



**Basel 3 Pillar 3**  
**NBS decree 16/2014**  
**and Part Eight of Regulation (EU) No. 575/2013**  
Disclosure as at 31 March 2018

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## **1. Introduction**

The purpose of the Third pillar of Basel 3, "market discipline", is to complement the minimum capital requirements (Pillar 1) and the supervisory review process (Pillar 2), by encouraging market discipline through the development of a set of disclosure requirements that will allow market participants to assess key pieces of information on the scope of application, regulatory capital, risk exposures, risk assessment processes, and therefore the capital adequacy of the institution. Such disclosures have particular relevance under the new framework introduced by Basel 3, where reliance on internal methodologies gives banks more discretion in assessing capital requirements.

The procedures to be adopted by Slovak banks or banking groups when disclosing information (referred to in brief as Pillar 3) to the public have been laid down by the National Bank of Slovakia Decree 16/2014. This document includes the disclosures set by the Regulation (EU) no. 575/2013 of the European Parliament and of the Council.

All amounts, unless otherwise indicated, are presented in thousands of euro ('€'). Negative values are presented in brackets.

Disclosures that do not contain any information because they do not apply to the VUB Group are not published.

The VUB Group publishes this disclosure (Basel 3 Pillar 3) and subsequent updates on its Internet site at the address [www.vub.sk](http://www.vub.sk).

## 2. Requirements according to the National Bank of Slovakia Decree 16/2014 as amended

### 2.1 Information about VUB Group

Všeobecná úverová banka, a.s. ('the Bank' or 'VUB') provides retail and commercial banking services. The Bank is domiciled in the Slovak Republic with its registered office at Mlynské nivy 1, 829 90 Bratislava 25 and has the identification number (IČO) 313 20 155.

The consolidated financial statements comprise the Bank and its subsidiaries (together referred to as 'the VUB Group' or 'the Group') and the Group's interest in associates and joint ventures.

#### Organization Chart of the bank<sup>1</sup>

##### Supervisory Board

- 0110 Internal Audit

##### Management Board

##### Governance Centre CEO

- 0170 PR and Marketing Communication
- 0190 HR & Organization
- 220 VUB CR Prague Branch
- 03 Corporate and SME
  - 0330 Small and Medium Enterprises
  - 0340 Multinational Clients
  - 0360 Domestic Corporates & Institutional Client
  - 0370 Financial Institutions and Sales
  - 0310 Corporate Banking products
- 04 Retail
  - 0410 CRM & Client analysis
  - 0420 Small Business
  - 0430 Customer Satisfaction
  - 0460 Affluent clients
  - 0440 Mass clients
  - 0470 Channel Integration
  - 0480 Private Banking
  - 0490 Multichannel

##### Governance Centre CEO Deputy

- 0130 Security & BCM
- 0150 AML
- 0160 Compliance
- 0180 Legal
- 05 Chief financial officer
  - 0560 Research
  - 0520 Accounting
  - 0580 Treasury and ALM
  - 0540 Procurement
  - 0550 Planning and Control
- 06 Chief operating officer
  - 0611 Real Estate & Corporate Services
  - 0621 Data & Warehousing Applications
  - 0631 Infrastructure & Telecommunications
  - 0641 Demand Management
  - 0650 Back office & Payments
  - 0661 Multi channels & CRM applications
  - 0671 Core banking applications
  - 0681 ICT Applications architecture
  - 0690 IT & Operations Quatro
- 07 Risk Management
  - 0720 Internal Validation and Controls
  - 0730 Enterprise Risk Management
  - 0740 Corporate and Retail Underwriting
  - 0770 Recovery

<sup>1</sup> NBS decree 16/2014, §1, section 1a)

- 0790 Policy and Methodology
- 08 Quatro
  - 0810 Product Management
  - 0820 Network Management

**Headcount**

Total number of employees:	3,821
thereof Managers:	513
Members of the Management Board:	7

**Date of registration in the Companies Register<sup>2</sup>**

1.1.1990 - Registration in the Public Companies Register  
1.4.1992 - Registration in the Companies Register

**Bank license issued**

1.1.1990 – for VUB, Inc.

**Commencement date of the execution of licensed banking activities**

1.1.1990

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<sup>2</sup> NBS decree 16/2014, §1, section 1b)

**List of business activities according to the bank license<sup>3</sup>**

*In compliance with § 2 of the Banking Act No 483/2001, the bank, except of acceptance of deposits and provision of loans, may carry on the following banking activities;*

1. provision of payment services and settlement;
2. investments in securities on Bank's behalf, provision of the investment services, activities and supporting business
3. trading on the bank's own account:
  - a) with money market financial instruments in EUR and foreign currency, with gold, including exchange operations;
  - b) with capital market financial instruments in EUR and foreign currency;
  - c) in precious metal coins, commemorative bank notes and coins, bank note sheets and circulating coin sets;
4. management of client's receivable on the client's account, including related advisory services;
5. financial leasing;
6. provision of guarantees, opening and validation of Letters of Credit;
7. providing advisory services in commercial matters;
8. issuance of securities, participation in issuance of securities, and provision of related services;
9. financial mediation services;
10. things deposit;
11. lease of safe deposit boxes;
12. provision of banking information;
13. special mortgage business under Section § 67 art. 1 of the Banking Act;
14. depositary duty pursuant to specific regulations;
15. managing banknotes and coins;
16. issuing and administration of electronic money.

*In compliance with § 79a section 1 and in connection with § 6 section 1 and 2 of the Act No. 566/2001 Coll. On securities and investment services provision of the investment services, activities and ancillary services to the following extent:*

- (i) reception and transmission of client's order regarding one or several financial instruments related to financial instruments:
  - a) transferable securities;
  - b) Money Market instruments;
  - c) fund shares or securities issued by foreign collective investment undertakings;
  - d) options, futures, swaps, forwards and other derivatives related to securities, currencies, interest rates or incomes, or other derivatives instruments, financial indices or financial rates, that may be settled upon delivery or in cash;
  - e) options, swaps and forwards related to commodities, that must be settled in cash or may be settled in cash based on the option of one of the counterparties; it is not applicable if the settlement is due to a default or another event resulted in agreement termination;
  - f) options and swaps related to commodities, that may be settled in cash, if traded in a controlled market or in multilateral trading system;
  - g) options, swaps and forwards related to authorizations to issues, inflation rates, that must be settled in cash or may be settled in cash at the option of one of the parties (it is not applicable if the settlement is due to a default or another event resulted in agreement termination),
- (ii) execution of client's instruction related to financial instrument on his/her account:
  - a) transferable securities;
  - b) Money Market instruments;
  - c) fund shares or securities issued by foreign collective investment undertakings
  - d) options, futures, swaps, forwards and other derivatives related to securities, currencies, interest rates or incomes, or other derivatives instruments, financial indices or financial rates, that may be settled upon delivery or in cash;
  - e) options, swaps and forwards related to commodities, that must be settled in cash or may be settled in cash based on the option of one of the counterparties; it is not applicable if the settlement is due to a default or another event resulted in agreement termination;
  - f) options, and swaps related to commodities, that may be settled in cash, if traded in a controlled market or in multilateral trading system;
  - g) options, swaps and forwards related to authorizations to issues, inflation rates, that must be settled in cash or may be settled in cash at the option of one of the parties (it is not applicable if the settlement is due to a default or another event resulted in agreement termination),
- (iii) trading on Bank's account related to financial instruments:
  - a) transferable securities;
  - b) Money Market instruments;
  - c) fund shares or securities issued by foreign collective investment undertakings;

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<sup>3</sup> NBS decree 16/2014, §1, section 1c)

- d) options, futures, swaps, forwards and other derivatives related to securities, currencies, interest rates or incomes, or other derivatives instruments, financial indices or financial rates, that may be settled upon delivery or in cash;
  - e) options, swaps and forwards related to commodities, that must be settled in cash or may be settled in cash based on the option of one of the counterparties; it is not applicable if the settlement is due to a default or another event resulted in agreement termination;
  - f) options and swaps related to commodities, that may be settled in cash, if traded in a controlled market or in multilateral trading system;
  - g) options, swaps and forwards related to authorizations to issues, inflation rates, that must be settled in cash or may be settled in cash at the option of one of the parties (it is not applicable if the settlement is due to a default or another event resulted in agreement termination);
- (iv) portfolio management related to financial instruments:
- a) transferable securities;
  - b) Money Market instruments;
  - c) fund shares or securities issued by foreign collective investment undertakings;
  - d) options, futures, swaps, forwards and other derivatives related to securities, currencies, interest rates or incomes, or other derivative instruments, financial indices or financial measures that may be settled upon delivery or in cash;
- (v) investment Counselling related to financial instruments:
- a) transferable securities;
  - b) Money Market instruments;
  - c) fund shares or securities issued by foreign collective investment undertakings;
- (vi) underwriting and placing of financial instruments based on firm commitment related to financial instruments:
- a) transferable securities,
  - b) fund shares or securities issued by foreign collective investment undertakings,
- (vii) placing of financial instruments without firm commitment related to financial instruments:
- a) transferable securities,
  - b) Money Market instruments,
  - c) fund shares or securities issued by foreign collective investment undertakings,
- (viii) safekeeping and management of financial instruments procured on client's account, including custody management, and related services, primarily management of funds and financial collaterals related to financial instruments:
- a) transferable securities,
  - b) Money Market instruments,
  - c) fund shares or securities issued by foreign collective investment undertakings,
- (ix) granting the borrowings and loans to investor and arranging performance of deal involving one or several financial instruments, if the Lender or the Creditor is engaged in the deal;
- (x) counselling related to capital structures and business strategy and providing advisory and services associated with company's merger, amalgamation, change, split or purchase;
- (xi) executing deals with Foreign Currency, if related to investment services;
- (xii) performing investment survey and financial analysis or other form of recommendation related to deals with financial instruments;
- (xiii) services associated with financial instruments' underwriting;
- (xiv) reception and transmission of client orders in relation to one or more financial instruments, execution of orders on behalf of clients, and dealing on own account, related to the underlying of the derivatives – forwards relating to emission allowances that must be settled in cash or may be settled at the option of one of the parties (otherwise than by reason of insolvency or other termination event) where these are connected to the provision of investment or ancillary services concerning abovementioned derivatives.

*Banking Supervision Decree No-169/2001 dated 9.2.2001*

- generation and distribution of heat, and distribution of electricity to the extent of the VÚB application

*Banking Supervision Decree No-192/2000 dated 11.2.2000*

- activities related to lease and management of real estate and non-residential premises to the extent of the VÚB application

*Banking Supervision Decree No-2057/2002 dated 3.1.2003*

- printing and enveloping of invoices, bank account statements, and distribution of letters to the bank's subsidiaries and clients through Slovak Post Office;
- procurement of services related to projects, information technologies, acquisition of computer equipment, applications, data processing, and services related to IT security on behalf of the bank's subsidiaries;
- arrangements in respect of certification of electronic signatures and issuance of PKI keys as an integral part of electronic banking services ensuring secure and incontestable data interchange between the bank and its client;
- bookkeeping on behalf of the bank's subsidiaries and subsidiaries thereof;
- provision of administrative support for the sale of products and provision of expert support and management of selected intermediaries concurrently monitoring and evaluating their obligations within the scope of the authorized banking activity – financial intermediation (Article 2 (2) (h) of the Act on Banks);
- provision of advisory services for activities in the field of administrative support, risk management, and treasury within the scope of the authorized banking activity - provision of business advisory services (Article 2 (2) (h) of the Act on Banks)

*Banking Supervision Decree No-UBD-1174/2003 dated 5.8.2003*

- preparation of financial and administrative agenda as well as personnel and salary related agenda for the subsidiaries

*Banking Supervision Decree No- OPK-11106-2/2009 dated 19.8.2009*

- mediation of entering into a license agreement on use of computer product VUB CryptoPlus by and between MONET+, a. s. and clients of VUB, a.s.

*Banking Supervision Decree No- OPK-7365-2/2009 dated 19.6.2009*

- keeping books of all mutual funds of the subsidiary VÚB Asset Management, správ. spol., a.s.

*Banking Supervision Decree No- UDK-057/2006/PAGP dated 21.8.2006*

- intermediation of the insurance as an insurance agent

*Banking Supervision Decree No ODT-5789/2014-3 dated 19.8.2014*, which amends the Decree No. UDK-057/2006/PAGP by extending it for providing of loans and providing of consumer loans.

**List of licensed but not conducted business activities<sup>4</sup>**

VUB Bank does not provide investment advisory services and portfolio management services.

**List of business activities conduct of which has been restricted, suspended or cancelled by the relevant authority<sup>5</sup>**

Non-performed activities have not been kept in Bank in the 1<sup>st</sup> quarter 2018.

**Quotation of the statement section of the lawful decision imposing a corrective measure during the calendar quarter<sup>6</sup>**

Non-performed activities have not been kept in Bank in the 1<sup>st</sup> quarter 2018.

**Quotation of the statement section of the lawful decision imposing a penalty during the calendar quarter<sup>7</sup>**

Non-performed activities have not been kept in Bank in the 1<sup>st</sup> quarter 2018.

The regularly updated individual and consolidated financial information about the bank<sup>8</sup> can be found on the following web page: <https://www.vub.sk/en/financial-indicators/information-about-bank-activities/>

<sup>4</sup> NBS decree 16/2014, §1, section 1d)

<sup>5</sup> NBS decree 16/2014, §1, section 1e)

<sup>6</sup> NBS decree 16/2014, §1, section 1f)

<sup>7</sup> NBS decree 16/2014, §1, section 1g)

<sup>8</sup> NBS decree 16/2014 §1, section 2 a-b)



**Aggregate amount of exposures classified in groups for VUB Bank as at 31 March 2018 <sup>9</sup>**

<b>Group defined in §1, sec.2</b>			<b>EUR thousand</b>
<b>Standard</b>	1. States and Central Banks	FVOCI	787,384
	1. States and Central Banks	Securities FVTPL	15,619
	2. Institutions	FVOCI	74,123
	2. Institutions	Securities FVTPL	900
	2. Institutions	Institutions	82,870
	3. Corporate clients	Securities AC	63,760
	3. Corporate clients	Purchased receivables	72,507
	3. Corporate clients	Specialized	681,380
	3. Corporate clients	Corporate clients	3,371,846
	4. Retail	Commercial loans	151,087
	4. Retail	Consumer loans	1,113,136
	4. Retail	Credit cards	144,519
	4. Retail	Mortgages	5,541,652
	4. Retail	Overdrafts	101,665
	5. Other	FVOCI	6,534
	5. Other	Other	15,593
6. Municipalities	Municipalities	126,625	
		<b>12,351,200</b>	
<b>Overdue not impaired</b>	2. Institutions	Institutions	42,836
	3. Corporate clients	Purchased receivables	40,387
	3. Corporate clients	Specialized	725
	3. Corporate clients	Corporate clients	28,358
	4. Retail	Commercial loans	25,721
	4. Retail	Consumer loans	100,836
	4. Retail	Credit cards	10,954
	4. Retail	Mortgages	126,711
	4. Retail	Overdrafts	16,579
	5. Other	Other	13
6. Municipalities	Municipalities	1,081	
		<b>394,201</b>	
<b>Non-performing</b>	3. Corporate clients	Purchased receivables	5,233
	3. Corporate clients	Specialized	64,508
	3. Corporate clients	Corporate clients	38,887
	4. Retail	Commercial loans	10,236
	4. Retail	Consumer loans	180,145
	4. Retail	Credit cards	38,863
	4. Retail	Mortgages	103,206
	4. Retail	Overdrafts	13,658
6. Municipalities	Municipalities	1	
		<b>454,737</b>	

The table above represents exposures of VUB Bank only.

<sup>9</sup> NBS decree 16/2014 §1, section 2c-e)

**Difference between assets and liabilities according to the estimated maturity<sup>10</sup>**

	EUR thousand			Total
	Less than 12 months	Over 12 months	Not specified	
Assets	2,016,037	822,104	12,103,986	14,942,127
Liabilities	(1,564,075)	(2,267,441)	(11,110,611)	(14,942,127)
Net liquidity position	451,962	(1,445,337)	993,375	-

**Information on ten major bank shareholders who possess at least a 5% share in the registered capital of a bank, and on the amount of their shares in the registered capital of a bank and in the voting rights in a bank<sup>11</sup>**

a) natural person: none

b) natural person – entrepreneur: none

c) legal person:

- |                                            |                                             |
|--------------------------------------------|---------------------------------------------|
| 1. name (trade name)                       | Intesa Sanpaolo Holding International S. A. |
| 2. legal form and registered office        | a joint – stock company, Luxembourg         |
| 3. identification and matriculation number | 0001000779; B 44318                         |
| 4. principal business activity             | acquisition of capital participations       |
| 5. share in the bank's registered capital  | 97.03%                                      |
| 6. share in the bank's voting rights       | 97.03%                                      |

d) municipality or higher territorial unit: none

e) National Property Fund of the Slovak Republic: does not hold minimum of 5% share

f) state authority: none

**Information on other shareholders not given on previous pages and on the amount of their shares in the registered capital of a bank<sup>12</sup>**

- |                                                 |        |
|-------------------------------------------------|--------|
| a) number of bank shareholders                  | 28,558 |
| b) total share in the bank's registered capital | 2.97%  |
| c) share in the voting rights in the bank       | 2.97%  |

<sup>10</sup> NBS decree 16/2014 §1, section 2f)

<sup>11</sup> NBS decree 16/2014 §1, section 5a-b)

<sup>12</sup> NBS decree 16/2014 §1, section 6a-c)

**Legal entity controlling VÚB, a.s.<sup>13</sup>**

Trade name	% share	Registered office	Company ID No.
Intesa Sanpaolo Holding International S.A.	97.03	35 Boulevard du Prince Henri, L-1724, Luxembourg, Luxembourg	B 44318

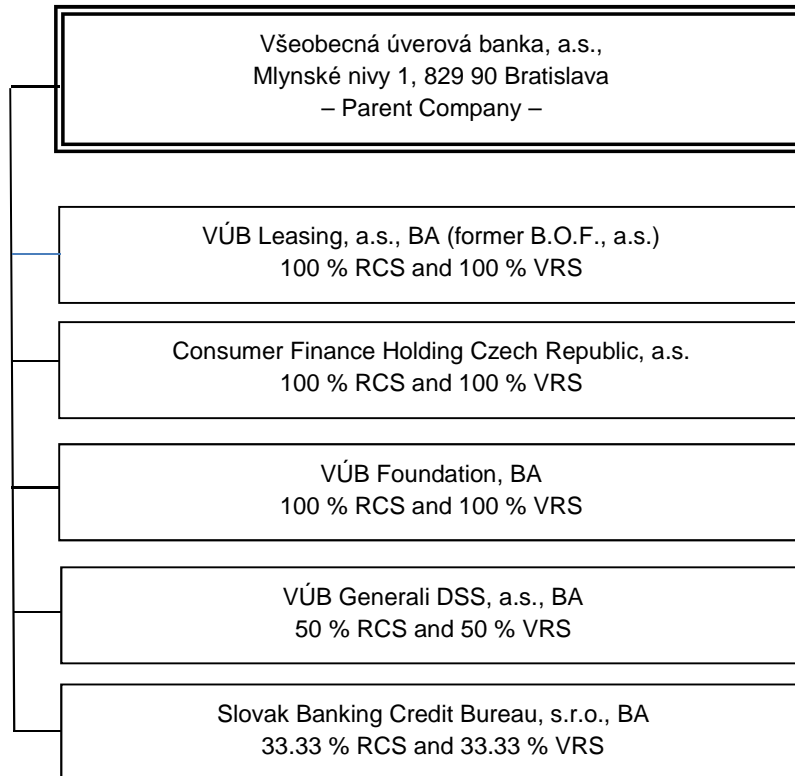
**Legal entities controlled by the shareholder controlling VÚB, a.s.**  
 (The Group of Intesa Sanpaolo Holding International S.A. Luxembourg)

Trade name	% share	Registered office	Company ID No.
Intesa Sanpaolo Bank Luxembourg	100.00	19-21 Boulevard du Prince Henri, L-1724 Luxembourg, (Luxembourg)	B 13859
Banca Intesa ad Beograd	100.00	Milentija Popovica 7b, 11070 Beograd, Serbia and Montenegro	7759231
Privredna Banka Zagreb d.d.	97.47	Rackoga 6, HR-10000 Zagreb, Croatia	MBS 080002817
Banca Intesa (Russia)	53.02	Bld, 2, Petroverigski per, Moscow, 101000 Russian Federation	7708022300
Intesa Sanpaolo Servitia S.A.	100.00	12, Avenue de la Liberté, L-1930 Luxembourg, Luxembourg	B 14241
Exelia S.r.l	100.00	Regione Brasov STR. Ionescu Crum N°1, Corp C2, Tower 2, Et.1.,Brasov,Romania	J08/821/2009
Intesa Sanpaolo Immobilière S.A	100.00	9, rue Goethe, L-1637 Luxembourg Luxembourg	B 55753
Intesa Sanpaolo Real Estate S.A	100.00	8, Avenue de la Liberté, L-1930 Luxembourg Luxembourg	B 62762
Intesa Sanpaolo House Immo S.A	100.00	12, Avenue de la Liberté, L-1930 Luxembourg Luxembourg	B 154021
Intesa Sanpaolo Harbourmaster III S.A.	100.00	8, Avenue de la Liberté, L-1930 Luxembourg Luxembourg	B210947

**Legal entity controlling Intesa Holding Sanpaolo International S.A. Luxembourg**

Trade name	% share	Registered office	Company ID No.
Intesa Sanpaolo S.p.A.	100.00	Piazza San Carlo 156, 10121 Torino, Italy	799960158

<sup>13</sup> NBS decree 16/2014 §1, section 7

**Chart of consolidated VUB Group**


RCS = Registered Capital Stake

VRS = Voting Right Share

**Share of VUB Bank on the equity and voting rights of the individual members of the consolidated group headed by VUB Bank**

<b>Business Name</b>	<b>Registered Office</b>	<b>Registered Capital Stake of VUB</b>	<b>Voting Rights Share of VUB</b>	<b>Core Business</b>
VÚB Leasing, a.s. IČO: 31 318 045	Mlynské nivy 1, Bratislava	100%	100%	Financial and operating leasing
Consumer Finance Holding ČR, a.s. IČO: 04616073	Pobřežní 620/3, Praha	100%	100%	Non-banking Credit Provision
Nadácia VÚB IČO: 30 856 043	Mlynské nivy 1, Bratislava	100%	100%	Public Beneficial Activity
VÚB Generali DSS, a.s. IČO: 35 903 058	Mlynské nivy 1, Bratislava	50%	50%	Pension fund management
Slovak Banking Credit Bureau, s.r.o. IČO: 35 869 810	Mlynské nivy 14, Bratislava	33.33%	33.33%	Automated data processing

VÚB Leasing, a. s., Nadácia VÚB, VÚB Generali DSS, a.s. and Slovak Banking Credit Bureau, s. r. o. are incorporated in the Slovak Republic. Consumer Finance Holding ČR, a. s. is incorporated in the Czech Republic.

Other Disclosure requirements according to Part Eight of Regulation (EU) No 575/2013 (the CRR) - Quantitative disclosures are included in Attachment no. 1.

### **3. Declaration of the Manager responsible for preparing the Company's financial reports**

The Manager responsible for preparing the Company's financial reports, Antonio Bergalio, declares, pursuant to par. 2 of art. 154-bis of the Italian "Testo Unico della Finanza" (Consolidated Law on Finance), that the accounting information contained in this document corresponds to the corporate records, books and accounts.

10 May 2018



Antonio Bergalio  
Manager responsible for preparing the  
Company's financial reports