EUROBANK ERGASIAS SERVICES and HOLDINGS S.A.

CONSOLIDATED PILLAR 3 REPORT

FOR THE YEAR ENDED
31 DECEMBER 2021

8 Othonos Street, Athens 105 57, Greece
www.eurobankholdings.gr, Tel.: (+30) 214 40 61000
General Commercial Registry No: 000223001000

Index of tables

Introduction – General Information

1. Introduction – General Information

Eurobank Ergasias Services and Holdings S.A. (the Company or Eurobank Holdings) is the parent company of Eurobank S.A. (the Bank), which resulted from the demerger of Eurobank Ergasias S.A. through its banking sector's hive down that was completed in March 2020.

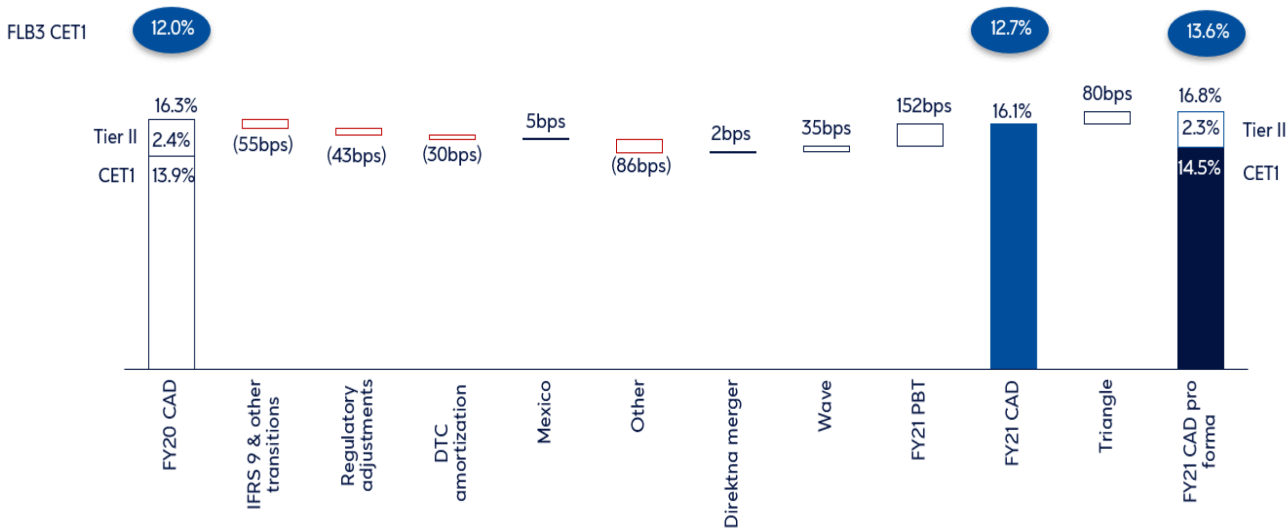
Following the demerger, "Eurobank Ergasias Services and Holdings S.A." is supervised on a consolidated basis and "Eurobank S.A." is supervised on a standalone basis by the European Central Bank (ECB) and the Bank of Greece (BoG).

Pursuant to article 22A of Greek Law 4261/2014 (as amended), which incorporated article 21 (a) of Directive 2013/36/EU (as amended) into the Greek legislation and following the ECB's decision in December 2021, Eurobank Holdings was licensed as a financial holding company. This Decision entails that Eurobank Holdings is required to meet the prudential requirements set out in CRR and CRD IV at consolidated level.

The Company and its subsidiaries (the Group), consisting mainly of Eurobank S.A. Group, are active in retail, corporate and private banking, asset management, treasury, capital markets and other services. The Group operates mainly in Greece and in Central and Southeastern Europe. The Company is incorporated in Greece and its shares are listed on the Athens Stock Exchange.

1.1 Highlights

Evolution of Capital Ratio y-o-y



	FY20 CAD	IFRS 9 & other transitions	Regulatory adjustments	DTC amortization	Mexico	Other	Direktna merger	Wave	FY21 PBT	FY21 CAD	Triangle	FY21 CAD pro forma
RWAs (€ m)	40,237	(82)	439	(144)	(1322)	1432	333	(1,104)	0	39,789	91	39,880
Capital (€ m)	6,554	(235)	(105)	(144)	(178)	(132)	57	(16)	585	6,386	333	6,719

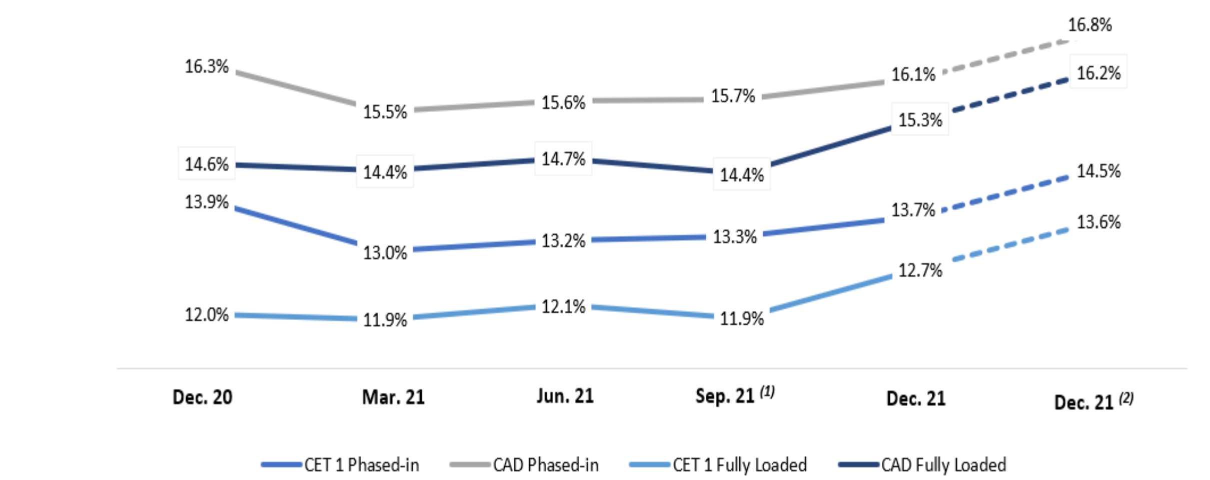
Introduction – General Information

Risk profile

	31 December 2021 (1) & (3) € million	31 December 2021 (1) € million	30 September 2021 (1) & (2) € million	31 December 2020 (4) € million
Common Equity Tier 1 (CET1) capital	5,769	5,436	5,401	5,604
Tier 1 capital	5,769	5,436	5,401	5,604
Total capital	6,719	6,386	6,365	6,554
Total risk-weighted exposure amount	39,880	39,789	40,598	40,237
Common Equity Tier 1 ratio (%)	14.5%	13.7%	13.3%	13.9%
Tier 1 ratio (%)	14.5%	13.7%	13.3%	13.9%
Total capital ratio (%)	16.8%	16.1%	15.7%	16.3%
Leverage ratio	8.2%	8.2%	8.5%	8.8%
Liquidity coverage ratio (%)	152.2%	152.2%	168.2%	123.7%
NSFR ratio (%)	123.3%	123.3%	122.3%	

(1) Including profits € 328 million for year ended 31 December 2021 and € 216 million for the 9M 2021.
(2) Pro-forma with the derecognition of the Mexico loans.
(3) Pro-forma with the completion of the sale of Eurobank's merchant acquiring business (project "Triangle").
(4) The table above for the year ended 31 December 2020 has not been restated following the retrospective application of IFRIC agenda decision - Attributing Benefit to Periods of Service (IAS 19).

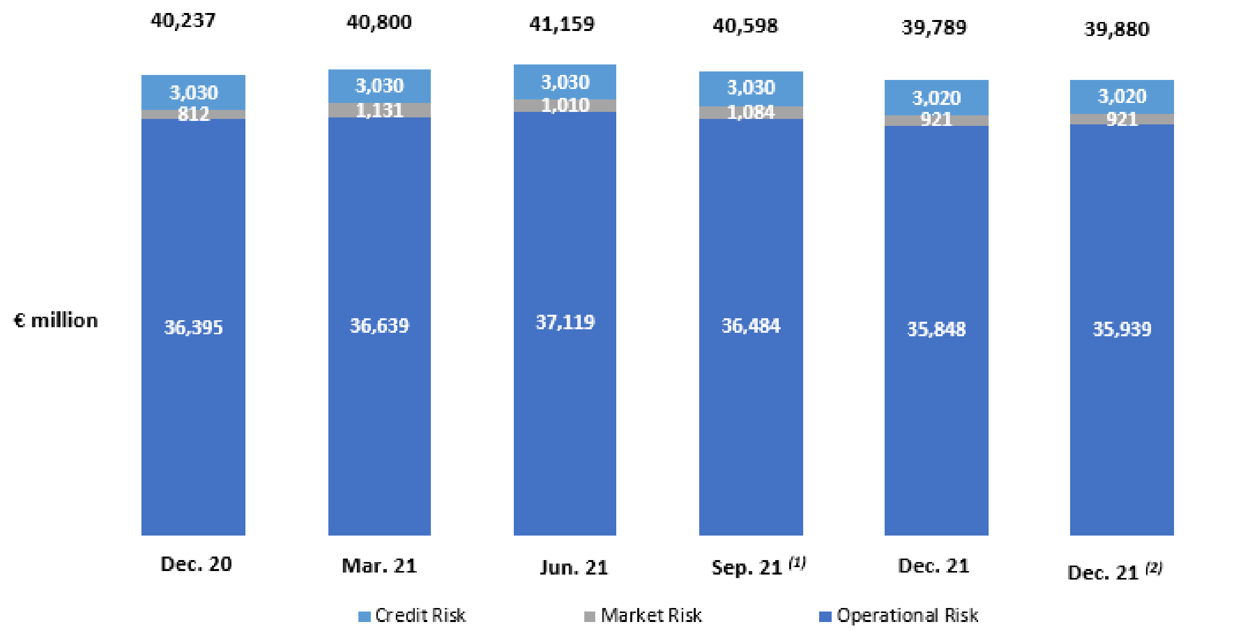
Evolution of Capital Ratio



(1) Pro-forma with the derecognition of the Mexico loans.
(2) Pro-forma with the completion of the sale of Eurobank's merchant acquiring business (project "Triangle")

Introduction – General Information

Evolution of Risk Weighted Assets Amount



(1) Pro-forma with the derecognition of the Mexico loans.
(2) Pro-forma with the completion of the sale of Eurobank's merchant acquiring business (project "Triangle")

1.2 NPE Management Strategy and Operational targets

The Group utilized all Greek State measures (Gefyra programs) and designed solutions that will lead its clients gradually to pre Covid-19 payment schedules. In this respect and in line with the regulatory framework and SSM requirements for non performing exposures (NPE) management, in March 2022 the Group submitted its NPE Management Strategy for 2022-2024, along with the annual NPE stock targets at both Bank and Group level. The plan had taken into account the successfully implemented, by the end of 2021, "Mexico" NPE securitization of gross carrying amount of ca. € 3.1 billion (consisting primary of NPEs) and envisages the decrease of NPE ratio at 5.8% in 2022 and below 5% in 2024.

1.3 Project "Mexico" – loans' derecognition

In line with the regulatory framework and Single Supervisory Mechanism (SSM) requirements for the NPE management, the Group contemplated another significant NPE securitisation transaction (project "Mexico") in order to decrease further its NPE ratio and strengthen its balance sheet de-risking. The project ''Mexico'' represents, the continuation of the Group's NPE reduction plan that was successfully completed in 2020, where NPEs are transferred to Eurobank Holdings (parent company), the group company responsible for the overall management and supervision of the Group's NPE. The Group included project "Mexico" under the Hellenic Asset Protection Scheme (HAPS) thus became entitled to the Greek State's guarantee which was subject to the accounting derecognition of the underlying loan portfolio from the Group's balance sheet.

In particular, in May 2021, the Bank, through its special purpose financing vehicle 'Mexico Finance Designated Activity Company' (SPV), issued senior (Class A), mezzanine (Class B) and junior (Class C) notes of total nominal amount of ca. € 5.2 billion, via a securitisation of a mixed portfolio comprising primarily NPEs of total principle amount due of ca. € 5.2 billion and gross carrying amount of ca. € 3.2 billion, which were fully retained by the Bank. The control of the SPV resides

Introduction – General Information

with the majority holder of the Class B notes. Accordingly, the Group, being the sole holder of the issued notes, controlled the SPV and the related real estate company 'Mexico Estate Single Member S.A.', and continued recognising the underlying loan portfolio on its balance sheet on the basis that it retained substantially all risks and rewards of the portfolio's ownership.

On 1 June 2021, the General Shareholders' Meeting of the Bank (GM), following the relevant decision of its Board of Director's (BoD), approved the distribution of the 95% of the mezzanine and junior notes of Mexico securitisation to its parent company through the decrease in kind of the Bank's share capital. The aforementioned GM's approval for the Bank's share capital reduction and the relevant amendment of its articles of association were subject to the regulator's approval. In August 2021, the Bank was granted the required regulatory approval by the European Central Bank (ECB) and the relevant amendments of its articles of association were subsequently approved by the Ministry of Developments and Investments and registered to the General Electronic Commercial Registry (G.E.MI.).

The settlement of the aforementioned distribution in kind, that took place in September 2021, resulted in the de-recognition of the underlying loan portfolio and the related assets and liabilities from the Bank's balance sheet on the basis that the latter transferred substantially all risks and rewards of the portfolio's ownership and relinquished its control over it. In addition, the Bank ceased to control the SPV and the related real estate company, which resides with the majority stake of Class B noteholders. At the same time, Eurobank Holdings accounted for the distribution in kind as dividend, recognizing in profit and loss the fair value of the distributed notes, i.e. 95% of the mezzanine and junior notes. Moreover, Eurobank Holdings obtained the control of the SPV and the related real estate company.

The distribution of the notes from the Bank to its parent company under a share capital reduction, as analysed above, is an intercompany transaction thus it did not affect the consolidation of the SPV and the related real estate company as well as the recognition assessment of the underlying loan portfolio, at Holding's Group level as at September 2021, since the latter continued to retain the 100% of the issued notes.

In August 2021, a commitment letter was signed between Eurobank Holdings, Eurobank and doValue S.p.A. for the sale of 95% of mezzanine and junior notes of Mexico securitisation that were distributed to Eurobank Holdings, subject to the fulfillment of certain conditions, including the settlement of the mezzanine and junior notes' distribution from the Bank to Eurobank Holdings, that was completed in September 2021, as well as the issuance of the Ministerial Decision on the inclusion of the Mexico securitization under HAPS and the regulatory approval by the SSM for the significant risk transfer of the underlying loan portfolio that were received in December 2021.

In September 2021, the BoD of Eurobank Holdings approved to proceed with the sale of 95% of the mezzanine and junior notes of Mexico securitization and the ongoing servicing of the portfolio by doValue Group. The aforementioned BoD decision clearly demonstrated Management's commitment to a specific plan for the notes' disposal as a last step of the project 'Mexico' and eventually to the underlying loan portfolio's de-recognition from the Group's balance sheet.

Further information is provided in the Interim Consolidated Financial Statements note 20.1.

1.4 Synthetic Securitization transactions (Wave I & II)

In December 2021, the Bank, proceeded with the execution of two synthetic risk transfer transactions (projects 'Wave I' and 'Wave II'), in the form of a financial guarantee, of a portfolio of performing SMEs and large corporate loans of € 1.7 billion (reference portfolio). The 'Wave I' transaction was entered with Magnetar Capital, guaranteeing the mezzanine loss of a pool of performing SMEs and large corporate loans of € 1.0 billion, whereas the 'Wave II' transaction was entered with European Investment Fund, guaranteeing the first loss of a pool of performing SMEs and large corporate loans of € 0.7 billion. The reference portfolio continued to be recognised on the Group's Balance Sheet.

As at 31 December 2021, the Wave transactions, that were performed in the context of the Group's initiatives for the optimization of its regulatory capital, resulted in a capital benefit of 40 bps.

Further information is provided in the Consolidated Financial Statements note 20.

1.5 Eurobank Merchant Acquiring business classified as held for sale -Project 'Triangle'

On 7 December 2021, the Company announced that its subsidiary Eurobank S.A. ("Eurobank") has signed a binding agreement with Worldline B.V. ("Worldline") that includes: a) the sale of 80% of Eurobank's merchant acquiring business ("PayCo") to Worldline with Eurobank maintaining the remaining 20% and b) a long term agreement for the exclusive distribution of PayCo products in Greece through Eurobank's sales network.

The agreement values 100% of PayCo at € 320 million, subject to customary adjustments as of the date of completion of the Transaction. The transaction also entails an additional conditional payment, referral fees from PayCo and customary minority protection rights.

As at 31 December 2021, on the basis of the binding agreement signed between the Bank and Worldline, Eurobank Merchant Acquiring business has been classified as held for sale.

The Transaction is expected to be completed by the second quarter of 2022, subject to obtaining the relevant regulatory approvals and to contribute ca. 80 bps to the Group's CET1 ratio.

Further information is provided in the Consolidated Financial Statements note 30.

1.6 Merger of Eurobank a.d. Beograd with Direktna Banka a.d.

On 1 July 2021, Eurobank S.A. announced that it has concluded an agreement with the shareholders and principals of Direktna Banka a.d. Kragujevac ("Direktna"), for the merger of Direktna with Eurobank's subsidiary in Serbia, Eurobank a.d. Beograd ("Eurobank Serbia") (the "Transaction"), with absorption of Direktna by Eurobank Serbia.

In December 2021, the Transaction was concluded, following the receipt of the relevant customary approvals by the competent regulatory and supervisory authorities. Following the completion of the Transaction Eurobank control 70% of the combined bank, while Direktna's shareholders own the remaining 30%. Part of the Transaction was the dividend distribution and capital return to Eurobank Group of c. €232 million, after tax, in total.

Further information is provided in the Consolidated Financial Statements note 23.2.

1.7 Hellenic Bank

On 23 July 2021, Eurobank S.A. announced the acquisition of a 9.9% holding in Hellenic Bank Public Company Limited ("Hellenic Bank") and the entering into a share purchase agreement with Third Point Hellenic Recovery Fund L.P. for the acquisition of an additional 2.7%, which was completed on 28 December 2021 following the receipt of the relevant regulatory approvals.

Hellenic Bank is one of the largest financial institutions in Cyprus, active in personal, business and international banking. The above investment is aligned with the overall strategy of the Group to further strengthen its presence in all key markets in which retains a strategic interest and thus has been designated at FVOCI.

1.8 Tier 2 Capital instruments

In January 2018, Eurobank Ergasias S.A. issued Tier 2 capital instruments of face value of € 950 million, in replacement of the preference shares which had been issued in the context of the first stream of Hellenic Republic's plan to support liquidity in the Greek economy under Law 3723/2008. The aforementioned instruments, which have a maturity of ten years (until 17 January 2028) and pay fixed nominal interest rate of 6.41%, that shall be payable semi-annually, as at 31 December 2021, amounted to € 948 million, including € 3 million unamortized issuance costs.

Introduction – General Information

1.9 Regulatory framework

The general Basel III framework is structured around three mutually reinforcing pillars:

- Pillar 1 defines the minimum regulatory capital requirements, based on principles, rules and methods specifying and measuring credit, market and operational risk. These requirements are covered by regulatory own funds, according to the rules and specifications of CRR.
- Pillar 2 addresses the internal processes for assessing overall capital and liquid asset holdings are adequate in relation to risk profile (Internal Capital Adequacy Assessment Process - ICAAP and Internal Liquidity Assessment Process - ILAAP). Moreover, Pillar 2 introduces the Supervisory Review & Evaluation Process (SREP), which assesses the risks banks face and check that banks are equipped to manage those risks properly.
- Pillar 3 intends to enhance market discipline by developing a set of quantitative and qualitative disclosure requirements, which allow market participants to assess key pieces of information on the scope of application, capital, risk exposures, risk assessment processes and hence the capital adequacy and the internal liquidity adequacy of credit institutions.

According to the CRD IV provisions:

- Minimum Common Equity Tier 1 (CET1) ratio: 4.5%;
- Minimum Tier 1 ratio: 6%;
- Minimum Total Capital ratio: 8%

Furthermore, banks are required to maintain in addition to the above minimum ratios, a capital conservation buffer equal to 2.5% (from 1 January 2019) of their total risk exposure amount calculated.

As a result, the minimum ratios which must be met, including the capital conservation buffer and which shall apply from 1 January 2019 are:

- Minimum CET1 capital ratio 7% and
- Total capital adequacy ratio 10.5%.

Additional capital buffers that CRD IV introduces are the following:

a) Countercyclical buffer (CCyB). The purpose of this buffer is to counteract the effects of the economic cycle on banks' lending activity, thus making the supply of credit less volatile and possibly even reduce the probability of credit bubbles or crunches. Credit institutions are required under the CRD IV to build up an additional buffer of 0 - 2.5% of CET1 during periods of excess credit growth, according to national circumstances. According to relevant BoG Executive Committee Act No 196/9.12.2021, the countercyclical buffer is set at 0% for Greece for the first quarter of 2022.

b) Global systemic institution buffer (G-SIIs). CRD IV includes a mandatory systemic risk buffer of CET1 for banks that are identified by the relevant authority as globally systemically important, which is not applicable to Greek banks.

c) Other systemically important institutions buffer (O-SIIs). On 15.04.2021, European Banking Authority (EBA) published the updated list of O-SIIs in the EU, which, together with G-SIIs, are identified as systemically important by the relevant authorities according to harmonised criteria laid down in the EBA Guidelines. This list reflects also the additional capital buffers that the relevant authorities have set for the O-SIIs. The list of O-SIIs is disclosed on an annual basis, along with any CET1 capital buffer requirements, which may need to be set or reset. Higher capital requirements will become applicable in case relevant authorities decide to set institution specific buffer requirements following the O-SII identification. For each O-SIII, the list includes the overall score in terms of basis points resulting from the EBA scoring methodology.

The EBA methodology has been applied to compute the scores for all the institutions operating in Greece using consolidated data. Based on the above scoring system, all Greek O-SIIs are classified in bucket 4, which corresponds to a capital buffer up to 1% initially to be phased in until 2022. In order to provide further flexibility to credit institutions in reaction to the coronavirus and mitigate the subsequent financial impact, the initial phasing-in period has been adjusted until 2023. The date of activation was 1 January 2016 and BoG's Executive Committee Acts 163/1.11.2019 and 174/26.6.2020 set the O-SII buffer for Greek Institutions for the years 2020 and 2021 at 0.50% respectively. According to relevant BoG Executive Committee Act No 195/29.11.2021, the O-SII buffer for Greek institutions is set at 0.75% for the year 2022.

d) Systemic Risk Buffer (SyRB). According to article 133 of CRD, SyRB can be used to address a broad range of systemic risks, which may also stem from exposures to specific sectors, as long as they are not already covered by the Capital Requirements Regulation or by the CCyB or the G-SII/O-SII buffers. The level of the SyRB may vary across institutions or sets of institutions as well as across subsets of exposures. There is no maximum limit for this buffer. Competent authority is in charge of setting the systemic risk buffer and of identifying the sets of institutions to which it applies. According to BoG Executive Committee Act No 197/21.12.2021, BoG decided to adopt the EBA guidelines on the appropriate subsets of exposures to which the competent authority or the designated authority may apply a systemic risk buffer based on paragraph 5 of article 133 of CRD.

1.9.1 Regulatory Developments

On 29 May 2020, the European Banking Authority (EBA) published its Guidelines on loan origination and monitoring that expect Banks to develop robust and prudent standards to ensure newly originated loans are assessed properly. The Guidelines set requirements for assessing the borrowers' creditworthiness together with the handling of information and data for the purposes of such assessments. In these requirements, the Guidelines bring together the EBA's prudential and consumer protection objectives. The application of the Guidelines for newly originated loans needs to be in place within Q2 2021, while gradually and until Q2 2024 the application of the Guidelines need to be expanded to existing loans that have been renegotiated and to the stock of existing loans.

On 17 December 2020, the European Commission published Regulation 2021/451, which lays down uniform reporting formats and templates, instructions, frequency and dates of reporting. This Regulation is applicable from 28 June 2021 except from the reporting on leverage ratio buffer requirement for G-SIIs and own funds / own funds requirements for investment firms which shall apply from 1 January 2023 and 26 June 2026 respectively.

On 15 April 2021, EBA published its final draft RTS specifying the conditions according to which consolidation shall be carried out in line with Article 18 of the CRR. The aim of these draft RTS is to ensure that the appropriate method of prudential consolidation is applied for the calculation of the CRR requirements on a consolidated basis. Entities to be included in the scope of prudential consolidation are, in particular, institutions, financial institutions and ancillary services undertakings.

In May 2021, Law 4261/2014 was amended by Law 4799/2021, which introduced Directive 2019/878 (CRD V) into Greek law. The key changes introduced by Law 4799/2021 include:

- the obligation for financial holding companies to seek approval by the consolidating supervisory authority in order to be brought under the direct scope of supervisory powers pursuant to CRD IV and CRR and ensure compliance with consolidated prudential requirements;
- the requirement for banks to meet at least three quarters of the P2R with Tier 1 capital and at least 75% of this Tier 1 capital to be made up of CET1 capital;
- the increase of the upper limit for the O-SII buffer to 3% (from 2% under the previous regime).

On 26 May 2021, EBA published final draft RTS on own funds and eligible liabilities. Since their entry into force, the RTS on own funds have significantly enhanced regulatory harmonisation of prudential rules and contributed to strengthening

Introduction – General Information

the quality of regulatory capital. The draft RTS align existing provisions to changes introduced in the revised CRR in the area of own funds. This is the case, in particular, for provisions relating to the regime of supervisory prior permission for the reduction of own funds. In addition, the draft RTS specify some of the newly introduced criteria for eligible liabilities instruments derived from the own funds regime. These include the absence of direct or indirect funding for the acquisition of ownership of eligible liabilities, the absence of incentives to redeem, the need for the resolution authority's prior permission for the reduction of eligible liabilities.

On 21 June 2021, EBA published its updated Report on the monitoring of AT1 instruments including an update on the monitoring of the implementation of the EBA's Opinion on legacy instruments and its considerations on environmental, social and governance (ESG) capital bonds. The objective of this update is to further strengthen the robustness and quality of EU institutions' own funds and eligible liabilities instruments. In addition, the EBA has identified differences in the clauses of the ESG issuances made for capital/loss absorbency purposes. In this regard, the EBA is providing best practices or practices that should be avoided for these issuances. The purpose is to give views and recommendations on how ESG capital bonds features are meant to interact with the eligibility criteria for own funds and eligible liabilities instruments, and ultimately to safeguard the quality of the instruments from a prudential perspective.

On 15 September 2021, EBA published the Final Guidelines specifying the criteria to assess the exceptional cases when institutions exceed the large exposure limits of Article 395(1) of Regulation (EU) No 575/2013 (CRR) and the time and measures to return to compliance pursuant to Article 396(3) of CRR. The guidelines contain the criteria to determine the exceptional cases referred to in Article 396(1) of CRR, information to be provided to the competent authority in case of a breach of the Large Exposure limits, criteria to determine the appropriate time to return to compliance and measures to be taken to ensure the timely return according to Article 395(1).

On 22 September 2021, ECB published the results of its economy-wide climate stress test. The exercise tested the impact of climate change on more than four million firms worldwide and 1,600 euro area banks under three different climate policy scenarios. The results show that firms and banks clearly benefit from adopting green policies early on to foster the transition to a zero-carbon economy. The exercise also reveals that the impact of climate risk is concentrated in certain regions and sectors of the euro area. In particular, firms located in regions most exposed to physical risk could face very severe and frequent natural disasters, which would in turn affect their creditworthiness. The final climate stress test results are in line with the preliminary results published in March 2021 and complement these findings by including assessments of banks' resilience to climate risks through loans, security and equity holdings.

On 22 October 2021, the three European Supervisory Authorities (EBA, EIOPA and ESMA – ESAs) delivered to the European Commission (EC) their Final Report with draft RTS regarding disclosures under the Sustainable Finance Disclosure Regulation (SFDR) as amended by the Regulation on the establishment of a framework to facilitate sustainable investment (Taxonomy Regulation). The disclosures relate to financial products that make sustainable investments contributing to environmental objectives. The draft RTS aim to:

- provide disclosures to end investors regarding the investments of financial products in environmentally sustainable economic activities, providing them with comparable information to make informed investment choices; and
- establish a single rulebook for sustainability disclosures under the SFDR and the Taxonomy Regulation.

On 27 October 2021, the European Commission adopted a review of EU banking rules (the Capital Requirements Regulation and the Capital Requirements Directive). The package finalises the implementation of the Basel III agreement in the EU. The review consists of the following legislative elements:

- legislative proposal to amend the Capital Requirements Directive (Directive 2013/36/EU);
- legislative proposal to amend the Capital Requirements Regulation (Regulation 2013/575/EU);
- separate legislative proposal to amend the Capital Requirements Regulation in the area of resolution (the so-called "daisy chain" proposal).

The Group will monitor developments on the aforementioned proposals until their expected adoption by the European Parliament and the Council of the EU.

On 10 November 2021, EBA published its first draft implementing technical standards (ITS) on Pillar 3 disclosure of institutions' exposures to IRRBB. The final draft ITS put forward comparable disclosures that will help stakeholders assess institutions' IRRBB risk management framework as well as the sensitivity of institutions' economic value of equity and net interest income to changes in interest rates. The standards will amend the comprehensive ITS on institutions' public disclosures, in line with the strategic objective of developing a single and comprehensive Pillar 3 package that should facilitate implementation by institutions and further promote market discipline.

On 24 January 2022, EBA published its final draft ITS on Pillar 3 disclosures on ESG risks. The final draft ITS put forward disclosures to show how climate change may exacerbate other risks within institutions' balance sheets, how institutions are mitigating those risks, and their ratios, including the Green Asset Ratio (GAR), on exposures financing taxonomy-aligned activities. Disclosure of information on ESG risks is a vital tool to promote market discipline, allowing stakeholders to assess banks' ESG related risks and sustainable finance strategy. In line with the requirements laid down in CRR, the draft ITS set out comparable quantitative disclosures on climate-change related transition and physical risks, including information on exposures towards carbon related assets and assets subject to chronic and acute climate change events. They also include quantitative disclosures on institutions' mitigating actions supporting their counterparties in the transition to a carbon neutral economy and in the adaptation to climate change. In addition, they include KPIs on institutions' assets financing activities that are environmentally sustainable according to the EU taxonomy (GAR and Banking Book Taxonomy Alignment Ratio (BTAR)).

1.9.2 Covid-19 regulatory measures

The Covid-19 pandemic constitutes an unprecedented challenge with very severe socio-economic consequences. Regulatory authorities have responded to this challenge with a number of regulatory measures.

On 12 March 2020, the ECB announced a number of measures to ensure that its directly supervised banks can continue to fulfil their role in funding the real economy.

The ECB's relief measures covered the following areas: a) asset quality deterioration and non- performing loans, b) operational aspects of supervision and c) capital and liquidity requirements. Specifically, banks have been allowed, among others, to operate temporarily below the level of capital defined by the Pillar 2 Guidance (P2G) and the Capital Conservation Buffer (CCB). Banks are also allowed to partially use capital instruments that do not qualify as CET1 capital, for example Additional Tier 1 (AT1) or Tier 2 instruments, to meet the Pillar 2 Requirements (P2R).

Following the ECB recommendation of 27 March of 2020 (2020/19) on dividend distribution, the ECB recommended that at least until 1 October 2020 no dividends are paid out and no irrevocable commitment to pay out dividends is undertaken by the credit institutions for the financial year 2019 and 2020 and that credit institutions refrain from share buy-backs aimed at remunerating shareholders.

On 15 December 2020, ECB extended its recommendation to banks on dividend distributions and share buy-backs until 30 September 2021, meaning the next decisions to pay dividends should take place in the fourth quarter of 2021. ECB asked banks to be extremely moderate with regard to variable remuneration.

On 23 July 2021, ECB decided not to extend beyond September 2021 its recommendation that all banks limit dividends. Instead, supervisors will assess the capital and distribution plans of each bank as part of the regular supervisory process.

On 17 September 2020, ECB announced that euro area banks may exclude certain central bank exposures from the denominators of their leverage ratios owing to the exceptional macroeconomic circumstances.

On 18 June 2021, the ECB announced that euro area banks under its direct supervision may continue to exclude certain central bank exposures from the leverage ratio as exceptional macroeconomic circumstances due to the Covid-19 pandemic continue. This extends until March 2022 the leverage ratio relief granted in September 2020, which was set to expire on 27 June 2021.

On 10 February 2022, ECB announced the end of the last temporary relief measures still available to banks, hence confirming the return to normality under the initially envisaged timeline. More specifically, ECB decided that banks are expected to operate above the Pillar 2 Guidance from January 2023, while it will not extend beyond March 2022 the supervisory measure that allows banks to exclude central bank exposures from their leverage ratios.

On 2 April 2020, the EBA published "Guidelines on legislative and non-legislative moratoria on loan repayments applied in the light of the Covid-19 crisis before 30 June 2020". On 25 June 2020, EBA introduced a new deadline of 30 September 2020 replacing the previous date of 30 June 2020. The aim of these Guidelines was to clarify the requirements for public and private moratoria, which if fulfilled, help avoid the classification of exposures under the definition of forbearance or as defaulted under distressed restructuring.

On 2 December 2020, EBA has decided to reactivate its Guidelines on Legislative and non-legislative moratoria due to the exceptional circumstances of the second Covid-19 wave. This reactivation ensures that loans, which had previously not benefitted from payment moratoria, can now also benefit from them. These Guidelines, which applied until 31 March 2021, included additional safeguards against the risk of an undue increase. The role of banks to ensure the continued flow of lending to clients remains of utmost importance in unrecognised losses on banks' balance sheet.

On 17 January 2022, EBA confirmed the need to continue monitoring exposures and the credit quality of loans benefitting from various public support measures due to the uncertainty over Covid-19 developments. To facilitate such monitoring by the competent authorities, especially in the jurisdictions where loans under moratoria and public guarantee schemes remain a concern, the EBA confirms that the Guidelines on the reporting and disclosure of exposures subject to measures applied in response to the Covid-19 crisis adopted on 2 June 2020 continue to apply until further notice.

On June 24, 2020, the EU Council announced that it had adopted Regulation (EU) 2020/873 (CRR 'quick fix') amending Regulations (EU) No 575/2013, as amended ("CRR") and (EU) 2019/876 ("CRR2"). The CRR 'quick fix' legislation intends to help credit institutions to mitigate impact of the Covid-19 outbreak and to provide incentives for banks to continue lending to business and consumers.

The material changes include:

- Extension by two years of the transitional arrangements for IFRS 9 (international accounting standard) and further relief measures (capital add back);
- Alignment of minimum coverage requirements for non-performing loans guaranteed by the public sector with those guaranteed by official export credit agencies;
- Deferred application of the leverage ratio buffer by one year to January 2023;
- Advanced application of a more favourable prudential treatment of loans to pensioners or employees with a permanent contract that are backed by the borrower's pension or salary;
- Advanced application of both, the SME and infrastructure supporting factors, which allows for a more favourable prudential treatment of certain exposures to SMEs and infrastructure;
- Temporary treatment of unrealised gains and losses measured at fair value through other comprehensive income in relation to exposures to central of governments, to regional governments, to local authorities and public sector entities;
- Banks will no longer be required to fully deduct software assets from their capital.

On 14 October 2020, the EBA published its final draft regulatory technical standards (RTS) specifying the prudential treatment of software assets according to Art. 36(4) of the Capital Requirements Regulation (CRR), based on a prudential amortisation of software assets. EBA has concluded that the prudential amortization approach would best fit its purpose and objectives. This method implies that the positive difference between prudential and accounting accumulated depreciation shall be fully deducted from CET1, while the residual portion of the carrying amount shall be risk-weighted. If the useful life of software estimated for accounting purposes is shorter than the prudential amortization period, the former shall be used also for prudential purposes. Additionally, the prudential amortization period has been set at maximum 3 years, starting from the date on which the software asset is available for use. The prudential amortizations and deductions shall be made separately for each software asset. All the investments made for maintaining, enhancing or upgrading the existing software assets shall be treated as separate assets, considering that those investments are recognized as an intangible asset on the balance sheet. In line with the recent CRR 'quick fix', the date of entry into force of the RTS was moved forward to the day following its publication in the Official Journal of the EU, i.e. 23 December 2020.

On 6 April 2021, the EU adopted earlier two regulations to amend the securitisation framework (the review planned for 2022). The Regulation (EU) 2021/557 amending the Securitisation Regulation (2017/2402) provides a general framework for securitisation and creates a specific framework for simple, transparent and standardised (STS) securitisations. The Regulation (EU) 2021/558 makes changes to the CRR with respect to certain adjustments to securitisation framework. Both regulations came into force on 9 April 2021.

Furthermore, the Basel Committee's oversight body, the Group of Central Bank Governors and Heads of Supervision (GHOS), has endorsed a set of measures to provide additional operational capacity for banks and supervisors to respond to the immediate financial stability priorities resulting from the impact of the coronavirus disease (Covid-19) on the global banking system:

- The implementation date of the Basel III standards finalised in December 2017 has been deferred by one year to 1 January 2023. The accompanying transitional arrangements for the output floor has also been extended by one year to 1 January 2028;
- The implementation date of the revised market risk framework finalised in January 2019 has been deferred by one year to 1 January 2023;
- The implementation date of the revised Pillar 3 disclosure requirements finalised in December 2018 has been deferred by one year to 1 January 2023.

1.10 Single Supervisory Mechanism (SSM)

Pursuant to the proposal of the EU Commission dated 12 September 2012 as regards a Single Supervisory Mechanism (SSM), Council Regulation No 1024/2013 of 15 October 2013 was issued, which conferred specific tasks on the ECB concerning policies relating to the prudential supervision of credit institutions. Furthermore, Regulation No 1022/2013 of the European Parliament and of the Council of 22 October 2013 was also issued, amending Regulation No 1093/2010 establishing the EBA as regards the conferral of specific tasks on the ECB pursuant to Council Regulation No 1024/2013.

SSM refers to the system of banking supervision in Europe. It comprises the ECB and the national supervisory authorities of the participating members. The main aims of the SSM are to ensure the safety and soundness of the European banking system, increase financial integration and stability and ensure consistent supervision.

As of November 2014, the ECB directly supervises the largest banks, while the national supervisors continue to monitor the remaining banks. The main task of the ECB and the national supervisors, working closely together within an integrated system, is to check that banks comply with the EU banking rules and tackle problems early on.

The SSM is one of the two pillars of the EU banking union, along with the Single Resolution Mechanism.

Introduction – General Information

Single Rulebook

The Single Rulebook is the foundation of the banking union. The term Single Rulebook was coined in 2009 by the European Council in order to provide a single set of harmonised prudential rules which institutions throughout the EU must comply with. These rules, among other things, lay down capital requirements for banks, ensure better protection for depositors and regulate the prevention and management of bank failures.

Supervisory Review and Evaluation Process (SREP)

Based on Council Regulation 1024/2013, the ECB conducts annually a Supervisory Review and Evaluation Process (SREP), in order to define the prudential requirements of the institutions under its supervision, by defining a total SREP capital requirement.

The key purpose of SREP is to ensure that institutions have adequate arrangements, strategies, processes and mechanisms as well as capital and liquidity to ensure a sound management and coverage of their risks, to which they are or might be exposed, including those revealed by stress testing and risks the institution may pose to the financial system.

The common SREP framework introduced is built around:

- business model analysis;
- assessment of internal governance and institution-wide control arrangements;
- assessment of risks to capital and adequacy of capital to cover these risks; and
- assessment of risks to liquidity and adequacy of liquidity resources to cover these risks.

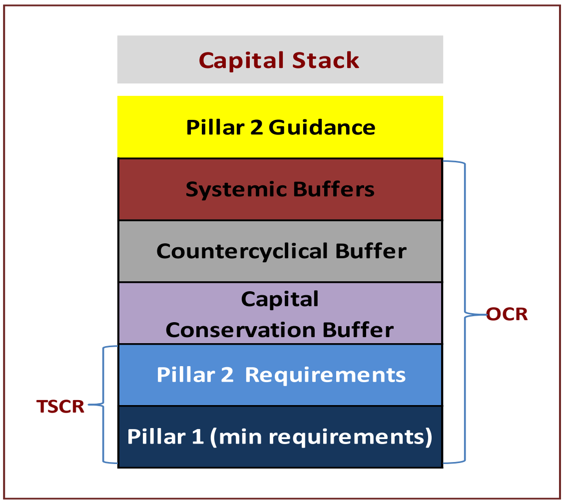
The minimum capital adequacy requirements are determined by the ECB following the assessment of the institution's risk profile (through SREP). The SREP requirements consist of:

- The minimum required CET1 ratio and the minimum required Total capital adequacy ratio (Total SREP Capital Requirement or TSCR) that the Bank must meet at all times;
- The Overall Capital Requirement (OCR), which includes, in addition to the TSCR, the combined buffer requirement, and which in case of breach, leads to the trigger of the Maximum Distributable Amount (MDA) restrictions; and
- The Pillar 2 Guidance (P2G), which is an additional capital buffer recommended by the ECB to be kept at consolidated level over and above the OCR. The P2G indicates the level of capital that the ECB expects the Group to maintain in order to withstand stress.

Pillar 2 Requirement (P2R)

The Pillar 2 Requirement (P2R) is a capital requirement which applies in addition to and covers risks which are underestimated or not covered by the minimum capital requirements (Pillar 1). The P2R is binding and its breach can have direct legal consequences for an institution. The P2R is determined via the SREP. Unlike the P2R, the P2G is not legally binding.

Introduction – General Information



Based on the completion of the SREP decision for the year 2021, the ECB notified that both the Group and the Bank shall meet, on a consolidated and individual basis respectively, a total SREP capital requirement (TSCR) of 11%, which includes a Pillar 2 Requirement (P2R) of 3%. This requirement must be maintained at all times in accordance with Article 16(2)(a) of Regulation (EU) No 1024/2013.

Part of the P2R must be held in the form of CET1 capital (1.69%), while AT1 and Tier 2 capital, where available, may be used to cover the remaining part.

1.11 Stress Tests

In January 2021, the EBA launched the 2021 EU-wide stress test exercise, which provided valuable input for assessing the resilience of the European banking sector, notably its ability to absorb shocks under adverse macroeconomic conditions.

This exercise was coordinated by the EBA in cooperation with the ECB and national authorities, and was conducted according to the EBA's methodology, which was published in November 2020. It was carried out on the basis of year-end 2020 figures and assessed the resilience of EU banks under a common macroeconomic baseline scenario and a common adverse scenario, covering the period of 2021-2023. The baseline scenario for EU countries was based on the projections from the national central banks of December 2020, while the adverse scenario assumed the materialisation of the main financial stability risks that have been identified by the European Systemic Risk Board (ESRB) and which the EU banking sector is exposed to. The adverse scenario also reflected ongoing concerns about the possible evolution of the Covid-19 pandemic coupled with a potential strong drop in confidence and was designed to ensure an adequate level of severity across all EU countries.

In parallel, the ECB also conducted its own stress test for the banks it directly supervises but that was not included in the EBA-led stress test sample. This exercise was consistent with the EBA's methodology and applied the same scenarios, while also including proportionality elements as suggested by the overall smaller size and lower complexity of these banks. Eurobank Holdings Group participated in the ECB-led stress test.

2021 Eurobank Stress Test Results

On 30 July 2021, the Company announced that Eurobank Holdings Group successfully completed the 2021 SSM Stress Test (ST), which was coordinated and conducted by the ECB. The starting point of the ST exercise was the financial and capital position of the Group as at 31 December 2020 and the ST horizon covered the period until the end of 2023.

Under the baseline scenario, the Group is capital accretive by 290 bps over the three-year ST horizon, reaching, on a fully loaded (FL) basis, total CAD ratio of 17.5%, and CET1 ratio of 14.9%, as at the end of 2023.

Under the adverse scenario, the capital depletion in terms of FL CET1 ratio amounts to 433 bps as at the end of 2023. Accordingly, the FL CET1 ratio stands at 7.6% as at the end of 2023. On a transitional basis, the CET1 ratio at the end of 2023 stands at 8%.

The Group's performance in the ST confirmed its resilience and ability to withstand a significant downturn, especially under the severe assumptions of the adverse scenario. In addition, the results of ST will be used to determine the P2G in the context of the SREP.

1.12 Climate Risk Stress Test

On 27 January 2022, ECB launched a supervisory climate risk stress test to assess how prepared banks are for dealing with financial and economic shocks stemming from climate risk.

The exercise consists of three distinct modules: (i) a questionnaire on banks' climate stress test capabilities, (ii) a peer benchmark analysis to assess the sustainability of banks' business models and their exposure to emission-intensive companies, and (iii) a bottom-up stress test. To ensure the proportionality of the exercise, smaller banks will not be asked to provide their own stress test projections.

The stress test targets specific asset classes exposed to climate risk rather than banks' overall balance sheets. It focuses on exposures and income sources that are most vulnerable to climate-related risk, combining traditional loss projections with new qualitative data collections.

The exercise will be conducted in the first half of 2022 after which the ECB will publish aggregate results. The results will feed into the SREP from a qualitative point of view and could have an indirect potential impact on P2R through the SREP scores, without however directly impacting capital through P2G.

1.13 Recovery and Resolution of Credit Institutions

On 15 May 2014 the European Parliament and the Council of the European Union adopted the Directive 2014/59 EU establishing a framework for the recovery and resolution of credit institutions and investment firms (the Bank Recovery and Resolution Directive (BRRD) which entered into force on 2 July 2014. The European Council has recognised that in the Banking Union, bank supervision and resolution need to be exercised uniformly, thus making obvious the need for the establishment of the Single Resolution Mechanism (SRM) and a Single Resolution Fund, (SRF) and in this context, the European Parliament and Council adopted Regulation No 806/2014 (the "SRM Regulation").

The BRRD, which was transposed into Greek law by virtue of Law 4335/2015, relies on a network of national authorities and resolution funds to resolve banks. Pursuant to Law 4335/2015, with respect to Greek credit institutions, the BoG has been designated as the national resolution authority and the Resolution Branch of the Hellenic Deposit and Investment Guarantee Fund (HDIGF) as the national resolution fund.

The SRM Regulation builds on the rulebook on bank resolution set out in the BRRD and establishes the SRM, which complements the SSM and centralizes key competences and resources for managing the failure of any bank in the Euro zone and in other Member States participating in the Banking Union. The SRM Regulation also established the SRB, vested with centralised power for the application of the uniform resolution rules and procedures and the SRF, supporting the SRM. The main objective of the SRM is to ensure that potential future bank failures in the banking union are managed efficiently, with minimal costs to taxpayers and the real economy. The SRB is fully operational since January 2016.

In June 2019 the following legislative acts amending BRRD and SRMR were published in the Official Journal of the European Union:

- **Directive (EU) 2019/879** of the European Parliament and of the Council amending Directive 2014/59/EU on loss-absorbing and recapitalisation capacity of credit institutions and investment firms (known as "BRRD2"); and
- **Regulation (EU) 2019/877** of the European Parliament and of the Council amending Regulation (EU) No 806/2014 as regards loss-absorbing and recapitalisation capacity for credit institutions and investment firms (known as "SRMR2").

The SRMR2 applies from 28 December 2020, while BRRD2 was transposed into Greek law in May 2021 under Law 4799/2021.

The revised framework brought about changes, among others, in the arrangements relating to the determination and application of the Minimum Requirement for Own funds and Eligible Liabilities (MREL). In that context, the key changes pertain to:

- the allocation of banks into different categories with different requirements to apply to each of these categories;
- the introduction of a Pillar 1 MREL applicable to large and systemically important institutions;
- the establishment of the subordination requirement based on which credit institutions must cover part of the MREL with capital instruments and subordinated MREL-eligible liabilities;
- the introduction of the internal MREL for material subsidiaries of credit institutions;
- the establishment of specific criteria for the determination of the transitional period during which credit institutions must meet the MREL; and
- the introduction of specific measures that resolution authorities and/or supervisory authorities, where relevant, may take in response to the breach of the MREL.

1.13.1 Minimum Requirements for Eligible Own Funds and Eligible Liabilities (MREL)

Under the Directive 2014/59 (Bank Recovery and Resolution Directive or BRRD), as amended by Directive 2019/879 (BRRD2), which was transposed into the Greek legislation pursuant to Law 4799/2021 amending Law 4335/2015, European banks are required to meet the minimum requirement for own funds and eligible liabilities (MREL). The Single Resolution Board (SRB) has determined Eurobank S.A. as the Group's resolution entity and a Single Point of Entry (SPE) strategy for resolution purposes. Based on the latest official SRB's decision, the fully calibrated MREL (final target) to be met by Eurobank S.A. on a consolidated basis until the end of 2025 is set at 26.87% of its total risk weighted assets (RWAs), including a fully-loaded combined buffer requirement (CBR) of 3.56%. The interim binding MREL target to be met at 1 January 2022 was set at 17.82% of its total RWAs, including a CBR of 3.31%.

In the year ended 31 December 2021, in the context of its medium-term strategy to meet its MREL target, the Bank proceeded with two issuances of preferred senior debt with a nominal value of € 500 million each. As a result, at 31 December 2021, the Bank's MREL ratio at consolidated level stands at 18.47% (including profit for the year ended 31 December 2021), which is well above the aforementioned interim binding MREL target. The final MREL target is updated by the SRB on an annual basis.

1.14 Implementation of Capital Adequacy framework

1.14.1 Credit risk

Eurobank Group (the "Bank" or the "Group") first applied the Basel II framework under the Standardised approach in January 2007 and included the respective risk asset ratio figures in its published financial statements. Until that date the Group had been applying the Basel I rules.

Introduction – General Information

In June 2008, the Group received the approval of BoG to use the Internal Ratings Based (IRB) approach to calculate the capital requirement for credit risk. Therefore, with effect from 1 January 2008 the Group applies:

- The Foundation IRB approach to calculate risk weighted assets for the corporate loans' portfolio of the Bank in Greece;
- The Advanced IRB for the majority of the retail loans' portfolio of the Bank, i.e. mortgages, small business lending, credit cards and revolving credits in consumer lending;
- From September 2009 the Foundation IRB approach was applied for the corporate loans' portfolio of Eurobank Leasing Single Member S.A. in Greece;
- From March 2010 the Advanced IRB approach was applied for the Bank's portfolio of personal and car loans.

In October 2021, following the demerger of Eurobank Leasing Single Member S.A., the Bank acquired the majority of Leasing portfolio, without any change in the approach followed for capital requirements calculations.

Following the Mexico derecognition, the implementation of IRB covers 70.8% of the Group's lending portfolio excluding portfolio segments which are immaterial in terms of size and risk profile as well as, permanent exemptions. The Bank is in the process of reviewing the IRB roll out plan taking into account ECB guidelines and its business plan. The updated roll out plan will be subject to ECB approval.

From 1 January 2018, the equity exposures of the Group, according to article 155 of Regulation (EU) No 575/2013 (Risk weighted exposure amounts for equity exposures), are subject to the IRB treatment.

There is a permanent exemption from the IRB approach, up to a maximum of 10% of Risk Weighted Assets, for which the Standardised approach is applied. In addition to the exemption of up to a maximum of 10% of Risk Weighted Assets, permanent exemption has been granted for the following exposure classes as prescribed in the CRD:

- exposures to/or guaranteed by central governments and central banks;
- exposures to/or guaranteed by credit and financial institutions; and
- exposures to administrative bodies and non-commercial undertakings.

The Standardised approach is applied for these exposures.

1.14.2 Market risk

The Bank uses its own internal Value at Risk (VaR) model to calculate capital requirements for market risk in its trading book, for the Bank's activities in Greece. The Bank received the official validation of its model for market risk by the BoG in July 2005. The model is subject to periodic review by the regulator.

In 2011, the Bank updated its models and systems in order to fully comply with the BoG Governor's Act 2646/2011 for the trading book capital. The Bank calculates the capital for stressed VaR and IRC (incremental risk capital charge) since 31.12.2011.

For the measurement of market risk exposure and the calculation of capital requirements for the Bank's subsidiaries in Greece and in International operations, the Standardised Approach (SA) is applied.

Furthermore, the Bank calculates and monitors the market risk of the banking book for its operations in Greece and international subsidiaries on a daily basis using the internal VaR model. For its operations abroad, Eurobank additionally applies sensitivity analysis.

1.14.3 Interest Rate risk

Interest Rate Risk in the Banking Book (IRRBB) is part of the Supervisory Review Process and refers to the current or prospective risk to the Bank's capital and to its earnings, arising from the impact of adverse movements in interest rates in its banking book. The Bank has updated its infrastructure to reflect changes in the market and supervisory practices so

Introduction – General Information

as to effectively manage and control such risks. This includes the implementation of a specialised software, so as to identify, measure and monitor IRRBB.

The established software tools are under continuously evolution in order to cover any part of the Bank's balance sheet. They offer a wide range of modelling capabilities for demand deposits, pre-payable loans, mortgage pipelines, revolving facilities and off-balance sheet items.

The Bank uses sensitivity analysis to monitor risk on earnings (NII) and on economic value (EVE) on a monthly basis covering both Supervisory & Internal monitoring reporting needs.

1.14.4 Operational risk

Capitalizing on the provisions of Regulation (EU) No 575/2013, the Group applies the Standardised Approach to calculate the Pillar 1 regulatory capital requirements for operational risk for its consolidated operations.

1.15 Regulatory initiatives on Internal Models

In line with Commission Delegated Regulation (EU) 2018/171 which supplements CRR with regard to regulatory technical standards for the materiality threshold for credit obligations past due and EBA Guideline EBA/GL/2016/07 which specify all aspects related to the application of the definition of default of an obligor, the Bank is applying since 1/1/2021 the new Definition of Default (DoD).

More specifically, for the IRB portfolios, the Bank has also proceeded with the calibration of all IRB models under the new DoD and applied them in the calculation of own funds requirements since June 2021, following relevant ECB approval.

The Bank has also introduced new PD models, approved by ECB within 2021, in the calculation of own funds requirements as follows:

1. Three new PD models for the Corporate portfolio since June 2021
2. Three models for the new production of Retail Lending since June 2021

Finally, in the context of the implementation of the new DoD, the Bank has also proceeded with the calibration of all IFRS9 models under the new DoD and applied them in the calculation of loan loss provisions since June 2021 for Retail models and since September 2021 for Corporate models.

1.16 Scope of Pillar 3

The purpose of Pillar 3 report is to provide updated information the Group's risk management practices, risk assessment processes and regulatory capital adequacy ratios.

Pillar 3 disclosures consist of both qualitative and quantitative information and are provided on a consolidated basis. They have been prepared in accordance with Part 8 of the Capital Requirements Regulation within CRD IV (Regulation 2013/575/EU) and according to the regulatory consolidation framework, which is described in the following section.

In December 2016, EBA published EBA/GL/2016/11 guidelines on revised Pillar 3 disclosures requirements to improve the consistency and comparability of institutions' regulatory disclosures. These guidelines harmonised the frequency of disclosures and updated the list of requirements to be considered for more frequent disclosures.

According to the above guidelines, for templates that require the disclosure for current and previous reporting periods, the previous reporting period is always referred to as the last data disclosed according to the frequency of the template. When the disclosure is being reported for the first time, the data of the previous period is not required.

In December 2018 EBA published EBA/GL/2018/10 guidelines, which include enhanced disclosure formats for credit institutions for disclosures related to non-performing exposures, forborne exposures and foreclosed assets. Some templates are applicable to significant credit institutions that have a gross NPL ratio of 5% or above, as is the case for the Group.

In June 2019 the European Parliament (EP) and the Council published the Regulation (EU) No 876/2019 or CRR2 amending the CRR, regarding among others the reporting and disclosure framework. The CRR 2 rules follow a phased implementation with significant elements entering into force in 2021.

In response to the Covid-19 pandemic, EBA published EBA/GL/2020/07 guidelines, which introduce additional requirements in relation to the disclosure on exposures subject to the EBA Guidelines on legislative and non-legislative moratoria on loan repayments applied in the light of the Covid-19 crisis and on newly originated exposures subject to public guarantee schemes. The disclosure requirements apply semi-annually.

In addition to the CRR 'quick fix', EBA issued EBA/GL/2020/12 guidelines, which amend the EBA/GL/2018/01 on uniform disclosures under Article 473a of Regulation (EU) No 575/2013 (CRR) as regards the transitional period for mitigating the impact of the introduction of IFRS 9 on own funds, to provide clarity to institutions and users of information on the implementation of part of the disclosure requirements included in the CRR 'quick fix' and how institutions should disclose the information required.

In June 2020, EBA published new ITS on public disclosures by institutions and revised final draft ITS on supervisory reporting that implements changes introduced in the revised Capital Requirements Regulation (CRR2) and the Prudential Backstop Regulation. The two ITS aim to promote market discipline through enhanced and comparable public disclosures for stakeholders and to keep the reporting requirements in line with the evolving needs for Supervisory Authorities' risk assessments.

On 6 August 2021, EBA published an updated tool, which specifies the mapping between quantitative disclosure data points and the relevant supervisory reporting data points. This tool aims at facilitating institutions' compliance with disclosure requirements and improving the consistency and quality of the information disclosed.

Following new requirements, the Group performed several changes to the tables disclosed in Pillar 3 Report and also adopted these changes in the previous periods, in order to provide comparative information.

1.17 Location, timing and frequency of disclosures

Pillar 3 disclosures are provided on a quarterly basis in electronic format, after taking into consideration the relevant recommendation of EBA Guidelines 2016/11, which include the list of requirements to be considered for more frequent, than annual basis, disclosures.

Pillar 3 disclosures are provided with reference date (corresponding period) the close of the previous quarter and in conjunction with the date of publication of the financial statements. Equivalent disclosures made by the Group under accounting, listing or other requirements are deemed to constitute compliance with the requirements of the aforementioned Regulation (EU) No 575/2013 (Part Eight) taking into consideration any existing relevant implementing Regulations as well as the EBA guidelines.

Pillar 3 disclosures are a standalone document that provides a readily accessible source of prudential information for users and is available on a designated location on the Company's website (https://www.eurobankholdings.gr/en/investor-relations/financial-results) in chronological order and cover both quantitative and qualitative information.

Quantitative information, which is included in the Group's Consolidated Financial Statements, is also provided at the above location. In this way, the Company secures easy access of the market participants to continuous and complete information without cross-reference to other locations or media of communication.

Regarding the timing of disclosures, CRR clarifies that disclosures shall be published on the same date as the date on which the institution publishes its financial reports or as soon as possible thereafter. The Group's Pillar 3 disclosures will be published the latest either within one month from the publication of the financial statements or within the deadline of relevant Financial statements publication, as defined in Law 3556/2007.

The information contained in the Pillar 3 Disclosures has been verified by the Audit Committee and was approved by the Board of Directors on 29 April 2022.

1.18 Compliance with Basel III Pillar 3 disclosures

The Group has issued an internal approved by the Board of Directors "Consolidated Pillar 3 Disclosures Policy" in order to ensure consistent and continuous compliance with the Pillar 3 disclosures requirements, as these have been specified in the existing regulatory framework. Within this framework, the Group operates as follows:

- Pillar 3 disclosures are provided on a consolidated basis;
- The Group includes in its disclosures all information deemed necessary to provide users with a clear, complete and accurate view of the Group's structure, capital management, risk management system, unencumbered assets and remuneration policy and corporate governance principles. During this procedure the Bank also identifies information that is material, confidential and proprietary;
- The Group has opted to present the full set of Pillar 3 disclosures in a separate document "Consolidated Pillar 3 Report", which is published at least annually on the Bank's website, in conjunction with the date of publication of its financial statements. The Remuneration and Corporate Governance disclosures are published as separate documents;
- The Group re-examines the extent and type of information provided at each disclosure date and revises its policy as necessary;
- The Group assesses the need to publish some or all disclosures more frequently than annually, taking into consideration factors such as scale of operations, range of activities, presence in different countries, involvement in different financial sectors, participation in international financial markets and payment, settlement and clearing systems and paying particular attention to information on own funds, capital requirements, risk exposure and other items prone to rapid change; and
- The Audit Committee of the Group is responsible to review and assess the process for the preparation of the Pillar 3 report, while the Board of Directors (BoD) of the Bank is responsible to approve it.

The aforementioned responsibilities are equivalent to those in respect of the Bank's Consolidated Financial Statements.

1.19 Governance arrangements

Eurobank Holdings is headed by a Board of Directors (Board or BoD) which is collectively responsible for the long-term success of the Company. The Board exercises its responsibilities effectively and in accordance with the Greek legislation, international best practices and its contractual obligations under the Tripartite Relationship Framework Agreement (TRFA) signed between the Company, the Bank and the HFSF, while its role is to provide entrepreneurial leadership to the Company and its subsidiaries (Group) within a framework of prudent and effective controls which enables risk to be assessed and managed.

The Board is assisted in carrying out its duties by Board Committees. The Board delegates some of its responsibilities to the Board Committees, approves their composition and mandates and receives regular and ad hoc reports from them.

The Company has adopted the Board Nomination Policy which sets out the guidelines and formal process for the identification, selection and nomination of candidates for the Board and ensures that the appointments are made: (a) in accordance with legal and regulatory requirements; (b) with due regard to the expectations of the major shareholders, (c) in line with the TRFA and (d) on the basis of individual merit and ability, following a best practice process.

In addition, the Company has adopted the Directors Diversity Policy which sets out the approach to diversity on the Board and it is in accordance with international best practices and the EU and Greek banking law provisions. According to this Policy, Nomination Committee's priority is to ensure that the Board continues to have strong leadership and the right mix of skills to deliver the business strategy. Within this context and in regard to the less represented gender in the Board, Nomination Committee's target is that the percentage of the female gender representation in Board shall be at least 25% calculated on the total Board size (rounded to the nearest integer) in the next 3 years, with the aim the actual percentage to be maintained above the said minimum target at all times, also considering industry trends and best practices. As at 31 December 2021, the representation of the female gender in the Board stood at 31%.

More information concerning the Corporate Governance Arrangements is also available in the Board of Director's Report, in the 2021 Annual Financial Report https://www.eurobankholdings.gr/en/investor-relations/financial-results-pages/financial-year-2021.

1.20 Regulatory versus accounting consolidation

1.20.1 Accounting consolidation

The accounting consolidation of the Group is based on the International Financial Reporting Standards (IFRS) and more specifically IFRS 10 Consolidated Financial Statements, IAS 28 Investments in Associates and Joint Ventures and IFRS 11 Joint Arrangements.

Subsidiaries are all entities controlled by the Group. The Group controls an entity when it is exposed, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group consolidates an entity only when all the above three elements of control are present.

Power is considered to exist when the Group's existing rights give it the current ability to direct the relevant activities of the entity, i.e. the activities that significantly affect the entity's returns and the Group has the practical ability to exercise those rights. Power over the entity may arise from voting rights granted by equity instruments such as shares or, in other cases, may result from contractual arrangements.

Where voting rights are relevant, the Group is deemed to have control where it holds, directly or indirectly, more than half of the voting rights over an entity, unless there is evidence that another investor has the practical ability to unilaterally direct the relevant activities.

The Group may have power even when it holds less than a majority of the voting rights of the entity through a contractual arrangement with other vote holders, rights arising from other contractual arrangements, substantive potential voting rights, ownership of the largest block of voting rights in a situation where the remaining rights are widely dispersed ('de facto power'), or a combination of the above. In assessing whether the Group has de facto power, it considers all relevant facts and circumstances including the relative size of the Group's holding of voting rights and dispersions of holdings of other vote holders to determine whether the Group has the practical ability to direct the relevant activities.

The Group is exposed or has rights to variable returns from its involvement with an entity when these returns have the potential to vary as a result of the entity's performance.

In assessing whether the Group has the ability to use its power to affect the amount of returns from its involvement with an entity, the Group determines whether in exercising its decision-making rights it is acting as an agent or as a principal. The Group acts as an agent when it is engaged to act on behalf and for the benefit of another party and as a result does not control an entity. Therefore, in such cases, the Group does not consolidate the entity. In making the above assessment, the Group considers the scope of its decision-making authority over the entity, the rights held by other parties, the remuneration to which the Group is entitled from its involvement and its exposure to variability of returns from other interests in that entity.

Introduction – General Information

The Group has interests in certain entities which are structured so that voting rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual rights. In determining whether the Group has control over such structured entities, it considers the following factors:

- The purpose and design of the entity;
- Whether the Group has certain rights that give it the ability to direct the relevant activities of the entity unilaterally, as a result of existing contractual arrangements that give it the power to govern the entity and direct its activities;
- In case another entity is granted decision making rights, the Group assesses whether this entity acts as an agent of the Group or another investor;
- The existence of any special relationships with the entity; and
- The extent of the Group's exposure to variability of returns from its involvement with the entity, including its exposure in the most subordinated securitised notes issued by the entity as well as subordinated loans or other credit enhancements that may be granted to the entity, and if the Group has the power to affect such variability.

The Group reassesses whether it controls an entity if facts and circumstances indicate that there are changes to one or more elements of control. This includes circumstances in which the rights held by the Group and intended to be protective in nature become substantive upon a breach of a covenant or default on payments in a borrowing arrangement and lead to the Group having power over the investee.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

Investments in joint ventures (the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control and, under which, the parties have rights to the net assets of the arrangement) and investments in associates (investments in which the Group has a significant influence, but which it does not control,) are also part of the accounting consolidation scope, but are accounted for using the equity method.

1.20.2 Regulatory consolidation

There is no difference between regulatory and accounting consolidation.

The following table provides information regarding the consolidation method applied for each entity within the accounting and the regulatory scopes of consolidation.

Table 1: EU LI3 – Outline of the differences in the scopes of consolidation

Name of the entity	Method of accounting consolidation	Method of regulatory consolidation	Line of business
Eurobank S.A.	Full consolidation	Full consolidation	Banking
Be Business Exchanges S.A. of Business Exchanges Networks and Accounting and Tax Services	Full consolidation	Full consolidation	Business-to-business e-commerce, accounting, tax and sundry services
Eurobank Asset Management Mutual Fund Mngt Company Single Member S.A.	Full consolidation	Full consolidation	Mutual fund and asset management
Eurobank Equities Investment Firm Single Member S.A.	Full consolidation	Full consolidation	Capital markets and advisory services
Eurobank Leasing Single Member S.A.	Full consolidation	Full consolidation	Leasing
Eurobank Factors Single Member S.A.	Full consolidation	Full consolidation	Factoring
Hellenic Post Credit S.A.	Full consolidation	Full consolidation	Credit card management and other services
Herald Greece Single Member Real Estate development and services S.A. 1	Full consolidation	Full consolidation	Real estate
Herald Greece Single Member Real Estate development and services S.A. 2	Full consolidation	Full consolidation	Real estate
Standard Single Member Real Estate S.A.	Full consolidation	Full consolidation	Real estate
Cloud Hellas Single Member Ktimatiki S.A.	Full consolidation	Full consolidation	Real estate
Piraeus Port Plaza 1 Single Member Development S.A.	Full consolidation	Full consolidation	Real estate
(Under liquidation) Real Estate Management Single Member S.A.	Full consolidation	Full consolidation	Real estate services
(Under liquidation) Anchor Hellenic Investment Holding Single Member S.A.	Full consolidation	Full consolidation	Real estate
Vouliagmeni Residence Single Member S.A.	Full consolidation	Full consolidation	Real estate
Athinaiki Estate Investments Single Member S.A.	Full consolidation	Full consolidation	Real estate
Piraeus Port Plaza 2 Development S.A.	Full consolidation	Full consolidation	Real estate
Piraeus Port Plaza 3 Development S.A.	Full consolidation	Full consolidation	Real estate
Tenberco Properties Development and Exploitation Single Member S.A.	Full consolidation	Full consolidation	Real estate
Value Touristiki S.A.	Full consolidation	Full consolidation	Real estate
Village Roadshow Operations Hellas S.A.(1)	Full consolidation	Full consolidation	Cinema entertainment services
Eurobank Bulgaria A.D.	Full consolidation	Full consolidation	Banking
IMO 03 E.A.D.	Full consolidation	Full consolidation	Real estate services
IMO Property Investments Sofia E.A.D.	Full consolidation	Full consolidation	Real estate services
ERB Hellas (Cayman Islands) Ltd	Full consolidation	Full consolidation	Special purpose financing vehicle
Berberis Investments Ltd	Full consolidation	Full consolidation	Holding company
Eurobank Cyprus Ltd	Full consolidation	Full consolidation	Banking
ERB New Europe Funding III Ltd	Full consolidation	Full consolidation	Finance company
Foramonio Ltd	Full consolidation	Full consolidation	Real estate
NEU 03 Property Holdings Ltd	Full consolidation	Full consolidation	Holding company
NEU Property Holdings Ltd	Full consolidation	Full consolidation	Holding company
Lenevino Holdings Ltd	Full consolidation	Full consolidation	Real estate
Rano Investments Ltd	Full consolidation	Full consolidation	Real estate
Neviko Ventures Ltd	Full consolidation	Full consolidation	Real estate
Staynia Holdings Ltd	Full consolidation	Full consolidation	Holding company
Zivar Investments Ltd	Full consolidation	Full consolidation	Real estate
Amvanero Ltd	Full consolidation	Full consolidation	Real estate
Revasono Holdings Ltd	Full consolidation	Full consolidation	Real estate
Volki Investments Ltd	Full consolidation	Full consolidation	Real estate
Adariano Investments Ltd	Full consolidation	Full consolidation	Real estate
Elerovio Holdings Ltd	Full consolidation	Full consolidation	Real estate
Sagiol Ltd	Full consolidation	Full consolidation	Holding company
Macoliq Holdings Ltd	Full consolidation	Full consolidation	Holding company

Introduction – General Information

Name of the entity	Method of accounting consolidation	Method of regulatory consolidation	Line of business
Senseco Trading Limited	Full consolidation	Full consolidation	Holding company
Eurobank Private Bank Luxembourg S.A.	Full consolidation	Full consolidation	Banking
Eurobank Fund Management Company (Luxembourg) S.A.	Full consolidation	Full consolidation	Fund management
ERB Lux Immo S.A.	Full consolidation	Full consolidation	Real estate
ERB New Europe Funding B.V.	Full consolidation	Full consolidation	Finance company
ERB New Europe Funding II B.V.	Full consolidation	Full consolidation	Finance company
ERB New Europe Holding B.V.	Full consolidation	Full consolidation	Holding company
ERB IT Shared Services S.A.	Full consolidation	Full consolidation	Informatics data processing
IMO Property Investments Bucuresti S.A.	Full consolidation	Full consolidation	Real estate services
IMO-II Property Investments S.A.	Full consolidation	Full consolidation	Real estate services
Eliade Tower S.A.	Full consolidation	Full consolidation	Real estate
Retail Development S.A.	Full consolidation	Full consolidation	Real estate
Seferco Development S.A.	Full consolidation	Full consolidation	Real estate
Eurobank Direktna a.d.	Full consolidation	Full consolidation	Banking
ERB Leasing A.D. Beograd-in Liquidation	Full consolidation	Full consolidation	Leasing
IMO Property Investments A.D. Beograd	Full consolidation	Full consolidation	Real estate services
Reco Real Property A.D. Beograd	Full consolidation	Full consolidation	Real estate
ERB Istanbul Holding A.S. in liquidation	Full consolidation	Full consolidation	Holding company
ERB Hellas Plc	Full consolidation	Full consolidation	Special purpose financing vehicle
Karta II Plc	Full consolidation	Full consolidation	Special purpose financing vehicle
Astarti Designated Activity Company	Full consolidation	Full consolidation	Special purpose financing vehicle
ERB Recovery Designated Activity Company	Full consolidation	Full consolidation	Special purpose financing vehicle
Femion Ltd	Equity consolidation	Equity consolidation	Special purpose investment vehicle
(Under liquidation) Tefin S.A.	Equity consolidation	Equity consolidation	Dealership of vehicles and machinery
Sinda Enterprises Company Ltd	Equity consolidation	Equity consolidation	Special purpose investment vehicle
Global Finance S.A. (1)	Equity consolidation	Equity consolidation	Investment financing
Rosequeens Properties Ltd (2)	Equity consolidation	Equity consolidation	Special purpose investment vehicle
Odyssey GP S.a.r.l.	Equity consolidation	Equity consolidation	Special purpose investment vehicle
Eurolife FFH Insurance Group Holdings S.A. (1)	Equity consolidation	Equity consolidation	Holding company
Alpha Investment Property Commercial Stores S.A.	Equity consolidation	Equity consolidation	Real estate
Peirga Kythnou P.C.	Equity consolidation	Equity consolidation	Real estate
Grivalia Hospitality S.A. (2)	Equity consolidation	Equity consolidation	Real estate
Information Systems Impact S.A.	Equity consolidation	Equity consolidation	Information systems services
doValue Greece Loans and Credits Claim Management S.A.	Equity consolidation	Equity consolidation	Loans and Credits Claim Management
Perigenis Business Properties S.A.	Equity consolidation	Equity consolidation	Real estate
Intertech S.A. - International Technologies (3)	Equity consolidation	Equity consolidation	Trade - import of electrical and electronic products

(1) Eurolife Insurance group (Eurolife ERB Insurance Group Holdings S.A. and its subsidiaries) and Global Finance group (Global Finance S.A. and its subsidiaries) are considered as Group's associates.

(2) Rosequeens Properties Ltd (including its subsidiary Rosequeens Properties SRL) and Grivalia Hospitality group (Grivalia Hospitality S.A. and its subsidiaries) are considered as Group's joint venture.

(3) The holding in the company was acquired in the third quarter of 2021 and was classified as held for sale.

1.21 Impediments to the prompt transfer of capital

Subordinated loans given by Eurobank S.A. to its subsidiaries, financial institutions operating outside Greece, are subject to local regulations and subsequently restrictions set by local laws and supervisory authorities. The most common of all restrictions is minimum duration (5 to 7 years in most cases) with no possibility of prepayment without prior permission by the respective supervisory authority.

2. Capital Management

The amount and quality of the capital held by the Group is subject to certain rules and guidelines. The composition of the Group's available regulatory capital under Pillar 1 is as follows:

2.1 Regulatory capital – definition

The Pillar 1 regulatory capital of the Group at consolidated level is calculated on the basis of IFRS figures and according to the rules set by Regulation (EU) No 575/2013.

According to the CRR, the available regulatory capital is classified under two main categories: Tier 1 and Tier 2 capital. Tier 1 consists of Common Equity (CET1) and Additional Tier 1 (AT1) capital.

CET1 capital is composed of ordinary shareholders' equity, and minority interest allowed in consolidated CET1, after the following adjustments:

Addition of:

- 50% of IFRS 9 impact of 2021 (refer to par. 2.2 and 2.6);
- 100% of IFRS 9 'quick fix' impact of 2021 increases in stage 1 and stage 2 provisions (refer to par. 2.2 and 2.6).

Deduction of:

- Fair value reserves related to gains or losses of cash flow hedges;
- Gains and losses on market valuation of liabilities designated as fair-value-through-profit-or-loss attributable to own credit risk;
- Goodwill and intangible assets adjusted based on the requirements for prudent valuation of software assets;
- Deferred tax assets that rely on future profitability excluding those arising from temporary differences (unused tax losses);
- Participating interests and subordinated loans (and other capital instruments qualifying as own funds) of more than 10% in not fully consolidated credit or other financial institutions, including insurance companies;
- Loan impairment allowances' shortage compared to IRB measurement of Expected Loss (EL) derived under Basel III as defined in para 4.7.4;
- Deferred tax assets arising from temporary differences, which exceed 10% threshold of CET1 capital before certain deductions;
- The sum of deferred tax asset arising from temporary differences and participating interests and subordinated loans to financial institutions of more than 10% that are less than 10% of CET 1 capital and in total exceed the 17.65% threshold of adjusted CET1 capital; and
- Value adjustments due to the requirements for prudent valuation for all fair valued financial instruments and commodities (AVA).

Tier 1 capital comprises CET1 capital plus AT1 capital including preferred securities subject to phase out.

In case deductions of Tier 1 capital exceed positive amounts of Tier 1 capital, then the difference is deducted from CET1 capital.

Tier 2 capital is composed of the following items:

- Long term subordinated liabilities that meet certain regulatory specified criteria;
- General credit risk provisions up to 1.25% of risk weighted assets calculated under standardised approach;
- Positive difference between the sum of loan impairment allowances over the IRB measurement of Expected Losses, up to 0.6% of risk weighted assets calculated under the IRB approach.

- In case deductions of Tier 2 capital exceed positive amounts of Tier 2 capital, then the difference is deducted from Tier 1 capital.

2.2 Transition rules

Regarding IFRS 9 adoption from 1.1.2018 and according to Regulation (EU) 2017/2395 of the European Parliament and the Council, a five year transition period is introduced, which allows banks to add back to their CET 1 capital 95% of IFRS 9 impact in 2018 and 85%, 70%, 50% and 25% in the subsequent four years.

According to the CRR 'quick fix' relief package, the IFRS 9 transitional arrangements have been extended by two years and a new calculation has been introduced where 100% relief is applied in 2020 and 2021 for increases in stage 1 and stage 2 provisions from 1 January 2020. Accordingly, the relief applied for 2022 is 75%, for 2023 50% and for 2024 25%.

The Group has elected to apply the phase in approach for mitigating the impact of IFRS 9 transition on the regulatory capital.

In addition, the CRR 'quick fix' with the Article 468 introduces a temporary treatment that allows institutions to remove from the calculation of their CET1 items unrealised gains and losses measured at fair value through other comprehensive income during the period from 1 January 2020 to 31 of December 2022.

The Group is not applying the temporary treatment specified in Article 468 therefore the own funds, capital and leverage ratios reflect the full impact of unrealised gains and losses measured at fair value through other comprehensive income.

Capital Management

2.3 Key Metrics

The table below provides an overview of Group's prudential regulatory metrics.

Table 2: EU KM1 - Key Metrics template

	31 December 2021 [1] € million	31 December 2021 € million	30 September 2021 [1] & [2] € million	30 June 2021 [1] € million	31 March 2021 [1] € million	31 December 2020 [4] € million
Available own funds (amounts)						
Common Equity Tier 1 (CET1) capital	5,436	5,050	5,401	5,447	5,319	5,604
Tier 1 capital	5,436	5,050	5,401	5,447	5,319	5,604
Total capital	6,386	6,000	6,365	6,441	6,314	6,554
Risk-weighted exposure amounts						
Total risk-weighted exposure amount	39,789	39,644	40,598	41,159	40,800	40,237
Capital ratios (as a percentage of risk-weighted exposure amount)						
Common Equity Tier 1 ratio (%)	13.7%	12.7%	13.3%	13.2%	13.0%	13.9%
Tier 1 ratio (%)	13.7%	12.7%	13.3%	13.2%	13.0%	13.9%
Total capital ratio (%)	16.1%	15.1%	15.7%	15.6%	15.5%	16.3%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)						
Additional own funds requirements to address risks other than the risk of excessive leverage (%)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
of which: to be made up of CET1 capital (percentage points)	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%
of which: to be made up of Tier 1 capital (percentage points)	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%
Total SREP own funds requirements (%)	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%
Combined buffer requirement (as a percentage of risk-weighted exposure amount)						
Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Institution specific countercyclical capital buffer (%)	0.06%	0.06%	0.05%	0.06%	0.06%	0.05%
Systemic risk buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Global Systemically Important Institution buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other Systemically Important Institution buffer	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Combined buffer requirement (%)	3.06%	3.06%	3.05%	3.06%	3.06%	3.05%
Overall capital requirements (%)	14.06%	14.06%	14.05%	14.06%	14.06%	14.05%
CET1 available after meeting the total SREP own funds requirements (%)	5.06%	4.13%	4.73%	4.65%		

Capital Management

	31 December 2021 [1] € million	31 December 2021 € million	30 September 2021 [1] € million	30 June 2021 [1] € million	31 March 2021 [1] € million	31 December 2020 [4] € million
Leverage ratio						
Leverage ratio total exposure measure	66,397	66,339	64,073	63,078	63,867	63,634
Leverage ratio	8.19%	7.61%	8.50%	8.63%	8.33%	8.81%
Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)						
Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%	0.00%	0.00%		
of which: to be made up of CET1 capital (percentage points)	0.00%	0.00%	0.00%	0.00%		
Total SREP leverage ratio requirements (%)	3.16%	3.16%	3.16%	3.16%		
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)						
Leverage ratio buffer requirement (%)	0.00%	0.00%	0.00%	0.00%		
Overall leverage ratio requirements (%)	3.16%	3.16%	3.16%	3.16%		
Liquidity Coverage Ratio						
Total high-quality liquid assets (HQLA) (Weighted value - average)	11,173	11,173	10,054	8,807	7,784	7,233
Cash outflows - Total weighted value	8,219	8,219	7,977	7,680	7,460	7,397
Cash inflows - Total weighted value	1,048	1,048	1,126	1,142	1,166	1,238
Total net cash outflows (adjusted value)	7,171	7,171	6,851	6,539	6,294	6,160
Liquidity coverage ratio (%) (adjusted value) [3]	155.43%	155.43%	145.93%	134.69%	123.67%	117.30%
Liquidity coverage ratio (%)	152.24%	152.24%	168.16%	166.43%	140.59%	123.68%
Net Stable Funding Ratio						
Total available stable funding	59,722	59,722	56,538	55,640		
Total required stable funding	48,445	48,445	46,223	45,970		
NSFR ratio (%)	123.28%	123.28%	122.32%	121.04%		

(1) Including profits € 328 million for year ended 31 December 2021, € 216 million for the 9M 2021, € 190 million for the 1H 2021 and € 70 million for the 1Q 2021.

(2) Pro-forma with the derecognition of the Mexico loans.

(3) Average figures based on previous monthly data points.

(4) The table above for the year ended 31 December 2020 has not been restated following the retrospective application of IFRIC agenda decision - Attributing Benefit to Periods of Service (IAS 19).

(5) Pro-forma Common Equity Tier 1 and Total Capital Adequacy ratios as at 31 December 2021 with the completion of the sale of Eurobank's merchant acquiring business would be 14.5% and 16.8%, respectively.

2.4 Reconciliation of Balance Sheets - financial accounting to regulatory scope of consolidation

As noted in section "1.20 Regulatory versus accounting consolidation", there is no difference between regulatory and accounting consolidation. As a result, the table below presents in one column per period the Balance Sheet both as per published financial statements and regulatory consolidation broken down into different risk types. Certain assets and liabilities can be subject to multiple risk frameworks.

Capital Management

Table 3: EU LI1 - Differences between accounting and regulatory scopes of consolidation and the mapping of financial statement categories with regulatory risk categories

		31 December 2021					
			Carrying values of items				
	Ref.	Balance sheet per published financial statements and per regulatory consolidation € million	Subject to the credit risk framework € million	Subject to the CCR framework € million	Subject to the securitisation framework € million	Subject to the market risk framework € million	Not subject to capital requirements or subject to deduction from capital € million
Assets							
Cash and Balances with central banks		13,515	13,515	-	-	-	-
Due from credit institutions		2,510	2,479	1,925	-	-	-
Securities held for trading		119	-	-	-	119	-
Derivative financial instruments		1,949	-	1,949	-	1,949	-
Loans and advances to customers		38,967	32,272	59	6,636	-	-
Investment securities	c	11,316	10,612	915	691	-	13
Investments in associate and joint ventures		267	267	-	-	-	-
Property and equipment		815	815	-	-	-	-
Investment property		1,492	1,492	-	-	-	-
Goodwill and other intangible assets	a	269	78	-	-	-	191
Deferred tax asset		4,422	4,126	-	-	-	296
of which deferred tax assets that rely on future profitability	b	-	-	-	-	-	-
of which deferred tax credit		3,547	3,547	-	-	-	-
of which deferred tax assets arising from temporary differences	c	875	579	-	-	-	296
Other assets		2,065	2,045	-	-	-	20
Assets of disposal group classified as held for sale		146	146	-	-	-	-
Total assets		**77,852**	**67,847**	**4,848**	**7,327**	**2,068**	**520**
Liabilities							
Due to central banks		11,663	-	11,663	-	-	-
Due to credit institutions		973	-	270	-	-	703
Derivative financial instruments		2,394	-	2,394	-	2,394	-
Due to customers		53,168	-	200	-	-	52,968
Debt securities in issue		2,552	-	-	-	-	2,552
Other liabilities		1,358	26	-	-	-	1,332
Liabilities of disposal group classified as held for sale		109	-	-	-	-	109
Total liabilities		**72,217**	**26**	**14,527**	**-**	**2,394**	**57,664**
of which tier 2 instruments	e	950	-	-	-	-	950
Equity		-	-	-	-	-	-
Ordinary share capital		816	-	-	-	-	816
Share premium		8,055	-	-	-	-	8,055
Reserves and retained earnings		(3,332)	-	-	-	-	(3,332)
of which cash flow hedge reserves	d	(12)	-	-	-	-	(12)
of which own credit risk		-	-	-	-	-	-
Preference shares		-	-	-	-	-	-
Total equity attributable to shareholders of the Bank		**5,539**	**-**	**-**	**-**	**-**	**5,539**
Preferred securities		-	-	-	-	-	-
Non controlling interests		96	-	-	-	-	96
Total equity	f	**5,635**	**-**	**-**	**-**	**-**	**5,635**
Total equity and liabilities		**77,852**	**26**	**14,527**	**-**	**2,394**	**63,299**

Capital Management

	31 December 2020					
		Carrying values of items				
	Balance sheet per published financial statements and per regulatory consolidation	Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
	€ million	€ million	€ million	€ million	€ million	€ million
Assets						
Cash and Balances with central banks	6,637	6,637	-	-	-	-
Due from credit institutions	3,336	3,136	2,691	-	-	-
Financial instruments at fair value through profit or loss	87	-	-	-	87	-
Derivative financial instruments	2,552	-	2,552	-	2,552	-
Loans and advances to customers	37,424	33,874	45	3,505	-	-
Investment securities	8,365	8,298	2,065	67	-	-
Investments in associate and joint ventures	276	276	-	-	-	-
Property and equipment	778	778	-	-	-	-
Investment property	1,459	1,459	-	-	-	-
Intangible assets	254	71	-	-	-	183
Deferred tax asset	4,519	4,359	-	-	-	160
of which deferred tax assets that rely on future profitability excluding those arising from temporary differences	2	-	-	-		2
of which deferred tax credit	3,690	3,690	-	-	-	-
of which deferred tax assets arising from temporary differences	827	669	-	-	-	158
Other assets	1,995	1,979	-	-	-	16
Assets of disposal group classified as held for sale	39	39	-	-	-	-
Total assets	67,721	60,906	7,353	3,572	2,639	359
Liabilities						
Due to central banks	7,999	-	7,999	-	-	-
Due to credit institutions	1,502	-	683	-	-	819
Derivative financial instruments	2,939	-	2,939	-	2,939	-
Due to customers	47,290	-	200	-	-	47,090
Debt securities in issue	1,556	-	-	-	-	1,556
Other liabilities	1,173	21	-	-	-	1,152
Liabilities of disposal group classified as held for sale	-	-	-	-	-	-
Total liabilities	62,459	21	11,821	-	2,939	50,617
of which tier 2 instruments	950	-	-	-	-	950
Equity	-	-	-	-	-	-
Ordinary share capital	815	-	-	-	-	815
Share premium	8,055	-	-	-	-	8,055
Reserves and retained earnings	(3,608)	-	-	-	-	(3,608)
of which cash flow hedge reserves	(49)	-	-	-	-	(49)
of which own credit risk	-	-	-	-	-	-
Preference shares	-	-	-	-	-	-
Total equity attributable to shareholders of the Bank	5,262	-	-	-	-	5,262
Preferred securities	-	-	-	-	-	-
Non controlling interests	-	-	-	-	-	-
Total equity	5,262	-	-	-	-	5,262
Total equity and liabilities	67,721	21	11,821	-	2,939	55,879

(1) *The amounts shown in column "Balance sheet per published financial statements and per regulatory consolidation" do not equal to the sum of the amounts shown in the remaining columns, as some assets are subject to multiple risk frameworks.*

(2) *The table above for the year ended 31 December 2020 has not been restated following the change in accounting policy for the application of IFRIC agenda decision for attributing Benefit to Periods of Service (IAS 1 9).*

Capital Management

The table below provides a reconciliation of the consolidated regulatory balance sheet to the Exposure at Default (EAD), allocated to different risk frameworks.

Table 4: EU LI2 – Main sources of differences between regulatory exposure amounts and carrying values in financial statements

	31 December 2021				
		Items subject to			
	Total [3] € million	Credit risk framework € million	CCR framework € million	Securitisation framework € million	Market risk framework € million
Assets carrying value amount under the scope of regulatory consolidation (as per template EU LI1) [1]	**77,332**	**67,847**	**4,848**	**7,327**	**2,068**
Liabilities carrying value amount under the regulatory scope of consolidation (as per template EU LI1) [1]	14,553	26	14,527	-	2,394
Total net amount under the regulatory scope of consolidation	**62,779**	**67,821**	**(9,679)**	**7,327**	**(326)**
Off-balance-sheet amounts [2]	6,793	3,338	-	-	-
Differences in valuations	-	-	-	-	-
Differences due to different netting rules, other than those already included in row 2	14,543	17	14,527	-	-
Differences due to consideration of provisions	1,406	1,406	-	-	-
Differences due to prudential filters	170	170			
Differences due to collateral	13,211	-	13,211	-	-
Corresponding amount of credit risk mitigation techniques (CRM)	-	4,211	-	(4,211)	-
Credit protection to the securitised exposures	159	-	-	159	-
Exposure amounts considered for regulatory purposes as at 31 December 2021	**99,061**	**76,963**	**18,059**	**3,275**	**(326)**

	31 December 2020 [4]				
		Items subject to			
	Total [3] € million	Credit risk framework € million	CCR framework € million	Securitisation framework € million	Market risk framework € million
Assets carrying value amount under the scope of regulatory consolidation (as per template EU LI1) [1]	67,369	60,913	7,353	3,572	2,639
Liabilities carrying value amount under the regulatory scope of consolidation (as per template EU LI1) [1]	11,842	21	11,821	-	2,939
Total net amount under the regulatory scope of consolidation	55,527	60,892	(4,468)	3,572	(300)
Off-balance-sheet amounts [2]	5,647	2,614	-	-	-
Differences in valuations	-	-	-	-	-
Differences due to different netting rules, other than those already included in row 2	11,847	26	11,821	-	-
Differences due to consideration of provisions	2,474	2,474	-	-	-
Differences due to prudential filters	263	263	-	-	-
Differences due to collateral	6,336	-	6,336	-	-
Corresponding amount of credit risk mitigation techniques (CRM)	-	-	-	-	-
Exposure amounts considered for regulatory purposes as at 31 December 2020	82,094	66,269	13,689	3,572	(300)

(1) Excludes amounts subject to deduction from capital or not subject to regulatory capital requirements.
(2) Amounts shown in the "Total" column, relates to exposures pre-CCF and do not equal to the amount shown in "Credit risk framework" as this is post-CCF.
(3) The amounts shown in column "Total" do not equal to the sum of the amounts shown in the remaining columns, as some assets are subject to multiple risk frameworks.
(4) The above table for the year ended 31 December 2020 has not been adjusted following the change in accounting policy for the application of IFRIC agenda decision for attributing Benefit to Periods of Service (IAS 19).

Capital Management

2.5 Regulatory capital

The Group has sought to maintain an actively managed capital base to cover risks inherent in the business. The adequacy of the Group's capital is monitored using, among other measures, the rules and ratios established by the Basel Committee on Banking Supervision and adopted by the European Union and the SSM in supervising the Bank.

In addition, in Appendix 1, a transitional own fund disclosure template can be found which presents the components of regulatory capital on transitional and end-point basis as at 31 December 2021 and 2020. The disclosure has been prepared using the format set out in Annex VI of the "Commission Implementing Regulation (EU) No 1423/2013 of 20 December 2013 laying down ITS with regard to disclosure of own funds requirements for institutions according to Regulation (EU) No 575/2013 of European Parliament and of the Council".

The table below shows the composition of the Group's regulatory capital as at 31 December 2021 and 30 September 2021 which is calculated according to CRD IV.

Table 5: EU CC2 - Reconciliation of regulatory own funds to balance sheet in the audited financial statements

	Ref.	31 December 2021 [1] € million	31 December 2021 € million	30 September 2021 [1] & [2] € million	30 September 2021 € million
Total equity	*f*	5,635	5,635	5,470	5,470
Regulatory adjustments					
Part of interim or year-end profit not eligible		-	(328)	-	(216)
Minority interest not allowed in CET1		(39)	(39)	-	-
Cash flow hedge reserves	*d*	12	12	22	22
Adjustments due to IFRS 9 transitional arrangements		528	528	529	552
Intangible assets	*a*	(191)	(191)	(202)	(202)
of which Goodwill		(2)	(2)	(2)	(2)
IRB shortfall of credit risk adjustments to expected losses		(212)	(212)	(162)	(153)
Deferred tax assets that rely on future profitability (unused tax losses)	*b*	-	-	(1)	(1)
Deferred tax assets arising from temporary differences (amount above 10% threshold)	*c*	(237)	(269)	(226)	(238)
Prudent Valuation Adjustments		(9)	(9)	(9)	(9)
Other regulatory adjustments		(37)	(37)	(20)	(20)
Amount exceeding the 17.65% threshold	*c*	(14)	(40)	-	-
Common Equity Tier I capital		**5,436**	5,050	5,401	5,205
Regulatory adjustments		-	-	-	-
Total Tier I capital		**5,436**	5,050	5,401	5,205
Tier II capital - subordinated debt	*e*	950	950	950	950
IRB Excess of impairment allowances over expected losses eligible		-	-	14	65
Total Regulatory Capital		**6,386**	6,000	6,365	6,221
Risk Weighted Assets		**39,789**	39,644	40,598	41,848
Ratios					
Common Equity Tier I		**13.7%**	12.7%	13.3%	12.4%
Tier I		**13.7%**	12.7%	13.3%	12.4%
Total Capital Adequacy Ratio		**16.1%**	15.1%	15.7%	14.9%

[1] *Including profits€ 328 million for year ended 31 December 2021 and € 216 million for the 9M 2021.*
[2] *Pro-forma with the derecognition of the Mexico loans.*
[3] *The Group's CET1 ratio as at 31 December 2021 based on the full implementation of the Basel III rules in 2025 (fully loaded CET1), would be 12.7% including profit for year ended 31 December 2021 (30 September 2021 including interim profits: 12.3%).*
[4] *Pro-forma Common Equity Tier 1 and Total Capital Adequacy ratios as at 31 December 2021 with the completion of the sale of Eurobank's merchant acquiring business would be 14.5% and 16.8%, respectively.*

Capital Management

As depicted in the table above, the CET1 ratio was strengthened by organic profitability as well as the completion of "Wave" transactions. In addition, the binding agreement with Worldline B.V. for the sale of Eurobank's merchant acquiring business (project "Triangle") will contribute ca. 80 bps to the Group's CET1 capital.

The CET1 ratio is defined as CET1 capital divided by RWAs, the Tier 1 ratio is defined as Tier 1 capital divided by RWAs and Total Capital Adequacy ratio is defined as Total Regulatory Capital divided by RWAs.

As at 31 December 2021, pursuant to the Law 4172/2013, as in force, the Bank's eligible DTAs/deferred tax credits (DTCs) against the Greek State amounted to € 3,547 million (30 September 2021 € 3,585 million). The decrease is due to the annual amortization of PSI losses and DTC eligible crystallized loan losses from write-offs and disposals. The DTCs will be converted into directly enforceable claims (tax credit) against the Greek State provided that the Bank's after tax accounting result for the year is a loss. In particular, DTCs are accounted for on: (a) the losses from the Private Sector Involvement (PSI) and the Greek State Debt Buyback Program and (b) on the sum of (i) the unamortized part of the crystallized loan losses from write-offs and disposals, (ii) the accounting debt write-offs and (iii) the remaining accumulated provisions and other losses in general due to credit risk recorded up to 30 June 2015. For further details, please refer to Consolidated Financial Statements, Note 13.

According to Regulation (EU) No. 575/2013, article 39, deferred tax assets that can be replaced with a tax credit, shall not be deducted from CET1, but instead be risk weighted by 100%.

2.6 IFRS 9 capital impact

Regarding IFRS 9 adoption from 1.1.2018 and according to Regulation (EU) 2017/2395 of the European Parliament and the Council, a five year transition period is introduced, which allows banks to add back to their CET 1 capital 95% of IFRS 9 impact in 2018 and 85%, 70%, 50% and 25% in the subsequent four years. The full impact is expected as of 1 January 2023.

According to the CRR 'quick fix' relief package, the IFRS 9 transitional arrangements have been extended by two years and a new calculation has been introduced where 100% relief is applied in 2020 and 2021 for increases in stage 1 and stage 2 provisions from 1 January 2020. Accordingly, the relief applied for 2022 is 75%, for 2023 50% and for 2024 25%.

The Group has elected to apply the phase in approach for mitigating the impact of IFRS 9 transition on the regulatory capital.

In addition, the CRR 'quick fix' with the Article 468 introduces a temporary treatment that allows institutions to remove from the calculation of their CET1 items unrealised gains and losses measured at fair value through other comprehensive income during the period from 1 January 2020 to 31 December 2022.

The Group is not applying the temporary treatment specified in Article 468 therefore the own funds, capital and leverage ratios reflect the full impact of unrealised gains and losses measured at fair value through other comprehensive income.

Capital Management

Table 6: EU IFRS - FL - Template on the comparison of Institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs

Available capital	31 December 2021 [1] € million	31 December 2021 € million	30 September 2021 [1] & [2] € million	30 June 2021 [1] € million	31 March 2021 [1] € million	31 December 2020 [3] € million
Common Equity Tier 1 (CET1) capital	5,436	5,050	5,401	5,447	5,319	5,604
Common Equity Tier 1 (CET1) capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	5,118	4,732	5,032	5,045	4,907	4,923
Fully Loaded Common Equity Tier 1 (CET1) capital	5,044	4,657	4,958	4,961	4,818	4,778
Tier 1 capital	5,436	5,050	5,401	5,447	5,319	5,604
Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	5,118	4,732	5,032	5,045	4,907	4,923
Fully Loaded Tier 1 capital	5,044	4,657	4,958	4,961	4,818	4,778
Total capital	6,386	6,000	6,365	6,441	6,314	6,554
Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	6,152	5,765	6,076	6,092	5,952	5,968
Fully Loaded Total capital	6,077	5,691	6,002	6,007	5,863	5,824
Risk weighted assets						
Total risk-weighted assets	39,789	39,644	40,598	41,159	40,800	40,237
Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	39,618	39,474	40,428	40,989	40,619	39,975
Fully Loaded Total risk-weighted assets	39,618	39,474	40,428	40,989	40,619	39,975
Capital ratios						
Common Equity Tier 1 (as a percentage of risk exposure amount)	13.7%	12.7%	13.3%	13.2%	13.0%	13.9%
Common Equity Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	12.9%	12.0%	12.4%	12.3%	12.1%	12.3%
Fully Loaded Common Equity Tier 1 (as a percentage of risk exposure amount)	12.7%	11.8%	12.3%	12.1%	11.9%	12.0%
Tier 1 (as a percentage of risk exposure amount)	13.7%	12.7%	13.3%	13.2%	13.0%	13.9%
Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	12.9%	12.0%	12.4%	12.3%	12.1%	12.3%
Fully Loaded Tier 1 (as a percentage of risk exposure amount)	12.7%	11.8%	12.3%	12.1%	11.9%	12.0%
Total capital (as a percentage of risk exposure amount)	16.1%	15.1%	15.7%	15.6%	15.5%	16.3%
Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	15.5%	14.6%	15.0%	14.9%	14.7%	14.9%
Fully Loaded Total capital (as a percentage of risk exposure amount)	15.3%	13.7%	14.8%	14.7%	14.4%	14.6%
Leverage ratio total exposure measure	66,397	66,339	64,073	63,078	63,867	63,634
Leverage ratio	8.19%	7.61%	8.50%	8.63%	8.33%	8.81%
Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	7.71%	7.14%	7.88%	8.01%	7.66%	7.72%
Fully Loaded Leverage ratio	7.60%	7.02%	7.75%	7.88%	7.53%	7.49%

[1] *Including € 328 million for year ended 31 December 2021, € 216 million for the 9M 2021, € 190 million for the 1H 2021 and € 70 million for the 1Q 2021.*

[2] *Pro-forma with the derecognition of the Mexico loans.*

[3] *The above table for the year ended 31 December 2020 has not been adjusted following the change in accounting policy for the application of IFRIC agenda decision for attributing Benefit to Periods of Service (IAS 19).*

[4] *Pro-forma Common Equity Tier 1 and Total Capital Adequacy ratios as at 31 December 2021 with the completion of the sale of Eurobank's merchant acquiring business would be 14.5% and 16.8%, respectively.*

Capital Management

2.7 Countercyclical buffer

The Countercyclical buffer (CCyB) will be applied when the authorities deem that lending growth is giving rise to an unacceptable accumulation of systemic risks. This buffer is specifically calculated for each bank or group and consists of the weighted average of percentages of countercyclical buffers applied in regions in which the bank's credit exposures are located.

The following table provides the geographical distribution of the Group's credit exposures relevant for the calculation of its countercyclical capital buffer, which includes all private sector exposures according to Regulation (EU) 1152/2014.

Table 7: EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of countercyclical buffer

31 December 2021	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures		Own funds requirements						
	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 exposure for internal models	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 funds requirements weights	Counter-cyclical capital buffer rate
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	(%)	(%)
Breakdown by country:													
Greece	7,510	24,914	1	-	7	32,432	1,553	-	1	1,554	19,425	68%	0.00%
Romania	200	-	-	-	-	200	11	-	-	11	138	0.5%	0.00%
Bulgaria	4,787	6	1	-	-	4,794	245	-	-	245	3,063	11%	0.50%
United Kingdom	354	13	-	-	50	417	26	-	1	27	338	1%	0.00%
Cyprus	1,490	8	-	-	-	1,498	103	-	-	103	1,288	5%	0.00%
Luxemburg	94	103	-	-	586	783	25	-	7	32	400	1%	0.50%
Serbia	1,802	-	-	-	-	1,802	112	-	-	112	1,400	5%	0.00%
Other Countries	1,401	22	-	-	6,684	8,107	84	-	111	195	2,438	8%	0.00%
Total	**17,638**	**25,066**	**2**	**-**	**7,327**	**50,033**	**2,159**	**-**	**120**	**2,279**	**28,490**	**100%**	**0.06%**

30 June 2021	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures		Own funds requirements						
	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 exposure for internal models	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 funds requirements weights	Counter-cyclical capital buffer rate
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	(%)	(%)
Breakdown by country:													
Greece	8,031	27,379	4	-	7	35,421	1,766	-	1	1,767	22,088	74%	0.00%
Romania	314	-	-	-	-	314	20	-	-	20	250	1%	0.00%
Bulgaria	4,543	5	1	-	-	4,549	242	-	-	242	3,025	10%	0.50%
United Kingdom	242	2	-	-	11	255	15	-	-	15	188	1%	0.00%
Cyprus	1,291	8	-	-	-	1,299	86	-	-	86	1,075	4%	0.00%
Luxemburg	86	99	-	-	-	185	23	-	-	23	288	1%	0.50%
Serbia	1,409	-	-	-	-	1,409	88	-	-	88	1,100	4%	0.00%
Other Countries	1,248	35	-	-	1,214	2,497	75	-	86	161	2,013	7%	0.00%
Total	17,164	27,528	5	-	1,232	45,929	2,315	-	87	2,402	30,027	100%	0.06%

Capital Management

The following table provides an overview of Group's specific countercyclical capital risk exposure and buffer requirements.

Table 8: EU CCyB2 - Amount of institution-specific countercyclical capital buffer

	31 December 2021	30 June 2021
Total risk exposure amount (€ million)	39,644	41,112
Institution specific countercyclical capital buffer rate	0.06%	0.06%
Institution specific countercyclical capital buffer requirement (€ million)	24	25

2.8 Supervisory Review and Evaluation Process (SREP) capital requirements

According to the decision of the 2020 Supervisory Review and Evaluation Process (SREP) performed by the ECB and the capital relief measures granted by the ECB in response to the Covid-19 outbreak starting from 18 March 2020, Eurobank Holdings was required to meet on a consolidated basis a Common Equity Tier 1 ratio of at least 9.25% and a Total Capital Adequacy Ratio of at least 14.06% (Overall Capital Requirements including the Capital Conservation Buffer of 2.5%, the Other Systemically Important Institution buffer of 0.5% and the applicable Countercyclical Capital Buffer of 0.06% for the fourth quarter of 2021 stemming from the exposures in Bulgaria and Luxemburg).

The table below shows the capital requirements of the Group for 31 December 2021.

Table 9: Pillar 2 Requirements

	31 December 2021	
	CET1 Capital Requirements	Total Capital Requirements
Minimum regulatory requirement	4.50%	8.00%
Pillar 2 Requirement (P2R)	1.69%	3.00%
Total SREP Capital Requirement (TSCR)	**6.19%**	**11.00%**
Combined Buffer Requirement (CBR)		
Capital conservation buffer (CCB)	2.50%	2.50%
Countercyclical capital buffer (CCyB)	0.06%	0.06%
Other systemic institutions buffer (O-SII)	0.50%	0.50%
Overall Capital Requirement (OCR)	**9.25%**	**14.06%**

In response to the Covid-19 outbreak, on 12 March 2020, the ECB announced a number of measures to ensure that its directly supervised banks can continue to fulfil their role in funding the real economy. Specifically, banks have been allowed, among others, to operate temporarily below the level of capital defined by the Pillar 2 Guidance and without prejudice to the restrictions set out in CRD IV, the Combined Buffer Requirement (i.e. Capital Conservation Buffer (CCB), Countercyclical Capital Buffer, Other Systemically Important Institutions Buffer) until at least the end of 2022. Banks are also allowed to partially use capital instruments that do not qualify as CET1 capital (i.e. AT1 or Tier 2 instruments), to meet the Pillar 2 Requirement (P2R). According to the FAQs published by the ECB, the above allowance provided to banks to operate below the combined buffer requirement results in the ECB taking a flexible approach to approving capital conservation plans that banks are legally required to submit if they breach that requirement. On 10 February 2022, the ECB announced that it will not allow banks to operate below the level of capital defined by their Pillar 2 Guidance beyond December 2022.

At consolidated level, the Pillar 2 Requirement is set at 3% for 2022 and part of that (1.69%) must be held in the form of CET1 capital while the Group may use AT1 and Tier 2 capital, where available, for the remaining part. The amount of

Capital Management

additional own funds required on a consolidated basis to be met with CET1 capital is € 672 million (based on RWAs of € 39,789 million).

As at 31 December2021, Eurobank's transitional CET1 ratio and Total Capital ratio, including 12M 2021 profit € 328 million, were 13.7% and 16.1% respectively, which exceeded the 2021 transitional minimum requirements of 9.25% and 14.05%. The respective amount of additional own funds required on a consolidated basis to be met with CET1 capital is € 672 million.

According to the 2021 SREP decision, for 2022, the Group is required to meet a Common Equity Tier 1 Ratio of at least 9.50% and a Total Capital Adequacy Ratio of at least 14.31% (Overall Capital Requirements or OCR) including Combined Buffer Requirement of 3.31% (Capital conservation buffer of 2.5%, Countercyclical capital buffer of 0.06% stemming from the exposures in Bulgaria and Luxemburg and Other Systemically Important Institution (O-SII) buffer of 0.75%).

Capital Management

2.9 Capital requirements under Pillar 1

The table below shows the Group's risk weighted assets (RWAs) and capital requirements as at 31 December 2021 and 30 September 2021. The minimum capital requirements under Pillar 1 are calculated as 8% of RWAs.

Table 10: EU OV1 - Overview of risk weighted exposure amounts

	Risk weighted exposure amounts (RWEAs)				Total own funds requirements
	31 December 2021 [(1)]	31 December 2021	30 September 2021 [(1) & (2)]	30 September 2021	31 December 2021
	€ million	€ million	€ million	€ million	€ million
Credit risk (excluding CCR)	**31,972**	**31,972**	32,984	34,323	**2,558**
Of which the standardised approach	18,215	18,215	17,525	18,063	1,457
Of which the foundation IRB (FIRB) approach	5,877	5,877	7,317	7,355	470
Of which: slotting approach	2,869	2,869	2,697	2,709	230
Of which: equities under the simple riskweighted approach	423	423	552	552	34
Of which the advanced IRB (AIRB) approach	4,588	4,588	4,893	5,644	367
Counterparty credit risk - CCR	**472**	**472**	533	533	**38**
Of which the standardised approach	226	226	250	250	18
Of which internal model method (IMM)	-	-	-	-	-
Of which exposures to a CCP	11	11	10	10	1
Of which credit valuation adjustment - CVA	105	105	111	111	8
Of which other CCR	130	130	162	162	10
Settlement risk	-	-	-	-	-
Securitisation exposures in the non-trading-book (after the cap)	**1,505**	**1,505**	1,141	1,106	**120**
Of which SEC-IRBA approach	283	283	27	27	23
Of which SEC-ERBA (including IAA)	155	155	66	66	12
Of which SEC-SA approach	1,067	1,067	1,048	1,013	85
Of which 1250%/ deduction	-	-	-	-	-
Position, foreign exchange and commodities risks (Market risk)	**921**	**921**	1,084	1,084	**74**
Of which the standardised approach	301	301	363	363	24
Of which IMA	620	620	721	721	50
Large exposures	-	-	-	-	-
Operational risk	**3,020**	**3,020**	3,030	3,030	**242**
Of which basic indicator approach	-	-	-	-	-
Of which standardised approach	3,020	3,020	3,030	3,030	242
Of which advanced measurement approach	-	-	-	-	-
Amounts below the thresholds for deduction (subject to 250% risk weight)	**1,899**	**1,754**	1,826	1,772	**140**
Total	**39,789**	**39,644**	40,598	41,848	**3,172**

[(1)] *Including € 328 million for year ended 31 December 2021, € 216 million for the 9M 2021, € 190 million for the 1H 2021 and € 70 million for the 1Q 2021.*

[(2)] *Pro-forma with the derecognition of the Mexico loans.*

[(3)] *The decrease of the RWAs compared to 30 September 2021 is mainly due to decrease of RWAs from the synthetic securitization performing loans (project "Wave") by € 1.1 billion.*

Capital Management

The table below provides the Bank's significant investments in insurance holding companies which are not deducted from CET 1 because the total investment does not exceed the 10% of the aggregate amount of CET1 before certain deductions.

Table 11: INS1 – Non deducted participation in insurance undertakings

	31 December 2021		31 December 2020	
	Exposure value	Risk-weighted exposure amount	Exposure value	Risk-weighted exposure amount
	€ million	€ million	€ million	€ million
Own fund instruments held in insurance or re-insurance undertakings or insurance holding company not deducted from own funds	140	350	148	370

2.10 Internal Capital Adequacy Assessment Process (ICAAP)

ICAAP aims to identify and assess risks that are inherent in the Group's business model, determine their materiality and allocation at an entity and Group level, evaluate risk monitoring and risk mitigation processes and quantify the relevant internal capital charge where appropriate so as to ensure the ongoing capital adequacy of the Group versus its risk profile.

To accomplish these objectives, the ICAAP leverages upon and integrates the Group's well-established activities on risk, capital and performance management, including in particular planning and monitoring, while also continuously refining its approach to ensure high standards of capital assessment and management.

Oversight and ultimate responsibility for the ICAAP lies with the BoD, which has assumed a leading role in developing a risk conscious organization and maintaining the Group's risk management at high levels of sophistication. The BoD's vision and guidance are distilled in the Group's risk appetite framework, which describes the risk boundaries within which the Group is willing to operate. Prior to its approval, the BoD and the senior management discuss and challenge the ICAAP in an effective way.

Moreover, acting as an evaluation mechanism of the Group's entire risk management framework, an integral component of ICAAP is the identification, assessment and quantification of current and emerging risks in terms of their materiality at Group level, thus allowing the organization to focus its resources and management attention to those risks that could potentially threaten its business or capital standing and ensuring that all material risks are properly managed and monitored.

Material risks are evaluated qualitatively and quantitatively, as appropriate. The aggregation of the individual capital charges comprises the Group's total internal capital requirement, meaning the amount of capital the Group needs to hold for the purpose of absorbing unexpected losses deriving from its risk profile.

All categories of material risks are appropriately managed and the relevant frameworks are regularly evaluated in order to identify ways of strengthening the risk management structure, enhance existing policies, establish new mitigation techniques and improve the internal calculation of capital requirements. Risk and capital management responsibility, including compliance with regulatory requirements and corporate policies, lies with the Group's senior management.

The Group uses the regulatory capital requirements as a starting point for the internal determination of its capital requirements ("internal capital"), adjusting for additional capital where appropriate. Compared to regulatory capital requirements, "internal capital" takes into account a wider range of risks and utilizes more sophisticated calculation approaches. This approach allows the Group to leverage its advanced risk measurement infrastructure.

Regular scenario-based simulations and stress tests are also used in order to assess specific risks as well as the overall risk profile. Stress tests can be classified as follows:

- Risk specific stress tests, where particular risk factors, exposures or portfolios are stressed at a range of severities in order to assess individual risk impacts and threshold effects;
- Integrated stress tests across risks, which evaluate the resilience of the Group's capital position to adverse economic conditions, in case of a systemic deterioration of the business environment in a macroeconomic downturn;
- Reverse stress tests, which assess the resilience of the Group's capital position to specific adverse circumstances starting from the identification of a pre-defined outcome (e.g. points at which an institution business model becomes unviable, or at which the institution can be considered as failing or likely to fail in the meaning of Article 32 of Directive 2014/59/EU) and then exploring scenarios and circumstances that might cause this outcome to occur.

The Group also develops forecasts on capital consumption and availability and integrates them into the strategic planning process so as to optimize capital return and allocation, whilst maintaining adequate capital levels. The results of the stress tests are utilised during the capital planning process to ensure that the contingency plans in place are adequate if stressed conditions materialize and to produce a set of plausible action plans to mitigate the impact of the assumed stress scenario.

The Group maintains adequate pre-provision earnings in the medium term and robust risk management practices, which along with the capital actions already executed or underway, allow the Group to meet both regulatory and internal capital requirements. As a result, the Group will be in a position to support the risk profile of its balance sheet and its business operations going forward, even under further adverse conditions, should they materialize.

2.11 Internal Liquidity Adequacy Assessment Process (ILAAP)

ILAAP is the internal process for the identification, measurement, management and monitoring of liquidity risk as implemented by the institution according to Article 86 of Directive 2013/36/EU.

The Group's ILAAP covers the following areas:

- Liquidity and funding risk management framework: identification of the functions/units and management committees responsible for the policy making, management, control, monitoring and reporting of liquidity and funding risk;
- Description of the liquidity and funding risks: comprehensive description of the liquidity and funding risks that the Group faces taking into account the current macro-economic environment as long as country-specific and idiosyncratic factors;
- Liquidity risk monitoring process and stress testing: detailed description of the processes, tools and reports that the Group uses for the monitoring and the control of liquidity risk, with particular emphasis on the following: stress test analysis, liquidity buffer analysis, liquidity & funding indicators;
- Contingency funding plan and liquidity & funding strategy: description of the contingency funding plan and the liquidity and funding strategy;
- Information on strategy regarding liquidity buffers and collateral management;
- Information of cost benefit allocation mechanism;
- Information on intraday liquidity risk management.

3. Risk management overview

3.1 Risk management objectives and policies

The Group acknowledges that taking risks is an integral part of its operations in order to achieve its business objectives. Therefore, the Group's management sets adequate mechanisms to identify those risks at an early stage and assesses their potential impact on the achievement of these objectives.

Due to the fact that economic, industry, regulatory and operating conditions will continue to change, risk management mechanisms are set (and evolve) in a manner that enables the Group to identify and deal with the risks associated with those changes. The Bank's structure, internal procedures and existing control mechanisms ensure both the independence principle and the exercise of sufficient supervision.

Group's management considers effective risk management as a top priority, as well as a major competitive advantage, for the organization. As such, the Group has allocated significant resources for upgrading its policies, methods and infrastructure, in order to ensure compliance with the regulatory requirements, as set out in the EU and Greek legislative acts, the legal acts of the ECB and the European Commission, the guidelines of the EBA and of the Basel Committee for Banking Supervision and the best international banking practices. The Group implements a well- structured credit approval process, independent credit reviews and effective risk management policies for credit, market, liquidity and operational risk, both in Greece and in each country of its international operations. The risk management policies implemented by the Bank and its subsidiaries are reviewed annually.

The Group Risk and Capital Strategy, which has been formally documented, outlines the Group's overall direction regarding risk and capital management issues, the risk management mission and objectives, risk definitions, risk management principles, risk appetite framework, risk governance framework, strategic objectives and key initiatives for the improvement of the risk management framework in place.

The Board Risk Committee (BRC) is a committee of the BoD and its task is to assist the BoD to ensure that the Group has a well-defined risk and capital strategy in line with its business plan and adequate risk appetite.

The BRC assesses the Group's risk profile, monitors compliance with the approved risk appetite and risk tolerance levels and ensures that the Group has developed an appropriate risk management framework with appropriate methodologies, modeling tools, data sources and sufficient and competent staff to identify, assess, monitor and mitigate risks. Moreover, BRC is conferred with certain approval authorities for credit proposals, debt forgiveness and write-offs, and the Bank's resolution planning initiatives to enhance its resolvability.

The BRC updates the Board of Directors on risk management issues and recommends the future risk management strategy. It consists of four (4) independent non-executive directors and two (2) non-executive directors, including the representative of the HFSF, and meets on a monthly basis and reports to the BoD on a quarterly basis and on ad hoc instances. During 2021 the BRC met fourteen (14) times.

The Management Risk Committee (MRC) is a management committee, established by the CEO in 2016. It operates as an advisory committee to the BRC.

The main responsibility of the MRC is to oversee the risk management framework of the Group. As part of its responsibility, the MRC facilitates reporting to the Board Risk Committee on the range of risk-related topics under its purview including the approval of the Group's quarterly credit impairment cost results. The MRC ensures that material risks are identified and promptly escalated to the BRC and that the necessary policies and procedures are in place to prudently manage risks and to comply with regulatory requirements

The Group's Risk Management General Division, which is headed by the Group Chief Risk Officer (GCRO), is independent from the business units and has full responsibility for the monitoring, measurement and the management of credit, market, liquidity, operational and climate risks of the Group. It comprises the Group Credit General Division, the Group Credit Control Sector, the Group Credit Risk Capital Adequacy Control Sector, the Group Market & Counterparty Risk Sector, the Group Operational Risk Sector, the Group Model Validation & Governance Sector, the Supervisory Relations & Resolution Planning Sector (with dual reporting also to Group CFO), the Group Risk Management Strategy Planning and Operations Division, the Climate Risk Division and the Risk Analytics Division.

3.2 Risk appetite framework

The maximum amount of risk which the Group is willing to assume in the pursuit of its strategic objectives is articulated via a set of quantitative and qualitative statements for specific risk types, including specific tolerance levels as described in the Group's Risk Appetite Framework. The main objectives that determine the risk appetite refer to the compliance with regulatory requirements, the safeguard of the Group's ability to smoothly continue its activities, and the achievement of a balance of strong capital adequacy with high returns on equity.

Risk appetite is clearly communicated throughout the Group, determines risk culture and forms the basis on which risk policies and risk limits are established at Group, business and regional level.

The Group's Risk Appetite Framework comprises the following components:

- Risk Bearing Capacity – this reflects the maximum amount of risk the Group can assume given any regulatory, operating, capital base or liquidity constraints and other obligations;
- Risk Appetite – this reflects the maximum level of risk that the Group is willing to assume (seek, accept or tolerate) in pursuit of its strategic and business objectives. Risk Tolerance reflects the degree of management's acceptance of current risk exposure levels, applicable to certain non-financial risks (e.g. operational risk) which are not actively taken but are tolerated;
- Risk Limits – these reflect limiting values placed on specific measures designed to prevent risk exposures from exceeding predefined risk appetite thresholds.

The risk appetite is structured as a series of qualitative and quantitative statements that cover the following broad risk categories:

- Capital adequacy and leverage
- Credit risk and asset quality
- Market risk
- Interest Rate risk in the Banking Book (IRRBB)
- Liquidity risk
- Operational risk
- Earnings risk
- Country risk
- Business risk
- Strategic risk
- Reputational risk
- Climate risk

The Risk Appetite Framework is appropriately documented and revisited at least on an annual basis. The BRC reviews and approves the risk appetite statements and thresholds at least on an annual basis to ensure compliance with the regulatory requirements and the Bank's risk appetite in the prevailing business environment. Setting risk appetite aims to ensure that risk is proactively managed to the level desired and approved by the BRC. Senior management has the responsibility to monitor and manage risk exposures in order to remain within risk appetite levels and to ensure an appropriate level of risk is assumed to achieve business objectives. In addition, appropriate arrangements have been put in place for the regular monitoring of the risk appetite indicators. The Group has established a standardised, regular flow of information, based on its Management Information Systems, that ensures the timely and accurate monitoring of the indicators' levels. Also, clear escalation requirements are in place in case of limit breaches, in order to enable appropriate actions.

3.3 Types of risk

The Group is exposed to various types of risk that are managed at various levels of the organization.

The most important types of risk are:

- credit risk;
- market and liquidity risk;
- operational risk.

The individual risk types are defined in the subsequent sections.

The risk management functions of the BRC are performed by the GCRO and risk management sectors, which cover the following areas:

- Credit risk;
- Market, Counterparty and Liquidity risk;
- Operational risk;
- Climate risk.

Risk Management

Group Chief Risk Officer (GCRO)

Credit Risk

- Basel III IRB approach compliance for significant part of Group loan portfolios;
- Advanced IRB for all retail portfolios (consumer, mortgage, small business) and Foundation IRB for Corporate;
- Independent and centralised approval system;
- Systematic follow up of credits;
- Differentiated credit scoring system for consumer and small business banking, full financial and sectorial analysis for corporates based on independent credit rating;
- Disciplined provisioning policy (wholesale) and statistical portfolio behaviour (retail);
- Regular and ad hoc reporting to Senior Management (Executive Board Committee, BoD, BRC) regarding progress of portfolios and evolution of provisions.

Market, Counterparty & Liquidity Risk

- First Greek bank with complete and validated market risk management system by local regulator (BoG), which covers both trading and banking books;
- Compliance with new CRD IV rules for Trading book (stressed VaR and IRC);
- All market risks monitored daily against approved VaR limits;
- VaR methodology used for business decisions;
- Considerable stress testing development for non-normal market conditions, results monitored on a continuous basis;

Monitoring on a continuous basis the level of liquidity risk using regulatory and internal metrics and methodologies (LCR, NSFR, buffer analysis, cash flow analysis, short-term and medium-term stress test etc.);

- Daily monitoring of credit risk of derivatives' positions using PFE methodology;
- The operation and the monitoring of credit risk mitigation contracts (ISDA/CSA, GMRA) is done on a daily basis through an appropriate tool;
- Country risk, Counterparty and Issuer Risk monitored daily on a Group level through a centralised counterparty risk monitoring tool;
- CVA modelling;
- International operations: market risk for all International subsidiaries managed centrally in Greece;
- Interest rate risk in the Banking Book is monitored at least on a monthly basis;
- New regulatory framework for Counterparty Credit Risk (SA-CCR);
- New regulatory framework for Market Risk (FRTB SA).

Operational Risk

- Standardised Approach for Eurobank's consolidated operations;
- Documented and functioning operational risk framework & risk management system implemented Group-wide;
- Risk & Control Self Assessment program (RCSA);
- Operational risk events collection;
- Key Risk Indicator (KRI) set-up & monitoring;
- Operational risk scenario analysis;
- Operational risk reporting (internal & external);
- A number of operational risk mitigation programs underway throughout the Group;
- Counter–fraud activity monitoring;
- Implementing the governance framework for all products and services in Greece;
- Fostering a strong operational risk culture within the Group by increasing risk awareness;
- Managing Eurobank's insurance policies.

3.4 Climate risk

3.4.1 Definition

In alignment with regulatory expectations the Bank recognized climate-related and environmental (CR&E) risk as a material risk and is in the process of adapting its policies and methodologies for identifying and monitoring the relevant risks.

Climate-related and environmental risks are commonly understood to comprise two main risk drivers:

- **Climate related physical risk**: Physical risk, which refers to the financial impact of a changing climate, including more frequent extreme weather events and gradual changes in climate, as well as of environmental degradation, such as air, water and land pollution, water stress, biodiversity loss and deforestation. Climate related physical risk is considered within credit (lending & counterparty) risk assessments.
- **Climate related transition risk**: Transition risk, which refers to an institution's financial loss that can result, directly or indirectly, from the process of adjustment towards a lower-carbon and more environmentally sustainable economy. Climate related transition risk is considered within both credit (lending & counterparty) and market risk assessments.

3.4.2 Governance

Following the self-assessment of Bank's practices against the expectations set out in the ECB Guide on climate-related and environmental (CR&E) risks submitted to SSM in 2021, the Bank also submitted to the ECB its implementation plans to advance the management of CR&E risks. In parallel, in the context of its business strategy and strategic objectives to further understand and integrate environmental, social and governance (ESG) risks and opportunities into its business model and risk management framework, the Bank has launched a bank-wide initiative with the intention to implement its CR&E risk strategy and ensure compliance with existing and upcoming sustainability-related regulations.

The Bank has approved a governance structure on the process for the allocation of roles and responsibilities with regard to climate risk management (both for transition risk and physical risk) across its three lines of defense (i.e. corporate, retail, risk, compliance, internal audit). The Board has ultimate oversight of the bank's climate-related risks and opportunities.

The Bank has also begun the process of integrating climate risk responsibilities into its key governance committees. As the Board's assessment of its climate related risks and opportunities matures, it will look to further embed these issues in its key decision making, and to develop clear goals and targets to evaluate its progress.

In January 2022, the European Central Bank (ECB) launched a supervisory climate risk stress test to assess how prepared banks are for dealing with financial and economic shocks stemming from climate risk, as a learning exercise without direct quantitative implications about capital, even though it may be qualitatively introduced into the Supervisory review and evaluation process (SREP).

3.4.3 Climate Risk Division

The Bank's approved governance structure has prescribed the establishment of a dedicated Climate Risk Division for the integration of CR&E risks into Bank's risk management framework.

The Climate Risk Division will also operate as Project office for the implementation of the Climate related and Environmental risks roadmap, with a coordinating and supervisory role on all related project streams to ensure alignment with the Bank's business strategy and the supervisor's expectations.

Risk Management

The Division will oversee the development of C&E Risk Management Policy, considering both transition and physical risk components and accounting for, inter alia, the following aspects: CR&E risk governance, methodological process for CR&E risk identification and assessment, CR&E risk monitoring and reporting.

Credit Risk

4. Credit Risk

4.1 Definition of credit risk

Credit risk is the risk that a counterparty will be unable to fulfill its payment obligations in full when due. Credit risk also includes country risk and settlement risk.

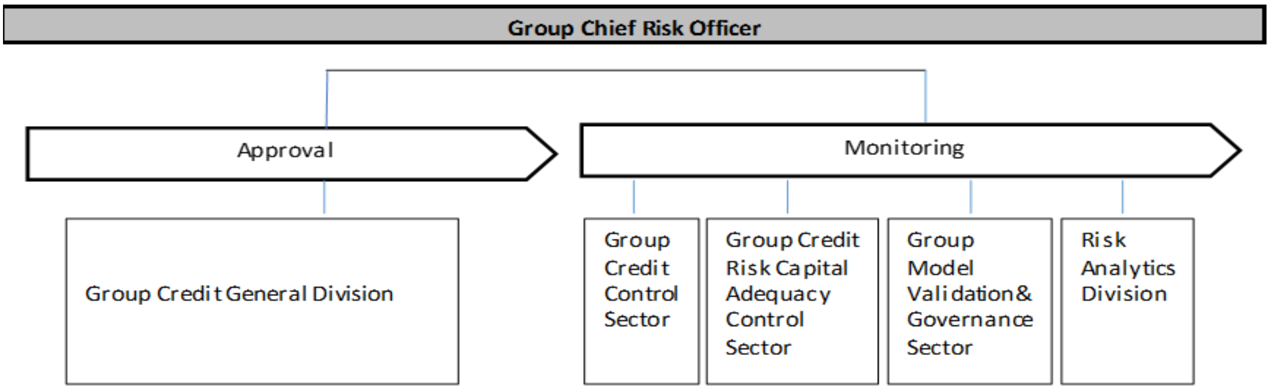
Country risk is the risk of losses arising from economic difficulties or political unrest in a country, including the risk of losses following nationalization, expropriation and debt restructuring.

Settlement risk is the risk arising when payments are settled, for example for trades in financial instruments, including derivatives and currency transactions. The risk arises when the Group remits payments before it can ascertain that the counterparties' payments have been received.

Credit risk arises principally from the wholesale and retail lending activities of the Group, including from credit enhancement provided, such as financial guarantees and letters of credit. The Group is also exposed to credit risk arising from other activities such as investments in debt securities, trading activities, capital markets and settlement activities. Taking into account that credit risk is the principal risk the Group is exposed to, it is very closely managed and is monitored by centralised dedicated risk units, reporting to the Group Credit Risk Officer.

4.2 Credit risk organization and processes

4.2.1 Credit risk organization



The diagram above depicts the organizational structure of credit risk of the Bank. The functions of each sector are described below.

The organization of the credit risk divisions of the Group's subsidiary banks in International operations (Bulgaria, Serbia, Cyprus, Luxembourg) also follows the model of the Bank depicted above. The Risk Executive of each subsidiary bank reports directly to GCRO.

4.2.2 Credit approval process

The credit approval and credit review processes are centralised both in Greece and in the International operations. The segregation of duties ensures independence among executives responsible for the customer relationship, the approval process and the loan disbursement, as well as monitoring of the loan during its lifecycle.

The credit approval process in Corporate Banking is centralised through establishment of Credit Committees with escalating Credit Approval Levels. Main Committees of the Bank are considered to be the following:

Credit Risk

- Credit Committees (Central and Local) authorised to approve new financing, renewals or amendments in the existing credit limits, in accordance with their approval authority level, depending on total limit amount and customer risk category (i.e. high, medium or low), as well as the value and type of security;
- Special Handling Credit Committees authorised to approve credit requests and take actions for distressed clients;
- International Credit Committees (Regional & Country) established for the wholesale borrowers of the Group's international Bank subsidiaries, authorised to approve new limits, renewals or amendments to existing limits, in accordance with their approval authority level, depending on total customer exposure and customer risk category (i.e. high, medium or low), as well as the value and type of security; and
- International Special Handling Committees established for handling distressed wholesale borrowers of the Group's international Bank subsidiaries.

The Credit Committees meet on a weekly basis or more frequently, if needed.

Group Credit General Division (GCGD)

Within an environment of increased risk challenges, Group Credit General Division (GCGD) mission is to safeguard the Banks' asset side, by evaluating credit risk and making recommendations, so that borrower's credit exposure is acceptable and within the approved Risk Appetite Framework. GCGD is headed by the Group Chief Credit Officer (GCCO) with direct reporting to the GCRO.

GCGD operations are comprised of two functions, i.e. the Corporate Credit Risk, including both the domestic and the foreign underwriting activities (the latter only for Global Clients and material exposures of International Subsidiaries), and Retail Credit Risk respectively, covering the underwriting needs of the SBB portfolio and the individuals (mortgage, consumer loans, auto-moto loans and credit cards).

GCGD actively participates in the projects incorporated in the overall transformation of the Bank, with a target to automate part of the credit approval process.

Corporate Credit Risk

(a) Domestic and Greek related portfolio: the underwriting function includes the review of credit requests originating from Corporate Units handling large and medium scale corporate entities of every risk category, specialised lending units such as Shipping and Structured Finance (Commercial Real Estate, Hotel & Leisure, Project Finance) and Private Banking. Major tasks of the respective workstream and involved credit units pertain to the following:

- Evaluation of credit applications and issuance of an independent Risk Opinion, which includes:

  (i) assessment of the customer credit profile based on the qualitative and quantitative risk factors identified (market, operational, structural and financial);

  (ii) recommendations for the formulation of bankable, well-secured and well-controlled transactions (credit facilities); as well as

  (iii) review and confirmation of the ratings of each separate Borrower to reflect the risks acknowledged.

- Participation with voting right in all credit committees as per the Credit Approval procedures;

- Active participation in the regulatory audits and major internal projects of the Bank, providing at the same time credit related knowledge, expertise and support to other divisions;

- Preparation of specialised reports to the Senior Management on a regular basis, with regards to the Top 25 largest, in terms of total exposure, Borrower Groups, statistics on the new approved financings and leveraged transactions.

Credit Risk

(b) International Subsidiaries' portfolio: The GCGD through its specialized International Credit Sector (ICS) is responsible to actively participate in the design, implementation and review of the credit underwriting function for the wholesale portfolio of the International Subsidiaries covering Bulgaria, Cyprus, Serbia, the ex-Romania portfolio (Perimeter B) and portion of the loan portfolio of Luxemburg (and London). Moreover, the respective unit's tasks and responsibilities are highlighted below:

- Participation with voting right in all International Committees (Regional and Special Handling) and Country Risk Committees (CRCs);
- Participation in the sessions of Special Handling Monitoring Committees for Bulgaria and Serbia which monitor and decide on the strategy of problematic corporate relationships with loan outstanding exceeding a certain threshold, that is jointly set by ICS and Country TAG;
- Advice on best practices to the Credit Risk Units of International Subsidiaries;
- Initiation of, or participation in, ad hoc credit related projects involving the International Subsidiaries, such as, indicatively, Wholesale Field Reviews, AQRs, acquisition and/or sale of wholesale portfolios etc.

GCGD is also responsible for the preparation of all credit committees' agendas, distribution of the respective material and maintenance of the respective Credit Committees' minutes.

Retail Credit Risk

The scope of the Retail Banking Credit Risk & Underwriting Sector is the assessment of credit applications submitted by Retail Business Units in relation to Borrowers of the retail credit portfolio (SBB loans and Individuals' banking) as per the provisions of the relevant Credit Approval Procedures.

The tasks of the Retail Credit Risk function are outlined below:

1. Assess credit requests in alignment with the credit risk granting criteria and methodology provided in the relevant Credit Policy Manual.
2. Analyse and evaluate risk factors depending on the type of credit request.
3. Prepare an independent Credit Opinion presenting the official GCGD opinion on the credit application above a certain threshold and confirm, where required, the Borrower Rating for each Borrower in its portfolio ensuring that the risks identified are dully reflected in the Rating.
4. Participate with voting rights in the credit committees as per the credit approval process, according to the Approval Levels defined in the CPM.
5. Prepare specialized reports to the Senior Management on a regular basis, regarding the credit approval process of the retail loan portfolio.

Credit Risk

4.2.3 Credit risk monitoring

Group Credit Control Sector

The quality of the Group's loan portfolio (corporate & retail) both in Greece and abroad is monitored and assessed by the Group Credit Control Sector (GCCS). The Sector is part of the 2nd line of defence and operates independently from all the business units of the Bank and reports directly to the GCRO.

The main activities of Group Credit Control Sector are:

- Monitor and assessment of the quality of Group's loan portfolio and inform Management accordingly;
- Formulate Group's credit policies and present to Board Risk Committee for approval;
- Advise on EBA classifications during the sessions of various credit committees;
- Continually monitor regulatory developments, propose policy updates when necessary and timely submit respective regulatory reports;
- Assume oversight and supervisory responsibilities for corporate rating and impairment models;
- Support the early warning process for Corporate Banking;
- Conduct field reviews and prepare written reports to management on the quality of loan portfolios for all the lending units of the Group;
- Participate in various Group committees and advise on credit related matters;
- Regularly monitor asset quality and prepare respective reports on a monthly/quarterly basis to MRC, BRC;
- Develop credit impairment policies for Group's total portfolio in line with IFRS 9 standards;
- Assess and assure on the accuracy and adequacy of provision levels;
- Prepare key supervisory disclosures.

Group Credit Risk Capital Adequacy Control Sector

The Group Credit Risk Capital Adequacy Control Sector's principal aim is to control, measure and monitor the capital requirements arising from the Bank's loan portfolio along with the relevant reporting to Management and Regulators (ECB/SSM); to develop and maintain the credit risk models for the Bank's loan portfolio; to measure the credit risk parameters (PD, LGD, EAD) for the loan portfolio for calculating capital requirements and IFRS9 provisions and to coordinate the stress testing exercises for the loan portfolios at Group Level. The Sector reports directly to GCRO.

The main activities of Group Credit Risk Capital Adequacy Control Sector are:

- Implementation of the IRB roll-out plan of the Group;
- Development, implementation and update of IRB models of Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) for evaluating credit risk;
- Development, implementation and monitoring of forecasting models linking macroeconomic factors with credit quality (e.g. forecasted 1yr PD, lifetime PD metrics etc) for the loan portfolios of the Group for IFRS9 and Stress Testing purposes;
- Measurement and monitoring of risk parameters (PD, LGD, EAD) for the purposes of capital adequacy calculations, as well as, for provisioning purposes;
- Reviewing the grouping of lending exposures and ensuring their homogeneity under IFRS standard;
- Re-assessing and re-developing the significant increase in credit risk (SICR) threshold under the IFRS9 standard;

Credit Risk

- Monthly capital adequacy calculations (Pillar I) and preparation of relevant management, as well as, regulatory reports (COREPs, STE reports) on a quarterly basis;
- Performing stress tests, both internal and external (EBA/SSM), under the dynamic and static Balance Sheet approach, and maintaining the credit risk stress testing infrastructure;
- Preparation of credit risk analyses for the loan book of the Group for Internal Capital Adequacy Assessment (ICAAP)/ Pillar II purposes;
- Preparation of Basel Pillar III disclosures for credit risk;
- Participation in the preparation of the Bank's Business plan, the NPE TAG Plan and the Recovery plan of the Group in relation to asset quality and capital requirements for the loan book (projected impairments projected RWAs and expected losses, excess/shortfall);
- Support the Business Units in the use of credit risk models in business decisions and the development and usage of risk related metrics such as Risk Adjusted Pricing, Risk Adjusted Return on Capital (RAROC) etc;
- Participation in several TAG related projects in terms of development of the "loss budget", risk assessment/impact of various programmes and new products, sensitivity scenarios;
- Monitoring of the regulatory framework in relation to the IRB framework performing impact assessment (e.g. QIS, benchmarking etc.), initiating and managing relevant projects;
- Monitor and guide International on credit risk related ICAAP, stress testing and other regulatory credit risk related issues, based on Group standards. Review of local credit risk stress test exercises;
- Regular reporting to the GCRO, to the Management Risk Committee and to the Board Risk Committee on the following topics: risk models performance, risk parameters (PD, LGD, EAD), updates on regulatory changes and impact assessment, credit risk analysis and stress testing.

Group Model Validation and Governance Sector

The Group Model Validation and Governance Sector was established in September 2018, with key mandates:

- the initiation of a comprehensive model governance and validation framework; and
- the independent validation of the technical and operational completeness of all models used by the Group and their parameters, as well as their compliance with the provisions of the regulatory framework.

In more detail, the tasks of the Sector are outlined as follows:

- Prepare and update the Group's Models Framework (to include model definition, roles involved per model, model classification principles and methodology, model validation principles, materiality classifications and thresholds, models' registry governance, etc.);
- Establish and update the Group's Models Registry;
- Review models' classification, in accordance with the methodology provided in the Group Models Framework;
- Prepare and update the Group Models Validation Framework, while providing support to Group's subsidiaries in its implementation;
- Monitor changes in ECB guidelines on models' validation;
- Propose and escalate for approval the quantitative thresholds, in order to assess the results of the validation tests;

Credit Risk

- Conduct model validation tests in alignment with the Group Model Validation Framework and regulatory requirements;
- Prepare detailed reports of the model valuation results according to the specific requirements of the model validated, if any, which are communicated to BRC on an annual basis along with any related proposed remediation plan;
- Disseminate models' validation test results within the Group's BRC or MRC following reporting to Group CRO, as appropriate;
- Prepare action plan for remediation actions, if any, as a result of the model validation tests implemented, and escalate the plan for its approval by the appropriate Management Authority;
- Participate in the approval process of new models for assessing ratings' system accuracy and suitability; and
- Monitor industry practices on the development and use of models as well as related ECB guidelines and restrictions.

Risk Analytics Division

The scope of the Risk Analytics Division (RAD) is to develop and deploy advanced analytics solutions through utilising 'big-data' sources and innovative modelling techniques such as 'Machine Learning'. The underpinning objective of these solutions is to deliver risk – reward improvements across the Credit cycle: from credit origination through to account management and collections. The Risk Analytics Division also aims to improve the operational efficiency of the Credit origination process though enabling automation and digital transformation. Furthermore, the advanced analytics solutions aim to optimise Business decisions and the Product pricing.

The main functions and activities of RAD are to:

- Develop, maintain and excel a best-in-class Decision Science platform and the related modelling tools that can be leveraged by multiple units of the Bank to perform advanced analytics activities;
- Develop and maintain a set of libraries and data models to perform advanced analytics modelling;
- Provide expert support to Bank-wise projects through delivering adhoc analytics and bespoke models;
- Develop and maintain the Bank's Early Warning System (EWS) for the respective segments (Corporate, SME/SB and Retail);
- Develop and maintain the Bank's Cash Flow engine based on bank account transactional data and advanced analytics modelling.

4.2.4 Troubled Assets Management

Eurobank (ERB), following the strategic partnership with doValue S.p.A. and the successful transition to the new operating model for the management of NPEs, realizes the NPE Strategy Plan through its implementation by doValue Greece (dVG) for the assigned portfolio and the successful securitization transactions.

The Governance Framework between ERB and doValue is composed of the Oversight Mechanism and the Collaboration Framework, which are aiming to ensure a smooth cooperation between the two parties and the efficient servicing of the assigned portfolios. The Collaboration Framework ensures that the relationship with doValue is managed by ERB in a structured manner. It outlines the way in which ERB and doValue cooperate in order to establish a close and in good faith collaboration. It also ensures that doValue takes into account ERB's interests in the assigned portfolio, including also relevant compliance with the SSM targets, when providing the agreed services to ERB without compromising its own interests.

Credit Risk

The Troubled Assets Committee (TAC) is the ERB approval body responsible to provide strategic guidance and monitor the troubled assets of ERB, ensuring independence from business and compliance with the regulatory requirements.

The main duties and responsibilities of the Troubled Assets Committee are the following:

- Review internal reports regarding troubled assets management under the regulatory provisions;
- Approve the available forbearance, resolution and closure solutions by loan sub-portfolio, and monitor their performance through Key Performance Indicators (KPIs);
- Define criteria to assess the sustainability of credit and collateral workout solutions through the design and use of "decision trees";
- Approve, monitor and assess pilot modification programs;
- Supervise and provide guidance and know-how to the respective troubled assets units of the Bank's subsidiaries abroad.

Remedial Servicing & Strategy Sector (RSS) Operating Model

ERB, established RSS with the mandate to devise the NPE reduction plan, to closely monitor the overall performance of the NPE portfolio as well as the relationship of the Bank with doValue. Furthermore, following ERB's commitments against the significant risk transfer (SRT) monitoring regulatory requirements pertaining to Bank's concluded transactions, RSS has a pivotal role in ensuring that relevant process is performed smoothly and in a timely manner and that any shortcomings are appropriately resolved, while providing any required clarifications or additional material required by the regulatory authorities. The Head of RSS reports to the General Manager of Group Strategy. In this context, RSS, inter alia, has been assigned with the following responsibilities:

- Develop and actively monitor the NPE targets and reduction plan;
- Set the strategic principles, priorities, policy framework and KPI's under which dVG is servicing the portfolio;
- Closely monitor the execution of the approved strategies, as well as all contractual provisions under the relevant contractual agreements for the ERB' s portfolio assigned to doValue including the securitized portfolio of ERB Recovery DAC;
- Monitor the performance of the senior notes of the securitizations in collaboration with Group Risk so as to ensure compliance to Significant Risk Transfer (SRT) and to the Hellenic Asset Protection Scheme (HAPS);
- Budget and monitor the Bank's expenses and revenues associated with the assigned portfolio;
- Cooperate closely with doValue on a daily basis in achieving the Group's objectives;
- Maintain supervisory dialogue.

4.2.5 Recent developments

According to the Hellenic Statistical Authority (ELSTAT), the real GDP growth rate in 2021 registered an increase of 8.3% on an annual basis, from -9.0%% in 2020 and 1.8% in 2019, mainly as a result of the resilience of the Greek economy in the 2nd lockdown, the government's support measures against the economic consequences of the Covid-19 pandemic, the reopening of the economy and the better-than-expected tourism season. On a quarterly basis, real GDP was at -1.4%, 15.1%, 11.4% and 7.7% on an annual basis, in the first, second, third and fourth quarters of 2021. According to the European Commission (EC) 2022 winter economic forecasts (February 2022), the real GDP growth rate for 2022 and 2023 is expected at 4.9% and 3.5% respectively. According to the 2022 Budget that passed in Parliament in early December 2021 the real GDP growth rate for 2022 was expected at 4.5% on an annual basis.

Credit Risk

According to the EC's winter forecasts, inflation in 2022 is expected for Greece at 3.1% – from 0.6% in 2021 and -1.3% in 2020 – mainly as a result of the increased energy costs. The inflation is expected at 1.1% in 2023. The cut-off date for the EC forecasts was at 1 February 2022, well before the ongoing crisis in Ukraine started. According to ELSTAT the inflation in Greece, measured in HICP terms, in January 2022 increased by 5.5% on an annual basis (January 2021: -2.4%). According to the EC's autumn economic forecasts (November 2022, latest available official data for the unemployment rate), the unemployment rate is expected at 15.3%, 15.0% and 14.5% for 2021, 2022 and 2023 respectively. According to the 2022 Budget, the unemployment rate in 2021 and 2022 is expected at 15.3% and 14.2% respectively. However, the conditions in the domestic labour market improved at a greater pace in 2021 as a result of the economic recovery and the employment support measures implemented by the Greek government from 2020 onwards. According to ELSTAT the unemployment rate stood at 12.8% in December 2021 on an annual basis (December 2021: 15.5%) and the 12-month average for 2021 was at 14.7% (2020 12-month average: 16.3%).

On the fiscal front, according to the 13th Enhanced Surveillance (ES) Review (February 2022), the primary balance for 2021, 2022 and 2023 is expected at -7.6%, -1.2% and 1.5% respectively. , According to the 2022 Budget, the primary balance for 2021 and 2022 is expected to register a deficit of -7.3% and -1.2% of GDP respectively, in ES terms. On the public debt front, according to the 2022 Budget, the gross public debt is expected at 197.1% and 189.6% of GDP for 2021 and 2022 respectively. The gross public debt is expected at 202.5%, 195.9% and 191.1% of GDP for 2021, 2022 and 2023 in the aforementioned ES report but at slightly more favorable assumptions compared to the 2022 Budget. The aforementioned primary balance and debt figures for 2021, 2022 and 2023 might change significantly as a result of (a) the Covid-19 related developments, and (b) the size of the public sector's support measures aiming to contain the recent increase in the price level.

The EU funds aiming to improve investments in Greece amount to ca € 72.0 billion (€32 billion from the Next Generation EU fund and € 40 billion from the Multiannual Financial Framework 2021-2027). With regards to the first EU funding initiative, ca € 4 billion (€ 2.3 billion in grants & € 1.7 billion in loans) was disbursed in August 2021. In February 2022, the EC preliminarily endorsed the payment of the first installment of € 3.6 billion (€ 1.72 billion in grants and € 1.85 billion in loans) following the implementation of the required milestones.

According to the Bank of Greece, the stock of NPLs in the Greek Banking Sector was at € 25.5 billion or 16.4% of total loans in the third quarter of 2021 from € 57.9 billion or 32.8% of total loans at the end of 2020. The full abolition of the capital controls in September 2019 together with the implementation of the Hercules asset protection scheme for the reduction of the stock of NPLs, and the various NPLs related initiatives, improved the confidence towards the Greek banking sector. As a result, according to the Bank of Greece, private sector domestic deposits amounted to €177.8 billion at the end of January 2022 from €162.1 billion at the end of January 2021, registering an annual increase of 9.7%. The significant increase in deposits was also attributed to the Covid-19 containment measures that prevent consumption by households together with the government measures aiming to support the private sector and the uncertainty created by the pandemic environment.

Credit Risk

4.3 Credit risk reporting

Group Credit Control, Group Credit Risk Capital Adequacy and Group Model Validation & Governance Sectors regularly prepare a detailed analysis of information to quantify, monitor and evaluate risks, as well as provide support to implement the BRC risk management decisions. It has a fixed reporting cycle to ensure that the relevant management bodies and the Board Risk Committee, are updated on an ongoing basis on the developments in the credit portfolio.

The principal risk reports submitted to the relevant management bodies, on a quarterly basis, deal with the following topics:

The quality of the Group's portfolio:	Analysis of provisions for impairment and losses by business unit. Portfolio breakdowns and evolution by rating category, size, delinquency, industry, tenor, vintage and collateralization etc.
Large exposures:	- An overview of the twenty five (25) Greek largest exposures.
Forborne loans evolution	Analysis by portfolio, delinquency status; re-default statistics on a vintage basis; impairment levels and evolution over time.
The Bank's risk management models and evolution of risk parameters:	Update on the evolution of risk parameters applied (PD, LGD), default rates per product and the key results of the models' validation.
	Update on capital adequacy.
	Monitoring of Expected and Unexpected losses compared to approved limits.

In addition, there are reports which are prepared on a monthly basis, in order to inform the relevant management bodies on the evolution of each business area's balances, delinquencies and provisions (impairment charges).

Credit Risk

4.4 Credit exposures

4.4.1 Maturity analysis

The following table presents a breakdown of net exposures by residual maturity and exposure classes as at 31 December 2021 and 30 June 2021.

Table 12: EU CR1-A - Maturity analysis of exposures

	31 December 2021					
	Net exposure value					
	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
	€ million	€ million	€ million	€ million	€ million	€ million
Central governments or central banks	-	-	-	-	-	-
Institutions	-	-	-	-	-	-
Corporates	-	297	9,455	2,522	-	**12,274**
Retail	-	1,194	1,287	7,346	-	**9,827**
Equity	-	-	-	-	198	**198**
Total IRB approach	**-**	**1,491**	**10,742**	**9,868**	**198**	**22,299**
Central governments or central banks	-	30,613	2,570	4,480	4,164	**41,827**
Regional governments or local authorities	-	2	17	13	-	**32**
Public sector entities	-	-	-	-	743	**743**
Multilateral development banks	-	9	14	-	-	**23**
International organisations	-	-	-	-	-	-
Institutions	-	2,092	191	2,379	66	**4,728**
Corporates	-	5,305	333	360	-	**5,998**
Retail	-	182	476	1,856	38	**2,552**
Secured by mortgages on immovable property	-	19	256	3,580	-	**3,855**
Exposures in default	-	59	40	213	4	**316**
Items associated with particularly high risk	-	236	-	-	-	**236**
Covered bonds	-	43	327	-	-	**370**
Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
Collective investments undertakings	-	-	-	-	20	**20**
Equity exposures	-	-	-	-	223	**223**
Other exposures	470	141	-	-	3,792	**4,403**
Total standardised approach	**470**	**38,701**	**4,224**	**12,881**	**9,050**	**65,326**
Total	**470**	**40,192**	**14,966**	**22,749**	**9,248**	**87,625**

	30 June 2021 [3]					
	Net exposure value					
	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
	€ million	€ million	€ million	€ million	€ million	€ million
Central governments or central banks	-	-	-	-	-	-
Institutions	-	-	-	-	-	-
Corporates	-	2,782	5,639	3,390	64	11,875
Retail	-	218	1,297	7,832	1,063	10,410
Equity	-	-	-	-	203	203
Total IRB approach	-	3,000	6,936	11,222	1,330	22,488
Central governments or central banks	-	23,104	2,044	4,451	4,263	33,862
Regional governments or local authorities	-	2	7	26	-	35
Public sector entities	-	-	-	-	708	708
Multilateral development banks	-	61	13	-	-	74
International organisations	-	-	-	-	-	-
Institutions	-	2,242	127	2,195	82	4,646
Corporates	-	4,822	238	256	-	5,316
Retail	-	167	438	1,747	114	2,466
Secured by mortgages on immovable property	-	21	237	3,438	-	3,696
Exposures in default	-	140	104	653	82	979
Items associated with particularly high risk	-	227	-	-	-	227
Covered bonds	-	45	319	10	-	374
Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
Collective investments undertakings	-	-	-	-	20	20
Equity exposures	-	-	-	-	203	203
Other exposures	409	93	-	-	3,723	4,225
Total standardised approach	409	30,924	3,527	12,776	9,195	56,831
Total	409	33,924	10,463	23,998	10,525	79,319

[1] The table above does not include securitisations and off-balance sheet items.
[2] Exposures with counterparties are included in the table.
[3] The increase of the exposures in central governments or central banks is mainly due to the increase of liquidity received from Eurosystem Funding (TLTRO) and the increase of customer deposits.
[4] The increase of the exposures in the corporates is mainly due to increased position in corporate bonds.

Credit Risk

4.5 Credit quality of financial assets

The Group recognizes allowance for expected credit losses (ECL) that reflect changes in credit quality since initial recognition to financial assets that are measured at AC and FVOCI, including loans, securitised notes issued by special purpose vehicles established by the Group, lease receivables, debt securities, financial guarantee contracts, and loan commitments.

a. Definitions

Loans and advances to customers, including securitised notes issued by special purpose entities established by the Group, carried at amortised cost are classified depending on how ECL is measured.

Accordingly, loans reported as non-impaired include loans for which a '12-month ECL allowance' is recognised as they exhibit no significant increase in credit risk since initial recognition and loans for which a 'Lifetime ECL allowance' is recognised as they exhibit a significant increase in credit risk since initial recognition but are not considered to be in default.

Credit impaired loans category includes loans that are considered to be in default, for which a loss allowance equal to 'Lifetime ECL' is recognised and loans classified as 'Purchased or originated credit impaired' (POCI) which are always measured on the basis of ECL.

Regulatory definitions

As of 1 January 2021, the Group applied the new definition of default (DoD) for regulatory purposes, as is set in the Article 178 of Regulation (EU) No. 575/2013, the Commission Delegated Regulation (EU) 2018/171 and European Banking Authority (EBA) Guidelines (EBA/GL/2016/07). The new DoD aims at the harmonization of the definition of defaulted exposures across institutions and jurisdictions in the European Union and introduced a new set of standards with a significant impact on governance, data, processes, systems and credit models. In particular, the main changes introduced by the new DoD guidelines specify that days past due are counted from the date that both materiality thresholds are breached (an absolute amount of the total exposure and a relative as a percentage of the exposure for more than 90 days past due), include conditions for a return to non-defaulted status (introduction of a three month probation period for non-forborne exposures) and additional unlikely to pay triggers such as the diminished financial obligation criterion for restructured loans (ie. difference between the net present value of cash flows before and after the restructuring exceeds the threshold of 1%). The Group applied the new provisions of DoD, in order to identify defaulted exposures starting from 1 January 2021, consistently across all its lending portfolios and subsidiaries, subject to local regulations and specific credit risk characteristics of each jurisdiction. Accordingly, the perimeters of the credit impaired loans under IFRS9, the non-performing exposures under EBA guidelines and defaulted exposures for regulatory purposes have been aligned. The effect from the implementation of the new DoD on the Group's expected credit losses was neutral since any negative effect, due to introduction of new DoD to the lending exposures' probability of default was almost entirely off-set by the improvement of the cure rates as these reflected in the lending exposures loss given default.

b. Impairment indicators

To determine the risk of default, the Group applies a default definition for accounting purposes, which is consistent with the European Banking Authority (EBA) definition for non-performing exposure and regulatory definition of default as applied by the Group on 1 January 2021. The accounting definition of default is also consistent with the one used for internal credit risk management purposes.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that exposure have occurred:

- The borrower faces a significant difficulty in meeting his financial obligations;

Credit Risk

- There has been a breach of contract, such as a default or unpaid amounts, above specified materiality thresholds, for more than 90 consecutive days;
- The Group, for economic or contractual reasons relating to the borrower's financial difficulty, has granted to the borrower a concession(s) that the Group would not otherwise consider;
- There is a probability that the borrower will enter bankruptcy or other financial re-organization;
- For Purchased or originated credit impaired (POCI) financial assets, a purchase or origination at a deep discount that reflects incurred credit losses is considered a detrimental event. The Group assesses the deep discount criterion following a principle -based approach with the aim to incorporate all reasonable and supportable information which reflects market conditions that exist at the time of the assessment.

For debt securities, the Group determines the risk of default using an internal credit rating scale. The Group considers debt securities as credit impaired if the internal credit rating of the issuer/counterparty corresponds to a rating equivalent to "C" (Moody's rating scale) or the external rating of the issuer/counterparty at the reporting date is equivalent to "C" (Moody's rating scale) and the internal rating is not available.

For further details, please refer to Consolidated Financial Statements, Note 2.

c. Impairment assessment

Determining whether a loss allowance should be based on 12-month expected credit losses or lifetime expected credit losses depends on whether there has been a significant increase in credit risk (SICR) of the financial assets, issued loan commitments and financial guarantee contracts, since initial recognition.

At each reporting date, the Group performs an assessment as to whether the risk of a default occurring over the remaining expected lifetime of the exposure has increased significantly from the expected risk of a default estimated at origination for that point in time. The assessment for SICR is performed using both qualitative and quantitative criteria based on reasonable and supportable information that is available without undue cost or effort including forward looking information and macroeconomic scenarios as well as historical experience.

The assessment of loss allowance is performed either on an individual basis or on a collective basis for groups of similar items with homogeneous credit risk characteristics. The Group applies the same principles for assessing significant increase in credit risk (SICR) since initial recognition when estimating ECLs on a collective or on an individual basis.

The Group segments its lending exposures on the basis of shared credit risk characteristics for the purposes of both assessing significant increase in credit risk and measuring loan loss allowance on a collective basis. The different segments aim to capture differences in PDs and in the rates of recovery in the event of default.

The shared credit risk characteristics used for the segmentation of exposures include several elements such as: instrument type, portfolio type, asset class, product type, industry, originating entity, credit risk rating, remaining term to maturity, geographical location of the borrower, value of collateral to the financial asset, forbearance status and days in arrears.

Furthermore, Management may apply temporary collective adjustments when determining whether credit risk has increased significantly since initial recognition on exposures that share the same credit risk characteristics to reflect macro-economic or other factors which are not adequately addressed by the current credit risk models. These factors may depend on information such as the type of the exposure, counterparty's specific information and the characteristics of the financial instrument, while their application requires the application of significant judgment.

The Group identifies individually significant exposures and performs the ECL measurement based on borrower specific information for both retail and wholesale portfolios. This measurement is performed at a borrower level, hence the criteria are defined at this level, while both qualitative and quantitative factors are taken into consideration including forward looking information.

Credit Risk

For the remaining retail and wholesale exposures, ECL are measured on a collective basis. This incorporates borrower specific information, collective historical experience of losses and forward-looking information. For debt securities and securitised notes issued by special purpose entities established by the Group, the measurement of impairment losses is performed on an individual basis.

d. Impairment measurement

The measurement of ECL is an unbiased probability-weighted average estimate of credit losses that reflects the time value of money, determined by evaluating a range of possible outcomes. A credit loss is the difference between the cash flows that are due to the Group in accordance with the contractual terms of the instrument and the cash flows that the Group expects to receive (i.e. cash shortfalls) discounted at the original effective interest rate (EIR) of the same instrument, or the credit-adjusted EIR in case of purchased or originated credit impaired assets (POCI). In measuring ECL, information about past events, current conditions and reasonable and supportable forecasts of future conditions are considered. For undrawn commitments, ECLs are calculated as the present value of the difference between the contractual cash flows due if the commitment was drawn down and the expected cash flows while for financial guarantees ECLs are measured as the expected payments to reimburse the holder less any amounts that the Group expects to receive.

The Group estimates expected cash shortfalls, which reflect the cash flows expected from all possible sources, including collateral, guarantees and other credit enhancements that are part of the contractual terms and are not recognised separately. In case of a collateralized financial instrument, the estimated expected cash flows related to the collateral reflect the amount and timing of cash flows that are expected from liquidation less the discounted costs of obtaining and selling the collateral, irrespective of whether liquidation is probable.

ECL are calculated over the maximum contractual period over which the Group is exposed to credit risk, which is determined based on the substantive terms of the instrument, or in case of revolving credit facilities, by taking into consideration factors such as the Group's expected credit risk management actions to mitigate credit risk and past practice.

Receivables from customers arising from the Group's activities other than lending, are presented under Other Assets and are typically short term. Therefore, considering that usually there is no significant financing component, the loss allowance for such financial assets is measured at an amount equal to the lifetime expected credit losses under the simplified approach.

ECL key inputs

The ECL calculations are based on the term structures of the probability of default (PD), the loss given default (LGD), the exposure at default (EAD) and other input parameters such as the credit conversion factor (CCF) and the prepayment rate. Generally, the Group derives these parameters from internally developed statistical models and observed point-in-time and historical data, or by international rating agencies, where applicable, leveraging the existing infrastructure development for the regulatory framework and risk management practices.

The PD, LGD and EAD used for accounting purposes may differ from those used for regulatory purposes. For the purposes of IFRS 9 impairment measurement, PD is a point-in-time estimate whereas for regulatory purposes PD is a 'through-the-cycle' estimate. In addition, LGD and EAD for regulatory purposes are based on loss severity experienced during economic downturn conditions, while for impairment purposes, LGD and EAD reflect unbiased and probability-weighted estimates.

Credit Risk

The following table presents an overview of the quality forborne exposures as at 31 December 2021 and 30 June 2021.

Table 13: EU CQ1 - Credit quality of forborne exposures

	31 December 2021							
	Gross carrying amount/nominal amount with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collaterals received and financial guarantees received on forborne exposures	
	Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which: Collateral and financial guarantees received on non-performing exposures with forbearance measures
			Of which defaulted	Of which impaired				
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
Loans and advances	**1,926**	**1,038**	**1,035**	**1,020**	**(103)**	**(377)**	**2,120**	**587**
Central banks	-	-	-	-	-	-	-	-
General governments	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-
Other financial corporations	8	26	26	26	-	(13)	17	13
Non-financial corporations	711	690	690	671	(42)	(238)	998	414
Households	1,207	322	319	323	(61)	(126)	1,105	160
Debt Securities	-	-	-	-	-	-	-	-
Loan commitments given	-	-	-	-	-	-	-	-
Total	**1,926**	**1,038**	**1,035**	**1,020**	**(103)**	**(377)**	**2,120**	**587**

	30 June 2021							
	Gross carrying amount/nominal amount with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collaterals received and financial guarantees received on forborne exposures	
	Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which: Collateral and financial guarantees received on non-performing exposures with forbearance measures
			Of which defaulted	Of which impaired				
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
Loans and advances	2,658	1,789	1,777	1,753	(217)	(868)	2,834	840
Central banks	-	-	-	-	-	-	-	-
General governments	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-
Other financial corporations	17	39	39	39	-	(20)	32	18
Non-financial corporations	1,010	921	917	885	(102)	(405)	1,238	490
Households	1,631	829	821	829	(115)	(443)	1,564	332
Debt Securities	-	-	-	-	-	-	-	-
Loan commitments given	-	-	-	-	-	-	-	-
Total	2,658	1,789	1,777	1,753	(217)	(868)	2,834	840

[1] The decrease in forborne exposures is mainly due to Mexico transaction.

Credit Risk

The following template provides an overview of credit quality of non performing exposures as at 31 December 2021 and 31 December 2020.

Table 14: EU CQ3 - Credit quality of performing and non-performing exposures by past due days

	31 December 2021											
	Gross carrying amount/nominal amoumt											
	Performing exposures			Non-performing exposures								
		Not past due or Past due <= 30 days	Past due >30 days <= 90 days		Unlikely to pay that are not past-due or past-due <=90 days	Past due > 90 days <=180 days	Past due > 180 days <=1 year	Past due > 1 year <=2 year	Past due > 2 year <=5 year	Past due > 5 year < = 7 year	Past due > 7 years	Of which defaulted
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Cash balances at central banks and other demand deposits [(1)]	**13,037**	13,037	-	-	-	-	-	-	-	-	-	-
Loans and advances [(2)]	**40,571**	**40,427**	**145**	**2,793**	**979**	**113**	**228**	**366**	**757**	**64**	**286**	**2,790**
Central banks	-	-	-	-	-	-	-	-	-	-	-	-
General governments	32	32	-	2	-	-	-	1	-	-	1	2
Credit institutions	1,344	1,344	-	-	-	-	-	-	-	-	-	-
Other financial corporations [(3)]	7,581	7,581	-	50	12	-	-	12	26	-	-	50
Non-financial corporations [(4)]	19,029	18,990	40	1,879	663	31	89	268	613	27	188	1,879
of which SMEs [(4)]	8,374	8,337	36	1,541	476	30	89	256	476	27	187	1,541
Households	12,585	12,480	105	862	304	82	139	85	118	37	97	859
Debt Securities	**11,150**	**11,150**	-	-	-	-	-	-	-	-	-	-
Central banks	-	-	-	-	-	-	-	-	-	-	-	-
General governments	8,308	8,308	-	-	-	-	-	-	-	-	-	-
Credit institutions	986	986	-	-	-	-	-	-	-	-	-	-
Other financial corporations	786	786	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	1,070	1,070	-	-	-	-	-	-	-	-	-	-
Off-balance sheet exposures	**7,032**			**51**								**51**
Central banks	-			-								-
General governments	247			19								19
Credit institutions	81			-								-
Other financial corporations	321			-								-
Non-financial corporations	4,227			30								30
Households	2,156			2								2
Total	**58,753**	**51,577**	**145**	**2,844**	**979**	**113**	**228**	**366**	**757**	**64**	**286**	**2,841**

	31 December 2020											
	Gross carrying amount/nominal amount											
	Performing exposures			Non-performing exposures								
		Not past due or Past due <= 30 days	Past due >30 days <= 90 days		Unlikely to pay that are not past-due or past-due <=90 days	Past due > 90 days <=180 days	Past due > 180 days <=1 year	Past due > 1 year <=2 year	Past due > 2 year <=5 year	Past due > 5 year < = 7 year	Past due > 7 years	Of which defaulted
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Cash balances at central banks and other demand deposits	6,249	6,249	-	-	-	-	-	-	-	-	-	-
Loans and advances	38,508	38,248	260	5,762	1,392	188	219	760	992	770	1,441	5,269
Central banks	-	-	-	-	-	-	-	-	-	-	-	-
General governments	41	41	-	2	-	-	-	-	-	1	1	2
Credit institutions	1,711	1,711	-	-	-	-	-	-	-	-	-	-
Other financial corporations	6,154	6,154	-	107	21	14	-	42	8	-	22	108
Non-financial corporations	17,977	17,870	107	3,084	727	91	114	434	600	316	802	2,935
of which SMEs	7,434	7,340	94	2,604	543	82	110	382	490	301	696	2,476
Households	12,625	12,472	153	2,569	644	83	105	284	384	453	616	2,224
Debt Securities	8,257	8,257	-	-	-	-	-	-	-	-	-	-
Central banks	-	-	-	-	-	-	-	-	-	-	-	-
General governments	6,700	6,700	-	-	-	-	-	-	-	-	-	-
Credit institutions	753	753	-	-	-	-	-	-	-	-	-	-
Other financial corporations	139	139	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	665	665	-	-	-	-	-	-	-	-	-	-
Off-balance sheet exposures	5,898			56								55
Central banks	-			-								-
General governments	256			19								19
Credit institutions	80			-								-
Other financial corporations	180			-								-
Non-financial corporations	3,313			36								35
Households	2,069			1								1
Total	58,912	52,754	260	5,818	1,392	188	219	760	992	770	1,441	5,324

(1) *The increase of the exposures in central governments or central banks is mainly due to the increase of liquidity received from Eurosystem Funding (TLTRO) and the increase of customer deposits.*

(2) *The decrease in Non-performing exposures is mainly due to Mexico transaction.*

(3) *The increase in performing exposures of Other Financial corporations is mainly due to Mexico notes retained by the Bank.*

(4) *The increase in performing exposures of Non-Financial Corporations and of which SMEs respectively is mainly due to new disbursements and in a lesser degree due to acquisition of Direktna Bank a.d Kragujevac in Serbia.*

Credit Risk

The following templates provide an overview of the credit quality of performing and non-performing exposures and related impairments, provisions and valuation adjustments by portfolio and exposure class, by geography and industry as at 31 December 2021 and 30 June 2021.

Table 15: EU CR1 - Performing and non-performing exposures and related provisions

	31 December 2021														
	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collaterals and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures - Accumulated impairment and provisions			Non-performing exposures - Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non - performing exposures
		of which: stage 1	of which: stage 2		of which: stage 2	of which: stage 3		of which: stage 1	of which: stage 2		of which: stage 2	of which: stage 3			
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Cash balances at central banks and other demand deposits [(1)]	**13,037**	**13,037**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**	**-**
Loans and advances [(2)]	**40,571**	**35,091**	**5,460**	**2,793**	**-**	**2,732**	**(481)**	**(170)**	**(312)**	**(1,406)**	**-**	**(1,384)**	**(851)**	**26,536**	**1,184**
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	33	31	3	2	-	2	(1)	-	(1)	(1)	-	(1)	-	2	-
Credit institutions	1,344	1,344	-	-	-	-	-	-	-	-	-	-	-	-	-
Other financial corporations [(3)]	7,581	7,541	30	50	-	50	(5)	(4)	(1)	(28)	-	(28)	(39)	6,142	23
Non-financial corporations [(4)]	19,029	16,641	2,379	1,879	-	1,828	(237)	(105)	(133)	(944)	-	(924)	(313)	11,509	835
Of which: SMEs [(4)]	8,374	6,692	1,676	1,541	-	1,508	(167)	(70)	(97)	(782)	-	(765)	(227)	5,923	673
Households	12,584	9,534	3,048	862	-	852	(238)	(61)	(177)	(433)	-	(431)	(499)	8,883	326
Debt Securities	**11,150**	**11,140**	**9**	**-**	**-**	**-**	**(18)**	**(17)**	**(1)**	**-**	**-**	**-**	**-**	-	-
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	8,308	8,308	-	-	-	-	(7)	(7)	-	-	-	-	-	-	-
Credit institutions	986	986	-	-	-	-	(6)	(6)	-	-	-	-	-	-	-
Other financial corporations	786	785	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	1,070	1,061	9	-	-	-	(5)	(4)	(1)	-	-	-	-	-	-
Off-balance sheet exposures	**7,032**	**6,397**	**393**	**51**	**-**	**49**	**(55)**	**(13)**	**(5)**	**(28)**	**-**	**(28)**		**1,291**	**11**
Central banks	-	-	-	-	-	-	-	-	-	-	-	-		-	-
General governments	247	5	-	19	-	19	(36)	-	-	(18)	-	(18)		-	-
Credit institutions	81	81	-	-	-	-	-	-	-	-	-	-		-	-
Other financial corporations	321	317	4	-	-	-	-	-	-	-	-	-		59	-
Non-financial corporations	4,227	3,987	240	30	-	29	(13)	(8)	(5)	(10)	-	(10)		1,149	11
Households	2,156	2,007	149	2	-	1	(6)	(5)	-	-	-	-		83	-
Total	**71,790**	**65,665**	**5,862**	**2,844**	**-**	**2,781**	**(554)**	**(200)**	**(318)**	**(1,434)**	**-**	**(1,412)**	**(851)**	**27,827**	**1,195**

	30 June 2021														
	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collaterals and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures - Accumulated impairment and provisions			Non-performing exposures - Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non - performing exposures
		of which: stage 1	of which: stage 2		of which: stage 2	of which: stage 3		of which: stage 1	of which: stage 2		of which: stage 2	of which: stage 3			
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Cash balances at central banks and other demand deposits	9,401	9,401	-	-	-	-	-	-	-	-	-	-		-	-
Loans and advances	37,887	31,667	6,201	5,766	-	5,694	(616)	(193)	(422)	(2,988)	-	(2,952)	(2,179)	24,313	2,518
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	37	22	16	2	-	2	(1)	-	-	(1)	-	(1)	-	2	-
Credit institutions	1,315	1,315	-	-	-	-	-	-	-	-	-	-	-	-	-
Other financial corporations	5,961	5,901	53	93	-	93	(7)	(6)	(1)	(62)	-	(62)	(237)	4,565	29
Non-financial corporations	18,113	15,336	2,766	3,073	-	3,006	(320)	(118)	(201)	(1,545)	-	(1,509)	(1,330)	10,884	1,413
of which SMEs	7,952	6,083	1,864	2,614	-	2,584	(228)	(66)	(162)	(1,319)	-	(1,303)	(1,046)	5,504	1,203
Households	12,461	9,093	3,366	2,598	-	2,593	(288)	(69)	(220)	(1,380)	-	(1,380)	(612)	8,862	1,076
Debt Securities	9,231	9,222	7	-	-	-	(13)	(13)	(1)	-	-	-	-	-	-
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	7,335	7,335	-	-	-	-	(5)	(5)	-	-	-	-	-	-	-
Credit institutions	869	869	-	-	-	-	(5)	(5)	-	-	-	-	-	-	-
Other financial corporations	252	251	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	775	767	7	-	-	-	(3)	(3)	(1)	-	-	-	-	-	-
Off-balance sheet exposures	6,674	6,053	379	53	-	53	(68)	(28)	(3)	(27)	-	(27)		1,243	10
Central banks	-	-	-	-	-	-	-	-	-	-	-	-		-	-
General governments	250	8	-	19	-	19	(37)	-	-	(18)	-	(18)		-	-
Credit institutions	80	80	-	-	-	-	-	-	-	-	-	-		-	-
Other financial corporations	286	266	20	-	-	-	-	-	-	-	-	-		26	-
Non-financial corporations	3,946	3,731	214	33	-	33	(10)	(8)	(3)	(9)	-	(9)		1,171	10
Households	2,112	1,968	145	1	-	1	(21)	(20)	-	-	-	-		46	-
Total	63,193	56,343	6,587	5,819	-	5,747	(697)	(234)	(426)	(3,015)	-	(2,979)	(2,179)	25,556	2,528

[(1)] The increase in cash balances at central banks is mainly due to the increase of liquidity received from Eurosystem Funding (TLTRO) and the increase of customer deposits.

[(2)] The decrease in non-performing exposures is mainly due to Mexico transaction.

[(3)] The increase in Other Financial corporations is mainly due to Mexico notes retained by the Bank.

[(4)] The increase in Non-Financial Corporations and of which SMEs respectively is mainly due to new disbursements and in a lesser degree due to acquisition of Direktna Bank a.d Kragujevac in Serbia.

Credit Risk

Table 16: **EU CQ4 -** Quality of non-performing exposures by geography

	31 December 2021						
	Gross carrying/nominal amount						
		of which: non-performing		of which: subject to impairment	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 defaulted				
	€ million	€ million	€ million	€ million	€ million	€ million	€ million
On balance sheet exposures	**54,514**	**2,793**	**2,789**	**54,476**	**(1,891)**		**(15)**
Greece [(1)]	30,312	2,313	2,313	30,299	(1,569)		(15)
Romania	342	16	12	339	(22)		-
Bulgaria	4,727	229	229	4,727	(156)		-
United Kingdom	1,619	1	1	1,619	(3)		-
Cyprus	2,513	80	80	2,513	(62)		-
Other countries [(1)]	15,001	154	154	14,979	(79)		-
Off balance sheet exposures	**7,083**	**51**	**51**			**(84)**	
Greece	4,682	47	47			(78)	
Romania	-	-	-			-	
Bulgaria	941	1	1			-	
United Kingdom	74	-	-			-	
Cyprus	609	1	1			(5)	
Other countries	777	2	2			(1)	
Total	**61,597**	**2,844**	**2,840**	**54,476**	**(1,891)**	**(84)**	**(15)**

	30 June 2021						
	Gross carrying/nominal amount						
		of which: non-performing		of which: subject to impairment	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 defaulted				
	€ million	€ million	€ million	€ million	€ million	€ million	€ million
On balance sheet exposures	52,884	5,766	5,754	52,829	(3,585)		(32)
Greece	32,546	5,102	5,102	32,533	(3,228)		(14)
Romania	464	136	124	442	(32)		(18)
Bulgaria	4,426	257	257	4,426	(139)		-
United Kingdom	1,568	2	1	1,568	(1)		-
Cyprus	2,218	115	115	2,218	(89)		-
Other countries	11,662	154	155	11,642	(96)		-
Off balance sheet exposures	6,727	53	53			(96)	
Greece	4,607	51	51			(93)	
Romania	-	-	-			-	
Bulgaria	993	1	1			-	
United Kingdom	80	-	-			-	
Cyprus	545	1	1			(2)	
Other countries	502	-	-			(1)	
Total	59,611	5,819	5,807	52,829	(3,585)	(96)	(32)

[(1)] *The movement between Greece and other countries is mainly due to Mexico securitization transaction.*

Credit Risk

The following table provides an overview of the credit quality of loans and advances to non-financial corporations as at 31 December 2021 and 30 June 2021.

Table 17: EU CQ5 - Credit quality of loans and advances to non-financial corporations by industry

	31 December 2021					
	Gross carrying/nominal amount					
		of which: non-performing		of which loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non- performing exposures
			of which defaulted			
	€ million	€ million	€ million	€ million	€ million	€ million
Agriculture, forestry and fishing	401	31	31	401	(25)	-
Mining and quarrying	75	11	11	75	(8)	-
Manufacturing	3,992	242	242	3,992	(178)	-
Electricity, gas, steam and air conditioning supply	806	-	-	806	(5)	-
Water supply	64	1	1	64	(1)	-
Construction	1,139	173	173	1,139	(106)	-
Wholesale and retail trade	4,525	614	614	4,511	(408)	(15)
Transport and storage	3,408	125	125	3,398	(101)	-
Accommodation and food service activities	2,447	296	296	2,447	(92)	-
Information and communication	268	18	18	268	(20)	-
Financial and insurance activities	14	2	2	14	(1)	-
Real estate activities	1,476	137	137	1,473	(67)	-
Professional, scientific and technical activities	682	128	128	682	(83)	-
Administrative and support service activities	238	20	20	238	(14)	-
Public administration and defense, compulsory social security	1	-	-	1	-	-
Education	42	7	7	42	(3)	-
Human health services and social work activities	421	11	11	421	(11)	-
Arts, entertainment and recreation	656	16	16	656	(12)	-
Other services	252	47	47	251	(32)	-
Total	**20,907**	**1,879**	**1,879**	**20,879**	**(1,167)**	**(15)**

	30 June 2021					
	Gross carrying/nominal amount					
		of which: non-performing		of which loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non- performing exposures
			of which defaulted			
	€ million	€ million	€ million	€ million	€ million	€ million
Agriculture, forestry and fishing	348	46	46	348	(34)	-
Mining and quarrying	203	14	14	203	(10)	-
Manufacturing	3,815	408	408	3,815	(261)	-
Electricity, gas, steam and air conditioning supply	643	1	1	643	(4)	-
Water supply	66	3	3	66	(2)	-
Construction	1,212	310	307	1,212	(165)	-
Wholesale and retail trade	5,072	1,040	1,040	5,057	(635)	(14)
Transport and storage	3,099	176	176	3,088	(126)	-
Accommodation and food service activities	2,426	325	325	2,426	(151)	-
Information and communication	288	78	78	288	(61)	-
Financial and insurance activities	14	5	5	14	(3)	-
Real estate activities	1,461	197	197	1,440	(87)	(18)
Professional, scientific and technical activities	802	272	272	802	(163)	-
Administrative and support service activities	259	31	31	259	(22)	-
Public administration and defense, compulsory social security	2	1	1	2	(1)	-
Education	54	19	19	54	(7)	-
Human health services and social work activities	450	31	31	450	(27)	-
Arts, entertainment and recreation	670	23	23	670	(15)	-
Other services	302	93	94	304	(59)	-
Total	21,186	3,073	3,071	21,141	(1,833)	(32)

Credit Risk

The following table provides an overview of the credit quality of loans and advances to non-financial corporations as at 31 December 2021 and 30 June 2021.

Table 18: EU CQ2 - Quality of forbearance

	31 December 2021	30 June 2021
	Gross carrying amount of forborne exposures	Gross carrying amount of forborne exposures
	€ million	€ million
Loans and advances that have been forborne more than twice	676	1,052
Non-performing forborne loans and advances that failed to meet the non-performing exit criteria	409	637

[(1)] The decrease in forborne exposures is mainly due to Mexico transaction.

The following table provides an analysis of collateral valuation and other information on loans and advances as at 31 December 2021 and 30 June 2021.

Table 19: EU CQ6 - Collateral valuation - Loans and advances

	31 December 2021											
	Loans and advances											
		Performing		**Non Performing**								
					Unlikely to pay that are not past due or past due <=90 days	**Past due > 90 days**						
			of which past due > 30 days <= 90 days				**of which Past due > 90 days <= 180 days**	**of which Past due > 180 days <= 1 year**	**of which Past due > 1 year <= 2 years**	**of which Past due > 2 years <= 5 years**	**of which Past due > 5 years <= 7 years**	**of which Past due > 7 years**
	€ million	**€ million**	**€ million**	**€ million**	**€ million**	**€ million**	**€ million**	**€ million**	**€ million**	**€ million**	**€ million**	**€ million**
Gross carrying amount	**43,364**	**40,571**	**145**	**2,793**	**979**	**1,813**	**113**	**229**	**366**	**757**	**64**	**285**
Of which: secured	33,783	31,716	94	2,067	807	1,260	70	151	257	554	37	192
Of which: secured with immovable property	16,565	15,064	81	1,501	605	896	66	140	193	312	31	153
of which: instruments with LTV higher than 60% and lower or equal to 80%	3,926	3,736		190	93	97						
of which: instruments with LTV higher than 80% and lower or equal to 100%	3,168	2,865		302	156	146						
of which: instruments with LTV higher than 100%	4,719	3,821		898	266	631						
Accumulated impairment for secured assets	**(1,115)**	**(280)**	**(5)**	**(835)**	**(187)**	**(647)**	**(14)**	**(41)**	**(117)**	**(349)**	**(17)**	**(109)**
Collateral												
of which value capped at the value of exposure	22,595	21,481	79	1,114	581	533	54	103	130	179	14	53
of which immovable property	14,908	13,927	72	982	487	495	53	101	120	157	13	51
Of which value above the cap	20,283	18,595	84	1,688	748	940						
of which immovable property	11,052	10,093	75	958	380	578						
Financial guarantees received	**5,125**	**5,056**	**4**	**69**	**12**	**58**	**-**	**4**	**3**	**16**	**6**	**28**
Accumulated partial write-off	**(851)**	**(11)**	**(1)**	**(840)**	**(129)**	**(710)**	**(1)**	**(2)**	**(133)**	**(290)**	**(13)**	**(272)**

	30 June 2021											
	Loans and advances											
		Performing		Non Performing								
					Unlikely to pay that are not past due or past due <=90 days	Past due > 90 days						
			of which past due > 30 days <= 90 days				of which Past due > 90 days <= 180 days	of which Past due > 180 days <= 1 year	of which Past due > 1 year <= 2 years	of which Past due > 2 years <= 5 years	of which Past due > 5 years <= 7 years	of which Past due > 7 years
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Gross carrying amount	43,653	37,887	227	5,766	1,310	4,457	280	500	1,547	732	338	1,059
Of which: secured	34,073	29,768	171	4,305	1,027	3,277	198	363	1,169	514	273	761
Of which: secured with immovable property	18,539	15,025	154	3,514	824	2,690	179	302	729	493	267	719
of which: instruments with LTV higher than 60% and lower or equal to 80%	3,865	3,453		412	92	320						
of which: instruments with LTV higher than 80% and lower or equal to 100%	4,118	3,175		942	236	706						
of which: instruments with LTV higher than 100%	6,215	4,265		1,950	433	1,517						
Accumulated impairment for secured assets	(2,133)	(409)	(10)	(1,724)	(344)	(1,381)	(60)	(146)	(564)	(208)	(81)	(322)
Collateral												
of which value capped at the value of exposure	23,377	20,943	148	2,434	656	1,778	131	208	556	301	185	398
of which immovable property	16,012	13,746	137	2,266	574	1,693	125	189	501	297	185	395
Of which value above the cap	19,417	16,825	142	2,592	633	1,959						
of which immovable property	10,937	9,102	134	1,835	473	1,362						
Financial guarantees received	3,454	3,370	3	84	8	76	4	3	20	4	7	39
Accumulated partial write-off	(2,179)	(15)	(2)	(2,164)	(34)	(2,130)	(111)	(7)	(456)	(589)	(365)	(601)

[(1)] The decrease in non-performing exposures is mainly due to Mexico transaction.

Credit Risk

The following table provides an overview of the movements (inflows and outflows) of non performing loans and advances as at 31 December 2021.

Table 20: EU CR2 - Changes in the stock of non-performing loans and advances

	31 December 2021 Gross carrying amount € million
Initial stock of non-performing loans and advances	5,762
Inflows to non-performing portfolios	1,370
Outflows from non-performing portfolios	(4,339)
Outflows due to write-offs	(454)
Outflow due to other situations [1]	(3,885)
Final stock of non-performing loans and advances	**2,793**

[1] It represents mainly the outflows of loans derecognized due to securitization and sale transactions

.

Table 21: EU CR2a - Changes in the stock of non-performing loans and advances and related net accumulated recoveries

	31 December 2021	
	Gross carrying amount € million	Related net acumulated recoveries € million
Initial stock of non-performing loans and advances	5,762	
Inflows to non performing portfolios	1,370	
Outflows from non performing portfolios	(4,339)	
Outflow to performing portfolio	(545)	
Outflow due to loan repayment, partial or total	(311)	
Outflow due to collateral liquidations	(48)	33
Outflow due to taking possession of collateral	(25)	15
Outflow due to sale of instruments	(60)	60
Outflow due to risk transfers	-	-
Outflows due to write-off	(454)	
Outflow due to Other Situations	(202)	
Outflow due to reclassification as held for sale [1]	(2,694)	
Final stock of non-performing loans and advances	**2,793**	

[1] It represents the outflows of loans derecognized due to securitization and sale transactions, that have been reclassified as held for sale during the year.

Table 22: EU CQ7 - Collateral obtained by taking possession and execution processes

	31 December 2021		30 June 2021	
	Collateral obtained by taking possession		Collateral obtained by taking possession	
	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million
Property Plant and Equipment (PP&E)	-	-	-	-
Other than Property Plant and Equipment	667	(82)	680	(107)
Residential immovable property	250	(40)	246	(41)
Commercial Immovable property	401	(39)	420	(66)
Movable property (auto, shipping, etc.)	3	(2)	-	-
Equity and debt instruments	13	-	14	-
Other	-	-	-	-
Total	**667**	**(82)**	680	(107)

Credit Risk

The following table provides an overview of collateral obtained by taking possession by type, by time since date of foreclosure as at 31 December 2021 and 30 June 2021.

Table 23: CQ8 - Collateral obtained by taking possession and execution processes – Vintage breakdown

	31 December 2021											
	Debt balance reduction		Total collateral obtained by taking possession									
					Foreclosed <=2 years		Foreclosed >= 2 years <=5 years		Foreclosed > 5 years		Of which: Non-current assets held-for-sale	
	Gross carrying amount € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million
Collateral obtained by taking possession classified as Property Plant and Equipment (PP&E)	-	-	-	-								
Collateral obtained by taking possession other than classified Property Plant and Equipment	9	-	667	(82)	164	(12)	310	(18)	193	(53)	9	(3)
Residential immovable property	4	-	250	(40)	23	(3)	113	(7)	114	(31)	4	(3)
Commercial Immovable property	5	-	401	(39)	138	(7)	184	(11)	78	(22)	5	(1)
Movable property (auto, shipping, etc.)	-	-	3	(2)	2	(2)	-	-	-	-	-	-
Equity and debt instruments	-	-	13	-	-	-	12	-	1	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total	**9**	**-**	**667**	**(82)**	**164**	**(12)**	**310**	**(18)**	**193**	**(53)**	**9**	**(3)**

	30 June 2021											
	Debt balance reduction		Total collateral obtained by taking possession									
					Foreclosed <=2 years		Foreclosed >= 2 years <=5 years		Foreclosed > 5 years		Of which: Non-current assets held-for-sale	
	Gross carrying amount € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million
Collateral obtained by taking possession classified as Property Plant and Equipment (PP&E)	-	-	-	-								
Collateral obtained by taking possession other than classified Property Plant and Equipment	196	(67)	680	(107)	84	(5)	334	(20)	262	(82)	11	(3)
Residential immovable property	4	-	246	(41)	37	(1)	90	(7)	119	(33)	4	(3)
Commercial Immovable property	192	(67)	420	(66)	47	(4)	231	(14)	141	(49)	7	(1)
Movable property (auto, shipping, etc.)	-	-	-	-	-	-	-	-	-	-	-	-
Equity and debt instruments	-	-	14	-	-	-	13	-	1	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total	196	(67)	680	(107)	84	(5)	334	(20)	262	(82)	11	(3)

In April 2020, the EBA published Guidelines on legislative and non-legislative moratoria on loan repayments applied in the light of the Covid-19 crisis which clarifies a set of criteria and conditions under which such measures do not trigger forbearance classification of loans and advances and sets out their further prudential treatment in this context.

In the last two years, the Group took all appropriate actions to address liquidity difficulties of businesses and individuals caused by the limited or suspended operations of businesses due to the Covid-19 pandemic. As at 31 December 2021, the

Credit Risk

Group's active moratoria were zero (€ 0 billion) (30 June 2021: € 0.6 billion). As at 31 December 2021, the Group's EBA compliant moratoria granted amounted to € 6.9 billion all of which have expired.

The following table provides an overview of the credit quality of loans and advances subject to moratoria on loan repayments applied in the light of the Covid-19 crisis as at 30 June 2021.

Table 24: Information on loans and advances subject to legislative and non-legislative moratoria

	30 June 2021						
	Gross carrying amount						
		Performing			Non Performing		
			Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days
	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Loans and advances subject to moratorium	637	633	138	241	4	1	4
of which: Households	37	34	1	17	3	1	3
of which: Collateralised by residential immovable property	9	9	-	3	-	-	-
of which: Non-financial corporations	600	599	137	224	1	-	1
of which: Small and Medium-sized Enterprises	176	175	50	108	1	-	1
of which: Collateralised by commercial immovable property	522	522	101	177	-	-	-

	30 June 2021							
	Accumulated impairment, accumulated negative changes in fair value due to credit risk							Gross carrying amount
		Performing			Non Performing			
			Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days	Inflows to non-performing exposures
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Loans and advances subject to moratorium	(29)	(27)	(17)	(26)	(2)	(1)	(2)	1
of which: Households	(3)	(2)	-	(1)	(1)	-	(1)	1
of which: Collateralised by residential immovable property	-	-	-	-	-	-	-	-
of which: Non-financial corporations	(26)	(26)	(17)	(25)	(1)	-	(1)	-
of which: Small and Medium-sized Enterprises	(14)	(14)	(8)	(14)	(1)	-	(1)	-
of which: Collateralised by commercial immovable property	(19)	(19)	(12)	(18)	-	-	-	-

Credit Risk

The following table provides an overview of the volume of loans and advances subject to legislative and non-legislative moratoria in accordance with EBA/GL/2020/02 by residual maturity of these moratoria as at 31 December 2021 and 30 June 2021.

Table 25: Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria

	31 December 2021								
	Number of obligors	Gross carrying amount							
			Of which: legislative moratoria	Of which: expired	Residual maturity of moratoria				
					<= 3 months	> 3 months <= 6 months	> 6 months <= 9 months	> 9 months <= 12 months	> 1 year
		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Loans and advances for which moratorium was offered	**314,325**	**7,469**							
Loans and advances subject to moratorium (granted)	**298,259**	**6,895**	1,492	6,895	-	-	-	-	-
of which: Households		3,176	510	3,176	-	-	-	-	-
of which: Collateralised by residential immovable property		2,282	183	2,282	-	-	-	-	-
of which: Non-financial corporations		3,578	852	3,578	-	-	-	-	-
of which: Small and Medium-sized Enterprises		2,404	639	2,404	-	-	-	-	-
of which: Collateralised by commercial immovable property		2,341	667	2,341	-	-	-	-	-

	30 June 2021								
	Number of obligors	Gross carrying amount							
			Of which: legislative moratoria	Of which: expired	Residual maturity of moratoria				
					<= 3 months	> 3 months <= 6 months	> 6 months <= 9 months	> 9 months <= 12 months	> 1 year
		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Loans and advances for which moratorium was offered	314,437	8,564							
Loans and advances subject to moratorium (granted)	297,330	7,814	1,530	7,177	170	467	1	-	-
of which: Households		3,451	476	3,414	29	8	-	-	-
of which: Collateralised by residential immovable property		2,454	167	2,445	7	2	-	-	-
of which: Non-financial corporations		4,184	882	3,584	141	459	1	-	-
of which: Small and Medium-sized Enterprises		2,716	660	2,540	69	107	1	-	-
of which: Collateralised by commercial immovable property		2,536	656	2,014	123	398	1	-	-

Credit Risk

The following table provide an overview of the stock of newly originated loans and advances subject to public guarantee schemes introduced in response to Covid-19 crisis as at 31 December 2021 and 30 June 2021.

Table 26: Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to Covid-19 crisis

	31 December 2021			
	Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
		of which: forborne	Public guarantees received	Inflows to non-performing exposures
	€ million	€ million	€ million	€ million
Newly originated loans and advances subject to public guarantee schemes	**1,481**	**1**	**331**	**6**
of which: Households	-			-
of which: Collateralised by residential immovable property	-			-
of which: Non-financial corporations	1,481	1	331	6
of which: Small and Medium-sized Enterprises	1,005			1
of which: Collateralised by commercial immovable property	39			-

	30 June 2021			
	Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
		of which: forborne	Public guarantees received	Inflows to non-performing exposures
	€ million	€ million	€ million	€ million
Newly originated loans and advances subject to public guarantee schemes	1,446	1	288	1
of which: Households	-			-
of which: Collateralised by residential immovable property	-			-
of which: Non-financial corporations	1,446	1	288	1
of which: Small and Medium-sized Enterprises	960			1
of which: Collateralised by commercial immovable property	29			-

Credit Risk

4.6 Standardised approach

The Group applies the Standardised approach for all subsidiaries exposures and for a part of the Bank's retail loans. Moreover, the Standardised approach is applied for credit exposures with sovereign and institutional counterparties, as well as with corporate bond issuers, for which a permanent exemption has been granted by the BoG.

Credit ratings are retrieved from External Credit Assessment Institutions (ECAIs), such as Moody's or Standard & Poor's or Fitch. In the cases where more than one rating is available, the second better rating is used.

ECAIs are not used for loans' portfolios directly, but only in cases when they are guaranteed by central governments or institutions (risk substitution). In such a case, the ECAIs used are the same as the ones described above.

The table below presents Standardised exposures on two different basis (before CCF and CRM and after CCF and CRM) as at 31 December 2021 and 30 June 2021.

Table 27: EU CR4 - Standardised approach – Credit risk exposure and CRM effects

	31 December 2021					
Exposure classes	Exposures before CCF and CRM		Exposures post CCF and CRM		RWAs and RWA density	
	On-balance-sheet exposures € million	Off-balance-sheet exposures € million	On-balance-sheet exposures € million	Off-balance-sheet amount € million	RWEA € million	RWEA density %
Central governments or central banks [3]	25,386	-	29,610	-	5,221	18%
Regional government or local authorities	32	1	29	-	6	21%
Public sector entities	743	-	1,766	-	743	42%
Multilateral development banks	14	-	323	-	-	0%
International organisations	-	-	-	-	-	0%
Institutions [4]	3,338	91	3,451	70	953	27%
Corporates	5,990	1,359	5,108	324	4,829	89%
Retail	2,552	885	2,389	152	1,819	72%
Secured by mortgages on immovable property	3,855	23	3,855	18	1,385	36%
Exposures in default	316	5	307	2	344	111%
Exposures associated with particularly high risk	236	131	230	17	369	149%
Covered bonds	370	-	370	-	66	18%
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0%
Collective investment undertakings	20	-	20	-	15	75%
Equity	223	-	223	-	557	250%
Other items	4,402	-	4,403	-	3,662	83%
TOTAL	**47,477**	**2,495**	**52,084**	**583**	**19,969**	**38%**

Credit Risk

Exposure classes	30 June 2021					
	Exposures before CCF and CRM		Exposures post CCF and CRM		RWAs and RWA density	
	On Balance sheet amount € million	Off Balance sheet amount € million	On Balance sheet amount € million	Off Balance sheet amount € million	RWEA € million	RWEA density %
Central governments or central banks	20,873	-	21,003	-	5,207	25%
Regional government or local authorities	35	1	33	-	7	21%
Public sector entities	708	-	1,748	-	708	41%
Multilateral development banks	22	-	208	-	-	0%
International organisations	-	-	-	-	-	0%
Institutions	3,241	94	3,342	68	823	24%
Corporates	5,302	1,279	4,507	296	4,244	88%
Retail	2,466	850	2,316	144	1,762	72%
Secured by mortgages on immovable property	3,696	21	3,696	16	1,332	36%
Exposures in default	979	4	956	2	1,003	105%
Exposures associated with particularly high risk	227	116	220	11	346	150%
Covered bonds	374	-	374	-	66	18%
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0%
Collective investment undertakings	20	-	20	-	15	75%
Equity	203	-	203	-	507	250%
Other items	4,225	-	4,226	-	3,554	84%
Total	42,371	2,365	42,852	537	19,574	45%

(1) Exposures with counterparties are not included in the table.
(2) The table above does not include securitisations.
(3) The increase of the exposures in the central government or central banks is mainly due to the increase of liquidity received from Eurosystem Funding (TLTRO) and the increase of customer deposits.
(4) The decrease of the exposures in the institutions is mainly due to the reduction of the margin accounts.

Credit Risk

The table below presents the credit exposures post conversion factor and post risk mitigation techniques (i.e. collaterals), broken down to different credit quality steps as at 31 December 2021 and 30 June 2021.

Table 28: EU CR5 – Standardised approach

Exposure classes	Risk weightings - 31 December 2021																
	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others	Total	Of which unrated
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Central governments or central banks [2]	24,831	-	-	-	203	-	228	-	-	3,869	-	479	-	-	-	29,610	4,264
Regional government or local authorities	-	-	-	-	28	-	-	-	-	1	-	-	-	-	-	29	29
Public sector entities	1,023	-	-	-	-	-	-	-	-	743	-	-	-	-	-	1,766	743
Multilateral development banks	323	-	-	-	-	-	-	-	-	-	-	-	-	-	-	323	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	1,990	-	-	-	742	-	270	-	-	219	300	-	-	-	-	3,521	391
Corporates	-	-	-	-	19	-	81	-	-	5,281	51	-	-	-	-	5,432	4,894
Retail	-	-	-	-	-	-	-	-	2,541	-	-	-	-	-	-	2,541	2,541
Secured by mortgages on immovable property	-	-	-	-	-	3,357	516	-	-	-	-	-	-	-	-	3,873	3,872
Exposures in default	-	-	-	-	-	-	-	-	-	242	67	-	-	-	-	309	309
Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	247	-	-	-	-	247	246
Covered bonds	-	-	-	282	20	-	68	-	-	-	-	-	-	-	-	370	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unit or shares in collective investment undertakings	-	-	-	-	-	-	-	-	20	-	-	-	-	-	-	20	-
Equity	-	-	-	-	-	-	-	-	-	-	-	223	-	-	-	223	223
Other items	722	-	-	-	26	-	-	-	-	3,655	-	-	-	-	-	4,403	4,401
TOTAL	**28,889**	**-**	**-**	**282**	**1,038**	**3,357**	**1,163**	**-**	**2,561**	**14,010**	**665**	**702**	**-**	**-**	**-**	**52,667**	**21,913**

Exposure classes	Risk weightings - 30 June 2021																
	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others	Total	Of which unrated
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Central governments or central banks	16,287	-	-	-	201	-	220	-	-	3,787	-	508	-	-	-	21,003	4,321
Regional government or local authorities	-	-	-	-	32	-	-	-	-	1	-	-	-	-	-	33	33
Public sector entities	1,040	-	-	-	-	-	-	-	-	708	-	-	-	-	-	1,748	708
Multilateral development banks	208	-	-	-	-	-	-	-	-	-	-	-	-	-	-	208	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	1,863	-	-	-	876	-	290	-	-	137	244	-	-	-	-	3,410	444
Corporates	-	-	-	-	10	-	81	-	-	4,708	4	-	-	-	-	4,803	4,103
Retail	-	-	-	-	-	-	-	-	2,460	-	-	-	-	-	-	2,460	2,273
Secured by mortgages on immovable property	-	-	-	-	-	3,202	510	-	-	-	-	-	-	-	-	3,712	3,696
Exposures in default	-	-	-	-	-	-	-	-	-	870	88	-	-	-	-	958	942
Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	231	-	-	-	-	231	219
Covered bonds	-	-	-	291	15	-	68	-	-	-	-	-	-	-	-	374	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unit or shares in collective investment undertakings	-	-	-	-	-	-	-	-	20	-	-	-	-	-	-	20	-
Equity	-	-	-	-	-	-	-	-	-	-	-	203	-	-	-	203	203
Other items	646	-	-	-	33	-	-	-	-	3,547	-	-	-	-	-	4,226	4,223
TOTAL	20,044	-	-	291	1,167	3,202	1,169	-	2,480	13,758	567	711	-	-	-	43,389	21,165

[1] Exposures with counterparties are not included in the table.
[2] The increase of the exposures in the central government or central banks is mainly due to the increase of liquidity received from Eurosystem Funding (TLTRO) and the increase of customer deposits.

Credit exposures shown in the above table do not include goodwill, intangible assets and deferred tax, which are deducted from, own funds.

4.7 Internal Ratings Based (IRB) approach

4.7.1 Exposures subject to IRB approach

Eurobank Group (the "Bank" or the "Group") first applied the Basel II framework under the Standardised approach in January 2007 and included the respective risk asset ratio figures in its published financial statements. Until that date the Group had been applying the Basel I rules.

In June 2008, the Group received the approval of BoG to use the Internal Ratings Based (IRB) approach to calculate the capital requirement for credit risk. Therefore, with effect from 1 January 2008 the Group applies:

- The Foundation IRB approach to calculate risk weighted assets for the corporate loans' portfolio of Eurobank S.A. in Greece;
- The Advanced IRB for the majority of the retail loans' portfolio of the Bank, i.e. mortgages, small business lending, credit cards and revolving credits in consumer lending;
- From September 2009 the Foundation IRB approach was applied for the corporate loans' portfolio of Eurobank Leasing S.A. in Greece;
- From March 2010, the Advanced IRB approach was applied for the Bank's portfolio of personal and car loans;
- In October 2021, following the demerger of Eurobank Leasing Single Member S.A. the Bank acquired the majority of Leasing portfolio, without any change in the approach followed for capital requirements calculations.

Following the Mexico derecognition, the implementation of IRB covers 70.8% of the Group's lending portfolio excluding portfolio segments which are immaterial in terms of size and risk profile as well as, permanent exemptions.

Table 29: Exposures subject to IRB approach

	31 December 2021 € million	30 June 2021 € million
Credit risk (pursuant IRB Approach)		
- Corporate exposures (Foundation IRB approach) and specialised lending (Slotting methodology)	13,470	13,269
- Retail exposures that exceed € 1 million (Advanced IRB approach)	216	299
Retail exposures	-	-
- Secured by immovable property - non SME	5,752	6,355
- Qualifying revolving retail exposures	1,787	1,765
- SME exposures	2,328	3,010
- Other retail exposures	1,244	1,330
Equity	198	203
Credit risk total, IRB approach	**24,995**	26,231

4.7.2 Risk classifications

The Bank's risk classifications can be divided into the following main categories:

- rating of large corporate and medium size customers; and
- credit scores assigned to retail customers.

(a) Rating of large corporate and medium size customers

The Bank has decided upon the differentiation of rating models for corporate banking, in order to better reflect the risk for customers with different characteristics. Hence, rating models are employed for a number of general, as well as specific customer segments:

Credit Risk

- **Traditional corporate lending:**
  - Moody's Risk Advisor (MRA).
  - Internal credit rating for those customers that cannot be rated by MRA.

MRA is a rating system that aggregates quantitative and qualitative information on individual obligors to perform the assessment of their creditworthiness and determine the credit rating for the obligor. It takes into account the company's financial performance, its cash flows, industry sector trends, peers' performance, as well as qualitative assessment of management, the company's status, market and industry structural factors. MRA is used for the assessment of all legal entities with full accountancy tax books irrespective of their legal form and is calibrated on the Greek corporate environment.

Certain types of companies cannot be analysed with MRA due to the special characteristics of their financial statements such as insurance companies, state-owned organizations, brokerage firms and start ups. In such cases an internal credit rating system (ICR) is applied. It is a borrower rating system in the form of a statistical scorecard and, similarly to MRA, it combines quantitative and qualitative assessment criteria (such as size, years in business, credit history, industry sector etc.).

Customers are classified with respect to their credit worthiness to 11 Borrower rating categories. Categories 1 to 3 correspond to low risk customers, whereas categories 4 to 6 to customers with medium credit risk. Categories 7 to 9 apply to customers with higher risk who are monitored more closely. Categories 10 and 11 apply to non-performing exposures and write offs respectively.

The Bank has re-developed the MRA and ICR rating models and applied the new models in the calculation of own fund requirements since June 2021, following relevant ECB approval.

In addition, the Bank performs an overall assessment of corporate customers, based both on the borrower rating of the obligors (MRA or ICR) and the collaterals and guarantees referred to in its approved credit limit, using a 14 grade rating scale. Credit exposure is subject to detailed reviews by the appropriate approval level of the Bank based on the respective transactional rating (TR). Low risk corporate customers are reviewed at least once a year, whereas higher risk customers are reviewed more frequently.

- **Specialised lending (shipping, real estate and project finance):** slotting methodology

For the specialised lending portfolios i.e. the primary source of repayment of the obligation is the income generated by the asset(s), rather than the independent capacity of the commercial enterprise, the Bank utilizes the Slotting Method by adapting and refining the CRD criteria to the Bank's risk practices. Customers falling in the specialised lending category (shipping, real estate and project finance) are classified in 5 categories: strong, good, satisfactory, weak and default. Each of the 5 categories is associated with a specific risk weight and EL percentage.

The fundamental standards underlying the Group's centralis8ed loan approval and rating processes are to review the global exposure of the customer and to use the 'four-eyes' principle, which requires each credit limit/rating to be evaluated by more than one individual. Ratings are approved by Credit Committees according to the level of exposure involved and each committee has its own specific approval limit. Ratings of customers whose exposure exceed Credit Committees' thresholds are reviewed by the Group's Central Committee. The Credit Committees are composed of senior managers from different business units, as well as from risk management and each committee has its own independent chairman.

As a general rule, each corporate customer is rated separately. For major corporate customers – where it is customary to assign a rating based on the customer's affiliation to a group or parent company – the rating of the parent company is transferred to the subsidiaries, if the Group believes that the parent company can and will guarantee the fulfilment of the obligations of its subsidiaries.

The rating systems described above are an integral part of the Corporate Banking decision making and risk management processes:

- the credit approval process, both at the origination and review process;
- the calculation of Economic Value Added (EVA) and risk-adjusted pricing; and
- the quality assessment of issuers of cheques prior to their pledge as collateral.

(b) Credit scores assigned to retail customers

The Bank assigns credit scores to its retail customers using a number of statistically based models both at origination and an ongoing basis through behavioral scorecards. Those models have been developed to predict, on the basis of available information, the probability of default (PD), loss given default (LGD) and exposure at default (EAD). They cover the entire spectrum of retail products (Credit Cards, Consumer Lending unsecured revolving credits, Car loans, Personal loans, Mortgages and Small Business Loans).

The models were developed based on the Bank's historical data and credit bureau data. Behavioral scores are calculated automatically on a monthly basis, thus ensuring that credit risk assessments are up to date.

The models are used in the credit approval process, in credit limit management, as well as in the collections' process for the prioritization of the accounts in terms of handling. Furthermore, the models have been often used for the risk segmentation of the customers. They are also utilised for risk based pricing in particular segments or new products introduced as well as in the calculation of the Economic Value Added (EVA) and Risk Adjusted Return On Capital (RaRoC) measures.

All of the above processes are centralised and based on the 'four-eyes' principle.

Retail exposures are grouped into homogeneous pools (refer to credit risk measurement in paragraph 4.9.4(f)).

4.7.3 Rating process and models' monitoring

The Bank considers the process and periodic review of credit policy implementation to be of critical importance, as they enable both the integration of the latest market information and analysis into the decision process and ensure the necessary uniformity in the face of the customer. Accordingly, a comprehensive credit policy manual is utilised on the extension and monitoring of credit, detailing the guiding principles, as well as specific rules relating to lending policies.

The credit rating process is also monitored independently by the Group Credit Control Sector via post approval control and evaluation of all credit portfolios through field reviews (case by case) for corporate lending.

Group Credit Risk Capital Adequacy Control Sector monitors the capacity of the rating models and the associated risk parameters on PD, LGD and EAD on an on going basis.

The Group Model Validation & Governance Sector is performing independent annual validations of the IRB models. The scope of the Sector is to:

- Establish and monitor the governance framework for the models used by the Group;
- Perform an independent validation of significant models used by the Group, in order to ensure that the results produced are correct, cover fully business needs, as well as that the methodologies and tools applied are in alignment with industry standards and the corresponding regulatory requirements; and
- Maintain the Group model's registry.

The Bank's validation policy follows a procedure that complies with international best practices and regulatory requirements. The Bank verifies the validity of the rating models and scoring systems on an annual basis and the validation includes both quantitative and qualitative aspects.

The quantitative validation includes statistical tests relating to the following:

- Model stability reports such as population stability, comparison of actual and expected score distributions and characteristic analysis;
- Discriminatory power of rating models i.e. the ability to distinguish default risk on a relative basis;
- Accuracy/backtesting, i.e. comparison of ex ante probabilities of default and other risk parameters and ex post observed default/loss/credit exposure as defined for regulatory purposes level.

The validation of risk parameters is based on historical in house data utilising confidence intervals or market data/benchmarks, where such benchmarks exist. The qualitative assessment includes the use of the models, data, model design, structures and processes underlying the rating systems. In addition to the annual validation of the models, the Bank has established a quarterly monitoring procedure to assess the significance of any changes.

Validation procedures are documented and regularly reviewed and reported to the BRC. Group Internal Audit also independently reviews the validation process annually.

4.7.4 Credit risk measurement

The credit risk framework is articulated around two measures: expected loss (EL) and unexpected loss (UL) for credit risk.

- EL is the expected annual credit loss as defined in paragraph (c) below;
- UL is defined as the volatility (or one standard deviation) of annual losses. If losses always equaled their expected levels then there would be no uncertainty. UL outlines the risk arising from volatility in loss levels and thus in earnings.

The core credit risk parameters included in the estimation of expected loss, unexpected loss and credit RWAs are: Probability of Default (PD), Loss Given Default (LGD), credit exposure as defined for regulatory purposes (EAD) and Effective Maturity (M).

(a) Probability of Default (PD)

The PD represents the probability that a customer will default on his credit obligation within the next 12 months. The definition of default used by the Bank is consistent with the requirements of the CRD and BoG.

The Bank’s historical default data have been used in developing PD estimates. For each grade or pool, the long term average default rate expanding over a 10 years period is used as reference when assessing the PD values.

Under the Bank’s validation framework, models are validated at least annually. This back testing is performed in order to timely identify possible misalignments of the model or possible reverse trends of the PDs. In this way, the Bank reassures that the PDs used are representative of the portfolios’ quality and no underestimation underlies the information disclosed.

(b) Loss Given Default (LGD)

LGD represents the loss on an exposure after a customer defaults. It is expressed as a percentage of the exposure that the Bank expects to lose at the point of default.

The first step in the development process of behavioral LGD models or segments for the Retail portfolios of the Bank was to calculate realised (historical) LGD for a significant number of years starting before 2000. Data was collected and realised losses were calculated taking into account the concept of economic loss. To calculate historical LGD values for retail exposures, the workout LGD method was employed.

The statistical modeling technique employed for the development of behavioral LGD models for consumer lending was Stepwise Linear Regression. This technique is used to first select the most predictive characteristics and then to determine the weights for each variable. For the remaining portfolios the segmentation approach was used for estimating the LGD, based on material loss drivers.

When determining the final parameter, the Bank allows for uncertainty in the data and also applies an additional margin for economic downturn, by reference to external data.

For corporate lending which is under Foundation IRB, the supervisory LGD parameters are applied.

(c) Credit exposure as defined for regulatory purposes (EAD)

For estimating credit exposures for regulatory purposes, future draw downs are taken into account through the use of Credit Conversion Factors (CCFs).

This is meaningful only for products with a risk of drawings that is loan commitments, credit cards and the like, as ordinary loans do not involve a risk of future drawings. Conversion factors are influenced by the Bank's ability to identify slow paying borrowers at an early stage and reduce their access to additional drawings.

CCF estimates for the retail portfolios of the Bank are based on the Bank's historical data. As in the LGD estimation, the Bank employed statistical modeling techniques for consumer lending products (credit cards and open line) and for small business revolving and overdraft facilities, based on key drivers.

It is noted that in some cases credit exposure as defined for regulatory purposes is observed to be lower than the current balance outstanding. In these cases a capping has been applied at the pool design stage and credit exposure as defined for regulatory purposes has been set to equal current balance outstanding, as stipulated by CRD, thus allowing for an additional margin of conservatism.

For corporate lending which is under Foundation IRB, the supervisory CCF parameters are applied.

(d) Effective Maturity (M)

For corporate lending which is under Foundation IRB, the supervisory parameter is applied (i.e. 2.5 years).

(e) Pools (retail asset classes)

For retail lending portfolios, after building the models, ratings have been defined for the risk parameters (PD, LGD and CCF) with the purpose of smoothing out fluctuations by score in the development sample and help the derivation of statistically reliable estimates of the relationship between the score and PD, LGD and CCF, respectively.

The functional relationship between the score and the risk parameter was used to create a harmonised rating scale of PD, LGD and CCF across all retail portfolios. For example, the harmonised PD Rating 1 corresponds to the same PD range regardless of unit, product or scorecard in use.

Rated exposures have been assigned into particular pools, each containing groups of sufficiently homogenous exposures to allow for accurate and consistent estimation of loss characteristics at pool level.

Pools' setting for the retail lending portfolios was driven by a number of segmentation variables (product, financial status, time on books, current delinquency status, etc.), as well as the score. All these provide for a meaningful differentiation of risk as the score is based on the assessment of numerous variables (borrower and transaction characteristics).

Back testing and comparison analysis with external data, where available, are conducted at least annually to validate the risk parameters' estimations and pools, as described in rating process and models' monitoring in paragraph 4.8.2.

The Group has received approval for using the internal rating models and all detailed validations of the parameters were submitted to and reviewed by the regulator, as part of the IRB approval process and also as part of the ongoing supervisory monitoring. Annual validation results and actions taken (redevelopment or refit of scorecards; calibration of risk parameters of PD, LGD and EAD) are also independently reviewed by Internal Audit as part of the annual recurring Basel III compliance audit in accordance with BoG Governor's Act 2577. In the context of the implementation of the new

Credit Risk

definition of default, the Bank proceeded with the calibration of all IRB models under the new definition of default and applied them in the calculation of own funds requirements since June 2021 following relevant ECB approval.

4.7.5 Exposures subject to IRB approach

The following tables present the back testing results for the PD parameter for the full spectrum of the models applied in both Retail and Corporate portfolios. The purpose of the back testing is to identify deviations between the PDs produced by the internal models and actual default rates observed. It is noted that the PDs presented below are calibrated to the long run average default rate thus they may deviate from the observed one year default rates.

Table 30: EU CR9 – IRB approach – Back-testing of PD per exposure class (fixed PD scale)

		31 December 2021					
	PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate	Exposures weighted average PD	Average PD	Average historical annual default rate
				%	%	%	%
Total A-IRB	0.00 to <0.15	75,214	11	0.0%	0.1%	0.1%	0.0%
	0.00 to <0.10	74,434	11	0.0%	0.1%	0.1%	0.0%
	0.10 to <0.15	780	-	0.0%	0.1%	0.1%	0.0%
	0.15 to <0.25	114,913	174	0.2%	0.2%	0.2%	0.1%
	0.25 to <0.50	112,935	297	0.3%	0.4%	0.3%	0.3%
	0.50 to <0.75	5,064	75	1.5%	0.5%	0.5%	1.1%
	0.75 to <2.50	455,564	2,180	0.5%	1.4%	1.4%	0.6%
	0.75 to <1.75	355,880	1,503	0.4%	1.3%	1.2%	0.7%
	1.75 to <2.5	99,684	677	0.7%	2.1%	2.1%	0.5%
	2.50 to <10.00	290,886	6,617	2.3%	5.6%	4.9%	3.3%
	2.5 to <5	164,529	2,822	1.7%	3.7%	3.6%	2.3%
	5 to <10	126,357	3,795	3.0%	7.5%	6.7%	4.3%
	10.00 to <100.00	82,396	11,227	13.6%	31.9%	30.0%	21.5%
	10 to <20	46,167	3,757	8.1%	15.2%	13.8%	11.8%
	20 to <30	17,324	2,575	14.9%	25.7%	25.3%	21.6%
	30.00 to <100.00	18,905	4,895	25.9%	51.2%	55.9%	39.4%
	100.00 (Default)	71,842	-	0.0%	100.0%	100.0%	0.0%

		31 December 2021					
	PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate	Exposures weighted average PD	Average PD	Average historical annual default rate
				%	%	%	%
Corporates - SME with own estimates of LGD or conversion factors	0.00 to <0.15	-	-	0.0%	0.1%	0.0%	0.0%
	0.00 to <0.10	-	-	0.0%	0.1%	0.0%	0.0%
	0.10 to <0.15	-	-	0.0%	0.0%	0.0%	0.0%
	0.15 to <0.25	-	-	0.0%	0.2%	0.0%	0.0%
	0.25 to <0.50	-	-	0.0%	0.3%	0.0%	0.0%
	0.50 to <0.75	127	1	0.8%	0.5%	0.5%	0.4%
	0.75 to <2.50	313	11	3.5%	1.4%	1.4%	5.5%
	0.75 to <1.75	248	8	3.2%	1.4%	1.4%	6.5%
	1.75 to <2.5	65	3	4.6%	2.5%	2.5%	1.5%
	2.50 to <10.00	252	14	5.6%	5.6%	5.7%	8.0%
	2.5 to <5	133	10	7.5%	4.0%	4.1%	10.3%
	5 to <10	119	4	3.4%	7.2%	7.3%	5.2%
	10.00 to <100.00	75	12	16.0%	28.3%	23.0%	25.3%
	10 to <20	29	4	13.8%	14.2%	14.3%	17.4%
	20 to <30	37	6	16.2%	22.6%	22.7%	26.0%
	30.00 to <100.00	9	2	22.2%	44.2%	42.3%	33.9%
	100.00 (Default)	84	-	0.0%	100.0%	100.0%	0.0%

Credit Risk

Retail - Secured by immovable property SME - with own estimates of LGD or conversion factors

PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate	Exposures weighted average PD	Average PD	Average historical annual default rate
			%	%	%	%
0.00 to <0.15	-	-	0.0%	0.0%	0.0%	0.0%
0.00 to <0.10	-	-	0.0%	0.0%	0.0%	0.0%
0.10 to <0.15	-	-	0.0%	0.0%	0.0%	0.0%
0.15 to <0.25	-	-	0.0%	0.0%	0.0%	0.0%
0.25 to <0.50	-	-	0.0%	0.0%	0.0%	0.0%
0.50 to <0.75	378	9	2.4%	0.5%	0.5%	1.1%
0.75 to <2.50	4,125	321	7.8%	1.4%	1.4%	8.3%
0.75 to <1.75	3,903	309	7.9%	1.3%	1.3%	8.9%
1.75 to <2.5	222	12	5.4%	2.4%	2.4%	1.7%
2.50 to <10.00	6,471	562	8.7%	5.4%	5.4%	11.5%
2.5 to <5	4,404	373	8.5%	4.2%	4.2%	12.5%
5 to <10	2,067	189	9.1%	7.4%	7.5%	9.9%
10.00 to <100.00	7,707	1,179	15.3%	34.5%	32.2%	22.5%
10 to <20	2,502	282	11.3%	13.6%	13.6%	13.4%
20 to <30	2,997	295	9.8%	25.0%	24.9%	16.4%
30.00 to <100.00	2,208	602	27.3%	54.2%	52.8%	35.5%
100.00 (Default)	3,623	-	0.0%	100.0%	100.0%	0.0%

31 December 2021

Retail - Secured by immovable property non-SME - with own estimates of LGD or conversion factors

PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate	Exposures weighted average PD	Average PD	Average historical annual default rate
			%	%	%	%
0.00 to <0.15	484	-	0.0%	0.1%	0.1%	0.0%
0.00 to <0.10	-	-	0.0%	0.0%	0.0%	0.0%
0.10 to <0.15	484	-	0.0%	0.1%	0.1%	0.0%
0.15 to <0.25	7,483	130	1.7%	0.2%	0.2%	1.6%
0.25 to <0.50	15,289	221	1.5%	0.4%	0.4%	1.3%
0.50 to <0.75	-	-	0.0%	0.0%	0.0%	0.0%
0.75 to <2.50	28,033	779	2.8%	1.3%	1.3%	3.1%
0.75 to <1.75	27,968	779	2.8%	1.3%	1.3%	3.1%
1.75 to <2.5	65	-	0.0%	1.8%	1.8%	1.4%
2.50 to <10.00	34,196	1,636	4.8%	6.3%	6.2%	8.3%
2.5 to <5	9,351	416	4.5%	3.6%	3.6%	6.4%
5 to <10	24,845	1,220	4.9%	7.8%	7.7%	9.2%
10.00 to <100.00	18,598	2,918	15.7%	31.4%	30.0%	26.5%
10 to <20	10,657	1,191	11.2%	16.2%	16.3%	17.4%
20 to <30	4,548	757	16.7%	27.1%	27.0%	25.8%
30.00 to <100.00	3,393	970	28.6%	49.7%	50.5%	43.0%
100.00 (Default)	6,619	-	0.0%	100.0%	100.0%	0.0%

Credit Risk

Retail - Qualifying revolving - with own estimates of LGD or conversion factors

	31 December 2021					
PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate	Exposures weighted average PD	Average PD	Average historical annual default rate
			%	%	%	%
0.00 to <0.15	74,433	11	0.0%	0.1%	0.1%	0.0%
0.00 to <0.10	74,433	11	0.0%	0.1%	0.1%	0.0%
0.10 to <0.15	-	-	0.0%	0.0%	0.0%	0.0%
0.15 to <0.25	101,777	12	0.0%	0.2%	0.2%	0.0%
0.25 to <0.50	94,899	41	0.0%	0.3%	0.3%	0.1%
0.50 to <0.75	-	-	0.0%	0.0%	0.0%	0.0%
0.75 to <2.50	411,784	738	0.2%	1.6%	1.4%	0.4%
0.75 to <1.75	314,305	139	0.0%	1.0%	1.1%	0.3%
1.75 to <2.5	97,479	599	0.6%	2.0%	2.0%	0.5%
2.50 to <10.00	166,218	1,976	1.2%	4.8%	5.0%	1.9%
2.5 to <5	87,255	620	0.7%	3.6%	3.5%	1.2%
5 to <10	78,963	1,356	1.7%	6.5%	6.5%	2.7%
10.00 to <100.00	37,972	3,357	8.8%	23.5%	27.7%	15.9%
10 to <20	24,993	1,109	4.4%	13.2%	12.5%	8.2%
20 to <30	5,315	689	13.0%	23.7%	22.0%	15.6%
30.00 to <100.00	7,664	1,559	20.3%	50.4%	61.3%	35.1%
100.00 (Default)	39,832	-	0.0%	100.0%	100.0%	0.0%

Retail - Other SME - with own estimates of LGD or conversion factors

	31 December 2021					
PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate	Exposures weighted average PD	Average PD	Average historical annual default rate
			%	%	%	%
0.00 to <0.15	-	-	0.0%	0.0%	0.0%	0.0%
0.00 to <0.10	-	-	0.0%	0.0%	0.0%	0.0%
0.10 to <0.15	-	-	0.0%	0.0%	0.0%	0.0%
0.15 to <0.25	-	-	0.0%	0.0%	0.0%	0.0%
0.25 to <0.50	3	-	0.0%	0.3%	0.3%	0.0%
0.50 to <0.75	4,559	65	1.4%	0.5%	0.5%	1.2%
0.75 to <2.50	7,506	223	3.0%	1.4%	1.5%	2.0%
0.75 to <1.75	5,707	160	2.8%	1.3%	1.3%	2.3%
1.75 to <2.5	1,799	63	3.5%	2.4%	2.4%	1.4%
2.50 to <10.00	10,510	447	4.3%	4.9%	4.8%	5.7%
2.5 to <5	5,947	228	3.8%	3.6%	3.7%	6.0%
5 to <10	4,563	219	4.8%	6.6%	6.8%	5.5%
10.00 to <100.00	7,561	1,260	16.7%	28.9%	26.9%	22.8%
10 to <20	3,216	267	8.3%	14.0%	14.1%	11.4%
20 to <30	2,002	228	11.4%	26.0%	25.9%	18.3%
30.00 to <100.00	2,343	765	32.7%	51.5%	50.3%	42.3%
100.00 (Default)	7,791	-	0.0%	100.0%	100.0%	0.0%

Credit Risk

Retail - Other non-SME - with own estimates of LGD or conversion factors

	31 December 2021					
PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate	Exposures weighted average PD	Average PD	Average historical annual default rate
			%	%	%	%
0.00 to <0.15	297	-	0.0%	0.1%	0.1%	0.0%
0.00 to <0.10	1	-	0.0%	0.1%	0.1%	0.0%
0.10 to <0.15	296	-	0.0%	0.1%	0.1%	0.0%
0.15 to <0.25	5,653	32	0.6%	0.2%	0.2%	0.3%
0.25 to <0.50	2,744	35	1.3%	0.4%	0.4%	1.3%
0.50 to <0.75	-	-	0.0%	0.0%	0.0%	0.0%
0.75 to <2.50	3,803	108	2.8%	1.4%	1.4%	3.7%
0.75 to <1.75	3,749	108	2.9%	1.4%	1.3%	3.8%
1.75 to <2.5	54	-	0.0%	2.1%	2.1%	0.4%
2.50 to <10.00	73,239	1,982	2.7%	4.8%	4.3%	3.4%
2.5 to <5	57,439	1,175	2.1%	3.6%	3.6%	2.5%
5 to <10	15,800	807	5.1%	7.1%	6.3%	5.0%
10.00 to <100.00	10,483	2,501	23.9%	34.8%	36.9%	29.5%
10 to <20	4,770	904	19.0%	15.9%	15.5%	17.4%
20 to <30	2,425	600	24.7%	27.2%	27.7%	27.3%
30.00 to <100.00	3,288	997	30.3%	52.1%	54.5%	46.9%
100.00 (Default)	13,893	-	0.0%	100.0%	100.0%	0.0%

Total F-IRB

	31 December 2021					
PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate	Exposures weighted average PD	Average PD	Average historical annual default rate
			%	%	%	%
0.00 to <0.15	90	-	0.0%	0.1%	0.1%	0.0%
0.00 to <0.10	50	-	0.0%	0.0%	0.0%	0.0%
0.10 to <0.15	40	-	0.0%	0.1%	0.1%	0.0%
0.15 to <0.25	18	-	0.0%	0.2%	0.2%	0.0%
0.25 to <0.50	11	-	0.0%	0.3%	0.3%	0.0%
0.50 to <0.75	34	-	0.0%	0.6%	0.6%	1.7%
0.75 to <2.50	347	-	0.0%	1.3%	1.5%	1.8%
0.75 to <1.75	172	-	0.0%	1.2%	1.2%	1.5%
1.75 to <2.5	175	-	0.0%	1.9%	1.9%	2.6%
2.50 to <10.00	615	-	0.0%	5.9%	4.8%	4.2%
2.5 to <5	354	-	0.0%	3.5%	3.4%	3.2%
5 to <10	261	-	0.0%	6.8%	7.0%	5.5%
10.00 to <100.00	1,004	24	2.4%	26.0%	25.5%	10.3%
10 to <20	379	3	0.8%	13.7%	13.6%	9.2%
20 to <30	134	1	0.8%	23.6%	23.1%	13.1%
30.00 to <100.00	491	20	4.1%	39.5%	38.3%	10.5%
100.00 (Default)	1,955	-	0.0%	100.0%	100.0%	0.0%

Credit Risk

	31 December 2021						
	PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate	Exposures weighted average PD	Average PD	Average historical annual default rate
				%	%	%	%
Corporates - SME without own estimates of LGD or conversion factors	0.00 to <0.15	4	-	0.0%	0.0%	0.0%	0.0%
	0.00 to <0.10	3	-	0.0%	0.0%	0.0%	0.0%
	0.10 to <0.15	1	-	0.0%	0.0%	0.0%	0.0%
	0.15 to <0.25	-	-	0.0%	0.0%	0.2%	0.0%
	0.25 to <0.50	-	-	0.0%	0.0%	0.0%	0.0%
	0.50 to <0.75	3	-	0.0%	0.0%	0.0%	5.0%
	0.75 to <2.50	299	-	0.0%	1.5%	1.6%	1.6%
	0.75 to <1.75	139	-	0.0%	1.1%	1.2%	1.3%
	1.75 to <2.5	160	-	0.0%	1.9%	1.9%	2.6%
	2.50 to <10.00	412	-	0.0%	5.4%	5.0%	4.2%
	2.5 to <5	227	-	0.0%	3.7%	3.6%	3.4%
	5 to <10	185	-	0.0%	6.6%	7.1%	5.2%
	10.00 to <100.00	912	24	2.6%	25.1%	25.2%	11.0%
	10 to <20	349	3	0.9%	14.0%	13.6%	9.1%
	20 to <30	115	1	0.9%	22.9%	22.9%	12.9%
	30.00 to <100.00	448	20	4.5%	38.0%	37.7%	13.1%
	100.00 (Default)	1,862	-	0.0%	100.0%	100.0%	0.0%

	31 December 2021						
	PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate	Exposures weighted average PD	Average PD	Average historical annual default rate
				%	%	%	%
Corporates - Other without own estimates of LGD or conversion factors	0.00 to <0.15	86	-	0.0%	0.1%	0.1%	0.0%
	0.00 to <0.10	47	-	0.0%	0.0%	0.0%	0.0%
	0.10 to <0.15	39	-	0.0%	0.1%	0.1%	0.0%
	0.15 to <0.25	18	-	0.0%	0.2%	0.2%	0.0%
	0.25 to <0.50	11	-	0.0%	0.3%	0.3%	0.0%
	0.50 to <0.75	31	-	0.0%	0.6%	0.6%	1.0%
	0.75 to <2.50	48	-	0.0%	1.2%	1.3%	2.8%
	0.75 to <1.75	33	-	0.0%	1.2%	1.1%	2.9%
	1.75 to <2.5	15	-	0.0%	1.9%	1.9%	2.4%
	2.50 to <10.00	203	-	0.0%	6.2%	4.5%	4.3%
	2.5 to <5	127	-	0.0%	3.2%	2.9%	2.2%
	5 to <10	76	-	0.0%	6.9%	6.9%	6.3%
	10.00 to <100.00	92	-	0.0%	28.8%	27.6%	7.4%
	10 to <20	30	-	0.0%	12.0%	13.5%	10.7%
	20 to <30	19	-	0.0%	24.1%	24.0%	14.3%
	30.00 to <100.00	43	-	0.0%	46.0%	43.5%	4.0%
	100.00 (Default)	93	-	0.0%	100.0%	100.0%	0.0%

Credit Risk

	PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate %	Exposures weighted average PD %	Average PD %	Average historical annual default rate %
		31 December 2020					
Total A-IRB	0.00 to <0.15	472,883	269	0.1%	0.1%	0.1%	0.2%
	0.00 to <0.10	133,905	81	0.1%	0.1%	0.1%	0.2%
	0.10 to <0.15	338,978	188	0.1%	0.1%	0.1%	0.1%
	0.15 to <0.25	54,565	107	0.2%	0.2%	0.2%	0.2%
	0.25 to <0.50	128,538	619	0.5%	0.4%	0.4%	0.5%
	0.50 to <0.75	77,242	843	1.1%	0.5%	0.6%	1.2%
	0.75 to <2.50	173,565	3,808	2.2%	1.4%	1.4%	1.8%
	0.75 to <1.75	120,180	2,227	1.9%	1.2%	1.1%	1.6%
	1.75 to <2.5	53,385	1,581	3.0%	2.1%	2.1%	2.3%
	2.50 to <10.00	136,663	10,428	7.6%	5.3%	5.1%	5.6%
	2.5 to <5	80,284	3,909	4.9%	3.4%	3.7%	4.1%
	5 to <10	56,379	6,519	11.6%	7.3%	7.2%	8.1%
	10.00 to <100.00	90,442	23,529	26.0%	36.8%	32.5%	26.8%
	10 to <20	41,543	5,739	13.8%	14.6%	14.0%	11.0%
	20 to <30	10,466	2,474	23.6%	25.1%	24.8%	19.9%
	30.00 to <100.00	38,433	15,316	39.9%	55.3%	54.6%	43.7%
	100.00 (Default)	236,469	-	0.0%	0.0%	0.0%	0.0%

	PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate %	Exposures weighted average PD %	Average PD %	Average historical annual default rate %
		31 December 2020					
Corporates - SME with own estimates of LGD or conversion factors	0.00 to <0.15	3	-	0.0%	0.0%	0.0%	0.0%
	0.00 to <0.10	3	-	0.0%	0.0%	0.0%	0.0%
	0.10 to <0.15	-	-	-	-	-	-
	0.15 to <0.25	50	-	0.0%	0.2%	0.2%	0.0%
	0.25 to <0.50	-	-	-	-	-	-
	0.50 to <0.75	-	-	-	-	-	-
	0.75 to <2.50	130	-	0.0%	1.6%	1.6%	0.9%
	0.75 to <1.75	68	-	0.0%	1.1%	1.0%	0.0%
	1.75 to <2.5	62	-	0.0%	2.2%	2.2%	1.5%
	2.50 to <10.00	206	37	18.0%	5.7%	5.8%	8.0%
	2.5 to <5	92	4	4.3%	3.2%	3.4%	2.3%
	5 to <10	114	33	28.9%	7.6%	7.7%	13.9%
	10.00 to <100.00	142	48	33.8%	29.6%	28.6%	33.8%
	10 to <20	57	10	17.5%	16.6%	15.7%	14.7%
	20 to <30	45	14	31.1%	27.9%	27.8%	26.2%
	30.00 to <100.00	40	24	60.0%	50.9%	48.0%	49.5%
	100.00 (Default)	471	-	0.0%	0.0%	0.0%	0.0%

	PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate %	Exposures weighted average PD %	Average PD %	Average historical annual default rate %
		31 December 2020					
Retail - Secured by immovable property SME - with own estimates of LGD or conversion factors	0.00 to <0.15	-	-	-	-	-	-
	0.00 to <0.10	-	-	-	-	-	-
	0.10 to <0.15	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-
	0.25 to <0.50	-	-	-	-	-	-
	0.50 to <0.75	-	-	-	-	-	-
	0.75 to <2.50	957	4	0.4%	1.8%	1.8%	1.2%
	0.75 to <1.75	406	1	0.2%	1.7%	1.7%	1.7%
	1.75 to <2.5	551	3	0.5%	1.8%	1.9%	0.6%
	2.50 to <10.00	9,509	1,049	11.0%	6.1%	6.4%	6.8%
	2.5 to <5	3,150	157	5.0%	2.9%	2.8%	3.3%
	5 to <10	6,359	892	14.0%	8.0%	8.2%	9.5%
	10.00 to <100.00	10,050	3,276	32.6%	40.4%	39.9%	29.9%
	10 to <20	3,421	608	17.8%	17.2%	17.3%	9.2%
	20 to <30	1,316	318	24.2%	28.0%	28.5%	20.6%
	30.00 to <100.00	5,313	2,350	44.2%	57.2%	57.4%	43.2%
	100.00 (Default)	31,153	-	0.0%	0.0%	0.0%	0.0%

Credit Risk

	31 December 2020						
	PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate	Exposures weighted average PD	Average PD	Average historical annual default rate
				%	%	%	%
Retail - Secured by immovable property non-SME - with own estimates of LGD or conversion factors	0.00 to <0.15	-	-	-	-	-	-
	0.00 to <0.10	-	-	-	-	-	-
	0.10 to <0.15	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-
	0.25 to <0.50	980	-	0.0%	0.4%	0.4%	1.2%
	0.50 to <0.75	9,163	31	0.3%	0.5%	0.5%	0.5%
	0.75 to <2.50	40,375	815	2.0%	1.4%	1.4%	2.3%
	0.75 to <1.75	31,290	586	1.9%	1.2%	1.2%	2.1%
	1.75 to <2.5	9,085	229	2.5%	2.2%	2.2%	3.2%
	2.50 to <10.00	17,577	645	3.7%	4.7%	4.9%	4.4%
	2.5 to <5	10,309	346	3.4%	3.5%	3.6%	4.0%
	5 to <10	7,268	299	4.1%	6.6%	6.6%	5.0%
	10.00 to <100.00	43,892	9,027	20.6%	36.3%	33.4%	26.4%
	10 to <20	19,252	1,397	7.3%	13.7%	13.3%	8.4%
	20 to <30	4,181	629	15.0%	23.7%	23.7%	16.2%
	30.00 to <100.00	20,459	7,001	34.2%	54.8%	54.4%	42.2%
	100.00 (Default)	57,851	-	0.0%	0.0%	0.0%	0.0%

	31 December 2020						
	PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate	Exposures weighted average PD	Average PD	Average historical annual default rate
				%	%	%	%
Retail - Qualifying revolving - with own estimates of LGD or conversion factors	0.00 to <0.15	472,875	269	0.1%	0.1%	0.1%	0.2%
	0.00 to <0.10	133,901	81	0.1%	0.1%	0.1%	0.2%
	0.10 to <0.15	338,974	188	0.1%	0.1%	0.1%	0.1%
	0.15 to <0.25	54,515	107	0.2%	0.2%	0.2%	0.2%
	0.25 to <0.50	108,660	475	0.4%	0.4%	0.4%	0.5%
	0.50 to <0.75	60,606	728	1.2%	0.7%	0.7%	1.3%
	0.75 to <2.50	83,111	2,349	2.8%	1.4%	1.4%	2.0%
	0.75 to <1.75	58,230	1,290	2.2%	1.1%	1.1%	1.7%
	1.75 to <2.5	24,881	1,059	4.3%	2.1%	2.1%	3.0%
	2.50 to <10.00	77,466	7,442	9.6%	5.4%	5.0%	6.7%
	2.5 to <5	47,063	2,874	6.1%	3.5%	3.8%	4.9%
	5 to <10	30,403	4,568	15.0%	7.0%	6.9%	9.8%
	10.00 to <100.00	14,123	5,551	39.3%	23.1%	22.9%	29.3%
	10 to <20	8,813	2,633	29.9%	13.3%	13.5%	19.1%
	20 to <30	2,303	971	42.2%	24.1%	24.1%	31.0%
	30.00 to <100.00	3,007	1,947	64.7%	50.4%	49.4%	57.7%
	100.00 (Default)	93,369	-	0.0%	0.0%	0.0%	0.0%

	31 December 2020						
	PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate	Exposures weighted average PD	Average PD	Average historical annual default rate
				%	%	%	%
Retail - Other SME - with own estimates of LGD or conversion factors	0.00 to <0.15	3	-	0.0%	0.1%	0.1%	0.0%
	0.00 to <0.10	-	-	-	-	-	-
	0.10 to <0.15	3	-	0.0%	0.1%	0.1%	0.0%
	0.15 to <0.25	-	-	-	-	-	-
	0.25 to <0.50	-	-	-	-	-	-
	0.50 to <0.75	135	-	0.0%	0.5%	0.5%	0.7%
	0.75 to <2.50	7,417	9	0.1%	1.8%	1.8%	0.6%
	0.75 to <1.75	2,778	2	0.1%	1.7%	1.7%	0.8%
	1.75 to <2.5	4,639	7	0.2%	1.9%	1.9%	0.5%
	2.50 to <10.00	13,238	405	3.1%	5.1%	5.5%	2.9%
	2.5 to <5	6,218	79	1.3%	3.2%	3.2%	1.9%
	5 to <10	7,020	326	4.6%	7.3%	7.6%	3.9%
	10.00 to <100.00	9,720	2,078	21.4%	34.5%	33.7%	21.7%
	10 to <20	4,568	396	8.7%	16.1%	16.2%	7.6%
	20 to <30	1,304	195	15.0%	26.4%	26.6%	17.2%
	30.00 to <100.00	3,848	1,487	38.6%	56.6%	57.0%	37.6%
	100.00 (Default)	29,246	-	0.0%	0.0%	0.0%	0.0%

Credit Risk

Retail - Other non-SME - with own estimates of LGD or conversion factors

	31 December 2020					
PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate	Exposures weighted average PD	Average PD	Average historical annual default rate
			%	%	%	%
0.00 to <0.15	2	-	0.0%	0.0%	0.1%	0.0%
0.00 to <0.10	1	-	0.0%	0.0%	0.0%	0.0%
0.10 to <0.15	1	-	0.0%	0.1%	0.1%	0.0%
0.15 to <0.25	-	-	-	-	-	-
0.25 to <0.50	18,898	144	0.8%	0.5%	0.5%	0.4%
0.50 to <0.75	7,338	84	1.1%	0.6%	0.6%	0.7%
0.75 to <2.50	41,575	631	1.5%	1.4%	1.5%	1.0%
0.75 to <1.75	27,408	348	1.3%	1.1%	1.1%	0.9%
1.75 to <2.5	14,167	283	2.0%	2.2%	2.2%	1.2%
2.50 to <10.00	18,667	850	4.6%	4.7%	4.7%	3.2%
2.5 to <5	13,452	449	3.3%	3.6%	3.6%	2.0%
5 to <10	5,215	401	7.7%	7.0%	7.6%	6.1%
10.00 to <100.00	12,515	3,549	28.4%	36.7%	33.1%	26.5%
10 to <20	5,432	695	12.8%	13.8%	13.6%	9.1%
20 to <30	1,317	347	26.3%	23.9%	23.9%	17.5%
30.00 to <100.00	5,766	2,507	43.5%	54.1%	53.6%	46.2%
100.00 (Default)	24,379	-	0.0%	0.0%	0.0%	0.0%

Total F-IRB

	31 December 2020					
PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate	Exposures weighted average PD	Average PD	Average historical annual default rate
			%	%	%	%
0.00 to <0.15	113	-	0.0%	0.1%	0.1%	0.1%
0.00 to <0.10	76	-	0.0%	0.0%	0.0%	0.0%
0.10 to <0.15	37	-	0.0%	0.1%	0.1%	0.1%
0.15 to <0.25	221	-	0.0%	0.2%	0.2%	0.2%
0.25 to <0.50	89	-	0.0%	0.3%	0.3%	0.0%
0.50 to <0.75	90	-	0.0%	0.7%	0.7%	0.7%
0.75 to <2.50	562	2	0.4%	1.3%	1.4%	2.2%
0.75 to <1.75	318	-	0.0%	1.1%	0.9%	1.2%
1.75 to <2.5	244	2	0.8%	2.2%	2.3%	2.3%
2.50 to <10.00	698	13	1.9%	5.6%	6.2%	6.0%
2.5 to <5	309	2	0.6%	4.2%	4.1%	4.1%
5 to <10	389	11	2.8%	7.9%	8.2%	8.2%
10.00 to <100.00	432	38	8.8%	17.3%	18.9%	18.7%
10 to <20	284	16	5.6%	15.2%	14.8%	14.8%
20 to <30	148	22	14.9%	27.8%	27.9%	27.7%
30.00 to <100.00	-	-	0.0%	0.0%	0.0%	0.0%
100.00 (Default)	3,537	-	0.0%	0.0%	0.0%	0.0%

Corporates - SME without own estimates of LGD or conversion factors

	31 December 2020					
PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate	Exposures weighted average PD	Average PD	Average historical annual default rate
			%	%	%	%
0.00 to <0.15	54	-	0.0%	0.0%	0.0%	0.1%
0.00 to <0.10	54	-	0.0%	0.0%	0.0%	0.0%
0.10 to <0.15	-	-	0.0%	0.0%	0.0%	0.1%
0.15 to <0.25	163	-	0.0%	0.2%	0.2%	0.0%
0.25 to <0.50	-	-	0.0%	0.0%	0.0%	0.0%
0.50 to <0.75	-	-	0.0%	0.0%	0.0%	0.8%
0.75 to <2.50	499	2	0.4%	1.4%	1.4%	2.3%
0.75 to <1.75	260	-	0.0%	0.8%	0.8%	0.0%
1.75 to <2.5	239	2	0.8%	2.3%	2.3%	2.3%
2.50 to <10.00	607	11	1.8%	6.2%	6.3%	6.1%
2.5 to <5	263	2	0.8%	4.1%	4.1%	4.1%
5 to <10	344	9	2.6%	8.1%	8.2%	8.3%
10.00 to <100.00	414	37	8.9%	17.0%	18.9%	18.6%
10 to <20	268	15	5.6%	14.5%	14.4%	14.7%
20 to <30	146	22	15.1%	27.9%	28.0%	27.8%
30.00 to <100.00	-	-	0.0%	0.0%	0.0%	0.0%
100.00 (Default)	3,374	-	0.0%	0.0%	0.0%	0.0%

Credit Risk

	31 December 2020						
	PD range	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate	Exposures weighted average PD	Average PD	Average historical annual default rate
				%	%	%	%
Corporates - Other without own estimates of LGD or conversion factors	0.00 to <0.15	59	-	0.0%	0.1%	0.1%	0.0%
	0.00 to <0.10	22	-	0.0%	0.0%	0.0%	0.0%
	0.10 to <0.15	37	-	0.0%	0.1%	0.1%	0.0%
	0.15 to <0.25	58	-	0.0%	0.2%	0.2%	0.2%
	0.25 to <0.50	89	-	0.0%	0.3%	0.3%	0.0%
	0.50 to <0.75	90	-	0.0%	0.7%	0.7%	0.7%
	0.75 to <2.50	63	-	0.0%	1.3%	1.3%	1.7%
	0.75 to <1.75	58	-	0.0%	1.2%	1.2%	1.2%
	1.75 to <2.5	5	-	0.0%	2.1%	2.1%	2.1%
	2.50 to <10.00	91	2	2.2%	5.2%	5.7%	5.8%
	2.5 to <5	46	-	0.0%	4.3%	4.3%	4.1%
	5 to <10	45	2	4.4%	7.6%	8.1%	8.0%
	10.00 to <100.00	18	1	5.6%	19.6%	20.1%	20.7%
	10 to <20	16	1	6.3%	19.3%	19.3%	19.3%
	20 to <30	2	-	0.0%	24.2%	24.2%	24.2%
	30.00 to <100.00	-	-	0.0%	0.0%	0.0%	0.0%
	100.00 (Default)	163	-	0.0%	0.0%	0.0%	0.0%

Table 31: EU CR9.1 – IRB approach – Back-testing of PD per exposure class (only for PD estimates according to point (f) of Article 180(1) CRR)

The current table is not applicable for Eurobank IRB portfolio since the Bank uses internal estimates based on the relevant rating systems.

Note: Average historical annual default rate represents the average annual default rate of the period 2006-2019 i.e. the calibrated through the cycle PDs used in the RWAs calculation. Tables referring to December 2021, present the backtesting results of the PD parameter calibrated under the new definition of default (in effect since January 2021).

Overall, the weighted average PDs have been calibrated in an economic cycle spanning from early 2006 and including the performance of the distressed financial period of the Greek economy up to and including December 2019. Long average PDs are higher than the annual default rate of 2021 (as presented in the column “% Defaulted accounts in the year”), since the macro economic environment has been improved since the peak of the recent financial crisis.

The default rate is following a decreasing trend from 3.5% in 2020 to 1.8% in 2021 for the Retail portfolio and from 2.4% to 1.1% for the Corporate portfolio which is attributed to the improving financial environment.

Credit Risk

4.7.6 Risk profile of exposures subject to IRB approach

The following table presents corporate credit exposures broken down by PD band as at 31 December 2021 and 30 June 2021.

Table 32: EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range

F-IRB	PD scale	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	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
		31 December 2021											
		€ million	€ million	%	€ million	%		%	yrs	€ million	%	€ million	€ million
	0.00 to <0.15	-	-	0.0%	-	0.0%	-	0.0%	-	-		-	-
	0.00 to <0.10	-	-	0.0%	-	0.0%	-	0.0%	-	-		-	-
	0.10 to <0.15	-	-	0.0%	-	0.0%	-	0.0%	-	-		-	-
	0.15 to <0.25	-	29	100.0%	29	0.0%	8	0.0%	-	-	0.0%	-	(0.1)
	0.25 to <0.50	-	-	0.0%	-	0.0%	-	0.0%	-	-		-	-
	0.50 to <0.75	-	-	0.0%	-	0.0%	-	0.0%	-	-		-	-
	0.75 to <2.50	549	100	73.1%	543	1.5%	274	41.9%	4	217	40.0%	2	(1)
Corporates - SME without own estimates of LGD or conversion factors	0.75 to <1.75	262	64	81.3%	277	1.1%	126	42.7%	4	95	34.3%	1	(0.2)
	1.75 to <2.5	287	36	64.5%	266	1.9%	148	41.1%	3	122	45.9%	1	(0.3)
	2.50 to <10.00	794	82	64.8%	749	5.4%	398	40.4%	3	462	61.7%	10	(6)
	2.5 to <5	336	41	74.9%	313	3.7%	240	40.2%	3	116	37.1%	2	(1)
	5 to <10	458	41	57.6%	435	6.6%	158	40.6%	3	346	79.5%	8	(5)
	10.00 to <100.00	1,077	93	74.3%	980	25.1%	706	38.8%	3	1,461	149.1%	94	(57)
	10 to <20	501	67	72.5%	461	14.0%	315	39.0%	3	619	134.3%	24	(16)
	20 to <30	119	7	74.4%	103	22.9%	95	39.5%	3	169	164.1%	9	(7)
	30.00 to <100.00	457	18	81.0%	415	38.0%	296	38.5%	3	673	162.2%	60	(34)
	100.00 (Default)	957	22	85.1%	932	100.0%	930	40.3%	3	-	0.0%	377	(487)
Subtotal (exposure class)		**3,377**	**326**	**74.4%**	**3,233**	**47.0%**	**2,316**	**39.7%**	**3**	**2,140**	**66.2%**	**483**	**(550)**

F-IRB	PD scale	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	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
		31 December 2021											
		€ million	€ million	%	€ million	%		%	yrs	€ million	%	€ million	€ million
	0.00 to <0.15	1,967	412	71.2%	2,156	0.1%	88	43.8%	3	435	20.2%	1	(0.2)
	0.00 to <0.10	1,181	132	81.5%	1,243	0.04%	45	44.6%	3	207	16.7%	0.2	(0.02)
	0.10 to <0.15	786	280	57.1%	913	0.1%	43	42.8%	3	228	25.0%	0.3	(0.1)
	0.15 to <0.25	783	69	72.7%	823	0.2%	20	44.6%	3	339	41.2%	0.6	(0.2)
	0.25 to <0.50	297	71	84.2%	307	0.3%	13	42.8%	3	127	41.4%	0.3	(0.4)
	0.50 to <0.75	385	328	99.7%	667	0.6%	36	23.7%	3	188	28.2%	1	(2)
	0.75 to <2.50	806	174	82.2%	899	1.2%	69	44.3%	4	781	86.9%	4	(7)
Corporates - Other without own estimates of LGD or conversion factors	0.75 to <1.75	785	172	82.1%	877	1.2%	54	44.3%	4	773	88.1%	4	(7)
	1.75 to <2.5	22	2	88.0%	22	1.9%	15	43.9%	3	8	36.4%	0.1	(0.04)
	2.50 to <10.00	969	80	82.3%	908	6.2%	178	42.5%	3	1,151	126.8%	18	(18)
	2.5 to <5	151	34	62.0%	164	3.2%	105	44.3%	3	137	83.5%	1	(1)
	5 to <10	818	46	86.8%	744	6.9%	73	42.2%	3	1,014	136.3%	17	(17)
	10.00 to <100.00	295	78	81.1%	301	28.8%	84	41.6%	3	716	237.9%	34	(32)
	10 to <20	62	4	74.7%	57	12.0%	32	40.3%	3	116	203.5%	3	(2)
	20 to <30	148	54	75.0%	147	24.1%	20	43.9%	3	391	266.0%	15	(16)
	30.00 to <100.00	85	21	94.0%	97	46.0%	32	39.1%	3	211	217.5%	17	(14)
	100.00 (Default)	106	4	76.5%	107	100.0%	64	41.9%	3	-	0.0%	45	(62)
Subtotal (exposure class)		**5,608**	**1,216**	**81.7%**	**6,168**	**6.0%**	**552**	**41.3%**	**3**	**3,737**	**60.6%**	**104**	**(122)**
Total (all exposures classes)		**8,985**	**1,542**	**80.5%**	**9,401**	**21.7%**	**2,868**	**40.6%**	**7**	**5,877**	**62.5%**	**587**	**(672)**

Credit Risk

A-IRB	PD scale	On-balance sheet exposures € million	Off-balance-sheet exposures pre-CCF € million	Exposure weighted average CCF %	Exposure post CCF and post CRM € million	Exposure weighted average PD %	Number of obligors	Exposure weighted average LGD %	Exposure weighted average maturity yrs	Risk weighted exposure amount after supporting factors € million	Density of risk weighted exposure amount %	Expected loss amount € million	Value adjust-ments and provisions € million
	31 December 2021												
	0.00 to <0.15	1	-	2.3%	0.2	0.1%	1	43.2%	4	0.03	16.7%	0.00004	(0.002)
	0.00 to <0.10	1	-	2.3%	0.2	0.1%	1	43.2%	4	0.03	16.7%	0.00004	(0.002)
	0.10 to <0.15	-	-	0.0%	-	0.0%	-	0.0%	-	-		-	-
	0.15 to <0.25	1	-	0.0%	1	0.2%	1	26.3%	4	0.2	17.0%	0.0004	(0.01)
	0.25 to <0.50	10	9	7.3%	4	0.3%	13	33.3%	3	1	25.0%	0.004	(0.07)
	0.50 to <0.75	-	2	2.5%	0.3	0.5%	4	29.1%	1	0.1	21.9%	0.001	(0.001)
	0.75 to <2.50	45	15	21.1%	36	1.4%	55	21.4%	3	12	33.3%	0.1	(1)
Corporates - SME with own estimates of LGD or conversion factors	0.75 to <1.75	42	15	20.8%	33	1.4%	49	21.7%	3	11	33.3%	0.1	(1)
	1.75 to <2.5	3	-	100.0%	3	2.5%	6	18.7%	1	1	33.3%	0.01	(0)
	2.50 to <10.00	83	40	16.4%	64	5.6%	106	24.9%	3	37	57.8%	1	(2)
	2.5 to <5	40	25	16.0%	32	4.0%	55	25.3%	4	17	53.1%	0.3	(1)
	5 to <10	43	15	17.0%	32	7.2%	51	24.6%	3	20	62.5%	1	(1)
	10.00 to <100.00	99	17	10.1%	85	28.3%	94	21.8%	4	67	78.8%	5	(4)
	10 to <20	34	9	13.4%	24	14.2%	39	21.8%	3	17	70.8%	1	(1)
	20 to <30	32	7	3.8%	29	22.6%	27	19.5%	4	21	72.4%	1	(1)
	30.00 to <100.00	33	2	18.1%	32	44.2%	28	23.9%	4	29	90.6%	3	(2)
	100.00 (Default)	27	-	0.0%	26	100.0%	46	47.2%	5	14	53.8%	12	(12)
Subtotal (exposure class)		**266**	**83**	**18.0%**	**217**	**45.1%**	**320**	**34.5%**	**4**	**131**	**60.6%**	**18**	**(18)**

A-IRB	PD scale	On-balance sheet exposures € million	Off-balance-sheet exposures pre-CCF € million	Exposure weighted average CCF %	Exposure post CCF and post CRM € million	Exposure weighted average PD %	Number of obligors	Exposure weighted average LGD %	Exposure weighted average maturity yrs	Risk weighted exposure amount after supporting factors € million	Density of risk weighted exposure amount %	Expected loss amount € million	Value adjust-ments and provisions € million
	31 December 2021												
	0.00 to <0.15	53	8	100.0%	61	0.1%	620	2.9%	N/A	0.5	0.9%	0.002	(0.004)
	0.00 to <0.10	-	-	0.0%	-	0.0%	-	0.0%	N/A	-		-	-
	0.10 to <0.15	53	8	100.0%	61	0.1%	620	2.9%	N/A	0.6	0.9%	0.002	(0.004)
	0.15 to <0.25	314	2	100.0%	316	0.2%	6,232	4.1%	N/A	5	1.6%	0.02	(1)
	0.25 to <0.50	765	16	100.0%	782	0.4%	15,601	4.9%	N/A	28	3.6%	0.16	(3)
	0.50 to <0.75	-	-	0.0%	-	0.0%	-	0.0%	N/A	-		-	-
	0.75 to <2.50	1,831	15	100.0%	1,844	1.3%	30,696	9.3%	N/A	281	15.2%	2	(24)
Retail - Secured by immovable property non-SME - with own estimates of LGD or conversion factors	0.75 to <1.75	1,826	12	100.0%	1,838	1.3%	30,625	9.3%	N/A	281	15.3%	2	(24)
	1.75 to <2.5	5	1	100.0%	6	1.8%	71	2.6%	N/A	0.3	5.0%	0.003	(0.002)
	2.50 to <10.00	1,468	1	100.0%	1,469	6.3%	26,001	15.2%	N/A	859	58.5%	14	(46)
	2.5 to <5	540	-	100.0%	541	3.6%	9,418	14.1%	N/A	223	41.2%	3	(14)
	5 to <10	928	-	100.0%	928	7.8%	16,583	15.9%	N/A	636	68.5%	12	(32)
	10.00 to <100.00	993	-	100.0%	993	31.4%	18,348	18.7%	N/A	1,013	102.0%	62	(40)
	10 to <20	440	-	100.0%	440	16.2%	8,738	17.0%	N/A	421	95.7%	12	(14)
	20 to <30	151	-	0.0%	151	27.1%	3,300	18.3%	N/A	171	113.2%	7	(5)
	30.00 to <100.00	401	-	0.0%	401	49.7%	6,310	20.7%	N/A	421	105.0%	42	(20)
	100.00 (Default)	289	-	0.0%	286	100.0%	7,474	27.2%	N/A	209	73.1%	78	(78)
Subtotal (exposure class)		**5,713**	**42**	**100.0%**	**5,751**	**20.0%**	**104,972**	**17.5%**	**N/A**	**2,396**	**41.7%**	**156**	**(192)**

Credit Risk

A-IRB	PD scale	On-balance sheet exposures € million	Off-balance-sheet exposures pre-CCF € million	Exposure weighted average CCF %	Exposure post CCF and post CRM € million	Exposure weighted average PD %	Number of obligors	Exposure weighted average LGD %	Exposure weighted average maturity yrs	Risk weighted exposure amount after supporting factors € million	Density of risk weighted exposure amount %	Expected loss amount € million	Value adjust-ments and provisions € million
		31 December 2021											
	0.00 to <0.15	44	330	81.7%	313	0.1%	74,078	62.6%	N/A	12	3.8%	0.2	(2)
	0.00 to <0.10	44	330	81.7%	313	0.1%	74,078	62.6%	N/A	12	3.8%	0.2	(2)
	0.10 to <0.15	-	-	0.0%	-	0.0%	-	0.0%	N/A	-		-	-
	0.15 to <0.25	24	359	83.8%	325	0.2%	126,822	62.0%	N/A	23	7.1%	0.4	(1)
	0.25 to <0.50	66	340	81.2%	343	0.3%	102,812	62.6%	N/A	36	10.5%	1	(3)
	0.50 to <0.75	-	-	0.0%	-	0.0%	-	0.0%	N/A	-		-	-
	0.75 to <2.50	88	317	61.2%	282	1.6%	433,953	63.2%	N/A	103	36.5%	3	(3)
Retail - Qualifying revolving - with own estimates of LGD or conversion factors	0.75 to <1.75	23	143	74.3%	129	1.0%	323,164	63.1%	N/A	34	26.4%	1	(1)
	1.75 to <2.5	65	175	50.5%	154	2.0%	110,789	63.3%	N/A	69	44.8%	2	(2)
	2.50 to <10.00	261	175	49.3%	347	4.8%	174,058	62.7%	N/A	268	77.2%	9	(9)
	2.5 to <5	138	137	48.9%	205	3.6%	90,958	62.5%	N/A	132	64.4%	5	(5)
	5 to <10	122	38	50.7%	142	6.5%	83,100	63.0%	N/A	136	95.8%	6	(4)
	10.00 to <100.00	108	23	28.6%	114	23.5%	39,224	60.2%	N/A	169	148.2%	15	(7)
	10 to <20	70	15	34.8%	75	13.2%	24,486	61.1%	N/A	104	138.7%	6	(3)
	20 to <30	9	3	18.1%	10	23.7%	3,177	58.1%	N/A	17	170.0%	1	(1)
	30.00 to <100.00	28	4	16.4%	29	50.4%	11,561	58.6%	N/A	47	162.1%	8	(4)
	100.00 (Default)	61	-	0.0%	62	100.0%	55,210	85.3%	N/A	7	11.3%	55	(55)
Subtotal (exposure class)		**652**	**1,544**	**72.7%**	**1,786**	**8.9%**	**1,006,157**	**63.8%**	**N/A**	**618**	**34.6%**	**84**	**(79)**

A-IRB	PD scale	On-balance sheet exposures € million	Off-balance-sheet exposures pre-CCF € million	Exposure weighted average CCF %	Exposure post CCF and post CRM € million	Exposure weighted average PD %	Number of obligors	Exposure weighted average LGD %	Exposure weighted average maturity yrs	Risk weighted exposure amount after supporting factors € million	Density of risk weighted exposure amount %	Expected loss amount € million	Value adjust-ments and provisions € million
		31 December 2021											
	0.00 to <0.15	-	-	0.0%	-	0.0%	-	0.0%	N/A	-		-	-
	0.00 to <0.10	-	-	0.0%	-	0.0%	-	0.0%	N/A	-		-	-
	0.10 to <0.15	-	-	0.0%	-	0.0%	-	0.0%	N/A	-		-	-
	0.15 to <0.25	-	-	0.0%	-	0.0%	-	0.0%	N/A	-		-	-
	0.25 to <0.50	0.07	-	0.0%	0.07	0.3%	5	42.4%	N/A	0.01	19.4%	0.0001	(0.005)
	0.50 to <0.75	83	164	3.3%	43	0.5%	3,139	33.9%	N/A	9	20.9%	0.1	(1)
	0.75 to <2.50	609	203	14.7%	363	1.4%	11,400	32.9%	N/A	115	31.7%	2	(7)
	0.75 to <1.75	574	79	7.2%	312	1.3%	9,612	32.9%	N/A	95	30.4%	1	(6)
Retail - Other SME - with own estimates of LGD or conversion factors	1.75 to <2.5	35	123	19.4%	50	2.4%	1,788	32.7%	N/A	21	42.0%	0.4	(1)
	2.50 to <10.00	390	122	10.9%	255	4.9%	11,420	38.2%	N/A	124	48.6%	5	(9)
	2.5 to <5	267	23	13.4%	148	3.6%	7,138	36.8%	N/A	64	43.2%	2	(5)
	5 to <10	123	100	10.3%	107	6.6%	4,282	40.2%	N/A	61	57.0%	3	(4)
	10.00 to <100.00	169	44	10.2%	152	28.9%	6,700	38.8%	N/A	109	71.7%	18	(12)
	10 to <20	73	34	10.6%	66	14.0%	3,288	38.8%	N/A	42	63.6%	4	(4)
	20 to <30	41	5	7.3%	38	26.0%	1,537	38.6%	N/A	30	78.9%	4	(3)
	30.00 to <100.00	55	5	10.9%	48	51.5%	1,875	38.9%	N/A	37	77.1%	11	(5)
	100.00 (Default)	110	-	0.0%	80	100.0%	8,063	87.9%	N/A	10	12.5%	70	(70)
Subtotal (exposure class)		**1,361**	**533**	**9.8%**	**893**	**25.5%**	**40,727**	**44.3%**	**N/A**	**367**	**41.1%**	**95**	**(100)**

Credit Risk

A-IRB	PD scale	On-balance sheet exposures € million	Off-balance-sheet exposures pre-CCF € million	Exposure weighted average CCF %	Exposure post CCF and post CRM € million	Exposure weighted average PD %	Number of obligors	Exposure weighted average LGD %	Exposure weighted average maturity yrs	Risk weighted exposure amount after supporting factors € million	Density of risk weighted exposure amount %	Expected loss amount € million	Value adjustments and provisions € million
							31 December 2021						
Retail - Other non-SME - with own estimates of LGD or conversion factors	0.00 to <0.15	6	1	100.0%	7	0.1%	462	15.2%	N/A	0.3	4.6%	0.0013	(0.02)
	0.00 to <0.10	0.01	-	0.0%	0.01	0.1%	1	25.4%	N/A	0.001	8.0%	0.000002	(0.0004)
	0.10 to <0.15	6	1	0.0%	7	0.1%	461	15.2%	N/A	0.3	4.6%	0.0013	(0.022)
	0.15 to <0.25	39	-	100.0%	39	0.2%	5,232	21.8%	N/A	3	7.7%	0.01	(0.3)
	0.25 to <0.50	74	2	99.3%	77	0.4%	2,782	12.2%	N/A	6	7.8%	0.04	(1)
	0.50 to <0.75	-	-	0.0%	-	0.0%	-	0.0%	N/A	-		-	-
	0.75 to <2.50	168	1	100.0%	169	1.4%	4,608	14.5%	N/A	31	18.3%	0.4	(3)
	0.75 to <1.75	161	1	100.0%	162	1.4%	3,964	13.5%	N/A	26	16.0%	0.3	(3)
	1.75 to <2.5	7	-	100.0%	7	2.1%	644	37.8%	N/A	4	57.1%	0.06	(0.1)
	2.50 to <10.00	642	-	100.0%	642	4.8%	91,396	35.1%	N/A	443	69.0%	10	(24)
	2.5 to <5	417	-	100.0%	417	3.6%	66,265	36.4%	N/A	298	71.5%	5	(14)
	5 to <10	225	-	100.0%	225	7.1%	25,131	32.8%	N/A	145	64.4%	5	(10)
	10.00 to <100.00	219	-	87.9%	219	34.8%	44,465	27.2%	N/A	155	70.8%	22	(16)
	10 to <20	82	-	83.2%	82	15.9%	5,046	25.5%	N/A	48	58.5%	3	(4)
	20 to <30	34	-	0.0%	34	27.2%	2,028	26.3%	N/A	25	73.5%	2	(2)
	30.00 to <100.00	104	-	100.0%	104	52.1%	37,391	29.0%	N/A	82	78.8%	16	(10)
	100.00 (Default)	90	1	0.0%	91	100.0%	26,611	59.5%	N/A	41	45.1%	55	(51)
Subtotal (exposure class)		**1,238**	**5**	**100.0%**	**1,244**	**23.9%**	**175,556**	**32.8%**	**N/A**	**679**	**54.6%**	**87**	**(95)**

A-IRB	PD scale	On-balance sheet exposures € million	Off-balance-sheet exposures pre-CCF € million	Exposure weighted average CCF %	Exposure post CCF and post CRM € million	Exposure weighted average PD %	Number of obligors	Exposure weighted average LGD %	Exposure weighted average maturity yrs	Risk weighted exposure amount after supporting factors € million	Density of risk weighted exposure amount %	Expected loss amount € million	Value adjustments and provisions € million
							31 December 2021						
Retail - Secured by immovable property SME - with own estimates of LGD or conversion factors	0.00 to <0.15	-	-	0.0%	-	0.0%	-	0.0%	N/A	-		-	-
	0.00 to <0.10	-	-	0.0%	-	0.0%	-	0.0%	N/A	-		-	-
	0.10 to <0.15	-	-	0.0%	-	0.0%	-	0.0%	N/A	-		-	-
	0.15 to <0.25	-	-	0.0%	-	0.0%	-	0.0%	N/A	-		-	-
	0.25 to <0.50	-	-	0.0%	-	0.0%	-	0.0%	N/A	-		-	-
	0.50 to <0.75	13	19	3.7%	13	0.5%	332	12.9%	N/A	1	7.7%	0.01	(0.2)
	0.75 to <2.50	238	23	23.4%	240	1.4%	3,432	12.2%	N/A	27	11.3%	0.4	(8)
	0.75 to <1.75	227	8	17.2%	226	1.3%	3,194	12.1%	N/A	25	11.1%	0.4	(7)
	1.75 to <2.5	11	14	27.0%	14	2.4%	238	12.8%	N/A	2	14.3%	0.04	(0.2)
	2.50 to <10.00	394	34	19.1%	399	5.4%	5,203	13.2%	N/A	65	16.3%	3	(14)
	2.5 to <5	240	7	47.3%	242	4.2%	3,322	13.2%	N/A	37	15.3%	1	(9)
	5 to <10	154	27	12.0%	157	7.4%	1,881	13.1%	N/A	27	17.2%	2	(5)
	10.00 to <100.00	577	11	9.0%	577	34.5%	6,816	16.4%	N/A	173	30.0%	34	(31)
	10 to <20	144	8	9.4%	145	13.6%	2,023	13.9%	N/A	31	21.4%	3	(6)
	20 to <30	189	1	6.9%	189	25.0%	2,183	17.0%	N/A	63	33.3%	8	(10)
	30.00 to <100.00	244	2	8.9%	243	54.2%	2,610	17.4%	N/A	79	32.5%	23	(16)
	100.00 (Default)	228	-	0.0%	206	100.0%	3,971	36.5%	N/A	131	63.6%	75	(75)
Subtotal (exposure class)		**1,450**	**87**	**15.2%**	**1,435**	**48.8%**	**19,754**	**23.0%**	**N/A**	**397**	**27.7%**	**112**	**(128)**
Total (all exposures classes)		**10,680**	**2,294**	**54.4%**	**11,326**	**24.4%**	**1,347,486**	**28.9%**	**N/A**	**4,588**	**40.5%**	**200**	**(223)**

Credit Risk

F-IRB	PD scale	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	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
		30 June 2021											
		€ million	€ million	%	€ million	%		%	yrs	€ million	%	€ million	€ million
Corporates - SME without own estimates of LGD or conversion factors	0.00 to <0.15	-	-	0.0%	-	0.0%	-	0.0%	-	-	0.0%	-	-
	0.00 to <0.10	-	-	0.0%	-	0.0%	-	0.0%	-	-	0.0%	-	-
	0.10 to <0.15	-	-	0.0%	-	0.0%	-	0.0%	-	-	0.0%	-	-
	0.15 to <0.25	-	-	0.0%	-	0.0%	-	0.0%	-	-	0.0%	-	-
	0.25 to <0.50	-	-	0.0%	-	0.0%	-	0.0%	-	-	0.0%	-	-
	0.50 to <0.75	-	-	0.0%	-	0.0%	-	0.0%	-	-	0.0%	-	-
	0.75 to <2.50	492	97	64.9%	461	1.6%	281	42.2%	4	384	83.3%	3	(1)
	0.75 to <1.75	234	51	67.2%	214	1.2%	132	42.1%	4	164	76.9%	1	(1)
	1.75 to <2.5	258	45	63.0%	247	1.9%	149	42.3%	4	219	88.9%	2	(1)
	2.50 to <10.00	703	56	82.4%	647	5.5%	408	37.2%	4	617	95.5%	13	(10)
	2.5 to <5	329	33	69.9%	298	3.8%	238	37.5%	3	253	84.9%	4	(2)
	5 to <10	374	23	93.2%	349	6.9%	170	36.9%	4	364	104.5%	9	(9)
	10.00 to <100.00	1,333	93	75.0%	1,236	26.5%	789	38.9%	3	1,937	156.8%	126	(82)
	10 to <20	523	61	69.3%	485	13.6%	317	40.1%	4	705	145.4%	26	(18)
	20 to <30	180	10	90.0%	164	22.9%	104	38.0%	3	260	158.2%	14	(8)
	30.00 to <100.00	630	22	84.0%	587	38.3%	368	38.1%	3	973	165.8%	86	(56)
	100.00 (Default)	1,392	26	81.0%	1,375	100.0%	1,834	40.8%	3	-	0.0%	561	(745)
Subtotal (exposure class)		3,920	272	74.4%	3,719	47.0%	3,312	39.7%	3	2,938	79.0%	703	(838)

F-IRB	PD scale	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	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
		30 June 2021											
		€ million	€ million	%	€ million	%		%	yrs	€ million	%	€ million	€ million
Corporates - Other without own estimates of LGD or conversion factors	0.00 to <0.15	2,320	372	66.1%	2,459	0.1%	90	44.5%	3	601	24.5%	1	(7)
	0.00 to <0.10	1,344	225	71.4%	1,460	0.04%	50	44.7%	3	277	19.0%	0.3	(3)
	0.10 to <0.15	977	147	58.3%	999	0.1%	40	44.3%	3	324	32.5%	0.4	(4)
	0.15 to <0.25	324	45	80.4%	335	0.2%	19	44.0%	3	151	45.0%	0.3	(2)
	0.25 to <0.50	231	27	66.7%	239	0.3%	12	41.6%	3	132	55.0%	0.3	(2)
	0.50 to <0.75	343	429	93.3%	683	0.6%	36	24.2%	7	297	43.5%	1	(4)
	0.75 to <2.50	734	219	89.1%	863	1.3%	51	43.8%	2	926	107.3%	5	(8)
	0.75 to <1.75	702	114	92.8%	782	1.2%	37	43.7%	2	823	105.3%	4	(8)
	1.75 to <2.5	32	105	53.0%	82	1.9%	14	45.0%	2	103	126.4%	1	(1)
	2.50 to <10.00	993	102	76.4%	914	6.2%	192	42.0%	3	1,518	166.0%	24	(24)
	2.5 to <5	137	44	56.0%	149	3.4%	111	41.4%	3	196	131.7%	2	(3)
	5 to <10	856	58	80.4%	766	6.8%	81	42.1%	3	1,322	172.7%	22	(21)
	10.00 to <100.00	266	73	87.5%	305	28.5%	90	41.1%	3	720	236.4%	34	(18)
	10 to <20	66	19	95.8%	74	14.4%	32	42.3%	2	165	223.5%	4	(2)
	20 to <30	107	33	81.2%	125	24.0%	18	43.1%	2	327	261.5%	13	(8)
	30.00 to <100.00	93	21	89.3%	106	43.8%	40	37.9%	3	229	215.7%	17	(8)
	100.00 (Default)	199	3	84.1%	200	100.0%	85	40.6%	2	-	0.0%	81	(104)
Subtotal (exposure class)		5,410	1,270	81.7%	5,998	6.0%	575	41.3%	3	4,345	72.4%	147	(169)
Total (all exposures classes)		9,330	1,542	80.5%	9,717	21.7%	3,887	40.6%	7	7,283	75.0%	850	(1,007)

Credit Risk

A-IRB	PD scale	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	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	30 June 2021												
		€ million	€ million	%	€ million	%		%	yrs	€ million	%	€ million	€ million
Corporates - SME with own estimates of LGD or conversion factors	0.00 to <0.15	-	-	0.0%	-	0.0%	-	0.0%	-	-	0.0%	-	-
	0.00 to <0.10	-	-	0.0%	-	0.0%	-	0.0%	-	-	0.0%	-	-
	0.10 to <0.15	-	-	0.0%	-	0.0%	-	0.0%	-	-	0.0%	-	-
	0.15 to <0.25	-	-	0.0%	-	0.0%	-	0.0%	-	-	0.0%	-	-
	0.25 to <0.50	4	5	8.7%	3	0.3%	7	38.9%	2	1	27.6%	0.003	(0.05)
	0.50 to <0.75	2	2	3.5%	1	0.5%	12	36.5%	2	0.4	35.2%	0.003	(0.03)
	0.75 to <2.50	50	24	21.8%	41	1.5%	81	20.2%	3	15	35.6%	0.1	(1)
	0.75 to <1.75	47	14	20.3%	36	1.3%	58	19.1%	4	12	33.8%	0.1	(1)
	1.75 to <2.5	3	11	23.9%	5	2.5%	23	27.8%	1	3	48.4%	0.04	(0.1)
	2.50 to <10.00	86	26	15.7%	63	5.5%	119	24.1%	3	40	63.4%	1	(2)
	2.5 to <5	45	9	14.4%	32	3.9%	56	24.5%	4	18	55.8%	0.3	(2)
	5 to <10	41	17	16.5%	32	7.1%	63	23.6%	3	22	71.0%	1	(1)
	10.00 to <100.00	94	15	20.9%	83	27.3%	100	22.3%	4	71	85.8%	5	(4)
	10 to <20	35	13	22.0%	27	14.7%	45	21.9%	2	21	78.9%	1	(1)
	20 to <30	29	1	5.1%	26	24.3%	28	22.6%	4	25	94.5%	2	(2)
	30.00 to <100.00	30	1	20.7%	29	41.9%	27	22.2%	4	25	84.3%	3	(2)
	100.00 (Default)	109	-	0.0%	108	100.0%	103	55.3%	4	48	44.7%	60	(60)
Subtotal (exposure class)		345	72	18.0%	299	45.1%	422	34.5%	4	175	58.6%	66	(67)

A-IRB	PD scale	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	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	30 June 2021												
		€ million	€ million	%	€ million	%		%	yrs	€ million	%	€ million	€ million
Retail - Secured by immovable property non-SME - with own estimates of LGD or conversion factors	0.00 to <0.15	35	5	100.0%	40	0.1%	438	2.9%	N/A	0.4	0.9%	0.002	(0.03)
	0.00 to <0.10	-	-	0.0%	-	0.0%	-	0.0%	N/A	-	0.0%	-	-
	0.10 to <0.15	35	5	100.0%	40	0.1%	438	2.9%	N/A	0.4	0.9%	0.002	(0.03)
	0.15 to <0.25	244	1	100.0%	245	0.2%	4,876	4.0%	N/A	4	1.5%	0.02	(1)
	0.25 to <0.50	584	11	100.0%	596	0.4%	11,846	4.7%	N/A	21	3.5%	0.12	(2)
	0.50 to <0.75	-	-	0.0%	-	0.0%	-	0.0%	N/A	-	0.0%	-	-
	0.75 to <2.50	1,595	12	100.0%	1,606	1.4%	27,086	9.1%	N/A	242	15.1%	2	(22)
	0.75 to <1.75	1,592	9	100.0%	1,601	1.4%	27,024	9.1%	N/A	242	15.1%	2	(22)
	1.75 to <2.5	4	1	100.0%	5	1.8%	62	2.7%	N/A	0.3	5.3%	0.002	(0.004)
	2.50 to <10.00	2,034	-	100.0%	2,034	7.1%	36,299	16.6%	N/A	1,394	68.5%	25	(73)
	2.5 to <5	548	-	100.0%	548	3.6%	10,733	14.1%	N/A	227	41.3%	3	(16)
	5 to <10	1,486	-	100.0%	1,486	8.4%	25,566	17.5%	N/A	1,167	78.5%	22	(57)
	10.00 to <100.00	1,056	-	100.0%	1,057	30.8%	22,580	18.2%	N/A	1,043	98.7%	63	(52)
	10 to <20	510	-	100.0%	510	16.3%	11,436	16.6%	N/A	479	93.9%	14	(20)
	20 to <30	187	-	0.0%	187	27.0%	4,665	19.3%	N/A	223	119.4%	10	(9)
	30.00 to <100.00	360	-	0.0%	360	53.3%	6,479	20.0%	N/A	341	94.9%	39	(23)
	100.00 (Default)	779	-	0.0%	777	100.0%	17,879	51.4%	N/A	378	48.6%	400	(400)
Subtotal (exposure class)		6,327	29	100.0%	6,355	20.0%	121,004	17.5%	N/A	3,082	48.5%	490	(550)

Credit Risk

A-IRB	PD scale	On-balance sheet exposures € million	Off-balance-sheet exposures pre-CCF € million	Exposure weighted average CCF %	Exposure post CCF and post CRM € million	Exposure weighted average PD %	Number of obligors	Exposure weighted average LGD %	Exposure weighted average maturity yrs	Risk weighted exposure amount after supporting factors € million	Density of risk weighted exposure amount %	Expected loss amount € million	Value adjustments and provisions € million
	30 June 2021												
	0.00 to <0.15	32	344	82.2%	315	0.1%	77,170	62.6%	N/A	12	3.7%	0.2	(7)
	0.00 to <0.10	32	344	82.2%	315	0.1%	77,170	62.6%	N/A	12	3.7%	0.2	(7)
	0.10 to <0.15	-	-	0.0%	-	0.0%	-	0.0%	N/A	-	0.0%	-	-
	0.15 to <0.25	18	360	83.8%	320	0.2%	116,908	62.0%	N/A	22	7.0%	0.4	(3)
	0.25 to <0.50	51	333	80.7%	320	0.3%	98,947	62.5%	N/A	33	10.4%	1	(8)
	0.50 to <0.75	-	-	0.0%	-	0.0%	-	0.0%	N/A	-	0.0%	-	-
	0.75 to <2.50	77	308	59.5%	260	1.6%	422,271	63.0%	N/A	94	36.1%	3	(6)
Retail - Qualifying revolving - with own estimates of LGD or conversion factors	0.75 to <1.75	19	140	73.3%	121	1.0%	318,880	63.0%	N/A	32	26.7%	1	(2)
	1.75 to <2.5	58	168	47.9%	138	2.0%	103,391	63.0%	N/A	61	44.4%	2	(4)
	2.50 to <10.00	249	168	45.1%	324	4.8%	166,568	62.4%	N/A	250	77.1%	9	(12)
	2.5 to <5	131	132	45.3%	191	3.6%	87,021	62.2%	N/A	123	64.3%	4	(7)
	5 to <10	118	37	44.3%	134	6.5%	79,547	62.7%	N/A	128	95.3%	5	(5)
	10.00 to <100.00	112	25	25.7%	118	22.8%	38,037	59.9%	N/A	176	148.8%	15	(8)
	10 to <20	72	16	30.9%	77	13.4%	24,250	60.6%	N/A	107	137.7%	6	(3)
	20 to <30	12	4	16.4%	12	23.9%	3,604	58.5%	N/A	21	171.8%	2	(1)
	30.00 to <100.00	28	4	15.4%	28	48.2%	10,183	58.7%	N/A	48	169.0%	7	(4)
	100.00 (Default)	107	-	0.0%	108	100.0%	61,768	87.5%	N/A	14	12.5%	95	(95)
Subtotal (exposure class)		646	1,538	72.7%	1,765	8.9%	981,669	63.8%	N/A	601	34.0%	124	(139)

A-IRB	PD scale	On-balance sheet exposures € million	Off-balance-sheet exposures pre-CCF € million	Exposure weighted average CCF %	Exposure post CCF and post CRM € million	Exposure weighted average PD %	Number of obligors	Exposure weighted average LGD %	Exposure weighted average maturity yrs	Risk weighted exposure amount after supporting factors € million	Density of risk weighted exposure amount %	Expected loss amount € million	Value adjustments and provisions € million
	30 June 2021												
	0.00 to <0.15	-	-	-	-	0.0%	-	0.0%	N/A	-	0.0%	-	-
	0.00 to <0.10	-	-	0.0%	-	0.0%	-	0.0%	N/A	-	0.0%	-	-
	0.10 to <0.15	-	-	0.0%	-	0.0%	-	0.0%	N/A	-	0.0%	-	-
	0.15 to <0.25	-	-	0.0%	-	0.0%	-	0.0%	N/A	-	0.0%	-	-
	0.25 to <0.50	0.07	-	0.0%	0.07	0.3%	3	42.4%	N/A	0.01	20.1%	0.0001	(0.004)
	0.50 to <0.75	75	153	3.4%	52	0.5%	2,881	35.4%	N/A	11	21.9%	0.1	(2)
	0.75 to <2.50	313	188	13.8%	270	1.5%	6,408	33.2%	N/A	88	32.5%	1	(9)
Retail - Other SME - with own estimates of LGD or conversion factors	0.75 to <1.75	281	68	4.3%	223	1.3%	4,665	33.1%	N/A	68	30.5%	1	(8)
	1.75 to <2.5	32	120	19.3%	48	2.4%	1,743	33.7%	N/A	20	41.9%	0.4	(1)
	2.50 to <10.00	458	128	10.6%	266	5.3%	9,476	35.5%	N/A	120	45.0%	5	(11)
	2.5 to <5	296	22	11.3%	141	4.0%	5,061	35.4%	N/A	59	41.6%	2	(6)
	5 to <10	162	106	10.5%	124	6.9%	4,415	35.5%	N/A	61	48.9%	3	(5)
	10.00 to <100.00	421	61	11.9%	272	32.1%	12,781	37.6%	N/A	187	68.8%	34	(22)
	10 to <20	178	50	12.7%	97	14.1%	4,579	36.9%	N/A	59	60.6%	5	(5)
	20 to <30	104	4	14.4%	72	25.5%	3,277	37.2%	N/A	54	74.1%	7	(6)
	30.00 to <100.00	139	7	4.6%	103	53.9%	4,925	38.6%	N/A	75	72.8%	22	(13)
	100.00 (Default)	182	-	0.0%	152	100.0%	12,319	94.2%	N/A	9	5.8%	143	(143)
Subtotal (exposure class)		1,449	530	9.8%	1,012	25.5%	43,868	44.3%	N/A	415	41.0%	183	(187)

Credit Risk

A-IRB	PD scale	On-balance sheet exposures €million	Off-balance-sheet exposures pre-CCF €million	Exposure weighted average CCF %	Exposure post CCF and post CRM €million	Exposure weighted average PD %	Number of obligors	Exposure weighted average LGD %	Exposure weighted average maturity yrs	Risk weighted exposure amount after supporting factors €million	Density of risk weighted exposure amount %	Expected loss amount €million	Value adjustments and provisions €million
		30 June 2021											
Retail - Other non-SME - with own estimates of LGD or conversion factors	0.00 to <0.15	3	-	100.0%	3	0.1%	76	9.5%	N/A	0.1	3.0%	0.0004	(0.01)
	0.00 to <0.10	0.01	-	0.0%	0.01	0.1%	1	25.4%	N/A	0.001	7.7%	0.000002	(0.0002)
	0.10 to <0.15	3	-	0.0%	3	0.1%	75	9.5%	N/A	0.1	3.0%	0.0004	(0.005)
	0.15 to <0.25	29	-	94.2%	29	0.2%	3,284	19.5%	N/A	2	7.5%	0.01	(0.2)
	0.25 to <0.50	55	1	100.0%	55	0.4%	1,888	10.2%	N/A	4	7.1%	0.02	(0.2)
	0.50 to <0.75	-	-	0.0%	-	0.0%	-	0.0%	N/A	-	0.0%	-	-
	0.75 to <2.50	150	1	100.0%	152	1.4%	4,901	14.4%	N/A	27	17.7%	0.3	(2)
	0.75 to <1.75	146	1	100.0%	147	1.4%	4,504	13.8%	N/A	25	16.6%	0.3	(2)
	1.75 to <2.5	4	-	100.0%	4	2.1%	397	32.6%	N/A	2	56.4%	0.03	(0.1)
	2.50 to <10.00	658	-	100.0%	658	5.4%	80,442	32.7%	N/A	417	63.4%	11	(30)
	2.5 to <5	373	-	100.0%	373	3.6%	57,109	34.7%	N/A	254	68.0%	5	(16)
	5 to <10	285	-	100.0%	285	7.7%	23,333	30.1%	N/A	163	57.3%	6	(14)
	10.00 to <100.00	238	-	94.3%	238	35.7%	45,463	25.6%	N/A	157	65.9%	23	(16)
	10 to <20	83	-	100.0%	83	16.3%	5,157	23.4%	N/A	45	53.7%	3	(3)
	20 to <30	44	-	0.0%	44	27.1%	2,556	25.9%	N/A	32	73.3%	3	(2)
	30.00 to <100.00	111	-	36.5%	111	53.7%	37,750	27.2%	N/A	80	72.1%	16	(10)
	100.00 (Default)	194	1	0.0%	195	100.0%	26,611	65.1%	N/A	68	34.9%	127	(127)
Subtotal (exposure class)		1,327	3	100.0%	1,330	23.9%	162,665	32.8%	N/A	675	50.7%	161	(175)
		30 June 2021											
Retail - Secured by immovable property SME - with own estimates of LGD or conversion factors	0.00 to <0.15	-	-	0.0%	-	0.0%	-	0.0%	N/A	-	0.0%	-	-
	0.00 to <0.10	-	-	0.0%	-	0.0%	-	0.0%	N/A	-	0.0%	-	-
	0.10 to <0.15	-	-	0.0%	-	0.0%	-	0.0%	N/A	-	0.0%	-	-
	0.15 to <0.25	-	-	0.0%	-	0.0%	-	0.0%	N/A	-	0.0%	-	-
	0.25 to <0.50	-	-	0.0%	-	0.0%	-	0.0%	N/A	-	0.0%	-	-
	0.50 to <0.75	12	19	3.6%	12	0.5%	320	12.7%	N/A	1	7.4%	0.01	(0.2)
	0.75 to <2.50	147	21	21.2%	150	1.4%	2,078	14.2%	N/A	20	13.2%	0.3	(6)
	0.75 to <1.75	136	9	16.6%	137	1.3%	1,872	14.4%	N/A	18	13.1%	0.3	(6)
	1.75 to <2.5	10	12	24.8%	13	2.4%	206	12.7%	N/A	2	14.6%	0.04	(0.1)
	2.50 to <10.00	326	30	16.7%	329	5.7%	4,336	13.8%	N/A	56	17.1%	3	(13)
	2.5 to <5	174	4	41.3%	174	4.2%	2,317	14.0%	N/A	28	16.3%	1	(8)
	5 to <10	152	26	13.0%	155	7.5%	2,019	13.5%	N/A	28	18.1%	2	(5)
	10.00 to <100.00	863	15	18.4%	863	36.0%	10,852	16.3%	N/A	253	29.4%	51	(57)
	10 to <20	143	10	21.6%	145	13.7%	2,096	14.7%	N/A	33	23.1%	3	(7)
	20 to <30	371	3	14.6%	370	25.0%	4,140	17.0%	N/A	124	33.4%	16	(23)
	30.00 to <100.00	349	2	9.3%	348	57.0%	4,616	16.1%	N/A	96	27.7%	33	(27)
	100.00 (Default)	667	-	0.0%	644	100.0%	12,652	38.9%	N/A	393	61.1%	250	(250)
Subtotal (exposure class)		2,015	85	15.2%	1,998	48.8%	30,238	23.0%	N/A	723	36.2%	304	(326)
Total (all exposures classes)		12,109	2,257	54.4%	12,759	24.4%	1,339,866	28.9%	N/A	5,672	44.5%	466	(502)

Notes:
1. PD refers to the PD calibrated TtC and LGD refers to downturn LGD, both used for the calculation of RWAs.
2. Average maturity is presented only in the exposure classes where it is required in the RWAs calculation.

Credit Risk

Table 33: EU CR6-A – Scope of the use of IRB and SA approaches

	Risk weightings - 31 December 2021				
	Exposure value as defined in Article 166 CRR for exposures subject to IRB approach	Total exposure value for exposures subject to the Standardised approach and to the IRB approach	Percentage of total exposure value subject to the permanent partial use of the SA	Percentage of total exposure value subject to a roll-out plan	Percentage of total exposure value subject to IRB Approach
	€ million	€ million	%	%	%
Central governments or central banks	-	42,603	100%	0%	0%
Of which Regional governments or local authorities		33	100%	0%	0%
Of which Public sector entities		743	100%	0%	0%
Institutions	-	4,827	100%	0%	0%
Corporates	14,477	22,630	36%	0%	63%
Of which Corporates - Specialised lending, excluding slotting approach		524	100%	0%	0%
Of which Corporates - Specialised lending under slotting approach		4,136	0%	0%	100%
Retail	11,749	19,121	24%	13%	63%
of which Retail – Secured by real estate SMEs		1,597	11%	1%	88%
of which Retail – Secured by real estate non-SMEs		8,880	18%	20%	63%
of which Retail – Qualifying revolving		3,103	25%	7%	68%
of which Retail – Other SMEs		2,491	23%	5%	72%
of which Retail – Other non-SMEs		3,050	47%	15%	38%
Equity	198	421	100%	0%	0%
Other non-credit obligation assets	-	4,817	100%	0%	0%
Total	**26,424**	**94,418**	**69%**	**3%**	**28%**

The main developments in the IRB portfolio, during the second half of 2021, were the following:

Foundation IRB

The Corporate portfolio exposures under FIRB decreased by € 345 million (On balance) and the RWAs by €1,406 million, due to the derecognition of NPEs under the Mexico securitization and the Wave synthetic securitization transaction. The weighted average through the cycle PD of the non-defaulted Corporate portfolio decreased from 6.5% in June 2021 to 5.4% in December 2021 as a result of good quality of new originations.

Advanced IRB

- The retail portfolio exposures under AIRB decreased by € 1,429 million (On balance) and the RWAs by €1,083 million, due to the derecognition of loans under the Mexico securitization. The remaining portfolio exhibited improved asset quality, positively affected by the increase of the real estate prices, as also published by Bank of Greece.
- The weighted average through the cycle PD of the non-defaulted retail portfolio decreased from 10.5% in June 2021 to 8.6% in December 2021. Specifically, the Secured by immovable property non-SME TtC PD decreased from 8.9% in June 2021 to 7.9% in December 2021, the Secured by immovable property SME from 24.5% to 18.2%, the Retail Other SME from 12.3% to 7.6%, the Retail Other non-SME from 10.8% to 9.5%. The Qualifying Revolving weighted average PD remained stable, while the Corporate SME increased from 14% to 14.8%.

Credit Risk

The table below presents the specialised lending credit exposures (shipping, real estate and project finance) broken down by supervisory risk categories and remaining maturities as at 31 December 2021 and 30 June 2021:

Table 34: EU CR10 - Specialised lending under the simple risk weighted approach

		31 December 2021					
		Specialised lending : Project finance (Slotting approach)					
Regulatory categories	Remaining maturity	On-balancesheet amount € million	Off-balancesheet amount € million	Risk weight	Exposure value € million	Risk weighted exposure amount € million	Expected loss amount € million
Strong	Less than 2.5 years	12	15	50%	27	14	-
	Equal to or more than 2.5 years	483	150	70%	558	390	2
Good	Less than 2.5 years	-	-	70%	-	-	-
	Equal to or more than 2.5 years	441	57	90%	470	423	4
Satisfactory	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	61	-	115%	61	70	2
Weak	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Default	Less than 2.5 years	5	-	-	5	-	3
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	**Less than 2.5 years**	**17**	**15**		**32**	**14**	**3**
	Equal to or more than 2.5 years	**985**	**207**		**1,089**	**883**	**8**

		31 December 2021					
		Specialised lending : Income-producing real estate and high volatility commercial real estate (Slotting approach)					
Regulatory categories	Remaining maturity	On-balancesheet amount € million	Off-balancesheet amount € million	Risk weight	Exposure value € million	Risk weighted exposure amount € million	Expected loss amount € million
Strong	Less than 2.5 years	1	-	50%	1	1	-
	Equal to or more than 2.5 years	102	8	70%	106	74	0.4
Good	Less than 2.5 years	83	6	70%	88	62	0.4
	Equal to or more than 2.5 years	191	110	90%	246	222	2
Satisfactory	Less than 2.5 years	1	-	115%	1	1	0.03
	Equal to or more than 2.5 years	66	-	115%	66	76	2
Weak	Less than 2.5 years	0.2	-	250%	0.21	1	0.02
	Equal to or more than 2.5 years	0.03	-	250%	0.03	0.1	0.002
Default	Less than 2.5 years	53	-	-	53	-	26
	Equal to or more than 2.5 years	53	-	-	53	-	26
Total	**Less than 2.5 years**	**138**	**6**		**143**	**65**	**26**
	Equal to or more than 2.5 years	**412**	**118**		**471**	**372**	**30**

		31 December 2021					
		Specialised lending : Object finance (Slotting approach)					
Regulatory categories	Remaining maturity	On-balancesheet amount € million	Off-balancesheet amount € million	Risk weight	Exposure value € million	Risk weighted exposure amount € million	Expected loss amount € million
Strong	Less than 2.5 years	172	1	50%	172	86	-
	Equal to or more than 2.5 years	1,034	115	70%	1,092	764	4
Good	Less than 2.5 years	150	-	70%	150	105	1
	Equal to or more than 2.5 years	780	19	90%	789	710	6
Satisfactory	Less than 2.5 years	4	-	115%	4	4	0.1
	Equal to or more than 2.5 years	13	-	115%	13	14	0.4
Weak	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Default	Less than 2.5 years	73	-	-	73	-	37
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	**Less than 2.5 years**	**399**	**1**		**399**	**195**	**38**
	Equal to or more than 2.5 years	**1,827**	**134**		**1,894**	**1,488**	**10**

Credit Risk

		30 June 2021					
		Specialised lending : Project finance (Slotting approach)					
Regulatory categories	Remaining maturity	On-balancesheet amount € million	Off-balancesheet amount € million	Risk weight	Exposure value € million	Risk weighted exposure amount € million	Expected loss amount € million
Strong	Less than 2.5 years	13	12	50%	24	12	-
	Equal to or more than 2.5 years	583	191	70%	679	475	3
Good	Less than 2.5 years	61	-	70%	61	43	-
	Equal to or more than 2.5 years	169	-	90%	169	152	1
Satisfactory	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	61	-	115%	61	70	2
Weak	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Default	Less than 2.5 years	6	-	-	6	-	3
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	Less than 2.5 years	80	12		91	55	3
	Equal to or more than 2.5 years	813	191		909	697	6

		30 June 2021					
		Specialised lending : Income-producing real estate and high volatility commercial real estate (Slotting approach)					
Regulatory categories	Remaining maturity	On-balancesheet amount € million	Off-balancesheet amount € million	Risk weight	Exposure value € million	Risk weighted exposure amount € million	Expected loss amount € million
Strong	Less than 2.5 years	-	-	50%	-	-	-
	Equal to or more than 2.5 years	72	17	70%	81	57	-
Good	Less than 2.5 years	13	5	70%	18	13	-
	Equal to or more than 2.5 years	234	43	90%	255	229	2
Satisfactory	Less than 2.5 years	43	-	115%	43	50	1
	Equal to or more than 2.5 years	53	-	115%	53	61	1
Weak	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	1	-	250%	1	2	-
Default	Less than 2.5 years	62	-	-	62	-	31
	Equal to or more than 2.5 years	56	-	-	56	-	28
Total	Less than 2.5 years	118	5		123	63	32
	Equal to or more than 2.5 years	416	60		446	349	31

		30 June 2021					
		Specialised lending : Object finance (Slotting approach)					
Regulatory categories	Remaining maturity	On-balancesheet amount € million	Off-balancesheet amount € million	Risk weight	Exposure value € million	Risk weighted exposure amount € million	Expected loss amount € million
Strong	Less than 2.5 years	93	1	50%	94	47	-
	Equal to or more than 2.5 years	776	18	70%	785	550	3
Good	Less than 2.5 years	148	-	70%	148	104	1
	Equal to or more than 2.5 years	761	10	90%	766	690	6
Satisfactory	Less than 2.5 years	18	-	115%	18	21	1
	Equal to or more than 2.5 years	61	-	115%	61	70	2
Weak	Less than 2.5 years	1	-	250%	1	3	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Default	Less than 2.5 years	77	-	-	77	-	38
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	Less than 2.5 years	337	1		338	175	40
	Equal to or more than 2.5 years	1,598	28		1,612	1,310	11

Credit Risk

The risk profile of the non-defaulted specialized lending portfolio has remained unchanged within the second half of 2021 (EL 0.6% in December 2021 vs 0.7% on 30 June 2021).

The following table shows the main changes in capital requirements of credit risk exposures under the IRB approach:

Table 35: EU CR8 - RWEA flow statements of credit risk exposures under the IRB approach

	31 December 2021	30 September 2021
	Risk weighted exposure amount € million	Risk weighted exposure amount € million
Risk weighted exposure amount as at 1 October 2021	15,709	15,444
Asset size (+/-)	399	262
Asset quality (+/-)	(653)	(54)
Model updates (+/-)	-	-
Methodology and policy (+/-)	-	-
Acquisitions and disposals (+/-)	(2,189)	-
Foreign exchange movements (+/-)	97	56
Other (+/-)	(30)	1
Risk weighted exposure amount as at 31 December 2021	**13,333**	15,709

Asset size: *Under this item, the changes in RWAs due to the changes in EAD are reported. These changes can be due to new originations or repayments of the loans.*
Asset quality*: The changes to the RWAs due to the borrower risk (i.e. rating grade migration) are reported under this item.*
Model updates: *The changes to the RWAs due to updates in risk parameters following the annual validation process or regulatory reviews.*
Methodology and policy: *Under this item, the changes in RWAs due to regulatory framework changes are presented.*
Foreign exchange movements: The changes to the RWAs due to the foreign currency translation movements are reported.
Other: *Under this item, the changes in RWAs due to other factors that are used in the calculation of RWAs are reported. These, for example, include maturity of exposures.*

In the fourth quarter of 2021, RWAs decreased by € 2,376 million mainly due to securitizations (derecognition of loans under the Mexico securitization and Wave synthetic securitization) with total impact of -€2,188 million. The asset quality improvement, positively affected also by the real estate prices increase, resulted in a decrease of the RWAs by € 653 million which was counterbalanced by the increase of asset size due to new production (+ € 399 million RWAs).

The following table presents the equity exposures, broken down by risk weights as at 31 December 2021 and 30 June 2021.

Table 36: EU CR10 - Equity Exposures under the simple risk weighted approach

	31 December 2021					
	Equities under the simple risk-weighted approach					
Categories	On-balancesheet exposure € million	Off-balancesheet exposure € million	Risk weight	Exposure value € million	Risk weighted exposure amount € million	Expected loss amount € million
Private equity exposures	159	-	190%	159	301	1
Exchange-traded equity exposures	30	-	290%	30	88	0.2
Other equity exposures	9	-	370%	9	34	0.2
Total	**198**	**-**		**198**	**423**	**1**

Credit Risk

	30 June 2021					
	Equities under the simple risk-weighted approach					
Categories	On-balancesheet € million	Off-balancesheet € million	Risk weight	Exposure value € million	Risk weighted € million	Expected loss € million
Private equity exposures	160	-	190%	160	304	1
Exchange-traded equity exposures	27	-	290%	27	78	0.2
Other equity exposures	16	-	370%	16	59	0.4
Total	203	-		203	441	2

4.8 Credit risk mitigation

A key component of the Group's business strategy is to reduce risk by utilizing various risk mitigating techniques. The most important risk mitigating means are collaterals' pledges, guarantees and netting arrangements in master agreements for derivatives.

4.8.1 Types of collateral commonly accepted by the Bank

The following collateral types are accepted according to the Bank's internal policies:

- Residential real estate (e.g., houses, apartments, vacation homes etc.);
- Commercial real estate (e.g., office buildings, shopping centers, shops, logistics centers etc.);
- Land (e.g., urban, agricultural, other);
- Receivables (trade debtors) and post-dated cheques;
- Financial collaterals, listed shares, listed bonds and other specific securities accepted;
- Deposits;
- Guarantees and letters of support;
- Insurance contracts; and
- Machinery and equipment, vehicles and vessels.

A specific coverage ratio is pre-requisite upon approval and on ongoing basis for each collateral type, specified in the credit policy manual.

For Treasury exposures (i.e. repos, reverse repos, derivatives, etc.) the Group accepts only cash or liquid bonds as collaterals.

4.8.2 Valuation principles of collateral

In the context of supervisory guidelines and in order to manage effectively the real estate portfolio that has been accepted as collateral, the Bank has issued the Collaterals and Valuation Policy which is approved by the Board Risk Committee and details – among other things the type of initial valuation and the frequency of revaluation for the assessment of the commercial value of real estate collaterals.

All valuations (including revaluations) should be performed by independent qualified appraisers (individuals or legal entities or employees of legal entities), who possess the necessary qualifications, ability and experience to execute a valuation. In all cases, the Bank must be the ordering party. Otherwise, the Bank needs to obtain a "duty of care" statement from the valuator.

Immovable property collateral should be valued, in full adherence to European and international standards and specifically the European Valuation Standards EVS (Blue Book) and the Royal Institute of Chartered Surveyors (RICS).

The Bank has an approved list of independent and qualified appraisers which can perform valuations. The approved list of appraisers is updated on an annual basis or at shorter intervals if necessary.

Credit Risk

All immovable properties should be valued on the basis of market value. Market value is the estimated amount for which an asset or liability should be exchanged on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

After two sequential individual valuations (as those are definedbelow) of the same immovable property, the appraiser should rotate (either to a different independent valuator or to a different independent appraisal provider).

Regarding prenotated/mortgaged real estate properties that are located outside Greece, the following apply:

- If the property is located in a country where the Bank has a subsidiary, the valuation is performed by the locally approved appraisers;
- If the property is located in a country where there is no subsidiary, the valuation is requested from a certified First Class appraiser in that country;
- For all properties located outside Greece, the same rules of valuation/revaluation as in Greece apply (e.g. loan balance, frequency of valuation, revaluation etc.).

On exceptional cases, in corporate banking, it is permitted to use an appraiser not included in the approved list. Such exceptions must be approved by the competent Approval Level and should refer:

- Syndicated Loans where Bank is not the arranger;
- Highly specialized cases, which they cannot be performed by any of the approved valuators;
- Borrowers propose for specific and substantiated reasons the use of an appraiser not included in the approved list, given the fact that objectivity and independency standards are met.

The initial valuation of real estate assets for the purposes of granting a new credit facility or refinancing existing credit facilities, is being conducted in all cases through the property's physical inspection undertaken by the appraisers.

The major acceptable categories of real estate that can be used as collateral by the Bank are:

- Residential Real Estates (e.g., houses, apartments, vacation homes, urban plots with residential use etc.)
- Commercial Real Estates (e.g., office buildings, shopping centers, shops, logistics centers, industrial structures, factories, hotels, camping sites, theaters, educational facilities, hospitals, land with agricultural use, warehouses, etc.)

For every Real Estate that will be used as collateral, prior to initial disbursement it has to be appropriately verified that the said property is in legal and technical order (also referred as legal and technical compliance).

There are two major types of property valuation: individual and indexed.

Individual Valuations

Individual property valuations (including revaluations) are defined as property-specific appraisals, which are performed by an appraiser on a specific property basis and are not based on indexation or any other automated process. There are two methods of individual valuations: through physical inspection & desktop.

Valuation with Physical Inspection

In order to conduct a property valuation with physical inspection, all supporting documentation, should be collected (such as property title, topographical plan, floor plans). The valuation is carried out with external and/or internal inspection of the property. The Current Market Value and the Final Market Value are estimated. In the case of completed properties these two values are equal, while for cases of unfinished buildings they are different (in these cases collateral coverage is calculated using the Current Market Value).

If during the inspection it is identified that the property has undergone changes (alterations) regarding its surface (without changes in the perimeter or changes that do not affect the existing horizontal properties), the property has to be appraised after the submission of required/mandatory documents.

For every new loan origination, a physical inspection must be performed.

In cases regarding financing of building under construction with gradual disbursements, an evaluation with physical inspection should precede each disbursement to confirm the current stage of completion.

Desktop Valuation

This method is used to update an existing valuation (revaluation), is carried out without physical property inspection but it is conducted on the specific property basis and is not based on indexation or any other automated process. It is noted that for this method to be considered eligible, it is a prerequisite that the initial valuation of the property was performed via the physical inspection method. Both physical inspection and desktop valuations are performed by appraisers from the approved list.

Valuations derived from indexation or any other automated processes are defined as indexed valuations.

Index for Residential Real Estate

Eurobank, in cooperation with the National Bank of Greece and Alpha Bank S.A. provided data for the development of a statistical index, the **PropIndex**, which is used to revalue residential real estate properties over the loan's lifetime. The methodology and development of PropIndex have been prepared by a company specialized in the statistical field and the index has been approved by the Bank of Greece. It is now considered as a tool used to monitor probable changes in the values of residential real estate properties but also for analyzing current market's trend. This index is updated on an annual basis.

Index for Commercial Real Estate

For commercial real estate valuations, Eurobank uses the CRE Index. This index is derived through a combination of CPS & BoG CRE indices and is provided annually by CPS. The index constitutes a tool for the statistical monitoring of changes of the values of commercial real estate property collaterals.

In case of significant Real Estate market changes, indexed valuations may be used more often than annually in order respective market changes to be incorporated in collaterals' market values.

Credit Risk

The following table summarizes the revaluation policy for the Retail lending portfolios.

Immovable Assets			
EBA Status	**Type & Frequency**		
Performing (PE, PF & CPF)	Loan Exposure (in € '000)		
	<= 300	> 300 & <=1,000	> 1,000
	Index, Annually.	Index, Annually.	Physical inspection, Annually.
Performing → Non-Performing (including denounced)	Loan Exposure (in € '000)		
	<=300	> 300 & <= 1,000	> 1,000
	Index	Desktop valuation is required to take place within max three (3) months from reclassification unless a valuation has taken place during the last 6 months.	Physical inspection valuation is required to take place within max three (3) months from reclassification unless a valuation has taken place during the last 6 months.
Non-Performing (NPE & NPF)	Loan Exposure (in € '000)		
	<= 300	>300 & <= 1,000	> 1,000
	Index, Annually.	Desktop, Annually and for as long as the exposure is classified as non-performing.	Physical inspection, Annually.

Special types of immovable assets (hotels, shopping centers, medical diagnostic centers, fitness/beauty centers, legally permissible building height) should be revaluated through Desktop annually and every two years with Physical Inspection with the exception of legally permissible building height which should be revaluated through Index annually and every three years with Physical Inspection.

Credit Risk

The following table summarizes the revaluation policy for the Wholesale lending portfolios.

<table>
<tr><th>EBA Status</th><th colspan="5">Immovable Assets</th></tr>
<tr><td rowspan="4">Performing
(PE, PF & CPF)</td><td colspan="5">Loan Exposure (in € '000)</td></tr>
<tr><td><= 300</td><td colspan="2">> 300 & <= 1.000</td><td colspan="2">> 1.000</td></tr>
<tr><td>All types</td><td>Residential Real Estate</td><td>Commercial Real Estate</td><td>Residential Real Estate</td><td>Commercial Real Estate</td></tr>
<tr><td>• Every year with Index
• For special types [1] with Desktop annually</td><td>• Physical inspection every 3 years
• In-between years with Index</td><td>• Physical inspection every 2 years
• In-between years Index or desktop for special types [1]</td><td>• Physical inspection every 3 years
• In-between years with desktop</td><td>• Physical inspection every 2 years
• In-between years with desktop</td></tr>
<tr><td rowspan="3">Performing →
Non-Performing
(including denounced)</td><td colspan="5">Loan Exposure (in € '000) - All types of Immovable Assets</td></tr>
<tr><td><= 300</td><td colspan="2">> 300 & <= 1,000</td><td colspan="2">> 1,000</td></tr>
<tr><td>Index.
For special types [1] a Desktop valuation is required to take place within max (3) three months from reclassification unless a valuation has taken place during the last 6 months</td><td colspan="2">Desktop valuation is required to take place within max (3) three months from reclassification unless a valuation has taken place during the last 6 months.</td><td colspan="2">Physical inspection valuation is required to take place within max three (3) months from reclassification unless a valuation has taken place during the last 6 months.</td></tr>
<tr><td rowspan="3">Non-Performing</td><td colspan="5">Loan Exposure (in € '000) - All types of Immovable Assets</td></tr>
<tr><td colspan="3"><= 300</td><td colspan="2">> 300</td></tr>
<tr><td colspan="3">• Every year with Index
• For special types (1) with Desktop annually</td><td colspan="2">• Physical inspection every 2 years.
• In-between years Desktop</td></tr>
</table>

[1] *Special Types: Hotels, shopping centers, medical diagnostic centers, fitness/beauty centers, legally permissible building height.*

Other collaterals:

To ensure the quality of post-dated cheques accepted as collateral, the Bank has developed a pre-screening system, which takes into account a number of criteria and risk parameters, so as to evaluate their eligibility. Furthermore, the post-dated cheques' valuation is monitored weekly through the use of advanced statistical reports and monthly through detailed information regarding recoverability of cheques, referrals and bounced cheques, per issuer broken down by business unit (corporate and small business banking).

In case of reverse repos, the bonds received as collateral are evaluated on a daily basis by the official valuation system. All these are monitored via credit exposure measurement system that takes into account the specific characteristics of every contract.

4.8.3 Collateral policy and documentation

For loan products, Group instructions emphasize that practices followed are timely and prudent in order to ensure that collateral items are controlled by the Group's entities and that the loan and pledge agreement, as well as the collateral is legally enforceable. Therefore, the Group's entities hold the right to liquidate collateral in the event of the obligor's financial distress and can claim and control cash proceeds from a liquidation process.

The Group uses to a large extent standard loan and pledge agreements, ensuring legal enforceability.

The application of CSA (Credit Support Annex) and GMRA (Global Master Repurchase Agreements) contracts determines the cash that should be paid or received in case of derivatives and repos contracts.

Credit Risk

4.8.4 Guarantees and credit derivatives

The guarantees used as credit risk mitigation by the Group are largely issued by central and regional governments in the countries in which it operates. The Public Fund for very small businesses (ETEAN) and similar funds, banks and insurance companies are also important guarantors of credit risk.

The Bank enters into credit derivative transactions with both retail and investment banks. The lowest counterparty rating is A, whereas the average counterparty rating is AA (Standard & Poor's rating scale).

Only eligible providers of guarantees and credit derivatives can be recognised in the Standardised and Foundation IRB approach for credit risk. All central governments, regional governments and institutions are eligible. Guarantees issued by corporate entities can only be taken into account if their rating corresponds to A- (Standard & Poor's rating scale) or better.

The table below presents guarantees received broken down by primary type of guarantee as at 31 December 2021 and 2020.

Table 37: Guarantee and credit derivatives

	2021 € million	2020 € million
Guarantees issued by Central Banks or Central Governments	4,223	1,006
Guarantees issued by Banks	116	188
	4,339	1,194

The table below shows the impact of the credit derivatives used as mitigation techniques in RWAs as at 31 December 2021 and 30 June 2021.

Table 38: EU CR7 - IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques

	31 December 2021		30 June 2021	
	Pre-credit derivatives risk weighted exposure amount € million	**Actual risk weighted exposure amount € million**	Pre-credit derivatives risk weighted exposure amount € million	Actual risk weighted exposure amount € million
Exposures under FIRB	8,745	8,745	9,773	9,773
Central governments and central banks	-	-	-	-
Institutions	-	-	-	-
Corporates	8,745	8,745	9,773	9,773
of which Corporates - SMEs	2,139	2,139	2,938	2,938
of which Corporates - Specialised lending	2,869	2,869	2,489	2,489
Exposures under AIRB	4,588	4,588	5,671	5,671
Central governments and central banks	-	-	-	-
Institutions	-	-	-	-
Corporates	132	132	175	175
of which Corporates - SMEs	132	132	175	175
of which Corporates - Specialised lending	-	-	-	-
Retail	4,456	4,456	5,496	5,496
of which Retail – SMEs - Secured by immovable property collateral	397	397	724	724
of which Retail – non-SMEs - Secured by immovable property collateral	2,396	2,396	3,082	3,082
of which Retail – Qualifying revolving	617	617	601	601
of which Retail – SMEs - Other	368	368	415	415
of which Retail – Non-SMEs- Other	679	679	675	675
TOTAL (including FIRB exposures and AIRB exposures)	**13,333**	**13,333**	15,444	15,444

Credit Risk

Table 39: EU CR7-A - IRB approach – Disclosure of the extent of the use of CRM techniques

A-IRB	31 December 2021													
		Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
		Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)			
			Part of exposures covered by Other eligible collaterals (%)				Part of exposures covered by Other funded credit protection (%)							
	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		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	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 sustitution effects)
	€ million	%	%	%	%	%	%	%	%	%	%	%	€ million	€ million
Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporates	216	13.2%	51.9%	49.4%	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	191	132
Of which Corporates – SMEs	216	13.2%	51.9%	49.4%	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	191	132
Of which Corporates – Specialised lending	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which Corporates – Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retail	11,111	2.9%	63.4%	63.1%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4,731	4,456
Of which Retail – Immovable property SMEs	1,435	0.6%	88.7%	88.6%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	421	397
Of which Retail – Immovable property non-SMEs	5,752	0.3%	91.3%	91.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2,396	2,396
Of which Retail – Qualifying revolving	1,787	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	617	617
Of which Retail – Other SMEs	893	25.3%	3.3%	0.0%	3.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	617	368
Of which Retail – Other non-SMEs	1,244	5.6%	39.5%	39.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	679	679
Total	**11,327**	**3.1%**	**63.2%**	**62.8%**	**0.3%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**4,922**	**4,588**

F-IRB	31 December 2021													
		Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
		Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)			
			Part of exposures covered by Other eligible collaterals (%)				Part of exposures covered by Other funded credit protection (%)							
	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		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	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 sustitution effects)
	€ million	%	%	%	%	%	%	%	%	%	%	%	€ million	€ million
Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporates	13,261	10.6%	57.9%	48.0%	6.3%	3.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9,273	8,745
Of which Corporates – SMEs	3,234	4.5%	45.9%	37.3%	5.7%	3.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2,420	2,139
Of which Corporates – Specialised lending	3,861	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2,869	2,869
Of which Corporates – Other	6,166	6.1%	11.9%	10.7%	0.6%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3,984	3,737
Total	**13,261**	**3.9%**	**16.7%**	**14.1%**	**1.7%**	**1.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**9,273**	**8,745**

Credit Risk

A-IRB	30 June 2021													
		Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
		Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)			
			Part of exposures covered by Other eligible collaterals (%)				Part of exposures covered by Other funded credit protection (%)							
	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		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	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 sustitution effects)
	€ million	%	%	%	%	%	%	%	%	%	%	%	€ million	€ million
Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporates	299	12.0%	66.0%	63.7%	2.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	268	175
Of which Corporates – SMEs	299	12.0%	66.0%	63.7%	2.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	268	175
Of which Corporates – Specialised lending	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which Corporates – Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retail	12,460	2.8%	67.7%	67.5%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5,800	5,496
Of which Retail – Immovable property SMEs	1,998	0.4%	99.5%	99.5%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	749	724
Of which Retail – Immovable property non-SMEs	6,355	0.2%	91.3%	91.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3,082	3,082
Of which Retail – Qualifying revolving	1,765	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	601	601
Of which Retail – Other SMEs	1,012	26.4%	2.6%	0.0%	2.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	692	415
Of which Retail – Other non-SMEs	1,330	4.2%	46.6%	46.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	675	675
Total	12,760	3.0%	67.7%	67.4%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6,068	5,671

F-IRB	30 June 2021													
		Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
		Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)			
			Part of exposures covered by Other eligible collaterals (%)				Part of exposures covered by Other funded credit protection (%)							
	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		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	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 sustitution effects)
	€ million	%	%	%	%	%	%	%	%	%	%	%	€ million	€ million
Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporates	13,054	9.9%	67.5%	58.3%	6.3%	2.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	10,655	9,773
Of which Corporates – SMEs	3,719	3.8%	53.0%	44.9%	5.6%	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3,410	2,938
Of which Corporates – Specialised lending	3,337	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2,489	2,489
Of which Corporates – Other	5,998	6.1%	14.5%	13.4%	0.7%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4,755	4,346
Total	13,054	3.9%	21.8%	19.0%	1.9%	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	10,655	9,773

4.8.5 Netting agreements

To reduce the exposure towards single counterparties, risk mitigation techniques are used. The most common is the use of closeout netting agreements (usually based on standardised ISDA contracts), which allow the bank to net positive and negative replacement values in the event of default of the counterparty.

Furthermore, the Bank also applies margin agreements (CSAs) in case of counterparties. Thus, collateral is paid or received on a daily basis to cover current exposure. In case of repos and reverse repos the Bank applies netting and daily margining using standardised GMRA contracts.

Credit Risk

The Bank already implements the framework for clearing transactions through central counterparty (CCP). Additionally, the Bank is in a position to apply the regulatory framework for transactions not cleared through central counterparty.

4.8.6 Concentration risk on collaterals

For credit exposures, the most commonly accepted collaterals for credit risk mitigation purposes are real estate assets. Consumer loans are not collateralised, except for car loans where the Bank retains ownership until full loan repayment. Mortgage loans are fully collateralised with residential real estate properties.

The Bank does not undertake significant market or credit risk on collaterals of Treasury transactions. In case of cash collateral in foreign currency transactions, the Bank manages the respective foreign exchange exposure accordingly.

Furthermore, since the Bank uses GMRAs for the risk mitigation of repos and reverse repos, the market risk exposure is minimal. In case of reverse repo transactions, the Bank generally accepts high quality government issues as collaterals. The collateral amount on corporate bonds is immaterial.

4.8.7 Analysis of collaterals

The following table shows the volume of unsecured and secured exposures including all collateral, financial guarantees and credit derivatives used as credit risk mitigants and are eligible under the respective regulatory approach.

Table 40: EU CR3 - CRM techniques – Overview: Disclosure of the use of credit risk mitigation techniques

	31 December 2021				
	Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
	€ million	€ million	€ million	€ million	€ million
Loans and advances	28,681	27,720	22,595	5,125	-
Debt securities	11,151	-	-	-	-
Total	**39,832**	**27,720**	**22,595**	**5,125**	**-**
Of which non-performing exposures	1,609	1,184	1,114	69	-
Of which defaulted	1,609	1,184	1,114	69	-

	30 June 2021				
	Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
	€ million	€ million	€ million	€ million	€ million
Loans and advances	26,223	26,832	23,377	3,454	-
Debt securities	9,231	-	-	-	-
Total	35,454	26,832	23,377	3,454	-
Of which non-performing exposures	3,248	2,518	2,434	84	-
Of which defaulted	3,238	2,509	2,424	84	-

Notes:
(1) The increase in debt securities is mainly due to increased position in Sovereign Bonds.
(2) The value of collaterals and the amount of financial guarantees shown above are the allocated values after regulatory haircuts.
(3) For real estate properties the lower between the market value and the pledged amount is considered.

Credit Risk

4.9 Asset Backed Securities

4.9.1 Bank's objectives and role

The Group, as part of its funding activity, enters into securitisation transactions of various classes of loans (corporate, small and medium enterprise, mortgage, consumer loans, credit card and bond loans), which generally result in the transfer of the above assets to structured entities (securitisation vehicles), which, in turn issue debt securities held by investors and the Group's entities. The Group monitors the credit quality of the securitisations' underlying loans, as well as the credit ratings of the debt instruments issued, when applicable, and provides either credit enhancements to the securitisation vehicles and/or transfers new loans to the pool of their underlying assets, whenever necessary, in accordance with the terms of the relevant contractual arrangements in force.

Moreover, the Group in the context of its non-performing loans (NPEs) reduction acceleration plan launched in November 2018 entered into the securitisation of various classes of NPEs through the issue of senior, mezzanine and junior notes.

4.9.2 Methodology for risk weightings

The framework concerning the Capital Adequacy calculations for legacy ABSs portfolio was amended by the Regulation 2017/2401. Following the hierarchy of these methods, the Bank has adopted the SEC-ERBA method for the calculations of the risk – weighted exposure amounts of the legacy ABSs portfolio. According to this method the STS/non STS status, rating, maturity and seniority of the security are taken into account in determining the appropriate risk weight factor.

4.9.3 Accounting policies

Consolidation of Structured Entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has restricted activities, a narrow well-defined objective, insufficient equity to permit it to finance its activities without subordinated financial support and financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks.

An interest in a structured entity refers to contractual and non-contractual involvement that exposes the Group to variability of returns from the performance of the structured entity.

Structured entities may be established by the Group or by a third party and are consolidated when the substance of the relationship is such that the structured entities are controlled by the Group. In determining whether the Group has control over such structured entities, it considers the following factors:

- The purpose and design of the entity;
- Whether the Group has certain rights that give it the ability to direct the relevant activities of the entity unilaterally, as a result of existing contractual arrangements that give it the power to govern the entity and direct its activities; In case another entity is granted decision making rights, the Group assesses whether this entity acts as an agent of the Group or another investor;
- The existence of any special relationships with the entity; and
- The extent of the Group's exposure to variability of returns from its involvement with the entity, including its exposure in the most subordinated securitised notes issued by the entity as well as subordinated loans or other credit enhancements that may be granted to the entity, and if the Group has the power to affect such variability.

Credit Risk

As a result of the consolidation assessment performed, the Group has involvement with both consolidated and unconsolidated structured entities.

Derecognition of financial assets

The Group derecognizes a financial asset when its contractual cash flows expire, or the rights to receive those cash flows are transferred in an outright sale in which substantially all risks and rewards of ownership have been transferred. In addition, a financial asset is derecognized even if rights to receive cash flows are retained but at the same time the Group assumes an obligation to pay the received cash flows without a material delay (pass through agreement) or when substantially all the risks and rewards are neither transferred nor retained but the Group has transferred control of the asset. Control is transferred if, and only if, the transferee has the practical ability to sell the asset in its entirety to unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

In the case of securitisation transactions established by the Group, in order to assess the application of the above mentioned de-recognition principles, the Group considers the structure of each securitisation transaction including its exposure to the more subordinated tranches of the notes issued and/or credit enhancements provided to the structured entities, as well as the securitisation's contractual terms that may indicate that the Group retains control of the underlying assets.

For more information about asset backed securities refer to Consolidated Financial Statements Note 25.

4.9.4 Securitised exposures

The following table presents the risk weights of the purchased securitised exposures of the Group, as at 31 December 2021 and 30 June 2021:

Table 41: EU SEC1 - Securitisation exposures in the non-trading book

	31 December 2021														
	Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
	Traditional				Synthetic			Traditional				Traditional			
	STS		Non-STS				Sub-total			Synthetic	Sub-total			Synthetic	Sub-total
		of which SRT		of which SRT		of which SRT		STS	Non-STS			STS	Non-STS		
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Total exposures	-	-	-	1,066	1,518	-	1,518	-	-	-	-	-	691	-	691
Retail (total)	-	-	-	1,061	-	-	-	-	-	-	-	-	52	-	52
residential mortgage	-	-	-	1,061	-	-	-	-	-	-	-	-	52	-	52
credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
other retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wholesale (total)	-	-	-	5	1,518	-	1,518	-	-	-	-	-	639	-	639
loans to corporates	-	-	-	5	1,518	-	1,518	-	-	-	-	-	639	-	639
commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Credit Risk

	30 June 2021														
	Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
	Traditional				Synthetic			Traditional				Traditional			
	STS		Non-STS				Sub-total			Synthetic	Sub-total			Synthetic	Sub-total
		of which SRT		of which SRT		of which SRT		STS	Non-STS			STS	Non-STS		
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Total exposures	-	-	-	1,065	-	-	-	-	-	-	-	-	171	-	171
Retail (total)	-	-	-	1,061	-	-	-	-	-	-	-	-	59	-	59
residential mortgage	-	-	-	1,061	-	-	-	-	-	-	-	-	59	-	59
credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
other retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wholesale (total)	-	-	-	4	-	-	-	-	-	-	-	-	112	-	112
loans to corporates	-	-	-	4	-	-	-	-	-	-	-	-	112	-	112
commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

[1] The increase in the securitizations that the institution acts as investor is due to increased position in AAA Collateralized Loan Obligation (CLOs).

Table 42: EU SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements – institution acting as originator or as sponsor

	31 December 2021																
	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Total exposures	565	953	1,057	9	-	1,518	-	1,066	-	283	-	1,067	-	23	-	85	-
Traditional-transactions	-	-	1,057	9	-	-	-	1,066	-	1	-	1,067	-	-	-	85	-
Securitisation	-	-	1,057	9	-	-	-	1,066	-	1	-	1,067	-	-	-	85	-
Retail underlying	-	-	1,057	4	-	-	-	1,061	-	1	-	1,011	-	-	-	81	-
Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wholesale	-	-	-	5	-	-	-	5	-	-	-	56	-	-	-	4	-
Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Synthetic transactions	565	953	-	-	-	1,518	-	-	-	282	-	-	-	23	-	-	-
Securitisation	565	953	-	-	-	1,518	-	-	-	282	-	-	-	23	-	-	-
Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wholesale	565	953	-	-	-	1,518	-	-	-	282	-	-	-	23	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	30 June 2021																
	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Total exposures	-	-	1,057	8	-	4	-	1,061	-	27	-	1,011	-	2	-	81	-
Traditional-transactions	-	-	1,057	8	-	4	-	1,061	-	27	-	1,011	-	2	-	81	-
Securitisation	-	-	1,057	8	-	4	-	1,061	-	27	-	1,011	-	2	-	81	-
Retail underlying	-	-	1,057	4	-	-	-	1,061	-	7	-	1,011	-	1	-	81	-
Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wholesale	-	-	-	4	-	4	-	-	-	20	-	-	-	1	-	-	-
Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Synthetic transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Credit Risk

Table 43: EU SEC4 - Securitisation exposures in the non-trading book and associated capital requirements - institution acting as investor

	31 December 2021																
	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Total exposures	639	41	10	1	-	-	691	-	-	-	155	-	-	-	12	-	-
Traditional securitisation	639	41	10	1	-	-	691	-	-	-	155	-	-	-	12	-	-
Securitisation	639	41	10	1	-	-	691	-	-	-	155	-	-	-	12	-	-
Retail underlying	-	41	10	1	-	-	52	-	-	-	27	-	-	-	2	-	-
Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wholesale	639	-	-	-	-	-	639	-	-	-	128	-	-	-	10	-	-
Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	30 June 2021																
	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Total exposures	112	44	14	1	-	-	171	-	-	-	54	-	-	-	4	-	-
Traditional securitisation	112	44	14	1	-	-	171	-	-	-	54	-	-	-	4	-	-
Securitisation	112	44	14	1	-	-	171	-	-	-	54	-	-	-	4	-	-
Retail underlying	-	44	14	1	-	-	59	-	-	-	31	-	-	-	2	-	-
Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wholesale	112	-	-	-	-	-	112	-	-	-	23	-	-	-	2	-	-
Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

[(1)] The increase in the wholesale securitizations is due to the new positions in AAA CLOs.

Credit Risk

Table 44: EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

	31 December 2021			30 June 2021		
	Exposures securitised by the institution - Institution acts as originator or as sponsor			Exposures securitised by the institution - Institution acts as originator or as sponsor		
	Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period	Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
		Of which exposures in default			Of which exposures in default	
	€ million	€ million	€ million	€ million	€ million	€ million
Total exposures	6,563	5,882	-	9,068	8,457	-
Retail (total)	6,563	5,882	-	6,565	5,972	-
residential mortgage	3,755	3,292	-	3,715	3,321	-
credit card	-	-	-	-	-	-
other retail exposures	2,809	2,591	-	2,851	2,651	-
re-securitisation	-	-	-	-	-	-
Wholesale (total)	-	-	-	2,503	2,485	-
loans to corporates	7,172	4,990	-	2,503	2,485	-
commercial mortgage	-	-	-	-	-	-
lease and receivables	-	-	-	-	-	-
other wholesale	-	-	-	-	-	-
re-securitisation	-	-	-	-	-	-

For securitization exposures the Group uses one or more of the following external rating agencies: Moody’s, Standard & Poor’s and Fitch.

5. Market Risk

5.1 Definition and policies

5.1.1 Risk strategy

Objectives for market and counterparty risk control and supervision

Risk is at the core of the Eurobank's business. The objectives for the Bank's market and counterparty risk control and supervision are to:

- protect the Bank against unforeseen market and counterparty related losses and contribute to earnings stability through the independent identification, assessment and understanding of the market risks inherent in the business;
- align the Bank organisational structure and management processes with regulatory requirements and international best practices;
- set minimum standards for controlling market and counterparty risks;
- develop transparent, objective and consistent market and counterparty risk information as the basis for sound decision-making;
- establish a structure that will allow the Bank to link business strategy and operations with the objectives for risk control and supervision;
- safeguard adherence to the Group's Risk Appetite limits.

The Bank is developing processes to measure performance on a risk-adjusted basis and allocate capital accordingly with the objectives to maximise earnings potential.

Risk Definitions

Sources of market and counterparty risks

Market risk is the risk of potential financial loss due to an adverse change in market variables. As noted elsewhere in the document, the Bank is exposed to five types of market risk:

- Interest-rate and credit spreads' risk;
- Equity price risk;
- Foreign exchange risk;
- Commodities price risk; and
- Implied Volatilities of the above.

Counterparty risk is the risk of potential financial loss stemming from a counterparty's inability to meet his financial obligations in the context of a market instrument. It includes:

- Issuer risk for debt securities traded in the financial markets;
- Counterparty credit risk for derivatives (interbank and corporate);
- Counterparty credit risk for on balance sheet interbank activities (placings, repos, etc).

Effects of market and counterparty Risks

The Bank is potentially exposed to market risks through all of its assets, liabilities and off-balance sheet positions, in both Treasury and all other portfolios.

Market Risk

Changes in market variables can affect the ERB financial condition in three ways:

- the earnings effect - the impact of changes in market rates on cash flow;
- the economic value, or net worth, of ERB, which is equal to the present value of all of its expected net future cash flows discounted to their present value to reflect market rates. Changes in market variables will impact the economic value of ERB assets, liabilities and off-balance sheet positions and therefore its economic value;
- the Potential Future Exposure (PFE) effect – the impact of changes in market risk variables to counterparty exposure and subsequent increase of counterparty credit risk faced by the Bank.

The purpose of the Bank's market risk control and supervision structure is to control and monitor the effect of market risks on earnings, economic value and potential future exposure.

Similarly, the Bank is potentially exposed to counterparty risks through all of its assets and off-balance sheet positions, in both Treasury and all other portfolios. Counterparty credit-worthiness affects the economic value, or net worth, of ERB, which is equal to the present value of all of its expected net future cash flows discounted to their present value to reflect market rates.

5.1.2 Market and Counterparty Risk Governance Structure

Board Risk Committee (BRC)

The Board Risk Committee (BRC) of Eurobank Ergasias S.A. and its subsidiaries (the Group) is a committee of the Board of Directors (BoD) and its purpose is to assist the BoD in discharging its oversight responsibility relating Credit, Market, Operational and other non-financial risks.

In the context of market and counterparty Risks, the BRC:

- Ensures that the Group has a well-defined market and counterparty Risk strategy and risk appetite in line with its business/restructuring plan and that the risk appetite in question is articulated in a set of qualitative and quantitative statements, limits and an appropriate measurement methodology;
- Ensures that the Group has developed an appropriate market and counterparty Risk management framework which is embedded in the decision making process (e.g. new products introduction, risk adjusted pricing, risk adjusted performance measures and capital allocation) throughout the organization and its subsidiaries;
- Reviews relevant policies and procedures;
- Ensures that the Group has the appropriate modeling tools, data sources and sufficient and competent staff needed to identify, assess, monitor and mitigate risks;
- Reviews on a regular basis the adequacy of relevant measures and controls;
- Reviews and assesses, through regular reporting by the Group Market and Counterparty Risk Sector (GMCRS), the Bank's and Group's risk profile and effectiveness of its risk management policies;
- Monitor Business Units' implementation of and compliance with Group market and counterparty Risk Policies and Procedures;
- Ensures that appropriate stress tests are performed, at least on an annual basis, in relation to all major Group risks;
- Provides a point of escalation in case of relevant limit breaches.

Group Chief Risk Officer (GCRO)

In the context of market risks, the GCRO oversees the implementation of the market risk policies approves and signs off:

- Sources and assumptions underlying the valuation of all securities and derivatives;
- Credit Valuation Adjustment (CVA) calculation methodologies;
- Assumptions underlying the VaR calculation implementation.

Market Risk

Group Market and Counterparty Risk Sector (GMCRS)

GMCRS is an independent unit of the Bank under the Group Chief Risk Officer. In the context of market and counterparty risks, the GMCRS performs two key functions within the Group:

- The sole, independent valuation of all derivatives and debt securities held in Eurobank Ergasias S.A. and its subsidiary Banks;
- The identification, measurement and reporting of all market and counterparty risks within the Group.

The pricing and risk measurement methodologies of GMCRS are approved by the CRO and are audited by internal and external auditors on a regular basis.

In the context of market and counterparty risks, the Bank's GMCRS is responsible for:

- Maintaining market and counterparty Risk policies (including policies for the management and monitoring of the Interest Rate Risk in the Banking Book) and procedures appropriate to the chosen business and risk profile;
- Identifying and assessing all market and counterparty Risks on the ERB Group balance sheet;
- Monitoring Global Markets and other key Business Unit activities from a market risk perspective;
- Evaluating all Treasury securities and derivatives;
- Ensuring compliance with regulatory requirements as they relate to market and counterparty risk;
- Calculating Capital Adequacy requirements for market and counterparty risk (following the approval of the internal model from BoG in July 2005) and conducting regular reporting to the SSM;
- Ensuring compliance with the risk limits and appetite set by the Management;
- Monitoring and reporting the limit utilization to the Management and the BRC. This includes escalation of limit breaches or significant market risk issues;
- Reviewing new products (Loans, Deposits and investment products) from a market and counterparty risk perspective;
- Expanding market and counterparty risk infrastructure and processes to conform to international best practices;
- Reviewing market and counterparty risk policies on an annual basis.

Country Risk Committees (CRCs)

Country Risk Committees are risk committees held individually for each of our subsidiary banks in Bulgaria, Serbia and Cyprus. Participation includes both local bank and Head Office representation, including the GCRO; the committees are chaired by senior staff of the Head Office Risk Management Division.

In the context of market risks, the committees examine limit utilizations and grant approvals for limit modifications in the Interest Rate Gap and FX notional equivalent measures.

Global Markets Credit Committee (GMCC)

The Global Markets Credit Committee, jointly held by Group Risk and Global Markets, is the body responsible for the review of the Group's debt securities positions.

The Committee examines all debt securities, regardless of issuer, held in any Business Unit within the ERB Group (including both the Global Markets and Treasury General Division and the International Subsidiaries) and proceeds to decide on the following matters:

- To retain or discard corporate debt securities rated below investment grade;
- To place debt securities on watch list, classified by currency of denomination, country, ownership, tenor, degree of liquidity, sector, issuer, issuer type (Corporate or State), rating or any combination chosen. Criteria for this action may include, but are not limited to, sudden or significant economic, political, structural force major changes or increasing price volatility and credit rating changes.

Market Risk

5.1.3 Risk Measurement and Reporting

Market and counterparty risk measurement

This section defines the scope of the risk measurement system, in terms of positions and risk factors and sets out the standards by which market and counterparty risks are measured.

Scope of risk measurement system

All positions within the Group that are exposed to market and counterparty risks must be included within the risk measurement system. The scope of the application encompasses all units of the Group with significant market risk exposure. This includes, but is not limited to:

(2) ERB Athens and its subsidiaries (Equities, ERB Factoring, etc.);

(3) All banking businesses of our international operations;

(4) Associated SPVs;

Regarding market risk, the risk measurement system measures risk in the valuation of all Group's positions (securities, derivatives, core banking items) regardless of accounting treatment, arising from exposure to the following market risk factors:

- FX rates;
- interest rates - including credit spreads;
- equity prices;
- commodity prices;
- market implied volatilities of the above.

Regarding counterparty risk, the risk measurement system compares notional amounts for each counterparty classification with the established limits and aggregation rules.

Risk measures

The Bank

- uses risk measures that enable them to monitor compliance with limits agreed at Group level;
- assesses the validity of assumptions used and exactness of the underlying methodologies in terms of the usefulness of the resulting risk measures for risk control and ultimately performance measurement;
- documents the methodologies and assumptions used.

The Bank has in place a number of market and counterparty risk measures, to ensure that it is protected in both "normal" and "stressed" market conditions. These measures are monitored by GMCRS.

The list of applicable risk measures, monitored by GMCRS is as follows:

- Value at Risk (VaR) and Expected Shortfall;
- Interest rate gap;
- Net Interest Income (NII) and EVE sensitivity;
- Foreign Exchange equivalent positions;

- Potential Future Exposure;
- Exposure to the Greek Sovereign State;
- Total Country exposure;
- Exposure to Financial Institutions;
- Exposure to non-financial corporates (international) and ABSs;
- Exposure to non-financial corporates (domestic).

5.2 Internal model - Value at Risk (VaR) model & Credit Risk (IRC)

Since 2005 the Bank is validated by the Competent Authorities to employ the internal model approach (IMA) in the calculation of regulatory capital for the trading positions of its activities in Greece. As a general rule, the trading book definition for regulatory purposes follows the respective positions' accounting treatment – i.e. the booking of a position with a Fair Value through P&L (FVPL) accounting treatment automatically signifies that the position is included in the trading book. It should be noted that all FX exposure, whether it resides in the Bank's trading or banking book, or is associated with the Bank's participations in its international subsidiaries (structural FX position), is also treated under the internal model framework.

The validation extends to the following risk types:

- General market risk (i.e. the risk associated with the movements of FX rates, interest rates, equity indices and implied volatilities);
- Specific market risk (i.e. the risk associated with the movements of credit spreads & individual equities); and
- Credit migration and default event risk; the capital associated with this type of risk in the trading book is called "Incremental Risk Charge" (IRC).

The key metric monitored by the Bank's internal models of market risk is that of Value at Risk (VaR). VaR is a statistical risk measure of the maximum loss that the Bank may, under normal market conditions, incur over a certain period of time with a certain confidence level. For example, a 99% 1 day VaR of € 1 million means that there is a 99% probability that the Bank will not lose more than € 1 million within the next day.

VaR calculation is carried out via Monte Carlo simulation, centered around the Bank's core risk engine (MSCI Risk Manager). On a daily basis, through an, automated and closely monitored process, the risk engine retrieves both the Bank's positions and the relevant market data. Volatilities and correlations are estimated from historical data time series, using an Exponentially Weighted Moving Average (EWMA) methodology. The key parameters of the EWMA (i.e. the length of observation period and the value of the decay constant λ) are specified by the user. The Monte Carlo run produces simulated scenarios of market parameters with the desired statistical properties. For each scenario, each position is fully repriced, enabling the simulation to cover all types of nonlinear and option risks. The pricing model diversifies general and specific risk and each separate risk type is being estimated on a standalone basis; however, the total VaR figure equals their diversified aggregate. As described above, the internal model covers the following risk types:

- Interest rate risk: the risk of losses because of changes in interest rates;
- Foreign exchange risk: the risk of losses on foreign currency positions because of changes in exchange rates;
- Equity risk: the risk of losses because of changes in equity prices, equity indices and mutual funds;
- Commodity risk: the risk of losses because of changes in commodity prices;
- Volatility risk: the risk of losses on option positions because of changes in implied volatility levels;

Market Risk

- Inflation risk: the risk of losses of inflation linked positions because of changes in the break-even inflation levels.

The Bank employs internal models both for regulatory reporting and capital requirement calculation and for internal monitoring and management reporting of market risks. The principles underlying the two applications are similar; however, differences in the implementation exist, as shown by the summary table below:

Internal Model implementation for regulatory purposes:

Scope:	Greece, Trading book & FX
Metric monitored:	Value at Risk (VaR)
Confidence level:	99%
Holding period:	10 days (scaled up by the square root of 10 from 1 day primary VaR calculation)
Methodology:	Monte Carlo
Observation parameters:	1 year, unweighted observations
Number of scenarios:	5000

Internal Model implementation for Management reporting purposes:

Scope:	Group, Portfolios including fair valued positions
Metric monitored:	Value at Risk (VaR)
Confidence level:	99%
Holding period:	10 days (scaled up by the square root of 10 at the risk factor level)
Methodology:	Monte Carlo
Observation parameters:	6 months, EWMA, decay factor λ = 0.94
Number of scenarios:	2000

Since VaR constitutes an integral part of the Group's market risk control regime, VaR limits have been established for all (trading and investment portfolios, including fair valued positions) operations and actual exposure is reviewed daily by management.

Since 31.12.2011 the Bank has additionally implemented the Stressed VaR (SVaR) and Incremental Risk Charge (IRC), using the internal model as requested by Basel 2.5 framework.

Stressed VaR (SVaR) is calculated under the same assumptions as VaR (same positions / portfolios, same pricing functions, same methodology, same number of MC scenarios (5,000), same decay factor for the volatility estimate) with the only difference being the time window ("stressed period") that is used to provide the relevant volatilities. The stressed period is defined as the period for which the total VaR of the portfolio is being maximized; it should be noted that this does not mean that the stressed period also maximizes each separate risk type. The stressed period is currently re-estimated on a quarterly basis, but in case of material changes in the portfolio's composition, the calculation might be performed on an ad hoc basis.

The Bank's exposure to implied volatilities is limited. Furthermore, the bank does not carry any proprietary positions on commodities.

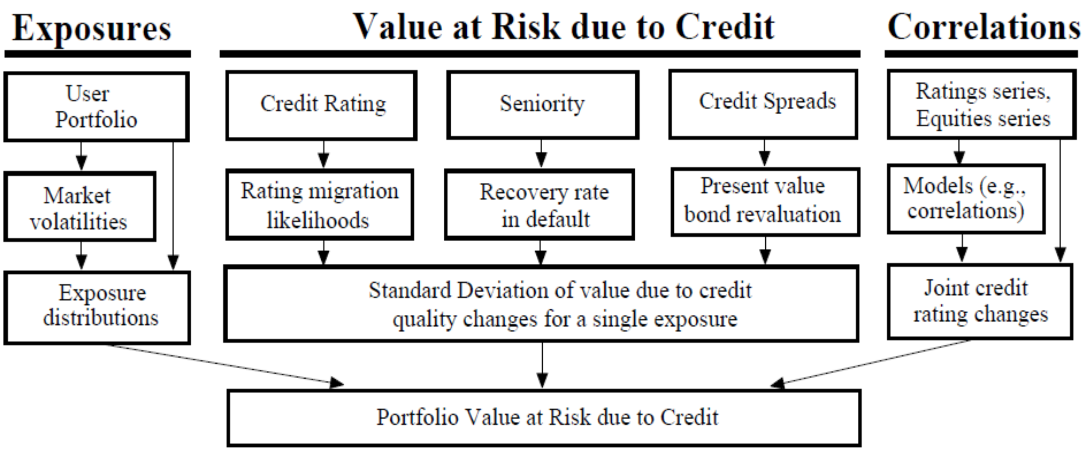
IRC is computed on all fixed income positions in Bank's trading activities in Greece, including CDS and bond futures. It estimates the default & migration risk of the trading book portfolio, using Monte Carlo simulation, to a 99.9% confidence level over a one year holding period. The model was approved by BoG on 17.5.2012.

Market Risk

For the calculation of IRC the Bank uses the CreditMetrics (MSCI) methodology. CreditMetrics is a methodology for assessing portfolio risk due to changes in market value caused by changes in obligor credit quality (rating migrations) or default. The methodology provides the framework for the calculation of expected losses and unexpected losses (the economic capital) which is the capital charge for credit risk in the trading book (or the incremental risk charge, IRC). CreditMetrics assesses risk within the full context of a portfolio. It addresses the correlation between default and migration events across obligors. This allows to directly calculate the diversification benefits and the effect of over-concentrations across the portfolio.

CreditMetrics looks at a horizon which is user defined and constructs a distribution of the portfolio values which are based on a user defined number of simulated credit outcomes (rating migrations and defaults). Each credit quality migration is weighted by its likelihood (which is derived from a transition matrix). Each outcome has an estimate of change in value (given by either credit spreads in case of migrations or assumptions which are based on historical studies for the recovery rates in case of default).

The framework can be summarised in the diagram below:



The modelling approach is based on a transition matrix based model.

Transition matrices are downloaded into Credit Metrics automatically and consist of the matrices as provided by Moody's, S&P & Fitch.

The Gaussian copula distribution is used as the model for the estimation of correlations between the obligors.

The Bank applies a 1 year Liquidity Horizon for IRC calculations.

This decision is based on the following criteria:

- the trading book portfolio remains limited in size during all the years after the approval of the IRC model;
- the trading book portfolio remains concentrated on GGBs and Greek / International corporates.

The Bank applies a validation procedure for the Market Risk Internal Models and the IRC.

The following list represents the main tasks of the established validation process for the Market Risk Internal Model:

A1) general review of regulatory capital, positions and asset dynamics;

A2) confirmation that the appropriate scaling laws are employed in the calculations;

A3) confirmation that the correct models of asset dynamics are employed in the Interest Rate simulation;

Market Risk

A4) qualitative analysis on backtesting results to confirm that number of exceptions is within the limits of statistical tolerance.

The following list represents the main tasks of the established validation process for the IRC model:

A1) confirmation that the appropriate set of input market data is used;

A2) confirmation that the input market data are correct, relevant and up to date;

A3) confirmation that unrated obligors are handled correctly;

A4) confirmation that the set of position data is correct and reconciled with other sources;

A5) confirmation that the set of assumptions is reasonable and it is based on supportive analysis;

A6) confirmation that the results are reasonable and can be approximated or be explained through reasonability tests;

A7) confirmation of the PD assumptions;

A8) confirmation of the RR assumptions;

A9) review and confirmation of the approach that is used for risks not in the IRC model;

A10) review of the results of the sensitivity analysis on critical variables (PD, RR, R2, correlation).

The following two tables summarize the components of the capital requirement, under the IMA approach applied by the Bank as at 31 December 2021 and 30 June 2021.

Table 45: EU MR2-A - Market risk under Internal Model Approach (IMA)

		31 December 2021		30 June 2021	
		RWEAs € million	Own funds requirements € million	RWEAs € million	Own funds requirements € million
1	**VaR** (higher of values a and b)	97	8	130	10
(a)	Previous day's VaR (VaRt-1)		2		3
(b)	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		8		10
2	**SVaR** (higher of values a and b)	394	32	523	42
(a)	Latest available SVaR (SVaRt-1))		6		12
(b)	Multiplication factor (ms) x average of previous 60 working days (sVaRavg)		32		42
3	**IRC** (higher of values a and b)	129	10	25	2
(a)	Most recent IRC measure		10		-
(b)	12 weeks average IRC measure		8		2
4	**Comprehensive risk measure** (higher of values a, b and c)	-	-	-	-
(a)	Most recent risk measure of comprehensive risk measure		-		-
(b)	12 weeks average of comprehensive risk measure		-		-
(c)	Comprehensive risk measure Floor		-		-
5	**Other**	-	-	-	-
6	**Total**	**620**	**50**	678	54

The delta observed in the RWAs is stemming from changes in the Trading portfolio's composition, along with decreased FX position (RSD related).

Market Risk

Table 46: EU MR2-B - RWA flow of market risk exposures under IMA

	31 December 2021						
	VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWAs	Total own funds requirements
	€ million	€ million	€ million	€ million	€ million	€ million	€ million
RWAs at 30 September 2021[1]	111	525	85	-	-	721	58
Regulatory adjustment[2]	(82)	(351)	(17)	-	-	(450)	(36)
RWAs at the previous quarter-end (end of the day)[3]	29	174	68	-	-	271	22
Movement in risk levels	(14)	(131)	44	-	-	(100)	(8)
Model updates/changes	-	-	-	-	-	-	-
Methodology and policy	-	-	-	-	-	-	-
Acquisitions and disposals	-	-	-	-	-	-	-
Foreign exchange movements	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
RWAs at the end of the reporting period (end of the day)[3]	24	72	129	-	-	225	18
Regulatory adjustment[2]	73	322	-	-	-	395	32
RWAs at 31 December 2021[1]	**97**	**394**	**129**	**-**	**-**	**620**	**50**

	30 September 2021						
	VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWAs	Total own funds requirements
	€ million	€ million	€ million	€ million	€ million	€ million	€ million
RWAs at 30 June 2021[1]	130	523	25	-	-	678	54
Regulatory adjustment[2]	(87)	(369)	(21)	-	-	(477)	(38)
RWAs at the previous quarter-end (end of the day)[3]	43	154	4	-	-	201	16
Movement in risk levels	(19)	2	60	-	-	43	3
Model updates/changes	-	-	-	-	-	-	-
Methodology and policy	-	-	-	-	-	-	-
Acquisitions and disposals	-	-	-	-	-	-	-
Foreign exchange movements	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
RWAs at the end of the reporting period (end of the day)[3]	29	174	68	-	-	271	22
Regulatory adjustment[2]	82	351	17	-	-	450	36
RWAs at 30 September 2021[1]	111	525	85	-	-	721	58

(1) RWA at previous and current reporting period (quarter end).
(2) Regulatory Adjustment indicates the difference between RWA and RWA (end of day) at previous and current reporting period.
(3) RWA that would be estimated on the basis of the previous or current quarter end figure (instead of the max of it and the 60-day average).

Market Risk

The table below shows the values resulting from the different types of internal models approved to use for computing the regulatory capital charge as at 31 December 2021 and 30 June 2021.

Table 47: EU MR3 – IMA values for trading portfolios

	31 December 2021 € million	30 June 2021 € million
VaR (10 day 99%)		
Maximum value	4	7
Average value	2	3
Minimum value	2	1
Period end	2	3
SVaR (10 day 99%)		
Maximum value	18	17
Average value	12	13
Minimum value	5	11
Period end	6	12
IRC (99.9%)		
Maximum value	10	24
Average value	7	6
Minimum value	3	0.3
Period end	10	-
Comprehensive risk capital charge (99.9%)		
Maximum value	-	-
Average value	-	-
Minimum value	-	-
Period end	-	-

5.2.1 Stress testing

VaR models are designed to measure market risk under normal market environment. It is assumed that any changes in the risk factors follow a normal distribution. Given that the VaR approach does not cover extreme market conditions, the Group has been applying stress tests, to simulate the effect of many standard deviation movements of risk factors and the breakdown of historical correlations.

The main types of stress tests performed are historical stress tests and subjective stress tests, where the portfolios are exposed to scenarios for risk factors that are deemed particularly relevant (depreciation of foreign currencies, yield curves parallel shifts, long term steepening, long term flattening, 10σ upward shift, credit spread increase, equities prices reduction and implied volatilities adverse moves).

Stress tests that are applied to the IRC modelling parameters consist of:

- Sensitivity on the percentage on systematic factor;
- Sensitivity on pair-wise obligor correlation;
- Sensitivity on PDs;
- Sensitivity on LGDs.

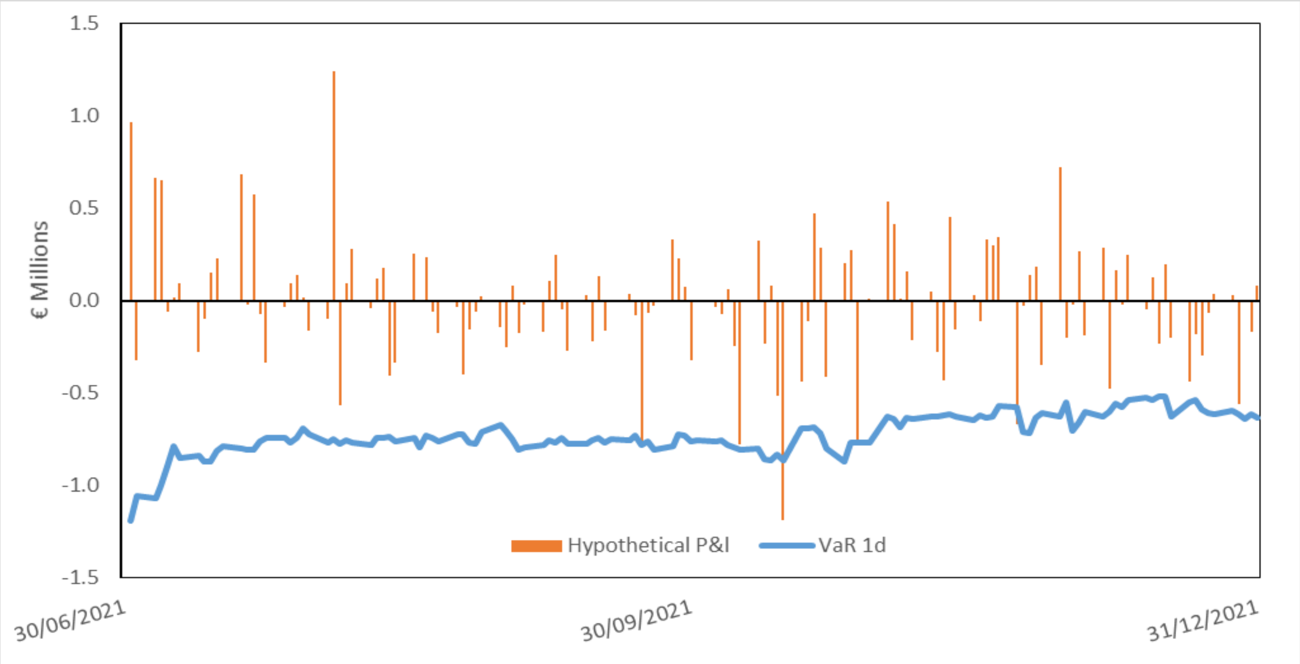
5.2.2 Back testing

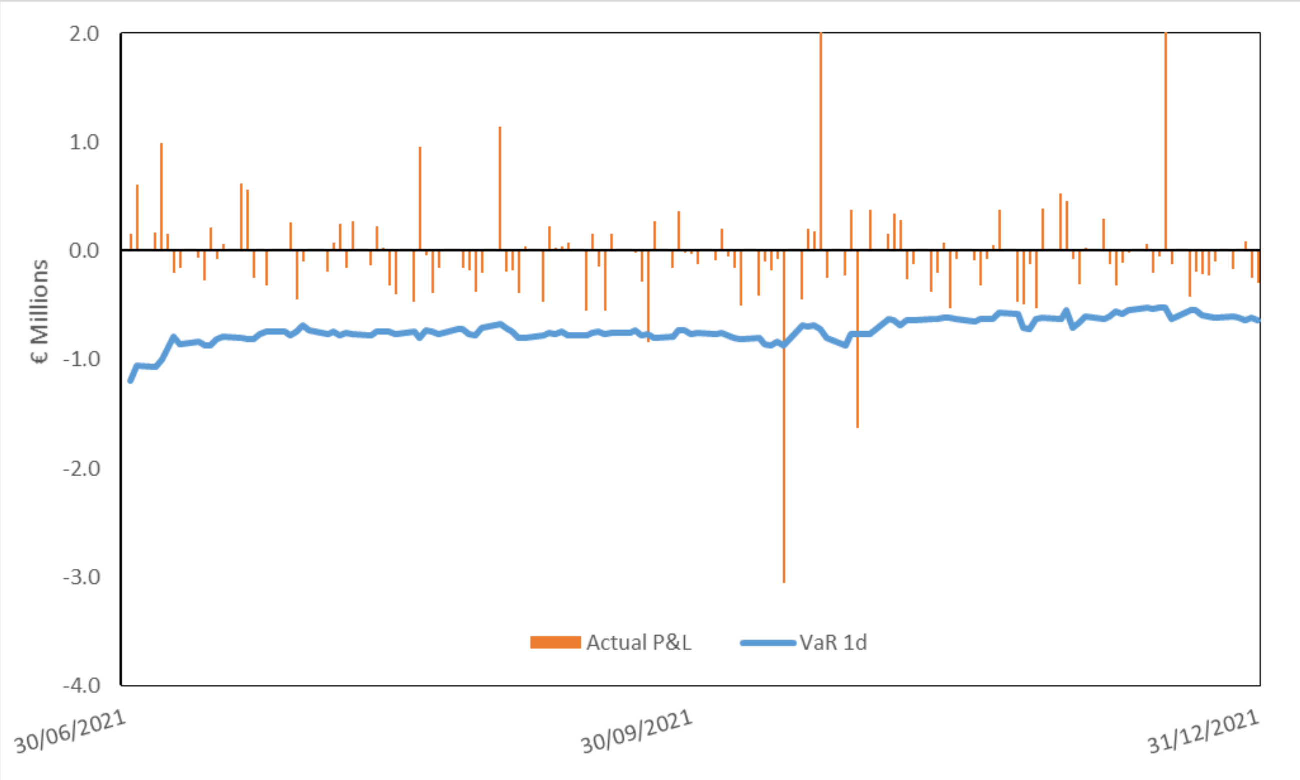
Back testing for H2 2021 has revealed, as shown in the graphs below, two (2) exceptions out of a total of 131 working days, when comparing the VaR forecast to the Hypothetical PnL and three (3) exceptions when comparing the VaR forecast to the Actual PnL. According to the regulatory framework, which takes into account a 250 working days period, the multiplier is equal to 3.00 (four (4) backtesting overshootings, both for actual and hypothetical backtesting in a 250-day sample; green zone), for capital adequacy calculations for market risk. The calculation for RWAs (VaR, SVaR) takes

Market Risk

into account a further increase of the regulatory multiplier by 0.25, following the ECB's Decision on the additional supervisory measures resulting to a value of 3.25.

Table 48: EU MR4 – Comparison of VaR estimates with gains/losses





Market Risk

5.3 Standardised approach for market risk

The Bank uses the Standardised approach for the measurement of market risk exposure and capital requirements of its subsidiaries in Greece and in International operations. The following table summarises the capital requirements for market risk per risk factor, based on the Standardised approach, as at 31 December 2021 and 30 June 2020.

Table 49: EU MR1 – Market risk under the standardised approach

	31 December 2021 RWEAs € million	30 June 2021 RWEAs € million
Outright products		
Interest rate risk (general and specific)	5	7
Equity risk (general and specific)	3	9
Foreign exchange risk	293	316
Commodity risk	-	-
Options		
Simplified approach	-	-
Delta-plus method	-	-
Scenario approach	-	-
Securitisation (specific risk)	-	-
Total	**301**	332

5.4 Equity exposures not included in the trading book

The Group may make an irrevocable election to designate an equity instrument at fair value through other comprehensive income (FVOCI). This designation, if elected, is made at initial recognition and on an instrument by instrument basis. Gains and losses on these instruments, including when de-recognised, are recorded in other comprehensive income (OCI) and are not subsequently reclassified to the income statement. Dividends received are recorded in the income statement.

Equity instruments measured at fair value through profit or loss (FVTPL) are initially recorded at fair value and any unrealized gains or losses arising due to changes in fair value are included in the income statement.

The following table presents equity holdings of non trading book portfolio and included in regulatory exposures as at 31 December 2021 and 2020:

Table 50: Equity exposures not included in the trading book

	2021 € million	2020 € million
Held for:		
Strategic investments	30	28
Equity investments for capital appreciation	155	96
Total	**185**	124
Listed	54	7
Non-listed	59	56
Other (MF & other type of funds)	72	61
Total	**185**	124

5.5 Interest rate risk in the Banking Book

With regards to the estimation of the Interest Rate Risk in the Banking Book (IRRBB), the Bank uses methodologies for the estimation of risk from positions at fair value (VaR approach) and also methodologies for the estimation of risk on EVE (Economic Value of Equity) and on NII, taking into account all Banking Book positions (including AC portfolios).

Regarding positions at fair value, the Bank calculates and monitors the interest rate risk for the Bank's operations in Greece, and for its Subsidiary Banks on a daily basis, using the internal VaR model. The perimeter of the calculation includes the HFT, FVTPL and FVOCI portfolios. For these portfolios the VaR provides an estimation of the potential losses from Trading & Banking Book positions measured at fair value that will affect directly the Bank's Capital (income statement or equity). It should be mentioned that the exposure on Trading Book positions is limited and the Banking Book positions at fair value (booked in FVOCI) determined the VaR figure as of end of 2021 and during the year.

The analysis takes into account all assets, liabilities and off-balance sheet items, which are sensitive to interest rates. The following table presents the EOY and averages of 2021 and 2020 interest rate VaR estimation.

Interest Rate Risk measured using VaR by risk type, Greece and International Subsidiaries[1]

Table 51: Interest Rate VaR by risk type

	2021 (Average) € million	**2021 € million**	2020 (Average) € million	2020 € million
Interest Rate Risk	14	14	70	12

[1] *Includes all portfolios measured at fair value.*

The largest portion of the Group's Interest Rate VaR is attributable to the risk associated with interest rate and credit spread sensitive debt securities and derivatives. The average VaR of 2021 is significantly smaller than average 2020 figures, since the latter incorporated the Covid 19 pandemic impact.

The VaR that the Group measures for position measured at fair value is based on a 99% confidence level and a holding period of 1 day. The methodology used for the calculation is Monte Carlo simulation (full re-pricing approach).

In addition to the VaR estimation, the Bank uses internal reports for the monitoring of the Interest Rate Risk in the Banking Book (IRRBB) taking into account FVOCI and AC portfolios (loans, deposits and debt securities), including: Interest rate repricing analysis, sensitivity of NII and sensitivity of Bank's EVE (Economic Value of Equity) on multiple scenarios of interest rates. For the calculation of these sensitivities, specific assumptions are made regarding the applicable duration (for EVE delta calculations) and pass-through rate (for NII delta calculations) on specific parts of the Group's Balance Sheet (for example for sight deposits and other Non-Maturing Deposits, NMDs). These assumptions are based on historical observations processed using statistical analysis or are based on studies that summarize the IRRBB practices in the European level.

Market Risk

The following table summarizes the most important and meaningful metrics that are used internally by the Group for the monitoring of IRRBB.

Table 52: NII Sensitivity impact

NII sensitivity	31 December 2021	31 December 2020
	€ million	€ million
	1 year impact	1 year impact
Scenario		
Parallel Up	237	188
Parallel Down	(84)	(73)

Table 53: EVE Sensitivity

EVE sensitivity	31 December 2021				
Scenario	Total € million	EUR € million	USD € million	CHF € million	OTHER € million
Parallel Up	924	920	30	(17)	(9)
Steepener	(309)	(283)	(12)	(12)	(1)
Flattener	535	510	20	5	-

EVE sensitivity	31 December 2020				
Scenario	Total € million	EUR € million	USD € million	CHF € million	OTHER € million
Parallel Up	601	594	(22)	30	(1)
Steepener	(291)	(258)	(17)	(14)	(1)
Flattener	307	286	2	21	(2)

The scenarios defined as per EBA/GL/2018/02 are used.

Table 54: EU IRRBB1 - Interest rate risks of non-trading book activities

Supervisory shock scenarios	31 December 2021			
	Changes of the economic value of equity		Changes of the net interest income	
	period € million	Last period € million	period € million	Last period € million
Parallel up	449	289	237	188
Parallel down	(288)	(191)	(84)	(73)
Steepener	(309)	(291)		
Flattener	267	152		
Short rates up	356	274		
Short rates down	(461)	(205)		

Market Risk

Table 55: EU IRRBBA - Qualitative information on interest rate risks of non-trading book activities

Qualitative information - free format		Legal basis
A description of how the institution defines IRRBB for purposes of risk control and measurement	The definition of IRRBB that the Bank uses is in line with the EBA's definition. IRRBB is the current and future risk to both the earnings and the economic value of an institution arising from adverse movements in interest rates that affect interest rate sensitive instruments. For the Bank these risks include: gap, option and basis risk taking into account always the material exposure. The Bank also monitors the Credit spread risk from non-trading book activities, for example the MTM movements of its positions booked in OCI that affect its equity position especially due to the movements of credit spreads.	Article 448(1), point (e)
A description of the institution's overall IRRBB management and mitigation strategies	For the management of IRRBB the Bank established the following principles: -Maintain a well-structured framework for the management of IRRBB with clear roles and responsibilities for the IRRBB management unit (Treasury), the monitoring and control units (Risk Unit and Internal Audit) and for the Management Committees (BRC and G-ALCO) -Establish the policies, guidelines and internal framework for the monitoring, measurement and management of IRRBB including special references on the hedging framework -Measure the IRRBB exposure, the utilization of limits and monitors the exposure for any excess on limits -Establish and maintain appropriate tools for IRRBB measurement and reporting -Identify and set the appropriate stress testing framework for the assessment of IRRBB -Conduct modelling with the required supporting analysis regarding assumptions that are essential for the measurement and management of IRRBB (i.e. behavioral assumptions etc.). -Monitor the regulatory environment and potential changes in order to be consistently up to date on the methodologies and reporting	Article 448(1), point (f)
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	The Bank calculates IRRBB measures on a monthly basis. These measures are the sensitivity on NII and on EVE. This sensitivity is calculated by applying spesific scenarios on the relevant portfolio or on part of Bank's balance sheet. Furthermore the Bank monitors on a daily basis through sensitivity analysis and VaR measures the interest rate and spread risks from its positions booked in OCI that affect equity.	Article 448(1), points (e) (i) and (v); Article 448(2)
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)	For EVE sensitivity, the Bank uses the outlier tests and a number of internal scenarios after the re-calculation of the shocks as defined in ANNEX III of EBA/GL/2018/02 "Guidelines on the management of interest rate risk arising from non-trading book activities" using historical data from 2006-2021. For NII sensitivity, the Bank uses the standard regulatory outlier tests (+200 bps / - 200 bps) including any applicable floor as per regulatory guidelines.	Article 448(1), point (e) (iii); Article 448(2)
A description of the key modelling and parametric assumptions different from those used for disclosure of template EU IRRBB1 (if applicable)	No further assumptions are used.	Article 448(1), point (e) (ii); Article 448(2)
A high-level description of how the bank hedges its IRRBB, as well as the associated accounting treatment (if applicable)	The Bank uses derivative transactions for the hedging of IRRBB, fair value hedging, cash flow hedging and economic hedging are the associated accounting treatments used. Depending of the conditions the Bank hedges the interest rate risk from assets (for example from fixed loand and securities), liabilities (deposits) aiming to mitigate any risk due to the volatility of market prices (impact on P/L and on OCI) or due to the movements of short term rates (impact on NII)	Article 448(1), point (e) (iv); Article 448(2)
A description of key modelling and parametric assumptions used for the IRRBB measures in template EU IRRBB1 (if applicable)	The key modeling assumption the Bank uses in template EU IRRBB1 is related to the runoff profile of the NMDs. The longest repricing maturity is applied for NMDs from retail clients while the shortest maturity profile is applied for deposits from wholesale clients and FIs.	Article 448(1), point (c); Article 448(2)
Explanation of the significance of the IRRBB measures and of their significant variations since previous disclosures	The most significant developments that contributed mostly on the variations of IRRBB measures since previous disclosures are: (a) The increase of hedging of the Bank's position on long term sovereign bonds (b) The change on deposit mix between time deposits and sight deposits (increase of sight deposits)	Article 448(1), point (d)
Any other relevant information regarding the IRRBB measures disclosed in template EU IRRBB1 (optional)		
Disclosure of the average and longest repricing maturity assigned to non-maturity deposits	The longest repricing maturity assigned to NMDs is 4 years and the average one is 2.5 years	Article 448(1), point (g)

6. Counterparty risk

6.1 Definition, Governance and Policies

Counterparty risk is the risk that a counterparty in an off balance sheet transaction (i.e. derivative transaction) defaults prior to maturity and the Bank has a claim over the counterparty (the market value of the contract is positive for the Bank). The governance and the policies for the counterparty risk are described in one section (section 5.1) that provides details for the governance and policies that the Bank applies together for the market and the counterparty risk.

6.2 Mitigation of counterparty risk

To reduce the exposure towards single counterparties, risk mitigation techniques are used. The most common is the use of closeout netting agreements (usually based on standardised ISDA contracts), which allow the bank to net positive and negative replacement values in the event of default of the counterparty.

Furthermore, the Bank also applies margin agreements (CSAs) in case of counterparties. Thus, collateral is paid or received on a daily basis to cover current exposure. In case of repos and reverse repos, the Bank applies netting and daily margining using standardised GMRA contracts.

6.3 Counterparty risk monitoring

The Bank monitors the counterparty risk arising from derivatives and secured financing transactions and assess the impact of netting and collateral on current exposures and own funds requirements. Monitoring includes, among other things, breakdown of exposures per counterparty type and exposure class, analysis of collateral quality and composition and review of counterparty credit-worthiness. Additionally, to the netting agreements, the Bank uses clearing though CCPs and other forms of mitigation, including CDS, to reduce, or eliminate, the counterparty risk.

6.4 Wrong way risk

The Bank prevents the initiation of derivative transactions in cases that the value of the underlying instrument is highly correlated with the credit quality of the counterparty.

6.5 Implications under rating downgrade

The Bank's financial collateral agreements (CSAs covering derivative transactions) with other banks contain in some cases rating triggers. For these agreements, the minimum exposure level (threshold amount) for further posting of collateral will be lowered in case of a downgrading. Given the Bank's current rating, the additional effect is immaterial.

6.6 Credit derivatives

As of 31 December 2021, the Group held a small position on CDS indices (protection bought, net position € 22 million Notional). As of 30 June 2021, the Group held only Options on CDS indices (long payer € 100 million Notional, short payer € 150 million Notional).

The Bank does not have any brokerage activity in this market. Furthermore, the Bank does not hedge its loan portfolio with CDSs as this market in Greece is not developed.

Counterparty Risk

Table 56: EU CCR6 – Credit derivatives exposures

	31 December 2021		30 June 2021	
	Protection bought € million	Protection sold € million	Protection bought € million	Protection sold € million
Notionals				
Single-name credit default swaps	-	-	-	-
Index credit default swaps	44	22	-	-
Total return swaps	-	-	-	-
Credit options	-	-	100	150
Other credit derivatives	-	-	-	-
Total notionals	**44**	**22**	100	150
Fair values				
Positive fair value (asset)	-	1	-	-
Negative fair value (liability)	(1)	-	-	-

(1) The protection sold is the partial unwind of the bought position. Net position on Index CDS € 22 million protection bought.

6.7 Counterparty risk based on the calculation methodology employed

The following table shows the exposure to counterparty risk based on the calculation methodology employed as at 31 December 2021 and 30 June 2021.

Table 57: EU CCR1 – Analysis of CCR exposure by approach

	31 December 2021							
	Replacement cost (RC) € million	Potential future exposure (PFE) € million	EEPE € million	Alpha used for computing regulatory exposure value	Exposure value pre-CRM € million	Exposure value post-CRM € million	Exposure value € million	RWEA € million
EU - Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
SA-CCR (for derivatives)	1,289	220		1.4	2,608	2,116	2,116	226
IMM (for derivatives and SFTs)			-	-	-	-	-	-
Of which securities financing transactions netting sets			-		-	-	-	-
Of which derivatives and long settlement transactions netting sets			-		-	-	-	-
Of which from contractual cross-product netting sets			-		-	-	-	-
Financial collateral simple method (for SFTs)					-	-	-	-
Financial collateral comprehensive method (for SFTs)					4,262	3,749	3,749	130
VaR for SFTs								
Total					**6,870**	**5,865**	**5,865**	**356**

Counterparty Risk

	30 June 2021							
	Replacement cost (RC) € million	Potential future exposure (PFE) € million	EEPE € million	Alpha used for computing regulatory exposure value	Exposure value pre-CRM € million	Exposure value post-CRM € million	Exposure value € million	RWEA € million
EU - Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
SA-CCR (for derivatives)	1,415	241		1.4	2,838	2,319	2,319	250
IMM (for derivatives and SFTs)			-	-	-	-	-	-
Of which securities financing transactions netting sets			-		-	-	-	-
Of which derivatives and long settlement transactions netting sets			-		-	-	-	-
Of which from contractual cross-product netting sets			-		-	-	-	-
Financial collateral simple method (for SFTs)					-	-	-	-
Financial collateral comprehensive method (for SFTs)					3,601	3,122	3,122	146
VaR for SFTs								
Total					6,439	5,441	5,441	396

[(1)] *The increase of the exposures in the SFTs is mainly due to the increase of the liquidity received from Eurosystem Funding (TLTRO).*

6.8 CVA capital charge

The following table shows the CVA capital charge, which is, calculated through the Standardised approach as at 31 December 2021 and 30 June 2021.

Table 58: EU CCR2 - Transactions subject to own funds requirements for CVA risk

	31 December 2021		30 June 2021	
	Exposure value € million	**RWEA € million**	Exposure value € million	RWEA € million
Total transactions subject to the Advanced method	-	-	-	-
(i) VaR component (including the 3× multiplier)		-		-
(ii) stressed VaR component (including the 3× multiplier)		-		-
Transactions subject to the Standardised method	136	105	163	116
Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-	-	-
Total transactions subject to own funds requirements for CVA risk	**136**	**105**	163	116

[(1)] *The exposure and RWAs since of June 2021 are calculated based on the new regulatory framework for counterparty risk (SA-CCR) Regulation (EU) 2019/876 (CRR2).*

Counterparty Risk

6.9 Exposures to CCPs

The following table shows the exposures to CCPs and the corresponding RWAs as at 31 December 2021 and 30 June 2021.

Table 59: EU CCR8 – Exposures to CCPs

	31 December 2021		30 June 2021	
	Exposure value € million	**RWEA € million**	Exposure value € million	RWEA € million
Exposures to QCCPs (total)		**11**		9
Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	134	3	93	2
(i) OTC derivatives	134	3	93	2
(ii) Exchange-traded derivatives	-	-	-	-
(iii) SFTs	-	-	-	-
(iv) Netting sets where cross-product netting has been approved	-	-	-	-
Segregated initial margin	-		-	
Non-segregated initial margin	397	8	378	8
Prefunded default fund contributions	-	-	-	-
Alternative calculation of own funds requirements for exposures	-	-	-	-
Exposures to non-QCCPs (total)		-		-
Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-	-	-
(i) OTC derivatives	-	-	-	-
(ii) Exchange-traded derivatives	-	-	-	-
(iii) SFTs	-	-	-	-
(iv) Netting sets where cross-product netting has been approved	-	-	-	-
Segregated initial margin	-		-	
Non-segregated initial margin	-	-	-	-
Prefunded default fund contributions	-	-	-	-
Unfunded default fund contributions	-	-	-	-

6.10 Standardised approach – CCR exposures by regulatory portfolio and risk

The following table shows the CCR exposures by regulatory portfolio and risk as at 31 December 2021 and 30 June 2021.

Table 60: EU CCR3 - Standardised approach – CCR exposures by regulatory exposure class and risk weights

	31 December 2021											
Exposure classes	Risk weight											Total exposure value
	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	€ million
Central governments or central banks	4,778	-	-	-	-	-	-	-	-	-	-	4,778
Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
Multilateral development banks	10	-	-	-	-	-	-	-	-	-	-	10
International organisations	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	530	1	-	857	-	-	-	2	-	-	1,390
Corporates	-	-	-	-	-	-	-	-	8	-	-	8
Retail	-	-	-	-	-	-	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-	-	-	-
Total exposure value	**4,788**	**530**	**1**	**-**	**857**	**-**	**-**	**-**	**10**	**-**	**-**	**6,186**

Counterparty Risk

	30 June 2021											
	Risk weight											Total exposure value
Exposure classes	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	€ million
Central governments or central banks	4,227	-	-	-	-	-	-	-	-	-	-	4,227
Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
Multilateral development banks	52	-	-	-	-	-	-	-	-	-	-	52
International organisations	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	472	-	-	932	1	-	-	-	-	-	1,405
Corporates	-	-	-	-	-	-	-	-	14	-	-	14
Retail	-	-	-	-	-	-	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-	-	-	-
Total exposure value	4,279	472	-	-	932	1	-	-	14	-	-	5,698

[1] The increase of the exposures in the line Central Governments or Central Banks (RW 0%) is mainly due to the increase of the liquidity received from Eurosystem Funding (TLTRO).

6.11 IRB approach – CCR exposures by portfolio and PD scale

The following table shows the CCR exposures by portfolio and PD scale as at 31 December 2021 and 30 June 2021.

Table 61: EU CCR4 – IRB approach – CCR exposures by portfolio and PD scale

		31 December 2021						
	PD scale	Exposure value	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
		€ million	%		%	yrs	€ million	%
IRB Foundation Exposures to Corporates	0.00 to <0.15	29	0.1%	14	45.0%	3	6	20.6%
	0.15 to <0.25	-	0.2%	1	45.0%	3	0.02	50.2%
	0.25 to <0.50	2	0.3%	2	45.0%	3	1	59.5%
	0.50 to <0.75	-	0.0%	-	0.0%	-	-	0.0%
	0.75 to <2.50	1	2.5%	18	45.0%	3	1	102.9%
	2.50 to <10.00	6	10.8%	30	45.0%	3	10	188.0%
	10.00 to <100.00	3	39.4%	22	90.0%	6	9	481.4%
	100.00 (Default)	-	0.0%	-	0.0%	-	-	0.0%
	Subtotal	**42**	**5.6%**	**109**	**45.0%**	**3**	**27**	**110.9%**
	Total all Foundation IRB	**42**	**5.6%**	**109**	**45.0%**	**3**	**27**	**110.9%**

Counterparty Risk

	PD scale	Exposure value	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
		30 June 2021						
		€ million	%		%	yrs	€ million	%
IRB Foundation	0.00 to <0.15	13	0.1%	10	45.0%	3	3	22.0%
Exposures to Corporates	0.15 to <0.25	-	0.2%	2	45.0%	3	-	46.1%
	0.25 to <0.50	2	0.3%	3	45.0%	3	1	59.5%
	0.50 to <0.75	-	0.6%	3	45.0%	3	-	80.9%
	0.75 to <2.50	1	2.5%	14	45.0%	3	1	102.9%
	2.50 to <10.00	16	10.8%	87	45.0%	3	31	188.0%
	10.00 to <100.00	-	0.0%	-	0.0%	-	-	0.0%
	100.00 (Default)	-	0.0%	-	0.0%	-	-	0.0%
	Subtotal	32	5.6%	119	45.0%	3	36	110.9%
	Total all Foundation IRB	32	5.6%	119	45.0%	3	36	110.9%

6.12 RWA flow statements of CCR exposures under IMM

Table 62: EU CCR7 - RWEA flow statements of CCR exposures under the IMM is not included as the Bank does not use an internal model for the calculation of the RWAs of CCR exposures.

Counterparty Risk

6.13 Composition of collateral for exposures to CCR

The following table shows the composition of collateral for exposures to CCR, as at 31 December 2021 and 30 June 2021.

Table 63: EU CCR5 - Composition of collateral for CCR exposures

Collateral type	31 December 2021							
	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	
	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Cash – domestic currency	-	50	-	1,914	-	4	-	2
Cash – other currencies	-	1	-	28	-	-	-	1
Domestic sovereign debt	-	-	-	-	-	468	-	5,349
Other sovereign debt	-	-	-	-	-	123	-	1,127
Government agency debt	-	-	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	108	-	3,724
Equity securities	-	-	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-	-	5,543
Total	**-**	**50**	**-**	**1,941**	**-**	**703**	**-**	**15,746**

	30 June 2021							
	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	
	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Cash – domestic currency	-	22	-	1,745	-	12	-	-
Cash – other currencies	-	1	-	67	-	-	-	-
Domestic sovereign debt	-	-	-	-	-	296	-	3,924
Other sovereign debt	-	-	-	-	-	243	-	744
Government agency debt	-	-	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	116	-	3,134
Equity securities	-	-	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-	-	4,529
Total	-	23	-	1,812	-	667	-	12,331

[(1)] The increase in the fair value of posted collateral compared to June 2021 is due to derivatives MtM movements on transactions with counterparties covered by CSA during the period. Amounts posted as Independent Amounts and Initial Margins under the CSA contracts are included in the above tables.

[(2)] The increase of the collaterals posted in SFTs is mainly due to the increase of the Eurosystem Funding (TLTRO).

7. Operational Risk

7.1 Governance

Operational risk is embedded in every business activity undertaken by the Group. The primary goal of operational risk management is to ensure the integrity of the Group's operations and its reputation by mitigating its impact. However, by nature, it cannot be fully eliminated. To best manage operational risk, the Group has established a formal Operational Risk Management Framework to define its approach to identifying, assessing, managing, monitoring and reporting operational risk.

Governance responsibility for operational risk management stems from the Board of Directors (BoD) through the Executive Board and Senior Management to the Heads and staff of every business unit. The BoD establishes the mechanisms by which the Group manages operational risk by setting the tone and expectations from the top and delegating authority. The Board Risk Committee (BRC) and the Audit Committee (AC) monitor the operational risk level and profile of the Group including the level of operational losses, their frequency and severity.

The Group Chief Risk Officer is responsible for the operational risk related initiative and ensures implementation of the Operational Risk Management Framework. The Group Chief Risk Officer has the overall responsibility and oversight of the Operational Risk Units in the countries that the Bank operates.

The Operational Risk Committee is a management committee that assesses the operational risks arising from the activities of the Group, ensures that each business entity has appropriate policies and procedures for the control of its operational risk and that prompt corrective action is taken whenever a high risk area is identified.

Group Operational Risk Sector (GORS) is responsible for establishing and maintaining the Group's Operational Risk Management Framework and for operational risk oversight. An Operational Risk Unit operates in every subsidiary of the Group and is responsible for implementing the Group's operational risk framework. GORS is responsible for:

- Defining the methodology for the identification, assessment and reporting of operational risk;
- Implementing regulatory requirements and Group guidelines;
- Monitoring the operational risk level and profile and reporting thereon to the BRC; and
- Defining and applying the methodology for the calculation of the regulatory capital requirements for operational risk.

The Heads of each business and functional unit (risk owners) have the primary responsibility for the day-to-day management of operational risk arising in their units and for the adherence to relevant controls. To this end, every business unit:

- Identifies, evaluates and monitors its operational risks and implements risk mitigation controls and techniques;
- Assesses the efficiency of control mechanism;
- Reports all relevant issues; and
- Has access to and uses the common methods and tools introduced by the GORS, to facilitate in identifying, evaluating and monitoring operational risk.

Each Business Unit has appointed an Operational Risk Partner (OpRisk Partner) or an Operational Risk Management Unit (ORMU), depending on the size of the Business Unit, who is responsible for coordinating the internal operational risk management efforts of the Business Unit, while acting as a liaison to the Group Operational Risk Sector and the local Operational Risk Unit.

7.2 Operational risk management framework

The Group Operational Risk Framework is built on four elements:

Operational Risk

- Principles
- Governance and Organization
- Processes
- Infrastructure

The operational risk management framework and related policies are designed to:

- To align Bank's organization and processes with best international banking practices;
- Introduce risk identification quantification and monitoring processes such as risk and control self-assessment, key risk indicators, historic risk events collection and scenario analysis;
- Establish a common definition and consistent approach for operational risk to enable common identification and aggregation of operational risk across the Bank;
- Establish a proactive operational risk management culture across our business, linking business operations with the objectives of risk control;
- Establish comprehensive and integrated operational risk reporting;
- Adhere to the Group guidelines and meet local regulatory requirements and practices relating to operational risk of the jurisdictions in which Eurobank operates;
- Achieve a competitive advantage in terms of operational risk management through risk-based decision making; and
- Leverage international knowledge and good practices on operational risk management.

The operational risk management processes consist of risk identification, assessment (including measurement and valuation), control management, risk mitigation, risk reporting and performance improvement. These processes are supported by and implemented with the operational risk tools/methods, which are the following:

- **Risk & Control Self-Assessment (RCSA)**
  RCSA is a team-based technique aiming to identify, assess and ultimately mitigate operational risk. Its outcome is a portfolio of operational risks per business unit, summarised into operational risk profiles. Business units assess operational risks, evaluate the effectiveness of controls in place, assess whether identified risks are within business risk appetite tolerance levels and establish specific action plans to mitigate the assessed exposure.
- **Key Risk Indicators (KRIs)**
  KRIs are metrics based on historical data and are relevant to specific and measurable activities indicating operational risk exposures. KRIs are quantifiable and expressed as an amount, a percentage or a ratio, assigned to specific operational risks and linked with risk tolerance.
- **Operational Risk Events**
  Operational Risk Events are identified and reported with the purpose of populating the internal operational risk events database. Operational risk events are classified according to their owner, cause, risk category, impact, business function and business line.
- **Operational Risk Scenario Analysis**
  Operational Risk Scenario analysis assesses the exposure to a range of significant operational risks through the examination of severe yet plausible future events. Scenarios take into account the current and projected business, economic, social and geopolitical environment.
- **Operational Risk Reporting**
  Operational risk reports are produced for internal and regulatory purposes.

- **Operational Risk Management and Mitigation**
  The primary strategy utilised by the Group to control its exposure to operational risk is the maintenance of an effective control environment. In addition, the Group implements specific risk mitigation activities for key operational risks, including fraud, outsourcing, cyber risk and business disruption risks. Finally, risk transfer

mechanisms are in place in the form of the Group's insurance policies, bought through the London Market, covering its operations.

- **Operational Risk Culture**

  Operational risk culture encompasses employee risk awareness as well as the attitude and behaviour of employees to the taking of appropriate risk and the adherence to controls. A strong Operational Risk Culture underpins all operational risk management activity. The Group continuously seeks to improve its operational risk culture.
- **Product Governance**

  Product governance safeguards the implementation of the governance framework for all products and services in Greece, throughout their lifecycle, according to which, financial and non-financial risks are assessed, taking also into account their financial performance.
- **Fraud Risk Management**

  Fraud risk management constitutes a major commitment of the Group to mitigate fraud risk and reduce fraud losses.

7.3 Operational risk capital requirements calculation

As required by Basel III for the use of the Standardised Approach, the Group's business activities have been divided into eight business lines and the annualised gross operating income for 2019, 2020 and 2021 is calculated for each business line. The required business line beta factors are then applied to the relevant business line gross operating income, to establish the required regulatory capital per business line; with these numbers summed together to establish the overall Pillar 1 regulatory capital requirements for operational risk.

Table 64: EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts

Banking activities	31 December 2021				
	Relevant indicator			Own funds requirements	Risk weighted exposure amount
	Year-3	Year-2	Last year		
	€ million	€ million	€ million	€ million	€ million
Banking activities subject to basic indicator approach (BIA)	-	-	-	-	-
Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	1,668	1,740	1,767	242	3,020
Subject to TSA:	1,668	1,740	1,767		
Subject to ASA:	-	-	-		
Banking activities subject to advanced measurement approaches AMA	-	-	-	-	-

Asset encumbrance

8. Asset Encumbrance

8.1 Information on importance of encumbrance

The Bank uses the following main types of encumbrance:

i) secured funding through Eurosystem (ECB's Main Refinancing Operations (MRO)/Targeted Long Term Refinancing Operations (TLTRO)), for this funding the Bank mainly uses as collateral: own issued retained Covered Bonds, eligible loans and other eligible debt securities;

ii) secured funding with interbank counterparties backed with retained own covered bonds, GGBs, Greek Corporate & foreign sovereign bonds and own securitisations (the senior tranches);

iii) covered bonds issuance backed with mortgage loans, sold to international and domestic investors; and

iv) securitisations issuance backed with loans sold to international and domestic investors.

As at end of year2021 the Group's secured funding from Eurosystem sources (ECB's MRO/TLTRO) remained at the same level (€11.8 billion) as in June 2021.

The encumbrance of assets and the encumbrance of assets received by the group as collateral is a centralised function and it is implemented by Eurobank, Greece.

The level of secured funding (repos with foreign counterparties) in subsidiaries is immaterial.

As of end of year 2021 the over-collateralization ((market value over funding value) in case of secured funding through repos and ECB was 6% and 28% respectively.

For the interbank secured funding (repos), the Bank uses the standard terms of the GMRA (Global Master Repurchase Agreement). According to this contract, the exposure between the Bank and its counterparty is calculated on a daily basis and collateral is posted to or received by the counterparty so that the exposure remains almost zero.

8.2 Assets

Table 65: EU AE1 – Encumbered and unencumbered assets

	31 December 2021							
	Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
		of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Assets of the reporting institution	15,968	4,831			56,182	3,295		
Equity instruments	-	-	-	-	194	-	-	-
Debt securities	5,036	4,831	5,392	5,186	4,572	3,295	4,049	2,654
of which: covered bonds	136	136	136	136	239	239	257	253
of which: securitisations	4	1	4	1	204	19	210	19
of which: issued by general governments	4,537	4,528	4,892	4,883	2,958	2,102	2,248	1,952
of which: issued by financial corporations	245	131	246	131	952	290	1,025	302
of which: issued by non-financial corporations	249	162	249	162	648	153	648	154
Other assets	11,040	-			41,047	-		

Asset encumbrance

	31 December 2020							
	Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
		of which notionally eligible EHQLA and HQLA (1)		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Assets of the reporting institution	16,051				51,311			
Equity instruments	-				134			
Debt securities	4,852	4,515	5,164	4,750	3,882	3,281	3,439	2,784
of which: covered bonds	32	32	32	32	307	294	308	292
of which: securitisations	2	1	2	1	68	23	68	23
of which: issued by general governments	4,142	4,121	4,405	4,400	3,235	2,837	2,782	2,342
of which: issued by financial corporations	361	190	361	190	470	279	472	277
of which: issued by non-financial corporations	384	165	384	165	248	162	248	162
Other assets	10,951	-			47,301	-		

[(1)] *The values in these tables are the median of quarterly data points in the year.*

8.3 Collateral received

Table 66: EU AE2 - Collateral received and own debt securities issued

	31 December 2021			
			Unencumbered	
	Fair value of encumbered collateral received or own debt securities issued		Fair value of collateral received or own debt securities issued available for encumbrance	
		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA
	€ million	€ million	€ million	€ million
Collateral received by the reporting institution	479	478	1,538	1,406
Loans on demand	-	-	-	-
Equity instruments	-	-	-	-
Debt securities	479	478	1,538	1,406
of which: covered bonds	-	-	-	-
of which: securitisations	-	-	-	-
of which: issued by general governments	478	478	1,448	1,406
of which: issued by financial corporations	-	-	49	-
of which: issued by non-financial corporations	-	-	37	-
Loans and advances other than loans on demand	-	-	-	-
Other collateral received	-	-	-	-
Own debt securities issued other than own covered bonds or securitisations	-	-	-	-
Own covered bonds and asset-backed securities issued and not yet pledged			-	-
TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED	16,606	5,366		

Asset encumbrance

	31 December 2020			
			Unencumbered	
	Fair value of encumbered collateral received or own debt securities issued		Fair value of collateral received or own debt securities issued available for encumbrance	
		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA
	€ million	€ million	€ million	€ million
Collateral received by the reporting institution	1,868	1,868	1,129	1,040
Loans on demand	-	-	-	-
Equity instruments	-	-	-	-
Debt securities	1,868	1,868	1,129	1,040
of which: covered bonds	-	-	-	-
of which: securitisations	-	-	-	-
of which: issued by general governments	1,868	1,868	1,074	1,040
of which: issued by financial corporations	-	-	26	-
of which: issued by non-financial corporations	-	-	29	-
Loans and advances other than loans on demand	-	-	-	-
Other collateral received	-	-	-	-
Own debt securities issued other than own covered bonds or securitisations	-	-	-	-
Own covered bonds and asset-backed securities issued and not yet pledged			-	-
TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED	17,608	6,383		

[1] *The values in these tables are the median of quarterly data points in the year.*

8.4 Encumbered assets/collateral received and associated liabilities

Table 67: EU AE3 - Sources of encumbrance

	31 December 2021	
	Matching liabilities, contingent liabilities or securities lent	**Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered**
Carrying amount of selected financial liabilities	11,959	15,533

	31 December 2020	
	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
Carrying amount of selected financial liabilities	12,766	17,608

[1] *The values in these tables are the median of quarterly data points in the year.*

9. Leverage Ratio

The new regulatory framework has introduced the leverage ratio as a non-risk based measure which is intended to restrict the build-up of excessive leverage from on and off balance sheet items in the banking sector.

The leverage ratio is defined as Tier 1 capital divided by the total exposure measure.

The Bank submits to the regulatory authorities the leverage ratio on quarterly basis and monitors the level of the ratio and the factors that affect it.

The level of the leverage ratio with reference date 31 December 2021 on consolidated basis, including profits, was at 8.19% (30 June 2021: 8.63%), according to the transitional definition of Tier 1 capital, significantly over the proposed minimum threshold of 3% and the overall leverage ratio requirement of 3.16 % applied by the competent authorities.

The below table includes the summary of the Group's leverage ratio with reference dates 31 December 2021 and 30 June 2021.

Table 68: EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

	31 December 2021 [(1)]	31 December 2021	30 June 2021 [(1)]	30 June 2021
	€ million	€ million	€ million	€ million
Total assets as per published financial statements	77,852	77,852	70,866	70,866
Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	-	-	-	-
(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-	-	-	-
(Adjustment for temporary exemption of exposures to central bank (if applicable))	(13,019)	(13,019)	(9,379)	(9,379)
(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 Article 429a(1) CRR)	-	-	-	-
Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-	-	-	-
Adjustment for eligible cash pooling transactions	-	-	-	-
Adjustments for derivative financial instruments	744	744	738	738
Adjustment for securities financing transactions (SFTs)	1,083	1,083	1,065	1,065
Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	1,941	1,941	1,796	1,796
(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-	-	-	-
(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	-	-	-
(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-	-	-	-
Other adjustments	(2,203)	(2,261)	(2,009)	(2,028)
Total exposure measure	**66,397**	**66,339**	63,078	63,059

[(1)] *Including profits € 328 million for year ended 31 December and € 190 million for the 1H 2021.*

Leverage Ratio

Table 69: EU LR2 - LRCom: Leverage ratio common disclosure

	31 December 2021 [1] CRR leverage ratio exposures € million	31 December 2021 CRR leverage ratio exposures € million	30 June 2021 [1] CRR leverage ratio exposures € million	30 June 2021 CRR leverage ratio exposures € million
On - balance sheet exposures (excluding derivatives and SFT's)				
On-balance sheet items (excluding derivatives, SFTs, but including collateral)	62,681	62,681	59,216	59,216
Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable	-	-	-	-
(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(1,605)	(1,605)	(1,492)	(1,492)
Adjustment for securities received under securities financing transactions that are recognised as an asset	-	-	-	-
(General credit risk adjustments to on-balance sheet items)	-	-	-	-
(Asset amounts deducted in determining Tier 1 capital)	(486)	(544)	(415)	(434)
Total on-balance sheet exposures (excluding derivatives and SFTs)	**60,590**	**60,532**	57,309	57,290
Derivative exposures			-	-
Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	2,224	2,224	2,404	2,404
Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-	-	-
Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	469	469	441	441
Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-	-	-
Exposure determined under Original Exposure Method	-	-	-	-
(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-	-	-
(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-	-	-
(Exempted CCP leg of client-cleared trade exposures) (original Exposure Method)	-	-	-	-
Adjusted effective notional amount of written credit derivatives	-	-	-	-
(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-	-	-
Total derivatives exposures	**2,693**	**2,693**	2,845	2,845
Securities financing transaction exposures				
Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	681	681	522	522
(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-	-	-
Counterparty credit risk exposure for SFT assets	492	492	606	606
Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-	-	-
Agent transaction exposures	-	-	-	-
(Exempted CCP leg of client-cleared SFT exposure)	-	-	-	-
Total securities financing transaction exposures	**1,173**	**1,173**	1,128	1,128
Other off-balance sheet exposures				
Off-balance sheet exposures of gross notional amount	6,657	6,657	6,281	6,281
(Adjustments for conversion to credit equivalent amounts)	(4,717)	(4,717)	(4,485)	(4,485)
(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	-	-	-
Off-balance sheet exposures	**1,941**	**1,941**	1,796	1,796
Excluded exposures				
(Total exempted exposures)	-	-	-	-
Capital and total exposurenmeasure	-	-	-	-
Tier 1 capital	5,436	5,050	5,447	5,238
Total exposure measure	66,397	66,339	63,078	63,059
Leverage ratio				
Leverage ratio	**8.19%**	**7.61%**	8.63%	8.31%
Leverage ratio excluding the impact of the exemption of public sector investments and promotional loans) (%)	**8.19%**	**7.61%**	8.63%	8.31%
Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	**6.85%**	**6.36%**	7.52%	7.23%
Regulatory minimum leverage ratio requirement (%)	**3.16%**	**3.16%**	3.16%	3.16%
Additional own funds requirements to address the risk of excessive leverage (%)	**0.00%**	**0.00%**	0.00%	0.00%
of which: to be made up of CET1 capital (percentage points)	**0.00%**	**0.00%**	0.00%	0.00%
Leverage ratio buffer requirement (%)	**0.00%**	**0.00%**	0.00%	0.00%
Overall leverage ratio requirement (%)	**3.16%**	**3.16%**	3.16%	3.16%
Choise on transitional arrangements and relevant exposures				
Choice on transitional arrangements for the definition of capital measure	**Transitional**	**Transitional**	Transitional	Transitional

Disclosure of mean values				
Mean value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	556	556		
Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	681	681		
Total exposure measures (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)	66,273	66,215		
Total exposure measures (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)	79,292	79,234		
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)	-	-		
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)	-	-		

(1) Including profits € 328 million for year ended 31 December and € 190 million for the 1H 2021.

(2) On-balance sheet items are reported net of the exempted exposures to Central Banks.

(3) Total off-balance sheet items exposures presented in accordance with Article 111 (1) of Regulation (EU) No 575/2013 (standardised approach).

Leverage Ratio

Table 70: EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

	31 December 2021 (1)	31 December 2021	30 June 2021 (1)	30 June 2021
	CRR leverage ratio exposures	CRR leverage ratio exposures	CRR leverage ratio exposures	CRR leverage ratio exposures
	€ million	€ million	€ million	€ million
Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	61,075	61,075	57,723	57,723
Trading book exposures	-	.	-	-
Banking book exposures, of which:	61,075	61,075	57,723	57,723
Covered bonds	370	370	374	374
Exposures treated as sovereigns	18,993	18,993	13,840	13,840
Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	-	-	-	-
Institutions	1,845	1,845	1,850	1,850
Secured by mortgages of immovable properties	10,328	10,328	10,360	10,360
Retail exposures	4,885	4,885	4,758	4,758
Corporates	16,673	16,673	15,269	15,269
Exposures in default	1,262	1,262	2,673	2,673
Other exposures (eg equity, securitisations, and other non-credit obligation assets)	6,719	6,719	8,599	8,599

(1) Including profits € 328 million for year ended 31 December and € 190 million for the 1H 2021.

10. Liquidity Risk

The Group is exposed on a daily basis to events that affect the level of its available cash resources due to deposits withdrawals, maturity of medium or long-term notes and maturity of secured or unsecured funding (interbank repos and money market takings), loan drawdowns and forfeiture of guarantees. Furthermore, margin calls on secured funding transactions (with ECB and the market) and on risk mitigation, contracts (CSAs, GMRAs) result in liquidity exposure. The Group maintains cash resources to meet all of these needs. The Board Risk Committee (BRC) sets liquidity limits to ensure that sufficient funds are available to meet such contingencies.

Past experience shows that liquidity requirements to support calls under guarantees and standby letters of credit are considerably less than the amount of the commitment. This is also the case with credit commitments where the outstanding contractual amount to extend credit does not necessarily represent future cash requirements, as many of these commitments will expire or terminate without being funded.

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the Group. It is unusual for banks to be completely matched, as transacted business is often of uncertain term and of different types. An unmatched position potentially enhances profitability, but also increases the risk of losses.

The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest bearing liabilities as they mature, are important factors in assessing the liquidity of the Group.

Liquidity Risk Management Framework

The Group's Liquidity Risk Policy defines the following supervisory and control structure:

(a) BRC's role is to approve all strategic liquidity risk management decisions and monitor the quantitative and qualitative aspects of liquidity risk;
(b) Group Assets and Liabilities Committee has the mandate to form and implement the liquidity policies and guidelines in conformity with Group's risk appetite and to review at least monthly the overall liquidity position of the Group;
(c) Group Treasury is responsible for the implementation of the Group's liquidity strategy, the daily management of the Group's liquidity and for the preparation and monitoring of the Group's liquidity budget;
(d) Group Market and Counterparty Risk Sector is responsible for the measuring, monitoring and reporting of the liquidity risk of the Group.

The Bank as per ECB, EBA & BoG directives applies risk management policies, processes and controls regarding, Asset Encumbrance / Liquidity Buffers and Collateral Management, Contingency Funding Plan (CFP), Intraday Liquidity Risk Management and Liquidity Stress Tests. These policies, processes and controls along with the liquidity risk governance are described in the ILAAP (Internal Liquidity Adequacy Assessment Process).

These policies, processes and controls are applicable in the specific Greek macro-economic environment, Banks' business model and market conditions on wholesale funding.

Liquidity Buffer

The Group holds a diversified portfolio of cash and high liquid assets to support payment obligations and contingent deposit withdrawals in a stressed market environment. The Group's assets held for managing liquidity risk comprise of:

(a) Cash and balances with central banks;

(b) Eligible bonds and other financial assets for collateral purposes;

(c) Interbank placings maturing within one month.

Liquidity Risk

The unutilised assets, containing highly liquid and central banks eligible assets, provide a contingent liquidity reserve of € 16.9 billion as at 31 December 2021 (2020: € 12 billion). In addition, the Group holds other types of highly liquid assets, as defined by the regulator, amounting to € 7.5 billion (cash value) (2020: € 8.1 billion). It should be noted that a part of ECB's available collateral of € 1.3 billion (cash value) (2019: € 4.1 billion) is held by Group's subsidiaries for which temporary local regulatory restrictions are applied and currently limit the level of its transferability between group entities.

The Group in 2021 further increased the long-term funding from the ECB through TLTRO III funding (ECB funding increased from € 8.02 billion as of December 2020 to € 11.80 billion as of December 2021, which consists entirely of TLTRO funding). Moreover, inflows mainly from deposits (+ € 5.9 billion in 2021 at a group level), along with the successful issuance of two senior preferred notes that served both funding / liquidity and MREL compliance purposes (€ 0.5 billion each note issued in May and September 2021 respectively), significantly contributed to the formation of High-Quality Liquid Assets (HQLAs) buffer and to the further increase of the Liquidity Coverage Ratio (LCR) both at solo and group level. It should be also noted that a significant part of the extra liquidity generated in 2021 was invested in non-HQLA securities (AAA rated CLOs, High Yield securities etc.) in order to improve the Group's NII under the negative yields environment that prevailed in 2021.

Liquidity Coverage Ratio (LCR) calculations

LCR as of 31 December 2021 is equal to 152.2% (30 September 2021: 168.2%) on a group level. The next table presents the key components of group's LCR, as per the respective guidelines on LCR disclosure (EBA/GL/2017/01). It should be noted that the data points used in the calculations below, refer to the period after the restoration of the LCR above the minimum regulatory threshold (100%).

Liquidity Risk

The table below shows the level and components of the Liquidity Coverage Ratio.

Table 71: LIQ1 - Quantitative information of LCR

		Total unweighted value				Total weighted value			
	Quarter ending on	**31 December 2021**	30 September 2021	30 June 2021	31 March 2021	**31 December 2021**	30 September 2021	30 June 2021	31 March 2021
		€ million	€ million	€ million	€ million	**€ million**	€ million	€ million	€ million
	Number of data points used in the calculation of averages	**12**	12	12	10	**12**	12	12	10
	HIGH-QUALITY LIQUID ASSETS								
1	**Total high-quality liquid assets (HQLA)**					**11,173**	10,054	8,807	7,784
	CASH-OUTFLOWS								
2	**Retail deposits and deposits from small business customers, of which:**	**29,397**	28,520	27,518	26,899	**1,806**	1,742	1,670	1,629
3	Stable deposits	23,311	22,778	22,132	21,689	1,166	1,139	1,107	1,084
4	Less stable deposits	6,085	5,742	5,385	5,210	640	602	563	544
5	**Unsecured wholesale funding**	**12,078**	11,706	11,349	11,103	**5,179**	5,074	4,874	4,758
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	1,652	1,537	1,429	1,377	404	375	348	335
7	Non-operational deposits (all counterparties)	10,426	10,126	9,877	9,675	4,775	4,656	4,483	4,372
8	Unsecured debt	-	43	43	51	-	43	43	51
9	**Secured wholesale funding**					**83**	83	77	79
10	Additional requirements	**2,541**	2,445	2,387	2,301	853	802	792	727
11	Outflows related to derivative exposures and other collateral requirements	684	642	638	577	684	642	638	577
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	1,857	1,804	1,749	1,724	169	161	153	150
14	**Other contractual funding obligations**	**94**	78	73	76	**84**	68	64	66
15	**Other contingent funding obligations**	**3,023**	2,949	2,896	2,883	**214**	208	203	201
16	TOTAL CASH OUTFLOWS					**8,219**	7,977	7,680	7,460
	CASH-INFLOWS								
17	Secured lending (eg reverse repos)	509	693	835	992	12	5	-	-
18	Inflows from fully performing exposures	886	967	988	1,019	748	818	831	866
19	Other cash inflows	1,314	1,360	1,395	1,398	287	303	310	300
20	TOTAL CASH INFLOWS	**2,709**	3,020	3,217	3,409	**1,048**	1,126	1,142	1,166
EU-20a	*Fully exempt inflows*	**-**	-	-	-	**-**	-	-	-
EU-20b	*Inflows Subject to 90% Cap*	**-**	-	-	-	**-**	-	-	-
EU-20c	*Inflows Subject to 75% Cap*	***2,709***	*3,020*	*3,217*	*3,409*	***1,048***	*1,126*	*1,142*	*1,166*
						TOTAL ADJUSTED VALUE			
21	LIQUIDITY BUFFER					**11,173**	10,054	8,807	7,784
22	TOTAL NET CASH OUTFLOWS					**7,171**	6,851	6,539	6,294
23	LIQUIDITY COVERAGE RATIO (%)					**155.43%**	145.93%	134.69%	123.67%

Liquidity Risk

Net Stable Funding Ratio (NSFR) calculations

NSFR as of 31 December 2021 is equal to 123.3% (30 September 2021: 122.3%) on a group level. The minimum regulatory threshold for NSFR is set at 100%.

Table 72: LIQ2 - Net Stable Funding Ratio

	31 December 2021				
	Unweighted value by residual maturity				Weighted value
	No maturity[1]	< 6 months	6 months to < 1yr	≥ 1yr	
Required stable funding (RSF) Items	€ million	€ million	€ million	€ million	€ million
Total high-quality liquid assets (HQLA)					**3,597**
Assets encumbered for a residual maturity of one year or more in a cover pool		**157**	**145**	**4,011**	**3,666**
Deposits held at other financial institutions for operational purposes		**86**	**-**	**-**	**43**
Performing loans and securities:		**4,145**	**3,020**	**29,494**	**30,094**
Performing securities financing transactions with financial customerscollateralised by Level 1 HQLA subject to 0% haircut		-	-	-	-
Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		528	18	152	211
Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		3,320	2,772	22,112	27,567
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		175	113	570	1,554
Performing residential mortgages, of which:		158	146	4,618	-
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		68	56	1,503	-
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		139	84	2,613	2,316
Interdependent assets		**-**	**-**	**-**	**-**
Other assets:		**3,125**	**3**	**10,599**	**10,769**
Physical traded commodities				-	-
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	336	286
NSFR derivative assets		33			33
NSFR derivative liabilities before deduction of variation margin posted		1,677			84
All other assets not included in the above categories		1,414	3	10,263	10,366
Off-balance sheet items		**4,042**	**553**	**702**	**275**
Total RSF					**48,445**

NSFR	**31 December 2021**
Net Stable Funding Ratio (%)	**123.28%**

	30 June 2021				
	Unweighted value by residual maturity				Weighted value
	No maturity[1]	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items	€ million	€ million	€ million	€ million	€ million
Capital items and instruments	5,263	-	-	950	6,213
Own funds	5,263	-	-	950	6,213
Other capital instruments		-	-	-	-
Retail deposits		31,220	1,769	234	31,210
Stable deposits		24,394	1,322	139	24,568
Less stable deposits		6,826	447	96	6,641
Wholesale funding:		16,897	699	9,335	17,152
Operational deposits		1,817	-	-	908
Other wholesale funding		15,081	699	9,335	16,244
Interdependent liabilities		-	-	-	-
Other liabilities:	-	1,331	-	1,065	1,065
NSFR derivative liabilities	-				
All other liabilities and capital instruments not included in the above categories		1,331	-	1,065	1,065
Total available stable funding (ASF)					55,640

Liquidity Risk

	30 June 2021				
	Unweighted value by residual maturity				Weighted value
	No maturity[1]	< 6 months	6 months to < 1yr	≥ 1yr	
Required stable funding (RSF) Items	€ million	€ million	€ million	€ million	€ million
Total high-quality liquid assets (HQLA)					2,639
Assets encumbered for a residual maturity of one year or more in a cover pool		159	150	4,078	3,729
Deposits held at other financial institutions for operational purposes		121	-	-	61
Performing loans and securities:		4,512	2,296	26,171	27,113
Performing securities financing transactions with financial customerscollateralised by Level 1 HQLA subject to 0% haircut		-	-	-	-
Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		616	6	171	233
Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		3,589	2,068	19,816	25,428
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		146	93	440	1,285
Performing residential mortgages, of which:		168	152	4,578	-
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		70	50	1,260	-
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		140	70	1,606	1,453
Interdependent assets		-	-	-	-
Other assets:		2,900	6	11,934	12,178
Physical traded commodities				-	-
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	322	274
NSFR derivative assets		84			84
NSFR derivative liabilities before deduction of variation margin posted		1,517			76
All other assets not included in the above categories		1,299	6	11,612	11,745
Off-balance sheet items		3,564	558	702	251
Total RSF					45,970

NSFR	30 June 2021
Net Stable Funding Ratio (%)	121.04%

Appendix 1: Transitional own funds disclosure

Appendix 1: EU CC1 - Composition of regulatory own funds

		31 December 2021 [1] Current period € million	31 December 2021 Current period € million	30 June 2021 [1] Current period € million	30 June 2021 Current period € million
Common Equity Tier 1 (CET1) capital: instruments and reserves					
1	Capital instruments and the related share premium accounts	8,872	8,872	8,872	8,872
2	Retained earnings	(12,432)	(12,432)	(12,291)	(12,291)
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	8,772	8,772	8,682	8,682
5	Minority interests (amount allowed in consolidated CET1)	57	57	-	-
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	328	-	190	-
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**5,597**	**5,269**	5,453	5,263
Common Equity Tier 1 (CET1) capital: regulatory adjustments					
7	Additional value adjustments due to the prudent valuation (negative amount)	(9)	(9)	(9)	(9)
8	Intangible assets (net of related tax liability) (negative amount)	(191)	(191)	(197)	(197)
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) are met) (negative amount)	-	-	(1)	(1)
11	Fair value reserves related to gains or losses on cash flow hedges	12	12	27	27
12	Negative amounts resulting from the calculation of expected loss amounts	(2)	(2)	(2)	(2)
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 and indirect holdings by an institution of own CET1 instruments (negative amount)	(1)	(1)	(1)	(1)
18	Direct and indirect holding by the institution of the CET 1 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 holding by the institution of the CET 1 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)	-	-	-	-
EU-20a	Exposure amount of the following items which qualify for a RW of 1250% where the institution opts for the deduction alternative	(16)	(16)	-	-
EU-20c	of which: securitisation positions (negative amount)	(16)	(16)	-	-
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in art. 38 (3) are met) (negative amount)	(311)	(343)	(291)	(310)
22	Amount exceeding the 17.65% threshold (negative amount)	(14)	(40)	-	-
23	of which: 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	(4)	(13)	-	
25	of which: deferred tax assets arising from temporary differences	(10)	(27)	-	
EU-25a	Losses for the current financial year (negative amount)	-	-	-	-
27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)	-	-	-	-
27a	Other regulatory adjusments [2]	371	371	468	468
28	**Total regulatory adjustments to Common equity Tier 1 (CET1)**	**(161)**	**(219)**	(6)	(25)
29	**Common Equity Tier 1 (CET1) capital**	**5,436**	**5,050**	5,447	5,238
Additional Tier 1 (AT1) capital: instruments					
30	Capital instruments and the related share premium accounts	-	-	-	-
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1 as described in Article 486(3) of CRR	-	-	-	-
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**-**	**-**	-	-
Additional Tier 1 (AT1) capital: regulatory adjustments					
42	Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)	-	-	-	-
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**-**	**-**	-	-
44	**Additional Tier 1 (AT1) capital**	**-**	**-**	-	-
45	**Tier 1 capital (T1 = CET1 + AT1)**	**5,436**	**5,050**	5,447	5,238
Tier 2 (T2) capital: instruments					
46	Capital instruments and the related share premium accounts	950	950	950	950
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	-	-	-	-
50	Credit risk adjustments	84	84	96	96
51	**Tier 2 (T2) capital before regulatory adjustments**	**1,034**	**1,034**	1,046	1,046
Tier 2 (T2) capital: regulatory adjustments					
56b	Other regulatory adjusments to T2 capital	(84)	(84)	(52)	(52)
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**-**	**-**	-	-
58	**Tier 2 (T2) capital**	**950**	**950**	994	994
59	**Total Capital (TC = T1 + T2)**	**6,386**	**6,000**	6,441	6,232
60	**Total risk weighted assets**	**39,789**	**39,644**	41,159	41,112

Appendix 1: Transitional own funds disclosure

		31 December 2021 [1] Current period € million	31 December 2021 Current period € million	30 June 2021 [1] Current period € million	30 June 2021 Current period € million
Capital ratios and requirements including buffers					
61	Common Equity Tier 1	**13.7%**	**12.7%**	13.2%	12.7%
62	Tier 1	**13.7%**	**12.7%**	13.2%	12.7%
63	Total capital	**16.1%**	**15.1%**	15.6%	15.2%
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)	9.25%	9.25%	9.25%	9.25%
65	of which: capital conservation buffer requirement	2.50%	2.50%	2.50%	2.50%
66	of which: countercyclical buffer requirement	0.06%	0.06%	0.06%	0.06%
67	of which: systemic risk buffer requirement	0.00%	0.00%	0.00%	0.00%
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	0.50%	0.50%	0.50%	0.50%
68	Common Equity Tier 1 available to meet buffer (as a percentage of risk exposure amount)	**5.06%**	**4.13%**	4.65%	4.16%
Amounts below the thresholds for deduction (before risk weighting)					
72	Direct and indirect holdings of the capital 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	105	105	59	59
73	Direct and indirect holdings by the institution of CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	235	235	203	203
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in 38 (3) are met)	479	479	508	508
Applicable caps on the inclusion of provisions in Tier 2					
76	Credit risk adjustments included in T2 in respect of exposures subject to standardized approach (prior to the application of the cap)	-	-	-	-
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	252	252	247	247
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	147	147	284	284
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	84	84	96	96
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	0%	0%	0%	0%
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	0%	0%	0%	0%
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-	-	-

(1) Including profits € 328 million for year ended 31 December, and € 190 million for the 1H 2021.
(2) Includes mainly the IFRS 9 transitional adjustments.

Appendix 2: Capital instruments

Appendix 2: Capital instruments' main features disclosure

1	Issuer	**Eurobank Ergasias Services and Holdings S.A**	**Eurobank Ergasias Services and Holdings S.A**
2	Unique identifier	GRS323003012	ISIN Code: XS1752439411
3	Governing law(s) of the instrument	Greek	English law, with the exception of Condition 3B *(Status-Subordinated Instruments)* and Condition 22 *(Bank Holders' Agent)* which are governed by the laws of the Hellenic Republic and Regulation No.575/2013 (CRR) and Condition 23 (Acknowledgement of Statutory Loss Absorption Powers).
	Regulatory treatment		
4	Transitional CRR rules	Common Equity Tier 1	Tier2
5	Post- transitional CRR rules	Common Equity Tier 1	Tier2
6	Eligible at solo/(sub-) consolidated/solo & (sub-) consolidated	Solo & Consolidated	Solo & Consolidated
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares	Tier 2 Subordinated Capital Instrument (Art.63 of the CRR)
8	Amount recognised in regulatory capital as at 31 December 2020	€ 815 million	N/A - The instruments were Issued in January 2018
9	Nominal amount of instrument	€ 0.22 per ordinary share (at date) / € 816 million	950,000,000
9a	Issue price	-	100%
9b	Redemption price	-	Redemption at par (100 per cent of nominal amount) together with interest accrued up to (but excluding) the date of redemption
10	Accounting classification	Shareholders Equity	Liability - amortised cost
11	Original date of issuance	Various	17 January 2018
12	Perpetual or dated	Perpetual	Dated
13	Original maturity date	-	17 January 2028
14	Issuer call subject to prior supervisory approval	NA	Yes
15	Optional call date, contingent call dates and redemption amount	NA	First date of call: 17 January 2023. The instruments have also a Tax and Capital Disqualification Event call (Art.78(4) of CRR).In both cases, the instruments may be redeemed in whole but not in part. Redemption at par together with interest accrued.
16	Subsequent call dates, if applicable	NA	Optional subsequent call dates: Any day after 17 January 2023.Tax and Capital Disqualification Event call : at any time
	Coupon / dividends	NA	
17	Fixed or floating dividend/coupon	NA	Fixed
18	Coupon rate and any related index	NA	6.41%
19	Existence of a dividend stopper	NA	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Partially discretionary	Mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Partially discretionary	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Noncumulative or cumulative	Non cumulative	Noncumulative
23	Convertible or non-convertible	Non convertible	Non-convertible
24	If convertible, conversion trigger(s)	NA	N/A
25	If convertible, fully or partially	NA	N/A
26	If convertible, conversion rate	NA	N/A
27	If convertible, mandatory or optional conversion	NA	N/A
28	If convertible, specify instrument type convertible into	NA	N/A
29	If convertible, specify issuer of instrument it converts into	NA	N/A
30	Write-down features	No	Yes
31	If write-down, write-down trigger(s)	NA	Statutory & Condition 23 (Acknowledgement of Statutory Loss Absorption Powers) , Bank of Greece
32	If write-down, full or partial	NA	Fully or partially
33	If write-down, permanent or temporary	NA	Permanent
34	If temporary write-down, description of write-up mechanism	NA	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Additional Tier I	Immediately subordinate to the claims of Senior Creditors (as defined in Condition 3B)
36	Non-compliant transitioned features	No	No
37	If yes, specify non-compliant features	N/A	N/A

Appendix 3: List of Abbreviations

Abbreviation	Definition
ABSs	Asset Backed Securities
A-IRB	Advanced Internal Rating Based Approach
AQR	Asset Quality Review
AT1	Additional Tier 1
BoD	Board of Directors
BoG	Bank of Greece
BRC	Board Risk Committee
BRRD	Bank Recovery and Resolution Directive
BTAR	Banking Book Taxonomy Alignment Ratio
CBR	Combined Buffer Requirement
CCB	Capital Conservation Buffer
CCyB	Counter Cyclical Buffer
CCF	Credit Conversion Factor
CCP	Central Counterparty
CCR	Counterparty Credit Risk
CET1	Common equity Tier 1
COREPs	Common Reports
CRD IV	Capital Requirements Directive IV
CRR	Capital Requirements Regulation
CSA	Credit Support Annex
CVA	Credit Value Adjustment
DoD	Definition of Default
EAD	Exposure At Default
EBA	European Banking Authority
EC	European Commission
ECAIs	External Credit Assessment Institutions
ECB	European Central Bank
ECL	Expected Credit Loss
ESG	Enviromental, Social and Governance
F-IRB	Foundation Internal Rating Based Approach
GAR	Green Asset Ratio
GGBs	Greek Government Bonds
GMRA	Global Master Repurchase Agreement
G-SIIs	Global Systemic Institution Buffer
HDIGF	Hellenic Deposit and Investment Guarantee Fund
HAPS	Hellenic Asset Protection Scheme
HQLA	High Quality Liquid Assets.
ICAAP	Internal Capital Adequacy Assessment Process
ILAAP	Internal Liquidity Adequacy Assessment Process
IMA	Internal Model Approach
IRB	Internal Ratings Based Approach
IRR	IRR Interest Rate Risk
IRRBB	Interest Rate risk in the Banking Book
IRC	Incremental Risk Charge
ISDA	International Swaps and Derivatives Association
ITS	Implementing Technical Standards
LCR	Liquidity Coverage Ratio
LGD	Loss Given Default
MDA	Maximum Distributable Amount
MRA	Moody's Risk Advice
MREL	Minimum Requirement for own funds and Eligible Liabilities
MRO	Main Refinancing Operations
NPV	Net Present Value
NSFR	Net Stable Funding Ratio
OCR	Overall Capital Requirement
O-SIIs	Other Systemically Important Institution
PD	Probability of Default
P2G	Pillar 2 Guidance
P2R	Pillar 2 Requirement
RBA	Ratings Based Approach
RCSA	Risk & Control Self-Assessment
RSS	Remedial & Servicing Strategy Sector
RTS	Regulatory Technical Standards
RWAs	Risk Weighted Assets
SA	Standard Approach
SEC-ERBA	Securitisation-External Ratings Based Approach
SFDR	Sustainable Finance Disclosure Regulation
SFTs	Securities Financing Transactions
SPE	Single Point of Entry
SPV	Special Purpose Vehicle
SRB	Single Resolution Board
SREP	Supervisory Review and Evaluation Process
SRF	Single Resolution Fund
SRM	Single Resolution Mechanism
SRT	Significant Risk Transfer
SSM	Single Supervisory Mechanism
SSM	Single Supervisory Fees
ST	Stress Test
SyRB	Systemic Risk Buffer
TLTRO	Targeted Long Term Refinancing Operations
TSCR	Total SREP Capital Requirement
TTC	Through The Cycle
VAR	Value at Risk

Appendix 4: Guidelines and Regulations mapping on Disclosures Requirements

EBA/GL/2016/11		
LI1	Differences between accounting and regulatory scopes of consolidation and mapping of financial statements categories with regulatory risk categories	*Table 3*
LI2	Main sources of differences between regulatory exposure amounts and carrying amounts in financial statements	*Table 4*
LI3	Outline of the differences in the scopes of consolidation (entity by entity)	*Table 1*
INS1	Non-deducted participations in insurance undertakings	*Table 11*
OV1	Overview of risk weighted exposure amounts	*Table 10*
CR1-A	Maturity analysis of exposures	*Table 12*
CR3	CRM techniques – Overview: Disclosure of the use of credit risk mitigation techniques	*Table 40*
CR4	Standardised approach – Credit risk exposure and CRM effects	*Table 27*
CR5	Standardised approach	*Table 28*
CR6	IRB approach – Credit risk exposures by exposure class and PD range	*Table 32*
CR6-A	Scope of the use of IRB and SA approaches	*Table 33*
CR7	IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques	*Table 38*
CR7-A	IRB approach – Disclosure of the extent of the use of CRM techniques	*Table 39*
CR8	RWEA flow statements of credit risk exposures under the IRB approach	*Table 35*
CR9	IRB approach – Back-testing of PD per exposure class (fixed PD scale)	*Table 30*
CR9.1	IRB approach – Back-testing of PD per exposure class (only for PD estimates according to point (f) of Article 180(1) CRR)	*Table 31*
CR10	Specialised lending under the simple risk weighted approach	*Table 34*
CR10	Equity Exposures under the simple risk weighted approach	*Table 36*
CCR1	Analysis of CCR exposure by approach	*Table 57*
CCR2	Transactions subject to own funds requirements for CVA risk	*Table 58*
CCR3	Standardised approach – CCR exposures by regulatory exposure class and risk weights	*Table 60*
CCR4	IRB approach – CCR exposures by exposure class and PD scale	*Table 61*
CCR5	Composition of collateral for CCR exposures	*Table 63*
CCR6	Credit derivatives exposures	*Table 56*
CCR7	RWEA flow statements of CCR exposures under the IMM	*Table 62*
CCR8	Exposures to CCPs	*Table 59*
MR1	Market risk under the standardised approach	*Table 49*
MR2-A	Market risk under Internal Model Approach (IMA)	*Table 45*
MR2-B	RWA flow of market risk exposures under IMA	*Table 46*
MR3	IMA values for trading portfolios	*Table 47*
MR4	Comparison of VAR estimates with gains/losses	*Table 48*

REVISED PILLAR 3 DISCLOSURES REQUIREMENTS - BCBS		
KM1	Key Metrics template	*Table 2*
LIQ2	Net Stable Funding Ratio	*Table 72*

SECURITISATION EXPOSURES - REGULATION (EU) 2017/2402 & BCBS Pillar 3 standards		
SEC1	Securitisation exposures in the non-trading book	*Table 41*
SEC3	Securitisation exposures in the non-trading book and associated regulatory capital requirements – institution acting as originator or as sponsor	*Table 42*
SEC4	Securitisation exposures in the non-trading book and associated capital requirements - institution acting as investor	*Table 43*
SEC5	Exposures securitised by the institution - Exposures in default and specific credit risk adjustments	*Table 44*

OPERATIONAL RISK - application of Articles 435(1), 446 and 454 of Regulation (EU) 575/2013 ("CRR").		
OR1	Operational risk own funds requirements and risk-weighted exposure amounts	*Table 64*

Appendix 4: Guidelines and Regulations mapping on Disclosures Requirements

	IRRBB - EBA/CP/2021/20	
IRRBB1	Interest Rate Risks for Banking Book	*Table 54*
IRRBBA	Qualitative information on interest rate risks for Banking Book	*Table 55*
	GUIDELINES ON LCR DISCLOSURE - EBA/GL/2017/01	
LIQ1	Quantitative information of LCR	*Table 71*
	LEVERAGE RATIO - COMMISSION IMPLEMENTING REGULATION (EU) 2016/200	
LR1	LRSum: Summary reconciliation of accounting assets and leverage ratio exposures	*Table 68*
LR2	LRCom: Leverage ratio common disclosure	*Table 69*
LR3	LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)	*Table 70*
	GUIDELINES ON DISCLOSURE OF ENCUMBERED AND UNENCUMBERED ASSETS - EBA/GL/2014/03	
AE1	Encumbered and unencumbered assets	*Table 65*
AE2	Collateral received and own debt securities issued	*Table 66*
AE3	Sources of encumbrance	*Table 67*
	OWN FUNDS REQUIREMENTS - COMMISSION IMPLEMENTING REGULATION (UE) 1423/2013	
CC1	Composition of regulatory own funds	*Appendix 1*
CC2	Reconciliation of regulatory own funds to balance sheet in the audited financial statements	*Table 5*
	COUNTERCYCLICAL CAPITAL BUFFER - COMMISSION DELEGATED REGULATION (EU) 2015/1555	
CCyB1	Geographical distribution of credit exposures relevant for the calculation of the countercyclical capital	*Table 7*
CCyB2	Amount of institution-specific countercyclical capital buffer	*Table 8*
	GUIDELINES ON UNIFORM DISCLOSURES UNDER ARTICLE 473A OF REGULATION (EU) NO 575/2013 AS REGARDS THE TRANSITIONAL PERIOD FOR MITIGATING THE IMPACT OF THE INTRODUCTION OF IFRS 9 ON OWN FUNDS - EBA/GL/2018/01	
IFRS 9-FL	Comparison of equity, capital ratios and leverage of entities with or with out the application of the transitional arrangements of IFRS 9 or analog ECL	*Table 6*
	GUIDELINES ON DISCLOSURE OF NON-PERFORMING AND FORBORNE EXPOSURES - EBA/GL/2018/10	
CQ1	Credit quality of forborne exposures	*Table 13*
CQ2	Quality of forbearance	*Table 18*
CQ3	Credit quality of performing and non-performing exposures by past due days	*Table 14*
CR1	Performing and non-performing exposures and related provisions	*Table 15*
CQ4	Quality of Non-performing exposures by geography	*Table 16*
CQ5	Credit quality of loans and advances to non-financial corporations by industry	*Table 17*
CQ6	Collateral valuation - Loans and advances	*Table 19*
CR2	Changes in the stock of non-performing loans and advances	*Table 20*
CR2a	Changes in the stock of non-performing loans and advances and related net accumulated recoveries	*Table 21*
CQ7	Collateral obtained by taking possession and execution processes	*Table 22*
CQ8	Collateral obtained by taking possession and execution processes – Vintage breakdown	*Table 23*
	Legislative and non-legislative moratoria on loan repayments applied in the light of the COVID-19 crisis EBA/GL/2020/02	
COVID_1	Information on loans and advances subject to legislative and non-legislative moratoria	*Table 24*
COVID_2	Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria	*Table 25*
COVID_3	Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis	*Table 26*