

Risk management

2024 – 1st Quarter

atb

liquidity gap

A. Assets	Instant	1 - 7 days	8 -30 days	1 - 3 months	3 - 6 months	6 - 9 months	9 - 12 months	1 - 2 years	2 - 5 years	More than 5 years	Total
1. Cash (in safes, ATMs, currency exchange offices, on the road)	23.161	-	-	-	-	-	-	-	-	-	23.161
2. Requirements to CBA (statutory reserve fund or correspondent accounts)	120.357	-	-	-	-	-	-	-	-	85.671	206.029
3. Nostro accounts	46.808	-	-	-	-	-	-	-	-	1.754	48.562
4. Short-term financial instruments of the interbank market (up to 7 days, including the 7th day)	-	-	-	-	-	-	-	-	-	-	-
5. Deposits to financial institutions, including banks, total	-	322.245	-	-	22.950	25.500	12.254	-	-	-	382.949
6. On reverse REPO transactions	-	4.454	80	-	-	-	-	-	-	-	4.535
7. Investments in securities, including pledged securities	-	7.798	-	5.314	5.379	8.862	1.038	16.175	23.159	-	67.724
8. Securities for trading, including pledged securities	-	-	-	-	-	-	-	-	-	-	-
9. Loans to banks, excluding short-term financial instruments of the interbank market on line 4	-	-	1.700	3.400	-	1.700	1.700	-	-	-	8.500
10. Loans to other financial institutions, excluding short-term financial instruments on line 4	-	-	-	-	-	-	-	-	-	-	-
11. Loans to customers	43	1.920	6.466	17.945	26.832	27.547	41.242	130.322	249.866	172.226	674.410
12. Fixed assets with the deduction of depreciation (including fixed assets not used in banking)	-	-	-	-	-	-	-	-	-	13.264	13.264
13. Investments and financial participation in unincorporated companies	-	-	-	-	-	-	-	-	-	402	402
14. Intangible assets	-	-	-	-	-	-	-	-	-	5.753	5.753
15. Other assets	-	-	21.405	3.473	10.827	-	-	818	-	37	36.559
16. (-) Provisions for potential losses on assets	-	-	-	-	-	-	-	-	-	13.315	13.315
17. Total assets	190.369	336.417	29.651	30.132	65.988	63.609	56.234	147.315	273.025	265.791	1.458.532

liquidity gap

B. Liabilities and equity	Instant	1 - 7 days	8 -30 days	1 - 3 months	3 - 6 months	6 - 9 months	9 - 12 months	1 - 2 years	2 - 5 years	More than 5 years	Total
1. Deposits (excluding banks and other financial institutions), total	387.583	2.498	517	1.774	56.094	51.849	229.212	19.799	162.851	-	912.177
2. CBA loans	-	-	-	-	-	-	95	-	-	-	95
3. Loro accounts (bank correspondent accounts)	216.047	-	-	-	-	-	-	-	-	-	216.047
4. On REPO operations	-	14.954	-	-	-	-	-	-	-	-	14.954
5. Earned short-term financial instruments of the interbank market (up to 7 days, including the 7th day)	-	-	-	-	-	-	-	-	-	-	-
6. Deposits of banks and other financial institutions	-	1.530	-	300	2.350	800	6.050	510	-	-	11.540
7. Loans drawn from banks (with a term of more than 7 days)	-	-	-	-	-	-	-	-	-	-	-
8. Loans drawn from other financial institutions, including international organizations	-	-	-	-	-	-	278	110	3.309	179.432	183.129
9. Loans and deposits of central administration bodies	-	-	-	-	-	-	-	600	-	-	600
10. Loans and deposits of municipalities	-	-	-	-	-	-	-	-	-	-	-
11. Mortgage loans drawn by the bank for own reserves	-	-	-	-	-	-	-	-	-	-	-
12. Subordinated debt and other similar debt obligations issued by the bank, including maturity preference shares	-	-	-	-	-	-	-	-	-	-	-
13. Other liabilities	-	-	356	21.463	-	-	5.660	-	-	-	27.479
14. Equity	-	-	-	-	-	-	-	-	-	92.509	92.509
15. Total liabilities (liabilities plus equity)	603.630	18.982	873	23.538	58.444	52.649	241.294	21.019	166.160	271.941	1.458.532

Liquidity Gap	(413.262)	317.435	28.778	6.595	7.544	10.960	(185.060)	126.296	106.865	(6.150)
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liquidity gap – foreign currency

	with a thousand manats				
Financial Assets and Liabilities	TOTAL	MANAT	USD	EURO	Other
Assets	1.458.532	667.002	611.749	104.432	75.348
Cash and cash equivalents	23.161	15.509	5.234	1.771	647
Nostro accounts	48.562	-	3.195	5.264	40.102
Requirements to CBA	206.029	40.387	164.821	821	-
Deposits of the bank	382.949	64.000	187.775	96.576	34.599
Securities	67.724	47.336	20.387	-	-
Loans and leases granted to customers	674.410	457.053	217.357	-	-
Loan financial instruments granted to credit organizations and other financial institutions	8.500	-	8.500	-	-
Derivative financial instruments	-	-	-	-	-
Short-term financial instruments	4.535	4.535	-	-	-
Other assets	42.715	37.504	5.211	-	-
Fixed assets (subtracting depreciation)	13.264	13.264	-	-	-
(subtr. target reserves to cover possible losses on assets)	13.315	12.586	729	-	-
Liabilities	1.366.023	586.724	620.143	105.241	53.916
Requirements of the Central Bank and other organizations to the bank	95	95	-	-	-
Funds attracted from credit organizations and other financial institutions	426.271	204.846	141.481	35.354	44.590
Customer deposits	912.177	360.906	472.758	69.214	9.298
a) demand deposits	569.367	254.549	236.306	69.214	9.298
b) term deposits	342.810	106.358	236.452	-	-
Subordinated liabilities	-	-	-	-	-
Debt securities	-	-	-	-	-
Other liabilities	27.479	20.876	5.903	673	27
Balance capital	92.509	92.509	-	-	-
Open currency position ratio	Expression in %				
Aggregate OCP for free floating currency	1,80				
Aggregate OCP for closed currency	0,06				

interest rate risk sensitivity classification

Assets	
0-3 months	371.365
3-6 months	55.161
6-12 months	119.843
12-24 months	146.497
24-36 months	120.806
more than 36 months	310.042

GAP	
0-3 months	301.367
3-6 months	(3.283)
6-12 months	(168.440)
12-24 months	125.478
24-36 months	29.587
more than 36 months	55.669

Liabilities	
0-3 months	69.999
3-6 months	58.444
6-12 months	288.283
12-24 months	21.019
24-36 months	91.219
more than 36 months	254.374

Cumulative GAP	
0-3 months	301.367
3-6 months	298.084
6-12 months	129.643
12-24 months	255.121
24-36 months	284.708
more than 36 months	340.377

loan portfolio quality

with a thousand manats

Loan portfolio distribution by sector	General	Principal amount due													
		Current	Overdue days												
			1-30 days	31-60 days	61-90 days	91-120 days	121-150 days	151-180 days	181-210 days	211-240 days	241-270 days	271-300 days	301-330 days	331-365 (366) days	1 year or more
Loan portfolio, incl.	674.410	647.661	12.346	2.862	944	730	697	693	508	548	487	543	528	502	5.360
Business	252.820	249.674	1.047	585	3	-	-	127	-	-	-	-	-	-	1.384
Consumption	238.675	216.827	9.968	2.226	844	730	697	566	508	548	487	543	528	502	3.701
Real estate	182.914	181.159	1.332	52	96	-	-	-	-	-	-	-	-	-	275
Other loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

collateral distribution

with a thousand manats

Loan portfolio distribution by sector	Overall	Unfunded	Secured with cash	Secured by gold	Secured by real estate	Secured by movable property	Secured by another source	Secured by guarantees	Secured by derivative financial instruments
Loan portfolio, incl.	674.410	239.097	221.804	177	212.176	-	466	690	-
Business	252.820	9.758	212.978	177	28.907	-	310	690	-
Consumption	238.675	229.339	8.826	-	355	-	155	-	-
Real estate	182.914	-	-	-	182.914	-	-	-	-
Other loans	-	-	-	-	-	-	-	-	-

loan classification

with a thousand manats

	Amount	Specific weight in total loan portfolio	Common reserves created	Share of the common reserves created in the loan portfolio (percent)	Target reserves created	Share of the target reserves created in the loan portfolio (percent)
1. Total loan portfolio, including	674.410		4.446	0,66%	10.982	1,63%
1.1 Standard loans	427.100	63,3%	4.446	0,66%		
Pass loans	422.507	62,6%	4.206	0,62%		
Supervised loans	4.594	0,7%	188	0,03%		
Additional risk loans	-	0,0%	52	0,01%		
1.2 Non-prime loans	14.830	2,2%			10.982	1,63%
Unsatisfactory	4.264	0,6%			968	0,14%
Dangerous	738	0,1%			369	0,05%
Hopeless	9.829	1,5%			9.646	1,43%
1.3 Non-reserve loans	232.479	34,5%				

hedging instruments

instruments used to prevent risks on foreign currency (hedging instruments)

Applied hedging instruments (swap, forward, option, etc.)	10.200
Data on which currencies are involved on each instrument	AZN/USD

Hedging instruments:

ATB employs SWAP and FORWARD instruments to prevent foreign currency risks

SWAP is a bank agreement of two mutual conversion transactions of the same amount. The bank receives a certain currency from the client (while converting it to another), and returns it to the client in the original currency after the agreed period.

An option is an obligation to transact securities and currencies at a specified price before a future date. Option is an OTC (off-exchange) contract between two parties. The option is agreed between the Buyer and the Seller, while the exchange acts as a guarantor for both parties.

large loan

amount of large loan claims and its ratio to total capital	
Amount of large loan claims*	Large loan claims to capital ratio (in %)
265.921	307%

* A large loan claim is a loan claim to one borrower or a group of related borrowers which exceeds 10 (ten) percent of the banks Tier I capital after deductions according to the 'Rules on regulating loan risks on one borrower or a group of related borrowers'.

classification of fixed and variable interest rate assets and liabilities

with a thousand manats

Asset items	At fixed interest rate	At variable interest rate	Interest free
1. Cash (in safes, ATMs, currency exchange offices, on the road)	0	0	23.161
2. Requirements to CBA (statutory reserve fund or correspondent accounts)	0	0	206.029
3. Nostro accounts	0	0	175.351
a) To resident banks	0	0	228
b) To non-resident banks	0	0	175.123
4. Short-term financial instruments of the interbank market (up to 7 days, including the 7th day)	0	0	0
5. Deposits to financial institutions, including banks, total	382.949	0	0
a) To resident financial institutions	76.164	0	0
a1) undue deposits	76.164	0	0
a2) due deposits	0	0	0
b) To non-resident financial institutions	306.785	0	0
b1) undue deposits	306.785	0	0
b2) due deposits	0	0	0
6. On reverse REPO transactions	4.535	0	0
7. Investments in securities, including pledged securities	67.724	0	0
8. Securities for trading, including pledged securities	0	0	0
9. Loans to banks, excluding short-term financial instruments of the interbank market on line 4	8.500	0	0
a) current loans	8.500	0	0
a1) to resident banks	0	0	0
a2) to non-resident banks	8.500	0	0
b) overdue loans	0	0	0
b1) to resident banks	0	0	0
b2) to non-resident banks	0	0	0

classification of fixed and variable interest rate assets and liabilities

with a thousand manats

Asset items	At fixed interest rate	At variable interest rate	Interest free
10. Loans to other financial institutions, excluding short-term financial instruments on line 4	0	0	0
a) current loans	0	0	0
a1) to resident banks	0	0	0
a2) to non-resident banks	0	0	0
b) overdue loans	0	0	0
b1) resident	0	0	0
b2) non-resident	0	0	0
11. Loans to customers	660.007	0	0
a) current loans	660.007	0	0
b) overdue loans	0	0	0
12. Fixed assets with the deduction of depreciation (including fixed assets not used in banking)	0	0	0
13. Investments and financial participation in unincorporated companies	0	0	0
14. Intangible assets	0	0	0
15. Other assets	0	0	36.559
16. (-) Provisions for potential losses on assets	0	0	0
17. Total assets	1.123.715	0	441.100

classification of fixed and variable interest rate assets and liabilities

with a thousand manats

Asset items	At fixed interest rate	At variable interest rate	Interest free
1. Deposits (excluding banks and other financial institutions), total	573.019	0	339.158
a) demand deposits of natural persons	48.425	0	81.683
b) demand deposits of legal entities (including all current (including current accounts of non-bank financial institutions) and checking accounts)	181.784	0	257.475
c) undue term deposits of natural persons	90.540	0	0
d) undue term deposits of legal entities	252.270	0	0
e) due term deposits of natural persons	0	0	0
f) due term deposits of legal entities	0	0	0
2. CBA loans	95	0	0
3. Loro accounts (bank correspondent accounts)	0	0	216.047
a) Resident banks	0	0	108.263
b) Non-resident banks	0	0	107.785
4. On REPO operations	14.954	0	0
5. Earned short-term financial instruments of the interbank market (up to 7 days, including the 7th day)	0	0	0
6. Deposits of banks and other financial institutions	11.540	0	0
a) Resident financial institutions	10.010	0	0
b) Non-resident financial institutions	1.530	0	0
7. Loans drawn from banks (with a term of more than 7 days)	0	0	0
a) Resident banks	0	0	0
b) Non-resident banks	0	0	0
8. Loans drawn from other financial institutions, including international organizations	183.129	0	0
9. Loans and deposits of central administration bodies	600	0	0
10. Loans and deposits of municipalities	0	0	0
11. Mortgage loans drawn by the bank for own reserves	0	0	0
12. Subordinated debt and other similar debt obligations issued by the bank, including maturity preference shares	0	0	0
13. Other liabilities	0	0	0
14. Equity	0	0	0
15. Total liabilities (liabilities plus equity)	783.338	0	555.205