EUROBANK
Holdings

EUROBANK ERGASIAS
SERVICES AND HOLDINGS S.A.

CONSOLIDATED PILLAR 3 REPORT

FOR THE SIX MONTHS ENDED
30 JUNE 2023

8 Othonos Str, Athens 105 57, Greece
eurobankholdings.gr, Tel.: (+30) 214 40 61000
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

Risk profile

	30 June 2023 (1) & (2) **€ million**	**30 June 2023** (1) **€ million**	31 March 2023 (1) € million	30 June 2022 € million
Available own funds				
Common Equity Tier 1 (CET1) capital	**6,810**	6,871	6,568	6,137
Tier 1 capital	**6,810**	6,871	6,568	6,137
Total capital	**7,959**	8,020	7,785	7,163
Risk-weighted exposure amounts				
Total risk-weighted exposure amount	**42,234**	43,976	43,234	41,718
Capital ratios				
Common Equity Tier 1 ratio (%)	**16.1%**	15.6%	15.2%	14.7%
Tier 1 ratio (%)	**16.1%**	15.6%	15.2%	14.7%
Total capital ratio (%)	**18.8%**	18.2%	18.0%	17.2%
Leverage ratio				
Leverage ratio	**8.3%**	8.1%	7.7%	7.5%
Liquidity Ratio				
Liquidity coverage ratio (%)	**174.0%**	174.0%	167.5%	174.3%
Net Stable Funding Ratio (%)	**129.7%**	129.7%	127.5%	126.0%

(1) Including profits € 684 million for the 1H 2023 and € 237 million for the 1Q 2023.
(2) Pro-forma with the completion of Project "Solar" and the disposal of Eurobank Direktna a.d..

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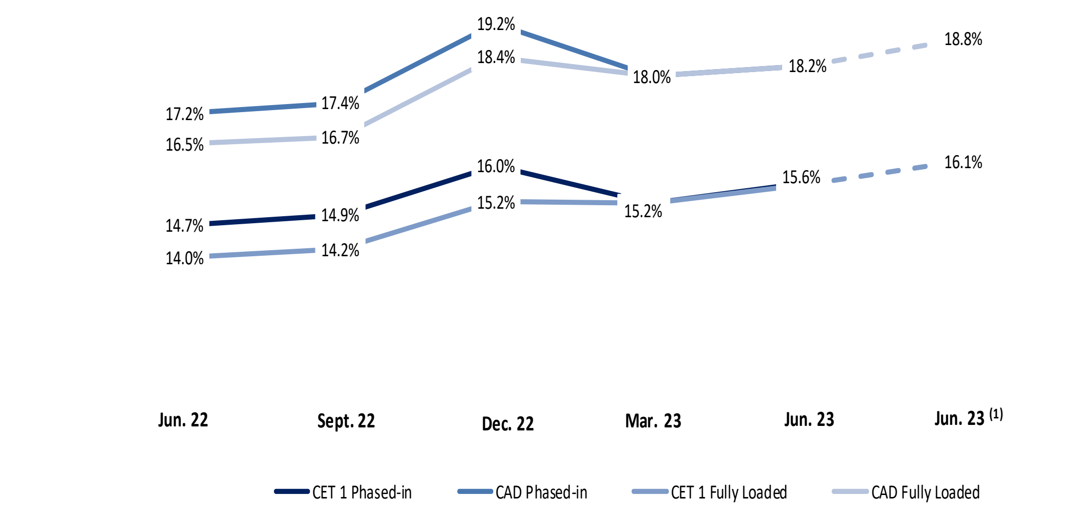
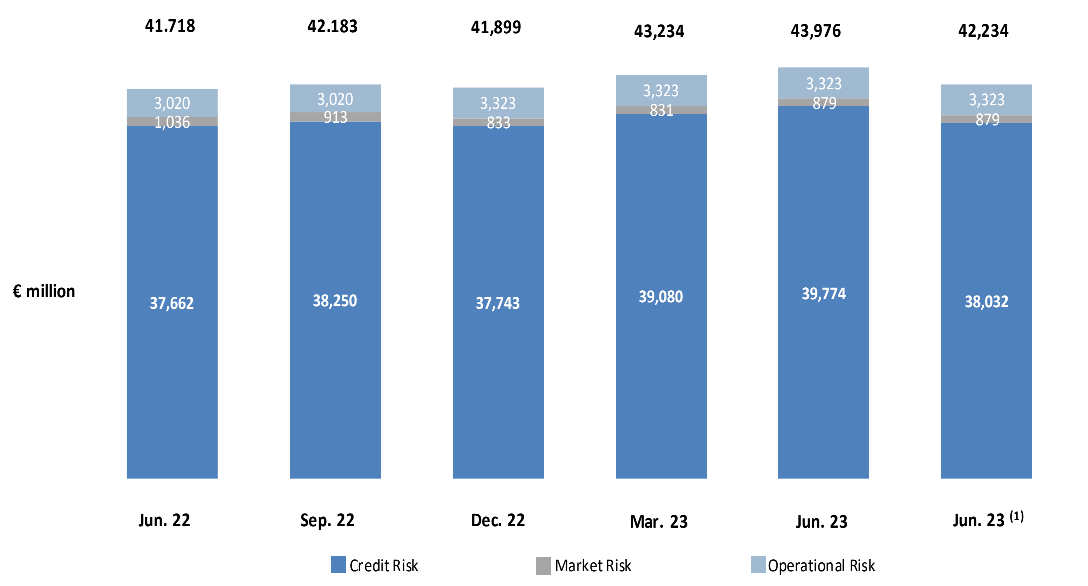
Evolution of Capital Ratio



(1) *Pro-forma with the completion of Project "Solar" and the disposal of Eurobank Direktna a.d..*

Evolution of Risk Weighted Assets Amount



(1) *Pro-forma with the completion of Project "Solar" and the disposal of Eurobank Direktna a.d...*

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1.2 NPE Operational targets

In line with the regulatory framework and Single Supervisory Mechanism (SSM) requirements for Non-Performing exposures (NPE) management, in March 2023 the Group submitted its NPE Management Strategy for 2023-2025, along with the annual NPE stock targets at both Bank and Group level. The plan envisages the decrease of NPE ratio at 4.5% in 2025.

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. In parallel, the Management along with the other participating banks have initiated actions towards the disposal of the majority stake of the mezzanine and junior notes to be issued in the context of the above-mentioned securitization.

As at 30 June 2023 the Group's NPE stock slightly decreased to € 2.2 billion (31 December 2022: € 2.3 billion) and the NPE ratio remained stable at 5.2% compared to 31 December 2022, following the classification of Eurobank Direktna a.d. disposal group (as of March 2023) and project "Solar" underlying loan portfolio (as of June 2022) as held for sale (HFS), while the NPE coverage ratio stood at 73.2% (31 December 2022: 74.6%).

For further details, please refer to Interim Consolidated Financial Statements, Note 15.

1.4 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 is 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 is a major part of the Group's operations in Serbia, which are presented in the International segment.

The Transaction is consistent with Eurobank's strategy to direct capital to opportunities with more compelling Return on Tangible Book Value and to further enhance its presence in its core markets. In this context, based on the agreement, 100% of Eurobank Direktna a.d. disposal group was valued at € 280 million.

The completion of the Transaction is expected to increase Eurobank Holdings Group's Common Equity Tier 1 (CET1) ratio by ca. 50 bps (based on 30 June 2023 ratio), reflecting mainly the release of related Risk Weighted Assets (RWAs). Following the receipt of the required regulatory approvals by the end of July 2023, the transaction will be completed within 2023, after the fulfillment of specific conditions in accordance with the aforementioned share purchase agreement.

For further details, please refer to Interim Consolidated Financial Statements, Note 13.

1.5 Hellenic Bank Public Company Ltd, Cyprus

On 4 April 2023 after the receipt of the relevant regulatory approvals, the Bank completed the acquisition of an additional 13.41% holding in Hellenic Bank Public Company Limited ("Hellenic Bank"), a financial institution located in Cyprus, for a consideration of € 70 million. Following that, the total holding in Hellenic Bank, including the previously held participation of 15.8% with carrying value amounting to € 103 million on the above date, reached 29.2%.

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On 23 August 2023, the company announced that it has entered into a purchase agreement with Poppy S.à r.l to acquire 17.3% holding in Hellenic Bank.

On 25 August 2023, the company announced that it has entered into a share purchase agreement with Senvest Management, LLC, to acquire 1.6% holding in Hellenic Bank.

On 30 August 2023, the company announced that it has entered into a share purchase agreement with Wargaming Group Limited, the Provident Fund for the Executive Directors of Wargaming and the Provident Fund for the Senior Management Personnel of Wargaming to acquire in total 7.2% holding in Hellenic Bank.

After the completion of the above Transactions, which are subject to customary regulatory approvals, its total holding in Hellenic Bank will amount to 55.3%. The acquisition is aligned with the overall strategy of Eurobank Group to further strengthen its presence in its core markets.

1.6 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 completion of the transaction took place in May 2023, following the receipt of the approvals by all competent regulatory authorities.

For further details, please refer to Interim Consolidated Financial Statements, Note 17.2.

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

On 20 July 2023, the General Meeting of the Company's Shareholders approved the acquisition of 52,080,673 Company's shares in accordance with article 49 of Law 4548/2018, and in particular the acquisition of all of the Company's shares presently owned by the HFSF and authorized the Board of Directors (BoD) to determine the specific conditions and relevant details for the acquisition, taking into account the supervisory approvals. The duration for which the approval was granted was set at six months from the day of the General Meeting, while the maximum purchase price was set at € 1.90 per share and the minimum purchase price was set at € 1.10 per share.

For further details, please refer to Interim Consolidated Financial Statements, Note 26.

1.8 Tier 2 Capital instruments

In January 2018, Eurobank Ergasias S.A. issued Tier 2 capital instruments of face value of € 950 million, in replacement of the preference shares which had been issued in the context of the first stream of Hellenic Republic's plan to support liquidity in the Greek economy under Law 3723/2008. The aforementioned instruments 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 II 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.

1.9 Regulatory framework

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

- Pillar 1 defines the minimum regulatory capital requirements, based on principles, rules and methods specifying and measuring credit, market and operational risk. These requirements are covered by regulatory own funds, according to the rules and specifications of CRR.

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

According to the CRD IV provisions:

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

Additional capital buffers that CRD IV introduces are the following:

a) Countercyclical buffer (CCyB). The purpose of this buffer is to counteract the effects of the economic cycle on banks' lending activity, thus making the supply of credit less volatile and possibly even reduce the probability of credit bubbles or crunches. Credit institutions are required under the CRD IV to build up an additional buffer of 0 - 2.5% of CET1 during periods of excess credit growth, according to national circumstances. According to 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 gap, the buffer guide and, in particular, additional indicators for monitoring the build-up of cyclical systemic risk. On 29 June 2023, BoG announced that would keep the countercyclical capital buffer rate for Greece unchanged at "zero percent" (0%) in the third quarter of 2023, with effect from 1 July 2023.

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 4 July 2022, 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 end-2020 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.

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

1.10 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. Consequently, the first disclosure reference date is 31 December 2022 and the information is made publicly available during the first months of 2023. An overview of the qualitative and quantitative information is depicted below:

- Three tables are set up 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 are set up 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 will start to apply on 31.12.2023, the additional and separate information on the BTAR will apply from 30.06.2024.

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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.

On 8 November 2022, the Council of the EU published its position (general approach) on the proposals amending

- Regulation (EU) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor the capital requirements directive and the capital requirements regulation. Proposed implementation date is 1 January 2025;
- Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches, and ESG risks, and amending Directive 2014/59/EU (CRD).

Following the usual legislative procedure, the Council's general approach will be discussed together with EP's final position and the EC's initial legislative proposal to agree on a final version of the texts. The trialogue is expected to start in 2023.

On 31 January 2023, EBA published a consultation on draft ITS on supervisory reporting with respect to Interest Rate risk in the Banking Book (IRRBB). The consultation paper proposes new, harmonised reporting requirements for the assessment and monitoring of institutions' IRRBB across the EU. This new reporting will provide supervisors the necessary data to monitor IRRBB risks in credit institutions, taking into careful consideration the concept of proportionality. The consultation runs until 2 May 2023. EBA expects to submit this draft ITS to the European Commission (EC) in mid-2023. The expected application of the revised requirements is for 30 June 2024 reporting reference date.

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 21 March 2023, EBA launched a public consultation on its draft ITS amending the ITS on specific reporting requirements on market risks (FRTB reporting), aiming at providing supervisors with the necessary tools to monitor these risks. The consultation runs until 21 June 2023. As the full implementation of the FRTB in the EU approaches proposed to be 1 January 2025, the proposals set out in the consultation paper complement the already existing reporting requirements with a comprehensive set of information on the instruments and positions to which institutions apply related to the FRTB approaches.

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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 7 July 2023, EBA launched a public consultation on amendments to the draft ITS on disclosure and reporting of the Minimum Requirement for own funds and Eligible Liabilities (MREL) and the Total Loss Absorbency Requirement (TLAC). These amendments aim to reflect changes to the prudential framework that came or will soon come into force and provide clarifications on the information to be reported in the insolvency ranking templates. The consultation paper also includes an updated mapping between disclosure and reporting requirements. The consultation ran until 18 August 2023 and EBA expects to submit this draft ITS to EC in August/September 2023. The amendments are envisaged to apply for the reference date of June 2024. EBA will also develop a technical package, consisting of the data point model, validation rules and XBRL taxonomy, reflecting the amendments introduced through these Implementing Technical Standards (ITS). The technical package will become part of release v3.4 of the EBA reporting framework.

On 31 July 2023, EBA published its final ITS on supervisory reporting with respect to IRRBB. This draft amending ITS propose new, harmonised reporting requirements for the assessment and monitoring of institutions' IRRBB across the EU. Moreover, it will provide supervisors with the necessary data to monitor IRRBB risks in credit institutions, taking into careful consideration the concept of proportionality. The first reference date for the application of these technical standards is 30 September 2024. The final draft ITS are part of the 3.4 reporting framework release, and the technical package will be published by mid-October 2023.

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

Under the Directive 2014/59 (Bank Recovery and Resolution Directive), as in force, which was transposed into the Greek legislation pursuant to Law 4335/2015 as in force, European banks are required to meet the minimum requirement for 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 SRB's communication, 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 27.50% of its total RWAs, including a fully-loaded combined buffer requirement (CBR) of 3.93%. The final MREL target is updated by the SRB on an annual basis. The interim non-binding MREL target, which is applicable from January 2023, stands at 20.53% of RWAs, including a CBR of 3.75% and at 22.93% from January 2024, including a CBR of 3.88%.

In Q1 2023, in the context of the implementation of its strategy to ensure ongoing compliance with its MREL requirements, the Bank successfully completed the issue of € 500 million MREL-eligible senior preferred notes. As at 30 June 2023, the Bank's MREL ratio at Eurobank S.A. consolidated level stood at 23.17% of RWAs including profit for the period ended 30 June 2023 (31 March 2023: 23.03%) which is significantly above the aforementioned interim MREL target of 20.53%. In terms of Leverage Ratio Exposure, the Bank's MREL ratio stands as of June 2023 stood at 11.73%, which is significantly above the relevant MREL target of 5.91%.

1.12 2023 EU-wide stress test

On 21 July 2022, EBA published its 2023 EU-wide stress test draft methodology, templates and template guidance. The methodology covered all risk areas and was built on the one prepared for the 2021 EU wide stress test exercise. New features in the Stress test were a) the projections on net fee and commission income which was based on a top-down model and b) the sample coverage has been increased compared to the 2021 exercise. This exercise was coordinated by the EBA in cooperation with the ECB and national supervisory authorities and was conducted according to the EBA's methodology. On 4 November 2022, EBA published the final methodology, draft templates and template guidance for the 2023 EU-wide stress test along with the milestone dates for the exercise.

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, although unlikely to unfold, 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 the next three years. The narrative depicted an adverse scenario related to a hypothetical worsening of geopolitical developments leading to a severe decline in GDP with persistent inflation and high interest rates. In terms of GDP decline, the 2023 adverse scenario was the most severe used in the EU wide stress up to now. Eurobank Holdings Group participated in the EBA-led stress test.

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, the Company announced that Eurobank Holdings Group successfully completed the 2023 EU-wide Stress Test, which was coordinated by the EBA in cooperation with the ECB and the ESRB. The Group has significantly improved its results and resilience to stress under the adverse scenario compared to the ST 2021 exercise.

The starting point of the exercise is the financial and capital position of the Group as at 31 December 2022, as calculated based on the Standardised Approach (STD). On that date, the Fully Loaded (FL) CET 1 ratio (based on the full implementation of Basel III rules) amounted to 14.4%. Under the Baseline scenario, the FL CET1 ratio increases by 360bps over the 3-year ST horizon, reaching the level of 18% at the end of 2025. Under the Adverse scenario, the FL CET1 ratio decreases by 220bps at the end of 2025 and it stands at 12.2%, while at the end of the first year (2023) the Group registered its highest FL CET 1 ratio depletion, at 316bps.

1.13 Scope of Pillar 3

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

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

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

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

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

In June 2019 the 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.

1.14 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 Board of Directors "Consolidated Pillar 3 Disclosures Policy" in order to ensure consistent and continuous compliance with the Pillar 3 disclosures requirements, as these have been specified in the 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 Board of Directors on 29 September 2023.

Introduction – General Information

1.15 Regulatory versus accounting consolidation

There is no difference between regulatory and accounting consolidation.

List of all Company's subsidiaries can be found in the Interim Consolidated Financial Statements note 17.

The table below shows the Group's regulatory and accounting Balance Sheet as at 30 June and 31 March 2023.

Table 1: Regulatory and accounting Balance Sheet

Balance sheet per published financial statements and per regulatory consolidation	Ref.	30 June 2023 € million	31 March 2023 € million
Assets			
Cash and Balances with central banks		12,619	14,027
Due from credit institutions		1,855	1,741
Securities held for trading		324	142
Derivative financial instruments		984	1,005
Loans and advances to customers		40,526	40,037
Investment securities		13,603	13,745
Investments in associates and joint ventures		489	192
Property, plant and equipment		781	741
Investment property		1,355	1,382
Intangible assets	*a*	329	284
Deferred tax asset		4,113	4,120
of which deferred tax assets that rely on future profitability excluding those arising from temporary differences	*b*	2	-
of which deferred tax credit		3,307	3,355
of which deferred tax assets arising from temporary differences	*c*	804	765
Other assets		2,075	2,044
Assets of disposal group classified as held for sale		2,468	2,417
Total assets		**81,521**	81,877
Liabilities			
Due to central banks		7,402	8,329
Due to credit institutions		1,677	2,287
Derivative financial instruments		1,627	1,588
Due to customers		55,892	55,092
Debt securities in issue		4,099	4,055
Other liabilities		1,424	1,655
of which tier 2 instruments	*e*	1,149	1,217
Liabilities of disposal group classified as held for sale		1,948	1,885
Total liabilities		**74,069**	74,891
Equity			
Ordinary share capital		816	816
Share premium		1,161	1,161
Reserves and retained earnings		5,391	4,924
of which cash flow hedge reserves	*d*	(14)	(15)
Non controlling interests		84	84
Total equity	*f*	**7,452**	**6,986**
Total equity and liabilities		**81,521**	**81,877**

2. Capital Management

2.1 Key Metrics

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

Table 2: EU KM1 - Key Metrics template

		30 June 2023 [(1)] € million	30 June 2023 € million	31 March 2023 [(1)] € million	31 December 2022 € million	30 September 2022 € million	30 June 2022 € million
	Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	**6,871**	6,580	6,568	6,715	6,302	6,137
2	Tier 1 capital	**6,871**	6,580	6,568	6,715	6,302	6,137
3	Total capital	**8,020**	7,729	7,785	8,026	7,345	7,163
	Risk-weighted exposure amounts						
4	Total risk-weighted exposure amount	**43,976**	43,866	43,234	41,899	42,183	41,718
	Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	**15.6%**	15.0%	15.2%	16.0%	14.9%	14.7%
6	Tier 1 ratio (%)	**15.6%**	15.0%	15.2%	16.0%	14.9%	14.7%
7	Total capital ratio (%)	**18.2%**	17.6%	18.0%	19.2%	17.4%	17.2%
	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%	3.00%	3.00%	3.00%
EU 7b	of which: to be made up of CET1 capital (percentage points)	**1.55%**	1.55%	1.55%	1.69%	1.69%	1.69%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	**2.06%**	2.06%	2.06%	2.25%	2.25%	2.25%
EU 7d	Total SREP own funds requirements (%)	**10.75%**	10.75%	10.75%	11.00%	11.00%	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 (%)	**0.25%**	0.25%	0.20%	0.14%	0.06%	0.06%
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%	0.75%	0.75%	0.75%
11	Combined buffer requirement (%)	**3.75%**	3.75%	3.70%	3.39%	3.31%	3.31%
EU 11a	Overall capital requirements (%)	**14.50%**	14.50%	14.45%	14.39%	14.31%	14.31%
12	CET1 available after meeting the total SREP own funds requirements (%)	**7.49%**	6.87%	7.13%	7.78%	6.42%	6.17%
	Leverage ratio						
13	Leverage ratio total exposure measure	**84,994**	84,952	85,407	84,686	84,745	82,128
14	Leverage ratio	**8.1%**	7.8%	7.7%	7.9%	7.4%	7.5%
	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%

Capital Management

		30 June 2023 (1) € million	30 June 2023 € million	31 March 2023 € million	31 December 2022 € million	30 September 2022 € million	30 June 2022 € million
	Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	**16,074**	16,074	15,118	14,012	13,051	12,480
EU 16a	Cash outflows - Total weighted value	**10,413**	10,413	9,970	9,626	9,205	8,826
EU 16b	Cash inflows - Total weighted value	**1,049**	1,049	1,071	1,118	1,112	1,116
16	Total net cash outflows (adjusted value)	**9,364**	9,364	8,899	8,508	8,093	7,710
17	Liquidity coverage ratio (%) (adjusted value) (2)	**171.5%**	171.5%	169.7%	164.4%	161.3%	162.0%
	Liquidity coverage ratio (%)	**174.0%**	174.0%	167.5%	172.9%	169.0%	174.3%
	Net Stable Funding Ratio						
18	Total available stable funding	**60,104**	60,104	58,484	59,111	60,167	59,190
19	Total required stable funding	**46,354**	46,354	46,109	46,181	47,287	46,982
20	NSFR ratio (%)	**129.7%**	129.7%	126.8%	128.0%	127.2%	126.0%

(1) Including profits € 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 30 June 2023 with the completion of Project "Solar" and the disposal of Eurobank Direktna a.d. would be 16.1% and 18.8%, respectively.

Capital Management

2.2 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.

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

Table 3: EU CC2 - Reconciliation of regulatory own funds to balance sheet in the audited financial statements

	Ref.	30 June 2023 (1)	30 June 2023	31 March 2023 (1)
		€ million	€ million	€ million
Total equity	*f*	7,452	7,352 (2)	6,986
Regulatory adjustments				
Interim or year-end profit not eligible (3)		-	(150)	-
Minority interest not allowed in CET1		(29)	(29)	(29)
Cash flow hedge reserves	*d*	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	*a*	(222)	(222)	(206)
of which Goodwill		(44)	(44)	(2)
IRB shortfall of credit risk adjustments to expected losses		-	-	-
Deferred tax assets that rely on future profitability (unused tax losses)	*b*	(2)	(2)	-
Deferred tax assets arising from temporary differences (amount above 10% threshold)	*c*	(49)	(71)	(55)
Prudent Valuation Adjustments (4)		(6)	(6)	(6)
Other regulatory adjustments		(139)	(139)	(137)
Amount exceeding the 17.65% threshold	*c*	(148)	(167)	-
Common Equity Tier I capital		**6,871**	**6,580**	6,568
Regulatory adjustments		-	-	-
Total Tier I capital		**6,871**	**6,580**	6,568
Tier II capital - subordinated debt	*e*	1,149	1,149	1,217
IRB Excess of impairment allowances over expected losses eligible		-	-	-
Total Regulatory Capital		**8,020**	**7,729**	7,785
Risk Weighted Assets		**43,976**	**43,866**	43,234
Ratios				
Common Equity Tier I		**15.6%**	**15.0%**	15.2%
Tier I		**15.6%**	**15.0%**	15.2%
Total Capital Adequacy Ratio		**18.2%**	**17.6%**	18.0%

(1) *Including profits € 684 million for the 1H 2023 and € 237 million for the 1Q 2023.*
(2) *For 30 June 2023 includes impact of HFSF shares buyback.*
(3) *Excludes 1H 2023 maximum dividend according to the dividend policy, approved by the Board of Directors, based on requirements of Decision ECB/2015/6561 for permission of profits inclusion in regulatory capital.*
(4) *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.*
(5) *The pro-forma CET1 and Total Capital Adequacy ratios as at 30 June 2023 with the completion of Project "Solar" and the disposal of Eurobank Direktna a.d. would be 16.1% and 18.8%, respectively.*

Capital Management

As depicted in table above, CET1 ratio was increased mainly due to the quarterly profitability, partly offset by Hellenic Bank of Cyprus and BNP Bulgaria acquisitions.

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

As at 30 June 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 € 3,307 million (31 March 2023 € 3,355 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 12.

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%.

2.3 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.

Capital Management

Table 4: EU IFRS - FL - Template on the comparison of Institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs

Available capital	**30 June 2023 [(1)]** € million	**30 June 2023** € million	31 March 2023 [(1)] € million	31 December 2022 € million	30 September 2022 € million	30 June 2022 € million
CET1 capital	**6,871**	6,580	6,568	6,715	6,302	6,137
CET1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**6,871**	6,580	6,568	6,495	6,122	5,959
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	6,184	6,046
Fully Loaded CET1 capital	**6,866**	6,572	6,562	6,362	5,964	5,826
Tier 1 capital	**6,871**	6,580	6,568	6,715	6,302	6,137
Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**6,871**	6,580	6,568	6,495	6,122	5,959
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	6,184	6,046
Fully Loaded Tier 1 capital	**6,866**	6,572	6,562	6,362	5,964	5,826
Total capital	**8,020**	7,729	7,785	8,026	7,345	7,163
Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**8,020**	7,729	7,785	7,835	7,167	7,001
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	7,227	7,072
Fully Loaded Total capital	**8,014**	7,721	7,779	7,702	7,009	6,869
Risk weighted assets						
Total risk-weighted assets	**43,976**	43,866	43,234	41,899	42,183	41,718
Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**43,976**	43,866	43,234	41,899	42,091	41,628
Fully Loaded Total risk-weighted assets	**43,976**	43,866	43,234	41,801	42,091	41,628
Capital ratios						
CET1 (as a percentage of risk exposure amount)	**15.6%**	15.0%	15.2%	16.0%	14.9%	14.7%
CET1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**15.6%**	15.0%	15.2%	15.5%	14.5%	14.3%
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%	14.7%	14.5%
Fully Loaded CET1 (as a percentage of risk exposure amount)	**15.6%**	15.0%	15.2%	15.2%	14.2%	14.0%
Tier 1 (as a percentage of risk exposure amount)	**15.6%**	15.0%	15.2%	16.0%	14.9%	14.7%
Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**15.6%**	15.0%	15.2%	15.5%	14.5%	14.3%
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%	14.7%	14.5%
Fully Loaded Tier 1 (as a percentage of risk exposure amount)	**15.6%**	15.0%	15.2%	15.2%	14.2%	14.0%
Total capital (as a percentage of risk exposure amount)	**18.2%**	17.6%	18.0%	19.2%	17.4%	17.2%
Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**18.2%**	17.6%	18.0%	18.7%	17.0%	16.8%
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%	17.1%	17.0%
Fully Loaded Total capital (as a percentage of risk exposure amount)	**19.2%**	17.6%	18.5%	18.5%	16.7%	16.5%

Capital Management

	30 June 2023 [1] € million	30 June 2023 € million	31 March 2023 [1] € million	31 December 2022 € million	30 September 2022 € million	30 June 2022 € million
Leverage ratio						
Leverage ratio total exposure measure	**84,994**	84,952	85,407	84,686	84,745	82,128
Leverage ratio	**8.1%**	7.7%	7.7%	7.9%	7.4%	7.5%
Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	**8.1%**	7.7%	7.7%	7.7%	7.2%	7.3%
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%	7.3%	7.7%
Fully Loaded Leverage ratio	**8.1%**	7.7%	7.7%	7.5%	7.0%	7.1%

(1) *Including profits € 684 million for the 1H 2023 and € 237 million for the 1Q 2023.*

(2) *Pro-forma CET1 and Total Capital Adequacy ratios as at 30 June 2023 with the completion of Project "Solar" and the disposal of Eurobank Direktna a.d. would be 16.1% and 18.8%, respectively.*

2.4 Countercyclical buffer (CCyB)

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

Table 5: EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of countercyclical buffer

	30 June 2023												
	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures		Own funds requirements						
	Exposure value under the standardised approach € million	Exposure value under the IRB approach € million	Sum of long and short positions of trading book exposures for SA € million	Value of trading book exposure for internal models € million	Exposure value for non-trading book € million	Total exposure value € million	Relevant credit risk exposures - Credit risk € million	Relevant credit exposures – Market risk € million	Relevant credit exposures – Securitisation positions in the non-trading book € million	Total € million	Risk-weighted exposure amounts € million	Own funds requirements weights (%)	Counter-cyclical capital buffer rate (%)
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 [1]	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 [2]	1,542	-	-	-	8,573	10,115	92	-	143	235	2,938	9%	0.41%
Total	**42,920**	**-**	**7**	**-**	**9,169**	**52,096**	**2,405**	**-**	**156**	**2,561**	**32,014**	**100%**	**0.25%**

(1) *Exposures of Bulgaria include BNP Bulgaria.*

(2) *The Countercyclical capital rate in Other Countries includes the increase of Ireland buffer from 0% to 0.50%*

Capital Management

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

Table 6: EU CCyB2 - Amount of institution-specific countercyclical capital buffer

	30 June 2023	31 December 2022
Total risk exposure amount (€ million)	43,866	41,869
Institution specific countercyclical capital buffer rate	0.25%	0.14%
Institution specific countercyclical capital buffer requirement (€ million)	110	59

2.5 Supervisory Review and Evaluation Process (SREP) capital requirements

Following the 2022 SREP decision communicated by the ECB, in 2Q 2023 Eurobank Holdings was required to meet on a consolidated basis a CET1 ratio of at least 9.80% and a Total Capital Adequacy Ratio of at least 14.50% (Overall Capital Requirements (OCR) including the CCB of 2.50%, the Other Systemically Important Institution buffer of 1.00% and the applicable Countercyclical Capital Buffer of 0.25% for the second quarter of 2023 stemming mainly from the exposures in Bulgaria and Luxemburg).

The table below shows the capital requirements of the Group for 30 June 2023.

Table 7: Pillar 2 Requirements

	30 June 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)	0.25%	0.25%
Other systemic institutions buffer (O-SII)	1.00%	1.00%
Overall Capital Requirement (OCR)	**9.80%**	**14.50%**

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 Additional Tier 1 (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 € 682 million (based on RWAs of € 43,976 million). The ECB's decision for the reduction of the Pillar 2 Requirement (P2R) to 2.75% (from 3.00% in 2022) reflects the improved Group's financial position particularly in terms of asset quality.

As at 30 June 2023, Eurobank's transitional CET1 ratio and Total Capital ratio, including 1H 2023 profit € 684 million, were 15.6% and 18.2% respectively, which exceeded the 2023 minimum requirements of 9.80% and 14.50%.

For the third quarter of 2023, the Group's OCR is expected to remain at 14.50% in terms of total capital (or at 9.80% in terms of CET1 capital). The countercyclical capital buffer is calculated on a quarterly basis in accordance with the countercyclical capital buffer rates applicable in each country to which the Group has exposures.

Capital Management

2.6 Capital requirements under Pillar 1

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

Table 8: EU OV1 - Overview of risk weighted exposure amounts

	Risk weighted exposure amounts (RWEAs)				Total own funds requirements
	30 June 2023 [1]	30 June 2023	31 March 2023[1]	31 March 2023	30 June 2023
	€ million	€ million	€ million	€ million	€ million
Credit risk (excluding CCR)	**34,696**	**34,696**	34,315	34,315	**2,776**
Of which the standardised approach	34,696	34,696	34,315	34,315	2,776
Of which the foundation IRB (FIRB) approach	-	-	-	-	-
Of which: slotting approach	-	-	-	-	-
Of which: equities under the simple riskweighted approach	-	-	-	-	-
Of which the advanced IRB (AIRB) approach	-	-	-	-	-
Counterparty credit risk - CCR	**520**	**520**	490	490	**42**
Of which the standardised approach	209	209	171	171	17
Of which internal model method (IMM)	-	-	-	-	-
Of which exposures to a CCP	9	9	14	14	1
Of which credit valuation adjustment - CVA	178	178	105	105	14
Of which other CCR	124	124	200	200	10
Settlement risk	-	-	-	-	-
Securitisation exposures in the non-trading–book (after the cap)	**1,944**	**1,944**	1,896	1,896	**156**
Of which SEC-IRBA approach	-	-	-	-	-
Of which SEC-ERBA (including IAA)	318	318	351	351	25
Of which SEC-SA approach	1,626	1,626	1,545	1,545	130
Of which 1250%	-	-	-	-	-
Position, foreign exchange and commodities risks (Market risk)	**879**	**879**	831	831	**70**
Of which the standardised approach	193	193	228	228	15
Of which IMA	686	686	603	603	55
Large exposures	-	-	-	-	-
Operational risk	**3,323**	**3,323**	3,323	3,323	**266**
Of which basic indicator approach	-	-	-	-	-
Of which standardised approach	3,323	3,323	3,323	3,323	266
Of which advanced measurement approach	-	-	-	-	-
Amounts below the thresholds for deduction (subject to 250% risk weight)	**2,614**	**2,504**	2,379	2,290	**200**
Total [2]	**43,976**	**43,866**	43,234	43,145	**3,509**

[1] Including profits € 684 million for the 1H 2023 and € 237 million for the 1Q 2023.
[2] The increase of the RWAs compared to 31 December 2022 is mainly due to the increase of Hellenic Bank of Cyprus holding and the acquisition of BNP Bulgaria.

3. Credit Risk

3.1 Definition of credit risk

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

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

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 is monitored by centralised dedicated risk units, reporting to the Group Chief Risk Officer.

3.2 Credit exposures

3.2.1 Maturity analysis

The following table presents a breakdown of net exposures by residual maturity and exposure classes as at 30 June 2023.

Table 9: EU CR1-A - Maturity analysis of exposures

	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
Central governments or central banks	-	23,610	3,720	4,794	3,972	**36,096**
Regional governments or local authorities	-	1	15	5	-	**21**
Public sector entities	-	37	45	50	496	**628**
Multilateral development banks	-	12	9	25	-	**46**
International organisations	-	-	-	-	-	**-**
Institutions	-	3,158	748	333	91	**4,330**
Corporates	-	7,774	3,670	4,861	49	**16,354**
Retail	-	182	1,565	3,744	1,265	**6,756**
Secured by mortgages on immovable property	-	284	917	9,985	101	**11,287**
Exposures in default	-	311	174	734	30	**1,249**
Items associated with particularly high risk	-	338	9	65	18	**430**
Covered bonds	-	55	230	-	-	**285**
Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	**-**
Collective investments undertakings	-	-	-	-	80	**80**
Equity exposures	-	-	-	-	561	**561**
Other exposures	477	59	-	-	3,680	**4,216**
Total standardised approach	**477**	**35,821**	**11,102**	**24,596**	**10,343**	**82,339**
Total	**477**	**35,821**	**11,102**	**24,596**	**10,343**	**82,339**

[1] *The table above does not include securitisations and off-balance sheet items.*
[2] *Exposures with counterparties are included in the table.*

Credit Risk

3.2.2 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 vehicles established by the Group, lease receivables, debt securities, financial guarantee contracts, and loan commitments.

Table 10: EU CQ1 - Credit quality of forborne exposures

	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
Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
Loans and advances	**842**	**788**	**785**	**788**	**(50)**	**(308)**	**1,122**	**453**
Central banks	-	-	-	-	-	-	-	-
General governments	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-
Other financial corporations	16	22	22	22	-	(11)	23	10
Non-financial corporations	445	523	523	523	(23)	(181)	698	331
Households [(1)]	381	243	240	243	(27)	(116)	401	112
Debt Securities	-	-	-	-	-	-	-	-
Loan commitments given	-	-	-	-	-	-	-	-
Total	**842**	**788**	**785**	**788**	**(50)**	**(308)**	**1,122**	**453**

	31 December 2022							
	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
Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
Loans and advances	1,139	873	870	873	(80)	(321)	1,409	512
Central banks	-	-	-	-	-	-	-	-
General governments	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-
Other financial corporations	16	22	22	22	(1)	(12)	22	9
Non-financial corporations	516	584	584	584	(38)	(193)	795	377
Households	607	267	264	267	(41)	(116)	592	126
Debt Securities	-	-	-	-	-	-	-	-
Loan commitments given	-	-	-	-	-	-	-	-
Total	1,139	873	870	873	(80)	(321)	1,409	512

[(1)] *The decrease in forborne exposures in mainly due to retail mortgage portfolio.*

Credit Risk

The following templates provide an overview of the credit quality of performing and non-performing exposures and related impairments, provisions and valuation adjustments by portfolio and exposure class, by geography and industry as at 30 June 2023 and 31 December 2022.

Table 11: EU CR1 - Performing and non-performing exposures and related provisions

30 June 2023	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions							Collaterals and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures - Accumulated impairment and provisions			Non-performing exposures - Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures
		of which: stage 1	of which: stage 2		of which: stage 2	of which: stage 3		of which: stage 1	of which: stage 2		of which: stage 2	of which: stage 3			
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Cash balances at central banks and other demand deposits [(1)]	**12,178**	**12,178**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**	**-**
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**
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	21	21	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit institutions	1,619	1,619	-	-	-	-	(1)	(1)	-	-	-	-	-	-	-
Other financial corporations	6,701	6,659	32	44	-	44	(6)	(6)	(1)	(24)	-	(24)	(40)	5,862	20
Non-financial corporations [(2)]	20,790	18,794	1,991	1,354	-	1,332	(211)	(84)	(127)	(607)	-	(603)	(375)	13,053	686
Of which: SMEs	7,584	6,235	1,349	1,117	-	1,104	(144)	(47)	(98)	(542)	-	(541)	(286)	5,617	552
Households	12,698	9,667	3,030	800	-	791	(269)	(63)	(205)	(435)	-	(432)	(615)	8,981	323
Debt Securities	**13,372**	**13,316**	**33**	**31**	**-**	**31**	**(18)**	**(17)**	**(1)**	**(6)**	**-**	**(6)**	**-**	**-**	**-**
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	9,136	9,136	-	-	-	-	(6)	(7)	-	-	-	-	-	-	-
Credit institutions	1,305	1,282	-	-	-	-	(5)	(5)	-	-	-	-	-	-	-
Other financial corporations	1,680	1,680	-	-	-	-	(1)	(1)	-	-	-	-	-	-	-
Non-financial corporations	1,251	1,218	33	31	-	31	(6)	(4)	(1)	(6)	-	(6)	-	-	-
Off-balance sheet exposures [(3)]	**11,192**	**10,647**	**303**	**63**	**-**	**62**	**(62)**	**(26)**	**(4)**	**(27)**	**-**	**(27)**		**1,317**	**20**
Central banks	-	-	-	-	-	-	-	-	-	-	-	-		-	-
General governments	249	7	-	19	-	19	(32)	-	-	(18)	-	(18)		-	-
Credit institutions	122	122	-	-	-	-	-	-	-	-	-	-		-	-
Other financial corporations	728	717	10	3	-	3	(2)	(2)	-	-	-	-		86	-
Non-financial corporations	7,695	7,511	185	39	-	38	(17)	(14)	(3)	(9)	-	(9)		1,131	20
Households	2,398	2,290	108	2	-	2	(11)	(10)	(1)	-	-	-		100	-
Total	**78,571**	**72,901**	**5,389**	**2,292**	**-**	**2,260**	**(567)**	**(197)**	**(338)**	**(1,099)**	**-**	**(1,092)**	**(1,030)**	**29,213**	**1,049**

31 December 2022	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions							Collaterals and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures - Accumulated impairment and provisions			Non-performing exposures - Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures
		of which: stage 1	of which: stage 2		of which: stage 2	of which: stage 3		of which: stage 1	of which: stage 2		of which: stage 2	of which: stage 3			
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Cash balances at central banks and other demand deposits	14,490	14,490	-	-	-	-	-	-	-	-	-	-		-	-
Loans and advances	42,538	36,947	5,573	2,257	-	2,217	(505)	(150)	(355)	(1,122)	-	(1,115)	(1,007)	28,392	1,028
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	25	25	-	1	-	1	-	-	-	(1)	-	(1)	-	-	-
Credit institutions	1,205	1,205	-	-	-	-	-	-	-	-	-	-	-	-	-
Other financial corporations	6,841	6,808	22	52	-	44	(3)	(2)	(1)	(26)	-	(26)	(39)	6,200	26
Non-financial corporations	21,627	19,326	2,296	1,399	-	1,374	(235)	(89)	(146)	(675)	-	(671)	(354)	13,090	688
of which SMEs	8,301	6,802	1,499	1,177	-	1,162	(171)	(52)	(119)	(557)	-	(556)	(305)	5,922	594
Households	12,840	9,583	3,255	805	-	798	(267)	(59)	(208)	(420)	-	(417)	(614)	9,102	314
Debt Securities	12,926	12,795	131	33	-	33	(24)	(19)	(5)	(10)	-	(10)	-	-	-
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	8,872	8,776	96	-	-	-	(11)	(9)	(3)	-	-	-	-	-	-
Credit institutions	1,242	1,235	8	-	-	-	(5)	(5)	(1)	-	-	-	-	-	-
Other financial corporations	1,620	1,620	-	-	-	-	(1)	(1)	-	-	-	-	-	-	-
Non-financial corporations	1,192	1,164	27	33	-	33	(7)	(4)	(1)	(10)	-	(10)	-	-	-
Off-balance sheet exposures	10,659	10,129	289	53	-	53	(60)	(20)	(6)	(30)	-	(30)		1,210	12
Central banks	-	-	-	-	-	-	-	-	-	-	-	-		-	-
General governments	254	12	-	19	-	19	(33)	-	-	(19)	-	(19)		-	-
Credit institutions	104	104	-	-	-	-	-	-	-	-	-	-		-	-
Other financial corporations	636	621	15	-	-	-	(2)	-	(1)	-	-	-		66	-
Non-financial corporations	7,394	7,221	175	33	-	33	(16)	(12)	(4)	(11)	-	(11)		1,051	12
Households	2,271	2,171	99	1	-	1	(9)	(8)	(1)	-	-	-		93	-
Total	80,613	74,361	5,993	2,343	-	2,303	(589)	(189)	(366)	(1,162)	-	(1,155)	(1,007)	29,602	1,040

(1) The decrease in Cash balances at central banks and other demand deposits is mainly due to the reduction of Eurosystem funding.
(2) The decrease in Non-Financial Corporations is mainly due to the classification of Eurobank Direktna's loans as HFS.
(3) The increase in Off-balance sheet exposures is mainly due to new production of loan commitments and Letters of Guarantee in corporate loans.

Credit Risk

Table 12: **EU CQ4 -** Quality of non-performing exposures by geography

	30 June 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
On balance sheet exposures	**57,430**	**2,229**	**2,225**	**57,392**	**(1,578)**		**-**
Greece [(1)]	31,850	1,885	1,885	31,850	(1,273)		-
Romania	282	10	6	282	(17)		-
Bulgaria	6,678	194	194	6,678	(194)		-
United Kingdom	887	-	-	887	(2)		-
Cyprus	2,607	106	106	2,584	(69)		-
Other countries [(1)]	15,126	34	34	15,111	(23)		-
Off balance sheet exposures [(2)]	**11,255**	**63**	**62**			**(89)**	
Greece	8,346	47	47			(78)	
Romania	-	-	-			-	
Bulgaria	1,325	3	3			-	
United Kingdom	88	-	-			-	
Cyprus	767	10	10			(11)	
Other countries	729	3	2			-	
Total	**68,685**	**2,292**	**2,288**	**57,392**	**(1,578)**	**(89)**	**-**

	31 December 2022						
	Gross carrying/nominal amount						
		of which: non-performing		of which: subject to impairment	Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			of which defaulted				
	€ million	€ million	€ million	€ million	€ million	€ million	€ million
On balance sheet exposures	57,754	2,290	2,287	57,739	(1,661)		-
Greece	32,105	1,835	1,835	32,105	(1,299)		-
Romania	301	9	6	301	(19)		-
Bulgaria	5,580	203	203	5,580	(181)		-
United Kingdom	788	-	-	788	(2)		-
Cyprus	2,524	88	88	2,524	(62)		-
Other countries	16,455	155	155	16,441	(98)		-
Off balance sheet exposures	10,712	53	53			(90)	
Greece	7,814	48	48			(80)	
Romania	-	-	-			-	
Bulgaria	1,030	1	1			(1)	
United Kingdom	75	-	-			(1)	
Cyprus	602	2	2			(7)	
Other countries	1,191	2	2			(1)	
Total	68,466	2,343	2,340	57,739	(1,661)	(90)	-

[(1)] *The decrease in Greece gross amount is mainly due to corporate and SBB loans while for Other Countries is due to the classification of Eurobank Direktna's loans as HFS.*

[(2)] *The increase in Off-balance sheet exposures is mainly due to new production of loan commitments and Letters of Guarantee in corporate loans, while the decrease in Other Countries is due to the classification of Eurobank Direktna's loans as HFS.*

Credit Risk

The following table provides an overview of the credit quality of loans and advances to non-financial corporations as at 30 June 2023 and 31 December 2022.

Table 13: EU CQ5 - Credit quality of loans and advances to non-financial corporations by industry

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

	31 December 2022					
	Gross carrying/nominal amount					
		of which: non-performing		of which loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non- performing exposures
			of which defaulted			
	€ million	€ million	€ million	€ million	€ million	€ million
Agriculture, forestry and fishing	417	30	30	417	(20)	-
Mining and quarrying	49	4	4	49	(2)	-
Manufacturing	4,368	196	196	4,368	(139)	-
Electricity, gas, steam and air conditioning supply	1,659	2	2	1,659	(5)	-
Water supply	50	1	1	50	(1)	-
Construction	1,041	112	112	1,041	(70)	-
Wholesale and retail trade	4,630	413	413	4,630	(282)	-
Transport and storage	4,065	90	90	4,059	(92)	-
Accommodation and food service activities	2,427	257	257	2,427	(83)	-
Information and communication	333	10	10	333	(17)	-
Financial and insurance activities	10	2	2	10	(1)	-
Real estate activities	1,820	88	88	1,820	(54)	-
Professional, scientific and technical activities	692	114	114	692	(84)	-
Administrative and support service activities	274	18	18	274	(12)	-
Public administration and defense, compulsory social security	1	-	-	1	-	-
Education	40	7	7	40	(4)	-
Human health services and social work activities	401	9	9	401	(9)	-
Arts, entertainment and recreation	528	9	9	528	(6)	-
Other services	221	37	37	222	(29)	-
Total	23,026	1,399	1,399	23,021	(910)	-

[(1)] *Decrease in sectors "Manufacturing" & "Wholesale and retail trade" is mainly due to the classification of Eurobank Direktna's loans as HFS while in "Accommodation and food service activities" due to corporate loans.*

Credit Risk

The following table provides an overview of the credit quality of loans and advances to non-financial corporations as at 30 June 2023 and 31 December 2022.

Table 14: EU CQ2 - Quality of forbearance

	30 June 2023	31 December 2022
	Gross carrying amount of forborne exposures	Gross carrying amount of forborne exposures
	€ million	€ million
Loans and advances that have been forborne more than twice	400	482
Non-performing forborne loans and advances that failed to meet the non-performing exit criteria	378	423

The following table provides an analysis of collateral valuation and other information on loans and advances as at 30 June 2023 and 31 December 2022.

Table 15: EU CQ6 - Collateral valuation - Loans and advances

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

Credit Risk

	31 December 2022											
	Loans and advances											
		Performing		Non Performing								
					Unlikely to pay that are not past due or past due <=90 days	Past due > 90 days						
			of which past due > 30 days <= 90 days				of which Past due > 90 days <= 180 days	of which Past due > 180 days <= 1 year	of which Past due > 1 year <= 2 years	of which Past due > 2 years <= 5 years	of which Past due > 5 years <= 7 years	of which Past due > 7 years
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Gross carrying amount	44,795	42,538	218	2,257	830	1,427	133	228	253	550	35	228
Of which: secured	33,596	31,889	157	1,708	671	1,037	94	164	183	388	26	182
Of which: secured with immovable property	17,657	16,228	136	1,430	560	869	79	155	166	299	23	147
of which: instruments with LTV higher than 60% and lower or equal to 80%	4,013	3,777		236	69	167						
of which: instruments with LTV higher than 80% and lower or equal to 100%	3,092	2,834		258	108	151						
of which: instruments with LTV higher than 100%	4,352	3,694		658	252	406						
Accumulated impairment for secured assets	(971)	(302)	(13)	(669)	(185)	(483)	(22)	(42)	(64)	(218)	(12)	(125)
Collateral												
of which value capped at the value of exposure	23,949	22,983	135	966	456	511	68	119	117	154	10	42
of which immovable property	15,866	14,982	123	884	405	479	62	117	110	140	10	40
Of which value above the cap	22,389	20,927	142	1,462	613	849						
of which immovable property	13,238	12,086	135	1,152	417	735						
Financial guarantees received	5,471	5,409	6	61	18	43	3	2	3	15	4	17
Accumulated partial write-off	(1,007)	(4)	(1)	(1,003)	(382)	(620)	(3)	(7)	(39)	(305)	(16)	(251)

[(1)] *The decrease in Financial Guarantees received is due to Greece corporate, while in amounts secured by immovable property due to the classification of Eurobank Direktna's loans as HFS.*

The following table provides an overview of the movements (inflows and outflows) of non performing loans and advances as at 30 June 2023.

Table 16: EU CR2 - Changes in the stock of non-performing loans and advances

	30 June 2023
	Gross carrying amount € million
Initial stock of non-performing loans and advances	2,257
Inflows to non-performing portfolios	593
Outflows from non-performing portfolios	(652)
Outflows due to write-offs	(91)
Outflow due to other situations [(1)]	(561)
Final stock of non-performing loans and advances	**2,198**

[(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 during the year.*

Credit Risk

Table 17: EU CR2a - Changes in the stock of non-performing loans and advances and related net accumulated recoveries

	30 June 2023	
	Gross carrying amount € million	Related net acumulated recoveries € million
Initial stock of non-performing loans and advances	2,257	
Inflows to non performing portfolios	593	
Outflows from non performing portfolios	(652)	
Outflow to performing portfolio	(180)	
Outflow due to loan repayment, partial or total	(147)	
Outflow due to collateral liquidations	(82)	23
Outflow due to taking possession of collateral	(3)	3
Outflow due to sale of instruments	(1)	1
Outflow due to risk transfers	-	-
Outflows due to write-off	(91)	
Outflow due to Other Situations	(64)	
Outflow due to reclassification as held for sale	(84)	
Final stock of non-performing loans and advances	**2,198**	

Table 18: EU CQ7 - Collateral obtained by taking possession and execution processes

The following table provides an overview of collateral obtained by taking possession by type, by time since date of foreclosure as at 30 June 2023 and 31 December 2022.

	30 June 2023		31 December 2022	
	Collateral obtained by taking possession		Collateral obtained by taking possession	
	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million
Property Plant and Equipment (PP&E)	-	-	-	-
Other than PP&E	657	(89)	662	(91)
Residential immovable property	258	(44)	259	(44)
Commercial Immovable property	380	(46)	386	(47)
Movable property (auto, shipping, etc.)	2	-	2	-
Equity and debt instruments	13	-	12	-
Other collateral	3	-	3	-
Total	**657**	**(89)**	662	(91)

Credit Risk

Table 19: EU CQ8 - Collateral obtained by taking possession and execution processes – Vintage breakdown

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 € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million
Collateral obtained by taking possession classified as PP&E	-	-	-	-								
Collateral obtained by taking possession other than classified as PP&E	43	(24)	657	(89)	33	(2)	232	(14)	392	(74)	12	(3)
Residential immovable property	12	(6)	258	(44)	12	(1)	81	(4)	165	(39)	4	(3)
Commercial Immovable property	23	(12)	380	(46)	20	(1)	144	(10)	217	(34)	8	(1)
Movable property (auto, shipping, etc.)	-	-	2	-	2	-	-	-	-	-	-	-
Equity and debt instruments	-	-	13	-	-	-	7	-	7	-	-	-
Other collateral	9	(7)	3	-	-	-	-	-	3	-	-	-
Total	**43**	**(24)**	**657**	**(89)**	**33**	**(2)**	**232**	**(14)**	**392**	**(74)**	**12**	**(3)**

31 December 2022

	Debt balance reduction		Total collateral obtained by taking possession									
					Foreclosed <= 2 years		Foreclosed >= 2 years <= 5 years		Foreclosed > 5 years		Of which: Non-current assets held-for-sale	
	Gross carrying amount € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million
Collateral obtained by taking possession classified as PP&E	-	-	-	-								
Collateral obtained by taking possession other than classified as PP&E	41	(24)	662	(91)	47	(13)	332	(19)	284	(59)	10	(4)
Residential immovable property	12	(6)	259	(44)	14	(4)	118	(7)	126	(33)	4	(3)
Commercial Immovable property	20	(12)	386	(47)	31	(9)	204	(12)	151	(26)	6	(1)
Movable property (auto, shipping, etc.)	-	-	2	-	2	-	-	-	-	-	-	-
Equity and debt instruments	-	-	12	-	-	-	7	-	6	-	-	-
Other collateral	9	(7)	3	-	-	-	3	-	-	-	-	-
Total	41	(24)	662	(91)	47	(13)	332	(19)	284	(59)	10	(4)

Credit Risk

3.3 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 intends to continue 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 has applied to the Q1 2023 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. In the cases where more than one rating is available, the second better rating is used.

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

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

Table 20: EU CR4 - Standardised approach – Credit risk exposure and CRM effects

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

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 30 June 2023 and 31 December 2022.

Table 21: EU CR5 – Standardised approach

	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
Central governments or central banks	23,714	-	180	1,130	138	-	228	-	-	3,539	-	593	-	-	-	29,522	4,141
Regional government or local authorities	-	-	-	-	21	-	-	-	-	-	-	-	-	-	-	21	21
Public sector entities	585	-	-	-	-	-	-	-	-	527	-	-	-	-	-	1,112	528
Multilateral development banks	633	-	-	-	-	-	-	-	-	-	-	-	-	-	-	633	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	568	-	-	-	1,304	-	354	-	-	760	177	-	-	-	-	3,163	231
Corporates	-	-	-	-	23	-	2,948	-	-	13,864	229	-	-	-	-	17,064	9,890
Retail	-	-	-	-	-	-	-	-	6,068	-	-	-	-	-	-	6,068	5,898
Secured by mortgages on immovable property	-	-	-	-	-	8,602	2,736	-	-	-	-	-	-	-	-	11,338	10,572
Exposures in default	-	-	-	-	-	-	-	-	-	956	218	-	-	-	-	1,174	1,073
Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	496	-	-	-	-	496	482
Covered bonds	-	-	-	285	-	-	-	-	-	-	-	-	-	-	-	285	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unit or shares in collective investment undertakings	-	-	-	-	-	-	-	-	19	61	-	-	-	-	-	80	-
Equity	-	-	-	-	-	-	-	-	-	153	-	409	-	-	-	562	418
Other items	712	-	-	-	51	-	-	-	-	3,453	-	-	-	-	-	4,216	4,216
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.

Credit Risk

3.4 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.

3.4.1 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 22: EU CR3 - CRM techniques – Overview: Disclosure of the use of credit risk mitigation techniques

	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
Loans and advances [1]	25,727	28,925	23,890	5,036	-
Debt securities [2]	13,404	-	-	-	-
Total	**39,131**	**28,925**	**23,890**	**5,036**	**-**
Of which non-performing exposures	1,200	1,029	947	82	-
Of which defaulted	1,200	1,029			

	31 December 2022				
	Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
	€ million	€ million	€ million	€ million	€ million
Loans and advances	28,239	29,419	23,949	5,471	-
Debt securities	12,960	-	-	-	-
Total	41,199	29,419	23,949	5,471	-
Of which non-performing exposures	1,263	1,028	966	61	-
Of which defaulted	1,263	1,027			

[1] The decrease in Loans and advances is mainly due to the classification of Eurobank Direktna's loans as HFS and the reduction of Eurosystem funding, which is partly offset by the acquisition of BNP Bulgaria.
[2] The increase in debt securities is mainly due to increased position in Sovereign and Financial Bonds.
[3] The value of collaterals and the amount of financial guarantees shown above are the allocated values after regulatory haircuts.
[4] For real estate properties the lower between the market value and the pledged amount is considered.

Credit Risk

3.5 Securitised exposures

The following table presents the risk weights of the purchased securitised exposures of the Group, as at 30 June 2023 and 31 December 2022.

Table 23: EU SEC1 - Securitisation exposures in the non-trading book

	30 June 2023														
	Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
	Traditional				Synthetic			Traditional				Traditional			
	STS		Non-STS				Sub-total			Synthetic	Sub-total			Synthetic	Sub-total
		of which SRT		of which SRT		of which SRT		STS	Non-STS			STS	Non-STS		
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Total exposures	-	-	**1,025**	**1,025**	**2,666**	**2,666**	**3,691**	-	-	-	-	-	**1,605**	-	**1,605**
Retail (total)	-	-	1,020	1,020	-	-	1,020	-	-	-	-	-	37	-	37
residential mortgage	-	-	-	-	-	-	-	-	-	-	-	-	37	-	37
credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
other retail exposures	-	-	1,020	1,020	-	-	1,020	-	-	-	-	-	-	-	-
re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wholesale (total)	-	-	5	5	2,666	2,666	2,671	-	-	-	-	-	1,568	-	1,568
loans to corporates	-	-	5	5	2,666	2,666	2,671	-	-	-	-	-	1,568	-	1,568
commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	31 December 2022														
	Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
	Traditional				Synthetic			Traditional				Traditional			
	STS		Non-STS				Sub-total			Synthetic	Sub-total			Synthetic	Sub-total
		of which SRT		of which SRT		of which SRT		STS	Non-STS			STS	Non-STS		
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Total exposures	-	-	1,024	1,024	2,736	2,736	3,760	-	-	-	-	-	1,537	-	1,537
Retail (total)	-	-	1,019	1,019	-	-	1,019	-	-	-	-	-	42	-	42
residential mortgage	-	-	-	-	-	-	-	-	-	-	-	-	42	-	42
credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
other retail exposures	-	-	1,019	1,019	-	-	1,019	-	-	-	-	-	-	-	-
re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wholesale (total)	-	-	5	5	2,736	2,736	2,741	-	-	-	-	-	1,495	-	1,495
loans to corporates	-	-	5	5	2,736	2,736	2,741	-	-	-	-	-	1,495	-	1,495
commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Credit Risk

Table 24: EU SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements – institution acting as originator or as sponsor

	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	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Total exposures	**2,664**	**-**	**1,015**	**12**	**-**	**-**	**-**	**3,691**	**-**	**-**	**-**	**1,536**	**-**	**-**	**-**	**123**	**-**
Traditional-transactions	-	-	1,015	10	-	-	-	1,025	-	-	-	1,087	-	-	-	87	-
Securitisation	-	-	1,015	10	-	-	-	1,025	-	-	-	1,087	-	-	-	87	-
Retail underlying	-	-	1,015	5	-	-	-	1,020	-	-	-	1,032	-	-	-	83	-
Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wholesale	-	-	-	5	-	-	-	5	-	-	-	55	-	-	-	4	-
Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Synthetic transactions	2,664	-	-	2	-	-	-	2,666	-	-	-	449	-	-	-	36	-
Securitisation	2,664	-	-	2	-	-	-	2,666	-	-	-	449	-	-	-	36	-
Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wholesale	2,664	-	-	2	-	-	-	2,666	-	-	-	449	-	-	-	36	-
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 25: EU SEC4 - Securitisation exposures in the non-trading book and associated capital requirements - institution acting as investor

	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	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Total exposures	1,497	32	5	71	-	-	1,534	71	-	-	318	90	-	-	25	7	-
Traditional securitisation	1,497	32	5	71	-	-	1,534	71	-	-	318	90	-	-	25	7	-
Securitisation	1,497	32	5	71	-	-	1,534	71	-	-	318	90	-	-	25	7	-
Retail underlying	-	32	5	-	-	-	37	-	-	-	19	-	-	-	1	-	-
Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wholesale	1,497	-	-	71	-	-	1,497	71	-	-	299	90	-	-	24	7	-
Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Synthetic securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Credit Risk

	31 December 2022																
	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	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Total exposures	1,495	36	6	-	-	-	1,537	-	-	-	320	-	-	-	26	-	-
Traditional securitisation	1,495	36	6	-	-	-	1,537	-	-	-	320	-	-	-	26	-	-
Securitisation	1,495	36	6	-	-	-	1,537	-	-	-	320	-	-	-	26	-	-
Retail underlying	-	36	6	-	-	-	42	-	-	-	21	-	-	-	2	-	-
Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wholesale	1,495	-	-	-	-	-	1,495	-	-	-	299	-	-	-	24	-	-
Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Synthetic securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 26: EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

	30 June 2023			31 December 2022		
	Exposures securitised by the institution - Institution acts as originator or as sponsor			Exposures securitised by the institution - Institution acts as originator or as sponsor		
	Total outstanding nominal amount		**Total amount of specific credit risk adjustments made during the period**	Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
		Of which exposures in default			Of which exposures in default	
	€ million	**€ million**	**€ million**	€ million	€ million	€ million
Total exposures [(1)]	**14,073**	**9,839**	**6,296**	14,994	10,500	6,800
Retail (total)	8,863	7,710	4,671	9,519	8,316	5,140
residential mortgage	6,631	5,737	3,314	6,720	5,822	3,340
credit card	-	-	-	-	-	-
other retail exposures	2,232	1,973	1,357	2,799	2,494	1,800
re-securitisation	-	-	-	-	-	-
Wholesale (total)	5,210	2,129	1,625	5,475	2,184	1,660
loans to corporates	5,210	2,129	1,625	5,475	2,184	1,660
commercial mortgage	-	-	-	-	-	-
lease and receivables	-	-	-	-	-	-
other wholesale	-	-	-	-	-	-
re-securitisation	-	-	-	-	-	-

[(1)] *The decrease in the total exposure mainly stems 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.

4. 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 is applied.

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

4.1 Internal model - Value at Risk (VaR) model & Incremental Risk Charge (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.

The following two tables summarize the components of the capital requirement, under the IMA approach applied by the Bank as at 30 June 2023 and 31 December 2022.

Table 27: EU MR2-A - Market risk under IMA

		30 June 2023		31 December 2022	
		RWEAs € million	Own funds requirements € million	RWEAs € million	Own funds requirements € million
1	**VaR** (higher of values a and b)	176	14	159	13
(a)	Previous day's VaR (VaRt-1)		3		3
(b)	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		14		13
2	**SVaR** (higher of values a and b)	340	27	383	31
(a)	Latest available SVaR (SVaRt-1))		7		6
(b)	Multiplication factor (ms) x average of previous 60 working days (sVaRavg)		27		31
3	**IRC** (higher of values a and b)	170	14	42	3
(a)	Most recent IRC measure		14		3
(b)	12 weeks average IRC measure		13		3
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]	**686**	**55**	584	47

[1] The increase observed in the H1 2023 RWAs is mainly stemming from the increased trading activity, mostly associated with items contributing to the IRC, i.e. fixed income securities.

Market Risk

Table 28: EU MR2-B - RWA flow of market risk exposures under IMA

	30 June 2023						
	VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWAs	Total own funds requirements
	€ million	€ million	€ million	€ million	€ million	€ million	€ million
1 **RWAs at 1 April 2023**[1]	200	342	60	-	-	603	48
1a *Regulatory adjustment*[2]	(175)	(259)	(24)	-	-	(458)	(37)
1b *RWAs at the previous quarter-end (end of the day)*[3]	25	83	36	-	-	144	12
2 Movement in risk levels	(24)	(3)	110	-	-	83	7
3 Model updates/changes	-	-	-	-	-	-	-
4 Methodology and policy	-	-	-	-	-	-	-
5 Acquisitions and disposals	-	-	-	-	-	-	-
6 Foreign exchange movements	-	-	-	-	-	-	-
7 Other	-	-	-	-	-	-	-
8a *RWAs at the end of the reporting period (end of the day)*[3]	33	89	170	-	-	291	23
8b *Regulatory adjustment*[2]	143	251	-	-	-	395	32
8 **RWAs at 30 June 2023**[1]	**176**	**340**	**170**	**-**	**-**	**686**	**55**

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

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 30 June 2023 and 31 December 2022.

Table 29: EU MR3 – IMA values for trading portfolios

	30 June 2023	31 December 2022
	€ million	€ million
VaR (10 day 99%)		
Maximum value	4	4
Average value	3	3
Minimum value	2	2
Period end	3	3
SVaR (10 day 99%)		
Maximum value	8	8
Average value	7	7
Minimum value	6	6
Period end	7	6
IRC (99.9%)		
Maximum value	31	15
Average value	8	4
Minimum value	1	-
Period end	14	3
Comprehensive risk capital charge (99.9%)		
Maximum value	-	-
Average value	-	-
Minimum value	-	-
Period end	-	-

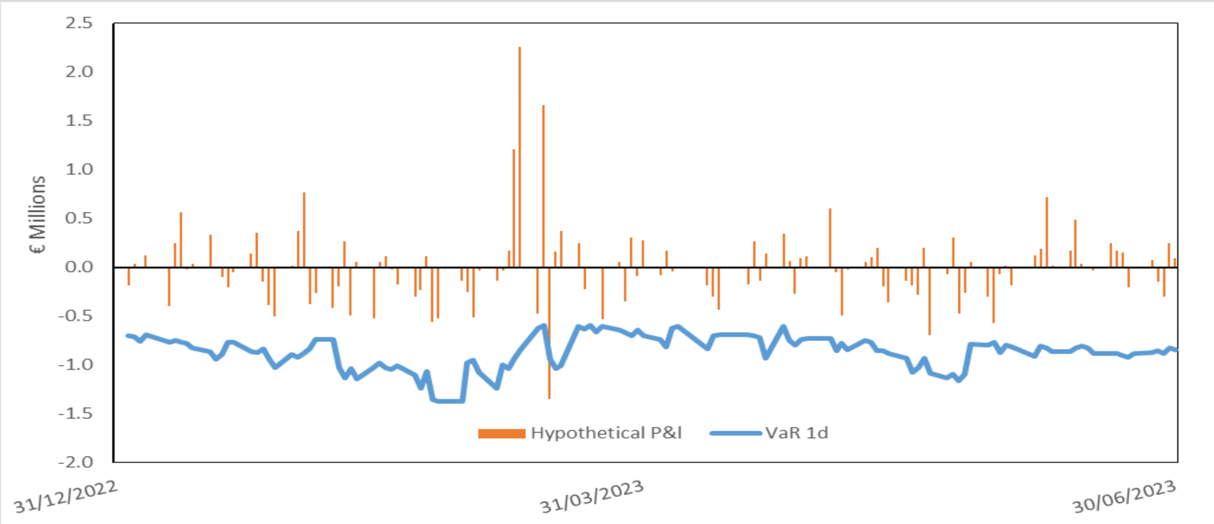
Market Risk

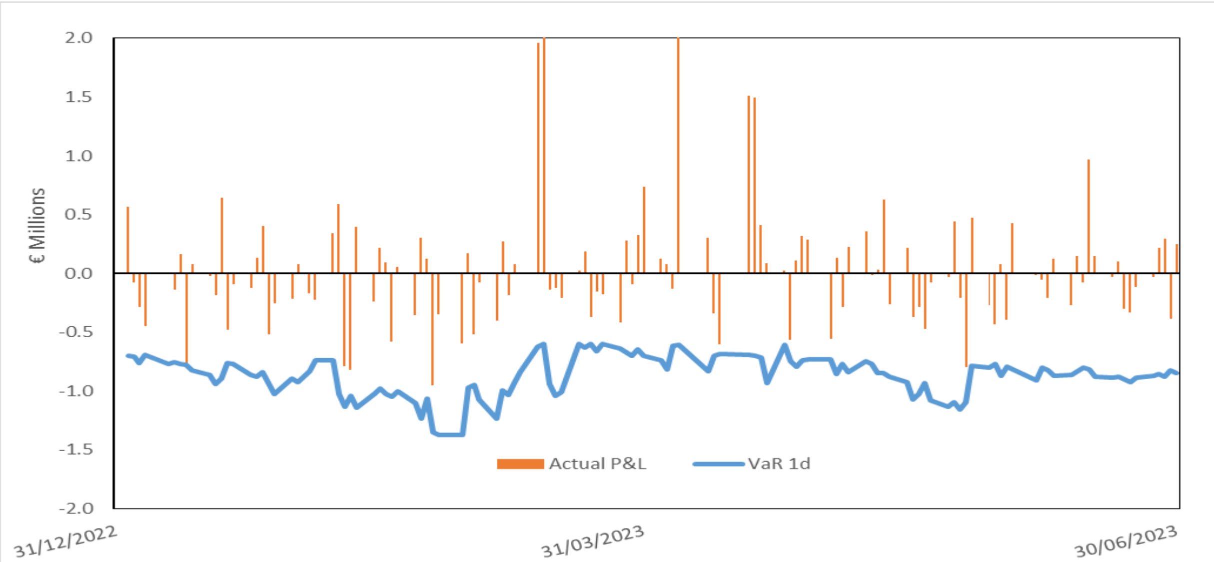
4.2 Back testing

Back testing for H1 2023 has revealed, as shown in the graphs below, one (1) overshooting out of a total of 122 working days, when comparing the VaR forecast to the Hypothetical Profit & Loss (P&L) and no overshootings 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 3.65 (currently in the yellow zone, with five (5) overshootings when comparing the VaR forecast to Hypothetical P&L and seven (7) when comparing to Actual P&L), for capital adequacy calculations for market risk. The calculation for RWAs (VaR, Stress VaR) takes into account the amended multiplication factor (3.90), 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 hypothetical) is attributed to the low volatility in the markets during the past six months. During the last 250 working days period, the total amount of overshootings is considerably reduced both on Hypothetical P&L ((5) for H1 2023 as compared to (14) for H2 2022) and Actual P&L ((7) for H1 2023 as compared to (17) for H2 2022). The final multiplication factor used for RWAs calculation is reduced to 3.90 (4.25 as at H2 2022).

Table 30: EU MR4 – Comparison of VaR estimates with gains/losses





Market Risk

4.3 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 30 June 2023 and 31 December 2022.

Table 31: EU MR1 – Market risk under the standardised approach

	30 June 2023	31 December 2022
	RWEAs € million	RWEAs € million
Outright products		
Interest rate risk (general and specific)	3	4
Equity risk (general and specific)	7	9
Foreign exchange risk	184	237
Commodity risk	-	-
Options		
Simplified approach	-	-
Delta-plus method	-	-
Scenario approach	-	-
Securitisation (specific risk)	-	-
Total	**193**	249

4.4 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 (including AC portfolios).

Regarding positions at fair value, the Bank calculates and monitors the interest rate risk for the Bank's operations in Greece, and for its Subsidiary Banks on a daily basis, using the internal VaR model. The perimeter of the calculation includes the 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).

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), 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 for sight deposits and other 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.

Market Risk

Table 32: EU IRRBB1 - Interest rate risks of non-trading book activities

Supervisory shock scenarios	30 June 2023			
	Changes of the economic value of equity		Changes of the net interest income	
	Current period € million	Last period € million	Current period € million	Last period € million
Parallel up	(590)	137	(162)	177
Parallel down	351	(420)	(236)	(590)
Steepener	(126)	(327)		
Flattener	(14)	183		
Short rates up	(181)	205		
Short rates down	88	(501)		

Supervisory shock scenarios	31 December 2022			
	Changes of the economic value of equity		Changes of the net interest income	
	Current period € million	Last period € million	Current period € million	Last period € million
Parallel up	137	185	177	265
Parallel down	(420)	(653)	(590)	(117)
Steepener	(327)	42		
Flattener	183	(106)		
Short rates up	205	22		
Short rates down	(501)	(154)		

The sensitivities to the Supervisory Shock scenarios in Table 32 as of 30 June 2023, are calculated as defined in EBA/GL/2022/14 which came into force on the 30 June 2023, while the sensitivities to the Supervisory Shock scenarios for the period until the 30 June 2023 are calculated as defined in EBA/GL/2018/02.

The measurement of Economic value of Equity and of Net Interest Income as of 30 June 2023 is based on the EBA/RTS/2022/10.

These Supervisory shock Scenarios are applied to IRRBB exposures in each currency for which the institution has material positions, separately. Specifically for the Bank's most material currency - EUR, the curve shifts per scenario are the following:

Parallel up : + 200 bps
Parallel down : - 200 bps
Short rates up : +250 bps (1 month) to 0 bps (above 20 years)
Short rates down : -250 bps (1 month) to 0 bps (above 20 years)
Steepener : -162 bps (1 month) to 90 bps (above 20 years)
Flattener : +200 bps (1 month) to -59 bps (above 20 years)

5. Counterparty Credit Risk

5.1 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).

5.2 Mitigation of counterparty credit 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.

5.3 Credit derivatives

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

As of 31 March 2023, the Group had a small number of positions on CDS Indices (protection bought € 200 million), as well as a put option on a European sovereign bond (protection sold € 20 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.

Table 33: EU CCR6 – Credit derivatives exposures

	30 June 2023		31 December 2022	
	Protection bought € million	**Protection sold € million**	Protection bought € million	Protection sold € million
Notionals				
Single-name credit default swaps	-	-	-	-
Index credit default swaps	275	-	-	-
Total return swaps	-	-	-	-
Credit options	-	-	-	-
Other credit derivatives [1]	50	50	-	-
Total notionals	**325**	**50**	-	-
Fair values				
Positive fair value (asset)	-	-	-	-
Negative fair value (liability)	(34)	-	-	-

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

Counterparty Credit Risk

5.4 Counterparty credit risk (CCR) based on the calculation methodology employed

The following table shows the exposure to counterparty credit risk based on the calculation methodology employed as at 30 June 2023 and 31 December 2022.

Table 34: EU CCR1 – Analysis of CCR exposure by approach

30 June 2023	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
	€ million	€ million	€ million		€ million	€ million	€ million	€ million
EU - Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
SA-CCR (for derivatives)	182	189		1.4	894	519	517	209
IMM (for derivatives and SFTs)			-	1.2	-	-	-	-
Of which securities financing transactions netting sets			-		-	-	-	-
Of which derivatives and long settlement transactions netting sets			-		-	-	-	-
Of which from contractual cross-product netting sets			-		-	-	-	-
Financial collateral simple method (for SFTs)					-	-	-	-
Financial collateral comprehensive method (for SFTs)					3,950	3,512	3,512	124
VaR for SFTs					-	-	-	-
Total					**4,844**	**4,031**	**4,029**	**333**

31 December 2022	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
	€ million	€ million	€ million		€ million	€ million	€ million	€ million
EU - Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
SA-CCR (for derivatives)	132	146		1.4	737	390	390	137
IMM (for derivatives and SFTs)			-	1.2	-	-	-	-
Of which securities financing transactions netting sets			-		-	-	-	-
Of which derivatives and long settlement transactions netting sets			-		-	-	-	-
Of which from contractual cross-product netting sets			-		-	-	-	-
Financial collateral simple method (for SFTs)					-	-	-	-
Financial collateral comprehensive method (for SFTs)					3,464	3,437	3,437	162
VaR for SFTs					-	-	-	-
Total					4,201	3,827	3,827	299

Counterparty Credit Risk

5.5 Credit Value Adjustment (CVA) capital charge

The following table shows the CVA capital charge, which is, calculated through the Standardised approach as at 30 June 2023 and 31 December 2022.

Table 35: EU CCR2 - Transactions subject to own funds requirements for CVA risk

	30 June 2023		31 December 2022	
	Exposure value € million	RWEA € million	Exposure value € million	RWEA € million
Total transactions subject to the Advanced method	-	-	-	-
(i) VaR component (including the 3× multiplier)		-		-
(ii) stressed VaR component (including the 3× multiplier)		-		-
Transactions subject to the Standardised method	192	178	143	132
Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-	-	-
Total transactions subject to own funds requirements for CVA risk	**192**	**178**	143	132

5.6 Exposures to Central Counterparties (CCPs)

The following table shows the exposures to CCPs and the corresponding RWAs as at 30 June 2023 and 31 December 2022.

Table 36: EU CCR8 – Exposures to CCPs

	30 June 2023		31 December 2022	
	Exposure value € million	RWEA € million	Exposure value € million	RWEA € million
Exposures to QCCPs (total)		9		16
Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	67	1	347	7
(i) OTC derivatives	67	1	347	7
(ii) Exchange-traded derivatives	-	-	-	-
(iii) SFTs	-	-	-	-
(iv) Netting sets where cross-product netting has been approved	-	-	-	-
Segregated initial margin	-		-	
Non-segregated initial margin	360	7	458	9
Prefunded default fund contributions	-	-	-	-
Alternative calculation of own funds requirements for exposures	-	-	-	-
Exposures to non-QCCPs (total)		-		-
Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-	-	-
(i) OTC derivatives	-	-	-	-
(ii) Exchange-traded derivatives	-	-	-	-
(iii) SFTs	-	-	-	-
(iv) Netting sets where cross-product netting has been approved	-	-	-	-
Segregated initial margin	-		-	
Non-segregated initial margin	-	-	-	-
Prefunded default fund contributions	-	-	-	-
Unfunded default fund contributions	-	-	-	-

Counterparty Credit Risk

5.7 Standardised approach – CCR exposures by regulatory portfolio and risk

The following table shows the CCR exposures by regulatory portfolio and risk as at 30 June 2023 and 31 December 2022.

Table 37: EU CCR3 - Standardised approach – CCR exposures by regulatory exposure class and risk weights

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

5.8 RWA flow statements of CCR exposures under IMM

Table 38: EU CCR7 - RWEA flow statements of CCR exposures under the IMM is not included as the Bank does not use an internal model for the calculation of the RWAs of CCR exposures.

5.9 Composition of collateral for exposures to CCR

The following table shows the composition of collateral for exposures to CCR, as at 30 June 2023 and 31 December 2022.

Table 39: EU CCR5 - Composition of collateral for CCR exposures

Collateral type	30 June 2023							
	Collateral used in derivative transactions				Collateral used in SFTs [1]			
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Cash – domestic currency	-	908	-	565	-	4	-	3
Cash – other currencies	-	1	-	26	-	-	-	1
Domestic sovereign debt	-	-	-	-	-	286	-	208
Other sovereign debt	-	-	-	-	-	235	-	352
Government agency debt	-	-	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	84	-	4,566
Equity securities	-	-	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-	-	6,561
Total	**-**	**909**	**-**	**590**	**-**	**610**	**-**	**11,690**

Counterparty Credit Risk

Collateral type	31 December 2022							
	Collateral used in derivative transactions				Collateral used in SFTs			
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Cash – domestic currency	-	1,264	-	581	-	4	-	4
Cash – other currencies	-	2	-	33	-	-	-	1
Domestic sovereign debt	-	-	-	-	-	110	-	594
Other sovereign debt	-	-	-	-	-	-	-	1,040
Government agency debt	-	-	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	65	-	4,370
Equity securities	-	-	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-	-	6,369
Total	-	1,266	-	614	-	179	-	12,378

[(1)] *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).*

6. 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 date30 June 2023, including profits, was at 8.1% (31 December 2022: 7.9%), 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 30 June 2023 and 31 December 2022.

Table 40: EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

	30 June 2023 [1]	30 June 2023	31 December 2022
	€ million	€ million	€ million
Total assets as per published financial statements	81,521	81,521	81,460
Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	-	-	-
(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-	-	-
(Adjustment for temporary exemption of exposures to central bank (if applicable))	-	-	-
(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	-	-	-
Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-	-	-
Adjustment for eligible cash pooling transactions	-	-	-
Adjustments for derivative financial instruments	(433)	(433)	(367)
Adjustment for securities financing transactions (SFTs)	863	863	793
Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	3,739	3,739	3,240
(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-	-	-
(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	-	-
(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-	-	-
Other adjustments	(696)	(738)	(441)
Total exposure measure	**84,994**	**84,952**	84,686

[1] *Including profits € 684 million for the 1H 2023.*

Leverage Ratio

Table 41: EU LR2 - LRCom: Leverage ratio common disclosure

	30 June 2023 [(1)] CRR leverage ratio exposures € million	30 June 2023 CRR leverage ratio exposures € million	31 December 2022 CRR leverage ratio exposures € million
On - balance sheet exposures (excluding derivatives and SFT's)			
On-balance sheet items (excluding derivatives, SFTs, but including collateral)	80,378	80,378	80,237
Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-	-
(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(232)	(232)	(234)
Adjustment for securities received under securities financing transactions that are recognised as an asset	-	-	-
(General credit risk adjustments to on-balance sheet items)	-	-	-
(Asset amounts deducted in determining Tier 1 capital)	(479)	(521)	(220)
Total on-balance sheet exposures (excluding derivatives and SFTs)	**79,667**	**79,625**	79,783
Derivative exposures	-	-	-
Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	73	73	272
Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-	-
Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	479	479	546
Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-	-
Exposure determined under Original Exposure Method	-	-	-
(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-	-
(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-	-
(Exempted CCP leg of client-cleared trade exposures) (original Exposure Method)	-	-	-
Adjusted effective notional amount of written credit derivatives	-	-	-
(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-	-
Total derivatives exposures	**552**	**552**	818
Securities financing transaction exposures			
Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	570	570	165
(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-	-
Counterparty credit risk exposure for SFT assets	466	466	679
Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-	-
Agent transaction exposures	-	-	-
(Exempted CCP leg of client-cleared SFT exposure)	-	-	-
Total securities financing transaction exposures	**1,036**	**1,036**	844
Other off-balance sheet exposures			
Off-balance sheet exposures of gross notional amount	11,484	11,484	10,251
(Adjustments for conversion to credit equivalent amounts)	(7,745)	(7,745)	(7,010)
(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	-	-
Off-balance sheet exposures	**3,739**	**3,739**	3,240
Excluded exposures			
(Total exempted exposures)	-	-	-
Capital and total exposurenmeasure	-	-	-
Tier 1 capital	6,871	6,580	6,715
Total exposure measure	84,994	84,952	84,686
Leverage ratio			
Leverage ratio	**8.1%**	**7.8%**	7.9%
Leverage ratio excluding the impact of the exemption of public sector investments and promotional loans) (%)	**8.1%**	**7.8%**	7.9%
Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	**8.1%**	**7.8%**	7.9%
Regulatory minimum leverage ratio requirement (%)	**3.00%**	**3.00%**	3.00%
Additional own funds requirements to address the risk of excessive leverage (%)	**0.00%**	**0.00%**	0.00%
of which: to be made up of CET1 capital (percentage points)	**0.00%**	**0.00%**	0.00%
Leverage ratio buffer requirement (%)	**0.00%**	**0.00%**	0.00%
Overall leverage ratio requirement (%)	**3.00%**	**3.00%**	3.00%
Choise on transitional arrangements and relevant exposures			
Choice on transitional arrangements for the definition of capital measure	**Transitional**	**Transitional**	Transitional

[(1)] Including profits € 684 million for the 1H 2023.

[(2)] The increase in the leverage ratio compared to 31December 2022 is mainly due to 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).

Leverage Ratio

Table 42: EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

	30 June 2023 [1]	30 June 2023	31 December 2022
	CRR leverage ratio exposures € million	CRR leverage ratio exposures € million	CRR leverage ratio exposures € million
Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	**80,146**	**80,146**	80,003
Trading book exposures	**323**	**323**	134
Banking book exposures, of which:	**79,823**	**79,823**	79,869
Covered bonds	285	285	360
Exposures treated as sovereigns	31,496	31,496	33,138
Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	-	-	-
Institutions	2,832	2,832	2,237
Secured by mortgages of immovable properties	11,287	11,287	10,459
Retail exposures	6,119	6,119	5,097
Corporates	15,857	15,857	16,832
Exposures in default	1,168	1,168	1,110
Other exposures (eg equity, securitisations, and other non-credit obligation assets)	10,779	10,779	10,634

[1] *Including profits € 684 million for the 1H 2023.*

7. 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 CCPs result in liquidity exposure. The Group maintains cash resources to meet all of these needs. The Board Risk Committee (BRC) sets liquidity limits to ensure that sufficient funds are available to meet such contingencies.

Past experience shows that liquidity requirements to support calls under guarantees and standby letters of credit are considerably less than the amount of the commitment. This is also the case with credit commitments where the outstanding contractual amount to extend credit does not necessarily represent future cash requirements, as many of these commitments will expire or terminate without being funded.

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the Group. It is unusual for banks to be completely matched, as transacted business is often of uncertain term and of different types. An unmatched position potentially enhances profitability, but also increases the risk of losses.

The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest bearing liabilities as they mature, are important factors in assessing the liquidity of the Group.

7.1 Liquidity Coverage Ratio (LCR) calculations

LCR as of 30 June 2023 is equal to 174.0% (31 March 2023: 167.5%). The corresponding High Quality Liquid Assets (HQLA) as of 30 June 2023 as defined by the regulation for the calculation of LCR are € 17,300 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 43: LIQ1 - Quantitative information of LCR

		Total unweighted value					Total weighted value				
	Quarter ending on	30 June 2023	31 March 2023	31 December 2022	30 September 2022	30 June 2022	30 June 2023	31 March 2023	31 December 2022	30 September 2022	30 June 2022
		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12	12	12
	HIGH-QUALITY LIQUID ASSETS										
1	Total high-quality liquid assets (HQLA)						16,074	15,118	14,012	13,051	12,480
	CASH-OUTFLOWS										
2	Retail deposits and deposits from small business customers, of which:	33,390	32,841	32,235	31,545	30,767	2,207	2,111	2,041	1,985	1,920
3	Stable deposits	23,890	24,599	24,647	24,323	23,981	1,195	1,230	1,232	1,216	1,199
4	Less stable deposits	9,500	8,241	7,587	7,221	6,785	1,012	881	807	768	720
5	Unsecured wholesale funding	14,825	14,419	14,119	13,573	13,120	6,483	6,161	6,032	5,796	5,632
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	1,857	1,933	1,931	1,919	1,851	455	474	474	471	454
7	Non-operational deposits (all counterparties)	12,968	12,487	12,187	11,654	11,270	6,028	5,687	5,558	5,325	5,178
8	Unsecured debt		-	-	-	-	-	-	-	-	-
9	Secured wholesale funding						113	120	120	117	102
10	Additional requirements	4,467	3,873	3,186	2,821	2,648	1,264	1,234	1,088	960	846
11	Outflows related to derivative exposures and other collateral requirements	930	960	874	771	663	930	960	874	771	663
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	3,538	2,913	2,313	2,050	1,985	334	273	214	189	183
14	Other contractual funding obligations	117	113	115	121	105	106	102	104	110	94
15	Other contingent funding obligations	3,487	3,462	3,435	3,362	3,261	240	241	241	237	231
16	TOTAL CASH OUTFLOWS						10,413	9,970	9,626	9,205	8,826
	CASH-INFLOWS										
17	Secured lending (eg reverse repos)	78	105	224	342	433	9	14	20	27	30
18	Inflows from fully performing exposures	866	835	874	867	879	714	693	736	737	756
19	Other cash inflows	1,544	1,591	1,589	1,533	1,449	326	363	362	348	330
20	TOTAL CASH INFLOWS	2,488	2,531	2,688	2,742	2,761	1,049	1,071	1,118	1,112	1,116
EU-20a	*Fully exempt inflows*	-	-	-	-	-	-	-	-	-	-
EU-20b	*Inflows Subject to 90% Cap*	-	-	-	-	-	-	-	-	-	-
EU-20c	*Inflows Subject to 75% Cap*	*2,488*	*2,531*	*2,688*	*2,742*	*2,761*	*1,049*	*1,071*	*1,118*	*1,112*	*1,116*
							TOTAL ADJUSTED VALUE				
21	LIQUIDITY BUFFER						16,074	15,118	14,012	13,051	12,480
22	TOTAL NET CASH OUTFLOWS						9,364	8,899	8,508	8,093	7,710
23	LIQUIDITY COVERAGE RATIO (%)						171.5%	169.7%	164.4%	161.3%	162.0%

Liquidity Risk

7.2 Net Stable Funding Ratio (NSFR) calculations

NSFR as of 30 June 2023 is equal to 129.7% (31 December 2022: 128.0%). The minimum regulatory threshold for NSFR is set at 100%.

Table 44: LIQ2 - Net Stable Funding Ratio

	30 June 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
Capital items and instruments	**7,452**	**-**	**-**	**1,244**	**8,696**
Own funds	7,452	-	-	1,244	8,696
Other capital instruments		-	-	-	-
Retail deposits		**33,689**	**3,947**	**1,013**	**36,124**
Stable deposits		23,803	998	195	23,756
Less stable deposits		9,885	2,949	818	12,368
Wholesale funding:		**22,249**	**1,587**	**4,016**	**12,433**
Operational deposits		1,419	-	-	709
Other wholesale funding		20,831	1,587	4,016	11,724
Interdependent liabilities		**-**	**-**	**-**	**-**
Other liabilities:	**668**	**1,469**	**-**	**2,850**	**2,850**
NSFR derivative liabilities	668				
All other liabilities and capital instruments not included in the above categories		1,469	-	2,850	2,850
Total available stable funding (ASF)					**60,104**

	30 June 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
Total high-quality liquid assets (HQLA)					**283**
Assets encumbered for a residual maturity of one year or more in a cover pool		**111**	**83**	**3,938**	**3,512**
Deposits held at other financial institutions for operational purposes		**118**	**-**	**-**	**59**
Performing loans and securities:		**4,758**	**2,479**	**33,415**	**31,471**
Performing securities financing transactions with financial customerscollateralised by Level 1 HQLA subject to 0% haircut		-	-	-	-
Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		914	94	822	958
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
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
Performing residential mortgages, of which:		170	117	5,313	-
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		80	74	2,046	-
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
Interdependent assets		**-**	**-**	**-**	**-**
Other assets:		**2,635**	**10**	**10,460**	**10,599**
Physical traded commodities				-	-
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	376	320
NSFR derivative assets		-			-
NSFR derivative liabilities before deduction of variation margin posted		939			47
All other assets not included in the above categories		1,696	10	10,084	10,232
Off-balance sheet items		**6,683**	**433**	**1,013**	**430**
Total RSF					**46,354**

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

Liquidity Risk

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

	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
Total high-quality liquid assets (HQLA)					324
Assets encumbered for a residual maturity of one year or more in a cover pool		130	116	3,820	3,457
Deposits held at other financial institutions for operational purposes		108	-	-	54
Performing loans and securities:		4,673	3,346	33,321	31,858
Performing securities financing transactions with financial customerscollateralised by Level 1 HQLA subject to 0% haircut		-	-	-	-
Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		686	21	285	361
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
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
Performing residential mortgages, of which:		138	157	5,152	-
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		64	57	1,752	-
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
Interdependent assets		-	-	-	-
Other assets:		2,650	8	9,901	10,026
Physical traded commodities				-	-
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	394	335
NSFR derivative assets		-			-
NSFR derivative liabilities before deduction of variation margin posted		988			49
All other assets not included in the above categories		1,661	8	9,508	9,642
Off-balance sheet items		6,519	319	723	391
Total RSF					46,109

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

Liquidity Risk

	31 December 2022				
	Unweighted value by residual maturity				Weighted value
Available stable funding (ASF) Items	No maturity[1] € million	< 6 months € million	6 months to < 1yr € million	≥ 1yr € million	€ million
Capital items and instruments	6,718	-	-	1,259	7,977
Own funds	6,718	-	-	1,259	7,977
Other capital instruments		-	-	-	-
Retail deposits		35,129	1,465	236	34,543
Stable deposits		26,451	1,004	156	26,238
Less stable deposits		8,678	461	79	8,304
Wholesale funding:		26,503	710	4,272	14,303
Operational deposits		1,956	-	-	978
Other wholesale funding		24,547	710	4,272	13,325
Interdependent liabilities		-	-	-	-
Other liabilities:	581	1,705	5	2,286	2,288
NSFR derivative liabilities	581				
All other liabilities and capital instruments not included in the above categories		1,705	5	2,286	2,288
Total available stable funding (ASF)					59,111

	31 December 2022				
	Unweighted value by residual maturity				Weighted value
Required stable funding (RSF) Items	No maturity[1] € million	< 6 months € million	6 months to < 1yr € million	≥ 1yr € million	€ million
Total high-quality liquid assets (HQLA)					337
Assets encumbered for a residual maturity of one year or more in a cover pool		146	123	3,962	3,597
Deposits held at other financial institutions for operational purposes		108	-	-	54
Performing loans and securities:		4,724	2,709	33,394	31,816
Performing securities financing transactions with financial customerscollateralised by Level 1 HQLA subject to 0% haircut		-	-	-	-
Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		451	18	170	222
Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		3,983	2,408	24,317	28,172
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		222	95	226	1,431
Performing residential mortgages, of which:		145	159	5,015	-
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		61	50	1,645	-
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		145	124	3,891	3,421
Interdependent assets		-	-	-	-
Other assets:		2,529	7	9,883	9,982
Physical traded commodities				-	-
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	383	325
NSFR derivative assets		-			-
NSFR derivative liabilities before deduction of variation margin posted		946			47
All other assets not included in the above categories		1,583	7	9,500	9,610
Off-balance sheet items		6,489	342	802	394
Total RSF					46,181

NSFR	31 December 2022
Net Stable Funding Ratio (%)	128.0%

Liquidity Risk

	30 September 2022				
	Unweighted value by residual maturity				Weighted value
	No maturity[1]	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items	€ million	€ million	€ million	€ million	€ million
Capital items and instruments	6,071	-	-	950	7,021
Own funds	6,071	-	-	950	7,021
Other capital instruments		-	-	-	-
Retail deposits		35,052	1,120	233	34,146
Stable deposits		26,423	749	124	25,937
Less stable deposits		8,629	370	109	8,209
Wholesale funding:		20,408	6,428	4,298	15,805
Operational deposits		1,921	-	-	961
Other wholesale funding		18,487	6,428	4,298	14,844
Interdependent liabilities		-	-	-	-
Other liabilities:	478	2,015	2	2,234	2,235
NSFR derivative liabilities	478				
All other liabilities and capital instruments not included in the above categories		2,015	2	2,234	2,235
Total available stable funding (ASF)					60,167

	30 September 2022				
	Unweighted value by residual maturity				Weighted value
	No maturity[1]	< 6 months	6 months to < 1yr	≥ 1yr	
Required stable funding (RSF) Items	€ million	€ million	€ million	€ million	€ million
Total high-quality liquid assets (HQLA)					1,310
Assets encumbered for a residual maturity of one year or more in a cover pool		154	140	3,968	3,623
Deposits held at other financial institutions for operational purposes		101	-	-	51
Performing loans and securities:		5,379	2,783	32,047	31,690
Performing securities financing transactions with financial customerscollateralised by Level 1 HQLA subject to 0% haircut		-	-	-	-
Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		574	14	140	201
Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		4,541	2,472	23,322	28,293
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		214	132	557	1,593
Performing residential mortgages, of which:		165	173	4,967	-
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		58	51	1,543	-
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		99	125	3,618	3,196
Interdependent assets		-	-	-	-
Other assets:		2,505	3	10,232	10,336
Physical traded commodities				-	-
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	339	288
NSFR derivative assets		-			-
NSFR derivative liabilities before deduction of variation margin posted		957			48
All other assets not included in the above categories		1,548	3	9,893	10,000
Off-balance sheet items		4,122	483	711	277
Total RSF					47,287

NSFR	30 September 2022
Net Stable Funding Ratio (%)	127.2%

8. Environmental, Social and Governance (ESG) Risks

8.1 Qualitative Information on Environmental Risks

8.1.1 Business Strategy and Processes

Alignment of Our Business Strategy with Environmental Risk Management Expectations

Business Strategy & Business Model

The Bank supports the sustainable transition of the economy and considers sustainability, climate change and the low-carbon transition a challenge but also a unique opportunity. The Bank's key strategic objective is to adapt its business and operations in a way that addresses climate change challenges, accommodate social needs within its banking 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 a holistic strategy related to its financing and products, its internal environment and the way it is organised and operates 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.

A. Operational Impact Strategy

The Operational Impact Strategy focuses on the following:

- Environmental Impact (operational net zero, paperless banking, circular economy);
- Social and Business Impact (sustainable procurement, socio-economic effect, transparency); and
- Employer Impact (diversity and inclusion, wellbeing culture, innovative environment).

B. Financed Impact Strategy

The Financed Impact Strategy focuses on the following:

- 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; and
- The assessment and management of climate related material exposures.

Through a set of actions with measurable targets, the Sustainability Strategy reflects the Bank'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. Making progress along these pillars the Bank aims to maximise its contribution to achieving the Paris Climate Agreement's targets and the United Nations (UN) Sustainable Development Goals (SDGs).

Business strategy evolution and our commitment towards climate action

The Bank'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

Environmental, Social and Governance (ESG) Risks

accounted for in the Sustainable Finance Framework and Sustainable Investment Framework (SIF), allowing the Bank to conduct its relevant financing/ investment/ funding activities while ensuring compliance with regulatory expectations.

Additionally, the Bank 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 the risks deriving from physical risk events.

Climate change and the low-carbon transition present new challenges and unique opportunities. Our key ambition is to be at the forefront of enabling our clients develop and reap these opportunities in order to support their low carbon transition. To this end the Bank has developed its Financed Impact Strategy focusing on sustainable financing as well as portfolio and sectoral targets with regards to financing the green transition of its clients. Key aspect of the Bank's strategy is also identifying and managing climate-related risks through dedicated climate risk management processes as well as developing a Net Zero Plan.

To better understand how environmental risks affect its business environment so as to update its business strategy and processes, the Bank plans to implement the following initiatives:

- Preparation of the Bank's sectoral transition pathways;
- Performing perimeter analysis of Taxonomy-related sectors and counterparties affecting the Green Asset Ratio;
- Developing an approach and defining the tools required for assessing portfolio alignment with respect to climate transition pathways;
- Specifying of short, medium and long-term targets for portfolio alignment with respect to climate transition pathways and in line with the Bank's Sustainability and Business Strategy and portfolio composition and features;
- Further integrating ESG and CR&E risks considerations in the business planning process (e.g. project budgeting and prioritisation), to reflect the Bank's business strategy and relevant targets.

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

<u>Portfolio targets</u>

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

Retail banking

- Double Retail green gross disbursements within 2023 compared to 2022

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

<u>Sectoral targets</u>

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

<u>Next milestones</u>

Portfolio alignment and net zero

- 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 by Q1 2024.

- Actively support clients' climate transition with an ambition to further increase sustainable financing going forward.
- 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.
- Align with the Task force on Climate Related Financial Disclosures recommendations within 2023
- Actively participate in the Hellenic Bank Association initiative for the creation of an ESG data repository to support sustainable financing, in line with the regulatory requirements.

The Operational and Financed pillars of the Sustainability Strategy are combined for addressing Eurobank's path towards Net Zero by 2050. In line with Eurobank's commitment to the UNEP FI Principles for Responsible Banking, development of the Sustainability Strategy is aligned with the requirements for identifying the most significant positive and negative impacts on the societies and environment where it operates.

Business Environment & Financial Planning

The Group launched an initiative, namely "Programme Field", with an aim to develop and implement its sustainability strategy, integrate ESG/ CR&E risks, fulfil its UNEP FI PRB signatory commitments and ensure readiness to comply with upcoming 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 action plans addressing CR&E risks within the three Lines of Defense. In addition, with regards to Group's business environment the following actions have been taken:

- The Bank performed a market practice-peer review exercise to assess the competitive landscape, identifying best practices adopted by domestic and international peer banks for CR&E risk management. The results of the assessment showed that the Bank is broadly aligned with good practices in all relevant areas;
- The Business Units, the Group Climate Risk and the ESG have been assigned the responsibility to monitor the external ESG business environment of the Bank (e.g., monitoring of climate-related and environmental laws, regulations, international agreements, voluntary agreements, ESG regulatory and disclosures developments, ESG partnerships, net zero initiatives), providing important input for the assessment of the risks and developments that may affect the Bank; and
- Environmental risk considerations are being integrated in the process for the formulation of the Bank's Business Plan, while pertinent factors are also taken into account in the budgeting process for the Bank's Business Units. For the purposes of target-setting as regards the Bank's financed impact strategy, the Bank's senior management defines the level of the Bank's Risk Appetite for the following years, taking into account historical experience, identified risks and opportunities, market maturity level as well as best market practices and regulatory requirements. This is a dynamic process, given the rapid evolution of the supervisory expectations and the needs of market participants in the area of environmental risk management.

Green Financing – Objectives, Current Activities & Targets

Objectives

The Bank 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), the Bank has been working on developing targets that will enable it to mitigate the negative and amplify the positive impacts arising from its financing activities. The Bank will continue working with its current and future clientele and will support them with financing in their transition 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.

Environmental, Social and Governance (ESG) Risks

The Bank sets and refines its targets and is in the process of establishing comprehensive management mechanisms, KPIs and milestones to better implement and monitor these. Aligning the Bank's activities with the Paris Agreement on climate change, the EU Sustainable Finance Action Plan and the UN SDGs will be a key aspect of setting its targets.

In order to enhance its ESG approach, the Bank participates, inter alia, various national and international associations, organizations, and initiatives, such as UN Environment Programme Finance Initiative (UNEP FI), UN Principles for Responsible Investment, Climate Action in Financial Institutions, etc.

The Bank will continue doing business with all its clients and will focus on supporting their transition efforts. Leveraging on tools, frameworks and other enablers, such as the climate risk assessment exercises, the Bank’s strategic approach is to support green transition efforts, through direct financing and advisory solutions for capital raising to current and potential clientele. To this end, its approach focuses on:

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

Having a leading role in the largest, most prominent projects in the Greek economy, the Bank finances robust business plans, growth strategies, investment programmes and export activities in strategic sectors.

<u>Sustainable financing for individuals and businesses</u>

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.

<u>Asset and wealth management with ESG criteria</u>

In 2018 the Bank launched the (LF) Fund of Funds – 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.

<u>Deposit solutions with ESG criteria</u>

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 <u>https://www.eurobank.gr/en/group/esg-environment-society-governance/sustainable-financing</u>.

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 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. Eurobank has drawn on internationally recognised industry guidelines and principles for the development of the SFF i.e. International Capital Markets Association (ICMA), LMA and 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.

Environmental, Social and Governance (ESG) Risks

In its SFF, Eurobank defines four classification approaches:

1. Dedicated-purpose – Green/Social Loans;
2. General-purpose – Company Business Mix;
3. General-purpose – Sustainability-linked Loans/Facilities; and
4. Recovery and Resilience Facility-based Approach.

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

Green Bond Framework

The Bank's Green Bond Framework facilitates the Bank to meet its environmental/ sustainability commitments and finance projects that will deliver environmental benefits to the economy and support its business strategy and vision. The Green Bond Framework is developed in accordance with global best practices and standards and considers EU Taxonomy eligibility criteria to classify potential investments as green.

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

The Bank has approved its SIF, for the classification of investments as sustainable based on criteria observed in international market practices. Eurobank's SIF outlines 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). The sustainability assessment based on the SIF criteria, irrespective of eligibility outcome, does not prevent the Bank from considering noneligible investments for its portfolio.

Engagement with Our Counterparties for Environmental Risk Mitigation

The Bank engages with its counterparties, both in the context of its credit granting and asset management activities, in order to understand their strategies to mitigate and reduce their exposure to environmental risks.

Engagement in the context of Credit-Granting Activities

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. Towards this end, the Bank has launched initiatives aiming to build ESG literacy and capacity among its clients

Along with its service and product offerings, the Bank implements an Environmental and Social Management System (ESMS), aiming to mitigate potential credit risks arising from the operation of businesses that are financed by the Bank. In this context, the Bank also includes non-financial covenants in the contractual documentation at the point of loan origination, aiming to influence the clients' strategies to mitigate/reduce environmental and social risks.

Moreover, Eurobank through its SFF and SFF Assessment Tool (web-based) is able to identify and classify sustainable/ green financing opportunities. Engagement in the context of Asset Management Activities

For Eurobank Asset Management M.F.M.C., engagement and dialogue are an integral and crucial part of responsible investing. In this context, as per its Responsible Investment Policy the Company 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:
http://www.eurobankam.gr/sites/default/files/downloads/responsible_investment_policy_final.pdf

For more details on the Voting Rights Policy please refer to:
http://www.eurobankam.gr/sites/default/files/downloads/138_politiki_askisis_dikaiomaton_psifoy_eurobank_asset_management_aedak_0.pdf

8.1.2 Governance

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

Eurobank has incorporated 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 to 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 the roles and responsibilities in relation to ESG and climate related and environmental risks, embedding regulatory guidelines and market practices involving various key stakeholders (i.e., Business functions, Units, and Committees). In this context and taking into account the significant impact of CR&E risks both on financial institutions and on the global economy, the Group developed and approved 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.

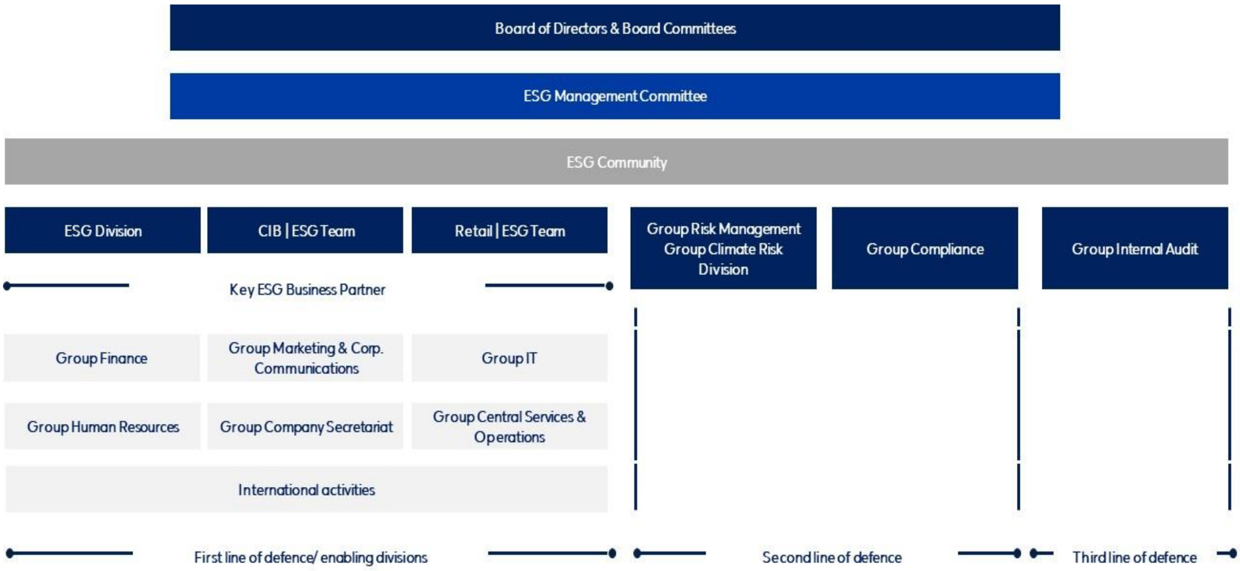
CR&E Risks Management Policy encompasses, among others, information on the following areas:

- 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 Pillars: Outline of the key practices of the Group and of the work performed by the Group Climate Risk
- CR&E Risk Management Tools: Indication of the main tools used by the Group's Lines of Defense for the identification, measurement and management of CR&E risks.

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 model for the management of CR&E risks. The Three Lines of Defense Model enhances risk management and control by clarifying roles and responsibilities within the organization. Eurobank's ESG governance model also ensures that the management of relevant climate-related and environmental risks is integrated in the Bank's three lines of defense. The updated governance structure aims to further enhance the effective oversight of ESG matters at management / Board level.

Environmental, Social and Governance (ESG) Risks



Over the past year, the Bank has taken significant steps to enhance its ESG governance model and support the roll out of its Sustainability Strategy and the integration of ESG and CR&E risks.

<u>Enhanced Governance Structure and Committees</u>

- 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.

<u>Integration of CR&E Risk Management across the three Lines of defense</u>

- 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 and oversight of the Bank's ESG performance.
- Group Climate Risk responsible for managing and monitoring CR&E risks, PMO office for the implementation of the Climate Related and Environmental risks roadmap, preparation and submission for approval of the Financed Impact Strategy, along with Business and Risk Units.
- Intensive training on sustainable finance and climate risk to Bank personnel.

Role of Board, Board Risk Committee, 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 (Board or BoD)

The Eurobank Holdings / Eurobank Boards' role is to provide entrepreneurial leadership to the Group within a framework of prudent and effective controls which enables risk to be assessed and managed. The Boards set the Group's strategic goals, ensure that the necessary financial and human resources are in place for the Group to pursuit its purpose and review management performance. The Boards set the Group's values and standards and ensure that its obligations to its shareholders and others are understood and met. The Eurobank Holdings/ Eurobank Boards have assigned an executive member as the Board Member responsible for climate and environmental risks.

Eurobank Holdings / Eurobank Board Risk Committee (BRC)

The Eurobank Holdings / Eurobank Board Risk Committees, among others, oversee the implementation of strategies for capital and liquidity management as well as for all other related risks, including climate-related and environmental risks, in order to assess their adequacy against the approved risk appetite and strategy. In addition, Eurobank Holdings/ Eurobank Board Risk Committees determine, among others, the principles which govern risk management (including risk management of climate-related and environmental risk) 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 reporting to the BRC on the 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, integrate the elements of the Sustainability Strategy into the Eurobank's business model and operations, approves eligible assets of Green Bond Frameworks, regularly measures and analyses the progress of the ESG goals and performance targets, ensures the proper implementation of ESG-related policies and procedures, in accordance with supervisory requirements and voluntary commitments. To this end, ESG ManCo reviews and approves ESG-related reports and ensures that they are in accordance with related Standards and Guidelines. 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 designing and executing the Group's CRST Programme; coordinates all activities relating to Climate Risk Stress Testing including risk identification, scenario design and stress test execution; reviews and challenges the output at each stage of the process prior to escalating to the Executive Board.

Internal and external ESG Risks awareness and capacity building

Eurobank is placing great emphasis on building capacity among its employees, so they are 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 plan for its employees. 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 units).

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

Environmental, Social and Governance (ESG) Risks

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 ESG Risk Governance involves various key stakeholders (i.e. business functions, Units, and Committees).

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

- Short term: <3 years aligned with budget;
- Medium term: 3-10 years aligned with business planning;
- Long term: >10 years aligned with strategic planning.

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 their 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 in the 1st line of defense has been revisited to include the responsibility for 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 General (GRMG) 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 GRMG, the 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 GRMG 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 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 and Investment Banking and Retail Banking are primarily involved in executing all portfolio-related ESG activities including the implementation of the financed impact strategy.

To effectively manage ESG and sustainable financing related CIB activities, a dedicated function, the Sustainability Center of Excellence is being initiated in 2023. In the meantime, CIB ESG coordinator is responsible to oversee ESG and sustainable financing activities. Regarding the Retail Banking, the Bank has introduced two ESG coordinators, 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 CR&E risks. Specifically, the GCR operates as the Project office responsible for the implementation of the climate related and environmental risks roadmap (“Programme Field”), with a coordinating and supervisory role on all related project streams to ensure alignment with the Bank’s business strategy and the regulatory authorities’ expectations. In this context, the GCR ensures the implementation of corresponding environmental and sustainability initiatives (frameworks, policies, procedures and products) and compliance with relevant existing and upcoming regulations, under an ongoing group-wide programme, in line with the agreed supervisory roadmap, which is accelerated where possible. The GCR is also responsible for coordinating with Business and other Risk Units, preparing and submitting for approval the Financed Impact Strategy and monitoring its implementation. Furthermore, the GCR leads the 2nd line of defense independent sustainable lending re-assessment process. Specifically, in the context of implementing the approved SFF, the Unit is responsible for assessing the sustainability features of new loans and products according to the criteria set within the SFF. Going forward the role of the GCR will be expanded, covering the management of ESG risks.

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 ESG Operational Impact Strategy and monitoring its implementation, with a leading role in selected areas, providing also 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 centralised 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 defence. 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

The Group Compliance establishes a compliance monitoring program for the Bank's activities concerning ESG aspects and sustainability. Its key roles and responsibilities include:

1. Regulatory compliance
    - Monitors the regulatory environment and emerging trends around sustainable financing, informs the 1st and 2nd lines of defense and may propose required changes / enhancements for the relevant policies and documents regarding sustainable financing offerings;
    - Issues a regulatory bulletin which refers to regulatory developments and their impact on the Bank's operation in terms of ESG risks; and

Complements the risk management framework and monitors the alignment of institutions' activities with applicable laws, rules, regulations and standards, including ESG regulatory aspects.

2. Compliance Risk Assessment
    - Assesses conduct risk in relation to ESG; and
    - Performs compliance checks with regards to ESG-related conduct risk.

3. Policies' Update
    - Maintains the Bank's conduct related policies (e.g. AML & Sanctions, Anti-Bribery and Corruption, etc.), including their ESG elements.

4. Product offering monitoring
    - Via its participation in the Products and Services Committee and process, provides advice and checks on Bank's ESG product offerings, including that promotional statements do not misrepresent products or services to clients.

Internal Audit Group (IAG)

The role of the third line of defense within Eurobank 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 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 risks, building on the following pillars:

- **Methodology/Infrastructure:** The Management of ESG risks and the Bank' initiatives are recognized as a separate auditable area, subject to risk-assessment. Furthermore, climate risk was recently 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. IAG is in the process to operationalise the change and reflect it in IAG's risk assessment, audit planning and audit reports, with an aim to monitor IAG's coverage in terms of timing and findings, assisting in appropriate future planning and monitoring in the area, including more focused monitoring of relevant issues by the Bank's Board and the AC.
- **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 to commence relevant certifications from 2023 onwards. IAG intends to experiment with the available industry professional body offers, such as GARP's Sustainability and Climate Risk Certificate, CFA's Certificate in ESG Investing, ICAEW Sustainability Certificate, etc. This comes in parallel with other initiatives aimed at upskilling through dedicated training sessions (e.g. Bank internal, Moody's, webinars), "on-the-job" upskilling (participation and consultation in the Bank's projects and initiatives around ESG) and increased awareness (e.g. establishment of IAG's ESG Focus Group, sharing knowledge on ESG practice and regulatory initiatives, targeted presentation to AC members). 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. This approach will be revisited in the future.
- **ESG – Audit Universe Coverage and Audit Planning**: Following the infrastructure steps described above, since 2021 IAG has carried out several assignments around ESG, in parallel with the monitoring of the Bank's initiatives in this area. Specifically, the 2021 Annual Audit Plan (AAP) included participation in the Bank's ESG Programme Field, and a consulting assignment on ESG reporting. The 2022 AAP included a consulting assignment on the Climate Risk Stress Test 2022 and the commencement of audit assurance work around the operationalization of the C&E Risk Management Framework within targeted areas of the Bank (e.g. Transformation Project; Investments) and a similar approach is implemented within the 2023 AAP. Key areas of focus include risk materiality, governance and strategy, C&E risk management framework, products design and offering, disclosures, etc. These initiatives come in addition to the existing coverage by IA 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.

Environmental, Social and Governance (ESG) Risks

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

The Bank has adequate monitoring and reporting mechanisms in place to ensure appropriate management of the CR&E risks generated by its activities. For this purpose, the Bank has developed appropriate Key Performance Indicators (KPIs) that are reported to the 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, as well as from the Bank's internal exercises and materiality assessment (for transition and physical risk). In this context, the Bank has established a climate risk monitoring dashboard with appropriate climate risk KPIs that is reported to the management body on a periodic basis, in order to effectively oversee CR&E risks across the Bank.

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, as well as facilitates internal reporting. Going forward, the Bank aims to implement further systemic enhancements in its IT and data infrastructure, to support the standardization of the monitoring of pertinent information, as well as safeguard data availability and accuracy.

For further details, please refer to the relevant CR&E Risk Report: https://www.eurobank.gr/-/media/holding/omilos/annual-reports/etisios-apologismos-2022/climate-related-environmental-risk-report.pdf

Alignment of the Remuneration Policy with the Bank's environmental and social objectives

The Bank promotes the integration of sustainability factors into its remuneration policies. The Bank's Remuneration Policy, which applies to all Bank employees and covers their total remuneration, forms an integral part of its corporate governance practice. It 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, including ESG risk factors, as well as the long-term interests of the Bank, and should not encourage excessive risk-taking on behalf of the Bank.

The Bank aims to integrate climate and environmental risk aspects into its Remuneration Policy. In particular, within 2023, the Remuneration Policy will be linked to specific climate risk performance indicators/KPIs to monitor progress towards achieving the Bank's targets in terms of climate risk management, financed and operational impact.

ESG Ratings

Eurobank actively participates in internationally renowned ESG ratings to highlight the continuous improvement in its ESG performance, upgrade the relevant disclosures, and further enhance investor confidence in its practices. In this context, improvements in important ESG ratings have been performed, underling the latest result of FTSE4Good under which the Bank achieved a significant score improvement of 3.4/5 in June 2023 (vs 2.8/5 in 2022).

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

Environmental, Social and Governance (ESG) Risks

8.1.3 Risk Management

Integration of Environmental Factors in Our Risk Management Framework

Eurobank has incorporated ESG risk 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.

The Bank also aspires to become a frontrunner in supporting low carbon transition and has deployed a dedicated approach that will enable clients to meet their sustainability objectives.

Group Risk Management Framework and CR&E Risk Management Framework

The Group Risk Management Framework defines the duties of the GRMG, 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 Eurobank 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 risk management have been embedded in the Group Risk Management Framework. Eurobank finalized its CR&E Risk Management Policy, evaluating the effects of climate-related and environmental risks on its business, as well as supporting the risk management decision-making.

Risk Appetite

The Group articulates its Risk Appetite via a set of qualitative and quantitative statements relating to, inter alia, solvency, liquidity, profitability, asset quality and other areas related to the material risks. In this context, a Risk Appetite Statement was established and set for at least 20% of the annual new CIB disbursements within 2022 to be classified as Green/Environmentally sustainable loans by applying the criteria set in Bank's SFF, which also includes RRF green tagging classification. This target was exceeded during 2022, showing the Bank's commitment towards green transition.

Risk Identification & Materiality Assessment

The RIMA process sets the appropriate mechanisms to identify, measure and monitor risks at an early stage, as well as to control 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 eventually define appropriate risk appetite metrics to monitor the risks assessed as material.

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

For more detail please refer to the relevant CR&E Risk Report: https://www.eurobank.gr/-/media/holding/omilos/annual-reports/etisios-apologismos-2022/climate-related-environmental-risk-report.pdf

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.

Environmental, Social and Governance (ESG) Risks

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.

Climate-Related and Environmental Risk Drivers & Transmission Channels

The Group identifies and assesses CR&E risks within the context of the 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. The Group has identified as Climate-Related and Environmental risks 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. 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. From an internal perspective, the Group has placed great emphasis in 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 Risk 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)	
Technological Changes		

Environmental, Social and Governance (ESG) Risks

Sectoral Analysis

To inform the materiality assessment process, the Group performed a heatmapping exercise to determinate 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 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 have the following dimensions: 1-Minor Impact, 2-Low Impact, 3-Medium Impact, 4-High Impact.

Materiality Assessment per Risk

The Group has carried out a number of actions to safeguard 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 taken 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 be also 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 ICAAP and 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.

Environmental, Social and Governance (ESG) Risks

Materiality Assessment Results

The aggregated results of the CR&E materiality assessment are shown in the table below along with the approach and criteria that were used for 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

CR&E Risk Management Tools & Processes

The Bank is in the process of the incorporation of the ECB's "Good practices for CR&E risk management – Observations from 2022 thematic review" in its loan origination process, through enhancements to Lending criteria, Data collection & risk assessment, Risk classification, Client engagement and Transition plan assessment.
Eurobank has implemented a set of tools for the identification, measurement and management of CR&E risks. These are utilized by involved Units across Group's both 1st and 2nd Lines of Defense, with the relevant tasks being performed in a collaborative and efficient way.

In this context, the Bank has already integrated environmental risk considerations in its practices in different stages of the credit granting and monitoring process, as presented below.

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. All prenoted (mortgaged) real estate properties must be insured (plots of land are excluded). The insurance coverages are classified in compulsory, which concern coverage from fire, earthquake and flood (for Corporates and on a voluntary basis for Retail). Desirable coverages are differentiated in relation to the type of the real estate and the particular circumstances (e.g. examination of whether the real estate property is under construction). Insurance contracts are assigned to the Bank.

The Bank recognizes that the value of collateral located in geographies vulnerable to physical risk may be negatively impacted, for example, as a result of increased flood risk. Therefore, going forward, the Bank plans to incorporate climate related risks in its Collateral Valuation Policy and relevant procedures by the end of 2023.

Environmental, Social and Governance (ESG) Risks

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, also 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 by the Group. In this context, the Group has an Environmental & Social Exclusion List in place which defines the activities that are excluded from financing, while the Category A List outlines indicative types of projects that could result in potentially significant adverse future environmental and/or social impacts. All new credit granting, including new and existing clients to be financed by the Group are screened against both the Group Environmental & Social Exclusion List and the Group Category A List, while the clients are also required to complete the Environmental & Social Risk Screening Form/ Scorecard, for the categorization of the financing transactions as Low, Medium, or High risk. For the cases classified as "Medium Risk" or "High Risk", an Environmental & Social Due Diligence process is conducted, while E&S risk control measures may be required from the client. The Group monitors the cases classified as High Risk every year, while for cases classified as Low or Medium Risk, the monitoring takes place every three years.

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 is in the process of developing a Climate Risk Scorecard for the consideration of CR&E risks.

In this context, an assessment process based on the Climate Risk Scorecard is planned to be performed for all new financing transactions and limit increases initially applied to the Bank's Corporate & Investment Banking (CIB) portfolio.

The Climate Risk Scorecard shall comprise a modular questionnaire which will include targeted climate risk and sustainable financing related questions (qualitative and quantitative) covering aspects both at client, as well as at transaction level.

ESG Risk Assessment Questionnaire

In the recent years, increased regulatory focus has been placed on ESG aspects in the banking sector. Institutions are expected to enhance their credit risk classification procedures in order to identify and evaluate CR&E risks, as well as integrate ESG aspects in the creditworthiness assessment process.

In this context, an interbank initiative in the Greek banking market pertains to the design of an ESG Risk Assessment Questionnaire, which the Hellenic Bank Association (HBA) is jointly conducting with the major Greek banks (roll out in Q4 2023). The objective is to develop a comprehensive ESG Risk Assessment Questionnaire to be used by all the banks, ensuring a harmonized assessment approach and a level-playing field, in order to incorporate a holistic assessment of borrowers' ESG factors.

The ESG Risk Assessment Questionnaire shall ensure alignment with supervisory expectations/requirements (e.g. meeting obligations regarding the EBA Guidelines on Loan Origination and Monitoring and the ECB Guide on CR&E Risks), applicable international standards and guidelines (e.g. Task Force on Climate-related Financial Disclosures) and banks' operational needs, while also taking into account best market practices.

Environmental, Social and Governance (ESG) Risks

The common ESG Questionnaire and the respective ESG scoring will be integrated into Eurobank's processes and will serve as a tool to help Eurobank in assessing clients' ESG maturity. The Bank's target is to unify the ESG risk assessment under a common questionnaire fully aligned with the regulatory requirements, leveraging on the interbank ESG questionnaire.

Sustainable Finance Framework and Tool

The Group's 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. Through its 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 Sustainable Finance Framework scope encompasses a wide range of sustainable lending products, covering both CIB and Retail Banking portfolios. The Group has developed a web-based SFF Assessment Tool for the CIB Portfolio, to underpin the classification and evaluation of sustainable/ green financing opportunities in a structural manner. The SFF Assessment Tool automates the process of assessing the Group's financings against the criteria defined in the SFF. It is delivered through an online platform, which is a workflow based application. The Group has completed the roll-out of the SFF as part of its loan origination process for the CIB portfolio and is working towards the operationalization of the Retail portfolio. In this view, the Group is currently in the process of developing a corresponding tool for the Retail Portfolio.

CR&E Risks Monitoring Dashboard

Eurobank has established a monitoring dashboard with appropriate CR&E risks KPIs/ KRIs that are reported to the Senior Management, Management Body, as well as at Board level on a periodic basis, in order to safeguard efficient oversight of CR&E risks. For the selection and the definition of the relevant CR&E risks indicators, Eurobank leveraged on the insights gained from the 2022 ECB Climate Risk Stress Test (i.e., use of methodological assumptions made for the calculation of climate risk metrics), as well as on the Group's internal exercises and materiality assessment process (for transition and physical risk) and took into account best market practices. The ongoing and timely monitoring of pertinent indicators allows Management to assess the evolution of CR&E risks management trends, taking into account the Group's relevant targets, while it also facilitates internal reporting and disclosures.

For more detail please refer to the relevant CR&E Risk Report: https://www.eurobank.gr/-/media/holding/omilos/annual-reports/etisios-apologismos-2022/climate-related-environmental-risk-report.pdf

Investment & Asset Management Activities

A) Sustainable Investment Framework (SIF)

The Bank has approved its SIF, for the classification of investments as sustainable based on criteria observed in international market practices.

Eurobank intends to invest in sustainable development with the aim of improving its impact on environmental sustainability, social responsibility, and corporate governance. The Bank is gradually integrating ESG practices and aspects within its operations and services.

Eurobank's SIF outlines 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 eligibility outcome, does not prevent the Bank from considering non-eligible investments for its portfolio.

B) 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.

Eurobank Asset Management M.F.M.C. was the first asset management company in Greece to join the global PRI initiative.

This Responsible Investment Policy (herein under the "Policy") specifies Eurobank Asset Management MFMC (herein under the "the Company") efforts to integrate ESG information / criteria into the investment processes, and outlines the foundation, ownership, and oversight mechanisms which supports Company'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 mitigate risks over the long-term for UCITS, AIFs, and portfolios (herein under "the Portfolios") under management.

The Responsible Investment Policy of the Company 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.

<u>Overview of Approaches & Processes</u>

As per the Responsible Investment Policy document of Eurobank Asset Management M.F.M.C. (the "Company"), 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 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.

Scenario Analysis & Stress Testing

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).

Going forward, the Bank aims to further enhance its Climate Risk Stress Testing capabilities and integrate climate scenarios into its overall risk management framework by developing a methodological approach for the incorporation of the impact of these scenarios in the Bank's credit risk and market risk models.

Environmental, Social and Governance (ESG) Risks

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.

  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.

Environmental, Social and Governance (ESG) Risks

Climate related & environmental 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 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 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).

8.2 Qualitative Information on Social Risks

8.2.1 Business strategy and processes

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 activities 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 Questionnaire), 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;

  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.

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 Bank's products/initiatives demonstrate that the Bank has effectively integrated social risk considerations in the way it does its business.

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 a SFF, which defines which activities are eligible 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 assets are organized per eligible areas: 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) relate, 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

For Social Risk, industry-specific SPTs relate, 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) Individuals' products:

  Eligible social assets are organized per eligible 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 for 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

Green Bond Framework

As per its Green Bond Framework, Eurobank gives priority to managing and mitigating underlying economic, environmental, and social risks, as well as to complying with all relevant legislation and regulations.

The eligible green projects to be financed with the net proceeds raised from any Eurobank Green Bond shall contribute to the UN SDGs, while EU Taxonomy Do No Significant Harm (DNSH) principles and minimum social safeguards shall be taken into consideration in specific projects where relevant information can be provided by the clients.

As part of the due diligence performed to assess whether eligible assets meet the criteria set out in the Eurobank Green Bond Framework, the Bank's policies, frameworks, and guidelines are taken into account (e.g., E&S Exclusion List), along with local laws and regulations (i.e. applicable environmental and social requirements).

Objectives, Targets and Limits to Assess and Address Social Risk

Bank's approach towards Sustainable Development:

The Bank is constantly committed to investing in sustainable development and to consistently designing its actions to improve its environmental performance, social responsibility and corporate governance. Its strategic objective is to adapt its business and operation in a way that addresses climate change challenges, to accommodate social needs within its banking business model, and to 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. According to the commitment to the UNEP FI PRB since 2019, in line with the SDGs and the Paris Agreement on Climate Change, the Bank issued its 3rd Progress Report for the period from 23/03/2022 to 23/03/2023 which was incorporated in the Annual Report 2022 – Business & Sustainability. In line with UNEP-FI requirements, Eurobank has engaged, for the first time, a competent and independent third party to perform independent limited assurance of the 2023 PRB Progress Report in accordance with International Standard on Assurance Engagements (ISAE 3000).

For 2023, 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 recognizes the importance of managing social risk and has ensured that its lending activities do not support activities that harm the society. In parallel, through the implementation of existing policies (e.g. Group Environmental & Social Policy) and the establishment of new processes and tools (e.g. ESG Risk Assessment Questionnaire), 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.

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. Also, going forward, as ESG awareness with regards to the financial landscape increases, the Bank will set more concrete targets, directly related to social lending.

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. Sustainable Finance Framework

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 carried out through the web-based tool.

Responsible Relationship Managers leverage the results of the above evaluation process to understand the integration of ESG considerations in the business model and strategy of the client, aiming to identify social financing opportunities.

2. Environmental and Social Management System (ESMS)

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. ESG Risk Assessment Questionnaire

The Bank plans to incorporate an interbank ESG Risk Assessment Questionnaire in its credit granting process. The social risk dimensions that will be embedded in the ESG Risk Assessment Questionnaire will be assessed by the Bank and will inform Bank's dedicated discussions with its clients regarding potential measures for the mitigation of their social risk exposures.

8.2.2 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.

The BoD and the relevant Board Committees are responsible of the approval of the policies and strategies of the Group, 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.

8.2.3 Risk Management

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 and is fully supported by the Bank's Management. For more details please refer to the Business strategy and processes paragraph of the Qualitative Information on Social Risks section.

2. ESG Risk Assessment Questionnaire

Social Risk Assessment will be enhanced following the roll out of the ESG Questionnaire that will be used for assessing client's ESG risk profile capturing among others Occupational Health & Safety, Community relations and Diversity & inclusion.

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, identity fraud and cooperation with clients with increased financial crime risk i.e. involvement in money laundering and terrorist financing. Within the scope of customer KYC profiling, Eurobank applies Enhanced Due Diligence measures in establishing a business relationship or 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 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.

8.3 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 poor governance practices of its counterparties 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, identity fraud and cooperation with clients with increased financial crime risk, i.e. involvement in money laundering and terrorist financing.

Environmental, Social and Governance (ESG) Risks

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.

ESG Risk Assessment Questionnaire

The Group, in collaboration with the Greek banking sector and the HBA, is currently developing an interbank tool that will be used to assess the clients' ESG maturity and relevant risks. Through this scorecard, a wide variety of governance matters will be examined, to evaluate whether the counterparty could potentially adversely impact the Bank's profitability by conducting practices regarded as sensitive to governance risk.

Indicative themes incorporated in the "Governance Risk Assessment" section of the ESG Risk Assessment Questionnaire include Policies, ESG Governance, Accountability, reporting & transparency, Corporate governance, Remuneration, Business Ethics & Anti-corruption and Sustainable procurement.

8.4 Quantitative Information on ESG Risks

8.4.1 Banking book – Indicators of potential climate change transition risk

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.

Note: The following columns of the template are not disclosed at this point, in line with the applicable timeline:

- column c ("of which environmentally sustainable (CCM)")
- columns i ("GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO_2 equivalent)), j ("of which scope 3 financed emissions") and k ("GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting")

Environmental, Social and Governance (ESG) Risks

Table 45: Banking book – Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity

Sector/subsector	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) [2]	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
Exposures towards sectors that highly contribute to climate change [1]	20,845	2,009	-	1,709	1,185	(658)	(91)	(495)
A - Agriculture, forestry and fishing	381	-	-	53	125	(20)	(2)	(16)
B - Mining and quarrying	127	41	-	2	25	(3)	-	(2)
B.05 - Mining of coal and lignite	-	-	-	-	-	-	-	-
B.06 - Extraction of crude petroleum and natural gas	41	40	-	-	21	-	-	-
B.07 - Mining of metal ores	43	-	-	-	1	(1)	-	(1)
B.08 - Other mining and quarrying	42	-	-	2	3	(2)	-	(1)
B.09 - Mining support service activities	1	1	-	-	-	-	-	-
C - Manufacturing	4,481	754	-	252	201	(138)	(21)	(101)
C.10 - Manufacture of food products	968	-	-	100	67	(49)	(7)	(36)
C.11 - Manufacture of beverages	89	-	-	11	2	(5)	(3)	(1)
C.12 - Manufacture of tobacco products	33	-	-	1	-	-	-	-
C.13 - Manufacture of textiles	99	-	-	1	4	(3)	-	(3)
C.14 - Manufacture of wearing apparel	54	-	-	12	18	(10)	(1)	(9)
C.15 - Manufacture of leather and related products	14	-	-	3	2	(1)	-	(1)
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)
C.17 - Manufacture of pulp, paper and paperboard	173	-	-	3	13	(7)	-	(6)
C.18 - Printing and service activities related to printing	32	-	-	7	6	(3)	-	(3)
C.19 - Manufacture of coke oven products	750	749	-	-	6	-	-	-
C.20 - Production of chemicals	394	5	-	11	9	(6)	(1)	(3)
C.21 - Manufacture of pharmaceutical preparations	186	-	-	2	-	(1)	-	-
C.22 - Manufacture of rubber products	160	-	-	28	3	(4)	(2)	(1)
C.23 - Manufacture of other non-metallic mineral products	194	-	-	10	6	(5)	(1)	(3)
C.24 - Manufacture of basic metals	446	-	-	6	4	(4)	(2)	(2)
C.25 - Manufacture of fabricated metal products, except machinery and equipment	123	-	-	14	19	(13)	(1)	(11)
C.26 - Manufacture of computer, electronic and optical products	69	-	-	3	2	(2)	-	(2)
C.27 - Manufacture of electrical equipment	317	-	-	3	7	(4)	-	(3)
C.28 - Manufacture of machinery and equipment n.e.c.	81	-	-	6	12	(5)	-	(5)
C.29 - Manufacture of motor vehicles, trailers and semi-trailers	120	-	-	1	-	-	-	-
C.30 - Manufacture of other transport equipment	25	-	-	1	2	(2)	-	(1)
C.31 - Manufacture of furniture	47	-	-	11	9	(4)	(1)	(3)
C.32 - Other manufacturing	54	-	-	12	6	(6)	(1)	(5)
C.33 - Repair and installation of machinery and equipment	15	-	-	1	-	-	-	-

Environmental, Social and Governance (ESG) Risks

	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) [2]	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
D - Electricity, gas, steam and air conditioning supply	**2,130**	**167**	**-**	**3**	**2**	**(6)**	**-**	**(1)**
D35.1 - Electric power generation, transmission and distribution	**1,962**	-	-	3	2	**(6)**	-	(1)
D35.11 - Production of electricity	**1,311**	-	-	2	2	**(5)**	-	(1)
D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	**167**	167	-	-	-	**-**	-	-
D35.3 - Steam and air conditioning supply	**1**	-	-	-	-	**-**	-	-
E - Water supply; sewerage, waste management and remediation activities	**68**	**-**	**-**	**2**	**1**	**(1)**	**-**	**-**
F - Construction	**992**	**-**	**-**	**139**	**103**	**(66)**	**(11)**	**(51)**
F.41 - Construction of buildings	**428**	-	-	82	55	**(33)**	(7)	(25)
F.42 - Civil engineering	**430**	-	-	36	30	**(19)**	(2)	(15)
F.43 - Specialised construction activities	**134**	-	-	21	18	**(14)**	(2)	(11)
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	**4,232**	**-**	**-**	**453**	**402**	**(276)**	**(36)**	**(216)**
H - Transportation and storage	**4,162**	**1,047**	**-**	**60**	**29**	**(31)**	**(3)**	**(19)**
H.49 - Land transport and transport via pipelines	**258**	65	-	30	21	**(16)**	(3)	(12)
H.50 - Water transport	**2,919**	982	-	6	4	**(6)**	-	(4)
H.51 - Air transport	**73**	-	-	5	-	**-**	-	-
H.52 - Warehousing and support activities for transportation	**896**	-	-	7	4	**(9)**	-	(3)
H.53 - Postal and courier activities	**16**	-	-	12	-	**-**	-	-
I - Accommodation and food service activities	**2,327**	**-**	**-**	**485**	**224**	**(74)**	**(12)**	**(58)**
L - Real estate activities	**1,945**	**-**	**-**	**260**	**73**	**(43)**	**(6)**	**(31)**
Exposures towards sectors other than those that highly contribute to climate change [1]	**2,646**	**-**	**-**	**315**	**201**	**(159)**	**(36)**	**(111)**
K - Financial and insurance activities	**116**	**-**	**-**	**8**	**2**	**(1)**	**-**	**(1)**
Exposures to other sectors (NACE codes J, M - U)	**2,532**	1	-	308	198	**(159)**	(36)	(111)
TOTAL [4]	**23,493**	**2,010**	**-**	**2,025**	**1,385**	**(818)**	**(127)**	**(607)**

[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.

[2] Column "of which environmentally sustainable (CCM)" will be disclosed starting from December 2023.

Environmental, Social and Governance (ESG) Risks

Sector/subsector	30 June 2023							
	GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent) [2]		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting [2]	<= 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	€ million	€ million	€ million	
Exposures towards sectors that highly contribute to climate change [1]	-	-	-	**8,787**	**5,358**	**2,413**	**4,288**	**11.8**
A - Agriculture, forestry and fishing	-	-	-	**116**	**103**	**15**	**147**	**4.0**
B - Mining and quarrying	-	-	-	**61**	**56**	**1**	**9**	**4.6**
B.05 - Mining of coal and lignite	-	-	-	-	-	-	-	6.2
B.06 - Extraction of crude petroleum and natural gas	-	-	-	16	25	-	-	4.4
B.07 - Mining of metal ores	-	-	-	13	29	-	1	5.0
B.08 - Other mining and quarrying	-	-	-	32	2	1	7	4.4
B.09 - Mining support service activities	-	-	-	-	-	-	1	1.7
C - Manufacturing	-	-	-	**2,271**	**755**	**186**	**1,268**	**3.6**
C.10 - Manufacture of food products	-	-	-	470	175	29	296	3.4
C.11 - Manufacture of beverages	-	-	-	36	19	1	33	3.4
C.12 - Manufacture of tobacco products	-	-	-	31	-	1	1	1.0
C.13 - Manufacture of textiles	-	-	-	24	4	54	14	9.3
C.14 - Manufacture of wearing apparel	-	-	-	24	3	5	22	5.4
C.15 - Manufacture of leather and related products	-	-	-	7	1	1	5	6.1
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
C.17 - Manufacture of pulp, paper and paperboard	-	-	-	62	29	1	81	2.8
C.18 - Printing and service activities related to printing	-	-	-	18	4	2	8	4.6
C.19 - Manufacture of coke oven products	-	-	-	640	19	3	87	2.6
C.20 - Production of chemicals	-	-	-	216	28	1	149	1.5
C.21 - Manufacture of pharmaceutical preparations	-	-	-	60	57	13	56	4.3
C.22 - Manufacture of rubber products	-	-	-	66	34	5	56	4.0
C.23 - Manufacture of other non-metallic mineral products	-	-	-	117	32	17	27	4.2
C.24 - Manufacture of basic metals	-	-	-	142	129	18	157	3.6
C.25 - Manufacture of fabricated metal products, except machinery and equipment	-	-	-	48	14	7	54	3.8
C.26 - Manufacture of computer, electronic and optical products	-	-	-	10	37	1	22	5.2
C.27 - Manufacture of electrical equipment	-	-	-	82	115	8	112	3.6
C.28 - Manufacture of machinery and equipment n.e.c.	-	-	-	36	26	2	17	4.1
C.29 - Manufacture of motor vehicles, trailers and semi-trailers	-	-	-	105	7	1	7	3.1
C.30 - Manufacture of other transport equipment	-	-	-	18	1	2	4	3.9
C.31 - Manufacture of furniture	-	-	-	14	5	6	22	11.1
C.32 - Other manufacturing	-	-	-	23	8	5	18	6.5
C.33 - Repair and installation of machinery and equipment	-	-	-	5	3	-	7	3.1

Environmental, Social and Governance (ESG) Risks

	30 June 2023							
	GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent) [2]		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting [2]	<= 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	€ million	€ million	€ million	
D - Electricity, gas, steam and air conditioning supply	**-**	**-**	**-**	**578**	**471**	**1,052**	**30**	**9.1**
D35.1 - Electric power generation, transmission and distribution	-	-	-	578	470	886	30	8.9
D35.11 - Production of electricity	-	-	-	188	329	767	27	11.0
D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	-	-	-	-	-	166	-	11.4
D35.3 - Steam and air conditioning supply	-	-	-	-	1	-	-	7.3
E - Water supply; sewerage, waste management and remediation activities	**-**	**-**	**-**	**33**	**16**	**1**	**18**	**3.2**
F - Construction	**-**	**-**	**-**	**297**	**344**	**47**	**304**	**5.6**
F.41 - Construction of buildings	-	-	-	196	85	15	131	4.4
F.42 - Civil engineering	-	-	-	66	233	16	115	6.2
F.43 - Specialised construction activities	-	-	-	35	26	16	58	7.4
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	**-**	**-**	**-**	**1,647**	**538**	**286**	**1,761**	**4.4**
H - Transportation and storage	**-**	**-**	**-**	**1,999**	**1,294**	**471**	**399**	**6.8**
H.49 - Land transport and transport via pipelines	-	-	-	115	23	44	76	7.1
H.50 - Water transport	-	-	-	1,787	1,089	16	27	4.6
H.51 - Air transport	-	-	-	23	17	0	33	11.6
H.52 - Warehousing and support activities for transportation	-	-	-	61	162	411	262	13.6
H.53 - Postal and courier activities	-	-	-	13	3	0	1	3.8
I - Accommodation and food service activities	**-**	**-**	**-**	**537**	**1,231**	**252**	**307**	**6.9**
L - Real estate activities	**-**	**-**	**-**	**1,248**	**550**	**102**	**45**	**4.4**
Exposures towards sectors other than those that highly contribute to climate change [1]				**1,467**	**385**	**218**	**576**	**5.8**
K - Financial and insurance activities				**39**	**19**	**2**	**57**	**11.9**
Exposures to other sectors (NACE codes J, M - U)				1,428	367	216	518	5.5
TOTAL [4]	-	-	-	**10,254**	**5,744**	**2,631**	**4,863**	**5.5**

[3] 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 Columns "GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)," and "GHG emissions gross carrying amount percentage of the portfolio derived from company-specific reporting" will be disclosed within 2023. The Group has already developed its capabilities to collect publicly available data, as well as estimate and monitor the counterparties' GHG emissions. The approach adopted for the estimation of financed emissions is in accordance with the PCAF guidance and relies on a revenue-based approach with emission factors estimated for each sector and country through a multiregional input-output analysis framework.

[4] As of 30 June 2023 Non-Financial Corporation exposure amounts to € 23.5 billion compared to € 24.4 billion as of 31 December 2022 due to the disposal of Eurobank Direktna a.d..

Environmental, Social and Governance (ESG) Risks

Sector/subsector	31 December 2022							
	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
Exposures towards sectors that highly contribute to climate change	21,569	1,755	-	1,980	1,228	(764)	(115)	(569)
A - Agriculture, forestry and fishing	417	-	-	160	30	(20)	(3)	(15)
B - Mining and quarrying	130	41	-	2	24	(8)	-	(8)
B.05 - Mining of coal and lignite	-	-	-	-	-	-	-	-
B.06 - Extraction of crude petroleum and natural gas	41	41	-	-	20	(6)	-	(6)
B.07 - Mining of metal ores	37	-	-	-	1	(1)	-	(1)
B.08 - Other mining and quarrying	45	-	-	1	3	(1)	-	(1)
B.09 - Mining support service activities	7	1	-	1	-	-	-	-
C - Manufacturing	4,822	959	-	290	209	(146)	(30)	(96)
C.10 - Manufacture of food products	1,145	-	-	139	67	(47)	(10)	(30)
C.11 - Manufacture of beverages	109	-	-	9	2	(5)	(3)	(1)
C.12 - Manufacture of tobacco products	16	-	-	1	-	-	-	-
C.13 - Manufacture of textiles	85	-	-	2	4	(4)	-	(3)
C.14 - Manufacture of wearing apparel	60	-	-	9	23	(12)	(1)	(11)
C.15 - Manufacture of leather and related products	15	-	-	4	2	(1)	-	(1)
C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting	40	-	-	6	5	(4)	(1)	(3)
C.17 - Manufacture of pulp, paper and paperboard	237	-	-	4	13	(4)	-	(2)
C.18 - Printing and service activities related to printing	40	-	-	5	6	(4)	(1)	(3)
C.19 - Manufacture of coke oven products	958	954	-	-	6	(2)	-	(2)
C.20 - Production of chemicals	375	5	-	16	9	(8)	(4)	(2)
C.21 - Manufacture of pharmaceutical preparations	151	-	-	-	-	(1)	-	-
C.22 - Manufacture of rubber products	156	-	-	28	3	(5)	(3)	(1)
C.23 - Manufacture of other non-metallic mineral products	172	-	-	6	7	(5)	(1)	(3)
C.24 - Manufacture of basic metals	413	-	-	2	10	(6)	-	(5)
C.25 - Manufacture of fabricated metal products, except machinery and equipment	154	-	-	14	17	(13)	(2)	(10)
C.26 - Manufacture of computer, electronic and optical products	73	-	-	2	2	(2)	-	(1)
C.27 - Manufacture of electrical equipment	236	-	-	3	7	(4)	-	(3)
C.28 - Manufacture of machinery and equipment n.e.c.	90	-	-	10	13	(8)	(1)	(6)
C.29 - Manufacture of motor vehicles, trailers and semi-trailers	120	-	-	-	-	(1)	-	-
C.30 - Manufacture of other transport equipment	35	-	-	2	2	(2)	-	(1)
C.31 - Manufacture of furniture	51	-	-	13	7	(4)	(1)	(3)
C.32 - Other manufacturing	39	-	-	11	2	(2)	(1)	(1)
C.33 - Repair and installation of machinery and equipment	52	-	-	3	1	(1)	-	(1)

Environmental, Social and Governance (ESG) Risks

	31 December 2022							
	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
D - Electricity, gas, steam and air conditioning supply	1,940	170	-	7	2	(5)	-	(1)
D35.1 - Electric power generation, transmission and distribution	1,767	-	-	6	2	(5)	-	(1)
D35.11 - Production of electricity	962	-	-	5	2	(3)	-	(1)
D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	170	170	-	-	-	-	-	-
D35.3 - Steam and air conditioning supply	3	-	-	-	-	-	-	-
E - Water supply; sewerage, waste management and remediation activities	63	-	-	2	1	(2)	-	(1)
F - Construction	1,082	-	-	136	112	(71)	(9)	(58)
F.41 - Construction of buildings	395	-	-	51	54	(28)	(3)	(23)
F.42 - Civil engineering	517	-	-	55	39	(28)	(3)	(24)
F.43 - Specialised construction activities	170	-	-	30	19	(14)	(3)	(11)
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	4,679	-	-	507	413	(283)	(44)	(215)
H - Transportation and storage	4,142	585	-	84	90	(94)	(7)	(77)
H.49 - Land transport and transport via pipelines	246	44	-	39	19	(16)	(3)	(11)
H.50 - Water transport	2,183	541	-	18	68	(68)	(1)	(65)
H.51 - Air transport	89	-	-	5	-	(1)	-	-
H.52 - Warehousing and support activities for transportation	1,606	-	-	11	4	(8)	(2)	(1)
H.53 - Postal and courier activities	18	-	-	12	-	-	-	-
I - Accommodation and food service activities	2,439	-	-	581	257	(83)	(18)	(59)
L - Real estate activities	1,856	-	-	210	88	(54)	(3)	(40)
Exposures towards sectors other than those that highly contribute to climate change	2,797	-	-	343	204	(163)	(33)	(117)
K - Financial and insurance activities	134	-	-	3	2	(1)	-	(1)
Exposures to other sectors (NACE codes J, M - U)	2,663	-	-	340	202	(162)	(32)	(116)
TOTAL	24,366	1,755	-	2,323	1,432	(927)	(148)	(685)

Environmental, Social and Governance (ESG) Risks

Sector/subsector	31 December 2022							
	GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent) [2]		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	€ million	€ million	€ million	
Exposures towards sectors that highly contribute to climate change	-	-	-	9,664	5,253	2,232	4,421	5.4
A - Agriculture, forestry and fishing	-	-	-	120	131	15	150	4.3
B - Mining and quarrying	-	-	-	72	50	1	7	4.5
B.05 - Mining of coal and lignite	-	-	-	-	-	-	-	6.3
B.06 - Extraction of crude petroleum and natural gas	-	-	-	16	24	-	-	4.9
B.07 - Mining of metal ores	-	-	-	13	23	-	1	4.5
B.08 - Other mining and quarrying	-	-	-	37	2	1	5	4.7
B.09 - Mining support service activities	-	-	-	6	-	-	1	1.4
C - Manufacturing	-	-	-	2,444	901	132	1,345	3.5
C.10 - Manufacture of food products	-	-	-	599	191	17	337	3.2
C.11 - Manufacture of beverages	-	-	-	48	29	1	32	3.5
C.12 - Manufacture of tobacco products	-	-	-	-	-	1	15	2.2
C.13 - Manufacture of textiles	-	-	-	29	3	38	15	8.5
C.14 - Manufacture of wearing apparel	-	-	-	25	5	4	26	4.9
C.15 - Manufacture of leather and related products	-	-	-	8	1	1	5	5.9
C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting	-	-	-	13	12	3	12	7.3
C.17 - Manufacture of pulp, paper and paperboard	-	-	-	102	35	1	99	2.8
C.18 - Printing and service activities related to printing	-	-	-	16	7	2	15	4.1
C.19 - Manufacture of coke oven products	-	-	-	712	164	-	83	3.1
C.20 - Production of chemicals	-	-	-	170	15	1	188	1.6
C.21 - Manufacture of pharmaceutical preparations	-	-	-	59	49	-	42	3.9
C.22 - Manufacture of rubber products	-	-	-	66	43	6	41	4.4
C.23 - Manufacture of other non-metallic mineral products	-	-	-	100	27	17	28	4.6
C.24 - Manufacture of basic metals	-	-	-	151	133	10	119	3.9
C.25 - Manufacture of fabricated metal products, except machinery and equipment	-	-	-	54	19	7	74	3.7
C.26 - Manufacture of computer, electronic and optical products	-	-	-	14	37	1	21	5.3
C.27 - Manufacture of electrical equipment	-	-	-	81	40	6	109	2.6
C.28 - Manufacture of machinery and equipment n.e.c.	-	-	-	45	29	1	15	4.2
C.29 - Manufacture of motor vehicles, trailers and semi-trailers	-	-	-	78	37	1	5	3.6
C.30 - Manufacture of other transport equipment	-	-	-	25	3	2	5	3.7
C.31 - Manufacture of furniture	-	-	-	17	5	6	23	10.6
C.32 - Other manufacturing	-	-	-	9	8	5	16	8.5
C.33 - Repair and installation of machinery and equipment	-	-	-	24	8	1	20	2.5

Environmental, Social and Governance (ESG) Risks

	31 December 2022							
	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	€ million	€ million	€ million	
D - Electricity, gas, steam and air conditioning supply	-	-	-	626	406	872	37	8.6
D35.1 - Electric power generation, transmission and distribution	-	-	-	624	405	706	32	8.3
D35.11 - Production of electricity	-	-	-	81	258	601	22	11.6
D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	-	-	-	-	-	166	3	11.8
D35.3 - Steam and air conditioning supply	-	-	-	2	-	-	1	3
E - Water supply; sewerage, waste management and remediation activities	-	-	-	35	16	1	10	3.7
F - Construction	-	-	-	306	368	82	326	5.8
F.41 - Construction of buildings	-	-	-	173	92	13	118	4.6
F.42 - Civil engineering	-	-	-	80	239	53	145	6.4
F.43 - Specialised construction activities	-	-	-	54	37	16	63	6.8
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	-	-	-	2,033	604	297	1,746	4.4
H - Transportation and storage	-	-	-	2,286	983	423	450	6.4
H.49 - Land transport and transport via pipelines	-	-	-	128	28	17	72	6.8
H.50 - Water transport	-	-	-	1,599	510	-	73	3.8
H.51 - Air transport	-	-	-	34	24	-	30	10.5
H.52 - Warehousing and support activities for transportation	-	-	-	511	419	405	272	9.8
H.53 - Postal and courier activities	-	-	-	15	2	-	2	3.6
I - Accommodation and food service activities	-	-	-	575	1,286	269	310	7.1
L - Real estate activities	-	-	-	1,167	509	139	41	4.9
Exposures towards sectors other than those that highly contribute to climate change				1,518	432	234	613	6.1
K - Financial and insurance activities				7	19	2	106	17.7
Exposures to other sectors (NACE codes J, M - U)				1,511	413	232	507	5.5
TOTAL	-	-	-	11,182	5,685	2,465	5,035	5.2

8.4.2 Banking book – Indicators of potential 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 collaterals that are eligible for EPC and 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.

Environmental, Social and Governance (ESG) Risks

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

Counterparty sector	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	
		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	%
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%**
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%
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%
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%
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%
Total non-EU area	**614**	**168**	**119**	**91**	**64**	**122**	**50**	**6**	**51**	**83**	**71**	**34**	**3**	**7**	**359**	**100%**
Of which Loans collateralised by commercial immovable property	**344**	21	73	47	37	118	48	6	37	33	32	23	-	7	**205**	100%
Of which Loans collateralised by residential immovable property	**270**	147	46	44	27	4	2	-	14	50	39	11	3	-	**154**	100%
Of which Collateral obtained by taking possession: residential and commercial immovable properties	**-**	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	100%
Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	**522**	160	102	68	32	114	45								359	100%

Counterparty sector	31 December 2022															
	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	
		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	%
Total EU area	15,865	813	6,174	3,556	1,714	1,990	1,618	28	40	109	164	53	17	19	15,435	100%
Of which Loans collateralised by commercial immovable property	5,000	37	71	650	933	1,751	1,558	28	38	90	109	10	2	1	4,722	100%
Of which Loans collateralised by residential immovable property	10,426	764	5,952	2,815	653	202	40	-	-	-	-	-	-	-	10,426	100%
Of which Collateral obtained by taking possession: residential and commercial immovable properties	439	12	151	91	128	37	20	-	2	19	55	42	15	18	287	100%
Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	15,586	784	6,105	3,442	1,660	1,985	1,611								15,435	100%
Total non-EU area	895	156	417	83	38	16	186	-	19	51	47	29	2	8	740	100%
Of which Loans collateralised by commercial immovable property	505	15	239	45	9	15	183	-	12	12	14	18	-	8	440	100%
Of which Loans collateralised by residential immovable property	390	141	177	38	29	1	3	-	7	39	32	10	2	-	300	100%
Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100%
Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	895	156	417	83	38	16	186								740	100%

Environmental, Social and Governance (ESG) Risks

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

The template presents aggregated and anonymised 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 Carbon Majors Database.

Table 47: Banking book - Climate change transition risk: Exposures to top 20 carbon-intensive firms

30 June 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		
47	0.08%		4.9	5

31 December 2022				
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		
44	0.08%		4.9	4

(1) *For counterparties among the top 20 carbon emitting companies in the world.*
(2) Column "of which environmentally sustainable (CCM)" will be disclosed starting from December 2023 in line with the reporting requirements.

8.4.4 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 physical risk events those that arise from a progressive shift in climate conditions and their effect is long lasting, while acute events are defined as those that originate from extreme events in a short period of time.

For the identification of geographies sensitive to specific climate-related hazards, the Group utilised the GFDRR – ThinkHazard! in order to obtain information on the characteristics of locations sensitive to climate-change events. The climate-related hazards that are considered are drought, heatwave, wildfire and flood (urban, coastal and river) and the selected time horizon of the analysis spans from short to medium-term, in line with the average maturity of the Group's portfolio.

Environmental, Social and Governance (ESG) Risks

Considering that the majority of counterparties operate in multiple locations within a country, the analysis of counterparty's sensitivity to physical risk events was conducted on country-level based on its NACE sector and main country of operations. On the contrary, collaterals' sensitivity to physical risk events was assessed in NUTS 3 level considering also the characteristics of the collateral.

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.

Table 48: Banking book - Climate change physical risk: Exposures subject to physical risk

Greece	30 June 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
A - Agriculture, forestry and fishing	**261**	69	70	15	107	4	234	-	28	34	116	**(16)**	(1)	(13)
B - Mining and quarrying	**52**	27	17	1	7	5	52	-	-	2	3	**(2)**	-	(1)
C - Manufacturing	**3,277**	74	20	54	6	7	-	155	-	9	3	**(2)**	-	(1)
D - Electricity, gas, steam and air conditioning supply	**1,862**	-	-	-	-	-	-	-	-	-	-	**-**	-	-
E - Water supply; sewerage, waste management and remediation activities	**18**	-	-	-	-	-	-	-	-	-	-	**-**	-	-
F - Construction	**649**	122	258	45	224	7	632	-	16	78	79	**(53)**	(9)	(41)
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	**3,316**	136	5	-	39	3	-	180	-	2	1	**(1)**	-	(1)
H - Transportation and storage	**1,056**	2	3	-	1	4	-	6	-	-	-	**-**	-	-
L - Real estate activities	**877**	49	-	-	-	-	-	49	-	1	-	**-**	-	-
Loans collateralised by residential immovable property [(1)]	**8,028**	44	82	214	335	18	94	565	15	245	92	**(59)**	(18)	(39)
Loans collateralised by commercial immovable property [(1)]	**5,106**	354	441	120	244	7	189	919	51	186	164	**(48)**	(7)	(39)
Repossessed colalterals	**612**	-	-	-	42	-	-	42	-	-	-	**(7)**	-	-
Other relevant sectors (breakdown below where relevant)	**-**	-	-	-	-	-	-	-	-	-	-	**-**	-	-

Other Countries	30 June 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
A - Agriculture, forestry and fishing	**120**	47	33	-	40	3	120	-	-	19	9	**(4)**	(1)	(3)
B - Mining and quarrying	**75**	12	26	-	2	5	40	-	-	-	22	**(1)**	-	(1)
C - Manufacturing	**1,204**	-	1	-	3	2	-	3	-	-	-	**-**	-	-
D - Electricity, gas, steam and air conditioning supply	**268**	-	-	35	-	14	-	35	-	-	-	**-**	-	-
E - Water supply; sewerage, waste management and remediation activities	**50**	3	1	-	-	5	-	4	-	-	-	**-**	-	-
F - Construction	**343**	166	83	3	80	3	324	-	9	61	24	**(14)**	(2)	(10)
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	**916**	3	10	-	14	4	-	27	-	1	1	**(1)**	-	(1)
H - Transportation and storage	**3,106**	1	2	-	3	3	-	6	-	-	-	**-**	-	-
L - Real estate activities	**1,068**	3	32	34	-	11	-	69	-	26	-	**-**	-	-
Loans collateralised by residential immovable property [(1)]	**2,560**	31	56	112	87	15	13	271	2	40	11	**(15)**	(3)	(8)
Loans collateralised by commercial immovable property [(1)]	**2,906**	115	222	157	59	7	41	505	7	147	32	**(15)**	(1)	(13)
Repossessed colalterals	**30**	-	-	-	12	-	-	12	-	-	-	**(2)**	-	-
Other relevant sectors (breakdown below where relevant)	**-**	-	-	-	-	-	-	-	-	-	-	**-**	-	-

Environmental, Social and Governance (ESG) Risks

Greece	31 December 2022													
	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		
		<= 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
A - Agriculture, forestry and fishing	291	76	96	15	104	5	291	-	-	141	21	(15)	(2)	(12)
B - Mining and quarrying	55	31	17	1	5	5	55	-	-	1	3	(2)	-	(1)
C - Manufacturing	3,371	3	-	-	-	2	-	3	-	-	3	-	-	-
D - Electricity, gas, steam and air conditioning supply	1,684	-	-	-	-	-	-	-	-	-	-	-	-	-
E - Water supply; sewerage, waste management and remediation activities	19	-	-	-	-	-	-	-	-	-	-	-	-	-
F - Construction	725	130	255	81	258	7	720	-	5	90	82	(54)	(7)	(44)
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	3,520	3	2	-	-	3	-	5	-	1	1	(1)	-	(1)
H - Transportation and storage	1,033	-	-	-	-	-	-	-	-	-	-	-	-	-
L - Real estate activities	834	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans collateralised by residential immovable property	8,140	80	76	187	239	17	88	481	12	212	69	(42)	(13)	(28)
Loans collateralised by commercial immovable property	5,127	497	439	148	73	7	231	867	59	273	102	(48)	(8)	(37)
Repossessed colalterals	622	-	-	-	39	-	-	39	-	-	-	(6)	-	-
Other relevant sectors (breakdown below where relevant)	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Other Countries	31 December 2022													
	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		
		<= 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
A - Agriculture, forestry and fishing	126	44	35	-	46	3	71	-	55	19	10	(5)	(1)	(3)
B - Mining and quarrying	76	31	28	-	2	4	59	-	2	1	21	(6)	-	(6)
C - Manufacturing	1,451	66	107	6	84	4	-	263	-	27	9	(4)	(1)	(3)
D - Electricity, gas, steam and air conditioning supply	257	5	1	50	3	12	-	60	-	2	-	-	-	-
E - Water supply; sewerage, waste management and remediation activities	44	16	1	-	1	3	-	18	-	-	-	-	-	-
F - Construction	357	176	113	1	67	4	274	11	72	47	31	(17)	(1)	(14)
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	1,159	104	118	7	98	4	-	327	-	24	13	(10)	(1)	(8)
H - Transportation and storage	3,108	7	16		8	5	-	31	-	3	-	-	-	-
L - Real estate activities	1,021	248	153	60	1	6	-	463	-	54	6	(5)	-	(4)
Loans collateralised by residential immovable property	2,680	58	80	119	92	12	58	279	12	53	22	(21)	(4)	(13)
Loans collateralised by commercial immovable property	2,895	264	376	158	83	7	218	646	17	178	42	(19)	(2)	(15)
Repossessed colalterals	26	-	-	-	11	-	-	11	-	-	-	(1)	-	-
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.

8.4.5 Other climate change mitigating actions that are not covered in Regulation (EU) 2020/852

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.

The Group plans to assess the EU taxonomy-alignment of its portfolio within 2023 – in line with the GAR and BTAR reporting requirements for December 2023 and June 2024, respectively – and at this point does not distinguish between taxonomy-aligned or non-aligned activities. As such, the template reports fundings of the following categories, irrespective of the taxonomy-alignment assessment:

- Loans to both corporate and household clients classified as sustainable based on the Group's SFF. These loans finance activities related to inter-alia:
  - Corporates: Renewable Energy Sources, corporate cars (e.g. electric, hybrid), green buildings and investments underpinned by the Recovery and Resilience Fund;
  - Households: improvement of residential buildings' energy efficiency
- Bonds characterized as "green" based on the ICMA Green Bond Principles;
- Sustainability Linked Bonds with SPT related to GHG emissions reduction.

More information about the Group's SFF is available in the Environmental Risks section of the present document.

Table 49: Other climate change mitigating actions that are not covered in the EU Taxonomy

		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
Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	161	Yes	No	Includes Green bonds
	Non-financial corporations	272	Yes	Yes	Includes Green bonds and Sustainability Linked Bonds with climate-related Sustainability Performance Targets (SPT)
	Of which Loans collateralised by commercial immovable property	-			
	Households	-			
	Of which Loans collateralised by residential immovable property	-			
	Of which building renovation loans	-			
	Other counterparties	15	Yes	Yes	Includes Green bonds
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.)
	Non-financial corporations	1,723	Yes	Yes	Financing activities that contribute to green transition (inter-alia RES, energy renovation, green buildings, green transportation, etc.)
	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.)
	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
	Of which Loans collateralised by residential immovable property	-			
	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
	Other counterparties	-			

Environmental, Social and Governance (ESG) Risks

		31 December 2022			
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
Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	151	Yes	No	Includes Green bonds
	Non-financial corporations	303	Yes	Yes	Includes Green bonds and Sustainability Linked Bonds with climate-related Sustainability Performance Targets (SPT)
	Of which Loans collateralised by commercial immovable property	-			
	Households	-			
	Of which Loans collateralised by residential immovable property	-			
	Of which building renovation loans	-			
	Other counterparties	11	Yes	Yes	Includes Green bonds
Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	131	Yes	No	Financing activities that contribute to green transition (inter-alia RES, energy renovation, green buildings, green transportation, etc.)
	Non-financial corporations	1,558	Yes	Yes	Financing activities that contribute to green transition (inter-alia RES, energy renovation, green buildings, green transportation, etc.)
	Of which Loans collateralised by commercial immovable property	381	Yes	Yes	Financing activities that contribute to green transition (inter-alia RES, energy renovation, green buildings, green transportation, etc.)
	Households	14	Yes	Yes	Mainly includes financing for building renovation that leads in an upgrade of the building's EPC by at least 3 grades
	Of which Loans collateralised by residential immovable property	-			
	Of which building renovation loans	14	Yes	Yes	Mainly includes financing for building renovation that leads in an upgrade of the building's EPC by at least 3 grades
	Other counterparties	-			

Appendix 1: Composition of regulatory own funds

Appendix 1: EU CC1 - Composition of regulatory own funds

		30 June 2023 (1) Current period € million	30 June 2023 Current period € million	31 December 2022 Current period € million
Common Equity Tier 1 (CET1) capital: instruments and reserves				
1	Capital instruments and the related share premium accounts	1,978	1,978	1,978
2	Retained earnings	1,547	1,547	178
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	3,162	3,162	3,138
5	Minority interests (amount allowed in consolidated CET1)	55	55	68
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	684	534	1,330
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**7,426**	**7,276**	6,692
Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments due to the prudent valuation (negative amount)	(6)	(6)	(6)
8	Intangible assets (net of related tax liability) (negative amount)	(222)	(222)	(193)
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)	-
11	Fair value reserves related to gains or losses on cash flow hedges	14	14	12
12	Negative amounts resulting from the calculation of expected loss amounts	-	-	(2)
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-		-
15	Defined-benefit pension fund assets (negative amount)	-	-	-
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	(3)	(103)	-
18	Direct and indirect holding by the institution of the CET 1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	-
19	Direct , indirect and synthetic holding by the institution of the CET 1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	-
EU-20a	Exposure amount of the following items which qualify for a RW of 1250% where the institution opts for the deduction alternative	(33)	(33)	(34)
EU-20c	of which: securitisation positions (negative amount)	(33)	(33)	(34)
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in art. 38 (3) are met) (negative amount)	(54)	(79)	(81)
22	Amount exceeding the 17.65% threshold (negative amount)	(148)	(167)	-
23	of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	(59)	(68)	-
25	of which: deferred tax assets arising from temporary differences	(89)	(99)	-
EU-25a	Losses for the current financial year (negative amount)	-	-	-
27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)	(23)	(23)	-
27a	Other regulatory adjusments (2)	(78)	(75)	327
28	**Total regulatory adjustments to Common equity Tier 1 (CET1)**	**(555)**	**(696)**	23
29	**Common Equity Tier 1 (CET1) capital**	**6,871**	**6,580**	6,715
Additional Tier 1 (AT1) capital: instruments				
30	Capital instruments and the related share premium accounts	-	-	-
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1 as described in Article 486(3) of CRR	-	-	-
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**-**	**-**	**-**
Additional Tier 1 (AT1) capital: regulatory adjustments				
40	Direct and indirect holding by the institution of the AT 1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	(23)	(23)	-
42	Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)	-	-	-
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**(23)**	**(23)**	**-**
44	**Additional Tier 1 (AT1) capital**	**-**	**-**	**-**
45	**Tier 1 capital (T1 = CET1 + AT1)**	**6,871**	**6,580**	6,715
Tier 2 (T2) capital: instruments				
46	Capital instruments and the related share premium accounts	1,149	1,149	1,250
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	-	-	-
50	Credit risk adjustments	-	-	89
51	**Tier 2 (T2) capital before regulatory adjustments**	**1,149**	**1,149**	1,339
Tier 2 (T2) capital: regulatory adjustments				
56b	Other regulatory adjusments to T2 capital	-	-	(28)
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**-**	**-**	-
58	**Tier 2 (T2) capital**	**1,149**	**1,149**	1,311
59	**Total Capital (TC = T1 + T2)**	**8,020**	**7,729**	8,026
60	**Total risk weighted assets**	**43,976**	**43,866**	41,899

Appendix 1: Composition of regulatory own funds

		30 June 2023 [1] Current period € million	30 June 2023 Current period € million	31 December 2022 Current period € million
Capital ratios and requirements including buffers				
61	Common Equity Tier 1	**15.6%**	**15.0%**	16.0%
62	Tier 1	**15.6%**	**15.0%**	16.0%
63	Total capital	**18.2%**	**17.6%**	19.2%
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)	9.80%	9.80%	9.58%
65	of which: capital conservation buffer requirement	2.50%	2.50%	2.50%
66	of which: countercyclical buffer requirement	0.25%	0.25%	0.14%
67	of which: systemic risk buffer requirement	0.00%	0.00%	0.00%
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	1.00%	1.00%	0.75%
68	Common Equity Tier 1 available to meet buffer (as a percentage of risk exposure amount)	**7.49%**	**6.87%**	7.78%
Amounts below the thresholds for deduction (before risk weighting)				
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions	119	119	65
73	Direct and indirect holdings by the institution of CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	477	477	252
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in 38 (3) are met)	717	593	647
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	469	469	261
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-	-	185
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-	-	90

[1] Including profits € 684 million for the 1H 2023.
[2] For year ended 31 December 2022 other regulatory adjustments include mainly the IFRS 9 transitional adjustments.

Appendix 2: List of Abbreviations

Abbreviation	Definition
AAP	Annual Audit Plan
AC	Amortised Cost
AML/TF	Anti-Money Laundering/Terrorist Financing
AT1	Additional Tier 1
AVA	Additional Value Adjustments
BoD	Board of Directors
BoG	Bank of Greece
BRC	Board Risk Committee
BTAR	Banking Book Taxonomy Alignment Ratio
CBR	Combined Buffer Requirement
CCB	Capital Conservation Buffer
CCyB	Counter Cyclical Buffer
CCF	Credit Conversion Factor
CCP	Central Counterparty
CCR	Counterparty Credit Risk
CET1	Common equity Tier 1
COREPs	Common Reports
CRD	Capital Requirements Directive
CR&E	Climate-Related and Environmental
CRM	Credit Risk Mitigation
CRR	Capital Requirements Regulation
CRST	Climate Risk Stress Test
CSR	Corporate Social Responsibility
CSA	Credit Support Annex
CVA	Credit Value Adjustment
DTC	Deferred Tax Credit
EBA	European Banking Authority
EC	European Commission
ECAIs	External Credit Assessment Institutions
ECB	European Central Bank
ECL	Expected Credit Loss
EP	European Parliament
ESG	Enviromental, Social and Governance
EMAS	Eco-Management and Audit Scheme
EPC	Energy Performance Certificate
ESMS	Environmental and Social Management System
EVE	Economic Value of Equity
FL	Fully Loaded
FVOCI	Fair Value through Other Comprehensive Income
GAR	Green Asset Ratio
GCR	Group Climate Risk
GHG	Greenhouse Gas
GMRA	Global Master Repurchase Agreement
GRMG	Group Risk Management General
G-SIIs	Global Systemic Institution Buffer
HAPS	Hellenic Asset Protection Scheme
HBA	Hellenic Bank Association
HFS	Held For Sale
HQLA	High Quality Liquid Assets.
IAG	Internal Audit Group
ICAAP	Internal Capital Adequacy Assessment Process
ICMA	International Capital Markets Association
ILAAP	Internal Liquidity Adequacy Assessment Process
IMA	Internal Model Approach
IRRBB	Interest Rate risk in the Banking Book
IRC	Incremental Risk Charge
ISDA	International Swaps and Derivatives Association
ITS	Implementing Technical Standards

Appendix 2: Abbreviations

Abbreviation	Definition
KPIs	Key Performance Indicators
KYC	Know-Your-Customer
LCR	Liquidity Coverage Ratio
MRA	Moody's Risk Analyst
MRC	Management Risk Committee
MREL	Minimum Requirement for own funds and Eligible Liabilities
NII	Net Interest Income
NPE	Non-Performing exposures
NSFR	Net Stable Funding Ratio
OCR	Overall Capital Requirement
O-SIIs	Other Systemically Important Institution
P&L	Profit & Loss
P2R	Pillar 2 Requirement
PRB	Principles for Responsible Banking
PRI	Principles for Responsible Investment
RBA	Ratings Based Approach
RCSA	Risk & Control Self-Assessment
RES	Renewable Energy Sources
RIMA	Risk Identification & Materiality Assessment
RRF	Recovery and Resilience Facility
RTS	Regulatory Technical Standards
RWAs	Risk Weighted Assets
STD	Standardised Approach
SDGs	Sustainable Development Goals
SFDR	Sustainable Finance Disclosure Regulation
SFF	Sustainable Finance Framework
SFTs	Securities Financing Transactions
SIF	Sustainable Investment Framework
SPE	Single Point of Entry
SPTs	Sustainability Performance Targets
SRB	Single Resolution Board
SREP	Supervisory Review and Evaluation Process
SRT	Significant Risk Transfer
SSM	Single Supervisory Mechanism
SyRB	Systemic Risk Buffer
TLTRO	Targeted Long Term Refinancing Operations
TSCR	Total SREP Capital Requirement
VAR	Value at Risk

Appendix 3: Guidelines and Regulations mapping on Disclosures Requirements

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OV1	Overview of risk weighted exposure amounts	*Table 8*
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CR5	Standardised approach	*Table 21*
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LIQ2	Net Stable Funding Ratio	*Table 44*
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Appendix 3: Guidelines and Regulations mapping on Disclosures Requirements

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CCyB2	Amount of institution-specific countercyclical capital buffer	*Table 6*
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IFRS 9-FL	Comparison of equity, capital ratios and leverage of entities with or with out the application of the transitional arrangements of IFRS 9 or analog ECL	*Table 4*
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