

MÜNCHENER HYPOTHEKEN BANK

Disclosure Report as of June 30, 2023





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DISCLOSURE PURSUANT TO CRR/CRD IV AS OF 30 JUNE 2023

1 Basis of supervisory disclosure

With the present disclosure report, Münchener Hypothekbank eG ("Münchener Hypothekbank") complies with the disclosure requirements pursuant to Part 8 of Regulation (EU) No. 575/2013 (Capital Requirements Regulation, CRR) in conjunction with the Regulation (EU) 2019/876 as of the reporting date of 30 June 2023.

Since 28 June 2022 the disclosure requirements pursuant to Part 8 of CRR are based on the Implementing Regulation (EU) 2021/637, whose tables and guidelines have been used for this disclosure report.

As Münchener Hypothekbank has a so-called NPL ratio of 0.51% as of the disclosure date and is thus significantly below the threshold of 5% of Article 8 (3) of the Implementing Regulation (EU) 2021/637, the Bank is only subject to a limited disclosure obligation.

Also part of this report is information provided in accordance with the guideline EBA/GL/2020/07 dated 7 June 2020 on the disclosure of exposures subject to a measure applied in the course of the COVID 19 crisis.

As a "large listed institution" according to the CRR, the Münchener Hypothekbank has been required to disclose the information set out in Article 433a (1) b) CRR on a semi-annual basis. Disclosures pursuant to Article 433a (1) b) ix) and xiv) CRR are not made, as Münchener Hypothekbank does not use either securitisations or internal models within the scope of market price risk.

The amounts are disclosed in million euros. Rounding differences can occur.



2 Own funds and capital ratios

In accordance with the requirements of Article 437 a) CRR the following section provides a full reconciliation of the items of Common Equity Tier 1 capital. Additional core (Tier 1) capital, supplementary capital, adjustment items and deductions from own funds are disclosed.

As of 30 June 2023, the volume of cooperative shares was € 1,269.2 million, of which € 11.6 million was called.

This information is disclosed by means of the disclosure table EU CC1

TABLE 1: EU CC1 – COMPOSITION OF REGULATORY OWN FUNDS

		0010	0020
		(a)	(b)
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	Capital instruments and the related share premium accounts	1,257.6	-
	of which: Instrument type 1	-	-
	of which: Instrument type 2	-	-
	of which: Instrument type 3	-	-
2	Retained earnings	412.0	-
3	Accumulated other comprehensive income (and other reserves)	-	-
EU-3a	Funds for general banking risk	114.0	-
4	Amount of qualifying items referred to in Article 484 (3) CRR 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	Common Equity Tier 1 (CET1) capital before regulatory adjustments	1,783.6	-



Table 1 continued from page 4

TABLE 1: EU CC1 – COMPOSITION OF REGULATORY OWN FUNDS

		0010	0020
		(a)	(b)
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	-	-
8	Intangible assets (net of related tax liability) (negative amount)	- 0.3	-
9	Empty set in the EU	-	-
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) CRR are met) (negative amount)	-	-
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, indirect and synthetic 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)	-	-
20	Empty set in the EU	-	-
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) CRR are met) (negative amount)	-	-

Table 1 continued on page 6



Table 1 continued from page 5

TABLE 1: EU CC1 – COMPOSITION OF REGULATORY OWN FUNDS

		0010	0020
		(a)	(b)
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
22	Amount exceeding the 17,65% threshold (negative amount)	-	-
	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	-	-
23		-	-
24	Empty set in the EU	-	-
25	of which: deferred tax assets arising from temporary differences	-	-
EU-25a	Losses for the current financial year (negative amount)	-	-
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	Empty set in the EU	-	-
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	-
27a	Other regulatory adjustments	- 42.7	-
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	- 43.0	-
29	Common Equity Tier 1 (CET1) capital	1,740.6	-
Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	214.3	-
31	of which: classified as equity under applicable accounting standards	-	-
32	of which: classified as liabilities under applicable accounting standards	214.3	-
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1 as described in Article 486(3) CRR	-	-
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	-	-
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	-	-

Table 1 continued on page 7



Table 1 continued from page 6

TABLE 1: EU CC1 – COMPOSITION OF REGULATORY OWN FUNDS

		0010	0020
		(a)	(b)
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
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	Additional Tier 1 (AT1) capital before regulatory adjustments	214.3	-
Additional Tier 1 (AT1) capital: regulatory adjustments			
37	Direct, indirect and synthetic 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)	-	-
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	Empty set in the EU	-	-
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	-
42a	Other regulatory adjustments to AT1 capital	-	-
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	-	-
44	Additional Tier 1 (AT1) capital	214.3	-
45	Tier 1 capital (T1 = CET1 + AT1)	1,954.9	-
Tier 2 (T2) capital: instruments			
46	Capital instruments and the related share premium accounts	177.2	-
47	Amount of qualifying items referred to in Article 484 (5) CRR 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) CRR subject to phase out from T2	-	-

Table 1 continued on page 8



Table 1 continued from page 7

TABLE 1: EU CC1 – COMPOSITION OF REGULATORY OWN FUNDS

		0010	0020
		(a)	(b)
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
EU-47b	Amount of qualifying items referred to in Article 494b (2) CRR 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	57.8	-
51	Tier 2 (T2) capital before regulatory adjustments	235.0	-
Tier 2 (T2) capital: regulatory adjustments			
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	-
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, indirect and synthetic 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	Empty set in the EU	-	-
55	Direct, indirect and synthetic 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	Empty set in the EU	-	-
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	-
EU-56b	Other regulatory adjustments to T2 capital	-	-
57	Total regulatory adjustments to Tier 2 (T2) capital	-	-
58	Tier 2 (T2) capital	235.0	-
59	Total capital (TC = T1 + T2)	2,189.9	-
60	Total Risk exposure amount	9,843.3	-

Table 1 continued on page 9



Table 1 continued from page 8

TABLE 1: EU CC1 – COMPOSITION OF REGULATORY OWN FUNDS

		0010	0020
		(a)	(b)
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Capital ratios and requirements including buffers			
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	17.68	-
62	Tier 1 (as a percentage of total risk exposure amount)	19.86	-
63	Total capital (as a percentage of total risk exposure amount)	22.25	-
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)	9.41	-
65	of which: capital conservation buffer requirement	2.50	-
66	of which: countercyclical buffer requirement	0.59	-
67	of which: systemic risk buffer requirement	0.84	-
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	-	-
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	0.98	-
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	12.20	-
69	[non relevant in EU regulation]	-	-
70	[non relevant in EU regulation]	-	-
71	[non relevant in EU regulation]	-	-
Amounts below the thresholds for deduction (before risk weighting)			
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)	8.7	-
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)	0.6	-
74	Empty set in the EU	-	-
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) CRR are met)	-	-

Table 1 continued on page 10



Table 1 continued from page 9

TABLE 1: EU CC1 – COMPOSITION OF REGULATORY OWN FUNDS

		0010	0020
		(a)	(b)
		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Applicable caps on the inclusion of provisions in Tier 2			
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	15.4	-
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	24.2	-
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	47.6	-
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	42.4	-
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)			
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)	-	-



TABLE 2: TEMPLATE EU KM1 – KEY METRICS TEMPLATE

		0010	0020	0030	0040	0050
		a	b	c	d	e
		30.06.2023	31.03.2023	31.12.2022	30.09.2022	30.06.2022
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	1,740.6	1,689.7	1,690.3	1,666.3	1,658.9
2	Tier 1 capital	1,954.9	1,890.4	1,893.4	1,875.5	1,859.7
3	Total capital	2,189.9	1,992.4	1,950.1	1,911.3	1,901.3
Risk-weighted exposure amounts						
4	Total risk-weighted exposure amount	9,843.3	9,012.9	8,915.8	8,915.7	8,756.3
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	17.68	18.75	18.96	18.69	18.94
6	Tier 1 ratio (%)	19.86	20.97	21.24	21.04	21.24
7	Total capital ratio (%)	22.25	22.11	21.87	21.44	21.71
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)						
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.75	1.75	1.75	1.75	1.75
EU 7b	of which: to be made up of CET1 capital (percentage points)	0.98	0.98	0.98	0.98	0.98
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	1.31	1.31	1.31	1.31	1.31
EU 7d	Total SREP own funds requirements (%)	9.75	9.75	9.75	9.75	9.75
Combined buffer requirement (as a percentage of risk-weighted exposure amount)						
8	Capital conservation buffer (%)	2.50	2.50	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 (%)	-	-	-	-	-
9	Institution specific countercyclical capital buffer (%)	0.59	0.55	0.05	0.04	0.05
EU 9a	Systemic risk buffer (%)	0.84	0.88	-	-	-
10	Global Systemically Important Institution buffer (%)	-	-	-	-	-
EU 10a	Other Systemically Important Institution buffer	-	-	-	-	-
11	Combined buffer requirement (%)	3.93	3.93	2.55	2.54	2.55
EU 11a	Overall capital requirements (%)	13.68	13.68	12.30	12.29	12.30
12	CET1 available after meeting the total SREP own funds requirements (%)	12.20	12.36	12.12	11.69	11.96



Table 2 continued from page 11

TABLE 2: TEMPLATE EU KM1 – KEY METRICS TEMPLATE

		0010	0020	0030	0040	0050
		a	b	c	d	e
		30.06.2023	31.03.2023	31.12.2022	30.09.2022	30.06.2022
Leverage ratio						
13	Leverage ratio total exposure measure	53,379.0	51,188.1	50,839.8	52,309.3	52,073.0
14	Leverage ratio	3.66	3.69	3.72	3.59	3.57
Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)						
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-	-	-	-
EU 14b	of which: to be made up of CET1 capital (percentage points)	-	-	-	-	-
EU 14c	Total SREP leverage ratio requirements (%)	3.00	3.00	3.00	3.00	3.00
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)						
EU 14d	Leverage ratio buffer requirement (%)	-	-	-	-	-
EU 14e	Overall leverage ratio requirements (%)	3.00	3.00	3.00	3.00	3.00
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	2,297.7	2,460.8	2,640.4	2,642.3	2,615.6
EU 16a	Cash outflows – Total weighted value	1,100.0	1,074.3	1,008.0	1,003.8	1,036.0
EU 16b	Cash inflows – Total weighted value	381.0	367.2	346.9	362.8	405.8
16	Total net cash outflows (adjusted value)	719.2	707.1	661.2	641.0	630.2
17	Liquidity coverage ratio (%)	336.8	404.2	452.1	511.1	515.6
Net Stable Funding Ratio						
18	Total available stable funding	45,886.3	43,822.0	44,581.4	47,165.3	46,866.0
19	Total required stable funding	41,734.7	40,349.4	41,594.8	42,518.9	42,987.2
20	NSFR ratio (%)	109.90	108.60	107.20	110.90	109.00

Münchener Hypothekbank is currently facing the challenge of integrating multipliers into the CredaRate rating procedure with regard to a PD forecast.

This is taking place in collaboration with the external pool provider CredaRate Solutions GmbH and in agreement with the supervisory authorities.

The effects of this are not included in the figures stated on the 30 June 2023 date of record. Based on the current status of internal calculations, lower capital ratios of 1 to 2 percentage points are to be expected if the multipliers are fully applied to the CredaRate application area.



3 Countercyclical capital buffer

The institution-specific countercyclical capital buffer of the Münchener Hypothekenbank is, as of 30 June 2023, 0.59%. The institution-specific countercyclical capital buffer is calculated by the weighted average of the countercyclical capital buffer percentages in the individual countries where Münchener Hypothekenbank holds substantial positions in the private sector.

This information is disclosed by means of the disclosure tables EU CCYB1 and CCYB2.

TABLE 3: TEMPLATE EU CCYB2 – AMOUNT OF INSTITUTION-SPECIFIC COUNTERCYCLICAL CAPITAL BUFFER

		0010
		a
1	Total risk exposure amount	9,843.3
2	Institution specific countercyclical capital buffer rate	0.59
3	Institution specific countercyclical capital buffer requirement	57.7



TABLE 4: TEMPLATE EU CCYB1 – GEOGRAPHICAL DISTRIBUTION OF CREDIT EXPOSURES RELEVANT FOR THE CALCULATION OF THE COUNTERCYCLICAL BUFFER

	a	b	c		d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures – Market risk			Own fund requirements								
Breakdown by country:	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Securitisation exposures Exposure value for non-trading book	Total exposure value	Relevant credit risk exposures – Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total	Risk-weighted exposure amounts	Own fund requirements (%)	Counter-cyclical buffer rate (%)	
Belgium	0.5	63.6	-	-	-	64.1	1.4	-	-	1.4	17.8	0.20	-	
British Virgin Islands	-	7.6	-	-	-	7.6	0.2	-	-	0.2	2.8	0.03	-	
Germany	1,785.6	36,460.2	-	-	-	38,245.8	482.7	-	-	482.7	6,032.4	67.67	0.75	
Denmark	8.1	38.6	-	-	-	46.7	0.5	-	-	0.5	5.7	0.06	2.50	
Finland	29.9	-	-	-	-	29.9	0.2	-	-	0.2	3.0	0.03	-	
France	33.4	385.8	-	-	-	419.2	11.2	-	-	11.2	139.8	1.57	0.50	
Great Britain excl. GG, JE, IM	1.7	86.2	-	-	-	87.9	2.8	-	-	2.8	35.5	0.40	1.00	
Guernsey	-	20.0	-	-	-	20.0	0.6	-	-	0.6	7.9	0.09	-	
Jersey	-	167.1	-	-	-	167.1	4.0	-	-	4.0	50.1	0.56	-	
Luxembourg	144.5	3,022.6	-	-	-	3,167.1	68.7	-	-	68.7	859.3	9.64	0.50	
Netherlands	-	684.7	-	-	-	684.7	12.3	-	-	12.3	153.9	1.73	1.00	
Switzerland	7.9	5,414.7	-	-	-	5,422.6	41.9	-	-	41.9	523.5	5.87	-	
Serbia and Kosovo	0.2	-	-	-	-	0.2	-	-	-	0.0	0.1	0.00	-	
Spain	10.1	689.1	-	-	-	699.2	20.5	-	-	20.5	255.8	2.87	-	
USA	967.2	33.1	-	-	-	1,000.3	61.2	-	-	61.2	765.0	8.58	-	
Austria	87.7	118.0	-	-	-	205.7	4.9	-	-	4.9	61.5	0.69	-	
TOTAL	3,076.8	47,191.3	-	-	-	50,268.1	713.1	-	-	713.1	8,914.1	100.00	-	



4 Credit and dilution risk

In view of its extremely low number of non-performing loans, Münchener Hypothekenbank is well below the threshold of 5% specified in Article 8 (3) of Regulation (EU) 2021/63, so that only a limited disclosure obligation applies.

Based on the figures regarding NPLs disclosed in the tables shown below, Münchener Hypothekenbank had an NPL ratio of 0.51%, which reflects the total volume of NPLs to the total loan portfolio, excluding debt securities, balances at central banks and demand deposits.



TABLE 5: EU CR1 – PERFORMING AND NON-PERFORMING EXPOSURES AND RELATED PROVISIONS

PART 1 VON 3

	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		
005	Cash balances at central banks and other demand deposits	1,365.9	-	-	0.0	-	-
010	Loans and advances	47,013.0	-	-	266.3	-	-
020	Central banks	-	-	-	0.0	-	-
030	General governments	1,172.3	-	-	0.0	-	-
040	Credit institutions	66.6	-	-	0.0	-	-
050	Other financial corporations	2,550.0	-	-	9.2	-	-
060	Non-financial corporations	16,693.0	-	-	177.9	-	-
070	Of which SMEs	14,566.2	-	-	177.4	-	-
080	Households	26,531.1	-	-	79.2	-	-
090	Debt securities	3,782.3	-	-	0.0	-	-
100	Central banks	-	-	-	0.0	-	-
110	General governments	2,755.5	-	-	0.0	-	-
120	Credit institutions	963.8	-	-	0.0	-	-
130	Other financial corporations	63.0	-	-	0.0	-	-
140	Non-financial corporations	-	-	-	0.0	-	-
150	Off-balance-sheet exposures	3,686.4	-	-	3.4	-	-
160	Central banks	-	-	-	0.0	-	-
170	General governments	-	-	-	0.0	-	-
180	Credit institutions	-	-	-	0.0	-	-
190	Other financial corporations	32.6	-	-	0.1	-	-
200	Non-financial corporations	690.1	-	-	0.9	-	-
210	Households	2,963.7	-	-	2.4	-	-
220	Total	55,847.6	-	-	269.7	-	-



Table 5 continued from page 16

TABLE 5: EU CR1 – PERFORMING AND NON-PERFORMING EXPOSURES AND RELATED PROVISIONS

PART 2 VON 3

		g	h	i	j	k	l
		Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions					
		Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-
010	Loans and advances	- 130.5	-	-	- 53.0	-	-
020	Central banks	-	-	-	-	-	-
030	General governments	-	-	-	-	-	-
040	Credit institutions	-	-	-	-	-	-
050	Other financial corporations	- 4.1	-	-	-	-	-
060	Non-financial corporations	- 66.8	-	-	- 44.5	-	-
070	Of which SMEs	- 64.2	-	-	- 44.5	-	-
080	Households	- 59.6	-	-	- 8.5	-	-
090	Debt securities	-	-	-	-	-	-
100	Central banks	-	-	-	-	-	-
110	General governments	-	-	-	-	-	-
120	Credit institutions	-	-	-	-	-	-
130	Other financial corporations	-	-	-	-	-	-
140	Non-financial corporations	-	-	-	-	-	-
150	Off-balance-sheet exposures	- 2.0	-	-	-	-	-
160	Central banks	-	-	-	-	-	-
170	General governments	-	-	-	-	-	-
180	Credit institutions	-	-	-	-	-	-
190	Other financial corporations	- 0.1	-	-	-	-	-
200	Non-financial corporations	- 1.1	-	-	-	-	-
210	Households	- 0.8	-	-	-	-	-
220	Total	- 132.5	-	-	- 53.0	-	-

Table 5 continued on page 18



Table 5 continued from page 17

TABLE 5: EU CR1 – PERFORMING AND NON-PERFORMING EXPOSURES AND RELATED PROVISIONS

PART 3 VON 3

	m	n	o
	Accumulated partial write-off	Collateral and financial guarantees received	
		On performing exposures	On non-performing exposures
005	-	-	-
010	-	44,880.8	185.2
020	-	-	-
030	-	-	-
040	-	7.2	-
050	-	2,499.1	9.2
060	-	16,051.7	105.8
070	-	13,996.6	105.4
080	-	26,322.8	70.2
090	-	-	-
100	-	-	-
110	-	-	-
120	-	-	-
130	-	-	-
140	-	-	-
150	-	3,425.3	3.4
160	-	-	-
170	-	-	-
180	-	-	-
190	-	32.5	0.1
200	-	661.6	0.9
210	-	2,731.2	2.4
220	-	48,306.1	188.6



TABLE 6: EU CR1-A – MATURITY OF EXPOSURES

		a	b	c	d	e	f
		Net exposure value					
		On demand	≤ 1 year	> 1 year ≤ 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	-	2,434.9	10,666.9	33,993.9	-	47,095.7
2	Debt securities	-	234.1	683.5	2,864.8	-	3,782.3
3	Total	-	2,669.0	11,350.4	36,858.7	-	50,878.0

TABLE 7: EU CR2 – CHANGES IN THE STOCK OF
NON-PERFORMING LOANS AND
ADVANCES

		a
		Gross carrying amount
		010
010	1	Initial stock of non-performing loans and advances
		225.5
020	2	Inflows to non-performing portfolios
		77.7
030	3	Outflows from non-performing portfolios
		- 16.7
040	4	Outflows due to write-offs
		- 0.1
050	5	Outflow due to other situations
		- 16.9
060	6	Final stock of non-performing loans and advances
		269.5



TABLE 8: EU CR3 – CRM TECHNIQUES OVERVIEW: DISCLOSURE OF THE USE OF CREDIT RISK MITIGATION TECHNIQUES

			0010	0020	0030	0040	0050
			a	b	c	d	e
						Of which secured by financial guarantees	
			Unsecured carrying amount	Secured carrying amount	Of which secured by collateral		Of which secured by credit derivatives
0010	1	Loans and advances	3,395.60	45,066.10	45,064.40	1.70	-
0020	2	Debt securities	3,782.30	-	-	-	-
0030	3	Total	7,177.90	45,066.10	45,064.40	1.70	-
0040	4	Of which non-performing exposures	28.00	185.30	185.30	-	-
0050	EU-5	Of which defaulted	28.00	185.10	-	-	-



TABLE 9: EU CQ1 – CREDIT QUALITY OF DEFERRED RISK POSITIONS

	0010	0020	0030	0040	0050	0060	0070	0080	
	a	b	c	d	e	f	g	h	
	Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborene exposures		
	Non-performing forborene							Of which collateral and financial guarantees received on non-performing exposures with forbearance measures	
	Performing forborene		Of which defaulted	Of which impaired	On performing forborene exposures	On non-performing forborene exposures			
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	218.0	77.7	77.6	42.2	- 14.0	- 28.9	251.4	48.5
020	Central banks	-	-	-	-	-	-	-	-
030	General governments	-	-	-	-	-	-	-	-
040	Credit institutions	-	-	-	-	-	-	-	-
050	Other financial corporations	0.5	0.3	0.2	-	0.0	-	0.7	0.3
060	Non-financial corporations	199.0	60.8	60.8	35.6	- 13.6	- 27.2	218.4	33.5
070	Households	18.5	16.6	16.6	6.6	- 0.4	- 1.7	32.3	14.7
080	Debt Securities	-	-	-	-	-	-	-	-
090	Loan commitments given	1.3	-	-	-	0.0	-	1.3	-
100	Total	219.3	77.7	77.6	42.2	- 14.0	- 28.9	252.7	48.5



TABLE 10: EU CQ4 – QUALITY OF NON-PERFORMING EXPOSURES BY GEOGRAPHY

	a	b	c	d	e	f	g
	Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
	Of which non-performing			Of which subject to impairment			
			Of which defaulted				
On balance sheet exposure	52,427.5	266.4	266.4	52,427.5	- 183.5	-	-
Germany	39,932.0	113.2	113.2	39,932.0	- 94.6	-	-
Switzerland	5,285.4	2.1	2.1	5,285.4	- 10.3	-	-
Luxembourg	3,213.9	65.7	65.7	3,213.9	- 36.7	-	-
USA	1,006.9	47.2	47.2	1,006.9	- 20.1	-	-
Netherlands	738.2	0.0	0.0	738.2	- 1.7	-	-
Spain	708.8	0.1	0.1	708.8	- 3.7	-	-
France	509.8	12.5	12.5	509.8	- 13.7	-	-
Austria	384.8	1.5	1.5	384.8	- 0.8	-	-
Jersey	167.1	0.0	0.0	167.1	- 0.4	-	-
Other	480.6	24.1	24.1	480.6	- 1.5	-	-
Off balance sheet exposure	3,689.8	3.4	3.4	-	-	- 2.0	0.0
Germany	3,308.8	3.1	3.1	-	-	- 1.4	0.0
Switzerland	233.2	-	-	-	-	0.0	-
Other	147.8	0.3	0.3	-	-	- 0.6	0.0
Total	56,117.3	269.8	269.8	52,427.5	- 183.5	- 2.0	0.0



TABLE 11: EU CQ5 – CREDIT QUALITY OF LOANS AND ADVANCES TO NON-FINANCIAL CORPORATIONS BY INDUSTRY¹

	a	b	c	d	e	f	
	Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures	
	Of which non-performing		Of which loans and advances subject to impairment				
		Of which defaulted					
010	Agriculture, forestry and fishing	97.5	0.4	0.4	97.5	- 0.4	-
020	Mining and quarrying	1.4	0.0	0.0	1.4	0.0	-
030	Manufacturing	150.4	1.8	1.8	150.4	- 0.8	-
040	Electricity, gas, steam and air conditioning supply	14.5	0.2	0.2	14.5	0.0	-
050	Water supply	11.5	-	-	11.5	0.0	-
060	Construction	334.4	2.4	2.4	334.4	- 1.5	-
070	Wholesale and retail trade	190.1	1.9	1.9	190.1	- 1.2	-
080	Transport and storage	30.4	0.3	0.3	30.4	- 0.2	-
090	Accommodation and food service activities	90.8	1.6	1.6	90.8	- 0.5	-
100	Information and communication	105.5	0.4	0.4	105.5	- 0.6	-
110	Financial and insurance activities	26.6	-	-	26.6	0.0	-
120	Real estate activities	14,518.0	160.0	160.0	14,518.0	- 99.5	-
130	Professional, scientific and technical activities	377.0	1.8	1.8	377.0	- 1.7	-
140	Administrative and support service activities	364.2	4.1	4.1	364.2	- 1.8	-
150	Public administration and defense, compulsory social security	-	-	-	-	-	-
160	Education	21.1	-	-	21.1	- 0.1	-
170	Human health services and social work activities	263.6	0.9	0.9	263.6	- 1.3	-
180	Arts, entertainment and recreation	44.0	0.2	0.2	44.0	- 0.1	-
190	Other services	229.6	1.8	1.8	229.6	- 1.5	-
200	Total	16,870.6	177.8	177.8	16,870.6	- 111.2	-

¹ Column F of the template EU CQ5 is not to be filled in by MHB as an HGB- accountant and is therefore not shown.



5 Counterparty risk and credit risk mitigation

With respect to the counterparty default risk, Münchener Hypothekbank's disclosure obligation is based on the requirements of Article 433a (1) (b) (v), (xii) and (xiii) of CRR II.

Table 12 provides an overview of the total RWAs, which, in accordance with Article 92 CRR, form the denominator of the risk-based capital requirements.

In accordance with the requirements of the European Banking Association (EBA), Münchener Hypothekbank reports "Other non-credit obligation assets" in line 3 "Foundation IRB Approach (F-IRB)" of Table 12 in accordance with Article 147 (2) (g) CRR.

TABLE 12: EU OV1 – OVERVIEW OF TOTAL RISK EXPOSURE AMOUNTS

		0010	0020	0030
		Risk weighted exposure amounts (RWEAs)		Total own funds requirements
		a	b	c
		30.06.2023	31.03.2023	30.06.2023
1	Credit risk (excluding CCR)	8,960.5	8,113.5	716.8
2	Of which the standardised approach	1,860.3	1,188.4	148.8
3	Of which the foundation IRB (FIRB) approach	3,579.6	3,521.9	286.4
4	Of which slotting approach	-	-	-
EU 4a	Of which equities under the simple riskweighted approach	-	-	-
5	Of which the advanced IRB (AIRB) approach	3,486.8	3,370.3	278.9
6	Counterparty credit risk – CCR	357.8	374.4	28.6
7	Of which the standardised approach	79.4	85.0	6.4
8	Of which internal model method (IMM)	-	-	-
EU 8a	Of which exposures to a CCP	0.2	0.2	0.0
EU 8b	Of which credit valuation adjustment – CVA	277.8	289.2	22.2
9	Of which other CCR	0.4	-	0.0
10	Empty set in the EU	-	-	-
11	Empty set in the EU	-	-	-
12	Empty set in the EU	-	-	-
13	Empty set in the EU	-	-	-
14	Empty set in the EU	-	-	-
15	Settlement risk	-	-	-



Table 12 continued from page 24

TABLE 12: EU OV1 – OVERVIEW OF TOTAL RISK EXPOSURE AMOUNTS

		0010	0020	0030
		Risk weighted exposure amounts (RWEAs)		Total own funds requirements
		a	b	c
		30.06.2023	31.03.2023	30.06.2023
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%	-	-	-
20	Position, foreign exchange and commodities risks (Market risk)	-	-	-
21	Of which the standardised approach	-	-	-
22	Of which IMA	-	-	-
EU 22a	Large exposures	-	-	-
23	Operational risk	525.0	525.0	42.0
EU 23a	Of which basic indicator approach	525.0	525.0	42.0
EU 23b	Of which standardised approach	-	-	-
EU 23c	Of which advanced measurement approach	-	-	-
24	Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)	1.4	1.4	0.1
25	Empty set in the EU	-	-	-
26	Empty set in the EU	-	-	-
27	Empty set in the EU	-	-	-
28	Empty set in the EU	-	-	-
29	Total	9,843.3	9,012.9	787.5

Münchener Hypothekbank determine the counter party default risk with the standard approach (so called SA-CCR) in accordance with Article 274 etseq. CRR.



Table 13 – EU CR5 shows the risk exposure values and the exposure values after credit risk mitigation, assigned to the individual credit quality steps in accordance with Part 3

Title II Chapter 2 of the CRR by risk position class, as well as the risk exposure values deducted from own funds.

TABLE 13: EU CR5 – STANDARDISED APPROACH

	0010	0020	0030	0040	0050	0060	0070	0080	0090	0100	0110	0120	0130	0140	0150	0160	0170
	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
	Risk weight															Of which	
Risikopositionsklassen	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1,250%	Others	Total	unrated
1 Central governments or central banks	820.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	820.6	-
2 Regional government or local authorities	3,571.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,571.5	-
3 Public sector entities	215.4	-	-	-	-	-	-	-	-	1.8	-	-	-	-	-	217.2	1.8
4 Multilateral development banks	105.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	105.2	105.2
5 International organisations	30.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30.0	30.0
6 Institutions	18.0	-	-	-	65.4	-	-	-	-	-	-	-	-	-	-	83.4	44.6
7 Corporates	-	-	-	-	32.8	-	0.3	-	-	1,026.4	-	-	-	-	-	1,059.5	1,059.2
8 Retail exposures	-	-	-	-	-	-	-	-	41.7	-	-	-	-	-	-	41.7	41.7
9 Exposures secured by mortgages on immovable property	-	-	-	-	-	413.1	955.2	-	-	-	-	-	-	-	-	1,368.3	1,368.3
10 Exposures in default	-	-	-	-	-	-	-	-	-	0.8	47.1	-	-	-	-	47.9	47.9
11 Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	2.2	-	-	-	-	2.2	2.2
12 Covered bonds	151.7	-	-	55.1	10.1	-	-	-	-	-	-	-	-	-	-	216.9	151.7
13 Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	140.6	140.6	140.6
15 Equity exposures	-	-	-	-	-	-	-	-	-	195.6	-	0.6	-	-	-	196.2	196.2
16 Other items	-	-	-	-	-	-	-	-	-	0.5	-	-	-	-	-	0.5	0.5
17 TOTAL	4,912.4	-	-	55.1	108.3	413.1	955.5	-	41.7	1,225.1	49.3	0.6	-	-	140.6	7,901.7	3,189.9



Table 14 shows the collateral that is taken into account for SA exposures. As with the IRBA asset classes, the following applies here, no financial collateral is eligible for risk mitigation.

TABLE 14: TEMPLATE EU CR4 – STANDARDISED APPROACH – CREDIT RISK EXPOSURE AND CRM EFFECTS

		0010	0020	0030	0040	0050	0060
		a	b	c	d	e	f
		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
Exposure classes		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
1	Central governments or central banks	769.4	-	820.6	-	0.0	0.00
2	Regional government or local authorities	3,620.9	-	3,571.4	-	0.0	0.00
3	Public sector entities	217.2	-	217.2	-	1.8	0.85
4	Multilateral development banks	105.2	-	105.2	-	0.0	0.00
5	International organisations	30.0	-	30.0	-	0.0	0.00
6	Institutions	83.5	-	83.5	-	13.1	15.68
7	Corporates	1,012.9	30.9	1,044.0	15.5	882.0	83.25
8	Retail	24.6	83.3	24.6	17.1	28.4	68.01
9	Secured by mortgages on immovable property	1,363.4	9.9	1,363.4	4.9	524.6	38.34
10	Exposures in default	47.7	0.3	47.7	0.2	71.4	149.18
11	Exposures associated with particularly high risk	2.2	-	2.2	-	3.3	150.00
12	Covered bonds	216.9	-	216.9	-	7.5	3.47
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
14	Collective investment undertakings	140.6	-	140.6	-	130.7	92.93
15	Equity	196.2	-	196.2	-	197.0	100.42
16	Other items	0.5	-	0.5	-	0.5	100.00
17	TOTAL	7,831.2	124.4	7,864.0	37.7	1,860.3	23.54



In contrast, the following tables¹ show the disclosable information on the application of the IRB approach to credit risk. In particular, the following information must be disclosed in accordance with the requirements of Article 452 letter g) CRR.

TABLE 15A: TEMPLATE EU CR6 IRB APPROACH – CREDIT RISK EXPOSURES BY EXPOSURE CLASS AND PD RANGE

	0010	0020	0030	0040	0050	0060	0070	0080	0090	0100	0110	0120
a	b	c	d	e	f	g	h	i	j	k	l	m
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
0.00 to <0.15	836.8	11.6	75.00	845.4	0.09	143	35.56	2.5	137.2	0.16	0.3	0.5
0.00 to <0.10	248.2	9.0	75.00	254.9	0.06	78	35.14	2.5	29.9	0.12	0.1	0.1
0.10 to <0.15	588.6	2.6	75.00	590.5	0.10	65	35.74	2.5	107.3	0.18	0.2	0.4
0.15 to <0.25	1,257.9	26.7	75.00	1,278.0	0.19	136	35.97	2.5	323.8	0.25	0.9	1.8
0.25 to <0.50	481.1	10.6	75.00	489.1	0.35	62	37.51	2.5	171.6	0.35	0.6	1.3
0.50 to <0.75	242.4	8.4	75.00	248.7	0.50	60	36.03	2.5	98.9	0.40	0.4	0.9
0.75 to <2.50	86.3	34.2	75.00	111.9	0.85	51	37.20	2.5	53.5	0.48	0.4	0.6
0.75 to <1.75	86.3	34.2	75.00	111.9	0.85	51	37.20	2.5	53.5	0.48	0.4	0.6
1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	12.2	-	-	12.2	3.63	5	35.36	2.5	8.1	0.66	0.2	0.2
2.5 to <5	9.3	-	-	9.3	2.88	3	35.04	2.5	5.8	0.62	0.1	0.1
5 to <10	2.9	-	-	2.9	6.00	2	36.36	2.5	2.3	0.78	0.1	0.1
10.00 to <100.00	2.1	-	-	2.1	13.50	1	36.19	2.5	2.3	1.07	0.1	0.2
10 to <20	2.1	-	-	2.1	13.50	1	36.19	2.5	2.3	1.07	0.1	0.2
20 to <30	-	-	-	-	-	-	-	-	-	-	-	-
30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
100.00 (Default)	22.5	-	-	22.5	100.00	4	40.65	2.5	-	-	9.1	12.6
Total	2,941.3	91.5	75.00	3,009.9	1.01	462	36.19	2.5	795.4	0.26	12.0	18.1



TABLE 15B: TEMPLATE EU CR6 IRB APPROACH – CREDIT RISK EXPOSURES BY EXPOSURE CLASS AND PD RANGE

	0010	0020	0030	0040	0050	0060	0070	0080	0090	0100	0110	0120
a	b	c	d	e	f	g	h	i	j	k	l	m
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
0.00 to <0.15	1,233.0	42.1	75.00	1,264.5	0.07	62	35.79	2.5	262.6	0.21	0.3	0.7
0.00 to <0.10	825.0	42.1	75.00	856.5	0.06	40	35.86	2.5	161.0	0.19	0.2	0.4
0.10 to <0.15	408.0	-	0.00	408.0	0.10	22	35.64	2.5	101.6	0.25	0.1	0.3
0.15 to <0.25	527.9	1.4	75.00	529.0	0.18	33	35.26	2.5	177.3	0.34	0.4	0.6
0.25 to <0.50	78.5	-	-	78.5	0.35	8	38.73	2.5	42.1	0.54	0.1	0.2
0.50 to <0.75	42.2	-	-	42.2	0.50	3	37.59	2.5	26.0	0.62	0.1	0.2
0.75 to <2.50	42.8	-	-	42.8	0.82	4	36.61	2.5	31.4	0.73	0.1	0.3
0.75 to <1.75	42.8	-	-	42.8	0.82	4	36.61	2.5	31.4	0.73	0.1	0.3
1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	-
2.5 to <5	-	-	-	-	-	-	-	-	-	-	-	-
5 to <10	-	-	-	-	-	-	-	-	-	-	-	-
10.00 to <100.00	2.9	-	-	2.9	30.00	2	35.18	2.5	6.0	2.06	0.3	0.0
10 to <20	-	-	-	-	-	-	-	-	-	-	-	-
20 to <30	-	-	-	-	-	-	-	-	-	-	-	-
30.00 to <100.00	2.9	-	-	2.9	30.00	2	35.18	2.5	6.0	2.06	0.3	0.0
100.00 (Default)	0.5	-	-	0.5	100.00	1	37.78	2.5	-	0.00	0.2	-
Total	1,927.8	43.5	75.00	1,960.4	0.21	113	35.83	2.5	545.4	0.28	1.5	2.0



TABLE 15C: TEMPLATE EU CR6 IRB APPROACH – CREDIT RISK EXPOSURES BY EXPOSURE CLASS AND PD RANGE

	0010	0020	0030	0040	0050	0060	0070	0080	0090	0100	0110	0120
a	b	c	d	e	f	g	h	i	j	k	l	m
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
0.00 to <0.15	3,968.6	18.7	75.00	3,982.6	0.06	155	37.02	2.5	503.6	0.13	0.9	1.8
0.00 to <0.10	3,008.2	18.7	75.00	3,022.2	0.05	108	37.13	2.5	336.7	0.11	0.5	1.1
0.10 to <0.15	960.4	-	0.00	960.4	0.10	47	36.67	2.5	166.9	0.17	0.4	0.7
0.15 to <0.25	1,836.9	128.5	75.00	1,933.5	0.19	83	38.03	2.5	499.7	0.26	1.4	2.6
0.25 to <0.50	956.4	8.9	75.00	963.1	0.35	40	37.93	2.5	339.3	0.35	1.3	2.5
0.50 to <0.75	891.3	58.7	75.00	902.5	0.50	39	38.40	2.5	381.6	0.42	1.7	3.4
0.75 to <2.50	436.7	9.8	75.00	444.0	0.84	34	39.89	2.5	236.8	0.53	1.5	2.8
0.75 to <1.75	436.7	9.8	75.00	444.0	0.84	34	39.89	2.5	236.8	0.53	1.5	2.8
1.75 to <2.5	-	-	-	-	-	-	-	2.5	-	-	-	-
2.50 to <10.00	58.0	-	-	57.9	7.74	2	39.74	2.5	69.5	1.20	1.8	3.3
2.5 to <5	14.6	-	-	14.6	4.00	1	45.00	2.5	13.5	0.93	0.3	0.4
5 to <10	43.4	-	-	43.3	9.00	1	37.97	2.5	56.0	1.29	1.5	2.9
10.00 to <100.00	35.1	-	-	35.1	13.50	2	45.00	2.5	51.5	1.47	2.1	3.3
10 to <20	35.1	-	-	35.1	13.50	2	45.00	2.5	51.5	1.47	2.1	3.3
20 to <30	-	-	-	-	-	-	-	2.5	-	-	-	-
30.00 to <100.00	-	-	-	-	-	-	-	2.5	-	-	-	-
100.00 (Default)	90.5	-	-	90.5	100.00	5	44.77	2.5	-	-	40.5	30.3
Total	8,273.5	224.6	75.00	8,409.2	1.40	360	37.79	2.5	2,082.0	0.25	51.2	50.0



TABLE 15D: TEMPLATE EU CR6 IRB APPROACH – CREDIT RISK EXPOSURES BY EXPOSURE CLASS AND PD RANGE

	0010	0020	0030	0040	0050	0060	0070	0080	0090	0100	0110	0120
a	b	c	d	e	f	g	h	i	j	k	l	m
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
0.00 to <0.15	797.3	47.7	100.00	845.0	0.10	4,528	13.83	2.5	26.0	0.03	0.1	0.6
0.00 to <0.10	114.2	15.9	100.00	130.1	0.07	730	11.88	2.5	2.6	0.02	0.0	0.1
0.10 to <0.15	683.1	31.8	100.00	714.9	0.10	3,798	14.18	2.5	23.4	0.03	0.1	0.5
0.15 to <0.25	1,701.7	92.1	100.00	1,793.8	0.18	11,375	17.86	2.5	112.7	0.06	0.6	2.2
0.25 to <0.50	469.2	31.6	100.00	500.8	0.35	3,432	18.95	2.5	55.2	0.11	0.3	1.2
0.50 to <0.75	410.1	73.7	100.00	483.8	0.50	2,880	20.29	2.5	74.1	0.15	0.5	1.6
0.75 to <2.50	299.8	74.6	100.00	374.4	0.97	1,715	24.32	2.5	106.5	0.28	0.9	2.4
0.75 to <1.75	299.8	74.6	100.00	374.4	0.97	1,715	24.32	2.5	106.5	0.28	0.9	2.4
1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	215.1	4.0	100.00	219.1	4.47	1,403	22.04	2.5	143.5	0.65	2.2	7.2
2.5 to <5	150.7	3.4	100.00	154.1	3.39	931	21.63	2.5	87.1	0.56	1.1	3.8
5 to <10	64.4	0.6	100.00	65.0	7.02	472	23.00	2.5	56.4	0.87	1.1	3.4
10.00 to <100.00	28.7	0.1	100.00	28.8	27.32	189	21.72	2.5	34.7	1.21	1.6	5.7
10 to <20	4.7	-	-	4.7	13.50	23	23.30	2.5	5.6	1.20	0.1	0.4
20 to <30	-	-	-	-	-	-	-	-	-	-	-	-
30.00 to <100.00	24.0	0.1	100.00	24.1	30.00	166	21.41	2.5	29.1	1.21	1.5	5.3
100.00 (Default)	26.5	1.0	100.00	27.5	100.00	187	17.59	2.5	81.5	2.96	4.9	1.8
Total	3,948.4	324.8	100.00	4,273.2	1.33	25,709	18.27	2.5	634.2	0.15	11.1	22.7



TABLE 15E: TEMPLATE EU CR6 IRB APPROACH – CREDIT RISK EXPOSURES BY EXPOSURE CLASS AND PD RANGE

	0010	0020	0030	0040	0050	0060	0070	0080	0090	0100	0110	0120
a	b	c	d	e	f	g	h	i	j	k	l	m
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
0.00 to <0.15	17,788.4	2,195.7	100.00	19,984.1	0.07	152,797	18.33	2.5	714.6	0.04	2.6	9.5
0.00 to <0.10	11,897.3	1,649.1	100.00	13,546.4	0.05	105,977	16.38	2.5	351.2	0.03	1.2	5.0
0.10 to <0.15	5,891.1	546.6	100.00	6,437.7	0.10	46,820	22.42	2.5	363.4	0.06	1.4	4.5
0.15 to <0.25	5,973.9	512.3	100.00	6,486.2	0.18	46,302	25.97	2.5	651.2	0.10	3.0	8.0
0.25 to <0.50	1,164.9	90.7	100.00	1,255.6	0.35	10,213	27.76	2.5	223.4	0.18	1.2	3.1
0.50 to <0.75	322.3	27.8	100.00	350.1	0.50	3,032	29.99	2.5	86.8	0.25	0.5	1.2
0.75 to <2.50	340.6	39.9	100.00	380.5	0.92	3,049	32.71	2.5	153.4	0.40	1.1	2.4
0.75 to <1.75	340.6	39.9	100.00	380.5	0.92	3,049	32.71	2.5	153.4	0.40	1.1	2.4
1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	786.7	11.2	100.00	797.9	5.32	5,561	24.14	2.5	692.4	0.87	10.8	31.2
2.5 to <5	389.7	6.6	100.00	396.3	3.57	2,524	20.73	2.5	237.2	0.60	2.9	10.4
5 to <10	397.0	4.6	100.00	401.6	7.05	3,037	27.50	2.5	455.2	1.13	7.9	20.8
10.00 to <100.00	46.2	0.9	100.00	47.1	13.62	442	31.21	2.5	79.2	1.68	2.1	4.3
10 to <20	45.9	0.9	100.00	46.8	13.50	440	30.99	2.5	77.9	1.67	2.0	4.3
20 to <30	-	-	-	-	-	-	-	-	-	-	-	-
30.00 to <100.00	0.3	-	-	0.3	30.00	2	61.13	2.5	1.3	3.78	0.1	0.0
100.00 (Default)	78.1	2.1	100.00	80.2	100.00	654	19.99	2.5	251.7	3.14	16.1	8.3
Total	26,501.1	2,880.6	100.00	29,381.7	0.56	222,050	20.93	2.5	2,852.7	0.10	37.4	68.0



TABLE 15F: TEMPLATE EU CR6 IRB APPROACH – CREDIT RISK EXPOSURES BY EXPOSURE CLASS AND PD RANGE

	0010	0020	0030	0040	0050	0060	0070	0080	0090	0100	0110	0120
a	b	c	d	e	f	g	h	i	j	k	l	m
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
0.00 to <0.15	18,585.9	2,243.3	100.00	20,829.2	0.06	157,325	17.70	2.5	740.7	0.04	2.7	10.1
0.00 to <0.10	12,011.6	1,664.9	100.00	13,676.5	0.05	106,707	16.34	2.5	353.9	0.03	1.2	5.1
0.10 to <0.15	6,574.3	578.4	100.00	7,152.7	0.10	50,618	21.60	2.5	386.8	0.05	1.5	5.0
0.15 to <0.25	7,675.3	604.3	100.00	8,279.6	0.18	57,677	24.21	2.5	763.8	0.09	3.5	10.2
0.25 to <0.50	1,634.1	122.3	100.00	1,756.4	0.35	13,645	25.25	2.5	278.6	0.16	1.6	4.4
0.50 to <0.75	732.5	101.5	100.00	834.0	0.50	5,912	24.36	2.5	160.8	0.19	1.0	2.9
0.75 to <2.50	640.4	114.5	100.00	754.9	0.94	4,764	28.55	2.5	259.9	0.34	2.0	4.8
0.75 to <1.75	640.4	114.5	100.00	754.9	0.94	4,764	28.55	2.5	259.9	0.34	2.0	4.8
1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	1,001.8	15.3	100.00	1,017.1	5.14	6,964	23.68	2.5	835.9	0.82	13.0	38.4
2.5 to <5	540.4	10.0	100.00	550.4	3.52	3,455	20.98	2.5	324.3	0.59	4.1	14.2
5 to <10	461.4	5.3	100.00	466.7	7.05	3,509	26.87	2.5	511.6	1.10	8.9	24.2
10.00 to <100.00	75.0	1.0	100.00	76.0	18.81	631	27.61	2.5	114.0	1.50	3.7	10.1
10 to <20	50.6	0.9	100.00	51.5	13.50	463	30.29	2.5	83.6	1.62	2.1	4.7
20 to <30	-	-	-	-	-	-	-	-	-	-	-	-
30.00 to <100.00	24.4	0.1	100.00	24.5	30.00	168	21.97	2.5	30.4	1.24	1.6	5.4
100.00 (Default)	104.6	3.1	100.00	107.7	100.00	841	19.38	2.5	333.2	3.09	21.0	9.8
Total	30,449.6	3,205.3	100.00	33,654.9	0.66	247,759	20.59	2.5	3,486.9	0.10	48.5	90.7



TABLE 15G: TEMPLATE EU CR6 IRB APPROACH – CREDIT RISK EXPOSURES BY EXPOSURE CLASS AND PD RANGE

	0010	0020	0030	0040	0050	0060	0070	0080	0090	0100	0110	0120
a	b	c	d	e	f	g	h	i	j	k	l	m
PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
0.00 to <0.15	6,038.3	72.4	75.00	6,092.7	0.05	360	36.72	2.5	903.4	0.15	1.5	3.1
0.00 to <0.10	4,081.3	69.8	75.00	4,133.7	0.05	226	36.74	2.5	527.6	0.13	0.8	1.6
0.10 to <0.15	1,957.0	2.6	75.00	1,959.0	0.10	134	36.18	2.5	375.8	0.19	0.7	1.5
0.15 to <0.25	3,623.0	156.5	75.00	3,740.3	0.19	252	36.93	2.5	1,000.8	0.27	2.6	5.1
0.25 to <0.50	1,516.0	19.6	75.00	1,530.7	0.35	110	37.84	2.5	552.9	0.36	2.0	4.0
0.50 to <0.75	1,175.9	67.2	75.00	1,193.5	0.50	102	37.88	2.5	506.6	0.42	2.3	4.5
0.75 to <2.50	565.7	43.9	75.00	598.6	0.84	89	39.15	2.5	321.7	0.54	2.0	3.6
0.75 to <1.75	565.7	43.9	75.00	598.6	0.84	89	39.15	2.5	321.7	0.54	2.0	3.6
1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	70.1	-	-	70.1	7.03	7	38.98	2.5	77.6	1.11	1.9	3.6
2.5 to <5	23.8	-	-	23.8	3.56	4	41.13	2.5	19.3	0.81	0.4	0.6
5 to <10	46.3	-	-	46.3	8.81	3	37.87	2.5	58.3	1.26	1.5	3.0
10.00 to <100.00	40.1	-	-	40.1	14.70	5	43.82	2.5	59.8	1.49	2.5	3.4
10 to <20	37.2	-	-	37.2	13.50	3	44.50	2.5	53.8	1.44	2.2	3.4
20 to <30	-	-	-	-	-	-	-	-	-	-	-	-
30.00 to <100.00	2.9	-	-	2.9	30.00	2	35.18	2.5	6.0	2.06	0.3	0.0
100.00 (Default)	113.5	-	-	113.5	100.00	10	43.92	2.5	-	-	49.8	42.8
Total	13,142.6	359.6	75.00	13,379.5	1.14	935	37.14	2.5	3,422.8	0.26	64.6	70.1



TABLE 16: TEMPLATE EU CR8 – RWEA FLOW STATEMENTS OF CREDIT RISK EXPOSURES UNDER THE IRB APPROACH

	0010
	Risk weighted exposure amount
1	
Risk weighted exposure amount as at the end of the previous reporting period	6,892.2
2	
Asset size (+/-)	-25.5
3	
Asset quality (+/-)	142.2
4	
Model updates (+/-)	-
5	
Methodology and policy (+/-)	-
6	
Acquisitions and disposals (+/-)	47.00
7	
Foreign exchange movements (+/-)	10.5
8	
Other (+/-)	-
9	
Risk weighted exposure amount as at the end of the reporting period	7,066.4

From a quantitative perspective this chapter discloses collateral which has a risk-reducing effect on regulatory capital requirements. In accordance with the CRR, collateral can be taken into account depending on the type of collateral, either in the probability-of-default (PD), in the loss-given-default (LGD), or by means of a regulatory risk weight for the collateralised exposure. In retail business, which is subject to the advanced IRBA, collateral is implicitly taken into account via the LGD.



TABLE 17: TEMPLATE EU CR7-A – IRB APPROACH – DISCLOSURE OF THE EXTENT OF THE USE OF CRM TECHNIQUES

PART 1 OF 3

		0010	0020	0030	0040	0050	0060
		a	b	c	d	e	f
Credit risk Mitigation techniques							
Funded credit Protection (FCP)							
Part of exposures covered by other eligible collateral (%)							
A-IRB		Total exposures	Part of exposures covered by Financial Collaterals (%)		Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)
1	Central governments and central banks	-	-	-	-	-	-
2	Institutions	-	-	-	-	-	-
3	Corporates	-	-	-	-	-	-
3,1	Of which Corporates – SMEs	-	-	-	-	-	-
3,2	Of which Corporates – Specialised lending	-	-	-	-	-	-
3,3	Of which Corporates – Other	-	-	-	-	-	-
4	Retail	33,654.9	-	100.00	100.00	-	-
4,1	Of which Retail – Immovable property SMEs	4,273.2	-	100.00	100.00	-	-
4,2	Of which Retail – Immovable property non-SMEs	29,381.7	-	100.00	100.00	-	-
4,3	Of which Retail – Qualifying revolving	-	-	-	-	-	-
4,4	Of which Retail – Other SMEs	-	-	-	-	-	-
4,5	Of which Retail – Other non-SMEs	-	-	-	-	-	-
5	Total	33,654.9	-	100.00	100.00	-	-
F-IRB							
1	Central governments and central banks	-	-	-	-	-	-
2	Institutions	-	-	-	-	-	-
3	Corporates	13,379.5	-	78.89	78.89	-	-
3,1	Of which Corporates – SMEs	3,009.9	-	88.57	88.57	-	-
3,2	Of which Corporates – Specialised lending	8,409.2	-	72.35	72.35	-	-
3,3	Of which Corporates – Other	1,960.4	-	92.07	92.07	-	-
4	Total	13,379.5	-	78.89	78.89	-	-



TABLE 17: TEMPLATE EU CR7-A – IRB APPROACH – DISCLOSURE OF THE EXTENT OF THE USE OF CRM TECHNIQUES

PART 2 OF 3

		0070	0080	0090	0100
		g	h	i	j
		Credit risk Mitigation techniques			
		Funded credit Protection (FCP)			
		Part of exposures covered by Other funded credit protection (%)			
A-IRB		Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	
1	Central governments and central banks	-	-	-	-
2	Institutions	-	-	-	-
3	Corporates	-	-	-	-
3,1	Of which Corporates – SMEs	-	-	-	-
3,2	Of which Corporates – Specialised lending	-	-	-	-
3,3	Of which Corporates – Other	-	-	-	-
4	Retail	-	-	-	-
4,1	Of which Retail – Immovable property SMEs	-	-	-	-
4,2	Of which Retail – Immovable property non-SMEs	-	-	-	-
4,3	Of which Retail – Qualifying revolving	-	-	-	-
4,4	Of which Retail – Other SMEs	-	-	-	-
4,5	Of which Retail – Other non-SMEs	-	-	-	-
5	Total	-	-	-	-
F-IRB					
1	Central governments and central banks	-	-	-	-
2	Institutions	-	-	-	-
3	Corporates	-	-	-	-
3,1	Of which Corporates – SMEs	-	-	-	-
3,2	Of which Corporates – Specialised lending	-	-	-	-
3,3	Of which Corporates – Other	-	-	-	-
4	Total	-	-	-	-



TABLE 17: TEMPLATE EU CR7-A – IRB APPROACH – DISCLOSURE OF THE EXTENT OF THE USE OF CRM TECHNIQUES

PART 3 OF 3

		0110	0120	0130	0140
		k	l	m	n
		Credit risk Mitigation techniques		Credit risk Mitigation methods in the calculation of RWEAs	
		Unfunded credit Protection (UFCP)			
A-IRB		Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and substitution effects)
1	Central governments and central banks			-	-
2	Institutions	-	-	-	-
3	Corporates	-	-	-	-
3,1	Of which Corporates – SMEs	-	-	-	-
3,2	Of which Corporates – Specialised lending	-	-	-	-
3,3	Of which Corporates – Other	-	-	-	-
4	Retail	-	-	3,486.8	3,486.8
4,1	Of which Retail – Immovable property SMEs	-	-	634.2	634.2
4,2	Of which Retail – Immovable property non-SMEs	-	-	2,852.6	2,852.6
4,3	Of which Retail – Qualifying revolving	-	-	-	-
4,4	Of which Retail – Other SMEs	-	-	-	-
4,5	Of which Retail – Other non-SMEs	-	-	-	-
5	Total	-	-	3,486.8	3,486.8
F-IRB					
1	Central governments and central banks	-	-	-	-
2	Institutions	-	-	-	-
3	Corporates	0.25	-	3,440.5	3,422.8
3,1	Of which Corporates – SMEs	-	-	795.4	795.4
3,2	Of which Corporates – Specialised lending	0.39	-	2,099.7	2,082.0
3,3	Of which Corporates – Other	-	-	545.4	545.4
4	Total	0.25	-	3,440.5	3,422.8



6 Market price risk and interest rate risks from positions not held in the trading book

Market price risks involve risks to the value of items or portfolios due to changes in market parameters, e.g. interest rates or exchange rates. They are quantified as a potential present-value loss using the present-value model. We distinguish between risks associated with changes in interest rates, (credit) spreads, options, currency, commodities and stocks. The interest rate change risk describes the risk that the market value of interest-rate-dependent investments or liabilities could develop negatively. It is the most important component of market price risks for Münchener Hypothekbank.

TABLE 18: EU IRRBBA

<p>a) A description of how the institution defines IRRBB for purposes of risk control and measurement</p>	<p>Market price risks involve risks to the value of positions or portfolios due to changes in market parameters, e.g. interest rates or exchange rates. They are quantified as a potential present value loss using the present value model and taken into account in the P&L and capital planning in the interest income forecast. We distinguish between risks associated with changes in interest rates, (credit) spreads, options, currency, commodities and stocks. The interest rate change risk describes the risk that the market value of interest-rate-dependent investments or liabilities could develop negatively. It is the most important component of market price risks for MünchenerHyp.</p>
<p>b) A description of the institution's overall IRRBB management and mitigation strategies</p>	<p>MünchenerHyp uses a limit system to manage market risks. This limit system is based on the VaR. The limits established for market risk management are based on the ability to bear risk and on the Bank's earning potential. From a normative perspective, the annual net interest income from the legacy portfolio is determined within the framework of the permanent interest income forecast at the individual transaction level. Earnings planning includes net interest income in the base scenario. In addition, shift scenarios are calculated in order to identify risks regarding the expected future interest income at an early stage. The Bank engages in hedging activities in the form of interest rate and currency derivatives in order to minimise its risks and to hedge its business activities</p>
<p>c) The periodicity of the calculation of the institution's IRRBB measures, and a description of the specific measures that the institution uses to gauge its sensitivity to IRRBB</p>	<p>Present value interest rate risks are determined daily. For this purpose the Bank calculates sensitivities, stress tests, scenarios and VaR. On the income side, calculations on the risks of changing interest rates are available daily, whereby various interest rate scenarios are applied.</p>



Table 18 continued from page 39

TABLE 18: EU IRRBBA

<p>d) A description of the interest rate shock and stress scenarios that the institution uses to estimate changes in the economic value and in net interest income (if applicable)</p>	<p>In addition to the interest rate scenarios required by the regulatory authorities, the following stress scenarios are currently calculated daily for interest rate risk management in the present value view:</p> <ul style="list-style-type: none"> • Parallel shifts: The current interest rate curve is completely shifted up and down by 50 basis points across all currencies. No floor of 0 is set for the downwards shift, i.e. negative interest rates are permitted. The worst result of the two shifts is used for calculation purposes. • Parallel shifts including volatilities: The current interest rate curve is completely shifted up and down by 50 basis points across all currencies and in addition volatilities are also raised by + 20 bp. <p>Furthermore, historical scenarios are calculated for the following events:</p> <ul style="list-style-type: none"> • Covid-19 pandemic scenario: the scenario is calculated using historically determined spread changes that took place between 28 February 2020 (the day before the pandemic) and 18 March 2020 (the day when the highest spreads were recorded). • The 2008 crisis in the financial markets: Changes in interest rates and foreign exchange rates noted between 12 September 2008 (last banking day before the collapse of Lehman Brothers) and 10 October 2008 are played out using the current levels. • Brexit: The scenario presents changes in interest rates and foreign exchange rates noted following the Brexit referendum on 23 June 2016 and 24 June 2016. Furthermore, additional stress tests/scenarios are calculated on a quarterly basis and distributed as part of an extra report; in particular, inverse stress tests, a bank-wide macro-economic scenario and effects of parameter adjustments in the model for mapping early repayments are included here. <p>From an earnings perspective, the following interest rate scenarios are calculated:</p> <ul style="list-style-type: none"> • Parallel shifts: The current interest rate curve is completely shifted up and down by 200 basis points across all currencies. Two variants are calculated when shifting down. One calculation is made without a floor at zero, i.e. negative interest rates are allowed. The other calculation is carried out in accordance with regulatory requirements within the framework of the outlier test for the present value view. • Constant interest rate: The current call money interest rate is maintained constantly. • Steepening/Flattening: Adjustment of the current interest rate structure in accordance with regulatory requirements within the framework of the outlier test for the present value view • Macro-economic stress scenario (ICAAP normative): development of interest rates based on the macro-economic stress scenario updated by the Bank on a quarterly basis. • Financial market crisis (ICAAP normative): Rising interest rates scenario (historically derived)
<p>e) A description of the key modelling and parametric assumptions different from those used for disclosure of template EU IRRBB1 (if applicable)</p>	<p>The reported figures and assumptions are identical with regard to the present value view. From an earnings perspective, the calculation to the parallel upside shock is made identically in all currencies by 200 basis points</p>
<p>f) "A high-level description of how the bank hedges its IRRBB, as well as the associated accounting treatment (if applicable)"</p>	<p>In order to manage market price risks all transactions at MünchenerHyp are subject to a daily present-value analysis in the risk management system. The Delta vector is the backbone of our interest rate risk management system and is calculated on a daily basis and is determined by the change in the present value incurred per range of maturities when the mid-swap curve is raised by one basis point. MünchenerHyp uses the value-at-risk figure (VaR) to identify and limit market risks. Linear as well as non-linear risks are taken into consideration using a historic simulation containing the risk factors of interest rates, foreign exchange rates and volatilities when calculating VaR. Additional stress scenarios are used here to measure the effect of extreme shifts in risk factors. We engage in hedging activities – interest rate and currency derivatives – in order to minimise our risks and protect positions. Asset swaps are used as micro-hedges at the level of larger individual positions. Structured fundamental transactions, such as callable securities, are hedged accordingly with structured asset swaps. Bermudan options on interest swaps (swaptions), swaps and interest rate options (caps and floors) are used as macro-hedges for embedded legal termination rights or for agreements limiting interest rates. The accounting treatment is in accordance with HGB requirements</p>

Table 18 continued on page 41



Table 18 continued from page 40

TABLE 18: EU IRRBBA

g) A description of key modelling and parametric assumptions used for the IRRBB measures in template EU IRRBB1 (if applicable)	The possibility that a borrower will repay his loan before it matures pursuant to Article 489 BGB is modelled using an adjusted cash flow and Bermudan receiver swaptions, which serve as model transactions. The currently relevant portfolio is determined weekly for modelling purposes. Part of the repayments is then modelled using a fixed annual ratio. This model assumes that a portion of repayments will be made irrespective of the level of interest rates. The interest-rate-sensitive portion is determined with the aid of historic repayment ratios that form a repayment matrix (when/at what interest rate level will notice of repayment be given) and an interest rate structure model that is used to forecast the future development of interest rates. The matrix also takes automatically into account the portion that will not exercise the right of repayment.
h) Explanation of the significance of the IRRBB measures and of their significant variations since previous disclosures	The present value of the risk of changing interest rates is at a low level overall. Smaller fluctuations occur due to daily changes in market data or positions. Overall, however, the values are constant. Overall, the interest rate risk fluctuates at a low level from an earnings perspective.
i) Any other relevant information regarding the IRRBB measures disclosed in template EU IRRBB1 (optional)	
k) Disclosure of the average and longest repricing maturity assigned to non-maturity deposits	There are no open-ended deposits in the portfolio.

TABLE 19: EU IRRBB1 – INTEREST RATE RISKS OF NON-TRADING BOOK ACTIVITIES

Supervisory shock scenarios	a		b		c		d	
	Changes in net present value				Changes in net interest income			
	30.06.2023		31.12.2022		30.06.2023		31.12.2022	
Parallel shift upwards	- 97	- 127	- 127	- 97	48	39	39	48
Parallel shift downwards	- 143	- 44	- 44	- 143	9	- 13	- 13	9
Steepening	- 20	2	2	- 20				
Flattering	- 26	- 54	- 54	- 26				
Short-term shock upwards	- 10	- 59	- 59	- 10				
Short-term shock downwards	4	28	28	4				



The following table presents the components of own funds requirements under the standardised approach for market risk. Only interest rate risk arising from trading book positions (only futures) is of relevance for Münchener Hypothekbank. Münchener Hypothekbank currently does not hold any such positions. Furthermore, foreign exchange risks due to open foreign exchange positions in the bank book may occur.

For the sake of completeness, it should be noted that Münchener Hypothekbank's net foreign currency position as of 30 June 2023 did not exceed 2% of total own funds pursuant to Article 351 CRR. Therefore, no own funds requirement is recognized for the foreign currency risks.

**TABLE 20: TEMPLATE EU MR1 – MARKET RISK
UNDER THE STANDARDISED APPROACH**

		0010
		a
		RWEAs
	Outright products	
1	Interest rate risk (general and specific)	-
2	Equity risk (general and specific)	-
3	Foreign exchange risk	14.8
4	Commodity risk	-
	Options	
5	Simplified approach	-
6	Delta-plus approach	-
7	Scenario approach	-
8	Securitisation (specific risk)	-
9	Total	14.8



7 Liquidity risk

With regard to liquidity requirements, especially in the structural liquidity ratio – calculated in accordance with Part 6 in accordance with Part 6, Title IV of the CRR – Münchener Hypothekbank discloses the information required by Article 451a (3) CRR II by means of a the disclosure table EU LIQ2.

TABLE 21: EU LIQ1

		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on (DD Month YYYY)	30.06.2023	31.03.2023	31.12.2022	30.09.2022	30.06.2023	31.03.2023	31.12.2022	30.09.2022
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
High-quality liquid assets									
1	Total high-quality liquid assets (HQLA)					2,297.7	2,460.8	2,640.4	2,642.3
Cash – outflows									
2	Retail deposits and deposits from small business customers, of which:	-	-	-	-	-	-	-	-
3	Stable deposits	-	-	-	-	-	-	-	-
4	Less stable deposits	-	-	-	-	-	-	-	-
5	Unsecured wholesale funding	713.9	703.3	647.8	640.3	525.1	522.4	488.5	475.6
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-	-	-	-	-
7	Non-operational deposits (all counterparties)	421.2	392.1	321.6	314.0	232.4	211.2	162.3	149.3
8	Unsecured debt	292.7	311.2	326.2	326.3	292.7	311.2	326.2	326.3
9	Secured wholesale funding					0	0	-	-
10	Additional requirements	2,212.1	2,441.5	2,592.8	2,670.1	416.5	422.8	410.7	390.5



Table 21 continued from page 43

TABLE 21: EU LIQ1

		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
11	Outflows related to derivative exposures and other collateral requirements	313.7	306.4	284.9	258.4	313.7	306.4	284.9	258.4
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	1,898.4	2,135.1	2,307.9	2,411.7	102.8	116.4	125.8	132.1
14	Other contractual funding obligations	174.2	143.5	122.1	149.2	148.4	117.6	94.4	122.0
15	Other contingent funding obligations	100.4	114.9	144.0	157.5	10.0	11.5	14.4	15.7
16	Total cash outflows					1,100.0	1,074.3	1,008.0	1,003.8
Cash – inflows									
17	Secured lending (e.g. reverse repos)	-	-	-	-	-	-	-	-
18	Inflows from fully performing exposures	286.6	289.9	284.1	241.6	185.0	197.4	194.1	158.8
19	Other cash inflows	200.8	174.1	153.8	204.7	196.0	169.8	152.8	204.0
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					-	-	-	-
EU-19b	(Excess inflows from a related specialised credit institution)					-	-	-	-
20	Total cash inflows	487.4	464.0	437.9	446.3	381.0	367.2	346.9	362.8
EU-20a	Fully exempt inflows	-	-	-	-	-	-	-	-
EU-20b	Inflows subject to 90% cap	-	-	-	-	-	-	-	-
EU-20c	Inflows subject to 75% cap	487.4	464.0	437.9	446.3	381.0	367.2	346.9	362.8
Total adjusted value									
EU-21	Liquidity buffer					2,297.7	2,460.8	2,640.4	2,642.3
22	Total net cash outflows					719.2	707.1	661.2	641.0
23	Liquidity coverage ratio					336.8%	404.2%	452.1%	511.1%



TABLE 22: EU LIQB

Row number	Qualitative information – Free format	
(a)	Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time	The main drivers of the LCR are the current central bank balance (HQLA), forward funding (inflows) and maturing mortgage covered bonds (outflows).
(b)	Explanations on the changes in the LCR over time	The LCR was consistently above 130% over the last 12 months. Interim increases were mainly caused by the factors listed in (a) which are as a matter of course very volatile.
(c)	Explanations on the actual concentration of funding sources	As a Pfandbriefbank the concentration of funding sources is primarily on mortgage covered bonds.
(d)	High-level description of the composition of the institution's liquidity buffer.	The liquidity buffer contains predominantly level 1a assets, i.e. central and regional government assets.
(e)	Derivative exposures and potential collateral calls	The liquidity buffer contains predominantly level 1a assets, i.e. central and regional government assets.
(f)	Currency mismatch in the LCR	Both the liquidity buffer and the outflows consist mostly of EUR positions.
(g)	Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile	The LCR of Muenchener Hypothekbank eG is very volatile. This is caused by the deterministic cash flow profile of the institution (which can be forecasted very precisely) rather than by unexpected changes in any LCR-component.



TABLE 23: EU LIQ2 – EU LIQ2 – NET STABLE FUNDING RATIO IN ACCORDANCE WITH ARTICLE 451A (3) CRR

	(in currency amount)	a	b			c	d	e
		Unweighted value by residual maturity						Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr			
Available stable funding (ASF) Items								
1	Capital items and instruments	1,954.9	0.0	0.0		235.0	2,189.9	
2	Own funds	1,954.9	0.0	0.0		235.0	2,189.9	
3	Other capital instruments		0.0	0.0		0.0	0.0	
4	Retail deposits		0.0	0.0		0.0	0.0	
5	Stable deposits		0.0	0.0		0.0	0.0	
6	Less stable deposits		0.0	0.0		0.0	0.0	
7	Wholesale funding:		4,465.6	2,992.4		41,426.2	43,696.4	
8	Operational deposits		0.0	0.0		0.0	0.0	
9	Other wholesale funding		4,465.6	2,992.4		41,426.2	43,696.4	
10	Interdependent liabilities		0.0	0.0		0.0	0.0	
11	Other liabilities:	11.1	562.8	0.0		0.0	0.0	
12	NSFR derivative liabilities	11.1						
13	All other liabilities and capital instruments not included in the above categories		562.8	0.0		0.0	0.0	
14	Total available stable funding (ASF)						45,886.30	
Required stable funding (RSF) Items								
15	Total high-quality liquid assets (HQLA)						1,212.3	
EU-15a	Assets encumbered for more than 12m in cover pool		618.1	489.2		32,839.2	28,854.5	
16	Deposits held at other financial institutions for operational purposes		0.0	0.0		0.0	0.0	
17	Performing loans and securities:		1,263.8	1,007.2		11,571.3	10,795.8	
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		0.0	0.0		0.0	0.0	



Table 23 continued from page 46

TABLE 23: EU LIQ2 – EU LIQ2 – NET STABLE FUNDING RATIO IN ACCORDANCE WITH ARTICLE 451A (3) CRR

	(in currency amount)	a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		0.0	0.0	0.0	0.0
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		598.9	507.4	3,349.9	3,577.1
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		30.2	37.7	1,173.0	1,207.1
22	Performing residential mortgages, of which:		561.5	377.5	6,968.3	6,004.4
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		405.7	295.7	2,771.5	2,265.8
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		103.4	122.3	1,253.1	1,214.3
25	Interdependent assets		0.0	0.0	0.0	0.0
26	Other assets:	0.0	199.5	3.8	437.9	684.3
27	Physical traded commodities				0.0	0.0
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs				771.1	38.6
29	NSFR derivative assets				41.4	41.4
30	NSFR derivative liabilities before deduction of variation margin posted				0.0	0.0
31	All other assets not included in the above categories		199.5	3.8	437.9	604.3
32	Off-balance sheet items		1,923.7	387.3	1,378.8	187.8
33	Total RSF					41,734.7
34	Net Stable Funding Ratio (%)					109.9%



8 Counterparty risk

Münchener Hypothekbank calculates its counterparty risk positions according to the new standard approach, the so-called SA-CCR. Compensation effects from correlations are not taken into account.

The disclosures required under Article 433a (1) (b) (iii) CRR are disclosed by means of the disclosure tables EU CCR1 to EU CCR5.

The table EU CCR 6 ist not shown, as the Münchener Hypothekbank does not hold any credit derivatives exposure.

TABLE 24: TEMPLATE EU CCR1 – ANALYSIS OF CCR EXPOSURE BY APPROACH

		0010	0020	0030	0040	0050	0060	0070	0080
		a	b	c	d	e	f	g	h
		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU1	EU – Original Exposure Method (for derivatives)	-	-	-	1.40	-	-	-	-
EU2	EU – Simplified SA-CCR (for derivatives)	-	-	-	1.40	-	-	-	-
1	SA-CCR (for derivatives)	49.6	217.0	-	1.40	2,620.6	373.2	373.2	79.4
2	IMM (for derivatives and SFTs)	-	-	-	-	-	-	-	-
2a	Of which securities financing transactions netting sets	-	-	-	-	-	-	-	-
2b	Of which derivatives and long settlement transactions netting sets	-	-	-	-	-	-	-	-
2c	Of which from contractual cross-product netting sets	-	-	-	-	-	-	-	-
3	Financial collateral simple method (for SFTs)	-	-	-	-	-	-	-	-
4	Financial collateral comprehensive method (for SFTs)	-	-	-	-	-	1.2	1.2	0.4
5	VaR for SFTs	-	-	-	-	-	-	-	-
6	Total	-	-	-	-	2,620.6	374.4	374.4	79.8



TABLE 25: TEMPLATE EU CCR2 – TRANSACTIONS SUBJECT TO OWN FUNDS REQUIREMENTS FOR CVA RISK

		0010	0020
		a	b
	Exposure value		RWEA
1	Total transactions subject to the Advanced method	-	-
2	(i) VaR component (including the 3x multiplier)	-	-
3	(ii) stressed VaR component (including the 3x multiplier)	-	-
4	Transactions subject to the Standardised method	212.1	277.8
EU4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-
5	Total transactions subject to own funds requirements for CVA risk	212.1	277.8

TABLE 26: TEMPLATE EU CCR3 – STANDARDISED APPROACH – CCR EXPOSURES BY REGULATORY EXPOSURE CLASS AND RISK WEIGHTS

		0010	0020	0030	0040	0050	0060	0070	0080	0090	0100	0110	0120
		Risk weight											
		a	b	c	d	e	f	g	h	i	j	k	l
	Exposure classes	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	Total exposure value
1	Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-
2	Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
4	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	159.9	-	-	-	94.3	117.1	-	-	-	-	-	371.3
7	Corporates	-	-	-	-	-	1.4	-	-	1.6	-	-	3.0
8	Retail	-	-	-	-	-	-	-	-	-	-	-	-
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
10	Other items	-	-	-	-	-	-	-	-	-	-	-	-
11	Total exposure value	159.9	-	-	-	94.3	118.5	-	-	1.6	-	-	374.3



The table EU CCR 4 ist not shown, as the Münchener Hypothekbank does not hold any counterparty risk default positions under the IRB approach.

TABLE 27: TEMPLATE EU CCR5 – COMPOSITION OF COLLATERAL FOR CCR EXPOSURES

		0010	0020	0030	0040	0050	0060	0070	0080
		a	b	c	d	e	f	g	h
		Collateral used in derivative transactions				Collateral used in SFTs			
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
Collateral type		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	-	1,360.2	-	762.0	-	-	-	-
2	Cash – other currencies	-	-	-	-	-	-	-	-
3	Domestic sovereign debt	-	-	-	-	-	-	-	-
4	Other sovereign debt	-	-	-	-	-	-	-	-
5	Government agency debt	-	-	-	-	-	-	-	-
6	Corporate bonds	-	-	-	-	-	-	-	-
7	Equity securities	-	-	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	-	-	-
9	Total	-	1,360.2	-	762.0	-	-	-	-



TABLE 28: EU CCR8 – EXPOSURES TO CCPS

	0010	0020
	a	b
	Exposure value	RWEA
1 Exposures to QCCPs (total)	–	0.2
2 Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	–	–
3 (i) OTC derivatives	–	–
4 (ii) Exchange-traded derivatives	–	–
5 (iii) SFTs	–	–
6 (iv) Netting sets where cross-product netting has been approved	–	–
7 Segregated initial margin	–	–
8 Non-segregated initial margin	–	–
9 Prefunded default fund contributions	1.0	0.2
10 Unfunded default fund contributions	–	–
11 Exposures to non-QCCPs (total)	–	–
12 Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	–	–
13 (i) OTC derivatives	–	–
14 (ii) Exchange-traded derivatives	–	–
15 (iii) SFTs	–	–
16 (iv) Netting sets where cross-product netting has been approved	–	–
17 Segregated initial margin	–	–
18 Non-segregated initial margin	–	–
19 Prefunded default fund contributions	–	–
20 Unfunded default fund contributions	–	–



9 Leverage ratio

As of 30 June 2023 the leverage ratio at Münchener Hypothekbank was 3.66% and thus remained stable compared with the leverage ratio as of 31 December 2022 of 3.72%.

The leverage ratio does not take any risk weighting into consideration. As a result, the leverage ratio represents a special challenge for Münchener Hypothekbank as its business model – financing property – focuses on the particularly low-risk retail area of business.

The following tables show the most important key figures for Münchener Hypothekbank's leverage ratio.

TABLE 29: TEMPLATE EU LR1 – LRSUM: SUMMARY RECONCILIATION OF ACCOUNTING ASSETS AND LEVERAGE RATIO EXPOSURES

		0010
		a
		Applicable amount
1	Total assets as per published financial statements	53,208.6
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory prudential consolidation	-
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of point (i) of Article 429a(1) CRR)	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustments for derivative financial instruments	11.5
9	Adjustment for securities financing transactions (SFTs)	-
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	1,783.5
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	- 83.5
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
12	Other adjustments	- 1,541.1
13	Total exposure measure	53,379.0



TABLE 30: TEMPLATE EU LR2 – LRCOM: LEVERAGE RATIO COMMON DISCLOSURE

		CRR leverage ratio exposures	
		a	b
		30.06.2023	31.12.2022
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	52,386.2	49,597.6
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	- 764.0	- 859.4
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	- 83.5	- 83.0
6	(Asset amounts deducted in determining Tier 1 capital)	- 22.9	- 22.8
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	51,515.8	48,632.4
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	80.2	102.9
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	334.1	338.4
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-
EU-9b	Exposure determined under Original Exposure Method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (original Exposure Method)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	Total derivatives exposures	414.3	441.3
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	-	-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	-	-
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-



Table 30 continued from page 53

TABLE 30: TEMPLATE EU LR2 – LRCOM: LEVERAGE RATIO COMMON DISCLOSURE

		CRR leverage ratio exposures	
		a	b
		30.06.2023	31.12.2022
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	Total securities financing transaction exposures	-	-
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	3,689.8	4,336.9
20	(Adjustments for conversion to credit equivalent amounts)	- 1,906.3	- 2,224.6
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	-
22	Off-balance sheet exposures	1,783.5	2,112.3
Excluded exposures			
EU-22a	(Exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) CRR)	- 334.6	- 346.2
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a (1) CRR (on and off balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks (or units) – Public sector investments)	-	-
EU-22d	(Excluded exposures of public development banks (or units) – Promotional loans)	-	-
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	-	-
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	(Total exempted exposures)	- 334.6	- 346.2
Capital and total exposure measure			
23	Tier 1 capital	1,954.9	1,893.4
24	Total exposure measure	53,379.0	50,839.8

Table 30 continued on page 55



Table 30 continued from page 54

TABLE 30: TEMPLATE EU LR2 – LRCOM: LEVERAGE RATIO COMMON DISCLOSURE

		CRR leverage ratio exposures	
		a	b
		30.06.2023	31.12.2022
Leverage ratio			
25	Leverage ratio	3.66	3.72
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	3.66	3.72
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	3.66	3.72
26	Regulatory minimum leverage ratio requirement (%)	3.00	3.00
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-
EU-26b	of which: to be made up of CET1 capital (percentage points)	-	-
27	Leverage ratio buffer requirement (%)	-	-
EU-27a	Overall leverage ratio requirement (%)	3.00	3.00
Choice on transitional arrangements and relevant exposures			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	Fully phased-in	Fully phased-in
Disclosure of mean values			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	53,379.0	50,839.8
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	53,379.0	50,839.8
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	3.66	3.72
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	3.66	3.72



TABLE 31: TEMPLATE EU LR3 – LRSPL: SPLIT-UP OF ON BALANCE SHEET EXPOSURES (EXCLUDING DERIVATIVES, SFTS AND EXEMPTED EXPOSURES)

		0010
		a
		Risikopositionen für die CRR-Verschuldungsquote
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	51,369.0
EU-2	Trading book exposures	–
EU-3	Banking book exposures, of which:	51,369.0
EU-4	Covered bonds	65.2
EU-5	Exposures treated as sovereigns	4,740.9
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	1.8
EU-7	Institutions	66.5
EU-8	Secured by mortgages of immovable properties	41,993.1
EU-9	Retail exposures	24.6
EU-10	Corporates	3,635.4
EU-11	Exposures in default	213.2
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	628.3



10 ESG

BUSINESS STRATEGY AND PROCESS

The issue of sustainability has gained considerable importance in recent years, especially against the backdrop of the urgent challenge of limiting climate change. The financial industry is seen as having a significant role to play in this task. The transition to a low-carbon economy entails both opportunities and risks for the financial industry. At Münchener Hypothekbank, for example, both physical and transitory risks can have a direct impact on the borrower or on the properties serving as collateral for the loans, and thus in turn on the credit risk.

Against this background, Münchener Hypothekbank has set itself the goal of becoming an even more sustainable bank. The sustainability issues prioritised in a materiality analysis in 2021 served as the basis for adopting a sustainability strategy in 2022. It is an elementary component of the Bank's business strategy.

The topic of sustainability remains anchored in the business strategy through a separate ESG situation analysis. The analysis is developed as part of the annual strategy process and serves as the basis for developing strategic measures. During this process the impact of sustainability risks on the business environment and the business model are examined and business opportunities are considered.

The sustainability strategy formulates, and strategy controlling measures, ESG-related targets and KPIs. An ESG goal was also introduced at Bank level with targets for the share of sustainable loans during the 2023 business year. Clear objectives regarding the Bank's positioning as a sustainable property financier and the further development of ESG products on both the asset and liability side of the balance sheet are also anchored in the strategy controlling process.

Münchener Hypothekbank has supported energy-efficient construction for many years with its Green Loan, which offers borrowers a reduced interest rate for energy-efficient, privately used residential properties. In addition, the Bank also offers its Family Loan, a product created to enable middle-income families to buy their own home. These two separate sustainable products are also available as a combination package. In addition, the Bank offers KfW loans that promote energy efficiency through various programmes for renovation, conversion or new construction. The Bank works closely with its partner banks to market the sustainable products and, among other supportive measures, also provides promotional material. In the commercial property sector, Münchener Hypothekbank also finances properties certified as sustainable as well as selected modernisation measures.

On the liabilities side, Münchener Hypothekbank refinances the aforementioned retail loans and loans for commercial property with selected sustainability certificates by issuing various ESG financial products such as green Pfandbriefe, green senior preferred bonds, green senior non-preferred

bonds and green commercial paper. The Bank's sustainability and business strategy is focused on the further development of the sustainable product range.

Furthermore, an analysis is currently taking place to determine the extent to which the Bank's assets meet the EU taxonomy criteria and how sustainable products can be further developed in line with EU taxonomy regulations.

Extensive statutory regulations apply that ensure high social standards (including protection of human rights and employees) in the target markets described in the Bank's business strategy (including, in addition to the main market of Germany, other selected EU countries as well as Switzerland, the UK and the USA). When selecting outsourcing companies, the Bank's focus is also on companies in Germany, the EU or the European Economic Area.

CORPORATE GOVERNANCE

The Board of Management bears overall responsibility for the Bank's business and risk strategy and its execution. The Board of Management's responsibility also includes the implementation of a business organization commensurate with the risks. In 2021, Münchener Hypothekbank established an ESG framework for the purpose of anchoring the concept of sustainability in the Bank's organisation. This framework defines structures and responsibilities for all sustainability-related topics including ESG risk management topics. Clear responsibilities for ESG risk management are assigned within the Board of Management.



ESG targets at Bank and departmental levels are taken into account in the remuneration of the Board of Management. Furthermore, ESG is also taken into consideration in the annual efficiency review of the Board of Management and the Supervisory Board.

The organisational structure in Risk Controlling governs responsibilities for managing and reporting ESG risks. The responsibility for the sustainability strategy and reporting lies with the Strategy&Organization department. In addition, employees in relevant departments have been appointed as ESG representatives.

All sustainability aspects as well as issues associated with the related risk and credit topics are bundled in the ESG Committee. The ESG Committee consists of the heads of all affected departments in the Bank. In addition to Risk Controlling and Sustainability Management, these include in particular Markets, Transaction Management, Treasury and Accounting. Reports on the current implementation of related measures within the Bank are made monthly, and necessary decisions are taken or prepared for the ESG Board. The ESG Board, which consists of all members of the Management Board, regularly discusses proposals developed by the ESG Committee and makes any necessary decisions. In addition, since the end of 2022 an ESG risk report has been made available to the Bank's decision-makers every six months. This report focuses on the impact of climate risks for the Bank. As part of the strategy controlling process, progress on ESG-related targets is reported to the Management Board, as well as progress towards the goal of increasing the share of sustainable financing in the Bank's portfolio.

Furthermore, in every Supervisory Board meeting there is a standard item on the agenda concerning the current status of sustainability activities.

The Board of Management primarily manages counterparty social risks (e.g., related to community and societal activities, employee relations and labour standards, customer protection and product stewardship, human rights) using guidance provided by the Bank's long-term business strategy. This applies equally for governance risks (such as ethical considerations, strategy and risk management, inclusivity, transparency, conflict of interest management, internal communication on key concerns). For example, the Bank does not finance property in dubious neighbourhoods. The Bank's target markets are also in the EEA, the UK and the USA. In all these countries, high standards already apply with regard to occupational health and safety and human rights. Retail customer business takes place only in the Germany, Austria and Switzerland (DACH) region. Here, corresponding consumer protection requirements and product specifications apply. Due to the considerable uncertainty and the associated risks arising from the possible future expansion of sanctions already imposed due to the war in Ukraine, it was decided in March 2022 to discontinue all new business with borrowers not residing in the EU and associated with the Russian Federation, Belarus, Syria, and Eritrea.

The objectives of the sustainability strategy include integrating ESG aspects into the remuneration policy, including Board of Management compensation, as well as measuring our socially oriented portfolio. ESG exclusions are defined in the business strategy for green refinancing products associated with socially controversial activities.

RISK MANAGEMENT

Münchener Hypothekbank's ESG risk management policy identifies and manages risks associated with business activities, products, services, and business relationships. The Risk Controlling department analyses the potential impact of risks on the Bank's own business and informs the Board of Management of current developments to enable prompt action on necessary decisions. As ESG risks are not a separate type of risk but impact existing risk categories, the existing risk inventory was expanded. The ESG risks for each risk listed in the risk inventory are stated as appropriate. The interaction between climate risks and the classic risk types is described qualitatively in the risk strategy using various transmission channels. Relevant transmission channels are the decline in the value of the collateral property as well as a reduction in the profitability of a borrower or the decline in the disposable income of retail customers. Plans call for the next update of the risk strategy to examine the ESG risks for which data are available (in particular climate risks) over the short, medium and long term.

At the Beginning of 2023 the focus of risk management was the analysis and quantification of sustainability risks, including physical and transitory climate risks, and improving the data base required for this. In particular, energy certificates for individual business have been increasingly requested and documented in the IT systems.

Physical risk data are obtained externally from an established provider. CO₂ accounting for the loan portfolio is to be established in accordance with the Partnership for Carbon



Accounting Financials (PCAF) standards. To the extent that a property's emissions are documented by an energy certificate (Energieausweis) the data therein will serve as the basis for calculating the financed CO₂ emissions. For all other properties estimates will be made based on the year of construction, property type and other factors.

The Bank's business model, which focuses on target countries with minimum social standards, excluding sectors with high governance and social risks (e.g. armaments, industrial firms or complex supply chains), limits its social and governance risks. Nevertheless, MHB has established policies and processes to further reduce these risks. For example, customer on-boarding ensures that no business is conducted with sanctioned individuals or with socially controversial business partners.

An ESG scoring procedure has been developed for individual business deals and will be used productively from 2023 and takes into account property-related and borrower-related issues. ESG factors affecting value are considered in the appraisals commissioned by the Bank for properties used as collateral.

As part of the 2023 risk review, physical and transitory climate risks were considered to be material for the first time. This classification was evaluated over short, medium and long-term time horizons. Materiality is already accepted as given over a short time horizon. The Bank employs various mitigating measures (e.g. insurance) to counteract this risk. The necessity for further measures, such as an adjustment of the limit structure for affected regions, is being analysed.

Physical risks are measured by the Key Performance Indicator (KPI) „affected volume“, which shows the extent of financing volume secured by a property with significant physical risks (see Template 5). The Bank analyses the current or future deviation of emissions of the relevant properties from the decarbonisation path to calculate transitory risks. The financing volume is assigned to three risk categories.

In addition, the Bank has identified the social risks "demographic change" and "data protection" as significant risk drivers within the framework of OpRisk. A total of 54 risk

drivers were evaluated as part of the Bank's risk review. Environmental risks beyond the previously mentioned climate risks, such as "environmental pollution" or "biodiversity risk", are classified as immaterial.

In principle, in order to mitigate ESG risks, risks are monitored and, if required, the need to take measures is evaluated. In addition, the "Green Loan" and Family Loan products should be used to further build a green as well as a more socially responsible portfolio.



TABLE 32: TEMPLATE 1: BANKING BOOK- INDICATORS OF POTENTIAL CLIMATE CHANGE TRANSITION RISK: CREDIT QUALITY OF EXPOSURES BY SECTOR, EMISSIONS AND RESIDUAL MATURITY

PART 1 OF 3

	a	b	c	d	e
	Gross carrying amount (MIn EUR)				
Sector/subsector		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with Article 12(1) points (d) to (g) and Article 12(2) of Regulation (EU) 2020/1818	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures
Exposures towards sectors that highly contribute to climate change	15.439.7	-	-	-	168.7
A – Agriculture, forestry and fishing	97.5	-	-	-	0.4
B – Mining and quarrying	1.4	-	-	-	0.0
B.05 – Mining of coal and lignite	0.3	-	-	-	-
B.06 – Extraction of crude petroleum and natural gas	0.5	-	-	-	-
B.07 – Mining of metal ores	-	-	-	-	-
B.08 – Other mining and quarrying	0.1	-	-	-	0.0
B.09 – Mining support service activities	0.6	-	-	-	-
C – Manufacturing	150.4	-	-	-	1.8
C.10 – Manufacture of food products	21.1	-	-	-	0.3
C.11 – Manufacture of beverages	1.0	-	-	-	-
C.12 – Manufacture of tobacco products	0.5	-	-	-	-
C.13 – Manufacture of textiles	4.9	-	-	-	-
C.14 – Manufacture of wearing apparel	3.1	-	-	-	-
C.15 – Manufacture of leather and related products	1.4	-	-	-	-
C.16 – Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	11.5	-	-	-	-
C.17 – Manufacture of pulp, paper and paperboard	1.0	-	-	-	-
C.18 – Printing and service activities related to printing	5.6	-	-	-	0.1
C.19 – Manufacture of coke oven products	0.2	-	-	-	-



Table 32, Part 1 continued from page 60

TABLE 32: TEMPLATE 1: BANKING BOOK- INDICATORS OF POTENTIAL CLIMATE CHANGE TRANSITION RISK: CREDIT QUALITY OF EXPOSURES BY SECTOR, EMISSIONS AND RESIDUAL MATURITY

PART 1 OF 3

Sector/subsector	a	b	c	d	e
	Gross carrying amount (MIn EUR)				
		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with Article 12(1) points (d) to (g) and Article 12(2) of Regulation (EU) 2020/1818	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures
C.20 – Production of chemicals	0.4	-	-	-	-
C.21 – Manufacture of pharmaceutical preparations	0.8	-	-	-	-
C.22 – Manufacture of rubber products	2.4	-	-	-	-
C.23 – Manufacture of other non-metallic mineral products	9.7	-	-	-	0.0
C.24 – Manufacture of basic metals	11.2	-	-	-	0.2
C.25 – Manufacture of fabricated metal products, except machinery and equipment	12.5	-	-	-	-
C.26 – Manufacture of computer, electronic and optical products	5.9	-	-	-	-
C.27 – Manufacture of electrical equipment	4.6	-	-	-	-
C.28 – Manufacture of machinery and equipment n.e.c.	12.3	-	-	-	0.1
C.29 – Manufacture of motor vehicles, trailers and semi-trailers	1.5	-	-	-	-
C.30 – Manufacture of other transport equipment	3.8	-	-	-	0.4
C.31 – Manufacture of furniture	18.1	-	-	-	0.6
C.32 – Other manufacturing	9.6	-	-	-	-
C.33 – Repair and installation of machinery and equipment	7.4	-	-	-	0.1
D – Electricity, gas, steam and air conditioning supply	14.5	-	-	-	0.2
D35.1 – Electric power generation, transmission and distribution	-	-	-	-	-
D35.11 – Production of electricity	14.5	-	-	-	0.2
D35.2 – Manufacture of gas; distribution of gaseous fuels through mains	-	-	-	-	-
D35.3 – Steam and air conditioning supply	-	-	-	-	-

Table 32, Part 1 continued on page 62



Table 32, Part 1 continued from page 61

TABLE 32: TEMPLATE 1: BANKING BOOK- INDICATORS OF POTENTIAL CLIMATE CHANGE TRANSITION RISK: CREDIT QUALITY OF EXPOSURES BY SECTOR, EMISSIONS AND RESIDUAL MATURITY

PART 1 OF 3

Sector/subsector	a	b	c	d	e
	Gross carrying amount (MIn EUR)				
		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with Article 12(1) points (d) to (g) and Article 12(2) of Regulation (EU) 2020/1818	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures
E – Water supply; sewerage, waste management and remediation activities	11.5	-	-	-	-
F – Construction	334.4	-	-	-	2.4
F.41 – Construction of buildings	83.1	-	-	-	0.1
F.42 – Civil engineering	7.4	-	-	-	0.1
F.43 – Specialised construction activities	244.0	-	-	-	2.2
G – Wholesale and retail trade; repair of motor vehicles and motorcycles	190.1	-	-	-	1.9
H – Transportation and storage	30.4	-	-	-	0.3
H.49 – Land transport and transport via pipelines	14.7	-	-	-	-
H.50 – Water transport	2.5	-	-	-	-
H.51 – Air transport	1.8	-	-	-	-
H.52 – Warehousing and support activities for transportation	6.8	-	-	-	-
H.53 – Postal and courier activities	4.6	-	-	-	0.3
I – Accommodation and food service activities	90.8	-	-	-	1.6
L – Real estate activities	14,518.6	-	-	-	160.0
Exposures towards sectors other than those that highly contribute to climate change	9,888.3	-	-	-	18.4
K – Financial and insurance activities	4,638.0	-	-	-	9.2
Exposures to other sectors (NACE codes J, M–U)	5,250.3	-	-	-	9.2
TOTAL	25,328.0	-	-	-	187.1

Table 32 continued on page 63



Table 32 continued from page 62

TABLE 32: TEMPLATE 1: BANKING BOOK- INDICATORS OF POTENTIAL CLIMATE CHANGE TRANSITION RISK: CREDIT QUALITY OF EXPOSURES BY SECTOR, EMISSIONS AND RESIDUAL MATURITY

PART 2 OF 3

Sector/subsector	f	g	h	i	j
	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (MIn EUR)			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO ₂ equivalent)	
		Of which stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions
Exposures towards sectors that highly contribute to climate change	104.2	-	44.2	177,197.8	-
A – Agriculture, forestry and fishing	0.4	-	0.1	343.2	-
B – Mining and quarrying	0.0	-	-	6.6	-
B.05 – Mining of coal and lignite	0.0	-	-	0.1	-
B.06 – Extraction of crude petroleum and natural gas	0.0	-	-	2.3	-
B.07 – Mining of metal ores	-	-	-	0.0	-
B.08 – Other mining and quarrying	0.0	-	-	0.5	-
B.09 – Mining support service activities	0.0	-	-	3.7	-
C – Manufacturing	0.8	-	0.2	799.8	-
C.10 – Manufacture of food products	0.1	-	0.0	100.4	-
C.11 – Manufacture of beverages	0.0	-	-	4.2	-
C.12 – Manufacture of tobacco products	0.0	-	-	1.4	-
C.13 – Manufacture of textiles	0.0	-	-	43.8	-
C.14 – Manufacture of wearing apparel	0.0	-	-	21.0	-
C.15 – Manufacture of leather and related products	0.0	-	-	4.3	-
C.16 – Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	0.0	-	-	45.2	-
C.17 – Manufacture of pulp, paper and paperboard	0.0	-	-	4.2	-
C.18 – Printing and service activities related to printing	0.1	-	-	29.6	-
C.19 – Manufacture of coke oven products	0.0	-	-	0.2	-

Table 32, Part 2 continued on page 64



Table 32, Part 2 continued from page 63

TABLE 32: TEMPLATE 1: BANKING BOOK- INDICATORS OF POTENTIAL CLIMATE CHANGE TRANSITION RISK: CREDIT QUALITY OF EXPOSURES BY SECTOR, EMISSIONS AND RESIDUAL MATURITY

PART 2 OF 3

Sector/subsector	f	g	h	i	j
	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (MIn EUR)			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO ₂ equivalent)	
		Of which stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions
C.20 – Production of chemicals	0.0	-	-	2.3	-
C.21 – Manufacture of pharmaceutical preparations	0.0	-	-	4.4	-
C.22 – Manufacture of rubber products	0.0	-	-	110.2	-
C.23 – Manufacture of other non-metallic mineral products	0.0	-	-	31.6	-
C.24 – Manufacture of basic metals	0.1	-	-	63.7	-
C.25 – Manufacture of fabricated metal products, except machinery and equipment	0.0	-	-	58.2	-
C.26 – Manufacture of computer, electronic and optical products	0.0	-	-	25.8	-
C.27 – Manufacture of electrical equipment	0.0	-	-	24.6	-
C.28 – Manufacture of machinery and equipment n.e.c.	0.0	-	-	44.0	-
C.29 – Manufacture of motor vehicles, trailers and semi-trailers	0.0	-	-	9.3	-
C.30 – Manufacture of other transport equipment	0.0	-	-	22.9	-
C.31 – Manufacture of furniture	0.2	-	0.1	70.4	-
C.32 – Other manufacturing	0.0	-	-	45.0	-
C.33 – Repair and installation of machinery and equipment	0.1	-	0.0	33.1	-
D – Electricity, gas, steam and air conditioning supply	0.0	-	-	333.3	-
D35.1 – Electric power generation, transmission and distribution	-	-	-	7.4	-
D35.11 – Production of electricity	0.0	-	-	326.0	-
D35.2 – Manufacture of gas; distribution of gaseous fuels through mains	-	-	-	0.0	-
D35.3 – Steam and air conditioning supply	-	-	-	0.0	-

Table 32, Part 2 continued on page 65



Table 32, Part 2 continued from page 64

TABLE 32: TEMPLATE 1: BANKING BOOK- INDICATORS OF POTENTIAL CLIMATE CHANGE TRANSITION RISK: CREDIT QUALITY OF EXPOSURES BY SECTOR, EMISSIONS AND RESIDUAL MATURITY

PART 2 OF 3

Sector/subsector	f	g	h	i	j
	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO ₂ equivalent)	
		Of which stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions
E – Water supply; sewerage, waste management and remediation activities	0.0	–	–	66.6	–
F – Construction	1.5	–	0.0	1,688.9	–
F.41 – Construction of buildings	0.3	–	–	365.5	–
F.42 – Civil engineering	0.2	–	–	31.2	–
F.43 – Specialised construction activities	1.1	–	0.0	1,292.2	–
G – Wholesale and retail trade; repair of motor vehicles and motorcycles	1.2	–	0.0	846.7	–
H – Transportation and storage	0.2	–	–	149.1	–
H.49 – Land transport and transport via pipelines	0.1	–	–	75.7	–
H.50 – Water transport	0.0	–	–	10.9	–
H.51 – Air transport	0.0	–	–	3.2	–
H.52 – Warehousing and support activities for transportation	0.0	–	–	35.8	–
H.53 – Postal and courier activities	0.1	–	–	23.5	–
I – Accommodation and food service activities	0.5	–	0.1	594.5	–
L – Real estate activities	99.5	–	43.9	172,369.0	–
Exposures towards sectors other than those that highly contribute to climate change	11.3	–	0.3	34,433.5	–
K – Financial and insurance activities	4.1	–	–	26,667.1	–
Exposures to other sectors (NACE codes J, M–U)	7.1	–	0.3	7,766.5	–
TOTAL	115.4	–	44.5	211,631.3	–

Table 32 continued on page 66



Table 32 continued from page 65

TABLE 32: TEMPLATE 1: BANKING BOOK- INDICATORS OF POTENTIAL CLIMATE CHANGE TRANSITION RISK: CREDIT QUALITY OF EXPOSURES BY SECTOR, EMISSIONS AND RESIDUAL MATURITY

PART 3 OF 3

	k	l	m	n	o	p
	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company- specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
Exposures towards sectors that highly contribute to climate change	-	7,499.1	3,540.5	1,151.7	3,248.4	11.0
A – Agriculture, forestry and fishing	-	2.2	8.7	25.1	61.6	25.4
B – Mining and quarrying	-	0.0	-	0.0	1.4	33.6
B.05 – Mining of coal and lignite	-	-	-	-	0.3	44.1
B.06 – Extraction of crude petroleum and natural gas	-	-	-	-	0.5	29.7
B.07 – Mining of metal ores	-	-	-	-	-	-
B.08 – Other mining and quarrying	-	0.0	-	0.0	0.1	15.4
B.09 – Mining support service activities	-	-	-	-	0.6	35.3
C – Manufacturing	-	7.3	13.6	34.5	95.0	26.1
C.10 – Manufacture of food products	-	0.6	1.6	3.5	15.3	28.9
C.11 – Manufacture of beverages	-	-	-	0.3	0.7	24.0
C.12 – Manufacture of tobacco products	-	-	-	0.0	0.5	34.5
C.13 – Manufacture of textiles	-	0.0	0.3	1.1	3.5	28.0
C.14 – Manufacture of wearing apparel	-	0.1	0.2	1.2	1.7	24.4
C.15 – Manufacture of leather and related products	-	0.1	0.1	0.2	1.0	25.7
C.16 – Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	-	0.5	1.2	2.6	7.1	24.3
C.17 – Manufacture of pulp, paper and paperboard	-	0.0	-	0.4	0.5	24.9
C.18 – Printing and service activities related to printing	-	0.2	0.4	1.3	3.7	29.4
C.19 – Manufacture of coke oven products	-	-	-	0.0	0.2	49.0

Table 32, Part 3 continued on page 67



Table 32, Part 3 continued from page 66

TABLE 32: TEMPLATE 1: BANKING BOOK- INDICATORS OF POTENTIAL CLIMATE CHANGE TRANSITION RISK: CREDIT QUALITY OF EXPOSURES BY SECTOR, EMISSIONS AND RESIDUAL MATURITY

PART 3 OF 3

Sector/subsector	k	l	m	n	o	p
	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company- specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
C.20 – Production of chemicals	-	-	-	0.1	0.3	18.9
C.21 – Manufacture of pharmaceutical preparations	-	0.0	0.1	0.3	0.4	32.7
C.22 – Manufacture of rubber products	-	0.3	0.0	0.9	1.2	23.1
C.23 – Manufacture of other non-metallic mineral products	-	0.1	0.3	2.2	7.1	27.8
C.24 – Manufacture of basic metals	-	0.3	1.2	2.4	7.2	22.6
C.25 – Manufacture of fabricated metal products, except machinery and equipment	-	0.2	1.6	3.7	7.1	25.6
C.26 – Manufacture of computer, electronic and optical products	-	0.2	1.1	2.3	2.3	20.2
C.27 – Manufacture of electrical equipment	-	0.2	0.1	0.5	3.8	33.1
C.28 – Manufacture of machinery and equipment n.e.c.	-	0.3	1.8	2.8	7.3	26.1
C.29 – Manufacture of motor vehicles, trailers and semi-trailers	-	0.0	0.2	0.3	1.0	31.0
C.30 – Manufacture of other transport equipment	-	0.1	0.4	0.8	2.5	29.0
C.31 – Manufacture of furniture	-	0.5	0.7	4.7	12.2	28.4
C.32 – Other manufacturing	-	3.4	1.7	1.4	3.2	17.2
C.33 – Repair and installation of machinery and equipment	-	0.1	0.5	1.5	5.3	26.2
D – Electricity, gas, steam and air conditioning supply	-	0.4	1.4	2.2	10.5	30.8
D35.1 – Electric power generation, transmission and distribution	-	-	-	-	-	-
D35.11 – Production of electricity	-	0.4	1.4	2.2	10.5	30.8
D35.2 – Manufacture of gas; distribution of gaseous fuels through mains	-	-	-	-	-	-
D35.3 – Steam and air conditioning supply	-	-	-	-	-	-

Table 32, Part 3 continued on page 68



Table 32, Part 3 continued from page 67

TABLE 32: TEMPLATE 1: BANKING BOOK- INDICATORS OF POTENTIAL CLIMATE CHANGE TRANSITION RISK: CREDIT QUALITY OF EXPOSURES BY SECTOR, EMISSIONS AND RESIDUAL MATURITY

PART 3 OF 3

Sector/subsector	k	l	m	n	o	p
	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company- specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
E – Water supply; sewerage, waste management and remediation activities	-	0.9	0.9	1.5	8.2	26.7
F – Construction	-	18.0	35.2	68.0	213.2	26.2
F.41 – Construction of buildings	-	1.8	12.6	13.6	55.1	26.6
F.42 – Civil engineering	-	0.1	0.3	2.1	4.9	25.6
F.43 – Specialised construction activities	-	16.1	22.4	52.2	153.2	26.1
G – Wholesale and retail trade; repair of motor vehicles and motorcycles	-	15.5	18.9	40.4	115.3	25.5
H – Transportation and storage	-	2.5	2.9	7.5	17.5	24.5
H.49 – Land transport and transport via pipelines	-	2.2	2.0	3.5	6.9	21.0
H.50 – Water transport	-	0.1	0.2	1.2	1.0	21.8
H.51 – Air transport	-	-	-	0.2	1.6	30.7
H.52 – Warehousing and support activities for transportation	-	0.1	0.4	1.6	4.7	29.1
H.53 – Postal and courier activities	-	0.1	0.3	1.0	3.2	27.7
I – Accommodation and food service activities	-	3.9	5.7	15.5	65.7	28.4
L – Real estate activities	-	7,448.4	3,453.2	957.0	2,660.0	10.0
Exposures towards sectors other than those that highly contribute to climate change	-	3,016.7	1,417.4	1,736.8	3,717.5	15.1
K – Financial and insurance activities	-	1,939.8	914.3	112.2	1,671.8	6.8
Exposures to other sectors (NACE codes J, M-U)	-	1,076.9	503.1	1,624.6	2,045.7	20.1
TOTAL	-	10,515.7	4,957.9	2,888.5	6,965.9	12.5



The majority of Münchener Hypothekbank's volume of business is attributable to private individuals and, correspondingly, borrowers in sector L, "Property and housing". The customers in sectors A-I are mainly self-employed persons in the Bank's retail segment who have received property financing. As there is no breakdown of branch D.

Column b is intended to show the volume of customers active in highly CO₂-intensive industries. As shown in Column a, Münchener Hypothekbank's borrowers are not active in these sectors due to the Bank's business model.

Accordingly, no borrowers are listed here. The CO₂ accounting for the loan portfolio was carried out in accordance with the PCAF standard as described. If the property's emissions are

documented by its energy certificate the data therein will serve as the basis for calculating the financed Greenhouse Gas Emissions (GHG). Estimates will be made for all other properties.

TABLE 33: TEMPLATE 2: BANKING BOOK – INDICATORS OF POTENTIAL CLIMATE CHANGE TRANSITION RISK: LOANS COLLATERALISED BY IMMOVABLE PROPERTY – ENERGY EFFICIENCY OF THE COLLATERAL

Counterparty sector	Total gross carrying amount amount (in MEUR)							Total gross carrying amount amount (in MEUR)							Without EPC label of collateral	
	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Level of energy efficiency (EP score in kWh/m ² of collateral)							Level of energy efficiency (EPC label of collateral)							Of which level of energy efficiency (EP score in kWh/m ² of collateral) estimated	
	0; ≤ 100	> 100; ≤ 200	> 200; ≤ 300	> 300; ≤ 400	> 400; ≤ 500	> 500		A	B	C	D	E	F	G		
Total EU area	39,368.8	2,805.2	3,245.3	1,043.3	554.2	204.1	181.3	927.6	968.1	886.6	751.3	504.5	250.2	127.9	34,952.5	0.0
Of which Loans collateralised by commercial immovable property	9,098.2	1,651.4	2,135.6	841.5	531.2	198.9	180.1	617.1	590.4	377.3	184.2	95.3	57.8	37.8	7,138.4	0.0
Of which Loans collateralised by residential immovable property	30,270.6	1,153.8	1,109.7	201.9	23.0	5.2	1.2	310.5	377.7	509.4	567.1	409.2	192.4	90.1	27,814.2	0.0
Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which Level of energy efficiency (EP score in kWh/m ² of collateral) estimated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



Table 33 continued from page 69

TABLE 33: TEMPLATE 2: BANKING BOOK – INDICATORS OF POTENTIAL CLIMATE CHANGE TRANSITION RISK: LOANS COLLATERALISED BY IMMOVABLE PROPERTY – ENERGY EFFICIENCY OF THE COLLATERAL

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Total gross carrying amount amount (in MEUR)							Total gross carrying amount amount (in MEUR)								
Counterparty sector	Level of energy efficiency (EP score in kWh/m ² of collateral)							Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral	
		0; ≤ 100	> 100; ≤ 200	> 200; ≤ 300	> 300; ≤ 400	> 400; ≤ 500	> 500	A	B	C	D	E	F	G		Of which level of energy efficiency (EP score in kWh/m ² of collateral) estimated
Total non-EU area	6,637.9	20.0	97.5	147.9	46.8	25.8	0.0	-	34.0	30.6	24.4	-	-	-	6,548.9	0.0
Of which Loans collateralised by commercial immovable property	926.3	20.0	63.5	93.0	46.8	25.8	0.0	-	-	-	-	-	-	-	926.3	0.0
Of which Loans collateralised by residential immovable property	5,711.6	0.0	34.0	54.9	0.0	0.0	0.0	-	34.0	30.6	24.4	-	-	-	5,622.7	0.0
Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which Level of energy efficiency (EP score in kWh/m ² of collateral) estimated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

In 2022, the data fields for recording energy efficiency information of properties serving as collateral were significantly expanded in order to record all essential energy certificate information in the Bank's core system. As at the reporting date, Münchener Hypothekbank does not finance any company included in the list of the top 20 most CO₂-intensive companies in the world. For this reason, Reporting Form 4 is not published.



TABLE 34: TEMPLATE 5: BANKING BOOK – CLIMATE CHANGE PHYSICAL RISK: EXPOSURES SUBJECT TO PHYSICAL RISK
PART 1 OF 2

Variable: Geographical area subject to climate change physical risk – acute and chronic events	Gross carrying amount (Mln EUR)						of which exposures sensitive to impact from chronic climate change events
	of which exposures sensitive to impact from climate change physical events						
	Breakdown by maturity bucket				Average weighted maturity		
<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years				
A – Agriculture, forestry and fishing	97.5	-	0.7	0.9	1.0	16.7	0.8
B – Mining and quarrying	1.4	-	-	-	-	0.0	-
C – Manufacturing	150.4	0.2	0.1	0.4	0.9	20.4	0.0
D – Electricity, gas, steam and air conditioning supply	14.5	-	-	-	0.1	34.5	-
E – Water supply; sewerage, waste management and remediation activities	11.5	-	-	-	-	0.0	-
F – Construction	334.4	0.7	1.2	1.3	1.5	13.2	1.8
G – Wholesale and retail trade; repair of motor vehicles and motorcycles	190.1	0.7	0.3	0.8	1.9	15.3	0.7
H – Transportation and storage	30.4	0.7	0.1	-	0.3	19.1	0.7
L – Real estate activities	14,518.6	1,452.6	307.2	2.2	8.5	11.0	1,326.0
Loans collateralised by residential immovable property	35,982.2	790.1	286.1	111.3	301.1	15.1	1,078.5
Loans collateralised by commercial immovable property	10,024.5	1,166.7	290.3	0.0	0.8	2.4	1,037.8
Repossessed colaterals	-	-	-	-	-	-	-
Other relevant sectors (breakdown below where relevant)	-	-	-	-	-	-	-
Drilldown as dynamic rows	-	-	-	-	-	-	-
O	90.8	0.1	0.5	0.5	2.4	19.7	0.7
M	106.1	1.4	0.7	0.1	0.1	7.0	2.0
Q	4,638.0	21.0	1.3	0.2	0.8	12.8	1.9
J	377.1	0.8	1.6	1.0	1.5	14.1	3.3
P	364.3	-	0.1	0.3	3.7	35.1	0.3
S	3,844.3	-	-	-	-	-	-
N	21.1	0.4	0.5	0.2	-	6.5	1.0
K	263.6	2.7	2.6	1.0	3.2	17.7	6.4
I	44.0	0.1	-	0.1	0.6	18.8	0.1
R	229.8	2.1	0.3	1.3	3.1	19.5	4.1



Table 34 continued from page 71

TABLE 34: TEMPLATE 5: BANKING BOOK – CLIMATE CHANGE PHYSICAL RISK: EXPOSURES SUBJECT TO PHYSICAL RISK
PART 2 OF 2

Variable: Geographical area subject to climate change physical risk – acute and chronic events	Gross carrying amount (Mln EUR)						
	of which exposures sensitive to impact from climate change physical events				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures		of which Stage 2 exposures	Of which non-performing exposures
A – Agriculture, forestry and fishing	1.8	-	-	-	0.0	-	-
B – Mining and quarrying	-	-	-	-	-	-	-
C – Manufacturing	1.6	-	-	0.2	0.0	-	-
D – Electricity, gas, steam and air conditioning supply	0.1	-	-	-	0.0	-	-
E – Water supply; sewerage, waste management and remediation activities	-	-	-	-	-	-	-
F – Construction	3.0	-	-	-	0.0	-	-
G – Wholesale and retail trade; repair of motor vehicles and motorcycles	2.9	-	-	-	- 0.1	-	-
H – Transportation and storage	0.4	-	-	-	0.0	-	-
L – Real estate activities	324.1	120.4	-	82.2	- 50.9	-	- 27.2
Loans collateralised by residential immovable property	406.2	4.0	-	2.7	- 7.8	-	- 1.2
Loans collateralised by commercial immovable property	287.6	132.4	-	90.3	- 46.7	-	- 27.2
Repossessed colaterals	-	-	-	-	-	-	-
Other relevant sectors (breakdown below where relevant)	-	-	-	-	-	-	-
Drilldown as dynamic rows	-	-	-	-	-	-	-
O	2.7	-	-	-	0.0	-	-
M	0.3	-	-	-	0.0	-	-
Q	9.4	12.0	-	8.2	0.0	-	-
J	1.6	-	-	-	0.0	-	-
P	3.8	-	-	-	0.0	-	-
S	-	-	-	-	-	-	-
N	0.2	-	-	-	0.0	-	-
K	2.6	0.6	-	-	0.0	-	-
I	0.7	-	-	-	0.0	-	-
R	2.8	-	-	-	0.0	-	-



Data from K.A.R.L., a natural hazard analysis tool provided by Köln Assekuranz was purchased to measure physical risks. K.A.R.L. is an analysis tool that can be used worldwide for location-specific identification, calculation and quantification of risks caused by natural hazards (e.g. floods, heavy rain, earthquakes, storms, tornadoes and hailstorms). Chronic risks are assessed for different climate scenarios and measured using three indices (heat, drought and precipitation index). The Bank receives quantitative chronic and acute risk data for each collateral property. If a collateral property's acute risk value exceeds a set limit (i.e. expected annual damage worth more than 0.4% of the property's value of the object), the loan corresponding to the property is shown as affected in full. Analogous to the physical risks, a property's exposure to chronic risks will be assumed as of a risk score of "high". The worst scenario is assumed, i.e. CO₂ emissions do not peak until 2040–2050.

An overview is presented, with column b containing all of the Bank's transactions; column c presents an overview of all the acute or chronic climate risks and the corresponding volume of business affected by these risks. The affected transactions are located in particular in the USA, Germany and Switzerland.



TABLE 35: TEMPLATE 10 – OTHER CLIMATE CHANGE MITIGATING ACTIONS THAT ARE NOT COVERED IN REGULATION (EU) 2020/852

a	b	c	d	e	f
Type of financial instrument	Type of counterparty	Gross carrying amount (million EUR)	Type of risk mitigated (Climate change transition risk)	Type of risk mitigated (Climate change physical risk)	Qualitative information on the nature of the mitigating actions
1	Financial corporations				
2	Non-financial corporations				
3	Bonds other than the EU standards Of which Loans collateralised by commercial immovable property				
4	Other counterparties				
5	Financial corporations				
6	Non-financial corporations	3.071,6	Yes	Yes	This item pertains to loans to finance "sustainable/green" properties that contribute to combating climate change in particular through their high energy efficiency and comparatively low CO ₂ emissions, and promote the transition to a low-carbon economy. Further details of Münchener Hypothekenbank's green financing are provided in the Green Bond Framework, the Impact Report and the Bank's non-financial statement. These publications are available on the Bank's website. The transactions included in Template 10 do not fall within the EU taxonomy because the counterparties are not subject to NFRD and/or the country where the property is located is not in the European Economic Area. The Bank's green loans have a maturity of up to 30 years
7	Loans other than the EU standards Of which Loans collateralised by commercial immovable property	2.705,1	Yes	Yes	This item pertains to loans to finance "sustainable/green" properties that contribute to combating climate change in particular through their high energy efficiency and comparatively low CO ₂ emissions, and promote the transition to a low-carbon economy. Further details of Münchener Hypothekenbank's green financing are provided in the Green Bond Framework, the Impact Report and the Bank's non-financial statement. These publications are available on the Bank's website. The transactions included in Template 10 do not fall within the EU taxonomy because the counterparties are not subject to NFRD and/or the country where the property is located is not in the European Economic Area. The Bank's green loans have a maturity of up to 30 years
8	Households				
9	Of which Loans collateralised by residential immovable property				
10	Of which building renovation loans				
11	Other counterparties				



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