Exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	-
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a (1) CRR (on and off balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks - Public sector investments)	-	-
EU-22d	(Excluded promotional loans of public development banks: - Promotional loans granted by a public development credit institution)	-	-

	- Promotional loans granted by an entity directly set up by the central government, regional governments or local authorities of a Member State - Promotional loans granted by an entity set up by the central government, regional governments or local authorities of a Member State through an intermediate credit institution)		
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units): - Promotional loans granted by a public development credit institution - Promotional loans granted by an entity directly set up by the central government, regional governments or local authorities of a Member State - Promotional loans granted by an entity set up by the central government, regional governments or local authorities of a Member State through an intermediate credit institution)	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	-	-
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	(Total exempted exposures)	-	-
Capital and total exposure measure			
23	Tier 1 capital	99,334,140	104,101,854
24	Leverage ratio total exposure measure	1,445,161,220	1,413,305,074
Leverage ratio			
25	Leverage ratio	6.87%	7.37%
EU-25	Leverage ratio (without the adjustment due to excluded exposures of public development banks - Public sector investments) (%)	6.87%	7.37%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	6.87%	7.37%
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
EU-26	Additional leverage ratio requirements (%)	0.00%	0.00%
27	Required leverage buffer (%)	0.00%	0.00%
Choice on transitional arrangements and relevant exposures			
EU-27	Choice on transitional arrangements for the definition of the capital measure		
Disclosure of mean values			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	-	-
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
30	Total exposures (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	1,445,161,220	1,413,305,074
30a	Total exposures (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	1,445,161,220	1,413,305,074
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6.87%	7.37%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6.87%	7.37%

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

		a
		CRR leverage ratio exposures
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	1,353,882,296
EU-2	Trading book exposures	-
EU-3	Banking book exposures, of which:	1,353,882,296
EU-4	Covered bonds	9,039,978
EU-5	Exposures treated as sovereigns	182,603,434
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	488,928

EU-7	Institutions	85,813,870
EU-8	Secured by mortgages of immovable properties	973,205,593
EU-9	Retail exposures	26,833,536
EU-10	Corporates	24,090,875
EU-11	Exposures in default	13,153,079
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	38,653,003

11. LIQUIDITY RISK

Liquidity risk may result from the Bank's inability to meet its obligations when they fall due because of customer deposits being withdrawn, cash requirements from contractual commitments, or other cash outflows, as well as the inability to sell a financial asset quickly at close to its fair value.

11.1 Liquidity Coverage Ratio

(Article 451a(2) CRR – Table EU LIQ1)

The LCR metric is designed to promote the short-term resilience of a bank's liquidity profile, and became a minimum regulatory standard from 1 October 2015, under European Commission ('EC') Delegated Regulation 2015/61. It aims to ensure that a bank has sufficient unencumbered high-quality liquid assets ('HQLA') to meet its liquidity needs in a 30-calendar-day liquidity stress scenario. HQLA consist of cash or assets that can be converted into cash at little or no loss of value in markets.

The LCR ratio as at 31 December 2025 as calculated by the Bank was 181.7% (2024: 213.3¹%) and is calculated as per Table EU LIQ1 below.

EU LIQ1 - Quantitative information of LCR

		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on (DD Month YYYY)	31 Dec 2025	30 Sep 2025	30 Jun 2025	31 Mar 2025	31 Dec 2025	30 Sep 2025	30 Jun 2025	31 Mar 2025
EU 1b	Number of data points used in the calculation of averages								
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					182,389,633	184,405,650	174,264,345	164,319,483
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	544,519,166	515,188,241	485,376,696	469,574,509	51,726,917	49,272,058	46,686,166	45,287,268
3	<i>Stable deposits</i>	100,572,627	88,845,568	78,882,108	75,594,095	5,028,631	4,442,278	3,944,105	3,779,705
4	<i>Less stable deposits</i>	443,946,540	426,342,672	406,494,587	393,980,413	46,698,286	44,829,779	42,742,060	41,507,563
5	Unsecured wholesale funding	112,707,436	105,465,407	105,811,883	92,223,323	48,866,721	45,596,335	45,423,567	39,907,758
6	<i>Operational deposits (all counterparties) and deposits in networks of cooperative banks</i>	-	-	-	-	-	-	-	-
7	<i>Non-operational deposits (all counterparties)</i>	112,707,436	105,465,407	105,811,883	92,223,323	48,866,721	45,596,335	45,423,567	39,907,758
8	<i>Unsecured debt</i>	-	-	-	-	-	-	-	-
9	<i>Secured wholesale funding</i>					-	-	-	-

¹ During the first six months of 2024, the Bank conducted a reassessment of the Liquidity Coverage Ratio (LCR), specifically on the treatment of end-of-day placements with the Central Bank of Malta. As a result of this assessment, the Bank concluded that such funds should be treated as high-quality liquid assets, rather than liquidity inflows, as prescribed under the LCR Delegated Act.

10	Additional requirements	-	-	-	-	-	-	-	-
11	<i>Outflows related to derivative exposures and other collateral requirements</i>	-	-	-	-	-	-	-	-
12	<i>Outflows related to loss of funding on debt products</i>	-	-	-	-	-	-	-	-
13	<i>Credit and liquidity facilities</i>	-	-	-	-	-	-	-	-
14	Other contractual funding obligations	2,569,828	2,723,883	2,391,674	2,151,375	-	-	-	-
15	Other contingent funding obligations	206,787,242	210,231,927	209,055,053	212,798,000	11,373,865	11,399,037	11,555,923	11,081,877
16	TOTAL CASH OUTFLOWS					111,967,503	106,267,429	103,665,656	96,276,903
CASH – INFLOWS									
17	Secured lending (e.g. reverse repos)	-	-	-	-	-	-	-	-
18	Inflows from fully performing exposures	23,168,592	17,633,283	12,871,449	10,978,560	15,177,687	12,357,265	9,433,125	8,956,551
19	Other cash inflows (Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)	31,364,406	31,576,782	32,862,660	33,924,131	6,272,881	6,315,356	6,608,319	6,927,822
EU-19a						-	-	-	-
EU-19b	(Excess inflows from a related specialised credit institution)					-	-	-	-
20	TOTAL CASH INFLOWS	54,532,998	49,210,065	45,734,109	44,902,691	21,450,568	18,672,622	16,041,445	15,884,374
EU-20a	<i>Fully exempt inflows</i>	-	-	-	-	-	-	-	-
EU-20b	<i>Inflows subject to 90% cap</i>	-	-	-	-	-	-	-	-
EU-20c	<i>Inflows subject to 75% cap</i>	-	-	-	-	-	-	-	-
TOTAL ADJUSTED VALUE									
EU-21	LIQUIDITY BUFFER					182,389,633	184,405,650	174,264,345	164,319,483
22	TOTAL NET CASH OUTFLOWS					90,516,935	87,594,808	87,624,211	80,392,529
23	LIQUIDITY COVERAGE RATIO					203%	212%	199%	205%

11.2 Net stable funding ratio

(Article 451a(3) CRR – Table EU LIQ2)

The NSFR requires institutions to maintain sufficient stable funding relative to required stable funding, and reflects a bank's long-term funding profile (funding with a term of more than a year). It is designed to complement the LCR. The NSFR methodology is calculated in line with the amendments of the Capital Requirements Regulation (EU) No 575/2013 (CRR II) with effect from 28 June 2021.

The NSFR ratio as at 31 December 2025 as calculated by the Bank was 138.14% (2024: 141.39%) and calculated as per EU LIQ2 below. During the years ended 31 December 2025 and 2024 the NSFR was within both the regulatory minimum and the risk appetite set by the Bank.

EU LIQ2: Net Stable Funding Ratio

31 December 2025		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	104,980,305	-	-	20,000,000	124,980,305
2	<i>Own funds</i>	104,980,305	-	-	20,000,000	124,980,305
3	<i>Other capital instruments</i>					
4	Retail deposits		658,391,829	112,343,620	66,204,852	778,619,870
5	<i>Stable deposits</i>		265,272,257	109,790,006	58,328,540	414,637,691
6	<i>Less stable deposits</i>		393,119,572	2,553,614	7,876,312	363,982,179
7	Wholesale funding:		265,211,696	93,808,652	19,835,206	191,764,566
8	<i>Operational deposits</i>		-	-	-	-
9	<i>Other wholesale funding</i>		265,211,696	93,808,652	19,835,206	191,764,566

10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	432,435	-	-	43,940,356	-
12	<i>NSFR derivative liabilities</i>	432,435				
13	<i>All other liabilities and capital instruments not included in the above categories</i>		-	-	43,940,356	-
14	Total available stable funding (ASF)					1,095,364,741
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					4,859,863
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		16,483,708	-	-	8,241,854
17	Performing loans and securities:		153,408,884	55,729,204	890,249,510	727,167,617
18	<i>Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut</i>		129	129	6,494	6,558
19	<i>Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions</i>		30,119,135	3,863,894	18,704,895	23,648,756
20	<i>Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:</i>		93,405,502	34,091,067	190,489,238	655,328,879
21	<i>With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk</i>		-	-	-	429,664,742
22	<i>Performing residential mortgages, of which:</i>		29,884,118	17,774,115	624,362,501	-
23	<i>With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk</i>		29,884,118	17,774,115	624,362,501	-
24	<i>Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products</i>		-	-	56,686,382	48,183,425
25	Interdependent assets		-	-	-	-
26	Other assets:		13,969,706	1,076,215	37,445,807	41,282,265
27	<i>Physical traded commodities</i>				-	-
28	<i>Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs</i>		-	-	-	-
29	<i>NSFR derivative assets</i>		120,034			120,034
30	<i>NSFR derivative liabilities before deduction of variation margin posted</i>		-			-
31	<i>All other assets not included in the above categories</i>		13,849,672	1,076,215	37,445,807	41,162,231
32	Off-balance sheet items		64,202,484	16,764,567	147,953,916	11,698,666
33	Total RSF					793,250,265
34	Net Stable Funding Ratio (%)					138.09%

30 September 2025		a	b	c	d	e
(in currency amount)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	103,414,575	-	-	123,414,575	123,414,575
2	<i>Own funds</i>	103,414,575	-	-	20,000,000	123,414,575
3	<i>Other capital instruments</i>		-	-	-	-
4	Retail deposits		674,322,943	146,233,967	28,759,277	790,288,389
5	<i>Stable deposits</i>		315,856,981	144,700,880	20,781,157	458,311,125
6	<i>Less stable deposits</i>		358,465,962	1,533,087	7,978,120	331,977,265

7	Wholesale funding:		361,263,521	24,664,250	1,785,174	180,324,531
8	<i>Operational deposits</i>		10,712,470	-	-	5,356,235
9	<i>Other wholesale funding</i>		350,551,052	24,664,250	1,785,174	174,968,296
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	20,312	-	-	53,265,437	-
12	<i>NSFR derivative liabilities</i>	20,312				
13	<i>All other liabilities and capital instruments not included in the above categories</i>		-	-	53,265,437	-
14	Total available stable funding (ASF)					1,094,027,495
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HOLA)					4,864,052
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		2,234,747	-	-	1,117,374
17	Performing loans and securities:		156,415,592	61,568,531	904,946,261	742,125,769
18	<i>Performing securities financing transactions with financial customers collateralised by Level 1 HOLA subject to 0% haircut</i>		20,532	169	8,973	9,058
19	<i>Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions</i>		26,740,030	3,383,303	19,246,425	23,612,079
20	<i>Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:</i>		91,906,835	34,981,476	187,479,548	670,098,762
21	<i>With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk</i>		-	-	-	447,296,991
22	<i>Performing residential mortgages, of which:</i>		37,748,196	23,203,583	641,263,233	-
23	<i>With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk</i>		37,748,196	23,203,583	641,263,233	-
24	<i>Other loans and securities that are not in default and do not qualify as HOLA, including exchange-traded equities and trade finance on-balance sheet products</i>		-	-	56,948,082	48,405,870
25	Interdependent assets		-	-	-	-
26	Other assets:		14,746,934	1,041,363	66,135,946	70,406,643
27	<i>Physical traded commodities</i>				-	-
28	<i>Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs</i>		-	-	-	-
29	<i>NSFR derivative assets</i>		1,105,394			1,105,394
30	<i>NSFR derivative liabilities before deduction of variation margin posted</i>		-			-
31	<i>All other assets not included in the above categories</i>		13,641,540	1,041,363	66,135,946	69,301,249
32	Off-balance sheet items		70,007,179	13,674,190	135,762,497	11,250,076
33	Total RSF					829,763,913
34	Net Stable Funding Ratio (%)					131.85%

30 June 2025		a	b	c	d	e
(in currency amount)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and Instruments	105,999,898	-	-	125,999,898	125,999,898
2	<i>Own funds</i>	105,999,898	-	-	20,000,000	125,999,898
3	<i>Other capital instruments</i>		-	-	-	-
4	Retail deposits	694,319,332	194,214,640	55,709,589	879,796,469	
5	<i>Stable deposits</i>		296,011,264	192,114,824	47,470,556	511,190,340
6	<i>Less stable deposits</i>		398,308,069	2,099,816	8,239,033	368,606,129

7	Wholesale funding:		278,097,249	27,387,285	1,351,052	148,829,107
8	<i>Operational deposits</i>		<i>12,854,751</i>	-	-	<i>6,427,376</i>
9	<i>Other wholesale funding</i>		<i>265,242,498</i>	<i>27,387,285</i>	<i>1,351,052</i>	<i>142,401,731</i>
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	50,058	-	-	55,013,208	-
12	<i>NSFR derivative liabilities</i>	<i>50,058</i>				
13	<i>All other liabilities and capital instruments not included in the above categories</i>		-	-	<i>55,013,208</i>	-
14	Total available stable funding (ASF)					1,154,625,474
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HOLA)					5,715,143
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		2,980,132	-	-	1,490,066
17	Performing loans and securities:		142,503,341	906,575,727	-	738,812,473
18	<i>Performing securities financing transactions with financial customers collateralised by Level 1 HOLA subject to 0% haircut</i>		<i>20,200</i>	<i>126</i>	<i>6,524</i>	<i>6,587</i>
19	<i>Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions</i>		<i>23,551,601</i>	<i>2,909,488</i>	<i>18,487,081</i>	<i>22,296,985</i>
20	<i>Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:</i>		<i>91,744,996</i>	<i>43,323,875</i>	<i>189,681,894</i>	<i>670,451,283</i>
21	<i>With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk</i>		-	-	-	<i>441,687,238</i>
22	<i>Performing residential mortgages, of which:</i>		<i>27,186,545</i>	<i>18,708,698</i>	<i>644,214,795</i>	-
23	<i>With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk</i>		<i>27,186,545</i>	<i>18,708,698</i>	<i>644,214,795</i>	-
24	<i>Other loans and securities that are not in default and do not qualify as HOLA, including exchange-traded equities and trade finance on-balance sheet products</i>		-	-	<i>54,185,434</i>	<i>46,057,619</i>
25	Interdependent assets		-	-	-	-
26	Other assets:		15,851,095	934,534	64,177,516	69,824,501
27	<i>Physical traded commodities</i>				-	-
28	<i>Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs</i>		-	-	-	-
29	<i>NSFR derivative assets</i>		<i>2,564,913</i>			<i>2,564,913</i>
30	<i>NSFR derivative liabilities before deduction of variation margin posted</i>		-			-
31	<i>All other assets not included in the above categories</i>		<i>13,286,182</i>	<i>934,534</i>	<i>64,177,516</i>	<i>67,259,589</i>
32	Off-balance sheet items		72,292,968	14,863,164	131,860,079	13,177,650
33	Total RSF					829,019,834
34	Net Stable Funding Ratio (%)					139.28%

31 Mar 2025		a	b	c	d	e
(in currency amount)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	105,634,851	-	-	125,634,851	125,634,851
2	<i>Own funds</i>	<i>105,634,851</i>	-	-	<i>20,000,000</i>	<i>125,634,851</i>
3	<i>Other capital instruments</i>		-	-	-	-
4	Retail deposits	494,726,541	-	-	476,845,096	925,324,223
5	<i>Stable deposits</i>	<i>64,504,815</i>	-	-	<i>470,838,137</i>	<i>532,117,712</i>
6	<i>Less stable deposits</i>	<i>430,221,725</i>	-	-	<i>6,006,959</i>	<i>393,206,511</i>
7	Wholesale funding:	178,070,242	42,188,156	3,119,298	108,246,066	108,246,066

8	Operational deposits		765,967	-	-	382,984
9	Other wholesale funding		177,304,275	42,188,156	3,119,298	107,863,082
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	195,800	-	-	44,126,630	-
12	NSFR derivative liabilities	195,800				
13	All other liabilities and capital instruments not included in the above categories		-	-	44,126,630	-
14	Total available stable funding (ASF)					1,159,205,140
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HOLA)					6,015,477
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		1,745,789	-	-	872,895
17	Performing loans and securities:		132,513,462	927,436,947	-	752,859,350
18	Performing securities financing transactions with financial customers collateralised by Level 1 HOLA subject to 0% haircut		22,333	397	22,650	22,848
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		23,953,885	2,720,580	19,520,220	23,275,899
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		83,413,093	46,210,905	184,693,416	661,774,970
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		-	-	-	439,973,567
22	Performing residential mortgages, of which:		25,124,151	18,334,269	643,452,858	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		25,124,151	18,334,269	643,452,858	-
24	Other loans and securities that are not in default and do not qualify as HOLA, including exchange-traded equities and trade finance on-balance sheet products		-	-	79,747,804	67,785,633
25	Interdependent assets		-	-	-	-
26	Other assets:		13,796,074	855,478	57,712,254	61,687,374
27	Physical traded commodities				-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	-	-
29	NSFR derivative assets		614,486			614,486
30	NSFR derivative liabilities before deduction of variation margin posted		-			-
31	All other assets not included in the above categories		13,181,588	855,478	57,712,254	61,072,888
32	Off-balance sheet items		161,323,469	20,162,627	26,471,093	13,253,741
33	Total RSF					834,688,838
34	Net Stable Funding Ratio (%)					138.88%

The Treasury Department monitors the NSFR on a regular basis. NSFR change recorded over the year predominantly reflects an increase in retail deposit base, which offset a decrease in deposits raised via deposit platforms.

12. REMUNERATION POLICY AND PRACTICES

(Article 450 – Tables EU REMA, EU REM1, EU REM2, EU REM3 and EU REM5)

In terms of Article 450 of the CRR, institutions are required to disclose information on the Bank's remuneration policy and practices of those staff whose professional activities have a material impact on its risk profile.

EU REMA – Remuneration Policy

(a)	<p><i>Information relating to the bodies that oversee remuneration.</i></p> <p>The Compensation and Nominations Committee is composed of Non-Executive Directors of the Bank and is tasked mainly with:</p> <ul style="list-style-type: none"> • Identifying and recommending, for the approval of the Board or for the approval of the general meeting, candidates to fill vacancies of Directors, evaluate the balance of knowledge, skills, diversity and experience of the Board and prepare a description of the roles and capabilities for a particular appointment, and assess the time commitment expected. • Determine a target for the representation of the underrepresented gender in the Board and prepare a policy on how to increase the number of the underrepresented gender in the Board in order to meet that target. • On an annual basis assesses the structure, size, composition and performance of the Board and make recommendations to the Board with regard to any changes. • On an annual basis assess the knowledge, skills and experience of individual Directors sitting on the Board and of the Board collectively, and report thereon to the Board. • Periodically review the policy of the Board for the selection and appointment of Senior Management and make recommendations to the Board. • Make proposals to the Board on the remuneration policy for Directors and Senior Management. • Make proposals to the Board on the individual remuneration to be attributed to executive Directors, ensuring that they are consistent with the remuneration policy adopted by the Company and the evaluation of the performance of the Directors concerned • Monitor the level and structure of remuneration of the Non-Executive Directors on the basis of adequate information provided by the executive or managing Directors <p>During 2025, the Committee met three times.</p> <p>The Board has a Board Diversity Policy with regards to the selection of the members of the Board of Directors. The Committee shall annually review the Board's suitability matrix to determine the members' individual and collective suitability and the Board's overall effectiveness. It will discuss key skills and experience needed for future strategic direction, identifying any skill gaps and addressing them by appointing additional directors if necessary. The Committee will also review the membership and composition of the Board and its committees during this annual exercise.</p> <p>The Bank values a diverse Board as key to maintaining competitiveness and fostering a range of perspectives for independent opinions and sound decisions. These differences will guide the Board composition and, when possible, be appropriately balanced. All Board appointments are made on merit, in the context of the skills, experience, and knowledge which the Board requires to be effective.</p> <p>In this respect, the Board of Directors shall be composed of Board Members who hail from diverse educational backgrounds, with different skills and with professional and industry experience which is relevant to the business carried out by the Bank. The Board shall also enjoy diversity through the Board Members' age, gender, ethnicity, education, tenure, independence and diversity of thought.</p> <p>The Compensation and Nomination Committee reviews and assesses Board composition on behalf of the Board and recommends the appointment of new Board Members. The Committee reports annually in the corporate</p>
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	<p>governance section of the Bank’s Annual Report on the Board Diversity Policy and the measurable objectives set by the Board including any progress made towards achieving those objectives.</p> <p>It is the opinion of the Board of Directors that the diversity objectives set in the Board Diversity Policy are met.</p>												
(b)	<p><i>Information relating to the design and structure of the remuneration system for identified staff</i></p> <p>BNF Bank p.l.c. remunerates employees through a system of:</p> <ul style="list-style-type: none"> • Fixed Pay for full-time and part-time salaried employees, within a published pay structure and dependant on employee’s skills, experience and level of responsibility; • Fees are payable to non-executive directors in line with the time and effort committed to the institution and industry practice; • Benefits in kind are offered to the employees in the form of reduced fees, preferential interest rates and other benefits in line with industry practice; and • Annual Bonuses. 												
(c)	<p><i>Description of the ways in which current and future risks are taken into account in the remuneration processes. Disclosures shall include an overview of the key risks, their measurement and how these measures affect remuneration.</i></p> <p>The Bank’s remuneration practices are documented in its Remuneration policy. The policy approved by the Board of Directors and is subject to annual review. The Bank’s Remuneration Policy is drawn up in line with The Supervisory Review Process of Credit Institutions Authorised under the Banking Act, Banking Rule 12. . It primarily aims at helping the Bank attract, retain and motivate high calibre employees within the context of the market in which it operates, keeping in mind the interest of the Bank, the shareholders and all other stakeholders. The Bank also carries a set of rules and procedures for the appraisal of performance, which are updated from time to time in line with operational requirements/realities.</p>												
(d)	<p><i>The ratios between fixed and variable remuneration set in accordance with point (g) of Article 94(1) CRD.</i></p> <p>A material risk taker is defined as a member of staff whose professional activities have a significant impact on the risk profile of the Bank. This identification is based on both qualitative and quantitative criteria set out in the Regulatory Technical Standards (RTS) developed by the European Banking Authority (EBA). The Bank presently has seventeen MRTs who form part of Senior Management, this includes all the members of the Board of Directors, eleven in total, and all the members of the Bank’s Executive Management team, six in total.</p> <p>Remuneration payable to Senior Management and MRTs for the year was:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;">Senior Management</th> <th style="text-align: center;">MRTs</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Number of Employees</td> <td style="text-align: center;">17</td> <td style="text-align: center;">16</td> </tr> <tr> <td style="text-align: center;">Fixed</td> <td style="text-align: center;">€1,565,735</td> <td style="text-align: center;">€1,259,312</td> </tr> <tr> <td style="text-align: center;">Variable</td> <td style="text-align: center;">€405,450</td> <td style="text-align: center;">€165,906</td> </tr> </tbody> </table>		Senior Management	MRTs	Number of Employees	17	16	Fixed	€1,565,735	€1,259,312	Variable	€405,450	€165,906
	Senior Management	MRTs											
Number of Employees	17	16											
Fixed	€1,565,735	€1,259,312											
Variable	€405,450	€165,906											
(e)	<p><i>Description of the ways in which the institution seeks to link performance during a performance measurement period with levels of remuneration.</i></p>												

	<p>The Bank's performance related reward system does not guarantee the levels of variable performance pay-outs to employees. On a yearly basis, the Bank's Board of Directors approve a fund for bonuses and salary increases, which reflects the efforts and the results achieved by the Bank on its short and longer-term goals. This is then distributed among employees in accordance with the Performance Appraisal Policy and Procedures and the Bank's Remuneration Policy.</p>
(f)	<p><u>Description of the ways in which the institution seeks to adjust remuneration to take account of long-term performance.</u></p> <p>Kindly refer to (e) above.</p>
(g)	<p><u>The description of the main parameters and rationale for any variable components scheme and any other non-cash benefit in accordance with point (f) of Article 450(1) CRR.</u></p> <p>The strategy of the Bank is to offer low levels of variable compensation in comparison to the employee's fixed pay. This is intended to ensure that risks taken are within acceptable parameters and that employees follow the Bank's values and vision. Individual targets are set out in a way that encourage employees to achieve individual and group targets whilst improving personal skills and competencies. In view of the low proportion of performance related reward to fixed pay, it has hitherto not been the practice to apply deferred payment of such reward. Malus and clawback have not, to date, therefore been considered applicable.</p> <p>All variable remuneration was paid in cash and no shares, share linked instruments or similar instruments were used.</p> <p>The members of the Bank's Executive Committee and Heads of Department enjoy cash and non-cash benefits which in a number of cases includes the service of a company vehicle. All Bank employees benefit from life cover, health insurance and personal accident cover.</p> <p>None of the members of senior management or MRTs received remuneration in excess of €1 million, hence EU REM4 is not applicable to the Bank.</p>
(h)	<p><u>Upon demand from the relevant Member State or competent authority, the total remuneration for each member of the management body or senior management.</u></p> <p>Not applicable.</p>
(i)	<p><u>Information on whether the institution benefits from a derogation laid down in Article 94(3) CRD in accordance with point (k) of Article 450(1) CRR.</u></p> <p>Not applicable.</p>
(j)	<p><u>Large institutions shall disclose the quantitative information on the remuneration of their collective management body, differentiating between executive and non-executive members in accordance with Article 450(2) CRR.</u></p> <p>This section is not applicable to the Bank since the Bank is not classified as a large institution body under CRR.</p>

The following tables provide more quantitative remuneration disclosures in line with EBA requirements. Tables EU REM2, EU REM3 and EU REM4 are not being disclosed as these tables are not applicable to the Bank as at 31 December 2025.

EU REMI: Remuneration awarded for the financial year

		a	b	c	d	
		MB Supervisor y function	MB Managemen t function	Other senior managemen t	Other identified staff	
1	Fixed remuneratio n	Number of identified staff	11	6	-	15
2		Total fixed remuneration	513,000	1,052,735	-	1,259,312
3		Of which: cash-based	513,000	1,052,735	-	1,259,312
4		(Not applicable in the EU)				
EU-4a		Of which: shares or equivalent ownership interests	-	-	-	-
5		Of which: share-linked instruments or equivalent non-cash instruments	-	-	-	-
EU-5x		Of which: other instruments	-	-	-	-
6		(Not applicable in the EU)				
7		Of which: other forms	-	-	-	-
8	(Not applicable in the EU)					
9	Variable remuneratio n	Number of identified staff	11	6	-	15
10		Total variable remuneration	61,450	344,000	-	165,906
11		Of which: cash-based	61,450	344,000	-	165,906
12		Of which: deferred	-	-	-	-
EU-13a		Of which: shares or equivalent ownership interests	-	-	-	-
EU-14a		Of which: deferred	-	-	-	-
EU-13b		Of which: share-linked instruments or equivalent non-cash instruments	-	-	-	-
EU-14b		Of which: deferred	-	-	-	-
EU-14x		Of which: other instruments	-	-	-	-
EU-14y		Of which: deferred	-	-	-	-
15	Of which: other forms	-	-	-	-	
16	Of which: deferred	-	-	-	-	
17	Total remuneration (2 + 10)	574,450	1,396,735	-	1,425,218	

EU REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

		a	b	c	d	e	f	g	h	i	j
		Management body remuneration			Business areas						-
		MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
1	Total number of identified staff										32
2	Of which: members of the MB	11	6	17							
3	Of which: other senior management				-	-	-	-	-	-	
4	Of which: other identified staff				1	3	-	6	5	-	
5	Total remuneration of identified staff	574,450	1,396,735	1,971,185	81,327	379,773	-	519,101	445,017		
6	Of which: variable remuneration	61,450	344,000	405,450	5,000	63,152	-	62,860	34,894		
7	Of which: fixed remuneration	513,000	1,052,735	1,565,735	76,327	316,621	-	456,241	410,123		



