

# **IIG Bank Malta Ltd**

**Pillar 3 disclosures report  
31 December 2025**

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# 1 Introduction

IIG Bank (Malta) Ltd is a fully licensed credit institution regulated by the Malta Financial Services Authority and is a member of the Depositor Compensation Scheme.

The purpose of these Pillar 3 disclosures is to improve public understanding of the Bank's risk management policies, procedures, and its capital structure and adequacy. These disclosures are being reported in line with the 'Commission Implementing Regulation (EU) No 2024/3172 of 29 November 2024 laying down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to public disclosures by institutions of the information referred to in Part Eight, Titles II and III, of that Regulation, and repealing Commission Implementing Regulation (EU) 2021/637' and Commission Implementing Regulation (EU) No 2022/631 of 13 April 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of exposures to interest rate risk on positions not held in the trading book (together the "ITS on Pillar 3 disclosure") and with the applicable European Commission's implementing and delegated regulations, as well as the EBA guidelines.

As the Bank is neither considered a 'large institution' nor classified as a 'small and non-complex institution,' it is subject to the disclosure requirements under 'other institution' outlined in Article 433c of the CRR. However, IIG Bank falls under the section of 'other institutions not listed'. According to this article, the Bank must disclose the key metrics specified in Article 447 of the CRR and all other information relevant to the Bank's classification mandated by Part Eight of the CRR on an annual basis.

IIG Bank's return on assets for the financial year ended 31 December 2025 amounted to -1.2% (2024: -0.3%)

## 1.1 Preparation of Pillar 3 Disclosures report (Article 431(3) CRR)

The Bank adheres to the requirements in accordance with the requirements set out in Article 431(3) of the Capital Requirements Regulation (CRR). This policy outlines the Bank's commitment to complying with the provisions of Part Eight of the CRR, as well as adherence to the guidelines and technical standards issued by the European Banking Authority (EBA).

### 1.1.1 Basis of preparation

These Pillar 3 disclosures have been prepared in accordance with the requirements set out in Part Eight of the Capital Requirements Regulation (CRR), the guidelines and technical standards issued by the European Banking Authority (EBA), as well as the provisions outlined in BR/07.

The disclosures reflect the exposures reported in the Bank's Annual Report and Financial Statements, which are prepared in accordance with International Financial Reporting Standards (IFRS). Unlike the Annual Report and Financial Statements, the information contained in the Pillar 3 disclosures is not subject to external audit. Through internal verification procedures the Bank ensures that these disclosures are presented fairly.

Where the term 'capital requirements' is referenced, it denotes the minimum total capital charge of 8% of risk-weighted exposure amounts (RWEAs), as specified in Article 92 of the CRR.

#### *1.1.2 Scope of disclosures*

This Pillar 3 Disclosures in respect of IIG Bank Malta Ltd are stated as a standalone credit institution. The Bank is regulated and supervised by the Malta Financial Services Authority ("MFSA") and is classified as an 'Other Institution - Not Listed'.

These disclosures provide detailed information regarding the Bank's risk exposures, as well as its objectives, policies, and methodologies for assessing and managing these risks, along with the Bank's capital management practices.

#### *1.1.3 Frequency and means of disclosures*

For the purposes of these Pillar 3 Disclosures, as a listed 'Other institution', the Bank is required to comply with Article 433c(2) of the CRR. In this respect, the Bank is required to publish Pillar 3 disclosures on an annual basis, on the following points:

- Risk management objectives and policies disclosures outlined in points (a), (e) and (f) of Article 435(1);
- Governance arrangements disclosures outlined in points (a) to (c) of Article 435(2);
- Own funds disclosures outlined in point (a) of Article 437;
- Disclosure of own funds requirements and risk-weighted exposure amounts outlined in points (c), (d) and (da) of Article 438;
- Credit risk related disclosures under points (c) and (d) of Article 442;
- The key metrics referred to in Article 447;
- Disclosure of environmental, social and governance risks (ESG risks) as detailed in Article 449a;
- Disclosure of aggregate exposure to shadow banking entities as outlined in Article 449b; and
- Disclosures relating to remuneration outlined in points (a) to (d), (h) to (k) of Article 450(1).

The Bank makes available its Annual Report and Financial Statements, and the Pillar 3 disclosures reports within the 'Annual Report' section of the Bank's website: <https://iigbank-malta.com/page/about-results>

#### *1.1.4 Verification and sign-off process*

In accordance with banking regulations and industry standards, these Pillar 3 Disclosures are exempt from external audit. Nevertheless, the Bank's management has conducted a comprehensive review to ensure that the disclosures are accurate and fairly presented.

Based on the Bank's assessment and verification processes, the disclosures presented herein accurately and comprehensively reflect the Bank's overall risk profile as of 31 December 2025.

## 1.2 Key metrics and overview of risk-weighted exposure amounts

Table EU KM1 provides key regulatory metrics and ratios as well as related input 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

In \$USD		a	b
		31-Dec-25	31-Dec-24
	<b>Available own funds (amounts)</b>		
1	Common Equity Tier 1 (CET1) capital	17,195,348	18,440,626
2	Tier 1 capital	17,195,348	18,440,626
3	Total capital	17,195,348	18,440,626
	<b>Risk-weighted exposure amounts</b>		
4	Total risk exposure amount	91,311,565	96,646,164
4a	Total risk exposure pre-floor	91,311,565	96,646,164
	<b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>		
5	Common Equity Tier 1 ratio (%)	18.83%	19.08%
5a	Not applicable		
5b	Common Equity Tier 1 ratio considering unfloored TREA (%)	18.83%	19.08%
6	Tier 1 ratio (%)	18.83%	19.08%
6a	Not applicable		
6b	Tier 1 ratio considering unfloored TREA (%)	18.83%	19.08%
7	Total capital ratio (%)	18.83%	19.08%
7a	Not applicable		
7b	Total capital ratio considering unfloored TREA (%)	18.83%	19.08%
	<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 (%)	3.00%	3.00%
EU 7e	of which: to be made up of CET1 capital (percentage points)	1.69%	1.69%

Template EU KM1 – Key metrics template (continued)

In \$USD		a	b
		31-Dec-25	31-Dec-24
EU 7f	of which: to be made up of Tier 1 capital (percentage points)	4.19%	4.19%
EU 7g	Total SREP own funds requirements (%)	11.00%	11.00%
<b>Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)</b>			
8	Capital conservation buffer (%)	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%
9	Institution specific countercyclical capital buffer (%)	0.22%	0.03%
EU 9a	Systemic risk buffer (%)	0.00%	0.00%
10	Global Systemically Important Institution buffer (%)	0.00%	0.00%
EU 10a	Other Systemically Important Institution buffer (%)	0.00%	0.00%
11	Combined buffer requirement (%)	2.72%	2.53%
EU 11a	Overall capital requirements (%)	13.72%	13.53%
12	CET1 available after meeting the total SREP own funds requirements (%)	7.83%	8.08%
<b>Leverage ratio</b>			
13	Total exposure measure	120,460,544	159,732,225
14	Leverage ratio (%)	14.27%	11.54%
<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%
EU 14b	of which: to be made up of CET1 capital (percentage points)	0.00%	0.00%
EU 14c	Total SREP leverage ratio requirements (%)	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%
EU 14e	Overall leverage ratio requirement (%)	3.00%	3.00%
<b>Liquidity Coverage Ratio</b>			
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	20,299,644	32,628,855

Template EU KM1 – Key metrics template (continued)

In \$USD		a	b
		31-Dec-25	31-Dec-24
EU 16a	Cash outflows - Total weighted value	8,926,553	11,988,734
EU 16b	Cash inflows - Total weighted value	25,696,543	32,092,038
16	Total net cash outflows (adjusted value)	2,231,638	2,997,184
17	Liquidity coverage ratio (%)	882.65%	1155.22%
<b>Net Stable Funding Ratio</b>			
18	Total available stable funding	74,027,656	70,232,760
19	Total required stable funding	42,811,989	36,582,982
20	NSFR ratio (%)	172.91%	191.98%

**1.3 Attestation by the Board of Directors**

The Board of Directors confirm that these Pillar 3 Disclosures, to the best of our knowledge, complies with Part Eight of the CRR, including any related guidelines and technical standards published by the EBA, and has been prepared in compliance with the Bank's internal governance process including policies, processes and systems and internal control environment.

The Board of Directors is of the opinion that the policies and procedures in place are adequate in measuring and controlling the various risks faced by the Bank and reflect well the Bank's size, business model and its position in the market.

On behalf of the Board of Directors



RAYMOND BUSUTTIL  
Managing Director & CEO



KARL VELLA  
Executive Director, Chief Financial Officer

## 2 Risk Management and governance

### 2.1 Overview of risk disclosures

Table EU OVA provides information on the Bank's business model and how it inherently involves exposing itself to both financial risks and non-financial risks.

Table EU OVA - Institution risk management approach  
(Points (a), (e) and (f) of Article 435(1))

(a)	<p><u>Disclosure of concise risk statement approved by the management body</u></p> <p>The Board of Directors of IIG Bank (Malta) Ltd. is committed to maintaining high standards of corporate governance and ethical conduct and is accountable to shareholders and other stakeholders. Through strategic leadership, the Board fosters a strong risk-aware culture, ensuring that all material risks are appropriately identified, assessed, and duly considered in the Bank's decision-making processes.</p> <p>The Bank's business model is structured to achieve an appropriate balance between growth and stability and is closely aligned with its overall risk profile.</p> <p>The Risk Management Framework enables effective risk mitigation through close collaboration between risk-taking units and the Bank's independent functions. The Bank's risk profile is aligned with the Board-approved Risk Appetite Statement, with risk management strategies monitored and adjusted on an ongoing basis to remain within defined tolerance levels.</p> <p>The Board considers its Risk Management Framework to be supported by robust policies, procedures, limits, and controls that enable the effective identification, assessment, management, monitoring, and reporting of risks. The principal risks arising from the business model include credit, market, operational, and liquidity risks, together with other risks as outlined in this table.</p> <p>Further information on the Bank's risk profile across the various categories of risk related to the Bank's business model is in this table. Key ratios and figures including capital, leverage, liquidity, and other relevant metrics showing the risk profile of the Bank are included in Table EU KM1 presented in Section 1.2 above.</p>
(c)	<p><u>Declaration approved by the management body on the adequacy of the risk management arrangements.</u></p> <p>The Board considers the Bank's risk management framework to be robust and provides assurance to stakeholders that the risk management systems are suitably aligned with the Bank's risk profile and strategic objectives.</p>

Strategies and processes to manage risks for each separate category of risk.

**Credit Risk**

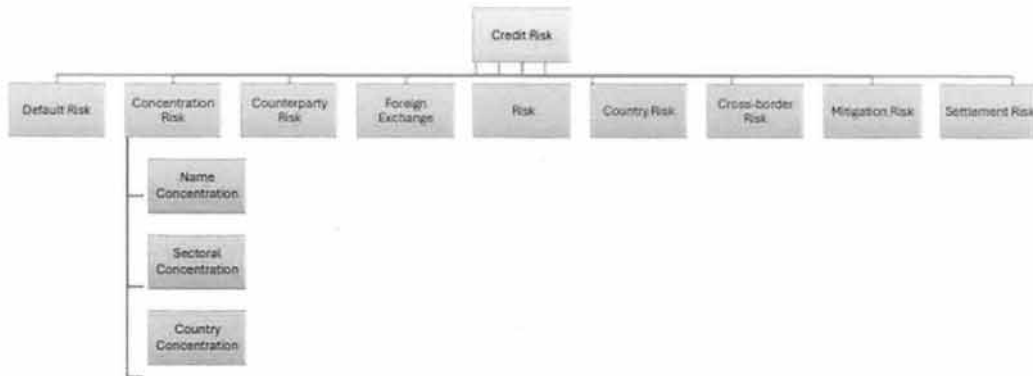
Credit risk refers to the risk that a borrower or obligor will default on a debt by failing to make the required payments. The risk includes the loss of principal and interest, disruption to cash flows, and increased collection costs. The loss may be complete or partial.

The Executive Committee is responsible for ensuring effective credit and risk management with timely decision-making to support high-quality customer service and responsiveness within the Bank's risk framework. It continuously monitors credit risk concentrations and implements corrective actions as needed. Delegated by the Board, the Committee authorizes maximum exposure limits across countries, sectors, and counterparties, including borrowers and financial institutions. It also reviews credit limits and significant credit decisions approved under delegated authority at each meeting.

Collateral remains enforceable and provides a reliable source of repayment throughout the life of the real estate facilities and regularly monitor and revalue collateral, to ensure it continues to provide adequate credit risk protection.

The credit risk categories that the Bank is exposed to throughout its operations:

(f)



More details have been included in the Table EU CRA of this report.

*Strategies and processes to manage risks for each separate category of risk. (continued)*

### **Market Risk**

Market risk is the risk of losses in positions arising from movements in market prices. This includes interest rate risk relating to losses resulting from movements in interest rates and their impact on future cash-flows due to the bank having a disproportionate amount of fixed or variable rates instruments on either side of the balance-sheet.

The Bank's Treasury function, led by the CEO, together with the Finance function as back office, forms the first line of defence in managing market risk. The CEO manages currency risk by matching foreign currency liabilities with assets in the same currency and hedges unmatched exposures through forward foreign exchange contracts.

Additionally, the CEO oversees excess liquidity by managing money market placements and debt security investments. Key activities include monitoring:

- Interest rates,
- Counterparty creditworthiness,
- Contacting counterparties in respect of the rolling over of facilities,
- Asset prices for collateral,
- The eligibility of assets for collateralisation.

More details have been included in the Table EU MRA of this report.

### **Operational Risk**

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Bank's processes, personnel, technology and infrastructure.

The Board sets the Bank's overall operational risk appetite and tolerance levels, including specific thresholds and limits for operational risk events. These are reviewed annually based on

- Past loss experience
- Risk register ratings
- External factors
- Business volumes
- Control quality
- Risk management effectiveness.

Strategies and processes to manage risks for each separate category of risk. (continued)

Operational Risk Appetite Statement is recommended by the Audit and Risk Committee for approval by the Board.

More details have been included in the Table EU ORA of this report.

**Compliance Risk**

Legal, Compliance and Reputational risk is the risk that the Bank does not fulfil its obligations under applicable laws and regulations as well as internal policies and does not maintain a sound corporate governance.

The Operations team conducts customer due diligence (CDD) to verify the identity of prospective clients and beneficial owners before acceptance. They continuously monitor transactions and regularly review CDD documentation as per Bank policy. Any regulatory or compliance concerns are reported to the Money Laundering Reporting Officer (MLRO) in line with the Bank's AML policy.

The Compliance Department ensures ongoing adherence to laws and regulations by updating policies, informing management of changes, maintaining an obligations register, and conducting compliance testing to verify regulatory duties are properly performed.

Compliance Policies including Prevention of Money Laundering & Funding of Terrorism Policies and Procedures, Conflicts of Interest Policy, Code of Business Conduct and Ethics Policy, Anti-Bribery and Corruption Policy, Complaints Policy and Procedures Manual and a Compliance Manual.

**ICT Risk**

Information and Cyber Security Risk refer to potential losses resulting from breaches in the confidentiality, integrity, availability, or reliability of data, systems, and information.

The IT Department reviews incoming potential threats to determine if they are genuine or part of routine testing to assess staff awareness. The IT Manager and deputy oversee daily IT operations, implement the approved ICT Strategy, ensure the security and integrity of the Bank's technology platforms, and coordinate activities with third-party IT support contractors.

The Risk Management Function, including the ICT Risk Manager, establishes requirements for the ICT risk management framework and ensures resilient systems to minimize risk, underpinned by DORA requirements. It establishes processes for monitoring, logging, classifying, and reporting ICT incidents. The IT Department conducts regular testing, such as penetration tests, to identify gaps and manages third-party risks, including oversight of key contractual obligations.

Strategies and processes to manage risks for each separate category of risk. (continued)

### **Environmental Social Governance**

Environmental, Social, and Governance (ESG) is the risk referring to the current or future risk of adverse financial impact on the Bank resulting from:

- Environmental factors, such as climate change, natural resource depletion, pollution, or biodiversity loss
- Social factors, including human rights violations, labour practices, customer protection, or community impact
- Governance factors, such as weak board oversight, unethical conduct, lack of transparency, or regulatory non-compliance.

The Risk Management Function is responsible for developing the ESG Risk Management Policy and Framework based on requirements emanating from relevant legislation, guidelines and directives, including creating a client engagement plan and defining data requirements to monitor KPIs.

A dedicated Task Force oversees the Bank's ESG strategy, aligning it with risk appetite and setting medium to long-term KPIs and KRIs. The Task Force also formalizes adjustments to risk appetite and customer engagement based on assessments, including business reductions aligned with physical risk heat maps and downturns.

### **Strategic Risk**

This is the risk that IIG Bank strategy selection, modification and implementation jeopardies the achievement of the Bank's goals and objectives.

The Bank maintains a business development strategy that is regularly reviewed to adapt to internal and external changes, ensuring continued relevance and growth. It is working to complete a change in shareholding with regulators and a new investor, supported by a solid business plan and additional capital commitment to sustain and expand the Bank.

The Bank also maintains a network of correspondent banks, including at least one USD clearing bank, to support its international trade finance business efficiently and with minimized risk and cost.

### **External Risk**

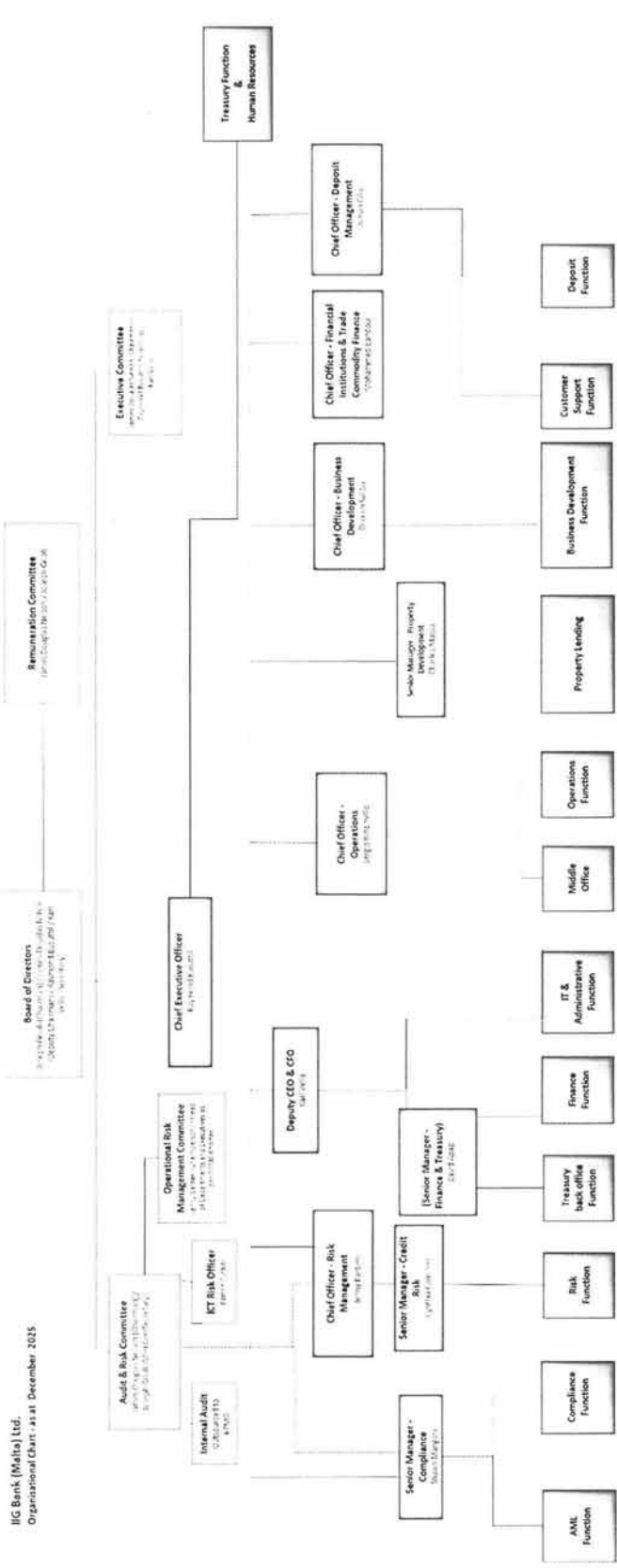
This includes the risk that political, geopolitical or external stakeholder events may affect the Bank's ability to achieve its objectives.

The Bank actively monitors events, judgments, and new laws that may impact its operations to adapt its strategy with minimal disruption. It also logs and addresses any complaints promptly in accordance with its Complaints Policy to ensure corrective actions are taken and damage minimized.

	<p><u>Strategies and processes to manage risks for each separate category of risk. (continued)</u></p> <p><b><u>Capital Risk</u></b></p> <p>This is the risk that the Bank does not have enough capital to support its business, thus becoming insolvent.</p> <p>The Bank makes sure it has enough capital by maintaining:</p> <ul style="list-style-type: none"> <li>• Levels above the minimum Pillar 1 and Pillar 2 internal and regulatory requirements,</li> <li>• Complying with CRDV capital rules including capital conservation and countercyclical buffers,</li> <li>• Adhering to CRR III and CRD VI standards.</li> <li>• A prudent non-risk-based leverage ratio,</li> <li>• Regularly conducts stress testing to assess capital adequacy and quality,</li> <li>• Aims to increase capital through limiting dividend payouts and seeking additional capital contributions.</li> </ul> <p>Organisational structure of the Bank can be found on page 14.</p>
(g)	<p><u>Information on the strategies and processes to manage, hedge and mitigate risks, as well as on the monitoring of the effectiveness of hedges and mitigants.</u></p> <p>The bank employs the following methods to manage, hedge, and mitigate risks:</p> <ul style="list-style-type: none"> <li>• <i>Collateral:</i> Collateral remains enforceable and provides a reliable source of repayment throughout the life of the real estate facilities and regularly monitor and revalue collateral, to ensure it continues to provide adequate credit risk protection.</li> <li>• <i>Professional services:</i> The Operations team verifies the value of collateralized stock in warehouses by ensuring independent collateral managers control the warehouses and obtaining confirmations at least every 60 days that the goods remain held on the Bank's behalf. For forborne or non-performing exposures valuations should be performed at least annually and the appraisers need to be rotated after two consecutive valuations to ensure no conflict of interest.</li> <li>• <i>Hedging:</i> The Bank hedges its open foreign exchange exposures arising from customer deposits by entering into forward foreign exchange contracts with tenors that approximate those of the hedged items.</li> <li>• <i>Insurance:</i> Goods used as collateral must be adequately insured at all times, with IIG Bank's interests noted in the policy. The insurance coverage should be tailored to the nature and location of the goods, addressing risks such as fire, theft, misappropriation, and natural catastrophes, with necessary precautions taken to ensure adequate protection throughout the transaction.</li> </ul>

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Pillar 3 disclosures report 2025

Organisational chart of IIG Bank Ltd



## IIG Bank Malta LTD

### Pillar 3 disclosures report 2025

Table EU OVB provides information on how the Board is responsible for ensuring that the roles of corporate responsibility, namely accountability, strategy formulation and policy development are implemented throughout the Bank.

Table EU OVB - Disclosure on governance arrangements  
(Annual (points (a), (b) and (c) of Article 435 (2))

(a)	<u>The number of directorships held by members of the management body.</u>			
	The Board of Directors of IIG Bank (Malta) Limited is vested with the overall responsibility for the business of the Bank.			
	As at 31 December 2025, the Board of Directors consisted of:			
	Name	Designation	Number of directorships held	Type of directorship
	Raymond Busutill	Managing Director and Chief Executive Officer	5	Non-Executive Directorship
	Joseph Grioli	Chairman	12	Non-Executive Directorship
J. Douglas Nelson	Director	-	Non-Executive Directorship	
Karl Vella	Executive Director and Chief Financial Officer	1	Non-Executive Directorship	
(b)	<u>Information regarding the recruitment policy for the selection of members of the management body and their actual knowledge, skills and expertise.</u>			
	<p>Directors are appointed through an ordinary resolution at General Meetings, with the Bank striving to ensure a diverse Board that encompasses a wide range of skills, industry knowledge, geographical experience, and backgrounds. The Bank prioritizes candidates who understand the statutory duties of a director and demonstrate the ability to contribute effectively to Board strategy and policy, particularly given the Bank's regulated status. Directors are expected to actively participate in overseeing the proper functioning of management.</p> <p>The Board conducts individual and collective suitability assessment on all the Directors to identify any potential gaps which require addressing through training. This ensures that Directors remain informed and conversant with the latest developments in the banking sphere especially regulatory requirements affecting the Bank.</p>			

	<p><u>Information regarding the recruitment policy for the selection of members of the management body and their actual knowledge, skills and expertise. (continued)</u></p> <p>To ensure appointments meet legislative requirements and that directors are fit and proper, the Bank evaluates candidates based on several criteria:</p> <ul style="list-style-type: none"> <li>• They must have a strong reputation and intentions to act honestly, ethically, and with integrity.</li> <li>• They should possess the necessary knowledge, skills, and experience to fulfil their duties effectively.</li> <li>• They must demonstrate independence of mind, enabling them to critically assess and challenge management decisions and exercise sound, objective, and independent judgment.</li> <li>• They need to commit sufficient time and effort to perform their responsibilities efficiently and effectively.</li> </ul>
(c)	<p><u>Information on the diversity policy with regard of the members of the management body.</u></p> <p>The Board of Directors commits to promoting diversity on the Board of Directors promote an inclusive environment where diverse perspectives are encouraged and respected.</p>

### 3 Identification of risks

#### 3.1 Overview of risk weighted exposure amounts

Template EU OV1 provides an overview of the total risk exposure amounts. It presents a consolidated summary of the institution's total risk exposure amounts (TREA) and total own funds requirements across various risk categories, including credit risk, settlement risk, and operational risk.

##### Template EU OV1 - Overview of total risk exposure amounts

In \$USD		Total risk exposure amounts (TREA)		Total own funds requirements
		a	b	c
		31-Dec-25	31-Dec-24	31-Dec-25
1	Credit risk (excluding CCR)	81,756,706	88,253,149	6,540,537
2	Of which the standardised approach	81,756,706	88,253,149	6,540,537
3	Of which the Foundation IRB (F-IRB) approach	-	-	-
4	Of which slotting approach	-	-	-
EU 4a	Of which equities under the simple risk weighted approach	-	-	-
5	Of which the Advanced IRB (A-IRB) approach	-	-	-
6	Counterparty credit risk - CCR	-	-	-
7	Of which the standardised approach	-	-	-
8	Of which internal model method (IMM)	-	-	-
EU 8a	Of which exposures to a CCP	-	-	-
9	Of which other CCR	-	-	-

Template EU OV1 - Overview of total risk exposure amounts (continued)

In \$USD		Total risk exposure amounts (TREA)		Total own funds requirements
		a	b	c
		31-Dec-25	31-Dec-24	31-Dec-25
10	Credit valuation adjustments risk - CVA risk	-	-	-
EU 10a	Of which the standardised approach (SA)	-	-	-
EU 10b	Of which the basic approach (F-BA and R-BA)	-	-	-
EU 10c	Of which the simplified approach	-	-	-
11	Not applicable			
12	Not applicable			
13	Not applicable			
14	Not applicable			
15	Settlement risk	-	-	-
16	Securitisation exposures in the non-trading book (after the cap)	-	-	-
17	Of which SEC-IRBA approach	-	-	-
18	Of which SEC-ERBA (including IAA)	-	-	-
19	Of which SEC-SA approach	-	-	-
EU 19a	Of which 1250% / deduction	-	-	-
20	Position, foreign exchange and commodities risks (Market risk)	18,590	60,434	1,487
21	Of which the Alternative standardised approach (A-SA)			

Template EU OV1 - Overview of total risk exposure amounts (continued)

In \$USD		Total risk exposure amounts (TREA)		Total own funds requirements
		a	b	c
		31-Dec-25	31-Dec-24	31-Dec-25
EU 21a	Of which the Simplified standardised approach (S-SA)	18,590	60,434	1,487
22	Of which the Alternative Internal Models Approach (A-IMA)	-	-	-
EU 22a	Large exposures	-	-	-
23	Reclassifications between trading and non-trading books	-	-	-
24	Operational risk	9,536,269	8,332,581	762,902
EU 24a	Exposures to crypto-assets	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
26	Output floor applied (%)	-	-	-
27	Floor adjustment (before application of transitional cap)	-	-	-
28	Floor adjustment (after application of transitional cap)	-	-	-
<b>29</b>	<b>Total</b>	<b>91,311,565</b>	<b>96,646,164</b>	<b>7,304,925</b>

Capital requirements represent the amount of capital resources that a bank must allocate against risk. The Bank uses the following methods to calculate the capital charge for each risk:

- Credit risk: the Bank uses the standardised approach to calculate its capital requirements for credit risk. To calculate the risk-weighted exposure amounts, risk weights are applied based on the exposure class and the related credit quality.
- Market risk: the Bank has adopted the Basic Method to determine its market/ foreign exchange risk requirement in accordance with Article 325 of the CRR.
- Operational risk: the Bank calculates its capital requirement for operational risk using the Business Indicator Approach in terms of Article 313 of the CRR on the average interest, leases and dividend component over the past three years.

# IIG Bank Malta LTD

## Pillar 3 disclosures report 2025

### 3.2 Credit risk

#### 3.2.1 Qualitative disclosure on credit risk

Table EU CRA provides general qualitative information about credit risk as part of the Pillar 3 disclosures. It outlines the institution's policies, frameworks, and processes for identifying, assessing, managing, and mitigating credit risk across its portfolio.

Table EU CRA - General qualitative information about credit risk  
(Annual (points (a) and (f) of Article 435(1))

(a)	<p><u>In the concise risk statement in accordance with point (f) of Article 435(1) CRR, how the business model translates into the components of the institution's credit risk profile.</u></p> <p>The business model reflects how the Bank manages the assets to generate cash flows. The Bank's risk profile is assessed through a bottom-up analysis of the Bank's business plans to establish financial and non-financial objectives. If the projections entail too high a level of risk, Management will challenge each area to rebalance the risk profile and bring risk to within the Board's appetite.</p> <p>The Risk Management Department keep abreast with external factors and any adverse media including changes in the operating environment such as interest rates, inflation, asset prices, competition and socio-political condition, which could potentially impact on the credit risk profile of an individual credit exposure and the overall credit portfolio.</p> <p>The Risk Management Officer has overall day to day accountability for monitoring the Bank's credit risk profile, and report to the Executive Committee on risk related matters. In case of any failures or breaches, or upon receipt of any breach reports received from front liners, Risk Management is responsible to report these to the CEO or Executive Committee (depending on the nature of the failure).</p> <p>Further detailed information regarding credit risk is provided in Table EU OVA.</p>
(b)	<p><u>When discussing their strategies and processes to manage credit risk and the policies for hedging and mitigating that risk in accordance with points (a) and (d) of Article 435(1) CRR, the criteria and approach used for defining the credit risk management policy and for setting credit risk limits.</u></p> <p>The Board of Directors delegates to the Executive Committee the authority to set and approve the Bank's maximum exposure limits across countries, sectors, and counterparties, including borrowers, issuers, and financial institutions. The Committee reviews and decides on all new limit applications and annually evaluates limit approval procedures, making changes as needed. It also reviews credit limits and significant credit decisions approved by sub-committees or officers under delegated authority at each meeting.</p>

*When discussing their strategies and processes to manage credit risk and the policies for hedging and mitigating that risk in accordance with points (a) and (d) of Article 435(1) CRR, the criteria and approach used for defining the credit risk management policy and for setting credit risk limits. (continued)*

#### Approval of Bank Limits

The Executive Committee approves maximum exposure limits to financial institutions, with higher limits granted to prime clearing institutions. Exposure to any single financial institution or related group cannot exceed 100% of the Bank's own funds. No maximum credit limits are set for exposures to the European Central Bank, Central Bank of Malta, or the Maltese Government.

#### Approval of Country Limits

When evaluating proposals, the Bank considers country risks related to the borrower's country of operation, the location of collateral, and the country of repayment. For regulatory purposes, risk exposure is based on the borrower's domicile, but for monitoring, the highest-risk country involved in the transaction is used. The Bank also accounts for potential impacts from sanctions, political developments, or environmental changes. Country limits are assessed by Risk Management using an Internal Country Rating (ICR) derived from ratings by agencies like S&P, Fitch, and Moody's.

Such country limits are approved by Executive Committee following recommendation of the Chief Executive Officer or his alternate the Deputy CEO. Country limits are reviewed every twelve months or earlier, should political, economic or market developments affecting a specific region/country so require.

#### Approval of Industry Limits

The Executive Committee sets industry limits to guide the Bank's lending portfolio. Each lending proposal is evaluated against these limits, and the Committee regularly reviews and adjusts them based on evolving business requirements.

## IIG Bank Malta LTD

### Pillar 3 disclosures report 2025

#### 3.2.2 Credit quality analysis

Table EU CR1 provides information on the asset quality of the Bank's asset base (namely loans and debt securities, off-balance sheet exposures) broken down by exposure classes and maturity of exposures.

Template EU CR1: Performing and non-performing exposures and related provisions

	a	b		c	d	e	f
		Gross carrying amount/nominal amount					
		Performing exposures					
	of which: stage 1	of which: stage 2		of which: stage 2	of which: stage 3		
	In \$USD						
005	9,817,543	9,817,543	-	-	-	-	-
010	66,893,695	66,893,695	-	2,951,246	-	2,951,246	-
020	-	-	-	-	-	-	-
030	4,786,022	4,786,022	-	-	-	-	-
040	13,068,483	13,068,483	-	-	-	-	-
050	2,574,801	2,574,801	-	-	-	-	-
060	46,464,389	46,464,389	-	2,951,246	-	2,951,246	-
070	-	-	-	-	-	-	-

Template EU CR1: Performing and non-performing exposures and related provisions (continued)

	a	b	c	d	e	f						
							Gross carrying amount/nominal amount					
							Performing exposures			Non-performing exposures		
	of which: stage 1	of which: stage 2		of which: stage 2	of which: stage 3							
	In \$USD											
080	Households	-	-	-	-	-						
090	<b>Debt Securities</b>	<b>30,090,991</b>	-	-	-	-						
100	Central banks	-	-	-	-	-						
110	General governments	24,099,739	-	-	-	-						
120	Credit institutions	5,292,730	-	-	-	-						
130	Other financial corporations	-	-	-	-	-						
140	Non-financial corporations	698,521	224,128	-	-	-						
150	<b>Off-balance sheet exposures</b>	<b>16,123,874</b>	<b>16,123,874</b>	-	-	-						
160	Central banks	-	-	-	-	-						
170	General governments	-	-	-	-	-						
180	Credit institutions	2,750,762	2,750,762	-	-	-						
190	Other financial corporations	-	-	-	-	-						

Template EU CR1: Performing and non-performing exposures and related provisions (continued)

	a	b	c	d	e	f
In \$USD	Performing exposures			Non-performing exposures		
	of which: stage 1	of which: stage 2	of which: stage 3		of which: stage 2	of which: stage 3
200 Non-financial corporations	13,373,113	13,373,113	-	-	-	-
210 Households	-	-	-	-	-	-
<b>220 Total</b>	<b>122,926,102</b>	<b>122,451,709</b>	-	<b>2,951,246</b>	-	<b>2,951,246</b>

	g	h	i	j	k	l	m	n	o
In \$USD	Performing exposures - Accumulated impairment and provisions			Non-performing exposures - Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures
	of which: stage 1	of which: stage 2	of which: stage 3	of which: stage 1	of which: stage 2	of which: stage 3			
005 Cash balances at central banks and other demand deposits	(794)	(794)	-	-	-	-	-	-	-
010 Loans and advances	(561,832)	(561,832)	-	(845,044)	-	(845,044)	-	21,112,164	-
020 Central banks	-	-	-	-	-	-	-	-	-

Template EU CR1: Performing and non-performing exposures and related provisions (continued)

	In \$USD									
	g	h	i	j	k	l	m	n	o	
	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Non-performing exposures - Accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	Collaterals and financial guarantees received		
Performing exposures - Accumulated impairment and provisions			of which: stage 2			of which: stage 2		of which: stage 3		On non-performing exposures
	of which: stage 1	of which: stage 2	of which: stage 2		of which: stage 2	of which: stage 3		On performing exposures	On non-performing exposures	
030	(51,686)	(51,686)	-	-	-	-	-	-	-	-
040	(19,029)	(19,029)	-	-	-	-	-	-	-	-
050	(14,557)	(14,557)	-	-	-	-	-	-	-	-
060	(476,560)	(476,560)	-	(845,044)	-	(845,044)	-	21,112,164	-	-
070	-	-	-	-	-	-	-	-	-	-
080	-	-	-	-	-	-	-	-	-	-
<b>090</b>	<b>(12,971)</b>	<b>(12,971)</b>	-	-	-	-	-	-	-	-
100	-	-	-	-	-	-	-	-	-	-
110	(9,823)	(9,823)	-	-	-	-	-	-	-	-
120	(3,034)	(3,034)	-	-	-	-	-	-	-	-

Template EU CR1: Performing and non-performing exposures and related provisions (continued)

	g	h	i	j	k	l	m	n	o								
										Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Collaterals and financial guarantees received	
										Performing exposures - Accumulated impairment and provisions			Non-performing exposures - Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	
	of which: stage 1	of which: stage 2		of which: stage 2	of which: stage 3		On performing exposures	On non-performing exposures									
	In \$USD																
130	-	-	-	-	-	-	-	-	-								
140	(114)	(114)	-	-	-	-	-	-	-								
150	79,804	79,804	-	-	-	-	-	-	-								
160	-	-	-	-	-	-	-	-	-								
170	-	-	-	-	-	-	-	-	-								
180	-	-	-	-	-	-	-	-	-								
190	-	-	-	-	-	-	-	-	-								
200	79,804	79,804	-	-	-	-	-	-	-								
210	-	-	-	-	-	-	-	-	-								
220	(495,793)	(495,793)	-	(845,044)	-	(845,044)	-	21,112,164	-								

Table EU CQ3 provides information on the gross carrying amount on-balance sheet performing and non-performing exposures (as well as the nominal amount for off-balance sheet exposures) by past due days.

Template EU CQ3: Credit quality of performing and non-performing exposures by past due days

	a	b	c	d	e	f	g	h	i	j	k	l
	Performing exposures						Non-performing exposures					
		Not past due or Past due < 30 days	Past due > 30 days < 90 days		Unlikely to pay that are not past-due or past-due < 90 days	Past due > 90 days <= 180 days	Past due > 180 days <= 1 year	Past due > 1 year <= 2 years	Past due > 2 year <= 5 years	Past due > 5 year <= 7 years	Past due > 7 years	Of which defaulted
- In \$USD												
005	Cash balances at central banks and other demand deposits	9,817,543	9,817,543	-	-	-	-	-	-	-	-	-
010	Loans and advances	66,893,695	66,893,695	2,951,246	195,482	-	-	-	2,755,764	-	-	2,951,246
020	Central banks	-	-	-	-	-	-	-	-	-	-	-
030	General governments	4,786,022	4,786,022	-	-	-	-	-	-	-	-	-

Template EU CQ3: Credit quality of performing and non-performing exposures by past due days (continued)

a	b	c	d	e	f	g	h	i	j	k	l
Gross carrying amount / Nominal amount											
Performing exposures			Non-performing exposures								
	Not past due or Past due < 30 days	Past due > 30 days < 90 days		Unlikely to pay that are not past-due or past-due < = 90 days	Past due > 90 days < = 180 days	Past due > 180 days < = 1 year	Past due > 1 year < = 2 years	Past due > 2 year < = 5 years	Past due > 5 year < = 7 years	Past due > 7 years	Of which defaulted
In \$USD											
040	13,068,483	-	-	-	-	-	-	-	-	-	-
050	2,574,801	-	-	-	-	-	-	-	-	-	-
060	46,464,389	-	2,951,246	195,482	-	-	-	2,755,764	-	-	2,951,246
070	-	-	-	-	-	-	-	-	-	-	-
080	-	-	-	-	-	-	-	-	-	-	-
090	30,090,991	-	-	-	-	-	-	-	-	-	-
100	-	-	-	-	-	-	-	-	-	-	-
110	24,099,739	-	-	-	-	-	-	-	-	-	-

Template EU CQ3: Credit quality of performing and non-performing exposures by past due days (continued)

	a	b	c	d	e	f	g	h	i	j	k	l
Gross carrying amount / Nominal amount												
Non-performing exposures												
Performing exposures												
		Not past due or Past due < 30 days	Past due > 30 days < 90 days		Unlikely to pay that are not past-due or past-due < = 90 days	Past due > 90 days < = 180 days	Past due > 180 days < = 1 year	Past due > 1 year < = 2 years	Past due > 2 year < = 5 years	Past due > 5 year < = 7 years	Past due > 7 years	Of which defaulted
In \$USD												
120	5,292,730	5,292,730	-	-	-	-	-	-	-	-	-	-
130	-	-	-	-	-	-	-	-	-	-	-	-
140	698,521	698,521	-	-	-	-	-	-	-	-	-	-
150	<b>16,123,874</b>											
160	-	-	-	-	-	-	-	-	-	-	-	-
170	-	-	-	-	-	-	-	-	-	-	-	-
180	2,750,762											
190	-	-	-	-	-	-	-	-	-	-	-	-

Template EU CQ3: Credit quality of performing and non-performing exposures by past due days (continued)

	a	b	c	d	e	f	g	h	i	j	k	l
Gross carrying amount / Nominal amount												
In \$USD	Performing exposures			Non-performing exposures								
		Not past due or Past due < 30 days	Past due > 30 days < 90 days		Unlikely to pay that are not past-due or past-due < = 90 days	Past due > 90 days < = 180 days	Past due > 180 days < = 1 year	Past due > 1 year < = 2 years	Past due > 2 year < = 5 years	Past due > 5 year < = 7 years	Past due > 7 years	Of which defaulted
200	13,373,113			-								-
210	-			-								-
220	122,926,102	122,926,102	-	2,951,246	195,482	-	-	-	2,755,764	-	-	2,951,246

Table EU CQ1 provides information on the Bank's forborne exposures split into the exposure classes, and the quality of forbearance is not disclosed as it is not applicable to the bank. Table EU CQ7, which provides information on the value at initial recognition and any accumulated negative changes for collateral obtained through taking possession and remains recognised at the reference date, is not disclosed as this does not apply to the Bank.

**3.3 Market risk**

Table EU MRA provides qualitative disclosure requirements related to market risk as part of the Pillar 3 framework. It details the institution’s market risk management strategies, policies, and governance arrangements, including the identification, measurement, monitoring, and mitigation of market risk exposures.

Table EU MRA - Qualitative disclosure requirements related to market risk.  
*(Annual (point (a) of Article 435(1))*

(a)	<p><u>Points (a) and (d) of Article 435 (1) CRR</u>  <u>A description of the institution's strategies and processes to manage market risk and a description of the institution's policies for hedging and mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges.</u></p> <p>The Bank’s exposures to market risk in Treasury Operations arise principally on open positions in interest rate and currency products. Market risk includes:</p> <ul style="list-style-type: none"> <li>• The interest rate risk relating to losses resulting from movements in interest rates and their impact on future cash-flows.</li> <li>• Foreign exchange risk is another type of market risk, resulting in losses from movements in exchanges rates to the extent that cash-flow assets and liabilities are denominated in different currencies.</li> </ul> <p><u>Foreign exchange risk</u></p> <p>The Bank’s foreign exchange risk arises primarily from the risk of economic loss arising from a currency mismatch between the market value of liabilities and the market value of assets. Economic loss refers to the effect that changes in exchange rates will have on the Bank’s future cash flows and earnings.</p> <p>The Bank’s functional currency is the USD, reflecting its primary economic environment where most trade finance and loan participations are denominated in USD. However, the Bank faces significant foreign exchange translation risk because its main funding source—retail deposits—is largely in EUR, while its assets are mostly in USD. To manage this risk, the Bank adopts a cautious approach by hedging its net foreign currency exposures with currency derivatives, ensuring that the derivative contract amounts closely match the net foreign currency positions at the reporting period’s end.</p> <p>The Bank seeks to secure sufficient swap / F/X lines with acceptable credit standing counterparties approved in line with the Bank’s Credit Policy in order to hedge its foreign exchange risk.</p> <p>The CEO manages the Bank’s currency risk daily by ensuring foreign currency liabilities fund assets in the same currency to align asset and liability positions. The CFO reports the Bank’s open foreign exchange position to the Executive Committee</p>
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Points (a) and (d) of Article 435 (1) CRR

A description of the institution's strategies and processes to manage market risk and a description of the institution's policies for hedging and mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges. (continued)

monthly, while Risk Management provides monthly foreign exchange risk reports to the Risk and Audit Committee.

Interest rate risk

The Bank consciously exposes itself to interest rate risk as part of its strategy to increase shareholder value. The Bank should always be able to demonstrate that its internal capital is commensurate with the level of interest rate risk under severe stress conditions, ensuring that the economic value of the Bank is preserved.

The Bank aims to align the fixed-term structure of its liabilities with that of its assets, allowing a positive gap due to equity, favouring asset sensitivity to benefit from potential interest rate rises in a low-rate environment. To manage interest rate basis risk, the Bank may use derivatives to reduce net interest income volatility.

It sets limits on interest rate risk based on impacts to the economic value of equity (EVE) and net interest income (NII), targeting a 10% change with a maximum floor of 15% on EVE relative to CET 1 capital and under 2% with a maximum floor of 5% on NII.

Interest rate risk is monitored monthly by the Executive Committee through gap analyses and reviews of the debt securities portfolio for fair value changes due to rate movements.

Risk Management performs a comprehensive weekly analysis of the securities portfolio and prepares reports for the Executive Committee. These reports highlight significant valuation changes, including loss triggers such as a decline of 30% or more in the value of a single security or a portfolio-wide decrease exceeding 2.5%, as well as gain triggers involving increases of 30% or more in the value of individual securities.

The Finance Team conducts daily monitoring and reporting of treasury transactions, counterparty-specific exposures, foreign exchange positions, and the securities portfolio. Mark-to-market valuations of the portfolio, which includes internally managed domestic corporate bonds, investment-grade and high-yield bonds, and third-party managed fund portfolios such as UCIT units, are reviewed weekly, with reports submitted to the CEO accordingly.

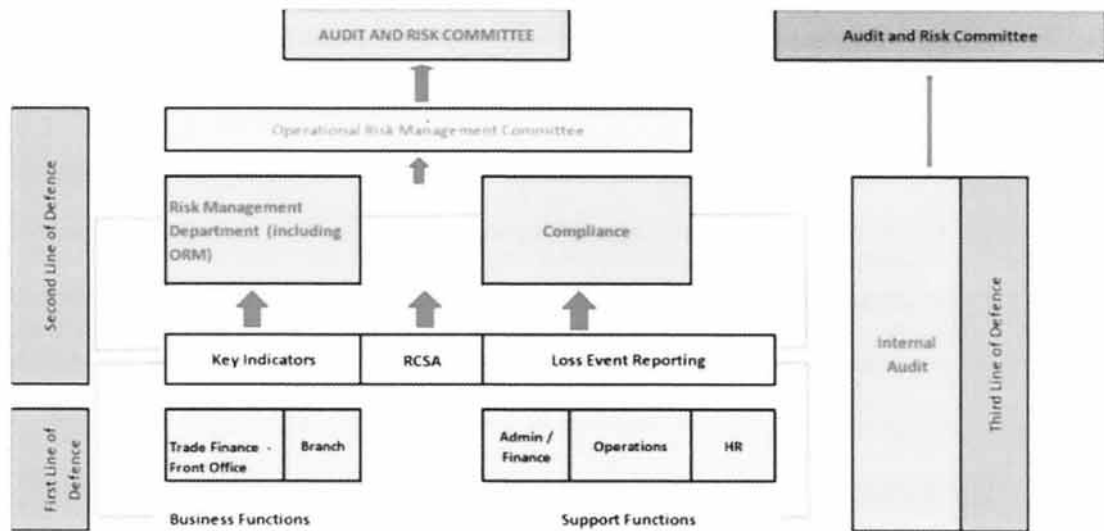
### 3.4 Operational risk

Table EU ORA provides qualitative information on operational risk as part of the Pillar 3 disclosures. It offers insights into the institution's approach to identifying, assessing, and managing operational risk, including the key policies, procedures, and risk mitigation strategies in place.

Table EU ORA - Qualitative information on operational risk  
(Annual (points (a), (e) and (f) of Article 435(1))

(a)	<p><u>Disclosure of the risk management objectives and policies</u></p> <p>The Bank defines Operational Risk as the risk of direct or indirect loss arising from a wide variety of causes associated with the Bank's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Reputational risk is not considered as an Operational risk, however reputational risk may often result from an operational risk event, thus by controlling operational risk the Bank aims at minimizing potential reputational risk.</p> <p>The primary objectives of the Bank with respect to Operational Risk Management are as follows:</p> <ul style="list-style-type: none"> <li>• To implement a framework that meets the local regulatory requirements and industry best practices</li> <li>• To build a strong infrastructure to facilitate day-to-day management of operational risk</li> <li>• To promote a risk management culture across the Bank</li> <li>• To provide valuable risk related information so that services offered by the Bank can consider operational risk premiums</li> <li>• To reduce the impact of losses the Bank suffers in the normal course of business, establish a level of risk tolerance and reduce the likelihood of suffering large/extreme losses.</li> <li>• To plan for potential catastrophic losses resulting from external events.</li> <li>• To identify the operational risk inherent in all the Bank's activities, products, processes and systems.</li> <li>• Define the target profile of operational risk, specifying the strategies by unit and time frame, Operational appetite and tolerance and monitoring</li> <li>• Continuously monitor the exposure of operational risk, implement control procedures, improve internal knowledge and mitigate losses.</li> <li>• Produce regular reports on the exposure to operational risk and the level of control for ORMC and the Bank's areas / units.</li> </ul>
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*Disclosure of the structure and organisation of the operational risk management function*



The Bank's ORM structure shall be represented by the three lines of defence, to ensure the effective management and oversight of risks at the entity level.

(b)

First line of defence

The business and support function units serve as the first line of defence in managing operational risk. They are responsible for identifying and assessing inherent operational risks within their areas, implementing appropriate controls, and ensuring compliance with the Operational Risk Management policy and procedures.

Second line of defence

The second line of defence for operational risk includes the Risk Management Department, the Operational Risk Management Committee (ORMC), and the Compliance Department, all independent from business units. Risk Management designs risk management tools, challenges first-line controls, recommends additional measures, and, with ORMC, develops policies and procedures. They also oversee reporting, tracking, and escalation of operational risk issues. ORMC ensures adequate resources for risk management and reports to the Audit and Risk Committee, overseeing effective policy and system implementation. The Compliance Department focuses on regulatory compliance.

Third line of defence

Internal Audit serves as the third line of defence for operational risk, independently assessing the adequacy and effectiveness of the operational risk management framework and practices across business and support units. It audits both the first and second lines of defence and reports its findings directly to the Audit & Risk Committee.

(c)	<p><u>Description of the scope and nature of the measurement system</u></p> <p>The Bank is using the BIC coming from Business Indicator, (BI), a financial statement-based proxy, multiplied by a set of regulatory determined marginal coefficients. The BI comprises three components: the interest, leases and dividend components (ILDC), the services components (SC), and the financial component (FC).</p> <p>The ORM strategy of the Bank is to maintain a robust ORM structure within the Bank which:</p> <ul style="list-style-type: none"> <li>• enables the Bank to adopt a proactive approach in dealing with operational risks in day-today activities.</li> <li>• ensures that the bank has robust procedures across the organization to absorb internal and external pressures through stringent controls. All departments should have process maps based on the procedures prepared by the respective Departments. This is also required to facilitate RMD in defining the Risks and Controls.</li> <li>• assists the Bank in establishing an appropriate risk culture.</li> </ul>
(d)	<p><u>Description of the scope and nature of the operational risk reporting framework</u></p> <p>The Risk Management Department (RMD) oversees operational risk within the Bank's Risk Management Framework and reports to the Operational Risk Management Committee (ORMC), which is overseen by the Executive Committee. RMD's effectiveness is regularly assessed for adequacy and competency.</p> <p>The business and the support functions' units are also responsible for using the ORM tools including Key Risk Indicators, Risk Control Self- Assessment (RCSA), incident reporting and updating Business Line Mapping, and report back any residual operational risk not mitigated by the controls.</p> <p>The Board sets the Bank's overall operational risk appetite and tolerance levels, including specific thresholds and limits for operational risk events. These are reviewed annually based on past losses, risk ratings, external factors, business volumes, control quality, and risk management effectiveness.</p> <p>The Statement of Operational Risk appetite is recommended by the Audit and Risk Committee and approved by the Board.</p>
(e)	<p><u>Description of the policies and strategies of the risk mitigation and risk hedge</u></p> <p>The Board of Directors promotes a strong operational risk culture within the Bank through suitable risk management policies, to enable the Bank to identify, assess, monitor and control/ mitigate operational risk.</p> <p>The ORM Framework includes the following components:</p> <ul style="list-style-type: none"> <li>• <i>Policy:</i> Emphasizes RMD priorities and governance structure for daily operational risk management</li> </ul>

	<p><u>Description of the policies and strategies of the risk mitigation and risk hedge (continued)</u></p> <ul style="list-style-type: none"> <li>• <i>Procedures:</i> Detailed work steps outlining initiatives for managing operational risk</li> <li>• <i>Roles and Responsibilities:</i> Clear definitions of roles, responsibilities, and reporting lines related to operational risk</li> <li>• <i>Operational Risk Management Committee:</i> Responsible for escalation and overall review of operational risk management</li> <li>• <i>Risk Categorization Schemes:</i> Based on Basel-defined risk categories</li> <li>• <i>Assessment Tools:</i> Includes tools for Risk and Control Self-Assessment (RCSA), incident and loss data collection, Key Risk Indicator (KRI) monitoring, business process mapping, control testing, product risk assessment, business continuity planning, and follow-up on action plans</li> </ul>
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### 3.5 Liquidity risk

Table EU LIQA presents qualitative information on liquidity risk management as part of the Pillar 3 disclosures. It outlines the institution’s approach to identifying, assessing, and mitigating liquidity risk, including key policies, governance structures, and risk mitigation tools employed.

Table EU LIQA - Liquidity risk management  
(Annual (points (a), (e) and (f) of Article 435(1))

	<p><u>Strategies and processes in the management of the liquidity risk, including policies on diversification in the sources and tenor of planned funding</u></p> <p>The Bank is exposed to a variety of financial risks including funding liquidity risk, which is the risk that the Bank will be unable to meet the repayment of maturing deposits and the fulfilment of its commitments when they fall due and to replace funds when they are withdrawn. The consequence may be the failure to meet obligations to repay depositors and fulfil commitments.</p> <p>Due to the Bank’s limited size, the Chief Executive Officer (CEO) is directly responsible for asset and liability management and is a member of the Executive Committee, which serves as the Asset and Liability Committee (ALCO). This Board-appointed committee focuses on achieving the following strategic goals:</p> <ol style="list-style-type: none"> <li>i. Ensuring the Bank maintains an adequate liquidity strategy while monitoring the interest income and expense spread</li> <li>ii. Providing direction to align the funding policy with the desired mix of assets, liabilities, or asset sales</li> <li>iii. Approving a contingency plan for raising additional funding or asset sales</li> <li>iv. Ensuring the Bank operates in accordance with the approved liquidity and funds management policy</li> </ol>
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	<p><u>Strategies and processes in the management of the liquidity risk, including policies on diversification in the sources and tenor of planned funding (continued)</u></p> <p>The Bank regularly discounts acceptances from other banks, often under letters of credit, and purchases such obligations from third-party banks through Master Risk Participation Agreements (MRPAs). These assets have an active market and can be sold in the forfaiting market during liquidity shortages.</p> <p>The Bank maintains a stable funding structure by diversifying its short-term loan portfolio, primarily consisting of uncommitted trade finance lines, participations, and discounted trade bills with maturities typically under one year. This is well supported by a term deposit funding base, most of which has maturities exceeding one year.</p> <p>The Bank's USD funding primarily consists of its equity base and a smaller portion of customer deposits, which are lower than its USD-denominated assets. Although it lacks access to USD wholesale funding, the Bank obtains USD funding through the ECB's dollar operations. To cover USD shortfalls, the Bank uses FX currency swaps, leveraging excess funds via OTC market transactions, maintaining an effective revolving hedge and avoiding systemic liquidity risk in the USD market.</p>
(h)	<p><u>A declaration approved by the management body on the adequacy of liquidity risk management arrangements of the institution providing assurance that the liquidity risk management systems put in place are adequate with regard to the institution's profile and strategy.</u></p> <p>The Board considers the Bank's risk management framework to be robust and provides assurance to stakeholders that the risk management systems are suitably aligned with the Bank's risk profile and strategic objectives.</p>
(i)	<p><u>A concise liquidity risk statement approved by the management body succinctly describing the institution's overall liquidity risk profile associated with the business strategy. This statement shall include key ratios and figures (other than those already covered in the EU LIQ1 template under this ITS) providing external stakeholders with a comprehensive view of the institution's management of liquidity risk, including how the liquidity risk profile of the institution interacts with the risk tolerance set by the management body</u></p> <p>The Board of Directors of IIG Bank (Malta) Ltd. is committed to maintaining high standards of corporate governance and ethical conduct and is accountable to shareholders and other stakeholders. Through strategic leadership, the Board fosters a strong risk-aware culture, ensuring that all material risks are appropriately identified, assessed, and duly considered in the Bank's decision-making processes.</p> <p>The Bank's business model is structured to achieve an appropriate balance between growth and stability and is closely aligned with its overall risk profile.</p> <p>The Risk Management Framework enables effective risk mitigation through close collaboration between risk-taking units and the Bank's independent functions. The Bank's risk profile is aligned with the Board-approved Risk Appetite Statement, with risk management strategies monitored and adjusted on an ongoing basis to remain within defined tolerance levels.</p> <p>The Board considers its Risk Management Framework to be supported by robust policies, procedures, limits, and controls that enable the effective identification, assessment,</p>

*A concise liquidity risk statement approved by the management body succinctly describing the institution's overall liquidity risk profile associated with the business strategy. This statement shall include key ratios and figures (other than those already covered in the EU LIQ1 template under this ITS) providing external stakeholders with a comprehensive view of the institution's management of liquidity risk, including how the liquidity risk profile of the institution interacts with the risk tolerance set by the management body (continued)*

management, monitoring, and reporting of risks. The principal risks arising from the business model include credit, market, operational, and liquidity risks, together with other risks as outlined in this table.

Further information on the Bank's risk profile across the various categories of risk related to the Bank's business model is in this table. Key ratios and figures including capital, leverage, liquidity, and other relevant metrics showing the risk profile of the Bank are included in Table EU KM1 presented in Section 1.2.

## 4 Own Funds

### 4.1 Composition of regulatory own funds

Table EU CC1 below provides a detailed overview of the composition of the Bank's own funds in accordance with the CRR.

EU CC1 - Composition of regulatory own funds

In \$USD		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
<b>Common Equity Tier 1 (CET1) capital: instruments and reserves</b>			
1	Capital instruments and the related share premium accounts	26,500,000	(h)
1a	of which: Instrument type 1	-	
1b	of which: Instrument type 2	-	
1c	of which: Instrument type 3	-	
2	Retained earnings	(4,477,498)	
3	Accumulated other comprehensive income (and other reserves)	(291,862)	
EU-3a	Funds for general banking risk	-	
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1	-	
5	Minority interests (amount allowed in consolidated CET1)	-	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	
6	<b>Common Equity Tier 1 (CET1) capital before regulatory adjustments</b>	<b>21,730,640</b>	
7	Additional value adjustments (negative amount)	-	
8	Intangible assets (net of related tax liability) (negative amount)	(1,363,619)	(a) minus (d)
9	Not applicable		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	(1,354,556)	

EU CC1 - Composition of regulatory own funds. (continued)

	In \$USD	Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
<b>Common Equity Tier 1 (CET1) capital: regulatory adjustments</b>			
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	-	
12	Negative amounts resulting from the calculation of expected loss amounts	-	
13	Any increase in equity that results from securitised assets (negative amount)	-	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	
15	Defined-benefit pension fund assets (negative amount)	-	
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	-	
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	

EU CC1 - Composition of regulatory own funds. (continued)

	In \$USD	Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
20	Not applicable		
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)	-	
EU-20c	of which: securitisation positions (negative amount)	-	
EU-20d	of which: free deliveries (negative amount)	-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-	
22	Amount exceeding the 17,65% threshold (negative amount)	-	
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-	
24	Not applicable		
25	of which: deferred tax assets arising from temporary differences	-	
EU-25a	Losses for the current financial year (negative amount)	(1,403,635)	
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	
26	Not applicable		
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	
27a	Other regulatory adjustments	(413,481)	

EU CC1 - Composition of regulatory own funds. (continued)

	In \$USD	Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
28	<b>Total regulatory adjustments to Common Equity Tier 1 (CET1)</b>	<b>(4,535,292)</b>	
29	<b>Common Equity Tier 1 (CET1) capital</b>	<b>17,195,348</b>	
<b>Additional Tier 1 (AT1) capital: instruments</b>			
30	Capital instruments and the related share premium accounts	-	(i)
31	of which: classified as equity under applicable accounting standards	-	
32	of which: classified as liabilities under applicable accounting standards	-	
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	-	
EU-33a	Amount of qualifying items referred to in Article 494a(1) subject to phase out from AT1	-	
EU-33b	Amount of qualifying items referred to in Article 494b(1) subject to phase out from AT1	-	
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	-	
35	of which: instruments issued by subsidiaries subject to phase out	-	
36	<b>Additional Tier 1 (AT1) capital before regulatory adjustments</b>	-	
<b>Additional Tier 1 (AT1) capital: regulatory adjustments</b>			
37	Direct and indirect holdings by an institution of own AT1 instruments (negative amount)	-	
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	

EU CC1 - Composition of regulatory own funds. (continued)

In \$USD		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	
41	Not applicable		
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	
42a	Other regulatory adjustments to AT1 capital	-	
43	<b>Total regulatory adjustments to Additional Tier 1 (AT1) capital</b>	-	
44	<b>Additional Tier 1 (AT1) capital</b>	-	
45	<b>Tier 1 capital (T1 = CET1 + AT1)</b>	<b>14,634,339</b>	
<b>Tier 2 (T2) capital: instruments</b>			
46	Capital instruments and the related share premium accounts	-	
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2 as described in Article 486 (4) CRR	-	
EU-47a	Amount of qualifying items referred to in Article 494a (2) subject to phase out from T2	-	
EU-47b	Amount of qualifying items referred to in Article 494b (2) subject to phase out from T2	-	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	-	
49	of which: instruments issued by subsidiaries subject to phase out	-	
50	Credit risk adjustments	-	
51	<b>Tier 2 (T2) capital before regulatory adjustments</b>	-	
<b>Tier 2 (T2) capital: regulatory adjustments</b>			
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	

EU CC1 - Composition of regulatory own funds. (continued)

	In \$USD	Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
54	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
54a	Not applicable		
55	Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	
56	Not applicable		
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	
56b	Other regulatory adjustments to T2 capital	-	
57	<b>Total regulatory adjustments to Tier 2 (T2) capital</b>	-	
58	<b>Tier 2 (T2) capital</b>	-	
59	<b>Total capital (TC = T1 + T2)</b>	<b>17,195,348</b>	
60	<b>Total risk exposure amount</b>	<b>91,311,565</b>	
<b>Capital ratios and requirements including buffers</b>			
61	Common Equity Tier 1	18.83%	
62	Tier 1	18.83%	
63	Total capital	18.83%	
64	Institution CET1 overall capital requirements	8.91%	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: countercyclical capital buffer requirement	0.22%	
67	of which: systemic risk buffer requirement	0.00%	

EU CC1 - Composition of regulatory own funds. (continued)

	In \$USD	Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	0.00%	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	1.69%	
68	<b>Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements</b>	<b>7.83%</b>	
69	Not applicable		
70	Not applicable		
71	Not applicable		
<b>Amounts below the thresholds for deduction (before risk weighting)</b>			
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-	
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	-	
74	Not applicable		
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	-	
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	-	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-	

In \$USD		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)</b>			
80	Current cap on CET1 instruments subject to phase out arrangements	-	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	
82	Current cap on AT1 instruments subject to phase out arrangements	-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	
84	Current cap on T2 instruments subject to phase out arrangements	-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	

## 4.2 Reconciliation of regulatory own funds to the accounting financial statements

Table EU CC2 below provides a detailed overview of the composition of the Bank's own funds in accordance with the CRR.

Template EU CC2- reconciliation of regulatory own funds to balance sheet in the audited financial statements

In \$USD		a & b	c
		Balance sheet as in published financial statements and under regulatory scope of consolidation	Reference
		As at 31st Dec 2025	
<b>Assets - Breakdown by asset classes according to the balance sheet in the published financial statements</b>			
1	Balances with Central Bank of Malta	3,796,055	
2	Investment securities	29,983,758	
3	Derivative financial instruments	22,417	
4	Loans and advances to banks	19,012,691	
5	Loans and advances to customers	55,182,790	
6	Right-of-use assets	364,724	
7	Property, plant and equipment	125,992	
8	Intangible assets	1,363,013	
9	Deferred tax assets	1,478,737	
10	Accrued income and other assets	3,878,983	
<b>11</b>	<b>Total assets</b>	<b>115,209,160</b>	
<b>Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements</b>			
1	Amounts owed to customers	88,254,996	
2	Amounts owed to banks	5,500,000	
3	Derivative financial instruments	4,779	
4	Lease liabilities	381,797	
5	Other liabilities	928,546	
<b>6</b>	<b>Total liabilities</b>	<b>95,070,118</b>	
<b>Shareholders' Equity</b>			
1	Share capital	26,500,000	
2	Fair value reserve	(288,649)	
3	Accumulated losses	(6,072,309)	
<b>4</b>	<b>Total shareholders' equity</b>	<b>20,139,042</b>	

**4.3 Internal Capital Adequacy Assessment Process (ICAAP)**

The Capital Requirements Regulation (CRR) requires maintaining a Total Capital Ratio of at least 8%, plus a 2.5% Capital Conservation Buffer. Regulatory capital primarily consists of Shareholders' Funds, adjusted per regulations. Assets are risk-weighted using the Standardised Approach to calculate Risk-weighted Assets (RWAs), which are multiplied by 8% to set minimum capital requirements for Credit, Market, and Operational Risks under Pillar I

The ICAAP is a revolving management tool which starts with defining the Bank's core business lines based on the Bank's business model and strategy, being trade-finance and deposit taking activities and subsequently identifying the material risks resulting from such business model and quantifying the level of capital required for such risks.

The Bank assumes a static balance sheet and simulates a stressed P&L, own funds and RWAs over a period of 3 years

Table EU OVC provides qualitative information related to the Internal Capital Adequacy Assessment Process (ICAAP) as part of the Pillar 3 disclosures. It outlines the institution's approach to assessing the adequacy of the internal capital.

Table EU OVC - ICAAP information  
*(Annual (point (c) of Article 438))*

(b)	<p><u>Upon demand from the relevant competent authority, the result of the institution's internal capital adequacy assessment process</u></p> <p>After obtaining Board approval, the outcome of the institution's internal capital adequacy assessment process is submitted to the Regulator in accordance with the prescribed timelines. There is no requirement from the competent authority for further information under this disclosure</p>
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## 5 Remuneration Policy

Table EU REMA provides comprehensive information about the bank's remuneration policy, detailing the governance structure of the remuneration committee as well as the composition of variable and fixed pay.

### Table EU REMA

(Annual (points (a) to (d) and (k) of Article 450(1))

(a)	<p><u>Information relating to the bodies that oversee remuneration.</u></p> <p>The Remuneration Committee assists and advises the Board and acts on behalf of the Board on matters related to the remuneration packages of all executive directors, executive management and employees. The Committee ensures that the implementation of remuneration policy promotes sound and effective risk management and is in line with the business strategy, objectives, corporate culture and values, and in the long term interests of the Bank.</p> <p>The Committee resolves on matters relating to the fixed and variable remuneration packages and employee incentive schemes of the executive members of the Board, executive management and all other employees of the Bank.</p>
(b)	<p><u>Information relating to the design and structure of the remuneration system for identified staff.</u></p> <p>The remuneration policy is reviewed and approved by the Board of Directors on an annual basis, to ensure it is followed and in compliance with national and international regulations, principles and standards and ensures it remains gender neutral. As part of the annual revision the Bank undertakes a self-assessment in order to appropriately identify "Identified Staff".</p> <p>'Staff whose professional activities have a material impact on the Bank's risk profile' are referred to as 'identified staff'. The remuneration package available to staff is composed of a fixed and a variable component. Fixed remuneration aims to provide staff with a stable source of income and does not consider any performance criteria. The variable is not guaranteed as it depends on a number of factors.</p> <p>The Bank does not discriminate between genders and offers equal pay for male and female workers for equal work or work of equal value, applying gender-neutral remuneration. The Bank remains committed to provide equal opportunities for all genders.</p>
(c)	<p><u>Description of the ways in which current and future risks are taken into account in the remuneration processes. Disclosures shall include an overview of the key risks, their measurement and how these measures affect remuneration.</u></p> <p>In determining the variable remuneration component, i.e. the bonus pool for a particular year, the Bank accounts for all types of current and future risks, if need be through an adjustment to also cover for the cost of capital and liquidity required.</p>

Description of the ways in which current and future risks are taken into account in the remuneration processes. Disclosures shall include an overview of the key risks, their measurement and how these measures affect remuneration. (continued)

It factors the performance of the Bank over a longer time period to ensure that no excessive risk is taken. This also applies for when the actual payment is paid out in order to avoid any potential disbursements from occurring at a sensitive time in the Bank's underlying business cycle.

*Ceteris Paribus*, it is Bank policy that the disbursement is undertaken after the end of the accrual year and paid during the first quarter of the following year.

The ratios between fixed and variable remuneration set in accordance with point (g) of Article 94(1) CRD.

(d)

The variable component shall not exceed 100% of the fixed component of the total remuneration available to each staff member. A higher ratio of up to 200% may be approved by the shareholders.

Fixed Remuneration		Variable Remuneration	
2025	2024	2025	2024
3,195,219	2,580,181	-	166,320

Description of the ways in which the institution seeks to link performance during a performance measurement period with levels of remuneration.

(e)

As a standard exercise, annual salary adjustments are proposed for approval by the Remuneration Committee and by the Chief Executive Officer (CEO). Annual salary increases are made to the fixed remuneration package taking as a minimum consideration, statutory and inflation-based adjustments.

The amount of variable remuneration and/or incentive awards given to each individual is determined by a combination of factors in consideration driven by the performance of the individual, budgetary achievements and incremental value generated to benefit the organisation and its shareholders.

Individual performance is assessed through the performance appraisal which includes both the attainment of financial and non-financial targets at a personal level and as contribution towards collective deliverables, the level of job responsibility and the amount of fixed remuneration already applicable. Naturally, in assessing the employee's performance, due consideration is taken as to the role of the employee vis-à-vis the three lines of defence. Operating business units at the first line have different objectives to the second line corporate and control functions. Nevertheless, each employee has their respective performance objectives which are congruent to the overall objectives of the concerned department.

While all employees are eligible to share in the pool for bonus distribution, variable remuneration is designed to reward over achievers and penalise under-performers. Share Incentive awards are designed to encourage and retain core members of the executive and managerial staff in the organisation.

## IIG Bank Malta LTD

### Pillar 3 disclosures report 2025

Table EU REM1 provides detailed information on the remuneration of senior management, management, and other identified staff, including the breakdown between variable and fixed pay components.

Table EU REM1 - Remuneration awarded for the financial year

In \$USD		a MB Supervisory function	b MB Management function	c Other senior management	d Other identified staff
1	Number of identified staff	2	2		5
2	Total fixed remuneration	130,720	515,405		642,367
3	Of which: cash-based	130,720	515,405		642,367
4	(Not applicable in the EU) Of which: shares or equivalent ownership interests				
EU-4a	Of which: share-linked instruments or equivalent non-cash instruments				
5	Of which: other instruments				
EU-5x	(Not applicable in the EU)				
6	Of which: other forms				
7	(Not applicable in the EU)				
8	Number of identified staff				
9	Total variable remuneration				
10	Of which: cash-based				
11	Of which: deferred				
12	Of which: shares or equivalent ownership interests				
EU-13a	Of which: deferred Of which: share-linked instruments or equivalent non-cash instruments				
EU-14a					
EU-13b					

Table EU REM1 - Remuneration awarded for the financial year. (continued)

In \$USD	a MB Supervisory function	b MB Management function	c Other senior management	d Other identified staff
EU-14b		Of which: deferred		
EU-14x		Of which: other instruments		
EU-14y		Of which: deferred		
15		Of which: other forms		
16		Of which: deferred		
17	130,720	515,405		642,367
	Total remuneration (2 + 10)			

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

In \$USD	a		b		c		d		e		f		g		h		i		j	
	MB Supervisory function	Management function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total									
1																				
2	2		2	4																
3																				

	In \$USD	a		b		c		d	e	f	g			h	i	j
		Management body remuneration		Business areas			All other				Total					
		MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking						Asset management	Corporate functions			
<b>4</b>	Of which: other identified staff								3				2			
<b>5</b>	Total remuneration of identified staff	130,720	515,405	646,125												
<b>6</b>	Of which: variable remuneration															
<b>7</b>	Of which: fixed remuneration	130,720	515,405	646,125					436,308				206,059			