EUROBANK S.A.

PILLAR 3 REPORT

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1. Introduction – General Information

Until 20 March 2020 Eurobank Ergasias S.A. was a credit institution based in Greece and supervised on a standalone and consolidated basis by the European Central Bank (ECB) and the Bank of Greece (BoG).

On 20 March 2020, the demerger of Eurobank Ergasias S.A. (Demerged Entity) through the banking sector's hive down and the establishment of a new credit institution under the corporate name "Eurobank S.A." ("the Beneficiary") was completed. At the aforementioned date: a) the Demerged Entity became the shareholder of the Beneficiary by acquiring all the shares issued by the Beneficiary and b) the Beneficiary substituted the Demerged Entity, by way of universal succession, to all the transferred assets and liabilities. Following the above, the corporate name of the Demerged Entity has been amended to "Eurobank Ergasias Services and Holdings S.A." (the Company or Eurobank Holdings). As a result of the hive down, Eurobank S.A. (hereafter the Bank) and the subsidiaries contributed by Eurobank Ergasias, form a new reporting entity Eurobank S.A. Group. Eurobank S.A. (the Bank) is active in retail, corporate and private banking, asset management, treasury, capital markets and other services. The Bank is incorporated in Greece and operates mainly in Greece and through its subsidiaries in Central and Southeastern Europe.

Following the above "Eurobank Ergasias Services and Holdings S.A." is supervised on a consolidated basis and "Eurobank S.A." is supervised on a standalone basis by ECB and BoG.

1.1 Corporate Transformation Plan

In November 2018, Eurobank Ergasias announced its transformation plan aiming to enable the former to deal with the challenging non-performing loans (NPEs) reduction targets, achieve a significant balance sheet de-risking and focus on the core banking business. The aforementioned transformation plan included the merger with Grivalia, which was completed in April 2019, and the NPEs reduction Acceleration Plan including, among others:

a) the securitisation of ca. € 2 billion of NPEs (project Pillar) and € 7.5 billion primarily NPEs (project Cairo), through the issue of senior, mezzanine and junior notes, the disposal of a portion of the mezzanine and junior notes to third party investors (completed in September 2019 and in June 2020 respectively) and the contribution of a portion of the mezzanine and junior notes of the Cairo securitization to its subsidiary Mairanus Ltd in exchange for shares to be distributed to Eurobank Holding's shareholders. Both securitizations resulted in the derecognition of the underlying loan portfolios.

b) the legal separation of the core and non-core operations of Eurobank Ergasias through the hive-down of the core operations to a new company-credit institution (under the corporate name Eurobank S.A). Eurobank S.A. has recognized on its balance sheet the retained notes of the aforementioned securitisations, i.e. 100% of the senior and 5% of the mezzanine and junior notes. Further information is provided in the Financial Statements note 4.

Hive Down

On 28 June 2019, the BoD of Eurobank Ergasias S.A. ("Demerged Entity") decided the initiation of the hive down process of the banking sector of the Demerged Entity and its transfer to a new company-credit institution that would be established ("the Beneficiary").

On 31 July 2019, the BoD of Eurobank Ergasias S.A. approved the Draft Demerger Deed through the aforementioned hive down and establishment of a new company-credit institution, pursuant to Article 16 of Law 2515/1997 and Articles 57 (3) and 59- 74 of Law 4601/2019, as currently in force. In particular, the demerger would involve the hive-down of the banking sector of Eurobank Ergasias S.A., to which the assets and the liabilities are included, as described on the transformation balance sheet of the hived-down sector as at 30 June 2019 ("Transformation Date").

On 31 January 2020, the Demerged Entity's Extraordinary General Shareholders' Meeting (EGM) resolved, among others, a) the approval of the aforementioned demerger of Eurobank Ergasias through the banking sector's hive down and the

establishment of a new company-credit institution under the corporate name "Eurobank S.A." b) the approval of the Draft Demerger Deed as well as the Articles of Association of the Beneficiary, as they were approved by the Demerged Entity's BoD and c) the adjustment of the Articles of Association of the Demerged Entity which would cease to be a credit institution by amending its object and corporate name as was also approved by its BoD.

On 20 March 2020, the demerger of Eurobank Ergasias S.A. through the banking sector's hive down and the establishment of a new company-credit institution ("Demerger") under the corporate name "Eurobank S.A." as well as the Articles of Association of the Beneficiary were approved by virtue of the decision of the Ministry of Development and Investments No 31847/20.03.2020, which was registered on the same day in the General Commercial Registry. At the aforementioned date: a) the Demerged Entity becomes the shareholder of the Beneficiary by acquiring all the shares issued by the Beneficiary and more specifically 3,683,244,830 common registered shares, of a nominal value of € 1.10 each and b) the Beneficiary substitutes the Demerged Entity, by way of universal succession, to all the transferred assets and liabilities, as set out in the transformation balance sheet of the hived down sector as at 30 June 2019 and formed up to 20 March 2020, day of the Demerger's completion.

On 23 March 2020, the Articles of Association of the Demerged Entity were amended with the decision of the Ministry of Development and Investments, Number 32403/23.03.2020, which was registered on the same day in the General Commercial Registry. According to article 1 of the Articles of Association, the corporate name and the distinctive title of the Demerged Entity is amended to "Eurobank Ergasias Services and Holdings S.A." and "Eurobank Holdings" respectively. The date of change of the Company's corporate name and distinctive title in the Athens Exchange was set for 24 March 2020.

In accordance with the Demerger Deed, Eurobank Holdings maintained activities and assets that are not related to the main banking activities but are mainly related to the strategic planning of the administration of non-performing loans and the provision of services to the Bank companies and third parties. Furthermore, Eurobank Holdings retained the 95% of Cairo mezzanine and junior notes, the preferred securities and the participations in certain subsidiaries including Be Business Exchanges S.A., Cairo DACs, Pillar and Cairo real estate entities. Accordingly, the Beneficiary, receives the remaining assets (including 100% of Cairo senior and 5% of mezzanine and junior notes that were recognized at fair value) and liabilities that constitute the banking sector, by issuing shares to the Demerged entity.

In addition, considering that the obligations of the Demerged Entity arising from the Tier 2 Subordinated Capital Instruments were not transferred to the Beneficiary, the latter pursuant to the terms of the Draft Demerger Deed has explicitly and irrevocably undertaken to fulfil the relevant obligations. In that context, on 20 March 2020, the Beneficiary issued a subordinated instrument of equivalent terms with those of TIER 2 mentioned above which was fully subscribed by the Demerged Entity.

Further information is provided in the Financial Statements note 4.

1.2 Regulatory framework

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

- Pillar 1 defines the minimum regulatory capital requirements, based on principles, rules and methods specifying and measuring credit, market and operational risk. These requirements are covered by regulatory own funds, according to the rules and specifications of CRR.
- Pillar 2 addresses the internal processes for assessing overall capital adequacy in relation to risks (Internal Capital Adequacy Assessment Process - ICAAP and Internal Liquidity Assessment Process - ILAAP). Pillar 2 also introduces the Supervisory Review & Evaluation Process (SREP), which assesses the internal capital adequacy of credit institutions.

- Pillar 3 deals with 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 (with gradual implementation until 2019):

- Minimum Common Equity Tier 1 (CET1) ratio: 4.5%;
- Minimum Tier 1 ratio: 6%;
- Minimum Total Capital ratio: 8%;
- Furthermore, banks are required to maintain in addition to the CET1 capital a capital conservation buffer (CCoB) 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 CCoB 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. The purpose of this buffer is to counteract the effects of the economic cycle on banks' lending activity, thus making the supply of credit less volatile and possibly even reduce the probability of credit bubbles or crunches. Credit institutions are required under the CRD IV to build up an additional buffer of 0 - 2.5% of CET1 during periods of excess credit growth, according to national circumstances. According to relevant BoG Executive Committee Act No 180, the countercyclical buffer was set at 0% for the first quarter of 2021.
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 3.04.2020, European Banking Authority (EBA) published the updated list of O-SIIs in the EU. O-SIIs are those institutions which are deemed systematically relevant in addition to G-SIIs, already identified. This list reflects also the additional capital buffers that the relevant authorities have set for the O-SIIs. The list of O-SIIs is disclosed on an annual basis, along with any CET1 capital buffer requirements which may need to be set or reset. In case of higher capital requirements, these become applicable at least one year after the publication of the O-SIIs list, to give institutions enough time to adjust to the new buffer requirements.

Regulatory Developments

On 14 February 2020, European Commission published Regulation 2020/429 that amends the Regulation 680/2014, which sets out implementing technical standards on supervisory reporting of institutions under the Capital Requirements Regulation or CRR (575/2013). The key amendments in Regulation 2020/429 relate to reporting on securitization positions, IFRS 16 on leases, non-performing exposures, and liquidity. This Regulation is based on the draft implementing technical standards submitted by EBA to EC. Regulation 2020/429 shall enter into force on the day following that of its publication in the Official Journal of the European Union.

On 20 May 2020, the ECB published a guide for consultation that explains how it expects banks to safely and prudently manage climate-related and environmental risks and disclose such risks transparently under the current prudential framework. The ECB wants banks to account for these risks given that they drive existing prudential risk categories and can substantially impact the real economy and banks.

On 29 May 2020, the EBA published its Guidelines on loan origination and monitoring that expect Banks to develop robust and prudent standards to ensure newly originated loans are assessed properly. The Guidelines set requirements for assessing the borrowers' creditworthiness together with the handling of information and data for the purposes of such assessments. In these requirements, the Guidelines bring together the EBA's prudential and consumer protection

objectives. The application of the Guidelines for newly originated loans needs to be in place within Q2 2021, while gradually and until Q2 2024 the application of the Guidelines need to be expanded to existing loans that have been renegotiated and to the stock of existing loans.

On 18 September 2020, The ECB published the finalised guide outlining the methodology it uses to assess how euro area banks calculate their exposure to counterparty credit risk (CCR) and advanced credit valuation adjustment (CVA) risk. The guide published explains the methodology the ECB uses to assess the validity of such models, especially in internal model investigations.

On 27 November 2020 ECB published its final and amended guide on climate-related and environmental risks following up with banks in two concrete steps. In early 2021 it will ask banks to conduct a self-assessment in light of the supervisory expectations outlined in the guide and to draw up action plans on that basis. The ECB will then benchmark the banks' self-assessments and plans and challenge them in the supervisory dialogue. In 2022 it will conduct a full supervisory review of banks' practices and take concrete follow-up measures where needed and it will include in the next supervisory stress test the climate related risks.

On 22 December 2020, EBA published an update to the reporting framework 3.0 and the ITS on institutions' Pillar 3 public disclosures, the mapping of quantitative disclosure data and supervisory reporting and also a summary of the frequency of disclosure of each template and table, in accordance with the Regulation EU No 876/2019 (CRR2). The disclosure requirements are applicable from June 2021.

On 1 March 2021, EBA published a consultation paper on draft implementing technical standards (ITS) on Pillar 3 disclosures on Environmental, Social and Governance (ESG) risks. The draft ITS put forward comparable disclosures that show how climate change may exacerbate other risks within institutions' balance sheets, how institutions are mitigating those risks, and their green asset ratio on exposures financing taxonomy-aligned activities, such as those consistent with the Paris agreement goals. These disclosure requirements are applicable from June 2022 on an annual basis during the first year and biannually thereinafter.

COVID-19 regulatory measures

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

On 12 March 2020, the ECB announced a number of measures to ensure that its directly supervised banks can continue to fulfil their role in funding the real economy. Specifically, banks will be allowed, among others, to operate temporarily below the level of capital defined by the Pillar 2 Guidance and the Combined Buffer Requirement. Banks will also be allowed to partially use capital instruments that do not qualify as CET1 capital, for example Additional Tier 1 (AT1) or Tier 2 instruments, to meet the Pillar 2 Requirements (P2R).

On 20 March 2020 the ECB published FAQs on supervisory measures in reaction to the coronavirus. The relief measures cover the following: a) asset quality deterioration and non- performing loans, b) operational aspects of supervision and c) capital and liquidity requirements.

Following the ECB recommendation of 27 March of 2020 (2020/19) on dividend distribution, the ECB recommends that at least until 1 October 2020 no dividends are paid out and no irrevocable commitment to pay out dividends is undertaken by the credit institutions for the financial year 2019 and 2020 and that credit institutions refrain from share buy-backs aimed at remunerating shareholders. On 15 December 2020, ECB extended its recommendation to banks on dividend distributions and share buy-backs until 30 September 2021 and asked banks to be extremely moderate with regard to variable remuneration.

On 2 April 2020, the EBA published "Guidelines on legislative and non-legislative moratoria on loan repayments applied in the light of the COVID-19 crisis before 30 June 2020". On 25 June 2020, EBA introduced a new deadline of 30 September

2020 replacing the previous date of 30 June 2020. The aim of these Guidelines was to clarify the requirements for public and private moratoria, which if fulfilled, will help avoid the classification of exposures under the definition of forbearance or as defaulted under distressed restructuring.

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

On 28 April 2020, the European Commission has proposed targeted "quick fix" amendments to Regulation (EU) No 575/2013 (Capital Requirements Regulation) and Regulation (EU) 2019/876 (CRR 2) in order to mitigate the economic impact of the 2019 coronavirus disease (COVID-19) pandemic.

The changes include exceptional temporary measures to alleviate the immediate impact of Coronavirus-related developments, by adapting the timeline of the application of international accounting standards on banks' capital, by treating more favourably public guarantees granted during this crisis, by postponing the date of application of the leverage ratio buffer and by modifying the way of excluding certain exposures from the calculation of the leverage ratio.

The Commission also proposed to advance the date of application: a) of several agreed measures that incentivise banks to finance employees, SMEs and infrastructure projects and b) of the exemption of certain software assets from capital deductions. The Commission called for the Council and the Parliament to adopt the amending Regulation before the end of June 2020.

On 9 June 2020, the Economic and Monetary Affairs Committee MEPs agreed to apply specific changes to the capital requirements regulation (CRR), which will have to be coherently applied in the EU. Banks will have to monitor the effects of the pandemic on their balance sheets, pay close attention to non-performing loans and apply know-your-customer standards. The material changes include:

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

The plenary session vote on the CRR 'quick fix' took place on 19 June 2020.

On June 24, 2020, the EU Council announced that it had adopted Regulation (EU) 2020/873 (CRR 'quick fix') amending Regulations (EU) No 575/2013, as amended ("CRR") and (EU) 2019/876 ("CRR2").

The CRR 'quick fix' legislation intends to help credit institutions to mitigate impact of the COVID-19 outbreak and to provide incentives for banks to continue lending to business and consumers.

On 2 June 2020, EBA published GL/2020/11 guidelines to clarify how to report the CRR 'quick fix' amendments that have an impact on templates related to the leverage ratio, own funds and credit risk. The reporting requirements clarified by these guidelines will apply from the date of publication until the reporting reference date of 31 May 2021. The disclosure requirements clarified by these guidelines will apply from the date of publication until and including the last disclosure reference date prior to the disclosure reference date of 28 June 2021.

On 17 September 2020 the ECB announced that euro area banks under its direct supervision may exclude certain central bank exposures from the leverage ratio. The move is aimed at easing the implementation of monetary policy. Banks may benefit from this measure until 27 June 2021.

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

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

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

Single Supervisory Mechanism (SSM)

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

Introduction – General Information

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

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

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

Single Rulebook

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

Supervisory Review and Evaluation Process (SREP)

Based on Council Regulation 1024/2013, the ECB conducts annually a SREP, in order to define the prudential requirements of the institutions under its supervision, by defining a total SREP capital requirement.
The key purpose of SREP is to ensure that institutions have adequate arrangements, strategies, processes and mechanisms as well as capital and liquidity to ensure a sound management and coverage of their risks, to which they are or might be exposed, including those revealed by stress testing and risks the institution may pose to the financial system.
The common SREP framework introduced is built around:

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

The minimum capital adequacy requirements are determined by the ECB following the assessment of the institution's risk profile (through SREP). For 2020 and for 2021, the SREP requirements consist of:

- The minimum required CET1 ratio and the minimum required Total capital adequacy ratio (Total SREP Capital Requirement or TSCR) that the Bank must meet at all times;
- The Overall Capital Requirement (OCR), which include, in addition to the TSCR, the combined buffer requirement, and which in case they are breached, can lead to the trigger of the Maximum Distributable Amount (MDA) restrictions;
- The Pillar 2 Guidance (P2G), which is an additional capital buffer recommended by the ECB to be kept over and above the Overall Capital Requirement.

Pillar 2 Requirement (P2R)

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

Based on the completion of the SREP decision for the year 2020, the ECB notified that the Bank shall meet, on an individual basis, a total SREP capital requirement (TSCR) of 11%, which includes a Pillar 2 Requirement (P2R) of 3%. This requirement must be maintained at all times in accordance with Article 16(2)(a) of Regulation (EU) No 1024/2013.

Part of the P2R must be held in the form of CET1 capital (1.69%), while Additional Tier 1 and Tier 2 capital, where available, may be used to cover the remaining part.

Stress Test

On 12 March 2020, the EBA and the ECB decided to postpone the stress test exercises to 2021 to mitigate the impact of COVID-19 on the EU banking sector and thus allow banks to focus on and ensure continuity of their core operations, including support for their customers.

On 25 September, the EBA launched its 7th annual EU-wide transparency exercise, which seeks to provide market participants with updated information on the financial conditions of European banks based on data as of March and June 2020. The results of this exercise were published on 11 December 2020.

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

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

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

The results of both stress tests will be used to assess each bank's Pillar 2 capital recommendation ("Guidance") in the context of the SREP. The stress test process is currently in progress and the results for the EBA stress test are expected to be published by the end of July 2021.

Regulatory initiatives on Internal Models

SSM initiatives - Targeted Review of Internal Models

In the 4th quarter of 2019, ECB initiated the review of models (IMI – Internal Model Investigations) for the new production of Retail Lending in line with the ECB Guidance, following an application submitted by the Bank.

The models for the new production of Retail Lending have been approved by ECB in Q1 2021.

EBA initiatives – Definition of default and other Guidelines

EBA recently issued a number of Guidelines and Regulations, to allow comparability and harmonization of risk estimates and RWAs as well as introducing a level playing field. These include among others:

- The implementation of the new Definition of Default including consistent materiality thresholds for credit obligations past due;
- Guidelines on the estimation of risk parameters under the Internal Ratings Based (IRB) Approach.

In early September 2020, ECB initiated an Internal Model Investigation (IMI) of all IRB models as calibrated to the new Definition of Default (DoD). The calibrated models are expected to be implemented for capital calculation purposes in Q2 2021 following ECB's approval. The Bank is applying the new DoD for reporting purposes since January 1, 2021.

Recovery and Resolution of Credit Institutions

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

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

The SRM Regulation builds on the rulebook on bank resolution set out in the BRRD and establishes the SRM, which complements the SSM and centralizes key competences and resources for managing the failure of any bank in the Euro zone and in other Member States participating in the Banking Union. The SRM Regulation also established the SRB, vested with centralised power for the application of the uniform resolution rules and procedures and the SRF, supporting the SRM. The main objective of the SRM is to ensure that potential future bank failures in the banking union are managed efficiently, with minimal costs to taxpayers and the real economy. The SRB started its work as an independent EU agency on 1 January 2015 and is fully operational since January 2016.

In November 2016, the European Commission submitted legislative proposals to amend, among others, the BRRD and the SRMR. In April 2019, the European Parliament and the Council reached an agreement on these legislative proposals and in June 2019 the Official Journal of the European Union published:

- **Directive (EU) 2019/879** of the European Parliament and of the Council amending Directive 2014/59/EU on loss-absorbing and recapitalisation capacity of credit institutions and investment firms (known as "BRRD2"), and

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

The SRMR2 applies from 28 December 2020, while by that date Member States were obliged to transpose the BRRD2 into their national law.

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

- the allocation of banks into different categories with different requirements to apply to each of these categories;

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

1.3 Implementation of Capital Adequacy framework

1.3.1 Credit risk

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

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

- The Foundation IRB (F-IRB) approach to calculate risk weighted assets for the corporate loans' portfolio of Eurobank Ergasias S.A. in Greece;
- The Advanced IRB (A-IRB) for the majority of the retail loans' portfolio of the Bank, i.e. mortgages, small business lending, credit cards and revolving credits in consumer lending;
- From September 2009 the F-IRB approach was applied for the corporate loans' portfolio of Eurobank Ergasias Leasing S.A. in Greece;
- From March 2010 the A-IRB approach was applied for the Bank's portfolio of personal and car loan. The implementation of IRB covers 84.7% of the Bank's lending portfolio excluding portfolio segments which are immaterial in terms of size and risk profile as well as, permanent exemptions.

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

Permanent exemption has been granted for the following exposure classes as prescribed in the CRD:

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

The Standardised approach is applied for these exposures.

1.3.2 Market risk

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

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

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

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

1.3.3 Operational risk

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

1.4 Scope of Pillar 3

Pillar 3 report is prepared by the Bank on an individual basis, according to Article 13 of the CRR, as in force, in consideration of the fact that the Group prepares consolidated Pillar 3 report and “Eurobank S.A.” is a significant subsidiary of the consolidating group entity.

The Bank includes in its Pillar 3 report, all the information which it deems necessary, to provide to users with a clear, complete and accurate view of the Bank. The purpose of Pillar 3 report is to provide updated information for the Bank’s risk assessment processes and regulatory capital adequacy ratios.

Pillar 3 disclosures consist of both qualitative and quantitative information. They have been prepared according to the specific CRR Articles 437, 438, 440, 442, 450, 451, 451a and 453 of Part Eight of the Regulation (EU) No 575/2013, as in force. Consequently, it is subject to the limited disclosure requirement on annual basis. In December 2016 EBA published EBA/GL/2016/11 guidelines on revised Pillar 3 disclosures requirements to improve the consistency and comparability of institutions’ regulatory disclosures. These guidelines harmonised the frequency of disclosures and updated the list of requirements to be considered for more frequent disclosures.

According to the above guidelines, 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 Bank.

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

In response to the COVID-19 pandemic, EBA published EBA/GL/2020/07 guidelines, which introduce additional requirements in relation to the disclosure on exposures subject to the EBA Guidelines on legislative and non-legislative

moratoria on loan repayments applied in the light of the COVID-19 crisis and on newly originated exposures subject to public guarantee schemes.

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

1.4.1 Location, timing and frequency of disclosures

Pillar 3 disclosures are provided on an annual basis in electronic format, after taking into consideration the relevant recommendation of EBA Guidelines 2016/11.

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 Bank under accounting, listing or other requirements are deemed to constitute compliance with the requirements of the aforementioned Regulation (EU) No 575/2013 (Part Eight) taking into consideration any existing relevant implementing Regulations as well as the EBA guidelines.

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

Quantitative information, which is included in the Bank's Financial Statements, is also provided at the above location. In this way, the Bank 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 Bank'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 12 April 2021.

1.5 Compliance with Basel III Pillar 3 disclosures

According to CRR article 431, the Bank has issued an internal approved by the Board of Directors «Pillar 3 Disclosures Policy" in order to ensure consistent and continuous compliance with the Pillar 3 disclosures requirements, as these have been specified in the existing regulatory framework. Within this framework, the Bank operates as follows:

- Pillar 3 disclosures are provided on an individual basis;
- The Bank includes in its disclosures all information deemed necessary to provide users with a clear, complete and accurate view of the Bank's structure, capital management, risk management system and remuneration policy. During this procedure the Bank also identifies information that is material, confidential and proprietary;
- The Bank has opted to present the full set of Pillar 3 disclosures in a separate document "Pillar 3 Report", which is published annually on the Bank's website, in conjunction with the date of publication of its financial statements. The Remuneration disclosures are published as separate document;
- The Bank re-examines the extent and type of information provided at each disclosure date and revises its policy as necessary;
- The Audit Committee of the Bank is responsible to review and assess the process for the preparation of the Pillar 3 report, while the Board of Directors (BoD) of the Bank is responsible to approve it.

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

1.6 Regulatory Balance Sheet

There is no difference between regulatory and accounting Balance Sheet.

The table below shows the Bank's regulatory and accounting Balance Sheet as at 31 December 2020.

Table 1: Regulatory and accounting Balance Sheet

Balance sheet per published financial statements and per regulatory consolidation	Ref.	31 December 2020 € million
Assets		
Cash and balances with central banks		3,736
Due from credit institutions		3,573
Securities held for trading		22
Derivative financial instruments		2,606
Loans and advances to customers		29,261
Investment securities		6,463
Shares in subsidiaries		1,919
Investments in associates and joint ventures		104
Property, plant and equipment		549
Investment property		914
Goodwill and other intangible assets	*a*	173
Deferred tax asset		4,515
of which deferred tax assets that rely on future profitability excluding those arising from temporary differences	*b*	-
of which deferred tax credit		3,691
of which deferred tax assets arising from temporary differences	*c*	824
Other assets		1,765
Assets of disposal group classified as held for sale		36
Total assets		**55,636**
Liabilities		
Due to central banks		7,231
Due to credit institutions		4,138
Derivative financial instruments		2,937
Due to customers		34,448
Debt securities in issue		1,544
Other liabilities		1,174
Total liabilities		**51,472**
Equity		
Ordinary share capital		4,052
Share premium		-
Reserves and retained earnings		112
of which cash flow hedge reserves	*d*	(49)
Preferred securities		-
Non controlling interests		-
Total equity	*e*	**4,164**
Total equity and liabilities		**55,636**

2. Capital Management

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

2.1 Regulatory capital – definition

The Pillar 1 regulatory capital of the Bank is calculated on the basis of IFRS figures and according to the rules set by Regulation (EU) No 575/2013 as in force.

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

CET1 capital is composed of ordinary shareholders' equity, after the following adjustments:

Addition of:

- 70% of IFRS 9 impact of 2020 (refer to par. 2.1.1 and 2.6);
- 100% of IFRS 9 'quick fix' impact of 2020 increases in stage 1 and stage 2 provisions (refer to par. 2.1.1 and 2.6).

Deduction of:

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

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

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

Tier 2 capital is composed of the following items:

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

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

2.2 Transition rules

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

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

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

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

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

2.3 Key Metrics

The table below provides an overview of the Banks prudential regulatory metrics as at 31 December 2020.

Table 2: Key Metrics

	31 December 2020 [1]
Available own funds (amounts)	**€ million**
Common Equity Tier 1 (CET1) capital	4,245
Tier 1 capital	4,245
Total capital	5,195
Risk-weighted exposure amounts	
Total risk-weighted exposure amount	34,185
Capital ratios (as a percentage of risk-weighted exposure amount)	
Common Equity Tier 1 ratio (%)	12.4%
Tier 1 ratio (%)	12.4%
Total capital ratio (%)	15.2%
Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)	
Additional CET1 SREP requirements (%)	1.69%
Additional AT1 SREP requirements (%)	0.6%
Additional T2 SREP requirements (%)	0.7%
Total SREP own funds requirements (%)	11.0%
Combined buffer requirement (as a percentage of risk-weighted exposure amount)	
Capital conservation buffer (%)	2.50%
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.00%
Institution specific countercyclical capital buffer (%)	0.01%
Systemic risk buffer (%)	0.00%
Global Systemically Important Institution buffer (%)	0.00%
Other Systemically Important Institution buffer	0.00%
Combined buffer requirement (%)	2.51%
Overall capital requirements (%)	13.51%
Leverage ratio	
Leverage ratio total exposure measure	53,590
Leverage ratio	7.92%
Liquidity Coverage Ratio	
Total high-quality liquid assets (HQLA) (Weighted value - average)	5,548
Cash outflows - Total weighted value	5,312
Cash inflows - Total weighted value	460
Total net cash outflows (adjusted value)	4,851
Liquidity coverage ratio (%)	114.35%

[1] *Including 20/3-31/12/2020 profits amounting to €15 million.*

2.4 Regulatory capital

The Bank has sought to maintain an actively managed capital base to cover risks inherent in the business. The adequacy of the Bank'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 Bank's regulatory capital as at 31 December 2020 which is calculated according to CRD IV.

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

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

	Ref,	31 December 2020 € million	31 December 2020 [(1)] € million
Total equity	*e*	4,164	4,164
Regulatory adjustments			
Part of interim or year-end profit not eligible		(15)	-
Cash flow hedge reserves	*d*	49	49
Adjustments due to IFRS 9 transitional arrangements		683	683
Fixed assets' revaluation reserve		-	-
Intangible assets	*a*	(117)	(117)
of which Goodwill		-	-
IRB shortfall of credit risk adjustments to expected losses		(223)	(223)
Deferred tax assets that rely on future profitability (unused tax losses)	*b*	-	-
Deferred tax assets arising from temporary differences (amount above 10% threshold)	*c*	(285)	(284)
Prudent Valuation Adjustments		(11)	(11)
Other regulatory adjustments		(16)	(16)
Amount exceeding the 17.65% threshold		-	-
Common Equity Tier I capital		**4,229**	**4,245**
Regulatory adjustments		-	-
Total Tier I capital		**4,229**	**4,245**
Tier II capital - subordinated debt		950	950
Fixed assets' revaluation reserve		-	-
IRB Excess of impairment allowances over expected losses eligible		-	-
Total Regulatory Capital		**5,179**	**5,195**
Risk Weighted Assets		**34,181**	**34,185**
Ratios			
Common Equity Tier I		**12.4%**	**12.4%**
Tier I		**12.4%**	**12.4%**
Total Capital Adequacy Ratio		**15.2%**	**15.2%**

[(1)] Including 20/3-31/12/2020 profits amounting to €15 million.
[(2)] The Bank's CET1 ratio as at 31 December 2020, based on the full implementation of the Basel III rules in 2025 (fully loaded CET1), would be 10.7%.

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

As at 31 December 2020, pursuant to the Law 4172/2013, as in force, the Bank's eligible DTAs/deferred tax credits (DTCs) against the Greek State amounted to € 3,691 million. The DTCs will be converted into directly enforceable claims (tax credit) against the Greek State provided that the Bank's after tax accounting result for the year is a loss. In particular, DTCs are accounted for on: (a) the losses from the Private Sector Involvement (PSI) and the Greek State Debt Buyback Program and (b) on the sum of (i) the unamortized part of the crystallized loan losses from write-offs and disposals, (ii) the accounting debt write-offs and (iii) the remaining accumulated provisions and other losses in general due to credit risk recorded up to 30 June 2015. For further details, please refer to Financial Statements, Note 14.

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%.

2.5 IFRS 9 capital impact

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

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

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

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.

	31 December 2020	31 December 2020 [(1)]
Available capital (amounts)	**€ million**	**€ million**
CET1 capital	4,229	4,245
CET1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	3,618	3,634
Tier 1 capital	4,229	4,245
Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	3,618	3,634
Total capital	5,179	5,195
Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	4,683	4,699
Risk weighted assets (amounts)		
Total risk-weighted assets	34,181	34,185
Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	34,039	34,043
Capital ratios		
CET1 (as a percentage of risk exposure amount)	12.4%	12.4%
CET1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	10.6%	10.7%
Tier 1 (as a percentage of risk exposure amount)	12.4%	12.4%
Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	10.6%	10.7%
Total capital (as a percentage of risk exposure amount)	15.2%	15.2%
Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	13.8%	13.8%
Leverage ratio		
Leverage ratio total exposure measure	53,589	53,590
Leverage ratio	7.89%	7.92%
Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	6.72%	6.75%

[(1)] Including 20/3-31/12/2020 profits amounting to €15 million.

2.6 Countercyclical buffer

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

The table below shows the geographical distribution of the Bank's credit exposures relevant for the calculation of its countercyclical capital buffer and the amount of its institution specific countercyclical capital buffer.

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

	31 December 2020										
	General credit exposures		Trading book exposure		Securitisation exposure	Own funds requirements					
Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer	Exposure value for SA	Exposure value for IRB	Sum of long and short position of trading book	Value of trading book exposure for internal models	Exposure value in the banking book	of which: General credit exposures	of which: trading exposures	of which: securitisation exposures	Total	Own funds requirement weights	Counter-cyclical capital buffer rate
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million		
Greece	6,504	26,297	-	-	8	1,629	-	1	1,630	0.81	0.00%
Romania	207	45	-	-	-	18	-	-	18	0.01	0.00%
Bulgaria	-	189	-	-	-	29	-	-	29	0.01	0.50%
United Kingdom	86	2	-	-	-	4	-	-	4	0.00	0.00%
Cyprus	-	31	-	-	-	5	-	-	5	0.00	0.00%
Luxemburg	18	171	-	-	-	30	-	-	30	0.01	0.25%
Other Countries	417	1,304	-	-	1,097	227	-	80	307	0.15	0.00%
Total	**7,232**	**28,039**	**-**	**-**	**1,105**	**1,942**	**-**	**81**	**2,023**	**1.00**	**0.01%**

Table 6: EU CCyB21 – Amount of institution-specific countercyclical capital buffer

Amount of institution-specific countercyclical buffer	31 December 2020
Total risk exposure amount (€ million)	34,181
Institution specific countercyclical buffer rate	0.01%
Institution specific countercyclical buffer requirement (€ million)	4

2.7 Supervisory Review and Evaluation Process (SREP) capital requirements

According to the decision of the 2019 SREP performed by the ECB, and the capital relief measures granted by the ECB in response to the Covid-19 outbreak starting from 18 March 2020, the Bank is required to meet on an individual basis a Common Equity Tier 1 (CET1) ratio of at least 8.70% and a Total Capital Adequacy Ratio of at least 13.51% (Overall Capital Requirements including Capital Conservation Buffer (CCoB) and the applicable Countercyclical Capital Buffer of 0.01% for the last quarter of 2020 stemming from the exposures in Bulgaria and Luxemburg).

The table below shows the capital requirements of the Bank for 31 December 2020.

	31 December 2020	
	CET1 Capital Requirements	Total Capital Requirements
Minimum regulatory requirement	4.50%	8.00%
Pillar 2 Requirement (P2R)	1.69%	3.00%
Total SREP Capital Requirement (TSCR)	**6.19%**	**11.00%**
Combined Buffer Requirement (CBR)		
Capital conservation buffer (CCoB)	2.50%	2.50%
Countercyclical capital buffer (CCyB)	0.01%	0.01%
Overall Capital Requirement (OCR)	**8.70%**	**13.51%**

In response to the Covid-19 outbreak, on 12 March 2020, the ECB announced a number of measures to ensure that its directly supervised banks can continue to fulfil their role in funding the real economy. Specifically, banks have been allowed, among others, to operate temporarily below the level of capital defined by the Pillar 2 Guidance and the CCoB. Also, banks are allowed to partially use capital instruments that do not qualify as CET1 capital (i.e. AT1 or Tier 2 instruments), to meet the Pillar 2 Requirements (P2R). At individual level, the Pillar 2 Requirement is set at 3% for 2020 and part of that (1.69%) must be held in the form of CET1 capital while the Bank may use AT1 and Tier 2 capital, where available, for the remaining part. The amount of additional own funds required on an individual basis to be met with CET1 capital is € 578 million.

As at 31 December 2020, Eurobank's transitional CET1 ratio and Total Capital ratio were 12.4% and 15.2% respectively, which exceeded the 2020 transitional minimum requirements of 8.70% and 13.51%.

According to the 2020 SREP decision, for 2021, the Bank is required to meet on an individual Basis a CET1 ratio of at least 8.70% and a Total Capital Adequacy Ratio of at least 13.51% (Overall Capital Requirements including CCoB of 2.5 and Countercyclical Buffer of 0.01% stemming from the exposures in Bulgaria and Luxemburg).

2.8 Capital requirements under Pillar 1

The table below shows the Bank's risk weighted assets (RWAs) and capital requirements as at 31 December 2020. The minimum capital requirements under Pillar 1 are calculated as 8% of RWAs.

Table 8: EU OV1 – Overview of RWAs

	31 December 2020 RWAs € million	31 December 2020 [(1)] RWAs € million	31 December 2020 Minimum capital requirements € million
Credit risk (excluding CCR)	**29,050**	**29,050**	**2,324**
Of which the standardised approach	9,972	9,972	798
Of which the foundation IRB (FIRB) approach	9,087	9,087	727
Of which the advanced IRB (AIRB) approach	5,964	5,964	477
Of which equity IRB under the simple risk-weighted approach or the IMA	4,027	4,027	322
Counterparty Credit Risk	**396**	**396**	**32**
Of which mark to market	202	202	16
Of which original exposure	-	-	-
Of which the standardised approach	122	122	10
Of which internal model method (IMM)	-	-	-
Of which risk exposure amount for contributions to the default fund of a CCP	-	-	-
Of which CVA	72	72	6
Settlement risk	-	-	-
Securitisation exposures in the banking book (after the cap)	**1,011**	**1,011**	**81**
Of which IRB approach	53	53	4
Of which IRB supervisory formula approach (SFA)	-	-	-
Of which internal assessment approach (IAA)	-	-	-
Of which standardised approach	958	958	77
Market risk	**559**	**559**	**45**
Of which the standardised approach	1	1	-
Of which IMA	558	558	45
Large exposures	-	-	-
Operational risk	**2,092**	**2,092**	**167**
Of which basic indicator approach	-	-	-
Of which standardised approach	2,092	2,092	167
Of which advanced measurement approach	-	-	-
Amounts below the thresholds for deduction (subject to 250% risk weight)	**1,073**	**1,077**	**86**
Floor adjustment	-	-	-
Total	**34,181**	**34,185**	**2,734**

[(1)] *Including 20/3-31/12/2020 profits amounting to €15 million.*

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

Table 9:INS1 – Non deducted participation in insurance undertakings

	31 December 2020
	€ million
Holdings of own funds instruments of a financial sector entity where the institution has a significant investment not deducted from own funds (before risk-weighting)	23
Total RWAs	**57**

2.9 Internal Capital Adequacy Assessment Process (ICAAP)

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

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

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

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

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

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

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

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

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

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

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

2.10 Internal Liquidity Adequacy Assessment Process (ILAAP)

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

The Group's ILAAP covers the following areas:

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

3. 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.

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

Settlement risk is the risk arising when payments are settled, for example for trades in financial instruments, including derivatives and currency transactions. The risk arises when the Bank 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 Bank, including from credit enhancement provided, such as financial guarantees and letters of credit. The Bank 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 Bank is exposed to, it is very closely managed and is monitored by centralised dedicated risk units, reporting to the GCRO.

3.2 Credit exposures

The following table presents the Bank's total and average values of on and off-balance sheet exposures, after impairments and before any credit risk mitigation (CRM) and any credit conversion factor (CCF), as at 31 December 2020.

Table 10: EU CRB-B - Total and average net amount of exposures

	2020	
	Net value of exposures € million	Average net exposures € million
Central governments or central banks	-	-
Institutions	-	-
Corporates	12,669	12,281
- Corporates (Foundation IRB approach)	12,329	11,992
- Retail exposures that exceed € 1 million (Advanced IRB approach)	340	289
Of which: Specialised lending	2,907	2,829
Of which: SMEs	3,584	3,375
Retail	12,612	12,353
Secured by real estate property	7,649	7,640
SMEs	1,826	1,856
Non-SMEs	5,823	5,784
Qualifying revolving	2,056	2,051
Other retail	2,907	2,662
SMEs	1,758	1,544
Non-SMEs	1,149	1,118
Equity	2,087	2,039
Total IRB approach	**27,368**	**26,673**
Central governments or central banks	24,071	22,403
Regional governments or local authorities	38	41
Public sector entities	708	710
Multilateral development banks	49	49
International organisations	171	172
Institutions	5,722	6,308
Corporates	586	503
Of which: SMEs	29	25
Retail	969	1,034
Of which: SMEs	111	116
Secured by mortgages on immovable property	2,110	2,219
Of which: SMEs	10	11
Exposures in default	765	840
Items associated with particularly high risk	-	-
Covered bonds	58	67
Claims on institutions and corporates with a short-term credit assessment	-	-
Collective investments undertakings	-	-
Equity exposures	24	24
Other exposures	2,959	2,900
Total standardised approach	**38,230**	**37,270**
Total	**65,598**	**63,943**

(1) Exposures with counterparties are included in the table.
(2) The table above does not include securitisations.

3.2.1 Geographical and industry analysis

The following table presents the geographical breakdown of the net value of exposures as at 31 December 2020.

Table 11: EU CRB-C – Geographical breakdown of exposures

	31 December 2020						
	Net values						
	Greece	Romania	Bulgaria	United Kingdom	Cyprus	Other countries	Total
	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Central governments or central banks	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-
Corporates	12,669	-	-	-	-	-	**12,669**
- Corporates (Foundation IRB approach)	12,329	-	-	-	-	-	**12,329**
- Retail exposures that exceed € 1 million (Advanced IRB approach)	340	-	-	-	-	-	**340**
Of which: Specialised lending	2,907	-	-	-	-	-	**2,907**
Of which: SMEs	3,584	-	-	-	-	-	**3,584**
Retail	12,612	-	-	-	-	-	**12,612**
Secured by real estate property	7,649	-	-	-	-	-	**7,649**
SMEs	1,826	-	-	-	-	-	**1,826**
Non-SMEs	5,823	-	-	-	-	-	**5,823**
Qualifying revolving	2,056	-	-	-	-	-	**2,056**
Other retail	2,907	-	-	-	-	-	**2,907**
SMEs	1,758	-	-	-	-	-	**1,758**
Non-SMEs	1,149	-	-	-	-	-	**1,149**
Equity	345	-	31	2	171	1,538	**2,087**
Total IRB approach	**25,626**	**-**	**31**	**2**	**171**	**1,538**	**27,368**
Central governments or central banks	13,445	25	204	-	-	10,397	**24,071**
Regional governments or local authorities	38	-	-	-	-	-	**38**
Public sector entities	708	-	-	-	-	-	**708**
Multilateral development banks	-	-	-	-	-	49	**49**
International organisations	-	-	-	-	-	171	**171**
Institutions	1,654	14	201	1,694	306	1,853	**5,722**
Corporates	104	44	-	58	18	362	**586**
Retail	967	-	-	-	-	2	**969**
Secured by mortgages on immovable property	1,998	-	-	-	-	112	**2,110**
Exposures in default	672	-	-	-	-	93	**765**
Items associated with particularly high risk	-	-	-	-	-	-	**-**
Covered bonds	48	-	-	-	-	10	**58**
Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	**-**
Collective investments undertakings	-	-	-	-	-	-	**-**
Equity exposures	24	-	-	-	-	-	**24**
Other exposures	2,959	-	-	-	-	-	**2,959**
Total standardised approach	**22,617**	**83**	**405**	**1,752**	**324**	**13,049**	**38,230**
Total	**48,243**	**83**	**436**	**1,754**	**495**	**14,587**	**65,598**

(1) *Exposures with counterparties are included in the table.*
(2) *The table above does not include securitisations.*

The following table shows a breakdown by industry sector as at 31 December 2020.

Table 12: EU CRB-D - Concentration of exposures by industry or counterparty types

(€ million)

	31 December 2020																		
	Net values																		
	Agriculture, forestry and fishing	Mining and quaring	Manufacturing	Electricity, gas, steam and air conditioning supply	Construction	Wholesale and retail trade	Transport and storage	Accomodation and food service activities	Information and communication	Real estate activities	Professional, scientific and technical activities	Administrative and support service activities	Human health services and social work activities	Arts, entertainment and recreation	Other services [2]	Households	Central Banks & Central Governments	Financial and Insurance activities	Total
Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporates	163	43	2,466	675	772	2,136	2,063	1,436	161	673	67	152	780	606	212	-	-	264	**12,669**
Retail	64	8	397	9	276	1,396	143	313	65	32	468	61	93	25	223	9,029	-	10	**12,612**
Equity	-	-	-	-	-	2	-	-	2	283	-	-	-	-	-	-	-	1,800	**2,087**
Total IRB approach	**227**	**51**	**2,863**	**684**	**1,048**	**3,534**	**2,206**	**1,749**	**228**	**988**	**535**	**213**	**873**	**631**	**435**	**9,029**	**-**	**2,074**	**27,368**
Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24,071	-	**24,071**
Regional governments or local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38	-	-	-	**38**
Public sector entities [1]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	708	-	**708**
Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49	-	-	-	**49**
International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	171	-	**171**
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	-	5,720	**5,722**
Corporates	9	35	25	106	10	8	13	1	60	41	2	1	17	1	222	-	-	35	**586**
Retail	2	1	10	2	7	40	8	5	3	1	10	6	1	2	13	857	-	1	**969**
Secured by mortgages on immovable property	-	-	1	-	5	2	1	1	-	2	1	-	-	-	108	1,989	-	-	**2,110**
Exposures in default	1	-	5	-	22	12	2	1	-	10	1	-	-	-	49	562	-	100	**765**
Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	58	**58**
Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Collective investments undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24	**24**
Other exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16	-	-	-	**16**
Total standardised approach	**12**	**36**	**41**	**108**	**44**	**62**	**24**	**8**	**63**	**54**	**14**	**7**	**18**	**3**	**495**	**3,410**	**24,950**	**5,938**	**35,287**
Total	**239**	**87**	**2,904**	**792**	**1,092**	**3,596**	**2,230**	**1,757**	**291**	**1,042**	**549**	**220**	**891**	**634**	**930**	**12,439**	**24,950**	**8,012**	**62,655**

[1] Other services include Water supply, Public administration and defence compulsory social security, Education, Food & Beverages, and Industrial.
[2] The table above does not include securitisations, fixed assets, other assets and cash.
[3] Exposures with counterparties are included in the table.

3.2.2 Maturity analysis

The following table presents a breakdown of net exposures by residual maturity and exposure classes as at 31 December 2020.

Table 13: EU CRB-E – Maturity analysis of exposures

	31 December 2020					
	Net exposure value					
	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
	€ million	€ million	€ million	€ million	€ million	€ million
Central governments or central banks	-	-	-	-	-	-
Institutions	-	-	-	-	-	-
Corporates	-	2,438	5,400	2,930	53	**10,821**
Retail	-	214	1,260	7,857	1,117	**10,448**
Equity	-	-	-	-	2,087	**2,087**
Total IRB approach	**-**	**2,652**	**6,660**	**10,787**	**3,257**	**23,356**
Central governments or central banks	-	14,797	743	4,282	4,249	**24,071**
Regional governments or local authorities	-	-	9	28	-	**37**
Public sector entities	-	-	-	-	708	**708**
Multilateral development banks	-	49	-	-	-	**49**
International organisations	-	171	-	-	-	**171**
Institutions	-	2,625	90	2,674	49	**5,438**
Corporates	-	84	238	241	-	**563**
Retail	-	83	141	501	-	**725**
Secured by mortgages on immovable property	-	13	110	1,986	-	**2,109**
Exposures in default	-	193	81	419	70	**763**
Items associated with particularly high risk	-	-	-	-	-	**-**
Covered bonds	-	-	47	11	-	**58**
Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	**-**
Collective investments undertakings	-	-	-	-	-	**-**
Equity exposures	-	-	-	-	24	**24**
Other exposures	272	98	-	-	2,589	**2,959**
Total standardised approach	**272**	**18,113**	**1,459**	**10,142**	**7,689**	**37,675**
Total	**272**	**20,765**	**8,119**	**20,929**	**10,946**	**61,031**

[(1)] *The table above does not include securitisations and Off Balance Sheet items*
[(2)] *Exposures with counterparties are included in the table.*

3.3 Credit quality of financial assets

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

a. Definitions

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

Accordingly, loans reported as non-impaired include loans for which a '12-month ECL allowance' is recognised as they exhibit no significant increase in credit risk since initial recognition and loans for which a 'Lifetime ECL allowance' is

recognised as they exhibit a significant increase in credit risk since initial recognition but are not considered to be in default.

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

Regulatory definitions

'Default exposures', in line with the regulatory definition of default as adopted by the Bank, include material exposures that are past due more than 90 days, exposures that are assessed by Bank as unlikely to pay as well as those that are assessed for impairment individually and carry an individual impairment allowance.

'Non-performing exposures' as currently monitored and reported by the Bank, in line with the guidelines set by the EBA Implementing Technical Standards), include material exposures that are in arrears for more than 90 days or assessed as unlikely to pay, impaired exposures under individual or collective impairment assessment, exposures categorized as defaulted for regulatory purposes, as well as forborne non performing exposures.

'Unlikely to pay' category refers to exposures where a borrower's ability to repay his credit obligations in full without realization of collateral is assessed as unlikely, regardless the existence of any past due amounts or the number of days past due.

The new DoD for regulatory purposes introduced a new set of standards that will have a significant impact on governance, data, processes, systems and credit models. The new DoD is applicable from 1 January 2021 and is set in the Article 178 of Regulation (EU) No. 575/2013, the Commission Delegated Regulation (EU) 2018/171 an EBAY Guidelines (EBA/GL/2016/07). It aims at the harmonization of the definition of default across institutions and jurisdictions in the European Union. In particular, the new DoD guidelines specify that days past due are counted from the date that both materiality thresholds are breached (an absolute amount of the total exposure and a relative as a percentage of the exposure), include conditions for a return to non-defaulted status (introduction of a probation period) and explicit criteria for classification of restructured loans as defaulted when the diminished financial obligation criterion is satisfied (difference between the net present value of cash flows before and after the restructuring exceeds the threshold of 1%).

The Bank is already applying the above new provisions of DoD, in order to identify defaulted exposures, consistently across all its lending portfolios and subsidiaries, subject to local regulations and specific credit risk characteristics of each jurisdiction. Accordingly, the definition of default for accounting purposes will be aligned with the new DoD, as well as with the one used for internal credit risk management purposes. The impact in the Bank's Excepted Credit Loss from the implementation of the new definition of default is not estimated to be material.

b. Impairment indicators

To determine the risk of default, the Bank applies a default definition for accounting purposes, which is consistent with the EBA definition for non-performing exposure. The accounting definition of default is consistent with the one used for internal credit risk management purposes.

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

- The borrower faces a significant difficulty in meeting his financial obligations;
- There has been a breach of contract, such as a default or past due event;
- The Bank, for economic or contractual reasons relating to the borrower's financial difficulty, has granted to the borrower a concession(s) that the Bank would not otherwise consider;
- There is a probability that the borrower will enter bankruptcy or other financial re-organization;

- For Purchased or originated credit impaired (POCI) financial assets, a purchase or origination at a deep discount that reflects incurred credit losses is considered a detrimental event. The Bank assesses the deep discount criterion following a principle -based approach with the aim to incorporate all reasonable and supportable information which reflects market conditions that exist at the time of the assessment.

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

c. Impairment assessment

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

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

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

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

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

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

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

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

d. Impairment measurement

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

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

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

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

ECL key inputs

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

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

The following table presents a breakdown of their defaulted and non-defaulted exposures by exposure classes as at 31 December 2020.

Table 14: EU CR1-A – Credit quality of exposures by exposure class and instrument

	31 December 2020						
	Gross carrying values of						
	Defaulted exposures € million	Non-defaulted exposures € million	Specific credit risk adjustment € million	General credit risk adjustment € million	Accumulated write-offs[2] € million	Credit risk adjustment charges 20/3-31/12/2020 € million	Net values € million
Central governments or central banks	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-
Corporates	1,698	11,976	1,005	-	165	149	12,669
Of which: Specialised lending	151	2,855	99	-	2	1	2,907
Of which: SMEs	1,246	3,077	739	-	118	126	3,584
Retail	1,505	12,371	1,264	-	148	168	12,612
Secured by real estate property	1,135	7,306	792	-	89	47	7,649
SMEs	555	1,577	307	-	46	31	1,825
Non-SMEs	580	5,729	485	-	42	16	5,824
Qualifying revolving	105	2,101	149	-	11	27	2,057
Other retail	265	2,965	323	-	49	95	2,907
SMEs	143	1,800	185	-	27	55	1,758
Non-SMEs	122	1,164	138	-	21	40	1,148
Equity	-	2,087	-	-	-	-	2,087
Total IRB approach	**3,203**	**26,434**	**2,269**	**-**	**313**	**317**	**27,368**
Central governments or central banks	-	24,073	2	-	-	-	24,071
Regional governments or local authorities	-	39	1	-	-	4	38
Public sector entities	19	708	-	-	-	-	708
Multilateral development banks	-	49	-	-	-	-	49
International organisations	-	171	-	-	-	-	171
Institutions	150	6,020	298	-	-	-	5,722
Corporates	3	596	10	-	-	1	586
Of which: SMEs	3	30	-	-	-	(1)	30
Retail	583	1,055	87	-	-	(18)	968
Of which: SMEs	20	114	2	-	-	(2)	112
Secured by mortgages on immovable property	595	2,121	11	-	-	-	2,110
Of which: SMEs	24	10	-	-	-	-	10
Exposures in default [1]	*1,350*	-	585	-	112	219	765
Items associated with particularly high risk	-	-	-	-	-	-	-
Covered bonds	-	58	-	-	-	-	58
Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-
Collective investments undertakings	-	-	-	-	-	-	-
Equity exposures	-	24	-	-	-	-	24
Other exposures	-	2,960	-	-	-	-	2,960
Total standardised approach	**1,350**	**37,874**	**994**	**-**	**112**	**206**	**38,230**
Total	**4,553**	**64,308**	**3,263**	**-**	**425**	**523**	**65,598**
Of which: Loans to banks and customers [2]	4,396	27,683	3,178	-	425	521	28,901
Of which: Debt Securities	-	6,379	4	-	-	2	6,375
Of which: Off-balance sheet exposures	157	4,486	77	-	-	-	4,566

[1] *Includes subtotal of gross carrying values of all other asset classes and is not added in "Total standardised approach".*
[2] *Presents the cumulative write offs within the year.*

The following table presents the movement in the provision on loans and advances to customers from 20 March to 31 December 2020 according to the Financial Statements.

Table 15: EU CR2-A – Changes in the stock of general and specific risk adjustments

	31 December 2020	
	Accumulated specific credit risk adjustment € million	Accumulated general credit risk adjustment € million
Opening balance as at 20 March 2020	3,053	-
Transfer of ECL allowance for off balance sheet items	-	-
Increases due to amounts set aside for estimated loan losses during the period	327	-
Decreases due to amounts reversed for estimated loan losses during the period	17	-
Decreases due to amounts taken against accumulated credit risk adjustments (write offs)	(425)	-
Transfers between credit risk adjustments	-	-
Impact of exchange rate differences	(16)	-
Business combinations, including acquisitions and disposals of subsidiaries	-	-
NPV unwinding	(38)	-
Recoveries of amounts previously written off	6	-
Other adjustments	(42)	-
Closing balance as at 31 December 2020	**2,882**	**-**
Recoveries on credit risk adjustments recorded directly to the statement of profit or loss	-	-
Specific credit risk adjustments directly recorded to the statement of profit or loss	-	-

The following table shows the changes in the stock of defaulted and impaired loans and debt securities from 20 March to 31 December 2020.

Table 16: EU CR2-B – Changes in the stock of defaulted and impaired loans and debt securities

	31 December 2020
	Gross carrying value defaulted exposures € million
Opening balance as at 20 March 2020	**4,915**
Loans and debt securities that have defaulted or impaired since the last reporting period	228
Returned to non-defaulted status	(199)
Amounts written off	(425)
Other changes	(123)
Closing balance as at 31 December 2020	**4,396**

The following table presents an overview of the quality of forborne exposures as at 31 December 2020.

Table 17: Credit quality of forborne exposures

	31 December 2020							
	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 € million	€ million	Of which defaulted € million	Of which impaired € million	On performing forborne exposures € million	On non-performing forborne exposures € million	€ million	Of which: Collateral and financial guarantees received on non-performing exposures with forbearance measures € million
Loans and advances	**2,740**	**1,492**	**1,072**	**1,492**	**(246)**	**(679)**	**2,775**	**774**
Central banks	-	-	-	-	-	-	-	-
General governments	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-
Other financial corporations	-	11	11	11	-	(8)	3	3
Non-financial corporations	998	699	587	699	(119)	(289)	1,075	389
Households	1,742	782	474	782	(127)	(382)	1,697	382
Debt Securities	-	-	-	-	-	-	-	-
Loan commitments given	-	-	-	-	-	-	-	-
Total	**2,740**	**1,492**	**1,072**	**1,492**	**(246)**	**(679)**	**2,775**	**774**

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

Table 18: Credit quality of performing and non-performing exposures by past due days

	31 December 2020											
	Gross carrying amount/nominal amoumt											
	Performing exposures			Non-performing exposures								
	€ million	Not past due or Past due <= 30 days € million	Past due >30 days <= 90 days € million	€ million	Unlikely to pay that are not past-due or past-due <=90 days € million	Past due > 90 days <=180 days € million	Past due > 180 days <=1 year € million	Past due > 1 year <=2 year € million	Past due > 2 year <=5 year € million	Past due > 5 year < = 7 year € million	Past due > 7 years € million	Of which defaulted € million
Cash balances at central banks and other demand deposits	**3,464**	3,464	-	-	-	-	-	-	-	-	-	-
Loans and advances	**30,900**	**30,713**	**187**	**4,848**	**1,190**	**134**	**189**	**645**	**825**	**700**	**1,165**	**4,428**
Central banks	-	-	-	-	-	-	-	-	-	-	-	-
General governments	39	39	-	-	-	-	-	-	-	-	-	-
Credit institutions	1,947	1,947	-	-	-	-	-	-	-	-	-	-
Other financial corporations	6,414	6,414	-	226	150	14	-	32	8	-	22	227
Non-financial corporations	12,481	12,401	80	2,347	481	55	101	363	484	280	583	2,235
of which SMEs	4,877	4,804	73	1,958	366	48	97	313	376	274	484	1,852
Households	10,019	9,912	107	2,275	559	65	88	250	333	420	560	1,966
Debt Securities	**6,389**	**6,389**	-	-	-	-	-	-	-	-	-	-
Central banks	-	-	-	-	-	-	-	-	-	-	-	-
General governments	5,294	5,294	-	-	-	-	-	-	-	-	-	-
Credit institutions	395	395	-	-	-	-	-	-	-	-	-	-
Other financial corporations	56	56	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	644	644	-	-	-	-	-	-	-	-	-	-
Off-balance sheet exposures	**4,825**			**459**								**458**
Central banks	-			-								-
General governments	242			19								19
Credit institutions	50			-								-
Other financial corporations	453			33								33
Non-financial corporations	2,384			406								405
Households	1,696			1								1
Total	**45,578**	**40,566**	**187**	**5,307**	**1,190**	**134**	**189**	**645**	**825**	**700**	**1,165**	**4,886**

Credit Risk

The following templates provide an overview of the credit quality of non-performing exposures and related impairments, provisions and valuation adjustments by portfolio and exposure class, by geography and by industry as at 31 December 2020.

Table 19: Performing and non-performing exposures and related provisions

	31 December 2020														
	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 credit			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	3,464	3,464	-	-	-	-	-	-	-	-	-	-		-	-
Loans and advances	30,900	25,668	5,232	4,848	-	4,848	(546)	(147)	(399)	(2,368)	-	(2,368)	(351)	17,247	2,239
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	39	22	17	-	-	-	(2)	(1)	(1)	-	-	-	-	2	-
Credit institutions	1,947	1,947	-	-	-	-	-	-	-	-	-	-	-	-	-
Other financial corporations	6,414	6,404	10	226	-	226	(11)	(11)	-	(113)	-	(113)	(8)	3,566	13
Non-financial corporations	12,481	10,246	2,235	2,347	-	2,347	(285)	(85)	(200)	(1,136)	-	(1,136)	(152)	6,260	1,138
of which SMEs	4,877	3,137	1,740	1,958	-	1,958	(208)	(44)	(164)	(955)	-	(955)	(145)	3,018	946
Households	10,019	7,049	2,970	2,275	-	2,275	(248)	(50)	(198)	(1,119)	-	(1,119)	(191)	7,419	1,088
Debt Securities	6,389	6,378	11	-	-	-	(13)	(12)	(1)	-	-	-	-	-	-
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	5,294	5,294	-	-	-	-	(4)	(4)	-	-	-	-	-	-	-
Credit institutions	395	395	-	-	-	-	(3)	(3)	-	-	-	-	-	-	-
Other financial corporations	56	56	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	644	633	11	-	-	-	(6)	(5)	(1)	-	-	-	-	-	-
Off-balance sheet exposures	4,825	4,431	394	459	-	459	(81)	(70)	(11)	(330)	-	(330)		677	10
Central banks	-	-	-	-	-	-	-	-	-	-	-	-		-	-
General governments	242	242	-	19	-	19	(38)	(38)	-	(18)	-	(18)		-	-
Credit institutions	50	50	-	-	-	-	-	-	-	-	-	-		-	-
Other financial corporations	453	404	49	33	-	33	(4)	(2)	(2)	(29)	-	(29)		125	-
Non-financial corporations	2,384	2,211	173	406	-	406	(16)	(10)	(6)	(283)	-	(283)		537	10
Households	1,696	1,524	172	1	-	1	(23)	(20)	(3)	-	-	-		15	-
Total	45,578	39,941	5,637	5,307	-	5,307	(640)	(229)	(411)	(2,698)	-	(2,698)	(351)	17,924	2,249

Table 20: Quality of Non-performing exposures by geography

	31 December 2020						
	Gross carrying/nominal amount						
		of which: non-performing		of which: subject to 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		Accumulated impairment		
	€ million	€ million	€ million	€ million	€ million	€ million	€ million
On balance sheet exposures	**45,601**	**4,848**	**4,428**	**45,547**	**(2,895)**		**(32)**
Greece	34,553	4,596	4,190	34,538	(2,778)		(14)
Romania	72	-	127	72	-		-
Bulgaria	83	-	-	83	-		-
United Kingdom	130	-	-	130	-		-
Cyprus	360	46	46	360	(42)		-
Other countries	10,403	206	65	10,364	(75)		(18)
Off balance sheet exposures	**5,284**	**459**	**458**			**(411)**	
Greece	4,442	56	55			(105)	
Romania	209	146	146			(109)	
Bulgaria	77	-	210			(2)	
United Kingdom	-	-	-			-	
Cyprus	145	18	18			(19)	
Other countries	411	239	29			(176)	
Total	**50,885**	**5,307**	**4,886**	**45,547**	**(2,895)**	**(411)**	**(32)**

Table 21: Credit quality of loans and advances by industry

	31 December 2020					
	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	244	30	28	244	(24)	-
Mining and quarrying	32	9	9	32	(7)	-
Manufacturing	2,714	298	289	2,714	(192)	-
Electricity, gas, steam and air conditioning supply	572	1	1	572	(4)	-
Water supply	16	2	1	16	(1)	-
Construction	780	251	237	780	(132)	-
Wholesale and retail trade	3,561	782	746	3,547	(482)	(14)
Transport and storage	2,129	159	156	2,120	(108)	-
Accommodation and food service activities	1,672	255	245	1,672	(110)	-
Information and communication	186	36	35	186	(38)	-
Financial and insurance activities	13	5	4	13	(3)	-
Real estate activities	612	125	122	591	(39)	(18)
Professional, scientific and technical activities	622	240	223	622	(147)	-
Administrative and support service activities	198	20	19	198	(15)	-
Public administration and defense, compulsory social security	1	-	-	1	-	-
Education	39	14	13	39	(7)	-
Human health services and social work activities	559	26	23	559	(22)	-
Arts, entertainment and recreation	579	16	15	579	(10)	-
Other services	299	78	69	299	(48)	-
Total	**14,828**	**2,347**	**2,235**	**14,784**	**(1,389)**	**(32)**

[(1)] *Presents credit quality of loans and advances to non-financial corporations.*

Credit Risk

The following table provides an overview of the credit quality of loans and advances to non-financial corporations as at 31 December 2020.

Table 22: Quality of forbearance

	31 December 2020
	Gross carrying amount of forborne exposures
	€ million
Loans and advances that have been forborne more than twice	926
Non-performing forborne loans and advances that failed to meet the non-performing exit criteria	330

The following table provides an analysis of collateral valuation and other information on loans and advances as at 31 December 2020.

Table 23: Collateral valuation - Loans and advances

	31 December 2020											
	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	**35,747**	**30,900**	**187**	**4,847**	**1,190**	**3,657**	**134**	**188**	**646**	**825**	**699**	**1,165**
Of which: secured	26,969	23,336	134	3,633	830	2,803	88	142	487	646	568	872
Of which: secured with immovable property	14,048	11,183	117	2,865	628	2,237	74	113	434	506	496	693
of which: instruments with LTV higher than 60% and lower or equal to 80%	2,815	2,449		366	86	280						
of which: instruments with LTV higher than 80% and lower or equal to 100%	3,507	2,641		866	207	659						
of which: instruments with LTV higher than 100%	5,021	3,388		1,633	335	1,298						
Accumulated impairment for secured assets	**(1,691)**	**(335)**	**(7)**	**(1,356)**	**(241)**	**(1,115)**	**(26)**	**(49)**	**(198)**	**(294)**	**(190)**	**(358)**
Collateral												
of which value capped at the value of exposure	18,740	16,578	116	2,162	568	1,594	61	92	285	336	338	482
of which immovable property	12,186	10,152	104	2,034	511	1,523	54	89	268	327	331	454
Of which value above the cap	13,979	11,939	74	2,040	470	1,570	51	119	282	375	204	539
of which immovable property	7,988	6,629	72	1,359	334	1,025	37	43	177	187	176	405
Financial guarantees received	**746**	**669**	**3**	**77**	**6**	**71**	**-**	**-**	**3**	**9**	**31**	**28**
Accumulated partial write-off	**(351)**	**-**	**-**	**(351)**	**-**	**(351)**	**(4)**	**-**	**(67)**	**(59)**	**(72)**	**(149)**

The following table provides an overview of the movements (inflows and outflows) of non performing loans and advances as at 31 December 2020.

Table 24: Changes in the stock of non-performing loans and advances

	31 December 2020	
	Gross carrying amount € million	Related net acumulated recoveries € million
Initial stock of non-performing loans and advances	12,051	
Inflows to non performing portfolios	852	
Outflows from non performing portfolios	(8,055)	
Outflow to performing portfolio	(588)	
Outflow due to loan repayment, partial or total	(215)	
Outflow due to collateral liquidations	(126)	33
Outflow due to taking possession of collateral	(22)	21
Outflow due to sale of instruments	-	-
Outflow due to risk transfers	-	-
Outflows due to write-off	(339)	
Outflow due to Other Situations	(2,374)	
Outflow due to reclassification as held for sale	(4,391)	
Final stock of non-performing loans and advances	**4,848**	

The following table provides an overview of foreclosed assets obtained from non performing exposures as at 31 December 2020.

Table 25: Collateral obtained by taking possession and execution processes

	31 December 2020	
	Collateral obtained by taking possession	
	Value at initial recognition € million	Accumulated negative changes € million
Property Plant and Equipment (PP&E)	-	-
Other than Property Plant and Equipment	550	(75)
Residential immovable property	241	(38)
Commercial Immovable property	295	(37)
Movable property (auto, shipping, etc.)	-	-
Equity and debt instruments	13	-
Other	-	-
Total	**550**	**(75)**

The following table provides an overview of collateral obtained by taking possession by type, by time since date of foreclosure as at 31 December 2020.

Table 26: Collateral obtained by taking possession and execution processes – Vintage breakdown

	31 December 2020													
	Debt balance reduction		Total collateral obtained by taking possession											
					Foreclosed <= 2 years		Foreclosed >= 2 years <= 5 years		Foreclosed > 5 years		Of which: Non-current assets held-for-sale	
	Gross carrying amount € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million	Value at initial recognition € million	Accumulated negative changes € million
Collateral obtained by taking possession classified as Property Plant and Equipment (PP&E)	-	-	-	-								
Collateral obtained by taking possession other than classified Property Plant and Equipment	-	-	550	(75)	335	(15)	29	(2)	186	(58)	-	-
Residential immovable property	-	-	242	(38)	125	(6)	11	(1)	105	(31)	-	-
Commercial Immovable property	-	-	295	(37)	203	(9)	12	(1)	80	(27)	-	-
Movable property (auto, shipping, etc.)	-	-	-	-	-	-	-	-	-	-	-	-
Equity and debt instruments	-	-	13	-	7	-	6	-	1	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**550**	**(75)**	**335**	**(15)**	**29**	**(2)**	**186**	**(58)**	**-**	**-**

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

The following table provides an overview of the credit quality of loans and advances subject to moratoria on loan repayments applied in the light of the COVID-19 crisis as at 31 December 2020.

Table 27: Information on loans and advances subject to legislative and non-legislative moratoria

	31 December 2020						
	Gross carrying amount						
		Performing			Non Performing		
			Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days
	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Loans and advances subject to moratorium	**5,673**	**5,167**	**1,629**	**2,672**	**506**	**470**	**464**
of which: Households	2,916	2,630	980	1,581	286	274	272
of which: Collateralised by residential immovable property	2,244	2,053	755	1,194	191	181	182
of which: Non-financial corporations	2,756	2,536	649	1,092	220	196	192
of which: Small and Medium-sized Enterprises	1,913	1,701	579	991	212	196	187
of which: Collateralised by commercial immovable property	1,402	1,272	371	631	130	122	117

	31 December 2020							
	Accumulated impairment, accumulated negative changes in fair value due to credit risk							Gross carrying amount
		Performing			Non Performing			
			Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days	Inflows to non-performing exposures
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Loans and advances subject to moratorium	**(495)**	**(278)**	**(172)**	**(244)**	**(217)**	**(206)**	**(200)**	**32**
of which: Households	(271)	(139)	(90)	(127)	(132)	(128)	(125)	15
of which: Collateralised by residential immovable property	(136)	(73)	(49)	(68)	(63)	(60)	(60)	11
of which: Non-financial corporations	(224)	(139)	(82)	(116)	(85)	(78)	(75)	17
of which: Small and Medium-sized Enterprises	(208)	(123)	(77)	(109)	(85)	(78)	(75)	17
of which: Collateralised by commercial immovable property	(109)	(66)	(40)	(57)	(43)	(41)	(39)	6

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

Table 28: Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria

	31 December 2020								
		Gross carrying amount							
					Residual maturity of moratoria				
	Number of obligors		Of which: legislative moratoria	Of which: expired	<= 3 months	> 3 months <= 6 months	> 6 months <= 9 months	> 9 months <= 12 months	> 1 year
		€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Loans and advances for which moratorium was offered	**94,553**	**6,205**							
Loans and advances subject to moratorium (granted)	**86,247**	**5,674**	14	4,069	848	563	112	80	2
of which: Households		2,915	13	2,822	86	-	7	-	-
of which: Collateralised by residential immovable property		2,245	13	2,194	44	-	7	-	-
of which: Non-financial corporations		2,757	1	1,247	760	563	105	80	2
of which: Small and Medium-sized Enterprises		1,913	1	1,191	410	185	103	22	2
of which: Collateralised by commercial immovable property		1,402	-	661	337	268	69	66	1

The following table provide an overview of the stock of newly originated loans and advances subject to public guarantee schemes introduced in response to COVID-19 crisis as at 31 December 2020.

Table 29: Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis

	31 December 2020			
	Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
		of which: forborne	Public guarantees received	Inflows to non-performing exposures
	€ million	€ million	€ million	€ million
Newly originated loans and advances subject to public guarantee schemes	**1,098**	**-**	**198**	**-**
of which: Households	-			-
of which: Collateralised by residential immovable property	-			-
of which: Non-financial corporations	1,098	-	198	-
of which: Small and Medium-sized Enterprises	664			-
of which: Collateralised by commercial immovable property	1			-

3.4 Standardised approach

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

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

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

In the case of corporate bond issues, the corresponding issue rating by these agencies is used. In case that an issue rating is not available, rating for other issues by the same issuer can be used, if: (a) the corporate bond under review has equal or better seniority with these rated bonds or (b) the resulting risk weight is lower than the applicable risk weight of unrated bonds.

The table below presents Standardised exposures on two different basis (before CCF and CRM and after CCF and CRM) as at 31 December 2020.

Table 30: EU CR4 – Standardised approach – Credit risk exposure and CRM effects

	31 December 2020					
	Exposures before CCF and CRM		Exposures post CCF and CRM		RWAs and RWA density	
Exposure classes	On Balance sheet amount € million	Off Balance sheet amount € million	On Balance sheet amount € million	Off Balance sheet amount € million	RWAs € million	RWA density %
Central governments or central banks	12,815	-	13,786	-	4,795	35%
Regional government or local authorities	37	1	34	-	7	21%
Public sector entities	708	-	708	-	708	100%
Multilateral development banks	-	-	153	-	-	0%
International organisations	171	-	171	-	-	0%
Institutions	4,657	284	4,659	305	511	10%
Corporates	516	23	516	12	456	86%
Retail	724	244	716	36	555	74%
Secured by mortgages on immovable property	2,109	1	2,109	-	745	35%
Exposures in default	763	2	760	1	768	101%
Higher-risk categories	-	-	-	-	-	0%
Covered bonds	58	-	58	-	26	45%
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0%
Collective investment undertakings	-	-	-	-	-	0%
Equity	24	-	24	-	60	250%
Other items	2,959	-	2,959	-	2,414	82%
Total	**25,541**	**555**	**26,653**	**354**	**11,045**	**41%**

(1) *Exposures with counterparties are not included in the table.*
(2) *The table above does not include securitisations.*

3.5 Internal Ratings Based (IRB) approach

The table below presents the specialised lending credit exposures (shipping, real estate and project finance) broken down by supervisory risk categories and remaining maturities as at 31 December 2020:

Table 31: EU CR10 – IRB (specialised lending)

		31 December 2020					
		Specialised lending					
Regulatory categories	Remaining maturity	On balance sheet amount € million	Off balance sheet amount € million	Risk weight	Exposure amount € million	RWAs € million	Expected losses € million
Strong	Less than 2.5 years	74	4	50%	76	38	-
	Equal to or more than 2.5 years	1,130	159	70%	1,271	889	5
Good	Less than 2.5 years	208	5	70%	214	150	1
	Equal to or more than 2.5 years	856	78	90%	907	815	7
Satisfactory	Less than 2.5 years	84	-	115%	84	97	2
	Equal to or more than 2.5 years	113	4	115%	115	132	3
Weak	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Default	Less than 2.5 years	118	-	0%	118	-	60
	Equal to or more than 2.5 years	32	1	0%	32	-	16
Total	**Less than 2.5 years**	**484**	**9**		**492**	**285**	**63**
	Equal to or more than 2.5 years	**2,131**	**242**		**2,325**	**1,836**	**31**

The following table presents the main changes in capital requirements of credit risk exposures under the IRB approach from 20 March to 31 December 2020:

Table 32: EU CR8 – RWA flow statements of credit risk exposures under the IRB approach

	31 December 2020	
	RWA amounts € million	Capital requirements € million
RWAs as at 20 March 2020	15,034	1,203
Asset size	549	44
Asset quality	(3)	-
Model updates	36	3
Methodology and policy	(390)	(31)
Acquisitions and disposals	-	-
Foreign exchange movements	(178)	(14)
Other	3	-
RWAs as at 31 December 2020	**15,051**	**1,205**

Asset size: Under this item the changes in RWAs due to the changes in EAD are reported. These changes can be due to new originations or repayments of the loans.

Asset quality: The changes to the RWAs due to the borrower risk (i.e. rating grade migration) are reported under this item.

Model updates: The changes to the RWAs due to updates in risk parameters following the annual validation process or regulatory reviews.

Methodology and policy: Under this item, the changes in RWAs due to regulatory framework changes are presented.

Foreign exchange movements: The changes to the RWAs due to the foreign currency translation movements are reported.

Other: Under this item the changes in RWAs due to other factors that are used in the calculation of RWAs are reported. These, for example, include changes in total sales of the corporate borrowers and maturity of exposures.

The net increase in RWAs by €18 million is due to the net effect of the new production of both Corporate and Retail exposures which were counterbalanced by regulatory changes (i.e. SMEs supporting factor) and foreign exchange movements.

The following table presents the equity exposures, broken down by risk weights as at 31 December 2020.

Table 33: EU CR10 – IRB (equities)

	31 December 2020					
	Equities under the simple risk-weighted approach					
	On balance sheet amount € million	Off balance sheet amount € million	Risk weight	Exposure amount € million	RWAs € million	Capital requirements € million
Categories						
Private equity exposures	2,042	-	190%	2,042	3,879	310
Exchange-traded equity exposures	24	-	290%	24	70	6
Other equity exposures	21	-	370%	21	78	6
Total	**2,087**	**-**		**2,087**	**4,027**	**322**

3.6 Credit risk mitigation

A key component of the Bank'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.

3.6.1 Types of collateral commonly accepted by the Bank

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

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

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

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

3.6.2 Valuation principles of collateral

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

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

Immovable property collateral should be valued, in full adherence to European and international standards and specifically the European Valuation Standards EVS-2016 (Blue Book) and the Royal Institute of Chartered Surveyors (RICS). Moreover, for NPEs the relevant provisions of ECB Guidance to banks on non-performing loans (March 2017) apply.

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

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

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

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

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

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

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

In the following sections the type and frequency of valuation and revaluation of real estate properties are described in detail.

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

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

- Residential Real Estates (e.g., houses, apartments, vacation homes, urban plots with residential use etc.);

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

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

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

Individual Valuations

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

Valuation with Physical Inspection

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

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

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

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

Desktop Valuation

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

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

The Bank fully abides by ECB guidelines “Guidance to banks on non-performing loans” March 2017, according to which indexed valuations may be used to update the valuation of immovable property collateral securing non-performing loans of less than € 300,000 in gross value, provided that the collateral to be valued is susceptible to measurement by such methods.

Index for Residential Real Estate

Eurobank, in cooperation with the National Bank of Greece and Alpha Bank S.A. provided data for the development of a statistical index, the **PropIndex**, which is used to revalue residential real estate properties over the loan’s lifetime. The methodology and development of PropIndex have been prepared by a company specialized in the statistical field and the index has been approved by the Bank of Greece. It is now considered as a tool used to monitor probable changes in the

values of residential real estate properties but also for analyzing current market's trend. This index is updated on an annual basis.

Index for Commercial Real Estate

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

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

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

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

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

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

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

(1) Special Types: Hotels, shopping centers, medical diagnostic centers, fitness/beauty centers, legally permissible building height

Other collaterals

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

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

3.6.3 Guarantees and credit derivatives

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

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

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

The table below shows the impact of the credit derivatives used as mitigation techniques in RWAs as at 31 December 2020.

Table 34: EU CR7 – IRB approach – Effect on the RWAs of credit derivatives used as CRM techniques

	31 December 2020	
	Pre-credit derivatives RWAs € million	Actual RWAs € million
Exposures under FIRB		
Central governments and central banks	-	-
Institutions	-	-
Total corporates	9,251	9,251
Corporates – SMEs	2,298	2,298
Corporates – Specialised lending	2,245	2,245
Corporates – Other	4,708	4,708
Exposures under AIRB		
Central governments and central banks	-	-
Institutions	-	-
Corporates – SMEs	147	147
Corporates – Specialised lending	-	-
Corporates – Other	-	-
Retail – Secured by real estate SMEs	703	703
Retail – Secured by real estate non-SMEs	3,537	3,537
Retail – Qualifying revolving	457	457
Retail – Other SMEs	470	470
Retail – Other non-SMEs	650	650
Equity IRB	4,027	4,027
Other non credit obligation assets	25	25
Total	**19,267**	**19,267**

[1] Securitisation positions are not included in the above table.

3.6.4 Analysis of collaterals

The following table presents 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 as at 31 December 2020.

Table 35: EU CR3 – CRM techniques – Overview

	31 December 2020				
	Exposures unsecured – Carrying amount € million	Exposures to be secured € million	Exposures secured by collateral € million	Exposures secured by financial € million	Exposures secured by credit € million
Total loans to banks and customers	15,320	13,581	11,552	1,126	-
Total debt securities	6,375	-	-	-	-
Total exposures	**21,695**	**13,581**	**11,552**	**1,126**	**-**
Of which defaulted	434	1,712	1,598	90	-

Note:

- The value of collaterals and the amount of financial guarantees shown above are the allocated values.
- For real estate properties the lower between the market value and the pledged amount is considered.

4. Market Risk

The Bank takes on exposure to market risk, which is the risk of potential financial loss due to an adverse change in market variables. Changes in interest rates, foreign exchange rates, credit spreads, equity prices and other relevant factors, such as the implied volatilities of the above, can affect the Bank's income or the fair value of its financial instruments.

Table 36: EU MR2-B – RWA flow statements of market risk exposures under the IMA from 20 March to 31 December 2020.

	31 December 2020						
	VaR € million	Stressed VaR € million	IRC € million	Comprehensive risk measure € million	Other € million	Total RWAs € million	Total capital requirements € million
RWAs at 20 March 2020	255	467	133	-	-	854	68
Regulatory adjustment	-	-	-	-	-	-	-
RWAs at the previous quarter-end (end of the day)	255	467	133	-	-	854	68
Movement in risk levels	(128)	(72)	(98)	-	-	(296)	(23)
Model updates/changes	-	-	-	-	-	-	-
Methodology and policy	-	-	-	-	-	-	-
Acquisitions and disposals	-	-	-	-	-	-	-
Foreign exchange movements	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
RWAs at the end of the reporting period (end of the day)	127	395	35	-	-	558	45
Regulatory adjustment	-	-	-	-	-	-	-
RWAs at 31 December 2020	**127**	**395**	**35**	**-**	**-**	**558**	**45**

5. Counterparty Risk

5.1 Definition

Counterparty risk is the risk that a counterparty in an off balance sheet transaction (i.e. derivative transaction) defaults prior to maturity and the Bank has a claim over the counterparty (the market value of the contract is positive for the Bank).

5.2 Mitigation of counterparty risk

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

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

5.3 RWA flow statements of CCR exposures under IMM

Table EU CCR7 – RWA 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.

6. Leverage Ratio

The new regulatory framework has introduced the leverage ratio as a non-risk based measure which is intended to restrict the build-up of excessive leverage from on and off balance sheet items in the banking sector.

The leverage ratio is defined as Tier 1 capital divided by the total exposure measure.

The bank submits to the regulatory authorities the leverage ratio on quarterly basis and monitors the level and the factors that affect the ratio.

The level of the leverage ratio with reference date 31.12.2020 on individual basis was at 7.92%, according to the transitional definition of Tier 1 capital, significantly over the 3% minimum threshold applied by the competent authorities.

In the table below, the detailed disclosures on the Bank's leverage ratio are presented with reference date 31 December 2020.

Table 37: EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

	31 December 2020 € million	31 December 2020 [(2)] € million
Total assets as per published financial statements	55,636	55,636
Adjustment for entities which are consolidated for accountng puroses but are outside the scope of regulatory consolidation	-	-
Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting frameworkbut excluded from the leverage ratio exposure measure to article 429(11)of Regulation (EU)NO 575/2013	-	-
Adjustments for derivative financial instruments	(395)	(395)
Adjustments for securities financing transactions	649	649
Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	2,153	2,153
(Adjustment for intragroup exposures excluded from the leverage ratio exposure measure in accordance with Article 429 (7) of Regulation (EU) No 575/2013)	-	-
(Adjustment for exposures excluded from the leverage ratio exposure measure in accordance with Article 429 (14) of Regulation (EU) No 575/2013)	(3,448)	(3,448)
Other adjustments	(1,006)	(1,005)
Total leverage ratio exposure	**53,589**	**53,590**

Leverage Ratio

Table 38: EU LR2 - LRCom: Leverage ratio common disclosure

	31 December 2020 CRR leverage ratio exposures € million	31 December 2020 [2] CRR leverage ratio exposures € million
On - balance sheet exposures (excluding derivatives and SFT's)		
On-balance sheet items (excluding derivatives and SFT's, but including collateral)	52,258	52,259
Asset amounts deducted in determining Tier I capital	(234)	(234)
Total on-balance sheet exposures (excluding derivatives and SFT's)	**52,024**	**52,025**
Derivative exposures		
Replacement cost associated with derivatives transactions	1,877	1,877
Add-on amounts for PPE associated with derivatives transactions	333	333
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)	-	-
(Exempted CCP leg of client-cleared trade exposures)	-	-
Adjusted effective notional amount of written credit derivatives	-	-
(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
Total derivative exposures	**2,210**	**2,210**
Securities financing transaction exposures		
Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	-	-
(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
Counterparty credit risk exposure for SFT assets	649	649
Derogation for SFTs: Counterparty credit risk exposure in accordance with Article 429b (4) and 222 of Regulation (EU) No 575/2013	-	-
Agent transaction exposures	-	-
(Exempted CCP leg of client-cleared SFT exposure)	-	-
Total securities financing transaction exposures	**649**	**649**
Off-balance sheet exposures		
Off-balance sheet exposures of gross notional amount	4,548	4,548
Adjustments for conversion to credit equivalent amounts [1]	(2,395)	(2,395)
Total off-balance sheet exposures	**2,153**	**2,153**
Exempted exposures in accordance with CRR Article 429 (7) and (14) (on and off balance		
(Exemption of intragroup exposures (solo basis) in accordance with Article 429(7) of Regulation (EU) No 575/2013 (on and off balance sheet))	-	-
(Exposures exempted in accordance with Article 429 (14) of Regulation (EU) No 575/2013 (on and off balance sheet))	(3,448)	(3,448)
Capital and Total Exposures		
Tier I capital	4,229	4,245
Total leverage ratio exposures	53,589	53,590
Leverage Ratio		
Leverage Ratio	**7.89%**	**7.92%**
Choise on transitional arrangements and amount of derecognised fidiciary items	-	-
Choice on transitional arrangements for the definition of capital measure	**Transitional**	**Transitional**

[1] Total off-balance sheet items exposures presented in accordance with Article 111 (1) of Regulation (EU) No 575/2013 (standardised approach).
[2] Including 20/3-31/12/2020 profits amounting to €15 million.

Leverage Ratio

Table 39: EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

	31 December 2020 CRR leverage ratio exposures € million	31 December 2020 [2] CRR leverage ratio exposures € million
Total on-balance sheet exposures (excluding derivatives and SFT'S) of which:	48,810	48,811
Trading book exposures	-	-
Banking book exposures of which:	48,810	48,811
Covered bonds	58	58
Exposures treated as sovereigns	11,408	11,409
Exposures to regional goverments,MOB, international organisations and PSE NOT treates as sovereigns	-	-
Institutions	4,659	4,659
Secured by mortgages of immovable properties	9,006	9,006
Retail exposures	3,175	3,175
Corporate	9,779	9,779
Exposure in default	2,108	2,108
Other exposures (eg equity, securitisations and other non-credit obligation assets)	8,617	8,617

7. Liquidity Risk

The Bank is exposed on a daily basis to events that affect the level of its available cash resources due to deposits withdrawals, maturity of medium or long term notes and maturity of secured or unsecured funding (interbank repos and money market takings), loan draw-downs and forfeiture of guarantees. Furthermore, margin calls on secured funding transactions (with ECB and the market) and on risk mitigation contracts (CSAs, GMRAs) result in liquidity exposure. The Bank 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 Bank. 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 Bank.

Liquidity Risk Management Framework

The Bank’s Liquidity Risk Management Policy defines the following supervisory and control structure:

(a) BRC's role is to approve all strategic liquidity risk management decisions and monitor the quantitative and qualitative aspects of liquidity risk;
(b) Group Assets and Liabilities Committee has the mandate to form and implement the liquidity policies and guidelines in conformity with Bank's risk appetite and to review at least monthly the overall liquidity position of the Bank;
(c) Group Treasury is responsible for the implementation of the Bank's liquidity strategy, the daily management of the Bank’s liquidity and for the preparation and monitoring of the Bank’s liquidity budget;
(d) Group Market and Counterparty Risk Sector is responsible for the measuring, monitoring and reporting of the liquidity risk of the Bank.

The Bank as per ECB, EBA & BoG directives applies risk management policies, processes and controls regarding, Asset Encumbrance / Liquidity Buffers and Collateral Management, Contingency Funding Plan (CFP), Intraday Liquidity Risk Management and Liquidity Stress Tests. These policies, processes and controls along with the liquidity governance are described in the ILAAP (Internal Liquidity Adequacy Assessment Process).

These policies, processes and controls are applicable in the specific Greek macro-economic environment, Banks’ business model and market conditions on wholesale funding.

Liquidity Buffer

The Bank holds a diversified portfolio of cash and high liquid assets to support payment obligations and contingent deposit withdrawals in a stressed market environment. The Bank's assets held for managing liquidity risk comprise of:

(a) Cash and balances with central banks;

(b) Eligible bonds and other financial assets for collateral purposes;

(c) Interbank placings maturing within one month.

Liquidity Risk

The Bank increased the long-term funding from the ECB entering into the new TLTRO III (ECB funding increased from €1.9 billion as of YE 2019 to €7.25 billion as of YE 2020 - which consists entirely from TLTRO funding). Moreover, inflows mainly from deposits (+ €1.7 billion in 2020 on a solo level) along with the utilization of the collateral easing measures as introduced by ECB in response to the Covid-19 outbreak (mainly the Additional Credit Claims – ACC – framework), significantly contributed to the formation of HQLAs buffer and to the significant increase of the Liquidity Coverage Ratio (LCR) within 2020 both on solo and on group level.

LCR calculations

LCR as of YE 2020 is equal to 123.4% on a solo level. The next table presents the key components of Bank's LCR, as per the respective guidelines on LCR disclosure (EBA/GL/2017/01). It should be noted that the data points used in the calculations below, refer to the period after the restoration of the LCR above the minimum regulatory threshold (100%).

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

Table 40: LIQ1 – Liquidity Coverage ratio

	Total unweighted value		Total weighted value	
Quarter ending on	**31 December 2020 € million**	**30 September 2020 € million**	**31 December 2020 € million**	**30 September 2020 € million**
Number of data points used in the calculation of averages	**7**	**4**	**7**	**4**
HIGH-QUALITY LIQUID ASSETS				
Total high-quality liquid assets (HQLA)			**5,548**	**5,160**
CASH-OUTFLOWS				
Retail deposits and deposits from small business customers, of which:	**21,275**	**20,904**	**1,215**	**1,191**
Stable deposits	**18,253**	**17,989**	**913**	**899**
Less stable deposits	**3,022**	**2,915**	**302**	**291**
Unsecured wholesale funding	**7,246**	**6,890**	**3,238**	**2,982**
Operational deposits (all counterparties) and deposits in networks of cooperative banks	**0**	**0**	**0**	**0**
Non-operational deposits (all counterparties)	**7,173**	**6,890**	**3,164**	**2,982**
Unsecured debt	**73**	**0**	**73**	**0**
Secured wholesale funding			**115**	**90**
Additional requirements	**1,197**	**1,210**	**602**	**621**
Outflows related to derivative exposures and other collateral requirements	537	557	537	557
Outflows related to loss of funding on debt products	0	0	0	0
Credit and liquidity facilities	660	654	65	65
Other contractual funding obligations	0	0	0	0
Other contingent funding obligations	2,173	2,173	143	143
TOTAL CASH OUTFLOWS			**5,312**	**5,027**
CASH-INFLOWS				
Secured lending (eg reverse repos)	1,090	988	0	0
Inflows from fully performing exposures	265	175	206	127
Other cash inflows	1,270	1,260	254	252
TOTAL CASH INFLOWS	**2,625**	**2,422**	**460**	**379**
Inflows Subject to 75% Cap	***2,625***	***2,422***	***460***	***379***
			TOTAL ADJUSTED VALUE	
LIQUIDITY BUFFER			**5,548**	**5,160**
TOTAL NET CASH OUTFLOWS			**4,851**	**4,647**
LIQUIDITY COVERAGE RATIO (%)			**114.35%**	**111.03%**

Appendix 1: Transitional Own Funds disclosure

		31 December 2020 Current period € million	31 December 2020 Full impact € million	31 December 2020 [(1)] Current period € million	31 December 2020 [(1)] Full impact € million
Common Equity Tier 1 (CET1) Capital: instruments and reserves					
1	Capital instruments and the related share premium accounts	4,052	4,052	4,052	4,052
2	Retained earnings	(186)	(186)	(186)	(186)
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	298	298	298	298
5	Minority interests (amount allowed in consolidated CET1)	-	-	-	-
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**4,164**	**4,164**	**4,164**	**4,164**
Common Equity Tier 1 (CET1) capital: regulatory adjustments					
7	Additional value adjustments due to the prudent valuation (negative amount)	(11)	(11)	(11)	(11)
8	Intangible assets (net of related tax liability) (negative amount)	(117)	(117)	(117)	(117)
9	Part of interim or year-end profit not eligible	(15)	(15)	-	-
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)	-	-	-	-
11	Fair value reserves related to gains or losses on cash flow hedges	49	49	49	49
12	Negative amounts resulting from the calculation of expected loss amounts	(223)	(17)	(223)	(17)
20	Adjustments due to IFRS 9 transitional arrangements	683	-	683	-
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)	(285)	(419)	(284)	(418)
24	Value adjustments due to the Irrevocable payment commitments	(16)	(16)	(16)	(16)
28	**Total regulatory adjustments to Common equity Tier 1 (CET1)**	**65**	**(546)**	**81**	**(530)**
29	**Common Equity Tier 1 (CET1) capital**	**4,229**	**3,618**	**4,245**	**3,634**
Additional Tier 1 (AT1) capital: instruments					
30	Capital instruments and the related share premium accounts	-	-	-	-
36	**Additional Tier 1 (AT1) capital instruments before regulatory adjustments**	**-**	**-**	**-**	**-**
Additional Tier 1 (AT1) capital: regulatory adjustments					
42	Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)	-	-	-	-
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**-**	**-**	**-**	**-**
44	**Additional Tier 1 (AT1) capital**	**-**	**-**	**-**	**-**
45	**Tier 1 capital (T1 = CET1 + AT1)**	**4,229**	**3,618**	**4,245**	**3,634**
Tier 2 (T2) capital: instruments and provisions					
46	Capital instruments and the related share premium accounts	950	950	950	950
50	Credit risk adjustments	-	115	-	115
51	**Tier 2 (T2) capital before regulatory adjustments**	**950**	**1,065**	**950**	**1,065**
Tier 2 (T2) capital: regulatory adjustments					
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**-**	**-**	**-**	**-**
58	**Tier 2 (T2) capital**	**950**	**1,065**	**950**	**1,065**
59	**Total Capital (TC = T1 + T2)**	**5,179**	**4,683**	**5,195**	**4,699**
60	**Total risk weighted assets**	**34,181**	**34,039**	**34,185**	**34,043**

[(1)] *Including 20/3-31/12/2020 profits amounting to €15 million.*

Appendix 1: Transitional Own Funds disclosure

		31 December 2020 Current period € million	31 December 2020 Full impact € million	31 December 2020 [1] Current period € million	31 December 2020 [1] Full impact € million
Capital ratios and buffers					
61	Common Equity Tier 1	**12.4%**	10.6%	**12.4%**	10.7%
62	Tier 1	**12.4%**	10.6%	**12.4%**	10.7%
63	Total capital	**15.2%**	13.8%	**15.2%**	13.8%
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus the systemically important institution buffer (G_SII or O-SII buffer), expressed as a percentage of risk exposure amount)	8.70%	8.70%	8.70%	8.70%
65	of which: capital conservation buffer requirement	2.50%	2.50%	2.50%	2.50%
66	of which: countercyclical buffer requirement	0.01%	0.01%	0.01%	0.01%
67	of which: systemic risk buffer requirement	0.00%	0.00%	0.00%	0.00%
67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	0.00%	0.00%	0.00%	0.00%
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	**7.2%**	**5.8%**	**7.2%**	**5.8%**
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	51	51	51	51
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)	24	24	24	24
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)	404	404	405	405
Applicable caps on the inclusion of provisions on 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	140	140	140	140
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-	115	-	115
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	115	115	115	115
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)					
80	Current cap on CET1 instruments subject to phase out arrangements	-	-	-	-
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	-	-	-
82	Current cap on AT1 instruments subject to phase out arrangements	0%	-	0%	-
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	-	-	-
84	Current cap on T2 instruments subject to phase out arrangements	0%	-	0%	-
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-	-	-

[1] Including 20/3-31/12/2020 profits amounting to €15 million.

Appendix 2: Capital instruments' main features disclosure

1	Issuer	**Eurobank S.A.**	**Eurobank S.A.**
2	Unique identifier	213800KGF4EFNUQKAT69	ISIN Code: HO0000000001
3	Governing law(s) of the instrument	Greek	English law, with the exception of Condition 3B *(Status-Subordinated Instruments)* and Condition 22 *(Bank Holders' Agent)* which are governed by the laws of the Hellenic Republic and Regulation No.575/2013 (CRR) and Condition 23 (Acknowledgement of Statutory Loss Absorption Powers).
	Regulatory treatment		
4	Transitional CRR rules	Common Equity Tier 1	Tier2
5	Post- transitional CRR rules	Common Equity Tier 1	Tier2
6	Eligible at solo/(sub-) consolidated/solo & (sub-) consolidated	Solo & Consolidated	Solo & Consolidated
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares	Tier 2 Subordinated Capital Instrument (Art.63 of the CRR)
8	Amount recognised in regulatory capital as at 31 December 2020	€4.052million	N/A - The instruments were Issued in March 2020
9	Nominal amount of instrument	€1,10 per ordinary share (at date) / €4.052million	950,000,000
9a	Issue price	-	100%
9b	Redemption price	-	Redemption at par (100 per cent of nominal amount) together with interest accrued up to (but excluding) the date of redemption
10	Accounting classification	Shareholders Equity	Liability - amortised cost
11	Original date of issuance	Various	20 March 2020
12	Perpetual or dated	Perpetual	Dated
13	Original maturity date	-	17 January 2028
14	Issuer call subject to prior supervisory approval	NA	Yes
15	Optional call date, contingent call dates and redemption amount	NA	First date of call: 17 January 2023. The instruments have also a Tax and Capital Disqualification Event call (Art.78(4) of CRR).In both cases, the instruments may be redeemed in whole but not in part. Redemption at par together with interest accrued.
16	Subsequent call dates, if applicable	NA	Optional subsequent call dates: Any day after 17 January 2023.Tax and Capital Disqualification Event call : at any time
	Coupon / dividends	NA	
17	Fixed or floating dividend/coupon	NA	Fixed
18	Coupon rate and any related index	NA	6.41%
19	Existence of a dividend stopper	NA	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Partially discretionary	Mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Partially discretionary	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Noncumulative or cumulative	Non cumulative	Noncumulative
23	Convertible or non-convertible	Non convertible	Non-convertible
24	If convertible, conversion trigger(s)	NA	N/A
25	If convertible, fully or partially	NA	N/A
26	If convertible, conversion rate	NA	N/A
27	If convertible, mandatory or optional conversion	NA	N/A
28	If convertible, specify instrument type convertible into	NA	N/A
29	If convertible, specify issuer of instrument it converts into	NA	N/A
30	Write-down features	No	Yes
31	If write-down, write-down trigger(s)	NA	Statutory & Condition 23 (Acknowledgement of Statutory Loss Absorption Powers) , Bank of Greece
32	If write-down, full or partial	NA	Fully or partially
33	If write-down, permanent or temporary	NA	Permanent
34	If temporary write-down, description of write-up mechanism	NA	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Additional Tier I	Immediately subordinate to the claims of Senior Creditors (as defined in Condition 3B)
36	Non-compliant transitioned features	No	No
37	If yes, specify non-compliant features	N/A	N/A

Appendix 3: List of Abbreviations

Abbreviation	Definition
A-IRB	Advanced Internal Rating Based Approach
AT1	Additional Tier 1
BoD	Board of Directors
BoG	Bank of Greece
BRC	Board Risk Committee
BRRD	Bank Recovery and Resolution Directive
CCoB	Capital Conservation Buffer
CCF	Credit Conversion Factor
CCP	Central Counterparty
CCR	Counterparty Credit Risk
CET1	Common equity Tier 1
CRD IV	Capital Requirements Directive IV
CRR	Capital Requirements Regulation
CRR2	Capital Requirements Regulation II
CVA	Credit Value Adjustment
DoD	Definition of Default
EAD	Exposure At Default
EBA	European Banking Authority
ECAIs	External Credit Assessment Institutions
ECB	European Central Bank
ECL	Expected Credit Loss
F-IRB	Foundation Internal Rating Based Approach
HQLA	High Quality Liquid Assets.
ICAAP	Internal Capital Adequacy Assessment Process
ILAAP	Internal Liquidity Adequacy Assessment Process
IMA	Internal Model Approach
IRB	Internal Ratings Based Approach
LCR	Liquidity Coverage Ratio
LGD	Loss Given Default
MRA	Moody's Risk Advice
MREL	Minimum Requirement for own funds and Eligible Liabilities
NPV	Net Present Value
PD	Probability of Default
RCSA	Risk & Control Self-Assessment
RWAs	Risk Weighted Assets
SA	Standard Approach
SREP	Supervisory Review and Evaluation Process
SRF	Single Resolution Fund
ST	Stress Test
SSM	Single Supervisory Fees
TLTRO	Targeted Long Term Refinancing Operations
VAR	Value at Risk

Appendix 4: Guidelines and Regulations mapping on Disclosures Requirements

	EBA/GL/2016/11	
INS1	Non-deducted participations in insurance undertakings	*Table 9*
OV1	Overview of RWAs	*Table 8*
CRB-B	Net amount of exposures	*Table 10*
CRB-C	Geographical breakdown of exposures	*Table 11*
CRB-D	Concentration of exposures by industry or counterparty type	*Table 12*
CRB-E	Maturity of exposures	*Table 13*
CR1-A	Credit quality of exposures by exposure classes and instruments	*Table 14*
CR2-A	Changes in stock of general and specific credit risk adjustments	*Table 15*
CR2-B	Changes in stock of defaulted and impaired loans and debt securities	*Table 16*
CR3-CRM	Credit risk mitigation techniques - IRB and SA	*Table 35*
CR4	Credit risk exposure and CRM effects (IRB & Standardised approach)	*Table 30*
CR7	Effect on RWA of credit derivatives used as CRM techniques	*Table 34*
CR8	RWA flow statements of credit risk exposures under the IRB approach	*Table 32*
CR10-A / CR10-B	Specialised lending & equities	*Table 31 & 33*
MR2-B	RWA flow statements of market risk exposures under IMA	*Table 36*

	REVISED PILLAR 3 DISCLOSURES REQUIREMENTS - BCBS	
KM1	Key metrics	*Table 2*

	GUIDELINES ON LCR DISCLOSURE - EBA/GL/2017/01	
LCR	LCR disclosure template	*Table 40*

	LEVERAGE RATIO - COMMISSION IMPLEMENTING REGULATION (UE) 2016/200	
LRSum	Summary reconciliation of accounting assets and leverage ratio exposures	*Table 37*
LRCom	Leverage ratio common disclosure Appendix X	*Table 38*
LRSpl	Split-up of on balance sheet exposures (excluding derivatives and SFTs)	*Table 39*

	OWN FUNDS REQUIREMENTS - COMMISSION IMPLEMENTING REGULATION (UE) 1423/2013	
	Transitional Own Funds disclosure	*Appendix 1*
	Capital instruments'f main features	*Appendix 2*

	COUNTERCYCLICAL CAPITAL BUFFER - COMMISSION IMPLEMENTING REGULATION (UE) 2015/1555	
CCyB1	Geographical distribution of credit exposures relevant for the calculation of the countercyclical capital	*Table 5*
CCyB21	Amount of institution-specific countercyclical capital buffer	*Table 6*

	GUIDELINES ON UNIFORM DISCLOSURES UNDER ARTICLE 473A OF REGULATION (EU) NO 575/2013 AS REGARDS THE TRANSITIONAL PERIOD FOR MITIGATING THE IMPACT OF THE INTRODUCTION OF IFRS 9 ON OWN FUNDS - EBA/GL/2018/01	
IFRS 9-FL	Comparison of equity, capital ratios and leverage of entities with or with out the application of the transitional arrangements of IFRS 9 or analog ECL	*Table 4*

	GUIDELINES ON DISCLOSURE OF NON-PERFORMING AND FORBORNE EXPOSURES - EBA/GL/2018/10	
	Credit quality of forborne exposures	*Table 17*
	Quality of forbearance	*Table 22*
	Credit quality of performing and non-performing exposures by past due days	*Table 18*
	Performing and non-performing exposures and related provisions.	*Table 19*
	Quality of Non-performing exposures by geography	*Table 20*
	Credit quality of loans and advances by industry	*Table 21*
	Collateral valuation - Loans and advances at cost or amortised cost	*Table 23*
	Changes in the stock of non-performing loans and advances	*Table 24*
	Collateral obtained by taking possession and execution processes	*Table 25*
	Collateral obtained by taking possession and execution processes – Vintage breakdown	*Table 26*

	Legislative and non-legislative moratoria on loan repayments applied in the light of the COVID-19 crisis EBA/GL/2020/02	
COVID_1	Information on loans and advances subject to legislative and non-legislative moratoria	*Table 27*
COVID_2	Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria	*Table 28*
COVID_3	Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis	*Table 29*