

DISCLOSURE OF INFORMATION REGARDING THE REASON FOR LEVERAGE

I.- Integration of the main sources of leverage

II.- Comparison between total assets and Adjusted Assets

III.- Reconciliation between total assets and on-balance sheet exposure

IV. Analysis of the most important variations of the elements (numerator and denominator) of the Leverage Ratio.

I. Integration of the main sources of leverage

Institutions must disclose the integration of the main sources of leverage, according to Table I.1

September 2021

Amounts in millions of pesos

2109

Reference	ITEM	AMOUNT
1	Items within the balance sheet (excluding derivative financial instruments and repurchase operations and securities loans -SFT for its acronym in English- but including collaterals received as collateral and recorded on the balance sheet)	181,480
2	(Amounts of assets deducted to determine Basel III Tier 1 capital)	- 914
3	On-balance sheet exposures (Net) (excluding derivative financial instruments and SFT, sum of lines 1 and 2)	180,566
Exposures to derivative financial instruments		
4	Annual replacement cost associated with all operations with derivative financial instruments (net of allowable cash variation margin)	153
5	Amounts of additional factors for potential future exposure, associated with all operations with derivative financial instruments.	40
6	Increase in Collateral contributed in operations with derivative financial instruments when said collateral is removed from the balance sheet in accordance with the operational accounting framework	-
7	(Deductions to accounts receivable for variation margin in cash contributed in operations with derivative financial instruments)	-
8	(Exposure for operations in derivatives financial instruments on behalf of clients, in which the clearing partner does not grant its guarantee in case of breach of the debt of the Central Counterparty)	-
9	Adjusted effective notional amount of subscribed credit derivative financial instruments	-
10	(Compensations made to the adjusted cash notional of the subscribed credit derivative financial instruments and deductions of the additional factors for the subscribed credit derivative financial instruments)	-
11	Total exposures to derivative financial instruments (sum of lines 4 to 10)	192.71
Total exposures to derivative financial instruments (sum of lines 4 to 10)		
12	Gross SFT assets (without offset recognition), after accounting transaction adjustments for sales	10,519
13	(Accounts payable and receivable from SFT cleared)	-
14	Counterparty Risk Exposure by SFT	1,704
15	Exposures by SFT acting on behalf of third parties	-
16	Total exposures from securities financing operations (sum of lines 12 to 15)	12,223
Capital and total exposures		
17	Off-balance sheet exposure (gross notional amount)	10,331
18	(Adjustments for conversion to credit equivalents)	- 9,734
19	Off-balance items (sum of lines 17 and 18)	598
Capital and total exposures		
20	Tier 1 Capital	7,354
21	Total exposures (sum of lines 3, 11, 16, and 19)	193,580
Leverage ratio		
22	Basel III leverage ratio	3.80%

TABLE II.1

Reference	ITEM	AMOUNT
1	Total assets	192,278
2	Adjustment for investments in the capital of banking, financial, insurance, or commercial entities that are consolidated for accounting purposes, but are outside the scope of regulatory consolidation	- 601
3	Adjustment related to trust assets recognized in the balance sheet according to the accounting framework, but excluded from the measurement of the exposure of the leverage ratio	-
4	Adjustment for derivative financial instruments	- 238
5	Adjustment for repurchase operations and securities loan	1,704
6	Adjustment for items recognized in memorandum accounts	598
7	Other settings	- 313
8	Leverage ratio exposure	193,427

TABLE III.1

Reference	ITEM	AMOUNT
1	Total assets	192,278
2	Operations in derivative financial instruments	- 278.25
3	Repo operations and securities loans	- 10,519.00
4	Trust assets recognized in the balance sheet in accordance with the accounting framework, but excluded from the leverage ratio exposure measure	-
5	Exposures within the Balance Sheet	181,480

CONCEPT/QUARTER	T-1	T	VARIATION (%)
Basic Capital 1/	6,965	7,354	5.6%
Adjusted Assets 2/	181,799	193,580	6.5%
Leverage Ratio 3/	0.03831	0.037988825	-0.008383576