

# Interim Pillar III disclosures of the Alior Bank Spółka Akcyjna Capital Group as at 30 June 2023

## Disclosure Pillar III

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## Introduction

**Alior Bank SA is obliged**, under Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council of June 26, 2013 on prudential requirements for credit institutions and investment firms, amending Regulation (EU) No 648/2012 as amended by (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 (hereinafter referred to as CRR), **publish information on Pillar III in a publicly available manner.**

**Information is published in accordance with Commission Implementing Regulation (EU) 2021/637 of 15 March 2021** laying down implementing technical standards with regard to public disclosure by institutions of information referred to in Part Eight, Titles II and III of the Regulation of the European Parliament and of the Council (EU) No 575/2013, and repealing Commission Implementing Regulation (EU) No 1423/2013, Commission Delegated Regulation (EU) 2015/1555, Commission Implementing Regulation (EU) 2016/200 and Commission Delegated Regulation (EU) 2017/2295.

As at 30 June 2023, the Alior Bank SA Capital Group was composed of: Alior Bank SA, as the parent company, and subsidiaries in which the Bank holds a majority interests. For the purposes of calculations in the area of capital adequacy, prudential consolidation was used - in accordance with Article 19 of Regulation (EU) No 575/2013 of the European Parliament and of the Council of June 26, 2013, as amended - **consolidation included Alior Bank SA and Alior Leasing sp. o. o.**

Unless otherwise stated, the information in this document has been disclosed based on the data from the Consolidated Financial Statements of the Alior Bank SA Capital Group for the year ended 31 December 2022. Alior Bank SA exerts a dominant influence on the shape of the risk profile in the Bank's Capital Group, therefore some information contained in the report relates to the individual data of Alior Bank SA.

Figures are drawn up in Polish zlotys (PLN) and are rounded up to one million zlotys (M), with accuracy to one decimal place.

This version of our report is a translation from the original, which was prepared in Polish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

## EU KM1 - Key metrics template

	a	c	e
	30.06.2023	31.12.2022 *	30.06.2022
<b>PLN m</b>			
<b>Available own funds (amounts)</b>			
1 Common Equity Tier 1 (CET1) capital	6 781,1	6 988,1	6 254,0
2 Tier 1 capital	6 781,1	6 988,1	6 254,0
3 Total capital	7 233,1	7 555,8	6 926,5
<b>Risk-weighted exposure amounts</b>			
4 Total risk exposure amount	47 877,1	46 548,1	49 513,7
<b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>			
5 Common Equity Tier 1 ratio (%)	14,16%	15,01%	12,63%
6 Tier 1 ratio (%)	14,16%	15,01%	12,63%
7 Total capital ratio (%)	15,11%	16,23%	13,99%
<b>Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)</b>			
EU 7a Additional own funds requirements to address risks other than the risk of excessive leverage (%)	nd	nd	nd
EU 7b of which: to be made up of CET1 capital (percentage points)	nd	nd	nd
EU 7c of which: to be made up of Tier 1 capital (percentage points)	nd	nd	nd
EU 7d Total SREP own funds requirements (%)	8,00%	8,00%	8,00%
<b>Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)</b>			
8 Capital conservation buffer (%)	2,50%	2,50%	2,50%
EU 8a Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-
9 Institution specific countercyclical capital buffer (%)	0,0129%	0,0168%	0,0038%
EU 9a Systemic risk buffer (%)	0,00%	0,00%	0,00%
10 Global Systemically Important Institution buffer (%)	-	-	-
EU 10a Other Systemically Important Institution buffer (%)	-	-	-
11 Combined buffer requirement (%)	2,51%	2,52%	2,50%
EU 11a Overall capital requirements (%)	10,51%	10,52%	10,50%
12 CET1 available after meeting the total SREP own funds requirements (%)	7,11%	8,23%	5,99%
<b>Leverage ratio</b>			
13 Total exposure measure	86 994,3	85 297,6	86 673,7
14 Leverage ratio (%)	7,79%	8,19%	7,22%
<b>Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)</b>			
EU 14a Additional own funds requirements to address the risk of excessive leverage (%)	-	-	-
EU 14b of which: to be made up of CET1 capital (percentage points)	-	-	-
EU 14c Total SREP leverage ratio requirements (%)	3,00%	3,00%	3,00%
<b>Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)</b>			
EU 14d Leverage ratio buffer requirement (%)	-	-	-
EU 14e Overall leverage ratio requirement (%)	3,00%	3,00%	3,00%
<b>Liquidity Coverage Ratio</b>			
15 Total high-quality liquid assets (HQLA) (Weighted value -average)	16 197,8	14 547,4	14 509,4
EU 16a Cash outflows - Total weighted value	12 212,6	11 806,0	11 836,6
EU 16b Cash inflows - Total weighted value	2 441,1	2 203,7	2 155,8
16 Total net cash outflows (adjusted value)	9 771,4	9 602,4	9 680,9
17 Liquidity coverage ratio (%)	166%	152%	150%
<b>Net Stable Funding Ratio</b>			
18 Total available stable funding	66 383,0	67 094,3	64 387,8
19 Total required stable funding	49 128,4	49 840,4	51 404,7
20 NSFR ratio (%)	135%	135%	125%

\* Data as at December 31, 2022 have been restated in relation to the data published in the annual report: "Capital Adequacy and Other Information Subject to Disclosure of the Capital Group of Alior Bank Spółka Akcyjna for the year ended December 31, 2022".

On 16 March 2023, the Polish Financial Supervision Authority (KNF) approved the inclusion of the consolidated profit for 2022 in the Equity of the Alior Bank SA Capital Group. Including the net profit earned in 2022 as at December 31, 2022 resulted in an increase in consolidated own funds, a change in the total amount of risk exposure and a change in capital ratios, as well as affected the level of leverage ratio and net stable funding ratio, which is presented in the table above.

## EU REMA - Remuneration policy

Legal basis	Row number
Points (k) of Article 450(1) CRR	(i) <p>The Bank uses the derogation specified in Art. 94 sec. 3 letter b) CRD pursuant to Art. 450 sec. 1 lit. k) CRR with regard to the rules set out in Art. 94 sec. 1 lit. l) and m) and point (o) the second subparagraph of that paragraph.</p> <p>This report has been supplemented, in relation to the report as at December 31, 2022, with the value of variable remuneration for 2022, which was awarded and approved in accordance with the Remuneration Policy after the date of publication of the annual report.</p>

## EU REM1 - Remuneration awarded for the financial year

PLN m

		a	b	c	d
		MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Number of identified staff	8	7	36	17
2	<b>Total fixed remuneration</b>	<b>1,3</b>	<b>7,8</b>	<b>17,3</b>	<b>5,2</b>
3	Of which: cash-based	1,3	7,6	16,9	4,8
4	(Not applicable in the EU)	x	x	x	x
EU-4a	Fixed remuneration				
	Of which: shares or equivalent ownership interests	-	-	-	-
5	Of which: share-linked instruments or equivalent non-cash instruments	-	-	-	-
EU-5x	Of which: other instruments	-	-	-	-
6	(Not applicable in the EU)	x	x	x	x
7	Of which: other forms	0,0	0,2	0,4	0,4
8	(Not applicable in the EU)	x	x	x	x
9	Number of identified staff	8	7	36	17
10	<b>Total variable remuneration</b>	<b>-</b>	<b>5,3</b>	<b>4,0</b>	<b>1,0</b>
11	Of which: cash-based	-	2,7	2,1	1,0
12	Of which: deferred	-	1,6	0,8	-
EU-13a	Of which: shares or equivalent ownership interests	-	-	-	-
EU-14a	Of which: deferred	-	-	-	-
EU-13b	Variable remuneration *				
	Of which: share-linked instruments or equivalent non-cash instruments	-	2,7	1,9	-
EU-14b	Of which: deferred	-	1,6	0,8	-
EU-14x	Of which: other instruments	-	-	-	-
EU-14y	Of which: deferred	-	-	-	-
15	Of which: other forms	-	-	-	-
16	Of which: deferred	-	-	-	-
<b>17</b>	<b>Total remuneration (2 + 10)</b>	<b>1,3</b>	<b>13,1</b>	<b>21,3</b>	<b>6,2</b>

The table shows the salaries of people employed as at 31 December 2022. They do not include benefits from the Company Social Benefits Fund.

\* This report has been supplemented, in relation to the report as at December 31, 2022, with the value of variable remuneration for 2022, which was awarded and approved in accordance with the Remuneration Policy after the date of publication of the annual report.

**EU REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)**

PLN m

	a	b	c	d	e	f	g	h	i	j
	Management body remuneration			Business areas						
	MB Supervisory function	MB Management function	Total MB	Investment banking *	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
<b>1</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>68</b>
2	8	7	15	x	x	x	x	x	x	x
3	x	x	x	2	7	1	11	15	-	x
4	x	x	x	1	4	1	1	10	-	x
<b>5</b>	<b>1,3</b>	<b>13,1</b>	<b>14,4</b>	<b>2,0</b>	<b>5,2</b>	<b>1,3</b>	<b>7,4</b>	<b>11,6</b>	<b>-</b>	<b>x</b>
6	-	5,3	5,3	0,4	0,9	0,3	1,4	2,0	-	x
7	1,3	7,8	9,1	1,6	4,3	1,0	6,0	9,6	-	x

The table shows the salaries of people employed as at 31 December 2022.

\* Investment and corporate banking

\*\* This report has been supplemented, in relation to the report as at December 31, 2022, with the value of variable remuneration for 2022, which was awarded and approved in accordance with the Remuneration Policy after the date of publication of the annual report.

## Management Board's statement

The Management Board of Alior Bank SA hereby declares that the arrangements described in the Report are adequate to the facts, and the risk management systems used are appropriate from the point of view of the risk profile and strategy of the Alior Bank SA Group.