



# LOMBARD

Lombard Bank Malta p.l.c.

## PILLAR 3 DISCLOSURES REPORT

30 JUNE 2025





# **Lombard Bank Malta p.l.c.**

## **Pillar 3 Disclosures Report 30 June 2025**

### Table of Contents

|                                                |   |
|------------------------------------------------|---|
| 1. Introduction .....                          | 3 |
| 2. Key Metrics .....                           | 4 |
| 3. Attestation by the Board of Directors ..... | 6 |

### 1. Introduction

Lombard Bank Malta p.l.c. ('Lombard Bank' or the 'Bank') is a public limited company domiciled and incorporated in Malta. Lombard Bank Malta p.l.c. is listed on the Malta Stock Exchange and is licensed and regulated by the Malta Financial Services Authority as a credit institution and as an investment service provider.

The Bank was registered in Malta as a limited liability company in 1969 and listed on the Malta Stock Exchange ('MSE') in 1994. The Bank is an authorised currency dealer and a financial intermediary, as well as a member of the Depositor Compensation Scheme and the Investor Compensation Scheme.

The aim of this Pillar 3 Disclosures Report ('Report') is to enhance public awareness of the Bank's capital structure and adequacy and its risk management policies and procedures.

These disclosures meet the disclosure requirements outlined in Part Eight of '*Regulation (EU) 2019/876*' which amends '*Regulation (EU) No 575/2013*' of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms ('Capital Requirements Regulation', hereinafter referred to as 'CRR').

The Bank is subject to the disclosure requirements prescribed under Article 433c of the CRR, since it does not fall under the definition of a 'large institution' and is not classified as a 'small and non-complex institution'. Article 433c of the CRR requires the Bank to disclose the key metrics referred to in Article 447 of the CRR on a semi-annual basis and all other information required under Part Eight of the CRR on an annual basis.

This report aims to provide an updated overview of the Bank's capital adequacy, risk weighted assets and liquidity in line with EBA Pillar 3 Disclosure Guidelines and the EBA Pillar 3 Implementing Technical Standards.

Based upon the Bank's assessment and verification, the disclosures appropriately and comprehensively convey the Bank's overall risk profile as at 30 June 2025.

## 2. Key Metrics

Template EU KM1 provides key regulatory metrics and ratios as well as related components, including Own Funds, RWEAs, Capital Ratios, additional requirements based on the Supervisory Review and Evaluation Process ('SREP'), capital buffer requirements, Leverage Ratio, Liquidity Coverage Ratio ('LCR') and Net Stable Funding Ratio ('NSFR').

### Template EU KM1 – Key metrics template

| <i>In €'000</i> |                                                                                                                                                        | a         | b         | c         |
|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|
|                 |                                                                                                                                                        | 30-Jun-25 | 31-Dec-24 | 30-Jun-24 |
|                 | <b>Available own funds (amounts)</b>                                                                                                                   |           |           |           |
| 1               | Common Equity Tier 1 (CET1) capital                                                                                                                    | 190,896   | 196,508   | 182,910   |
| 2               | Tier 1 capital                                                                                                                                         | 190,896   | 196,508   | 182,910   |
| 3               | Total capital                                                                                                                                          | 190,896   | 196,508   | 182,910   |
|                 | <b>Risk-weighted exposure amounts</b>                                                                                                                  |           |           |           |
| 4               | Total risk exposure amount                                                                                                                             | 993,696   | 982,443   | 909,398   |
| 4a              | Total risk exposure pre-floor                                                                                                                          | 993,696   | -         | -         |
|                 | <b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>                                                                               |           |           |           |
| 5               | Common Equity Tier 1 ratio (%)                                                                                                                         | 19.21%    | 20.00%    | 20.11%    |
| 5a              | Not applicable                                                                                                                                         |           |           |           |
| 5b              | Common Equity Tier 1 ratio considering unfloored TREA (%)                                                                                              | 19.21%    | 20.00%    | 20.11%    |
| 6               | Tier 1 ratio (%)                                                                                                                                       | 19.21%    | 20.00%    | 20.11%    |
| 6a              | Not applicable                                                                                                                                         |           |           |           |
| 6b              | Tier 1 ratio considering unfloored TREA (%)                                                                                                            | 19.21%    | 20.00%    | 20.11%    |
| 7               | Total capital ratio (%)                                                                                                                                | 19.21%    | 20.00%    | 20.11%    |
| 7a              | Not applicable                                                                                                                                         |           |           |           |
| 7b              | Total capital ratio considering unfloored TREA (%)                                                                                                     | 19.21%    | 20.00%    | 20.11%    |
|                 | <b>Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)</b> |           |           |           |
| EU 7d           | Additional own funds requirements to address risks other than the risk of excessive leverage (%)                                                       | 3.25%     | 3.25%     | 3.25%     |
| EU 7e           | of which: to be made up of CET1 capital (percentage points)                                                                                            | 1.83%     | 1.83%     | 1.83%     |
| EU 7f           | of which: to be made up of Tier 1 capital (percentage points)                                                                                          | 2.44%     | 2.44%     | 2.44%     |
| EU 7g           | Total SREP own funds requirements (%)                                                                                                                  | 11.25%    | 11.25%    | 11.25%    |
|                 | <b>Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)</b>                                              |           |           |           |
| 8               | Capital conservation buffer (%)                                                                                                                        | 2.50%     | 2.50%     | 2.50%     |
| EU 8a           | Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)                                             | 0.00%     | 0.00%     | 0.00%     |
| 9               | Institution specific countercyclical capital buffer (%)                                                                                                | 0.01%     | 0.01%     | 0.01%     |

**Template EU KM1 – Key metrics template (continued)**

| In €'000                                                                                                                       |                                                                                 | a         | b         | c         |
|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------|-----------|-----------|
|                                                                                                                                |                                                                                 | 30-Jun-25 | 31-Dec-24 | 30-Jun-24 |
| EU 9a                                                                                                                          | Systemic risk buffer (%)                                                        | 0.07%     | 0.17%     | 0.17%     |
| <b>Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)</b>                      |                                                                                 |           |           |           |
| 10                                                                                                                             | Global Systemically Important Institution buffer (%)                            | 0.00%     | 0.00%     | 0.00%     |
| EU 10a                                                                                                                         | Other Systemically Important Institution buffer (%)                             | 0.00%     | 0.00%     | 0.00%     |
| 11                                                                                                                             | Combined buffer requirement (%)                                                 | 2.58%     | 2.67%     | 2.68%     |
| EU 11a                                                                                                                         | Overall capital requirements (%)                                                | 13.83%    | 13.92%    | 13.93%    |
| 12                                                                                                                             | CET1 available after meeting the total SREP own funds requirements (%)          | 7.96%     | 8.75%     | 8.86%     |
| <b>Leverage ratio</b>                                                                                                          |                                                                                 |           |           |           |
| 13                                                                                                                             | Total exposure measure                                                          | 1,405,962 | 1,414,975 | 1,351,331 |
| 14                                                                                                                             | Leverage ratio (%)                                                              | 13.58%    | 13.89%    | 13.54%    |
| <b>Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)</b> |                                                                                 |           |           |           |
| EU 14a                                                                                                                         | Additional own funds requirements to address the risk of excessive leverage (%) | 0.00%     | 0.00%     | 0.00%     |
| EU 14b                                                                                                                         | of which: to be made up of CET1 capital (percentage points)                     | 0.00%     | 0.00%     | 0.00%     |
| EU 14c                                                                                                                         | Total SREP leverage ratio requirements (%)                                      | 3.00%     | 3.00%     | 3.00%     |
| <b>Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)</b>                |                                                                                 |           |           |           |
| EU 14d                                                                                                                         | Leverage ratio buffer requirement (%)                                           | 0.00%     | 0.00%     | 0.00%     |
| EU 14e                                                                                                                         | Overall leverage ratio requirement (%)                                          | 3.00%     | 3.00%     | 3.00%     |
| <b>Liquidity Coverage Ratio</b>                                                                                                |                                                                                 |           |           |           |
| 15                                                                                                                             | Total high-quality liquid assets (HQLA) (Weighted value -average)               | 281,775   | 297,086   | 311,294   |
| EU 16a                                                                                                                         | Cash outflows - Total weighted value                                            | 188,379   | 192,929   | 188,220   |
| EU 16b                                                                                                                         | Cash inflows - Total weighted value                                             | 72,574    | 72,488    | 62,275    |
| 16                                                                                                                             | Total net cash outflows (adjusted value)                                        | 115,805   | 120,441   | 125,945   |
| 17                                                                                                                             | Liquidity coverage ratio (%)                                                    | 246.60%   | 247.07%   | 247.17%   |
| <b>Net Stable Funding Ratio</b>                                                                                                |                                                                                 |           |           |           |
| 18                                                                                                                             | Total available stable funding                                                  | 1,182,046 | 1,116,311 | 1,052,931 |
| 19                                                                                                                             | Total required stable funding                                                   | 806,489   | 759,378   | 701,250   |
| 20                                                                                                                             | NSFR ratio (%)                                                                  | 146.57%   | 147.00%   | 150.15%   |

As at 30 June 2025, the Bank's Total Capital Ratio of 19.21% (December 2024: 20.00%) remained strong and in excess of the minimum regulatory requirements. The Bank's liquidity ratios also remained well in excess of minimum regulatory requirements, with the 12-month average LCR as at 30 June 2025 being 246.60% (December 2024: 247.07%) and the NSFR being 146.57% (December 2024: 147.00%).

### **3. Attestation by the Board of Directors**

The Board of Directors confirms that these Pillar 3 Disclosures, to the best of its knowledge, comply with Part Eight of the CRR, including any related guidelines and technical standards issued by the European Banking Authority ('EBA'), and have been prepared in accordance with the Bank's internal governance framework, including its policies, processes, systems and internal control environment.

The Board of Directors is of the opinion that the policies and procedures in place are adequate to measure and control the various risks faced by the Bank and appropriately reflect the Bank's size, business model and market position.

This Report was reviewed by the Audit and Risk Committee ('ARC') and approved by the Board of Directors.





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