

## **MINIMUM CONTENT OF THE REPORT ON THE INTERNAL CAPITAL ADEQUACY ASSESSMENT PROCESS (ICAAP)**

### **1. Basic information**

In its report on the internal capital adequacy assessment process or in the documents accompanying the report, a bank shall present:

- 1) overview of all documents related to the ICAAP and their status (new, unchanged, partially changed, etc.);
- 2) general information on the bank, as follows:
  - information on the bank's business policy, strategy, business model, and on bank management,
  - information on the risk management system and process,
  - information on propensity to risks and the bank's tolerance to risks,
  - information on stress testing,
  - information on data based on which risks are identified, measured and assessed, on data on risk accumulation and on information systems generating those data;
- 3) specific information on the ICAAP, as follows:
  - information concerning the framework, general objectives and main assumptions of the ICAAP,
  - information on the identification, measurement, assessment and accumulation of risks within the ICAAP,
  - information on internal capital and capital distribution,
  - information concerning capital planning,
  - information on stress testing in the ICAAP;
- 4) summary of main conclusions of the ICAAP and information on the manner in which the quality of this process is ensured in the bank, as follows:
  - conclusions of the bank's management concerning the ICAAP and the impact of that process on risk management and bank management,
  - information on the assessment of the ICAAP carried out by the bank's internal audit;
- 5) comparison of minimum and internal capital requirements in accordance with the table given in Section 2 of this Annex.

## 2. Minimum capital requirements and internal capital requirements of a bank

| (in RSD thousand)                               | Capital adequacy in line with the Decision on Capital Adequacy of Banks        | Capital adequacy in line with the internal capital adequacy assessment process <sup>1</sup> |  |
|---|--|---|--|
| (A)   | Common Equity Tier 1 capital   | Available internal Common Equity Tier 1 capital (without stress test)                       | Available internal Common Equity Tier 1 capital (with stress test)               |
|   |  |   |  |
| (B)   | Tier 1 capital   | Available internal Tier 1 capital (without stress test)                                     | Available internal Tier 1 capital (with stress test)                             |
|   |  |   |  |
| (C)   | Capital  | Available internal capital (without stress test)  | Available internal capital (with stress test)                                    |
|   |  |   |  |
| (D) <sup>2</sup>                                | Minimum capital requirements   | Internal capital requirements (without stress test)   | Internal capital requirements (with stress test)                                 |
| Credit risk                                     |  |   |  |
| Market risks                                    |  |   |  |
| Operational risk                                |  |   |  |
| Concentration risk                              |  |   |  |
| FX-induced credit risk                          |  |   |  |
| Interest rate risk in the non-trading book      |  |   |  |
| Liquidity risk                                  |  |   |  |
| Other materially significant risks <sup>3</sup> |  |   |  |
| <b>Total</b>                                    |  |   |  |
| (percentage)                                    | Capital adequacy ratios in line with the Decision on Capital Adequacy of Banks | Internal capital adequacy ratios in accordance with the ICAAP (without stress test)         | Internal capital adequacy ratios in accordance with the ICAAP (with stress test) |
| $A / (D \cdot 12.5) \cdot 100$                  |  |   |  |
| $B / (D \cdot 12.5) \cdot 100$                  |  |   |  |
| $C / (D \cdot 12.5) \cdot 100$                  |  |   |  |

<sup>1</sup> If a bank does not carry out stress testing affecting the amount of available capital (Common Equity Tier 1, Tier 1 and total) for the purposes of the ICAAP, in the last column it shall state identical amounts of available capital as in the column that does not include the effects of stress testing.

<sup>2</sup> For the risks stated in the table, a bank may insert additional rows and specify the name of the risk and the accompanying assessment elements if that subtype of risk is assessed as materially significant.

<sup>3</sup> For these risks, a bank may insert additional rows in the table and specify the name of the risk and the accompanying assessment elements if it considers the risk materially significant for its operation.