

(Thousands of AOA)

| 31-12-2020 (restated) | | | | | |
|---------------------------------|-----------------|--------------|----------------------|----------------------|----------------------|
| | Rating origin | Rating level | Total exposure | Impairment losses | Net exposure |
| Loans and advances to Customers | Internal rating | Low | 76,575,753 | (19,834,937) | 56,740,816 |
| | | Medium | 93,068,816 | (15,991,448) | 77,077,368 |
| | | High | 202,548,743 | (22,748,261) | 179,800,482 |
| | No rating | N/A | 227,487,963 | (86,835,920) | 140,652,043 |
| Other assets | External rating | AAA to AA- | - | - | - |
| | | A+ to A- | 45,893,416 | (3,843) | 45,889,573 |
| | | BBB+ to BBB- | 99,537,337 | (59,182) | 99,478,155 |
| | | BB+ to BB- | 5,498,696 | (5,688) | 5,493,008 |
| | | B+ to B- | 9,263,139 | (55,219) | 9,207,920 |
| | <B- | 668,566,514 | (20,278,278) | 648,288,236 | |
| No rating | N/A | 520,178,985 | (29,067,614) | 491,111,371 | |
| | | | 1,948,619,362 | (194,880,390) | 1,753,738,972 |

NOTE 39 Risk Management

The Bank is subject to different types of risk in the course of its business. Risk management is carried out centrally with respect to the specific risks of each business.

The risk management policy aims to define the profile for each risk identified as material to the Bank, with a view to protecting the Bank's soundness, as well as the guidelines for implementing a risk management system that allows the identification, assessment, monitoring, control and reporting of all material risks inherent to the Bank's activity.

In this context, the monitoring and control of the main financial risks – credit, market and liquidity – and non-financial risks – operational – to which the Bank's activity is subject to, are of particular importance.

Main risk categories

Credit – Credit risk is the uncertainty of recovering an investment and its return, due to a debtor's (or guarantor, if applicable) inability to fulfil its financial commitments to the Bank, causing a financial loss to the creditor. Credit risk is reflected in debt securities or other receivables.

Market – Market risk reflects the potential loss that can be incurred by a given portfolio as a result of changes in rates (interest and exchange rates) and/or in the prices of the different financial instruments that comprise it, considering both the correlations between them and the respective volatilities. Therefore, Market Risk encompasses the risk of interest rate, exchange rate and other price risks.

Liquidity – Liquidity risk reflects the Bank's inability to meet its obligations associated with financial liabilities at each maturity date without incurring in significant losses due to deteriorating access to finance (financing risk) and/or the sale of its assets below their normal market value (market liquidity risk).

Real Estate – Real estate risk results from the probability of negative impacts on the Bank's income and/or capital due to unfavourable changes in the market price.

Operating – Operating risk is the probability of failures or inappropriateness of internal procedures, information systems, human behaviour or external events.

Internal organisation

The Risk Office (ROF) is part of ATLANTICO's organisational structure and takes autonomous and independent direct accountability for the risk management system. This Department has no direct responsibility over any risk-taking function, which depends on the hierarchical and functional structure of the Board of Directors (CA) and is monitored on a daily basis by a director appointed by the Executive Committee (CE).

The Board of Directors is responsible for defining, approving and implementing a risk management system that identifies, assesses, controls and monitors all the material risks to which the Bank is exposed, in order to ensure that they remain at the previously defined level and that they will not significantly affect the Bank's financial position.

The Board of Directors is responsible for: (i) approving the operating regulations of the ROF; (ii) ensuring adequate material and human resources for the performance of risk management functions; (iii) ensuring that risk management activities have sufficient independence, status and visibility and are subject to periodic reviews; (iv) approving the exposure limits to the different material risks to which the Bank is exposed; and (v) setting general guidelines for the risk management system and definition of the Bank's risk profile, formalised in the risk management policy.

ROF is responsible for identifying, assessing and monitoring materially relevant risks to the Bank, as well as monitoring the adequacy and effectiveness of measures taken to address any shortcomings in the risk management system.

The Bank's structural units are responsible for the effective control of risks and compliance with the internal procedures defined by the CE.

The risk management system is documented through policies, internal rules (processes) and procedure manuals.

During 2021, the BNA issued Notice No. 08/2021, which establishes a new regulatory and prudential framework for the Angolan financial system arising from the supervisory equivalence programme under implementation. The regulatory package consisting of the aforementioned Notice and supplementary Instructions revokes the regulations published in 2016, which guided risk management and regulatory limits until this date. The Bank is currently in the process of implementing the guidelines contained in the regulatory package that will come into force in 2022.

Risk Assessment

Credit Risk

Credit risk models play a key role in the credit decision process. Therefore, the loan portfolio's decision-making process is based on a set of policies, through scoring models for Retail and Corporate Customers' portfolios and rating for the corporate segment.

Credit decisions depend on risk classifications and compliance with several rules on the financial standing and behaviour of the proposers. There are relative scoring models for the main consumer credit portfolios, namely mortgages and individual loans, including the necessary segmentation between Customers and non-Customers (or recent Customers).

The main goals of credit risk management are:

- Define the provisioning rules/impairment calculations;
- Define the process of risk analysis;
- Analyse the sectoral and geographical risks;
- Analyse concentration risks;
- Define and monitoring the internal boundaries for counter parties;
- Monitoring the implementation of risks cutback plans, through a follow-up of the overdue credit portfolio.

In order to mitigate the credit risk, the portfolio analysis includes the following criteria:

- Customer's background, to seek the existence of credit defaults, pledges or debts;
- Exposure limits to credit risk, where, in accordance with the counterparties' credit capacity, it is established an internal rating, as well as the definition of maximum limits to counterparties;
- Default risk where Customers with high probability of default rating are rejected;
- Personal or real guarantees at the credit conception, in order to mitigate the Bank's exposure to the respective counterparty.

As at 31 December 2021 and 2020, the information on the Bank's exposure to credit risk by type of financial assets, including off-balance sheet exposure, is detailed as follows:

| | (Thousands of AOA) | | |
|---|----------------------|----------------------|----------------------|
| | 31-12-2021 | | |
| | Gross book value | Impairment losses | Net book value |
| BALANCE SHEET ITEMS | | | |
| Cash and deposits at central banks | 344,971,397 | - | 344,971,397 |
| Loans and advances to credit institutions repayable on demand | 51,154,354 | (11,006) | 51,143,348 |
| Financial assets at fair value through profit or loss | 268,230,596 | - | 268,230,596 |
| Financial assets at fair value through other comprehensive income | 3,014,167 | - | 3,014,167 |
| Financial assets at amortised cost | | | |
| Debt securities | 374,748,503 | (5,443,257) | 369,305,246 |
| Loans and advances to Customers | 588,318,524 | (147,333,307) | 440,985,217 |
| Other loans and advances to central banks and credit institutions | 34,100,634 | (285,640) | 33,814,994 |
| Other assets | 119,517,628 | (26,203,981) | 93,313,647 |
| | 1,784,055,803 | (179,277,191) | 1,604,778,612 |
| OFF-BALANCE SHEET ITEMS | | | |
| Documentary credit | 24,623,880 | (641,484) | 23,982,396 |
| Guarantees provided | 8,170,816 | (388,645) | 7,782,171 |
| | 32,794,696 | (1,030,129) | 31,764,567 |
| | 1,816,850,499 | (180,307,320) | 1,636,543,179 |

| | (Thousands of AOA) | | |
|---|-----------------------|----------------------|----------------------|
| | 31-12-2020 (restated) | | |
| | Gross book value | Impairment losses | Net book value |
| BALANCE SHEET ITEMS | | | |
| Cash and deposits at central banks | 222,111,313 | - | 222,111,313 |
| Loans and advances to credit institutions repayable on demand | 110,406,182 | (24,290) | 110,381,892 |
| Financial assets at fair value through profit or loss | 216,926,542 | - | 216,926,542 |
| Financial assets at fair value through other comprehensive income | 5,760,534 | - | 5,760,534 |
| Financial assets at amortised cost | | | |
| Debt securities | 416,344,735 | (19,989,777) | 396,354,958 |
| Loans and advances to Customers | 599,681,275 | (145,410,566) | 454,270,709 |
| Other loans and advances to central banks and credit institutions | 83,979,285 | (388,144) | 83,591,141 |
| Other assets | 148,208,624 | (22,208,616) | 126,000,008 |
| | 1,803,418,490 | (188,021,393) | 1,615,397,097 |
| OFF-BALANCE SHEET ITEMS | | | |
| Documentary credit | 20,949,990 | (788,681) | 20,161,309 |
| Guarantees provided | 15,398,567 | (229,201) | 15,169,366 |
| | 36,348,557 | (1,017,882) | 35,330,675 |
| | 1,839,767,047 | (189,039,275) | 1,650,727,772 |

As at 31 December 2021 and 2020, the breakdown by sector of activity of the loan exposure to Customers, including guarantees provided and documentary credit, is as follows:

(Thousands of AOA)

| Business sector | 31-12-2021 | | | | | |
|----------------------------|---------------------------------|-------------------|--|--------------------|----------------------|------------|
| | Loans and advances to Customers | | Guarantees provided and documentary credit | Total exposure | Impairment losses | |
| | Outstanding | Overdue | | | Value | % |
| Real Estate | 137,200,408 | 33,698,684 | - | 170,899,092 | (28,416,094) | 17% |
| Construction | 107,706,610 | 6,019,468 | 3,763,362 | 117,489,440 | (21,139,726) | 18% |
| Manufacturing Industry | 89,017,279 | 22,144,372 | 6,824,122 | 117,985,773 | (38,616,595) | 33% |
| Wholesale and Retail Trade | 76,718,222 | 13,813,079 | 3,040,440 | 93,571,741 | (22,910,501) | 24% |
| Retail | 44,802,684 | 7,926,156 | 1,217,471 | 53,946,311 | (25,737,535) | 48% |
| Other | 36,551,102 | 12,720,460 | 17,949,301 | 67,220,863 | (12,644,427) | 19% |
| | 491,996,305 | 96,322,219 | 32,794,696 | 621,113,220 | (149,464,878) | 24% |

(Thousands of AOA)

| Business sector | 31-12-2020 (restated) | | | | | |
|----------------------------|---------------------------------|--------------------|--|--------------------|----------------------|------------|
| | Loans and advances to Customers | | Guarantees provided and documentary credit | Total exposure | Impairment losses | |
| | Outstanding | Overdue | | | Value | % |
| Real Estate | 136,507,997 | 39,395,154 | - | 175,903,151 | (32,286,339) | 18% |
| Construction | 111,028,755 | 9,036,576 | 13,577,709 | 133,643,040 | (33,185,909) | 25% |
| Manufacturing Industry | 84,698,769 | 21,855,271 | 6,474,761 | 113,028,801 | (23,995,895) | 21% |
| Wholesale and Retail Trade | 78,006,527 | 14,720,635 | 6,715,230 | 99,442,392 | (25,449,644) | 26% |
| Retail | 47,522,003 | 6,605,028 | 1,227,585 | 55,354,616 | (22,437,297) | 41% |
| Other | 39,372,037 | 10,932,523 | 8,353,272 | 58,657,832 | (9,073,364) | 15% |
| | 497,136,088 | 102,545,187 | 36,348,557 | 636,029,832 | (146,428,448) | 23% |

As at 31 December 2021 and 2020, the geographical concentration of credit risk is presented as follows:

(Thousands of AOA)

| | 31-12-2021 | | | |
|--|--------------------|---------------|----------------|--------------------|
| | Geography | | | |
| | Angola | Portugal | Other | Total |
| Loans and advances to Customers | 588,235,534 | 69,237 | 13,753 | 588,318,524 |
| Guarantees provided and documentary credit | 32,690,751 | - | 103,945 | 32,794,696 |
| | 620,926,285 | 69,237 | 117,698 | 621,113,220 |

(Thousands of AOA)

| | 31-12-2020 (restated) | | | |
|--|-----------------------|------------------|----------------|--------------------|
| | Geography | | | |
| | Angola | Portugal | Other | Total |
| Loans and advances to Customers | 596,386,064 | 3,268,412 | 26,799 | 599,681,275 |
| Guarantees provided and documentary credit | 36,244,612 | - | 103,945 | 36,348,557 |
| | 632,630,676 | 3,268,412 | 130,744 | 636,029,832 |

As at 31 December 2021 and 2020, the exposure to credit risk by financial asset class, rating level and stage, is presented as follows:

(Thousands of AOA)

| | 31-12-2021 | | | |
|--|------------------------|----------------------------------|----------------------------------|--------------------|
| | Stage 1 (12 months) | Stage 2 (instrument duration) | Stage 3 (instrument duration) | Total |
| LOANS AND ADVANCES TO CUSTOMERS | | | | |
| Low level | 4,419,749 | 40,594,347 | 29,619,733 | 74,633,829 |
| Medium level | 8,130,955 | 62,895,078 | 4,939,553 | 75,965,586 |
| High level | 25,612,247 | 137,806,090 | 61,920,411 | 225,338,748 |
| No rating | 14,769,647 | 42,325,402 | 155,285,312 | 212,380,361 |
| Gross book value | 52,932,598 | 283,620,917 | 251,765,009 | 588,318,524 |
| Impairment losses | (781,843) | (23,942,303) | (122,609,161) | (147,333,307) |
| Net book value | 52,150,755 | 259,678,614 | 129,155,848 | 440,985,217 |

(Thousands of AOA)

| | 31-12-2020 (restated) | | | |
|--|------------------------|----------------------------------|----------------------------------|--------------------|
| | Stage 1 (12 months) | Stage 2 (instrument duration) | Stage 3 (instrument duration) | Total |
| LOANS AND ADVANCES TO CUSTOMERS | | | | - |
| Low level | 6,046,784 | 43,084,998 | 27,444,782 | 76,576,564 |
| Medium level | 13,303,998 | 53,087,731 | 26,677,086 | 93,068,815 |
| High level | 43,439,609 | 97,821,581 | 61,287,554 | 202,548,744 |
| No rating | 23,184,537 | 83,110,444 | 121,192,171 | 227,487,152 |
| Gross book value | 85,974,928 | 277,104,754 | 236,601,593 | 599,681,275 |
| Impairment losses | (1,414,060) | (25,817,822) | (118,178,684) | (145,410,566) |
| Net book value | 84,560,868 | 251,286,932 | 118,422,909 | 454,270,709 |

With regard to the quality of credit risk of the financial assets, the Bank, based on internal rating levels, is developing the necessary tools to disclose information along these lines.

Nevertheless, it is important to consider the following aspects related to credit risk mitigation of the Bank's financial assets:

- Real estate guarantees and financial collaterals, which allow a direct reduction in the position value, are important for credit risk mitigation. Personal protection guarantees, with a substitution effect in the position at risk, are also considered;
- Credit operations collateralised by financial guarantees are considered for direct reductions, namely deposits, Angolan state bonds and other similar guarantees;
- Regarding real mortgage guarantees, the valuation of assets is performed by independent valuers registered with the Capital Market Commission (CMC) of Angola. The revaluation of the assets is performed through assessments on-the-site, performed by a technical valuer, in accordance with best market practices;
- The model for calculating impairment losses on the loans and advances to Customers portfolio was implemented in 2018, governed by the general principles defined in IFRS 9, as well as the guidelines and iterations of IAS/IFRS implementation with the Banco Nacional de Angola, in order to align the calculation process with the best international practices;
- The Bank's impairment model begins with the segmentation of the credit portfolio Customers into separate groups, according to their stage and depending on the existence of signs of impairment (which include internal and external information) and the size of the set of exposures of each economic/customer group;
- The assessment of impairment losses on an individual basis is determined through an analysis of the total credit exposure on a case-by-case basis. For each loan considered individually significant, the Bank assesses, at each balance sheet date, the expected impairment loss (ECL);
- For each one of the Customers/active loans, a set of impairment signs is verified, which includes internal and external information. This information increases impairment values, since these represent an increase in the risk of default;
- It should be noted that a restructured loan is a sign of impairment and, therefore, the loan portfolio marked as restructured is included in the loans with signs of impairment;
- In the group of homogeneous populations, customer exposures are subject to collective analysis;
- The amount of impairment for Customers subject to individual analysis is calculated using the discounted cash flow method and macroeconomic

scenarios with impacts on the recovery strategy, i.e., the amount of impairment corresponds to the difference between the value of the loan and the sum of the expected cash flows related to the various operations of the customer, adjusted to the macroeconomic scenarios and updated according to the effective interest rate of each operation

Market Risk

Market Risk is controlled, in a short- and long-term vision, for the bank portfolio. The main players involved in the daily management of Market and Liquidity Risk are the Treasury and Markets Department and the Risk Office.

The Treasury and Markets Department is responsible for the selection and performance of market operations and for liquidity management, considering the limits defined in the Bank's risk profile.

The Risk Office is responsible for the identification, measurement and monitoring of risks, always ensuring that the defined limits are met.

The Bank also complies with Notice No. 08/2016, of 16 May, regarding the Interest Rate Risk in the banking portfolio (financial instruments not held in the portfolio of financial assets at fair value through profit or loss).

As at 31 December 2021 and 2020, the total portfolios of financial assets at fair value through other comprehensive income and at amortised cost are mainly concentrated in loans and advances to Customers, representing 52% and 48%, respectively, and in public debt securities (National Treasury Bonds), representing 44% and 43%, respectively.

The assessment of the interest rate risk originated by operations from the banking portfolio is made by risk sensitivity analysis.

Based on the financial characteristics of each contract, cash flows are projected according to the dates of rate resetting and possible behavioural assumptions considered.

The aggregation of the expected cash flows, at each range of days, for each of the currencies analysed, allows the determination of the interest rate gaps by resetting maturity.

Following the recommendations of BNA Instruction No. 09/2019, of 27 August (Instruction No. 06/2016, of 8 August, until August 2019), the Bank calculates its exposure to the balance sheet interest rate risk based on the methodology defined in the Instruction.

As at 31 December 2021 and 2020, the financial instruments for interest rate risk are detailed as follows:

(Thousands of AOA)

| | 31-12-2021 | | | | |
|---|----------------------|--------------------|--------------------------------------|----------------|----------------------|
| | Exposure to | | Not subject to interest rate risk | Derivatives | Total |
| | Fixed rate | Variable rate | | | |
| ASSETS | | | | | |
| Cash and deposits at central banks | - | - | 344,971,397 | - | 344,971,397 |
| Loans and advances to credit institutions repayable on demand | - | - | 51,143,348 | - | 51,143,348 |
| Financial assets at fair value through profit or loss | - | 148,955 | 267,782,883 | 298,758 | 268,230,596 |
| Financial assets at fair value through other comprehensive income | 2,584,778 | - | 429,389 | - | 3,014,167 |
| Financial assets at amortised cost | | | | | |
| Debt securities | 369,305,246 | - | - | - | 369,305,246 |
| Loans and advances to Customers | 78,648,503 | 362,336,714 | - | - | 440,985,217 |
| Other loans and advances to central banks and credit institutions | 33,814,994 | - | - | - | 33,814,994 |
| Other assets | 11,801,729 | - | 81,511,918 | - | 93,313,647 |
| | 496,155,250 | 362,485,669 | 745,838,935 | 298,758 | 1,604,778,612 |
| LIABILITIES | | | | | |
| Deposits from central banks and other credit institutions | 80,660,368 | - | 3,054,424 | - | 83,714,792 |
| Deposits from Customers and other loans | 835,672,336 | - | 587,278,088 | - | 1,422,950,424 |
| Financial liabilities at fair value through profit or loss | - | - | - | 1,412 | 1,412 |
| Other liabilities | 8,239,758 | - | 9,536,916 | - | 17,776,674 |
| | 924,572,462 | - | 599,869,428 | 1,412 | 1,524,443,302 |
| | (428,417,212) | 362,485,669 | 145,969,507 | 297,346 | 80,335,310 |

(Thousands of AOA)

| | 31-12-2020 (restated) | | | | |
|---|-----------------------|--------------------|--------------------------------------|------------------|----------------------|
| | Exposure to | | Not subject to interest rate risk | Derivatives | Total |
| | Fixed rate | Variable rate | | | |
| ASSETS | | | | | |
| Cash and deposits at central banks | - | - | 222,111,313 | - | 222,111,313 |
| Loans and advances to credit institutions repayable on demand | - | - | 110,381,892 | - | 110,381,892 |
| Financial assets at fair value through profit or loss | - | 8,354,190 | 204,931,937 | 3,640,415 | 216,926,542 |
| Financial assets at fair value through other comprehensive income | 3,044,971 | 2,266,608 | 448,955 | - | 5,760,534 |
| Financial assets at amortised cost | | | | | |
| Debt securities | 396,354,958 | - | - | - | 396,354,958 |
| Loans and advances to Customers | 63,935,322 | 390,335,387 | - | - | 454,270,709 |
| Other loans and advances to central banks and credit institutions | 83,591,141 | - | - | - | 83,591,141 |
| Other assets | 17,429,718 | - | 108,570,290 | - | 126,000,008 |
| | 564,356,110 | 400,956,185 | 646,444,387 | 3,640,415 | 1,615,397,097 |
| LIABILITIES | | | | | |
| Deposits from central banks and other credit institutions | 5,544,093 | 8,553,971 | - | - | 14,098,064 |
| Deposits from Customers and other loans | 936,150,243 | - | 587,820,554 | - | 1,523,970,797 |
| Financial liabilities at fair value through profit or loss | - | - | - | 3,978,187 | 3,978,187 |
| Other liabilities | 9,640,819 | - | 15,301,321 | - | 24,942,140 |
| | 951,335,155 | 8,553,971 | 603,121,875 | 3,978,187 | 1,566,989,188 |
| | (386,979,045) | 392,402,214 | 43,322,512 | (337,772) | 48,407,909 |

As at 31 December 2021 and 2020, the financial instruments with exposure to interest rate risk according to the maturity or resetting date had the following structure:

(Thousands of AOA)

| | 31-12-2021 | | | | | | | | Total |
|---|--------------------------------|----------------------|----------------------|---------------------|--------------------|-------------------|-------------------|-------------------|---------------------|
| | Resetting Dates/Maturity Dates | | | | | | | | |
| | Below 1 month | 1 to 3 months | 3 to 6 months | 6 to 12 months | 1 to 3 years | 3 to 5 years | Above 5 years | Undetermined | |
| ASSETS | | | | | | | | | |
| Financial assets at fair value through profit or loss | - | - | - | - | - | - | - | 148,956 | 148,956 |
| Financial assets at fair value through other comprehensive income | - | 341,400 | - | 269,723 | 1,802,321 | 18,516 | - | - | 2,431,960 |
| Financial assets at amortised cost | | | | | | | | | |
| Debt securities | - | 167,170 | 1,526,187 | 107,705,163 | 165,813,067 | 72,956,834 | 24,415,332 | - | 372,583,753 |
| Loans and advances to Customers | 174,162,133 | 76,491,183 | 35,920,278 | 42,217,269 | 1,668,430 | 6,846,757 | 47,326,259 | - | 384,632,309 |
| Other loans and advances to central banks and credit institutions | 31,408,693 | 2,220,020 | - | 471,919 | - | - | - | - | 34,100,632 |
| Other assets | - | - | - | - | - | - | - | 14,846,614 | 14,846,614 |
| | 205,570,826 | 79,219,773 | 37,446,465 | 150,664,074 | 169,283,818 | 79,822,107 | 71,741,591 | 14,995,570 | 808,744,224 |
| LIABILITIES | | | | | | | | | |
| Deposits from central banks and other credit institutions | 16,500,000 | - | - | - | - | - | - | - | 16,500,000 |
| Deposits from Customers and other loans | 109,529,100 | 260,665,534 | 200,516,315 | 224,171,478 | - | - | - | - | 794,882,427 |
| Other liabilities | - | - | - | - | - | 8,239,756 | - | - | 8,239,756 |
| | 126,029,100 | 260,665,534 | 200,516,315 | 224,171,478 | - | 8,239,756 | - | - | 819,622,183 |
| | 79,541,726 | (181,445,761) | (163,069,850) | (73,507,404) | 169,283,818 | 71,582,351 | 71,741,591 | 14,995,570 | (10,877,959) |

(Thousands of AOA)

| | 31-12-2020 (restated) | | | | | | | | |
|---|--------------------------------|----------------------|----------------------|----------------------|--------------------|--------------------|-------------------|-------------------|--------------------|
| | Resetting Dates/Maturity Dates | | | | | | | | |
| | Below 1 month | 1 to 3 months | 3 to 6 months | 6 to 12 months | 1 to 3 years | 3 to 5 years | Above 5 years | Undetermined | Total |
| ASSETS | | | | | | | | | |
| Financial assets at fair value through profit or loss | - | 8,350,900 | - | - | - | - | 3,290 | - | 8,354,190 |
| Financial assets at fair value through other comprehensive income | - | 1,172,700 | - | 473,004 | - | 3,348,619 | - | - | 4,994,323 |
| Financial assets at amortised cost | | | | | | | | | |
| Debt securities | - | 1,622,500 | 1,533,158 | 17,541,359 | 181,480,665 | 191,745,174 | 32,707,991 | - | 426,630,847 |
| Loans and advances to Customers | 149,690,144 | 45,932,559 | 59,152,358 | 72,544,572 | 33,864,396 | 5,413,154 | 35,343,312 | - | 401,940,495 |
| Other loans and advances to central banks and credit institutions | 76,887,121 | 6,258,496 | - | 796,504 | - | - | - | - | 83,942,121 |
| Other assets | - | - | - | - | - | - | - | 17,429,718 | 17,429,718 |
| | 226,577,265 | 63,337,155 | 60,685,516 | 91,355,439 | 215,345,061 | 200,506,947 | 68,054,593 | 17,429,718 | 943,291,694 |
| LIABILITIES | | | | | | | | | |
| Deposits from central banks and other credit institutions | 8,500,000 | - | - | - | - | - | - | - | 8,500,000 |
| Deposits from Customers and other loans | 247,045,042 | 220,696,183 | 207,645,550 | 240,527,792 | - | 6,176,901 | 1,075,803 | - | 923,167,271 |
| Other liabilities | - | - | - | - | - | 1,067,926 | 5,780,454 | - | 6,848,380 |
| | 255,545,042 | 220,696,183 | 207,645,550 | 240,527,792 | - | 7,244,827 | 6,856,257 | - | 938,515,651 |
| | (28,967,777) | (157,359,028) | (146,960,034) | (149,172,353) | 215,345,061 | 193,262,120 | 61,198,336 | 17,429,718 | 4,776,043 |

As at 31 December 2021 and 2020, the average interest rates for the main categories of financial assets and liabilities, as well as the related average balances and income and expenses for the period are as follows:

(Thousands of AOA)

| | 31-12-2021 | | | 31-12-2020 (restated) | | |
|---|--------------------------------|-------------------------|-----------------------|--------------------------------|-------------------------|-----------------------|
| | Average balance for the period | Interest for the period | Average interest rate | Average balance for the period | Interest for the period | Average interest rate |
| FINANCIAL ASSETS | | | | | | |
| Cash and cash equivalents | 56,999,208 | - | 0.00% | 74,101,542 | - | 0.00% |
| Financial assets at amortised cost | | | | | | |
| Loans and advances to Customers | 456,513,795 | 65,722,353 | 14.40% | 451,278,877 | 66,980,206 | 14.84% |
| Debt securities | 383,085,455 | 22,903,211 | 5.98% | 475,193,703 | 36,418,844 | 7.66% |
| Other loans and advances to central banks and credit institutions | 108,169,440 | 242,900 | 0.22% | 46,743,259 | 244,831 | 0.52% |
| Financial assets at fair value through other comprehensive income | 3,661,751 | 337,506 | 9.22% | 18,320,545 | 2,240,160 | 12.23% |
| Financial assets at fair value through profit or loss | 231,902,657 | - | 0.00% | 155,166,274 | 0 | 0.00% |
| | 1,240,332,306 | 89,205,970 | | 1,220,804,200 | 105,884,041 | |
| FINANCIAL LIABILITIES | | | | | | |
| Deposits from central banks and other credit institutions | 1,534,813,112 | 63,937,667 | 4.17% | 1,381,511,187 | 47,133,581 | 3.41% |
| Deposits from Customers and other loans | 41,259,620 | 3,077,174 | 7.46% | 127,715,085 | 11,912,874 | 9.33% |
| Other liabilities | | | | | | |
| Lease liabilities | 8,239,756 | 2,179,867 | 26.46% | 11,169,856 | 2,792,439 | 25.00% |
| | 1,584,312,488 | 69,194,708 | | 1,520,396,128 | 61,838,894 | |

The sensitivity to the balance sheet interest rate risk, by currency, is calculated through the difference between the present value of the interest rate mismatch, discounted at market interest rates in force, and the discounted value of the same cash flows simulating parallel shifts of the market interest rate yield curve.

As at 31 December 2021 and 2020, the breakdown of assets and liabilities, by currency, net of impairment is presented as follows:

(Thousands of AOA)

| | 31-12-2021 | | | | | Total |
|---|--------------------|----------------------------------|--------------------|---------------------|------------------|----------------------|
| | Kwanzas | Kwanzas indexed to the US Dollar | US Dollars | Euro | Other currencies | |
| ASSETS | | | | | | |
| Cash and deposits at central banks | 129,097,842 | - | 213,813,906 | 1,814,908 | 244,741 | 344,971,397 |
| Loans and advances to credit institutions repayable on demand | 6,329,540 | - | 25,853,938 | 17,224,032 | 1,735,838 | 51,143,348 |
| Financial assets at fair value through profit or loss | 266,119,780 | - | 1,812,058 | 298,758 | - | 268,230,596 |
| Financial assets at fair value through other comprehensive income | 1,306,034 | - | 1,708,133 | - | - | 3,014,167 |
| Financial assets at amortised cost | | | | | | |
| Debt securities | 4,851,445 | 45,369,396 | 319,084,405 | - | - | 369,305,246 |
| Loans and advances to Customers | 332,294,338 | 28,304,373 | 76,300,193 | 4,086,303 | 10 | 440,985,217 |
| Other loans and advances to central banks and credit institutions | 4,909,123 | - | 28,120,183 | 785,688 | - | 33,814,994 |
| Property, plant and equipment | 87,882,647 | - | - | - | - | 87,882,647 |
| Intangible assets | 15,476,651 | - | - | - | - | 15,476,651 |
| Non-current assets held for sale | - | - | - | - | - | - |
| Current tax assets | 2,462,185 | - | - | - | - | 2,462,185 |
| Deferred tax assets | 3,417,453 | - | - | - | - | 3,417,453 |
| Other assets | 23,005,489 | 867,553 | 68,973,121 | 403,616 | 63,868 | 93,313,647 |
| Total Assets | 877,152,527 | 74,541,322 | 735,665,937 | 24,613,305 | 2,044,457 | 1,714,017,548 |
| LIABILITIES | | | | | | |
| Deposits from central banks and other credit institutions | 19,629,690 | - | 61,769,424 | 2,315,678 | - | 83,714,792 |
| Deposits from Customers and other loans | 683,375,945 | 925,872 | 663,173,019 | 74,253,983 | 1,221,605 | 1,422,950,424 |
| Financial liabilities at fair value through profit or loss | - | - | - | 1,412 | - | 1,412 |
| Provisions | 1,119,402 | 34,112 | - | 2,407,175 | - | 3,560,689 |
| Deferred tax liabilities | 4,008 | 18,584 | 7,669 | - | - | 30,261 |
| Other liabilities | 6,420,838 | - | 10,404,988 | 826,363 | 124,485 | 17,776,674 |
| Total Liabilities | 710,549,883 | 978,568 | 735,355,100 | 79,804,611 | 1,346,090 | 1,528,034,252 |
| | 166,602,644 | 73,562,754 | 310,837 | (55,191,306) | 698,367 | 185,983,296 |

(Thousands of AOA)

| | 31-12-2020 (restated) | | | | | Total |
|---|-----------------------|----------------------------------|---------------------|---------------------|------------------|----------------------|
| | Kwanzas | Kwanzas indexed to the US Dollar | US Dollars | Euro | Other currencies | |
| ASSETS | | | | | | |
| Cash and deposits at central banks | 97,590,054 | - | 120,897,736 | 2,853,720 | 769,803 | 222,111,313 |
| Loans and advances to credit institutions repayable on demand | 3,258,686 | - | 61,266,100 | 42,905,495 | 2,951,611 | 110,381,892 |
| Financial assets at fair value through profit or loss | 203,057,961 | - | 5,598,345 | 8,270,236 | - | 216,926,542 |
| Financial assets at fair value through other comprehensive income | 3,493,926 | - | 2,266,608 | - | - | 5,760,534 |
| Financial assets at amortised cost | | | | | | |
| Debt securities | 9,227,870 | 82,381,977 | 304,745,111 | - | - | 396,354,958 |
| Loans and advances to Customers | 331,649,194 | 34,628,965 | 82,672,589 | 5,319,955 | 6 | 454,270,709 |
| Other loans and advances to central banks and credit institutions | 33,804,191 | - | 48,591,230 | 1,195,720 | - | 83,591,141 |
| Property, plant and equipment | 110,390,646 | - | - | - | - | 110,390,646 |
| Intangible assets | 14,295,527 | - | - | - | - | 14,295,527 |
| Non-current assets held for sale | 7,796,893 | - | - | - | - | 7,796,893 |
| Current tax assets | 2,418,635 | - | - | - | - | 2,418,635 |
| Deferred tax assets | 3,440,174 | - | - | - | - | 3,440,174 |
| Other assets | 13,565,110 | 482,746 | 102,067,217 | 9,803,655 | 81,280 | 126,000,008 |
| Total Assets | 833,988,867 | 117,493,688 | 728,104,936 | 70,348,781 | 3,802,700 | 1,753,738,972 |
| LIABILITIES | | | | | | |
| Deposits from central banks and other credit institutions | 14,098,052 | - | 12 | - | - | 14,098,064 |
| Deposits from Customers and other loans | 623,268,533 | - | 812,474,571 | 86,731,043 | 1,496,650 | 1,523,970,797 |
| Financial liabilities at fair value through profit or loss | - | - | 3,978,187 | - | - | 3,978,187 |
| Provisions | 775,242 | 52,290 | 22,327 | 3,082,654 | 19 | 3,932,532 |
| Deferred tax liabilities | 111,483 | - | - | - | - | 111,483 |
| Other liabilities | 20,846,395 | - | 1,974,303 | 2,121,406 | 36 | 24,942,140 |
| Total Liabilities | 659,099,705 | 52,290 | 818,449,400 | 91,935,103 | 1,496,705 | 1,571,033,203 |
| | 174,889,162 | 117,441,398 | (90,344,464) | (21,586,322) | 2,305,995 | 182,705,769 |

As at 31 December 2021 and 2020, the sensitivity analysis of the book value of financial instruments to changes in exchange rates is presented as follows:

| | (Thousands of AOA) | | | | | |
|----------------------------------|----------------------|---------------------|---------------------|-------------------|-------------------|--------------------|
| | 31-12-2021 | | | | | |
| | -20% | -10% | -5% | 5% | 10% | 20% |
| CURRENCY | | | | | | |
| US Dollars | (150,597,342) | (75,298,671) | (37,649,335) | 37,649,335 | 75,298,671 | 150,597,342 |
| Kwanzas indexed to the US Dollar | (15,386,190) | (7,693,095) | (3,846,547) | 3,846,547 | 7,693,095 | 15,386,190 |
| Euro | (4,922,809) | (2,461,404) | (1,230,702) | 1,230,702 | 2,461,404 | 4,922,809 |
| Other currencies | (408,891) | (204,446) | (102,224) | 102,224 | 204,446 | 408,891 |
| | (171,315,232) | (85,657,616) | (42,828,808) | 42,828,808 | 85,657,616 | 171,315,232 |

| | (Thousands of AOA) | | | | | |
|----------------------------------|-----------------------|---------------------|---------------------|-------------------|-------------------|--------------------|
| | 31-12-2020 (restated) | | | | | |
| | -20% | -10% | -5% | 5% | 10% | 20% |
| CURRENCY | | | | | | |
| US Dollars | (150,847,398) | (75,423,699) | (37,711,850) | 37,711,850 | 75,423,699 | 150,847,398 |
| Kwanzas indexed to the US Dollar | (23,498,738) | (11,749,369) | (5,874,684) | 5,874,684 | 11,749,369 | 23,498,738 |
| Euro | (14,069,756) | (7,034,878) | (3,517,439) | 3,517,439 | 7,034,878 | 14,069,756 |
| Other currencies | (760,540) | (380,270) | (190,135) | 190,135 | 380,270 | 760,540 |
| | (189,176,432) | (94,588,216) | (47,294,108) | 47,294,108 | 94,588,216 | 189,176,432 |

On the date of this report, the Bank's assets and liabilities do not present relevant revaluation impacts, considering that the exchange rate of the Kwanza (AOA) against the United States Dollar (USD) and the Euro (EUR), reference currencies in the foreign exchange market, are close to those published by the Banco Nacional de Angola as at 31 December 2021.

Liquidity Risk

The assessment of the liquidity risk is made using internal metrics, defined by the Bank's management, namely, exposure limits. This control is reinforced with the monthly execution of sensitivity analysis, in order to characterise the Bank's risk profile and ensure that fulfils its obligations in a liquidity crisis scenario.

The purpose of liquidity management is to maintain adequate liquidity levels to meet short, medium- and long-term funding needs. Liquidity risk is monitored on a daily basis and several reports are prepared for control, monitor and support to the decision-making process of the Risk Committee.

The evolution of the liquidity situation is performed based particularly on future cash flows estimated for various time horizons, considering the Bank's balance sheet. To the calculated values is added the analysis day's liquidity position and the amount of assets considered highly liquid in the portfolio of uncommitted assets, determining the cumulative liquidity gap for different time horizons. Additionally, monitoring of liquidity positions from a prudential standpoint is also performed, calculated according to the rules required by BNA Instruction No. 09/2019, of 27 August (revoked Instruction No. 06/2016, of 8 August).

As at 31 December 2021 and 2020, the total contractual cash flows by residual maturities of the Bank's financial assets and liabilities, are presented as follows:

(Thousands of AOA)

| | 31-12-2021 | | | | | | | | | |
|---|---------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|--------------------|----------------------|
| | Contractual residual maturities | | | | | | | | | |
| | On demand | Below 1 month | 1 to 3 months | 3 to 6 months | 6 to 12 months | 1 to 3 years | 3 to 5 years | Above 5 years | Undetermined | Total |
| ASSETS | | | | | | | | | | |
| Cash and deposits at central banks | 344,971,397 | - | - | - | - | - | - | - | - | 344,971,397 |
| Loans and advances to credit institutions repayable on demand | 51,143,348 | - | - | - | - | - | - | - | - | 51,143,348 |
| Financial assets at fair value through profit or loss | 298,760 | - | - | - | - | - | - | 148,955 | 267,782,881 | 268,230,596 |
| Financial assets at fair value through other comprehensive income | - | - | 362,011 | - | 281,736 | 1,941,031 | - | - | 429,389 | 3,014,167 |
| Financial assets at amortised cost | | | | | | | | | | |
| Debt securities | - | - | 175,946 | 1,548,582 | 107,550,437 | 164,095,960 | 71,956,317 | 23,978,004 | - | 369,305,246 |
| Loans and advances to Customers | 11,017 | 6,093,513 | 8,485,953 | 2,068,408 | 36,549,189 | 34,583,007 | 118,459,119 | 174,997,628 | 59,737,383 | 440,985,217 |
| Other loans and advances to central banks and credit institutions | - | 31,124,222 | 2,219,301 | - | 471,471 | - | - | - | - | 33,814,994 |
| Other assets | - | - | - | - | - | 76,322,209 | - | - | 16,991,438 | 93,313,647 |
| | 396,424,522 | 37,217,735 | 11,243,211 | 3,616,990 | 144,852,833 | 276,942,207 | 190,415,436 | 199,124,587 | 344,941,091 | 1,604,778,612 |
| LIABILITIES | | | | | | | | | | |
| Deposits from central banks and other credit institutions | 67,139,526 | 16,575,266 | - | - | - | - | - | - | - | 83,714,792 |
| Deposits from Customers and other loans | 9,045,561 | 689,908,777 | 266,058,887 | 201,928,506 | 226,839,975 | 933,140 | 28,235,578 | - | - | 1,422,950,424 |
| Financial liabilities at fair value through profit or loss | 1,412 | - | - | - | - | - | - | - | - | 1,412 |
| Subordinated liabilities | - | - | - | - | - | - | - | - | - | - |
| Other liabilities | - | - | - | - | - | - | 21,367,624 | - | - | 21,367,624 |
| | 76,186,499 | 706,484,043 | 266,058,887 | 201,928,506 | 226,839,975 | 933,140 | 49,603,202 | - | - | 1,528,034,252 |
| Liquidity gap | 320,238,023 | (669,266,308) | (254,815,676) | (198,311,516) | (81,987,142) | 276,009,067 | 140,812,234 | 199,124,587 | 344,941,091 | 76,744,360 |
| Accrued liquidity gap | 320,238,023 | (349,028,285) | (603,843,961) | (802,155,477) | (884,142,619) | (608,133,552) | (467,321,318) | (268,196,731) | 76,744,360 | |

(Thousands of AOA)

| | 31-12-2020 (restated) | | | | | | | | | |
|---|---------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|--------------------|----------------------|
| | Contractual residual maturities | | | | | | | | | |
| | On demand | Below 1 month | 1 to 3 months | 3 to 6 months | 6 to 12 months | 1 to 3 years | 3 to 5 years | Above 5 years | Undetermined | Total |
| ASSETS | | | | | | | | | | |
| Cash and deposits at central banks | - | 222,111,313 | - | - | - | - | - | - | - | 222,111,313 |
| Loans and advances to credit institutions repayable on demand | - | 110,381,892 | - | - | - | - | - | - | - | 110,381,892 |
| Financial assets at fair value through profit or loss | - | - | 11,991,315 | - | - | - | - | 3,290 | 204,931,937 | 216,926,542 |
| Financial assets at fair value through other comprehensive income | - | - | 1,817,784 | - | 768,361 | 2,725,435 | - | - | 448,954 | 5,760,534 |
| Financial assets at amortised cost | | | | | | | | | | |
| Debt securities | - | - | 1,600,430 | 1,455,995 | 17,071,337 | 179,721,164 | 165,957,470 | 30,548,562 | - | 396,354,958 |
| Loans and advances to Customers | - | 23,685,162 | 20,051,741 | 18,451,117 | 33,837,060 | 73,973,753 | 87,288,968 | 128,055,482 | 68,927,426 | 454,270,709 |
| Other loans and advances to central banks and credit institutions | - | 76,556,583 | 6,241,961 | - | 792,597 | - | - | - | - | 83,591,141 |
| Other assets | - | - | - | - | - | 103,584,555 | - | - | 22,415,453 | 126,000,008 |
| | - | 432,734,950 | 41,703,231 | 19,907,112 | 52,469,355 | 360,004,907 | 253,246,438 | 158,607,334 | 296,723,770 | 1,615,397,097 |
| LIABILITIES | | | | | | | | | | |
| Deposits from central banks and other credit institutions | - | 5,544,081 | 8,553,983 | - | - | - | - | - | - | 14,098,064 |
| Deposits from Customers and other loans | 587,820,554 | 208,883,928 | 240,467,910 | 229,486,023 | 257,312,382 | - | - | - | - | 1,523,970,797 |
| Financial liabilities at fair value through profit or loss | - | - | - | 3,978,187 | - | - | - | - | - | 3,978,187 |
| Other liabilities | - | - | - | - | - | - | 24,942,140 | - | - | 24,942,140 |
| | 587,820,554 | 214,428,009 | 249,021,893 | 233,464,210 | 257,312,382 | - | 24,942,140 | - | - | 1,566,989,188 |
| Liquidity gap | (587,820,554) | 218,306,941 | (207,318,662) | (213,557,098) | (204,843,027) | 360,004,907 | 228,304,298 | 158,607,334 | 296,723,770 | 48,407,909 |
| Accrued liquidity gap | (587,820,554) | (369,513,613) | (576,832,275) | (790,389,373) | (995,232,400) | (635,227,493) | (406,923,195) | (248,315,861) | 48,407,909 | |

As at 31 December 2021 and 2020, the liquidity ratio calculated in accordance with Instruction No. 19/2016, of 30 August, amounts to 343% and 335%, respectively.

This Instruction defines as the minimum advisable, a liquidity ratio of 100% for cash flows in national currency and aggregate cash flows in all currencies, and 150% for exposure to cash flows in foreign currency. The BNA has defined the same minimum observation ratios as those for liquidity.

As at 31 December 2021 and 2020, the Bank has observation ratios of 1 to 3 months at 615% and 607%, respectively, 3 to 6 months at 2.005% and 519%, respectively, and 6 to 12 months at 817% and 615%, respectively.

Real Estate Risk

As at 31 December 2021 and 2020, the exposure to real estate (direct and indirect) is as follows:

| | (Thousands of AOA) | |
|---|--------------------|--------------------------|
| | 31-12-2021 | 31-12-2020 (restated) |
| Participation units held in Real Estate funds (Note 6) | 257,123,937 | 194,669,287 |
| Real Estate received in lieu of payment for loan operations (Note 13) | 2,392,425 | 8,157,099 |
| Real estate reclassified as fixed assets (Note 13) | - | 261,034 |
| | 259,516,362 | 203,087,420 |

Operating Risk

The Bank's Risk Office performs the corporate operational risk management function of the Bank, which is supported by the existence of counterparts in different organisational units that ensure the adequate implementation of operational risk management in the Bank.

The Bank has initiated a set of guidelines and actions aimed at better alignment of systems, human resources and processes in order to allow an effective continuous mitigation of Operating Risk, making a continuous investment to be in line with the best international practices.

The management of ATLANTICO's Operational Risk is based on an organisational model by processes, which allows the Bank to adopt an end-to-end perspective of the value chain of products and services in Operational Risk management, involving the entire organisation and enhancing transversal responsibility.

The identification of events that might generate Operating Risk and respective assessment is performed at the level of the organic units by the process owners of the different Operating Risk processes.

Operating Risk management is performed using three instruments:

- Identification of events of losses resulting from Operating Risks and respective mitigation actions performed by Departments;
- Risk self-assessment meetings organized by those responsible for each process and which allow the Bank to take a qualitative approach to identifying potential risks through a structured analysis from a procedural perspective;
- Identification and quantification of Key Risk Indicators (KRI), that is, metrics that identify changes in the risk profile or in the effectiveness of process controls, allowing the preventive implementation of corrective actions.

Capital Management and Solvency Ratio

The Bank's own funds are calculated in accordance with the applicable regulatory standards, namely with Notice No. 02/2016, of 28 April, and Instruction No. 18/2016, of 8 August, and BNA letter reference No. 1880/DRO/18, of 3 December, which recommends including the results of the current period.

The solvency ratio reflects the ratio of regulatory own funds and the sum of the value of regulatory own funds requirements for credit risk and counterparty credit risk (Notice No. 03/2016), own funds requirements for market risk and credit risk of counterparties in the trading portfolio (Notice No. 04/2016) and own funds requirements for operational risk (Notice No. 05/2016).

Angolan financial institutions shall maintain a level of own funds compatible with the nature and scale of operations, duly weighted by the risks inherent to the operations, with a minimum regulatory Solvency Ratio of 10%.

Regulatory own funds comprise:

- Original own funds — comprise: (i) paid-up share capital; (ii) share premiums relating to elements included in the previous paragraph; (iii) reserve for monetary adjustments of paid-up share capital; (iv) positive retained earnings from previous periods; (v) legal, statutory and other reserves resulting from undistributed income/profit, or incorporated for capital increase; (vi) positive net income of the previous period; (vii) provisional positive net income of the current period; (viii) portion of the reserve and net income related to deferred tax assets, provided that they relate to losses containing as a negative element original own funds, and (ix) instruments whose issue conditions were previously approved by the Banco Nacional de Angola;
- Negative elements of the original own funds — comprise: (i) Treasury shares in the portfolio, at the book value in the balance sheet; (ii) negative income, retained from previous periods; (iii) negative net income from the previous period; (iv) negative latent income relating to revaluation of securities; (v) negative latent income relating to the revaluation of available-for-sale securities and cash flow hedges and investments abroad; (vi) provisional negative net income for the current period; (vii) intangible assets net of depreciations; (viii) deferred costs relating to pension liabilities; (ix) portion of the reserve and net income related to deferred tax liabilities, provided that they relate to gains containing as a positive element original own funds; (x) positive revaluation differences resulting from the application of the equity method; (xi) lack of provisions under the provisions of Notice No. 12/2014, of 17 December, on the constitution of provisions; and (xii) actuarial losses not recognised in profit or loss;
- Additional own funds — comprise: (i) redeemable preferred shares; (ii) generic funds and provisions; (iii) reserves resulting from real estate for own use; (iv) subordinated debt, in the form of loans or bonds issued, whose issuance conditions were previously approved by the BNA; (v) positive latent income relating to the revaluation of available-for-sale securities and cash flow hedges and investments abroad, up to 45% (forty five percent) of their value (by the amount of the net effect of the hedge) before taxes; (vi) other instruments whose issuance conditions have been previously approved by the Banco Nacional de Angola;
- Deductions to original and additional own funds — comprise:

- Instruments issued or obtained by other financial institutions, of which the Institutions are holders, provided for in Article No. 5(2)(a) and (i) and Article No. 7(2)(a)(d) and (f), both of Notice No. 02/2016. This deduction should consider the book value in the balance sheet, net of provisions, and should met the following conditions:
 - If the Institution has a participation above 10% (ten percent) of the investee's share capital, all of the aforementioned instruments shall be deducted, or
 - If the Institution has a participation below or equal to 10% (ten percent) of the investee's share capital, and if above ten 10% (ten percent) of the investor's share capital, all of the aforementioned instruments shall be deducted, except 10% (ten percent) of the investor's own funds, determined before this deduction;
- The surplus against the limits established in Notice 9/2016, on prudential limits on large risks.

Positive income referred to in the previous points may only be considered when certified by the chartered accountant, member of the supervisory board or statutory auditor and by the external auditor.

| | 31-12-2021 | 31-12-2020 (restated) |
|---|--------------------|--------------------------|
| Regulatory own funds requirements | | |
| Credit and counterparty risk | 73,632,889 | 75,181,400 |
| Operating risk | 8,434,079 | 11,465,184 |
| Market risk and counterparty credit risk in the trading portfolio | 927,603 | 5,091,005 |
| A | 82,994,571 | 91,737,589 |
| Regulatory own funds | | |
| Original own funds | 170,436,274 | 168,152,481 |
| Additional own funds | 39,215 | 143,644 |
| Deductions to original and additional own funds | (9,507) | (16,524,406) |
| B | 170,465,982 | 151,771,719 |
| Regulatory solvency ratio | C=B/A*10% | 16.54% |