Revolut EEA Group

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Capital adequacy and risk management report (Pillar 3)
31 December 2023

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Introduction

Notes on basis of preparation

This report is prepared in accordance with the requirements of the Capital Requirements Directive (CRD IV) and the Capital Requirements Regulation No 575/2013 (CRR).

Pillar 3 disclosures complement those disclosed in the Revolut Holdings Europe UAB (RHEUAB or EEA Group) 2023 Annual report and financial statements and provide additional information about the EEA Group's risk profile, including its regulatory capital, risk weighted assets (RWAs), liquidity, leverage exposures as well as information about the EEA Group's approach to managing risk.

The Basel framework is structured around three 'pillars'. Pillar 1 defines minimum capital requirements for credit, market and operational risk. The Pillar 2 defines Supervisory Review and Evaluation Process (SREP) requiring the EEA Group to carry out an internal capital adequacy assessment process (ICAAP), identifying and assessing all the relevant risks which are not covered within Pillar 1 and supporting adequate capital level and an internal liquidity adequacy assessment process (ILAAP) primarily concentrating on the funding and liquidity risk management. Pillar 3 stands for market discipline with the aim to produce disclosures that allow market participants to assess the scope of application by banks of the Basel framework and the rules in their jurisdiction, their capital condition, risk exposures and risk management processes, and hence their capital adequacy.

The EEA Group prepares the financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and endorsed by the European Union (EU).

Disclosures are prepared on an individual basis.

LEI code of the Revolut Holdings Europe UAB is 485100FX5Y9YLAQLNP12.

(all amounts in EUR thousand unless stated otherwise)

Qualitative disclosures according to CRR

EU OVA - Institution risk management approach, CRR article 435(1a-d)

Pillar 3 disclosure requirement	Annual report 2023 section	Disclosure	Annual report page numbers
Disclosure of concise risk statement approved by the management body	Annual Report	7 - Risk Management and Internal Control	10 -14
Information on the risk governance structure for each type of risk	Annual Report	7 - Risk Management and Internal Control	10 - 14
Disclosure on the scope and nature of risk disclosure and/or measurement systems. Disclose information on the main features of risk disclosure and measurement systems.	Notes to the financial statements	6 - Risk Management	40 - 53
Strategies and processes to manage risks for each separate category of risk. Information on the strategies and processes to manage, hedge and mitigate risks, as well as on the monitoring of the effectiveness of hedges and mitigants.			
Declaration approved by the management body on the adequacy of the risk management arrangements.	Notes to the Financial Statements and supplemented by notes below	6 - Risk Management	40 - 53

The CEO of Revolut Holdings Europe UAB and Supervisory Council concludes that the Holding’s capital position is adequate in both base-case and under adverse projections after considering current and future risk profile of the entity on the prudential consolidation basis. This is based on the continued support of ultimate parent Revolut Group Holdings Ltd and its own robust capital position, the quality of the risk management, internal controls and governance. This statement covers both a regulatory and an economic assessment of the risks to the capital position.

EU OVB - Disclosure on governance arrangements

Pillar 3 disclosure requirement	Annual report 2023 section	Disclosure	Annual report page numbers
The number of directorships held by members of the management body.	Annual Report	10 - Information about positions held by key management	15 - 16
Information regarding the recruitment policy for the selection of members of the management body and their actual knowledge, skills and expertise.	See notes below		
Information on the diversity policy with regard of the members of the management body.	See notes below		
Information whether or not the institution has set up a separate risk committee and the frequency of the meetings.	Annual report and supplemented by notes below	6 - Governance structure	9 - 10
Description on the information flow on risk to the management body.	Annual Report	6- Governance structure 7 - Risk management and internal control	9 - 14

The EEA Group stresses that diversity within the composition of the Management Body is one of the factors that enhance the functioning of the body and address the phenomenon of “group think”. Thus, a more diverse supervisory or Management Body can reduce the phenomenon of “group think” and facilitate independent opinions and constructive challenge in the process of decision making. Therefore, to facilitate independent opinions and critical challenge, as well as to ensure broader range of experience, knowledge, skills and values in the EEA Group’s management, Managers and Key Function Holders of the EEA Group should be sufficiently diverse in regards of age, gender, geographical provenance and educational and professional background to present a variety of views and experiences.

Gender balance is of particular importance to ensure adequate representation of the population. More diverse management bodies more effectively monitor management and therefore contribute to improved risk oversight and resilience of the EEA Group. Therefore, the EEA Group shall ensure that diversity (including gender diversity) is a factor that is taken into account in the selection and appointment of the Managers and Key Function Holders and will consider options in order to expand the pool of qualified candidates to select from, including through the use of a professional intermediary to assess candidates to promote appointments in accordance with the diversity profile.

Suitability assessment requirements also include requirements for:

a. good repute, honesty and integrity;
b. qualification, skills and experience;
c. the independence of mind;
d. the time commitment; and
e. collective suitability.

Electing Managers are subject to permit from the supervisory authority unless no such permit is required in the cases stipulated in the Regulations and applicable laws. Relevant governance bodies review assessments and make decisions to appoint Managers. Supervisory authority then is informed about the appointment.

The Risk and Compliance Committee assists the Supervisory Council in the oversight of risk and compliance related matters and the principal risks impacting the Company, including risk governance and internal control systems, as well as overseeing the effectiveness of the Company's Enterprise Risk Management Framework. The Committee is composed of 3 members of the Supervisory Council, the majority of whom are Independent. The Committee has 4 scheduled meetings a year and convenes ad-hoc meetings as and when required.

EU OVC - ICAAP information, CRR article 438(a,c)

Pillar 3 disclosure requirement	Annual report 2023 section	Disclosure	Annual report page numbers
Approach to assessing the adequacy of the internal capital Upon demand from the relevant competent authority, the result of the institution's internal capital adequacy assessment process	Notes to the financial statements	34.2 Internal capital assessment	86

(all amounts in EUR thousand unless stated otherwise)

EU LIQA - Liquidity risk management, CRR article 451a(4)

Pillar 3 disclosure requirement	Annual report 2023 section	Disclosure	Annual report page numbers
Strategies and processes in the management of the liquidity risk, including policies on diversification in the sources and tenor of planned funding, Structure and organisation of the liquidity risk management function (authority, statute, other arrangements).	Notes to the financial statements	6.1.1 Funding and Liquidity Risk	40 - 41
A description of the degree of centralisation of liquidity management and interaction between the group's units Scope and nature of liquidity risk reporting and measurement systems.	Notes to the financial statements	6.1.1 Funding and Liquidity Risk	40 - 41
Policies for hedging and mitigating the liquidity risk and strategies and processes for monitoring the continuing effectiveness of hedges and mitigants.	Notes to the financial statements	6.1.1 Funding and Liquidity Risk	40 - 41
An outline of the bank`s contingency funding plans.	See notes below.		
An explanation of how stress testing is used.	Notes to the financial statements	6.1.1 Funding and Liquidity Risk	40 - 41
A declaration approved by the management body on the adequacy of liquidity risk management arrangements of the institution providing assurance that the liquidity risk management systems put in place are adequate with regard to the institution's profile and strategy.			
A concise liquidity risk statement approved by the management body succinctly describing the institution's overall liquidity risk profile associated with the business strategy. This statement shall include key ratios and figures (other than those already covered in the EU LIQ1 template under this ITS) providing external stakeholders with a comprehensive view of the institution's management of liquidity risk, including how the liquidity risk profile of the institution interacts with the risk tolerance set by the management body. These ratios may include: · Concentration limits on collateral pools and sources of funding (both products and counterparties)	See notes below.		

EU LIQA - Liquidity risk management, CRR article 451a(4)

Pillar 3 disclosure requirement	Annual report 2023 section	Disclosure	Annual report page numbers
· Customised measurement tools or metrics that assess the structure of the bank's balance sheet or that project cash flows and future liquidity positions, taking into account off-balance sheet risks which are specific to that bank · Liquidity exposures and funding needs at the level of individual legal entities, foreign branches and subsidiaries, taking into account legal, regulatory and operational limitations on the transferability of liquidity · Balance sheet and off-balance sheet items broken down into maturity buckets and the resultant liquidity gaps			

Under liquidity stress conditions, the EEA Group has defined a range of available contingency actions, which are set to ensure that the liquidity buffer, regulatory metrics, risk appetite and the internal liquidity and funding risk management limits are not breached. Normative and economic requirements are also supplemented by a suite of early warning indicators (EWIs) to identify signs of emerging liquidity stress in a timely manner. The list and calibration of indicators is constantly enhanced to incorporate external events and to ensure the set of EWIs remains relevant as the business evolves. In order to capture early signals of potential liquidity stress comprehensively, they are forward-looking and set at a granular level from both leading and lagging, external and internal perspective, and include idiosyncratic and systematic indicators, with the performance of some indicators completely out of the EEA Group's control but nevertheless a strong signal for the EEA Group to be proactive and prepare relevant actions. After these procedures have been activated, the management bodies are tasked to cascade and coordinate efforts across the relevant business units to ensure that liquidity and funding situation is restored within the parameters stipulated by regulatory and internal minimum requirements. The plan defines accountability, actions and triggers for every contemplated event in order to restore liquidity position.

The EEA Group's Management Board concludes that the liquidity position is adequate in both base-case and adverse projections after considering the current and future risk profile of the entity. This is based on the sizable and high quality liquidity buffer, the quality of the risk management, internal controls and governance. This statement covers both a regulatory and an economic assessment of the risks to the capital position.
These include:

- A detailed understanding of the risks applicable to the EEA Group as a result of offering products and services within the market and the levels of liquidity reserves required to mitigate this risk profile;
- A comprehensive assessment of how the business will perform across a range of hypothetical stressed economic and business scenarios which have been designed to specifically test the vulnerabilities in the business model;
- Full awareness of the dynamics of the EEA Group's liquidity position under a range of severe, but plausible stresses and potential actions that can be taken to mitigate the impact of the stresses.

EU LIQA - Liquidity risk management, CRR article 451a(4)

Pillar 3 disclosure requirement	Annual report 2023 section	Disclosure	Annual report page numbers

Some of the key ratios (aside from regulatory implied LCR and NSFR) and figures the EEA Group follows in order to monitor liquidity risk include the following:

- Liquidity Stress Excess (LSE) measuring available liquidity level after occurrence of stress;
- The survival period measuring available positive liquidity over the upcoming 1-year horizon;
- Run off of deposits over the last 7-day period;
- Level of high quality assets over total assets portfolio;
- Level of cash equivalents over total assets portfolio;
- Concentration of funding and concentration of uninsured deposits.

EU LIQB on qualitative information on LCR, CRR article 451a(2)

Pillar 3 disclosure requirement	Annual report 2023 section	Disclosure	Annual report page numbers
Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time	See notes below.		
Explanations on the changes in the LCR over time			
Explanations on the actual concentration of funding sources			
High-level description of the composition of the institution`s liquidity buffer.			
Derivative exposures and potential collateral calls			
Currency mismatch in the LCR			
Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile			

The EEA Group's key normative liquidity and funding ratios the LCR and the NSFR are meeting regulatory requirements with a high margin, and are expected to stay well above the internal and regulatory thresholds in the medium term indicating a healthy liquidity situation. For example, the lowest LCR point over the 2023 reporting period for the EEA Group was 630.98%. The main drivers of the LCR is a strong liquidity position primarily based on overnight holdings at central banks and projected outflows of deposit customers. The EEA Group is expecting to distribute some of the available liquidity into investment and lending portfolios over time, which will increase inflows from accruals, but reduce the high quality liquid assets. The conclusion of a healthy liquidity situation is also supported by the outcomes of internal liquidity stress metrics the Liquidity Stress Excess (LSE) and the Stressed Survival Horizon (SSH).

Since the EEA Group's primary sources of funding are customer deposits and equity, it will have concentration risk by instrument type. For deposits in particular, this could pose stability risk to the extent that customer segments are correlated, or customer behaviour overlaps under different scenarios. Despite this reliance on instant access deposits for funding, the risk is mitigated by prudent segmentation analysis and stress testing treatment. The EEA Group reviews and updates its customer profiling once a year, allowing for an accurate application of outflow factors for the different client segments in the different stress situations tested. The EEA Goup is projecting a considerable growth in the deposit book in the medium term.

Majority of liabilities are denominated in EUR with a significant deposit base also denominated in USD and GBP currencies. Most of the balances in EUR and other major currencies (swapped into EUR) are placed at the ECB accounts, or invested in various types of securities. Balances of less significant currencies such as CHF, PLN and RON, given Large Exposure restrictions on how much assets can be placed with financial institutions and low risk appetite on these countries' sovereign credit risk, are swapped into EUR and invested into Eurozone debt securities, or placed with the ECB. The EEA Group is conducting FX swaps on a short term basis to manage currency liquidity requirements.

The liquidity buffer mainly consists of cash deposited within central banks accounts, and securities that qualify as highly liquid assets (HQLA). In the longer term the EEA Group's investment portfolio may include accounts deposited in high-rated banks, reverse repos with high-rated banks, fixed-income instruments received as collateral, and a variety of securities such as government bonds, supranationals, public sector bonds, covered bonds, asset-backed bonds, senior unsecured bonds issued by financial institutions (banks) and other debt capital market instruments.

The EEA Group uses derivatives to manage interest rate (IR) and foreign exchange (FX) risks. The EEA Group aims to utilise standard contracts of the International Swaps and Derivatives Association (ISDA) with swap counterparties. Despite the growth in size of derivatives portfolio as the business matures, off-balance sheet liquidity risk stemming from derivatives is considered as low from a liquidity standpoint given that derivatives are fully collateralized under close to zero threshold bilateral cash Credit Support Annexes (CSAs).

The EEA Group provides its clients immediate access to funds where the firm has not yet settled the underlying receivable such as customer funds topped up via card transaction, third party savings vault withdrawals, or prior to receipt of funds from acquirers (third parties). In addition, the merchant acquiring product for business customers also requires pre-funding for receivables from acquirers or card schemes. This kind of pre-funding risk is a EEA Group's-specific risk and is not captured in the LCR. To ensure complete capture of risks by the EEA Group, a stress provision for receivables pre-funding risk is included in the internal LSE model.

EU LRA - Disclosure of LR qualitative information, CRR Article 451(1)(d,e)

Revolut Holdings Europe UAB closely monitors the risk of excessive leverage through regular forecasting exercises and a strong governance framework to ensure compliance with regulatory minimum levels and internal objectives.

As part of its capital management framework the EEA Group formally creates balance sheets and p&l forecasts on at least a quarterly basis. This forward-looking assessment allows the EEA Group to continually monitor and assess leverage ratio adequacy in order to make strategic decisions around the effective management of capital resources. The EEA Group recognises that in order to remain above internal risk appetite it will be dependent on additional capital from the parent company for a continued period. This additional capital raise planned in a number of tranches is required to support the EEA Group's business - deposit taking and lending - before the EEA Group's build up of capital resources surpass the growth of capital requirements.

The leverage ratio decreased by 13 points from 4.21% to 4.08% during 2023. The tier 1 capital increased by EUR 105M solely due to an increase of CET1. The leverage ratio exposure increased from EUR 8.8 Bn to EUR 11.6 Bn mainly due to an increase in Cash with central Banks 0.6bn, SSD of EUR 0.43bn, unauthorised overdrafts and loans by 0.37bn, Reverse Repo 0.43bn, bonds by 1.3bn, and reduction in intragroup exposures 0.4bn.

(all amounts in EUR thousand unless stated otherwise)

EU CRA: General qualitative information about credit risk, CRR Article 435(1)(a-d)

Pillar 3 disclosure requirement	Annual report 2023 section	Disclosure	Annual report page numbers
In the concise risk statement in accordance with point (f) of Article 435(1) CRR, how the business model translates into the components of the institution's credit risk profile.	Notes to the Financial Statements	6.1.2 - Credit Risk	42 - 46
When discussing their strategies and processes to manage credit risk and the policies for hedging and mitigating that risk in accordance with points (a) and (d) of Article 435(1) CRR, the criteria and approach used for defining the credit risk management policy and for setting credit risk limits.	Annual Report and supplemented by notes below	7.1 - Risk Management strategy	11 - 12
When informing on the structure and organisation of the risk management function in accordance with point (b) of Article 435(1) CRR, the structure and organisation of the credit risk management and control function.	Annual Report and supplemented by notes below	7 - Risk management and internal control	10 - 14
When informing on the authority, status and other arrangements for the risk management function in accordance with point (b) of Article 435(1) CRR, the relationships between credit risk management, risk control, compliance and internal audit functions.	Annual Report	7 - Risk management and internal control	10 - 14

In accordance with the EEA Group's Risk Appetite Statement, the EEA Group has a moderate appetite for credit risk in order to facilitate the business strategy. This means that the EEA Group will tolerate exposure to credit risk rationally based upon an analysis of potential risk and reward, but that risk is controllable to a large extent, but a moderate residual exposure may remain.

Credit risk is managed in line with the EEA Group's overall risk management strategy, including identifying sources of credit risk and logging risks and controls, running risk indicators and having policies and procedures in place. Incidents, issues relating to credit risk are escalated to the Retail Credit Risk Committee and remediated. A key part of this is setting credit risk limits on an absolute and relative basis via risk indicators that are subject to escalation to the Retail Credit Risk Committee and remediation when breached. These limits are set to enable the execution of the business strategy within risk appetite.

(all amounts in EUR thousand unless stated otherwise)

The Heads of Credit Risk are responsible for credit risk within the EEA Group(split between Retail and Wholesale) and report to the CRO. Retail credit risk is measured and managed through the Retail Credit Risk Committee, chaired by the Head of Credit Risk, taking delegation from ALCO and ERC. RCRC's accountability includes approving policies and strategies, credit risk profile management, overseeing issues and incidents in credit risk operations, approving expected credit loss changes within its authority and approving pricing strategies. Escalations are to ALCO and ERC as appropriate.
Further authority arrangements are set out in the EEA Group's Retail Credit Risk Management Policies and Procedures, such as decisions that can be made via delegated authority within 2LOD and decisions that can be made within 1LOD. RCRC will escalate matters relating to Operational Risk or Compliance via escalation to ERC.
Wholesale credit risk in the EEA Group is defined as the risk that a government, financial institution, corporate or commercial counterparty fails to meet its obligation to settle outstanding liabilities to the EEA Group or an issuer of securities purchased by the EEA Group will fail to meet its obligation to settle outstanding amounts. The EEA Group maintains policies and procedures for related wholesale credit risk processes, while the oversight for wholesale credit risk in the EEA Group is predominantly undertaken by the ALCO.

EU CRB: Additional disclosure related to the credit quality of assets, CRR Article 178

Pillar 3 disclosure requirement	Annual report 2023 section	Disclosure	Annual report page numbers
The scope and definitions of 'past-due' and 'impaired' exposures used for accounting purposes and the differences, if any, between the definitions of past due and default for accounting and regulatory purposes as specified by the EBA Guidelines on the application of the definition of default in accordance with Article 178 CRR.	Notes to the Financial Statements	4.9 Impairment of Financial Assets	31 - 35
The extent of past-due exposures (more than 90 days) that are not considered to be impaired and the reasons for this.	Not applicable, all more than 90 days past due exposures are classed as impaired.		
Description of methods used for determining general and specific credit risk adjustments.	See notes below.		
The institution's own definition of a restructured exposure used for the implementation of point (d) of Article 178(3) CRR specified by the EBA Guidelines on defaul tin accordance with Article 178 CRR when different from the definition of forborne exposure defined in Annex V to Commission Implementing Regulation (EU) 680/2014.	Not applicable as distressed restructured exposure is synonymous with forborne exposure in the EEA Group.		

There are certain other, rare circumstances that lead to an impaired status such as fast track criteria for forborne exposures that have returned to a non-defaulted status (more than thirty days past due or where an additional restructure is granted).
The EEA Group recognises a credit risk adjustment at the end of the month in which default is recognised.

EU CCRA – Qualitative disclosure related to CCR, CRR Article 439(a-d)

Counterparty credit risk is considered as part of wholesale credit risk in Revolut. It is defined as the risk that a government, financial institution, corporate or commercial counterparty fails to meet its obligation to settle outstanding liabilities to the EEA Group or an issuer of securities purchased by the EEA Group will fail to meet its obligation to settle outstanding amounts.

The EEA Group is exposed to wholesale credit risk mainly from Treasury activities such as lending exposures (eg. placements, loans, securities), derivatives (eg. FX, IRS) and contingent exposures (eg. guarantees, trade financing, etc.). The risk also includes the settlement risk that arises when payments are not exchanged simultaneously (i.e. the risk that the counterparty may default before making the counter-payment). The EEA Group may also be exposed to concentration risk due to other significant interrelated asset or liability exposures. The EEA Group's wholesale credit exposures are generated from the need to support the Bank's core activities and manage risks.

Wholesale credit risk is managed through the credit exposure origination and monitoring process. Before originating an exposure the EEA Group performs a credit assessment of the counterparty (group of connected clients) and establishes credit limit. Additional limits can be set for geographic/country and sector concentrations. All limits are being set with regards to risk appetite defined by the Supervisory Council. Furthermore all credit limits are approved within delegated mandates by respective governing bodies or senior staff positions.

Once originated, credit exposures are monitored for limited compliance as well as signs of credit quality deterioration. Monitoring process is further supplemented with additional KRIs and BCIs on a portfolio level. Credit risk assessments are updated at least annually. Unscheduled, intermediate credit reviews may also be called for if the credit situation of a counterparty suddenly deteriorates.

The EEA Group further placed restrictions on the quality of collateral that it accepts.

All above mentioned processes and requirements are formulated into policies and procedures. The oversight for wholesale credit risk in the EEA Group is predominantly undertaken by the ALCO.

(all amounts in EUR thousand unless stated otherwise)

EU MRA - Qualitative disclosure requirements related to market risk, CRR Article 435(1)(a-c)

Pillar 3 disclosure requirement	Annual report 2023 section	Disclosure	Annual report page numbers
A description of the institution's strategies and processes to manage market risk, including: - An explanation of management's strategic objectives in undertaking trading activities, as well as the processes implemented to identify, measure, monitor and control the institution's market risks - A description of their policies for hedging and mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges	Notes to the Financial Statements	6.1.3 - Interest Rate Risk, 6.1.4 - Foreign Currency Risk, 6.1.5 - Credit Spread Risk	46 - 49
A description of the structure and organisation of the market risk management function, including a description of the market risk governance structure established to implement the strategies and processes of the institution discussed in row (a) above, and that describes the relationships and the communication mechanisms between the different parties involved in market risk management. Scope and nature of risk reporting and measurement systems	Annual Report	7 - Risk Management and Internal Control	10 - 14

EU REMA - Remuneration policy, CRR Article 450(1) (a-f,j,k), 450(2)

Pillar 3 disclosure requirement	Annual report 2023 section	Disclosure	Annual report page numbers

Remuneration policy of Revolut Holdings Europe UAB has been prepared and is subject for Supervisory Council approval in 2024. Please note that the Remuneration Policy of Revolut Bank UAB is disclosed in the financial statements of Revolut Bank UAB as required by law[1].

[1] Remuneration policy of Revolut Bank UAB is disclosed in the Annual report and Financial statements 2023, section 9. Remuneration Policy, pages 12-14.

EU LIA - Explanations of differences between accounting and regulatory exposure amounts, CRR Article 436(b,d)

There were no differences between accounting and regulatory exposure amounts as for the reporting period 2023.

EU IRRBBA - Qualitative information on interest rate risks of non-trading book activities, CRR Article 448(1)

Revolut Holdings Europe UAB is calculating IRRBB only on Revolut Bank UAB (the “Bank”) level so far, so all the disclosures are related to the Bank. IRRBB is defined as the risk the bank incurs by having structural gaps in repricing buckets. The bank measures IRRBB from an economic perspective (EVE) as well as from an earnings perspective (NII). The risk is measured and controlled on a daily basis, using current information (point-in-time). The risk is further measured on a forward-looking basis, taking into account 3 year financial projections for ICAAP delivery.

The differences between assets and liabilities at specific time intervals can significantly affect income and economic value of equity if the interest rate moves in an unfavorable direction. The bank is currently increasing its investment and loan portfolios (fixed revenue of short and medium -term periods) and implementing interest hedging instruments (interest rates options and swap transactions).

The IRRBB is measured on a daily basis. As of reporting date, IRRBB was measured on (i) EVE as % of T1 capital for six regulatory scenarios, and (ii) NII for a Static Balance sheet as % to T1 capital for Parallel Up / Down (shock size is currency dependent).

The bank uses the six supervisory shock scenarios for EVE computation. For NII, the scenarios were updated to Parallel Up / Down (shock size is currency dependent).

The bank is currently building an asset portfolio, consisting of Personal Loans and Investment products. The aim of this portfolio is to naturally hedge Liability duration. When open gaps can't be matched, the bank enters into hedging derivatives, namely with Interest Rate Swaps (Hedge Accounting applicable). Interest Rate Floors is scoped as additional hedging instruments to be implemented.

The bank has developed assumptions that cover Personal Loans Prepayment rates and Customer Deposits without maturity.
Currently, Revolut Bank UAB is negatively exposed in EVE and NII terms to rates down scenarios. This is explained by the longer modelled Liabilities (NMD) compared to Assets duration (mostly placed at ON at Central Bank). EVE and NII exposure is below Risk Appetite limits.
Changes in NII were measured under the assumption that NMD are Non Interest Bearing (NIB) liabilities and, therefore, does not absorb the mentioned shocks. The NII horizon is 1Y.
Average repricing maturity for NMD is 12 months and the longest tenor is 60 months.

(all amounts in EUR thousand unless stated otherwise)

Tables

Table 1 - KM1: Key Metrics

		31-Dec-23	30-Sep-23	30-Jun-23	31-Mar-23	31-Dec-22
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	475,195	470,261	457,708	454,446	370,726
2	Tier 1	475,195	470,261	457,708	454,446	370,726
3	Total capital	475,195	470,261	457,708	454,446	370,726
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	2,120,236	2,460,388	2,254,724	1,935,216	1,651,644
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio (%)	22.41	19.11	20.30	23.48	22.45
6	Tier 1 ratio (%)	22.41	19.11	20.30	23.48	22.45
7	Total capital ratio (%)	22.41	19.11	20.30	23.48	22.45
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)	0.63%	0.68%	0.68%	0.59%	0.72%
10a	Other Systemically Important Institution buffer (%)	1.00%	1.00%	1.00%	1.00%	0.00%
11	Total of bank CET1 specific buffer requirements (%)	4.13%	4.18%	4.18%	4.09%	3.22%
12	CET1 available after meeting the bank's minimum capital requirements (%)	11.21	8.60	8.60	11.78	11.25
	Leverage ratio					
13	Total leverage ratio exposure measure	11,638,898	11,033,492	10,442,874	9,618,624	8,806,892
14	Leverage ratio (%) (row 2 / row 13)	4.08	4.26	4.38	4.72	4.21
	Liquidity Coverage Ratio					
15	Total HQLA	8,978,830	8,693,956	8,242,009	7,924,734	7,449,472
16	Total net cash outflow	1,422,998	980,357	805,759	785,563	518,581
17	LCR ratio (%)	630.98%	886.81%	1022.89%	1008.80%	1436.51%

Table 2 - OV1: Overview of risk weighted assets

		RWA		**Minimum capital requirements**
		31-Dec 2023	30-Sep 2023	31-Dec 2023
1	**Credit risk (excluding counterparty credit risk)**	1,114,082	1,466,940	89,127
2	Of which: standardised approach (SA)	1,029,063	1,466,940	82,325
6	**Counterparty credit risk (CCR)**	24,533	37,705	1,963
10	**Credit valuation adjustment (CVA)**	13,939	21,118	1,115
15	Settlement risk	-	-	-

(all amounts in EUR thousand unless stated otherwise)

Table 2 - OV1: Overview of risk weighted assets

		RWA		Minimum capital requirements
		31-Dec 2023	30-Sep 2023	31-Dec 2023
16	Securitisation	85,019	-	6,802
20	**Market risk**	52,563	70,275	4,205
21	Of which: standardised approach (SA)	52,563	70,275	4,205
24	**Operational risk**	915,119	864,350	73,210
27	**Total**	2,120,236	2,460,388	169,619

Table 3 - CC1: Own funds disclosure

		Amounts	Cross reference to balance sheet
	Common Equity Tier 1 capital: instruments and reserves		
1	Capital instruments	401,693	
	– ordinary shares	2,913	a
2	Retained earnings	143,071	b
	Excluding current period profit not eligible	(78,688)	
3	Accumulated other comprehensive income (and other reserves)	9,130	c
7	Prudent valuation adjustments	(11)	
9	Other intangibles other than mortgage servicing rights (net of related tax liability)	-	d
10	Deferred tax assets that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	-	e
28	Total regulatory adjustments to Common Equity Tier 1	-	
29	Common Equity Tier 1 capital (CET1)	475,196	
44	Additional Tier 1 capital (AT1)	-	
45	Tier 1 capital (T1 = CET1 + AT1)	475,196	
	Tier 2 capital: instruments and provisions		
58	Tier 2 capital (T2)	-	
59	Total regulatory capital (TC = T1 + T2)	475,196	
60	Total risk-weighted assets	2,120,236	
	Capital ratios and buffers		
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	22.41%	
62	Tier 1 (as a percentage of risk-weighted assets)	22.41%	
63	Total capital (as a percentage of risk-weighted assets)	22.41%	
64	Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk-weighted assets)	4.1%	
65	Of which: capital conservation buffer requirement	2.5%	
66	Of which: bank-specific countercyclical buffer requirement	0.6%	
68	Common Equity Tier 1 (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements	11.21%	

Table 4 - CCA: Main features of regulatory capital instruments

	Capital instruments main features template	
1	Issuer	Revolut Holdings Europe UAB
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	485100FX5Y9YLAQLNP12
3	Governing law(s) of the instrument	Republic of Lithuania Law on Companies
	Regulatory Treatment	
4	Transitional CRR rules	Common Equity Tier 1
5	Post-transitional CRR rules	Common Equity Tier 1
6	Eligible at solo/group/group and solo	Group
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	1.483
9	Par value of instrument	1 483
10	Accounting classification	Share capital
11	Original date of issuance	2021-07-08
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step-up or other incentive to redeem	Fully discretionary
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-cumulative
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	-
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	-
29	If convertible, specify issuer of instrument it converts into	N/A
30	Writedown feature	No
31	If writedown, writedown trigger(s)	N/A
32	If writedown, full or partial	-
33	If writedown, permanent or temporary	N/A
34	If temporary write-own, description of writeup mechanism	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A
36	Non-compliant transitioned features	-
37	If yes, specify non-compliant features	N/A

(all amounts in EUR thousand unless stated otherwise)

Table 5 - LI1: Differences between the accounting scope and the scope of prudential consolidation and mapping of financial statement categories with regulatory risk categories

			Carrying values of items			
	Carrying values as reported in published financial statements	Carrying values under scope of prudential consolidation	Subject to the credit risk framework	Subject to the CCR framework	Subject to the market risk framework	Not subject to own funds requirements or subject to deduction from own funds
Breakdown by asset classes according to the balance sheet in the published financial statements						
Cash and balances with central banks	7,559,761	7,559,761	7,559,761			
Due from banks	31,736	31,736	31,736			
Derivatives	5,802	5,802		5,802		
Due from other financial institutions	-	-	-			
Debt securities at amortized cost	2,425,984	2,425,984	2,425,984			
Financial assets at fair value through other comprehensive income	25	25	25			
Loans and advances to customers	1,461,927	1,461,927	1,461,927			
Property, plant and equipment	2,250	2,250				
Intangible assets	-	-				
Deferred tax assets	-	-				-
Other assets	615,920	615,920	601,874			14,046
Total assets	**12,103,405**	**12,103,405**	**12,081,307**	**5,802**		**14,046**
Breakdown by liability classes according to the balance sheet in the published financial statements						
Derivatives	4,994	4,994		4,994		
Due to customers	10,919,488	10,919,488				
Due to other financial institutions	2,089	2,089				
Other liabilities	622,185	622,185				
Provisions	753	753				
Total liabilities	**11,549,509**	**11,549,509**	**-**	**4,994**		

(all amounts in EUR thousand unless stated otherwise)

Table 6 - LI2: Main sources of differences between regulatory exposure amounts and carrying values in financial statements

			Items subject to			
		Total	Credit risk framework	Securitisation framework	CCR framework	Market risk framework
1	**Assets carrying value amount under the scope of prudential consolidation (as per template LI1)**	12,087,109	12,081,307		5,802	
2	**Liabilities carrying value amount under the scope of prudential consolidation (as per template LI1)**	4,994			4,994	
3	**Total net amount under the scope of prudential consolidation**	**12,087,109**	**12,081,307**		**5,802**	
4	**Off-balance-sheet amounts**	47,273	47,273			
5	*Differences in valuations*					
6	*Differences due to different netting rules, other than those already included in row 2*					
7	*Differences due to consideration of provisions*	23,053	23,053			
8	*Differences due to the use of credit risk mitigation techniques (CRMs)*					
9	*Differences due to credit conversion factors*					
10	*Differences due to Securitisation with risk transfer*					
11	*Other differences*	-3,300,893	-3,317,494		16,601	
12	**Exposure amounts considered for regulatory purposes**	**8,856,542**	**8,834,139**		**22,403**	

Table 7 - LI3: Outline of the differences in the scopes of consolidation (entity by entity)

Name of the entity	Method of accounting consolidation	Method of prudential consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
Revolut Holdings Europe UAB	*Full consolidation*	*X*					*Credit institution*
Revolut Bank UAB	*Full consolidation*	*X*					*Credit institution*
Revolut Securities UAB	*Full consolidation*	*X*					*Investment firm*
Revolut Insurance Europe UAB	*Full consolidation*			*X*			*Insurance firm*

(all amounts in EUR thousand unless stated otherwise)

Table 8 - CC2: Balance sheet reconciliation

	31-Dec-23	Cross reference to the own funds
Assets		
Cash and balances with central banks	7,559,761	
Due from banks	31,736	
Derivatives	5,802	
Due from other financial institutions	0	
Debt securities at amortized cost	2,425,984	
Financial assets at fair value through other comprehensive income	25	
Loans and advances to customers	1,461,927	
Property, plant and equipment	2,250	
Intangible assets	0	d
Deferred tax assets	0	
of which deferred tax assets that rely on future profitability excluding those arising from temporary differences	*0*	e
Other assets	615,920	
Total assets	**12,103,405**	
Liabilities		
Derivatives	4,994	
Due to customers	10,919,488	
Due to other financial institutions	2,089	
Other liabilities	622,185	
Provisions	753	
Total liabilities	**11,549,509**	
Equity attributable to equity holders of parent		
Issued capital	2,913	
of which CET1 paid-in share capital	*2,913*	a
Share premium	398,781	
Reserve capital	0	c
Retained earnings	146,397	b
Other reserves	5,805	
Total equity	**553,896**	
Total liabilities and equity	**12,103,405**	

(all amounts in EUR thousand unless stated otherwise)

Table 9 - CCYB1: Geographical distribution of credit exposures used in the countercyclical capital buffer

	General credit exposures		**Trading book exposure**	**Own funds requirements**	Risk-weighted exposure amounts	Own funds requirement weights	Countercyclical buffer rate (%)
Breakdown by country	Exposure value for SA	Exposure value IRB	Sum of long and short position of trading book	Of which: General credit exposures			
Lithuania	203,866	-	-	20,505	341,332	46.20	0.50
United Kingdom	164,343	-	-	11,789	147,367	19.95	1.00
Ireland	156,710	-	-	9,414	117,672	15.93	1.00
Poland	121,279	-	-	7,306	91,323	12.36	
Romania	24,853	-	-	1,494	18,674	2.53	
United States	19,012	-	-	1,142	14,270	1.93	0.75
France	6,722	-	-	403	5,042	0.68	0.50
Spain	969	-	-	58	727	0.10	
Italy	389	-	-	23	292	0.04	
Hungary	219	-	-	13	164	0.02	
Sweden	207	-	-	12	155	0.02	
Germany	195	-	-	12	146	0.02	
Netherlands	170	-	-	10	127	0.02	
Portugal	167	-	-	13	160	0.02	
Belgium	160	-	-	8	95	0.01	2.00
Others	1,707			103	1,281		
Total	**700,969**	**-**	**-**	**52,305**	**738,828**		

Table 10 - CCYB2: Amount of institution-specific countercyclical capital buffer

		31 -Dec 2023
1	Total risk exposure amount	2,120,236
2	Institution specific countercyclical capital buffer rate	0.62%
3	Institution specific countercyclical capital buffer requirement	12,888

(all amounts in EUR thousand unless stated otherwise)

Table 11 - LR1: Summary comparison of accounting assets vs leverage ratio exposure measure

		31-Dec 2023
1	Total consolidated assets as per published financial statements	12,103,405
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(508,493)
3	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-
4	Adjustments for temporary exemption of central bank reserves (if applicable)	-
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
6	Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustments for eligible cash pooling transactions	-
8	Adjustments for derivative financial instruments	21,340
9	Adjustment for securities financing transactions (ie repurchase agreements and similar secured lending)	-
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	22,646
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-
12	Other adjustments	-
13	Leverage ratio exposure measure	11,638,898

Table 12 - LR2: Leverage ratio common disclosure

		31-Dec 2023	30-Sep 2023
	On-balance sheet exposures		
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	11,157,597	10,915,844
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	-	-
3	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	11,157,597	10,915,844
	Derivatives exposure		
11	Total derivative exposures	27,142	37,168
	Securities financing transaction exposures		
16	Total securities financing transaction	431,513	50,000
	Other off-balance sheet exposures		
19	Off-balance sheet items	22,646	30,481
	Capital and total exposures		
20	Tier 1 capital	475,195	470,261
21	Total exposures	11,638,898	11,033,492
	Leverage ratio		
22	Leverage ratio	4.08%	4.26%

(all amounts in EUR thousand unless stated otherwise)

Table 13 - LR3: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

		31-Dec
		2023
1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	11,157,597
2	Trading book exposures	
3	Banking book exposures, of which:	11,157,597
4	Covered bonds	
5	Exposures treated as sovereigns	8,863,400
6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	
7	Institutions	1,172,128
8	Secured by mortgages of immovable properties	
9	Retail exposures	600,370
10	Corporates	87,572
11	Exposures in default	4,770
12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	429,357

(all amounts in EUR thousand unless stated otherwise)

Table 14 - CCR1: Analysis of counterparty credit risk (CCR) exposure by approach

		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU1	EU - Original Exposure Method (for derivatives)				1.4				
EU2	EU - Simplified SA-CCR (for derivatives)				1.4				
1	SA-CCR (for derivatives)	781	16,743		1.4	24,533	24,533	24,533	24,533
2	IMM (for derivatives and SFTs)								
2a	Of which securities financing transactions netting sets								
2b	Of which derivatives and long settlement transactions netting sets								
2c	Of which from contractual cross-product netting sets								
3	Financial collateral simple method (for SFTs)								
4	Financial collateral comprehensive method (for SFTs)					431,513	19,859	19,859	8,628
5	VaR for SFTs								
6	Total					456,046	44,392	44,392	33,161

(all amounts in EUR thousand unless stated otherwise)

Table 15 - CCR2: Transactions subject to own funds requirements for CVA risk

		Exposure value	RWEA
1	Total transactions subject to the Advanced method		
2	(i) VaR component (including the 3× multiplier)		
3	(ii) stressed VaR component (including the 3× multiplier)		
4	Transactions subject to the Standardised method	24,533	24,533
EU-4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)		
5	Total transactions subject to own funds requirements for CVA risk	24,533	24,533

Table 16 - CCR3: CCR exposures by regulatory exposure class and risk weights

	Exposure classes	Risk weight 20.00%	Risk weight 100.00%	**Total exposure value**
1	Central governments or central banks			
2	Regional government or local authorities			
3	Public sector entities			
4	Multilateral development banks			
5	International organisations			
6	Institutions	14,038	5,820	19,859
7	Corporates		24,533	24,533
8	Retail			
9	Institutions and corporates with a short-term credit assessment			
10	Other items			
11	**Total exposure value**	**14,038**	**30,354**	**44,392**

Table 17 - MR1: Market risk under the standardised approach

		31-Dec-23
		RWA
	Outright products	
1	Interest rate risk (general and specific)	
2	Equity risk (general and specific)	
3	Foreign exchange risk	52,563
4	Commodity risk	
	Options	
5	Simplified approach	
6	Delta-plus approach	
7	Scenario approach	
8	Securitisation (specific risk)	
9	**Total**	52,563

(all amounts in EUR thousand unless stated otherwise)

Table 18 - LIQ1: Quantitative information of LCR

		Total unweighted value (average)				Total weighted value (average)		
EU 1a	Quarter ending on (30 June 2022)	**6/30/2023**	**9/30/2023**	**12/31/2023**		**6/30/2023**	**9/30/2023**	**12/31/2023**
EU 1b	Number of data points used in the calculation of averages							
HIGH-QUALITY LIQUID ASSETS								
1	Total high-quality liquid assets (HQLA)					8,242,009	8,693,956	8,978,830
CASH - OUTFLOWS								
2	Retail deposits and deposits from small business customers, of which:	9,182,861	9,504,881	10,143,796		709,403	745,462	782,176
3	*Stable deposits*	*4,766,301*	*4,660,903*	*5,222,094*	-	*238,315*	*233,045*	*261,105*
4	*Less stable deposits*	*4,416,561*	*4,843,978*	*4,921,702*	-	*471,088*	*512,417*	*521,072*
5	Unsecured wholesale funding	603,338	783,366	769,386	-	386,667	570,789	526,576
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	223,622	221,519	250,822	-	55,905	55,380	62,706
7	*Non-operational deposits (all counterparties)*				-			
8	*Unsecured debt*							
9	*Secured wholesale funding*							
10	Additional requirements	229,930	252,507	265,194	-	176,740	181,167	172,283
11	*Outflows related to derivative exposures and other collateral requirements*	*45,941*	*49,412*	*49,393*	-	*45,941*	*49,412*	*49,393*
12	*Outflows related to loss of funding on debt products*							
13	*Credit and liquidity facilities*	*183,989*	*203,095*	*215,801*	-	*130,799*	*131,755*	*122,890*
14	Other contractual funding obligations	67,517	117,199	531,261	-	65,775	114,436	525,194
15	Other contingent funding obligations	12,254	13,082	13,902	-	-	-	
16	TOTAL CASH OUTFLOWS					1,338,586	1,611,854	2,006,229
CASH - INFLOWS								
17	Secured lending (e.g. reverse repos)					-		
18	Inflows from fully performing exposures	76,728	127,452	55,193	-	70,258	107,257	13,798

(all amounts in EUR thousand unless stated otherwise)

Table 18 - LIQ1: Quantitative information of LCR								
		Total unweighted value (average)				Total weighted value (average)		
EU 1a	Quarter ending on (30 June 2022)	**6/30/2023**	**9/30/2023**	**12/31/2023**		**6/30/2023**	**9/30/2023**	**12/31/2023**
19	Other cash inflows	462,569	523,849	81,685	-	462,569	523,849	42,376
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)			527,058				527,058
EU-19b	(Excess inflows from a related specialised credit institution)							
20	TOTAL CASH INFLOWS	539,297	651,301		-	532,827	631,106	
EU-20a	*Fully exempt inflows*			633,935				583,232
EU-20b	*Inflows subject to 90% cap*							
EU-20c	*Inflows subject to 75% cap*	*539,297*	*651,301*	633,935	-	*532,827*	*631,106*	583,232
TOTAL ADJUSTED VALUE								
EU-21	**LIQUIDITY BUFFER**					**8,242,009**	**8,693,956**	**8,978,830**
22	**TOTAL NET CASH OUTFLOWS**					**805,759**	**980,747**	**1,422,998**
23	**LIQUIDITY COVERAGE RATIO**					**1022.89%**	**886.46%**	**630.98%**

Table 19 - LIQ2: Net Stable Funding Ratio

(in thousands EUR)		Unweighted value by residual maturity			Weighted value
		< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items					
1	Capital items and instruments	0	0	477,598	477,598
2	*Own funds*			*477,598*	*477,598*
4	Retail deposits	10,140,572	0	0	9,385,863
5	*Stable deposits*	*5,186,954*	-	-	*4,927,606*
6	*Less stable deposits*	*4,953,618*	-	-	*4,458,257*
7	Wholesale funding:	590,727	0	0	169,952
8	*Operational deposits*	*250,822*	*0*	*0*	*0*
9	*Other wholesale funding*	*339,905*	*0*	*0*	*169,952*
11	Other liabilities:	580,098	0	0	0
12	*NSFR derivative liabilities*	*0*	*0*	*0*	
13	*All other liabilities and capital instruments not included in the above categories*	428,603	0	0	0
14	**Total available stable funding (ASF)**	11,311,397	0	477,598	**10,033,413**
Required stable funding (RSF) Items					
15	Total high-quality liquid assets (HQLA)				0
17	Performing loans and securities:	632,006	82,277	1,857,560	1,845,522
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*			*1,337,297*	*114,702*
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*	*551,799*	*78,577*	*852,779*	*834,803*
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*			*1,004,780*	*896,017*
26	Other assets:	513,173	254	63,288	321,732
29	*NSFR derivative assets*	*200*			*10*

Table 19 - LIQ2: Net Stable Funding Ratio

(in thousands EUR)		Unweighted value by residual maturity			
		< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items					Weighted value
31	*All other assets not included in the above categories*	*512,973*	*254*	*63,288*	*321,722*
32	Off-balance sheet items	229,704	0	61	11,300
33	**Total RSF**				**2,178,555**
34	**Net Stable Funding Ratio (%)**				**460.5536%**

Table 20 - CR4: Credit risk exposure and CRM effects

	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
Asset classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
Central governments and central banks	8,607,820	0	8,607,820	0	0	0%
Public sector entities	156,685	0	156,685	0	0	0
Multilateral development banks	98,892	0	98,892	0	0	0
Institutions	1,172,128	0	1,172,128	0	469,496	40%
Corporates	87,572	118,061	87,572	61	87,633	100%
Retail exposures	600,370	110,775	600,370	0	450,278	75%
Exposures in default	4,770	461	4,770	0	4,771	100%
Equity exposures	25	0	25	0	25	100%
Other assets	8,232	0	8,233	0	8,233	100%
Total	**10,736,494**	**229,297**	**10,736,495**	**61**	**1,020,436**	100%

(all amounts in EUR thousand unless stated otherwise)

Table 21 - CR5: Credit risk exposure standardised approach

	Risk weight						Total credit exposures amount (post CCF and post-CRM)
	0%	20%	50%	75%	100%	150%	
Central governments and central banks	8,607,823	-	-	-	-	-	8,607,823
Public sector entities	156,685	-	-	-	-	-	156,685
Multilateral development banks	98,892	-	-	-	-	-	98,892
Institutions	-	176,393	868,435	-	0	-	1,044,828
Corporates	-	-	-	-	87,633	-	87,633
Retail exposures	-	-	-	600,370	-	-	600,370
Exposures in default	-	-	-	-	4,767	3	4,770
Equity exposures	-	-	-	-	25	-	25
Other items	-	-	-	-	8,232	-	8,232
Total	**8,863,400**	**176,393**	**868,435**	**600,370**	**100,657**	**3**	**10,609,259**

(all amounts in EUR thousand unless stated otherwise)

Table 22 - CQ1: Credit quality of forborne exposures

		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
			Non-performing forborne						
		Performing forborne		Of which defaulted	Of which impaired	On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
5	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
10	Loans and advances	1,901	108	108	108	-204	-88	-	-
20	Central banks	-	-	-	-	-	-	-	-
30	General governments	-	-	-	-	-	-	-	-
40	Credit institutions	-	-	-	-	-	-	-	-
50	Other financial corporations	-	-	-	-	-	-	-	-
60	Non-financial corporations	-	-	-	-	-	-	-	-
70	Households	1,901	108	108	108	-204	-88	-	-
80	Debt Securities	-	-	-	-	-	-	-	-
90	Loan commitments given	-	-	-	-	-	-	-	-
100	Total	1,901	108	108	108	-204	-88	0	

(all amounts in EUR thousand unless stated otherwise)

Table 23 - CQ3: Credit quality of performing and non-performing exposures by past due days

		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
			Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
5	Cash balances at central banks and other demand deposits	7,591,497	7,591,497	0	2	2	0	2	0	0	0	0	2
10	Loans and advances	1,482,563	1,473,935	8,627	47,842	2,454	8,417	17,078	15,826	3,972	81	14	3,972
20	Central banks	0	0	0	0	0	0	0	0	0	0	0	0
30	General governments	425,644	425,644	0	0	0	0	0	0	0	0	0	0
40	Credit institutions	431,593	431,593	0	0	0	0	0	0	0	0	0	0
50	Other financial corporations	1,700	1,696	4	22	0	12	7	1	2	0	0	2
60	Non-financial corporations	465	172	293	1,522	0	363	588	333	238	0	0	238
70	Of which SMEs	1	1	0	0	0	0	0	0	0	0	0	0
80	Households	623,161	614,830	8,331	46,298	2,454	8,042	16,484	15,492	3,732	80	14	3,732
90	Debt securities	2,426,243	2,426,243	0	0	0	0	0	0	0	0	0	0
100	Central banks	0	0	0	0	0	0	0	0	0	0	0	0
110	General governments	622,911	622,911	0	0	0	0	0	0	0	0	0	0
120	Credit institutions	1,803,232	1,803,232	0	0	0	0	0	0	0	0	0	0
130	Other financial corporations	100	100	0	0	0	0	0	0	0	0	0	0
140	Non-financial corporations	0	0	0	0	0	0	0	0	0	0	0	0
150	Off-balance-sheet exposures	229,250	0	0	0	0	0	0	0	0	0	0	0
160	Central banks	0	0	0	0	0	0	0	0	0	0	0	0
170	General governments	0	0	0	0	0	0	0	0	0	0	0	0
180	Credit institutions	0	0	0	0	0	0	0	0	0	0	0	0
190	Other financial corporations	118,000	0	0	0	0	0	0	0	0	0	0	0
200	Non-financial corporations	61	0	0	0	0	0	0	0	0	0	0	0
210	Households	111,189	0	0	0	0	0	0	0	0	0	0	0
220	Total	11,729,552	11,491,675	8,627	47,844	2,456	8,417	17,080	15,826	3,972	81	14	3,974

(all amounts in EUR thousand unless stated otherwise)

Table 24 - CQ4: Quality of non-performing exposures by geography

		Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given
			Of which non-performing		Of which subject to impairment		
				Of which defaulted			
10	**On-balance-sheet exposures**	**11,560,739**	**47,844**	**47,844**	**11,548,509**	**-68,739**	
20	Spain	780,136	2,035	2,035	780,064	-2,942	
30	Germany	676,530	1,442	1,442	676,494	-2,219	
40	Ireland	645,708	14,310	14,310	645,699	-22,757	
50	Belgium	311,907	620	620	311,907	-756	
60	United States	276,252	0	0	276,252	-14	
70	France	253,086	5,966	5,966	252,982	-6,823	
80	United Kingdom	228,343	8	8	216,482	-40	
90	Romania	176,477	5,330.00	5,330.00	176,476	-10,431.00	
100	Lithuania	172,142	2,075	2,075	172,142	-3,342	
110	Poland	134,209	8,441	8,441	134,209	-10,290	
120	Other countries	7,905,950	7,618	7,618	7,905,802	-9,124	
130	**Off-balance-sheet exposures**	**229,765**	**515**	**515**			**754**
140	United Kingdom	118,001	-	-			-
150	Ireland	45,147	316	316			502
160	Poland	37,228	182	182			137
170	Lithuania	21,769	14	14			73
180	Spain	7,472	0	0			41
190	Netherlands	38	1	1			0
200	France	25	1	1			0
210	Germany	25	-	-			0
220	Estonia	15	0	0			0
230	Cyprus	15	-	-			0
240	Other countries	29	1	1			1
250	Total	11,790,505	48,359	48,359			754

(all amounts in EUR thousand unless stated otherwise)

Table 25 - CQ5: Credit quality of loans and advances to non-financial corporations by industry

		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing		Of which loans and advances subject to impairment		
				Of which defaulted			
10	Agriculture, forestry and fishing	4	2	2	4	-4	0
20	Mining and quarrying	0	0	0	0	0	0
30	Manufacturing	190	155	155	190	-190	0
40	Electricity, gas, steam and air conditioning supply	0	0	0	0	0	0
50	Water supply	0	0	0	0	0	0
60	Construction	185	123	123	185	-185	0
70	Wholesale and retail trade	242	195	195	242	-242	0
80	Transport and storage	145	97	97	145	-145	0
90	Accommodation and food service activities	85	52	52	85	-85	0
100	Information and communication	156	130	130	156	-156	0
110	Financial and insurance activities	0	0	0	0	0	0
120	Real estate activities	36	21	21	36	-36	0
130	Professional, scientific and technical activities	325	253	253	325	-325	0
140	Administrative and support service activities	199	177	177	199	-199	0
150	Public administration and defense, compulsory social security	3	2	2	3	-3	0
160	Education	36	31	31	36	-36	0
170	Human health services and social work activities	5	2	2	5	-5	0
180	Arts, entertainment and recreation	6	5	5	6	-6	0
190	Other services	369	277	277	369	-369	0
200	**Total**	**1,986**	**1,522**	**1,522**	**1,986**	**-1,986**	**0**

(all amounts in EUR thousand unless stated otherwise)

Table 26 - CR1: Performing and non-performing exposures and related provisions

	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3	
Cash balances at central banks and other demand deposits	7,591,497	7,580,353	0	2	0	2	(1)	(1)	0	(2)	0	(2)	0
Loans and advances	1,482,563	1,375,697	106,866	47,842	0	47,841	(25,353)	(15,116)	(10,237)	(43,125)	(2)	(43,075)	0
Central banks	0	0	0	0	0	0	0	0	0	0	0	0	0
General governments	425,644	425,644	0	0	0	0	0	0	0	0	0	0	0
Credit institutions	431,593	431,593	0	0	0	0	0	0	0	0	0	0	0
Other financial corporations	1,700	1,700	0	22	0	22	(7)	(7)	0	(22)	0	(23)	0
Non-financial corporations	465	465	0	1,522	0	1,522	(465)	(465)	0	(1,522)	0	(1,522)	0
Of which SMEs	1	1	0	0	0	0	(1)	(1)	0	0	0	0	0
Households	2,426,243	2,426,243	0	0	0	0	(24,881)	(14,644)	(10,237)	(41,581)	(2)	(41,530)	0
Debt securities	2,426,243	2,426,243	0	0	0	0	(259)	(259)	0	0	0	0	0
Central banks	0	0	0	0	0	0	0	0	0	0	0	0	0
General governments	622,911	622,911	0	0	0	0	0	0	0	0	0	0	0
Credit institutions	1,803,232	1,803,232	0	0	0	0	(259)	(259)	0	0	0	0	0
Other financial corporations	100	100	0	0	0	0	0	0	0	0	0	0	0
Non-financial corporations	0	0	0	0	0	0	0	0	0	0	0	0	0

(all amounts in EUR thousand unless stated otherwise)

Table 26 - CR1: Performing and non-performing exposures and related provisions

	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off
Off-balance-sheet exposures	229,250	224,706	4,544	515	0	515	700	553	146	54	0	54	
Central banks	0	0	0	0	0	0	0	0	0	0	0	0	
General governments	0	0	0	0	0	0	0	0	0	0	0	0	
Credit institutions	0	0	0	0	0	0	0	0	0	0	0	0	
Other financial corporations	118,000	118,000	0	0	0	0	0	0	0	0	0	0	
Non-financial corporations	61	61	0	0	0	0	0	0	0	0	0	0	
Households	111,189	106,645	4,544	515	0	515	700	553	146	54	0	54	
Total	11,729,552	11,606,998	111,410	48,359	0	48,357	(24,913)	(14,822)	(10,090)	(43,073)	(2)	(43,023)	0

(all amounts in EUR thousand unless stated otherwise)

Table 27 - CR1a: Maturity of exposures

	Net exposure value					
	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
Loans and advances	41,737	17,997	1,386,027	84,644	-	1,530,405
Debt securities	-	2,426,243	-	-	-	2,426,243
Total	41,737	2,444,240	1,386,027	84,644	0	3,956,648

Table 28 - CR2: Changes in the stock of non-performing loans and advances

	Gross carrying amount
Initial stock of non-performing loans and advances	**16,855**
Inflows to non-performing portfolios	31,201
Outflows from non-performing portfolios	(215)
Outflows due to write-offs	
Outflow due to other situations	
Final stock of non-performing loans and advances	**47,842**

(all amounts in EUR thousand unless stated otherwise)

Table 29 - CR2a: Changes in the stock of non-performing loans and advances and related net accumulated recoveries

	Gross carrying amount	Related net accumulated recoveries
Initial stock of non-performing loans and advances	**16,855**	
Inflows to non-performing portfolios	31,201	
Outflows from non-performing portfolios	(215)	
Outflow to performing portfolio		
Outflow due to loan repayment, partial or total		
Outflow due to collateral liquidations		
Outflow due to taking possession of collateral		
Outflow due to sale of instruments		
Outflow due to risk transfers		
Outflows due to write-offs		
Outflow due to other situations		
Outflow due to reclassification as held for sale		
Final stock of non-performing loans and advances	**47,842**	

Table 30 - OR1: Operational risk own funds requirements and risk-weighted exposure amounts

		Year-3	Year-2	Last year		
1	Banking activities subject to basic indicator approach (BIA)	919,208	147,164	397,819	73,210	915,119
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	-	-	-	-	-
3	*Subject to TSA:*					
4	*Subject to ASA:*					
5	Banking activities subject to advanced measurement approaches AMA	-	-	-	-	-

(all amounts in EUR thousand unless stated otherwise)

Table 31 - IRRBB: Interest rate risks of non-trading book activities

	Changes of the economic value of equity		Changes of the net interest income			
	Current period	Last period	Current period	requirement		Last period
Parallel up	4.4%	0.8%	35.4%			35.9%
Parallel down	-11.5%	-6.6%	-35.2%			-35.9%
Steepener	-3.3%	-1.1%				
Flattener	2.4%	-0.1%				
Short rates up	3.3%	-0.5%				
Short rates down	-8.0%	-3.8%				

Table 32 - AE1: Encumbered and unencumbered assets

	Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
		of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
Assets of the reporting institution	**10,234**	-			12,093,171	8,437,729		
Equity instruments					25		25	
Debt securities					2,425,984	878,489	2,254,559	919,322
of which: covered bonds								
of which: asset-backed securities								
of which: issued by general governments					622,911	622,911	637,107	637,107
of which: issued by financial corporations					1,803,073	255,578	1,617,452	282,215
of which: issued by non-financial corporations								
Other assets	10,234	-			9,667,162	7,559,240		

(all amounts in EUR thousand unless stated otherwise)

Table 33 - AE2: Sources of encumbrance

	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
Carrying amount of selected financial liabilities	4,397	4,397

Table 34 - REM1: Remuneration awarded for the financial year

		MB Supervisory function	MB Management function	Other identified staff
Fixed remuneration	Number of identified staff	-	10	29
	Total fixed remuneration	-	1,272	2,343
	Of which: cash-based	-	1,272	2,343
	Of which: other forms	-	-	-
Variable remuneration	Number of identified staff		10	29
	Total variable remuneration		837	2,056
	Of which: cash-based			22
	Of which: share-linked instruments or equivalent non-cash instruments		147	476
	Of which: deferred		-	-
Total remuneration (2 + 10)		**-**	**2,109**	**4,399**

Table 35 - REM2: Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)

	MB Supervisory function	MB Management function	Other senior management	Other identified staff
Guaranteed variable remuneration awards				
Guaranteed variable remuneration awards - Number of identified staff	0	0	0	0
Guaranteed variable remuneration awards -Total amount	0	0	0	0
Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap				
Severance payments awarded in previous periods, that have been paid out during the financial year				
Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff	0	0	0	0
Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount	0	0	0	0
Severance payments awarded during the financial year				
Severance payments awarded during the financial year - Number of identified staff	0	0	0	0
Severance payments awarded during the financial year - Total amount	0	0	0	0
Of which paid during the financial year				
Of which deferred				
Of which severance payments paid during the financial year, that are not taken into account in the bonus cap				
Of which highest payment that has been awarded to a single person				

Table 36 - REM3: Deferred remuneration

Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e.changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
MB Supervisory function								
Cash-based								
Shares or equivalent ownership interests								
Share-linked instruments or equivalent non-cash instruments								
Other instruments								
Other forms								
MB Management function	0	0						
Cash-based								
Cash-based								
Share-linked instruments or equivalent non-cash instruments								
Other instruments								
Other forms								
Other identified staff	0	0						
Cash-based								
Share-linked instruments or								

Table 36 - REM3: Deferred remuneration

Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e.changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
equivalent non-cash instruments								
Other instruments								
Other forms								
Total amount	0	0						

(all amounts in EUR thousand unless stated otherwise)

Table 37 - REM4: Remuneration of 1 million EUR or more per year

EUR	Identified staff that are high earners as set out in Article 450(i) CRR
1 000 000 to below 1 500 000	
1 500 000 to below 2 000 000	
2 000 000 to below 2 500 000	
2 500 000 to below 3 000 000	
3 000 000 to below 3 500 000	
3 500 000 to below 4 000 000	
4 000 000 to below 4 500 000	
4 500 000 to below 5 000 000	
5 000 000 to below 6 000 000	
6 000 000 to below 7 000 000	
7 000 000 to below 8 000 000	
To be extended as appropriate, if further payment bands are needed.	

Table 38 - REM5: Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

	Management body remuneration								
	MB Supervisory function	MB Management function	Total MB	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
Total number of identified staff	0	10	10						39
Of which: members of the MB	0	10	10						10
Of which: other senior management									
Of which: other identified staff				4	2	5	17	1	29
Total remuneration of identified staff		2,109	2,109	987	582	926	1,904	0	6,508
Of which: variable remuneration		837	837	446	201	658	752	0	2,893
Of which: fixed remuneration		1,272	1,272	541	381	268	1,152	0	3,614

(all amounts in EUR thousand unless stated otherwise)

Table 39 - SEC1 - Securitisation exposures in the non-trading book

		Institution acts as investor			
		Traditional		Synthetic	Sub-total
		STS	Non-STS		
1	**Total exposures**		421,100		421,100
2	Retail (total)				
3	residential mortgage				
4	credit card				
5	other retail exposures				
6	re-securitisation				
7	Wholesale (total)		421,100		421,100
8	loans to corporates		421,100		421,100
9	commercial mortgage				
10	lease and receivables				
11	other wholesale				
12	re-securitisation				

(all amounts in EUR thousand unless stated otherwise)

Table 40 - SEC4: Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor

		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)			
		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW / deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%
1	**Total exposures**	346,100	75,000					346,100	75,000			66,959	18,060	
2	Traditional transactions													
3	Securitisation	346,100	75,000					346,100	75,000			66,959	18,060	
4	Retail underlying													
5	Of which STS													
6	Wholesale	346,100	75,000					346,100	75,000			66,959	18,060	
7	Of which STS													
8	Re-securitisation													
9	Synthetic transactions													
10	Securitisation													
11	Retail underlying													
12	Wholesale													
13	Re-securitisation													

Attestation

The Head of Finance hereby attests that the disclosures in the EEA Group's Risk Management and Capital Adequacy Report (Pillar 3), provided according to Part Eight of Regulation (EU) No 575/2013, have been prepared in accordance with the internal controls and procedures.

The system of internal controls that is designed to maintain effective and efficient operations, compliant with applicable laws and regulations on Pillar 3 disclosure requirements stipulates the general principles that apply for the control processes and structures regarding the disclosure of risk and capital adequacy information in the EEA Group. The system ensures that the disclosed information is subject to effective, timely and adequate internal controls and monitoring structures.

Olga Kosiakova

Head of Finance Revolut Holdings Europe UAB