

ULSTER BANK IRELAND DESIGNATED ACTIVITY COMPANY

**PILLAR III DISCLOSURES
YEAR-ENDED 31 DECEMBER 2020**

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Basis of disclosure, Background and Capital and risk management

This Pillar III Disclosure for year ended 31 December 2020 is applicable to Ulster Bank Ireland Designated Activity Company ('UBIDAC'). UBIDAC is a company incorporated in the Republic of Ireland and is a wholly-owned subsidiary of NatWest Holdings Limited ('NatWest Holdings'). The ultimate holding company is NatWest Group plc ('NatWest Group plc'). 'NatWest Group' comprises the ultimate holding company and its subsidiary and associated undertakings.

UBIDAC publishes its Pillar III disclosure in euros ('€' or 'Euro'). The abbreviation '€m' represents millions of euros.

Basis of disclosure

At 31 December 2020, UBIDAC was a large subsidiary of an EU parent institution. Reduced disclosure requirements apply to large subsidiaries of EU banking parents in accordance with Article 13 (1) of Regulation (EU) No 575/2013. UBIDAC is required by its supervisors to publish an annual disclosure in accordance with the requirements for large subsidiaries.

UBIDAC Pillar III Disclosures for 2020 are reported as part of the large subsidiary disclosures within the NatWest Holdings Group Pillar III annual disclosure, which in turn feeds into the NatWest Group plc Pillar III annual disclosure. Refer to www.investors.natwestgroup.com.

Appendix 2 in this document contains a mapping table to reference each article under the Capital Requirements Regulation (CRR) relevant to large subsidiaries, to the appropriate table in the UBIDAC, NatWest Holdings and NatWest Group plc Pillar III document, or other published information as relevant. The UBIDAC disclosure tables within this document have been extracted from the NatWest Holdings Pillar III document and reported in Euro. Comparisons against prior periods have been included in the UBIDAC tables as appropriate.

This disclosure should be read in conjunction with the UBIDAC 2020 Annual Report and Accounts (ARA). Risk management is covered in detail within Note 23 of UBIDAC's ARA, including risk management framework, market risk, credit risk, liquidity and funding risk.

In reading this Pillar III disclosure document, the following points must be noted:

- This Pillar III disclosure document presents a regulatory rather than an accounting consolidation. Certain aspects of the business (e.g. special purpose vehicles) are included in financial but not regulatory reporting; therefore this disclosure document may not be comparable with other external disclosures by UBIDAC.
- This document relates to the position at 31 December 2020 and has been prepared in accordance with applicable legislation effective at this date. The comments relate to the business structure, governance and risk management approach at that date.
- The information has not been subject to external audit.

Background

The CRR and Capital Requirements Directive (CRD IV - was enacted in Irish law by S.I. No. 158 of 2014 and S.I. No. 159 of 2014). Pursuant to Article 431 of Regulation EU575/2013 of the CRR, UBIDAC shall publically disclose the information laid according to Part 8, Title III, of the CRR, further specified by the EBA guidelines on disclosure requirements (EBA-GL-2016-11). The Basel framework is based around the following three Pillars:

- **Pillar I – Minimum capital requirements:** defines rules for the calculation of credit, market and operational risk. Risk weighted assets (RWAs) are required to be calculated for each of these three risks. For credit risk, the majority of the NatWest Group (inclusive of UBIDAC) uses the advanced internal ratings based (IRB) approach for calculating RWAs.
- **Pillar II – Supervisory review process:** requires banks to undertake an Internal Capital Adequacy Assessment Process (ICAAP) for risks either not adequately covered in, or excluded from, Pillar I. The UBIDAC ICAAP, including the Pillar II add-on, is informed by the output of the Material Integrated Risk Assessment (MIRA) process. The ICAAP submission is followed by the Supervisory Review and Evaluation Process (SREP) review process lead by the Joint Supervisory Team (JST) of the Central Bank of Ireland (CBI) and the European Central Bank (ECB) under the Single Supervisory Mechanism (SSM). UBIDAC's minimum capital requirement, including Pillar II requirements, is prescribed within the follow up SREP letter from the ECB. UBIDAC ICAAP requirements are managed under the governance of the UBIDAC Executive Risk Committee. The risks considered to require Pillar II capital include concentration risk, interest rate risk, operational risk and pension risk. The Pillar II capital requirement is reviewed and approved, on a semi-annual basis, by the UBIDAC Board of Directors.
- **Pillar III – Market discipline:** requires expanded disclosure to allow investors and other market participants to understand the risk profiles of individual banks. The level of risk disclosure reporting has increased within UBIDAC, as well as within the NatWest Group and continues to expand to encourage market transparency and stability.

Capital and risk management

Capital management is subject to substantial review and governance across the NatWest Group including the Risk Management Framework and capital management policies that are approved by Asset and Liability Management Committee and/or Board Risk Committee. The Board approves the Group's capital plans.

UBIDAC is governed by its own and NatWest Group capital management policies which are in place to maintain a strong capital base, to expand it as appropriate and to utilise it efficiently throughout its activities in order to optimise the return to shareholders while maintaining a prudent relationship between the capital base and the underlying risks of the business. UBIDAC aims to maintain appropriate levels of capital, in excess of regulatory requirements, that ensure the capital position remains appropriate given the economic and competitive environment.

UBIDAC plans and manages capital resources in accordance with the UBIDAC capital management policy. UBIDAC capital planning is a key part of the budgeting and planning process. The capital plan covers a five year period and is regularly reviewed and updated. UBIDAC Capital Management and the UBIDAC Asset and Liability Management Committee (ALCO) monitor the utilisation of capital by tracking the actual capital available on an on-going basis. In carrying out these policies, UBIDAC has regard to and has complied with the supervisory requirements of the ECB and the CBI. The RWAs by risk type for capital allocation are contained in the CR2 table below.

The following tables show the capital resources and capital requirements of UBIDAC under Pillar III.

Capital, liquidity and funding

EBA IFRS 9-FL: EBA Key metrics

The table below shows key metrics as required by the EBA relating to IFRS 9. UBIDAC elected in Q4 2020 to take advantage of the transitional capital rules in respect of expected credit losses. Following the adoption of IFRS 9 from 1 January 2018, the CRR introduced transitional rules to phase in the full CET1 effect over a five-year period. The transition period has been further amended by the CRR COVID-19 Amendment Regulation, the effect of this is to fully mitigate the increases in Stage 1 and Stage 2 expected credit loss provisions arising in 2020, due to the COVID-19 pandemic. The revised transitional amendments will maintain a CET1 add-back of relevant ECL provisions until 31 December 2024.

	31 Dec 2020	30 Sep 2020	30 Jun 2020	31 Mar 2020	31 Dec 2019
	€m	€m	€m	€m	€m
Available capital (amounts)					
1 Common equity tier 1	3,972	3,755	3,750	3,983	3,983
2 Common equity tier 1 capital as if IFRS 9 transitional arrangements had not been applied	3,709	3,755	3,750	3,983	3,983
3 Tier 1 capital	3,972	3,755	3,750	3,983	3,983
4 Tier 1 capital as if IFRS 9 transitional arrangements had not been applied	3,709	3,755	3,750	3,983	3,983
5 Total capital	4,294	4,099	4,124	4,316	4,342
6 Total capital as if IFRS 9 transitional arrangements had not been applied	4,031	4,099	4,124	4,316	4,342
Risk weighed assets (amounts)					
7 Total risk-weighted assets	14,134	13,254	14,060	14,225	15,022
8 Total risk-weighted assets as if IFRS 9 transitional arrangements had not been applied	14,130	13,254	14,060	14,225	15,022
Risk-based capital ratios as a percentage of RWA					
9 Common equity tier 1 ratio	28.1	28.3	26.7	28.0	26.5
10 Common equity tier 1 ratio as if IFRS 9 transitional arrangements had not been applied	26.3	28.3	26.7	28.0	26.5
11 Tier 1 ratio	28.1	28.3	26.7	28.0	26.5
12 Tier 1 ratio as if IFRS 9 transitional arrangements had not been applied	26.3	28.3	26.7	28.0	26.5
13 Total capital ratio	30.4	30.9	29.3	30.3	28.9
14 Total capital ratio as if IFRS 9 transitional arrangements had not been applied	28.5	30.9	29.3	30.3	28.9
Leverage ratio					
15 CRR leverage ratio exposure measure (€m)	26,672	26,501	32,645	31,543	31,607
16 CRR leverage ratio (%)	14.9	14.2	11.5	12.6	12.6
17 CRR leverage ratio (%) as if IFRS 9 transitional arrangements had not been applied	14.0	14.2	11.5	12.6	12.6

Key points – Capital and leverage

- The CET1 ratio increased to 28.1% from 26.5% reflecting a reduction of RWAs during the period. There has been a minimal movement in capital due to the loss for the period being largely offset by the IFRS 9 transitional adjustment referenced above and movements in deferred tax.
- RWAs decreased by €0.9 billion primarily due to asset quality improvements, sale of a mortgage loan portfolio offset by a voluntary adjustment to the mortgage portfolio capital metrics as agreed with the Regulator.
- The leverage ratio increased to 14.9% largely driven by a decrease in the leverage exposure measure due to an exclusion of Central Bank balances.

Notes:

- (1) This data is also disclosed in NatWest Holdings Pillar III EBA IFRS 9-FL. Figures are translated into Euro as applicable, therefore UBIDAC disclosures differ from those of NatWest Holdings Pillar III.
- (2) Due to exchange rates being used, small rounding variances may exist.
- (3) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Capital, liquidity and funding

CC1: Composition of Regulatory Capital

	31 December 2020	31 December 2019
	€m	€m
CET1 Capital: instruments and reserves		
1 Capital instruments and the related share premium accounts <i>of which: ordinary shares</i>	4,236	4,236
2 Retained earnings	3,379	3,379
3 Accumulated other comprehensive income (and other reserves)	261	190
5a Independently reviewed interim net profits net of any foreseeable charge or dividend	99	39
6 CET1 capital before regulatory adjustments	—	4
7 Additional value adjustments	4,596	4,469
8 (-) Intangible assets (net of related tax liability)	—	—
10 (-) Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	—	(1)
11 Fair value reserves related to gains or losses on cash flow hedges	(48)	(213)
12 (-) Negative amounts resulting from the calculation of expected loss amounts	(84)	(41)
14 Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	—	(34)
15 (-) Defined-benefit pension fund assets	—	—
18 (-) Direct and indirect 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)	(272)	(197)
19 (-) Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions)	—	—
22 (-) Amount exceeding the 17.65% threshold	—	—
23 (-) <i>Of which: 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</i>	—	—
25 (-) <i>Of which: deferred tax assets arising from temporary differences</i>	—	—
25a (-) Losses for the current financial period	(431)	—
26 Regulatory adjustments applied to CET1 in respect of amounts subject to pre-CRR treatment	—	—
26a <i>Regulatory adjustments relating to unrealised gains and losses pursuant to articles 467 and 468</i>	—	—
26b <i>Amount to be deducted from or added to CET1 capital with regard to additional filters and deductions required pre CRR</i>	—	—
27 (-) Qualifying Additional Tier 1 (AT1) deductions that exceed the AT1 capital of the institution (negative amount)	—	—
27a Other regulatory adjustments to CET1 ⁽¹⁾	211	—
28 Total regulatory adjustments to CET1	(624)	(486)
29 CET1 capital	3,972	3,983

For notes relating to this table refer to page 8.

Capital, liquidity and funding

CC1: Composition of Regulatory Capital *continued*

	31 Dec 2020	31 December 2019
	€m	€m
AT1 capital: instruments		
30 Capital instruments and the related share premium accounts	—	—
31 <i>of which: classified as equity under applicable accounting standards</i>	—	—
32 <i>of which: classified as debt under applicable accounting standards</i>	—	—
33 Amount of qualifying items referred to in Article 484(4) and the related share premium accounts 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 <i>of which: instruments issued by subsidiaries subject to phase out</i>	—	—
36 AT1 capital before regulatory adjustments	—	—
AT1 capital: regulatory adjustments		
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 (amount above 10% threshold and net of eligible short positions)	—	—
41 (-) Actual or contingent obligations to purchase own AT1 instruments	—	—
41b Residual amounts deducted from AT1 capital with regard to deduction from Tier 2 (T2) capital during the transitional period of which: 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	—	—
43 Total regulatory adjustments to AT1 capital	—	—
44 AT1 capital	—	—
45 Tier 1 capital (T1 = CET1 + AT1)	3,972	3,983

For notes relating to this table refer to page 8.

Capital, liquidity and funding

CC1: Composition of Regulatory Capital *continued*

	31 December 2020	31 December 2019
	€m	€m
T2 capital: instruments and provisions		
46 Capital instruments and the related share premium accounts	251	359
47 Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	—	—
48 Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in CET1 or AT1) issued by subsidiaries and held by third parties	—	—
49 <i>of which: instruments issued by subsidiaries subject to phase out</i>	—	—
50 Credit risk adjustments	71	—
51 T2 capital before regulatory adjustments	<u>322</u>	<u>359</u>
T2 capital: regulatory adjustments		
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)	—	—
56 Empty set in the EU	—	—
57 Total regulatory adjustments to T2 capital	<u>—</u>	<u>—</u>
58 T2 capital	<u>322</u>	<u>359</u>
59 Total capital (TC = T1 + T2)	<u>4,294</u>	<u>4,342</u>
60 Total risk-weighted assets	<u>14,134</u>	<u>15,022</u>
Capital ratios and buffers		
61 CET1 (as a percentage of risk exposure amount)	28.1%	26.5%
62 T1 (as a percentage of risk exposure amount)	28.1%	26.5%
63 Total capital (as a percentage of risk exposure amount)	30.4%	28.9%
64 Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1)(a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus the systemically important institution buffer (G-SII or O-SII buffer), expressed as a percentage of risk exposure amount)	7.5%	8.3%
65 <i>of which: capital conservation buffer requirement</i>	2.5%	2.5%
66 <i>of which: counter cyclical buffer requirement</i>	0.0%	1.0%
67 <i>of which: systemic risk buffer requirement</i>	—	—
67a <i>of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer</i>	0.5%	0.3%
68 CET1 available to meet buffers ⁽²⁾	21.6%	20.1%

For notes relating to this table refer to page 8.

Capital, liquidity and funding

CC1: Composition of Regulatory Capital *continued*

	31 December 2020	31 December 2019
	€m	€m
Amounts below the threshold deduction		
72 Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	—	—
73 Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	—	1
75 Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability)	1	—
Available caps on the inclusion of provisions in T2		
77 Cap on inclusion of credit risk adjustments in T2 under standardised approach	14	13
79 Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	71	76
Capital instruments subject to phase-out arrangements (only applicable between 1 January 2013 and 1 January 2022)		
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	32	48
85 Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	—	—

Notes:

- (1) Other regulatory adjustments to CET1 consist of:
 - IFRS9 transitional adjustment as summarised in EBA IFRS 9-FL
 - Adjustment to capital to reflect the ECB non-performing backstop rules, as set out in the addendum to the ECB Guidance to banks on non-performing loans: supervisory expectations for prudential provisioning of non-performing exposures.
- (2) Represents CET1 ratio less TSCR (Pillar 1 and 2A).
- (3) There are other deductions that are not relevant to UBIDAC, that have not been listed in the table above.
- (4) This data is also disclosed in NatWest Holdings Pillar III CC1. Figures are translated into Euro as applicable, therefore UBIDAC disclosures differ from those of NatWest Holdings Pillar III.
- (5) Due to exchange rates being used, small rounding variances may exist.
- (6) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Capital, liquidity and funding

EU OV1: RWAs and MCR Summary

	31 December 2020		31 December 2019	
	RWAs	MCR	RWAs	MCR
	€m	€m	€m	€m
Credit risk (excluding counterparty credit risk) (CCR)	12,892	1,032	13,725	1,099
Standardised approach (STD)	1,141	91	1,056	85
Internal rating-based (IRB) approach	11,751	941	12,669	1,014
Equity IRB under the Simple risk-weight or the internal models approach	—	—	—	—
Counterparty credit risk	130	10	150	12
Of which: Securities financing transactions	—	—	—	—
Of which: Marked to market	130	10	149	12
Of which: Internal model method (IMM)	—	—	—	—
Of which: Risk exposure amount for contributions to the default fund of a central counterparty	—	—	—	—
Of which: Credit valuation adjustment (CVA)	—	—	1	—
Securitisation exposures in banking book (After Cap)	—	—	—	—
Internal rating-based approach (SEC-IRBA)	—	—	—	—
Standardised approach	—	—	—	—
External rating-based approach (SEC-ERBA)	—	—	—	—
1250%	—	—	—	—
Market risk	69	6	90	7
Standardised approach (STD)	69	6	90	7
Operational risk - STD approach	1,041	83	1,054	84
Amounts below the thresholds for deduction (subject to 250% risk weight)	2	—	3	—
Total	14,134	1,131	15,022	1,202

Notes:

- (1) This data is also disclosed in NatWest Holdings Pillar III EU OV1. Figures are translated into Euro as applicable, therefore UBIDAC disclosures differ from those of NatWest Holdings Pillar III.
- (2) Due to exchange rates being used, small rounding variances may exist.
- (3) Appendix 2 details how these disclosures comply with the requirements of the CRR.
- (4) The standardised approach (STD) is used to calculate market risk and operational risk capital requirements.

Capital, liquidity and funding

LR1: Summary Comparison of Accounting Assets to Leverage Ratio Exposure Measure

		31 December 2020	31 December 2019
		€m	€m
1	Total assets as per published financial statements	31,205	30,646
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	—	—
4	Adjustments for derivative financial instruments	34	104
5	Adjustments for securities financing transactions (SFTs)	—	—
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	1,456	1,314
EU-6a	Adjustment for intragroup exposures excluded from the leverage ratio exposure measure in accordance with Article 429 (7) of Regulation (EU) No 575/2013	—	—
7	Other adjustments	(6,023)	(457)
8	Total leverage ratio exposure	26,672	31,607

- Notes:
- (1) This data is also disclosed in NatWest Holdings Pillar III LR1. Figures are translated into Euro as applicable, therefore UBIDAC disclosures differ from those of NatWest Holdings Pillar III.
 - (2) Due to exchange rates being used, small rounding variances may exist.
 - (3) Appendix 2 details how these disclosures comply with the requirements of the CRR.

LR2: Leverage Ratio Common Disclosure Template

		31 December 2020	31 December 2019
		€m	€m
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	25,149	30,469
2	Asset amounts deducted in determining Tier 1 capital	(193)	(485)
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets)	24,956	29,984
Derivative exposures			
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	167	192
5	Add-on amounts for PFE associated with all derivatives transactions (mark-to-market method)	93	117
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	—	—
7	Deductions of receivable assets for cash variation margin provided in derivatives transactions	—	—
8	Exempted CCP leg of client-cleared trade exposures	—	—
9	Adjusted effective notional amount of written credit derivatives	—	—
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	—	—
11	Total derivative exposures	260	309
Securities financing transaction exposures			
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	—	—
13	(netted amounts of cash payables and cash receivable of gross SFT assets)	—	—
14	Counterparty credit risk exposures for SFT assets	—	—
16	Total securities financing transaction exposures	—	—

Capital, liquidity and funding

LR2: Leverage Ratio Common Disclosure Template continued

	31 December 2020	31 December 2019
	€m	€m
Other off-balance sheet exposures		
17 Off- balance sheet exposures at gross notional amount	4,174	3,816
18 Adjustments for conversion to credit equivalent amounts	(2,718)	(2,502)
19 Other off-balance sheet exposures	1,456	1,314
EU-19a Exemption of intragroup exposures (solo basis) in accordance with Article 429(7) of Regulation (EU) No 575/2013 (on and off-balance sheet)	—	—
EU-19b Exposures exempted in accordance with Article 429 (14) of Regulation (EU) No 575/2013 (on and off balance sheet)	(5,871)	—
Capital and total exposures		
20 Tier 1 capital	3,972	3,983
21 Total leverage ratio exposures	26,672	31,607
22 Leverage ratio	14.9%	12.6%
EU-22a Leverage ratio (excluding the impact of any applicable temporary exemption of central bank exposures)	12.2%	
LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)		
EU-1 Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	24,956	29,984
EU-2 Trading book exposures	—	—
EU-3 Banking book exposures, of which:	24,956	29,984
EU-4 Covered bonds	417	397
EU-5 Exposures treated as sovereigns	1,632	5,894
EU-6 Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	488	530
EU-7 Institutions	1,832	1,164
EU-8 Secured by mortgages of immovable properties	16,717	17,112
EU-9 Retail exposures	593	650
EU-10 Corporate	2,143	2,553
EU-11 Exposures in default	500	969
EU-12 Other exposures (e.g. equity, securitisations, and non-credit obligation assets)	634	715

- Notes:
- (1) This data is also disclosed in NatWest Holdings Pillar III LR2. Figures are translated into Euro as applicable, therefore UBIDAC disclosures differ from those of NatWest Holdings Pillar III.
 - (2) Due to exchange rates being used, small rounding variances may exist.
 - (3) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Capital, liquidity and funding

CCyB1: Geographical Distribution of Credit Exposures used in the Countercyclical Capital Buffer

	UK	RoI	United States	France	Norway	Other	Total
	€m	€m	€m	€m	€m	€m	€m
31 December 2020							
Total Risk Exposure (sum of General Credit, Trading and Securitisation)	484	23,483	69	213	51	145	24,445
Total Own Fund Requirements	25	880	3	2	1	3	914

	RoI
	€m
31 December 2020	
Total risk exposure amount	14,134
Institution specific countercyclical buffer rate	0.0%
Institution specific countercyclical buffer requirement	—

	UK	RoI	United States	France	Norway	Other	Total
	€m	€m	€m	€m	€m	€m	€m
31 December 2019							
Total Risk Exposure (sum of General Credit, Trading and Securitisation)	504	24,716	47	185	52	165	25,669
Total Own Fund Requirements	27	981	2	2	1	6	1,019

	RoI
	€m
31 December 2019	
Total risk exposure amount	15,022
Institution specific countercyclical buffer rate	1.0%
Institution specific countercyclical buffer requirement	149

Notes:

- (1) This data is also disclosed in NatWest Holdings Pillar III Consolidated CCyB1. Figures are translated into Euro as applicable, therefore UBIDAC disclosures differ from those of NatWest Holdings Pillar III.
- (2) Due to exchange rates being used, small rounding variances may exist.
- (3) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Capital, liquidity and funding

EU LIQ1: Liquidity coverage ratio

Quarter ended	Total unweighted value (average)				Total weighted value (average)			
	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar
	2020	2020	2020	2020	2020	2020	2020	2020
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)	8,122	7,721	7,250	7,000	8,093	7,693	7,227	6,984
Cash outflows								
2 Retail deposits and deposits from small business customers	12,673	12,125	11,603	11,152	958	929	903	882
3 of which: stable deposits	7,001	6,795	6,599	6,437	350	340	330	322
4 of which: less stable deposits	5,114	4,957	4,818	4,715	608	589	573	560
5 Unsecured wholesale funding	6,729	6,798	6,793	6,690	3,011	3,057	3,083	2,997
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks	1,552	1,559	1,645	1,946	388	390	411	487
7 Non-operational deposits (all counterparties)	5,177	5,239	5,148	4,744	2,623	2,667	2,672	2,510
8 Unsecured debt	—	—	—	—	—	—	—	—
9 Secured wholesale funding	—	—	—	—	—	—	—	—
10 Additional requirements	3,422	3,315	3,267	3,252	342	331	320	313
11 Outflows related to derivative exposures and other collateral requirements	1	2	2	3	1	2	2	3
12 Outflows related to loss of funding on debt products	—	—	—	—	—	—	—	—
13 Credit and liquidity facilities	3,421	3,313	3,265	3,249	341	329	318	310
14 Other contractual funding obligations	46	47	47	47	—	—	—	—
15 Other contingent funding obligations	389	400	405	418	20	20	20	21
16 Total cash outflows	23,260	22,685	22,114	21,559	4,331	4,337	4,326	4,213
Cash inflows								
17 Secured lending (e.g. reverse repos)	—	—	—	—	—	—	—	—
18 Inflows from fully performing exposures	472	406	384	337	410	343	319	271
19 Other cash inflows	199	222	240	251	43	48	53	56
EU-19a Difference between total weighted inflows and outflows	—	—	—	—	—	—	—	—
EU-19b Excess inflows from a related specialised credit institution	—	—	—	—	—	—	—	—
20 Total cash inflows	671	628	624	588	453	391	372	327
EU-20a Fully exempt inflows	—	—	—	—	—	—	—	—
EU-20b Inflows subject to 90% cap	—	—	—	—	—	—	—	—
EU-20c Inflows subject to 75% cap	671	628	624	588	453	391	372	327
Total adjusted value								
21 Liquidity buffer	—	—	—	—	8,093	7,693	7,227	6,984
22 Total net cash outflows	—	—	—	—	3,878	3,946	3,954	3,886
23 Liquidity coverage ratio (%)	—	—	—	—	210%	195%	183%	180%

Notes:

(1) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Credit risk (including counterparty credit risk)

CR2: IRB and STD: EAD, RWAs and MCR by CRR exposure class

The table below shows credit risk and counterparty credit risk separately. It presents EAD pre and post CRM, RWAs and MCR, split by regulatory approach and exposure class.

	31 December 2020				31 December 2019			
	EAD pre CRM €m	EAD post CRM €m	RWAs €m	MCR €m	EAD pre CRM €m	EAD post CRM €m	RWAs €m	MCR €m
Credit risk (non-counterparty)								
IRB								
Central governments or central banks	7,995	7,995	1,004	80	6,445	6,445	705	56
Institutions	456	456	120	10	461	461	129	10
Corporates	6,030	5,997	4,216	338	6,395	6,287	4,053	324
Specialised Lending	1,190	1,190	800	64	1,317	1,317	917	73
SME	903	902	818	66	1,554	1,551	873	70
Other Corporate	3,937	3,905	2,598	208	3,524	3,419	2,263	181
Retail	17,196	17,196	6,281	503	17,755	17,755	7,641	612
Secured by real estate property SME	—	—	—	—	—	—	—	—
Secured by real estate property non SME	16,043	16,043	5,646	452	16,514	16,514	6,898	552
Qualifying Revolving	345	345	144	11	385	385	191	15
Other Retail SME	603	603	334	27	631	631	371	30
Other Retail non SME	205	205	157	13	225	225	181	15
Equities	—	—	—	—	—	—	—	—
Securitisation	—	—	—	—	—	—	—	—
Non-credit obligation assets	409	409	130	10	678	678	141	12
Total IRB	32,086	32,053	11,751	941	31,734	31,626	12,669	1,014
STD								
Central governments or central banks	1	1	2	—	—	—	1	—
Regional governments or local authorities	1	1	1	—	1	1	1	—
Public sector entities	—	—	—	—	—	—	—	—
Multilateral Development Banks	—	—	—	—	—	—	—	—
International Organisations	—	—	—	—	—	—	—	—
Institutions	1,543	1,543	359	29	860	860	175	14
Corporates	597	597	575	46	722	722	703	56
Retail	12	12	7	1	16	16	9	1
Secured by mortgages on immovable property - residential	105	105	105	8	96	96	96	8
Secured by mortgages on immovable property - commercial	44	44	44	3	39	39	39	3
Exposures in default	33	33	42	3	23	23	29	2
Items associated with particularly high risk	—	—	—	—	—	—	—	—
Covered bonds	—	—	—	—	—	—	—	—
Collective investments undertakings (CIU)	—	—	—	—	—	—	—	—
Equity exposures	—	—	—	—	1	1	2	—
Other exposures	23	23	8	1	20	20	4	—
Total STD	2,359	2,359	1,143	91	1,778	1,778	1,059	84
Total	34,445	34,412	12,894	1,032	33,512	33,404	13,728	1,098

Credit risk (including counterparty credit risk)

CR2: IRB and STD: EAD, RWAs and MCR by CRR exposure class *continued*

	31 December 2020				31 December 2019			
	EAD pre CRM €m	EAD post CRM €m	RWAs €m	MCR €m	EAD pre CRM €m	EAD post CRM €m	RWAs €m	MCR €m
Counterparty credit risk								
<i>IRB</i>								
Central governments or central banks	—	—	—	—	—	—	—	—
Institutions	—	—	—	—	3	3	2	—
Corporates	28	28	17	1	32	32	22	2
Specialised Lending	18	18	11	1	20	20	14	1
SME	1	1	1	—	1	1	1	—
Other Corporate	9	9	5	—	11	11	7	1
Retail	—	—	—	—	—	—	—	—
Secured by real estate property SME	—	—	—	—	—	—	—	—
Secured by real estate property non SME	—	—	—	—	—	—	—	—
Qualifying Revolving	—	—	—	—	—	—	—	—
Other Retail SME	—	—	—	—	—	—	—	—
Other Retail non SME	—	—	—	—	—	—	—	—
Equities	—	—	—	—	—	—	—	—
Securitisation	—	—	—	—	—	—	—	—
Non-credit obligation assets	—	—	—	—	—	—	—	—
Total IRB	28	28	17	1	35	35	24	2
<i>STD</i>								
Central governments or central banks	—	—	—	—	—	—	—	—
Regional governments or local authorities	—	—	—	—	—	—	—	—
Public sector entities	—	—	—	—	—	—	—	—
Multilateral Development Banks	—	—	—	—	—	—	—	—
International Organisations	—	—	—	—	—	—	—	—
Institutions	227	227	113	9	257	257	126	10
Corporates	—	—	—	—	—	—	—	—
Retail	—	—	—	—	—	—	—	—
Secured by mortgages on immovable property - residential	—	—	—	—	—	—	—	—
Secured by mortgages on immovable property - commercial	—	—	—	—	—	—	—	—
Exposures in default	—	—	—	—	—	—	—	—
Items associated with particularly high risk	—	—	—	—	—	—	—	—
Covered bonds	—	—	—	—	—	—	—	—
Collective investments undertakings (CIU)	—	—	—	—	—	—	—	—
Equity exposures	—	—	—	—	—	—	—	—
Other exposures	—	—	—	—	—	—	—	—
Total STD	227	227	113	9	257	257	126	10
Total	255	255	130	10	292	292	150	12

Notes:

(1) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Credit risk (excluding counterparty credit risk)

EU CRB_B: IRB & STD: Credit Risk Exposure by Exposure Class

31 December 2020	EAD pre CRM		EAD post CRM	
	Period end €m	Average €m	Period end €m	Average €m
IRB				
Central governments or central banks	7,995	7,678	7,995	7,678
Institutions	456	475	456	475
Corporates	6,030	6,209	5,997	6,156
Specialised Lending	1,190	1,211	1,190	1,211
SME	903	1,424	902	1,422
Other Corporate	3,937	3,574	3,905	3,523
Retail	17,196	17,145	17,196	17,145
Secured by real estate property SME	—	—	—	—
Secured by real estate property non SME	16,043	15,955	16,043	15,955
Qualifying Revolving	345	351	345	351
Other Retail SME	603	622	603	622
Other Retail non SME	205	217	205	217
Equities	—	—	—	—
Non-credit obligation assets	409	307	409	307
Total IRB	32,086	31,814	32,053	31,761
STD				
Central governments or central banks	1	—	1	—
Regional governments or local authorities	1	1	1	1
Public sector entities	—	—	—	—
Multilateral Development Banks	—	—	—	—
International Organisations	—	—	—	—
Institutions	1,543	1,089	1,543	1,089
Corporates	597	669	597	669
Retail	12	10	12	10
Secured by mortgages on immovable property - residential	105	101	105	101
Secured by mortgages on immovable property - commercial	44	40	44	40
Exposures in default	33	26	33	26
Items associated with particularly high risk	—	—	—	—
Covered bonds	—	—	—	—
Collective investments undertakings (CIU)	—	—	—	—
Equity exposures	—	—	—	—
Other exposures	23	29	23	29
Total STD	2,359	1,965	2,359	1,965
Total	34,445	33,779	34,412	33,726

Credit risk (excluding counterparty credit risk)

EU CRB_B: IRB & STD: Credit Risk Exposure by Exposure Class continued

31 December 2019	EAD pre CRM		EAD post CRM	
	Period end €m	Average €m	Period end €m	Average €m
IRB				
Central governments or central banks	6,445	6,487	6,445	6,486
Institutions	461	423	461	423
Corporates	6,395	5,986	6,287	5,907
Specialised Lending	1,317	1,259	1,317	1,259
SME	1,554	1,359	1,551	1,357
Other Corporate	3,524	3,368	3,419	3,291
Retail	17,755	17,919	17,755	17,919
Secured by real estate property SME	—	—	—	—
Secured by real estate property non SME	16,514	16,664	16,514	16,664
Qualifying Revolving	385	380	385	380
Other Retail SME	631	649	631	649
Other Retail non SME	225	226	225	226
Equities	—	—	—	—
Non-credit obligation assets	678	355	678	355
Total IRB	31,734	31,170	31,626	31,090
STD				
Central governments or central banks	—	—	—	—
Regional governments or local authorities	1	1	1	1
Public sector entities	—	—	—	—
Multilateral Development Banks	—	—	—	—
International Organisations	—	—	—	—
Institutions	860	816	860	816
Corporates	722	815	722	815
Retail	16	14	16	14
Secured by mortgages on immovable property - residential	96	75	96	75
Secured by mortgages on immovable property - commercial	39	31	39	31
Exposures in default	23	14	23	14
Items associated with particularly high risk	—	—	—	—
Covered bonds	—	—	—	—
Collective investments undertakings (CIU)	—	—	—	—
Equity exposures	1	3	1	3
Other exposures	20	35	20	35
Total STD	1,778	1,804	1,778	1,804
Total	33,512	32,974	33,404	32,894

Notes:

(1) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Credit risk (excluding counterparty credit risk)

EU CRB_C: IRB & STD: Credit Risk Exposure by Geographic Region

31 December 2020	EAD Post CRM					Total €m
	UK €m	Ireland €m	Other Western Europe €m	US €m	Rest of World €m	
IRB						
Central governments or central banks	—	5,594	1,911	—	490	7,995
Institutions	—	22	265	165	4	456
Corporates	328	5,269	353	45	2	5,997
Specialised Lending	77	1,101	12	—	—	1,190
SME	4	898	—	—	—	902
Other Corporate	247	3,270	341	45	2	3,905
Retail	118	17,007	17	23	31	17,196
Secured by real estate property SME	—	—	—	—	—	—
Secured by real estate property non SME	97	15,878	16	22	30	16,043
Qualifying Revolving	6	336	1	1	1	345
Other Retail SME	14	589	—	—	—	603
Other Retail non SME	1	204	—	—	—	205
Equities	—	—	—	—	—	—
Non-credit obligation assets	—	409	—	—	—	409
Total IRB	446	28,301	2,546	233	527	32,053
STD						
Central governments or central banks	—	1	—	—	—	1
Regional governments or local authorities	—	1	—	—	—	1
Public sector entities	—	—	—	—	—	—
Multilateral Development Banks	—	—	—	—	—	—
International Organisations	—	—	—	—	—	—
Institutions	1,543	—	—	—	—	1,543
Corporates	5	592	—	—	—	597
Retail	12	—	—	—	—	12
Secured by mortgages on immovable property - residential	—	105	—	—	—	105
Secured by mortgages on immovable property - commercial	—	44	—	—	—	44
Exposures in default	11	22	—	—	—	33
Items associated with particularly high risk	—	—	—	—	—	—
Covered bonds	—	—	—	—	—	—
Collective investments undertakings (CIU)	—	—	—	—	—	—
Equity exposures	—	—	—	—	—	—
Other exposures	—	23	—	—	—	23
Total STD	1,571	788	—	—	—	2,359
Total	2,017	29,089	2,546	233	527	34,412

Credit risk (excluding counterparty credit risk)

EU CRB_C: IRB & STD: Credit Risk Exposure by Geographic Region continued

	EAD Post CRM					Total €m
	UK €m	Ireland €m	Other Western Europe €m	US €m	Rest of World €m	
31 December 2019						
IRB						
Central governments or central banks	—	3,712	2,214	—	519	6,445
Institutions	—	26	242	187	6	461
Corporates	476	5,416	343	45	7	6,287
Specialised Lending	133	1,168	16	—	—	1,317
SME	7	1,544	—	—	—	1,551
Other Corporate	336	2,704	327	45	7	3,419
Retail	131	17,540	22	25	37	17,755
Secured by real estate property SME	—	—	—	—	—	—
Secured by real estate property non SME ⁽¹⁾	111	16,322	21	24	36	16,514
Qualifying Revolving	7	375	1	1	1	385
Other Retail SME	12	619	—	—	—	631
Other Retail non SME	1	224	—	—	—	225
Equities	—	—	—	—	—	—
Non-credit obligation assets	—	678	—	—	—	678
Total IRB	607	27,372	2,821	257	569	31,626
STD						
Central governments or central banks	—	—	—	—	—	—
Regional governments or local authorities	—	1	—	—	—	1
Public sector entities	—	—	—	—	—	—
Multilateral Development Banks	—	—	—	—	—	—
International Organisations	—	—	—	—	—	—
Institutions	860	—	—	—	—	860
Corporates	11	710	—	1	—	722
Retail	16	—	—	—	—	16
Secured by mortgages on immovable property - residential	—	96	—	—	—	96
Secured by mortgages on immovable property - commercial	—	39	—	—	—	39
Exposures in default	13	10	—	—	—	23
Items associated with particularly high risk	—	—	—	—	—	—
Covered bonds	—	—	—	—	—	—
Collective investments undertakings (CIU)	—	—	—	—	—	—
Equity exposures	—	1	—	—	—	1
Other exposures	—	20	—	—	—	20
Total STD	900	877	—	1	—	1,778
Total	1,507	28,249	2,821	258	569	33,404

Notes:

- (1) The geographical analysis of secured by real estate property non SME has been restated to align to basis of reporting in 2020.
(2) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Credit risk (excluding counterparty credit risk)

EU CRB_D: IRB & STD: Credit Risk Exposure by Industry Sector

	EAD Post CRM																Total	
	Sovereign			Financial institutions (FI)			Corporates							Personal		Other		
	Central banks	Central governments	Other sovereign	Banks	Non-bank FI	SSPEs	Property	Natural resources	Transport	Manufacturing	Retail and leisure	Services	TMT	Mortgages	Other personal	Not allocated		
31 December 2020	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m		
IRB																		
Central governments or central banks	5,594	1,372	148	881	—	—	—	—	—	—	—	—	—	—	—	—	7,995	
Institutions	—	—	11	434	1	—	—	—	10	—	—	—	—	—	—	—	456	
Corporates	—	—	25	—	486	13	1,400	471	358	938	1,269	864	146	—	27	—	5,997	
Specialised Lending	—	—	—	—	1	—	936	234	17	—	—	1	—	—	1	—	1,190	
SME	—	—	—	—	4	—	45	7	38	248	305	191	64	—	—	—	902	
Other Corporate	—	—	25	—	481	13	419	230	303	690	964	672	82	—	26	—	3,905	
Retail	—	—	1	—	3	—	66	4	21	334	59	90	10	16,043	565	—	17,196	
Secured by real estate property SME	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Secured by real estate property non SME	—	—	—	—	—	—	—	—	—	—	—	—	—	16,043	—	—	16,043	
Qualifying Revolving	—	—	—	—	—	—	—	—	—	—	—	—	—	—	345	—	345	
Other Retail SME	—	—	1	—	3	—	66	4	21	334	59	90	10	—	15	—	603	
Other Retail non SME	—	—	—	—	—	—	—	—	—	—	—	—	—	—	205	—	205	
Equities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Non-credit obligation assets	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	409	
Total IRB	5,594	1,372	185	1,315	490	13	1,466	475	389	1,272	1,328	954	156	16,043	592	409	32,053	
STD																		
Central governments or central banks	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1	
Regional governments or local authorities	—	—	1	—	—	—	—	—	—	—	—	—	—	—	—	—	1	
Public sector entities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Multilateral Development Banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
International Organisations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Institutions	—	—	—	1,543	—	—	—	—	—	—	—	—	—	—	—	—	1,543	
Corporates	—	—	—	—	3	—	61	15	113	164	55	42	7	—	137	—	597	
Retail	—	—	—	—	—	—	—	—	—	—	—	—	—	—	12	—	12	
Secured by mortgages on immovable property																		
-residential	—	—	—	—	—	—	102	—	—	—	—	1	—	—	2	—	105	
-commercial	—	—	—	—	—	—	39	—	—	—	—	1	—	—	4	—	44	
Exposures in default	—	—	—	—	—	—	1	—	11	15	1	—	—	—	5	—	33	
Items associated with particularly high risk	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Covered bonds	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Collective investments undertakings (CIU)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Equity exposures	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Other exposures	—	—	—	—	4	—	—	—	—	—	—	—	—	—	—	—	19	
Total STD	1	—	1	1,543	7	—	203	15	124	179	56	44	7	—	160	19	2,359	
Total	5,595	1,372	186	2,858	497	13	1,669	490	513	1,451	1,384	998	163	16,043	752	428	34,412	

Credit risk (excluding counterparty credit risk)

EU CRB_D: IRB & STD: Credit Risk Exposure by Industry Sector continued

	EAD Post CRM																	Total
	Sovereign			Financial institutions (FI)			Corporates							Personal		Other		
	Central banks	Central governments	Other sovereign	Banks	Non-bank FI	SSPEs	Property	Natural resources	Transport	Manufacturing	Retail and leisure	Services	TMT	Mortgages	Other personal	Other allocated	Not allocated	
31 December 2019	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	
IRB																		
Central governments or central banks	3,708	1,695	193	849	—	—	—	—	—	—	—	—	—	—	—	—	—	6,445
Institutions	—	—	14	435	1	—	—	—	11	—	—	—	—	—	—	—	—	461
Corporates	—	—	25	—	372	13	1,567	551	376	999	1,363	871	113	—	37	—	—	6,287
Specialised Lending	—	—	—	—	1	—	1,039	257	17	1	—	1	—	—	1	—	—	1,317
SME	—	—	—	—	17	—	213	11	42	362	507	377	22	—	—	—	—	1,551
Other Corporate	—	—	25	—	354	13	315	283	317	636	856	493	91	—	36	—	—	3,419
Retail	—	—	2	—	2	—	70	3	23	343	64	96	11	16,514	627	—	—	17,755
Secured by real estate property SME	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Secured by real estate property non SME	—	—	—	—	—	—	—	—	—	—	—	—	—	16,514	—	—	—	16,514
Qualifying Revolving	—	—	—	—	—	—	—	—	—	—	—	—	—	—	385	—	—	385
Other Retail SME	—	—	2	—	2	—	70	3	23	343	64	96	11	—	17	—	—	631
Other Retail non SME	—	—	—	—	—	—	—	—	—	—	—	—	—	—	225	—	—	225
Equities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Non-credit obligation assets	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	678	678
Total IRB	3,708	1,695	234	1,284	375	13	1,637	554	410	1,342	1,427	967	124	16,514	664	678	31,626	
STD																		
Central governments or central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Regional governments or local authorities	—	—	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1
Public sector entities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Multilateral Development Banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
International Organisations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Institutions	—	—	—	860	—	—	—	—	—	—	—	—	—	—	—	—	—	860
Corporates	—	—	—	—	—	—	72	24	140	186	92	65	11	—	132	—	—	722
Retail	—	—	—	—	—	—	—	—	—	—	—	—	—	—	16	—	—	16
Secured by mortgages on immovable property																		
-residential	—	—	—	—	—	—	93	—	—	—	—	1	—	—	2	—	—	96
-commercial	—	—	—	—	—	—	33	—	—	1	—	1	—	—	4	—	—	39
Exposures in default	—	—	—	—	—	—	1	—	—	17	2	1	—	—	2	—	—	23
Items associated with particularly high risk	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Covered bonds	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Collective investments undertakings (CIU)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Equity exposures	—	—	—	—	1	—	—	—	—	—	—	—	—	—	—	—	—	1
Other exposures	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	20	20
Total STD	—	—	1	860	1	—	199	24	140	204	94	68	11	—	156	20	1,778	
Total	3,708	1,695	235	2,144	376	13	1,836	578	550	1,546	1,521	1,035	135	16,514	820	698	33,404	

Notes:

(1) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Credit risk (excluding counterparty credit risk)

EU CRB_E: IRB & STD: Credit Risk Exposure by Maturity Class

31 December 2020	EAD Pre CRM				No stated maturity €m	Total €m
	On demand €m	<= 1 year €m	> 1 year <= 5 years €m	> 5 years €m		
<i>IRB</i>						
Central governments or central banks	5,594	549	1,791	61	—	7,995
Institutions	187	2	264	3	—	456
Corporates	287	707	3,537	1,466	—	5,997
Specialised Lending	4	92	780	314	—	1,190
SME	79	93	309	421	—	902
Other Corporate	204	522	2,448	731	—	3,905
Retail	700	81	962	15,453	—	17,196
Secured by real estate property SME	—	—	—	—	—	—
Secured by real estate property non SME	—	52	789	15,202	—	16,043
Qualifying Revolving	345	—	—	—	—	345
Other Retail SME	355	14	52	182	—	603
Other Retail non SME	—	15	121	69	—	205
Equities	—	—	—	—	—	—
Non-credit obligation assets	—	—	409	—	—	409
Total IRB	6,768	1,339	6,963	16,983	—	32,053
<i>STD</i>						
Central governments or central banks	—	1	—	—	—	1
Regional governments or local authorities	—	—	1	—	—	1
Public sector entities	—	—	—	—	—	—
Multilateral Development Banks	—	—	—	—	—	—
International Organisations	—	—	—	—	—	—
Institutions	—	1,543	—	—	—	1,543
Corporates	45	456	89	7	—	597
Retail	12	—	—	—	—	12
Secured by mortgages on immovable property	—	—	—	—	—	—
- residential	—	35	68	2	—	105
- commercial	—	—	41	3	—	44
Exposures in default	—	28	5	—	—	33
Items associated with particularly high risk	—	—	—	—	—	—
Covered bonds	—	—	—	—	—	—
Collective investments undertakings (CIU)	—	—	—	—	—	—
Equity exposures	—	—	—	—	—	—
Other exposures	—	—	23	—	—	23
Total STD	57	2,063	227	12	—	2,359
Total	6,825	3,402	7,190	16,995	—	34,412

Credit risk (excluding counterparty credit risk)

EU CRB_E: IRB & STD: Credit Risk Exposure by Maturity Class continued

31 December 2019	EAD Pre CRM					Total €m
	On demand €m	<= 1 year €m	> 1 year <= 5 years €m	> 5 years €m	No stated maturity €m	
IRB						
Central governments or central banks ⁽¹⁾	3,708	1,175	1,562	—	—	6,445
Institutions	212	19	216	14	—	461
Corporates	313	796	3,683	1,495	—	6,287
Specialised Lending	4	150	839	324	—	1,317
SME	125	143	662	621	—	1,551
Other Corporate	184	503	2,182	550	—	3,419
Retail	751	102	620	16,282	—	17,755
Secured by real estate property SME	—	—	—	—	—	—
Secured by real estate property non SME	—	65	428	16,021	—	16,514
Qualifying Revolving	385	—	—	—	—	385
Other Retail SME	366	20	58	187	—	631
Other Retail non SME	—	17	134	74	—	225
Equities	—	—	—	—	—	—
Non-credit obligation assets	—	—	678	—	—	678
Total IRB	4,984	2,092	6,759	17,791	—	31,626
STD						
Central governments or central banks	—	—	—	—	—	—
Regional governments or local authorities	—	—	1	—	—	1
Public sector entities	—	—	—	—	—	—
Multilateral Development Banks	—	—	—	—	—	—
International Organisations	—	—	—	—	—	—
Institutions	—	860	—	—	—	860
Corporates	49	571	91	11	—	722
Retail	16	—	—	—	—	16
Secured by mortgages on immovable property	—	—	—	—	—	—
- residential	—	31	61	4	—	96
- commercial	—	1	33	5	—	39
Exposures in default	—	23	—	—	—	23
Items associated with particularly high risk	—	—	—	—	—	—
Covered bonds	—	—	—	—	—	—
Collective investments undertakings (CIU)	—	—	—	—	—	—
Equity exposures	—	—	—	1	—	1
Other exposures	—	—	20	—	—	20
Total STD	65	1,486	206	21	—	1,778
Total	5,049	3,578	6,965	17,812	—	33,404

Notes:

- (1) Restated to reflect reclassification of central bank balances from loans to banks to cash and balances at central banks in line with accounting policy change.
(2) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Credit risk (excluding counterparty credit risk)

EU CR1_A: IRB & STD: Credit Risk Exposure by Exposure Class

31 December 2020	Gross carrying values of		Specific credit risk adjustment €m	Write Offs (YTD) €m	Net carrying value €m
	Defaulted exposures €m	Non-defaulted exposures €m			
IRB					
Central governments or central banks	—	8,046	2	—	8,044
Institutions	—	466	—	—	466
Corporates	152	7,127	277	7	7,002
Specialised Lending	10	1,201	16	—	1,195
SME	87	850	116	4	821
Other Corporate	55	5,076	145	3	4,986
Retail	785	15,853	592	238	16,046
Secured by real estate property SME	—	—	—	—	—
Secured by real estate property non SME	746	14,736	556	233	14,926
Qualifying Revolving	10	520	6	2	524
Other Retail SME	19	407	19	1	407
Other Retail non SME	10	190	11	2	189
Equities	—	—	—	—	—
Non-credit obligation assets	—	409	—	—	409
Total IRB	937	31,901	871	245	31,967
Of which: Loans	906	19,474	856	245	19,524
Of which: Debt Securities	—	2,962	1	—	2,961
Of which: Other Assets	—	6,019	1	—	6,018
Of which: Off-balance sheet exposures	31	3,446	13	—	3,464
STD					
Central governments or central banks	—	1	—	—	1
Regional governments or local authorities	—	1	—	—	1
Public sector entities	—	—	—	—	—
Multilateral Development Banks	—	—	—	—	—
International Organisations	—	—	—	—	—
Institutions	—	1,590	—	—	1,590
Corporates	39	1,097	15	1	1,121
Retail	13	12	5	—	20
Secured by mortgages on immovable property	—	—	—	—	—
- residential	—	107	—	—	107
- commercial	—	50	1	—	49
Exposures in default	52	—	16	—	36
Items associated with particularly high risk	—	1	—	—	1
Covered bonds	—	—	—	—	—
Collective investments undertakings (CIU)	—	—	—	—	—
Equity exposures	—	—	—	—	—
Other exposures	—	23	—	—	23
Total STD	52	2,882	21	1	2,913
Of which: Loans	43	2,170	17	1	2,196
Of which: Debt Securities	—	—	—	—	—
Of which: Other Assets	—	24	3	—	21
Of which: Off-balance sheet exposures	9	688	1	—	696
Total	989	34,783	892	246	34,880
Of which: Loans	949	21,644	873	246	21,720
Of which: Debt Securities	—	2,962	1	—	2,961
Of which: Other Assets	—	6,043	4	—	6,039
Of which: Off-balance sheet exposures	40	4,134	14	—	4,160

Credit risk (excluding counterparty credit risk)

EU CR1_A: IRB & STD: Credit Risk Exposure by Exposure Class continued

	Gross carrying values of		Specific credit risk adjustment	Write Offs (YTD)	Net carrying value
	Defaulted exposures	Non-defaulted exposures			
31 December 2019 ⁽¹⁾	€m	€m	€m	€m	€m
IRB					
Central governments or central banks	—	6,454	2	—	6,452
Institutions	—	472	—	—	472
Corporates	157	7,157	139	16	7,175
Specialised Lending	11	1,328	12	—	1,327
SME	87	1,548	73	5	1,562
Other Corporate	59	4,281	54	11	4,286
Retail	1,479	16,030	760	81	16,749
Secured by real estate property SME	—	—	—	—	—
Secured by real estate property non SME	1,440	14,860	731	68	15,569
Qualifying Revolving	12	532	5	9	539
Other Retail SME	17	426	14	2	429
Other Retail non SME	10	212	10	2	212
Equities	—	—	—	—	—
Non-credit obligation assets	—	678	—	—	678
Total IRB	1,636	30,791	901	97	31,526
Of which: Loans	1,600	19,984	893	92	20,691
Of which: Debt Securities	—	3,250	1	—	3,249
Of which: Other Assets	—	4,366	1	—	4,365
Of which: Off-balance sheet exposures	36	3,191	6	5	3,221
STD					
Central governments or central banks	—	—	—	—	—
Regional governments or local authorities	—	1	—	—	1
Public sector entities	—	—	—	—	—
Multilateral Development Banks	—	—	—	—	—
International Organisations	—	—	—	—	—
Institutions	—	902	—	—	902
Corporates	32	1,113	10	—	1,135
Retail	4	15	—	—	19
Secured by mortgages on immovable property	—	—	—	—	—
- residential	—	108	—	—	108
- commercial	—	51	—	—	51
Exposures in default	36	—	7	—	29
Items associated with particularly high risk	—	1	—	—	1
Covered bonds	—	—	—	—	—
Collective investments undertakings (CIU)	—	—	—	—	—
Equity exposures	—	1	—	—	1
Other exposures	—	21	—	—	21
Total STD	36	2,213	10	—	2,239
Of which: Loans	31	1,609	10	—	1,630
Of which: Debt Securities	—	—	—	—	—
Of which: Other Assets	—	21	—	—	21
Of which: Off-balance sheet exposures	5	583	—	—	588
Total	1,672	33,004	911	97	33,765
Of which: Loans	1,631	21,593	903	92	22,321
Of which: Debt Securities	—	3,250	1	—	3,249
Of which: Other Assets	—	4,387	1	—	4,386
Of which: Off-balance sheet exposures	41	3,774	6	5	3,809

Notes:

- (1) Restated to reflect reclassification of central bank balances from loans to banks to cash and balances at central banks in line with accounting policy change.
- (2) Due to exchange rates being used, small rounding variances may exist.
- (3) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Credit risk (excluding counterparty credit risk)

The following tables (Template 1 – Template 10) contain disclosures on non-performing (NPEs) and forborne exposures (FBEs) and foreclosed assets. The aim of these tables is to facilitate effective management of NPEs and achieve a sustainable reduction in NPEs in credit institutions' balance sheets. Four of the templates are mandatory for all credit institutions (Templates 1, 3, 4 & 9). The other NPE templates apply to significant credit institutions with a gross non-performing loan ratio of 5% or above. The EBA issued guidance on the treatment of payment holidays and covenant breaches during the COVID-19 pandemic when applying IFRS 9 and the classification of exposures as non-performing. It is not expected that using payment holidays would automatically trigger a move to Stage 2 or Stage 3 for the calculation of ECL, nor classification as non-performing in the tables below. More details of UBIDAC's non-performing loan ratio is available in the report of the directors within UBIDAC's annual report and accounts.

Template 1: Credit quality of forborne exposures

	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
	Performing forborne	Non-performing forborne	Of which: defaulted	Of which: impaired	On performing forborne exposures	On non-performing forborne exposures				
	€m	€m	€m	€m	€m	€m	€m	€m		
31 December 2020										
1 Loans and advances	1,061	1,168	1,058	1,057	(80)	(433)		1,686	727	
2 Central banks	—	—	—	—	—	—		—	—	
3 General governments	—	—	—	—	—	—		—	—	
4 Credit institutions	—	—	—	—	—	—		—	—	
5 Other financial corporations	—	—	—	—	—	—		—	—	
6 Non-financial corporations	273	94	45	45	(41)	(39)		272	50	
7 Households	788	1,074	1,013	1,012	(39)	(394)		1,414	677	
8 Debt Securities	—	—	—	—	—	—		—	—	
9 Loan commitments given	7	4	3	3	—	—		7	1	
10 Total	1,068	1,172	1,061	1,060	(80)	(433)		1,693	728	

	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
	Performing forborne	Non-performing forborne	Of which: defaulted	Of which: impaired	On performing forborne exposures	On non-performing forborne exposures				
	€m	€m	€m	€m	€m	€m	€m	€m		
31 December 2019										
1 Loans and advances	805	2,069	1,992	1,992	(21)	(645)		2,151	1,409	
2 Central banks	—	—	—	—	—	—		—	—	
3 General governments	—	—	—	—	—	—		—	—	
4 Credit institutions	—	—	—	—	—	—		—	—	
5 Other financial corporations	—	—	—	—	—	—		—	—	
6 Non-financial corporations	121	49	44	44	(6)	(22)		107	19	
7 Households	684	2,020	1,948	1,948	(15)	(623)		2,044	1,390	
8 Debt Securities	—	—	—	—	—	—		—	—	
9 Loan commitments given	10	1	1	1	—	—		5	1	
10 Total	815	2,070	1,993	1,993	(21)	(645)		2,156	1,410	

Notes:

(1) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Credit risk (excluding counterparty credit risk)

Template 2: Quality of forbearance

		Gross carrying amount of forbome exposures
		€m
31 December 2020		
1	Loans and advances that have been forbome more than twice	1,530
2	Non-performing forbome loans and advances that failed to meet the non-performing exit criteria	1,113
		Gross carrying amount of forbome exposures
		€m
31 December 2019		
1	Loans and advances that have been forbome more than twice	2,179
2	Non-performing forbome loans and advances that failed to meet the non-performing exit criteria	1,894

Notes:

- (1) This data has been prepared in accordance with EBA/GL/2018/10 guidelines on disclosure of non-performing and forbome exposures.
 (2) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Template 3: Credit quality of performing and non-performing exposures by past due days

		a	b	c	d	Gross carrying amount/nominal amount								l
		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	
31 December 2020														
1	Loans and advances	20,882	20,730	152	1,499	746	99	103	130	220	75	126	1,378	
2	Central banks	—	—	—	—	—	—	—	—	—	—	—	—	
3	General governments	9	9	—	—	—	—	—	—	—	—	—	—	
4	Credit institutions	1,481	1,481	—	—	—	—	—	—	—	—	—	—	
5	Other financial corporations	109	109	—	1	—	—	—	—	1	—	—	1	
6	Non-financial corporations	4,514	4,464	50	190	108	5	11	18	23	4	21	140	
7	Of which SMEs	1,064	1,059	5	92	29	4	9	14	19	3	14	87	
8	Households	14,769	14,667	102	1,308	638	94	92	112	196	71	105	1,237	
9	Debt securities	2,952	2,952	—	—	—	—	—	—	—	—	—	—	
10	Central banks	—	—	—	—	—	—	—	—	—	—	—	—	
11	General governments	1,519	1,519	—	—	—	—	—	—	—	—	—	—	
12	Credit institutions	1,122	1,122	—	—	—	—	—	—	—	—	—	—	
13	Other financial corporations	311	311	—	—	—	—	—	—	—	—	—	—	
14	Non-financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	
15	Off-balance-sheet exposures	4,131	—	—	41	—	—	—	—	—	—	—	40	
16	Central banks	—	—	—	—	—	—	—	—	—	—	—	—	
17	General governments	123	—	—	—	—	—	—	—	—	—	—	—	
18	Credit institutions	78	—	—	—	—	—	—	—	—	—	—	—	
19	Other financial corporations	197	—	—	—	—	—	—	—	—	—	—	—	
20	Non-financial corporations	2,900	—	—	33	—	—	—	—	—	—	—	33	
21	Households	833	—	—	8	—	—	—	—	—	—	—	7	
22	Total	27,965	23,682	152	1,540	746	99	103	130	220	75	126	1,418	

Credit risk (excluding counterparty credit risk)

Template 3: Credit quality of performing and non-performing exposures by past due days continued

	a	b	c	d	Gross carrying amount/nominal amount								l	
					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
31 December 2019 ⁽¹⁾														
1 Loans and advances	20,487	20,370	117	2,506	1,105	188	215	263	405	146	184	2,394		
2 Central banks	—	—	—	—	—	—	—	—	—	—	—	—		
3 General governments	48	48	—	—	—	—	—	—	—	—	—	—		
4 Credit institutions	726	726	—	—	—	—	—	—	—	—	—	—		
5 Other financial corporations	69	62	7	1	—	—	—	1	—	—	—	1		
6 Non-financial corporations	5,054	5,031	23	139	53	4	17	13	21	11	20	133		
7 Of which SMEs	1,653	1,651	2	80	15	4	14	7	18	9	13	80		
8 Households	14,590	14,503	87	2,366	1,052	184	198	249	384	135	164	2,260		
9 Debt securities	3,250	3,250	—	—	—	—	—	—	—	—	—	—		
10 Central banks	—	—	—	—	—	—	—	—	—	—	—	—		
11 General governments	1,887	1,887	—	—	—	—	—	—	—	—	—	—		
12 Credit institutions	1,078	1,078	—	—	—	—	—	—	—	—	—	—		
13 Other financial corporations	285	285	—	—	—	—	—	—	—	—	—	—		
14 Non-financial corporations	—	—	—	—	—	—	—	—	—	—	—	—		
15 Off-balance-sheet exposures	3,772	—	—	41	—	—	—	—	—	—	—	40		
16 Central banks	—	—	—	—	—	—	—	—	—	—	—	—		
17 General governments	182	—	—	—	—	—	—	—	—	—	—	—		
18 Credit institutions	59	—	—	—	—	—	—	—	—	—	—	—		
19 Other financial corporations	106	—	—	—	—	—	—	—	—	—	—	—		
20 Non-financial corporations	2,588	—	—	33	—	—	—	—	—	—	—	33		
21 Households	837	—	—	8	—	—	—	—	—	—	—	7		
22 Total	27,509	23,620	117	2,547	1,105	188	215	263	405	146	184	2,434		

Notes:

- (1) Restated to reflect reclassification of central bank balances from loans to banks to cash and balances at central banks in line with accounting policy change.
(2) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Credit risk (excluding counterparty credit risk)

Template 4: Performing and non-performing exposures and related provisions

	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									Accumulated partial write-off			Collateral and financial guarantees received																													
	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						Om performing exposures			On non-performing exposures																																
	Total	Of which: stage 1	Of which: stage 2	Total	Of which: stage 2	Of which: stage 3	Total	Of which: stage 1	Of which: stage 2	Total	Of which: stage 2	Of which: stage 3	Total	Of which: stage 2	Of which: stage 3	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m													
31 December 2020	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m													
1 Loans and advances	20,882	17,331	3,551	1,499	122	1,377	(315)	(49)	(266)	(570)	(22)	(548)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—												
2 Central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—												
3 General governments	9	9	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—											
4 Credit institutions	1,481	1,481	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—											
5 Other financial corporations	109	67	42	1	—	1	(1)	—	(1)	(1)	—	(1)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—											
6 Non-financial corporations	4,514	3,026	1,488	190	49	141	(160)	(14)	(146)	(87)	(14)	(73)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—											
7 Of which SMEs	1,064	694	370	92	5	87	(64)	(4)	(60)	(55)	(4)	(51)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—											
8 Households	14,769	12,748	2,021	1,308	73	1,235	(154)	(35)	(119)	(482)	(8)	(474)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—											
9 Debt securities	2,952	2,901	51	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—											
10 Central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—										
11 General governments	1,519	1,519	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—										
12 Credit institutions	1,122	1,122	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—											
13 Other financial corporations	311	260	51	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—											
14 Non-financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—											
15 Off-balance-sheet exposures	4,131	3,370	761	41	1	40	(8)	(1)	(7)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—											
16 Central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—											
17 General governments	123	123	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—											
18 Credit institutions	78	76	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—												
19 Other financial corporations	197	189	8	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—												
20 Non-financial corporations	2,900	2,224	676	33	—	33	(7)	(1)	(6)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—												
21 Households	833	758	75	8	1	7	(1)	—	(1)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—												
22 Total	27,965	23,602	4,363	1,540	123	1,417	(323)	(50)	(273)	(570)	(22)	(548)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—												

Credit risk (excluding counterparty credit risk)

Template 4: Performing and non-performing exposures and related provisions continued

	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																																			
	Total	Of which: stage 1	Of which: stage 2	Total	Of which: stage 2	Of which: stage 3	Total	Of which: stage 1	Of which: stage 2	Total	Of which: stage 2	Of which: stage 3	Total	Of which: stage 2	Of which: stage 3	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m									
31 December 2019 ⁽¹⁾																																																			
1	Loans and advances	20,487	18,667	1,820	2,506	111	2,394	(89)	(33)	(56)	(818)	(5)	(813)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—											
2	Central banks	—	—	—	—	—	—	(1)	(1)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—											
3	General governments	48	48	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—										
4	Credit institutions	726	726	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—										
5	Other financial corporations	69	62	7	1	—	1	—	—	—	(1)	—	(1)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—										
6	Non-financial corporations	5,054	4,550	504	139	5	133	(34)	(16)	(18)	(75)	—	(75)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—										
7	Of which SMEs	1,653	1,493	160	80	1	79	(17)	(6)	(11)	(47)	—	(47)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—										
8	Households	14,590	13,281	1,309	2,366	106	2,260	(54)	(16)	(38)	(742)	(5)	(737)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—										
9	Debt securities	3,250	3,250	—	—	—	—	(1)	(1)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—									
10	Central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—									
11	General governments	1,887	1,887	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—									
12	Credit institutions	1,078	1,078	—	—	—	—	(1)	(1)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—										
13	Other financial corporations	285	285	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—										
14	Non-financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—										
15	Off-balance-sheet exposures	3,772	3,547	225	41	—	40	(2)	(1)	(1)	(1)	—	(1)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—										
16	Central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—									
17	General governments	182	182	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—									
18	Credit institutions	59	59	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—										
19	Other financial corporations	106	104	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—										
20	Non-financial corporations	2,588	2,412	176	33	—	32	(2)	(1)	(1)	(1)	—	(1)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—										
21	Households	837	790	47	8	—	8	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—										
22	Total	27,509	25,464	2,045	2,547	111	2,434	(92)	(35)	(57)	(819)	(5)	(814)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—										

Notes:

- (1) Restated to reflect reclassification of central bank balances from loans to banks to cash and balances at central banks in line with accounting policy change.
(2) Appendix 2 details how these disclosures comply with the requirements of the GRR.

Credit risk (excluding counterparty credit risk)

Template 5: Quality of non-performing exposures by geography

	a	b	c	d	e	f	g
	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
31 December 2020							
1 On-balance-sheet exposures	25,333	1,499	1,378	25,333	(885)	—	—
2 UK	1,713	25	18	1,713	(15)	—	—
3 Rol	20,614	1,474	1,360	20,614	(870)	—	—
4 Other Western Europe	2,495	—	—	2,495	—	—	—
5 US	26	—	—	26	—	—	—
6 Rest of the World	485	—	—	485	—	—	—
7 Off-balance-sheet exposures	4,172	41	40	—	—	(8)	—
8 UK	510	4	4	—	—	—	—
9 Rol	3,571	37	36	—	—	(8)	—
10 Other Western Europe	34	—	—	—	—	—	—
11 US	53	—	—	—	—	—	—
12 Rest of the World	4	—	—	—	—	—	—
13 Total	29,505	1,540	1,418	25,333	(885)	(8)	—

	a	b	c	d	e	f	g
	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
31 December 2019 ⁽¹⁾							
1 On-balance-sheet exposures	26,243	2,506	2,394	26,243	(908)	—	—
2 UK	1,034	30	20	1,034	(16)	—	—
3 Rol	21,880	2,476	2,374	21,880	(891)	—	—
4 Other Western Europe	2,775	—	—	2,775	(1)	—	—
5 US	211	—	—	211	—	—	—
6 Rest of the World	343	—	—	343	—	—	—
7 Off-balance-sheet exposures	3,813	41	40	—	—	(3)	—
8 UK	528	3	3	—	—	—	—
9 Rol	3,206	38	37	—	—	(3)	—
10 Other Western Europe	44	—	—	—	—	—	—
11 US	34	—	—	—	—	—	—
12 Rest of the World	1	—	—	—	—	—	—
13 Total	30,056	2,547	2,434	26,243	(908)	(3)	—

Notes:

- (1) Restated to reflect reclassification of central bank balances from loans to banks to cash and balances at central banks in line with accounting policy change.
(2) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Credit risk (excluding counterparty credit risk)

Template 6: Credit quality of loans and advances by industry (NFCs)

	a	b	c	d	e	f
	Gross carrying amount	Of which: non-performing	Of which: defaulted	Of which: loans and advances subject to impairment	Accumulated impairment	Accumulated changes in negative fair value due to credit risk on non-performing exposures
	€m	€m	€m	€m	€m	€m
31 December 2020						
1 Agriculture, forestry and fishing	355	7	7	355	(17)	—
2 Mining and quarrying	11	—	—	11	—	—
3 Manufacturing	386	43	43	386	(22)	—
4 Electricity, gas, steam and air conditioning supply	211	—	—	211	—	—
5 Water supply	61	—	—	61	—	—
6 Construction	305	13	6	305	(9)	—
7 Wholesale and retail trade	701	25	25	701	(35)	—
8 Transport and storage	216	7	7	216	(9)	—
9 Accommodation and food service activities	573	61	22	573	(85)	—
10 Information and communication	128	1	1	128	(3)	—
11 Financial and insurance activities	—	—	—	—	—	—
12 Real estate activities	938	15	13	938	(21)	—
13 Professional, scientific and technical activities	138	4	3	138	(7)	—
14 Administrative and support service activities	107	3	3	107	(6)	—
15 Public administration and defense, compulsory social security	25	—	—	25	—	—
16 Education	28	2	2	28	(2)	—
17 Human health services and social work activities	371	3	3	371	(19)	—
18 Arts, entertainment and recreation	86	2	2	86	(6)	—
19 Other services	64	4	3	64	(6)	—
20 Total	4,704	190	140	4,704	(247)	—
	a	b	c	d	e	f
	Gross carrying amount	Of which: non-performing	Of which: defaulted	Of which: loans and advances subject to impairment	Accumulated impairment	Accumulated changes in negative fair value due to credit risk on non-performing exposures
	€m	€m	€m	€m	€m	€m
31 December 2019						
1 Agriculture, forestry and fishing	350	9	8	350	(9)	—
2 Mining and quarrying	9	—	—	9	—	—
3 Manufacturing	493	52	48	493	(15)	—
4 Electricity, gas, steam and air conditioning supply	241	—	—	241	(1)	—
5 Water supply	140	—	—	140	—	—
6 Construction	269	11	11	269	(12)	—
7 Wholesale and retail trade	823	17	17	823	(18)	—
8 Transport and storage	270	2	2	270	(4)	—
9 Accommodation and food service activities	587	12	12	587	(14)	—
10 Information and communication	104	1	1	104	(1)	—
11 Financial and insurance activities	—	—	—	—	—	—
12 Real estate activities	1,007	19	18	1,007	(18)	—
13 Professional, scientific and technical activities	192	4	4	192	(5)	—
14 Administrative and support service activities	122	2	2	122	(1)	—
15 Public administration and defense, compulsory social security	—	—	—	—	—	—
16 Education	29	2	2	29	—	—
17 Human health services and social work activities	372	3	3	372	(5)	—
18 Arts, entertainment and recreation	133	2	2	133	(2)	—
19 Other services	52	3	3	52	(4)	—
20 Total	5,193	139	133	5,193	(109)	—

Notes:

(1) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Credit risk (excluding counterparty credit risk)

Template 7: Collateral valuation - loans and advances

	a	b	c	d	e		f	g	h	i			j	k	l
	Loans and advances	Performing	Of which: past due 30 days ≤ 90 days	Non-performing	Unlikely to pay that are not past due or are past due ≤ 90 days		Past due > 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	Of which: past due			> 2 years ≤ 5 years	> 5 years ≤ 7 years	> 7 years
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
31 December 2020															
1 Gross carrying amount	22,381	20,882	152	1,499	746	753	99	103	130	220	75	126			
2 Of which secured	19,150	17,752	143	1,398	716	682	96	95	115	197	68	111			
3 Of which secured with immovable property	18,192	16,818	143	1,374	694	680	96	94	115	197	68	110			
4 Of which instruments with LTV higher than 60% and lower or equal to 80%	4,753	4,477	—	276	152	124	—	—	—	—	—	—			
5 Of which instruments with LTV higher than 80% and lower or equal to 100%	2,399	2,169	—	230	113	117	—	—	—	—	—	—			
6 Of which instruments with LTV higher than 100%	581	377	—	204	79	125	—	—	—	—	—	—			
7 Accumulated impairment for secured assets	(788)	(288)	(11)	(500)	(181)	(319)	(34)	(41)	(48)	(93)	(37)	(66)			
8 Collateral															
9 Of which value capped at the value of exposure	17,818	16,923	132	895	533	362	61	54	67	102	31	47			
10 Of which immovable property	17,285	16,414	132	871	510	361	61	53	67	102	31	47			
11 Of which value above the cap	21,769	20,011	142	1,758	853	905	110	108	150	283	101	153			
12 Of which immovable property	21,616	19,869	142	1,747	843	904	110	108	150	283	101	152			
13 Financial guarantees received	51	50	—	1	1	—	—	—	—	—	—	—			
14 Accumulated partial write-off	—	—	—	—	—	—	—	—	—	—	—	—			

	a	b	c	d	e		f	g	h	i			j	k	l
	Loans and advances	Performing	Of which: past due 30 days ≤ 90 days	Non-performing	Unlikely to pay that are not past due or are past due ≤ 90 days		Past due > 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	Of which: past due			> 2 years ≤ 5 years	> 5 years ≤ 7 years	> 7 years
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
31 December 2019 ⁽¹⁾															
1 Gross carrying amount	22,993	20,487	117	2,506	1,105	1,401	188	215	263	405	146	184			
2 Of which secured	21,915	19,520	91	2,395	1,072	1,323	184	206	246	377	135	175			
3 Of which secured with immovable property	18,805	16,443	85	2,362	1,055	1,307	185	206	246	377	134	159			
4 Of which instruments with LTV higher than 60% and lower or equal to 80%	6,682	6,103	—	579	283	296	—	—	—	—	—	—			
5 Of which instruments with LTV higher than 80% and lower or equal to 100%	2,589	2,093	—	496	208	288	—	—	—	—	—	—			
6 Of which instruments with LTV higher than 100%	875	434	—	441	126	315	—	—	—	—	—	—			
7 Accumulated impairment for secured assets	(830)	(85)	(5)	(745)	(179)	(566)	(73)	(86)	(108)	(157)	(58)	(84)			
8 Collateral															
9 Of which value capped at the value of exposure	18,411	16,765	84	1,646	889	757	112	119	138	218	78	92			
10 Of which immovable property	17,776	16,142	79	1,634	877	757	112	119	138	218	78	92			
11 Of which value above the cap	22,336	19,754	116	2,582	1,171	1,411	195	188	254	419	160	195			
12 Of which immovable property	22,124	19,548	115	2,576	1,169	1,407	194	188	254	418	160	193			
13 Financial guarantees received	30	30	—	—	—	—	—	—	—	—	—	—			
14 Accumulated partial write-off	—	—	—	—	—	—	—	—	—	—	—	—			

Notes:

- (1) Restated to reflect reclassification of central bank balances from loans to banks to cash and balances at central banks in line with accounting policy change.
- (2) This data has been prepared in accordance with EBA/GL/2018/10 guidelines on disclosure of non-performing and forbore exposures.
- (3) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Credit risk (excluding counterparty credit risk)

Template 8: Changes in the stock of non-performing loans and advances

	a	b
	Gross carrying amount	Related net accumulated recoveries
	€m	€m
31 December 2020		
1 Initial stock of non-performing loans and advances	2,506	—
2 Inflows to non-performing portfolios	515	—
3 Outflows from non-performing portfolios	(1,522)	—
4 <i>Outflow to performing portfolio</i>	(616)	—
5 <i>Outflow due to loan repayment, partial or total</i>	(318)	—
6 <i>Outflow due to collateral liquidations</i>	—	—
7 <i>Outflow due to taking possession of collateral</i>	—	—
8 <i>Outflow due to sale of instruments</i>	(572)	—
9 <i>Outflow due to risk transfers</i>	—	—
10 <i>Outflows due to write-offs</i>	(16)	—
11 <i>Outflow due to other situations</i>	—	—
12 <i>Outflow due to reclassification as held for sale</i>	—	—
13 Final stock of non-performing loans and advances	1,499	—

	a	b
	Gross carrying amount	Related net accumulated recoveries
	€m	€m
31 December 2019		
1 Initial stock of non-performing loans and advances	2,797	—
2 Inflows to non-performing portfolios	921	—
3 Outflows from non-performing portfolios	(1,212)	—
4 <i>Outflow to performing portfolio</i>	(519)	—
5 <i>Outflow due to loan repayment, partial or total</i>	(377)	—
6 <i>Outflow due to collateral liquidations</i>	—	—
7 <i>Outflow due to taking possession of collateral</i>	—	—
8 <i>Outflow due to sale of instruments</i>	(184)	—
9 <i>Outflow due to risk transfers</i>	—	—
10 <i>Outflows due to write-offs</i>	(97)	—
11 <i>Outflow due to other situations</i>	(35)	—
12 <i>Outflow due to reclassification as held for sale</i>	—	—
13 Final stock of non-performing loans and advances	2,506	—

Notes:

- (1) This data has been prepared in accordance with EBA/GL/2018/10 guidelines on disclosure of non-performing and forborne exposures.
(2) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Template 9: Collateral obtained by taking possession and execution processes

	a	b
	Collateral obtained by taking possession	
	Value at initial recognition	Accumulated negative changes
	€m	€m
31 December 2020		
1 Property, plant and equipment (PP&E)	—	—
2 Other than PP&E	—	—
3 <i>Residential immovable property</i>	—	—
4 <i>Commercial Immovable property</i>	—	—
5 <i>Movable property (auto, shipping, etc.)</i>	—	—
6 <i>Equity and debt instruments</i>	—	—
7 <i>Other</i>	—	—
8 Total	—	—

	a	b
	Collateral obtained by taking possession	
	Value at initial recognition	Accumulated negative changes
	€m	€m
31 December 2019		
1 Property, plant and equipment (PP&E)	—	—
2 Other than PP&E	—	—
3 <i>Residential immovable property</i>	—	—
4 <i>Commercial Immovable property</i>	—	—
5 <i>Movable property (auto, shipping, etc.)</i>	—	—
6 <i>Equity and debt instruments</i>	—	—
7 <i>Other</i>	—	—
8 Total	—	—

Notes:

- (1) This data has been prepared in accordance with EBA/GL/2018/10 guidelines on disclosure of non-performing and forborne exposures.
(2) The above template is nil as UBIDAC would not have any reportable balances in accordance with the applicable accounting standards.
(3) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Credit risk (excluding counterparty credit risk)

Template 10: Collateral obtained by taking possession and execution processes – vintage breakdown

	a	b	c		d		e		f		g		h		i		j		k		l	
	Debt balance reduction		Total collateral obtained by taking possession				Foreclosed ≤ 2 years				Foreclosed > 2 years				Of which non-current assets held-for-sale							
	Gross carrying amount	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
31 December 2020																						
1 Property, plant and equipment (PP&E)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2 Other than PP&E																						
3 <i>Residential immovable property</i>	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4 <i>Commercial Immovable property</i>	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5 <i>Movable property (auto, shipping, etc.)</i>	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6 <i>Equity and debt instruments</i>	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
7 <i>Other</i>	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
8 Total	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

	a	b	c		d		e		f		g		h		i		j		k		l	
	Debt balance reduction		Total collateral obtained by taking possession				Foreclosed ≤ 2 years				Foreclosed > 2 years				Of which non-current assets held-for-sale							
	Gross carrying amount	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
31 December 2019																						
1 Property, plant and equipment (PP&E)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2 Other than PP&E																						
3 <i>Residential immovable property</i>	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4 <i>Commercial Immovable property</i>	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5 <i>Movable property (auto, shipping, etc.)</i>	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6 <i>Equity and debt instruments</i>	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
7 <i>Other</i>	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
8 Total	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Notes:

- (1) This data has been prepared in accordance with EBA/GL/2018/10 guidelines on disclosure of non-performing and forbore exposures.
- (2) The above template is nil as UBIDAC would not have any reportable balances in accordance with the applicable accounting standards.
- (3) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Credit risk (excluding counterparty credit risk)

The following tables (COVID-19 – Template 1 – COVID-19 – Template 3) provide additional detail relating to the impacts of COVID-19, introduced by the EBA in June 2020.

COVID-19 – Template 1: Information on loans and advances subject to legislative and non-legislative moratoria

	Gross carrying amount							Accumulated impairment, accumulated negative changes in fair value due to credit risk							Gross carrying amount Inflows to non-performing exposures
	Performing			Non performing				Performing			Non performing				
	€m	€m	€m	Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk Since initial recognition but not credit-impaired (Stage 2)	Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days	€m	€m	€m	Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk Since initial recognition but not credit-impaired (Stage 2)	Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days	
31 December 2020															
1 Loans and advances subject to moratorium	96	91	5	60	5	5	2	(11)	(9)	(1)	(8)	(2)	(2)	(1)	—
2 of which: Households	26	23	2	11	3	3	2	(2)	(1)	—	(1)	(1)	(1)	(1)	—
3 of which: Collateralised by residual immovable property	22	19	2	10	3	2	2	(2)	(1)	—	(1)	(1)	(1)	—	—
4 of which: Non-financial corporations	70	68	3	47	2	2	—	(9)	(8)	(1)	(7)	(1)	(1)	—	—
5 of which: Small and Medium-sized Enterprises	26	24	1	14	2	1	—	(4)	(3)	—	(3)	(1)	(1)	—	—
6 of which: Collateralised by commercial immovable property	45	43	3	36	2	2	—	(7)	(6)	(1)	(5)	(1)	(1)	—	—

	Gross carrying amount							Accumulated impairment, accumulated negative changes in fair value due to credit risk							Gross carrying amount Inflows to non-performing exposures
	Performing			Non performing				Performing			Non performing				
	€m	€m	€m	Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk Since initial recognition but not credit-impaired (Stage 2)	Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days	€m	€m	€m	Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk Since initial recognition but not credit-impaired (Stage 2)	Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days	
30 June 2020															
1 Loans and advances subject to moratorium	1,943	1,700	135	852	243	216	155	(153)	(78)	(13)	(71)	(75)	(67)	(39)	7
2 of which: Households	1,210	991	107	495	219	203	147	(92)	(28)	(7)	(27)	(64)	(61)	(37)	—
3 of which: Collateralised by residual immovable property	1,126	909	103	472	217	201	145	(87)	(24)	(6)	(23)	(63)	(60)	(37)	—
4 of which: Non-financial corporations	730	706	28	355	24	13	9	(60)	(49)	(6)	(44)	(11)	(6)	(2)	7
5 of which: Small and Medium-sized Enterprises	405	385	20	149	20	11	6	(31)	(22)	(4)	(18)	(9)	(6)	(2)	4
6 of which: Collateralised by commercial immovable property	119	117	4	85	2	2	2	(9)	(9)	(1)	(9)	—	—	—	2

Note:
(1) This data has been prepared in accordance with EBA/GL/2020/07 guidelines on disclosure of exposures subject to measures applied in response to the COVID-19 crisis.

Credit risk (excluding counterparty credit risk)

COVID-19 – Template 2: Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria

	Gross carrying amount		Of which: legislative moratoria	Residual maturity of moratoria					
	Number of obligors	€m		Of which: expired	<= 3 months	> 3 months <= 6 months	> 6 months <= 9 months	> 9 months <= 12 months	> 1 year
					€m	€m	€m	€m	€m
31 December 2020									
1 Loans and advances for which moratorium was offered	17,317	3,114							
2 Loans and advances subject to moratorium (granted)	15,780	2,930	-	2,834	96	-	-	-	-
3 of which: Households		2,168	-	2,142	26	-	-	-	-
4 of which: Collateralised by residential immovable property		2,085	-	2,063	22	-	-	-	-
5 of which: Non-financial corporations		760	-	690	70	-	-	-	-
6 of which: Small and Medium-sized Enterprises		258	-	232	26	-	-	-	-
7 of which: Collateralised by commercial immovable property		520	-	475	45	-	-	-	-

	Gross carrying amount		Of which: legislative moratoria	Residual maturity of moratoria					
	Number of obligors	€m		Of which: expired	<= 3 months	> 3 months <= 6 months	> 6 months <= 9 months	> 9 months <= 12 months	> 1 year
					€m	€m	€m	€m	€m
30 June 2020									
1 Loans and advances for which moratorium was offered	17,213	3,167							
2 Loans and advances subject to moratorium (granted)	15,427	2,925	-	982	1,941	2	-	-	-
3 of which: Households		2,177	-	967	1,208	2	-	-	-
4 of which: Collateralised by residential immovable property		2,087	-	961	1,125	1	-	-	-
5 of which: Non-financial corporations		744	-	14	730	-	-	-	-
6 of which: Small and Medium-sized Enterprises		408	-	4	404	-	-	-	-
7 of which: Collateralised by commercial immovable property		127	-	8	119	-	-	-	-

Note:
(1) This data has been prepared in accordance with EBA/GL/2020/07 guidelines on disclosure of exposures subject to measures applied in response to the COVID-19 crisis.

Credit risk (excluding counterparty credit risk)

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

	Gross carrying amount		Maximum amount of the guarantee that can be considered Public guarantees received	Gross carrying amount	
	€m	of which: forborne €m		€m	Inflows to non-performing exposures €m
31 December 2020					
1 Newly originated loans and advances subject to public guarantee schemes	3	-	3	-	-
2 of which: Households	1			-	-
3 of which: Collateralised by residential immovable property	-			-	-
4 of which: Non-financial corporations	2	-	2	-	-
5 of which: Small and Medium-sized Enterprises	2			-	-
6 of which: Collateralised by commercial immovable property	1			-	-
30 June 2020					
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	-			-	-

Note:
 (1) This data has been prepared in accordance with EBA/GL/2020/07 guidelines on disclosure of exposures subject to measures applied in response to the COVID-19 crisis.

Credit risk (excluding counterparty credit risk)

Risk profile by credit risk mitigation techniques

Recognition of credit risk mitigation in the calculation of RWAs

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 RWA 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 exposure at default ('EAD') (netting and financial collateral) or the adjustment of risk-weights (in the case of real estate), third-party guarantees and/or credit derivatives. Under the IRB approach, a wider scope of collateral can be recognised. Table EU CR3_a indicates how different risk mitigants are incorporated into IRB risk parameters.

EU CRC: IRB and STD: Qualitative disclosures relating to credit risk mitigation

Credit risk mitigation

UBIDAC uses a number of credit risk mitigation approaches. These differ for Wholesale and Personal customers. Risk mitigation techniques, as set out in credit policies, are used in the management of credit portfolios across UBIDAC, typically to 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:

- The 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.
- The acceptability of the methodologies to be used for initial and subsequent valuation of collateral, the frequency of valuations and the advance rates given.
- The 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 may 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.

UBIDAC may also obtain security against the underlying loan via the use of guarantees, which can be either limited or unlimited, making the guarantor liable for only a portion or all of the debt. Any guarantees may also be collateralised or uncollateralised.

UBIDAC does not transact any credit derivative business and therefore does not have any counterparty risk in this regard.

Wholesale lending

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. Their valuation takes into account the quality of the counterparty's receivable management processes and excludes any that are past due.
- Financial collateral – refer to the counterparty credit risk section below.

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 requests for additional collateral. The key sector where UBIDAC provides asset-backed lending is commercial real estate. The valuation approach is as follows:

- UBIDAC has a panel of chartered surveying firms that cover the spectrum of geographic locations and property sectors in which UBIDAC takes collateral
- Suitable valuers for particular assets are contracted through a service agreement to ensure consistency of quality and advice
- Valuations are commissioned when an asset is taken as security; a material increase in a facility is requested; a material deterioration in credit profile arises; or a default event is anticipated or has occurred.

Credit risk (excluding counterparty credit risk)

EU CRC: IRB and STD: Qualitative disclosures relating to credit risk mitigation [continued](#)

Counterparty credit risk

UBIDAC mitigates counterparty credit risk arising from derivative and repurchase transactions through the use of market standard netting documentation and through collateralisation in the case of repurchase agreements (for example, International Swaps and Derivatives Association master agreements and Global Master Repurchase Agreements). Amounts owed by UBIDAC to the counterparty are netted against amounts the counterparty owes UBIDAC in accordance with relevant regulatory and internal policies and subject to receipt of a legal opinion confirming the netting agreement is enforceable. Netting does not have a material capital impact due to the low volume of activity. UBIDAC has no exposure in jurisdictions where netting is not enforceable. Financial collateral may consist of either cash or securities. Additional collateral may be called should the net value of the obligations to UBIDAC rise or should the value of the collateral itself fall. The agreements are subject to daily collateral calls with collateral valued using internal valuation methodologies. UBIDAC currently has no financial collateral agreements operational, reflecting no Interbank activity and an European Market Infrastructure Regulation (EMIR) exemption for Intragroup exposures. UBIDAC restricts counterparty credit exposures by setting limits that take into account the potential adverse movement of an exposure after adjusting for the impact of netting and collateral (where applicable). For further information on credit risk mitigation, refer to EU CR3_a.

UBIDAC is no longer active in the customer derivative market and a small portfolio of legacy transactions are in run off. There were no trading books in the current or prior year. All Treasury related derivatives are transacted for hedging purposes on an intragroup basis, with no activity with third party banks.

Personal lending

UBIDAC takes collateral in the form of residential property to mitigate the credit risk arising from mortgages. UBIDAC values residential property during the loan underwriting process by appraising properties individually and values them collectively on an ongoing basis using statistically valid models. UBIDAC updates residential property values quarterly using the Central Statistics Office Residential Property Price Index in the Republic of Ireland ('ROI'). For a small number of residential properties located outside ROI, UBIDAC uses the most recognised relevant local index.

Credit risk (excluding counterparty credit risk)

EU CR3 IRB: Mitigation Techniques by Exposure Class

31 December 2020	Unsecured net carrying value €m	Net carrying values secured by				Total secured €m	Total €m
		Collateral €m	Guarantees €m	Credit derivatives €m			
IRB							
Central governments or central banks	8,044	—	—	—	—	8,044	
Institutions	466	—	—	—	—	466	
Corporates	3,298	3,616	88	—	3,704	7,002	
Specialised Lending	71	1,120	4	—	1,124	1,195	
SME	157	618	46	—	664	821	
Other Corporate	3,070	1,878	38	—	1,916	4,986	
Retail	1,119	14,926	1	—	14,927	16,046	
Secured by real estate property SME	—	—	—	—	—	—	
Secured by real estate property non SME	—	14,926	—	—	14,926	14,926	
Qualifying Revolving	524	—	—	—	—	524	
Other Retail SME	406	—	1	—	1	407	
Other Retail non SME	189	—	—	—	—	189	
Equities	—	—	—	—	—	—	
Non-credit obligation assets	409	—	—	—	—	409	
Total IRB	13,336	18,542	89	—	18,631	31,967	
Of which: Loans	1,692	17,753	79	—	17,832	19,524	
Of which: Debt Securities	2,961	—	—	—	—	2,961	
Of which: Other Assets	6,018	—	—	—	—	6,018	
Of which: Off-balance sheet exposures	2,665	789	10	—	799	3,464	
Of which defaulted	31	378	2	—	381	411	
STD							
Central governments or central banks	1	—	—	—	—	1	
Regional governments or local authorities	1	—	—	—	—	1	
Public sector entities	—	—	—	—	—	—	
Multilateral Development Banks	—	—	—	—	—	—	
International Organisations	—	—	—	—	—	—	
Institutions	1,590	—	—	—	—	1,590	
Corporates	1,090	3	—	—	3	1,093	
Retail	12	—	—	—	—	12	
Secured by mortgages on immovable property - residential	—	107	—	—	107	107	
Secured by mortgages on immovable property - commercial	—	49	—	—	49	49	
Exposures in default	36	—	—	—	—	36	
Items associated with particularly high risk	1	—	—	—	—	1	
Covered bonds	—	—	—	—	—	—	
Collective investments undertakings (CIU)	—	—	—	—	—	—	
Equity exposures	—	—	—	—	—	—	
Other exposures	23	—	—	—	—	23	
Total STD	2,754	159	—	—	159	2,913	
Of which: Loans	2,053	143	—	—	143	2,196	
Of which: Debt Securities	—	—	—	—	—	—	
Of which: Other Assets	21	—	—	—	—	21	
Of which: Off-balance sheet exposures	680	16	—	—	16	696	
Of which defaulted	36	—	—	—	—	36	
Total	16,090	18,701	89	—	18,790	34,880	
Total Loans	3,745	17,896	79	—	17,975	21,720	
Total Debt Securities	2,961	—	—	—	—	2,961	
Total Other Assets	6,039	—	—	—	—	6,039	
Total Off-balance sheet exposures	3,345	805	10	—	815	4,160	
Of which defaulted	67	378	2	—	381	447	

Credit risk (excluding counterparty credit risk)

EU CR3 IRB: Mitigation Techniques by Exposure Class continued

	Unsecured net carrying value	Net carrying values secured by				Total
		Collateral	Guarantees	Credit derivatives	Total secured	
	€m	€m	€m	€m	€m	€m
31 December 2019 ⁽¹⁾						
IRB						
Central governments or central banks	6,452	—	—	—	—	6,452
Institutions	472	—	—	—	—	472
Corporates	3,216	3,900	59	—	3,959	7,175
Specialised Lending	68	1,254	5	—	1,259	1,327
SME	353	1,181	28	—	1,209	1,562
Other Corporate	2,795	1,465	26	—	1,491	4,286
Retail	1,180	15,569	—	—	15,569	16,749
Secured by real estate property SME	—	—	—	—	—	—
Secured by real estate property non SME	—	15,569	—	—	15,569	15,569
Qualifying Revolving	539	—	—	—	—	539
Other Retail SME	429	—	—	—	—	429
Other Retail non SME	212	—	—	—	—	212
Equities	—	—	—	—	—	—
Non-credit obligation assets	678	—	—	—	—	678
Total IRB	11,998	19,469	59	—	19,528	31,526
Of which: Loans	2,100	18,544	47	—	18,591	20,691
Of which: Debt Securities	3,249	—	—	—	—	3,249
Of which: Other Assets	4,365	—	—	—	—	4,365
Of which: Off-balance sheet exposures	2,284	925	12	—	937	3,221
Of which defaulted	27	807	—	—	807	834
STD						
Central governments or central banks	—	—	—	—	—	—
Regional governments or local authorities	1	—	—	—	—	1
Public sector entities	—	—	—	—	—	—
Multilateral Development Banks	—	—	—	—	—	—
International Organisations	—	—	—	—	—	—
Institutions	902	—	—	—	—	902
Corporates	1,109	—	—	—	—	1,109
Retail	16	—	—	—	—	16
Secured by mortgages on immovable property - residential	—	108	—	—	108	108
Secured by mortgages on immovable property - commercial	—	51	—	—	51	51
Exposures in default	29	—	—	—	—	29
Items associated with particularly high risk	1	—	—	—	—	1
Covered bonds	—	—	—	—	—	—
Collective investments undertakings (CIU)	—	—	—	—	—	—
Equity exposures	1	—	—	—	—	1
Other exposures	21	—	—	—	—	21
Total STD	2,080	159	—	—	159	2,239
Of which: Loans	1,520	110	—	—	110	1,630
Of which: Debt Securities	—	—	—	—	—	—
Of which: Other Assets	21	—	—	—	—	21
Of which: Off-balance sheet exposures	539	49	—	—	49	588
Of which defaulted	30	—	—	—	—	30
Total	14,078	19,628	59	—	19,687	33,765
Total Loans	3,620	18,654	47	—	18,701	22,321
Total Debt Securities	3,249	—	—	—	—	3,249
Total Other Assets	4,386	—	—	—	—	4,386
Total Off-balance sheet exposures	2,823	974	12	—	986	3,809
Of which defaulted	57	807	—	—	807	864

Notes:

- (1) Restated to reflect reclassification of central bank balances from loans to banks to cash and balances at central banks in line with accounting policy change.
- (2) Due to exchange rates being used, small rounding variances may exist.
- (3) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Credit risk (excluding counterparty credit risk)

EU CR3_a: IRB: Credit Risk Mitigation – Incorporation Within IRB Parameters

	LGD	PD	EAD
Real estate	✓		
Other physical collateral	✓		
Third party guarantees	✓		
Credit derivatives	✓		
Parental guarantees (connected parties)		✓	
Financial collateral - non trading book	✓		
Netting (on and off balance sheet)			✓
Receivables	✓		
Life policies	✓		
Credit insurance	✓		

EU CR10_A IRB: Specialised Lending

31 December 2020		On-balance sheet amount €m	Off-balance sheet amount €m	Risk Weight %	Exposure amount €m	RWA €m	Expected losses €m
Regulatory categories	Remaining maturity						
1 - Strong	Less than 2.5 years	171	47	50	210	104	—
	Equal to or more than 2.5 years	673	26	70	695	448	3
2 - Good	Less than 2.5 years	95	9	70	103	72	—
	Equal to or more than 2.5 years	112	22	90	127	114	1
3 - Satisfactory	Less than 2.5 years	6	—	115	6	7	—
	Equal to or more than 2.5 years	30	2	115	33	37	1
4 - Weak	Less than 2.5 years	1	—	250	1	1	—
	Equal to or more than 2.5 years	6	2	250	7	16	1
5 - Default	Less than 2.5 years	2	—	—	2	—	1
	Equal to or more than 2.5 years	1	2	—	1	—	1
Total	Less than 2.5 years	275	56		322	184	1
	Equal to or more than 2.5 years	822	54		863	615	7

31 December 2019		On-balance sheet amount €m	Off-balance sheet amount €m	Risk Weight %	Exposure amount €m	RWA €m	Expected losses €m
Regulatory categories	Remaining maturity						
1 - Strong	Less than 2.5 years	218	35	50	248	124	—
	Equal to or more than 2.5 years	619	104	70	718	503	3
2 - Good	Less than 2.5 years	139	34	70	164	115	1
	Equal to or more than 2.5 years	131	12	90	142	128	1
3 - Satisfactory	Less than 2.5 years	3	—	115	3	4	—
	Equal to or more than 2.5 years	22	5	115	27	31	1
4 - Weak	Less than 2.5 years	—	—	250	—	1	—
	Equal to or more than 2.5 years	4	—	250	5	12	—
5 - Default	Less than 2.5 years	3	—	—	3	—	1
	Equal to or more than 2.5 years	—	2	—	1	—	—
Total	Less than 2.5 years	363	69		418	244	2
	Equal to or more than 2.5 years	776	123		893	674	5

Notes:

(1) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Credit risk (excluding counterparty credit risk)

EU CR10_B IRB: Equities

	On-balance sheet amount €m	Off-balance sheet amount €m	Risk Weight %	Exposure amount €m	RWA €m	Capital requirements €m
31 December 2020						
Exchange-traded equity exposures	—	—	—	—	—	—
Private equity exposures	—	—	—	—	—	—
Other equity exposures	—	—	—	—	—	—
Total	—	—		—	—	—
	On-balance sheet amount €m	Off-balance sheet amount €m	Risk Weight %	Exposure amount €m	RWA €m	Capital requirements €m
31 December 2019						
Exchange-traded equity exposures	—	—	—	—	—	—
Private equity exposures	—	—	—	—	—	—
Other equity exposures	—	—	370	—	—	—
Total	—	—		—	—	—

Notes:

(1) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Credit risk (excluding counterparty credit risk)

EU CR4 STD: Exposures and CRM Effects

	Exposures pre CCF and CRM		Exposures post CCF and CRM		RWA	RWA density
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount		
31 December 2020	€m	€m	€m	€m	€m	%
Central governments or central banks	1	—	1	—	2	250
Regional governments or local authorities	1	—	1	—	1	100
Public sector entities	—	—	—	—	—	—
Multilateral Development Banks	—	—	—	—	—	—
International Organisations	—	—	—	—	—	—
Institutions	1,516	75	1,544	—	359	23
Corporates	493	599	493	104	575	96
Retail	12	—	12	—	7	57
Secured by mortgages on immovable property - residential	103	4	103	2	105	100
Secured by mortgages on immovable property - commercial	39	10	39	5	44	100
Exposures in default	28	9	33	—	42	130
Items associated with particularly high risk	—	1	—	—	—	150
Covered bonds	—	—	—	—	—	—
Collective investments undertakings (CIU)	—	—	—	—	—	—
Equity exposures	—	—	—	—	—	—
Other exposures	23	—	23	—	8	34
Total STD Approach	2,216	698	2,249	111	1,143	48

	Exposures pre CCF and CRM		Exposures post CCF and CRM		RWA	RWA density
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount		
31 December 2019	€m	€m	€m	€m	€m	%
Central governments or central banks	—	—	—	—	1	250
Regional governments or local authorities	1	—	1	—	1	100
Public sector entities	—	—	—	—	—	—
Multilateral Development Banks	—	—	—	—	—	—
International Organisations	—	—	—	—	—	—
Institutions	851	51	861	—	176	20
Corporates	628	482	628	94	703	97
Retail	16	—	16	—	9	57
Secured by mortgages on immovable property - residential	83	24	83	12	96	100
Secured by mortgages on immovable property - commercial	27	25	27	12	39	100
Exposures in default	25	5	23	—	29	126
Items associated with particularly high risk	—	1	—	—	—	150
Covered bonds	—	—	—	—	—	—
Collective investments undertakings (CIU)	—	—	—	—	—	—
Equity exposures	1	—	1	—	2	250
Other exposures	20	—	20	—	4	20
Total STD Approach	1,652	588	1,660	118	1,060	60

Notes:

(1) Appendix 2 details how these disclosures comply with the requirements of the CRR.

Market risk

EU MR1: MR IMA and STD: RWAs and MCR

	31 December 2020		31 December 2019	
	RWA	MCR	RWA	MCR
	€m	€m	€m	€m
STD	69	6	90	7
Interest rate position risk	—	—	—	—
Equity position risk	—	—	—	—
Option position risk	—	—	—	—
Commodity position risk	—	—	—	—
Foreign exchange position risk	69	6	90	7
Specific interest rate risk	—	—	—	—
Securitisation positions	—	—	—	—
Internal model approach	—	—	—	—
VaR	—	—	—	—
SVaR	—	—	—	—
Incremental risk charge	—	—	—	—
Other (RNIV)	—	—	—	—
<i>of which: VaR-based RNIV</i>	—	—	—	—
<i>of which: SVaR-based RNIV</i>	—	—	—	—
<i>of which: Stress RNIV</i>	—	—	—	—
Total	69	6	90	7

Notes:

- (1) This data is also disclosed in NatWest Holdings Pillar III EU MR1 Figures are translated into Euro as applicable, therefore UBIDAC disclosures differ from those of NatWest Holdings Pillar III.
- (2) Due to exchange rates being used, small rounding variances may exist
- (3) Appendix 2 details how these disclosures comply with the requirements of the CRR

Appendix 1: Capital instruments

Capital instruments main features template	€100m floating rate loan capital repayable 2022	€430m floating rate loan capital repayable 2022	€38m 11.375% perpetual tier two capital	€20m 11.75% perpetual tier two capital	£1.3m perpetual floating rate tier two capital	Ordinary Share Capital
1 Issuer	Ulster Bank Ireland DAC	Ulster Bank Ireland DAC	Ulster Bank Ireland DAC	Ulster Bank Ireland DAC	Ulster Bank Ireland DAC	Ulster Bank Ireland DAC
2 Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A	N/A	IE0004325399	IE0004325514	IE0004325282	n/a
3 Governing law(s) of the instrument	English (subordination and set-off provisions governed by the law s of the Republic of Ireland)	Irish	Irish	Irish	Irish	Irish
Regulatory treatment						
4 Transitional CRR rules	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	CET1
5 Post-transitional CRR rules	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	CET1
6 Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo	Solo	Solo	Solo	Solo	Solo
7 Instrument type (OSC & SP) (types to be specified by each jurisdiction)	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Ordinary Shares
8 Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	EUR 26m	EUR 140m	EUR 55m	EUR 28m	EUR 2m	EUR 4,236m
9 Nominal amount of instrument	EUR 100000000	EUR 430000000	EUR 31154111.15	GBP 11453000	GBP 1148000	N/A
9a Issue price	100 per cent	100 per cent	100 per cent	100 per cent	100 per cent	N/A
9b Redemption price	Par	Par	N/A	N/A	N/A	N/A
10 Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Shareholders Equity
11 Original date of issuance	25-Apr-07	21-Aug-07	07-Sep-98	07-Sep-98	07-Sep-98	N/A
12 Perpetual or dated	Dated	Dated	Perpetual	Perpetual	Perpetual	Perpetual
13 Original maturity date	25-Apr-22	19-Aug-22	No maturity	No maturity	No maturity	No maturity
14 Issuer call subject to prior supervisory approval	No	Yes	No	No	No	N/A
15 Optional call date, contingent call dates and redemption amount	N/A	Interest Payment Date falling after July 2017, Redemption Price: Par	N/A	N/A	N/A	N/A
16 Subsequent call dates, if applicable	N/A	Interest Payment Date falling in July 2017 or any Interest Payment Date (quarterly payment dates) thereafter.	N/A	N/A	N/A	N/A
Coupons / dividends						
17 Fixed or floating dividend/coupon	Floating	Floating	Fixed	Fixed	Floating	N/A
18 Coupon rate and any related index	Three month EURIBOR plus 0.35 per cent.	Three month EURIBOR plus 0.35 per cent.	11.375 per cent.	11.75 per cent.	6 month Sterling LIBOR plus 2.55 per cent	N/A
19 Existence of a dividend stopper	No	No	No	No	No	N/A
20a Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Partially discretionary	Partially discretionary	Partially discretionary	N/A
20b Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Partially discretionary	Partially discretionary	Partially discretionary	N/A
21 Existence of step up or other incentive to redeem	No	No	No	No	No	N/A
22 Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non cumulative
23 Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24 If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
25 If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A
26 If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A
27 If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A
28 If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A
29 If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A
30 Write-down features	No	No	No	No	No	N/A
31 If w rite-down n, w rite-down n trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
32 If w rite-down n, full or partial	N/A	N/A	N/A	N/A	N/A	N/A
33 If w rite-down n, permanent or temporary	N/A	N/A	N/A	N/A	N/A	N/A
34 If temporary w rite-down n, description of w rite-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A
35 Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated to all unsubordinated creditors	Subordinated to all unsubordinated creditors	Subordinated to all unsubordinated creditors	Subordinated to all unsubordinated creditors	Subordinated to all unsubordinated creditors	Immediately subordinate to Tier 2 instruments
36 Non-compliant transitioned features	No	No	No	No	No	No
37 If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A

Appendix 2: CRR disclosure requirements reference table

The table below outlines how UBIDAC Pillar III disclosures comply with the requirements of the CRR. It includes references to where UBIDAC disclosures are located in the NatWest Holdings Group (NWH Group) 2020 Pillar III disclosure document and if not within the NWH Group Pillar III Report, the relevant publication is specifically referred to. (NWH Group comprises NatWest Holdings Ltd and its subsidiaries).

(Note: The tables in this 2020 UBIDAC Pillar III document have been extracted from the 2020 NWH Group Pillar III document and reported in Euro).

CRR ref	High-level summary	NatWest Holdings Compliance reference	UBIDAC Compliance reference
Scope of disclosure requirements			
431 (1)	Requirement to publish Pillar III disclosures.	NatWest Group publishes Pillar III disclosures as required.	UBIDAC is subject to reduced disclosures as it was a large subsidiary of an EU parent institution at 31 December 2020. These disclosures are in line with CRR Article 13 (1).
CRR 437: Own funds			
437 (1)	Requirement to disclose following information regarding own funds:		
437 (1) (a)	Reconciliation of regulatory values for Common Equity Tier 1 items, Additional Tier 1 items, Tier 2 items and filters and deductions to statutory balance sheet;	Pillar III - EU LI1 & CC1	Pillar III - CC1 - pg 5
437 (1) (b)	Description of the main features of Capital Instruments issued by institution;	Pillar III Capital Instruments Common Disclosure template available on NatWest Group Investor Relations website www.investors.natwestgroup.com	Pillar III - Appendix 1 - pg 47
437 (1) (c)	Full terms and conditions of Capital Instruments issued by institution;	Pillar III Capital Instruments Common Disclosure template available on NatWest Group Investor Relations website www.investors.natwestgroup.com	Pillar III - Appendix 1 - pg 47
437 (1) (d)	Disclosure of the nature and amounts of the following:	Pillar III - CC1	Pillar III - CC1 - pg 5
437 (1) (d) (i)	each prudential filter applied;		
437 (1) (d) (ii)	each capital deduction applied;		
437 (1) (d) (iii)	items not deducted from capital;		
437 (1) (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;	Pillar III - CC1	Pillar III - CC1 - pg 5
437 (1) (f)	where institutions disclose capital ratios calculated using elements of own funds determined on a different basis.	N/A	N/A
437 (2)	EBA shall develop draft implementing technical standards to specify uniform templates for disclosure.	EBA published technical standards introducing Common Disclosure Templates for Own Funds; available on Pillar III - CC1.	EBA published technical standards introducing Common Disclosure Templates for Own Funds, available on Pillar III - CC1 - pg 5

Appendix 2: CRR disclosure requirements reference table

CRR ref	High-level summary	NatWest Holdings Compliance reference	UBIDAC Compliance reference
CRR 438: Capital requirements			
438	See sub paragraphs below.		
438 (a)	Summary of institution's approach to assessing adequacy of capital levels.	Pillar III - Presentation of Information & NatWest Holdings ARA: Risk and capital management - Risk management framework.	ARA - Note 23 - Risk Management - Stress testing commencing pg 62, Monitoring and measurement pg 97 & Note 33 - Capital resources - unaudited commencing pg 105
438 (b)	Result of ICAAP on demand from authorities.	N/A	N/A
438 (c)	Capital requirement amounts for credit risk for each Standardised approach exposure class.	Pillar III - CR2	Pillar III - CR2 – pg 14 & EU CRB_B – pg 16
438 (d)	Capital requirements amounts for credit risk for each Internal Ratings Based Approach exposure class.	Pillar III - CR2, EU OV1, CR10-B & EU CR8	Pillar III - CR2 – pg 14 & EU OV1 – pg 9 & EU CR10_B - pg 44
438 (d) (i)			
438 (d) (ii)			
438 (d) (iii)			
438 (d) (iv)			
438 (e)	Capital requirements amounts for market risk or settlement risk, or large exposures where they exceed limits.	Pillar III - EU OV1 & EU MR1	Pillar III - EU OV 1 – pg 9 & EU MR1 – pg 46
438 (f)	Capital requirement amounts for operational risk, separately for the basic indicator approach, the Standardised approach, and the advanced measurement approaches as applicable.	NatWest Group uses Standardised approach; Pillar III EU OV1 includes operational risk capital requirements.	UBIDAC uses Standardised approach. Pillar III - EU OV 1 – pg 9
438 (endnote)	Requirement to disclose specialised lending exposures and equity exposures in the banking book falling under the simple risk weight approach.	Pillar III - EU CR10	Pillar III - EU CR10_A – pg 43 & EU CR10_B – pg 44
CRR 440: Capital buffers			
440 (1)	See sub paragraphs below.	N/A	
440 (1) (a)	Geographical distribution of relevant credit exposures.	Pillar III - CCyB1	Pillar III - CCyB1 – pg 12
440 (1) (b)	Amount of the institution specific countercyclical capital buffer.	Pillar III - CCyB1	Pillar III - CCyB1 – pg 12
440 (2)	EBA will issue technical implementation standards related to 440 (1).	NatWest Group follows the current standards.	UBIDAC follows the current standards.

Appendix 2: CRR disclosure requirements reference table

CRR ref	High-level summary	NatWest Holdings Compliance reference	UBIDAC Compliance reference
CRR 442: Credit risk adjustments			
442	See sub paragraphs below.		
442 (a)	Disclosure of bank's definitions of past due and impaired.	NatWest Holdings ARA: Risk and capital management and Notes on the consolidated accounts - 14 Loan impairment provisions.	ARA - Note 12 - Loan impairment provisions pg 54 & Note 23 – Risk management - Credit risk commencing pg 65
442 (b)	Approaches for calculating credit risk adjustments.	NatWest Holdings ARA: Accounting policies: 13 Impairment: expected credit loss.	ARA - Note 1 – Accounting policies; I) Impairment: expected credit losses - pg 30
442 (c)	Disclosure of EAD by exposure class.	Pillar III - EU CRB_B	Pillar III - EU CRB_B – pg 16
442 (d)	Disclosures of EAD by geography and exposure class.	Pillar III - EU CRB_C	Pillar III - EU CRB_C – pg 18
442 (e)	Disclosures of EAD by industry and exposure class.	Pillar III - EU CRB_D	Pillar III - EU CRB_D – pg 20
442 (f)	Disclosures of EAD by residual maturity and exposure class.	Pillar III - EU CRB_E	Pillar III - EU CRB_E – pg 22
442 (g)	Breakdown of impaired, past due, specific and general credit adjustments, and impairment charges for the period, by exposure class or counterparty type.	Pillar III - EU CR1_A, NPL templates: Template1, Template 3, Template 4	Pillar III - EU CR1_A – pg 24
442 (g) (i)			Template 1 - pg 26
442 (g) (ii)			Template 3 - pg 27
442 (g) (iii)			Template 4 - pg 29
		NatWest Holdings ARA: Risk and capital management - Segmental loans and impairment metrics.	ARA - Note 12 - Loan impairment provisions pg 54 & Note 23 – Risk management - Credit risk commencing pg 65
442 (h)	Impaired, past due exposures, by geographical area, and amounts of specific and general impairment for each geography.	Pillar III - NPL template: Template 5	Pillar III - Template 5 – pg 31
		NatWest Holdings ARA: Risk and capital management - Segmental loans and impairment metrics.	
442 (i)	Reconciliation of changes in specific and general credit risk adjustments.	Pillar III - EU CR2-A	ARA - Note 23 – Risk management – flow statements commencing pg 87
442 (i) (i- iv)			
442 Endnote	Specific credit risk adjustments recorded to income statement are disclosed separately.	Pillar III - EU CR2-A	ARA - Note 12 - Loan impairment provisions pg 54 & Note 23 – Risk management - Credit risk commencing pg 65
CRR 450: Remuneration policy			
450	Remuneration	NatWest Holdings ARA: Governance - Directors' remuneration report and other remuneration disclosures and as set out within NatWest Markets Plc remuneration disclosures & RBSI (Holdings) Group remuneration disclosure sections. Further detail on compliance with CRD IV and remuneration from natwestgroup.com/natwestgroup/about/board-and-governance.html	Disclosed within UBIDAC Pillar III - Appendix 3

Appendix 2: CRR disclosure requirements reference table

CRR ref	High-level summary	NatWest Holdings Compliance reference	UBIDAC Compliance reference
CRR 451: Leverage			
451 (1)	See sub paragraphs below.		
451 (1) (a)	Leverage ratio, and breakdown of total exposure measure,	Pillar III - LR1	Pillar III - LR1 - pg 10 LR2 - pg 10
451 (1) (b)	including reconciliation to financial statements, and	Pillar III - LR1	Pillar III - LR1 - pg 10 LR2 - pg 10
451 (1) (c)	derecognised fiduciary items.	N/A	N/A
451 (1) (d)	Description of the risk management approach to mitigate excessive leverage.	NatWest Holdings ARA: Risk and capital management – Capital Management.	ARA - Note 23 – Risk management commencing pg 63 & pg 91
451 (1) (e)	Factors that impacted the leverage ratio during the year.	Pillar III - Capital, liquidity and funding – Key points.	Pillar III - Key points - Capital and leverage - pg 5 & EU LIQ1 – pg 11 ARA - Note 23 – Risk management pg 92
451 (2)	EBA to publish implementation standards for points above.	NatWest Group follows the current standards.	UBIDAC follows the current standards.
CRR 453: Use of credit risk mitigation techniques			
453	See sub paragraphs below.		
453 (a)	Use of on and off-balance sheet netting.	Pillar III - EU CRC: IRB and STD: Qualitative disclosures relating to credit risk mitigation. Pillar III - Wholesale IRB models - Exposure at default models. Pillar III - EU LI2	Pillar III - EU CRC: IRB & STD: Qualitative disclosures relating to credit risk mitigation – pg 39 Pillar III - EU CRC: IRB & STD: Qualitative disclosures relating to wholesale lending and counterparty credit risk – pg 39
453 (b)	How collateral valuation is managed.	Pillar III - EU CRC: IRB and STD: Qualitative disclosures relating to credit risk mitigation.	Pillar III - EU CRC: IRB & STD: Qualitative disclosures relating to credit risk mitigation – pg 39
453 (c)	Description of types of collateral used by NWH Group.	Pillar III - EU CRC: IRB and STD: Qualitative disclosures relating to credit risk mitigation.	Pillar III - EU CRC: IRB & STD: Qualitative disclosures relating to credit risk mitigation – pg 39
453 (d)	Guarantor and credit derivative counterparty, creditworthiness.	Pillar III - Recognition of credit risk mitigation in the calculation of RWAs.	Pillar III - EU CRC: IRB & STD: Qualitative disclosures relating to credit risk mitigation – pg 39 ARA - Note 23 – Mitigation commencing pg 65
453 (e)	Market or credit risk concentrations within risk mitigation exposures.	Pillar III - EU CRC: IRB and STD: Qualitative disclosures relating to credit risk mitigation.	Pillar III - EU CRC: IRB & STD: Qualitative disclosures relating to credit risk mitigation – pg 39 ARA - Note 23 – Risk management - Mitigation commencing pg 65 & pg 81
453 (f)	Standardised or Foundation IRB approach, exposure value covered by eligible collateral.	Pillar III - EU_CR4.	Pillar III - EU CR3 – pg 41 & EU CR4 – pg 45
453 (g)	Exposures covered by guarantees, credit derivatives or collateral.	Pillar III - EU_CR3	Pillar III - EU CR3 – pg 41 & EU CR4 – pg 45 ARA - Note 23 – Risk management - Mitigation commencing pg 65

Appendix 3: Ulster Bank Ireland DAC (UBIDAC) remuneration disclosure

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.

UBIDAC Performance and Remuneration Committee (UBIDAC RemCo)

The UBIDAC RemCo was established in October 2014 in accordance with Article 95 of Directive 2013/36/EU (CRD IV) as implemented in the Republic of Ireland by way of Statutory Instrument 158, paragraph 83. The Chair and members of the UBIDAC RemCo are all independent non-executive directors of UBIDAC. The Committee met 8 times in 2020.

Specific responsibilities of the UBIDAC RemCo are to:

- Review, provide input to and adopt The NatWest Group plc Remuneration Policy for the UBIDAC business on an annual basis, with due consideration of applicable regulatory, legislative and relevant requirements, ensuring that the Remuneration Policy adopted by UBIDAC meets those requirements.
- Review and recommend or where appropriate ratify performance measures, performance assessment and the remuneration arrangements for Executive Directors, UBIDAC Executive Committee members, Pre-Approved Control Functions (PCF) and Material Risk Takers (MRTs).
- Oversee remuneration arrangements for the broader UBIDAC employee population.
- Review the annual bonus pool proposals for UBIDAC to ensure they are appropriately performance and risk adjusted, are congruent with UBIDAC's financial performance and meet capital adequacy and liquidity requirements.
- Review any UBIDAC compensation disclosure communications and any submissions to regulators in relation to compensation.

Activities undertaken by the UBIDAC RemCo during 2020 included review of senior role appointments and a review of 2020/2021 performance assessment and pay arrangements.

Remuneration policy for all colleagues

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

The remuneration policy supports the business strategy and is designed to promote the long-term success of UBIDAC. It aims to reward the delivery of good performance provided this is achieved in a manner consistent with our values and within acceptable risk parameters.

The remuneration policy applies the same principles to everyone, including MRTs. The key elements of the policy are set out below.

Base salary

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

Operation

Base salaries are reviewed annually and should reflect the talents, skills and competencies that the individual brings to the business.

Role-based allowance

Certain MRT roles receive a role-based allowance. 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 and are based on the role the individual performs.

They are delivered in cash and/or shares depending on the level of the allowance and the seniority of the recipient. Shares are subject to a three-year retention period.

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 and NatWest Group and UBIDAC do not actively provide discretionary pension benefits.

Annual bonus

The purpose is to support a culture where individuals recognise the importance of serving customers well and are rewarded for superior performance.

Operation

The annual bonus pool is based on a balanced scorecard of measures including Financial & Business Delivery, Customer, People & Culture and Risk & Control measures. Allocation from the pool depends on performance of the business area and the individual.

Individual performance assessment is supported by a structured performance management framework. This is designed to assess performance against longer term business requirements across a range of financial and non-financial metrics as well as an evaluation of adherence to internal controls and risk management. A balanced scorecard is used to align with the business strategy. Each individual will have defined measures of success appropriate to their role.

Risk and conduct performance is also taken into account. Control functions are assessed independently of the business units that they oversee, with the objectives and remuneration being set according to the priorities of the control area, not the targets of the businesses they support.

Independent control functions have dual solid reporting lines into both the UBIDAC CEO and the NatWest Group Control Function Head. The Head of Internal Audit reports to the Chair of the UBIDAC Audit Committee with oversight provided by the NatWest Holdings Chief Audit Executive.

For awards made in respect of the 2020 performance year, immediate awards paid through payroll continue to be limited to a maximum of €2,250 (equivalent to £2,000). In line with regulatory requirements, a significant proportion of annual bonus awards for more senior roles is deferred and includes partial delivery in shares.

The deferral period varies from three years for standard MRTs, rising to five years for individuals identified as Risk Manager MRTs and seven years for Senior Managers under the Senior Managers Regime. All awards are subject to malus and clawback provisions. For MRTs, a minimum of 50% of any annual bonus is delivered in shares and a twelve-month retention period will apply post vesting in line with regulatory requirements.

The fifth Capital Requirements Directive (CRD V) took effect on 28 December 2020 which will impact remuneration requirements for the 2021 performance year. This includes extending the minimum deferral period from three to four years for MRTs and also some changes to the criteria for identifying MRTs. Further details will be included in next year's report.

Company share plans

The purpose is to provide an easy way for individuals to hold shares in NatWest Group, which helps to encourage 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 through company share plans. Any shares held are not subject to performance conditions.

Appendix 3: Ulster Bank Ireland DAC (UBIDAC) remuneration disclosure

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 €500,000 or more in the previous year; individuals in the top 0.3% of earners for the previous year; and individuals who earned more than the lowest paid identified staff per certain qualitative criteria. 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 value of such awards. These conditions are explicitly acknowledged and accepted by recipients 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 at a level which would allow NatWest Group and UBIDAC to pay zero variable pay.

Focus on risk is achieved through clear risk input into performance goals, performance reviews, the determination of variable pay pools, incentive plan design and the application of malus and clawback. UBIDAC RemCo is supported by the UBIDAC Risk Committee and the UBIDAC and NatWest Risk functions.

A robust process is used to assess risk performance. A range of measures are considered, specifically capital, liquidity and funding risk, credit risk, market risk, pension risk, compliance & conduct risk, financial crime, operational risk, business risk and reputational risk. Consideration is also given to overall risk culture.

Remuneration arrangements are in line with regulatory requirements and the steps taken to ensure appropriate and thorough risk adjustment are also fully disclosed and discussed with the PRA and the FCA.

Variable pay determination

For the 2020 performance year, NatWest Group and UBIDAC operated a robust multi-step process, which is control function led, to assess performance and determine the appropriate bonus pool by business area and function. At multiple points throughout the process, reference is made to Group-wide business performance (from both affordability and appropriateness perspectives) and the need to distinguish between go-forward and resolution activities.

The process considers a balanced scorecard of performance assessments at the level of each business area or function, across financial, customer and people measures. Risk and conduct assessments at the same level are then undertaken to ensure that performance achieved without appropriate consideration of risk, risk culture and conduct controls, is not inappropriately rewarded.

UBIDAC Board Risk Committee considers the Risk Performance Assessment and provides input to the Group Board Risk Committee (BRC) which reviews any material risk and conduct events and, if appropriate, an underpin may be applied to the individual business and function bonus pools or to the overall bonus pool. 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, and taking into account affordability, the NatWest Group Chief Executive will make a final recommendation to the NatWest Group Performance and Remuneration Committee (NatWest RemCo), informed by all the previous steps in the process and her strategic view of the business. The NatWest Group RemCo will then make an independent decision on the final bonus pool taking all of these earlier steps into account. UBIDAC RemCo has oversight of the UBIDAC bonus pool determination process and provides input to the NatWest Group RemCo.

Remuneration and culture

NatWest Group and UBIDAC continue 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. NatWest Group and UBIDAC have taken steps in recent years to remove incentives for colleagues where this could drive unintended behaviours.

Accountability review process and malus/clawback

The accountability review process was introduced in 2012 to identify any material risk management, control and general policy breach failures, 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, MRTs must agree to terms that state that malus and clawback may be applied. Any variable pay awarded to MRTs in respect of the 2014 performance year onwards is subject to clawback for seven years from the date of grant.

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 2020, a number of issues and events were considered under the accountability review framework. No malus or suspension was applied to awards made in 2020.

Appendix 3: Ulster Bank Ireland DAC (UBIDAC) remuneration disclosure

Remuneration of MRTs

The quantitative disclosures below are made in accordance with regulatory requirements in relation to 96 individuals who have been identified as MRTs for UBIDAC.

1. Number of MRTs by business area

Number of beneficiaries	Senior mgmt	Other MRTs	Total
Executive Directors	2	-	2
Independent Non-Executive Directors	-	8	8
Personal Banking	1	14	15
Commercial	1	9	10
Corporate Functions	6	14	20
Control Functions	5	36	41
Total	15	81	96

22 NatWest Group individuals are included in the table above as they have been identified as an MRT in relation 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 remaining tables.

2. Aggregate remuneration expenditure

Aggregate remuneration expenditure in respect of 2020 performance was as follows:

Aggregate remuneration	Senior mgmt	Other MRTs	Total
Number of beneficiaries	15	59	74
	€m	€m	€m
Executive Directors	1.67	-	1.67
Independent Non-Executive Directors	-	0.63	0.63
Personal Banking	0.45	2.06	2.51
Commercial	0.39	1.71	2.10
Corporate Functions	1.69	0.78	2.47
Control Functions	1.99	4.67	6.66
Total	6.19	9.85	16.04

3. Fixed and variable remuneration

Fixed remuneration paid in 2020

Fixed remuneration consisted of salaries, allowances, pension and benefit funding.

Fixed remuneration	Senior mgmt	Other MRTs	Total
Number of beneficiaries	15	59	74
	€m	€m	€m
Executive Directors	1.19	-	1.19
Independent Non-Executive Directors	-	0.63	0.63
Personal Banking	0.36	1.93	2.29
Commercial	0.33	1.63	1.96
Corporate Functions	1.54	0.76	2.30
Control Functions	1.58	4.38	5.96
Total	5.00	9.33	14.33

Variable remuneration for 2020 performance

Variable remuneration consisted of a combination of annual bonus and long-term incentive awards, deferred over a three to seven-year period in accordance with regulatory requirements. Under the UBIDAC bonus deferral structure, immediate awards, paid through payroll, are limited to €2,250 (equivalent to £2,000) per person.

Long-term incentive awards vest subject to the extent to which performance conditions are met and can result in zero payment. There were no recipients of LTI awards within UBIDAC for performance year 2020.

Annual bonus	Senior mgmt	Other MRTs	Total
Number of beneficiaries	14	42	56

	€m	€m	€m
Executive Directors	0.47	-	0.47
Independent Non-Executive Directors	-	-	-

Personal Banking

Cash remuneration	-	0.02	0.02
Deferred bonds	0.07	0.10	0.17
Deferred shares	0.03	-	0.03
	0.10	0.12	0.22

Commercial

Cash remuneration	-	0.02	0.02
Deferred bonds	0.06	0.07	0.13
Deferred shares	-	-	-
	0.06	0.09	0.15

Corporate Functions

Cash remuneration	0.01	-	0.01
Deferred bonds	0.11	0.02	0.13
Deferred shares	0.03	-	0.03
	0.15	0.02	0.17

Control Functions

Cash remuneration	0.01	0.05	0.06
Deferred bonds	0.23	0.24	0.47
Deferred shares	0.17	-	0.17
	0.41	0.29	0.70

Total	1.19	0.52	1.71
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4. Outstanding deferred remuneration

The table below includes deferred remuneration awarded or paid out in 2020 in respect of prior performance years. Deferred remuneration reduced during the year relates to long-term incentives lapsed when performance conditions are not met, long-term incentives and deferred awards forfeited on leaving and malus adjustments of prior year deferred awards and long-term incentives.

Category of deferred remuneration	Senior mgmt	Other MRTs	Total
	€m	€m	€m
Unvested from prior year	2.22	0.04	2.26
Awarded during year	1.84	1.09	2.93
Paid out (retained)	0.64	0.00	0.64
Paid out (released)	1.09	1.10	2.19
Reduced from prior years	0.18	0.01	0.19
Unvested at year end	2.15	0.01	2.16

5. Guaranteed Awards (including 'Sign-on awards') and Severance Payments

UBIDAC does not offer 'Sign-on awards'. Guaranteed awards may only be granted to new hires in exceptional circumstances in compensation for awards foregone in their previous company and are limited to the first year of service. No new hire guarantees were made to MRTs in respect of the 2020 performance year.

Severance payments and / or arrangements can be made to colleagues who leave UBIDAC 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 awarded.

No severance payments in excess of contractual payments, local policies, standards or statutory amounts were made to MRTs during the year, other than a payment to one individual, who was not senior management, of €55,836. This was a litigation settlement payment made to reflect genuine litigation risks related to the termination of employment.

Severance payments made do not reward failure or misconduct in line with regulatory requirements.

Where required, remuneration is constrained within the limit of variable to fixed remuneration in accordance with EBA guidelines.

6. 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 2020 is approximately 1 to 0.14. The majority of MRTs are based in Ireland.

Ratio of fixed to variable	Senior mgmt	Other MRTs	Total
Number of beneficiaries	14	42	56
	ratio	ratio	ratio
Executive Directors	1 to 0.40	-	1 to 0.40
Independent Non-Executive Directors	-	-	-
Personal Banking	1 to 0.28	1 to 0.08	1 to 0.12
Commercial	1 to 0.20	1 to 0.05	1 to 0.07
Corporate Functions	1 to 0.12	1 to 0.06	1 to 0.11
Control Functions	1 to 0.25	1 to 0.07	1 to 0.12
Consolidated	1 to 0.26	1 to 0.07	1 to 0.14

Appendix 3: Ulster Bank Ireland DAC (UBIDAC) remuneration disclosure

7. Discount Rate

Under CRD IV 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 at least 25% of 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 2020 performance year.

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

€ million	Number of employees	
	2020	
€1.0 - €1.5		1
€1.5 - €2.0		-
More than €2.0		-
Total		1

Notes:

- (1) Total remuneration in the table above includes fixed pay, pension and benefit funding and variable pay.
- (2) Where applicable, the table is based on an average exchange rate of €1.12518 to £1 as at 31 December 2020.

Appendix 4: List of acronyms

ALCO	Asset and Liability Management Committee	MCR	Minimum capital requirements
AT1	Additional Tier 1	MDB	Multilateral Development Banks
ARA	Annual Report and Accounts	MIRA	Material Integrated Risk Assessment
BRC	Board risk committee	MRT	Material Risk Takers
CBI	Central Bank of Ireland	NatWest Group	NatWest Group plc and its subsidiaries
CCP	Central counterparty	NatWest Holdings	NatWest Holdings Limited
CET1	Common Equity Tier 1	NWH Group	NatWest Holdings Group
CCF	Credit conversion factors	NFC	Non-Financial Corporation
CCR	Counterparty Credit Risk	NPE	Non performing exposures
CIU	Collective investments undertakings	PCF	Pre-Approved Control Functions
CMU	Capital Management Unit	PD	Probability of default
CRD	Capital Requirements Directive	PFE	Potential future exposure
CRM	Credit risk mitigation	PP&E	Property, plant and equipment
CRR	Capital Requirements Regulation	PRA	Prudential Regulation Authority
CVA	Credit valuation adjustment	PSE	Public Sector Entities
EAD	Exposure at default	RBA	Ratings based approach
EBA	European Banking Authority	RemCo	Remuneration committee
ECB	European Central Bank	RNIV	Risks not in VaR
EMIR	European Market Infrastructure Regulation	RoI	Republic of Ireland
EU	European Union	RWAs	Risk-weighted assets
FBE	Forborne exposures	SEC-IRBA	Securitisation internal ratings-based approach
FCA	Financial Conduct Authority	SEC-ERBA	Securitisation external ratings-based approach
FI	Financial institution	SFTs	Securities financing transactions
HQLA	High quality liquid assets	SME	Small and medium-sized enterprise
ICAAP	Internal capital adequacy assessment process	SREP	Supervisory Review and Evaluation Process
IAA	Internal Assessment Approach	SSM	Single Supervisory Mechanism
IFRS	International Financial Reporting Standard	STD	Standardised
IMA	Internal model approach	SVaR	Stressed value-at-risk
IMM	Internal model method	T2	Tier 2
INED	Independent non-executive director	TSCR	Total SREP capital requirements
IRB	Internal ratings based	UBIDAC	Ulster Bank Ireland Designated Activity Company
JST	Joint Supervisory Team	UK	United Kingdom
LGD	Loss given default	US	United States of America
LR	Leverage Ratio	VaR	Value-at-risk
LTI	Long term incentive	YTD	Year to date
LTV	Loan to value		