# Bank of Ireland Group plc
# Year end Pillar 3 Disclosures
# June 2023

## Forward-looking statement



This document contains forward-looking statements with respect to certain of Bank of Ireland Group plc (the 'Company' or 'BOIG plc') and its subsidiaries' (collectively the 'Group' or 'BOIG plc Group') plans and its current goals and expectations relating to its future financial condition and performance, the markets in which it operates and its future capital requirements. These forward-looking statements often can be identified by the fact that they do not relate only to historical or current facts. Generally, but not always, words such as 'may,' 'could,' 'should,' 'will,' 'expect,' 'intend,' 'estimate,' 'anticipate,' 'assume,' 'believe,' 'plan,' 'seek,' 'continue,' 'target,' 'goal,' 'would,' or their negative variations or similar expressions identify forward-looking statements, but their absence does not mean that a statement is not forward-looking.

Examples of forward-looking statements include, among others: statements regarding the Group's near term and longer term future capital requirements and ratios, loan to deposit ratios, expected impairment charges, the level of the Group's assets, the Group's financial position, future income, business strategy, projected costs, margins, future payments of dividends, future share buybacks, the implementation of changes in respect of certain of the Group's pension schemes, estimates of capital expenditures,  discussions with Irish, United Kingdom, European and other regulators, plans and objectives for future operations, and the continued impact of Russia's invasion of Ukraine particularly on certain of the above issues and generally on the global and domestic economies. Such forward-looking statements are inherently subject to risks and uncertainties, and hence actual results may differ materially from those expressed or implied by such forward-looking statements.

Nothing in this document should be considered to be a forecast of future profitability, dividend forecast or financial position of the Group and none of the information in this document is or is intended to be a profit forecast, dividend forecast or profit estimate. Any forward-looking statement speaks only at the date it is made. The Group does not undertake to release publicly any revision to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date hereof.

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## Location of Pillar 3 disclosures

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The purpose of the Pillar 3 disclosures is to disclose information in accordance with the scope of application of CRD IV requirements for the Group, particularly covering capital requirements and resources, credit risk, counterparty credit risk, information on securitisation activity, market risk, operational risk, liquidity risk, encumbered / unencumbered assets, leverage ratio, the Group's remuneration disclosures and ESG risk. CRD IV in the context of this document describes the package CRR as amended, CRD IV as amended and regulatory and technical standards.

These disclosures represent the Pillar 3 disclosures of Bank of Ireland Group plc ('the Group) as at 30 June 2023. They have been prepared in accordance with the requirements of the Capital Requirements Directive & Regulation (CRD IV).

It should be noted that while some quantitative information in this document is based on financial data contained in the Group's Interim Report 30 June 2023, the majority of the quantitative data is sourced from the Group regulatory platform and is calculated according to regulatory requirements.

The difference between the accounting data and information sourced from the Group's regulatory reporting platform is most evident for credit risk disclosures where credit exposure under CRD IV unlike financial statement information, includes potential future drawings of committed credit lines as well as other technical differences. Pillar 3 quantitative data is thus not always directly comparable with the quantitative data contained in the Group's Interim Report 30 June 2023.

Article 432(1) of the CRR and the EBA Guidelines on Materiality, Proportionality and Confidentiality and on Disclosure Frequency, allow for the omission of certain elements of information from Pillar 3 disclosure on the basis of materiality. As set out in Appendix II - CRR Roadmap, the Group does not disclose information on the following CRR Articles on the basis of materiality: Article 442(e).

**Frequency**
Under the updated CRR, the frequency of disclosures is now determined by the size of institution per Article 433. The Group is classified as a listed "large institution" as it meets certain conditions laid out in Article 4. The Group will disclose the requirements as outlined under Article 433a for a listed large institution and at the frequency required.

**Verification**
Information which is sourced from the Group's Interim Report 30 June 2023 may be subject to audit by the Group's external auditors and is subject to both internal and external review, along with appropriate governance procedures. The Pillar 3 document is subject to a robust governance process including final approval by the Group Audit Committee (GAC).

**Media**
Copies of the Group's Pillar 3 Disclosures can be obtained from the Group's website at www.bankofireland.com.

**Policy**
The Group Audit Committee has approved the Group's Pillar 3 Disclosure Policy which sets out how the Group complies with the Pillar 3 disclosure requirements. The policy sets out the overall approach to disclosure including inter alia frequency and method of disclosure, type of information to be disclosed, data sources and verification of disclosures, as well as setting out internal controls and procedures to be followed.

**Attestation by Board member**
"I confirm that Bank of Ireland Group's Pillar 3 disclosures for June 2023 to the best of my knowledge, comply with Part Eight of the CRR and have been prepared in accordance with the Group's Pillar 3 Disclosure Policy".
*Mark Spain*
Group Chief Financial Officer

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As per Article 447, points (a) to (g) and Article 438, point (b), Table 1.1 provides a summary of the main prudential and regulatory information and ratios covered by the CRR on a transitional basis. It also includes information on Pillar 2 requirements.

**Table 1.1 - EU KM1 - Key metrics - Regulatory basis**

| | | a<br>June<br>2023 [1] | b<br>March<br>2023 | c<br>December<br>2022 [1] | d<br>September<br>2022 | e<br>June<br>2022 [1] |
|---|---|---|---|---|---|---|
| **Available own funds (amounts)** | | | | | | |
| 1 | Common equity tier 1 (CET1) (€m) | 7,780 | 7,223 | 7,681 | 7,547 | 7,577 |
| 2 | Tier 1 (€m) | 8,755 | 8,198 | 8,656 | 8,522 | 8,552 |
| 3 | Total capital (€m) | 10,238 | 9,673 | 10,128 | 9,534 | 10,048 |
| **Risk-weighted exposure amounts** | | | | | | |
| 4 | Total RWA (€m) | 52,015 | 51,284 | 47,616 | 48,099 | 47,330 |
| **Capital ratios (as a percentage of risk-weighted exposure amount)** | | | | | | |
| 5 | Common equity tier 1 ratio (%) | 14.96% | 14.09% | 16.13% | 15.69% | 16.01% |
| 6 | Tier 1 ratio (%) | 16.83% | 15.99% | 18.18% | 17.72% | 18.07% |
| 7 | Total capital ratio (%) | 19.68% | 18.86% | 21.27% | 19.82% | 21.23% |
| **Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)** | | | | | | |
| EU 7a | Additional own funds requirements to address risks other than the risk of excessive leverage (%) | 2.25% | 2.25% | 2.25% | 2.25% | 2.25% |
| | of which: | | | | | |
| EU 7b | to be made up of CET1 capital (percentage points) | 1.27% | 1.27% | 1.27% | 1.27% | 1.27% |
| EU 7c | to be made up of Tier 1 capital (percentage points) | 1.69% | 1.69% | 1.69% | 1.69% | 1.69% |
| EU 7d | Total SREP own funds requirements (%) | 10.25% | 10.25% | 10.25% | 10.25% | 10.25% |
| **Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)** | | | | | | |
| 8 | Capital conservation buffer (%) | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% |
| EU 8a | Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%) | - | - | - | - | - |
| 9 | Institution specific countercyclical capital buffer (%) | 0.60% | 0.27% | 0.27% | 0.01% | 0.01% |
| EU 9a | Systemic risk buffer (%) | - | - | - | - | - |
| 10 | Global Systemically Important Institution buffer (%) | - | - | - | - | - |
| EU 10a | Other Systemically Important Institution buffer (%) | 1.50% | 1.50% | 1.50% | 1.50% | 1.50% |
| 11 | Combined buffer requirement (%) | 4.60% | 4.27% | 4.27% | 4.01% | 4.01% |
| EU 11a | Overall capital requirements (%) | 14.85% | 14.52% | 14.52% | 14.26% | 14.26% |
| 12 | CET1 available after meeting the total SREP own funds requirements (%) | 9.14% | 8.32% | 10.37% | 9.93% | 10.24% |
| **Leverage ratio** | | | | | | |
| 13 | Total exposure measure | 133,230 | 132,896 | 130,146 | 140,566 | 135,382 |
| 14 | Leverage ratio (%) | 6.57% | 6.17% | 6.65% | 6.06% | 6.32% |
| **Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)** | | | | | | |
| EU 14a | Additional own funds requirements to address the risk of excessive leverage (%) | - | - | - | - | - |
| | of which: | | | | | |
| EU 14b | to be made up of CET1 capital (percentage points) | - | - | - | - | - |
| EU 14c | Total SREP leverage ratio requirements (%) | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| **Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)** | | | | | | |
| EU 14d | Leverage ratio buffer requirement (%) | - | - | - | - | - |
| EU 14e | Overall leverage ratio requirement (%) | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| **Liquidity Coverage Ratio** | | | | | | |
| 15 | Total high-quality liquid assets (HQLA) (Weighted value -average) | 39,106 | 39,145 | 37,780 | 35,127 | 32,835 |
| EU 16a | Cash outflows - Total weighted value | 20,229 | 19,715 | 18,629 | 18,150 | 17,775 |
| EU 16b | Cash inflows - Total weighted value | 1,088 | 977 | 1,028 | 918 | 842 |
| 16 | Total net cash outflows (adjusted value) | 19,140 | 18,738 | 17,601 | 17,232 | 16,933 |
| 17 | Liquidity coverage ratio (%) | 204.32% | 208.91% | 214.65% | 203.84% | 193.91% |
| **Net Stable Funding Ratio** | | | | | | |
| 18 | Total available stable funding | 101,983 | 101,679 | 99,799 | 110,097 | 108,311 |
| 19 | Total required stable funding | 66,566 | 66,145 | 61,082 | 71,506 | 72,503 |
| 20 | NSFR ratio (%) | 153.21% | 153.7% | 163.4% | 154.0% | 149.4% |

*1 The Group capital ratios have been presented including the retained profits in 2023 and 2022, availing of the regulatory profit verification process.*

As per Article 473a and Article 468, Table 1.2 shows key metrics as required by the EBA/GL/2020/12 relating to the impact if the IFRS 9 transitional arrangements had not been applied. BOIG elected to take advantage of the static and dynamic elements of the transitional capital rules in respect of expected credit losses introduced in 2018. The effect of this is to mitigate the impact on capital in adverse conditions.

**Table 1.2 - IFRS 9-FL: Key metrics - Regulatory basis**

| | | a June 2023 [1] | b March 2023 | c December 2022 [1] | d September 2022 | e June 2022 [1] |
|---|---|---|---|---|---|---|
| **Available capital** | | | | | | |
| 1 | Common equity tier 1 (CET1) (€m) | 7,780 | 7,223 | 7,681 | 7,547 | 7,577 |
| 2 | Common equity tier 1 (CET1) capital as if IFRS9 or analogous ECLs transitional arrangements had not been applied (€m) | 7,764 | 7,211 | 7,651 | 7,514 | 7,554 |
| 2a | Common equity tier 1 (CET1) capital as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied (€m)[2] | 7,780 | 7,223 | 7,681 | 7,547 | 7,577 |
| 3 | Tier 1 (€m) | 8,755 | 8,198 | 8,656 | 8,522 | 8,552 |
| 4 | Tier 1 capital as if IFRS9 or analogous ECLs transitional arrangements had not been applied (€m) | 8,739 | 8,186 | 8,626 | 8,489 | 8,529 |
| 4a | Tier 1 capital as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied (€m)[2] | 8,755 | 8,198 | 8,656 | 8,522 | 8,552 |
| 5 | Total capital (€m) | 10,238 | 9,673 | 10,128 | 9,534 | 10,048 |
| 6 | Total capital as if IFRS9 or analogous ECLs transitional arrangements had not been applied (€m) | 10,223 | 9,661 | 10,098 | 9,501 | 10,024 |
| 6a | Total capital as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied (€m)[2] | 10,238 | 9,673 | 10,128 | 9,534 | 10,048 |
| **Risk weighted assets** | | | | | | |
| 7 | Total RWA (€m) | 52,015 | 51,284 | 47,616 | 48,099 | 47,330 |
| 8 | Total risk-weighted assets as if IFRS9 or analogous ECLs transitional arrangements had not been applied (€m) | 52,000 | 51,272 | 47,585 | 48,061 | 47,303 |
| **Risk-based capital ratios as a % of RWA** | | | | | | |
| 9 | Common equity tier 1 ratio (%) | 14.96% | 14.09% | 16.13% | 15.69% | 16.01% |
| 10 | Common equity tier 1 ratio (%) as if IFRS9 or analogous ECLs transitional arrangements had not been applied | 14.93% | 14.06% | 16.08% | 15.63% | 15.97% |
| 10a | Common equity tier 1 ratio (%) as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied[2] | 14.96% | 14.09% | 16.13% | 15.69% | 16.01% |
| 11 | Tier 1 ratio (%) | 16.83% | 15.99% | 18.18% | 17.72% | 18.07% |
| 12 | Tier 1 ratio (%) as if IFRS9 or analogous ECLs transitional arrangements had not been applied | 16.81% | 15.97% | 18.13% | 17.66% | 18.03% |
| 12a | Tier 1 ratio (%) as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied[2] | 16.83% | 15.99% | 18.18% | 17.72% | 18.07% |
| 13 | Total capital ratio (%) | 19.68% | 18.86% | 21.27% | 19.82% | 21.23% |
| 14 | Total capital ratio (%) as if IFRS9 or analogous ECLs transitional arrangements had not been applied | 19.66% | 18.84% | 21.22% | 19.77% | 21.19% |
| 14a | Total capital ratio (%) as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied[2] | 19.68% | 18.86% | 21.27% | 19.82% | 21.23% |
| **Leverage ratio** | | | | | | |
| 15 | Total Leverage ratio exposure measure (€m) | 133,230 | 132,896 | 130,146 | 140,566 | 135,382 |
| 16 | Leverage ratio (%) | 6.57% | 6.17% | 6.65% | 6.06% | 6.32% |
| 17 | Leverage ratio (%) as if IFRS9 or analogous ECLs transitional arrangements had not been applied | 6.56% | 6.16% | 6.63% | 6.04% | 6.30% |
| 17a | Leverage ratio (%) as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied[2] | 6.57% | 6.17% | 6.65% | 6.06% | 6.32% |

*1 The Group capital ratios have been presented including the retained profits in 2023 and 2022, availing of the regulatory profit verification process.*

*2 The Group has not availed of the Article 468 temporary treatment of certain unrealised gains and losses.*

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The Group's CET1 capital ratio is 14.96% at 30 June 2023 (31 December 2022: 16.13%) calculated on a regulatory basis.

The decrease of c.115 basis points since 31 December 2022 is primarily due to the acquisition of the KBCI loans (c.-110 basis points), a foreseeable dividend deduction (c.-60 basis points), RWA growth (c.-40 basis points), the introduction on 1 January 2023 of IFRS17 'Insurance Contracts' (c. -30 basis points), the impact of Capital Requirements Directive (CRD) phasing for 2023 (c.-30 basis points) and impact of the 2022 share buyback (c. -25 basis point) offset by the benefit of organic capital generation (c.+180 basis points).

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As per Article 438 point (d), Table 2.1 provides an overview of the total risk exposure amounts (TREA) forming the denominator of the risk based capital requirements calculated in accordance with Article 92 of the CRR. Total own funds requirements are calculated as 8% of TREA.

The increase of €4.4 billion in RWA is primarily due to the acquisition of the KBCI portfolios, loan book movements and foreign exchange movements.

**Table 2.1 - EU OV1 - Overview of risk weighted exposure amounts**

| | | a | b | c |
|---|---|---|---|---|
| | | **Jun-23** | Dec-22 | **Jun-23** |
| | | **Risk weighted exposure amounts (RWEAs)** | | **Total own funds requirements** |
| | | **€m** | €m | **€m** |
| 1 | Credit risk (excluding CCR) | **44,565** | 40,192 | **3,565** |
| | *of which;* | | | |
| 2 | *the standardised approach* | *15,431* | *12,267* | *1,234* |
| 3 | *the Foundation IRB (F-IRB) approach* | *17,286* | *16,873* | *1,383* |
| 4 | *slotting approach* | - | - | - |
| EU 4a | *equities under the simple risk weighted approach* | - | - | - |
| 5 | the Advanced IRB (A-IRB) approach | 11,724 | 10,928 | 938 |
| 6 | *Counterparty credit risk - CCR* | ***725*** | *752* | ***58*** |
| | *of which;* | | | |
| 7 | *the standardised approach* | *515* | *561* | *41* |
| 8 | *internal model method (IMM)* | - | - | - |
| EU 8a | *exposures to a CCP* | *31* | *26* | *2* |
| EU 8b | *credit valuation adjustment - CVA* | *158* | *164* | *13* |
| 9 | *other CCR* | *21* | *1* | *2* |
| 10 | Not applicable | - | - | - |
| 11 | Not applicable | - | - | - |
| 12 | *Not applicable* | - | - | - |
| 13 | *Not applicable* | - | - | - |
| 14 | *Not applicable* | - | - | - |
| 15 | *Settlement risk* | - | - | - |
| 16 | Securitisation exposures in the non-trading book (after the cap) | **1,358** | 1,421 | **108** |
| | *of which;* | | | |
| 17 | *SEC-IRBA approach* | 1,168 | 1,242 | 93 |
| 18 | *SEC-ERBA (including IAA)* | *190* | *179* | *15* |
| 19 | SEC-SA approach | - | - | - |
| EU 19a | 1250% / deduction | - | - | - |
| 20 | *Position, foreign exchange and commodities risks (Market risk)* | ***330*** | *424* | ***26*** |
| | *of which;* | | | |
| 21 | the standardised approach | *330* | *424* | *26* |
| 22 | IMA | - | - | - |
| EU 22a | Large exposures | **-** | - | **-** |
| 23 | Operational risk | **5,037** | 4,827 | **403** |
| | *of which:* | | | |
| EU 23a | basic indicator approach | - | - | - |
| EU 23b | standardised approach | 5,037 | 4,827 | 403 |
| EU 23c | advanced measurement approach | - | - | - |
| **24** | **Amounts below the thresholds for deduction (subject to 250% risk weight)** | **1,765** | 2,151 | **141** |
| 25 | Not applicable | - | - | - |
| 26 | Not applicable | - | - | - |
| 27 | Not applicable | - | - | - |
| 28 | Not applicable | - | - | - |
| **29** | **Total** | **52,015** | 47,616 | **4,160** |

As per Article 437, points (a), (d), (e) and (f), Table 2.2 below provides a breakdown of the constituent elements of BOIG's transitional own funds. Regulatory adjustments comprise deductions from own funds and prudential filters. It includes a cross reference to the corresponding rows in template EU CC2 (Tab 2.3) to facilitate full reconciliation of accounting and regulatory own funds.

**Table 2.2 - EU CC1 - Composition of regulatory own funds**

| | | a | b | |
|---|---|---|---|---|
| **Jun-23** | | **Amounts** | **Source based on reference numbers of the balance sheet under the regulatory scope of consolidation** | Dec-22 |
| | | **€m** | | €m |
| **Common equity tier 1 (CET1) capital: Instruments and reserves** | | | | |
| 1 | Capital instruments and the related share premium accounts | 1,512 | | 1,534 |
| | *of which:* | | | |
| | *Ordinary stock* | *1,056* | *(a)* | *1,077* |
| | *Share premium* | *456* | *(b)* | *457* |
| 2 | Retained earnings | 10,301 | *(c)* | 9,710 |
| 3 | Accumulated other comprehensive income (and other reserves) | (1,277) | *(c, d)* | (1,092) |
| 3a | Funds for general banking risk | - | | - |
| 4 | Amount of qualifying items per Article 484 (3) and related share premium accounts subject to phase out from CET1 | - | | - |
| 5 | Minority interest (amounts allowed in consolidated CET 1) | - | | - |
| 5a | Independently reviewed interim profits net of any foreseeable charge or dividend | 295 | *(c)* | 519 |
| **6** | **Common equity tier 1 (CET 1) capital before regulatory adjustments** | **10,831** | | 10,671 |
| **Common equity tier 1 (CET1) capital regulatory adjustments** | | | | |
| 7 | Additional value adjustments (negative amount) | (8) | | (8) |
| 8 | Intangible assets (net of related tax liability) (negative amount) | (1,050) | *(f)* | (981) |
| 9 | Not applicable | - | | - |
| 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) CRR are met) (negative amount) | (916) | *(g)* | (1,002) |
| 11 | Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value | 34 | | 31 |
| 12 | Negative amounts resulting from the calculation of expected loss amounts | (118) | | (165) |
| 13 | Any increase in equity that results from securitised assets (negative amount) | - | | - |
| 14 | Gains or losses on liabilities valued at fair value resulting from changes in own credit standing | (6) | | (18) |
| 15 | Defined-benefit pension fund assets (negative amount) | (751) | *(h, i)* | (625) |
| 16 | Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount) | - | | - |
| 17 | Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount) | - | | - |
| 18 | Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount) | - | | - |
| 19 | Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount) | - | | (132) |
| 20 | Not applicable | - | | - |
| EU-20a | Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative | (9) | | (10) |
| EU-20b | *of which: qualifying holdings outside the financial sector (negative amount)* | - | | - |
| EU-20c | *of which: securitisation positions (negative amount)* | *(9)* | | *(10)* |
| EU-20d | *of which: free deliveries (negative amount)* | - | | - |
| 21 | *Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)* | - | | - |
| 22 | Amount exceeding the 17,65% threshold (negative amount) | - | | - |
| 23 | of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities | - | | - |
| 24 | *Not applicable* | - | | - |
| 25 | of which: deferred tax assets arising from temporary differences | - | | - |
| EU-25a | *Losses for the current financial year (negative amount)* | - | | - |
| EU-25b | Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount) | - | | - |
| 26 | Not applicable | - | | - |
| 27 | Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount) | - | | - |
| 27a | Other regulatory adjustments | (227) | | (80) |
| **28** | **Total regulatory adjustments to Common Equity Tier 1 (CET1)** | **(3,052)** | | (2,990) |
| **29** | ***Common Equity Tier 1 (CET1) capital*** | **7,780** | | 7,681 |
| **Additional Tier 1 (AT1) Capital: instruments** | | | | |
| 30 | Capital instruments and the related share premium accounts | 975 | *(e)* | 975 |
| 31 | *of which: classified as equity under applicable accounting standards* | *975* | *(e)* | 975 |
| 32 | *of which: classified as liabilities under applicable accounting standards* | - | | - |
| 33 | *Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1* | - | | - |
| EU-33a | Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1 | - | | - |
| EU-33b | Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1 | - | | - |
| 34 | Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties | - | | - |
| 35 | of which: instruments issued by subsidiaries subject to phase out | - | | - |
| **36** | **Additional Tier 1 (AT1) capital before regulatory adjustments** | **975** | | 975 |
| **Additional Tier 1 (AT1) Capital: regulatory adjustments** | | | | |
| 37 | Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount) | - | | - |
| 38 | Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount) | - | | - |
| 39 | Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount) | - | | - |
| 40 | Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount) | - | | - |
| 41 | Not applicable | - | | - |
| 42 | Qualifying T2 deductions that exceed the T2 items of the institution (negative amount) | - | | - |
| 42a | Other regulatory adjustments to AT1 capital | - | | - |
| **43** | **Total regulatory adjustments to Additional Tier 1 (AT1) capital** | **-** | | - |
| **44** | **Additional Tier 1 (AT1) capital** | **975** | | 975 |
| **45** | **Tier 1 capital (T1 = CET1 + AT1)** | **8,755** | | 8,656 |
| **Tier 2 (T2) Capital: instruments and provisions** | | | | |
| 46 | Capital instruments and the related share premium accounts | 1,644 | *(j)* | 1,632 |
| 47 | Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR | - | *(j)* | - |
| EU-47a | Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2 | - | | - |
| EU-47b | Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2 | - | | - |
| 48 | *Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties* | - | | - |
| 49 | *of which: instruments issued by subsidiaries subject to phase out* | - | | - |
| 50 | Credit risk adjustments | - | | - |
| **51** | **Tier 2 (T2) capital before regulatory adjustments** | **1,644** | | 1,632 |
| **Tier 2 (T2) capital: regulatory adjustments** | | | | |
| 52 | Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount) | - | | - |
| 53 | Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount) | - | | - |
| 54 | Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount) | - | | - |
| 54a | Not applicable | - | | - |
| 55 | Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount) | (160) | | (160) |
| 56 | Not applicable | - | | - |
| EU-56a | Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount) | - | | - |
| EU-56b | Other regulatory adjustments to T2 capital | - | | - |
| **57** | **Total regulatory adjustments to Tier 2 (T2) capital** | **(160)** | | (160) |
| **58** | **Tier 2 (T2) capital** | **1,484** | | 1,472 |
| **59** | **Total capital (TC = T1 + T2)** | **10,238** | | 10,128 |
| **60** | **Total Risk exposure amount** | **52,015** | | 47,616 |

| | | | |
|---|---|---|---|
| **Capital ratios and requirements including buffers** | | | |
| 61 | Common Equity Tier 1 capital | 14.96% | 16.13% |
| 62 | Tier 1 capital | 16.83% | 18.18% |
| 63 | Total capital | 19.68% | 21.27% |
| 64 | Institution CET1 overall capital requirements | 10.36% | 10.04% |
| 65 | of which: capital conservation buffer requirement | 2.50% | *2.50%* |
| 66 | of which: countercyclical capital buffer requirement | 0.60% | *0.27%* |
| 67 | of which: systemic risk buffer requirement | - | - |
| EU-67a | of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement | 1.50% | *1.50%* |
| EU-67b | of which: additional own funds requirements to address the risks other than the risk of excessive leverage | 1.27% | 1.27% |
| 68 | Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements | 9.14% | 10.37% |
| **National minima (if different from Basel III)** | | | |
| 69 | Not applicable | - | - |
| 70 | Not applicable | - | - |
| 71 | Not applicable | - | - |
| **Amounts below the threshold for deduction (before risk weighting)** | | | |
| 72 | Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions) | - | - |
| 73 | Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions) | 622 | 758 |
| 74 | Not applicable | - | - |
| 75 | Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) | 84 | 102 |
| **Applicable cap on the inclusion of provisions in Tier 2** | | | |
| 76 | Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap) | - | - |
| 77 | Cap on inclusion of credit risk adjustments in T2 under standardised approach | 194 | 154 |
| 78 | Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap) | - | - |
| 79 | Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach | 177 | 170 |
| **Capital Instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)** | | | |
| 80 | Current cap on CET1 instruments subject to phase out arrangements | - | - |
| 81 | Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities) | - | - |
| 82 | Current cap on AT1 instruments subject to phase out arrangements | - | - |
| 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 | - | - |
| 85 | Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) | - | - |

Previous Index Next

As per Article 437 point (a), Table 2.3 below outlines the differences between the scope of accounting consolidation and the scope of regulatory consolidation, showing the link between BOIG's balance sheet in the audited financial statements and the numbers that are used in the composition of own funds disclosure template (EU CC1 - Tab 2.2).

**Table 2.3 - EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements**

| | | a | b | c | a | b |
|---|---|---|---|---|---|---|
| | | **Jun-23** | | | Dec-22 | |
| | **Balance sheet category** | **Balance sheet as in published financial statements** | **Under regulatory scope of consolidation** | **Reference** | Balance sheet as in published financial statements | Under regulatory scope of consolidation |
| | **Assets - Breakdown by asset classes according to the balance sheet in the published financial statements** | **€m** | **€m** | | **€m** | **€m** |
| 1 | Cash and balances at central banks | 31,479 | 31,479 | | 36,855 | 36,855 |
| 2 | Items in the course of collection from other banks | 147 | 147 | | 140 | 140 |
| 3 | Trading securities | 6 | 6 | | - | - |
| 4 | Derivative financial instruments | 5,176 | 5,184 | | 5,138 | 5,138 |
| 5 | Fair value changes due to interest rate risk of the hedged items in portfolio hedges | (864) | (864) | | (738) | (738) |
| 6 | Other financial assets at fair value through profit or loss | 19,904 | 224 | | 18,553 | 151 |
| 7 | Loans and advances to banks | 3,033 | 2,999 | | 3,044 | 2,892 |
| 8 | Debt securities at amortised cost | 5,357 | 5,357 | | 4,472 | 4,472 |
| 9 | Financial assets at fair value through other comprehensive income | 3,979 | 3,979 | | 4,254 | 4,254 |
| 10 | Assets classified as held for sale | 1 | 1 | | 2 | 2 |
| 11 | Loans and advances to customers | 80,678 | 80,896 | | 71,961 | 72,167 |
| 12 | Investments in subsidiaries, joint ventures and associates | 185 | 826 | *(f)* | 165 | 1,160 |
| 13 | Intangible assets and goodwill | 1,350 | 1,278 | | 1,276 | 1,207 |
| 14 | Investment properties | 851 | - | | 883 | - |
| 15 | Property, plant and equipment | 831 | 815 | | 802 | 783 |
| 16 | Current tax assets | 31 | 31 | *(g)* | 36 | 31 |
| 17 | Deferred tax assets | 878 | 869 | | 989 | 972 |
| 18 | Other assets | 957 | 828 | *(h)* | 2,756 | 643 |
| 19 | Reinsurance contract assets | 1,346 | - | | - | - |
| 20 | Retirement benefit assets | 891 | 883 | | 736 | 736 |
| 21 | **Total assets** | **156,216** | **134,938** | | **151,324** | **130,865** |
| | **Equity and liabilities - Breakdown by equity and liability classes according to the balance sheet in the published financial statements** | | | | | |
| 1 | Deposits from banks | 3,622 | 3,622 | | 3,445 | 3,445 |
| 2 | Customer accounts | 101,730 | 102,232 | | 99,200 | 99,637 |
| 3 | Items in the course of transmission to other banks | 573 | 573 | | 232 | 232 |
| 4 | Derivative financial instruments | 6,378 | 6,378 | | 6,526 | 6,530 |
| 5 | Fair value changes due to interest rate risk of the hedged items in portfolio hedges | (2,865) | (2,865) | | (2,824) | (2,824) |
| 6 | Debt securities in issue | 8,431 | 8,431 | | 7,774 | 7,774 |
| 7 | Liabilities to customers under investment contracts | 7,185 | - | | 5,870 | - |
| 8 | Insurance contract liabilities | 14,270 | - | | 14,280 | - |
| 9 | Other liabilities | 2,486 | 2,179 | | 2,535 | 1,844 |
| 10 | Leasing liabilities | 417 | 417 | | 423 | 423 |
| 11 | Current tax liabilities | 19 | 19 | | 8 | 8 |
| 12 | Provisions | 68 | 66 | | 79 | 79 |
| 13 | Loss allowance provision on loan commitments and financial guarantees | 57 | 57 | *(i)* | 55 | 55 |
| 14 | Deferred tax liabilities | 54 | 31 | | 97 | 22 |
| 15 | Retirement benefit obligations | 5 | 6 | *(j)* | 36 | 36 |
| 16 | Subordinated liabilities | 1,663 | 1,663 | | 1,656 | 1,656 |
| 17 | **Total liabilities** | **144,093** | **122,809** | | **139,392** | **118,917** |
| | **Equity** | | | | | |
| 1 | Capital stock | 1,056 | 1,056 | *(a)* | 1,070 | 1,077 |
| 2 | Share premium account | 456 | 456 | *(b)* | 456 | 456 |
| 3 | Retained earnings | 9,790 | 10,015 | *(c)* | 9,640 | 9,392 |
| 4 | Other reserves | (203) | (431) | *(d)* | (257) | (10) |
| 5 | Own stock held for the benefit of life assurance policyholders | (9) | - | | (10) | - |
| 6 | Other equity instruments - Additional Tier 1 | 966 | 966 | *(e)* | 966 | 966 |
| 7 | Non-controlling interests | 67 | 68 | | 67 | 67 |
| 8 | **Total equity** | **12,123** | **12,130** | | **11,932** | **11,948** |
| 9 | **Total equity and liabilities** | **156,216** | **134,939** | | **151,324** | **130,865** |

As per Article 440(a), Table 2.4 below sets out geographical distribution of credit exposures relevant to the calculation of the countercyclical capital buffer along with the overall additional capital requirement of €310 million at 30 June 2023 (31 December 2022: €130m). The increase in capital requirement is due mainly to the imposition of the buffer on Ireland exposures during the year. CRD IV provides for a countercyclical buffer that could require banks to hold additional CET 1 capital of up to 2.5%. This requirement is expected to be imposed by the designated authority where credit growth is deemed to be excessive and leading to the build-up of system-wide risk. The countercyclical buffer was phased in from 1 January 2016 to 1 January 2019.

**Table 2.4a - EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer**

| | | a | b | c | d | e | f | g | h | i | j | k | l | m |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | **General credit exposures** | | **Relevant credit exposures – Market risk** | | | | **Own funds requirements** | | | | | | |
| | **Jun-23 (€m)** | **Exposure value under the standardised approach** | **Exposure value under the IRB approach** | **Sum of long and short position of trading book** | **Value of trading book exposure for internal models** | **Securitisation exposures Exposure value for non-trading book** | **Total exposure value** | **Relevant credit risk exposures - Credit risk** | **Relevant credit exposures – Market risk** | **Relevant credit exposures – Securitisation positions in the non-trading book** | **Total** | **Risk-weighted exposure amounts** | **Own funds requirement weights (%)** | **Countercyclical capital buffer rate (%)** |
| 10 | **Countries with a buffer** | | | | | | | | | | | | | |
| | Denmark | - | 8 | - | - | - | 8 | - | - | - | - | 2 | 0.00% | 2.50% |
| | Czech Republic | - | - | - | - | - | - | - | - | - | - | - | 0.00% | 2.50% |
| | Norway | - | - | - | - | - | 1 | - | - | - | - | - | 0.00% | 2.50% |
| | Sweden | 1 | 13 | - | - | - | 14 | - | - | - | - | 1 | 0.00% | 2.00% |
| | Iceland | - | - | - | - | - | - | - | - | - | - | - | 0.00% | 2.00% |
| | Bulgaria | - | - | - | - | - | - | - | - | - | - | - | 0.00% | 1.50% |
| | United Kingdom | 5,738 | 21,567 | - | - | 71 | 27,376 | 944 | - | 6 | 950 | 11,876 | 26.25% | 1.00% |
| | Hong Kong | - | 2 | - | - | - | 2 | - | - | - | - | - | 0.00% | 1.00% |
| | Slovakia | - | - | - | - | - | - | - | - | - | - | - | 0.00% | 1.00% |
| | Estonia | - | - | - | - | - | - | - | - | - | - | - | 0.00% | 1.00% |
| | Australia | 8 | 18 | - | - | - | 25 | 1 | - | - | 1 | 9 | 0.02% | 1.00% |
| | Netherlands | - | 201 | - | - | - | 201 | 16 | - | - | 16 | 202 | 0.45% | 1.00% |
| | Germany | 1 | 269 | - | - | - | 270 | 21 | - | - | 21 | 261 | 0.58% | 0.75% |
| | Luxembourg | 120 | 714 | - | - | - | 835 | 59 | - | - | 59 | 735 | 1.62% | 0.50% |
| | Romania | - | - | - | - | - | - | - | - | - | - | - | 0.00% | 0.50% |
| | Croatia | - | - | - | - | - | - | - | - | - | - | - | 0.00% | 0.50% |
| | France | 93 | 549 | - | - | - | 642 | 57 | - | - | 57 | 710 | 1.57% | 0.50% |
| | Ireland | 15,262 | 38,059 | - | - | 4,775 | 58,096 | 2,133 | - | 102 | 2,235 | 27,941 | 61.77% | 0.50% |
| | **Total countries with a buffer** | **21,223** | **61,402** | **-** | **-** | **4,846** | **87,470** | **3,230** | **-** | **109** | **3,339** | **41,738** | **92.27%** | |
| | **Countries with a zero rate or no buffer** | | | | | | | | | | | | | |
| | Other[1] | 277 | 3,333 | - | - | 1 | 3,611 | 280 | - | - | 280 | 3,496 | 7.73% | 0.00% |
| | **Total** | **277** | **3,333** | **-** | **-** | **1** | **3,611** | **280** | **-** | **-** | **280** | **3,496** | **7.73%** | |
| 20 | **Overall total** | **21,499** | **64,735** | **-** | **-** | **4,847** | **91,081** | **3,510** | **-** | **109** | **3,619** | **45,235** | **100.00%** | |

As per Article 440 point (b) the following template provides the additional countercyclical capital buffer requirement.

| **Table 2.4 (b) EU CCyB2 - Amount of institution-specific countercyclical capital buffer** | **2023** |
|---|---|
| Total risk exposure amount (€m) | 52,015 |
| Institution specific countercyclical buffer rate (%) | 0.597% |
| Institution specific countercyclical buffer requirement (€m) | 310 |

Table 2.4a - EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

| | | a | b | c | d | e | f | g | h | i | j | k | l | m |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | General credit exposures | | Trading Book exposures | | | | Own funds requirements | | | | | | |
| | Dec-22 (€m) | Exposure value under the standardised approach | Exposure value under the IRB approach | Sum of long and short position of trading book | Value of trading book exposure for internal models | Securitisation exposures Exposure value for non-trading book | Total exposure value | Relevant credit risk exposures - Credit risk | Relevant credit exposures – Market risk | Relevant credit exposures – Securitisation positions in the non-trading book | Total | Risk-weighted exposure amounts | Own funds requirement weights | Countercyclical capital buffer rate |
| 10 | Countries with a buffer | | | | | | | | | | | | | |
| | Norway | - | - | - | - | - | - | - | - | - | - | - | 0.00% | 2.00% |
| | Iceland | - | - | - | - | - | - | - | - | - | - | - | 0.00% | 2.00% |
| | Denmark | 5 | 22 | - | - | - | 27 | 2 | - | - | 2 | 28 | 0.07% | 2.00% |
| | Czech Republic | - | 1 | - | - | - | 1 | - | - | - | - | - | 0.00% | 1.50% |
| | Estonia | - | - | - | - | - | - | - | - | - | - | - | 0.00% | 1.00% |
| | Hong Kong | - | 2 | - | - | - | 2 | - | - | - | - | 1 | 0.00% | 1.00% |
| | Slovakia | - | - | - | - | - | - | - | - | - | - | - | 0.00% | 1.00% |
| | Sweden | 8 | 2 | - | - | - | 10 | 1 | - | - | 1 | 10 | 0.02% | 1.00% |
| | United Kingdom | 5,165 | 21,159 | - | - | 71 | 26,395 | 856 | - | 5 | 861 | 10,769 | 26.33% | 1.00% |
| | Bulgaria | - | - | - | - | - | - | - | - | - | - | - | 0.00% | 1.00% |
| | Luxembourg | 147 | 626 | - | - | - | 773 | 54 | - | - | 54 | 679 | 1.66% | 0.50% |
| | Romania | - | - | - | - | - | - | - | - | - | - | - | 0.00% | 0.50% |
| | Total countries with a buffer | 5,325 | 21,812 | - | - | 71 | 27,208 | 913 | - | 5 | 918 | 11,487 | 28.09% | |
| | Countries with a zero rate or no buffer | | | | | | | | | | | | | |
| | Ireland | 7,521 | 36,780 | - | - | 5,234 | 49,535 | 1,876 | - | 108 | 1,984 | 24,799 | 60.64% | 0.00% |
| | Other[1] | 322 | 4,518 | - | - | 1 | 4,841 | 369 | - | - | 369 | 4,611 | 11.27% | 0.00% |
| | Total | 7,843 | 41,298 | - | - | 5,235 | 54,376 | 2,245 | - | 108 | 2,353 | 29,410 | 71.91% | |
| 20 | Overall total | 13,168 | 63,110 | - | - | 5,280 | 81,584 | 3,158 | - | 113 | 3,271 | 40,897 | 100.00% | |

| Table 2.4 (b) EU CCyB2 - Amount of institution-specific countercyclical capital buffer | 2022 |
|---|---|
| Total risk exposure amount (€m) | 47,616 |
| Institution specific countercyclical buffer rate (%) | 0.273% |
| Institution specific countercyclical buffer requirement (€m) | 130 |

1 The credit exposures amount of individual countries in Other countries are not material (individually less than 5% of total credit exposures).

Introduction
Under the standardised approach, risk weightings for rated counterparties are determined on the basis of the external credit rating assigned to the counterparty. For non-rated counterparties and certain other types of exposure, regulatory-determined standardised risk weightings are used.

Exposures rated under the standardised approach amount to €63,839 million (2022: €60,291 million). The exposure value is presented before credit risk mitigation ("CRM") and credit conversion factors ("CCF") and after credit impairment provisions but excluding counterparty credit risk exposures and securitisations.

Use of external credit ratings
Under CRD IV, institutions are permitted to determine the risk weight of an exposure with reference to the credit assessments of external credit assessment institutions ("ECAIs").

Risk weights are set out according to each exposure class. In many classes, risk weights are also determined by the credit quality of the exposure, with reference to the credit assessment of External Credit Assessment Institutions (ECAIs).
ECAI are used for the following standardised exposure classes:
• Exposures to central governments or central banks;
• Exposures to regional governments or local authorities;
• Exposures to public sector entities;
• Exposures to multilateral development banks; and
• Exposures to international organisations.

The Group uses external ratings provided by the ECAIs: Fitch Ratings, Moody's Investors Service and Standard & Poor's.

ECAI ratings are mapped to risk buckets or 'credit quality steps' in accordance with EU Commission implementing regulations.

Risk weights are set out in CRR tables according to these credit quality steps.

As per Article 453, points (g), (h) and (i) and Article 444 point (e), Table 3.1 below shows credit risk exposures net of specific credit risk adjustments under the standardised approach both before and after credit risk mitigation (CRM) and credit conversion factors (CCF) and the associated RWAs and RWAs density, split by exposure class. The template excludes counterparty credit risk and securitisation exposures.

**Table 3.1 - EU CR4 - Standardised approach - Credit risk exposure and CRM effects**

| | | Exposures before CCF and CRM | | Exposures post CCF and CRM | | RWA and RWA density | |
|---|---|---|---|---|---|---|---|
| | | On-balance-sheet exposures | Off-balance-sheet exposures | On-balance-sheet exposures | Off-balance-sheet exposures | RWA [1] | RWA density |
| | **Jun-23** | a | b | c | d | e | f |
| | **Exposure classes** | **€m** | **€m** | **€m** | **€m** | **€m** | **%** |
| 1 | Central governments or central banks | 36,979 | 51 | 37,334 | 63 | 213 | 0.57% |
| 2 | Regional governments or local authorities | 154 | 121 | 154 | - | 10 | 6.37% |
| 3 | Public sector entities | 382 | 8 | 447 | - | 33 | 7.28% |
| 4 | Multilateral development banks | 390 | 4 | 596 | 4 | - | - |
| 5 | International organisations | 231 | - | 231 | - | - | - |
| 6 | Institutions | 73 | - | 151 | - | 53 | 35.50% |
| 7 | Corporates | 4,909 | 2,853 | 4,399 | 282 | 4,270 | 91.22% |
| 8 | Retail | 5,343 | 765 | 5,166 | 67 | 3,873 | 74.00% |
| 9 | Secured by mortgages on immovable property | 7,224 | - | 7,224 | - | 2,529 | 35.00% |
| 10 | Exposures in default | 326 | 9 | 325 | 1 | 354 | 108.70% |
| 11 | Items associated with particularly high risk | 129 | 150 | 129 | 75 | 306 | 150.00% |
| 12 | Covered bonds | - | - | - | - | - | - |
| 13 | Claims on institutions and corporates with a short-term credit assessment | - | - | - | - | - | - |
| 14 | Collective investment undertakings | 3 | - | 3 | - | 37 | 1250.00% |
| 15 | Equity exposures | 769 | - | 769 | - | 1,701 | 221.31% |
| 16 | Other items | 2,966 | - | 2,966 | - | 2,052 | 69.20% |
| **17** | **Total** | **59,878** | **3,961** | **59,894** | **492** | **15,431** | **25.6%** |

| | | Exposures before CCF and CRM | | Exposures post CCF and CRM | | RWA and RWA density | |
|---|---|---|---|---|---|---|---|
| | | On-balance-sheet exposures | Off-balance-sheet exposures | On-balance-sheet exposures | Off-balance-sheet exposures | RWA [1] | RWA density |
| | Dec-22 | a | b | c | d | e | f |
| | Exposure classes | €m | €m | €m | €m | €m | % |
| 1 | Central governments or central banks | 42,349 | 52 | 42,699 | 65 | 258 | 0.60% |
| 2 | Regional governments or local authorities | 108 | 128 | 108 | - | 10 | 8.92% |
| 3 | Public sector entities | 304 | 8 | 367 | - | 32 | 8.65% |
| 4 | Multilateral development banks | 338 | 5 | 525 | 5 | - | - |
| 5 | International organisations | 159 | - | 159 | - | - | - |
| 6 | Institutions | 56 | - | 81 | - | 22 | 26.80% |
| 7 | Corporates | 4,710 | 2,629 | 4,267 | 309 | 4,165 | 91.02% |
| 8 | Retail | 4,583 | 719 | 4,389 | 56 | 3,278 | 73.75% |
| 9 | Secured by mortgages on immovable property | - | - | - | - | - | - |
| 10 | Exposures in default | 160 | 12 | 159 | 3 | 192 | 118.54% |
| 11 | Items associated with particularly high risk | 100 | 157 | 100 | 79 | 268 | 150.00% |
| 12 | Covered bonds | - | - | - | - | - | - |
| 13 | Claims on institutions and corporates with a short-term credit assessment | - | - | - | - | - | - |
| 14 | Collective investment undertakings | 4 | - | 4 | - | 53 | 13 |
| 15 | Equity exposures | 896 | - | 896 | - | 2,033 | 226.95% |
| 16 | Other items | 2,814 | - | 2,814 | - | 1,956 | 69.50% |
| 17 | Total | 56,581 | 3,710 | 56,568 | 517 | 12,267 | 21.49% |

1 RWA includes amounts below the thresholds for deduction (subject to 250% risk weight).

As per Article 444 point (e), Table 3.2 below analyses exposures at default (EAD) under the standardised approach by risk weight, split by exposure class. All amounts presented are post CRM and CCF and net of specific credit risk adjustments but exclude counterparty credit risk and securitisation exposures.

**Table 3.2 - EU CR5 - Standardised approach by exposure class**

| | **Jun-23** | **Risk weight** | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **EAD (€m)** | **0%** | **2%** | **4%** | **10%** | **20%** | **35%** | **50%** | **70%** | **75%** | **100%** | **150%** | **250%** | **370%** | **1250%** | **Others** | **Total** | ***of which unrated*** [1] |
| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p | q |
| 1 | Central governments or central banks | 37,302 | - | - | - | 11 | - | - | - | - | - | - | 84 | - | - | - | 37,397 | *33,638* |
| 2 | Regional governments or local authorities | 105 | - | - | - | 49 | - | - | - | - | - | - | - | - | - | - | 154 | *154* |
| 3 | Public sector entities | 382 | - | - | - | - | - | 65 | - | - | - | - | - | - | - | - | 447 | *447* |
| 4 | Multilateral development banks | 600 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 600 | *600* |
| 5 | International organisations | 231 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 231 | *231* |
| 6 | Institutions | - | - | - | - | 73 | - | 78 | - | - | - | - | - | - | - | - | 151 | *151* |
| 7 | Corporates | - | - | - | - | - | - | - | - | - | 4,681 | - | - | - | - | - | 4,681 | *4,681* |
| 8 | Retail | - | - | - | - | - | - | - | - | 5,233 | - | - | - | - | - | - | 5,233 | *5,233* |
| 9 | Secured by mortgages on immovable property | - | - | - | - | - | 7,224 | - | - | - | - | - | - | - | - | - | 7,224 | *7,224* |
| 10 | Exposures in default | - | - | - | - | - | - | - | - | - | 269 | 57 | - | - | - | - | 326 | *326* |
| 11 | Items associated with particularly high risk | - | - | - | - | - | - | - | - | - | - | 204 | - | - | - | - | 204 | *204* |
| 12 | Covered bonds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 13 | Claims on institutions and corporates with a short-term credit assessment | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 14 | Collective investment undertakings | - | - | - | - | - | - | - | - | - | - | - | - | - | 3 | - | 3 | *3* |
| 15 | Equity exposures | - | - | - | - | - | - | - | - | - | 147 | - | 622 | - | - | - | 769 | *769* |
| 16 | Other items | 342 | - | - | - | 147 | - | 159 | - | - | 1,786 | - | - | - | - | 532 | 2,966 | *2,966* |
| 17 | Total | **38,962** | **-** | **-** | **-** | **280** | **7,224** | **302** | **-** | **5,233** | **6,883** | **261** | **706** | **-** | **3** | **532** | **60,386** | ***56,627*** |

| | Dec-22 | Risk Weight | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | EAD (€m) | 0% | 2% | 4% | 10% | 20% | 35% | 50% | 70% | 75% | 100% | 150% | 250% | 370% | 1250% | Others | Total | *of which unrated* [1] |
| 1 | Central governments or central banks | 42,651 | - | - | - | 11 | - | - | - | - | - | - | 102 | - | - | - | 42,764 | *38,680* |
| 2 | Regional governments or local authorities | 60 | - | - | - | 48 | - | - | - | - | - | - | - | - | - | - | 108 | *108* |
| 3 | Public sector entities | 304 | - | - | - | - | - | 63 | - | - | - | - | - | - | - | - | 367 | *367* |
| 4 | Multilateral development banks | 530 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 530 | *530* |
| 5 | International organisations | 159 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 159 | *159* |
| 6 | Institutions | - | - | - | - | 63 | - | 18 | - | - | - | - | - | - | - | - | 81 | *81* |
| 7 | Corporates | - | - | - | - | - | - | - | - | - | 4,576 | - | - | - | - | - | 4,576 | *4,576* |
| 8 | Retail | - | - | - | - | - | - | - | - | 4,445 | - | - | - | - | - | - | 4,445 | *4,445* |
| 9 | Secured by mortgages on immovable property | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10 | Exposures in default | - | - | - | - | - | - | - | - | - | 102 | 60 | - | - | - | - | 162 | *162* |
| 11 | Items associated with particularly high risk | - | - | - | - | - | - | - | - | - | - | 179 | - | - | - | - | 179 | *179* |
| 12 | Covered bonds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 13 | Claims on institutions and corporates with a short-term credit assessment | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 14 | Collective investment undertakings | - | - | - | - | - | - | - | - | - | - | - | - | - | 4 | - | 4 | *4* |
| 15 | Equity exposures | - | - | - | - | - | - | - | - | - | 138 | - | 758 | - | - | - | 896 | *896* |
| 16 | Other items | 415 | - | - | - | 140 | - | 102 | - | - | 1,751 | - | - | - | - | 406 | 2,814 | *2,814* |
| 17 | Total | 44,119 | - | - | - | 262 | - | 183 | - | 4,445 | 6,567 | 239 | 860 | - | 4 | 406 | 57,085 | *53,001* |

1 Exposures for which a credit assessment by a nominated ECAI is not applied or where a specific risk weight is applied depending on the nature of the exposure.

As per Article 452, point (g)(i)-(v), Table 3.3 below presents the key parameters used for the calculation of capital requirements for credit risk exposures, under the Foundation IRB approach, split by PD range. All exposures are presented both pre and post CRM and CCF (EAD). The template excludes counterparty credit risk and securitisations.

**Table 3.3 EU CR6 - IRB approach - Credit risk exposures by exposure class and PD range (Foundation IRB)**

| Jun-23<br>PD Range | On-balance sheet exposures €m | Off-balance sheet exposures pre-CCF €m | Exposure weighted average CCF % | EAD post CRM and post CCF €m | Exposure weighted average PD % | Number of obligors | Exposure weighted average LGD % | Exposure weighted average maturity (years) | Risk weighted exposure amount after supporting factors €m | Density of risk weighted exposure amount % | Expected loss amount €m | Value adjustments and provisions €m |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| a | b | c | d | e | f | g | h | i | j | k | l | m |
| **Total Foundation IRB** | | | | | | | | | | | | |
| 0.00 to <0.15 | 4,452 | 2,178 | 39.33% | 5,308 | | 310 | | 2.5 | 1,050 | 19.78% | 1 | (2) |
| *0.00 to <0.10* | *4,349* | *2,178* | *39.33%* | *5,205* | | *297* | | *2.5* | *1,019* | *19.58%* | *1* | *(2)* |
| *0.10 to <0.15* | *103* | *-* | *1* | *103* | | *13* | | *2.5* | *31* | *30.21%* | *0* | *0* |
| 0.15 to <0.25 | 1,131 | 1,009 | 32.94% | 1,464 | | 152 | | 2.5 | 763 | 52.10% | 1 | (2) |
| 0.25 to <0.50 | 1,597 | 1,242 | 33.42% | 2,012 | | 237 | | 2.5 | 1,309 | 65.06% | 3 | (6) |
| 0.50 to <0.75 | 1,522 | 680 | 35.89% | 1,766 | | 325 | | 2.5 | 1,361 | 77.05% | 5 | (6) |
| 0.75 to <2.5 | 4,642 | 1,647 | 45.00% | 5,384 | | 1,154 | | 2.5 | 4,689 | 87.11% | 34 | (25) |
| *0.75 to <1.75* | *4,050* | *1,241* | *43.12%* | *4,585* | | *1,062* | | *2.5* | *3,768* | *82.19%* | *27* | *(20)* |
| *1.75 to <2.5* | *592* | *406* | *50.73%* | *798* | | *92* | | *2.5* | *921* | *115.36%* | *7* | *(5)* |
| 2.5 to <10 | 5,270 | 901 | 38.69% | 5,616 | | 2,444 | | 2.5 | 6,142 | 109.37% | 89 | (97) |
| *2.5 to <5* | *5,010* | *868* | *38.21%* | *5,340* | | *2,394* | | *2.5* | *5,658* | *105.97%* | *80* | *(80)* |
| *5 to <10* | *259* | *33* | *51.34%* | *276* | | *50* | | *2.5* | *484* | *175.08%* | *9* | *(17)* |
| 10 to <100 | 1,258 | 84 | 40.96% | 1,292 | | 724 | | 2.5 | 1,972 | 152.61% | 93 | (75) |
| *10 to <20* | *849* | *76* | *40.06%* | *880* | | *444* | | *2.5* | *1,335* | *151.82%* | *41* | *(40)* |
| *20 to <30* | *168* | *1* | *50.00%* | *169* | | *101* | | *2.5* | *249* | *147.34%* | *13* | *(7)* |
| *30 to <100* | *241* | *6* | *50.00%* | *244* | | *179* | | *2.5* | *388* | *159.14%* | *38* | *(28)* |
| 100 (Default) | 1,247 | 167 | 18.76% | 1,278 | | 438 | | 2.5 | - | - | 510 | (479) |
| **Total Foundation IRB** | **21,119** | **7,908** | **37.98%** | **24,120** | | **5,784** | | **2.5** | **17,286** | **71.67%** | **736** | **(692)** |
| | | | | | | | | | | | | |
| **Institutions** | | | | | | | | | | | | |
| 0.00 to <0.15 | 3,457 | 132 | 84.00% | 3,568 | 0.05% | 128 | 24.38% | 2.5 | 546 | 15.30% | - | (1) |
| *0.00 to <0.10* | *3,354* | *132* | *84.08%* | *3,465* | *0.05%* | *118* | *24.25%* | *2.5* | *515* | *14.85%* | *-* | *(1)* |
| *0.10 to <0.15* | *103* | *-* | *1* | *103* | *0* | *10* | *0* | *2.5* | *31* | *0* | *-* | *-* |
| 0.15 to <0.25 | 23 | 1 | 0.00% | 23 | 0.20% | 8 | 45.00% | 2.5 | 14 | 62.40% | - | - |
| 0.25 to <0.50 | 57 | - | 0.00% | 57 | 0.36% | 5 | 31.65% | 2.5 | 33 | 58.28% | - | - |
| 0.50 to <0.75 | - | - | - | - | 0 | 1 | 0 | 3 | - | 1 | - | - |
| 0.75 to <2.5 | 1 | 38 | 73.10% | 29 | 1.20% | 6 | 45.00% | 2.5 | 38 | 131.02% | - | - |
| *0.75 to <1.75* | *1* | *26* | *100.00%* | *26* | *1.11%* | *4* | *45.00%* | *2.5* | *34* | *128.84%* | *-* | *-* |
| *1.75 to <2.5* | *-* | *13* | *0* | *3* | *0* | *2* | *0* | *2.5* | *4* | *2* | *-* | *-* |
| 2.5 to <10 | - | - | 0.00% | - | 0.00% | - | 0.00% | - | - | 0.00% | - | - |
| *2.5 to <5* | *-* | *-* | *0.00%* | *-* | *0.00%* | *-* | *0.00%* | *-* | *-* | *0.00%* | *-* | *-* |
| *5 to <10* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* |
| 10 to <100 | - | 9 | 20.00% | 2 | 13.77% | 4 | 45.00% | 2.5 | 5 | 257.29% | - | - |
| *10 to <20* | *-* | *9* | *20.00%* | *2* | *13.75%* | *3* | *45.00%* | *2.5* | *5* | *257.28%* | *-* | *-* |
| *20 to <30* | *-* | *-* | *0.00%* | *-* | *0.00%* | *-* | *0.00%* | *-* | *-* | *0.00%* | *-* | *-* |
| *30 to <100* | *-* | *-* | *-* | *-* | *0* | *1* | *0* | *2.5* | *-* | *3* | *-* | *-* |
| 100 (Default) | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total Institutions** | **3,538** | **180** | **78.04%** | **3,679** | **0.07%** | **152** | **24.80%** | **2.5** | **636** | **17.29%** | **-** | **(1)** |
| | | | | | | | | | | | | |
| **Corporates of which SME** | | | | | | | | | | | | |
| 0.00 to <0.15 | 93 | 92 | 41.23% | 131 | 0.07% | 86 | 43.30% | 2.5 | 27 | 20.53% | - | - |
| *0.00 to <0.10* | *93* | *92* | *41.23%* | *131* | *0.07%* | *86* | *43.30%* | *2.5* | *27* | *20.53%* | *-* | *-* |
| *0.10 to <0.15* | *0* | *-* | *-* | *0* | *0.00%* | *-* | *0.00%* | *-* | *0* | *0.00%* | *0* | *0* |
| 0.15 to <0.25 | 113 | 53 | 25.60% | 126 | 0.17% | 72 | 38.31% | 2.5 | 34 | 27.08% | 0 | - |
| 0.25 to <0.50 | 575 | 122 | 42.37% | 627 | 0.35% | 126 | 38.15% | 2.5 | 260 | 41.38% | 1 | (1) |
| 0.50 to <0.75 | 798 | 79 | 22.22% | 816 | 0.60% | 229 | 39.91% | 2.5 | 447 | 54.81% | 2 | (2) |
| 0.75 to <2.5 | 3,044 | 225 | 30.36% | 3,112 | 1.46% | 916 | 37.70% | 2.5 | 2,041 | 65.59% | 18 | (12) |
| *0.75 to <1.75* | *2,927* | *208* | *28.77%* | *2,987* | *1.44%* | *899* | *37.43%* | *2.5* | *1,931* | *64.65%* | *17* | *(12)* |
| *1.75 to <2.5* | *117* | *17* | *50.00%* | *126* | *1.94%* | *17* | *44.18%* | *2.5* | *110* | *88.00%* | *1* | *(1)* |
| 2.5 to <10 | 3,420 | 251 | 29.76% | 3,492 | 3.69% | 2,209 | 38.72% | 2.5 | 3,010 | 86.17% | 53 | (41) |
| *2.5 to <5* | *3,398* | *245* | *29.28%* | *3,467* | *3.66%* | *2,183* | *38.69%* | *2.5* | *2,980* | *85.95%* | *52* | *(40)* |
| *5 to <10* | *22* | *6* | *50.21%* | *25* | *7.44%* | *26* | *42.10%* | *2.5* | *30* | *116.92%* | *1* | *(1)* |
| 10 to <100 | 1,025 | 39 | 31.69% | 1,037 | 18.52% | 661 | 38.04% | 2.5 | 1,369 | 132.05% | 75 | (53) |
| *10 to <20* | *626* | *32* | *27.51%* | *635* | *10.03%* | *398* | *38.27%* | *2.5* | *757* | *119.25%* | *25* | *(19)* |
| *20 to <30* | *162* | *1* | *50.00%* | *162* | *20.00%* | *93* | *37.10%* | *2.5* | *233* | *143.43%* | *12* | *(7)* |
| *30 to <100* | *237* | *6* | *50.00%* | *240* | *40.00%* | *170* | *38.06%* | *2.5* | *379* | *158.27%* | *38* | *(27)* |
| 100 (Default) | 581 | 20 | 30.32% | 587 | 100.00% | 355 | 39.04% | 2.5 | - | - | 229 | (180) |
| **Total Corporate of which SME** | **9,649** | **881** | **32.04%** | **9,928** | **9.67%** | **4,654** | **38.46%** | **2.5** | **7,188** | **72.40%** | **378** | **(289)** |
| | | | | | | | | | | | | |
| **Corporates of which specialised lending** | | | | | | | | | | | | |
| 0.00 to <0.15 | - | - | - | - | - | - | - | - | - | - | - | - |
| *0.00 to <0.10* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* |
| *0.10 to <0.15* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* |
| 0.15 to <0.25 | 143 | 102 | 50.00% | 194 | 0.17% | 4 | 45.00% | 2.5 | 83 | 42.55% | - | - |
| 0.25 to <0.50 | 107 | 9 | 38.48% | 110 | 0.35% | 6 | 43.71% | 2.5 | 67 | 60.51% | - | - |
| 0.50 to <0.75 | 100 | 15 | 50.00% | 107 | 0.60% | 11 | 43.98% | 2.5 | 84 | 78.17% | - | - |
| 0.75 to <2.5 | 328 | 37 | 52.00% | 347 | 1.43% | 26 | 44.22% | 2.5 | 374 | 107.82% | 2 | (2) |
| *0.75 to <1.75* | *328* | *37* | *52.00%* | *347* | *1.43%* | *23* | *44.22%* | *2.5* | *374* | *107.82%* | *2* | *(2)* |
| *1.75 to <2.5* | *-* | *-* | *1* | *-* | *0* | *3* | *0* | *3* | *-* | *1* | *-* | *-* |
| 2.5 to <10 | 53 | 6 | 60.97% | 57 | 3.07% | 10 | 43.18% | 2.5 | 74 | 131.17% | 1 | (4) |
| *2.5 to <5* | *53* | *6* | *60.97%* | *57* | *3.07%* | *10* | *43.18%* | *2.5* | *74* | *131.17%* | *1* | *(4)* |
| *5 to <10* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* |
| 10 to <100 | 1 | 1 | 1 | 1 | 10.00% | 1 | 45.00% | 2.5 | 2 | 204.67% | - | - |
| *10 to <20* | *1* | *1* | *1* | *1* | *10.00%* | *1* | *45.00%* | *2.5* | *2* | *204.67%* | *-* | *-* |
| *20 to <30* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* |
| *30 to <100* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* |
| 100 (Default) | 38 | 0 | 50.00% | 38 | 100.00% | 2 | 45.00% | 2.5 | - | - | 17 | (25) |
| **Total Corporates of which specialised lending** | **770** | **170** | **50.19%** | **854** | **5.38%** | **60** | **44.27%** | **2.5** | **684** | **80.05%** | **20** | **(31)** |
| | | | | | | | | | | | | |
| **Corporates of which other** | | | | | | | | | | | | |
| 0.00 to <0.15 | 902 | 1,954 | 36.22% | 1,610 | 0.06% | 96 | 44.79% | 2.5 | 477 | 29.67% | 1 | (1) |
| *0.00 to <0.10* | *902* | *1,954* | *36.22%* | *1,610* | *0.06%* | *93* | *44.79%* | *2.5* | *477* | *29.67%* | *1* | *(1)* |
| *0.10 to <0.15* | *0* | *-* | *-* | *0* | *0.11%* | *3* | *44.99%* | *2.5* | *0* | *32.91%* | *0* | *0* |
| 0.15 to <0.25 | 852 | 853 | 31.39% | 1,120 | 0.17% | 68 | 45.45% | 2.5 | 631 | 56.36% | 1 | (1) |
| 0.25 to <0.50 | 858 | 1,110 | 32.39% | 1,218 | 0.36% | 100 | 43.30% | 2.5 | 950 | 77.99% | 2 | (5) |
| 0.50 to <0.75 | 624 | 586 | 37.37% | 843 | 0.59% | 84 | 44.51% | 2.5 | 830 | 98.45% | 3 | (4) |
| 0.75 to <2.5 | 1,269 | 1,347 | 46.45% | 1,895 | 1.49% | 206 | 44.11% | 2.5 | 2,236 | 117.98% | 13 | (11) |
| *0.75 to <1.75* | *794* | *971* | *44.37%* | *1,225* | *1.26%* | *136* | *43.64%* | *2.5* | *1,430* | *116.70%* | *8* | *(7)* |
| *1.75 to <2.5* | *475* | *377* | *51.82%* | *670* | *1.92%* | *70* | *44.99%* | *2.5* | *806* | *120.33%* | *6* | *(4)* |
| 2.5 to <10 | 1,797 | 644 | 41.96% | 2,067 | 3.86% | 225 | 44.28% | 2.5 | 3,058 | 147.97% | 36 | (52) |
| *2.5 to <5* | *1,560* | *617* | *41.53%* | *1,816* | *3.39%* | *201* | *44.18%* | *2.5* | *2,604* | *143.41%* | *28* | *(36)* |
| *5 to <10* | *237* | *27* | *51.57%* | *251* | *7.21%* | *24* | *44.99%* | *2.5* | *454* | *180.95%* | *8* | *(15)* |
| 10 to <100 | 233 | 35 | 56.39% | 253 | 15.62% | 58 | 44.36% | 2.5 | 596 | 236.02% | 17 | (22) |
| *10 to <20* | *222* | *35* | *56.45%* | *242* | *15.10%* | *42* | *44.62%* | *2.5* | *572* | *236.27%* | *16* | *(20)* |
| *20 to <30* | *7* | *0* | *50.00%* | *7* | *20.00%* | *8* | *39.69%* | *2.5* | *16* | *241.53%* | *1* | *0* |
| *30 to <100* | *4* | *-* | *50.00%* | *4* | *40.00%* | *8* | *36.42%* | *2.5* | *8* | *211.32%* | *1* | *(1)* |
| 100 (Default) | 628 | 147 | 17.14% | 653 | 100.00% | 81 | 40.40% | 2.5 | - | - | 264 | (273) |
| **Total Corporates of which other** | **7,163** | **6,676** | **37.37%** | **9,659** | **8.42%** | **918** | **44.10%** | **2.5** | **8,778** | **90.89%** | **337** | **(369)** |

| Dec-22<br>PD Range<br>a | On-balance sheet exposures<br>€m<br>b | Off-balance sheet exposures pre-CCF<br>€m<br>c | Exposure weighted average CCF<br>%<br>d | EAD post CRM and post CCF<br>€m<br>e | Exposure weighted average PD<br>%<br>f | Number of obligors<br>g | Exposure weighted average LGD<br>%<br>h | Exposure weighted average maturity (years)<br>i | Risk weighted exposure amount after supporting factors<br>€m<br>j | Density of risk weighted exposure amount<br>%<br>k | Expected loss amount<br>€m<br>l | Value adjustments and provisions<br>€m<br>m |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Foundation IRB | | | | | | | | | | | | |
| 0.00 to <0.15 | 4,439 | 2,199 | 36.96% | 5,251 | | 317 | | 2.5 | 1,075 | 20.47% | 1 | (1) |
| *0.00 to <0.10* | *4,268* | *2,199* | *36.95%* | *5,080* | | *306* | | *2.5* | *1,019* | *20.06%* | *1* | *(1)* |
| *0.10 to <0.15* | *171* | *-* | *50.00%* | *171* | | *11* | | *2.5* | *56* | *32.49%* | *0* | *0* |
| 0.15 to <0.25 | 1,188 | 998 | 29.05% | 1,479 | | 164 | | 2.5 | 736 | 49.73% | 1 | (2) |
| 0.25 to <0.50 | 1,559 | 1,014 | 26.00% | 1,822 | | 257 | | 2.5 | 1,206 | 66.15% | 3 | (3) |
| 0.50 to <0.75 | 1,742 | 831 | 40.15% | 2,076 | | 333 | | 2.5 | 1,610 | 77.53% | 5 | (7) |
| 0.75 to <2.5 | 4,984 | 1,471 | 40.20% | 5,574 | | 1,206 | | 2.5 | 4,702 | 84.34% | 35 | (25) |
| *0.75 to <1.75* | *4,328* | *1,102* | *37.81%* | *4,743* | | *1,108* | | *2.5* | *3,748* | *79.05%* | *28* | *(20)* |
| *1.75 to <2.5* | *656* | *369* | *47.35%* | *831* | | *98* | | *2.5* | *952* | *114.55%* | *7* | *(5)* |
| 2.5 to <10 | 4,782 | 883 | 38.96% | 5,125 | | 2,416 | | 2.5 | 5,610 | 109.46% | 83 | (90) |
| *2.5 to <5* | *4,501* | *839* | *37.82%* | *4,818* | | *2,360* | | *2.5* | *5,080* | *105.43%* | *73* | *(73)* |
| *5 to <10* | *281* | *44* | *60.90%* | *307* | | *56* | | *2.5* | *530* | *172.65%* | *10* | *(17)* |
| 10 to <100 | 1,282 | 82 | 34.80% | 1,310 | | 767 | | 2.5 | 1,935 | 147.73% | 83 | (67) |
| *10 to <20* | *944* | *79* | *34.14%* | *970* | | *473* | | *2.5* | *1,400* | *144.32%* | *43* | *(42)* |
| *20 to <30* | *191* | *2* | *50.00%* | *192* | | *110* | | *2.5* | *290* | *150.66%* | *16* | *(8)* |
| *30 to <100* | *147* | *1* | *50.00%* | *148* | | *184* | | *2.5* | *245* | *166.31%* | *24* | *(17)* |
| 100 (Default) | 1,365 | 156 | 19.54% | 1,395 | | 452 | | 2.5 | - | - | 576 | (483) |
| Total FIRB | 21,341 | 7,634 | 35.29% | 24,032 | | 5,912 | | 2.5 | 16,874 | 70.21% | 787 | (678) |
| | | | | | | | | | | | | |
| Institutions | | | | | | | | | | | | |
| 0.00 to <0.15 | 3,435 | 123 | 84.42% | 3,539 | 0.05% | 131 | 25.04% | 2.5 | 569 | 16.06% | - | - |
| *0.00 to <0.10* | *3,264* | *123* | *84.51%* | *3,368* | *0.05%* | *121* | *24.74%* | *2.5* | *513* | *15.23%* | - | - |
| *0.10 to <0.15* | *171* | *-* | *1* | *171* | *0* | *10* | *0* | *3* | *56* | *0* | - | - |
| 0.15 to <0.25 | 22 | 1 | 0.00% | 22 | 0.20% | 8 | 45.00% | 2.5 | 14 | 62.34% | - | - |
| 0.25 to <0.50 | 38 | - | 0.00% | 38 | 0.36% | 6 | 45.00% | 2.5 | 31 | 80.27% | - | - |
| 0.50 to <0.75 | - | - | 0.00% | - | 0.00% | - | 0.00% | - | - | 0.00% | - | - |
| 0.75 to <2.5 | 1 | 39 | 73.10% | 29 | 1.20% | 6 | 45.00% | 2.5 | 38 | 131.08% | - | - |
| *0.75 to <1.75* | *1* | *26* | *100.00%* | *27* | *1.11%* | *4* | *45.00%* | *2.5* | *34* | *128.90%* | - | - |
| *1.75 to <2.5* | *-* | *13* | *0* | *2* | *0* | *2* | *0* | *3* | *4* | *2* | - | - |
| 2.5 to <10 | - | - | 0.00% | - | 0.00% | - | 0.00% | - | - | 0.00% | - | - |
| *2.5 to <5* | - | - | *0.00%* | - | *0.00%* | - | *0.00%* | - | - | *0.00%* | - | - |
| *5 to <10* | - | - | - | - | - | - | - | - | - | - | - | - |
| 10 to <100 | - | 11 | 20.00% | 2 | 13.89% | 5 | 45.00% | 2.5 | 6 | 254.87% | - | - |
| *10 to <20* | - | *11* | *20.00%* | *2* | *13.75%* | *4* | *45.00%* | *2.5* | *6* | *254.40%* | - | - |
| *20 to <30* | - | - | *0.00%* | - | *25.42%* | *1* | *45.00%* | *2.5* | - | *293.84%* | - | - |
| *30 to <100* | - | - | - | - | - | - | - | - | - | - | - | - |
| 100 (Default) | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Institutions | 3,496 | 174 | 77.27% | 3,630 | 0.08% | 156 | 25.54% | 2.5 | 658 | 18.11% | - | - |
| | | | | | | | | | | | | |
| Corporates of which SME | | | | | | | | | | | | |
| 0.00 to <0.15 | 89 | 82 | 36.78% | 119 | 0.07% | 87 | 43.50% | 2.5 | 25 | 20.81% | *0* | - |
| *0.00 to <0.10* | *89* | *82* | *36.78%* | *119* | *0.07%* | *87* | *43.50%* | *2.5* | *25* | *20.81%* | *0* | - |
| *0.10 to <0.15* | - | - | - | - | - | - | - | - | - | - | - | - |
| 0.15 to <0.25 | 230 | 46 | 23.04% | 241 | 0.17% | 88 | 37.02% | 2.5 | 66 | 27.49% | *0* | (1) |
| 0.25 to <0.50 | 558 | 113 | 30.32% | 592 | 0.35% | 133 | 38.66% | 2.5 | 236 | 39.94% | 1 | (1) |
| 0.50 to <0.75 | 849 | 64 | 12.27% | 857 | 0.60% | 233 | 38.97% | 2.5 | 448 | 52.25% | 2 | (3) |
| 0.75 to <2.5 | 3,325 | 248 | 30.78% | 3,401 | 1.46% | 975 | 37.33% | 2.5 | 2,230 | 65.56% | 20 | (14) |
| *0.75 to <1.75* | *3,241* | *224* | *28.69%* | *3,305* | *1.45%* | *957* | *37.11%* | *2.5* | *2,143* | *64.86%* | *19* | *(13)* |
| *1.75 to <2.5* | *84* | *24* | *50.00%* | *96* | *1.92%* | *18* | *45.00%* | *2.5* | *87* | *89.57%* | *1* | *(1)* |
| 2.5 to <10 | 3,151 | 233 | 29.18% | 3,217 | 3.65% | 2,179 | 39.00% | 2.5 | 2,767 | 86.01% | 49 | (41) |
| *2.5 to <5* | *3,100* | *226* | *28.51%* | *3,163* | *3.59%* | *2,144* | *38.93%* | *2.5* | *2,695* | *85.18%* | *47* | *(39)* |
| *5 to <10* | *51* | *7* | *50.23%* | *54* | *7.23%* | *35* | *43.01%* | *2.5* | *72* | *134.15%* | *2* | *-2* |
| 10 to <100 | 1,069 | 45 | 32.12% | 1,083 | 15.78% | 712 | 39.17% | 2.5 | 1,425 | 131.53% | 70 | (47) |
| *10 to <20* | *741* | *42* | *30.83%* | *753* | *10.09%* | *432* | *39.13%* | *2.5* | *913* | *121.22%* | *31* | *(23)* |
| *20 to <30* | *184* | *2* | *50.00%* | *185* | *20.00%* | *103* | *38.21%* | *2.5* | *273* | *147.22%* | *15* | *(8)* |
| *30 to <100* | *144* | *1* | *50.00%* | *145* | *40.00%* | *177* | *40.60%* | *2.5* | *239* | *165.12%* | *24* | *(16)* |
| 100 (Default) | 666 | 33 | 19.12% | 672 | 100.00% | 369 | 39.81% | 2.5 | - | - | 267 | (245) |
| Total Corporate of which SME | 9,937 | 864 | 28.69% | 10,182 | 9.99% | 4,776 | 38.50% | 2.5 | 7,197 | 70.68% | 409 | (352) |
| | | | | | | | | | | | | |
| Corporates of which specialised lending | | | | | | | | | | | | |
| 0.00 to <0.15 | - | - | - | - | - | - | - | - | - | - | - | - |
| *0.00 to <0.10* | - | - | - | - | - | - | - | - | - | - | - | - |
| *0.10 to <0.15* | - | - | - | - | - | - | - | - | - | - | - | - |
| 0.15 to <0.25 | 127 | 126 | 50.00% | 190 | 0.17% | 5 | 44.83% | 2.5 | 81 | 42.38% | - | - |
| 0.25 to <0.50 | 109 | 8 | 32.52% | 112 | 0.35% | 5 | 44.43% | 2.5 | 69 | 61.50% | - | - |
| 0.50 to <0.75 | 91 | 22 | 51.66% | 102 | 0.60% | 11 | 44.46% | 2.5 | 81 | 79.02% | - | - |
| 0.75 to <2.5 | 276 | 22 | 53.39% | 287 | 1.40% | 25 | 44.03% | 2.5 | 306 | 106.56% | 2 | (2) |
| *0.75 to <1.75* | *276* | *22* | *53.39%* | *287* | *1.40%* | *22* | *44.03%* | *2.5* | *306* | *106.56%* | *2* | *(2)* |
| *1.75 to <2.5* | - | - | *1* | - | *0* | *3* | *0* | *3* | - | *1* | - | - |
| 2.5 to <10 | 53 | 3 | 69.87% | 56 | 3.30% | 10 | 43.25% | 2.5 | 75 | 134.12% | 1 | (4) |
| *2.5 to <5* | *53* | *3* | *69.87%* | *56* | *3.30%* | *10* | *43.25%* | *2.5* | *75* | *134.12%* | *1* | *(4)* |
| *5 to <10* | - | - | - | - | - | - | - | - | - | - | - | - |
| 10 to <100 | 2 | 4 | *1* | 4 | 10.00% | 1 | 42.96% | 2.5 | 7 | 195.39% | - | (1) |
| *10 to <20* | *2* | *4* | *1* | *4* | *10.00%* | *1* | *42.96%* | *2.5* | *7* | *195.39%* | - | *(1)* |
| *20 to <30* | - | - | - | - | - | - | - | - | - | - | - | - |
| *30 to <100* | - | - | - | - | - | - | - | - | - | - | - | - |
| 100 (Default) | 44 | *0* | 50.00% | 44 | 100.00% | 2 | 45.00% | 2.5 | - | - | 20 | (17) |
| Total Corporates of which specialised lending | 702 | 185 | 50.19% | 795 | 6.53% | 59 | 44.33% | 2.5 | 619 | 77.74% | 23 | (24) |
| | | | | | | | | | | | | |
| Corporates of which other | | | | | | | | | | | | |
| 0.00 to <0.15 | 915 | 1,994 | 34.03% | 1,593 | 0.06% | 99 | 44.99% | 2.5 | 481 | 30.22% | 1 | (1) |
| *0.00 to <0.10* | *915* | *1,994* | *34.03%* | *1,593* | *0.06%* | *98* | *44.99%* | *2.5* | *481* | *30.22%* | *1* | *(1)* |
| *0.10 to <0.15* | *0* | - | *0.00%* | *0* | *0.14%* | *1* | *45.00%* | *2.5* | *0* | *42.58%* | *0* | *0* |
| 0.15 to <0.25 | 809 | 825 | 26.22% | 1,026 | 0.17% | 63 | 44.92% | 2.5 | 575 | 56.05% | 1 | (1) |
| 0.25 to <0.50 | 854 | 893 | 25.40% | 1,080 | 0.35% | 114 | 44.29% | 2.5 | 870 | 80.50% | 2 | (2) |
| 0.50 to <0.75 | 802 | 745 | 42.23% | 1,117 | 0.59% | 88 | 44.94% | 2.5 | 1,081 | 96.80% | 3 | (4) |
| 0.75 to <2.5 | 1,382 | 1,162 | 40.86% | 1,857 | 1.50% | 200 | 42.88% | 2.5 | 2,128 | 114.58% | 13 | (9) |
| *0.75 to <1.75* | *810* | *830* | *37.91%* | *1,124* | *1.23%* | *125* | *42.15%* | *2.5* | *1,265* | *112.54%* | *7* | *(5)* |
| *1.75 to <2.5* | *572* | *332* | *48.24%* | *733* | *1.92%* | *75* | *44.01%* | *2.5* | *861* | *117.70%* | *6* | *(4)* |
| 2.5 to <10 | 1,578 | 647 | 42.32% | 1,852 | 3.89% | 227 | 44.83% | 2.5 | 2,768 | 149.45% | 33 | (45) |
| *2.5 to <5* | *1,348* | *610* | *41.08%* | *1,599* | *3.37%* | *206* | *44.80%* | *2.5* | *2,310* | *144.48%* | *25* | *(30)* |
| *5 to <10* | *230* | *37* | *62.99%* | *253* | *7.20%* | *21* | *45.00%* | *2.5* | *458* | *180.89%* | *8* | *(15)* |
| 10 to <100 | 211 | 22 | 45.33% | 221 | 14.83% | 49 | 42.68% | 2.5 | 497 | 225.30% | 13 | (19) |
| *10 to <20* | *201* | *22* | *45.25%* | *211* | *14.29%* | *36* | *42.89%* | *2.5* | *474* | *224.83%* | *12* | *(18)* |
| *20 to <30* | *7* | *0* | *50.00%* | *7* | *20.00%* | *6* | *38.92%* | *2.5* | *17* | *240.77%* | *1* | *0* |
| *30 to <100* | *3* | - | *50.00%* | *3* | *40.00%* | *7* | *37.03%* | *2.5* | *6* | *222.50%* | - | *(1)* |
| 100 (Default) | 655 | 123 | 19.61% | 679 | 100.00% | 81 | 42.44% | 2.5 | - | - | 289 | (221) |
| Total Corporates of which other | 7,206 | 6,411 | 34.61% | 9,425 | 8.75% | 921 | 44.21% | 2.5 | 8,400 | 89.13% | 355 | (302) |

As per Article 452, point (g)(i)-(v), Table 3.4 below presents the key parameters used for the calculation of capital requirements for credit risk exposures, under the Advanced IRB approach, split by PD range. Average maturity is not a component of the Advanced IRB RWA formula and is therefore not reported in the tables below. All exposures are presented both pre and post CRM and CCF (EAD). The template excludes counterparty credit risk and securitisations.

**Table 3.4 EU CR6 - IRB approach - Credit risk exposures by exposure class and PD range (Advanced IRB)**

| Jun-23<br>PD Range | On-balance sheet exposures<br>€m | Off-balance sheet exposures pre-CCF<br>€m | Exposure weighted average CCF<br>% | EAD post CRM and post CCF<br>€m | Exposure weighted average PD<br>% | Number of obligors | Exposure weighted average LGD<br>% | Exposure weighted average maturity (years) | Risk weighted exposure amount after supporting factors<br>€m | Density of risk weighted exposure amount<br>% | Expected loss amount<br>€m | Value adjustments and provisions<br>€m |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| a | b | c | d | e | f | g | h | i | j | k | l | m |
| **Total Advanced IRB** | | | | | | | | | | | | |
| 0.00 to <0.15 | 1,330 | 377 | 36.13% | 1,465 | | 70,990 | | | 65 | 4.42% | 0 | - |
| *0.00 to <0.10* | *1,300* | *68* | *52.25%* | *1,334* | | *26,258* | | | *58* | *4.36%* | *0* | *-* |
| *0.10 to <0.15* | *31* | *309* | *32.58%* | *131* | | *44,732* | | | *7* | *5.02%* | *0* | *0* |
| 0.15 to <0.25 | 12,182 | 617 | 38.60% | 12,445 | | 188,009 | | | 1,067 | 8.57% | 5 | (11) |
| 0.25 to <0.50 | 11,679 | 1,033 | 44.09% | 12,153 | | 305,811 | | | 1,806 | 14.86% | 11 | (20) |
| 0.50 to <0.75 | 2,091 | 396 | 45.27% | 2,284 | | 128,702 | | | 491 | 21.50% | 3 | (6) |
| 0.75 to <2.5 | 9,136 | 3,053 | 59.78% | 10,985 | | 280,512 | | | 4,274 | 38.91% | 37 | (25) |
| *0.75 to <1.75* | *7,409* | *2,803* | *59.22%* | *9,088* | | *215,100* | | | *3,292* | *36.23%* | *26* | *(16)* |
| *1.75 to <2.5* | *1,727* | *249* | *66.05%* | *1,897* | | *65,412* | | | *982* | *51.75%* | *11* | *(9)* |
| 2.5 to <10 | 2,959 | 137 | 43.25% | 3,015 | | 170,583 | | | 2,695 | 89.41% | 66 | (45) |
| *2.5 to <5* | 1,766 | 97 | 107.35% | 1,804 | | 113,423 | | | 1,563 | 86.69% | 33 | (19) |
| *5 to <10* | 1,193 | 41 | 43.98% | 1,211 | | 57,160 | | | 1,132 | 93.46% | 32 | (26) |
| 10 to <100 | 594 | 60 | 26.23% | 616 | | 66,886 | | | 767 | 124.44% | 55 | (38) |
| *10 to <20* | *284* | *33* | *20.71%* | *292* | | *28,914* | | | *362* | *123.92%* | *17* | *(14)* |
| *20 to <30* | *113* | *13* | *28.42%* | *120* | | *21,794* | | | *160* | *132.81%* | *9* | *(7)* |
| *30 to <100* | *197* | *15* | *36.81%* | *204* | | *16,178* | | | *245* | *120.25%* | *28* | *(16)* |
| 100 (Default) | 938 | 38 | 39.36% | 960 | | 41,799 | | | 559 | 58.26% | 338 | (359) |
| **Total Advanced IRB** | **40,909** | **5,711** | **51.20%** | **43,923** | | **1,253,292** | | | **11,724** | **26.69%** | **515** | **(504)** |
| **Secured by real estate property - Non SME** | | | | | | | | | | | | |
| 0.00 to <0.15 | 1,294 | 25 | 99.92% | 1,318 | 0.09% | 18,559 | 18.60% | | 57 | 4.36% | 0 | 0 |
| *0.00 to <0.10* | *1,294* | *25* | *99.92%* | *1,318* | *0.09%* | *18,546* | *18.60%* | | *57* | *4.36%* | *0* | *0* |
| *0.10 to <0.15* | *-* | *-* | *-* | *-* | *0* | *13* | *1* | | *-* | *0* | *-* | *-* |
| 0.15 to <0.25 | 12,097 | 60 | 99.33% | 12,182 | 0.18% | 87,780 | 17.47% | | 1,047 | 8.60% | 5 | (11) |
| 0.25 to <0.50 | 11,563 | 52 | 99.37% | 11,629 | 0.39% | 67,962 | 19.39% | | 1,712 | 14.72% | 9 | (19) |
| 0.50 to <0.75 | 1,989 | 24 | 101.49% | 2,027 | 0.59% | 15,543 | 15.30% | | 422 | 20.79% | 2 | (4) |
| 0.75 to <2.5 | 8,575 | 2,563 | 62.98% | 10,212 | 1.17% | 60,653 | 22.14% | | 3,802 | 37.23% | 29 | (17) |
| *0.75 to <1.75* | *7,082* | *2,390* | *62.01%* | *8,581* | *1.04%* | *47,724* | *22.90%* | | *3,027* | *35.28%* | *22* | *(11)* |
| *1.75 to <2.5* | *1,493* | *173* | *76.33%* | *1,631* | *1.85%* | *12,929* | *18.15%* | | *775* | *47.50%* | *7* | *(6)* |
| 2.5 to <10 | 1,384 | 4 | 103.26% | 1,392 | 5.32% | 17,000 | 21.57% | | 1,181 | 84.82% | 17 | (13) |
| *2.5 to <5* | 668 | 2 | 100.64% | 671 | 3.92% | 8,732 | 25.31% | | 539 | 80.27% | 7 | (3) |
| *5 to <10* | 716 | 2 | 105.85% | 721 | 6.62% | 8,268 | 18.09% | | 642 | 89.06% | 10 | (10) |
| 10 to <100 | 393 | 3 | 102.50% | 399 | 30.95% | 3,453 | 15.75% | | 466 | 117.05% | 25 | (15) |
| *10 to <20* | *156* | *0* | *104.31%* | *157* | *15.77%* | *1,371* | *19.53%* | | *201* | *127.90%* | *5* | *(5)* |
| *20 to <30* | *83* | *1* | *101.10%* | *85* | *24.09%* | *734* | *14.54%* | | *106* | *125.21%* | *4* | *(3)* |
| *30 to <100* | *154* | *1* | *103.46%* | *157* | *49.87%* | *1,348* | *12.63%* | | *159* | *101.77%* | *15* | *(7)* |
| 100 (Default) | 681 | 3 | 104.38% | 687 | 100.00% | 5,065 | 25.69% | | 461 | 67.13% | 168 | (155) |
| **Total Secured by real estate property - Non SME** | **37,976** | **2,734** | **65.28%** | **39,846** | **2.72%** | **276,015** | **19.42%** | | **9,148** | **22.96%** | **255** | **(234)** |
| **Qualifying revolving** | | | | | | | | | | | | |
| 0.00 to <0.15 | 32 | 285 | 28.73% | 114 | 0.11% | 47,102 | 51.04% | | 4 | 3.68% | 0 | 0 |
| *0.00 to <0.10* | *4* | *43* | *24.98%* | *14* | *0.08%* | *7,605* | *51.05%* | | *0* | *2.96%* | *0* | *0* |
| *0.10 to <0.15* | *29* | *242* | *29.40%* | *100* | *0.11%* | *39,497* | *51.03%* | | *4* | *3.78%* | *0* | *0* |
| 0.15 to <0.25 | 75 | 474 | 30.05% | 218 | 0.20% | 92,816 | 51.04% | | 13 | 6.01% | 0 | 0 |
| 0.25 to <0.50 | 83 | 660 | 38.25% | 336 | 0.35% | 215,935 | 60.86% | | 40 | 11.81% | 1 | (1) |
| 0.50 to <0.75 | 59 | 277 | 38.82% | 167 | 0.60% | 104,384 | 56.97% | | 28 | 16.82% | 1 | -1 |
| 0.75 to <2.5 | 145 | 377 | 40.07% | 301 | 1.31% | 175,709 | 56.89% | | 90 | 29.95% | 2 | (2) |
| *0.75 to <1.75* | *113* | *318* | *40.33%* | *244* | *1.12%* | *141,889* | *57.17%* | | *66* | *27.13%* | *2* | *(1)* |
| *1.75 to <2.5* | *33* | *59* | *38.65%* | *57* | *2.10%* | *33,820* | *55.68%* | | *24* | *42.02%* | *1* | *(1)* |
| 2.5 to <10 | 69 | 106 | 36.28% | 111 | 4.74% | 64,639 | 54.18% | | 78 | 69.70% | 3 | (2) |
| *2.5 to <5* | 43 | 74 | 36.40% | 72 | 3.53% | 42,764 | 54.92% | | 43 | 59.35% | 1 | (1) |
| *5 to <10* | 26 | 31 | 36.01% | 39 | 6.98% | 21,875 | 52.81% | | 35 | 88.69% | 2 | (1) |
| 10 to <100 | 34 | 52 | 18.45% | 49 | 26.44% | 45,409 | 56.36% | | 78 | 162.29% | 8 | (5) |
| *10 to <20* | *14* | *30* | *15.60%* | *21* | *13.77%* | *18,930* | *53.75%* | | *27* | *133.07%* | *2* | *(1)* |
| *20 to <30* | *6* | *11* | *16.44%* | *10* | *24.36%* | *17,770* | *59.05%* | | *19* | *190.58%* | *2* | *-1* |
| *30 to <100* | *14* | *12* | *27.65%* | *18* | *42.46%* | *8,709* | *57.85%* | | *32* | *180.10%* | *4* | *(3)* |
| 100 (Default) | 17 | 30 | 31.20% | 31 | 100.00% | 19,632 | 71.18% | | 20 | 63.86% | 22 | (36) |
| **Total Qualifying revolving** | **514** | **2,261** | **35.07%** | **1,327** | **0.00%** | **765,626** | **0.00%** | | **351** | **26.45%** | **37** | **(47)** |
| **Retail of which SME** | | | | | | | | | | | | |
| 0.00 to <0.15 | 1 | 67 | 43.99% | 31 | 0.10% | 5,167 | 40.00% | | 3 | 8.15% | 0 | 0 |
| *0.00 to <0.10* | *1* | *-* | *0.73%* | *1* | *0.07%* | *34* | *40.00%* | | *-* | *8.48%* | *0* | *0* |
| *0.10 to <0.15* | *1* | *67* | *44.03%* | *30* | *0.10%* | *5,133* | *40.00%* | | *2* | *8.15%* | *0* | *0* |
| 0.15 to <0.25 | 8 | 83 | 43.24% | 44 | 0.18% | 7,285 | 40.07% | | 6 | 12.93% | 0 | 0 |
| 0.25 to <0.50 | 27 | 322 | 47.23% | 181 | 0.33% | 21,398 | 60.57% | | 51 | 28.24% | 0 | (1) |
| 0.50 to <0.75 | 30 | 94 | 49.63% | 77 | 0.64% | 7,732 | 56.33% | | 31 | 40.39% | 0 | - |
| 0.75 to <2.5 | 234 | 112 | 53.02% | 291 | 1.62% | 18,990 | 54.47% | | 166 | 57.04% | 3 | (3) |
| *0.75 to <1.75* | *111* | *95* | *52.35%* | *160* | *1.24%* | *13,000* | *54.66%* | | *86* | *53.51%* | *1* | *(1)* |
| *1.75 to <2.5* | *123* | *17* | *56.77%* | *131* | *2.08%* | *5,990* | *54.23%* | | *81* | *61.34%* | *2* | *(1)* |
| 2.5 to <10 | 952 | 28 | 61.39% | 962 | 4.72% | 30,795 | 53.50% | | 639 | 66.36% | 26 | (20) |
| *2.5 to <5* | 652 | 21 | 61.27% | 661 | 3.61% | 18,728 | 51.66% | | 411 | 62.20% | 13 | (10) |
| *5 to <10* | 299 | 7 | 61.72% | 302 | 7.13% | 12,067 | 57.53% | | 228 | 75.49% | 13 | (10) |
| 10 to <100 | 125 | 5 | 58.50% | 128 | 18.92% | 12,392 | 60.04% | | 131 | 102.75% | 15 | (12) |
| *10 to <20* | *88* | *3* | *61.68%* | *89* | *13.41%* | *5,376* | *61.14%* | | *85* | *96.11%* | *7* | *(6)* |
| *20 to <30* | *20* | *1* | *60.85%* | *21* | *23.26%* | *2,783* | *57.22%* | | *23* | *112.10%* | *3* | *(3)* |
| *30 to <100* | *17* | *2* | *53.23%* | *18* | *41.25%* | *4,233* | *57.85%* | | *22* | *124.85%* | *4* | *(3)* |
| 100 (Default) | 197 | 5 | 53.41% | 198 | 100.00% | 10,830 | 58.57% | | 62 | 31.47% | 116 | (141) |
| **Total Retail of which SME** | **1,574** | **716** | **48.37%** | **1,912** | **14.32%** | **114,589** | **54.87%** | | **1,089** | **56.94%** | **160** | **(177)** |
| **Retail of which other** | | | | | | | | | | | | |
| 0.00 to <0.15 | 2 | - | - | 2 | 0.10% | 162 | 73.00% | | 0 | 24.21% | 0 | 0 |
| *0.00 to <0.10* | *1* | - | - | *1* | *0.07%* | *73* | *73.00%* | | *0* | *19.11%* | *0* | *0* |
| *0.10 to <0.15* | *1* | - | - | *1* | *0.12%* | *89* | *73.00%* | | *0* | *28.41%* | *0* | *0* |
| 0.15 to <0.25 | 2 | - | - | 2 | 0.19% | 128 | 73.00% | | 1 | 39.19% | 0 | 0 |
| 0.25 to <0.50 | 6 | - | - | 6 | 0.39% | 516 | 73.00% | | 4 | 62.62% | 0 | 0 |
| 0.50 to <0.75 | 13 | - | - | 13 | 0.63% | 1,043 | 73.00% | | 10 | 81.51% | 0 | 0 |
| 0.75 to <2.5 | 182 | - | 0.00% | 181 | 1.63% | 25,160 | 73.02% | | 215 | 119.25% | 2 | (3) |
| *0.75 to <1.75* | *104* | - | *0.00%* | *103* | *1.24%* | *12,487* | *73.02%* | | *113* | *109.90%* | *1* | *(2)* |
| *1.75 to <2.5* | *78* | - | - | *78* | *2.15%* | *12,673* | *73.03%* | | *102* | *131.59%* | *1* | *(1)* |
| 2.5 to <10 | 554 | - | - | 549 | 4.23% | 58,149 | 73.00% | | 799 | 145.38% | 19 | (9) |
| *2.5 to <5* | 403 | - | - | 400 | 3.52% | 43,199 | 73.00% | | 571 | 142.86% | 12 | (5) |
| *5 to <10* | 151 | - | - | 150 | 6.11% | 14,950 | 73.00% | | 228 | 152.13% | 8 | (4) |
| 10 to <100 | 42 | - | - | 42 | 22.09% | 5,632 | 73.01% | | 91 | 217.11% | 8 | (6) |
| *10 to <20* | *26* | - | - | *25* | *13.54%* | *3,237* | *73.00%* | | *48* | *189.18%* | *3* | *(2)* |
| *20 to <30* | *4* | - | - | *4* | *24.85%* | *507* | *73.01%* | | *11* | *242.38%* | *1* | *-1* |
| *30 to <100* | *12* | - | - | *12* | *39.14%* | *1,888* | *73.01%* | | *32* | *266.75%* | *4* | *(3)* |
| 100 (Default) | 43 | - | - | 43 | 100.00% | 6,272 | 73.02% | | 16 | 36.10% | 31 | (28) |
| **Total Retail of which other** | **844** | **-** | **0.00%** | **838** | **9.38%** | **97,062** | **73.01%** | | **1,136** | **135.62%** | **60** | **(46)** |

| Dec-22<br>PD Range | On-balance sheet exposures<br>€m | Off-balance sheet exposures pre-CCF<br>€m | Exposure weighted average CCF<br>% | EAD post CRM and post CCF<br>€m | Exposure weighted average PD<br>% | Number of obligors | Exposure weighted average LGD<br>% | Exposure weighted average maturity (years) | Risk weighted exposure amount after supporting factors<br>€m | Density of risk weighted exposure amount<br>% | Expected loss amount<br>€m | Value adjustments and provisions<br>€m |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| a | b | c | d | e | f | g | h | i | j | k | l | m |
| Total Advanced IRB | | | | | | | | | | | | |
| 0.00 to <0.15 | 1,330 | 374 | 35.61% | 1,462 | | 71,223 | | | 63 | 4.42% | 0 | - |
| 0.00 to <0.10 | 1,299 | 62 | 45.12% | 1,327 | | 26,709 | | | 57 | 4.34% | 0 | - |
| 0.10 to <0.15 | 31 | 312 | 33.72% | 135 | | 44,514 | | | 6 | 5.25% | 0 | 0 |
| 0.15 to <0.25 | 12,328 | 605 | 38.69% | 12,588 | | 189,689 | | | 1,060 | 8.41% | 5 | (6) |
| 0.25 to <0.50 | 11,052 | 1,034 | 43.18% | 11,519 | | 307,845 | | | 1,640 | 14.23% | 9 | (12) |
| 0.25 to <0.50 | 2,070 | 403 | 44.89% | 2,266 | | 129,415 | | | 477 | 21.02% | 3 | (3) |
| 0.75 to <2.5 | 8,671 | 2,414 | 58.96% | 10,115 | | 256,893 | | | 3,823 | 37.80% | 33 | (18) |
| 0.75 to <1.75 | 7,008 | 2,296 | 59.41% | 8,390 | | 198,562 | | | 2,997 | 35.72% | 23 | (10) |
| 1.75 to <2.5 | 1,663 | 118 | 50.22% | 1,725 | | 58,331 | | | 826 | 47.89% | 10 | (8) |
| 2.5 to <10 | 2,929 | 147 | 42.47% | 2,989 | | 165,580 | | | 2,680 | 89.65% | 65 | (44) |
| 2.5 to <5 | 1,766 | 99 | 105.99% | 1,805 | | 108,530 | | | 1,564 | 86.64% | 32 | (20) |
| 5 to <10 | 1,163 | 48 | 42.63% | 1,184 | | 57,050 | | | 1,116 | 94.24% | 32 | (24) |
| 10 to <100 | 605 | 85 | 16.26% | 627 | | 68,095 | | | 789 | 125.83% | 53 | (33) |
| 10 to <20 | 258 | 69 | 9.10% | 267 | | 38,694 | | | 332 | 122.97% | 15 | (14) |
| 20 to <30 | 115 | 6 | 45.34% | 121 | | 16,569 | | | 152 | 127.55% | 8 | (6) |
| 30 to <100 | 232 | 10 | 53.06% | 239 | | 12,832 | | | 305 | 128.16% | 29 | (13) |
| 100 (Default) | 722 | 39 | 39.84% | 742 | | 38,635 | | | 398 | 53.56% | 294 | (298) |
| Total Advanced IRB | 39,707 | 5,101 | 49.20% | 42,308 | | 1,227,375 | | | 10,930 | 25.83% | 462 | (414) |
| | | | | | | | | | | | | |
| Secured by real estate property - Non SME | | | | | | | | | | | | |
| 0.00 to <0.15 | 1,294 | 17 | 98.09% | 1,310 | 0.09% | 18,681 | 18.53% | | 57 | 4.35% | 0 | 0 |
| 0.00 to <0.10 | 1,294 | 17 | 98.09% | 1,310 | 0.09% | 18,664 | 18.53% | | 57 | 4.35% | 0 | 0 |
| 0.10 to <0.15 | - | - | - | - | 0 | 17 | 1 | | - | - | - | - |
| 0.15 to <0.25 | 12,243 | 58 | 99.80% | 12,327 | 0.18% | 91,958 | 17.02% | | 1,040 | 8.43% | 5 | (6) |
| 0.25 to <0.50 | 10,935 | 42 | 98.87% | 10,994 | 0.39% | 69,241 | 18.31% | | 1,546 | 14.06% | 8 | (10) |
| 0.50 to <0.75 | 1,977 | 24 | 101.53% | 2,017 | 0.60% | 16,239 | 14.65% | | 412 | 20.41% | 2 | (2) |
| 0.75 to <2.5 | 8,119 | 1,954 | 62.66% | 9,366 | 1.18% | 57,846 | 21.56% | | 3,366 | 35.94% | 26 | (10) |
| 0.75 to <1.75 | 6,706 | 1,908 | 62.68% | 7,920 | 1.05% | 45,686 | 22.33% | | 2,755 | 34.79% | 20 | (6) |
| 1.75 to <2.5 | 1,413 | 46 | 61.55% | 1,446 | 1.85% | 12,160 | 17.34% | | 611 | 42.23% | 6 | (4) |
| 2.5 to <10 | 1,371 | 5 | 102.63% | 1,380 | 5.30% | 17,741 | 21.51% | | 1,168 | 84.61% | 17 | (10) |
| 2.5 to <5 | 670 | 3 | 100.59% | 674 | 3.91% | 9,049 | 25.24% | | 538 | 79.89% | 7 | (2) |
| 5 to <10 | 701 | 2 | 104.62% | 706 | 6.63% | 8,692 | 17.95% | | 630 | 89.10% | 10 | (8) |
| 10 to <100 | 435 | 2 | 104.53% | 441 | 30.08% | 3,814 | 15.53% | | 535 | 121.23% | 27 | (13) |
| 10 to <20 | 152 | 0 | 108.19% | 153 | 15.76% | 1,386 | 19.87% | | 195 | 127.03% | 5 | (4) |
| 20 to <30 | 90 | 1 | 101.99% | 92 | 23.74% | 769 | 14.55% | | 109 | 119.46% | 4 | (3) |
| 30 to <100 | 193 | 1 | 105.06% | 196 | 44.17% | 1,659 | 12.59% | | 231 | 117.55% | 18 | (6) |
| 100 (Default) | 468 | 3 | 102.67% | 472 | 100.00% | 3,497 | 28.57% | | 289 | 61.17% | 127 | (123) |
| Total Secured by real estate property - Non SME | 36,842 | 2,105 | 65.32% | 38,307 | 2.26% | 279,017 | 18.71% | | 8,413 | 21.96% | 212 | (174) |
| | | | | | | | | | | | | |
| Qualifying revolving | | | | | | | | | | | | |
| 0.00 to <0.15 | 33 | 271 | 28.82% | 111 | 0.11% | 45,065 | 51.04% | | 3 | 3.69% | 0 | 0 |
| 0.00 to <0.10 | 4 | 45 | 25.25% | 16 | 0.08% | 7,966 | 51.05% | | 0 | 2.98% | 0 | 0 |
| 0.10 to <0.15 | 29 | 226 | 29.53% | 95 | 0.11% | 37,099 | 51.03% | | 3 | 3.80% | 0 | 0 |
| 0.15 to <0.25 | 77 | 459 | 30.12% | 215 | 0.20% | 90,110 | 51.04% | | 13 | 6.00% | 0 | 0 |
| 0.25 to <0.50 | 87 | 670 | 37.95% | 342 | 0.35% | 216,898 | 60.72% | | 40 | 11.75% | 1 | (1) |
| 0.50 to <0.75 | 61 | 286 | 38.73% | 172 | 0.60% | 105,355 | 57.14% | | 29 | 16.80% | 1 | -1 |
| 0.75 to <2.5 | 143 | 352 | 40.15% | 285 | 1.28% | 155,368 | 56.83% | | 84 | 29.49% | 2 | (2) |
| 0.75 to <1.75 | 112 | 299 | 40.43% | 233 | 1.11% | 128,702 | 57.16% | | 62 | 26.83% | 1 | (1) |
| 1.75 to <2.5 | 31 | 53 | 38.52% | 52 | 2.08% | 26,666 | 55.33% | | 22 | 41.47% | 1 | (1) |
| 2.5 to <10 | 66 | 112 | 35.19% | 107 | 4.83% | 56,779 | 53.60% | | 75 | 69.70% | 3 | (2) |
| 2.5 to <5 | 40 | 74 | 35.40% | 67 | 3.55% | 34,649 | 54.25% | | 40 | 58.71% | 1 | (1) |
| 5 to <10 | 26 | 38 | 34.76% | 40 | 6.98% | 22,130 | 52.52% | | 35 | 88.10% | 2 | (1) |
| 10 to <100 | 31 | 77 | 10.43% | 44 | 25.86% | 51,448 | 55.99% | | 70 | 160.55% | 7 | (4) |
| 10 to <20 | 13 | 67 | 6.65% | 20 | 13.81% | 31,052 | 53.74% | | 26 | 133.42% | 2 | (1) |
| 20 to <30 | 5 | 4 | 31.76% | 9 | 24.35% | 14,105 | 58.41% | | 17 | 188.48% | 1 | -1 |
| 30 to <100 | 13 | 6 | 41.05% | 15 | 42.58% | 6,291 | 57.49% | | 27 | 179.42% | 4 | (2) |
| 100 (Default) | 15 | 30 | 31.06% | 29 | 100.00% | 18,630 | 70.08% | | 19 | 66.21% | 21 | (19) |
| Total Qualifying revolving | 513 | 2,257 | 34.54% | 1,305 | 4.00% | 739,653 | 56.44% | | 333 | 25.62% | 35 | (29) |
| | | | | | | | | | | | | |
| Retail of which SME | | | | | | | | | | | | |
| 0.00 to <0.15 | 1 | 86 | 44.71% | 39 | 0.10% | 7,348 | 40.00% | | 3 | 8.10% | 0 | 0 |
| 0.00 to <0.10 | - | - | 1.50% | - | 0.07% | 30 | 40.00% | | - | 8.19% | 0 | 0 |
| 0.10 to <0.15 | 1 | 86 | 44.73% | 39 | 0.10% | 7,318 | 40.00% | | 3 | 8.09% | 0 | 0 |
| 0.15 to <0.25 | 6 | 88 | 43.33% | 44 | 0.18% | 7,496 | 40.54% | | 6 | 12.99% | 0 | 0 |
| 0.25 to <0.50 | 25 | 322 | 46.85% | 178 | 0.33% | 21,250 | 61.11% | | 51 | 28.58% | 0 | (1) |
| 0.50 to <0.75 | 24 | 93 | 48.93% | 69 | 0.65% | 6,992 | 58.34% | | 29 | 41.80% | 0 | - |
| 0.75 to <2.5 | 244 | 108 | 53.35% | 300 | 1.67% | 18,441 | 54.72% | | 176 | 58.83% | 3 | (4) |
| 0.75 to <1.75 | 99 | 89 | 53.03% | 146 | 1.24% | 12,085 | 55.20% | | 79 | 53.95% | 1 | (2) |
| 1.75 to <2.5 | 145 | 19 | 54.84% | 154 | 2.08% | 6,356 | 54.27% | | 97 | 63.43% | 2 | (2) |
| 2.5 to <10 | 920 | 30 | 60.02% | 933 | 4.69% | 29,362 | 53.44% | | 611 | 65.47% | 25 | (22) |
| 2.5 to <5 | 643 | 22 | 59.65% | 653 | 3.59% | 18,382 | 51.39% | | 399 | 61.06% | 12 | (12) |
| 5 to <10 | 277 | 8 | 61.08% | 280 | 7.26% | 10,980 | 58.22% | | 212 | 75.75% | 12 | (10) |
| 10 to <100 | 107 | 6 | 57.84% | 110 | 19.09% | 8,381 | 60.85% | | 115 | 104.02% | 13 | (12) |
| 10 to <20 | 75 | 2 | 60.85% | 76 | 13.01% | 3,774 | 61.94% | | 75 | 96.32% | 6 | (7) |
| 20 to <30 | 16 | 1 | 58.38% | 16 | 23.51% | 1,225 | 57.39% | | 18 | 114.51% | 2 | (2) |
| 30 to <100 | 16 | 3 | 54.50% | 18 | 41.62% | 3,382 | 59.25% | | 22 | 128.03% | 4 | (3) |
| 100 (Default) | 202 | 6 | 52.17% | 204 | 100.00% | 11,000 | 58.32% | | 73 | 35.61% | 119 | (136) |
| Total Retail of which SME | 1,529 | 739 | 48.06% | 1,877 | 14.66% | 110,270 | 54.94% | | 1,064 | 56.63% | 160 | (175) |
| | | | | | | | | | | | | |
| Retail of which other | | | | | | | | | | | | |
| 0.00 to <0.15 | 2 | - | - | 2 | 0.11% | 129 | 73.00% | | 0 | 26.08% | 0 | 0 |
| 0.00 to <0.10 | 1 | - | - | 1 | 0.07% | 49 | 73.00% | | 0 | 19.74% | 0 | 0 |
| 0.10 to <0.15 | 1 | - | - | 1 | 0.12% | 80 | 73.00% | | 0 | 29.25% | 0 | 0 |
| 0.15 to <0.25 | 2 | - | - | 2 | 0.19% | 125 | 73.00% | | 1 | 38.71% | 0 | 0 |
| 0.25 to <0.50 | 5 | - | - | 5 | 0.40% | 456 | 73.00% | | 3 | 63.11% | 0 | 0 |
| 0.50 to <0.75 | 8 | - | - | 8 | 0.63% | 829 | 73.00% | | 7 | 81.76% | 0 | 0 |
| 0.75 to <2.5 | 165 | - | 0.00% | 164 | 1.66% | 25,238 | 73.02% | | 197 | 120.07% | 2 | (2) |
| 0.75 to <1.75 | 91 | - | 0.00% | 91 | 1.26% | 12,089 | 73.01% | | 101 | 110.74% | 1 | (1) |
| 1.75 to <2.5 | 74 | - | - | 73 | 2.16% | 13,149 | 73.03% | | 96 | 131.68% | 1 | (1) |
| 2.5 to <10 | 572 | - | - | 569 | 4.22% | 61,698 | 73.00% | | 826 | 145.34% | 20 | (10) |
| 2.5 to <5 | 413 | - | - | 411 | 3.54% | 46,450 | 73.00% | | 587 | 142.92% | 12 | (5) |
| 5 to <10 | 159 | - | - | 158 | 5.99% | 15,248 | 73.00% | | 239 | 151.65% | 8 | (5) |
| 10 to <100 | 32 | - | - | 32 | 22.50% | 4,452 | 73.01% | | 69 | 218.31% | 6 | (4) |
| 10 to <20 | 18 | - | - | 18 | 13.47% | 2,482 | 73.00% | | 36 | 188.68% | 2 | (2) |
| 20 to <30 | 4 | - | - | 4 | 25.06% | 470 | 73.00% | | 8 | 243.03% | 1 | 0 |
| 30 to <100 | 10 | - | - | 10 | 39.09% | 1,500 | 73.01% | | 25 | 266.79% | 3 | (2) |
| 100 (Default) | 37 | - | - | 37 | 100.00% | 5,508 | 73.02% | | 17 | 45.56% | 27 | (20) |
| Total Retail of which other | 823 | - | 0.00% | 819 | 8.63% | 98,435 | 73.01% | | 1,120 | 137.04% | 55 | (36) |

As per Article 453 point (j), Table 3.5 below illustrates the effect of credit derivatives on the IRB approach capital requirements calculations. The template excludes counterparty credit risk and securitisations.

**Table 3.5 - EU CR7 – IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques**

| | | **Jun-23** | | Dec-22 | |
|---|---|---|---|---|---|
| | | **Pre-credit derivatives risk weighted exposure amount €m** | **Actual risk weighted exposure amount €m** | Pre-credit derivatives risk weighted exposure amount €m | Actual risk weighted exposure amount €m |
| | | a | b | a | b |
| 1 | **Exposures under F-IRB** | **17,286** | **17,286** | 16,873 | 16,873 |
| 2 | Central governments and central banks | - | - | - | - |
| 3 | Institutions | 636 | 636 | 657 | 657 |
| 4 | Corporates | 16,650 | 16,650 | 16,216 | 16,216 |
| | of which | | | | |
| 4.1 | Corporates - SMEs | 7,188 | 7,188 | 7,197 | 7,197 |
| 4.2 | Corporates - Specialised lending | 684 | 684 | 618 | 618 |
| 5 | **Exposures under A-IRB** | **11,724** | **11,724** | 10,928 | 10,928 |
| 6 | Central governments and central banks | - | - | - | - |
| 7 | Institutions | - | - | - | - |
| 8 | Corporates | - | - | - | - |
| | of which | | | | |
| 8.1 | Corporates - SMEs | - | - | - | - |
| 8.2 | Corporates - Specialised lending | - | - | - | - |
| 9 | Retail | 11,724 | 11,724 | 10,928 | 10,928 |
| | of which | | | | |
| 9.1 | Retail – SMEs - Secured by immovable property collateral | - | - | - | - |
| 9.2 | Retail – non-SMEs - Secured by immovable property collateral | 9,148 | 9,148 | 8,411 | 8,411 |
| 9.3 | Retail – Qualifying revolving | 351 | 351 | 334 | 334 |
| 9.4 | Retail – SMEs - Other | 1,089 | 1,089 | 1,063 | 1,063 |
| 9.5 | Retail – Non-SMEs- Other | 1,136 | 1,136 | 1,120 | 1,120 |
| 10 | **TOTAL (including F-IRB exposures and A-IRB exposures)** | **29,010** | **29,010** | 27,802 | 27,802 |

As per Article 453 point (g), Table 3.6 below discloses more granular information on the type of CRM techniques by type and exposure class under the IRB approach.

**Table 3.6 - EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques**

| | Total exposures | Credit risk Mitigation techniques | | | | | | | | | | | | Credit risk Mitigation methods in the calculation of RWEAs | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Funded credit Protection (FCP) | | | | | | | | | | Unfunded credit Protection (UFCP) | | | |
| | | Part of exposures covered by Financial Collaterals | Part of exposures covered by Other eligible collaterals | Part of exposures covered by Immovable property Collaterals (%) | Part of exposures covered by Receivables | Part of exposures covered by Other physical collateral | Part of exposures covered by Other funded credit protection | Part of exposures covered by Cash on deposit | Part of exposures covered by Life insurance policies | Part of exposures covered by Instruments held by a third party | | Part of exposures covered by Guarantees | Part of exposures covered by Credit Derivatives | RWEA without substitution effects (reduction effects only) | RWEA with substitution effects (both reduction and substitution effects) |
| **Jun-23** | €m | % | % | % | % | % | % | % | % | % | | % | % | €m | €m |
| **Exposures under A-IRB** | a | b | c | d | e | f | g | h | i | j | | k | l | m | n |
| 1 Central governments and central banks | - | - | - | - | - | - | - | - | - | - | | - | - | - | - |
| 2 Institutions | - | - | - | - | - | - | - | - | - | - | | - | - | - | - |
| 3 Corporates | - | - | - | - | - | - | - | - | - | - | | - | - | - | - |
| of which | | | | | | | | | | | | | | | |
| 3.1 Corporates – SMEs | - | - | - | - | - | - | - | - | - | - | | - | - | - | - |
| 3.2 Corporates – Specialised lending | - | - | - | - | - | - | - | - | - | - | | - | - | - | - |
| 3.3 Corporates – Other | - | - | - | - | - | - | - | - | - | - | | - | - | - | - |
| 4 Retail | 43,923 | - | 87.44% | 87.44% | - | - | - | - | - | - | | - | - | 11,882 | 11,724 |
| of which | | | | | | | | | | | | | | | |
| 4.1 Retail – SMEs - Secured by immovable property collateral | - | - | - | - | - | - | - | - | - | - | | - | - | - | - |
| 4.2 Retail – non-SMEs - Secured by immovable property collateral | 39,846 | - | 96.39% | 96.39% | - | - | - | - | - | - | | - | - | 9,148 | 9,148 |
| 4.3 Retail – Qualifying revolving | 1,327 | - | - | - | - | - | - | - | - | - | | - | - | 351 | 351 |
| 4.4 Retail – SMEs - Other | 1,912 | - | - | - | - | - | - | - | - | - | | - | - | 1,247 | 1,089 |
| 4.5 Retail – Non-SMEs- Other | 838 | - | - | - | - | - | - | - | - | - | | - | - | 1,136 | 1,136 |
| **5 Total Advanced IRB** | **43,923** | **-** | **87.44%** | **87.44%** | **-** | **-** | **-** | **-** | **-** | **-** | | **-** | **-** | **11,882** | **11,724** |
| **Exposures under F-IRB** | | | | | | | | | | | | | | | |
| 1 Central governments and central banks | - | - | - | - | - | - | - | - | - | - | | - | - | - | - |
| 2 Institutions | 3,679 | - | - | - | - | - | - | - | - | - | | - | - | 636 | 636 |
| 3 Corporates | 20,441 | 0.24% | 36.01% | 35.50% | - | 0.51% | - | - | - | - | | - | - | 16,969 | 16,650 |
| of which | | | | | | | | | | | | | | | |
| 3.1 Corporates – SMEs | 9,928 | 0.02% | 66.14% | 65.48% | - | 0.65% | - | - | - | - | | - | - | 7,346 | 7,188 |
| 3.2 Corporates – Specialised lending | 854 | 1.63% | - | - | - | 0.00% | - | - | - | - | | - | - | 684 | 684 |
| 3.3 Corporates – Other | 9,659 | 0.35% | 8.23% | 7.82% | - | 0.41% | - | - | - | - | | - | - | 8,938 | 8,778 |
| **4 Total Foundation IRB** | **24,120** | **0.21%** | **30.52%** | **30.09%** | **-** | **0.43%** | **-** | **-** | **-** | **-** | | **-** | **-** | **17,605** | **17,286** |

| | Total exposures | Credit risk Mitigation techniques | | | | | | | | | | | Credit risk Mitigation methods in the calculation of RWEAs | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Funded credit | | | | | | | | | Unfunded credit | | | |
| | | Part of exposures covered by Financial Collaterals | Part of exposures covered by Other eligible collaterals | Part of exposures covered by Immovable property Collaterals (%) | Part of exposures covered by Receivables | Part of exposures covered by Other physical collateral | Part of exposures covered by Other funded credit protection | Part of exposures covered by Cash on deposit | Part of exposures covered by Life insurance policies | Part of exposures covered by Instruments held by a third party | Part of exposures covered by Guarantees | Part of exposures covered by Credit Derivatives | RWEA without substitution effects (reduction effects only) | RWEA with substitution effects (both reduction and substitution effects) |
| Dec-22 | €m | % | % | % | % | % | % | % | % | % | % | % | €m | €m |
| Exposures under A-IRB | a | b | c | d | e | f | g | h | i | j | k | l | m | n |
| 1 Central governments and central banks | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2 Institutions | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 3 Corporates | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| of which | | | | | | | | | | | | | | |
| 3.1 Corporates – SMEs | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 3.2 Corporates – Specialised lending | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 3.3 Corporates – Other | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 4 Retail | 42,308 | - | 86.95% | 86.95% | - | - | - | - | - | - | - | - | 11,085 | 10,928 |
| of which | | | | | | | | | | | | | | |
| 4.1 Retail – SMEs - Secured by immovable property collateral | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 4.2 Retail – non-SMEs - Secured by immovable property collateral | 38,308 | - | 96.03% | 96.03% | - | - | - | - | - | - | - | - | 8,411 | 8,411 |
| 4.3 Retail – Qualifying revolving | 1,305 | - | - | - | - | - | - | - | - | - | - | - | 334 | 334 |
| 4.4 Retail – SMEs - Other | 1,878 | - | - | - | - | - | - | - | - | - | - | - | 1,220 | 1,063 |
| 4.5 Retail – Non-SMEs- Other | 817 | - | - | - | - | - | - | - | - | - | - | - | 1,120 | 1,120 |
| 5 Total Advanced IRB | 42,308 | - | 86.95% | 86.95% | - | - | - | - | - | - | - | - | 11,085 | 10,928 |
| Exposures under F-IRB | | | | | | | | | | | | | | |
| 1 Central governments and central banks | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2 Institutions | 3,631 | - | - | - | - | - | - | - | - | - | - | - | 657 | 657 |
| 3 Corporates | 20,403 | 0.07% | 51.71% | 50.32% | - | 1.39% | - | - | - | - | - | - | 16,543 | 16,216 |
| of which | | | | | | | | | | | | | | |
| 3.1 Corporates – SMEs | 10,183 | 0.02% | 92.82% | 90.49% | - | 2.33% | - | - | - | - | - | - | 7,359 | 7,197 |
| 3.2 Corporates – Specialised lending | 795 | 1.50% | - | - | - | 0.00% | - | - | - | - | - | - | 618 | 618 |
| 3.3 Corporates – Other | 9,425 | 0.00% | 11.67% | 11.17% | - | 0.50% | - | - | - | - | - | - | 8,566 | 8,400 |
| 4 Total Foundation IRB | 24,034 | 0.06% | 43.90% | 42.72% | - | 1.18% | - | - | - | - | - | - | 17,200 | 16,873 |

As per Article 438 point (h), Table 3.7 below analyses movements in risk weighted exposure amounts under the IRB approach within the period.

**Table 3.7 - EU CR8 – RWEA flow statements of credit risk exposures under the IRB approach**

| | | Risk weighted exposure amount €m |
|---|---|---|
| | | a |
| **1** | **Risk weighted exposure amount as at the end of the previous reporting period - March '23** | **28,582** |
| 2 | Asset size (+/-)[1] | 418 |
| 3 | Asset quality (+/-)[2] | (126) |
| 4 | Model updates (+/-)[3] | - |
| 5 | Methodology and policy (+/-)[4] | - |
| 6 | Acquisitions and disposals (+/-)[5] | - |
| 7 | Foreign exchange movements (+/-) | 166 |
| 8 | Other (+/-)[6] | (30) |
| **9** | **Risk weighted exposure amount as at the end of the reporting period - June '23** | **29,010** |

| | | Risk weighted exposure amount €m |
|---|---|---|
| | | a |
| 1 | Risk weighted exposure amount as at the end of the previous reporting period - December '22 | 27,802 |
| 2 | Asset size (+/-)[1] | 834 |
| 3 | Asset quality (+/-)[2] | (54) |
| 4 | Model updates (+/-)[3] | - |
| 5 | Methodology and policy (+/-)[4] | - |
| 6 | Acquisitions and disposals (+/-)[5] | - |
| 7 | Foreign exchange movements (+/-) | - |
| 8 | Other (+/-)[6] | 1 |
| 9 | Risk weighted exposure amount as at the end of the reporting period - March '23 | 28,582 |

*1 Asset size: This represents movements in RWA driven by changes in the composition of the Group's existing portfolios. This includes, but is not limited to: constant currency growth in existing portfolios including new business and repayment of loans, changes in the product mix.*

*2 Asset quality: This can represent movements in RWA including but not limited to: PD Migration and LGD changes driven by economic conditions, changes in lending practices, demographics and model re-calibrations and re-anchoring.*

*3 Model updates: This can represent movements in RWA including, but is not limited to: new model approvals, refinements and enhancements to improve model performance.*

*4 Methodology and policy: Updates to the RWA calculation methodology, communicated by the Regulator.*

*5 Acquisitions and disposals: This can represent movements in RWA due to changes in book sizes as a result of acquisitions and/or disposals.*

*6 Other comprises movements in non-credit RWA items and unconsolidated intragroup investments.*

As per Article 442, points (c) and (e), Table 3.8 below presents gross carrying amount (including accrued interest) of performing and non-performing exposures and the related accumulated impairment, provisions, accumulated change in fair value due to credit risk, accumulated partial write-off, and collateral and financial guarantees received, according to the scope of regulatory consolidation. The Group's non performing loans (NPL) is 3.46% at June 2023 (3.45% December 2022). The increase in performing Households under Loans and Advances is primarily due to the acquisition of the KBCI residential mortgage portfolio.

**Table 3.8 - EU CR1 - Performing and non-performing exposures and related provisions**

| | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **Gross carrying amount/nominal amount** | | | | | | **Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions** | | | | | | **Accumulated partial write-off** | **Collateral and financial guarantees received** | |
| | **Performing exposures** | | | **Non-performing exposures** | | | **Performing exposures – accumulated impairment and provisions** | | | **Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions** | | | | **On performing exposures** | **On non-performing exposures** |
| | | *Of which stage 1* | *Of which stage 2* | | *Of which stage 2* | *Of which stage 3* | | *Of which stage 1* | *Of which stage 2* | | *Of which stage 2* | *Of which stage 3* | | | |
| **Jun-23** | **€m** | **€m** | **€m** | **€m** | **€m** | **€m** | **€m** | **€m** | **€m** | **€m** | **€m** | **€m** | **€m** | **€m** | **€m** |
| 5 **Cash balances at central banks and other demand deposits** | **31,378** | *31,378* | - | **-** | - | - | **(5)** | *(5)* | - | **-** | - | - | **-** | - | - |
| 10 **Loans and advances** | **82,410** | *68,196* | *13,870* | **2,956** | *26* | *2,741* | **(497)** | *(147)* | *(349)* | **(867)** | *(3)* | *(858)* | **(671)** | *59,126* | *1,386* |
| 20 Central banks | 1,032 | *1,032* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 30 General governments | 81 | *80* | *2* | - | - | - | - | - | - | - | - | - | - | *1* | - |
| 40 Credit institutions | 1,878 | *1,878* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 50 Other financial corporations | 1,087 | *847* | *74* | 3 | - | *3* | (6) | *(2)* | *(4)* | (2) | - | *(2)* | - | *631* | - |
| 60 Non-financial corporations | 26,404 | *18,110* | *8,294* | 1,845 | *20* | *1,816* | (290) | *(71)* | *(219)* | (608) | *(2)* | *(606)* | (666) | *10,333* | *593* |
| *of which;* | | | | | | | | | | | | | | | |
| 70 *SME* | 15,093 | 10,070 | 5,023 | 980 | 19 | 961 | (166) | *(45)* | *(122)* | (327) | *(2)* | *(325)* | *(264)* | 8,761 | 420 |
| 80 Households | 51,928 | 46,249 | 5,500 | 1,108 | 6 | 922 | (201) | *(74)* | *(126)* | (257) | *(1)* | *(250)* | (5) | 48,161 | 793 |
| 90 **Debt securities** | **9,411** | *9,372* | *1* | **-** | - | - | **(2)** | *(2)* | - | **-** | - | - | **-** | - | - |
| 100 Central banks | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 110 General governments | 5,239 | *5,239* | - | - | - | - | (1) | *(1)* | - | - | - | - | - | - | - |
| 120 Credit institutions | 4,088 | *4,088* | - | - | - | - | (1) | *(1)* | - | - | - | - | - | - | - |
| 130 Other financial corporations | 62 | *45* | *1* | - | - | - | - | - | - | - | - | - | - | - | - |
| 140 Non-financial corporations | 22 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 150 **Off-balance-sheet exposures** | **18,073** | *16,113* | *1,809* | **212** | - | *212* | **45** | *19* | *27* | **12** | - | *12* | | *129* | - |
| 160 Central banks | - | - | - | - | - | - | - | - | - | - | - | - | | - | - |
| 170 General governments | 124 | *119* | *5* | - | - | - | - | - | - | - | - | - | | - | - |
| 180 Credit institutions | 211 | *189* | - | - | - | - | - | - | - | - | - | - | | *129* | - |
| 190 Other financial corporations | 1,871 | *1,678* | *193* | - | - | - | 1 | *1* | - | - | - | - | | - | - |
| 200 Non-financial corporations | 10,298 | *8,644* | *1,525* | 177 | - | *177* | 38 | *14* | *25* | 11 | - | *11* | | - | - |
| 210 Households | 5,569 | *5,483* | *86* | 35 | - | *35* | 6 | *4* | *2* | 1 | - | *1* | | - | - |
| 220 **Total** | **141,272** | *125,059* | *15,680* | **3,168** | *26* | *2,953* | **(544)** | *(168)* | *(376)* | **(879)** | *(3)* | *(870)* | **(671)** | *59,255* | *1,386* |

| | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Gross carrying amount/nominal amount | | | | | | Accumulated impairment, accumulated negative changes in fair value | | | | | | Accumulated partial write-off | Collateral and financial | |
| | Performing exposures | | | Non-performing exposures | | | Performing exposures – | | | Non-performing exposures – | | | | 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* | | | |
| Dec-22 | €m | €m | €m | €m | €m | €m | €m | €m | €m | €m | €m | €m | €m | €m | €m |
| 5 Cash balances at central banks and other demand deposits | 36,671 | 36,671 | - | - | - | - | - 6 | - 6 | - | - | - | - | - | - | - |
| 10 Loans and advances | 73,811 | *60,795* | *12,670* | 2,640 | *19* | *2,509* | (427) | *(144)* | *(284)* | (868) | *(1)* | *(834)* | (623) | *50,907* | *992* |
| 20 Central banks | 1,076 | *1,076* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 30 General governments | 90 | *88* | *2* | - | - | - | - | - | - | - | - | - | - | - | - |
| 40 Credit institutions | 1,746 | *1,746* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 50 Other financial corporations | 1,289 | *1,078* | *50* | 3 | - | *3* | (5) | *(2)* | *(3)* | (1) | - | *(1)* | - | *669* | - |
| 60 Non-financial corporations | 26,561 | *18,024* | *8,537* | 1,962 | *10* | *1,875* | (274) | *(74)* | *(200)* | (683) | *(1)* | *(650)* | (603) | *10,359* | *565* |
| *of which;* | | | | | | | | | | | | | | | |
| 70 *SME* | *15,019* | *9,386* | *5,634* | *1,103* | *2* | *1,040* | *(169)* | *(50)* | *(118)* | *(414)* | - | *(384)* | *(235)* | *8,854* | *395* |
| 80 Households | 43,049 | *38,783* | *4,081* | 675 | *9* | *631* | (148) | *(68)* | *(81)* | (184) | - | *(183)* | (20) | *39,879* | *427* |
| 90 Debt securities | 8,818 | *8,778* | *1* | - | - | - | (2) | *(2)* | - | - | - | - | - | - | - |
| 100 Central banks | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 110 General governments | 4,968 | *4,967* | - | - | - | - | (1) | *(1)* | - | - | - | - | - | - | - |
| 120 Credit institutions | 3,763 | *3,762* | - | - | - | - | (1) | *(1)* | - | - | - | - | - | - | - |
| 130 Other financial corporations | 66 | *49* | *1* | - | - | - | - | - | - | - | - | - | - | - | - |
| 140 Non-financial corporations | 21 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 150 Off-balance-sheet exposures | 17,078 | *15,772* | *1,221* | 211 | *4* | *207* | 42 | *22* | *19* | 14 | - | *14* | | *122* | - |
| 160 Central banks | - | - | - | - | - | - | - | - | - | - | - | - | | - | - |
| 170 General governments | 131 | *131* | - | - | - | - | - | - | - | - | - | - | | - | - |
| 180 Credit institutions | 210 | *190* | - | - | - | - | - | - | - | - | - | - | | *122* | - |
| 190 Other financial corporations | 1,797 | *1,795* | *1* | - | - | - | 1 | - | - | - | - | - | | - | - |
| 200 Non-financial corporations | 10,054 | *8,812* | *1,178* | 170 | *4* | *166* | 36 | *18* | *18* | 13 | - | *13* | | - | - |
| 210 Households | 4,886 | *4,844* | *42* | 41 | - | *41* | 5 | *4* | *1* | 1 | - | *1* | | - | - |
| 220 Total | 136,378 | *122,016* | *13,892* | 2,851 | *23* | *2,716* | (471) | *(168)* | *(303)* | (882) | *(1)* | *(848)* | (623) | *51,029* | *992* |

As per Article 442 point (g), Table 3.9 below provides a breakdown of gross carrying amount by residual contractual maturities net of related accumulated impairment, provisions, accumulated change in fair value due to credit risk.

**Table 3.9 - EU CR1-A: Maturity of exposures**

| | a | b | c | d | e | f |
|---|---|---|---|---|---|---|
| | **Net exposure value** | | | | | |
| **Jun-23** | On demand | <=1 year | >1 year <= 5 years | >5 years | No stated maturity | **Total** |
| 1 Loans and advances | 2,219 | 14,255 | 32,352 | 35,045 | 131 | **84,002** |
| 2 Debt securities | - | 661 | 5,167 | 3,583 | -2 | **9,409** |
| **3 Total** | **2,219** | **14,916** | **37,519** | **38,628** | **129** | **93,411** |

| | a | b | c | d | e | f |
|---|---|---|---|---|---|---|
| | Net exposure value | | | | | |
| Dec-22 | On demand | <=1 year | >1 year <= 5 years | >5 years | No stated maturity | Total |
| 1 Loans and advances | 2,085 | 14,240 | 30,023 | 28,648 | 160 | 75,156 |
| 2 Debt securities | - | 2,502 | 5,308 | 1,006 | - | 8,816 |
| 3 Total | 2,085 | 16,742 | 35,331 | 29,654 | 160 | 83,972 |

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As per Article 442, point (f), Table 3.10 below presents movements of gross carrying amounts (including accrued interest) of non performing loans and advances during the period. The non-performing values in this template are in accordance with Article 178 default of an obligor.

**Table 3.10 - EU CR2: Changes in the stock of non-performing loans and advances**

| | | Jun-23 | Dec-22 |
|---|---|---|---|
| | | a | a |
| | | Gross carrying amount €m | Gross carrying amount €m |
| 10 | **Initial stock of non-performing loans and advances** | 2,640 | 4,317 |
| 20 | Inflows to non-performing portfolios | 1,126 | 1,329 |
| 30 | Outflows from non-performing portfolios | (809) | (3,006) |
| 40 | Outflows due to write-offs | (103) | (927) |
| 50 | Outflow due to other situations | (706) | (2,079) |
| 60 | **Final stock of non-performing loans and advances** | **2,956** | 2,640 |

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As per Article 442 point (c), Table 3.11 below presents the gross carrying amount (including accrued interest) of forborne exposures and the related accumulated impairment, provisions, accumulated change in fair value due to credit risk, and collateral and financial guarantees received, according to the scope of regulatory consolidation.

**Table 3.11 - EU CQ1 - Credit quality of forborne exposures**

| | | a | b | c | d | e | f | g | h |
|---|---|---|---|---|---|---|---|---|---|
| | | **Gross carrying amount/nominal amount of exposures with forbearance measures** | | | | **Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions** | | **Collateral received and financial guarantees received on forborne exposures** | |
| | | | **Non-performing forborne** | | | | | | |
| | | **Performing forborne** | | *Of which defaulted* | *Of which impaired* | **On performing forborne exposures** | **On non-performing forborne exposures** | | *Of which collateral and financial guarantees received on non-performing exposures with forbearance measures* |
| | **Jun-23** | **€m** | **€m** | **€m** | **€m** | **€m** | **€m** | **€m** | **€m** |
| 5 | **Cash balances at central banks and other demand deposits** | **-** | **-** | *-* | *-* | **-** | **-** | **-** | **-** |
| 10 | **Loans and advances** | **2,339** | **1,643** | *1,618* | *1,626* | **(67)** | **(488)** | **1,930** | **613** |
| 20 | Central banks | - | - | *-* | *-* | - | - | - | - |
| 30 | General governments | - | - | *-* | *-* | - | - | - | - |
| 40 | Credit institutions | - | - | *-* | *-* | - | - | - | - |
| 50 | Other financial corporations | 1 | 1 | *1* | *1* | - | (1) | - | - |
| 60 | Non-financial corporations | 2,109 | 1,365 | *1,358* | *1,351* | (62) | (420) | 1,513 | 415 |
| 70 | Households | 228 | 277 | *259* | *274* | (5) | (67) | 416 | 198 |
| 80 | **Debt Securities** | **-** | **-** | *-* | *-* | **-** | **-** | **-** | **-** |
| 90 | **Loan commitments given** | **282** | **154** | *154* | *154* | **4** | **6** | **-** | **-** |
| 100 | **Total** | **2,620** | **1,797** | *1,772* | *1,779* | **(71)** | **(494)** | **1,930** | **613** |

| | | a | b | c | d | e | f | g | h |
|---|---|---|---|---|---|---|---|---|---|
| | | Gross carrying amount/nominal amount of exposures with forbearance measures | | | | Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions | | Collateral received and financial guarantees received on forborne exposures | |
| | | | Non-performing forborne | | | | | | |
| | | Performing forborne | | *Of which defaulted* | *Of which impaired* | On performing forborne exposures | On non-performing forborne exposures | | *Of which collateral and financial guarantees received on non-performing exposures with forbearance measures* |
| | Dec-22 | €m | €m | €m | €m | €m | €m | €m | €m |
| 5 | Cash balances at central banks and other demand deposits | - | - | *-* | *-* | - | - | - | - |
| 10 | Loans and advances | 2,775 | 1,762 | *1,755* | *1,743* | (66) | (551) | 2,465 | 653 |
| 20 | Central banks | - | - | *-* | *-* | - | - | - | - |
| 30 | General governments | - | - | *-* | *-* | - | - | - | - |
| 40 | Credit institutions | - | - | *-* | *-* | - | - | - | - |
| 50 | Other financial corporations | 36 | - | *-* | *-* | (2) | - | 4 | - |
| 60 | Non-financial corporations | 2,450 | 1,545 | *1,537* | *1,529* | (59) | (493) | 2,050 | 513 |
| 70 | Households | 289 | 217 | *218* | *214* | (5) | (58) | 411 | 140 |
| 80 | Debt Securities | - | - | *-* | *-* | - | - | - | - |
| 90 | Loan commitments given | 358 | 147 | *147* | *147* | 5 | 6 | - | - |
| 100 | Total | 3,132 | 1,909 | *1,902* | *1,890* | (71) | (557) | 2,465 | 653 |

As per Article 442, points (c) and (e), Table 3.12 below presents gross carrying amount (includes accrued interest) of performing and non-performing exposures and the related accumulated impairment, provisions and accumulated change in fair value due to credit risk, according to the scope of regulatory consolidation.

**Table 3.12 - EU CQ4: Quality of non-performing exposures by geography**

| | | a | b[2] | c | d[2] | e | f | g |
|---|---|---|---|---|---|---|---|---|
| | | **Gross carrying/nominal amount** | | | | **Accumulated impairment** | **Provisions on off-balance-sheet commitments and financial guarantees given** | **Accumulated negative changes in fair value due to credit risk on non-performing exposures** |
| | | | **Of which non-performing** | | **Of which subject to impairment** | | | |
| | | | | Of which defaulted | | | | |
| | **Jun-23** | **€m** | **€m** | **€m** | **€m** | **€m** | **€m** | **€m** |
| 10 | **On-balance-sheet exposures Total** | **94,779** | | **2,845** | | **(1,367)** | | **-** |
| 20 | Ireland | 1 | | - | | - | | - |
| 30 | United Kingdom | 250 | | 20 | | (4) | | - |
| 70 | Other countries[1] | 94,527 | | 2,826 | | (1,363) | | - |
| 80 | **Off-balance-sheet exposures Total** | **18,285** | | **212** | | | **57** | |
| 90 | Ireland | 7 | | - | | | - | |
| 100 | United Kingdom | 6 | | - | | | - | |
| 140 | Other countries[1] | 18,272 | | 212 | | | 57 | |
| 150 | **Total** | **113,063** | | **3,058** | | **(1,367)** | **57** | **-** |

| | | a | b[2] | c | d[2] | e | f | g |
|---|---|---|---|---|---|---|---|---|
| | | Gross carrying/nominal amount | | | | Accumulated impairment | Provisions on off-balance-sheet commitments and financial guarantees | Accumulated negative changes in fair value due to credit risk on non-performing exposures |
| | | | Of which non-performing | | Of which subject to impairment | | | |
| | | | | Of which defaulted | | | | |
| | Dec-22 | €m | €m | €m | €m | €m | €m | €m |
| 10 | On-balance-sheet exposures Total | 85,269 | | 2,621 | | (1,298) | | - |
| 20 | Ireland | 45,151 | | 1,395 | | (723) | | - |
| 30 | United Kingdom | 27,511 | | 825 | | (365) | | - |
| 70 | Other countries[1] | 12,607 | | 401 | | (210) | | - |
| 80 | Off-balance-sheet exposures Total | 17,288 | | 207 | | | 55 | |
| 90 | Ireland | 12,096 | | 85 | | | 28 | |
| 100 | United Kingdom | 3,494 | | 93 | | | 17 | |
| 140 | Other countries[1] | 1,698 | | 29 | | | 10 | |
| 150 | Total | 102,557 | | 2,828 | | (1,298) | 55 | - |

1 The gross carrying / nominal amount of individual countries in Other countries are not material (individually less than 5% of total gross carrying / nominal amount). Exposures to supranational organisations are assigned to 'Other countries'.

2 In line with the requirements for large institutions with an NPL ratio (in accordance with Regulation (EU) 2021/637) lower than 5%, columns "Of which non-performing" and "of which subject to impairment" are not required to be disclosed.

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As per Article 442, points (c) and (e), Table 3.13 below presents gross carrying amount (including accrued interest) of loans and advances to non-financial corporations by industry and the related accumulated impairment and accumulated change in fair value due to credit risk, according to the scope of regulatory consolidation.

**Table 3.13 - EU CQ5: Credit quality of loans and advances to non-financial corporations by industry**

| | | a | b [1] | c | d [1] | e | f |
|---|---|---|---|---|---|---|---|
| | | Gross carrying amount | | | | Accumulated impairment | Accumulated negative changes in fair value due to credit risk on non-performing exposures |
| | | | Of which non-performing | | Of which loans and advances subject to impairment | | |
| | | | | Of which defaulted | | | |
| | **Jun-23** | **€m** | **€m** | **€m** | **€m** | **€m** | **€m** |
| 10 | Agriculture, forestry and fishing | 1,728 | | 100 | | (61) | - |
| 20 | Mining and quarrying | 107 | | 13 | | (2) | - |
| 30 | Manufacturing | 4,849 | | 339 | | (160) | - |
| 40 | Electricity, gas, steam and air conditioning supply | 513 | | 5 | | (6) | - |
| 50 | Water supply | 73 | | - | | (3) | - |
| 60 | Construction | 191 | | 37 | | (13) | - |
| 70 | Wholesale and retail trade | 2,343 | | 82 | | (58) | - |
| 80 | Transport and storage | 837 | | 104 | | (61) | - |
| 90 | Accommodation and food service activities | 1,608 | | 187 | | (63) | - |
| 100 | Information and communication | 349 | | - | | (2) | - |
| 110 | Financial and insurance activities | 28 | | - | | - | - |
| 120 | Real estate activities | 8,416 | | 482 | | (223) | - |
| 130 | Professional, scientific and technical activities | 777 | | 35 | | (36) | - |
| 140 | Administrative and support service activities | 3,226 | | 116 | | (93) | - |
| 150 | Public administration and defence, compulsory social security | 2 | | - | | - | - |
| 160 | Education | 446 | | 1 | | (7) | - |
| 170 | Human health services and social work activities | 1,521 | | 228 | | (62) | - |
| 180 | Arts, entertainment and recreation | 389 | | 40 | | (19) | - |
| 190 | Other services | 847 | | 59 | | (28) | - |
| 200 | **Total** | **28,249** | | **1,828** | | **(898)** | **-** |

| | | a | b [1] | c | d [1] | e | f |
|---|---|---|---|---|---|---|---|
| | | Gross carrying amount | | | | Accumulated impairment | Accumulated negative changes in fair value due to credit risk on non-performing exposures |
| | | | Of which non-performing | | Of which loans and advances subject to impairment | | |
| | | | | Of which defaulted | | | |
| | Dec-22 | €m | €m | €m | €m | €m | €m |
| 10 | Agriculture, forestry and fishing | 1,741 | | 99 | | (61) | - |
| 20 | Mining and quarrying | 120 | | 13 | | (3) | - |
| 30 | Manufacturing | 4,853 | | 322 | | (175) | - |
| 40 | Electricity, gas, steam and air conditioning supply | 469 | | 4 | | (4) | - |
| 50 | Water supply | 81 | | - | | (3) | - |
| 60 | Construction | 232 | | 76 | | (25) | - |
| 70 | Wholesale and retail trade | 2,199 | | 74 | | (60) | - |
| 80 | Transport and storage | 837 | | 108 | | (51) | - |
| 90 | Accommodation and food service activities | 1,652 | | 199 | | (79) | - |
| 100 | Information and communication | 376 | | 1 | | (6) | - |
| 110 | Financial and insurance activities | 39 | | - | | (3) | - |
| 120 | Real estate activities | 8,723 | | 485 | | (246) | - |
| 130 | Professional, scientific and technical activities | 831 | | 34 | | (30) | - |
| 140 | Administrative and support service activities | 3,160 | | 185 | | (98) | - |
| 150 | Public administration and defence, compulsory social security | - | | - | | - | - |
| 160 | Education | 471 | | 1 | | (5) | - |
| 170 | Human health services and social work activities | 1,572 | | 202 | | (62) | - |
| 180 | Arts, entertainment and recreation | 428 | | 46 | | (27) | - |
| 190 | Other services | 740 | | 103 | | (19) | - |
| 200 | **Total** | 28,524 | | 1,952 | | (957) | - |

1 In line with the requirements for large institutions with an NPL ratio (in accordance with Regulation (EU) 2021/637) lower than 5%, columns "Of which non-performing" and "of which subject to impairment" are not required to be disclosed.

As per Article 453 point (f), Table 3.14 below includes all collateral, financial guarantees and credit derivatives used as credit risk mitigants for all secured exposures, irrespective of whether the standardised approach or the IRB approach is used for RWEA calculation. Any secured exposures by collateral or financial guarantees (eligible or not eligible as CRM techniques under Part Three, Title II, Chapter 4 of the CRR) have been disclosed.

Secured exposures are limited to those exposures against which eligible collateral which meets CRR definitions is held and has been used in the calculation of the Group's capital requirements. Haircuts are applied consistent with CRR requirements.

This table is not reflective of the total volume of exposures against which collateral and guarantees are actually held across the Group, nor does it reflect the full range of credit risk mitigation taken. A significant portion of the exposures included in Table 3.14 (exposures unsecured carrying amount) benefit from security taken to mitigate credit risk, but this security is not eligible for use in the regulatory capital calculations. For example, exposures in the Group's leasing business are included as unsecured exposures in the table, although the underlying assets financed are held to mitigate credit risk in this business.

The table excludes exposures where the Group nets derivative mark-to-market positions with certain interbank counterparties against cash collateral placed and received with those counterparties under CSA agreements. For cash collateral held against derivative exposures refer to the counterparty credit risk section.

Debt securities are included in the relevant exposure classes in the table. Credit risk mitigation realised through the netting of on-balance sheet assets and liabilities is not reflected in the table. Certain customer loans and overdrafts are netted against deposits as permitted by the CRR subject to certain criteria including a legal right of offset. Effectiveness of netting techniques is achieved through the execution of industry standard legal agreements.

Collateral used to mitigate risk, both for mortgage and other lending is diversified. The main types of guarantors are corporates, individuals, financial institutions, sovereigns and MDBs. Their creditworthiness is assessed on a case- by-case basis.

The increase in carrying amount secured by collateral is primarily due to the acquisition of the KBCI residential mortgage portfolio.

**Table 3.14 - EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques**

| | | Unsecured carrying amount | Secured - carrying amount | | | |
|---|---|---|---|---|---|---|
| | | | | *of which: secured by collateral* | *of which: secured by financial guarantees* | |
| | | | | | | *of which: secured by credit derivatives* |
| | | a | b | c | d | e |
| | **Jun-23** | **€m** | **€m** | *€m* | *€m* | *€m* |
| 1 | Loans and advances | 54,865 | 60,511 | *59,400* | *1,111* | *581* |
| 2 | Debt securities | 9,409 | - | - | - | - |
| 3 | Total exposures | **64,274** | **60,511** | *59,400* | *1,111* | *581* |
| | *Of which;* | | | | | |
| 4 | *non-performing exposures* | 703 | 1,386 | *1,349* | *37* | - |
| EU-5 | *defaulted* | 592 | *1,386* | *1,349* | *37* | - |

| | | Unsecured carrying amount | Secured - carrying amount | | | |
|---|---|---|---|---|---|---|
| | | | | *of which: secured by collateral* | *of which: secured by financial guarantees* | |
| | | | | | | *of which: secured by credit derivatives* |
| | | a | b | c | d | e |
| | Dec-22 | €m | €m | *€m* | *€m* | *€m* |
| 1 | Loans and advances | 59,922 | 51,900 | *50,716* | *1,184* | *632* |
| 2 | Debt securities | 8,815 | - | - | - | - |
| 3 | Total exposures | 68,737 | 51,900 | *50,716* | *1,184* | *632* |
| | *Of which;* | | | | | |
| 4 | *non-performing exposures* | 780 | 992 | *958* | *34* | - |
| EU-5 | *defaulted* | 762 | *992* | *958* | *34* | - |

The Group determines exposure values for counterparty credit risk on derivatives primarily using the Standardised Approach (SA-CCR). The Original Exposure Method is used for derivatives transacted by entities in the newly acquired Davy Group. The Group determines exposure values for repurchase transactions using the Financial Collateral Comprehensive Method (FCCM) .

In determining the EAD for derivative credit exposure, the Group recognises the credit risk mitigating impact of cash collateral received under CSAs. EAD for particular netting sets is reduced by the amount of cash collateral held in accordance with the relevant specific regulatory rules. Separately, where the Group posts collateral under a CSA, the net negative mark-to-market on the related netting set is used to reduce the EAD on the collateral exposure, once again in accordance with the relevant specific regulatory rules.

In addition, a Credit Valuation Adjustment (CVA) is applied to the Group’s non- collateralised derivatives based primarily on the creditworthiness of the client and the fair value of the underlying transaction. The Group determines CVA under the Standardised method.

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As per Article 439, points (f), (g), (k) and (m), Table 4.1 below sets out the methods used to calculate CCR regulatory requirements excluding CCPs and the resultant RWEAs. Article 439(m) is an annual requirement on disclosure of the size of on and off balance sheet derivatives.

**Table 4.1 - EU CCR1 - Analysis of CCR exposure by approach**

| | | a | b | c | d | e | f | g | h |
|---|---|---|---|---|---|---|---|---|---|
| **Jun-23** | | **Replacement cost (RC) €m** | **Potential future exposure (PFE) €m** | **EEPE €m** | **Alpha used for computing regulatory exposure value** | **Exposure value pre-CRM €m** | **Exposure value post-CRM €m** | **Exposure value €m** | **RWEA** |
| EU1 | EU - Original Exposure Method (for derivatives) | 2 | 8 | | 1.4 | 14 | 14 | 14 | 14 |
| EU2 | EU - Simplified SA-CCR (for derivatives) | - | - | | 1.4 | - | - | - | - |
| 1 | SA-CCR (for derivatives) | 210 | 463 | | 1.4 | 2,010 | 938 | 938 | 515 |
| 2 | IMM (for derivatives and SFTs) | | | - | - | - | - | - | - |
| | of which: | | | | | | | | |
| 2a | *securities financing transactions netting sets* | | | - | | - | - | - | - |
| 2b | *derivatives and long settlement transactions netting sets* | | | - | | - | - | - | - |
| 2c | *from contractual cross-product netting sets* | | | - | | - | - | - | - |
| 3 | *Financial collateral simple method (for SFTs)* | | | | | - | - | - | - |
| 4 | Financial collateral comprehensive method (for SFTs) | | | | | 111 | 14 | 14 | 6 |
| 5 | VaR for SFTs | | | | | - | - | - | - |
| 6 | **Total** | | | | | **2,135** | **966** | **966** | **535** |

| | | a | b | c | d | e | f | g | h |
|---|---|---|---|---|---|---|---|---|---|
| Dec-22 | | Replacement cost (RC) €m | Potential future exposure (PFE) €m | EEPE €m | Alpha used for computing regulatory exposure value | Exposure value pre-CRM €m | Exposure value post-CRM €m | Exposure value €m | RWEA |
| EU1 | EU - Original Exposure Method (for derivatives) | 2 | 9 | | 1.4 | 16 | 16 | 16 | 16 |
| EU2 | EU - Simplified SA-CCR (for derivatives) | - | - | | 1.4 | - | - | - | - |
| 1 | SA-CCR (for derivatives) | 322 | 391 | | 1.4 | 1,845 | 1,000 | 1,000 | 561 |
| 2 | IMM (for derivatives and SFTs) | | | - | - | - | - | - | - |
| | of which: | | | | | | | | |
| 2a | *securities financing transactions netting sets* | | | - | | - | - | - | - |
| 2b | *derivatives and long settlement transactions netting sets* | | | - | | - | - | - | - |
| 2c | *from contractual cross-product netting sets* | | | - | | - | - | - | - |
| 3 | *Financial collateral simple method (for SFTs)* | | | | | - | - | - | - |
| 4 | Financial collateral comprehensive method (for SFTs) | | | | | - | - | - | - |
| 5 | VaR for SFTs | | | | | - | - | - | - |
| 6 | Total | | | | | 1,861 | 1,016 | 1,016 | 577 |

As per Article 439 point (l), which refers to point (e) of Article 444, Table 4.2 below presents a breakdown of CCR by exposure class and risk weight.

**Table 4.2 - EU CCR3 - Standardised approach – CCR exposures by regulatory exposure class and risk weights**

| | | a | b | c | d | e | f | g | h | i | j | k | l |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **Jun-23** | **Risk Weight** | | | | | | | | | | | |
| | **EAD (€m)** | **0%** | **2%** | **4%** | **10%** | **20%** | **50%** | **70%** | **75%** | **100%** | **150%** | **Others** | **Total** |
| 1 | Central governments or central banks | - | - | - | - | - | - | - | - | - | - | - | - |
| 2 | Regional governments or local authorities | - | - | - | - | - | - | - | - | - | - | - | - |
| 3 | Public sector entities | - | - | - | - | - | - | - | - | - | - | - | - |
| 4 | Multilateral development banks | - | - | - | - | - | - | - | - | - | - | - | - |
| 5 | International organisations | - | - | - | - | - | - | - | - | - | - | - | - |
| 6 | Institutions | - | - | - | - | - | - | - | - | - | - | - | - |
| 7 | Corporates | - | - | - | - | - | - | - | - | 93 | - | - | 93 |
| 8 | Retail | - | - | - | - | - | - | - | - | - | - | - | - |
| 9 | Institutions and corporates with a short-term credit assessment | - | - | - | - | - | - | - | - | - | - | - | - |
| 10 | Other items | - | - | - | - | - | - | - | - | - | - | - | - |
| 11 | **Total** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **93** | **-** | **-** | **93** |

| | | a | b | c | d | e | f | g | h | i | j | k | l |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Dec-22 | Risk Weight | | | | | | | | | | | |
| | EAD (€m) | 0% | 2% | 4% | 10% | 20% | 50% | 70% | 75% | 100% | 150% | Others | Total |
| 1 | Central governments or central banks | - | - | - | - | - | - | - | - | - | - | - | - |
| 2 | Regional governments or local authorities | - | - | - | - | - | - | - | - | - | - | - | - |
| 3 | Public sector entities | - | - | - | - | - | - | - | - | - | - | - | - |
| 4 | Multilateral development banks | - | - | - | - | - | - | - | - | - | - | - | - |
| 5 | International organisations | - | - | - | - | - | - | - | - | - | - | - | - |
| 6 | Institutions | - | - | - | - | - | - | - | - | - | - | - | - |
| 7 | Corporates | - | - | - | - | - | - | - | - | 92 | - | - | 92 |
| 8 | Retail | - | - | - | - | - | - | - | - | - | - | - | - |
| 9 | Institutions and corporates with a short-term credit assessment | - | - | - | - | - | - | - | - | - | - | - | - |
| 10 | Other items | - | - | - | - | - | - | - | - | - | - | - | - |
| 11 | Total | - | - | - | - | - | - | - | - | 92 | - | - | 92 |

As per Article 439 point (l), which refers to point (g) of Article 452, Table 4.3 below presents a detailed view of counterparty credit risk positions subject to the IRB approach by exposure class and PD scale. The Group have no Advanced IRB CCR exposures.

**Tale 4.3 - EU CCR4 - IRB approach - Credit risk exposures by exposure class and PD scale**

| | | a | b | c | d | e | f | g |
|---|---|---|---|---|---|---|---|---|
| | **Jun-23 PD Scale** | **Exposure Value €m** | **Exposure weighted average PD %** | **Number of obligors** | **Exposure weighted average LGD %** | **Exposure weighted average maturity (years)** | **RWEA €m** | **Density of risk weighted exposure amounts %** |
| | **Total FIRB** | | | | | | | |
| 1 | 0.00 to 0.15 | 541 | 0.05% | 64 | 45.00% | 2.5 | 147 | 27.26% |
| 2 | 0.15 to <0.25 | 54 | 0.16% | 34 | 45.00% | 2.5 | 27 | 49.83% |
| 3 | 0.25 to <0.50 | 100 | 0.35% | 34 | 45.00% | 2.5 | 77 | 76.82% |
| 4 | 0.50 to <0.75 | 48 | 0.60% | 44 | 45.00% | 2.5 | 41 | 86.33% |
| 5 | 0.75 to <2.50 | 86 | 1.57% | 73 | 45.00% | 2.5 | 98 | 113.61% |
| 6 | 2.50 to <10.00 | 39 | 2.87% | 43 | 45.00% | 2.5 | 63 | 162.81% |
| 7 | 10.00 to <100.00 | - | 10.27% | 11 | 45.00% | 2.5 | 1 | 205.68% |
| 8 | 100.00 (Default) | 5 | 100.00% | 9 | 45.00% | 2.5 | - | - |
| | **Total foundation IRB** | **873** | **0.96%** | **312** | **45.00%** | **2.5** | **454** | **52.01%** |
| | **Institutions** | | | | | | | |
| 1 | 0.00 to 0.15 | 483 | 0.05% | 36 | 45.00% | 2.5 | 130 | 26.84% |
| 2 | 0.15 to <0.25 | 8 | 0.13% | 2 | 45.00% | 2.5 | 5 | 49.36% |
| 3 | 0.25 to <0.50 | 10 | 0.36% | 2 | 45.00% | 2.5 | 5 | 52.63% |
| 4 | 0.50 to <0.75 | - | - | - | - | - | - | - |
| 5 | 0.75 to <2.50 | - | - | - | - | - | - | - |
| 6 | 2.50 to <10.00 | - | - | - | - | - | - | - |
| 7 | 10.00 to <100.00 | - | - | - | - | - | - | - |
| 8 | 100.00 (Default) | - | - | - | - | - | - | - |
| | **Total institutions** | **502** | **0.06%** | **40** | **45.00%** | **2.5** | **139** | **27.73%** |
| | **Corporates of which SME** | | | | | | | |
| 1 | 0.00 to 0.15 | - | 0.07% | 7 | 45.00% | 2.5 | - | 18.94% |
| 2 | 0.15 to <0.25 | 14 | 0.17% | 7 | 45.00% | 2.5 | 5 | 37.17% |
| 3 | 0.25 to <0.50 | 2 | 0.36% | 6 | 45.00% | 2.5 | 1 | 56.96% |
| 4 | 0.50 to <0.75 | 3 | 0.60% | 20 | 45.00% | 2.5 | 2 | 71.72% |
| 5 | 0.75 to <2.50 | 3 | 1.49% | 40 | 45.00% | 2.5 | 3 | 80.60% |
| 6 | 2.50 to <10.00 | 2 | 3.36% | 21 | 45.00% | 2.5 | 2 | 97.64% |
| 7 | 10.00 to <100.00 | - | 10.54% | 10 | 45.00% | 2.5 | - | 143.35% |
| 8 | 100.00 (Default) | - | 100.00% | 3 | 45.00% | 2.5 | - | - |
| | **Total Corporates of which SME** | **25** | **1.07%** | **114** | **45.00%** | **2.5** | **14** | **54.26%** |
| | **Corporates of which specialised lending** | | | | | | | |
| 1 | 0.00 to 0.15 | - | - | - | - | - | - | - |
| 2 | 0.15 to <0.25 | 1 | 0.17% | 1 | 45.00% | 2.5 | - | 42.55% |
| 3 | 0.25 to <0.50 | 5 | 0.35% | 2 | 45.00% | 2.5 | 3 | 62.29% |
| 4 | 0.50 to <0.75 | 32 | 0.60% | 9 | 45.00% | 2.5 | 25 | 79.98% |
| 5 | 0.75 to <2.50 | 71 | 1.59% | 13 | 45.00% | 2.5 | 81 | 113.58% |
| 6 | 2.50 to <10.00 | 5 | 3.14% | 3 | 45.00% | 2.5 | 7 | 137.39% |
| 7 | 10.00 to <100.00 | - | - | - | - | - | - | - |
| 8 | 100.00 (Default) | 4 | 100.00% | 1 | 45.00% | 2.5 | - | - |
| | **Total corporates of which specialised lending** | **118** | **4.32%** | **29** | **45.00%** | **2.5** | **117** | **99.15%** |
| | **Corporates of which other** | | | | | | | |
| 1 | 0.00 to 0.15 | 57 | 0.06% | 21 | 45.00% | 2.5 | 19 | 30.83% |
| 2 | 0.15 to <0.25 | 31 | 0.17% | 24 | 45.00% | 2.5 | 17 | 55.70% |
| 3 | 0.25 to <0.50 | 82 | 0.35% | 24 | 45.00% | 1.5 | 67 | 81.45% |
| 4 | 0.50 to <0.75 | 14 | 0.60% | 15 | 45.00% | 2.5 | 14 | 104.18% |
| 5 | 0.75 to <2.50 | 11 | 1.47% | 20 | 45.00% | 2.5 | 14 | 123.55% |
| 6 | 2.50 to <10.00 | 32 | 2.80% | 19 | 45.00% | 2.5 | 55 | 171.24% |
| 7 | 10.00 to <100.00 | - | 10.00% | 1 | 45.00% | 2.5 | - | 268.63% |
| 8 | 100.00 (Default) | 1 | 100.00% | 5 | 45.00% | 2.5 | - | - |
| | **Total corporates of which other** | **228** | **1.18%** | **129** | **45.00%** | **1.5** | **184** | **80.74%** |

| | a | b | c | d | e | f | g |
|---|---|---|---|---|---|---|---|
| Dec-22<br>PD Range | Exposure Value<br>€m | Exposure weighted average PD<br>% | Number of obligors | Exposure weighted average LGD<br>% | Exposure weighted average maturity (years) | RWEA<br>€m | Density of risk weighted exposure amounts<br>% |
| Total FIRB | | | | | | | |
| 1 0.00 to 0.15 | 537 | 0.05% | 66 | 45.00% | 2.5 | 140 | 26.11% |
| 2 0.15 to <0.25 | 24 | 0.16% | 26 | 45.00% | 2.5 | 11 | 47.67% |
| 3 0.25 to <0.50 | 168 | 0.30% | 42 | 45.00% | 2.5 | 121 | 72.46% |
| 4 0.50 to <0.75 | 68 | 0.60% | 33 | 45.00% | 2.5 | 62 | 91.44% |
| 5 0.75 to <2.50 | 92 | 1.58% | 78 | 45.00% | 2.5 | 104 | 113.14% |
| 6 2.50 to <10.00 | 24 | 3.63% | 39 | 45.00% | 2.5 | 36 | 147.86% |
| 7 10.00 to <100.00 | 3 | 10.07% | 11 | 45.00% | 2.5 | 6 | 214.82% |
| 8 100.00 (Default) | 7 | 100.00% | 8 | 45.00% | 2.5 | - | - |
| Total foundation IRB | 923 | 1.22% | 303 | 45.00% | 2.5 | 480 | 52.04% |
| Institutions | | | | | | | |
| 1 0.00 to 0.15 | 490 | 0.04% | 34 | 45.00% | 2.5 | 127 | 25.88% |
| 2 0.15 to <0.25 | 6 | 0.13% | 2 | 45.00% | 2.5 | 3 | 49.36% |
| 3 0.25 to <0.50 | 28 | 0.06% | 3 | 45.00% | 2.5 | 8 | 30.58% |
| 4 0.50 to <0.75 | - | - | - | - | - | - | - |
| 5 0.75 to <2.50 | - | - | - | - | - | - | - |
| 6 2.50 to <10.00 | - | - | - | - | - | - | - |
| 7 10.00 to <100.00 | - | - | - | - | - | - | - |
| 8 100.00 (Default) | - | - | - | - | - | - | - |
| Total institutions | 524 | 0.05% | 39 | 45.00% | 2.5 | 138 | 26.41% |
| Corporates<br>of which SME | | | | | | | |
| 1 0.00 to 0.15 | 1 | 0.07% | 8 | 45.00% | 2.5 | - | 19.51% |
| 2 0.15 to <0.25 | 8 | 0.17% | 7 | 45.00% | 2.5 | 3 | 36.55% |
| 3 0.25 to <0.50 | - | 0.35% | 11 | 45.00% | 2.5 | - | 46.73% |
| 4 0.50 to <0.75 | - | 0.60% | 12 | 45.00% | 2.5 | - | 58.56% |
| 5 0.75 to <2.50 | 4 | 1.25% | 46 | 45.00% | 2.5 | 3 | 77.71% |
| 6 2.50 to <10.00 | 5 | 3.51% | 20 | 45.00% | 2.5 | 5 | 94.00% |
| 7 10.00 to <100.00 | - | 10.34% | 8 | 45.00% | 2.5 | 1 | 142.75% |
| 8 100.00 (Default) | - | 100.00% | 3 | 45.00% | 2.5 | - | - |
| Total Corporates of which SME | 18 | 1.99% | 115 | 45.00% | 2.5 | 12 | 63.12% |
| Corporates<br>of which specialised lending | | | | | | | |
| 1 0.00 to 0.15 | - | - | - | - | - | - | - |
| 2 0.15 to <0.25 | 1 | 0.17% | 2 | 45.00% | 2.5 | - | 42.55% |
| 3 0.25 to <0.50 | 6 | 0.35% | 2 | 45.00% | 2.5 | 4 | 62.29% |
| 4 0.50 to <0.75 | 37 | 0.60% | 8 | 45.00% | 2.5 | 29 | 79.98% |
| 5 0.75 to <2.50 | 77 | 1.57% | 14 | 45.00% | 2.5 | 87 | 113.04% |
| 6 2.50 to <10.00 | 7 | 2.70% | 2 | 45.00% | 2.5 | 9 | 132.24% |
| 7 10.00 to <100.00 | 1 | 10.00% | 1 | 45.00% | 2.5 | 3 | 204.67% |
| 8 100.00 (Default) | 5 | 100.00% | 2 | 45.00% | 2.5 | - | - |
| Total corporates of which specialised lending | 134 | 5.21% | 31 | 45.00% | 2.5 | 132 | 98.80% |
| Corporates<br>of which other | | | | | | | |
| 1 0.00 to 0.15 | 46 | 0.06% | 24 | 45.00% | 2.5 | 13 | 28.70% |
| 2 0.15 to <0.25 | 9 | 0.17% | 15 | 45.00% | 2.5 | 5 | 56.17% |
| 3 0.25 to <0.50 | 134 | 0.35% | 26 | 45.00% | 2.5 | 109 | 81.73% |
| 4 0.50 to <0.75 | 31 | 0.60% | 13 | 45.00% | 2.5 | 33 | 104.94% |
| 5 0.75 to <2.50 | 11 | 1.76% | 18 | 45.00% | 2.5 | 14 | 127.66% |
| 6 2.50 to <10.00 | 12 | 4.22% | 17 | 45.00% | 2.5 | 22 | 179.23% |
| 7 10.00 to <100.00 | 2 | 10.05% | 2 | 45.00% | 2.5 | 2 | 268.40% |
| 8 100.00 (Default) | 2 | 100.00% | 3 | 45.00% | 2.5 | - | - |
| Total corporates of which other | 247 | 1.51% | 118 | 45.00% | 2.5 | 198 | 80.24% |

As per Article 439 point (h), Table 4.4 below presents the CVA charge broken down by approach.

**Table 4.4 - EU CCR2 - Transactions subject to own funds requirements for CVA risk**

| | | a | b |
|---|---|---|---|
| | **Jun-23** | **Exposure value €m** | **RWEA €m** |
| 1 | Total portfolios subject to the advanced method | - | - |
| 2 | (i) VaR component (including the 3x multiplier) | | - |
| 3 | (ii) SVaR component (including the 3x multiplier) | | - |
| 4 | All portfolios subject to the standardised method | 551 | 158 |
| EU4 | Based on the original exposure method | - | - |
| **5** | **Total subject to the CVA capital charge** | **551** | **158** |

| | Dec-22 | Exposure value €m | RWEA €m |
|---|---|---|---|
| 1 | Total portfolios subject to the advanced method | - | - |
| 2 | (i) VaR component (including the 3x multiplier) | | - |
| 3 | (ii) SVaR component (including the 3x multiplier) | | - |
| 4 | All portfolios subject to the standardised method | 567 | 164 |
| EU4 | Based on the original exposure method | - | - |
| 5 | Total subject to the CVA capital charge | 567 | 164 |

As per Article 439 point (e), Table 4.5 below provides a breakdown of all types of collateral posted or received to support or reduce CCR exposures related to derivative transactions and to SFTs, including transactions cleared through CCP.

**Table 4.5 - EU CCR5 - Composition of collateral for CCR exposures**

| | a | b | c | d | e | f | g | h |
|---|---|---|---|---|---|---|---|---|
| | **Collateral used in derivative transactions** | | | | **Collateral used in SFTS** | | | |
| | **Fair value of collateral received** | | **Fair value of posted collateral** | | **Fair value of collateral received** | | **Fair value of posted collateral** | |
| **Jun-23** | **Segregated €m** | **Unsegregated €m** | **Segregated €m** | **Unsegregated €m** | **Segregated €m** | **Unsegregated €m** | **Segregated €m** | **Unsegregated €m** |
| 1 Cash – domestic currency | - | 321 | - | 1,282 | - | - | - | - |
| 2 Cash – other currencies | - | 352 | - | 240 | - | - | - | - |
| 3 Domestic sovereign debt | - | - | - | - | - | - | - | - |
| 4 Other sovereign debt | - | - | - | 878 | - | - | - | - |
| 5 Government agency debt | - | - | - | - | - | - | - | - |
| 6 Corporate bonds | - | - | - | - | - | 39 | - | 44 |
| 7 Equity securities | - | - | - | - | - | - | - | - |
| 8 Other collateral | - | - | - | - | - | - | - | - |
| 9 **Total** | - | 672 | - | 2,399 | - | 39 | - | 44 |

| | a | b | c | d | e | f | g | h |
|---|---|---|---|---|---|---|---|---|
| | Collateral used in derivative transactions | | | | Collateral used in SFTS | | | |
| | Fair value of collateral received | | Fair value of posted collateral | | Fair value of collateral received | | Fair value of posted collateral | |
| Dec-22 | Segregated €m | Unsegregated €m | Segregated €m | Unsegregated €m | Segregated €m | Unsegregated €m | Segregated €m | Unsegregated €m |
| 1 Cash – domestic currency | - | 308 | - | 1,219 | - | - | - | - |
| 2 Cash – other currencies | - | 346 | - | 221 | - | - | - | - |
| 3 Domestic sovereign debt | - | - | - | - | - | - | - | - |
| 4 Other sovereign debt | - | - | - | 759 | - | - | - | - |
| 5 Government agency debt | - | - | - | - | - | - | - | - |
| 6 Corporate bonds | - | - | - | - | - | - | - | - |
| 7 Equity securities | - | - | - | - | - | - | - | - |
| 8 Other collateral | - | - | - | - | - | - | - | - |
| 9 Total | - | 654 | - | 2,199 | - | - | - | - |

As per Article 439 point (j), Table 4.6 below sets out the BOIG's exposure to credit derivative transactions analysed between derivatives bought or sold.

**Table 4.6 - EU CCR6 - Credit derivative exposures**

| | | **Jun-23** | | Dec-22 | |
|---|---|---|---|---|---|
| | | a | b | a | b |
| | | **Protection bought €m** | **Protection sold €m** | Protection bought €m | Protection sold €m |
| | **Notionals** | | | | |
| 1 | Single-name credit default swaps | - | - | | |
| 2 | Index credit default swaps | - | - | - | - |
| 3 | Total return swaps | - | - | - | - |
| 4 | Credit options | - | - | - | - |
| 5 | Other credit derivatives | - | - | - | - |
| 6 | **Total notionals** | **-** | **-** | **-** | **-** |
| | **Fair values** | | | | |
| 7 | *Positive fair value (asset)* | - | - | - | - |
| 8 | *Negative fair value (liability)* | - | - | - | - |

As per Article 439 point (i), Table 4.7 below sets out the Group's exposure to Qualifying Central Counterparty (QCCP).

**Table 4.7 - EU CCR8 - Exposures to CCPs**

| | | Jun-23 | | Dec-23 | |
|---|---|---|---|---|---|
| | | a | b | a | b |
| | | Exposure Value | RWEA | Exposure Value | RWEA |
| | | €m | €m | €m | €m |
| 1 | **Exposure to QCCPs (total)** | | **31** | | 27 |
| 2 | Exposures for trades at QCCPs (excluding initial margin and default fund contributions) of which; | 598 | 12 | 519 | 10 |
| 3 | *(i) OTC derivatives* | *598* | *12* | *519* | *10* |
| 4 | *(ii) Exchange-traded derivatives* | - | - | - | - |
| 5 | *(iii) SFTs* | - | - | - | - |
| 6 | *(iv) Netting sets where cross-product netting has been approved* | - | - | - | - |
| 7 | Segregated initial margin | - | | - | |
| 8 | Non-segregated initial margin | 878 | 18 | 760 | 15 |
| 9 | Prefunded default fund contributions | 5 | 1 | 4 | 1 |
| 10 | Unfunded default fund contributions | - | - | - | - |
| 11 | **Exposure to non-QCCPs (total)** | - | - | - | - |
| 12 | Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which; | - | - | - | - |
| 13 | *(i) OTC derivatives* | - | - | - | - |
| 14 | *(ii) Exchange-traded derivatives* | - | - | - | - |
| 15 | *(iii) SFTs* | - | - | - | - |
| 16 | *(iv) Netting sets where cross-product netting has been approved* | - | - | - | - |
| 17 | Segregated initial margin | - | - | - | - |
| 18 | Non-segregated initial margin | - | - | - | - |
| 19 | Prefunded default fund contributions | - | - | - | - |
| 20 | Unfunded default fund contributions | - | - | - | - |

Securitisation roles and strategy

The Group has acted as originator under a number of securitisation structures, both traditional and synthetic. The purpose of these securitisations is typically to diversify the sources of funding for the Group or to transfer credit risk. Information on the exposures securitised under these transactions, and which qualify for Pillar 1 derecognition, are provided in the tables in this section.

The Group has also purchased positions in securitisation transactions. These positions have been purchased in transactions where the individual notes were originally highly rated and benefited from strong credit enhancement provided by lower ranking notes. The purchased positions cover a broad range of asset classes including Commercial Mortgage-Backed Securities (CMBS), Residential Mortgage-Backed Securities (RMBS), consumer loans and loans to Corporates/ SMEs.

In addition, the Group has transacted a number of internal securitisations for funding purposes. These do not qualify for derecognition under Pillar 1 and the exposures securitised under them are included in the credit risk tables in this document. These securitisations are outside the scope of this section.

The Group has not acted as a sponsor in any securitisation transactions.

**Calculation of risk weighted exposure amounts**

At 30 June 2023 the Group's securitisation positions were risk weighted in accordance with the hierarchy of approaches set out in Article 254 of Regulation (EU) No 2017/ 2401. For the Group's synthetic securitisations, the SEC-IRBA method was used to risk weight the securitisation positions with the retained junior positions deducted fully from CET1. The Group has recognised significant credit risk transfer for these transactions pursuant Article 245 (2) of Regulation (EU) No 2017/ 2401.

The risk weighted exposure amounts for the Group's purchased positions are calculated using the SEC-ERBA approach. The Group's purchased positions are all held in the Banking Book. A supervisory deduction is taken from CET1 for purchased positions which otherwise would have attracted a 1250% risk weight under this approach.

As per Article 449 point (j), Table 5.1 below shows BOIG as an originator and investor, non-trading book carrying amount of securitisation exposures broken down by type as at 30 June 2023.

**Table 5.1 - EU-SEC1 - Securitisation exposures in the non-trading book**

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | **Institution acts as originator** | | | | | | | **Institution acts as sponsor** | | | | **Institution acts as investor** | | | |
| | | **Traditional** | | | | **Synthetic** | | | **Traditional** | | **Synthetic** | | **Traditional** | | **Synthetic** | |
| | | **STS** | | **Non-STS** | | | | | **STS** | **Non-STS** | | | **STS** | **Non-STS** | | |
| | **Jun-23** | | *of which SRT* | | *of which SRT* | | *of which SRT* | **Sub-total** | | | | **Sub-total** | | | | **Sub-total** |
| 1 | **Total exposures** | **-** | **-** | **38** | **38** | **3,762** | **3,762** | **3,800** | **-** | **-** | **-** | **-** | **900** | **147** | **-** | **1,047** |
| 2 | Retail (total) | - | - | 38 | 38 | 856 | 856 | 894 | - | - | - | - | 900 | 125 | - | 1,025 |
| | of which: | | | | | | | | | | | | | | | |
| 3 | residential mortgage | - | - | 38 | 38 | 856 | 856 | 894 | - | - | - | - | 900 | 117 | - | 1,017 |
| 4 | credit card | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5 | other retail exposures | - | - | - | - | - | - | - | - | - | - | - | - | 8 | - | 8 |
| 6 | re-securitisation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7 | Wholesale (total) | - | - | - | - | 2,906 | 2,906 | 2,906 | - | - | - | - | - | 22 | - | 22 |
| | of which: | | | | | | | | | | | | | | | |
| 8 | loans to corporates | - | - | - | - | 2,906 | 2,906 | 2,906 | - | - | - | - | - | - | - | - |
| 9 | commercial mortgage | - | - | - | - | - | - | - | - | - | - | - | - | 22 | - | 22 |
| 10 | lease and receivables | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 11 | other wholesale | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 12 | re-securitisation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Institution acts as originator | | | | | | | Institution acts as sponsor | | | | Institution acts as investor | | | |
| | | Traditional | | | | Synthetic | | | Traditional | | Synthetic | | Traditional | | Synthetic | |
| | | STS | | Non-STS | | | | | STS | Non-STS | | | STS | Non-STS | | |
| | Dec-22 | | *of which SRT* | | *of which SRT* | | *of which SRT* | Sub-total | | | | Sub-total | | | | Sub-total |
| 1 | Total exposures | - | - | 40 | 40 | 4,219 | 4,219 | 4,259 | - | - | - | - | 900 | 146 | - | 1,046 |
| 2 | Retail (total) | - | - | 40 | 40 | 919 | 919 | 959 | - | - | - | - | 900 | 125 | - | 1,025 |
| | of which: | | | | | | | | | | | | | | | |
| 3 | residential mortgage | - | - | 40 | 40 | 919 | 919 | 959 | - | - | - | - | 900 | 117 | - | 1,017 |
| 4 | credit card | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5 | other retail exposures | - | - | - | - | - | - | - | - | - | - | - | - | 8 | - | 8 |
| 6 | re-securitisation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7 | Wholesale (total) | - | - | - | - | 3,300 | 3,300 | 3,300 | - | - | - | - | - | 21 | - | 21 |
| | of which: | | | | | | | | | | | | | | | |
| 8 | loans to corporates | - | - | - | - | 3,300 | 3,300 | 3,300 | - | - | - | - | - | - | - | - |
| 9 | commercial mortgage | - | - | - | - | - | - | - | - | - | - | - | - | 21 | - | 21 |
| 10 | lease and receivables | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 11 | other wholesale | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 12 | re-securitisation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

As per Article 449 point (k)(i) Table 5.2 below shows the aggregate amount of securitisation positions where institutions act as originator or sponsor and the associated risk-weighted assets and capital requirements by regulatory approaches, including exposures deducted from own funds or risk weighted at 1250 %, broken down between traditional and synthetic securitisations and between securitisation and re securitisation exposures, separately for STS and non-STS positions, and further broken down into a meaningful number of risk-weight or capital requirement bands and by approach used to calculate the capital requirements.

**Table 5.2 - EU-SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor**

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | EU-p | EU-q |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | **Exposure values (by RW bands/deductions)** | | | | | **Exposure values (by regulatory approach)** | | | | **RWEA (by regulatory approach)** | | | | **Capital charge after cap** | | | |
| **Jun-23** | | **≤20% RW** | **>20% to 50% RW** | **>50% to 100% RW** | **>100% to <1250% RW** | **1250% RW/ deductions** | **SEC-IRBA** | **SEC-ERBA (including IAA)** | **SEC-SA** | **1250% RW/ deductions** | **SEC-IRBA** | **SEC-ERBA (including IAA)** | **SEC-SA** | **1250% RW** | **SEC-IRBA** | **SEC-ERBA (including IAA)** | **SEC-SA** | **1250% RW** |
| 1 | **Total exposures** | **856** | **2,906** | **-** | **-** | **38** | **3,762** | **-** | **-** | **38** | **1,168** | **-** | **-** | **-** | **93** | **-** | **-** | **-** |
| 2 | Traditional securitisation | - | - | - | - | 38 | - | - | - | 38 | - | - | - | - | - | - | - | - |
| 3 | Securitisation | - | - | - | - | 38 | - | - | - | 38 | - | - | - | - | - | - | - | - |
| 4 | Retail underlying | - | - | - | - | 38 | - | - | - | 38 | - | - | - | - | - | - | - | - |
| 5 | of which STS | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 6 | Wholesale | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7 | of which STS | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 8 | Re-securitisation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 9 | Synthetic securitisation | 856 | 2,906 | - | - | - | 3,762 | - | - | - | 1,168 | - | - | - | 93 | - | - | - |
| 10 | Securitisation | 856 | 2,906 | - | - | - | 3,762 | - | - | - | 1,168 | - | - | - | 93 | - | - | - |
| 11 | Retail underlying | 856 | 2,906 | - | - | - | 3,762 | - | - | - | 1,168 | - | - | - | 93 | - | - | - |
| 12 | Wholesale | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 13 | Re-securitisation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | EU-p | EU-q |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Exposure values (by RW bands/deductions) | | | | | Exposure values (by regulatory approach) | | | | RWEA (by regulatory approach) | | | | Capital charge after cap | | | |
| Dec-22 | | ≤20% RW | >20% to 50% RW | >50% to 100% RW | >100% to <1250% RW | 1250% RW/ deductions | SEC-IRBA | SEC-ERBA (including IAA) | SEC-SA | 1250% RW/ deductions | SEC-IRBA | SEC-ERBA (including IAA) | SEC-SA | 1250% RW | SEC-IRBA | SEC-ERBA (including IAA) | SEC-SA | 1250% RW |
| 1 | Total exposures | 919 | 3,300 | - | - | 40 | 4,219 | - | - | 40 | 1,242 | - | - | - | 99 | - | - | - |
| 2 | Traditional securitisation | - | - | - | - | 40 | - | - | - | 40 | - | - | - | - | - | - | - | - |
| 3 | Securitisation | - | - | - | - | 40 | - | - | - | 40 | - | - | - | - | - | - | - | - |
| 4 | Retail underlying | - | - | - | - | 40 | - | - | - | 40 | - | - | - | - | - | - | - | - |
| 5 | of which STS | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 6 | Wholesale | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7 | of which STS | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 8 | Re-securitisation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 9 | Synthetic securitisation | 919 | 3,300 | - | - | - | 4,219 | - | - | - | 1,242 | - | - | - | 99 | - | - | - |
| 10 | Securitisation | 919 | 3,300 | - | - | - | 4,219 | - | - | - | 1,242 | - | - | - | 99 | - | - | - |
| 11 | Retail underlying | 919 | 3,300 | - | - | - | 4,219 | - | - | - | 1,242 | - | - | - | 99 | - | - | - |
| 12 | Wholesale | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 13 | Re-securitisation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

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As per Article 449 point (k)(ii) Table 5.3 below shows BOIG non-trading book aggregate amount of securitisation positions, where the Group act as investor and the associated risk weighted assets and capital requirements by regulatory approaches as at 30 June 2023.

**Table 5.3 - EU-SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor**

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | EU-p | EU-q |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | **Exposure values (by RW bands/deductions)** | | | | | **Exposure values (by regulatory approach)** | | | | **RWEA (by regulatory approach)** | | | | **Capital charge after cap** | | | |
| **Jun-23** | | **≤20% RW** | **>20% to 50% RW** | **>50% to 100% RW** | **>100% to <1250% RW** | **1250% RW/ deductions** | **SEC-IRBA** | **SEC-ERBA (including IAA)** | **SEC-SA** | **1250% RW/ deductions** | **SEC-IRBA** | **SEC-ERBA (including IAA)** | **SEC-SA** | **1250% RW** | **SEC-IRBA** | **SEC-ERBA (including IAA)** | **SEC-SA** | **1250% RW** |
| 1 | **Total exposures** | **1,000** | **1** | **16** | **30** | **-** | **-** | **1,047** | **-** | **-** | **-** | **190** | **-** | **-** | **-** | **15** | **-** | **-** |
| 2 | Traditional securitisation | 1,000 | 1 | 16 | 30 | - | - | 1,047 | - | - | - | 190 | - | - | - | 15 | - | - |
| 3 | Securitisation | 1,000 | 1 | 16 | 30 | - | - | 1,047 | - | - | - | 190 | - | - | - | 15 | - | - |
| 4 | Retail underlying | 1,000 | 1 | 16 | 8 | - | - | 1,025 | - | - | - | 138 | - | - | - | 11 | - | - |
| 5 | of which STS | 900 | - | - | - | - | - | 900 | - | - | - | 90 | - | - | - | 7 | - | - |
| 6 | Wholesale | - | - | - | 22 | - | - | 22 | - | - | - | 52 | - | - | - | 4 | - | - |
| 7 | of which STS | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 8 | Re-securitisation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 9 | Synthetic securitisation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10 | Securitisation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 11 | Retail underlying | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 12 | Wholesale | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 13 | Re-securitisation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | EU-p | EU-q |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Exposure values (by RW bands/deductions) | | | | | Exposure values (by regulatory approach) | | | | RWEA (by regulatory approach) | | | | Capital charge after cap | | | |
| Dec-22 | | ≤20% RW | >20% to 50% RW | >50% to 100% RW | >100% to <1250% RW | 1250% RW/ deductions | SEC-IRBA | SEC-ERBA (including IAA) | SEC-SA | 1250% RW/ deductions | SEC-IRBA | SEC-ERBA (including IAA) | SEC-SA | 1250% RW | SEC-IRBA | SEC-ERBA (including IAA) | SEC-SA | 1250% RW |
| 1 | Total exposures | 1,000 | 1 | 16 | 29 | - | - | 1,046 | - | - | - | 179 | - | - | - | 14 | - | - |
| 2 | Traditional securitisation | 1,000 | 1 | 16 | 29 | - | - | 1,046 | - | - | - | 179 | - | - | - | 14 | - | - |
| 3 | Securitisation | 1,000 | 1 | 16 | 29 | - | - | 1,046 | - | - | - | 179 | - | - | - | 14 | - | - |
| 4 | Retail underlying | 1,000 | 1 | 16 | 8 | - | - | 1,025 | - | - | - | 138 | - | - | - | 11 | - | - |
| 5 | of which STS | 900 | - | - | - | - | - | 900 | - | - | - | 90 | - | - | - | 7 | - | - |
| 6 | Wholesale | - | - | - | 21 | - | - | 21 | - | - | - | 41 | - | - | - | 3 | - | - |
| 7 | of which STS | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 8 | Re-securitisation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 9 | Synthetic securitisation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10 | Securitisation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 11 | Retail underlying | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 12 | Wholesale | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 13 | Re-securitisation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

As per Article 449 point (l), Table 5.4 below shows for exposures securitised by the Group, the amount of exposures in default and the amount of the specific credit risk adjustments made by the Group during the current period, both broken down by exposure type.

**Table 5.4 – EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments**

| | | a | b | c |
|---|---|---|---|---|
| | | Exposures securitised by the institution - Institution acts as originator or as sponsor | | |
| | | Total outstanding nominal amount | | Total amount of specific credit risk adjustments made during the period |
| | | | *of which: exposures in default* | |
| **Jun-23** | | **€m** | **€m** | **€m** |
| **1** | **Total exposures** | **5,789** | **830** | **10** |
| **2** | Retail (total) | 2,355 | 722 | 3 |
| **3** | residential mortgages | 2,355 | 722 | 3 |
| **4** | credit card | - | - | - |
| **5** | other retail exposures | - | - | - |
| **6** | re-securitisation | - | - | - |
| **7** | Wholesale (total) | 3,434 | 108 | 6 |
| **8** | loans to corporates | 3,434 | 108 | 6 |
| **9** | commercial mortgages | - | - | - |
| **10** | lease and receivables | - | - | - |
| **11** | other wholesale | - | - | - |
| **12** | re-securitisation | - | - | - |

| | | a | b | c |
|---|---|---|---|---|
| | | Exposures securitised by the institution - Institution acts as originator or as sponsor | | |
| | | Total outstanding nominal amount | | Total amount of specific credit risk adjustments made during the period |
| | | | *of which: exposures in default* | |
| Dec-22 | | €m | €m | €m |
| 1 | Total exposures | 6,489 | 861 | 15 |
| 2 | Retail (total) | 2,591 | 758 | (3) |
| 3 | residential mortgages | 2,591 | 758 | (3) |
| 4 | credit card | - | - | - |
| 5 | other retail exposures | - | - | - |
| 6 | re-securitisation | - | - | - |
| 7 | Wholesale (total) | 3,898 | 103 | 18 |
| 8 | loans to corporates | 3,898 | 103 | 18 |
| 9 | commercial mortgages | - | - | - |
| 10 | lease and receivables | - | - | - |
| 11 | other wholesale | - | - | - |
| 12 | re-securitisation | - | - | - |

As per Article 445 Disclosure of exposure to market risk, Table 7.1 shows the RWEAs market risk split between outright products, options and securitisation. The Group use approach for its assessment of Pillar 1 capital requirements for trading book market ri prescribed regulatory calculation method. Risk weighted assets for market risk arise p interest rate risk on the trading book and foreign exchange risk.

**Table 6.1 - EU MR1 - Market risk under the standardised approach**

| | | Jun-23 |
|---|---|---|
| | | a |
| | | **RWEAs** |
| | | **€m** |
| | **Outright products** | |
| 1 | Interest rate risk (general and specific) | 139 |
| 2 | Equity risk (general and specific) | 8 |
| 3 | Foreign exchange risk | 183 |
| 4 | Commodity risk | - |
| | **Options** | - |
| 5 | Simplified approach | - |
| 6 | Delta-plus method | - |
| 7 | Scenario approach | - |
| 8 | Securitisation (specific risk) | - |
| **9** | **Total** | **330** |

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The Economic Value of Equity (EVE) measures the changes in the net present value of interest rate sensitive instruments over their remaining life.

In the EVE metrics the equity is excluded from the cash flows as it is treated as an overnight maturing item. EVE is calculated under the regulatory EBA prescribed scenarios and uses standard key modelling and parametric assumptions set by regulatory guidelines. Table 7.1 below outlines the changes in the economic value of equity in the period.

**Table 7.1 - EU IRRBB1 - Interest rate risks of non-trading book activities**

| | | Jun-23 | | Dec-22 | |
|---|---|---|---|---|---|
| | **Supervisory shock scenarios** | **Changes of the Economic Value of Equity** | **Changes of the Net Interest Income** | Changes of the Economic Value of Equity | Changes of the Net Interest Income |
| | | **€m** | **€m** | €m | €m |
| 1 | Parallel up | (512) | 410 | (465) | |
| 2 | Parallel down | 282 | (700) | 260 | |
| 3 | Steepener [1] | 7 | | 5 | |
| 4 | Flattener | (107) | | (96) | |
| 5 | Short rates up | (260) | | (238) | |
| 6 | Short rates down | 132 | | 124 | |

**Changes of the Net Interest Income analysis**

The following table shows the estimated sensitivity of the Group's net interest income (before tax) to an instantaneous and sustained 1% parallel movement in interest rates. The sensitivity assumes (i) an instantaneous and parallel movement in all interest rates, with a starting point of an ECB deposit rate of 3.5%; (ii) a static balance sheet; (iii) assets and liabilities whose pricing is mechanically linked to market or central bank policy rates reprice immediately; (iv) certain other assumptions including pass throughs to assets and liabilities. The sensitivities should not be considered a forecast of future performance in rate scenarios as they do not capture potential management action in response to unexpected changes in the interest rate environment. Net interest income sensitivities will change depending on interest rate starting point.

| **Estimated Sensitivity of Group income (1 year horizon)** | **Jun-23** | **Dec-22** |
|---|---|---|
| | **€m** | **€m** |
| 100bps higher | 180 | 270 |
| 100bps lower | (320) | (380) |

1 Amount restated for December 2022 as previously published in error.

As per Article 451a(2),Table 8.1 below provides qualitative information on the LCR ratio.

**Table 8.1 - EU LIQB - qualitative information on LCR disclosures.**

The Group is principally funded via granular retail originated deposits which are the primary driver of movements in the LCR over the period. Customer Deposits are originated in the Group's core franchises in ROI and UK with the top 20 deposits representing less than 3% of the Group's deposit base.

The Group expects to remain a substantially deposit funded institution with loan portfolios principally funded by granular retail customer deposits and modest term wholesale funding issuance primarily to meet the Group's MREL requirements.

The Group's strong LCR derives from increased deposit funding over the reference period, partially offset by the KBC Ireland acquisition in Q1 2023.

The Group's liquidity buffer is comprised primarily of unencumbered High Quality Level 1 Liquid Assets.

The Group has modest net derivative exposures which primarily relate to the hedging of its own interest rate and currency risk. The outflows related to derivative and other collateral requirements are primary potential outflows under the adverse market scenario included in LCR per Article 423(3) of Regulation (EU) No 575/2013.

The Group manages its liquidity by jurisdiction with separate liquidity centres for each:

• GovCo is the Group's principal operating entity and one of the Group's two liquidity centres incorporating BOIMB and all subsidiaries except BOI UK.

• BOI UK is the Group's UK regulated subsidiary and the second liquidity centre. As such, it is separately managed from a liquidity perspective though there are intragroup flows between the two entities with GovCo providing unsecured wholesale funding to BOI UK.

From an LCR perspective, the Group holds GBP denominated liquid assets to meet GBP denominated outflows.

As per Article 451a(2), Table 8.2 below sets out the liquidity coverage ratio detail of BOIG. The table represents the 12 month average breakdown of the Group's high quality liquid assets, cash outflows and cash inflows on both an unweighted and weighted basis that are used to derive the liquidity coverage ratio.

**Table 8.2 - EU LIQ1 - LCR disclosures**

| | | a | b | c | d | e | f | g | h |
|---|---|---|---|---|---|---|---|---|---|
| | | Total unweighted value (average) | | | | Total weighted value (average) | | | |
| **EU 1a** | **Quarter ending 2023** | **Jun-23 €m** | **Mar-23 €m** | **Dec-22 €m** | **Sep-22 €m** | **Jun-23 €m** | **Mar-23 €m** | **Dec-22 €m** | **Sep-22 €m** |
| **EU 1b** | **Number of data points used in the calculation of averages** | **12** | **12** | **12** | **12** | **12** | **12** | **12** | **12** |
| | **High-quality liquid assets** | | | | | | | | |
| 1 | Total high-quality liquid assets (HQLA) | | | | | 39,106 | 39,145 | 37,780 | 35,127 |
| | **Cash-outflows** | | | | | | | | |
| 2 | Retail deposits and deposits from small business customers *of which;* | 70,714 | 69,614 | 68,698 | 67,998 | 5,194 | 5,082 | 4,978 | 4,885 |
| 3 | *Stable deposits* | *41,234* | *40,860* | *40,491* | *40,059* | *2,062* | *2,043* | *2,025* | *2,003* |
| 4 | *Less stable deposits* | *25,607* | *24,799* | *24,059* | *23,424* | *3,131* | *3,037* | *2,952* | *2,880* |
| 5 | Unsecured wholesale funding | 28,142 | 27,232 | 26,159 | 25,115 | 12,126 | 11,738 | 11,334 | 10,918 |
| 6 | *Operational deposits (all counterparties) and deposits in networks of cooperative banks* | *4,969* | *4,800* | *4,559* | *4,306* | *1,242* | *1,200* | *1,140* | *1,077* |
| 7 | *Non-operational deposits (all counterparties)* | *23,006* | *22,318* | *21,492* | *20,720* | *10,717* | *10,424* | *10,086* | *9,752* |
| 8 | *Unsecured debt* | *167* | *114* | *108* | *89* | *167* | *114* | *108* | *89* |
| 9 | Secured wholesale funding | | | | | 1 | 1 | 1 | - |
| 10 | Additional requirements | 9,613 | 9,601 | 9,589 | 9,661 | 1,682 | 1,705 | 1,729 | 1,801 |
| 11 | *Outflows related to derivative exposures and other collateral requirements* | *513* | *482* | *546* | *635* | *513* | *482* | *546* | *635* |
| 12 | *Outflows related to loss of funding on debt products* | *8* | *88* | *88* | *108* | *8* | *88* | *88* | *108* |
| 13 | *Credit and liquidity facilities* | *9,092* | *9,031* | *8,955* | *8,918* | *1,161* | *1,135* | *1,095* | *1,058* |
| 14 | Other contractual funding obligations | 829 | 848 | 302 | 313 | 665 | 680 | 126 | 123 |
| 15 | Other contingent funding obligations | 8,038 | 7,754 | 7,511 | 7,341 | 561 | 509 | 461 | 423 |
| **16** | **Total cash outflows** | | | | | **20,229** | **19,715** | **18,629** | **18,150** |
| | **Cash-inflows** | | | | | | | | |
| 17 | Secured lending (e.g. reverse repos) | 30 | 22 | 38 | 53 | - | - | - | - |
| 18 | Inflows from fully performing exposures | 799 | 795 | 811 | 806 | 541 | 528 | 529 | 520 |
| 19 | Other cash inflows | 1,300 | 1,185 | 1,198 | 1,058 | 547 | 449 | 499 | 398 |
| EU-19a | (Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies) | | | | | - | - | - | - |
| EU-19b | (Excess inflows from a related specialised credit institution) | | | | | - | - | - | - |
| **20** | **Total cash inflows** | **2,129** | **2,002** | **2,047** | **1,917** | **1,088** | **977** | **1,028** | **918** |
| EU-20a | Fully exempt inflows | - | - | - | - | - | - | - | - |
| EU-20b | Inflows Subject to 90% Cap | - | - | - | - | - | - | - | - |
| EU-20c | Inflows Subject to 75% Cap | 2,129 | 2,002 | 2,047 | 1,917 | 1,088 | 977 | 1,028 | 918 |
| **21** | **Liquidity buffer** | | | | | **39,106** | **39,145** | **37,780** | **35,127** |
| **22** | **Total net cash outflows** | | | | | **19,140** | **18,738** | **17,601** | **17,232** |
| **23** | **Liquidity coverage ratio (%)** | | | | | **204.32%** | **208.91%** | **214.65%** | **203.84%** |

The Group calculates additional liquidity outflows corresponding to collateral needs resulting from the impact of an adverse market scenario on the Group's derivative transactions using the Historical Look Back Approach (HLBA) as guided by the EBA. In preparing the LCR, the Group recognises restrictions on the transferability of liquidity between jurisdictions with surplus liquid assets in one jurisdiction not transferable to another jurisdiction.

As per Article 451a(3), Table 8.3 below sets out the NSFR ratio detail of BOIG.

**Table 8.3 - EU LIQ2 - Net Stable Funding Ratio**

| | | a | b | c | d | e |
|---|---|---|---|---|---|---|
| | | Unweighted value by residual maturity | | | | Weighted value |
| | | No maturity | < 6 months | 6 months to < 1yr | >= 1 yr | |
| Jun-23 | | €m | €m | €m | €m | €m |
| **Available stable funding (ASF) Items** | | | | | | |
| 1 | **Capital items and instruments** | **12,062** | **-** | **-** | **1,536** | **13,599** |
| 2 | Own funds | 12,062 | - | - | 1,536 | 13,599 |
| 3 | *Other capital instruments* | | - | - | - | - |
| 4 | ***Retail deposits*** | | **68,908** | **824** | **706** | **65,604** |
| 5 | Stable deposits | | 42,148 | 629 | 308 | 40,946 |
| 6 | *Less stable deposits* | | 26,761 | 195 | 399 | 24,659 |
| 7 | ***Wholesale funding:*** | | **30,692** | **91** | **9,750** | **22,177** |
| 8 | *Operational deposits* | | 5,356 | - | - | 2,678 |
| 9 | Other wholesale funding | | 25,336 | 91 | 9,750 | 19,499 |
| 10 | **Interdependent liabilities** | | **-** | **-** | **-** | **-** |
| 11 | **Other liabilities:** | **311** | **2,596** | **-** | **603** | **603** |
| 12 | *NSFR derivative liabilities* | 311 | | | | |
| 13 | *All other liabilities and capital instruments not included in the above categories* | | 2,596 | - | 603 | 603 |
| 14 | **Total available stable funding (ASF)** | | | | | **101,983** |
| **Required stable funding (RSF) Items** | | | | | | |
| 15 | **Total high-quality liquid assets (HQLA)** | | | | | **380** |
| EU-15a | **Assets encumbered for a residual maturity of one year or more in a cover pool** | | **41** | **41** | **1,882** | **1,669** |
| 16 | **Deposits held at other financial institutions for operational purposes** | | **-** | **-** | **-** | **-** |
| 17 | **Performing loans and securities:** | | **4,815** | **4,882** | **67,495** | **55,056** |
| 18 | Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut | | 57 | - | - | - |
| 19 | Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions | | 536 | 103 | 657 | 762 |
| 20 | Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which: | | 3,318 | 3,836 | 23,857 | 23,855 |
| 21 | With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk | | - | - | - | - |
| 22 | Performing residential mortgages, of which: | | 905 | 924 | 41,935 | 29,522 |
| 23 | With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk | | 893 | 911 | 41,363 | 29,010 |
| 24 | Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products | | - | 20 | 1,046 | 917 |
| 25 | **Interdependent assets** | | **-** | **-** | **-** | **-** |
| 26 | **Other assets:** | **-** | **2,619** | **-** | **6,990** | **8,289** |
| 27 | Physical traded commodities | | | | - | - |
| 28 | Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs | | - | - | - | 720 |
| 29 | NSFR derivative assets | | - | | | - |
| 30 | NSFR derivative liabilities before deduction of variation margin posted | | 1,624 | | | 81 |
| 31 | All other assets not included in the above categories | | 996 | - | 6,990 | 7,488 |
| 32 | **Off-balance sheet items** | | **17,808** | **-** | **251** | **1,171** |
| 33 | **Total RSF** | | | | | **66,566** |
| 34 | **Net Stable Funding Ratio (%)** | | | | | **153.21%** |

| | | a | b | c | d | e |
|---|---|---|---|---|---|---|
| | | Unweighted value by residual maturity | | | | Weighted value |
| | | No maturity | < 6 months | 6 months to < 1yr | >= 1 yr | |
| Dec-22 | | €m | €m | €m | €m | €m |
| Available stable funding (ASF) Items | | | | | | |
| 1 | Capital items and instruments | 11,881 | - | - | 1,534 | 13,415 |
| 2 | Own funds | 11,881 | - | - | 1,534 | 13,415 |
| 3 | *Other capital instruments* | | - | - | - | - |
| 4 | *Retail deposits* | | 66,465 | 813 | 746 | 63,421 |
| 5 | Stable deposits | | 41,836 | 656 | 297 | 40,664 |
| 6 | *Less stable deposits* | | 24,629 | 157 | 449 | 22,757 |
| 7 | *Wholesale funding:* | | 28,564 | 1,613 | 9,271 | 22,368 |
| 8 | *Operational deposits* | | 5,455 | - | - | 2,728 |
| 9 | Other wholesale funding | | 23,109 | 1,613 | 9,271 | 19,640 |
| 10 | Interdependent liabilities | | - | - | - | - |
| 11 | Other liabilities: | 196 | 2,138 | - | 594 | 594 |
| 12 | *NSFR derivative liabilities* | 196 | | | | |
| 13 | *All other liabilities and capital instruments not included in the above categories* | | 2,138 | - | 594 | 594 |
| 14 | Total available stable funding (ASF) | | | | | 99,799 |

| | | | | | | |
|---|---|---|---|---|---|---|
| | Required stable funding (RSF) Items | | | | | |
| 15 | Total high-quality liquid assets (HQLA) | | | | | 327 |
| EU-15a | Assets encumbered for a residual maturity of one year or more in a cover pool | | 46 | 48 | 2,005 | 1,784 |
| 16 | Deposits held at other financial institutions for operational purposes | | - | - | - | - |
| 17 | Performing loans and securities: | | 4,062 | 5,072 | 59,621 | 49,808 |
| 18 | Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut | | - | - | - | - |
| 19 | Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions | | 213 | 317 | 818 | 998 |
| 20 | Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which: | | 3,069 | 3,942 | 23,859 | 23,785 |
| 21 | With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk | | - | - | - | - |
| 22 | Performing residential mortgages, of which: | | 776 | 813 | 33,895 | 24,114 |
| 23 | With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk | | 770 | 807 | 33,653 | 23,901 |
| 24 | Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products | | 4 | - | 1,050 | 911 |
| 25 | Interdependent assets | | - | - | - | - |
| 26 | Other assets: | - | 2,467 | - | 6,760 | 7,872 |
| 27 | Physical traded commodities | | | | - | - |
| 28 | Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs | | - | - | - | 622 |
| 29 | NSFR derivative assets | | - | | | - |
| 30 | NSFR derivative liabilities before deduction of variation margin posted | | 1,652 | | | 83 |
| 31 | All other assets not included in the above categories | | 815 | - | 6,760 | 7,167 |
| 32 | Off-balance sheet items | | 16,671 | - | 421 | 1,291 |
| 33 | Total RSF | | | | | 61,082 |
| 34 | Net Stable Funding Ratio (%) | | | | | 163.39% |

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# Leverage ratio

The leverage ratio measures the level of Tier 1 capital against both on and off balance sheet exposures. As at 30 June 2023, the leverage ratio was 6.57% on a regulatory basis (31 December 2022: 6.65%).

The purpose of monitoring and managing this metric is to enable Regulators to constrain the build-up of excessive leverage, which was considered to be one of the drivers of the banking crisis.

Tables 9.1, 9.2 and 9.3 illustrate the leverage ratio calculated in accordance with Articles 429 and 499 of the CRR and a breakdown of the Group’s leverage ratio exposure as at 30 June 2023 on a regulatory basis.

The European Commission has introduced a binding leverage requirement of 3%. The Group expects to remain well in excess of this requirement.

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As per Article 451(1) point (b), Table 9.1 below provides a reconciliation of the total assets in BOIG published financial statements under IFRS and the total leverage exposure. The template includes a breakdown of all adjustments that lead from the total assets as published in the financial statements to the Leverage Ratio (LR) exposure measure on a transitional basis, some of these adjustments are new under CRR2.

**Table 9.1 - EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures**

| | | **Jun-23** | Dec-22 |
|---|---|---|---|
| | | **Applicable amount** | Applicable amount |
| | | a | a |
| | | **€m** | €m |
| **1** | **Total assets as per published financial statements** | **156,216** | 151,324 |
| 2 | Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation | (21,277) | (20,459) |
| 3 | (Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference) | - | - |
| 4 | (Adjustment for temporary exemption of exposures to central banks (if applicable)) | - | - |
| 5 | (Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR) | - | - |
| 6 | Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting | - | - |
| 7 | Adjustment for eligible cash pooling transactions | - | - |
| 8 | Adjustment for derivative financial instruments | (3,902) | (3,836) |
| 9 | Adjustment for securities financing transactions (SFTs) | 1 | 330 |
| 10 | Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures) | 5,741 | 5,489 |
| 11 | (Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital) | - | - |
| EU-11a | (Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR) | - | - |
| EU-11b | (Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR) | - | - |
| 12 | Other adjustments | (3,548) | (2,702) |
| **13** | **Total exposure measure** | **133,230** | 130,146 |

As per Article 451(1), points (a) and (b) and Article 451(3) (taking into account, where applicable, point (c) of Article 451(1) and Article 451(2) CRR), Table 9.2 below provides a detailed breakdown of the components of the LR denominator, as well as information on the actual LR, minimum requirements and buffers. This information is on a transitional basis.

**Table 9.2 - EU LR2 - LRCom: Leverage ratio common disclosure**

| | | Jun-23 CRR leverage ratio exposures | Dec-22 CRR leverage ratio exposures |
|---|---|---|---|
| | | a | b |
| | | €m | €m |
| **On-balance sheet exposures (excluding derivatives and SFTs)** | | | |
| 1 | On-balance sheet items (excluding derivatives, SFTs but including collateral) | 130,087 | 126,857 |
| 2 | Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework | - | - |
| 3 | (Deductions of receivables assets for cash variation margin provided in derivatives transactions) | (1,182) | (1,165) |
| 4 | (Adjustment for securities received under securities financing transactions that are recognised as an asset) | - | - |
| 5 | (General credit risk adjustments to on-balance sheet items) | - | - |
| 6 | (Asset amounts deducted in determining Tier 1 capital) | (2,737) | (2,685) |
| **7** | **Total on-balance sheet exposures (excluding derivatives and SFTs)** | **126,168** | 123,007 |
| **Derivative exposures** | | | |
| 8 | Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin) | 319 | 457 |
| EU-8a | Derogation for derivatives: replacement costs contribution under the simplified standardised approach | - | - |
| 9 | Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions | 948 | 845 |
| EU-9a | Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach | - | - |
| EU-9b | Exposure determined under Original Exposure Method | 14 | 16 |
| 10 | (Exempted CCP leg of client-cleared trade exposures) (SA-CCR) | - | - |
| EU-10a | (Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach) | - | - |
| EU-10b | (Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method) | - | - |
| 11 | Adjusted effective notional amount of written credit derivatives | - | - |
| 12 | (Adjusted effective notional offsets and add-on deductions for written credit derivatives) | - | - |
| **13** | **Total derivatives exposures** | **1,281** | 1,318 |
| **Securities financing transaction exposures** | | | |
| 14 | Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions | 39 | 2 |
| 15 | (Netted amounts of cash payables and cash receivables of gross SFT assets) | - | - |
| 16 | Counterparty credit risk exposure for SFT assets | 1 | 330 |
| EU-16a | Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR | - | - |
| 17 | Agent transaction exposures | - | - |
| EU-17a | (Exempted CCP leg of client-cleared SFT exposure) | - | - |
| **18** | **Total securities financing transaction exposures** | **40** | 332 |
| **Other off-balance sheet exposures** | | | |
| 19 | Off-balance sheet exposures at gross notional amount | 18,059 | 17,085 |
| 20 | (Adjustments for conversion to credit equivalent amounts) | (12,318) | (11,596) |
| 21 | (General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures) | - | - |
| **22** | **Off-balance sheet exposures** | **5,741** | 5,489 |
| **Excluded exposures** | | | |
| EU-22a | (Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR) | - | - |
| EU-22b | (Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet)) | - | - |
| EU-22c | (Excluded exposures of public development banks (or units) - Public sector investments) | - | - |
| EU-22d | (Excluded exposures of public development banks (or units) - Promotional loans) | - | - |
| EU-22e | (Excluded passing-through promotional loan exposures by non-public development banks (or units)) | - | - |
| EU-22f | (Excluded guaranteed parts of exposures arising from export credits) | - | - |
| EU-22g | (Excluded excess collateral deposited at triparty agents) | - | - |
| EU-22h | (Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR) | - | - |
| EU-22i | (Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR) | - | - |
| EU-22j | (Reduction of the exposure value of pre-financing or intermediate loans) | - | - |
| **EU-22k** | **(Total exempted exposures)** | **-** | - |
| **Capital and total exposures** | | | |
| 23 | Tier 1 capital | **8,755** | 8,656 |
| 24 | Total exposure measure | **133,230** | 130,146 |
| **Leverage ratio** | | | |
| **25** | **Leverage ratio** | **6.57%** | 6.65% |
| EU-25 | Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%) | 6.57% | 6.65% |
| 25a | Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%) | 6.57% | 6.65% |
| 26 | Regulatory minimum leverage ratio requirement (%) | 3.00% | 3.00% |
| EU-26a | Additional own funds requirements to address the risk of excessive leverage (%) | - | - |
| EU-26b | of which: to be made up of CET1 capital | - | - |
| 27 | Required leverage buffer (%) | - | - |
| EU-27a | Overall leverage ratio requirement (%) | 3.00% | 3.00% |
| **Choice on transitional arrangements and relevant exposures** | | | |
| EU-27b | Choice on transitional arrangements for the definition of the capital measure | Transitional | Transitional |

As per Article 451(1) point (b), Table 9.3 below analyses the calculation of the leverage ratio exposures on a transitional basis.

**Table 9.3 - EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)**

| | | **Jun-23** | Dec-22 |
|---|---|---|---|
| | | a | a |
| | | **CRR leverage ratio exposures** | CRR leverage ratio exposures |
| | | **€m** | €m |
| **EU-1** | **Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:** | **128,905** | 125,692 |
| EU-2 | Trading book exposures | 75 | 9 |
| EU-3 | Banking book exposures | 128,830 | 125,683 |
| EU-4 | *Covered bonds* | *2,414* | *2,305* |
| EU-5 | *Exposures treated as sovereigns* | *38,893* | *43,946* |
| EU-6 | *Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns* | - | - |
| EU-7 | *Institutions* | *1,355* | *1,248* |
| EU-8 | *Secured by mortgages of immovable properties* | *44,435* | *36,320* |
| EU-9 | *Retail exposures* | *8,137* | *7,466* |
| EU-10 | *Corporate* | *21,405* | *21,318* |
| EU-11 | *Exposures in default* | *1,730* | *1,523* |
| EU-12 | *Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)* | *10,462* | *11,557* |

As per Article 449a CRR, the following tabs cover the qualitative and quantitative information associated with Environmental, Social and Governance risks (ESG risks).

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**Table 1 - Qualitative information on Environmental risk in accordance with Article 449a CRR**

| Row number | Business strategy and processes |
|---|---|
| (a) | **Institution's business strategy to integrate environmental factors and risks, taking into account the impact of environmental factors and risks on institution's business environment, business model, strategy and financial planning**<br><br>**Strategy**<br>The Group continues to make progress in achieving its objectives under its Sustainability strategy through the application of the Five-Point Climate Plan for the 'Supporting the Green Transition' strategic pillar. For details on the Group's Five-Point Climate Plan, please refer to page 17 of the Group Sustainability Report 2022.<br><br>In 2022, the Group conducted an annual assessment of climate-related opportunities which informs our business plans and strategic approach to sustainable finance. The output of this assessment has been considered in the Strategic refresh to 2025 announced in March 2023. In 2023, in preparation for the upcoming Corporate Sustainability Reporting Directive (CSRD), we plan to conduct a refreshed materiality assessment, using the double materiality concept. The materiality assessment refresh will inform the Group's strategic direction and ensure that its Sustainability strategy continues to align with the views and needs of its stakeholders.<br><br>The Group has published a Sustainability Exclusion list (published as the Corporate Banking RSB Sector Statement) that sets out its ESG risk appetite for lending to potentially sensitive sectors which the Group believes cause environmental and/or social harm to society and the community. For details on the Group's Corporate and Banking Business lending procedures, in alignment with the Sustainability Exclusion list, please refer to the Group's answer provided in Template on Governance Risk, Row (a).<br><br>In 2022, the Group set science-based targets, validated by the Science-Based Targets Initiative (SBTi), that cover 76% of its lending portfolio. For further details, please see the Group's answer to (b) below.<br><br>**The Group ESG Risk Management Framework**<br>The Group recognises ESG factors (including climate-related risks) represent a common risk driver across the Group's Principal Risk types. The framework sets out the approach to the management of ESG risk factors in the group. ESG risk management has to date focused predominantly on climate-related risk management. This will be expanded during the second half of 2023 to include non-climate environmental risks. The EBA acknowledges that the industry-wide approach to the assessment and management of ESG risks is currently more advanced for Environmental risks (particularly climate-related risks). Management of Social and Governance risks will form part of a broader ESG focus, by regulators and the Group, in the short-medium term.<br><br>During 2023, there has been continued regulatory focus on climate risk management. The Group has a detailed multi-year (2021-2024) Climate Risk Implementation Plan in place to address the ECB guidance on how banks should manage climate-related and environmental risks (November 2020).The guidance sets out 13 supervisory expectations for institutions when formulating and implementing their business strategy, governance and risk management frameworks with the ultimate aim of encouraging greater transparency in climate-related and environmental risk disclosures.<br><br>The Climate Risk Implementation Plan is consistent with the Group's overarching five-point climate action plan and has been jointly approved by the Board Risk Committee (BRC) and the Group Sustainability Committee (GSC) (formerly the Group Responsible and Sustainable Business Committee). The Climate Risk Implementation Plan is a key step in progressively aligning the Group to the ECB guidelines on climate risk management in respect of strategy, risk governance and measurement. Progress continues to be made on embedding climate risk and ESG considerations in business and credit processes in line with the Board approved plan.<br><br>**Integration of Environmental risks at a Group level**<br>The Group defines ESG risk as the risk to value arising from an Environmental (including climate change), Social or Governance event or condition that, if it occurs, could cause an actual or potential material negative impact on:<br>• the Group's earnings, franchise value or reputation;<br>• the Group's regulatory standing;<br>• the long-term sustainability of our customers' operations and financial wellbeing;<br>• the communities and environment in which we and our customers operate.<br><br>Guided by the Group's ESG Risk Management Framework, we are progressively embedding environmental risk into the Group's key risk processes.<br><br>**Risk identification**<br>On an ongoing basis, through its risk management framework, policies and processes, the Group identifies and assesses risks to which the Group is exposed, including climate-related risks.<br><br>ESG factors have been identified as factors that impact across the Group's Principal Risk types.<br>As part of ESG Risk, climate risk was integrated into this process during 2021.<br>Due to the longer timeframes associated with climate impacts, a short, medium and long-term horizon, as laid out below, is being applied to the consideration of impacts. Our timeframes for climate related risks are:<br>• Short term: less than 3 years.<br>• Medium term: 3-5 years.<br>• Long term: more than 5 years.<br>Climate-related change presents both risk and opportunities to the Group's business model. An annual assessment of these risks and opportunities was carried out in 2022 and presented to the GSC and the BRC. The next annual assessment will be carried out in the second half of 2023 and will be expanded to include non-climate environmental risks.<br><br>**Financial Planning and the internal capital adequacy assessment process (ICAAP)**<br>Climate risk considerations are being embedded in key processes where investment decisions and associated climate risks are material.<br>The ICAAP is a key planning process for the Group and facilitates the Board and senior management in identifying, measuring and monitoring the Group's risks and ensures that the Group holds adequate capital to support its risk profile. Given the long time horizon associated with climate change, scenario analysis is considered a key tool to inform strategic direction and risk management. The Group is developing scenario analysis capabilities on an iterative basis, leveraging improvements in climate data and methodologies as they become available. Climate scenario analysis is integrated within the ICAAP process in order to increase our understanding and insights into the potential impacts of climate risk. This is a standalone analysis separate to the standard ICAAP Base and Stress analysis that focusses on longer term impacts out to 2050, beyond the standard three year time horizon of ICAAP. This scenario analysis informs climate risk materiality assessments to quantify the potential impacts across the Group's risk types that is being integrated into the Group's ICAAP capital adequacy assessment.<br><br>The setting of Science Based Targets is ensuring that the Group's lending portfolios are aligned with the Paris agreement and through this alignment mitigating and reducing transition risk over the period to 2030.<br><br>In 2022, the Board decided to further enhance its Sustainability governance through the establishment of a standalone Board-level GSC. The GSC oversees and approves the Group's disclosures relating to Taxonomy-eligible and non-eligible economic activities on an ongoing basis, as these evolve in line with EU regulatory requirements. For further details on the GSC, please refer to pages 90 and 91 of the Group Sustainability Report 2022. |
| (b) | **Objectives, targets and limits to assess and address environmental risk in short-, medium-, and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes**<br><br>As a signatory of the UNEP FI Principles for Responsible Banking (UNPRB), the Group has committed to aligning its strategy and processes with the Paris Agreement and is actively contributing to three specific Sustainable Development Goals (SDGs) in the Environmental area: (i) SDG 7: Affordable and clean energy; (ii) SDG 11: Sustainable cities and communities; and (iii) SDG 13: Climate action.<br><br>In December 2022, the Group's 2030 greenhouse gas emission reduction targets were formally validated by the SBTi. Targets validated by SBTi cover the Group's own operations and 76% of its loan book, with 2020 as base year for the targets. The Group has set a target of a 49% reduction in greenhouse gas emissions from its own operations (Scope 1 and 2) by 2030. Reduction targets have also been set for emissions arising from the Group's lending activities (Scope 3) of 48% reduction in mortgage portfolio emissions (Ireland & UK) and a 56% reduction in commercial real estate portfolio emissions by 2030, which are consistent with the levels required to meet the goals set by the Paris Agreement. In addition, 25% of the Group's corporate loan portfolio will have SBTi-validated targets by 2025. The Group plans on developing internal data systems and metrics for the measurement and reporting of progress against climate targets, in addition to SBTs.<br><br>The GSC's responsibilities include the following:<br>- Monitoring the execution of the Sustainability strategy 'Investing in Tomorrow', via periodic updates.<br>- Overseeing and making recommendations to the Board on the proposed short and long-term objectives, and ESG metrics and targets.<br><br>The Group has an Environmental Policy that is reviewed annually as part of the ISO 14001 Environmental Management System certification process, which the Group is currently certified against.<br><br>As referenced in the Group's answer to (a) above, the Group has a Sustainability Exclusion list that sets out its ESG risk appetite for lending to potentially sensitive sectors which the Group believes cause environmental and/or social harm to society and the community. |

| | |
|---|---|
| (c) | **Current investment activities and (future) investment targets towards environmental objectives and EU Taxonomy-aligned activities**<br><br>Under the 'Supporting the Green Transition' pillar of the Group's Sustainability Strategy, we commit to 'providing sustainable finance' as one of the focus areas of our Five Point plan. To help realise this, in 2021, the Group announced a €3 billion increase in its Sustainable Finance Fund, increasing it to €5 billion by 2024. In March 2023, as part of our Strategic refresh, the Group announced raising of its sustainability-related finance targets to €15 billion by 2025 and €30 billion by 2030.<br><br>Examples of our sustainable financing initiatives and products to date include:<br>**Housing and property:** Since the Group launched Ireland's first green mortgage in 2019, c.€3.8 billion has been drawn down by borrowers. The Group Green Home Improvement Loan designed to fund energy-efficiency upgrades accounted for 12% of total lending of overall home improvement loans during 2022.<br>**Green bonds:** The Group's Green Bond Framework has financed €4 billion of eligible projects. For further information, see Group Green Bond Framework, March 2021.<br>**Sustainability linked loans:** In 2022, sustainability linked pricing mechanisms were applied to €1.9 billion of lending commitments to corporate customers.<br>**Energy and transport:** The Group has provided financing associated with the development of c.740 megawatts (MW) of renewable wind capacity across the island of Ireland. The Group is the largest provider of wholesale finance in the Republic of Ireland market for electrically charged vehicles (ECV), both battery and plug-ins.<br>**Agriculture:** The Group also supports farmers with their investment in on-farm infrastructure, such as solar panels and low emission slurry spreading equipment, that improves their overall environmental sustainability. In Q1 2023, the Group announced a partnership with Kerry Dairy Ireland, to provide funding for sustainable farming improvements for Kerry's milk suppliers. The partnership will result in the development of a sustainability-linked loan with discounted rates and flexible finance options for farmers who are members of Kerry's 'Evolve Dairy Sustainability Programme'.<br>The investment needs for this sector were determined in 2022, with reference to the emission reduction target of 25% for the agri-sector by 2030 as outlined by the Republic of Ireland Climate Action Plan.<br><br>**Wealth management:** In 2021, the Group became a signatory to the UN Principles for Responsible Investment (UN PRI) and the Group will take further action to integrate environmental factors in its investment due diligence processes. A review by the Group has been undertaken of the ESG credentials of Wealth & Insurance (W&I) Division's strategic partners, which are all A+ rated.<br><br>The Group is continuing to develop its capabilities for ongoing quantification and tracking in respect of EU Taxonomy alignment and intends to provide GAR information in 2024. |
| (d) | **Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce environmental risks**<br><br>The Group has put in place specific procedures outlined in its Corporate and Business Banking ESG Risk Lending Procedures for engaging with its customers. Credit submissions and review papers are required to critically assess environmental risk factors and their impact on the financial condition of the borrowers and are addressed in the same context as any business risk or financial input. The Group requires credit submissions to explicitly comment on a borrower's ESG policies, how it is incorporated into its strategic objectives and whether these are measured and evidenced. The Group acknowledges that each industry has its own specific ESG risk factors with varying impacts on borrowers, and relationship managers apply their analysis commensurate with the challenges identified. This adds relevance where a sector appears more vulnerable and potentially faces material costs associated with transitioning to achieve wider ESG objectives. For new business/corporate customers, the Group examines environmental considerations as part of its customer onboarding due-diligence process. This process is also conducted on an annual basis for existing customers.<br><br>As the Group continues to further review and update its credit risk policy, it is putting in place specific sustainability training programmes to support customer facing staff. |
| | **Governance** |
| (e) | **Responsibilities of the management body for setting the risk framework, supervising, and managing the implementation of the objectives, strategy, and policies in the context of environmental risk management covering relevant transmission channels**<br><br>**ESG Governance**<br>The Board, through the GSC and BRC, oversees the progress of our Climate Risk Implementation Plan. In order to adequately assess climate risks and opportunities, the Board draws on expertise both internally and externally. In early 2022, the Board further enhanced the Group's Sustainability governance through the establishment of a standalone Board-level GSC. Oversight responsibilities for the Group's Sustainability and UNPRB commitments transitioned to the new committee from the Group NGRB Committee during the first half of 2022. The GSC reported and made recommendations to the Board on all Sustainability matters, including the Group's actions on climate change during the year. At an Executive level, the committee's oversight is supported by the role of Chief Sustainability and Investor Relations Officer.<br><br>The Board continued to oversee the progress on the Group's SBT setting, resourcing, reporting and disclosures. In addition, the Board monitored the Group's identification and management of climate-related risks. Methods used included our risk identification and assessment processes, integration into the Internal Capital Adequacy Assessment Process (ICAAP) and ESG and climate risk reporting.<br><br>Terms of reference for the GSC and BRC are available on the Group website.<br><br>The Group recognises ESG factors represent a common risk driver across the Group's Principal Risk types. The Group ESG Risk Management Framework sets out the approach to the management of ESG risk factors in the Group, which is aligned with the approach to risk management in the Group Risk Management Framework. Co-ordinated by Group Risk, an ESG Risk Working Group brings together second line of defence risk management from across the Principal Risk types (with representation from the Group first line of defence) to ensure that there is a coordinated, cohesive and challenging approach to the management of ESG and climate-related risks within the Group.<br><br>The Board comprises of 11 Directors: 2 Executive Directors, the Chairman and 8 independent Non-Executive Directors (NEDs). For further information on the number of directorships, including external directorships, held by the Group's Board, please refer to page 76 – 81 in the Annual Report 2022. The NGRB undertakes a rigorous and transparent procedure when considering candidates for appointment to the Board and maintains oversight of the Board's composition to ensure it remains appropriate.<br><br>As of 1 January 2023, the Group's Board comprised 36% of female representation. The Board's approach to diversity in all its forms is set out in the Board Diversity Policy which has retained the specific gender target of maintaining a minimum of 33% female representation on the Board, with a medium term aspiration of achieving broadly equal gender representation on the Board. The Board values diversity and strives to achieve minority ethnic representation on the Board in the medium-term. |
| (f) | **Management body's integration of short-, medium- and long-term effects of environmental factors and risks, organisational structure both within business lines and internal control functions**<br><br>The Board monitors the Group's identification and management of climate-related risks. Methods used include our risk identification and assessment processes, integration into the Internal Capital Adequacy Assessment Process (ICAAP) and ESG and climate risk reporting. The Group's oversight and management responsibilities in relation to our Sustainability and climate commitments in 2022 are outlined on page 24 of the 2022 Annual Report.<br><br>The Group has continued to increase its understanding of the risks and opportunities that climate change presents to our business strategy. In Q4 2022, we conducted an assessment involving business leaders and subject matter experts from across the Group to assess the impacts of climate on different risk types (e.g. credit, strategic, operational, conduct and regulatory).<br><br>The potential impact of transition and physical risk drivers was assessed for each key risk type over the short (< 3 years), medium (3-5 years) and long-term (> 5 years). An overview of key risk types is set out on page 26 of the 2022 Annual Report. The Group is addressing these opportunities in its business planning and expects the material commercial realisation of the opportunities to occur in the medium to long term.<br><br>The Group recognises ESG factors represent a common risk driver across the Group's Principal Risk types. The Group ESG Risk Management Framework sets out the approach to the management of ESG risk factors in the Group, which is aligned with the approach to risk management in the Group Risk Management Framework. Co-ordinated by Group Risk, an ESG Risk Working Group brings together second line of defence risk management from across the Principal Risk types (with representation from the Group first line of defence) to ensure that there is a coordinated, cohesive and challenging approach to the management of ESG and climate-related risks within the Group.<br><br>In managing climate-related risks, the Group's 2LoD – the Group Risk function – is in the process of establishing the limits, rules and constraints and policies where material risks potentially arise under which first-line activities are performed in line with Group's risk appetite. The 3LoD – Internal Audit function – provides independent, reasonable assurances to its stakeholders on the effectiveness of the Group's risk management and internal control framework. Please see the Group's answer to (e) above. |
| (g) | **Integration of measures to manage environmental factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body covering relevant transmission channels**<br><br>Refer to the Group's answers to:<br>(a) above for details on the Group's Board tasks and responsibilities in managing environmental factors and risks within internal governance arrangements.<br>(e) above for details on the composition of the Board, the number of directorships therein, its recruitment and diversity policy.<br>(c) in the Template on Governance Risk for details on the Group's organisation of risk committees (BRC and GSC) related to environmental risk and allocation of tasks and responsibilities within those committees to monitor and manage environmental risk.<br><br>The Group has a reporting line between the BRC, GSC and the Board covering environmental factors and risks, The GSC receives quarterly updates related to environmental risks and the BRC receives monthly updates. The joint BRC/GSC currently report annually to the Board on ESG risk. |
| (h) | **Lines of reporting and frequency of reporting relating to environmental risk**<br><br>There is Board-level oversight of climate-related risks within the Group, provided by the Board and its GSC and BRC. The Board, GSC and BRC are supported by:<br>- Sustainability and climate advisory forums comprising the Sustainability Decision Group (formerly the Green Transition Decision Group) and the ESG Risk Working Group<br>- Sustainability and climate executive oversight is provided by the GEC and the Executive Risk Committee (ERC)<br>For further details on the Group's governance arrangements, please refer to the Group's TCFD report (page 24) in the Annual Report 2022.<br>For further details on internal reporting frequency, refer to the Group's answers to (a) and (g) above.<br><br>The Board Risk Report (BRR) is used by the Group to review and monitor the Group's risk profile across all principal risks, compliance with risk appetite and risk policies. The BRR is subject to review by the ERC prior to review by the Group's Board and BRC. The BRR is the primary source of reporting for the impact of ESG-related risks on the Group's risk profile and is submitted monthly to the Board; with a more detailed report submitted quarterly. The Group undertakes a Climate-related Strategic Risk and Opportunities Assessment, performed annually, which is submitted to the GSC and the BRC for annual review. |

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|---|---|
| (i) | **Alignment of the remuneration policy with institution's environmental risk-related objectives**<br><br>In November 2022, the Irish Government announced that a number of crisis-era restrictions related to remuneration were being lifted in respect of the Group, including the blanket prohibition on variable pay. Reintroducing an element of variable pay will allow us to better link remuneration to delivery for customers and the achievement of our long term strategic and commercial goals.<br><br>As announced in the Group's strategy refresh in March 2023, 'Sustainable Company' is now one of the core strategic pillars of the Group, of which supporting a green transition for wider society is a key focus area.<br><br>The Group is introducing a performance-related Profit Share Scheme which will see colleagues rewarded by April 2024 based on both the financial and operating performance of the company and individual performance during 2023.<br><br>The appropriateness of the final profit share will be assessed against a mix of financial and non-financial criteria, including profit and related metrics, affordability, customer, and ESG, with the pool as a whole subject to risk adjustment. |
| | **Risk management** |
| (j) | **Integration of short-, medium- and long-term effects of environmental factors and risks in the risk framework**<br><br>On an ongoing basis, through its risk management frameworks and processes, the Group identifies and assesses risks to which the Group is exposed to, including climate risks. Due to the longer timeframes associated with climate impacts, a short, medium, and long-term horizon, as referenced in (e) above, is being applied to the consideration of impacts.<br><br>The Group continues to embed climate-risk considerations into key risk reporting, as referenced in (g) above. |
| (k) | **Definitions, methodologies and international standards on which the environmental risk management framework is based**<br><br>**The Group ESG Risk Management Framework**<br>This framework sets out the approach to the management of ESG risk factors in the group. ESG risk management has to date focused predominantly on climate-related risk management. This will be expanded during 2023 to include non-climate environmental risks.<br>During 2022, there has been continued regulatory focus on climate risk management. The Group has a detailed multi-year (2021-2024) Climate Risk Implementation Plan in place to address the ECB guidance on how banks should manage climate-related and environmental risks (November 2020).<br>The guidance sets out 13 supervisory expectations for institutions when formulating and implementing their business strategy, governance and risk management frameworks with the ultimate aim of encouraging greater transparency in climate-related and environmental risk disclosures.<br><br>The Climate Risk Implementation Plan is consistent with the Group's overarching five-point climate action plan and has been jointly approved by the BRC and GSC. The Climate Risk Implementation Plan is a key step in progressively aligning the Group to the ECB guidelines on climate risk management in respect of strategy, risk governance and measurement. Progress continues to be made on embedding climate risk and ESG considerations in business and credit processes in line with the Board approved plan. |
| (l) | **Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to environmental risks, covering relevant transmission channels**<br><br>Supporting the green transition also requires the Group to assess its own resilience to climate change. To address this requirement, the Group is taking steps to develop scenario analysis and stress testing capabilities in-line with emerging industry methodologies. Forward-looking climate scenarios are being used to manage climate-related risks and explore the resilience of the Group to physical and transition risks. We have further built on initial methodology developments undertaken in 2022 and as these methodologies continue to develop, we will be progressively drawing on our scenario analysis to inform our corporate strategy, business model and financial plans.<br><br>During 2022, we continued to develop and test scenario analysis methodologies to quantify the potential impact of climate related risks across our commercial and retail customer lending portfolios.<br>We have integrated climate scenario analysis into our ICAAP as a key step in what will be an ongoing development of the Group's data, modelling and risk management capabilities for managing climate-related risks.<br><br>Through its climate risk assessment, material impacts across transitional and physical risk types have been identified across the principal risk types are as follows:<br>**Credit risk (Moderately material in Short to Medium term, Significantly material in Long term)**<br>Transition risk impacts: Borrowers ability to repay if operating in sensitive sectors. Changes in emission regulation or in user sentiment could affect asset value (Stranded Assets).<br>Physical risk impacts: Collateral depreciation leading to negative impacts on Loan To Value (e.g. flooding, storms). Borrowers ability to repay in sectors more sensitive to weather impacts like floods and storms (e.g. Agriculture)<br><br>**Business & strategic risk (Moderately material in the Short to Long term)**<br>Transition risk impacts: Long term franchise impacts if strategic commitments are not achieved and product offering does not adapt to changing market dynamics.<br>Physical risk impacts: Potential need to increase resilience of our network, supply chain and production process where off-shore operations are more exposed to increasing physical climate risks.<br>**Operational risk (Moderately material in the Short to Long term)**<br>Transition risk impacts: Climate driven impacts on operational processes include increasing levels of systems, data, model and sourcing risk to manage.<br>Physical risk impacts: Extreme floods or storms at multiple locations impacting our business continuity plans with consequent impact to services we provide to clients (e.g. transaction processing).<br>**Conduct risk (Low to Moderately material in the Short to Long term)**<br>Transition risk impacts: Failures in ESG/green product design, market practice or customer engagement could lead to regulatory sanctions and brand damage, if there is a lack of transparency and misleading classification (greenwashing).<br>Physical risk impacts: Failures in ESG/green product design, market practice or customer engagement could lead to regulatory sanctions and brand damage, if clients suffer an unexpected loss due to climate risks.<br>**Regulatory risk (Low to Moderately material in the Short to Long term)**<br>Transition risk impacts: Failure to implement in a timely manner ongoing changes in climate regulation could affect the Bank's profitability through regulatory sanctions.<br>Physical risk impacts: Potential for regulatory sanctions if physical risks impact our business continuity plans with consequent impact to services we provide to clients (e.g. transaction processing).<br>**Capital adequacy risk (Significantly material in Short to Long term)**<br>Transition risk impacts: Represents the risk of increased capital depletion from the impact of transition risks across the Group's other principal risks.<br>Physical risk impacts: Represents the risk of increased capital depletion from the impact of physical risks across the Group's other principal risks.<br><br>The Group loan book breakdown table on page 37 of the Group's 2022 Annual Report shows the current composition of our loan portfolio and the percentage of lending to sectors the Group considers most sensitive to climate change. In terms of portfolio mix, the Group has minimal direct exposure to fossil fuels in energy and extraction and as a predominantly retail lending bank, c.70% of our customer lending is in residential and commercial property and car finance.<br>This assessment also highlights that the Group's direct exposure to fossil fuels and to commercial lending segments with high emissions is relatively low (with the exception of the agricultural sector, which due to its specific challenges will require broader support in which we will play an active role). |
| (m) | **Activities, commitments and exposures contributing to mitigate environmental risks**<br><br>The Group's key risk mitigation strategy is as follows:<br>(i) The Group has committed to aligning our lending portfolios on a pathway to the Paris Agreement and reducing the carbon emissions that we finance. This portfolio alignment will additionally build resilience against climate-related risks as we progressively embed climate-related considerations into our lending strategies; and<br>(ii) The Group has committed to supporting our customers' transition to the green economy with sustainable financing to improve the energy efficiency of their properties, vehicles and business operations and adapting to climate change.<br><br>In 2022, the Group's 2030 greenhouse gas emission reduction targets were formally validated by the Science Based Targets initiative (SBTi). For more information, refer to (b) above.<br><br>The Group finances the development of renewable energy assets, green mortgages, sustainable transport, and the national decarbonisation agenda that aligns with the SDGs identified in (b) above. The Group has aligned its lending strategy, which includes the Sustainability Exclusion List, to minimise its exposures to environmental high-risk sectors.<br><br>The Group continues to develop methodologies to enable climate risk to be actively measured and monitored in a similar manner to other key risk types. These methodologies are being developed collaboratively with peer institutions through engagement in industry initiatives (such as the UNEP FI TCFD Working Group and climate-focused European Banking Federation Working Groups) and through participation in the 2022 ECB climate stress test exercise.<br><br>The Group has integrated climate KPIs in its strategic planning framework to ensure its progress against objectives laid out under the Sustainability strategy is measurable.<br><br>These activities form the foundation of the Group's future risk analysis and target setting activities, leading to mitigation activities to help reduce future environmental risks to the Group, as well as to improve the Group's impact on the external environment. |

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| (n) | **Implementation of tools for identification, measurement and management of environmental risks**<br><br>In identifying, measuring and managing environmental risk, the Group uses the following:<br>**Scenario Analysis**<br>In 2022, the Group carried out a scenario analysis exercise over the short (<3 years), medium (3-5 years) and long (>5 years) term. The Group utilised data from the Network for Greening Financial Systems (NGFS) across three climate scenarios to produce an analysis of the materiality of climate-related financial physical and transition risks. The three climate scenarios that were part of the scenario analysis approach, are as follows:<br>(i) Orderly transition (1.5 degrees C)<br>(ii) Disorderly transition (2.0 degrees C)<br>(iii) Hothouse world (>3.0 degrees C)<br><br>The results from the scenario analysis exercise had implications for credit quality across commercial lending, residential mortgages and car finance. This analysis supports the Group in measuring the impact of environmental risk. Please refer to (p) for further details.<br><br>**Stress Testing**<br>In 2022, the Group participated in the European Central Bank (ECB) Climate Thematic Review and Stress Testing exercise. This was an exploratory assessment of banks' exposure to climate risk as well as their climate modelling and data capabilities. The Group continues to develop its scenario analysis capabilities on an iterative basis, leveraging improvements in climate data and methodologies as they become available. Climate scenario analysis is integrated within the ICAAP process in order to increase our understanding and insights into the potential impacts of climate risk. This is a standalone analysis separate to the standard ICAAP Base and Stress analysis that focuses on longer term impacts out to 2050, beyond the standard three year time horizon of ICAAP. This scenario analysis informs climate risk materiality assessments to quantify the potential impacts across the Group's risk types that is being integrated into the Group's ICAAP capital adequacy assessment.<br>Though these exercises, the Group will assess the potential for impacts on capital adequacy arising from climate change and the impact of the mitigation actions through climate risk management and sustainable financing. |
| (o) | **Results and outcome of the risk tools implemented and the estimated impact of environmental risk on capital and liquidity risk profile**<br><br>See response to (k) above |
| (p) | **Data availability, quality and accuracy, and efforts to improve these aspects**<br><br>Given the criticality of data to the climate risk management agenda, a multi-year data and technology roadmap was developed as part of the 2022 planning cycle to support delivery of the data needed to meet the evolving requirements on an agile and iterative basis. The roadmap saw an initial focus in 2022 on aggregating a golden source of data to support upcoming external and regulatory reporting requirements and to support progressive enhancements to risk management methodologies and reporting. Third party data has been onboarded from Moody's and JBA Risk Management to provide new data insights on physical risks, including flood risk assessments across residential and commercial property in the Republic of Ireland and the United Kingdom. Modelled estimates by ICE Data Services on emissions and transition risk impacts are being integrated during 2023 to supplement internal data collection and analysis on the Group's portfolios. This developing capability is being strengthened further in 2023 with the focus moving to use ESG/climate data in front-end systems to aid credit and pricing decisions and support customers' transition plans.<br><br>In order to carry out the scenario analysis, referenced in (o) above, the Group is utilising data from the Network for Greening the Financial System (NGFS) across three climate scenarios in order to produce an analysis of the materiality of climate-related financial physical and transition risks. |
| (q) | **Description of limits to environmental risks (as drivers of prudential risks) that are set, and triggering escalation and exclusion in the case of breaching these limits**<br><br>The Group's Corporate & Business Banking has published a Sustainability Exclusion List that sets out the Group's risk appetite for lending to potential environmentally sensitive sectors. This List applies to all new lending and customer service arrangements ensuring that the Group does not provide financing to customers who are deemed to engage in a defined list of excluded business activities. Any cases considered a heightened ESG risk during initial review will be subject to 'Enhanced Review' and will be considered by an ESG Risk Forum in addition to Corporate & Commercial Credit. The Group embeds these exclusions at the origination stage to ensure that these criteria continue to evolve in line with the Group's Sustainability strategy.<br><br>The Group has aligned its Screening Criteria to its Sustainability Exclusion List. For further details on this process and its governance arrangements, please refer to the Group's disclosure in Governance Risk Template.<br>Currently, the Group's identification of environmental risk-related limits for financing projects and counterparties does not give rise to corrective actions that would avoid or mitigate environmental risk. |
| (r) | **Description of the link (transmission channels) between environmental risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework**<br><br>Both transition and physical risks can affect the creditworthiness of our customers and the stability of our lending portfolios, as well as the value of assets in the medium to long term. These climate risk drivers can intensify risks to the Group, impacting across existing key risk categories including, but not limited to:<br>• Credit risk: Increased costs associated with physical and transition risks may impact financial soundness of households and businesses reducing their ability to service debt and impairing asset values, resulting in financial loss to the Group through higher probability of default and higher losses given default.<br>• Operational risk: Physical risks could impact continuity of the Group's operations or operations of its material suppliers, resulting in<br>sustained disruption of the supply chain and ultimately our ability to service customers.<br>• Conduct risk: Potential impact if failures in product design, market practice or customer engagement lead to greenwashing claims or poor customer outcomes.<br>• Business and Strategic risk: Long term franchise impacts if strategic commitments are not achieved by the Group and the Group's product offering does not adapt to changing market dynamics.<br><br>Climate risk can also have reputational impacts if the Group fails to meet investor, customer, community and regulatory expectations.<br><br>On an ongoing basis, through its risk management frameworks and processes, the Group identifies and assesses risks to which the Group is exposed to, including ESG risks. The Group ensures appropriate identification of risk through both top-down and bottom-up risk identification processes. A standard risk library is used to categorise all of the Group's risks in a consistent manner. Principal Risks are the highest-level categorisation used to assist with identifying, assessing, monitoring and mitigating risks to which the Group is exposed. ESG factors represent a common risk driver across the Group's Principal Risk types. The Group ESG Risk Management Framework sets out the approach to the management of ESG risk factors in the Group. |

**Table 2 - Qualitative information on Social risk in accordance with Article 449a CRR**

| Row number | Business strategy and processes |
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| (a) | **Adjustment of the institution's business strategy to integrate social factors and risks taking into account the impact of social risk on the institution's business environment, business model, strategy and financial planning**<br><br>Strategy and processes<br>As noted above, social factors have been considered within the Group's Sustainability strategy. The Group's Sustainability strategy takes into account changes in technology, business, environmental and stakeholder preferences, reflecting key social factors, under the 'Enabling colleagues to thrive', 'Enhancing financial wellbeing' and 'Foundations' pillars.<br><br>'Enabling Colleagues to Thrive':<br>• Being digitally able - Developing skills and capability to support our ambition to be a digitally-enabled bank, while supporting a digitally able society<br>• Employability - Enabling colleagues, current and potential, to develop skills that allow them to enter, return and stay relevant and future-fit in a constantly changing world of work<br>• Inclusive development - Enabling every colleague to grow and develop as a person, while building an inclusive workplace which is more reflective of society and our customer base<br><br>'Enhancing financial wellbeing':<br>• Financial capability - Enabling people to know and do more – improving their ability to know the gaps to address and the actions to take<br>• Financial inclusion - Protecting our most vulnerable customers, including those in difficult circumstances<br>• Financial confidence - Enabling people to better understand their financial position and make better financial decisions<br><br>'Foundations': To enable the Group to operate as a sustainable company, it is crucial that we have solid foundations. Transparently managing, monitoring and disclosing against these foundational topics supports the Group's efforts to build and maintain the trust we have with our key stakeholders. Our Foundation topics consist: Sourcing responsibly, Business ethics, Financial Crime, Health & Safety, Culture, Human Rights, Cyber Security, Data protection and Community Investment. |
| | The Group is undertaking a full double materiality assessment in the second half of 2023. The results will help inform the refresh of our "Investing in Tomorrow" Sustainability Strategy 2021-24, thereby ensuring it continues to support the requirements of our stakeholders and society.<br><br>Examples of Group activities which address social issues through its Sustainability strategy include:<br>Through its Sustainability strategy, the Group extends its learning and development initiatives to the wider community. The Group seeks to aid students with disabilities and from socio-economically disadvantaged backgrounds, through the Dublin City University (DCU) "Earn & Learn" and "Access" programmes which give them the opportunity to secure professional work experience whilst financially supporting themselves through college. Programmes like Fast Track to IT (FIT), Women's Reboot, NI Apprenticeship, Trinity Centre for People with Disabilities, STEM Teacher Internship and other internship placements with Trinity College Dublin, University College Dublin, University of Limerick, and DCU underpin the Group's employment strategy by enabling marginalised job seekers, women returning to the workforce, people with disabilities, students, post-primary teachers and new employees with access to formal degrees, digital skills, and professional work experience.<br><br>Internally, in support of the 'Enabling Colleagues to thrive' pillar, the Group has provided access to develop its employees, as follows:<br>- Launch of two female talent programmes: Accelerate and RISE – supporting the Group's gender balance target for management and leadership appointments<br>- Launch of an ethnic minority talent programme<br>- Made Inclusion and Diversity training mandatory for all colleagues<br>- Launched Group-wide upskilling and re-skilling strategies pathways on data fluency, project management, business agility and robotics and automation, to ensure the workforce is equipped to meet the increasing digitalisation in the industry and changes in technology.<br><br>Under the 'Enhancing financial wellbeing' pillar of the Group's Sustainability strategy, the Group launched its Vulnerable Customer Unit (VCU) in 2019 to provide enhanced support to vulnerable customers. The VCU is fundamental to the Group's Sustainability strategy in promoting financial inclusion. The Group's Code of Conduct has a Vulnerable Customers Policy that sets out minimum standards to effectively identify and support customers where additional assistance is required. In 2022, the VCU supported over 6,300 customers facing challenging situations.<br><br>Further detail on the initiatives delivered under these two strategic pillars is available on pages 20 and 21 of the 2022 Annual Report. |
| | **Business environment & model**<br>The Group ESG Risk Management Framework notes that risk management of Social issues remains in early stages of development and uses the definition of Social Issues used by the PRI Reporting Framework as a reference point - i.e. issues relating to the rights, well-being and interests of people and communities.<br><br>The Group is a signatory to the following UN frameworks - the UNPRB, the UN Principles for Responsible Investment (UNPRI) and the UN Principles for Responsible Banking 'Commitment to Financial Health and Inclusion'. The Bank's Financial Health and Inclusion targets were submitted to the UNEP FI in June 2023 and were published by the UNEP FI in July 2023. Details of these targets are included in the Group's answer to (b) below. These initiatives support and complement the ambitions set out in our Group Sustainability strategy.<br><br>Reflecting the increased digitalisation of the banking services, the Group are delivering more digital and tailored touchpoints across our business and provide simpler, more effective servicing with reduced customer complaints. The Group offers a wide range of digital banking services through the mobile app, as well as local counter services a network of 169 branches across the island of Ireland. This is complemented by access to local counter services in over 900 post office locations through a partnership with An Post, the Irish postal service. This ensures that customers can bank with the Group is a way that is most convenient to them, while also protecting access to banking for communities in every part of the country and those who prefer to complete their banking in person.<br><br>The Group has a Code of Supplier Responsibility which outlines its expectations of their suppliers across human rights, health and safety, supply chain, inclusion and diversity, business integrity, doing business responsibly and environmental and energy management. The Group ensures suppliers' compliance with its Code through the Financial Supplier Qualification System (FSQS) process.<br>The Group indicates its consideration for social factors and risks as it has the following policies in places such as Modern slavery and human trafficking statement; Code of Supplier responsibility (noted above); Group vulnerable customers policy (noted above); Group procurement policy; Group data protection and privacy policy; Board diversity policy; Group code of conduct; Inclusion and diversity policy; and Group health and safety policy.<br><br>The Group's Modern slavery and Human Trafficking statement is approved by the Group Sustainability Committee, a sub-committee of the Group's Board.<br><br>The Group has published its Sustainability Exclusion List which sets out its risk appetite for lending to potentially sensitive sectors which the Group believes causes environmental and/or social harm to society and the community. The Group has integrated this List into its processes as part of its Corporate and Credit ESG Risk Lending Procedure as it has aligned its Screening Criteria to its Sustainability Exclusion List.<br><br>**Financial planning**<br>Currently the Group does not explicitly consider social risk within its ICAAP. However, the Group plans to integrate social risks into its ICAAP process over time, in line with industry practice. |
| | **Objectives, targets and limits to assess and address social risk in short-term, medium-term and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes**<br><br>The Group's Sustainability strategy includes a number of target outcomes across social topics, in particular within the 'Enhancing Financial Wellbeing', 'Enabling colleagues to thrive' and Foundation pillars. These strategic pillars align to a number of Sustainable Development Goals: Quality Education, Gender Equality, Decent work & economic growth, Reduced inequalities and No Poverty.<br><br>We disclosed a number of metrics in the Group Sustainability Report 2022 (pages 125 and 126), which demonstrate the progress made against our strategic objectives and targets across these areas.<br><br>In March 2023, as part of our strategic refresh, we announced updated social targets:<br>• Retain the #1 brand position for financial wellbeing<br>• 50:50 gender ratio in appointments to management and leadership positions |

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| (b) | The Group, as a founding signatory of the UNPRB 'Commitment to Financial Health and Inclusion', is committed to promoting financial health and inclusion through its products, services and customer engagement. During 2022, Bank of Ireland was co-lead of the UN PRB working group on Financial Health & Inclusion and continued this role into 2023. This working group developed and published guidance on the measurement of financial health and inclusion metrics for signatory banks globally. The Bank's Financial Health and Inclusion targets were submitted to the UNEP FI in June 2023 and were published by the UNEP FI in July 2023. The targets include:<br>• A commitment to increasing to 70% the percentage of customers who are confident (strongly or somewhat) that they have funds available to cover an unexpected day-to-day expense by 2030 from 62% in 2023, and<br>• A commitment to increasing to 50% the percentage of customers who are confident (strongly or somewhat) that they have funds (Savings or Insurance) available to cover a major unexpected event by 2030 from 44% in 2023<br><br>These impact targets address a priority in Ireland in line with:<br>• Ireland's National Implementation Plan for the Sustainable Development Goals 2022–24<br>• Adult Literacy for Life Strategy<br>• Education for Sustainable Development—National Strategy<br>• The Financial Wellbeing of adults in Ireland<br>• The Financial Literacy of adults in Ireland<br>• The Financial Resilience of adults in Ireland<br><br>To monitor progress towards achieving its targets, the Bank will periodically track the following:<br>• Number of Adults supported with Financial Education Initiatives, starting from a baseline value of 9,643 in 2022<br>• Based on survey data the percentage of customers who state that they have a long term (greater than 12 months) savings and or investment plan in place, starting from a baseline value of 35% in 2023<br>• Based on survey data, the percentage of customers who state that they always have some money put aside to cover day-to-day unexpected expenses, starting from a baseline value of 60% in 2023<br>• Number of active partnerships to achieve financial health targets, starting from a baseline value of zero in 2023<br><br>Related examples of progress across social topics include:<br>• Through the Group's Financial Wellbeing Programme (FWP), the Group provided over 5,500 financial literacy hours to its customers, colleagues, and communities in 2022 through Financial Wellbeing Coaches. Bank of Ireland has developed successful financial literacy programmes for Irish primary and secondary schools with over 418,000 students participating since 2017 which equates to over 850,000 financial literacy hours.<br><br>• The Group aims to work with its stakeholders to educate and enhance their financial capability with tools. The Group facilitates this objective via the FWP. Over 85,000 financial health checks were completed by people looking to start or enhance their financial wellbeing in 2022.<br><br>• The Group has made a voluntary commitment to Business in the Community Ireland's Elevate Pledge that supports businesses to build more inclusive workplaces in Ireland. This commitment aligns to the Group's Sustainability strategy.<br><br>• The Group has committed to achieve a 50:50 ratio within its management and leadership and has dedicated investment into programmes, such as Accelerate and RISE referred to in the Group's answer to (a) above, to build its female talent pipeline. In 2022, the Group had a target to develop almost 300 women identified to participate in these programmes. By end of 2022, targeted talent programmes for under-represented colleagues including women and ethnic minorities continued with more than 700 colleagues participating in both the initial programme stages and post-programme activities of our female talent programmes RISE, Accelerate and Emerge. |
| (c) | **Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce socially harmful activities**<br><br>The Group has a number of policies and procedures in place which mitigate/ reduce social risk.<br><br>The Group examines ESG considerations as part of its customer onboarding due-diligence process and for lending ESG considerations are outlined in the Corporate and Business Banking ESG Lending Procedures. The Group requires credit submissions to explicitly comment on a borrower's ESG policies, how it is incorporated into its strategic objectives and whether these are measured and evidenced.<br><br>The Group's Sustainability Exclusion List clearly sets out our risk appetite for lending to potentially sensitive sectors which we believe cause both environmental and/ or social harm to society and our communities. |
| | **Governance** |
| (d) | **Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of social risk management covering counterparties' approaches to:**<br>**(i) Activities towards the community and society**<br>**(ii) Employee relationships and labour standards**<br>**(iii) Customer protection and product responsibility**<br>**(iv) Human rights**<br><br>The Group's Board provides oversight over the Group's alignment with key regulations, as well as the objectives under the Sustainability strategy by engaging in communication with the Group Executive Committee (GEC), the BRC and the GSC on progress against key climate commitments and delivery of the Sustainability strategy, which includes social dimensions as indicated in the Group's answers to (a) and (b) above.<br><br>On an ongoing basis, through it risk management framework, policies and processes, the Group identifies and assesses risk to which the Group is exposed. The Group ESG Risk Management Framework sets out that ESG factors represent a common risk driver and are managed through each of the Group's principal risks.<br><br>The Board comprises of 11 Directors: 2 Executive Directors, the Chairman, who was independent on appointment and 8 independent Non-Executive Directors (NEDs). For further information on the number of directorships, including external directorships, held by the Group's Board, please refer to page 76 – 81 in the Annual Report 2022. The NGRB undertakes a rigorous and transparent procedure when considering candidates for appointment to the Board and maintains oversight of the Board's composition to ensure it remains appropriate.<br><br>As of 1 January 2023, the Group's Board comprised 36% of female representation. The Board's approach to diversity in all its forms is set out in the Board Diversity Policy which has retained the specific gender target of maintaining a minimum of 33% female representation on the Board, with a medium term aspiration of achieving broadly equal gender representation on the Board. The Board values diversity and strives to achieve minority ethnic representation on the Board in the medium-term.<br><br>The Group's Board-level Group Sustainability Committee reviews the Group's Modern Slavery Statement and Human Trafficking Statement annually.<br><br>The Group's Board receives an update on the Financial Wellbeing twice a year. On an operational level, there is a GEC sponsor of the Financial Wellbeing steering, which also has representatives from each business division.<br><br>The Group's Begin Together Fund is delivered annually in partnership with third party experts in the Community Foundation for Ireland (CFI), which enables the Group to focus its community investment on a wide variety of causes within an overarching strategic framework.<br><br>Please refer to the Group's answer to (a) above regarding the Group's Code of Supplier Responsibility outlining its expectations of their suppliers across different social considerations.<br><br>The Group has a Customer Protection Risk Policy that includes consideration of product design and delivery and outlines requirements that seek to ensure that in bringing products to the market we consider and address potential or actual negative outcomes for clients, customers and markets. The Policy is aligned with applicable regulatory requirements and guidance including the Consumer Protection Code 2012 (RoI), European Regulations, including the Markets in Financial Instruments Directive (MiFID II), Insurance Distribution Directive (IDD) and the Financial Conduct Authority's (UK) rules and principles on product oversight and governance arrangements. As part of the recent policy refresh cycle, specific provisions were added to address the risk of 'greenwashing' in situations where the Group intends to sell, promote or distribute products or services on the basis of 'green' credentials. |
| (e) | **Integration of measures to manage social factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body**<br><br>The ESG Risk Management Framework is approved by the ERC and has been developed for senior management and committee members responsible for the management of risk and the implementation of the risk management process.<br>The Group has identified Conduct Risk as a principal risk and has a focus on customer protection matters.<br>For information of the Group's risk committees and their tasks and responsibilities for monitoring and managing ESG risks, please refer to the Group's answer to (d) above.<br><br>The Group's BRC acts independently of the Executive and comprises 6 independent Non-Executive Directors (NEDs).<br>There is a Board approved Inclusion and Diversity policy and updates on this policy is reported biannually to the Board.<br>The Group has appointed individual GEC Champions for each of the six Inclusion and Diversity (I&D) networks within the Group. The Group has a full-time I&D Lead responsible for delivering the I&D for the Group.<br>The Group does not engage any external resource for the assessment of social risk. |
| (f) | **Lines of reporting and frequency of reporting relating to social risk**<br><br>The Group's Sustainability Board Committee receives quarterly updates on ESG, which includes progress against the social aspects of the Sustainability Strategy under the pillars of 'Enabling colleagues to thrive', 'Enhancing financial wellbeing' and the 'Foundations'.<br><br>See response to (a) above for further detail. |

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| (g) | **Alignment of the remuneration policy in line with institution's social risk-related objectives**<br><br>In November 2022, the Irish Government announced that a number of crisis-era restrictions related to remuneration were being lifted in respect of the Group, including the blanket prohibition on variable pay. Reintroducing an element of variable pay will allow us to better link remuneration to delivery for customers and the achievement of our long term strategic and commercial goals.<br><br>As announced in the Group's strategy refresh in March 2023, 'Sustainable Company' is now one of the core strategic pillars of the Group, of which supporting a green transition for wider society is a key focus area.<br><br>The Group is introducing a performance-related Profit Share Scheme which will see colleagues rewarded by April 2024 based on both the financial and operating performance of the company and individual performance during 2023.<br><br>The appropriateness of the final profit share will be assessed against a mix of financial and non-financial criteria, including profit and related metrics, affordability, customer, and ESG, with the pool as a whole subject to risk adjustment. |
| | **Risk management** |
| (h) | **Definitions, methodologies and international standards on which the social risk management framework is based**<br><br>The Group manages ESG risks through its principal risk categories (credit risk, market, funding & liquidity risk, capital adequacy risk, life insurance risk, business and strategic risk, conduct risk, regulatory risk and operational risk).<br><br>As outlined in (a), the Group leverages the UNPRB, UNPRI and the UN Principles for Responsible Banking 'Commitment to Financial Health and Inclusion', to help determine relevant ESG factors.<br><br>Social factors and risks have been referenced in the ESG Risk framework, but are subject to further ongoing development. |
| (i) | **Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to social risk, covering relevant transmission channels**<br><br>The Group ESG Risk Framework notes that social risk management is in the early stages of development. Consequently, the Group does not yet specifically identify, measure and monitor activities and activities specifically impacted by social risk. However through the Group's Sustainability Exclusion List, the Group has aligned its lending strategy to minimise its exposures to environmentally and socially high-risk sectors. |
| (j) | **Activities, commitments and assets contributing to mitigate social risk**<br><br>Please refer to the Group's answer to (a) and (b) above, for the Group's objectives regarding social factors such as the Financial Wellbeing Programme (FWP) including:<br>- Special assistance for vulnerable customers;<br>- Enhancing learning and development opportunities for customers and colleagues;<br>- The Group's voluntary commitment to Business in the Community Ireland's Elevate Pledge; and<br>- The Group's commitment to achieving 50:50 gender ratio within its management and leadership through its Accelerate and RISE programmes.<br>As noted in the Group's answer to (d) above, the Group's Begin Together Fund is delivered annually in partnership with third party experts in the Community Foundation for Ireland (CFI), which enables the Group to focus our community investment on a wide variety of causes within an overarching strategic framework. |
| (k) | **Implementation of tools for identification and management of social risk**<br><br>The Group has aligned its lending strategy to minimise its exposures to environmentally and socially high-risk sectors through the Group's Sustainability Exclusion List.<br><br>Furthermore the Group has leveraged behavioural science and digital tools to deliver its financial wellbeing behavioural campaigns. In 2021, >171k customers were targeted through behavioural campaigns to improve their Financial Wellbeing. In one specific campaign, behavioural science was used to positively influence 9,500 customers who were struggling with persistent debt on their credit cards, with 22% of customers taking corrective action to enhance their financial wellbeing.<br><br>In 2022 the Group launched Money Insights 365 (Mi365), an inapp money management tool that delivers personalised insights and tailored nudges to help customers review spending patterns, make better financial decisions, adapt their behaviour and habits to pursue their financial goals. The Bank also developed a cost-of-living hub that signposts practical tips and resources on the Group's website to support customers and colleagues during the cost-of living crisis. |
| (l) | **Description of setting limits to social risk and cases to trigger escalation and exclusion in the case of breaching these limits**<br><br>The Group's Corporate & Business Banking has published a Sustainability Exclusion List that sets out the Group's risk appetite for lending to potential socially sensitive sectors. This List applies to all new lending and customer service arrangements ensuring that the Group does not provide financing to customers who are deemed to engage in a defined list of excluded business activities. Any cases considered a heightened ESG risk during initial review will be subject to 'Enhanced Review' and will be considered by an ESG Risk Forum in addition to Corporate & Commercial Credit. The Group embeds these exclusions at the origination stage to ensure that these criteria continue to evolve in line with the Group's Sustainability strategy.<br><br>Any cases deemed a heightened ESG risk during initial review by the relationship manager will be subject to 'Enhanced Review' and will be considered by an ESG Risk Forum during the credit process. The Group has aligned its Screening Criteria to its Sustainability Exclusion List. For further details on this process and its governance arrangements, please refer to the Group's disclosure in Governance Risk Template.<br>Currently, the Group's identification of social risk-related limits for financing projects and counterparties does not give rise to corrective actions that would avoid or mitigate social risk. |
| (m) | **Description of the link (transmission channels) between environmental risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework**<br><br>Currently, the Group has integrated climate-related (environmental) risk into its credit risk, liquidity risk, market risk and operational risk frameworks.<br><br>The Group plans to develop the link of social risks into its principal risk categories over time in line with market developments. |

**Table 3 - Qualitative information on Governance risk in accordance with Article 449a CRR**

| Row number | Governance |
|---|---|
| (a) | **Institution's integration in their governance arrangements governance performance of the counterparty, including committees of the highest governance body, committees responsible for decision-making on economic, environmental, and social topics**<br><br>The Group has integrated governance considerations as part of its implementation of E, S and G factors across the business through adopting ESG considerations into its existing governance model, with strong internal controls and governance through the relevant committee(s) and management body, in line with EBA guidelines on Internal Governance.<br><br>The Group's Credit Policy is approved by the Board. The policy is aligned with and have regard to, the Group's Risk Appetite Statement, which is approved annually by the Board. The Group's credit risk management systems operate through a hierarchy of lending authorities which are related to internal loan ratings. Governance criteria have been integrated within the Group's procedures, as part of the Customer Due Diligence and Credit Process.<br><br>The Group has in place specific procedures outlined within its Corporate and Business Banking ESG Lending Procedures for engaging with its counterparties. These procedures outline that credit submissions and review papers, submitted by the relationship managers on behalf of counterparties, are critically assessed with regard to its ESG-related governance arrangements. The Group assesses the governance considerations of its counterparties as part of its Customer Due Diligence process and the ongoing monitoring and review process. The Group requires credit submissions to explicitly comment on a borrower's ESG policies, how it is incorporated into its strategic objectives and whether these are measured and evidenced.<br><br>The Group has published a Sustainability Exclusion List, approved by Group Credit Risk Committee, that sets out its ESG risk appetite for lending to potentially sensitive sectors which the Group believes cause environmental and/or social harm to society and the community. The Group has aligned its ESG Screening Criteria, within its lending procedures, to its Sustainability Exclusion List. The Group's current portfolio is materially aligned as ESG considerations have been embedded in these procedures at the point of origination and the procedure will continue to evolve in line with the Group's Sustainability strategy.<br><br>In relation to the Group's internal governance on evaluating cases for corporate and business lending, any cases considered a heightened ESG risk during initial review by the relationship manager will be subject to enhanced review and consideration by the ESG Risk Credit Forum, prior to consideration by the Transaction Credit Risk Committee. The Group's ESG Risk Credit Forum brings together relevant senior leaders on an ad-hoc basis, to consider the potential impact of ESG and reputational-sensitive issues/business decisions referred to it during the credit origination and review process based on the screening criteria.<br><br>In order to evaluate the governance performance of its counterparties and integrate it into its internal governance arrangements, the Group's ESG Risk Credit Forum considers the following factors:<br>o ESG track record of the business<br>o Internal ESG Governance/ Policy – including any ESG Management Credentials, for example ESG pledges, industry memberships, accreditations<br>o Industry regulation<br>o ESG Rating – from ESG or other rating agencies, if relevant<br>o ESG Media profile of the business. |
| (b) | **Institution's accounting of the counterparty's highest governance body's role in non-financial reporting**<br><br>As part of its customer onboarding process and ongoing customer due diligence process conducted annually, the Group conducts an assessment of its customers' non-financial reporting. The assessment is conducted in line with the Group's Sustainability Exclusion List and the Group's Corporate and Business Banking ESG Risk Lending Procedure. In cases where a fully extensive ESG Risk analysis may not be practical, due to limitations on available information and maturity of its counterparties ESG programme, relationship managers use best efforts to assess their counterparties' ESG risk to the extent possible. |
| (c) | **Institution's integration in governance arrangements of the governance performance of their counterparties including:**<br><br>**(i) Ethical considerations**<br>**(ii) Strategy and risk management**<br>**(iii) Inclusiveness**<br>**(iv) Transparency**<br>**(v) Management of conflict of interest**<br>**(vi) Internal communication on critical concerns**<br><br>In 2022, the Group enhanced its Sustainability governance by establishing a standalone Board-level GSC. The GSC provides oversight of the Group's Sustainability strategy and monitors its implementation of the UN Principles of Responsible Banking. The Group's BRC assists the Board in discharging its responsibilities regarding ESG and climate-related risks. Both the GSC and the BRC are supported in their duties and oversight by a number of sub-committees and working groups, including the ESG Risk Working Group and the ESG Risk Credit Forum identified in the Group answer to (a) above, to ensure that updates are regularly received to maintain ongoing awareness of all activities under the Group's Sustainability strategy. Counterparty governance flows from the business through the group risk owner, which reports into the relevant committees GCRC, BRC and ERC.<br><br>The GEC has overarching responsibility for delivery of the Group's Sustainability strategy, with specific executive responsibility for Sustainability (including climate change) delegated to the CSIRO. Members of the GEC include the CFO and Divisional Chief Executive Officers (CEOs) who have been actively involved in shaping the Group's climate action plan.<br><br>The Group's Board periodically reviews its systems, processes, policies, and governance arrangements to align with the Group's Code of Conduct. Through the Group's ESG Risk Lending Procedures and the Sustainability Exclusion List, the Group integrates the ESG governance performance of its counterparties into its governance arrangements. For customers and transactions in all sectors, cases are initially screened using the Group's ESG Screening Criteria with the evidence in the public domain. The issues covered during the screening are as follows:<br>- Abuses of human rights, including displacement of indigenous peoples, child and forced labour, modern slavery, human trafficking, and exploitation of poverty<br>- Operations in internationally protected conservation areas<br>- Major or sustained environmental or socially related campaigns against the customer<br>- Major environmental or social incident or fine, for example, a pollution event or accident such as a mine explosion, or companies with a poor health and safety record, particularly repeated non-compliance with environmental or health and safety legislation. |
| | **Risk management** |
| (d) | Institution's integration in risk management arrangements the governance performance of their counterparties considering:<br><br>i) Ethical considerations<br>ii) Strategy and risk management<br>iii) Inclusiveness<br>iv) Transparency<br>v) Management of conflict of interest<br>vi) Internal communication on critical concerns<br><br>ESG responsibilities extend across the Group, based on a 'Three Lines of Defence' approach, in line with the Group Risk Management Framework. Co-ordinated by Group Risk, an ESG Risk Working Group brings together second line of defence risk management from across the Principal Risk types (with representation from the Group first line of defence) to ensure that there is a co-ordinated, cohesive and challenging approach to the management of ESG and climate-related risks within the Group.<br><br>The ESG Risk Credit Forum brings together relevant senior leaders on an ad-hoc basis, to consider the potential impact of ESG and reputational-sensitive issues/business decisions referred to it during the credit origination and review process based on the screening criteria (as outlined in the Sustainability Exclusion List).<br><br>As noted in the Group's answer to (c), the issues covered during the relationship managers ESG screening process are as follows:<br>- Abuses of human rights, including displacement of indigenous peoples, child and forced labour, modern slavery, human trafficking, and exploitation of poverty<br>- Operations in internationally protected conservation areas<br>- Major or sustained environmental or socially related campaigns against the customer<br>- Major environmental or social incident or fine, for example, a pollution event or accident such as a mine explosion, or companies with a poor health and safety record, particularly repeated non-compliance with environmental or health and safety legislation<br><br>As noted in the Group's answer to (a), the Group's corporate and business banking lending strategy is aligned to the Sustainability Exclusion List. The Group's lending activities are governed by the Group Credit Policy. |

## Environmental, Social and Governance (ESG) Risk — Bank of Ireland Group plc

Table 10.1 shows information on those assets more exposed to the risks that institutions may face from the transition to a low carbon and climate resilient economy.

**Table 10.1 - Template 1 - Banking book- Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity**

| | Sector/subsector | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Gross carrying amount (Mln EUR) | | | | | Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR) | | | GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent) | | GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting | <= 5 years | > 5 year <= 10 years | > 10 year <= 20 years | > 20 years | Average weighted maturity |
| | | | Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation | Of which environmentally sustainable (CCM) | Of which stage 2 exposures | Of which non-performing exposures | | Of which Stage 2 exposures | Of which non-performing exposures | | Of which Scope 3 financed emissions | | | | | | |
| 1 | **Exposures towards sectors that highly contribute to climate change*** | 20,700 | 177 | | 6,581 | 1,363 | (651) | (154) | (447) | 537,807 | 471,416 | 32% | 14,824 | 2,749 | 954 | 2,172 | 5.1 |
| 2 | A - Agriculture, forestry and fishing | 1,728 | - | | 292 | 103 | (61) | (11) | (41) | - | - | - | 682 | 350 | 408 | 288 | 9.2 |
| 3 | B - Mining and quarrying | 107 | 26 | | 30 | 13 | (2) | (0) | (1) | 537,807 | 471,416 | 32% | 93 | 10 | 2 | 2 | 3.5 |
| 4 | B.05 - Mining of coal and lignite | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5 | B.06 - Extraction of crude petroleum and natural gas | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 6 | B.07 - Mining of metal ores | - | - | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7 | B.08 - Other mining and quarrying | 53 | - | | 14 | 0 | (1) | (0) | (0) | 223,266 | 176,122 | 39% | 44 | 8 | - | 1 | 3.7 |
| 8 | B.09 - Mining support service activities | 54 | 26 | | 16 | 13 | (2) | (0) | (1) | 314,541 | 295,294 | 25% | 49 | 2 | 2 | 1 | 3.3 |
| 9 | C - Manufacturing | 4,863 | 39 | | 1,357 | 340 | (160) | (43) | (105) | | | | 3,697 | 692 | 26 | 448 | 4.9 |
| 10 | C.10 - Manufacture of food products | 1,126 | - | | 564 | 113 | (52) | (14) | (37) | | | | 946 | 69 | 4 | 107 | 4.4 |
| 11 | C.11 - Manufacture of beverages | 127 | - | | 52 | 27 | (9) | (0) | (8) | | | | 96 | 23 | - | 8 | 5.0 |
| 12 | C.12 - Manufacture of tobacco products | - | - | | - | - | - | - | - | | | | - | - | - | - | - |
| 13 | C.13 - Manufacture of textiles | 57 | - | | 6 | 0 | (1) | (0) | (0) | | | | 51 | 0 | 0 | 5 | 4.1 |
| 14 | C.14 - Manufacture of wearing apparel | 93 | - | | 16 | 31 | (4) | (1) | (3) | | | | 66 | 19 | - | 7 | 4.6 |
| 15 | C.15 - Manufacture of leather and related products | - | - | | - | - | - | - | - | | | | - | - | - | - | - |
| 16 | C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw | 95 | - | | 11 | 8 | (4) | (0) | (3) | | | | 74 | 9 | 2 | 10 | 5.7 |
| 17 | C.17 - Manufacture of pulp, paper and paperboard | 33 | - | | 30 | - | (2) | (2) | (0) | | | | 30 | - | - | 3 | 5.6 |
| 18 | C.18 - Printing and service activities related to printing | 139 | - | | 36 | 18 | (14) | (1) | (13) | | | | 110 | 20 | - | 10 | 5.1 |
| 19 | C.19 - Manufacture of coke oven products | 1 | 1 | | 0 | 1 | (0) | (0) | (0) | | | | 1 | - | - | 0 | 2.6 |
| 20 | C.20 - Production of chemicals | 262 | - | | 14 | 17 | (7) | (0) | (7) | | | | 226 | 10 | 2 | 23 | 4.4 |
| 21 | C.21 - Manufacture of pharmaceutical preparations | 219 | - | | 16 | - | (1) | (0) | (0) | | | | 172 | 29 | - | 18 | 5.6 |
| 22 | C.22 - Manufacture of rubber products | 231 | - | | 56 | - | (3) | (2) | (0) | | | | 180 | 31 | - | 19 | 4.6 |
| 23 | C.23 - Manufacture of other non-metallic mineral products | 66 | - | | 0 | 4 | (2) | (0) | (2) | | | | 52 | - | - | 14 | 6.4 |
| 24 | C.24 - Manufacture of basic metals | 19 | - | | 17 | - | (1) | (1) | (0) | | | | 17 | - | - | 2 | 3.3 |
| 25 | C.25 - Manufacture of fabricated metal products, except machinery and equipment | 131 | - | | 23 | 14 | (4) | (2) | (2) | | | | 87 | 32 | 1 | 10 | 5.1 |
| 26 | C.26 - Manufacture of computer, electronic and optical products | 378 | - | | 65 | 0 | (7) | (6) | (0) | | | | 312 | 35 | - | 31 | 5.0 |
| 27 | C.27 - Manufacture of electrical equipment | 188 | - | | 10 | - | (1) | (0) | (0) | | | | 125 | 48 | - | 15 | 4.9 |
| 28 | C.28 - Manufacture of machinery and equipment n.e.c. | 523 | 30 | | 146 | 6 | (9) | (6) | (1) | | | | 369 | 104 | 2 | 47 | 4.9 |
| 29 | C.29 - Manufacture of motor vehicles, trailers and semi-trailers | 83 | - | | 46 | 13 | (4) | (2) | (2) | | | | 48 | 29 | - | 7 | 4.7 |
| 30 | C.30 - Manufacture of other transport equipment | 98 | - | | 28 | 22 | (13) | (1) | (11) | | | | 89 | - | - | 8 | 3.3 |
| 31 | C.31 - Manufacture of furniture | 32 | - | | 0 | 12 | (4) | (0) | (4) | | | | 27 | - | - | 5 | 5.7 |
| 32 | C.32 - Other manufacturing | 939 | 9 | | 209 | 53 | (17) | (4) | (11) | | | | 616 | 217 | 10 | 96 | 5.3 |
| 33 | C.33 - Repair and installation of machinery and equipment | 25 | - | | 11 | - | (1) | (1) | (0) | | | | 2 | 16 | 4 | 4 | 7.2 |
| 34 | D - Electricity, gas, steam and air conditioning supply | 513 | 27 | | 54 | 5 | (6) | (2) | (3) | | | | 51 | 292 | 148 | 22 | 9.6 |
| 35 | D35.1 - Electric power generation, transmission and distribution | 491 | 27 | | 54 | 5 | (6) | (2) | (3) | | | | 30 | 292 | 148 | 21 | 9.8 |
| 36 | D35.11 - Production of electricity | 338 | 27 | | 53 | 0 | (4) | (2) | (1) | | | | 27 | 143 | 148 | 21 | 11.1 |
| 37 | D35.2 - Manufacture of gas; distribution of gaseous fuels through mains | 0 | 0 | | 0 | 0 | (0) | - | (0) | | | | 0 - | 0 | 0 - | 0 | 9.2 |
| 38 | D35.3 - Steam and air conditioning supply | 21 | - | | 0 | 0 | (0) | (0) | (0) | | | | 20 | - | - | 1 | 5.4 |
| 39 | E - Water supply; sewerage, waste management and remediation activities | 73 | - | | 34 | - | (3) | (2) | - | | | | 9 | 30 | 34 - | 0 | 7.5 |
| 40 | F - Construction | 191 | - | | 41 | 37 | (13) | (1) | (11) | | | | 102 | 70 | 4 | 15 | 5.6 |
| 41 | F.41 - Construction of buildings | 38 | - | | 2 | 25 | (5) | (0) | (5) | | | | 33 | 4 | 0 | 1 | 2.4 |
| 42 | F.42 - Civil engineering | 43 | - | | 18 | - | (0) | (0) | (0) | | | | 43 | - | - | 0 | 2.7 |
| 43 | F.43 - Specialised construction activities | 109 | - | | 22 | 12 | (8) | (1) | (6) | | | | 26 | 66 | 4 | 14 | 7.8 |
| 44 | G - Wholesale and retail trade; repair of motor vehicles and motorcycles | 2,343 | 58 | | 467 | 83 | (58) | (10) | (42) | | | | 1,060 | 271 | 79 | 933 | 9.4 |
| 45 | H - Transportation and storage | 837 | 27 | | 157 | 104 | (61) | (5) | (54) | | | | 448 | 141 | 95 | 152 | 8.2 |
| 46 | H.49 - Land transport and transport via pipelines | 170 | - | | 67 | 6 | (7) | (2) | (5) | | | | 117 | 13 | 6 | 34 | 7.1 |
| 47 | H.50 - Water transport | 66 | 10 | | 6 | 21 | (11) | (0) | (11) | | | | 51 | - | 1 | 15 | 4.7 |
| 48 | H.51 - Air transport | 72 | - | | 0 | - | (0) | (0) | (0) | | | | 59 | - | - | 12 | 7.5 |
| 49 | H.52 - Warehousing and support activities for transportation | 528 | 17 | | 83 | 77 | (42) | (3) | (38) | | | | 221 | 128 | 89 | 91 | 9.0 |
| 50 | H.53 - Postal and courier activities | 1 | - | | 1 | 0 | (0) | (0) | (0) | | | | 0 | 1 | - | 0 | 7.5 |
| 51 | I - Accommodation and food service activities | 1,608 | - | | 640 | 195 | (63) | (10) | (51) | | | | 1,157 | 256 | 61 | 135 | 4.5 |
| 52 | L - Real estate activities | 8,438 | - | | 3,508 | 484 | (223) | (68) | (139) | | | | 7,525 | 638 | 97 | 178 | 2.6 |
| 53 | **Exposures towards sectors other than those that highly contribute to climate change*** | 7,585 | 0 | | 1,732 | 481 | (248) | (67) | (159) | | | | 4,755 | 1,431 | 372 | 1,027 | 5.2 |
| 54 | K - Financial and insurance activities | 28 | - | | 1 | 0 | (0) | (0) | (0) | | | | - | - | - | 28 | 20.0 |
| 55 | Exposures to other sectors (NACE codes J, M - U) | 7,557 | 0 | | 1,731 | 481 | (247) | (67) | (159) | | | | 4,755 | 1,431 | 372 | 999 | 5.1 |
| 56 | TOTAL | 28,284 | 177 | | 8,314 | 1,845 | (898) | (221) | (606) | 537,807 | 471,416 | 32% | 19,579 | 4,180 | 1,326 | 3,199 | 5.2 |

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

## Quantitative ESG Risk Templates - Narrative Disclosures — Bank of Ireland Group plc

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

**Disclosure Basis**

This template provides information on exposures to non-financial counterparties operating in sectors that significantly contribute to climate change, including information on the credit quality and maturity profile of the exposures. The exposure information and classifications presented in the table is aligned to FINREP and may differ to other external reporting by the Group. The disclosure scope for this template includes exposures in the banking book, including loans and advances, debt securities and equity instruments to non-financial corporations, other than those held for trading.

**NACE Sector Classifications**

For this disclosure, the rows of the template breakdown include the gross carrying amount of loans and advances, debt securities and equity instruments to non-financial corporations, other than those held for trading, by sector of economic activities using NACE codes based on the principal activity of the counterparty. This breakdown is reconciled to the equivalent FINREP tables at NACE Classification Level 1 (21 sections identified by alphabetical letters A to U), and incorporates debt securities and equity instruments. For this disclosure, the FINREP NACE breakdown has been extended through a central exercise to NACE Level 2 (further sub-classifications denoted by two-digit numerical codes) for the sectors that highly contribute to climate change. The Group has an exposure of EUR 28.3 billion, distributed between those sectors identified by the EBA as major climate change contributors (73% – NACE A–I and L) and other, less polluting sectors (27% – NACE K, J, M–U).□

**Paris-aligned benchmarks**

For the June 2023 disclosure, the Group has conducted a materiality-based exercise to identify counterparties within relevant sectors that are excluded from the EU Paris-aligned benchmarks as specified in Article 12(1), points (d) to (g) and Article 12(2) of Delegated Regulation (EU) 2020/1818. The criteria as prescribed were applied to corporate banking counterparties which resulted in exposures being identified in column b of Template 1. The Group acknowledges the request from the regulator for this portion of the template to exclude companies that significantly harm one or more of the EU Taxonomy Environmental Objectives, however no significant testing against the DNSH criteria has taken place as of publication of this disclosure. The percentage of lending to non-financial corporates excluded from Paris-aligned benchmarks on this basis is <1%.

**GHG Emissions**

The Group is progressively developing its emissions reporting capabilities during 2023 and for the June 2023 disclosure, GHG financed emissions are provided for the Mining & Quarrying NACE sector. This sees the estimates reported in columns (i-j) with the percentage of the portfolio weighted by gross carrying amount (GCA) where (i) the Group has been able to estimate the counterparties scope 1, 2 & 3 emissions based on information disclosed by the counterparties, and proxy estimates provided by ICE Sustainable Finance when direct disclosed estimates are not available. This approach is informed by ECB guidance on good practices for climate related and environmental risk management and disclosure and the level of direct estimates will increase over time in line with the introduction of the Corporate Sustainability Reporting Directive (CSRD).

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## Environmental, Social and Governance (ESG) Risk

**Bank of Ireland Group plc**

Table 10.2 below requires institutions to disclose the total gross carrying amounts by level energy consumption and by EPC label with a breakdown by location (EU vs. non-EU area) differentiating between loans collateralised by commercial immovable property, loans collateralised by residential immovable property and collateral obtained by taking possession.

**Table 10.2 - Template 2 - Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral**

| | | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o | p |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **Counterparty sector** | Total gross carrying amount (in MEUR) | | | | | | | | | | | | | | | |
| | | | Level of energy efficiency (EP score in kWh/m² of collateral) | | | | | | Level of energy efficiency (EPC label of collateral) | | | | | | | Without EPC label of collateral | |
| | | | 0; <= 100 | > 100; <= 200 | > 200; <= 300 | > 300; <= 400 | > 400; <= 500 | > 500 | A | B | C | D | E | F | G | | Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated |
| 1 | **Total EU area** | **38,661** | **8,837** | **11,445** | **8,473** | **3,301** | **2,553** | **4,028** | **1,266** | **232** | **-** | **-** | **-** | **-** | **-** | **37,162** | **100%** |
| 2 | Of which Loans collateralised by commercial immovable property | 7,258 | 1,115 | 785 | 337 | 866 | 104 | 4,028 | 1,266 | 232 | - | - | - | - | - | 5,760 | 100% |
| 3 | Of which Loans collateralised by residential immovable property | 31,402 | 7,722 | 10,659 | 8,136 | 2,435 | 2,450 | - | - | - | - | - | - | - | - | 31,402 | 100% |
| 4 | Of which Collateral obtained by taking possession: residential and commercial immovable propertie | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0% |
| 5 | Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated | 38,637 | 8,837 | 11,445 | 8,473 | 3,301 | 2,553 | 4,028 | | | | | | | | 37,139 | 100% |
| 6 | **Total non-EU area** | **18,479** | **1,107** | **3,801** | **7,121** | **2,597** | **632** | **274** | **75** | **1,495** | **3,723** | **5,327** | **1,768** | **292** | **54** | **5,746** | **0%** |
| 7 | Of which Loans collateralised by commercial immovable property | 2,947 | - | - | - | - | - | - | 44 | 157 | - | - | - | - | - | 2,746 | 0% |
| 8 | Of which Loans collateralised by residential immovable property | 15,531 | 1,107 | 3,801 | 7,121 | 2,597 | 632 | 274 | 31 | 1,338 | 3,723 | 5,327 | 1,768 | 292 | 54 | 3,000 | 100% |
| 9 | Of which Collateral obtained by taking possession: residential and commercial immovable propertie | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 10 | Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated | 3,000 | 35 | 418 | 1,894 | 576 | 62 | 15 | | | | | | | | 3,000 | 100% |

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

**Disclosure Basis**

The Group is committed as part of its sustainability ambitions to support its customers to increase their residential energy efficiency whilst encouraging the purchase of energy efficient properties. Energy efficiency is represented by Energy Performance Certificate (EPC) rating, with A indicating the best and G the worst in terms of energy efficiency. The development of data capture capabilities for EPC and Energy Performance Scores is currently a key systems development focus area for the Group during 2023. The processes for disclosing EPC and Energy performance (EP) information differ across the key EU and non-EU jurisdictions that the Group operates in – Republic of Ireland (ROI) and United Kingdom (UK). They are set out as follows:

**ROI lending collateralised by immovable property**

For the June 2023 disclosure, 100% of the EPC data for ROI household lending collateralised by residential immovable property is estimated, and not based on specific EPC labels. During 2023 the Group is developing data capture capabilities in the ROI jurisdiction for BER (Building Energy Rating) Certificates (the Irish version of EPCs) as they have not been stored on data systems historically. A national database maintained by the Sustainable Energy Authority of Ireland (SEAI) on domestic properties with recorded energy ratings has been used to provide a proxy view on the energy rating profile of ROI lending collateralised by residential property, based on key explanatory factors (namely year of build, property type and location).

For the June 2023 disclosure, c.21% of the EPC data for ROI commercial lending collateralised by commercial immovable property is based on specific EPC labels collected through internal processes. For the residual ROI located properties, SEAI national data on non-domestic properties is used to estimate the energy rating profile for those properties based on property type.

Energy Performance (EP) scores are estimated as a midpoint EP kWh/m² per annum value attaching to the energy rating per SEAI reference datasets.

**UK lending collateralised by immovable property**

In the UK jurisdiction, the Group has had procedures in place for the collection of EPC data for household lending collateralised by residential immovable property since 2020 and has extended the procedures to capture Energy Performance (EP) data from 2023. For the June 2023 disclosure, c.80% of the EPC ratings and EP data for UK household lending collateralised by residential immovable property is based on specific EPC labels. For the residual UK located properties, EPC ratings have been estimated based on key explanatory factors (namely year of build, property type and location).

For the June 2023 disclosure, c.9% of the EPC data for UK commercial lending collateralised by commercial immovable property is based on specific EPC labels collected through internal processes. For the residual UK located properties, UK national data on non-domestic properties was used to estimate the energy rating profile for those properties based on property type. Energy Performance (EP) scores and estimates are not currently available from the Group's data sources for UK commercial lending collateralised by commercial immovable property and this capability is being developed for year end 2023.

**Other Jurisdictions**

For the June 2023 disclosure, c.7% of the commercial lending collateralised by commercial immovable property is based outside of ROI and the UK, predominantly in the US. Energy Ratings and EP scores and estimates are not currently available from the Group's data sources for this cohort and this capability is being developed during 2023.

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## Environmental, Social and Governance (ESG) Risk

Bank of Ireland Group plc

Table 10.3 below requires institutions to disclose in this template information on their alignment efforts with the Paris Agreement objectives for a selected number of sectors. The disclosures on the alignment shall capture the extent to which financial flows are consistent with a pathway towards low greenhouse gas emissions and climate-resilient development as defined in the Paris Agreement.

**Table 10.3 - Template 3 - Banking book – Climate change transition risk: Alignment metrics:**

| | a | b | c | d | e | f | g |
|---|---|---|---|---|---|---|---|
| | **Sector** | **NACE Sectors (a minima)** | **Portfolio gross carrying amount (Mn EUR)** | **Alignment metric**** | **Year of reference** | **Distance to IEA NZE2050 in % ***** | **Target (year of reference + 3 years)** |
| 1 | **Power** | | | | | | |
| 2 | **Fossil fuel combustion** | | | | | | |
| 3 | **Automotive** | | | | | | |
| 4 | **Aviation** | | | | | | |
| 5 | **Maritime transport** | | | | | | |
| 6 | **Cement, clinker and lime production** | | | | | | |
| 7 | **Iron and steel, coke, and metal ore production** | | | | | | |
| 8 | **Chemicals** | | | | | | |
| 9 | **… potential additions relevant to the business model of the institution** | | | | | | |

*** PiT distance to 2030 NZE2050 scenario in % (for each metric)

## Template 3: Banking Book – Climate Change Transition Risk: Alignment Metrics:

The Group continues to develop its reporting capabilities for emissions and alignment with the Paris Agreement objectives, including regular and transparent reporting on progress towards its targets, commencing for the FY 2023 reporting cycle.

In December 2022, the Science Based Targets initiative (SBTi) formally validated the Group's 2030 greenhouse gas emission reduction targets, including reduction targets from the Group lending activities (Scope 3) which are consistent with levels required to meet the goals set by the Paris Agreement.

Under the Group's targets, the Group is committing to a 48% reduction in mortgage portfolio emissions (Ireland & UK), a 56% reduction in commercial real estate portfolio emissions, and its electricity generation project finance portfolio GHG emissions by 40% per kWh. These targeted reductions are by 2030 with a base year of 2020.

Furthermore, the Group commits to 25% of its corporate loan portfolio by financed emissions setting SBTi validated targets by 2025. This includes 100% of fossil fuels corporate loans.

The SBTi endorses the Sectoral Decarbonization Approach (SDA), which employs the International Energy Agency (IEA) Energy Transition Pathway (ETP) sector budgets, for physical intensity targets and the absolute contraction approach for absolute targets.

## Environmental, Social and Governance (ESG) Risk — Bank of Ireland Group plc

Table 10.4 below shows the exposures towards the top 20 carbon-intensive companies in the world.

**Table 10.4 - Template 4 - Banking book - Climate change transition risk: Exposures to top 20 carbon-intensive firms**

| | a | b | c | d | e |
|---|---|---|---|---|---|
| | **Gross carrying amount (aggregate)** | **Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)*** | **Of which environmentally sustainable (CCM)** | **Weighted average maturity** | **Number of top 20 polluting firms included** |
| 1 | - | - | - | - | - |

*For counterparties among the top 20 carbon emitting companies in the world

## Template 4: Banking book - Climate change transition risk: Exposures to top 20 carbon-intensive firms

The purpose of this disclosure is to show aggregate exposure to the 20 most carbon-intensive companies globally. The Group selected the following top 20 lists of carbon intensive counterparties globally from two sources referenced by the ECB guidance for this exposure assessment:

- Climate Accountability Institute (CAI)
- Carbon Disclosure Project (CDP)

For the June 2023 disclosure, these top 20 lists were reviewed to determine if the Group had any exposure to any of the counterparties on the listings in the banking book. This assessment resulted in a nil exposure return.

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## Environmental, Social and Governance (ESG) Risk — Bank of Ireland Group plc

Table 10.5 below provides information on exposures in the banking book (including loans and advances, debt securities and equity instruments not held for trading and not held for sale) towards nonfinancial corporates, on loans collateralised with immovable property and on repossessed real estate collateral that are exposed to chronic and acute climate-related hazards.

**Table 10.5.1 - Template 5 - Banking book - Climate change physical risk: Exposures subject to physical risk: Ireland**

| | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Variable: Geographical area subject to climate change physical risk - acute and chronic events | Gross carrying amount (Mln EUR) | | | | | | | | | | | | | |
| | | | of which exposures sensitive to impact from climate change physical events | | | | | | | | | | | | |
| | | | Breakdown by maturity bucket | | | | | of which exposures sensitive to impact from chronic climate change events | of which exposures sensitive to impact from acute climate change events | of which exposures sensitive to impact both from chronic and acute climate change events | Of which Stage 2 exposures | Of which non-performing exposures | Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions | | |
| | | | <= 5 years | > 5 year <= 10 years | > 10 year <= 20 years | > 20 years | Average weighted maturity | | | | | | | of which Stage 2 exposures | Of which non-performing exposures |
| 1 | A - Agriculture, forestry and fishing | 1,472 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2 | B - Mining and quarrying | 51 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 3 | C - Manufacturing | 1,731 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 4 | D - Electricity, gas, steam and air conditioning supply | 374 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5 | E - Water supply; sewerage, waste management and remediation activities | 39 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 6 | F - Construction | 67 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7 | G - Wholesale and retail trade; repair of motor vehicles and motorcycles | 1,695 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 8 | H - Transportation and storage | 590 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 9 | L - Real estate activities | 5,925 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10 | Loans collateralised by residential immovable property | 31,402 | 17 | 46 | 129 | 199 | 20.0 | - | 390 | - | 43 | 5 | (2) | - | (1) |
| 11 | Loans collateralised by commercial immovable property | 7,231 | 232 | 8 | 1 | - | 2.9 | - | 241 | - | 117 | 5 | (9) | (8) | (1) |
| 12 | Repossessed collaterals | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 13 | Other relevant sectors (breakdown below where relevant) | 4,025 | - | - | - | - | - | - | - | - | - | - | - | - | - |

**Table 10.5.2 - Template 5 - Banking book - Climate change physical risk: Exposures subject to physical risk: UK**

| | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Variable: Geographical area subject to climate change physical risk - acute and chronic events | Gross carrying amount (Mln EUR) | | | | | | | | | | | | | |
| | | | of which exposures sensitive to impact from climate change physical events | | | | | | | | | | | | |
| | | | Breakdown by maturity bucket | | | | | of which exposures sensitive to impact from chronic climate change events | of which exposures sensitive to impact from acute climate change events | of which exposures sensitive to impact both from chronic and acute climate change events | Of which Stage 2 exposures | Of which non-performing exposures | Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions | | |
| | | | <= 5 years | > 5 year <= 10 years | > 10 year <= 20 years | > 20 years | Average weighted maturity | | | | | | | of which Stage 2 exposures | Of which non-performing exposures |
| 1 | A - Agriculture, forestry and fishing | 247 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2 | B - Mining and quarrying | 41 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 3 | C - Manufacturing | 778 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 4 | D - Electricity, gas, steam and air conditioning supply | 119 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5 | E - Water supply; sewerage, waste management and remediation activities | 34 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 6 | F - Construction | 90 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7 | G - Wholesale and retail trade; repair of motor vehicles and motorcycles | 422 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 8 | H - Transportation and storage | 118 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 9 | L - Real estate activities | 1,892 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10 | Loans collateralised by residential immovable property | 15,531 | 87 | 147 | 123 | 223 | 16.1 | 205 | 388 | 13 | 69 | 15 | (4) | (2) | (2) |
| 11 | Loans collateralised by commercial immovable property | 2,270 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 12 | Repossessed collaterals | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 13 | Other relevant sectors (breakdown below where relevant) | 2,603 | - | - | - | - | - | - | - | - | - | - | - | - | - |

**Table 10.5.3 - Template 5 - Banking book - Climate change physical risk: Exposures subject to physical risk: Other**

| | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Variable: Geographical area subject to climate change physical risk - acute and chronic events | Gross carrying amount (Mln EUR) | | | | | | | | | | | | | |
| | | | of which exposures sensitive to impact from climate change physical events | | | | | | | | | | | | |
| | | | Breakdown by maturity bucket | | | | | of which exposures sensitive to impact from chronic climate change events | of which exposures sensitive to impact from acute climate change events | of which exposures sensitive to impact both from chronic and acute climate change events | Of which Stage 2 exposures | Of which non-performing exposures | Accumulated impairment, | | |
| | | | <= 5 years | > 5 year <= 10 years | > 10 year <= 20 years | > 20 years | Average weighted maturity | | | | | | | of which Stage 2 exposures | Of which non-performing exposures |
| 1 | A - Agriculture, forestry and fishing | 9 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2 | B - Mining and quarrying | 15 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 3 | C - Manufacturing | 2,353 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 4 | D - Electricity, gas, steam and air conditioning supply | 19 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5 | E - Water supply; sewerage, waste management and remediation activities | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 6 | F - Construction | 34 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7 | G - Wholesale and retail trade; repair of motor vehicles and motorcycles | 226 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 8 | H - Transportation and storage | 129 | 6 | - | - | - | 4 | 6 | - | - | 6 | - | - | - | - |
| 9 | L - Real estate activities | 621 | - | - | - | - | 6 | - | - | - | - | - | - | - | - |
| 10 | Loans collateralised by residential immovable property | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 11 | Loans collateralised by commercial immovable property | 705 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 12 | Repossessed collaterals | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 13 | Other relevant sectors (breakdown below where relevant) | 2,564 | 4 | - | - | - | 2 | 4 | - | - | - | - | - | - | - |

### Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk

**Physical Risk Assessment**

During 2022, the Group has continued to develop its capabilities to identify, measure and monitor the potential financial impacts emerging from climate-related physical risks. For this purpose, the Group has acquired date from Moody's to assess physical risks, also used by the ECB to provide physical risk assessments for the 2022 ECB Climate Stress Test.

The data provided by Moody's provides coverage at a NUTS 3  level (See Footnote 1) across six sub-types of physical risk that have been categorised into acute and physical risk categories as follows:

Acute Physical Risks:
- Floods
- Hurricanes & Typhoons
- Wildfires

Chronic Physical Risks:
- Heat Stress
- Sea Level Risk
- Water Stress

For exposures collateralised by immovable property (residential and commercial), in line with guidance the collateral location is used to assign exposures to the NUTS3 regions level to assess the exposure to physical risk. Where the lending is not collateralised, the country of risk is used.

- If any of the six physical risks are classed as "Highly Exposed" for that region – the exposure is classed as Sensitive to Impact from both Chronic and Acute Physical Risks – column (j), if applicable.

- Else if any of the three chronic physical risks are classed as "Highly Exposed" for that region – the exposure is classed as "Sensitive to Impact from Chronic Physical Risks" - column (h)

- Else if any of the three acute physical risks are classed as "Highly Exposed" for that region – the exposure is classed as "Sensitive to Impact from Acute Physical Risks" – column (l)

**Additional Risk Assessment**

As an additional step a more property specific physical risk assessment has been undertaken for properties in ROI and UK that are residential or commercial property collateral for lending exposures. The locations of these properties have been geo-coded for flood risk assessment. Using latitude and longitude, properties are matched to building and street based on address data available.

JBA Flood Risk Management are a leading provider of climate flood modelling in the Irish and UK market. Flood scores, based on JBA's flood matrix, are allocated per geo-coded property based on the potential flood damage to property dependent on the type, frequency and depth of flooding modelled across different return periods; for example, coastal flooding will involve salt water, which can cause more property damage than river flood water and therefore has a higher score than the equivalent river flood score. The scoring ranges from 0 to 53, with 0 being lowest and 53 being the highest risk. The flood scores are projected forward based on the RCP 8.5 Pathway (See Footnote 2) where emissions continue to rise throughout the 21st century and global temperatures increase by 2100 by 3.4 to 6.2 degrees.

Properties with a score of 31 and above by 2050 on an undefended basis (where flood mitigating defences) are classed as "Highly Exposed". This is consistent with insurers' assessment and grading of high flood risk. For properties in the UK residential property portfolio the measurement applied is slightly different as the JBA methodology applied in ROI above is due for implementation in 2023 and will be extended to include UK commercial property. For these exposures the disclosure approach implemented in the 2021 Annual Report & Accounts is applied and high flood risk is assigned to properties with a probability of a flood event occurring by 2030 under the RCP 8.5 scenario of >5%.

Properties are classed at high risk of flooding are:

- Properties in ROI with a score of 31 and above by 2050 on an undefended basis (See Footnote 3)
- Properties in UK with a probability of a flood event occurring by 2030 of >5% (See Footnote 4)

Then if they have not already flagged as sensitive in the previous steps, the exposures collateralised by properties classed as high risk of flooding in 2050 are then classed as:
- "Sensitive to Impact from Acute Physical Risks" – column (I); and
- "Sensitive to Impact from both Chronic and Acute Physical Risks"" – column (j)."□

**Footnotes:**

1 The Nomenclature of territorial units for statistics (NUTS) is a geographical nomenclature subdividing the economic territory of the European Union (EU) into regions at three different levels (NUTS 1, 2 and 3 respectively, moving from larger to smaller territorial units).

2 Representative Concentration Pathways for greenhouse gas concentration trajectories adopted by the IPCC (Intergovernmental Panel on Climate Change). The pathways describe different climate futures, all of which are considered possible depending on the volume of GHGs emitted in the years to come.

3 Undefended denotes that flood mitigating defences are not taken into account. The flood data provided is on an undefended basis in the Republic of Ireland as the Office of Public Works (OPW) currently only allows members of the Insurance Institute of Ireland access their defended areas data.

4 Probability based on projected JBA Flood Scores. As the climate data for the UK Mortgage portfolio continues to be enhanced during 2023 – the methodology employed for UK Mortgage flood risk assessments will be reviewed to ensure ongoing alignment to market developments and use of JBA data across ROI and UK jurisdictions.

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Table 10.6 below requires institutions to disclose in this template information on other climate change mitigating actions and includes exposures of the institutions that are not taxonomy aligned according to templates 7 and 8 but that still support counterparties in the transition and adaptation process for the objectives of climate change mitigation and climate change adaptation. These mitigating actions and activities shall include bonds and loans issued under standards other than the EU standards, like e.g. green bonds; sustainable bonds that are linked to aspects on climate change; sustainability-linked bonds that are linked to aspects on climate change; green loans; sustainability loans that are linked to aspects on climate change; sustainability-linked loans that are linked to aspects on climate change.

**Table 10.6 - Template 10 - Other climate change mitigating actions that are not covered in the EU Taxonomy**

| | a | b | c | d | e | f |
|---|---|---|---|---|---|---|
| | **Type of financial instrument** | **Type of counterparty** | **Gross carrying amount (million EUR)** | **Type of risk mitigated (Climate change transition risk)** | **Type of risk mitigated (Climate change physical risk)** | **Qualitative information on the nature of the mitigating actions** |
| 1 | **Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)** | Financial corporations | 138 | Yes | No | The green bonds held in Bank of Ireland's Liquid Asset Portfolio fund activities within the following categories: renewable energy, energy efficient technologies, green real estate, green energy production and storage infrastructure, clean transportation, climate change adaption, sustainable aquaculture, sustainable water management, agriculture and forestry, eco-efficient products, and pollution prevention and control. |
| 2 | | Non-financial corporations | | | | |
| 3 | | Of which Loans collateralised by commercial immovable property | | | | |
| 4 | | Households | | | | |
| 5 | | Of which Loans collateralised by residential immovable property | | | | |
| 6 | | Of which building renovation loans | | | | |
| 7 | | Other counterparties | 561 | Yes | No | |
| 8 | **Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)** | Financial corporations | | | | Exposures of c.€10.1bn disclosed in this table comprise loans within the Green Eligible Assets Portfolio, sustainability-linked loans and UK residential mortgages to EPC A and B rated properties. The Group is an established provider of sustainable finance products which supports its customers in respect of climate change mitigation and climate change adaptation. The Group products include green mortgages, home loans to improve energy-efficiencies, electric vehicle finance through to green business loans for energy efficiency and the provision of sustainable linked loans to the Group's corporate customers. |
| 9 | | Non-financial corporations | 3,350 | Yes | No | |
| 10 | | Of which Loans collateralised by commercial immovable property | 1,700 | Yes | No | |
| 11 | | Households | 6,725 | Yes | No | |
| 12 | | Of which Loans collateralised by residential immovable property | 6,625 | Yes | No | |
| 13 | | Of which building renovation loans | | | | |
| 14 | | Other counterparties | | | | |

Green bonds disclosed in the template cover the Group's Liquid Asset Portfolio, i.e. high quality liquid assets which can be sold or pledged to facilitate the funding of unanticipated outflows. For a bond to be accepted as Green, a second party opinion (SPO) from a recognized provider must by maintained by the Portfolio Manager and independently validated by Group Market & Liquidity Risk (second line function). The Liquid Asset Portfolio Manager also utilises green bond indicators as provided by Bloomberg for cross-checking purposes.

The Group is an established provider of sustainable finance products which supports its customers in respect of climate change mitigation and climate change adaptation. The Group's products include green mortgages, home loans to improve energy-efficiency, electric vehicle finance through to green business loans for energy efficiency and the provision of sustainable linked loans to the Group's corporate customers.

In its HY23 Interim Results Announcement, the Group reported c.€9.7bn of sustainability related finance as at 30 June 2023. Subsequently, as a result of increased coverage and data capture of EPC ratings data on the Northern Ireland cohort of UK residential mortgages, an additional €0.34bn of assets where classified as EPC rating of A and B. As a result, in this template, the Group has updated its 30 June 2023 stock of sustainability related finance to c.€10.1bn from €9.7bn to reflect the recognition of these assets.

Lending within the Green Eligible Assets Portfolio includes lending to green buildings (both residential and commercial), renewable energy and clean transportation (electric vehicles). The Group issued €1.5 billion in bonds through its Green Bond Framework during 2023, bringing total issuances to date to €4 billion. In year end 2023, the Group will carry out its EU Taxonomy alignment exercise which will populate ESG Templates 7 and 8, therefore the disclosure for 30 June 2023 makes no determination on the taxonomy alignment of the information disclosed.

## Appendix I - Table References

Bank of Ireland Group plc

| Guideline Reference | Table Reference | Table Name | Location Pillar 3 |
|---|---|---|---|
| Annex 1 - Disclosure of key metrics and overview of risk-weighted exposure amounts | EU OV1 | Overview of total risk exposure amounts | Tab 2.1 |
| Annex 1 - Disclosure of key metrics and overview of risk-weighted exposure amounts | EU KM1 | Key metrics | Tab 1.1 |
| Annex 7 - Disclosure of Own Funds | EU CC1 | Composition of regulatory own funds | Tab 2.2 |
| Annex 7 - Disclosure of Own Funds | EU CC2 | Reconciliation of regulatory own funds to balance sheet in the audited financial statements | Tab 2.3 |
| Annex 9 - Disclosure of countercyclical capital buffers | EU CCyB1 | Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer | Tab 2.4 |
| Annex 9 - Disclosure of countercyclical capital buffers | EU CCyB2 | Amount of institution-specific countercyclical capital buffer | Tab 2.4 |
| Annex 11 - Disclosure of the leverage ratio | EU LR1 | LRSum: Summary reconciliation of accounting assets and leverage ratio exposures | Tab 9.1 |
| Annex 11 - Disclosure of the leverage ratio | EU LR2 | LRCom: Leverage ratio common disclosure | Tab 9.2 |
| Annex 11 - Disclosure of the leverage ratio | EU LR3 | LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) | Tab 9.3 |
| Annex 13 - Disclosure of liquidity requirements | EU LIQB | Qualitative information on LCR which complements template EU LIQ1 | Liquidity risk tab |
| Annex 13 - Disclosure of liquidity requirements | EU LIQ1 | LCR Disclosures template | Tab 8.2 |
| Annex 13 - Disclosure of liquidity requirements | EU LIQ2 | Net Stable Funding Ratio | Tab 8.3 |
| Annex 15 – Disclosure of credit risk quality | EU CR1 | Performing and non-performing exposures and related provisions | Tab 3.8 |
| Annex 15 – Disclosure of credit risk quality | EU CR1-A | Maturity of exposures | Tab 3.9 |
| Annex 15 – Disclosure of credit risk quality | EU CR2 | Changes in the stock of non-performing loans and advances | Tab 3.10 |
| Annex 15 – Disclosure of credit risk quality | EU CR2-A | Changes in the stock of non-performing loans and advances and related net accumulated recoveries | not applicable to BOIG as NPL below 5% threshold |
| Annex 15 – Disclosure of credit risk quality | EU CQ1 | Credit quality of forborne exposures | Tab 3.11 |
| Annex 15 – Disclosure of credit risk quality | EU CQ2 | Quality of forbearance | not applicable to BOIG as NPL below 5% threshold |
| Annex 15 – Disclosure of credit risk quality | EU CQ4 | Quality of non-performing exposures by geography | Tab 3.12 |
| Annex 15 – Disclosure of credit risk quality | EU CQ5 | Credit quality of loans and advances by industry | Tab 3.13 |
| Annex 15 – Disclosure of credit risk quality | EU CQ6 | Collateral valuation - loans and advances | not applicable to BOIG as NPL below 5% threshold |
| Annex 15 – Disclosure of credit risk quality | EU CQ7 | Collateral obtained by taking possession and execution processes | not applicable to BOIG |
| Annex 15 – Disclosure of credit risk quality | EU CQ8 | Collateral obtained by taking possession and execution processes – vintage breakdown | not applicable to BOIG |
| Annex 17 - Disclosure of the use of credit risk mitigation techniques | EU CR3 | CRM techniques overview:  Disclosure of the use of credit risk mitigation techniques | Tab 3.14 |
| Annex 19 - Disclosure of the use of the standardised approach | EU CR4 | Standardised approach – Credit risk exposure and CRM effects | Tab 3.1 |
| Annex 19 - Disclosure of the use of the standardised approach | EU CR5 | Standardised approach | Tab 3.2 |
| Annex 21- Disclosure of the use of the IRB approach to credit risk | EU CR6 | IRB approach – Credit risk exposures by exposure class and PD range | Tab 3.3 and Tab 3.4 |
| Annex 21- Disclosure of the use of the IRB approach to credit risk | EU CR7 | IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques | Tab 3.5 |
| Annex 21- Disclosure of the use of the IRB approach to credit risk | EU CR7-A | IRB approach – Disclosure of the extent of the use of CRM techniques | Tab 3.6 |
| Annex 21- Disclosure of the use of the IRB approach to credit risk | EU CR8 | RWEA flow statements of credit risk exposures under the IRB approach | Tab 3.7 |
| Annex 23 - Disclosure of specialised lending | EU CR10 | Specialised lending and equity exposures under the simple risk weighted approach | not applicable to BOIG |
| Annex 25 - Disclosure of exposures to counterparty credit risk | EU CCR1 | Analysis of CCR exposure by approach | Tab 4.1 |
| Annex 25 - Disclosure of exposures to counterparty credit risk | EU CCR2 | Transactions subject to own funds requirements for CVA risk | Tab 4.4 |
| Annex 25 - Disclosure of exposures to counterparty credit risk | EU CCR3 | Standardised approach – CCR exposures by regulatory exposure class and risk weight | Tab 4.2 |
| Annex 25 - Disclosure of exposures to counterparty credit risk | EU CCR4 | IRB approach – CCR exposures by exposure class and PD scale | Tab 4.3 |
| Annex 25 - Disclosure of exposures to counterparty credit risk | EU CCR5 | Composition of collateral for exposures to CCR | Tab 4.5 |
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| **Advanced IRB** | Advanced Internal Ratings Based approach. The approach which allows banks to calculate their capital requirement for credit risk for their retail and non-retail portfolios using their own internally generated estimates of PD, LGD and CCF. These variables are then fed into a standard formula to calculate the capital requirement for the asset. Referred to as Retail IRB in this document. |
| **Banking Book** | The Banking Book consists of all banking assets, liabilities and derivatives other than those held with trading intent and booked on this basis in the Trading Book. |
| **CRD** | The CRD package transposes, via a Regulation and a Directive, the new global standards on bank capital (commonly known as the Basel III agreement) into the EU legal framework. The Capital Requirements Directive and the Capital Requirements Regulation were published in the Official Journal of the EU in June 2013 (also called CRD IV / CRR) and have been subsequently updated. |
| **Collateral** | Property or assets made available by a borrower as security against a loan. Under a collateralisation arrangement, a party who has an obligation to another party posts collateral (typically consisting of cash or securities) to secure the obligation. In the event that the counterparty defaults on the obligation, the secured party may seize the collateral. |
| **Counterparty Credit Risk** | Counterparty credit risk (CCR) means the risk that the counterparty to derivatives and security finance transactions could default before the final settlement of the transaction's cash flows. |
| **Credit Conversion Factor (CCF)** | An estimate of the proportion of undrawn commitments expected to be drawn down at the point of default. The CCF is expressed as a percentage and is used in the calculation of Exposure at Default (EAD). |
| **Credit Risk Standardised Approach** | A method for calculating risk capital requirements using ECAI ratings (where available) and supervisory risk weights. |
| **Credit Risk Mitigation** | A technique to reduce the credit risk associated with an exposure by the application of credit risk mitigants such as collateral, guarantees and credit protection. |
| **Derecognition** | The removal of a previously recognised financial asset or financial liability from an entity's balance sheet. |
| **EBA** | The European Banking Authority, formerly CEBS (the Committee of European Banking Supervisors). |
| **Expected Loss** | A regulatory calculation of the amount expected to be lost on an exposure using a twelve month time horizon and downturn loss estimates. Expected loss is calculated by multiplying the Probability of Default (a percentage) by the Exposure at Default (an amount) and Loss Given Default (a percentage). |
| **External Credit Assessment Institution (ECAI)** | An eligible External Credit Assessment Institution (ECAI) is an entity, other than an Export Credit Agency, that issues external credit assessments, and that has been determined by the competent authorities to meet the eligibility requirements set out in the Capital Requirements Directive. The credit assessment provided by the ECAI is used to provide a basis for capital requirement calculations in the Standardised approach for securitisation positions as well as an input into the IRB Institutions model. Further information on the use of ECAIs under the Standardised approach for other asset classes has not been disclosed due to immateriality. |
| **Exposure at Default (EAD)** | The estimated value of the bank's exposure at the moment of the borrower's default determined under regulatory rules. |
| **Exposure Weighted Average (LGD)** | Calculating the exposure weighted average LGD involves multiplying the exposure values by the relevant LGD, summing the answers and dividing by the total exposure values. |
| **Exposure Weighted Average (PD)** | Calculating the exposure weighted average PD involves multiplying the exposure values by the relevant PD, summing the answers and dividing by the total exposure values. |
| **Financial collateral comprehensive method** | Takes into account price and volatility when valuing financial collateral for the purpose of credit risk mitigation. |
| **Foundation IRB** | The approach where institutions use their own estimates of PD to calculate risk weights for each exposure. Supervisory estimates of LGDs and EADs are used. |
| **GMRA** | Global Master Repurchase Agreements, are standard industry agreements that permit the netting and the collateralisation of repo type transactions. |
| **Gross carrying amount** | The gross carrying amount related to the exposures subject to impairment is the net of accumulated partial and total write-off. |
| **Gross non-performing loans and advances (NPL) ratio** | The gross NPL ratio is the ratio of the gross carrying amount of NPLs and advances to the total gross carrying amount of loans and advances subject to the NPE definition. For the purpose of this calculation, loans and advances classified as held for sale, cash balances at central banks and other demand deposits are to be excluded both from the denominator and from the numerator. |
| **IFRS** | International Financial Reporting Standards. |
| **Internal Ratings Basel Approach (IRB)** | Approach to credit risk under which a bank may use internal estimates to generate risk components for use in the calculation of their credit risk regulatory capital requirements. There are two approaches: Foundation and Advanced (including Retail). |
| **Immateriality** | The CRD permits non-disclosure where the information to be provided is not regarded as material. Information is deemed to be material under the CRD if its omission or misstatement could change or influence the assessment or decision of a user relying on that information for the purposes of making an economic decision. Any required items left out of this document due to immateriality are referenced in the relevant section of this document. |
| **IRB Exposure Classes** | • *Institutions:* Exposures to Financial Institutions authorised and supervised by the competent authorities and subject to prudential requirements. Includes exposure to Covered Bonds. |
| | • *Corporates:* CRD does not provide a definition of the corporate exposure class; it simply provides that any exposure not falling into any of the other exposure classes will be allocated to the corporate exposure class. |
| | • *Secured by immovable property collateral:* Residential mortgages. |
| | • *Qualifying revolving: The exposures (to individuals) are revolving and unsecured. Primarily comprises of credit cards.* |
| | • *Securitisation positions:* Exposures belonging to a pool - as defined below under securitisation. |
| **ISDA** | ISDA is the International Swaps and Derivatives Association. ISDA Agreements are standard industry agreements issued by ISDA which permit the netting of derivative transactions. |
| **Leverage Ratio** | The leverage ratio is a monitoring tool which allows competent authorities to assess the risk of excessive leverage in their respective institutions. |
| **Loss Given Default (LGD)** | The likely financial loss associated with default, net of collections / recovery costs and realised security. |
| **Mark-to-Market (MTM)** | The act of recording the price or value of a security, portfolio or account to reflect its current market value rather than its book value. |

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| **Market Risk Standardised Approach** | The Standardised approach to the determination of Pillar 1 capital for market risk in the trading book involves estimating a minimum required capital charge based on the difference in the re-pricing periods for assets, liabilities and derivatives (treated as equivalent on-balance sheet assets and liabilities). In addition, depending on the nature of the positions, it also provides for a specific risk charge. The total minimum capital charge is converted to a risk weighted asset equivalent for the trading book which is summed with other risk weighted assets in determining overall regulatory capital ratios. |
| **Minimum capital requirements** | 8% of RWA |
| **Net Value** | Net value is the gross carrying value (pre CRM and CCF) of On and Off balance sheet exposures less specific credit risk adjustments (value adjustments and provisions per COREP including the Article 3 calendar provisioning). |
| **Non-performing exposure (NPE)** | 'Non-performing exposures' (NPEs): These are: (i) credit-impaired loans which includes loans where the borrower is considered unlikely to pay in full without recourse by the Group to actions such as realising security, including FCR cases, and loans where the borrower is greater than 90 days past due and the arrears amount is material; and (ii) other / probationary loans that have yet to satisfy exit criteria in line with EBA guidance to return to performing. |
| **Off Balance Sheet** | Off balance sheet items include undrawn commitments to lend, guarantees, letters of credit, acceptances and other items as listed in Annex I of the CRR. |
| **Operational Risk Standardised Approach** | The Pillar 1 approach which allows banks to calculate their capital requirement in respect of operational risk by multiplying the gross income from each business line by the relevant factor specified in respect of that business line (as set out in CRD). |
| **Originator** | An entity which, either itself or through related entities, directly or indirectly, was involved in the original agreement which created the obligations or potential obligations of the debtor or potential debtor giving rise to the exposure being securitised; or an entity which purchases a third party's exposures onto its balance sheet and then securitises them. |
| **Probability of Default (PD)** | The likelihood that a debt instrument will default within a stated timeframe (For CRD this is a twelve month time horizon). For example, the probability of default of a certain loan is 2%; this means that there are 2 chances out of 100 that the borrower will default in the next 12 months. |
| **Regulatory Basis** | The application of the requirements in accordance with competent authority application of transitional provisions. |
| **Risk Exposure Amounts (REA)** | Risk Exposure Amount refers to an amount in respect of which capital requirements arise under CRR and is used interchangeably in this document with RWA. REA is used in the calculation of risk-based capital ratios. Total assets are calculated by applying predetermined calculations (set by the regulators) to the nominal outstanding amount of each on-balance sheet asset and the notional principal amount of each off-balance sheet item and incorporating risk weighted factors. |
| **RWA Density (%)** | Total REA divided by Total EAD post CRM. |
| **Securitisation** | Converting an asset such as a loan into a marketable commodity by turning it into securities. Assets are pooled and sold, often in unitised form, enabling the lender to reliquary the asset. Any asset that generates an income stream can be securitised - i.e. mortgages, car loans, credit-card receivables. |
| **Settlement Risk** | The risk to which a bank is exposed on certain transactions unsettled after their due date. |
| **Stage 1** | Stage 1 - 12 month Expected Credit Losses (ECL) (not credit-impaired). Financial instruments which have not experienced a significant increase in credit risk since initial recognition and are not credit-impaired. An impairment loss allowance equal Stage 1 - 12 month ECL is recognised, which is the portion of lifetime ECL resulting from default events that are possible within the next 12 months. |
| **Stage 2** | Stage 2 - Lifetime ECL (not credit-impaired). Financial instruments which have experienced a 'significant increase in credit risk since initial recognition' and are not credit-impaired. An impairment loss allowance equal to lifetime ECL is recognised, being the ECL resulting from all possible default events over the expected life of the financial instrument. 'Credit risk' in this context refers to the change in the risk of a default occurring over the expected life of the financial instrument. |
| **Stage 3** | Stage 3 - Lifetime ECL (credit-impaired). Credit-impaired financial instruments, other than Purchased or originated credit-impaired financial assets. An impairment loss allowance equal to lifetime ECL is recognised. The manner in which the Group identifies financial assets as credit-impaired results in the Group's population of credit-impaired financial assets being consistent with its population of defaulted financial assets (in accordance with Article 178 of the CRR) in scope for the impairment requirements of IFRS 9. This encompasses loans where: (i) the borrower is considered unlikely to pay in full without recourse by the Group to actions such as realising security (including 'forborne collateral realisation' (FCR) loans); and / or (ii) the borrower is greater than 90 days past due and the arrears amount is material. |
| **SME** | Small Medium Enterprise is defined as an enterprise which employs fewer than 250 people and whose annual turnover is less than €50 million, or annual balance sheet total less than €43 million. |
| **Specific Outlier Test (SOT)** | SOTs are a supervisory tool which assess whether exposures to IRRBB have an impact on an institution's economic value of equity or net interest income beyond specific thresholds. |
| **Standardised Exposure Classes** | • *Retail:* Exposures must be to an individual person or person or to a small or medium sized entity. It must be one of a significant number of exposures with similar characteristics such that the risks associated with such lending are substantially reduced and, the total amount owed, shall not, to the knowledge of the credit institution, exceed €1 million.<br><br>• *Public Sector Entities:* Exposures to Public Sector Entities and non-commercial undertakings.<br><br>• *Corporates:* In general, a corporate exposure is defined as a debt obligation of a corporate, partnership or proprietorship.<br>• *Exposures in default:* Where the exposure is past due more than 90 days or unlikely to pay.<br><br>• *Exposures associated with particularly high risks:* Exposures associated with particularly high risks such as investments in venture capital firms and private equity investments.<br><br>• *Institutions Corporates with short-term credit assessment:* Exposures for which a short-term credit assessment by a nominated ECAI is available.<br>• *Other items:* Exposures not falling into the other exposure classes outlined. |
| **Trading Book** | A trading book consists of positions in financial instruments and commodities held either with intent to trade, or in order to hedge other elements of the Trading Book. To be eligible for trading book capital treatment, financial instruments must either be free of any restrictive covenants on their tradability, or are able to be hedged completely. |
| **Through-the-Cycle PD (TtC PD)** | A version of the Probability of Default measure engineered to estimate the average one-year probability of default over an economic cycle. For example, if the TtC PD of a certain loan is 2% this means that there is, on average over an economic cycle, a 2 in 100 chance that the borrower will default in any given year. |

# Abbreviations



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| **AIRB** | Advanced Internal Ratings-Based Approach |
| **AT1** | Additional Tier 1 capital |
| **BOIG** | Bank of Ireland Group plc |
| **CBI** | Central Bank of Ireland |
| **CCF** | Credit conversion factor |
| **CCP** | Central clearing counterparty |
| **CCR** | Counterparty credit risk |
| **CCyB** | Countercyclical Capital Buffer |
| **CET 1** | Common equity tier 1 capital |
| **CMBS** | Commercial Mortgage-Backed Securities |
| **CRD** | Capital Requirements Directive |
| **CRM** | Credit risk mitigation |
| **CRR** | Capital Requirements Regulation |
| **CSA** | Credit support annex |
| **CVA** | Credit valuation adjustment |
| **EAD** | Exposure at default |
| **EBA** | European Banking Authority |
| **ECAI** | External Credit Assessment Institutions |
| **ECL** | Expected credit loss |
| **EL** | Expected loss |
| **EU** | European Union |
| **FCCM** | Financial collateral comprehensive method |
| **FCR** | Forborne collateral realisation |
| **FIRB** | Foundation Internal Ratings-Based Approach |
| **GAC** | Group Audit Committee |
| **GMRA** | Global master repurchase agreement |
| **GRC** | Group Remuneration Committee |
| **G_SIB** | Global Systemically Important Bank |
| **G-SII** | Global Systemically Important Institution |
| **HQLA** | High quality liquid assets |
| **IAA** | Internal Assessment Approach |
| **IFRS** | International Financial Reporting Standards |
| **IMA** | Internal Models Approach |
| **IMM** | Internal Models Method |
| **IRB** | Internal Ratings-Based Approach |
| **ISDA** | International Swaps and Derivative Association |
| **LCR** | Liquidity coverage ratio |
| **LDR** | Loan to Deposit Ratio |
| **LGD** | Loss given default |
| **MDB** | Multilateral development bank |
| **MTM** | Mark-to-market |
| **NPE** | Non-performing exposures |
| **OTC** | Over-the-counter |
| **O-SII** | Other Systemically Important Institutions |
| **PD** | Probability of default |
| **PFE** | Potential future exposure |
| **PIT** | Point-in-time |
| **PSE** | Public sector entity |
| **PVA** | Prudent valuation adjustment |
| **QCCP** | Qualifying central counterparty |
| **QRRE** | Qualifying revolving retail exposure |
| **Retail IRB** | Retail Internal Ratings Based Approach |
| **RMBS** | Residential Mortgage-Backed Securities |
| **RW** | Risk Weight |
| **TREA** | Total Risk exposure amounts |
| **RWEA** | Risk weighted exposure amounts |
| **SFT** | Securities financing transactions |
| **SME** | Small Medium Enterprise |
| **SOT** | Specific Outlier Test |
| **SSM** | Single Supervisory Mechanism |
| **SVaR** | Stressed Value at Risk |
| **VaR** | Value at risk |