

BANCA AFIRME

Annex 1-0 Bis

DISCLOSURE OF INFORMATION RELATING TO 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 element variations (numerator and denominator) of the Leverage Ratio.

I. Integration of the main sources of leverage

Institutions should disclose the integration of the main sources of leverage based on Table I.1

June 2021

(Amounts in millions of pesos)

Table I.1

Reference	ITEM	AMOUNT
1	Items within the balance sheet (excluding derivative financial instruments and repurchase agreements and securities loans -SFT for its acronym in English- but including collaterals received as collateral and recorded on the balance sheet)	172,468
2	(Amounts of assets deducted to determine Basel III Tier 1 capital)	- 1,054
3	On-balance sheet exposures (Net) (excluding derivative financial instruments and SFT, sum of lines 1 and 2)	171,414
Exposures to derivative financial instruments		
4	Annual replacement cost associated with all operations with derivative financial instruments (net of allowable cash variation margin)	151
5	Amounts of additional factors for potential future exposure, associated with all operations with derivative financial instruments.	39
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 derivative financial instruments on behalf of clients, in which the settlement partner does not grant its guarantee in the event of non-compliance with the obligations 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)	189.69
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	7,647
13	(Accounts payable and receivable from SFT cleared)	-
14	Counterparty Risk Exposure by SFT	1,969
15	Exposures by SFT acting on behalf of third parties	-
16	Total exposures from securities financing operations (sum of lines 12 to 15)	9,616
Capital and total exposures		
17	Off-balance sheet exposure (gross notional amount)	9,682
18	(Adjustments for conversion to credit equivalents)	- 9,103
19	Off-balance sheet items (sum of lines 17 and 18)	579
Capital and total exposures		
20	Tier 1 Capital	6,965
21	Total exposures (sum of lines 3, 11, 16, and 19)	181,799
Leverage ratio		
22	Basel III leverage ratio	3.83%

TABLE II.1

Reference	ITEM	AMOUNT
1	Total assets	180,364
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	- 746
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	39
5	Adjustment for repurchase agreements and securities lending	1,969
6	Adjustment for items recognized in memorandum accounts	579
7	Other settings	- 308
8	Leverage ratio exposure	181,897

TABLE III.1

Reference	ITEM	AMOUNT
1	Total assets	180,364
2	Operations in derivative financial instruments	- 248.88
3	Repo operations and securities loans	- 7,647.07
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	172,468

CONCEPT/QUARTER	T
Basic Capital 1/	6,965
Adjusted Assets 2/	181,799
Leverage Ratio 3/	3.83%

1/Reported in rows 20, 2/Reported in rows 21 and 3/Reported in rows 22, of Table I.1