EUROBANK
Holdings

EUROBANK ERGASIAS
SERVICES AND HOLDINGS S.A.

CONSOLIDATED PILLAR 3 REPORT

FOR THE YEAR ENDED
31 DECEMBER 2023

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General Commercial Registry No: 00022300100

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Introduction – General Information

1. Introduction – General Information

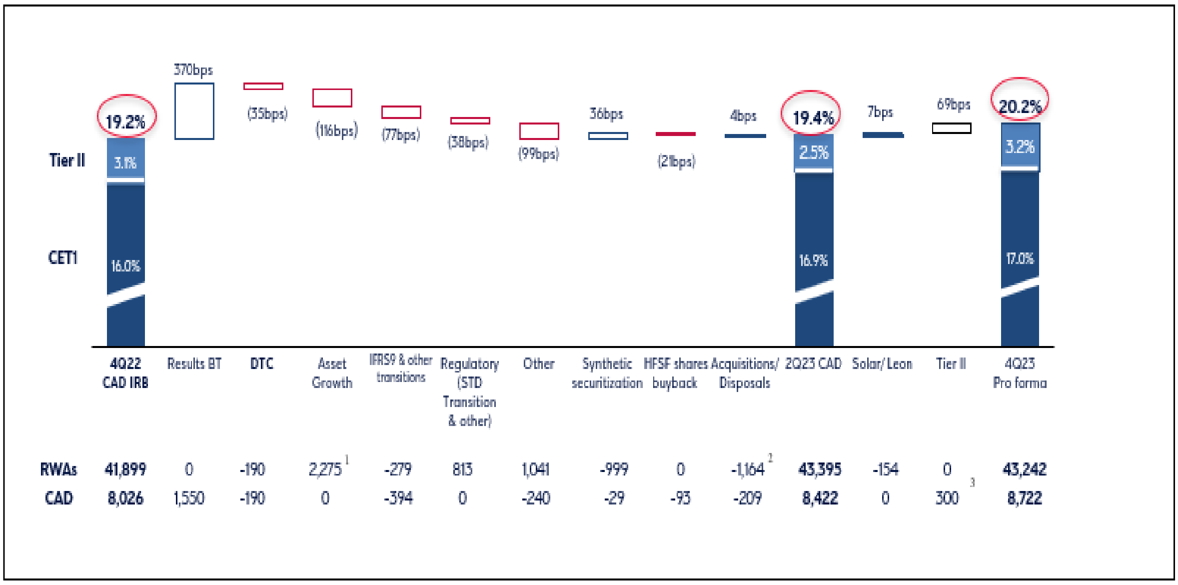
Eurobank Ergasias Services and Holdings S.A. (the Company or Eurobank Holdings), which is the parent company of Eurobank S.A. (the Bank) and its subsidiaries (the Group), consisting mainly of Eurobank S.A. Group are active in retail, corporate and private banking, asset management, treasury, capital 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.

Eurobank Holdings 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 Capital Requirements Regulation (CRR) and Capital Requirements Directive (CRD) as amended at consolidated level.

1.1 Highlights

Evolution of Capital Ratio y-o-y



(1) Including Loans, Off Balance Sheet items and Investment Securities.
(2) Mainly the disposal of Eurobank Direktna a.d., the acquisition of 29.2% holding in Hellenic Bank, the acquisition of BNP Bulgaria, Projects "Solar" and "Leon".
(3) Issued in January 2024.

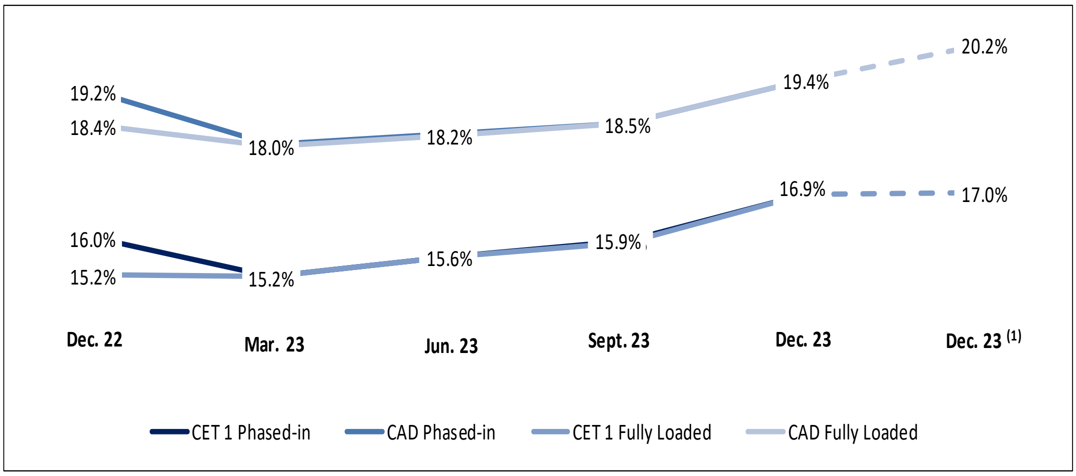
Introduction – General Information

Risk profile

	31 December 2023 (1) & (2)	31 December 2023 (1)	30 September 2023 (1)	31 December 2022
	€ million	€ million	€ million	€ million
Available own funds				
Common Equity Tier 1 (CET1) capital	**7,348**	7,348	7,047	6,715
Tier 1 capital	**7,348**	7,348	7,047	6,715
Total capital	**8,722**	8,422	8,169	8,026
Risk-weighted exposure amounts				
Total risk-weighted exposure amount	**43,242**	43,395	44,225	41,899
Capital ratios				
Common Equity Tier 1 ratio (%)	**17.0%**	16.9%	15.9%	16.0%
Tier 1 ratio (%)	**17.0%**	16.9%	15.9%	16.0%
Total capital ratio (%)	**20.2%**	19.4%	18.5%	19.2%
Leverage ratio				
Leverage ratio	**8.7%**	8.7%	8.3%	7.9%
Liquidity Ratio				
Liquidity coverage ratio (%)	**178.6%**	178.6%	170.6%	172.9%
Net Stable Funding Ratio (%)	**128.1%**	128.1%	129.4%	128.0%

(1) Including profits € 1,140 million for year ended 31 December 2023 and € 980 million for the 9M 2023.
(2) Pro-forma with the completion of Projects "Solar" and "Leon", as well as the issuance of Subordinated Tier II debt instruments in January 2024.

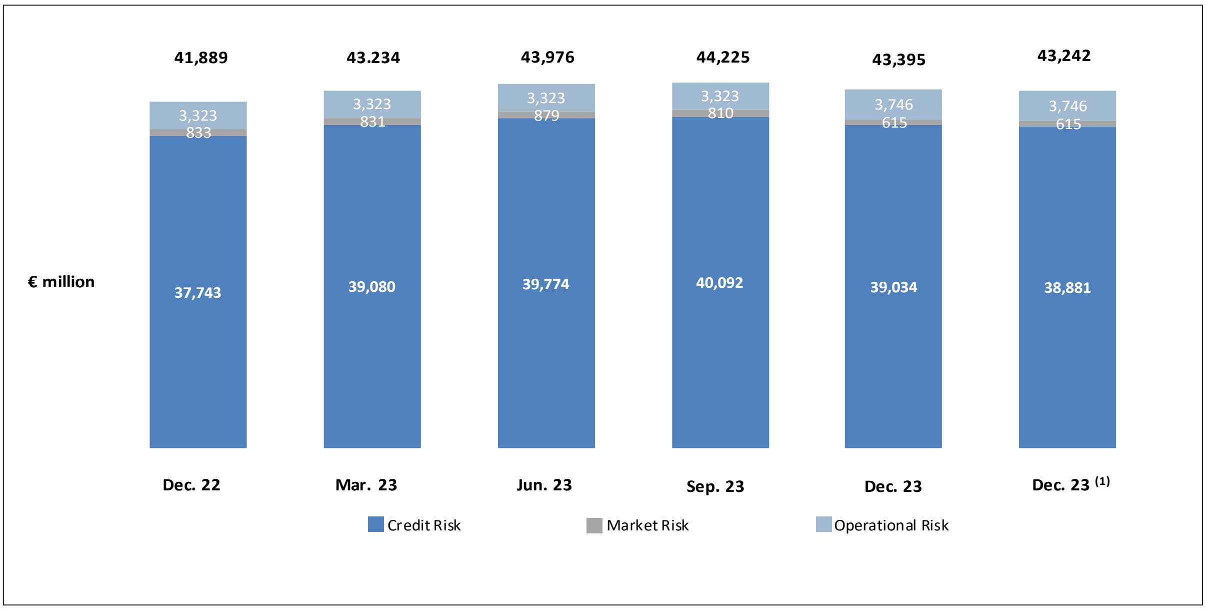
Evolution of Capital Ratio



(1) Pro-forma with the completion of Projects "Solar" and "Leon", as well as the issuance of Subordinated Tier II debt instruments in January 2024.

Introduction – General Information

Evolution of Risk Weighted Assets Amount



[(1)] *Pro-forma with the completion of Projects "Solar" and "Leon", as well as the issuance of Subordinated Tier II debt instruments in January 2024.*

1.2 NPE Operational targets

In line with the regulatory framework and Single Supervisory Mechanism's (SSM) requirements for Non-Performing exposures' (NPE) management, the Group's new NPE Management Strategy for 2024-2026, along with the annual NPE stock targets at both Bank and Group level envisages the decrease of Group's NPE ratio at 3.2% in 2026.

1.3 Project "Solar"

In the context of its NPE management strategy, the Group has structured another NPE securitization transaction (project "Solar"), as part of a joint initiative with the other Greek systemic banks initiated since 2018, in order to decrease further its NPE ratio and strengthen its balance sheet de-risking. In addition, the Group targets to the prudential and accounting derecognition of the underlying corporate loan portfolio from its balance sheet by achieving a Significant Risk Transfer (SRT) and including "Solar" securitization under the Hellenic Asset Protection Scheme (HAPS), thus the senior note of the securitization to become entitled to the Greek State's guarantee. The Management remains committed to its plan for the completion of the above transaction and has undertaken actions, along with the other participating banks, towards the disposal of the majority stake of the mezzanine and junior notes to be issued in the context of the above-mentioned securitization.

On 2 November 2023, the Bank announced the execution of a binding agreement between the four Greek systemic banks (the Banks) and Waterwheel Capital Management, L.P., with respect to the sale to the latter of 95% of the Mezzanine and the Junior notes to be issued in the context of "Solar" securitization. The Banks will hold 100% of the Senior notes as well as 5% of the Mezzanine and of the Junior notes. The completion of the transaction is subject to the fulfillment of customary conditions for such transactions, including, among others, the HAPs guarantee and SRT approval mentioned above.

Since June 2022, the Group classified the underlying corporate loan portfolio as held for sale.

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As at 31 December 2023, the carrying amount of the aforementioned loan portfolio reached € 48 million, comprising loans with gross carrying amount of € 246 million, which carried an impairment allowance of € 198 million. Furthermore, the impairment allowance of the letters of guarantee included in the underlying portfolio reached € 1 million.

For further details, please refer to Consolidated Financial Statements, Note 20.

1.4 Project "Leon"

In December 2023, the Bank, aiming to accelerate further its NPE reduction plan, initiated the sale process of a mixed NPE portfolio of total gross book value ca. € 400 million, engaging in parallel in negotiations with potential investors. The transaction is expected to be completed by the end of 2024.

Accordingly, as at 31 December 2023, the Bank classified the above loan portfolio as held for sale and the carrying amount reached € 121 million, comprising loans with gross carrying amount of € 398 million, which carried an impairment allowance of € 277 million.

For further details, please refer to Consolidated Financial Statements, Note 20.

1.5 Project Wave

In December 2023, the Bank proceeded with the execution of another synthetic risk transfer transaction (project "Wave IV") in the form of a financial guarantee, providing credit protection over the mezzanine loss of a portfolio of performing SME and Large Corporate loans amounting to € 1.5 billion (the reference portfolio). Similarly to the previous synthetic risk transfer transactions of similar characteristics ('Wave' projects), the Wave IV transaction was accounted for as a purchased financial guarantee contract that is not integral to the contractual terms of the reference portfolio, where a compensation right resulting from the expected credit losses of the protected loans is recognized, to the extent that it is virtually certain that the Group will be reimbursed for the credit losses incurred. The reference portfolios of Wave projects continued to be recognised on the Group's Balance Sheet.

As at 31 December 2023, the Wave IV transaction, that was performed in the context of the Group's initiatives for the optimization of its regulatory capital, resulted in a capital benefit of 41 bps.

1.6 Eurobank Direktna a.d., Serbia

On 2 March 2023, the Bank announced that it has signed a binding agreement (share purchase agreement) with AIK Banka a.d. Beograd ("AIK") for the sale of its 70% shareholding in its subsidiary in Serbia, Eurobank Direktna a.d. (the "Transaction"). The sale was considered highly probable, therefore, as of 31 March 2023 the assets of Eurobank Direktna a.d. and the associated liabilities ("disposal group"), which form part of the share purchase agreement, were classified as HFS and presented as a discontinued operation. The subsidiary was a major part of the Group's operations in Serbia, which are presented in the International segment.

On 2 November 2023, following the receipt of the approvals by all competent regulatory authorities, the sale of the Bank's shareholding in Eurobank Direktna to AIK Banka a.d. Beograd was completed for a cash consideration of € 188.7 million, net of related costs.

The transaction had a positive impact on Eurobank Holdings Group's CET 1 ratio (ca. 45 bps based on 30 September 2023 ratio), reflecting the release of related Risk weighted exposure amounts (RWEAs) and is consistent with Eurobank's strategy to redirect capital to opportunities with more compelling Return on Tangible Book Value (RoTBV) and to further enhance its presence in its core markets.

For further details, please refer to Consolidated Financial Statements, Note 30.

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1.7 Hellenic Bank Public Company Ltd, Cyprus

On 4 April 2023 the Bank announced that after the receipt of the relevant regulatory approvals, the Bank has completed the acquisition of an additional 13.41% holding in Hellenic Bank Public Company Ltd ("Hellenic Bank"), a financial institution located in Cyprus and listed in the Cyprus Stock Exchange, for a consideration of € 73 million. Following that, the total holding in Hellenic Bank, including the previously held participation of 15.8% with carrying value of € 103 million on the above date, reached 29.2% and the Group in accordance with the IFRS is considered to have significant influence over the entity.

Furthermore, in August 2023, the Bank announced that it has entered into share purchase agreements (SPAs) with certain shareholders of the Hellenic Bank, pursuant to which, it has agreed to acquire an additional total holding of 26.1% in the entity, for a total consideration of € 253.2 million (announcements dated on August 23rd, 25th and 30th). The consideration for the said transactions is subject to possible adjustments depending inter alia on the timing of the completion and the terms of the mandatory tender offer, in accordance with the provisions of the Takeover Bids Law of 2007 in Cyprus. The completion of the acquisitions is subject to the customary regulatory approvals. Following their completion, the total holding in Hellenic Bank will amount to 55.3%.

On 5 February 2024, the Bank announced that the Commission for the Protection of Competition of the Republic of Cyprus ("Commission") in its meeting on 2 February 2024, approved the concentration arising from the increase of the Bank's holding in Hellenic Bank share capital. Following the approval of the Commission, the acquisition of the additional total holding of 26.1% in Hellenic Bank, as per the aforementioned signed agreements with certain of its shareholders, is subject to the approvals of the Central Bank of Cyprus/ECB and the Superintendent of Insurance of Cyprus.

For further details, please refer to Consolidated Financial Statements, Note 24.

1.8 Acquisition of BNP Paribas Personal Finance Bulgaria by Eurobank Bulgaria A.D.

On 9 December 2022, Eurobank Holdings announced that it had reached an agreement for the acquisition of BNP Paribas Personal Finance Bulgaria (the "Business") by Eurobank's subsidiary in Bulgaria, Eurobank Bulgaria A.D. ("Postbank"). The transaction was completed on 31 May 2023, following the receipt of the approvals by all competent regulatory authorities.

For further details, please refer to Interim Consolidated Financial Statements, Note 23.2.

1.9 Hellenic Financial Stability Fund's (HFSF) shares buy back

Following the receipt of the required approval from the regulator in May 2023, the General Meeting of the Company's Shareholders (AGM), which was held on 20 July 2023, approved the acquisition of 52,080,673 Company's shares held by the HFSF, corresponding to approximately 1.4% of the Company's share capital and voting rights, and authorized the Board of Directors (BoD) to determine the specific conditions and relevant details for the acquisition.

On 9 October 2023, the acquisition of all the shares held by the HFSF was completed for a total consideration of € 93.8 million, including related third party fees. Following the above, the Company and the Bank are no longer subject to Law 3864/2010 and to the special rights of HFSF provided for in such law.

For further details, please refer to Consolidated Financial Statements, Note 37.

1.10 Dividends/Distribution of Profits

In December 2023, the Bank proceeded with the distribution of non-mandatory reserves totaling € 410 million to its sole shareholder, Eurobank Holdings, in order to enable the latter to distribute dividend out of the profits of the financial year 2023 to its shareholders in accordance with the provisions of article 159 of Company Law 4548/2018.

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Based on the Group's financial performance for the financial year 2023, Eurobank Holdings aims to distribute to its shareholders a cash dividend equivalent to at least 25% of the Group's adjusted net profit for financial year 2023, subject to the approval of the Annual General Meeting of its shareholders and the regulatory authorities.

1.11 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 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.

On 30 November 2022, the Company announced the issuance of a € 300 million subordinated Tier 2 debt instrument which matures in December 2032, is callable in December 2027 offering a coupon of 10% per annum and is listed on the Luxembourg Stock Exchange's Euro MTF market. On the same date, the Bank issued a subordinated instrument of equivalent terms, held by the Company.

On 19 January 2024, the Company announced the issuance of a € 300 million subordinated Tier 2 debt instrument which matures in April 2034, is callable at par in April 2029 offering a coupon of 6.25% per annum and is listed on the Luxembourg Stock Exchange's Euro MTF market. On the same date, the Bank issued a subordinated instrument of equivalent terms, held by the Company.

1.12 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 checks 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 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 (CCB) 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 CCB and which shall apply from 1 January 2019 are:

- Minimum CET1 capital ratio 7%
- Minimum Tier 1 ratio: 8.5%;
- Minimum Total capital adequacy ratio 10.5%.

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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 BoG Executive Committee Act No 202/1/11.03.2022, which lays down the procedure for applying the CCyB rate in Greece and the relevant calibration methodology, BoG assesses, on a quarterly basis, the intensity of cyclical systemic risk and the appropriateness of the CCyB rate, taking into account the standardised credit-to-GDP (Gross Domestic Product) gap, the buffer guide and, in particular, additional indicators for monitoring the build-up of cyclical systemic risk. On 19 December 2023, BoG announced that would keep the countercyclical capital buffer rate for Greece unchanged at "zero percent" (0%) in the first quarter of 2024, with effect from 1 January 2024.

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 12 June 2023, 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 (the size, importance, complexity and interconnectedness). This list is based on year-end-2022 data and also reflects the capital buffers that the relevant authorities have set for the identified 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%. According to BoG Executive Committee Act No 212/21.09.2022, the O-SII buffer for Greek institutions is set at 1% for 2023.
On 22 December 2022, ECB published the November 2022 Governing Council statement on macroprudential policies regarding the revised floor methodology for assessing capital buffers for O-SIIs. The revised floor methodology increases the number of buckets to which O-SIIs are allocated from four to six and raises the floor level for the highest bucket to 1.50% while keeping the floor of the lowest bucket unchanged at 0.25%. The aforementioned methodology will strengthen the capacity of systemically important banks to absorb losses. Moreover, it will further reduce the risk of heterogeneity in O-SII buffers and lead to a more consistent treatment of these institutions across the countries participating in European banking supervision. The ECB will use the revised floor methodology to assess O-SII buffers proposed by national authorities as of 1 January 2024.
From 1 January 2024, the O-SII buffer for the Group will increase to 1.25% (from 1.00% in 2023), in accordance with the Executive Committee Act 221/1/17.10.2023 of BoG, following the above change in the floor methodology.

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 197/2/21.12.2021, 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.

The systemic risk buffer consists of CET1 capital and is expressed as a percentage of the total risk exposure amount of credit institutions. It can be set in multiples of 0.5% and may exceed 3% provided that the relevant procedures laid down in EU law are respected. The BoG has set neither a sectoral nor a broader systemic risk buffer rate as yet.

1.12.1 Regulatory Developments

On 29 May 2020, 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 needs to be expanded to existing loans that have been renegotiated and to the stock of existing loans.

On 24 January 2022, EBA published its final draft ITS on Pillar 3 disclosures on Environmental, Social and Governance (ESG) risks. The final draft ITS put forward tables, templates and associated instructions that specify the requirement in Article 449a of Regulation (EU) No 575/2013 to disclose prudential information on ESG risks, including transition and physical risk, addressed to large institutions with securities traded on a regulated market of any Member State. The Pillar 3 framework on prudential disclosures on ESG risks supports institutions in the public disclosure of meaningful and comparable information on how ESG-related risks and vulnerabilities, and in particular climate change, may exacerbate other risks in their balance sheet. 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.

Large institutions should disclose information on ESG risks from 28 June 2022. For the first year this information must be disclosed on an annual basis and semi-annually thereinafter. An overview of the qualitative and quantitative information is depicted below:

- Three tables for qualitative information on ESG risks. Under each risk category, the disclosure requirements target three aspects: governance, business model and strategy, and risk management. First disclosure reference date is 31.12.2022.
- Ten templates for quantitative disclosures, specifically:
    a. four templates on climate change transition risk that should be disclosed with reference date 31.12.2022, except for disclosures on institutions' scope 3 emissions and alignment metrics which have phase-in period until June 2024;
    b. one template on climate change physical risks with first disclosure date on 31.12.2022;
    c. five templates on the actions that institutions are putting in place to mitigate climate-change-related risks, including information on Taxonomy-aligned activities (Green Asset Ratio - GAR and Banking Book Taxonomy Alignment Ratio -BTAR) and on other mitigating actions. The disclosure of information on the GAR applies from31.12.2023, the additional and separate information on the BTAR will apply from 30.06.2024.

On 25 March 2022, the three European Supervisory Authorities (EBA, EIOPA and ESMA – ESAs) updated their joint supervisory statement on the application of the Sustainable Finance Disclosure Regulation (SFDR). This includes a new timeline, expectations about the explicit quantification of the product disclosures under Article 5 and 6 of the Taxonomy Regulation, and the use of estimates. The supervisory statement aims to promote an effective and consistent application and national supervision of the SFDR, thus creating a level playing field and protecting investors. On 25 November 2021, the Commission sent a letter announcing that the application date of the Regulatory Technical Standards (RTS) would be 1 January 2023. The European Commission (EC) is required to endorse the ESAs draft RTS within 3 months of the publication. Subject to the non-objection by the European Parliament (EP) and Council of the European Union – within 3 months following the Commission's endorsement – the RTS will be adopted by the Commission by means of a delegated regulation.

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On 14 February 2023, EBA published the final draft RTS setting out the conditions for the assessment of the homogeneity of the underlying exposures in a pool of a Simple Transparent and Standardised (STS) on-balance-sheet securitisation. In general, the proposed amendments consider the specificities of on-balance-sheet securitisations and aim at enabling both the originators and the investors to assess the underlying risks of the pool of the underlying exposures on the basis of common methodologies and parameters in line with the overarching objective of the homogeneity requirement. The final draft RTS will be submitted to the Commission for endorsement. Following the submission, RTS will be subject to scrutiny by the EP and the Council before being published in the Official Journal of the European Union.

On 13 March 2023, ESAs together with ECB published a Joint Statement on climate-related disclosure for structured finance products. The Statement encourages the development of disclosure standards for securitised assets through harmonised climate-related data requirements. Securitisation transactions are often backed by assets that could be directly exposed to physical or transition climate-related risks, such as real estate mortgages or auto loans. Finally, the introduction of new climate change-related disclosure requirements for securitisations may become also relevant for similar funding instruments backed by the same type of underlying assets, such as covered bonds.

On 18 April 2023, the European Commission submitted a package of legislative proposals to amend the Bank Crisis Management and Deposit Insurance (CMDI) framework. These proposals aim to further harmonize the EU crisis management framework and reduce the use of taxpayer funding. More specifically, the proposals make it easier to place small and mid-sized banks into resolution, addressing some deficiencies of the existing framework that allowed failures of small/medium-sized banks to be dealt with under national regimes, often involving the use of public money (bailouts) instead of the industry-funded safety nets, such as the national Deposit Guarantee Schemes (DGSs) or the Single Resolution Fund (SRF). The legislative proposals are being discussed at the European Parliament and the Council.

On 21 April 2023, EBA launched a public consultation on its draft Guidelines on the criteria related to simplicity, standardisation and transparency and additional specific criteria for on-balance-sheet securitisations (so-called STS criteria). The Consultation Paper is composed of two sections. The main section includes the Draft Guidelines for on-balance-sheet securitisations. With the introduction of STS criteria for on-balance-sheet securitisations in the Securitisation Regulation, on-balance-sheet securitisations are now eligible for preferential risk-weight treatment under CRR. The second section includes the targeted amendments to the Guidelines for non-ABCP and ABCP securitisation to ensure that the interpretation provided by the EBA is, where appropriate, the same and consistent across all three sets of guidelines. The consultation ran until 7 July 2023.

On 25 May 2023, the three European Supervisory Authorities (EBA, EIOPA and ESMA – ESAs) jointly submitted to the EC Draft RTS on the ESG impact disclosure for STS securitisations under the Securitisation Regulation. These technical standards aim to ensure consistency with those developed under the SFDR which distinguish between the publication of available information on mandatory indicators (e.g., energy efficiency) and on additional indicators (e.g., emissions). The key proposals included in the technical standards specify ESG disclosures which would apply to STS securitisations where the underlying exposures are residential loans, auto loans and leases. EC has three months to decide whether to endorse the RTS.

On 3 August 2023, EBA launched a public consultation on draft RTS to identify extraordinary circumstances under which competent authorities may soften or waive certain requirements for the calculation of own funds requirements for market risk on the basis of internal models. More specifically, these RTS set out that only a situation of cross-border financial market stress, or a regime shift, can qualify as a situation of extraordinary circumstances, and only subject to the additional condition that this stress or regime shift impacts the validity of the results of the back-testing or the profit and loss attribution test (PLAT). The consultation ran until 3 November 2023.

On 12 October 2023, EBA published a Report on the role of environmental and social risks in the prudential framework of credit institutions and investment firms. Taking a risk-based approach, the Report assesses how the current prudential framework captures environmental and social risks. It recommends targeted enhancements to accelerate the integration of environmental and social risks across the Pillar 1. The proposed enhancements aim to support the transition towards a more sustainable economy, while ensuring that the banking sector remains resilient.

On 14 December 2023, the SRB launched a public consultation on the review of its MREL Policy, covering, among others, the calibration of the Market Confidence Charge (component of the MREL target) and the process for monitoring the eligibility of MREL instruments. The consultation closed on 13 February 2024, while the SRB is expected to publish an updated MREL Policy within Q2 2024.

On 20 December 2023, the EBA published its final draft ITS on amendments to disclosure and reporting of the minimum requirement for MREL and TLAC. These amendments reflect the new requirement to deduct investments in eligible liabilities instruments of entities belonging to the same resolution group, the so called 'daisy chain' framework, and other changes to the prudential framework. The amendments will apply for the reference date as of end-June 2024.

On 11 December 2023, the Council and European Parliament reached an agreement on the European Commission's proposals for the amendment of Regulation (EU) No 575/2013 (CRR) and Directive 2013/36/EU (CRDIV). These legislative acts (collectively known as 'Banking Package'), implement, among others, the final elements of the Basel III framework of 2017 in the EU. The revised CRR (CRR3) will start applying from January 2025, with a transitional period envisaged for certain rules set out therein (e.g. output floor). Member States shall transpose the revised CRDIV (CRD6) in their national laws within 18 months from its entry into force.

On 14 December 2023, EBA published two draft ITS amending Pillar 3 disclosures and supervisory reporting requirements. These consultation papers are a first step in the implementation of the Banking Package (CRR3 and CRD6). In particular, these draft ITS seek to implement the changes related to the output floor, credit risk, including immovable property (IP) losses, capital valuation adjustment (CVA), market risk and leverage ratio. The amendments related to operational risk are not covered by these consultation papers but will be consulted on together with some policy products at the beginning of 2024.

In line with the Roadmap, the EBA will follow a two-step sequential approach to amend both the Pillar 3 disclosures and supervisory reporting ITS, prioritizing, in step 1, those changes necessary to implement and monitor Basel III requirements in the EU. Later in 2024, as part of step 2, the EBA will develop those reporting and disclosure requirements that are not directly linked to Basel III implementation, together with those requirements with an extended implementation timeline.

The consultations run until 14 March 2024. Following the consultation period, the two draft ITS will be finalised and they are expected to be submitted to the European Commission by June 2024.

On 4 March 2024, EBA published a draft RTS under CRR3 regarding the classification's criteria of off-balance sheet items under the standardised approach of credit risk. The exposure values of off-balance exposure depend on the application of certain percentages, which in turn depend on a bucket classification. The CRR3 is set to introduce amendments to update the calibration of applicable percentages, which results in the introduction of an adjusted weighting scheme and an additional bucket, increasing the number of risk buckets from 4 to 5, and the conversion factor possibilities to 10%, 20%, 40%, 50% or 100%. Furthermore, it specifies the factors that may constrain the institutions' ability to cancel the unconditionally cancellable commitments. These RTS are part of step 1 of the EBA roadmap on the implementation of the EU banking package. The consultation runs until 4 June 2024.

1.13 Supervisory Review and Evaluation Process (SREP)

Since November 2014, within the context of the SSM, the ECB has been responsible for the supervision of the largest and most significant banks located in the euro area and other EU countries wishing to participate in the SSM (e.g. Bulgaria). National supervisory authorities in close cooperation with the ECB, remain responsible for the supervision of the less significant banks.

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Among others, the ECB conducts annually a Supervisory Review and Evaluation Process (SREP) assessment, in order to assess banks' risk profiles and determine quantitative and qualitative requirements for banks. The key purpose of SREP is to ensure that banks 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 methodology followed provides for a holistic and forward-looking assessment of the viability of the supervised institution.

The common SREP framework is built around:

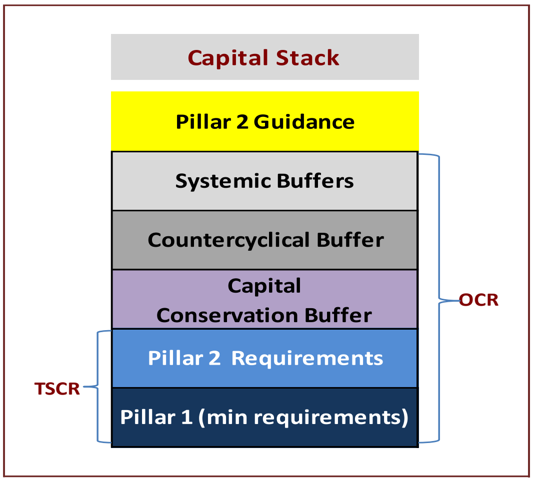
- a business model and profitability assessment;
- an internal governance and risk management assessment;
- an assessment of risks to capital on a risk-specific basis (i.e. credit risk, market risk, operational risk, interest rate risk in the banking book (IRRBB) and credit spread risk in the banking book CSRBB), of the institution's internal capital adequacy assessment process (ICAAP) and of capital adequacy; and
- an assessment of risks to liquidity and funding on a risk-specific basis (i.e. short-term funding, long-term funding and banks' internally identified risks in normal scenarios and under stressed conditions), of the banks' internal liquidity adequacy assessment process (ILAAP) and of the adequacy of liquidity.

On the basis of the ECB's assessment of the Groups' risk profile (through SREP), the following apply:

- The minimum required CET1 ratio and the minimum required Total capital adequacy ratio (Total SREP Capital Requirement or TSCR) that the Group 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 ensure it can absorb potential losses resulting from adverse scenarios.

1.13.1 Pillar 2 Requirement (P2R)

The Pillar 2 Requirement (P2R) is a bank specific capital requirement included in the TSCR, which typically 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. The P2R is determined via the SREP.



1.13.2 Requirements for excessive Leverage

Apart from the capital requirements, a bank may be subject to a Pillar 2 requirement with regard to the leverage ratio, in addition to the 3% minimum requirement, if ECB Banking Supervision determines that the bank has an elevated risk of excessive leverage. This is intended to capture contingent leverage risk originating from a bank extensively using derivatives, securities financing transactions and off-balance sheet items, as well as engaging in regulatory arbitrage and providing step-in support. Similarly, to the P2R, the leverage ratio Pillar 2 Requirement is legally binding.

Additionally, a bank may be subject to leverage ratio Pillar 2 Guidance, which is a bank-specific recommendation that indicates the level of capital a bank has to maintain in addition to their binding leverage ratio requirements.

1.14 Recovery and Resolution of Credit Institutions

The recovery and resolution framework in the EU is based on 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 in 2014. The BRRD, as in force, that was transposed into Greek law by virtue of Law 4335/2015, as in force, 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.

Considering that banking resolution needs to be exercised uniformly in the Banking Union, the Single Resolution Mechanism (SRM) and a Single Resolution Fund, (SRF) were established based on Regulation No 806/2014 (the "SRM Regulation").

The SRM Regulation built on the rulebook on bank resolution set out in the BRRD and established the SRM, which complements the SSM and centralizes key competences and resources for managing the failure of any bank in the euro area 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 has been fully operational since January 2016.

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

Under the BRRD and SRM Regulation, 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 27.82% of its total RWEAs, including a fully-loaded combined buffer requirement (CBR) of 4.25%. The final MREL target is updated by the SRB on an annual basis. The 2024 interim non-binding MREL target, applicable from January 2024, stands at 23.23% of RWEAs, including a CBR of 4.18%.

During 2023, in the context of the implementation of its medium-term strategy to meet its MREL requirements, the Bank proceeded with the issuance of two (2) MREL-eligible senior preferred bonds with a nominal value of € 500 million each. As a result, on 31 December 2023, the Bank's MREL ratio at Eurobank S.A. consolidated level stood at 24.91% (including profits for the year ended 31 December 2023), which is significantly above the 2024 non-binding MREL target of 23.23%, including a CBR of 4.18%. In terms of Leverage Ratio Exposure, the Bank's MREL ratio as of December 2023 stood at 12.75%, which is significantly above the relevant MREL target of 5.91%.

In January 2024, the Bank successfully completed an issue of € 300 million of Tier 2 instrument. The proceeds from the issue will support Eurobank Group's strategy to ensure ongoing compliance with its MREL requirement and further enhance its strong capital position.

Introduction – General Information

1.15 Implementation of Capital Adequacy framework

1.15.1 Credit risk

On 1 March 2023, the Group received approval from ECB to revert from the Internal Ratings Based (IRB) approach to the Standardized (STD) approach for all credit risk exposures. The Group's decision to move to a less sophisticated method for capital requirements calculation was based on the fact that the historical data and performance on which IRB models are calibrated is of limited representativeness taking into account the recent economic developments. The Bank continues utilizing its advanced risk management capabilities for internal purposes such as credit approvals, risk adjusted pricing, IFRS9 provisions where applicable and risk monitoring.

1.15.2 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 Incremental Risk Charge (IRC) 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 STD approach is applied.

The Bank also applies additional metrics for the measurement and monitoring of its market risk, both for its Greek and international subsidiaries' operations, including stress testing and sensitivity analysis, historical simulation and other market risk metrics (e.g., expected shortfall).

1.15.3 Interest Rate risk in the Banking Book (IRRBB) and Credit Spread risk in the Banking Book (CSRBB)

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 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 continuous 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 continuous basis, covering both Supervisory & Internal monitoring reporting needs.

In addition to the above, it is worth noting, that the Bank in response to the regulatory developments and requirements (EBA/GL/2022/14), has further enhanced its infrastructure, governance and limit structure accordingly, so as to measure and monitor its CSRBB.

1.15.4 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.

Introduction – General Information

1.15.5 Climate-related & Environmental Risks

The Group has updated its governance structure by introducing and defining roles and responsibilities in relation to climate-related & environmental risks (CR&E), embedding regulatory guidelines and market practices. The updated governance structure aims to further enhance the effective oversight of CR&E risks at management/ Board level, both for transition and physical risks. Further information is provided in section: 11. Environmental, Social and Governance (ESG) Risks.

1.16 2023 EU-wide stress test

In January 2023, EBA launched the 2023 EU-wide stress test exercise which was designed to provide valuable input for assessing the resilience of the European banking sector in the current uncertain and changing macroeconomic environment. It was carried out on the basis of year-end 2022 figures and assessed the performance of EU banks under a baseline and adverse macroeconomic scenario, covering the period of 3 years from 2023 to 2025. The baseline scenario for EU countries was based on the projections from the EU national central banks of December 2022. The adverse scenario, was used to assess the resilience of banks to a hypothetical severe scenario of a significant deterioration in the overall outlook for the economy and financial markets.

In parallel, the ECB conducted its own stress test for a number of medium sized- banks that it supervises directly and that were not included in the EBA-led stress test sample.

2023 Stress Test Results

On 28 July 2023, Eurobank Holdings Group announced that it has successfully completed the 2023 EU-wide Stress Test. The Group significantly improved its results and resilience to stress under the adverse scenario compared to the ST 2021 exercise.

Specifically, under the baseline scenario, the Fully Loaded CET1 capital adequacy ratio increases by 360bps over the 3-year stress test horizon, reaching the level of 18% at the end of 2025. Under the Adverse scenario, the Fully Loaded CET1 ratio decreases by 220bps at the end of 2025 to 12.2%.

1.17 Fit-for-55 Climate Risk Scenario Analysis

Eurobank participated in the One-off Fit-for-55 Climate Risk Scenario Analysis exercise, launched by the EBA in collaboration with the ECB and the ESRB in 2023. Following the relevant guidelines issued by the ECB and EBA, the Bank complied with the methodological requirements by timely submitting all the required templates. The exercise involved the completion of seven templates focusing on credit and market risk data, as well as extended information on climate risk (reference date for the data submitted was 31/12/2022). These templates covered data considering:

- Top 15 Counterparties per climate relevant NACE 2 Sector under Credit and Market Risk
- Aggregated data for the main climate-relevant sectors under Credit and Market Risk
- Real Estate
- Interest Income and Fee and Commission Income

The regulatory exercise aimed to assess the financial sector's resilience in alignment with the Fit-for-55 package, providing valuable insights into the financial system's capability to support the transition to a low-carbon economy, particularly under stress conditions. According to the timeline provided by the ECB, banks expect to receive an individual report on the data collection by May 2024.

1.18 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.

Introduction – General Information

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. Group. Although the Group's NPE ratio stands at 3.5% for year ended 31 December 2023, it continues to report the aforementioned information following article 4 of Regulation 680/2014. Based on this article, Group may stop reporting information subject to thresholds from the next reporting reference date where it has fallen below the relevant thresholds on three consecutive reporting reference dates.

In June 2019 the 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 CRR2 rules follow a phased implementation with significant elements entering into force in 2021.

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 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.

On 24 May 2022, EBA published an updated mapping between quantitative disclosure data points and the relevant supervisory reporting data points. The amendments mainly address issues raised by competent authorities and the industry. The updated mapping applies to the reporting framework 3.0 and the ITS on institutions' Pillar 3 public disclosures.

On 19 December 2022, the Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 was published in the Official Journal. The ITS amending the ITS laid down in Implementing Regulation (EU) 2021/637 as regards the uniform disclosure formats for the disclosure of ESG risks. This Implementing Regulation was entered into force on 8 January 2023.

On 1 March 2023, the Bank reverted to Standardised approach for credit risk exposures, following ECB approval. As the relevant disclosures are published for first time in their entirety under the Standardised approach, the data of the previous periods are not reported as the templates are not comparable.

Introduction – General Information

1.19 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.

Moreover, the Group has issued an internal approved by the BoD "Consolidated Pillar 3 Disclosures Policy" in order to ensure consistent and continuous compliance with the Pillar 3 disclosures requirements. In addition, the Group puts in place and maintains internal processes, systems and controls to verify that the disclosures are appropriate and in compliance with the aforementioned regulatory framework.

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 BoD on 25 April 2024 prior to their publication on the Group's website.

1.20 Compliance with Basel III Pillar 3 disclosures

The Group has issued an internal approved by the BoD "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 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.

The Pillar 3 governance process ensures that both the Group's Management and the Board are given sufficient opportunity to debate and challenge the disclosures before their publication, hence, to examine that these have been subject to adequate verification, and they comply with applicable regulatory framework.

1.21 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 and international best practices, 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, and (c) 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 and Corporate Governance 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 and Corporate Governance Committee aims for at least 25% representation of the less represented gender on the Board, calculated based on the total Board size. This target is set for the next three years, with the intention to maintain the actual percentage above the minimum target at all times, considering industry trends and best practices.

As of 31.12.2023, the representation of the female gender on the Board met the provisions of Greek Law, which requires at least 25% representation. If there is a fractional result, the percentage is rounded to the previous integer. This indicates that Eurobank Holdings is meeting its diversity objectives, particularly concerning gender representation on the Board.

More information concerning the Corporate Governance Arrangements is also available in the Board of Director's Report, in the 2023 Annual Financial Report https://www.eurobankholdings.gr/en/investor-relations/financial-results-pages/financial-year-2023.

1.22 Regulatory versus accounting consolidation

1.22.1 Accounting consolidation

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

Introduction – General Information

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.

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.

Introduction – General Information

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.

For further details, please refer to Consolidated Financial Statements, Note 2.2.1.

1.22.2 Regulatory consolidation

There is no difference between regulatory and accounting consolidation.

The table below presents 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

a	b	c & g	h
Name of the entity	Method of accounting consolidation	Method of prudential consolidation	Description of the entity
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
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
Piraeus Port Plaza 1 Single Member Development S.A.	Full consolidation	Full consolidation	Real estate
(Under liquidation) Anchor Hellenic Investment Holding 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 Single Member Development S.A.	Full consolidation	Full consolidation	Real estate
Piraeus Port Plaza 3 Single Member Development S.A.	Full consolidation	Full consolidation	Real estate
Tenberco Real Estate Single Member S.A.	Full consolidation	Full consolidation	Real estate
Value Touristiki Single Member Development S.A.	Full consolidation	Full consolidation	Real estate
ADEXA Real Estate Single Member S.A	Full consolidation	Full consolidation	Real estate
Eurobank Ananeosimes Single Member S.A	Full consolidation	Full consolidation	Production and distribution of solar generated electric energy
Eurobank Bulgaria A.D.	Full consolidation	Full consolidation	Banking
PB Personal Finance E.A.D.	Full consolidation	Full consolidation	Pension assurance intermediary business
Berberis Investments Ltd	Full consolidation	Full consolidation	Holding company
Eurobank Cyprus Ltd	Full consolidation	Full consolidation	Banking
Foramonio Ltd	Full consolidation	Full consolidation	Real estate
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
Zivar Investments Ltd	Full consolidation	Full consolidation	Real estate

Introduction – General Information

a	b	c-g	h
Name of the entity	Method of accounting consolidation	Method of prudential consolidation	Description of the entity
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
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
Afinopio Investments Ltd	Full consolidation	Full consolidation	Real estate
Ovedrio Holdings Ltd	Full consolidation	Full consolidation	Real estate
Primoxia Holdings Ltd	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
Seferco Development S.A.	Full consolidation	Full consolidation	Real estate
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
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
Global Finance S.A.(1)	Equity consolidation	Equity consolidation	Investment financing
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
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
Hellenic Bank Public Company Ltd(1)	Equity consolidation	Equity consolidation	Banking

(1) Hellenic Bank group (Hellenic Bank Public Company Ltd and its subsidiaries), Eurolife Insurance group (Eurolife ERB Insurance Group Holdings S.A. and its subsidiaries), Global Finance group (Global Finance S.A. and its subsidiaries) and doValue are considered as Group's associates.

(2) In November 2023, the General Meeting of the Group's joint venture Rosequeens Properties Ltd, resolved to proceed with the strike off procedure from the Cyprus registrar of companies.

(3) For further details, please refer to Consolidated Financial Statements, Note 23.1 and 24.

1.23 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 'quick fix' impact of 2023 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;
- 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 comprises long term subordinated liabilities that meet certain regulatory specified criteria. 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

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% respectively. The full impact is expected as of 1 January 2025.

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

Capital Management

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

As noted in section "1.22 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.

Table 2: EU LI1 - Differences between accounting and regulatory scopes of consolidation and the mapping of financial statement categories with regulatory risk categories

			a & b	c	d	e	f	g
			31 December 2023					
				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							
1	Cash and Balances with central banks		10,943	10,943	-	-	-	-
2	Due from credit institutions		2,354	2,315	39	-	-	-
3	Securities held for trading		379	-	-	-	379	-
4	Derivative financial instruments		881	-	881	-	881	-
5	Loans and advances to customers		41,545	32,941	9,093	8,094	-	461
6	Investment securities		14,710	13,123	1,675	1,562	-	25
7	Investments in associate and joint ventures	*a*	541	457	-	-	-	84
8	Property and equipment		773	773	-	-	-	-
9	Investment property		1,357	1,357	-	-	-	-
10	Goodwill and other intangible assets	*b*	334	105	-	-	-	229
11	Deferred tax asset		3,991	3,854	-	-	-	137
	of which deferred tax assets that rely on future profitability excluding those arising from temporary differences	*c*	-	-	-	-	-	-
	of which deferred tax credit		3,212	3,212	-	-	-	-
	of which deferred tax assets arising from temporary differences	*d*	779	642	-	-	-	137
12	Other assets		1,767	1,738	-	-	-	29
13	Assets of disposal group classified as held for sale		206	206	-	-	-	-
14	**Total assets**		**79,781**	**67,811**	**11,688**	**9,656**	**1,260**	**965**
	Liabilities							
1	Due to central banks		3,771	-	3,771	-	-	-
2	Due to credit institutions		3,078	-	2,428	-	-	650
3	Derivative financial instruments		1,450	-	1,450	-	1,450	-
4	Due to customers		57,442	-	-	-	-	57,442
5	Debt securities in issue		4,756	-	-	-	-	4,756
6	Other liabilities		1,385	28	-	-	-	1,357
7	**Total liabilities**		**71,882**	**28**	**7,649**	**-**	**1,450**	**64,205**
	of which tier 2 instruments	*e*	1,296	-	-	-	-	1,296
	Equity							
8	Ordinary share capital	*f*	818	-	-	-	-	818
9	Share premium	*g*	1,161	-	-	-	-	1,161
10	Reserves and retained earnings		5,920	-	-	-	-	5,920
	of which cash flow hedge reserves	*h*	(14)	-	-	-	-	(14)
	of which own credit risk		-	-	-	-	-	-
11	Preference shares		-	-	-	-	-	-
12	**Total equity attributable to shareholders of the Bank**		**7,899**	**-**	**-**	**-**	**-**	**7,899**
13	Preferred securities		-	-	-	-	-	-
14	Non controlling interests		-	-	-	-	-	-
15	**Total equity**	*i*	**7,899**	**-**	**-**	**-**	**-**	**7,899**
16	**Total equity and liabilities**		**79,781**	**28**	**7,649**	**-**	**1,450**	**72,104**

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		a & b	c	d	e	f	g
		31 December 2022 (2)					
			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						
1	Cash and Balances with central banks	14,994	14,994	-	-	-	-
2	Due from credit institutions	1,329	1,327	2	-	-	-
3	Financial instruments at fair value through profit or loss	134	-	-	-	134	-
4	Derivative financial instruments	1,185	-	1,185	-	1,185	-
5	Loans and advances to customers	41,677	33,583	10,591	7,550	-	495
6	Investment securities	13,261	11,724	3,297	1,537	-	-
7	Investments in associate and joint ventures	187	187	-	-	-	-
8	Property and equipment	775	775	-	-	-	-
9	Investment property	1,410	1,410	-	-	-	-
10	Intangible assets	297	104	-	-	-	193
11	Deferred tax asset	4,161	4,118	-	-	-	43
	of which deferred tax assets that rely on future profitability excluding those arising from temporary differences	-	-	-	-	-	-
	of which deferred tax credit	3,402	3,402	-	-	-	-
	of which deferred tax assets arising from temporary differences	759	716	-	-	-	43
12	Other assets	1,980	1,956	-	-	-	24
13	Assets of disposal group classified as held for sale	84	84	-	-	-	-
14	Total assets	81,474	70,262	15,075	9,087	1,319	755
	Liabilities						
1	Due to central banks	8,774	-	8,774	-	-	-
2	Due to credit institutions	1,814	-	763	-	-	1,051
3	Derivative financial instruments	1,661	-	1,017	-	1,017	644
4	Due to customers	57,239	-	200	-	-	57,039
5	Debt securities in issue	3,552	-	-	-	-	3,552
6	Other liabilities	1,702	31	-	-	-	1,671
7	Total liabilities	74,742	31	10,754	-	1,017	63,957
	of which tier 2 instruments	1,250	-	-	-	-	1,250
	Equity						
8	Ordinary share capital	816	-	-	-	-	816
9	Share premium	1,161	-	-	-	-	1,161
10	Reserves and retained earnings	4,660	-	-	-	-	4,660
	of which cash flow hedge reserves	(12)	-	-	-	-	(12)
	of which own credit risk	-	-	-	-	-	-
11	Preference shares	-	-	-	-	-	-
12	Total equity attributable to shareholders of the Bank	6,637	-	-	-	-	6,637
13	Preferred securities	-	-	-	-	-	-
14	Non controlling interests	95	-	-	-	-	95
15	Total equity	6,732	-	-	-	-	6,732
16	Total equity and liabilities	81,474	31	10,754	-	1,017	70,689

(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 comparative information has been restated due to the retrospective application of IFRS 17 by the Group's associate Eurolife FFH Insurance Group Holdings S.A. For further details, please refer to Consolidated Financial Statements, Note 2.3.*

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

Table 3: EU LI2 – Main sources of differences between regulatory exposure amounts and carrying values in financial statements

		a	b	c	d	e
		31 December 2023				
			Items subject to			
		Total	Credit risk framework	CCR framework	Securitisation framework	Market risk framework
		€ million	€ million	€ million	€ million	€ million
1	**Assets carrying value amount under the scope of regulatory consolidation (as per template EU LI1) (1)**	**78,816**	**67,811**	**11,688**	**9,656**	**1,260**
2	Liabilities carrying value amount under the regulatory scope of consolidation (as per template EU LI1) (1)	7,677	28	7,649	-	1,450
3	**Total net amount under the regulatory scope of consolidation**	**71,139**	**67,784**	**4,039**	**9,656**	**(190)**
4	Off-balance-sheet amounts	11,369	11,369	-	-	-
5	Differences in valuations	-	-	-	-	-
6	Differences due to different netting rules, other than those already included in row 2	4	4	(1,835)		1,450
7	Differences due to consideration of provisions	-	-	-	-	-
8	Differences due to the use of credit risk mitigation techniques (CRMs)	(1,346)	2,107	-	(3,453)	
9	Differences due to credit conversion factors	(8,173)	(8,173)	-		
10	Differences due to Securitisation with risk transfer	-	-	-	-	-
11	Other differences	-	-	2,112	-	-
12	**Exposure amounts considered for regulatory purposes**	**72,993**	**73,091**	**4,316**	**6,203**	**1,260**

(1) Excludes amounts subject to deduction from capital or not subject to regulatory capital requirements.

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2.4 Key Metrics

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

Table 4: EU KM1 - Key Metrics template

			a	b	c	d	e
		31 December 2023 (1)	**31 December 2023**	30 September 2023 (1)	30 June 2023 (1)	31 March 2023 (1)	31 December 2022
		€ million	**€ million**	€ million	€ million	€ million	€ million
	Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	**7,348**	6,939	7,047	6,871	6,568	6,715
2	Tier 1 capital	**7,348**	6,939	7,047	6,871	6,568	6,715
3	Total capital	**8,422**	8,012	8,169	8,020	7,785	8,026
	Risk-weighted exposure amounts						
4	Total risk exposure amount	**43,395**	43,241	44,225	43,976	43,234	41,899
	Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	**16.9%**	16.0%	15.9%	15.6%	15.2%	16.0%
6	Tier 1 ratio (%)	**16.9%**	16.0%	15.9%	15.6%	15.2%	16.0%
7	Total capital ratio (%)	**19.4%**	18.5%	18.5%	18.2%	18.0%	19.2%
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)						
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	**2.75%**	2.75%	2.75%	2.75%	2.75%	3.00%
EU 7b	of which: to be made up of CET1 capital (percentage points)	**1.55%**	1.55%	1.55%	1.55%	1.55%	1.69%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	**2.06%**	2.06%	2.06%	2.06%	2.06%	2.25%
EU 7d	Total SREP own funds requirements (%)	**10.75%**	10.75%	10.75%	10.75%	10.75%	11.00%
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)						
8	Capital conservation buffer (%)	**2.50%**	2.50%	2.50%	2.50%	2.50%	2.50%
EU 8a	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%
9	Institution specific countercyclical capital buffer (%)	**0.43%**	0.43%	0.27%	0.25%	0.20%	0.14%
EU 9a	Systemic risk buffer (%)	**0.00%**	0.00%	0.00%	0.00%	0.00%	0.00%
10	Global Systemically Important Institution buffer (%)	**0.00%**	0.00%	0.00%	0.00%	0.00%	0.00%
EU 10a	Other Systemically Important Institution buffer	**1.00%**	1.00%	1.00%	1.00%	1.00%	0.75%
11	Combined buffer requirement (%)	**3.93%**	3.93%	3.77%	3.75%	3.70%	3.39%
EU 11a	Overall capital requirements (%)	**14.68%**	14.68%	14.52%	14.50%	14.45%	14.39%
12	CET1 available after meeting the total SREP own funds requirements (%)	**8.66%**	7.78%	7.73%	7.49%	7.13%	7.78%
	Leverage ratio						
13	Leverage ratio total exposure measure	**84,402**	84,343	84,942	84,994	85,407	84,686
14	Leverage ratio	**8.7%**	8.2%	8.3%	8.1%	7.7%	7.9%
	Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)						
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	**0.00%**	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14b	of which: to be made up of CET1 capital (percentage points)	**0.00%**	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14c	Total SREP leverage ratio requirements (%)	**3.00%**	3.00%	3.00%	3.00%	3.00%	3.00%
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)						
EU 14d	Leverage ratio buffer requirement (%)	**0.00%**	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14e	Overall leverage ratio requirements (%)	**3.00%**	3.00%	3.00%	3.00%	3.00%	3.00%

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			a	b	c	d	e
		31 December 2023	**31 December 2023**	30 September 2023	30 June 2023	31 March 2023	31 December 2022
		€ million	**€ million**	€ million	€ million	€ million	€ million
	Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	**17,177**	17,177	16,850	16,074	15,118	14,012
EU 16a	Cash outflows - Total weighted value	**11,047**	11,047	10,828	10,413	9,970	9,626
EU 16b	Cash inflows - Total weighted value	**1,118**	1,118	1,071	1,049	1,071	1,118
16	Total net cash outflows (adjusted value)	**9,929**	9,929	9,757	9,364	8,899	8,508
	Liquidity coverage ratio (%) (adjusted value) (2)	**173.1%**	173.1%	172.8%	171.5%	169.7%	164.4%
17	Liquidity coverage ratio (%)	**178.6%**	178.6%	170.6%	174.0%	167.5%	172.9%
	Net Stable Funding Ratio						
18	Total available stable funding	**59,007**	59,007	60,606	60,104	58,484	59,111
19	Total required stable funding	**46,079**	46,079	46,828	46,354	46,109	46,181
20	NSFR ratio (%)	**128.1%**	128.1%	129.4%	129.7%	126.8%	128.0%

(1) Including profits € 1,140 million for year ended 31 December 2023, € 980 million for the 9M 2023, € 684 million for the 1H 2023 and € 237 million for the 1Q 2023.

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

(3) Pro-forma CET1 and Total Capital Adequacy ratios as at 31 December 2023 with the completion of Projects "Solar" and "Leon", as well as the issuance of Subordinated Tier II debt instruments in January 2024 would be 17.0% and 20.2%, respectively.

(4) The adoption of IFRS 17 'Insurance Contracts' has no impact on CET1 and total capital.

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 basis as at 31 December 2023 and 30 June 2023. 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".

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The table below shows the composition of the Group's regulatory capital as at 31 December and 30 September 2023 which is calculated according to CRD IV as amended.

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

	c	a & b		
	Ref.	**31 December 2023 [1]** € million	**31 December 2023** € million	30 September 2023 [1] € million
Total equity	*i*	7,899	7,899	7,643
Regulatory adjustments				
Interim or year-end profit not eligible [2]		-	(350)	-
Minority interest not allowed in CET1		-	-	(29)
Cash flow hedge reserves	*h*	14	14	15
Adjustments due to IFRS 9 transitional arrangements		-	-	-
Temporary treatment of unrealised losses measured at FVTOCI in accordance with Article 468 of the CRR		-	-	-
Intangible assets	*b*	(229)	(229)	(236)
of which Goodwill		(44)	(44)	(44)
IRB shortfall of credit risk adjustments to expected losses		-	-	-
Deferred tax assets that rely on future profitability (unused tax losses)	*c*	-	-	-
Deferred tax assets arising from temporary differences (amount above 10% threshold)	*a & d*	-	(22)	(35)
Prudent Valuation Adjustments [3]		(6)	(6)	(5)
Other regulatory adjustments		(169)	(169)	(141)
Amount exceeding the 17.65% threshold	*a & d*	(161)	(198)	(165)
Common Equity Tier I capital		**7,348**	**6,939**	7,047
Regulatory adjustments		-	-	-
Total Tier I capital		**7,348**	**6,939**	7,047
Tier II capital - subordinated debt	*e*	1,074	1,074	1,122
Total Regulatory Capital		**8,422**	**8,012**	8,169
Risk Weighted Assets		**43,395**	**43,241**	44,225
Ratios				
Common Equity Tier I		**16.9%**	**16.0%**	15.9%
Tier I		**16.9%**	**16.0%**	15.9%
Total Capital Adequacy Ratio		**19.4%**	**18.5%**	18.5%

[1] Including profits € 1,140 million for year ended 31 December 2023 and € 980 million for the 9M 2023.
[2] Excludes year ended 31 December 2023 maximum dividend according to the dividend policy, approved by the BoD, based on requirements of Decision ECB/2015/6561 for permission of profits inclusion in regulatory capital.
[3] The Additional Value Adjustments (AVA) calculation is based on the simplified approach according to Commission Delegated Regulation (EU) No 101/2016. The total AVAs are deducted from CET1 capital, in accordance with Article 34 of the CRR.
[4] CET1 ratio was increased mainly due to the quarterly profitability, along with the mark up of investment securities at FVOCI, the disposal of Eurobank Direktna a.d. and the Wave IV securitization partly offset by the increase of RWEAs from the new production of loans, loan commitments, Letters of Guarantee, investment securities and Operational Risk.
[5] The pro-forma CET1 and Total Capital Adequacy ratios as at 31 December 2023 with the completion of Projects "Solar" and "Leon", as well as the issuance of Subordinated Tier II debt instruments in January 2024 would be 17.0% and 20.2%, respectively.
[6] The adoption of IFRS 17 'Insurance Contracts' has no impact on CET1 and total capital.

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

As at 31 December 2023, pursuant to the Law 4172/2013, as in force, the Bank's eligible Deferred Tax Assets/Deferred Tax Credits (DTCs) against the Greek State amounted to € 3,212 million (30 September 2023 € 3,260 million). DTCs are accounted for on: (a) the unamortised losses from the Private Sector Involvement and the Greek State Debt Buyback Program, which are subject to amortization over a thirty-year period and (b) on the sum of (i) the unamortised part of the DTC eligible crystallized tax losses arising from write-offs and disposals of loans, which are subject to amortization over a twenty-year period, (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. 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.

For further details, please refer to Interim 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 and temporary measures capital impact

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 which is applicable for 2023 and for 2024 is 50% and 25% respectively. The full impact is expected as of 1 January 2025.

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

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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

			a	b	c	d	e
		31 December 2023 [(1)]	**31 December 2023**	30 September 2023 [(1)]	30 June 2023 [(1)]	31 March 2023 [(1)]	31 December 2022
	Available capital	**€ million**	**€ million**	€ million	€ million	€ million	€ million
1	CET1 capital	**7,348**	6,939	7,047	6,871	6,568	6,715
2	CET1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**7,348**	6,939	7,047	6,871	6,568	6,495
2a	CET1 capital as if the temporary treatment of unrealised gains and losses measured at fair value through OCI (other comprehensive income) in accordance with Article 468 of the CRR had not been applied						6,606
	Fully Loaded CET1 capital	**7,348**	6,936	7,043	6,866	6,562	6,362
3	Tier 1 capital	**7,348**	6,939	7,047	6,871	6,568	6,715
4	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**7,348**	6,939	7,047	6,871	6,568	6,495
4a	Tier 1 capital as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied						6,606
	Fully Loaded Tier 1 capital	**7,348**	6,936	7,043	6,866	6,562	6,362
5	Total capital	**8,422**	8,012	8,169	8,020	7,785	8,026
6	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**8,422**	8,012	8,169	8,020	7,785	7,835
6a	Total capital as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied						7,917
	Fully Loaded Total capital	**8,422**	8,010	8,165	8,014	7,779	7,702
	Risk weighted assets						
7	Total risk-weighted assets	**43,395**	43,241	44,225	43,976	43,234	41,899
8	Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**43,395**	43,241	44,225	43,976	43,234	41,899
	Fully Loaded Total risk-weighted assets	**43,395**	43,241	44,225	43,976	43,234	41,801
	Capital ratios						
9	CET1 (as a percentage of risk exposure amount)	**16.9%**	16.0%	15.9%	15.6%	15.2%	16.0%
10	CET1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**16.9%**	16.0%	15.9%	15.6%	15.2%	15.5%
10a	CET1 (as a percentage of risk exposure amount) as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied						15.8%
	Fully Loaded CET1 (as a percentage of risk exposure amount)	**16.9%**	16.0%	15.9%	15.6%	15.2%	15.2%
11	Tier 1 (as a percentage of risk exposure amount)	**16.9%**	16.0%	15.9%	15.6%	15.2%	16.0%
12	Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**16.9%**	16.0%	15.9%	15.6%	15.2%	15.5%
12a	Tier 1 (as a percentage of risk exposure amount) as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied						15.8%
	Fully Loaded Tier 1 (as a percentage of risk exposure amount)	**16.9%**	16.0%	15.9%	15.6%	15.2%	15.2%
13	Total capital (as a percentage of risk exposure amount)	**19.4%**	18.5%	18.5%	18.2%	18.0%	19.2%
14	Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**19.4%**	18.5%	18.5%	18.2%	18.0%	18.7%
14a	Total capital (as a percentage of risk exposure amount) as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied						18.9%
	Fully Loaded Total capital (as a percentage of risk exposure amount)	**19.4%**	18.5%	18.5%	18.1%	17.7%	18.4%

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			a	b	c	d	e
		31 December 2023 [(1)]	**31 December 2023**	30 September 2023 [(1)]	30 June 2023 [(1)]	31 March 2023 [(1)]	31 December 2022
		€ million	**€ million**	€ million	€ million	€ million	€ million
	Leverage ratio						
15	Leverage ratio total exposure measure	**84,402**	84,343	84,942	84,994	85,407	84,686
16	Leverage ratio	**8.7%**	8.2%	8.3%	8.1%	7.7%	7.9%
17	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**8.7%**	8.2%	8.3%	8.1%	7.7%	7.7%
17a	Leverage ratio as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied						7.8%
	Fully Loaded Leverage ratio	**8.7%**	8.2%	8.3%	8.1%	7.7%	7.5%

[(1)] Including profits € 1,140 million for year ended 31 December 2023 and € 980 million for the 9M 2023, € 684 million for the 1H 2023 and € 237 million for the 1Q 2023.
[(2)] Pro-forma CET1 and Total Capital Adequacy ratios as at 31 December 2023 with the completion of Projects "Solar" and "Leon", as well as the issuance of Subordinated Tier II debt instruments in January 2024 would be 17.0% and 20.2%, respectively.
[(3)] The adoption of IFRS 17 'Insurance Contracts' has no impact on CET1 and total capital.

2.7 Countercyclical buffer

The 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 table below presents 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

		a	b	c	d	e	f	g	h	i	j	k	l	m
		31 December 2023												
		General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures [(4)]		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	(%)	(%)
010	**Breakdown by country:**													
	Greece	30,212	-	7	-	5	30,224	1,644	-	-	1,644	20,550	66%	0.00%
	Romania	129	-	-	-	-	129	7	-	-	7	88	0.3%	1.00%
	Bulgaria	6,777	-	1	-	-	6,778	364	-	-	364	4,550	15%	2.00%
	United Kingdom	654	-	-	-	104	758	43	-	2	45	563	2%	2.00%
	Cyprus	1,921	-	-	-	64	1,985	150	-	6	156	1,950	6%	0.50%
	Luxemburg	231	-	-	-	285	516	18	-	3	21	263	1%	0.50%
	Serbia [(2)]	45	-	-	-	-	45	3	-	-	3	38	0.1%	0.00%
	Other Countries [(3)]	1,607	-	-	-	9,593	11,200	95	-	154	249	3,113	10%	0.68%
020	**Total**	**41,576**	**-**	**8**	**-**	**10,051**	**51,635**	**2,324**	**-**	**165**	**2,489**	**31,115**	**100%**	**0.43%**

[(1)] The tables above exclude exposures on Central governments or Central banks, Regional governments or local authorities, Public sector entities, Multilateral development banks, International organisations and Institutions asset classes.
[(2)] Serbia's exposures decrease due to the disposal of Eurobank Direktna a.d..
[(3)] The Countercyclical capital rate in Other Countries includes the increase of Ireland buffer from 0.50% to 1.0%.
[(4)] Securitisation exposures increase in other countries mainly due to Wave IV securitization.

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		a	b	c	d	e	f	g	h	i	j	k	l	m
		30 June 2023												
		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	(%)	(%)
010	Breakdown by country:													
	Greece	30,305	-	6	-	5	30,316	1,677	-	1	1,678	20,975	66%	0.00%
	Romania	153	-	-	-	-	153	8	-	-	8	100	0.3%	0.50%
	Bulgaria	6,602	-	1	-	-	6,603	329	-	-	329	4,113	13%	1.50%
	United Kingdom	537	-	-	-	100	637	36	-	2	38	475	1%	1.00%
	Cyprus	1,748	-	-	-	71	1,819	133	-	7	140	1,750	5%	0.00%
	Luxemburg	194	-	-	-	420	614	15	-	3	18	225	1%	0.50%
	Serbia	1,839	-	-	-	-	1,839	115	-	-	115	1,438	4%	0.00%
	Other Countries	1,542	-	-	-	8,573	10,115	92	-	143	235	2,938	9%	0.41%
020	Total	42,920	-	7	-	9,169	52,096	2,405	-	156	2,561	32,014	100%	0.25%

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

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

		a	a
		31 December 2023	**30 June 2023**
1	Total risk exposure amount (€ million)	43,241	43,866
2	Institution specific countercyclical capital buffer rate	0.43%	0.25%
3	Institution specific countercyclical capital buffer requirement (€ million)	186	110

(1) The specific countercyclical capital buffer rate increases mainly due to Ireland buffer from 0.50% to 1%.

2.8 Supervisory Review and Evaluation Process (SREP) capital requirements

Following the 2022 SREP decision communicated by the ECB, in 4Q 2023 Eurobank Holdings was required to meet on a consolidated basis a CET1 ratio of at least 9.98% and a Total Capital Adequacy Ratio of at least 14.68% (Overall Capital Requirements (OCR) including the Capital Conservation Buffer (CCB) of 2.50%, the Other Systemically Important Institution buffer of 1.00% and the applicable Countercyclical Capital Buffer of 0.43% for the fourth quarter of 2023 stemming mainly from the exposures in Bulgaria, Cyprus and Luxemburg).

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The table below shows the capital requirements of the Group for 31 December 2023.

Table 9: Pillar 2 Requirements

	31 December 2023	
	CET1 Capital Requirements	Total Capital Requirements
Minimum regulatory requirement	4.50%	8.00%
Pillar 2 Requirement (P2R)	1.55%	2.75%
Total SREP Capital Requirement (TSCR)	**6.05%**	**10.75%**
Combined Buffer Requirement (CBR)		
Capital conservation buffer (CCB)	2.50%	2.50%
Countercyclical capital buffer (CCyB)	0.43%	0.43%
Other systemic institutions buffer (O-SII)	1.00%	1.00%
Overall Capital Requirement (OCR)	**9.98%**	**14.68%**
AT1 and Tier 2 capital shortfall	2.22%	0.00%
Overall Capital Requirement (OCR), including shortfall	**12.20%**	**14.68%**

The above CET1 capital requirement of 12.20% takes into account that the Group had no AT1 capital, while the Tier 2 capital stood at 2.48% as at 31 December 2023, compared to the portion of 2.02% for AT1 and 2.69% for Tier 2 capital allowed by the legislation to cover part of Total SREP Capital Requirement (TSCR). Assuming that the Group had fully utilized the AT1 and Tier 2 capital capacity as at 31 December 2023, the CET1 requirement would stand at 9.98%.

At consolidated level, the Pillar 2 Requirement was set at 2.75% for 2023 and part of that (1.55%) 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 additional own funds required on a consolidated basis to be met with CET1 capital was € 673 million (based on RWEAs of € 43,395 million).

As at 31 December 2023, Eurobank's transitional CET1 ratio and Total Capital ratio, including 12M 2023 profit € 1,140 million, were 16.9% and 19.4% respectively, which exceeded the 2023 minimum requirements of 9.98% and 14.68%.

From 1 January 2024, the O-SII buffer for the Group increased to 1.25% (from 1.00% in 2023), in accordance with the Executive Committee Act 221/1/17.10.2023 of the Bank of Greece, following a change in the methodology applied for the determination of the O-SII buffer rate. The countercyclical capital buffer is updated on a quarterly basis in accordance with the countercyclical capital buffer rates applicable in each country to which the Group has exposures.

Capital Management

2.9 Capital requirements under Pillar 1

The table below shows the Group's RWEAs and capital requirements as at 31 December and 30 September 2023. The minimum capital requirements under Pillar 1 are calculated as 8% of RWEAs.

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

		a		b		c
		Risk weighted exposure amounts (RWEAs)				Total own funds requirements
		31 December 2023 (1)	**31 December 2023**	30 September 2023 (1)	30 September 2023	**31 December 2023**
		€ million	**€ million**	€ million	€ million	**€ million**
1	**Credit risk (excluding CCR)**	**33,556**	**33,556**	34,956	34,956	**2,684**
2	Of which the standardised approach (2)	33,556	33,556	34,956	34,956	2,684
3	Of which the foundation IRB (FIRB) approach	-	-	-	-	-
4	Of which: slotting approach	-	-	-	-	-
EU 4a	Of which: equities under the simple riskweighted approach	-	-	-	-	-
5	Of which the advanced IRB (AIRB) approach	-	-	-	-	-
6	**Counterparty credit risk - CCR**	**625**	**625**	529	529	**50**
7	Of which the standardised approach	230	230	190	190	18
8	Of which internal model method (IMM)	-	-	-	-	-
EU 8a	Of which exposures to a CCP	12	12	6	6	1
EU 8b	Of which credit valuation adjustment - CVA	184	184	156	156	15
9	Of which other CCR	199	199	177	177	16
15	**Settlement risk**	-	-	-	-	-
16	**Securitisation exposures in the non-trading-book (after the cap)**	**2,059**	**2,059**	1,956	1,956	**165**
17	Of which SEC-IRBA approach	-	-	-	-	-
18	Of which SEC-ERBA (including IAA)	309	309	316	316	25
19	Of which SEC-SA approach	1,750	1,750	1,640	1,640	140
EU 19a	Of which 1250%/ deduction	-	-	-	-	-
20	**Position, foreign exchange and commodities risks (Market risk)**	**615**	**615**	810	810	**49**
21	Of which the standardised approach (3)	110	110	184	184	9
22	Of which IMA (4)	505	505	626	626	40
EU 22a	Large exposures	-	-	-	-	-
23	**Operational risk**	**3,746**	**3,746**	3,323	3,323	**300**
EU 23a	Of which basic indicator approach	-	-	-	-	-
EU 23b	Of which standardised approach	3,746	3,746	3,323	3,323	300
EU 23c	Of which advanced measurement approach	-	-	-	-	-
24	**Amounts below the thresholds for deduction (subject to 250% risk weight)**	**2,794**	**2,640**	2,651	2,485	**211**
29	**Total**	**43,395**	**43,241**	44,225	44,059	**3,459**

(1) Including profits € 1,140 million for year ended 31 December 2023 and € 980 million for the 9M 2023.

(2) The decrease of the credit risk RWEAs compared to 30 September 2023 is mainly due to the disposal of Eurobank Direktna a.d. and the Wave IV securitization, partially offset by the increase of RWEAs from the new production of loans, loan commitments, Letters of Guarantee, investment securities and Operational Risk.

(3) The decrease of Market Risk RWEAs under SA is mainly due to the transfer of the "ERB New Europe Holding B.V." assets to "Eurobank S.A.", following the Bank's decision for its liquidation.

(4) The decrease of Market Risk RWEAs under IMA, is mainly attributed to the elimination of RSD FX position from the Bank's Trading Book, due to the disposal of "Eurobank Direktna a.d.", the reduction of trading activity in bond securities, mostly affecting IRC.

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

		a	b	a	b
		31 December 2023		31 December 2022	
		Exposure value	Risk-weighted exposure amount	Exposure value	Risk-weighted exposure amount
		€ million	€ million	€ million	€ million
1	Own fund instruments held in insurance or re-insurance undertakings or insurance holding company not deducted from own funds	135	338	112	280

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 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, adjusting where appropriate. Compared to regulatory capital requirements, "the internally estimated capital requirement" 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.

Capital Management

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 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 profitability 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 in a manner that enables the Group to identify and deal with the risks associated with those changes. The structure, internal procedures and existing control mechanisms ensure both the independence principle and the exercise of sufficient supervision.

The 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 the best international banking practices. The Group implements a well-structured credit approval process, independent credit reviews and effective risk management policies for all material risks it is exposed, 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.

Issues relating to risk management are discussed, assessed and approved at the level of senior management (Management Risk Committee) and management body (Board Risk Committee).

The Board Risk Committee (BRC) is a committee of the BoD and its task is to assist the BoD in the risk-related issues regarding the Holding and its subsidiaries (the Group), including:

- to advise and support the BoD regarding the monitoring of the Group's overall actual and future risk appetite and strategy, taking into account all types of risks to ensure that they are in line with the business strategy, objectives, corporate culture and values of the Group;
- to assist the BoD in overseeing the implementation of the Group's risk strategy and the corresponding limits set;
- to oversee the implementation of the strategies for capital and liquidity management as well as for all other relevant risks of the Group;
- to ensure that the Group has developed an appropriate risk management framework which is embedded in the decision making process throughout the Group; and
- to define the Group risk management principles and ensure that there are the appropriate methodologies, data sources and sufficient and competent staff to identify, assess, monitor and mitigate risks.

The BRC consists of four (4) independent non-executive directors and one (1) non-executive director. During 2023 the BRC of Eurobank Holdings met eleven (11) times.

The Management Risk Committee (MRC) is a management committee established by the CEO whose main responsibility is to oversee the risk management framework of the Group. As part of its responsibilities, the MRC facilitates reporting to the BRC on the range of risk-related topics under its purview. The MRC supports the Group Chief Risk Officer and 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 risk and to comply with regulatory requirements.

The Group Risk Management , which is headed by the Group Chief Risk Officer (GCRO), is independent from the business units and has full responsibility to identify, assess, monitor, measure, manage and report all material financial and non-financial risks undertaken by the Group, including credit risk, market risk, liquidity risk, interest rate risk in the banking book (IRRBB) and credit spread risk in the banking book (CSRBB), operational risk, climate-related and environmental (CR&E) risks, reputational risk, other non-financial risks, as well as risks stemming from strategic projects. It comprises the Group Credit (GC), the Group Credit Control (GCC), the Group Credit Risk Capital Adequacy Control (GCRCAC), the Group Market & Counterparty Risk (GMCR), the Group Operational and Non-Financial Risks (GONFR), the Group Model Validation & Governance (GMVG), the Supervisory Relations & Resolution Planning (SRRP), the Group Risk Management Strategy Planning and Operations (GRMSPO), the Group Climate Risk (GCR) and the Risk Analytics (RA). In addition, the Group Risk Management is responsible for the establishment of the necessary policies, methodologies and tools, in order to effectively monitor risk levels within the Group.

3.2 Risk appetite framework

The maximum level of risk which the Group is willing to assume in the pursuit of its strategic and business objectives is articulated via a set of quantitative and qualitative statements for all material risks 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 and liquidity 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 Profile - is defined as a point-in time assessment of the Group's net exposures to risks, monitored through qualitative and quantitative Key Performance Indicators (KPIs) and Key Risks Indicators (KRIs) based on the Group's business activities and needs. The Indicators are frequently updated, monitored and reported resulting to the effective identification of risks, as well as their prompt management and remediation by the Group;
- Risk Appetite – this reflects the maximum level of risk that the Group is willing to assume (seek, accept or tolerate) under business-as-usual conditions in order to achieve its strategic and business objectives;
- Risk Capacity – this reflects the maximum amount of risk the Group can assume given its current level of resources before breaching any regulatory, operating, capital base, or liquidity constraints and other.

Early Warning threshold – are set at levels prior to reaching Risk Appetite threshold Levels in order to avoid breach and to ensure sufficient time to respond with mitigating actions. 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);
- Credit Spread Risk in the Banking Book (CSRBB);
- Liquidity risk;
- Non-Financial risks (e.g operational risk, reputational risk);
- Earnings risk;
- Country risk;
- Business and strategic risk;
- Real Estate risk;
- Climate risk.

The Risk Appetite Framework is appropriately documented and revisited at least on an annual basis. The BOD and 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 BoD and 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 (including IRRBB and CSRBB), counterparty and liquidity risk;
- Operational and other non-financial risks;
- Climate/ ESG risks.

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 units, which cover the following areas:

- Credit risk;
- Market (including IRRBB and CSRBB), Counterparty and Liquidity risk;
- Operational and other non-financial risks;
- Climate/ ESG risks.

Risk Management Overview

Group Chief Risk Officer (GCRO)

Credit Risk

- Standardised Approach for the Group's capital adequacy ratios in the area of credit risk;
- Independent and centralised approval system;
- Systematic follow up of credits;
- Differentiated credit scoring system for mortgage, consumer and small business banking, full financial and sectorial analysis for corporates based on independent credit rating;
- Risk parameters i.e. PD, LGD, EAD are widely used in setting up risk appetite limits and in the pricing of loans;
- 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 and Credit Spread Risk in the Banking Book are closely monitored
- Regulatory framework for Counterparty Credit Risk (SA-CCR);
- New regulatory framework for Market Risk (FRTB (Fundamental Review of the Trading Book) SA).

Operational Risk

- Standardised Approach for Eurobank's consolidated operations;
- Documented and functioning operational and non-financial risks management framework & risk management platform implemented Group-wide;
- Risk & Control Self Assessment program (RCSA);
- Operational risk events collection;
- Key Risk Indicator (KRI) set-up & monitoring of risk appetite;
- 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 groupwide;
- Fostering a strong operational risk culture within the Group by increasing risk awareness;
- Managing Eurobank's insurance policies.

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 is also related with country risk and settlement risk specified below:

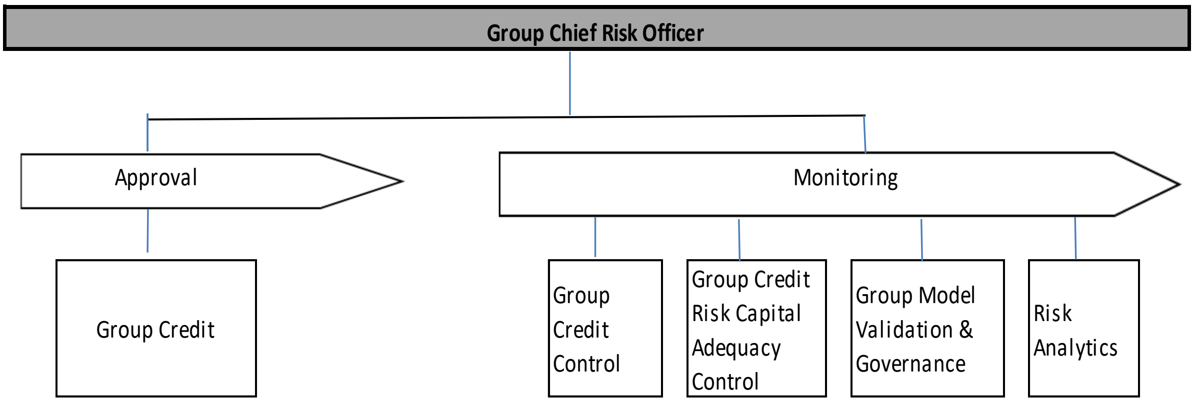
a) Country risk is the risk of losses arising from cross-border lending and investment activities and refers to the uncertainty associated with exposure in a particular country. This uncertainty may relate to a number of factors including the risk of losses following nationalization, expropriation and debt restructuring and foreign exchange rates' movement.

b) 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 monitored by specialised risk units, reporting to the GCRO.

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 unit are described below.

The organization of the credit risk units of the Group's subsidiary banks in International operations (Bulgaria, 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.

Credit Committees

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 Committees (Central and Local) authorised to approve new financing, renewals or amendments mainly for domestic groups in the existing credit limits, in accordance with their credit approval authority, 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, 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 (GC)

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

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

Corporate Credit

(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, M&A Financing) 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 when required according to internal procedures, 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 facility); 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 units;
   - Preparation of specialised reports to 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.

(b) International Subsidiaries' portfolio: The GC through its specialized International Corporate Credit (ICC) 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, 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 Credit Committees (Regional and Special Handling) and Country Risk Committees (CRCs);
- Participation in the sessions of Special Handling Monitoring Committees for Bulgaria which monitor and decide on the strategy of problematic corporate relationships with loan outstanding exceeding a certain threshold, that is jointly set by ICC and Country TAG;
- Advice on best practices to the Credit Risk Units of International Subsidiaries.

GC 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

The scope of the Retail Credit Risk is the assessment of credit applications submitted by Retail Business Units in relation to Borrowers of the retail credit portfolio (SBB loans and Individual banking).

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

- Assess credit requests in alignment with the credit risk assessment criteria and methodology provided in the relevant Credit Policy Manual;
- Analyse and evaluate risk factors depending on the type of credit request;
- Prepare an independent Credit Opinion when required according to internal procedures, ensuring that the risks identified are dully reflected in the Rating;
- Participate with voting rights in the credit committees as per the credit approval process, according to the Approval Levels defined in the CPM;
- 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 units.

4.2.3 Credit risk monitoring

Group Credit Control

The Group Credit Control (GCC) monitors and assesses the quality of the Group's loan portfolio, operates independently from all the business units of the Bank and reports directly to the GCRO.

The main activities of GCCS are:

- supervise, support and maintain the credit rating and impairment systems used to assess the wholesale lending customers;
- monitor and review the performance of all of the Group's loan portfolios;
- supervise and control the foreign subsidiaries' credit risk management units;
- monitor on a regular basis and report on a quarterly basis to the BoD and the BRC of risk exposures, along with accompanying analyses;
- monitor and evaluate the efficiency of adopted strategies and proposed solutions in terms of dealing with Non Performing Exposures (NPEs) and the achievement of targets for NPEs reduction, as communicated and agreed with the Supervisory Authorities;

- conduct field reviews and prepare written reports to the Management on the quality of all of the Group's loan portfolios and adherence with EBA prevailing regulations;
- monitor the proper EBA classifications in accordance with the relevant provisions and guidelines;
- participate in the approval of new credit policies and new loan products;
- participate in the Troubled Asset Committee;
- attend meetings of Credit Committees and Special Handling Committees, without voting right;
- formulate the Group's credit impairment policy and measure the provisions of the Greek loan portfolios along with the relevant reporting to Management;
- regularly review the adequacy of provisions of all of the Group's loan portfolios;
- formulate, in collaboration with the responsible lending Units the credit policy manuals for performing borrowers;
- provide guidance and monitor the process of designing and reviewing credit policies before approved by Management;
- Through field / thematic reviews on a sample basis monitor the proper application of Real Estate collaterals' valuation, as per the Banks' Collateral Valuation policy and procedures; and
- monitor the supervisory, regulatory developments, emerging trends and best practices within its purview in order to keep Management abreast and propose required actions.

Group Credit Risk Capital Adequacy Control

The main responsibilities of the Group Credit Risk Capital Adequacy Control (GCRCAC) are to control, measure and monitor the capital requirements arising from the Group's loan portfolios and securitized exposures along with the relevant reporting to Management and Regulators (ECB/SSM); to develop and maintain the credit risk models (IFRS9 and stress test) for the Bank's loan portfolios (Corporate and Retail); to measure the credit risk parameters (PD, LGD, EAD as applicable) for the loan portfolios; and to conduct the stress testing exercises (EBA stress testing, Climate stress testing, Reverse stress testing,) at Group level. In addition, the GCRCAC is responsible for forecasting impairments and RWEAs for the Group's loan portfolios in the context of the 3-yr business plan and ICAAP as well as to prepare Pillar II assessment for Credit risk, Foreign exchange risk, Concentration risk and securitization risk. The Unit reports directly to GCRO.

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

- 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 under Pillar II, 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;
- Monthly capital adequacy calculations (Pillar I) and preparation of relevant management, as well as, regulatory reports (COREPs, STE reports) on a quarterly basis for the Bank as well as for the Greek and Foreign subsidiaries;
- In co-operation with the Remedial Strategy performing the ongoing monitoring of SRT for securitization positions and provide the relevant regulatory reports to the Competent Authorities;
- 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;
- Forecasting of impairments and RWEAs in the context of the three-year Business plan, the NPE targets Plan and the Recovery plan of the Group in relation to asset quality and capital requirements for the loan book;

Credit Risk

- 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 remedial strategy related projects in terms of development of the “loss budget”, risk assessment/impact of various programmes and new products, sensitivity scenarios;
- Preparing in-depth analysis regarding the credit quality of new disbursements according to the risk appetite limits and the sustainability of forbearance measures;
- Monitoring of the regulatory framework in relation to the STD approach performing impact assessment (e.g. Quantitative Impact Studies - QIS), 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; and
- Regular reporting to the GCRO, to the Management Risk Committee and to the BRC 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

The Group Model Validation and Governance has as key mandates the establishment 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; this includes both model parameters and model compliance with the provisions of the regulatory framework.

In more detail, the tasks of the Unit 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.
- Support and advise Group subsidiaries in the implementation of the Group Models Framework.
- Prepare and update the Group Models Validation Framework.
- Design and update the methodologies and procedures used for model validation tests, as defined in the Models Validation Framework.
- Prepare annual models’ validation/revalidation plan.
- Propose and escalate for approval the quantitative thresholds, in order to assess the results of the validation tests.
- Conduct model validation tests in alignment with the Group Model Validation Framework and regulatory requirements.
- Prepare detailed reports with the model valuation results according to the specific requirements of the model validated, if any.
- Support and advise Group subsidiaries with regards to the preparation and implementation of their model validation framework.
- Disseminate models’ validation results within the Group, 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 sign-off of new models for assessing ratings’ system accuracy and suitability.
- Monitor industry practices on the development and use of models as well as related ECB guidelines and restrictions.
- Monitor changes in ECB guidelines on models’ validation.
- Monitor model-risk related KRIs and report to senior management on the overall model landscape of the Group.

Credit Risk

The change to standardized approach for credit risk as of 1/1/2023 has not affected the Bank's independent model validation activities. The core of prudential credit ("ex-IRB") models is validated as part of the annual ongoing validation cycle; relevant results have been presented to senior management and communicated to the supervisor.

Risk Analytics

The scope of the Risk Analytics (RA) 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 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 RA 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 ad hoc analytics and bespoke models;
- Develop and maintain the Bank's Early Warning System (EWS) for the respective segments (Corporate, SME/SB and Retail); and
- Develop and maintain the Bank's Cash Flow engine based on bank account transactional data and advanced analytics modelling.

4.2.4 Remedial Management

The Group, 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, efficient servicing of the assigned portfolios and relevant compliance with the SSM targets.

The Oversight Mechanism is consisted of the Strategic Alignment Group ('SAG') and the Portfolio Review Working Group ('PRWG'), aiming at:

- Achieving strategic alignment against targets and service levels;
- Resolving any potential issue related to the servicing of the Reference Portfolio; and
- Ensuring effective liaison and coordination between the two entities.

These bodies make non-credit decisions and all final decisions remain subject to the internal approval/ decision process of each entity.

The Troubled Assets Committee (TAC) is established according to the regulatory provisions and its main purpose is to act as an independent body, closely monitoring the Bank's troubled assets portfolio and the execution of its NPE Management Strategy.

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; and
- Supervise and provide guidance and know-how to the respective troubled assets units of the Bank's subsidiaries abroad.

Remedial Servicing Strategy (RSS)

ERB, established RSS with the mandate to inter alia 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; and
- Maintain supervisory dialogue.

4.2.5 Recent developments

Greece exited the Enhanced Surveillance (ES) regime in August 2022, following the successful completion of the fourteenth quarterly review (May 2022). The monitoring of Greece's economic, fiscal, and financial situation continues in the context of the post-program surveillance (PPS), a common procedure for all the Euro Area (EA) member states that experienced or threatened with serious difficulties with respect to their financial stability and the European Semester, a procedure common for all EA members. According to the Autumn 2023 PPS report for Greece (December 2023) the implementation of the set of structural reforms was in line with the commitments agreed between the European institutions and Greece in the 14th ES review. The report highlighted the need for the continuation of efforts aimed at reducing non-performing loans and structural reforms improving the public asset management.

The Hellenic Statistical Authority (ELSTAT) reported that Greece's real GDP growth rate in 2023 was at 2.0%, from 5.6%, 8.4%, -9.3%, and 1.9% in 2022, 2021, 2020, and 2019 respectively, marking a return to a slower growth trajectory post-pandemic surge. The European Commission's (EC) 2024 winter forecast projected growth of 2.2% for 2023, despite the adverse impacts of the energy crisis triggered by the ongoing conflict in Ukraine, with subsequent years 2024 and 2025 expected to see a consistent growth rate of 2.3%. Contrarily, the 2024 State Budget anticipated growth rates of 2.4% and 2.9% for 2023 and 2024 respectively. Eurostat's data show EA's growth rate at 0.4% for 2023; Greece's performance for the said year being 4.7 times greater than the EA's.

Key drivers for 2024's growth include the National Recovery and Resilience Plan (NRRP) "Greece 2.0" and the Multiannual Financial Framework (MFF 2021–2027). Under the EC's Next Generation EU framework, a € 750 billion recovery package was approved on 21/7/2020, allocating approximately € 36.0 billion to Greece (€ 17.7 billion in grants and €18.3 billion in loans) until 2026 for the NRRP, alongside roughly € 40 billion through the MFF 2021-27, with nearly € 25 billion earmarked for investments under the new Partnership Agreement for the Development Framework (ESPA 2021–2027). As of late

Credit Risk

March 2024, Greece has received nearly € 14.7 billion from the Recovery and Resilience Facility (RRF), including pre-financing and regular payments post-successful milestone implementations, and the NRRP is poised to leverage an additional € 30 billion in private investments.

According to the EC's 2023 autumn economic forecasts (November 2023), the unemployment rate was estimated at 11.4% for 2023 and expected at 10.7% and 9.9% for 2024 and 2025 respectively. According to the 2024 State Budget, the unemployment rate in 2023 and 2024 was expected at 11.2% and 10.6% respectively. According to ELSTAT the unemployment rate stood at 10.4% in December 2023 on an annual basis from 11.9% in December 2022. The 12-month average for 2023 was at 11.0% while the respective 2022 12--month average was at 12.4%.

According to the EC's 2024 winter forecasts, the annual inflation rate in Greece (measured using the Harmonized Index of Consumer Prices (HICP)) was estimated at 4.2% for 2023, from 9.2% in 2022 and 0.6% in 2021, and expected at 2.7% and 2.0% for 2024 and 2025. In most recent data, according to ELSTAT, the HICP was at 2.9% in February 2024, from 6.1% in January 2023. This improvement can be attributed to slower compared to Feb-23 annual increases in various categories, listed in descending order of their impact: (i) Food and non-alcoholic beverages at 6.7%, (ii) Hotels, cafes, and restaurants at 5.4% (iii) Education and Health, each at 3.5%, (v) Recreation and culture at 3.2%, (vi) Alcoholic beverages and tobacco and Household equipment each at 1.6%, (vii) Clothing and footwear at 1.4.%, (viii) Miscellaneous goods and services at 1.1%, and (ix) Transport at 0.8%. The HICP rate for the EA in the EC winter forecasts was estimated at 5.6% for 2023 from 8.4% in 2022 and is expected at 3.2% and 2.2% in 2024 and 2025. According to the ECB's most recent monetary policy statement (March 2024), the EA inflation is expected at 2.3% in 2024, at 2.0% in 2025 and at 1.9% in 2026, as labour costs moderate and the effects of past energy shocks, supply bottlenecks and the reopening of the economy after the pandemic fade.

On the fiscal front, according to the 2024 Budget, the general government balance was to post a primary surplus of 1.1% of GDP in 2023, from a primary surplus of 0.1% in 2022. The primary balance is expected to post a surplus at 2.1% in 2024. The deviation from the primary surplus target of 3.5% of GDP in 2021 and 2022 is not considered a violation of the country's commitments under the Stability and Growth Pact, as in March 2020 EC activated the general escape clause, allowing for non-permanent deviations from the agreed fiscal paths of the member-states due to the extraordinary health and economic distress caused by the pandemic. The clause was extended through 2023 but deactivated for 2024. The gross public debt-to-GDP ratio is expected to decline to 160.3% and 152.3% in 2023 and 2024 respectively, from 172.6% of GDP in 2022, owing to the robust economic recovery and the effect of the sharp price level increase on nominal GDP. According to the EC's 2023 autumn forecasts, the primary balance is estimated to post a surplus of 1.1% of GDP in 2023. The forecasts for 2024 and 2025 are for a continuation of the surpluses at 2.5% and 2.6% of GDP. The respective forecasts for the gross public debt were estimated at 160.9% for 2023 and estimated at 151.9% and 147.9% of GDP for 2024 and 2025 respectively. Finally, according to the Greek Public Debt Management Agency (PDMA), the cash buffer of the general government was at € 33.6 billion, at the end of December 2023 which corresponds to more than 3 years of gross financing needs. On March 24, 2020, in response to the pandemic, the ECB introduced the temporary Pandemic Emergency Purchase Programme (PEPP) with an envelope of € 1,850 billion, designating approximately € 46 billion for the purchase of Greek public and private sector securities. This was in addition to the ECB's earlier liquidity-enhancing measures announced on March 12, 2020. While the PEPP's net asset purchases concluded in March 2022, the ECB has committed to the flexible reinvestment of proceeds from maturing Greek government bonds (GGBs) acquired under the PEPP until at least the end of 2024. By January 2024, the PEPP holdings of Greek government bonds stood at € 39.4 billion, underscoring the programme' s substantial support for Greece.

Three of the four leading credit rating agencies have elevated Greece's credit rating to investment grade. Fitch upgraded Greece to BBB- with a stable outlook on December 1, 2023, citing robust nominal growth, budgetary surplus, and an advantageous debt repayment structure. S&P followed suit, raising Greece's rating to BBB- with a stable outlook on October 25, attributing the upgrade to economic improvements. Similarly, DBRS awarded Greece a BBB (low) rating with a stable outlook on September 11, 2023, moving up from BB (high) due to fiscal and economic progress. Moody's, however, on March 15, 2024, has kept Greece at "Ba1" with a stable outlook, marginally below investment grade. It stands

Credit Risk

as the only major agency not to assign Greece an investment-grade rating, suggesting future upgrades could depend on sustained economic policy, fiscal discipline, and judicial system reforms.

The progress made from 2018 onwards, the inclusion of the Greek sovereign to the eligible titles for the ECB's PEPP and the commitment of the ECB to continue reinvesting the principal from Greek bonds purchased under the PEPP until at least the end of 2024, and finally the investment grade as discussed above, led to the improvement of the yield spread between the 10-year Greek and German government bonds. The said spreads were at 0.97% on March 22, 2024, – amid global inflation pressure, the policy rate hikes in 2022-23, and the still ongoing armed conflicts in the wider region – from 1.04%, 2.05%, 1.52% and 1.20% at the end of 2023, 2022, 2021 and 2020 respectively (and 1.65% and 4.16% at the end of 2019 and 2018 respectively).

On the back of this environment, in 2023, the PDMA raised € 11.5 billion with bonds of various maturities (5 to 10 year) The funding needs for 2024 were estimated at € 10.0 billion or 11.8% of GDP below the 15% DSA threshold excluding potential Green bonds issuances in the said year (PDMA, December 2023). As already mentioned above, the gross public debt was estimated at 160.3% of GDP at the end of 2023; according to the PDMA, 75% of the debt stock was held by official sector creditors and the average maturity of the debt stock was at 20 years versus 8.2 years in the EA periphery.

According to the Bank of Greece (BoG), the private sector domestic deposits amounted to € 189.7 billion at the end of January 2024 from € 184.1 billion at the end of January 2023, registering an adjusted annual increase of 3.0%. The significant increase in deposits is mainly attributed to the rebound of economic activity in 2023, the government support measures aiming to address the effects of the energy crisis, and the COVID-19 pandemic support measures.

According to BoG data, the private sector domestic credit balance at the end of January 2024 stood at €115.2 billion, from €113.0 billion at the end of January 2023, registering a gross annual decrease of 2.0%. A significant part of this deleveraging was due to loan restructuring, write-offs, and securitizations as a part of the banks' strategy to reduce their NPL stock through the "Hercules Asset Protection Scheme". Accounting for write-offs/write-downs, and reclassifications of loans, as well as foreign exchange valuation changes, domestic credit increased by 3.1% annually in January 2024.

According to BoG data, Greek banks' NPL ratio at the group level was at 7.3% of total loans in the third quarter of 2023, from 7.8% and 8.2% in the second and first quarter of 2023. The respective NPL ratio was at 8.2%, 12.1%, 32.8% and 40.0% at the end of 2022, 2021, 2020 and 2019 respectively.

According to the most recent BoG data, residential real estate prices increased on an annual basis by 11.8% in 2023 from 14.1%, 10.1%, 3.2%, 7.5% and 3.2% in 2022, 2021, 2020, 2019 and 2018 respectively. According to the BoG, the price of residential property (based on the apartment price index) declined by 41.6% between the end of 2007 and the end of 2017 as a result of contracting disposable income, increasing unemployment, limited access to credit and the excess supply of residential properties during the Greek sovereign debt crisis. Based on the most recent BoG data, commercial real estate prices increased by 6.6% in the first half of 2023. According to BoG data, commercial real estate prices increased by 4.7%, 2.3%, 0.4%, 3.8%, and 5.4% in 2022, 2021, 2020, 2019 and 2018 respectively. The price of commercial real estate (based on the office price index) declined by 30.5% between 2010 (earliest available data) and the end of 2015.

4.3 Credit risk reporting

Group Credit Control, Group Credit Risk Capital Adequacy and Group Model Validation & Governance 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 BRC, 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:

Credit Risk

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.
New disbursements performance	Analysis of new disbursements by risk characteristic and evolution of performance on a vintage basis.
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 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).

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 2023 and 30 June 2023.

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

	a	b	c	d	e	f
	31 December 2023					
	Net exposure value					
	On demand	**<= 1 year**	**> 1 year <= 5 years**	**> 5 years**	**No stated maturity**	**Total**
	€ million	**€ million**	**€ million**	**€ million**	**€ million**	**€ million**
1 Loans and advances [(1) & (2)]	-	12,324	9,591	27,249	6,087	55,251
2 Debt securities [(3)]	-	800	5,347	8,555	-	14,702
3 **Total**	**-**	**13,124**	**14,938**	**35,804**	**6,087**	**69,953**

	a	b	c	d	e	f
	30 June 2023					
	Net exposure value					
	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
	€ million	€ million	€ million	€ million	€ million	€ million
1 Loans and advances	-	11,185	9,744	26,376	6,124	53,429
2 Debt securities	-	724	5,518	7,333	-	13,575
3 Total	-	11,909	15,262	33,709	6,124	67,004

(1) The table above includes off-balance sheet items.
(2) The increase in line Loans and advances is mainly due to the new production of loans, loan commitments, Letters of Guarantee.
(3) The increase in debt securities is mainly due to the increased position in Sovereign and Financial 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 Amortised Cost (AC) and Fair Value through Other Comprehensive Income (FVOCI), including loans, securitised notes issued by special purpose entities established by the Group, lease receivables, debt securities, as well as 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, that are 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 lifetime ECL.

Regulatory definitions

From 1 January 2021 onwards, the Group applies 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 the EBA Guidelines (EBA/GL/2016/07). Accordingly, the perimeters of the credit impaired loans under IFRS 9, the non-performing exposures under EBA guidelines and defaulted exposures for regulatory purposes have been aligned.

b. Impairment indicators

To determine the risk of default, the Group applies a default definition for accounting purposes, which is consistent with the EBA definition for non-performing exposure and regulatory definition of default as mentioned above. 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;
- 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; and
- For 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.

Credit Risk

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. Furthermore, regardless of the outcome of the SICR assessment based on the above triggers, the credit risk of a financial asset is deemed to have increased significantly when contractual payments are more than 30 days past due.

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 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.

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.

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 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 following table presents an overview of the quality forborne exposures as at 31 December 2023 and 30 June 2023.

Table 13: EU CQ1 - Credit quality of forborne exposures

		a	b	c	d	e	f	g	h
		31 December 2023							
		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	Of which defaulted	Of which impaired	On performing forborne exposures	On non-performing forborne exposures		Of which: Collateral and financial guarantees received on non-performing exposures with forbearance measures
		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	889	620	616	620	(49)	(257)	1,070	344
020	*Central banks*	-	-	-	-	-	-	-	-
030	*General governments*	-	-	-	-	-	-	-	-
040	*Credit institutions*	-	-	-	-	-	-	-	-
050	*Other financial corporations*	10	23	23	23	-	(12)	21	11
060	*Non-financial corporations*	536	397	397	397	(25)	(143)	708	247
070	*Households*	343	200	196	200	(24)	(102)	341	86
080	Debt Securities	-	-	-	-	-	-	-	-
090	Loan commitments given	-	-	-	-	-	-	-	-
100	**Total**	**889**	**620**	**616**	**620**	**(49)**	**(257)**	**1,070**	**344**

Credit Risk

		a	b	c	d	e	f	g	h
		30 June 2023							
		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	
			Non-performing forborne						
		Performing forborne		Of which defaulted	Of which impaired	On performing forborne exposures	On non-performing forborne exposures		Of which: Collateral and financial guarantees received on non-performing exposures with forbearance measures
		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	842	788	785	788	(50)	(308)	1,122	453
020	*Central banks*	-	-	-	-	-	-	-	-
030	*General governments*	-	-	-	-	-	-	-	-
040	*Credit institutions*	-	-	-	-	-	-	-	-
050	*Other financial corporations*	16	22	22	22	-	(11)	23	10
060	*Non-financial corporations*	445	523	523	523	(23)	(181)	698	331
070	*Households*	381	243	240	243	(27)	(116)	401	112
080	Debt Securities	-	-	-	-	-	-	-	-
090	Loan commitments given	-	-	-	-	-	-	-	-
100	Total	842	788	785	788	(50)	(308)	1,122	453

The following template provides an overview of credit quality of non performing exposures as at 31 December 2023 and 31 December 2022.

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

		a	b	c	d	e	f	g	h	i	j	k	l
		31 December 2023											
		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**
005	**Cash balances at central banks and other demand deposits [1]**	**10,441**	10,441	-	-	-	-	-	-	-	-	-	-
010	**Loans and advances [2]**	**43,631**	**43,523**	**109**	**1,512**	**723**	**123**	**179**	**108**	**294**	**34**	**52**	**1,509**
020	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-
030	*General governments*	18	18	-	-	-	-	-	-	-	-	-	-
040	*Credit institutions [3]*	2,117	2,117	-	-	-	-	-	-	-	-	-	-
050	*Other financial corporations*	6,786	6,786	-	40	15	7	1	-	17	-	-	40
060	*Non-financial corporations*	21,741	21,708	34	929	487	60	79	40	215	13	35	929
070	*of which SMEs*	8,004	7,974	30	735	336	32	79	38	203	13	34	735
080	*Households*	12,969	12,894	75	543	221	56	99	68	62	21	17	540
090	**Debt Securities [4]**	**14,451**	**14,451**	**-**	**32**	**32**	**-**	**-**	**-**	**-**	**-**	**-**	**32**
100	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-
110	*General governments*	9,914	9,914	-	-	-	-	-	-	-	-	-	-
120	*Credit institutions*	1,542	1,542	-	-	-	-	-	-	-	-	-	-
130	*Other financial corporations*	1,643	1,643	-	-	-	-	-	-	-	-	-	-
140	*Non-financial corporations*	1,352	1,352	-	32	32	-	-	-	-	-	-	32
150	**Off-balance sheet exposures [5]**	**11,601**			**57**								**57**
160	*Central banks*	-			-								-
170	*General governments*	290			19								19
180	*Credit institutions*	171			-								-
190	*Other financial corporations*	765			-								-
200	*Non-financial corporations*	7,966			35								35
210	*Households*	2,409			3								3
220	**Total**	**80,124**	**68,415**	**109**	**1,601**	**755**	**123**	**179**	**108**	**294**	**34**	**52**	**1,598**

Credit Risk

		a	b	c	d	e	f	g	h	i	j	k	l
		31 December 2022											
		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
005	Cash balances at central banks and other demand deposits	14,490	14,490	-	-	-	-	-	-	-	-	-	-
010	Loans and advances	42,538	42,320	218	2,257	830	133	227	253	550	35	229	2,254
020	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-
030	*General governments*	25	25	-	1	-	-	-	-	-	-	1	1
040	*Credit institutions*	1,205	1,205	-	-	-	-	-	-	-	-	-	-
050	*Other financial corporations*	6,841	6,841	-	52	9	-	-	-	35	-	8	52
060	*Non-financial corporations*	21,627	21,534	93	1,399	556	66	100	94	413	16	154	1,399
070	*of which SMEs*	8,301	8,232	70	1,177	436	53	99	86	333	16	154	1,177
080	*Households*	12,840	12,715	125	805	265	67	127	159	102	19	66	802
090	Debt Securities	12,926	12,926	-	33	33	-	-	-	-	-	-	33
100	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-
110	*General governments*	8,872	8,872	-	-	-	-	-	-	-	-	-	-
120	*Credit institutions*	1,242	1,242	-	-	-	-	-	-	-	-	-	-
130	*Other financial corporations*	1,620	1,620	-	-	-	-	-	-	-	-	-	-
140	*Non-financial corporations*	1,192	1,192	-	33	33	-	-	-	-	-	-	33
150	Off-balance sheet exposures	10,659			53								53
160	*Central banks*	-			-								-
170	*General governments*	254			19								19
180	*Credit institutions*	104			-								-
190	*Other financial corporations*	636			-								-
200	*Non-financial corporations*	7,395			33								33
210	*Households*	2,270			1								1
220	Total	80,613	69,736	218	2,343	863	133	227	253	550	35	229	2,340

[1] The decrease of the exposure in central banks is mainly due to the repayment of TLTRO funding.
[2] The decrease in Non-performing exposures is mainly due to project "Leon" and write-offs.
[3] The increase in performing exposures of Credit institutions is mainly due to nostro accounts and placements.
[4] The increase in debt securities is mainly due to increased position in Sovereign and Financial Bonds.
[5] The increase in Off-balance sheet exposures is mainly due to new production of loan commitments and Letters of Guarantee in corporate loans.

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 2023 and 30 June 2023.

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

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		31 December 2023														
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures[4]			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
005	**Cash balances at central banks and other demand deposits [1]**	**10,441**	**10,441**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**	**-**
010	**Loans and advances**	**43,631**	**38,691**	**4,914**	**1,512**	**-**	**1,494**	**(501)**	**(171)**	**(329)**	**(758)**	**-**	**(751)**	**(1,127)**	**28,402**	**694**
020	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	*General governments*	18	18	-	-	-	-	-	-	-	-	-	-	-	1	-
040	*Credit institutions*	2,117	2,117	-	-	-	-	(1)	(1)	-	-	-	-	-	-	-
050	*Other financial corporations*	6,786	6,748	28	40	-	40	(7)	(7)	-	(17)	-	(17)	(63)	5,848	23
060	*Non-financial corporations [2]*	21,741	19,830	1,896	929	-	918	(213)	(90)	(122)	(423)	-	(421)	(423)	13,404	467
070	*Of which: SMEs*	8,004	6,587	1,417	735	-	728	(144)	(51)	(93)	(346)	-	(344)	(345)	5,990	375
080	*Households*	12,969	9,978	2,990	543	-	536	(280)	(73)	(207)	(318)	-	(313)	(641)	9,149	204
090	**Debt Securities [5]**	**14,451**	**14,368**	**57**	**32**	**-**	**32**	**(19)**	**(17)**	**(2)**	**(7)**	**-**	**(7)**	**-**	**-**	**-**
100	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	*General governments*	9,914	9,914	-	-	-	-	(7)	(7)	-	-	-	-	-	-	-
120	*Credit institutions*	1,542	1,517	-	-	-	-	(5)	(5)	-	-	-	-	-	-	-
130	*Other financial corporations*	1,643	1,636	7	-	-	-	(1)	-	(1)	-	-	-	-	-	-
140	*Non-financial corporations*	1,352	1,301	50	32	-	32	(6)	(5)	(1)	(7)	-	(7)	-	-	-
150	**Off-balance sheet exposures [3]**	**11,601**	**11,049**	**311**	**57**	**-**	**56**	**(53)**	**(18)**	**(4)**	**(26)**	**-**	**(26)**		**1,414**	**20**
160	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-		-	-
170	*General governments*	290	48	-	19	-	19	(31)	-	-	(18)	-	(18)		-	-
180	*Credit institutions*	171	171	-	-	-	-	-	-	-	-	-	-		-	-
190	*Other financial corporations*	765	756	9	-	-	1	-	-	-	-	-	-		71	-
200	*Non-financial corporations*	7,966	7,785	181	35	-	35	(11)	(8)	(3)	(8)	-	(8)		1,254	20
210	*Households*	2,409	2,289	121	3	-	1	(11)	(10)	(1)	-	-	-		89	-
220	**Total**	**80,124**	**74,549**	**5,282**	**1,601**	**-**	**1,582**	**(573)**	**(206)**	**(335)**	**(791)**	**-**	**(784)**	**(1,127)**	**29,816**	**714**

Credit Risk

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		30 June 2023														
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral 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
005	Cash balances at central banks and other demand deposits	12,178	12,178	-	-	-	-	-	-	-	-	-	-		-	-
010	Loans and advances	41,829	36,760	5,053	2,198	-	2,167	(487)	(154)	(333)	(1,066)	-	(1,059)	(1,030)	27,896	1,029
020	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	*General governments*	21	21	-	-	-	-	-	-	-	-	-	-	-	-	-
040	*Credit institutions*	1,619	1,619	-	-	-	-	(1)	(1)	-	-	-	-	-	-	-
050	*Other financial corporations*	6,701	6,659	32	44	-	44	(6)	(6)	(1)	(24)	-	(24)	(40)	5,862	20
060	*Non-financial corporations*	20,790	18,794	1,991	1,354	-	1,332	(211)	(84)	(127)	(607)	-	(603)	(375)	13,053	686
070	*of which SMEs*	7,584	6,235	1,349	1,117	-	1,104	(144)	(47)	(98)	(542)	-	(541)	(286)	5,617	552
080	*Households*	12,698	9,667	3,030	800	-	791	(269)	(63)	(205)	(435)	-	(432)	(615)	8,981	323
090	Debt Securities	13,372	13,316	33	31	-	31	(18)	(17)	(1)	(6)	-	(6)	-	-	-
100	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	*General governments*	9,136	9,136	-	-	-	-	(6)	(7)	-	-	-	-	-	-	-
120	*Credit institutions*	1,305	1,282	-	-	-	-	(5)	(5)	-	-	-	-	-	-	-
130	*Other financial corporations*	1,680	1,680	-	-	-	-	(1)	(1)	-	-	-	-	-	-	-
140	*Non-financial corporations*	1,251	1,218	33	31	-	31	(6)	(4)	(1)	(6)	-	(6)	-	-	-
150	Off-balance sheet exposures	11,192	10,647	303	63	-	62	(62)	(26)	(4)	(27)	-	(27)		1,317	20
160	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-		-	-
170	*General governments*	249	7	-	19	-	19	(32)	-	-	(18)	-	(18)		-	-
180	*Credit institutions*	122	122	-	-	-	-	-	-	-	-	-	-		-	-
190	*Other financial corporations*	728	717	10	3	-	3	(2)	(2)	-	-	-	-		86	-
200	*Non-financial corporations*	7,695	7,511	185	39	-	38	(17)	(14)	(3)	(9)	-	(9)		1,131	20
210	*Households*	2,398	2,290	108	2	-	2	(11)	(10)	(1)	-	-	-		100	-
220	Total	78,571	72,901	5,389	2,292	-	2,260	(567)	(197)	(338)	(1,099)	-	(1,092)	(1,030)	29,213	1,049

(1) The decrease of the exposure in central banks is mainly due to the repayment of TLTRO funding.
(2) The increase in Non-Financial Corporations is mainly due to new corporate loans.
(3) The increase in Off-balance sheet exposures is mainly due to new production of loan commitments and Letters of Guarantee in corporate loans.
(4) The decrease in Non-performing exposures is mainly due to project “Leon” and write-offs.
(5) The increase in debt instruments is mainly due to increased position in Sovereign and Financial Bonds

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

		a	b	c	d	e	f	g
		31 December 2023						
		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
010	**On balance sheet exposures**	**59,626**	**1,544**	**1,541**	**59,585**	**(1,285)**		**-**
020	Greece [1]	32,632	1,255	1,255	32,631	(995)		-
030	Romania	270	7	4	270	(16)		-
040	Bulgaria [2]	7,112	168	168	7,112	(189)		-
050	United Kingdom	1,071	-	-	1,071	(3)		-
060	Cyprus	2,685	84	84	2,659	(64)		-
070	Other countries [3]	15,856	30	30	15,842	(18)		-
080	**Off balance sheet exposures [4]**	**11,658**	**57**	**57**			**(79)**	
090	Greece	8,554	49	49			(74)	
100	Romania	-	-	-			-	
110	Bulgaria	1,353	2	2			(1)	
120	United Kingdom	82	-	-			-	
130	Cyprus	725	6	6			(4)	
140	Other countries	944	0	0			-	
150	**Total**	**71,284**	**1,601**	**1,597**	**59,585**	**(1,285)**	**(79)**	**-**

Credit Risk

		a	b	c	d	e	f	g
		30 June 2023						
		Gross carrying/nominal amount				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: non-performing		of which: subject to impairment			
				of which defaulted				
		€ million	€ million	€ million	€ million	€ million	€ million	€ million
010	On balance sheet exposures	57,430	2,229	2,225	57,392	(1,578)		-
020	Greece	31,850	1,885	1,885	31,850	(1,273)		-
030	Romania	282	10	6	282	(17)		-
040	Bulgaria	6,678	194	194	6,678	(194)		-
050	United Kingdom	887	-	-	887	(2)		-
060	Cyprus	2,607	106	106	2,584	(69)		-
070	Other countries	15,126	34	34	15,111	(23)		-
080	Off balance sheet exposures	11,255	63	62			(89)	
090	Greece	8,346	47	47			(78)	
100	Romania	-	-	-			-	
110	Bulgaria	1,325	3	3			-	
120	United Kingdom	88	-	-			-	
130	Cyprus	767	10	10			(11)	
140	Other countries	729	3	2			-	
150	Total	68,685	2,292	2,288	57,392	(1,578)	(89)	-

(1) The increase in Greece gross amount is mainly due to corporate loans and debt securities.
(2) The increase in Bulgaria is mainly due to new loans to Households.
(3) The increase in Other countries is mainly due to nostro and placements.
(4) The increase in Off-balance sheet exposures is mainly due to new production of loan commitments and Letters of Guarantee in corporate loans.

The table below presents an overview of the credit quality of loans and advances to non-financial corporations as at 31 December 2023 and 30 June 2023.

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

		a	b	c	d	e	f
		31 December 2023					
		Gross carrying/nominal amount				**Accumulated impairment**	**Accumulated negative changes in fair value due to credit risk on non- performing exposures**
			of which: non-performing		**of which loans and advances subject to impairment**		
				of which defaulted			
		€ million	**€ million**	**€ million**	**€ million**	**€ million**	**€ million**
010	Agriculture, forestry and fishing	415	107	107	415	(50)	-
020	Mining and quarrying	35	3	3	35	(2)	-
030	Manufacturing	3,929	150	150	3,929	(107)	-
040	Electricity, gas, steam and air conditioning supply (1)	2,320	4	4	2,320	(9)	-
050	Water supply	52	-	-	52	-	-
060	Construction	996	71	71	996	(50)	-
070	Wholesale and retail trade	4,051	287	287	4,051	(193)	-
080	Transport and storage (1)	4,282	21	21	4,277	(24)	-
090	Accommodation and food service activities	2,388	112	112	2,388	(55)	-
100	Information and communication	370	16	16	370	(20)	-
110	Financial and insurance activities	50	1	1	50	(1)	-
120	Real estate activities	2,030	49	49	2,030	(33)	-
130	Professional, scientific and technical activities	514	59	59	514	(53)	-
140	Administrative and support service activities	231	9	9	231	(6)	-
150	Public administration and defense, compulsory social security	9	-	-	9	-	-
160	Education	35	6	6	35	(3)	-
170	Human health services and social work activities (2)	273	8	8	273	(8)	-
180	Arts, entertainment and recreation	509	8	8	509	(5)	-
190	Other services	181	18	18	181	(17)	-
200	**Total**	**22,670**	**929**	**929**	**22,665**	**(636)**	**-**

Credit Risk

	a	b	c	d	e	f
	30 June 2023					
	Gross carrying/nominal amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non- performing exposures
		of which: non-performing		of which loans and advances subject to impairment		
			of which defaulted			
	€ million	€ million	€ million	€ million	€ million	€ million
010 Agriculture, forestry and fishing	381	125	125	381	(20)	-
020 Mining and quarrying	40	4	4	40	(3)	-
030 Manufacturing	4,041	190	190	4,041	(138)	-
040 Electricity, gas, steam and air conditioning supply	1,841	2	2	1,841	(6)	-
050 Water supply	55	1	1	55	(1)	-
060 Construction	957	103	103	957	(66)	-
070 Wholesale and retail trade	4,177	402	402	4,177	(276)	-
080 Transport and storage	4,086	29	29	4,081	(31)	-
090 Accommodation and food service activities	2,314	224	224	2,314	(74)	-
100 Information and communication	275	20	20	275	(20)	-
110 Financial and insurance activities	42	2	2	42	(1)	-
120 Real estate activities	1,909	73	73	1,909	(43)	-
130 Professional, scientific and technical activities	600	100	100	600	(80)	-
140 Administrative and support service activities	263	15	15	263	(11)	-
150 Public administration and defense, compulsory social security	4	-	-	4	-	-
160 Education	39	8	8	39	(4)	-
170 Human health services and social work activities	420	10	10	420	(9)	-
180 Arts, entertainment and recreation	499	11	11	499	(8)	-
190 Other services	201	35	35	201	(27)	-
200 Total	22,144	1,354	1,354	22,139	(818)	-

(1) *Increase in sectors "Electricity, gas, steam and air conditioning supply" and "Transport and storage" is mainly due to new corporate loans in Greece.*
(2) *Decrease in sector "Human health services and social work activities" is mainly due to refinancing through Other Financial corporations in Greece.*

The table below presents an overview of the credit quality of loans and advances to non-financial corporations as at 31 December 2023 and 30 June 2023.

Table 18: EU CQ2 - Quality of forbearance

	31 December 2023	30 June 2023
	Gross carrying amount of forborne exposures	Gross carrying amount of forborne exposures
	€ million	€ million
010 Loans and advances that have been forborne more than twice	340	400
020 Non-performing forborne loans and advances that failed to meet the non-performing exit criteria	277	378

Credit Risk

The table below presents an analysis of collateral valuation and other information on loans and advances as at 31 December 2023 and 30 June 2023.

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

	a	b	c	d	e	f	g	h	i	j	k	l
	31 December 2023											
	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
010 Gross carrying amount	**45,144**	**43,631**	**109**	**1,512**	**723**	**789**	**123**	**179**	**108**	**294**	**34**	**51**
020 *Of which: secured*	33,821	32,564	68	1,258	595	662	94	142	90	267	29	41
030 *Of which: secured with immovable property*	16,933	15,942	50	990	468	522	59	121	79	204	25	34
040 *of which: instruments with LTV higher than 60% and lower or equal to 80%*	4,762	4,561		202	129	73						
050 *of which: instruments with LTV higher than 80% and lower or equal to 100%*	2,577	2,402		176	77	98						
060 *of which: instruments with LTV higher than 100%*	3,172	2,770		402	146	256						
070 Accumulated impairment for secured assets	**(833)**	**(296)**	**(15)**	**(537)**	**(197)**	**(340)**	**(34)**	**(64)**	**(43)**	**(142)**	**(24)**	**(32)**
080 Collateral												
090 *of which value capped at the value of exposure*	24,372	23,732	53	640	361	279	40	69	46	112	4	7
100 *of which immovable property*	15,527	14,947	45	580	323	257	37	67	42	100	4	6
110 *Of which value above the cap* [(2)]	20,915	19,732	53	1,183	660	522						
120 *of which immovable property*	12,641	11,780	46	861	413	448						
130 Financial guarantees received [(1)]	**4,724**	**4,670**	**5**	**54**	**24**	**30**	**8**	**8**	**1**	**11**	**-**	**1**
140 Accumulated partial write-off	**(1,127)**	**(3)**	**-**	**(1,123)**	**(627)**	**(497)**	**(2)**	**(6)**	**(27)**	**(307)**	**(17)**	**(138)**

	a	b	c	d	e	f	g	h	i	j	k	l
	30 June 2023											
	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
010 Gross carrying amount	44,027	41,829	207	2,198	953	1,245	128	168	214	464	61	211
020 *Of which: secured*	33,152	31,413	155	1,739	793	946	91	117	158	369	48	163
030 *Of which: secured with immovable property*	17,171	15,775	137	1,396	621	775	78	104	141	288	39	125
040 *of which: instruments with LTV higher than 60% and lower or equal to 80%*	4,200	3,942		258	157	101						
050 *of which: instruments with LTV higher than 80% and lower or equal to 100%*	3,199	2,916		283	138	145						
060 *of which: instruments with LTV higher than 100%*	3,457	2,874		583	189	394						
070 Accumulated impairment for secured assets	(967)	(294)	(16)	(673)	(201)	(472)	(26)	(36)	(58)	(199)	(33)	(120)
080 Collateral												
090 *of which value capped at the value of exposure*	23,890	22,943	134	947	519	428	60	78	97	156	11	26
100 *of which immovable property*	15,651	14,794	124	857	455	402	56	74	91	145	11	24
110 *Of which value above the cap*	23,327	21,685	124	1,642	848	794						
120 *of which immovable property*	12,795	11,655	111	1,140	463	677						
130 Financial guarantees received	5,036	4,954	8	82	39	43	3	3	2	14	4	17
140 Accumulated partial write-off	(1,030)	(4)	(1)	(1,026)	(408)	(617)	(1)	(8)	(29)	(308)	(18)	(253)

[(1)] *The decrease in Financial Guarantees received is due to Greece corporate (mainly senior note reductions and loans repayment).*
[(2)] *The decrease in Collateral/ Of which value above the cap, is mainly due to corporate loans repayment.*

Credit Risk

The table below presents an overview of the movements (inflows and outflows) of non performing loans and advances as at 31 December 2023.

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

		a
		31 December 2023
		Gross carrying amount € million
010	**Initial stock of non-performing loans and advances**	2,257
020	Inflows to non-performing portfolios	1,021
030	Outflows from non-performing portfolios	(1,766)
040	Outflows due to write-offs	(333)
050	Outflow due to other situations [(1)]	(1,433)
060	**Final stock of non-performing loans and advances**	**1,512**

[(1)] *It represents mainly the outflow: i) to performing portfolio, mainly retail ii) due to loan repayment, partial or total iii) of loans that have been reclassified as HFS.*

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

		a	b
		31 December 2023	
		Gross carrying amount € million	Related net acumulated recoveries € million
010	**Initial stock of non-performing loans and advances**	2,257	
020	Inflows to non-performing portfolios	1,021	
030	Outflows from non-performing portfolios	(1,766)	
040	Outflow to performing portfolio	(441)	
050	Outflow due to loan repayment, partial or total	(271)	
060	Outflow due to collateral liquidations	(97)	37
070	Outflow due to taking possession of collateral	(11)	4
080	Outflow due to sale of instruments	(16)	16
090	Outflow due to risk transfers	-	-
100	Outflows due to write-off	(333)	
110	Outflow due to other Situations	(117)	
120	Outflow due to reclassification as held for sale	(480)	
130	**Final stock of non-performing loans and advances**	**1,512**	

Credit Risk

The table below presents an overview of collateral obtained by taking possession by type, by time since date of foreclosure as at 31 December 2023 and 30 June 2023.

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

	a	b	a	b
	31 December 2023		30 June 2023	
	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
010 Property Plant and Equipment (PP&E)	-	-	-	-
020 Other than PP&E	608	(99)	657	(89)
030 *Residential immovable property*	242	(44)	258	(44)
040 *Commercial Immovable property*	348	(55)	380	(46)
050 *Movable property (auto, shipping, etc.)*	2	-	2	-
060 *Equity and debt instruments*	13	-	13	-
070 *Other collateral*	3	-	3	-
080 Total	**608**	**(99)**	657	(89)

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

	a	b	c	d	e	f	g	h	i	j	k	l
	31 December 2023											
	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
010 Collateral obtained by taking possession classified as PP&E	-	-	-	-								
020 Collateral obtained by taking possession other than that classified as PP&E	42	(24)	608	(99)	35	(16)	159	(9)	414	(74)	12	(5)
030 *Residential immovable property*	11	(5)	242	(44)	10	(4)	56	(2)	176	(38)	4	(3)
040 *Commercial Immovable property*	22	(12)	348	(55)	24	(12)	97	(7)	228	(36)	8	(2)
050 *Movable property (auto, shipping, etc.)*	-	-	2	-	2	-	-	-	-	-	-	-
060 *Equity and debt instruments*	-	-	13	-	-	-	7	-	7	-	-	-
070 *Other collateral*	9	(7)	3	-	-	-	-	-	3	-	-	-
080 Total	**42**	**(24)**	**608**	**(99)**	**35**	**(16)**	**159**	**(9)**	**414**	**(74)**	**12**	**(5)**

Credit Risk

		a	b	c	d	e	f	g	h	i	j	k	l
		30 June 2023											
		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	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes
		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
010	Collateral obtained by taking possession classified as PP&E	-	-	-	-								
020	Collateral obtained by taking possession other than classified as PP&E	43	(24)	657	(89)	33	(2)	232	(14)	392	(74)	12	(3)
030	*Residential immovable property*	12	(6)	258	(44)	12	(1)	81	(4)	165	(39)	4	(3)
040	*Commercial Immovable property*	23	(12)	380	(46)	20	(1)	144	(10)	217	(34)	8	(1)
050	*Movable property (auto, shipping, etc.)*	-	-	2	-	2	-	-	-	-	-	-	-
060	*Equity and debt instruments*	-	-	13	-	-	-	7	-	7	-	-	-
070	*Other collateral*	9	(7)	3	-	-	-	-	-	3	-	-	-
080	Total	43	(24)	657	(89)	33	(2)	232	(14)	392	(74)	12	(3)

4.6 Standardised approach

On 1 March 2023, the Group received approval from ECB to revert to the STD for all credit risk exposures. The Group's decision to move to a less sophisticated method for capital requirements calculation was based on the fact that the historical data and performance on which Internal Ratings Based (IRB) models are calibrated is considered to be of limited representativeness taking into account the recent economic developments. The Bank continues utilizing its advanced risk management capabilities for internal purposes such as credit approvals, risk adjusted pricing, IFRS9 provisions where applicable and risk monitoring. To that end, the Group is applying since Q1 2023 the Common Reports (CoRep) requirements of EU Regulation 575/2013 ('CRR') under Title II, Chapter 2 ('Standardised approach') and its subsequent amendments and has aligned respectively the Pillar III disclosures.

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

The table below presents Standardised exposures on two different basis (before Credit Conversion Factor (CCF) and Credit Risk Mitigation (CRM) and after CCF and CRM) as at 31 December 2023 and 30 June 2023.

Credit Risk

Table 24: EU CR4 - Standardised approach – Credit risk exposure and CRM effects

		a	b	c	d	e	f
		31 December 2023					
	Exposure classes	**Exposures before CCF and CRM**		**Exposures post CCF and CRM**		**RWAs and RWA density**	
		On-balance-sheet exposures	**Off-balance-sheet exposures**	**On-balance-sheet exposures**	**Off-balance-sheet amount**	**RWAs**	**RWAs density**
		€ million	**€ million**	**€ million**	**€ million**	**€ million**	**%**
1	Central governments or central banks	23,916	-	27,402	-	5,037	18%
2	Regional government or local authorities	18	1	18	-	4	22%
3	Public sector entities	489	-	866	-	286	33%
4	Multilateral development banks	33	-	811	15	26	3%
5	International organisations	-	-	-	-	-	0%
6	Institutions	3,742	204	3,763	146	1,953	50%
7	Corporates	16,036	7,321	14,633	2,361	14,504	85%
8	Retail	6,153	3,394	5,305	195	3,886	71%
9	Secured by mortgages on immovable property	10,955	209	10,955	153	4,064	37%
10	Exposures in default	928	32	848	19	928	107%
11	Exposures associated with particularly high risk	433	208	425	90	773	150%
12	Covered bonds	289	-	289	-	29	10%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0%
14	Collective investment undertakings	86	-	86	-	81	94%
15	Equity	619	-	620	-	1,286	207%
16	Other items	4,090	-	4,090	-	3,339	82%
17	**Total**	**67,787**	**11,369**	**70,111**	**2,979**	**36,196**	**50%**

		a	b	c	d	e	f
		30 June 2023					
		Exposures before CCF and CRM		Exposures post CCF and CRM		RWAs and RWA density	
	Exposure classes	On Balance sheet amount	Off Balance sheet amount	On Balance sheet amount	Off Balance sheet amount	RWAs	RWAs density
		€ million	€ million	€ million	€ million	€ million	%
1	Central governments or central banks	25,763	-	29,522	-	5,284	18%
2	Regional government or local authorities	21	1	21	-	5	24%
3	Public sector entities	628	-	1,112	-	528	47%
4	Multilateral development banks	38	-	633	-	-	0%
5	International organisations	-	-	-	-	-	0%
6	Institutions	2,957	153	3,065	98	1,463	46%
7	Corporates	16,212	7,402	14,715	2,349	14,685	86%
8	Retail	6,755	3,491	5,840	228	4,302	71%
9	Secured by mortgages on immovable property	11,287	103	11,287	51	4,165	37%
10	Exposures in default	1,249	39	1,155	19	1,281	109%
11	Exposures associated with particularly high risk	430	236	420	76	746	150%
12	Covered bonds	285	-	285	-	28	10%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0%
14	Collective investment undertakings	80	-	80	-	75	94%
15	Equity	562	-	562	-	1,174	209%
16	Other items	4,216	-	4,216	-	3,464	82%
17	Total	70,483	11,425	72,913	2,821	37,200	49%

[1] Exposures subject to counterparty credit risk are not included in the table.
[2] The table above does not include securitisations.
[3] The increase of the exposures to institutions is mainly due to the increased position of debt securities and the nostros with interbank counterparties.
[4] The decrease of the exposures is mainly due to the disposal of Eurobank Direktna a.d. and synthetic securitization (Wave IV).

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 2023 and 30 June 2023.

Table 25: EU CR5 – Standardised approach

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Risk weightings - 31 December 2023																
	Exposure classes	**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**
1	Central governments or central banks	21,921	-	211	1,012	193	-	188	-	-	3,266	-	611	-	-	-	27,402	3,889
2	Regional government or local authorities	-	-	-	-	18	-	-	-	-	-	-	-	-	-	-	18	18
3	Public sector entities	581	-	-	-	-	-	-	-	-	285	-	-	-	-	-	866	284
4	Multilateral development banks	773	-	-	-	-	-	53	-	-	-	-	-	-	-	-	826	-
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	860	-	-	-	1,267	-	346	-	-	1,256	180	-	-	-	-	3,909	562
7	Corporates	-	-	-	-	28	-	3,816	-	-	12,823	327	-	-	-	-	16,994	8,873
8	Retail exposures	-	-	-	-	-	-	-	-	5,500	-	-	-	-	-	-	5,500	5,500
9	Secured by mortgages on immovable property	-	-	-	-	-	8,726	2,382	-	-	-	-	-	-	-	-	11,108	10,390
10	Exposures in default	-	-	-	-	-	-	-	-	-	743	124	-	-	-	-	867	867
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	515	-	-	-	-	515	509
12	Covered bonds	-	-	-	289	-	-	-	-	-	-	-	-	-	-	-	289	-
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Unit or shares in collective investment undertakings	-	-	-	-	-	-	-	-	20	66	-	-	-	-	-	86	-
15	Equity exposures	-	-	-	-	-	-	-	-	-	175	-	445	-	-	-	620	445
16	Other items	725	-	-	-	33	-	-	-	-	3,332	-	-	-	-	-	4,090	4,090
17	**Total**	**24,860**	**-**	**211**	**1,301**	**1,539**	**8,726**	**6,785**	**-**	**5,520**	**21,946**	**1,146**	**1,056**	**-**	**-**	**-**	**73,090**	**35,427**

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Risk weightings - 30 June 2023																
	Exposure classes	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
1	Central governments or central banks	23,714	-	180	1,130	138	-	228	-	-	3,539	-	593	-	-	-	29,522	4,141
2	Regional government or local authorities	-	-	-	-	21	-	-	-	-	-	-	-	-	-	-	21	21
3	Public sector entities	585	-	-	-	-	-	-	-	-	527	-	-	-	-	-	1,112	528
4	Multilateral development banks	633	-	-	-	-	-	-	-	-	-	-	-	-	-	-	633	-
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	568	-	-	-	1,304	-	354	-	-	760	177	-	-	-	-	3,163	231
7	Corporates	-	-	-	-	23	-	2,948	-	-	13,864	229	-	-	-	-	17,064	9,890
8	Retail exposures	-	-	-	-	-	-	-	-	6,068	-	-	-	-	-	-	6,068	5,898
9	Secured by mortgages on immovable property	-	-	-	-	-	8,602	2,736	-	-	-	-	-	-	-	-	11,338	10,572
10	Exposures in default	-	-	-	-	-	-	-	-	-	956	218	-	-	-	-	1,174	1,073
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	496	-	-	-	-	496	482
12	Covered bonds	-	-	-	285	-	-	-	-	-	-	-	-	-	-	-	285	-
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Unit or shares in collective investment undertakings	-	-	-	-	-	-	-	-	19	61	-	-	-	-	-	80	-
15	Equity exposures	-	-	-	-	-	-	-	-	-	153	-	409	-	-	-	562	418
16	Other items	712	-	-	-	51	-	-	-	-	3,453	-	-	-	-	-	4,216	4,216
17	Total	26,212	-	180	1,415	1,537	8,602	6,266	-	6,087	23,313	1,120	1,002	-	-	-	75,734	37,470

(1) *Exposures subject to counterparty credit risk are not included in the table.*
(2) *Credit exposures shown in the above table do not include goodwill, intangible assets and deferred tax, which are deducted from, own funds.*

4.7 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.

4.7.1 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.

4.7.2 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 BRC 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 or a reliance letter from the valuator signed off from the Legal (applicable mainly in specialized lending).

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.

All immovable properties should be valued on the basis of market value. Market value is the estimated amount for which an asset 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 defined below) of the same immovable property, the appraiser should rotate (either to a different independent valuator or to a different independent appraisal provider). The same applies after three sequential individual valuations for vessels & / yachts.

Credit Risk

The above provision for valuators rotation may not apply for properties under construction and other investment projects where the same valuator can perform more than two sequential consecutive valuations / progress reports until the completion of the construction/project.

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; and
- 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; and
- 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.); and
- 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, the property has to be appraised after the submission of required/mandatory documents.

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

Credit Risk

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 is using the Residential Property Index of the Bank of Greece to revalue residential real estate properties over the loan's lifetime. The index has been created by the Real Estate Market Analysis Section of BoG using detailed information collected from all Credit Institutions and Real Estate Investment Companies (REIC) operating in Greece. It is 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.

The following table summarizes the revaluation policy for the Retail lending portfolios (Individual Banking and Small SB).

EBA Status	Immovable Assets		
Performing (PE, PF & CPF)	Loan Exposure (in € '000)		
	<= 300	> 300 & <=1,000	> 1,000
	Index, Annually	Index, Annually	Physical inspection, Annually
Performing to 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 EBA 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 EBA 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

Credit Risk

Special types of immovable assets (hotels, shopping centers (malls), refineries, quarries, marinas, clinics/hospitals/diagnostic centers, schools) should be revaluated through Desktop annually and every two years with Physical Inspection.

The following table summarizes the revaluation policy for the Wholesale & Large SB 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 to 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 EBA 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 EBA 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 EBA reclassification unless a valuation has taken place during the last 6 months.</td></tr>
<tr><td rowspan="3">Non-Performing (NPE &NPF)</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 (malls), refineries, quarries, marinas, clinics/hospitals/diagnostic centers, schools.

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 regularly monitored through the use of advanced statistical reports and 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.

4.7.3 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.

4.7.4 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 Hellenic Development Bank (HDB - EAT) and other similar institutions, 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 2023 and 2022.

Table 26: Guarantee and credit derivatives

	31 December 2023 € million	31 December 2022 € million
Guarantees issued by Central Banks or Central Governments	3,488	4,012
Guarantees issued by Banks	23	100
Total	**3,511**	4,112

4.7.5 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.

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.

4.7.6 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.

4.7.7 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 27: EU CR3 - CRM techniques – Overview: Disclosure of the use of credit risk mitigation techniques

		a	b	c	d	e
		31 December 2023				
		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**
1	Loans and advances	25,229	29,096	24,372	4,724	-
2	Debt securities [1]	14,482	-	-	-	
3	**Total**	**39,711**	**29,096**	**24,372**	**4,724**	**-**
4	*Of which non-performing exposures*	850	694	640	54	-
EU-5	*Of which defaulted*	847	693			

		a	b	c	d	e
		30 June 2023				
		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
1	Loans and advances	25,727	28,925	23,890	5,036	-
2	Debt securities	13,404	-	-	-	
3	Total	39,131	28,925	23,890	5,036	-
4	*Of which non-performing exposures*	1,200	1,029	947	82	-
EU-5	*Of which defaulted*	1,200	1,029			

[1] The increase in debt securities is mainly due to increased position in Sovereign and Financial 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.

4.8 Asset Backed Securities

4.8.1 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 entered into the securitisation of various classes of NPEs through the issue of senior, mezzanine and junior notes.

4.8.2 Methodology for risk weightings

The framework concerning the Capital Adequacy calculations for securitizations that institution acts as investor or originator 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 for positions acting as investor and the SEC-SA for positions acting as originator. According to the aforementioned methodologies the STS/non STS status, rating, maturity and seniority of the security as well as the underlying portfolio characteristics for the SEC-SA specifically are taken into account in determining the appropriate risk weight factor.

4.8.3 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.

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.

4.8.4 Securitised exposures

The following table presents the risk weights of the purchased securitised exposures of the Group, as at 31 December 2023 and 30 June 2023.

Table 28: EU SEC1 - Securitisation exposures in the non-trading book

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	31 December 2023														
	Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
	Traditional				Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
	STS		Non-STS					STS	Non-STS			STS	Non-STS		
		of which SRT		of which SRT		of which SRT									
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
1 Total exposures	-	-	1,034	1,035	3,606	3,606	4,641	-	-	-	-	-	1,562	-	1,562
2 Retail (total)	-	-	1,029	1,030	-	-	1,029	-	-	-	-	-	32	-	32
3 residential mortgage	-	-	-	-	-	-	-	-	-	-	-	-	32	-	32
4 credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 other retail exposures	-	-	1,029	1,030	-	-	1,029	-	-	-	-	-	-	-	-
6 re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Wholesale (total)	-	-	5	5	3,606	3,606	3,612	-	-	-	-	-	1,530	-	1,530
8 loans to corporates	-	-	5	5	3,606	3,606	3,612	-	-	-	-	-	1,530	-	1,530
9 commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	30 June 2023														
	Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
	Traditional				Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
	STS		Non-STS					STS	Non-STS			STS	Non-STS		
		of which SRT		of which SRT		of which SRT									
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
1 Total exposures	-	-	1,025	1,025	2,666	2,666	3,691	-	-	-	-	-	1,605	-	1,605
2 Retail (total)	-	-	1,020	1,020	-	-	1,020	-	-	-	-	-	37	-	37
3 residential mortgage	-	-	-	-	-	-	-	-	-	-	-	-	37	-	37
4 credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 other retail exposures	-	-	1,020	1,020	-	-	1,020	-	-	-	-	-	-	-	-
6 re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Wholesale (total)	-	-	5	5	2,666	2,666	2,671	-	-	-	-	-	1,568	-	1,568
8 loans to corporates	-	-	5	5	2,666	2,666	2,671	-	-	-	-	-	1,568	-	1,568
9 commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Credit Risk

Table 29: EU SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements – institution acting as originator or as sponsor

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
	31 December 2023																
	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
1 **Total exposures**	**3,604**	-	**1,025**	**12**	-	-	-	**4,641**	-	-	-	**1,671**	-	-	-	**134**	-
2 Traditional transactions	-	-	1,025	10	-	-	-	1,035	-	-	-	1,100	-	-	-	88	-
3 Securitisation	-	-	1,025	10	-	-	-	1,035	-	-	-	1,100	-	-	-	88	-
4 Retail	-	-	1,025	5	-	-	-	1,030	-	-	-	1,046	-	-	-	84	-
5 Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 Wholesale	-	-	-	5	-	-	-	5	-	-	-	54	-	-	-	4	-
7 Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Synthetic transactions	3,604	-	-	2	-	-	-	3,606	-	-	-	572	-	-	-	46	-
10 Securitisation	3,604	-	-	2	-	-	-	3,606	-	-	-	572	-	-	-	46	-
11 Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 Wholesale	3,604	-	-	2	-	-	-	3,606	-	-	-	572	-	-	-	46	-
13 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
	30 June 2023																
	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
1 Total exposures	2,664	-	1,015	12	-	-	-	3,691	-	-	-	1,536	-	-	-	123	-
2 Traditional transactions	-	-	1,015	10	-	-	-	1,025	-	-	-	1,087	-	-	-	87	-
3 Securitisation	-	-	1,015	10	-	-	-	1,025	-	-	-	1,087	-	-	-	87	-
4 Retail	-	-	1,015	5	-	-	-	1,020	-	-	-	1,032	-	-	-	83	-
5 Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 Wholesale	-	-	-	5	-	-	-	5	-	-	-	55	-	-	-	4	-
7 Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Synthetic transactions	2,664	-	-	2	-	-	-	2,666	-	-	-	449	-	-	-	36	-
10 Securitisation	2,664	-	-	2	-	-	-	2,666	-	-	-	449	-	-	-	36	-
11 Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 Wholesale	2,664	-	-	2	-	-	-	2,666	-	-	-	449	-	-	-	36	-
13 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 30: EU SEC4 - Securitisation exposures in the non-trading book and associated capital requirements - institution acting as investor

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
	31 December 2023																
	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
1 **Total exposures**	1,467	27	4	64	-	-	1,498	64	-	-	309	79	-	-	25	6	-
2 Traditional securitisation	1,467	27	4	64	-	-	1,498	64	-	-	309	79	-	-	25	6	-
3 Securitisation	1,467	27	4	64	-	-	1,498	64	-	-	309	79	-	-	25	6	-
4 Retail underlying	1	27	4	-	-	-	32	-	-	-	16	-	-	-	2	-	-
5 Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 Wholesale	1,466	-	-	64	-	-	1,466	64	-	-	293	79	-	-	23	6	-
7 Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Synthetic securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Credit Risk

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
	30 June 2023																
	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
1 Total exposures	1,497	32	5	71	-	-	1,534	71	-	-	318	90	-	-	25	7	-
2 Traditional securitisation	1,497	32	5	71	-	-	1,534	71	-	-	318	90	-	-	25	7	-
3 Securitisation	1,497	32	5	71	-	-	1,534	71	-	-	318	90	-	-	25	7	-
4 Retail underlying	-	32	5	-	-	-	37	-	-	-	19	-	-	-	1	-	-
5 Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 Wholesale	1,497	-	-	71	-	-	1,497	71	-	-	299	90	-	-	24	7	-
7 Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Synthetic securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 31: EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

	a	b	c	a	b	c
	31 December 2023			30 June 2023		
	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
1 Total exposures [(1)]	**14,794**	**9,636**	**5,935**	14,073	9,839	6,296
2 Retail (total)	8,640	7,589	4,395	8,863	7,710	4,671
3 residential mortgage	6,535	5,732	3,158	6,631	5,737	3,314
4 credit card	-	-	-	-	-	-
5 other retail exposures	2,105	1,857	1,237	2,232	1,973	1,357
6 re-securitisation	-	-	-	-	-	-
7 Wholesale (total)	6,154	2,047	1,540	5,210	2,129	1,625
8 loans to corporates	6,154	2,047	1,540	5,210	2,129	1,625
9 commercial mortgage	-	-	-	-	-	-
10 lease and receivables	-	-	-	-	-	-
11 other wholesale	-	-	-	-	-	-
12 re-securitisation	-	-	-	-	-	-

[(1)] The increase in exposures is attributed to the latest synthetic transaction of Large and SME Corporate (Wave IV) of € 1.5 billion executed in Q4 2024 which is partially counterbalanced by a decrease in the total exposure stemming from the collection activities of the servicing company including the sale of a portfolio of assets under Cairo II in Q1 2023.

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 spread 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.

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 BRC of Eurobank Ergasias S.A. and its subsidiaries (the Group) is a committee of the 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 (GMCR), 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 Market and Counterparty Risk (GMCR)

GMCR is an independent unit of the Bank under the Group Chief Risk Officer. In the context of market and counterparty risks, the GMCR 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.

In the context of market and counterparty risks, the Bank's GMCRU 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 Credit Spread 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, at least on an annual basis.

Country Risk Committees (CRCs)

Country Risk Committees are risk committees held individually for each of our subsidiary banks in Bulgaria, Cyprus and Luxemburg. 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.

In the context of market risks, the committees examine limit utilizations and grant approvals for limit modifications relevant to market and counterparty risk exposure.

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 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.

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:

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

- All banking businesses of our international operations;
- 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 GMCR.

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

- Value at Risk (VaR) and Expected Shortfall;
- Stress testing, historical and sensitivity analysis;
- Net Interest Income (NII) and EVE sensitivity and other IRRBB and CSRBB related metrics;
- 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:

Market Risk

- 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 and credit spread risk: the risk of losses because of changes in interest rates and credit spreads;
- 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;
- 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%

Market Risk

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.

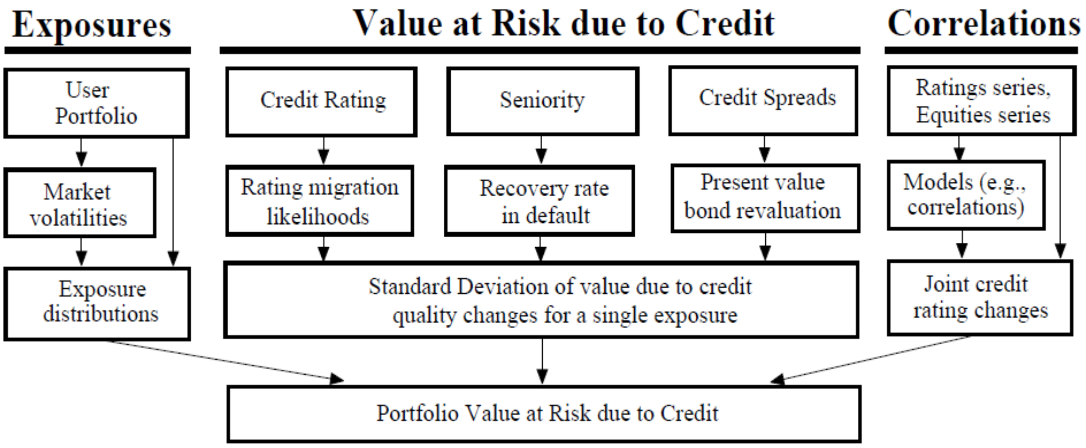
IRC is computed on all fixed income positions in Bank's trading activities in Greece, including CDS and bond futures. It estimates the default & migration risk of the trading book portfolio, using Monte Carlo simulation, to a 99.9% confidence level over a one year holding period. The model was approved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

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).

Market Risk

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;

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 2023 and 30 June 2023.

Table 32: EU MR2-A - Market risk under IMA

	a	b	a	b
	31 December 2023		30 June 2023	
	RWEAs € million	**Own funds requirements € million**	RWEAs € million	Own funds requirements € million
1 **VaR** (higher of values a and b)	110	9	176	14
(a) Previous day's VaR (VaRt-1)		2		3
(b) Multiplication factor (mc) x average of previous 60 working days (VaRavg)		9		14
2 **SVaR** (higher of values a and b)	202	16	340	27
(a) Latest available SVaR (SVaRt-1))		4		7
(b) Multiplication factor (ms) x average of previous 60 working days (sVaRavg)		16		27
3 **IRC** (higher of values a and b)	193	15	170	14
(a) Most recent IRC measure		7		14
(b) 12 weeks average IRC measure		15		13
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** (1)	**505**	**40**	686	55

(1) The decrease observed in the H2 2023 RWEAs is mainly attributed to the reduced regulatory multiplier to 3.25 (3.90 as at June 2023), due to the decreased number of exceptions (1 vs 7 in June 23), along with the elimination of RSD FX position from the Bank's Trading Book, due to the sale of "Eurobank Direktna a.d." in early Q4 2023.

Market Risk

Table 33: EU MR2-B - RWEAs flow of market risk exposures under IMA

	a	b	c	d	e	f	g
	31 December 2023						
	VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWEAs	Total own funds requirements
	€ million	€ million	€ million	€ million	€ million	€ million	€ million
1 **RWEAs at 1 October 2023**[1]	149	256	221	-	-	626	50
1a *Regulatory adjustment*[2]	(121)	(175)	(49)	-	-	(346)	(28)
1b *RWEAs at the previous quarter-end (end of the day)*[3]	28	81	171	-	-	280	22
2 Movement in risk levels	(39)	(54)	(28)	-	-	(121)	(10)
3 Model updates/changes	-	-	-	-	-	-	-
4 Methodology and policy	-	-	-	-	-	-	-
5 Acquisitions and disposals	-	-	-	-	-	-	-
6 Foreign exchange movements	-	-	-	-	-	-	-
7 Other	-	-	-	-	-	-	-
8a *RWEAs at the end of the reporting period (end of the day)*[3]	19	48	89	-	-	156	12
8b *Regulatory adjustment*[2]	91	154	104	-	-	349	28
8 **RWEAs at 31 December 2023**[1]	**110**	**202**	**193**	**-**	**-**	**505**	**40**

(1) RWEAs at previous and current reporting period (quarter end).
(2) Regulatory Adjustment indicates the difference between RWEAs and RWEAs (end of day) at previous and current reporting period.
(3) RWEAs 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).

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 2023 and 30 June 2023.

Table 34: EU MR3 – IMA values for trading portfolios

		a	a
		31 December 2023	30 June 2023
		€ million	€ million
	VaR (10 day 99%)		
1	Maximum value	3	4
2	Average value	2	3
3	Minimum value	1	2
4	Period end	2	3
	SVaR (10 day 99%)		
5	Maximum value	9	8
6	Average value	6	7
7	Minimum value	4	6
8	Period end	4	7
	IRC (99.9%)		
9	Maximum value	46	31
10	Average value	18	8
11	Minimum value	6	1
12	Period end	7	14
	Comprehensive risk measure (99.9%)		
13	Maximum value	-	-
14	Average value	-	-
15	Minimum value	-	-
16	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, focusing on sudden movements in interest rates, credit spreads, implied volatilities, fx rates, etc.

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

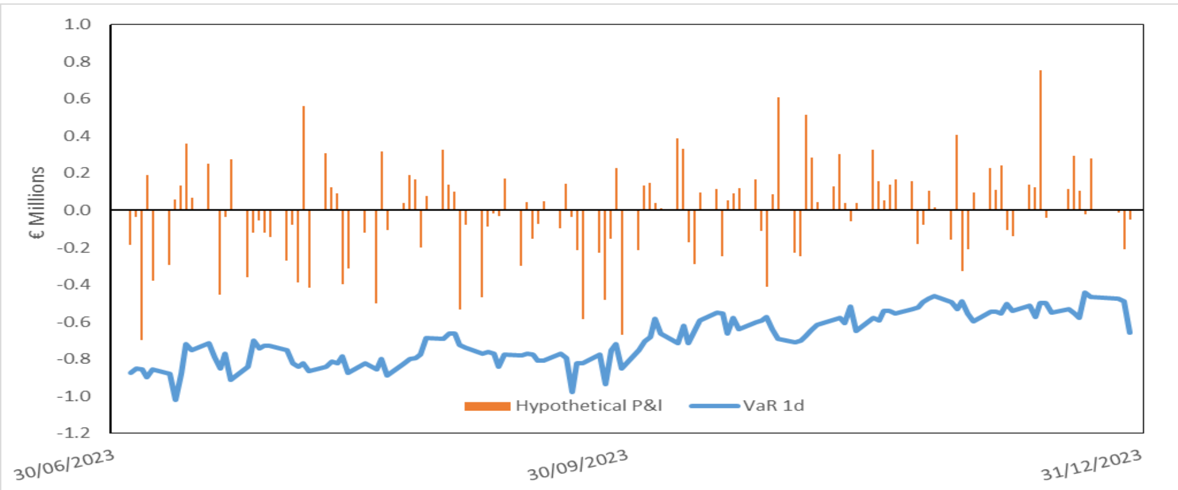
- Sensitivity on the percentage on systematic factor;
- Sensitivity on pair-wise obligor correlation;
- Sensitivity on PDs;
- Sensitivity on LGDs.

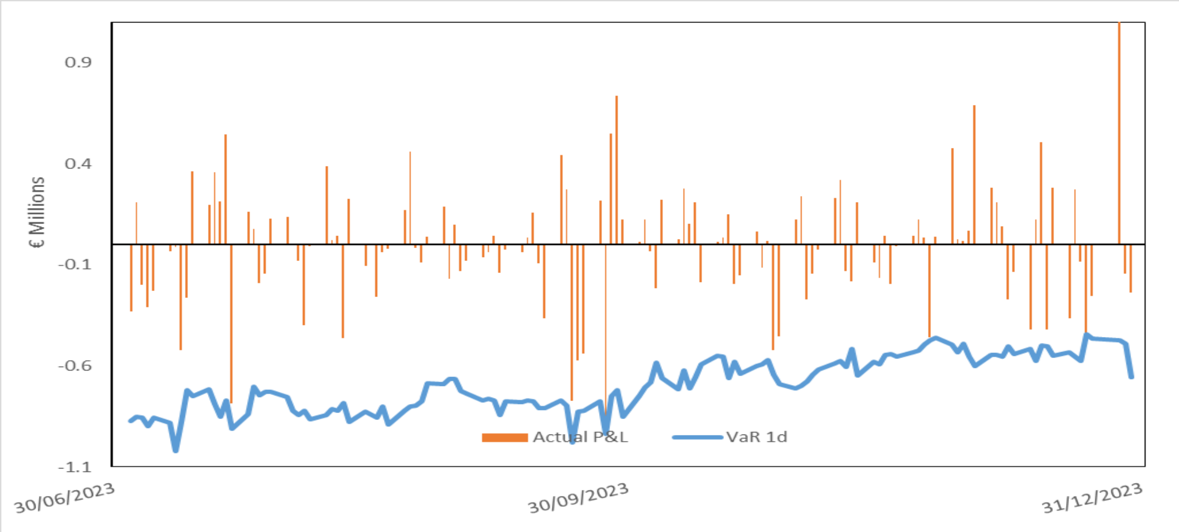
5.2.2 Back testing

Back testing for H2 2023 has revealed, as shown in the graphs below, no overshootings out of a total of 127 working days, when comparing the VaR forecast to the Hypothetical P&L and one (1) overshooting when comparing the VaR forecast to the Actual P&L. According to the regulatory framework, which takes into account a 250 working days period, the multiplier is equal to 3.00 (as at the EOY 2023, the internal model is located in the green zone, with one (1) overshooting when comparing the VaR forecast to Hypothetical P&L and one (1) overshooting when comparing to Actual P&L), regarding capital adequacy calculations for market risk. The calculation for RWEAs (VaR, SVaR) takes into account the amended multiplication factor (3.25), following the ECB's Decision on the additional supervisory measures, regarding the use of the internal models approach for calculating OFR for market risk.

The absence of new overshootings (only one (1) actual) is attributed to the reduced volatility observed in the markets, after the initial turmoil mainly caused by the geopolitical tension (war in Ukraine) in 2022. During the last 250 working days period, the total amount of backtesting overshootings is considerably reduced both on Hypothetical P&L ((1) for H2 2023 as compared to (5) for H1 2023) and Actual P&L ((1) for H2 2023 as compared to (7) for H1 2023). The final multiplication factor used for RWAs calculation is reduced to 3.25 (3.90 as at H1 2023).

Table 35: EU MR4 – Comparison of VaR estimates with gains/losses





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 2023 and 30 June 2023.

Table 36: EU MR1 – Market risk under the standardised approach

		a	a
		31 December 2023	30 June 2023
		RWEAs	RWEAs
		€ million	€ million
	Outright products		
1	Interest rate risk (general and specific)	37	3
2	Equity risk (general and specific)	10	7
3	Foreign exchange risk	64	184
4	Commodity risk	-	-
	Options		
5	Simplified approach	-	-
6	Delta-plus approach	-	-
7	Scenario approach	-	-
8	Securitisation (specific risk)	-	-
9	**Total**	**110**	193

[1] *The decrease of Market Risk RWEAs under SA mainly relates to the FX risk, driven by the transfer of the "ERB New Europe Holding B.V." assets to "Eurobank S.A.", following the Bank's decision for its liquidation.*

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.

Market Risk

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 2023 and 2022:

Table 37: Equity exposures not included in the trading book

	31 December 2023 € million	31 December 2022 € million
Held for:		
Strategic investments	17	95
Equity investments for capital appreciation	237	241
Total	**254**	336
Listed	31	103
Non-listed	131	156
Other (MF & other type of funds)	92	77
Total	**254**	336

5.5 Interest rate risk in the Banking Book (IRRBB)

With regards to the estimation of the IRRBB, the Bank uses methodologies for the estimation of risk from positions at fair value (VaR approach), along with methodologies for the estimation of risk on EVE (Economic Value of Equity) and on NII (Net Interest Income), taking into account all Banking Book positions.

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 FVOCI portfolio; VaR provides an estimation of the potential losses from FVOCI positions measured at fair value, that will directly affect the Bank's Capital (income statement or equity).

The VaR that the Group measures for positions 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).

The following table presents the EOY and averages of 2023 and 2022 interest rate VaR estimation of the FVOCI portfolio.

Interest Rate Risk measured using the VaR methodology, Greece and International Subsidiaries[(1)]

Table 38: Interest Rate VaR (FVOCI)

	2023 (Average) € million	**2023 € million**	2022 (Average) € million	2022 € million
Interest Rate Risk	7	9	22	9

[(1)] Includes FVOCI portfolio 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 2023 is materially decreased, as compared to the average VaR of 2022, following the reduced volatility observed in the markets, after the initial turmoil mainly caused by the geopolitical tension (war in Ukraine) in 2022.

In addition to the VaR estimation, the Bank uses internal reports for the monitoring of the IRRBB taking into account FVOCI and AC portfolios (loans, deposits, debt securities and derivatives used for hedging etc.), including: Interest rate repricing analysis, sensitivity of NII and sensitivity of Bank's EVE 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 Non-Maturing Deposits). These assumptions are based on historical observations processed using statistical analysis.

The disclosure has been prepared using the information referred to in Article 448(1), points (a) and (b), of Regulation (EU) No 575/2013 by using template EU IRRBB1 set out in Annex XXXVII of Regulation (EU) No 631/2022 of 13 April 2022 and by following the instructions set out in Annex XXXVIII to the same Regulation.

The analysis takes into account all assets, liabilities and off-balance sheet items, which are sensitive to interest rates.

The following table summarizes the most important metrics that are used internally by the Group for the monitoring of IRRBB.

Table 39: NII Sensitivity impact (± 200 bps)

	31 December 2023	31 December 2022
	€ million	€ million
NII sensitivity	**1 year impact**	1 year impact
Scenario		
Parallel Up	96	177
Parallel Down	(404)	(590)

The impact on NII is calculated under the scenario of an instantaneous parallel shift of all interest rates.

Table 40: EU IRRBB1 - Interest rate risks of non-trading book activities

		a	b	c	d
		31 December 2023			
	Supervisory shock scenarios	**Changes of the economic value of equity**		**Changes of the net interest income**	
		Current period	**Last period**	**Current period**	**Last period**
		€ million	**€ million**	**€ million**	**€ million**
1	Parallel up	20	(590)	96	(162)
2	Parallel down	(191)	351	(404)	(236)
3	Steepener	(88)	(126)		
4	Flattener	53	(14)		
5	Short rates up	7	(181)		
6	Short rates down	(188)	88		

		a	b	c	d
		30 June 2023			
	Supervisory shock scenarios	Changes of the economic		Changes of the net interest	
		Current period	Last period	Current period	Last period
		€ million	€ million	€ million	€ million
1	Parallel up	(590)	137	(162)	177
2	Parallel down	351	(420)	(236)	(590)
3	Steepener	(126)	(327)		
4	Flattener	(14)	183		
5	Short rates up	(181)	205		
6	Short rates down	88	(501)		

The sensitivities to the Supervisory Shock scenarios are calculated as defined in EBA/GL/2022/14 which came into force on the 30th of June 2023.

Market Risk

The measurement of Economic value of Equity and of Net Interest Income as of 31 December 2023 is based on the EBA/RTS/2022/10. It is worth noting, that the Bank in response to the regulatory developments and requirements (EBA/GL/2022/14), has further enhanced its infrastructure, governance and limit structure accordingly, so as to measure and monitor its CSRBB.

Table 41: EU IRRBBA - Qualitative information on interest rate risks of non-trading book activities

Row number	Qualitative information - free format		Legal basis
(a)	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.	Article 448(1), point (e)
(b)	A description of the institution's overall IRRBB management and mitigation strategies	For the management of IRRBB the Bank uses the following principles: -Maintains 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 (BoD, BRC and G-ALCO) -Establishes policies, guidelines and internal framework for the monitoring, measurement and management of IRRBB including the interplay with the hedging framework -Measures the IRRBB exposure, the utilization of limits and monitors the exposure for any excess on limits -Establishes and maintains appropriate tools for IRRBB measurement and reporting -Identifies and sets the appropriate stress testing framework for the assessment of IRRBB -Conducts modelling with the required supporting analysis regarding assumptions that are essential for the measurement and management of IRRBB (i.e. behavioral assumptions etc.). -Monitors the regulatory environment and potential changes in order to be consistently up to date on the methodologies and reporting.	Article 448(1), point (f)
(c)	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 at least on a monthly basis. The main measures used are the sensitivity on NII, market value changes and 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)
(d)	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, in addition to the supervisory shock scenarios as defined in EBA/RTS/2022/10, the Bank uses a number of internal scenarios. For NII sensitivity, the Bank uses the supervisory shock scenarios (+200 bps / - 200 bps) as defined in EBA/RTS/2022/10.	Article 448(1), point (e) (iii); Article 448(2)
(e)	A description of the key modelling and parametric assumptions different from those used for disclosure of template EU IRRBB1 (if applicable)	The modelling and parametric assumptions that the Bank uses to calculate the EVE and NII are specified in EBA/RTS/2022/10.	Article 448(1), point (e) (ii); Article 448(2)
(f)	A high-level description of how the bank hedges its IRRBB, as well as the associated accounting treatment (if applicable)	The bank enters in hedging positions in order to mitigate the sensitivity of Economic Value of Equity (EVE) and Net Interest Income (NII). These positions are either derivatives transactions approved in the Bank’s Accounting Hedging Policy (i.e. fair value hedge or cash flow hedge), or economic hedge position without necessarily applying hedge accounting.	Article 448(1), point (e) (iv); Article 448(2)
(g)	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 mainly related to the NMDs. Specifically, the Bank uses a combination of behavioural models that capture the sensitivity of interest rates and maturity profile.	Article 448(1), point (c); Article 448(2)
(h)	Explanation of the significance of the IRRBB measures and of their significant variations since previous disclosures	The most significant development that contributed mostly on the variations of IRRBB measures since previous disclosures is mainly due to the different levels of the hedging activity.	Article 448(1), point (d)
(i)	Any other relevant information regarding the IRRBB measures disclosed in template EU IRRBB1 (optional)		
(1) (2)	Disclosure of the average and longest repricing maturity assigned to non-maturity deposits	The average maturity of NMDs is 2.7 years. The longest repricing maturity assigned to NMDs is 10 years.	Article 448(1), point (g)

6. Counterparty risk

6.1 Definition

Counterparty credit risk (CCR) 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).

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 International Swaps and Derivatives Association - 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 Global Master Repurchase Agreement (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.

The Group sets credit limits in order to control its credit risk exposure. The limits are set per counterparty group, per counterparty and per product. Credit limits are approved as per the Group’s Credit Approval Policy. The counterparty credit risk and its utilization is monitored on a daily basis.

6.4 Wrong way risk

Wrong-way risk in a derivative or a secured funding transaction (SFT) exposure arises when there is significant correlation between the underlying asset and the counterparty, which in the event of default would lead to a significant MTM loss to the counterparty. The Bank avoids the initiation of derivative transactions or SFTs in cases that the value of the underlying instrument is highly correlated with the credit quality of the counterparty. However, in case of any transactions entailing wrong way risk, the additional risk is reflected in the exposure to the counterparty and it is monitored.

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 30 December 2023, the Group held a small number of positions on CDS Indices (protection bought € 200 million).

As of 30 June 2023, the Group had a small number of positions on CDS Indices (protection bought € 275 million).

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 42: EU CCR6 – Credit derivatives exposures

		a	b	a	b
		31 December 2023		30 June 2023	
		Protection bought € million	Protection sold € million	Protection bought € million	Protection sold € million
	Notionals				
1	Single-name credit default swaps	-	-	-	-
2	Index credit default swaps	200	-	275	-
3	Total return swaps	-	-	-	-
4	Credit options	-	-	-	-
5	Other credit derivatives [1]	-	-	50	50
6	**Total notionals**	**200**	**-**	325	50
	Fair values				
7	Positive fair value (asset)	-	-	-	-
8	Negative fair value (liability)	(34)	-	(34)	-

[1] *"Other credit derivatives" net position is zero. The protection sold position refers to the close out of the bought position.*

6.7 Counterparty risk based on the calculation methodology employed

The following table shows the exposure to counterparty credit risk based on the calculation methodology employed as at 31 December 2023 and 30 June 2023.

Table 43: EU CCR1 – Analysis of CCR exposure by approach

		a	b	c	d	e	f	g	h
		31 December 2023							
		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-1	EU - Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU-2	EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1	SA-CCR (for derivatives)	205	189		1.4	912	551	549	230
2	IMM (for derivatives and SFTs)			-	1.2	-	-	-	-
2a	*Of which securities financing transactions netting sets*			-		-	-	-	-
2b	*Of which derivatives and long settlement transactions netting sets*			-		-	-	-	-
2c	*Of which from contractual cross-product netting sets*			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					4,269	3,180	3,180	199
5	VaR for SFTs					-	-	-	-
6	**Total**					**5,181**	**3,731**	**3,729**	**429**

		a	b	c	d	e	f	g	h
		30 June 2023							
		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-1	EU - Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU-2	EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1	SA-CCR (for derivatives)	182	189		1.4	894	519	517	209
2	IMM (for derivatives and SFTs)			-	1.2	-	-	-	-
2a	*Of which securities financing transactions netting sets*			-		-	-	-	-
2b	*Of which derivatives and long settlement transactions netting sets*			-		-	-	-	-
2c	*Of which from contractual cross-product netting sets*			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					3,950	3,512	3,512	124
5	VaR for SFTs					-	-	-	-
6	Total					4,844	4,031	4,029	333

Counterparty Risk

6.8 CVA capital charge

The following table shows the CVA capital charge, which is calculated through the Standardised approach as at 31 December 2023 and 30 June 2023.

Table 44: EU CCR2 - Transactions subject to own funds requirements for CVA risk

		a	b	a	b
		31 December 2023		30 June 2023	
		Exposure value € million	RWEA € million	Exposure value € million	RWEA € million
1	Total transactions subject to the Advanced method	-	-	-	-
2	(i) VaR component (including the 3× multiplier)		-		-
3	(ii) stressed VaR component (including the 3× multiplier)		-		-
4	Transactions subject to the Standardised method	181	184	192	178
EU-4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-	-	-
5	**Total transactions subject to own funds requirements for CVA risk**	**181**	**184**	192	178

6.9 Exposures to CCPs

The following table shows the exposures to CCPs and the corresponding RWEAs as at 31 December 2023 and 30 June 2023.

Table 45: EU CCR8 – Exposures to CCPs

		a	b	a	b
		31 December 2023		30 June 2023	
		Exposure value € million	RWEA € million	Exposure value € million	RWEA € million
1	**Exposures to QCCPs (total)**		**12**		9
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	157	3	67	1
3	(i) OTC derivatives	157	3	67	1
4	(ii) Exchange-traded derivatives	-	-	-	-
5	(iii) SFTs	-	-	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-	-	-
7	Segregated initial margin	-		-	
8	Non-segregated initial margin	431	9	360	7
9	Prefunded default fund contributions	-	-	-	-
10	Unfunded default fund contributions	-	-	-	-
11	**Exposures to non-QCCPs (total)**		-		-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-	-	-
13	(i) OTC derivatives	-	-	-	-
14	(ii) Exchange-traded derivatives	-	-	-	-
15	(iii) SFTs	-	-	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-	-	-
17	Segregated initial margin	-		-	
18	Non-segregated initial margin	-	-	-	-
19	Prefunded default fund contributions	-	-	-	-
20	Unfunded default fund contributions	-	-	-	-

Counterparty Risk

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 2023 and 30 June 2023.

Table 46: EU CCR3 - Standardised approach – CCR exposures by regulatory exposure class and risk weights

		a	b	c	d	e	f	g	h	i	j	k	l
		31 December 2023											
	Exposure classes	Risk weight											Total exposure value
		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	€ million
1	Central governments or central banks [1]	2,248	-	-	-	-	-	-	-	-	-	-	2,248
2	Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
4	Multilateral development banks	1	-	-	-	-	-	-	-	-	-	-	1
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions [2]	-	587	-	-	1,282	16	-	-	2	-	-	1,887
7	Corporates	-	-	-	-	-	41	-	-	134	5	-	180
8	Retail	-	-	-	-	-	-	-	-	-	-	-	-
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
10	Other items	-	-	-	-	-	-	-	-	-	-	-	-
11	**Total exposure value**	**2,249**	**587**	**-**	**-**	**1,282**	**57**	**-**	**-**	**136**	**5**	**-**	**4,316**

		a	b	c	d	e	f	g	h	i	j	k	l
		30 June 2023											
	Exposure classes	Risk weight											Total exposure value
		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	€ million
1	Central governments or central banks	2,930	-	-	-	-	-	-	-	-	-	-	2,930
2	Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
4	Multilateral development banks	8	-	-	-	-	-	-	-	-	-	-	8
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	-	422	3	-	940	7	-	-	-	-	-	1,372
7	Corporates	-	-	-	-	-	4	-	-	139	-	-	143
8	Retail	-	-	-	-	-	-	-	1	-	-	-	1
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
10	Other items	-	-	-	-	-	-	-	-	-	-	-	-
11	Total exposure value	2,938	422	3	-	940	11	-	1	139	-	-	4,454

(1) *The decrease of the exposure in Central Governments or Central Banks (RWF 0%) is mainly due to the decrease of liquidity received from Eurosystem Funding (TLTRO).*

(2) *The increase of the exposure in Institutions (RWF 20%) is mainly due to the increase of the outstanding transactions with interbank counterparties.*

6.11 RWEAs flow statements of CCR exposures under IMM

Table 47: EU CCR7 - RWEAs 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 RWEAs of CCR exposures.

Counterparty Risk

6.12 Composition of collateral for exposures to CCR

The following table shows the composition of collateral for exposures to CCR, as at 31 December 2023 and 30 June 2023.

Table 48: EU CCR5 - Composition of collateral for CCR exposures

	a	b	c	d	e	f	g	h
	31 December 2023							
	Collateral used in derivative transactions				**Collateral used in SFTs**			
Collateral type	**Fair value of collateral received**		**Fair value of posted collateral**		**Fair value of collateral received**		**Fair value of posted collateral**	
	Segregated	**Unsegregated** [(1)]	**Segregated**	**Unsegregated**	**Segregated**	**Unsegregated** [(2)]	**Segregated**	**Unsegregated** [(3)]
	€ million	**€ million**	**€ million**	**€ million**	**€ million**	**€ million**	**€ million**	**€ million**
1 Cash – domestic currency	-	443	-	740	-	15	-	37
2 Cash – other currencies	-	2	-	29	-	5	-	-
3 Domestic sovereign debt	-	-	-	-	-	286	-	304
4 Other sovereign debt	-	-	-	-	-	23	-	187
5 Government agency debt	-	-	-	-	-	-	-	-
6 Corporate bonds	-	-	-	-	-	1,078	-	4,539
7 Equity securities	-	-	-	-	-	-	-	-
8 Other collateral	-	-	-	-	-	-	-	5,058
9 **Total**	**-**	**444**	**-**	**769**	**-**	**1,406**	**-**	**10,125**

	a	b	c	d	e	f	g	h
	30 June 2023							
	Collateral used in derivative transactions				Collateral used in SFTs			
Collateral type	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
1 Cash – domestic currency	-	908	-	565	-	4	-	3
2 Cash – other currencies	-	1	-	26	-	-	-	1
3 Domestic sovereign debt	-	-	-	-	-	286	-	208
4 Other sovereign debt	-	-	-	-	-	235	-	352
5 Government agency debt	-	-	-	-	-	-	-	-
6 Corporate bonds	-	-	-	-	-	84	-	4,566
7 Equity securities	-	-	-	-	-	-	-	-
8 Other collateral	-	-	-	-	-	-	-	6,561
9 Total	-	909	-	590	-	610	-	11,690

(1) The decrease of the collaterals received regarding derivatives is mainly due to the decrease in EuroSwap Rates.
(2) The increase of the collaterals received in Securities Financing Transactions (SFTs) is mainly due to new transactions (Reverse Repo) with interbank counterparties.
(3) The decrease of the collaterals posted in Securities Financing Transactions (SFTs) is mainly due to the decrease of the posted collateral in Eurosystem (Targeted Long Term Refinancing Operations - TLTRO).

7. Operational Risk

Operational risk is a subset of the Bank's non-financial risks, in line with the Bank's risk taxonomy. Non-financial risks are defined by exclusion, that is, any risk other than the financial risks. Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events. It includes legal risk and excludes strategic and reputational 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.

Governance responsibility for operational risk management stems from the BoD through the Executive Board and Senior Management, and passes down to the Heads and staff of every business unit. The BoD establishes the mechanisms used by the Group to manage operational risk, sets the tone and expectations, and delegates relevant responsibilities. The BRC and the Audit Committee (AC) monitor the operational risk level and profile, including relevant events. The Group Chief Risk Officer is responsible for the operational risk related initiatives 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 and Non-Financial Risks (GONFR) is responsible for establishing and maintaining the Group's operational risk management framework, its effective and consistent application across the Group and for operational risk oversight. GONFR acts as an overlaying coordinator for the harmonisation of Second Line of Defense activities across the Group. An Operational Risk operates in every subsidiary of the Group and is responsible for implementing the Group's operational risk framework.

The Group applies the elements of the Three Lines of Defense Model for the management of operational and non-financial risks. The Three Lines of Defense Model enhances risk management and control by clarifying roles and responsibilities within the organization. Under the oversight and direction of the Management Body, three separate groups within the organization are necessary for effective management of all types of operational risk. The responsibilities of each of these groups or lines of defense are:

- Line 1 - Own and manage risk and controls. The front line business and operations are accountable for this responsibility as they own the rewards and are the primary risk generators.
- Line 2 - Monitor risk and controls in support of Executive Management, providing oversight, challenge, advice and group-wide direction. These mainly include the Risk and Compliance Units.
- Line 3 - Provide independent assurance to the Board and Executive Management concerning the effectiveness of risk and control management. This refers to Internal Audit.

The Heads of each business unit (the risk owners) are primarily responsible for the day-to-day management of operational risk and the adherence to relevant controls. 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, which are responsible for coordinating the internal operational risk management efforts of the business unit, while forming the link between Line 1 and Line 2.

7.2 Operational risk management framework

Aiming to further strengthen the existing Operational Risk Framework, in alignment with increased regulatory expectations, the Bank has proceeded with actions towards managing Non-Financial Risks (NFRs) holistically. In this direction, the Bank has established a new Non-Financial Risk Management Framework to define its approach to identifying, assessing, managing, monitoring and reporting operational and other non-financial risks.

Operational risk management comprises risk identification, assessment and mitigation, while employing independent oversight and an effective risk culture to ensure that business objectives are met within set appetite, The key operational risk tools/methods and components are:

- **Advisory Services and Challenge**
  Providing challenge, advice, solutions, and support the First Line of Defense on significant operational risk matters and the interpretation and application of operational risk Policies, Guidelines, and regulatory requirements.
- **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 in the internal operational risk events database. Events are managed until final closure and corrective action is taken where necessary.
- **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 Profile Monitoring and Reporting**
  Reporting containing material operational risk information to measure and monitor risk exposure against risk appetite is 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 and Awareness**
  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 groupwide, throughout their lifecycle, according to which, financial and non-financial risks are assessed.
- **Fraud Risk Management**
  Fraud risk management constitutes a major commitment of the Group to mitigate fraud risk and reduce fraud losses.

Operational Risk

- **Operational Risk Capital Management**
  Eurobank Group maintains a level of capital in reserve to protect itself from the manifestation of operational risks on the business. In addition, Eurobank Group is required, both at Group level and within various subsidiaries both in Greece and abroad, to hold a level of regulatory capital to satisfy national and regional regulators and supervisors that the Eurobank Group is able to withstand certain levels of operational risk manifestation, amongst other risk types.
- **Risk Appetite Monitoring**
  Risk appetite for operational risk is expressed in quantitative and qualitative terms, and represents the exposure which Eurobank Group is prepared to accept in the execution of its business activity and the achievement of its business plans. Risk appetite for operational risk is set at various levels and is further cascaded as required by the Risk Appetite Framework.

7.3 Operational risk capital requirements calculation

As required by the provisions of Regulation (EU) No 575/2013 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 2021, 2022 and 2023 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 49: EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts

		a	b	c	d	e
		31 December 2023				
	Banking activities	Relevant indicator			Own funds requirements	Risk exposure amount
		Year-3	Year-2	Last year		
		€ million	€ million	€ million	€ million	€ million
1	Banking activities subject to basic indicator approach (BIA)	-	-	-	-	-
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	1,767	2,100	2,623	300	3,746
3	*Subject to TSA:*	1,767	2,100	2,623		
4	*Subject to ASA:*	-	-	-		
5	Banking activities subject to advanced measurement approaches AMA	-	-	-	-	-

		a	b	c	d	e
		31 December 2022				
	Banking activities	Relevant indicator			Own funds requirements	Risk exposure amount
		Year-3	Year-2	Last year		
		€ million	€ million	€ million	€ million	€ million
1	Banking activities subject to basic indicator approach (BIA)	-	-	-	-	-
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	1,740	1,767	2,100	266	3,323
3	*Subject to TSA:*	1,740	1,767	2,100		
4	*Subject to ASA:*	-	-	-		
5	Banking activities subject to advanced measurement approaches AMA	-	-	-	-	-

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 year 2023 the Group's secured funding from Eurosystem sources (ECB's MRO/TLTRO) decreased by €5.2 billion versus December 2022, from € 8.9 billion in December 2022 to € 3.7 billion in December 2023.

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 2023 the over-collateralization (market value over funding value) in case of secured funding through repos and ECB was 11% and 37% 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 50: EU AE1 – Encumbered and unencumbered assets

	010	030	040	050	060	080	090	100
	31 December 2023							
	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
010 **Assets of the reporting institution**	14,802	1,992			66,014	6,612		
030 Equity instruments	-	-	-	-	336	-	276	-
040 Debt securities	3,338	1,992	3,113	1,898	10,064	6,612	9,651	6,264
050 of which: covered bonds	8	8	8	8	281	94	277	92
060 of which: securitisations	766	-	751	-	816	6	802	6
070 of which: issued by general governments	2,018	1,830	1,921	1,737	6,703	5,781	6,357	5,404
080 of which: issued by financial corporations	902	13	889	13	2,248	214	2,216	211
090 of which: issued by non-financial corporations	308	147	308	146	1,040	267	1,052	267
120 Other assets	11,324	-			54,897	-		

Asset Encumbrance

	010	030	040	050	060	080	090	100
	31 December 2022							
	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
010 Assets of the reporting institution	18,021	5,337			63,429	3,949		
030 Equity instruments	-	-	-	-	291	-	-	-
040 Debt securities	6,026	5,337	5,858	5,161	6,537	3,949	5,715	3,240
050 of which: covered bonds	153	151	151	151	197	197	194	192
060 of which: securitisations	347	1	335	1	952	1	932	1
070 of which: issued by general governments	5,315	5,076	5,063	4,901	3,745	2,940	3,038	2,866
080 of which: issued by financial corporations	542	81	523	80	1,943	236	1,882	233
090 of which: issued by non-financial corporations	301	154	297	152	866	147	843	146
120 Other assets	12,315	-			41,344	-		

[1] *The values in these tables are the median of quarterly data points in the year.*

8.3 Collateral received

Table 51: EU AE2 - Collateral received and own debt securities issued

	010	030	040	060
	31 December 2023			
			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**
130 Collateral received by the disclosing institution	**54**	**48**	**818**	**332**
140 Loans on demand	-	-	-	-
150 Equity instruments	-	-	-	-
160 Debt securities	54	48	818	332
170 of which: covered bonds	-	-	-	-
180 of which: securitisations	-	-	-	-
190 of which: issued by general governments	48	48	461	221
200 of which: issued by financial corporations	-	-	286	111
210 of which: issued by non-financial corporations	6	-	21	-
220 Loans and advances other than loans on demand	-	-	-	-
230 Other collateral received	-	-	-	-
240 Own debt securities issued other than own covered bonds or securitisations	**-**	**-**	**-**	**-**
241 Own covered bonds and securitisation issued and not yet pledged			**-**	**-**
250 TOTAL COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED	**14,856**	**1,176**		

Asset Encumbrance

		010	030	040	060
		31 December 2022			
		Fair value of encumbered collateral received or own debt securities issued		Unencumbered 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
130	Collateral received by the disclosing institution	139	117	129	103
140	Loans on demand	-	-	-	-
150	Equity instruments	-	-	-	-
160	Debt securities	139	117	129	103
170	of which: covered bonds	-	-	-	-
180	of which: securitisations	-	-	-	-
190	of which: issued by general governments	117	117	75	103
200	of which: issued by financial corporations	-	-	34	-
210	of which: issued by non-financial corporations	2	-	21	-
220	Loans and advances other than loans on demand	-	-	-	-
230	Other collateral received	-	-	-	-
240	Own debt securities issued other than own covered bonds or securitisations	-	-	-	-
241	Own covered bonds and securitisation issued and not yet pledged			-	-
250	TOTAL COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED	18,361	5,655		

[(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 52: EU AE3 - Sources of encumbrance

		010	030
		31 December 2023	
		Matching liabilities, contingent liabilities or securities lent	**Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered**
010	**Carrying amount of selected financial liabilities**	9,942	14,185

		010	030
		31 December 2022	
		Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
010	Carrying amount of selected financial liabilities	13,368	17,336

[(1)] *The values in these tables are the median of quarterly data points in the year.*

Leverage Ratio

9. Leverage Ratio

The 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 2023, including profits, was at 8.7% (30 June 2023: 8.1%), according to the transitional definition of Tier 1 capital, significantly over the proposed minimum threshold of 3%.

The below table includes the summary of the Group's leverage ratio with reference dates 31 December 2023 and 30 June 2023.

Table 53: EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

		a		a	
		31 December 2023 [1]	31 December 2023	30 June 2023 [1]	30 June 2023
		€ million	€ million	€ million	€ million
1	**Total assets as per published financial statements**	**79,781**	**79,781**	**81,521**	**81,521**
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	-	-	-	-
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-	-	-	-
4	(Adjustment for temporary exemption of exposures to central bank (if applicable))	-	-	-	-
5	(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)	-	-	-	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-	-	-	-
7	Adjustment for eligible cash pooling transactions	-	-	-	-
8	Adjustments for derivative financial instruments	(249)	(249)	(433)	(433)
9	Adjustment for securities financing transactions (SFTs)	1,900	1,900	863	863
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	3,775	3,775	3,739	3,739
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-	-	-	-
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	-	-	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-	-	-	-
12	Other adjustments	(805)	(864)	(696)	(738)
13	**Total exposure measure**	**84,402**	**84,343**	84,994	84,952

[1] Including profits € 1,140 million for year ended 31 December 2023 and € 684 million for the 1H 2023.

Leverage Ratio

Table 54: EU LR2 - LRCom: Leverage ratio common disclosure

			a		a
		31 December 2023 [1]	31 December 2023	30 June 2023 [1]	30 June 2023
		ratio exposures € million	ratio exposures € million	ratio exposures € million	ratio exposures € million
	On - balance sheet exposures (excluding derivatives and SFT's)				
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	78,817	78,817	80,378	80,378
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-	-	-
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(359)	(359)	(232)	(232)
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	(452)	(511)	(479)	(521)
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**78,006**	**77,947**	79,667	79,625
	Derivative exposures				
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	136	136	73	73
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	496	496	479	479
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-	-	-
EU-9b	Exposure determined under Original Exposure Method	-	-	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	-	-	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-	-	-
13	**Total derivatives exposures**	**633**	**633**	552	552
	Securities financing transaction exposures				
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	1,298	1,298	570	570
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(1)	(1)	-	-
16	Counterparty credit risk exposure for SFT assets	691	691	466	466
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-	-	-
17	Agent transaction exposures	-	-	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-	-	-
18	**Total securities financing transaction exposures**	**1,988**	**1,988**	1,036	1,036
	Other off-balance sheet exposures				
19	Off-balance sheet exposures of gross notional amount	11,418	11,418	11,484	11,484
20	(Adjustments for conversion to credit equivalent amounts)	(7,643)	(7,643)	(7,745)	(7,745)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	-	-	-
22	**Off-balance sheet exposures**	**3,775**	**3,775**	3,739	3,739
	Excluded exposures				
EU-22k	**(Total exempted exposures)**	-	-	-	-
	Capital and total exposure measure				
23	**Tier 1 capital**	**7,348**	**6,939**	6,871	6,580
24	**Total exposure measure**	**84,402**	**84,343**	84,994	84,952
	Leverage ratio				
25	**Leverage ratio %**	**8.7%**	**8.2%**	8.1%	7.8%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	8.7%	8.2%	8.1%	7.8%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	8.7%	8.2%	8.1%	7.8%
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%	3.00%	3.00%
EU-26a	**Additional own funds requirements to address the risk of excessive leverage (%)**	**0.00%**	**0.00%**	0.00%	0.00%
EU-26b	**of which: to be made up of CET1 capital**	**0.00%**	**0.00%**	0.00%	0.00%
27	**Leverage ratio buffer requirement (%)**	**0.00%**	**0.00%**	0.00%	0.00%
EU-27a	**Overall leverage ratio requirement (%)**	**3.00%**	**3.00%**	3.00%	3.00%
	Choise on transitional arrangements and relevant exposures				
EU-27b	**Choice on transitional arrangements for the definition of capital measure**	**Transitional**	**Transitional**	Transitional	Transitional

Leverage Ratio

		a		b	
		31 December 2023 [1]	31 December 2023	30 June 2023 [1]	30 June 2023
		CRR leverage ratio exposures € million	CRR leverage ratio exposures € million	CRR leverage ratio exposures € million	CRR leverage ratio exposures € million
	Disclosure of mean values				
28	Mean value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	1,370	1,370		
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	1,297	1,297		
30	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)	84,475	84,416		
30a	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)	84,475	84,416		
31	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)	8.7%	8.2%		
31a	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)	8.7%	8.2%		

[(1)] *Including profits € 1,140 million for year ended 31 December 2023 and € 684 million for the 1H 2023.*
[(2)] *The increase in the leverage ratio compared to 30 June 2023 is mainly due to decrease in on balance sheet exposures, along with the increase in the Tier 1 capital.*
[(3)] *Total off-balance sheet items exposures presented in accordance with Article 111 (1) of Regulation (EU) No 575/2013 (STD).*

Table 55: EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

		a		a	
		31 December 2023 [1]	31 December 2023	30 June 2023 [1]	30 June 2023
		CRR leverage ratio exposures € million	CRR leverage ratio exposures € million	CRR leverage ratio exposures € million	CRR leverage ratio exposures € million
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**78,458**	**78,458**	80,146	80,146
EU-2	**Trading book exposures**	**380**	**380**	323	323
EU-3	**Banking book exposures, of which:**	**78,078**	**78,078**	79,823	79,823
EU-4	Covered bonds	289	289	285	285
EU-5	Exposures treated as sovereigns	29,264	29,264	31,496	31,496
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	-	-	-	-
EU-7	Institutions	3,430	3,430	2,832	2,832
EU-8	Secured by mortgages of immovable properties	10,955	10,955	11,287	11,287
EU-9	Retail exposures	5,591	5,591	6,119	6,119
EU-10	Corporates	15,856	15,856	15,857	15,857
EU-11	Exposures in default	855	855	1,168	1,168
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	11,838	11,838	10,779	10,779

[(1)] *Including profits € 1,140 million for year ended 31 December 2023 and € 684 million for the 1H 2023.*

10. Liquidity Risk

The Group is exposed to daily calls on 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 (Credit Support Annex - CSAs, GMRAs) and on centrally cleared transactions with Central Counterparties (CCP) result in liquidity exposure. The Group maintains cash resources to meet all of these needs. The 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.

10.1 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, taking into account the latest funding plan and for the daily management of the Group’s liquidity.
(d) Group Market and Counterparty Risk is responsible for the measuring, controlling, monitoring and reporting 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.

10.2 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 that can be used for collateral in secured funding transactions;

(c) Current accounts with banks and 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 € 22.3 billion as at 31 December 2023 (2022: € 20.1 billion). This increase is attributed mainly to: i) a large inflow of customer deposits (y-o-y Δ € +1.8 billion) and ii) new own debt issuances (y-o-y Δ € +1.1 billion). In addition, the Group holds other types of highly liquid assets, as defined by the regulator, amounting to € 7.0 billion (cash value) (2022: € 7.5 billion). It should be noted that a part of ECB's available collateral of € 9.3 billion (cash value) (2022: € 3.8 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 2023 decreased the long-term funding from the ECB through TLTRO III funding (ECB funding decreased from € 8.8 billion as of December 2022 to € 3.7 billion as of December 2023, which consists entirely of TLTRO funding). On the other hand, inflows mainly from deposits (+ € 1.8 billion in 2023), along with the successful issuance of two senior preferred notes (€ 0.5 billion each), 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. More recently, in January 2024, the Bank successfully completed the issue of a € 300 Tier 2 instrument.

10.3 Liquidity Coverage Ratio (LCR) calculations

LCR as of 31 December 2023 is equal to 178.6% (30 September 2023: 170.6%). The corresponding High Quality Liquid Assets (HQLA) as of 30 September 2023 as defined by the regulation for the calculation of LCR are € 17,962 million.

The next table presents the key components of group's LCR, as per the respective guidelines on LCR disclosure (EBA/GL/2017/01). According to the guideline, 12 monthly data points are used in the calculations below.

The table below shows the level and components of the Liquidity Coverage Ratio.

Liquidity Risk

Table 56: LIQ1 - Quantitative information of LCR

		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on	31 December 2023	30 September 2023	30 June 2023	31 March 2023	31 December 2023	30 September 2023	30 June 2023	31 March 2023
		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
	HIGH-QUALITY LIQUID ASSETS								
1	Total high-quality liquid assets (HQLA)					17,177	16,850	16,074	15,118
	CASH-OUTFLOWS								
2	Retail deposits and deposits from small business customers, of which:	33,935	33,672	33,390	32,841	2,368	2,286	2,207	2,111
3	Stable deposits	22,039	23,006	23,890	24,599	1,102	1,150	1,195	1,230
4	Less stable deposits	11,897	10,666	9,500	8,241	1,266	1,136	1,012	881
5	Unsecured wholesale funding	15,225	15,178	14,825	14,419	7,040	6,837	6,483	6,161
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	1,515	1,691	1,857	1,933	372	414	455	474
7	Non-operational deposits (all counterparties)	13,710	13,488	12,968	12,487	6,669	6,423	6,028	5,687
8	Unsecured debt	-	-	-	-	-	-	-	-
9	Secured wholesale funding					96	101	113	120
10	Additional requirements	5,442	5,076	4,467	3,873	1,214	1,275	1,264	1,234
11	Outflows related to derivative exposures and other collateral requirements	771	878	930	960	771	878	930	960
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	4,671	4,198	3,538	2,913	443	397	334	273
14	Other contractual funding obligations	86	97	117	113	74	86	106	102
15	Other contingent funding obligations	3,753	3,538	3,487	3,462	254	242	240	241
16	TOTAL CASH OUTFLOWS					11,047	10,828	10,413	9,970
	CASH-INFLOWS								
17	Secured lending (eg reverse repos)	160	120	78	105	17	11	9	14
18	Inflows from fully performing exposures	962	903	866	835	806	747	714	693
19	Other cash inflows	1,373	1,475	1,544	1,591	296	313	326	363
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					-	-	-	-
EU-19b	(Excess inflows from a related specialised credit institution)					-	-	-	-
20	TOTAL CASH INFLOWS	2,495	2,498	2,488	2,531	1,118	1,071	1,049	1,071
EU-20a	*Fully exempt inflows*	-	-	-	-	-	-	-	-
EU-20b	*Inflows Subject to 90% Cap*	-	-	-	-	-	-	-	-
EU-20c	*Inflows Subject to 75% Cap*	*2,495*	*2,498*	*2,488*	*2,531*	*1,118*	*1,071*	*1,049*	*1,071*
						TOTAL ADJUSTED VALUE			
EU-21	LIQUIDITY BUFFER					17,177	16,850	16,074	15,118
22	TOTAL NET CASH OUTFLOWS					9,929	9,757	9,364	8,899
23	LIQUIDITY COVERAGE RATIO (%)					173.1%	172.8%	171.5%	169.7%

Liquidity Risk

10.4 Net Stable Funding Ratio (NSFR) calculations

NSFR as of 31 December 2023 is equal to 128.1% (30 June 2023: 129.7%). The minimum regulatory threshold for NSFR is set at 100%.

Table 57: LIQ2 - Net Stable Funding Ratio

		a	b	c	d	e
		31 December 2023				
		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
1	**Capital items and instruments**	**7,899**	**-**	**-**	**1,296**	**9,194**
2	*Own funds*	7,899	-	-	1,296	9,194
3	*Other capital instruments*		-	-	-	-
4	**Retail deposits**		**35,054**	**2,500**	**1,205**	**36,296**
5	*Stable deposits*		24,763	1,091	658	25,219
6	*Less stable deposits*		10,291	1,409	547	11,077
7	**Wholesale funding:**		**20,076**	**3,739**	**1,351**	**10,613**
8	*Operational deposits*		1,189	-	-	594
9	*Other wholesale funding*		18,887	3,739	1,351	10,018
10	**Interdependent liabilities**		**-**	**-**	**-**	**-**
11	**Other liabilities:**	**296**	**1,892**	**100**	**2,854**	**2,904**
12	*NSFR derivative liabilities*	296				
13	*All other liabilities and capital instruments not included in the above categories*		1,892	100	**2,854**	**2,904**
14	**Total available stable funding (ASF)**					**59,007**

		a	b	c	d	e
		31 December 2023				
		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
15	**Total high-quality liquid assets (HQLA)**					**312**
EU-15a	**Assets encumbered for a residual maturity of one year or more in a cover pool**		**116**	**93**	**3,904**	**3,496**
16	**Deposits held at other financial institutions for operational purposes**		**202**	**-**	**-**	**101**
17	**Performing loans and securities:**		**4,762**	**2,270**	**33,793**	**31,805**
18	*Performing securities financing transactions with financial customerscollateralised by Level 1 HQLA subject to 0% haircut*		-	-	-	-
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		889	100	1,506	1,643
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		3,485	1,894	22,636	26,379
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		117	12	17	1,458
22	*Performing residential mortgages, of which:*		160	127	5,363	-
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		74	60	2,022	-
24	*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*		228	149	4,287	3,783
25	**Interdependent assets**		**-**	**-**	**-**	**-**
26	**Other assets:**		**2,270**	**3**	**9,848**	**9,937**
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		-	-	254	216
29	*NSFR derivative assets*		-			-
30	*NSFR derivative liabilities before deduction of variation margin posted*		708			35
31	*All other assets not included in the above categories*		1,562	3	9,594	9,686
32	**Off-balance sheet items**		**7,117**	**362**	**687**	**428**
33	**Total RSF**					**46,079**

	NSFR	31 December 2023
34	**Net Stable Funding Ratio (%)**	**128.1%**

Liquidity Risk

		a	b	c	d	e
		30 September 2023				
		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
1	Capital items and instruments	7,643	-	-	1,258	8,901
2	*Own funds*	7,643	-	-	1,258	8,901
3	*Other capital instruments*		-	-	-	-
4	Retail deposits		34,850	3,258	1,061	36,600
5	*Stable deposits*		23,882	958	263	23,861
6	*Less stable deposits*		10,968	2,300	798	12,739
7	Wholesale funding:		20,959	725	4,248	12,265
8	*Operational deposits*		1,250	-	-	625
9	*Other wholesale funding*		19,709	725	4,248	11,640
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	759	1,432	99	2,790	2,839
12	*NSFR derivative liabilities*	759				
13	*All other liabilities and capital instruments not included in the above categories*		1,432	99	2,790	2,839
14	Total available stable funding (ASF)					60,606

		a	b	c	d	e
		30 September 2023				
		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
15	Total high-quality liquid assets (HQLA)					284
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		112	82	3,825	3,416
16	Deposits held at other financial institutions for operational purposes		180	-	-	90
17	Performing loans and securities:		5,089	2,476	34,094	32,744
18	*Performing securities financing transactions with financial customerscollateralised by Level 1 HQLA subject to 0% haircut*		-	-	-	-
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		934	128	877	1,032
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		3,747	2,177	23,590	28,034
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		212	101	498	1,929
22	*Performing residential mortgages, of which:*		166	116	5,410	-
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		82	68	2,113	-
24	*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*		242	54	4,217	3,678
25	Interdependent assets		-	-	-	-
26	Other assets:		2,880	11	9,726	9,857
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		-	-	276	234
29	*NSFR derivative assets*		-			-
30	*NSFR derivative liabilities before deduction of variation margin posted*		981			49
31	*All other assets not included in the above categories*		1,899	11	9,450	9,574
32	Off-balance sheet items		6,965	365	739	437
33	Total RSF					46,828

	NSFR	30 September 2023
34	Net Stable Funding Ratio (%)	129.4%

Liquidity Risk

	Available stable funding (ASF) Items	a No maturity[1] € million	b < 6 months € million	c 6 months to < 1yr € million	d ≥ 1yr € million	e Weighted value € million
		30 June 2023				
		Unweighted value by residual maturity				
1	Capital items and instruments	7,452	-	-	1,244	8,696
2	*Own funds*	7,452	-	-	1,244	8,696
3	*Other capital instruments*		-	-	-	-
4	Retail deposits		33,689	3,947	1,013	36,124
5	*Stable deposits*		23,803	998	195	23,756
6	*Less stable deposits*		9,885	2,949	818	12,368
7	Wholesale funding:		22,249	1,587	4,016	12,433
8	*Operational deposits*		1,419	-	-	709
9	*Other wholesale funding*		20,831	1,587	4,016	11,724
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	668	1,469	-	2,850	2,850
12	*NSFR derivative liabilities*	668				
13	*All other liabilities and capital instruments not included in the above categories*		1,469	-	2,850	2,850
14	Total available stable funding (ASF)					60,104

	Required stable funding (RSF) Items	a No maturity[1] € million	b < 6 months € million	c 6 months to < 1yr € million	d ≥ 1yr € million	e Weighted value € million
		30 June 2023				
		Unweighted value by residual maturity				
15	Total high-quality liquid assets (HQLA)					283
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		111	83	3,938	3,512
16	Deposits held at other financial institutions for operational purposes		118	-	-	59
17	Performing loans and securities:		4,758	2,479	33,415	31,471
18	*Performing securities financing transactions with financial customerscollateralised by Level 1 HQLA subject to 0% haircut*		-	-	-	-
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		914	94	822	958
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		3,448	2,207	23,161	26,918
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		242	92	199	1,703
22	*Performing residential mortgages, of which:*		170	117	5,313	-
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		80	74	2,046	-
24	*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*		227	61	4,119	3,595
25	Interdependent assets		-	-	-	-
26	Other assets:		2,635	10	10,460	10,599
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		-	-	376	320
29	*NSFR derivative assets*		-			-
30	*NSFR derivative liabilities before deduction of variation margin posted*		939			47
31	*All other assets not included in the above categories*		1,696	10	10,084	10,232
32	Off-balance sheet items		6,683	433	1,013	430
33	Total RSF					46,354

	NSFR	30 June 2023
34	Net Stable Funding Ratio (%)	129.7%

Liquidity Risk

		a	b	c	d	e
		31 March 2023				
		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
1	Capital items and instruments	6,986	-	-	1,262	8,248
2	*Own funds*	6,986	-	-	1,262	8,248
3	*Other capital instruments*		-	-	-	-
4	Retail deposits		33,855	3,078	762	35,241
5	*Stable deposits*		23,756	1,028	220	23,764
6	*Less stable deposits*		10,099	2,049	543	11,476
7	Wholesale funding:		23,492	2,247	3,442	12,206
8	*Operational deposits*		1,510	-	-	755
9	*Other wholesale funding*		21,982	2,247	3,442	11,451
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	723	1,657	4	2,788	2,790
12	*NSFR derivative liabilities*	723				
13	*All other liabilities and capital instruments not included in the above categories*		1,657	4	2,788	2,790
14	Total available stable funding (ASF)					58,484

		a	b	c	d	e
		31 March 2023				
		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
15	Total high-quality liquid assets (HQLA)					324
I-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		130	116	3,820	3,457
16	Deposits held at other financial institutions for operational purposes		108	-	-	54
17	Performing loans and securities:		4,673	3,346	33,321	31,858
18	*Performing securities financing transactions with financial customerscollateralised by Level 1 HQLA subject to 0% haircut*		-	-	-	-
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		686	21	285	361
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		3,630	3,077	23,852	27,951
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		222	93	210	1,493
22	*Performing residential mortgages, of which:*		138	157	5,152	-
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		64	57	1,752	-
24	*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*		220	92	4,032	3,546
25	Interdependent assets		-	-	-	-
26	Other assets:		2,650	8	9,901	10,026
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		-	-	394	335
29	*NSFR derivative assets*		-			-
30	*NSFR derivative liabilities before deduction of variation margin posted*		988			49
31	*All other assets not included in the above categories*		1,661	8	9,508	9,642
32	Off-balance sheet items		6,519	319	723	391
33	Total RSF					46,109

	NSFR	31 March 2023
34	Net Stable Funding Ratio (%)	126.8%

11. Environmental, Social and Governance (ESG) Risks

11.1 Qualitative Information on Environmental Risks

11.1.1 Business Strategy and Processes

11.1.1.1 Alignment of Our Business Strategy with Environmental Risk Management Expectations

Business Strategy & Business Model

The Group supports the sustainable transition of the economy and considers sustainability and climate change as an opportunity. A key strategic objective is to adapt the Group's business and operations in a way that addresses the challenges of climate change, accommodate social needs within its business model and safeguard prudent governance for itself and its counterparties, in accordance with supervisory initiatives and following international standards/ best practices.

To this end, Eurobank has designed, approved and is currently implementing the Group's Sustainability Strategy, which has been defined in a holistic approach that includes targets and commitments along two key pillars.

The Group's Sustainability Strategy:

- Operational Impact Strategy: Impact arising from the Organisation's operational activities and footprint;
- Financed Impact Strategy: Impact arising from the Organisation's lending and investing activities to specific sectors and clients.

Eurobank has expressed the Environmental, Social and Governance (ESG) aspect of its business through the lens of Impact generation. This aims to capture the essence of the Bank's business effect on the climate, the protection of the natural environment, its contribution to addressing societal challenges at large, the prosperity of its own people, its contribution to raising business capacity in the markets where the Bank operates and the internal processes that build and secure the confidence of its stakeholders.

<u>A. Operational Impact Strategy</u>

The Bank aims to create positive economic, social, and environmental impacts from all aspects and areas of its operations. To this end, the Operational Impact strategy comprises of the following three strategic pillars, namely:

- Environmental Impact with the objective to minimize negative impact across the Bank's value chain to promote environmental stewardship. The aim is to minimize Scope 1 and 2 emissions, become a paperless banking network and extend circular economy practices.
- Employer's Impact with the objective to empower people to perform at their best through an environment, that promotes ethics and integrity. The aim is to embed diversity and inclusion, encompass a wellbeing culture, along with stimulate an innovative environment.
- Social and Business Impact with the objective to drive positive change for entrepreneurs and wider communities to foster sustainable development and ensure social prosperity. The aim is to intensify sustainable procurement practices, rationalize Socio-Economic Impact, as well as boost transparency and ESG capacity.

<u>B. Financed Impact Strategy</u>

The Bank endeavors to foster favorable economic, social, and environmental outcomes across all facets and sectors of its financing activities, with a commitment to sustainability and responsible stewardship. To achieve this objective, the Financed Impact strategy is structured around the following four strategic areas namely:

- Clients' engagement and awareness to adapt their business so as to address climate change challenges.
- Actions for supporting clients in their transition efforts towards a more ESG-friendly economic environment.
- Enablers and tools such as frameworks and products to underpin Sustainable Financing.
- The assessment and management of climate-related material exposures.

Environmental, Social and Governance (ESG) Risks

Making progress along the two pillars of the Sustainability Strategy, the Bank aims to maximize its contribution to achieving the Paris Climate Agreement's targets and the UN Sustainable Development Goals. Through a set of actions with measurable targets, the Sustainability Strategy reflects the Group's vision in the short, medium and long term in relation to the environment, its social footprint, with focus on its people, and the ESG impact on the market and its portfolio.

Business Environment

Eurobank launched a dedicated Group-wide initiative, namely "Program Field", with an aim to develop and implement its Sustainability Strategy, integrate and effectively manage climate risks, fulfil its UNEP FI PRB signatory commitments and ensure readiness to comply with sustainability-related regulations (i.e. EU Green Deal, ECB Guide on climate-related and environmental risks, EU Taxonomy Regulation, etc.). Through this initiative, the Group has identified, assessed and implements relevant action plans addressing CR&E risks within the three Lines of Defense.

Eurobank's strategy as regards environmental risk management is continuously updated, taking into account, inter alia, market, regulatory, as well as technological developments. In particular, the Bank's approach with respect to the financing of clients' green transition takes into account the ever-changing technological environment and the transition risk that borrowers are subject to.

In this context, the applicable provisions defined by the Bank in this respect, as well as its relevant documents/ policies/ frameworks are updated periodically, accounting for emerging best market practices in environmental risk management. In addition, stakeholders' (e.g. consumers', borrowers', investors' and issuers') sustainability priorities and targets are accounted for in the Sustainable Finance Framework, the Green Bond Framework and the Sustainable Investment Framework, allowing the Bank to conduct its relevant financing/ investment/ funding activities while ensuring compliance with regulatory expectations.

The Bank continuously monitors the implications from changes in the physical environment itself and is prepared to adjust its business strategy through the establishment of additional safeguards to mitigate potential threats deriving from physical risk events. Recognizing that climate change presents new challenges and unique opportunities, we strive to be at the forefront of enabling our clients develop and reap these opportunities in order to support their low carbon transition.

Progress on Financed Impact against targets for 2023

The Group is committed to specific Financed Impact targets which include both qualitative and quantitative elements. More specifically, the relevant achieved targets for 2023 included the following:

<u>Qualitative targets</u>

- Roll-out of our Sustainability Strategy leading to tangible outcomes
- Significant progress in the integration of CR&E risks in our 3 LoD Model
- Incorporation of climate risk elements into the Remuneration Policy
- Deployment of the ESG Questionnaire, which has been developed at Interbank level with the coordination of the Hellenic Bank Association
- Integration of the ESG Risk Assessment process, a combination of the internal Climate Risk Scorecard and the Interbank ESG Questionnaire
- Operationalisation of the web-based Sustainable Finance Assessment Tool for the classification and evaluation of sustainable financing opportunities for Corporate portfolio
- Assessment of CR&E risks through Sectoral Analysis and forward-looking Scenario Analysis, as part of the Task Force on Climate-Related Financial Disclosures (TCFD) report
- Alignment of our Risk Appetite with the articulated Sustainability Strategy
- Incorporation of climate risk aspects into collateral valuation

Environmental, Social and Governance (ESG) Risks

- Publication of the TCFD Climate-related & Environmental Risk Report
- Disclosure of Eurobank's GHG financed emissions for loans, bonds and shares positions based on the Partnership for Carbon Accounting Financials (PCAF) methodology
- Performance of training sessions for our employees in relation to Climate Risk, Sustainable Financing, ESG Risk Disclosures and ESG Risk Assessment
- Awareness initiatives for our clients, including the Digital Academy series of ESG webinars

Quantitative targets

- 20% of new corporate disbursements are classified as Green/ Environmental
- More than 50% of new corporate disbursements in Energy Sector were directed to RES
- Solid 100% of corporate disbursements related to construction of new buildings were directed to green buildings
- More than 2 times increase in our new green disbursements towards households and small businesses
- € 2.1 billion Green/ Environmental Exposures as of 31.12.2023, c. 14% of CIB portfolio
- € 0.2 billion in Assets under Management in ESG Focused mutual funds
- € 0.6 billion exposure in Green/ Sustainable Bonds in our Banking Book

Eurobank has set the following targets for sustainable finance corporate disbursements in the following years:

Portfolio targets

New disbursements
- € 2 billion in new green disbursements to businesses by 2025
- 20% of the annual new Corporate & Investment Banking (CIB) portfolio disbursements to be classified as Green/ Environmentally sustainable

Green stock/ Exposure evolution
- 20% stock of green exposures by 2027 for the CIB portfolio (up from 11% in 2022)

Recovery and Resilience Facility (RRF)
- Mobilize € 2,25 billion total green RRF funds in the Greek economy by 2026

Sectoral targets

Renewable energy
- 35% of new disbursements in the energy sector will be directed to Renewable Energy Sources (RES) financing

Green buildings
- 80% of disbursements related to the construction of new buildings will be allocated to green buildings

Next milestones

- Commit to the Net Zero Banking Alliance at a Group level within 2024.
- Align loan portfolio and investments with a net zero carbon footprint by 2050 by developing a robust action plan and roadmap including intermediate targets to net zero and commitment. Actively support clients' climate transition journey with an ambition to further increase sustainable financing going forward.
- Implement the ESG Risk Assessment supported by the roll out of the Hellenic Bank Association initiative (Interbank ESG Questionnaire), ensuring a harmonized assessment approach for Bank's clients.
- Further integrate climate risk regulatory requirements into its business strategy and risk management framework, leveraging on key initiatives: a) Governance, policies, and control framework, b) Climate risk modelling and data management and c) Commercial strategies/ sector policies.
- Continue to contribute to the residential green lending sector through the state susbidized Exoikonomo programs

The Operational and Financed pillars of the Sustainability Strategy are combined to address Eurobank's path towards Net Zero by 2050. In line with Eurobank's commitment to the UNEP FI Principles for Responsible Banking, the development of the Sustainability Strategy aims, among others, to identify the most significant impacts on the societies and environment where it operates, capitalizing on the positive ones while minimizing the negative impacts.

11.1.1.2 Green Financing – Objectives, Current Activities & Targets

Objectives

Eurobank understands that sustainable development is key to prosperity. To this end, its commitment to support the transition to a greener economy, by offering financing solutions that foster growth and sustainable development, is at the core of its Financed Impact strategy.

As a signatory of the Principles for Responsible Banking (PRB), Eurobank has been working on developing targets that will enable it to mitigate the negative and amplify the positive impacts arising from its financing activities. In this context, the Bank will continue to work with its current and future clientele by supporting them with financing solutions and facilitating their transition journey efforts. Leveraging on tools, and enablers such as the climate risk assessment exercises and the Sustainable Finance Framework, the Bank's strategic approach is to support the achievement of the climate and environmental objectives, through financing and advisory solutions to current and potential clientele.

In order to enhance its ESG approach, the Bank participates, inter alia, in the following national and international associations, organizations, and initiatives:

- Climate Action in Financial Institutions: Participant in the Climate Action in Financial Institutions initiative for mainstreaming climate change considerations throughout FI operations;
- Corporate Social Responsibility (CSR) Hellas: Member of the CSR Hellas network since 2003;
- Energy Efficiency Financial Institutions Group (EEFIG): Member of the EC's EEFIG since 2013;
- Priceless Planet Coalition: The only Greek Bank participating in the Priceless Planet Coalition since 2020;
- International Capital Markets Association (ICMA): Member of the ICMA since 2020;
- Hellenic Bank Association (HBA): Eurobank chairs the Coordinating Committee for Sustainable, Development, Green Banking and Corporate Governance;
- Task Force on Climate-related Financial Disclosures (TCFD): Eurobank published its TCFD Climate-related & Environmental Risk Report in 2023;
- Eco-Management and Audit Scheme (EMAS): Participant in the Eco-Management and Audit Scheme register for following the EC Regulation on eco-management. The annual EMAS Report is a comprehensive record of the Bank's operational environmental performance and is submitted to the Ministry of Environment;
- UN Environment Programme Finance Initiative (UNEP FI): UNEP FI participant since 2005; founding signatory to the Principles for Responsible Banking since 2019;
- UN Global Compact: Signatory to the 10 Principles of the UN Global Compact since 2008. Member of the Global Compact Network Greece;
- UN Principles for Responsible Investment (PRI): Eurobank Asset Management subsidiary a signatory to the UN PRI since 2018;
- UN SDGs (Sustainable Development Goals): Active supporter of the UN SDGs (in line with the UN Global Compact signatory commitment above); and
- Global Sustain: A member of Global Sustain since 2011, we have been offering innovative services linked to sustainability and corporate responsibility.

<u>Sustainable financing and investments for corporate clients (CIB portfolio)</u>

Eurobank finances robust business plans, growth strategies, investment programmes and export activities in strategic sectors. The Bank provides financing for landmark initiatives in the areas of renewable energy sources (RES), sustainable infrastructure and environmentally friendly solutions.

Environmental, Social and Governance (ESG) Risks

Sustainable financing for individuals and businesses

The Bank currently offers several consumer and small business financing solutions that are aiming to be compliant with the EU Taxonomy Regulation aiming to deliver positive environmental impacts.

Asset and wealth management with ESG criteria

In 2018, the Bank launched the Fund of Funds (LF) – ESG Focus, a mutual fund that invests in shares and bonds factoring in ESG criteria. The Fund has a diversified portfolio of equities and bonds that adopt ESG criteria.

Deposit solutions with ESG criteria

In 2021, the Bank acted as a pioneer in the Greek banking sector by launching the ESG Deposits to its corporate clients (CIB portfolio). The ESG Deposits is an innovative deposit solution that supports the clients' sustainability agenda, by investing liquidity in sustainable projects and allowing them to demonstrate their commitment towards a low-carbon and sustainable environment. The Bank uses the funds raised to provide wholesale lending that meet the criteria set out in the Eurobank Sustainable Finance Framework.

For more details, please refer to: https://www.eurobank.gr/en/group/esg-environment-society-governance/sustainable-financing.

Guiding Frameworks

Committed to being transparent about its approach and to ensure that decision-making is in line with best practices in environmental protection and sustainability, Eurobank has developed the following three guiding frameworks, defining the approach and criteria for classifying its financing and investing activities as sustainable.

Sustainable Finance Framework (SFF)

Through its Sustainable Finance Framework (SFF), the Group is able to classify sustainable lending solutions offered to its clients, specifying the applied classification approach and the activities defined as eligible to access sustainable financing (eligible green and social assets). The SFF scope encompasses a wide range of sustainable lending products covering both wholesale and retail banking portfolios. The purpose of establishing the SFF is to provide a clear and comprehensive methodology for classifying, monitoring, and reporting sustainable financing. Eurobank has drawn on internationally recognized industry guidelines and principles for the development of the SFF and is fully committed to being transparent about its ESG approach.

Specifically, the SFF has been developed based on the following standards and principles:

- Green Bond Principles (2021), published by the ICMA
- Green Association Loan Principles (2021), published by the Loan Market (LMA)
- Social Bond Principles (2020), published by the ICMA
- Sustainability-Linked Bond Principles (2020), published by the ICMA
- Sustainability-Linked Loan Principles (2021), published by the LMA
- The EU Taxonomy

Currently, the SSF follows the EU Taxonomy eligibility criteria on a best effort basis. The Bank aims to further align the SFF with the EU Taxonomy requirements. Along the same lines, Eurobank will closely monitor the developments of the EU Taxonomy, to update its SFF and embed the relevant requirements to the extent possible.

The SFF defines two levels of alignment:

- SFF alignment – Fulfilment of criteria dictated by best market practice
- EU Taxonomy alignment – Fulfilment of criteria associated with each of the EU Taxonomy assessment steps (substantial contribution, DNSH (Do No Significant Harm), minimum social safeguards).

Environmental, Social and Governance (ESG) Risks

In its SFF, Eurobank defines four classification approaches:

1. Dedicated-purpose – Green/ Social Loans

   Project-specific loans or financing instruments whose use of proceeds is 100% directed towards eligible green/ social activities. The SFF defines the eligible activities (for the wholesale and retail portfolios) along with the applicable eligibility and exclusionary criteria that need to be fulfilled.

2. General-purpose – Company Business Mix

   Financing to companies that fulfil the eligibility green/ social criteria and derive their revenue from eligible activities. Specifically, companies are eligible under the business mix category when:

   - They derive a minimum predefined percentage of their total revenue from eligible activities.
   - None of their activities are among the excluded ones (as described in Eurobank's Environmental and Social Policy).

3. General-purpose – Sustainability-Linked Loans/ Facilities

   The second type of general-purpose lending adopted relates to Sustainability Linked Loans (SLL). The purpose of SLLs is to enable and accelerate the ESG transition of clients. Through SLLs, Eurobank provides ESG related incentives to its clients, by offering products (loans, bond loans, etc.) with terms linked to ambitious and predefined Sustainability Performance Targets (SPTs). The SPTs are specific targets, that aim to improve the ESG performance of the client. The client commits to achieve them during the loan repayment period and as such, the SPTs are also included in the loan agreement (i.e. in the form of nonfinancial covenants). The accomplishment of the relevant targets is monitored using specific KPIs which are selected according to the client's activity sector/ industry and in agreement with the clients sustainability agenda.

4. Recovery and Resilience Facility-based Approach

   Activities approved through the Greek Recovery and Resilience Facility, contributing to the Green pillar.

For further details, please refer to the Annual Report 2022 Business & Sustainability: https://www.eurobank.gr/-/media/holding/omilos/annual-reports/etisios-apologismos-2022/annual-report-2022.pdf, as well as the TCFD Climate-related & Environmental Risk Report: https://www.eurobank.gr/-/media/eurobank/omilos/etairiki-koinoniki-euthuni/peribalon-kai-aeiforos-anaptiksi/i-desmeusi-mas/erb-tcfd-cr-e-risk-report.pdf.

<u>Green Bond Framework</u>

Eurobank's Green Bond Framework facilitates the Bank to meet its environmental/ sustainability commitments and finance projects that will deliver environmental benefits to the economy, in this way supporting its business strategy and vision. The Green Bond Framework has been developed in accordance with global best practices and standards and considers EU Taxonomy eligibility criteria to classify potential investments as green. The Framework defines the eligible assets and associated criteria, the use of proceeds, the process for project evaluation and selection, the management of proceeds, as well as the relevant reporting obligations. The eligible green projects contribute to the UN SDGs, the EU environmental objectives and the eligibility criteria align, on a best effort basis, with the Technical Screening Criteria of the EU Taxonomy Climate Delegated Act. In addition, EU Taxonomy Do No Significant Harm (DNSH) principles and minimum social safeguards are taken into consideration in specific projects where relevant information can be provided by the clients. Furthermore, Eurobank appointed a third party in order to provide an external review (Second Party Opinion) on its Green Bond Framework as a means of confirming its credibility and alignment with the ICMA GBP and EU GBS.

For further details, please refer to Eurobank's Green Bond Framework: https://www.eurobank.gr/-/media/eurobank/omilos/enimerosi-ependuton/enimerosi-metoxon-eurobank/pistotikoi-titloi/green-bond-framework/green-bond-framework.pdf

Environmental, Social and Governance (ESG) Risks

Sustainable Investment Framework (SIF)

The Bank has developed its Sustainable Investment Framework (SIF), for the assessment and classification of investments as sustainable based on criteria observed in international market practices, frameworks and guidelines. Eurobank intends to invest in sustainable development with the aim of improving its impact on environmental sustainability, social responsibility, and corporate governance. Eurobank's SIF describes the Bank's potential sustainable investment approaches/ strategies, the process for the selection of eligible investments, as well as the monitoring frequency regarding the sustainable portfolio (part of the Bank's investment portfolio). It is noted that the sustainability assessment based on the criteria of the SIF, irrespective of the eligibility outcome, does not prevent the Bank from including non-eligible sustainable investments in its investment portfolio.

The classification approaches used by the Bank in the context of its SIF are presented below:

- Value-based exclusions and AML: Exclusion of companies, sectors, or countries whose behaviours do not align with basic societal values and Anti-Money Laundering (AML) exclusions.
- Norm-based exclusions: Exclusion of issuers who do not comply with basic standards of business and international norms.
- Avoid harm: A combination of value-based and norm-based exclusions, with additional activities with negative impacts excluded.
- Sustainable bonds: Selection of bonds that follow sustainable, green or social standards (i.e. selection of green or social bonds, or green and social bonds, or sustainability-linked bonds).
- Best-in-class: Selection of bonds from issuers making the most effort to adhere to ESG practices among their peers.
- Thematic Investments: Selection of bonds from issuers whose business activity focuses on selected ESG thematic areas.

Engagement with Our Counterparties for Environmental Risk Mitigation

In order to facilitate the green transition of its clients, Eurobank has developed a dedicated approach to increase clients' engagement and awareness regarding environmental risks. Besides the initiatives launched aiming to build ESG literacy and capacity among its clients (e.g., online events, articles and webinars, digital academy for businesses), the Bank also utilizes the following tools in order to engage with its counterparties in the context of its credit granting and asset management activities, so as to understand their strategies and mitigate their CR&E risks exposures.

Engagement in the context of Credit Granting Activities

Eurobank has implemented a set of tools for the identification, measurement and management of CR&E risks, including the credit granting and monitoring processes. These are utilized by the involved Units across both the 1st and 2nd Line of Defense:

A. Moody's Risk Analyst (MRA) Model
B. Environmental & Social Management System (ESMS)
C. Climate Risk Scorecard
D. Interbank ESG Questionnaire
E. ESG Risk Assessment
F. Sustainable Finance Framework Tool
G. Collateral Valuation

For more details on the above tools, please refer to the CR&E Risk Management Tools & Processes in the Qualitative Information on Environmental Risks, Risk Management section.

Engagement in the context of Asset Management Activities

For Eurobank Asset Management M.F.M.C., engagement and dialogue represent an integral and crucial part of responsible investing. In this context, as per its Responsible Investment Policy, Eurobank Asset Management M.F.M.C. is committed at two levels, as regards the environmental risk assessment of the Greek investee companies in which the Company's Funds and Portfolios invest:

1. Company engagement: The aim is to encourage companies to achieve the highest possible standards in terms of environmental responsibility and to support them in this process.
2. Voting engagement: The use of voting rights at general meetings is one of the cornerstones of the strategy of continuous dialogue with the companies concerned implemented by Eurobank Asset Management M.F.M.C. It is also an integral part of its investment process.

For more details on the Responsible investment Policy, please refer to: https://www.eurobankam.gr/en/politikes

11.1.2 Governance

11.1.2.1 Climate-Related and Environmental (CR&E) Risks Management Framework

Eurobank has incorporated ESG and CR&E risks aspects across all pillars of its Risk Management Framework, through the establishment of comprehensive policies and processes. It is among the Group's priorities to identify, assess, manage and mitigate relevant risks, with a view towards ensuring alignment with its business strategy, as well as regulatory and industry developments. In addition, Eurobank has updated its governance structure by introducing and defining specific roles and responsibilities in relation to ESG and climate-related and environmental risks, embedding regulatory guidelines and market practices and involving various key stakeholders (e.g. Business & Risk Units, Committees etc.).

In this context and taking into account the significant impact of CR&E risks both on financial institutions and on the global economy, Eurobank developed its CR&E Risks Management Policy which aims at fostering a holistic understanding of the effects of CR&E risks on its business model, as well as support decision-making regarding these matters and provide a robust governance under its Risk Management Framework.

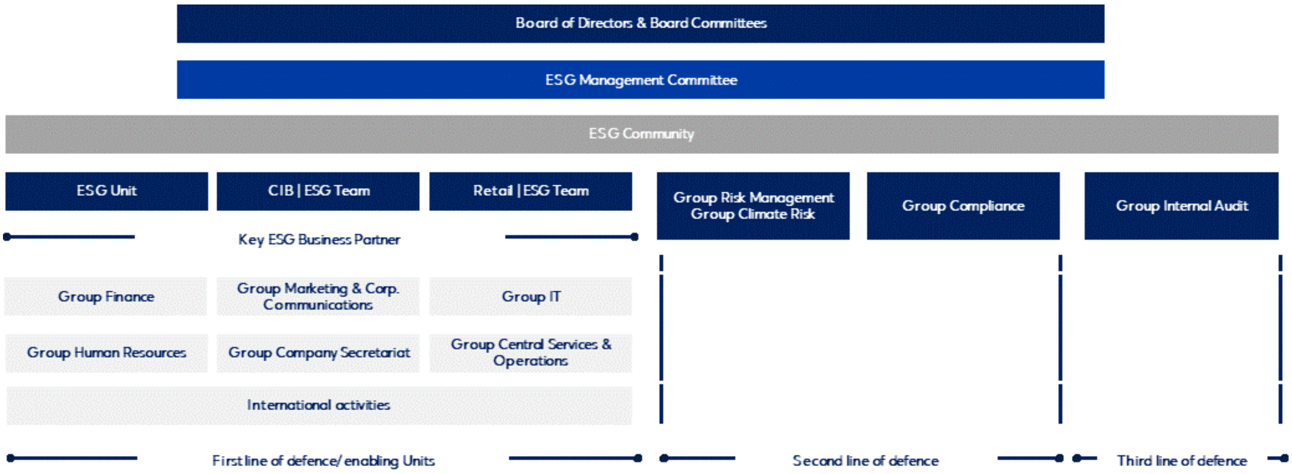
The CR&E Risks Management Policy encompasses, among others, information on the following areas:

- CR&E Risks Governance: Definition of the Group's main CR&E risks management pillars and summary of the responsibilities of the Group's Management/ Board Committees and the three Lines of Defense regarding the management of CR&E risks.
- CR&E Risks Definitions, Drivers & Transmission Channels: Detailed presentation of the CR&E risks definitions and drivers identified by the Group, including the transmission channels through which these risks impact Group's traditional risk types.
- CR&E Risks Management Tools: Indication of the main tools utilised by the Group for the identification, measurement and management of CR&E risks.

11.1.2.2 Overview of governance structure for the oversight and management of sustainability and climate related & environmental matters

Sustainability at Eurobank is deployed across an ESG Governance structure that addresses both regulatory requirements and voluntary commitments. Board oversight with respect to Sustainability Strategy is addressed through the inclusion of ESG items in the Board Meetings agenda, as per international best practice. The Group applies the elements of the Three Lines of Defense (LoD) model for the management of CR&E risks and ESG aspects. The Three Lines of Defense Model enhances risk management and control by clarifying roles and responsibilities within the organization. Eurobank's ESG Governance model ensures that the management of relevant climate-related and environmental risks is integrated into the Bank's Three Lines of Defense. The updated ESG Governance structure aims to further enhance the effective oversight of ESG matters at management/ Board level.

Environmental, Social and Governance (ESG) Risks



Eurobank has enhanced its ESG Governance model and supported the roll out of its Sustainability Strategy and the integration of ESG and CR&E risks.

Enhanced Governance Structure and Committees

- A Board Member is responsible for climate-related and environmental risks.
- Oversight of CR&E risks at management body level through allocation of responsibilities to Board and management committees.
- Establishment of two Committees that supplement the governance arrangements in the area of ESG/ CR&E risks (i.e. Environmental, Social & Governance Management Committee and Climate Risk Stress Test Committee).

Integration of CR&E Risk Management across the Three Lines of Defense

- Dedicated teams within CIB and Retail, for overseeing ESG and sustainable financing activities.
- Automated process established to assess and classify sustainable financing opportunities.
- ESG responsible for the design and monitoring of the Operational Impact Strategy (OSI), the monitoring of the Operational ESG performance and coordination of ESG linked operational activities that enhance the Bank's Impact. The Head of ESG acts as secretary to the Eurobank Environmental, Social & Governance Management Committee (ESG ManCo).
- Group Climate Risk responsible for managing and monitoring CR&E risks, PMO office for the implementation of the Climate-related and Environmental risks roadmap, design and monitoring of the Financed Impact Strategy, along with Business and Risk Units.
- Intensive training on ESG, Sustainable Finance and CR&E risk topics to Bank personnel.

11.1.2.3 Role of Board, BRC, Management committees on the supervision of sustainability and climate related & environmental matters

The Group's governance structure has been updated to ensure that ESG and CR&E risks are appropriately monitored and managed, aiming to further enhance the effective oversight of ESG and CR&E risks at management/ Board level, as follows:

Eurobank Holdings/ Eurobank Board of Directors (Boards or BoDs)

The Eurobank Holdings/ Eurobank Boards' role is to offer entrepreneurial leadership to the Group within a framework of prudent and effective controls facilitating the assessment and management of risks. The Boards establishes the Group's strategic objectives, ensure the availability of essential financial and human resources for the Group to fulfill its purpose and evaluates management performance. The Boards define the Group's values and standards, ensuring that its responsibilities to shareholders and other stakeholders are acknowledged and fulfilled. All members of the Boards are required to act in the best interests of the Group, aligning with their legal duties. The Eurobank Holdings/ Eurobank Boards have assigned an executive member as the Board Member responsible for climate and environmental risks. As part of his duties, this member updates, at least on a semi-annual basis, the Eurobank Holdings/ Eurobank BRC, which in accordance with their Terms of Reference, are responsible to oversee (among others) the climate-related and environmental risks. As per international best practices, effective Board oversight with respect to the Group's Sustainability Strategy is also safeguarded through the regular inclusion of ESG items in the agendas of Board Meetings.

Eurobank Holdings/ Eurobank BRC

The Eurobank Holdings/ Eurobank Board Risk Committees, among others, oversee the implementation of the strategies for capital and liquidity management, as well as for all material risks of the Group, including climate-related and environmental risks, as identified through the Risk Identification and Materiality Assessment (RIMA) process and listed in the relevant RIMA report, in order to assess their adequacy against the approved risk appetite and strategy. In addition, Eurobank Holdings/ Eurobank BRC determine, among others, the principles which govern risk management (including climate-related and environmental risks) across the Bank and the Group in terms of identifying, measuring, monitoring, controlling, and mitigating risks. To this end, they approve risk principles, risk policies, risk procedures and risk methodologies and Specific Risk Management Framework (e.g. Climate and Environmental Risk).

Eurobank Management Risk Committee (MRC)

The Eurobank Management Risk Committee (MRC) is responsible to oversee the risk management framework of Eurobank. As part of its responsibilities, the MRC facilitates the reporting to the BRC on a wide range of risk-related topics under its purview, including climate and environmental risks. 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 risk and to comply with regulatory requirements.

Additionally, the Group has established two Committees that supplement the governance arrangements in the area of ESG/ CR&E risks.

Eurobank Environmental, Social & Governance Management Committee (ESG ManCo)

The Eurobank Environmental, Social & Governance Management Committee (ESG ManCo) provides strategic direction on ESG initiatives, reviews the Sustainability Strategy prior to approval, integrates the elements of the Sustainability Strategy into Eurobank's business model and operations, approves eligible assets based on the Green Bond Framework, regularly measures and analyses the progress of ESG goals and performance targets, ensures the proper implementation of ESG-related policies and procedures, in accordance with supervisory requirements and voluntary commitments. It is chaired by the Board Member responsible for CR&E risks.

Eurobank Climate Risk Stress Test Committee (CRSTC)

The Eurobank Climate Risk Stress Test Committee is responsible for the design and execution of the Group's CRST Programme, as well as to coordinate all activities relating to Climate Risk Stress Testing including risk identification, scenario design and stress test execution and to review & challenge the output at each stage of the process prior to escalating to the Executive Board.

11.1.2.4 Dedicated functions for integrating sustainability and climate change matters into the operating model

Integration of ESG Risk Management across the three lines of defense

The Bank addresses short-term, medium-term and long-term effects of CR&E risks for the purposes of risk management by integrating them in its business environment and strategy.

The Bank has defined climate-related time horizons as follows:

Environmental, Social and Governance (ESG) Risks

- Short term: <3 years aligned with budget - The Bank conducts a materiality assessment of all identified risk drivers and key risks. This assessment takes into account the Bank's operating environment, business model and emphasizes the achievement of its short-term strategic goals with regards to the budget.
- Medium term: 3-10 years aligned with business planning - To assess medium term risks, the Bank has defined a longer period to understand Climate-Related risks and evaluate how its business model can handle different future scenarios.
- Long term: >10 years aligned with strategic planning - The Bank has defined a longer horizon, in order to conduct long term assessments. Additionally, the Bank aims to include the impact of climate change and environmental factors in its strategic targets and decision-making processes, as these risks are expected to be increased in the long term.

The Group applies a model of defined roles and responsibilities regarding the management of ESG/ CR&E risks across the 3 lines of defense, considering all relevant guidelines and regulatory requirements:

1st line of defense

The Business Units (CIB and Retail Banking) are responsible for assessing, managing and monitoring risk levels in all risk categories, including ESG/ CR&E risks. The CIB ESG coordinator which is being evolved to a Sustainability Center of Excellence, along with the Retail Banking ESG coordinators, are responsible for undertaking all relevant ESG and sustainable finance activities. In addition, the role of the ESG Unit in the 1st line of defense includes the responsibility for the design and monitoring of the implementation of the Operational Impact Strategy, as well as Sustainability Reporting, Environmental & Energy Reporting (Eco-Management and Audit Scheme - EMAS Report, Greenhouse Gases Emissions Report per ISO 14064) and ESG ratings.

2nd line of defense

The Group Risk Management (GRM) is independent from the Business Units and has full responsibility in setting the risk strategy and risk appetite framework, including ESG/ CR&E risks. Within the GRM, a dedicated Group Climate Risk has been established, with the overall responsibility for overseeing, monitoring, and managing ESG/ CR&E risks and sustainable financing activities, in cooperation with the other Units of the GRM, as well as the Group Compliance.

3rd line of defense

The Internal Audit Group (IAG) independently reviews the adequacy and effectiveness of the internal control framework in place regarding ESG/ CR&E risk management, following a risk-based approach.

Dedicated roles in existing Units on sustainability and climate related & environmental matters

Business Units

Business Units, namely, Corporate & Investment Banking and Retail Banking are primarily involved in the execution of all portfolio-related ESG activities including the implementation of the financed impact strategy. Key responsibilities, inter alia, are classified under the following three main categories:

1. Sustainability Strategy
   - Execution and monitoring of financed and specific operational ESG goals and performance targets.
2. Sustainable Financing/ Funding and Investments
   - Identification of sustainable financing opportunities and design of the relevant solutions and ESG products.
   - Performance of the Sustainable Financing assessment in line with the Sustainable Finance Framework.
   - Implementation and monitoring of the Sustainable Investment & Green Bond Frameworks.
3. ESG and CR&E Risk Management
   - Performance of the overall ESG Risk Assessment.
   - Identification and implementation of mitigation action plans for ESG and CR&E risks.

Environmental, Social and Governance (ESG) Risks

To effectively manage ESG and sustainable financing related CIB activities, a dedicated function, the Sustainability Center of Excellence is being initiated. In the meantime, the CIB ESG coordinator is responsible to oversee ESG and sustainable financing activities. Regarding the Retail Banking, the Bank has introduced two ESG coordinators, for Retail Business and Individual clients respectively, who are responsible for organising and supporting ESG-related activities.

Group Climate Risk (GCR)

The GCR has the overall responsibility for overseeing, monitoring, and managing ESG and CR&E risks. More specifically, GCR prepares and maintains the Bank's CR&E risks/ climate-related risk management policies, processes and methodologies in collaboration with the ESG, Business & Risk Units. In addition, it leads the development and implementation of the CR&E risks related framework, policies, processes in coordination with other units, as well as acts as a Project Management Office (PMO) for the overall monitoring of the implementation of the developed Climate Risk action plan and reporting to the Board for CR&E risks matters. The GCR supports and coordinates the involved stakeholders regarding the setting and implementation of the financed impact strategy through the identification of material CR&E risks, as well as it monitors the Financed Impact Strategy and reports financial targets and KPIs. Also, the GCR leads the 2nd Line of Defense independent sustainable lending re-assessment process against the Sustainable Finance criteria including the characterization of products of the Retail Portfolio as sustainable. Furthermore, the GCR develops and maintains Climate Risk Stress Testing Framework, as well as Scenario Analysis and Stress Test methodologies & coordinates the performance of CR&E Risk scenario analysis and relevant stress test exercises at a Group level.

ESG

The ESG acts as a custodian of ESG Principles and Culture to enhance the Bank's Impact, and as a cross functional coordinator to ensure alignment on ESG issues and interdependencies, as well as compliance with relevant existing and upcoming operational impact related regulations. Specifically, the ESG is responsible for designing/ reviewing the Operational Impact Strategy and monitoring its implementation, with a leading role in selected areas, also providing support to international subsidiaries. Furthermore, the ESG coordinates and prepares ESG operational impact related reports in line with applicable standards/ regulations, in cooperation with involved subject-matter responsible Units, while it is responsible for the UNEP FI PRB implementation. Being responsible for the oversight of the Bank's overall ESG operational performance, its key roles include the centralized management of ESG Ratings, seeking continuous improvement in related scores. The ESG also manages the ISO Management Systems under the related provisions of equivalent policies and the Operational Impact Strategy. The ESG collects, calculates and reviews data related to the operational impact in line with the associated certified management systems, while it also ensures implementation of corresponding initiatives (e.g. operational net zero transition, energy self-production, energy and emissions monitoring, green building certifications, recycling and circular economy management).

Group Operational and Non-Financial Risks

The Group Operational and Non-Financial Risks is responsible for establishing an effective operational and non-financial risk management framework and for overseeing its implementation across the Group and across all lines of defense. Non-financial risks include operational risks, as well as aspects of ESG risks, strategic risk and reputational risk, and are gradually becoming integrated into the Non-Financial Risks Framework. In this context, non-financial risks arising from ESG factors are being managed in accordance with the requirements set out in the Non-Financial Risk Management Policy and its supporting risk management policies.

Group Compliance

Group Compliance's key roles and responsibilities include:

1. Regulatory compliance
    - Monitors the regulatory environment and emerging trends around sustainable financing, and informs the Bank of the respective changes/ enhancements to the relevant policies and documents regarding sustainable financing offerings;

Environmental, Social and Governance (ESG) Risks

- Issues a regulatory bulletin which includes regulatory developments and their impact on the Bank's operation;
- Monitors the alignment of the Bank's activities with applicable laws, rules, regulations and standards, including sustainable finance regulatory aspects.

2. Compliance Risk Assessment
   - Designs appropriate risk assessment methodologies for compliance risk;
   - Establishes a monitoring program for the relevant activities within its area of responsibility;
   - Assesses conduct risk in relation to sustainability financing.
3. Policies' Update
   - Maintains the Bank's conduct related policies, including their sustainability components.
4. Product offering monitoring
   - Via its participation in the Products and Services Committee and related processes, provides advice and recommends controls over the Bank's sustainability product offerings, including checks that promotional statements do not misrepresent products or services offered to clients.

Internal Audit Group (IAG)

The role of the third line of defense within Eurobank's governance and organizational structure is allocated to the IAG for the independent review of the adequacy and effectiveness of the internal control framework. IAG mandate covers all processes, risks, and mechanisms, and for all business lines and internal units. In recent years, the IAG has recognised ESG/ CR&E internal controls and the risk management framework, as an area of focus and has taken several initiatives and actions within its strategy. These aim to ensure adequate coverage of the area, in line with the Bank's strategy, as well as industry and regulatory developments.

Specifically, IAG strategically focuses on the ESG/ CR&E risks, building on the following pillars:

- Methodology/ Infrastructure: The Management of ESG/ CR&E risks and the Bank's initiatives are recognized as a separate auditable area, subject to risk-assessment. Furthermore, climate risk is recognized as a separate risk category assessed in all relevant areas of the audit universe, in line with the Bank's risk taxonomy. This category will be extended to cover the whole spectrum of ESG risks in line with respective developments in the Bank's risk definitions.
- Resources: IAG has extended its pool of professional qualifications/ certificates to the area of ESG, with one staff member certified in Sustainability and Climate Risk, and with more auditors in the pipeline to obtain relevant industry professional body certifications. This comes in parallel with other initiatives in place, aimed at further upskilling through dedicated training sessions, "on-the-job" upskilling (participation and consultation in the Bank's projects and initiatives around ESG) and increased awareness (e.g. IAG's ESG Focus Group focused at sharing knowledge on ESG practice and regulatory initiatives). At this stage, IAG has opted to embed the right mix of skills and knowledge within its existing organizational structure, given the multifaceted nature of ESG risks, affecting all businesses and operations of the Bank, to a siloed approach, aiming at a holistic consideration of the Bank's ESG risks.
- ESG – Audit Universe Coverage and Audit Planning: Following the infrastructure steps described above, since 2021 IAG is carrying out several assignments around ESG, in parallel with the monitoring of the Bank's initiatives in this area on a risk-based approach. Key areas of focus include risk materiality, governance and strategy, C&E risk management framework, products design and offering, reporting disclosures, etc. These initiatives come in addition to the existing coverage by IAG in ESG-related areas, such as consideration of AML-perspectives in loan origination (governance-social financing practices), review of compliance with code of conduct or market practice codes (governance operational and financing practices) and relevant non-recurring and forensic audit work.

11.1.2.5 Internal ESG awareness and capacity building

The Group is placing great emphasis on building capacity among its employees in order to be able to support its clients on their sustainability journey and their green transition. To this end, in addition to launching ESG initiatives for its clients, Eurobank implements an ESG upskilling program for its employees. Within 2022-2023, apart from the general upskilling programs, Eurobank conducted dedicated sessions tailored to the requirements of specific business units and functions, to enhance their understanding around ESG, CR&E risks and Sustainable financing, crucial for delivering its Sustainability Strategy. Eurobank's internal awareness sessions regarding ESG and CR&E matters cover both members of the management body and other stakeholders across the Bank (e.g. Business & Risk Units). Additionally, the Bank has offered trainings to stakeholders from all Three Lines of Defense (i.e., Business Units, Risk Management Units, Internal Audit function) regarding the SFF in order to enhance their understanding of sustainable financing criteria.

For further details, please refer to the Annual Report 2022 Business & Sustainability: https://www.eurobank.gr/-/media/holding/omilos/annual-reports/etisios-apologismos-2022/annual-report-2022.pdf

11.1.2.6 Lines of Reporting and Frequency of Reporting relating to Environmental Risk

The Bank has adequate monitoring and reporting mechanisms in place in order to ensure appropriate management of the ESG/ CR&E risks generated by its business activities. For this purpose, the Bank has developed appropriate Key Performance Indicators (KPIs)/ Key Risk Indicators (KRIs) that are reported to the senior management and management body in order to effectively oversee CR&E risks across the Bank, leveraging on the insights gained from the 2022 ECB Climate Risk Stress Test, ECB's Report on CR&E Risk Good Practices, on the Group's internal exercises (e.g. scenario analysis/ materiality assessment processes for transition and physical risk), as well as taking into account best market practices. In this context, the Bank has established a CR&E Risks Monitoring Dashboard with appropriate CR&E risks KPIs/ KRIs that are reported to the senior management and management body, on a periodic basis, in order to safeguard the efficient oversight of CR&E risks through selected metrics. Additionally, the Bank's Business Units maintain and update appropriate templates and mechanisms in order to monitor respective sustainable financing disbursement amounts (e.g. regarding Green and Social Loans), in line with the provisions of the Bank's SFF. The ongoing and timely monitoring of sustainable loans allows senior management to assess the evolution of sustainable financing volumes and trends, taking into account Bank's relevant targets and facilitates internal reporting. Going forward, the Bank aims to implement further systemic enhancements in its IT and data infrastructure, support the standardization of the monitoring of pertinent information, as well as safeguard data availability and accuracy.

For more details please refer to Eurobank's TCFD Climate-related & Environmental Risk Report: https://www.eurobank.gr/-/media/eurobank/omilos/etairiki-koinoniki-euthuni/peribalon-kai-aeiforos-anaptiksi/i-desmeusi-mas/erb-tcfd-cr-e-risk-report.pdf

11.1.2.7 Alignment of the Remuneration Policy with the Bank's CR&E risks objectives

The Bank has established a Remuneration Policy that is applicable to all Bank employees and covers their total remuneration. The Remuneration Policy forms an integral part of the Bank's corporate governance practice and is developed in accordance with its operational model, business strategy, objectives, long-term interests of the Bank and incorporates measures to avoid conflict of interest.

The Remuneration Policy promotes sound and effective risk management and is consistent with the objectives of the Bank's business and risk strategy, corporate culture and values, risk culture, with regard to environmental, social and governance (ESG) risk factors, including long term interests of the Bank and the measures used to avoid conflicts of interest and should not encourage excessive risk-taking on behalf of the Bank. The Bank ensures that remuneration practices are aligned with their overall risk appetite, taking into account all risks, including climate-related & environmental risks, reputational risks, as well as risks resulting from the mis-selling of products. More specifically, the Remuneration Policy has been designed in order to (a) be consistent with and promote sound and effective risk management, (b) stimulate behavior consistent with climate-related & environmental and sustainability risks approach, as well as (c) comply with Bank's voluntary commitments.

11.1.2.8 ESG Ratings

Eurobank actively participates in internationally recognized ESG ratings to highlight the continuous improvement in its environmental, social and governance performance, upgrade the relevant disclosures and further enhance investor confidence in its practices. In 2023, the Bank posted significant improvements compared to 2022 in important ESG ratings such as Sustainalytics (from 12.1 to 10.6, maintaining the "Low Risk" mark), MSCI (from BBB to A), S&P (from 50 to 52), CDP (improved by 2 notches from D to B) and FTSE (from 2.8/5 to 3.4/5) and ISS ESG (from E:2/ S:2/ G:5 to E:1/ S:2/ G:3).

Specially with respect to Sustainalytics, the Bank achieved the international ESG Regional Top-Rated distinction, the ESG Industry Top Rated distinction for the 2nd consecutive year and has been included in the Morningstar Sustainalytics' 2024 Top-Rated ESG Companies List. These distinctions are a strong demonstration of Eurobank's commitment to ESG practices and rank it among the best performing banks globally. Eurobank ranked 45th among 1,030 participating banks. This remarkable recognition was based on an assessment of the Bank's performance and management practices across a wide range of ESG impacts including Human Capital, Data Protection and Security, Business Ethics, Corporate Governance, Product Governance, and Integration of ESG criteria into financial activities.

For further details, please refer to the Annual Report 2022 Business & Sustainability: https://www.eurobank.gr/-/media/holding/omilos/annual-reports/etisios-apologismos-2022/annual-report-2022.pdf.

11.1.3 Risk Management

11.1.3.1 Integration of Environmental Factors in Our Risk Management Framework

Eurobank has incorporated ESG and CR&E risks aspects across all pillars of its Risk Management Framework, while it identifies, assesses, manages and mitigates relevant risks, with a view to ensuring alignment with its Business Strategy.

Group Risk Management Framework and CR&E Risk Management Framework

The Group Risk Management Framework defines the roles and responsibilities of the Group Risk Management (GRM), which is independent from the Business Units as a 2nd Line of Defense, having full responsibility for the establishment of the Group's Risk Strategy and Risk Appetite Framework, as well as for monitoring all risks assessed as material through the Risk Identification & Materiality Assessment (RIMA) process, including CR&E risks undertaken by the Group.

In accordance with relevant supervisory expectations and the Group's enhanced governance operating model for the incorporation of CR&E risks across the three lines of defense, new roles and responsibilities regarding climate-related & environmental risk management have been embedded into the Group Risk Management Framework. In addition, Eurobank developed its CR&E Risks Management Policy which aims at fostering a holistic understanding of the effects of CR&E risks on its business model, as well as support decision-making regarding these matters and provide a robust governance under its Risk Management Framework.

Risk Appetite

The Group articulates its Risk Appetite via a set of qualitative and quantitative statements pertaining to, inter alia, solvency, liquidity, profitability, asset quality and other areas related to the material risks. The purpose of these indicators and thresholds is to facilitate the assessment of whether the Group is operating within its defined risk appetite. The outcome of this process is the Risk Appetite Statements (RAS) document, whereas the principles, process and governance aspects related to the RAS are outlined in the Risk Appetite Framework (RAF). The RAS are complemented by a set of Business Line Statements (BLS) which constitute operational metrics (and limits) at the business level where the risks are undertaken.

Based on the above, the Bank has established relevant Risk Appetite Statements, both quantitative and qualitative, related to ESG/ CR&E Risks for the effective management of these risks in line with the Bank's monitoring and escalation processes. Within this framework, the Bank has set a RAS for at least 20% of the annual new CIB disbursements to be classified as green/ environmentally sustainable loans by applying the criteria set in the Bank's Sustainable Finance Framework, which also includes RRF green tagging classification. This target was reached during 2023, showing the Bank's commitment to finance the green transition. In addition, Eurobank has set a RAS under which, the Group shall have no new investments in fixed income securities (ESG/ Green Bonds are excluded) towards the top 20 most carbon-intensive corporates worldwide. Furthermore, the Bank introduced a relevant qualitative RAS, in relation to the other environmental risk (biodiversity) and based on its exclusion list, which refrains from the financing of activities prohibited by host country legislation or international conventions relating to the protection of biodiversity resources.

Risk Identification & Materiality Assessment

The Risk Identification & Materiality Assessment (RIMA) process sets the appropriate mechanisms to identify, measure and monitor risks at an early stage, as well as to manage their potential impact on the achievement of the Group's objectives. In this context, RIMA is an essential part of the overall risk appetite process, enabling the Group to build its risk inventory, identify the risks that the Group is or might be exposed to, assess their relevance and materiality and define appropriate risk appetite metrics for the monitoring of the material risks.

Eurobank has established respective definitions of climate-related risks and has performed materiality assessment exercises regarding the impacts arising from these risks, the results of which are included in the Group's RIMA Report, Risk Library and Risk Inventory.

For more details please refer to Eurobank's TCFD Climate-related & Environmental Risk Report: https://www.eurobank.gr/-/media/eurobank/omilos/etairiki-koinoniki-euthuni/peribalon-kai-aeiforos-anaptiksi/i-desmeusi-mas/erb-tcfd-cr-e-risk-report.pdf.

11.1.3.2 Climate Risk Definition

Climate Related and Environmental risks: Climate-related and environmental risks are defined as the risks deriving from potential loss or negative impact to the Group, including loss/damage to physical assets, disruption of business or system failures, transition expenditures and reputational effects from the adverse consequences of climate change and environmental degradation.

Climate risk also includes the following risks:

Climate related physical risk: Physical risk refers to the financial impact of a changing climate, including more frequent extreme weather events and gradual changes in climate, as well as the impact of environmental degradation, such as air, water and land pollution, water stress, biodiversity loss and deforestation.

Climate related transition risk: Transition risk refers to financial loss that can result, directly or indirectly, from the process of adjustment towards a lower- carbon and more environmentally sustainable economy.

Environmental risk: Risk of actual or potential threat associated with the dependency on nature and nature impacts and/or the misalignment between the Group's strategy and the changing regulatory, policy, or societal landscape in which it operates, with regards to environmental risks management. Environmental risk excludes the impacts from climate change.

11.1.3.3 Climate-related & Environmental Risk Drivers and Transmission Channels

The Group identifies and assesses CR&E risks within the context of the Risk Identification and Materiality Assessment (RIMA) process, which is performed at least on an annual basis, or ad-hoc, if necessary. Through the RIMA process, the Group identifies material risks that could potentially have a significant adverse impact on its financials, capital base, liquidity position or business model, as well as identifies any possible emerging risks that the Group might be exposed to. In this context, the Group takes into consideration several different sources for the identification of emerging risks, such as the SSM's Supervisory Priorities, the European Union & national legislation updates and regulatory developments/ reports.

As CR&E risks interact with other risks and result in direct distributional impacts and indirect macroeconomic impacts, the Group understands that careful consideration of the cross-cutting nature thereof is necessary in order to ensure the optimal implementation of adaptation activities. Thus, the Group considers CR&E risks as drivers of existing risk types, undertaking a holistic and systemic approach when examining the complex links between CR&E risks and both financial and non-financial risks. Eurobank has integrated CR&E risks elements into its existing risk management processes, creating additional procedures, policies and tools so that these risks can be properly identified and measured. In this context, the Group has identified the risk drivers related to climate change and environmental degradation that are most relevant to the business environment in which it operates.

From an internal perspective, the Group has placed great emphasis on building capacity among its employees and increasing overall awareness on CR&E matters. To this end, a dedicated Unit (Group Climate Risk) has been established with the overall responsibility for overseeing, monitoring, and managing CR&E risks, in line with the provisions of CR&E Risks Management Policy. In parallel, the Group considers various external sources of information, including, inter alia, the cooperation with external advisors and the consultation of public sources (e.g. ThinkHazard!, World Resources Institute) to determine the key risk drivers that could potentially have a significant adverse impact on its operations.

In this context, the Group has identified the following list of CR&E risk drivers:

Climate – Related Risk		Environmental Risk
Transition Risk	Physical Risk	
Behavioural Changes	Acute Hazards (floods, wildfires)	Water Scarcity
Policy & Regulatory Changes	Chronic Hazards (droughts, heat waves)	Biodiversity Loss
Technological Changes		

Sectoral Analysis

To inform the materiality assessment process, the Group performed a heatmapping exercise to determine how CR&E risks affect certain sectors that the Group is exposed to, and subsequently to interpret the impact on the overall Bank's risk profile and operations in terms of financial losses, business disruptions, legal claims and/or reputational damages. Traditional economic variables such as demand, prices, and productivity may be impacted by CR&E risks. With this exercise, the Group sought to take into account the unique characteristics of each sector, while also leveraging on the pertinent analysis for the transmission channels through which CR&E risks may manifest for the Group. For the sectoral analysis, the Group integrated both qualitative and quantitative aspects. Under climate-related transition risk and environmental risk, all identified CR&E risk drivers were assessed, namely Behavioural Changes, Policy & Regulatory Changes, Technological Changes for the former and Water Scarcity for the latter, while under climate-related physical risk the following risk drivers were selected due to their relevance to the Greek geographical area (where the core operations of the Group are located), as well as pertinent data availability:

- Acute Hazards: Floods, wildfires
- Chronic Hazards: Droughts, heat waves

The sectors that were designated for assessment in this context are considered to significantly contribute to climate change and environmental degradation. Each sector received a severity score for each of the determined risk drivers. The scores had the following dimensions: 1-Minor Impact, 2-Low Impact, 3-Medium Impact, 4-High Impact.

For more details, please refer to Eurobank's TCFD Climate-related & Environmental Risk Report: https://www.eurobank.gr/-/media/eurobank/omilos/etairiki-koinoniki-euthuni/peribalon-kai-aeiforos-anaptiksi/i-desmeusi-mas/erb-tcfd-cr-e-risk-report.pdf.

Environmental, Social and Governance (ESG) Risks

Materiality Assessment per Risk

The Group has carried out a number of actions to ensure that there is a concrete procedure via which CR&E risks are fully taken into consideration and afterwards evaluated in order to conduct a solid materiality assessment. A proportionate method has been used in the evaluation of the materiality of the CR&E risks, concentrating only on those that are considered to be able to have the most detrimental effects. In parallel, it should also be noted that the materiality assessment process follows the "gross approach". In other words, without taking into account specific techniques designed to mitigate the underlying risks. The results of the materiality assessment exercise are included in the Group's RIMA Report, Risk Library and Risk Inventory. The risks identified as material form the basis for the Internal Capital Adequacy Assessment Process (ICAAP) and Internal Liquidity Adequacy Assessment Process (ILAAP) exercises, in the context of which the Group identifies mitigating actions to ensure that it remains adequately capitalized and maintains sufficient liquidity buffers to support its business strategy.

<u>Materiality Assessment Results</u>

The aggregated results of the CR&E materiality assessment are shown in the table below along with the approach and criteria that were used to evaluate each type of risk:

		Risk	Approach	Materiality Result
Climate Risk	Physical Risk	Credit Risk	Concentration (credit exposures) / Heatmapping analysis	Material
		Liquidity Risk	Scenario analysis	Non-Material
	Transition Risk	Credit Risk	Concentration (credit exposures) / Heatmapping analysis	Material
		Market Risk	Concentration (trading exposures) / Heatmapping analysis	Non-Material
		Liquidity Risk	Scenario analysis / Heatmapping analysis	Non-Material
		Business Risk and Strategic Risk	Concentration (gross interest income) / Heatmapping analysis / Qualitative assessment	Material
	Water Scarcity	Credit Risk	Concentration (credit exposures) / Heatmapping analysis	Non-Material

For more details please refer to Eurobank's TCFD Climate-related & Environmental Risk Report: <u>https://www.eurobank.gr/-/media/eurobank/omilos/etairiki-koinoniki-euthuni/peribalon-kai-aeiforos-anaptiksi/i-desmeusi-mas/erb-tcfd-cr-e-risk-report.pdf</u>

CR&E Risks Scenario Analysis

The Bank utilizes a scenario analysis, aligned with the TCFD recommendations, to comprehensively assess climate change transition and physical risks. The scenario analysis is an important tool that is used in its strategic planning process, as well as a key component that enables Eurobank to evaluate its resilience and adaptability in different climate-related scenarios.

The methodological approach adopted allows the measurement of impacts, based on different scenarios and time horizons (2030, 2040 and 2050). This forward-looking approach enhances the Bank's understanding on climate-related risks, informs strategic decision-making and facilitates the integration of climate considerations into its Risk Management Framework. By doing so, Eurobank proactively identifies vulnerabilities, seizes opportunities and aligns business strategies with the transition to a low-carbon economy. The Network for Greening the Financial System (NGFS) scenarios that the Bank has adopted, provide a common starting point for analysing climate risks across the economy and financial system. The set of scenarios that are utilized by the Bank, include four representative scenarios that cover different dimensions.

Environmental, Social and Governance (ESG) Risks

The results of the scenario analysis provide a comparison of financial evolutions by sectors and geographies over a range of scenarios and time horizons, reinforcing the fact that the Bank's strategy remains adaptive.

More specifically, the NGFS scenarios are:

1. Orderly: Net zero 2050; where climate policies involve early, ambitious action and the impacts are low for both physical and transition Risks
2. Disorderly: Delayed transition; in which climate policies are not introduced until 2030 and the outcome has a higher impact on transition risk
3. Hot house world: Current Policies; with limited climate policies and severe physical risks and irreversible changes, including higher sea level
4. Too-little-too-late: Fragmented world; in which delayed and divergent climate policy ambition globally, leads to elevated transition risks due to the overall ineffectiveness of the transition.

The table below illustrates the impact in sectoral production, comparing Orderly Net Zero 2050 to Current Policies:

Sector	2030	2040	2050
Agriculture	Moderate Negative	Moderate Negative	Moderate Negative
Manufacturing	Moderate Negative	Moderate Negative	Moderate Negative
Electricity Supply	Strong Positive	Strong Positive	Strong Positive
Water Supply	Same Level	Same Level	Same Level
Construction	Moderate Positive	Moderate Positive	Positive
Wholesale & Retail Trade	Same Level	Same Level	Same Level
Transporting and Storage	Negative	Negative	Strong Negative
Real estate activities	Same Level	Same Level	Same Level
Oil and Gas	Strong Negative	Strong Negative	Strong Negative
Renewable Energy Sources (RES)	Strong Positive	Strong Positive	Strong Positive

Additionally, the Bank assesses the physical impacts on its strategy utilizing two scenarios:

1. RCP2.6: that incorporates strong climate policies and limit the increase in average global temperature to below 2°C.
2. RCP8.5: implying strong climate changes and the necessity of strong adaptation to the new conditions.

Environmental, Social and Governance (ESG) Risks

Additionally, the following table illustrates the impact of sectoral production under RCP 2.6:

Sector	2030	2040	2050
Agriculture	High	Very high	Very high
Construction	Negligible	Low	Low
Electricity Supply	Low	Low	Medium
Manufacturing	Low	Low	Low
Oil and Gas	Negligible	Negligible	Negligible
Real estate activities	Negligible	Negligible	Negligible
RES	Negligible	Negligible	Negligible
Transporting and Storage	Low	Low	Low
Water supply	Low	Low	Low
Wholesale and retail	Negligible	Negligible	Negligible

The integration of scenario analysis, as recommended by the TCFD, plays a crucial role in shaping Eurobank's business strategy, by providing valuable insights into the potential impacts of climate-related risks and opportunities on its financial performance and long-term sustainability.

For more details, please refer to Eurobank's TCFD Climate-related & Environmental Risk Report: https://www.eurobank.gr/-/media/eurobank/omilos/etairiki-koinoniki-euthuni/peribalon-kai-aeiforos-anaptiksi/i-desmeusi-mas/erb-tcfd-cr-e-risk-report.pdf

11.1.3.4 ESG and CR&E Risk Management Tools & Processes

Eurobank has implemented a set of tools for the identification, measurement and management of CR&E risks, including the credit granting and monitoring processes. These are utilized by the involved Units across Group's both 1st and 2nd Lines of Defense, with the relevant tasks being performed in a collaborative and efficient way.

A) Collateral Insurance Requirements

At the point of loan origination, the Bank requires from the borrowers the provision of insurance policies for real estate properties accepted as collateral, excluding plots of land. All mortgaged properties must be insured, with coverage categorized as compulsory and desirable. More specifically, compulsory coverage includes protection against physical risks such as fire, earthquake and flood for Corporates, and on a voluntary basis for Retail borrowers, while desirable coverages vary based on real estate type and circumstances, such as properties under construction or proximity to protected areas. These coverages encompass, among others, damages from smoke, vehicle collision and civil liability. In cases of Real Estate construction financing, the Bank requires from its clients an insurance contract against every risk during the construction phase, which indicatively should cover physical risks such as fire, earthquake, flood etc.

The Bank acknowledges that collateral valuation should account for physical locations as physical risks may affect the value of collateral (e.g. increased flood risks). Recognizing the potential impact of physical risks on collateral value, the Bank is incorporating climate-related risks into its Collateral Valuation Policy and procedures, aiming to mitigate risks associated with properties vulnerable to environmental hazards, in alignment with the regulatory standards. For more details on the updated Collateral Valuation Policy incorporating climate risks and related considerations, please refer to the Collateral Valuation Policy section below.

B) Incorporation of Environmental Risk Factors in the Creditworthiness Assessment

Moody's Risk Analyst (MRA) model

The Group's MRA Model assesses the CIB borrowers' credit profile based on qualitative and quantitative criteria. In more detail, the criterion "Risk of Adverse Events" assesses the client's vulnerability to adverse developments or business interruptions, fines, litigation and negative publicity, stemming among others, from environmental parameters.

Environmental & Social Management System (ESMS)

Along with its service and product offerings, the Group implements an Environmental and Social Management System (ESMS), aiming to mitigate potential credit risks arising from the operation of businesses that are financed. In this context, the Group has developed an Environmental & Social (E&S) Policy which sets the framework of principles and requirements for the management of Environmental & Social Affairs. Additionally, the Group has established an Environmental & Social Exclusion List which defines the activities that are excluded from financing, while a dedicated Category A List outlines indicative types of projects that could result in potentially significant adverse environmental and/ or social impacts and therefore require an overall environmental and social assessment. As per the Group's current Environmental & Social Policy, the environmental & social assessment process is mandatory for all new credit granting, including new and existing clients. All clients/ activities proposed to be financed by the Group are screened against both the Group's Environmental & Social Exclusion List and the Category A List, while the clients are also required to complete the Environmental & Social Risk Questionnaire, for the categorization of the financing transactions as Low, Medium, or High risk according to their E&S impacts.

For further details, please refer to the Annual Report 2022 Business & Sustainability: https://www.eurobank.gr/-/media/holding/omilos/annual-reports/etisios-apologismos-2022/annual-report-2022.pdf.

Climate Risk Scorecard

In line with best market practices, as well as taking into account supervisory requirements/ expectations regarding the establishment of an approach for further assessing clients with higher climate risk exposure, the Bank has developed the Climate Risk Scorecard for the consideration of climate-related and environmental risks. In this context, an assessment process based on the Climate Risk Scorecard is to be performed for all new financing transactions and limit increases (existing and new clients) initially applied to the Bank's Corporate & Investment Banking (CIB) portfolio. The Climate Risk Scorecard comprises a modular questionnaire which includes targeted climate risk and sustainable financing related questions both qualitative and quantitative, capturing the following key dimensions: Transition risk, Taxonomy Aligned Activities, Physical risk, Sustainable financing, Emissions, Strategy, Climate & environmental incidents, Transition - Green technology. In addition, the questions of the Climate Risk Scorecard have been developed in order to examine climate risk and sustainable financing aspects both at client, as well as at transaction level. The output of the Climate Risk Scorecard is one the following three scores: (a) High Risk, (b) Medium Risk and (c) Low Risk, while mitigating actions and/ or monitoring based on the client's Climate Risk scoring has been designed.

Interbank ESG Questionnaire

In recent years, increased regulatory focus has been placed on ESG aspects in the banking sector. Institutions are expected, based on the regulatory framework, to enhance their credit risk classification procedures in order to identify and evaluate climate-related and environmental risks, as well as integrate ESG aspects in the creditworthiness assessment process. Based on this, an interbank initiative in the Greek banking market was launched, jointly conducted by the HBA (Hellenic Bank Association) and the major Greek Banks, in order to design a common Interbank ESG Questionnaire for their clients. The objective is to develop a comprehensive ESG Questionnaire to be used by the Greek Banks, ensuring a harmonized assessment approach and a level-playing field, in order to incorporate a holistic assessment of clients' ESG factors. The ESG Questionnaire safeguards the alignment with supervisory expectations/ requirements (e.g. meeting obligations regarding the EBA Guidelines on Loan Origination and Monitoring and the ECB Guide on Climate-Related and Environmental Risks), the applicable international standards/ guidelines (e.g. Task Force on Climate-related Financial Disclosures), as well as Banks' operational needs, and best market practices. The Bank utilizes the Interbank ESG Questionnaire and the Climate Risk Scorecard by combining them to form a holistic ESG Risk Assessment for the assessment and classification of its clients in terms of ESG criteria, as per the relevant regulatory framework.

ESG Risk Assessment

By combining the Climate Risk Scorecard and the Interbank ESG Questionnaire, Eurobank has developed the ESG Risk Assessment, a holistic approach which facilitates the assessment and classification of Bank's clients in terms of ESG criteria, as per the relevant regulatory framework. More specifically, Eurobank's ESG Risk Assessment assesses its Corporate & Investment Banking (CIB) clients both at obligor level by utilizing the Interbank ESG Questionnaire, as well as at transaction level by utilizing the Climate Risk Scorecard, along with the Sustainable Finance Framework classification. Within this framework, Eurobank has developed an internal scoring methodological approach for the ESG Risk Assessment in order to facilitate the final ESG Risk scoring assessment and classification of the client. The output of the ESG Risk Assessment is one of the following three scores: (a) High ESG Risk, (b) Medium ESG Risk and (c) Low ESG Risk. During the credit decision/ granting process, Eurobank will consider through the ESG Risk Assessment the client's ESG risk scoring and profile, the possible mitigating actions, as well as the due diligence assessment performed on selected cases. Overall, the ESG Risk Assessment aligns with Eurobank's business strategy, enhances ESG risk awareness, promotes sustainable financing and ensures adherence to the Group's risk appetite and credit policies.

Sustainable Finance Framework Assessment Tool

The Group's Sustainable Finance Framework (SFF) provides a clear and comprehensive methodology for classifying, monitoring, and reporting sustainable financial products. The SFF sets out the eligible assets to be financed, presented separately for the portfolios of Wholesale and Retail (i.e. presentation of the scope, the sustainable financing classification, and the applicable regulatory frameworks). If a potentially eligible financing fulfils the criteria outlined for each classification category, then, upon following the necessary verification process of evaluation and approval, it can be characterized as sustainable financing. Within this framework, the Group developed a web-based Sustainable Finance Framework (SFF) Assessment Tool for the Corporate & Investment Banking (CIB) portfolio to underpin the classification and evaluation of sustainable/ green financing opportunities in a structural manner, as part of the loan origination process. The SFF Assessment Tool is delivered through an online platform, a workflow-based application which automates the process of assessing the Group's financing solutions against the criteria defined in the SFF.

Collateral Valuation

The Bank is refining its Collateral Valuation Policy (CVP) to specify accepted collateral types and valuation procedures, while integrating assessments of climate-related and environmental risks. This involves gathering pertinent information like Energy Performance Certificates (EPCs) and incorporating forward-looking estimates of natural hazards. The updated policy will also consider broader climate-related and environmental factors, such as waste management and accessibility, to enhance valuation accuracy and risk management.

CR&E Risks Monitoring Dashboard

Eurobank has established a dedicated dashboard, for monitoring and reporting purposes, with appropriate CR&E risks KPIs/ KRIs that are reported to the senior management and management body, on a periodic basis, in order to safeguard the efficient oversight of CR&E risks through selected metrics. For the selection and definition of the relevant CR&E risks indicators, Eurobank leveraged on the insights gained from the 2022 ECB Climate Risk Stress Test, ECB's Report on CR&E Risk Good Practices, on the Group's internal exercises (e.g. scenario analysis/ materiality assessment processes for transition and physical risk), as well as taking into account best market practices.

Environmental, Social and Governance (ESG) Risks

For more details in relation to the relevant monitoring indicators, please refer to Eurobank's TCFD Climate-related & Environmental Risk Report: https://www.eurobank.gr/-/media/eurobank/omilos/etairiki-koinoniki-euthuni/peribalon-kai-aeiforos-anaptiksi/i-desmeusi-mas/erb-tcfd-cr-e-risk-report.pdf.

11.1.3.5 Asset Management Activities

The Bank has outsourced investment advice and portfolio management services to Eurobank Asset Management M.F.M.C., which is the investment arm of the Eurobank Group. Thus, due diligence, research and investment decision processes when selecting or recommending financial instruments are conducted based on the applicable policies of Eurobank Asset Management M.F.M.C., which was the first asset management company in Greece to join the global Principles for Responsible Investment (PRI) initiative.

The Responsible Investment Policy specifies Eurobank Asset Management MFMC efforts to integrate Environmental, Social & Governance (ESG) information/ criteria into the investment processes, and outlines the foundation, ownership, and oversight mechanisms that support Eurobank Asset Management MFMC's approach. ESG integration is the practice of incorporating material ESG information/ criteria into the investment process with the objective of improving financial outcomes and/or mitigating risks over the long-term for UCITS, AIFs, and portfolios under management.

The Responsible Investment Policy is also in line with the requirements set by Regulations (EU) 2019/2088 and (EU) 2020/852 on sustainability-related disclosures in the financial services sector and on the establishment of a framework to facilitate sustainable investment.

Overview of Approaches & Processes

As per the Responsible Investment Policy document of Eurobank Asset Management M.F.M.C., the Company integrates ESG factors into the investment process. In particular, the ESG analysis includes the assessment of environmental criteria (e.g. emissions of greenhouse gases, exposure to fossil fuel and water emissions) at the level of the companies in which the Funds and Portfolios invest. The events or conditions that may be responsible for a negative impact on the return of the Fund/ Portfolio include environmental aspects (e.g. carbon emissions, water pollution, loss of biodiversity or damage to ecosystem). The specific sustainability factors considered may vary, as they depend on the specific investment strategy followed by each Fund/ Portfolio.

The Investment Management & Corporate Strategy pays close attention to investments in sensitive sectors. The sectors concerned include, but are not limited to, thermal coal exposure, thermal coal power generation, oil & gas production, oil sands extraction, off-shore Arctic Oil & Gas Exploration. Companies from these sensitive sectors may be excluded from the Investment Management & Corporate Strategy. The effect of ESG factors on the investments of a Fund/ Portfolio is considered throughout the whole investment lifecycle. The Investment Management & Corporate Strategy of the Company aims via active ownership to reduce risks and encourage improvement in ESG practices and performance where they are material to long-term shareholder value creation.

Eurobank Asset Management uses the Sustainable Investment Strategies described below:

1. ESG Integrated: Integration of ESG metrics in the analysis, selection, and composition of managed portfolios. Securities of issuers with high sustainability risks and/or principal adverse impacts may be purchased and retained in the portfolio.
2. Best in Class: Preferences towards securities with low or medium sustainability risks and/ or decreases the weight of securities with high sustainability risks, as defined by ESG scores, without excluding entire industries.
3. Best in Class Plus: Seeks to invest in securities of issuers with low sustainability risks compared to their peers within the respective industry/sector, while: a) Excluding those with high sustainability risks (ESG risk classified as "severe"), b) In addition, a negative screen is used to exclude the 20% worst ESG scoring stocks from the investable universe.

4. Sustainable Investing: Seeks to invest mainly in issuers that contribute to making a positive environmental and/or social impact, as measured by third party ESG vendors, UN SGD contribution and PAI consideration and address. In addition, the Best in Class Plus process as above is applied in this strategy.

The Responsible Investment Policy also presents the applicable Investee company exclusions based on Controversial Activities and Revenue Thresholds. Also, the Policy sets out Investee company exclusions based on breaches of International Norms i.e. companies in severe breach of UN Global Compact Principles on human rights, labor standards, environmental protection, and anti-corruption.

For more details on the Responsible investment Policy please refer to: https://www.eurobankam.gr/en/politikes

11.1.3.6 Scenario Analysis & Stress Testing

A) Climate Stress Test Scenario Analysis in the 2024 ICAAP

As part of ICAAP 2024, the Group introduced a short-term climate transition risk scenario and a scenario for acute physical risk in the Normative Perspective, while a long-term climate risk scenario embedding both transition and chronic physical risk was used in the Economic Perspective. In this context, the following applies:

Economic Perspective: The Bank assessed forward-looking climate risk using targeted Climate Stress Test scenarios to quantify the impacts of climate-related risks on its credit risk exposures. These impacts were integrated into the economic perspective as an indicative internal capital requirement. More specifically, the Bank utilized a long-term climate scenario to assess sectoral Gross Value Added (GVA) impact, considering both transition and chronic risks. The scenario is based on the NGFS's 'Orderly Scenario', which aligns with EU and Greece's Net Zero 2050 targets, anticipating that climate policies are introduced early and become gradually more stringent precise. The scenario provides GDP and GVA projections extending up to 2050, which incorporate the impact from both the transition and chronic risk.

Normative Perspective: The Group assessed its vulnerabilities to climate-related risks and their transmission channels to credit risk through targeted Climate Stress Test scenario analyses. For this purpose, the Bank designed and developed relevant Climate Stress Test scenarios capturing both transition risks and physical risks. The analysis quantified the credit risk impact in the Bank's loan portfolios by examining two sensitivity scenarios:

- Transition Risk: The Group performed an individual assessment of the Bank's Top 20 Clients of CIB (for the sectors identified as most sensitive to transition risk) under a short-term disorderly climate scenario, in line with Network for Greening the Financial System (NGFS) scenarios. The analysis reflected the effects at macroeconomic, sectoral and counterparty level through a dedicated climate scenario model, developed by an external provider.
- Physical Risk: The Group applied a sensitivity shock on the CRE and RRE price indices, in line with the dedicated climate scenario, which examines acute risks under the RCP8.5, resulting from a flood event, in line with the ECB's flood risk scenario examined as part of 2022 Climate Risk Stress Test.

B) Group Climate Risk Stress Test (CRST) Framework

The Group Climate Risk Stress Test (CRST) Framework accommodates a dedicated governance structure and defines the minimum requirements for designing, executing, approving, and applying the climate risk stress test. The Framework provides a transparent and repeatable process for designing and executing the climate risk stress test, as well as for reporting and evaluating stress test outcomes and determining management actions.

The CRST Framework has been developed as per the overall Stress Testing Policy of the Group, also taking into account the provisions of the ECB Guide on CR&E risks and the requirements of the 2022 ECB Climate Risk Stress Test. Additionally, the Framework complies with other best practices and supervisory requirements, such as the EBA Guidelines on institutions' stress testing (EBA/GL/2018/04).

Environmental, Social and Governance (ESG) Risks

11.1.3.7 Non-Financial Risk Management Policies & Processes

The Bank has implemented policies and processes to evaluate and manage its exposure to operational and non-financial risk events arising from ESG risk. In particular, the Bank considers how its business continuity could be adversely impacted due to ESG events, as well as whether its activities could result in reputational damage and liability risks (e.g. as a consequence of cooperation with counterparties associated with environmental controversies and/or owing to inappropriate business practices such as “greenwashing”).

The Bank aims to safeguard business continuity, and to assess the risks undertaken in the context of outsourcing services and IT activities (e.g. exposure of service providers to environmental vulnerabilities).

In this context, in the direction of embedding/integrating ESG drivers into the non-financial risk management framework, the following are applied at Group level:

- **Operational Risk Management**

  The Bank has identified climate risk (physical risk and transition risk) drivers affecting each of its 12 Operational Risk Themes. Risk Themes are bespoke risk classification structures that represent a thematic view of the operational risk sub-types.

  In this context, operational risk events are classified according to the Operational Risk Taxonomy’s Risk Themes. Detailed instructions have been prepared for the relevant staff, regarding the determination of the scope and the rules for capturing ESG-driven operational risk events. The Group’s Operational Risk Events Management Guideline describes the approach and methodology for the classification and the ongoing management, until final closure, of operational risk events (including those driven by ESG drivers), as well as their analysis and the initiation of corrective actions where necessary. Such events arise from both physical and transition risk drivers and may include damages to Bank’s premises, disruptions in systems and utility outages, conduct-related issues (such as alleged greenwashing), regulatory non-compliance, significant deterioration in services provided by vendors, etc. The effects of adverse events on the Bank are captured, including their relevant financial (e.g. damages to assets, restitutions), efficiency (e.g. business disruption) or reputational impact. For the purposes of risk measurement, certain climate-related and environmental drivers are included in the standard operational risk scenarios. As part of ICAAP, CR&E drivers are incorporated in the scenario assessment process, including a dedicated scenario of physical impacts from extreme weather events, also assessing the relevant reputational risk impact.

  For the purposes of risk identification and mitigation, operational risks connected with ESG drivers are identified through the Risk & Control Self-Assessment (RCSA) process and corrective action plans are established where necessary.

  In the event of an emergency, including environmental incidents, the Bank implements a Business Continuity Plan, which includes planning and preparations to ensure that the Bank can continue to operate in the event of a serious incident or disaster, and that it will be in a position to restore normal operations within a reasonably short time when responding to typical disastrous events involved in ongoing business activity (natural disasters such as fires or flooding, accidents, server crashes or virus infections, insolvent key suppliers, negative media campaigns, market disruptions and others). The plan includes organizational and technical measures to ensure the continuation of key business operations, and progressively all business operations.

  The Bank is progressively enhancing management reports with information relating to ESG-driven operational and non-financial risks.

- **Reputational Risk Management**

  The Group Reputational Risk Management Framework embodies the Group’s governance structure and approach for the identification, assessment, proactive mitigation, avoidance, management, and reporting of the key sources and causes of reputational risk for the Group. In this context, the Group identifies various sources of reputational risk, including environmental and social issues. In addition, when a reputational crisis situation is identified, it is escalated in accordance with the Group's Crisis Management Policy.

11.1.3.8 ESG and CR&E Data

The Group recognizes the importance of relevant and reliable data in order to produce meaningful information, appropriate for decision-making purposes. Having already performed an assessment of ESG and CR&E data availability in its internal systems against regulatory requirements/ expectations, the Group continues to enhance its environmental risk data aggregation capabilities and IT infrastructure accordingly, while also using appropriate controls and safeguards to ensure the accuracy and completeness of the compiled information. The Group seeks to further improve environmental risk data granularity, through the allocation of detailed roles and responsibilities for the purposes of ESG and CR&E data management and the implementation of approaches for the remediation of identified data gaps (i.e., engagement with external data providers, development of methodological approaches for the estimation of required information).

The ESG is responsible for the collection, calculation and review of ESG data related to the operational impact, in line with the associated certified management systems (ISO 14001/EMAS, ISO 50001, ISO 14064). The Group Climate Risk is responsible for establishing internal reporting and disclosure processes for the financed impact, as well as the oversight of the associated data collection, in line with the Group's data governance framework.

11.2 Qualitative Information on Social Risks

11.2.1 Business strategy and processes

11.2.1.1 Adjustment of Our Business Strategy to Integrate Social Factors and Risks

The Bank understands that social risk management is crucial to ensure an effective and sustainable business model and has, therefore, taken actions to adjust its business model, strategy and processes, as well as its financial planning to account for risks arising from social matters, planning to further enhance such activities in the foreseeable future.

The Bank recognises the importance of managing social risk and has ensured that its lending activities do not support actions that harm society. In parallel, through the implementation of existing policies (e.g. Group Environmental and Social Policy) and the establishment of new processes and tools (e.g. ESG Risk Assessment), the Bank continues to strengthen its capacity to identify and manage social risk stemming from clients' operations, also determining relevant mitigating actions, if deemed necessary.

For the identification of ESG topics relevant to its business model and strategy, the Bank has taken into consideration the following:

- ESG-related EU and national regulatory context
- ESG-related sectoral and Eurobank-specific priorities as identified through:
  a) UNEP FI Principles for Responsible Banking and impact radar;
  b) International and sectoral ESG disclosure standards, frameworks and initiatives, such as the Sustainability Accounting Standards Board, the GRI Standards for Sustainability Reporting and the Athens Stock Exchange ESG Reporting Guide;
  c) ESG indices and ratings, such as the MSCI, Sustainalytics, S&P, Moody's, Refinitiv, FTSE4Good, ISS ESG and CDP; and
  d) ESG best practices and ESG topics addressed by peer banks in Greece and abroad.
- ESG cross sector megatrends and global accords, such as the UN SDGs and the Paris Agreement and the EU Green Deal
- Corporate Sustainability Reporting Directive (CSRD)

Environmental, Social and Governance (ESG) Risks

Sustainable Products and Services

The Bank offers products and services tailored to specific sectors and client segments, promoting sustainable practices among its clients, aiming to alleviate the social risk stemming from its operations. The products/ initiatives demonstrate that the Bank has effectively integrated social risk considerations in its practices in different stages of the credit granting and monitoring process.

For further details, please refer to the Annual Report 2022 Business & Sustainability: https://www.eurobank.gr/-/media/holding/omilos/annual-reports/etisios-apologismos-2022/annual-report-2022.pdf

Sustainable Finance Framework (SFF)

The Bank has developed the SFF, which defines the eligible activities to access sustainable financing (green and social assets).

Social risk considerations are integrated in the SFF as follows:

- Wholesale Portfolio: Dedicated-purpose – Green/ Social Loans

Eligible social activities aim to promote positive social outcomes and are classified as follows: Employment generation and access to financing, Equitable access to and control over assets, services, resources, and opportunities, Road Networks, Transportation Infrastructure, Community inclusion, Energy, Healthcare and Education.

- Wholesale Portfolio: General-purpose – Sustainability-Linked Loans & Facilities

For Social Risk, overarching Sustainability Performance Targets (SPTs) aim to promote positive performance on material social areas, inter alia, to:

(i) Diversity: Promotion of gender diversity throughout the organization

(ii) Link of ESG target to compensation: Incorporation of ESG targets in performance management/LTIP (Long Term Incentive Program)

(iii) Community support: Reinforcement of local community through Corporate Social Responsibility initiatives

In addition, the SFF specifies industry-specific SPTs which target sector-specific areas, inter alia, to: Health & Safety, Labor Management, Privacy & Data Security, Access to communications, Product Safety & Quality and Supply Chain Labor Standards.

- Retail Portfolio: Dedicated-purpose – Green/ Social Loans:

  i) The Framework specifies activities that promote positive social outcomes for small businesses and individuals, with a focus, among others, on the following areas:

  - Access to essential services (Education)
  - Affordable housing

  ii) Small Business:

  Eligible social assets are organized per eligible areas:

  - Employment generation & Access to financing
  - Agricultural productivity and promote sustainable land use

It is noted that the Bank's approach towards addressing borrowers' compliance with social risk mitigation requirements for loans that integrate social factors, is aligned with the process followed as regards green lending.

Environmental, Social and Governance (ESG) Risks

11.2.1.2 Objectives, Targets and Limits to Assess and Address Social Risk
Bank's approach towards Sustainable Development

The Group supports the sustainable transition of the economy and considers sustainability and climate change as an opportunity. A key strategic objective is to adapt Group's business and operations in a way that address the challenges of climate change, accommodate social needs within its business model and safeguard prudent governance for itself and its counterparties, in accordance with supervisory initiatives and following international standards/ best practices.

Committed to actively contributing to the achievement of the United Nations SDGs and the 2030 Agenda goals, the Bank is a signatory of the UN Global Compact since 2008. In September 2019, Eurobank signed the UNEP FI Principles for Responsible Banking (PRB), affirming its commitment to play an active role in implementing the SDGs and the Paris Agreement on Climate Change. In full compliance with its obligations relating to implementing the Principles, the Bank has issued its 3rd PRB Progress Report as part of the Annual Report 2022 – Business and Sustainability. In addition, in line with UNEP-FI requirements, Eurobank engaged, for the first time, an external third party to perform independent limited assurance of the UNEP FI 3rd PRB Progress Report in accordance with International Standard on Assurance Engagements (ISAE 3000).

The Bank has identified Social Impact Financing focus areas. Social impact financing relates to activities such as education, upskilling health care, financial inclusion, social cohesion and gender equality.

The Bank understands that social risk management is crucial to ensure an effective and sustainable business model and has, therefore, taken actions to adjust its business model, strategy and processes, as well as its financial planning to account for risks arising from social matters, planning to further enhance such activities in the foreseeable future.

The Bank's efforts have led to a significant reduction in social risk incidents relating to its cooperation with the clients, as well as to significant positive impacts to society, through the development of a range of sustainable products (e.g. student loans) and the adoption of socially responsible practices.

As new social issues arise, the strategy of the Bank will be frequently updated to incorporate new developments, taking into account stakeholder expectations, as well as regulatory requirements and best practices in the market landscape.

Engagement with Our counterparties for Social Risk Mitigation

The following policies and processes facilitate the Bank's engagement with its clients, with a view to mitigate their social risks:

1. <u>Sustainable Finance Framework</u>

The Bank aspires to play a key role in the financing of landmark projects that are necessary for pursuing economic growth in line with ESG criteria. The SFF encompasses a wide range of sustainable lending activities, including social financing. The operationalization of the SFF assessment for the CIB Portfolio is implemented through the web-based tool.

The Bank leverages on the results of the above evaluation process to understand the integration of ESG considerations in the business model and strategy of its clients, aiming to identify social financing opportunities.

2. <u>Environmental and Social Management System (ESMS)</u>

The Bank is incorporating environmental and social risk management mechanisms into its financing and investment evaluation process. In this context, the Bank implements an ESMS, in order to mitigate potential credit risk arising from the operations of businesses that it finances. The Bank defines particular measures to mitigate/ reduce clients' risks associated with social factors, as part of an Action Plan agreed with the borrowers at the point of loan origination, as per the provisions of the Bank's Environmental & Social (E&S) Policy.

3. Interbank ESG Questionnaire

An interbank initiative in the Greek banking market was launched, jointly conducting with the HBA (Hellenic Bank Association) and the major Greek Banks, in order to design a common Interbank ESG Questionnaire for their clients. The objective is to develop a comprehensive ESG Questionnaire to be used by the Greek Banks, ensuring a harmonized assessment approach and a level-playing field, in order to incorporate a holistic assessment of clients' ESG factors. The ESG Questionnaire includes a variety of environmental, social and governance questions in order to facilitate the assessment of the overall ESG profile of the Banks' clients.

4. ESG Risk Assessment

By combining the Climate Risk Scorecard and the Interbank ESG Questionnaire, Eurobank has developed the ESG Risk Assessment, a holistic approach which facilitates the assessment and classification of Bank's clients in terms of ESG criteria, as per the relevant regulatory framework. More specifically, Eurobank's ESG Risk Assessment assesses its Corporate & Investment Banking (CIB) clients both at obligor level by utilizing the Interbank ESG Questionnaire, as well as at transaction level by considering Sustainable Finance Framework classification (social loans). In this context, the Interbank ESG Questionnaire is part of the ESG Risk Assessment, forming a robust assessment of client's overall ESG profile by incorporating specific social aspects. During the credit decision/ granting process, Eurobank will consider through the ESG Risk Assessment the client's ESG risk scoring and profile through relevant environmental, social & governance factors, the possible mitigating actions, as well as the due diligence assessment performed on selected cases. For more details on ESG and CR&E Risk Management Tools & Processes, please refer to the Risk Management section of the Qualitative Information on Environmental Risks.

11.2.2 Governance

Eurobank has given priority to managing and mitigating any underlying social risks arising as an integral part of developing products and services, while complying with the applicable regulatory framework. Furthermore, it develops and improves mechanisms to identify, measure and communicate impact, across the entire range of its activities. In this context, the assessment of counterparty's social risk is embedded in the risk management process as provided in the next section, Risk Management.

The BoD and the relevant Board Committees are responsible for the approval of the Group policies and strategies and the supervision of their application, including strategy and policies on social matters and corporate sustainability policies.

For more details on governance arrangements, please refer to the Governance section of the Qualitative Information on Environmental Risks.

11.2.3 Risk Management

11.2.3.1 Integration of Social Risk in Our Risk Management Framework

Social matters have been integrated in the Bank's risk management framework through the following policies and processes:

1. Environmental and Social Management System (ESMS)

The ESMS has been fully integrated into the approval and monitoring processes that the Bank applies in its financing operations. For more details, please refer to the Business Strategy and Processes paragraph of the Qualitative Information on Social Risks section.

2. ESG Risk Assessment

Social Risk Assessment is enhanced following the roll out of the ESG Questionnaire that is used for assessing the client's ESG Risk profile, capturing among others: Occupational Health & Safety, Community relations and Diversity & Inclusion aspects. As part of the ESG Risk Assessment, the client's score incorporates social aspects, aiming to understand the client's sustainability performance and potential social risks, by fostering a more responsible approach to decision-making.

For more details on ESG and CR&E Risk Management Tools & Processes, please refer to the Risk Management section of the Qualitative Information on Environmental Risks.

3. Know-Your-Customer (KYC) and Anti-Money Laundering/ Terrorist Financing (AML/ TF) Policies & Processes

Eurobank has established Know-Your-Customer (KYC) and Anti-Money Laundering/ Terrorist Financing (AML/ TF) policies and standards, which are designed to provide safeguards against, inter alia, fraud and cooperation with clients with increased financial crime risk (i.e. risk of involvement in money laundering and terrorist financing). Within the scope of customer KYC profiling, Eurobank applies Enhanced Due Diligence measures upon establishing a business relationship and when carrying out transactions with natural or legal persons/ entities who are categorized as High Risk as per Eurobank's relevant internal processes.

4. MRA model

The Bank uses the MRA Borrower Rating System where client's risks that arise from social matters are evaluated in terms of the following:

- Risk of Adverse Events including social issues (health and safety of customers)
- Reputation: The Bank assesses the client's reputation with customers, employees, vendors.

11.3 Qualitative Information on Governance Risks

Integration of Governance Factors in Our Governance and Risk Management Framework

Eurobank assesses its exposure to governance risk on an ongoing basis, given that unsuitable governance practices of its clients could adversely impact its operations. To this end, the Bank has established effective internal governance arrangements to manage such risks, and processes, to better evaluate the governance performance of its clients.

The Group has placed great emphasis in strengthening its risk management processes to evaluate its clients' ESG performance. Specifically, the borrowers' exposure to governance risk is assessed as follows:

MRA Model

The Bank's credit rating model for Corporate clients takes into account borrowers' management quality and governance, which are evaluated in terms of the following:

- Management character: The Bank assesses the integrity of the senior management of the client
- Management organization: The Bank evaluates elements including information quality, leadership, planning and structure
- Management skill: The Bank examines the financial, marketing and operations skills of the client's management.
- Management succession: The Bank takes into account the clients' succession plan and the preparation of successors.

Know-Your-Customer (KYC) and Anti-Money Laundering/ Terrorist Financing (AML/ TF) Policies & Processes

Eurobank has established Know-Your-Customer (KYC) and Anti-Money Laundering/ Terrorist Financing (AML/ TF) policies and standards which are designed to provide safeguards against, inter alia, fraud and cooperation with clients with increased financial crime risk (i.e. risk of involvement in money laundering and terrorist financing).

Sustainable Finance Framework (SFF) – Sustainability Performance Targets (SPTs)

In the context of the Group's SFF, for Sustainability-Linked Loans, the Group performs an assessment on clients assuming specific incentives to achieve defined measurable ESG targets, based on predefined and pre-agreed SPTs. SPTs constitute environmental (E), social (S), and governance (G) targets which the clients aim to meet by utilizing respective KPIs to quantify their performance.

Interbank ESG Questionnaire

The ESG Questionnaire includes a variety of Environmental, Social and Governance questions in order to facilitate the assessment of the overall ESG profile of the Banks' clients.

ESG Risk Assessment

Governance Risk Assessment is enhanced following the roll out of the ESG Questionnaire that is used for assessing the client's ESG Risk profile, capturing among others: Policies, ESG Governance, Accountability, Reporting & Transparency, Corporate Governance, Remuneration, Business Ethics & Anti-corruption and Sustainable Procurement aspects.

For more details, please refer to the Qualitative Information on Environmental Risks section.

11.4 Quantitative Information on ESG Risks

11.4.1 Template 1: Banking book - Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity

The objective of this template is to present information about the Group's banking book exposure towards non-financial corporates operating in carbon-related sectors, and on the quality of those exposures including non-performing status, stage 2 classification, the corresponding provisions, and exposures' maturity.

Regarding the disclosures in column b ("of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation"), as per Article 12.1 and Article 12.2 of Commission Delegated Regulation (EU) 2020/1818 the counterparties are identified based on the following criteria:

- companies that derive 1% or more of their revenues from exploration, mining, extraction, distribution or refining of hard coal and lignite;
- companies that derive 10% or more of their revenues from exploration, extraction, distribution or refining of oil fuels;
- companies that derive 50% or more of their revenues from the exploration, extraction, manufacturing or distribution of gaseous fuels; and
- companies that derive 50% or more of their revenues from electricity generation with a Greenhouse Gas (GHG) intensity of more than 100g CO_2 e/kWh.

The identification of counterparties subject to the aforementioned exclusion criteria was conducted on a best-effort basis by mapping the relevant counterparties' activities based on NACE and other internally available information. The Group is in the process of collecting and storing relevant information per counterparty in order to improve the quality of the disclosure going forward.

Concerning column c ("of which environmentally sustainable (CCM)"), the disclosure was in line with the Taxonomy-aligned exposures that contribute to Climate Change Mitigation (CCM), as also reported in Template 7.

The financed scope 1, 2 and 3 GHG emissions attributed to the Group have been estimated based on the methodology of the Partnership for Carbon Accounting Financials (PCAF). Specifically, the following approaches were employed to calculate the counterparty's emissions, which are then used as a basis for calculating the financed emissions attributed to the Group:

Environmental, Social and Governance (ESG) Risks

a. GHG emissions published by the counterparty were collected through multiple sources including inter alia counterparty's sustainability report, Carbon Disclosure Project (CDP) and EU-ETS Registry;
b. GHG emissions were calculated based on physical activity data collected from the counterparty when emissions information was not published by the counterparty;
c. GHG emissions were calculated based on the economic activity data of the counterparty by applying appropriate emission factors per economic activity. The aforementioned emission factors per economic activity were derived based on a multiregional input-output analysis that relied on the Input-Output tables of Organization for Economic Cooperation and Development (OECD).

For the calculation of GHG emissions the Group prioritized approaches (a) and (b) since they are based on information provided by the counterparty and are considered more accurate.

It should be noted that the Group's financed emissions were upwardly affected by the scope 3 financed GHG emissions of a specific counterparty operating in sector C.27 – Manufacture of electrical equipment and which correspond to more than 60% of the Group's scope 3 GHG financed emissions and more than 50% of the Group's total financed GHG emissions.

Environmental, Social and Governance (ESG) Risks

Table 58: Banking book – Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity

	Sector/subsector	a	b	c	d	e	f	g	h
		31 December 2023							
		Gross carrying amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures
		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
1	**Exposures towards sectors that highly contribute to climate change [1]**	**21,658**	**2,091**	**1,421**	**1,629**	**835**	**(535)**	**(91)**	**(364)**
2	**A - Agriculture, forestry and fishing**	**415**	**-**	**-**	**49**	**107**	**(50)**	**(3)**	**(45)**
3	**B - Mining and quarrying**	**121**	**41**	**-**	**2**	**24**	**(6)**	**-**	**(6)**
4	*B.05 - Mining of coal and lignite*	**-**	-	-	-	-	**-**	-	-
5	*B.06 - Extraction of crude petroleum and natural gas*	**41**	41	-	-	21	**(4)**	-	(4)
6	*B.07 - Mining of metal ores*	**46**	-	-	-	1	**(1)**	-	(1)
7	*B.08 - Other mining and quarrying*	**33**	-	-	1	2	**(1)**	-	(1)
8	*B.09 - Mining support service activities*	**1**	-	-	-	-	**-**	-	-
9	**C - Manufacturing**	**4,426**	**713**	**67**	**234**	**161**	**(112)**	**(21)**	**(75)**
10	*C.10 - Manufacture of food products*	**962**	-	-	87	43	**(31)**	(5)	(21)
11	*C.11 - Manufacture of beverages*	**89**	-	-	2	6	**(3)**	-	(2)
12	*C.12 - Manufacture of tobacco products*	**51**	-	-	-	-	**-**	-	-
13	*C.13 - Manufacture of textiles*	**103**	-	1	2	2	**(2)**	-	(2)
14	*C.14 - Manufacture of wearing apparel*	**46**	-	-	7	17	**(8)**	(1)	(7)
15	*C.15 - Manufacture of leather and related products*	**13**	-	-	3	1	**(1)**	-	(1)
16	*C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting*	**38**	-	-	10	4	**(4)**	(1)	(3)
17	*C.17 - Manufacture of pulp, paper and paperboard*	**153**	-	-	3	10	**(4)**	-	(4)
18	*C.18 - Printing and service activities related to printing*	**34**	-	-	3	5	**(3)**	-	(2)
19	*C.19 - Manufacture of coke oven products*	**708**	708	4	-	7	**(1)**	-	(1)
20	*C.20 - Production of chemicals*	**381**	5	-	17	7	**(5)**	(2)	(3)
21	*C.21 - Manufacture of pharmaceutical preparations*	**185**	-	-	2	-	**(1)**	-	-
22	*C.22 - Manufacture of rubber products*	**147**	-	3	17	2	**(4)**	(1)	(1)
23	*C.23 - Manufacture of other non-metallic mineral products*	**225**	-	5	29	4	**(9)**	(6)	(2)
24	*C.24 - Manufacture of basic metals*	**415**	-	16	2	1	**(1)**	-	-
25	*C.25 - Manufacture of fabricated metal products, except machinery and equipment*	**133**	-	-	18	15	**(11)**	(1)	(9)
26	*C.26 - Manufacture of computer, electronic and optical products*	**72**	-	-	3	2	**(2)**	-	(1)
27	*C.27 - Manufacture of electrical equipment*	**339**	-	35	2	6	**(5)**	-	(4)
28	*C.28 - Manufacture of machinery and equipment n.e.c.*	**77**	-	-	4	12	**(7)**	-	(6)
29	*C.29 - Manufacture of motor vehicles, trailers and semi-trailers*	**126**	-	3	1	2	**(2)**	-	(1)
30	*C.30 - Manufacture of other transport equipment*	**31**	-	-	3	1	**(1)**	-	(1)
31	*C.31 - Manufacture of furniture*	**45**	-	-	10	7	**(2)**	(1)	(1)
32	*C.32 - Other manufacturing*	**38**	-	-	9	5	**(3)**	(1)	(2)
33	*C.33 - Repair and installation of machinery and equipment*	**15**	-	-	-	-	**-**	-	-

Environmental, Social and Governance (ESG) Risks

		a	b	c	d	e	f	g	h
		31 December 2023							
		Gross carrying amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures
		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
34	**D - Electricity, gas, steam and air conditioning supply**	**2,655**	**213**	**1,124**	**5**	**4**	**(10)**	**(1)**	**(2)**
35	*D35.1 - Electric power generation, transmission and distribution*	**2,442**	-	1,124	5	4	**(9)**	(1)	(2)
36	*D35.11 - Production of electricity*	**1,413**	-	1,087	4	4	**(7)**	-	(2)
37	*D35.2 - Manufacture of gas; distribution of gaseous fuels through mains*	**213**	213	-	-	-	**-**	-	-
38	*D35.3 - Steam and air conditioning supply*	**-**	-	-	-	-	**-**	-	-
39	**E - Water supply; sewerage, waste management and remediation activities**	**65**	**-**	**-**	**1**	**-**	**-**	**-**	**-**
40	**F - Construction**	**1,032**	**-**	**209**	**115**	**71**	**(50)**	**(7)**	**(39)**
41	*F.41 - Construction of buildings*	**411**	-	-	62	36	**(26)**	(3)	(21)
42	*F.42 - Civil engineering*	**487**	-	208	29	26	**(16)**	(2)	(13)
43	*F.43 - Specialised construction activities*	**134**	-	-	23	9	**(7)**	(2)	(5)
44	**G - Wholesale and retail trade; repair of motor vehicles and motorcycles**	**4,110**	**-**	**2**	**468**	**287**	**(194)**	**(36)**	**(133)**
45	**H - Transportation and storage**	**4,365**	**1,124**	**17**	**73**	**21**	**(25)**	**(4)**	**(12)**
46	*H.49 - Land transport and transport via pipelines*	**278**	93	8	35	15	**(12)**	(3)	(8)
47	*H.50 - Water transport*	**3,004**	1,031	-	6	2	**(3)**	-	(1)
48	*H.51 - Air transport*	**95**	-	-	10	-	**(1)**	-	-
49	*H.52 - Warehousing and support activities for transportation*	**969**	-	9	13	2	**(8)**	(1)	(1)
50	*H.53 - Postal and courier activities*	**18**	-	-	10	2	**(2)**	-	(2)
51	**I - Accommodation and food service activities**	**2,402**	**-**	**-**	**470**	**112**	**(55)**	**(14)**	**(34)**
52	**L - Real estate activities**	**2,068**	**-**	**2**	**212**	**49**	**(33)**	**(5)**	**(19)**
53	**Exposures towards sectors other than those that highly contribute to climate change [1]**	**2,470**	**-**	**12**	**327**	**125**	**(114)**	**(34)**	**(66)**
54	**K - Financial and insurance activities**	**131**	**-**	**9**	**15**	**1**	**(1)**	**-**	**(1)**
55	Exposures to other sectors (NACE codes J, M - U)	**2,339**	-	3	312	124	**(112)**	(34)	(65)
56	**TOTAL**	**24,128**	**2,091**	**1,434**	**1,956**	**961**	**(649)**	**(125)**	**(430)**

Environmental, Social and Governance (ESG) Risks

	Sector/subsector	i	j	k	l	m	n	o	p
		31 December 2023							
		GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
			Of which Scope 3 financed emissions						
				%	€ million	€ million	€ million	€ million	
1	**Exposures towards sectors that highly contribute to climate change [1]**	**30,987,188**	**24,313,029**	**18.2%**	**8,761**	**5,587**	**2,437**	**4,873**	**5.5**
2	A - Agriculture, forestry and fishing	409,285	165,764	0.0%	**159**	**94**	**9**	**153**	**3.7**
3	B - Mining and quarrying	68,192	27,176	0.1%	**89**	**20**	**1**	**11**	**4.5**
4	*B.05 - Mining of coal and lignite*	16	4	0.0%	-	-	-	-	9.5
5	*B.06 - Extraction of crude petroleum and natural gas*	8,941	2,629	0.0%	41	-	-	-	4.0
6	*B.07 - Mining of metal ores*	47,813	21,637	0.1%	26	19	-	1	5.4
7	*B.08 - Other mining and quarrying*	10,561	2,664	0.0%	22	1	1	10	3.7
8	*B.09 - Mining support service activities*	861	242	0.0%	1	-	-	0	3.2
9	C - Manufacturing	**21,899,575**	**19,614,839**	**8.7%**	**2,057**	**853**	**197**	**1,317**	**3.5**
10	*C.10 - Manufacture of food products*	915,375	560,973	0.6%	493	141	26	302	3.1
11	*C.11 - Manufacture of beverages*	50,856	31,728	0.0%	35	21	1	33	3.2
12	*C.12 - Manufacture of tobacco products*	20,643	19,056	0.2%	27	-	1	23	1.3
13	*C.13 - Manufacture of textiles*	23,376	17,351	0.0%	21	3	66	13	9.9
14	*C.14 - Manufacture of wearing apparel*	15,249	10,757	0.0%	12	6	4	24	6.4
15	*C.15 - Manufacture of leather and related products*	3,476	2,521	0.0%	7	1	1	4	6.2
16	*C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting*	21,662	14,002	0.0%	15	6	3	14	7.1
17	*C.17 - Manufacture of pulp, paper and paperboard*	102,802	69,926	0.1%	48	31	4	71	3.0
18	*C.18 - Printing and service activities related to printing*	18,752	12,948	0.0%	18	6	1	9	4.6
19	*C.19 - Manufacture of coke oven products*	655,978	228,787	2.9%	455	157	3	92	2.8
20	*C.20 - Production of chemicals*	798,466	603,744	1.3%	195	23	1	163	1.4
21	*C.21 - Manufacture of pharmaceutical preparations*	92,351	45,530	0.1%	49	62	13	62	4.2
22	*C.22 - Manufacture of rubber products*	129,609	87,251	0.0%	59	28	5	55	3.8
23	*C.23 - Manufacture of other non-metallic mineral products*	568,771	101,986	0.6%	115	73	16	21	4.4
24	*C.24 - Manufacture of basic metals*	1,516,863	946,382	1.5%	127	120	18	150	3.3
25	*C.25 - Manufacture of fabricated metal products, except machinery and equipment*	133,771	96,072	0.0%	46	16	7	64	3.8
26	*C.26 - Manufacture of computer, electronic and optical products*	17,570	11,996	0.0%	9	39	1	23	4.9
27	*C.27 - Manufacture of electrical equipment*	16,696,943	16,655,899	1.3%	113	91	11	124	3.5
28	*C.28 - Manufacture of machinery and equipment n.e.c.*	33,558	29,010	0.1%	53	4	3	17	3.8
29	*C.29 - Manufacture of motor vehicles, trailers and semi-trailers*	23,639	20,205	0.0%	113	7	1	5	2.8
30	*C.30 - Manufacture of other transport equipment*	8,813	6,999	0.0%	18	8	2	3	4.2
31	*C.31 - Manufacture of furniture*	15,446	12,851	0.0%	14	4	5	22	10.8
32	*C.32 - Other manufacturing*	24,785	20,464	0.0%	10	7	5	16	8.5
33	*C.33 - Repair and installation of machinery and equipment*	10,821	8,401	0.0%	8	1	-	6	3.0

Environmental, Social and Governance (ESG) Risks

		i	j	k	l	m	n	o	p
		31 December 2023							
		GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
			Of which Scope 3 financed emissions	%	€ million	€ million	€ million	€ million	
34	**D - Electricity, gas, steam and air conditioning supply**	**1,598,654**	**302,023**	**3.8%**	**831**	**523**	**1,147**	**154**	**9.3**
35	*D35.1 - Electric power generation, transmission and distribution*	1,595,360	301,139	3.8%	831	523	935	153	9.1
36	*D35.11 - Production of electricity*	200,889	63,707	0.1%	86	289	890	148	12.5
37	*D35.2 - Manufacture of gas; distribution of gaseous fuels through mains*	1,770	744	0.0%	-	-	212	-	10.9
38	*D35.3 - Steam and air conditioning supply*	1,524	140	0.0%	-	-	-	-	1.0
39	**E - Water supply; sewerage, waste management and remediation activities**	**193,032**	**48,904**	**0.0%**	**35**	**9**	**1**	**20**	**3.1**
40	**F - Construction**	**982,877**	**892,154**	**0.1%**	**306**	**333**	**43**	**350**	**5.3**
41	*F.41 - Construction of buildings*	432,492	390,796	0.0%	188	81	13	129	4.4
42	*F.42 - Civil engineering*	417,873	380,806	0.1%	89	219	15	163	5.4
43	*F.43 - Specialised construction activities*	132,512	120,552	0.0%	28	33	15	59	7.5
44	**G - Wholesale and retail trade; repair of motor vehicles and motorcycles**	**3,322,171**	**2,292,768**	**1.3%**	**1,511**	**486**	**286**	**1,826**	**4.3**
45	**H - Transportation and storage**	**2,172,395**	**711,839**	**4.1%**	**2,026**	**1,451**	**441**	**447**	**6.5**
46	*H.49 - Land transport and transport via pipelines*	404,557	98,153	0.4%	109	78	14	75	7.2
47	*H.50 - Water transport*	1,354,928	413,985	0.3%	1,753	1,217	0	33	4.4
48	*H.51 - Air transport*	196,544	59,471	0.0%	40	18	0	37	8.7
49	*H.52 - Warehousing and support activities for transportation*	205,870	133,914	3.3%	110	133	426	300	12.5
50	*H.53 - Postal and courier activities*	10,496	6,316	0.0%	12	4	0	1	3.7
51	**I - Accommodation and food service activities**	**293,021**	**224,711**	**0.0%**	**576**	**1,079**	**226**	**520**	**6.2**
52	**L - Real estate activities**	**47,986**	**32,851**	**0.1%**	**1,169**	**738**	**86**	**75**	**4.6**
53	**Exposures towards sectors other than those that highly contribute to climate change [(1)]**				**1,118**	**439**	**226**	**686**	**6.0**
54	**K - Financial and insurance activities**				**17**	**19**	**2**	**93**	**11.2**
55	Exposures to other sectors (NACE codes J, M - U)				1,102	420	224	593	5.7
56	**TOTAL**	**30,987,188**	**24,313,029**	**18.2%**	**9,879**	**6,027**	**2,663**	**5,559**	**5.5**

[(1)] In accordance with the Commission delegated regulation EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks -Climate Benchmark Standards Regulation – Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006.

Environmental, Social and Governance (ESG) Risks

	Sector/subsector	a	b	c	d	e	f	g	h
		30 June 2023							
		Gross carrying amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures
		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
1	Exposures towards sectors that highly contribute to climate change	20,845	2,009	-	1,709	1,185	(658)	(91)	(495)
2	A - Agriculture, forestry and fishing	381	-	-	53	125	(20)	(2)	(16)
3	B - Mining and quarrying	127	41	-	2	25	(3)	-	(2)
4	*B.05 - Mining of coal and lignite*	0	-	-	-	-	-	-	-
5	*B.06 - Extraction of crude petroleum and natural gas*	41	40	-	-	21	-	-	-
6	*B.07 - Mining of metal ores*	43	-	-	-	1	(1)	-	(1)
7	*B.08 - Other mining and quarrying*	42	-	-	2	3	(2)	-	(1)
8	*B.09 - Mining support service activities*	1	1	-	0	-	-	-	-
9	C - Manufacturing	4,481	754	-	252	201	(138)	(21)	(101)
10	*C.10 - Manufacture of food products*	968	-	-	100	67	(49)	(7)	(36)
11	*C.11 - Manufacture of beverages*	89	-	-	11	2	(5)	(3)	(1)
12	*C.12 - Manufacture of tobacco products*	33	-	-	1	-	-	-	-
13	*C.13 - Manufacture of textiles*	99	-	-	1	4	(3)	-	(3)
14	*C.14 - Manufacture of wearing apparel*	54	-	-	12	18	(10)	(1)	(9)
15	*C.15 - Manufacture of leather and related products*	14	-	-	3	2	(1)	-	(1)
16	*C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting*	38	-	-	5	4	(4)	(1)	(3)
17	*C.17 - Manufacture of pulp, paper and paperboard*	173	-	-	3	13	(7)	-	(6)
18	*C.18 - Printing and service activities related to printing*	32	-	-	7	6	(3)	-	(3)
19	*C.19 - Manufacture of coke oven products*	750	749	-	-	6	-	-	-
20	*C.20 - Production of chemicals*	394	5	-	11	9	(6)	(1)	(3)
21	*C.21 - Manufacture of pharmaceutical preparations*	186	-	-	2	-	(1)	-	-
22	*C.22 - Manufacture of rubber products*	160	-	-	28	3	(4)	(2)	(1)
23	*C.23 - Manufacture of other non-metallic mineral products*	194	-	-	10	6	(5)	(1)	(3)
24	*C.24 - Manufacture of basic metals*	446	-	-	6	4	(4)	(2)	(2)
25	*C.25 - Manufacture of fabricated metal products, except machinery and equipment*	123	-	-	14	19	(13)	(1)	(11)
26	*C.26 - Manufacture of computer, electronic and optical products*	69	-	-	3	2	(2)	-	(2)
27	*C.27 - Manufacture of electrical equipment*	317	-	-	3	7	(4)	-	(3)
28	*C.28 - Manufacture of machinery and equipment n.e.c.*	81	-	-	6	12	(5)	-	(5)
29	*C.29 - Manufacture of motor vehicles, trailers and semi-trailers*	120	-	-	1	-	-	-	-
30	*C.30 - Manufacture of other transport equipment*	25	-	-	1	2	(2)	-	(1)
31	*C.31 - Manufacture of furniture*	47	-	-	11	9	(4)	(1)	(3)
32	*C.32 - Other manufacturing*	54	-	-	12	6	(6)	(1)	(5)
33	*C.33 - Repair and installation of machinery and equipment*	15	-	-	1	0	-	-	-

Environmental, Social and Governance (ESG) Risks

		a	b	c	d	e	f	g	h
		30 June 2023							
		Gross carrying amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures
		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
34	D - Electricity, gas, steam and air conditioning supply	2,130	167	-	3	2	(6)	-	(1)
35	*D35.1 - Electric power generation, transmission and distribution*	1,962	-	-	3	2	(6)	-	(1)
36	*D35.11 - Production of electricity*	1311	-	-	2	2	(5)	-	(1)
37	*D35.2 - Manufacture of gas; distribution of gaseous fuels through mains*	167	167	-	-	-	-	-	-
38	*D35.3 - Steam and air conditioning supply*	1	-	-	-	-	-	-	-
39	E - Water supply; sewerage, waste management and remediation activities	68	-	-	2	1	(1)	-	-
40	F - Construction	992	-	-	139	103	(66)	(11)	(51)
41	*F.41 - Construction of buildings*	428	-	-	82	55	(33)	(7)	(25)
42	*F.42 - Civil engineering*	430	-	-	36	30	(19)	(2)	(15)
43	*F.43 - Specialised construction activities*	134	-	-	21	18	(14)	(2)	(11)
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	4,232	-	-	453	402	(276)	(36)	(216)
45	H - Transportation and storage	4,162	1047	-	60	29	(31)	(3)	(19)
46	*H.49 - Land transport and transport via pipelines*	258	65	-	30	21	(16)	(3)	(12)
47	*H.50 - Water transport*	2,919	982	-	6	4	(6)	-	(4)
48	*H.51 - Air transport*	73	-	-	5	-	-	-	-
49	*H.52 - Warehousing and support activities for transportation*	896	-	-	7	4	(9)	-	(3)
50	*H.53 - Postal and courier activities*	16	-	-	12	-	-	-	-
51	I - Accommodation and food service activities	2,327	-	-	485	224	(74)	(12)	(58)
52	L - Real estate activities	1,945	-	-	260	73	(43)	(6)	(31)
53	Exposures towards sectors other than those that highly contribute to climate change	2,646	-	-	315	201	(159)	(36)	(111)
54	K - Financial and insurance activities	116	-	-	8	2	(1)	-	(1)
55	Exposures to other sectors (NACE codes J, M - U)	2,532	1	-	308	198	(159)	(36)	(111)
56	TOTAL	23,493	2,010	-	2,025	1,385	(818)	(127)	(607)

Environmental, Social and Governance (ESG) Risks

		i	j	k	l	m	n	o	p
		30 June 2023							
	Sector/subsector	GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)	Of which Scope 3 financed emissions	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
				%	€ million	€ million	€ million	€ million	
1	Exposures towards sectors that highly contribute to climate change				8,787	5,358	2,413	4,288	11.8
2	A - Agriculture, forestry and fishing				116	103	15	147	4
3	B - Mining and quarrying				61	56	1	9	4.6
4	*B.05 - Mining of coal and lignite*				-	-	-	-	6.2
5	*B.06 - Extraction of crude petroleum and natural gas*				16	25	-	-	4.4
6	*B.07 - Mining of metal ores*				13	29	-	1	5
7	*B.08 - Other mining and quarrying*				32	2	1	7	4.4
8	*B.09 - Mining support service activities*				0	-	-	1	1.7
9	C - Manufacturing				2,271	755	186	1,268	3.6
10	*C.10 - Manufacture of food products*				470	175	29	296	3.4
11	*C.11 - Manufacture of beverages*				36	19	1	33	3.4
12	*C.12 - Manufacture of tobacco products*				31	-	1	1	1
13	*C.13 - Manufacture of textiles*				24	4	54	14	9.3
14	*C.14 - Manufacture of wearing apparel*				24	3	5	22	5.4
15	*C.15 - Manufacture of leather and related products*				7	1	1	5	6.1
16	*C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting*				17	5	3	13	7.1
17	*C.17 - Manufacture of pulp, paper and paperboard*				62	29	1	81	2.8
18	*C.18 - Printing and service activities related to printing*				18	4	2	8	4.6
19	*C.19 - Manufacture of coke oven products*				640	19	3	87	2.6
20	*C.20 - Production of chemicals*				216	28	1	149	1.5
21	*C.21 - Manufacture of pharmaceutical preparations*				60	57	13	56	4.3
22	*C.22 - Manufacture of rubber products*				66	34	5	56	4
23	*C.23 - Manufacture of other non-metallic mineral products*				117	32	17	27	4.2
24	*C.24 - Manufacture of basic metals*				142	129	18	157	3.6
25	*C.25 - Manufacture of fabricated metal products, except machinery and equipment*				48	14	7	54	3.8
26	*C.26 - Manufacture of computer, electronic and optical products*				10	37	1	22	5.2
27	*C.27 - Manufacture of electrical equipment*				82	115	8	112	3.6
28	*C.28 - Manufacture of machinery and equipment n.e.c.*				36	26	2	17	4.1
29	*C.29 - Manufacture of motor vehicles, trailers and semi-trailers*				105	7	1	7	3.1
30	*C.30 - Manufacture of other transport equipment*				18	1	2	4	3.9
31	*C.31 - Manufacture of furniture*				14	5	6	22	11.1
32	*C.32 - Other manufacturing*				23	8	5	18	6.5
33	*C.33 - Repair and installation of machinery and equipment*				5	3	0	7	3.1

Environmental, Social and Governance (ESG) Risks

		i	j	k	l	m	n	o	p
		30 June 2023							
		GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
			Of which Scope 3 financed emissions	%	€ million	€ million	€ million	€ million	
34	D - Electricity, gas, steam and air conditioning supply				578	471	1052	30	9.1
35	*D35.1 - Electric power generation, transmission and distribution*				578	470	886	30	8.9
36	*D35.11 - Production of electricity*				188	329	767	27	11
37	*D35.2 - Manufacture of gas; distribution of gaseous fuels through mains*				-	-	166	0	11.4
38	*D35.3 - Steam and air conditioning supply*				0	1	-	0	7.3
39	E - Water supply; sewerage, waste management and remediation activities				33	16	1	18	3.2
40	F - Construction				297	344	47	304	5.6
41	*F.41 - Construction of buildings*				196	85	15	131	4.4
42	*F.42 - Civil engineering*				66	233	16	115	6.2
43	*F.43 - Specialised construction activities*				35	26	16	58	7.4
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles				1,647	538	286	1,761	4.4
45	H - Transportation and storage				1,999	1294	471	399	6.8
46	*H.49 - Land transport and transport via pipelines*				115	23	44	76	7.1
47	*H.50 - Water transport*				1,787	1089	16	27	4.6
48	*H.51 - Air transport*				23	17	-	33	11.6
49	*H.52 - Warehousing and support activities for transportation*				61	162	411	262	13.6
50	*H.53 - Postal and courier activities*				13	3	-	1	3.8
51	I - Accommodation and food service activities				537	1,231	252	307	6.9
52	L - Real estate activities				1,248	550	102	45	4.4
53	Exposures towards sectors other than those that highly contribute to climate change				1,467	385	218	576	5.8
54	K - Financial and insurance activities				39	19	2	57	11.9
55	Exposures to other sectors (NACE codes J, M - U)				1,428	367	216	518	5.5
56	TOTAL				10,254	5,744	2,631	4,863	5.5

11.4.2 Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral

This template reports the gross carrying amount of loans collateralised by immovable property and of collaterals obtained by taking possession along with information about the energy efficiency of the immovable property in terms of kWh/m2 energy consumption and Energy Performance Certificate (EPC).

The reporting perimeter is in line with other regulatory reporting of the Group and includes collaterals that are eligible for EPC, while a breakdown between EU area and non-EU area based on collateral's location is presented. The Group's immovable property collaterals are located mainly in EU-area and more specifically Greece, Cyprus, Bulgaria and Romania, while a relatively smaller proportion is located in United Kingdom.

As per the Directive 2010/31/EU, energy performance certificate is defined as a certificate recognised by a Member State or by a legal person designated by it, which indicates the energy performance of a building or building unit, calculated according to a methodology adopted in accordance with Article 3 of the Directive.

For the purposes of the present template, the Group considered only actual EPC labels based on internally available information, while for energy consumption (kWh/m2) both actual and estimated consumption are reported. For collaterals that real consumption information was not available, the Group proceeded with the estimation of consumption in collaboration with an independent external provider. The methodological approach that was followed is a model-based estimation of consumption based on the collateral's characteristics.

The gross carrying amount of exposures that are linked to more than one collateral is allocated and disclosed separately under energy efficiency levels based on the collateral value.

Table 59: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		31 December 2023															
		Total gross carrying amount amount															
			Level of energy efficiency (EP score in kWh/m² of collateral)						Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral	
	Counterparty sector		0; <= 100	>100; <= 200	>200; <= 300	>300; <= 400	>400; <= 500	>500	A	B	C	D	E	F	G		Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated
		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	%
1	**Total EU area**	**12,925**	**587**	**5,517**	**2,900**	**1,522**	**1,375**	**1,023**	**239**	**437**	**220**	**121**	**89**	**139**	**67**	**11,611**	**100%**
2	*Of which Loans collateralised by commercial immovable property*	**3,469**	108	170	340	894	1,077	880	230	421	159	15	7	98	2	**2,538**	100%
3	*Of which Loans collateralised by residential immovable property*	**9,020**	468	5,220	2,479	489	254	110	9	13	24	30	22	15	34	**8,872**	100%
4	*Of which Collateral obtained by taking possession: residential and commercial immovable properties*	**436**	11	127	81	140	44	33	-	3	37	76	61	27	30	**201**	100%
5	*Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated*	**12,413**	478	5,377	2,771	1,455	1,345	988								**11,611**	100%
6	**Total non-EU area**	**191**	**2**	**48**	**46**	**5**	**7**	**82**	**6**	**3**	**50**	**50**	**3**	**-**	**-**	**78**	**100%**
7	*Of which Loans collateralised by commercial immovable property*	**168**	2	29	43	5	6	82	6	1	44	44	3	-	-	**70**	100%
8	*Of which Loans collateralised by residential immovable property*	**23**	-	19	3	1	-	-	-	3	6	6	1	-	-	**9**	100%
9	*Of which Collateral obtained by taking possession: residential and commercial immovable properties*	**-**	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	100%
10	*Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated*	**125**	-	43	3	1	-	78								78	100%

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		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		30 June 2023															
		Total gross carrying amount amount															
			Level of energy efficiency (EP score in kWh/m² of collateral)						Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral	
	Counterparty sector		0; <= 100	> 100; <= 200	> 200; <= 300	> 300; <= 400	> 400; <= 500	> 500	A	B	C	D	E	F	G		Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated
		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	%
1	Total EU area	16,321	1,149	6,191	4,297	1,854	1,459	1,371	255	362	227	125	75	39	46	15,191	100%
2	*Of which Loans collateralised by commercial immovable property*	5,500	391	203	1,313	1,113	1,206	1,275	247	352	191	40	12	15	7	4,635	100%
3	*Of which Loans collateralised by residential immovable property*	10,323	744	5,809	2,878	611	210	71	7	7	10	8	6	4	12	10,269	100%
4	*Of which Collateral obtained by taking possession: residential and commercial immovable properties*	498	14	179	106	130	43	25	1	3	26	77	57	20	27	287	100%
5	*Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated*	15,422	758	6,039	4,122	1,786	1,433	1,285								15,191	100%
6	Total non-EU area	614	168	119	91	64	122	50	6	51	83	71	34	3	7	359	100%
7	*Of which Loans collateralised by commercial immovable property*	344	21	73	47	37	118	48	6	37	33	32	23	-	7	205	100%
8	*Of which Loans collateralised by residential immovable property*	270	147	46	44	27	4	2	-	14	50	39	11	3	-	154	100%
9	*Of which Collateral obtained by taking possession: residential and commercial immovable properties*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	100%
10	*Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated*	522	160	102	68	32	114	45								359	100%

11.4.3 Template 4: Banking book – Climate change transition risk: Exposure to top 20 carbon-intensive firms

The template presents aggregated and anonymized information on the Group's exposure towards the top 20 most carbon-intensive counterparties globally. The identification of the top 20 most carbon-intensive corporates in the world is based on the list of the top-20 carbon emitting companies published in 2021 by Carbon Majors Database.

Column c ("of which environmentally sustainable (CCM)") the disclosure was in line with the Taxonomy-aligned exposures that contribute to Climate Change Mitigation (CCM), as also reported in Template 7.

Table 60: Banking book - Climate change transition risk: Exposures to top 20 carbon-intensive firms

	a	b	c	d	e
	31 December 2023				
	Gross carrying amount (aggregate)	Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate) (1)	Of which environmentally sustainable (CCM) (2)	Weighted average maturity	Number of top 20 polluting firms included
	€ million	%	€ million		
1	48	0.08%	-	4.4	5

	a	b	c	d	e
	30 June 2023				
	Gross carrying amount (aggregate)	Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)	Of which environmentally sustainable (CCM)	Weighted average maturity	Number of top 20 polluting firms included
	€ million	%	€ million		
1	47	0.08%		4.9	5

(1) *For counterparties among the top 20 carbon emitting companies in the world.*

11.4.4 Template 5: Banking book – Indicators of potential climate change physical risk: Exposures subject to physical risk

This template reports information on exposures in the banking book, including loans and advances, debt securities and equity instruments not held-for-trading and not held-for-sale, towards non-financial corporates, on loans collateralized with immovable property and on repossessed real estate collaterals, exposed to chronic and acute climate-related hazards.

The geographical breakdown of the present template is aggregated (Greece and Rest of the World) in line with the Group's main activities' location. It should be noted that Group's exposure is mainly concentrated in counterparties operating/residing in Southeast Europe and more specifically Greece, Cyprus, Bulgaria and Romania.

The Group considers as chronic climate change events those that arise from a progressive shift in climate conditions and their effect is long lasting, while acute climate change events are defined as those that originate from extreme events in a short period of time.

The climate-related hazards were assessed based on physical risks scenarios developed by an external provider. The analysis was based on RCP 8.5 climate scenario and spanned from short to medium-term, in line with the average maturity of the Group's portfolio. Climate data and indices were derived from Copernicus Climate Data Store database and GFDRR – ThinkHazard!. Historical values were calculated by using ERA5 Reanalysis data, while future projections derived from climate model simulations with general circulation and regional climate model pairs under the EURO-CORDEX program. A total of 4 to 8 model combinations (depending on the climate index and variable) at a horizontal resolution of 0.11 x 0.11 degrees (approximately 11.5 x 11.5 km) were used. Multi-model mean values were used in order to minimize the range of uncertainty in climate model simulations while both historical data and future projections are bias-adjusted versus the ERA5 Reanalysis data.

The methodological approach developed was applied at the appropriate level of spatial analysis (i.e., at NUTS 2 level for chronic physical events and at NUTS 3 level for acute effects) and considered the different levels of vulnerability that economic activities and real estate properties have to these phenomena (the analysis was performed at NACE code 2-digits level and property characteristics, respectively). The results were categorized on a 5-point RAG scale, indicating from negligible to very high sensitivity.

Chronic Climate Change Events

The Group identified as chronic climate change events those that arise from a progressive shift in climate conditions and which affect companies' revenue or operating costs. The analysis utilized climate indicators source from European and International databases (e.g., Copernicus) and results of European programs (e.g., COACCH project, CLIMPACT I and JRC studies). More specifically, the Group utilized:

- The outcomes of research projects as regards the impact of climate change on the yield / revenue of the primary sector (i.e., agriculture, fishery, and forestry).
- The outcomes of research projects as regards the impact of climate change on the productivity of the mining, manufacturing, and construction sectors.
- The outcomes of research projects as regards the impact of climate change on the productivity of different power generation technologies (both renewables and fossil-fueled)
- The number of heating and cooling degree days attributed to various climatic scenarios in order to assess the changes in heating and cooling needs of the non-residential buildings, which usually affect the operating costs of the companies of the services sector
- The changes on the Tourism Climate Index associated with the different climatic scenarios that affect tourism activity and associated companies.

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The above-mentioned climate indicators are considered as the drivers of the potential chronic impacts of climate change on the companies of the respective economic sectors, affecting either their operating costs or their revenues. In the context of the analysis, these effects either directly (due to the structure of the climate indicators used) or indirectly (through the input-output tables of the respective economies or other econometric models) were expressed as percentage changes in the turnover of the respective businesses.

Acute Climate Change Events

For the analysis of acute climate change events the Group took into consideration several extreme phenomena such as:

- fluvial floods (high-water levels in river channels, causing dike breach)
- pluvial floods (rainfall intensity exceeding infiltration capacity)
- coastal floods
- extreme heat
- wildfires
- water scarcity
- landslides

The analysis was performed at NUTS 3 level as well as at NACE code 2- digits level and considered the following three main dimensions:

1. Climate Hazards: utilizing data and indicators from European databases (i.e., Copernicus and EPSON) the severity of the 7 extreme phenomena in each NUTS 3 region under consideration was assessed, assigning a risk score according to the 5-point RAG scale;
2. Exposure: utilizing data and indicators (e.g., population in settlements exposed to coastal hazard) from European databases (i.e., RESIN, EPSON, and ELSTAT) the exposure of the NUTS 3 regions in question to the above hazards was assessed and categorized in the 5-point RAG scale;
3. Vulnerability: utilizing expert judgements the vulnerability of the various economic activities to the extreme events in question was assessed. Specifically, the assessment was performed at sector level and separately for the buildings using a 4-point qualitative scale.

The product of the resulted scores from the three aforementioned dimensions formulated the sensitivity to each extreme event per economic activity / property type and geographical location. Following, the resulted score was categorized in the 5-point RAG scale. It should be noted that the reported gross carrying amount sensitive to climate-related hazards does not take into account mitigating measures, such as insurance coverages, that are in place. A considerable proportion of the Group’s collateralised exposures is secured by insurance contracts and as such it is expected that the impact of physical risk events on the Group’s portfolio is reduced.

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Table 61: Banking book - Climate change physical risk: Exposures subject to physical risk

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Greece	31 December 2023													
		Gross carrying amount													
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures
		€ million	€ million	€ million	€ million	€ million		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
1	A - Agriculture, forestry and fishing	**278**	114	55	9	100	4	125	2	151	32	99	**(46)**	(2)	(43)
2	B - Mining and quarrying	**49**	-	-	-	-	9	-	-	-	-	-	**-**	-	-
3	C - Manufacturing	**3,194**	1	1	2	4	15	-	8	-	2	2	**(1)**	-	-
4	D - Electricity, gas, steam and air conditioning supply	**2,334**	675	445	1,037	149	10	1,267	1,039	-	1	4	**(8)**	-	(2)
5	E - Water supply; sewerage, waste management and remediation activities	**19**	-	-	-	-	-	-	-	-	-	-	**-**	-	-
6	F - Construction	**697**	-	-	2	1	13	-	3	-	2	-	**-**	-	-
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	**3,231**	1	3	4	10	18	-	17	-	9	3	**(2)**	(1)	(1)
8	H - Transportation and storage	**1,130**	1	-	-	2	8	-	4	-	-	2	**(1)**	-	(1)
9	L - Real estate activities	**850**	-	-	-	-	17	-	-	-	-	-	**-**	-	-
10	Loans collateralised by residential immovable property [1]	**6,981**	21	57	138	170	18	-	387	-	112	24	**(13)**	(4)	(8)
11	Loans collateralised by commercial immovable property [1]	**3,713**	482	225	109	147	5	6	870	87	214	57	**(14)**	(3)	(10)
12	Repossessed colalterals	**565**	-	-	-	38	-	-	38	-	-	-	**(5)**	-	-
13	Other relevant sectors (breakdown below where relevant)	**-**	-	-	-	-	-	-	-	-	-	-	**-**	-	-

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Other Countries	31 December 2023													
		Gross carrying amount													
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures
		€ million	€ million	€ million	€ million	€ million		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
1	A - Agriculture, forestry and fishing	**137**	4	8	-	4	5	1	16	-	2	5	**(1)**	-	(1)
2	B - Mining and quarrying	**72**	37	-	-	1	4	37	-	-	-	22	**(5)**	-	(5)
3	C - Manufacturing	**1,232**	-	-	-	-	-	-	-	-	-	-	**-**	-	-
4	D - Electricity, gas, steam and air conditioning supply	**321**	5	23	24	-	11	53	-	-	1	-	**-**	-	-
5	E - Water supply; sewerage, waste management and remediation activities	**46**	-	-	-	-	1	-	-	-	-	-	**-**	-	-
6	F - Construction	**335**	6	4	-	-	5	10	-	-	-	1	**(1)**	-	(1)
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	**879**	-	-	-	-	-	-	-	-	-	-	**-**	-	-
8	H - Transportation and storage	**3,234**	1	-	-	2	2	-	3	-	-	-	**-**	-	-
9	L - Real estate activities	**1,218**	-	-	-	-	-	-	-	-	-	-	**-**	-	-
10	Loans collateralised by residential immovable property [1]	**2,217**	3	14	45	2	14	-	65	-	22	5	**(10)**	(3)	(4)
11	Loans collateralised by commercial immovable property [1]	**1,968**	1	3	-	-	7	1	3	-	-	-	**-**	-	-
12	Repossessed colalterals	**25**	-	-	-	-	-	-	-	-	-	-	**-**	-	-
13	Other relevant sectors (breakdown below where relevant)	**-**	-	-	-	-	-	-	-	-	-	-	**-**	-	-

Environmental, Social and Governance (ESG) Risks

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		30 June 2023													
		Gross carrying amount													
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket										Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
	Greece		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity	of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures		of which Stage 2 exposures	Of which non-performing exposures
		€ million	€ million	€ million	€ million	€ million		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
1	A - Agriculture, forestry and fishing	261	69	70	15	107	4	234	-	28	34	116	(16)	(1)	(13)
2	B - Mining and quarrying	52	27	17	1	7	5	52	-	-	2	3	(2)	-	(1)
3	C - Manufacturing	3,277	74	20	54	6	7	-	155	-	9	3	(2)	-	(1)
4	D - Electricity, gas, steam and air conditioning supply	1,862	-	-	-	-	-	-	-	-	-	-	-	-	-
5	E - Water supply; sewerage, waste management and remediation activities	18	-	-	-	-	-	-	-	-	-	-	-	-	-
6	F - Construction	649	122	258	45	224	7	632	-	16	78	79	(53)	(9)	(41)
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	3,316	136	5	-	39	3	-	180	-	2	1	(1)	-	(1)
8	H - Transportation and storage	1,056	2	3	-	1	4	-	6	-	-	-	-	-	-
9	L - Real estate activities	877	49	-	-	-	-	-	49	-	1	-	-	-	-
10	Loans collateralised by residential immovable property	8,028	44	82	214	335	18	94	565	15	245	92	(59)	(18)	(39)
11	Loans collateralised by commercial immovable property	5,106	354	441	120	244	7	189	919	51	186	164	(48)	(7)	(39)
12	Repossessed colalterals	612	-	-	-	42	-	-	42	-	-	-	(7)	-	-
13	Other relevant sectors (breakdown below where relevant)	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		30 June 2023													
		Gross carrying amount													
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket										Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
	Other Countries		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity	of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures		of which Stage 2 exposures	Of which non-performing exposures
		€ million	€ million	€ million	€ million	€ million		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
1	A - Agriculture, forestry and fishing	120	47	33	-	40	3	120	-	-	19	9	(4)	(1)	(3)
2	B - Mining and quarrying	75	12	26	-	2	5	40	-	-	-	22	(1)	-	(1)
3	C - Manufacturing	1,204	-	1	-	3	2	-	3	-	-	-	-	-	-
4	D - Electricity, gas, steam and air conditioning supply	268	-	-	35	-	14	-	35	-	-	-	-	-	-
5	E - Water supply; sewerage, waste management and remediation activities	50	3	1	-	-	5	-	4	-	-	-	-	-	-
6	F - Construction	343	166	83	3	80	3	324	-	9	61	24	(14)	(2)	(10)
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	916	3	10	-	14	4	-	27	-	1	1	(1)	-	(1)
8	H - Transportation and storage	3,106	1	2	-	3	3	-	6	-	-	-	-	-	-
9	L - Real estate activities	1,068	3	32	34	-	11	-	69	-	26	-	-	-	-
10	Loans collateralised by residential immovable property	2,560	31	56	112	87	15	13	271	2	40	11	(15)	(3)	(8)
11	Loans collateralised by commercial immovable property	2,906	115	222	157	59	7	41	505	7	147	32	(15)	(1)	(13)
12	Repossessed colalterals	30	-	-	-	12	-	-	12	-	-	-	(2)	-	-
13	Other relevant sectors (breakdown below where relevant)	-	-	-	-	-	-	-	-	-	-	-	-	-	-

[(1)] *The gross carrying amount of exposures that are collateralised by both residential and commercial immovable properties is disclosed proportionally in rows "Loans collateralised by residential immovable property" and "Loans collateralised by commercial immovable property" based on the collateral value.*

11.4.5 Template 6: Summary of GAR KPIs

Group's implementation of the EU Taxonomy Regulation

The EU Taxonomy (Regulation (EU) 2020/852 of the European Parliament and of the Council) was adopted in 2020 by the European Parliament and represents an important step for the EU to achieve the Paris Agreement climate neutrality goals. It sets out the criteria to establish a common classification system for sustainable economic activities. The EU Taxonomy Regulation determines whether an economic activity is environmentally sustainable and obligates financial and non-financial entities subject to the Non-Financial Reporting Directive (NFRD) to disclose the alignment of their activities. Separate reporting requirements and extensive criteria are established for financial and non-financial undertakings under the Art.8 Delegated Act of EU Taxonomy Regulation. Article 8 of the Taxonomy Regulation states that companies subject to the Non-Financial Reporting Directive (NFRD), including financial companies, must publish to what extent their activity is eligible and aligned with the Taxonomy criteria. For the years 2021 and 2022, financial undertakings subject to NFRD were required to disclose the proportion of taxonomy-eligible and taxonomy non-eligible activities related to the environmental objectives of climate change adaptation (CCA) and climate change mitigation (CCM). In 2023, two new Delegated acts issued by the European Commission have been adopted:

- The Delegated Regulation 2023/2485, which extends the number of eligible activities in the climate change adaptation and mitigation objectives.
- The Delegated Regulation 2023/2486, which establishes the technical screening criteria for the economic activities of the remaining four environmental objectives.

For the first time in 2023, credit institutions will publish the Green Asset Ratio (GAR), on each of the first two environmental objectives (CCM and CCA), which determines the extent to which the Group's assets finance and are invested in taxonomy-aligned economic activities, that is the ratio of the Group's taxonomy aligned assets to covered assets (total assets excluding exposure to sovereigns, central banks and the trading portfolio). Moreover, as required by the EU Taxonomy Regulation, activities, to be taxonomy-aligned, must meet the specific taxonomy criteria and ensure that they cause no significant harm to any of the other environmental objectives (DNSH) and meet minimum social safeguards (MSS). Additional KPIs are required regarding the off-balance sheet exposures and specifically for financial guarantees to financial and non-financial undertakings (FinGuar KPI) and assets under management (AuM KPI).

With the gradual adoption of the new Corporate Sustainability Reporting Directive (CSRD) by large companies, small and medium listed companies and large companies outside the EU with significant activity in the EU, the Group's KPIs are expected to improve as the number of companies subject to this new directive will increase.

Information on EU taxonomy disclosed in Pillar 3 compared to the Non-Financial Information

The European Commission established the basis for the calculation and the first standardized templates. The EBA established similar disclosure requirements within its ITS requirements for Pillar 3. The main differences are summarized below:

i. Only the information of the counterparties related to the aligned turnover is used for the calculation of the general purpose and does not require the alignment of the investments in fixed assets (CapEx).
ii. Pillar 3 templates present minor differences with respect to those included in the Non-Financial Information on the basis that EBA has focused on climate risks within the banking system (i.e., no off-balance sheet information or assets under management is requested).

Environmental, Social and Governance (ESG) Risks

The table below provides an overview of the GAR KPIs calculated on the basis of templates 7 and 8:

Table 62: Summary of GAR KPIs

	31 December 2023			
	KPI			
	Climate change mitigation	Climate change adaptation	Total (Climate change mitigation + Climate change adaptation)	% coverage (over total assets)*
	%	%	%	%
GAR stock	2.4%	0.0%	2.5%	26.7%
GAR flow	6.8%	0.1%	6.9%	31.5%

* % of assets covered by the KPI over banks´ total assets

11.4.6 Template 7: Mitigating actions: Assets for the calculation of GAR

The perimeter of this template includes loans and advances, debt securities and equity instruments on their banking book, with a breakdown of the information by type of counterparty, including financial corporations, non-financial corporations, households, local governments as well as real estate lending towards households, and the taxonomy eligibility and taxonomy alignment of the exposures with regards to the environmental objectives of climate change mitigation and climate change adaptation:

Table 63: Mitigating actions: Assets for the calculation of GAR

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		31 December 2023															
		Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
					Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional/adaptation	Of which enabling
		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
	GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	21,065	11,393	1,474	1,291	9	62	173	10	-	-	1	12,015	1,484	1,291	9	63
2	**Financial corporations**	2,519	9	4	-	-	-	5	-	-	-	-	463	4	-	-	-
3	Credit institutions	2,447	-	-	-	-	-	-	-	-	-	-	446	-	-	-	-
4	Loans and advances	987	-	-	-	-	-	-	-	-	-	-	169	-	-	-	-
5	Debt securities, including UoP	1,451	-	-	-	-	-	-	-	-	-	-	275	-	-	-	-
6	Equity instruments	9	-	-		-	-	-	-		-	-	1	-		-	-
7	Other financial corporations	71	9	4	-	-	-	5	-	-	-	-	18	4	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
12	of which management companies	14	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-
13	Loans and advances	12	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	1	-	-		-	-	-	-		-	-	-	-		-	-
16	of which insurance undertakings	12	-	-	-	-	-	-	-	-	-	-	2	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	12	-	-	-	-	-	-	-	-	-	-	2	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-	-		-	-
20	**Non-financial corporations (subject to NFRD disclosure obligations)**	5,016	1,794	1,434	1,291	9	62	167	10	-	-	1	1,961	1,444	1,291	9	63
21	Loans and advances	4,286	1,663	1,377	1,291	2	56	95	1	-	-	-	1,758	1,378	1,291	2	56
22	Debt securities, including UoP	721	126	57	-	6	5	72	9	-	-	1	198	66	-	6	6
23	Equity instruments	9	5	-		-	-	-	-		-	-	5	-		-	-
24	**Households**	13,512	9,590	36	-	-	-						9,590	36	-	-	-
25	of which loans collateralised by residential immovable property	9,162	9,162	-	-	-	-						9,162	-	-	-	-
26	of which building renovation loans	36	36	36	-	-	-						36	36	-	-	-
27	of which motor vehicle loans	392	392	-	-	-	-						392	-	-	-	-
28	**Local governments financing**	18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local governments financing	18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	590	590	-	-	-	-	-	-	-	-	-	590	-	-	-	-
32	**TOTAL GAR ASSETS**	21,655	11,983	1,474	1,291	9	62	173	10	-	-	1	12,605	1,484	1,291	9	63

Environmental, Social and Governance (ESG) Risks

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		31 December 2023															
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
		Total gross carrying amount			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional/adaptation	Of which enabling
		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
	Assets excluded from the numerator for GAR calculation (covered in the denominator)																
33	EU Non-financial corporations (not subject to NFRD disclosure obligations)	20,983															
34	Loans and advances	20,524															
35	Debt securities	393															
36	Equity instruments	65															
37	Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)	3,701															
38	Loans and advances	3,432															
39	Debt securities	269															
40	Equity instruments	-															
41	Derivatives	897															
42	On demand interbank loans	19															
43	Cash and cash-related assets	502															
44	Other assets (e.g. Goodwill, commodities etc.)	12,693															
45	TOTAL ASSETS IN THE DENOMINATOR (GAR)	60,449															
	Other assets excluded from both the numerator and denominator for GAR calculation																
46	Sovereigns	9,914															
47	Central banks exposure	10,422															
48	Trading book	379															
49	TOTAL ASSETS EXCLUDED FROM NUMERATOR AND DENOMINATOR	20,715															
50	TOTAL ASSETS	81,165															

11.4.7 Template 8: GAR (%)

Template 8 presents the proportion of exposures related to Taxonomy eligible and aligned activities compared to the covered assets on the basis of data disclosed in Template 7:

Table 64: GAR (%)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		31 December 2023: KPIs on stock															
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
	% (compared to total covered assets in the denominator)	Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of total assets covered
			Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable				
				Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional/adaptation	Of which enabling	
		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
1	**GAR**	**19.8**	**2.4**	**2.1**	**-**	**0.1**	**0.3**	**-**	**-**	**-**	**-**	**20.9**	**2.5**	**2.1**	**-**	**0.1**	**26.7**
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	18.8	2.4	2.1	-	0.1	0.3	-	-	-	-	19.9	2.5	2.1	-	0.1	26.0
3	Financial corporations	-	-	-	-	-	-	-	-	-	-	0.8	-	-	-	-	3.1
4	Credit institutions	-	-	-	-	-	-	-	-	-	-	0.7	-	-	-	-	3.0
5	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1
6	*of which investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	*of which management companies*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	*of which insurance undertakings*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Non-financial corporations subject to NFRD disclosure obligations	3.0	2.4	2.1	-	0.1	0.3	-	-	-	-	3.2	2.4	2.1	-	0.1	6.2
10	Households	15.9	0.1	-	-	-						15.9	0.1	-	-	-	16.6
11	*of which loans collateralised by residential immovable property*	15.2	-	-	-	-						15.2	-	-	-	-	11.3
12	*of which building renovation loans*	0.1	0.1	-	-	-						0.1	0.1	-	-	-	-
13	*of which motor vehicle loans*	0.6	-	-	-	-						0.6	-	-	-	-	0.5
14	Local government financing	-	-	-	-	-						-	-	-	-	-	-
15	Housing financing	-	-	-	-	-						-	-	-	-	-	-
16	Other local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Collateral obtained by taking possession: residential and commercial immovable properties	1.0	-	-	-	-						1.0	-	-	-	-	0.7

	% (compared to total covered assets in the denominator)	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af
		31 December 2023: KPIs on flows															
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
		Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of total new assets covered
			Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable				
				Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional/adaptation	Of which enabling	
		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
1	GAR	13.7	6.8	6.2	-	0.1	0.6	0.1	-	-	-	15.2	6.9	6.2	-	0.1	31.5
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	13.4	6.8	6.2	-	0.1	0.6	0.1	-	-	-	14.8	6.9	6.2	-	0.1	31.1
3	Financial corporations	-	-	-	-	-	-	-	-	-	-	0.9	-	-	-	-	4.4
4	Credit institutions	-	-	-	-	-	-	-	-	-	-	0.8	-	-	-	-	4.3
5	Other financial corporations	-	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-	0.2
6	*of which investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	*of which management companies*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	*of which insurance undertakings*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1
9	Non-financial corporations subject to NFRD disclosure obligations	7.5	6.8	6.2	-	0.1	0.6	0.1	-	-	-	8.0	6.8	6.2	-	0.1	20.8
10	Households	5.9	-	-	-	-						5.9	-	-	-	-	5.9
11	*of which loans collateralised by residential immovable property*	5.7	-	-	-	-						5.7	-	-	-	-	5.7
12	*of which building renovation loans*	-	-	-	-	-						-	-	-	-	-	-
13	*of which motor vehicle loans*	0.2	-	-	-	-						0.2	-	-	-	-	0.2
14	Local government financing	-	-	-	-	-						-	-	-	-	-	-
15	Housing financing	-	-	-	-	-						-	-	-	-	-	-
16	Other local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Collateral obtained by taking possession: residential and commercial immovable properties	0.4	-	-	-	-						0.4	-	-	-	-	0.4

11.4.8 Template 10: Other climate change mitigating actions that are not covered in the EU Taxonomy

Through its Sustainable Finance Framework (SFF), the Group is able to classify sustainable lending solutions offered to its clients, specifying the applied classification approach and the activities defined as eligible to access sustainable financing. The purpose of establishing the SFF is to provide a clear and comprehensive methodology for classifying, monitoring, and reporting sustainable financing in line with the financed impact strategy. The SFF has been drawn from international best practices and is based on two key guiding frameworks: The ICMA principles on sustainable financing (Green Bond Principles, Green Loan Principles and Sustainability linked Bond Principles) and the EU Taxonomy. Currently, the SFF follows the EU Taxonomy criteria on a best effort basis. The Group aims to further align the SFF with the EU Taxonomy requirements. Along the same lines, Eurobank will closely monitor the developments of the EU Taxonomy, to update its SFF and embed the relevant requirements to the extent possible. The SFF defines two levels of transaction alignment:

- SFF alignment - Fulfilment of criteria dictated by best market practice
- EU Taxonomy alignment - Fulfilment of criteria associated with each of the EU Taxonomy assessment steps (substantial contribution, DNSH, minimum social safeguards)

Through the dedicated purpose financing approach (i.e. known use of proceeds) the Group assesses and classifies financings / transactions as “Not SFF aligned”, “SFF aligned” or “SFF & EU Taxonomy aligned”.

For general purpose financing / transactions (i.e. not known use of proceeds) the SFF defines two other approaches: a) Company Business mix - Financing to companies that fulfil the eligibility green/ social criteria and derive the majority of their revenues from eligible activities. b) Sustainability-linked loans - Financing linked to ambitious and predefined Sustainability Performance Targets (SPTs).

Environmental, Social and Governance (ESG) Risks

The purpose of this template is to report exposures that aim to support counterparties in the transition and adaptation process for the objectives of climate change mitigation and climate change adaptation and which are not taxonomy-aligned as referred to in Regulation (EU) 2020/852.

Table 65: Other climate change mitigating actions that are not covered in the EU Taxonomy

	a	b	c	d	e	f
			31 December 2023			
	Type of financial instrument	Type of counterparty	Gross carrying amount € million	Type of risk mitigated (Climate change transition risk)	Type of risk mitigated (Climate change physical risk)	Qualitative information on the nature of the mitigating actions
1		Financial corporations	169	Yes	No	Includes Green Bonds and Sustainability Linked Bonds with climate-related Sustainability Performance Targets (SPT)
2		Non-financial corporations	274	Yes	Yes	Includes Green Bonds and Sustainability Linked Bonds with climate-related Sustainability Performance Targets (SPT)
3	Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Of which Loans collateralised by commercial immovable property	-	-	-	-
4		Households	-	-	-	-
5		Of which Loans collateralised by residential immovable property	-	-	-	-
6		Of which building renovation loans	-	-	-	-
7		Other counterparties	187	Yes	Yes	Includes Green Bonds and Sustainability Linked Bonds with climate-related Sustainability Performance Targets (SPT)
8		Financial corporations	2	Yes	No	Includes financing activities that are classified as SFF aligned but not EU-Taxonomy aligned
9		Non-financial corporations	1,221	Yes	Yes	Includes financing activities that are classified as SFF aligned but not EU-Taxonomy aligned
10	Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Of which Loans collateralised by commercial immovable property	663	Yes	Yes	Includes financing activities that are classified as SFF aligned but not EU-Taxonomy aligned
11		Households	29	Yes	Yes	Includes financing activities that are classified as SFF aligned but not EU-Taxonomy aligned
12		Of which Loans collateralised by residential immovable property	21	Yes	Yes	gned but not EU-Taxonomy aligned
13		Of which building renovation loans	-	-	-	-
14		Other counterparties	-	-	-	-

Environmental, Social and Governance (ESG) Risks

a		b	c	d	e	f
			30 June 2023			
	Type of financial instrument	Type of counterparty	Gross carrying amount € million	Type of risk mitigated (Climate change transition risk)	Type of risk mitigated (Climate change physical risk)	Qualitative information on the nature of the mitigating actions
1	Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	161	Yes	No	Includes Green bonds
2		Non-financial corporations	272	Yes	Yes	Includes Green bonds and Sustainability Linked Bonds with climate-related Sustainability Performance Targets (SPT)
3		Of which Loans collateralised by commercial immovable property	-			
4		Households	-			
5		Of which Loans collateralised by residential immovable property	-			
6		Of which building renovation loans	-			
7		Other counterparties	15	Yes	Yes	Includes Green bonds
8	Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	42	Yes	No	Financing activities that contribute to green transition (inter-alia RES, energy renovation, green buildings, green transportation, etc.)
9		Non-financial corporations	1,723	Yes	Yes	Financing activities that contribute to green transition (inter-alia RES, energy renovation, green buildings, green transportation, etc.)
10		Of which Loans collateralised by commercial immovable property	406	Yes	Yes	Financing activities that contribute to green transition (inter-alia RES, energy renovation, green buildings, green transportation, etc.)
11		Households	16	Yes	Yes	Mainly includes financing for building renovation that leads in an upgrade of the building's EPC by at least 3 grades
12		Of which Loans collateralised by residential immovable property	-			
13		Of which building renovation loans	16	Yes	Yes	Mainly includes financing for building renovation that leads in an upgrade of the building's EPC by at least 3 grades
14		Other counterparties	-			

Appendix 1: Composition of regulatory own funds

Appendix 1: EU CC1 - Composition of regulatory own funds

		a				b
		31 December 2023 (1) Current period € million	31 December 2023 Current period € million	30 June 2023 (1) Current period € million	30 June 2023 Current period € million	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 (CET1) capital: instruments and reserves						
1	Capital instruments and the related share premium accounts	1,979	1,979	1,978	1,978	*f & g*
2	Retained earnings	1,527	1,527	1,547	1,547	
3	Accumulated other comprehensive income (and other reserves)	3,354	3,354	3,162	3,162	
5	Minority interests (amount allowed in consolidated CET1)	-	-	55	55	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	1,140	790	684	534	
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**8,000**	**7,650**	7,426	7,276	
Common Equity Tier 1 (CET1) capital: regulatory adjustments						
7	Additional value adjustments (negative amount)	(6)	(6)	(6)	(6)	
8	Intangible assets (net of related tax liability) (negative amount)	(229)	(229)	(222)	(222)	*b*
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)	-	-	(2)	(2)	*c*
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	14	14	14	14	*h*
12	Negative amounts resulting from the calculation of expected loss amounts	-	-	-	-	
15	Defined-benefit pension fund assets (negative amount)	-	-	-	-	
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	(101)	(101)	(3)	(103)	
18	Direct, indirect and synthetic holdings by the institution of the CET1 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 holdings by the institution of the CET1 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	(64)	(64)	(33)	(33)	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)	-	-	-		
EU-20c	of which: securitisation positions (negative amount)	(64)	(64)	(33)	(33)	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-	(25)	(54)	(79)	
22	Amount exceeding the 17.65% threshold (negative amount)	(161)	(198)	(148)	(167)	
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	(67)	(84)	(59)	(68)	
25	of which: deferred tax assets arising from temporary differences	(95)	(115)	(89)	(99)	
EU-25a	Losses for the current financial year (negative amount)	-	-	-	-	
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	(25)	(25)	**(23)**	**(23)**	
27a	Other regulatory adjusments	(80)	(77)	(78)	(75)	
28	**Total regulatory adjustments to Common equity Tier 1 (CET1)**	**(652)**	**(711)**	(555)	(696)	
29	**Common Equity Tier 1 (CET1) capital**	**7,348**	**6,939**	6,871	6,580	
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	-	-	-	-	
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**-**	**-**	-	-	
Additional Tier 1 (AT1) capital: regulatory adjustments						
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	(25)	(25)	(23)	(23)	
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	-	-	-	
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**(25)**	**(25)**	**(23)**	**(23)**	
44	**Additional Tier 1 (AT1) capital**	**-**	**-**	-	-	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**7,348**	**6,939**	6,871	6,580	
Tier 2 (T2) capital: instruments						
46	Capital instruments and the related share premium accounts	1,074	1,074	1,149	1,149	
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2 as described in Article 486 (4) CRR	-	-	-	-	
50	Credit risk adjustments	-	-	-	-	
51	**Tier 2 (T2) capital before regulatory adjustments**	**1,074**	**1,074**	1,149	1,149	
Tier 2 (T2) capital: regulatory adjustments						
56b	Other regulatory adjusments to T2 capital	-	-	-	-	
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**-**	**-**	-	-	
58	**Tier 2 (T2) capital**	**1,074**	**1,074**	1,149	1,149	
59	**Total Capital (TC = T1 + T2)**	**8,422**	**8,012**	8,020	7,729	
60	**Total risk exposure amount**	**43,395**	**43,241**	43,976	43,866	

Appendix 1: Composition of regulatory own funds

		a				b
		31 December 2023 [1]	31 December 2023	30 June 2023 [1]	30 June 2023	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
		Current period € million	Current period € million	Current period € million	Current period € million	
Capital ratios and requirements including buffers						
61	Common Equity Tier 1	**16.9%**	**16.0%**	15.6%	15.0%	
62	Tier 1	**16.9%**	**16.0%**	15.6%	15.0%	
63	Total capital	**19.4%**	**18.5%**	18.2%	17.6%	
64	Institution CET1 overall capital requirements	9.98%	9.98%	9.80%	9.80%	
65	of which: capital conservation buffer requirement	2.50%	2.50%	2.50%	2.50%	
66	of which: countercyclical capital buffer requirement	0.43%	0.43%	0.25%	0.25%	
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 requirement	1.00%	1.00%	1.00%	1.00%	
68	Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	**8.66%**	**7.78%**	7.49%	6.87%	
Amounts below the thresholds for deduction (before risk weighting)						
72	Direct and indirect holdings of own funds and eligible liabilities 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)	436	436	354	354	
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 17.65% threshold and net of eligible short positions)	462	445	418	409	
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in 38 (3) are met)	656	611	628	593	
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	460	458	470	469	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-	-	-	-	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-	-	-	-	

[1] Including profits € 1,140 million for year ended 31 December 2023 and € 684 million for the 1H 2023.

Appendix 2: Capital instruments' main features disclosure

		a	a	a
1	Issuer	**Eurobank Ergasias Services and Holdings S.A**	**Eurobank Ergasias Services and Holdings S.A**	**Eurobank Ergasias Services and Holdings S.A**
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	GRS323003012	ISIN Code: XS1752439411	ISIN Code: XS2562543442
2a	Public or private placement	Public placement	Private placement	Public placement
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).	The Instruments and any non-contractual obligations arising out of or in connection with the Instruments shall be governed by, and construed in accordance with, English law, save for Condition 3, Condition 17 and Condition 18, which shall be governed by, and construed in accordance with, the laws of the Hellenic Republic
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	Yes	Yes
	Regulatory treatment			
4	Current treatment taking into account, where applicable, transitional CRR rules	Common Equity Tier 1	Tier2	Tier2
5	Post- transitional CRR rules	Common Equity Tier 1	Tier2	Tier2
6	Eligible at solo/(sub-) consolidated/solo & (sub-) consolidated	Solo & 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)	Tier 2 Subordinated Capital Instrument (Art.63 of the CRR)
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, 31/12/2023)	€ 817 million	N/A - The instruments were Issued in January 2018	N/A - The instruments were Issued in December 2022
9	Nominal amount of instrument	€ 0,22 per ordinary share (at date) / € 817 million	€ 950 million	€ 300 million
EU-9a	Issue price	-	100%	99.058%
EU-9b	Redemption price	-	Redemption at par (100 per cent of nominal amount) together with interest accrued up to (but excluding) the date of redemption	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	Liability - amortised cost
11	Original date of issuance	Various	17 January 2018	6 December 2022
12	Perpetual or dated	Perpetual	Dated	Dated
13	Original maturity date	-	17 January 2028	6 December 2032
14	Issuer call subject to prior supervisory approval	N/A	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	N/A	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.	6 December 2027. 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, subject to the prior permission of the Relevant Regulator (to the extent then required).
16	Subsequent call dates, if applicable	N/A	Optional subsequent call dates: Any day after 17 January 2023.Tax and Capital Disqualification Event call : at any time	n/a
	Coupon / dividends			
17	Fixed or floating dividend/coupon	N/A	Fixed	Fixed rate of 10.00% payable until (but excluding) the 6th December 2027; reset from (and including) the 6th December 2027 to a fixed rate equal to the 5-year Mid-Swap rate prevailing at the Reset Determination Date plus 7.588 per cent. per annum (no step-up); subject to Benchmark Replacement provisions
18	Coupon rate and any related index	N/A	6.41%	Fixed rate of 10.00% payable until (but excluding) the 6th December 2027; reset from (and including) the 6th December 2027 to a fixed rate equal to the 5-year Mid-Swap rate prevailing at the Reset Determination Date plus 7.588 per cent. per annum (no step-up); subject to Benchmark Replacement provisions
19	Existence of a dividend stopper	N/A	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Partially discretionary	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Partially discretionary	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No
22	Noncumulative or cumulative	Non cumulative	Noncumulative	Cumulative
23	Convertible or non-convertible	Non convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down features	No	Yes	Yes
31	If write-down, write-down trigger(s)	N/A	Statutory & Condition 23 (Acknowledgement of Statutory Loss Absorption Powers) , Bank of Greece	Statutory & Condition 17 (Acknowledgement of Statutory Loss Absorption Powers) , Bank of Greece
32	If write-down, full or partial	N/A	Fully or partially	Fully or partially
33	If write-down, permanent or temporary	N/A	Permanent	as defined in Statutory & Condition 17
34	If temporary write-down, description of write-up mechanism	N/A	N/A	as defined in Statutory & Condition 17
34a	Type of subordination (only for eligible liabilities)	N/A	Contractual	Contractual
EU-34b	Ranking of the instrument in normal insolvency proceedings	1	3	3
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)	junior to any present and future claims of the Senior Creditors (as defined in Condition 3E)
36	Non-compliant transitioned features	No	No	No
37	If yes, specify non-compliant features	N/A	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	https://www.eurobankholdings.gr/-/media/holding/omilos/poioi-eimaste/etairiki-diakubernisi/katastatiko/katastatiko-eurobank-holdings.pdf		

Appendix 3: List of Abbreviations

Abbreviation	Definition
AC	Amortised Cost
AML/TF	Anti-Money Laundering/Terrorist Financing
AT1	Additional Tier 1
AuM	Assets under Management
AVA	Additional Value Adjustments
BLS	Business Line Statements
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
CCA	Climate Change Adaptation
CCB	Capital Conservation Buffer
CCF	Credit Conversion Factor
CCM	Climate Change Mitigation
CCP	Central Counterparty
CCR	Counterparty Credit Risk
CCyB	Counter Cyclical Buffer
CDP	Carbon Disclosure Project
CET1	Common equity Tier 1
CFP	Contingency Funding Plan
CIB	Corporate & Investment Banking
CMDI	Crisis Management and Deposit Insurance
COREPs	Common Reports
CR&E	Climate-Related and Environmental
CRCs	Country Risk Committees
CRD	Capital Requirements Directive
CRM	Credit Risk Mitigation
CRR	Capital Requirements Regulation
CRST	Climate Risk Stress Test
CSA	Credit Support Annex
CSR	Corporate Social Responsibility
CSRBB	Credit Spread Risk in the Banking Book
CSRD	Corporate Sustainability Reporting Directive
CVA	Credit Value Adjustment
CVP	Collateral Valuation Policy
DGSs	Deposit Guarantee Schemes
DNSH	Do No Significant Harm
DoD	Definition of Default
DTC	Deferred Tax Credit
dVG	doValue Greece
E&S	Environmental & Social
EAD	Exposures at Default
EBA	European Banking Authority
EC	European Commission
ECAIs	External Credit Assessment Institutions
ECB	European Central Bank
ECL	Expected Credit Loss
EEFIG	Energy Efficiency Financial Institutions Group
EIR	Effective Interest Rate
ELSTAT	Hellenic Statistical Authority
EMAS	Eco-Management and Audit Scheme
EP	European Parliament
EPC	Energy Performance Certificate
ES	Enhanced Surveillance
ESG	Enviromental, Social and Governance
ESMS	Environmental and Social Management System
EVE	Economic Value of Equity
EWMA	Exponentially Weighted Moving Average
EWS	Early Warning System
FinGuar	Financial Undertakings
FRTB	Fundamental Review of the Trading Book

Appendix 3: Abbreviations

Abbreviation	Definition
FVOCI	Fair Value through Other Comprehensive Income
FVPL	Fair Value through P&L
GAR	Green Asset Ratio
GC	Group Credit
GCC	Group Credit Control
GCCO	Group Chief Credit Officer
GCR	Group Climate Risk
GCRCAC	Group Credit Risk Capital Adequacy Control
GCRO	Group Chief Risk Officer
GDP	Gross Domestic Product
GGBs	Greek Government Bonds
GHG	Greenhouse Gas
GMCC	Global Markets Credit Committee
GMCR	Group Market & Counterparty Risk
GMRA	Global Master Repurchase Agreement
GMVG	Group Model Validation & Governance
GONFR	Group Operational and Non-Financial Risks
GRM	Group Risk Management
GRMG	Group Risk Management General
GRMSPO	Group Risk Management Strategy Planning and Operations
G-SIIs	Global Systemic Institution Buffer
GVA	Gross Value Added
HAPS	Hellenic Asset Protection Scheme
HBA	Hellenic Bank Association
HDB	Hellenic Development Bank
HDIGF	Hellenic Deposit and Investment Guarantee Fund
HFS	Held For Sale
HFSF	Hellenic Financial Stability Fund
HICP	Harmonized Index of Consumer Prices
HQLA	High Quality Liquid Assets
IAG	Internal Audit Group
ICAAP	Internal Capital Adequacy Assessment Process
ICMA	International Capital Markets Association
IFRS	International Financial Reporting Standards
ILAAP	Internal Liquidity Adequacy Assessment Process
IMA	Internal Model Approach
IP	Immovable Property
IRB	Internal Ratings Based
IRC	Incremental Risk Charge
IRRBB	Interest Rate risk in the Banking Book
ISDA	International Swaps and Derivatives Association
KPIs	Key Performance Indicators
KRIs	Key Risks Indicators
KYC	Know-Your-Customer
LCR	Liquidity Coverage Ratio
LGD	Loss Given Default
LMA	Loan Market
LoD	Lines of Defense
MDA	Maximum Distributable Amount
MFF	Multiannual Financial Framework
MRA	Moody's Risk Analyst
MRC	Management Risk Committee
MREL	Minimum Requirement for own funds and Eligible Liabilities
MRO	Main Refinancing Operations
MSS	Minimum Social Safeguards
NFRD	Non-Financial Reporting Directive
NFRs	Non-Financial Risks
NGFS	Network for Greening the Financial System
NII	Net Interest Income
NPE	Non-Performing exposures
NRRP	National Recovery and Resilience Plan
NSFR	Net Stable Funding Ratio

Appendix 3: Abbreviations

Abbreviation	Definition
OCR	Overall Capital Requirement
OECD	Organization for Economic Cooperation and Development
OpRisk	Operational Risk
ORMU	Operational Risk Management Unit
OSI	Operational Impact Strategy
O-SIIs	Other Systemically Important Institution
P&L	Profit & Loss
P2G	Pillar 2 Guidance
P2R	Pillar 2 Requirement
PCAF	Partnership for Carbon Accounting Financials
PD	Probability of Default
PDMA	Public Debt Management Agency
PEPP	Pandemic Emergency Purchase Programme
PFE	Potential Future Exposure
PLAT	Profit and Loss Attribution Test
PMO	Project Management Office
POCI	'Purchased or originated credit impaired
PPS	Post-Program Surveillance
PRB	Principles for Responsible Banking
PRI	Principles for Responsible Investment
PRWG	Portfolio Review Working Group
RA	Risk Analytics
RAF	Risk Appetite Framework
RAROC	Risk Adjusted Return on Capital
RAS	Risk Appetite Statements
RCSA	Risk & Control Self-Assessment
REIC	Real Estate Investment Companies
RES	Renewable Energy Sources
RICS	Royal Institute of Chartered Surveyors
RIMA	Risk Identification & Materiality Assessment
ROTBV	Return on Tangible Book Value
RRF	Recovery and Resilience Facility
RSS	Remedial Servicing Strategy
RTS	Regulatory Technical Standards
RWEAs	Risk Weighted Exposure Amounts
SAG	Strategic Alignment Group
SDGs	Sustainable Development Goals
SFDR	Sustainable Finance Disclosure Regulation
SFF	Sustainable Finance Framework
SFTs	Securities Financing Transactions
SICR	Significant Increase in Credit Risk
SIF	Sustainable Investment Framework
SLL	Sustainability Linked Loans
SPAs	Share Purchase Agreements
SPE	Single Point of Entry
SPTs	Sustainability Performance Targets
SRB	Single Resolution Board
SREP	Supervisory Review and Evaluation Process
SRF	Single Resolution Fund
SRM	Single Resolution Mechanism
SRRP	Supervisory Relations & Resolution Planning
SRT	Significant Risk Transfer
SSM	Single Supervisory Mechanism
STD	Standardised Approach
STS	Simple Transparent and Standardised
SVAR	Stressed VaR
SyRB	Systemic Risk Buffer
TAC	Troubled Assets Committee
TCFD	Task Force on Climate-Related Financial Disclosures
TLTRO	Targeted Long Term Refinancing Operations
TSCR	Total SREP Capital Requirement
UNEP FI	UN Environment Programme Finance Initiative
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 2*
LI2	Main sources of differences between regulatory exposure amounts and carrying amounts in financial statements	*Table 3*
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 27*
CR4	Standardised approach – Credit risk exposure and CRM effects	*Table 24*
CR5	Standardised approach	*Table 25*
CCR1	Analysis of CCR exposure by approach	*Table 43*
CCR2	Transactions subject to own funds requirements for CVA risk	*Table 44*
CCR3	Standardised approach – CCR exposures by regulatory exposure class and risk weights	*Table 46*
CCR5	Composition of collateral for CCR exposures	*Table 48*
CCR6	Credit derivatives exposures	*Table 42*
CCR7	RWEA flow statements of CCR exposures under the IMM	*Table 47*
CCR8	Exposures to CCPs	*Table 45*
MR1	Market risk under the standardised approach	*Table 36*
MR2-A	Market risk under Internal Model Approach (IMA)	*Table 32*
MR2-B	RWA flow of market risk exposures under IMA	*Table 33*
MR3	IMA values for trading portfolios	*Table 34*
MR4	Comparison of VAR estimates with gains/losses	*Table 35*

	REVISED PILLAR 3 DISCLOSURES REQUIREMENTS - BCBS	
KM1	Key Metrics template	*Table 4*
LIQ2	Net Stable Funding Ratio	*Table 57*

	SECURITISATION EXPOSURES - REGULATION (EU) 2017/2402 & BCBS Pillar 3 standards	
SEC1	Securitisation exposures in the non-trading book	*Table 28*
SEC3	Securitisation exposures in the non-trading book and associated regulatory capital requirements –	*Table 29*
SEC4	Securitisation exposures in the non-trading book and associated capital requirements - institution acting as investor	*Table 30*
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