## Highlights:

- Support of specific approaches depending on the deterioration of credit quality and significance of a financial asset
- Separate workbench to cope with requirements of probability-weighted approaches and individual recovery-based approaches
- Risk provision traceable to individual deal level including calculation details and underlying data
- Consideration of scenarios
- Simulation before journalisation

Risk provision is an important topic in all GAAPs.

Nonetheless each GAAP answers the following questions in a different way:

- At which point in time should a risk be considered in the balance sheet and income statement?
- How much provision should be considered?

Jabatix provides the following components as instruments for the configuration, simulation and consideration of risk provisions in financial statements:

- Collective Impairment Workbench
- Customer Impairment Workbench
- Collateral

For GAAP-specific usage, please refer to the specific sections. For IFRS 9 please refer to IFRS 9 Blueprint Impairment.

The result of the risk provision process in Jabatix are

- Debit/credit entries and
- Data marts

These data marts support detailled analyses, for example:

Transfers between imp	irment stages (gross basis presentatio	n)									
			Gross carrying amount / nominal amount / Transfers between Stage 1 and Stage 2 Transfers between Stage 2 and Stage 3 Transfers between Stage 1 and Stage 3								
		-	Transfers between Sta To Stage 2 from Stage 1	ge 1 and Stage 2 To Stage 1 from Stage 2	Transfers between Sta To Stage 3 from Stage 2	ge 2 and Stage 3 To Stage 2 from Stage 3	Transfers between Stage 1 and Stage 3 To Stage 3 from Stage 1 To Stage 1 from Stage 3				
			010	020	030	040	050	060			
bt securities		010	0.00	0.00	0.00	0.00	-680,400.00				
	Central banks	020	0.00	0.00	0.00		0.00				
	General governments	030	0.00	0.00	0.00	0.00	0.00				
	Credit institutions	040	0.00	0.00	0.00	0.00	0.00				
	Other financial corporations	050	0.00	0.00	0.00	0.00	0.00				
	Non-financial corporations	060	0.00	0.00	0.00	0.00	0.00				
ins and advances		070	-16,541.34	-88,366.70	-31,308.21	-232,298.84	0.00	-45,75			
	Central banks General governments	080	0.00	0.00	0.00	0.00	0.00				
	Credit institutions	100	0.00	-5.750.28	0.00	0.00	0.00	-5,75			
	Other financial corporations	110	0.00	-5,750.28	0.00	0.00	0.00	-0,70			
	Non-financial corporations	120	0.00	0.00	0.00	0.00	0.00				
	Households	130	-16.541.34	-82.616.42	-31.308.21	-232.298.84	0.00	-40,00			
tal debt instruments		140	-16.541.34	-88.366.70	-31,308.21	-232,298,84	-680,400.00	-45,75			
mmitments and financia	guarantees given	150	0.00	0.00	0.00	0.00	0.00				
Commitments and financia	guarantees given	150	0.00	0.00	0.00	0.00	0.00				

Figure: Transfers between impairment stages (gross basis presentation)

## Workbenches for risk provisioning

Standard Reports FRS V 🗇and provisions for credit losses											five not pairch	6000
											1.00 (6.6. (200 C) 1	
/ Movements in allowances for credit losses, provisions / Movements in allowances and provisions for credit losses, 1/16/18 724/04 40/	1941											► 0 B B
ameters												
sents in allowances and provisions for credit losses												
			Opening balance 212	Increases due to origination and acquisition 020	Decreases due to derecognition 600	Charges due to charge in oradit sisk (ref) (04)	Changes due to modifications without deecognition (NH) 050	Changes due to update in the institution's methodology for estimation (ref) 030	Decrease in allowance account due to write- offs edjustments 080 090		ecoveries of previously writtee-off amounts incurded directly to the statement of profit or 1000 110	ther-off directly to the statement of peo loss 128
ces for financial assets without increase in credit risk since initial recognition (itrage 1)	Celot excurities		10 -15712999 1	72,870,301,42	27,995	10 321,525,668,48	10	-18080	10 503,002,00	0.29125528530	300	
		Central banks	<b>10</b> 01	0.00	6	30 £.00		01	0 8.00 8.	0 0.30	0.00	
		Detectal governments 10 Oredit institutions 10 Other Enancial 10	50 01	0.00	0	a0 1.00		0	0 0.00 0.0	0 020	0.00	
		Other Enancial Discovery Compositions	60 0.1	0.00		00 E.00	8.0	0 03	0 0.00 0.	0 0.22	0.00	
	Loans and advances	corporationa Non-financial corporational	<b>12</b> 0.1	0.00	6	20 E.00 59		0 01	0 0.00 0.00 0 0.00 560,016,005	0 0.30	0.00	
	Loans and advances	Central banks	90 -514.2	-545	27,895			0 03	0 1.00 872	5 -78.87	0.00	
		Central Lasts B Descrit governments 7 Credit Institutions 7 Other Enercial 7	08 -10,824.4	-343.35	0				0 0.00 15,967.		0.00	
		Other Francial 1	29 0.1		0	50 L.00		0	0 0.00 0.	0 0.30	0.00	
		corporations Non-ferancial corporations/ Proveeholds	30 0.1	0.00	0	1.00		0 03	0 4.00 4	0 0.30	0.00	
tes for debt indexentits with significant increase in coefficiely since initial recognition but not coefficiency		Pousebolds	40 -0.588,664.2	-72,827,888.58	26,528	44,555,864 13 90 (100,252,18		0	0 0.00 -033,873,664. 0 0.00 -000,904.		0.00	
es ter best monuments men siger care monente in treas nan secon mone recegnision our net order impartee	Oubit securities		90 01	3.00	0	90 E.00			Q 4.00 4.	0 0.30	0.00	
		Central banks 2	00 0.1	4.00							0.00	
		General governments Dredit institutions	20 01	3.00		10 1.00		0 01	0 1.00 1.		2.00	
		Other Enercial 2 corporations	20 0.1	0.00		00 E.00	8.0	0 01	9 8.00 E	0 0.00	0.00	
	Loans and edvances	Non-financial corporatione	40 0.1	0.00 0.00		10 E.00 10 -106252.10			0 0.00 0.	0 0.00	0.00	
	Loans and advances	Central banka	68 0.1	3.00		10 1.00		9 03	d 1.00 1.0	0 0.30	0.00	
		General governments 2 Orwith excitutions 2 Other Ensercial 2	29 0.1 99 -2072.5	1.00 1.00		20 1.0	10		0 10 1) 0 10 - 57,02	0 0.00	0.00	
		Other financial D	90 0.1	0.00	6	10 L 01		0	0 0.00 0.	0 0.20	0.00	
		corporations Non-financial corporations	00 0.1	0.00	0			0	0 1.00 1/	0 0.20	0.00	
t rengedaming	_			0.00	0	20 -71,294 12	10	0	1.0 -142.572	8 -176920-40	9.00	
cos for codit impaired debt instrumenta (Stage 3)			-154,977.1	29,001.10	0	00 -02,348,872.54		01	0 -75,401,745	0 -31,741,289,71	0.00	
	Celtr securities	Permitteeta a	154,360 8	0.00	6	00 1.00 NO 1.00	10	0	6 1.00 1.0 1.00 1.00	0 0.0	0.00	
		Central basis Deseral governments Dredit institutions d Diter financial	99 0.1		6	80 8.00		01	0 8.00 8.	0 0.30	0.00	
		Over Inancial 4	10 01	3 0.00	0	20 E 00 20 E 00	08 80	0 01	0 100 1	0 0.20	0.00	
		corporationa Non-financial corporatione			6	1/0	10			0.00		
	Loans and advances		-517.1	-29,301.10	6	40,348,872.56			0 E.00 -75,481,7451	0 -02741,08971	0.00	
		Central banks d Deneral governments d	AD 01 NO 01	3.00	0	00 -12,128.28		0		0 13,128.26	0.00	
		Desend governments of Gredit Institutions of Other Enuncial of	68 01	0.00	0	00 034,456.91		0	0 0.00 448,900.0	234,450.91	9.00	
		corporations Non-farancial corporations of	n	1					1			
		Non-financial corporationed Proceedings of	10 01	0.00 39,001.10	0	00 E 00 00 -37 001 794 57	10	0 01	0 0.00 01 0 1.00 -74,003,588	0 0.20	3.00	
waree for debi indivanents			20 05/978/522 8 122/080 9		27,895	19 0113367,085 21		180.000			9.00 9.00	
	Commitments and financial pusrantees plu Commitments and financial pusrantees plu		40 0.1	4,114.00		44,171.9 20 1.0		01	0 1.0 138,343 0 1.0 138,343	0 030	0.00	
			01			-100500114	10		1.00	1 4005489.14	3.00	
trisions on commitments and financial guarantees given	Opmitments and financial guarantees giv								0 1595504			

Figure: Movements in allowances and provisions for credit losses