

DISCLOSURE UNDER BASEL III REGULATIONS

For the quarter ended 31st December 2025

Table DF-2: Capital Adequacy

2.1. Qualitative Disclosures

- 2.1.1. Bank maintains capital as a cushion towards the risk of loss in value of exposure, businesses, etc., to protect the interest of stake holders, more particularly, depositors.
- 2.1.2. Bank has a comprehensive system in place for assessing bank-wide capital requirements based on current and future business activities and monitoring the same on an ongoing basis. Bank considers that capital availability is the central theme in the whole process and its computation is relatable to policy, strategy, business level/composition, and Supervisory concern and Disclosure issues. Towards this, bank has evolved a well laid down Internal Capital Adequacy Assessment Process (ICAAP) policy framework and carries out capital calculation under Pillar-II besides Pillar-I Capital calculation.
- 2.1.3. The Bank has implemented a Board approved Stress Testing Framework which forms an integral part of the Bank's ICAAP. Stress Testing involves the use of various techniques to assess the Bank's potential vulnerability to extreme but plausible stressed business conditions and to measure the impact of adverse stress scenarios on the adequacy of capital at periodical intervals. Impact of this stress testing is reckoned while assessing capital requirements as a part of ICAAP.
- 2.1.4. In line with RBI guidelines, the bank has adopted following approaches for implementation of New Capital Adequacy Framework - Basel III.
- Standardised Approach for Credit risk
 - Basic Indicator Approach for Operational risk
 - Standardised Duration Approach for Market risk
- 2.1.5. Bank plans capital requirements and reviews the same on quarterly basis. Bank has done capital assessment up to year 2028, as a part of ICAAP framework.
- 2.1.6. Bank has taken initiatives to migrate to Advanced Approaches for Risk Weighted Assets computation, Bank is in the process of implementing a software solution.

2.2. Quantitative Disclosures

- 2.2.1. A summary of the Bank's capital position for credit, market and operational risk and the capital adequacy ratio on standalone basis as on 31stDecember 2025 is given as hereunder:

(Rs. in million)

A. Capital Requirements for Credit Risk: *(Capital charge on banking book (on and off-balance sheet) of Investment portfolio) <ul style="list-style-type: none"> • Portfolios subject to Standardized Approach @ 9% • Securitization Exposures 	6,65,217.08
B. Capital Requirements for Market Risk <ul style="list-style-type: none"> • Standardized Duration Approach • Interest Rate Risk • Foreign Exchange Risk (including gold) • Equity Position Risk 	7,918.66 4,023.53 297.00 3,598.13
C. Capital Requirements for Operational Risk <ul style="list-style-type: none"> • Basic Indicator Approach 	77,991.40

***Note: Capital charge on banking book of Investment Portfolio has been derived by dividing credit risk RWA by 12.5**

Capital Adequacy Ratios	Union Bank Group (Standalone)	Union Bank (Consolidated)
Common Equity Tier -1 CRAR	13.94%	14.61%
Tier -1 CRAR	15.06%	15.72%
Total CRAR	16.49%	17.14%

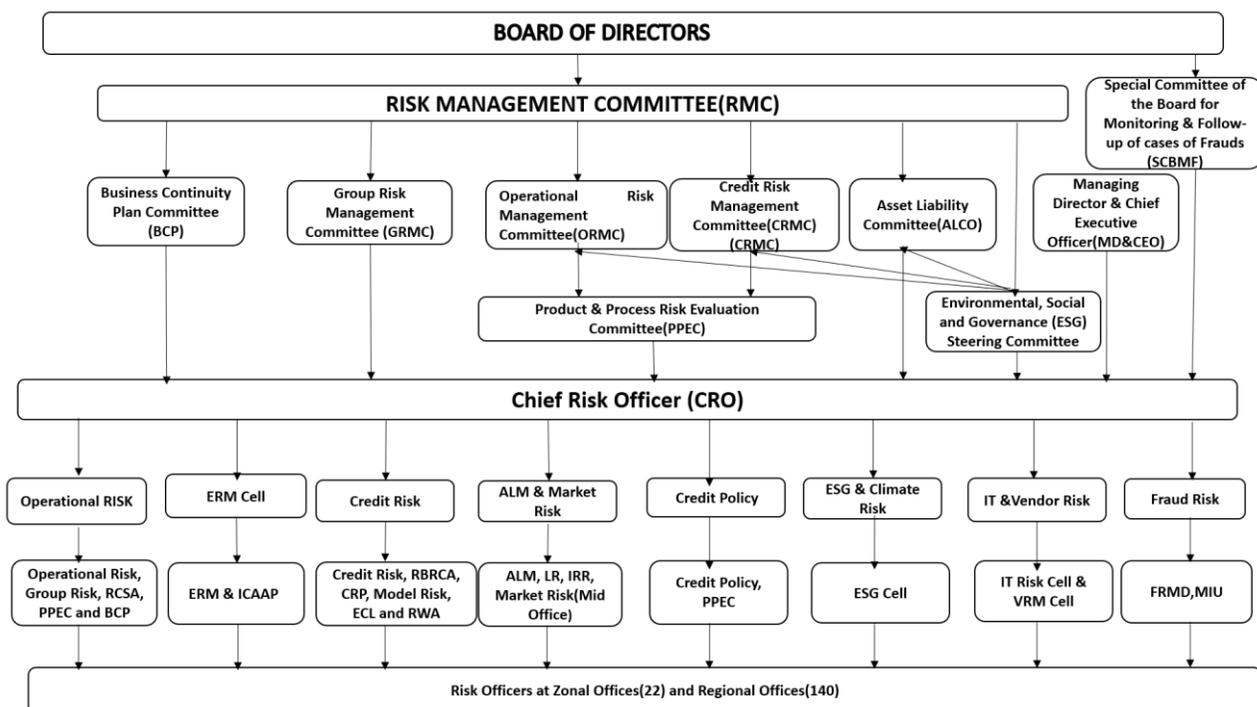
2.3. General Qualitative disclosures

a. Risk Management: Objectives and Organization Structure

- The bank has a credible and comprehensive risk management structure and has taken various initiatives to strengthen the risk management practices. The Bank has an integrated approach for management of risk. The risk management policies are commensurate with the business requirements and are as per the guidelines of Reserve Bank of India. The risk management system encompasses the different types of risks viz. credit risk, market risk and operational risk.
- The bank has also formulated Board approved Country specific risk policy for its foreign branches, DIFC Dubai and Sydney branch. The policies are drawn based on the risk dimensions of respective countries and the bank's risk appetite.
- The Board of Directors of the Bank has an oversight of Risk Management activities of the Bank. The Board of Directors is the apex body with sub-committees of the Board i.e. Risk Management Committee of Board (RMC) and Special Committee of the Board for Monitoring & Follow-up of cases of Frauds (SCBMF). The Bank's Risk Management Committee of the Board (RMC) is the Apex Body/Committee to oversee various Risk Management activities and is conducted on quarterly basis. The Special Committee of

the Board meets on quarterly basis to review all frauds involving an amount of Rs. 6.00 Crs & above in credit area and Rs 1.00 Crs & above in non-credit areas. The Bank has also separate Committees of Top Executives i.e., Credit Risk Management Committee (CRMC), Asset & Liability Committee (ALCO), Operational Risk Management Committee (ORMC), Group Risk Management Committee (GRMC), BCP committee, Fraud Monitoring Group (FMG) and ESG Steering Committee etc. to deal with Credit, Market, Operational, Fraud, ESG and Group Risk respectively. Further, the bank has Risk Management organizational structure in place not only at corporate office but also at Regional Offices/Zonal Offices. The broad risk management organizational structure of the bank is furnished as under:

RISK GOVERNANCE STRUCTURE



2.4. Credit Risk:

a. Credit Risk Governance

- Credit risk arises from the potential that an obligor is either unwilling to perform on an obligation or his ability to perform such obligation is impaired resulting in economic loss to the bank.
- The Bank is exposed to Credit Risk through Lending and Investment activities.
- Bank has well laid down Loan Policy, Credit Risk Management Policy and Policy on Lending to Real Estate Sector which covers guidelines on the entire gamut of Credit Risk Management Process. Loan Policy & Credit Risk Management Policy, spells out the

target markets, risk acceptance/avoidance, risk tolerance, preferred levels of diversification and concentration, credit risk measurement, monitoring and controlling mechanisms.

- Bank has an appropriate and independent organizational structure with an oversight mechanism for management of credit risk, which includes Credit Risk Management Committee (CRMC) of Top Executives and a separate Credit Risk Management Cell looking after the Credit Risk. Besides, there is a separate Board Level Committee i.e., Risk Management Committee of the Board (RMC).
- CRMC deals with issues relating to credit policy, procedures and control measures for credit risk on a Bank-wide basis.

b. Credit Approval Process

- Loan Policy of the bank covers in detail guidelines on credit approval process which among other things include thrust areas and non-thrust areas, due diligence criteria, KYC norms, method of assessment of finance, minimum credit standards, take over norms, Prudential & Regulatory ceilings, etc.

c. Credit Monitoring System

- Credit monitoring is a continuous process. Bank has separate policy on credit monitoring which includes guidelines on:
 - Identification and monitoring of Special Mention Accounts (SMA-0, SMA-1 and SMA-2) accounts and triggers points for initiating timely action.
 - Periodicity of review of the borrowal accounts based on credit quality. Borrowers with lower credit rating are subject to more frequent reviews.
 - Submission of periodical monitoring reports.
 - Different hierarchical levels for monitoring.

d. Credit Rating Framework

- Bank has comprehensive internal credit rating/scoring models being applied in the Credit Administration and Approval process. Credit rating framework is a combination of quantitative and qualitative aspects. Credit Rating depicts credit quality and predicts probability of default.
- Credit Rating models are in place for Credit Rating of Borrowers.
- Credit scoring models are in place for retail lending schemes.
- Independent assignment of Credit Rating is in place. The Credit Rating is reviewed annually for investment grade borrowers and half-yearly for non-investment grade borrowers.
- In terms of Bank's credit rating framework, there are 8 risk-rating grades in standard category and 'investment grade' is fixed up to Credit Rating-5.

- The bank carries out analysis on rating wise distribution of borrowers on obligor basis and portfolio basis at periodical intervals and monitors the same.

e. Credit Approval Committees:

- As per the government guidelines and as per the Board approved structure, Bank has introduced Credit Approval Committee (CAC) at MLPs, Regional Offices, Zonal Offices and Central Office for credit sanction. Risk Management Department is represented in all CACs.

f. Credit Concentration Risk

- Credit concentration is addressed with the following measures:
- The bank has fixed prudential / regulatory ceilings for various categories of advances for diversifying the credit portfolio and the same is monitored periodically. The bank has well diversified credit portfolio.
- Bank monitors the adherence to the exposure ceilings on a quarterly basis. Bank also has a well-established system of monitoring large exposure through monthly monitoring report. The credit portfolio of the bank is well diversified so as to reduce concentration in any area.

2.5. Market Risk

- Market Risk Management is covered in Treasury Policy, Market Risk Policy and ALM Policy.
- There is a clear-cut separation between front office, back office and mid-office in Treasury operations.
- Mid-office directly reports to the Risk Management Department.
- Various Limits - for domestic and foreign exchange operations, e.g. Overnight Position limit, Daylight Open Position limit, VaR limits, Deal size limits, Stop Loss limits, Aggregate Gap Limit (AGL), Individual Gap Limit (IGL), counterparty limits etc. are in place.
- Value at Risk (VaR) is being monitored on Fixed income securities (AFS, FVTPL-HFT & non HFT), equity Portfolio and forex transactions on a daily basis.

2.6. Interest Rate Risk In banking Book:

- Bank carries out Duration Gap Analysis (DGA) to capture impact of changes in interest rates by 200 bps on market value of equity in terms of RBI Guidelines.

2.7. Operational Risk

- A well laid down board approved Operational Risk Management Policy is in place.

- Presently, Operational Risk is managed through Internal Control Systems, Internal Audit Process.
- New Product/Process Approval is in place.
- Analysis of frauds is done from the angle of operational risk to assess the adequacy and efficacy of internal controls.
- Bank conducts Risk and Control Self-Assessment (RCSA) in respect of various products/processes.

Table DF-3: Credit Risk: General Disclosures

Qualitative Disclosures

a. General Qualitative disclosure pertaining to credit risk:

- **Overdue:**

Any amount due to the Bank under any credit facility is 'overdue' if it is not paid on the due date fixed by the Bank. For example;

- i. In case of temporary overdrafts, the outstanding will not be overdue upto 15 days. Hence, temporary overdraft, if remaining outstanding for more than 15 days only should be reported as overdue.
- ii. In case of excesses over sanctioned limit/drawing power, the accounts become overdue from the date of such excesses.
- iii. In case of Term Loans and Loans Repayable on Demand, the installments become overdue from the due date of installments.
- iv. Interest due and charged remaining unadjusted becomes overdue from the last day of the quarter, irrespective of interest charged at monthly intervals.
- v. A Bill becomes overdue from its due date. In case of Sight Bill, it becomes overdue if it remains unpaid on presentation.

- **Non-Performing Assets**

- An asset, including a leased asset, becomes non-performing when it ceases to generate income for the Bank. Hence, non-performing asset is required to be classified correctly at the right time so that unrealized income on such assets is not recognized in the books of the Bank.

A. A non-performing asset (NPA) is a loan or an advance where;

- i. Interest and/ or instalment of principal remain overdue for a period of more than 90 days in respect of a Term Loan
- ii. The account remains '**Out of Order**' in respect of an Overdraft/Cash Credit (OD/CC)
- iii. The bill remains overdue for a period of more than 90 days in case of bills purchased and discounted
- iv. The installment of principal or interest thereon remains overdue for two crop seasons for short duration crops
- v. The installment of principal or interest thereon remains overdue for one crop season for long duration crops
- vi. The amount due to the Bank under any credit facility is overdue for a period of more than 90 days
- vii. The account where the regular/adhoc credit limits have not been **reviewed/renewed within 180 days from due date/date of adhoc sanction**
- viii. The drawings allowed against Stock/Book Debt statements **older than 180 days** (i.e., if the outstanding in the account based on drawing power calculated from stock statements older than 3 months would be deemed as irregular and if **such irregular drawings are permitted in the account for a continuous period of 90 days** even though the unit may be working or the borrowers' financial position is satisfactory, the borrower account will become NPA)
- ix. In respect of derivative transactions, the overdue receivables representing positive mark-to-market value of a derivative contract, if these remain unpaid for a period of 90 days from the specified due date for payment.

X. **NPA classification of Credit Card Accounts:**

- a. In Credit Card Accounts, the amount spent is billed to the card users through a monthly statement with a definite due date for repayment. Banks give an option to the card users to pay either the full amount or a fraction of it, i.e., minimum amount due, on the due date and roll-over the balance amount to the subsequent months' billing cycle.
- b. A Credit Card Account will be treated as Non-Performing Asset (NPA) if the minimum amount due, as mentioned in the statement, is not paid fully within

90 days from the next statement date. The gap between two statements should not be more than a month.

- c. Banks should follow this uniform method of determining over-due status for Credit Card Accounts while reporting to credit information companies and for the purpose of levying penal changes, viz., late payment charges, etc., if any.

▪ **Credit Risk Management Policy:**

Bank has Board-approved Credit Risk Management Policy besides Loan Policy. Credit Risk Management Policy covers guidelines on the Credit Approval process - Credit Risk Framework, loan pricing and concessions, Loan Monitoring & Controls, Credit Risk Rating Systems - pricing - capital allocation, Portfolio Management & Exposure ceilings, Prudential/Regulatory ceilings, such as industry wise exposure, sensitive sector exposure (capital market/ real estate exposure) and Risk Management of off-balance sheet exposure.

Quantitative Disclosures

- b. The total gross credit risk exposures are:

(Rs. in million)

Category	Amount
Fund Based	12266914.89
Non-fund Based	1693776.20
Total	13960691.08

- c. The geographic distribution of exposures is:

(Rs. in million)

Category	Domestic	Overseas	Total
Fund Based	11897957.39	368957.50	12266914.89
Non-fund based	1689969.10	3807.10	1693776.20
Total	13587926.48	372764.60	13960691.08

- d. Industry type distribution of exposures (Fund Based and Non-Fund Based) are as under:

(Rs. in Million)

DSB Code	INDUSTRY NAME	FUND BASED	NON FUND BASED
A	Mining & Quarrying	48,108.27	37324.41
A.1	Coal	18702.50	22083.46
A.2	Others	29405.77	15240.95

DSB Code	INDUSTRY NAME	FUND BASED	NON FUND BASED
B	Food Processing	109,868.98	42565.93
B.1	Sugar	43372.75	3963.42
B.2	Edible Oils & Vanaspati	1846.00	10228.74
B.3	Tea	1151.22	74.65
B.4	Coffee	250.00	41.75
B.5	Others	63249.01	28257.36
C	BEVERAGES (Excl. Tea & Coffee) & TOBACCO	5,034.26	414.58
C.1	Tobacco & Tobacco Products	3901.74	109.49
C.2	Others	1132.39	305.08
D	Textiles	239,689.30	29591.43
D.1	Cotton	91780.04	7323.80
D.2	Jute	4224.11	242.83
D.3	Man Made	40333.31	9821.96
D.6	Others	103,351.84	12202.83
	Out Of 'D' Spinning Mills		
E	Leather & Leather Products	7,561.52	663.34
F	Wood & Wood Products	27,423.29	8394.12
G	Paper & Paper Products	30,115.26	2229.63
H	Petroleum (Non-Infra), Coal Products (Non-Mining) & Nuclear Fuels	316,849.51	80844.61
I	Chemicals & Chemical Products (Dyes, Paints Etc.)	245,471.50	48744.19
I.1	Fertilizer	54810.16	11299.95
I.2	Drug & Pharmaceuticals	83746.83	8824.42
I.3	Petrochemicals (Excl Infra)	67379.04	13225.37
I.4	Others	39535.46	15394.45
J	Rubber, Plastic & Their Products	53092.50	6744.35
K	Glass & Glassware	6709.30	1042.05
L	Cement & Cement Products	79749.30	7518.27
M	Basic Metal & Metal Products	363,646.04	113038.73
M.1	Iron & Steel	246684.20	89844.22
M.2	Other Metal & Metal Products	116961.83	23194.51
N	All Engineering	181,917.06	149083.76
N.1	Electronics	88285.82	98784.68
N.2	Others	93631.25	50299.08
O	Vehicle, Vehicle Parts & Transport Equipment	51733.69	40758.35

DSB Code	INDUSTRY NAME	FUND BASED	NON FUND BASED
P	Gems & Jewellery	51184.73	667.19
Q	Construction	154331.11	372730.66
R	Infrastructure	1,234,655.27	454641.36
R.1	Transport	479179.77	93581.93
R.1.1	Railways	0.00	0.00
R.1.2	Roads And Ports	479179.77	93581.93
R.1.3	Airport	0.00	0.00
R.1.4	Waterways	0.00	0.00
R.1.5	Others(Shipyards)	0.00	0.00
R.2	Energy	576873.27	217427.89
R.2.1	Electricity (Gen-Cons-Trans-Distr)	575722.81	213178.78
R.2.2	Gas Pipelines	0.00	0.00
R.2.3	Oil/Gas/Liquefied Natural Gas (LNG) Storage Facility	1150.46	4249.11
R.2.4	Others	0.00	0.00
R.3	Telecommunication	53034.06	24945.86
R.4	Others	125568.16	118685.68
R.4.1	Water Sanitation	110481.38	116605.17
R.4.2	Social & Commercial Infrastructure	15086.78	2080.52
R.4.3	Others	0.00	0.00
S	Other Industries	54818.23	11494.53
	All Industries	3261958.97	1408491.49
	Residuary & Other Advances	8635998.42	281477.61
b	Aviation	0.00	0.00
c	Other Residuary Advances	8635998.42	281477.61
	Total	11897957.39	1689969.10

e. The residual contractual maturity break down of assets is:

(Rs.in millions)

Maturity Pattern	Advances	Investments	Foreign Currency Assets
Next day	1,20,866.10	4,42,516.35	73,847.03
2 - 7 days	2,37,711.56	6,878.26	46,760.88
8 -14 days	1,21,068.74	9,412.38	41,229.38
15- 30 days	2,88,608.02	50,290.83	1,74,849.22
31days - 2months	2,64,507.87	25,976.67	77,366.63
2months - 3months	4,50,379.75	50,315.96	1,10,308.60

>3months-6months	7,02,495.56	1,65,145.85	85,487.35
>6months-1yr	10,62,772.37	1,05,562.53	1,05,954.14
>1yr-3yrs	38,28,795.18	3,32,903.32	1,06,312.09
>3yrs-5yrs	9,70,110.84	5,02,705.27	48,530.29
>5yrs	18,61,334.16	16,20,556.31	19,923.20
Total	99,08,650.17	33,12,263.73	8,90,568.82

Note: *Advances is as per Part C SLS report submitted to RBI

f. The Amount of NPAs (Gross) are:

Category	(Rs. in million)
Sub Standard	56753.27
Doubtful - 1	74084.44
Doubtful - 2	73082.90
Doubtful - 3	59732.16
Loss	47555.98
Total NPAs (Gross)	311208.75

The amount of net NPAs is Rs. 51021.48 million

g. The NPA ratios are as under:

- Gross NPAs to Gross Advances: **3.06%**
- Net NPAs to Net Advances: **0.51%**

h. The movement of gross NPAs is as under:

	(Rs. in million)
i) Opening Balance at the beginning of the year	353503.80
ii) Addition during the year	63492.89
iii) Reduction during the year	105787.94
iv) Closing Balance as at the end of the year (i+ii-iii)	311208.75

i. (a) The movement of Specific Provision (Provisions for NPAs) is as under:

	(Rs. in million)
i) Opening Balance at the beginning of the year	2,92,163.20
ii) Provisions made during the year	19,140.80
iii) Write-off/ Write -back of excess provisions	52,375.40
vi) Closing Balance as at the end of the year (i+ii-iii)	2,58,928.60

(b) The movement of General Provision (provision for standard assets) is as under:

(Rs. in million)

	Std. prov. for Advances	Std. prov. for Derivatives	Total
	A	B	C=(A+B)
i) Opening Balance at the beginning of the year	60,427.30	98.80	60,526.10
ii) Provisions made during the year	13,606.70	37.40	13,644.10
iii) Write-off made during the year	0	0	0
iv) Write -back of excess provisions	0	0	0
v) Any other adjustments, including transfers between provisions	70.90	0	70.90
vi) Closing Balance as at the end of the year	74,104.90	136.20	742,41.10

- j. The amount of Non-Performing Investment is **Rs 44,500.91 million**
- k. The amount of provisions held for Non-Performing Investment is **Rs. 42,625.74 million**
- l. **The movement of provisions for depreciation on investments is as under:**

(Rs. in million)

i) Opening Balance at the beginning of the year	42,444.75
ii) Provisions made during the year	193.44
iii) Write-off made during the year	0.00
iv) Write -back of excess provisions	12.45
v) Closing Balance as at the end of the year (i + ii - iii-iv)	42625.74

m. By major industry or counterparty type:

(a) Details of Specific Provisions:

(Rs. in million)

DSB Code	INDUSTRY NAME	GROSS NPA	WRITE OFFS	PROV
A	Mining & Quarrying	735.81	20125.73	20277.88
A.1	Coal	6.87	221.70	225.84
A.2	Others	728.94	19904.04	20052.03
B	Food Processing	16573.69	45852.78	56291.00
B.1	Sugar	1124.24	4202.66	5186.11
B.2	Edible Oils & Vanaspati	2056.63	5089.60	6153.29
B.3	Tea	55.55	11.45	29.05
B.4	Coffee	6.46	489.67	493.02

B.5	Others	13330.81	36059.40	44429.54
C	BEVERAGES (Excl. Tea & Coffee) & TOBACCO	288.93	2556.79	2780.59
C.1	Tobacco & Tobacco Products	6.06	957.54	958.48
C.2	Others	282.88	1599.24	1822.11
D	Textiles	12918.81	46487.48	54040.07
D.1	Cotton	7210.33	21584.89	25688.55
D.2	Jute	254.05	4544.36	4606.72
D.3	Handicraft/Khadi (Non Priority)	156.76	605.07	663.56
D.4	Silk	1102.63	2053.70	2815.93
D.5	Woolen	36.38	91.26	104.08
D.6	Others	4158.66	17608.20	20161.23
	Out Of 'D' SPINNING MILLS	0.00	0.00	0.00
E	Leather & Leather Products	211.38	479.67	564.39
F	Wood & Wood Products	672.23	9502.63	9871.34
G	Paper & Paper Products	2087.26	6396.55	6949.93
H	Petroleum (Non-Infra), Coal Products (Non-Mining) & Nuclear Fuels	10.60	5255.24	5259.56
I	Chemicals & Chemical Products (Dyes, Paints Etc.)	3561.88	10950.77	12525.26
I.1	Fertilizer	40.64	576.89	603.33
I.2	Drug & Pharmaceuticals	1368.46	5933.86	6421.58
I.3	Petrochemicals (Excl Infra)	1244.15	2840.19	3226.39
I.4	Others	908.63	1599.83	2273.96
J	Rubber, Plastic & Their Products	753.55	2892.10	3210.24
K	Glass & Glassware	45.99	173.49	187.41
L	Cement & Cement Products	574.52	2758.53	2936.56
M	Basic Metal & Metal Products	2322.63	53055.14	54339.23
M.1	Iron & Steel	1353.67	28436.59	29095.78
M.2	Other Metal & Metal Products	968.96	24618.55	25243.45
N	All Engineering	2129.73	57391.03	58125.73
N.1	Electronics	21.18	8191.76	7929.94
N.2	Others	2108.54	49199.27	50195.79
O	Vehicle, Vehicle parts & Transport Equipments	735.13	6992.52	7329.60
P	Gems & Jewellery	3678.77	37962.88	39662.02
Q	Construction	2879.50	46465.16	48727.88
R	Infrastructure	40343.95	144355.64	165579.65
R.1	Transport	4646.75	63965.71	66852.72
R.1.1	Railways	1.24	34.95	35.58

R.1.2	Roadways	4160.75	62723.57	65174.99
R.1.3	Airport	4.46	601.99	603.51
R.1.4	Waterways	25.53	112.35	136.08
R.1.5	Others	454.77	492.84	902.56
R.2	Energy	795.83	35328.06	35828.75
R.2.1	Electricity (Gen-Trans-Distr)	636.55	33798.15	34272.37
R.2.1.1	State Electricity Boards	636.55	33798.15	34272.37
R.2.1.2	Others	0.00	0.00	0.00
R.2.2	Oil (Storage & Pipeline)	0.00	0.00	0.00
R.2.3	Gas/LNG (Storage & Pipeline)	159.28	1529.91	1556.37
R.2.4	Others	0.00	0.00	0.00
R.3	Telecommunication	33633.61	19314.80	36460.81
R.4	Others	234.91	2883.54	3078.65
R.4.1	Water sanitation	61.15	1812.67	1858.32
R.4.2	Social & Commercial Infrastructure	173.76	1070.87	1220.33
R.4.3	Others	0.00	0.00	0.00
S	Other Industries	15946.01	57601.88	66876.47
	All Industries	106470.36	557255.99	615534.82
	Residuary & Other Advances	204738.40	179900.83	299620.42
a	Education	3198.84	3242.50	5705.03
b	Aviation	0.00	0.00	0.00
c	Other Residuary Advances	201539.56	176658.33	293915.39
	TOTAL	311208.75	737156.83	915155.33

(b) Details of General Provisions:

(Rs. In million)

Standard Advance	Provision as on 31.12.2025
i) SME and Agriculture Advance	7395.20
ii) Commercial Real Estate	1,035.10
iii) Commercial Real Estate (RH)	2.40
iv) Home Loan	3,047.10
v) Restructured Standard Advances	4,079.80
vi) Balance Standard Advance (excluding FITL - Std. Advance)	57,150.40
vii) Total Domestic Standard Advance (i+ii+iii+iv+v+vi)	72,710.00
viii) Overseas Standard Advance	1,394.90
ix) Total Standard Advance	74,104.90

(a) Geographic distribution of NPAs and Specific Provisions (Provisions for NPAs):

(Rs. in million)

Particulars	Domestic	Overseas	Total
Gross NPA	3,06,178.57	5030.18	3,11,208.75
Provisions for NPA	2,53,921.60	5007.00	2,58,928.60

(b) Geographic distribution of General Provisions (Provisions for Standard Assets):

(Rs. in million)

Particulars	Domestic	Overseas	Total
Provisions for standard assets	72,710.00	1394.90	74104.90
Provision for standard derivatives	136.20	0	136.20
Total	72846.20	1394.90	74241.10

Table DF-4: Credit Risk Disclosures for Portfolios subject to Standardized Approach

Qualitative Disclosures

a. For portfolios subject to the standardized approach

- Bank has approved the following domestic credit rating agencies accredited by RBI for all eligible exposures.
 - a) CARE
 - b) CRISIL Limited
 - c) India Ratings and Research Private Limited (India Ratings)
 - d) ICRA Limited
 - e) Acuite Rating & Research Limited
 - f) Infomerics valuation and Ratings Private Limited
 - g) Brickworks Ratings India Private Limited
- Bank has also approved the following 3 international credit rating agencies identified by RBI.
 - a) Standard & Poor's
 - b) Moody's
 - c) FITCH
- Corporate borrowers and Public Sector Enterprises are being encouraged to solicit ratings from approved external rating agencies. The ratings available in public domain are mapped for the purpose of calculation of risk-weighted assets as per RBI guidelines on mapping.

Quantitative Disclosures

- b. The exposure amounts after risk mitigation subject to the standardized approach, amount of a bank's outstanding (rated and unrated) in the following three major risk buckets as well as those that are deducted:

	(Rs. in million)
i) Below 100% risk weight exposure outstanding	71,33,433.24
ii) 100% risk weight exposure outstanding	13,49,982.49
iii) More than 100% risk weight exposure outstanding	8,77,938.58
iv) Deduction	0.00
Total	93,61,354.31

DF 17- Summary comparison of accounting assets vs. leverage ratio exposure measure		
	Item	(Rs. in Million)
1	Total consolidated assets as per published financial statements	14,998,556.67
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(93,162.12)
3	Adjustment for fiduciary assets recognized on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
4	Adjustments for derivative financial instruments	121,547.84
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	-
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off- balance sheet exposures)	1,161,650.41
7	Other adjustments	(41,077.44)
8	Leverage ratio exposure	16,147,515

(Rs. in Million)

DF-18 - Leverage ratio common disclosure template		
	Item	Leverage ratio framework
On-balance sheet exposures		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	14,870,160.82
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(41,077.44)
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	14,829,083.38
4	Replacement cost associated with all <i>derivatives</i> transactions (i.e. net of eligible cash variation margin)	34,106.68
5	Add-on amounts for PFE associated with all derivatives transactions	121,547.84
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-
8	(Exempted CCP leg of client-cleared trade exposures)	-
9	Adjusted effective notional amount of written credit derivatives	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-
11	Total derivative exposures (sum of lines 4 to 10)	155,654.53
12	Gross SFT <i>assets</i> (with no recognition of netting), after adjusting for sale accounting transactions	14,514.65
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(14,514.65)
14	CCR exposure for SFT assets	1,127.09
15	Agent transaction exposures	-
16	Total securities financing transaction exposures (sum of lines 12 to 15)	1,127.09
17	Off-balance sheet exposure at gross notional amount	4,084,298.86
18	(Adjustments for conversion to credit equivalent amounts)	(2,922,648.46)
19	Off-balance sheet items (sum of lines 17 and 18)	1,161,650.41
20	Tier 1 capital	1,163,842.68
21	Total exposures (sum of lines 3, 11, 16 and 19)	16,147,515
22	Basel III leverage ratio	7.21%

Liquidity Coverage Ratio (LCR) Qualitative Disclosure : December 2025

LCR aims to ensure that a bank maintains an adequate level of unencumbered High Quality Liquid Assets (HQLAs) that can be converted into cash to meet its liquidity needs for a 30 calendar days' time horizon under a significantly severe liquidity stress scenario specified by RBI.

LCR is the ratio of HQLA to Net Cash Outflow.

$$\text{LCR} = \frac{\text{High Quality Liquid Assets (HQLA)}}{\text{Net Cash Outflows over 30 days}}$$

Minimum requirement of LCR as stipulated by RBI is 100% for the calendar year 2019 onwards. LCR is applicable to Bank's domestic operations as well as overseas operations.

High Quality Liquid Assets (HQLA):

Liquid assets comprise of high quality assets that can be readily sold or used as collateral to obtain funds in a range of stress scenarios. They should be unencumbered i.e. without legal, regulatory or operational impediments. Assets are considered to be high quality liquid assets if they can be easily and immediately converted into cash at little or no loss of value. HQLA is categorized into two : a) Level 1 Assets, and b) Level 2 Assets. Level 2 Assets are further sub divided into Level 2A Assets & Level 2B Assets based on Liquidity & Price Volatility.

Level 1 assets are stock of HQLA without any haircut. Level 1 Assets mainly comprise Cash including excess Cash Reserve Ratio (CRR), Excess SLR (Statutory Liquidity Ratio), Marginal Standing Facility (2% of Net Demand and Time Liability w.e.f. 01st January 2022) & FALLCR (16.00% of Net Demand and Time Liability).

A haircut of 15% is applied on current market value of Level 2A asset. Level 2A assets mainly comprise of securities with 20% risk weight. A 50% haircut is applied on current market value of Level 2B asset. Level 2B assets should not be more than 15% of the total stock of HQLA. Level 2B assets mainly comprise Securities with risk weights higher than 20% but not higher than 50%.

Net Cash Outflows

The total net cash outflows are defined as the total expected cash outflows minus total expected cash inflows. In order to determine cash outflows, the Bank, in terms of RBI guidelines, segregates its deposits into various customer segments, viz Retail (which include deposits from Natural Persons), Small Business Customers (those with total aggregated funding upto Rs. 7.5 crore) and deposits from Non Financial Customers (NFC) and Other Legal Entity Customers (OLE). Total expected cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by the rates at which they are expected to flow in, up to an aggregate cap of 75% of total expected cash outflows.

Brief about LCR of the Bank

The entities covered are Union Bank of India and Union Bank of India UK Ltd. The Bank during the three months ended 31st Dec 2025 maintained average HQLA of Rs. 2,66,142 Crore. Level 1 assets are the main drivers of HQLA for the bank. They contribute to 98% of the total stock of HQLA.

Based on daily averages for the quarter ended 31st December 2025, Facility to avail Liquidity for Liquidity Coverage Ratio constitutes the highest portion to HQLA i.e. around 74% of the total HQLA. Level 2 assets which are lower in quality as compared to Level 1 assets, constitute 0.03% of the total stock of HQLA against maximum permissible level of 40%.

Bank's exposure is mainly in Indian Rupee. Retail deposits and deposits from small business customers contributed around 21% and 4% of the total weighted cash outflows, respectively. Deposits from non-financial corporates contributed around 29% of the total weighted cash outflows. The other contingent funding obligations primarily include bank guarantees (BGs) and letters of credit (LCs) issued on behalf of the Bank's clients. Inflows by various counterparties contribute around 77% of the total weighted cash inflows.

Bank has calculated LCR for all working days over the Dec 2025 quarter. The average of the daily observation of 69 data points is calculated. The average LCR for the quarter ended 31st Dec 2025 was 123.64% as against 127.33% as of 30th Sep 2025 and is well above the present minimum requirement prescribed by RBI of 100%.

(Rs. in Million)

LCR Disclosure for Quarter ended Dec 2025					
		Dec 2025 Quarter		Sep 2025 Quarter	
		Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)
High Quality Liquid Assets					
1	Total High Quality Liquid Assets (HQLA)	26,72,241.6	2,661,423.2	28,33,133.00	28,22,610.3
Cash Outflows					
2	Retail deposits and deposits from small business customers, of which:	76,91,689.00	6,89,616.8	75,83,181.9	6,78,736.6
(i)	Stable deposits	15,91,041.9	79,552.1	15,91,631.7	79,581.6
(ii)	Less stable deposits	61,00,647.1	6,10,064.7	5,991,550.2	5,99,155.00
3	Unsecured wholesale funding, of which:	27,49,961.8	15,69,235.5	27,76,339.1	15,08,078.7
(i)	Operational deposits (all counterparties)	-	-	-	-
(ii)	Non-operational deposits (all counterparties)	27,49,961.8	15,69,235.5	27,76,339.1	15,08,078.7

(iii)	Unsecured debt				
4	Secured wholesale funding	33,254.8	183.00	51,263.00	-
5	Additional requirements, of which	25,43,317.3	3,01,137.8	21,95,920.00	3,10,981.5
(i)	Outflows related to derivative exposures and other collateral requirements	1,379.4	1,379.4	1,363.2	1,363.2
(ii)	Outflows related to loss of funding on debt products				
(iii)	Credit and liquidity facilities	25,41,937.9	2,99,758.3	21,94,556.9	3,09,618.3
6	Other contractual funding obligations	1,47,607.8	1,47,607.8	1,64,759.4	1,64,759.4
7	Other contingent funding obligations	9,43,863.3	28,331.8	9,43,546.3	28,306.4
8	TOTAL CASH OUTFLOWS	141,09,694.1	27,36,112.5	137,15,009.7	26,90,862.6
Cash Inflows					
9	Secured lending (e.g. reverse repos)	74,126.00	0.00	3,02,464.3	0.00
10	Inflows from fully performing exposures	5,92,850.8	4,47,584.6	4,55,432.3	3,54,342.1
11	Other cash inflows	1,35,915.1	1,35,915.1	1,19,690.1	1,19,690.1
12	TOTAL CASH INFLOWS	8,02,891.9	5,83,499.7	8,77,586.7	4,74,032.2
13	TOTAL HQLA		26,61,423.2		28,22,610.3
14	TOTAL NET CASH OUTFLOWS		21,52,612.8		22,16,830.4
15	LIQUIDITY COVERAGE RATIO (%)		123.64%		127.33%

NET STABLE FUNDING RATIO (NSFR) : 31st December 2025

Qualitative Disclosure:

The objective of the Net Stable Funding Ratio (NSFR) is to promote the resilience of bank's liquidity risk profiles and to incentivize a more resilient banking sector over a longer time horizon. The NSFR requires banks to maintain a stable funding profile in the form of Capital & liabilities in relation to the composition of their assets and off-balance sheet activities.

NSFR is defined as the amount of available stable funding relative to the amount of required stable funding.

$$\text{NSFR} = \frac{\text{Available Stable Funding (ASF)}}{\text{Required Stable Funding (RSF)}}$$

RBI issued the regulations on the implementation of the Net Stable Funding Ratio in May 2018 with minimum requirement of equal to at least 100%. The implementation is effective from 1st October, 2021. NSFR is applicable to Bank's domestic operations as well as overseas operations and computed at standalone and consolidated level.

Available Stable Funding (ASF) is defined as the portion of capital and liabilities expected to be reliable which is determined by various factor weights according to the nature and maturity of liabilities with liabilities having maturity of 1 year or more receiving 100% weight.

Required Stable Funding (RSF) is defined as the portion of on balance sheet and off-balance sheet exposures which requires to be funded on an ongoing basis. The amount of such stable funding required is a function of the liquidity characteristics and residual maturities of the various assets held.

Brief about NSFR of the Bank

The entities covered are Union Bank of India and Union Bank of India UK Ltd. The main drivers of the Available Stable Funding (ASF) are the capital base, retail deposit base, and funding from non-financial companies and long-term funding from institutional clients. The capital base formed around 12%, retail deposits (including deposits from small sized business customers) formed 74% and wholesale funding formed 11% of the total Available Stable Funding, after applying the relevant weights.

The Required Stable Funding primarily comprised lending to corporates, retail clients and financial institutions which constituted 89% of the total RSF after applying the relevant weights. The stock of High-Quality Liquid Assets which majorly includes cash and reserve balances with the RBI, government debt issuances attracted no or low amount of stable funding due to their high quality and liquid characteristic. Accordingly, the HQLA constituted only 2% of the Required Stable Funding after applying the relevant weights. Other assets and Contingent funding obligations, such as committed credit facilities, guarantees and letters of credit constituted 9% of the Required Stable Funding.

Bank has maintained comfortable stable funding buffers with Available Stable Funding at consolidated level of Rs.9,98,734 Crores against Rs.8,80,422 Crores of Required Stable Funding, resulting in a consolidated NSFR of 113.44% as on 31st December, 2025.

Appendix II (in million)

NSFR Disclosure Template-Consolidated, Dec 2025

3	Details	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
	ASF Item					
1	Capital: (2+3)	1082075.4	10000.00	7500.00	154204.4	1240029.8
2	Regulatory capital	1082075.4	0.00	0.00	10324.4	1092399.8
3	Other capital instruments	0.00	10000.00	7500.00	143880.0	147630.0
4	Retail deposits and deposits from small business customers: (5+6)	3511694.8	1828803.4	2062461.8	727468.9	7410616.1
5	Stable deposits	762547.6	409914.4	660238.5	13692.4	1754758.0
6	Less stable deposits	2749147.2	1418889.0	1402223.2	713776.4	5655858.1
7	Wholesale funding: (8+9)	642450.4	2511666.1	973728.6	4940.4	1066787.3
8	Operational deposits	0.00	0.00	0.00	0.00	0.00
9	Other wholesale funding	642450.4	2511666.1	973728.6	4940.4	1066787.3
10	Other liabilities: (11+12)	699291.5	277698.0	150840.2	194489.1	269909.2
11	NSFR derivative liabilities	0.00	0.00	0.00	0.00	0.00
12	All other liabilities and equity not included in the above categories	699291.5	277698.0	150840.2	194489.1	269909.2
13	Total ASF (1+4+7+10)					9987342.4
	RSF Item					
14	Total NSFR high-quality liquid assets (HQLA)					137439.1
15	Deposits held at other financial institutions for operational purposes	10645.6	0.00	0.00	0.00	5322.9
16	Performing loans and securities: (17+18+19+21+23)	17822.4	2448937.0	730079.0	7932037.9	7816281.2
17	Performing loans to financial institutions secured by Level 1 HQLA	0.00	14514.7	0.00	0.00	1451.5
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0.00	870184.5	99977.3	1005866.8	1176627.1

19	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	0.00	1489040.5	501409.2	5327262.4	5367568.7
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0.00	311167.7	5160.2	779145.4	664608.4
21	Performing residential mortgages, of which:	0.00	103.6	51.9	896489.4	582795.9
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0.00	103.6	51.9	896489.4	582795.9
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	17822.4	75093.8	128640.6	702419.3	687838.1
24	Other assets: (sum of rows 25 to 29)	563595.7	206940.5	0.00	2522.3	689868.9
25	Physical traded commodities, including gold	0.00				0.00
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		52000.9	0.00	0.00	44200.8
27	NSFR derivative assets		534.6	0.00	0.00	534.6
28	NSFR derivative liabilities before deduction of variation margin posted		1929.5	0.00	0.00	1929.5
29	All other assets not included in the above categories	563595.7	152475.5	0.00	2522.3	643204.0
30	Off-balance sheet items		3486338.7	79.5	0.00	155305.7
31	Total RSF (14+15+16+24+30)					8804217.8
32	Net Stable Funding Ratio (%)					113.44%