Ulster Bank Ireland Designated Activity Company

2022 Pillar 3 Report

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Attestation statement

I confirm that the Ulster Bank Ireland Designated Activity Company (UBIDAC) 2022 Pillar III Report meets the relevant requirements, to the best of my knowledge, for disclosures under Part Eight of the CRR and has been prepared in line with internal controls and the relevant Pillar III disclosure policy requirements within the UBIDAC policy framework.

The system of internal control is designed to manage risk or mitigate it to an acceptable residual level rather than eliminate it entirely. Systems of internal control can only provide reasonable and not absolute assurance against misstatement, fraud or loss.

The 2022 UBIDAC Pillar III Report was approved by the UBIDAC Board on 15 February 2023.

Paul Stanley
Chief Financial Officer and Deputy CEO
Executive Director, UBIDAC Board

Presentation of information

This document presents the consolidated Pillar 3 disclosures for Ulster Bank Ireland Designated Activity Company (UBIDAC) as at 31 December 2022. It should be read in conjunction with the 2022 NatWest Holdings Limited Pillar 3 report and UBIDAC's Annual Report & Accounts (ARA) which are published in the same location at investors.natwestgroup.com/reports-archive/2022 & ulsterbank.ie/globals/about-us/corporate-information/financial-results.html

UBIDAC is incorporated in the Republic of Ireland and is a wholly owned subsidiary of NatWest Holdings Limited. The ultimate holding company is NatWest Group plc. Based on the criteria set out in the UK Capital Requirements Regulation, NatWest Group plc primarily defines its large subsidiaries in scope of its PRA Pillar 3 disclosures as those designated as an Other Systemically Important Institution (O-SII) by the PRA or those with total assets equal to or greater than €30 billion.

UBIDAC's asset size is currently below €30 billion. However, the entity continues to be designated as an O-SII firm by its EU supervisors. On that basis, UBIDAC being a large subsidiary of NatWest Group plc (which is a UK parent institution), is subject to the disclosure requirements set out in Article 13 and Part Eight of EU Capital Requirements Regulation. UBIDAC is required by its supervisors to publish an annual disclosure in accordance with the requirements for large subsidiaries. These disclosures are substantially equivalent to the large subsidiary disclosures stipulated in the Disclosure (CRR) part of the PRA Rulebook. The required disclosures are as follows:

- Disclosure of own funds
- Disclosure of own funds requirements & risk weighted exposure amounts
- Disclosure of countercyclical capital buffers
- Disclosure of exposures to credit risk and dilution risk
- Disclosure of the use of credit risk mitigation techniques
- Disclosure of leverage ratio
- Disclosure of liquidity requirements
- Disclosure of renumeration policy

The disclosures for UBIDAC are calculated in accordance with the EU Capital Requirements Regulation.

Within this document, row and column references are based on those prescribed in the EBA disclosure templates.

Certain fixed format disclosure tables include bespoke requirements for comparatives. Where a comparative is not prescribed, the comparative period provided is December 2021. Where applicable, comparatives have not been provided for first-time disclosures.

A subset of the Pillar 3 templates that is required to be disclosed was not applicable to UBIDAC at 31 December 2022 and has therefore not been included in this document. These excluded disclosures are listed below, together with a summary of the reason for their exclusion.

EBA template reference	Template name	Reasons for exclusion
IFRS9-FL	Comparison of institution's own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECL	As of July 2022, UBIDAC no longer applies the transitional arrangements for IFRS 9 specified in Article 473a
EU CR8	RWA flow statements of credit risk exposures under the IRB approach	No reportable exposures
EU CR7	Effect on the RWAs of credit derivatives used as CRM techniques	No reportable exposures
EU CR7-A	Disclosure of the extent of the use of CRM techniques	No reportable exposures
EU CR2	Changes in the stock of non-performing loans and advances	Disclosure covered under EU CR2a due to additional disclosures being required
EU CCR7	RWA flow statements of CCR exposures under the IMM	No reportable exposures
EU MR2-B	RWA flow statements of market risk exposures under the IMA	No reportable exposures
EU CQ7	Collateral obtained by taking possession and execution processes	Collateral obtained by taking possession is not recognised on the balance sheet
EU CQ8	Collateral obtained by taking possession and execution processes – vintage breakdown	Collateral obtained by taking possession is not recognised on the balance sheet & threshold not met
EU CR10	Specialised lending and equity exposures under the simple risk weighted approach	No reportable exposures
EU COVID-19	Template 1: Information on loans and advances subject to legislative and non-legislative moratoria	No reportable exposures
EU CCA	Main features of regulatory own funds instruments and eligible liabilities instruments	Published as supplement alongside this report

In this report, in line with the regulatory framework, the term credit risk excludes counterparty credit risk, unless specifically indicated otherwise.

The Pillar 3 disclosures in this document are presented in Euros and have not been subject to external audit.

Refer to the Glossary for definitions of terms available on natwestgroup.com.

Annex I: Key metrics and overview of risk weighted exposure amounts

Key points

CET1 ratio

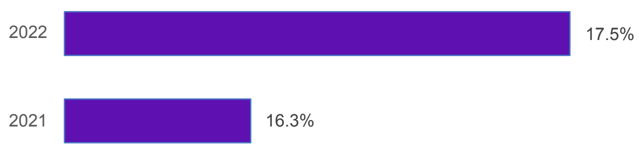
The CET1 ratio has increased to 38.6% from 27.8%, due to a €7.4 billion decrease in RWAs offset by the impact of a €1.4 billion decrease in CET1 capital. The CET1 decrease is primarily due to the €1.2 billion attributable loss and removal of the IFRS 9 transitional adjustment.

RWA

Total RWAs decreased by €7.4 billion to €6.4 billion primarily driven by reduced exposures as a result of the phased withdrawal from the Irish market. Included in this is €2.1 billion in disposals of commercial loans to Allied Irish Banks p.l.c. and a €1.9 billion sale of performing mortgages to Permanent TSB Group Holdings plc along with significant volumes of customer repayments.

This is in addition to the reversion to the standardised approach for calculating capital requirements, which went live during Q3 and reduced Credit Risk RWAs by €1.6 billion. This regulatory approved decision was based on the announced phased withdrawal from the Republic of Ireland by NatWest and was not with the intention of reducing own funds requirements. As a result, UBIDAC has included an additional Pillar II capital requirement to compensate for the reduction in Pillar 1 RWA.

Leverage ratio



The leverage ratio at 31 December 2022 has increased to 17.5% from 16.3%. 'The key driver of the increase is a €14.0 billion decrease in the leverage exposure. This is driven by the transfer of commercial loans to Allied Irish Banks p.l.c. and performing mortgages to Permanent TSB
Group Holdings plc, along with net loan redemptions and amortisations. There was an offsetting increase of €5.6bn in leverage exposure due to ECB's temporary central bank exemption ceasing in Q2 2022.

EU KM1: Key metrics template

The table below provides a summary of the main prudential regulation ratios and measures. Capital ratios and measures are presented on a transitional basis for the extended CRR2 grandfathering provisions. As of July 2022, UBIDAC no longer takes advantage of the IFRS 9 transitional capital rules in respect of ECL provisions therefore own funds, capital and leverage ratios reflect the full impact of IFRS 9. Disclosures up to the 30 June 2022 included permissible adjustments for the IFRS 9 transitional relief.

		UBIDAC				
	Available own funds (amounts)	**31 December 2022 €m**	30 September 2022 €m	30 June 2022 €m	31 March 2022 €m	31 December 2021 €m
1	Common equity tier 1 (CET1) capital	**2,466**	2,922	3,667	3,751	3,841
2	Tier 1 capital	**2,466**	2,922	3,667	3,751	3,841
3	Total capital	**2,551**	3,007	3,829	3,939	4,055
	Risk-weighted exposure amounts					
4	Total risk exposure amount	**6,390**	9,363	13,180	13,748	13,815
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common equity tier 1 ratio (%)	**38.6**	31.2	27.8	27.3	27.8
6	Tier 1 ratio (%)	**38.6**	31.2	27.8	27.3	27.8
7	Total capital ratio (%)	**39.9**	32.1	29.1	28.7	29.4
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	**3.6**	3.6	3.6	3.6	3.5
EU 7b	of which: to be made up of CET1 capital (percentage points)	**2.0**	2.0	2.0	2.0	2.0
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	**2.7**	2.7	2.7	2.7	2.6
EU 7d	Total SREP own funds requirements (%)	**11.6**	11.6	11.6	11.6	11.5
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	**2.5**	2.5	2.5	2.5	2.5
9	Institution specific countercyclical capital buffer (%) (1)	**0.0**	0.0	0.0	0.0	0.0
10	Global Systemically Important Institution buffer (%)					
EU 10a	Other Systemically Important Institution buffer (%)	**0.5**	0.5	0.5	0.5	0.5
11	Combined buffer requirement (%)	**3.0**	3.0	3.0	3.0	3.0
EU 11a	Overall capital requirements (%)	**14.6**	14.6	14.6	14.6	14.5
12	CET1 available after meeting the total SREP own funds requirements (%) (2)	**32.1**	24.7	21.3	20.8	21.3
	Leverage ratio					
13	Total exposure measure	**14,103**	20,804	26,638	22,681	23,563
14	Leverage ratio	**17.5**	14.0	13.8	16.5	16.3
	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 (%)	**0.0**	0.0	0.0	0.0	0.0
EU 14b	of which: to be made up of CET1 capital (percentage points)	**—**	—	—	—	—
EU 14c	Total SREP leverage ratio requirements (%)	**3.0**	3.0	3.0	3.5	3.5
	Leverage ratio buffer and overall leverage ratio requirements (as a percentage of total exposure measure)					
EU 14d	Leverage ratio buffer requirement (%)	**0.0**	0.0	0.0	0.0	0.0
EU 14e	Overall leverage ratio requirements (%)	**3.0**	3.0	3.0	3.5	3.5
	Liquidity coverage ratio (3)					
15	Total high-quality liquid assets (HQLA) (Weighted value-average)	**6,035**	7,182	8,050	8,525	8,886
EU 16a	Cash outflows - Total weighted value	**4,545**	4,718	4,595	4,452	4,330
EU 16b	Cash inflows - Total weighted value (4)	**1,352**	1,043	700	626	646
16	Total net cash outflows (adjusted value)	**3,193**	3,674	3,896	3,827	3,684
17	Liquidity coverage ratio (%)	**203**	206	213	228	244
	Net stable funding ratio (5)					
18	Total available stable funding	**8,807**	12,429	17,517	19,440	20,954
19	Total required stable funding	**5,790**	9,188	10,490	11,865	12,158
20	NSFR ratio (%)	**152**	135	167	164	172

(1) The institution-specific countercyclical capital buffer requirement is based on the weighted average of the buffer rates in effect for the countries in which institutions have exposures.
(2) Represents the CET1 ratio less CET1 currently used to meet SREP requirements (Pillar 1 & 2A).
(3) The liquidity coverage ratio (LCR) uses the simple average of the preceding 12 monthly periods ending on the quarterly reporting date as specified in the table.
(4) Cash inflows - Total weighted value includes adjustments for instances when cash inflows were capped at 75% of cash outflows.
(5) The NSFR ratio is presented on a spot basis.
(6) The following rows are not presented in the table above because they are not applicable: EU8a and EU9a.

EU OV1: Overview of risk weighted exposure amounts

The table below shows RWAs and total own funds requirements by risk type. Total own funds requirements are calculated as 8% of RWAs.

		UBIDAC		
		a	b	c
		Total risk exposure amounts (TREA)		Total own funds requirements
		31 December 2022 €'m	30 September 2022 €'m	31 December 2022 €'m
1	Credit risk (excluding counterparty credit risk)	**5,319**	8,144	**425**
2	*Of which: standardised approach*	***5,319***	*8,144*	***425***
3	*Of which: the foundation IRB (FIRB) approach*	—	—	—
4	*Of which: slotting approach*	—	—	—
EU 4a	*Of which: equities under the simple risk-weighted approach*	—	—	—
5	*Of which: the advanced IRB (AIRB) approach*	—	—	—
6	Counterparty credit risk	**78**	240	**6**
7	*Of which: standardised approach*	***42***	*64*	***3***
8	*Of which: internal model method (IMM)*	—	—	—
EU 8a	*Of which: exposures to a CCP*	—	—	—
EU 8b	*Of which: credit valuation adjustment (CVA)*	***36***	*81*	***3***
9	*Of which: other counterparty credit risk*	—	*95*	—
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: 1,250%/deduction*	—	—	—
20	*Position, foreign exchange and commodities risk (market risk)*	**34**	20	**3**
21	*Of which: standardised approach*	***34***	*20*	***3***
22	*Of which: IMA*	—	—	—
EU 22a	Large exposures	—	—	—
23	Operational risk	**959**	959	**77**
EU 23a	*Of which: basic indicator approach*	—	—	—
EU 23b	*Of which: standardised approach*	***959***	*959*	***77***
EU 23c	*Of which: advanced measurement approach*	—	—	—
24	Amounts below the thresholds for deduction (subject to 250% risk-weight) (1)	—	1	—
29	Total	**6,390**	9,363	**511**

(1) The amount is shown for information only, as these exposures are already included in rows 1 and 2.

EU OVC: ICAAP information

An internal assessment of material risks is carried out annually to enable an evaluation of the amount, type and allocation of capital required to cover these risks. This is referred to as the Internal Capital Adequacy Assessment Process (ICAAP). The ICAAP consists of a point-in-time assessment of exposures and risks at the end of the financial year together with a forward-looking stress capital assessment. The ICAAP is approved by the Board and submitted to the Joint Supervisory Team (JST) of ECB and CBI.

Annex VII: Own funds

EU CC1: Composition of regulatory own funds

The table below shows the capital resources on a transitional basis for the extended CRR2 grandfathering provisions. As of July 2022, UBIDAC no longer takes advantage of the IFRS9 transitional capital rules in respect of ECL provisions. Regulatory adjustments comprise deductions from own funds and prudential filters. The table also includes a cross reference to the corresponding rows in template EU CC2 to facilitate full reconciliation of accounting and regulatory own funds.

		UBIDAC		
	CET1 capital: instruments and reserves	31 December 2022 €m	Source based on reference number/letters of the balance sheet under the regulatory scope of consolidation	31 December 2021 €m
1	Capital instruments and the related share premium accounts	**4,236**		4,236
	Of which: ordinary shares	***3,379***	*(a)*	*3,379*
	Of which: share premium	***857***	*(k)*	*857*
2	Retained earnings	***(407)***	*(b)*	*(365)*
3	Accumulated other comprehensive income (and other reserves)	**(17)**	(c)	2
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	—		—
6	CET1 capital before regulatory adjustments	**3,812**		3,873
	Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	(-) Additional value adjustments	**(4)**		—
8	(-) Intangible assets (net of related tax liability)	—	(d)	—
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)	**(7)**	(e)	(13)
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	—	(i)	—
12	(-) Negative amounts resulting from the calculation of expected loss amounts	—		—
13	(-) Any increase in equity that results from securitised assets	—		—
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	—		—
15	(-) Defined-benefit pension fund assets	**(46)**	(f) & (g)	(96)
16	(-) Direct, indirect and synthetic holdings by an institution of own CET1 instruments	—		—
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	—		—
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 (above the 10% threshold and net of eligible short positions)	—		—
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)	—		—
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*	—		—
EU-20c	*(-) Of which: securitisation positions*	—		—

EU CC1: Composition of regulatory own funds continued

	Common Equity Tier 1 (CET1) capital: regulatory adjustments	UBIDAC 31 December 2022 €m	Source based on reference number/letters of the balance sheet under the regulatory scope of consolidation	31 December 2021 €m
EU-20d	*(-) Of which: free deliveries*	—		—
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)	—		—
22	(-) Amount exceeding the 17.65% threshold	—		—
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*	—		—
25	*(-) Of which: deferred tax assets arising from temporary differences*	—		—
EU-25a	(-) Losses for the current financial period	*(1,185)*	(b)	(2)
EU-25b	(-) Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items in so far as such tax charges reduce the amount up to which those items may be used to cover risks or losses	—		
27	(-) Qualifying Additional Tier 1 (AT1) deductions that exceed the AT1 items of the institution	—		—
27a	Other regulatory adjustments to CET1 capital (including IFRS 9 transitional adjustments when relevant)	*(104)*		79
28	Total regulatory adjustments to CET1	(1,346)		(32)
29	CET1 capital	2,466		3,841
	AT1 capital: instruments			
30	Capital instruments and the related share premium accounts	—	(h)	—
31	*Of which: classified as equity under applicable accounting standards*	—		—
32	*Of which: classified as liabilities under applicable accounting standards*	—		
33	Amount of qualifying items referred to in Article 484(4) and the related share premium accounts subject to phase out from AT1 as described in Article 486 (3) CRR	—		—
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 CET1) issued by subsidiaries and held by third parties	—		—
35	*Of which: instruments issued by subsidiaries subject to phase out*	—		—
36	AT1 capital before regulatory adjustments	—		—
	AT1 capital: regulatory adjustments			
37	(-) Direct, indirect and synthetic holdings by an institution of own AT1 instruments	—		—
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	—		—
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)	—		—
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)	—		—

EU CC1: Composition of regulatory own funds continued

		UBIDAC 31 December 2022 €m	Source based on reference number/letters of the balance sheet under the regulatory scope of consolidation	31 December 2021 €m
	T2 capital: instruments			
42	(-) Qualifying T2 deductions that exceed the T2 items of the institution	—		—
42a	Other regulatory adjustments to AT1 capital	—		—
43	Total regulatory adjustments to AT1 capital	—		—
44	AT1 capital	—		—
45	Tier 1 capital (T1 = CET1 + AT1)	2,466		3,841
46	Capital instruments and the related share premium accounts	—	(j)	60
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	—	(j)	—
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	85	(j)	86
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in 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	—		68
51	T2 capital before regulatory adjustments	85		214
	T2 capital: regulatory adjustments			
52	(-) Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans	—		—
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	—		—
54	(-) Direct and indirect 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 the 10% threshold and net of eligible short positions)	—		—
55	(-) Direct and indirect 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)	—		—
EU-56a	(-) Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution	—		—
EU-56b	(-) Other regulatory adjustments to T2 capital	—		—
57	Total regulatory adjustments to T2 capital	—		—
58	T2 capital	85		214
59	Total capital (TC = T1 + T2)	2,551		4,055
60	Total risk exposure amount	6,390		13,815
	Capital ratios and buffers			
61	CET1 (as a percentage of total risk exposure amount)	38.6%		27.8%
62	T1 (as a percentage of total risk exposure amount)	38.6%		27.8%
63	Total capital (as a percentage of total risk exposure amount)	39.9%		29.4%
64	Institution CET1 overall capital requirements	9.5%		9.5%

EU CC1: Composition of regulatory own funds continued

		UBIDAC 31 Decmeber 2022 €m	Source based on reference number/letters of the balance sheet under the regulatory scope of consolidation	31 December 2021 €m
65	*Of which: capital conservation buffer requirement*	**2.5%**		2.5%
66	*Of which: counter cyclical buffer requirement*	***0.0%***		*0.0%*
67	*Of which: systemic risk buffer requirement*	**—**		—
EU-67a	*Of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer*	***0.5%***		0.5%
EU-67b	*Of which: additional own funds requirements to address the risks other than the risk of excessive leverage*	**2.0%**		2.0%
68	Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	**32.1%**		21.3%
	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)	**—**		0
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% threshold and net of eligible short positions)	**—**		—
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 met)	**—**		—
	Available caps on the inclusion of provisions in T2			
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	**67**		16
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings based approach (prior to the application of the cap)	**—**		235
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	**—**		68
	Capital instruments subject to phase-out arrangements (only applicable between 1 January 2014 and 1 January 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	**—**		16
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	**—**		—

(1) Row 68: represents the CET1 ratio less CET1 currently used to meet SREP requirements (Pillar 1 & 2A).
(2) The references (a) to (k) identify balance sheet components in table EU CC2 that are used in the calculation of regulatory capital in table EU CC1. Amounts between EU CC2 and EU CC1 are not always directly comparable due to differences in definitions and application of Capital Requirements Directive for the calculation of regulatory capital.
(3) The following lines are not presented as they are not applicable under the EBA disclosure guidelines: 9, 20, 24, 26, 41, 54a, 56, 69, 70, 71 and 74.
(4) The following lines have been restated for December 2021: 47, EU-47b, 64 and EU-67b.

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

The table below shows the reconciliation between the accounting and regulatory consolidation with references showing the linkage between this table and EU CC1.

	UBIDAC		
	As at period end 31 December 2022		
	a	b	
Assets	Balance sheet as at period end €m	Under regulatory scope of consolidation as at period end €m	References
Cash and balances at central banks	**3,409**	**3,409**	
Derivatives	**97**	**97**	
Loans to banks - amortised cost	**78**	**78**	
Loans to customers - amortised cost	**317**	**317**	
Other financial assets	**1,216**	**1,216**	
Intangible assets	**—**	**—**	*(d)*
Property, plant and equipment	**49**	**49**	
Current and deferred tax assets	**1**	**1**	
of which: DTAs that rely on future profitability and do not arise from temporary differences	***7***	***7***	*(e)*
of which: DTL on defined benefit pension scheme assets	***(7)***	***(7)***	*(g)*
Prepayments, accrued income and other assets	**104**	**104**	
of which: defined benefit pension fund assets	***52***	***52***	*(f)*
Assets of disposal groups	**7,737**	**7,737**	
Amounts due from ultimate holding company and fellow subsidiaries	**964**	**964**	
Total assets	**13,972**	**13,972**	
Liabilities			
Bank deposits	**—**	**—**	
Customer deposits	**6,946**	**6,946**	
Derivatives	**167**	**167**	
Other financial liabilities	**—**	**—**	
Provisions, deferred income and other liabilities	**403**	**403**	
Retirement benefit liabilities	**—**	**—**	
Current and deferred tax liabilities	**—**	**—**	
Subordinated liabilities	**86**	**86**	*(j)*
Liabilities of disposal groups	**17**	**17**	
Amounts due to ultimate holding company and fellow subsidiaries	**3,726**	**3,726**	
Total liabilities	**11,345**	**11,345**	
Shareholders' Equity			
Non-controlling interests	**—**	**—**	
Owners' equity			
Called up share capital	**3,379**	**3,379**	*(a)*
Reserves	**(752)**	**(752)**	
of which: amount eligible for retained earnings	***(1,592)***	***(1,592)***	*(b)*
of which: amount eligible for accumulated OCI and other reserves	***(17)***	***(17)***	*(c) & (i)*
of which: amount of other equity instruments	**—**	**—**	*(h)*
of which: share premium accounts	***857***	***857***	*(k)*
Total shareholders' equity	**2,627**	**2,627**	

(1) The references (a) to (k) identify balance sheet components in table EU CC2 that are used in the calculation of regulatory capital in table EU CC1. Amounts between tables EU CC2 and EU CC1 are not always directly comparable due to differences in definitions and application of Capital Requirements Directive for the calculation of regulatory capital.

EU TLAC2: Creditor ranking - Entity that is not a resolution entity

		UBIDAC								
		Insolvency ranking								
2	Description of insolvency ranking	Shareholders equity		Preference shares and contingent capital notes		Subordinated debt		Senior non-preferential debt		
2022		Resolution entity €m	Other €m	Resolution entity €m	Other €m	Resolution entity €m	Other €m	Resolution entity €m	Other €m	Total €m
3	Total liabilities and own funds	**2,627**	**—**	**—**	**—**	**—**	**45**	**600**	**—**	**3,272**
4	o/w excluded liabilities	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
5	Total liabilities and own funds less excluded liabilities	**2,627**	**—**	**—**	**—**	**—**	**45**	**600**	**—**	**3,272**
6	Subset of TLOF less of excluded liabilities that are own funds and eligible liabilities for the purpose of MREL	**2,627**	**—**	**—**	**—**	**—**	**45**	**600**	**—**	**3,272**
7	o/w residual maturity ≥ 1 year < 2 years	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
8	o/w residual maturity ≥ 2 year < 5 years	**—**	**—**	**—**	**—**	**—**	**—**	**600**	**—**	**600**
9	o/w residual maturity ≥ 5 years < 10 years	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
10	o/w residual maturity ≥ 10 years, but excluding perpetual securities	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
11	o/w perpetual securities	**2,627**	**—**	**—**	**—**	**—**	**45**	**—**	**—**	**2,672**

		UBIDAC								
		Insolvency ranking								
2	Description of insolvency ranking	Shareholders Equity (in EUR)		Preference shares and contingent capital notes (in EUR)		Subordinated debt (in EUR)		Senior non-preferential debt (in EUR)		
2021		Resolution entity €m	Other €m	Resolution entity €m	Other €m	Resolution entity €m	Other €m	Resolution entity €m	Other €m	Total €m
3	Total liabilities and own funds	3,871	—	—	—	530	46	600	—	5,047
4	o/w excluded liabilities	—	—	—	—	530	—	—	—	530
5	Total liabilities and own funds less excluded liabilities	3,871	—	—	—	—	46	600	—	4,517
6	Subset of TLOF less of excluded liabilities that are own funds and eligible liabilities for the purpose of MREL	3,871	—	—	—	—	46	600	—	4,517
7	o/w residual maturity ≥ 1 year < 2 years	—	—	—	—	—	—	—	—	—
8	o/w residual maturity ≥ 2 year < 5 years	—	—	—	—	—	—	600	—	600
9	o/w residual maturity ≥ 5 years < 10 years	—	—	—	—	—	—	—	—	—
10	o/w residual maturity ≥ 10 years, but excluding perpetual securities	—	—	—	—	—	—	—	—	—
11	o/w perpetual securities	3,871	—	—	—	—	46	—	—	3,917

(1) Amounts shown include balances indirectly due to resolution entity through NWH Limited, a wholly owned subsidiary of NatWest Group plc

Annex IX: Countercyclical capital buffers

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

As part of the banking reforms introduced by Basel III, a countercyclical capital buffer is required to ensure banks take account of the macro-financial environment when assessing adequate capital requirements. The buffer is to help protect banks during periods of excess aggregate credit growth that have often been associated with the build-up of system-wide risk. This regime is intended to help reduce the risk that the supply of credit will be constrained during a period of economic downturn, which in turn could undermine the performance of the real economy and consequently result in additional credit losses in the banking system.

The table below summarises UBIDAC's total exposures and own funds requirements based on country of economic operation of the customer. Where applicable, a countercyclical capital buffer rate is applied to the own funds requirement for the geographic region to capture an additional countercyclical requirement.

General credit and trading book exposures exclude those with central governments/banks, regional governments, local authorities, public sector entities, multilateral development banks, international organisations and institutions. The exposures below therefore differ from those presented in the credit and counterparty credit risk sections.

	UBIDAC												
	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures - Market risk				Own fund requirements						
31 December 2022	Exposure value under the standardised approach €m	Exposure value under the IRB approach €m	Sum of long and short positions of trading book exposures for SA €m	Value of trading book exposures for internal models €m	Securitisation exposures Exposure value for non-trading book €m	Total exposure value €m	Relevant credit risk exposures - Credit risk €m	Relevant credit exposures - Market risk €m	Relevant credit exposures - Securitisation positions in the non trading book €m	Total €m	Risk weighted exposure amounts €m	Own fund requirements weights %	Countercyclical buffer rate %
Breakdown by country (with existing CCyB rates)													
Norway	50	—	—	—	—	50	0	—	—	0	5	0.10%	2.00%
Denmark	—	—	—	—	—	—	—	—	—	—	—	—	2.00%
Czech Republic	—	—	—	—	—	—	—	—	—	—	—	—	1.50%
Great Britain	85	—	—	—	—	85	5	—	—	5	52	1.11%	1.00%
Sweden	44	—	—	—	—	44	0	—	—	0	5	0.09%	1.00%
Hong Kong	—	—	—	—	—	—	—	—	—	—	—	—	1.00%
Estonia	—	—	—	—	—	—	—	—	—	—	—	—	1.00%
Slovakia	—	—	—	—	—	—	—	—	—	—	—	—	1.00%
Luxembourg	—	—	—	—	—	—	—	—	—	—	—	—	0.50%
Romania	—	—	—	—	—	—	—	—	—	—	—	—	0.50%
Total (countries with existing CCyB rates)	179	—	—	—	—	179	5	—	—	5	62	1.30%	

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

	UBIDAC												
	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures - Market risk				Own fund requirements						
31 December 2022	Exposure value under the standardised approach €m	Exposure value under the IRB approach €m	Sum of long and short positions of trading book exposures for SA €m	Value of trading book exposures for internal models €m	Securitisation exposures Exposure value for non-trading book €m	Total exposure value €m	Relevant credit risk exposures - Credit risk €m	Relevant credit exposures - Market risk €m	Relevant credit exposures - Securitisation positions in the non trading book €m	Total €m	Risk weighted exposure amounts €m	Own fund requirements weights %	Countercyclical buffer rate %
Breakdown by country (with zero CCyB rates and with own funds requirement weights 1% and above)													
Ireland	9,052	—	—	—	—	9,052	375	—	—	375	4,689	97.79%	
Total (Countries with zero CCyB rate and with own funds requirement weights 1% and above)	9,052	—	—	—	—	9,052	375	—	—	375	4,689	97.79%	
Total (rest of the world with zero CCyB rate and below 1% requirement)	281	—	—	—	—	281	4	—	—	4	44	0.91%	
Total	9,512	—	—	—	—	9,512	384	—	—	384	4,795	100.00%	

EU CCyB2: Amount of institution-specific countercyclical capital buffer

		UBIDAC 31 December 2022 €m
1	Total risk exposure amount	**6,390**
2	Institution specific countercyclical capital buffer rate	**0.01%**
3	Institution specific countercyclical capital buffer requirement (1)	**1**

(1) The Financial Policy Committee increased the UK CCyB rate from 0% to 1% effective from 13 December 2022. A further increase from 1% to 2% was announced on 5 July 2022, effective 5 July 2023. In June 2022, the Central Bank of Ireland announced that the CCyB on Irish exposures will increase from 0% to 0.5%, applicable from 15 June 2023. This is the first step towards a gradual increase, which conditional on macro-financial developments, would see a CCyB of 1.5% announced by mid-2023.

Annex XI: Leverage ratio

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

The table below shows a reconciliation between total assets under IFRS standards and the leverage exposure measure.

		UBIDAC	
		31 December 2022 €m	31 December 2021 €m
1	Total assets as per published financial statements	**13,972**	27,927
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential 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))	**—**	(5,550)
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 (1) of Article 429a(1) of the 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	Adjustment for derivative financial instruments	**13**	26
9	Adjustment for securities financing transactions (SFTs)	**—**	—
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	**281**	1,176
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	**(6)**	—
EU-11a	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) of the CRR)	**—**	—
EU-11b	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (j) of Article 429a(1) of the CRR)	**—**	—
12	Other adjustments	**(157)**	(16)
13	Total exposure measure	**14,103**	23,563

EU LR2 - LRCom: Leverage ratio common disclosure

The table below shows the leverage ratio common disclosure on a transitional basis.

		UBIDAC CRR leverage ratio exposures 31 December 2022 €m	30 June 2022 €m
	On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	**13,875**	25,669
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	**—**	—
3	(Deductions of receivable 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 (leverage))	**(161)**	(68)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	**13,714**	25,601
	Derivative exposures		
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	**67**	78
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	**—**	—
9	Add-on amounts for PFE associated with SA-CCR derivatives transactions	**42**	73
EU-9a	Derogation for derivatives: potential future exposure contribution under the simplified standardised approach	**—**	—
EU-9b	Exposure determined under Original Exposure Method	**—**	—
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	**109**	151
	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 of the CRR	**—**	—
EU-17	Agent transaction exposures	**—**	—
EU-17a	(Exempted CCP leg of client-cleared SFT exposures)	**—**	—
18	Total securities financing transaction exposures	**—**	—
	Other off-balance sheet exposures		
19	Off-balance sheet exposures at gross notional amount	**1,333**	2,698
20	(Adjustments for conversion to credit equivalent amounts)	**(1,052)**	(1,810)
21	(General provisions deducted in determining Tier 1 and specific provisions associated with off-balance sheet exposures)	**(1)**	(2)
22	Off-balance sheet exposures	**280**	886

EU LR2 - LRCom: Leverage ratio common disclosure continued

		UBIDAC	
		31 December 2022 €m	30 June 2022 €m
	Excluded exposures		
EU-22a	(Exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) of the CRR)	—	—
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) of the CRR (on and off balance sheet))	—	—
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	—	—
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	—	—
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	—	—
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	**2,466**	3,667
24	Total exposure measure	**14,103**	26,638
	Leverage ratio		
25	Leverage ratio (%)	**17.5%**	13.8%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	**17.5%**	13.8%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	**17.5%**	13.8%
26	Regulatory minimum leverage ratio requirement (%)	**3.0%**	3.0%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	—	—
EU-26b	of which: to be made up of CET1 capital		
27	Required leverage buffer (%)	—	—
EU-27a	Overall leverage ratio requirement (%)	**3.0%**	3.0%

EU LR2 - LRCom: Leverage ratio common disclosure continued

		UBIDAC	
		31 December 2022 €m	30 June 2022 €m
Choice on transitional arrangements and relevant exposures			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	Fully phased in	Transitional
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 exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment sale accounting transactions and netted of amounts of associated cash payables for and cash receivables)	14,103	26,638
30a	Total exposure measure (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)	14,103	26,638
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)	17.5%	13.8%
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)	17.5%	13.8%

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

The table below shows the breakdown of the leverage ratio exposures on a transitional basis.

		CRR leverage ratio exposures	
		UBIDAC	
		31 December 2022 €m	31 December 2021 €m
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	**13,714**	22,265
EU-2	Trading book exposures	**—**	—
EU-3	Banking book exposures, of which:	**13,714**	22,265
EU-4	Covered bonds	**338**	409
EU-5	Exposures treated as sovereigns	**3,150**	1,219
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	**178**	419
EU-7	Institutions	**1,103**	1,032
EU-8	Secured by mortgages of immovable properties	**6,958**	15,687
EU-9	Retail exposures	**349**	537
EU-10	Corporates	**817**	2,022
EU-11	Exposures in default	**464**	336
EU-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	**357**	604

EU LRA: Disclosure of LR qualitative information

Processes used to manage the risk of excessive leverage

UBIDAC actively manages the risk of excessive leverage through relevant Board approved Risk Appetite measures, operational limits and targets. This ensures that UBIDAC is sufficiently capitalised to meet supervisory leverage requirements in normal business conditions and appropriate requirements for leverage under stress events. UBIDAC embeds its strong focus on leverage in its capital planning. UBIDAC regularly monitors leverage targets, exposure, and capacity, on an actual and forecast basis, in relevant Governance committees.

Factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers

The leverage ratio has increased in the period from 13.8% to 17.5% as at 31 December 2022. The key driver of the increase in the period was a €12.5 billion decrease in the leverage exposure driven by reduced balance sheet exposures due to the transfer of commercial loans to Allied Irish Banks p.l.c. and mortgage lending to Permanent TSB Group Holdings plc. This is offset by a €1.2 billion decrease in Tier 1 capital.

Annex XIII: Liquidity requirements

EU LIQ1: Quantitative information of LCR

		UBIDAC							
		Total unweighted value (average)				Total weighted value (average)			
EU 1a		**31 December 2022**	30 September 2022	30 June 2022	31 March 2022	**31 December 2022**	30 September 2022	30 June 2022	31 March 2022
EU 1b	Number of data points used in the calculation of averages	**12**	12	12	12	**12**	12	12	12
		€m	€m	€m	€m	**€m**	€m	€m	€m
	High-quality liquid assets								
1	Total high-quality liquid assets (HQLA)	**6,060**	7,209	8,078	8,553	**6,035**	7,182	8,050	8,525
	Cash - outflows								
2	Retail deposits and deposits from small business customers of which:	**9,000**	11,392	12,749	13,369	**793**	934	1,018	1,044
3	*Stable deposits*	**4,480**	5,900	6,743	7,129	**224**	295	337	357
4	*Less stable deposits*	**4,406**	5,278	5,643	5,716	**534**	639	681	687
5	Unsecured wholesale funding	**6,952**	7,422	7,368	7,181	**3,367**	3,388	3,207	3,082
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	**1,678**	1,814	1,844	1,809	**419**	454	461	452
7	*Non-operational deposits (all counterparties)*	**5,274**	5,608	5,524	5,372	**2,948**	2,934	2,746	2,630
8	*Unsecured debt*	**—**	—	—	—	**—**	—		—
9	*Secured wholesale funding*	**—**	—	—	—	**—**	—	—	—
10	Additional requirements	**1,851**	2,327	2,686	2,951	**169**	216	254	282
11	*Outflows related to derivative exposures and other collateral requirements*	**2**	2	2	2	**2**	2	2	2
12	*Outflows related to loss of funding on debt products*	**—**	—	—		**—**	—		
13	*Credit and liquidity facilities*	**1,849**	2,325	2,684	2,949	**167**	214	252	280
14	Other contractual funding obligations	**274**	230	160	81	**201**	164	99	26
15	Other contingent funding obligations	**301**	332	352	371	**15**	16	17	18
16	Total cash outflows	**18,378**	21,703	23,315	23,953	**4,545**	4,718	4,595	4,452
	Cash - inflows								
17	Secured lending (e.g. reverse repos)	**—**	—	—	—	**—**	—	—	—
18	Inflows from fully performing exposures	**423**	499	605	649	**350**	425	533	575
19	Other cash inflows	**1,274**	830	266	153	**1,184**	735	167	51
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)	**—**	—	—	—	**—**	—	—	—
20	Total cash inflows	**1,697**	1,329	871	802	**1,534**	1,160	700	626
EU-20a	*Fully exempt inflows*	**—**	—	—	—	**—**	—	—	—
EU-20b	*Inflows subject to 90% cap*	**—**	—	—	—	**—**	—	—	—
EU-20c	*Inflows subject to 75% cap* (2)	**1,697**	1,329	871	802	**1,352**	1,043	700	626
	Total adjusted value								
EU-21	Liquidity buffer	**—**	—	—	—	**6,035**	7,182	8,050	8,525
22	Total net cash outflows	**—**	—	—	—	**3,193**	3,674	3,896	3,827
23	Liquidity coverage ratio (%)	**—**	—	—	—	**203%**	206%	213%	228%

1) The LIQ1 disclosure reflects the 12month average of all the quoted LCR data points.
2) Includes adjustments for instances when cash inflows were capped at 75% of cash outflows.

EU LIQ2: Net Stable Funding Ratio

		UBIDAC				
		a	b	c	d	e
	(In currency amount)	Unweighted value by residual maturity				
		No maturity	< 6 months	6 months to < 1 yr	≥ 1 yr	Weighted Value
	Available stable funding (ASF) Items					
1	Capital items and instruments	—	—	—	2,551	2,551
2	Own funds	—	—	—	2,551	2,551
3	Other capital instruments		—	—	—	—
4	Retail Deposits		2,603	—	—	2,382
5	Stable deposits		797	—	—	757
6	Less stable deposits		1,806	—	—	1,625
7	Wholesale funding		4,015	3,000	604	3,874
8	Operational deposits		1,116	—	—	558
9	Other wholesale funding		2,899	3,000	604	3,316
10	Interdependent liabilites		—	—	—	—
11	Other liabilites	167	1,033	—	—	—
12	NSFR derivative liabilities	167				
13	All other liabilities and capital instruments not included in the above categories		1,033	—	—	—
14	Total available stable funding (ASF)					8,807
	Required stable funding (RSF) Items					
15	Total high-quality liquid assets (HQLA)					204
EU-15a	Assets encumbered for more than 12 months in cover pool		—	—	—	—
16	Deposits held at other financial institutions for operational purposes		—	—	—	—
17	Performing loans and securities:		7,696	364	949	4,611
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		552	—	400	455
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		1,675	202	93	1,952
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		1	—	—	1
22	Performing residential mortgages, of which:		5,468	162	456	2,203
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		3,871	115	323	2,203
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		—	—	—	—
25	Interdependent assets		—	—	—	—
26	Other assets:	—	622	16	285	923
27	Physical traded commodities				—	—
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		—	—	—	—
29	NSFR derivative assets		97	—	—	97
30	NSFR derivative liabilities before deduction of variation margin posted		—	—	—	—
31	All other assets not included in the above categories		525	16	285	826
32	Off-balance sheet items		1,049	—	—	52
33	Total RSF					5,790
34	Net Stable Funding Ratio (%)					152%

EU LIQA: Liquidity risk management

Strategies and processes in the management of the liquidity risk, including policies on funding

The Internal Liquidity Adequacy Assessment Process (ILAAP) is the key mechanism for assessing the liquidity and funding needs. It is used to comprehensively identify sources and potential sources of liquidity risk. The ILAAP is completed at least annually, and ensures liquidity and funding risks are identified, measured, managed, and monitored. The annual ILAAP submission is approved by the Board.

On at least an annual basis the Board approve the liquidity and funding risk appetites, consisting of qualitative statements and supporting quantitative measures, which define the type and aggregate level of risk UBIDAC is willing to accept in the delivery of its strategy. The risk appetites are supported by a series of operational limits. In order to ensure the UBIDACs liquidity & funding is managed within risk appetite, a Liquidity & Funding Plan is maintained, subject to at least an annual refresh. This is supported by regular rolling forecasts, which track expected performance against plan and risk appetite limits.

UBIDAC is progressing with a phased withdrawal from the Republic of Ireland market. Customers have been given notice to find an alternate provider for their current and deposit account needs. UBIDAC manages the diversification and tenor of its funding based on phased withdrawal strategy.

Structure and organisation of the liquidity risk management function

On an annual basis, the Board review and approve the overall approach to risk management in UBIDAC, as laid out in the UBIDAC Enterprise Wide Risk Management Framework (EWRMF), inclusive of the liquidity and funding risk appetites and the ILAAP.

The structure and organisation of Liquidity and Funding risk management is defined within the Liquidity and Funding Risk Management Policy, which is approved by UBIDAC Board Risk Committee. It includes defined roles and responsibilities, which are consistent with the Three Lines of Defence Model within the EWRMF, which ensures effective oversight and assurance.

Centralisation of liquidity management and interaction between the group's units

UBIDAC manages its liquidity to ensure it is always available when and where required, considering regulatory, legal and other constraints.

UBIDAC is part of the NatWest Group. Following the implementation of ring-fencing legislation, liquidity is no longer considered fully fungible across NatWest Group and principal liquidity portfolios are maintained in the UK DoLSub (primarily in NWB Plc), UBIDAC, NWM Plc, RBSI and NWM N.V.

All legal entities within the Group are managed to meet all relevant local regulatory requirements, as well as within internally defined risk appetites. All legal entities within the NatWest Group are subject to the Group Liquidity and Funding Policy and associated mandatory processes.

Scope and nature of liquidity risk reporting and measurement systems

UBIDAC Treasury has overall accountability for the accurate and timely production of external regulatory liquidity reporting and internal liquidity management reporting.

The liquidity position of UBIDAC is reported daily to those Executives responsible for managing and controlling liquidity risk, and on a regular basis to ALCo and BRC.

Defined escalation processes are in place for breach of any liquidity risk appetites or operational limits. Liquidity condition indicators are monitored daily and provide early warning indicators of potential stresses or increased vulnerability to stress.

Policies and processes for hedging and mitigating the liquidity risk

The UBIDAC Liquidity and Funding Risk Management Policy defines the requirements for the identification, assessment, management and mitigation of liquidity and funding risk. These are underpinned by a strong risk culture, risk appetites, policies, and oversight & assurance via the Three Lines of Defence model.

As a key mitigant of liquidity and funding risk, UBIDAC maintains a Liquid Asset Buffer, which consists of high-quality liquid assets that can be monetised in times of stress. UBIDAC monitor the sufficiency of the liquid asset portfolio through risk appetite. The liquid asset buffer must be managed in accordance with the investment mandate, which is approved at least annually by UBIDAC ALCo and sets out the level of risk UBIDAC is willing to take within the regulatory and internal framework.

Contingency funding plans.

NWB Plc has provided UBIDAC with a Committed Unsecured Liquidity Facility to support the phased withdrawal from the market in the Republic of Ireland. UBIDAC performed downside scenario analysis, coupled with a macro-economic stress, to determine the level of support required.

Stress Testing

Comprehensive and robust stress testing is a key mechanism used to identify and assess liquidity & funding needs. Stress testing is used to quantify the potential impact of specified changes to risk factors on the liquidity & funding strength of UBIDAC. The stress tests are event driven based on key vulnerabilities of the Bank. ILAAP summarises the Bank's Liquidity Stress Testing and the potential impact.

UBIDAC stress testing has taken the form of downside risks to the phased withdrawal strategy, coupled with macro-economic events. These stress testing outputs were used to size a Committed Unsecured Liquidity Facility from NWB Plc to support the withdrawal strategy.

Adequacy of liquidity risk management arrangements

UBIDAC Board confirm the adequacy of the UBIDACs liquidity risk management arrangements, including systems and controls, annually via the ILAAP. The ILAAP details the bank's approach to the identification, measurement and management of liquidity & funding risk and the formulation of the Liquidity & Funding plan, which is subsequently submitted to the JST.

Management statement on liquidity risk profile

On at least an annual basis Board approve UBIDACs liquidity risk appetite statement. The current statement is:
UBIDAC manages liquidity and funding to meet its strategic objectives, whilst ensuring that:

- sufficient liquid reserves are held to cover severe but plausible stresses.
- there is sufficient contingent funding in the event of such stresses, which will return UBIDAC above risk appetite trigger.
- manage the orderly reduction in funding volumes through the phased withdrawal to match asset reductions where appropriate, with parental support where required.

As such, UBIDAC accepts liquidity and funding risk within the risk appetite limits set by the Board, ensuring adherence to both internal and regulatory defined constraints.

EU LIQB: On qualitative information on LCR, which complements template EU LIQ1

Qualitative information	31 December 2022
Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time	The LCR aims to ensure that a bank has an adequate stock of unencumbered High Quality Liquid Assets ("HQLA") to meet its liquidity needs for a 30-calendar day liquidity stress scenario. The LCR remained above the regulatory minimum requirements of 100% and internal risk appetite limits throughout the year. The LCR is prepared in accordance with the Commission Delegated Regulation (EU) 2015/61. All figures included in the table represent a 12 month rolling average for each quarter. In Q1 2021, Ulster Bank Ireland DAC announced its intention to commence a phased withdrawal from the Republic of Ireland. In Q2 2022, Ulster Bank Ireland DAC commenced communication with all depositors, requesting they find an alternate banking provider and to close their current and deposit accounts. As a result, the Bank experienced material deposit outflows in 2022. Ulster Bank Ireland DAC have drawn funding from an unsecured committed liquidity facility with NatWest Bank (NWB) to support continued compliance with regulatory and internal risk appetite requirements (€3.0bn). Further funding is available from this facility to support the phased withdrawal by NatWest from the ROI market (€4.0bn unutilised). At year-end 2021, and prior to the commencement of the customer deposit exit communications, UBIDAC had total customer deposits of €21.9bn. As at year-end 2022, UBIDAC had residual customer deposits of €6.9bn.
Explanations on the changes in the LCR over time	Changes to net outflows driven by: – Deposit outflows – A change in deposit mix in favour of non-financial corporates – Term deposits trending downwards due to the phased withdrawal and – An increase in inflows driven by loan asset sales and intragroup loans. Noting Ulster Bank Ireland DAC's phased withdrawal from the Republic of Ireland drives all these factors.
Explanations on the actual concentration of funding sources	As at Q4 2022, UBIDAC is funded by €6.9bn of deposits (~40% Retail/SME) and €3bn intragroup loan. The YoY reduction in Retail/SME deposits reflects customer reaction as UBIDAC's withdrawal from the Republic of Ireland develops.
High-level description of the composition of the institution`s liquidity buffer	All UBIDAC HQLA is categorised as level 1. This is held in a combination of cash held with the central bank and bonds. As at year-end 2022, the balance of cash and withdrawable central bank reserves was €3.3bn and the bonds were €0.6bn. During 2022, UBIDAC reduced it's bond holdings to support the cash management of the phased withdrawal strategy.
Derivative exposures and potential collateral calls	N/a, UBIDAC has a non-material number of swaps / collateral calls.
Currency mismatch in the LCR	The Bank's balance sheet is c97.5% euro denominated.
Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile	Ulster Bank Ireland DAC's phased withdrawal from the Republic of Ireland (announced in Q1 2021). In Q1 2021, Ulster Bank Ireland DAC announced its intention to commence a phased withdrawal from the Republic of Ireland. In Q2 2022, Ulster Bank Ireland DAC commenced communication with all depositors, requesting they find an alternate banking provider and to close their current and deposit accounts. As a result, the Bank experienced material deposit outflows in 2022.

Annex XV: Credit risk quality

EU CQ1: Credit quality of forborne exposures

The table below shows gross carrying amount of forborne exposures and the related accumulated impairment, provisions, accumulated change in fair value due to credit risk and collateral and financial guarantees received by portfolio and exposure class.

		UBIDAC							
		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			
31 December 2022		Performing forborne €m	Non-performing forborne €m	*Of which: defaulted* €m	*Of which: impaired* €m	On performing forborne exposures €m	On non-performing forborne exposures €m	Collateral received and financial guarantees received on forborne exposures €m	*Of which: collateral and financial guarantees received on non-performing exposures with forbearance measures* €m
005	Cash balances at central banks and other demand deposits	—	—	—	—	—	—	—	—
010	Loans and advances	**96**	**411**	**410**	**77**	**(18)**	**(202)**	**279**	**202**
020	Central banks	—	—	—	—	—	—	—	—
030	General governments	—	—	—	—	—	—	—	—
040	Credit institutions	—	—	—	—	—	—	—	—
050	Other financial corporations	—	—	—	—	—	—	—	—
060	Non-financial corporations	**63**	**61**	**61**	**61**	**(18)**	**(22)**	**80**	**36**
070	Households	**33**	**350**	**349**	**16**	—	**(180)**	**199**	**166**
080	Debt securities	—	—	—	—	—	—	—	—
090	Loan commitments given	**1**	**1**	**1**	**1**	—	—	**1**	**1**
100	Total	**97**	**412**	**411**	**78**	**(18)**	**(202)**	**280**	**203**

EU CQ1: Credit quality of forborne exposures continued

		UBIDAC							
		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	*Of which: collateral and financial guarantees received on non-performing exposures with forbearance measures*
31 December 2021		Performing forborne €m	Non-performing forborne €m	*Of which: defaulted* €m	*Of which: impaired* €m	On performing forborne exposures €m	On non-performing forborne exposures €m	€m	€m
005	Cash balances at central banks and other demand deposits	—	—	—	—	—	—	—	—
010	Loans and advances	639	741	693	692	(41)	(327)	985	404
020	Central banks	—	—	—	—	—	—	—	—
030	General governments	—	—	—	—	—	—	—	—
040	Credit institutions	—	—	—	—	—	—	—	—
050	Other financial corporations	—	—	—	—	—	—	—	—
060	Non-financial corporations	118	105	102	102	(27)	(31)	150	67
070	Households	521	636	591	590	(14)	(296)	835	337
080	Debt securities	—	—	—	—	—	—	—	—
090	Loan commitments given	55	4	4	4	—	—	5	2
100	Total	694	745	697	696	(41)	(327)	990	406

(1) Exposures classified as held-for-sale are excluded from the table in accordance with FINREP definitions.

EU CQ2: Quality of forbearance

		UBIDAC	
		a	
		Gross carrying amount of forborne exposures	
		31 December 2022 €m	31 December 2021 €m
010	Loans and advances that have been forborne more than twice	**349**	960
020	Non-performing forborne loans and advances that failed to meet the non-performing exit criteria	**411**	737

(1) Exposures classified as held-for-sale are excluded from the table in accordance with FINREP definitions.

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

The table below shows the gross carrying amount/nominal amount (including accrued interest) of performing and non-performing exposures according to the scope of regulatory consolidation. For the on-balance sheet exposures, the template shows the breakdown by past-due band.

	UBIDAC											
	a	b	c	d	e	f	g	h	i	j	k	l
	Gross carrying amount/nominal amount											
31 December 2022	Performing exposures €m	*Of which: Not past due or past due ≤ 30 days* €m	*Of which: Past due > 30 days ≤ 90 days* €m	Non-performing exposures €m	*Of which: Unlikely to pay that are not past due or are past due ≤ 90 days* €m	*Of which: Past due > 90 days ≤ 180 days* €m	*Of which: Past due > 180 days ≤ 1 year* €m	*Of which: Past due > 1 year ≤ 2 years* €m	*Of which: Past due > 2 years ≤ 5 years* €m	*Of which: Past due > 5 years ≤ 7 years* €m	*Of which: Past due > 7 years* €m	*Of which: Defaulted* €m
005 Cash balances at central banks and other demand deposits	3,234	3,234	—	—	—	—	—	—	—	—	—	—
010 Loans and advances	1,571	1,556	15	575	177	34	48	43	114	68	91	573
020 Central banks	—	—	—	—	—	—	—	—	—	—	—	—
030 General governments	—	—	—	—	—	—	—	—	—	—	—	—
040 Credit institutions	903	903	—	—	—	—	—	—	—	—	—	—
050 Other financial corporations	1	1	—	—	—	—	—	—	—	—	—	—
060 Non-financial corporations	134	134	—	93	48	6	7	1	14	12	5	93
070 Of which: SMEs	65	65	—	63	25	6	6	1	11	10	4	63
080 Households	533	518	15	482	129	28	41	42	100	56	86	480
090 Debt securities	631	631	—	—	—	—	—	—	—	—	—	—
100 Central banks	—	—	—	—	—	—	—	—	—	—	—	—
110 General governments	25	25	—	—	—	—	—	—	—	—	—	—
120 Credit institutions	316	316	—	—	—	—	—	—	—	—	—	—
130 Other financial corporations	290	290	—	—	—	—	—	—	—	—	—	—
140 Non-financial corporations	—	—	—	—	—	—	—	—	—	—	—	—
150 Off-balance sheet exposures	1,328			22								22
160 Central banks	—			—								—
170 General governments	—			—								—
180 Credit institutions	131			—								—
190 Other financial corporations	28			—								—
200 Non-financial corporations	660			14								14
210 Households	509			8								8
220 Total	6,764	5,421	15	597	177	34	48	43	114	68	91	595

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

	UBIDAC											
	a	b	c	d	e	f	g	h	i	j	k	l
	Gross carrying amount/nominal amount											
31 December 2021	Performing exposures €m	*Of which: Not past due or past due ≤ 30 days* €m	*Of which: Past due > 30 days ≤ 90 days* €m	Non-performing exposures €m	*Of which: Unlikely to pay that are not past due or are past due ≤ 90 days* €m	*Of which: Past due > 90 days ≤ 180 days* €m	*Of which: Past due > 180 days ≤ 1 year* €m	*Of which: Past due > 1 year ≤ 2 years* €m	*Of which: Past due > 2 years ≤ 5 years* €m	*Of which: Past due > 5 years ≤ 7 years* €m	*Of which: Past due > 7 years* €m	*Of which: Defaulted* €m
005 Cash balances at central banks and other demand deposits	5,367	5,367	—	—	—	—	—	—	—	—	—	—
010 Loans and advances	8,284	8,246	38	990	447	75	56	76	157	61	118	937
020 Central banks	—	—	—	—	—	—	—	—	—	—	—	—
030 General governments	5	5	—	—	—	—	—	—	—	—	—	—
040 Credit institutions	801	801	—	—	—	—	—	—	—	—	—	—
050 Other financial corporations	1	1	—	—	—	—	—	—	—	—	—	—
060 Non-financial corporations	531	530	1	171	89	16	8	15	24	3	16	168
070 Of which: SMEs	250	249	1	96	35	13	5	10	20	2	11	95
080 Households	6,946	6,909	37	819	358	59	48	61	133	58	102	769
090 Debt securities	2,488	2,488	—	—	—	—	—	—	—	—	—	—
100 Central banks	—	—	—	—	—	—	—	—	—	—	—	—
110 General governments	1,203	1,203	—	—	—	—	—	—	—	—	—	—
120 Credit institutions	979	979	—	—	—	—	—	—	—	—	—	—
130 Other financial corporations	306	306	—	—	—	—	—	—	—	—	—	—
140 Non-financial corporations	—	—	—	—	—	—	—	—	—	—	—	—
150 Off-balance sheet exposures	3,363			27								27
160 Central banks	—			—								—
170 General governments	5			—								—
180 Credit institutions	95			—								—
190 Other financial corporations	164			—								—
200 Non-financial corporations	2,359			19								19
210 Households	740			8								8
220 Total	19,502	16,101	38	1,017	447	75	56	76	157	61	118	964

(1) Exposures classified as held-for-sale are excluded from the table in accordance with FINREP definitions.

EU CQ4: Quality of non-performing exposures by geography

The table below shows gross carrying amount of performing and non-performing exposures and the related accumulated impairment, provisions and accumulated change in fair value due to credit risk by geography. Geographical analysis is based on the country of operation of the customer.

		UBIDAC						
		a	b	c	d	e	f	g
	31 December 2022	Gross carrying/ nominal amount €m	Of which: non-performing €m	Of which: defaulted €m	Of which: subject to impairment €m	Accumulated impairment €m	Provisions on off-balance-sheet commitments and financial guarantees given €m	Accumulated negative changes in fair value due to credit risk on non-performing exposures €m
010	**On-balance sheet exposures**	**2,777**	**575**	**573**	**1,971**	**(120)**	**—**	**(221)**
020	*UK*	**916**	**9**	**7**	**913**	**(5)**	**—**	**—**
030	*RoI*	**1,229**	**566**	**566**	**426**	**(114)**	**—**	**(221)**
040	*Other Western Europe*	**453**	**—**	**—**	**453**	**(1)**	**—**	**—**
050	*US*	**—**	**—**	**—**	**—**	**—**	**—**	**—**
060	*Other countries*	**179**	**—**	**—**	**179**	**—**	**—**	**—**
070	**Off-balance sheet exposures**	**1,350**	**22**	**22**	**—**	**—**	**(2)**	**—**
080	*UK*	**214**	**—**	**—**	**—**	**—**	**—**	**—**
090	*RoI*	**1,134**	**22**	**22**	**—**	**—**	**(2)**	**—**
100	*Other Western Europe*	**—**	**—**	**—**	**—**	**—**	**—**	**—**
110	*US*	**2**	**—**	**—**	**—**	**—**	**—**	**—**
120	*Other countries*	**—**	**—**	**—**	**—**	**—**	**—**	**—**
130	**Total**	**4,127**	**597**	**595**	**1,971**	**(120)**	**(2)**	**(221)**

EU CQ4: Quality of non-performing exposures by geography continued

		UBIDAC						
		a	b	c	d	e	f	g
31 December 2021		Gross carrying/ nominal amount €m	Of which: non-performing €m	Of which: defaulted €m	Of which: subject to impairment €m	Accumulated impairment €m	Provisions on off-balance-sheet commitments and financial guarantees given €m	Accumulated negative changes in fair value due to credit risk on non-performing exposures €m
010	**On-balance sheet exposures**	11,762	990	937	11,762	(549)	—	—
020	*UK*	840	27	27	840	(15)	—	—
030	*RoI*	8,434	963	910	8,434	(533)	—	—
040	*Other Western Europe*	2,072	—	—	2,072	(1)	—	—
050	*US*	—	—	—	—	—	—	—
060	*Other countries*	416	—	—	416	—	—	—
070	**Off-balance sheet exposures**	3,390	27	27	—	—	(1)	—
080	*UK*	405	1	1	—	—	—	—
090	*RoI*	2,891	26	26	—	—	(1)	—
100	*Other Western Europe*	33	—	—	—	—	—	—
110	*US*	61	—	—	—	—	—	—
120	*Other countries*	—	—	—	—	—	—	—
130	**Total**	15,152	1,017	964	11,762	(549)	(1)	—

(1) The geographical breakdown disclosed is based on combined on and off-balance sheet exposures and represent greater than 95% of total exposure.
(2) Exposures classified as held-for-sale are excluded from the table in accordance with FINREP definitions. Cash balances at central banks and other demand deposits are also excluded.

EU CQ5: Credit quality of loans and advances by industry

The table below shows gross carrying amount of performing and non-performing exposures to non-financial corporations and the related accumulated impairment, provisions and accumulated change in fair value due to credit risk by industry.

		UBIDAC					
		a	b	c	d	e	f
31 December 2022		Gross carrying amount €m	Of which: non-performing €m	Of which: defaulted €m	Of which: loans and advances subject to impairment €m	Accumulated impairment €m	Accumulated negative changes in fair value due to credit risk on non-performing exposures €m
010	Agriculture, forestry and fishing	**10**	**4**	**4**	**10**	**(3)**	**—**
020	Mining and quarrying	**—**	**—**	**—**	**—**	**—**	**—**
030	Manufacturing	**13**	**11**	**11**	**13**	**(8)**	**—**
040	Electricity, gas, steam and air conditioning supply	**—**	**—**	**—**	**—**	**—**	**—**
050	Water supply	**—**	**—**	**—**	**—**	**—**	**—**
060	Construction	**5**	**4**	**4**	**5**	**(3)**	**—**
070	Wholesale and retail trade	**19**	**10**	**10**	**19**	**(6)**	**—**
080	Transport and storage	**1**	**1**	**1**	**1**	**(1)**	**—**
090	Accommodation and food service activities	**113**	**43**	**43**	**113**	**(28)**	**—**
100	Information and communication	**1**	**—**	**—**	**1**	**—**	**—**
110	Financial and insurance activities	**—**	**—**	**—**	**—**	**—**	**—**
120	Real estate activities	**12**	**11**	**11**	**12**	**(6)**	**—**
130	Professional, scientific and technical activities	**3**	**2**	**2**	**3**	**(1)**	**—**
140	Administrative and support service activities	**4**	**—**	**—**	**4**	**(2)**	**—**
150	Public administration and defence, compulsory social security	**—**	**—**	**—**	**—**	**—**	**—**
160	Education	**2**	**2**	**2**	**2**	**(2)**	**—**
170	Human health services and social work activities	**4**	**1**	**1**	**4**	**(2)**	**—**
180	Arts, entertainment and recreation	**2**	**2**	**2**	**2**	**(2)**	**—**
190	Other services	**38**	**2**	**2**	**38**	**(3)**	**—**
200	Total	**227**	**93**	**93**	**227**	**(67)**	**—**

		UBIDAC					
		a	b	c	d	e	f
31 Decemeber 2021		Gross carrying amount €m	Of which: non-performing €m	Of which: defaulted €m	Of which: loans and advances subject to impairment €m	Accumulated impairment €m	Accumulated negative changes in fair value due to credit risk on non-performing exposures €m
010	Agriculture, forestry and fishing	114	8	8	114	(6)	—
020	Mining and quarrying	—	—	—	—	—	—
030	Manufacturing	72	35	35	72	(22)	—
040	Electricity, gas, steam and air conditioning supply	—	—	—	—	—	—
050	Water supply	2	—	—	2	—	—
060	Construction	40	5	5	40	(5)	—
070	Wholesale and retail trade	108	18	18	108	(14)	—
080	Transport and storage	9	1	1	9	(1)	—
090	Accommodation and food service activities	204	74	73	204	(41)	—
100	Information and communication	9	1	1	9	(1)	—
110	Financial and insurance activities	—	—	—	—	—	—
120	Real estate activities	41	12	12	41	(9)	—
130	Professional, scientific and technical activities	22	3	2	22	(3)	—
140	Administrative and support service activities	14	2	2	14	(4)	—
150	Public administration and defence, compulsory social security	—	—	—	—	—	—
160	Education	7	4	4	7	(2)	—
170	Human health services and social work activities	19	3	3	19	(5)	—
180	Arts, entertainment and recreation	8	3	3	8	(2)	—
190	Other services	33	2	1	33	(3)	—
200	Total	702	171	168	702	(118)	—

(1) Exposures classified as held-for-sale are excluded from the table in accordance with FINREP definitions.

EU CQ6: Collateral valuation - loans and advances

		UBIDAC											
		a	b	c	d	e	f	g	h	i	j	k	l	
31 December 2022		**Loans and advances €m**	**Performing €m**	**Of which: past due > 30 days ≤ 90 days €m**	**Non-performing €m**	**Unlikely to pay that are not past due or are past due ≤ 90 days €m**	**Past due > 90 days €m**	**Of which: past due > 90 days ≤ 180 days €m**	**Of which: past due > 180 days ≤ 1 year €m**	**Of which: past due > 1 years ≤ 2 years €m**	**Of which: past due > 2 years ≤ 5 years €m**	**Of which: past due > 5 years ≤ 7 years €m**	**Of which: past due > 7 years €m**
010	Gross carrying amount	**2,146**	**1,571**	**15**	**575**	**177**	**398**	**34**	**48**	**43**	**114**	**68**	**91**
020	*Of which secured*	***972***	***452***	***11***	***520***	***167***	***353***	***29***	***39***	***40***	***99***	***60***	***86***
030	*Of which secured with immovable property*	***965***	***447***	***11***	***518***	***166***	***352***	***29***	***39***	***40***	***99***	***59***	***86***
040	*Of which instruments with LTV higher than 60% and lower or equal to 80%*	***115***	***27***		***88***	***18***	***70***						
050	*Of which instruments with LTV higher than 80% and lower or equal to 100%*	***50***	***1***		***49***	***5***	***44***						
060	*Of which instruments with LTV higher than 100%*	***24***	***1***		***23***	***3***	***20***						
070	Accumulated impairment for secured assets	***(279)***	***(23)***	**—**	***(256)***	***(66)***	***(190)***	***(16)***	***(23)***	***(21)***	***(53)***	***(34)***	***(43)***
080	Collateral												
090	*Of which value capped at the value of exposure*	***685***	***427***	***10***	***258***	***99***	***159***	***14***	***15***	***18***	***46***	***25***	***41***
100	*Of which immovable property*	***682***	***424***	***10***	***258***	***99***	***159***	***14***	***15***	***18***	***46***	***25***	***41***
110	*Of which value above the cap*	***2,477***	***1,520***	***34***	***957***	***233***	***724***	***40***	***47***	***69***	***225***	***124***	***219***
120	*Of which immovable property*	***2,467***	***1,511***	***34***	***956***	***232***	***724***	***40***	***47***	***69***	***225***	***124***	***219***
130	Financial guarantees received	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
140	Accumulated partial write-off	**(3)**	**—**	**—**	**(3)**	**—**	**(3)**	**—**	**—**	**—**	**(3)**	**—**	**—**

EU CQ6: Collateral valuation - loans and advances continued

		UBIDAC											
		a	b	c	d	e	f	g	h	i	j	k	l
31 December 2021		Loans and advances €m	Performing €m	Of which: past due > 30 days ≤ 90 days €m	Non-performing €m	Unlikely to pay that are not past due or are past due ≤ 90 days €m	Past due > 90 days €m	Of which: past due > 90 days ≤ 180 days €m	Of which: past due > 180 days ≤ 1 year €m	Of which: past due > 1 years ≤ 2 years €m	Of which: past due > 2 years ≤ 5 years €m	Of which: past due > 5 years ≤ 7 years €m	Of which: past due > 7 years €m
010	Gross carrying amount	9,274	8,284	38	990	447	543	75	56	76	157	61	118
020	*Of which secured*	7,822	6,915	34	907	420	487	72	51	65	137	54	108
030	*Of which secured with immovable property*	7,724	6,857	34	867	412	455	67	50	58	129	53	98
040	*Of which instruments with LTV higher than 60% and lower or equal to 80%*	1,736	1,579	—	157	76	81	—	—	—	—	—	—
050	*Of which instruments with LTV higher than 80% and lower or equal to 100%*	579	456	—	123	47	76	—	—	—	—	—	—
060	*Of which instruments with LTV higher than 100%*	111	58	—	53	13	40	—	—	—	—	—	—
070	Accumulated impairment for secured assets	(475)	(70)	(2)	(405)	(129)	(276)	(33)	(27)	(36)	(83)	(32)	(65)
080	Collateral												
090	*Of which value capped at the value of exposure*	7,273	6,790	32	483	288	195	31	23	25	54	21	41
100	*Of which immovable property*	7,266	6,785	32	481	287	194	30	23	25	54	21	41
110	*Of which value above the cap*	14,921	13,509	63	1,412	579	833	78	77	89	254	111	224
120	*Of which immovable property*	14,867	13,469	63	1,398	567	831	78	77	88	253	111	224
130	Financial guarantees received	39	35	—	4	1	3	—	—	3	—	—	—
140	Accumulated partial write-off	(4)	—	—	(4)	—	(4)	—	—	—	(4)	—	—

(1) Exposures classified as held-for-sale are excluded from the table in accordance with FINREP definitions.

EU CR1: Performing and non-performing exposures and related provisions

The table below shows gross carrying amount of performing and non-performing exposures and the related accumulated impairment, provisions, accumulated change in fair value due to credit risk, accumulated partial write-off and collateral and financial guarantees received by portfolio and exposure class.

		UBIDAC														
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions								
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	Collateral and financial guarantees received	
	31 December 2022	Total €m	Of which: Stage 1 €m	Of which: Stage 2 €m	Total €m	Of which: Stage 2 €m	Of which: Stage 3 €m	Total €m	Of which: Stage 1 €m	Of which: Stage 2 €m	Total €m	Of which: Stage 2 €m	Of which: Stage 3 €m	€m	On performing exposures €m	On non-performing exposures €m
005	Cash balances at central banks and other demand deposits	3,234	3,234	—	—	—	—	—	—	—	—	—	—	—	—	—
010	Loans and advances	1,571	1,021	178	575	2	139	(41)	(2)	(39)	(300)	(1)	(78)	(3)	427	258
020	Central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
030	General governments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
040	Credit institutions	903	903	—	—	—	—	—	—	—	—	—	—	—	—	—
050	Other financial corporations	1	1	—	—	—	—	—	—	—	—	—	—	—	1	—
060	Non-financial corporations	134	50	84	93	—	93	(24)	—	(24)	(43)	—	(43)	—	55	44
070	Of which: SMEs	65	11	54	63	—	63	(16)	—	(16)	(33)	—	(33)	—	33	25
080	Households	533	67	94	482	2	46	(17)	(2)	(15)	(257)	(1)	(35)	(3)	371	214
090	Debt securities	631	631	—	—	—	—	—	—	—	—	—	—	—	—	—
100	Central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
110	General governments	25	25	—	—	—	—	—	—	—	—	—	—	—	—	—
120	Credit institutions	316	316	—	—	—	—	—	—	—	—	—	—	—	—	—
130	Other financial corporations	290	290	—	—	—	—	—	—	—	—	—	—	—	—	—
140	Non-financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
150	Off-balance sheet exposures	1,328	1,188	139	22	—	22	(2)	(1)	(1)	—	—	—		71	2
160	Central banks	—	—	—	—	—	—	—	—	—	—	—	—		—	—
170	General governments	—	—	—	—	—	—	—	—	—	—	—	—		—	—
180	Credit institutions	131	131	—	—	—	—	—	—	—	—	—	—		—	—
190	Other financial corporations	28	28	—	—	—	—	—	—	—	—	—	—		1	—
200	Non-financial corporations	660	608	51	14	—	14	(1)	(1)	—	—	—	—		60	2
210	Households	509	421	88	8	—	8	(1)	—	(1)	—	—	—		10	—
220	Total	6,764	6,074	317	597	2	161	(43)	(3)	(40)	(300)	(1)	(78)	(3)	498	260

EU CR1: Performing and non-performing exposures and related provisions continued

		UBIDAC														
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions								
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	Collateral and financial guarantees received	
	31 December 2021	Total €m	*Of which: Stage 1* €m	*Of which: Stage 2* €m	Total €m	*Of which: Stage 2* €m	*Of which: Stage 3* €m	Total €m	*Of which: Stage 1* €m	*Of which: Stage 2* €m	Total €m	*Of which: Stage 2* €m	*Of which: Stage 3* €m	€m	On performing exposures €m	On non-performing exposures €m
005	Cash balances at central banks and other demand deposits	5,367	5,367	—	—	—	—	—	—	—	—	—	—	—	—	—
010	Loans and advances	8,284	7,322	962	990	53	937	(83)	(11)	(72)	(466)	(4)	(462)	(4)	6,825	487
020	Central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
030	General governments	5	5	—	—	—	—	—	—	—	—	—	—	—	—	—
040	Credit institutions	801	801	—	—	—	—	—	—	—	—	—	—	—	—	—
050	Other financial corporations	1	1	—	—	—	—	—	—	—	—	—	—	—	—	—
060	Non-financial corporations	531	300	231	171	3	168	(47)	(2)	(45)	(71)	(1)	(70)	—	231	76
070	Of which: SMEs	250	142	108	96	1	95	(21)	(1)	(20)	(48)	(1)	(47)	—	87	39
080	Households	6,946	6,215	731	819	50	769	(36)	(9)	(27)	(395)	(3)	(392)	(4)	6,594	411
090	Debt securities	2,488	2,488	—	—	—	—	—	—	—	—	—	—	—	—	—
100	Central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
110	General governments	1,203	1,203	—	—	—	—	—	—	—	—	—	—	—	—	—
120	Credit institutions	979	979	—	—	—	—	—	—	—	—	—	—	—	—	—
130	Other financial corporations	306	306	—	—	—	—	—	—	—	—	—	—	—	—	—
140	Non-financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
150	Off-balance sheet exposures	3,363	3,063	300	27	—	27	(1)	—	(1)	—	—	—	—	292	3
160	Central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
170	General governments	5	5	—	—	—	—	—	—	—	—	—	—	—	—	—
180	Credit institutions	95	95	—	—	—	—	—	—	—	—	—	—	—	—	—
190	Other financial corporations	164	155	9	—	—	—	—	—	—	—	—	—	—	2	—
200	Non-financial corporations	2,359	2,150	209	19	—	19	(1)	—	(1)	—	—	—	—	276	3
210	Households	740	658	82	8	—	8	—	—	—	—	—	—	—	14	—
220	Total	19,502	18,240	1,262	1,017	53	964	(84)	(11)	(73)	(466)	(4)	(462)	(4)	7,117	490

(1) Exposures classified as held-for-trading and held-for-sale are excluded from the table in accordance with FINREP definitions.

EU CR1-A: Maturity of exposures

The table below shows the maturity breakdown of gross carrying amount net of related accumulated impairment, provisions and accumulated change in fair value due to credit risk.

		UBIDAC					
		a	b	c	d	e	f
		Net exposure value					
31 December 2022		**On demand €m**	**<= 1 year €m**	**> 1 year <= 5 years €m**	**> 5 years €m**	**No stated maturity €m**	**Total €m**
1	Loans and advances	**101**	**962**	**109**	**633**	**—**	**1,805**
2	Debt securities	**—**	**286**	**344**	**1**	**—**	**631**
3	Total	**101**	**1,248**	**453**	**634**	**—**	**2,436**

		UBIDAC					
		a	b	c	d	e	f
		Net exposure value					
31 December 2021		On demand €m	<= 1 year €m	> 1 year <= 5 years €m	> 5 years €m	No stated maturity €m	Total €m
1	Loans and advances	370	657	1,066	5,450	—	7,543
2	Debt securities	—	498	1,989	—	—	2,487
3	Total	370	1,155	3,055	5,450	—	10,030

(1) Exposures classified as held-for-sale are excluded from the table in accordance with FINREP definitions. Cash balances at central banks and other demand deposits are also excluded.

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

		UBIDAC			
		a	b	a	b
		31 December 2022		31 December 2021	
		Gross carrying amount €m	**Related net accumulated recoveries €m**	Gross carrying amount €m	Related net accumulated recoveries €m
010	Initial stock of non-performing loans and advances	**990**	**—**	1,499	—
020	Inflows to non-performing portfolios	**366**	**—**	435	—
030	Outflows from non-performing portfolios	**(781)**	**—**	(944)	—
040	Outflow to performing portfolio	***(150)***	**—**	(468)	—
050	Outflow due to loan repayment, partial or total	***(395)***	**—**	(253)	—
060	Outflow due to collateral liquidations	**—**	**—**	—	—
070	Outflow due to taking possession of collateral	**—**	**—**	—	—
080	Outflow due to sale of instruments	**—**	**—**	(123)	—
090	Outflow due to risk transfers	**—**	**—**	—	—
100	Outflows due to write-offs	***(31)***	**—**	(33)	—
110	Outflow due to other situations	***(100)***	**—**	—	—
120	Outflow due to reclassification as held for sale	***(105)***	**—**	(67)	—
130	Final stock of non-performing loans and advances (1)	**575**	**—**	990	—

(1) Exposures classified as held-for-sale are excluded from the table in accordance with FINREP definitions.

EU CRB: Additional disclosure related to the credit quality of assets

All credit grades map to an asset quality (AQ) scale, used for financial reporting. This AQ scale is based on Basel probability of defaults. Performing loans are defined as AQ1-AQ9 (where the probability of default (PD) is less than 100%) and defaulted non-performing loans as AQ10 or Stage 3 under IFRS 9 (where the PD is 100%). Loans are defined as defaulted when the payment status becomes 90 days past due, or earlier if there is clear evidence that the borrower is unlikely to repay, for example bankruptcy or insolvency.

As of January 2022, a new regulatory definition of default was introduced across the Group in line with PRA and EBA guidance. This definition of default was also adopted for IFRS 9. Specific to UBIDAC the following changes occurred:

- In Q3 2022, UBIDAC reverted to the standardised approach for estimation of Pillar I capital.
- In Q3 2022, UBIDAC adopted the fair value approach for the mortgage portfolio in line with its hold to sell business strategy for these assets and retired the IFRS 9 mortgage model suite.

Impairment, provisioning, and write-offs

In the overall assessment of credit risk, impairment provisioning and write-offs are used as key indicators of credit quality. UBIDAC's IFRS 9 provisioning models, which use existing Basel models as a starting point, incorporate term structures and forward-looking information. Regulatory conservatism within the Basel models has been removed as appropriate to comply with the IFRS 9 requirement for unbiased ECL estimates.

Five key areas may materially influence the measurement of credit impairment under IFRS 9 – two of these relate to model build and three relate to model application:

Model build:

- The determination of economic indicators that have most influence on credit loss for each portfolio and the severity of impact (this leverages existing stress testing models which are reviewed annually).
- The build of term structures to extend the determination of the risk of loss beyond 12 months that will influence the impact of lifetime loss for exposures in Stage 2.

Model application:

- The assessment of the Significant increase in credit risk and the formation of a framework capable of consistent application.
- The determination of asset lifetimes that reflect behavioural characteristics while also representing management actions and processes (using historical data and experience).
- The choice of forward-looking economic scenarios and their respective probability weights.

IFRS 9 ECL model design principles

Modelling of ECL for IFRS 9 follows the conventional approach to divide the estimation of credit losses into its component parts of PD, LGD and EAD.

To meet IFRS 9 requirements, the PD, LGD and EAD parameters differ from their Pillar 1 internal ratings-based counterparts in the following aspects:

- Unbiased – material regulatory conservatism has been removed from IFRS 9 parameters to produce unbiased estimates.
- Point-in-time – IFRS 9 parameters reflect actual economic conditions at the reporting date instead of long-run average or downturn conditions.
- Forward-looking – IFRS 9 PD estimates and, where appropriate, EAD and LGD estimates reflect forward-looking economic conditions.
- Lifetime measurement – IFRS 9 PD, LGD and EAD are provided as multi-period term structures up to exposure lifetimes instead of over a fixed one-year horizon.

IFRS 9 requires that at each reporting date, an entity shall assess whether the credit risk on an account has increased significantly since initial recognition. Part of this assessment requires a comparison to be made between the current lifetime PD (i.e. the PD over the remaining lifetime at the reporting date) and the equivalent lifetime PD as determined at the date of initial recognition. For assets originated before IFRS 9 was introduced, comparable lifetime origination PDs did not exist. These have been retrospectively created using the relevant model inputs applicable at initial recognition.

PD estimates

Personal models

Personal PD models follow a discrete multi-horizon survival approach, predicting quarterly PDs up to lifetime using account level and forward-looking economic information, with the key driver at account level being scores from related internal ratings based PD models. The current suite of PD models was introduced in 2022 replacing the previous, first-generation suite, based on the Exogenous, Maturity and Vintage (EMV) approach.

Wholesale models

Wholesale PD models use a point-in-time/through-the-cycle framework to convert one-year regulatory PDs into point-intime estimates that reflect economic conditions at the reporting date. The framework utilises credit cycle indices (CCIs) for a comprehensive set of region/industry segments. One year point-in-time PDs are extended to forward-looking lifetime PDs using a conditional transition matrix approach and a set of econometric forecasting models.

LGD estimates

The general approach for the IFRS 9 LGD models is to leverage corresponding Basel LGD models with bespoke adjustments to ensure estimates are unbiased and, where relevant, forward-looking.

Personal

Forward-looking information has only been incorporated for the secured portfolios, where changes in property prices can be readily accommodated. Analysis has shown minimal impact of economic conditions on LGDs for the other Personal portfolios.

Wholesale

Forward-looking economic information is incorporated into LGD estimates using the existing CCI framework. For low default portfolios, including sovereigns and banks, loss data is too scarce to substantiate estimates that vary with economic conditions. Consequently, for these portfolios, LGD estimates are assumed to be constant throughout the projection horizon.

EAD estimates

Personal

The IFRS 9 Personal modelling approach for EAD is dependent on product type.

- Revolving products use the existing Basel models as a basis, with appropriate adjustments incorporating a term structure based on time to default.
- Amortising products use an amortising schedule, where a formula is used to calculate the expected balance based on remaining terms and interest rates.

Analysis has indicated that there is minimal impact on EAD arising from changes in the economy for all Personal portfolios except mortgages. Therefore, forward-looking information is only incorporated in the mortgage EAD model (through forecast changes in interest rates).

Wholesale

For Wholesale, EAD values are projected using product specific credit conversion factors (CCFs), closely following the product segmentation and approach of the respective Basel model. However, the CCFs are estimated over multi-year time horizons and contain no regulatory conservatism or downturn assumptions.

No explicit forward-looking information is incorporated, on the basis of analysis showing the temporal variation in CCFs is mainly attributable to changes in exposure management practices rather than economic conditions.

Governance and post model adjustments

The IFRS 9 PD, EAD and LGD models are subject to UBIDAC's model risk policy that stipulates periodic model monitoring, periodic re-validation and defines approval procedures and authorities according to model materiality. Various post model adjustments were applied where management judged they were necessary to ensure an adequate level of overall ECL provision. All post model adjustments were subject to formal approval through provisioning governance, and were categorised as follows (business level commentary is provided below):

- Deferred model calibrations – ECL adjustments where PD model monitoring indicated that actual defaults were below estimated levels but where it was judged that an implied ECL release was not supportable due to the influence of government support schemes on default levels in the past two years. As a consequence, any potential ECL release was deferred and retained on the balance sheet until modelled ECL levels are affirmed by new model parallel runs or similar analyses.
- Economic uncertainty – ECL adjustments primarily arising from uncertainties associated with increased inflation and cost of living risks as well as supply chain disruption, along with the residual effect of COVID-19 and government support schemes. In all cases, management judged that additional ECL was required until further credit performance data became available as the full effects of these issues matures.
- Other adjustments – ECL adjustments where it was judged that the modelled ECL required to be amended.

Post-model adjustments will remain a key focus area of UBIDAC's ongoing ECL adequacy assessment process. A holistic framework has been established including reviewing a range of economic data, external benchmark information and portfolio performance trends with a particular focus on segments of the portfolio (both commercial and consumer) that are likely to be more susceptible to inflation, cost of living and supply chain risks.

Significant increase in credit risk (SICR)

Exposures that are considered significantly credit deteriorated since initial recognition are classified in Stage 2 and assessed for lifetime ECL measurement (exposures not considered deteriorated carry a 12 month ECL). UBIDAC has adopted a framework to identify deterioration based primarily on relative movements in lifetime PD supported by additional qualitative backstops. The principles applied are consistent across UBIDAC and align to credit risk management practices, where appropriate.

The framework comprises the following elements:

- IFRS 9 lifetime PD assessment (the primary driver) – on modelled portfolios, the assessment is based on the relative deterioration in forward-looking lifetime PD and is assessed monthly. To assess whether credit deterioration has occurred, the residual lifetime PD at balance sheet date (which PD is established at date of initial recognition (DOIR)) is compared to the current PD. If the current lifetime PD exceeds the residual origination PD by more than a threshold amount, deterioration is assumed to have occurred and the exposure transferred into Stage 2 for a lifetime loss assessment. For Wholesale, a doubling of PD would indicate a SICR subject to a minimum PD uplift of 0.1%. For Personal portfolios, the criteria vary by risk band, with lower risk exposures needing to deteriorate more than higher risk exposures.
- Qualitative high-risk backstops – the PD assessment is complemented with the use of qualitative high-risk backstops to further inform whether significant deterioration in lifetime risk of default has occurred. The qualitative high-risk backstop assessment includes the use of the mandatory 30+ days past due backstop, as prescribed by IFRS 9 guidance, and other features such as forbearance support, Wholesale exposures managed within the Risk of Credit Loss framework, and adverse credit bureau results for Personal customers.
- Persistence (Personal and business banking customers only) – the persistence rule ensures that accounts which have met the criteria for PD driven deterioration are still considered to be significantly deteriorated for three months thereafter. This additional rule enhances the timeliness of capture in Stage 2. The persistence rule is applied to PD driven deterioration only.

The criteria are based on a significant amount of empirical analysis and seek to meet three key objectives:

- Criteria effectiveness – the criteria should be effective in identifying significant credit deterioration and prospective default population.
- Stage 2 stability – the criteria should not introduce unnecessary volatility in the Stage 2 population.
- Portfolio analysis – the criteria should produce results which are intuitive when reported as part of the wider credit portfolio.

Annex XVII: Credit risk mitigation techniques

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

The table below shows net carrying values of credit risk exposures analysed by use of different credit risk mitigation techniques as recognised under the applicable accounting framework regardless of whether these techniques are recognised under CRR. Counterparty credit risk exposures are excluded.

		UBIDAC				
		a	b	c	d	e
31 December 2022		**Unsecured carrying amount €m**	**Secured carrying amount €m**	**Of which: secured by collateral €m**	**Of which: secured by financial guarantees €m**	**Of which: secured by credit derivatives €m**
1	Loans and advances	**4,346**	**693**	**685**	**—**	**—**
2	Debt securities	**631**	**—**	**—**	**—**	**—**
3	Total	**4,977**	**693**	**685**	**—**	**—**
4	*Of which: non-performing exposures*	**11**	**264**	**258**	**—**	**—**
EU-5	*Of which: defaulted*	***10***	***262***	***258***	**—**	**—**

		UBIDAC				
		a	b	c	d	e
31 December 2021		Unsecured carrying amount €m	Secured carrying amount €m	Of which: secured by collateral €m	Of which: secured by financial guarantees €m	Of which: secured by credit derivatives €m
1	Loans and advances	6,745	7,347	7,273	39	—
2	Debt securities	2,488	—	—	—	—
3	Total	9,233	7,347	7,273	39	—
4	*Of which: non-performing exposures*	23	501	483	4	—
EU-5	*Of which: defaulted*	21	453	436	4	—

(1) Exposures classified as held-for-sale are excluded from the table in accordance with FINREP definitions and Basel disclosure requirements. Comparatives were restated to reflect these requirements.

EU CRC: Qualitative disclosure requirements related to CRM techniques

Credit risk mitigation

Credit risk mitigation (CRM) is defined as the use of collateral or guarantees to reduce potential loss if a customer fails to settle all or part of its obligations to UBIDAC. The application of CRM depends on which approach (standardised or IRB) is used to calculate RWAs related to a credit exposure.

Recognition of CRM under the standardised approach is carried out in accordance with regulatory requirements and entails the reduction of EAD (netting and financial collateral) or the adjustment of risk-weights (in the case of real estate), third-party guarantees and/or credit derivatives.

UBIDAC uses the standardised approach for Wholesale and Personal customers. Mortgages are measured at fair value for IFRS purposes in line with the hold-to-sell business strategy for these assets.

Mitigation techniques, as set out in the appropriate credit policies and transactional acceptance standards, are used in the management of credit portfolios across UBIDAC. These techniques mitigate credit concentrations in relation to an individual customer, a borrower group or a collection of related borrowers. Where possible, customer credit balances are netted against obligations. Mitigation tools can include structuring a security interest in a physical or financial asset, the use of credit derivatives including credit default swaps, credit-linked debt instruments and securitisation structures, and the use of guarantees and similar instruments (for example, credit insurance) from related and third parties. When seeking to mitigate risk, at a minimum UBIDAC considers the following:

- Suitability of the proposed risk mitigation, particularly if restrictions apply.
- The means by which legal certainty is to be established, including required documentation, supportive legal opinions and the steps needed to establish legal rights.
- Acceptability of the methodologies to be used for initial and subsequent valuation of collateral, the frequency of valuations.
- Actions which can be taken if the value of collateral or other mitigants is less than needed.
- The risk that the value of mitigants and counterparty credit quality will deteriorate simultaneously.
- The need to manage concentration risks arising from collateral types.
- The need to ensure that any risk mitigation remains legally effective and enforceable.

The business and credit teams are supported by specialist in-house documentation teams. UBIDAC uses industry-standard loan and security documentation wherever possible. However, when non-standard documentation is used, external lawyers are employed to review the documentation on a case-by-case basis. Mitigants (including any associated insurance) are monitored throughout the life of the transaction to ensure they perform as anticipated. Similarly, documentation is also monitored to ensure it remains enforceable.

Wholesale

UBIDAC mitigates credit risk relating to Wholesale customers through the use of netting, collateral and market standard documentation, depending on the nature of the counterparty and its assets. The most common types of mitigation are:

- Commercial real estate.
- Other physical assets – Including stock, plant, equipment, machinery, vehicles, ships and aircraft. Such assets are suitable collateral only if UBIDAC can identify, locate, and segregate them from other assets on which it does not have a claim. UBIDAC values physical assets in a variety of ways, depending on the type of asset and may rely on balance sheet valuations in certain cases.
- Receivables – These are amounts owed to UBIDAC's counterparties by their own customers. Valuation takes into account the quality of the counterparty's receivable management processes and excludes any that are past due.

All collateral is assessed, case by case, independently of the provider to ensure that it is suitable security for the proposed loan. UBIDAC monitors the value of the collateral and, if there is a shortfall, will review the position, which may lead to seeking additional collateral.

UBIDAC provides asset-backed lending in commercial real estate and other sectors including agriculture, leisure (hotels and public houses) and healthcare as well as residential mortgages. The valuation approach is detailed below.

For asset valuations, UBIDAC has an actively managed panel of chartered surveying firms that cover the spectrum of geography and property sectors in which UBIDAC takes collateral. Suitable valuers for particular assets are typically contracted through a service agreement to ensure consistency of quality and advice. valuations are generally commissioned when an asset is taken as security; a material increase in a facility is requested; or a default event is anticipated or has occurred. In the UK, an independent third-party market indexation is applied to update external valuations once they are more than a year old and every three years, a formal independent valuation review is commissioned. In the Republic of Ireland, assets are revalued in line with the Central Bank of Ireland threshold requirements, which permits indexation for lower value residential assets, but demands regular valuations for higher value assets.

Personal

UBIDAC takes collateral in the form of residential property to mitigate the credit risk arising from mortgages. UBIDAC values residential property individually during the loan underwriting process, either by obtaining an appraisal by a suitably qualified appraiser or using a statistically valid model. UBIDAC updates residential property values quarterly using Office for National Statistics House Price indices.

Annex XIX: Use of standardised approach

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

The table below shows the effect of CRM techniques on credit risk exposures under the standardised approach. It shows exposures both pre and post CRM and CCFs as well as associated RWAs and RWA density, split by exposure class. It excludes counterparty credit risk and securitisations.

		UBIDAC					
		a	b	c	d	e	f
		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
31 December 2022		On-balance sheet €m	Off-balance sheet €m	On-balance sheet €m	Off-balance sheet €m	RWAs €m	RWAs density %
1	Central governments or central banks	**3,150**	**—**	**3,166**	**—**	**—**	**—**
2	Regional government or local authorities	**2**	**—**	**2**	**—**	**—**	**20**
3	Public sector entities	**—**	**—**	**—**	**—**	**—**	**—**
4	Multilateral development banks	**178**	**—**	**178**	**—**	**—**	**—**
5	International organisations	**—**	**—**	**—**	**—**	**—**	**—**
6	Institutions	**1,102**	**132**	**1,102**	**34**	**526**	**46**
7	Corporates	**821**	**587**	**819**	**123**	**863**	**91**
8	Retail	**352**	**521**	**352**	**12**	**235**	**64**
9	Secured by mortgages on immovable property	**6,966**	**70**	**6,947**	**10**	**3,021**	**43**
10	Exposures in default	**480**	**22**	**478**	**3**	**521**	**108**
11	Exposures associated with particularly high risk	**2**	**1**	**2**	**—**	**3**	**150**
12	Covered bonds	**340**	**—**	**340**	**—**	**34**	**10**
13	Institutions and corporates with a short-term credit assessment	**—**	**—**	**—**	**—**	**—**	**—**
14	Collective investment undertakings	**—**	**—**	**—**	**—**	**—**	**—**
15	Equity	**—**	**—**	**—**	**—**	**—**	**—**
16	Other items	**424**	**—**	**424**	**—**	**116**	**27**
17	Total	**13,817**	**1,333**	**13,810**	**182**	**5,319**	**38**

		UBIDAC					
		a	b	c	d	e	f
		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
31 December 2021		On-balance sheet €m	Off-balance sheet €m	On-balance sheet €m	Off-balance sheet €m	RWAs €m	RWAs density %
1	Central governments or central banks	—	—	—	—	1	250
2	Regional government or local authorities	—	—	—	—	—	—
3	Public sector entities	—	—	—	—	—	—
4	Multilateral development banks	—	—	—	—	—	—
5	International organisations	—	—	—	—	—	—
6	Institutions	813	92	812	35	488	58
7	Corporates	550	453	551	112	712	108
8	Retail	13	124	13	—	9	69
9	Secured by mortgages on immovable property	46	3	46	1	47	100
10	Exposures in default	12	5	21	—	23	114
11	Exposures associated with particularly high risk	—	1	—	—	—	150
12	Covered bonds	—	—	—	—	—	—
13	Institutions and corporates with a short-term credit assessment	—	—	—	—	—	—
14	Collective investment undertakings	—	—	—	—	—	—
15	Equity	—	—	—	—	—	—
16	Other items	16	—	17	—	4	24
17	Total	1,450	678	1,460	148	1,284	80

- The standardised credit risk increase reflects UBIDAC reverting to the standardised approach for calculating capital requirements as of July 2022, relating to the phased withdrawal from the Republic of Ireland, which is partially offset by portfolio reductions.

Annex XXXIII: Remuneration

This section contains a number of disclosures which are required in accordance with Article 450 of the Capital Requirements Regulation, the Basel Committee on Banking Supervision Pillar 3 disclosure requirements and the European Banking Authority (EBA) guidelines on sound remuneration policies.

EU REMA: Remuneration policy for all colleagues

As a wholly owned subsidiary of NatWest Group, the UBIDAC remuneration policy is aligned to NatWest Group's remuneration policy principles and is compliant with CRD V and regulatory requirements. The UBIDAC remuneration policy is reviewed regularly and updated to reflect local requirements while continuing to align to the NatWest Group remuneration policy.

The remuneration policy supports the business strategy of UBIDAC. It aims to reward the delivery of good performance provided this is achieved in a manner consistent with our values, within acceptable risk parameters and aligned to a purpose-led phased, orderly withdrawal.

The remuneration policy applies the same principles to everyone, including Material Risk Takers (MRTs). The main elements of the policy are set out below.

Base salary

The purpose is to provide a market-facing level of fixed cash remuneration.

Operation

We review base salaries annually to ensure they reflect the talents, skills and competencies the individual brings to the business.

Role-based allowance

Certain MRT roles receive role-based allowances. The purpose is to provide fixed pay that reflects the skills and experience required for the role.

Operation

Role-based allowances are fixed allowances which form an element of overall fixed remuneration for regulatory purposes. They are based on the role the individual performs and are delivered through payroll.

Benefits and pension

The purpose is to provide a range of flexible and competitive benefits.

Operation

Benefits or a cash equivalent are provided from a flexible benefits account. Pension funding forms part of fixed remuneration. NatWest Group and UBIDAC do not provide discretionary pension benefits.

Annual bonus

The purpose is to support a culture where individuals recognise the importance of supporting customers and colleagues now and helping them prepare for the future. Individuals are rewarded for superior performance. Annual bonus is offered to our more senior colleagues, including MRTs, as it is appropriate for them to have some variable pay at risk if performance is not at the required level.

Operation

The annual bonus pool is based on a balanced scorecard of measures including financial, customer, people and culture, climate, financial capability, enterprise and risk and control. Allocation from the pool depends on the performance of the business area and the individual.

We use a structured performance management framework to support individual performance assessment. This is designed to assess performance against longer-term business requirements across a range of financial and non-financial metrics. It also evaluates adherence to internal controls and risk management. We use a balanced scorecard to align with the business strategy. Each individual will have defined measures of success for their role.

We also take risk and conduct performance into account. Control functions are assessed independently of the business units that they oversee. Performance goals and remuneration are set according to the priorities of the control area, not the targets of the businesses they support.

Independent control functions (excluding Audit) have dual solid reporting lines into both the UBIDAC CEO and the NatWest Group Control Function Head. The UBIDAC Chief Risk Officer (CRO) and Director of Compliance also report to the Chair of the UBIDAC Board Risk Committee. The UBIDAC Chief Auditor reports to the Chair of the UBIDAC Audit Committee with oversight provided by the NatWest Holdings Chief Audit Executive.

Awards may be granted up to a maximum of 100% of fixed pay. For awards made in respect of the 2022 performance year, immediate cash awards paid through payroll continue to be limited to a maximum of €2,347 (equivalent to £2,000). In line with regulatory requirements, for MRTs, 40% of awards under €586,588 (equivalent to £500,000) will be deferred over four or five years. This rises to 60% for awards over €586,588.

For MRTs, a minimum of 50% of any variable pay is delivered in shares and a 12-month retention period applies to the shares after vesting.

The deferral period is four years for standard MRTs and Risk Manager MRTs who meet the 'non-higher paid' condition. It rises to five years for 'higher paid' Risk Manager MRTs, members of the Board and senior management. All awards are subject to malus and clawback provisions.

Guaranteed awards may only be granted for new hires in exceptional circumstances in compensation for awards forgone at their previous company and are limited to first year of service. NatWest Group and UBIDAC do not offer sign-on awards. Retention awards are only used in truly exceptional circumstances such as major restructuring and where the individual is a 'flight risk' and is viewed as critical to the successful operation of the business or delivery of a business critical project. Whilst no performance conditions are attached to retention awards, the colleague must continue to deliver to the standard expectations of conduct, behaviour and minimum performance levels prior to the award vesting.

EU REMA: Remuneration policy for all colleagues continued

Severance payments and/or arrangements can be made to colleagues who leave UBIDAC and NatWest Group in certain situations, including redundancy. Such payments are calculated by a pre-determined formula set out within the relevant social plans, policies, agreements or local laws. Where local laws permit, there is a cap on the maximum amount that can be paid.

Company share plans

The purpose is to provide an easy way for individuals to hold shares in NatWest Group plc, which helps to encourage financial capability and long-term thinking and provides a direct involvement in UBIDAC's and NatWest Group's performance.

Operation

Colleagues in certain jurisdictions are offered the opportunity to contribute from salary and acquire shares in NatWest Group plc through company share plans. Share plans were not offered to colleagues in Ireland this year.

Criteria for identifying MRTs

The EBA has issued criteria for identifying MRT roles, which captures those staff whose activities have a material influence over UBIDAC's performance or risk profile. The criteria are both qualitative (based on the nature of the role) and quantitative (for example those who exceed the stipulated total remuneration threshold).

The qualitative criteria can be summarised as: staff within the management body; senior management; other staff with key functional or managerial responsibilities; and staff who individually, or as part of a Committee, have authority to approve new business products or to commit to credit risk exposures and market risk transactions above certain levels.

The quantitative criteria are: individuals earning €750,000 or more in the previous year; individuals earning less than €750,000 in the previous year, but more than a threshold set at the higher of €500,000 or the average total earnings of the management body and senior management and who can impact the risk profile of a material business unit; and individuals in the top 0.3% of earners for the previous year. In addition to the qualitative and quantitative criteria, UBIDAC has applied its own minimum standards to identify roles that are considered to have a material influence over its risk profile.

Personal hedging strategies

The conditions attached to discretionary share-based awards prohibit the use of any personal hedging strategies to lessen the impact of a reduction in the value of such awards. Recipients explicitly acknowledge and accept these conditions when any share-based awards are granted.

Risk in the remuneration process

NatWest Group's and UBIDAC's approach to remuneration promotes effective risk management through having a clear distinction between fixed remuneration (which reflects the role undertaken by an individual) and variable remuneration (which is directly linked to performance and can be risk-adjusted). Fixed pay is set at an appropriate level to discourage excessive risk-taking and which would allow NatWest Group and UBIDAC to pay zero variable pay.

We achieve focus on risk through its inclusion in performance goals, performance reviews, the determination of variable pay pools, incentive plan design and the application of malus and clawback. UBIDAC Performance and Remuneration Committee ('UBIDAC RemCo') is supported in this by the UBIDAC Board Risk Committee ('UBIDAC BRC') and the UBIDAC and NatWest Risk functions, as well as independent oversight by the Internal Audit function.

We use a robust process to assess risk performance. We consider a range of measures, specifically: capital; liquidity and funding risk; credit risk; market risk; pension risk; compliance & conduct risk; financial crime; climate risk; operational risk; business risk and reputational risk. We also consider our overall risk culture.

Remuneration arrangements are in line with regulatory requirements and we fully disclose and discuss the steps taken to ensure appropriate and thorough risk adjustment with the PRA and the FCA.

Variable pay determination

For the 2022 performance year, NatWest Group and UBIDAC operated a robust control function-led multi-step process to assess performance and determine the appropriate bonus pool by business area and function. At multiple points throughout the process, we made reference to Group-wide business performance (from both affordability and appropriateness perspectives) and the need to distinguish between 'go-forward' and 'resolution' activities.

The process uses financial, customer, people and culture, climate, financial capability and enterprise measures to consider a balanced scorecard of performance assessments at the level of each business area or function. We then undertake risk and control assessments at the same level to ensure performance achieved without appropriate consideration of risk, risk culture and conduct controls, is not inappropriately rewarded.

UBIDAC BRC considers the Risk Performance Assessment and provides input to the Group BRC, which reviews any material risk and conduct events. If appropriate, an underpin may be applied to the individual business and function bonus pools or to the overall bonus pool. Group BRC may recommend a reduction of a bonus pool if it considers that risk and conduct performance is unacceptable or that the impact of poor risk management has yet to be fully reflected in the respective inputs.

Following further review against overall performance and conduct, taking into account input from the NatWest Group Chief Financial Officer on affordability, the NatWest Group Chief Executive Officer makes a final recommendation to the NatWest Group Performance & Remuneration Committee (NatWest Group RemCo), informed by all the previous steps and her strategic view of the business.

The UBIDAC RemCo has oversight of the UBIDAC bonus pool determination process and provides input to the NatWest Group RemCo. The NatWest Group RemCo will then make an independent decision on the final bonus pool taking all of these earlier steps into account.

EU REMA: Remuneration policy for all colleagues continued

Remuneration and culture

NatWest Group and UBIDAC continues to assess conduct and its impact on remuneration as part of the annual Group-wide bonus pool process and also via the accountability review framework.

Accountability review process and malus/clawback

We introduced the accountability review process in 2012 to identify any material risk management, control and general policy breach failures, or employee misbehaviour and to ensure accountability for those events.

This allows UBIDAC and NatWest Group to respond to instances where new information would change the variable pay decisions made in previous years and/or the decisions to be made in the current year.

Potential outcomes under the accountability review process are:
- malus - to reduce (to zero if appropriate) the amount of any unvested variable pay awards prior to payment;
- clawback - to recover awards that have already vested; and
- in-year bonus reductions - to adjust variable pay that would have otherwise been awarded for the current year.

As part of the acceptance of variable pay awards, colleagues must agree to terms that state that malus and clawback may be applied. Any variable pay awarded to MRTs is subject to clawback for seven years from the date of grant. Awards to other colleagues (non-MRTs) are subject to clawback for 12 months from each vesting date.

The circumstances in which malus, clawback or in-year bonus reduction may be applied include:
- Conduct which results in significant financial losses for UBIDAC;
- The individual failing to meet appropriate standards of fitness and propriety;
- An individual's misbehaviour or material error;
- UBIDAC or the individual's business unit suffering a material failure of risk management; and
- For malus and in-year bonus reduction only, circumstances where there has been a material downturn in financial performance.

The above list of circumstances is not exhaustive and UBIDAC may consider any further circumstances that it deems appropriate.

During 2022 a number of issues and events were considered under the accountability review framework. No adjustments were made as part of accountability reviews undertaken in 2022.

Remuneration of Material Risk Takers ('MRTs') – UBIDAC

The quantitative disclosures below are made in accordance with Article 450 of the EU Capital Requirements Regulation, the Basel Committee on Banking Supervision Pillar 3 disclosure requirements and the EBA guidelines on sound remuneration policies. In line with regulations, we identify MRTs at consolidated, sub-consolidated and solo regulated subsidiary entity levels.

We have identified 93 employees as MRTs for UBIDAC. 32 NatWest Group individuals have been identified as an MRT in relation to UBIDAC, however they do not receive any remuneration in relation to their MRT status or associated work for UBIDAC, and remuneration for their core role is not paid by UBIDAC. Therefore, no remuneration is included for these individuals in the following tables. You can find details of remuneration paid to MRTs in our Pillar 3 reporting for other entities within NatWest Group at natwestgroup.com. Note the numbers in the tables all agree to the underlying source data, but when presented to two decimal places and aggregated, this can result in small rounding differences.

Following the publication of the updated EBA Guidelines on Remuneration Benchmarking in June 2022, in order to ensure consistency across remuneration disclosures, there has been a change of approach to our reporting of the number of MRTs and their variable pay, reflected in the tables below. The total number of MRTs now excludes colleagues who left the Group prior to year end (but their remuneration remains within the pay values reported); and all severance payments made to MRTs are now included in the variable remuneration value disclosed, even when some or all of that severance does not count towards the calculation of the ratio of fixed to variable pay.

UBIDAC Performance and Remuneration Committee (UBIDAC RemCo)

The UBIDAC RemCo was established in October 2014 in accordance with Article 95 of Directive 2019/878/EU (CRD V) as implemented in Ireland by way of Statutory Instrument 710, paragraph 83. The key areas of focus for the UBIDAC RemCo include:
- reviewing and approving performance measures, performance assessment and the remuneration arrangements for key employees;
- reviewing the annual bonus pool proposals for UBIDAC to ensure that they are appropriately performance and risk adjusted, are congruent with UBIDAC's financial performance and meet UBIDAC's capital adequacy and liquidity requirements; and
- adopting, maintaining and approving the NatWest Group Remuneration Policy Principles, with due consideration of applicable regulatory, legislative and relevant requirements.

The UBIDAC RemCo must be able to act independently and the independent non-executive directors serving on the committee are supported by the necessary management information in order to carry out their duties. The UBIDAC RemCo met 10 times during the financial year.

EU REM1 and EU REM5: Total remuneration awarded to MRTs for the financial year

	UBIDAC INEDs	UBIDAC EDs	Other senior mngt.	Other MRTs	Other senior management and other MRTs split by business area: Corporate functions	Control functions	Commercial Banking	Retail Banking	Total
Fixed remuneration									
Total number of MRTs	5	2	13	41					61
Other senior management - split by business area					4	6	2	1	
Other MRTs - split by business area					6	23	6	6	
	€m	€m	€m	€m	€m	€m	€m	€m	€m
Total fixed remuneration of MRTs	0.77	1.22	3.87	9.21	2.35	6.90	2.33	1.49	15.06
Cash-based	0.77	1.22	3.87	9.21	2.35	6.90	2.33	1.49	15.06
Share-based	—	—	—	—	—	—	—	—	—
Other instruments or forms	—	—	—	—	—	—	—	—	—
Variable remuneration									
Total number of MRTs	—	2	10	40					52
Other senior management - split by business area					3	5	2	—	
Other MRTs - split by business area					6	23	6	5	
	€m	€m	€m	€m	€m	€m	€m	€m	€m
Total variable remuneration of MRTs	—	0.88	1.38	1.45	0.50	1.40	0.71	0.20	3.70
Cash-based	—	0.44	0.91	1.36	0.36	1.07	0.64	0.20	2.71
Of which: deferred cash	—	0.24	0.19	0.03	0.06	0.13	0.03	—	0.46
Share-based (annual bonus)	—	0.44	0.46	0.08	0.14	0.33	0.07	—	0.99
Of which: deferred shares	—	0.24	0.19	0.03	0.06	0.13	0.03	—	0.46
Share-based (LTI awards)	—	—	—	—	—	—	—	—	—
Of which: deferred shares	—	—	—	—	—	—	—	—	—
Other instruments or forms	—	—	—	—	—	—	—	—	—
Total remuneration of MRTs	0.77	2.10	5.24	10.65	2.85	8.31	3.05	1.69	18.76

(1) The breakdown by business areas required in template EU REM5 has been combined with EU REM1 above, as permitted under regulatory guidance for the templates.
(2) Fixed remuneration consists of salaries, allowances, pension and benefit funding.
(3) Variable remuneration consists of annual bonus awards, deferred over a four or five year period in accordance with regulatory requirements; and (where applicable) severance payments. Under the UBIDAC bonus deferral structure, immediate cash awards are limited to €2,347(equivalent to £2,000) per person, with a further payment of cash and shares within Year 0.
(4) Under the regulations, a notional discount is available which allows variable pay to be awarded at a level that would otherwise exceed the 1:1 ratio, provided that variable pay is delivered 'in instruments' (shares) and deferred over five years or more. The discount rate was not used for remuneration awarded in respect of the 2022 performance year.

EU REMA - Derogations

The regulations allow some flexibility not to apply certain requirements that would normally apply to MRTs where an individual's annual variable remuneration does not exceed €50,000 (or £44,000) and does not represent more than one third of the individual's total annual remuneration (derogations permitted under point (b) of Article 94(3) of CRD V). We have used this flexibility to disapply MRT rules relating to deferral and delivery of awards in shares for 50 MRTs in respect of performance year 2022. Total remuneration for these individuals in 2022 was €10.20 million, of which €8.84 million was fixed pay and €1.37 million was variable pay.

EU REMA - Ratio between fixed and variable remuneration

The variable component of total remuneration for MRTs at UBIDAC shall not exceed 100% of the fixed component. The average ratio between fixed and variable remuneration for 2022 was approximately 1 to 0.22. The majority of MRTs were based in Ireland.

EU REM2: Guaranteed awards (including 'sign-on' awards) and severance payments

Special payments	UBIDAC INEDs	UBIDAC EDs	Other senior management	Other MRTs
Guaranteed awards and sign on awards				
Number of MRTs	—	—	—	—
	€m	€m	€m	€m
Total amount	—	—	—	—
Of which: paid during the financial year that are not taken into account in the bonus cap	—	—	—	—
Severance payments awarded in previous periods, paid out during the financial year				
Number of MRTs	—	—	—	—
	€m	€m	€m	€m
Total amount	—	—	—	—
Severance payments awarded during the financial year				
Number of MRTs	—	—	1	—
	€m	€m	€m	€m
Total amount	—	—	0.36	—
Of which: paid during the financial year	—	—	0.36	—
Of which: deferred	—	—	—	—
Of which: paid during the financial year that are not taken into account in *the bonus cap*	—	—	0.36	—
Of which: highest payment that has been awarded to a single person	—	—	0.36	—

(1) This table reports details of new hire guarantees and severance. The disclosures do not include buy-outs or retention bonuses (where these have been granted).
(2) No severance payments in excess of contractual payments, local policies, standards or statutory amounts were made to MRTs during the year.

EU REM3: Outstanding deferred remuneration

The table below includes deferred remuneration awarded or paid out in 2022 relating to prior performance years.

Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods €m	Of which: due to vest in the financial year €m	Of which: vesting in subsequent financial years €m	Amount of performance adjustment to deferred remuneration that was due to vest in the financial year €m	Amount of performance adjustment to deferred remuneration due to vest in future financial years €m	Total amount of adjustment during the financial year due to ex post implicit adjustments* €m	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year €m	Total amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention €m
UBIDAC INEDs - No deferred or retained remuneration held								
UBIDAC EDs								
Cash-based	—	—	—	—	—	—	—	—
Shares or equivalent interests	1.28	0.50	0.78	—	—	0.13	0.50	0.50
Other instruments or forms	—	—	—	—	—	—	—	—
Other senior management								
Cash-based	—	—	—	—	—	—	—	—
Shares or equivalent interests	0.53	0.26	0.28	—	—	0.06	0.26	0.26
Other instruments or forms	—	—	—	—	—	—	—	—
Other MRTs								
Cash-based	—	—	—	—	—	—	—	—
Shares or equivalent interests	0.03	0.02	0.01	—	—	—	0.02	0.02
Other instruments or forms	—	—	—	—	—	—	—	—
Total amount	1.84	0.77	1.07	—	—	0.20	0.77	0.77

*i.e. Changes of value of deferred remuneration due to the changes of prices of instruments.

(1) Deferred remuneration reduced during the year relates to long-term incentives that lapsed when performance conditions were not met, long-term incentives and deferred awards forfeited on leaving and malus adjustments of prior year deferred awards and long-term incentives.

EU REM4: Total remuneration by band for all colleagues earning >€1million

Total remuneration by band for employees earning >€1 million for 2022	Number of MRTs
€1.0 million to below €1.5 million	1
€1.5 million to below €2.0 million	—
More than €2.0 million	—
Total	1

(1) Total remuneration in the table above includes fixed pay, pension and benefit funding and variable pay (including severance, where applicable).
(2) Where applicable, the table is based on an average exchange rate of €1.1731748 to £1 as at December 2022.

COVID disclosures

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

		a	b	c	d	e	f	g	h	i
			Gross carrying amount							
						Residual maturity of moratoria				
31 Decemeber 2022		Number of obligators	€m	Of which: Legislative moratoria €m	Of which: Expired €m	<= 3 months €m	> 3 months <= 6 months €m	> 6 months <= 9 months €m	> 9 months <= 12 months €m	> 1 year €m
1	Loans and advances for which moratorium was offered	**1,952**	**276**							
2	Loans and advances subject to moratorium (granted)	**1,733**	**266**	**—**	**266**	**—**	**—**	**—**	**—**	**—**
3	*Of which: Households*		***194***	**—**	***194***	**—**	**—**	**—**	**—**	**—**
4	*Of which: Collateralised by residential immovable property*		***182***	**—**	***182***	**—**	**—**	**—**	**—**	**—**
5	*Of which: Non-financial corporations*		***72***	**—**	***72***	**—**	**—**	**—**	**—**	**—**
6	*Of which: Small and medium-sized enterprises*		***24***	**—**	***24***	**—**	**—**	**—**	**—**	**—**
7	*Of which: Collateralised by commercial immovable property*		***64***	**—**	***64***	**—**	**—**	**—**	**—**	**—**
31 December 2021										
1	Loans and advances for which moratorium was offered	9,318	1,327							
2	Loans and advances subject to moratorium (granted)	8,474	1,242	—	1,242	—	—	—	—	—
3	*Of which: Households*		*1,193*	—	*1,193*	—	—	—	—	—
4	*Of which: Collateralised by residential immovable property*		*1,178*	—	*1,178*	—	—	—	—	—
5	*Of which: Non-financial corporations*		*49*	—	*49*	—	—	—	—	—
6	*Of which: Small and medium-sized enterprises*		*36*	—	*36*	—	—	—	—	—
7	*Of which: Collateralised by commercial immovable property*		*23*	—	*23*	—	—	—	—	—

(1) Exposures classified as held-for-sale (HFS) are excluded from the table. Change in the HFS exposures scope is the main driver of the year-to-date movements.

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

		a	b	c	d
		Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
			Of which: Forborne	Public guarantees received	Inflows to non-performing exposures
31 December 2022		€m	€m	€m	€m
1	Newly originated loans and advances subject to public guarantee schemes	—	—	—	—
2	*Of which: Households*	—			—
3	*Of which: Collateralised by residential immovable property*	—			—
4	*Of which: Non-financial corporations*	—	—	—	—
5	*Of which: Small and medium-sized enterprises*	—			—
6	*Of which: Collateralised by commercial immovable property*	—			—

31 December 2021					
1	Newly originated loans and advances subject to public guarantee schemes	5	—	4	—
2	*Of which: Households*	1			—
3	*Of which: Collateralised by residential immovable property*	—			—
4	*Of which: Non-financial corporations*	4	—	3	—
5	*Of which: Small and medium-sized enterprises*	2			—
6	*Of which: Collateralised by commercial immovable property*	—			—

(1) There are no balances reportable as at 31 December 2022. Exposures classified as held-for-sale (HFS) are excluded from the table.

CRR Roadmap

The CRR roadmap below provides a view of the EU disclosure requirements for large subsidiaries and how UBIDAC has met those (i.e. refer to compliance refence column).

The disclosure requirements are primarily stipulated in Part Eight of the EU Capital Requirements Regulation (CRR) and they are split in 3 sections as follows:

- Title I General Principles (Articles 431 - 434a)
- Title II Technical Criteria on Transparency and Disclosure (Articles 435 - 451a)
- Title III Qualifying Requirements for the Use of Particular Instruments of Methodologies (Articles 452 - 455).

According to EU CRR Article 13, large subsidiaries of parent undertakings established in third countries are required to disclose information specified in the following articles: 437, 438, 440, 442, 450, 451, 451a and 453.

A summary table of non-applicable disclosure tables for UBIDAC is also provided in the document introduction - refer to the "Presentation of Information" section.

EU CRR article	Regulatory requirements per PRA Rulebook	Compliance reference
EU CRR 437: Disclosure of Own funds		
437	Institutions shall disclose the following information regarding their own funds:	See below for applicable disclosure requirements
437 (a)	a full reconciliation of Common Equity Tier 1 items, Additional Tier 1 items, Tier 2 items and the filters and deductions applied to own funds of the institution pursuant to Articles 32 to 36, 56, 66 and 79 with the balance sheet in the audited financial statements of the institution;	EU CC1, EU CC2
437 (b)	a description of the main features of the Common Equity Tier 1 and Additional Tier 1 instruments and Tier 2 instruments issued by the institution;	EU CCA
437 (c)	the full terms and conditions of all Common Equity Tier 1, Additional Tier 1 and Tier 2 instruments;	EU CCA
437 (d)	a separate disclosure of the nature and amounts of the following: (i) each prudential filter applied pursuant to Articles 32 to 35; (ii) items deducted pursuant to Articles 36, 56 and 66; (iii) items not deducted pursuant to Articles 47, 48, 56, 66 and 79;	EU CC1
437 (e)	a description of all restrictions applied to the calculation of own funds in accordance with this Regulation and the instruments, prudential filters and deductions to which those restrictions apply;	EU CC1
437 (f)	a comprehensive explanation of the basis on which capital ratios are calculated where those capital ratios are calculated by using elements of own funds determined on a basis other than the basis laid down in this Regulation.	Not applicable
EU CRR 438: Disclosure of Own Funds Requirements and Risk-Weighted Exposure Amounts		
438	Institutions shall disclose the following information regarding their compliance with Article 92 of this Regulation and with the requirements laid down in Article 73 and in point (a) of Article 104(1) of Directive 2013/36/EU:	See below for applicable disclosure requirements
438 (a)	a summary of their approach to assessing the adequacy of their internal capital to support current and future activities;	EU OVC
438 (b)	the amount of the additional own funds requirements based on the supervisory review process as referred to in point (a) of Article 104(1) of Directive 2013/36/EU and its composition in terms of Common Equity Tier 1, additional Tier 1 and Tier 2 instruments;	EU KM1
438 (c)	upon demand from the relevant competent authority, the result of the institution's internal capital adequacy assessment process;	Not applicable - this is only on demand from supervisory authority
438 (d)	the total risk-weighted exposure amount and the corresponding total own funds requirement determined in accordance with Article 92, to be broken down by the different risk categories set out in Part Three and, where applicable, an explanation of the effect on the calculation of own funds and risk-weighted exposure amounts that results from applying capital floors and not deducting items from own funds;	EU OV1
438 (e)	the on- and off-balance-sheet exposures, the risk-weighted exposure amounts and associated expected losses for each category of specialised lending referred to in Table 1 of Article 153(5) and the on- and off-balance-sheet exposures and risk-weighted exposure amounts for the categories of equity exposures set out in Article 155(2);	Not applicable

438 (f)	the exposure value and the risk-weighted exposure amount of own funds instruments held in any insurance undertaking, reinsurance undertaking or insurance holding company that the institutions do not deduct from their own funds in accordance with Article 49 when calculating their capital requirements on an individual, sub-consolidated and consolidated basis;	Not applicable
438 (g)	the on- and off-balance-sheet exposures, the risk-weighted exposure amounts and associated expected losses for each category of specialised lending referred to in Table 1 of Article 153(5) and the on- and off-balance-sheet exposures and risk-weighted exposure amounts for the categories of equity exposures set out in Article 155(2);	Not applicable as UBIDAC is not a financial conglomerate
438 (h)	the variations in the risk-weighted exposure amounts of the current disclosure period compared to the immediately preceding disclosure period that result from the use of internal models, including an outline of the key drivers explaining those variations.	Not applicable as UBIDAC is not a financial conglomerate
EU CRR 440: Disclosure of Countercyclical Capital buffers		
440	Institutions shall disclose the following information in relation to their compliance with the requirement for a countercyclical capital buffer as referred to in Chapter 4 of Title VII of Directive 2013/36/EU:	See below for applicable disclosure requirements
440 (a)	the geographical distribution of the exposure amounts and risk-weighted exposure amounts of its credit exposures used as a basis for the calculation of their countercyclical capital buffer;	EU CCyB1
440 (b)	the amount of their institution-specific countercyclical capital buffer.	EU CCyB2
EU CRR 442: Disclosure of Exposures to Credit Risk and Dilution Risk		
442	Institutions shall disclose the following information regarding their exposures to credit risk and dilution risk:	See below for applicable disclosure requirements
442 (a)	the scope and definitions that they use for accounting purposes of ‘past due’ and ‘impaired’ and the differences, if any, between the definitions of ‘past due’ and ‘default’ for accounting and regulatory purposes;	EU CRB
442 (b)	a description of the approaches and methods adopted for determining specific and general credit risk adjustments;	EU CRB
442 (c)	information on the amount and quality of performing, non-performing and forborne exposures for loans, debt securities and off-balance-sheet exposures, including their related accumulated impairment, provisions and negative fair value changes due to credit risk and amounts of collateral and financial guarantees received;	EU CR1, EU CR2a, EU CQ1, EU CQ2, EU CQ4, EU CQ5, EU CQ6 - UBIDAC does not recognise collateral by possession therefore disclosures EU CQ7 and EU CQ8 are not applicable
442 (d)	an ageing analysis of accounting past due exposures;	EU CQ3
442 (e)	the gross carrying amounts of both defaulted and non-defaulted exposures, the accumulated specific and general credit risk adjustments, the accumulated write-offs taken against those exposures and the net carrying amounts and their distribution by geographical area and industry type and for loans, debt securities and off-balance-sheet exposures;	EU CR1, EU CQ4, EU CQ5
442 (f)	any changes in the gross amount of defaulted on- and off-balance-sheet exposures, including, as a minimum, information on the opening and closing balances of those exposures, the gross amount of any of those exposures reverted to non-defaulted status or subject to a write-off;	EU CR2a
442 (g)	the breakdown of loans and debt securities by residual maturity.	EU CR1-A
EU CRR 450: Disclosure of Remuneration policy		
450	Institutions shall disclose the following information regarding their remuneration policy and practices for those categories of staff whose professional activities have a material impact on the risk profile of the institutions:	See below for applicable disclosure requirements
450 (1) (a)	information concerning the decision-making process used for determining the remuneration policy, as well as the number of meetings held by the main body overseeing remuneration during the financial year, including, where applicable, information about the composition and the mandate of a remuneration committee, the external consultant whose services have been used for the determination of the remuneration policy and the role of the relevant stakeholders;	EU REMA
450 (1) (b)	information about the link between pay of the staff and their performance;	EU REMA
450 (1) (c)	the most important design characteristics of the remuneration system, including information on the criteria used for performance measurement and risk adjustment, deferral policy and vesting criteria;	EU REMA

450 (1) (d)	the ratios between fixed and variable remuneration set in accordance with point (g) of Article 94(1) of Directive 2013/36/EU;	EU REMA
450 (1) (e)	information on the performance criteria on which the entitlement to shares, options or variable components of remuneration is based;	EU REMA
450 (1) (f)	the main parameters and rationale for any variable component scheme and any other non-cash benefits;	EU REMA
450 (1) (g)	aggregate quantitative information on remuneration, broken down by business area;	EU REM4, EU REM5
450 (1) (h)	aggregate quantitative information on remuneration, broken down by senior management and members of staff whose professional activities have a material impact on the risk profile of the institutions, indicating the following: (i) the amounts of remuneration awarded for the financial year, split into fixed remuneration including a description of the fixed components, and variable remuneration, and the number of beneficiaries; (ii) the amounts and forms of awarded variable remuneration, split into cash, shares, share-linked instruments and other types separately for the part paid upfront and the deferred part; (iii) the amounts of deferred remuneration awarded for previous performance periods, split into the amount due to vest in the financial year and the amount due to vest in subsequent years; (iv) the amount of deferred remuneration due to vest in the financial year that is paid out during the financial year, and that is reduced through performance adjustments; (v) the guaranteed variable remuneration awards during the financial year, and the number of beneficiaries of those awards; (vi) the severance payments awarded in previous periods, that have been paid out during the financial year; (vii) the amounts of severance payments awarded during the financial year, split into paid upfront and deferred, the number of beneficiaries of those payments and highest payment that has been awarded to a single person;	EU REM1, EU REM2, EU REM3
450 (1) (i)	the number of individuals that have been remunerated EUR 1 million or more per financial year, with the remuneration between EUR 1 million and EUR 5 million broken down into pay bands of EUR 500 000 and with the remuneration of EUR 5 million and above broken down into pay bands of EUR 1 million;	EU REM4, EU REM5
450 (1) (j)	upon demand from the relevant Member State or competent authority, the total remuneration for each member of the management body or senior management;	Not applicable as this has not been requested
450 (1) (k)	information on whether the institution benefits from a derogation laid down in Article 94(3) of Directive 2013/36/EU. For the purposes of point (k) of the first subparagraph of this paragraph, institutions that benefit from such a derogation shall indicate whether they benefit from that derogation on the basis of point (a) or (b) of Article 94(3) of Directive 2013/36/EU. They shall also indicate for which of the remuneration principles they apply the derogation(s), the number of staff members that benefit from the derogation(s) and their total remuneration, split into fixed and variable remuneration.	EU REMA
450 (2)	For large institutions, the quantitative information on the remuneration of institutions' collective management body referred to in this Article shall also be made available to the public, differentiating between executive and non-executive members. Institutions shall comply with the requirements set out in this Article in a manner that is appropriate to their size, internal organisation and the nature, scope and complexity of their activities and without prejudice to Regulation (EU) 2016/679 of the European Parliament and of the Council.	EU REMA
EU CRR 451: Disclosure of Leverage Ratio		
451 (1)	Institutions that are subject to Part Seven shall disclose the following information regarding their leverage ratio as calculated in accordance with Article 429 and their management of the risk of excessive leverage:	See below for applicable disclosure requirements
451 (1) (a)	the leverage ratio and how the institutions apply Article 499(2);	EU LR2, EU KM1

451 (1) (b)	a breakdown of the total exposure measure referred to in Article 429(4), as well as a reconciliation of the total exposure measure with the relevant information disclosed in published financial statements;	EU LR1, EU LR2, EU LR3
451 (1) (c)	where applicable, the amount of exposures calculated in accordance with Articles 429(8) and 429a(1) and the adjusted leverage ratio calculated in accordance with Article 429a(7);	EU LR2
451 (1) (d)	a description of the processes used to manage the risk of excessive leverage;	EU LRA
451 (1) (e)	a description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers.	EU LRA
451 (2)	Public development credit institutions as defined in Article 429a(2) shall disclose the leverage ratio without the adjustment to the total exposure measure determined in accordance with point (d) of the first subparagraph of Article 429a(1).	Not applicable as UBIDAC is not a public development credit institution
451 (3)	In addition to points (a) and (b) of paragraph 1 of this Article, large institutions shall disclose the leverage ratio and the breakdown of the total exposure measure referred to in Article 429(4) based on averages calculated in accordance with the implementing act referred to in Article 430(7).	EU LR2
EU CRR 451a: Disclosure of Liquidity Requirements		
451a (1)	Institutions that are subject to Part Six shall disclose information on their liquidity coverage ratio, net stable funding ratio and liquidity risk management in accordance with this Article.	See below for applicable disclosure requirements
451a (2)	Institutions shall disclose the following information in relation to their liquidity coverage ratio as calculated in accordance with the delegated act referred to in Article 460(1):	
451a (2) (a)	the average or averages, as applicable, of their liquidity coverage ratio based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period;	EU LIQ1, EU LIQB
451a (2) (b)	the average or averages, as applicable, of total liquid assets, after applying the relevant haircuts, included in the liquidity buffer pursuant to the delegated act referred to in Article 460(1), based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period, and a description of the composition of that liquidity buffer;	EU LIQ1, EU LIQB
451a (2) (c)	the averages of their liquidity outflows, inflows and net liquidity outflows as calculated in accordance with the delegated act referred to in Article 460(1), based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period and the description of their composition.	EU LIQ1, EU LIQB
451a (3)	Institutions shall disclose the following information in relation to their net stable funding ratio as calculated in accordance with Title IV of Part Six:	
451a (3) (a)	quarter-end figures of their net stable funding ratio calculated in accordance with Chapter 2 of Title IV of Part Six for each quarter of the relevant disclosure period;	EU LIQ2
451a (3) (b)	an overview of the amount of available stable funding calculated in accordance with Chapter 3 of Title IV of Part Six;	EU LIQ2
451a (3) (c)	an overview of the amount of available stable funding calculated in accordance with Chapter 3 of Title IV of Part Six;	EU LIQ2
451a (4)	Institutions shall disclose the arrangements, systems, processes and strategies put in place to identify, measure, manage and monitor their liquidity risk in accordance with Article 86 of Directive 2013/36/EU.	EU LIQA
EU CRR 453: Disclosure of the Use of Credit Risk Mitigation Techniques		
453	Institutions using credit risk mitigation techniques shall disclose the following information:	See below for applicable disclosure requirements
453 (a)	the core features of the policies and processes for on- and off-balance-sheet netting and an indication of the extent to which institutions make use of balance sheet netting;	EU CRC
453 (b)	the core features of the policies and processes for eligible collateral evaluation and management;	EU CRC
453 (c)	a description of the main types of collateral taken by the institution to mitigate credit risk;	EU CRC
453 (d)	for guarantees and credit derivatives used as credit protection, the main types of guarantor and credit derivative counterparty and their creditworthiness used for the purpose of reducing capital requirements, excluding those used as part of synthetic securitisation structures;	EU CRC

453 (e)	information about market or credit risk concentrations within the credit risk mitigation taken;	EU CRC
453 (f)	for institutions calculating risk-weighted exposure amounts under the Standardised Approach or the IRB Approach, the total exposure value not covered by any eligible credit protection and the total exposure value covered by eligible credit protection after applying volatility adjustments; the disclosure set out in this point shall be made separately for loans and debt securities and including a breakdown of defaulted exposures;	EU CR3
453 (g)	the corresponding conversion factor and the credit risk mitigation associated with the exposure and the incidence of credit risk mitigation techniques with and without substitution effect;	EU CR4
453 (h)	for institutions calculating risk-weighted exposure amounts under the Standardised Approach, the on- and off-balance-sheet exposure value by exposure class before and after the application of conversion factors and any associated credit risk mitigation;	EU CR4
453 (i)	for institutions calculating risk-weighted exposure amounts under the Standardised Approach, the risk-weighted exposure amount and the ratio between that risk-weighted exposure amount and the exposure value after applying the corresponding conversion factor and the credit risk mitigation associated with the exposure; the disclosure set out in this point shall be made separately for each exposure class;	EU CR4
453 (j)	for institutions calculating risk-weighted exposure amounts under the IRB Approach, the risk-weighted exposure amount before and after recognition of the credit risk mitigation impact of credit derivatives; where institutions have received permission to use own LGDs and conversion factors for the calculation of risk-weighted exposure amounts, they shall make the disclosure set out in this point separately for the exposure classes subject to that permission.	Not applicable as UBIDAC uses the standardised approach