13. Liquidity risk

13.1. Liquidity risk management and assessment

LIQUIDITY MANAGEMENT

The liquidity management of the BCP Group is coordinated at the consolidated level, in accordance with the principles and methodologies defined at the Group level. The Consolidated Liquidity Plan, an integral part of the annual budget and planning process, is the main instrument used in pursuing this objective.

The Group's liquidity management policy aims to limit interdependence between the various entities that comprise it. Accordingly, each geography must maintain and guarantee autonomy with regard to the management of its financing needs, maintaining its own liquidity buffers appropriate to the size and risk profile of the respective operation, so as not to depend on other entities of the Group.

The Bank has reduced the risk profile of its operation through a process of deleveraging its balance sheet, which has resulted in a reduction in the commercial gap by the decrease in the credit portfolio and the reinforcement of customer deposits, allowing the progressive reduction of the dependence on market and ECB funding.

LIQUIDITY RISK ASSESSMENT

The Group's liquidity risk assessment is based on the calculation and analysis of the regulatory indicators defined by the supervisory authorities, as well as other internal, short-term, and structural metrics, for which exposure limits are monitored and reviewed regularly and approved by the Risk Commission or by the BoD, in case of RAS metrics.

In structural terms, the Group's Risk Appetite Statement (RAS) defines, in a consolidated perspective, a set of structural liquidity indicators and respective limits, which are then reflected in the Corporate RAS of each of the Group's main operations, in order to reinforce consistency in risk assessment and greater efficiency in centralized monitoring. Internal limits are typically more stringent than regulatory ones, ensuring prudent liquidity risk management.

The evolution of wholesale funding, the LCR (Liquidity Coverage Ratio), the credit ratio on deposits and assets eligible for discount available on the ECB and other central banks vs clients' deposits are monitored at least weekly.

Daily, the main entities monitor short-term liquidity indicators, adopting the centrally defined methodology.

Concomitantly, the Group's liquidity position is regularly analyzed, identifying the factors that justify deviations from the consolidated Liquidity Plan and by entity. This analysis is submitted to CALCO, which, when applicable, decides the appropriate measures to maintain adequate financing conditions. The Risk Commission is responsible for the continuous assessment of the liquidity risk management framework and for approving and controlling limits for exposure to that same risk.

In order to avoid the appearance of a liquidity crisis or to act immediately if it materializes, it is reported weekly to the management bodies the results of the Early Warning Signals system of the Liquidity Contingency Plan, with a score that summarizes several indicators that monitor the evolution of liquidity risk factors.

The control of liquidity risk is further reinforced by periodic stress tests, carried out to assess the Bank's risk profile and to ensure that the Group and each of its subsidiaries fulfil their short-term obligations in various crisis scenarios. These tests are also used to support the liquidity contingency plan and decision-making on the subject, including periodic measurement of capacity counterbalancing measures set out in the Recovery Plan.

13.2. Management model

The Group's liquidity management is coordinated at the level of the BCP Group under the responsibility of CALCO, with the objective of promoting an efficient financing policy both from a short-term and structural perspective.

The BCP Group's Liquidity Plan, prepared on a consolidated basis for the Group and individually for the main entities, aims to ensure the alignment of the expected evolution of incoming and outgoing liquidity flows resulting from commercial and corporate objectives with prudent treasury management and maintenance of adequate liquidity levels, respecting the regulatory risk limits and those defined internally in the Group's RAS and in the RAS of the different geographies ensuring the alignment in the monitoring of risk appetite in all entities of the BCP Group and along the main risk-taking dimensions.

Liquidity management is carried out by local units autonomously, aiming at their self-sufficiency and guaranteeing independence in relation to the other units of the Group.

The liquidity risk management and assessment methodologies described in 13.1. and the refinement of the government model dealt with succinctly in this section, are continually reassessed in the Liquidity Adequacy Assessment Process (ILAAP), which is materialized in a document prepared in accordance with the guidelines of the European Banking Authority and the European Central Bank, representing the Group's self-assessment of liquidity and risk management strategy and practices.

The ILAAP is, therefore, a key component of the Group's f structure and consists of a coherent set of principles, policies, procedures and structures in order to ensure that the Group adequately manages liquidity risk within the limits defined in RAS at the consolidated level and for each entity. The improvement opportunities identified at ILAAP give rise to detailed action plans, to guarantee a permanent adaptation of the liquidity risk management methodologies and governance to the challenges faced by the Group and the pursuit of best practices. ILAAP systematically deals with the main components of liquidity management and the respective risks according to the following structure:

Liquidity and funding risk management:

- Definition of a framework of procedures, responsibilities, methodologies and rules used by the Group to approach liquidity and financing risk management.

Funding strategy:

- Assessment of the Group’s policies and procedures regarding its ability to fund its liquidity needs.

Liquidity buffer and collateral management:

- Documentation of the Bank’s practices concerning the management of assets and of liquid assets that are eligible as collateral in refinancing operations with central banks.

Cost benefit allocation mechanism:

- Assessment of the Bank’s approach for liquidity transfer pricing.

Intraday liquidity risk management:

- Presentation of the Bank’s methodology for managing intraday liquidity risk, as well as of the mechanism that allow to obtain supporting and root-cause information for registered incidents related to obligations that were not met in a timely manner.

Regulatory indicators monitoring:

- Alignment of the regulatory requirements defined by the supervision with the Group’s current liquidity management requirements and monitoring of its adequacy, through internal limits developed from common and transversal concepts to the Group.

Liquidity stress testing:

- Execution of liquidity stress tests on a regular basis, with a periodical review of the methodologies.

Contingency funding plan:

- Presentation of the lines of responsibility for designing, monitoring and executing the Contingency Funding Plan along with the methodologies for the early detection of tension situations and an assessment of the feasibility of the measures of reinforcement of the counterbalancing capacity.

13.3. Regulatory requirements and ILAAP

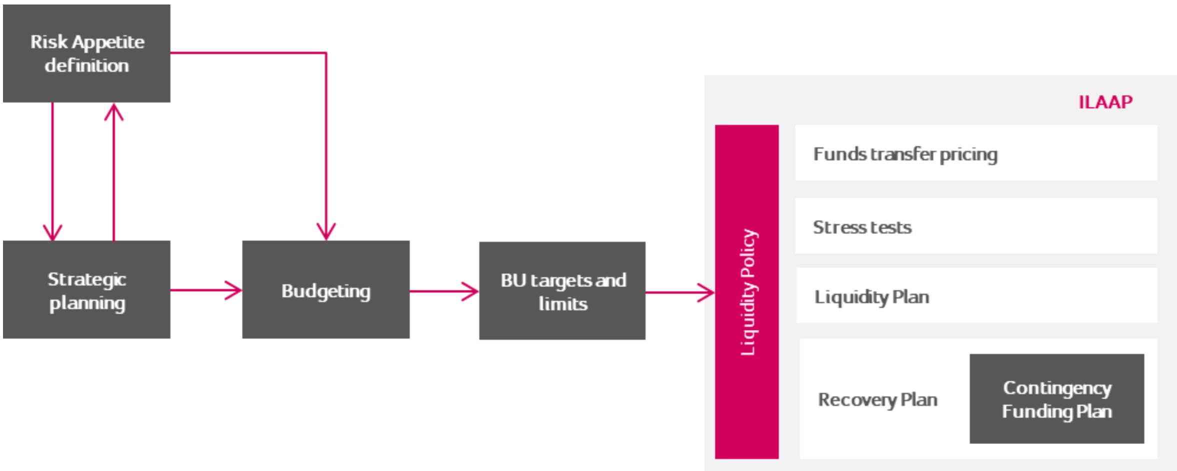
In the scope of the new prudential information requirements that is subject, the BCP Group has been monitoring the application and compliance with the new regulatory framework requirements, not only through the participation on study exercises promoted by the Basel Committee (QIS – Quantitative Impact Study) and reporting exercises performed within the European supervision, through the SSM – Single Supervisory Mechanism (STE – short-term exercise), but also through the regular reports on liquidity (via COREP – the Common reporting Framework).

Within liquidity risk management, it should be noted, the application of the Commission Delegated Regulation (EU) 2015/61 of 10 October 2014, from 2016 onwards in what concerns the liquidity coverage requirement.

The Supervisory Review and Evaluation Process (SREP), regarding the Internal Liquidity Adequacy Assessment Process (ILAAP), together with the Internal Capital Adequacy Assessment Process (ICAAP), are key evaluation instruments for risk management, and for determining internal liquidity and capital needs, respectively.

Within the scope of the ILAAP, the bank analyses a vast set of qualitative and quantitative information, aiming at defining a liquidity risk management framework for the Group, in accordance with the respective profile and aligned with the European Banking Authority guidelines and with the Single Supervisory Mechanism expectations. The ILAAP methodology already mentioned (at section 12.2) is shared, to a large extent, with the liquidity risk management that the Group has been developing over the last years. In this context, the ILAAP exercise considers specific features of the Group, such as business model, governance, implemented controls and its monitoring, dimension, complexity, market constraints, and local regulatory duties of each geography.

TABLE 81 – ILAAP INTERCONNECTION WITH OTHER PLANNING EXERCISES OF THE GROUP



During the first half of 2019, the ECB's Banking Supervision conducted the Sensitivity Analysis of Liquidity Risk - Stress Test 2019 (LiST 2019) to assess banks' ability to withstand idiosyncratic hypothetical liquidity shocks.

In the case of the BCP Group, liquidity reserves were considered adequate to offset the simulated liquidity loss scenarios. In addition, the quality and timeliness of the response to questions raised by the ECB during the quality assurance phase of the exercise were positively assessed.

Between December 2018, the reference date for the aforementioned year, and December 2020, BCP's liquidity position strengthened significantly, with the liquidity buffer available for discount at the ECB growing from 4.9B to 19.2B, an evolution followed for the resolution of all the main recommendations addressed to the Bank by its Internal Audit and the ECB.

13.4. Balance sheet indicators

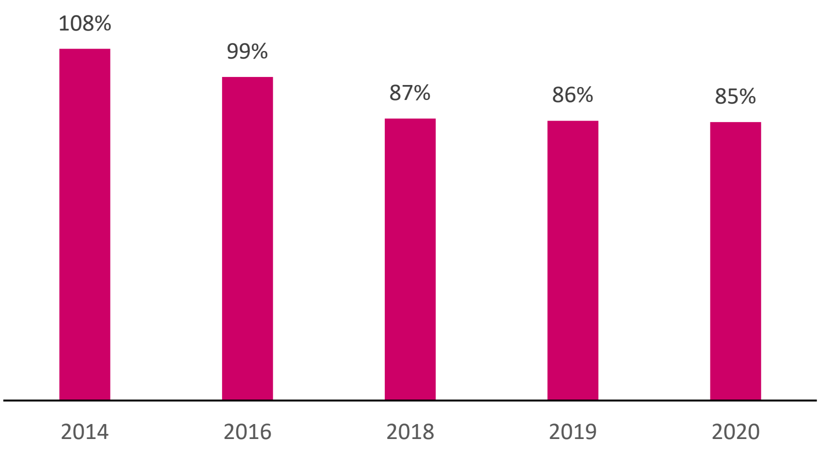
The main evolutions regarding the Group's liquidity situation in 2020 were the following:

- The COVID-19 pandemic, whose negative effects on the economy and in particular on the Banking sector are not yet fully known, led Supervisors and Central Banks to promptly take a broad range of mitigation measures. In the case of the ECB, these were announced throughout April, involving the provision of additional liquidity to the Banking system through the creation of "Targeted longer-term refinancing operations III" (TLTRO III) and the transversal reduction of haircuts applicable to all types of assets eligible for discount with the ECB.
- Although the daily monitoring of all liquidity indicators has shown since the beginning of the crisis, both at BCP and at its subsidiaries, a total stability of the deposit base and liquidity buffers with central Banks, the Bank decided to rapidly adjust its funding policy from a precautionary point of view: still in April, BCP SA borrowed an additional 1,5 billion euro from the ECB through the use of Main refinancing operations (MRO) with a 3-month term, thus increasing its exposure to the central Bank from 4,0 billion euro related to the Targeted long-term refinancing operation II (T LTRO II) to 5,5 billion euro; and in June, on the due date of the T LTRO II and the MRO referred to above, it took over 7,550 billion euro in T LTRO III. After these operations, net financing from the ECB increased to a maximum of 4,867 billion euro in September 2020, decreasing until the end of the year to 3,283 billion euro, 2,999 billion more than in the previous year.

- The additional liquidity thus obtained, added to that resulting from the reduction of the commercial gap in Portugal (although the significant increase in the loans portfolio, especially to corporate, the increase in the deposits base was even greater) was applied to the repayment of long-term loans from the European Investment Bank which totalled 1,051 billion euro in 2020 (of which 750 million euro with early repayment in June), the strengthening of the securities portfolio in Portugal (3,842 billion euro, of which 3,6 billion euro in sovereign) and in liquidity deposited with the Banco de Portugal (increase of 638 million euro, to Euro 4,295 billion euro).
- The strengthening of the sovereign debt portfolios was reflected in an increase in the size of the portfolio of assets eligible for discount at the ECB, which also benefited, within the scope of prudent liquidity management, from the inclusion in the monetary policy pool of a retained covered bond issuance worth 1,842 billion euro after haircuts. Together with the collateral easing measures determined by the ECB, this decision contributed to raise the balance of assets eligible for discount at the ECB to 22,503 billion euro (after haircuts), 5,443 billion euro more than in December 2019.
- In the same period, the liquidity buffer with the ECB increased by 2,443 billion euro, to 19,220 billion euro
- As in BCP, all liquidity indicators regarding Bank Millennium (Poland) and BIM (Mozambique) demonstrate the resilience of their liquidity positions throughout the COVID-19 crisis, supported from the outset by the stability of deposit bases and the solidity of liquidity buffers held with the respective Central Banks. Accordingly, both operations position themselves comfortably within the comfort zone of the liquidity risk indicators adopted across the Group, as well as regarding the regulatory standards.
- In consolidated terms, the refinancing risk of medium-term liabilities will remain at very low levels over the coming years, as maturing debt will be reaching 1,0 billion euro only in 2022. Even in this case, it will involve the payment of a covered bond issue in that exact amount, the collateral of which will be integrated into the ECB's liquidity buffer after repayment, thus meaning a minor loss of liquidity.

The loan to deposits ratio was kept clearly below 100%, reflecting a prudent management of the structural liquidity position of the Bank:

GRAPH 7 – LTD RATIO EVOLUTION (*)



(*) According to Instruction 16/2004 of Banco de Portugal

At the end of December 2020, customer deposits stood at 63,259 million euros, registering an increase of 4,0% compared to 31 December 2019, with the balance sheet resources of Customers reaching 64.764 million euros, gross loans amounted to 55,766 million euros, which represents an increase of 2,6% compared to the end of 2019. Consequently, the transformation ratio thus evolved from 86% at the end of 2019 to 85% at the end of 2020.

The eligible pool of assets for funding operations in the European Central Bank and other Central Banks, net of haircuts, is detailed as follows:

TABLE 82 - LIQUID ASSETS INTEGRATED IN COLLATERAL POOLS

(Thousand euros)

	31 Dec 2020	31 Dec 2019
European Central Bank	9,783,715	7,328,153
Other Central Banks	4,591,249	5,785,675
TOTAL	**14,374,964**	**13,113,828**

As at 31December 2020:

- The gross amount discounted with the European Central Bank amounts to Euros 7,550,070,000 (31 December 2019: Euros 4,000,000,000)
- The amount discounted with the Bank of Mozambique was Euro 2.364.000 (Euros 2,426,000 as at 31 December 2019).
- There were no discounted amounts with other central banks.
- The amount of assets eligible for discount with the European Central Bank includes securities issued by the SPE from securitization operations whose assets have not been derecognised in the Group's consolidated view, so that the securities are not recognized in the securities portfolio.

The evolution of the ECB's eligible assets portfolio, the net borrowings at the ECB and the liquidity buffer between 31/12/2020 e 31/12/2019 are analysed as follows:

TABLE 83 – LIQUIDITY BUFFER OF THE ECB

(Thousand euros)

	31 Dec 2020	31 Dec 2019
Collateral eligible for ECB, after haircuts:		
The pool of ECB monetary policy (i)	9,783,715	7,328,153
Outside the pool of ECB monetary policy	12,719,114	9,731,980
	22,502,829	**17,060,133**
Net borrowing at the ECB (ii)	3,282,609	283,385
LIQUIDITY BUFFER (iii)	**19,220,220**	**16,776,748**

i) Corresponds to the amount reported in COLMS (Bank of Portugal application).

ii) Includes, as at 31 December 2020, the value of funding with ECB (deducted from the accrual of the T LTRO III), deducted from deposits with the Bank of Portugal and other liquidity with the Eurosystem (Euros 4,642,131,000), plus the minimum cash reserves (Euros 414,727,000).

iii) Collateral eligible for ECB, after haircuts, less net financing at the ECB.

Thus, on 31 December 2020, the liquidity that could be mobilized through available collateral, plus deposits with Banco de Portugal deducted from the minimum cash reserves and accrued interest, amounted to 19,220 million euros, compared to 16,776 million euros in 31 December 2019.

13.5. Regulatory indicators

13.5.1. LIQUIDITY COVERAGE RATIO

The Liquidity Coverage Ratio (LCR), on a consolidated basis, stood at 230% at the end of December 2020, comfortably above the minimum requirement of 100%, supported by highly liquid asset portfolios in an amount compatible with the prudent management of the Group's short-term liquidity. The Liquidity Coverage Ratio stood significantly above the one on the same date of the previous year (216%), with a high coverage level.

TABLE 84 – TEMPLATE EU LIQ1 - LCR DISCLOSURE*

(Thousand euros)

		Total unweighted value (average)				Total weighted value (average)			
		30/09/2020	31/03/2020	30/06/2020	31/12/2020	30/09/2020	31/03/2020	31/12/2020	31/12/2020
Number of data points used in the calculation of averages		12	12	12	12	12	12	12	12
High-quality liquid assets									
1	Total high-quality liquid assets (HQLA)	-	-	-	-	15 022	15 858	16 949	17 807
Cash outflows									
2	Retail deposits and deposits from small business customers, of which:	47 162	48 724	49 940	50 873	2 316	2 417	2 513	2 585
3	Stable deposits	23 193	24 068	24 802	25 749	1 160	1 203	1 240	1 287
4	Less stable deposits	8 855	9 348	9 883	10 040	1 156	1 214	1 273	1 298
5	Unsecured wholesale funding	13 055	13 005	13 110	13 090	5 503	5 586	5 737	5 718
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	2 105	1 933	1 871	1 861	525	482	466	464
7	Non-operational deposits (all counterparties)	10 916	11 036	11 210	11 208	4 944	5 069	5 242	5 234
8	Unsecured debt	33	36	28	21	33	36	28	21
9	Secured wholesale funding	-	-	-	-	57	21	0	0
10	Additional requirements	10 965	11 872	12 560	13 068	2 700	3 213	3 399	3 508
11	Outflows related to derivative exposures and other collateral requirements	1 832	2 317	2 412	2 418	1 832	2 317	2 412	2 418
12	Outflows related to loss of funding on debt products	0	0	0	0	0	0	0	0
13	Credit and liquidity facilities	9 133	9 555	10 148	10 650	868	896	987	1 090
14	Other contractual funding obligations	804	822	832	812	804	819	829	809
15	Other contingent funding obligations	5 358	5 146	5 069	4 981	697	573	578	574
16	**Total cash outflows**	-	-	-	-	**12 077**	**12 629**	**13 055**	**13 195**
Cash inflows									
17	Secured lending (eg reverse repos)	195	163	160	98	31	31	31	0
18	Inflows from fully performing exposures	2 869	2 729	2 693	2 535	1 943	1 848	1 823	1 725
19	Other cash inflows	8 554	8 741	8 673	8 341	3 612	3 872	3 943	3 799
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)	-	-	-	-	-	-	-	-
EU-19b	(Excess inflows from a related specialised credit institution)	-	-	-	-	-	-	-	-
20	**Total cash inflows**	**11 619**	**11 634**	**11 526**	**10 974**	**5 586**	**5 751**	**5 797**	**5 524**
EU-20a	Fully exempt inflows	-	-	-	-	-	-	-	-
EU-20b	Inflows Subject to 90% Cap	-	-	-	-	-	-	-	-
EU-20c	Inflows Subject to 75% Cap	11 619	11 634	11 526	10 974	5 586	5 751	5 797	5 524
21	**Liquidity buffer**	-	-	-	-	**15 022**	**15 858**	**16 949**	**17 807**
22	**Total net cash outflows**	-	-	-	-	**6 491**	**6 878**	**7 258**	**7 671**
23	**Liquidity coverage ratio (%)**	-	-	-	-	**232%**	**231%**	**234%**	**232%**

(*) Ratio calculated as a simple average of the consolidated LCR, using the end-of-month observations over the last twelve months at each Quarter (EBA/GL/2017/01). The LCR value as at 31 of December 2020 stood at 230%.

Concentration of funding and liquidity sources:

The funding of the business model of the BCP Group's operations is essentially based on deposits from retail customers, endowed with a high level of stability, complemented by deposits from corporates and financial entities, mainly supporting operational relations. The concentration of the largest depositors has been decreasing materially in recent years in the Group's largest operations, currently presenting very comfortable values. Long-term secured resources, such as TLTRO with the ECB, covered bonds bond and loans with the EIB, have contributed to the Group's stable financing base. Senior and subordinated issues that concur, in part, for regulatory capital, complete and increase the level of diversification of wholesale funding sources, which, as a whole, does not show any material refinancing concentrations in the coming years.

Derivative exposures and potential collateral calls:

Derivative transactions carried out by the BCP Group are mainly defined under guarantee agreements that ensure the market risk hedging of these transactions. Group entities include liquidity risk, considering the impacts of an adverse market scenario that leads to changes in the market values of the derivatives, creating additional liquidity needs due to collateral coverage / replacement needs. In the LCR approach, this additional liquidity requirement is determined by the historical observation of the most significant net change (between receivables and payables) in these collaterals, in the sense of an increase in use of liquidity by these collateral in intervals of 30 calendar days, in the last 24 months.

Currency mismatch in the LCR:

The BCP Group has a significant amount of funding obtained in zlotys (PLN), mostly obtained by the subsidiary in Poland and representing about 22% of the total Group funding. The liquidity coverage ratio in PLN is significantly above the required 100%.

Description of the centralization degree of both liquidity management and interaction between Group’s units:

The Group's liquidity management is decentralized by geography, as each subsidiary must be self-sufficient in the management and funding of its liquidity needs, mainly ensured by the respective deposit bases and complementarily through the market mechanisms available locally.

The BCP Group consolidates the individual liquidity plans for the main entities of the Group, in order to ensure the alignment between the evolution of inflows and outflows of assets and liabilities resulting from commercial and corporate objectives with prudent treasury management and comfortable liquidity indicators, including the maintenance of liquidity buffers of appropriate size with central banks. The evolution of the liquidity and funding position of each of the Group's entities is monitored centrally through operational and structural indicators, either regulatory or internal. The various entities operate with autonomy to manage their liquidity needs, while the Group ensures internal mechanisms for maximizing management efficiency on a consolidated basis, namely in potential situations of stress.

Other items in the LCR calculation that are not captured in the LCR disclosure template but are considered relevant for the Group’s liquidity profile:

The BCP Group's financing structure is based on retail deposits considered to be stable in nature, generating a low level of outflows. On the other hand, although wholesale funding presents a lower stability, potentially generating higher outflows, an adequate management of maturity mismatches is carried out. The liquidity buffer is essentially composed of Level 1 assets, based on sovereign public debt and deposits in central banks.

13.5.2. NET STABLE FUNDING RATIO

The definition of the stable financing ratio (NSFR - Net Stable Funding Ratio) was approved by the Basel Committee in October 2014. The Group presents a stable financing base obtained by the high weight of customer deposits in the funding structure, collateralized financing, medium and long term instruments and a strengthened regulatory capital structure, which adequately supports the stable financing requirements of the medium and long term business model, including tangible and intangible fixed assets, credit to customers and the portfolio of securities that in part it serves the purpose of maintaining a reserve of highly liquid assets to cover liquidity outflows in adverse situations. The NSFR calculated in December 2020 reached 140% (compared to 135% on December 31, 2019).

13.5.3. ENCUMBERED AND UNENCUMBERED ASSETS

At the end of 2020, and according to the EBA methodology, the total encumbered assets represents 15% of the Group's total balance sheet assets. The encumbered Loans to customers represent 87%, while Debt securities represents 8%.

The encumbered assets are mostly related with the Group’s funding operations - namely with the ECB and via REPO operations - through the issuance of mortgage bonds and securitisation programs. The type of assets used as collateral for these financing transactions are different Loans to Customers’ portfolios, supporting securitisation programs and mortgage bonds issues, either placed outside of the Group or intended to reinforce the collateral pool with the ECB and to collateralise REPO operations from the money markets. Another part of the collateralisation of operations of the latter type, as well as financing from the European Investment Bank, is obtained though sovereign debt eligible for central banks, together with bonds issued by public sector companies.

On 31 December 2020, the item “Other assets: Other”, in the amount of Euros 7.178 million, although not encumbered, are mostly related to the Group’s activity, namely, to: investments in associated companies and subsidiaries, tangible assets and investment properties, intangible assets, assets associated with derivatives and current and deferred taxes.

On 31 December 2020, the Group has Euros 12.5 billion BCP Covered Bond Programme (Programme) with Euros 10.2 billion of covered bonds outstanding. The Programme is backed by a Euros 11.7 billion portfolio of residential mortgages, providing an overcollateralization (“OC”) of 14,6% that is above the minimum of 14% currently required by rating agencies.

The Portuguese covered bond legislation affords covered bond holders a dual recourse, firstly over the issuer, secondly over the cover pool that also may include other eligible assets, over which they benefit from a special preferential claim. The Portuguese covered bond legislation ensures total segregation of the covered pool from any future issuer’s insolvent estate, for the benefit of covered bond holders, who have precedence over claims of any other of the issuer’s creditors in case of issuer insolvency, thus and to this extent superseding the general insolvency and recovery legislation. Residential mortgages in a cover pool are subject to certain eligibility criteria inscribed in the Portuguese covered bond legislation, among them a maximum LTV of 80%, delinquency of no more than 90 days, and them being first lien mortgages (or, if otherwise, all preceding liens being in the cover pool) over properties located in the EU. The BCP’s Programme documentation limits property location to Portugal only.

According to European Banking Authority guidelines (EBA/GL/2014/03) on the disclosure of encumbered assets and unencumbered assets, taking into account the recommendation made by the European Systemic Risk Committee, the following information is presented in accordance with DELEGATED REGULATION (EU) 2017/2295 OF THE COMMISSION of 4 September 2017 that complements Regulation (EU) No. 575/2013 of the European Parliament and of the Council with regard to technical regulatory standards for the disclosure of encumbered and unencumbered assets:

TABLE 85 – MODEL A - EBA/GL/2014/03 - ENCUMBERED ASSETS

Assets	Dec 2020 (1)							
(Thousand euros)	Carrying amount of encumbered asset		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
		of which notionally eligible EHQLA and HQLA (2)		of which notionally eligible EHQLA and HQLA (2)		of which EHQLA and HQLA (2)		of which EHQLA and HQLA (2)
Assets of the reporting institution, of which:	**13,132,480**	**1,282,547**			**72,219,836**	**19,600,935**		
Equity instruments	-	-			89,476	-	-	-
Debt securities	1,282,547	1,282,547	1,271,418	1,271,418	19,744,815	15,027,097	19,778,972	15,063,086
of which: covered bonds	-	-	-	-	-	-	-	-
of which: asset-backed securities	-	-	-	-	-	-	-	-
of which: issued by general governments	1,229,857	1,229,857	1,220,181	1,220,181	14,576,381	14,227,085	14,615,178	14,263,052
of which: issued by financial corporations	529	529	529	529	2,033,289	81,056	2,025,739	81,069
of which: issued by non-financial corporations	39,353	39,353	38,417	38,417	3,018,735	703,490	3,019,139	703,407
Other assets	**11,913,754**	-			**52,427,676**	**4,073,228**		
of which: Loans on demand	-	-			3,860,054	3,565,628		
of which: Loans and advances other than loans on demand	11,618,136	-			41,548,406	-		
of which: Other	325,213	-			7,178,437	529,125		

(1) Table's figures are calculated by the median of the values disclosed in the regulatory information for the 4 quarters of the year.
(2) Disclosure of encumbered and unencumbered assets EHQLA and HQLA is presented in accordance with the liquidity criterion defined in Commission Delegated Regulation (EU) 2015/61, which differs from regulatory reporting by pointing to an operational criterion - central bank eligibility.

TABLE 86 – MODEL B - EBA/GL/2014/03 – COLLATERAL RECEIVED

(Thousand euros)

	Dec 2020 (1)			
	Fair value of encumbered collateral received, or own debt securities issued		**Unencumbered Fair value of collateral received, or own debt securities issued available for encumbrance**	
		of which notionally eligible EHQLA and HQLA (2)		**of which EHQLA and HQLA (2)**
Collateral received by the reporting institution	**-**	**-**	**32,017**	**13,752**
Loans on demand	-	-	-	-
Equity instruments	-	-	-	-
Debt securities	-	-	13,752	13,752
of which: covered bonds	-	-	-	-
of which: asset-backed securities	-	-	-	-
of which: issued by general governments	-	-	13,752	13,752
of which: issued by financial corporations	-	-	-	-
of which: issued by non-financial corporations	-	-	-	-
Loans and advances other than loans on demand	-	-	12,665	-
Other collateral received	-	-	-	-
Own debt securities issued other than own covered bonds or ABSs	-	-	-	-
Own covered bonds and asset-backed securities issued and not yet pledged			5,021,248	4,992,276
TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED	13,132,480	1,282,547		

(1) Table's figures are calculated by the median of the values disclosed in the regulatory information for the 4 quarters of the year.

(2) Disclosure of encumbered and unencumbered assets EHQLA and HQLA is presented in accordance with the liquidity criterion defined in Commission Delegated Regulation (EU) 2015/61, which differs from regulatory reporting by pointing to an operational criterion - central bank eligibility.

TABLE 87 – MODEL C - EBA/GL/2014/03 – SOURCES OF ENCUMBRANCE

	Dec 2020 (1)	
	Matching liabilities, contingent liabilities or securities lent	**Assets, collateral received, and own debt securities issued other than covered bonds and ABSs encumbered**
Carrying amount of selected financial liabilities	9,830,665	12,788,441

(1) Table's figures are calculated by the median of the values disclosed in the regulatory information for the 4 quarters of the year.