Bank of Ireland Group plc
Year end Pillar 3 Disclosures
December 2021

Forward-looking statement

This document contains forward-looking statements with respect to certain of the 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, level of ownership by the Irish Government, loan to deposit ratios (LDRs), expected impairment charges, the level of the Group’s assets, the Group’s financial position, future income, business strategy, projected costs, margins, future payment of dividends, the implementation of changes in respect of certain of the Group’s pension schemes, estimates of capital expenditures, discussions with Irish, UK, European and other regulators and plans and objectives for future operations, and the impact of the COVID-19 pandemic 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 or financial position of the Group and none of the information in this document is or is intended to be a profit forecast or profit estimate. Any forward-looking statement speaks only as 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

Disclosures	Bank of Ireland Group plc Pillar 3 Disclosure 2021 Tab(s)		
Pillar 3 overview			
Pillar 3 table index		Index	
Introduction		Introduction	
Key highlights	1.1	1.2	1.3
	1.4	1.5	
Capital			
Overview		Capital	
Capital requirements		2.1	
Capital resources	2.2	2.3	
Countercyclical capital buffer		2.4	
Prudent valuation adjustments (PVA)		2.5	
Risk Management			
Overview		Risk Management	
Number of directorships held by members of the Board		3.2	
Risk Management Framework			
Overview		Risk Management Framework	
Business Risk			
Overview		Business Risk	
People Risk			
Overview		People Risk	
Strategic Risk			
Overview		Strategic Risk	
Life Insurance Risk			
Overview		Life Insurance Risk	
Conduct and Regulatory Risk			
Overview		Conduct and Regulatory Risk	
Credit risk			
Overview		Credit Risk	
Standardised Approach			
Overview		Standardised Approach	
Analysis of standardised approach	4.1	4.2	
IRB Approach			
Analysis of IRB approach		IRB Approach	
	4.3	4.4	4.5
	4.6	4.7	4.8
	4.9	4.10	
Analysis of Credit Risk Quality			
- Performing and Non-performing exposures	4.11	4.12	4.13
- Forborne exposures		4.14	
- Quality of forbearance		4.15	
- Quality of non-performing exposures by geography		4.16	
- Credit quality of loans and advances by industry		4.17	
- Collateral valuation - loans and advances		4.18	
- Changes in the stock of non-performing loans and advances		4.19	
Credit risk mitigation		4.20	
COVID-19 measures	4.21	4.22	4.23
Counterparty credit risk			
Overview		Counterparty credit risk	
Counterparty credit risk exposure			
- Exposure by approach		5.1	
- Standardised approach exposures		5.2	
- IRB approach exposures		5.3	
CVA capital charge		5.4	
Counterparty credit risk collateral		5.5	
Credit derivative exposures		5.6	
Exposure to CCPs		5.7	
Securitisation			
Overview		Securitisation	
Securitisation exposures in the non-trading book		6.1	
Securitisation exposures in the non-trading book and associated regulatory capital requirements	6.2	6.3	
Securitisation exposures in default and specific credit risk adjustments		6.4	
Market risk			
Overview		Market Risk	
- Market risk under the standardised approach		7.1	
Interest Rate Risk in the Banking Book			
Overview		IRRBB	
- Interest rate risks of non-trading book activities		7.2	
Operational risk			
Overview		Operational Risk	
Operational risk under own funds requirements and risk-weighted exposure amounts		8.1	
Funding & Liquidity risk			
Overview		Funding and Liquidity Risk	
- Liquidity ratios		9.1	
- Qualitative information on LCR disclosures		9.2	
- Net Stable Funding Ratio		9.3	
- Asset Encumbrance		9.4	
- Collateral received and own debt securities issued		9.5	
- Sources of encumbrance		9.6	
Leverage ratio			
Overview		Leverage Ratio	
Leverage ratio exposures	10.1	10.2	10.3
Remuneration			
Overview		Remuneration	
- Remuneration awarded for the financial year		11.1	
- Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)		11.2	
- Deferred remuneration		11.3	
- Remuneration of 1 million EUR or more per year		11.4	
- Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)		11.5	
Appendices			
Appendix I: Table references		Appendix I	
Appendix II: CRR Roadmap		Appendix II	
Appendix III: Differences in scope of consolidation		Appendix III	
Appendix IV: Capital instruments (main features)		Appendix IV	
Appendix V: Related party transactions		Appendix V	
Glossary		Glossary	
Abbreviations		Abbreviations	

Pillar 3 Table Index

Bank of Ireland Group plc

Introduction	
Table 1.1	EU KM 1: Key metrics - regulatory basis
Table 1.2	IFRS 9-FL: Key metrics - regulatory and fully loaded basis
Table 1.3	Basis of Consolidation
Table 1.4	EU LI1 - Difference between accounting and regulatory scope of consolidation
Table 1.5	EU LI2 - Reconciliation between regulatory exposure amounts and carrying value in financial statements
Capital	
Table 2.1	EU OV1 - Overview of RWA
Table 2.2	EU CC1 - Composition of regulatory own funds
Table 2.3	EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements
Table 2.4	EU CCyB - Geographical distribution of credit exposures relevant for the calculation of the countercyclical capital buffer
Table 2.5	EU PV1 - Prudent valuation adjustments (PVA)
Risk Management	
Table 3.2	Number of directorships held by members of the Board
Credit Risk	
Table 4.1	EU CR4 - Standardised approach - Credit risk exposure and CRM effects
Table 4.2	EU CR5 - Standardised approach by exposure class
Table 4.3	EU CR6 - IRB approach - Credit risk exposures by exposure class and PD scale (Foundation IRB)
Table 4.4	EU CR6 - IRB approach - Credit risk exposures by exposure class and PD scale (Advanced IRB)
Table 4.5	EU CR7 – IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques
Table 4.6	EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques
Table 4.7	EU CR8 – RWEA flow statements of credit risk exposures under the IRB approach
Table 4.8	EU CR6-A – Scope of the use of IRB and SA approaches
Table 4.9	EU CR9 - IRB approach - Back-testing of PD by exposure class and PD scale (Foundation IRB)
Table 4.10	EU CR9 - IRB approach - Back-testing of PD by exposure class and PD scale (Advanced IRB)
Table 4.11	EU CR1 - Performing and non-performing exposures and related provisions
Table 4.12	EU CR1-A - Maturity of exposures
Table 4.13	EU CQ3 - Credit quality of performing and non-performing exposures by past due days
Table 4.14	EU CQ1 - Credit quality of forborne exposures
Table 4.15	EU CQ2 - Quality of forbearance
Table 4.16	EU CQ4: Quality of non-performing exposures by geography
Table 4.17	EU CQ5: Credit quality of loans and advances to non-financial corporations by industry
Table 4.18	EU CQ6 - Collateral valuation - loans and advances
Table 4.19	EU CR2a: Changes in the stock of non-performing loans and advances and related net accumulated recoveries
Table 4.20	EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques
Table 4.21	Information on loans and advances subject to legislative and non-legislative moratoria
Table 4.22	Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria
Table 4.23	Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis
Counterparty Credit Risk	
Table 5.1	EU CCR1 - Analysis of CCR exposures by approach
Table 5.2	EU CCR3 - Standardised approach – CCR exposures by regulatory exposure class and risk weights
Table 5.3	EU CCR4 - IRB approach - Credit risk exposures by exposure class and PD scale
Table 5.4	EU CCR2 - Transactions subject to own funds requirements for CVA risk
Table 5.5	EU CCR5 - Composition of collateral for CCR exposures
Table 5.6	EU CCR6 - Credit derivative exposures
Table 5.7	EU CCR8 - Exposures to CCPs
Securitisation	
Table 6.1	EU-SEC1 - Securitisation exposures in the non-trading book
Table 6.2	EU-SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor
Table 6.3	EU-SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor
Table 6.4	EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments
Market Risk	
Table 7.1	EU MR1 - Market risk under the Standardised approach
Interest Rate Risk in the Banking Book	
Table 7.2	EU IRRBB1 - Interest rate risks of non-trading book activities
Operational Risk	
Table 8.1	EU OR1 - Operational risk under own funds requirements and risk-weighted exposure amounts
Funding and Liquidity Risk	
Table 9.1	Liquidity ratios
Table 9.2	EU LIQ1 - LCR disclosures
Table 9.3	EU LIQ2 - Net Stable Funding Ratio
Table 9.4	EU AE1 - Encumbered and unencumbered assets
Table 9.5	EU AE2 - Collateral received and own debt securities issued
Table 9.6	EU AE3 - Sources of encumbrance
Leverage Ratio	
Table 10.1	EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures
Table 10.2	EU LR2 - LRCom: Leverage ratio common disclosure
Table 10.3	EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)
Remuneration	
Table 11.1	EU REM1 - Remuneration awarded for the financial year
Table 11.2	EU REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)
Table 11.3	EU REM3 - Deferred remuneration
Table 11.4	EU REM4 - Remuneration of 1 million EUR or more per year
Table 11.5	EU REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)
Appendices	
Appendix I	Table References
Appendix II	CRR Roadmap
Appendix III	EU LI3 - Differences in scope of consolidation (entity by entity)
Appendix IV	EU CCA: Main features of regulatory own funds instruments and eligible liabilities instruments
Appendix V	Related party transactions

The purpose of the Pillar 3 disclosures is to disclose information in accordance with the scope of application of CRD 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 and the Group's remuneration disclosures. CRD in the context of this document describes the package CRR as amended, CRD as amended and regulatory and technical standards.

These disclosures represent the annual Pillar 3 disclosures of Bank of Ireland Group plc ('the Group) as at 31 December 2021. They have been prepared in accordance with the requirements of the Capital Requirements Directive & Regulation.

It should be noted that while some quantitative information in this document is based on financial data contained in the Group's Annual Report 31 December 2021, 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 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 Annual Report 31 December 2021.

Some details of the key differences between the Group's accounting and regulatory exposures are set out in Table 1.5.

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).

The Governor and Company of the Bank of Ireland is availing of the discretion provided for in Article 9 of the CRR to report on an 'individual consolidation' basis which allows for the treatment of certain subsidiaries as if they were, in effect, branches of the parent in their own right.

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 as frequently as required.

Verification
Information which is sourced from the Group's Annual Report 31 December 2021 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 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 December 2021 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".
Myles O'Grady
Group Chief Financial Officer

Table 1.1 presents the Group's key prudential regulatory metrics covering the available capital and ratios, risk-weighted exposure amounts, leverage ratio, liquidity coverage ratio (LCR) and the net stable funding ratio (NFSR).

Table 1.1 - EU KM1 - Key metrics - Regulatory basis

		December 2021 [1]	September 2021	June 2021 [1]	March 2021	December 2020 [1]
Available own funds (amounts)						
1	Common equity tier 1 (CET1) (€m)	7,896	7,447	7,510	7,131	7,216
2	Tier 1 (€m)	8,871	8,422	8,485	8,106	8,191
3	Total capital (€m)	10,340	10,018	10,079	9,232	9,284
Risk-weighted exposure amounts						
4	Total RWA (€m)	46,386	48,917	49,130	49,611	48,368
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common equity tier 1 ratio (%)	17.02%	15.22%	15.29%	14.37%	14.92%
6	Tier 1 ratio (%)	19.12%	17.22%	17.27%	16.34%	16.94%
7	Total capital ratio (%)	22.29%	20.48%	20.51%	18.61%	19.19%
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 (%)	0.01%	0.01%	0.01%	0.01%	0.00%
EU 9a	Systemic risk buffer (%)	-	-	-	-	-
10	Global Systemically Important Institution buffer (%)	-	-	-	-	-
EU 10a	Other Systemically Important Institution buffer (%)	1.50%	1.50%	1.00%	1.00%	1.00%
11	Combined buffer requirement (%)	4.01%	4.01%	3.51%	3.51%	3.50%
EU 11a	Overall capital requirements (%)	14.26%	14.26%	13.76%	13.76%	13.75%
12	CET1 available after meeting the total SREP own funds requirements (%)	6.77%	4.97%	5.04%	4.12%	4.67%
Leverage ratio						
13	Total exposure measure[2]	135,360	133,594	131,337	129,546	115,856
14	Leverage ratio (%)	6.55%	6.30%	6.46%	6.26%	7.07%
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)	31,561	31,555	29,215	26,397	25,413
EU 16a	Cash outflows - Total weighted value	18,112	17,479	17,269	17,315	17,295
EU 16b	Cash inflows - Total weighted value	710	771	753	784	667
16	Total net cash outflows (adjusted value)	17,402	16,708	16,516	16,532	16,628
17	Liquidity coverage ratio (%)	181.37%	188.86%	176.89%	159.68%	152.83%
Net Stable Funding Ratio[3]						
18	Total available stable funding	106,907	105,566	104,739		
19	Total required stable funding	74,369	75,037	75,791		
20	NSFR ratio (%)	143.8%	140.7%	138.2%		

1 The Group capital ratios have been presented including the retained profit in 2021, availing of the regulatory profit verification process, and the retained loss in 2020.

2 Total exposure measure reflects the impact of the placing of TLTRO funding with the Central Bank of Ireland (CBI).

3 The Group's Net Stable Funding Ratio (NSFR) from 30 June 2021 onwards is prepared on a regulatory group basis, in accordance with the EU Capital Requirement Regulations and Directive, as amended, which require the maintenance of a NSFR ratio greater than or equal to 100%, effective June 2021.

Table 1.2 presents the Group's key metrics showing the impact if the IFRS 9 transitional arrangements had not been applied. BOI 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

		December 2021 [1] €m	September 2021 €m	June 2021 [1] €m	March 2021 €m	December 2020 [1] €m
Available capital						
1	Common equity tier 1 (CET1) (€m)	7,896	7,447	7,510	7,131	7,216
2	Common equity tier 1 (CET1) capital as if IFRS9 or analogous ECLs transitional arrangements had not been applied (€m)	7,736	7,196	7,247	6,830	6,895
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]	7,896	7,447	7,510	7,131	7,216
3	Tier 1 (€m)	8,871	8,422	8,485	8,106	8,191
4	Tier 1 capital as if IFRS9 or analogous ECLs transitional arrangements had not been applied (€m)	8,711	8,171	8,222	7,805	7,870
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]	8,871	8,422	8,485	8,106	8,191
5	Total capital (€m)	10,340	10,018	10,079	9,232	9,284
6	Total capital as if IFRS9 or analogous ECLs transitional arrangements had not been applied (€m)	10,241	9,891	9,940	9,060	9,100
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]	10,340	10,018	10,079	9,232	9,284
Risk weighted assets						
7	Total RWA (€m)	46,386	48,917	49,130	49,611	48,368
8	Total risk-weighted assets as if IFRS9 or analogous ECLs transitional arrangements had not been applied (€m)	46,265	48,748	48,948	49,434	48,182
Risk-based capital ratios as a % of RWA						
9	Common equity tier 1 ratio (%)	17.02%	15.22%	15.14%	14.37%	14.92%
10	Common equity tier 1 ratio (%) as if IFRS9 or analogous ECLs transitional arrangements had not been applied	16.72%	14.76%	14.66%	13.82%	14.31%
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]	17.02%	15.22%	15.14%	14.37%	14.92%
11	Tier 1 ratio (%)	19.12%	17.22%	17.10%	16.34%	16.94%
12	Tier 1 ratio (%) as if IFRS9 or analogous ECLs transitional arrangements had not been applied	18.83%	16.76%	16.63%	15.79%	16.33%
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]	19.12%	17.22%	17.10%	16.34%	16.94%
13	Total capital ratio (%)	22.29%	20.48%	20.32%	18.61%	19.19%
14	Total capital ratio (%) as if IFRS9 or analogous ECLs transitional arrangements had not been applied	22.14%	20.29%	20.11%	18.33%	18.89%
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]	22.29%	20.48%	20.32%	18.61%	19.19%
Leverage ratio						
15	Total Leverage ratio exposure measure (€m)	135,360	133,594	131,337	128,883	115,333
16	Leverage ratio (%)	6.55%	6.30%	6.46%	6.29%	7.10%
17	Leverage ratio (%) as if IFRS9 or analogous ECLs transitional arrangements had not been applied	6.44%	6.12%	6.26%	6.06%	6.82%
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]	6.55%	6.30%	6.46%	6.29%	7.10%

1 The Group capital ratios have been presented including the retained profit in 2021, availing of the regulatory profit verification process, and the retained loss in 2020.

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

The Group's Pillar 3 disclosures are published on a consolidated basis for the year ended 31 December 2021.

Not all legal entities are within the scope of regulatory consolidation. A summarised diagrammatical representation (as at 31 December 2021) of the regulatory consolidation group is illustrated below. The disclosures within this document are based on the regulatory consolidated group, although some additional narrative information relating to the full accounting group (including insurance risks) is also provided. Table 1.3 highlights the main differences between the basis of consolidation for accounting purposes and the CRD regulatory treatment.

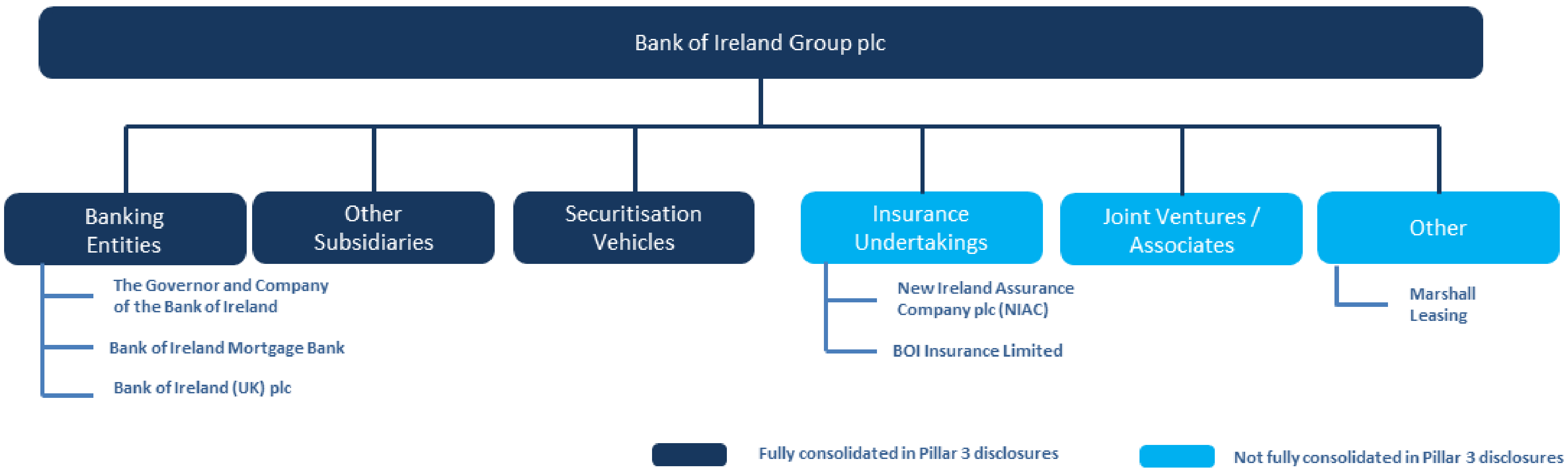

Table 1.3 - Basis of Consolidation

Entity type	Statutory accounting treatment	CRD regulatory treatment
Banking entities	Fully consolidated	Fully consolidated
Other Consolidated Subsidiaries	Fully consolidated	Fully consolidated
Securitisation vehicles[1]	Fully consolidated	Fully consolidated (see Securitisations tab for further details)
Insurance undertakings	Fully consolidated	Significant investments in financial sector entities which are not fully consolidated are subject to the 10%/15% threshold which determines the extent to which these investments are deducted from capital or included in RWA.
Joint ventures / associates	Equity method of accounting or fair value through the P&L	The Group's non-qualifying holdings outside the financial sector in joint ventures and associates are included in RWA.
Other Non-consolidated Subsidiaries	Fully consolidated	These investments are an exposure subject to RWA treatment.

Further information relating to differences in scope of consolidation on an entity by entity basis is contained in Appendix III of this document.

1 Excluding vehicles where the securitisation involves de-recognition of the underlying assets

The following table provides a reconciliation of the Group's consolidated balance sheet as at 31 December 2021 on an accounting consolidated basis to the Group's consolidated balance sheet under the regulatory scope of consolidation. Certain assets and liabilities can be subject to multiple RWA frameworks.

There is a requirement to disclose any impediment to the prompt transfer of funds within the Group. In respect of the Group's licensed subsidiaries, the Group is obliged to meet certain license conditions in respect of capital and / or liquidity. These requirements may include meeting or exceeding appropriate capital and liquidity ratios and obtaining appropriate regulatory approvals for the transfer of capital or, in certain circumstances, liquidity. The Group's licensed subsidiaries would be unable to remit funds to the parent when to do so would result in such ratios or other regulatory permissions being breached. Apart from this requirement, there is no restriction on the prompt transfer of own funds or the repayment of liabilities between the subsidiary companies and the parent.

Table 1.4 - EU LI1 - Difference between accounting and regulatory scope of consolidation

2021			Carrying values of items				
Balance sheet category	**Carrying values as reported in published financial statements**	**Carrying values under scope of regulatory consolidation**	**Subject to the credit risk framework**	**Subject to the CCR framework**	**Subject to the securitisation framework**	**Subject to the market risk framework**	**Not subject to own funds requirements or subject to deduction from own funds**
Assets	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**
Cash and balances at central banks	31,360	31,360	31,360	-	-	-	-
Items in the course of collection from other banks	159	159	159	-	-	-	-
Trading securities	20	20	-	-	-	20	-
Derivative financial instruments	1,571	1,571	-	1,571	-	1,090	-
Other financial assets at fair value through profit or loss	20,078	135	133	-	2	-	-
Debt securities at amortised cost	6,008	6,008	5,980	-	28	-	-
Financial assets at fair value through other comprehensive income	9,457	9,457	9,402	-	55	-	-
Loans and advances to customers and banks	79,096	79,104	73,201	-	5,720	-	183
Assets classified as held for sale	5	5	5	-	-	-	-
Interest in joint ventures & associates	116	1,193	1,193	-	-	-	-
Intangible assets and goodwill	852	762	-	-	-	-	762
Investment properties	992	-	-	-	-	-	-
Property, plant and equipment	820	669	669	-	-	-	-
Current tax assets	38	35	35	-	-	-	-
Deferred tax assets	1,044	1,035	74	-	-	-	961
Other assets	2,912	627	627	-	-	-	-
Retirement benefit assets	740	740	-	-	-	-	740
Total assets	**155,268**	**132,880**	**122,838**	**1,571**	**5,805**	**1,110**	**2,646**
Equity and liabilities							
Deposits from banks	12,946	12,946	-	-	-	-	12,946
Customer accounts	92,754	93,178	-	-	-	-	93,178
Items in the course of transmission to other banks	207	207	-	-	-	-	207
Derivative financial instruments	2,185	2,185	-	2,185	-	1,184	-
Debt securities in issue	8,483	8,483	-	-	-	-	8,483
Liabilities to customers under investment contracts	6,671	-	-	-	-	-	-
Insurance contract liabilities	15,399	-	-	-	-	-	-
Other liabilities	2,816	2,148	-	-	-	-	2,148
Current tax liabilities	18	15	-	-	-	-	15
Provisions	190	169	-	-	-	-	169
Loss allowance provision on loan commitments and financial guarantees	48	48	-	-	-	-	48
Deferred tax liabilities	90	20	-	-	-	-	20
Retirement benefit obligations	142	142	-	-	-	-	142
Subordinated liabilities	1,981	1,981	-	-	-	-	1,981
Total liabilities	**143,930**	**121,522**	**-**	**2,185**	**-**	**1,184**	**119,337**
Equity							
Capital stock	1,079	1,079	-	-	-	-	1,079
Share premium account	456	456	-	-	-	-	456
Retained earnings	8,842	8,713	-	-	-	-	8,713
Other reserves	(53)	76	-	-	-	-	76
Own stock held for the benefit of life assurance policyholders	(20)	-	-	-	-	-	-
Other equity instruments - Additional Tier 1	966	966	-	-	-	-	966
Non-controlling interests	68	68	-	-	-	-	68
Total equity	**11,338**	**11,358**	**-**	**-**	**-**	**-**	**11,358**
Total equity and liabilities	**155,268**	**132,880**	**-**	**2,185**	**-**	**1,184**	**130,695**

2020			Carrying values of items				
Balance sheet category	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
Assets	€m	€m	€m	€m	€m	€m	€m
Cash and balances at central banks	10,953	10,953	10,953	-	-	-	-
Items in the course of collection from other banks	166	166	166	-	-	-	-
Trading securities	-	-	-	-	-	-	-
Derivative financial instruments	2,217	2,220	-	2,220	-	1,427	-
Other financial assets at fair value through profit or loss	17,392	98	98	-	-	-	-
Debt securities at amortised cost	6,266	6,266	6,266	-	-	-	-
Financial assets at fair value through other comprehensive income	10,942	10,942	10,881	-	61	-	-
Loans and advances to customers and banks	79,034	79,152	75,641	-	3,349	-	162
Assets classified as held for sale	5	5	5	-	-	-	-
Interest in joint ventures & associates	108	1,038	1,038	-	-	-	-
Intangible assets and goodwill	751	677	-	-	-	-	677
Investment properties	843	-	-	-	-	-	-
Property, plant and equipment	889	767	767	-	-	-	-
Current tax assets	42	42	42	-	-	-	-
Deferred tax assets	1,165	1,149	492	-	-	-	657
Other assets	2,819	615	615	-	-	-	-
Retirement benefit assets	162	162	-	-	-	-	162
Total assets	133,754	114,252	106,964	2,220	3,410	1,427	1,658
Equity and liabilities							
Deposits from banks	2,388	2,388	-	-	-	-	2,388
Customer accounts	88,637	89,220	-	-	-	-	89,220
Items in the course of transmission to other banks	216	216	-	-	-	-	216
Derivative financial instruments	2,257	2,257	-	2,257	-	1,520	-
Debt securities in issue	6,367	6,367	-	-	-	-	6,367
Liabilities to customers under investment contracts	5,892	-	-	-	-	-	-
Insurance contract liabilities	13,479	-	-	-	-	-	-
Other liabilities	2,234	1,623	-	-	-	-	1,623
Leasing Liabilities	498	498	-	-	-	-	498
Current tax liabilities	12	11	-	-	-	-	11
Provisions	268	202	-	-	-	-	202
Loss allowance provision on loan commitments and financial guarantees	99	99	-	-	-	-	99
Deferred tax liabilities	64	8	-	-	-	-	8
Retirement benefit obligations	288	288	-	-	-	-	288
Subordinated liabilities	1,434	1,434	-	-	-	-	1,434
Total liabilities	124,133	104,611	-	2,257	-	1,520	102,324
Equity							
Capital stock	1,079	1,079	-	-	-	-	1,079
Share premium account	456	456	-	-	-	-	456
Retained earnings	7,337	7,263	-	-	-	-	7,263
Other reserves	(260)	(191)	-	-	-	-	(191)
Own stock held for the benefit of life assurance policyholders	(25)	-	-	-	-	-	-
Other equity instruments - Additional Tier 1	966	966	-	-	-	-	966
Non-controlling interests	68	68	-	-	-	-	68
Total equity	9,621	9,641	-	-	-	-	9,641
Total equity and liabilities	133,754	114,252	-	2,257	-	1,520	111,930

Table 1.5 below provides a reconciliation of the consolidated regulatory balance sheet to Exposure At Default (EAD) for items subject to the credit risk, CCR and securitisation frameworks. Certain assets can be subject to multiple RWA frameworks. EAD is the estimated value of the bank's exposure at the moment of the borrower's default determined under regulatory rules.

It should be noted that there are fundamental technical differences in the basis of calculation between financial statement information based on International Financial Reporting Standards (IFRS) accounting standards and regulatory information based on CRD capital adequacy concepts and rules. This is most evident for credit risk disclosures. Credit EAD under the CRD, is defined as the expected amount of EAD and is estimated under specified regulatory rules.

There are two different types of tables included in this document, those compiled based on accounting standards (sourced from the Group's Annual Report 31 December 2021) and those compiled using CRD methodologies. Unless specified otherwise, both sets of data reflect the position as at 31 December 2021. The specific methodology used is indicated before each table where applicable.

Many tables throughout the Group's Pillar 3 disclosures are based on net value under the regulatory scope of consolidation. Net value is the gross carrying value of on and off balance sheet exposures, less allowances / impairments.

Table 1.5 - EU LI2 - Reconciliation between regulatory exposure amounts and carrying value in financial statements

			Items subject to					Items subject to			
	2021	**Total €m**	**Credit risk framework €m**	**CCR framework €m**	**Securitisation framework €m**	**Market Risk framework €m**	2020 Total €m	Credit risk framework €m	CCR framework €m	Securitisation framework €m	Market Risk framework €m
1	**Assets carrying value amount under the scope of regulatory consolidation (as per template EU LI1)**	**130,234**	**122,838**	**1,571**	**5,805**	**1,110**	112,594	106,964	2,220	3,410	1,427
2	Liabilities carrying value amount under the regulatory scope of consolidation (as per template EU LI1)	(2,185)	-	(2,185)	-	(1,184)	(2,257)	-	(2,257)	-	(1,520)
3	Total net amount under the regulatory scope of consolidation	128,049	122,838	(614)	5,805	(74)	110,337	106,964	(37)	3,410	(93)
4	Off-balance sheet amounts	16,109	16,109	-	-		16,099	16,099	-	-	
5	Differences in valuations	(9)	(9)	-	-		(11)	(11)	-	-	
6	Differences due to different netting rules, other than those already in row 2	723	(1,144)	1,867	-		(479)	(803)	324	-	
7	Differences due to consideration of provisions	1,808	1,808	-	-		1,941	1,941	-	-	
8	Differences due to the use of credit risk mitigation techniques (CRMs)	3	3	-	-		38	38	-	-	
9	Differences due to credit conversion factors	(11,640)	(11,640)	-	-		(12,057)	(12,057)	-	-	
10	Differences due to Securitisation with risk transfer	(908)	-	-	(908)		(434)	-	-	(434)	
11	Other differences	2,097	1,304	793	-		1,833	949	884	-	
12	**Exposure amounts considered for regulatory purposes**	**136,232**	**129,269**	**2,046**	**4,897**	**(74)**	117,267	113,120	1,171	2,976	(93)

The Group's CET1 capital ratio is 17.02 % at 31 December 2021 (31 December 2020: 14.92%) calculated on a regulatory basis.

Financial Conglomerate

BOIG has been identified and classified as a financial conglomerate comprising of the banking regulatory group and insurance companies (see Tab1.3). In accordance with Article 49 (5) of the CRR, the own funds requirement and capital adequacy ratio of the financial conglomerate calculated on the basis of the Financial Conglomerates Directive are set out below:

Table 1 - EU INS2 - Financial conglomerates information on own funds and capital adequacy ratio

	Dec-21	Dec-20
Supplementary own fund requirements of the financial conglomerate (€m)	**7,522**	7,594
Capital adequacy ratio of the financial conglomerate (%)	**139.59%**	124.36%

Table 2 - EU OVC - ICAAP information

The ICAAP process facilitates the Board and senior management in adequately identifying, measuring and monitoring the Group’s risk profile to ensure the Group holds sufficient capital (under both Normative and Economic Perspectives) to cover these risks and support its strategy. Underpinning the ICAAP process, the Group prepares detailed financial projections. Under the Normative Perspective, base case projections are prepared using consensus macroeconomic forecasts together with Group-specific assumptions, and the stress case is prepared based on a severe but plausible stress economic scenario. The ICAAP process also assesses the Group’s capital adequacy under the Economic Perspective.

Table 2.1 below summarises the Group's RWAs and minimum capital requirements by risk type. The decrease of €2.0bn in RWA between December 2020 and December 2021 primarily reflects decreases in RWA from capital optimisation initiatives and changes in asset quality being offset by increases from loan book growth and FX movements.

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

		Dec-21		Dec-20	
		Total risk exposure amounts (TREA)	Total own funds requirements	Total risk exposure amounts (TREA)	Total own funds requirements
		€m	€m	€m	€m
1	**Credit risk (excluding CCR)**	**39,592**	**3,167**	41,952	3,356
	of which;				
2	*the standardised approach*	*12,189*	*975*	*11,850*	*948*
3	*the Foundation IRB (F-IRB) approach*	*16,167*	*1,293*	*16,929*	*1,354*
4	*slotting approach*	-	-	-	-
5	*equities under the simple risk weighted approach*	-	-	-	-
6	the Advanced IRB (A-IRB) approach	11,236	899	13,173	1,054
7	***Counterparty credit risk - CCR*** [1]	***1,032***	***83***	*768*	*61*
	of which;				
8	*the standardised approach*	*834*	*67*	-	-
9	*internal model method (IMM)*	-	-	-	-
10	*exposures to a CCP*	*7*	*1*	-	-
11	*credit valuation adjustment - CVA*	*189*	*15*	*136*	*11*
12	*other CCR* [2]	*2*	-	*632*	*50*
13	Not applicable	-	-	-	-
14	Not applicable	-	-	-	-
15	*Not applicable*	-	-	-	-
16	*Not applicable*	-	-	-	-
17	*Not applicable*	-	-	-	-
18	*Settlement risk*	-	-	-	-
19	**Securitisation exposures in the non-trading book (after the cap)**	**1,228**	**98**	847	68
	of which;				
20	*SEC-IRBA approach*	1,142	91	*726*	*58*
21	*SEC-ERBA (including IAA)*	*86*	*7*	*121*	*10*
22	SEC-SA approach	-	-	-	-
23	1250% / deduction	-	-	-	-
24	***Position, foreign exchange and commodities risks (Market risk)***	***283***	***23***	*567*	*45*
	of which;				
25	the standardised approach	*283*	*23*	*567*	*45*
26	IMA	-	-	-	-
27	**Large exposures**	**-**	**-**	-	-
28	**Operational risk**	**4,251**	**340**	4,234	339
	of which:				
29	basic indicator approach	-	-	-	-
30	standardised approach	4,251	340	4,234	339
31	advanced measurement approach	-	-	-	-
32	**Amounts below the thresholds for deduction (subject to 250% risk weight)**	**2,280**	**182**	2,102	168
33	Not applicable	-	-	-	-
34	Not applicable	-	-	-	-
35	Not applicable	-	-	-	-
36	Not applicable	-	-	-	-
37	**Total**	**46,386**	**3,711**	48,368	3,869

1. Reflects the implementation of SA-CCR in June '21.

2. At December '20, the CCR was calculated on the mark to market approach and included within other CCR.

Table 2.2 presents a breakdown of the Group's own funds on a regulatory basis.

Table 2.2 - EU CC1 - Composition of regulatory own funds

		Dec-21 €m	Source based on reference numbers of the balance sheet under the regulatory scope of consolidation	Dec-20 €m
Common equity tier 1 (CET1) capital: Instruments and reserves				
1	Capital instruments and the related share premium accounts	1,535		1,535
	of which:			
	Ordinary stock	*1,079*	*(a)*	*1,079*
	Share premium	*456*	*(b)*	*456*
2	Retained earnings	8,860	(c)	9,671
3	Accumulated other comprehensive income (and other reserves)	(1,062)	(c, d)	(1,838)
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	867	(c)	-
6	**Common equity tier 1 (CET 1) capital before regulatory adjustments**	**10,200**		9,368
Common equity tier 1 (CET1) capital regulatory adjustments				
7	Additional value adjustments (negative amount)	(9)		(11)
8	Intangible assets (net of related tax liability) (negative amount)	(515)	(f)	(478)
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)	(1,071)	(g)	(1,101)
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	36		26
12	Negative amounts resulting from the calculation of expected loss amounts	-		-
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	11		3
15	Defined-benefit pension fund assets (negative amount)	(607)	(h, i)	(131)
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	-		-
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	(173)		(129)
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)		(5)
EU-20b	*of which: qualifying holdings outside the financial sector (negative amount)*	-		-
EU-20c	*of which: securitisation positions (negative amount)*	*(9)*		*(5)*
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)*	-		(780)
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	33		453
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**(2,304)**		(2,152)
29	***Common Equity Tier 1 (CET1) capital***	**7,896**		7,216
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)**	**8,871**		8,191
	Tier 2 (T2) Capital: instruments and provisions			
46	Capital instruments and the related share premium accounts	1,595	*(j)*	1,038
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	34	*(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*	-		*215*
49	*of which: instruments issued by subsidiaries subject to phase out*	-		-
50	Credit risk adjustments	61		138
51	**Tier 2 (T2) capital before regulatory adjustments**	**1,690**		1,391
	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	-		-
EU-56b	Other regulatory adjustments to T2 capital	(61)		(138)
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**(221)**		(298)
58	**Tier 2 (T2) capital**	**1,469**		1,093
59	**Total capital (TC = T1 + T2)**	**10,340**		9,284
60	**Total Risk exposure amount**	**46,386**		48,368
	Capital ratios and requirements including buffers			
61	Common Equity Tier 1 capital	17.02%		14.92%
62	Tier 1 capital	19.12%		16.94%
63	Total capital	22.29%		19.19%
64	Institution CET1 overall capital requirements	9.77%		9.27%
65	of which: capital conservation buffer requirement	2.50%		*2.50%*
66	of which: countercyclical capital buffer requirement	0.01%		*0.00%*
67	of which: systemic risk buffer requirement	0.00%		*0.00%*
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	1.50%		*1.00%*
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	11.26%		9.15%
	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)	38		39
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)	756		655
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)	110		113
	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	153		148
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	61		138
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	169		184
	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)	-		-

The purpose of this template is to show the differences between the scope of accounting and regulatory consolidation along with the link between the Group's consolidated balance sheet and the numbers used in the composition of the regulatory own funds disclosure in table 2.2.

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

Dec-21 Balance sheet category	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**	**Reference**
Cash and balances at central banks	31,360	31,360	
Items in the course of collection from other banks	159	159	
Trading securities	20	20	
Derivative financial instruments	1,571	1,571	
Other financial assets at fair value through profit or loss	20,078	135	
Debt securities at amortised cost	6,008	6,008	
Financial assets at fair value through other comprehensive income	9,457	9,457	
Loans and advances to customers and banks	79,096	79,104	
Assets classified as held for sale	5	5	
Interest in joint ventures & associates	116	1,193	
Intangible assets and goodwill	852	762	*(f)*
Investment properties	992	-	
Property, plant and equipment	820	669	
Current tax assets	38	35	
Deferred tax assets	1,044	1,035	*(g)*
Other assets	2,912	627	
Retirement benefit assets	740	740	*(h)*
Total assets	**155,268**	**132,880**	
Equity and liabilities - Breakdown by equity and liability classes according to the balance sheet in the published financial statements			
Deposits from banks	12,946	12,946	
Customer accounts	92,754	93,178	
Items in the course of transmission to other banks	207	207	
Derivative financial instruments	2,185	2,185	
Debt securities in issue	8,483	8,483	
Liabilities to customers under investment contracts	6,671	-	
Insurance contract liabilities	15,399	-	
Other liabilities	2,816	2,148	
Current tax liabilities	18	15	
Provisions	190	169	
Loss allowance provision on loan commitments and financial guarantees	48	48	
Deferred tax liabilities	90	20	*(i)*
Retirement benefit obligations	142	142	
Subordinated liabilities	1,981	1,981	*(j)*
Total liabilities	**143,930**	**121,522**	
Equity			
Capital stock	1,079	1,079	*(a)*
Share premium account	456	456	*(b)*
Retained earnings	8,842	8,713	*(c)*
Other reserves	(53)	76	*(d)*
Own stock held for the benefit of life assurance policyholders	(20)	-	
Other equity instruments - Additional Tier 1	966	966	*(e)*
Non-controlling interests	68	68	
Total equity	**11,338**	**11,358**	
Total equity and liabilities	**155,268**	**132,880**	

CRD 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.

The Central Bank of Ireland (CBI) and the Financial Policy Committee (FPC) in the UK reduced CCyB back to 0% until at least the end of 2022. Table 2.4 below presents the geographical distribution of exposures to the relevant countries and the overall additional capital requirement of €2 million at 31 December 2021 (31 December 2020: €1m).

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

	General credit exposures		**Relevant credit exposures – Market risk**				**Own funds requirements**						
Dec-21 (€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 (%)**
Countries with a buffer													
Norway	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.00%
Hong Kong	1	9	-	-	-	10	-	-	-	-	4	0.01%	1.00%
Slovakia	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.00%
Czech Republic	-	1	-	-	-	1	-	-	-	-	-	0.00%	0.50%
Bulgaria	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.50%
Luxembourg	75	441	-	-	-	516	32	-	-	32	399	1.00%	0.50%
Total countries with a buffer	**76**	**451**	**-**	**-**	**-**	**527**	**32**	**-**	**-**	**32**	**403**	**1.01%**	
Countries with a zero rate or no buffer													
Ireland	7,443	35,778	-	-	4,842	48,063	1,783	-	91	1,874	23,429	58.47%	0.00%
United Kingdom	5,114	27,017	-	-	50	32,181	939	-	7	946	11,826	29.51%	0.00%
Other[1]	310	4,221	-	-	5	4,536	353	-	-	353	4,413	11.01%	0.00%
Total	**12,867**	**67,016**	**-**	**-**	**4,897**	**84,780**	**3,075**	**-**	**98**	**3,173**	**39,668**	**98.99%**	
Overall total	**12,943**	**67,467**	**-**	**-**	**4,897**	**85,307**	**3,107**	**-**	**98**	**3,205**	**40,071**	**100.00%**	

Table 2.4 (b) EU CCyB2 - Amount of institution-specific countercyclical capital buffer	**2021**
Total risk exposure amount (€m)	46,386
Institution specific countercyclical buffer rate (%)	0.005%
Institution specific countercyclical buffer requirement (€m)	2

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

	General credit exposures		Trading Book exposures				Own funds requirements						
Dec-20 (€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
Countries with a buffer													
Norway	-	404	-	-	-	404	3	-	-	3	39	0.09%	1.00%
Hong Kong	-	11	-	-	-	11	-	-	-	-	5	0.01%	1.00%
Slovakia	-	-	-	-	-	-	-	-	-	-	-	0.00%	1.00%
Czech Republic	-	1	-	-	-	1	-	-	-	-	-	0.00%	0.50%
Bulgaria	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.50%
Luxembourg	40	513	-	-	-	553	36	-	-	36	448	1.07%	0.25%
Total countries with a buffer	40	929	-	-	-	969	39	-	-	39	492	1.17%	
Countries with a zero rate or no buffer													
Ireland	7,299	37,236	-	-	2,915	47,449	1,873	-	58	1,931	24,137	57.39%	0.00%
United Kingdom	5,149	28,011	-	-	46	33,206	973	-	9	982	12,279	29.20%	0.00%
Other[1]	173	4,723	-	-	15	4,911	411	-	-	411	5,147	12.24%	0.00%
Total	12,621	69,969	-	-	2,976	85,566	3,257	-	68	3,325	41,563	98.83%	
Overall total	12,661	70,898	-	-	2,976	86,535	3,297	-	68	3,364	42,055	100.00%	

Table 2.4 (b) EU CCyB2 - Amount of institution-specific countercyclical capital buffer	2020
Total risk exposure amount (€m)	48,368
Institution specific countercyclical buffer rate (%)	0.003%
Institution specific countercyclical buffer requirement (€m)	1

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

Table 2.5 presents a breakdown of the Group's prudent valuation adjustment for which the Group uses the simplified approach.

Table 2.5. - EU PV1 - Prudent valuation adjustments (PVA)

		Risk category					Category level AVA - Valuation uncertainty		Total category level post-diversification		
	Category level AVA	**Equity**	**Interest Rates**	**Foreign exchange**	**Credit**	**Commodities**	**Unearned credit spreads AVA**	**Investment and funding costs AVA**		*of which: Total core approach in the trading book*	*of which: Total core approach in the banking book*
		€m	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**
1	Market price uncertainty	-	-	-	-	-	-	-	-	-	-
2	Not applicable										
3	Close-out cost	-	-	-	-	-	-	-	-	-	-
4	Concentrated positions	-	-	-	-	-	-	-	-	-	-
5	Early termination	-	-	-	-	-	-	-	-	-	-
6	Model risk	-	-	-	-	-	-	-	-	-	-
7	Operational risk	-	-	-	-	-	-	-	-	-	-
8	Not applicable										
9	Not applicable										
10	Future administrative costs	-	-	-	-	-	-	-	-	-	-
11	Not applicable										
12	**Total Additional Valuation Adjustments (AVAs)**								**9**	**-**	**-**

The Risk Management Report within the Group's Annual Report 31 December 2021 contains significant information on principal risks and uncertainties, the risk management framework, management of key Group risks and capital management.

Guided by the conditions of the Board approved Risk Identity and Risk Appetite, the Group follows an integrated approach to risk management to ensure that all material classes of risk are taken into consideration and that the Group's overall business strategy and remuneration practices are aligned with its risk and capital management strategies.

For further information on the Group's Risk Management Framework and management of key Group risks, please see the following tabs within the disclosures: Risk Management Framework, Business risk, People risk, Strategic risk, Credit risk, Market risk, Operational risk, Funding and liquidity risk, Life insurance risk, Conduct and regulatory risk.

For information on related party transactions please see Appendix V of the disclosures.

Key Prudential and Loan book metrics remain within their limits set by the Board in the Risk Appetite Statement. These key ratios and figures associated with the risk profile are included below:

Table 3.1 - Key risk figures and ratios

	2021	2020
Loan book portfolio (on balance sheet - pre impairment loss allowance)	**€bn**	**€bn**
Residential mortgages	43.3	44.7
Consumer	5.2	5.3
Non-property SME and corporate	20.8	19.9
Property and construction	8.6	8.6
Risk-based capital ratios as a % of RWA	**%**	**%**
Common equity tier 1 ratio (%)	17.0%	14.9%
Tier 1 ratio (%)	19.1%	16.9%
Total capital ratio (%)	22.3%	19.2%
Leverage ratio		
Leverage ratio (%)	6.6%	7.1%
Liquidity coverage ratio		
LCR ratio (%)	181.4%	153%
Net stable funding ratio		
NSFR ratio	143.8%	138%

The number of directorships held by members of the Board is listed in the Table 3.2.

Table 3.2 - Number of directorships held by members of the Board

Director	No. of directorships [1]
Giles Andrews	8
Evelyn Bourke	6
Ian Buchanan	4
Eileen Fitzpatrick	6
Richard Goulding	6
Michele Greene	4
Patrick Kennedy	4
Francesca McDonagh	4
Fiona Muldoon	3
Stephen Pateman	4
Myles O'Grady	4

1 The table above sets out the number of directorships held by each member of the Board whether the directorship is of a group company or not, whether it is an executive or non-executive directorship,

and regardless of whether the directorship is with an entity that pursues or does not pursue a commercial objective.

Board composition in 2021

The composition of the Board remained unchanged in 2021 albeit the performance of Directors, the composition of the Board and the collective suitability of the Directors remains under continuous review. The Group CFO and Executive Director, Myles O'Grady, notified the Board during Q3 2021 of his intention to resign and departs the Group in Q1 2022. On behalf of the Board, I would like to recognise Myles' significant contribution to the Group during his tenure. A successor to the Group CFO has been identified, subject to regulatory approval and will be announced to the market when appropriate.

Myles' departure reflects the increasing risk and likely growing impact on the tenure of executives in financial services arising from the continuing restrictions by the Irish Government on Irish bank boards' autonomy to determine remuneration policies that are appropriate to attract and retain talent and align executives' interests to the long term sustainable success of the bank.

The Nomination, Governance and Responsible Business Committee (NGRB) is responsible for reviewing the composition of the Board and its Committees and assessing whether the balance of skills, experience, knowledge and independence is appropriate to enable them to operate effectively. The composition of the Board remains under continuous review and the NGRB maintains a constant focus on succession planning, to ensure the continuation of a strong and diverse Board and the orderly succession of Board members, which is appropriate to the Group's Purpose and the industry within which it operates.

During 2021, the NGRB commenced a search for a new Independent Non-Executive Director (NED) with an agreed experience, skills and diversity profile, supported by external search consultancy firm Board Works Ltd which provides similar services to the Irish market and as a result has engaged on occasion with firms associated with individual Directors. Board Works Ltd has no other connection with the Company. The primary objective of the search is to facilitate orderly succession of Directors over the coming years.

The Board succession plan, approved in 2021, has identified a number of decisions regarding the tenure of Directors and actions required to ensure the orderly succession of Directors over the coming years, many of which will commence in 2022.

Market experience suggests it is increasingly challenging to identify suitable individuals of high calibre with an interest in taking on a bank board position on the current terms and conditions, due to the level of scrutiny, expectation and risk associated with such positions in the current environment. The imminent introduction of the Senior Executive Accountability Regime in Ireland, whilst welcome in many ways including the clarity it brings in relation to accountability in financial services, is likely to be another barrier to attracting diverse candidates from other industries to bank boards.

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Diversity

A Board-approved Policy for the Assessment of Directors, which outlines the Board appointment process, is in place and is in accordance with applicable joint guidelines issued by ESMA and the EBA.

The Board is fully committed to diversity in all forms and truly believes that diversity is an essential ingredient of sound decision-making. As of 1 January 2022, the Board comprises 45% 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 is assisted in its risk governance responsibilities by a Board Risk Committee. The Risk Committee met 25 times in 2021, including 6 joint meetings with the Group Audit Committee to consider the impairment charges being applied to the 2020 financial statements and the 30 June 2021 interim financial statements and two joint meetings with the Group Nomination, Governance & Responsible Business Committee to consider ESG matters."

Board responsibility

The Board is responsible for overseeing the Group's risk management and internal control systems, which are designed quality of internal and external reporting and compliance with applicable laws and regulations and to review the effectiveness of same.

In establishing and reviewing the risk management and internal control systems, the Directors carried out a robust assessment of the principal risks facing the Group including those that would threaten its business model, future performance, solvency or liquidity, the likelihood of a risk event occurring and the costs of control. The process for identification, evaluation and management of the principal risks faced by the Group is integrated into the Group's overall framework for risk governance. The Group is forward-looking in its risk identification processes to ensure emerging risks are identified. The risk identification, evaluation and management process also identifies whether the controls in place result in an acceptable level of risk. At Group level, a consolidated risk report and risk appetite dashboard is reviewed and regularly debated by the BRC and the Board to ensure satisfaction with the overall risk profile, risk accountabilities and mitigating actions.

The report and dashboard provide a monthly view of the Group's overall risk profile, key risks and management actions, together with performance against risk appetite and an assessment of emerging risks which could affect the Group's performance over the life of the operating plan.

The Board concluded that the Group's risk management arrangements are adequate to provide assurance that the risk management systems put in place are suitable with regard to the Group's profile and strategy.

Risk Management Framework

Risk statement
Guided by the conditions of the Board approved Risk Identity and risk appetite, the Group follows an integrated approach to risk management to ensure that all material classes of risk are taken into consideration and that the Group's overall business strategy and remuneration practices are aligned with its risk and capital management strategies.

The Group Risk Framework is the overarching high level document which articulates the Group's integrated approach to risk. It is reviewed and approved annually by the Group CRO and by the Board at least every three years following consideration and recommendation by the BRC. It specifies the Group's approach to risk identification, appetite setting, assessment, management, monitoring, and reporting.

The Group Risk Framework provides the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management practices and activities across the Group. It provides the context within which business and risk strategies are considered and developed (including risk policies, guidelines and limits / targets). The Group Risk Framework reflects the Group's analysis and responses to the impact and experience gained from economic and financial stress. This includes the implementation of specific recommendations from internal and external risk governance reviews endorsed by the Board.

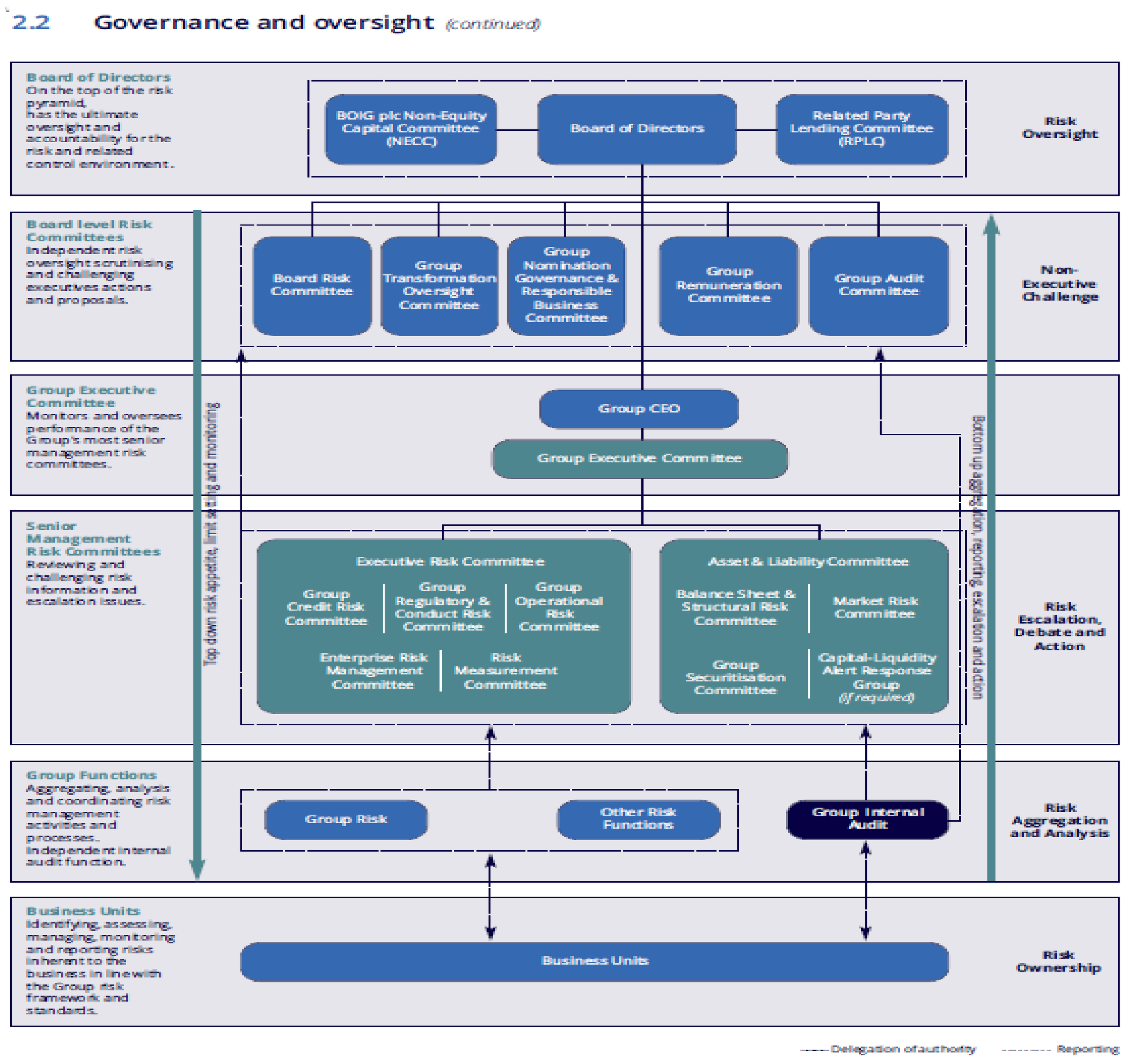
Risk identity
The Group's risk identity qualitatively defines the relative positioning of the Group's activities within a spectrum of business models and market opportunities. The Group's current Board approved Risk Identity is to be the National Champion bank in Ireland focused on having long-term relationships with our retail, commercial and corporate customers. The Group's core franchise is in Ireland with income and risk diversification through a meaningful presence in the UK and selected international activities where the Group has proven competencies.

Risk dimensions
The Group's Risk Identity is translated into objectives across three key dimensions as follows:
•Manage financial volatility: with focus on ongoing management of risk to earnings and liquidity taken by the Group.
•Ensure solvency: with focus on the protection of stakeholders from impact of extreme conditions on the Group, mitigating actions the Group can take to avoid insolvency, and capital buffers sought out from these conditions.
•Protect the franchise: with focus on the protection the long term sustainability of the Group.

Risk Governance
The Board has ultimate responsibility for the governance of risk at the Group. Oversight of risk activities is achieved through a risk governance structure designed to facilitate the risk identification, appetite setting, assessment, management, monitoring, and ultimate reporting on risk activities and material considerations to the Board.

The Board is assisted in its risk governance responsibilities by the delegated sub-committees of the Board, primarily the Board Risk and Group Audit Committees (BRC and GAC respectively), and at executive level by the Executive Risk Committee (ERC), Asset and Liability Committee (ALCO), and their supporting appointed executive committees, namely the Group Credit Risk committee (GCRC), Group Regulatory and Conduct Risk Committee (GRCRC), Group Operational Risk Committee (GORC), Enterprise Risk Management Committee (ERMC), Risk Measurement Committee (RMC), Balance Sheet and Structural Risk Committee, Market Risk Committee, Group Securitisation Committee, and Capital-Liquidity Alert Response Group.

The Board of Directors is ultimately accountable for the effective management of risks and for the system of internal controls in the Group. The system of internal control is designed to ensure thorough and regular evaluation of the nature and extent of risks, and the ability of the Group to react accordingly. The Board is supported by the BRC on risk oversight matters and the GAC in relation to the effectiveness of the system of internal controls. Each of the Board Committees and the executive committees that form part of the risk governance framework operate in accordance with clear terms of reference, approved by the Board or parent executive committee, setting out their respective roles and responsibilities.



Governance and oversight
The Executive Risk Committee (ERC) and Asset and Liability Committee (ALCO) are the Group's most senior management risk committees and operate with delegated authority from the Group Executive Committee (GEC), which monitors and oversees their performance of these committees. The Board Risk Committee (BRC) also exercises oversight of these committees, as outlined in their respective Terms of Reference.

The ERC is chaired by the Group CRO, and the ALCO is chaired by the Group CFO. The membership of these committees comprises members of the Group Executive team and Group- wide divisional and control function executives. The ERC met 25 times, and the ALCO met 16 times, during 2021.

The ERC is responsible for managing all risk types across the Group, with the exception of Market risk, Funding & Liquidity risk, and Capital adequacy, which are managed by the ALCO. Responsibilities include monitoring and reviewing the Group's risk profile and compliance with risk appetite and other approved policy limits, approving risk policies and actions within discretion delegated by the GEC. The ERC and ALCO delegate specific responsibility for oversight of major classes of risk to specific appointed committees and individuals that are accountable to them.

The relevant ERC appointed committees are set out in the following table.

Committee	Delegated responsibility
Group Credit Risk Committee	Oversight of Credit risk related matters.
Group Regulatory and Conduct Risk Committee	Oversight of Conduct and Regulatory risk.
Group Operational Risk Committee	Oversight of Operational risk.
Enterprise Risk Management Committee	Oversight of Business risk, Strategic risk, Life Insurance risk, and People risk.
Risk Measurement Committee	Approval and oversight of all aspects of credit risk measurement systems and may also oversee other risk model classes used for management purposes within the Group.

The relevant ALCO appointed committees are set out in the following table.

Committee	Delegated responsibility
Balance Sheet & Structural Risk Committee	Responsible for supporting ALCO in the areas of Funds Transfer Pricing (FTP) and structural risk.
Market Risk Committee	Responsible for supporting ALCO in the governance, measurement and control of discretionary market risk and oversight of derivative activity.
Group Securitisation Committee	Supports ALCO in providing oversight of collateral management & asset encumbrance.
Capital-Liquidity Alert Response Group	May be established in line with the escalation process outlined in the Group's Recovery Plan to assist in the management of the Group's response to a stress scenario.

Risk taxonomy
In order to ensure that all risks the Group may face have been identified and are being adequately addressed through its management of risk, the Group applies a methodology aimed at ensuring its risk taxonomy is comprehensive. Risks assumed or faced by the Group are classified into causes, events or outcomes:

•Risk causes are internally generated or external environments that can precipitate or drive the occurrence of specific risk events; the categories of risk causes identified broadly align to the headings of inadequate process, systems, people, or external causes;
•Risk events are identified as discrete, specific occurrences, which directly result in a negative outcome. Risk events are identified at a granular level, and are intended to reflect an exhaustive / comprehensive inventory of potential risk events. These granular events are aggregated into hierarchical groupings based on similar characteristics, with the highest level representing the Group's 'Key Risk Types'; and
•Risk outcomes are identified as categories of negative outcome for the Group, its customers, and or the community at large.

For the purposes of risk oversight, executive management accountability is allocated based on the risk events (through the key risk types), as given the collectively exhaustive and mutually exclusive nature of risk events, this approach minimises the likelihood of overlaps or gaps in risk oversight. While risk reporting is primarily through the key risk types, the categories of risk causes and risk outcomes also represent valuable risk reporting lenses which support a holistic view of risk.

Three lines of defence approach
The Group follows a three lines of defence approach to risk management and oversight. This ensures a comprehensive and structured consideration of risk, and is aligned with regulatory expectations.

First line of defence (1LOD): Primary responsibility and accountability for risk management lies with line management in individual businesses and relevant Group functions (the '1LOD Risk Owners'). They are responsible for the identification and management of risk at business unit / Group function level including the implementation of appropriate controls and reporting to the Group in respect of all major risk occurrences.

Second line of defence (2LOD): Group Risk and a number of central functions are responsible for maintaining independent risk oversight, including challenge and intervention where appropriate, and ensuring that a risk control framework is in place. Nominated '2LOD Risk Oversight' executives are responsible for ensuring:
•that a policy or a process is in place for the risks assigned to them;
•exposure to the risk is correctly identified, assessed according to the Group's materiality criteria, and reported;
•identified risks are managed using an appropriate risk strategy, or escalated; and
•independent oversight and analysis along with centralised risk reporting are provided.

Third line of defence (3LOD): Group Internal Audit (GIA) provides independent, reasonable assurance to key stakeholders on the effectiveness of the Group's risk management and internal control framework. GIA carries out risk based assignments covering Group businesses and functions (including outsourcing providers - subject to the right to audit), with ratings assigned as appropriate. Findings are communicated to senior management and other key stakeholders, with remediation plans monitored for progress against agreed completion dates. Credit Review (CR), an independent function within GIA, is responsible for reviewing the quality and management of credit risk assets across the Group.

Management oversight of risk
The Board, ERC, ALCO and their appointed committees are subject to annual effectiveness reviews which may result in further enhancement as endorsed by the Board. Areas of specific focus for review include organisational design, governance structures and risk appetite design, articulation and implementation.

Group Risk is responsible for the Group's overall risk strategy and integrated risk reporting to the Board, the BRC and Group Executive team. The function is led by the Group CRO who is a member of the Group Executive team and reports directly to the Group CEO, and may directly influence business decisions by:
•emphasising a portfolio approach to risk management in addition to a transactional approach;
•leading the discussion on the setting of risk appetite; and
•providing appropriate risk measurements to influence the assessment of business performance.

The Group CRO provides independent advice and constructive challenge to the Group Executive in the support of effective risk- informed business decisions. This involves acting as an enabler as well as a challenger of well-structured business growth opportunities that can be shown to fit within the Group's risk appetite. In 2021 the Group appointed a new Group CRO.

In addition, a number of other Group functions have 2LOD responsibility for certain key risk types, namely Group Finance (Business risk) and People Services (People risk). Strategic risk is managed by the relevant Divisional CEOs, with 2LOD Risk Oversight assigned to the Group Chief Strategy Officer. Life Insurance risk is managed within NIAC, an independent regulated subsidiary with its own independent board, with 2LOD Risk Oversight assigned to the CFO, NIAC.

Risk appetite
The Group's overall risk strategy is to ensure that the Group clearly defines its risk appetite as reflected in Group strategy and that it has appropriate risk governance, processes and controls in place as articulated in the Group Risk Framework to:
•address its target markets with confidence;
•protect its balance sheet; and
•deliver sustainable profitability.

The Group seeks to accomplish its risk strategy by:
•defining risk appetite as the boundary condition for the Group's strategic plan and annual operating plan / budget;
•ensuring that all material risks are correctly identified, assessed, managed, monitored and reported;
•ensuring that capital and funding considerations shape the approach to risk selection / management in the Group;
•allocating clear roles and responsibilities / accountability for the control of risk within the Group;
•avoiding undue risk concentrations;
•engendering a prudent and balanced risk management culture;
•ensuring that the basis of remuneration for key decision makers is consistent with EBA guidelines, as appropriate; and
•ensuring that the Group's risk management structures remain appropriate to its risk profile and take account of lessons learnt and emerging internal and external factors.

Risk appetite defines the amount and type of risk the Group is prepared to accept in pursuit of its financial objectives. It informs Group strategy and, as part of the overall framework for risk governance, forms a boundary condition to strategy and guides the Group in its risk-taking and related business activities. The Group's approach to risk appetite is outlined in the Group Risk Appetite Framework, which includes a detailed description of the process to review risk appetite limits, the process to report risk appetite measures, and the process to escalate breaches of risk appetite, should they occur.

Risk appetite is defined in qualitative terms as well as quantitatively through a series of high level limits and thresholds covering areas such as credit risk, market risk, funding and liquidity risk, operational risk and capital measures.

Risk frameworks and policies
In line with good risk management practices, the Group utilises a range of risk management tools to effectively and consistently manage risk across the Group, including frameworks (for how to manage risk), policies / policy standards (setting out the boundaries and minimum requirements to stay within appetite) and procedures / guidelines (for how to apply the policies and in some cases how discretion may be applied).

Subsidiary oversight
The Board has the overall responsibility for ensuring that there is an appropriate governance framework in place for the Group. The Board exercises oversight over Group subsidiaries, while respecting the independent legal and regulatory responsibilities that apply to the boards of such subsidiaries. The Group Subsidiary Governance Policy sets out how the Board exercises oversight of Group Subsidiaries and the high-level governance standards that shall be applied across the Group in a proportionate manner.

The Risk Management Lifecycle articulates the primary categories of activity that the Group applies in the management of risk. These categories of activity are applicable to all Key Risk Types and include Identification, Appetite Setting, Assessment, Management, Monitoring, and Reporting.

Risk identification
The Group ensures appropriate identification of risk through both top-down and bottom-up risk identification processes. On an annual basis, risks facing the Group are identified and assessed through a top-down Risk Identification and Materiality Assessment process. Arising out of this process, the identified risks are aggregated and key risk types are identified which could have a material impact on the Group's earnings, capital adequacy and / or on its ability to trade in the future. These key risk types form the basis on which risk is managed and reported in the Group.

An accountable 2LOD Risk Oversight executive is assigned to each key risk type and appropriate policies and / or processes are put in place and a formalised measurement and management process defined and implemented. Risk appetite measures for each risk type are set by the Board.

Separate from the Group's Risk Identification and Materiality Assessment process, a review of the top five risks facing the Group is carried out on a semi-annual basis. This process involves Senior Executive management identifying and ranking what they perceive to be the top risks facing the Group. This review facilitates the identification and discussion of new risks whose existence or importance may have been highlighted or elevated by unusual or out of course developments such as external market shocks or geopolitical event risks. It also facilitates discussion and assessment of how such risks or events may have a knock-on impact for the Group's identified key risk types.

In addition to these top-down risk identification processes, colleagues throughout the Group are required to continuously monitor for new or emerging risks. For non-financial risks, these granular level risks are recorded via the Group's Risk and Control Self-Assessment process.

Risk appetite setting
Aligned to the Group's Risk Appetite Framework, on an annual basis the Group reviews, and updates where necessary, its Risk Appetite Statement. This document outlines both qualitative statements of risk appetite for each key risk type, and a series of high level quantitative risk appetite metrics and limits.

These high level limits are cascaded where appropriate into more granular limits across portfolios and business units. Risk appetite guides the Group in its risk-taking and related business activities, having regard to managing financial volatility, ensuring solvency and protecting the Group's core franchises and growth platforms.

The Risk Appetite Statement includes specific limits on credit category and single name exposures among other qualitative and quantitative risk parameters and it also provides for the implementation of a hierarchy of credit category limits. The Risk Appetite Statement is reviewed at least annually or in light of changing business and economic conditions. It is set and approved by the Board following consideration and recommendation by the BRC.

Risk Assessment
Risk assessment in the Group is performed through a range of processes. These processes include quantitative measurement for quantifiable risks, Risk and Control Self-Assessments (RCSAs) for non-financial risks, and Strategic Risk Assessments for major decisions. Quantitative measurement involves using data and defined measurement methodologies to estimate a series of defined quantitative risk metrics on a regular basis. Materiality assessments for non-financial risks are conducted using the Group's RCSA process. Risks are identified, classified, and rated using a likelihood and impact scale on a periodic basis. A dashboard aggregation of identified risks is monitored and reported, which enables timely management of highly rated risks. For major business decisions, Strategic Risk Assessments are conducted which assess key factors across each of the Group's key risk types. This informs management and key decision making committees regarding the materiality of risks associated with critical business decisions.

Risk management
The identified key risk types are actively analysed and measured in line with the formalised policies and management processes in place for each risk type.

For credit, funding and liquidity, life insurance, market, operational and pension risks, risk models are used to measure, manage and report on these respective risk types. Risk limits and diversification, together with regular review processes, are in place to manage potential credit risk and funding and liquidity risk concentrations which in turn could lead to increased volatility in the Group's expected financial outcomes. Additionally, the Group's calculation of economic capital takes into consideration the extent to which credit concentration risk exists in respect of single name, sector and geography.

At Group level, common measures and approaches for risk aggregation and measurement have also been adopted, in order to inform operational and strategic plans and to steer the business within the boundaries of its risk appetite. These include one-year or multi-year forecasting / stress testing and a capital allocation framework which incorporates economic capital modelling and risk adjusted return analysis. The Group uses a suite of risk measurement models and systems to support decision making processes at transaction and portfolio levels, e.g. approving a loan facility to a borrower.

Return on Capital
The common measure of return on risk used by the Group is Risk Adjusted Return on Capital (RAROC). RAROC is used to objectively assess the return of individual loans, portfolios and businesses, and is a key performance metric for the Group in the context of allocation of capital.

Loan loss forecasting and solvency stress testing
Forecasting and stress testing are risk management tools used by the Group to alert management to potential adverse outcomes related to a variety of risks and inform risk appetite and contingent mitigating action. The Group conducts:
•loan loss forecasting which informs senior management about potential outcomes related to loan loss evolution under chosen macroeconomic scenarios. This information is regularly used as an input into the Group's budget, strategic plan and ICAAP. Additionally, it can be used to forecast future provisioning needs and / or to understand, and therefore anticipate, earnings volatility and future capital utilisation, such as at portfolio / transaction level. Results of forecasting are used by the Group to enhance the understanding of potential vulnerabilities and to make decisions around risk appetite and capital adequacy or to help prepare mitigating actions;
•solvency stress tests evaluate the Group's financial position under 'severe but plausible' scenarios or sensitivities and provide an indication of how much capital might be needed to absorb losses should such a shock occur. Scenarios for solvency stress testing are approved by ALCO but regulators can also request that a mandated stress scenario be run to assess capital needs across banks in a particular jurisdiction. The approved scenarios are applied to the Group's credit portfolios and financials as appropriate, in order to generate stressed loan loss forecasts and other impacts over the scenario period. The outputs of the solvency stress testing are reviewed and approved by the Board, and used by the Group to inform risk appetite, strategy and capital planning and are an integral component of the Group's ICAAP process. They are also used by regulators to assess the Group's ability to continue to meet its capital requirements under severe adverse conditions; and
•reverse stress testing evaluates the Group's ability to survive an unforeseen severe event or combination of events that would cause the Group's business model to become unviable. Reverse stress testing complements and builds on solvency stress testing by exploring more extreme scenarios / events beyond the likelihood thresholds looked at in solvency stress testing. This is achieved as reverse stress testing is developed in reverse, working back from an outcome of business failure to causal analysis, while the more typical solvency stress testing works towards defining a range of outcomes or probabilities given defined inputs.

Due to the unprecedented nature of the COVID-19 economic shock, this continued to be a primary focus of loan loss forecasting and solvency stress testing activities during 2021. In parallel the Group is developing its scenario modelling and scenario capabilities in the climate risk space.

The Group also runs more frequent and / or ad hoc stress tests for general risk management purposes. These cover:

Market risk
The following market risks are subject to stress testing as part of its normal risk measurement and management process:
•discretionary market risk, consisting of Trading Book positions and discretionary Interest Rate Risk in the Banking Book (IRRBB) risk;
•structural IRRBB consisting of balance sheet basis risk; and
•structural FX, the sensitivity of Group capital ratios to exchange rate movement.

Discretionary risk and basis risk are stressed using empirically- based scenario analyses. In the case of discretionary risk, the stress test results are potential changes in the economic value of positions; in the case of basis risk, the results are potential changes in one year-ahead net interest income.

Operational risk
Operational risk stresses are modelled based on a scenario- based approach. Severe, yet plausible operational risk loss scenarios are applied on a Group-basis and are used to inform the assessment of the Group's economic capital requirement.

Life insurance risk
Life insurance regulations require each life company to complete an annual ORSA. The ORSA process is intended to consider severe but plausible risks to the business, and the capital or mitigating actions required to withstand those risks within the context of its business plans. This assessment considers a range of sensitivities and scenario tests, including deterioration in the insurance risk experience.

Funding and liquidity risk
The Group stresses its exposure to liquidity risk through liquidity stress testing which provides senior management with the ability to assess the degree to which the Group is vulnerable to extreme but plausible adverse liquidity conditions. It is used to identify the potential impact of a range of adverse shocks, including the impacts of rating downgrades and the reduction / withdrawal of certain funding markets such as customer deposits or wholesale markets on the Group's ability to fund its outflows (asset financing and / or contractual obligations) at the required time and at a reasonable cost.

Recovery and resolution planning
In line with the BRRD for EU banks, the Group maintains a Recovery Plan which sets out options to restore financial stability and viability of the Group in the event of the relevant circumstances arising. The Group's Recovery Plan is approved by the Board on the recommendation of BRC and ALCO.

For institutions which are under the remit of the Single Resolution Board (SRB), including the Group, resolution plans are prepared by the SRB to determine an institution's critical functions, to identify and address any impediments to its resolvability and to prepare for its possible resolution. The SRB published an Expectations for Banks document which sets out the actions required by institutions (including the Group) to demonstrate they

Monitoring and reporting
The Group CRO reports on risk to the ERC, the BRC and the Board on a regular basis. This allows Group management to be clear and consistent in communication with internal and external stakeholders, including markets, rating agencies and regulators. Additionally, it is a process which assists in discharging the regulatory responsibilities of the Group, which stipulates that management understand the major risks facing the Group and the process in place for managing those risks.

The key risk types identified under the Group's risk identification process are assessed and their status is reported quarterly by the Group CRO in the Board Risk Report which is reviewed by the ERC, the BRC and the Board. Updates on risk dashboards and risk appetite compliance are provided on a monthly basis. The frequency of reporting is assessed and increased as appropriate during times of stress / crisis.

As part of the Group's risk monitoring and review processes and in support of the Group's ICAAP, a suite of risk and capital reports are regularly reviewed by ALCO and ERC. In addition, the Group performs regular ongoing operational reporting and monitoring of credit quality, grade migration and other risk trends as well as the tracking of market risk and operational risk within the Group Risk functions. Furthermore, the measurement and reporting process is subject to ongoing review and is enhanced where appropriate.

Breaches of the Group Risk Framework or breaches of key risk policies are advised to the ERC by the relevant 2LOD Risk Oversight and reported, as necessary by the Chair of ERC, to the BRC and Board.

Risk management lifecycle
The BRC also receives risk information through its review of the ERC minutes and through investigations carried out into specific risk matters. The GAC separately receives Internal Audit reports on a range of matters following completion of its independent, risk based assignments or ad hoc reviews.

Enablers
The Group Risk Framework recognises that risk management is required to be built on a foundation of key enablers primarily relating to appropriate culture and capabilities. Enablers are defined to recognise the robust foundation on which the Group Risk Framework is based.

Process Excellence & Operational Resilience
Process Excellence and Operational Resilience are foundational elements in provision of reliable services and engendering trust within customer relationships.

Leadership
Leadership must be prepared to execute on their responsibilities with respect to risk, help to foster the appropriate risk culture and guide the organisation in line with the Group's Purpose and Values.

Resource Adequacy and Effectiveness
Resource adequacy and effectiveness is critical. Appropriate levels of resource with required capabilities and experience must be available to manage key risks according to materiality.

Systems and Infrastructure
Systems and infrastructure provide the tools for the Group to manage and oversee risk on a day-to-day basis.

Culture
The Group risk appetite articulates the level of risk the Group is prepared to take to achieve its strategic priorities. The culture of the Group reflects the balance between:
•risk management and financial return; and
•risk taking and incentives.

The Group's risk culture encompasses the general awareness, attitude and behaviour of employees to the taking of appropriate risk and the management of risk within the Group.

The Group's risk culture is a key element of the Group's effective risk management framework, which enables decisions to be taken in a sound and informed manner.

Standards of behaviour are detailed in the Group Code of Conduct to which all management and staff must adhere and affirm annually. The Speak Up Policy sets out the steps staff can take to raise any concerns they might have of wrongdoing, risk or malpractice in the Group.

Business Risk

Definition:

The risk of earnings volatility over the short term (1 year time frame). This risk will manifest through adverse impact to the strength of the Group's franchise and/or operational economics including volumes, margins, costs, and net worth. It can be driven by sudden shifts in customer behaviour/demand, competitive dynamics, new market entrants, new products, new product pricing, inadequate cost management, and /or an inappropriate concentration of earnings.

Risk management, measurement and reporting

Divisions and business units are responsible for delivery of their business plans and management of such factors as pricing, sales and loan volumes, operating expenses and other factors that may introduce earnings volatility.

Monitoring of business risk is performed on a divisional basis, and measured quarterly, with a scorecard addressing movements in key indicators around income diversification, margin trends, customer advocacy, costs, and employee engagement. In addition to this, business risk is evaluated through quarterly updates in the Board Risk Report which is reviewed by the ERC, the BRC and the Board. Updates on risk dashboards and risk appetite compliance are provided on a monthly basis. The key dimensions evaluated within business risk are:

- the strength of the Group's returns;
- evaluation of financial projections;
- strength of the Group's competitive position; and
- management capability, technology capability and resource availability.

The Group also reviews business risk as part of the annual risk identification process. In addition there is an annual review of business risk to ensure that the BRC is comfortable with the processes in place to manage business risk and that residual risk is within the Group's risk appetite.

Risk mitigation

The Group mitigates business risk through business planning methods, such as the diversification of revenue streams, cost base management and oversight of business plans, which are informed by expectations of the external environment and the Group's strategic priorities.

At an operational level, the Group's annual budget process sets expectation at a business unit level for lending volumes, margins and costs. The tracking of actual and regularly forecasted volumes, margins and costs against budgeted levels is a key financial management process in the mitigation of business risk.

People Risk

Definition:

People risks are risks to the Group and its performance relating to the delivery of its strategic objectives which can be attributed to the workforce. Specifically, People risk captures the risk that the Group does not attract and maintain an employee base with the skills, capabilities, and culture necessary to execute the Group's business objectives. People risk also includes risks relating to health and safety. As such, people risks can be categorised in to those relating to Capacity and Capability (including Leadership), Culture and Engagement and Industrial Relations, as well as Health and Safety.

There are a number of drivers of People risk. The economic environment may create uncertainty within the Group and in the wider financial market. The external environment (post-Brexit and reflective of the ongoing COVID-19 situation) and resulting BoI challenges e.g. improving efficiency, may impact the Group's ability to attract, motivate and retain qualified and experienced staff to execute strategy. In this context, People risk may also arise as a result of the Group's transformation and digitalisation as the organisation adapts to the changing needs and preferences of our customer base, with resultant need for staff flexibility and up-skilling alongside transitioning to a sustainable operating model. Associated people risks include impacts on employee engagement and culture embedding, as well as industrial relations risks and business continuity. Furthermore, people risks can be compounded by the continuing impact of remuneration restrictions (e.g. variable pay/bonuses and caps) in a labour market with ongoing high demand for particular skills and / or restricted mobility between jurisdictions.

Risk management, measurement and reporting

The Group believes that good customer outcomes are heavily influenced by good colleague outcomes which can only be delivered by good people risk management. People risk is managed in line with the Group People Risk Framework and associated policies which guide compliance with legal, regulatory and contractual obligations.

The Group acknowledges that a degree of People risk will arise in the operation of its' business activities, with the limit of the Group's appetite for People risk being where the People risk would cause a material detrimental impact on the ability to deliver strategic organisational objectives. On an annual basis, the Board approves the Group Risk Appetite Statement, which incorporates a statement and metrics for people risk. Each component of overall People risk has risk committee reported metrics for which individual risk appetite measures are in place. Regular reporting on people metrics and trends including on colleague health and wellbeing is provided to Senior Management and Board, including inputs to the Board Risk Reporting.

Risk mitigation

The Group mitigates the potential impact of people risk through a number of measures. A suite of policies and Group wide processes are in place to guide compliance with legal, regulatory and contractual obligations. Structured Group wide programmes and strategies are in place to support a number of focus areas, including but not limited to: colleague wellbeing; capability uplift through the professionalisation and enterprise skills agenda; female talent development as well as broader inclusion and diversity initiatives; and Group wide culture and employee engagement plans. A comprehensive colleague communications approach is also in place.

Definition

The risk of inadequate returns over the long term (greater than 1 year). It includes the failure to develop an effective and sustainable long term strategy, inadequate execution of a chosen strategy, or failure to adapt a chosen strategy where fundamental assumptions underpinning the strategy have changed.

Risk management, measurement and reporting

Business, divisional and portfolio strategy is developed within the boundaries of the Group's strategy as well as the Group's Risk Appetite Statement. These strategies are approved by business divisional CEOs and presented to the Board.

Monitoring of strategic risk is performed on a Group and divisional basis, and measured quarterly. Strategic risk focuses on the appropriateness of the Group's strategic plan and financial projections over the longer term and is evaluated through quarterly updates in the Board Risk Report which is reviewed by the ERC, the BRC and the Board. Updates on risk dashboards are provided on a monthly basis.

On an annual basis the Group reviews strategic risk as part of the risk identification process. In addition the annual review and challenge of strategic risk presented to BRC to ensure the Group is comfortable with the processes in place to manage strategic risk and that residual risk is within the Group's risk appetite.

Risk mitigation

The Group mitigates strategic risk through regular updates to the Board on industry developments, the macroeconomic environment and associated trends which may impact the Group's activities, review of the competitive environment and strategies at a divisional and business unit level.

Life insurance risk:

Definition (audited)

Life insurance risk is the risk of unexpected variation in the amount and timing of claims associated with insurance benefits. This variation, arising from changing customer mortality, life expectancy, health or behaviour characteristics, may be short or long term in nature. The sub-categories of life insurance risk such as mortality, longevity and persistency risk each relate to different sources of loss which arise as a result of writing life insurance business.

Risk management (audited)

Life insurance risk is underwritten and managed by NIAC, a wholly owned subsidiary of the Group. The management of insurance risk is the responsibility of the board of NIAC which is delegated through internal governance structures. Aggregate life insurance risk exposure and exposure to the sub-categories of life insurance risk are monitored through a suite of management reporting metrics.

The risks that arise as a result of writing life insurance business are also managed by a number of governance fora as well as senior management. The minimum standards required when managing these risks are set out in a suite of NIAC board approved policies.

The Group transfers some life insurance risk to reinsurance companies who then meet an agreed share of the claims that arise on a book of business in return for a premium. This creates a credit exposure to these reinsurance companies which is managed within the NIAC risk management framework with responsibilities delegated through the Reinsurance Risk Policy. A review of the panel of reinsurers that may be used and the structure of reinsurance arrangements is carried out at least annually. Senior members of the management team with actuarial and underwriting expertise contribute to the effective oversight of this risk.

Risk measurement (audited)

Risk experience is monitored regularly with actual claims experience being compared to the underlying risk assumptions. The results of this analysis are used to inform management of the appropriateness of those assumptions for use in pricing, capital management and new product design.

Exposure to life insurance risk is measured by means of sensitivity and scenario testing. Risk capital is calculated for each individual risk type by stressing the best estimate assumptions of future experience by extreme, but plausible, factors. The stress factors are pre-defined by regulation and are set at a level with an expected frequency of occurrence of one year in every 200. NIAC also carries out an ORSA annually which is overseen by the NIAC board. Within the ORSA, NIAC’s risk profile is considered, both quantitatively and qualitatively, in a holistic manner with potential areas of risk identified along with conclusions in respect of how those risks will be mitigated.

Risk mitigation (audited)

The Group mitigates the potential impact of insurance risk through a number of measures. Capital is held against exposure to life insurance risk. Exposure to risk is also managed and controlled by the use of medical and financial underwriting, risk mitigating contract design features and reinsurance, as detailed in risk management policies.

Risk reporting (audited)

An update on the status of life insurance risk is included in the Board Risk Report on a quarterly basis. Updates on risk dashboards and risk appetite compliance are included in the Board Risk Report on a monthly basis. NIAC’s ORSA report in respect of the NIAC annual assessment is also presented to the ERC on an annual basis.

Conduct and regulatory risk:

Definition

Conduct and regulatory risk is defined as the risk that the Group, and/or its staff, conduct business in an inappropriate or negligent manner that leads to adverse customer outcomes and/or non-compliance with laws, rules and regulations related o Conduct of Business, Data Protection and Financial Crime. It is also the risk of the failure to appropriately identify and implement governance arrangements for compliance with any new laws, rules and regulations that relate to licensed financial services activity. Conduct and Regulatory risk is categorised as a non-financial risk within the Bank's Group Risk Framework and is further broken down into distinct risk categories:

Customer-focused strategy: The risk of not delivering fair outcomes to customers. It also covers those laws, regulations, codes and guidelines that govern the activities of the Group with regard to consumer protection requirements, advertising and marketing compliance, mortgage arrears and lending codes. This also includes regulatory expectations with regard to the delivery or good/fair customer outcomes laid out in formal industry communications such as Dear CEO letters.

Product and Service Governance Lifecycle Management: The risk of the design and development of products and services that do not continue to be appropriate and suitable over the lifetime of the product or respond to changing customer needs. It also covers those laws, regulations, codes and guidelines that govern the activities of the Group with regard to product and services design, development, oversight and governance.

Colleague Compliance and Culture: The risk of colleagues not meeting set regulatory compliance standards as well as standards of behaviour that have a material negative outcome for stakeholders including customers, colleagues and communities (including shareholders, suppliers and regulators). It also covers the Group's Individual Accountability Framework and Accountability Risk as well as those laws, regulations, codes and guidelines that govern the activities of the Group with regard to conduct and other standards required of individuals and the business.

Regulatory Compliance: The risk of failure by the Group to implement effective governance in respect of regulatory change, as well as failure to appropriately manage our regulatory engagements or to comply with conduct of business laws, regulations, codes and guidelines.

Data Protection and Privacy: The risk of failing to comply with data protection and privacy principles and requirements and/or protect the personal data of our customers, employees and other individuals who allow the bank to process their personal data. It covers laws, regulations and guidelines relating data protection and privacy within all jurisdictions the Group operates.

Financial Crime: The risk that the measures adopted by the Group to prevent and detect money laundering, terrorist financing, sanctions evasion or fraud are not effective and/or do not meet regulator expectations. It also covers those laws and regulations that require the bank to design and manage processes to identify, assess, mitigate and report on AML, CFT and FS risks and to ensure that staff are aware of those laws and ensure they are alert to those risks when required to do so.

Risk management and measurement

The Group Risk Framework identifies the Group's formal governance process around risk, including its framework for setting risk appetite and is implemented by accountable executives and monitored by the GRCRC, the ERC, the BRC and Board, in line with the overall Group risk governance structure.

The Conduct and Regulatory Risk Framework (CRRF), which sits below the overarching Group Risk Framework, sets out the structures and methodologies by which the Group identifies and manages conduct and regulatory risk. There are two components within the Framework:

•Governance and Oversight: Governance arrangements and management oversight of Conduct and Regulatory risk, including specific roles and responsibilities across three lines of defence.

•Risk Management Lifecycle: The conduct and regulatory risk management lifecycle recognises the importance of regular risk identification and assessment, diligently setting risk appetite and having robust measurement in place to monitor and report against this.

The effective management of conduct and regulatory risk is primarily the responsibility of business management and is supported by Group Compliance. On an annual basis, the Board approves the Group Risk Appetite Statement, which incorporates statements for all material risks, including conduct and regulatory risk.

Risk mitigation

The primary risk mitigants for conduct and regulatory risk are the suite of policies and policy standards and the existence of appropriate controls in place throughout the business. The Group Conduct and Regulatory Risk Framework and associated policies / policy standards set out the minimum requirements for the effective management of Conduct and Regulatory Risk to ensure that the Group's overall exposure remains within the Board's approved risk appetite. The Group also mitigates Conduct and Regulatory Risk through the early identification, appropriate assessment, measurement and reporting of risks.

Risk reporting

The current status of conduct and regulatory risk is reported to the ERC and the Board members through a variety of forms including the Group Chief Compliance Officer Report and Board Risk Report on a quarterly basis. Monthly updates on the conduct and regulatory risk profile are provided to GRCRC. The GRCRC oversees the status of conduct and regulatory risk in the Group, including the progress of associated risk mitigation initiatives, issues and breaches, and significant regulatory interactions on a monthly basis.

Definition of credit risk (audited)

Credit risk is the risk of loss resulting from a counterparty being unable to meet its contractual obligations to the Group in respect of loans or other financial transactions. This risk includes counterparty default risk, concentration risk, cross border transfer risk, credit quality deterioration risk and collateral value deterioration risk. At portfolio level, credit risk is assessed in relation to the degree of name, product, industry and geographic concentration to inform the setting of appropriate risk mitigation and transfer mechanisms, and to assess risk capital requirements. Risk appetite measures for credit risk are set by the Board.

Credit risk arises from loans and advances to customers and from certain other financial transactions such as those entered into by the Group with financial institutions, sovereigns and state institutions.

Credit facilities can be largely grouped into the followingcategories:
- cash advances (e.g. loans, overdrafts, revolving credit facilities (RCFs) and bonds), including associated commitments and letters of offer;
- credit related contingent facilities (issuing of guarantees / performance bonds / letters of credit);
- derivative instruments; and
- settlement / clearing lines.

The manner in which the Group's exposure to credit risk arises, its policies and processes for managing it and the methods used to measure and monitor it are set out below.

Default risk
Default risk is the risk that financial institutions, sovereigns, state institutions, companies or individuals will be unable to meet the required payments on their debt obligations. Default may be as a result of one or a number of factors including, but not limited to:
- deterioration in macroeconomic or general market conditions;
- deterioration in a borrower's capacity to service its credit obligation;
- a credit event (e.g. a corporate transaction);
- a natural or manmade disaster;
- regulatory change, or technological development that causes an abrupt deterioration in credit quality;
- a mismatch between the currency of a borrower's income and their borrowing / repayments; and
- environmental factors that impact on the credit quality of the counterparty.

Credit concentration risk
Credit concentration risk is the risk of loss due to exposures to a single entity or group of entities engaged in similar activities and having similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. Undue concentrations could lead to increased volatility in the Group's expected financial outcomes.

Cross border transfer risk
Cross border transfer risk is the risk that sovereign or other counterparties within a country may be unable, unwilling or precluded from fulfilling their cross-border obligations due to changing political, financial or economic circumstances such that a loss to the Group may arise.

Credit quality deterioration risk
Credit quality deterioration risk is the potential for loss due to an internal / external ratings downgrade which signals a change in the credit quality of the loan exposure.

Collateral value deterioration risk
Collateral value deterioration risk is the risk of loss arising from a change in the value or enforceability of security held in respect of a transaction with credit risk.

Credit risk statement
The Group actively seeks opportunities to provide appropriately remunerated credit facilities to borrowers who are assessed as having the capacity to service and discharge their obligations and to allow growth in the volume of loan assets in line with the Group's risk appetite and to provide a solid foundation for sustained growth in earnings and shareholder value.

The Group's credit strategy is to underwrite credit risk within a clearly defined Board-approved risk appetite and risk governance framework through the extension of credit to customers and financial counterparties in a manner that results in an appropriate return for the risks taken and on the capital deployed while operating within prudent Board-approved risk parameters, and to maximise recoveries on loans that become distressed.

Credit risk management
The Group's approach to the management of credit risk is focused on a detailed credit analysis at origination followed by early intervention and active management of accounts where creditworthiness has deteriorated.

Through its ongoing credit review processes, the Group seeks early identification of deteriorating loans with a view to taking corrective action to prevent a loan becoming credit-impaired. Typically, loans that are at risk of becoming credit-impaired are managed by dedicated specialist units / debt collection teams focused on working out loans. For loans that become creditimpaired, the focus is to minimise the loss that the Group will incur. This may involve implementing forbearance solutions, entering into restructuring arrangements, action to enforce security, asset / portfolio disposals or securitisations.

The Group Credit Risk function has responsibility for the independent oversight of credit risk, and for overall risk reporting to the GCRC, ERC, the BRC and the Board on developments in credit risk and compliance with specific risk limits. It is led by the Chief Credit Officer who reports directly to the Group CRO. The function provides independent oversight and management of the Group's credit risk strategy, credit risk management information and credit risk underwriting. A separate Customer Loans Solutions function also reports to the Group CRO and provides experienced and dedicated management of challenged assets.

Credit policy
The core values and principles governing the provision of credit are contained in Group Credit Policy which is approved by the Board. Individual business unit credit policies (which include specific sectoral / product credit policies) define in greater detail the credit approach appropriate to the units concerned. These policies are aligned with, and have regard to, the Group's Risk Appetite Statement and applicable credit limits, the lessons learned from the Group's loss history, the markets in which the business units operate and the products which they provide.

Lending authorisation
The Group's credit risk management systems operate through a hierarchy of lending authorities which are related to internal loan ratings. All exposures above certain levels require approval by the Group Credit Transactions Committee (GCTC). Other exposures are approved according to a system of tiered individual authorities, which reflect credit competence, proven judgement and experience. Material lending proposals are referred to credit units for independent assessment / approval or formulation of a recommendation for subsequent adjudication by the applicable approval authority. Certain retail loan applications may be approved automatically where they meet both approved policy rules and minimum thresholds for the score produced by internal credit scoring tools.

Controls and limits
The Group imposes credit risk control limits and guide points to mitigate significant concentration risk. These limits and guide points are informed by the Group's Risk Appetite Statement which is approved annually by the Board.

It includes specific long-term limits for each category and maximum exposure limits to a customer or a group of connected customers.

The Board approves a framework of country maximum exposure guide points which are used as benchmarks for the setting of country limits. A maximum exposure limit framework for exposures to banks is also approved by the GCRC for each rating category. Limits are set and monitored for countries, sovereign obligors and banks in accordance with these frameworks.

Credit risk measurement (audited)

All credit transactions are assessed at origination for credit quality and the borrower is assigned a credit grade based on a predefined credit rating scale. The risk, and consequently the credit grade, is reassessed periodically. The use of internal credit rating models and scoring tools, which measure the degree of risk inherent in lending to specific counterparties, is central to the credit risk assessment and ongoing management processes within the Group.

Loan impairment
Under IFRS 9, essentially all credit risk exposures not measured at fair value through profit or loss (FVTPL) are subject to recognition of an impairment loss allowance for expected credit losses (ECL). The Group's impairment modelling methodologies are approved by Model Risk Committee (MRC) and / or RMC
and the quantum of the Group's impairment gain or loss, NPEs and impairment loss allowances are reviewed by the GCRC and by the ERC in advance of providing a recommendation to the GAC.

The Group's credit risk rating systems and impairment models and methodologies play a key role in quantifying the appropriate level of impairment loss allowance.

Credit risk mitigation (audited)

An assessment of the borrower's ability to service and repay the proposed level of debt (principal repayment source) is undertaken for credit requests and is a key element in the Group's approach to mitigating risk. In addition, the Group mitigates credit risk through the adoption of both proactive preventative measures (e.g. controls and limits) and the development and implementation of strategies to assess and reduce the impact of particular risks should these materialise, including hedging, securitisation, the taking of collateral (which acts as a secondary repayment source) and selective asset / portfolio disposals and securitisations.

Risk transfer
The objective of risk mitigation / transfer is to limit the risk impact to acceptable levels. At portfolio level, credit risk is assessed in relation to the degree of name, sector and geographic concentration. Where possible emergence of undue risk concentrations are identified, the risk capital implications are assessed and, where appropriate, risk transfer and mitigation options (e.g. disposals, securitisations, hedging strategies) are explored.

Collateral
Credit risk mitigation includes the requirement to obtain collateral, depending on the nature of the product and local market practice, as set out in the Group's policies and procedures. The Group takes collateral as a secondary repayment source, which can be called upon if the borrower is unable or unwilling to service and repay debt as originally envisaged. Various types of collateral are accepted, including property, securities, cash, guarantees and insurance.

The nature and level of collateral required depends on a number of factors including, but not limited to, the amount of the exposure, the type of facility made available, the term of the facility, the amount of the borrower's own cash input and an evaluation of the level of risk or Probability of Default (PD).

The Group's requirements around completion, valuation and management of collateral are set out in appropriate Group or business unit policies and procedures.

Counterparty credit risk arising from derivatives
Trading in over-the-counter (OTC) derivatives is governed by the European Market Infrastructure Regulation. The Group has executed standard internationally recognised documents such as International Swaps and Derivatives Association (ISDA) agreements and Credit Support Annexes (CSAs) with all of its derivative financial counterparties. In addition, the Group has Cleared Derivatives Execution Agreements (CDEAs) with its principal interbank derivative counterparties enabling the Group to clear eligible derivatives through an EU approved and regulated central counterparty. If a derivative contract cannot be cleared through a central counterparty, a CSA serves to limit the potential cost of replacing that contract at market price in the event of a default by the financial counterparty. All of the Group's interbank derivatives are covered by CDEAs or CSAs and are hence collateralised.

Credit risk reporting / monitoring (audited)

Credit risk at a Group, divisional and significant operating unit / product type level is reported on a monthly basis to senior management. This monthly reporting includes information and detailed commentary on loan book growth, quality of the loan book (credit grade and PD profiles and RWAs), impairment loss allowances, and individual large credit-impaired exposures.

Credit risk, including compliance with key credit risk limits, is monitored and reported monthly in the Board Risk Report. This reort is presented to and discussed by the ERC and the Board. The quarterly Board Risk Report is also presented to and discussed by the BRC. A report on exceptions to credit policy is presented to and reviewed by the GCRC, ERC, the BRC and the Board on a quarterly basis.

On a quarterly basis the GCRC considers credit concentration reports which track changes in sectoral and single name concentrations measured under agreed parameters.

In addition, other reports are submitted to senior management and the Board as required.

CR, an independent function within GIA, reviews the quality and management of credit risk assets across the Group. Using a risk based approach, CR carries out periodic reviews of Group lending portfolios, lending units and credit units.

Management of challenged assets (audited)

The Group has in place a range of initiatives to manage challenged and vulnerable credit. These include:
- enhanced collections and recoveries processes;
- specialist work-out teams to ensure early intervention in vulnerable cases;
- intensive review cycles for 'at risk' exposures and the management of excess positions; and
- support from central teams in managing 'at risk' portfolios at a business unit level.

Group forbearance strategies
Forbearance occurs when a borrower is granted a concession or agreed change to a loan ('forbearance measure') for reasons relating to the actual or apparent financial stress or distress of that borrower. If the concession or agreed change to a loan granted to a borrower is not related to the actual or apparent financial stress or distress of that borrower, forbearance has not occurred.

The forbearance strategies adopted by the Group seek to maximise recoveries and minimise losses arising from nonrepayment of debt, while providing suitable and sustainable restructure options that are supportive of customers in challenged circumstances. Such strategies may include, where appropriate, one or a combination of measures such as a temporary reduction in contractual payments, a term extension, capitalisation of arrears, adjustment or non-enforcement of
covenants and / or more permanent restructuring measures. Forbearance requests are assessed on a case by case basis, taking due consideration of the individual circumstances and risk profile of the borrower.

A request for forbearance will always be a trigger event for the Group to undertake an assessment of the customer's financial circumstances and ability to repay prior to any decision to grant a forbearance treatment. This assessment may result in a deterioration in the credit grade assigned to the loan, potentially impacting how frequently the loan must be formally reviewed. This assessment may also result in a loan being considered to have experienced a 'significant increase in credit risk' or becoming classified as credit-impaired.

The Group Credit Policy and Group Credit Framework outlines the core principles and parameters underpinning the Group's approach to forbearance with individual business unit policies and procedures defining in greater detail the forbearance strategies appropriate to each unit.

Borrower compliance with revised terms and conditions may not be achieved in all cases. Non-compliance could for example arise because the individual circumstances and risk profile of the borrower continue to deteriorate, or fail to show an expected improvement, to the extent that an agreed reduced level of repayment can no longer be met. In the event of noncompliance, a request for further forbearance may be considered. It is possible that the Group, by virtue of having granted forbearance to a borrower, could suffer a loss that might otherwise have been avoided had enforcement action instead been taken - this could for example arise where the value of security held in respect of a loan diminishes over the period of a forbearance arrangement which ultimately proves unsustainable.

It is the Group's policy to measure the effectiveness of forbearance arrangements over the lifetime of those arrangements. A forbearance arrangement is considered to be effective where the risk profile of the affected borrower stabilises or improves over the measured time period, resulting in an improved outcome for the Group and the borrower. The measurement of effectiveness takes account of the nature and intended outcome of the forbearance arrangement and the
period over which it applies.

Where customers required further support following the expiry of COVID-19 payment breaks or concessions (i.e. are unable to return to paying full capital and interest) the Group offered suitable and sustainable solutions. The Group has alternative repayment arrangements available, including forbearance arrangements, for customers who require further financial support and these are based on an assessment of the individual needs of each customer and what is the most suitable solution.

Asset quality - Loans and advances to customers (audited except where denoted unaudited)

Asset quality methodology
The Group has allocated financial instruments into one of the following categories at the reporting date:

Stage 1 - 12 month expected credit losses (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 to 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 - Lifetime expected credit losses (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 - Lifetime expected credit losses (credit-impaired)
Credit-impaired financial instruments, other than Purchased or Originated Credit-impaired (POCI) 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 regulatory guidelines including European Banking Authority (EBA) Guidelines on the application of the definition of default under Article 178 of the Capital Requirements Regulation (CRR)). 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 and / or (ii) the borrower is greater than or equal to 90 days past due and the arrears amount is material.

Purchased or originated credit-impaired financial assets
Financial assets that were credit-impaired at initial recognition. A POCI is not subject to any initial impairment loss allowance but an impairment loss allowance is subsequently recognised for the cumulative changes in lifetime ECL since initial recognition. A POCI remains classified as such until it is derecognised, even if assessed as no longer credit-impaired at a subsequent reporting date.

The Group continued to apply the following classifications at the reporting date.

Forborne loans
Loans where a forbearance measure has been granted and where the criteria to exit a forborne classification, in line with EBA guidance, are not yet met. Loans that have never been forborne or loans that are no longer required to be reported as 'forborne' are classified as 'non-forborne'.

Non-performing exposures
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, and / or loans where the borrower is greater than or equal to 90 days past due and the arrears amount is material; and
(ii)other loans meeting NPE criteria as aligned with regulatory requirements.

Composition and impairment

At 31 December 2021, loans and advances to customers (pre impairment loss allowance) of €77.9 billion were €0.6 billion lower than 31 December 2020, reflecting the combined impacts of currency translation, utilisation of impairment loss allowances and net redemptions in the year.

Credit-impaired loans decreased to €4.3 billion or 5.5% of customer loans at 31 December 2021 from €4.5 billion or 5.7% at 31 December 2020. This decrease reflected resolution strategies that include appropriate and sustainable support to viable customers who are in financial difficulty. Resolution strategies include the realisation of cash proceeds from property sales activity, securitisation of non-performing portfolios and, where appropriate, have given rise to utilisation of impairment loss allowance against loan amounts for which there is no reasonable expectation of recovery. The Group completed the securitisation of a pool of non-performing residential mortgages with a gross carrying value of €0.3 billion in the year, with an associated €12 million impairment gain.

The decrease from resolution strategies was partly offset by the emergence of new defaults for case-specific reasons primarily in the Corporate and Property and construction portfolios.

The application of updated FLI, updates to individually assessed risk ratings and re-assessment for post-model adjustments resulted in net migration of €3.3 billion loans from Stage 2 to Stage 1 in the period (i.e. cases that are no longer identified as having experienced a significant increase in credit risk). The net migration in part reflects the proportion of the Group's COVID- 19 post-model management adjustment allocated to Stage 1 at 31 December 2020 . The stock of impairment loss allowance on credit-impaired loans was €1.4 billion at 31 December 2021, marginally higher than the stock at 31 December 2020. The net increase incorporates impairment loss allowance utilisation of €260 million, offset by the impact of the impairment loss on credit-impaired loans of €145 million and the impact of currency translation and other movements.

The total impairment loss allowance as at 31 December 2021 includes a total Group management adjustment of €392 million (31 December 2020: €237 million), €389 million of which was recognised against loans and advances to customers, with the remaining €3 million recognised against other financial instruments.

Impairment loss allowance as a percentage of credit-impaired loans was at 32% at 31 December 2021 (31 December 2020:30%).

While at a Group level impairment loss allowance cover for credit-impaired loans was stable compared to the same period in 2020, there was a decrease in impairment cover observed in the non-property SME and corporate and development property portfolios reflecting case-specific impairment assessments for some larger defaulted assets. This was offset by higher impairment cover for credit-impaired assets in other portfolios, particularly for Retail Ireland residential mortgages reflecting changes to the LGD models implemented in the year and an increase in post-model Group Management adjustments.

Credit risk methodologies (audited)

The Group's credit risk methodologies encompass internal credit rating models and scoring tools and impairment models and are set out below.

Internal credit rating models

The use of internal credit rating models and scoring tools, which measure the degree of risk inherent in lending to specific counterparties, is central to the credit risk assessment and ongoing management processes within the Group.

The primary model measures used are:
- PD: the probability of a given counterparty defaulting on any of its borrowings from the Group within the next twelve months;
- Exposure at Default (EAD): the exposure the Group has to a defaulting borrower at the time of default; and
- Loss Given Default (LGD): the loss incurred (after the realisation of any collateral) on a specific transaction should the borrower default, expressed as a percentage of EAD.

These measures are used to calculate regulatory expected loss and are fully embedded in, and form an essential component of, the Group's operational and strategic credit risk management and credit pricing practices.

The structure of internal rating systems

The Group divides its internal rating systems into non-retail and retail approaches.

For the Group's retail consumer and smaller business portfolios, the credit risk assessment is grounded on application and behavioural scoring tools. For larger commercial and corporate customers, the risk assessment is underpinned by statistical risk rating models which incorporate quantitative information from the customer (e.g. financial statements) together with a qualitative assessment of non-financial risk factors such as management quality and market / trading outlook. Lending to financial institutions is assigned an internal rating supported by external ratings of the major rating agencies.

PD calculation

For the purposes of internal credit rating models, the Group produces estimates of PD on either or both of the following bases:
- Through-the-Cycle (TtC) estimates are estimates of default over an entire economic cycle, averaged to a twelve month basis. These are in effect averaged expectations of PD for a borrower over the economic cycle; and
- Cyclical estimates are estimates of default applicable to the next immediate twelve months. These cyclical estimates partially capture the economic cycle in that they typically rise in an economic downturn and decline in an economic upturn but not necessarily to the same degree as default rates change in the economy.

Non-retail internal rating systems

The Group has adopted the Foundation Internal Rating Based (FIRB) approach for most of its non-retail portfolios. Under this approach, the Group calculates its own estimates for PD and uses supervisory estimates of LGD and credit conversion factors.

To calculate PD under the FIRB approach, the Group assesses the credit quality of borrowers based on transaction and borrower specific characteristics. Scorecards are developed for each significant portfolio or type of lending, with outputs used to assign a PD grade to each borrower.

In the case of financial institutions, external credit agency ratings are used to provide a significant challenge within the Group's ratings approach. For exposures other than financial institutions, external ratings, when available for borrowers, play a role in the independent validation of internal estimates.

For non-retail exposures, the Group calculates its own estimates of PD on a TtC basis and on a cyclical basis. The TtC PD estimates are based on internal default experience, or where default data is limited, statistical model estimates combined with available data to reflect the average default rate over the course of an economic cycle. The TtC PDs do not vary with the economic cycle and are used to calculate risk weighted exposure amounts and to determine minimum regulatory capital requirements. The cyclical PD estimates which capture a change in borrower risk over the economic cycle are used for internal credit management purposes. Both measures are estimated from the same borrower risk factors.

Retail internal rating systems

The Group has adopted the Retail Internal Rating Based (IRB) approach for the majority of its retail exposures. Under this approach, the Group calculates its own estimates for PD, LGD and credit conversion factors.

External ratings do not play a role within the Group's retail internal rating systems, however, external credit bureau data can play a role in assessing certain borrowers.

Under the Retail IRB approach, scorecards based on internal behavioural data and, where relevant, transaction specific characteristics are developed for specific portfolios or product types, the output from the scorecard is used to determine the PD estimate.

The Group calculates retail PDs on a TtC or cyclical basis depending on the portfolio. The TtC estimates are calibrated based on long run average default rates over the course of an economic cycle (based on internal default experience) within identified discrete risk pools. The cyclical estimates are calibrated based on a weighted average of the expected long-run default rate over the course of an economic cycle and the most recently observed annual default rate. These retail PDs are used for both the calculation of risk weighted exposure amounts and for internal credit management purposes.

LGD estimates are based on historic loss experience and associated costs for all observed defaults for a defined time period. The time period is set for each model to ensure LGD estimates are representative of economic downturn conditions. Estimates of credit conversion factors (which determine the extent to which a currently undrawn amount is assumed to be drawn and outstanding at point of default) are similarly derived based on historic experience from observed defaults, and are calibrated to produce estimates of behaviour characteristic of an economic downturn if those are more conservative than the long run average.

The assumption that the time periods and data used for the estimation of LGD and credit conversion factors remain representative of economic downturn conditions is subject to review and challenge on an ongoing basis.

Other uses of internal estimates

Internal estimates play an essential role in risk management and decision making processes as well as the credit approval functions, the internal capital allocation function and the corporate governance functions of the Group. The specific uses of internal estimates differ from portfolio to portfolio, and for retail and non-retail approaches, but typically include:
- credit decisioning / automated credit decisioning and borrower credit approval;
- credit management;
- calculation of RAROC;
- internal reporting; and
- internal capital allocation between businesses of the Group.

For other purposes, the cyclical PD estimates typically are used. Both estimates feature within internal management reporting.

Control mechanisms for credit rating and impairment models

The Group Model Risk Policy and Group Model Risk Standards, as approved by the BRC and ERC respectively, set out the Group's overall approach to model risk management. The Group also sets out more detailed requirements with respect to development, monitoring and validation of credit rating and impairment models. These standards are approved by the RMC and / or the MRC. Model development and redevelopment for credit rating and impairment models are approved by the RMC and the results of model performance monitoring are reported to the MRC with onward reporting at the RMC on a regular basis.

The Group mitigates model risk for credit rating and impairment models as follows:
- model development standards: the Group adopts centralised standards and methodologies over the operation and development of models. This ensures a common approach in key areas such as documentation, data quality and management and model testing;
- model governance: the Group adopts a uniform approach to the governance of all risk rating model related activities and impairment model related activities, ensuring the appropriate involvement of relevant stakeholders;
- model performance monitoring: credit risk rating and impairment models are subject to testing on a quarterly basis which is reported to the relevant committee. This includes assessment of model performance against observed outcomes, including:
  - rank order of borrowers;
  - accuracy of parameter estimates;
  - the stability of the rating;
  - the quality of data; and
  - the appropriateness of model use.
- independent validation: models are subject to in-depth analysis on a periodic basis, which includes an assessment of model performance against observed outcomes, including: rank order of borrowers; accuracy of parameter estimates; the stability of the rating population; the quality of data; and the appropriateness of model use. This analysis is carried out by a dedicated unit (the Independent Validation Unit) which is independent of credit origination and management functions.

When issues are raised on risk rating or impairment models, plans are developed to remediate or replace such models within an agreed timeframe.

In addition, GIA regularly reviews the risk control framework, including policies and standards, to ensure that these are being adhered to, meet industry good practices and are compliant with regulatory requirements.

Methodology for loan loss provisioning under IFRS 9

Approach to measurement of impairment loss allowances

Impairment is measured in a way that reflects: (a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; (b) the time value of money; and (c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. Impairment is measured through the use of impairment models, individual discounted cash flow (DCF) analysis and modelled loss rates; supplemented where necessary by Group management adjustments.

In general, a loss allowance is recognised for all financial instruments in scope for the impairment requirements of IFRS 9. There have been no significant changes in the quality of collateral or credit enhancements as a result of changes in the Group's collateral policies during the year.

Impairment models

The Group has in place a suite of IFRS 9 compliant impairment models which are executed on a monthly basis. The ECL framework allocates financial instruments to Stage 1, 2 or 3 and measures the applicable 12 month or lifetime ECL. The characteristics of an exposure determine which impairment model is applied, with influencing factors including product type (e.g. residential mortgage, unsecured personal loan, business loan) and market segment (e.g. owner occupier, Buy to Let (BTL), general corporate lending, general business lending).

ECLs are calculated as the sum of the marginal losses for each time period from the reporting date. The key components of the ECL calculation are probability of default (PD), EAD and LGD and are described below. Other components include discount rate and maturity. The current contractual interest rate is generally used as the discount rate as it is considered a suitable approximation of the effective interest rate determined at initial recognition. For term lending including committed RCFs, contractual maturity is used in the ECL calculation. For other revolving facilities, behavioural life is generally used.

IFRS 9 Probability of Default

Where available, the ratings or underlying scores from internal credit rating models are used as a starting point for IFRS 9 PD calibration. While calibration techniques are similar to those used for regulatory purposes, the IFRS 9 PD differs from throughthe-cycle PDs as it is a point-in-time PD measure based on current conditions adjusted to reflect FLI under a range of scenarios.

A current point-in-time IFRS 9 PD is calculated as the expected default rate over the next 12 months. This PD is used in the calculation of 12-month ECL and as a starting point in the calculation of lifetime PD. Future point-in-time IFRS 9 PDs are also calculated, being the expected default rates for each year from the start of year two to maturity of the financial instrument. Transition matrices are used to determine how an exposure moves between different PD bands over time.

Together, the current point-in-time IFRS 9 PD and future pointin-time IFRS 9 PDs are used to calculate an IFRS 9 lifetime PD expectation for each FLI scenario. The scenario-weighted averages are used to generate an overall IFRS 9 lifetime PD expectation. At origination of a new financial instrument, these expectations are stored, together with prepayment estimates where relevant, and allow for comparison at future reporting dates as one of the key determinants as to whether a 'significant increase in credit risk' has occurred. As lifetime PD was not calculated historically, the Group used reasonable and supportable information available without undue cost or effort to approximate the residual IFRS 9 lifetime PD expectations at initial recognition for most financial instruments originated prior to the adoption of IFRS 9 on 1 January 2018.

Due to the unprecedented nature of the COVID-19 macroeconomic scenario, a greater degree of management judgement (based on available reasonable and supportable internal and external information) was incorporated into IFRS 9 PD estimates at 31 December 2020. For the year ending 31 December 2021, management assessed the modelled PD estimates, with reference to updated macroeconomic forecasts, and determined that incorporation of management judgement into PD estimates was not required.

IFRS 9 Exposure at Default
Current point-in-time EAD is the expected EAD were the borrower to default within the next 12 months. Future point-in-time EAD also incorporates expected contractual cash flows. IFRS 9 EAD differs from regulatory EAD in that it incorporates expected contractual cash flows and caps the exposure at the contractual limit.

IFRS 9 Loss Given Default
Current point-in-time LGD is the loss that would be incurred should default occur in the next 12 months. To facilitate the calculation of lifetime ECL, future point-in-time LGDs are calculated for each year from the start of year 2 to maturity of the exposure. The starting point for individual components of the calculation is historical data. Cure rate is incorporated as appropriate into the calculation and represents the expected propensity of borrowers to return to the non-defaulted book without a loss having been realised. FLI is also incorporated into LGD as appropriate where RoI or UK property collateral is held. IFRS 9 LGD may differ from regulatory LGD as conservatism and downward assumptions are generally removed.

The LGD component of the residential mortgages impairment models was reviewed in the period, including consideration of the rationale for the €50 million Group management adjustment to impairment loss allowance for stage 3 Irish residential mortgages applied at 31 December 2020, as well as other internal and external information available at the period end.

Following completion of this review a number of changes to the residential mortgage LGD models have been implemented including adjustments to LGD parameters (e.g. sales ratio; cash recoveries) for long-dated stage 3 assets in the RoI mortgage portfolio. The combined impact of these changes is a c.€65 million increase in impairment loss allowance, noting that the €50 million Group management adjustment for stage 3 residential mortgages applied at 31 December 2020 is no longer considered to be required following the changes to LGD models outlined above.

The LGD component for relationship managed Corporate and Business Banking impairment models are under review, and a number of changes to the models are expected to be implemented in the next financial year including an enhancement to incorporate the impact of forward-looking information into the estimation of LGD. The combined impact of these changes is estimated to be a c.€32 million increase in impairment loss allowance in Corporate Banking impairment models and a post-model Group management adjustment has been recognised to reflect this expected change in model methodology.

The approach to applying forward-looking forecasts for residential and commercial property prices into the estimation of stage 3 impairment loss allowances in relevant models and discounted cash flow analysis (see below) was reviewed in 2021. The review considered regulatory guidance on non-performing loans. Following this review, the approach was refined whereby property price forecasts used to estimate stage 3 impairment loss allowances are adjusted so that the property collateral value at the point of liquidation does not incorporate an improvement on the current market condition. The combined impact of this change is a c.€16 million increase in impairment loss allowance (c.€14 million for residential mortgages and c.€2 million for property and construction).

Individual Discounted Cash Flow analysis
For credit-impaired financial instruments in Business Banking, Corporate Banking and certain other relationship-managed portfolios, the impairment loss allowance is primarily determined by an individual DCF analysis completed by lenders in business units and subject to review, challenge and, potentially, revision by independent credit professionals in underwriting units within Group Risk. The expected future cash flows are based on an assessment of future recoveries and include forecasted principal and interest payments (not necessarily contractual amounts due) and expected cash flows, if any, from the realisation of collateral / security held, less realisation costs.

The approach taken to incorporate forward-looking information into the estimation of stage 3 impairment loss allowances for relationship-managed cases where recovery values are dependent on non-property related cash flows and / or collateral was reviewed in 2021. Following this review an enhanced approach was implemented whereby discounted cash flow analysis is flexed with respect to forward-looking information scenarios. The combined impact of this change in approach is a c.€4 million net increase in impairment loss allowance.

Modelled loss rates
For some smaller and / or lower risk portfolios, (primarily UK unsecured consumer lending and RoI asset finance portfolios) impairment loss allowances are measured by applying modelled loss rates to exposure amounts. Modelled loss rates are generally determined on a component basis taking into account factors such as the nature and credit quality of the exposures and past default and recovery experience on the portfolio or on portfolios with similar risk characteristics. Generally a number of different loss rates will be set for a portfolio to allow differentiation of individual financial instruments within the portfolio based on their credit quality.

Identifying a significant increase in credit risk
The Group's standard criteria to identify financial instruments which have had a 'significant increase in credit risk since initial recognition' are applied to the vast majority of loans and advances to customers. 'Credit risk' in this context refers to the change in the risk of a default occurring over the expected life of the financial instrument. Unless credit-impaired or a POCI, a financial instrument is generally allocated to Stage 2 if any of the following criteria are met at the reporting date:
•remaining lifetime PD is more than double and more than 50 basis points higher than the remaining lifetime PD at the reporting date as estimated based on facts and circumstances as at initial recognition (adjusted where relevant for changes in prepayment expectations);
•a contractual payment is greater than 30 days past due;
•the credit management PD risk rating for individually assessed / relationship managed assets is above a defined risk threshold; and / or
•the exposure is a forborne loan or a NPE.

The above criteria are automatically applied as part of the monthly execution of the Group's impairment models. In addition, management considers whether there is reasonable and supportable information that would not otherwise be taken into account that would indicate that a significant increase in credit risk had occurred.

Where a financial asset has been modified but not derecognised, the quantitative assessment of 'significant increase in credit risk' continues to be based on the remaining lifetime PD at the reporting date as estimated based on facts and circumstances as at initial recognition (adjusted where relevant for changes in prepayment expectations).

The Group assesses the effectiveness of its staging criteria semi-annually, taking into account considerations such as the extent to which: (i) exposures have moved directly from Stage 1 to Stage 3; (ii) exposures have moved to Stage 3, having spent only a short period in Stage 2; (iii) exposures have moved frequently between Stages 1 and 2; and (iv) there is potential over-reliance on backstop or qualitative criteria in identifying Stage 2 exposures.

The Group applies the low credit risk expedient to all debt securities in scope for the impairment requirements of IFRS 9 (with the exception of a small amount of debt securities associated with corporate banking relationships) and similarly to loans and advances to banks, central banks and investment firms. 'Low credit risk' encompasses PD grades 1 to 5 on the Group's internal PD rating system, which broadly aligns with ratings of AAA to BBB- for the external major rating agencies. Such financial instruments are allocated to Stage 1.

For some smaller and / or low risk portfolios, the Group identifies a 'significant increase in credit risk since initial recognition' solely by reference to whether a contractual payment is greater than 30 days past due.

Identifying defaulted assets and credit-impaired assets
The Group's population of credit-impaired financial assets are consistent with its population of defaulted financial assets and closely aligned with the Group's definition of NPEs. Where default criteria are no longer met, the credit facility (obligor for non-retail exposures) exits credit-impaired (Stage 3), subject to meeting defined probation criteria, in line with regulatory requirements.

Under the definition of default the Group considers certain events as resulting in mandatory default and credit-impaired classification without further assessment. These include:
•greater than or equal to 90 days past due and the past due amount is material;
•more than 3 full monthly payments past due (retail credit facilities only);
•a forbearance arrangement is put in place and that arrangement involves debt forgiveness or reduction in interest rate / margin;
•legal action is underway by the Group to enforce repayment or realise security;
•the Group or a receiver takes security into possession;
•the Group has formally sought an insolvency arrangement in respect of the borrower;
•the exposure is classified as non-performing forborne for supervisory reporting purposes; and
•residential mortgages where default has occurred on another credit facility secured on the same property collateral, or more than 20% of overall balance sheet exposure to the customer in the mortgage portfolio is in default.

Certain other events necessitate a lender assessment and, if the outcome of the lender assessment is that the contractual amount of principal and interest will not be fully repaid in what is assessed to be the most likely cash flow scenario or will be repaid only via recourse by the Group to actions such as realising security, default and credit-impaired classification is mandatory. For larger value commercial lending cases (typically greater than €1 million or £850,000), the lender assessment involves production of an individual discounted cash flow analysis. The events differ by portfolio and include those set out below.

All portfolios:
•a forbearance measure has been requested by a borrower and formally assessed;
•the non-payment of interest (e.g. via interest roll-up, arrears capitalisation etc.) as a result of the terms of modification of loans, including refinancing and renegotiation of facilities where during the renegotiation process, the lender becomes aware that the borrower is under actual or apparent financial distress;
•there are justified concerns about a borrower's future ability to generate stable and sufficient cash flows;
•a borrower's sources of recurring income are no longer available to meet regular loan repayments;
•evidence of fraudulent activity by the borrower or another party connected with the loan;
•the contractual maturity date has passed without repayment in full;
•repayment of a credit obligation is suspended because of a law allowing this option or other legal restrictions;
•it becomes known that an insolvency arrangement is in force; or
•in respect of the borrower or that the borrower has formally sought an insolvency arrangement.

Residential mortgage portfolios:
•offer of voluntary surrender of security or sale of security at a possible shortfall; or
•it becomes known that the borrower has become unemployed with no comparable new employment secured.

Larger Small and Medium Enterprise / corporate and property loans:
•the borrower has breached the covenants of a credit contract with the Group;
•there is a crisis in the sector in which the counterparty operates combined with a weak position of the counterparty in this sector;
•external credit rating has been downgraded below a certain level;
•financial statements or financial assessment indicates inability of the borrower to meet debt service obligations and / or a negative net assets position;
•the borrower has ceased trading;
•a fall in the assessed current value of security such that the LTV ratio is greater than or equal to 120% (Property and construction only);
•a fall in net rent such that it is inadequate to cover interest with little / no other income to support debt service capacity (investment property exposures only); or
•a fall in the assessed gross development value such that sale proceeds are no longer expected to fully repay debt (development exposures only).

Review of credit-impaired loans
It is Group policy to review credit-impaired loans above agreed thresholds semi-annually or on receipt of material new information, with the review including a reassessment of the recovery strategy and the continued appropriateness of a credit-impaired classification. The minimum requirements for a credit-impaired loan to return to non credit-impaired status are that the borrower must not be greater than 90 days past due on a material amount, the borrower must be considered likely to pay in full without recourse by the Group to actions such as realising security and there must be no forbearance arrangement in place where future reliance on realisation of collateral is expected for repayment in full when this was not originally envisaged. Typically, an updated assessment of the borrower's current financial condition and prospects for repayment is required with the borrower to have satisfactorily met repayments required under the original or modified agreement regularly for a reasonable period of time.

Methodologies for valuation of property collateral
The Group's approach to the determination of the market value of property collateral is set out in a Board-approved Group Property Collateral Valuation Policy, supported by GCRC-approved Group Property Collateral Valuation Guidelines, and is summarised below. The Group's approach to applying FLI to those values for the purposes of measuring impairment loss allowance for the year ended 31 December 2021 is set out in the Board-approved Group Impairment Policy and is described below.

Retail Ireland mortgage loan book property values are determined by reference to the original or latest property valuations held indexed to the Central Statistics Office (CSO) Residential Property Price Index (RPPI). Retail UK mortgage loan book property values are determined by reference to the original or latest property valuations held indexed to the Nationwide UK house price index.

Commercial property valuations may include formal written valuations from external or internal professionals, or 'internally assessed valuations' completed by business units. Internally assessed valuations are informed by the most appropriate sources available for the assets in question. This may include property specific information / characteristics, local market knowledge, comparable transactions, professional advice (e.g. asset management reports) or a combination thereof, in line with more detailed guidance approved at least annually by the GCRC. This guidance is informed by both internal and externally sourced market data / valuation information, including input from the Group's Real Estate Advisory Unit.

Internally assessed valuations are subject to review, challenge and, potentially, revision by independent credit professionals in underwriting units within the Group Risk function and are approved as part of the normal credit process.

Typically, more frequent valuations are required for properties held as security for NPEs with an annual valuation required for NPEs in excess of €300,000.

COVID-19 (unaudited)
In response to the COVID-19 pandemic and the imposition of social restrictions, the Group established a range of supports for personal and business customers in 2020, including credit-related supports such as payment breaks for impacted customers; working capital funding (including access to government supported schemes); and other concessions such as covenant waivers /amendments.

At 31 December 2021, there were c.79,000 cases (c.€8.0 billion exposure) for which the Group granted payment breaks during 2020. At 31 December 2021, all payment breaks had expired and 3% had been approved for new and / or additional forbearance.

The Group has considered regulatory and supervisory statements issued since the onset of the pandemic, which provided guidance on the treatment of COVID-19 payment breaks, including EBA guidelines on the criteria applicable in determining whether such payment breaks should be considered as forbearance. The approach adopted by the Group in response to COVID-19 is consistent with regulatory guidance and key elements of the Group's approach for the year ending 31 December 2021 are outlined below:
FLI scenarios for the period from 2022 to 2026 take into account the impact of COVID-19 on key macro-economic factors, including consideration of upside and downside risks associated with vaccine efficacy, emergence of new variants and implementation of social restrictions;
•individual assessments for corporate cases and the relationship managed business banking cases incorporate the case-specific impacts of COVID-19 on customers;
•top-down sectoral assessments for business banking portfolios have been considered with outputs utilised to inform post-model Group management adjustments to the model driven impairment loss allowances, as well as the appropriate staging classification;
•collective assessments have been considered for retail portfolios (i.e. residential mortgages, consumer lending, and asset finance), with outputs utilised to inform post-model Group management adjustments to the model driven impairment loss allowance, as well as staging classification where appropriate; and
•application of management judgement (based on available reasonable and supportable internal and external information), where appropriate, has been incorporated into impairment reporting processes. In particular judgement has been applied where impairment models would have generated inappropriate impairment loss allowances.

Where customers required further support following the expiry of COVID-19 payment breaks or concessions, the Group offered suitable and sustainable solutions. As at 31 December 2021 c.3% customers have availed of new and / or additional forbearance arrangements following the expiry of their payment break arrangement. These cases are classified as forborne within the associated portfolios. Customers that are not in forbearance following expiry of payment breaks are subject to standard credit management processes, as outlined above. However, management has assessed certain portfolios for latent risk associated with ongoing government supports, that may mask credit risk in standard risk metrics, and have applied post model Group management adjustments to impairment loss allowances where considered to be appropriate.

Changes in estimates
Forward looking information
Forward Looking Information (FLI) refers to probability weighted future macroeconomic scenarios approved semi-annually by the ERC and used in the assessment of 'significant increase in credit risk' and in the measurement of impairment loss allowances under IFRS 9. The Group has used four RoI FLI scenarios and four UK FLI scenarios at 31 December 2021, a decrease from five scenarios in 2020, comprising of a central scenario, an upside scenario, and two downside scenarios, all extending over a five year forecast period, with reversion to long run averages for property price growth for years beyond the forecast period. The Group keeps under review the number of FLI scenarios and the need to produce projections for other jurisdictions.

The central FLI scenario for the year ending 31 December 2021 is based on internal and external information and management judgement and follows the same process as used in prior periods.

The upside and downside scenarios in previous reporting periods were generated using a simulation model that uses historical volatilities and correlations for key macroeconomic variables to generate a distribution around the central forecast.

However, due to the unprecedented nature of the COVID-19 economic shock, the Group employed an amended approach for the selection of the upside and downside FLI scenarios for the 31 December 2021 and 30 December 2020 reporting dates in order to avoid counterintuitive trends in the respective scenarios.

In order to incorporate available reasonable and supportable information and apply meaningful upside and downside FLI scenarios, three narrative-driven alternative scenarios (one upside and two downside) were constructed to reflect different lengths of restrictions, depth of downturn and pace of economic recovery.

The existing FLI methodology was leveraged to assign probability weightings to the narrative driven scenarios. The FLI methodology is a simulation tool that uses recent actual observed values and historical data to produce a number of possible paths for the relevant economic variables based on their historical relationships and volatilities. The FLI model is used for scenario generation for a defined probability weighting and for assessing probability weights for a given scenario.

The narrative-driven scenarios were assessed relative to the simulated distribution. The model-derived probability weightings attached to the scenarios are a function of their relative position on the distribution, with a lower probability weighting attached to the scenarios that were assessed to be more distant from the centre of the distribution. The final weightings were also informed by other qualitative factors and expert judgment.

The overall ECL for an exposure is determined as a probability-weighted average of the ECL calculated for each scenario, weighted by the probability of each scenario occurring.

Beyond the forecast period, default rates are assumed to revert over time to an observed long run average and the value of property collateral for LGD purposes is assumed to grow at an observed long-run rate.

Typically, one or two macroeconomic variables are incorporated into each impairment model, being those determined through macro regression techniques to be most relevant to forecasting default of the credit risk exposures flowing through that model.

The lifetime PD expectation for an exposure generated under each of the scenarios, weighted by the probability of each scenario occurring, is used to generate the lifetime PD expectations used for the assessment of 'significant increase in credit risk'.

Forecasts of residential and commercial property price growth are incorporated as appropriate into the LGD component of the ECL calculation.

Forward-looking information is also taken into account in relation to the estimation of impairment loss allowances for relationship managed corporate and business banking portfolios where recovery values are dependent on non-property cash flows and / or collateral.

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 €61,132 million (2020: € 41,912 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, 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.

Table 4.1 presents the credit risk standardised exposures by exposure classes on two different basis (before credit conversion factor (CCF) and credit risk mitigation (CRM) and after CCF and CRM).

Table 4.1 - EU CR4 - Standardised approach - Credit risk exposure and CRM effects

	Exposures before CCF and CRM		Exposures post CCF and CRM		RWA and RWA density	
Dec-21	**On-balance-sheet exposures**	**Off-balance-sheet exposures**	**On-balance-sheet exposures**	**Off-balance-sheet exposures**	**RWA [1]**	**RWA density**
Exposure classes	**€m**	**€m**	**€m**	**€m**	**€m**	**%**
Central governments or central banks [2]	43,103	49	43,543	67	275	0.63%
Regional governments or local authorities	116	116	116	1	16	13.77%
Public sector entities	364	10	450	-	43	9.59%
Multilateral development banks	594	9	683	9	-	-
International organisations	103	-	103	-	-	-
Institutions	-	-	34	-	16	46.84%
Corporates	4,530	2,847	4,097	462	4,124	90.47%
Retail	4,697	719	4,445	65	3,310	73.40%
Secured by mortgages on immovable property	-	-	-	-	-	-
Exposures in default	231	25	229	8	300	126.72%
Items associated with particularly high risk	75	78	75	39	170	150.00%
Covered bonds	-	-	-	-	-	-
Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
Collective investment undertakings	-	-	-	-	-	-
Equity exposures	935	-	935	-	2,138	228.72%
Other items	2,531	-	2,531	-	1,796	70.97%
Total	**57,279**	**3,853**	**57,241**	**651**	**12,188**	**21.1%**

	Exposures before CCF and CRM		Exposures post CCF and CRM		RWA and RWA density	
Dec-20	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWA 1	RWA density
Exposure classes	€m	€m	€m	€m	€m	%
Central governments or central banks	23,852	47	23,852	47	282	1.18%
Regional governments or local authorities	71	143	70	9	16	20.00%
Public sector entities	307	10	307	-	-	-
Multilateral development banks	627	7	627	7	-	-
International organisations	671	-	671	-	-	-
Institutions	-	-	-	-	-	-
Corporates	4,163	2,563	3,836	272	3,658	89.03%
Retail	5,090	731	5,089	27	3,682	71.98%
Secured by mortgages on immovable property	-	-	-	-	-	-
Exposures in default	251	16	251	3	338	132.80%
Items associated with particularly high risk	85	92	86	46	197	150.00%
Covered bonds	-	-	-	-	-	-
Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
Collective investment undertakings	-	-	-	-	-	-
Equity exposures	897	-	897	-	1,989	221.79%
Other items	2,289	-	2,289	-	1,688	73.74%
Total	38,303	3,609	37,975	411	11,850	30.87%

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

2 Total exposure measure reflects the impact of the placing of TLTRO funding with the Central Bank of Ireland (CBI).

The Standardised approach applies where exposures do not qualify for use of the IRB approach and / or where an exemption from IRB has been granted. It is less sophisticated than the IRB approach for regulatory capital calculations. Under this approach, credit risk is measured by applying risk weights outlined in CRD based on the exposure class to which the exposure is allocated. The following tables outline the credit risk Standardised exposure classes by the prescribed risk weight.

Table 4.2 - EU CR5 - Standardised approach by exposure class

Dec-21	**Risk weight**																***of which***
EAD (€m)	**0%**	**2%**	**4%**	**10%**	**20%**	**35%**	**50%**	**70%**	**75%**	**100%**	**150%**	**250%**	**370%**	**1250%**	**Others**	**Total**	***unrated*** [1]
Central governments or central banks	43,501	-	-	-	-	-	-	-	-	-	-	110	-	-	-	43,611	*43,611*
Regional governments or local authorities	55	-	-	-	57	-	-	-	-	5	-	-	-	-	-	117	*117*
Public sector entities	364	-	-	-	-	-	86	-	-	-	-	-	-	-	-	450	*450*
Multilateral development banks	693	-	-	-	-	-	-	-	-	-	-	-	-	-	-	693	*693*
International organisations	103	-	-	-	-	-	-	-	-	-	-	-	-	-	-	103	*103*
Institutions	-	-	-	-	4	-	30	-	-	-	-	-	-	-	-	34	*34*
Corporates	-	-	-	-	-	-	-	-	-	4,558	-	-	-	-	-	4,558	*4,558*
Retail	-	-	-	-	-	-	-	-	4,510	-	-	-	-	-	-	4,510	*4,510*
Secured by mortgages on immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exposures in default	-	-	-	-	-	-	-	-	-	110	127	-	-	-	-	237	*237*
Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	113	-	-	-	-	113	*113*
Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity exposures	-	-	-	-	-	-	-	-	-	133	-	802	-	-	-	935	*935*
Other items	373	-	-	-	159	-	134	-	-	1,629	-	-	-	-	236	2,531	*2,531*
Total	**45,089**	**-**	**-**	**-**	**220**	**-**	**250**	**-**	**4,510**	**6,435**	**240**	**912**	**-**	**-**	**236**	**57,892**	***57,892***

Dec-20	Risk Weight																*of which*
EAD (€m)	0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others	Total	*unrated* [1]
Central governments or central banks	23,786	-	-	-	-	-	-	-	-	-	-	113	-	-	-	23,899	*23,899*
Regional governments or local authorities	-	-	-	-	79	-	-	-	-	-	-	-	-	-	-	79	*79*
Public sector entities	307	-	-	-	-	-	-	-	-	-	-	-	-	-	-	307	*307*
Multilateral development banks	634	-	-	-	-	-	-	-	-	-	-	-	-	-	-	634	*634*
International organisations	671	-	-	-	-	-	-	-	-	-	-	-	-	-	-	671	*671*
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	-	-	-	-	-	4,108	-	-	-	-	-	4,108	*4,108*
Retail	-	-	-	-	-	-	-	-	5,116	-	-	-	-	-	-	5,116	*5,116*
Secured by mortgages on immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exposures in default	-	-	-	-	-	-	-	-	-	87	167	-	-	-	-	254	*254*
Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	132	-	-	-	-	132	*132*
Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity exposures	-	-	-	-	-	-	-	-	-	169	-	728	-	-	-	897	*897*
Other items	655	-	-	-	166	-	-	-	-	1,468	-	-	-	-	-	2,289	*2,289*
Total	26,053	-	-	-	245	-	-	-	5,116	5,832	299	841	-	-	-	38,386	*38,386*

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.

The Group has adopted the Foundation IRB approach for its non-retail exposures (eight Probability of Default (PD) models) and the Advanced IRB approach (twenty six models in total including EAD, LGD and PD) for the majority of its retail exposures. Exposures for which capital requirements continue to be determined under the Standardised approach include sovereign and multilateral development bank exposures, the Group's land and development exposures, certain asset finance and leasing portfolios, non-credit obligation assets and other corporate exposures for which regulatory approval to use the IRB approach is not held.

Relationship of PD grades with external ratings

The table below illustrates the relationship between PD grade, PD band and S&P type ratings. PD is used in the IRB RWA calculation and can be mapped to Group-level PD grades based on PD bands. These PD grades differ from internal obligor grades which are used in arriving at IFRS classifications, however there is a defined relationship between both sets of grades.

Note the internal ranges do not map directly to the prescribed ranges used in tables 4.3 and 4.4.

PD Grades	PD Scale	S&P type ratings
1-4	0% <= PD < 0.26%	AAA, AA+, AA, AA-, A+, A, A-, BBB+, BBB
5-7	0.26% <= PD < 1.45%	BBB-, BB+, BB, BB-
8-9	1.45% <= PD < 3.60%	B+
10-11	3.60% <= PD < 100%	B, Below B
12	100%	n/a

The internal ratings process by exposure class

Details on how the internal ratings process is applied to each individual IRB exposure class are given below. Departures from Group standards outlined above are not permitted.

Corporates

Corporate entities, including certain SME and specialised lending exposures are rated using a number of models. This suite of models typically incorporates scorecard-based calibrated PD outputs (both TtC and cyclical PD estimates). The Group does not rate purchased corporate receivables under the IRB approach. Information on the Corporates Foundation IRB exposure class is provided in Table 4.3.

Institutions

Institutions are rated by a single dedicated model. This is an internally-built scorecard and the output from this model is a single PD estimate that is fully TtC. Information on the Institutions Foundation IRB exposure class is provided in Table 4.3.

Retail

Retail exposures including Mortgages, Qualifying Revolving Retail Exposures (QRRE) and certain Retail SME and Consumer loans are rated on a number of models based on application and behavioural data which is calibrated to a PD. This PD estimate typically varies with the economic cycle. The Group also generates LGD and CCF estimates for its retail exposures. These estimates are calibrated to produce estimates representative of an economic downturn. Information on the Retail IRB exposure classes is provided in Table 4.4.

Securitisations

Capital requirements for securitisation positions (retained and purchased) are determined under the IRB approach. These are dealt within the Securitisation section.

Table 4.3 shows the breakdown of the credit risk Foundation IRB exposure classes split by PD range.

Table 4.3 EU CR6 - IRB approach - Credit risk exposures by exposure class and PD range (Foundation IRB)

Dec-21 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
Total Foundation IRB												
0.00 to <0.15	5,186	2,031	27.16%	5,738	0.06%	368	29.99%	2.5	1,162	20.25%	1	(2)
0.00 to <0.10	5,186	2,031	27.16%	5,738	0.06%	363	29.99%	2.5	1,162	20.25%	1	(2)
0.10 to <0.15	-	-	-	-	0.14%	5	35.00%	2.5	-	22.32%	-	-
0.15 to <0.25	1,408	1,248	28.70%	1,766	0.17%	193	41.39%	2.5	807	45.71%	1	(3)
0.25 to <0.50	1,500	932	21.72%	1,702	0.35%	267	42.23%	2.5	1,125	66.06%	3	(5)
0.50 to <0.75	1,824	565	54.57%	2,132	0.60%	398	40.60%	2.5	1,438	67.43%	6	(10)
0.75 to <2.5	4,618	1,565	37.57%	5,206	1.49%	1,406	40.50%	2.5	4,395	84.42%	33	(39)
0.75 to <1.75	4,047	1,152	34.62%	4,446	1.41%	1,328	39.81%	2.5	3,522	79.23%	26	(36)
1.75 to <2.5	571	413	45.79%	760	1.94%	78	44.55%	2.5	873	114.75%	7	(3)
2.5 to <10	4,503	1,053	35.94%	4,881	3.74%	2,866	41.59%	2.5	5,410	110.85%	79	(125)
2.5 to <5	4,286	1,000	35.18%	4,637	3.56%	2,837	41.44%	2.5	4,994	107.71%	71	(110)
5 to <10	217	53	50.57%	244	7.20%	29	44.55%	2.5	416	170.61%	8	(15)
10 to <100	1,151	103	27.05%	1,178	17.69%	893	40.14%	2.5	1,831	155.39%	87	(95)
10 to <20	777	96	25.90%	801	11.45%	604	40.12%	2.5	1,214	151.52%	38	(48)
20 to <30	170	2	31.15%	171	20.00%	94	39.29%	2.5	261	153.25%	14	(14)
30 to <100	204	5	50.49%	206	40.00%	195	40.95%	2.5	356	172.20%	35	(33)
100 (Default)	1,664	88	16.25%	1,678	100.00%	637	41.78%	2.5	-	-	701	(692)
Total Foundation IRB	**21,854**	**7,585**	**32.03%**	**24,281**	**8.94%**	**7,028**	**38.50%**	**2.5**	**16,168**	**66.58%**	**911**	**(971)**
Institutions												
0.00 to <0.15	3,947	77	77.64%	4,006	0.06%	125	23.51%	2.5	644	16.09%	1	-
0.00 to <0.10	3,947	77	77.64%	4,006	0.06%	125	23.51%	2.5	644	16.09%	1	-
0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
0.15 to <0.25	214	33	73.17%	239	0.17%	14	28.58%	2.5	81	33.89%	-	-
0.25 to <0.50	188	3	20.00%	188	0.35%	14	45.00%	2.5	155	82.25%	-	-
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	-
0.75 to <2.5	64	42	74.37%	95	1.70%	10	45.00%	2.5	138	145.28%	1	(1)
0.75 to <1.75	64	42	74.37%	95	1.70%	10	45.00%	2.5	138	145.28%	1	(1)
1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
2.5 to <10	-	50	28.37%	14	2.70%	8	45.00%	2.5	22	153.59%	-	-
2.5 to <5	-	50	28.37%	14	2.70%	8	45.00%	2.5	22	153.59%	-	-
5 to <10	-	-	-	-	-	-	-	-	-	-	-	-
10 to <100	-	11	20.00%	2	11.56%	4	45.00%	2.5	6	246.59%	-	-
10 to <20	-	10	20.00%	2	10.00%	3	45.00%	2.5	5	239.17%	-	-
20 to <30	-	1	20.00%	-	20.00%	1	45.00%	2.5	1	286.68%	-	-
30 to <100	-	-	-	-	-	-	-	-	-	-	-	-
100 (Default)	-	-	-	-	-	-	-	-	-	-	-	-
Total Institutions	**4,413**	**216**	**61.14%**	**4,544**	**0.13%**	**175**	**25.19%**	**2.5**	**1,046**	**23.01%**	**2**	**(1)**
Corporates of which SME												
0.00 to <0.15	135	75	14.97%	146	0.05%	122	42.79%	2.5	24	16.12%	-	(1)
0.00 to <0.10	135	75	14.97%	146	0.05%	121	42.81%	2.5	24	16.11%	-	(1)
0.10 to <0.15	-	-	-	0	0.14%	1	35.00%	2.5	0	22.32%	0	0
0.15 to <0.25	378	51	30.12%	393	0.17%	86	40.29%	2.5	118	29.91%	0	(2)
0.25 to <0.50	520	216	14.09%	551	0.35%	144	37.08%	2.5	216	39.31%	1	(3)
0.50 to <0.75	1,122	86	20.79%	1,140	0.60%	316	38.06%	2.5	571	50.08%	3	(6)
0.75 to <2.5	3,300	316	32.55%	3,403	1.47%	1,192	38.38%	2.5	2,296	67.47%	20	(25)
0.75 to <1.75	3,193	296	31.37%	3,286	1.45%	1,179	38.25%	2.5	2,198	66.88%	19	(24)
1.75 to <2.5	107	20	50.26%	117	2.05%	13	42.04%	2.5	98	83.87%	1	(1)
2.5 to <10	2,996	241	24.52%	3,054	3.70%	2,619	40.09%	2.5	2,711	88.78%	48	(81)
2.5 to <5	2,942	239	24.26%	2,999	3.63%	2,610	40.04%	2.5	2,637	87.93%	46	(77)
5 to <10	54	2	51.01%	55	7.20%	9	43.00%	2.5	74	135.15%	2	(4)
10 to <100	870	47	25.90%	882	18.26%	823	39.13%	2.5	1,154	130.81%	67	(67)
10 to <20	520	43	23.85%	530	10.01%	559	38.55%	2.5	602	113.48%	22	(29)
20 to <30	164	1	50.00%	164	20.00%	90	39.06%	2.5	243	148.46%	13	(13)
30 to <100	186	3	50.78%	188	40.00%	174	40.82%	2.5	309	164.23%	32	(25)
100 (Default)	1,272	33	21.64%	1,279	100.00%	557	40.62%	2.5	-	-	519	(544)
Total Corporate of which SME	**10,593**	**1,065**	**24.05%**	**10,848**	**14.86%**	**5,859**	**39.22%**	**2.5**	**7,090**	**65.36%**	**658**	**(729)**
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	87	6	25.84%	88	0.17%	8	44.96%	2.5	38	42.51%	-	-
0.25 to <0.50	140	7	56.52%	144	0.35%	7	44.55%	2.5	89	61.67%	-	-
0.50 to <0.75	56	61	50.00%	87	0.60%	12	43.58%	2.5	67	77.46%	-	-
0.75 to <2.5	188	10	57.59%	194	1.51%	26	43.89%	2.5	211	108.79%	1	(1)
0.75 to <1.75	188	10	57.59%	194	1.51%	25	43.89%	2.5	211	108.79%	1	(1)
1.75 to <2.5	-	-	1	-	0	1	0	3	-	1	-	-
2.5 to <10	69	5	64.60%	71	3.37%	9	44.54%	2.5	100	138.66%	1	(2)
2.5 to <5	69	5	64.60%	71	3.37%	9	44.54%	2.5	100	138.66%	1	(2)
5 to <10	-	-	-	-	-	-	-	-	-	-	-	-
10 to <100	9	-	-	9	10.00%	1	45.00%	2.5	18	204.67%	-	(1)
10 to <20	9	-	-	9	10.00%	1	45.00%	2.5	18	204.67%	-	(1)
20 to <30	-	-	-	-	-	-	-	-	-	-	-	-
30 to <100	-	-	-	-	-	-	-	-	-	-	-	-
100 (Default)	56	-	50.00%	57	100.00%	2	45.00%	2.5	-	-	25	(23)
Total Corporates of which specialised lending	**605**	**89**	**50.62%**	**650**	**9.83%**	**65**	**44.33%**	**2.5**	**523**	**80.35%**	**27**	**(27)**
Corporates of which other												
0.00 to <0.15	1,105	1,879	25.59%	1,586	0.06%	121	45.20%	2.5	494	31.14%	1	(2)
0.00 to <0.10	1,105	1,879	25.59%	1,586	0.06%	117	45.20%	2.5	494	31.14%	1	(2)
0.10 to <0.15	-	-	-	0	0.10%	4	45.01%	2.5	0	33.52%	0	0
0.15 to <0.25	729	1,158	27.38%	1,046	0.17%	85	44.42%	2.5	571	54.61%	1	(2)
0.25 to <0.50	653	705	23.71%	820	0.35%	102	44.65%	2.5	665	81.08%	2	(2)
0.50 to <0.75	645	419	62.18%	906	0.59%	70	43.52%	2.5	800	88.32%	3	(3)
0.75 to <2.5	1,067	1,197	37.43%	1,515	1.51%	178	44.56%	2.5	1,751	115.58%	11	(12)
0.75 to <1.75	602	804	33.45%	871	1.21%	114	44.23%	2.5	976	112.05%	5	(9)
1.75 to <2.5	465	393	45.57%	644	1.92%	64	45.00%	2.5	775	120.35%	6	(3)
2.5 to <10	1,438	757	39.89%	1,740	3.84%	230	44.08%	2.5	2,577	148.08%	30	(42)
2.5 to <5	1,275	707	39.14%	1,551	3.43%	210	43.97%	2.5	2,235	144.08%	24	(32)
5 to <10	163	50	50.55%	189	7.20%	20	45.00%	2.5	342	180.89%	6	(10)
10 to <100	271	44	30.06%	285	16.21%	65	43.08%	2.5	653	229.26%	20	(28)
10 to <20	248	43	29.32%	261	14.46%	41	43.09%	2.5	590	226.48%	16	(19)
20 to <30	6	-	-	6	20.00%	3	45.00%	2.5	17	271.49%	1	-1
30 to <100	17	1	50.00%	18	40.00%	21	42.29%	2.5	46	254.57%	3	(8)
100 (Default)	336	56	12.94%	343	100.00%	78	45.61%	2.5	-	-	157	(125)
Total Corporates of which other	**6,244**	**6,215**	**32.12%**	**8,241**	**5.94%**	**929**	**44.45%**	**2.5**	**7,511**	**91.14%**	**225**	**(216)**

Dec-20 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
Total FIRB												
0.00 to <0.15	5,351	2,017	26.37%	5,883	0.06%	400	25.79%	2.5	949	16.13%	1	(3)
0.00 to <0.10	*5,351*	*2,017*	*26.37%*	*5,883*	*0.06%*	*398*	*25.79%*	*2.5*	*949*	*16.13%*	*1*	*(3)*
0.10 to <0.15	*0*	*-*	*0.00%*	*0*	*0.13%*	*2*	*42.24%*	*2.5*	*0*	*33.33%*	*0*	*0*
0.15 to <0.25	1,234	903	20.94%	1,423	0.17%	220	40.21%	2.5	607	42.68%	1	(4)
0.25 to <0.50	1,487	979	15.59%	1,640	0.35%	349	40.41%	2.5	995	60.71%	3	(9)
0.50 to <0.75	1,622	571	15.26%	1,709	0.60%	498	39.21%	2.5	1,068	62.47%	4	(15)
0.75 to <2.5	4,482	1,874	32.04%	5,082	1.49%	1,857	40.97%	2.5	4,474	88.04%	32	(63)
0.75 to <1.75	*3,565*	*1,309*	*29.53%*	*3,951*	*1.37%*	*1,784*	*39.82%*	*2.5*	*3,150*	*79.74%*	*23*	*(51)*
1.75 to <2.5	*917*	*565*	*37.84%*	*1,131*	*1.92%*	*73*	*44.98%*	*2.5*	*1,324*	*117.04%*	*10*	*(12)*
2.5 to <10	5,685	1,036	32.62%	6,023	3.67%	2,656	41.30%	2.5	6,755	112.15%	94	(221)
2.5 to <5	*5,433*	*996*	*31.92%*	*5,751*	*3.51%*	*2,628*	*41.14%*	*2.5*	*6,274*	*109.09%*	*86*	*(201)*
5 to <10	*252*	*40*	*50.09%*	*272*	*7.12%*	*28*	*44.64%*	*2.5*	*481*	*176.93%*	*9*	*(20)*
10 to <100	1,383	98	27.87%	1,411	15.75%	1,027	40.07%	2.5	2,081	147.44%	93	(151)
10 to <20	*1,004*	*94*	*27.17%*	*1,030*	*10.88%*	*732*	*40.26%*	*2.5*	*1,484*	*144.04%*	*47*	*(89)*
20 to <30	*211*	*1*	*35.49%*	*211*	*20.00%*	*136*	*38.58%*	*2.5*	*312*	*147.40%*	*17*	*(29)*
30 to <100	*168*	*2*	*50.00%*	*170*	*40.00%*	*159*	*40.72%*	*2.5*	*285*	*168.17%*	*29*	*(33)*
100 (Default)	1,492	58	29.66%	1,509	100.00%	823	41.92%	2.5	-	-	633	(669)
Total FIRB	22,736	7,536	25.79%	24,680	8.31%	7,830	37.23%	2.5	16,929	68.59%	861	(1135)
Institutions												
0.00 to <0.15	4,324	240	88.86%	4,538	0.06%	121	20.18%	2.5	555	12.22%	1	-
0.00 to <0.10	*4,324*	*240*	*88.86%*	*4,538*	*0.06%*	*121*	*20.18%*	*2.5*	*555*	*12.22%*	*1*	*-*
0.10 to <0.15	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
0.15 to <0.25	115	32	78.76%	140	0.17%	11	24.84%	2.5	42	29.71%	-	-
0.25 to <0.50	117	3	20.00%	118	0.35%	14	32.16%	2.5	68	57.89%	-	-
0.50 to <0.75	-	-	0.00%	-	0.60%	1	45.00%	2.5	-	79.98%	-	-
0.75 to <2.5	58	40	74.12%	88	1.70%	9	45.00%	2.5	120	136.45%	-	(1)
0.75 to <1.75	*58*	*40*	*74.12%*	*88*	*1.70%*	*9*	*45.00%*	*2.5*	*120*	*136.45%*	*-*	*(1)*
1.75 to <2.5	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
2.5 to <10	-	72	20.48%	15	2.70%	7	45.00%	2.5	24	162.25%	-	-
2.5 to <5	*-*	*72*	*20.48%*	*15*	*2.70%*	*7*	*45.00%*	*2.5*	*24*	*162.25%*	*-*	*-*
5 to <10	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
10 to <100	-	10	24.29%	2	10.56%	4	45.00%	2.5	6	217.84%	-	-
10 to <20	*-*	*9*	*24.61%*	*2*	*10.00%*	*3*	*45.00%*	*2.5*	*6*	*215.77%*	*-*	*-*
20 to <30	*-*	*1*	*20.00%*	*-*	*20.00%*	*1*	*45.00%*	*2.5*	*-*	*252.53%*	*-*	*-*
30 to <100	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
100 (Default)	-	-	-	-	-	-	-	-	-	-	-	-
Total Institutions	4,614	397	71.95%	4,901	0.12%	167	21.14%	2.5	815	16.62%	1	(1)
Corporates of which SME												
0.00 to <0.15	154	87	13.28%	166	0.06%	179	42.73%	2.5	30	18.25%	*0*	(1)
0.00 to <0.10	*154*	*87*	*13.28%*	*166*	*0.06%*	*179*	*42.73%*	*2.5*	*30*	*18.25%*	*0*	*(1)*
0.10 to <0.15	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
0.15 to <0.25	342	58	27.42%	358	0.17%	129	37.27%	2.5	93	25.89%	*0*	(1)
0.25 to <0.50	676	100	17.79%	694	0.35%	221	37.30%	2.5	279	40.29%	1	(3)
0.50 to <0.75	1,140	97	17.14%	1,157	0.60%	418	37.55%	2.5	585	50.55%	3	(8)
0.75 to <2.5	2,895	384	26.22%	2,995	1.43%	1,652	38.40%	2.5	2,008	67.04%	17	(33)
0.75 to <1.75	*2,761*	*362*	*24.80%*	*2,850*	*1.40%*	*1,635*	*38.08%*	*2.5*	*1,871*	*65.64%*	*16*	*(32)*
1.75 to <2.5	*134*	*22*	*50.00%*	*145*	*1.93%*	*17*	*44.87%*	*2.5*	*137*	*94.56%*	*1*	*(1)*
2.5 to <10	3,269	317	30.73%	3,367	3.54%	2,371	38.96%	2.5	2,809	83.43%	48	(93)
2.5 to <5	*3,259*	*317*	*30.69%*	*3,356*	*3.53%*	*2,363*	*38.97%*	*2.5*	*2,800*	*83.42%*	*48*	*(93)*
5 to <10	*10*	*1*	*50.00%*	*10*	*7.12%*	*8*	*35.34%*	*2.5*	*9*	*87.23%*	*0*	*0*
10 to <100	1,188	64	23.27%	1,203	15.87%	962	39.38%	2.5	1,605	133.39%	79	(125)
10 to <20	*820*	*61*	*22.14%*	*833*	*10.15%*	*682*	*39.35%*	*2.5*	*1,037*	*124.42%*	*35*	*(65)*
20 to <30	*207*	*1*	*50.00%*	*207*	*20.00%*	*130*	*38.47%*	*2.5*	*301*	*145.21%*	*16*	*(29)*
30 to <100	*161*	*2*	*50.00%*	*162*	*40.00%*	*150*	*40.67%*	*2.5*	*267*	*164.36%*	*27*	*(31)*
100 (Default)	1,060	29	12.46%	1,063	100.00%	686	40.92%	2.5	-	-	435	(444)
Total Corporate of which SME	10,724	1,136	24.51%	11,003	12.96%	6,618	38.79%	2.5	7,409	67.34%	583	(708)
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	141	9	33.90%	144	0.17%	5	44.58%	2.5	61	42.15%	-	-
0.25 to <0.50	48	7	61.38%	52	0.35%	7	45.00%	2.5	33	62.29%	-	-
0.50 to <0.75	103	20	50.00%	113	0.60%	11	45.00%	2.5	90	79.98%	-	-
0.75 to <2.5	117	11	59.43%	124	1.34%	25	45.00%	2.5	133	107.47%	1	(1)
0.75 to <1.75	*117*	*11*	*59.43%*	*124*	*1.34%*	*25*	*45.00%*	*2.5*	*133*	*107.47%*	*1*	*(1)*
1.75 to <2.5	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
2.5 to <10	130	11	61.15%	137	3.56%	10	44.72%	2.5	194	141.52%	2	(4)
2.5 to <5	*130*	*11*	*61.15%*	*137*	*3.56%*	*10*	*44.72%*	*2.5*	*194*	*141.52%*	*2*	*(4)*
5 to <10	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
10 to <100	29	-	-	29	10.00%	1	45.00%	2.5	59	204.67%	1	(4)
10 to <20	*29*	*-*	*-*	*29*	*10.00%*	*1*	*45.00%*	*2.5*	*59*	*204.67%*	*1*	*(4)*
20 to <30	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
30 to <100	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
100 (Default)	19	*0*	50.00%	19	100.00%	1	45.00%	2.5	-	-	9	(15)
Total Corporates of which specialised lending	587	58	52.85%	618	4.78%	60	44.84%	2.5	570	92.24%	13	(24)
Corporates of which other												
0.00 to <0.15	873	1,690	18.15%	1,180	0.07%	100	44.98%	2.5	364	30.89%	1	(2)
0.00 to <0.10	*873*	*1,690*	*18.15%*	*1,180*	*0.07%*	*98*	*44.98%*	*2.5*	*364*	*30.89%*	*1*	*(2)*
0.10 to <0.15	*0*	*-*	*0.00%*	*0*	*0.13%*	*2*	*44.97%*	*2.5*	*0*	*40.16%*	*0*	*0*
0.15 to <0.25	636	804	18.06%	782	0.17%	75	43.50%	2.5	413	52.80%	1	(3)
0.25 to <0.50	646	869	14.93%	775	0.35%	107	44.14%	2.5	615	79.31%	2	(6)
0.50 to <0.75	379	453	13.31%	439	0.59%	68	42.09%	2.5	392	89.34%	1	(7)
0.75 to <2.5	1,411	1,441	32.22%	1,875	1.60%	171	44.60%	2.5	2,213	118.03%	14	(27)
0.75 to <1.75	*628*	*897*	*29.11%*	*889*	*1.24%*	*115*	*44.16%*	*2.5*	*1,026*	*115.46%*	*5*	*(17)*
1.75 to <2.5	*783*	*544*	*37.35%*	*986*	*1.92%*	*56*	*45.00%*	*2.5*	*1,187*	*120.35%*	*9*	*(10)*
2.5 to <10	2,286	635	34.44%	2,504	3.86%	268	44.23%	2.5	3,727	148.85%	44	(124)
2.5 to <5	*2,044*	*596*	*33.41%*	*2,242*	*3.48%*	*248*	*44.14%*	*2.5*	*3,255*	*145.16%*	*36*	*(104)*
5 to <10	*242*	*39*	*50.10%*	*262*	*7.12%*	*20*	*45.00%*	*2.5*	*472*	*180.44%*	*8*	*(20)*
10 to <100	166	24	41.63%	176	15.89%	60	43.86%	2.5	411	232.85%	12	(23)
10 to <20	*155*	*23*	*41.39%*	*165*	*14.70%*	*46*	*43.95%*	*2.5*	*382*	*231.38%*	*11*	*(21)*
20 to <30	*4*	*0*	*50.00%*	*4*	*20.00%*	*5*	*43.98%*	*2.5*	*10*	*260.76%*	*0*	*0*
30 to <100	*7*	*1*	*50.00%*	*7*	*40.00%*	*9*	*41.76%*	*2.5*	*19*	*250.97%*	*1*	*(2)*
100 (Default)	413	29	47.01%	427	100.00%	136	44.30%	2.5	-	-	189	(210)
Total Corporates of which other	6,810	5,945	26.06%	8,158	5.37%	985	44.35%	2.5	8,135	101.69%	264	(402)

Table 4.4 shows the breakdown of the credit risk Advanced IRB exposure classes 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.

Table 4.4 EU CR6 - IRB approach - Credit risk exposures by exposure class and PD range (Advanced IRB)

Dec-21 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
Total advanced IRB												
0.00 to <0.15	1,100	346	35.42%	1,222	0.09%	64,238	0.04%		54	4.40%	0	(1)
0.00 to <0.10	*1,072*	*52*	*45.41%*	*1,095*	*0.09%*	*22,972*	*0.04%*		*47*	*4.30%*	*0*	*(1)*
0.10 to <0.15	*28*	*294*	*33.65%*	*127*	*0.11%*	*41,266*	*0.04%*		*7*	*5.22%*	*0*	*0*
0.15 to <0.25	14,518	607	38.35%	14,790	0.18%	203,636	0.07%		1,168	7.90%	5	(13)
0.25 to <0.50	13,089	1,062	43.44%	13,587	0.38%	334,968	0.15%		1,714	12.61%	10	(21)
0.50 to <0.75	2,292	403	44.96%	2,488	0.59%	131,549	0.24%		501	20.13%	4	(5)
0.75 to <2.5	8,143	2,028	55.74%	9,298	1.23%	252,801	0.49%		3,228	34.71%	30	(31)
0.75 to <1.75	*6,130*	*1,886*	*55.73%*	*7,200*	*1.04%*	*192,907*	*0.42%*		*2,297*	*31.89%*	*19*	*(18)*
1.75 to <2.5	*2,013*	*142*	*55.89%*	*2,098*	*1.89%*	*59,894*	*0.76%*		*931*	*44.38%*	*11*	*(13)*
2.5 to <10	2,972	110	43.21%	3,021	4.90%	159,642	1.96%		2,570	85.07%	63	(63)
2.5 to <5	*1,781*	*76*	*106.15%*	*1,812*	*3.69%*	*103,575*	*1.48%*		*1,513*	*83.50%*	*32*	*(33)*
5 to <10	*1,191*	*34*	*44.89%*	*1,209*	*6.70%*	*56,067*	*2.68%*		*1,057*	*87.44%*	*31*	*(30)*
10 to <100	578	45	31.83%	596	25.66%	36,217	10.26%		681	114.36%	45	(24)
10 to <20	*274*	*28*	*21.50%*	*281*	*14.63%*	*19,834*	*5.85%*		*332*	*118.50%*	*14*	*(13)*
20 to <30	*114*	*7*	*55.83%*	*119*	*23.57%*	*5,400*	*9.43%*		*129*	*108.27%*	*8*	*(4)*
30 to <100	*190*	*10*	*45.20%*	*196*	*42.69%*	*10,983*	*17.07%*		*220*	*112.12%*	*23*	*(7)*
100 (Default)	2,064	43	43.32%	2,092	100.00%	46,419	40.00%		1,321	63.16%	664	(676)
Total advanced IRB	**44,756**	**4,644**	**47.56%**	**47,094**	**5.52%**	**1,229,470**	**21.04%**		**11,237**	**23.86%**	**821**	**(834)**
Secured by real estate property - SME												
0.00 to <0.15	53	2	100.03%	55	0.09%	953	19.37%		2	3.46%	-	-
0.00 to <0.10	*53*	*2*	*100.03%*	*55*	*0.09%*	*953*	*19.37%*		*2*	*3.46%*	*-*	*-*
0.10 to <0.15	*-*	*-*	*0.00%*	*-*	*0.00%*	*-*	*0.00%*		*-*	*0.00%*	*-*	*-*
0.15 to <0.25	2,424	11	102.07%	2,454	0.19%	20,098	13.15%		158	6.44%	1	(2)
0.25 to <0.50	2,534	14	101.02%	2,562	0.37%	18,166	13.89%		234	9.14%	2	(5)
0.50 to <0.75	701	14	101.44%	722	0.61%	5,478	13.03%		106	14.71%	1	(1)
0.75 to <2.5	2,342	39	101.73%	2,394	1.23%	15,005	14.85%		549	22.93%	6	(9)
0.75 to <1.75	*1,725*	*36*	*101.45%*	*1,771*	*1.00%*	*10,771*	*14.80%*		*356*	*20.08%*	*3*	*(6)*
1.75 to <2.5	*617*	*3*	*105.38%*	*623*	*1.89%*	*4,234*	*15.01%*		*193*	*31.04%*	*3*	*(3)*
2.5 to <10	458	1	104.96%	461	5.53%	5,111	16.08%		255	55.34%	5	(4)
2.5 to <5	*166*	*-*	*101.04%*	*167*	*3.56%*	*2,121*	*16.90%*		*63*	*37.96%*	*1*	*(1)*
5 to <10	*292*	*1*	*108.00%*	*294*	*6.64%*	*2,990*	*15.62%*		*192*	*65.18%*	*4*	*(3)*
10 to <100	191	2	102.85%	195	29.43%	1,491	13.75%		173	88.74%	11	(3)
10 to <20	*70*	*1*	*101.93%*	*71*	*15.60%*	*538*	*16.81%*		*64*	*90.17%*	*2*	*(2)*
20 to <30	*38*	*1*	*102.53%*	*39*	*23.77%*	*307*	*11.00%*		*30*	*78.08%*	*2*	*-*
30 to <100	*83*	*-*	*104.41%*	*85*	*43.56%*	*646*	*12.47%*		*79*	*92.46%*	*7*	*(1)*
100 (Default)	688	3	104.26%	694	100.00%	4,081	25.35%		471	67.89%	166	(185)
Total Secured by real estate property - SME	**9,391**	**86**	**101.74%**	**9,537**	**8.65%**	**70,383**	**14.84%**		**1,948**	**20.43%**	**192**	**(209)**
Secured by real estate property - Non SME												
0.00 to <0.15	1,014	12	97.89%	1,025	0.09%	15,424	18.56%		45	4.35%	-	(1)
0.00 to <0.10	*1,014*	*12*	*97.89%*	*1,025*	*0.09%*	*15,424*	*18.56%*		*45*	*4.35%*	*-*	*(1)*
0.10 to <0.15	*-*	*-*	*-*	*-*	*-*	*-*	*-*		*-*	*-*	*-*	*-*
0.15 to <0.25	12,014	45	99.32%	12,080	0.18%	85,009	16.78%		991	8.20%	4	(11)
0.25 to <0.50	10,442	30	99.92%	10,493	0.38%	66,986	16.97%		1,387	13.21%	8	(15)
0.50 to <0.75	1,498	9	101.48%	1,516	0.58%	11,446	16.66%		329	21.69%	2	(2)
0.75 to <2.5	5,274	1,557	58.20%	6,193	1.20%	43,140	21.29%		2,252	36.37%	17	(12)
0.75 to <1.75	*4,115*	*1,484*	*57.83%*	*4,982*	*1.04%*	*32,624*	*22.16%*		*1,716*	*34.44%*	*13*	*(8)*
1.75 to <2.5	*1,159*	*73*	*65.80%*	*1,211*	*1.84%*	*10,516*	*17.68%*		*536*	*44.31%*	*4*	*(4)*
2.5 to <10	1,011	3	99.75%	1,017	5.16%	14,300	23.07%		886	87.10%	13	(8)
2.5 to <5	*559*	*1*	*94.97%*	*561*	*3.98%*	*7,645*	*26.48%*		*475*	*84.67%*	*6*	*(3)*
5 to <10	*452*	*2*	*101.77%*	*456*	*6.61%*	*6,655*	*18.87%*		*411*	*90.09%*	*7*	*(5)*
10 to <100	229	2	102.37%	233	25.71%	2,244	17.63%		289	124.33%	11	(4)
10 to <20	*106*	*-*	*102.21%*	*106*	*15.20%*	*1,059*	*23.72%*		*151*	*142.05%*	*4*	*(2)*
20 to <30	*52*	*2*	*101.26%*	*54*	*23.33%*	*536*	*14.51%*		*64*	*118.02%*	*2*	*(1)*
30 to <100	*71*	*-*	*109.28%*	*73*	*42.92%*	*649*	*11.04%*		*74*	*103.04%*	*5*	*(1)*
100 (Default)	1,111	2	102.48%	1,116	100.00%	8,146	31.79%		709	63.52%	327	(348)
Total Secured by real estate property - Non SME	**32,593**	**1,660**	**60.78%**	**33,673**	**4.08%**	**246,695**	**18.41%**		**6,888**	**20.45%**	**382**	**(401)**
Qualifying revolving												
0.00 to <0.15	30	250	29.06%	103	0.11%	40,701	51.03%		3	3.65%	0	0
0.00 to <0.10	*4*	*38*	*25.77%*	*14*	*0.09%*	*6,506*	*51.03%*		*-*	*2.97%*	*-*	*-*
0.10 to <0.15	*26*	*212*	*29.65%*	*89*	*0.11%*	*34,195*	*51.03%*		*3*	*3.76%*	*-*	*-*
0.15 to <0.25	72	467	30.24%	213	0.20%	90,930	51.04%		13	5.93%	0	0
0.25 to <0.50	85	695	38.45%	353	0.35%	227,701	60.96%		41	11.55%	1	(1)
0.50 to <0.75	59	281	39.00%	169	0.60%	105,928	57.51%		28	16.66%	1	0
0.75 to <2.5	138	330	39.73%	270	1.28%	151,899	57.06%		78	28.96%	2	(1)
0.75 to <1.75	*109*	*281*	*40.11%*	*222*	*1.10%*	*125,332*	*57.36%*		*58*	*26.37%*	*1*	*(1)*
1.75 to <2.5	*29*	*49*	*37.55%*	*48*	*2.08%*	*26,567*	*55.66%*		*20*	*41.01%*	*1*	*-*
2.5 to <10	53	79	34.32%	84	4.78%	53,477	53.83%		57	68.58%	2	(1)
2.5 to <5	*33*	*54*	*34.27%*	*53*	*3.51%*	*31,640*	*54.28%*		*30*	*57.44%*	*1*	*(1)*
5 to <10	*20*	*25*	*34.41%*	*31*	*6.96%*	*21,837*	*53.06%*		*27*	*87.82%*	*1*	*-*
10 to <100	25	35	20.35%	33	27.19%	21,430	54.63%		50	153.00%	5	(3)
10 to <20	*10*	*25*	*14.85%*	*15*	*13.80%*	*12,432*	*52.61%*		*18*	*127.27%*	*1*	*(1)*
20 to <30	*4*	*4*	*29.75%*	*5*	*24.29%*	*3,115*	*51.71%*		*9*	*158.56%*	*1*	*-*
30 to <100	*11*	*6*	*36.49%*	*13*	*43.07%*	*5,883*	*58.05%*		*23*	*178.91%*	*3*	*(2)*
100 (Default)	15	30	31.23%	30	100.00%	18,293	70.51%		19	65.05%	21	(11)
Total Qualifying revolving	**477**	**2,167**	**35.32%**	**1,255**	**3.90%**	**710,359**	**56.74%**		**289**	**23.15%**	**32**	**(17)**
Retail of which SME												
0.00 to <0.15	1	81	44.12%	37	0.10%	7,007	40.00%		3	8.13%	-	-
0.00 to <0.10	*-*	*-*	*1.15%*	*-*	*0.07%*	*34*	*40.00%*		*-*	*8.65%*	*-*	*-*
0.10 to <0.15	*1*	*81*	*44.15%*	*37*	*0.10%*	*6,973*	*40.00%*		*3*	*8.12%*	*-*	*-*
0.15 to <0.25	6	84	42.03%	41	0.18%	7,458	40.42%		5	12.98%	-	-
0.25 to <0.50	24	324	46.55%	176	0.33%	21,657	60.90%		50	28.39%	-	(1)
0.50 to <0.75	24	98	48.27%	72	0.65%	7,725	58.02%		30	41.57%	-	(1)
0.75 to <2.5	243	103	52.44%	295	1.67%	19,343	54.14%		173	58.62%	3	(6)
0.75 to <1.75	*101*	*86*	*51.42%*	*144*	*1.23%*	*12,719*	*54.38%*		*77*	*53.37%*	*1*	*(2)*
1.75 to <2.5	*142*	*17*	*57.62%*	*151*	*2.09%*	*6,624*	*53.91%*		*96*	*63.63%*	*2*	*(4)*
2.5 to <10	941	26	60.77%	953	4.70%	31,896	54.11%		637	66.80%	26	(41)
2.5 to <5	*650*	*20*	*60.66%*	*659*	*3.59%*	*20,215*	*52.22%*		*413*	*62.61%*	*13*	*(22)*
5 to <10	*291*	*6*	*61.13%*	*294*	*7.20%*	*11,681*	*58.37%*		*224*	*76.22%*	*13*	*(19)*
10 to <100	110	7	54.48%	113	19.38%	7,892	60.80%		120	106.23%	14	(12)
10 to <20	*74*	*3*	*59.74%*	*76*	*13.26%*	*4,007*	*61.91%*		*74*	*97.50%*	*6*	*(8)*
20 to <30	*18*	*1*	*56.98%*	*18*	*23.41%*	*1,120*	*56.93%*		*20*	*113.94%*	*3*	*(2)*
30 to <100	*18*	*3*	*49.24%*	*19*	*39.50%*	*2,765*	*60.10%*		*26*	*133.12%*	*5*	*(2)*
100 (Default)	224	8	52.35%	227	100.00%	11,859	58.09%		110	48.59%	132	(119)
Total Retail of which SME	**1,573**	**731**	**47.47%**	**1,914**	**15.67%**	**114,837**	**55.19%**		**1,128**	**58.96%**	**175**	**(180)**
Retail of which other												
0.00 to <0.15	2	-	-	2	0.10%	153	73.00%		0	24.86%	-	-
0.00 to <0.10	*1*	*-*	*-*	*1*	*0.07%*	*60*	*73.00%*		*-*	*19.42%*	*-*	*-*
0.10 to <0.15	*1*	*-*	*-*	*1*	*0.12%*	*93*	*73.00%*		*-*	*28.04%*	*-*	*-*
0.15 to <0.25	2	-	-	2	0.19%	141	73.00%		1	39.31%	-	-
0.25 to <0.50	4	-	-	4	0.40%	458	73.00%		2	62.83%	-	-
0.50 to <0.75	10	-	-	10	0.63%	972	73.00%		8	81.60%	-	-
0.75 to <2.5	147	-	-	146	1.66%	23,414	73.03%		175	120.04%	2	(3)
0.75 to <1.75	*82*	*-*	*-*	*81*	*1.26%*	*11,461*	*73.04%*		*90*	*110.77%*	*1*	*(2)*
1.75 to <2.5	*65*	*-*	*-*	*65*	*2.15%*	*11,953*	*73.03%*		*85*	*131.64%*	*1*	*(1)*
2.5 to <10	509	-	-	506	4.18%	54,858	73.00%		735	145.19%	18	(9)
2.5 to <5	*374*	*-*	*-*	*372*	*3.53%*	*41,954*	*73.00%*		*531*	*142.85%*	*11*	*(6)*
5 to <10	*135*	*-*	*-*	*134*	*5.99%*	*12,904*	*73.00%*		*204*	*151.65%*	*7*	*(3)*
10 to <100	23	-	-	22	22.31%	3,160	73.03%		49	217.78%	4	(2)
10 to <20	*14*	*-*	*-*	*13*	*13.61%*	*1,798*	*73.01%*		*26*	*189.53%*	*2*	*(1)*
20 to <30	*2*	*-*	*-*	*2*	*25.26%*	*322*	*73.01%*		*5*	*243.74%*	*-*	*-*
30 to <100	*7*	*-*	*-*	*7*	*38.98%*	*1,040*	*73.07%*		*18*	*266.91%*	*2*	*(1)*
100 (Default)	26	-	-	25	100.00%	4,040	73.03%		12	46.42%	19	(14)
Total Retail of which other	**723**	**-**	**-**	**717**	**7.55%**	**87,196**	**73.01%**		**982**	**136.98%**	**43**	**(28)**

Dec-20 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
Total advanced IRB												
0.00 to <0.15	929	348	35.21%	1,052	0.09%	61,181	0.04%		46	4.40%	0	(1)
0.00 to <0.10	905	110	43.58%	953	0.09%	25,126	0.04%		41	4.33%	0	(1)
0.10 to <0.15	24	238	31.33%	99	0.11%	35,055	0.05%		5	5.05%	0	0
0.15 to <0.25	13,722	857	40.21%	14,106	0.18%	223,982	0.07%		1,042	7.39%	5	(17)
0.25 to <0.50	12,999	871	42.53%	13,404	0.38%	339,366	0.15%		1,592	11.88%	10	(23)
0.50 to <0.75	2,616	329	46.09%	2,783	0.59%	124,207	0.24%		526	18.89%	4	(7)
0.75 to <2.5	9,794	2,325	58.44%	11,181	1.25%	266,004	0.50%		3,899	34.87%	36	(39)
0.75 to <1.75	7,215	2,056	57.79%	8,423	1.05%	200,171	0.42%		2,618	31.09%	22	(23)
1.75 to <2.5	2,579	269	63.37%	2,759	1.89%	65,833	0.76%		1,281	46.43%	14	(16)
2.5 to <10	4,214	110	43.07%	4,262	4.94%	152,739	1.98%		3,592	84.28%	78	(82)
2.5 to <5	2,276	76	105.37%	2,306	3.57%	103,351	1.43%		1,869	81.03%	36	(41)
5 to <10	1,938	34	45.17%	1,955	6.55%	49,388	2.62%		1,723	88.11%	42	(41)
10 to <100	748	37	33.80%	767	24.85%	40,508	9.94%		908	118.40%	50	(29)
10 to <20	387	24	26.14%	395	14.68%	18,928	5.87%		511	129.14%	19	(15)
20 to <30	143	6	47.35%	148	23.57%	11,721	9.43%		176	118.74%	9	(6)
30 to <100	218	7	48.40%	223	43.70%	9,859	17.48%		221	99.13%	22	(9)
100 (Default)	2,468	48	44.86%	2,499	100.00%	56,992	40.00%		1,568	62.76%	755	(608)
Total advanced IRB	47,490	4,925	49.32%	50,054	6.26%	1,264,979	20.42%		13,173	26.32%	938	(806)
Secured by real estate property - SME												
0.00 to <0.15	46	1	100.02%	47	0.09%	828	19.07%		2	3.41%	0	0
0.00 to <0.10	46	1	100.02%	47	0.09%	828	19.07%		2	3.41%	0	0
0.10 to <0.15	-	-	-	-	-	-	-		-	-	-	-
0.15 to <0.25	2,423	11	101.51%	2,454	0.19%	21,405	12.45%		152	6.19%	1	(3)
0.25 to <0.50	2,478	12	101.46%	2,504	0.37%	18,513	13.33%		219	8.75%	2	(4)
0.50 to <0.75	811	14	101.64%	831	0.60%	6,579	13.42%		123	14.84%	1	(2)
0.75 to <2.5	2,568	25	102.67%	2,608	1.26%	17,112	14.72%		614	23.53%	6	(8)
0.75 to <1.75	1,838	22	102.06%	1,870	1.00%	11,912	14.54%		377	20.15%	4	(5)
1.75 to <2.5	730	3	106.77%	738	1.89%	5,200	15.18%		237	32.08%	3	(3)
2.5 to <10	740	2	103.04%	744	5.61%	5,892	18.59%		452	60.77%	9	(5)
2.5 to <5	252	1	101.25%	253	3.53%	2,287	20.44%		115	45.40%	2	(1)
5 to <10	488	1	104.89%	491	6.69%	3,605	17.64%		337	68.68%	7	(4)
10 to <100	259	1	104.35%	263	28.64%	1,763	15.12%		233	88.64%	14	(6)
10 to <20	111	-	102.66%	112	15.41%	682	19.06%		108	96.74%	4	(2)
20 to <30	51	-	103.36%	52	24.06%	370	13.25%		48	92.79%	2	(1)
30 to <100	97	-	107.12%	99	46.06%	711	11.63%		76	77.27%	8	(2)
100 (Default)	786	3	104.09%	792	100.00%	5,013	24.96%		514	64.94%	184	(163)
Total Secured by real estate property - SME	10,111	69	102.10%	10,243	9.38%	77,105	14.83%		2,309	22.54%	217	(191)
Secured by real estate property - Non SME												
0.00 to <0.15	856	7	98.87%	862	0.09%	13,638	18.27%		37	4.28%	0	(1)
0.00 to <0.10	856	7	98.87%	862	0.09%	13,638	18.27%		37	4.28%	0	(1)
0.10 to <0.15	-	-	-	-	-	-	-		-	-	-	-
0.15 to <0.25	11,222	37	98.78%	11,279	0.18%	87,873	15.35%		842	7.46%	4	(13)
0.25 to <0.50	10,411	30	99.45%	10,462	0.38%	70,758	16.07%		1,305	12.48%	7	(16)
0.50 to <0.75	1,717	10	101.55%	1,736	0.58%	14,698	15.87%		348	20.02%	2	(4)
0.75 to <2.5	6,679	1,853	61.67%	7,838	1.23%	52,896	20.33%		2,856	36.44%	22	(15)
0.75 to <1.75	5,081	1,663	60.51%	6,098	1.05%	39,592	20.77%		2,019	33.12%	15	(10)
1.75 to <2.5	1,598	190	71.84%	1,740	1.86%	13,304	18.77%		836	48.06%	8	(5)
2.5 to <10	1,996	2	101.98%	2,003	5.13%	16,088	24.06%		1,747	87.22%	25	(12)
2.5 to <5	982	1	100.70%	985	3.77%	8,398	26.67%		804	81.69%	10	(3)
5 to <10	1,014	2	102.48%	1,018	6.45%	7,690	21.54%		942	92.57%	15	(8)
10 to <100	358	2	102.10%	361	24.04%	2,732	21.12%		486	134.55%	18	(9)
10 to <20	194	-	101.53%	194	14.75%	1,306	27.01%		298	153.22%	7	(5)
20 to <30	69	1	101.46%	70	23.58%	603	16.53%		91	130.12%	3	(2)
30 to <100	96	1	103.36%	97	42.92%	823	12.65%		98	100.41%	7	(2)
100 (Default)	1,419	3	101.60%	1,424	100.00%	11,016	30.94%		887	62.30%	400	(327)
Total Secured by real estate property - Non SME	34,658	1,944	63.44%	35,965	4.95%	269,699	17.90%		8,508	23.66%	478	(397)
Qualifying revolving												
0.00 to <0.15	24	223	29.17%	89	0.11%	35,661	51.03%		3	3.68%	0	0
0.00 to <0.10	2	26	25.31%	9	0.08%	3,874	51.03%		0	2.96%	0	0
0.10 to <0.15	22	197	29.67%	81	0.11%	31,787	51.03%		3	3.75%	0	0
0.15 to <0.25	67	488	30.40%	215	0.20%	92,469	51.05%		13	6.00%	0	0
0.25 to <0.50	80	729	38.57%	361	0.35%	241,555	60.85%		42	11.50%	1	(1)
0.50 to <0.75	53	245	40.13%	152	0.60%	95,992	57.72%		25	16.71%	1	(1)
0.75 to <2.5	134	373	39.92%	284	1.29%	154,466	56.79%		82	28.91%	2	(3)
0.75 to <1.75	107	309	40.52%	232	1.11%	125,906	57.21%		61	26.38%	2	(2)
1.75 to <2.5	28	64	37.02%	52	2.09%	28,560	54.94%		21	40.29%	1	(1)
2.5 to <10	53	86	36.55%	85	4.64%	44,390	53.79%		57	66.62%	2	(2)
2.5 to <5	34	61	36.69%	57	3.48%	30,038	54.63%		33	57.25%	1	(1)
5 to <10	19	25	36.22%	28	6.96%	14,352	52.11%		24	85.35%	1	(1)
10 to <100	25	32	25.15%	35	25.29%	27,640	54.54%		54	154.01%	5	(2)
10 to <20	10	22	19.98%	16	13.91%	12,912	52.97%		20	129.00%	1	(1)
20 to <30	4	4	32.63%	7	24.37%	9,123	56.29%		12	177.09%	1	0
30 to <100	10	6	38.75%	13	40.01%	5,605	55.53%		22	172.40%	3	(1)
100 (Default)	23	33	33.64%	40	100.00%	22,850	70.10%		26	65.44%	28	(15)
Total Qualifying revolving	459	2,209	35.87%	1,261	4.72%	715,023	56.84%		302	23.98%	39	(24)
Retail of which SME												
0.00 to <0.15	2	118	42.42%	52	0.09%	10,914	40.00%		4	7.75%	0	0
0.00 to <0.10	1	77	44.11%	35	0.08%	6,739	40.00%		2	6.88%	0	0
0.10 to <0.15	1	41	39.29%	17	0.12%	4,175	40.00%		2	9.52%	0	0
0.15 to <0.25	9	321	46.13%	156	0.23%	22,112	60.18%		35	22.07%	0	(1)
0.25 to <0.50	25	99	47.05%	73	0.43%	8,046	55.60%		23	32.01%	0	(1)
0.50 to <0.75	26	60	48.49%	55	0.62%	6,043	55.21%		22	39.79%	0	(1)
0.75 to <2.5	283	74	55.93%	323	1.68%	19,304	54.24%		193	59.73%	3	(11)
0.75 to <1.75	117	62	55.56%	151	1.23%	12,065	54.20%		81	53.69%	1	(4)
1.75 to <2.5	166	12	57.87%	172	2.07%	7,239	54.27%		112	65.02%	2	(6)
2.5 to <10	946	19	59.76%	954	4.42%	31,418	54.84%		645	67.64%	25	(50)
2.5 to <5	656	14	59.88%	662	3.32%	20,522	52.61%		417	62.95%	12	(27)
5 to <10	290	5	59.46%	292	6.90%	10,896	59.88%		228	78.27%	12	(23)
10 to <100	88	3	58.85%	90	17.67%	5,821	60.43%		97	108.04%	10	(10)
10 to <20	61	2	60.61%	61	13.52%	2,389	60.92%		62	100.63%	5	(6)
20 to <30	17	0	58.11%	18	21.65%	1,351	58.78%		20	114.97%	2	(2)
30 to <100	10	1	52.99%	11	35.09%	2,081	60.41%		15	139.40%	2	(2)
100 (Default)	213	9	52.26%	218	100.00%	12,896	56.98%		129	59.11%	124	(90)
Total Retail of which SME	1,592	703	47.38%	1,921	14.69%	116,554	55.32%		1,148	59.75%	162	(164)
Retail of which other												
0.00 to <0.15	2	-	-	2	0.10%	140	73.00%		0	24.69%	0	0
0.00 to <0.10	1	-	-	1	0.06%	47	73.00%		0	17.77%	0	0
0.10 to <0.15	1	-	-	1	0.12%	93	73.00%		0	27.82%	0	0
0.15 to <0.25	2	-	-	2	0.19%	123	73.00%		1	38.84%	0	0
0.25 to <0.50	5	-	-	5	0.38%	494	73.00%		3	61.54%	0	0
0.50 to <0.75	9	-	-	9	0.63%	895	73.00%		8	81.57%	0	0
0.75 to <2.5	130	-	-	129	1.65%	22,226	73.05%		155	119.78%	2	(3)
0.75 to <1.75	73	-	-	72	1.25%	10,696	73.06%		80	110.40%	1	(2)
1.75 to <2.5	57	-	-	57	2.15%	11,530	73.05%		75	131.70%	1	(1)
2.5 to <10	478	-	-	476	4.17%	54,951	73.00%		691	145.17%	17	(13)
2.5 to <5	352	-	-	350	3.53%	42,106	73.00%		501	142.87%	10	(8)
5 to <10	126	-	-	125	5.97%	12,845	73.00%		190	151.57%	6	(5)
10 to <100	18	-	-	17	20.60%	2,552	73.23%		37	213.55%	3	(2)
10 to <20	12	-	-	12	13.66%	1,639	73.01%		22	189.82%	1	(1)
20 to <30	2	-	-	2	24.68%	274	73.01%		4	241.78%	0	0
30 to <100	4	-	-	4	38.97%	639	73.99%		11	270.19%	1	(1)
100 (Default)	26	-	-	26	100.00%	5,217	73.06%		12	47.56%	19	(14)
Total Retail of which other	670	-	-	666	7.75%	86,598	73.02%		907	136.16%	41	(32)

Previous Index Next

Table 4.5 shows the impact of credit derivatives used as CRM techniques on the calculation of RWEAs under the IRB approach by exposure class.

Table 4.5 - EU CR7 – IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques

Dec-21	Pre-credit derivatives risk weighted exposure amount €m	Actual risk weighted exposure amount €m
Exposures under F-IRB	**16,167**	**16,167**
Central governments and central banks	-	-
Institutions	1,046	1,046
Corporates	15,121	15,121
of which		
Corporates - SMEs	7,090	7,090
Corporates - Specialised lending	522	522
Corporates - Other	7,509	7,509
Exposures under A-IRB	**11,236**	**11,236**
Central governments and central banks	-	-
Institutions	-	-
Corporates	-	-
of which		
Corporates - SMEs	-	-
Corporates - Specialised lending	-	-
Retail	11,236	11,236
of which		
Retail – SMEs - Secured by immovable property collateral	1,948	1,948
Retail – non-SMEs - Secured by immovable property collateral	6,887	6,887
Retail – Qualifying revolving	290	290
Retail – SMEs - Other	1,129	1,129
Retail – Non-SMEs- Other	982	982
TOTAL (including F-IRB exposures and A-IRB exposures)	**27,404**	**27,404**

Table 4.6 shows the breakdown of the use of CRM techniques by type under the IRB approach split by exposure class.

Table 4.6 - EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques

Dec-21	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)
	€m	%	%	%	%	%	%	%	%	%	%	%	€m	€m
Exposures under A-IRB														
Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which													-	
Corporates – SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporates – Specialised lending	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporates – Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retail	47,093	-	0.00%	0.00%	-	-	-	-	-	-	-	-	11,346	11,236
of which													-	
Retail – SMEs - Secured by immovable property collateral	9,536	-	0.00%	0.00%	-	-	-	-	-	-	-	-	1,948	1,948
Retail – non-SMEs - Secured by immovable property collateral	33,672	-	0.00%	0.00%	-	-	-	-	-	-	-	-	6,887	6,887
Retail – Qualifying revolving	1,255	-	-	-	-	-	-	-	-	-	-	-	290	290
Retail – SMEs - Other	1,914	-	-	-	-	-	-	-	-	-	-	-	1,239	1,129
Retail – Non-SMEs- Other	717	-	-	-	-	-	-	-	-	-	-	-	982	982
Total Advanced IRB	**47,093**	**-**	**0.00%**	**0.00%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**11,346**	**11,236**
Exposures under F-IRB														
Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	4,545	-	-	-	-	-	-	-	-	-	-	-	1,046	1,046
Corporates	19,738	0.06%	50.45%	48.97%	-	1.49%	-	-	-	-	-	-	15,224	15,121
of which													-	
Corporates – SMEs	10,848	0.02%	84.86%	82.54%	-	2.31%	-	-	-	-	-	-	7,190	7,090
Corporates – Specialised lending	650	1.50%	-	-	-	0.00%	-	-	-	-	-	-	522	522
Corporates – Other	8,240	0.01%	9.14%	8.63%	-	0.52%	-	-	-	-	-	-	7,512	7,509
Total Foundation IRB	**24,283**	**0.05%**	**41.01%**	**39.80%**	**-**	**1.21%**	**-**	**-**	**-**	**-**	**-**	**-**	**16,270**	**16,167**

The table below represents the movements of the key drivers in the credit risk IRB RWAs in the period by risk type.

Table 4.7 - EU CR8 – RWEA flow statements of credit risk exposures under the IRB approach

Dec-21	€m
Risk weighted exposure amount as at the end of the previous reporting period - September '21	**30,508**
Asset size (+/-)[1]	(387)
Asset quality (+/-)[2]	(64)
Model updates (+/-)[3]	-
Methodology and policy (+/-)[4]	-
Acquisitions and disposals (+/-)[5]	-
Foreign exchange movements (+/-)	230
Other (+/-)[6]	(2,884)
Risk weighted exposure amount as at the end of the reporting period - December '21	**27,403**

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.

Table 4.8 presents the scope of the use of IRB and SA approaches.

Table 4.8 - EU CR6-A – Scope of the use of IRB and SA approaches

Dec-21	Exposure value as defined in Article 166 CRR under the IRB approach	Total exposure value for exposures subject to the Standardised approach and to the IRB approach	Percentage of total exposure value subject to the permanent partial use of the SA (%)	Percentage of total exposure value subject to IRB Approach (%)	Percentage of total exposure value subject to a roll-out plan (%)
	€m	€m	%	%	%
Central governments or central banks	**-**	**44,942**	**97.67%**	**2.33%**	**-**
of which;					
Regional governments or local authorities		664	11.04%	88.96%	-
Public sector entities		955	38.18%	61.82%	-
Institutions	**4,545**	**4,545**	**-**	**-**	**100.00%**
Corporates	**20,013**	**24,509**	**6.35%**	**15.48%**	**78.17%**
of which;					
Corporates - Specialised lending, excluding slotting approach		705	-	-	100.00%
Corporates - Specialised lending under slotting approach		-	-	-	-
Retail	**45,949**	**50,073**	**9.70%**	**0.08%**	**90.22%**
of which;					
Retail – Secured by real estate SMEs		9,225	-	-	100.00%
Retail – Secured by real estate non-SMEs		32,591	-	-	100.00%
Retail – Qualifying revolving		680	-	-	100.00%
Retail – Other SMEs		2,546	29.39%	1.50%	69.11%
Retail – Other non-SMEs		4,859	84.58%	-	15.42%
Equity	**-**	**1,048**	**13.34%**	**86.66%**	**0.00%**
Other non-credit obligation assets	**-**	**4,352**	**21.22%**	**78.78%**	**0.00%**
Total	**70,507**	**129,469**	**39.68%**	**7.12%**	**53.20%**

Previous Index Next

Table 4.9 shows the Backtesting of PD by Foundation IRB exposure classes split by PD range.

Table 4.9 - EU CR9 - IRB approach - Back-testing of PD by exposure class and PD range (Foundation IRB)

Dec-21 PD Range	Number of obligors at the end of previous year	of which number of obligors which defaulted in the year	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
			%	%	%	%
Total Foundation IRB						
0.00 to <0.15	400	1	0.25%	0.06%	0.06%	0.38%
0.00 to <0.10	*398*	*1*	*0.25%*	*0.06%*	*0.06%*	*0.38%*
0.10 to <0.15	*2*	*-*	*0.00%*	*0.14%*	*0.13%*	*0.00%*
0.15 to <0.25	220	-	0.00%	0.17%	0.17%	0.20%
0.25 to <0.50	349	1	0.29%	0.35%	0.35%	0.21%
0.50 to <0.75	498	3	0.60%	0.60%	0.60%	0.49%
0.75 to <2.5	1,857	15	0.81%	1.49%	1.49%	0.75%
0.75 to <1.75	*1,784*	*15*	*0.84%*	*1.41%*	*1.37%*	*0.75%*
1.75 to <2.5	*73*	*-*	*0.00%*	*1.94%*	*1.92%*	*0.64%*
2.5 to <10	2,656	70	2.64%	3.74%	3.67%	2.44%
2.5 to <5	*2,628*	*67*	*2.55%*	*3.56%*	*3.51%*	*2.41%*
5 to <10	*28*	*3*	*10.71%*	*7.20%*	*7.12%*	*4.11%*
10 to <100	1,027	67	6.52%	17.69%	15.75%	9.13%
10 to <20	*732*	*29*	*3.96%*	*11.45%*	*10.88%*	*7.69%*
20 to <30	*136*	*9*	*6.62%*	*20.00%*	*20.00%*	*10.69%*
30 to <100	*159*	*29*	*18.24%*	*40.00%*	*40.00%*	*15.94%*
100 (Default)	823	-	0.00%	100.00%	100.00%	0.00%
Institutions						
0.00 to <0.15	121	-	0.00%	0.06%	0.06%	0.00%
0.00 to <0.10	*121*	*-*	*0.00%*	*0.06%*	*0.06%*	*0.00%*
0.10 to <0.15	*-*	*-*	*0.00%*	*0.00%*	*0.00%*	*0.00%*
0.15 to <0.25	11	-	0.00%	0.17%	0.17%	0.00%
0.25 to <0.50	14	-	0.00%	0.35%	0.35%	0.00%
0.50 to <0.75	1	-	0.00%	0.00%	0.60%	0.00%
0.75 to <2.5	9	-	0.00%	1.70%	1.70%	0.00%
0.75 to <1.75	*9*	*-*	*0.00%*	*1.70%*	*1.70%*	*0.00%*
1.75 to <2.5	*-*	*-*	*0.00%*	*0.00%*	*0.00%*	*0.00%*
2.5 to <10	7	-	0.00%	2.70%	2.70%	0.00%
2.5 to <5	*7*	*-*	*0.00%*	*2.70%*	*2.70%*	*0.00%*
5 to <10	*-*	*-*	*0.00%*	*0.00%*	*0.00%*	*0.00%*
10 to <100	4	-	0.00%	11.56%	10.56%	0.00%
10 to <20	*3*	*-*	*0.00%*	*10.00%*	*10.00%*	*0.00%*
20 to <30	*1*	*-*	*0.00%*	*20.00%*	*20.00%*	*0.00%*
30 to <100	*-*	*-*	*0.00%*	*0.00%*	*0.00%*	*0.00%*
100 (Default)	-	-	0.00%	0.00%	0.00%	0.00%
Corporates of which SME						
0.00 to <0.15	179	-	0.00%	0.05%	0.06%	0.59%
0.00 to <0.10	*179*	*-*	*0.00%*	*0.05%*	*0.06%*	*0.60%*
0.10 to <0.15	*0*	*-*	*0.00%*	*0.14%*	*0.00%*	*0.00%*
0.15 to <0.25	129	-	0.00%	0.17%	0.17%	0.17%
0.25 to <0.50	221	-	0.00%	0.35%	0.35%	0.28%
0.50 to <0.75	418	2	0.48%	0.60%	0.60%	0.55%
0.75 to <2.5	1,652	14	0.85%	1.47%	1.43%	0.82%
0.75 to <1.75	*1,635*	*14*	*0.86%*	*1.45%*	*1.40%*	*0.83%*
1.75 to <2.5	*17*	*-*	*0.00%*	*2.05%*	*1.93%*	*1.18%*
2.5 to <10	2,371	64	2.70%	3.70%	3.54%	2.42%
2.5 to <5	*2,363*	*62*	*2.62%*	*3.63%*	*3.53%*	*2.41%*
5 to <10	*8*	*2*	*25.00%*	*7.20%*	*6.13%*	*3.39%*
10 to <100	962	60	6.24%	18.26%	15.87%	9.15%
10 to <20	*682*	*24*	*3.52%*	*10.01%*	*10.15%*	*7.65%*
20 to <30	*130*	*9*	*6.92%*	*20.00%*	*20.00%*	*10.83%*
30 to <100	*150*	*27*	*18.00%*	*40.00%*	*40.00%*	*16.56%*
100 (Default)	686	-	0.00%	100.00%	100.00%	0.00%
Corporates of which specialised lending						
0.00 to <0.15	-	-	0.00%	0.00%	0.00%	0.00%
0.00 to <0.10	*-*	*-*	*0.00%*	*0.00%*	*0.00%*	*0.00%*
0.10 to <0.15	*-*	*-*	*0.00%*	*0.00%*	*0.00%*	*0.00%*
0.15 to <0.25	5	-	0.00%	0.17%	0.17%	0.00%
0.25 to <0.50	7	-	0.00%	0.35%	0.35%	0.00%
0.50 to <0.75	11	-	0.00%	0.60%	0.60%	0.00%
0.75 to <2.5	25	-	0.00%	1.51%	1.34%	0.00%
0.75 to <1.75	*25*	*-*	*0.00%*	*1.51%*	*1.34%*	*0.00%*
1.75 to <2.5	*-*	*-*	*0.00%*	*2.00%*	*0.00%*	*0.00%*
2.5 to <10	10	1	10.00%	3.37%	3.56%	6.52%
2.5 to <5	*10*	*1*	*10.00%*	*3.37%*	*3.56%*	*6.52%*
5 to <10	*-*	*-*	*0.00%*	*0.00%*	*0.00%*	*0.00%*
10 to <100	1	-	0.00%	10.00%	10.00%	25.00%
10 to <20	*1*	*-*	*0.00%*	*10.00%*	*10.00%*	*25.00%*
20 to <30	*-*	*-*	*0.00%*	*0.00%*	*0.00%*	*0.00%*
30 to <100	*-*	*-*	*0.00%*	*0.00%*	*0.00%*	*0.00%*
100 (Default)	1	0	0.00%	100.00%	100.00%	0.00%
Corporates of which other						
0.00 to <0.15	100	1	1.00%	0.06%	0.07%	0.63%
0.00 to <0.10	*98*	*1*	*1.02%*	*0.06%*	*0.07%*	*0.63%*
0.10 to <0.15	*2*	*-*	*0.00%*	*0.10%*	*0.13%*	*0.00%*
0.15 to <0.25	75	-	0.00%	0.17%	0.17%	0.31%
0.25 to <0.50	107	1	0.93%	0.35%	0.35%	0.11%
0.50 to <0.75	68	1	1.47%	0.59%	0.59%	0.31%
0.75 to <2.5	171	1	0.58%	1.51%	1.60%	0.24%
0.75 to <1.75	*115*	*1*	*0.87%*	*1.21%*	*1.24%*	*0.25%*
1.75 to <2.5	*56*	*-*	*0.00%*	*1.92%*	*1.92%*	*0.00%*
2.5 to <10	268	5	1.87%	3.84%	3.86%	2.43%
2.5 to <5	*248*	*4*	*1.61%*	*3.43%*	*3.48%*	*2.36%*
5 to <10	*20*	*1*	*5.00%*	*7.20%*	*7.15%*	*7.14%*
10 to <100	60	7	11.67%	16.21%	15.89%	9.32%
10 to <20	*46*	*5*	*10.87%*	*14.46%*	*14.70%*	*8.64%*
20 to <30	*5*	*0*	*0.00%*	*20.00%*	*20.00%*	*8.82%*
30 to <100	*9*	*2*	*22.22%*	*40.00%*	*40.00%*	*9.52%*
100 (Default)	136	-	0.00%	100.00%	100.00%	0.00%

Table 4.10 shows the Backtesting of PD by Advanced IRB exposure classes split by PD range.

Table 4.10 - EU CR9 - IRB approach - Back-testing of PD by exposure class and PD range (Advanced IRB)

Dec-21	**Number of obligors at the end of previous year**	of which number of obligors which defaulted in the year	**Observed average default rate (%)**	**Exposures weighted average PD (%)**	**Average PD (%)**	**Average historical annual default rate (%)**
PD Range			%	%	%	%
Total advanced IRB						
0.00 to <0.15	61,181	133	0.22%	0.09%	0.09%	0.17%
0.00 to <0.10	*25,120*	*36*	*0.14%*	*0.09%*	*0.09%*	*0.17%*
0.10 to <0.15	*36,061*	*97*	*0.27%*	*0.11%*	*0.11%*	*0.18%*
0.15 to <0.25	223,982	450	0.20%	0.18%	0.18%	0.15%
0.25 to <0.50	339,366	655	0.19%	0.38%	0.38%	0.16%
0.50 to <0.75	124,207	502	0.40%	0.59%	0.59%	1.34%
0.75 to <2.5	266,004	2,005	0.75%	1.23%	1.25%	0.74%
0.75 to <1.75	*200,171*	*1,197*	*0.60%*	*1.04%*	*1.05%*	*0.60%*
1.75 to <2.5	*65,833*	*808*	*1.23%*	*1.89%*	*1.89%*	*1.16%*
2.5 to <10	152,739	3,785	2.48%	4.90%	4.94%	2.52%
2.5 to <5	*103,351*	*1,815*	*1.76%*	*3.69%*	*3.57%*	*1.79%*
5 to <10	*49,388*	*1,970*	*3.99%*	*6.70%*	*6.55%*	*3.95%*
10 to <100	40,508	5,156	12.73%	25.66%	24.85%	12.68%
10 to <20	*18,928*	*1,438*	*7.60%*	*14.63%*	*14.68%*	*8.56%*
20 to <30	*11,721*	*1,071*	*9.14%*	*23.57%*	*23.57%*	*8.27%*
30 to <100	*9,859*	*2,647*	*26.85%*	*42.69%*	*43.70%*	*25.28%*
100 (Default)	56,992	-	0.00%	100.00%	100.00%	0.00%
Secured by real estate property - SME						
0.00 to <0.15	828	1	0.12%	0.09%	0.09%	0.12%
0.00 to <0.10	*828*	*1*	*0.12%*	*0.09%*	*0.09%*	*0.12%*
0.10 to <0.15	*-*	*-*	*0.00%*	*0.00%*	*0.00%*	*0.00%*
0.15 to <0.25	21,405	87	0.41%	0.19%	0.19%	0.41%
0.25 to <0.50	18,513	91	0.49%	0.37%	0.37%	0.49%
0.50 to <0.75	6,579	58	0.88%	0.61%	0.60%	0.88%
0.75 to <2.5	17,112	240	1.40%	1.23%	1.26%	1.40%
0.75 to <1.75	*11,912*	*144*	*1.21%*	*1.00%*	*1.00%*	*1.21%*
1.75 to <2.5	*5,200*	*96*	*1.85%*	*1.89%*	*1.89%*	*1.85%*
2.5 to <10	5,892	209	3.55%	5.53%	5.61%	3.55%
2.5 to <5	*2,287*	*47*	*2.06%*	*3.56%*	*3.53%*	*2.06%*
5 to <10	*3,605*	*162*	*4.49%*	*6.64%*	*6.69%*	*4.49%*
10 to <100	1,763	483	27.40%	29.43%	28.64%	27.40%
10 to <20	*682*	*90*	*13.20%*	*15.60%*	*15.41%*	*13.20%*
20 to <30	*370*	*70*	*18.92%*	*23.77%*	*24.06%*	*18.92%*
30 to <100	*711*	*323*	*45.43%*	*43.56%*	*46.06%*	*45.43%*
100 (Default)	5,013	-	0.00%	100.00%	100.00%	0.00%
Secured by real estate property - Non SME						
0.00 to <0.15	13,638	11	0.08%	0.09%	0.09%	0.16%
0.00 to <0.10	*13,632*	*11*	*0.08%*	*0.09%*	*0.09%*	*0.16%*
0.10 to <0.15	*6*	*-*	*0.00%*	*0.10%*	*0.10%*	*0.17%*
0.15 to <0.25	87,873	180	0.20%	0.18%	0.18%	0.18%
0.25 to <0.50	70,758	270	0.38%	0.38%	0.38%	0.31%
0.50 to <0.75	14,698	128	0.87%	0.58%	0.58%	0.59%
0.75 to <2.5	52,896	430	0.81%	1.20%	1.23%	0.78%
0.75 to <1.75	*39,592*	*232*	*0.59%*	*1.04%*	*1.05%*	*0.65%*
1.75 to <2.5	*13,304*	*198*	*1.49%*	*1.84%*	*1.86%*	*1.19%*
2.5 to <10	16,088	755	4.69%	5.16%	5.13%	3.09%
2.5 to <5	*8,398*	*364*	*4.33%*	*3.98%*	*3.77%*	*2.51%*
5 to <10	*7,690*	*391*	*5.08%*	*6.61%*	*6.45%*	*3.60%*
10 to <100	2,732	636	23.28%	25.71%	24.04%	17.85%
10 to <20	*1,306*	*203*	*15.54%*	*15.20%*	*14.75%*	*10.87%*
20 to <30	*603*	*114*	*18.91%*	*23.33%*	*23.58%*	*18.31%*
30 to <100	*823*	*319*	*38.76%*	*42.92%*	*42.92%*	*29.94%*
100 (Default)	11,016	-	0.00%	100.00%	100.00%	0.00%
Qualifying revolving						
0.00 to <0.15	35,661	83	0.23%	0.11%	0.11%	0.14%
0.00 to <0.10	*3,874*	*9*	*0.23%*	*0.09%*	*0.08%*	*0.12%*
0.10 to <0.15	*31,787*	*74*	*0.23%*	*0.11%*	*0.11%*	*0.14%*
0.15 to <0.25	92,469	109	0.12%	0.20%	0.20%	0.09%
0.25 to <0.50	241,555	224	0.09%	0.35%	0.35%	0.08%
0.50 to <0.75	95,992	256	0.27%	0.60%	0.60%	1.55%
0.75 to <2.5	154,466	881	0.57%	1.28%	1.29%	0.57%
0.75 to <1.75	*125,906*	*575*	*0.46%*	*1.10%*	*1.11%*	*0.46%*
1.75 to <2.5	*28,560*	*306*	*1.07%*	*2.08%*	*2.09%*	*1.06%*
2.5 to <10	44,390	1,198	2.70%	4.78%	4.64%	2.83%
2.5 to <5	*30,038*	*634*	*2.11%*	*3.51%*	*3.48%*	*2.08%*
5 to <10	*14,352*	*564*	*3.93%*	*6.96%*	*6.96%*	*4.39%*
10 to <100	27,640	2,521	9.12%	27.19%	25.29%	9.99%
10 to <20	*12,912*	*787*	*6.10%*	*13.80%*	*13.91%*	*7.43%*
20 to <30	*9,123*	*590*	*6.47%*	*24.29%*	*24.37%*	*6.20%*
30 to <100	*5,605*	*1,144*	*20.41%*	*43.07%*	*40.01%*	*22.47%*
100 (Default)	22,850	0	0.00%	100.00%	100.00%	0.00%
Retail of which SME						
0.00 to <0.15	10,914	38	0.35%	0.10%	0.09%	0.30%
0.00 to <0.10	*6,739*	*15*	*0.22%*	*0.07%*	*0.08%*	*0.23%*
0.10 to <0.15	*4,175*	*23*	*0.55%*	*0.10%*	*0.12%*	*0.41%*
0.15 to <0.25	22,112	74	0.33%	0.18%	0.23%	0.27%
0.25 to <0.50	8,046	68	0.85%	0.33%	0.43%	0.64%
0.50 to <0.75	6,043	59	0.98%	0.65%	0.62%	0.93%
0.75 to <2.5	19,304	337	1.75%	1.67%	1.68%	1.79%
0.75 to <1.75	*12,065*	*184*	*1.53%*	*1.23%*	*1.23%*	*1.61%*
1.75 to <2.5	*7,239*	*153*	*2.11%*	*2.09%*	*2.07%*	*2.05%*
2.5 to <10	31,418	1,005	3.20%	4.70%	4.42%	3.73%
2.5 to <5	*20,522*	*458*	*2.23%*	*3.59%*	*3.32%*	*2.78%*
5 to <10	*10,896*	*547*	*5.02%*	*7.20%*	*6.90%*	*5.16%*
10 to <100	5,821	1,060	18.21%	19.38%	17.67%	17.25%
10 to <20	*2,389*	*252*	*10.55%*	*13.26%*	*13.52%*	*12.28%*
20 to <30	*1,351*	*242*	*17.91%*	*23.41%*	*21.65%*	*16.78%*
30 to <100	*2,081*	*566*	*27.20%*	*39.50%*	*35.09%*	*22.12%*
100 (Default)	12,896	-	0.00%	100.00%	100.00%	0.00%
Retail of which other						
0.00 to <0.15	140	-	0.00%	0.10%	0.10%	0.00%
0.00 to <0.10	*47*	*-*	*0.00%*	*0.07%*	*0.06%*	*0.00%*
0.10 to <0.15	*93*	*-*	*0.00%*	*0.12%*	*0.12%*	*0.00%*
0.15 to <0.25	123	-	0.00%	0.19%	0.19%	0.31%
0.25 to <0.50	494	2	0.40%	0.40%	0.38%	0.37%
0.50 to <0.75	895	1	0.11%	0.63%	0.63%	0.34%
0.75 to <2.5	22,226	117	0.53%	1.66%	1.65%	0.53%
0.75 to <1.75	*10,696*	*62*	*0.58%*	*1.26%*	*1.25%*	*0.48%*
1.75 to <2.5	*11,530*	*55*	*0.48%*	*2.15%*	*2.15%*	*0.58%*
2.5 to <10	54,951	618	1.12%	4.18%	4.17%	1.23%
2.5 to <5	*42,106*	*312*	*0.74%*	*3.53%*	*3.53%*	*0.89%*
5 to <10	*12,845*	*306*	*2.38%*	*5.99%*	*5.97%*	*2.44%*
10 to <100	2,552	456	17.87%	22.31%	20.60%	20.97%
10 to <20	*1,639*	*106*	*6.47%*	*13.61%*	*13.66%*	*7.51%*
20 to <30	*274*	*55*	*20.07%*	*25.26%*	*24.68%*	*19.70%*
30 to <100	*639*	*295*	*46.17%*	*38.98%*	*38.97%*	*43.02%*
100 (Default)	5,217	-	0.00%	100.00%	100.00%	0.00%

Table 4.11 presents the credit quality of the performing and non-performing exposures by portfolio and exposure class showing the impairment stage. The Group's non performing loans (NPL) are 5.31% at December 2021 (5.54% December 2020).

Table 4.11 - EU CR1 - Performing and non-performing exposures and related provisions

	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					
		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*		On performing exposures	On non-performing exposures
Dec-21	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**
Cash balances at central banks and other demand deposits[1]	**31,119**	*31,118*	*1*	**-**	-	-	**(11)**	*(11)*	-	**-**	-	-	**-**	-	-
Loans and advances	**77,002**	*64,023*	*12,416*	**4,317**	*21*	*4,184*	**(587)**	*(171)*	*(415)*	**(1,372)**	*(1)*	*(1,347)*	**(355)**	*54,958*	*2,097*
Central banks	1,263	*1,263*	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	82	*78*	*3*	-	-	-	(1)	-	-	-	-	-	-	*4*	-
Credit institutions	1,257	*1,257*	-	-	-	-	(1)	*(1)*	-	-	-	-	-	-	-
Other financial corporations	1,302	*985*	*155*	4	-	*4*	(8)	*(2)*	*(6)*	(1)	-	*(1)*	-	*956*	-
Non-financial corporations	26,159	*16,785*	*9,170*	2,278	*8*	*2,190*	(385)	*(74)*	*(310)*	(845)	*(1)*	*(820)*	(334)	*10,153*	*677*
of which;															
SME	15,090	8,310	6,781	1,784	1	1,719	(281)	*(51)*	*(229)*	(668)	-	*(646)*	*(257)*	8,892	653
Households	46,939	43,655	3,088	2,035	13	1,990	(192)	*(94)*	*(99)*	(526)	-	*(526)*	(21)	43,845	1,420
Debt securities	**15,636**	*15,588*	*3*	**-**	-	-	**(3)**	*(3)*	-	**-**	-	-	**-**	-	-
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	10,841	*10,841*	-	-	-	-	(2)	*(2)*	-	-	-	-	-	-	-
Credit institutions	4,709	*4,709*	-	-	-	-	(1)	*(1)*	-	-	-	-	-	-	-
Other financial corporations	62	*38*	*3*	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	24	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance-sheet exposures	**16,017**	*14,501*	*1,445*	**144**	*4*	*140*	**(42)**	*(20)*	*(22)*	**(6)**	-	*(6)*		*97*	-
Central banks	-	-	-	-	-	-	-	-	-	-	-	-		-	-
General governments	118	*118*	-	-	-	-	-	-	-	-	-	-		-	-
Credit institutions	241	*212*	-	-	-	-	-	-	-	-	-	-		*97*	-
Other financial corporations	771	*605*	*166*	-	-	-	(3)	-	*(2)*	-	-	-		-	-
Non-financial corporations	10,455	*9,219*	*1,195*	108	*4*	*104*	(35)	*(17)*	*(18)*	(6)	-	*(6)*		-	-
Households	4,432	*4,347*	*84*	36	-	*36*	(4)	*(3)*	*(2)*	-	-	-		-	-
Total	**139,774**	*125,230*	*13,865*	**4,461**	*25*	*4,324*	**(643)**	*(205)*	*(437)*	**(1,378)**	*(1)*	*(1,353)*	**(355)**	*55,055*	*2,097*

	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to						Accumulated partial write-off	Collateral and financial	
	Performing exposures			Non-performing exposures			Performing exposures –			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*		On performing exposures	On non-performing exposures
Dec-20	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
Cash balances at central banks and other demand deposits	10,577	10,577	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	76,944	*60,672*	*15,754*	4,511	*30*	*4,475*	(898)	*(347)*	*(551)*	(1,345)	*(2)*	*(1,343)*	(328)	*54,223*	*2,428*
Central banks	1,288	*1,288*	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	96	*88*	*8*	2	*2*	-	(1)	*(1)*	-	-	-	-	-	-	-
Credit institutions	1,008	*1,008*	-	-	-	-	(1)	*(1)*	-	-	-	-	-	-	-
Other financial corporations	975	*743*	*70*	5	-	*5*	(9)	*(5)*	*(4)*	(1)	-	*(1)*	-	*50*	*2*
Non-financial corporations	25,481	*12,449*	*12,908*	2,041	*14*	*2,027*	(616)	*(134)*	*(482)*	(848)	*(2)*	*(846)*	(308)	*9,270*	*576*
of which;															
SME	*15,159*	*7,303*	*7,855*	*1,534*	*14*	*1,520*	*(398)*	*(103)*	*(295)*	*(568)*	*(1)*	*(567)*	*(245)*	*8,557*	*493*
Households	48,096	*45,096*	*2,768*	2,463	*14*	*2,443*	(271)	*(206)*	*(65)*	(496)	-	*(496)*	(20)	*44,903*	*1,850*
Debt securities	17,399	*17,346*	*10*	-	-	-	(8)	*(6)*	*(2)*	-	-	-	-	-	-
Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General governments	12,362	*12,362*	-	-	-	-	(2)	*(2)*	-	-	-	-	-	-	-
Credit institutions	4,958	*4,958*	-	-	-	-	(4)	*(4)*	-	-	-	-	-	-	-
Other financial corporations	58	*26*	*10*	-	-	-	(2)	-	*(2)*	-	-	-	-	-	-
Non-financial corporations	21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance-sheet exposures	15,957	*13,068*	*2,805*	113	*2*	*111*	(97)	*(35)*	*(62)*	(2)	-	*(2)*		*66*	-
Central banks	-	-	-	-	-	-	-	-	-	-	-	-		-	-
General governments	146	*110*	*36*	-	-	-	(1)	-	*(1)*	-	-	-		-	-
Credit institutions	238	*215*	-	-	-	-	-	-	-	-	-	-		*66*	-
Other financial corporations	695	*669*	*26*	-	-	-	(1)	*(1)*	-	-	-	-		-	-
Non-financial corporations	10,179	*7,408*	*2,710*	73	*2*	*71*	(89)	*(30)*	*(59)*	(1)	-	*(1)*		-	-
Households	4,699	*4,666*	*33*	40	-	*40*	(5)	*(4)*	*(1)*	(1)	-	*(1)*		-	-
Total	120,877	*101,663*	*18,569*	4,624	*32*	*4,586*	(1,003)	*(388)*	*(615)*	(1,347)	*(2)*	*(1,345)*	(328)	*54,289*	*2,428*

1 The increase in the balance reflects the impact of the placing of TLTRO funding with the Central Bank of Ireland (CBI).

The maturity analysis in Table 4.12 below discloses the Group's credit quality of the performing and non-performing exposures split by the residual contractual maturity band of the portfolio. Net value represents the gross carry amount of exposures less provisions.

Table 4.12 - EU CR1-A: Maturity of exposures

Dec-21

Net exposure value	On demand	<=1 year	>1 year <= 5 years	>5 years	No stated maturity	**Total**
Loans and advances	1,706	14,826	31,939	30,725	164	**79,360**
Debt securities	-	1,535	7,771	6,327	-	**15,633**
Total	**1,706**	**16,361**	**39,710**	**37,052**	**164**	**94,993**

Table 4.13 presents the credit quality of the performing and non-performing exposures by past due days that are classified according to Annex V to Regulation (EU) No 2021/451. The gross non-performing loans and advances (NPL) ratio at 31 December 2020 is 5.5% (31

Table 4.13 - EU CQ3 - Credit quality of performing and non-performing exposures by past due days

	Gross carrying amount/nominal amount											
	Performing exposures			**Non-performing exposures**								
		Not past due or past due ≤ 30 days	*Past due > 30 days ≤ 90 days*		*Unlikely to pay that are not past due or are past due ≤ 90*	*Past due > 90 days ≤ 180 days*	*Past due > 180 days ≤ 1 year*	*Past due > 1 year ≤ 2 years*	*Past due > 2 years ≤ 5 years*	*Past due > 5 years ≤ 7 years*	*Past due > 7 years*	*Of which defaulted*
Dec-21	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**
Cash balances at central banks and other demand deposits	**31,119**	*31,119*	-	-	-	-	-	-	-	-	-	-
Loans and advances	**77,001**	*76,745*	*256*	**4,317**	*2,171*	*227*	*310*	*496*	*585*	*152*	*376*	*4,295*
Central banks	1,263	*1,263*	-	-	-	-	-	-	-	-	-	-
General governments	81	*81*	-	-	-	-	-	-	-	-	-	-
Credit institutions	1,257	*1,257*	-	-	-	-	-	-	-	-	-	-
Other financial corporations	1,302	*1,302*	-	4	*1*	-	*1*	*1*	*1*	-	-	*4*
Non-financial corporations	26,159	*25,951*	*208*	2,278	*1,196*	*128*	*147*	*329*	*311*	*39*	*128*	*2,269*
of which;												
SME	*15,090*	*14,929*	*162*	*1,784*	*770*	*112*	*139*	*321*	*287*	*36*	*119*	*1,783*
Households	*46,939*	*46,891*	*48*	2,035	*974*	*99*	*162*	*166*	*273*	*113*	*248*	*2,022*
Debt securities	**15,636**	*15,636*	-	**-**	-	-	-	-	-	-	-	-
Central banks	-	-	-	-	-	-	-	-	-	-	-	-
General governments	*10,841*	*10,841*	-	-	-	-	-	-	-	-	-	-
Credit institutions	*4,709*	*4,709*	-	-	-	-	-	-	-	-	-	-
Other financial corporations	*62*	*62*	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	*24*	*24*	-	-	-	-	-	-	-	-	-	-
Off-balance-sheet exposures	**16,018**			**144**								*141*
Central banks	-			-								-
General governments	*118*			-								-
Credit institutions	*241*			-								-
Other financial corporations	*772*			-								-
Non-financial corporations	*10,455*			*108*								*105*
Households	*4,432*			*36*								*36*
Total	**139,773**	*123,500*	*256*	**4,461**	*2,171*	*227*	*310*	*496*	*585*	*152*	*376*	*4,436*

	Performing exposures			Non-performing exposures								
		Not past due or past due ≤ 30 days	*Past due > 30 days ≤ 90 days*		*Unlikely to pay that are not past due or are past due ≤ 90*	*Past due > 90 days ≤ 180 days*	*Past due > 180 days ≤ 1 year*	*Past due > 1 year ≤ 2 years*	*Past due > 2 years ≤ 5 years*	*Past due > 5 years ≤ 7 years*	*Past due > 7 years*	*Of which defaulted*
Dec-20	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
Cash balances at central banks and other demand deposits												
Loans and advances	81,477	*81,042*	*435*	3,518	*1,252*	*653*	*343*	*312*	*484*	*191*	*283*	*3,139*
Central banks[1]	2,090	*2,090*	-	-	-	-	-	-	-	-	-	-
General governments	103	*103*	-	-	-	-	-	-	-	-	-	-
Credit institutions	1,688	*1,688*	-	-	-	-	-	-	-	-	-	-
Other financial corporations	1,012	*1,012*	-	6	*3*	-	-	-	*2*	-	*1*	*6*
Non-financial corporations	26,151	*26,062*	*89*	1,332	*235*	*433*	*138*	*150*	*206*	*65*	*105*	*1,224*
of which;												
SME	*15,253*	*15,167*	*86*	*998*	*192*	*233*	*103*	*139*	*182*	*59*	*90*	*918*
Households	50,433	*50,087*	*346*	2,180	*1,014*	*220*	*205*	*162*	*276*	*126*	*177*	*1,909*
Debt securities	15,589	*15,589*	-	-	-	-	-	-	-	-	-	-
Central banks	-	-	-	-	-	-	-	-	-	-	-	-
General governments	*10,785*	*10,785*	-	-	-	-	-	-	-	-	-	-
Credit institutions	*4,619*	*4,619*	-	-	-	-	-	-	-	-	-	-
Other financial corporations	*68*	*68*	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	*117*	*117*	-	-	-	-	-	-	-	-	-	-
Off-balance-sheet exposures	14,812			61								*41*
Central banks	-			-								-
General governments	*207*			-								-
Credit institutions	*198*			-								-
Other financial corporations	*567*			-								-
Non-financial corporations	*9,156*			*52*								*33*
Households	*4,684*			*9*								*8*
Total	111,878	*96,631*	*435*	3,579	*1,252*	*653*	*343*	*312*	*484*	*191*	*283*	*3,180*

1 Amount restated for "Cash Balances at Central Banks" and "Other Demand Deposits" which are no longer classified as Loans and Advances.

Table 4.14 presents the credit quality of the performing and non-performing forborne exposures by portfolio and exposure class.

Table 4.14 - EU CQ1 - Credit quality of forborne exposures

	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-21	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**
Cash balances at central banks and other demand deposits	**-**	**-**	-	-	**-**	**-**	**-**	**-**
Loans and advances	**3,284**	**2,839**	*2,834*	*2,789*	**(130)**	**(999)**	**2,814**	**1,234**
Central banks	-	-	-	-	-	-	-	-
General governments	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-
Other financial corporations	36	1	*1*	*1*	(2)	-	1	-
Non-financial corporations	2,858	1,846	*1,843*	*1,797*	(117)	(705)	1,801	582
Households	390	992	*990*	*991*	(11)	(294)	1,012	652
Debt Securities	**-**	**-**	-	-	**-**	**-**	**-**	**-**
Loan commitments given	**466**	**43**	*43*	*43*	**6**	**1**	**-**	**-**
Total	**3,749**	**2,882**	*2,877*	*2,832*	**(124)**	**(999)**	**2,814**	**1,234**

	Gross carrying amount/nominal amount of exposures with forbearance				Accumulated impairment,		Collateral received and financial guarantees	
		Non-performing forborne						
	Performing forborne		*Of which defaulted*	*Of which impaired*	On performing forborne exposures	performing forborne exposures		*financial guarantees received on non-performing exposures*
Dec-20	€m	€m	€m	€m	€m	€m	€m	€m
Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
Loans and advances	2,415	3,077	*3,066*	*3,066*	(148)	(1,008)	2,832	1,540
Central banks	-	-	-	-	-	-	-	-
General governments	-	-	-	-	-	-	-	-
Credit institutions	-	-	-	-	-	-	-	-
Other financial corporations	-	2	*2*	*2*	-	(1)	1	1
Non-financial corporations	1,927	1,685	*1,674*	*1,674*	(139)	(728)	1,331	503
Households	488	1,390	*1,390*	*1,390*	(9)	(279)	1,500	1,036
Debt Securities	-	-	-	-	-	-	-	-
Loan commitments given	251	47	*47*	*47*	(10)	-	-	-
Total	2,666	3,124	*3,113*	*3,113*	(158)	(1,008)	2,832	1,540

Table 4.15 presents an overview of the credit quality of forbearance.

Table 4.15 - EU CQ2 - Quality of forbearance

	Dec-21	Dec-20
	Gross carrying value of forborne exposures €m	Gross carrying value of forborne exposures €m
Loans and advances that have been forborne more than twice	1,395	1,764
Non-performing forborne loans and advances that failed to meet the non-performing exit criteria	1,081	1,188

Table 4.16 presents an overview of the credit quality of non-performing exposures and related accumulated impairment, provisions and valuation adjustments by geography.

Table 4.16 - EU CQ4: Quality of non-performing exposures by geography

	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				
Dec-21	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**
On-balance-sheet exposures Total	**96,954**	**4,317**	**4,295**	**96,319**	**(1,963)**		**-**
Ireland	48,637	2,383	2,371	48,248	(1,206)		-
United Kingdom	33,766	1,677	1,668	33,600	(610)		-
Other countries[1]	14,551	257	256	14,471	(147)		-
Off-balance-sheet exposures Total	**16,162**	**144**	**141**			**48**	
Ireland	10,886	108	108			28	
United Kingdom	3,541	32	28			10	
Other countries[1]	1,735	4	5			10	
Total	**113,116**	**4,461**	**4,436**	**96,319**	**(1,963)**	**48**	**-**

	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				
Dec-20	€m	€m	€m	€m	€m	€m	€m
On-balance-sheet exposures Total	109,431	4,511	4,481	108,864	(2,252)		-
Ireland	57,091	2,727	2,707	56,689	(1,318)		-
United Kingdom	37,312	1,646	1,636	37,158	(745)		-
Other countries[1]	15,028	138	138	15,017	(189)		-
Off-balance-sheet exposures Total	16,070	113	111			99	
Ireland	10,986	75	75			50	
United Kingdom	3,575	23	21			26	
Other countries[1]	1,509	15	15			23	
Total	125,501	4,624	4,592	108,864	(2,252)	99	-

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'.

Table 4.17 presents an overview of the credit quality of loans and advances to non-financial corporations and related impairments, provisions and valuation adjustments by industry.

Table 4.17 - EU CQ5: Credit quality of loans and advances to non-financial corporations by industry

	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-21	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**
Agriculture, forestry and fishing	1,716	120	119	1,716	(54)	-
Mining and quarrying	124	15	15	124	(2)	-
Manufacturing	4,380	119	119	4,257	(83)	-
Electricity, gas, steam and air conditioning supply	304	4	4	304	(4)	-
Water supply	108	-	-	108	-	-
Construction	265	50	50	265	(16)	-
Wholesale and retail trade	2,324	109	109	2,324	(76)	-
Transport and storage	910	151	151	910	(67)	-
Accommodation and food service activities	1,759	241	241	1,759	(109)	-
Information and communication	340	1	1	340	(4)	-
Financial and insurance activities	33	-	-	33	(4)	-
Real estate activities	9,121	1,078	1,071	9,121	(569)	-
Professional, scientific and technical activities	705	27	27	705	(18)	-
Administrative and support service activities	2,832	145	144	2,832	(101)	-
Public administration and defence, compulsory social security	-	-	-	-	-	-
Education	404	1	1	404	(4)	-
Human health services and social work activities	1,762	69	69	1,714	(57)	-
Arts, entertainment and recreation	492	59	59	492	(37)	-
Other services	857	89	89	824	(25)	-
Total	**28,436**	**2,278**	**2,269**	**28,232**	**(1,230)**	**-**

	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-20	€m	€m	€m	€m	€m	€m
Agriculture, forestry and fishing	1,685	133	130	1,685	(69)	-
Mining and quarrying	100	3	3	100	(3)	-
Manufacturing	4,035	81	80	3,911	(129)	-
Electricity, gas, steam and air conditioning supply	285	3	3	285	(3)	-
Water supply	151	-	-	151	(1)	-
Construction	243	21	20	243	(22)	-
Wholesale and retail trade	2,370	141	141	2,370	(131)	-
Transport and storage	995	74	74	995	(69)	-
Accommodation and food service activities	1,797	159	159	1,797	(104)	-
Information and communication	397	1	1	397	(7)	-
Financial and insurance activities	66	-	-	66	(4)	-
Real estate activities	8,807	1,112	1,106	8,807	(619)	-
Professional, scientific and technical activities	710	20	19	710	(23)	-
Administrative and support service activities	2,542	130	129	2,542	(131)	-
Public administration and defence, compulsory social security	-	-	-	-	-	-
Education	412	1	1	412	(9)	-
Human health services and social work activities	1,581	35	35	1,581	(77)	-
Arts, entertainment and recreation	529	62	62	529	(38)	-
Other services	817	64	64	817	(24)	-
Total	27,522	2,041	2,027	27,398	(1,464)	-

Table 4.18 presents the collateral valuation and other information on loans and advances.

Table 4.18 - EU CQ6: Collateral valuation - loans and advances

	Loans and advances											
		Performing		Non-performing								
					Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days						
			Of which past due > 30 days ≤ 90 days				Of which past due > 90 days ≤ 180 days	Of which: past due > 180 days ≤ 1 year	Of which: past due > 1 years ≤ 2 years	Of which: past due > 2 years ≤ 5 years	Of which: past due > 5 years ≤ 7 years	Of which: past due > 7 years
Dec-21	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**
Gross carrying amount	81,318	77,001	256	4,317	2,171	2,146	227	310	496	585	152	376
of which;												
secured	61,419	58,466	177	2,953	1,330	1,623	157	229	398	432	116	291
of which;												
secured with immovable property	52,619	49,808	163	2,811	1,276	1,535	143	188	380	421	115	288
of which;												
instruments with LTV higher than 60% and lower or equal to 80%	21,653	20,929		724	353	371						
instruments with LTV higher than 80% and lower or equal to 100%	3,295	2,954		341	98	243						
instruments with LTV higher than 100%	1,999	1,033		966	288	678						
Accumulated impairment for secured assets	(1,030)	(220)	-	(810)	(275)	(535)	(28)	(46)	(108)	(160)	(53)	(140)
Collateral												
of which;												
value capped at the value of exposure	55,438	53,364	162	2,074	1,039	1,035	119	178	261	265	63	149
of which;												
immovable property	51,335	49,308	152	2,027	1,013	1,014	116	166	257	265	63	147
value above the cap	60,053	57,962	-	2,091	1,352	739	-	-	-	-	-	-
of which;												
immovable property	60,053	57,962	-	2,091	1,352	739	-	-	-	-	-	-
Financial guarantees received	1,618	1,594	6	24	4	20	12	3	4	1	-	-
Accumulated partial write-off	(354)	-	-	(354)	(178)	(176)	(19)	(25)	(41)	(48)	(12)	(31)

	Loans and advances											
		Performing		Non-performing								
					Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days						
			Of which past due > 30 days ≤ 90 days				Of which past due > 90 days ≤ 180 days	Of which: past due > 180 days ≤ 1 year	Of which: past due > 1 years ≤ 2 years	Of which: past due > 2 years ≤ 5 years	Of which: past due > 5 years ≤ 7 years	Of which: past due > 7 years
Dec-20	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
Gross carrying amount	81,456	76,945	195	4,511	2,129	2,382	279	513	559	476	154	400
of which;												
secured	62,216	58,886	120	3,330	1,587	1,743	184	399	392	342	133	294
of which;												
secured with immovable property	54,132	50,976	93	3,156	1,513	1,644	172	365	369	321	130	287
of which;												
instruments with LTV higher than 60% and lower or equal to 80%	22,014	21,267		747	360	387						
instruments with LTV higher than 80% and lower or equal to 100%	7,548	7,013		535	339	196						
instruments with LTV higher than 100%	2,206	1,025		1,181	313	868						
Accumulated impairment for secured assets	(1,152)	(354)	(524)	(798)	(249)	(549)	(29)	(95)	(127)	(102)	(58)	(138)
Collateral												
of which;												
value capped at the value of exposure	56,334	53,915	111	2,419	1,300	1,119	148	264	256	230	73	148
of which;												
immovable property	52,997	50,623	101	2,374	1,276	1,098	144	253	252	229	73	147
value above the cap	51,793	50,022	-	1,771	1,282	489						
of which;												
immovable property	51,325	49,554	-	1,771	1,282	489						
Financial guarantees received	316	308	1	8	1	7	1	2	2	1	1	-
Accumulated partial write-off	(328)	(8)	-	(320)	(151)	(169)	(20)	(36)	(40)	(34)	(11)	(28)

Table 4.19 presents an overview of the movements (inflows and outflows) of non-performing loans and advances.

Table 4.19 - EU CR2a: Changes in the stock of non-performing loans and advances and related net accumulated recoveries

	Dec-21		Dec-20	
	Gross carrying amount €m	**Related net accumulated recoveries €m**	Gross carrying amount €m	Related net accumulated recoveries €m
Initial stock of non-performing loans and advances	4,511		3,518	
Inflows to non-performing portfolios	1,584		1,974	
Outflows from non-performing portfolios	(1,778)		(981)	
Outflow to performing portfolio	(474)		(289)	
Outflow due to loan repayment, partial or total	(819)		(449)	
Outflow due to collateral liquidations	(13)	12	(12)	11
Outflow due to taking possession of collateral	-	-	-	-
Outflow due to sale of instruments	(345)	-	-	-
Outflow due to risk transfers	-	-	-	-
Outflows due to write-offs	(77)		(173)	
Outflow due to other situations	(49)		(58)	
Outflow due to reclassification as held for sale	-		-	
Final stock of non-performing loans and advances	**4,317**		4,511	

Table 4.20 shows the volume of unsecured and secured exposures. 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 4.20 (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.

Table 4.20 - 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*
Dec-21	**€m**	**€m**	*€m*	*€m*	*€m*
Loans and advances	55,381	57,056	*55,438*	*1,618*	*928*
Debt securities	15,636	-	-	-	-
Total exposures	**71,017**	**57,056**	*55,438*	*1,618*	*928*
Of which;					
non-performing exposures	2,219	2,098	*2,074*	*24*	-
defaulted	2,197	*2,098*	*2,074*	*24*	-

Table 4.21 presents an overview of the credit quality of loans and advances subject to moratoria on loan repayments applied in the light of the COVID-19 crisis. At 31 December 2021, all payment breaks had expired with over 95% of customers moved back to previous repayment terms.

Table 4.21 - Information on loans and advances subject to legislative and non-legislative moratoria

	Gross carrying amount							**Accumulated impairment, accumulated negative changes in fair value due to credit risk**							**Gross carrying amount**
		Performing			**Non performing**				**Performing**			**Non performing**			
			Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days			Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days	**Inflows to non-performing exposures**
Dec-21	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**	**€m**
Loans and advances subject to moratorium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which:															
Households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which:															
Collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which:															
Small and Medium-sized Enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Gross carrying amount							Accumulated impairment, accumulated negative changes in fair value due to credit risk							Gross carrying amount
		Performing			Non performing				Performing			Non performing			
			Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days			Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days	Inflows to non-performing exposures
Dec-20 [1]	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
Loans and advances subject to moratorium	1,218	1,159	28	829	59	14	43	(27)	(23)	(3)	(20)	(4)	(1)	(2)	32
of which:															
Households	381	324	10	36	57	14	42	(7)	(3)	-	(1)	(4)	(1)	(2)	32
of which:															
Collateralised by residential immovable property	348	292	10	33	56	13	42	(4)	(1)	-	-	(3)	(1)	(2)	31
Non-financial corporations	820	818	18	793	2	1	1	(20)	(19)	(2)	(19)	(1)	-	-	-
of which:															
Small and Medium-sized Enterprises	436	434	18	420	2	1	1	(12)	(11)	(2)	(11)	(1)	-	-	-
Collateralised by commercial immovable property	404	403	3	400	1	-	-	(8)	(8)	-	(8)	-	-	-	-

1 December 2020 restated to reflect minor updates to the COVID-19 regulatory return submitted subsequent to the publication of the 2020 Pillar 3 Disclosures.

Table 4.22 presents an overview of the volume of loans and advances subject to legislative and non-legislative moratoria by residual maturity of these moratoria.

Table 4.22 - Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria

	Number of obligors	Gross carrying amount							
			Of which: legislative moratoria	Of which: expired	Residual maturity of moratoria				
					= 3 month	> 3 months <= 6 months	> 6 months <= 9 months	> 9 months <= 12 months	> 1 year
Dec-21		€m	€m	€m	€m	€m	€m	€m	€m
Loans and advances for which moratorium was offered	79,443	8,789							
Loans and advances subject to moratorium (granted)	79,329	8,789	-	8,789	-	-	-	-	-
of which;									
Households		5,769	-	5,769	-	-	-	-	-
of which;									
Collateralised by residential immovable property		5,415	-	5,415	-	-	-	-	-
Non-financial corporations		2,954	-	2,954	-	-	-	-	-
of which;									
Small and Medium-sized Enterprises		2,522	-	2,522	-	-	-	-	-
Collateralised by commercial immovable property		1,473	-	1,473	-	-	-	-	-

	Number of obligors	Gross carrying amount							
			Of which: legislative moratoria	Of which: expired	Residual maturity of moratoria				
					= 3 month	> 3 months <= 6 months	> 6 months <= 9 months	> 9 months <= 12 months	> 1 year
Dec-20 [1]		€m	€m	€m	€m	€m	€m	€m	€m
Loans and advances for which moratorium was offered	100,044	10,914							
Loans and advances subject to moratorium (granted)	99,354	10,914	790	9,696	914	116	162	9	17
of which;									
Households		6,773	40	6,391	381	-	-	-	-
of which;									
Collateralised by residential immovable property		6,259	40	5,911	347	-	-	-	-
Non-financial corporations		4,062	733	3,243	518	114	162	9	17
of which;									
Small and Medium-sized Enterprises		3,238	361	2,802	308	26	101	-	-
Collateralised by commercial immovable property		1,974	365	1,569	222	81	101	-	-

1 December 2020 restated to reflect minor updates to the COVID-19 regulatory return submitted subsequent to the publication of the 2020 Pillar 3 Disclosures.

Table 4.23 presents an overview of the stock of newly originated loans and advances subject to public guarantee schemes introduced in response to COVID-19 crisis.

Table 4.23 - Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis

	Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
		of which: forborne	Public guarantees received	Inflows to non-performing exposures
Dec-21	€m	€m	€m	€m
Newly originated loans and advances subject to public guarantee schemes	271	6	217	3
of which:				
Households	-			-
of which;				
Collateralised by residential immovable property	-			-
Non-financial corporations	271	6	217	3
of which;				
Small and Medium-sized Enterprises	48			2
Collateralised by commercial immovable property	2			-

	Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
		of which: forborne	Public guarantees received	Inflows to non-performing exposures
Dec-20	€m	€m	€m	€m
Newly originated loans and advances subject to public guarantee schemes	36	1	29	1
of which:				
Households	-			-
of which;				
Collateralised by residential immovable property	-			-
Non-financial corporations	36	1	28	1
of which;				
Small and Medium-sized Enterprises	4			1
Collateralised by commercial immovable property	1			-

Limits, policies and collateral

Limits

Counterparty credit limits are based primarily on the counterparty credit rating but also take into account historic limit usage and requirements from the business. The capital calculation uses PDs assigned to counterparties based on their ratings and the PDs are then used to calculate RWA and EL.

Policies

Policies are in place for securing collateral and establishing credit reserves. Legal agreements giving effect to netting International Swaps and Derivatives Association (ISDA) and / or collateral arrangements (Global Master Repurchase Agreement (GMRA), Credit Support Annex (CSA) and Cleared Derivatives Execution Agreements (CDEAs)) are negotiated and put in place with interbank and other counterparties. In relation to CSA's BOI calculate variation and initial margin on a daily basis. Variation margins are agreed with the counterparty daily and settled as cash. Initial Margin on the cleared derivative portfolio is settled as bonds pledged. The calculation of initial margin on the bi- lateral portfolio came into scope in 2020. To date no bonds pledged have been required on the bi lateral portfolio, as thresholds have not been reached.

Wrong-way risk

The Group recognises the potential for 'wrong-way' exposure in derivatives rewriting risk. This occurs where the potential market-driven exposure on the contract is likely to be positively correlated with the counterparty because both are linked to a common factor such as a commodity price or an exchange rate. The Group allows for the potential impact of wrong-way exposure qualitatively in assessing individual credits.

Collateral

As at 31 December 2020, a two-notch downgrade of the Group by either S&P or Moody's on the Group's CSAs covering its interbank derivative positions will have little impact. Legally the Group is not required to post additional collateral in respect of its existing trades. Under EMIR requirements, threshold amounts can no longer be included in CSAs for over-the- counter (OTC) derivative transactions entered into on or after 1 March 2017.

European Markets Infrastructure Regulation (EMIR)

EMIR includes the obligation to centrally clear certain classes of OTC derivative contracts through Central Counterparty Clearing (CCPs). The CCP is a regulated financial institution that takes on counterparty credit risk between financial parties. The Group began clearing OTC interest rate swaps and Index referenced CDS (Credit Default Swaps) in 2016 to meet this obligation.

Exposure value measure

The Group determines exposure values for counterparty credit risk using the Standardised Approach (SA-CCR). This covers derivative exposures. 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.

The tables below reflect a comprehensive view of the methods used to calculate the Group's counterparty credit risk (ccr) exposures.

Table 5.1 - EU CCR1 - Analysis of CCR exposure by approach

Dec-21		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 €m
EU1	EU - Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU2	EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1	SA-CCR (for derivatives)	599	491		1.4	1,525	1,525	1,514	841
2	IMM (for derivatives and SFTs)			-	1.4	-	-	-	-
	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)					10,589	1,395	1,395	-
5	VaR for SFTs					-	-	-	-
6	**Total**					**12,114**	**2,920**	**2,909**	**841**

Table 5.2 outlines the Standardised CCR exposures by exposure classes and prescribed risk weight.

Table 5.2 - EU CCR3 - Standardised approach – CCR exposures by regulatory exposure class and risk weights

Dec-21	**Risk Weight**												*of which*
EAD (€m)	**0%**	**2%**	**4%**	**10%**	**20%**	**50%**	**70%**	**75%**	**100%**	**150%**	**Others**	**Total**	***unrated***
Central governments or central banks	525	-	-	-	-	-	-	-	-	-	-	525	*525*
Regional governments or local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-
Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-
Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	-	-	-	-	58	-	-	58	*58*
Retail	-	-	-	-	-	-	-	-	-	-	-	-	-
Secured by mortgages on immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-
Exposures in default	-	-	-	-	-	-	-	-	-	-	-	-	-
Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	-	-	-
Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-
Collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity exposures	-	-	-	-	-	-	-	-	-	-	-	-	-
Other items	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**525**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**58**	**-**	**-**	**583**	***583***

Table 5.3 outlines the F-IRB CCR exposures by exposure classes and PD scale. This table excludes central clearing counterparties (CCP) exposures that are at prescribed risk weights. The Group have no Advanced IRB CCR exposures.

Tale 5.3 - EU CCR4 - IRB approach - Credit risk exposures by exposure class and PD scale

Dec-21 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							
0.00 to 0.15	498	0.08%	67	45.00%	2.5	174	35.03%
0.15 to <0.25	41	0.17%	39	45.00%	2.5	21	50.69%
0.25 to <0.50	189	0.32%	38	45.00%	2.5	135	71.41%
0.50 to <0.75	107	0.60%	38	45.00%	2.5	94	87.84%
0.75 to <2.50	181	1.47%	79	45.00%	2.5	197	108.64%
2.50 to <10.00	101	3.34%	47	45.00%	2.5	150	148.93%
10.00 to <100.00	2	15.56%	7	45.00%	2.5	4	187.30%
100.00 (Default)	17	100.00%	6	45.00%	2.5	-	-
Total foundation IRB	**1,136**	**2.22%**	**321**	**45.00%**	**2.5**	**775**	**68.21%**
Institutions							
0.00 to 0.15	466	0.08%	34	45.00%	2.5	165	35.35%
0.15 to <0.25	6	0.17%	1	45.00%	2.5	4	57.07%
0.25 to <0.50	29	0.14%	2	45.00%	2.5	13	45.85%
0.50 to <0.75	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-
100.00 (Default)	-	-	-	-	-	-	-
Total institutions	**501**	**0.08%**	**37**	**45.00%**	**2.5**	**182**	**36.22%**
Corporates of which SME							
0.00 to 0.15	1	0.07%	11	45.00%	2.5	0	20.52%
0.15 to <0.25	7	0.17%	15	45.00%	2.5	2	34.13%
0.25 to <0.50	7	0.35%	9	45.00%	2.5	4	55.45%
0.50 to <0.75	2	0.60%	14	45.00%	2.5	1	57.09%
0.75 to <2.50	13	1.48%	54	45.00%	2.5	11	79.75%
2.50 to <10.00	7	3.41%	22	45.00%	2.5	7	98.75%
10.00 to <100.00	1	20.65%	5	45.00%	2.5	2	170.21%
100.00 (Default)	3	100.00%	3	45.00%	2.5	-	-
Total Corporates of which SME	**41**	**8.16%**	**133**	**45.00%**	**2.5**	**27**	**66.26%**
Corporates of which specialised lending							
0.00 to 0.15	-	-	-	-	-	-	-
0.15 to <0.25	5	0.17%	2	45.00%	2.5	2	42.55%
0.25 to <0.50	37	0.35%	3	45.00%	2.5	23	62.29%
0.50 to <0.75	63	0.60%	8	45.00%	2.5	51	79.98%
0.75 to <2.50	162	1.46%	14	45.00%	2.5	179	110.45%
2.50 to <10.00	31	2.70%	2	45.00%	2.5	41	132.24%
10.00 to <100.00	1	10.00%	1	45.00%	2.5	2	204.67%
100.00 (Default)	14	100.00%	1	45.00%	2.5	-	-
Total corporates of which specialised lending	**313**	**5.79%**	**31**	**45.00%**	**2.5**	**298**	**94.98%**
Corporates of which other							
0.00 to 0.15	31	0.06%	22	45.00%	2.5	10	30.51%
0.15 to <0.25	23	0.17%	21	45.00%	2.5	13	55.84%
0.25 to <0.50	117	0.35%	24	45.00%	2.5	95	81.57%
0.50 to <0.75	41	0.60%	16	45.00%	2.5	42	101.65%
0.75 to <2.50	6	1.77%	11	45.00%	2.5	7	124.65%
2.50 to <10.00	62	3.65%	23	45.00%	2.5	102	163.11%
10.00 to <100.00	-	0	1	0	3.0	-	3
100.00 (Default)	-	100.00%	2	45.00%	3.0	-	-
Total corporates of which other	**280**	**1.21%**	**120**	**45.00%**	**2.5**	**269**	**95.78%**

Table 5.4 - EU CCR2 - Transactions subject to own funds requirements for CVA risk

Dec-21	**Exposure value €m**	**RWA €m**
Total portfolios subject to the advanced method	-	-
(i) VaR component (including the 3x multiplier)		-
(ii) SVaR component (including the 3x multiplier)		-
All portfolios subject to the standardised method	530	189
Based on the original exposure method	-	-
Total subject to the CVA capital charge	**530**	**189**

Dec-20	Exposure value €m	RWA €m
Total portfolios subject to the advanced method	-	-
(i) VaR component (including the 3x multiplier)		-
(ii) SVaR component (including the 3x multiplier)		-
All portfolios subject to the standardised method	476	136
Based on the original exposure method	-	-
Total subject to the CVA capital charge	476	136

Table 5.5 provides a breakdown of all types of collateral posted or received to support or reduce the CCR exposures related to derivative transactions or to SFTs

Table 5.5 - EU CCR5 - Composition of collateral for CCR exposures

		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-21	Segregated €m	Unsegregated €m	Segregated €m	Unsegregated €m	Segregated €m	Unsegregated €m	Segregated €m	Unsegregated €m
1	Cash – domestic currency	-	50	-	610	-	-	-	-
2	Cash – other currencies	-	37	-	284	-	-	-	-
3	Domestic sovereign debt	-	-	-	-	-	-	-	-
4	Other sovereign debt	-	-	-	185	-	-	-	-
5	Government agency debt	-	-	-	-	-	-	-	9,900
6	Corporate bonds	-	-	-	-	-	61	-	-
7	Equity securities	-	-	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	-	-	-
9	**Total**	-	87	-	1,079	-	61	-	9,900

Table 5.6 shows the exposures to credit derivative transactions broken down by bought or sold.

Table 5.6 - EU CCR6 - Credit derivative exposures

		Credit derivative hedges	
	Dec-21	**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)*	-	-

Table 5.7 represents the Group's exposures to central counterparties (CCPs).

Table 5.7 - CCR8 - Exposures to CCPs

Dec-21		Exposure Value €m	RWEA €m
1	**Exposure to QCCPs (total)**		**10**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions) of which;	142	3
3	*(i) OTC derivatives*	*142*	*3*
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	185	4
9	Prefunded default fund contributions	4	4
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	-	-

Description of securitisation and re-securitisation activities:

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 Annex.

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 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.

The type of risk activities:

For synthetic securitisations, the Group always retains the senior securitisation positions. With the exception of one recent synthetic transaction, the Group also retains the first loss securitisation positions.

For traditional securitisations, the Group retains 5% of each of the issued notes or as single vertical risk retention tranche.

For purchased securitisations, the Group has invested in [I] securitisations positions.

None of the Group's originated or purchased securitisation positions qualify for STS.

Calculation of risk weighted exposure amounts:

At 31 December 2021, the Group’s securitisation positions were risk weighted in accordance to the hierarchy of approaches set out in Article 254 of the CRR. 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 to Article 245 (2) of the CRR.

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.

Listing of SSPEs:

(i) SSPEs which acquire exposures originated by the institutions; Mulcair Securities DAC; Mulcair Securities No.2 DAC;Bowbell No.2 plc
(ii) SSPEs sponsored by the institutions; n/a
(iii) SSPEs and other legal entities for which the institutions provide securitisation-related services, such as advisory, asset servicing or management services Mulcair Securities DAC; Mulcair Securities No.2 DAC; Bowbell No.2 plc
(iv) SSPEs included in the institutions' regulatory scope of consolidation; Bowbell No.2 plc; Mespil Securities DAC; Vale Securities Finance DAC; Glen Securities Finance DAC; Mespil Securities No.2 DAC

Accounting policies for securitisation activity:

Securitisations generally require Group companies to enter into transactions with a Structured Entity (SE). From an accounting perspective, the treatment of SEs is assessed in accordance with IFRS 10 which establishes the principles for when the Group is deemed to control another entity and therefore required to consolidate it through the Group’s financial statements.

An SE is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. The Group assesses whether it has power over the relevant activities in assessing control over such an entity by considering factors such as who manages the assets of these entities and whether the Group has lending to, or a residual interest in such entities.

Where the Group acts as originator in a securitisation, all financial assets continue to be held on the Group balance sheet, and a liability is recognised for the proceeds of the funding transaction, unless:
• the contractual rights to the cash flows have expired; or
• the financial assets have been transferred and the Group has transferred the contractual right to receive the cash flows of the financial asset or assumes a contractual obligation to pay the cash flows of the financial asset only where it collects equivalent amounts from the original asset, such amount are remitted without material delay and the Group is prohibited from selling or pledging the original asset other than as security.

Where any of the above conditions apply to a fully proportionate share of all or specifically identified cash flows, the relevant accounting treatment is applied to that proportion of the asset.

Use of External Credit Assessment Institutions (ECAIs):

For the purpose of the RWA calculation, ECAIs are used for the Group’s purchased securitisation positions. The following ECAIs are used: Fitch Ratings, Moody’s Investors Service and Standard & Poor’s. These are used for all exposure types, though the securitisations may not have been rated by all three agencies.

The Group’s purchased positions are classified as either other financial assets at fair value through profit or loss or loans and receivables from an accounting perspective.

There is no change to the accounting treatment of assets securitised in originated securitisations or purchased securitisations from the previous reporting period.

Total outstanding amount of exposures securitised

Table 6.1 below shows the total securitisation exposures by the Group in the non-trading book.

Table 6.1 - EU-SEC1 - Securitisation exposures in the non-trading book

		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-21		*of which SRT*		*of which SRT*		*of which SRT*	Sub-total				Sub-total				Sub-total
1	**Total exposures**	**-**	**-**	**30**	**30**	**4,812**	**4,812**	**4,842**	**-**	**-**	**-**	**-**	**-**	**55**	**-**	**55**
2	Retail (total)	-	-	30	30	1,064	1,064	1,094	-	-	-	-	-	30	-	30
	of which:	-	-	-	-	-	-	-	-	-	-	-	-	22	-	22
3	residential mortgage	-	-	30	30	1,064	1,064	1,094	-	-	-	-	-	-	-	-
4	credit card	-	-	-	-	-	-	-	-	-	-	-	-	8	-	8
5	other retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	26	-	26
7	Wholesale (total)	-	-	-	-	3,748	3,748	3,748	-	-	-	-	-	-	-	-
	of which:	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**25**	**-**	**25**
8	loans to corporates	-	-	-	-	3,748	3,748	3,748	-	-	-	-	-	-	-	-
9	commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 6.2 presents the securitisation exposures in the non-trading book and associated regulatory capital requirements where the Group acted as an originator.

Table 6.2 - EU-SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor

		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
Dec-21		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions[1]	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
1	**Total exposures**	**1,064**	**3,748**	**-**	**21**	**9**	**4,833**	**-**	**-**	**9**	**1,142**	**-**	**-**	**-**	**91**	**-**	**-**	**21**
2	Traditional securitisation	-	-	-	21	9	21	-	-	9	23	-	-	-	2	-	-	21
3	Securitisation	-	-	-	21	9	21	-	-	9	23	-	-	-	2	-	-	21
4	Retail underlying	-	-	-	21	9	21	-	-	9	23	-	-	-	2	-	-	21
5	of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Synthetic securitisation	1,064	3,748	-	-	-	4,812	-	-	-	1,119	-	-	-	89	-	-	-
10	Securitisation	1,064	3,748	-	-	-	4,812	-	-	-	1,119	-	-	-	89	-	-	-
11	Retail underlying	1,064	3,748	-	-	-	4,812	-	-	-	1,119	-	-	-	89	-	-	-
12	Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1 RWEA excludes positions deducted from capital as these are shown in "Capital Charge after cap" instead

Table 6.3 presents the securitisation exposures in the non-trading book and associated regulatory capital requirements where the Group acted as an investor.

Table 6.3 - EU-SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor

		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
Dec-21		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
1	**Total exposures**	**-**	**4**	**18**	**33**	**-**	**-**	**55**	**-**	**-**	**-**	**86**	**-**	**-**	**-**	**7**	**-**	**-**
2	Traditional securitisation	-	4	18	33	-	-	55	-	-	-	86	-	-	-	7	-	-
3	Securitisation	-	4	18	33	-	-	55	-	-	-	86	-	-	-	7	-	-
4	Retail underlying	-	3	18	9	-	-	30	-	-	-	39	-	-	-	3	-	-
5	of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Wholesale	-	1	-	24	-	-	25	-	-	-	47	-	-	-	4	-	-
7	of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Synthetic securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 6.4 – EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

		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-21		**€m**	**€m**	**€m**
1	**Total exposures**	**7,492**	**581**	**43**
2	Retail (total)	3,085	560	11
3	residential mortgages 1	3,085	560	11
4	credit card	-	-	-
5	other retail exposures	-	-	-
6	re-securitisation	-	-	-
7	Wholesale (total)	4,407	21	32
8	loans to corporates	4,407	21	32
9	commercial mortgages	-	-	-
10	lease and receivables	-	-	-
11	other wholesale	-	-	-
12	re-securitisation	-	-	-

1 Includes €1,174m of securitisation where significant risk transfer is not recognised.

Definition and background (audited)

Market risk is the risk of loss arising from movements in interest rates, FX rates or other market prices. Market risk arises from the structure of the balance sheet, the Group’s business mix and discretionary risk-taking. The Group recognises that the effective management of market risk is essential to the maintenance of stable earnings, the preservation of shareholder value and the achievement of the Group's strategic objectives.

Risk management, measurement and reporting (audited)

The management of market risk in the Group is governed by the Group’s Risk Appetite Statement and by the Group Policy on Market Risk, both of which are approved by the Board. These are supplemented by a range of ALCO approved limits and controls. The Group has an established governance structure for market risk that involves the Board, its risk committees (BRC and ERC), and ALCO, which has primary responsibility for the oversight of market risk in the Group.

The Board monitors adherence to market risk appetite through the monthly Board Risk Report.

Group Market & Liquidity Risk (GM&LR) provides second line oversight of the Group’s exposure to market risk, ensuring that the Group correctly identifies and assesses the market risks to which it is exposed. GM&LR is a part of the Group Risk Function reporting to the Group CRO.

It is Group policy to minimise exposure to market risk, subject to defined limits for discretionary risk. Nonetheless, certain structural market risks remain and, in some cases, are difficult to eliminate fully. In addition, the Group bears economic exposure to adverse movements in the credit spreads of bonds held as liquid assets, or held as matching assets in the New Ireland life assurance business (NIAC). The latter is the predominant economic exposure arising on the NIAC fixed interest portfolio.

Market risks that arise are transferred to and managed by Bank of Ireland Global Markets (BoIGM), the treasury execution arm of the Group. These market risks are hedged by BoIGM as a matter of course with the external market or, in the case of a small quantum of the risks concerned, are run as short-term discretionary risk positions subject to policy and limits. Discretionary risk-taking is confined to interest rate risk (including inflation exposure), FX risk and traded credit risk.

Similarly, market risks in the Group’s life assurance business, NIAC, are managed within defined tolerances. However, certain residual risks are inherent in this business, notably exposure to credit spreads on assets held to match policyholder liabilities, and indirect exposure to equity markets through changes in the discounted value of fees applied to equity assets held by policyholders in insurance contracts. This is outlined in greater detail below.

Classification of market risk (unaudited)

In accordance with Group policy and aligned with regulatory requirements and guidance the Group classifies market risk as follows:

•Interest Rate Risk in the Banking Book: This is interest rate risk that arises naturally through the conduct of retail and wholesale banking business. This is broken down into re-pricing risk, yield curve risk, basis risk and optionality risk. It also includes earnings risk arising from non-interest bearing, floored or perpetually fixed assets and liabilities.

•Trading Book Risk: This consists of risk positions that are pro-actively assumed and which are booked in the Trading Book in compliance with the CRR.

•Other market-related risks to earnings and / or capital: Risks to earnings and / or capital that do not fall naturally within the regulatory-defined categories of Trading Book and IRRBB fall under this heading. For the most part, these risks reflect the application of mark-to-market accounting to particular portfolios or the impact of FX rate movements on what is a dual-currency balance sheet. The most material risks arise from the fair valuation of credit risk in securities portfolios and derivative books.

Balance sheet linkage (audited)

The principal risk factors which drive changes in earnings or value in relation to each line item are also outlined. Trading Book assets and liabilities were a small proportion of the balance sheet at 31 December 2021 and this is representative of the position throughout the year. Interest rates are the most significant risk factor.

Discretionary market risk (audited)

Discretionary risk is a risk that is carried in the expectation of gain from near-term movements in liquid financial markets. BoIGM is the sole Group business unit permitted to run discretionary market risk.

Discretionary risk can be taken by leaving naturally arising retail or wholesale generated risks unhedged for a period (discretionary IRRBB) or by taking proprietary positions in the market (Trading Book risk). In conformity with the CRR, customer derivatives are booked in the Trading Book and can be a source of trading risk if not fully closed out.

Discretionary market risk is subject to strict controls which set out the markets and instruments in which risk can be assumed, the types of positions which can be taken and the limits which must be complied with. BoIGM’s discretionary market risk is confined to interest rate risk (including inflation exposure), FX risk and credit spread exposure. A limit on discretionary risk and a high-level stop loss are set in the Risk Appetite Statement approved by the Board. The Group does not seek to generate a material proportion of its earnings through discretionary risk-taking and it has a low tolerance for earnings volatility arising from this activity which is reflected in policy, limits and other controls applied.

The Group employs a VaR approach to measure, and set limits on, discretionary market risk whether taken in the Banking Book (discretionary IRRBB) or pro-actively assumed in the Trading Book. The Group utilises a monte-carlo simulation model approach for the calculation of the interest rate risk component and a parametric VaR approach for the FX, inflation and credit risk components at a 99% (two tailed) confidence level, using a one day holding period and based on one year of historic data. The volatilities and correlations which are used to generate VaR numbers are estimated using the exponentially weighted moving average approach which gives more weight to recent data and responds quickly to changes in market volatility. VaR is backtested and reported on a daily basis with all exceptions subject to review and explanation.

For the nature of risks assumed by the Group, VaR remains a reliable basis of risk measurement, supplemented by stress testing.

The Group uses VaR to allocate capital to discretionary trading book risk in its ICAAP but uses the standardised approach (TSA) for Pillar 1 Trading Book capital.

The Group recognises that VaR is subject to certain inherent limitations and therefore VaR limits are supplemented by scenario-based stress tests. These are particularly important in periods of low market volatility when VaR numbers can understate the risks of loss from large adverse market moves. Position limits and ‘stop losses’ are also a central element of the control environment.

Total VaR is the sum of overall interest rate, FX and traded credit VaR. Overall Interest Rate VaR is a correlated measure of trading book interest rate and discretionary IRRBB.

Structural and other risks (audited)
Notwithstanding the overriding objective of running minimal levels of market risk, certain structural market risks remain and are managed centrally as part of the Group's asset and liability management process.

Structural interest rate risk (unaudited)
Structural interest rate risk is predominantly the exposure of Group earnings to interest rate changes arising from the presence of non-interest bearing or behaviourally fixed-rate assets and liabilities on the balance sheet. The principal non-interest bearing liabilities are equity and non-interest bearing current accounts. It is Group policy to invest its net non-interest bearing liabilities (or free funds) in a portfolio of swaps with an average life of 3.5 years and a maximum life of seven years. This has the effect of helping to mitigate the impact of the interest rate changes on interest income. Other structural risks arise from credit-impaired loans and floored loans and deposits.

Net interest income sensitivity analysis (unaudited)
The Group uses net interest income sensitivity analysis to measure the responsiveness of earnings to scenarios for short and long-term rates.

Basis Risk
Basis risk is the exposure of the Group's earnings to sustained changes in the differentials between the floating market related benchmark rates to which the Group's assets, liabilities and derivative hedges are linked. In the Group's case, the principal rates used for product and derivative repricing are one, three and six month Euro Inter Bank Offered Rate (EURIBOR), Sterling Overnight Index Average, EUR short-term rate, the ECB refinancing rate and the BoE base rate. In addition, the Group funds an element of its sterling balance sheet in part from euro which creates a structural exposure to the cost of this hedging.

The Group applies notional limits and stress scenario analysis to its basis positions.

Credit spread risk (unaudited)
Credit spread risk arises from the potential impact of changes to the spread between the bond yield and swap rates. Bonds purchased primarily as liquid assets and classified as fair value through other comprehensive income (FVOCI) are held at fair value on the balance sheet and as such, movements in the credit spreads can result in adverse impacts on the fair value of these holdings. At 31 December 2021, the Group held €9.5 billion in securities classified as FVOCI (2020: 10.9 billion). A 1 % increase in the average credit spread of the book in 2021 would have reduced its value by €404 million (2020: €490 million).

An analogous economic risk exists in relation to securities held by NIAC to match policyholder liabilities and to invest its capital. At 31 December 2021, NIAC's bond portfolio had a market value of €1.5 billion (2020: €1.6 billion). At 31 December 2021, a 1% widening of all credit spreads (measured as bond yields minus the corresponding swap rate) would have had an impact on earnings of €109 million negative, while a 1% tightening would have had a positive impact of €125 million (2020: €122 million negative and €143 million positive respectively).

The Group also models the spread risk for both the FVOCI and NIAC portfolios over a one-year horizon using a delta-normal VaR model and deterministic spread stress model respectively. They approximate a potential one-year loss in portfolio value due to changes in credit spreads.

Interest rate risk in New Ireland Assurance Company plc (unaudited)
In managing the interest rate risk in its business, NIAC has regard to the sensitivity of its capital position, as well as its IFRS earnings, to market movements. NIAC follows a policy of asset / liability matching to ensure that the exposure of its capital position to interest rate movements remains within tolerances, while also managing the impact on IFRS profits. At 31 December 2021, a 1% fall in swap and yield rates would have reduced its excess own funds (own funds less solvency capital requirement (SCR)) by €46 million and decreased its IFRS profit by €6 million (2020: €56 million negative and €2 million negative respectively).

Equity risk (unaudited)
NIAC's earnings are also indirectly exposed to changes in equity markets. This arises because a management fee is charged on the value of €6.9 billion of equities held for policyholders in insurance contracts in its unit-linked book. As equity markets move up and down, this gives rise to a change in current and discounted future streams of equity-related fees which is reflected in NIAC's earnings. Every 1% fall in equity markets applied to positions at 31 December 2021 would have reduced NIAC's earnings by €3 million (2020: €2 million reduction). Every 1% increase in equity markets would have had a broadly equal and opposite impact.

Structural FX (unaudited)
The Group defines structural FX risk as the exposure of its key capital ratios to changes in exchange rates. Changes in exchange rates can increase or decrease the overall euro-equivalent level of RWAs. It is Group policy to manage structural FX risk by ensuring that the currency composition of its RWAs and its structural net asset position by currency are broadly similar. This is designed to minimise the impact of exchange rate movements on the principal capital ratios.

At 31 December 2021, the estimated sensitivity of the Group's fully loaded CET1 ratio to a combined 10% movement of sterling and dollar combined against the euro was four basis points.

Use of derivatives in the management of market risk (audited)
The activities set out above involve, in many instances, transactions in a range of derivative instruments. The Group makes extensive use of derivatives to hedge its balance sheet, service its customer needs and, to a lesser extent, assume discretionary risk. The Group's participation in derivatives markets is subject to policy approved by the ALCO. The Group makes a clear distinction between derivatives which must be transacted on a perfectly hedged basis and those whose risks can be managed within broader interest rate or FX books.

Discretionary market risk can only be assumed in clearly defined categories of derivatives which are traded in well-established liquid markets, supported by industry standard conventions and documentation and valued in accordance with generally accepted methods.

The approach to hedging and managing market risk is governed by policies explicitly designed to ensure that all hedging activities are risk reducing. Interest rate risk arising on customer lending and term deposit-taking is centralised by way of internal hedging transactions with BoIGM. This exposure is, in turn, substantially eliminated by BoIGM through external hedges.

Structural risk is managed by way of selective and strategic hedging initiatives which are executed under ALCO's authority.

Policy requires that, where behavioural optionality hedging relies on assumptions about uncertain customer behaviour and where material, it is subject to limits or other controls.

The Group uses the Standardised approach for its assessment of Pillar 1 capital requirements for trading book market risk, using the prescribed regulatory calculation method. Risk weighted assets for market risk arise predominantly from interest rate risk on the trading book and foreign exchange risk.

Table 7.1 - EU MR1 - Market risk under the standardised approach

		Dec-21		Dec-20	
		Capital requirements €m	RWA €m	Capital requirements €m	RWA €m
	Outright products				
1	Interest rate risk (general and specific)	12	145	21	269
2	Equity risk (general and specific)	-	-	-	-
3	Foreign exchange risk	11	138	24	298
4	Commodity risk	-	-	-	-
	Options				
5	Simplified approach	-	-	-	-
6	Delta-plus method	-	-	-	-
7	Scenario approach	-	-	-	-
8	Securitisation (specific risk)	-	-	-	-
9	**Total**	**23**	**283**	**45**	**567**

Interest Rate Risk in the Banking Book (IRRBB)

Non-trading interest rate risk or Interest Rate Risk in the Banking Book refers to the risk to earnings and capital naturally arising through the conduct of retail and wholesale banking business as the various balance sheets components have different maturities, interest rate basis or behavioural attributes. The Group distinguishes between structural IRRBB and discretionary IRRBB. Structural IRRBB is the inherent risk of a bank's balance sheet which can be mitigated but not fully eliminated. Discretionary IRRBB is Banking Book risk which is run in the expectation of a favourable movement in interest rates and can be closed out in liquid markets. The Group's IRRBB is defined and measured in a manner that is consistent with regulatory definition and guidelines and is in line with the Group's Risk Appetite, which is approved by the Board at least annually. The Board defines its appetite for IRRBB risk through the setting of limits and other controls. Additionally, Board approved limits are supplemented by ALCO approved limits and controls.

IRRBB is based on a three lines of defence model, in line with the Group-wide approach to risk management.

First line of defence functions are responsible for management of structural interest rate risk, structural basis risk and discretionary interest rate risk and bear the primary responsibility for protecting the Group from market risk-related losses. First line functions are Group Treasury and BoI Global Markets.

Second line of defence function for IRRBB is carried out by Group Market and Liquidity Risk (GMLR) as part of Group Risk. GMLR's primary responsibility is to identify, understand, measure and manage IRRBB to which the Group is exposed. Additionally it operates an effective monitoring, reporting and control framework.

Group Internal Audit provides an independent, reasonable assurance to key stakeholders on the effectiveness of the Group's risk management and internal control framework.

Group Asset and Liability Committee ("ALCo)" is charged with the oversight of market risk, including IRRBB, and has appointed and delegated to the Balance Sheet Structural Risk Committee ("BSSRC") and Group Treasurer.

The main focus for Structural hedges is to manage Earnings Risk on Non-Interest Bearing Liabilities, Earnings Risk on Low-Rate Sensitive Deposits and Market Basis Risk.

IRRBB Measurement

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

Net Interest Income sensitivity measures the impact on earnings from interest sensitive assets and liabilities due to a sudden change in interest rates. This is measured on quarterly basis in accordance with article 448(b). An internal 100bp static balance sheet NII sensitivity model is also performed on a monthly basis.

Discretionary IRRBB risk is measured and controlled using a 1 day, 99.0% VaR approach, calculated on a daily basis by Global Markets Market Risk.

Basis risk, defined as the spread between swap risk of different tenor and cross-currency basis. Nominal basis exposures are calculated by Group Market Risk and Liquidity on a monthly basis. Basis Risk must be removed, as far as practicable, from individual books and balance sheets, and centralised in a structural basis book which is managed by Global Markets on behalf of Group Treasury .

The following scenarios are used to measure economic value and/or net interest income:

- Parallel shock up +200bps / Parallel shock down -200bps

The following SOT scenarios are used to measure the economic value of equity:

- Parallel shock up / Parallel shock down
- Steepener (short rates down and long rates up) / Flattener (short rates up and long rates down)
- Short rates up / Short rates down

The following scenarios are used to measure net interest income:

- Parallel shock up +100bps
- Parallel shock down -100bps

The Groups internal Net Interest Income scenarios assume a static balance sheet over 1-year horizon.

For the purpose of the EU IRRBB1 template (see Tab 7.2), the below modelling parameters are assumed:

EVE SOT metrics in the following table are calculated in accordance with EBA regulatory guidelines.

Structural Interest Rate Risk

Structural Interest Rate Risk is predominantly the exposure of Group earnings to interest rate changes arising from the presence of non-interest bearing or behaviourally fixed-rate assets and liabilities on the balance sheet. The principal non-interest bearing liabilities are equity and non-interest bearing current accounts. It is Group policy to invest its net non-interest bearing liabilities (or Free Funds) in a portfolio of swaps with an average life of 3.5 years and a maximum life of 7 years. This has the effect of helping to mitigate the impact of the interest rate changes on interest income.

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 7.2 below outlines the changes in the economic value of equity in the period.

Table 7.2 - EU IRRBB1 - Interest rate risks of non-trading book activities

	Supervisory shock scenarios	Changes of the Economic Value of Equity
	Dec-21	**€m**
1	Parallel up	(371)
2	Parallel down	113
3	Steepener	(0.1)
4	Flattener	(102)
5	Short rates up	(216)
6	Short rates down	73

Changes of the Net Interest Income analysis

The Group uses net interest income sensitivity analysis to measure the responsiveness of earnings to scenarios for short and long-term rates. 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 estimates are based on management assumptions primarily related to the repricing of customer transactions; the relationship between key official interest rates set by Monetary Authorities and market determined interest rates; and the assumption of a constant balance sheet by size and composition. The sensitivities should not be considered a forecast of future performance in these rate scenarios as they do not capture potential management action in response to unexpected changes in the interest rate environment.

Estimated Sensitivity of Group income (1 year horizon)	Dec-21	Dec-20
	€m	**€m**
100bps higher	c275	c220
100bps lower	(c.215)	(c.220)

Operational risk definition

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. This risk includes Business Continuity, Data Quality and Availability, Information Security and Cyber Risk, Information Technology, Legal and Contractual, Model, Payments, Sourcing, Financial and Regulatory Reporting, Change Execution Risk and Physical Security.

Risk management

The Group faces operational risks in the normal pursuit of its business objectives. The primary goals of operational risk management are ensuring the sustainability and integrity of the Group's operations and the protection of its reputation by controlling, mitigating or transferring the impact of operational risk. Operational risk cannot be fully eliminated. The Group has established a formal approach to the management of operational risk in the form of an 'Operational Risk Framework' which defines the Group's approach to identifying, assessing, managing, monitoring and reporting the operational risks which may impact the achievement of the Group's business objectives.

This framework outlines, inter alia the following:

- formulation and dissemination of a Operational Risk Policy specifying the risk management obligations of management and staff within the Group;
- maintaining organisational structures for the oversight, monitoring and management of operational risk throughout the Group;
- setting aside capital and maintaining a suite of insurance policies;
- setting out the boundary conditions in which operational risks are to be managed, by way of Board approved Risk Appetite Statement; and
- embedding formal operational risk management processes and standards throughout the Group.

Operational risk policy and governance

The Group continues to maintain its ongoing oversight and control of its exposure to operational risk. A critical component of the operational risk framework is a BRC approved Operational Risk Policy which sets out the Group's objectives and the obligations of management in respect of operational risk.

Governance and oversight of operational risk forms part of the Group's Risk Framework which aims to ensure that risk management activities are adequate and commensurate with the Board approved risk appetite. The GORC is appointed by the ERC and is responsible for the oversight and monitoring of operational risk within the Group and material subsidiaries. Business units hold primary responsibility for the management of operational risk and compliance with internal control requirements.

The Non-Financial Risk Function is accountable for the development and maintenance of an Operational Risk Framework to ensure a robust, consistent and systematic approach is applied to managing operational risk exposures across the Group.

Operational risk appetite

The Board has set out its appetite for operational risk in terms of both qualitative factors and quantitative measures reflecting the nature of non-financial risks. As such, the monitoring of operational risk indicators is supplemented with qualitative review and discussion at senior management executive committees to ensure appropriate actions are taken to enhance controls.

Risk assessment

A systematic identification and assessment of the operational risks faced by the Group is a core component of the Group's overall operational risk framework. This is known as the Risk and Control Self Assessment (RCSA) and is a framework for capturing, measuring and managing operational risk as well as providing a mechanism for consistent identification, monitoring, reviewing, updating and reporting of risks throughout the Group. A key element of this process is the categorisation of risks by taxonomy.

Risk mitigation and transfer

In addition to business unit risk mitigation initiatives, the Group implements specific policies and risk mitigation measures for key operational risks including, but not limited to, sourcing, technology and business disruption risks. This strategy is further supported by risk transfer mechanisms such as the Group's insurance programme, whereby selected risks are reinsured externally. The Group Insurance programme is reviewed annually to ensure coverage remains appropriate to the Group's risk management objectives. The Group's total capital requirement arising from operational risk is calculated using an internal model based on outputs of the scenario analysis programme as part of the ICAAP process.

Risk reporting

Regular reporting of operational risk is a key component of the Group's Operational Risk Framework.

The Board receives monthly update on the operational risk profile via the Board Risk Report which provides a timely assessment of material operational risks against risk appetite.

At least four times a year, the Head of Non-Financial Risk reports to GORC on the status of operational risk in the Group, including the status of the material operational risks, the progress of risk mitigation initiatives and programmes, significant loss events, and the nature, scale and frequency of overall losses.

In addition, specified operational risk information is collated for the purposes of reporting to regulatory supervisors in the jurisdictions in which the Group operates.

The Group holds operational risk capital to cover the potential financial impact of operational risk events, and uses the Standardised Approach (TSA) to determine its Pillar 1 capital requirement. Risk exposure amount for operational risk at 31 December 2021 are €4.2 billion (2020: €4.2 billion).

Table 8.1 - EU OR1 - Operational risk under own funds requirements and risk-weighted exposure amounts

Banking activities	Relevant indicator			Own funds requirements	Risk Exposure amount
	Year-3	Year-2	Year-1		
Dec-21	**€m**	**€m**	**€m**	**€m**	**€m**
Banking activities subject to basic indicator approach (BIA)	-	-	-	-	-
Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	**2,562**	**2,442**	**2,659**	**340**	**4,251**
Subject to TSA:	2,562	2,442	2,659		
Subject to ASA:	-	-	-		
Banking activities subject to advanced measurement approaches AMA	-	-	-	-	-

Funding and liquidity risk

The Group has established a liquidity risk management framework which encompasses the liquidity policies, systems and controls in place to ensure that the Group is positioned to address its daily liquidity obligations and to withstand a period of liquidity stress. Principal components of this framework are the Group's Risk Appetite Statement and associated limits and the Group's Funding and Liquidity Policy, both of which are approved by the Board on the recommendation of ALCO.

The Group Funding and Liquidity Policy outlines the Group's governance process with respect to funding and liquidity risk, and sets out the core principles that govern the manner in which the risk is mitigated, monitored and managed. The operation of this policy is delegated to the Group's ALCO.

Liquidity risk management within the Group focuses on the control, within prudent limits, of risk arising from the mismatch in contracted maturities of assets and liabilities and the risks arising from undrawn commitments and other contingent liabilities. The Group manages its liquidity by jurisdiction with liquid assets predominantly held in the currency of each jurisdiction.

The Group seeks to maintain a stable funding base with loan portfolios funded substantially by granular retail originated deposits with any residual funding requirements principally met through term wholesale funding and equity.

The Group's treasury function within Group Finance provides top down centralised management of the Group's funding and liquidity position including overall responsibility for the management of the Group's liquidity position and funding strategy. This ensures a coordinated approach to balance sheet management and is accomplished through the incorporation of funding and liquidity risk appetite metrics into risk appetite at a consolidated level, monitoring liquidity metrics for each jurisdiction and compliance by the business units with the Group's funds transfer pricing policy.

The Group Market and Liquidity Risk function provides independent oversight of funding and liquidity risk and is responsible for proposing and maintaining the Group's funding and liquidity risk management framework and associated risk appetite metrics.

The Group's cash flow and liquidity reporting processes provide management with daily liquidity risk information by designated cash flow categories. These processes capture the cash flows from both on-balance sheet and off-balance sheet transactions.

Management reviews funding and liquidity reports and stress testing results on a daily, weekly and monthly basis against the Group's Risk Appetite Statement. It is the responsibility of ALCO to ensure that the measuring, monitoring and reporting of funding and liquidity is adequately performed and complies with the governance framework. The Board monitors adherence to the liquidity risk appetite through the monthly Board Risk Report.

Liquidity risk management consists of two main activities:
• structural liquidity management focuses on the balance sheet structure, the funding mix, the expected maturity profile of assets and liabilities and the Group's debt issuance strategy; and
• tactical liquidity management focuses on monitoring current and expected daily cash flows to ensure that the Group's liquidity needs can be met.

Both activities require consideration of the potential hedging actions required with respect to the Group's balance sheet and also the market risk exposures which may occur through this hedging.

The management of market risk in the Group is governed by the Group's Risk Appetite Statement and by the Group Policy on Market Risk, both of which are approved by the Board. These are supplemented by a range of ALCO approved limits and controls. The Group has an established governance structure for market risk that involves the Board, its risk committees (BRC and GRPC), and ALCO, which has primary responsibility for the oversight of market risk in the Group.

The Board monitors adherence to market risk appetite through the monthly Board Risk Report.

The Group makes extensive use of derivatives to hedge its balance sheet, service its customer needs and, to a lesser extent, assume discretionary risk. The Group's participation in derivatives markets is subject to policy approved by the ALCO. The Group makes a clear distinction between derivatives which must be transacted on a perfectly hedged basis and those whose risks can be managed within broader interest rate or FX books.

The approach to hedging and managing market risk is governed by policies explicitly designed to ensure that all hedging activities are risk reducing. Structural risk is managed by way of selective and strategic hedging initiatives which are executed under ALCO's authority.

In line with the BRRD for EU banks, the Group maintains both a Recovery Plan and a Contingency Funding Plan which sets out a suite of potential funding and liquidity options which could be exercised to restore financial stability and viability of the Group in the event of a major stress event. The Group's Recovery Plan is approved by the Board on the recommendation of BRC and ALCO. The Group's Contingency Funding Plan is approved by ALCO.

The annual ILAAP enables the Board to assess the adequacy of the Group's funding and liquidity risk management framework, to assess the key liquidity and funding risks to which it is exposed; and details the Group's approach to determining the level of liquid assets and contingent liquidity that is required to be maintained under both business as usual and severe stress scenarios.

A key part of this assessment is cash flow forecasting that includes assumptions on the likely behavioural cash flows of certain customer products. Estimating these behavioural cash flows allows the Group assess the stability of its funding sources and potential liquidity requirements in both business as usual and stressed scenarios. The stressed scenarios incorporate Group specific and systemic risks and are run at different levels of possible, even if unlikely, severity. Actions and strategies available to mitigate the impacts of the stress scenarios are evaluated as to their appropriateness. Stress test results are reported to ALCO, the BRC and the Board.

The Board, having considered the Group ILAAP, is satisfied that it demonstrates that:
• Appropriate governance, systems and controls are in place to identify, assess and manage the Group's funding and liquidity risks;
• The Group maintains adequate levels of Counterbalancing Capacity (including liquid assets), under both normal and stressed conditions to cover its short and medium-term liquidity risks over an appropriate set of time horizons, including intraday periods; and
• The Group's medium term obligations are adequately met by ensuring the Group is funded in a stable, sustainable and cost effective way with lending growth funded by stable retail deposits.

The Board is confident that the assessment process undertaken to produce the ILAAP is complete and robust. On this basis the Board concludes that the volume and capacity of liquidity resources available to the Group are adequate to support its business model, to achieve its strategic objectives, to withstand severe but plausible liquidity stress scenarios and to meet regulatory requirements including the Liquidity Coverage and Net Stable Funding Ratios.

Funding and liquidity risk arises from a fundamental part of the Group's business model; the maturity transformation of primarily short term deposits into longer term loans. The Group's funding and liquidity strategy is to maintain a stable funding base with loan portfolios substantially funded by retail originated customer deposit portfolios.
The following points are of note:
•Group customer deposits of €92.8 billion have increased by €4.2 billion since 31 December 2020. The Group's LDR reduced by 4% to 82% at 31 December 2021 (31 December 2020: 86%).
•The main driver of this deposit movement was due to €6 billion growth in Retail Ireland, which was primarily driven by higher household and SME savings, partially offset by lower BOI UK plc deposits, due to planned UK deleveraging. On a constant currency basis, Group customer deposits increased by €3 billion.
•Customer deposits are primarily retail oriented with the top 20 customers representing c. 3.6% of total deposits.
•The Group has modest wholesale funding requirements. Wholesale funding (excluding TLTRO III) represents c.10% of total funding.
•The Group manages its liquidity by jurisdiction with liquid assets predominantly held in the currency of each jurisdiction.
•The Group's LCR at 31 December 2021 was 181% (31 December 2020 was 153%). The Group's NSFR at 31 December 2021 was 144% (31 December 2020 was 138%).A4
•The Group's overall encumbrance ratio was 18% (2020: 10%) with the increase in encumbered assets primarily due to the drawdown of TLTRO III funding.

Table 9.1 - Liquidity ratios

	Dec-21	Dec-20
Liquidity coverage ratio	181.37%	152.83%
Net stable funding ratio[1]	143.75%	137.93%

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 c.3.6%% 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.

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 & currency risk. The outflows related to derivative and other collateral requirements are primarily 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 LCR outflows.

1 The Group's Net Stable Funding Ratio (NSFR) for 31 December 2021 is prepared on a regulatory group basis, in accordance with the EU Capital Requirement Regulations and Directive, as amended, which require the maintenance of a NSFR ratio greater than or equal to 100%, effective June 2021. Comparative NSFR, for 31 December 2020 is calculated based on the Group's interpretation of the Basel Committee on Banking Supervision October 2014 document.

Table 9.2 below 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 9.2 - EU LIQ1 - LCR disclosures

		Quarter ending 2021							
		Total unweighted value (average)				Total weighted value (average)			
		Dec-21 €m	Sep-21 €m	Jun-21 €m	Mar-21 €m	Dec-21 €m	Sep-21 €m	Jun-21 €m	Mar-21 €m
Number of data points used in the calculation of averag		**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**
High-quality liquid assets									
1	Total high-quality liquid assets (HQLA)					28,877	27,375	25,994	24,831
Cash-outflows									
2	Retail deposits and deposits from small business customers	66,162	65,116	64,225	63,522	4,633	4,545	4,481	4,449
	of which;								
3	*Stable deposits*	*38,536*	*37,467*	*36,348*	*35,104*	*1,927*	*1,873*	*1,817*	*1,755*
4	*Less stable deposits*	*21,788*	*21,397*	*21,213*	*21,274*	*2,703*	*2,669*	*2,660*	*2,690*
5	Unsecured wholesale funding	23,851	23,711	23,481	23,209	10,405	10,336	10,247	10,192
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	*3,793*	*3,776*	*3,925*	*4,073*	*948*	*944*	*981*	*1,018*
7	*Non-operational deposits (all counterparties)*	*20,041*	*19,918*	*19,540*	*19,060*	*9,440*	*9,375*	*9,250*	*9,098*
8	*Unsecured debt*	*17*	*17*	*16*	*76*	*17*	*17*	*16*	*76*
9	Secured wholesale funding					-	-	-	-
10	Additional requirements	9,641	9,448	9,022	8,474	1,915	1,879	1,867	1,865
11	*Outflows related to derivative exposures and other collateral requirements*	*859*	*864*	*863*	*863*	*859*	*864*	*863*	*863*
12	*Outflows related to loss of funding on debt products*	*89*	*71*	*114*	*155*	*89*	*71*	*114*	*155*
13	*Credit and liquidity facilities*	*8,693*	*8,513*	*8,045*	*7,456*	*967*	*944*	*890*	*847*
14	Other contractual funding obligations	219	214	242	310	39	49	81	160
15	Other contingent funding obligations	7,424	7,595	7,706	7,663	462	507	539	534
16	**Total cash outflows**					**17,454**	**17,316**	**17,215**	**17,200**
Cash-inflows									
17	Secured lending (e.g. reverse repos)	40	35	38	34	-	-	-	-
18	Inflows from fully performing exposures	771	755	733	747	501	491	479	493
19	Other cash inflows	818	821	894	936	226	230	293	307
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**	**1,629**	**1,611**	**1,665**	**1,717**	**727**	**721**	**772**	**800**
EU-20a	Fully exempt inflows	-	-	-	-	-	-	-	-
EU-20b	Inflows Subject to 90% Cap	-	-	-	-	-	-	-	-
EU-20c	Inflows Subject to 75% Cap	1,629	1,611	1,665	1,717	727	721	772	800
21	**Liquidity buffer**					**28,877**	**27,375**	**25,994**	**24,831**
22	**Total net cash outflows**					**16,726**	**16,594**	**16,444**	**16,400**
23	**Liquidity coverage ratio (%)**					**173%**	**165%**	**158%**	**151%**

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.

Table 9.3 below represents the Group's NFSR ratio and key components.

Table 9.3 - EU LIQ2 - Net Stable Funding Ratio

		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	>= 1 yr	
Dec-21		**€m**	**€m**	**€m**	**€m**	**€m**
	Available stable funding (ASF) Items					
1	**Capital items and instruments**	**11,290**	**-**	**1,057**	**795**	**12,085**
2	Own funds	11,290	-	1,057	795	12,085
3	*Other capital instruments*		-	-	-	-
4	***Retail deposits***		**65,406**	**1,111**	**1,084**	**63,111**
5	Stable deposits		42,252	971	619	41,681
6	*Less stable deposits*		23,154	140	465	21,430
7	***Wholesale funding:***		**26,624**	**105**	**20,340**	**31,084**
8	*Operational deposits*		4,591	-	-	-
9	Other wholesale funding		22,033	105	20,340	31,084
10	**Interdependent liabilities**		**-**	**-**	**-**	**-**
11	**Other liabilities:**	**-**	**2,213**	**-**	**627**	**627**
12	*NSFR derivative liabilities*	-				
13	*All other liabilities and capital instruments not included in the above categories*		2,213	-	627	627
14	**Total available stable funding (ASF)**					**106,907**
	Required stable funding (RSF) Items					
15	**Total high-quality liquid assets (HQLA)**					**10,117**
EU-15a	**Assets encumbered for a residual maturity of one year or more in a cover pool**		**48**	**53**	**2,233**	**1,984**
16	**Deposits held at other financial institutions for operational purposes**		**-**	**-**	**-**	**-**
17	**Performing loans and securities:**		**3,861**	**4,824**	**64,030**	**53,022**
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		61	-	-	-
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		267	191	836	958
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		2,604	3,717	24,347	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:		812	891	37,727	27,182
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		802	880	37,276	26,788
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		118	25	1,121	1,027
25	**Interdependent assets**		**-**	**-**	**-**	**-**
26	**Other assets:**		**1,981**	**-**	**7,369**	**8,220**
27	Physical traded commodities				-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	-	205
29	NSFR derivative assets		187	-	-	187
30	NSFR derivative liabilities before deduction of variation margin posted		971	-	-	49
31	All other assets not included in the above categories		823	-	7,369	7,780
32	**Off-balance sheet items**		**16,109**	**-**	**-**	**1,026**
33	**Total RSF**					**74,369**
34	**Net Stable Funding Ratio (%)**					**143.75%**

Tables 9.4, 9.5 and 9.6 are designed to show the amounts of encumbered and unencumbered assets held by the Group. Assets are differentiated between those that are available for potential funding needs. All tables below are based on EBA reporting templates pertaining to Asset Encumbrance under CRD. Please note that all figures are median values based on quarter end point-in-time (PiT) figures covering the year ended 31 December 2021.

Table 9.4 - EU AE1 - Encumbered and unencumbered assets

Dec-21	**Carrying amount of encumbered assets €m**	*of which notionally eligible EHQLA and HQLA* €m	**Fair value of encumbered assets €m**	*of which notionally eligible EHQLA and HQLA* €m	**Carrying amount of unencumbered assets €m**	*of which EHQLA and HQLA* €m	**Fair value of unencumbered assets €m**	*of which EHQLA and HQLA* €m
Assets	22,898	*10,243*			107,161	*5,424*		
Equity instruments	-	-	-	-	89	-	*89*	-
Debt securities	10,325	*10,243*	10,394	*10,309*	6,446	*5,424*	6,450	*5,432*
of which:								
covered bonds	917	*917*	917	*917*	2,220	*2,220*	2,221	*2,221*
securitisations	-	-	-	-	*35*	-	*35*	-
issued by general governments	*9,319*	*9,319*	*9,375*	*9,375*	*2,345*	*2,335*	*2,351*	*2,341*
issued by financial corporations	*1,036*	*964*	*1,036*	*964*	*3,942*	*2,943*	*3,940*	*2,945*
issued by non-financial corporations	-	-	-	-	*22*	-	*22*	-
Other assets	*12,573*	-			*100,632*	-		

Dec-20	Carrying amount of encumbered assets €m	*of which notionally eligible EHQLA and HQLA* €m	Fair value of encumbered assets €m	*of which notionally eligible EHQLA and HQLA* €m	Carrying amount of unencumbered assets €m	*of which EHQLA and HQLA* €m	Fair value of unencumbered assets €m	*of which EHQLA and HQLA* €m
Assets	11,809	*295*			102,536	*16,402*		
Equity instruments	-	-	-	-	114	-	-	-
Debt securities	311	*295*	311	*296*	16,869	*16,402*	16,901	*16,443*
of which:								
covered bonds	-	-	-	-	3,767	*3,764*	3,767	*3,760*
securitisations	-	-	-	-	-	-	-	-
issued by general governments	272	*272*	273	*273*	11,876	*11,833*	11,920	*11,876*
issued by financial corporations	24	*23*	24	*23*	4,939	*4,566*	4,919	*4,536*
issued by non-financial corporations	-	-	-	-	20	-	20	-
Other assets	11,498	-			85,689	-		

Table 9.5 - EU AE2 - Collateral received and own debt securities issued

			Unencumbered	
Dec-21	**Fair value of encumbered collateral received or own debt securities issued** €m	*of which notionally eligible EHQLA and HQLA* *€m*	**Fair value of collateral received or own debt securities issued available for encumbrance** €m	*of which EHQLA and HQLA* *€m*
Collateral received	**10**	**10**	**18**	**18**
Loans on demand	-	-	-	-
Equity instruments	-	-	-	-
Debt Securities	10	*10*	18	*18*
of which:				
covered bonds	-	-	-	-
securitisations	-	-	-	-
issued by general governments	*10*	*10*	*18*	*18*
issued by financial corporations	-	-	-	-
issued by non-financial corporations	-	-	-	-
Loans and advances other than loans on demand	-	-	-	-
Other collateral received	-	-	-	-
Own debt securities issued other than own covered bonds or securitisations	**-**	**-**	**-**	**-**
Own covered bonds and securitisations issued and not yet pledged			**3,530**	**-**
Total collateral received and own debt securities issued	**22,917**	***10,262***		

			Unencumbered	
Dec-20	Fair value of encumbered collateral received or own debt securities issued €m	*of which notionally eligible EHQLA and HQLA* *€m*	Fair value of collateral received or own debt securities issued available for encumbrance €m	*of which EHQLA and HQLA* *€m*
Collateral received	139	*10*	20	*20*
Loans on demand	-	-	-	-
Equity instruments	-	-	-	-
Debt Securities	10	*10*	20	*20*
of which:				
covered bonds	-	-	-	-
securitisations	-	-	-	-
issued by general governments	*10*	*10*	*20*	*20*
issued by financial corporations	-	-	-	-
issued by non-financial corporations	-	-	-	-
Loans and advances other than loans on demand	-	-	-	-
Other collateral received	118	-	-	-
Own debt securities issued other than own covered bonds or securitisations	-	-	-	-
Own covered bonds and securitisations issued and not yet pledged			3,838	-
Total collateral received and own debt securities issued	12,032	*310*		

Table 9.6 - EU AE3 - Sources of encumbrance

Dec-21	**Matching liabilities, contingent liabilities or securities lent €m**	**Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered €m**
Carrying amount of selected financial liabilities	17,284	20,188

Dec-20	Matching liabilities, contingent liabilities or securities lent €m	Assets, collateral received and own debt securities issued other than covered bonds and ABSs encumbered €m
Carrying amount of selected financial liabilities	8,586	12,032

As part of managing its funding requirements, the Group from time to time encumbers assets, as collateral to support wholesale funding initiatives. This would include covered bonds, asset backed securities, securities repurchase agreements and other structures that are secured over customer loans, primarily mortgages. At 31 December 2021, €24.1 billion of the Group's assets and collateral received were encumbered, primarily through these structures within GovCo, BOIMB and BOIUK Plc. The Group's total encumbered assets increased during 2021, driven by its participation in TLTRO III borrowing €10.8bn; the proceeds of which were then placed with the ECB. In addition c.€2bn of previously unencumbered mortgages were encumbered within the Group's Special Mortgage-Backed Promissory Note GovCo programme.

Covered bonds, a key element of the Group's long term funding strategy are issued through its subsidiary Bank of Ireland Mortgage Bank (BoIMB). BoIMB is registered as a designated mortgage credit institution to issue Irish Asset Covered Securities (ACS) in accordance with relevant legislative requirements. BoIMB is required to maintain minimum contractual overcollateralization of 5% and minimum legislative overcollateralization of 3% (both on a prudent market value basis). This is monitored by the Covered Asset Monitor on behalf of the Central Bank of Ireland. The incidence of over-collateralisation on the levels of encumbrance is treated in line with the EBA guidelines on encumbrance.

The Group manages liquidity by jurisdiction and monitors asset encumbrance by jurisdiction. At 31 December 2021, €5.3 billion of encumbered assets are denominated in GBP, with associated liabilities of €4.1 billion, primarily related to drawings under the Bank of England (BOE) Term Funding Scheme and Notes in circulation.

At 31 December 2021, the Group has €108.8 billion of unencumbered assets. Included in this amount are assets of €5.1 billion which would not be deemed available for encumbrance in the normal course of business and include intangible assets, tax assets, fixed assets and derivative assets.

At 31 December 2021, the Group has €4.1bn of assets included within retained securitisations (€1.0bn) and retained covered bonds (€3.2bn). Of these assets, €2.4bn is encumbered within retained securitisations (€0.5bn) and retained covered bonds (€1.9bn).

The leverage ratio measures the level of Tier 1 capital against both on and off balance sheet exposures. As at 31 December 2021, the leverage ratio was 6.55% on a regulatory basis (31 December 2020: 7.07%).

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 31 December 2021 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.

LRQua: Disclosure on qualitative items

The leverage ratio is designed to serve as an important backstop to the risk-based capital measures by constraining the build-up of leverage in the banking system and providing an extra layer of protection against model risk and measurement error.

Leverage is the extent to which a firm funds its assets with borrowings rather than equity. More debt relative to each euro of equity results in a higher level of leverage. The leverage ratio measures the extent to which a firm has financed its assets with equity. It does not take into account what those assets are, or what their risk characteristics are. Leverage ratios effectively place a cap on borrowings as a multiple of a bank's equity.

The definition of the leverage ratio is Tier 1 capital divided by total assets (which include derivatives, SFT's, undrawn balances).

The European Commission has introduced a binding leverage requirement of 3% which will be applicable from 28 June 2021. The Group expects to remain well in excess of this requirement.

The Group's capital and exposures are monitored on a monthly basis which covers both a historical and a forward looking viewpoint. When proposed transactions or movements in capital or assets are being considered the impact on the leverage ratio is taken into account. The Group closely monitors the leverage ratio to ensure all regulatory requirements and internal targets are met. In addition the leverage ratio is monitored against the Board approved Risk Appetite Statement and suite of Recovery Indicators.

Table 10.1 below represents the reconciliation of the Total leverage exposure measure with the relevant information disclosed in the Group's interim published financial statements.

Table 10.1 - EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

		Dec-21	Dec-20
		€m	€m
1	**Total assets as per published financial statements**	**155,268**	133,754
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	(22,303)	(19,502)
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	(340)	(1,585)
9	Adjustment for securities financing transactions (SFTs)	665	35
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	4,469	4,042
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	(2,399)	(888)
13	**Total exposure measure**	**135,360**	115,856

Previous Index Next

Table 10.2 below represents a detailed breakdown of the components of the Leverage Ratio along with the minimum requirements and buffers.

Table 10.2 - EU LR2 - LRCom: Leverage ratio common disclosure

		Dec-21 €m	Dec-20 €m
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs but including collateral)[1]	131,700	112,328
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)	(905)	(530)
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)	(1,860)	(1,182)
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**128,935**	110,616
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	525	
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	706	
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	
EU-9b	Exposure determined under Original Exposure Method	-	
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	-	
11	Adjusted effective notional amount of written credit derivatives	-	
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	
13	**Total derivatives exposures[2]**	**1,231**	1,163
Securities financing transaction exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	61	34
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	
16	Counterparty credit risk exposure for SFT assets	665	1
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**	**726**	35
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	16,109	16,099
20	(Adjustments for conversion to credit equivalent amounts)	(11,640)	(12,057)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	
22	**Off-balance sheet exposures**	**4,469**	4,042
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	**8,871**	8,191
24	Total exposure measure	**135,360**	115,856
Leverage ratio			
25	**Leverage ratio**	**6.55%**	7.07%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	6.55%	7.07%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	6.55%	7.07%
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
Disclosure of mean values[3]			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	70	
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	61	
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	135,369	
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	135,369	
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6.55%	
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6.55%	

1. The increase in the balance reflects the impact of the placing of TLTRO funding with the Central Bank of Ireland (CBI).

2. Derivatives for December '20 reported under the mark to market method.

3. The Group does not avail of the temporary exemption of central bank reserves.

Table 10.3 - EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

		Dec-21	Dec-20
		€m	€m
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**130,795**	110,616
EU-2	Trading book exposures	20	-
EU-3	Banking book exposures	130,775	110,616
EU-4	*Covered bonds*	*3,033*	*3,625*
EU-5	*Exposures treated as sovereigns* [1]	*44,870*	*26,122*
EU-6	*Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns*	-	-
EU-7	*Institutions*	*1,380*	*993*
EU-8	*Secured by mortgages of immovable properties*	*40,097*	*42,459*
EU-9	*Retail exposures*	*7,338*	*7,713*
EU-10	*Corporate*	*20,270*	*20,472*
EU-11	*Exposures in default*	*2,650*	*2,983*
EU-12	*Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)*	*11,137*	*6,249*

1. The increase in the balance reflects the impact of the placing of TLTRO funding with the Central Bank of Ireland (CBI).

Remuneration Governance

The Group Remuneration Committee (GRC) has the responsibility to consider, agree and approve a remuneration policy that supports the Group's objectives of long-term sustainability and success, sound and effective risk management and good corporate governance. The GRC held 11 meetings in 2021.

With delegated authority from the Board, the GRC annually reviews and approves the Group Remuneration Policy and the Director's Remuneration Policy (DRP). The GRC also reviews and approves the remuneration of the Chairman of the Board, the Executive Directors, the Group Secretary, members of the GEC and Senior Officers in Independent Control Functions, as well as overseeing the remuneration of all staff whose professional activities have a material impact on the Group's risk profile.

External consultants

During 2021, independent advice was received by the GRC from the Committee's independent external advisers, PricewaterhouseCoopers (PwC) on a range of issues relating to remuneration including:

o remuneration benchmarking for Executive Directors;
o variable pay structures for all colleagues, including annual and long term incentive schemes;
o evolving pay regulations and market pay practices; and
o other remuneration structures.

Scope

The Group's objective of attracting, retaining and motivating high calibre people is deemed fundamental to the successful delivery of the Group's business strategy. The Group wants to ensure the right people are in the right roles and recognises the importance that the Group's shareholders place on the operation and management of the Group's remuneration framework. The Group Remuneration Policy provides a framework for all colleagues and directors of the Group and its wholly owned subsidiaries. To reflect this, the Group operates strong governance across the organisation on the management of its remuneration framework.

The Policy applies, in its entirety, to all Group employees, directors (including Non-Executive directors), self-employed external contractors and temporary employees in all institutions and other entities within the scope of prudential consolidation, including all branches. This Policy does not apply to Joint Ventures, which are subject to specific contractual agreements with Joint Venture partners.

Bank of Ireland (UK) plc and New Ireland Assurance Company have their own Remuneration Policies which are consistent with the Group Policy while compliant with relevant regulations, and are approved by their own board and/or board remuneration committees and their Chief People Officer equivalent role holder. Local regulations or statutory requirements will override this policy where applicable.

Material Risk Takers

Staff whose professional activities have a material impact on the Group risk profile are identified as Material Risk Takers (MRTs) and can be summarised as: the management body; senior management; other staff with key functional, managerial or risk responsibilities; and staff who individually, or as part of a committee, have authority to approve new business products or to commit to credit risk exposures and market risk transactions above certain levels. All Pre-approval Controlled Function role holders and Key function holders are identified as MRTs as well as a number of senior staff whose quantum remuneration requires them to be identified as MRTs.

Remuneration Restrictions

The application of market aligned remuneration policies and practices are constrained by significant remuneration restrictions which cover all directors, senior management, employees and certain service providers across the Group (Remuneration Restrictions).

The Remuneration Restrictions were contained within the Covered Institutions Financial Support Scheme 2008 and the 'Minister's Letter' (July 2011), under which the Group gave a number of commitments and undertakings to the Minister for Finance in respect of remuneration practices. The Minister's Letter was a further condition of the Transaction and Underwriting Agreement entered into with the Irish Government (July 2011) during the 2011 Recapitalisation of the Group. The Group maintains a dialogue with the Department of Finance in relation to Executive Director remuneration and other remuneration related topics and will respond appropriately to any revisions to the Remuneration Restrictions.

As a result of the Remuneration Restrictions the Group is currently unable to provide a fixed/variable remuneration mix throughout the Group and is precluded from introducing any new bonus or incentive schemes, allowances or other fringe benefits without prior agreement of the Department of Finance. Consequently, the absence of performance based variable pay, combined with the requirement to operate within an overall remuneration cap on individual salaries and allowances, constrains the ability of the Group to clearly link Group culture and values, risk culture, ESG objectives, customer outcomes and Group performance to remuneration. This results in risks in terms of attraction and retention, a lack of remuneration alignment with business goals, as well as some restrictions on the application of discretion and cost base inflexibility. A limited retention scheme in BOI(UK)plc has been approved which is not subject to the Remuneration Restrictions (currently comprising 9 individuals, none of whom are identified as Material Risk Takers for the Group).

The Excess Bank Remuneration Charge on ROI tax residents in Covered Institutions, where variable pay equals or exceeds €20,000, also constrains the Group.

MRT Remuneration

The Remuneration ethos is to reward employees fairly and competitively for their contribution to the Group. Reward arrangements are reviewed on a regular basis to assess competitiveness of total reward arrangements against market norms, acknowledging constraints of the Remuneration Restrictions. The following principles are applied:

o Employee focused

The Group seeks to reward all employees fairly and transparently, and promotes the concept of 'equal pay for equal work' through operating a consistent approach to remuneration for colleagues. Reward structures are designed to attract, retain and engage high calibre employees.

o Customer focused variable reward structures
o Support and encourage the fair treatment of customers
o Mitigate the potential for conflict between commercial, customer and public interests.
o Avoid any conflict with an employee's duty to act in the best interests of customers or clients
o Inclusive basis

The Policy is designed and implemented on an inclusive basis, including gender-neutrality, with pay for male and female colleagues monitored on an annual basis. Monitoring is completed by People Services and reported to the Group Remuneration Committee.

o Externally aligned

The Group uses recognised external benchmarks to understand the remuneration levels of industry peers and remuneration offered by other industries who compete with the Group for talent in each of the Group's geographical locations. Monitoring is completed by Reward and reported to the Group Remuneration Committee.

o Performance aligned

Due to the Remuneration Restrictions remuneration is only weakly aligned to performance via the potential salary increase awarded as part of the annual salary review process, which is dependent on a colleague's performance rating (based on performance versus financial and non-financial goals). The absence of performance based variable pay precludes the Group from aligning the remuneration of employees with the achievement of longer term customer, financial and strategic goals. However, divisional and individual performance measures and targets are aligned with business and risk objectives at either a Group or local business level, through a performance achievement process, ensuring alignment with business and risk strategy, culture and values, and long-term interests.

o Risk aligned

Due to the Remuneration Restrictions, the alignment between remuneration and risk management, is limited due to the unavailability of variable remuneration to further incentivise prudent risk management. Each employee has risk goals as part of their individual performance achievement process which informs their end of year performance rating, thereby influencing their base pay level under the annual salary review process. A strong risk culture is promoted throughout the Group which encompasses the general awareness, attitude and behaviour of everyone in the Group to the taking and management of appropriate risk.

Management Body review of Group Remuneration Policy

The GRC reviewed and approved an updated Group Remuneration Policy in 2021. The Policy was amended to clarify the impact of the Remuneration Restrictions on the remuneration approach for all stakeholders including colleagues, management, directors and regulatory bodies.

Remuneration of Senior Officers in Independent Control Functions

The Group defines employees of Independent Control Functions as employees of Group Risk who are in a risk management or compliance role, as well as employees of Group Internal Audit, in line with regulations. Thus, Senior Officers in Independent Control Functions are identified as:

o the Group Chief Risk Officer and the Group Chief Internal Auditor;
o those in management roles reporting directly to either the Group Chief Risk Officer or the Group Chief Internal Auditor; and
o those heading a subordinated function with Group Risk and/or Group Internal Audit.

The remuneration of senior officers in Independent Control Functions is directly overseen by the Group Remuneration Committee.

As a result of the Remuneration Restrictions, all remuneration for Group Risk and Group Internal Audit is currently entirely fixed, except for severance. Upon the removal of the Remuneration Restrictions, the remuneration of independent control functions will be predominantly fixed, to reflect the nature of their responsibilities and independence and will have specific variable remuneration arrangements applied to reflect their independence from the divisions that they support to prevent potential conflicts of interest.

Severance payments and guaranteed variable remuneration

Severance payments comply with relevant remuneration regulations and are made in accordance with approved criteria for all colleagues. Severance payments do not reward failure or misconduct. In particular, severance payments are not awarded where there is obvious failure which allows for the immediate cancellation of a contract or the dismissal of a colleague. The Group operates standard voluntary parting terms, including optional early retirement for eligible colleagues. There is no guaranteed variable remuneration permitted.

Risk Management

Due to the Remuneration Restrictions, there is limited alignment between remuneration and risk management due to the unavailability of variable remuneration to further incentivise prudent risk management. Each employee has risk goals as part of their individual performance achievement process which informs their end of year performance rating, thereby influencing their base pay level under the annual salary review process. A strong risk culture is promoted throughout the Group which encompasses the general awareness, attitude and behaviour of everyone in the Group with the taking of appropriate risk managed within the boundaries of Group risk appetite to enable the Group safely achieve its strategic priorities.

To support the alignment of risk and remuneration, where possible, and for good governance, the following applies:

There is cross-membership between the Group Remuneration Committee and the Board Risk Committee.

o The Group Chief Risk Officer attends at least one Group Remuneration Committee meeting per year to report on the Group's risk profile, its financial condition and future prospects, and to consider the implications of remuneration policies, if any, for risk and risk management within the Group.

Fixed to Variable Remuneration Ratio

98:02

Alignment of Remuneration to Performance

Due to the Remuneration Restrictions, there is limited alignment between remuneration and performance via the potential salary increase awarded as part of the annual salary review process, which is dependent on a colleague's performance rating (based on performance versus financial and non-financial goals). The absence of performance based variable pay precludes the Group from aligning the remuneration of employees with the achievement of longer term customer, financial and strategic goals. However, divisional and individual performance measures and targets are aligned with business and risk objectives at either a Group or local business level, through a performance achievement process, ensuring alignment with business and risk strategy, culture and values, and long-term interests.

Adjustment of Remuneration to account for Long-term Performance

The Group cannot adjust remuneration to take account of long-term performance as the Group is not allowed to provide variable pay due to the Remuneration Restrictions.

Parameters and Rationale for components of Variable Pay schemes

Not applicable – The Group cannot offer variable remuneration due to the Remuneration Restrictions.

Management Body Remuneration

The total remuneration for each member of the management body is disclosed in the annual report and accounts of the Group. The remuneration of senior management is made available to the Department of Finance and the Central Bank of Ireland, as required.

Derogation

The Group does not benefit from a derogation laid down in Article 94(3) CRD in accordance with point (k) of Article 450(1) CRR.

Large Institution Reporting

The Group is identified as a systemically important institution by the Central Bank of Ireland and thus relevant large institutions' disclosures are made. The total remuneration for each member of the management body, differentiating between executive and non-executive directors, is disclosed in the below table and in the annual report and accounts of the Group, in accordance with Article 450(2) CRR

Remuneration for year ending 31 December 2021	Gross Salary €'000	Fees €'000	Performance Bonus €'000	Other Remuneration €'000	Pension funding contribution €'000	Total €'000
Executive Directors						
Francesca McDonagh	950	-	-	10	-	960
Myles O'Grady	472	-	-	28	52	552
Non-executive Directors						
Patrick Kennedy	394	-	-	-	-	394
Giles Andrews	-	87	-	-	-	87
Ian Buchanan	-	166	-	-	-	166
Evelyn Bourke	-	102	-	-	-	102
Eileen Fitzpatrick	-	102	-	-	-	102
Richard Goulding	-	145	-	-	-	145
Michele Greene	-	79	-	-	-	79
Fiona Muldoon	-	136	-	-	-	136
Steve Pateman	-	98	-	-	-	98

Previous Index Next

Table 11.1 below represents the remuneration made by the Group to Senior Management, Material Risk Takers, and all staff in the Group in 2021.

Table 11.1 - Template EU REM1 - Remuneration awarded for the financial year

			MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Fixed remuneration	**Number of identified staff**	**9**	**2**	**10**	**81.8**
2		**Total fixed remuneration (€m)**	**1.3**	**1.5**	**5**	**28.2**
		of which:				
3		cash-based	1.3	1.5	5	27.9
4		(Not applicable in the EU)				
EU-4a		shares or equivalent ownership interests				
5		share-linked instruments or equivalent non-cash instruments				
EU-5x		other instruments				
6		(Not applicable in the EU)				
7		other forms				0.3
8		(Not applicable in the EU)				
9	Variable remuneration	**Number of identified staff**				**74.8**
10		**Total variable remuneration (€m)**				**0.6**
		of which:				
11		cash-based				0.6
12		deferred				
EU-13a		shares or equivalent ownership interests				
EU-14a		deferred				
EU-13b		share-linked instruments or equivalent non-cash instruments				
EU-14b		deferred				
EU-14x		other instruments				
EU-14y		deferred				
15		other forms				
16		deferred				
17	**Total remuneration (2 + 10) (€m)**		**1.3**	**1.5**	**5**	**28.8**

Table 11.2 below represents the remuneration made by the Group to Senior Management, Material Risk Takers, and all staff in the Group in 2021.

Table 11.2 - Template EU REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)

		MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Guaranteed variable remuneration awards - Number of identified staff				
2	Guaranteed variable remuneration awards -Total amount				
	of which:				
3	guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap				
	Severance payments awarded in previous periods, that have been paid out during the financial year				
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified				
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount				
	Severance payments awarded during the financial year				
6	Severance payments awarded during the financial year - Number of identified staff				4
7	Severance payments awarded during the financial year - Total amount (€m)				0.5
	of which:				
10	severance payments paid during the financial year, that are not taken into account in the bonus cap (€m)				0.5
11	highest payment that has been awarded to a single person (€m)				0.3

Table 11.3 below represents the remuneration made by the Group to Senior Management, Material Risk Takers, and all staff in the Group in 2021.

Table 11.3 - Template EU REM3 - Deferred remuneration

	Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
1	MB Supervisory function								
2	Cash-based								
3	Shares or equivalent ownership interests								
4	Share-linked instruments or equivalent non-cash instruments								
5	Other instruments								
6	Other forms								
7	MB Management function								
8	Cash-based								
9	Shares or equivalent ownership interests								
10	Share-linked instruments or equivalent non-cash instruments								
11	Other instruments								
12	Other forms								
13	Other senior management								
14	Cash-based								
15	Shares or equivalent ownership interests								
16	Share-linked instruments or equivalent non-cash instruments								
17	Other instruments								
18	Other forms								
19	Other identified staff								
20	Cash-based								
21	Shares or equivalent ownership interests								
22	Share-linked instruments or equivalent non-cash instruments								
23	Other instruments								
24	Other forms								
25	Total amount								

Table 11.4 below represents the remuneration made by the Group to Senior Management, Material Risk Takers, and all staff in the Group in 2021.

Table 11.4 - Template EU REM4 - Remuneration of 1 million EUR or more per year

	€m	Identified staff that are high earners as set out in Article 450(i) CRR
1	1 000 000 to below 1 500 000	1
2	1 500 000 to below 2 000 000	
3	2 000 000 to below 2 500 000	
4	2 500 000 to below 3 000 000	
5	3 000 000 to below 3 500 000	
6	3 500 000 to below 4 000 000	
7	4 000 000 to below 4 500 000	
8	4 500 000 to below 5 000 000	
9	5 000 000 to below 6 000 000	
10	6 000 000 to below 7 000 000	
11	7 000 000 to below 8 000 000	
x	To be extended as appropriate, if further payment bands are needed.	

Table 11.5 below represents the remuneration made by the Group to Senior Management, Material Risk Takers, and all staff in the Group in 2021.

Table 11.5 - Template EU REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions’ risk profile (identified staff)

	Management body remuneration			Business areas						
	MB Supervisory function	**MB Management function**	**Total MB**	**Investment banking**	**Retail banking**	**Asset management**	**Corporate functions**	**Independent internal control functions**	**All other**	**Total**
1 **Total number of identified staff**										102.8
of which:										
2 members of the MB	9	2	11							
3 other senior management					3	-	3	2	2	
4 other identified staff				4	27	-	11	33.8	6	
5 **Total remuneration of identified staff (€m)**	1.3	1.5	2.8	1.3	15.0	-		9.9	3.2	
of which:										
6 variable remuneration (€m)	-	-	-	-	-	-	-	0.3	0.3	
7 fixed remuneration (€m)	1.3	1.5	2.8	1.3	15.0	-	4.3	9.6	2.9	

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 1 - Disclosure of key metrics and overview of risk-weighted exposure amounts	EU INS1	Insurance participations	not applicable to BOI
Annex 1 - Disclosure of key metrics and overview of risk-weighted exposure amounts	EU INS2	Financial conglomerates information on own funds and capital adequacy ratio	Capital Tab
Annex 1 - Disclosure of key metrics and overview of risk-weighted exposure amounts	EU OVC	ICAAP information	Capital Tab
Annex 3 - Disclosure of risk management objectives and policies	EU OVA	Institution risk management approach	Risk Management, Risk Management Framework, Business risk, People risk, Strategic risk, Credit risk, Market risk, Operational risk, Funding and liquidity risk, Life insurance risk, Conduct and regulatory risk tabs.
Annex 3 - Disclosure of risk management objectives and policies	EU OVB	Disclosure on governance arrangements	Tab 3.2
Annex 5 - Disclosure of the scope of application	EU LI1	Differences between the accounting scope and the scope of prudential consolidation and mapping of financial statement categories with regulatory risk categories	Tab 1.4
Annex 5 - Disclosure of the scope of application	EU LI2	Main sources of differences between regulatory exposure amounts and carrying values in financial statements	Tab 1.5
Annex 5 - Disclosure of the scope of application	EU LI3	Outline of the differences in the scopes of consolidation (entity by entity)	Appendix III
Annex 5 - Disclosure of the scope of application	EU LIA	Explanations of differences between accounting and regulatory exposure amounts	Tab 1.4
Annex 5 - Disclosure of the scope of application	EU LIB	Other qualitative information on the scope of application	Tab 1.4
Annex 5 - Disclosure of the scope of application	EU PV1	Prudent valuation adjustments (PVA)	Tab 2.5
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 7 - Disclosure of Own Funds	EU CCA	Main features of regulatory own funds instruments and eligible liabilities instruments	Appendix IV
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 10.1
Annex 11 - Disclosure of the leverage ratio	EU LR2	LRCom: Leverage ratio common disclosure	Tab 10.2
Annex 11 - Disclosure of the leverage ratio	EU LR3	LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)	Tab 10.3
Annex 11 - Disclosure of the leverage ratio	EU LRA	Disclosure of LR qualitative information	Leverage Ratio Tab
Annex 13 - Disclosure of liquidity requirements	EU LIQA	Liquidity risk management	Funding and liquidity risk tab
Annex 13 - Disclosure of liquidity requirements	EU LIQB	Qualitative information on LCR which complements template EU LIQ1	Tab 9.1
Annex 13 - Disclosure of liquidity requirements	EU LIQ1	LCR Disclosures template	Tab 9.2
Annex 13 - Disclosure of liquidity requirements	EU LIQ2	Net Stable Funding Ratio	Tab 9.3
Annex 15 – Disclosure of credit risk quality	EU CRA	General qualitative information about credit risk	Credit Risk Tab
Annex 15 – Disclosure of credit risk quality	EU CRB	Additional disclosure related to the credit quality of assets	Credit Risk Tab
Annex 15 – Disclosure of credit risk quality	EU CR1	Performing and non-performing exposures and related provisions	Tab 4.11
Annex 15 – Disclosure of credit risk quality	EU CR1-A	Maturity of exposures	Tab 4.12
Annex 15 – Disclosure of credit risk quality	EU CR2	Changes in the stock of non-performing loans and advances	not applicable to BOI
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	Tab 4.19
Annex 15 – Disclosure of credit risk quality	EU CQ1	Credit quality of forborne exposures	Tab 4.14
Annex 15 – Disclosure of credit risk quality	EU CQ2	Quality of forbearance	Tab 4.15
Annex 15 – Disclosure of credit risk quality	EU CQ3	Credit quality of performing and non-performing exposures by past due days	Tab 4.13
Annex 15 – Disclosure of credit risk quality	EU CQ4	Quality of non-performing exposures by geography	Tab 4.16
Annex 15 – Disclosure of credit risk quality	EU CQ5	Credit quality of loans and advances by industry	Tab 4.17
Annex 15 – Disclosure of credit risk quality	EU CQ6	Collateral valuation - loans and advances	Tab 4.18
Annex 15 – Disclosure of credit risk quality	EU CQ7	Collateral obtained by taking possession and execution processes	not applicable to BOI
Annex 15 – Disclosure of credit risk quality	EU CQ8	Collateral obtained by taking possession and execution processes – vintage breakdown	not applicable to BOI
Annex 17 - Disclosure of the use of credit risk mitigation techniques	EU CRC	Qualitative disclosure requirements related to CRM techniques	Tab 4.20
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 4.20
Annex 19 - Disclosure of the use of the standardised approach	EU CRD	Qualitative disclosure requirements related to standardised model	Standardised Approach Tab
Annex 19 - Disclosure of the use of the standardised approach	EU CR4	Standardised approach – Credit risk exposure and CRM effects	Tab 4.1
Annex 19 - Disclosure of the use of the standardised approach	EU CR5	Standardised approach	Tab 4.2
Annex 21- Disclosure of the use of the IRB approach to credit risk	EU CRE	Qualitative disclosure requirements related to IRB approach	IRB Approach Tab
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 4.3 and Tab 4.4
Annex 21- Disclosure of the use of the IRB approach to credit risk	EU CR6-A	Scope of the use of IRB and SA approaches	Tab 4.8
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 4.5
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 4.6
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 4.7
Annex 21- Disclosure of the use of the IRB approach to credit risk	EU CR9	IRB approach – Back-testing of PD per exposure class (fixed PD scale)	Tab 4.9 and 4.10
Annex 21- Disclosure of the use of the IRB approach to credit risk	EU CR9.1	IRB approach – Back-testing of PD per exposure class (only for PD estimates according to point (f) of Article 180(1) CRR)	not applicable to BOI
Annex 23 - Disclosure of specialised lending	EU CR10	Specialised lending and equity exposures under the simple risk weighted approach	not applicable to BOI
Annex 25 - Disclosure of exposures to counterparty credit risk	EU CCRA	Qualitative disclosure related to CCR	Counterparty Credit Risk Tab
Annex 25 - Disclosure of exposures to counterparty credit risk	EU CCR1	Analysis of CCR exposure by approach	Tab 5.1
Annex 25 - Disclosure of exposures to counterparty credit risk	EU CCR2	Transactions subject to own funds requirements for CVA risk	Tab 5.4

Annex 25 - Disclosure of exposures to counterparty credit risk	EU CCR3	Standardised approach – CCR exposures by regulatory exposure class and risk weight	Tab 5.2
Annex 25 - Disclosure of exposures to counterparty credit risk	EU CCR4	IRB approach – CCR exposures by exposure class and PD scale	Tab 5.3
Annex 25 - Disclosure of exposures to counterparty credit risk	EU CCR5	Composition of collateral for exposures to CCR	Tab 5.5
Annex 25 - Disclosure of exposures to counterparty credit risk	EU CCR6	Credit derivatives exposures	Tab 5.6
Annex 25 - Disclosure of exposures to counterparty credit risk	EU CCR7	RWA flow statements of CCR exposures under the IMM	not applicable to BOI
Annex 25 - Disclosure of exposures to counterparty credit risk	EU CCR8	Exposures to CCPs	Tab 5.7
Annex 27 - Disclosure of exposures to securitisation positions	EU SECA	Qualitative disclosure requirements related to securitisation exposures	Securitisations Tab
Annex 27 - Disclosure of exposures to securitisation positions	EU SEC1	Securitisation exposures in the non-trading book	Tab 6.1
Annex 27 - Disclosure of exposures to securitisation positions	EU SEC2	Securitisation exposures in the trading book	not applicable to BOI
Annex 27 - Disclosure of exposures to securitisation positions	EU SEC3	Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor	Tab 6.2
Annex 27 - Disclosure of exposures to securitisation positions	EU SEC4	Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor	Tab 6.3
Annex 27 - Disclosure of exposures to securitisation positions	EU SEC5	Exposures securitised by the institution - Exposures in default and specific credit risk adjustments	Tab 6.4
Annex 29 - Disclosure of use of standardized approach and internal model for market risk	EU MRA	Qualitative disclosure requirements related to market risk	Market Risk Tab
Annex 29 - Disclosure of use of standardized approach and internal model for market risk	EU MR1	Market risk under the standardised approach	Tab 7.1
Annex 29 - Disclosure of use of standardized approach and internal model for market risk	EU MRB	Qualitative disclosure requirements for institutions using the internal Market Risk Models	not applicable to BOI
Annex 29 - Disclosure of use of standardized approach and internal model for market risk	EU MR2-A	Market risk under the internal Model Approach (IMA)	not applicable to BOI
Annex 29 - Disclosure of use of standardized approach and internal model for market risk	EU MR2-B	RWA flow statements of market risk exposures under the IMA	not applicable to BOI
Annex 29 - Disclosure of use of standardized approach and internal model for market risk	EU MR3	IMA values for trading portfolios	not applicable to BOI
Annex 29 - Disclosure of use of standardized approach and internal model for market risk	EU MR4	Comparison of VaR estimates with gains/losses	not applicable to BOI
Annex 31 - Disclosure of operational risk	EU ORA	Qualitative information on operational risk	Operational Risk Tab
Annex 31 - Disclosure of operational risk	EU OR1	Operational risk own funds requirements and risk-weighted exposure amounts	Tab 8.1
Annex 33 - Disclosure of remuneration policy	EU REMA	Remuneration policy	Remuneration Tab
Annex 33 - Disclosure of remuneration policy	EU REM1	Remuneration awarded for the financial year	Tab 11.1
Annex 33 - Disclosure of remuneration policy	EU REM2	Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)	Tab 11.2
Annex 33 - Disclosure of remuneration policy	EU REM3	Deferred remuneration	Tab 11.3
Annex 33 - Disclosure of remuneration policy	EU REM4	Remuneration of 1 million EUR or more per year	Tab 11.4
Annex 33 - Disclosure of remuneration policy	EU REM5	Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)	Tab 11.5
Annex 35 - Disclosure of encumbered and unencumbered assets	EU AE1	Encumbered and unencumbered assets	Tab 9.4
Annex 35 - Disclosure of encumbered and unencumbered assets	EU AE2	Collateral received and own debt securities issued	Tab 9.5
Annex 35 - Disclosure of encumbered and unencumbered assets	EU AE3	Sources of encumbrance	Tab 9.6
Annex 35 - Disclosure of encumbered and unencumbered assets	EU AE4	Accompanying narrative information	Tab 9.6
Annex 37 - IRRBB Disclosure (EBA/CP/2021/20)	EU IRRBBA	Qualitative information on interest rate risks of non-trading book activities	IRRBB Tab
Annex 37 - IRRBB Disclosure (EBA/CP/2021/20)	EU IRRBB1	Interest rate risks of non-trading book activities	Tab 7.2
Guidelines on uniform disclosures under Article 473a of Regulation (EU) No 575/2013 as regards the transitional period for mitigating the impact of the introduction of IFRS 9 on own funds (EBA/GL/2018/01)	IFRS 9-FL	Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs	Tab 1.2
Guidelines on Covid -19 measures reporting and disclosure (EBA GL 2020 07)	Template 1	Information on loans and advances subject to legislative and non-legislative moratoria	Tab 4.21
Guidelines on Covid -19 measures reporting and disclosure (EBA GL 2020 07)	Template 2	Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria	Tab 4.22
Guidelines on Covid -19 measures reporting and disclosure (EBA GL 2020 07)	Template 3	Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis	Tab 4.23

Appendix II - CRR Roadmap

CRD / CRR Article	General Provisions	Annex	Template	P3 Location
CRR 431 - Scope of disclosure requirements	requirements for disclosure and policy			BOI complies with required disclosures in compliance with legislation and policy
CRR 432 - Non-material, proprietary or confidential information	allowed omission on basis of materiality			Introduction Tab
CRR 433 – Frequency of disclosure	requirements regarding frequency of disclosure			Introduction Tab
CRR 434 – Means of disclosures	requirements regarding manner and location of disclosure			Introduction Tab
CRD / CRR Article	**Disclosure Requirement**	**Annex**	**Template**	**P3 Location**
CRR 435 - Risk management objectives and policies	1. Institutions shall disclose their risk management objectives and policies for each separate category of risk, including the risks referred to under this Title. These disclosures shall include:	Annex 3 Annex 13 Annex 15 Annex 29 Annex 31	EU OVA - Institution risk management approach EU LIQA - Liquidity risk management EU CRA: General qualitative information about credit risk EU MRA: Qualitative disclosure requirements related to market risk EU ORA - Qualitative information on operational risk	Risk Management, Risk Management Framework, Business risk, People risk, Strategic risk, Credit risk, Market risk, Operational risk, Funding and liquidity risk, Life insurance risk, Conduct and regulatory risk tabs.
CRR 435 - Risk management objectives and policies	(a) the strategies and processes to manage those categories of risks;	Annex 3 Annex 13 Annex 15 Annex 29 Annex 31	EU OVA - Institution risk management approach EU LIQA - Liquidity risk management EU CRA: General qualitative information about credit risk EU MRA: Qualitative disclosure requirements related to market risk EU ORA - Qualitative information on operational risk	Risk Management, Risk Management Framework, Business risk, People risk, Strategic risk, Credit risk, Market risk, Operational risk, Funding and liquidity risk, Life insurance risk, Conduct and regulatory risk tabs.
CRR 435 - Risk management objectives and policies	(b) the structure and organisation of the relevant risk management function including information on the basis of its authority, its powers and accountability in accordance with the institution's incorporation and governing documents;	Annex 3 Annex 13 Annex 15 Annex 29 Annex 31	EU OVA - Institution risk management approach EU LIQA - Liquidity risk management EU CRA: General qualitative information about credit risk EU MRA: Qualitative disclosure requirements related to market risk EU ORA - Qualitative information on operational risk	Risk Management, Risk Management Framework, Business risk, People risk, Strategic risk, Credit risk, Market risk, Operational risk, Funding and liquidity risk, Life insurance risk, Conduct and regulatory risk tabs.
CRR 435 - Risk management objectives and policies	(c) the scope and nature of risk reporting and measurement systems;	Annex 3 Annex 13 Annex 29 Annex 31	EU OVA - Institution risk management approach EU LIQA - Liquidity risk management EU MRA: Qualitative disclosure requirements related to market risk EU ORA - Qualitative information on operational risk	Risk Management, Risk Management Framework, Business risk, People risk, Strategic risk, Credit risk, Market risk, Operational risk, Funding and liquidity risk, Life insurance risk, Conduct and regulatory risk tabs.
CRR 435 - Risk management objectives and policies	(d) the policies for hedging and mitigating risk, and the strategies and processes for monitoring the continuing effectiveness of hedges and mitigants;	Annex 3 Annex 13 Annex 15 Annex 29 Annex 31	EU OVA - Institution risk management approach EU LIQA - Liquidity risk management EU CRA: General qualitative information about credit risk EU MRA: Qualitative disclosure requirements related to market risk EU ORA - Qualitative information on operational risk	Risk Management, Risk Management Framework, Business risk, People risk, Strategic risk, Credit risk, Market risk, Operational risk, Funding and liquidity risk, Life insurance risk, Conduct and regulatory risk tabs.
CRR 435 - Risk management objectives and policies	(e) a declaration approved by the management body on the adequacy of risk management arrangements of the institution providing assurance that the risk management systems put in place are adequate with regard to institution's profile and strategy;	Annex 3 Annex 13 Annex 31	EU OVA - Institution risk management approach EU LIQA - Liquidity risk management EU ORA - Qualitative information on operational risk	Risk Management, Risk Management Framework, Business risk, People risk, Strategic risk, Credit risk, Market risk, Operational risk, Funding and liquidity risk, Life insurance risk, Conduct and regulatory risk tabs.
CRR 435 - Risk management objectives and policies	(f) a concise risk statement approved by the management body succinctly describing the institution's overall risk profile associated with the business strategy. This statement shall include i) key ratios and figures providing external stakeholders with a comprehensive view of how the risk profile of the institution interacts with the risk tolerance set by the management body.	Annex 3 Annex 13 Annex 15 Annex 31	EU OVA - Institution risk management approach EU LIQA - Liquidity risk management EU CRA: General qualitative information about credit risk EU ORA - Qualitative information on operational risk	Risk Management, Risk Management Framework, Business risk, People risk, Strategic risk, Credit risk, Market risk, Operational risk, Funding and liquidity risk, Life insurance risk, Conduct and regulatory risk tabs.
CRR 435 - Risk management objectives and policies	(ii) information on intragroup transactions and transactions with related parties that may have a material impact of the risk profile of the consolidated group.			Appendix V
CRR 435 - Risk management objectives and policies	2. Institutions shall disclose the following information, including regular, at least annual updates, regarding governance arrangements: (a) the number of directorships held by members of the management body;	Annex 3	EU OVB - Disclosure on governance arrangements	EU OVB - Tab 3.2
CRR 435 - Risk management objectives and policies	(b) the recruitment policy for the selection of members of the management body and their actual knowledge, skills and expertise;	Annex 3	EU OVB - Disclosure on governance arrangements	EU OVB - Tab 3.2
CRR 435 - Risk management objectives and policies	(c) the policy on diversity with regard to selection of members of the management body, its objectives and any relevant targets set out in that policy, and the extent to which these objectives and targets have been achieved;	Annex 3	EU OVB - Disclosure on governance arrangements	EU OVB - Tab 3.2
CRR 435 - Risk management objectives and policies	(d) whether or not the institution has set up a separate risk committee and the number of times the risk committee has met;	Annex 3	EU OVB - Disclosure on governance arrangements	Risk Management Framework Tab
CRR 435 - Risk management objectives and policies	(e) the description of the information flow on risk to the management body	Annex 3	EU OVB - Disclosure on governance arrangements	Risk Management Framework Tab
CRR 436 – Scope of application	Institutions shall disclose the following information regarding the scope of application of this Regulation as follows: (a) the name of the institution to which the requirements of this Regulation apply;	Annex 5		Forward looking statement Tab
CRR 436 – Scope of application	(b) a reconciliation between the consolidated financial statements prepared in accordance with the applicable accounting framework and the consolidated financial statements prepared in accordance with the requirements on regulatory consolidation pursuant to Sections 2 and 3 of Title II of Part One; that reconciliation shall outline the differences between the accounting and regulatory scopes of consolidation and the legal entities included within the regulatory scope of consolidation where it differs from the accounting scope of consolidation; the outline of the legal entities included within the regulatory scope of consolidation shall describe the method of regulatory consolidation where it is different from the accounting consolidation method, whether those entities are fully or proportionally consolidated and whether the holdings in those legal entities are deducted from own funds;	Annex 5	EU LI3 - Outline of the differences in the scopes of consolidation (entity by entity) EU LIA - Explanations of differences between accounting and regulatory exposure amounts	EU LI3 - Appendix III EU LIA - Tab 1.4
CRR 436 – Scope of application	(c) a breakdown of assets and liabilities of the consolidated financial statements prepared in accordance with the requirements on regulatory consolidation pursuant to Sections 2 and 3 of Title II of Part One, broken down by type of risks as referred to under this Part;	Annex 5	EU LI1 - Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories	EU LI1 - Tab 1.4
CRR 436 – Scope of application	(d) a reconciliation identifying the main sources of differences between the carrying value amounts in the financial statements under the regulatory scope of consolidation as defined in Sections 2 and 3 of Title II of Part One, and the exposure amount used for regulatory purposes; that reconciliation shall be supplemented by qualitative information on those main sources of differences;	Annex 5	EU LI2 - Main sources of differences between regulatory exposure amounts and carrying values in financial statements	EU LI2 - Tab 1.5
CRR 436 – Scope of application	(e) for exposures from the trading book and the non-trading book that are adjusted in accordance with Article 34 and Article 105, a breakdown of the amounts of the constituent elements of an institution's prudent valuation adjustment, by type of risks, and the total of constituent elements separately for the trading book and non-trading book positions;	Annex 5	EU PV1: Prudent valuation adjustments (PVA)	EU PV1 - Tab 2.5
CRR 436 – Scope of application	(f) any current or expected material practical or legal impediment to the prompt transfer of own funds or repayment of liabilities among the parent undertaking and its subsidiaries;	Annex 5	EU LIB - Other qualitative information on the scope of application	EU LIB - Tab 1.4
CRR 436 – Scope of application	(g) the aggregate amount by which the actual own funds are less than required in all subsidiaries not included in the consolidation, and the name or names of such subsidiaries;	Annex 5	EU LIB - Other qualitative information on the scope of application	EU LIB - Tab 1.3 Appendix III
CRR 436 – Scope of application	(h) if applicable, the circumstances of making use of the provisions laid down in Articles 7 and 9.	Annex 5	EU LIB - Other qualitative information on the scope of application	Introduction Tab
CRR 437 – Own funds	1. Institutions shall disclose the following information regarding their own funds: (a) A full reconciliation of Common Equity Tier 1 items, Additional Tier 1 items, Tier 2 items and filters and deductions applied pursuant to Articles 32 to 36, 56, 66 and 79 with the balance sheet in the audited financial statements of the institution;	Annex 7	EU CC1 - Composition of regulatory own funds EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements	EU CC1 - Tab 2.2 EU CC1 - Tab 2.3
CRR 437 – Own funds	1.) b.) A description of the main features of the Common Equity Tier 1 and Additional Tier 1 instruments and Tier 2 instruments issued by the institution.	Annex 7	EU CCA: Main features of regulatory own funds instruments and eligible liabilities instruments	EU CCA - Appendix IV
CRR 437 – Own funds	1.) c.) the full terms and conditions of all Common Equity Tier 1, Additional Tier 1 and Tier 2 instruments;	Annex 7	EU CCA: Main features of regulatory own funds instruments and eligible liabilities instruments	EU CCA - Appendix IV
CRR 437 – Own funds	1.) d.) separate disclosure of the nature and amounts of the following: (i) each prudential filter applied pursuant to Articles 32 to 35;	Annex 7	EU CC1 - Composition of regulatory own funds	EU CC1 - Tab 2.2
CRR 437 – Own funds	(ii) each deduction made pursuant to Articles 36, 56 and 66;	Annex 7	EU CC1 - Composition of regulatory own funds	EU CC1 - Tab 2.2
CRR 437 – Own funds	(iii) items not deducted in accordance with Articles 47, 48, 56, 66 and 79;	Annex 7	EU CC1 - Composition of regulatory own funds	EU CC1 - Tab 2.2
CRR 437 – Own funds	1.) e.) a description of all restrictions applied to the calculation of own funds in accordance with this Regulation and the instruments, prudential filters and deductions to which those restrictions apply;	Annex 7	EU CC1 - Composition of regulatory own funds	EU CC1 - Tab 2.2
CRR 437 – Own funds	1.) f) a comprehensive explanation of the basis on which capital ratios are calculated where those capital ratios are calculated by using elements of own funds determined on a basis other than the basis laid down in this Regulation.	Not applicable to BOI		
CRR 437a – Own funds and eligible liabilities	Institutions that are subject to Article 92a or 92b shall disclose the following information regarding their own funds and eligible liabilities:	Not applicable to BOI		
CRR 437a – Own funds and eligible liabilities	(a) the composition of their own funds and eligible liabilities, their maturity and their main features;	Not applicable to BOI		
CRR 437a – Own funds and eligible liabilities	(b) the ranking of eligible liabilities in the creditor hierarchy;	Not applicable to BOI		
CRR 437a – Own funds and eligible liabilities	(c) the total amount of each issuance of eligible liabilities instruments referred to in Article 72b and the amount of those issuances that is included in eligible liabilities items within the limits specified in Article 72b(3) and (4);	Not applicable to BOI		
CRR 437a – Own funds and eligible liabilities	(d) the total amount of excluded liabilities referred to in Article 72a(2).	Not applicable to BOI		
CRR 438 – Capital own funds requirements and risk weighted exposure amounts	Institutions shall disclose the following information regarding the compliance by the institution with the requirements laid down in Articles 92 of this Regulation and Article 73 of Directive 2013/36/EU: (a) A summary of the institution's approach to assessing the adequacy of its internal capital to support current and future activities;	Annex 1	EU OVC - ICAAP information	EU OVC - Capital Tab
CRR 438 – Capital own funds requirements and risk weighted exposure amounts	(b) the amount of the additional own funds requirements based on the supervisory review process as referred to in point (a) of Article 104(1) of Directive 2013/36/EU and its composition in terms of Common Equity Tier 1, additional Tier 1 and Tier 2 instruments;	Annex 1	EU KM1 - Overview of risk weighted exposure amounts	EU KM1 - Tab 1.1

CRR 438 – Capital own funds requirements and risk weighted exposure amounts	(c) upon demand from the relevant competent authority, the result of the institution's internal capital adequacy assessment process;	Annex 1	EU OVC - ICAAP information	EU OVC - Capital Tab
CRR 438 – Capital own funds requirements and risk weighted exposure amounts	(d) the total risk-weighted exposure amount and the corresponding total own funds requirement determined in accordance with Article 92, to be broken down by the different risk categories set out in Part Three and, where applicable, an explanation of the effect on the calculation of own funds and risk-weighted exposure amounts that results from applying capital floors and not deducting items from own funds;	Annex 1	EU OV1 - Overview of risk weighted exposure amounts	EU OV1 - Tab 2.1
CRR 438 – Capital own funds requirements and risk weighted exposure amounts	(e) the on- and off-balance-sheet exposures, the risk-weighted exposure amounts and associated expected losses for each category of specialised lending referred to in Table 1 of Article 153(5) and the on- and off-balance- sheet exposures and risk-weighted exposure amounts for the categories of equity exposures set out in Article 155(2);	Annex 23	EU CR10 – Specialised lending and equity exposures under the simple risk weighted approach	EU CR10 - Not applicable to BOI
CRR 438 – Capital own funds requirements and risk weighted exposure amounts	(f) the exposure value and the risk-weighted exposure amount of own funds instruments held in any insurance undertaking, reinsurance undertaking or insurance holding company that the institutions do not deduct from their own funds in accordance with Article 49 when calculating their capital requirements on an individual, sub-consolidated and consolidated basis;	Annex 1	EU INS1 - Insurance participations	EU INS1 - Not applicable to BOI
CRR 438 – Capital own funds requirements and risk weighted exposure amounts	(g) the supplementary own funds requirement and the capital adequacy ratio of the financial conglomerate calculated in accordance with Article 6 of Directive 2002/87/EC and Annex I to that Directive where method 1 or 2 set out in that Annex is applied;	Annex 1	EU INS2 - Financial conglomerates information on own funds and capital adequacy ratio	EU OVC - Capital Tab
CRR 438 – Capital own funds requirements and risk weighted exposure amounts	(h) the variations in the risk-weighted exposure amounts of the current disclosure period compared to the immediately preceding disclosure period that result from the use of internal models, including an outline of the key drivers explaining those variations.	Annex 21 Annex 25 Annex 29	EU CR8 – RWEA flow statements of credit risk exposures under the IRB approach EU CCR7 – RWEA flow statements of CCR exposures under the IMM EU MR2-B - RWA flow statements of market risk exposures under the IMA	EU CR8 - Tab 4.7 EU CCR7 - Not applicable to BOI EU MR2-B - Not applicable to BOI
CRR 439 – Exposure to counterparty credit risk	Institutions shall disclose the following information regarding the institution's exposure to counterparty credit risk as defined in Part Three, Title II, Chapter 6: (a) a description of the methodology used to assign internal capital and credit limits for counterparty credit exposures, including the methods to assign those limits to exposures to central counterparties;	Annex 25	EU CCRA – Qualitative disclosure related to CCR	EU CCRA – Counterparty Credit Risk Tab
CRR 439 – Exposure to counterparty credit risk	(b) a description of policies related to guarantees and other credit risk mitigants, such as the policies for securing collateral and establishing credit reserves;	Annex 25	EU CCRA – Qualitative disclosure related to CCR	EU CCRA – Counterparty Credit Risk Tab
CRR 439 – Exposure to counterparty credit risk	(c) a description of policies with respect to General Wrong-Way risk and Specific Wrong-Way risk as defined in Article 291;	Annex 25	EU CCRA – Qualitative disclosure related to CCR	EU CCRA – Counterparty Credit Risk Tab
CRR 439 – Exposure to counterparty credit risk	(d) the amount of collateral the institution would have to provide if its credit rating was downgraded;	Annex 25	EU CCRA – Qualitative disclosure related to CCR	EU CCRA – Counterparty Credit Risk Tab
CRR 439 – Exposure to counterparty credit risk	(e) the amount of segregated and unsegregated collateral received and posted per type of collateral, further broken down between collateral used for derivatives and securities financing transactions;	Annex 25	EU CCR5 – Composition of collateral for CCR exposures	EU CCR5 – Tab 5.5
CRR 439 – Exposure to counterparty credit risk	(f) for derivative transactions, the exposure values before and after the effect of the credit risk mitigation as determined under the methods set out in Sections 3 to 6 of Chapter 6 of Title II of Part Three, whichever method is applicable, and the associated risk exposure amounts broken down by applicable method;	Annex 25	EU CCR1 – Analysis of CCR exposure by approach	EU CCR1 - Tab 5.1
CRR 439 – Exposure to counterparty credit risk	g) the notional value of credit derivative hedges, and the distribution of current credit exposure by types of credit exposure;	Annex 25	EU CCR1 – Analysis of CCR exposure by approach	EU CCR1 - Tab 5.2
CRR 439 – Exposure to counterparty credit risk	(h) the exposure values after credit risk mitigation effects and the associated risk exposures for credit valuation adjustment capital charge, separately for each method as set out in Title VI of Part Three;	Annex 25	EU CCR2 – Transactions subject to own funds requirements for CVA risk	EU CCR2 - Tab 5.4
CRR 439 – Exposure to counterparty credit risk	(i) the exposure value to central counterparties and the associated risk exposures within the scope of Section 9 of Chapter 6 of Title II of Part Three, separately for qualifying and non-qualifying central counterparties, and broken down by types of exposures;	Annex 25	EU CCR8 – Exposures to CCPs	EU CCR8 – Tab 5.7
CRR 439 – Exposure to counterparty credit risk	(j) the notional amounts and fair value of credit derivative transactions; credit derivative transactions shall be broken down by product type; within each product type, credit derivative transactions shall be broken down further by credit protection bought and credit protection sold;	Annex 25	EU CCR6 – Credit derivatives exposures	EU CCR6 – Tab 5.6
CRR 439 – Exposure to counterparty credit risk	(k) the estimate of alpha where the institution has received the permission of the competent authorities to use its own estimate of alpha in accordance with Article 284(9);	Annex 25	EU CCR1 – Analysis of CCR exposure by approach	EU CCR1 - Tab 5.2
CRR 439 – Exposure to counterparty credit risk	(l) separately, the disclosures included in point (e) of Article 444 and point (g) of Article 452;	Annex 25	EU CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights EU CCR4 – IRB approach – CCR exposures by exposure class and PD scale	EU CCR3 – Tab 5.2 EU CCR4 – Tab 5.3
CRR 439 – Exposure to counterparty credit risk	(m) for institutions using the methods set out in Sections 4 to 5 of Chapter 6 of Title II Part Three, the size of their on- and off-balance-sheet derivative business as calculated in accordance with Article 273a(1) or (2), as applicable. Where the central bank of a Member State provides liquidity assistance in the form of collateral swap transactions, the competent authority may exempt institutions from the requirements in points (d) and (e) of the first subparagraph where that competent authority considers that the disclosure of the information referred to therein could reveal that emergency liquidity assistance has been provided. For those purposes, the competent authority shall set out appropriate thresholds and objective criteria.	Annex 25	EU CCR1 – Analysis of CCR exposure by approach	EU CCR1 - Tab 5.1
CRR 440 - Capital Buffers	1. An institution shall disclose the following information in relation to its compliance with the requirement for a countercyclical capital buffer referred to in Title VII, Chapter 4 of Directive 2013/36/EU. :	Annex 9	EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer	EU CCyB1 - Tab 2.4
CRR 440 - Capital Buffers	a. the geographical distribution of the exposure amounts and risk-weighted exposure amounts of its credit exposures used as a basis for the calculation of their countercyclical capital buffer;	Annex 9	EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer	EU CCyB1 - Tab 2.4
CRR 440 - Capital Buffers	b. the amount of their institution-specific countercyclical capital buffer.	Annex 9	EU CCyB2 - Amount of institution-specific countercyclical capital buffer	EU CCyB2 - Tab 2.4
CRR 441 - Indicators of global systemic importance	G-SIIs shall disclose, on an annual basis, the values of the indicators used for determining their score in accordance with the identification methodology referred to in Article 131 of Directive 2013/36/EU.	Not applicable to BOI		
CRR 442 – exposures to credit risk and dilution risk	Institutions shall disclose the following information regarding their exposures to credit risk and dilution risk:	Annex 15	EU CRB: Additional disclosure related to the credit quality of assets	EU CRB - Credit Risk Tab
CRR 442 – exposures to credit risk and dilution risk	(a) the scope and definitions that they use for accounting purposes of 'past due' and 'impaired' and the differences, if any, between the definitions of 'past due' and 'default' for accounting and regulatory purposes;	Annex 15	EU CRB: Additional disclosure related to the credit quality of assets	EU CRB - Credit Risk Tab
CRR 442 – exposures to credit risk and dilution risk	(b) a description of the approaches and methods adopted for determining specific and general credit risk adjustments;	Annex 15	EU CRB: Additional disclosure related to the credit quality of assets	EU CRB - Credit Risk Tab
CRR 442 – exposures to credit risk and dilution risk	(c) information on the amount and quality of performing, non-performing and forborne exposures for loans, debt securities and off-balance-sheet exposures, including their related accumulated impairment, provisions and negative fair value changes due to credit risk and amounts of collateral and financial guarantees received;	Annex 15	EU CQ3: Credit quality of performing and non-performing exposures by past due days EU CR1: Performing and non-performing exposures and related provisions EU CQ1: Credit quality of forborne exposures EU CQ4: Quality of non-performing exposures by geography EU CQ5: Credit quality of loans and advances by industry EU CQ2: Quality of forbearance EU CR2a: Changes in the stock of non-performing loans and advances and related net accumulated recoveries EU CQ7: Collateral obtained by taking possession and execution processes EU CQ4: Quality of non-performing exposures by geography EU CQ5: Credit quality of loans and advances by industry EU CQ6: Collateral valuation - loans and advances EU CQ8: Collateral obtained by taking possession and execution processes – vintage breakdown	EU CQ3 - Tab 4.13 EU CR1 - Tab 4.11 EU CQ1 - Tab 4.14 EU CQ4 - Tab 4.16 EU CQ5 - Tab 4.17 EU CQ2 - Tab 4.15 EU CR2a - Tab 4.19 EU CQ7 - Not applicable to BOI EU CQ8 - Not applicable to BOI
CRR 442 – exposures to credit risk and dilution risk	(d) an ageing analysis of accounting past due exposures;	Annex 15	EU CQ3: Credit quality of performing and non-performing exposures by past due days	EU CQ3 - Tab 4.13
CRR 442 – exposures to credit risk and dilution risk	(e) the gross carrying amounts of both defaulted and non-defaulted exposures, the accumulated specific and general credit risk adjustments, the accumulated write-offs taken against those exposures and the net carrying amounts and their distribution by geographical area and industry type and for loans, debt securities and off- balance-sheet exposures;	Annex 15	EU CQ4: Quality of non-performing exposures by geography EU CQ5: Credit quality of loans and advances by industry EU CQ4: Quality of non-performing exposures by geography EU CQ5: Credit quality of loans and advances by industry	EU CQ4 - Tab 4.16 (see Footnote 1 on 4.16 regarding materiality) EU CQ5 - Tab 4.17
CRR 442 – exposures to credit risk and dilution risk	(f) any changes in the gross amount of defaulted on- and off-balance-sheet exposures, including, as a minimum, information on the opening and closing balances of those exposures, the gross amount of any of those exposures reverted to non-defaulted status or subject to a write-off;	Annex 15	EU CR2: Changes in the stock of non-performing loans and advances EU CR1: Performing and non-performing exposures and related provisions EU CR2a: Changes in the stock of non-performing loans and advances and related net accumulated recoveries	EU CR2 - Not applicable in BOI EU CR1 - Tab 4.11 EU CR2a - Tab 4.19
CRR 442 – exposures to credit risk and dilution risk	(g) the breakdown of loans and debt securities by residual maturity.	Annex 15	EU CR1-A: Maturity of exposures	EU CR1-A - Tab 4.12
CRR 443 – Unencumbered Assets	Institutions shall disclose information concerning their encumbered and unencumbered assets. For those purposes, institutions shall use the carrying amount per exposure class broken down by asset quality and the total amount of the carrying amount that is encumbered and unencumbered. Disclosure of information on encumbered and unencumbered assets shall not reveal emergency liquidity assistance provided by central banks.	Annex 35	EU AE1 - Encumbered and unencumbered assets EU AE2 - Collateral received and own debt securities issued EU AE3 - Sources of encumbrance EU AE4 - Accompanying narrative information	EU AE1 - Tab 9.4 EU AE2 - Tab 9.5 EU AE3 - Tab 9.6 EU AE4 - Tab 9.6

CRR 444 – use of the standardised approach	Institutions calculating their risk-weighted exposure amounts in accordance with Chapter 2 of Title II of Part Three shall disclose the following information for each of the exposure classes set out in Article 112:	Annex 19	EU CRD – Qualitative disclosure requirements related to standardised model	EU CRD – Standardised Approach Tab
CRR 444 – use of the standardised approach	(a) the names of the nominated ECAIs and ECAs and the reasons for any changes in those nominations over the disclosure period;	Annex 19	EU CRD – Qualitative disclosure requirements related to standardised model	EU CRD – Standardised Approach Tab
CRR 444 – use of the standardised approach	(b) the exposure classes for which each ECAI or ECA is used;	Annex 19	EU CRD – Qualitative disclosure requirements related to standardised model	EU CRD – Standardised Approach Tab
CRR 444 – use of the standardised approach	(c) a description of the process used to transfer the issuer and issue credit ratings onto items not included in the trading book;	Annex 19	EU CRD – Qualitative disclosure requirements related to standardised model	EU CRD – Standardised Approach Tab
CRR 444 – use of the standardised approach	(d) the association of the external rating of each nominated ECAI or ECA with the risk weights that correspond to the credit quality steps as set out in Chapter 2 of Title II of Part Three, taking into account that it is not necessary to disclose that information where the institutions comply with the standard association published by EBA;	Annex 19	EU CRD – Qualitative disclosure requirements related to standardised model	EU CRD – Standardised Approach Tab
CRR 444 – use of the standardised approach	(e) the exposure values and the exposure values after credit risk mitigation associated with each credit quality step as set out in Chapter 2 of Title II of Part Three, by exposure class, as well as the exposure values deducted from own funds.	Annex 19 Annex 25	EU CR4 – standardised approach – Credit risk exposure and CRM effects EU CR5 – standardised approach EU CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights	EU CR4 – Tab 4.1 EU CR5 – Tab 4.2 EU CCR3 – Tab 5.2
CRR 445 – Exposure to market risk	The institutions calculating their own funds requirements in accordance with points (b) and (c) of Article 92(3) shall disclose those requirements separately for each risk referred to in those provisions. In addition, the own funds requirement for specific interest rate risk of securitisation positions shall be disclosed separately.	Annex 29	EU MR1 - Market risk under the standardised approach	EU MR1 - Tab 7.1
CRR 446 – Operational risk	Institutions shall disclose the following information about their operational risk management: (a) the approaches for the assessment of own funds requirements for operation risk that the institution qualifies for;	Annex 31	EU ORA - Qualitative information on operational risk EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts	EU ORA - Operational Risk Tab EU OR1 - Tab 8.1
CRR 446 – Operational risk	(b) where the institution makes use of it, a description of the methodology set out in Article 312(2), which shall include a discussion of the relevant internal and external factors being considered in the institution's advanced measurement approach;	Annex 31	EU ORA - Qualitative information on operational risk EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts	EU ORA - Operational Risk Tab EU OR1 - Tab 8.1
CRR 446 – Operational risk	(c) in the case of partial use, the scope and coverage of the different methodologies used.	Annex 31	EU ORA - Qualitative information on operational risk EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts	EU ORA - Operational Risk Tab EU OR1 - Tab 8.1
CRR 447 – Key Metrics	Institutions shall disclose the following key metrics in a tabular format:	Annex 1	EU KM1 - Overview of risk weighted exposure amounts	EU KM1 - Tab 1.1
CRR 447 – Key Metrics	(a) the composition of their own funds and their own funds requirements as calculated in accordance with Article 92;	Annex 1	EU KM1 - Overview of risk weighted exposure amounts	EU KM1 - Tab 1.1
CRR 447 – Key Metrics	(b) the total risk exposure amount as calculated in accordance with Article 92(3);	Annex 1	EU KM1 - Overview of risk weighted exposure amounts	EU KM1 - Tab 1.1
CRR 447 – Key Metrics	(c) where applicable, the amount and composition of additional own funds which the institutions are required to hold in accordance with point (a) of Article 104(1) of Directive 2013/36/EU;	Annex 1	EU KM1 - Overview of risk weighted exposure amounts	EU KM1 - Tab 1.1
CRR 447 – Key Metrics	(d) their combined buffer requirement which the institutions are required to hold in accordance with Chapter 4 of Title VII of Directive 2013/36/EU;	Annex 1	EU KM1 - Overview of risk weighted exposure amounts	EU KM1 - Tab 1.1
CRR 447 – Key Metrics	(e) their leverage ratio and the total exposure measure as calculated in accordance with Article 429;	Annex 1	EU KM1 - Overview of risk weighted exposure amounts	EU KM1 - Tab 1.1
CRR 447 – Key Metrics	(f) the following information in relation to their liquidity coverage ratio as calculated in accordance with the delegated act referred to in Article 460(1): (i) the average or averages, as applicable, of their liquidity coverage ratio based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period; (ii) the average or averages, as applicable, of total liquid assets, after applying the relevant haircuts, included in the liquidity buffer pursuant to the delegated act referred to in Article 460(1), based on end-of-the- month observations over the preceding 12 months for each quarter of the relevant disclosure period; (iii) the averages of their liquidity outflows, inflows and net liquidity outflows as calculated pursuant to the delegated act referred to in Article 460(1), based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period;	Annex 1	EU KM1 - Overview of risk weighted exposure amounts	EU KM1 - Tab 1.1
CRR 447 – Key Metrics	(g) the following information in relation to their net stable funding requirement as calculated in accordance with Title IV of Part Six: (i) the net stable funding ratio at the end of each quarter of the relevant disclosure period; (ii) the available stable funding at the end of each quarter of the relevant disclosure period; (iii) the required stable funding at the end of each quarter of the relevant disclosure period;	Annex 1	EU KM1 - Overview of risk weighted exposure amounts	EU KM1 - Tab 1.1
CRR 447 – Key Metrics	(h) their own funds and eligible liabilities ratios and their components, numerator and denominator, as calculated in accordance with Articles 92a and 92b and broken down at the level of each resolution group, where applicable.	Not applicable to BOI		
CRR 448 – Exposure to interest rate risk on positions not included in the trading book	I1.As from 28 June 2021, institutions shall disclose the following quantitative and qualitative information on the risks arising from potential changes in interest rates that affect both the economic value of equity and the net interest income of their non-trading book activities referred to in Article 84 and Article 98(5) of Directive 2013/36/EU:	new IRRBB Disclosures	EU IRRBB1 - Interest rate risks of non-trading book activities	EU IRRBB1 - Tab 7.2
CRR 448 – Exposure to interest rate risk on positions not included in the trading book	(a) the changes in the economic value of equity calculated under the six supervisory shock scenarios referred to in Article 98(5) of Directive 2013/36/EU for the current and previous disclosure periods;	new IRRBB Disclosures	EU IRRBB1 - Interest rate risks of non-trading book activities	EU IRRBB1 - Tab 7.2
CRR 448 – Exposure to interest rate risk on positions not included in the trading book	(b) the changes in the net interest income calculated under the two supervisory shock scenarios referred to in Article 98(5) of Directive 2013/36/EU for the current and previous disclosure periods;	new IRRBB Disclosures	EU IRRBB1 - Interest rate risks of non-trading book activities	EU IRRBB1 - Tab 7.2
CRR 448 – Exposure to interest rate risk on positions not included in the trading book	(c) a description of key modelling and parametric assumptions, other than those referred to in points (b) and (c) of Article 98(5a) of Directive 2013/36/EU used to calculate changes in the economic value of equity and in the net interest income required under points (a) and (b) of this paragraph;	new IRRBB Disclosures	EU IRRBB1 - Interest rate risks of non-trading book activities	EU IRRBB1 - Tab 7.2
CRR 448 – Exposure to interest rate risk on positions not included in the trading book	(d) an explanation of the significance of the risk measures disclosed under points (a) and (b) of this paragraph and of any significant variations of those risk measures since the previous disclosure reference date;	new IRRBB Disclosures	EU IRRBB1 - Interest rate risks of non-trading book activities	EU IRRBB1 - Tab 7.2
CRR 448 – Exposure to interest rate risk on positions not included in the trading book	(e) the description of how institutions define, measure, mitigate and control the interest rate risk of their non- trading book activities for the purposes of the competent authorities' review in accordance with Article 84 of Directive 2013/36/EU, including: (i) a description of the specific risk measures that the institutions use to evaluate changes in their economic value of equity and in their net interest income; (ii) a description of the key modelling and parametric assumptions used in the institutions' internal measurement systems that would differ from the common modelling and parametric assumptions referred to in Article 98(5a) of Directive 2013/36/EU for the purpose of calculating changes to the economic value of equity and to the net interest income, including the rationale for those differences; (iii) a description of the interest rate shock scenarios that institutions use to estimate the interest rate risk; (iv) the recognition of the effect of hedges against those interest rate risks, including internal hedges that meet the requirements laid down in Article 106(3); (v) an outline of how often the evaluation of the interest rate risk occurs;	new IRRBB Disclosures	EU IRRBBA - Qualitative information on interest rate risks of non-trading book activities	EU IRRBBA - IRRBB Tab
CRR 448 – Exposure to interest rate risk on positions not included in the trading book	(f) the description of the overall risk management and mitigation strategies for those risks	new IRRBB Disclosures	EU IRRBBA - Qualitative information on interest rate risks of non-trading book activities	EU IRRBBA - IRRBB Tab
CRR 448 – Exposure to interest rate risk on positions not included in the trading book	(g) average and longest repricing maturity assigned to non-maturity deposits.	new IRRBB Disclosures	EU IRRBBA - Qualitative information on interest rate risks of non-trading book activities	EU IRRBBA - IRRBB Tab
CRR 448 – Exposure to interest rate risk on positions not included in the trading book	2.By way of derogation from paragraph 1 of this Article, the requirements set out in points (c) and (e)(i) to (e) (iv) of paragraph 1 of this Article shall not apply to institutions that use the standardised methodology or the simplified standardised methodology referred to in Article 84(1) of Directive 2013/36/EU.	new IRRBB Disclosures	EU IRRBBA - Qualitative information on interest rate risks of non-trading book activities	EU IRRBBA - IRRBB Tab
CRR 449 – Exposure to securitisation positions	Institutions calculating risk-weighted exposure amounts in accordance with Chapter 5 of Title II of Part Three or own funds requirements in accordance with Article 337 or 338 shall disclose the following information separately for their trading book and non-trading book activities:	Annex 27	EU-SECA - Qualitative disclosure requirements related to securitisation exposures	EU SECA - Securitisations Tab
CRR 449 – Exposure to securitisation positions	(a) a description of their securitisation and re-securitisation activities, including their risk management and investment objectives in connection with those activities, their role in securitisation and re-securitisation transactions, whether they use the simple, transparent and standardised securitisation (STS) as defined in point (10) of Article 242, and the extent to which they use securitisation transactions to transfer the credit risk of the securitised exposures to third parties with, where applicable, a separate description of their synthetic securitisation risk transfer policy;	Annex 27	EU-SECA - Qualitative disclosure requirements related to securitisation exposures	EU SECA - Securitisations Tab
CRR 449 – Exposure to securitisation positions	(b) the type of risks they are exposed to in their securitisation and re-securitisation activities by level of seniority of the relevant securitisation positions providing a distinction between STS and non-STS positions and: (i) the risk retained in own-originated transactions; (ii) the risk incurred in relation to transactions originated by third parties;	Annex 27	EU-SECA - Qualitative disclosure requirements related to securitisation exposures	EU SECA - Securitisations Tab
CRR 449 – Exposure to securitisation positions	(c) their approaches for calculating the risk-weighted exposure amounts that they apply to their securitisation activities, including the types of securitisation positions to which each approach applies and with a distinction between STS and non-STS positions;	Annex 27	EU-SECA - Qualitative disclosure requirements related to securitisation exposures	EU SECA - Securitisations Tab

CRR 449 – Exposure to securitisation positions	(d) a list of SSPEs falling into any of the following categories, with a description of their types of exposures to those SSPEs, including derivative contracts: (i) SSPEs which acquire exposures originated by the institutions; (ii) SSPEs sponsored by the institutions; (iii) SSPEs and other legal entities for which the institutions provide securitisation-related services, such as advisory, asset servicing or management services; (iv) SSPEs included in the institutions' regulatory scope of consolidation;	Annex 27	EU-SECA - Qualitative disclosure requirements related to securitisation exposures	EU SECA - Securitisations Tab
CRR 449 – Exposure to securitisation positions	(e) a list of any legal entities in relation to which the institutions have disclosed that they have provided support in accordance with Chapter 5 of Title II of Part Three;	Annex 27	EU-SECA - Qualitative disclosure requirements related to securitisation exposures	Not applicable
CRR 449 – Exposure to securitisation positions	(f) a list of legal entities affiliated with the institutions and that invest in securitisations originated by the institutions or in securitisation positions issued by SSPEs sponsored by the institutions;	Annex 27	EU-SECA - Qualitative disclosure requirements related to securitisation exposures	Not applicable
CRR 449 – Exposure to securitisation positions	(g) a summary of their accounting policies for securitisation activity, including where relevant a distinction between securitisation and re-securitisation positions;	Annex 27	EU-SECA - Qualitative disclosure requirements related to securitisation exposures	EU SECA - Securitisations Tab
CRR 449 – Exposure to securitisation positions	(h) the names of the ECAIs used for securitisations and the types of exposure for which each agency is used;	Annex 27	EU-SECA - Qualitative disclosure requirements related to securitisation exposures	EU SECA - Securitisations Tab
CRR 449 – Exposure to securitisation positions	(i) where applicable, a description of the Internal Assessment Approach as set out in Chapter 5 of Title II of Part Three, including the structure of the internal assessment process and the relation between internal assessment and external ratings of the relevant ECAI disclosed in accordance with point (h), the control mechanisms for the internal assessment process including discussion of independence, accountability, and internal assessment process review, the exposure types to which the internal assessment process is applied and the stress factors used for determining credit enhancement levels;	Annex 27	EU-SECA - Qualitative disclosure requirements related to securitisation exposures	Not applicable
CRR 449 – Exposure to securitisation positions	(j) separately for the trading book and the non-trading book, the carrying amount of securitisation exposures, including information on whether institutions have transferred significant credit risk in accordance with Articles 244 and 245, for which institutions act as originator, sponsor or investor, separately for traditional and synthetic securitisations, and for STS and non-STS transactions and broken down by type of securitisation exposures;	Annex 27	EU-SEC1 - Securitisation exposures in the non-trading book EU-SEC2 - Securitisation exposures in the trading book	EU-SEC1 - Tab 6.1 EU-SEC2 - Not applicable to BOI
CRR 449 – Exposure to securitisation positions	(k) for the non-trading book activities, the following information: (i) 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 1 250 %, 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; (ii) the aggregate amount of securitisation positions where institutions act as investor and the associated risk- weighted assets and capital requirements by regulatory approaches, including exposures deducted from own funds or risk weighted at 1 250 %, broken down between traditional and synthetic securitisations, securitisation and re-securitisation positions, and 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;	Annex 27	EU-SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor EU-SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor	EU-SEC3 - Tab 6.2 EU-SEC4 - Tab 6.3
CRR 449 – Exposure to securitisation positions	(l) for exposures securitised by the institution, the amount of exposures in default and the amount of the specific credit risk adjustments made by the institution during the current period, both broken down by exposure type.	Annex 27	EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments	EU-SEC5 - Tab 6.4
CRR 449a – Environmental, social and governance risks (ESG risks)	From 28 June 2022, large institutions which have issued securities that are admitted to trading on a regulated market of any Member State, as defined in point (21) of Article 4(1) of Directive 2014/65/EU, shall disclose information on ESG risks, including physical risks and transition risks, as defined in the report referred to in Article 98(8) of Directive 2013/36/EU. The information referred to in the first paragraph shall be disclosed on an annual basis for the first year and biannually thereafter.	Not applicable until June 2022		
CRR 450 – Remuneration policy	1.Institutions shall disclose the following information regarding their remuneration policy and practices for those categories of staff whose professional activities have a material impact on the risk profile of the institutions:	Annex 33	EU REMA - Remuneration policy	EU REMA - Remuneration Tab
CRR 450 – Remuneration policy	(a) information concerning the decision-making process used for determining the remuneration policy, as well as the number of meetings held by the main body overseeing remuneration during the financial year, including, where applicable, information about the composition and the mandate of a remuneration committee, the external consultant whose services have been used for the determination of the remuneration policy and the role of the relevant stakeholders;	Annex 33	EU REMA - Remuneration policy	EU REMA - Remuneration Tab
CRR 450 – Remuneration policy	(b) information about the link between pay of the staff and their performance;	Annex 33	EU REMA - Remuneration policy	EU REMA - Remuneration Tab
CRR 450 – Remuneration policy	(c) the most important design characteristics of the remuneration system, including information on the criteria used for performance measurement and risk adjustment, deferral policy and vesting criteria;	Annex 33	EU REMA - Remuneration policy	EU REMA - Remuneration Tab
CRR 450 – Remuneration policy	(d) the ratios between fixed and variable remuneration set in accordance with point (g) of Article 94(1) of Directive 2013/36/EU;	Annex 33	EU REMA - Remuneration policy	EU REMA - Remuneration Tab
CRR 450 – Remuneration policy	(e) information on the performance criteria on which the entitlement to shares, options or variable components of remuneration is based;	Annex 33	EU REMA - Remuneration policy	EU REMA - Remuneration Tab
CRR 450 – Remuneration policy	(f) the main parameters and rationale for any variable component scheme and any other non-cash benefits;	Annex 33	EU REMA - Remuneration policy	EU REMA - Remuneration Tab
CRR 450 – Remuneration policy	(g) aggregate quantitative information on remuneration, broken down by business area;	Annex 33	EU REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)	EU REM5 - Tab 11.5
CRR 450 – Remuneration policy	(h) aggregate quantitative information on remuneration, broken down by senior management and members of staff whose professional activities have a material impact on the risk profile of the institutions, indicating the following: (i) the amounts of remuneration awarded for the financial year, split into fixed remuneration including a description of the fixed components, and variable remuneration, and the number of beneficiaries;	Annex 33	EU REM1 - Remuneration awarded for the financial year	EU REM1 - Tab 11.1
CRR 450 – Remuneration policy	(ii) the amounts and forms of awarded variable remuneration, split into cash, shares, share-linked instruments and other types separately for the part paid upfront and the deferred part;	Annex 33	EU REM1 - Remuneration awarded for the financial year	EU REM1 - Tab 11.1
CRR 450 – Remuneration policy	(iii) the amounts of deferred remuneration awarded for previous performance periods, split into the amount due to vest in the financial year and the amount due to vest in subsequent years;	Annex 33	EU REM3 - Deferred remuneration	EU REM3 - Tab 11.3
CRR 450 – Remuneration policy	(iv) the amount of deferred remuneration due to vest in the financial year that is paid out during the financial year, and that is reduced through performance adjustments;	Annex 33	EU REM3 - Deferred remuneration	EU REM3 - Tab 11.3
CRR 450 – Remuneration policy	(v) the guaranteed variable remuneration awards during the financial year, and the number of beneficiaries of those awards;	Annex 33	EU REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)	EU REM2 - Tab 11.2
CRR 450 – Remuneration policy	(vi) the severance payments awarded in previous periods, that have been paid out during the financial year;	Annex 33	EU REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)	EU REM2 - Tab 11.2
CRR 450 – Remuneration policy	(vii) the amounts of severance payments awarded during the financial year, split into paid upfront and deferred, the number of beneficiaries of those payments and highest payment that has been awarded to a single person; (i) the number of individuals that have been remunerated EUR 1 million or more per financial year, with the remuneration between EUR 1 million and EUR 5 million broken down into pay bands of EUR 500 000 and with the remuneration of EUR 5 million and above broken down into pay bands of EUR 1 million;	Annex 33	EU REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)	EU REM2 - Tab 11.2
CRR 450 – Remuneration policy	(i) the number of individuals that have been remunerated EUR 1 million or more per financial year, with the remuneration between EUR 1 million and EUR 5 million broken down into pay bands of EUR 500 000 and with the remuneration of EUR 5 million and above broken down into pay bands of EUR 1 million;	Annex 33	EU REM4 - Remuneration of 1 million EUR or more per year	EU REM4 - Tab 11.4
CRR 450 – Remuneration policy	(j) upon demand from the relevant Member State or competent authority, the total remuneration for each member of the management body or senior management;	Annex 33	EU REMA - Remuneration policy	EU REMA - Remuneration Tab
CRR 450 – Remuneration policy	(k) information on whether the institution benefits from a derogation laid down in Article 94(3) of Directive 2013/36/EU. For the purposes of point (k) of the first subparagraph of this paragraph, institutions that benefit from such a derogation shall indicate whether they benefit from that derogation on the basis of point (a) or (b) of Article 94(3) of Directive 2013/36/EU. They shall also indicate for which of the remuneration principles they apply the derogation(s), the number of staff members that benefit from the derogation(s) and their total remuneration, split into fixed and variable remuneration.	Annex 33	EU REMA - Remuneration policy	EU REMA - Remuneration Tab
CRR 450 – Remuneration policy	2.For large institutions, the quantitative information on the remuneration of institutions' collective management body referred to in this Article shall also be made available to the public, differentiating between executive and non-executive members. Institutions shall comply with the requirements set out in this Article in a manner that is appropriate to their size, internal organisation and the nature, scope and complexity of their activities and without prejudice to Regulation (EU) 2016/679 of the European Parliament and of the Council (*).	Annex 33	EU REMA - Remuneration policy	EU REMA - Remuneration Tab
CRR 451 - Leverage	1.Institutions that are subject to Part Seven shall disclose the following information regarding their leverage ratio as calculated in accordance with Article 429 and their management of the risk of excessive leverage:	Annex 11	EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures EU LR2 - LRCom: Leverage ratio common disclosure EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) EU LRA: Free format text boxes for disclosure on qualitative items	EU LR1 - Tab 10.1 EU LR2 - Tab 10.2 EU LR3 - Tab 10.3 EU LRA - Leverage Ratio Tab
CRR 451 - Leverage	(a) the leverage ratio and how the institutions apply Article 499(2);	Annex 11	EU LR2 - LRCom: Leverage ratio common disclosure	EU LR2 - Tab 10.2
CRR 451 - Leverage	(b) a breakdown of the total exposure measure referred to in Article 429(4), as well as a reconciliation of the total exposure measure with the relevant information disclosed in published financial statements;	Annex 11	EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures EU LR2 - LRCom: Leverage ratio common disclosure EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)	EU LR1 - Tab 10.1 EU LR2 - Tab 10.2 EU LR3 - Tab 10.3
CRR 451 - Leverage	(c) where applicable, the amount of exposures calculated in accordance with Articles 429(8) and 429a(1) and the adjusted leverage ratio calculated in accordance with Article 429a(7);	Annex 11	EU LR2 - LRCom: Leverage ratio common disclosure	EU LR2 - Tab 10.2

CRR 451 - Leverage	(d) a description of the processes used to manage the risk of excessive leverage;	Annex 11	EU LRA: Free format text boxes for disclosure on qualitative items	EU LRA - Leverage Ratio Tab
CRR 451 - Leverage	(e) a description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers.	Annex 11	EU LRA: Free format text boxes for disclosure on qualitative items	EU LRA - Leverage Ratio Tab
CRR 451 - Leverage	2.Public development credit institutions as defined in Article 429a(2) shall disclose the leverage ratio without the adjustment to the total exposure measure determined in accordance with point (d) of the first subparagraph of Article 429a(1).	Annex 11	EU LR2 - LRCom: Leverage ratio common disclosure (up to rows 28)	EU LR2 - Tab 10.2
CRR 451 - Leverage	3.In addition to points (a) and (b) of paragraph 1 of this Article, large institutions shall disclose the leverage ratio and the breakdown of the total exposure measure referred to in Article 429(4) based on averages calculated in accordance with the implementing act referred to in Article 430(7).	Annex 11	EU LR2 - LRCom: Leverage ratio common disclosure (rows 28 to 31a)	EU LR2 - Tab 10.2
CRR 451a - Liquidity requirements for credit institutions and systemic investment firms	1.Institutions that are subject to Part Six shall disclose information on their liquidity coverage ratio, net stable funding ratio and liquidity risk management in accordance with this Article.	Annex 13	EU LIQ1 - Quantitative information of LCR EU LIQB on qualitative information on LCR, which complements template EU LIQ1	EU LIQ1 - Tab 9.1 EU LIQB - Tab 9.2
CRR 451a - Liquidity requirements for credit institutions and systemic investment firms	2.Institutions shall disclose the following information in relation to their liquidity coverage ratio as calculated in accordance with the delegated act referred to in Article 460(1):	Annex 13	EU LIQ1 - Quantitative information of LCR EU LIQB on qualitative information on LCR, which complements template EU LIQ1	EU LIQ1 - Tab 9.1 EU LIQB - Tab 9.2
CRR 451a - Liquidity requirements for credit institutions and systemic investment firms	(a) the average or averages, as applicable, of their liquidity coverage ratio based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period;	Annex 13	EU LIQ1 - Quantitative information of LCR EU LIQB on qualitative information on LCR, which complements template EU LIQ1	EU LIQ1 - Tab 9.1 EU LIQB - Tab 9.2
CRR 451a - Liquidity requirements for credit institutions and systemic investment firms	(b) the average or averages, as applicable, of total liquid assets, after applying the relevant haircuts, included in the liquidity buffer pursuant to the delegated act referred to in Article 460(1), based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period, and a description of the composition of that liquidity buffer;	Annex 13	EU LIQ1 - Quantitative information of LCR EU LIQB on qualitative information on LCR, which complements template EU LIQ1	EU LIQ1 - Tab 9.1 EU LIQB - Tab 9.2
CRR 451a - Liquidity requirements for credit institutions and systemic investment firms	(c) the averages of their liquidity outflows, inflows and net liquidity outflows as calculated in accordance with the delegated act referred to in Article 460(1), based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period and the description of their composition.	Annex 13	EU LIQ1 - Quantitative information of LCR EU LIQB on qualitative information on LCR, which complements template EU LIQ1	EU LIQ1 - Tab 9.1 EU LIQB - Tab 9.2
CRR 451a - Liquidity requirements for credit institutions and systemic investment firms	3.Institutions shall disclose the following information in relation to their net stable funding ratio as calculated in accordance with Title IV of Part Six:	Annex 13	EU LIQ2: Net Stable Funding Ratio	EU LIQ2 - Tab 9.3
CRR 451a - Liquidity requirements for credit institutions and systemic investment firms	(a) quarter-end figures of their net stable funding ratio calculated in accordance with Chapter 2 of Title IV of Part Six for each quarter of the relevant disclosure period;	Annex 13	EU LIQ2: Net Stable Funding Ratio	EU LIQ2 - Tab 9.4
CRR 451a - Liquidity requirements for credit institutions and systemic investment firms	(b) an overview of the amount of available stable funding calculated in accordance with Chapter 3 of Title IV of Part Six;	Annex 13	EU LIQ2: Net Stable Funding Ratio	EU LIQ2 - Tab 9.5
CRR 451a - Liquidity requirements for credit institutions and systemic investment firms	(c) an overview of the amount of required stable funding calculated in accordance with Chapter 4 of Title IV of Part Six.	Annex 13	EU LIQ2: Net Stable Funding Ratio	EU LIQ2 - Tab 9.6
CRR 451a - Liquidity requirements for credit institutions and systemic investment firms	4.Institutions shall disclose the arrangements, systems, processes and strategies put in place to identify, measure, manage and monitor their liquidity risk in accordance with Article 86 of Directive 2013/36/EU.	Annex 13	EU LIQA - Liquidity risk management	EU LIQA - Funding and liquidity risk tab
CRR 452 – Use of the IRB Approach to credit risk	Institutions calculating the risk-weighted exposure amounts under the IRB Approach to credit risk shall disclose the following information:	Annex 21	EU CRE – Qualitative disclosure requirements related to IRB approach	EU CRE – IRB Approach Tab
CRR 452 – Use of the IRB Approach to credit risk	(a) the competent authority's permission of the approach or approved transition;	Annex 21	EU CRE – Qualitative disclosure requirements related to IRB approach	EU CRE – IRB Approach Tab
CRR 452 – Use of the IRB Approach to credit risk	(b) for each exposure class referred to in Article 147, the percentage of the total exposure value of each exposure class subject to the Standardised Approach laid down in Chapter 2 of Title II of Part Three or to the IRB Approach laid down in Chapter 3 of Title II of Part Three, as well as the part of each exposure class subject to a roll-out plan; where institutions have received permission to use own LGDs and conversion factors for the calculation of risk-weighted exposure amounts, they shall disclose separately the percentage of the total exposure value of each exposure class subject to that permission;	Annex 21	EU CRE – Qualitative disclosure requirements related to IRB approach EU CR6-A – Scope of the use of IRB and SA approaches	EU CRE – IRB Approach Tab EU CR6-A - 4.8 Tab
CRR 452 – Use of the IRB Approach to credit risk	(c) the control mechanisms for rating systems at the different stages of model development, controls and changes, which shall include information on: (i) the relationship between the risk management function and the internal audit function; (ii) the rating system review; (iii) the procedure to ensure the independence of the function in charge of reviewing the models from the functions responsible for the development of the models; (iv) the procedure to ensure the accountability of the functions in charge of developing and reviewing the models;	Annex 21	EU CRE – Qualitative disclosure requirements related to IRB approach	EU CRE – IRB Approach Tab
CRR 452 – Use of the IRB Approach to credit risk	(d) the role of the functions involved in the development, approval and subsequent changes of the credit risk models;	Annex 21	EU CRE – Qualitative disclosure requirements related to IRB approach	EU CRE – IRB Approach Tab
CRR 452 – Use of the IRB Approach to credit risk	(e) the scope and main content of the reporting related to credit risk models;	Annex 21	EU CRE – Qualitative disclosure requirements related to IRB approach	EU CRE – IRB Approach Tab
CRR 452 – Use of the IRB Approach to credit risk	(f) a description of the internal ratings process by exposure class, including the number of key models used with respect to each portfolio and a brief discussion of the main differences between the models within the same portfolio, covering: (i) the definitions, methods and data for estimation and validation of PD, which shall include information on how PDs are estimated for low default portfolios, whether there are regulatory floors and the drivers for differences observed between PD and actual default rates at least for the last three periods; (ii) where applicable, the definitions, methods and data for estimation and validation of LGD, such as methods to calculate downturn LGD, how LGDs are estimated for low default portfolio and the time lapse between the default event and the closure of the exposure; (iii) where applicable, the definitions, methods and data for estimation and validation of conversion factors, including assumptions employed in the derivation of those variables;	Annex 21	EU CRE – Qualitative disclosure requirements related to IRB approach	EU CRE – IRB Approach Tab
CRR 452 – Use of the IRB Approach to credit risk	(g) as applicable, the following information in relation to each exposure class referred to in Article 147: (i) their gross on-balance-sheet exposure; (ii) their off-balance-sheet exposure values prior to the relevant conversion factor; (iii) their exposure after applying the relevant conversion factor and credit risk mitigation; (iv) any model, parameter or input relevant for the understanding of the risk weighting and the resulting risk exposure amounts disclosed across a sufficient number of obligor grades (including default) to allow for a meaningful differentiation of credit risk; (v) separately for those exposure classes in relation to which institutions have received permission to use own LGDs and conversion factors for the calculation of risk-weighted exposure amounts, and for exposures for which the institutions do not use such estimates, the values referred to in points (i) to (iv) subject to that permission;	Annex 21 Annex 25	EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range EU CCR4 – IRB approach – CCR exposures by exposure class and PD scale	EU CR6 – Tab 4.3 and Tab 4.4 EU CCR4 – Tab 5.3
CRR 452 – Use of the IRB Approach to credit risk	(h) institutions' estimates of PDs against the actual default rate for each exposure class over a longer period, with separate disclosure of the PD range, the external rating equivalent, the weighted average and arithmetic average PD, the number of obligors at the end of the previous year and of the year under review, the number of defaulted obligors, including the new defaulted obligors, and the annual average historical default rate. For the purposes of point (b) of this Article, institutions shall use the exposure value as defined in Article 166.	Annex 21	EU CR9 –IRB approach – Back-testing of PD per exposure class (fixed PD scale) EU CR9.1 –IRB approach – Back-testing of PD per exposure class (only for PD estimates according to point (f) of Article 180(1) CRR)	EU CR9 – Tab 4.9 and 4.10 EU CR9.1 - Not applicable to BOI
CRR 453 – Use of credit risk mitigation techniques	Institutions using credit risk mitigation techniques shall disclose the following information:	Annex 17	EU CRC – Qualitative disclosure requirements related to CRM techniques	EU CRC – Tab 4.20
CRR 453 – Use of credit risk mitigation techniques	(a) the core features of the policies and processes for on- and off-balance-sheet netting and an indication of the extent to which institutions make use of balance sheet netting;	Annex 17	EU CRC – Qualitative disclosure requirements related to CRM techniques	EU CRC – Tab 4.20
CRR 453 – Use of credit risk mitigation techniques	(b) the core features of the policies and processes for eligible collateral evaluation and management;	Annex 17	EU CRC – Qualitative disclosure requirements related to CRM techniques	EU CRC – Tab 4.20
CRR 453 – Use of credit risk mitigation techniques	(c) a description of the main types of collateral taken by the institution to mitigate credit risk;	Annex 17	EU CRC – Qualitative disclosure requirements related to CRM techniques	EU CRC – Tab 4.20
CRR 453 – Use of credit risk mitigation techniques	(d) for guarantees and credit derivatives used as credit protection, the main types of guarantor and credit derivative counterparty and their creditworthiness used for the purpose of reducing capital requirements, excluding those used as part of synthetic securitisation structures;	Annex 17	EU CRC – Qualitative disclosure requirements related to CRM techniques	EU CRC – Tab 4.20
CRR 453 – Use of credit risk mitigation techniques	(e) information about market or credit risk concentrations within the credit risk mitigation taken;	Annex 17	EU CRC – Qualitative disclosure requirements related to CRM techniques	EU CRC – Tab 4.20
CRR 453 – Use of credit risk mitigation techniques	(f) for institutions calculating risk-weighted exposure amounts under the Standardised Approach or the IRB Approach, the total exposure value not covered by any eligible credit protection and the total exposure value covered by eligible credit protection after applying volatility adjustments; the disclosure set out in this point shall be made separately for loans and debt securities and including a breakdown of defaulted exposures;	Annex 17	EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques	EU CR3 – Tab 4.20
CRR 453 – Use of credit risk mitigation techniques	g) the corresponding conversion factor and the credit risk mitigation associated with the exposure and the incidence of credit risk mitigation techniques with and without substitution effect;	Annex 19 Annex 21	EU CR4 – standardised approach – Credit risk exposure and CRM effects EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques	EU CR4 – Tab 4.1 EU CR7-A - Tab 4.6
CRR 453 – Use of credit risk mitigation techniques	(h) for institutions calculating risk-weighted exposure amounts under the Standardised Approach, the on- and off-balance-sheet exposure value by exposure class before and after the application of conversion factors and any associated credit risk mitigation;	Annex 19	EU CR4 – standardised approach – Credit risk exposure and CRM effects	EU CR4 – Tab 4.1
CRR 453 – Use of credit risk mitigation techniques	(i) for institutions calculating risk-weighted exposure amounts under the Standardised Approach, the risk- weighted exposure amount and the ratio between that risk-weighted exposure amount and the exposure value after applying the corresponding conversion factor and the credit risk mitigation associated with the exposure; the disclosure set out in this point shall be made separately for each exposure class;	Annex 19	EU CR4 – standardised approach – Credit risk exposure and CRM effects	EU CR4 – Tab 4.1

CRR 453 – Use of credit risk mitigation techniques	(j) for institutions calculating risk-weighted exposure amounts under the IRB Approach, the risk-weighted exposure amount before and after recognition of the credit risk mitigation impact of credit derivatives; where institutions have received permission to use own LGDs and conversion factors for the calculation of risk- weighted exposure amounts, they shall make the disclosure set out in this point separately for the exposure classes subject to that permission.	Annex 21	EU CR7 – IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques	EU CR7 – Tab 4.5
CRR 454 - Use of the Advanced Measurement Approaches to operational risk	The institutions using the Advanced Measurement Approaches set out in Articles 321 to 324 for the calculation of their own funds requirements for operational risk shall disclose a description of their use of insurance and other risk-transfer mechanisms for the purpose of mitigating that risk.	Annex 31	EU ORA - Qualitative information on operational risk EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts	EU ORA - Operational Risk Tab EU OR1 - Tab 8.1
CRR 455 - Use of Internal Market Risk Models	Institutions calculating their capital requirements in accordance with Article 363 shall disclose the following information: (a) for each sub-portfolio covered: (i) the characteristics of the models used; (ii) where applicable, for the internal models for incremental default and migration risk and for correlation trading, the methodologies used and the risks measured through the use of an internal model including a description of the approach used by the institution to determine liquidity horizons, the methodologies used to achieve a capital assessment that is consistent with the required soundness standard and the approaches used in the validation of the model; (iii) a description of stress testing applied to the sub-	Annex 29	EU MRB: Qualitative disclosure requirements for institutions using the internal Market Risk Models EU MR2-A - Market risk under the internal Model Approach (IMA) EU MR3 - IMA values for trading portfolios EU MR4 - Comparison of VaR estimates with gains/losses	EU MRB - Not applicable to BOI EU MR2-A - Not applicable to BOI EU MR3 - Not applicable to BOI EU MR4 - Not applicable to BOI
CRR 455 - Use of Internal Market Risk Models	(b) the scope of permission by the competent authority;	Annex 29	EU MRB: Qualitative disclosure requirements for institutions using the internal Market Risk Models EU MR2-A - Market risk under the internal Model Approach (IMA) EU MR3 - IMA values for trading portfolios EU MR4 - Comparison of VaR estimates with gains/losses	EU MRB - Not applicable to BOI EU MR2-A - Not applicable to BOI EU MR3 - Not applicable to BOI EU MR4 - Not applicable to BOI
CRR 455 - Use of Internal Market Risk Models	(c) a description of the extent and methodologies for compliance with the requirements set out in Articles 104 and 105;	Annex 29	EU MRB: Qualitative disclosure requirements for institutions using the internal Market Risk Models EU MR2-A - Market risk under the internal Model Approach (IMA) EU MR3 - IMA values for trading portfolios EU MR4 - Comparison of VaR estimates with gains/losses	EU MRB - Not applicable to BOI EU MR2-A - Not applicable to BOI EU MR3 - Not applicable to BOI EU MR4 - Not applicable to BOI
CRR 455 - Use of Internal Market Risk Models	(d) the highest, the lowest and the mean of the following: (i) the daily value-at-risk measures over the reporting period and at the end of the reporting period; (ii) the stressed value-at-risk measures over the reporting period and at the end of the reporting period; (iii) the risk numbers for incremental default and migration risk and for the specific risk of the correlation trading portfolio over the reporting period and at the end of the reporting period;	Annex 29	EU MRB: Qualitative disclosure requirements for institutions using the internal Market Risk Models EU MR2-A - Market risk under the internal Model Approach (IMA) EU MR3 - IMA values for trading portfolios EU MR4 - Comparison of VaR estimates with gains/losses	EU MRB - Not applicable to BOI EU MR2-A - Not applicable to BOI EU MR3 - Not applicable to BOI EU MR4 - Not applicable to BOI
CRR 455 - Use of Internal Market Risk Models	(e) the elements of the own funds requirement as specified in Article 364;	Annex 29	EU MRB: Qualitative disclosure requirements for institutions using the internal Market Risk Models EU MR2-A - Market risk under the internal Model Approach (IMA) EU MR3 - IMA values for trading portfolios EU MR4 - Comparison of VaR estimates with gains/losses	EU MRB - Not applicable to BOI EU MR2-A - Not applicable to BOI EU MR3 - Not applicable to BOI EU MR4 - Not applicable to BOI
CRR 455 - Use of Internal Market Risk Models	(f) the weighted average liquidity horizon for each sub-portfolio covered by the internal models for incremental default and migration risk and for correlation trading;	Annex 29	EU MRB: Qualitative disclosure requirements for institutions using the internal Market Risk Models EU MR2-A - Market risk under the internal Model Approach (IMA) EU MR3 - IMA values for trading portfolios EU MR4 - Comparison of VaR estimates with gains/losses	EU MRB - Not applicable to BOI EU MR2-A - Not applicable to BOI EU MR3 - Not applicable to BOI EU MR4 - Not applicable to BOI
CRR 455 - Use of Internal Market Risk Models	(g) a comparison of the daily end-of-day value-at-risk measures to the one-day changes of the portfolio's value by the end of the subsequent business day together with an analysis of any important overshooting during the reporting period.	Annex 29	EU MRB: Qualitative disclosure requirements for institutions using the internal Market Risk Models EU MR2-A - Market risk under the internal Model Approach (IMA) EU MR3 - IMA values for trading portfolios EU MR4 - Comparison of VaR estimates with gains/losses	EU MRB - Not applicable to BOI EU MR2-A - Not applicable to BOI EU MR3 - Not applicable to BOI EU MR4 - Not applicable to BOI
EBA GL 2020 07 Guidelines on Covid -19 measures reporting and disclosure		EBA GL 2020 07 Guidelines on Covid -19 measures reporting and disclosure	Template 1: Information on loans and advances subject to legislative and non-legislative moratoria Template 2: Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria Template 3: Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis	Template 1 - Tab 4.21 Template 2 - Tab 4.22 Template 3 - Tab 4.23

The following table provides information on entities which are treated differently under the accounting and regulatory scope of consolidation.

Table 1 - EU LI3 - Differences in scope of consolidation (entity by entity)

Name of the entity	Method of accounting consolidation	Method of regulatory consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Equity Method [1]	Neither consolidated nor deducted	Deducted	
BOI Insurance Limited	Full consolidation			X			Financial corporations other than credit institutions
GD 5&6 Basement Company Limited	Full consolidation			X			Financial corporations other than credit institutions
General Investment Trust Limited DAC	Full consolidation			X			Financial corporations other than credit institutions
Leopardstown Offices Management Company Limited by Guarantee	Full consolidation			X			Financial corporations other than credit institutions
Life Fund Syndication B.V.	Full consolidation			X			Financial corporations other than credit institutions
New Ireland Assurance Company plc	Full consolidation			X			Financial corporations other than credit institutions
New Ireland Real Estate France	Full consolidation			X			Financial corporations other than credit institutions
Marshall Leasing Limited	Full consolidation			X			Non-financial corporations
SCI Immeuble Saint Georges	Full consolidation			X			Financial corporations other than credit institutions
SCI Jupiter Immeuble	Full consolidation			X			Financial corporations other than credit institutions
SCI Sang Rouge	Full consolidation			X			Financial corporations other than credit institutions
Weesperpelin 6 BV	Full consolidation			X			Financial corporations other than credit institutions
Weesperpelin 6 Holding BV	Full consolidation			X			Financial corporations other than credit institutions

1 Subject to 10/15% threshold which determines capital deduction or RWA for financial sector entities.

Appendix IV: Capital instruments (main features)

Bank of Ireland Group plc

Capital instruments' and main features table of Bank of Ireland Group plc as at 31 December 2021

Disclosures according to Article 3 Commission implementing regulation (EU) No 1423/2013

Capital instruments' and main features table of Bank of Ireland Group plc as at 31 December 2021

	Issued by Bank of Ireland Group plc / Subsidiaries not subject restriction in recognition in consolidated Tier 2							
Instrument Name	Ordinary Stock	€300m Subordinated Tier 2 Notes due 2029	USD $500m Subordinated Tier 2 Notes due 2027	Stg £300m Subordinated Tier 2 Notes due 2027	€675m Fixed Rate Reset Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities	€300m Fixed Rate Reset Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities	€500 Subordinated Tier 2 Notes due 2031	€250m 10% Subordinated Tier 2 Notes due 2022
Issuer	Bank of Ireland Group plc	Bank of Ireland Group plc	Bank of Ireland Group plc	Bank of Ireland Group plc	Bank of Ireland Group plc	Bank of Ireland Group plc	Bank of Ireland Group plc	The Governor and Company of the Bank of Ireland
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A	XS2065555562	XS1685476092	XS1685476175	XS2178043530	XS2226123573	XS2340236327	XS0867469305
Public or private placement	Public	Public	Public	Public	Public	Public	Public	Public
Governing law(s) of the instrument	Irish	Irish	English law except for subordination and set-off provisions which are subject to Irish law	English law except for subordination and set-off provisions which are subject to Irish law	Irish	Irish	Irish	English law except for subordination and set-off provisions which are subject to Irish law
Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	Yes	Yes	N/A	N/A	N/A	N/A
Regulatory treatment								
Transitional CRR rules	Common equity tier 1	Tier 2	Tier 2	Tier 2	Additional Tier 1	Additional Tier 1	Tier 2	Tier 2
Post-transitional CRR rules	Common equity tier 1	Tier 2	Tier 2	Tier 2	Additional Tier 1	Additional Tier 1	Tier 2	N/A
Eligible at solo / (sub-)consolidated / solo & (sub-)consolidated	Group	Group	Group	Group	Group	Group	Group	Group and Solo
Instrument type (types to be specified by each jurisdiction)	Ordinary Shares	Subordinated Debt	Subordinated Debt	Subordinated Debt	Perpetual Contingent Temporary Write-Down Securities	Perpetual Contingent Temporary Write-Down Securities	Subordinated Debt	Subordinated Debt
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	€1,075m	€299m	€441m	€356m	€675m	€300m	€498m	€48m[3]
Nominal amount of instrument	€1,075m	€300m	€447m(USD $500m)	€360m (Stg £300m)	€675m	€300m	€500m	€250m
Issue price	€1.00 each (current issue price)	99.972 per cent	99.478 per cent	99.381 per cent	100 per cent	100 per cent	99.951 per cent	100 per cent
Redemption price	Non-redeemable.	par	par	par	par	par	par	par
Accounting classification	Shareholders' equity	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Shareholders' equity	Shareholders' equity	Liability - amortised cost	Liability - amortised cost
Original date of issuance	07-Jul-17	14-Oct-19	19-Sep-17	19-Sep-17	19-May-20	01-Sep-20	11-May-21	18-Dec-12
Perpetual or dated	Perpetual	Dated	Dated	Dated	Perpetual	Perpetual	Dated	Dated
Original maturity date	No Maturity	14-Oct-29	19-Sep-27	19-Sep-27	No Maturity	No Maturity	11-Aug-31	19-Dec-22
Issuer call subject to prior supervisory approval	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Optional call date, contingent call dates, and redemption amount	N/A	Optional call date is 14 October 2024. Optional early redemption (i) for tax reasons (if trustee satisfied) and (ii) on the occurrence of a capital event, in each case subject to prior supervisory approval . Redemption Amount: €1,000 per Calculation Amount of €1,000	Optional call date is 19 September 2022. Optional early redemption (i) for tax reasons (if trustee satisfied) and (ii) on the occurrence of a capital event, in each case subject to prior supervisory approval . Redemption Amount: €1,000 per Calculation Amount of €1,000	Optional call date is 19 September 2022. Optional early redemption (i) for tax reasons (if trustee satisfied) and (ii) on the occurrence of a capital event, in each case subject to prior supervisory approval . Redemption Amount: €1,000 per Calculation Amount of €1,000	Optional call date from and including 19 May 2025 (First call date) to and including 19 November (First Reset Date) or any interest payment date thereafter. Interest payment dates being 19 May / 19 November. Regulatory Event: Applicable Tax Event: Applicable Redemption Amount: Prevailing Principal Amount	Optional Call date from and including 1 September 2025 (First call date) to an including 1 March (First Reset Date) or any interest payment date thereafter. Interest payment dates being 1 September / 1 March. Regulatory event call: Yes Tax call: Yes Redemption Amount: principal amount	Optional call date is any day falling in the period commencing on (and including) 11 May 2026 and ending on (and including) 11 August 2026. Optional early redemption (i) for tax reasons (if trustee satisfied) and (ii) on the occurrence of a capital event, in each case subject to prior supervisory approval . Redemption Amount: €1,000 per Calculation Amount of €1,000	Any date following the occurrence of a Capital Event. Optional early redemption for taxation reasons (if trustee satisfied) subject to prior supervisory approval Redemption Amount: €1,000 per Calculation Amount (of €1,000)
Subsequent call dates, if applicable	N/A	See above	See above	See above	See above	See above	See above	See above
Coupons / dividends								
Fixed or floating dividend/coupon	N/A	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed
Coupon rate and any related index	As declared	Fixed with one reset date. 2.375%; reset to the sum of the Subsequent Reset Reference Rate plus the applicable Reset Margin of 2.8% at Reset Date (14 October 2024)	Fixed, with one reset date. 4.125%; reset to the sum of the Subsequent Reset Reference Rate plus the applicable Reset Margin of 2.5% at Reset Date (19 Sep 2022).	Fixed, with one reset date. 3.125%; reset to the sum of the Subsequent Reset Reference Rate plus the applicable Reset Margin of 2.7% at Reset Date (19 Sep 2022).	7.5% until 19 November 2025 and thereafter at the relevant Reset Rate of Interest	6.0% until 1 March 2026 and thereafter at the relevant Reset Rate of Interest	Fixed with one reset date 1.375%; reset to the sum of the Subsequent Reset Reference Rate plus the applicable Reset Margin of 1.65% at Reset Date (11 August 2026)	10.00%
Existence of a dividend stopper	No	No	No	No	No	No	No	No
Fully discretionary, partially discretionary or mandatory (in terms of timing	Fully discretionary	Mandatory	Mandatory	Mandatory	Fully discretionary	Fully discretionary	Mandatory	Mandatory
Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Mandatory	Mandatory	Mandatory	Fully discretionary	Fully discretionary	Mandatory	Mandatory
Existence of step up or other incentive to redeem	No	No	No	No	No	No	No	No
Noncumulative or cumulative	N/A	Cumulative	Cumulative	Cumulative	Non Cumulative	Non Cumulative	Cumulative	Cumulative
Convertible or non-convertible	Non-Convertible	Non-Convertible	Non-Convertible	Non-Convertible	Non-Convertible	Non-Convertible	Non-Convertible	Non-Convertible
If convertible, conversion trigger (s)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Capital instruments' and main features table as at 31 December 2021 (continued)

	Issued by Bank of Ireland Group Plc							
Instrument Name	Ordinary Stock	€300m Subordinated Tier 2 Notes due 2029	USD $500m Subordinated Tier 2 Notes due 2027	Stg £300m Subordinated Tier 2 Notes due 2027	€675m Fixed Rate Reset Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities	€300m Fixed Rate Reset Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities	€500 Subordinated Tier 2 Notes due 2031	€250m 10% Subordinated Debt 2022
Write-down features	No	No	No	No	Yes	Yes	No	No
If write-down, write-down trigger (s)	N/A	N/A	N/A	N/A	Common Equity Tier 1 Ratio of the the Group at any time falls below 7 per cent.	Common Equity Tier 1 Ratio of the the Group at any time falls below 7 per cent	N/A	N/A

If write-down, full or partial	N/A	N/A	N/A	N/A	Fully or Partially	Fully or Partially	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A	N/A	Temporary	Temporary	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	To the extent permitted by the Regulatory Capital Requirements and subject to the Maximum Distributable Amount (if any) the Issuer may at its sole and full discretion reinstate the Prevailing Principal Amount of each Security (a Write-Up), up to a maximum of its Initial Principal Amount, on a pro rata basis with the other Securities and with any Written Down Additional Tier 1 Instruments.	To the extent permitted by the Regulatory Capital Requirements and subject to the Maximum Distributable Amount (if any) the Issuer may at its sole and full discretion reinstate the Prevailing Principal Amount of each Security (a Write-Up), up to a maximum of its Initial Principal Amount, on a pro rata basis with the other Securities and with any Written Down Additional Tier 1 Instruments.	N/A	N/A
Type of subordination (only for eligible liabilities)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ranking of the instrument in normal insolvency proceedings	1	2(b)	2(b)	2(b)	2(a)	2(a)	2(b)	2(b)
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Most junior. Instrument type immediately senior: AT1	Notes constitute direct, unsecured and, subordinated obligations of the Issuer and rank pari passu without any preference among themselves. Subordinated to all unsubordinated creditors or any subordinated creditors (if any) which rank, or are expressed to rank, in priority to claims in respect of the Notes. Instrument type immediately senior: Senior Preferred Notes	Notes constitute direct, unsecured and, subordinated obligations of the Issuer and rank pari passu without any preference among themselves. Subordinated to all unsubordinated creditors or any subordinated creditors (if any) which rank, or are expressed to rank, in priority to claims in respect of the Notes. Instrument type immediately senior: Senior Preferred Notes	Notes constitute direct, unsecured and, subordinated obligations of the Issuer and rank pari passu without any preference among themselves. Subordinated to all unsubordinated creditors or any subordinated creditors (if any) which rank, or are expressed to rank, in priority to claims in respect of the Notes. Instrument type immediately senior: Senior Preferred Notes	The Securities are direct, unsecured, unguaranteed and subordinated obligations of the Issuer and rank pari passu, without any preference among themselves. Subordinated to all Senior Creditors, including (i) unsubordinated creditors; (ii) creditors subordinated to unsubordinated creditors but not further or otherwise; (iii) Tier 2 Capital; and (iv) any other creditors whose claims are, or are expressed to be, subordinate to the claims of other creditors. Instrument type immediately senior: Dated Subordinated Notes	The Securities are direct, unsecured, unguaranteed and subordinated obligations of the Issuer and rank pari passu, without any preference among themselves. Subordinated to all Senior Creditors, including (i) unsubordinated creditors; (ii) creditors subordinated to unsubordinated creditors but not further or otherwise; (iii) Tier 2 Capital; and (iv) any other creditors whose claims are, or are expressed to be, subordinate to the claims of other creditors. Instrument type immediately senior: Dated Subordinated Notes	Notes constitute direct, unsecured and, subordinated obligations of the Issuer and rank pari passu without any preference among themselves. Subordinated to all unsubordinated creditors or any subordinated creditors (if any) which rank, or are expressed to rank, in priority to claims in respect of the Notes. Instrument type immediately senior: Senior Preferred Notes	Pari passu with all indebtedness subordinated on winding-up to depositors and other unsubordinated creditors of the Bank, actual or contingent. Subordinated to all unsubordinated creditors. Instrument type immediately senior: Senior Preferred Notes
Non-compliant transitioned features	No	No	No	No	No	No	No	No
If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Link to the full term and conditions of the instrument (signposting)	https://investorrelations.bankofireland.com/capital-instruments/							

(1) 'N/A' inserted if the question is not applicable

(2) Article 77 of the CRR states that competent authority approval is required to 'reduce, redeem or repurchase Common Equity Tier 1 instruments issued by the institution in a manner that is permitted under applicable national law'.

(3) "Amount recognised in regulatory capital" is disclosed before the restriction on the recognition of subsidiary capital instruments (Articles 85 & 87 CRR). This restriction is calculated on at total basis rather than instrument by instrument.

Appendix V: Related Party Transactions

Related parties in the Group include the parent company, BOIG plc, subsidiary undertakings, associated undertakings, joint arrangements, post-employment benefits, the State, KMP and connected parties. A number of banking transactions are entered into between the Company and its subsidiaries in the normal course of business. These include extending secured and unsecured loans, investing in debt securities issued by subsidiaries, taking of deposits and undertaking foreign currency transactions.

a. Associates, joint ventures and joint operations
The Group provides to and receives from its associates, joint ventures and joint operations, certain banking and financial services, which are not material to the Group, on similar terms to third party transactions. These include loans, deposits and foreign currency transactions.

b. Pension funds
The Group provides a range of normal banking and financial services, which are not material to the Group, to various pension funds operated by the Group for the benefit of its employees (principally to the BSPF), which are conducted on similar terms to third party transactions.

The Group occupies one property owned by the BSPF. At 31 December 2021, the total value of this property was €36 million (2020: €36 million). In 2021, the rental income paid to BSPF was €2 million (2020: €2 million).
At 31 December 2021, BSPF assets included BOIG plc shares amounting to €5 million (2020: €3 million).

c. Transactions with the State
The Group considers that the State is a related party under IAS 24 as it is in a position to exercise significant influence over the Group.

d. Transactions with Directors and Key Management Personnel

(i) Loans to Directors
The following information is presented in accordance with the Companies Act 2014, as amended ('Companies Acts'). For the purposes of the Companies Acts disclosures, Directors means the Board of Directors and any past Directors who were Directors during the relevant period. Where no amount is shown in the tables below, this indicates either a credit balance, a balance of €nil, or a balance of less than €500. The value of arrangements at the beginning and end of the financial year as stated below in accordance with Section 307 of the Companies Act 2014, expressed as a percentage of the net assets of the Group at the beginning and end of the financial year, is less than 1%.

Companies Act disclosure Loans	Balance as at 1 January 2021 €000	Balance as at 31 December 2021 €000	Aggregate maximum amount outstanding during the year ended 31 December 2021 €000	Repayments during the year ended 31 December 2021 €000
Directors at 31 December 2021				
E Bourke				
Credit card total	6	3	6	-
Current account total	-	-	-	-
Total	6	3	6	-
P Kennedy				
Credit card total	2	-	3	-
Current account total	-	-	-	-
Total	2	-	3	-
F McDonagh				
Mortgage total	926	748	926	203
Current account total	4	2	5	-
Total	930	750	930	203
F Muldoon				
Mortgage total	50	-	50	50
Credit card total	6	7	9	-
Current account total	-	-	-	-
Total	56	7	59	50
E Fitzpatrick				
Loan total	15	31	45	15
Total	15	31	45	15
M Greene				
Mortgage total	17	-	18	19
Total	17	-	18	19

M O'Grady, G Andrews, R Goulding, I Buchanan and S Pateman had no loans from the Group in 2021. No advances were made during the year. No amounts were waived during 2021. None of the loans were credit-impaired as at 31 December 2021. There is no interest which having fallen due on the above loans has not been paid in 2021 (2020: €nil).

All Directors have other transactions with the Bank. The nature of these transactions includes investments, pension funds, deposits, general insurance, life assurance and current accounts with credit balances. Other than as indicated, all loans to Directors are made in the ordinary course of business on substantially the same terms, including interest rates and collateral, as those prevailing at the time for similar transactions with other persons unconnected with the Group and of similar financial standing and do not involve more than normal risk of collectability.

(ii) Loans to connected persons on favourable terms

Loans to connected persons1 on favourable terms	Balance as at 31 December 2021 €000	Maximum amounts outstanding during 2021 €000	Number of persons as at 31 December 2021	Maximum number of persons during 2021
E Bourke	1	5	2	2

(iii) Loans to connected persons - Central Bank licence condition disclosures
Under its banking licence, the Bank is required to disclose in its annual audited financial statements details of:
• the aggregate amount of lending to all connected persons, as defined in Section 220 of the Companies Act 2014; and
• the aggregate maximum amount outstanding during the year for which those financial statements are being prepared.

Disclosure is subject to certain de minimis exemptions and to exemptions for loans relating to principal private residences where the total of such loans to an individual connected person does not exceed €1 million. The following information is presented in accordance with this licence condition.

Connected persons of the following directors	Balance as at 31 December 2021 €000	Maximum amounts outstanding during 2021 €000	Number of persons as at 31 December 2021	Maximum number of persons during 2021
Persons connected to P Kennedy	2,036	2,152	1	1

(iv) Key management personnel - loans and deposits (IAS 24)
For the purposes of IAS 24 'Related party disclosures', the Group has 24 KMP (2020: 24) which comprise the Directors, the members of the GEC and any past KMP who was a KMP during the relevant period. In addition to Executive Directors, the GEC comprises the Group Secretary & Head of Corporate Governance, Chief of Staff and Head of Group Corporate Affairs, Chief Executive - Retail (UK), Chief Marketing Officer, Chief People Officer, Chief Executive - Corporate & Markets
(and interim Chief Executive - Corporate & Markets), Chief Executive - Retail Ireland, Group Chief Risk Officer, (and Interim Group Chief Risk Officer), Chief Operating Officer, Chief Strategy Officer. KMP, including Directors, hold products with Group companies in the ordinary course of business.

Other than as indicated, all loans to NEDs are made in the ordinary course of business on substantially the same terms, including interest rates and collateral, as those prevailing at the time for similar transactions with other persons unconnected with the Group and do not involve more than the normal risk of collectability. Loans to KMP other than NEDs are made on terms similar to those available to staff generally and / or in the ordinary course of business on normal commercial terms.

The aggregate amounts outstanding, in respect of all loans, quasi-loans and credit transactions between the Bank and its KMP, as defined above, together with members of their close families and entities influenced by them are shown in the following table:

Key management personnel	Balance as at 1 January 2021 €000	Balance as at 31 December 2021 €000	Maximum amount outstanding during the year ended 31 December 2021 €000	Total number of relevant KMP as at 1 January 2021	Total number of relevant KMP as at 31 December 2021
Loans	3,139	3,338	4,124	17	14
Deposits	14,060	6,842	18,576	23	20

KMP have other protection products with the Bank. The nature of these products includes mortgage protection, life assurance and critical illness cover. It also includes general insurance products which are underwritten by a number of external insurance companies and for which the Bank acts as an intermediary only. None of these products has any encashment value at 31 December 2021 (2020: €nil).

Included in the above loan disclosure figures are loans to KMP and close family members of KMP on preferential staff rates, amounting to €4,239 (2020: €5,003).

None of the loans were credit-impaired as at 31 December 2021. There is no interest which having fallen due on the above loans has not been paid in 2021 (2020: €nil). There are no guarantees entered into by the Bank in favour of KMP of the Bank and no guarantees in favour of the Bank have been entered into by KMP of the Bank.

v) Compensation of KMP
Details of compensation paid to KMP are provided below:

Remunerations	2021 €000
Salaries and other short-term benefits	9,130
Post employment benefits	506
Termination benefits	-
Total	9,636
Number of KP	24

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, including significantly in June 2021 (also called CRD V / CRR II). The legislation involves phased implementation.
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.
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 Amount	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.
Risk Exposure Amounts (REA)	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 RWA 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.
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. • *Public Sector Entities:* Exposures to Public Sector Entities and non-commercial undertakings. • *Corporates:* In general, a corporate exposure is defined as a debt obligation of a corporate, partnership or proprietorship. • *Exposures in default:* Where the exposure is past due more than 90 days or unlikely to pay. • *Exposures associated with particularly high risks:* Exposures associated with particularly high risks such as investments in venture capital firms and private equity investments. • *Institutions Corporates with short-term credit assessment:* Exposures for which a short-term credit assessment by a nominated ECAI is available. • *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.

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
SSM	Single Supervisory Mechanism
SVaR	Stressed Value at Risk
VaR	Value at risk