

APPENDICES

Appendix A IMPLEMENTED POLICY MEASURES⁽¹⁾

CAPITAL-BASED MEASURES

Capital Buffer for O-SII s	2022	2023	2024	2025	2026	Implementation date
MDB Group Limited	0.625%	0.750%	0.875%	1.000%	1.000%	
HSBC Bank Malta plc*	1.500%	1.250%	1.250%	1.250%	1.250%	1 Jan. 2016
Bank of Valletta plc	2.000%	2.000%	2.000%	2.000%	2.000%	Revised 1 Jan. 2020
APS Bank plc**	0.125%	0.250%	0.375%	0.437%	0.500%	

* HSBC Bank Malta plc still qualifies for the provisions of Article 131(8) of CRD, which results in the capping of its O-SII buffer rate from 1.50% to 1.25%.

**APS Bank plc reached the fully loaded O-SII buffer rates in Q1 2026.

Sectoral Systemic Risk Buffer (sSyRB)	2023	2024	2025	2026	Implementation date
All credit institutions involved in mortgage lending	1.000%	1.500%	1.500%	1.500%	1% as from end Sep. 2023 1.5% as from end Mar. 2024 1.5% from June 2026 extended to cover all mortgages secured by immovable property

Countercyclical Capital Buffer (CCyB)	2022				2023				2024				2025				2026				Implementation date
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
All credit institutions	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1 Jan. 2016

BORROWER-BASED MEASURES

	2022	2023	2024	2025	2026	Implementation date
BBMs	No changes occurred	No changes occurred	No changes occurred	No changes occurred	40% sDSTI for legal persons replaced with 1.3x sDSCR	1 July 2019 (amended 29 November 2021 and 26 March 2026)

OTHER POLICY MEASURES

Material Third Countries	2022	2023	2024	2025	2026	Implementation date
Identification of Material Third Countries	United States of America, United Kingdom, United Arab Emirates	United States of America, United Kingdom, United Arab Emirates	United Kingdom, United Arab Emirates	United Kingdom, United Arab Emirates	United Kingdom, United Arab Emirates	June 2016

⁽¹⁾ List of implemented policy measures up to 2026 Q1.

**Appendix B – Table 1
FINANCIAL SOUNDNESS INDICATORS – BANKING SECTOR**

	Core Domestic Banks					Non-Core Domestic Banks					International Banks					Total Banks				
	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
Capital⁽¹⁾																				
Regulatory capital to RWAs	22.7	23.0	24.7	25.3	27.6	20.3	18.7	20.8	23.2	22.0	46.3	41.1	38.7	37.6	33.3	25.6	24.6	26.0	26.7	27.8
Regulatory Tier 1 capital to RWAs	19.5	19.6	21.0	21.1	21.5	20.0	17.6	19.7	22.1	19.8	46.3	40.7	38.5	36.3	31.1	23.1	21.9	23.0	23.2	22.7
Leverage ratio	7.3	7.2	7.9	8.2	8.0	10.0	8.9	9.5	10.6	10.4	34.2	32.3	28.8	28.9	23.1	9.6	8.9	9.5	9.8	9.5
Large exposures to total own funds	66.1	83.3	60.6	58.3	56.6	173.0	194.4	133.5	104.2	99.7	67.9	75.6	65.4	64.6	80.4	76.4	91.8	68.3	63.8	64.4
RWAs to total assets	39.1	38.0	38.8	39.8	38.8	50.9	51.7	49.5	52.8	57.5	74.9	70.8	67.3	71.9	76.0	43.0	41.6	42.1	43.5	43.5
Profitability																				
ROA ⁽²⁾	0.4	0.4	1.0	1.1	0.8	0.2	-0.4	0.6	0.4	0.2	1.5	2.6	2.5	-0.3	0.9	0.7	0.9	1.3	0.7	0.8
ROE ^(1,2)	4.3	5.4	12.0	11.6	8.7	2.4	-3.4	5.7	4.2	1.5	11.6	6.0	11.3	8.7	8.7	6.0	4.5	11.2	10.3	8.0
Operational cost-to-income ratio	75.2	82.3	51.0	52.4	58.4	82.2	81.0	66.6	73.3	82.9	47.3	44.6	55.8	69.9	45.0	61.8	62.9	53.8	56.9	56.4
Nil to gross income	72.1	71.8	78.8	78.8	77.3	40.9	54.0	66.2	71.2	68.5	56.4	49.2	36.0	46.3	62.7	62.7	59.3	60.0	70.7	72.4
Non-interest income to gross income	27.9	28.2	21.3	21.2	22.7	59.1	46.0	33.8	28.8	31.5	43.6	50.8	64.0	53.7	37.4	37.3	40.7	40.0	29.4	27.6
Non-interest expense to gross income	77.0	83.2	51.5	52.8	58.7	83.4	81.3	67.4	73.8	83.3	47.3	44.5	55.8	80.0	52.6	62.7	63.3	54.2	60.7	58.4
Personnel expenses to non-interest expenses	41.2	36.4	46.6	47.5	46.1	48.5	47.3	49.1	49.8	44.6	10.8	10.0	9.2	9.0	15.9	30.3	27.6	30.4	29.9	37.9
Net impairment charges to gross income	-3.4	-11.5	0.4	-4.8	-1.2	6.3	35.2	5.8	6.6	1.1	18.9	14.5	5.5	29.1	23.2	8.1	4.2	2.9	3.9	6.2
Asset Quality																				
NPLs to total own funds ⁽¹⁾	29.4	21.5	17.9	14.2	10.4	34.2	30.0	8.0	6.8	5.5	12.1	11.5	11.8	15.2	14.1	25.7	20.3	15.8	13.7	10.6
NPLs to total gross loans	3.5	2.7	2.5	2.3	1.8	5.1	4.3	1.2	1.1	0.9	1.4	1.3	1.5	1.7	1.5	3.1	2.5	2.2	2.0	1.7
Overall NPL ratio excluding CBM placements	5.3	3.7	3.3	2.7	2.1	8.5	6.4	2.0	2.0	1.6	1.9	1.6	1.9	2.7	2.4	4.6	3.4	2.9	2.7	2.1
NPEs to total gross exposures	2.7	2.0	1.8	1.5	1.2	3.8	3.1	0.9	0.9	0.7	1.0	0.9	0.9	0.9	1.3	2.4	1.8	1.5	1.3	1.2
Total coverage ratio	44.3	46.5	43.5	39.5	46.3	59.8	72.7	60.1	71.2	77.0	147.5	189.6	125.3	107.4	101.2	57.9	66.1	55.7	54.8	60.5
Unsecured loans to total lending	20.1	18.7	18.0	17.4	17.1	71.9	55.3	47.5	49.6	51.7	21.5	23.6	27.9	33.1	39.5	23.8	22.4	22.1	22.5	23.6
Share of Stage 3 provisions to total provisions	70.2	69.6	67.3	70.8	72.2	90.2	88.4	56.6	54.8	51.3	27.9	26.5	45.3	55.1	49.3	60.5	58.5	59.9	63.6	62.1
Forborne loans to gross loans	4.5	3.5	2.5	2.3	2.0	0.8	0.6	1.1	1.4	1.6	7.4	7.4	1.3	1.4	2.3	4.9	4.1	2.2	2.0	2.0
Liquidity																				
LCR ⁽¹⁾	359.9	380.0	366.4	362.0	374.4	356.8	316.0	405.2	438.3	387.2	2,469.6	383.7	566.9	422.6	300.3	379.0	373.8	379.4	371.9	370.4
Liquid assets to total assets ^(1,3)	35.6	36.3	35.0	36.7	39.1	33.2	31.1	36.1	41.3	37.4	27.3	26.9	30.5	30.6	24.1	34.7	35.1	34.7	36.6	37.7
Customer loans to customer deposits	55.2	56.0	58.9	59.1	60.2	52.2	54.4	49.5	49.0	51.5	267.0	230.6	184.6	179.3	174.8	67.5	67.2	67.0	66.9	68.4
CBC on net cash outflows	189.3	251.0	287.2	331.0	336.9	300.8	240.7	272.0	315.7	297.3	601.9	58.6	189.1	131.0	140.2	204.0	239.8	281.2	318.0	320.6
NSFR ⁽¹⁾	174.0	187.1	175.8	183.9	186.5	178.4	172.9	191.3	180.9	172.7	155.3	118.4	137.7	144.5	130.5	172.8	180.3	173.8	180.3	179.7
Balance Sheet																				
Assets-to-GDP	166.5	158.1	140.4	132.8	134.9	20.3	19.0	17.2	14.5	13.0	68.5	56.2	47.5	56.2	46.4	255.3	233.3	205.0	203.5	194.2
Domestic debt securities to total assets	8.8	9.4	8.9	10.3	10.5	7.9	7.9	6.0	5.2	5.1	0.2	0.2	0.0	0.0	0.0	6.4	7.1	6.6	7.1	7.6
Foreign debt securities to total assets	12.4	16.5	19.2	22.4	22.7	15.9	18.0	17.0	13.6	14.5	24.0	29.8	35.9	39.5	27.5	15.8	19.8	22.9	26.5	23.3
Customer loans to total assets	45.4	47.2	48.8	49.6	50.2	34.5	38.2	36.9	37.9	39.9	36.9	41.7	38.4	30.4	38.5	42.3	45.1	45.4	43.5	46.7
Interbank exposures to total assets	4.9	4.9	3.9	3.9	3.7	9.4	7.2	6.4	5.9	5.4	17.8	10.0	7.7	4.7	8.2	8.7	6.3	5.0	4.3	4.9

⁽¹⁾ Data for international banks excludes the branches of foreign banks.

⁽²⁾ Based on profits after tax.

⁽³⁾ Liquid assets defined in line with the EBA Liquidity Coverage Ratio (LCR DA) Methodology.

Appendix B – Table 2

FINANCIAL SOUNDNESS INDICATORS – NON-BANK FINANCIAL INSTITUTIONS

Domestically relevant Insurance Companies	Life Insurance Firms					Non-life Insurance Firms					Overall Insurance Firms				
	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
SCR coverage ratio	218.0	180.2	219.7	249.5	271.5	240.1	233.6	242.9	246.6	238.3	227.0	200.2	230.1	248.0	253.8
Excess of assets over liabilities as a share of total assets ⁽¹⁾	9.5	10.1	10.1	10.1	10.8	48.1	44.3	53.1	54.6	56.9	14.7	15.4	16.6	17.4	18.8
Technical provisions as a share of net written premia	754.8	788.5	983.2	954.6	907.8	131.4	124.7	86.2	81.6	76.6	573.9	541.4	573.7	539.5	507.2
Liquid assets ratio ⁽²⁾	63.1	62.2	60.1	60.4	58.8	24.6	26.1	30.7	32.1	32.7	57.0	55.7	54.7	54.6	53.0
Modified duration	8.7	5.9	6.4	7.3	6.7	5.9	4.9	4.0	3.7	4.0	8.6	5.8	6.2	7.0	6.4
ROA ⁽³⁾	0.3	1.0	0.8	0.9	0.8	6.3	2.5	10.0	10.8	11.8	1.1	1.3	2.2	2.5	2.7
Assets-to-GDP	21.8	18.6	17.0	16.4	16.1	3.4	3.4	3.0	3.2	3.4	25.1	21.9	20.0	19.6	19.5
Growth in premia	17.9	-17.7	-16.9	7.2	6.8	9.5	15.8	16.8	14.1	18.6	14.7	-5.2	-1.6	10.9	13.3
Growth in claims	25.8	-10.7	-8.5	-0.5	-8.8	-9.8	41.2	-26.7	40.5	34.8	17.4	-0.9	-13.4	8.8	4.0
Bond holdings as a share of total assets	36.7	33.7	37.5	38.9	37.4	11.1	12.9	16.8	18.9	19.8	33.3	30.5	34.4	35.7	34.4
Equity holdings as a share of total assets	18.2	16.8	14.7	11.9	11.6	30.5	24.1	27.9	27.7	26.8	19.8	17.9	16.7	14.4	14.2
Investment fund units as a share of total assets	31.6	34.5	38.1	40.2	42.1	10.0	8.2	9.4	10.8	11.3	28.7	30.4	33.7	35.4	36.8

Domestically relevant Investment Funds	Bond Funds					Equity Funds					Mixed Funds					Other Asset Allocation Funds					Overall Funds					
	2021	2022	2023	2024	2025 ⁽⁷⁾	2021	2022	2023	2024	2025 ⁽⁷⁾	2021	2022	2023	2024	2025 ⁽⁷⁾	2021	2022	2023	2024	2025 ⁽⁷⁾	2021	2022	2023	2024	2025 ⁽⁷⁾	
Leverage ratio	100.7	100.3	100.2	100.6	100.4	100.3	100.2	100.2	100.7	100.2	100.4	100.4	100.3	100.7	100.2	100.2	100.2	100.7	100.6	100.2	100.6	100.3	100.3	100.6	100.6	100.3
Liquid assets ratio ⁽²⁾	72.0	68.6	66.3	63.6	60.6	51.0	51.8	50.6	57.0	55.1	58.8	58.3	57.3	57.0	55.1	58.0	56.7	56.5	57.5	54.3	66.8	64.1	61.9	60.2	57.7	
RCR ⁽⁴⁾	8.2	7.3	7.0	6.7	6.4	5.8	5.7	6.8	5.4	5.2	8.4	6.4	6.0	5.4	5.2	8.4	6.4	6.0	5.4	5.2	8.2	7.1	6.8	6.5	6.3	
Modified duration	7.5	5.9	5.8	5.7	5.4	8.1	4.0	3.0	8.9	7.0	10.8	8.5	8.6	8.9	7.0	11.9	7.0	7.1	6.6	7.4	7.9	6.1	6.0	5.9	5.6	
Net profit margin ⁽⁵⁾⁽⁶⁾	9.1	-2.5	37.4	38.7	32.6	8.2	-20.1	26.7	59.6	63.4	51.1	47.8	54.8	59.6	63.4	4.5	-17.3	30.5	16.2	12.9	9.1	-7.1	34.6	34.0	25.5	
Assets-to-GDP	7.8	5.7	4.9	4.6	4.0	1.1	1.0	1.1	0.5	1.3	0.7	0.6	0.6	0.5	1.3	1.3	1.1	1.0	1.0	0.7	11.0	8.3	7.5	7.3	7.0	
Growth in NAV ⁽⁴⁾	-0.8	-20.8	-0.4	3.9	-7.9	23.6	-3.2	26.8	-1.9	175.1	5.1	-14.2	15.0	-1.9	175.1	10.3	-14.3	8.2	10.1	-27.0	3.0	-17.7	5.1	7.2	2.3	
Share of NAV by resident households ⁽⁶⁾	59.9	56.7	55.2	56.2	55.0	33.6	32.1	31.3	69.1	66.8	72.5	71.7	72.6	69.1	66.8	61.6	61.6	61.0	59.4	56.5	58.2	55.3	53.7	53.4	51.8	
Share of NAV by other resident sectors ⁽⁶⁾	35.3	38.1	38.2	35.1	35.2	63.7	64.0	65.4	26.4	28.2	26.0	24.7	24.6	26.4	28.2	37.7	37.1	36.4	37.0	38.3	38.0	40.2	41.0	39.7	40.5	
Bond holdings as a share of total assets	86.3	88.2	90.4	89.3	92.6	0.3	0.9	7.2	45.9	30.3	51.7	52.3	47.9	45.9	30.3	28.1	27.6	26.9	30.6	28.8	68.1	67.4	66.7	64.3	62.7	
Equity holdings as a share of total assets	2.4	2.5	2.4	2.0	0.7	59.2	60.2	63.2	43.8	40.5	38.1	38.1	44.4	43.8	40.5	15.0	16.7	19.3	17.9	4.3	12.1	13.9	16.7	17.4	19.7	
Investment fund units as a share of total assets	3.6	4.2	4.4	5.5	4.0	36.5	33.0	27.1	5.9	18.3	4.4	4.8	5.1	5.9	18.3	45.5	46.2	48.1	47.5	64.3	12.1	13.1	13.5	15.0	14.7	

(1) The excess of assets over liabilities is the difference between total assets and liabilities, representing the solvency margin under Solvency II.

(2) For info on the methodology refer to [FSR 2023 Box 4](#).

(3) Based on profit before tax. Figures from 2023 onwards are based on IFRS 17. Earlier data reflect IFRS 4 and are not directly comparable.

(4) The RCR compares the stock of HQLA to the largest quarterly outflow recorded since the inception of the time series in December 2016.

(5) Defined as the funds' net profit as a share of total revenue.

(6) Data as at 2025 refers to September 2025.

(7) As from Q4 2025, five sub-funds changed strategy, comprising of two bond funds, two classified as 'other funds', and one equity fund that were reclassified as mixed funds