

# Disclosure Report as at 31 March 2022



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Due to rounding, numbers presented throughout this report may not add up precisely to the totals and percentages provided.

This report is a non-binding translation of the original German version of the Disclosure Report (Offenlegungsbericht).

## A Introduction and general principle

The objective of disclosure under the Capital Requirements Regulation (CRR) is to strengthen the market discipline of the institutions. For that reason, additional information on the risk profile will be provided for market participants, exceeding the information provided in the Annual Report.

As of 30 June 2021, the new disclosure requirements under Part 8 of the Amendment Regulation 2019/876/EU (CRR II) have come into force. The resulting new and amended disclosure requirements are taken into account in this disclosure report.

### Scope of application

Hamburg Commercial Bank AG is classified as a significant credit institution within the framework of the Single Supervisory Mechanism (SSM) and is directly supervised by the ECB. The consolidated balance sheet total amounts to more than € 30 bn. The bank is not classified as an Other Systemically Important Institution (O-SII) pursuant to Article 131(3) of Directive 2013/36/EU in conjunction with § 10g(2) KWG (German Banking Act).

Hamburg Commercial Bank AG is the superordinate credit institution (parent institution) within the Hamburg Commercial Bank Group. The disclosure according to Part 8 CRR is made pursuant to Article 13(1) CRR for the Hamburg Commercial Bank Group (hereinafter Hamburg Commercial Bank). The companies that belong to the Group within the meaning of § 10a KWG in conjunction with Article 11 CRR (regulatory scope of consolidation) must be taken into account. In contrast to this, the accounting scope of consolidation is to be seen in accordance with International Financial Reporting Standards (IFRS), as reflected in the Annual Report of Hamburg Commercial Bank Group.

In principle own funds and financial resources can be transferred within Hamburg Commercial Bank pursuant to Article 436 point (f) CRR. The feasibility can be restricted due to existing regulatory requirements or other legal obligations or restrictions. With regard to the capitalization of subsidiaries in which Hamburg Commercial Bank and other shareholders have an interest, the approval of co-shareholders and their committees is also required in the event of a change in equity capital or own funds. In the case of subsidiaries which are also institutions, changes in equity capital have to be coordinated with the relevant supervisory authorities.

There is no capital shortfall for subsidiaries within the meaning of Article 436 point (g) CRR. Capital shortfall is the amount which the actual capitalization is less than the regulatory capital required.

### Materiality, proprietary and confidentiality

Article 432(1) CRR allows institutions in principle to waive disclosure of one or more of the information referred to in Part 8 Title II CRR if it is not considered to

be material. Generally, Hamburg Commercial Bank meets all disclosure requirements without restrictions.

In addition, Article 432(2) CRR allows institutions to refrain from disclosing one or more of the items of information referred to in Part 8 Titles II and III CRR, if those items include information which is regarded as proprietary or confidential. Hamburg Commercial Bank has not made use of this option in this report.

### Frequency of disclosure

In accordance with Article 433a(1) point (a) CRR, Hamburg Commercial Bank publishes the information required under Part 8 CRR fully once a year as at 12/31.

As Hamburg Commercial Bank issues on a regulated market, the relief pursuant to Article 433a(2) CRR cannot be claimed.

On a semi-annual basis, the information referred to in Article 433a(1) point (b) CRR shall be disclosed.

On a quarterly basis, the information referred to in Article 433a(1) point (c) CRR shall be disclosed.

In this report, therefore, the requirements of Article 433a(1) point (c) CRR have to be fulfilled.

### Means of disclosures

The Disclosure Report is published on Hamburg Commercial Bank's website under "Investor Relations" in accordance with Article 434(1) CRR. The timing and medium of publication are communicated to the supervisory authorities.

### Non-relevance and negative declarations

In principle, Hamburg Commercial Bank discloses all information in accordance with Part 8 Titles II and III CRR. However, some of the requirements are not relevant and are therefore not disclosed. With the aim of clarity of disclosure, Hamburg Commercial Bank therefore explicitly lists a negative declaration for the information set out below:

- Hamburg Commercial Bank does not make use of Articles 7 and 9 CRR. Therefore, disclosure is not made in accordance with Article 436 point (h) CRR.
- The capital ratios are calculated exclusively using own funds calculated in accordance with CRR. Accordingly, there is no explanation under Article 437 point (f) CRR.
- The transitional provisions introducing IFRS 9 in accordance with Article 437a CRR are not used. Therefore, there is no disclosure under EBA/GL/2018/01.
- As Hamburg Commercial Bank does not calculate risk exposure in accordance with the provisions of Article 153(5) CRR, no disclosure in accordance with the second sentence of Article 438 point (e) CRR for specialized lending is made.

- Hamburg Commercial Bank uses standard approach for determining counterparty credit risk in accordance with Article 274 CRR. Accordingly, no information according to Article 439 points (c) and (k) CRR on the correlation risk pursuant to Article 291 CRR or on the estimate of the value  $\alpha$  under Article 284 CRR are disclosed.
- Information pursuant to Article 441 CRR is not disclosed, as Hamburg Commercial Bank has not been classified as globally systemically relevant.
- Hamburg Commercial Bank does not use advanced measurement approaches to calculate capital requirements for operational risk. Information pursuant to Article 454 CRR is therefore not presented.
- The assignment of the external rating to the credit quality steps according to Article 444 point (d) CRR is not disclosed as Hamburg Commercial Bank uses the standard mapping of EBA according to Article 270 CRR.
- There is no disclosure under Article 455 CRR as no internal market risk model is applied.
- Hamburg Commercial Bank does not hold any securitization positions in the trading book. For this reason, no information is provided on the specific interest rate risk pursuant to Article 445 CRR or trading book securitization positions under Article 449 CRR.
- Hamburg Commercial Banks' portfolio does not contain any re-securitization receivables. Therefore, no disclosure according to Article 449 CRR is made.
- Hamburg Commercial Bank does not use an internal assessment approach for securitizations pursuant to Part 3 Title II Chapter 5 Section 3 CRR. Accordingly, no information is provided in respect of Article 449 point (i) CRR.
- Hamburg Commercial Bank has not provided any support under Part 3 Title II Chapter 5 CRR. Therefore, no disclosure pursuant to Article 449 point (e) CRR is made.

## B Own funds and own funds requirements

### I Own funds structure and key figures

For the disclosure of own funds pursuant to Article 437 points (a), (b), (d) and (e) CRR, Hamburg Commercial Bank follows the Implementing Regulation (EU) 1423/2013 laying down implementing technical standards for institutions' own funds disclosure obligations pursuant to CRR. Full disclosure takes place on an annual basis. Semi-annually, in accordance with

Article 433a(1) point (b) subpoint (i) CRR, disclosures shall be made in accordance with Article 437 point (a) CRR. According to Article 433a(1) point (c) subpoint (ii) CRR, information on own funds and capital ratios is disclosed on a quarterly basis. This is done with the following table KM1.

TAB. 1: KM1: KEY METRICS TEMPLATE

|   |  | a          | b          | c          | d          |
|---|--|------------|------------|------------|------------|
|   |  | 31.03.2022 | 31.12.2021 | 30.09.2021 | 30.06.2021 |
| <b>Available own funds (amounts) in Mio. €</b>  |  |            |            |            |            |
| 1   | Common Equity Tier 1 (CET1) capital  | 3,994      | 4,055      | 4,346      | 4,388      |
| 2   | Tier 1 capital   | 3,994      | 4,055      | 4,346      | 4,388      |
| 3   | Total capital  | 4,974      | 5,011      | 5,303      | 5,345      |
| <b>Risk-weighted exposure amounts</b>   |  |            |            |            |            |
| 4   | Total risk-weighted exposure amount  | 16,553     | 14,026     | 14,246     | 14,829     |
| <b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>  |  |            |            |            |            |
| 5   | Common Equity Tier 1 ratio (%)   | 24.13      | 28.91      | 30.51      | 29.59      |
| 6   | Tier 1 ratio (%)   | 24.13      | 28.91      | 30.51      | 29.59      |
| 7   | Total capital ratio (%)  | 30.05      | 35.73      | 37.23      | 36.04      |
| <b>Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)</b>                                 |  |            |            |            |            |
| EU 7a   | Additional CET1 SREP requirements (%)  | 2.070      | 2.750      | 2.750      | 2.750      |
| EU 7b   | Additional AT1 SREP requirements (%)   | 1.164      | 1.547      | 1.547      | 1.547      |
| EU 7c   | Additional T2 SREP requirements (%)  | 1.553      | 2.063      | 2.063      | 2.063      |
| EU 7d   | Total SREP own funds requirements (%)  | 10.07      | 10.75      | 10.75      | 10.75      |
| <b>Combined buffer requirement (as a percentage of risk-weighted exposure amount)</b>   |  |            |            |            |            |
| 8   | Capital conservation buffer (%)  | 2.500      | 2.500      | 2.500      | 2.500      |
| EU 8a   | Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%) | -          | -          | -          | -          |
| 9   | Institution specific countercyclical capital buffer (%)  | 0.087      | 0.067      | 0.061      | 0.063      |
| EU 9a   | Systemic risk buffer (%)   | -          | -          | -          | -          |
| 10  | Global Systemically Important Institution buffer (%)   | -          | -          | -          | -          |
| EU 10a  | Other Systemically Important Institution buffer  | -          | -          | -          | -          |
| 11  | Combined buffer requirement (%)  | 2.587      | 2.567      | 2.561      | 2.563      |
| EU 11a  | Overall capital requirements (%)   | 12.66      | 13.32      | 13.31      | 13.31      |
| 12  | CET1 available after meeting the total SREP own funds requirements   | 2,745      | 2,925      | 3,198      | 3,192      |
| <b>Leverage ratio</b>   |  |            |            |            |            |
| 13  | Leverage ratio total exposure measure  | 31,015     | 31,823     | 31,695     | 33,135     |
| 14  | Leverage ratio   | 12.88      | 12.74      | 13.71      | 13.24      |
| <b>Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)</b> |  |            |            |            |            |
| EU 14a  | Additional CET1 leverage ratio requirements (%)  | -          | -          | -          | -          |
| EU 14b  | Additional AT1 leverage ratio requirements (%)   | -          | -          | -          | -          |
| EU 14c  | Additional T2 leverage ratio requirements (%)  | 3.000      | 3.000      | 3.000      | 3.000      |
| <b>Requirements for own funds buffer to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)</b> |  |            |            |            |            |
| EU 14d  | Total SREP leverage ratio requirements (%)   | -          | -          | -          | -          |
| EU14e   | Applicable leverage buffer   | 3.000      | 3.000      | 3.000      | 3.000      |
| <b>Liquidity Coverage Ratio</b>   |  |            |            |            |            |
| 15  | Total high-quality liquid assets (HQLA) (Weighted value - average)   | 5,688      | 5,464      | 5,422      | 5,782      |
| EU 16a  | Cash outflows - Total weighted value   | 3,809      | 3,824      | 3,819      | 3,913      |
| EU 16b  | Cash inflows - Total weighted value  | 427        | 419        | 436        | 445        |
| 16  | Total net cash outflows (adjusted value)   | 3,380      | 3,407      | 3,383      | 3,469      |
| 17  | Liquidity coverage ratio (%)   | 168.7      | 161.1      | 161.0      | 166.9      |
| <b>Net Stable Funding Ratio</b>   |  |            |            |            |            |
| 18  | Total available stable funding   | 20,389     | 19,659     | 20,428     | 20,961     |
| 19  | Total required stable funding  | 17,253     | 17,202     | 18,228     | 17,856     |
| 20  | NSFR ratio (%)   | 118.2      | 114.3      | 112.1      | 117.4      |

**Explanation of significant changes**

Common Equity Tier 1 capital ratio fell by 4.8 percentage points compared to the reporting date 31 December 2021 but remained at a very high level of 24.1%. The decrease in the Tier 1 ratio is mainly due to the increase in RWEA. The changes in RWEA are explained in section B II.

The leverage ratio increases slightly to 12.9%, the increase being due to the total exposure measure falling slightly more than Tier 1 capital. See above for the development of Tier 1 capital.

The liquidity coverage ratio LCR is disclosed as an average value of the last 12 months. Details are provided in section C.

**Information on transitional provisions for the disclosure of own funds**

According to Article 492(4) CRR, the use of transitional provisions under Article 484 CRR are disclosed. Hamburg Commercial Bank does not make use of these transitional provisions.

## II Own funds requirements

Table OV1 shows the own funds requirements relevant for Hamburg Commercial Bank in accordance with Article 438 point (d) CRR. The own funds requirements are explained below.

### Credit risk and counterparty credit risk

Following approval by the responsible authorities, Hamburg Commercial Bank determines the probability of default to determine the risk weight internally, while regulatory values are used for other risk parameters such as loss given default and conversion factors. The risk weighted exposure amounts for credit risk are thus calculated using the IRB approach in accordance with Part 3 Title II Chapter 3 CRR.

However, in the context of partial use, the standardized approach for credit risk in accordance with Part 3 Title II Chapter 2 CRR is applied for individual risk positions and for the companies to be consolidated. For this reason, information on the capital requirements for credit risk is presented in accordance with both the foundation IRB approach and the standardized approach for credit risk. In addition, the capital requirements for the risk arising from contributions to the default fund of a central counterparty are disclosed in accordance with Articles 307 to 309 CRR.

Hamburg Commercial Bank uses the PD/LGD approach and the simple risk weight approach to determine the capital requirements for equity investments using the IRB approach. In addition, significant investments in a financial sector entity are separately backed by own funds in accordance with Article 48 CRR, provided that these are not deducted from own funds.

The capital requirements for credit risk (including counterparty credit risk and securitization risk, excluding deferred taxes) amounts to € 1,055 m. For an overall view, capital requirement in the amount of € 55 m pursuant to Article 3 CRR must be added to the credit risk. That leads to a increase in credit risk to € 1,110 m compared to the previous period. The increase in the capital requirements for credit risk

mainly results from the switch from AIRB to FIRB (see section B III).

In the additional risk position in accordance with Article 3 CRR, capital requirements are set that result from forthcoming recalibrations and further developments of individual IRB models which have not yet been approved by the supervisory authority or put into production.

### Market risk

Hamburg Commercial Bank uses the standard procedures set out in Part 3 Title IV Chapters 2 to 4 CRR to determine capital requirements for market risks.

The capital requirements for market risks of € 30 m are comprised for foreign exchange risk and for position risk. There is no commodity risk.

### Operational risk

Hamburg Commercial Bank uses the standardized approach pursuant to Article 317 CRR to determine the capital requirement for operational risks. As at the reporting date, the capital requirement amounts to € 90 m.

### Overall capital requirements

In addition to credit risk, market risk and operational risk, Hamburg Commercial Bank also considers the risk of an adjustment to credit valuation (CVA risk) with own funds in accordance with Part 3 Title VI CRR. As at the reporting date, the capital requirements amounts to € 17 m.

There were no capital requirements for the settlement risk pursuant to Part 3 Title V CRR and large exposure risk according to Article 92(3) point (b) subpoint (ii) CRR.

There are further capital requirements pursuant to Articles 48 and 60 CRR amounting to € 77 m, which mainly result from deferred taxes. Deferred taxes are included in Table OV1 in row 24.

As at the reporting date, total own funds requirements amounted to € 1,324 m.



TAB. 2: OV1: OVERVIEW OF RISK WEIGHTED EXPOSURE AMOUNTS IN € M

|               |   | a                                      | b             | c                            |
|---------------|---|--|---------------|------------------------------|
|               |   | Risk weighted exposure amounts (RWEAs) |               | Total own funds requirements |
|               |   | 31.03.2022                             | 31.12.2021    | 31.03.2022                   |
| <b>1</b>      | <b>Credit risk (excluding CCR)</b>  | <b>14,267</b>                          | <b>11,641</b> | <b>1,141</b>                 |
| 2             | Of which the standardised approach  | 2,810                                  | 2,552         | 225                          |
| 3             | Of which the foundation IRB (FIRB) approach   | 9,547                                  | -             | 764                          |
| 4             | Of which: slotting approach   | -                                      | -             | -                            |
| EU 4a         | Of which: equities under the simple risk weighted approach  | 246                                    | 246           | 20                           |
| 5             | Of which the advanced IRB (AIRB) approach   | -                                      | 5,996         | -                            |
| <b>6</b>      | <b>Counterparty credit risk - CCR</b>   | <b>601</b>                             | <b>660</b>    | <b>48</b>                    |
| 7             | Of which the standardised approach  | 375                                    | 520           | 30                           |
| 8             | Of which internal model method (IMM)  | -                                      | -             | -                            |
| EU 8a         | Of which exposures to a CCP   | 8                                      | 7             | 1                            |
| EU 8b         | Of which credit valuation adjustment - CVA  | 218                                    | 133           | 17                           |
| 9             | Of which other CCR  | -                                      | -             | -                            |
| 10            | Not applicable  | -                                      | -             | -                            |
| 11            | Not applicable  | -                                      | -             | -                            |
| 12            | Not applicable  | -                                      | -             | -                            |
| 13            | Not applicable  | -                                      | -             | -                            |
| 14            | Not applicable  | -                                      | -             | -                            |
| <b>15</b>     | <b>Settlement risk</b>  | <b>-</b>                               | <b>-</b>      | <b>-</b>                     |
| <b>16</b>     | <b>Securitisation exposures in the non-trading book (after the cap)</b>                           | <b>183</b>                             | <b>174</b>    | <b>15</b>                    |
| 17            | Of which SEC-IRBA approach  | -                                      | -             | -                            |
| 18            | Of which SEC-ERBA (including IAA)   | 46                                     | 51            | 4                            |
| 19            | Of which SEC-SA approach  | 137                                    | 123           | 11                           |
| EU 19a        | Of which 1250%/ deduction   | -                                      | -             | -                            |
| <b>20</b>     | <b>Position, foreign exchange and commodities risks (Market risk)</b>                             | <b>378</b>                             | <b>605</b>    | <b>30</b>                    |
| 21            | Of which the standardised approach  | 378                                    | 605           | 30                           |
| 22            | Of which IMA  | -                                      | -             | -                            |
| <b>EU 22a</b> | <b>Large exposures</b>  | <b>-</b>                               | <b>-</b>      | <b>-</b>                     |
| <b>23</b>     | <b>Operational risk</b>   | <b>1,124</b>                           | <b>946</b>    | <b>90</b>                    |
| EU 23a        | Of which basic indicator approach   | -                                      | -             | -                            |
| EU 23b        | Of which standardised approach  | 1,124                                  | 946           | 90                           |
| EU 23c        | Of which advanced measurement approach  | -                                      | -             | -                            |
| <b>24</b>     | <b>Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)</b> | <b>957</b>                             | <b>990</b>    | <b>77</b>                    |
| 25            | Not applicable  | -                                      | -             | -                            |
| 26            | Not applicable  | -                                      | -             | -                            |
| 27            | Not applicable  | -                                      | -             | -                            |
| 28            | Not applicable  | -                                      | -             | -                            |
|               | <b>Additional risk exposure amount due to Article 3 CRR</b>                                       | <b>694</b>                             | <b>1,780</b>  | <b>55</b>                    |
| <b>29</b>     | <b>Total</b>  | <b>16,553</b>                          | <b>14,026</b> | <b>1,324</b>                 |

### III IRB approach

#### RWEA flow statements

In Table CR8, in accordance with Article 438 point (h) CRR, a flow statement is shown showing the changes in risk weighted exposure amounts (RWEAs) calculated under the IRB Approach and the corresponding capital requirements for credit risk. Shown are the total risk weighted exposure

amount for credit risk calculated under the IRB Approach, taking into account support factors under Articles 501 and 501a CRR. Positions subject to counterparty credit risk (CCR positions) (Part 3, Title II, Chapter 6 CRR) are not to be shown in this reporting sheet.

**TAB. 3: CR8: RWEA FLOW STATEMENTS OF CREDIT RISK EXPOSURES UNDER THE IRB APPROACH IN € M**

|   |  | a                             |
|---|--|-------------------------------|
|   |  | Risk weighted exposure amount |
| 1 | <b>RWEAs as at the end of the previous reporting period 31.12.2021</b> | 6,254                         |
| 2 | Asset size   | 369                           |
| 3 | Asset quality  | 224                           |
| 4 | Model updates  | 186                           |
| 5 | Methodology and policy   | -                             |
| 6 | Acquisitions and disposals   | 6                             |
| 7 | Foreign exchange movements   | 53                            |
| 8 | Other  | 2,659                         |
| 9 | <b>REWAs as at the end of the reporting period 31.03.2022</b>          | <b>9,750</b>                  |

As required by the requirements of the Implementing Regulation (EU) 2021/637 in conjunction with the EBA/ITS/2020/04, significant changes to the RWEA flow statements during the reporting period and their main drivers are explained below.

As of 31 March 2022, Hamburg Commercial Bank switched the models for mapping credit risks from the Advanced Internal Ratings Based Approach (AIRB) to the Foundation Internal Ratings Based Approach (FIRB). In addition, credit risks continue to be reported in the Credit Risk Standard Approach (CRSA). The aim of the conversion was to simplify the model landscape and, in particular, to dispense with internal loss ratio estimates.

The effect in terms of asset size is particularly due to the increase in balance sheet assets.

Asset quality includes the effects of all parameter changes that lead to a change in the risk weight of a transaction. In addition to the value shown in the table

above, the adjustments to model parameters currently anticipated in the additional risk position in accordance with Article 3 CRR (see Section B II) must also be taken into account when considering asset quality. In the overall view, there is an increase in RWEA in the reporting period. As soon as the anticipated model adjustments become effective, they will be included in the RWEA flow statements.

In the reporting period, there were no regulatory adjustments or model updates relevant to the RWEA flow statements, nor were there any significant changes to the investment portfolio.

The effect of foreign exchange movements results primarily from the USD exchange rate, which rose from 1.1326 EUR/USD to 1.1101 EUR/USD.

In particular, the RWEA increase due to the switch from AIRB to FIRB is reported under Other. It also includes changes in exposure from the standard approach to the IRB approach and vice versa due to adjusted rating conditions.

## C Liquidity risk

Hamburg Commercial Bank divides its liquidity risk into insolvency risk and liquidity maturity transformation risk.

The insolvency risk is the risk that current or future payment obligations cannot be met in part or in full. This is referred to as liquidity risk in the narrower sense. The key driver of this liquidity risk is the cash flow structure in the liquidity maturity statement (LMS), which is determined by the assets (maturity/currency structure) and liabilities (funding structure by maturity/currencies/investors). In this context, the market liquidity risk, i.e. the risk that transactions cannot be sold or only at unfavorable conditions due to insufficient market depth, is taken into account in the LMS as a component of the insolvency risk. Another component of insolvency risk is the refinancing risk, i.e. the risk of not being able to procure liquidity or not being able to do so to the expected conditions if required. The refinancing risk is determined by the refinancing structure. Information on the refinancing structure can be found in Note 49 to the consolidated financial statements "Residual maturity breakdown of financial instruments" in the Hamburg Commercial Bank's Annual Report.

The liquidity maturity transformation risk describes the risk that a loss will result from a mismatch in the contractual maturities of assets and liabilities, the so-called liquidity maturity transformation position, and the change in the Bank's own refinancing premium, which depends on its credit rating and which the Bank has to pay on the market.

### Liquidity ratios

Regulation (EU) 2019/876 contains the disclosure on liquidity ratios in Part 8 of the CRR specified under Implementing Regulation (EU) 2021/637.

Under the Basel 3 rules, the Basel Committee on Banking Supervision has set two minimum liquidity standards for banks.

### Liquidity Coverage Ratio – LCR

The LCR is intended to support the short-term resilience of a bank's liquidity risk profile over a 30-day period in stress scenarios. The ratio is defined as the amount of High Quality Liquid Assets ("HQLA") that could be used to provide liquidity in a stress scenario, measured against the total volume of net cash outflows.

This requirement was transposed into European law as part of Commission Delegated Regulation (EU) 2015/61 in October 2014. Compliance with the LCR has had to take place in Europe since 1 October 2015.

The LCR is disclosed as an average value for the last 12 months. The average minimum liquidity ratio as at 31 March 2022 of 169% (twelve-month average) has been calculated in accordance with Commission Delegated Regulation (EU) 2015/61 and the EBA guidelines on the disclosure of the Liquidity Coverage Ratio to complement the liquidity risk management disclosure under Article 435 CRR.

The balance sheet volume has stabilized in the reporting period. With liquidity remaining very adequate, the LCR remains at a relatively high level in relation to the regulatory minimum size requirement of 100%.

The LCR as at 31 March 2022 is 172% and has increased compared to the previous quarter (164%). Due to the slight increase in liquid assets against the background of geopolitical risks, the key figure has improved slightly.

Table LIQ1 discloses quantitative information on the LCR. The table includes the values for the first calendar quarter of 2022 and the three preceding calendar quarters. The values are calculated as a simple average of the twelve month-end values before the respective quarter-end.

### Net Stable Funding Ratio – NSFR

The NSFR requirements are a stable funding profile relative to its on-balance sheet and off-balance sheet activities. The ratio is defined as the amount of stable funding available (proportion of equity and debt considered to be a stable source of funding) relative to the amount required for stable funding (a function of the liquidity characteristics of the various asset classes held).

The NSFR as at 31 March 2022, calculated in accordance with Article 451a(3) CRR, amounts to 118% and is thus significantly above the regulatory minimum requirement of 100%, which has been binding since June 2021.

Table LIQ2 shows the assets, liabilities and off-balance sheet items in relation to the structural liquidity ratio as at 31 March 2022.

**TAB. 4: LIQ1: QUANTITATIVE INFORMATION OF LCR IN € M**

|                                   |   | a                                | b          | c          | d          | e                              | f            | g            | h            |
|-----------------------------------|---|----------------------------------|------------|------------|------------|--------------------------------|--------------|--------------|--------------|
|                                   |   | Total unweighted value (average) |            |            |            | Total weighted value (average) |              |              |              |
| EU 1a                             | Quarter ending on (DD Month YYYY)   | 31.03.2022                       | 31.12.2021 | 30.09.2021 | 30.06.2021 | 31.03.2022                     | 31.12.2021   | 30.09.2021   | 30.06.2021   |
| EU 1b                             | Number of data points used in the calculation of averages   | 12                               | 12         | 12         | 12         | 12                             | 12           | 12           | 12           |
| <b>High-Quality Liquid Assets</b> |   |                                  |            |            |            |                                |              |              |              |
| 1                                 | Total high-quality liquid assets (HQLA), after application of haircuts in line with Article 9 of regulation (EU) 2015/61  |                                  |            |            |            | 5,688                          | 5,464        | 5,422        | 5,782        |
| <b>Cash outflows</b>              |   |                                  |            |            |            |                                |              |              |              |
| 2                                 | retail deposits and deposits from small business customers, of which:   | 124                              | 134        | 153        | 176        | 13                             | 14           | 17           | 21           |
| 3                                 | Stable deposits   | 34                               | 37         | 41         | 42         | 2                              | 2            | 2            | 2            |
| 4                                 | Less stable deposits  | 83                               | 89         | 104        | 127        | 12                             | 12           | 15           | 19           |
| 5                                 | Unsecured wholesale funding   | 5,721                            | 5,838      | 5,906      | 6,199      | 2,435                          | 2,494        | 2,534        | 2,683        |
| 6                                 | Operational deposits (all counterparties) and deposits in networks of cooperative banks   | 772                              | 665        | 572        | 539        | 190                            | 164          | 141          | 133          |
| 7                                 | Non-operational deposits (all counterparties)   | 4,901                            | 5,107      | 5,260      | 5,584      | 2,197                          | 2,264        | 2,319        | 2,474        |
| 8                                 | Unsecured debt  | 48                               | 66         | 74         | 76         | 48                             | 66           | 74           | 76           |
| 9                                 | Secured wholesale funding   |                                  |            |            |            | 4                              | 1            | 2            | 7            |
| 10                                | Additional requirements   | 3,735                            | 3,800      | 3,806      | 3,901      | 1,230                          | 1,177        | 1,111        | 1,053        |
| 11                                | Outflows related to derivative exposures and other collateral requirements  | 404                              | 449        | 489        | 525        | 395                            | 442          | 485          | 520          |
| 12                                | Outflows related to loss of funding on debt products  | 14                               | 13         | 25         | 16         | 14                             | 13           | 25           | 16           |
| 13                                | Credit and liquidity facilities   | 3,317                            | 3,338      | 3,292      | 3,360      | 821                            | 722          | 601          | 517          |
| 14                                | Other contractual funding obligations   | 82                               | 89         | 99         | 96         | 56                             | 62           | 71           | 67           |
| 15                                | Other contingent funding obligations  | 1,485                            | 1,595      | 1,787      | 1,985      | 71                             | 76           | 84           | 82           |
| <b>16</b>                         | <b>Total cash outflows</b>  |                                  |            |            |            | <b>3,809</b>                   | <b>3,824</b> | <b>3,819</b> | <b>3,913</b> |
| <b>Cash inflows</b>               |   |                                  |            |            |            |                                |              |              |              |
| 17                                | Secured lending (e.g. reverse repos)  | 18                               | 18         | –          | –          | –                              | –            | –            | –            |
| 18                                | Inflows from fully performing exposures   | 525                              | 518        | 607        | 632        | 312                            | 309          | 360          | 388          |
| 19                                | Other cash inflows  | 115                              | 111        | 76         | 57         | 115                            | 110          | 76           | 57           |
| EU-19a                            | (Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies) |                                  |            |            |            | –                              | –            | –            | –            |
| EU-19b                            | (Excess inflows from a related specialised credit institution)  |                                  |            |            |            | –                              | –            | –            | –            |
| <b>20</b>                         | <b>Total cash inflows</b>   | <b>658</b>                       | <b>647</b> | <b>683</b> | <b>689</b> | <b>427</b>                     | <b>419</b>   | <b>436</b>   | <b>445</b>   |
| EU-20a                            | Fully exempt inflows  | –                                | –          | –          | –          | –                              | –            | –            | –            |
| EU-20b                            | Inflows subject to 90% cap  | –                                | –          | –          | –          | –                              | –            | –            | –            |
| EU-20c                            | Inflows subject to 75% cap  | 658                              | 647        | 683        | 689        | 427                            | 419          | 436          | 445          |
| <b>Total adjusted value</b>       |   |                                  |            |            |            |                                |              |              |              |
| 21                                | Liquidity buffer  |                                  |            |            |            | 5,688                          | 5,464        | 5,422        | 5,782        |
| 22                                | Total net cash outflows   |                                  |            |            |            | 3,380                          | 3,407        | 3,383        | 3,469        |
| 23                                | Liquidity coverage ratio  |                                  |            |            |            | 168.7%                         | 161.1%       | 161.0%       | 166.9%       |

**TAB. 5: LIQ2: NET STABLE FUNDING RATIO IN € M**

| (in currency amount)                        |   | a                                     | b          | c                        | d        | e              |
|---|---|---------------------------------------|------------|--------------------------|----------|----------------|
|   |   | Unweighted value by residual maturity |            |                          |          | Weighted value |
|   |   | Keine<br>Restlaufzeit                 | < 6 Monate | 6 Monate<br>bis < 1 Jahr | ≥ 1 Jahr |                |
| <b>Available stable funding (ASF) Items</b> |   |                                       |            |                          |          |                |
| 1   | Capital items and instruments   | 4,568                                 | –          | –                        | 910      | 5,478          |
| 2   | Own funds   | 4,568                                 | –          | –                        | 910      | 5,478          |
| 3   | Other capital instruments   |                                       | –          | –                        | –        | –              |
| 4   | Retail deposits   |                                       | 97         | 2                        | 1        | 92             |
| 5   | Stable deposits   |                                       | 29         | 0                        | 1        | 29             |
| 6   | Less stable deposits  |                                       | 69         | 1                        | 0        | 63             |
| 7   | Wholesale funding:  |                                       | 8,940      | 1,505                    | 10,090   | 14,132         |
| 8   | Operational deposits  |                                       | 996        | –                        | 25       | 118            |
| 9   | Other wholesale funding   |                                       | 7,944      | 1,505                    | 10,064   | 14,015         |
| 10  | Interdependent liabilities  |                                       | 84         | 246                      | 2,162    | –              |
| 11  | Other liabilities:  | –                                     | 334        | –                        | 686      | 686            |
| 12  | NSFR derivative liabilities   | –                                     |            |                          |          |                |
| 13  | All other liabilities and capital instruments not included in the above categories  |                                       | 334        | –                        | 686      | 686            |
| <b>14</b>                                   | <b>Total available stable funding (ASF)</b>   |                                       |            |                          |          | <b>20,389</b>  |
| <b>Required stable funding (RSF) Items</b>  |   |                                       |            |                          |          |                |
| 15  | Total high-quality liquid assets (HQLA)   |                                       |            |                          |          | 539            |
| EU-15a                                      | Assets encumbered for more than 12m in cover pool   |                                       | 467        | 407                      | 4,922    | 4,926          |
| 16  | Deposits held at other financial institutions for operational purposes  |                                       | 164        | –                        | –        | 82             |
| 17  | Performing loans and securities:  |                                       | 1,448      | 1,647                    | 9,676    | 10,237         |
| 18  | Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut                                    |                                       | –          | –                        | –        | –              |
| 19  | Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions          |                                       | 161        | 469                      | 1,313    | 1,564          |
| 20  | Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:               |                                       | 1,261      | 1,099                    | 7,228    | 7,792          |
| 21  | With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk  |                                       | 77         | 50                       | 1,061    | 1,212          |
| 22  | Performing residential mortgages, of which:   |                                       | 3          | 4                        | 156      | –              |
| 23  | With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk  |                                       | 3          | 4                        | 156      | –              |
| 24  | Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products |                                       | 22         | 75                       | 979      | 881            |
| 25  | Interdependent assets   |                                       | 87         | 251                      | 2,186    | –              |
| 26  | Other assets:   |                                       | 1,003      | 49                       | 675      | 1,222          |
| 27  | Physical traded commodities   |                                       |            |                          | –        | –              |
| 28  | Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs   |                                       | 198        | –                        | –        | 169            |
| 29  | NSFR derivative assets  |                                       | 240        |                          |          | 240            |
| 30  | NSFR derivative liabilities before deduction of variation margin posted   |                                       | 499        |                          |          | 25             |
| 31  | All other assets not included in the above categories   |                                       | 66         | 49                       | 675      | 789            |
| 32  | Off-balance sheet items   |                                       | 402        | 510                      | 3,911    | 247            |
| <b>33</b>                                   | <b>Total RSF</b>  |                                       |            |                          |          | <b>17,253</b>  |
| <b>34</b>                                   | <b>Stable Funding Ratio (%)</b>   |                                       |            |                          |          | <b>118.2%</b>  |

## D List of abbreviations

|         |  |
|---------|--|
| ABF     | Asset-backed funding   |
| ABS     | Asset-backed securities  |
| AIRB    | Advanced Internal Ratings Based (advanced IRB)   |
| ALCO    | Asset Liability Committee  |
| AMM     | Additional Monitoring Metrics for Liquidity Reporting  |
| ASF     | Available stable funding   |
| O-SII   | Other systemically important institution   |
| AT1     | Additional Tier 1 Capital  |
| BaFin   | German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht) |
| BCBS    | Basel Committee on Banking Supervision   |
| CCF     | Credit conversion factor   |
| CCP     | Central counterparty   |
| CET1    | Common Equity Tier 1   |
| CFO     | Chief Financial Officer  |
| CLO     | Collateralised loan obligation   |
| CM      | Capital Markets  |
| COREP   | Common Solvency Ratio Reporting  |
| CRD IV  | Capital Requirements Directive No 2013/13/EU   |
| CRO     | Chief Risk Officer   |
| CRR     | Capital Requirements Regulation  |
| CVA     | Credit Valuation Adjustment  |
| DSGV    | German Savings Banks Association (Deutscher Sparkassen- und Giroverband)                         |
| EAD     | Exposure at Default  |
| EBA     | European Banking Authority   |
| EGBGB   | Introductory Act to the German Civil Code  |
| ECA     | Export Credit Agency   |
| ECAI    | External Credit Assessment Institution (rating agency)   |
| EL      | Expected Loss  |
| EMIR    | European Market Infrastructure Regulation  |
| ECB     | European Central Bank  |
| FINREP  | Financial Reporting  |
| FIRB    | Foundation Internal Ratings Based (foundation IRB)   |
| Fitch   | Fitch Ratings  |
| FRC     | Franchise Committee  |
| FRN     | Floating Rate Note   |
| FV      | Fair Value   |
| FVPL    | Fair Value through Profit or Loss  |
| FX risk | Foreign exchange risk  |
| GL      | Guideline  |
| HGB     | German Commercial Code (Handelsgesetzbuch)   |
| HQLA    | High Quality Liquid Assets   |
| IAS     | International Accounting Standards   |
| ICRE    | International Commercial Real Estate   |
| IFRS    | International Financial Reporting Standards  |
| ILAAP   | Internal Liquidity Adequacy Assessment Process   |
| IRB     | Internal Rating Based  |
| IRBA    | Internal Rating Based Approach   |
| IRRBB   | Interest Rate Risk in the Banking Book   |
| ISDA    | International Swaps and Derivatives Association  |
| KfW     | Kreditanstalt für Wiederaufbau (German state-owned development bank)                             |
| SMEs    | Small and medium-sized enterprises   |
| CRSA    | Credit Risk Standardised Approach  |
| KWG     | German Banking Act (Kreditwesengesetz)   |
| LMP     | Liquidity maturity profile   |
| LCH     | London Clearing House  |
| LCR     | Liquidity Coverage Ratio   |
| LGD     | Loss Given Default   |
| LVaR    | Liquidity Value at Risk  |

|         |   |
|---------|---|
| MaRisk  | Minimum Requirements for Risk Management (Mindestanforderungen an das Risikomanagement) |
| Moody's | Moody's Investors Service   |
| NPL     | Non-performing loan   |
| NSFR    | Net stable funding ratio  |
| OTC     | Over the counter  |
| P&L     | Profit & Loss   |
| PD      | Probability of default  |
| RC      | Risk Control  |
| RSF     | Required Stable Funding   |
| RSU     | RSU Rating Service Unit GmbH & Co. KG   |
| RWEA    | Risk weighted exposure amount   |
| SFA     | Supervisory Formula Approach  |
| SFT     | Securities Financing Transactions   |
| SIR     | Sparkassen-Immobilien-GeschäftsRating   |
| SolvV   | German Solvency Regulation (Solvabilitätsverordnung)                                    |
| SPC     | Special purpose company   |
| SPV     | Special purpose vehicle   |
| SR      | S Rating und Risikosysteme GmbH   |
| SRF     | Strategic risk framework  |
| S & P   | Standard & Poor's   |
| TREA    | Total risk exposure amount  |
| T1      | Tier 1 capital  |
| T2      | Tier 2 capital (supplementary capital)  |
| VaR     | Value-at-Risk   |

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