

# Risk management

2024 – IV<sup>th</sup> 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)	26.660	-	-	-	-	-	-	-	-	-	26.660
2. Requirements to CBA (statutory reserve fund or correspondent accounts)	88.822	-	-	-	-	-	-	-	-	83.620	172.442
3. Nostro accounts	10.902	-	-	-	-	-	-	-	-	1.719	12.621
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	-	762.714	55.590	22.950	22.740	-	1.700	-	-	-	865.694
6. On reverse REPO transactions	-	-	-	-	-	-	-	-	-	-	-
7. Investments in securities, including pledged securities	-	-	1.000	5.940	3.435	4.246	11.171	56.120	59.107	-	141.018
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	5.100	-	1.700	-	-	-	8.500
10. Loans to other financial institutions, excluding short-term financial instruments on line 4	-	-	-	-	-	-	-	-	-	-	-
11. Loans to customers	16	224	6.535	23.103	86.653	46.469	70.717	152.150	229.288	184.736	799.893
12. Fixed assets with the deduction of depreciation (including fixed assets not used in banking)	-	-	-	-	-	-	-	-	-	16.480	16.480
13. Investments and financial participation in unincorporated companies	-	-	-	-	-	-	-	-	-	1.741	1.741
14. Intangible assets	-	-	-	-	-	-	-	-	-	6.435	6.435
15. Other assets	-	-	16.029	2.358	12.253	-	-	15.959	-	37	46.635
16. (-) Provisions for potential losses on assets	-	-	-	-	-	-	-	-	-	13.792	13.792
17. Total assets	126.400	762.939	79.154	56.051	130.181	50.715	85.288	224.229	288.395	280.976	2.084.327

## 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	1.062.220	39.100	433	29.780	10.240	5.079	73.630	13.021	226.463	-	1.459.966
2. CBA loans	-	-	-	-	-	-	-	-	-	-	-
3. Loro accounts (bank correspondent accounts)	178.797	-	-	-	-	-	-	-	-	-	178.797
4. On REPO operations	-	-	1.800	-	-	-	-	-	-	-	1.800
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	-	93.091	2.938	5.250	-	1.850	1.468	-	-	-	104.597
7. Loans drawn from banks (with a term of more than 7 days)	-	-	-	-	-	-	-	-	-	-	-
8. Loans drawn from other financial institutions, including international organizations	-	-	28	-	-	-	65	215	3.196	188.038	191.541
9. Loans and deposits of central administration bodies	-	-	-	-	-	-	-	-	-	-	-
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	-	-	1.073	33.234	-	-	6.550	-	-	-	40.856
14. Equity	-	-	-	-	-	-	-	-	-	106.770	106.770
<b>15. Total liabilities (liabilities plus equity)</b>	<b>1.241.017</b>	<b>132.191</b>	<b>6.272</b>	<b>68.264</b>	<b>10.240</b>	<b>6.929</b>	<b>81.713</b>	<b>13.236</b>	<b>229.659</b>	<b>294.808</b>	<b>2.084.327</b>

<b>Liquidity Gap</b>	<b>(1.114.617)</b>	<b>630.748</b>	<b>72.883</b>	<b>(12.212)</b>	<b>119.941</b>	<b>43.786</b>	<b>3.575</b>	<b>210.993</b>	<b>58.736</b>	<b>(13.832)</b>
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## liquidity gap – foreign currency

with a thousand manats

<b>Financial Assets and Liabilities</b>	<b>TOTAL</b>	<b>MANAT</b>	<b>USD</b>	<b>EURO</b>	<b>Other</b>
Assets	2,084.327	1,081.687	811.592	126.160	64.888
Cash and cash equivalents	26.660	19.340	5.327	1.820	173
Nostro accounts	12.621	28	5.329	3.908	3.356
Requirements to CBA	172.442	63.899	45.797	62.746	-
Deposits of the bank	865.694	305.100	441.631	57.603	61.360
Securities	141.018	62.190	78.829	-	-
Loans and leases granted to customers	799.893	581.512	218.297	83	-
Loan financial instruments granted to credit organizations and other financial institutions	8.500	-	8.500	-	-
Derivative financial instruments	-	-	-	-	-
Short-term financial instruments	-	-	-	-	-
Investments and financial participation in unincorporated companies	1.741	510	1.231	-	-
Other assets	53.070	46.174	6.897	-	-
Fixed assets (subtracting depreciation)	16.480	16.480	-	-	-
(subtr. target reserves to cover possible losses on assets)	13.792	13.546	246	-	-
<b>Liabilities</b>	<b>1.977.557</b>	<b>968.096</b>	<b>817.693</b>	<b>127.374</b>	<b>64.394</b>
Requirements of the Central Bank and other organizations to the bank	-	-	-	-	-
Funds attracted from credit organizations and other financial institutions	476.735	202.672	172.194	50.592	51.277
Customer deposits	1,459.966	732.156	638.346	76.371	13.092
a) demand deposits	1,062.220	569.477	403.280	76.371	13.092
b) term deposits	397.746	162.680	235.066	-	-
Subordinated liabilities	-	-	-	-	-
Debt securities	-	-	-	-	-
Other liabilities	40.856	33.268	7.153	411	25
<b>Balance capital</b>	<b>106.770</b>	<b>106.770</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Open currency position ratio</b>	<b>Expression in %</b>				
Aggregate OCP for free floating currency	(4,8)				
Aggregate OCP for closed currency	0,2				

## interest rate risk sensitivity classification

Assets	
0-3 months	879.773
3-6 months	117.928
6-12 months	136.003
12-24 months	208.270
24-36 months	172.524
more than 36 months	285.688

GAP	
0-3 months	437.796
3-6 months	107.688
6-12 months	53.911
12-24 months	195.034
24-36 months	163.958
more than 36 months	(123.442)

Liabilities	
0-3 months	441.977
3-6 months	10.240
6-12 months	82.092
12-24 months	13.236
24-36 months	8.566
more than 36 months	409.131

Cumulative GAP	
0-3 months	437.796
3-6 months	545.485
6-12 months	599.396
12-24 months	794.430
24-36 months	958.388
more than 36 months	834.945

## 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
<b>Loan portfolio, incl.</b>	799.893	774.950	10.024	2.312	1.144	960	829	693	1.129	805	644	711	766	399	4.527
<b>Business</b>	311.817	309.023	692	56	20	8	19	26	538	-	-	-	486	-	948
<b>Consumption</b>	295.434	274.622	8.385	2.176	1.052	952	810	667	590	805	644	659	280	399	3.394
<b>Real estate</b>	192.642	191.304	947	80	73	-	-	-	-	-	-	52	-	-	186
<b>Other loans</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

## 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
<b>Loan portfolio, incl.</b>	799.893	293.148	268.002	161	232.948	200	5.434	-	-
<b>Business</b>	311.817	9.171	257.005	161	39.968	200	5.311	-	-
<b>Consumption</b>	295.434	283.976	10.997	-	338	-	122	-	-
<b>Real estate</b>	192.642	-	-	-	192.642	-	-	-	-
<b>Other loans</b>	-	-	-	-	-	-	-	-	-

## 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)
<b>1. Total loan portfolio, including</b>	799.893		5.303	0,66%	11.522	1,44%
<b>1.1 Standard loans</b>	506.777	63,4%	5.303	0,66%		
Pass loans	501.126	62,6%	5.050	0,63%		
Supervised loans	5.651	0,7%	203	0,03%		
Additional risk loans	-	0,0%	50	0,01%		
<b>1.2 Non-prime loans</b>	16.752	2,1%			11.522	1,44%
Unsatisfactory	6.075	0,8%			1.259	0,16%
Dangerous	865	0,1%			702	0,09%
Hopeless	9.811	1,2%			9.561	1,20%
<b>1.3 Non-reserve loans</b>	276.364	34,6%				



## hedging instruments

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

Applied hedging instruments (swap)	13.600
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 %)
291.550	295%

\* 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	26.660
2. Requirements to CBA (statutory reserve fund or correspondent accounts)	0	0	172.442
3. Nostro accounts	0	0	12.621
a) To resident banks	0	0	164
b) To non-resident banks	0	0	12.457
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	865.694	0	0
a) To resident financial institutions	308.840	0	0
a1) undue deposits	308.840	0	0
a2) due deposits	0	0	0
b) To non-resident financial institutions	556.854	0	0
b1) undue deposits	556.854	0	0
b2) due deposits	0	0	0
6. On reverse REPO transactions	0	0	0
7. Investments in securities, including pledged securities	141.018	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	784.974	0	0
a) current loans	784.974	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	46.635
16. (-) Provisions for potential losses on assets	0	0	0
<b>17. Total assets</b>	<b>1.800.187</b>	<b>0</b>	<b>258.358</b>

## 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	561.894	0	898.072
a) demand deposits of natural persons	48.170	0	98.058
b) demand deposits of legal entities (including all current (including current accounts of non-bank financial institutions) and checking accounts)	115.978	0	800.014
c) undue term deposits of natural persons	66.899	0	0
d) undue term deposits of legal entities	330.847	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	0	0	0
3. Loro accounts (bank correspondent accounts)	105.409	0	73.388
a) Resident banks	105.409	0	6.583
b) Non-resident banks	0	0	66.805
4. On REPO operations	1.800	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	104.597	0	0
a) Resident financial institutions	94.806	0	0
b) Non-resident financial institutions	9.791	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	191.541	0	0
9. Loans and deposits of central administration bodies	0	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
<b>15. Total liabilities (liabilities plus equity)</b>	<b>965.241</b>	<b>0</b>	<b>971.460</b>